

Pitching Tip 7: Certainty in language

 By [Alon Raiz](#)

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My seventh pitching tip is one that many entrepreneurs are unaware of, and it is often the dealbreaker that makes or breaks their pitch to potential investors.



Source: www.pexels.com

Despite what you may think, when you pitch your idea to an investor, they are not only listening to the content of the information that you are presenting to them. They are also listening very carefully to how you utter each and every word. They are listening as attentively to you as a judge would to a student at an Eisteddfod, because you are asking them to invest their hard-earned money in your business.

Investors are interested in investing in businesses that will provide them with the highest return, at the lowest possible risk, and are ultimately looking for a sure thing. The tone you employ when you present the information you have prepared for your pitch will help build the investors' confidence in your idea, as well as in your teams' ability to execute your idea and the future of your business. These aspects are all-important considerations which form part of the very complicated decision to invest in you or not. If tone is used incorrectly in your pitch, it will shatter any confidence the investors may initially have had in you.

The dealbreaker

While standing in front of an investor, any subliminal clues that you are not 100% focused or deeply certain about the information you are presenting will most often be a dealbreaker.

In my experience, when potential investees use words such as “around about”, “approximately”, “perhaps”, “maybe”, “could be”, “might be”, “I hope”, “we think” and, worst of all “I pray”, the investor will immediately become nervous and lose all confidence in the entrepreneur.

If you are asked the following question during your pitch, “How many units are you expecting to sell in your first year?” the wrong answer would be “We hope to sell 5,000 units”. The right answer would be, “We have done our research, and it indicates that the market would purchase between 7,000 and 10,000 units, but we have used a more conservative 5,000 units in our calculation.”

When you are asked, “What is the cost of a single unit?” the wrong answer would be, “It’s approximately R2,000” and the right answer would be, “At quantities of 1,000 to 5,000, the cost of a single unit would be R2,437. At quantities of 5,000 to 10,000, the cost of a single unit would be R1,742. When doing our calculations, we used the lower-volume pricing.”

Be precise

Being precise and conservative during your pitch in order to reduce ambivalence and have a clear message are key to building a potential investor’s confidence in your business. When you prepare your pitch, make sure you have a strong relationship with numbers and predictions because, when you demonstrate that you have thought about all aspects relating to your business (such as competitors, target market, etc.), investors will feel confident that you have a thorough understanding of the information and have put a great deal of thought into how the numbers are being used in your calculations.

When you answer a question and you say “approximately” or “around”, it immediately shows that you don’t know your costs or are unsure of them or aren’t interested in them. No investor expects you to be able to predict the future with 100% accuracy, but they would like to see you exhibit thought and precision around how you have calculated your numbers and how you present them.

When writing out your next pitch to investors, be cognisant of the words you are using and practice your speech in front of a friend or family member who can give you feedback on your tone so that you sound confident rather than laid back or aggressive. Make sure you present your calculations logically so that investors are able to follow your thought process as to how you worked your numbers out, and how you reached your conclusions.

ABOUT ALLON RAIZ

Allon Raiz is the CEO of Raizcorp. In 2008, Raiz was selected as a Young Global Leader by the World Economic Forum, and in 2011 he was appointed for the first time as a member of the Global Agenda Council on Fostering Entrepreneurship. Following a series of entrepreneurship master classes delivered at Oxford University in 2014, 2015 and 2016, Raiz has been recognised as the Entrepreneur-in-Residence at the University of Oxford’s Saïd Business School.

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