



## Module III Business

Pitch  
Course

### Topic 3 Know your Audience

Lesson 1:  
Investors



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## ONCE THIS LESSON IS COMPLETED AND APPROVED, LEARNERS WILL BE ABLE TO:



1. Identify investors.
2. Adapt a pitch to this audience.

## IN THIS LESSON, WE WILL LEARN TO:

DISTINGUISH THE DIFFERENT TYPES OF INVESTORS AND WHAT CRITERIA  
THEY SEEK TO INVEST IN OUR PROJECT OR BUSINESS.



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# 1. TYPES OF INVESTORS

## FAMILY AND FRIENDS



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They finance with the main objective of helping the founder to carry out his project.

They generally lend small amounts of money in the short term in the early life cycles of the company in exchange for a very small return.



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# 1. TYPES OF INVESTORS

## BUSINESS ANGELS



They are usually people who invest their assets in innovative companies, in their earliest stages of development.

They don't perceive their investment as purely financial, but rather get involved in the project, contributing in addition to their money, their experience, contacts, resources, etc.



**You will not convince them only with logical arguments: you must excite them**



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# 1. TYPES OF INVESTORS

## CROWDFUNDING



Crowdfunding is a collective way of financing a project using a network, usually online.

Investors will, through financial or other donations, manage to finance a certain project in exchange for rewards, or simply through altruist participations.



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# 1. TYPES OF INVESTORS



Venture capital investment is made in companies with high growth potential by entering their shareholding.

They usually provide a high capital when the company is already established, selling their shares in the short or medium-term to obtain capital gains.



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## 2. WHAT IS AN INVESTOR LOOKING TO HEAR?

1

Keep in mind that **the investor** is going to trust you with his money **and will want to know what risks he runs**, and **what means are you going to use** to make the activity profitable.

2

**You must specify how the investor enters the capital of the company**, as well as the possible commitments of future investments if a series of milestones in the business are met.



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## 2. WHAT IS AN INVESTOR LOOKING TO HEAR?

3

Don't forget to have an “**exit plan**” prepared.

4

**An investor is also a person**, not just a source of financing, **tell him about him**: what he can contribute to the company beyond money, his contacts, his experience ... You will also show that you know him, that you have researched and studied their position.



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# CONCLUSION



Knowing the different types of investors and what each one is looking for will help you to know which is the most useful door to knock on, according to the development phase in which your project or business is.



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