

Communication Skills (Presentation & Negotiation)

Presented by:

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iRadar: Who We Are?

- **IndoSterling Citra Corpora a.k.a. iRadar** is an Investor Relations advisory practice assisting IDX listed companies by providing a full range of investor relations services such as:
 - Investor targeting & marketing (sell side analyst engagement & institutional investors' outreach)
 - Investor days (conferences & roadshows)
 - Assisting with the development of IR infrastructure (website, calendar)
 - Recruitment & training of IR professionals, and
 - Provision of up to date market intelligence (weekly resource catalyst price index, shareholder analysis)



iRadar: Who We Are? (Cont'd)

- Our goal is to create and implement an effective Investor Relations (IR) function which is a critical element in differentiating your company's unique characteristics, strategies and financial performance that will play an important role in increasing brand awareness, reputation and in turn maximizing market capitalization among all audiences including media, investment community and shareholders
- Our approach is centered around educating investors and cultivating trust in order to uphold and protect our client's long-term credibility, reputation and maintain a consistent corporate image and reputation amongst stakeholders which include media, investment community and shareholders



Introduction

- The topic of today's workshop is **“Communication Skills involving Presentation & Negotiation”**
- The main objective of this workshop is to **“develop an effective presentation and negotiation skills”** which ultimately leads to *mutually beneficial relationship between the company (i.e. startup entrepreneurs) and their stakeholders i.e. clients, investors etc*
- The speaker possess over **14 years of experience in the capital market and industry,** with broad range of exposure in investor relations, institutional FX/equity sales and corporate finance advisory



Training Outline

- Lesson 1: How to present and pitch effectively to investors
- Lesson 2: Contents of the business pitching materials
- Lesson 3: Negotiation techniques with investors & clients

Lesson 1: How to present and pitch effectively to investors



Objectives

Inspire and Engage Investor Groups which in return will
“Win and Cultivate Their Trust”

Six (6) Must-Have Presentation Tips For Pitching to Investors

Tip 1: Be Professional and Look Professional



Tip 2: Facial Expression and Body Language Are Important



Tip 3: Determining your key messages. Don't be too Complicated.

For Start-up Entrepreneurs

- **Tell Stories** – Stories are powerful and emotional. Speak about *innovations* and *your experience* growing a successful business, instead of using too much data which may bore the investors.



Tip 4: Use Pictures to Tell Stories

Tips For Start-up Entrepreneurs

- **Pictures** are more memorable than **Words**
- Investors want to see charts, graphs showing the hard numbers behind an idea

Indonesia investment value (\$bn)



Note: The total investment cannot be attributed to Chinese investors, as there were also non-Chinese investors that participated in the funding rounds involving Chinese investors
 Sources: Crunchbase, A.T. Kearney analysis

Tip 5: Express Your Passion!

Tips For Start-up Entrepreneurs

- Investor invests in entrepreneurs who have a Consuming Passion to move the world.
- Research indicates that Passion is placed among the top three factors which impacts upon investment decision making

A close-up photograph of a bright yellow flower with a dark brown center, set against a blurred background of other flowers and greenery.

Passion is energy. Feel the power
that comes from focusing on what
excites you.

Oprah Winfrey

Tip 6: Introduce a Villain and a Hero

Tips For Start-up Entrepreneurs

- Great stories and movies have a **Villain (Penjahat)** and a **Hero (Pahlawan)** who saves the day
- In the context of investor presentation, think about **villains as 'problems'** & **heroes as 'solutions'**
- Investors need to understand the problem customers are facing and **how your ideas or products can solve this problem**





Lesson 1: Summary

It's *not the data or power-point slides* which are important however it's the ability to **“inspire and engage”** the investors



Lesson 2: Contents of the business pitching materials

- *Pitch Deck* is an important document that outlines the key features of your investment opportunity
- The objective is to capture the attention and imagination of a potential investors leading towards Investment Decision

Lesson 2: Six (6) Key Elements of Pitch Deck



1. High-Level Summary

Use one-or two opening slides that highlight your business which captures the “essence” of your story

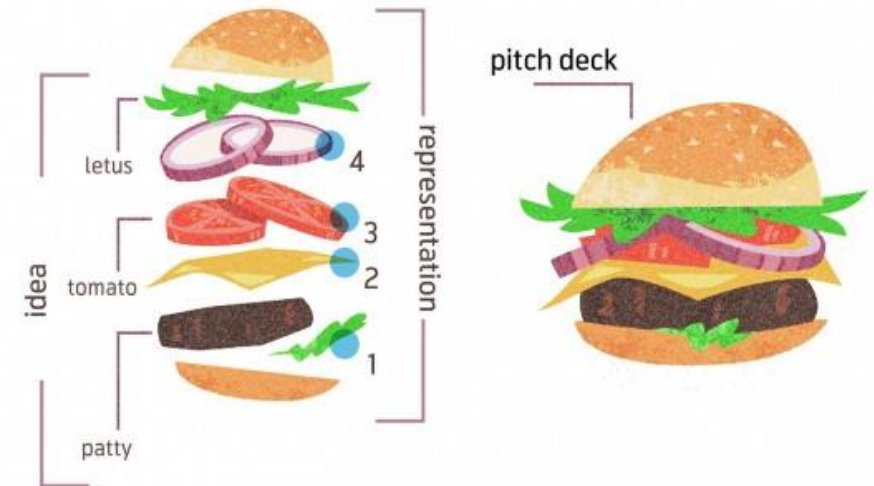
2. Investment Objectives

Convey the nature of the market opportunity you address with your business or product

3. Your Product/Idea

This is about “You”. Describe a solution and explain how your products are different.

WHAT
IS A
PITCH
DECK
!





Lesson 2: Six (6) Key Elements of Pitch Deck – Cont'd

4. Marketing/Strategy

Articulate a “Go-To Market Strategy”

5. Projections/Financials

An estimate of the projected revenue and cost that enhances your credibility with investors

6. Tone

Determine the right tone for your audience. Be creative and avoid a dry and numbing presentation

PITCH

The word "PITCH" is written in large, bold, sans-serif letters. The letters "P", "I", and "T" are orange, while "C", "H", and the final "H" are red. There are three arrows: an orange arrow pointing right from the bottom of the "I", a red arrow pointing left from the top of the "C", and a red arrow pointing left from the top of the final "H".

Lesson 2: 10 Qs to Answer Before Pitching Investors



1. What do your customers need and how do you know for sure?
2. What evidence can you provide of prior business success?
3. Who's on your team?
4. How well do you know your competitors?
5. What's your competitive advantage?
6. How do you define your target market?
7. What is your business most sensitive to?
8. What's your sales and distribution model?
9. What have you already accomplished?
10. What do you need the money for?



Lesson 2: Summary

It's not the “quantity/amount of contents” however it's the “key messages” which are important to be incorporated in the investors' deck



Lesson 3: Negotiation Techniques With Investors & Clients

Striking a deal with investors can be a time consuming process as it involves much negotiation regarding the terms and conditions

Lesson 3: Things to Consider when Negotiating with Investors & Clients



INVESTORS

- **What can they bring to the table other than cash?** For example – technology, expertise etc
- **What is their preferred exit strategy?** For example – IPO, divestment?
- **What is their required level of involvement?** For example – do they want to be part of day-to-day operations?
- **What other investments have they done?** It's important to do reference checks with their current investee companies to understand their working style
- **What are the terms of their investment?** For example – required rate of returns, length of investment, exit clause etc . Such things needs to be agreed on 'terms sheet'



Lesson 3: Things to Consider when Negotiating with Investors & Clients (cont'd)



CLIENTS

- Prices
- Client's Credit History
- Potential for Referrals to Other Clients
- Company Reputation





Lesson 3: Conclusion

In negotiating an Investment Deal with Investors & Clients, here are four (4) summary points which every start-up entrepreneurs needs to consider:

- 1. Balanced Interest:** If the deal isn't good for both parties, it isn't a good deal as investment begins with a deep mutual beneficial relationship
- 2. Use a qualified lawyer:** It's important to obtain legal opinion from qualified lawyers before finalizing a deal
- 3. Do not over-negotiate:** It's important to focus on key points relating to such investment and not to spend too much on unimportant details
- 4. Observe behavior:** During the negotiation process, observe ways in which the investor approaches you so you could better understand their working style



Q&A Session



Thank You