



Fundraising

Consideration when Choosing Your Fundraising Approach

| Common pitfalls | Recommendations |
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| Failing To Understand Their Financial Outlook | Invest time honing their financial acumen or engaging experts to develop robust, realistic financial projections |
| Asking for an unrealistic amount | Understand how much is needed for your business to grow over your time horizon, but build in a buffer (20%+) for unforeseen costs |
| Pitching To The Wrong Type Of Investors | Educate yourself on different types of investors by stage |
| Relying Too Much On Friends & Family | When trying to raise capital for your venture, it's best to pitch your idea to parties who speak your language |
| Underestimating The Power Of A Great Story | Craft a compelling narrative. Make them see the future you're building. Understand your audience, address their interests directly |
| Relinquishing Too Much Control Early On | Have a deep understanding of their company's value & have an exit strategy when pondering how much equity they are willing to give away |
| Stretching out the process for too long | It can help to think of it in distinct phases: <ul style="list-style-type: none">• Test the waters• Find a leading investor• Filling out the round |