Investor-Readiness Playbook



Instructions for use

The Investor-Readiness Playbook

The investor-readiness playbook is a comprehensive guide designed to equip university students with the knowledge and strategies necessary to engage effectively with angel investors and venture capitalists. Covering essential aspects, the playbook outlines the significance of being prepared for investor interactions.

Innoversity Project ®

Innoversity is a project supporting higher education institutions in Tanzania to move towards third and fourth generation universities embracing innovation and entrepreneurship for socioeconomic good. You can learn more about the project here.

Learn More About Innoversity Project.



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What is Investor-Readiness?

What is a Investor-Readiness

Investor-readiness refers to the state of preparation that startups achieve to attract and secure investments from angel investors and venture capitalists. It involves having a well-defined business plan, a compelling pitch, a strong team, and a deep understanding of the market.



Why is Important to be Investor-Ready?

Investor's Options

Investors receive numerous pitches; being investor-ready sets you apart.

Your Commitment

It showcases your commitment, knowledge, and potential for growth.

Company Growth

Investor funding can accelerate your startup's development and expansion.



2. Preparing Yourself to Become Investor-Ready

Understand Your Business

Start by having a clear understanding of your business idea, its value proposition, and the problem it solves.

Developing a Solid Business Plan

Create a detailed business plan outlining your business model, revenue streams, marketing strategies, and growth plans.

Market Research and Analysis

Conduct thorough market research to understand your target audience, competitors, and market trends. Highlight your unique selling points.

A Compelling Pitch Deck

Craft a visually appealing pitch deck that presents your business succinctly. Include market analysis, traction, financial projections, and team information.

Build a Strong Team

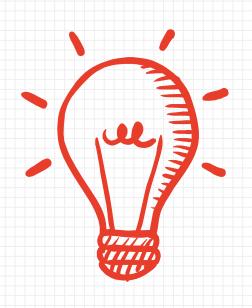
Investors value a diverse and skilled team. Highlight the strengths and expertise of your team members.

A Strong Problem Statement

Present a strong problem statement showing how big is problem, who is facing and what is your plan to tackle it, and why you are the right one to do it.



4. What Investors Look For?



✗ Scalability and Growth

Investors seek startups with the potential to scale rapidly and capture a significant market share.

X Traction and Milestones

Demonstrate progress through milestones achieved, such as user adoption, partnerships, or product development.

Competitive Advantage

Highlight your unique selling points and how your product/service stands out in the market.



The Founders During a Pitch Session





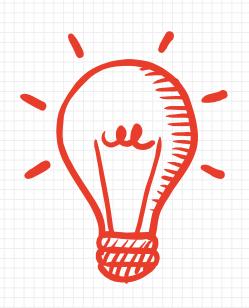




Some of the founders who have pitched at Sahara Sparks stage.



4. What Investors Look For?



✗ Strong Team Dynamics

Showcase a cohesive team with complementary skills and a track record of collaboration.

Clear Business Model

Explain how your startup generates revenue and the path to profitability.

X The Ask

What are you looking for? What kind of support do you need. If it is financing in what instrument and what is the anticipated return on investment.





Judges, Investors and Audience During a Pitch Session



Research Your Potential Investors

Understand your investors' preferences, portfolio, and investment history. Tailor your pitch accordingly.

Practice Your Pitch and Anticipate Questions

Rehearse your pitch to ensure clarity and confidence. Prepare answers to potential questions.

Be Ready to Discuss Valuation

Have a clear understanding of your startup's valuation and be prepared to negotiate.









Tailor Your Pitch to the Investor

Emphasize aspects that align with the investor's interests and values.



Prepare Financial Projections

Present realistic financial projections that showcase growth potential and profitability.

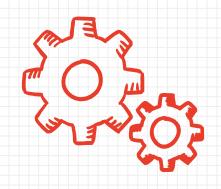


Terms and Negotiations

Take your time to review any contractual and legal terms before you make a decision. Engage experts if necessary but don't take too much time to make decision.



6. Do's and Don'ts in Engaging with Investors



✗ Do's: Professionalism, Honesty, and Clarity

- Be professional and respectful in all communications.
- Be honest about your startup's progress, challenges, and risks.
- Communicate your ideas clearly and concisely.

Don'ts: Overhyping, Lack of Preparation, Dishonesty

- Avoid making exaggerated claims or promises you can't deliver.
- Don't approach investors without thorough preparation.
- X Never provide misleading or false information.



Sample Pitches From African (Tanzanian) Startups

Swipe2Pay

A payment system developed by a young founder from Uganda looking to disrupt the payment sector in the continent. <u>View the pitch</u>.

Khusa Savings

A community savings groups solutions for grassroots communities in Malawi. View the pitch.

Soma App

Isaya from Tanzania presenting
"SomaApp", the mobile
application which revolutionizes
the scholarship ecosystem across
Africa. View the pitch.

Tango TV

Victor from Tanzania the founder of Tango TV pitching a swahili video streaming solutions for local markets.

View the pitch.

Digest Africa

Peter from Uganda presenting
"Digest Africa", the digital media
platform unlocking opportunities
for startups and investors
through storytelling. <u>View the</u>
<u>pitch.</u>

Founder's Culture

Samson Genya from Tanzania pitching Jenga a startup solutions which is looking to disrupt the construction sector value chain in the country. <u>View the pitch.</u>

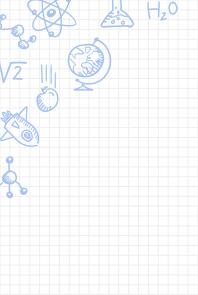


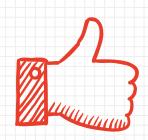
Important Links

Some Important Links

- Pitch Advice for Startups By Don Dodge
- ✗ Pitching Session Jumanne Mtambalike
- Y-Combinator Startup School
- ★ Sam Altman Startup Playbook
- Paul Graham's Blog







THANKS! Any questions?

You can find me at

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