

Study Guide
HOW TO BUILD A VENTURE CAPITAL PITCH DECK
Lesson 10: Describe the Competition


WHY IS THIS SLIDE IMPORTANT?

- All companies have competitors.
- Competition proves there is a market.
- You need to show how you are different and how customers will prefer you over competitors.
- You need to show you understand the market.
- Be careful about saying there's no competition – that suggests there's no business model in this space. Even for new markets, there must be a way that people are solving the problem now.



LIST YOUR COMPETITORS

- You need to acknowledge your direct competitors and describe how they are different from you.
- You need to describe your competitive alternatives – other competitors that offer a different solution to the problem you're solving.
- Be aware of competitive alternatives that customers are paying for – the market is clearly there but are you offering the best solution?

Competitors & how others are solving this

	BeerSub	Hopsy
Beer dispenser	Industrial-quality, Included in subscription	Plastic, consumer-grade, free with 1st order
Kegs	\$99 for 5 gallon	\$20 for 0.5 gallon
Selection	Hundreds	A dozen
Recommendation engine	8-dimension flavor AI	None
Use case	Perfect for beer connoisseurs	OK for occasional parties
Good for impressing	Everyone	LOL, are you kidding?

WRITE DOWN YOUR DIRECT AND INDIRECT COMPETITORS:

COMPANIES AT EVERY STAGE NEED A COMPETITION SLIDE

- For early stage companies, show how you plan to get a foothold against these competitors.
- For later stage companies, show how you plan to gain market share against your competitors.

DESCRIBE HOW YOU PLAN TO CHALLENGE THESE COMPETITORS:

WAYS TO PRESENT YOUR COMPETITORS

- Plotting competitors on a two-axis chart is popular.
- You can list competitors using a comparison matrix.
- Market mapping is another technique for analyzing competitors, by organizing similar competitors visually. Market maps also help identify gaps in the market that can be opportunities.



WATCH FOR THESE PITFALLS

- Missing major competitors, particularly if the VC fund is very familiar with the market.
- Missing competitive alternatives.
- Excessively criticizing competitors – you can look unprofessional.
- Not integrating this slide with other slides – particularly sales/go to market.

SUMMARY

- Acknowledging competitors isn't going to ruin your pitch.
- Competitors actually validate your market.
- You need to explain how your solution differs from theirs and will provide sales opportunities.
- Prove how well you know your market (and what your customers are thinking) by knowing the competitive landscape.