

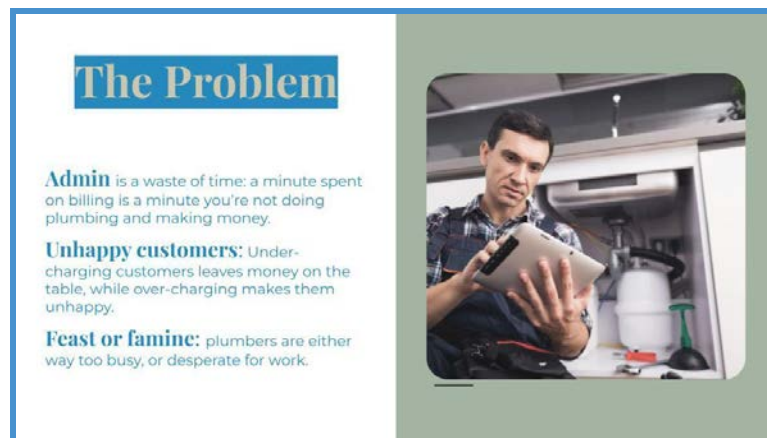
Study Guide
HOW TO BUILD A VENTURE CAPITAL PITCH DECK
Lesson 4: Outline the Problem

WHY IS THIS SLIDE IMPORTANT?

- Your startup needs to solve a real, important problem.
- You need to make a compelling case to the venture capitalists you pitch.
- You need to demonstrate that the problem affects a large enough number of people who will be willing to pay for a solution – that’s your market..

WHAT IS THE PROBLEM?

- What do VCs need to know about the problem that will encourage them to hear more about your solution?
- If there is an obvious market, you don’t need to elaborate too much.
- If this is a new market, you must explain why people NEED a solution for this problem.
- How do people currently solve this problem? (If they don’t, it may not be a problem.)




The Problem

Admin is a waste of time: a minute spent on billing is a minute you’re not doing plumbing and making money.

Unhappy customers: Under-charging customers leaves money on the table, while over-charging makes them unhappy.

Feast or famine: plumbers are either way too busy, or desperate for work.



DESCRIBE THE PROBLEM:

WILL THE MARKET PAY TO SOLVE THIS PROBLEM?

- Not every problem is painful enough that people will pay to solve it.
- Have you spoken to people who have the problem and are willing to pay to solve it?
- Can you share some stories from real people who would support your solution?



The problem: The only thing more sad than an empty fridge, is a fridge filled with uninspiring beer

- People are eager to explore new beers, but there are too many choices
- Shopping for beer at a liquor store or supermarket is underwhelming and confusing
- Getting good advice is hard

DESCRIBE YOUR RESEARCH INTO THE PROBLEM:



KRUZE[®]
Accounting, Finance, Tax & HR for Startups

VC PITCH COURSE PROBLEM SLIDE

SUMMARY

- Your problem statement needs to be compelling.
- Focus on your audience – give them the information they need.
- Explain why the problem you're addressing needs to be solved.
- This is your 'hook' – keep it short and make it good.

✉ WeLoveStartups@kruzeconsulting.com



☎ (415) 322 1610

Kruze Consulting (www.kruzeconsulting.com) is a leading provider of accounting, finance, HR and tax consulting to seed and venture capital funded startups. Educational use of these materials are encouraged. Nonprofit educational institutions may reproduce and communicate, in paper or electronic form, this information for purposes of research, private study, or education, but we ask that they link back to <https://kruzeconsulting.com/pitch-deck/>