i2MF
IDEA TO MARKET FIT

17 Rookie Mistakes Founder Make All the Time

Not standing (when you present to > 2–3 folks)

Standing turns you into the center of the audience, into the owner, the presenter. Sitting is great for a small convo, but sucks all the energy out of a 3+ person audience presentation

Being cagey with answers

Just answer the question. How much are you raising? Where are you in the process? Being direct (and honest) builds trust. With VCs, you want to build trust quickly, if you can

Bringing the wrong people with you

Do not bring consultants. Do not bring anyone with you that isn't part of the senior team. As soon as you bring a consultant with you — I'm out. 100% of the time

Not sending the deck ahead of time

You are wasting both a lot of time and an opportunity, by not letting VCs do basic homework ahead of time. Make it easy on them

Not doing at least basic homework on the VC firm

Getting to know one another as individuals, not just as colleagues, requires the team to interact spontaneously and independently.

Not doing at least basic homework on the VC firm

You should know their other investments in the space. VCs may be fungible, but no one wants to feel that way.
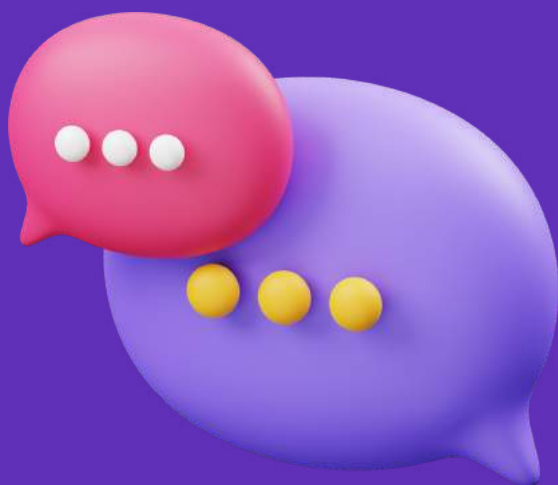
Spending more than 2 slides on the industry

Do not do this, unless asked. Assume VCs understand what is happening in the cloud. This not only is a waste of precious time... I'll fade away

Going in too strong

If you have 2 signed term sheets, for sure, go in strong. It saves everyone time. But being too aggressive, too take-it-or-leave-it, if you don't have options, is a big mistake.
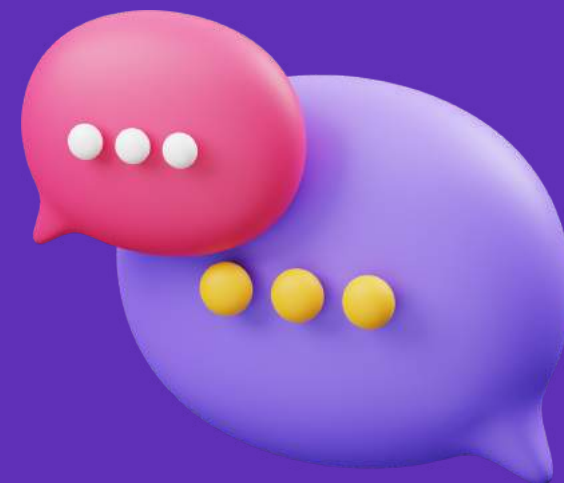
Going in too weak

Saying you could succeed "if only you could raise $_____" is just the wrong message. Winners always find a way to win. No matter how hard it is

Asking for coffee to share notes

Some VCs may want to do this, but I sure don't. My job is to invest. Show me a team and product I want to invest in — I'm in. I already drink 4 cups a day. I don't need a 5th

Hearing about how the founders met in elementary school

Even if this is true, I don't want to hear it, at least not as a part of the core pitch. That's not a positive for me. Meeting at Google or Salesforce is a positive. Meeting at Thomas Jefferson Elementary is not. I want to hear why the founders are amazing.

Not speaking with data

Always speak with data, if data is there. Even if it isn't great. I don't want some qualitative answer, once you have even just 10 customers

Not Answering The Question

If I ask a question, there's a good reason. Some VCs like to hear themselves talk. I don't. Just answer it. If you don't know the answer, tell me. Don't tell me "you'll get to that later". Because if you do, that may well be too late

Not speaking with data

Always speak with data, if data is there. Even if it isn't great. I don't want some qualitative answer, once you have even just 10 customers

Claiming pilots, unpaid users, and anything similar are customers

They aren't. And don't claim they are MRR/ARR. They aren't. Be clear what is a pilot, what is paid, and what isn't. Otherwise, this blows up on you in diligence

Hiding anything

It will come back to bite you. Some things may be more appropriate for a second meeting, but make sure whatever top-level issues there are, come up in the beginning.

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