

Top Hot Tips from the BBC Present Dragons' Team to Nail That Investment

Karen Melonie Gould, MBA
Managing Director, WorkBiz Academy Ltd
Chester, UK

1) Know thy Dragon

Deborah Meaden says she's "always looking for something new" and has a background in fashion and holiday companies, while Duncan Bannatyne is keen to know the numbers and Kelly Hoppen is queen of interior design.

Know the people you're pitching to, and think through which member of the panel is most likely to get excited about your idea. Carefully design your pitch to appeal to your audience - unlike brothers Josh & Hyrum Cook, who really put their foot in it when pitching a photo booth service to the owner of Jessops, Peter Jones! Luckily Deborah Meaden was tempted enough by their proposal and they walked away with a £50k investment.

2) Know your numbers

It seems obvious that you should be able to confidently talk through your turnover, costs and profit, and make projections about your sales during a business pitch. Yet in the heat of the moment many entrepreneurs melt under the pressure.

In any pitch, never underestimate the importance of knowing your numbers inside out. You might think you've got a good-enough grasp, but unless you're completely confident then the stress of being put on the spot could leave you struggling. You know the figures that you're likely to be grilled on, so make sure they're watertight and the working's sound, and then go through them again and again until you could recite them in your sleep.

3) Be realistic and honest

Founders who make crazy claims about how much their company is worth are likely to given a roasting in the den. Make sure that you've realistically calculated your company's worth and the investment you're seeking, and you can back it up with facts and figures.

Also, be honest about mistakes you've made as well as successes you've had. Successful business owners like the Dragons know that entrepreneurship comes with plenty of challenges, and your ability to surmount these could help your case.

Only make truthful claims about your business during the pitch, not least because due diligence will be carried out if anyone decides to invests in you.

4) Sell yourself as well as your product

Like most investors, the Dragons are looking for a great entrepreneur as well as a great business idea. The pitch isn't just about selling your concept: it's also about selling yourself.

Duncan Bannatyne says that he wants to be able to connect with the entrepreneurs he invests in, and cites Choc Box as his most satisfying investment, partly because he has a great working relationship with founder Peter Moule.

However great your idea is, unless you come across as competent, professional and likeable, you're unlikely to gain the confidence of an investor.

5) Practice makes perfect

There's no such thing as practising a pitch too much. Practise it down to the very last detail, including any props or product demonstrations, so that it's less likely something will go wrong on the day.

Make sure that you rehearse it in front of other people too, so that you can get used to having an audience, and also so that they can give you feedback. If your presentation is smooth and slick, then it's more likely you'll be on to a winner.

6) Connect your idea to everyday problems

They might be mega-rich business aficionados, but the Dragons are also people dealing with everyday life like the rest of us.

With any pitch, you should be able to hook the audience by showing them how your idea or product could make their life better. Incorporate anecdotal or storytelling elements into your pitch to demonstrate how your business idea meets a genuine need.

Steve Smith secured investment in the Den for his TrueCall device, partly because its ability to block spam phone calls was something that dealt with a nuisance that everyone can relate to.

7) Big up your successes so far

Has your product received interest from a major retailer? Have you already sold hundreds of units, had thousands of visits to your website, or exported your idea abroad?

During series 11, Louise Ferguson's marketing background helped her and co-founder Kate Cotton's pitch to shine, as she kicked off with an impressive rundown of the success their Skinny Tan product had already had in Australia.

8) Remember that there's life beyond the Den

It's going to be hard to avoid sweaty palms and the odd stumble as you face the mighty Dragons, but try to keep calm by remembering that the fate of your business doesn't rest on the verdict the investors deliver.

Keep in mind some of the Den pitches that have gone wrong, only for the businesses to go on to massive success. Most famously, Rob Law's ride-on children's suitcase the Trunki became a runaway success and won a clutch of design awards, despite the fact that the sample product broke during Rob's time in the Den!

Personal Hot Tips from CEO Karen Melonie Gould

THESE NEXT TWO are Personal Hot Tips from having mentored a few successes on Dragons' Den from the likes of the Tea Company, Klinked and Oil Monster.

9. You have to enter that room and own it and be confident in your service/produce knowing that you have tested it. Ensure you can demonstrate proof of concept and stand your ground – resilience!

10. Know what you want when you enter and what you want to walk away with – a win-win situation. Would 40% of your business for £50k be workable for you or your partners if any? Negotiation is key here and it is an art that is part of the Pitch.

The latest Cloud Tool 'FUNDMYBUSINESS' on our website which is part of our upgrade to Premier Membership through <http://www.gateway2enterprise.co.uk/fund-my-business.html>. This successfully secured us a Pitch to Jack Ma who is a Chinese business magnate and philanthropist. He is the founder and executive chairman of Alibaba Group, a family of successful Internet-based businesses, an Angel Cube and many more – so it works. More and more Investors or Platforms from Crowd Funding to Angel networks use this type of platform to

view their potential investee application. This Wow application even creates your Power Point for Pitching. This is a perfect fit for our Pitches for Finance on 29/30 June 2016 at the International Festival of Business. We look forward to seeing you there.