

FOMO is the missing ingredient in your investment strategy

Pitching to investors is like Marmite – some founders love it, and some hate it. For me, there's no better stage than in front of investors. I've pitched to hundreds of investors and still enjoy the excitement the process brings.

Temps de lecture : minute

16 June 2021

For those who enjoy it and those who don't, there's still the pressure to nail your performance, especially now more than ever before with the ever-increasing competition for cash. Founders need to make their pitches perfect – and that takes skill and practice.

From my own personal experience in raising investment and having interviewed many founders and investors on their learnings, there is one crucial aspect to your pitch that people often forget: you're not selling your product, you're selling the opportunity to be part of an incredible journey that is not only going to give them a huge return, but is also going to be super exciting.

They've seen so many similar pitches and to stand out, you need to grab their attention by creating a sense of 'FOMO' – fear of missing out. Founders need to present their startup to investors as an opportunity, and one they might lose out on if they don't invest now.

Vcs and investors may not remember every deal they make, but they will always remember the one that got away. By creating a sense of FOMO, founders can capture attention, excite and inspire their audience. So, what can founders do to create this sense of FOMO when pitching?

Passion is infectious

You created your business based on your passions and when you are pitching, your audience wants to feel that same excitement you have for your business and the potential it has to grow. When you are able to reignite those same feelings in your audience, they will feel included in the journey, helping them to believe wholeheartedly in your mission.

When pitching, be as enthusiastic as possible. One way to do this is through storytelling - in fact, it's scientifically proven to capture an audience's attention.

Investors don't want to see contextless numbers and spreadsheets: they want to understand the journey you've been on to get here. So, convey your passions and, of course, practise, practise, practise - all of which will help you to create a sense of energy and excitement.

Stand out from the crowd

The market is flooded with budding entrepreneurs and founders. This means when it comes to pitching, the average investor has seen hundreds of applications before, so you need to stand out.



Be that 'one in a million' company by sharing why you started your business and why your business is unique and special. Does your company have something that no one else has, or how are you doing things differently? Make the investor see you are a company that truly understands its market and is at the forefront of great change.

Build your network and your profile

Lots of founders put networking to the back of their to-do list, which can have a detrimental effect on their startup's future success.

In order to create a sense of FOMO, founders need to network to get their name out there and create that crucial buzz around their company. Networking will help you to be the business that someone's told them about, making them want to learn more.

Networking can be daunting for some, so where do you start? Lists will be key here: do your due diligence and find investors who you think will be interested in learning more about your business. Look them up on social media to discover their interests. Did they study the same subject at university? What sports do they play? Are they part of any boards you might have an affiliation with?

Part of networking will also be raising your own profile. Make sure all your *social media* profiles are up to date with any relevant interests or achievements. Increase the engagement on your channels by writing blogs, commenting on industry-relevant news, and building rapport with groups of people of similar backgrounds and interests.

When investors view your profile, you need to look like an expert in your field so they can build confidence in your abilities.

Pace is progress

Being able to show investors how fast your company is growing and giving them the impression that you're completely committed to the business will make you a more attractive investment. If they think your company is already picking up a fast pace and headed for success, it will help to create a sense of FOMO, making them want to be involved.

Investors want to be a part of the next best thing. At the beginning of the pandemic, everyone wished they'd invested in Zoom.

To convey a fast pace, you need to show a deep understanding of your target audience. Is this an area that's going to blow up in the next few years? Are there any growing trends in this sector? Investors will want to be a part of these big trends and support the companies who they believe will give them bigger returns in the future.

When conveying pace, utilise numbers: supplement your story with stats, graphs and case studies. Has there been a big increase in revenue over the last year? What's your average sales rate? Create a sense of pressure and pace so investors can see the same level of urgency and invest in your startup.

Raising investment is no easy path and it requires hard work, dedication and long hours, all of which will be worth it in the long run. You need to remember that rejections are normal - every person has gone through it, but that shouldn't put you off. Instead, use it to drive you forward, building on your experiences and making sure that you use your learnings and creating a sense of FOMO to maximise your chances of success.

Tom Fairey is founder of *Stakester*.

Article by Tom Fairey