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Pitch Deck: How to Raise $500K from Angel Investors

Structure, narrative, and the psychology of an investor presentation

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CHAPTER 1

What a Pitch Deck Is and Why 90% of Them Fail

A pitch deck is not a presentation about your product. It is a tool for selling one thing: the investor's conviction that you are the one who can capture a huge market. Most founders make pitch decks about the product. Good founders make pitch decks about the opportunity.

The average investor looks through 200–500 pitch decks a month. The first look takes 3 minutes 44 seconds, according to DocSend (an analysis of 200,000+ pitch decks). In that time the investor has to decide: is the problem real and big? Can the team solve it? Is the market large enough to deliver a 10–100x return? If the answers are “yes,” the investor reads on. If even one is “no,” the pitch deck gets closed.

Biggest mistake #1: starting with the product. “We built an app that…” answers the question “what.” The investor cares first about “why” and “why now.” The problem slide should be first or second. The product comes no earlier than fourth.

Biggest mistake #2: too much text. A pitch deck is skimmed, not read. Each slide carries one idea. One. If it takes two sentences to express it, the slide is bad. If it takes one, it is excellent.

Biggest mistake #3: unrealistic financial projections. “We will become a $1B company in 3 years” without a detailed bottom-up justification is a red flag. Investors do not expect precision. They expect common sense in the logic.

Biggest mistake #4: no clear ask. Many pitch decks do not say how much money they are raising and for what. The investor should not have to guess: “Do they want $200K or $2M? For 6 months or 18?”

What makes a pitch deck successful: a clear problem the investor could feel for themselves. Proof that the market is huge

(with real numbers). A convincing team with relevant experience. Early signals of traction (even small ones). A clear ask with a use of funds. This is not magic. It is a formula. Study the best pitch decks: Airbnb ($600K seed, 2009), Uber (seed, 2010), Buffer ($500K, 2011). All of them are publicly available. All follow a similar structure.

CHAPTER 2

The 10 Slides That Decide Everything

The standard structure of a seed or pre-seed pitch deck is 10–12 slides. This is not a rule. It is a statistic. DocSend analyzed successful fundraising rounds: the successful decks averaged 19.2 slides (more than people think), but had 10 substantive blocks.

Slide 1: Cover. The company name. One line on what you do (the tagline). The founder's contact details. The logo. That's all. No “company X pitch deck”; just the name and the tagline.

Slide 2: Problem. Describe the pain you solve. A good problem slide has three characteristics: specificity (not “the market is inefficient,” but “SMBs spend 12 hours a week on manual data entry”), scale (millions of people with this pain), and urgency (why it is critical now).

Slide 3: Solution. How you solve this problem. One or two sentences. A demo GIF or a product screenshot is worth a thousand words. Show, don't tell.

Slide 4: Why now? The timing slide is one of the most underrated. What has changed in the world that makes your startup possible right now? A new technology (AI, LLMs). A regulatory change. A behavioral shift (post-COVID). Without this slide, the question comes up: “Why wasn't this done 5 years ago?”

Slide 5: Market (TAM/SAM/SOM). The hardest one for most founders. Covered in detail in the next chapter.

Slide 6: Business model. How you make money. Price. Who pays. Average deal size. Unit economics, if you have them.

Slide 7: Traction. Current results. MRR, users, LOIs, pilot customers. Even 10 paying customers is traction. If it is zero, explain why and what the next milestone is.

Slide 8: Team. Why you should win in this niche. Relevant experience. The founders' “unfair advantage.”

Slide 9: Competition. A competitive matrix or positioning map. Never write “there are no competitors.” That is either a lie or means there is no market.

Slide 10: Ask + Use of Funds. How much you are raising. For what period (runway). What you will spend it on (with percentages). The key milestones for this money.

CHAPTER 3

TAM/SAM/SOM Without the Fantasy: How to Size a Market

TAM/SAM/SOM is the most often faked slide in pitch decks. “TAM $500 billion,” written after 5 minutes on Google, makes experienced investors laugh. A correct market calculation is a competitive advantage.

TAM (Total Addressable Market): the whole theoretical market if you reached 100% of consumers with their ideal solution. This is the ceiling. It should be large enough to justify venture investment: $1B+ for a typical VC round.

SAM (Serviceable Addressable Market): the part of the TAM you can actually reach with your current model, geography, and channels. If the TAM is the global CRM market, the SAM is US mid-market SaaS companies. Usually 10–30% of the TAM.

SOM (Serviceable Obtainable Market): the realistic share of the market you can capture in 3–5 years. Your real target. Usually 1–10% of the SAM.

The bottom-up approach (the right one): start with a single unit. How much does one customer pay per year (ACV)? How many such customers exist? Multiply. Example: SaaS for restaurant inventory management. ACV: $6,000/year. Number of restaurants in the US: 1,000,000. Those that pay for software: 20% = 200,000. SAM = $6,000 × 200,000 = $1.2B. SOM (5% in 5 years): $60M ARR. This is realistic, specific, and verifiable.

The top-down approach (supporting): “The restaurant tech market in the US is estimated at $3.5B according to IBISWorld” works well as context for the TAM. But investors want to see bottom-up as the foundation.

Common mistakes: “TAM = the entire market we compete in.” It is not your market. It is the market for the problem you solve. A TAM that is too broad: “we work in the HR tech market, TAM

$450B.” That is the whole HR market, not your segment. Market growth without a source: “the market is growing 25% annually,” but where does the figure come from? Always give a source.

Presenting the market: use concentric circles (TAM → SAM → SOM) or a horizontal funnel. State the CAGR (compound annual growth rate). Use at least three data sources (Gartner, IBISWorld, CB Insights, industry reports).

CHAPTER 4

The Team: Why You

Early-stage investors often say: “We invest in people, not ideas.” An idea is a hypothesis. The team is the only constant an investor can evaluate today.

What an investor looks for in a team: Domain expertise: you are an insider to the problem. You worked 10 years in the industry you are disrupting, or you were the frustrated customer yourself. Complementary skills: technical plus business (or product plus sales). A CEO who can only code is a risk. A CEO who can only do “vision” is a risk too. Prior track record: you launched something before (even unsuccessfully), managed teams, built products. Resilience signals: why won't you quit this in 6 months?

How to write about the team: photo, name, and title. One line on the unfair advantage. Not “10 years of experience in tech,” but “ex-Stripe engineer who built payment infrastructure for $50B+ in transactions.” Relevance, not credentials.

If there are no big names on your CV: show that you are an insider to the problem. “I was a restaurant manager for 7 years, and I saw this problem every day.” Show what you are already doing: “We have already sold to 15 customers.” Actions > words.

Advisors: if you have strong advisors, list them. One genuinely relevant advisor (an ex-CEO in your industry) is better than five generic “mentors.” An advisor's stake is usually 0.1–0.5% vesting over 2 years.

Solo founder: hard but not impossible. Investors worry: who will back you up if you get sick? Who will critically assess your decisions? Solutions: look for a co-founder (ideal), or show an exceptionally strong track record and an advisory board.

Equity split: investors look at the cap table. 50/50 is neutral. 90/10 is a red flag (the minority co-founder will leave). A significant stake held by non-active advisors is a red flag. A cliff (1

year) plus vesting (4 years) is the standard.

CHAPTER 5

Traction: Proof That It Works

Traction is the most convincing slide in a pitch deck. It is the only slide where you do not need to persuade anyone. You only need to show the data.

What counts as traction at different stages: Pre-product: letters of intent (LOI) from potential customers, a waitlist (especially if people are actively signing up), pilot agreements, and customer discovery interviews (the number plus the insights). Early product (pre-revenue): beta users, daily/weekly active users, retention (do they come back), and NPS. Post-revenue: MRR and MoM growth, ARR, churn rate, CAC and LTV, paying customers (the number and who they are), and runway.

How to show traction: a chart with a time axis is the most convincing. “$2K → $5K → $12K → $28K MRR in 4 months” as a curve says more than any words. Key customers: if you have brand-name customers (even on a pilot), put their logos on the slide. Growth rate: “30% MoM” is more convincing than “$10K MRR” with no context.

If traction is zero: do not try to hide it. Investors will see it. Explain why there is no traction yet (you just launched, regulatory approval is required). Show the nearest milestone: “in 30 days we launch a beta with 5 key customers.” Show qualitative validation: specific customer quotes and interview results.

Retention: the most underrated metric at the early stage. If you have 100 users and 80% return weekly, that is more convincing than 10,000 sign-ups with 5% retention. Retention proves product-market fit. Growth without retention is a leaky bucket.

NPS (Net Promoter Score): ask users, “How likely are you to recommend us to friends?” 0–6 are detractors, 7–8 are passives, 9–10 are promoters. NPS = %promoters − %detractors. An NPS of 40+ is good. 60+ is excellent (Apple level). At the early stage, even

an NPS of 20–30 with an explanation of the path to improvement is fine.

CHAPTER 6

The Ask and Use of Funds: How Much and Why

The last slide of a pitch deck is often the weakest. Founders either feel shy about naming a figure or write unrealistic numbers. The ask is not a request. It is a business proposal.

How to determine the amount: calculate the runway. 18 months is the gold standard for a seed round. It is enough to reach the next milestone (Series A-ready metrics) and enough to prove or disprove the core hypothesis. Calculate the burn rate: team (salaries) plus office plus tech plus marketing. Multiply by 18 months. Add a 20% buffer. That is your ask.

An example calculation: Team (3 FT): $25K/month. Tech (hosting, tools): $3K/month. Marketing (experiments): $5K/month. Legal, accounting: $2K/month. Total burn: $35K/month. 18 months: $630K. Plus a 20% buffer: $756K. Rounded up: a $750K–$800K ask.

A range vs. an exact amount: “we are raising $750K” is better than “$500K–$1M.” Precision signals that you did the math. A range signals uncertainty.

Use of funds (what you spend it on): a breakdown by category: 60% Product & Engineering. 25% Sales & Marketing. 15% Operations. You do not need to be accurate to the cent. Give the rough proportions. The investor wants to understand: are you a rational capital allocator, or will you spend money “on promotion”?

Key milestones for this money: what will you achieve in 18 months with it? MRR of $50K (the Series A threshold). 100 paying enterprise customers. FDA clearance. Launch in 3 new markets. Specific milestones help the investor see that they are not just giving money. They are buying a specific future state of the company.

Valuation: pre-seed is typically $2M–$5M pre-money. Seed: $5M–$12M. Do not inflate it, because that scares people off. Do not understate it, because you dilute yourself. Benchmark against the market (AngelList, Crunchbase, YC batches).

CHAPTER 7

Due Diligence and Tough Questions From the Room

After the pitch, the Q&A begins. It often decides the fate of the investment. Most founders fear questions. The best founders love them.

The top tough questions and how to answer them: “Why hasn't [a big competitor] done this yet?” A good answer gives a specific reason why they cannot or will not (their business model is not compatible, the niche market is insignificant for them, a technology gap). A bad answer: “We are faster/better,” with no specifics.

“Your market is too small.” Answer: have a prepared counter-argument. Refer to comparable companies that started in a “small” market. “You are right that the initial market is $50M, but that is the entry point. Adjacent markets give us a $500M opportunity.”

“How do you plan to grow?” This is a go-to-market question. Have a specific channel: “We grow through partner integrations with the Salesforce ecosystem. The first 5 integrations are already in the queue.” Not “through marketing and word of mouth.”

“What if [a big company] copies you?” This is a moat question. Possible answers: network effects (they won't want to disrupt relationships with existing customers). A data moat (6 years of proprietary data). A regulatory moat (licenses). A community moat. Switching costs.

“How do you plan to exit?” An honest answer: “We are focused on building a great company. If we do that well, exits will find themselves: M&A from [strategic players], an IPO at sufficient scale.” Name 2–3 specific potential acquirers in your industry.

Q&A rules: never argue with an investor, even when they are wrong. Thank them for the question. Answer as specifically as you

can. If you do not know, say you will find out. “I don't know, but I will find out and write to you by the end of the day” is better than an answer pulled out of thin air. Actually write the follow-up.

After the pitch: send a follow-up email the same day. “Thank you for the meeting. Here is the deck we discussed [link]. You asked about X, and here is a more detailed answer [2–3 sentences]. What are the next steps in your view?” Most founders do not follow up. Stand out.

CHAPTER 8

Where and How to Find Angel Investors

A pitch deck is a tool. But first you have to get the meeting. Cold emails to investors work worse than a warm intro. But cold outreach also gets results when done right.

A warm intro is the gold standard: through mutual connections on LinkedIn. Through an accelerator alumni network (YC, Techstars, 500 Startups). Through a founder-to-founder referral (the strongest). Through events: Demo Days, startup conferences. Find an investor who has backed similar companies and ask that founder to introduce you.

AngelList: the largest platform for angel investing. Create a company profile. Specify the raise details. Investors browse and can reach out. Syndicates: an experienced lead angel plus a group of angels who follow. Access to larger checks with fewer meetings.

YC Demo Day and accelerators: getting into YC or Techstars opens access to hundreds of investors in a single day. Competition is high (about a 2% acceptance rate at YC). But even a rejection from YC with good feedback is valuable for the product.

LinkedIn outreach (cold): find angel investors in your niche. Check their portfolios (Crunchbase, LinkedIn). Personalize: “I see you invested in [company X]. We are solving a similar problem in [adjacent space]. Do you have 15 minutes for a 15-minute call?” Be honest and brief, with a specific ask. A response rate of 10–20% is normal.

How many meetings you need: statistically, to raise a $500K seed: 30–50 first meetings, 10–15 deeper conversations, 3–5 term sheets, and 1 closed round. This is a funnel. Treat fundraising as a sales process. Build a CRM: investor name, date, status, next step.

Parallel negotiations: never negotiate with one investor at a time. Always create a sense of momentum: “We have several active conversations right now.” Urgency creates pressure. A real

deadline (closing the round in 6 weeks) works better than an artificial one.

What next

Thank you for reading “Pitch Deck: How to Raise $500K from Angel Investors”.

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