

# Learning to pitch better: The value of feedback from investors and financiers

 By [Alon Raiz](#)

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When I am asked whether entrepreneurs are born or made, I respond that the evidence shows that it is neither. Entrepreneurs precipitate. One of the conditions that need to be present for an entrepreneur to precipitate is their ability to learn and iterate, in other words, they need to be able to apply what they learn in their businesses - particularly in the early stages of business.



Alon Raiz, CEO and founder of the entrepreneur incubator Raizcorp | image supplied

If I happen to be standing in front of a room full of entrepreneurs when I'm asked this question, I have a party trick to really underscore my answer. I ask all those entrepreneurs who are currently in a business to put up their hands and usually between 95 to 100% do so. Then I ask how many of them are running the exact same business with the same business model and the same products and services as when they started out. One hundred per cent of the hands go down. Not one hand to be seen.

I go on to explain that the only reason these entrepreneurs' businesses are still operating today is that they have constantly changed their business models, their pricing, their products or services, etc. The ability to read feedback, learn from it and iterate is the mark of a successful entrepreneur.

## Sources of feedback

So where do we learn from? There are a number of sources of feedback that are immediately available to us as entrepreneurs and, instead of becoming defensive about feedback or criticism, we should relish the opportunity to learn from it and then make the deliberate choice to apply the learning in our businesses.

There are four types of feedback entrepreneurs should embrace and learn from. The first is investors and financiers.

Investors and financiers have a particular lens when looking at your business. They tend to be unemotional and are concerned about three main areas: the veracity of your assumptions; the known and unknown risks; and the ongoing demand for your product or service. Their questioning will usually, therefore, focus on these areas and they will highlight any incorrect assumptions you have made in the design of your business case, new risks that you have never even considered and any potential friction from clients when it comes to purchasing your product or service.

It's important to take their questions and comments seriously and then begin to refine your model, your assumptions and even your products based on their feedback.

I strongly advise entrepreneurs who are pitching to an investor or financier to always bring along a pen and paper to write down the questions they are asked after the pitch. Yes, some of the questions may not be valid and others may be the function of a misunderstanding (but this is also a learning on how to pitch better) but the remaining questions will be highly valuable in ensuring that you derive the benefit of their years of experience and exposure to multiple businesses

If you'd like to be part of the 2023 Engen Pitch & Polish programme, you have one last chance to enter as the wildcard contestant. Wildcard entries are opening on 8 May 2023. Please visit the [website](#) for more information.

## ABOUT ALLON RAIZ

Allon Raiz is the CEO of Raizcorp. In 2008, Raiz was selected as a Young Global Leader by the World Economic Forum, and in 2011 he was appointed for the first time as a member of the Global Agenda Council on Fostering Entrepreneurship. Following a series of entrepreneurship master classes delivered at Oxford University in 2014, 2015 and 2016, Raiz has been recognised as the Entrepreneur-in-Residence at the University of Oxford's Saïd Business School.

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