



Business Yield's Venture Capital Funding Checklist for Innovators

If you are an entrepreneur or an innovator who wants to apply for venture capitalist funding, the checklist below will be handy.

- Market Opportunity Assessment:** No one is denying the fact you have an amazing idea. However, your ideas must undergo several checks before you present them to VCs. One of those checks is market opportunity assessment. There are three things you must verify here. First, is to define the problem your product or service solves. Secondly, identify the target market and its size. Lastly, you must evaluate the growth potential of the market.
- Unique Value Proposition (UVP):** Under your unique value proposition, clearly articulate what sets your product or service apart from competitors. VCs want to be convinced it's a profitable business. Secondly, highlight the benefits and advantages it offers to customers.
- Business Model:** Under the business model, entrepreneurs must outline their revenue streams and pricing strategies. This means you must explain how your business will generate profits in the long term.
- Traction and Milestones:** Here, the entrepreneur provides evidence of market validation, such as customer testimonials, pilot programs, or early sales. Remember to highlight the key milestones achieved and future milestones you plan to reach.
- Team:** Here, you showcase the skills and experience of your founding team. Kindly emphasize any relevant industry expertise or previous entrepreneurial successes.
- Technology and Intellectual Property (IP):** Here, you describe any proprietary technology or IP that gives your business a competitive advantage. Don't forget to provide details on patents, trademarks, or copyrights you have secured or are in the process of securing.
- Financial Projections:** Here, you are to create realistic financial projections for revenue, expenses, and growth. Don't forget to include assumptions and factors that drive your financial model.

- Go-to-Market Strategy:** Here, you are to outline your plan for acquiring customers and expanding market reach. Remember to identify distribution channels, marketing tactics, and sales strategies.
- Risk Assessment:** Here, acknowledge and address potential risks and challenges facing your business. As much as you can, demonstrate your ability to mitigate these risks effectively.
- Exit Strategy:** Here, explain your potential exit opportunities for investors, such as acquisition or IPO. Providing examples of successful exits in your industry or comparable companies will be helpful.
- Legal and Compliance:** Under legal and compliance, ensure that your business complies with relevant laws and regulations. This means you must address any legal or regulatory risks associated with your product or service.
- Presentation and Pitch:** Preparation is key, therefore, develop a compelling pitch deck that concisely communicates your story, vision, and value proposition. Always practice delivering your pitch confidently and persuasively to potential investors.
- Due Diligence Preparation:** Prepare to undergo due diligence by gathering all necessary documents and information about your business. Be transparent and responsive to investor inquiries throughout the due diligence process.