

# [Interacting with investors](https://assignbuster.com/interacting-with-investors/)

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﻿ Interacting with investors
Business opportunities are all over the world, but the main drawback in most cases is capital to either expand the business or make it kick off altogether. Business owners do look for investors to put in their money in their business and help them move forward. However, it is not authentic that the approached investor will accept the request. The paper shall look at some of the dos, and the don’ts that anyone looking for investors should adhere to, and responds to a question concerning the length of the business plan.
Investors get many business plan that they need to go through and decide whether it worth their money or not. They cannot manage to invest into all the business and thus respond with a no to many of the applications. Wes Selke, a Founding Director of Hub Ventures, says that any business plan will get more rejections than acceptance. However, the reaction after getting a rejection matters a lot when it comes to the future relationship with the investors.
One should not sour the relationship with the investors after getting his business plan turned down because this may hinder any future consideration. It is important always to thank the investors for their time and consideration and avoid any negative response to the investors. Remember these applications are so many and to the extent that some people do not even get feedbacks. Selke feels he does a favor by responding to the business plan, irrespective of whether it is a yes or a no. However, he advises that one should ask for feedback if he sees nothing coming forth.
Since these applications are many, and the investors are busy, it is necessary to summarize the business plan and make the first few pages very convincing. Most of the investors will not have time to read many pages of business plans and will simply ignore it. It is also important to show that one wishes to be part of the company and not only interested in the investor’s money.
Response to Alex FitzGerald
The real situation is that there are so many emails streaming in, and the investors quickly go through them and make their decisions as first as possible within their tight schedule. A business plan may be so nice and interesting, but too long for an investor to go through it. It leads to a rejection, not because it was a wrong plan, but simply because the investor never read it. Going through about 40 pages of just one business plan and they are hundreds of them is not only time consuming, but also boring.
Just as Selke puts it, it is important to write a brief email summarizing the whole business plan and very brief. The email should, however, be convincing and appealing trying to show the investor why he should put his money in the particular business and not any other business plans. One should never give up even after getting a rejection on whatever he thought was the best business plan. He should leave the door open by a friendly ending since the investors may call back in future for consideration (Unreasonable Media).
It is true that some rejections could be frustrating, but in business, one has to control the emotions and know that it takes endurance to succeed in business. When one throws insults at the investor because he rejected his business plan, the business suffers finally.
The way to attract an investor is by writing a brief appealing and convincing email concerning the business plan and always leaving the door open even after getting a rejection. The email should not sound like the person is only interested in the investor’s money but has the desire to be part of the company. It is important to ask for feedback if nothing is coming forth and never give up even after several rejections.
Work cited
Unreasonable Media. “ Interview with Impact Investor: Social Venture Capital 101”. Unreasonable. 2013. Web. 2 Oct. 2015