
Pitching technology? Take a cue from Hollywood

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Hollywood screenwriters and fledgling technology businesses have more in common than one would think. The long-term survival of both depends on their ability to create new products, and both must rely on others for the resources to turn their ideas into reality. Obtaining those resources usually begins with a "pitch," or oral presentation of a proposal, to a "catcher," a studio executive or prospective investor. In this situation, playing catch is no game. A relatively small number of projects can be funded, development costs are high and first impressions can easily outweigh product merit.

Just how much influence the catcher's initial impression of the pitcher has on the Hollywood decision process was the subject of a study conducted by Kimberly Elsbach of the University of California Davis and Stanford professor Roderick Kramer.

Although their research centered on Hollywood script evaluations, Elsbach and Kramer note that many other businesses (including those that fund new technologies) rely on judgments made during face-to-face interviews.

Elsbach wrote in the Harvard Business Review that within seconds, "judgments about the pitcher's ability to come up with workable ideas can quickly and permanently overshadow" the best business plans or creative concepts.

According to the researchers, two factors dominate the judgment process. The first is the extent to which the pitcher engages the catcher as a partner or collaborator in forming the new idea. The second is the appearance and behavior of the pitcher. Moreover, those judgments appear to be heavily influenced by the catcher's own notion of what outward signs indicate creativity in a pitcher.

"I pay a lot of attention to my own reactions when I listen to a pitch," one industry expert said. "In a really good pitch, you are swept along, and get caught up in it."

Pitching to type

Elsbach said that most successful pitchers fall into one of three categories: showrunner, artist and neophyte. While all convey a contagious passion and enthusiasm for their idea, their approaches vary widely.

"Showrunners tend to display charisma and wit in pitching," Elsbach said, "but they also demonstrate enough technical know-how to convince catchers that the ideas can be developed according to industry-standard practices and within resource constraints."

In technology pitching, the artist type comes across as a congenial professor. Elsbach found that "artists are particularly adept at conducting what physicists call

thought experiments, inviting the audience into imaginary worlds." They occasionally have actual parts or prototypes for the evaluators to handle during the presentation. Neophytes present themselves as eager learners, Elsbach said. "Many entrepreneurs are natural neophytes," she said. They ask for help, "not in a desperate way, but with the confidence of a brilliant student seeking sage advice from a beloved mentor." Experts often respond positively to neophytes' enthusiasm, optimism and curiosity.

Beware of the down side

Because negative impressions carry more weight than positive ones, Elsbach advises pitchers to beware of "four negative stereotypes that are guaranteed to kill a pitch." She calls them pushover, robot, used-car salesman and charity case. Elsbach describes the pushover as so eager to adjust the idea to please the audience that prospective investors doubt the person's depth of commitment to the original project. "If they don't believe in their idea, it's hard to get excited about the rest of the pitch," one catcher said.

The robot presents a proposal "as if it had been memorized from a how-to book," and responds to questions "with canned answers from his PowerPoint talk." As another evaluator observed, "You can tell it in the room if somebody's learned pitching by rote. It doesn't work."

The used-car salesman is obnoxious and argumentative. This person is so unwilling to bend that, even if the idea appears to be a winner, investors run the other way. On the other hand, the charity case just wants a job. Simply by dress or mannerisms, this individual comes across as pleading for support simply to keep going.

A pitch or a hit?

The researchers also point out the importance of listening, staying focused and resisting the temptation to present a wide variety of options to the catcher. They note further that, for catchers, paying too much attention to first impressions can backfire, letting good opportunities go unrecognized.

The pitch will always be an imperfect way to assess the value of an idea, Elsbach said, but being aware of the judgment processes that occur during the first moments of a pitch session "may make the difference between a mere pitch, and a hit." Elsbach and Kramer first presented details of their research in the *Academy of Management Journal*. Elsbach's article "How to Pitch a Brilliant Idea" appeared in the September 2003 issue of the *Harvard Business Review*. Both are available for a nominal fee from the publishers: www.aomonline.org and www.harvardbusinessonline.org.