

# **Business Plan**

## **Company Name**

Include DBA, names of product, Domain names

Prepared by:

Owners, Titles (CEO, CFO, etc)

Address-Companies main place of business

City, State, Zip Code

Telephone

E-Mail (if possible, this should be a company email address)

## Table of Contents:

1. Executive Summary- (Best to Do Last)
2. Company Summary
  - Mission Statement
  - Objectives
  - Keys to Success
  - Product/Service Description
3. Market Research
  - Target Market
  - Product
  - Customers
  - Competition
4. Market Strategy
  - Price
  - Place
  - Promotions
5. Operations
  - Processes
  - Technology
6. Management Summary
  - Key Personal
7. Financial Information

## 1. **Executive Summary**

The Executive summary is just that, a summary of your business. If you are seeking investors this may be the only section an investor reads. Even though this section comes first, do this section last and highlight the most important facts and concepts of your business. Most of the information included in this section will come from the other sections, but here you will condense that information and be as concise as possible. Explain what you and the business are all about. This area shows how qualified and prepared you are to run your business.

### **Company**

All company information including DBA's , product/service names.

What do you do?

Who are you?

Why or how did you come up with your idea?

### **Product or Service**

What is your product or service?

What problem are you solving and for who?

Is there a need for your product or service?

### **Target Market**

Who are your customers and why do they want your product?

### **The Competition**

Who are your competitors?

What is your competitive advantage?

### **Marketing and Sales Strategy**

How will you sell your product or service?

How will you reach your customers?

### **Operations**

What are your most important operational features?

How will you run your business?

What are the processes or elements you use to be better than your competition-  
more effective more efficient?

### **Management**

Management-Founders & Key management personal, titles and qualifications

Highlights as to why you and your managers are a good team

### **Developments**

Why will you be successful?

Milestones the company has reached or plans to reach?

Highlights?

## **Financials**

What is the current financial situation of your business?

What are your companies expected gross sales and net profits?

## **Funds sought**

Are you seeking money from investors, if so, how much?

How will you use the investment?

How will you measure success?

## **2. Company Summary**

- 2.1- Name of business and products-include DBA's and domain names  
Companies main place of business-if more than one location list.  
Legal form of your business-If incorporated in what state  
Year the company was founded  
Name of owners and percentage of ownership.  
Does the company hold any trademarks, copyrights, or patents?  
Product and or Services description
- 2.2 - Mission Statement – explain the reason(s) for the business' existence and what the business' guiding principles are
- 2.2 - What are your business' goals? Include short- and long-term goals and be specific in terms of the timeframe.

Example:

By March, we will have sold 100 pieces of jewelry.

By September, our jewelry will be sold in two local stores.

- 2.3 – Industry, what industry or market does your company operate. Is the industry growing and at what rate of growth What are the key trends.  
Industry Examples: Retail, Construction, Education, Fashion, Online delivery

Example: On-line delivery

The food delivery market has had significant growth over the past five years.

Grocery delivery service Instacart said it achieved its 2022 goals in the third week of lockdown. The overall growth in this industry has been over 50% in 2020 from 2019.

- 2.4 - What is important to you in your business?

- 2.5 - Be sure to list information about the “connections” that you have made and the work that you have already done. How do you plan on capitalizing on opportunities?

Example: We currently have five trucks that are making deliveries seven days a week and have an exclusive contract with Jones Market. We are in the process of purchasing two more trucks to begin delivery with Howard produce.

### 3.0 - Market Analysis

- **Market Research**

Do both: Primary Research & Secondary Research

Market-Success relies on your ability to meet the needs and desires of your customers

What do you think the need is? Talk to some potential customers about your product/service. What do they think? (you only need to speak to a handful of people - **do not tell them why you are asking them or lead them to what you want to hear!** (Suggestion-See/Read, **The Mom Test by Rob Fitzpatrick**)

Do a survey of your potential customers

What information is online about your market or product? Trade associations are a good resource for information. Check with your industries for studies and forecast. Find a list of trade associations. <https://www.marketing-mentor.com/pages/trade-list> You can also go to your local library where you can get help finding information on your industry.

- **Target Market**

3.1 – Where is your target Market located

What geographic area will your business serve? You are simply describing your target market’s geographic area, but ideally your goal is to show the impact of the location on your business. If it is on-line, describe the area you are primarily targeting. What is the population density? What is the total size of your market? You want to make sure your pool of customers is large enough to sustain you.

If you are selling sneakers, what does the sneaker market look like? How many people in your target audience live in your target area? How many of them are likely to buy sneakers?

- 3.2 - What are the trends in your market?

For example, if you are selling sneakers, go online and find trends in sneaker sales. Are sales up or down? Why?

- 3.3- Growth Potential

This will include your market size, possibilities of expanding the market? What are the barriers to entry into your market? What might stop you

from launching your business? Is there another company planning to launch their product into “your” target market? How do you overcome the barriers?

- 3.4 - What changes could affect your company in the future? The economy? Market trends? New products?
- **Product and or Service**
- 3.5 - Features and Benefits of your product or service. What is your value proposition?  
Describe the most important features of your product? What is special about your product or service? Why would someone want to buy or use your service or product?  
Describe the benefits of your product or service? What will your product or service do for your customers? What problem are you solving for your customer?
- **Customers**
- 3.6 - Who are your potential customers? Be specific. What age are they, what is their social economic background, are they ethnic? If you are targeting high school students in your local area research the population of students in the area. (Use the US Census). How many high schools are there in the area? How many potential customers will you have?  
Do your potential customers have any specific tastes or interests? Be as specific as possible. For example, if you are selling “funky handmade sneakers, your target market might be high school girls who enjoy expressing their style and being on the cutting edge of fashion. (Create a customer persona-a customer persona is an abstract depiction of your ideal customer founded by qualitative and quantitative data from your market research-you do not need to include your customer persona in your business plan. A customer persona helps you understand where to reach your customer and how to speak to them.)
- Identify existing customers. Identify the type of people that you have spoken to and or already sold your product to. What motivates your customers to make purchases? What are their buying patterns? It is important to get feedback early on from prospective and current customers.
- **Competition**
- 3.7 - Who are your competitors? Be specific. List some. Who are they? Know your competition, understand what makes them successful, and their shortcomings. Most importantly how are you different, and how will you succeed even with competitors.  
List your indirect competitors. For example, maybe your sneakers are super unique, no one has made sneakers with graphics quite like yours and you don't have anyone selling exactly what you do, but there are other sneakers as well as shoes. These are considered indirect competition.

- 3.8 - What are your competitive advantages?  
Why would someone buy your product over your competitors? What makes you different, better, more attractive to your customers. A lower retail price is not always better (find ways to differentiate your product or service on more than just price)
- **SWOT Analysis.**  
What are your business' strengths? Weaknesses?
- Opportunities?  
Threats?

## 4.0 – Market Strategy

### Price

- 4.1 - What does your product/service cost?  
Be sure that you have thought through all of the potential associated costs —especially if you are making a product. What do all of the element's cost? Have you thought about shipping? Packaging? Marketing Cost? Make sure to include all the additional costs?
- 4.2 - Explain your method for setting your price?
- 4.3 - Compare your prices to your competition. Higher, lower, the same? Why?
- 4.4 - How important is price as a competitive factor? What other considerations will your potential customers be thinking about when deciding whether to purchase from you.

### Place

- 4.5 - Where will your customer find your product or service? Where will you operate your business? How will customers contact you? Do you attend trade shows? Sell your product at farmers markets? On-line? How will you deliver your product/service?

### Promotion

- 4.7 - How will you get the word out to your customers? When is the best time to promote your product or service? Is your product or service seasonal?  
Use your customer persona to identify where and how you will speak to your customers. Your customer persona and market research will help you identify where and how best to reach your target market. Really think about how you are going to get the word out to your customers by doing the research (talking to perspective and current clients).  
Consider where your customers go. What do they like to do? Where might they see your message? What are some creative ways to get the word out there?  
Example: You have a hair salon. You create a contest, where the winner receives free haircuts for a year, or a free “elegant hairstyle” (for a formal

event, etc.). This gets the word out about your business. You post the contest and the winner on Instagram, Facebook, twitter.

Also, remember that you might have multiple “customers”. If you are intending to sell your product through an existing retail store (Business to Business) and through your website (Business to Consumer) you are marketing to both the store as well as the customer who buys from the store.

- 4.8- Advertising on social media?
- 4.9- Guerilla marketing?
- 4.10- Collateral material? (Logo, brochures)
- 4.11- Salesperson

## **5.0 – Operations**

- 5.1-Business Processes-How do you run your business. The operations section of your business plan describes how you execute the basic functions of your company.

Do you buy your product from another retailer and redecorate the product? Do you have a system for quality control? Do you operate a hair salon and order your supplies from a distributor? Who do you rely on to provide you with your supplies? What and with whom do you outsource? What is your inventory management system? What technology do you use? How do your processes give you a competitive advantage or what do you need to improve upon?

## 6.0 - Management Summary

- 6.1 - Who are the owners of your business? What are their titles (CEO, CFO, CMO)?
- 6.2 - If there are multiple owners who is responsible for which aspect of the business?
- 6.3 - What is your previous experience?
- Maybe you don't have specific experience in this business, but why do you have a passion for this business? Do you have any leadership experience? Organizational skills? Won an award or special recognition?
- 6.4 - What unique skills do you bring to the business?
- 6.5 - If other people will be working with you on your business (manufacturers, vendors, contractors, employees, etc.) include information about them, their skills or area of specialty, and what value they bring to your business.
- 6.6 -What do you need to improve upon to make your management the best it can be?

## 7.0- Financials

Even if you shy away from numbers and prefer to not deal with them, it is important to pay attention to your ongoing financial situation. It will help you avoid unpleasant situations and keep your business on the right path of growth. You can leave the number-crunching, bill paying and financial data entry to someone else but familiarize yourself with how to read and understand your financial statements. Understand what you need to do to maintain your cash flow and your business running smoothly. Understanding the numbers will help you make better business decisions and retain control over your business operations. The three financial statements to include are:

- 7.1- Income Statement. Shows whether your business is profitable. This statement is also called a Profit and Loss statement or a P&L.
- 7.2- Cash Flow projections. Shows your cash flow, realistically shows how much cash you have to buy for what you need.
- 7.3- Balance Sheet. Shows the value of your company, your total assets (value in the company-what people owe you) and liabilities (what you owe to other parties, debt).