





Business Plan Template


A step-by-step guide


Business Plan


2020

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The Quick Pitch : Executive Summary & Elevator Pitch



TIP

Purpose of this section

This is the most important part of your business plan because if someone is busy, this might be the only section they read.

It should explain the basics of your business. After reading it, the reader should understand what the business is about and be keen to know more.

[Read More](#) ▾

Executive Summary



TIP

Explain your business idea – what you are going to sell, where and to whom. Explain your business name and why you chose it.

Describe what type of business you have chosen to be – sole trader, limited company, etc.

Explain why you have chosen that structure.

[Read More](#) ▾

Business summary

Start Writing here...



TIP

List three to five goals that you want to achieve through your business. For example, you might want to earn enough money to support your family or get your goods stocked in a particular store.

You should divide your objectives into short term (one year), mid-term (three years) and long term (five+ years).

[Read More](#) ▾

Business aims

Start Writing here...



TIP

Financial Statements. Provide a record of your **financial** dealings such as a summary of expenses budgets and cash flow **statement etc.**

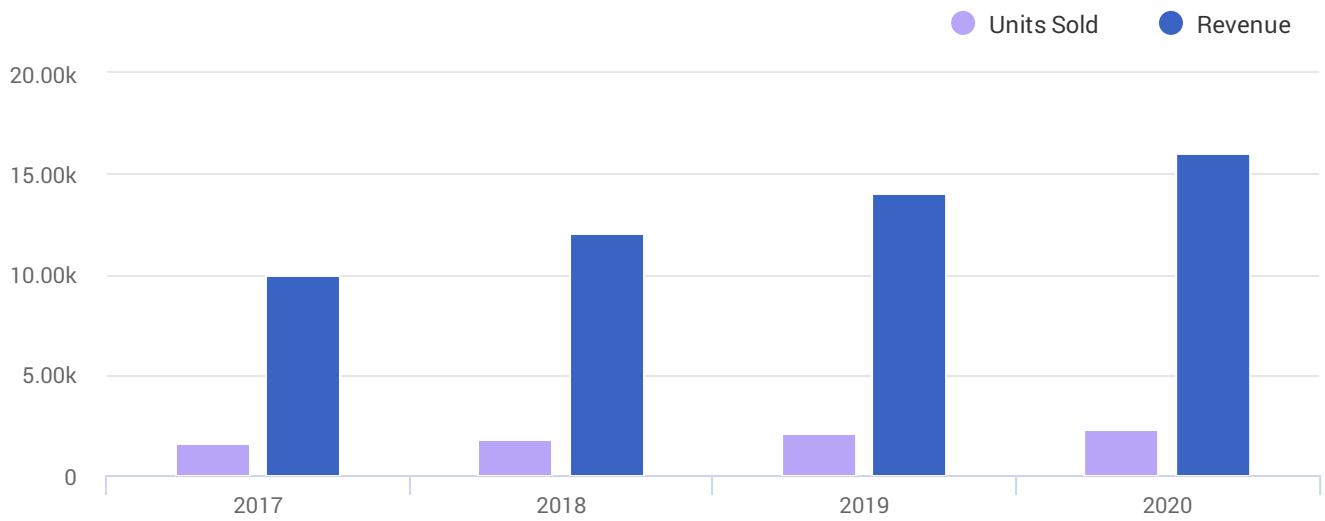
You don't need to add detailed financial statements here add just summaries.

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Financial summary

Start Writing here...

Units Sold v/s Revenue chart



Financial Year	Units Sold	Revenue
2017	1550	10000
2018	1800	12000
2019	2050	14000
2020	2300	16000



TIP

Purpose of this section

This is the section where you plan how you are going to talk about your business. You should complete this section last when you have finished your business planning.

Planning your business is sometimes the easy bit – it's more difficult to execute.

[Read More](#)

Elevator Pitch



TIP

Your business name is important because it's often the first thing people see on your marketing materials – for example, your website or later your business premises. Your name helps customers to form an impression of what you do, what you stand for and to pick you out from the competition. You also have to live with it.

You need to think about your business name carefully.

[Read More](#)

Your business name

Start Writing here...



This is a catchy phrase that goes with your business name and logo – for example, Cadbury's Creme Egg – how do you eat yours?

Not all businesses need a catchy strapline. If you decide to have one it should emphasize the key selling point of your business, the bit that makes you stand out.

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Do you need a strapline?

Start Writing here...



This is a quick two minute summary of your business. It's the few sentences that you choose to tell potential customers when you have all but two minutes to leave an impression.

Your elevator pitch should clearly state what your business does, who it's for and why it's different. After a little practice, it will be second nature.

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Your elevator pitch

Start Writing here...

What are you going to sell?

Problem Analysis



TIP

The problem statement section can be explained with three simple questions. **Who?, What?** and **Why?**. Your answers should be concise and ideally no more than five sentences long. Avoid jargon and industry buzzwords. Clearly, state the problem without extraneous details.

You might begin your problem statement by explaining that you are unable to expand your database because of memory and storage limitations.

[Read More](#) ▾

Whom ?

Small Businesses, Entrepreneurs, Startup business owners

Causes

Planning methods, Organizational workflows, and planning software they use.

Impact

Traditional planning methods take a lot of times to build plans and workflows. Sometimes entrepreneurs failed to complete and represent the business plan and it reduces 50% of their chances to get the funds from investors.

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Solution

Solution Description



Write something about your solution

Solution Features



Product 1

Write something about a feature.



Product 2

Write something about a product/service.



TIP

Purpose of this section

This section is to describe what your business is going to sell. Businesses can sell two things – products or services. Products are objects, for example, clothes, jewelry, books, etc. Services involve selling time to do something for a customer, for example, a plumber, car mechanic, etc.

[Read More](#)

Products and Services



TIP

Is your business going to sell a product, a service or both?

[Read More](#)

What are you going to sell?

Start Writing here...



TIP

Describe the basic product/service you are going to sell.

If your product is hard to explain it's a good idea to include a picture.

[Read More](#)

Basic Offerings

Start Writing here...



TIP

Describe the different types of product/service you are going to sell.

For example, if you were selling t-shirts, you might stock certain colors and sizes. If you were going to be a plumber you might have two services, one for commercial properties and one for domestic.

[Read More](#)

Other Offerings

Start Writing here...



TIP

If you are not going to sell all your products/services at the start of your business, explain why not and when you will start selling them.

You may start your business after having done market research on a sample of products/services. You may want to wait until you have a regular income before expanding the range of products/services you offer.

[Read More](#)

Future Offerings

Start Writing here...

All about you and your team



TIP

Purpose of this section

This section is to explain why you want to start your own business and why you think you (and, if applicable, your business partners) have the experience, ability, and commitment to make your idea a success. It should also give details of your education and qualifications, work experience, training, hobbies. Practical experience is especially important.

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Owner's Background



TIP

Why have you decided to start your own business?

Why is it the right choice for you and why are you determined to make it a success?

Why do you think you have the skills, knowledge, and experience to make it work?

[Read More](#)

Why you want to run your own business?

Start Writing here...



TIP

Describe any experience you have in the activity of your business or in running another business.

For example, if you have worked in the field or if you have helped your family to run a business.

[Read More](#)

Previous work experience

Start Writing here...



TIP

Explain any qualifications you have which you think will help you to run your business

[Read More](#)

Qualifications and education

Start Writing here...



TIP

Describe any training courses you have been on which will help you to run your business. These might be business skills courses or courses to develop industry skills,

for example, in carpentry or hairdressing. Give details of any training you plan to do in the future.

[Read More](#)

Training

Start Writing here...



TIP

Explain any activities you do in your spare time which will help you to make your business a success.

[Read More](#)

Hobbies and interests

Start Writing here...



TIP

List out your team members and a short introduction about them.

[Read More](#)

Team Members



JOHN DOE

Managing Director johndoe@example.com





JANA DOE

Manager- janadoe@example.com

Who are your customers?



TIP

Purpose of this section

This section is to describe the customers that might buy your product/service. You need to understand these customers so you can work out how to tell them about your business.

Be specific and find out detailed information about your target market.

[Read More](#)

The Market



TIP

Explain whether your customers are businesses or individuals.

Your customers might be both individuals and businesses.

[Read More](#)

Type of Customers

Start Writing here...



TIP

For example, if they are individuals, broadly how old they are and how much they earn. If they are businesses, what sector they are in and what size of business they are.

[Read More](#)

Describe your typical customer

Start Writing here...



TIP

For example, are they in the UK, in a particular region or worldwide.

[Read More](#)

Describe where your typical customers are based

Start Writing here...



TIP

For example, when they have a leaky tap or when they receive a big salary bonus.

[Read More](#)

Explain what prompts your customers to buy your product/service

Start Writing here...



TIP

For example, which business has the most experience, which business is nearest to them or which product they think is in fashion.

[Read More](#)

Describe factors that help your customers choose which business to buy from

Start Writing here...



TIP

Explain whether you have sold any products/services already

Describe how many sales and how much money you made. If you can, provide a list of customer/sales details.

[Read More](#)

Existing Customers

Start Writing here...



TIP

Explain how many customers you have waiting to buy from you

Ask potential customers to write a 'letter of intent', stating that they would like to buy your product/service and include copies in your business plan.

[Read More](#)

Potential Customers

Start Writing here...

Do you know what it's like out there?



TIP

Purpose of this section

In chapter four, you described your potential customers. Most of these customers will already be using other businesses. This section is to research those businesses and customers.

Lots of businesses look good on paper but the only test that matte

[Read More](#)

Market Research



TIP

It involves learning what other people say about your market and finding out basic facts. When writing a description of your market, you should explain:

- how big the market is (for example, how many sales take place in a year?)
- trends in your market (for example, are sales going up or down?)

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Desk research uses information from the internet and books.

Start Writing here...



TIP

It is the best way of working out if it will be successful. You should ask potential customers to complete questionnaires. If you are selling a product, you should also carry out test trading to see whether people will buy your product.

Questionnaires When designing questionnaires:

[Read More](#)

Field research involves asking potential customers their opinion of your business

Start Writing here...



TIP

The aim is to see if customers will buy your product and at what price. It doesn't have to cost lots to do. If you complete test trading, you should explain:

- where you did it and how much it cost
- how many products you tried to sell and at what price
- how many products you did sell and at what price

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Test trading lets you practice running your business

Start Writing here...



TIP

TAM, SAM and SOM Analysis

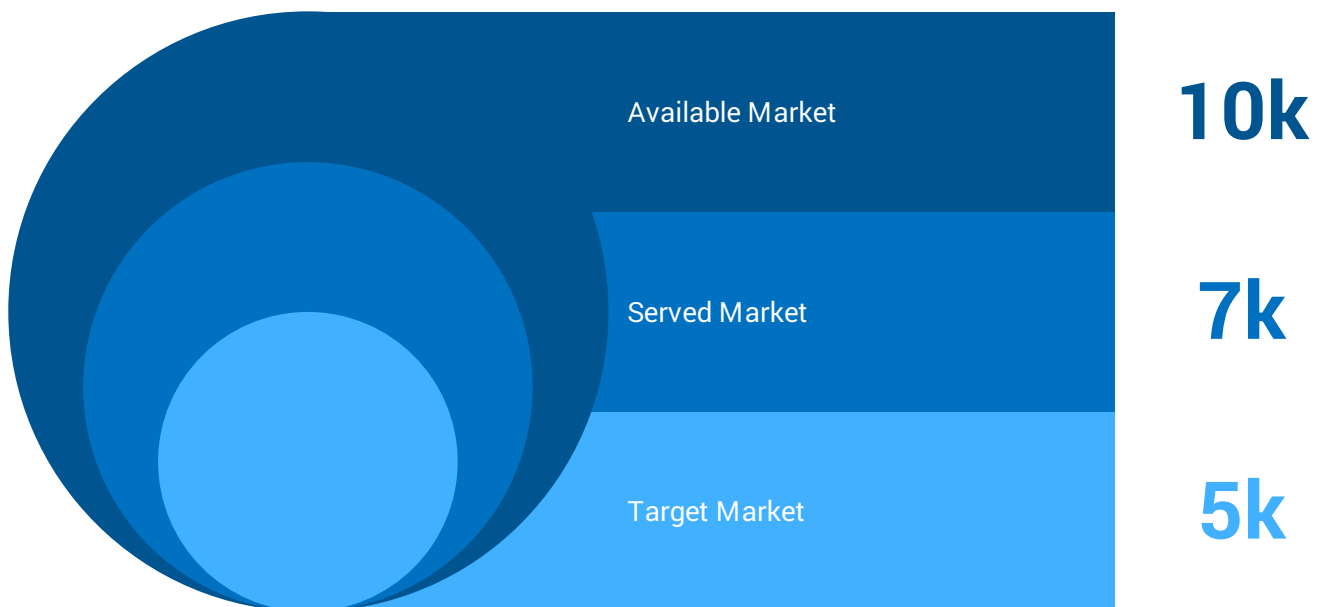
In this segment, the reader needs to understand the potential size of your target market by conducting the TAM, SAM and SOM Analysis. These indicators help to evaluate if the market is worth investing.

- TAM (Total Addressable Market) represents the total possible

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Market Size

Start Writing here...



How will you contact your customers?



TIP

Purpose of this section

You need to contact potential customers to tell them about your business. Marketing describes any activity that attempts to make contact with potential customers.

Good marketing materials – in whatever form – will grab a custom

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Marketing Strategy



TIP

When customers hear about your business through others, that's word of mouth marketing. If customers like your business they will often recommend it all on their own.

However, it is worth considering how you could encourage them to tell people, for example, by offering an incentive like a discount, or by giving excellent customer service

[Read More](#)

Word of mouth

Start Writing here...



TIP

There are many ways to advertise your business, for example, in a local paper, on the internet or in a directory like the Yellow Pages. You should explain:

- which methods you have chosen, why and how much it will cost.
- the type of advert you will use, for example, size or colors.
- how many adverts you will use and how long each will run for

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Advertising

Start Writing here...



TIP

These should detail only the most important information about your business. You should keep the design and wording simple. If you have already produced some, you should attach them to your business plan; otherwise, you should describe the design or include a sketch. You should also explain:

- what materials you will produce, what information will be on them and who will design them

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Business literature – leaflets and business cards

Start Writing here...



TIP

Direct marketing involves contacting potential customers to directly sell your product/service to them. It can be done on the phone, in a letter, email, or face-to-face. You should explain:

- which method of contact you will use, why and how much it will cost
- how you will find names and contact details of potential customers

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Direct marketing

Start Writing here...



TIP

Different social media can be a very effective way of marketing your business. It's free, allows you to put a face on your business and invites a vast network to interact with your activities. As well as the widely used Facebook and Twitter, there are now social networking sites for small businesses which can help you to focus your efforts. If you're planning on using social media to market your business, you should consider:

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Social media

Start Writing here...



TIP

Some businesses can access large audiences at a trade show or exhibition. However, exhibiting is expensive and time-consuming, so you need to be sure it will be worth the effort. If you plan to attend events, you should explain:

- which events you are planning to attend, when and how much it will cost
- why it is important to attend these events at this stage in your business

[Read More](#)

Tradeshaw and exhibitions

Start Writing here...



TIP

Websites don't have to be complicated - just three or four pages to show what you do and how to contact you. If you already have a website you should give the address. If you don't have one but plan to, you should explain:

- the design and any special functionality you want to include, for example, an online shop

[Read More](#)

Website

Start Writing here...

Competitive Analysis



TIP

Purpose of this section

A competitor is any business that offers a product/service that is similar to yours. Businesses often have many competitors. It's best to focus on those which customers are most likely to buy from instead of you; probably those nearest to you, with the most similar prices or the most similar products/services

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Competitor Analysis



TIP

Find out information about your competitors. Try to do this for at least five competitors.

You need to work out:

- who they are
- where they are

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Table of competitors

Start Writing here...



TIP

Each part of a SWOT analysis is explained below. Try to think of three points for each category. Make sure each point is specific to your business.

Strengths

Positive things about your business that will make it stand out against competitors. These might be specific to your product/ service or m

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SWOT analysis

Start Writing here...

Strengths

Mention positive tangible and intangible attributes. Internal to your organization. Which are within the organization's control.

S

Weaknesses

Factors that are within an organization's control that detract from its ability to attain the core goal. In which areas might the organization improve?

W

Opportunities

External attractive factors that represent the reason for an organization to exist and develop. What opportunities exist in the environment which will propel the organization?

O

Threats

External factors, beyond an organization's control, which could place the organization's mission or operation at risk. The organization may benefit by having contingency plans to address them should they occur.

T



TIP

Your USP is the thing that makes your business different from your competitors. It might be specific to your product/ service or it might relate to the way you run your business. It would be the reason that customers stopped using a different business and became your customer. Be specific and avoid clichés, such as better quality products, better customer service or cheaper products. Consider how you will show your customers that you are

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Unique Selling Point (USP)

Start Writing here...



TIP

Competitive advantages are your business's Unique Selling Propositions. They are attributable to a variety of factors, including distribution network, brand, intellectual property, quality of product offerings, cost structure, and customer support. Access to such differential advantages will help the businesses to stay above their competitors and lead the industry.

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Competitive Advantages



Brand

One of the strongest sustainable competitive advantages, because it takes not only money but also a long time to build a successful brand.



Patents/ Intellectual property

Patents are essentially a temporary monopoly granted by the governments to stimulate risky R&D. Example: biotech and pharmaceutical companies.



Network effect

"Network effect" happens when the value of a product or service depends on the number of its users. In a positive network effect, the more people use it, the more valuable the product becomes. Once the user base reaches a critical mass, it's extremely hard for anyone else to achieve the same position.

Operational Plan



TIP

Purpose of this section

It's important to work out how your business will work on a day-to-day basis. It's easy to forget little things and it's surprising how many people forget big things, like working out when and how to get paid. Imagine you are preparing for your first sale; work through the different stages, from making your product through to delivering it and taking the money.

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Operations and Logistics



TIP

If you are making your product, how long will it take? If you are buying it, how long will delivery take? Is there a minimum order?

Do you have to pay upfront? How much stock do you really need to order?

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Production

Start Writing here...



TIP

How long will it take to deliver your product to your customers and how will it be delivered? Is the cost of delivery included in the cost of the product or will you charge customers extra?

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Delivery to customers

Start Writing here...



TIP

When will you get paid and how – for example, with credit cards, cheques or cash? The payment methods you choose can have an impact on the cost of running the business.

For example, a merchant service provider often charges a monthly rental fee as well as a fee on debit and credit card transactions which affect your profit. Will you charge for your product or service. Will your customers pay you up

[Read More](#)

Payment

Start Writing here...



TIP

Explain who you have chosen, what they will supply and when you will pay them, for example, upfront or within 30 days.

Consider how your costs and prices will differ if you are buying or selling your products wholesale. Include at least two quotes and a backup option in case they let you down.

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Suppliers

Start Writing here...



TIP

Where will you run your business from? Describe the space and explain why it is suitable. Working from home may be easiest and cheapest but will it work and do you have permission from the owner or the local authority?

If you plan to rent premises, think about the cost, the type of contract, the facilities (for example, telephone and internet) and whether it is convenient for your customers. If you are selling on a market, when will you trade?

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Premises

Start Writing here...



TIP

What equipment do you need – for example, a computer, a mobile phone, a sewing machine?

What will you use each item for, how much will it cost and where will you buy it from or do you own it already?

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Equipment

Start Writing here...



TIP

How will you get about – for example, to pick up stock or to meet customers? How much will it cost?

Do you need a driving license? If you do and you don't have one, what will you do?

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Transport

Start Writing here...



TIP

What laws apply to your business, for example, registering with the Council if you deal with food or with HMRC for VAT if your turnover is over the limit? Do you need a trading license? Where would you go to get legal advice?

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Legal requirements

Start Writing here...



TIP

Insurance protects your business against risks. There are many types, for example, public liability (in case someone sues because they suffer a loss they think is your fault), contents (to protect stock and equipment), and goods in transit (to protect goods being moved in vehicles). Make sure you research which types of insurance you need and include at least two quotes for each.

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Insurance

Start Writing here...



TIP

Will you run the business on your own? If people will be helping you, what will they do?

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Management and staff

Start Writing here...

Pricing Strategy



TIP

Purpose of this section

Before you decide how much to sell your products/services for, you need to work out how much each one costs you to make and deliver. This will stop you from selling things for less than they cost.

The price you charge customers for a product/service must be high

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Pricing



TIP

If you can't work out the price of a single product/service, you can work out the price of a batch. For example, for food, this might be on portions of four or for T-shirts, a batch of 10.

Break down your product/ service into parts (for example, different materials, packaging, labels, etc.) and put each one in a separate box. Work out the cost of each and write it down in the relevant box

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Start Writing here...

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Financial Plan



TIP

A sales forecast shows how many sales you are aiming to achieve in your first year and how much money that would mean you receive. It's hard to know what a realistic number of sales might be so it's better to plan for the worst case.

For lots of businesses, the number of sales made is affected by external factors such as holidays, seasons, weather, etc. Think about what

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Sales and Costs Forecast



TIP

A. Write in the names of the months. Month one should be the month in which you plan to start trading.

B. Write down how many sales you plan to make in each month. To do this, work out how many products/services you think you can sell in a day. Multiply that number by the number of days in a week you plan to trade. Last, multiply that number by 4.3 (average number of weeks in a month) to give you

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Sales calculations

Start Writing here...

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Click to [Add Revenue](#)

This is just a placeholder to add finance revenue stream.



TIP

D. Work out how much money you will spend each month if you make your predicted sales. To do this, take the number of sales (B) and multiply it by its cost (cost D in the cost/price table in section nine).

[Read More](#)

Costs calculations

Start Writing here...



TIP

E. Describe any assumptions you made, for example, external factors affecting the number of sales. For example, if you were selling umbrellas you would expect higher sales in winter because it rains more

[Read More](#)

Assumptions

Start Writing here...



TIP

Purpose of this section

A survival budget shows the amount of money you need each month to live on. To work it out add up all the money you spend and take away any money you get as income from sources other than your business.

How to complete this section

[Read More](#)

Personal Survival Budget

Click to [Add Personnel](#)

This is just a placeholder to add personnel data.



TIP

Purpose of this section

Cash flow shows how much money is expected to come in and out of your business. It brings together all the work you have done in your plan. You must complete the forecast realistically. Make sure you:

- include seasonal changes in overhead costs such as increas

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Cashflow Forecast



TIP

Purpose of this section

The costs table explains what is included in each cost in your cash flow. It also explains what assumptions you have used to work the cost out.

For example, you might have a cost line for travel to pay for the pet

[Read More](#) 

Costs Table

What if it doesn't work?



TIP

Purpose of this section

Sometimes, despite careful planning, the unexpected will happen and business will fail. There are many reasons why a business might fail; a lack of cash, a new competitor or changes in your personal life.

Nobody plans to fail but it is important to plan for the 'what if' scen

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Backup Plan



TIP

Think about what changes you may be able to make to your business in the short term that would help you to make cost savings or earn more money.

For example, can you work with a cheaper supplier, negotiate shorter payment terms with your customers, or boost sales with effective networking?

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Short Term Plan

Start Writing here...



TIP

Consider what changes you may be able to make long term.

For example, can you do more of your business online or take a part-time job or training course - helping you to meet new people and learn new skills that might benefit your business?

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Long Term Plan

Start Writing here...



TIP

If you do decide to close your business, consider what skills and experience you have now – and as a result of doing the Enterprise program – that would help you to take your next step.

For example, what contacts do you have who would be willing to help you; what support might be available?

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Exit Plan

Start Writing here...



TIP

Think about what you have learned as a result of running your own business.

For example, what positives can you take from running your business; what lessons have you learned; what contacts have you made; what skills and experience do you have now that you didn't have before; how would these be interesting to an employer?

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Start Writing here...