

Writing Your Business Plan

A business plan must be in writing so that it can be shared with people that have a vested interest in your business including lenders, investors, and employees. The document should contain a cover, table of contents, body, and supporting documents such as financial projections. Writing a plan is hard work, but there are numerous long-term benefits. A plan clarifies your business idea and helps you stay on track.

Although there is no single formula for developing a business plan, some elements are common to all business plans. They are summarized in the following outline:

Description of the Business

- What is the purpose of your business?
- What are your business goals?
- What does your business do or sell?
- Why is there a need for this business?
- Who is the key management?

Marketing

Industry Overview

- What does the industry look like in your regional area?
- What kinds of trends, economic or seasonal cycles will impact your business?
- Are there any industry regulations that will impact the business?

Target Market

- Who is your “perfect customer”?
- What are the demographics of this target market? (e.g. age, sex, occupation, income level, interests)
- Where is this target market located?

The Competition

- Who are your top three competitors?
- What are your competitors' strengths?
- What are their weaknesses?
- What are your opportunities for entering the market?
- What will be the challenges?
- How are you determining your pricing using the competition as a benchmark?

Marketing Plan and Sales Strategy

- What is unique about your business and its service and/or product?
- What about this uniqueness will capture the attention of your target market?

- What need of the target market is the business fulfilling?
- What is the mission statement for the business?
- How are you conveying this message to your target market?

<input type="checkbox"/> Networking	<input type="checkbox"/> Yellow pages	<input type="checkbox"/> Ads in periodicals
<input type="checkbox"/> Mailings	<input type="checkbox"/> Email marketing	<input type="checkbox"/> Fax marketing
<input type="checkbox"/> Phone sales	<input type="checkbox"/> Radio ads	<input type="checkbox"/> TV ads
<input type="checkbox"/> Coupons/Specials	<input type="checkbox"/> Trade Shows	<input type="checkbox"/> Canvassing (Leafleting)
<input type="checkbox"/> Public Speaking	<input type="checkbox"/> Other: _____	

For each of your top three preferred methods, list (a) why you are choosing it, and (b) how much you expect to spend on it per month:

1. a. _____ b. _____
2. a. _____ b. _____
3. a. _____ b. _____

- What materials will you need to support your marketing methods?

<input type="checkbox"/> Business cards	<input type="checkbox"/> Web site	<input type="checkbox"/> Brochures
<input type="checkbox"/> Flyers	<input type="checkbox"/> Newsletter	<input type="checkbox"/> Displays
<input type="checkbox"/> Ad copy	<input type="checkbox"/> Other: _____	
- What logos and/or slogans have been developed for use in marketing?
- What do/will the logos or slogans communicate about your business?
- What is your philosophy of customer service?
- How will you keep your customers coming back?

Operations and Management

Process

- What steps will you go through to produce your product/service?
- Where are you in the process of obtaining each of the following?
 - Facility
 - Equipment
 - Technology
 - Inventory
 - Suppliers
 - Distribution Channels
- How will you track processes, customers, sales, inventory and order fulfillment?

Legal

- What is the legal structure of your business?
- Is your business subject to any local, state or federal regulation?

- Describe your needs in the following:
 - Licenses
 - Insurance
 - Permits

Management

- Describe the management personnel:
- List any key advisors and/or mentors who have influence in business decisions:

Financial Management

- Loan applications
- Capital equipment and supply list
- Balance sheet
- Breakeven analysis
- Pro-forma income projections (profit & loss statements)
- Three-year summary
- Assumptions upon which projections were based
- Pro-forma cash flow

Long Term Development

- What are the long term goals for the following:
 - Business
 - Personal
 - Financial
- What milestones will you use to measure your progress toward achieving the goals?
- What challenges do you face that could prohibit you from reaching your goals?
- How do you plan to overcome those challenges?

Sample Business Plans

One of the best ways to learn about writing a business plan is to study the plans of established businesses in your industry. Click on the following links to look at samples that will help guide you on your way.

[Industry examples of business plans](#)

[Case studies for manufacturing, services, and retail](#)