Business Plan Template Instructions:

* Save a copy of this template before you start working on it as a back up
* Do not change titles, font size or styles
* Type in your information in each section as you go and delete the notes after
* Follow the template line by line to create an accurate business plan
* Table of contents should automatically change page numbers as you go but if it

does not you can do so manually by deleting number and putting in new one or you

update the TOC by clicking the References tab and then click Update Table in the Table

of Contents group.

CMCC

|  |
| --- |
| Business PlanBusiness Name: **Client Name:**  **Address:**  **Phone**  **Email:**  **Group number:** |
| Optional : Insert logo |
| **Date:** |

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# Executive Summary

Start with one to two short paragraphs on the overview of the industry, i.e. size in dollars, anticipate growth, number of companies in that industry, company type, number of employees by type and number of competitors.

Next, provide a short business description that must clearly state your business model at the same time, i.e. what is your revenue model.

Briefly describe the management, you the owner.

Describe your credentials, skills, experience to run this business.

 Since you will be using the ‘Lean Canvas’ as a tool to prepare your business plan, it is important to state in the Executive Summary that you have used this tool to validate the business model. The summary of validation process and assignments will be inserted in the addendum.

 Clearly, describe based on your research and validation, the two customer segments (minimum two) that you have decided to build your business model around, and that will contribute to the sources of your revenue for the first two years.

 When describing the customer segments, state the buyer or user of your offerings.

 Finally, summarize your financial forecast for first two years using the customer segment approach as in the following example:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Clients/Units** | **Gross Sales: Year 1** | **Net Income: Year 1** | **GS Year 2** | **NI Year 2** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| **Totals** |  |  |  |  |  |

The other pertinent financial information to summarize in Executive Summary is as follows:

• Start-up cost for the business and amount of equity you are injecting

• Break-even sales  /units/ number of customers

Overall, make a conclusion statement, e.g. in order for the business to break-even, it will require ‘x’ number of clients in the first year and it is anticipated that the break-even sales will occur in the ‘sixth’ month.

If you do not anticipate having any sales in the **first month**, state the reasons why you will not have the sales and the activities you plan to carry out in the first month.

# Section 1 – Business Description & Customer Segments:

# Business Description:

This section must comment on the type of business organization you will register, i.e. sole proprietorship, an incorporated company or a partnership.

Indicate the address of the location where you will be operating from, whether it is a home office, retail establishment or an office location.

Where applicable, provide details of the location, i.e. lease terms, the size of space and the gross rent.

Briefly describe any special equipment or leasehold improvement requirements for the business. Indicate whether you are going to use any contractors or sub-contractors, including any other human resource requirements, if any.

Briefly touch upon any special laws & regulations your business has to comply with and whether you are in compliance with them and have copies of the licenses and permits that may be required.

What forms, waivers or contracts will you need to operate your business?

# Customer Segment 1:

**(For an enhanced viability of your business, it is important that you look at more than one customer segment. Clearly identify each of these segments, i.e. customer segment #1; customer segment #2, etc.    )**

This section should address the overall marketing plan of the business, including your target customers, i.e. your customer segments.

Using your market research, describe the size of your industry in dollars terms and the trends in the industry, i.e. at what rate has your industry been growing or declining over the past few years.

Based on that, you should provide a general prognosis of the industry going forward.

   Next you need to identify the geographic and demographic characteristic of your target customers or customer segments, which may include average income levels of your target market, age range of your customers, influence levels and management status etc.

# Customer Segment 2:

This section should address the overall marketing plan of the business, including your target customers, i.e. your customer segments.

Using your market research, describe the size of your industry in dollars terms and the trends in the industry, i.e. at what rate has your industry been growing or declining over the past few years.

Based on that, you should provide a general prognosis of the industry going forward.

 Next you need to identify the geographic and demographic characteristic of your target customers or customer segments, which may include average income levels of your target market, age range of your customers, influence levels and management status etc.

# Section 2 – Product/Service (offerings by segment):

 Clearly describe the Product/Service offering by each segment.

Describe the key benefits of these offerings to your customers  .

# Section 3 – Top Three Problems (by segment):

 The research and validation undertaken in the Customer Segment section above will flush out the problems your customers want solved for each of the customer segment(s).

Identify the top three problems the customers want addressed and describe them.

What are the jobs your customers need done on your offerings that they may not be satisfied with your competitors offering, or the way of their offering?

You need to be able to communicate the problems and the proposed solutions back to the Client.

# Section 4 – Solution:

 Having identified the top three problems in section 3 above for each of the customer segments, it is now time to bind a solution to each of the problems.

Sometimes the solution is in listing alternatives.

Your competitors may not be providing the solutions but you may have identified independently the problems your customers need to be solved.

The benefits should link to the solutions.

# Section 5 – Unique Value Proposition by Segment (UVP):

# (Please note that each customer segment may have a different UVP.)

 In this section, you need to come up with a single, clear and a compelling message that states why you are different and worth paying attention in one sentence.

The first problem usually is not even selling, it’s getting a prospective customer’s attention. Your ‘UVP’ needs to be different, and that difference must matter. It is like the landing page that must immediately connect with the prospective customer.

 Closely tied to the UVP are all the key attributes that you as an entrepreneur bring to the equation.

Therefore, provide your management overview, i.e. describe your experience, expertise and education (the 3 E’s of management) as it relates to your proposed business.

If you have a partner or a shareholder in the business with you, his/her description of the same is as essential to describe.

# Section 6 – Channels:

 Channels represent your path to the customers. **Each customer segment may have a different channel.** The channel or path that is the shortest way to your customers is the best approach initially as a new start-up business rather than thinking of scaling up from day one. Once you build a path to ‘enough’ customers at the beginning then scaling up becomes a natural progression.

In order to describe your path to the customers, you need to document the various paths available and ascertain the marketing & sales strategy needed to promote your product and service offerings. This may include website marketing, social media (search engine optimization, digital marketing & analytics, google ads, etc.), communication strategy and various forms of networking like trade shows, business forums, networking seminars and memberships in business associations, etc.  Describe your top 6 channels with an emphasis your top 3 for each segment as per your bullseye diagram.

# Section 7 – Unfair Advantage:

  An unfair advantage is essentially your competitive advantage. In its purest form, unfair advantage is something that cannot be copied or bought by your competitors. There are many other examples of unfair advantage, i.e. a unique or expert endorsement; a dream team; large network effects; list of existing customers or high SEO ranking. Some unfair advantages can also start out as values that become differentiators over time.

  You will need to summarize the conclusions arrived at from the Competitor analysis and SWOT assignments you undertook. Describe clearly what your competitive advantage is compared to your competitors. Describe any key highlights in the SWOT analysis that is worthy of making a note here.

# Section 8 – Cost Structures:

You need to layout clearly the Fixed & Variable Costs of your offerings, including the Gross Margin and the final selling price per unit or per customer hour as the case may be.

Describe your pricing strategy in relation to your competitors, e.g. if the pricing is higher than your competition, what are the reasons.

Summarize your service delivery process (step-by-step activities).

Include the payment methods and terms and supplier and/or inventory terms

# Section 9 – Revenue Streams:

 Revenue streams and cost structures are used to demonstrate the viability of your business.

You must complete the financial forecast template (including start-up requirement) provided to you as part of the financial template package.

Once you complete the forecasts, please provide a brief summary in this section as follows:

* First & Second year Gross Sales
* First & Second year Net Income
* Break-even sales in dollar terms and number of units/customers required to Break-even

# Section 10 – Key Metrics & Action Plan:

Key Metrics are the key numbers in your business that are used to measure how well the business is performing. This can for example be in the form of the number of units or customers needed in the first year to achieve the sales forecast.

Identify and describe the key metrics for your business or the success component of the metrics   

The other component of the key metrics are the actionable activities undertaken as part of the overall implementation plan.

How you will execute your Business Plan is equally as important and closely tied.

Draw up a detailed Action Plan using a pre-formatted table for the first six months in your business start-up phase. Complete the table for the six months on a weekly basis.

# Addendum:

# The following is required to be inserted in the Addendum:

Owner’s **resume** and partners resume (if business has a partner/shareholder); copies of professional **certificates** (if business requires such certificates for obtaining a license)

**A summary page of the various conclusions arrived at from the validation process exercises.**

**Your Financial Forecast (from the Excel file). Include:**

* **Business Start-Up Needs**
* **Year1 and 2 Sales Forecast**
* **Year 1 and 2 Cash Flow Forecast**
* **Year 1 and 2 Income Statement Forecast**
* **Financial Summary**

**The following is** **optional**:

Please insert any of the following if you think it will add as a back-up to your Business Plan - Marketing materials (e.g. business card, letterhead & logo); articles supporting identified market trends and other information supporting the business idea and any other pertinent information.