

# **Business Plan**

**Name of the business**

**Your name, address,  
telephone, fax, and  
e-mail address**

## Contact details

<b>Name of the Company/Business</b>	
<b>Contact Name</b>	
<b>Position of the Contact Person</b>	
<b>Telephone No of Contact Person</b>	
<b>Mobile No of the Contact Person</b>	
<b>E-mail address</b>	
<b>Web Address</b>	
<b>Primary Trading Address</b> (include full postcode)	
<b>Registered Address</b> (include full postcode)	
<b>Form of Incorporation</b>	
<b>Business Incorporation Date</b>	
<b>Company Registration No</b>	
<b>VAT Registration No</b>	
<b>Directors/Shareholders/Partners</b>	1. 2. 3.
<b>Business Sector</b>	
<b>Date Business Commenced or to commence Trading</b>	
<b>Funding Requirement (£)</b>	
<b>Directors/Owners' Fund (£)</b>	
<b>Employees</b> (including directors/owner-managers)	<p style="text-align: center;"><u>Current</u></p> <p>Full time [ ] Part-time [ ]</p> <p style="text-align: center;"><u>Planned Recruitment in the next 12 months</u></p> <p>Full time [ ] Part-time [ ]</p>
<b>Name of the Consultant/Advisor</b>	

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## Executive Summary

### The business/service/product

A brief description of the business/service/product

### The director/team

A brief history of relevant facts about you: your suitability for this market sector you have chosen such as personal experience, qualifications, etc.

### The target market/customer base

A brief description of the market/customer base

### The potential

The potential for your business in the market, e.g. uniqueness (USP), strength of demand, size of market, growth rate of market, positive trends, gaps, etc.

### Financials

Profit forecast from your profit & loss projection (profit/loss, gross profit, net profit, break-even, and cash flow for years 1 and 2) or use this table:

Item	Year1	Year2
Sales turnover		
Gross profit		
Net profit		
Break-even		
Cash flow balance		

### Funding required

How much money is needed to start, what will you use the money for and from which sources do you anticipate to obtain the funds?

Item	Amount required
<b>Total</b>	
<b>Financed by:</b>	
Director's loan	
Share capital	
Bank loan	
Grant	
Etc...	
<b>Total</b>	

**Vision statement**

Vision/ambition - dream of the future

**Mission statement**

What is your purpose

**Objectives: short-term, medium-term, long-term****Business objectives: to:**

Sell x amount/number of widgets

Extend the range

Have 97% customer satisfaction rate, contributing to a turnover of £x000 and a gross margin of x%

Have raised awareness by 20%

Expand customer base

Expand distribution outlets

Training and development in line with company objectives

**Background/history of the business (if relevant)**

# Marketing Plan

## THE MARKET

### Market Issues

#### **Market overview**

Provide an overview of the market into which you are selling:

- market size:
- sector:
- segment:
- geographic:
- demographic:
- volume and value of sale:
- trend analysis:

#### **Target Market (or beneficiaries)**

Describe your existing customer base (do you have one?) What are the segments?

- Consumer market (customer profile)
  - professional
  - lifestyle, who, where
  - social class
  - age
  - gender
  - tastes, etc.

Describe customer purchasing practices

- Industrial market
  - end use market:
  - product application:
  - customer size:
  - usage rate:
  - geographic allocation:
  - organisation structure:
  - geographic:
  - industry type:

#### **The opportunity**

Outline the opportunity as you see it, e.g. strength of demand, size of market, growth rate of market, positive trends, gaps, etc.

## Market Research (details can be included in appendices)

### Research approach

Describe research approach taken

### Research findings

Provide a summary of research findings demonstrating the viability of your potential business

#### Key findings:

- Finding 1, e.g. key trends
- Finding 2, e.g. gaping gaps, niche
- Finding 3, e.g. increasing demand

## Market Analysis

### Competitive analysis

Provide a scan/analysis of potential competitors

#### Potential competitors

	Product/Service	Promotion	Price	Place
Competitor 1		•		
Competitor 2		•		
Competitor 3		•		
Competitor 4		•		
Your company		•		

## PEST analysis

Provide a PEST (political, economic, social and demographic, technological) analysis of the market

<b>Political</b>	<ul style="list-style-type: none"><li>• The current political climate: stable? Conducive to businesses and inward investment? Is the present government is doing a lot to encourage businesses in the UK?</li><li>• Legislation and government regulation especially in this industry. Red tape?</li><li>• Licences: any requirements?</li></ul>
<b>Economic</b>	<ul style="list-style-type: none"><li>• The current economic climate: boom or bust?</li><li>• Energy prices: fuel, gas, etc. rising, dropping, stable?</li><li>• The congestion charges in London means that there is reduced traffic in central London...</li><li>• Taxation: business and personal. Effect on the business climate and spending.</li><li>• Interest rates: business and personal. Effect on the business climate and spending. Low enough to stimulate business activity and consumer spending?</li><li>• Employment rate:</li><li>• Business confidence:</li><li>• Consumer confidence: is pretty high in the face of the prevailing economic climate and there is a high level of disposable income.</li><li>• Disposable income</li><li>• Infrastructure: communications, transport</li><li>• Minimum wage: its effect on consumers spending</li></ul>
<b>Social and demographic</b>	<ul style="list-style-type: none"><li>• The social class targeted: predominantly A, B, C1 and C2s, living in exclusive areas in a large conurbation such as Kensington?</li><li>• Lifestyle: e.g. outings are an intrinsic part of the social culture in the UK. They love to travel and to go out for various activities.</li><li>• Age:</li><li>• Ethnic preferences and influences on the economy</li><li>• Shifting population; fastest growing section of population? Ageing population?</li><li>• Shifting public opinions and its effect on your business</li><li>• Social norms:</li><li>• Culture and religion and impact on spending</li></ul>
<b>Technological</b>	<ul style="list-style-type: none"><li>• The application of technology to the business: in the form of computers, telephones and the latest software programs that will assist the company to run effectively?</li><li>• Cutting edge production process?</li></ul>



## SWOT analysis

Internal	External	Combative action
<p><b><u>Strengths</u></b></p> <ul style="list-style-type: none"> <li>● Knowledge of the business</li> <li>● On-time service</li> <li>● Low cost service</li> <li>● Courteous and friendly service</li> </ul>	<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>● Good tourist trade in the locality</li> <li>● Strong businesses</li> <li>● Vibrant community with high disposable income</li> <li>● Weak competition</li> </ul>	<p><b><u>Capitalise on strengths:</u></b></p> <ul style="list-style-type: none"> <li>○ Highlight good designs in literature, T-Shirts</li> <li>○ Ensure consistently good customer service to spread the good news</li> </ul> <p><b><u>Exploit opportunities:</u></b></p> <ul style="list-style-type: none"> <li>● the weaknesses of competition: provide better service</li> </ul>
<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"> <li>● Lack of capital</li> <li>● No management team</li> <li>● Lack of appropriate equipment</li> </ul>	<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"> <li>● Unexpected government legislation</li> <li>● New competitor moving into the arena</li> <li>● High interest rates</li> <li>● Terrorist attacks or threats</li> <li>● Pandemics</li> <li>● Recession</li> </ul>	<p><b><u>Eliminate weaknesses:</u></b></p> <ul style="list-style-type: none"> <li>○ Attend business skills training</li> <li>○ Attend counselling sessions with business adviser</li> </ul> <p><b><u>Avoid/minimise threats:</u></b></p> <ul style="list-style-type: none"> <li>● New competitor moving into the arena: reposition and offer higher quality, niche products</li> </ul>

## **MARKETING STRATEGY**

### **Product/Service**

#### **Comprehensive description of product/service**

Provide a comprehensive description of your product/service

#### **The idea/inspiration**

Explain where you got the idea/inspiration

#### **Unique selling points/propositions**

Identify unique selling points/propositions (USP) associated with your product/service

#### **Customer benefits**

Describe the customer benefits of your product/service

### **Promotion**

#### **Promotional and advertising strategy**

Describe your overall promotional and advertising strategy

### **Pricing**

#### **Operating margins and mark-up**

Describe your operating margins and mark-up policy

#### **Discounting structure**

Describe any discounting structure you may adopt

#### **Policy**

Describe your pricing policy (positioning: low, medium, high and why). Describe how you are pricing (hourly rate; daily rate; number of unit sales; number of customer purchases etc)

### **Place**

#### **Working base**

Describe your working base, location, and its relative importance to your market (where & why: home; rented office/workshop; factory etc)

#### **Geographical market**

Describe your geographical market (local/national/international)

#### **Geographical location**

Describe geographical location of any storage or distribution centres you will use

#### **Sales locations**

Describe the single/various locations where you will be selling from (telesales from your office; other people's sites; internet, twitter, facebook etc.)

## **Sales**

### **Selling method**

Describe your preferred method of selling (yourself/agents/mail-order etc)

### **Point of sale strategies**

Describe point of sale strategies (retail, restaurant, customer contact etc)

### **Trade shows or exhibitions**

Identify any trade shows or exhibitions you may attend

## **Distribution**

### **Product**

Distribution method: describe distribution method (storage or warehousing & transportation; from factory to customer; import/export)

### **Service**

Delivery process: describe the delivery process of the service (where do you deliver – on site or off site or somewhere else? etc.)

## **GROWTH MARKETING STRATEGY**

### **Customer management**

Describe customer management policies (how will you build a relationship)

### **Customer database management**

How will you maximise relationships?

### **Future market trends**

Describe future market trends and product/service development

### **Growth potential**

Describe growth potential (additional products, new markets)

# Operations Plan

## Get organised!!

### **Background description of the business – (not the product or service)**

Describe how the organization was set up, the departments, organizational chart, shareholders, etc.

### **Legal structure**

Sole trader, Limited company, Partnership, or Co-operative

### **Important stakeholders, business partners and alliances**

- Manufacturers (who, where, why, costs, quality etc)
- Suppliers (who, where, why costs, quality etc)
- Others.

### **Essential operations**

Describe essential operations, e.g.

- Sales
- Ordering/supplies
- Despatch/delivery
- Design
- Manufacturing
- Record keeping
- Opening hours
- Meetings for strategy, planning and evaluation

### **Background on Management**

#### **History & business experience**

Your history & business experience

#### **Skill base**

Your skill base related to the business

#### **Dealing with management weaknesses**

How you will deal with management weaknesses (lack of experience)

#### **Training and personal development**

Describe training and personal development objectives

### **Number of employees at start**

#### **Workforce requirements**

Describe your workforce requirements and critical roles of key staff.

**Equipment, tools or technology**

Describe equipment, tools or technology to be utilized

**Marketing management and controls****Sales forecasting**

Describe your sales forecasting method

**Sales performance monitoring**

Explain how you will monitor sales performance against projections

**Customer feedback**

What mechanism will you use for customer feedback and satisfaction reports

**Quality control**

Describe how you will maintain quality control

**After sales service**

Describe how you will run after sales service

**Financial Management & Controls****Accounting tasks**

Explain how you will manage day-to-day accounting tasks

**Accounting System**

Describe the system you will adopt to manage these tasks

**Professional input**

Describe the professional input you will receive to ensure sound management and control of the business (accountant/book keeper)

**Financial performance monitoring**

Explain how you will monitor financial performance (monthly/quarterly management accounts reporting on actual performance)

# Financial Plan

## Summary of Profit & Loss forecasts

- sales Forecast
- costs (cost of sales and overheads)
- gross profit
- net profit
- break-even

or use this table:

Item	Year1	Year2
Sales turnover		
Fixed costs		
Gross profit		
Gross margin		
Net profit		
Net margin		
Break-even		
Cash flow balance		
Marketing costs		

## 3.2 Assumptions

Sales projection:

How was it derived? Explain how you have arrived at monthly sales values relative to research findings (number of products sold; number of hours earnings; numbers of contracts completed, numbers of customers served, seasonality, etc.) What assumptions were made? What seasonality factors have you discovered? Do you have enough salespeople and sales know-how to achieve this level of sales? Is the market big enough to let you get that number of sales? Is the investment required to get your marketing and advertising message out realistic? Have you got enough service people to take care of after-sales service? What is the average sale per customer? Is this number in line with the projected revenue numbers?

Profit and loss:

Explain major items of expenditure (materials, rents, wages etc.)

Cash flow:

Explain the income figures, the cash balances at each month end and year end

## Financing Requirement

Personal investment:

Show how much you have already invested in the business (purchase of equipment, stock etc.)

Capital required:

Show how much capital (if any) you require to establish the business

Break down requirement into:

Item	Amount required
<b>Total</b>	
<b>Financed by:</b>	
Director's loan	
Share capital	
Bank loan	
Grant	
Etc...	
<b>Total</b>	

Sources of capital:

Show where you expect the capital to come from:

- Yourself
- Family
- Bank
- Outside investor
- Grant or loan agency
- Other

Investors' shareholding:

If you have investors show the value of their share holding and percentage of equity

## Appendices

### Appendix 1 Curriculum Vitae

**NAME HERE**

Address • Address2 Road • City • Post code

Tel.: • Mobile.:

Email:

#### **PERSONAL INFORMATION**

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• Nationality:      • Age:      • Gender:

#### **WORK EXPERIENCE**

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August 200x – January 200z   xyz Company Ltd

*Position here*

- Task/responsibility/accomplishments 1
- Task/responsibility/accomplishments 1
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August 200x – January 200z   xyz Company Ltd

*Position here*

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- Task/responsibility/accomplishments 1



## SKILLS

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Software programs –

Accounting –

Sales -

## SUMMARY OF QUALIFICATIONS

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Month 20\_\_

\_\_\_\_\_ Institute - Diploma in \_\_\_\_\_

Month 20\_\_

\_\_\_\_\_ College – Certificate in \_\_\_\_\_

Month 20\_\_

\_\_\_\_\_ College – Diploma in \_\_\_\_\_

## EDUCATION

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Month 2000x – Month 200x \_\_\_\_\_ University

**BSC in** \_\_\_\_\_

Month 200x – Month 200x \_\_\_\_\_ College

**'A' Level in** \_\_\_\_\_

## INTERESTS AND ACTIVITIES

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## REFERENCES

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Available on request

Appendix 2 Cash flow forecast (1-3 years)  
Appendix 3 Profit and loss projection (1-3 years)  
Appendix 4 Sales Projection  
Appendix 5 Sensitivity Analysis  
Appendix 6 Letters of Intent  
Appendix 7 Competition  
Appendix 8 Market research details