ABC OF BUSINESS PLANS

Action Steps in Developing Your Business Plan

In developing the business plan, you need to answer the following questions. We recommend that you use this worksheet to answer in bullet form all the guideline questions that have been raised here. Once you are done use your plans to develop a complete business plan as per the suggested template.

*Steps 1- 3: Setting the scene for your business*

1. PURPOSE OF BUSINESS

What does the business do?

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| 1. What does your business do? |
| 1. What does your business do? |
| 1. What does your business do? |

2. BUSINESS GOALS

Where do you want it to be in 5 years? Discuss here things such as: the amount of sales you expect to have, the number of employees you will have, the products you plan to have, the number of units you want to sell, the location of your business, etc.

*Try to be as concise as possible and remember the goals need to be SMART.*

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| 1. Where do you want to be in five years? |
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3. PRODUCTS AND SERVICES

Describe your MAJOR products and/or services. What are the features of your services/products? What is unique about your product? What is the unique selling proposition of your products?

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| 1. What product or service do you offer? |
| 1. What are the features of your product or service? |
| 1. What is unique about your product and what is your unique selling point? |

STEP 4: IDENTIFYING CURRENT AND UNOCCUPIED *‘BLUE SPACES’*

4. THE INDUSTRY AND MARKET ANALYSIS

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| 1. Describe the industry you are in (such as food, clothing, retail, production, etc.) |
| 1. What are the key market needs in the industry? |
| 1. What is the estimate market size of these needs? |
| 1. Is your industry growing or declining? Explain. |
| 1. What are the major trends in the industry? |
| 1. Are there any potential untapped market opportunities outside the normal industry comfort zone – the “blue spaces”? |
| 1. Why are these blue spaces not being currently exploited in the industry? |
| 1. What makes them unique opportunities worth exploring?? |
| 1. Are there any significant examples of failed business ventures in your industry? |
| 1. What lessons and opportunities can be drawn from these failed ventures? |

STEP 5-6: ANALYSING THE TWO CS-CUSTOMERS AND COMPETITORS

5. CUSTOMERS ANALYSIS

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| 1. Where are your customers located (your neighbourhood, city/town, region, nationally, internationally)? |
| 1. If your customers are individuals (in contrast to businesses), describe them in terms of their age, male/female, income, etc. If they are businesses, describe the typical business customer (location, sales volume, industry, etc.) |
| 1. Who are your biggest customers? |
| 1. Is your industry growing or declining? Explain. |
| 1. What are the major trends in the industry? |
| 1. Are there any potential untapped market opportunities outside the normal industry comfort zone – the “blue spaces”? |
| 1. Why are these blue spaces not being currently exploited in the industry? |
| 1. What makes them unique opportunities worth exploring?? |
| 1. Are there any significant examples of failed business ventures in your industry? |
| 1. What lessons and opportunities can be drawn from these failed ventures? |

6. COMPETITION & COMPETITIVE ADVANTAGE

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| 1. Who is currently serving your same type of customer with similar services or products? (List the names of your competitors and the products they offer.) |
| 1. How do you promote your business to customers in a way that shows your products and services are different or better than your competitors? |
| 1. How is your competition marketing their products or services? |
| 1. Does your competition offer benefits that you don't? |
| 1. What are the advantages your business has over your competitors (personnel, marketing, financial strength)? |
| 1. What are the weaknesses of your business compared to your competitors? |

7. ESTABLISH THE 4 PS.

*Ensure that you cover the basic 4 Pillars of marketing your products based on the outcomes form the analysis covered in steps 1-6.*

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| Position your product | What is the target market; by income (low/middle/high income), by age groups (infants, toddlers, teenagers, young adults) etc? |
| Price | What is your market entry plan- (to challenge the establishment by selling lower, matching competitors or selling higher)? Please explain why. |
| Promotion | How are you going to reach the target market (tradeshows, press-magnet events, social media marketing (e.g. Facebook, Twitter, etc.), networking, and print, media, or online advertising? Include the cost associated with each tactic. |
| Place | Describe how your products or services will be sold (e.g. storefront, online, wholesalers), and your target markets’ buying cycle. |

8. OPERATIONS PLAN.

*The operations plan provides a plan for resource allocation; as the last step, the OP may be modified to reflect policy decisions or financial changes. Provide details on the following:*

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| 1. Clear objectives |
| 1. Activities to be delivered |
| 1. Desired outcomes |
| 1. Staffing and resource requirements |
| 1. Implementation timetables |
| 1. A process for monitoring progress |

9. FINANCIAL PLAN

1. Show three years’ worth of projected financial statements, including income statements, pro-forma balance sheets, and monthly cash flow and annual cash flow statements.
2. Summarise Each Statement into a few easy to understand sentences