

Business Plan - Outline

1. Strategy

2. Market Analysis

2.1. Industry Description and Outlook

2.1.1. Description of your primary industry

2.1.2. Size of industry

2.1.2.1. Historically

2.1.2.2. Currently

2.1.2.3. In five/ten years

2.1.3. Industry characteristics and trends

2.1.3.1. Historically

2.1.3.2. Currently

2.1.3.3. In the future

2.1.4. Major Customer Groups

2.1.4.1. Businesses

2.1.4.2. Governments

2.1.4.3. Consumers

2.2. Target Markets

2.2.1. Distinguishing Characteristics

2.2.1.1. Critical Needs

2.2.1.2. Extent needs are met

2.2.1.3. Demographics

2.2.1.4. Geographic location

2.2.1.5. Purchasing influences

- 2.2.1.6. Seasonal/cyclical trends
- 2.2.2. Primary/target market size
 - 2.2.2.1. Number of customers
 - 2.2.2.2. Annual total market volume
 - 2.2.2.3. Geographic area
 - 2.2.2.4. Anticipated market growth
- 2.2.3. Market Penetration
 - 2.2.3.1. Market share
 - 2.2.3.2. Number of customers
 - 2.2.3.3. Geographic coverage
 - 2.2.3.4. Rationale for market penetration estimates
- 2.2.4. Pricing/gross margin targets
 - 2.2.4.1. Price levels
 - 2.2.4.2. Gross margin levels
 - 2.2.4.3. Discount structure (volume, prompt payment, etc.)
- 2.2.5. Methods of potential customer identification
 - 2.2.5.1. Directories
 - 2.2.5.2. Trade association publications
 - 2.2.5.3. Government documents
- 2.2.6. Media for communication
 - 2.2.6.1. Publications
 - 2.2.6.2. Radio/television broadcasts
 - 2.2.6.3. Sources of influence
 - 2.2.6.4. Source of advice
- 2.2.7. Purchasing cycle of potential customers
 - 2.2.7.1. Needs identification
 - 2.2.7.2. Research for solutions to needs

2.2.7.3. Solution evaluation process

2.2.7.4. Final solution selection

2.2.8. Key trends and anticipated changes in target markets

2.2.9. Secondary target markets

2.2.9.1. Needs

2.2.9.2. Demographics

2.2.9.3. Significant future trends

2.3. Market Test Results

2.3.1. Potential customers contacted

2.3.2. Information/demonstration given to potential customers

2.3.3. Reaction of potential customers

2.3.4. Importance of satisfaction of targeted needs

2.3.5. Test groups willingness to purchase

2.4. Lead times

2.4.1. Initial orders

2.4.2. Reorders

2.4.3. Volume purchases

2.5. Competition

2.5.1. Identification

2.5.1.1. Existing

2.5.1.2. Market share

2.5.1.3. Potential

2.5.1.4. Direct

2.5.1.5. Indirect

2.5.2. Strengths

2.5.2.1. Ability to satisfy customer needs

2.5.2.2. Market penetration

- 2.5.2.3. Track record and reputation
- 2.5.2.4. Staying power (financial)
- 2.5.2.5. Key personnel
- 2.5.3. Weaknesses (competitive disadvantages)
 - 2.5.3.1. Ability to satisfy customer needs
 - 2.5.3.2. Market penetration
 - 2.5.3.3. Track record and reputation
 - 2.5.3.4. Staying power (financial)
 - 2.5.3.5. Key personnel
- 2.5.4. Importance of your target market to your competition
- 2.5.5. Barriers to entry into market
 - 2.5.5.1. Cost
 - 2.5.5.2. Time
 - 2.5.5.3. Technology
 - 2.5.5.4. Key personnel
 - 2.5.5.5. Customer inertia (brand loyalty, existing relationships)
 - 2.5.5.6. Existing patents and trademarks

2.6. Regulatory restrictions

- 2.6.1. Customer or governmental requirements
 - 2.6.1.1. Methods of meeting the requirements
 - 2.6.1.2. Timing involved
 - 2.6.1.3. Cost
- 2.6.2. Anticipated changes in regulatory requirements

3. Company Description

3.1. Nature of Your Business

- 3.1.1. Marketplace to be satisfied
- 3.1.2. Methods of need satisfaction
- 3.1.3. Individuals/organizations with the needs

3.2. Your distinctive competencies

- 3.2.1. Superior customer need satisfaction
- 3.2.2. Production/service delivery efficiencies
- 3.2.3. Know-how
- 3.2.4. Personnel
- 3.2.5. Geographic location

4. Marketing and Sales Activities

4.1. Overall Marketing Strategy

- 4.1.1. Marketing penetration strategy
- 4.1.2. Growth strategy
 - 4.1.2.1. Internal
 - 4.1.2.2. Acquisition
 - 4.1.2.3. Franchise
 - 4.1.2.4. Horizontal (providing similar products to different users)
 - 4.1.2.5. Vertical (providing the products at different levels of the supply chain)
- 4.1.3. Distribution channels
 - 4.1.3.1. Original equipment manufacturers
 - 4.1.3.2. Internal sales forces
 - 4.1.3.3. Distributors
 - 4.1.3.4. Retailers
- 4.1.4. Communication

4.1.4.1. Promotion

4.1.4.2. Advertising

4.1.4.3. Public relations

4.1.4.4. Personal selling

4.1.4.5. Printed materials

4.1.5. Market introduction

4.2. Sales Strategies

4.2.1. Sales force

4.2.1.1. Own vs outside

4.2.1.2. Size

4.2.1.3. Recruitment and training

4.2.1.4. Compensation

4.2.2. Sales activities

4.2.2.1. Identifying prospects

4.2.2.2. Prioritizing prospects

4.2.2.3. Number of sales calls made per period

4.2.2.4. Average number of sales calls per sale

4.2.2.5. Average dollar size per sale

4.2.2.6. Average dollar size per reorder

5. Products and Services

5.1. Product/Service Definition

5.2. Detailed Product/Service Description

- 5.2.1. Specific benefits/features of product/service to customers
- 5.2.2. Ability to meet needs
- 5.2.3. Competitive advantage
- 5.2.4. Specific benefits/features of product/service for your company
- 5.2.5. Present stage (idea, prototype. Small production, etc.)

5.3. Product Life Cycle

- 5.3.1. Description of the product within its life cycle
- 5.3.2. Factors that might change the anticipated life cycle
 - 5.3.2.1. Lengthen it
 - 5.3.2.2. Shorten it

5.4. Copyrights, Patents and Trade Secrets

- 5.4.1. Existing or pending
- 5.4.2. Anticipated
- 5.4.3. Key aspects of your products that can be patented or copyrighted
- 5.4.4. Key aspects of your product that qualify trade secrets
- 5.4.5. Existing legal agreements with owners and employees
 - 5.4.5.1. Nondisclosure agreements
 - 5.4.5.2. Noncompete agreements

5.5. Research and Development Activities

- 5.5.1. Activities in process
- 5.5.2. Future activities
- 5.5.3. Anticipated results of future R&D activities
 - 5.5.3.1. New products or services
 - 5.5.3.2. New generations of existing products

5.5.3.3. Complementary products

5.5.3.4. Replacement products

5.5.4. R&D activities of others in your industry

5.5.4.1. Direct competitors

5.5.4.2. Indirect competitors

5.5.4.3. Suppliers

5.5.4.4. Customers

6. Operations

6.1. **Production and Service Delivery Procedures**

6.2. **Production and Service Delivery Capacity**

6.3. **Operating Competitive Advantages**

6.4. **Suppliers**

7. Management and Ownership

8. Funds required and Their Uses

8.1. **Current Funding requirements**

8.2. **Funding Requirements over the Next Five Years**

8.3. **Use of Funds**

8.4. **Long-Range Financial Strategies**

9. Financial Data (Various scenarios can be included)

- 9.1. Historical Financial Data
- 9.2. Prospective Financial Data
- 9.3. Analysis