



Checklist 2: How To Create A Business Plan

Project Name: _____

Date: _____

Yes No

A business plan is a document that gives an overview of the business it is designed for. As described by Entrepreneur a business plan is a "written document describing the nature of the business, the sales and marketing strategy, and the financial background, and containing a projected profit and loss statement." There are certain parts that a business plan must include and these are

Executive summary

Structurally this is the first part of your business plan and appears at the front, but most experts recommend writing it in the last once you've written your whole plan. This includes the critical highlights of your business and provides a general overview, and most investors read only your executive summary. It has a few sub-parts:

- 1 Problem and solution: Execute this part with great care. Do some detailed market research and go to talk to potential customers about what problems they are facing and what solutions they want. Include all the feedback you get in this part and focus on how your solution addresses the customers' issues.

- 2 Target market: Try to come up with a fictitious customer and tell the investor what that customer's likes and dislikes are and how your problem addresses them.

- 3 Key customers: This is for those businesses who have a very particular customer base if you are one of them do this part and explain what key consumers are essential for your business.

- 4 Competition: Discuss in detail how your competition is solving the problem and how your solution is better.

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- 5 Future products/services: This section should discuss where you plan to take your business in the future.
- 6 Team: who is working with you to help you fulfill your goal? This is something that investors pay a lot of attention to as a successful business needs a good team.
- 7 Financial summary: Try including some graphs or charts that show your expenditures, predicted profits etc.
- 8 Funding requirements: add a line or two about the amount of money you will need to start your business. Don't write too much on this.
- 9 Milestones: You need to show your investors what you have achieved yet, or what you intend to achieve.

Opportunity

This is where the main content of your plan lies. Many of the sections and topics that are touched upon in the executive summary will be explained in great detail over here. The sub-topics for this section include:

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Execution

This part of the plan refers to the practical part of your business and how it is going to be run

- 1 Sales and marketing explain how you plan on taking the product or service to the consumer, you're pricing plan etc.
- 2 Positioning: Where would you place yourself in the market: are you a more cost-effective option, are you a more high-end option etc?
- 3 Pricing: Do you plan on providing competitive pricing, or pricing to cover your initial costs?
- 4 Promotion: How do you plan on advertising and making your product attractive to customers.

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- 5 Operation: How exactly do you plan on running the business, include distributing strategies, legal issues and the location of your business.

Team and Company

Discuss who manages your business, but don't just focus on the bigger titles. Write about your team as a whole and who has what experience or skills that can be useful for the business.

Financial plan

While this part seems to involve some mathematics, you don't need to have a college degree for this. You can use software to show your projections in 12 months and then your projections after 3-5 years.

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