

# Business Plan Writing

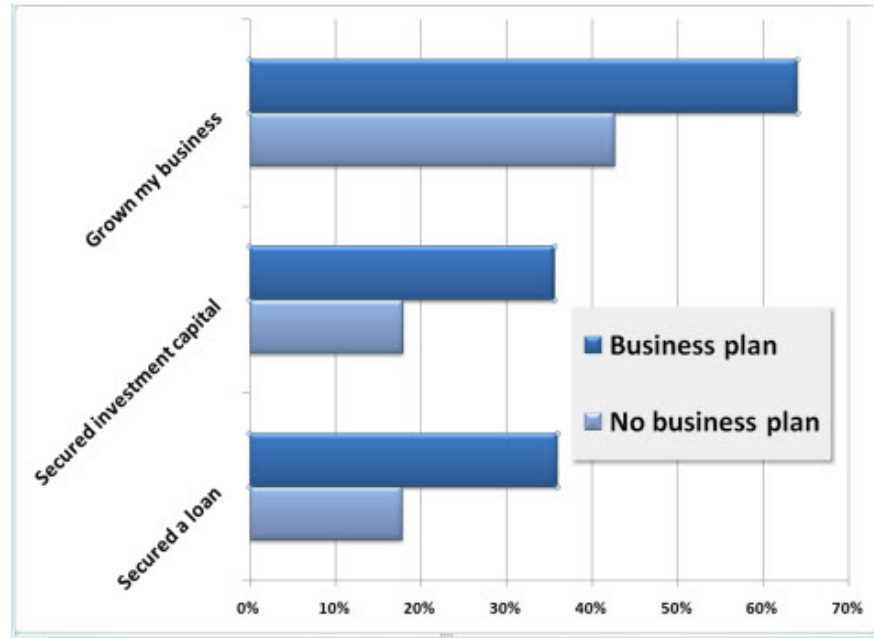
**An Essential Roadmap to Your Business Success**

# Agenda

- Introduce yourself & business
- Expectations from seminar
- Importance of a business plan
- Types of business plan
  - Internal and Investor Ready
- Components of a business plan
- Market analysis
- Operations & management
- Cost structure & projected profits
- Executive summary

# Importance of Planning

- 995/2877 completed plans
- 36% secured a loan
- 64% had grown their business
- 36% secured investment capital



- Survey responses show that those who completed their business plan were nearly twice as likely to successfully grow their business and obtain capital

# Questions to start with:



1. What service or product does your business provide?
2. What needs does it fill?
3. Who are the potential customers?
4. Why will they purchase it from you?
5. How will you reach your potential customers?
6. Where will you get the financial resources to start or run your business?

Source:

[http://www.youtube.com/watch?v=JsTE\\_Xh\\_5FY](http://www.youtube.com/watch?v=JsTE_Xh_5FY)

# Types of Business Plan - Internal

- Keep it brief (3-5 pages)
- “work in progress”
- Its for YOU
- Revisit document at least twice a year
- Marketing Plan importance – How are you going to get customers



# Investor Ready Business Plan

- Includes details that investors want to know
  - There is a **need**
  - You can **fulfill** that need
  - You understand how to get the **attention** of your target audience
  - **AND** you can make money
  - **CONVINCING**
- Written in a language that can be understood by people unfamiliar with your industry

# Investor Ready Business Plan

- Includes details on how you seek GROWTH
- Includes data and metrics to back up this plan
  
- Discover the need
- Find competitive edge
- Includes market research that backs up your claims that there is a need
  
- Write & refine
- Prepare financial statements and projections

# Components of a Business Plan





# Market Analysis

- **Marketing Plan**
  - SWOT analysis on your company
  - SWOT analysis on competition
  - Apply opportunities and competitive advantage
- **Target Market** (describe them!)
  - Demographics: age range, male/female, marital status, geographic areas etc.
  - Psychographics: attitudes, values, interest/hobbies, lifestyle, behaviors etc. Study generations- Gen X, Gen Y, BabyBoomers, etc.
- Measurable goals
- Measurable outcomes
- Implementation and what it means for your company

# Market Research

- Google Trends (Reporting & Tools)
  - [www.adwords.google.com](http://www.adwords.google.com)
- The City Library Research Center: [www.slcppl.lib.ut.us](http://www.slcppl.lib.ut.us)
  - Research USA Demo
- Industry Associations and experts
  - “Association of...”
- US Census: [www.census.gov](http://www.census.gov)
- SBA: [www.sba.gov/tools/sizeup](http://www.sba.gov/tools/sizeup)
- State of Utah Demographics:  
<http://www.governor.state.ut.us/dea/>

# Market Viability

So, how do you apply the market research?

## Determine Viability

- How many people want what I can offer?
- Who else is providing it?
- Is the market too saturated?



## Market Projections

Market Size number x Market Share Percentage x Average Price = Projected Revenue

# Operations & Management

- Manage your business success through achieving goals and objectives
- Every business is run by **PEOPLE**
- How you are going to operate everyday?
- Internal process



# Cost Structure & Projections



- Determine sales and expenses
- Financially successful?
- Under estimate on revenue
- Over estimate on expenses

*Be conservative overall*

Been in business?

- Use your past financials

New business?

- Use market averages

# Executive Summary

- “WOW” them
- Write last, even though it’s the first
- 1-2 pages
- Most important part
- Highlight your strength and overall plan
- What to include:
  - The mission statement
  - Company information
  - Growth highlights
  - Your products and services
  - Financial information
  - Summarize future plans
    - Source: <http://www.sba.gov/content/business-plan-executive-summary>

# Templates & Outline

- Source:
  - <http://www.sba.gov/category/navigation-structure/starting-managing-business/starting-business/how-write-business-plan>
- Cover page
- Table of contents
  - Executive summary (1-2 pages max).
    - (Page numbers start at Executive Summary, should be page 1)
    - Company description
  - Use of funds
  - Service or Products
  - Market analysis
  - Marketing and Sales
  - Organization and Management
  - Financial assumptions and projections
  - appendix



**QUESTIONS**  
And  
**Answers**

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