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| --- |
| HOME BASED |
|  |  |  |
| Business Name Here |
|  | Business Plan |  |

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# Executive Summary

**You should write this section last, after the rest of your business plan has been completed. It should be a 1-page summary of the most important things that the reader of your plan needs to know.**

Put a paragraph or a few lines about your business structure: \_\_\_\_\_\_\_\_(Company name) is a (LLC, S-corp etc.) registered in the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_. Its owner is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. (A sentence or 2 about your credentials, degrees etc.) And then put a paragraph about your exit strategy for your business (remain a company for your lifetime or in perpetuity; sell , IPO etc.)

## Mission & Purpose

## Products

## Target Market

## Technology

How do you plan to incorporate AI or machine learning into your business?

## Expected Annual Return

This is the return that the person reading your plan cares about. If it’s the SBA, what’s your EBIT (Earnings before interest and taxes). If it’s a licenser, what’s their expected profit?

# Company Overview

This section should be 2-4 pages.

## Company Purpose

What problem do you solve?

Paragraph about your company’s formation – where it’s registered, what it does, who the customers are.

Who’s the target market / what’s the opportunity?

## Company History & Founder Reputation

When was the company founded?

Who are you, and what’s your experience in this field? What’s your approach to that field? Do you have any degrees or credentials the reader should know about?

## Products & Services

What are you selling? Who’s it for? Describe each product or service in at least a paragraph.

## Supply Chain

If you’re selling a physical good, talk a bit about the manufacturer, time it takes to make the thing and ship it. Are there any bottlenecks in your supply chain?

## Pricing

How do you determine prices? What are your prices?

## Marketing Goals

What do you want to accomplish with your marketing spend? (This is important. Most people actually don’t consider this and just throw a bunch of money at marketing without a plan.)

What are your plans to accomplish those marketing goals?

## Financial Goals

By the end of Year \_\_\_\_, we are expecting to make an EBIT of $\_\_\_\_\_\_\_\_\_.

# Market Analysis

This section should be 2-4 pages.

What’s your worksite situation? Do you work from home or in an office? What’s the advantage of that situation?

## Target Market

Based on Market Research included in Appendix A, we identified key opportunities for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

The company has \_\_\_\_\_\_\_\_\_\_\_ primary market segments:

1. .
2. .

## Market Reach

Our market research (available in Appendix A) reveals information about the demographics of our most-likely customers as follows:

* Psychographics
* Consumer Behavior Trends

## Competition Analysis

What advantages does your business have that help it compete with other businesses in your segment? How will you differentiate yourself? You might reference Appendix B here.

Who are your competitors? What is their strategy regarding content? What is their estimated market share, follower count, etc. (just put whatever is most relevant to your business). What’s their apparent marketing strategy? What are their competitive advantages?

## SWOT Analysis

|  |  |  |
| --- | --- | --- |
| STRENGTHS* Advantage
* Capabilities
* Assets, people
* Experience
* Financial reserves
* Value proposition
* Price, value, quality
 |  | WEAKNESSES* Disadvantages
* Gap in capabilities
* Cash Flow
* Suppliers
* Experience
* Areas to improve
* Causes of lose sales
 |
| OPPORTUNITIES* Areas to improve
* New segments
* Industry trends
* New products
* New innovations
* Key partnership
 | THREATS* Economy movement
* Obstacles faced
* Competitor actions
* Political impacts
* Environmental effects
* Loss of key staff
* Market demand
 |

# mARKETING & sALES pLAN

This section should be 2-4 pages

## Barriers to Entry

Do you need any licenses? What other barriers exist?

## Marketing Strategy

What’s your strategy to market your business? Do you have social media? A blog? Do you have an e-mail newsletter?

## Brand Personality

Branding is important for your company because it’s what sets you apart as a human instead of an AI. What do you wear to work and to meetings?

What is your niche?

Does the name of your business come from anywhere or mean anything? Are you formal / professional / informal / edgy / fun / modern / ? What is your content like in a sentence or two?

Do you have a slogan?

## Brand Ethics

Is there anything your brand stands for? Are there any companies you won’t work or collaborate with?

## Content Strategy

What kind of content do you make? Where is it distributed? What is the release schedule? Who reads it? Who do you WANT to read it? You might want to reference Appendix A or Appendix B in this section.

Do you have social media? What’s your social media strategy? How many people follow you there? What’s your interaction like?

## Sales Strategy

What’s your sales style? Do you have any sales training?

What are your plans for each of your platforms and selling?

Who are your salespeople and how do you pay them?

# oPERATIONS pLAN

This section should be 1-6 pages. It will be shorter for services businesses and longer for goods-based businesses like manufacturing companies

## Customer Retention Plan

What are the top 3 ways you plan to retain your customers? A sunburst chart might go well here.

## Order Fulfillment Process

What’s the process for a customer ordering from you? Where do they do that? How do you stay on track to deliver by the deadline?

## Payments Policy

Do you accept payments? What’s the policy? Is there interest on late payments?

How can people pay you? (cash, paypal, credit card, cash app… ?)

## Returns & Warranties

Do you accept returns? Do you offer a warranty on your work?

## Technology Plan

What kind of technology do you need to operate your business? How old is it?

In what ways do you plan to incorporate artificial intelligence or machine learning into your business?

# Financial Plan

The following pages show \_\_\_\_\_\_\_\_\_\_\_\_ (business name)’s projected financial statements for year \_\_\_\_\_\_\_\_\_\_. Our fiscal year starts in the month of \_\_\_\_\_\_\_\_\_\_\_.

## Overview

How do you make money?

When do you plan to break even on startup costs?

## Assumptions

Go through each row on your table and state how you came up with the number.

## Projected Profit & Loss

## Projected Statement of Cash Flows

## PROFORMA Balance Sheet

## Personal Financial Statements

If you’re requesting a loan and you have been in business for less than 2 years, the lender might request our personal balance sheet and bring your last 2 years of taxes.

# aPPENDIX a: mARKET rESEARCH

This section can be as long as you want.

It is about how other businesses in your market, demographics about your target market, consumer behavior, attitudes about your product, trends in your market.

Everything you know about your market.

You can go into more depth about your competition here.

# Appendix B: Marketing Research

This is research about your marketing avenues specifically. Like, if you’re going to do social media or a blog, this is about blogging or social media in general.

How does marketing in that space work? Are there any papers or statistics about this?

Include any statistics about your past marketing campaigns and their success or failure here.

What is your conversion rate from content viewer to content subscriber or purchaser (whatever is relevant here)? How many content views do you need to make a sale / get a subscriber / whatever is important here? At that pace, when will you reach your stated marketing goals?

Here are some examples from my Appendix B:

On average, our conversion rate from viewer to client is $\sum\_{}^{}\frac{Clients Gain}{Views}=0.022=2.2\%$

We can expect it to take $\sum\_{}^{}\frac{Views}{Subscribers}=\sum\_{}^{}\frac{52,041}{240\*}≈217$ views to get 1 subscriber. (\*We have 240 subscribers as of writing this on 5/17/2024.) This puts us far behind our goal.

At this pace, we can expect to reach 500 subscribers after 108,500 views and 1,000 subscribers after 217,000 views. Thus, we would expect to reach the subscriber count required to turn on YouTube Adsense by March 2025 unless we accelerate subscriber growth.

On average, the channel needs $\sum\_{}^{}\frac{Views}{Watch Hours}=\sum\_{}^{}\frac{52,041}{4,000}≈13$ views for 1 watch hour. We already reached the watch hours needed for YouTube Adsense, which puts us far ahead of our goal.

What are some other things about your marketing? What campaigns did well and why? What campaigns didn’t do well and why?

What’s going on with your packaging?