**A greyscale view of a city

Description automatically generated**

*Business Plan Template*

*Created By: Zack Hofbauer*

**Getting Started**

A business plan serves as the compass guiding entrepreneurs and established companies alike on their journey to success. Whether you're launching a startup, seeking investment, or charting the course for your existing enterprise, a business plan is an indispensable tool. It not only articulates your goals and strategies but also enables you to anticipate challenges, make informed decisions, and measure progress. It is the cornerstone of effective business management and a vital asset for achieving your entrepreneurial aspirations.

**Instructions for Your Business Plan Template**

This template is written to explain how each section of the business plan serves to tell a compelling story. The intention is for you, the client, to understand how your plan will be written as well as to fill in what details you know at this time. I’ll work with you to take what you provide and finalize it into a comprehensive plan capable of achieving your goals!

Start with the cover page. Insert your company logo (if you have one) as well as your name, address, phone number, and email address.

Then, continue to the business plan itself. As you’re filling out each chapter in this business plan template, there are prompts and directions *in italics below each section header.* Your writing starts in the regular text below the prompts. Simply delete “Start...” and begin writing. There are also a few interactive “fill-in-the-blank” parts of this template, such as the management headshots and the competitive matrix. Please note that all sections may not be applicable to your business or industry so omit them as needed.

**Ready? Let’s get started!**

***LOGO***

*Business Name*

*Name*

*Address*

*Phone Number*

*Email*

**Table of Contents**

1.    Executive Summary

2.    Company Overview

a. Product/s or Service/s

b. Solution Need

c.  Customers

d. Business Framework

e. Construct Analysis

f. Management Team

g. Forward Thinking – Scaling Plan

3.    Industry Analysis

a. Strategic Differentiation & Target Market

b. Market Positioning

c. Location Analysis

d. Competitive Analysis

4.    Marketing Plan

a. Customer Database

b. Loyalty Program

c. Community and Charity Involvement

d. Public Relations

e. Advertising and Social Media

5.    Operations Plan

a. Staffing and Training

b. Operational Metrics

c. Suppliers

d. Continuous Improvement

e. Risk Assessment and Mitigation

6.    Financial Analysis and Growth Plan

a. Investment Plan

b. Projected P&L Statement

c. Break-Even Analysis

d. Expected Cash Flow

**Executive Summary**

*The executive summary is the first section included in any business plan. It acts as both the introduction to, and the summary of, your entire idea. This section should introduce the key elements of what will be discussed throughout the business plan. It should present a complete and concise summary that is designed to catch the reader's attention and entice them to explore the rest of the plan. An executive summary includes things like the vision statement, proposed concept, how you will execute the plan, overview of potential costs, and the anticipated return on the investment. Potential investors will look here first to see if your plan leads to a successful future - so make sure it’s good! Tip – some may find this summary easier to complete last.*

Start…

**Company Overview**

*In this section, begin to explain the high-level elements of the proposed business. The company overview introduces information about the ownership structure, location, and business concept. Outline the vision for the customer experience. Describe the brand. Identify the value proposition, design, layout, general theme, and unique aspects of the overall concept.*

Start…

**Product/s or Service/s**

*This is a high-level overview of the product/s or service/s the business will be selling. Outline key features and specifications, highlighting their unique value proposition to the customer as well as what sets them apart from the competition. State any relevant patents or proprietary technologies.*

Start…

**Solution Need**

*State the pressing problem or unmet need that your product/s or service/s aim to address. Provide data and statistics that underscore the magnitude of this problem. Share real-life examples or anecdotes that highlight the pain points experienced by your target audience. Convey a deep understanding of the need by referencing market research, customer feedback, or industry trends that support the existence and persistence of this problem. Ultimately, your goal is to demonstrate not only the existence of a need but also the urgency and significance of your solution in alleviating it.*

Start…

**Customers**

*Provide a description of the target customers that will be utilizing these products or services. Detail their demographics such as age, gender, location, and income level. Also detail their psychographics, understanding their values, interest, and behaviors. Consider their pain points and challenges that the business can address.*

Start…

**Business Framework**

*To achieve success, we must define what success looks like*

**Vision**

*This should be a one-to-two sentence statement describing what the company would look like if it was totally successful in a 10-to-20-year time frame. It should meet these qualifications: ambitious, attainable, measurable, future state. It should be descriptive rather than poetic as its purpose is to help managers at every level independently make resource allocation decisions which support the long-term direction of the company. NEVER STATE ANYTHING IN A VISION THAT YOU DO NOT INTEND TO MEASURE AND SUBSEQUENTLY ALLOCATE RESOURCES TO ACHIEVE.*

Start…

**Mission**

*This is what milestones you will accomplish and measure over 3 – 5 years to make progress towards the vision. If the vision is the destination, the mission identifies signposts along the way that will tell that you are on the right track. For example: a 15-year vision allows for three, 5-year strategic planning cycles in which new mission statements can be developed as the business grows. Follow same rules for visions regarding, short, ambitious, attainable, measurable, future state, descriptive.*

Start…

**Value Proposition**

*This answers the question as to why your customers are going to spend their hard-earned money on you and not on your competitors. If you don’t have an answer that resonates with your customers, they probably won’t see a reason to buy from you. It gives you a roadmap of what to measure to understand if you are providing value to your customers. It allows you to test to see if you have the resources and processes to provide value as well as guides you as you market to your customers.*

*List out each identified customer type or segment and determine the value proposition for each. You can start out with your notions of what the value is to those constituents, but it is always wise to verify your suppositions with your customers themselves. Sometimes they will surprise you with what they consider valuable, and what they do not.*

Start…

**Construct Analysis**

*IF WE DON’T MEASURE IT, WE CAN’T CONTROL IT*

*Breakout key terms in your Vision, Mission, and Value Propositions which would identify metrics as Key Performance Indicators (KPIs) and Nonfinancial Indicators (NFIs). These are the metrics your business will track which will guide you on your path to accomplishing your vision/mission and ensure you’re meeting your value proposition to your customer.*

|  |  |  |
| --- | --- | --- |
| **Source** | **Construct** | **KPI or Nonfinancial Indicator** |
| *Vision* | Growth | Market Share |
|  | Profit | Capital Employed |
|  |  | Return on Capital Employed (ROCE) |
|  |  | Profit (EBIT) |
| *Mission* | Quality | Yield |
|  | Quality | Customer Complaints |
| *Value Prop.* | Delivery | Orders shipped complete and on time (OSCOT) |
|  | Cost | Price Gap |

Start…

**Management Team**

*Share the names of the people on your executive team, as well as their shared and individual responsibilities. Examples: CEO, COO, Managing Partner, General Manager, etc.*

Start...

****

**Forward Thinking – Scaling Plan**

*Show the investor you’re thinking about the future of the business and how you will grow. If you plan to scale your business and operations, provide details on how you will do so. What are the market opportunities that indicate scaling is a good business decision? What are your KPI and NFI targets you will be responding to which tell you its time to scale?*

Start...

**Industry Analysis**

*Describe the existing conditions in the general market and in the specific location or area that you plan to open the business. This section could cover things like the growth of the local economy and industry, infrastructure projects, nearby business and residential areas, and average traffic counts in the area. Provide statistics and data visualization especially regarding market research in the industry. If the data is available, anything that shows predictive performance based on key indicators is extremely helpful.*

**Strategic Differentiation & Target Market**

*The entrepreneurial marketplace is an extremely competitive landscape, so finding a strategic niche is imperative. There’s a simple model by Treacy & Wiersema which finds that customers are looking for one of three things when choosing a product or service:*

* *Operational Excellence – the lowest total cost throughout the lifetime of the product (service).*
* *Product Leadership – the new product (or service) that you can only get from one company.*
* *Best Total Solution – the customized solution for their individual needs.*

*Treacy and Wiersma state that a business needs to be the best in one of these areas in their market to be differentiated in the minds of their customers. However, they also need to maintain parity with the other two or risk losing business.*

*Choosing a single method for differentiation is the discipline of the market leader. But in so choosing, there is a profound effect on many aspects of our business, from who they hire, to how they innovate and advertise. The very structure of the business needs to be aligned with their choice. If a business does not choose to differentiate in one of these areas and try to be everything to everybody, they are really no one’s first choice, and so achieve, at best, mediocrity.*

*State the Strategic Differentiation of your business and how it will work satisfy the customer in this choice. You should have a strong idea of who your business will attract and who will become your repeat customers. Describe the target market and how it compares to the industry as a whole in terms of demographics, characteristics, and behaviors.*

Start…

**Market Positioning**

*What products (or services) are you selling that make your business unique compared to the competition. This ties directly into your value propositions stated above but goes into more detail here about how you stand out. Talk about innovations, showcase your adaptability (ability to gather data and respond to changes in the market), or anything interesting that sets you apart from the competition.*

Start…

**Location Analysis**

*If the business or services is brick and mortar, focus on the general area or city you plan to locate in and why you chose that specific area. Note things like growth of the local economy, large citywide events, and infrastructure projects nearby. Compare the existing market conditions to your intended target market. Potential investors will look at this section of the business plan carefully to make sure that the market in the proposed location aligns with the ideal customer profile. If you have drawings or plans, follow up this section with those designs.*

Start…

**Competitive Analysis**

*What other businesses are in the proposed area? This section should explain the existing competitive landscape: the number of other businesses in the area, paying particular attention to ones with similar concepts. Investors will want to understand the specific aspects of your concept that will give you a competitive advantage. Create a matrix which highlights your strategic advantage over your competition’s. Be sure to generate these critical characteristics from your value proposition and strategic differentiation. Also include any other predictive performance indicators that have been generated.*

*Create a competitive matrix such as this to get started:*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Traffic Count | Marketing Strategy | Pricing | Quality | Strategic Differentiation |
| Your Business | 15,000 | Well defined and ties to value prop | \* | High | Product Leadership |
| Neighboring Business 1 | 12,000 | Word of mouth | \*\* | Medium | Non-Market Leader in any |
| Neighboring Business 2 | 10,000 | Outdated | \*\*\* | Medium | Operational Excellence |

Start…

**Marketing Plan**

*The marketing plan explains your marketing strategy and the tactics you will rely on before and after the business is operational. Perhaps you will rely more on public relations and advertising before the business opens and focus on things like social media, loyalty programs, building a customer database, and customer feedback loops once the business is operational.*

**Customer Database**

*Whether you’re contacting members of your loyalty program or completely new customers, email marketing is an incredibly efficient way to encourage repeat visits. Gathering email addresses is the first step.*

*In this section, explain your email marketing strategy. How will you collect customer email addresses and learn about their behaviors at your business, such as spending habits and frequency of visits? Once you grow an existing customer database, what is your plan to engage patrons to become loyal customers? What kind of campaigns do you plan to run?*

Start…

**Loyalty Program**

*According to a study by LevelUp, when a customer is close to unlocking their loyalty reward, they spend 39% more than usual. Loyalty programs are a way to use customer data to drive repeat visits. There are many software options that allow guests to automatically accrue points whether they purchase in-store or place an order online. Loyalty accounts linked to a guest's credit card makes this easy.*

*Plus, you can combine loyalty and email, and use the insights available from your customers’ loyalty analytics to send targeted email campaigns to those who are close to reaching rewards or are close to being considered loyal.*

*In this section, explain how you’ll create a restaurant loyalty program that’s easy to join and will give customers an immediate incentive. Will they be able to track their rewards or points on their phone? Will they be using a loyalty card, or will their credit card be tied to their rewards account? What kinds of rewards will you offer customers?*

Start…

**Community / Charity Involvement**

*Philanthropy should definitely be an integral part of your marketing plan, especially if you’re opening a new business and starting a new brand. Research shows 72% of consumers would recommend a business that contributes to charity over one that doesn’t. Partnering with a charitable organization can boost employee morale, build on your group’s brand and image in the community, slightly ease your tax burden, and make a major difference in the lives of many.*

Start…

**Public Relations**

*In order to penetrate your target market, you will need to get in front of the right people: your would-be customers. Highlight your PR strategy in your business plan, including resources you may send to newspapers and other publications, such as a one-page press release about your opening or a manifesto of your brand. Create a goal for exposure in your local market as well as on a national scale.*

Start…

**Advertising and Social Media**

*Today, social media is an inevitable part of running a business. Your guests are on social media, so you should be, too. And with some promotion, you can be sure that your guests will be tweeting, posting, and Instagramming about your restaurant online in no time. Share your plan for Facebook, Twitter, Instagram, Yelp, Google, and other social networks, including how you’ll build a digital community and how you’ll advertise on these platforms in the future.*

Start…

**Operations Plan**

*Here you should paint a picture of how the business will operate day-to-day. Include in this section:*

**Staffing and Training**

*Which staff positions will you need and how many people do you expect in each of the different roles? What is the approximate pay for each position? How do you plan to recruit staff and what are the hiring criteria for each role? And, once you hire your staff, what’s your plan for team management? How are you going to deploy your business framework (vision, mission, value prop, metrics) down to everyone in the organization? Think about how you’re going to handle scheduling, payroll, labor reporting, and performance insights.*

*Technology is also essential here – by integrating your payroll and point of sale systems, the two can work together to make payroll faster and smoother.*

*Here’s a quick list of things to consider:*

* *Strategic Plan for lower-level management and employee deployment*
* *Recruitment procedures*
* *Interview questions*
* *Application form*
* *Job Descriptions*
* *Induction Procedures*
* *Employee Handbook*
* *Wage procedures*
* *Pay slips*
* *Time sheets*
* *Occupational Health and safety signs and procedures*

Start…

**Operational Metrics**

*How do you plan to measure key performance areas of your operations, quality, sales, employee and customer satisfaction? What type of metrics will be developed? What systems will you have in place to monitor and control these KPIs and NFIs? How will you deploy these results to members of your organization?*

Start…

**Suppliers**

*How will you track sales and inventory, manage labor, and control cash? How will you process credit cards, and which tools will you use? From which vendors will you source materials? If applicable, include a cost analysis of various vendors or various technology options.*

Start…

**Continuous Improvement**

*Incorporating a continuous improvement section into a business plan not only communicates a commitment to growth and excellence but also provides a roadmap for achieving these goals. It helps align the company's strategic objectives with its ongoing efforts to enhance operations, quality, and competitiveness, ensuring that the business remains dynamic and resilient in a constantly changing business environment.*

*Explain how you will address the following continuous improvement endeavors:*

1. *Adaptation to Changing Markets: Markets and industries are constantly evolving. Consumer preferences, technology, competition, and economic conditions change over time. A continuous improvement section signals that the business is committed to staying agile and adapting to these shifts effectively.*
2. *Efficiency Enhancement: Continuous improvement efforts can lead to increased operational efficiency. Businesses that regularly review and refine their processes can identify bottlenecks, eliminate waste, and optimize resource allocation. This can result in cost savings and improved profitability.*
3. *Quality Improvement: Consistent efforts to enhance quality in products or services can lead to higher customer satisfaction, loyalty, and positive word-of-mouth. This, in turn, can drive revenue growth and market share expansion.*
4. *Competitive Advantage: Companies that are dedicated to continuous improvement are often better positioned to outperform competitors. By refining their products, services, and processes, they can offer better value to customers and stay ahead in the marketplace.*
5. *Risk Mitigation: Continuous improvement can help identify and address potential risks and weaknesses within the business. Regular evaluations can uncover vulnerabilities before they become significant problems, reducing the likelihood of costly setbacks.*
6. *Innovation and Creativity: A focus on continuous improvement encourages employees to think creatively and seek innovative solutions to problems. This culture of innovation can lead to the development of new products, services, and processes that can open up new revenue streams.*
7. *Customer-Centric Approach: A business that is committed to continuous improvement is more likely to listen to customer feedback and make changes based on customer needs and preferences. This customer-centric approach can foster stronger relationships and loyalty.*
8. *Employee Engagement: Engaged employees are more likely to contribute positively to a company's success. Continuous improvement efforts can involve employees in problem-solving and decision-making, leading to increased job satisfaction and motivation.*
9. *Investor and Stakeholder Confidence: Investors, lenders, and stakeholders often look for evidence of a company's commitment to growth and sustainability. A continuous improvement section in the business plan can demonstrate the company's long-term vision and its ability to deliver on that vision.*
10. *Measurement and Accountability: A continuous improvement section should outline key performance indicators (KPIs) and milestones that will be used to track progress. This provides a framework for accountability and measurement of success.*
11. *Crisis Preparedness: The process of continuous improvement can also involve scenario planning and risk assessment, which can help a business better prepare for unexpected challenges and crises.*

**Risk Assessment and Mitigation**

*This is one of the most overlooked but critical steps in a business plan. Integrating a risk assessment and mitigation plan into a business plan is essential for ensuring that a business is well-prepared to navigate challenges, make informed decisions, and build stakeholder confidence. It serves as a proactive approach to risk management, which is critical for long-term success and sustainability. Explain how you will address the following:*

1. *Identification of Potential Threats: A risk assessment helps a business identify potential threats and vulnerabilities that could affect its operations. This includes external factors like market changes, competition, economic fluctuations, and internal factors such as resource constraints, technology failures, or staff turnover. By recognizing these threats upfront, a business can be better prepared to address them.*
2. *Prioritization of Risks: Not all risks are created equal. Some may have a higher likelihood of occurring or greater potential impact. Through a risk assessment, a business can prioritize these risks and focus its resources and efforts on managing the most critical ones. This ensures that mitigation efforts are targeted and efficient.*
3. *Resource Allocation: A risk assessment helps a business allocate resources more effectively. By understanding the potential risks, a company can allocate budget, personnel, and other resources to implement mitigation measures. This prevents resource wastage and ensures that the business is adequately prepared for potential challenges.*

Start…

**Financial Analysis and Growth Plan**

*The financial analysis is often one of the final portions of a business plan. Investors expect to see a breakdown of how you plan to spend their investment in the first year and a comparison of the anticipated costs and projected revenue. I will build an interactive Smartsheet which details your operational costs, projected revenue, and detailed projections including ROI. This is the most important section of the business plan and I will ensure it is comprehensively built to meet the needs of investors. I will also advise on the best loan opportunities through our financial partnerships.*

**Investment Plan**

*Here you explain the initial investment you are hoping to receive and how you plan to spend that investment during the first year. See below for an example.*

In seeking an initial investment of [amount], our allocation strategy prioritizes key areas essential for a successful launch and sustainable growth. The first year spending breakdown includes:

Real Estate: [Percentage]

Equipment: [Percentage]

General Supplies: [Percentage]

Furniture: [Percentage]

Payroll: [Percentage]

Legal Fees: [Percentage]

Marketing: [Percentage]

Working Capital: [Percentage]

This allocation is designed to ensure a robust foundation, covering both tangible assets and operational needs critical for a thriving business.

**Projected P&L Statement**

*Provide a forecast of your revenues, costs, and expenses over a specific period, typically for the first three years. This helps in assessing the potential profitability of the business. Note that the business plan is created well in advance of when the business opens so you will need to make a lot of assumptions. The following sources can be used to make educated guesses about these projections: market research, industry benchmarks, expert advice from other business owners in similar industries. Being transparent about the assumptions made and updating the projections based on real-world data is essential for building credibility with investors and stakeholders. See below for an example.*

Given the pre-operational nature of our business plan, we base our P&L statement on informed assumptions derived from industry data, target market analysis, and regional market conditions. We anticipate:

Sales Revenue: [Assumed percentage growth]

Costs of Goods Sold: [Estimated percentage]

Operating Expenses: [Projected figures]

Net Profit: [Expected figures]

These projections serve as a preliminary guide, with periodic updates as we gather more accurate data during the business development process.

**Break-Even Analysis**

*Break-Even Analysis determines the point at which a business covers all costs, achieving neither profit nor loss. It is crucial for understanding profitability, guiding decision-making, and managing risk. This analysis sets a clear target for sales volume, instills confidence in stakeholders, and serves as a foundation for effective financial planning and management.*

**Expected Cash Flow**

*Expected Cash Flow refers to the estimation of inflows and outflows of cash within a business over a specified period. It provides insights into how regularly the company anticipates purchasing inventory, handling staff payroll, and managing overall financial liquidity. This analysis is crucial for demonstrating the business's ability to sustain itself, even during months with varying operational performance. By considering factors such as procurement frequency, staffing levels, and payroll schedules, Expected Cash Flow helps investors understand the business's financial resilience and its capacity to meet financial obligations without the need for additional investments.*

**Return on Investment (ROI) Analysis**

*Return on Investment (ROI) Analysis measures the profitability of an investment by comparing the net profit to its initial cost as a percentage. Investors typically seek a minimum 20% ROI, signifying that the initial investment should be returned within a span of 5 years for a financially attractive opportunity. This metric guides strategic decision-making, helping investors assess the potential returns and overall viability of a venture.*

**EBITDA and Enterprise Value (EV) Analysis**

*EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) serves as a vital component in financial projections as it reveals a company's operational profitability, excluding certain financial elements. This metric is crucial for investors seeking insights into a business's core operating performance. Moreover, the Enterprise Value (EV), derived from EBITDA, becomes integral in financial projections as it represents a comprehensive measure of a company's total value, factoring in market capitalization, debt, minority interests, and preferred shares. Including EBITA and EV in financial projections is essential as it not only helps in evaluating operational efficiency and profitability but also provides investors with a valuable perspective on the projected overall value of the business.*

Toast gives your restaurant the technology you need to succeed in   
today's fast-paced environment.