

Section 1: The Business

This section is descriptive and typically includes no information about plans or the future. It is background information for the reader.

A. General Description

Write a short paragraph that answers these questions:

⇒Who owns the business and when was it founded?

⇒Is the business registered? What is its legal structure (sole proprietorship, partnership, Sub S Corporation, etc.)?

B. Business Mission

The business mission answers these questions:

⇒What does the business do? Who does it serve?

⇒What is important about the business that you want to communicate to your customers?

⇒What are its most ambitious goals? What will it accomplish over its lifetime?

C. Products and Services

Describe your major products and/or services in detail. Answer these questions:

⇒What are the features (key components) of your services/products?

⇒What are the benefits of these services/products (how it will meet a need of your customer)?

⇒What are the prices of each product or service?

Service/ Product	Features of Service/Product	Benefits to Customers	Price
Example: HERBAL TEA	<ul style="list-style-type: none">• ALL-NATURAL• CAFFEINE FREE	<ul style="list-style-type: none">• HEALTHY• SOOTHING	\$4.50/box

**use a second page and make chart larger to fit your products and/or services*

D. Operations

Describe the basic operations of your business. Answer the questions that relate to your business:

- ⇒What hours would you operate?
- ⇒What is your physical space like (studio, plant, office, storefront, home-based)? What is the square footage?
- ⇒Do you rent or own?
- ⇒What important equipment do you own or lease?
- ⇒Who are your principal suppliers and do you have terms (credit) with them?

E. Staffing and Subcontracting

Describe who performs the various tasks that keep your business operating. Answer these questions:

- ⇒How many hours do you work in your business each week?
- ⇒Do you have full-time or part-time employees (hours/week)?
- ⇒Do members of your household participate in your business (hours/week)? Do they work for free or wages?
- ⇒What are the roles of each of the people that work for the business, including yourself?
- ⇒Do you subcontract some of your work to other businesses?

F. Customers and Pricing

⇒What is your basic pricing and cost structure?

<i>Product</i>	<i>Price</i>	<i>Costs of Good Sold (Cost to produce the good)</i>
Ex. Herbal Tea	\$4.50	\$2.00 (for herbs, packaging, etc.)

- ⇒How many transaction do you have in the course of a month?
- ⇒Is your business seasonal or cyclical?

Section 2: The Market

This section describes the market in which you operate, as well as your competition and strategies for competitive advantage and promotion.

A. Market Segments

Give a brief description of your types of customers (market segments). Answer these questions:

- ⇒Where are your customers located? (your neighborhood, city/town, region, nationally, internationally.)
- ⇒If your customers are individuals (in contrast to businesses), describe them in terms of their age, male/female, income, ethnicity, etc.
- ⇒If they are businesses, describe the typical business customer (location, sales volume, industry, etc.).

B. Competition & Competitive Advantage

Answer these questions that describe your competition and compare your business with your competitors:

- ⇒Who is serving your same type of customer with similar services or products?
- ⇒How is your competition marketing their products or services? Are their prices the same, less or more?
- ⇒Does your competition offer benefits that you don't?
- ⇒What are the advantages your business has over your competitors (personnel, marketing, financial strength)?
- ⇒What are the weaknesses of your business compared to your competitors?
- ⇒How do you promote your business to customers in a way that shows your products/services are different or better than your competitors?

C. Promotional Strategies

How will you present your product and/or service to the consumer? Answer these questions:

- ⇒What key benefits of your product or service do you want to promote the most?
- ⇒What promotional activities will you undertake in order to reach your target market?

D. The Industry

The following section is for entrepreneurs that have researched their industry.

We recommend doing research on your industry using local business centers, libraries, the Internet, etc.

⇒ Describe the industry you are in (such as food, clothing, etc.)

⇒ Is the industry growing or declining and by how much?

⇒ What are the major trends in the industry?

Section 3: Business Risks/Summary

A. Business Strengths

List the key specific strengths which make your business successful (for example, location, one-of-a-kind product, specific niche strategy, etc.)

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____

B. Business Challenges

List the primary challenges your business faces (nearby competition; products come from one supplier; short shelf life of product/spoilage; one person business subject to illness; etc.)-- list a minimum of three (3)

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____

C. For each challenge, please explain briefly what you have done, or will do, to address it:

- 1) _____
-

2) _____

3) _____

4) _____

5) _____

Section 4: Start Up Costs

This section should help you think about all your initial start up expenses. Please fill out the grid below:

Start Up Costs	Cost in \$
Inventory/ Supply Purchases	
Employees' Salaries	
Annual License/ Business Fees	
Equipment Purchase	
Utilities – Gas. Elec., Heat, Water	
Advertising	
Insurance	
Telephone/ Cell /Pager	
Business Rent	
Other:	
Other:	
Other:	
Other:	
Total	

Congratulations on embarking on developing your business plan! For additional tutorials and courses on developing a budget and 12-month cash flow projection, please see www.microenterpriseworks.org for a training organization in your area.