Continue



```
Have you ever wondered how to write a business plan step by step? Mike Andes, told us: Poor planning is the number one reason I see a business plan to impress investors. Throughout this process, we'll get information from Mike Andes, who started Augusta Lawn
Care Services when he was 12 and turned it into a franchise with over 90 locations. He has gone on to help others learn how to write business plans! We'll start by discussing the definition of a business plan. Then we'll discuss how to come up with the idea, how to do the
market research, and then the important elements in the business plan format. Keep reading to start your journey! What Is a Business and how you will go about achieve with your business plan format. Keep reading to start your journey! What Is a Business plan is simply a road map of what you aren't quite ready
to create a business plan, consider starting by reading our business idea. You may see a problem that needs to be solved and have an idea how to solve it, or you might start by evaluating your interests and skills. Mike told us, "The three things I
suggest asking yourself when thinking about starting a business are: What would I enjoy doing? What can I get paid for?" If all three of these questions don't lead to at least one common answer, it will probably be a much harder road to success. Either there is not much market for it, you won't be good at it, or you won't enjoy doing it. As Mike told
us, "There's enough stress starting and running a business that if you don't like it or aren't good at it, it's hard to succeed." If you'd like to hear more about Mike's approach to starting a business, check out our YouTube video Conduct Market Analysis is focused on establishing if there is a target market for your products and services,
how large the target market is, and identifying the demographics of people or businesses that would be interested in the product or service. The goal here is to establish how much money your business concept can make. Product and Service Demand A search engine is your best friend when trying to figure out if there is demand for your products and
services. Personally, I love using presearch.org because it lets you directly search on a ton of different platforms including Google, Youtube, Twitter, and more. Check out the screenshot for the full list of search options. With quick web searches, you can find out how many competitors you have, look through their reviews, and see if there are common
complaints about the competitors. Bad reviews are a great place to find opportunities to offer better products or services, you may have stumbled upon something new, or there may just be no demand for it. To find out, go talk to your most honest friend about the idea and see what they think. If they tell
you it's dumb or stare at you vacantly, there's probably no market for it. You can also conduct a survey through social media to get public opinion on your idea. Using Facebook Business Manager, you could get a feel for who would be interested in your product or service. I ran a quick test of how many people between 18-65 you could reach in the
U.S. during a week. It returned an estimated 700-2,000 for the total number of leads, which is enough to do a fairly accurate statistical analysis. Identify Demographics of Target Market Depending on what type of business you want to run, your target market will be different. The narrower the demographic, the fewer potential customers you'll have.
If you did a survey, you'll be able to use that data to help define your target audience. Some considerations you'll want to consider are: Location Age Gender Other Interests Marital Status Do they have kids? Job title Income Once you have this information, it can help you narrow down your options for location and help define your marketing further.
One resource that Mike recommended using is the Census Bureau's Quick Facts Map. He told us, "It helps you quickly evaluate what the best areas are for your business to be located." Want to get ahead of the competition faster? Skip all the painful, time consuming mistakes and implement the business strategies in our business courses taught by
successful entrepreneurs. How to Write a Business Plan Now that you've developed your idea a little and established there is a market for it, you can begin writing a business plan. Getting started is easier with the business plan template we created for you to download. I strongly recommend using it as it is updated to make it easier to create an
action plan. Each of the following should be a section of your business plan Cover Page Table of Contents Executive Summary Company Description Description Description Description Channel
Assessment Operational Plan Management and Organizational Strategy Financial Statements and/or Financial Projections Funding We'll look into each of these. Don't forget to download our free business plan template (mentioned just above) so you can follow along as we go. How to Write a Business Plan Step 1. Create a Cover Page The first thing
investors will see is the cover page for your business plan. Make sure it looks professional. A great cover page shows that you think about first impressions. A good business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements on a cover page for your business plan should have the following elements of the following elem
your business plan like a giant business card. It is meant to capture people's attention but be quickly processed. How to Write a Business Plan Step 2. Create a Table of Contents makes it easy for them to find the pages of your plan that are meaningful to
them. A table of contents will be immediately after the executive summary will help investors know what section of your business plan they want to review more thoroughly. Check out Canva's article about creating a table of contents.
It has a ton of great information about creating easy access to each section of your business plan. Just remember that you'll want to use different strategies for digital and hard copy business plans. How to Write a Business Plan Step 3. Write an Executive Summary An executive summary is where your business plan should catch the readers interest.
It doesn't need to be long, but should be quick and easy to read. Mike told us, A business plan should only be a page or two unless you are trying to get investors. Banks will normally need around 40 pages of information. How long should be similar to
an elevator pitch, no more than 150-160 words, just enough to get them interested and wanting more. Indeed has a great article on elevator pitches. This can also be used for the content of emails to get readers' attention. It consists of three basic parts: An introduction to you and your business. What your business is about. A call to action Example of
an informal executive summary One of the best elevator pitches I've used is: Hi I'm Brandon Boushy with Vintage Vest Company. We're a startup clothing line based around the tenets of Music, Freedom, and Country. We love your music and think you'd be a great fit to partner with our brand. We're planning to come to your show on X date and
would love it if you could take about 5-10 minutes to check out what we're doing. So far that pitch has achieved a 100% success rate in getting partnerships for the business. What should I include in an executive summary if you want to secure financing or sell equity. The
executive summary should be a brief overview of your entire business plan and include: Introduction of yourself and company. An origin story (Recognition of a problem and how you came to solution) An introduction to your products or services. Your unique value proposition. Make sure to include intellectual property. Where you are in the business
life cycle Financials Request and why you need it. Successful business plan as detailed as possible when looking for financing. We've provided a template to help you
prepare the portions of a business plan that banks expect. Here's the interview with the owner of Urbanity: When to write an executive summary? Even though the summary is near the beginning of a business plan. You can't talk about revenue, profits, and expected expenditures if you
haven't done the market research and created a financial plan. What mistakes do people make when writing an executive summary: Marketing and sales processes Financial statements Organizational structure Market analysis These are things
that people will want to know later, but they don't hook the reader. They won't spark interest in your small business plan should include a company description. A great business plan will include the following elements while describing the company that people will want to know later, but they don't hook the reader. They won't spark interest in your small business plan should include a company description. A great business plan will include the following elements while describing the company description.
Mission statement Philosophy and vision Company goals Target market Industry Legal structure Let's take a look at what each section includes in a good business plan. Mission Statement is a brief explanation of why you started the company's main focus is. It should be no more than one or two sentences.
Check out HubSpot's article 27 Inspiring Mission Statement for a great read on informative and inspiring mission and vision statements. Company Philosophy and Vision The company philosophy is what drives your company. You'll normally hear them called core values. These are the building blocks that make your company different. You want to
communicate your values to customers, business owners, and investors as often as possible to build a company culture, but make sure to back them up. What makes your company lines of honesty, integrity, fun, innovation, and community when
communicating your business values. The standard answers are corporate jargon and lack authenticity. Examples of core values one of my clients decided to add a core values page to their website. As a tech company they emphasized the values: Prioritize communication. Never stop learning. Be transparent. Start small and grow incrementally
These values communicate how the owner and the rest of the company operate. They also show a value proposition and competitive advantage because they specifically focus on delivering business value from the start. These values also genuinely show what the company is about and customers recognize the sincerity. Indeed has a great blog about
how to identify your core values. What is a vision statement? A vision statement goes beyond a mission statement to provide something meaningful to the community,
customer's lives, or even the world. Example vision statements The Alzheimer's Disease and other dementia. It clearly tells how they want to change the world without Alzheimer's Disease and other dementia. It clearly tells how they want to change the world without Alzheimer's Disease and other dementia.
Business Goals You have to measure success against goals for a business plan to be meaningful. A business plan to be meaningful. A business owners want to increase their profits
and improve customer service, but they need to present an overview of what they consider success. The goals should be done at least one year in advance, but many banks and investors prefer three to five year business plans. Longer plans show
investors that the management team understands the market and knows the business is operating in a constantly shifting market. In addition, a plan helps businesses to adjust to changes because they have already considered how to handle them. Example of great business goals My all time-favorite long-term company goals are included in Tesla's
Master Plan, Part Deux. These goals were written in 2016 and drive the company's decisions through 2026. They are the reason that investors are so forgiving when Elon Musk continually fails to meet his quarterly and annual goals. If the progress aligns with the business plan investors are likely to continue to believe in the company. Just make sure
the goals are reasonable or you'll be discredited (unless you're Elon Musk). Target market You did target market You did target market your field yet, so document
environment. Understanding the industry is crucial because we don't plan a business in a vacuum. Make sure to research the industry trends, competitors, and forecasts. I personally prefer IBIS World for my business take
advantage of projected industry changes and trends? What might happen to your competitors and how will your business successfully compete? Industry resources Some helpful resources to help you establish more about your industry are: Trade Associations Federal Reserve Bureau of Labor Statistics Statista Legal Structure You'll want to document
how you structure you business including the business formation, permits and licenses, and business insurance. There are five basic types of legal structures that most people will utilize: Sole proprietorships Corporations Franchises. Each business structure has their pros and cons. An LLC is the most people will utilize: Sole proprietorships Corporations Franchises.
common legal structure due to its protection of personal assets and ease of setting up. Make sure to specify how ownership is divided and what roles each owner plays when you have more than one business owner. You'll have to decide which structure is best for you, but we've gathered information on each to make it easier. Sole Proprietorship A
sole proprietorship is the easiest legal structure to set up but doesn't protect the owner's personal assets from legal issues. That means if something goes wrong, you could lose both your company and your home. To start a sole proprietorship, fill out a special tax form called a Schedule C. Sole proprietors can also join the American Independent
Business Alliance. Limited Liability Company (LLC) An LLC is the most common business structure used in the United States because an LLC protects the owner's personal assets. It's similar to partnerships and corporations, but can be a single-member LLC in most states. An LLC requires a document called an operating agreement. Each state has
different requirements. Here's a link to find your state's requirements. Delaware and Nevada are common states to file an LLC because they are typically for legal firms. If you choose to use a partnership choose a Limited Liability Partnership.
Alternatively, you can just use an LLC. Corporations Corporations are typically for massive organizations. Corporations have taxes on both corporations have taxes on both corporations are typically for massive organizations. Corporations have taxes on both corporations are typically for massive organizations.
opportunities to purchase successful franchises. TopFranchise.com has a list of companies in a variety of industries that offer franchise opportunities. This makes it where an entrepreneur can benefit from the reputation of an established business Plan
Step 5. Products and Services This section of the business plan should focus on what you sell, how you source it, and how you sell it. You should include: Unique features that differentiate your business products from competitors Intellectual property Your supply chain Cost and pricing structure. Questions to answer about your products and services
Mike gave us a list of the most important questions to answer about your product? (in person, ecommerce, wholesale, direct to consumer)? How do you let them know they need a product? (in person, ecommerce, wholesale, direct to consumer)? How do you let them know they need a product? How will you be selling it for? How much will you be selling
many do you think you'll sell and why? Make sure to use the worksheet on our business plan template. How to Write a Business Plan Step 6. Sales and Marketing Plan The marketing and sales plan is focused on the strategy to bring awareness to your company and guides how you will get the product to the consumer. It should contain the following
sections: SWOT Analysis Competitor Data Competitive Analysis Marketing Expenses Strategy Pricing Strategy Distribution Channel Assessment SWOT Analysis SWOT Analysis SWOT Analysis SWOT Analysis Marketing Expenses plans to deal with them.
 Business owners need to do a thorough job documenting how their service or product stacks up against the competition. If proper research isn't done, investors will be able to tell that the owner hasn't researched the competition.
This is one of the most common parts of a presentation that trips up business owners presenting on Shark Tank. SWOT Examples of strengths and weaknesses could be things like the lack of cash flow, intellectual property ownership, high costs of suppliers, and customers' expectations on shipping times. Opportunities could be ways to
capitalize on your strengths or improve your weaknesses, but may also be gaps in the industry. This includes: Adding offerings that fit with your current small business Increase sales to current small 
of the company but could also be things like losing a key member of the team. Threats normally come from competition, regulations, taxes, and unforeseen events. The management team should use the SWOT analysis to guide other areas of business planning, but it absolutely has to be done before a business owner starts marketing. Include
Competitor Data in Your Business Plan When you plan a business, taking into consideration the strengths and weaknesses of the competition and where they are headed shows that you are invested in understanding the industry. For smaller businesses, you'll want to search both
the company and the owners names to see what they are working on. For publicly held corporations, you can find their quarterly and annual reports on the SEC website. What another business plans to do can impact your business.
Marketing Strategy The marketing and sales part of business and then sell to them. If you haven't already included it, Mike recommends: Start by providing the information from business research, surveys, observations, etc. He adds, "They'll want to
know about Demographics, ages, and wealth of your target market. You'll also want to consider what type of customer relationship management software you want. We recommend using either Service Titan for home service
businesses or Hubspot for other types of businesses. Advertising Strategy You'll explain what formats of advertising you'll be using. Some possibilities are: Online: Facebook and Google are the big names to work with here. Print: Print can be used to reach broad groups or targeted markets. Check out this for tips. Radio: iHeartMedia is one of the best
ways to advertise on the radio Cable television: High priced, hard to measure ROI, but here's an explanation of the process Billboards: Attracting customers with billboards can be beneficial in high traffic areas. You'll want to define how you'll be using each including frequency, duration, and cost. If you have the materials already created, including traffic areas.
pictures or links to the marketing to show creative assets. Mike told us "Most businesses are marketing digitally now due to Covid, but that's not always the right answer." Make sure the marketing strategy will help team members or external marketing agencies stay within the brand guidelines. Pricing Strategy This section of a business plan should
be focused on pricing. There are a ton of pricing strategies that may work for different business plans. Which one will work for you depends on what kind of a business you run. Some common pricing strategies are: Value-based pricing - Commonly used with home buying and selling or other products that are status symbols. Skimming pricing
Commonly seen in video game consoles, price starts off high to recoup expenses quickly, then reduces over time. Competition-based pricing based on competitors' pricing is commonly seen at gas stations. Freemium services - Commonly used for software, where there is a free plan, then purchase options for more functionality. HubSpot has a
great calculator and blog on pricing strategy and how it will impact your business plans to use, you should include references for how you came to this pricing strategy and how it will impact your business plans to use, you should include references for how you came to this pricing strategy and how it will impact your business plans to use, you should include references for how you came to this pricing strategy and how it will impact your business plans to use, you should include references for how you came to this pricing strategy and how it will impact your business plans to use, you should include references for how you came to this pricing strategy and how it will impact your business plans to use, you should include references for how you came to this pricing strategy and how it will impact your business plans to use, you should include references for how you came to this pricing strategy and how it will impact your business plans to use, you should include references for how you came to this pricing strategy and how it will impact your business plans to use, you should include references for how you came to this pricing strategy and how it will impact your business plans to use, you should include references for how you came to this pricing strategy and how it will impact your business plans to use the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strategy and how it will be a supplied to the pricing strate
may include multiple divisions or multiple companies. Make sure to include any parts of the workflow that are automated so investors can see where cost savings are expected and when. Supply Chain Examples For instance, lawn care equipment and tools Any chemicals or
treatments needed Repair parts for sprinkler systems Vehicles and people. Examples of Supply Chains These are fairly flat supply chains company might
have the following supply chain: Raw materials Shipping to retail stores There have been advances such as print on demand that eliminate many of these steps. If you are designing
completely custom clothing, all of this would need to be planned to keep from having business disruptions. The main thing to include in the business plan is the list of suppliers, the path the supply chain follows, the time from order to the customer's home, and the costs associated with each step of the process. According to BizPlanReview, a business
plan without this information is likely to get rejected because they have failed to research the key elements necessary to make sales to the customer. How to Write a Business Plan Step 7. Company Organization and Operational Plan This part of the business plan is focused on how the business model will function while serving customers. The
business plan should provide an overview of how the team will manage the following aspects: Production Quality Control Location Legal environment Personnel Let's look at each for some insight. Production Production Quality Control Location Legal environment Personnel Let's look at each for some insight. Production Pro
repetition as it creates a more simple business plan. If the organizational plan will be used by the team as an overview of how to perform the best services for the customer, then redundancy makes more sense as it communicates what is important to the business. Quality Control Quality control policies help to keep the team focused on how to verify
that the company adheres to the business plan and meets or exceeds customer expectations. Quality control can be anything from a standard that says "all labels on shirts can be no more than 1/16" off center" to a defined checklist of steps that should be performed and filled out for every customer. There are a variety of organizations that help define
quality control including: You can find lists of the organizations that contribute most to the government regulation of industries on Open Secrets. Research what the leaders in your field are doing. Follow their example and implement it in your quality control plan. Location For location, you should use information from the market research to establish
 where the location will be. Make sure to include the following in the location documentation. The size of your location The type of building (retail, industrial, commercial, etc.) Zoning restrictions - Urban Wire has a good map on how zoning works in each state Accessibility - Does it meet ADA requirements? Costs including rent, maintenance, utilities
insurance and any buildout or remodeling costs Utilities - b.e.f. has a good energy calculator. Legal Environment The legal requirements for your industry. A good business plan should include all of the following: Any licenses and/or permits that are needed and whether you've obtained
them Any trademarks, copyrights, or patents that you have or are in the process of applying for The insurance coverage your business Any special regulations affecting your industry Bonding requirements, if applicable Your local SBA office
can help you establish requirements in your area. I strongly recommend using them. They are a great resource. Personnel Your business plan should include a plan for company organization and hiring. While you may be the only person with the company right now, down the road you'll need more people. Make sure to consider and document the
answers to the following questions: What is the current leadership structure and what will it look like in the future? What types of employees will you need? Will you ever hire freelancers or independent contractors? What is each position's job description? What
is the pay structure (hourly, salaried, base plus commission, etc.)? How do you plan to find qualified employees and contractors? One of the most crucial parts of a business plan is the organizational chart. This simply shows the positions the company will need, who is in charge of them and the relationship of each of them. It will look similar to this
Our small business plan template has a much more in-depth organizational chart you can edit to include when you include the organizational chart in your business plan. How to Write a Business plan format will be
different based on whether you are writing a business plan to expand a business plan to expand a business plan to expand a business should use their past financial Income from an Existing Business should use their past financial Income from an Existing Business plan to expand a business plan to expand a
the next 3-5 years. You can create easy trendlines in excel to predict future revenue, profit and loss, cash flow, and other changes in year-over-year performance. This will show your expected performance assuming business continues as normal. If you are seeking an investment, then the business is probably not going to continue as normal.
Depending on the financial plan and the purpose of getting financing, adjustments may be needed to the following: Higher Revenue if expanding business Lower Cost of Goods Sold if purchasing inventory with bulk discounts Adding interest if utilizing financing (not equity deal) Changes in expenses Addition of financing inventory with bulk discounts Adding interest if utilizing financing (not equity deal) Changes in expenses Addition of financing inventory with bulk discounts Adding interest if utilizing financing (not equity deal) Changes in expenses Addition of financing inventory with bulk discounts Adding interest if utilizing financing (not equity deal) Changes in expenses Addition of financing inventory with bulk discounts Adding interest if utilizing financing (not equity deal) Changes in expenses Addition of financing inventory with bulk discounts Adding interest if utilizing financing (not equity deal) Changes in expenses Addition of financing (not equity deal) Changes in expenses Addition of financing (not equity deal) Changes in expenses Addition of financing (not equity deal) Changes in expenses (not expenses) and the financing (not equity deal) Changes in expenses (not expenses) and the financing (not equity deal) Changes (not expenses) and the financing (n
statement Changes in Earnings per Share on the balance sheet Financial modeling is a challenging subject, but there are plenty of low-cost courses on the subject. If you need help planning your business financial documentation take some time to watch some of them. Make it a point to document how you calculated all the changes to the income
statement, balance sheet, and cash flow statement in your business plan so that key team members or investors can verify your research. Financial Projections For A Startup Business plan unlike an existing business, a startup Business plan unlike an existing business, a startup Business plan so that key team members or investors can verify your research. Financial Projections For A Startup Business plan unlike an existing business plan unlike business plan un
plan realistic through the use of industry research and averages. Mike gave the following advice in his interview: Provide 3-5 years of financial projections and try to be realistic. If you don't have revenue yet, guess based on industry averages. Make sure you have accurate information. Good information is important. Make sure it is well documented
Financial Forecasting Mistakes One of the things a lot of inexperienced people use is the argument, "If I get one percent of the market, it is worth $100 million." If you use this, investors are likely to file the document under bad business plan examples. Let's use custom t-shirts as an example. Credence Research estimated in 2018 there were
11,334,800,000 custom t-shirts sold for a total of $206.12 Billion, with a 6% compound annual growth rate. With that data, you can calculate that the industry will grow to $270 Billion in 2023 and that the average shirt sold creates $18.18 in revenue. Combine that with an IBIS World estimate of 11,094 custom screen printers and that means even if
you become an average seller, you'll get .009% of the market. Here's a table for easier viewing of that information. The point here is to make sure your business proposal examples make sense. You'll need to know industry averages such as cost of customer acquisition, revenue per customer, the average cost of goods sold, and admin costs to be able
to create accurate estimates. Our simple business plan templates walk you through most of these processes. If you follow them you'll have a good idea of how to write a business plan without a plan on how to obtain funding? The Small
Business Administration has an example for a pizza restaurant that theoretically needed nearly $20k to make it through their first month. In our video, How to Start his franchise and broke even after 4 months. Freshbooks estimates it takes on average 2-3
years for a business to be profitable, which means the fictitious pizza company from the SBA could need up to $330k to make it through that time and still pay their bills for their home and pizza shop. Not every business needs that much to start, but realistically it's a good idea to assume that you need a fairly large cushion. Ways to get funding for a
small business There are a variety of ways to cover this. the most common are: Bootstrapping - Using your savings without external funding. Taking out debt - loans, credit cards Equity, Seed Funding - Ownership of a percentage of the company in exchange for current funds Crowdsourcing - Promising a good for funding to create the product The
easiest way to get a loan is through the Borrow Nation website. Keep reading for more tips on how to write a business plan. How funding will be used When asking for business financing make money? How will the money be spent? Mike
emphasized two aspects that should be included in every plan, Include a plan for when things go wrong and make it clearly defined what the exit strategy will be. Whether it is to hand it over to your kids, sell it, or turn it into a franchise, let your investors know your intent. How to Write a Business Plan Resources Here are some links to a business
plan sample and business plan outline. It's also helpful to follow some of the leading influencers in the business plan writing community. Here's a list: Wise Plans - Shares a lot of information on starting business plan writing community. Here's a list: Wise Plans - Shares a lot of information on starting business plan writing community.
 capital thread that can help give you ideas. How to Write a Business Plan: What's Next? We hope this guide about how to write a simple business plan Coming up with a business idea Performing market research The critical components of a business plan An example
business plan In addition, we provided you with a simple business plan template to assist you in the process of writing your startup business plan. The startup business plan template also includes a business plan template to assist you in the process of writing your startup business plan.
before? How did it impact your ability to achieve your goals? Writing a business plan doesn't have to be complicated. In this step-by-step guide, you'll learn how to write a business plan that's detailed enough to impress bankers and potential investors, while giving you the tools to start, run, and grow a successful business. If you're reading this guide
then you already know why you need a business plan. You understand that writing a business plan helps you: Raise money Grow strategically Keep your business plan is. At its core, a business plan is an overview of the products and
services you sell, and the customers that you sell to. It explains your business strategy: how you're going to build and grow your business plans also include financial forecasts for the future. These set sales goals, budget for expenses, and predict profits and cash flow. A
good business plan is much more than just a document that you write once and forget about. It's also a guide that helps you outline and achieve your goals. Updating and adjusting your forecasts and budgets as you go is one of the most
important steps you can take to run a healthier, smarter business. We'll dive into how to use your plan later in this article. There are many different types of plans, but we'll go over the most common type here, which includes everything you need for an investor-ready plan. However, if you're just starting out and are looking for something simpler—I
recommend starting with a one-page business plan. It's also the perfect place to start if you're just figuring out your business. Dig deeper: How to write a one-page business plan Brought to you by Create Your Plan Secure funding Validate ideas Build a strategy The
executive summary is an overview of your business and your plans. It comes first in your plans and is ideally just one to two pages. Most people write it last because it's a summary of the complete business plan. In fact, it's common for
investors to ask only for the executive summary when evaluating your business. If they like what they see in the executive summary, they'll often follow up with a request for a complete plan, a pitch presentation, or more in-depth financial forecasts. Your executive summary should include: A summary of the problem you are solving A description of
your product or service An overview of your target market A brief description of your team A summary of your financials Your funding requirements (if you are raising money) Dig Deeper: How to write an effective executive summary when writing a business plan, the produces and services section is where you describe exactly what you're selling,
and how it solves a problem for your target market. The best way to organize this part of your plan is to start by describing the problem that exists for your customers. After that, you can describe how you plan to solve that problem that exists for your customers. The best way to organize this part of your plan is to start by describing the problem that exists for your customers.
your products and services, you need to craft a compelling narrative around your offerings. How will your product or service transform your customers' lives or jobs? A strong narrative will draw in your readers. This is also the part of the business plan to discuss any competitive advantages you may have, like specific intellectual property or patents
that protect your product. If you have any initial sales, contracts, or other evidence that your plan has a high chance of success. Your target market is a description of the type of people that you plan to
sell to. You might even have multiple target markets, depending on your business. A market analysis is the part of your plan where you bring together all of the information you know about your target markets, depending on your business. A market analysis is the part of your plan where you bring together all of the information you know about your target market. Basically, it's a thorough description of who your customers are and why they need what you're selling. You'll also include information about
the growth of your market and your industry. Try to be as specific as possible when you describe your market. Include information such as age, income level, and location—these are "psychographics." Related: Target
market examples Essentially, you want to include any knowledge you have about your customers that is relevant to how your product or service is right for them. With a solid target market, it will be easier to create a sales and marketing plan that will reach your customers. That's because you know who they are, what they like to do, and the best
 ways to reach them. Next, provide any additional information you have about your market. What is the size of your market? Is the market prowing over time, and also explain how your business is positioned to take advantage of any expected changes in your industry. Dig
Deeper: Learn how to write a market analysis Part of defining your business opportunity is determining what your competitors as your target customers. Every business has some form of competition. If you don't think you have competitors, then explore what
alternatives there are in the market for your product or service. For example: In the early years of cars, their main competition was horses. For social media, the early competitive landscape and then explains how your business is
different. Maybe your products are better made, or cheaper, or your customer service is superior. Maybe your location - a wide variety of factors can ultimately give you an advantage is your location your competitive analysis for your business plan The marketing and sales plan covers how you will position your
product or service in the market, the market, the marketing channels and messaging you will use, and your sales tactics. The best place to start with a marketing plan is with a positioning statement. This explains how your business fits into the overall market, and how you will explain the advantages of your product or service to customers. You'll use the
 information from your competitive analysis to help you with your positioning. For example: You might position your company as the premium, most expensive but the highest quality option in the market. Or your products. Once you understar
your positioning, you'll bring this together with the information about your target market to create your marketing strategy. This is how you plan to communicate your message to potential customers. Depending on who your customers are and how they purchase products like yours, you might use many different strategies, from social media
advertising to creating a podcast. Your marketing plan is all about how your customers discover who you are and why they should consider your products and services. While your marketing plan is about reaching your customers discover who you are and why they should consider your products and services. While your marketing plan is all about how your customers discover who you are and why they should consider your products and services.
have to offer. If your business requires salespeople and a long sales process, describe that in this section. If your customers can "self-serve" and just make purchases quickly on your website, describe that process. A good sales plan is
how you close the deal. Together, these specific plans paint a picture of how you will connect with your sales and marketing plan When writing a business plan, the operations section describes the necessary requirements for your business to run
smoothly. It's where you talk about how your business works and what day-to-day operations look like. Depending on how your business is structured, your operations plan may include elements of the business distribute their
products and reach their customers through large retailers like Amazon.com, Walmart, Target, and grocery store chains. These businesses should review how this part of their business may have to overcome. If your
business is much simpler than this, that's OK. This section of your business plan can be either extremely short or more detailed, depending on the type of business you are building. For business selling services, such as physical therapy or online software, you can use this section to describe the technology you'll leverage, what goes into your
service, and who you will partner with to deliver your services. Dig Deeper: Learn how to write the operations chapter of your plan Although it's not required to complete your success. Good milestones and the metrics can be incredibly useful for measuring your success. Good milestones and the parameters of the
task and set expectations for their execution. You'll want to include: A description of each task The proposed due date Who is responsible for each task If you have a budget, you can include projected costs to hit each milestone. You don't need extensive project planning in this section—just list key milestones you want to hit and when you plan to hit
them. This is your overall business roadmap. Possible milestones might be: Website launch date Store or office opening date First significant sales Break even date Business licenses and approvals You should also discuss the key numbers you will track to determine your success. Some common metrics worth tracking include: Conversion rates
Customer acquisition costs Profit per customer Repeat purchases It's perfectly fine to start with just a few metrics and grow the number you are tracking over time. You also may find that some metrics simply aren't relevant to your business and can narrow down what you're tracking. Dig Deeper: How to use milestones in your business plan Investors
don't just look for great ideas—they want to find great teams. Use this chapter to describe your current team and who you need to hire. You should also provide a quick overview of your location and history if you're already up and running. Briefly highlight the relevant experiences of each key team member in the company. It's important to make the
case for why yours is the right team to turn an idea into a reality. Do they have the right industry experience and background? Have members of the team had entrepreneurial successes before? If you still need to hire key team members, that's OK. Just note those gaps in this section. Your company overview should also include a summary of your
company's current business structure. The most common business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include: LLC C-corp S-corp Sole proprietor Partnership Be sure to provide an overview of how the business structures include an overview of how the business structures are the business structures and how the business structures are the business structures and how the business structures are the business structures are the business structures are the business structures are the business struc
structure of the business before they will consider a loan or investment. Dig Deeper: How to write about your company structure and team The last section of your business financials for most startups are less complicated than you think,
and a business degree is certainly not required to build a solid financial forecast. A typical financial forecast in a business plan includes the following: Sales forecast into the key revenue streams that you expect to have. Expense budget: Your planned spending
such as personnel costs, marketing expenses, and taxes. Profit & Loss: Brings together your business. It can predict how much cash you'll have on hand at any given point in the future. Balance Sheet: A list of the assets, liabilities, and
equity in your company. In short, it provides an overview of the financial health of your business plan will include a description of assumptions about the future, and potential risks that could impact the financial plan. Including those will be especially important if you're writing a business plan to pursue a loan or other investment.
Dig Deeper: How to create financial forecasts and budgets This is the place for additional data, charts, or other information that supports your plan. Including an appendix can significantly enhance the credibility of your business idea, and are backing your ideas up with
solid data. Just remember that the information in the appendix is meant to be supplementary. Your business plan cover page can make your plan, and by extension your
business, seem more professional in the eyes of potential investors, lenders, and partners. It serves as the introduction to your document and provides necessary contact information for stakeholders to reference. Your cover page should be simple and include: Company logo Business name Value proposition (optional) Business plan title Completion
and/or update date Address and contact information Confidentiality statement Just remember, the cover page is optional. If you decide to include it, keep it very simple and only spend a short amount of time putting it together. Dig Deeper: How to create a business plan cover page Generative AI tools such as ChatGPT can speed up the business plan
writing process and help you think through concepts like market segmentation and competition. These tools are especially useful for taking ideas that you provide and converting them into polished text for your business plan. The best way to use AI to write a business plan is to leverage it as a collaborator, not a replacement for human creative
thinking and ingenuity. AI can come up with lots of ideas and act as a brainstorming partner. It's up to you to filter through those ideas and figure out which ones are realistic enough to resonate with your customers. There are pros and cons of using AI to help with your business plan. So, spend some time understanding how it can be most helpful
before just outsourcing the job to AI. Learn more: 10 AI prompts you need to write a business plan will determine your
approach to your planning project. For example: If you are writing a business plan for yourself, or just to use inside your own business, you can probably skip the section about your team and organizational structure. If you're raising money, you'll want to spend more time explaining why you're looking to raise the funds and exactly how you will use
them. Regardless of how you intend to use your business plan, think about why you are writing and what you're trying to get out of the process before you begin. Keep things concise Probably the most important tip is to keep your business plan short and simple. There are no prizes for long business plans. The longer your plan is, the less likely people
are to read it. So focus on trimming things down to the essentials your readers need to know. Skip the extended, wordy descriptions and instead focus on creating a plan that is easy to read—using bullets and short sentences whenever possible. Writing a business plan in a vacuum is never a good idea. Sometimes it's helpful to zoom out and check if
your plan makes sense to someone else. You also want to make sure that it's easy to read and understand. Don't wait until your plan is "done" to get a second look. Start sharing your plan early, and find out from readers what questions your plan is "done" to get a second look. Start sharing your plan early, and find out from readers what questions your plan is "done" to get a second look. Start sharing your plan early, and find out from readers what questions your plan is "done" to get a second look. Start sharing your plan early, and find out from readers what questions your plan is "done" to get a second look. Start sharing your plan is "done" to get a second look. Start sharing your plan is "done" to get a second look. Start sharing your plan is "done" to get a second look is the get a second look. Start sharing your plan is "done" to get a second look is the get a second look is the get a second look. Start sharing your plan is "done" to get a second look is the get a second look is the get a second look. Start sharing your plan is "done" to get a second look is the get a second look is the get a second look. Start sharing your plan is "done" to get a second look is the get a second look is the get a second look is the get a second look. Start sharing your plan is "done" to get a second look is the get a second look is the get a second look. Start sharing your plan is "done" to get a second look is the get a second look is the get a second look. Start sharing your plan is "done" to get a second look is the get a seco
quickly, rather than finding out about them right before you present your plan to a lender or investor. If you need a more detailed review, you may want to explore hiring a professional plan writer to thoroughly examine it. Knowing what information to include in a business plan is sometimes not quite enough. If you're struggling to get started or need
additional guidance, it may be worth using a business plan template. There are plenty of great options available (we've rounded up our 8 favorites to streamline your search). But, if you're looking for a free downloadable business plan template, you can get one right now; download the template used by more than 1 million businesses. Or, if you just
want to see what a completed business plan looks like, check out our library of over 550 free business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on depending on your business planning guides with tips for what to focus on the focus of the focus 
the writing and research process, and don't focus enough on actually getting their business started. Here are a few common mistakes and how to avoid them: Not talking to your customers: This is one of the most common mistakes and how to avoid them: Not talking to your customers: This is one of the most common mistakes. It's easy to assume that your product or service is something that people want. Before you invest too much in your
business and too much in the planning process, make sure you talk to your prospective customers and have a good understanding of their needs. Overly optimistic about the future. But it's good to temper that optimism a little when you're planning, and make sure your forecasts are
grounded in reality. Spending too much time planning: Yes, planning is crucial. But you also need to get out and talk to customers, build prototypes of your product and figure out if there's a market for your idea. Make sure to balance planning with building. Not revising the plan: Planning is useful, but nothing ever goes exactly as planned. As you
learn more about what's working and what's not—revise your plan, your financial needs will be moving forward. Not using the plan to manage your business: A good business plan is a management tool. Don't just write it
and put it on the shelf to collect dust - use it to track your progress and help you reach your goals. The planning process forces you to think through every aspect of your business and answer questions that you may not have thought of. That's the real benefit of writing a business plan - the knowledge you gain about your business that you may not
have been able to discover otherwise. With all of this knowledge, you're well prepared to convert your business plan into a pitch presentation to present your business plan to investors and team members. Dig Deeper:
Learn what key slides should be included in your pitch deck One of the biggest benefits of planning is that it gives you a tool to manage your business better. With a revenue forecast, expense budget, and projected cash flow, you know your targets and where you are headed. And yet, nothing ever goes exactly as planned - it's the nature of business.
That's where using your plan as a management tool comes in. The key to leveraging it for your business is to review the plan - a monthly review is a good starting point. During this review, answer questions like: Did you meet
your sales goals? Is spending following your goals or are off track, you can make adjustments and set new targets. Maybe you're exceeding your sales goals and should set new, more aggressive goals. In that case, maybe you should also
explore more spending or hiring more employees. Or maybe expenses are rising faster than you projected. If that's the case, you would need to look at where you can cut costs. A plan, and a method for comparing your plan to your actual results, is the tool you need to steer your business toward success. Learn More: How to run a regular plan review
How to write a business plan FAQ A document that describes your business, the products and services you sell, and the customers that you sell to. It explains your business plan helps you understand where you want
to go with your business and what it will take to get there. It reduces your overall risk, helps you uncover your business's potential, attracts investors, and identifies areas for growth. Writing a business owner and more likely to succeed for a longer period of time. The seven steps to writing a
business plan include: Write a brief executive summary Describe your products and services. Conduct market research and compile data into a cohesive market analysis. Describe your marketing and sales strategy. Outline your organizational structure and management team. Develop financial projections for sales, revenue, and cash flow. Add any
additional documents to your appendix. There are plenty of mistakes that can be made when writing a business plan. However, these are the 5 most common that you should do your best to avoid: 1. Not taking the planning process seriously. Having unrealistic financial projections or incomplete financial information. Inconsistent information or simple
mistakes. Failing to establish a sound business model. Not having a defined purpose for your business plan. Writing a business plan is all about asking yourself questions about your business and dozens of questions for each section of your plan. However, these
are the key questions you should ask and answer with your business plan: How will you reach your customers? How will you measure success? The length of your business plan fully depends on what
you intend to do with it. From the SBA and traditional lender point of view, a business plan needs to be whatever length necessary to fully explain your business. This means that you prove the viability of your business plan for internal
management purposes, you don't necessarily need a full 25-50 page business plan. Instead, you can start with a one-page plan to get all of the necessary information in place. While all business plan types worth
```

considering. Traditional business plan: The tried-and-true traditional business plan is a formal document meant to be used when applying for funding or pitching to investors. This type of business plan follows the outline above and can be anywhere from 10-50 pages depending on the amount of detail included, the complexity of your business, and

what you include in your appendix. Business model canvas: The business model canvas is a one-page template designed to demystify the business plan, in favor of a single-page outline that can help you and outside parties better explore your business idea. One-page business plan: This format is a simplified version of the traditional plan that focuses on the core aspects of your business. You'll typically stick with bullet points and single sentences. It's most useful for those exploring ideas, needing to validate their business model, or who need an internal plan to help them run and manage their business. Lean Plan: The Lean Plan is less of a specific document type and more of a methodology. It takes the simplicity and styling of the one-page business plan and turns it into a process for you to continuously plan, test, review, refine, and take action based on performance. It's faster, keeps your plan concise, and ensures that your plan is alway up-to-date. A business plan convers the "who" and "what" of your business. It explains what your business is doing right now and how it functions. The strategic plan as you follow the business plan can actually function as a strategic plan as well. If kept lean, you can define your business, outline strategic steps, and track ongoing operations all with a single plan. Share — copy and redistribute the material in any medium or format for any purpose, even commercially. The licensor cannot revoke these freedoms as long as you follow the license terms. Attribution — You must give appropriate credit, provide a link to the license, and indicate if changes were made. If you may do the permits of the material, you must distribute your contributions under the same license as the original. No additional restrictions — You may not apply legal terms or technological measures that legally restrict others from doing anything the license permits. You do not have to comply with the license for elements of the material in the public domain or where your use is permitted by an applicabl