Business Plan:
Organization Name

Your Name
Your Title
Contact Information

Tuesday, October 12, 2010
The Idea

• Talk about the opportunity you have discovered and the big idea you have for the business.

• All good ideas share at least one of three goals:
  – They make life for the customer easier. (efficiency)
  – They make life for the customer better. (effectiveness)
  – They allow the customer to do new things. (innovation)

• Example: “If you go to five travel sites, you will be presented with five different offers. Traveling to each site is time-consuming and confusing. We are a discount travel website. We have written software that searches all the other travel sites and collates their price quotas into one report.”
The Business Model

• Talk about the timeless reason why your business should exist beyond just making money. Complete this sentence, “The purpose of our business is to…”

• Talk about how you make money and how you deliver your idea to the customer.

• Example: Think of eBay—“Our purpose is to provide a global trading platform where practically anyone can trade practically anything. We charge a listing fee plus a commission.” End of story.
The Customer

• Talk about the groups of customers that will be attracted to your idea. Ask: **Who do we serve?** What do we know about them?

• *Example:* “Our customers are busy executives and sales persons who frequently travel more than 20 weeks a year.”

• *Example:* “Our customers are high-school students who need additional teaching help outside the traditional classroom.”

• *Example:* “We reduce the risk of fraud for regional commercial banks in their online transactions.”
The Competition

• Talk about the three to four main competitors trying to win your customers.
• Never dismiss the competition. Everyone wants to hear why your good, not why the competition is bad.
• Talk about the story each competitor tells and then talk about how your story is either different or more important.
• Example: “McDonalds is selling fast. Burger King is selling choice. We’re telling the story of being fresh and therefore healthy.”
The Message

• Talk about the message you will deliver to your customers. Messages that are made to stick are simple, unexpected, concrete, credible, emotional, stories.

• Example: “The delivery of a wine’s taste depends on the form of the glass. The secret to Reidel glasses is that there is a perfect shape for every beverage. Through ten generations of glassblowers we have discovered the timeless forms of glass to convey the wine’s message in the best manner to the human senses. Reidel—A Passion for Glass.”
The Sales Approach

• Talk about **how** you are going to reach your customers and **present your message**.

• Try to convince the audience that you have an effective go-to-market approach that **won’t break the bank**.

• *Example*: “A majority of the customers for our educational software can be reached through our website, the direct mailing of promotional kits, and through two national trade shows and four primary regional shows.”
The Inner Workings

- Talk about **the work** you do and how you make things.
- Talk about the **people, places, things, and time** you need to get the job done.
- *Example*: “Bistro On The Green will be located at 34th Street and Delmar Avenue and will be open from the hours of 11:00am to 10:00pm Tuesday through Sunday. The location requires the addition of a full commercial kitchen. We require 28 staff members each working about 35 hours on average per week…”
The Management Team

• Talk about the **key players** who will manage your business. Talk about how your team completes the “management trinity”:
  – Who will oversee the work—production expertise,
  – Who will oversee sales—marketing expertise, and
  – Who will take care of the money—financial expertise.

• Talk about any board of directors, advisory boards, consultants, or major investors that you may use in rounding out your management team.

• Talk about any professionals like lawyers, accountants, bankers, or insurance agents that will assist you in running the business.
The Money Forecast

• Talk about how much money you need to get started. At this stage, list the major categories of start-up costs and estimate their amount.

• Talk about the money you expect to take in during the first year. Show how you came up with that number (units times prices).

• Talk about the money you expect to spend out during the first year. Think about people, product costs, space, equipment, etc.

• How much is left over?
The Next Steps

• Talk about the next five to ten steps that need to be completed in the next 90 days to consider yourself a success. Attach dates to each step.

• Talk about the two or three big things that you want to accomplish in the next 2-3 years to consider yourself a success.