Business Planning 101

August 2024

Lillooet
Chamber of Commerce

Today's Meeting Objectives

1. What is a Business Plan?
2. Why Do I Need a Business Plan?
3. Share Tips and Tricks for Business Plans
4. Address individual Business Plan Challenges

Why Have a Business Plan?

A business plan is a document that outlines what your goals are and the how you are going to achieve them. With a proper business plan, you can:

- Set yourself specific goals you want to achieve
- Attract potential business partners, lenders and investors
- Stay on track with you goals
- Motivate and remind yourself why you even want to do this

“And as he myght tell vs, that of Poules chyrch we may well se the stones, but we can not se the chyrce. And then we may well tell hym agayne, that he can not se the wood for the trees.”

Sir Thomas More’s Confutacion of Tyndals Answere, 1533

8 Tips for Business Planning

1. KISS - Keep it simple, stupid
2. R&D - Rip off & duplicate
3. B2B / B2C - Who is your customer?
4. Divide & Conquer - Divide your work into sections
5. Start with numbers - Sometimes it is easiest to start with a spreadsheet
6. Always use bullet points
7. Scale appropriately - Only use what you need but think about the rest
8. Competition is your friend - Reach out & Copy what your competitors are doing.

Basic Business Plan Template

Part 1: Mission Statement / Executive Summary

Part 2: Product / Service Description

Part 3: Customer / Target Market Discussion

Part 4: Competition / SWOT Analysis

Part 5: Marketing & Sales

Part 6: Operations & Facility

Part 7: Team Overview

Part 8: Milestones & Metrics

Part 9: Financial Plan

Mission Statement / Executive Summary (Part 1)

Mission Statement / Company Purpose
Why does your company exist? What are you here to do?

→ Briefly describe your company's purpose.

Problems We Solve
What problem is your business solving? Why are you solving that problem?

→ Briefly describe the problem that you solve.

Our Solution
What is your solution to the problem outline above? How is your solution unique?

→ Briefly describe your solution

Your Product or Service (Part 2)

Product Description

A thorough description of the problem or pain points you intend to solve for your customer base. → What are you selling?

Product Appeal

A thorough description of your proposed product or service that alleviates the problem for your customer base. → Why would anybody buy it?

Product Evidence

Describe any initial evidence that your customers are excited to spend money on your solution. Initial sales or signed contracts are good signs. → How do you know the above?

Your Product or Service Cont'd (Part 2)

Intellectual Property/Patents

Are there any Intellectual Property rights you need to consider for your product?

Regulatory Requirements

Describe the Legislation that applies to your business. What acts and regulations do you have to follow?

Future Products and Services

What products and services might you offer in the future once your initial products and services are successful?

Your Target Market (Part 3)

Market Size & Segments
How many potential customers do you have and what potential groups of customers are separated by specific characteristics?

Market Trends
How consumers in your target market tend to act including purchasing habits, financial trends, and any other relevant factors.

Market Growth
The perceived potential increase or decrease in the size of your target market.

Your Target Market Cont'd (Part 3)

Industry Analysis
What does your industry look like? Who are other businesses in your industry? Are there any industry statistics you can describe?

Key Customers
If your business relies on certain important customers, describe who they are here.

Future Markets
A snapshot of the potential market based on the last few sections and how your business strategy works within it.

Your Competition (Part 4)

Current Alternatives
A list of potential competitors. Identifying the competition isn't always obvious and it may take some digging on your part.

Our Advantages
The strategic advantage(s) that makes your target market more likely to choose you over the competition.

Barriers to Entry
If there's anything that makes it more difficult for other people to start competing with you, describe those barriers.

Your Marketing & Sales Strategy (Part 5)

Market positioning
Where do your products or services fit into the market? Are you the low-price leader or the premium option?

Unique value proposition
What's special about your offering that makes your customers want to choose it over the competition.

Marketing Plan
An outline of your marketing and advertising strategy including costs, advertising channels, and goals.

Your Marketing & Sales Strategy Cont'd (Part 5)

Sales Plan
How do you sell your product or service? Self-serve or with a team of sales representatives?

Pricing Strategy
Describe your pricing and how it compares to alternatives in the market.

Distribution
Describe how your product gets in front of customers. Are you selling in stores and online? Which retailers?

Your Operations (Part 6)

Location & Facilities
If you have a physical presence, describe where and what it is.

Technology
What technology is crucial for your business success?

Equipment & Tools
If special equipment or tools are needed for your business, describe them here.

Sourcing and fulfillment
If you purchase your products or parts for your products from somewhere else, describe that sourcing and supply chain.

Partners and Resources
If you have key partners that you work with to make your business a success, describe who they are and what services or products they provide.

Your Company Management (Part 7)

Organizational structure
An overview of the legal structure of your business.

Management team
The team that is starting or running your business and why they are uniquely qualified to make the business a success.

Management team gaps
Key positions that your business will need to fill to make it successful.

Business Partner Challenges
Biggest challenges that could occur with your business partners

Milestones & Metrics (Part 8)

Milestones
A roadmap of specific goals and objectives you plan to achieve will help you manage and steer your business.

Key metrics
Performance measurements that help you gauge the overall performance and health of your business.

Your Finances (Part 9)

Projected profit and loss
How much money you will bring in by selling products and/or services and how much profit you will make or lose after accounting for costs and expenses.

Financing & Loans
If you are raising money either through loans or investment, explain how funds will be used. This is typically meant to be shared with investors or lenders.

Exit / Succession Strategy
A brief explanation of how you intend to eventually exit from your business. This could include selling the business, going public, transitioning the business to a family member/employee, etc.

Reminder: Top 3 Tips for Business Planning

KISS - Keep it simple, stupid

R&D - Rip off & Duplicate

Bullets & Spreadsheets are your friends

SMART - Specific, Measurable, Achievable, Results oriented, Timely

Thank you very much!
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