

Researching a Business Plan?

Do the job right - to the best of your ability thoroughly answer the questions below. Use these questions to guide your research effort. The answers will form the basis of your business plan. You will not be able to answer some of the questions, even after exhaustive research. Do your best, and, good luck!

Contents of Business Plan:

1. Executive Summary
2. Present Situation
3. Objectives
4. Management and Organization
5. Product & Service Description
6. Equipment & Facilities
7. Market Analysis
8. Marketing Strategy
9. Financial Projections
10. Appendix

2. Present Situation In this section, you should define clearly how you have come to your current position. Identify how your idea was conceived up to your present position.

1. Explain the current Market Environment. Is it undergoing changes in technology, demographics, competition, customers, financial conditions?
2. What is the present stage of your industry: infancy, intermediate, or mature stage?
3. Are there factors that could contribute to the growth or decline of your product? Indicate both the weak and strong points here. It will show that you have done your homework.
4. Where are your products assembled or manufactured?
5. What is your product's average life cycle?
6. With regards to Pricing and Profitability, are current prices from suppliers increasing, decreasing, or remaining constant?
7. Indicate how you plan to make whatever adjustments are necessary to manage these possible changes in prices.
8. How are your current, or potential, customers using your products/services? If your business is a start-up enterprise, how will they use your products / series?
9. Where will your main distribution center be? Do you have any plans to open other offices or distribution centers? If so, indicate when and where.
10. Give some additional information about your management team. Are they all in place? Will you need to hire additional managers or consult with outside consultants?
11. Finally, provide some information about your current Financial Resources:

Researching a Business Plan?

3. Objectives Section In this section you will develop your short and long term goals. Here is where you need to formulate a vision of where you want to be in a few years. Make sure that you balance enthusiasm with realism. Set a few simple objectives for each year, first through fifth.

With these ideas in mind, begin writing down what you want to achieve.

12. Are your long term objectives to stay a one-person shop, or to build a large company with several hundred employees?
13. Do you want your company to go public and sell its stock?
14. Do you want to pass the leadership down to your children, grandchildren, or great-grandchildren?
15. What will you accomplish with the additional capital: open new offices, purchase equipment, hire key personnel, expand your marketing and advertising?
16. Will you develop a stronger network of suppliers and/or buyers as time goes on? How?
17. Will you become a manufacturer at any time? When?
18. Write down your immediate goals.
19. What profits do you intend to generate in years one through five?
20. In order for you to achieve your immediate goals, do you have any debts that must be restructured or paid down? Explain why in detail here.
21. What will be your expected net profits after tax from sales each year?
22. Finally, write down at least ten goals or objectives that you plan to achieve with your business.

5. Product / Service Section Will your product be easily recognizable and understood by lending organizations? It is important to identify your product / service clearly and explain all aspects of the purchasing, manufacturing, packaging, and distribution of the product / service.

Potential lenders need to be convinced that your business concept has been clearly researched, identified, calculated, and thoroughly thought out.

23. In concise paragraphs, explain all important information regarding your product / service.
24. Explain why your product / service is such a great item: What makes it unique? What sets it apart from the competition? Why would a customer buy from you?
25. List and describe all trademarks, patents, copyrights, and licenses owned or used.

Researching a Business Plan?

7. Market Analysis In this section, you will clearly identify your market, including: competitors, market share, potential market share, market stability, market share and growth, and success of product / service in other markets. Include supporting documentation from third-party independent sources, such as: magazine and newspaper articles, books, trade reports, government statistics, and surveys.

26. Describe the market. Provide a history, as well as any recent trends.
27. Identify marketing strengths, such as: sources of advertising and promotion, public awareness and public acceptance.
28. Identify market weaknesses, such as: possible lack of public acceptance.
29. What is your customer profile?
30. Who is your competition?
31. How is your competition promoting its product or service?

8. Marketing Strategy. Many business owners ignore the potential in the effective advertising of their quality product. Small business owners tend to overlook the need for exposure.

32. Who is your target audience?
33. What is your **unique selling advantage** that clearly sets you apart from your competitors and attracts customers?

4. Management Your management team will be responsible for the success or failure of your business. When you write this section of your plan, put down who will be in charge of certain responsibilities and tasks, and why they are qualified to manage this specific department or task.

33. Provide brief résumés of the qualifications of yourself and any other key people.

* If you have thoroughly completed these questions, **great job!** See your teacher for instructions on what to do next. Questions for sections 1, 6, 9, and 10 are not included here – you will receive this information after you have completed these questions.