

Guide to Writing a Business Plan

Your business plan is a working document. It is not meant to be written and then forgotten. You should review it regularly and if necessary change it to ensure your plan (and your business) stays focused on the objectives.

1. Use this template to write your own short business plan. If you're looking for a business plan template to assist in getting a bank loan visit <http://plansandchecklists.business.vic.gov.au>
2. The text in **RED** is instructional. You should delete it before printing or sending your plan.
3. Any text in blue indicates a link to a webpage or document. Press control and click anywhere in the link to launch the page. You should delete these links before printing or sending your plan.
4. Keep your sentences short and concise. Use bulleted lists to highlight key points.
5. Break up your paragraphs with extra headings if necessary.
6. This template works best when used in Microsoft Word '97-2007
7. To get information about how to write your business plan, visit the [Business Victoria website](#)

<your logo here>

<Business Name>

Business Plan

<Business Address>

Prepared By: <Your Name>

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1. Business Overview

Include in your overview:

- what your business does, your products or services
- how long you have been operating
- the industry you're in
- point of difference over your competitors—such as different location, cheaper price or better service—and key benefits to your consumers
- where the business will be in two-to-five years and how this will be achieved, e.g. your position financially and in the market place (you may need to complete this after you've worked through the other sections)

[Get help about defining your business](#)

Type your overview here.

2. Products/Services

Describe what you are going to offer your customers, including:

- exactly what you are going to sell or provide and how it will be produced
- branding and packaging (where applicable)
- ongoing product or service development
- your product/service's features and how they compare to major competitors
- the price and how you have determined it (by considering production costs, labour and other overheads)
- any dealings with supplier/s

Tip

[Get information about defining your product](#)

Type your products/services here.

3. Market Analysis

Research your market and industry. Consider the following sources: industry profiles on IBISWorld, trade magazines, government reports, consumer surveys, running focus groups, identifying your competitors etc.

Briefly outline what market your product/service will serve and why. For example, if you plan to publish a magazine, you need to know about publishing trends, online competitors, other publications that cover your market (including their circulation, advertising rates, reader profiles) and identify a viable gap to fill.

Make sure you include:

- who will buy your product or service
- where your market is located: local, regional, state, national or international
- the state of the market: is it growing, declining, segmented?
- market influences such as seasonal price fluctuations or trends
- the price range: based on your target market will it be high, low or in the middle

Tip

[Get more help about conducting market research](#)

Type your market analysis here.

4. Competition

List details about your competitors including:

- who and where they are
- how you'll position your product or service against them
- your product/service features against theirs and what gives you a competitive edge
- the benefit/s of your service/product to the consumer
- comparison of your pricing, promotion and distribution

Tips

- [Get more help about researching your competition](#)
- To help you assess your strengths and weaknesses against your competitors, complete the Competitor Analysis Template, Appendix I

Type competitor information here.

5. Marketing Strategy

Show how consumers will find out about your product/service including:

- where, how and when you will promote your product/service such as shopping centre promotions, point of sale, viral marketing, billboards, loyalty schemes, etc
- what type of printed materials you'll create
- your website or online presence
- details and cost of advertising including print, online, TV and radio
- product/service launch plans
- how you will measure the success of your marketing strategy and various promotions
- how pricing will encourage sales (e.g. selling in bulk)

Tips

- [Get more information about marketing](#)
- To help you assess which marketing strategies will best reach your target market, complete the Strategic SWOT Analysis Template, Appendix II

Type your marketing strategy here.

6. Business Structure and Management

Describe the ownership structure (such as sole trader, partnership, company) including:

- reasons for chosen structure
- any trademarks, patents, web addresses and other intellectual property you need to protect
- owners and any legal agreements you may need
- any key staff, their involvement, responsibilities and expected salaries
- your exit strategy

Tip

[Get more information about business structures](#)

Type your business structure and management details here.

7. Finances

Summarise your financial situation including:

- how you'll finance your business, e.g. business loan, personal funds, investment capital
- costings, including your start-up costs, salary and fixed overheads
- financial projections including how much you will need to make to break even, when you are likely to make a profit and growth expectations

Type your financial summary here.

Validate your summary by completing these financial templates and attaching them to the end of your business plan. Download these templates and guides and save them separately.

- [Establishment Costs Template](#) (MS DOC 40Kb)
These are your start-up costs which will not be repeated, e.g. setting up premises, licences, buying equipment, market research, etc
- [Financial Statements](#) (XLS 298Kb)
Use this template to produce financial statements such as profit and loss, balance sheet or cash flow statements
- [Cash flow forecast template](#) (XLS 332Kb)
Use this automated cash flow worksheet to forecast and record cash flow. The worksheet will update your figures as you type. If you're not sure how to use this worksheet, there's a plain English explanation of cash flow

Tips

- [Get more information about financial management](#)
- [Access other Financial Calculators and Tools](#)

8. Action Plan

Your action plan is the most important part of your business plan. It **manages** how you're going to achieve your business plan objectives, so review it regularly and use it to control your activities. List the actions by key areas such as:

- establishment
- legal
- finance
- marketing

List the key tasks to be done, by whom and by when. Don't make them too detailed or they become unworkable. If you don't achieve a task, reschedule it, but if it's still not done by the second date, ask why. Is it too large? Is it unclear how it will help the business? Do we have the skills to do it? See example below.

Key Objectives	Task	By Whom	By When
Establishment			
	Register business and trademark	CP	15 Dec
	Research and purchase licences	FB	15 Dec
Finalise premises	- Rental agreement - Redecorate - Finalise office set up	TS	1 Feb
Legal			
Contracts	Consult with lawyer	FB	15 Dec
	Finalise contracts	FB	15 Jan
	Sign	TS/CP/TGJ/FB	1 Feb
Finance			
Determine fixed overheads	- Get costings - Meet with accountant	CP	15 Dec
Determine financial objectives	Identify amount to reduce loan	FB	1 Jan
Finalise cash flow plan	- Review P&L with managers - Complete cash flow plan	CP/TS/ FB	1 Jan
Finalise initial finance	Review finance documents	CP	1 March
Marketing			
Determine sales and marketing objectives	Identify sales in each quarter for first year	FB	1 Jan
Determine launch plan	Outline plan	TS	1 Feb
	Agreement and decision on implementation	TS/CP/TGJ/FB	1 March
Create a brochure	Agree concept	TGJ	15 March
	Approval of copy	TGJ/CP	30 April
	Print	TGJ	10 May
	Distribute brochure	TGJ	1 June

Appendix I: Competitor Analysis

Use this table to list your competitors and how you compare against them. Think about how your business can improve on what they are offering.

Competitor	Date Established	Size	Market share (%)	Value to customers	Strengths	Weaknesses
Their name	When they started	Staff #s or turn-over	Estimated percentage of market share	Their unique value to customers, e.g. convenience, price, quality, service	Their main strengths	Their main weaknesses

Appendix II: Strategic SWOT Analysis

A strategic SWOT (strengths, weaknesses, opportunities and threats) analysis will help you turn your knowledge into strategy which you can then turn into actions. It provides direction to the business and its marketing strategies.

Use this table to describe your businesses strengths, weaknesses etc and develop strategies that will help you eliminate or mitigate them. Lists ways you can capitalise on your strengths and take advantages of opportunities.

Consider turning the strategies into actions using your Action Plan.

	Strengths	Weaknesses
	<p>Advantages the business can exploit, e.g.</p> <ul style="list-style-type: none"> • good customer service • innovative edge • unique products 	<p>Areas of the business that need to be acted on, e.g.</p> <ul style="list-style-type: none"> • poor website • not enough staff training
Opportunities	Strategies using strengths to address opportunities	Strategies to reverse weaknesses to address opportunities
<p>Marketplace areas that can be built on, e.g.</p> <ul style="list-style-type: none"> • gaps in the market • competitor closure 	<p>Ways to take advantage of business strengths, e.g.</p> <ul style="list-style-type: none"> • promoting good customer service to attract competitor's customers 	<p>Ways to ensure weaknesses don't hamper opportunities, e.g.</p> <ul style="list-style-type: none"> • hiring an experienced trainer to upskill staff • provide better customer service, something no one is offering well at the moment
Threats	Strategies to counter threats with strengths	Strategies to fix vulnerabilities
<p>External issues that could affect the success of the business, e.g.</p> <ul style="list-style-type: none"> • decrease in consumer demand • sudden increase in costs 	<p>Ways to use business strengths so threats are not a problem, e.g.</p> <ul style="list-style-type: none"> • launching new product to revitalise consumer demand 	<p>Ways to address areas where the business may be vulnerable, e.g.</p> <ul style="list-style-type: none"> • utilising new technologies or social media to reach potential customers • adapting green practices to minimise costs