**Business Plan Outline**

**Welcome!**We know the idea of putting together a business plan can feel overwhelming at first, but don’t worry – this guide is here to help. Completing this will take some time, and that's okay! It's perfectly normal for it to take a couple of months to gather all the necessary details and do the research required to craft a solid plan.

This is not only your chance not only to describe your business in detail for potential funding opportunities, but also to truly understand it from a CEO’s perspective. The more you know about your business, the more confident and empowered you’ll be to lead it successfully, setting and surpassing your financial goals.

**Tips as you dive in:**

* **Write in your own voice**: Keep the tone simple, professional, and accessible. Avoid jargon and complex terms. Imagine you are explaining your business to someone who has no background in your industry or prior understanding of the topic.
* **Use third person**: Write in third person (e.g., "XYZ LLC will do this") rather than first person (“I will do this”). The exception is when discussing personal involvement or finances *(e.g., your personal investment in the company or personal connection to the mission).*
* **Use visuals**: Don’t hesitate to include visuals, diagrams, and charts where they help to tell your business story.
* **Look to the future**: This plan isn’t just about your business today; it’s about where it’s going. Focus on the future and how you plan to grow. For example, don’t just say, "We have one location." Instead, say, "We currently have one location and plan to expand to five locations across the state by [year]."
* **Start with the basics**: This document is a great place to gather all your information in one place. As you meet with investors, you might present your business in different formats, like PowerPoint presentations or branded documents that reflect your style. If you’re ready to take the next step, check out our free Canva template to help you create a visual business plan!

If you come across any questions or need guidance as you move through each section, reach out to your business coach! [If you don’t have a coach, you can get connected with one here.](https://hope2women.org/business-coaching/)

Take it one section at a time, and you’ll be done before you know it! You've got this!

About Your Company

Start by giving them a clear picture of who you are, what you do, and why. This should give them a solid foundation and understanding as you move into more detail throughout the business plan.

*Include enough here to peak their interest, but not too much information that it becomes overwhelming!*

**Background**

* Share a few sentences that explain your company, the ownership, and your pitch (the purpose of your business). Who owns your company?
* Include a picture here that represents you and your business.
* Do you have multiple owners, and what is the ownership percentages?
* What is your company’s legal structure? Are you a S or a C corp? LLC? Are you a non-profit?
* When were you founded?
* What was the inspiration behind your beginning?

**Current Team & Structure**

* Who is currently working with or for you?
* What is their background? Education? How did they become involved?
* Will you be expanding or refining the team anytime soon?
* Does your team work in a physical location or remotely?
* Do you have any advisors? A board?
* Who is supporting your business outside of those on payroll?

Executive Summary

Start by providing background on the landscape/market. Give them a good idea of why your solution is necessary.

**The Problem**

* What problem are you solving for your customers/clients?
* What makes your business unique?
* Why does your business need to exist?

**The Solution**

* How does your business solve the problem outlined above?
* What makes your products or services stand out?

**Understanding the Market**

* Give them a clear picture of your ideal client or customer.
* Build out the persona. Are they a busy mom? Creative freelancer? Burnt out 9-5 employees? Connect the person to help them really visualize it.
* Include any information you have about the market. How many of your ideal customers are in your area? Your state? The country? A few statistics are great to have here! Remember to site your sources and that you’ll have more room below to go into detail about the market as well)

**Understanding the Competition**

* Who makes products or offers services similar to yours?
* What options are they choosing from?
* Why are you a better solution? (You shouldn’t hide from or avoid competitors, point them out and clearly state why you are better- with confidence!)

**Brag on Your Business!**

* Include anything else about why you are the perfect person for the job, why your product is the best there is, and why your business is a great investment

**Forecasted Revenue**

* What revenue are you expecting in the next month?
* The next year?
* Three years?
* Include any charts or visuals that explain how you will get there

**Financing Needs**

* What are your plans for funding your business?
* Are you investing in your business? Has anyone else invested? Share amounts if so.
* How much money are you asking for?
* What will the money be used for?
* Are you paying yourself? If not, how will you pay your bills? Are you working another job? Do you have other support?
* If you secure a loan, what are your plans for repayment?

The Opportunity (In Detail)

Now that you’ve introduced yourself and your business, you’ll go into even more detail and provide more context. It’s okay if you repeat some of the things you mentioned above, but you can also expand on your thoughts here *(if you notice you included too much in the summary, that’s okay! You can move some things down to this section).*

**The Problem**

* Expand on the problems your business solves for customers. What emotions do they experience as a result of this problem? How does it impact their day? Their productivity? Their mood?
* Why does your business need to exist? Will it make the world a better place? Will it improve the lives of a certain group of people? Help busy and hungry people feel fueled for their work day? Get specific!

**The Solution**

* How does your business solve the problem outlined above? Is the impact instant? When will the customer start to feel the positive effects?
* Do you offer multiple solutions to the problems outlined above?
* Is there anything else of note that makes your business unique? Exceptional customer service? High quality products? Meticulous testing or attention to detail?
* You can also include any positive reviews or testimonials for clients that showcase evidence you offer the solution that you’re describing.

**Market Size & Segments**

* Describe in detail the people who are suffering from the problems you described?
* What are their demographics and characteristics? - Age, gender, occupation, location, income level, education level, etc. Give as much detail as you can!
* If you are targeting other businesses, what is the specific industry, the size of the business, the location, the annual sales, the stage the business is in, etc.?
* What are their needs?
* What are their expectations?
* How many of these potential customers are there?
* How much are they willing to spend in a year?
* How often will they spend money with your business? One time? Weekly? Subscriptions?
* How will the market change over the next few years? Is your product growing in popularity? Will there be more people in your target market?
* What is the opportunity for growth and expansion? New locations in hot spots where your target market lives?
* How is the industry growing or changing? Have there been any recent developments?
* Include any statistics or research you have! Remember to site your sources and that visuals like graphs and charts can make the information more engaging and easy to digest

**The Competition**

Go into more detail about your competitors.

* What do they offer?
* Their pricing?
* What have their challenges been?
* What makes them different from your business (can be in a positive, negative, or neutral way)
* Who is your indirect competition, the best alternatives to you and your direct competition?

**Our Advantages**

* What are your advantages over the competition?
* What special solutions do you offer?
* Why will customers choose your business over direct competition?
* Why will customers choose your business over indirect competition or other alternatives?
* List all possible advantages, or things that set you apart. Could be anything from your actual product/service, your easy to navigate website, your unique marketing plan, your fast shipping, or anything else!

Business Execution

Outline how you will bring your business plan to life through marketing, sales, and execution strategies.

**Marketing Plan**

* How will you market your business? Website? Social media? Word of mouth? Physical signage? Newsletters? TV? Emails? Include any and all forms of marketing!
* What does your logo and branding look like?
* Do you have packaging already designed? Do you have a website? Product photos? Give a clear picture of everything that you have or plan to have to support your marketing and brand recognition.
* What is your messaging in your marketing?
* What image are you trying to project? Playful? Polished? Relatable? Professional?
* How do you plan to market your advantages over the competition? What will you do to help people see your products/services are better?
* If you already have marketing started, explain in detail.
* Share any relevant information or successes. Ex. Social media growth, an effective flyer campaign, word of mouth visitors, etc.

**Sales Plan**

* Once you attract customers, how do you plan to sell your product or services?
* What is your pricing strategy? Describe in detail.
* How does your pricing compare to competitors?
* Describe all the ways your customers will buy from you. Online? In store? Subscription?
* How will you nurture them in the buying process? What will the journey look like from the first time they see an ad or hear about your product to the time they make the purchase?
* Describe how you will take and process all the payments.
* How will you make it clear and easy for them to buy?
* What makes your offer irresistible?
* What will you do to over deliver after they buy? How will you keep them coming back or get them excited to rave about your product to others?

**Locations & Facilities**

* Describe the physical location (s) of your business. Storefront? Manufacturing? Are you making products in your home?
* Does this meet your current and future needs? Do you see yourself expanding or needing new facilities in the next 3 months? Year? 3 years?
* If location is important for your business, describe the benefits of your current or proposed location.
* What will customers like about this location?
* What businesses are nearby?
* What are the hours of operations, for weekdays and weekends?
* How will your location or facilities change as your business grows? How will you know when it’s time to expand or look for new options?
* Draw and attach a schematic of the layout of your business.
* What do you currently pay for your business space?
* Show a map of your location compared to traffic, events, shopping, parking etc.
* Include any photos if you have them.
* Attach your lease if you have one.

**Technology**

* What hardware are you using or will you need to operate your business?
* What software are you using or will need to operate your business?
* Consider POS systems and E-commerce, scheduling appointments, and CRM for email lists.
* Describe all technology needed.

**Equipment & Tools**

* What are all your equipment needs for your business?
* What specialty equipment will you need?
* What major purchases will your business need to make?
* Describe all costs and timing of these purchases.

Financial Plan

Explain your financial strategy, including projections, funding needs, and how you will manage your finances.

**Forecast**

* Forecast where you expect your business to be financially in the next 3 months. One year. Three years.
* How did you come up with your financial forecast?
* What numbers was it based on?
* Break out all your revenue streams and explain them by day/month/and year.
* Break out your revenue streams by item, service, and product.
* Do you have past results or market research to support your numbers?
* How many people will visit your business?
* What percentage of visitors will buy?
* How much will each customer spend on average?
* What growth are you assuming for the next year? Three years?
* What notable expenses are you expecting?
* What are expenses expected by roles, by employees, by day?
* What is the pay range for each position on the team?
* How does a slow day differ from a busy day? Are there any seasonal changes or differences you can expect?
* What profit do you expect?
* What are your ongoing expenses you assume to pay? (Rent, utilities, payroll, Cc fees, repairs & maintenance, advertising, marketing, vehicle expenses, packaging, office supplies, sales tax, licenses, permits, accountant, attorney, travel, meals, software, subscriptions etc.)
* Tell the story behind your numbers.

**Use of Funds**

* If you are sourcing financing, describe how you will use the money.
* How much will you use towards start-up costs?
* How much will you use for operating expenses?
* What expensive equipment will you need to buy?
* How will this financing make your business stronger?
* How will you plan to pay back your loan if you get one?
* Make sure to correctly assess all the financing you will need. It is much easier to ask for it all upfront, than to ask for more later.

**Sources of Funds**

* Describe in detail how you will source all the funds needed for your business.
* Are you investing any of your own money in the business?
* How much of a loan are you asking for?
* Do you have investors, and how much are they investing?

**Tips for Meeting with Lenders**

* Dress professionally (even if its a virtual meeting)
* Be prepared to answer questions. Lenders will want to know that you've thought through your business and its financial needs.
* Know your business plan inside and out. Study it carefully so you can speak confidently about every detail.
* Prepare your own questions. This shows that you're serious and have a clear understanding of what you're asking for.
* Be clear on your financial needs. Understand exactly how much funding you need and why, so you can explain this clearly to potential lenders.

**Tools to Help you Prepare**

* Do research on different loan types to fully understand what you’re asking for. We have a great course on this. To access create a free account at [hope2women.org/verizon](https://digitalready.verizonwireless.com/?utm_source=awbc&utm_medium=partner&utm_campaign=digital-ready_national-partner_national) and search **“Find the Right Financing for your Business”**
* Join one of our monthly funding calls to ask any questions and learn more about how you can best prepare.
* Regularly consult with your business coach. They can help you refine your business plan and get ready for meetings with investors. [If you don’t already have a business coach, connect with one of our free coaches here](https://hope2women.org/business-coaching/).

**Notes on Seeking an SBA (Small Business Administration) Loan:**

* There are several benefits to requesting a SBA loan over a standard commercial loan including no balloon payments, no prepayment or “pay-off early” penalty, no callable “pay now” feature, flexible repayment options, and easier qualification/approval than other loans.
* SBA loans are a 10 year term unless there is real estate.
* The downside to SBA loans are the loans are more expensive because of guarantee fees and ongoing fees. Expect an upfront fee of at least 2% of the guaranteed portion. Ongoing fee is .55% of monthly interest.
* Interest rate can be as high as prime + 6.5%, but is usually lower.
* There are additional 3rd party fees.
* Clients can reimburse themselves for recent large expenses already paid by using their receipts as equity injection towards their 10%.
* Loan repayment structure is flexible, their can be no payment for 3 months then interest only payments 6-9 months if needed.
* If there is one owner, sole member LLC, there needs to be a life insurance policy on the owner for the term of the loan (10 years).
* We have a great 12 minute course to help you understand SBA loans. To access create a free account at [hope2women.org/verizon](https://digitalready.verizonwireless.com/?utm_source=awbc&utm_medium=partner&utm_campaign=digital-ready_national-partner_national) and search **“Choosing the Right SBA Loan”**

**When asking for Capital from Bankers rather than the SBA you’ll likely need:**

* Your business plan
* Last 3 years tax returns
* Current Financials (Balance Sheet, Profit & Loss)
* New Equipment List & Quotes
* Buildout Quotes
* Current Equipment List
* Personal Financial Statement (Bank will give you)
* Management Resumé
* Source of Down Payment (2 months bank statement)
* Copy of the Lease
* Proof of Business Insurance
* LLC Operating Agreement
* Driver’s License

**When Raising Capital from Investors**

Investors are looking for dramatic growth, and they expect to share in the rewards. If you’re making a business plan to share with investors, include:

* Investment amount you need short-term
* Investment amount you’ll need in two to five years
* How you’ll use the money and how that will help your business grow
* Estimated return on investment
* Exit strategy for investors (buyback, sale or IPO)
* Percentage of ownership you will give investors
* Conditions you are willing to accept from investors
* What financial reporting will you provide to investors?
* How involved will investors be? Will you have a board?