



**Institute for Entrepreneurial Leadership**

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*Business Plan Outline*



# Business Plan Outline

The following is our suggested guideline for issues (as applicable to your business) that need to be addressed in a thorough business plan. The page guidelines are intended to help you allocate the appropriate space in your plan for each section.

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## **A. Company History (1/2 page)**

- Describe your business
- Date started
- Legal structure
- Location (lease/own)
- Rationale for establishing the company
- Evolution of the business from inception
- Current status including latest 12 month revenue estimate
- Key milestones to date (patents, customers, etc.)
- How management team was assembled/ownership
- How the business is currently funded?

## **B. Market Opportunity (1/2 page)**

- What is the current void in the market?
- What is the opportunity to address this void?
  - Growth in new / future markets
  - Geographic expansion
  - New products / services
  - Product line extensions
  - New channels
- How does your product or service address this void?
- Why will people buy your product/service?
- Why will they continue to buy your product/service?

## **C. Products/Service (2/3 page)**

- Describe the company's current service(s) or product line(s)
- Describe the results of any pilot sales efforts.
- Describe the future services or products that represent growth opportunities
- How are your new products developed?
- Discuss your production capability or service delivery model
- Discuss your sourcing/manufacturing process?
- Discuss the current and potential scalability of your delivery capability? (How do you service more customers? Think H&R Block or Target or McDonald's)
- Discuss any strategic partnerships that support product development, production or service delivery.

## **D. Business Model (1/3 page)**

- Sources of Revenue
- Source of anticipated revenue growth
  - Market share increase (taking business away from competition)
  - Net new business (customers not previously in the market)
  - A combination (estimate relative percentage)
- Path to profitability
- Factors impacting revenue growth/profitability

## **E. Market Demographics/Key Market Drivers (1 page)**

- What is your targeted demographic? (Describe a typical customer.)
- How fast is the market growing?
- Is there a dominant price leader/competitor?
- Has the industry grown in the past five years?
- Is there a reason to believe that the industry will grow over the next five years?
- Are there economic, regulatory or other macro pressures that will affect your market? How will this impact your business specifically?
- Is technology impacting (now or in the future) the industry? How?



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## **F. Competition (2/3 page)**

- Discuss the competitive landscape in which you compete (direct and indirect)
- Name your largest direct competitors and discuss your relative strengths and weaknesses compared to each
- How might the competitive landscape change in the future?
- Discuss your specific market positioning within the broad market
  - Market segments in which you compete
  - Profile of your typical customer including average order size and frequency
  - Rationale for targeting this customer profile
- How will you maintain your base when there are more direct competitors in your space?

## **G. Differentiation (1/3 page)**

- What does your product brand represent and what are the key characteristics that customers will associate with your brand?
- What are the key elements that separate your company from competition?
- Why would consumers select your product/service over the competition?
- Are there opportunities to improve differentiation?

## **H. Sales and Marketing (1 page)**

- Describe how your sales cycle and how your product/service will be sold?
- What are your key points in your marketing message?
- How are these points communicated to customers?
- What marketing channels will you use?
  - Print/broadcast media
  - Direct marketing
  - Direct sales contact
  - Referrals
  - Website/Online marketing
  - Industry publications
  - Press releases
  - Trade shows
  - Event marketing
- How will you create brand awareness? Adoption/Usage? Market Penetration? Retention?
- Discuss any strategic alliances that you will develop to support sales and marketing efforts.

## **I. Potential Challenges (1/3 page)**

- What are the challenges that you face in successfully implementing your business model?

## **J. Business Strategies/Key Milestones (2/3 page)**

- What are the primary strategies that you will utilize to be successful in implementing your model? (Address each of the potential challenges discussed.)
- What major objectives need to be achieved to implement your business model over the next 12 months?

## **K. Organization (2 pages)**

- Organizational structure/ chart (Current and future)
- Bios of key managers and responsibilities
- Board of Advisors
- Professional Advisors

## **L. Financial Reporting (1-2 pages in document body with additional supporting detail as in appendix)**

- Amount of funding sought and the uses for this funding
- What is your proposed repayment plan or exit strategy for debt/equity investors?
- What is your personal exit strategy from the business?
- Financial History (3 years)
- Financial Projections (3 to 5 years) with key financial assumptions



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## Start-up Expenses/Investment Requirement (if applicable)

	Amount
Property/Equipment purchase	
Initial inventory	
Rent	
Marketing/advertising	
Equipment leases	
Consultants	
Professional services (accounting, legal, etc.)	
Training	
Insurance	
Working Capital	
Other	
Other	
Other	

## Financial Projections Key Assumptions

Revenue (include # of customers, selling price, avg. # of items sold per customer)
Cost of Sales (include unit cost, # of units, commissions)
Operating Expenses