



The Secrets Behind Developing
A Successful Business Plan

The Secrets Behind Developing
A Successful Business Plan

Terms and Conditions

LEGAL NOTICE

The Publisher has strived to be as accurate and complete as possible in the creation of this report, notwithstanding the fact that he does not warrant or represent at any time that the contents within are accurate due to the rapidly changing nature of the Internet.

While all attempts have been made to verify information provided in this publication, the Publisher assumes no responsibility for errors, omissions, or contrary interpretation of the subject matter herein. Any perceived slights of specific persons, peoples, or organizations are unintentional.

In practical advice books, like anything else in life, there are no guarantees of income made. Readers are cautioned to rely on their own judgment about their individual circumstances to act accordingly.

This book is not intended for use as a source of legal, business, accounting or financial advice. All readers are advised to seek services of competent professionals in legal, business, accounting and finance fields.

You are encouraged to print this book for easy reading.

Table Of Contents

Foreword

Chapter 1:

Business Planning Basics

Chapter 2:

Market Evaluation

Chapter 3:

Analyze Competition

Chapter 4:

Determine A Marketing Strategy

Chapter 5:

Decide What Extras You May Need Like Staff etc.

Chapter 6:

The Dangers In Not making A Business Plan

Wrapping Up

Foreword

A business plan is an essential document for anybody commencing a fresh business, already in business and critical for anybody seeking funding from a venture capitalist. The business plan needs to be comprehensive, well thought out and ought to contain sound business reasons. You may get all the info you need here.



Better Business Planning

The Secrets Behind Developing A Successful Business Plan

Chapter 1:

Business Planning Basics

Synopsis

The business plan ought to prove that the business will generate enough revenue to cover expenses and make satisfactory return for bankers or investors. There are a number of ways of formulating a business plan but there are particular crucial sections that they ought to all contain.



Intro

There ought to be an executive summary of less than 2 pages at the beginning of the business plan which sells the plan and highlights its features.

A company summary ought to be included containing a factual description of the business, its owners and history. There needs to be a section referring to products and or services and their points of difference in the market.

It is crucial to include a market analysis supplying a summary of typical buyers, listing rivals, referring to the market size and the anticipated growth.

It is crucial to have a section for strategies and implementation describing how the product will be sold and how the plan will be sold and how the plan will be put into action together with its milestones.

There needs to be a financial plan indicating sales, cash flow and earnings. The background of the management team together with their experience and key achievements ought to be contained in a management summary.

Individuals might decide to hire a professional to author a business plan for them or they might attempt to write their own making use of the excellent business planning software or books that are available.

When funding has been raised and a business is operating the business plan serves as a road map for the business. It is not a static document. It has to be referred to in order to ensure that the business remains centered, on track and is meeting milestones.



Chapter 2:

Market Evaluation

Synopsis

A market evaluation is a valuable analysis of a company's success. It's a big undertaking but is invaluable. To conduct the analysis consideration needs to be given to a range of approaches including sales figures, marketing goals, advertising content and the media mix being utilized.



Do An Evaluation

All sales figures have to be compared and analyzed referring to a particular time frame or before and after an event. The figures have to be dissected and it needs to be determined whether the failed, met or outmatched expectations.

Any increase in sales ought to be analyzed to ascertain if they are from old or new customers or a combination of both. Consideration needs to be given to the reasons for increased revenue not associated with any advertising such as a strong economy.

An evaluation needs to be done of the marketing goals. Firstly the original marketing goals need to be examined and it has to be ascertained whether the business is taking that market.

Thought has to be given to decide if that is the most profitable market for the company. An analysis has to be made to show an increase or otherwise in the market share and by how much.

A check of advertising should be undertaken to work out what the advertising was communicating to the public and to ensure that the ads fulfilled their purpose.

It is essential to find out if the target market understood and responded to the message of the ads. By evaluating the media mix used and its efficiency and checking on the creation process it can be

ascertained how cost effective such a program was and which sections of media proved the most effective in attracting more market share.

Following the market evaluation it would be essential for a section to be added to include ideas for future improvement.



Chapter 3:

Analyze Competition

Synopsis

An analysis of the rivalry may be the hardest section to work on when undertaking the writing of a business plan. Prior to analyzing the competition they have to be investigated and before that may be done they have to be found.



Analyze It

The opening move of the competitive analysis is to determine who the local rivalry is. This may be done really simply by driving around and observing and by searching through a telephone directory.

The main question will be one of range and determining just how far buyers are prepared to travel to obtain your competitors goods and services. As well as local competitors some businesses also have non-local competitors such as in the form of mail order companies for example.

To analyze the competition it is necessary to determine what market or market segments they serve and what benefits they offer. It is necessary to determine why buyers buy from them and also to gather information about their products and or services, their pricing and promotion.

Gathering information could be done by physically visiting a business or checking their website. Several physical visits to a business will enable a person to determine information about their product and the company's treatment of buyers.

Good sources of information about a company come from the company's vendors, suppliers and employees. Attending a trade fair where the rivals are exhibiting is another excellent way of gathering data.

When the data has been gathered it needs to be analyzed. By analyzing what a competitor does offer it's then possible to determine a niche market that can be targeted by offering something that the competitor does not.

The goal of the analysis is to identify and expand your competitive advantage by centering on the benefits your business may offer that the competitor can't or won't offer.



Chapter 4:

Determine A Marketing Strategy

Synopsis

Marketing strategy is a procedure that can allow an organization to concentrate its resources on the greatest opportunities to step-up sales and achieve a sustainable competitive advantage.



What Will You Do

Marketing techniques are the vital basis of marketing plans designed to fill market needs and reach market objectives. Plans and objectives are tested for measurable results.

Usually Marketing strategies are developed as multiyear plans with a tactical plan detailing particular actions to be accomplished in the current year. Time frames vary from organization to organization but increasingly they are becoming shorter as the speed of change in the market place increases. Market strategies are dynamic and interactive.

Marketing strategy involves carefully checking on internal and external factors. Internal factors include the marketing mix and the performance analysis. External factors include customer analysis, target market analysis and keeping abreast of any changes in the economy, politics and technology. One of the key factors of marketing strategy is to keep marketing in line with the mission statement. Once these scans have been completed a strategy plan may be constructed to determine goals and the marketing mix to achieve this.

Vital things to consider if formatting the market strategy are listing overall goals and objectives. If they are listed they need to be accompanied by a time frame with particular quantities and percentages of what is to be achieved.

The primary target markets have to be determined as specifically as possible. Present resources that are available to the company should be noted. Present resources are contacts already used and known to the company like organizations and committees. The methods to be utilized to break into each target market have to be considered and may range from fliers, emails and press releases to name but a few.

When all the ground work has been done the marketing may commence and the results of the sales analyzed to determine the success of the strategy to note whether or not the strategy is to be altered in any way.



Chapter 5:

Decide What Extras You May Need Like Staff etc.

Synopsis

Once a marketing technique has been formatted, it needs to be analyzed cautiously to see what added resources and or personnel need to be secured to ensure that the marketing may commence successfully.



Decide What You Need

The services of ad agency personnel and web designers might well be needed initially to design the promotional package. If the campaign is sizeable it might be essential for sales representatives and promoters to be employed as it is might well be necessary for selling in to be done to consumers.

The employment of these additional staff might require additional transport and office space. The extra staff might need the support of additional administrative staff.

Particular marketing techniques might need the temporary use of additional selling space like an outpost inside a mall or the else the setting up of promotional merchandising display stands inside shops or at trade fares.

The additional space will need to be sourced and rented, set up and manned. It might be necessary to have to employ short term contract sales staff to man such establishments.

With the addition of extra sales floor area it might mean that it is necessary to have additional banking facilities such as eftpos terminals along with additional tills. Such things will need to be purchased or hired.

A marketing scheme that brings about increased sales will call for extra merchandise to service the campaign and the storage of such needs to be considered.

Added warehousing might have to be sourced, purchased or rented in order to store the product. With increased stock volumes come the issue of logistics and more distributors might be necessary, if so additional vehicles and transportation could also become a necessary consideration and expenditure.

Measured planning and forethought given to all these hidden extras will ensure the success of the strategic marketing.



Chapter 6:

The Dangers In Not Making A Business Plan

Synopsis

Failure of an operator to put the time, research, thought and energy into arranging a business plan is almost guaranteeing that the operator's business will fail.



Some Dangers

A business plan is essential to operating with success. Without a business plan any operation is akin to a ship in the ocean without a rudder. Business must have a business plan which plans for success.

This planning has to include market research and the identity of the primary consumer. Businesses must develop a five or ten year plan that includes cash flow, finances and expansion.

Statistics are stacked against fresh businesses succeeding. Research indicates that in the U.S. businesses with fewer than twenty employees have only a 37% chance of surviving four years and only a 9% chance of surviving ten.

Restaurants fare even more badly and have only a 20% chance of surviving 2 years. Of these failed businesses, only ten percent closed involuntary due to bankruptcy and the remaining 90% closed as the business was not successful, did not provide the level of income desired or was too much work their efforts.

The old adage “individuals don’t plan to fail they fail to Plan” cannot be more true when it comes to business. All businesses should have a clear plan for success which involves actions if things should go wrong. Whilst it is understood that no magic solutions guarantee a business will succeed there are three factors which are linked with

success. A business plan has to be formatted. Financial information needs to be known about the business and there has to be an accurate profile of the target market of the business.



Wrapping Up

With the astronomically high failure rates for new business it is obvious that to succeed then new businesses need all the help they can get. Proper planning is vital. Once formulated the plan should be taken to independent accountants for them to assess.

