

# BUSINESS PLAN

*The purpose of a business plan is to outline and determine the profitability of a business idea and its potential for success. **A business plan helps you clarify your ideas, and it is also essential when applying for funding.***

**Date:**

**Business name / planned business name:**

**Owner name:**

**Telephone number:**

**Email address:**

## 1. BUSINESS IDEA

*Write a brief summary of your business idea. Start by describing the line of business and add any details you find relevant.*

- What do you sell?
- To whom?
- How do you sell it?
- What is your line of business?
- How are your values visible in your business?

## 2. COMPETENCE

*Running a business is based on competence, and your professional skills and education are some of the key factors of this competence. You may also have gained competence through hobbies or everyday activities. An entrepreneur should be results-driven, persistent and independent. **Use the following questions to help you describe your fields of competence.***

- What kind of work experience do you have and what is your education?
- Do you have specific skills, knowledge or know-how that will be useful as an entrepreneur?
- What are your strengths?
- What are your weaknesses?
- Which skills do you need to acquire and how can you acquire them?
- What kind of resources do you have for entrepreneurship? (e.g. financial situation, support networks)

## 3. PRODUCT/SERVICE/PRODUCTIZATION

*The product or service you can offer depends on your professional skills and competence. To succeed as an entrepreneur, you need to know what your customers need and what they expect of you and of the product or service you offer. Try to look at things from your customer's perspective. When your competence and productization are in balance, you will have an edge over your competitors in the eyes of the customer. **Use the following questions to help you describe your product/service.***

- What is your product/service?
- What makes it unique and outstanding?
- What are its potential weaknesses?
- How does it benefit the customer?
- Does the quality of your product or service match the price you are asking?
- What is the general price level in the market?
- What is the growth goal of your business?

#### 4. CUSTOMERS AND MARKET

*It is important for an entrepreneur to know their customers: what are their expectations, which features of the product or service do they value and which features are less important to them. It makes sense to group business customers by characteristics such as industry, size or location and individual customers by characteristics such as age, gender, income, education, family size or location. To begin with, it is useful to focus on customer groups that are most likely to purchase your product or service. Your competence, product and customers form an entity that should be in balance. When this is the case, your business will gain a competitive advantage (superior competence) over its competitors. **Use the following questions to help you describe your customers and market.***

- Who are your customers and target groups?
  - What kinds of buying habits do your customers have?
  - How many customers are there?
  - Where are the customers based?
  - Who makes the purchase decision if your customer is a business?
  - What do your customers value? Why will they choose your product/service instead of your competitor's product/service?
  - Where can you reach your customers?
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- Is there already a lot of supply in the market?
  - How big a market share can you win?

#### 5. MARKETING AND SALES PLAN

*Marketing is one of the most important activities for your business. Without successful marketing, even the best product or service will not reach customers. A marketing plan is used to determine how a product or service will be presented in different channels. A sales plan describes the different stages of the customer's purchase journey, and it will help you make buying as easy as possible. **Use the following questions to help you describe your marketing plan.***

- Which marketing channels will you use and what are the most important channels for your business?
- What is the emphasis of marketing in different seasons and how is marketing targeted?
- What is your marketing budget and how is it distributed?
- What other marketing activities have you planned (fairs, campaigns, product presentations etc.)?
- How are products/services sold and what are the best sales months?

- Describe how the customer will purchase your product. Could you make buying even easier and faster?

## 6. COMPETITORS

*For entrepreneurs, competition is a lifestyle. It is important to know your competitors and their products and ways of doing business. You should be able to distinguish yourself from competitors by providing something that the customer values. When this is the case, you will have more freedom to price your products or services and you will be able to make a better profit. It is useful to keep an eye on your competitors' advertising and sales promotion measures. **Use the following questions to help you map and describe your competitors.***

- Who are your worst competitors? Mention 3 to 5 of your main competitors.
- What are their strengths?
- What are their weaknesses?
- What products or services do these competitors offer?
- How do competitors' products/services differ from yours?
- What promotional measures and advertising media do your competitors use?

## 7. YOUR BUSINESS

*Plan your business activities carefully before taking action. Different industries have different location requirements, and the necessary promotional measures will also differ depending on your line of business. The most important thing is that your plans match your resources and that you systematically develop your business. **Use the following questions to help you describe your business.***

- Which form of business have you chosen and why?
- Company premises and location?
- What production equipment will you need?
- Will you need labour?
- What are the risks associated with your business?
- Will your insurance cover the risks?

## 8. SWOT ANALYSIS

The SWOT tool helps you determine your business's strengths, weaknesses, opportunities and threats.

Strengths	Weaknesses
<p><i>What skills do you have? What are you good at?</i></p>	<p><i>Do you lack any skills that are essential for entrepreneurship? How could you make up for your weaknesses? Missing permits, language skills, something else?</i></p>
Opportunities	Threats
<p><i>How is the market changing, what problem does your company solve? Why would customers be prepared to buy the service?</i></p>	<p><i>Why might your company not succeed? What surprising event could prevent your idea from working? Other risks?</i></p>

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## 9. ACCOUNTING AND FINANCIAL PLANNING

*In most cases, it is most sensible for an entrepreneur to focus on what they do best and leave bookkeeping to a professional accounting firm. It is also worth listening to experts when planning financial statements. Especially in partnerships and limited liability companies, it is worth using a professional auditor. However, it is important for entrepreneurs to understand what accounting and financial statements are about. The entrepreneur is always responsible for the planning, monitoring and development of business operations. **Use the following questions to help you describe your accounting and financial planning.***

- How will you get funding?
- How will you take care of accounting?
- How will you monitor the implementation of financial plans? Do you need to make a cash budget?
- Do you need advice on planning financial statements, budgeting or anything else?
- How will you take care of invoicing? How will payment and cancellation terms affect your business finances?