**ONE-PAGE BUSINESS PLAN**

Why Experts are Advocating a One Page Business Plan

With simpler, to-the-point methods becoming the norm, many entrepreneurs have turned to 1 page business plans in order to get their businesses off the ground faster instead of opting for a detailed and time consuming approach. In case you had any doubts, here are the advantages of a one page business plan:

* Since your ideas are changing all of the time, it’s easy to update
* It provides clarity to whoever is reading it as important information sticks out
* It’s a good way to generate interest around a business concept
* It will assist you with your pitch
* It offers a more affordable approach to product testing and development
* It helps get your entire team onboard with the company vision and goals
* With the plan having very specific goals you can create a straight forward strategy around each of them
* It eliminates the need to find an excuse not to plan and grow.

It consists of the following parts:

1. **Customer Segments:** Who are your mass and niche markets?
2. **Value Proposition:** What are you offering and why are you different?
3. **Channels:** Look at the phases your product goes through. This is everything from awareness and distribution to after-sales service.
4. **Customer Relationships:** How are you building relationships with customers and is it working?
5. **Revenue Streams:** Look at what you are charging and if you could be charging more. How are you receiving your payments and does it contribute enough to overall revenue?
6. **Key Resources:** What resources do you require to function? These can include physical, human, financial and intellectual.
7. **Key Activities:** Ask yourself what activities need to take place to deliver on your value proposition?
8. **Key Partnerships:** Write down who your key suppliers and partners are and how they contribute to your overall goals.
9. **Cost Structure:** Look at fixed and variable costs so that you can see what can be improved upon.

Example 1:



Example 2:



**FORMAL BUSINESS PLAN**

1. **Executive Summary** [In 2 pages or less summarise the most important aspect of the business]

*Business Concept:*

*Financial Features:*

*Financial Requirements:*

*Current Business Position:*

*Major achievements:*

1. **General Company Description** [1-2 page overview of the company]

*Name of the company*

*Type of legal entity*

*Ownership*

*Significant assets*

*Mission statement*

*Goals and objectives*

*Company strengths and core competencies*

1. **The Opportunity, Industry & Market** [2-3 pages]

*The Opportunity*

* Where is the gap in the market?
* What has given rise to this gap?
* How was this gap identified?
* How will the gap be filled?

*The Industry*

* What are the barriers to entry in this industry?
* How much power do the customers have?
* How much power do the suppliers have?
* Are there substitute offerings for the product or service?
* Who are the competitors and how strong is the competitive rivalry?
* What are the major changes affecting the industry?

*The Market*

* What is the total size of the market?
* How fast is the market growing?
* What percentage share of the market will you have? (This is important only if you think you will be a major factor in the market.)
* What are the major trends in target market – trends in consumer preferences, demographic shifts and product development?
1. **Strategy** [1-2 pages]
* The focus of the business: broad mass market or a specific niche?
* How the business will succeed in the market? How will you create a unique and valuable position, involving a different set of activities?
* What is unique about the business? How is the offering different from that of competitors?
* What is the value for the customers? Describe the value proposition for the customer?
1. **Business Model** [1 page]
* The sources of revenue
* The major costs involved in generating the revenue
* The profitability of the business (revenue less costs)
* The investment required to get the business up and running (to get to scale)
* The critical success factors and assumptions for making the profit model work
1. **Team – Management & Organisation** [2 pages]
* A list the founders including their qualifications and experience
* A description of who will manage the business on a day-to-day basis. What experience do these individuals bring to the business? What special or distinctive competencies do they offer?
* An organisational chart if you have more than 10 employees, showing the management hierarchy and responsibility for key functions

**7. Marketing Plan** [2-3 pages]

* The product (or service) and why it is valuable to customers
* The focused and detailed description of the target market
* The positioning of the product or service – how it should be perceived by customers
* The pricing strategy with specific price points at which the product or service will be sold
* The sales and distribution channels that will be used to get the product or service to the customer
* The promotion strategy including public relations activities, specific promotions, advertising and intended viral marketing activities

**8. Operational Plan** [2 pages]

* A description of the operating cycle that describes what the organisation will do to deliver its service or create and sell its product
* A description of where all the necessary skills and materials will be sourced
* What will be outsourced, what relationships are in place and how those relationships will be managed
* The cash receipts and cash payment cycle of the business

**9. Financial Plan** [2-4 pages]

* Start-up expenses and capitalisation: a description and explanation of what it will cost to launch the business and where you expect to get this money
* 12-month profit and loss projection (month-by-month) and a three-year profit and loss projection (quarter-by-quarter)
* A 12-month cash-flow projection and a three-year cash-flow projection (quarter-by-quarter)
* A projected balance sheet at start-up and at the end of years one to three
* A break-even calculation