



Business Foundation 101

Traditional Business Plan vs.
Business Canvas Model

What is a Business Plan?

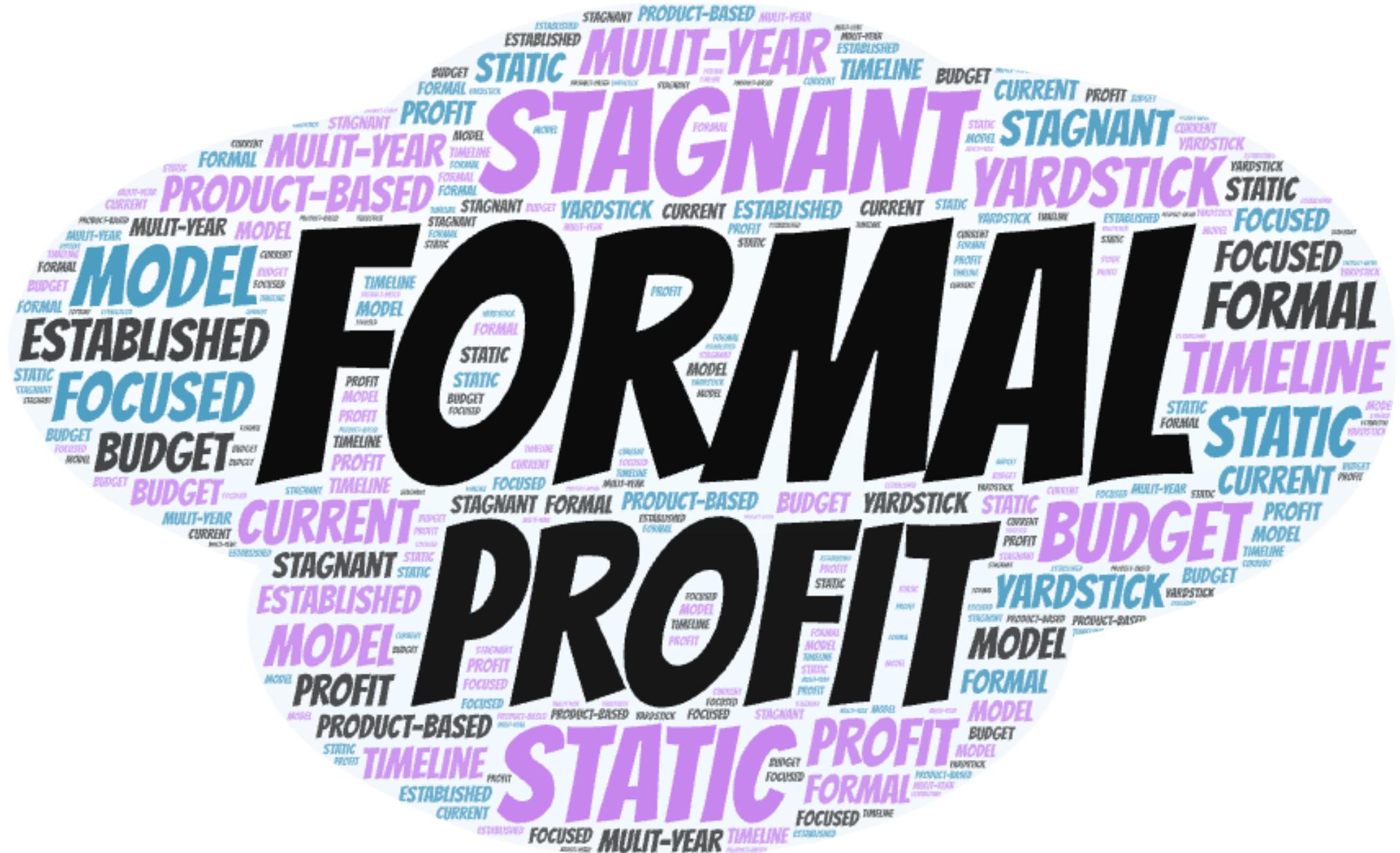
- Provides the foundation of your business
- Demonstrates the effectiveness of your business
- Creates a roadmap for each stage of your business
- Serves as a tool to convince investors
- Solidifies key elements of your business
- Forms both long- and short-term planning for your business



Pick a business plan or model that works for you

Picking a business plan or model that fits best to your business is critical to your business's success in the marketplace.

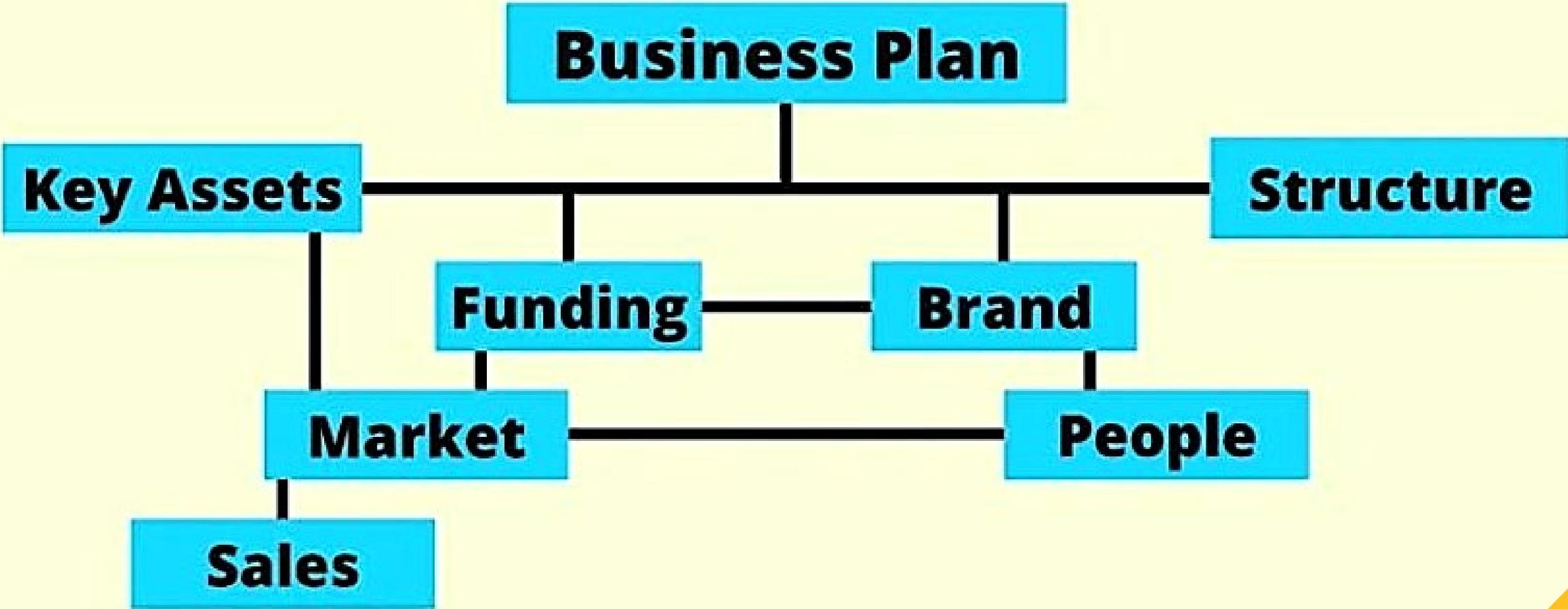
Traditional Business Plan



Traditional Business Plan

- **Static (Little to no changes)**
- **Multi-year**
- **Yardstick**
- **Formal**
- **Product-based**
- **Budget**
- **Established profit model**
- **Profit focused**
- **Little to no changes**
- **Current timeline**

TRADITIONAL PLAN



Traditional Format

- Title Page
- Table of Contents
- Executive Summary
- Business Overview
- Market Analysis
- Marketing Plan and Sales
- Operation and Management Plan
- SMART Analysis
- Revenue and Expenses Analysis

SIMPLE FILL-IN-THE-BLANK BUSINESS PLAN TEMPLATE

COMPANY NAME

I. EXECUTIVE SUMMARY

Our plan is to open a ___(business type)___ business that will sell ___(product or service)___ for ___(target buyer)__. Our management team consists of ___(member name)___ and ___(member name)__. Our team has the ___(relevant skill types)___ expertise to successfully grow this business. Our market size is ___(size of market)___, and our customer base consists of ___(market segments)__. We will market to our target customers using the following methods: ___(method 1)___, ___(method 2)___, and ___(method 3)__. In order to get this business off the ground, we require ___(funding requirements)___ in funds, for the purposes of ___(funding use)__. Our goal is to reach ___(sales goal)___ in the first ___(time period)__.

II. BUSINESS DESCRIPTION

This ___(business type)___ business will operate in the ___(industry type)___ industry. Our mission is ___(mission statement)___, and our vision is ___(vision statement)___.

We are selling ___(product/service)___, and our competitive advantage is ___(unique selling proposition)__. Currently, the alternatives that buyers use are ___(alternative 1)___, and ___(alternative 2)___, however these alternatives lack ___(what sets your product/service apart)__.

This specific industry is ___(industry description)___, and it is expected to ___(growth predictions)__. Given those predictions, our company will perform successfully because ___(reasoning backed by market research)__. We plan to reach ___(sales goal)___ in yearly sales, and to increase our annual sales by ___(sales goal)___ over the next ___(time period)__.

III. MARKET ANALYSIS AND COMPETITION

After analyzing the market and researching the demand for ___(product/service)___, we have determined that this is the best time to permeate the market because ___(reason backed by research)__.

IV. MARKETING AND SALES PLAN

Advertising and promotion is essential to getting the word out about our business, and we expect to implement a ___(description)___ marketing strategy, which will include ___(key component of marketing strategy)___ and ___(key component of marketing strategy)__. This strategy will enable us to effectively target ___(market segment)___ due to ___(reasoning backed by market research)__.

Our key offerings include ___(product/service offerings)__. Our offerings benefit our target customers more than what is currently on the market because ___(reasoning backed by market research)__. Our unique selling proposition is ___.

The market is predicted to ___(prediction)___ over the next ___(timeframe)__. Accordingly, our pricing strategy is to ___(pricing strategy)__.

The various methods we plan to use to communicate our offerings to our target customers are ___(communication methods)__. Additionally, we aim to promote our ___(product/service)___ by ___(promotion methods)__.

We intend to distribute our ___(product/service)___ to customers by ___(distribution method)__. We will be selling ___(wholesale, retail, etc.)___ and will use ___(payment method)__.

V. OPERATIONS AND MANAGEMENT PLAN

Our physical business locations will be in ___(locations)___, because ___(reasoning)__. Other physical requirements of our business are ___(warehouse, specialized equipment, facilities, etc.)__.

Our production workflow is ___(description of production workflow)__. Our staffing requirements are ___(staffing requirements)__. Employee training will be provided by ___(description of employee training needs)__.

Our market size is ___(market size)___, and our target market segment(s) can be described as follows:

Segment 1

- 1) Demographic
 - a) Gender
 - b) Age
 - c) Income
 - d) Education
 - e) Marital Status
- 2) Psychographic
 - a) Social status
 - b) Beliefs
 - c) Values
 - d) Interests
 - e) Lifestyle preferences
- 3) Geographic
 - a) Province or state
 - b) City
 - c) Region
 - d) Postal code
 - e) Neighborhood

We determined that there is enough demand for our ___(product or service)___ within this particular segment due to ___(reasoning backed by market research)__.

Currently, our biggest competitors are ___(competitor 1)___ and ___(competitor 2)__. What separates us from the competition are ___(example 1)___ and ___(example 2)__. In comparison to what's offered on the market, our prices are ___(price difference)___, which is ___(percentage difference)___, than our competition.

Here is an estimated comparison of our business to existing competitors:

CATEGORY	OUR COMPANY	COMPETITOR 1	COMPETITOR 2
Est. Yearly Revenue	\$500,000	\$300,000	\$200,000
Price Level	Average	High	Low
No. Employees	15	30	40
Quality	High	Average	Low

VI. DEVELOPMENT PLAN

The development of our offering will occur over the course of ___(timeframe)__. We will launch our marketing strategy ___(timeframe)___ with ___(marketing strategy)__.

Our organizational structure will be ___(description)___, with ___(number)___ management team members and ___(number)___ employees.

We anticipate our monthly costs and expenses to be ___(amount)___, because ___(reasoning backed by research)__. We have an anticipated monthly revenue of ___(amount)__.

With the money sourced, we plan to invest in ___(amount)___ over the course of ___(time period)__. One year out from launch, our goal is to ___(year 1 goal)__. Five years out from launch, our goal is to ___(year 5 goal)__.

VII. FINANCIAL STATEMENTS

The following financial statements will demonstrate that our business will grow and be profitable.

Provide projected income statement, cash flow statement, and balance sheet. Additionally, attaching a breakeven analysis will provide investors with the level of sales needed to make a profit.

VIII. SUPPORTING DOCUMENTS AND ATTACHMENTS

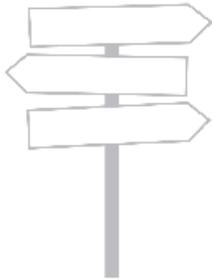
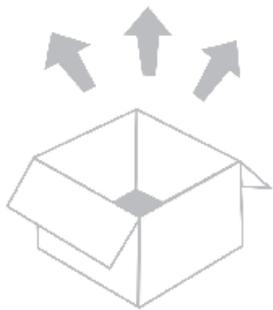
Attached here are the documents that support the information provided in the plan, including ___(document)___ and ___(document)___.

- Possible items to attach:
- Detailed market research
 - Industry information
 - Site/building plans
 - Professional references
 - Any supporting material

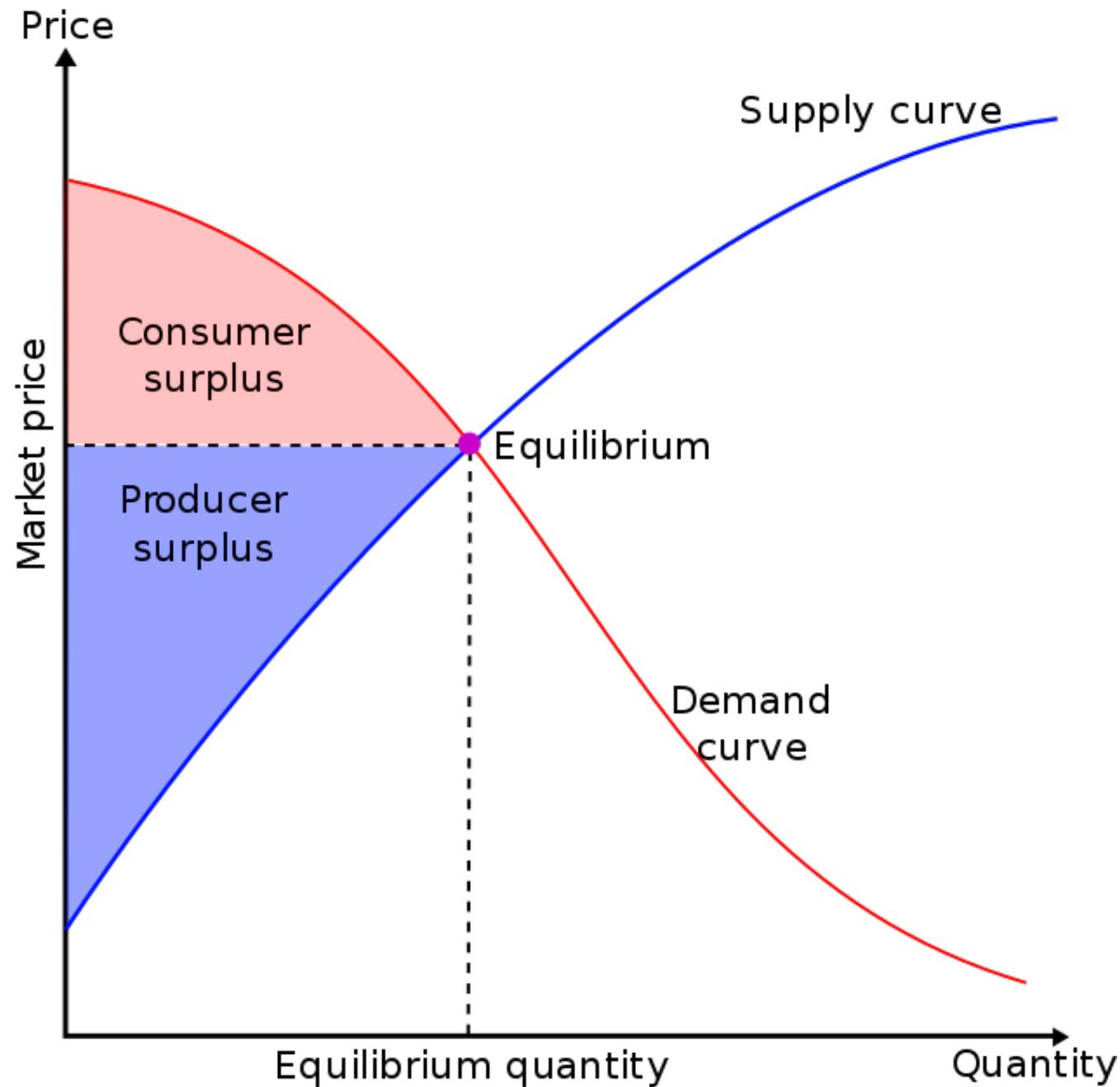
Canvas (Lean Startup Model)

- **Flexible**
- **Short-term**
- **Experimental**
- **Informal**
- **Customer Oriented**
- **Idea-Stage**
- **Unknown**
- **Market Focused**
- **Changes often**
- **Future timeline**

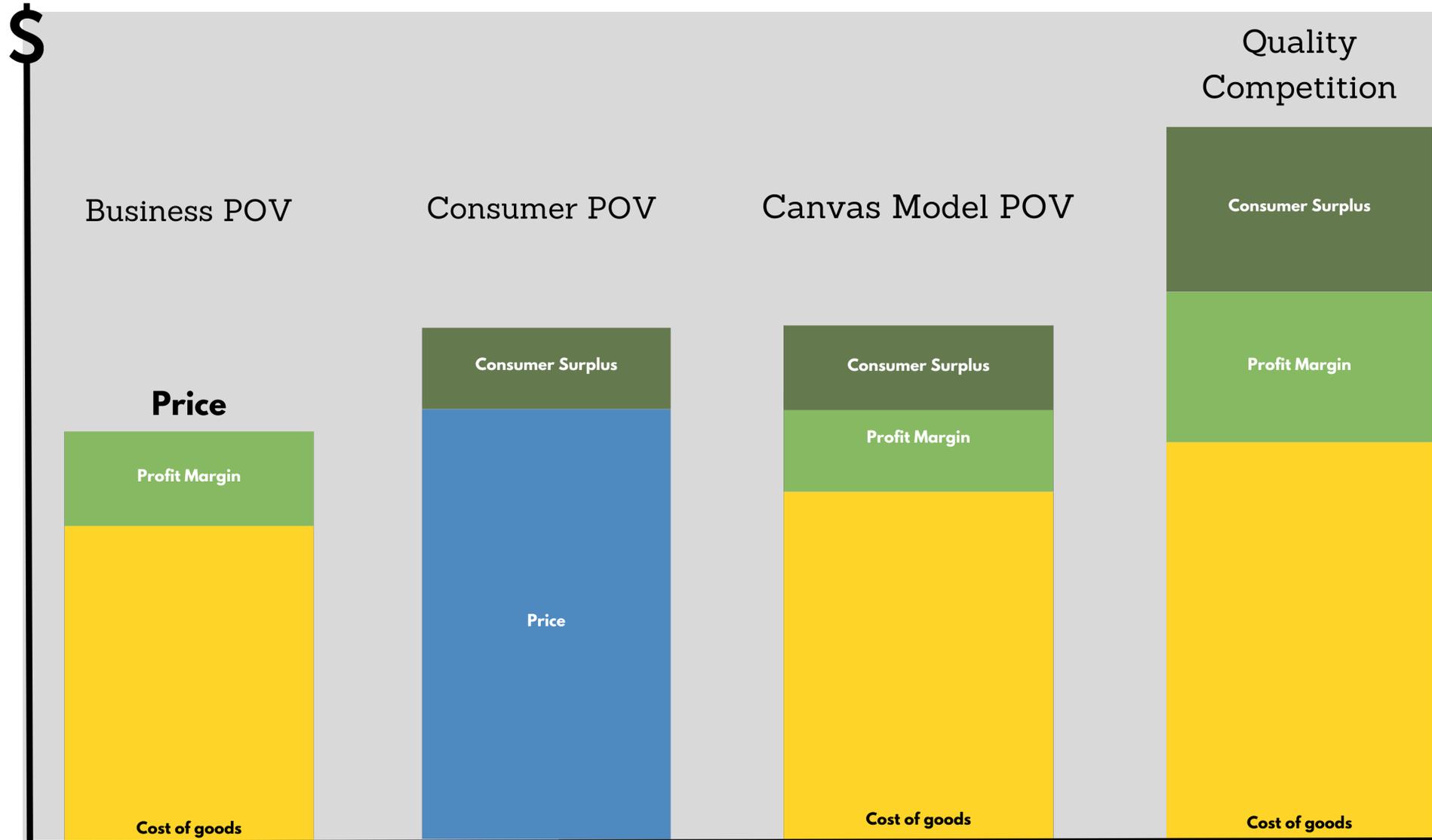
Canvas Format

<p>CUSTOMER WHO DO YOU SERVE?</p> 	<p>PROBLEM WHAT IS THE PROBLEM YOUR CUSTOMER HAS?</p> 	<p>SOLUTION WHAT DO YOU OFFER YOUR CUSTOMER? WHAT DOES YOUR CUSTOMER GET?</p> 	<p>MESSAGE WHAT IS YOUR STORY? HOW DOES YOUR CUSTOMER HEAR IT?</p> 	<p>REVENUE HOW DO YOU MAKE MONEY FROM YOUR CUSTOMER?</p> 
	<p>ALTERNATIVES HOW IS YOUR CUSTOMER CURRENTLY SOLVING THE PROBLEM? WHAT ARE THE ALTERNATIVE SOLUTIONS TO THE PROBLEM? WHAT'S THE COMPETITION?</p> 	<p>BENEFIT WHY DOES YOUR CUSTOMER WANT YOUR PRODUCT OR SERVICE? HOW DO YOU SOLVE THE PROBLEM?</p> 	<p>DISTRIBUTION HOW DOES YOUR PRODUCT OR SERVICE GET TO YOUR CUSTOMER?</p> 	<p>NAME _____</p> <p>CO.STARTERS' CANVAS</p>
<p>STARTUP NEEDS WHAT ARE YOUR ONE-TIME NEEDS TO GET STARTED (MONEY, PEOPLE, THINGS, TECHNOLOGY, ACTIVITIES)?</p>   		<p>COSTS WHAT ONGOING NEEDS ARE ESSENTIAL TO KEEP YOU GOING (MONEY, PEOPLE, THINGS, TECHNOLOGY, ACTIVITIES)?</p>  		

Traditional Demand-Supply Curve

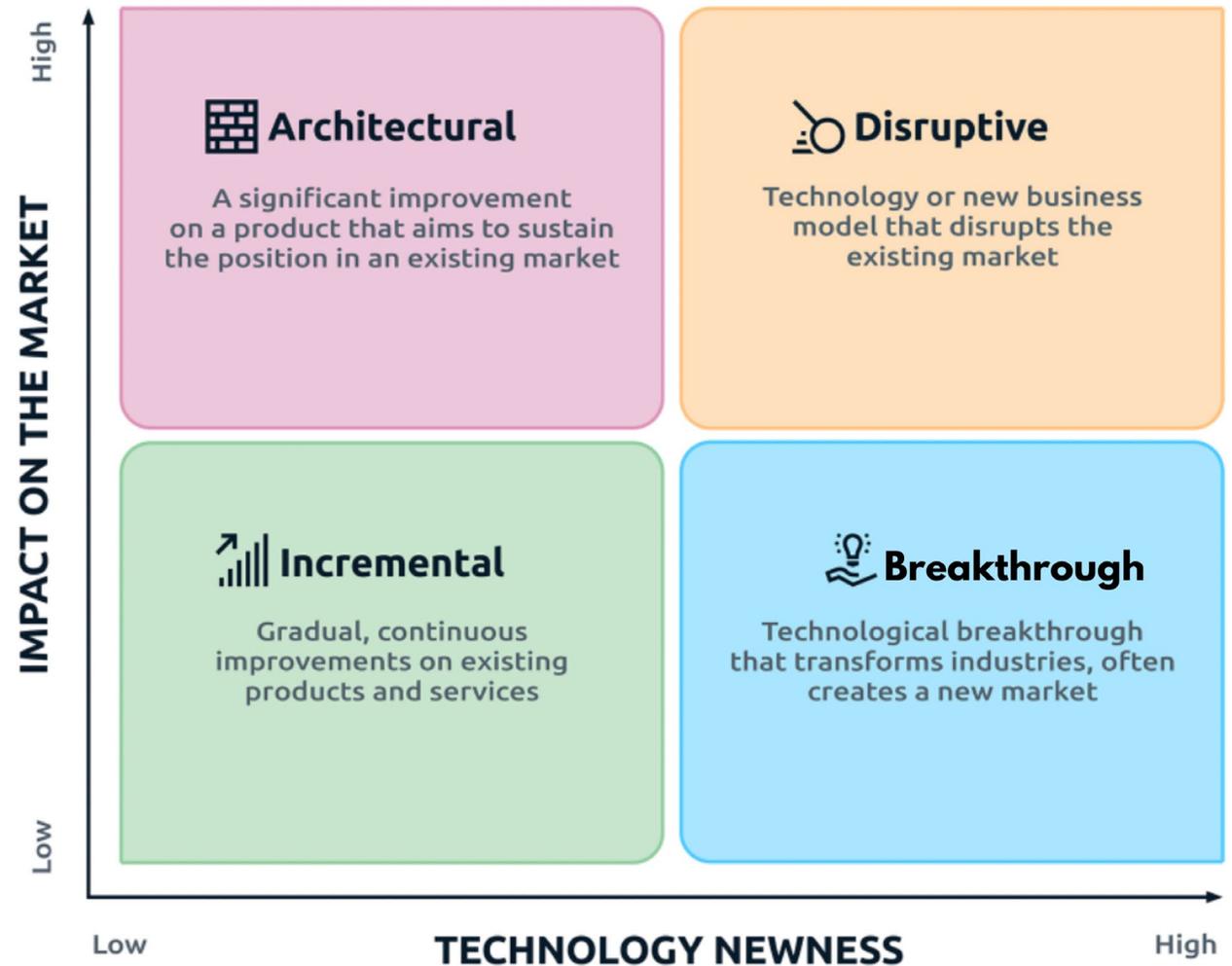


The Consumer Surplus Model



The Business Quadrant

- The business innovation quadrant serves as a roadmap to determine on the best practice and strategy you should select for your business.
- Knowing where your product fits best on the quadrant can aid in understanding your price, market, and competition structure.



Business Model Cases



Breakthroughs

- Smartphones – Apps
- Personal Computer – Software

Business Model Cases

Disruptive

- Flex Cars – Uber
- Short-term Rentals – Airbnb



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SMALL BUSINESS INCUBATOR

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