



Ten to Plan

This is not about the formal business plan often needed for communicating with bankers, investors, for school projects or requested by a landlord. This is for the less formal business plan you need to communicate with your team, make decisions, develop marketing, and to determine feasibility. This plan can give you a good start on the more formal and complete business plan, if one is needed.

1. Write down your business goals.
2. Describe your business. The more complicated the business, the more detailed the plan. Using *The Business Model Canvas* can be a helpful tool for this part.
3. Explain how your business is different enough to make it successful. This is sometimes called your Sustainable Competitive Advantage or Value Proposition.
4. Describe your customers, why they will buy from you, how they will find you, and the value you will provide them.
5. Research your existing and/or potential customer base, how big the market is or could be, where they currently buy, what they will pay you and why. Explain your reasons.
6. Project your start-up or change-up expenses. Then project your ongoing expenses based on your goals. Explain where the numbers came from.

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7. If you are selling a product, determine your direct costs per unit, often the materials. This is your cost of goods sold. Then calculate your break-even point. This is how much you will need to sell before you will make any profits.
8. Project your realistic market potential sales, profits, and return on investment (ROI.) See our "Ten for Making Predictions About Your Business Numbers."
9. Based on your available or potential capital resources, determine if your goals are feasible. Test, research and revise as necessary.
10. List the strategy and steps needed to move you toward your goals and act.
Online link to this and other Tip Sheets on our [website](#).

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