

## Business Plan

### Executive summary (½ page)

The executive summary is a summary of the full business plan. Write a *concise* description of company products/services, customers and the customer needs it meets. This section should be used to provide you and your advisors with an accurate summary of the core business idea. More detailed customer-, product-, and economic descriptions should come later in the business plan. This is usually the last section you write.

### Product and service (2 pages)

#### Customer Pain

Describe what problem/need your customer is facing, and why they will pay someone to fix it for them. This is sometimes referred to as the “customer pain”.

#### Business idea

Describe your business idea, and how it is innovative.

#### Value proposition

What calculation does the customer make in order to decide that he or she will buy your product or service?

#### Idea protection

Describe how you can prevent others from copying your business idea (patents, branding, people with key skills, copyright, first mover advantages etc).

### Market and customer (2 pages)

#### Customer profile

Describe your typical customer in detail, and (if possible) be specific and name actual (potential) customers. To market successfully, solid knowledge of the consumer is necessary. If you sell to private individuals, you can write about the typical private customer, e.g. gender, age, education, profession, lifestyle, etc. If you sell to businesses, describe the typical business customer e.g. sector, size/number of employees, etc.

#### Testing

Contact potential customers and ask them if they would be interested in buying your service/product.

#### Market

Describe the market you will act in. Estimate the size of the market, and the rate at which it is growing (if relevant). The market size could be defined as the amount of money all potential customers are paying to solve the problem today.

What is the realistic number of customers?

How many customers can you serve and how do you defend/substantiate that?

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How big is the market?  
What is the company's market geographically?  
What are the market's main competitive factors to consider?  
How does the market look in 3 years' time?

## **Industry and competition (1 page)**

### **Competition**

Identify and describe other relevant companies within your industry. They can be big or small, local or multinational. Who are your main competitors, and what are their market shares (if possible)? If you cannot identify the main competitors, describe the typical competitor.

### **Competitive advantages**

Describe your competitive advantage(s). What can you offer that competitors can't? And is there any reason why they shouldn't be able to just copy the value you are offering and match it with their own products?

### **Strategic partners**

Could any of your competitors be strategic partners instead? Are there any other relevant partners (public institutions, organisations, etc.)? Describe the key partners (suppliers, customers, consultants, banks, etc.) that you have already contacted.

## **People and organisation (1 pages)**

Describe the people in the founding team, including which roles they will have in the company, and explain why these are the right people for the project. Including those who do not work in the company every day, but are still involved, e.g. a financial partner or director. Describe which key employees the company will need to hire after its founding and how to recruit them.

## **Money and feasibility (1½ pages)**

### **Business model**

Describe how your company will make money, e.g. sale through distributors, web sales, subscription service, advertisement revenue, etc. Be detailed, who pays what to whom and when, etc.

### **Economies of scale**

Are your costs expected to grow linear or decrease exponentially? Will your business be more and more profitable with growth?

### **Financing**

If you need start-up capital, describe where you will get it from and how (founders, friends/family, seed capital, bank loans, public grants, etc).

### **Risk analysis**

Identify relevant risks (Political, Economical, Social, Technical) and rate them in terms of impact and likelihood. Also describe what you will do to counteract them (risk mitigation).

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## **Implementation (1 pages)**

### **Implementation plan**

Describe how you intend to realise your business plan – i.e. what will you do tomorrow, if you get the money you need? Outline relevant milestones (first sale, first delivery, product approved for sale, financial break-even, 1000 customers, etc).

### **Marketing and sales**

Describe how you intend to promote and sell your product or service. How will you get your first customer? How will you get the next 10? If you sell by website, how will people know about your site and product?

## **Budget (1 page)**

Make a realistic budget of your projected income and expenses. Be sure to include a cumulative cash flow figure (bank balance, month for month, or quarter for quarter). If you are looking for investors, budget at least until break-even (when you start earning more than you spend), and possibly longer, and indicate the return-on-investment for the investor. Remember to include both startup and operating costs.