

# Business Idea to Business Plan In 8 Steps

A guide from the  
entrepreneurship pros at  
[incorporate.com](https://www.incorporate.com)



# Writing a business plan might seem like a lot of work.

Don't worry, this template will help you turn an idea into a business plan in 8 steps.

## Do I really need a business plan?

Yes – you do! A business plan is your roadmap for success, a valuable tool that will help you secure funding, pitch to investors, share your vision with potential customers and keep you on track with your goals. This business plan can be refined as your business grows.

We've created this template to help organize your thoughts and:

- ▶ Define measurable goals. What does success look like for your business?
- ▶ Demonstrate what makes your business unique. What is your competitive edge in the marketplace?
- ▶ Determine the legal entity of your business. Which structure aligns with your business goals?
- ▶ Develop the ideal management structure. What does your current or future team bring to the table? Are there expertise gaps that can be outsourced or filled?
- ▶ Deliver a clear, compelling proposal that signals to readers that you are serious about being a business owner.
- ▶ Discover a path forward when uncertain on where to go next.

## Get started.

- ▶ **Step 1:** Write it all down.
- ▶ **Step 2:** Outline the Executive Summary.
- ▶ **Step 3:** Write a Company Description.
- ▶ **Step 4:** Explain the Operations & Management Structure.
- ▶ **Step 5:** Write a Marketing Plan.
- ▶ **Step 6:** Write a Financial Plan.
- ▶ **Step 7:** Include a Resources & References section.
- ▶ **Step 8:** Review your Business Plan & write the Executive Summary.

# Step 1: Write it all down.

Start with an outline or bulleted list and write down every thought that comes to mind about your new business. This step is a brainstorming session so get creative and think big! Your ideas should build upon each other, working together to bring your concept to fruition.

**Note:** Use the space below to answer the following questions.

**What inspired your business idea?**

**What product or service do you want to provide? How will your business help people?**

**If you had unlimited resources, what would you implement?**

**How would you measure success?**

What problem does your business solve? Simply outline the customer experience before and after your business exists.

### Yesterday



Before your business exists.

### Tomorrow



After your business exists.

## Step 2: Outline the Executive Summary.

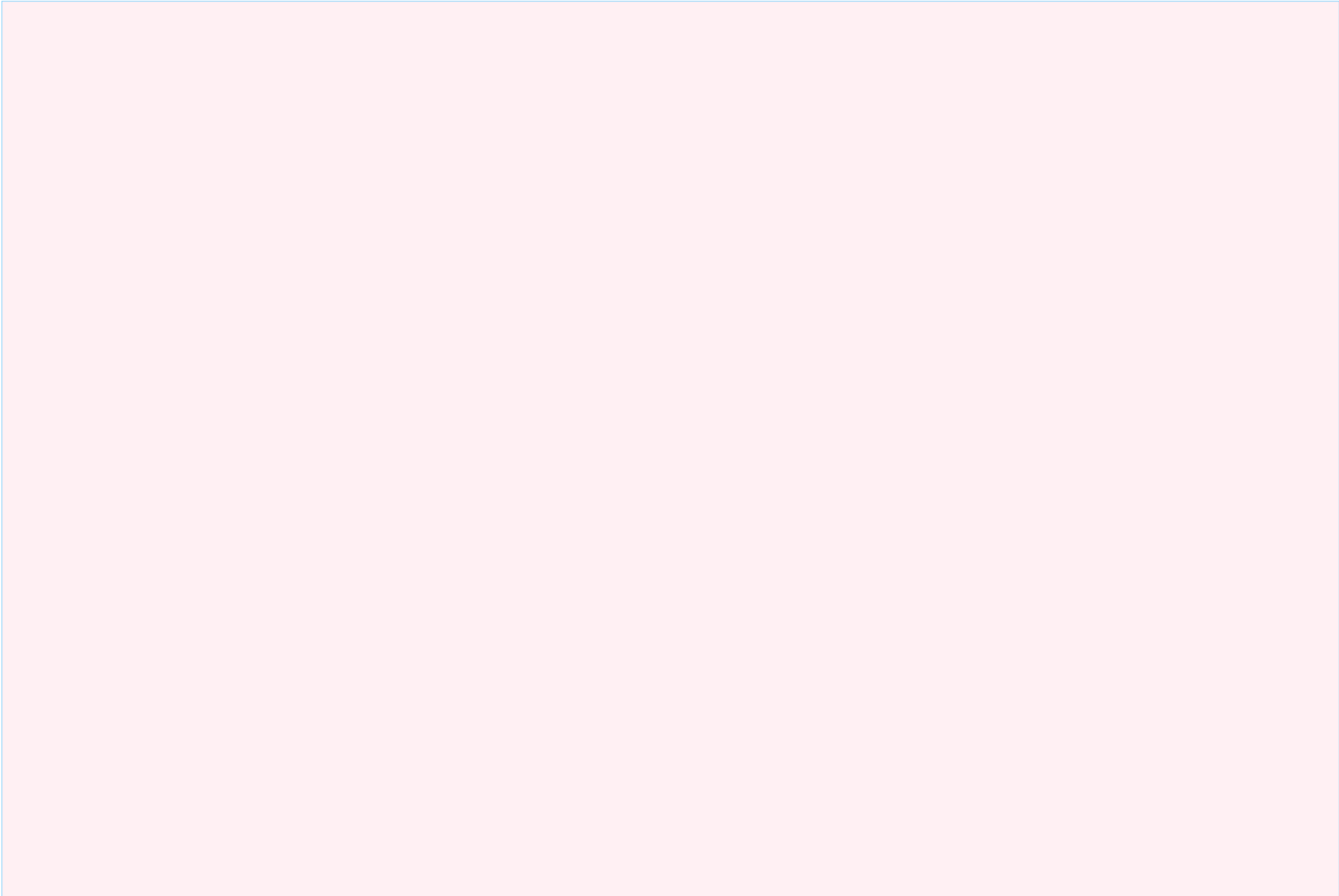
The Executive Summary is the first page of your business plan and the reader's first impression of your business. It should be concise, to the point and the length should be limited to one page. The goal of the Executive Summary is to provide a high-level snapshot of your business plan that quickly engages the audience.

A good Executive Summary section should:

- ▶ Describe your company in two sentences or less.
- ▶ Explain the products and services your business will offer.
- ▶ Provide a brief description of your target customer.
- ▶ Present the level of competition in the marketplace.
- ▶ Pitch your business' unique value proposition.
- ▶ Illustrate projected revenue stream(s).
- ▶ Outline short-term and long-term goals for your business.
- ▶ Introduce the key people in your organization.

**Pro tip:** Start with a quick, expanded list of points that you'd like to convey in the Executive Summary. Revisit and write this section after you have completed the rest of your business plan. By doing so, you will be able to summarize the most critical points into one succinct page.

**Executive Summary Notes** (list important points you want to make):



## Step 3: Write a Company Description.

Give the reader a basic understanding of your vision and direction. The Company Description section should include:

- ▶ A company history. What inspired you to start your business?
- ▶ A mission statement. Why does your company exist?
- ▶ A brief overview of your target customer base. What benefits do your customers receive? What problems do you help them solve?
- ▶ Ways in which your business will impact the market.
- ▶ Your value proposition. What is your company's competitive advantage?
- ▶ How your product and services work? Explain the user experience in six steps or less.

**Note your answers in the box below:**



## How does your product or service work?

Explain the user experience in 6 steps or less.

Step 1:

Step 2:

Step 3:

Step 4:

Step 5:

Step 6:



## Step 4: Explain the Operations & Management Structure.

A critical section in your business plan, the information in this segment tells the reader whether their experience with you will be smooth and successful – or rocky and uncertain. Should they invest their time and resources in your new business?

We recommend dividing this section into two segments:

- ▶ **Operations.** How will your new business operate?
- ▶ **Management.** Introduce your team.

**Pro Tip:** If this is a brand new venture and you are planning to start a business, describe the ideal setup should you receive the proper funding.

### Operations

Establish the legal structure of your company.

When starting a business, the first essential decision is to establish the legal structure of your company. Each business structure has its advantages and disadvantages. The basic legal structures include the following:

- ▶ Sole Proprietorship
- ▶ Partnership
- ▶ Corporation
- ▶ Limited Liability Company (LLC)
- ▶ Non-Profit

Choose a structure that aligns with your business goals, and consider any related tax and liability concerns.

**Did you know?** Simply operating a business as a sole proprietorship means that your personal and business assets are essentially one in the same. Forming a properly structured Corporation or LLC legally sets boundaries between your personal and business life. The primary reason most people form a legal business entity is to protect their personal property as a business owner.

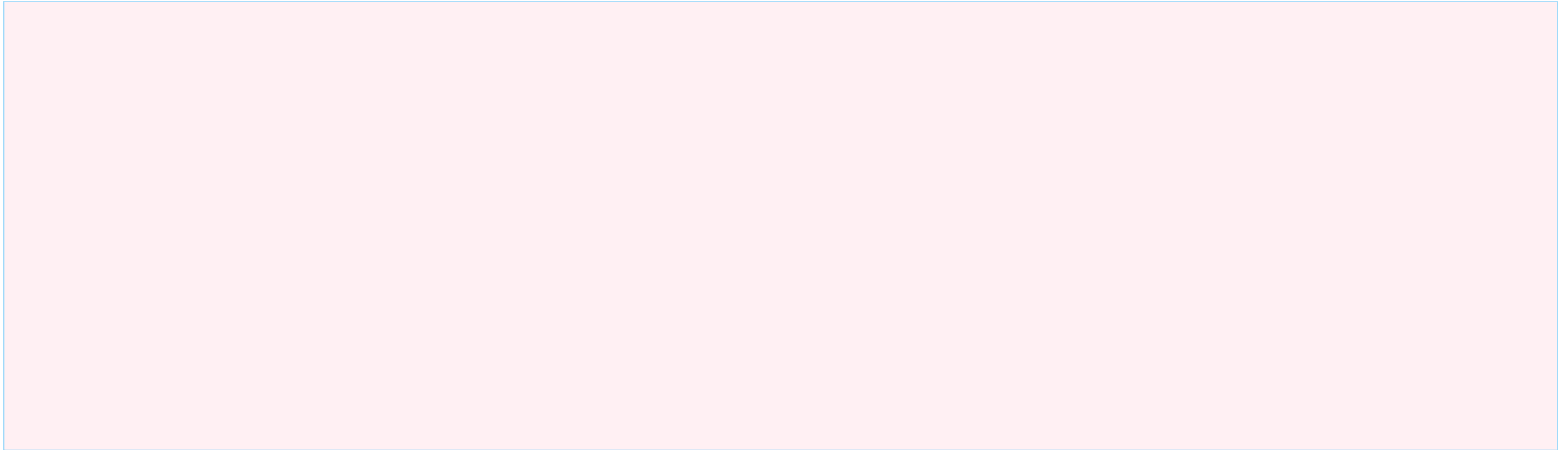
**We can help:** When you are ready to incorporate, our team of Incorporation Specialists can walk you through the entire process.

## Management

What do you and your team each bring to the table?

Introduce your team, their roles, responsibilities and prior experience. Include information on the decision makers, support staff and advisory professionals such as attorneys, accountants, consultants, and bankers. Additionally, this is a good time to introduce strategic vendors, partnerships or third-parties that help manage efficiency and increase productivity.

### Key People:



**Pro tip:** Fill in the expertise gaps through outsourcing, vendors, and partnerships. Could your team use accounting, compliance, legal or administrative help? Outsourcing specific tasks can help your team stay agile and focused on your business goals.

**We can help:** At [incorporate.com](https://www.incorporate.com) we help companies stay compliant and on track with time-sensitive business filings throughout the lifecycle of their company. From launch to adding new partners, hiring employees, expansion and even dissolution, incorporate.com is a lot like having a full-time, reliable employee dedicated to keeping your business in good standing.

## Step 5: Write a Marketing Plan.

Validate your expertise of the industry, explain how you will attract customers and introduce the competitive landscape of your market.

Divide the Marketing Plan section into four segments:

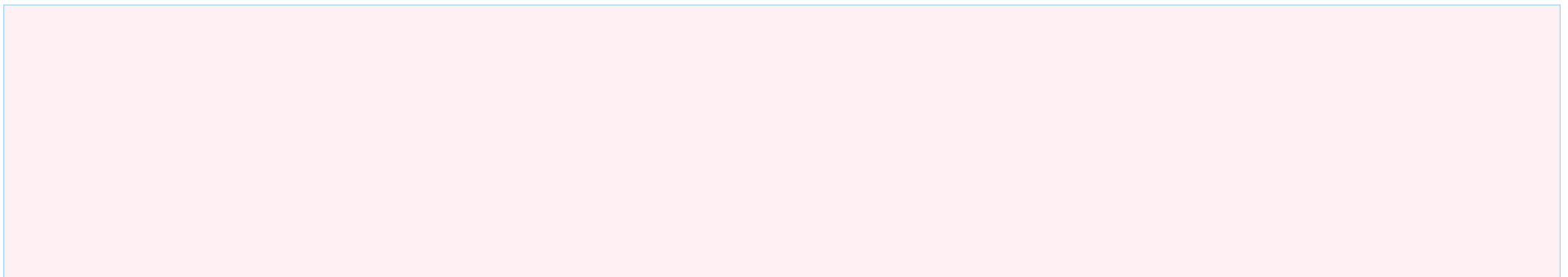
- ▶ Products & Services: What will you sell?
- ▶ Potential Customers: Who will buy it?
- ▶ Competition: How does your business stack up?
- ▶ Promotion: How will you reach customers?

**Pro Tip:** When writing your business plan, narrow your narrative to include specifics. For instance, if you are starting an e-commerce business that sells coffee cups online, do not just provide the history and significance of coffee cups. Focus specifically on the marketable aspects of selling coffee cups online.

### Products & Services: What will you sell?

Outline the products and services, or revenue streams, for your new business. Present each product and service with a set of features and benefits. Many pitch decks and business plans effectively communicate this section visually with a chart or spreadsheet.

**Product or Service feature benefit:**



## Potential Customers: Who will buy it?

Understanding the customer is one of the most important aspects of marketing your business. Provide customer details to include age, geographical location and purchasing trends that may impact your business.

A comprehensive view of the audience will answer the following questions:

### What is the size of your primary target market?

### Why does your potential customer need your product?

### Do they already use a similar version of your product?

### How will your product or service make their life better?

## Potential Customers: Who will buy it? (continued)

Does your customer have well-known buying behaviors or purchasing habits?

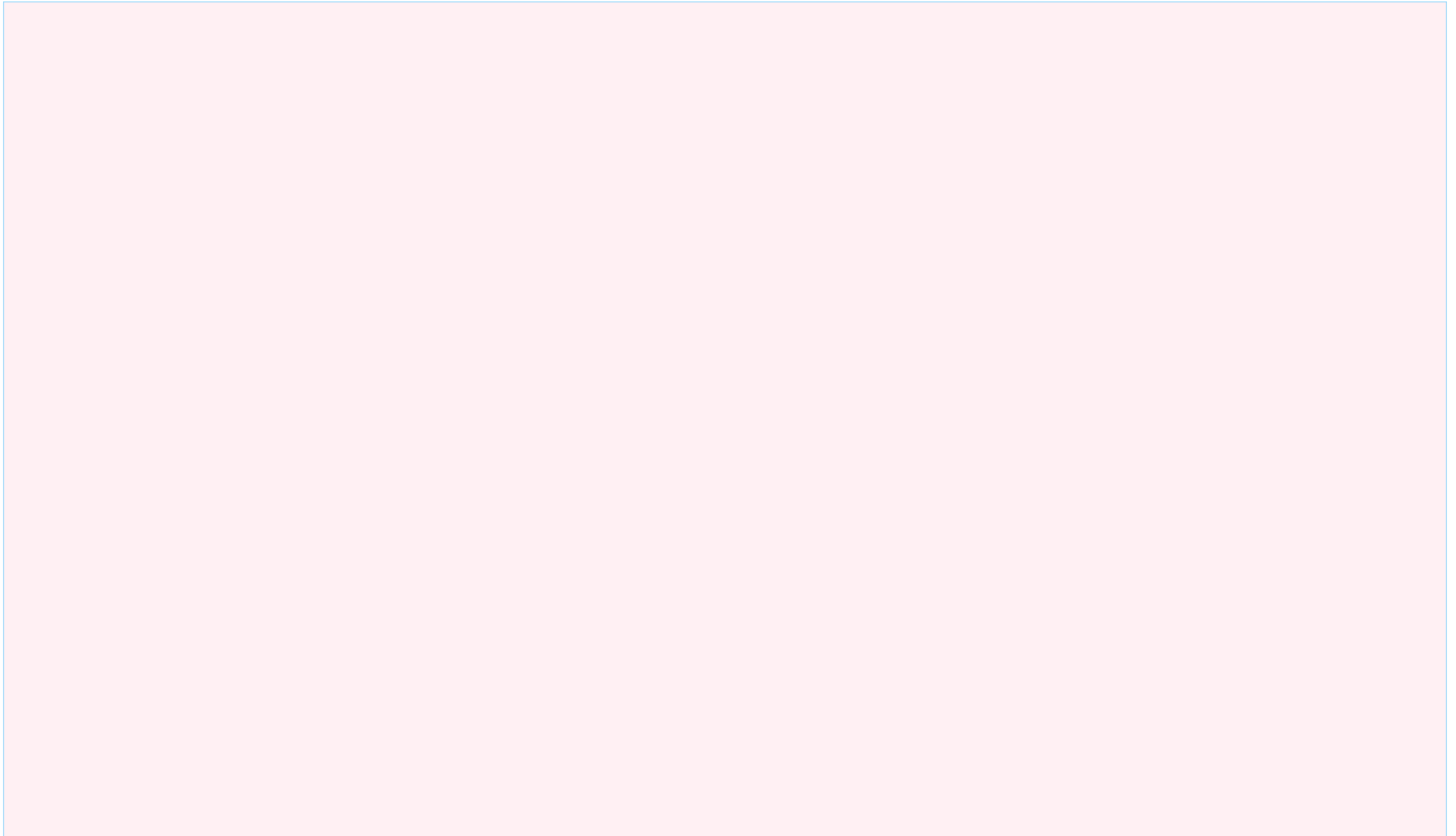
How do they consume information?

What (or who) influences their purchasing decisions?

**Pro Tip:** You are trying to convince the reader that you know your industry inside, and out so conduct thorough research and use surveys when applicable.

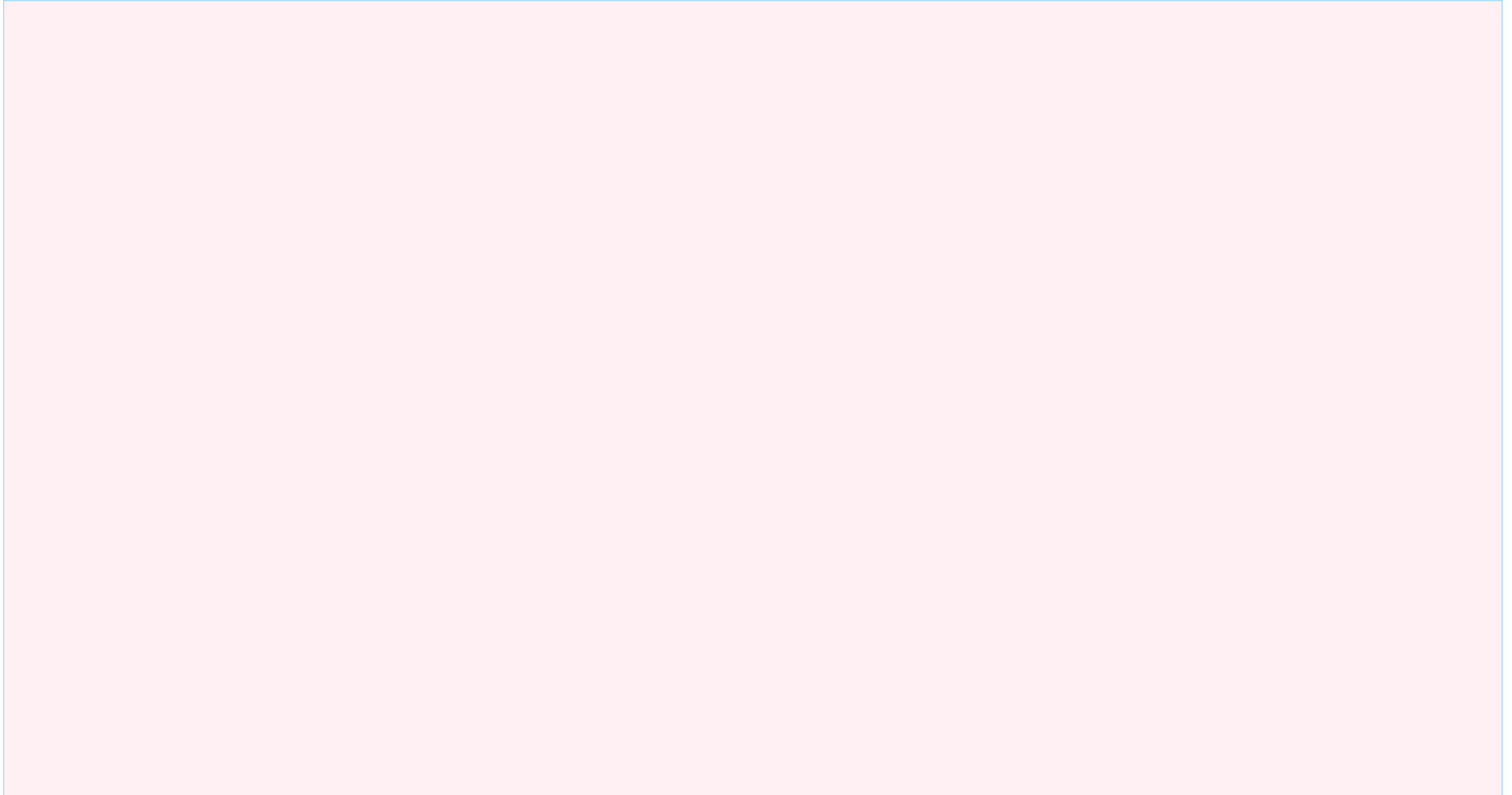
## Competition: How does your business stack up?

List companies that rival your business model or provide similar services to the same audience. Include their strengths, weaknesses, products, pricing, and key differences. In this section, it is key to explain your winning difference and include context to how you will differentiate yourself in the marketplace.



## Promotion: How will you reach your customers?

It is a crowded market out there, so your promotion strategy will work best if well thought out and practical. Your goal should not be to produce "viral" content but to reach the right customers in the right places. As a startup, your resources are limited, so consider where you should be spending your efforts. Which promotion channel(s) will be most fruitful for your business? Detail the ways customers will learn about your business like online search, referral programs, paid advertising, partnerships, signs, website, social media, trade shows, and networking events.



## Step 6: Write a Financial Plan.

Allow the reader to evaluate the profitability of the business and understand your request for funding. If you are in the early stages of starting a business, there might not be a lot of financial data to support your request. This section will evolve as your business grows and can incorporate a variety of projections and statements depending on the fine points of your funding request. It is wise to consult an accounting professional or consultant familiar with your business before finalizing this section. If you are unable to produce financial statements with meaning, it is wise to provide a narrative to how your company will make and spend money. At a minimum, you should detail the amount of funding required to start and run the business.

Listed below are common items often referenced in the financial section of a business plan:

- ▶ Startup Expenses
- ▶ Revenue Stream(s). How will your company make money?
- ▶ Profit and Loss, or P & L Statement.
- ▶ Financial Milestones. At what point(s) will incoming revenue begin reducing the amount of risk to investors?
- ▶ Break-even calculations. When will your calculations break even?
- ▶ Cash Flow Statement
- ▶ Intended use of capital. Where will the funds be allocated?
- ▶ Detailed financial projections that match your funding request(s).

**Pro Tip:** Don't forget "the ask." Now that the read has taken the time to read your business plan, what action are you asking them to take?



List quarterly goals or milestones for the year ahead:

Q1:

Q2:

Q3:

Q4:

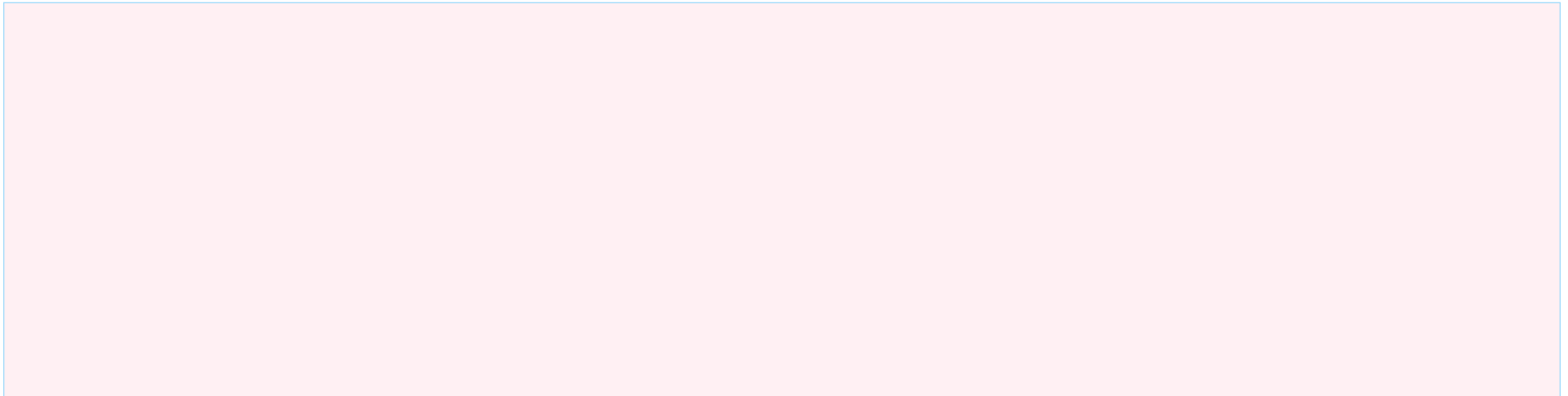
## Step 7: Include a Resources & References section.

The final section of your business plan will include documents, studies, surveys, licenses, and research referenced in the rest of your business plan. The content of the Resources and References section will vary based on your business plan or pitch deck request. The information included in this section should only be necessary information that supports the rest of the business plan.

The Resources and References section might include the following items:

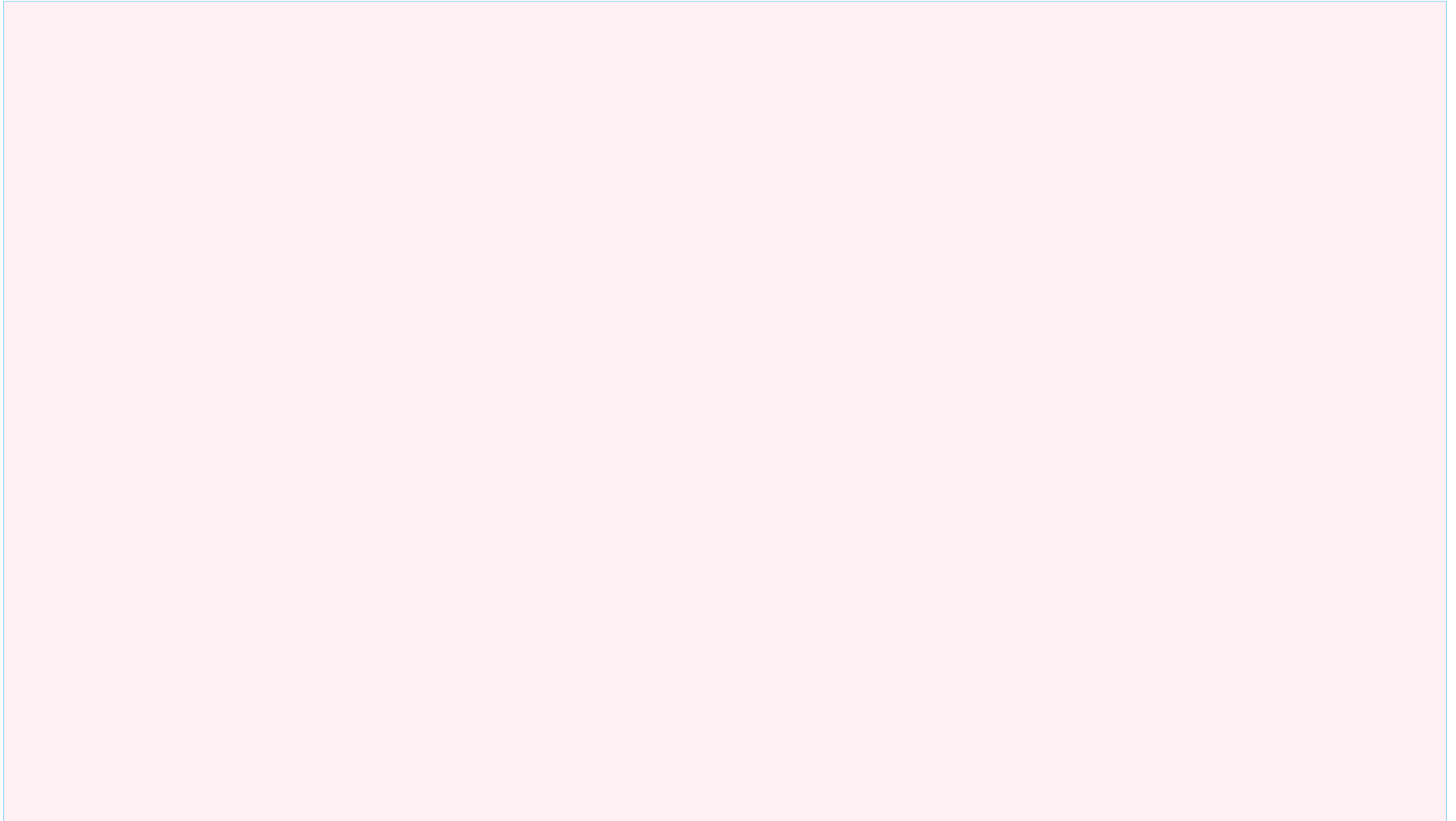
- ▶ Personal credit history
- ▶ Business credit history
- ▶ Legal documents (leases, contracts, purchase orders)
- ▶ Blueprints
- ▶ Location Maps
- ▶ Market Research Studies
- ▶ List of assets to be used as collateral
- ▶ Resumes
- ▶ Press Releases
- ▶ Trademarks and Patents
- ▶ Business Licenses
- ▶ Regulatory Licenses

### Notes:



## Step 8: Review your Business Plan and write the Executive Summary.

Once you have completed each section, review your Business Plan for consistency and cohesiveness. Revisit Step 1: The Executive Summary to summarize the most critical points in one succinct page that quickly engages the audience.



# Congratulations!

Your business plan is complete. Ready to start building your business?

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At [incorporate.com](https://www.incorporate.com), we believe in the positive impact of the entrepreneur and know first-hand that every big company starts small. From the first step of incorporation to expansion into additional states, we have helped thousands of small businesses reach the next step of their journey.

**Congratulations and good luck!**

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