

## 5 Tips to Create a Better Business Plan

If your 2021 resolutions include finally starting that new business you've always dreamed of, then it's time to stop dreaming and start planning. And while there's a lot to plan for when you're thinking of starting a business, one of the most important pieces of planning is to create an actual business plan.

A good business plan not only helps you get your ideas on paper, it actually guides you through each stage of starting and managing a business. You'll use it to think through all of the key elements of your business, from your product or service and hiring practices to marketing and sales.

Business plans can also help you get funding or bring on new business partners. Even if you're just heading to the local bank to get a small business loan, you'll need to be able to show them you have a strong business plan.

Luckily, December is National Write a Business Plan Month, so it's the perfect time to focus on your next entrepreneurial venture. Ready to get started? Keep reading for our best tips to writing a better business plan.

### 1. Map out the basics.

There are several key elements to just about every business plan, no matter what kind of business you're preparing to open. It's important to make sure you have a good understanding of what information to include - and how to answer these questions for your business.

A traditional business plan includes:

- **Executive summary:** A snapshot of your business plan, your company and your goals.
- **Market analysis:** Information about your industry, market and competitors.
- **Company description:** Key information on what you do, what makes your business unique and who you serve.
- **Organization & Management:** Outlines the organizational structure of your business.



- **Marketing & Sales:** Details how you plan to market your business and your sales strategy.
- **Service or Product Line:** Provides detailed information on what you sell, the benefits and a value proposition.
- **Funding Request:** This section may vary depending on the type of funding you are seeking.
- **Appendix:** A simple place to include additional relevant information, such as resumes of company leaders and business documentation.

So, how do you actually go about writing these sections? That's where the next few steps come in!

## **2. Speak with your future customers.**

Before you can ever map out your market analysis, marketing and sales strategy or even your product or service information in a business plan, you need to ensure you have a clear understanding of what your target market truly needs. It's important to take the time to research the industry, speak with your ideal customers and find out the problem your product or service could solve.

Network with your target audience online, via local networking groups or with surveys. Talk to friends, family and colleagues who may experience the problem you're trying to solve. When you are confident your business serves an actual need in the marketplace, you'll have a more compelling business plan and you'll set yourself up for business success.

## **3. Identify a clear company mission and values.**

It's easy to get wrapped up in your product or service and how you'll market it. But it's important to not only focus on what you'll be selling, but why you're selling it and what values you want to maintain while running your business.



Creating a [clear company mission statement](#) is not only beneficial to a solid business plan, it's also key to your ability to connect with your ideal customers, create a strong company culture that attracts top talent and even attract and retain investors.

When writing your business plan, take time to consider the true mission behind your business. A business is always more than the service or product it offers. And it's often a company's mission and values that help it stand apart from competitors. Ask yourself, "Why am I creating this? Why does it matter? What kind of impact do I want to have on the world? What do I stand for?"

#### **4. Keep it simple.**

Your business plan should be detailed and thorough, but it should also be as concise as possible. Too many businesses get lost in describing what they do and who they are, instead of connecting with their target audience and their needs.

By keeping your focus on how the various aspects of your business plan uniquely solve your target customer's problems, you'll be able to write a clear, yet concise business plan that shows future partners and investors that you know exactly who you serve and how you help them.

#### **5. Include a Business Concept Statement.**

Even a simple business plan is typically a long document. And while many potential partners and investors will want to read your full plan, it's also important to have a shorter version ready to go when you need to provide a quick snapshot of your business.

A [Business Concept Statement](#) is a tool that distills a large business plan into a handy one- or two-page document. It should refine your business idea, outline the consumer problem your business solves and discuss how your product or service will fit into the overall market.



No matter what kind of business you hope to open in 2021, a good business plan can help you get where you want to go. Need more business planning tips and support? SCORE offers a variety of [start-up resources](#), including a [business plan template](#) and the [Start-Up Roadmap](#)

Visit the [SCORE Blog](#) for even more articles and tips from experts to write a better business plan.