

What do I include in a business plan?

A business plan can be broken down into two major parts, which are:

- (1) market research
- (2) planning.

While market research refers to an analytic approach, planning constitutes a more decision-making approach.

Market research is an analytical task which gives the entrepreneur a better understanding of their industry. It gathers information on competitors, vendors, partners, distributors and potential clients. It also highlights success factors which are specific to your business sector. Armed with a new understanding of their business sector, entrepreneurs can then identify, design or develop new business opportunities for their target market. **Viability of your business plan will be determined in part by the quality of your market research.**

Once you've uncovered your business opportunity, it's time to jump into decision-making mode; this is where planning begins. Entrepreneurs should ask themselves what means to use to take advantage of this opportunity. That's precisely the point of planning.

Planning includes three parts:

1. the marketing plan
2. the operational plan
3. the financial plan

The marketing plan identifies the ways/methods you plan to take to reach your potential client and communicate the benefits your business offers to them.

The operational plan aims to take stock of the human and material resources needed to carry out your project, as well as the logistical elements associated to them.

Finally, the financial plan looks to be a quantitative summary of your marketing and operational plans. Introduced at the very end, it serves as a conclusion by demonstrating the financial viability of your project through cashflow, income statement and balance sheet. **You will need proof of the personal investment or financing required to do this.**