

Things to Know When Starting your Business

LEAN PLAN BUSINESS PLAN



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Creating a business plan should be one of the first things, if not THE first thing you should do in planning your business.

Here's the reason: it will give you clarity on what you want to do, how you want to do it and who you will serve and more!

The Lean Plan is a simple one-page business plan that allows you to look at your business idea with a really broad view to make sure you're not forgetting something and that everything serves the big picture.

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Here's what you'll find in the Lean Plan

- Early Adopters
- Customer Segments
- Opportunity
- Solution
- Unique Value Proposition
- Unfair Advantage
- Channels
- Key Metrics
- Cost Structure
- Revenue Streams

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Early Adopters- This is where you will describe your initial target market. This is probably the "big" market or the top 2 or 3 target markets that you see your business serving. Their age, gender, income they might make- anything that paints a picture of who they are. To make this an even stronger visual, find a picture of someone that really represents what you are describing here. It could be from a magazine or website- it doesn't matter.

Customer Segments- Take the top target market that you want to focus on first and dig deeper into who they are and what makes them an ideal customer for you. This is where you will get a little more specific. You might break them down into those that attend college or something that provides a narrower focus.

Opportunity (Pain in the marketplace)- Describe here what the problems are for your ideal customer. They might have many so think of the ones that are either the "most painful" or the ones your business is most likely to serve best. List 1-3 of these problems that you are going to solve through your business. Be specific.

Solution- Take those 1-3 problems that you have identified and describe your solution here. Match a solution to each opportunity or pain. Be as specific as possible.

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Unique Value Proposition- This should speak to your ideal customer. Why should they choose you? What makes you different?

Unfair Advantage- This is a little harder. It is something you can say about yourself that your competition cannot say. Spend some time with this one. It can drive your marketing strategy.

Channels- This is how you are going to get your message out to your ideal customer. This is why you need to have a clear picture of them, so you know where they hang out. List these in priority.

Key Metrics- These are the ways you will know how well your business is doing. It could be your gross sales month by month. More importantly is how much profit you are making. It could be the number of orders you get each month or the number of new customers. All of those are metrics that tell the picture.

Cost Structure- Here you will list your expenses. How much does it cost you to make your product? What kind of overhead do you have? Think of all of your business costs and list them here. Include both fixed and variable expenses.

Revenue Streams- Some might be revenue streams you will start with, but you can also include future revenue streams. Just identify them as such.

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The good news about this plan is not that it is just simple but that it can be used in multiple ways. The first is, obviously, planning your business overall.

You can also use it when you are thinking about added new services or revenue streams or locations. Think of those as opportunities to create a mini plan to make sure you are including everything you need to make the best decision.

For help with this, or any other aspect of starting your business, contact us today at rhondaloweconsulting@gmail.com

This information is meant to be educational only and does not constitute legal or financial advice. Consult with a professional attorney or accountant for what is right for you and your business.