**BUSINESS PLAN**

**First name: Family name:**

**Email: Phone number:**

**What is a business plan?**

A business plan is a workbook where you describe your business idea and crystallise your thoughts. It is also the most economical way to test your business idea. In the plan, you specify your enterprise’s goals and the operating model for achieving the goals. The plan explains for external parties, including financiers, the potential of your idea and your ability to turn the business idea into business activity. Creating the business plan also highlights potential development targets and needs. With its calculations, it is an important attachment when you apply for funding, such as start-up funding or loan. Read the introductory instruction text.

**1. Description of the idea**

An idea can arise in various ways: based on your own competence, profession, hobby, a perceived problem or need. Explain your idea concisely and clearly: what kind of a problem have you solved and for whom, how will the solution be sold, and what makes your business and its methods unique. It is recommended to describe the idea last because it summarises the whole plan.

An idea turns into a business idea when you have knowledge of relevant demand based on testing the idea or recent experience and numerical data. Read instruction text 1.

**2. Competence and experience background**

You have competence that must be identified and developed to provide a basis for your business activity. Describe your education, work experience or activities that are useful and a competitive advantage in implementing your idea. In addition, explain what additional competence you will need, which areas you will focus on, and what you will buy from other entrepreneurs. Read instruction text 2.

**3. Searching for information, market analysis**

Your idea develops into a business idea based on information. By searching for information on your branch, you will create a picture of the market you are entering and ensure that there is demand for your idea. Information is freely available online, in statistics, consumer surveys, branch reports, articles and publications; however, source criticism should be applied. Search for information and learn to know your branch. Name your (1–5 most essential) competitors. Think about direct competitors, whose supply is similar to yours, and indirect competitors, who respond to the same customer need with another product or service. The better you know the competitive conditions, the field of operation, the market and the demand, the better are your chances to promote the idea. Report what kind of information you found on your market and branch; describe your competitive ability and what you do slightly better than your direct competitors. Read instruction text 3.

**4. What can one buy from you, and how?**

List the products/services that you sell, including their price + VAT% and pricing units (e.g. €/h). Describe how the product/service you offer provides customers with value. Describe the purchase stages from a customer perspective, in other words, what kind of a service path you have designed and what kind of a service experience you want to create for the customer. The service path begins when customers (1) find out about your enterprise, product/service, (2) consider their purchase decision based on their needs and observations, (3) buy the product/service and receive it. Read instruction text 4.

**Product/Service 1. Price/unit**

**Product/Service 2. Price/unit**

**Product/Service 3. Price/unit**

**Product/Service 4. Price/unit**

**Product/Service 5. Price/unit**

**5. Customer acquisition**

Along with calculations, a marketing plan is the most important part of a business plan because it describes the activities you use to find customers. It is easier for you to think about customer acquisition, marketing and the suitable channels when you (1) have identified the customer, (2) know what the target group is like, and (3) know approximately how many customers you could have; in other words: you identify the market. Give facts about the customer target group. If you do not have enough facts, continue to collect information.

Describe realistically and credibly how you will systematically acquire customers and sell your products/services, as well as how you will make buying easy for your customers. This is important because the easier it is for customers to approach, get to know and buy your products/services, the better are your enterprise’s opportunities to make profit. In addition, describe how you will ensure that your enterprise gains public awareness and what skills or help you will need in marketing. Read instruction text 5.

**6. Business building a sustainable future**

Companies' responsibility requirements will increase significantly in the future. Sustainability issues are increasingly important for all stakeholders in your company, as consumer and stakeholder expectations regarding sustainability have increased. In the future, corporate responsibility will also affect the availability of financing and its terms. Responsibility in business means that the company operates in a sustainable manner. Responsible business is the lifeblood of a sustainably operating company and it applies to the company's entire operations. Responsible business is also a competitive factor that applies to the entire company. Corporate responsibility, responsible business operations and responsible business mean that the company takes into account the climate, the environment, people and communities, and good governance in its business. A responsible company has drawn up its own sustainable development goals, which it aims to achieve through its operations in addition to profitable business.

Consider your own business operations from the perspectives of ecological, ethical and social responsibility. Assess the future outlook for sustainable development and, based on this, the change in customer needs. Identify your own opportunities as an entrepreneur to prevent climate change, other environmental issues and overconsumption of natural resources. How would you develop your business idea from the perspective of building a sustainable future? Read instruction text 6*.*

**7.** **Putting the idea into practice**

Describe the enterprise’s daily activities in practice; tell about the premises, location and operating area. Explain how you sell and distribute the products and produce services. Outline how the planned service path works: identify the sales channels and distribution (e.g. retailers or e-commerce). Describe how the customer buys the product/service from your enterprise in practice, provided that you have enough knowledge of your customer target group based on sections 3 and 5.

When establishing a business, you first have to organise certain things in parallel (e.g. bookkeeping, insurance, contracts, marketing). When you have created a preliminary business plan, you can make an appointment with your municipality's personal business advisor. It is good to discuss the practical overall implementation with an external party; it enables you to notice things that might not necessarily occur to you when you have many things to consider. Read instruction text 7.

**8. Calculations**

Calculations are numerical representations of the actions and operations you have described in your business plan.

\*The profitability calculation specifies the company’s fixed and variable costs and helps you identify the turnover target.

\*The financing statement shows you how much launching a business and entering the market will cost.

\*The sales estimate or sales budget is your decision on how much you intend to sell. Setting a target will guide your thinking and actions as well as allow you to evaluate sales development.

\*The cash flow statement measures the sufficiency of funding and the sales target, the effects of actual money transactions on cash, and liquidity in the first year.

Read instruction text 8 and fill in the calculation template (subpages 1–4).

**9. Arranging funding**

The business plan presents the business idea, the target and how it is achieved, and the calculations specify how much funding is needed. Funding is needed at least until the funds from operations, that is, turnover is sufficient to cover the fixed costs. Calculate what purchases and costs are expected before starting the business and during the first two to three months of operation. Read instruction text 8.

Find out about your opportunities to apply for start-up funding, which is a form of support administered by TE Services in order to ensure your subsistence at the beginning of your business activities. Contact TE Services before taking any actions to establish a business.

**Further information**

Here you can continue clarifying the preceding sections, if you wish. First give the number of the section.