



Document
prepared
on 01/07/2017

Business Plan – Sample/Light Edition Sample Company

This document was prepared for
Sample Person, on behalf
of Sample Company



MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.

Table of Contents – Abbreviated for Sample

EXECUTIVE SUMMARY	4
BUSINESS BACKGROUND.....	5
SALES AND PROFIT FORECAST.....	6
<i>Sales & Profits</i>	6
PROOF OF SALES & PROFIT.....	9
UNIQUE FEATURES SUMMARY.....	10
TARGET MARKET.....	11
SUMMARY OF FINANCIALS.....	14
BUSINESS ANALYSIS	16
BUSINESS OVERVIEW.....	17
LOCATION.....	18
PRODUCT/SERVICE DESCRIPTION.....	20
SUCCESS REASONS.....	23
SALES ANALYSIS	26
AVERAGE REVENUE SALES.....	27
NUMBER TRANSACTION.....	28
NUMBER OF CUSTOMERS.....	29
SALES BY PRODUCT.....	30
SALES BY GEOGRAPHY.....	32
MARKET ANALYSIS	34
MARKET PROFILE.....	35
PRODUCT LIFECYCLE.....	36
MARKET TRENDS.....	37
MARKET GAP.....	38
MARKET SEGMENTATION.....	39
TARGETING SEGMENTS.....	43
COMPETITOR ANALYSIS	48
MAJOR COMPETITORS.....	49
COMPETITIVE STRENGTHS.....	50
PRODUCT POSITIONING.....	51
POSITIONING SEGMENTS.....	52
SWOT AND OBJECTIVES	54
SWOT ANALYSIS.....	55
OBJECTIVES.....	56
MARKETING PLAN	58
SALES AND MARKETING OBJECTIVES.....	59
MARKET POSITIONING.....	60
INFORMATION SYSTEMS.....	61
MARKET RESEARCH.....	62

MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.

IMPROVING CUSTOMER PERCEPTION	63
ENVIRONMENTAL ISSUES	64
CUSTOMER PROMOTIONS	65
COMMUNICATIONS	69
SALES FORCE CHECKLIST	70
PRICING	75
DISCOUNTS.....	76
PAYMENT TERMS.....	77
DISTRIBUTION	78
SUB-DISTRIBUTORS.....	79
RETAILERS	80
BRANDING.....	81
MARKETING PLAN SUMMARY	89
PRODUCTION PLAN	91
PRODUCTION OBJECTIVES	92
PRODUCTION CAPACITY	94
SALES VERSUS CAPACITY	96
LIST DEVELOPMENT PROJECT.....	97
MATERIAL REQUIREMENTS.....	98
LABOUR	99
HUMAN RESOURCE PLAN	103
MANAGEMENT OBJECTIVES.....	104
MANAGEMENT CHART	105
ROLES & RESPONSIBILITIES.....	106
PAYROLL & EMPLOYEE HIRING.....	107
POLICIES AND PROCEDURES.....	108
SUMMARY OF PERFORMANCE.....	111
HUMAN RESOURCE PLAN SUMMARY	112
FINANCIAL STRATEGIES	113
FINANCIAL OBJECTIVES	114
RATIO ANALYSIS	115
FINANCIAL PLAN SUMMARY	116
FINANCIAL STATEMENTS	117
LONG TERM FINANCIAL FORECAST.....	118
FINANCIAL STATEMENTS	119

Abbreviated table of contents for Sample Report

MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.

Executive Summary

The **Executive Summary** is a brief outline of the company's purpose and goals. While it can be tough to fit on one or two pages, a good Summary includes:

- A brief description of products and services
- A summary of objectives
- A solid description of the market
- A high-level justification for viability (including a quick look at your competition and your competitive advantage)
- A snapshot of growth potential
- An overview of funding requirements

Business Background

Sample Company w. The company manufactures and distributes Widgets that are developed in-house at the company's manufacturing plant. Sample Company has a total of twenty employees at the Head Office and Sales Office, and has two sales representatives from interstate.

Sample Company has achieved an excellent reputation as a high quality supplier of Widgets. Widgets are protective casings that are sold to manufacturers of motors. These Widgets protect the motor from the external environment. It is estimated that a Widgets can increase the life of a motor by almost a third. It offers protection against water, temperature fluctuations, corrosion, dust, etc.

This business plan has enabled Sample Company to gain a clear perspective of the company's current position and where it is headed for the future. The company would like to change their focus from just supplying Widgets to "protecting and extending the life of motors". By defining the business in this way the company has identified new service-based opportunities such as contract service agreements and training. New product opportunities include anti-corrosive paints and materials, lubricants and other engine protection products that would fit well with its existing customer base as well as new customers.

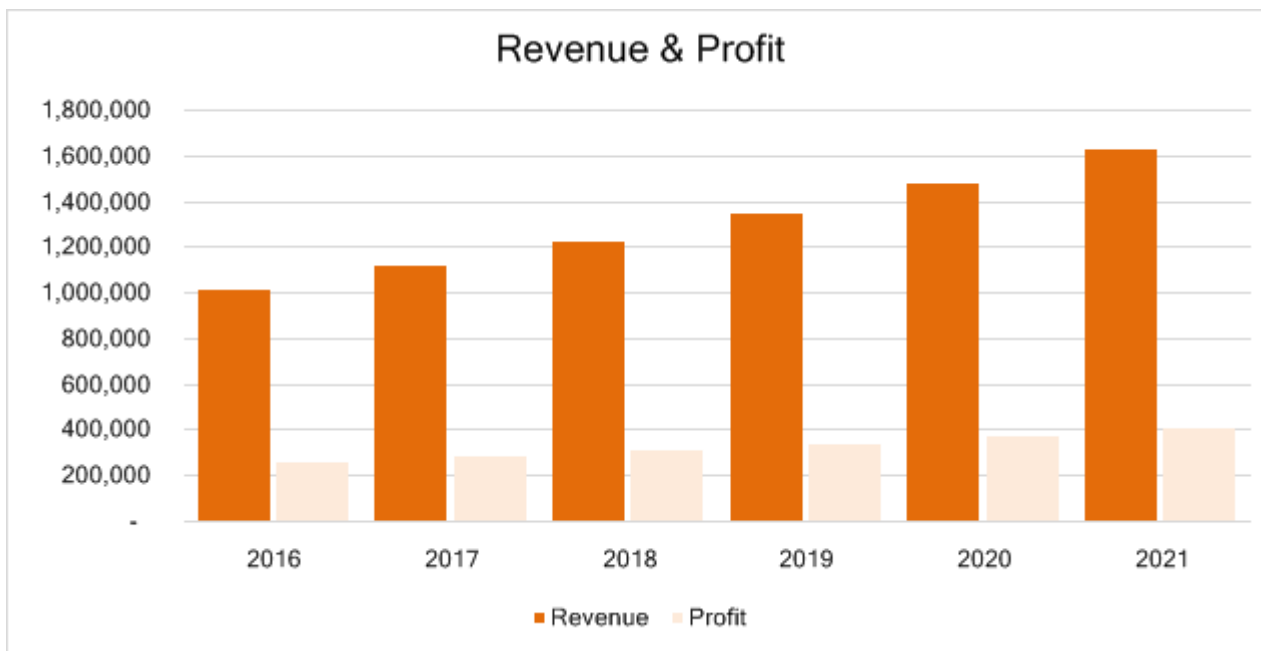
Sales and Profit Forecast

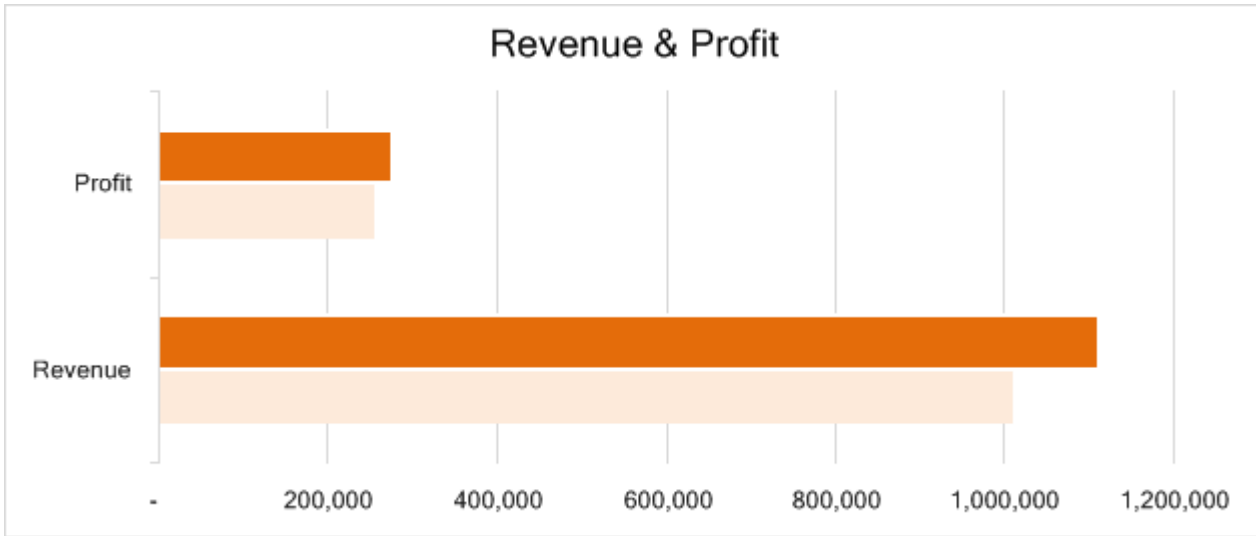
Sales & Profits

Turnover & Profitability

The graph below shows current revenue and profit and our projections over the next 4 years. In terms of the current sales and profitability levels, Sample Company recorded a revenue turnover of \$1,009,000 for the 2016 financial year and a profit of \$252,250 representing a 25% margin.

	Actual 2016 (\$'000)	Forecast 2017 (\$'000)	Forecast 2018 (\$'000)	Forecast 2019 (\$'000)	Forecast 2020 (\$'000)
Revenue	1,009,000	1,111,820	1,222,692	1,344,684	1,478,915
<i>Sales Growth</i>	9%	10%	10%	10%	10%
EBIT	252,250	277,955	305,673	336,171	369,729
<i>Profit Margin before tax</i>	25%	25%	25%	25%	25%
<i>Growth Rate</i>	6%	10%	10%	10%	10%





Revenue

Revenue for the forecast 2017 year is expected to be \$1,111,820 which represents a growth rate of 10.2% over the previous financial year.

Over the next 5 years the business is forecasting \$6,784,779 in revenue with an average growth rate of 10%

	Forecast 2017 (\$'000)	Forecast 2018 (\$'000)	Forecast 2019 (\$'000)	Forecast 2020 (\$'000)
Revenue	1,111,820	1,222,692	1,344,684	1,478,915
<i>Sales Growth</i>	10%	10%	10%	10%

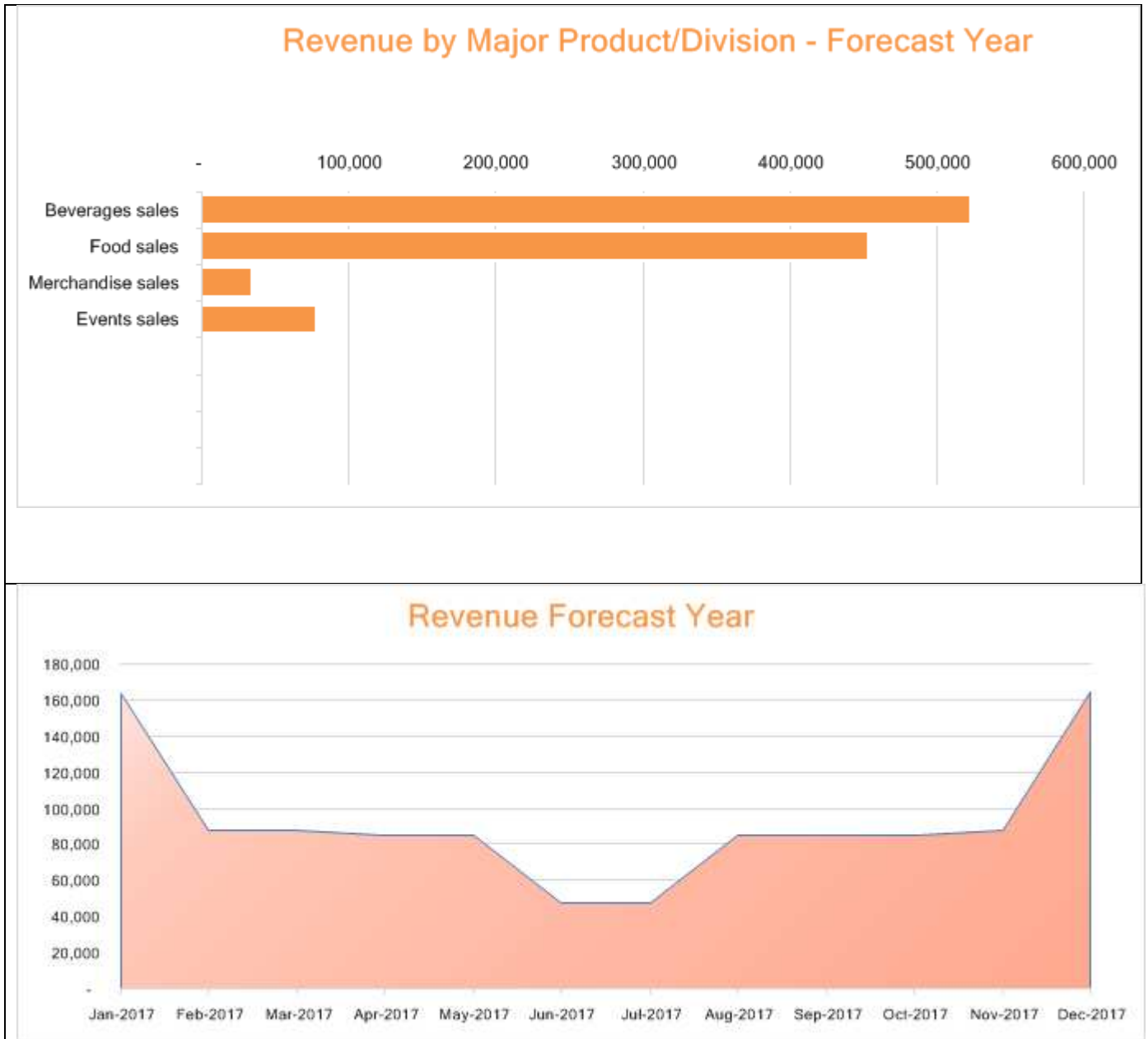


Profit

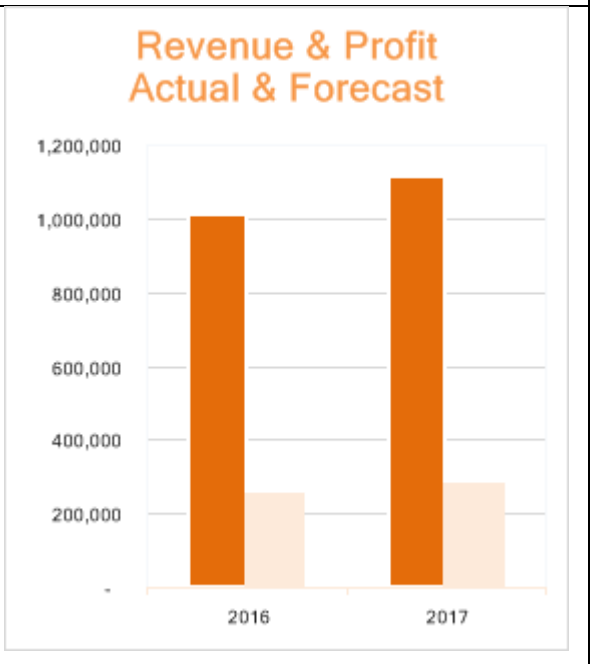
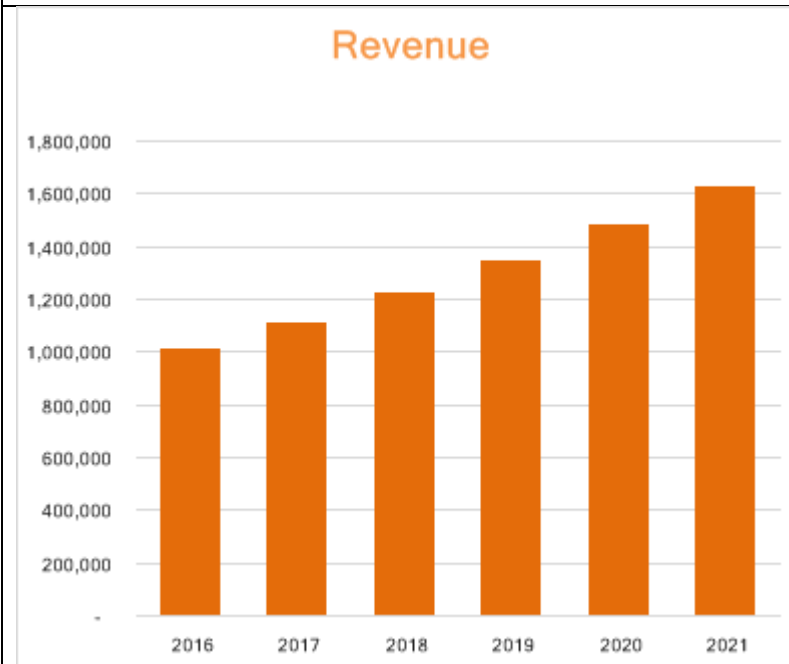
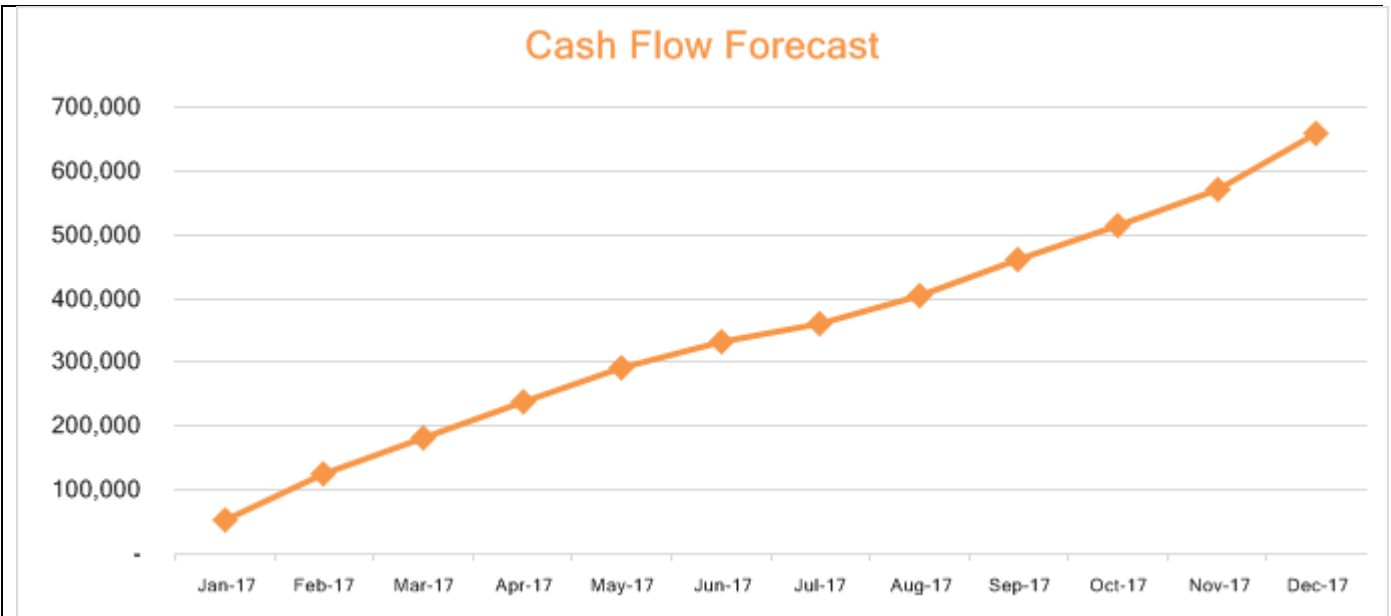
MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.

Summary of Financials

Below is a summary of the key financial statistics of the business.



MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.



MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.

Business Analysis

Business Overview

Sample Company was incorporated in 20XX in Statesville. Over the last 17 years the company has developed a profitable manufacturing line specialising in components that are sold to motor manufacturers. These products can be categorised as Widgets.

Location

Sample Company was established in Suburb1. The location of the office is an integral part of the marketing mix for the following reasons:

- Close central location allows for easy access by customers.
- Abundant parking facilities are available on site. This improves the ease in which customers can visit the premises.
- Excellent signage exposure is attained due to the close proximity of the business to the main road in Suburb1.
- The area has a solid reputation for quality due to the nature of the businesses in the area.
- There are plenty of customers located close by.

Product/Service Description

The major product that Sample Company sells is Widgets. The table below will explain this in further detail.

Product / Service	Description	Market
Widgets	Widgets help to encase and protect critical parts of a motor.	The major markets for Widgets are manufacturers of motors.

Defined Business

As a result of writing this Business Plan, Sample Company now views itself as being in the business of protecting and extending the life of motors. Defining the business in this way has opened up a whole new range of opportunities for the company. Previously management viewed the company as being in the business of only supplying Widgets. Unfortunately, this has limited opportunities in the past.

Now that Sample Company has defined its positioning, the company is looking to diversify their product offering by supplying a range of lubrication liquids, ball bearings and anti-corrosive paints to the marketplace.

MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.

The new product range will also fit in well with the existing current customer base. The existing solid supplier and trade relationships that have been established over the past decade through the provision of Widgets will also enable efficient and cost effective access to the proposed new range.

Sales Analysis

Average Revenue Sales

Sample Company has two main operational divisions. Both divisions are fairly similar in terms of price points. The business has evaluated the last 12 months of data and calculated average value sales to be as follows.

Average Value Sale	Division 1	Division 2
Existing average value sale	4 500	4 300

There are a number of options available to Sample Company to increase the Average Value Sale. Research has been conducted which has led to the following conclusions:

- **Price Rise:** Research is suggesting that the impact of increasing prices by 5%-10% across the range will have little or no effect on the customer churn (lost customer) ratio.
- **Bundling:** Research is suggesting that a number of Widget bundled offers on lower end Widgets would be positively received i.e. Save 25% of RRP or buy 4 products and get 1 free.
- **Come out with a range:** Research is suggesting that Sample Company could increase the Widget range which would enable the business to have more bundled offers.

Number Transaction

Based on the last 12 months of data for each of the business divisions, the number of times per annum that customers (on average) buy from Sample Company is as follows:

Purchases	Division 1	Division 2
Frequency per Annum	1.2	1.4

Sample Company will look to increase the frequency of purchase by implementing the following strategies:

- Regular customer newsletters;
- Discounts and specials for repeat/loyal customers for other goods in the product range;
- The promotion of accessory type products;
- Launching a new series of complimentary products.

These strategies will be outlined in the marketing plan later on in this document.

Number of Customers

Based on the last 12 months of data for each of the business divisions, the number of times per annum that customers (on average) buy from Sample Company is as follows:

Purchases	Division 1	Division 2
Frequency per Annum	1.2	1.4

MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.

Sample Company will look to increase the frequency of purchase by implementing the following strategies:

- Regular customer newsletters;
- Discounts and specials for repeat/loyal customers for other goods in the product range;
- The promotion of accessory type products:
- Launching a new series of complimentary products.

Market Analysis

Market Profile

Widgets are sold to manufacturers of motors and mechanised equipment. The market consists of manufacturers of equipment aimed at the Automotive, Marine, Electrical, Aeronautical and Heavy Industrial machinery segments.

The Widget Association estimates that in the last financial year the total market for Widgets was 17.4m. This would suggest that Sample Company has a 33% share of the total market. Research by the marketing department has also discovered that add-on products to the Widget and related markets of contract maintenance, service parts, relocation and installation of equipment, lubrication, anti-corrosive and other associated materials are worth around 50m a year. This is an area that Sample Company could very easily diversify into to rapidly expand the business.

The diversification into these other markets will be detailed in a report to be released next month evaluating these product opportunities. The rest of this plan will concentrate on getting the core of our business correctly positioned to maintain and strengthen our 33% market share position.

Product Lifecycle

The total Widget market is in the growth stage of its product lifecycle. However, if we look at the product lifecycle of the individual segments, we would find that some areas are in the decline stage (such as the automotive segment).

Introduction Phase Strategies:

- Creating product awareness;
- Correcting/perfecting the product;
- Developing understanding of customers' needs and market segments;
- Developing a competitive advantage;
- Developing the marketing mix to build product awareness and 'educate' the marketplace;
- Focusing human resource strategies on planning and recruiting;
- Focusing financial strategies on identifying sources of funds.

Growth Phase Strategies:

- Maximising market share;
- Developing distribution channels;

MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.

- Building on established market niche(s);
- Focusing human resource strategy on staff training;
- Focusing financial strategy on Investment.

Maturity Phase Strategies:

- Maximising profit while defending market share;
- Building customer loyalty and quality of service;
- Focusing production strategy on efficiency & process innovation to reduce costs;
- Identifying new markets

Competitor Analysis

Major Competitors

The major competitors in the market place are:

Company	Market Share	Market Share Last Year	Reason why people buy from this company.
Sample Company Company	30%	35%	The best Widget in the market. Dropped market share largely due to the rise in the Marine market segment and the Heavy Industrial segments. Sample Company is not heavily represented in either of these segments.
Acme Co.	10%	2%	Acme imports their Widgets from Asia. The Widgets are of a fairly high quality, but they have difficulty in adapting to customer's needs and servicing them.
Sly Widgets	10%	10%	Strong in the Heavy Industrial sector. Provide two year Warranty. Will send an engineer within 24 hours to repair faulty Widget.
Statesville Widgets	15%	12%	Excellent insulation properties. Good quality Widgets. Small manufacturer.
Prime Widgets	13%	30%	Low quality imported Widgets
ABC Widget Co	22%	11%	Waterproofing capabilities superior to most

Competitive Strengths

	Sample Company's Widgets	Sly Widget	ABC Widgets
What is your general positioning and that of your competitor?	We offer the best value for money	They are the cheapest	They have the best distribution channels
General Comments about this competitor	General comments about your offerings	Write some general comments that describe this competitor	Write some general comments that describe this competitor
Price Strategy			

MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.

Retail Price	xxx	xxx	xxx
Payment terms	x days	x days	x days
Product Strategy			
Temperature Resistance	180C	120C	120C
Waterproofing	Excellent	Poor	Excellent
Reliability	Excellent	Medium	Medium
Insulation	Medium	Good	Medium
Quality level	Excellent	Very Good	Very Good
Service level	Response within 24 hours	Response within 24 hours	No guarantees

SWOT and Objectives

SWOT Analysis

This is a summary of the business's most important strengths, weaknesses, opportunities and threats.

SWOT	"Which means that"
Strengths of the Business <ul style="list-style-type: none"> • Excellent customer base. • Good reputation. • Excellent quality product (waterproofing & durability). • Good management skills. • Good ability to extract information. 	<ul style="list-style-type: none"> • Can sell other products to this customer base. • People will want to buy again. • Adds to reputation. • Well run business. • Can control the business.
Weaknesses of the Business <ul style="list-style-type: none"> • Not promoting the product to some segments. • Reduced profitability. • Existing machinery needs replacing, production problems have caused lost orders. • Negative sales force. • Poor programs to "centres of influence". 	<ul style="list-style-type: none"> • Missing out on sales opportunities. • Need to improve or the company will falter. • Further lost orders will result unless this is addressed. • Without a positive sales force the company will never perform well. • Missed potential referrals.
Opportunities in the Marketplace <ul style="list-style-type: none"> • Add-on products such as contract management, lubrication, anti-corrosive materials etc. • Growing marine and heavy industrial equipment segments. 	<ul style="list-style-type: none"> • A potentially enormous market for Sample Company to tap into. • Sample Company should target these segments.
Threats in the Marketplace <ul style="list-style-type: none"> • Increasing supplier prices. • Declining size of the Automotive segment. 	<ul style="list-style-type: none"> • Resulting in reduced profitability. • Need to focus on growing segments to spread the company's portfolio.

MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.

Marketing Plan

Sales and Marketing Objectives

Product 1	To increase sales to x
Sales Objective by Market Segment	
#1 Segment	To increase sales to x
#2 Segment	To increase sales to x
#3 Segment	To increase sales to x
Other	To increase sales to x

New Products/services	To evaluate and launch new products or services which will turn over x in the first year.
------------------------------	---

Market Positioning

(Your Product/Service)	
General Market Positioning	Sample Company's Widget will generally be positioned as the highest quality range of Widgets in the marketplace.
#1 Segment	The best Widget on the market.
#2 Segment	The most durable Widget.
#3 Segment	The highest quality and the most flexible provider of Widgets to best meet customer needs.

New Products/Services	
General Market Positioning	The new products need to be positioned so that they strengthen the image of Sample Company in the marketplace.

Market Research

The business will conduct the following market research over the next 12 months:

- Customer Research
- Supplier Research
- Competitor Research
- International Research

Improving Customer Perception

Sample Company will conduct additional market research into the buying behaviour in the Marine segment. This project will be contracted out and will be scheduled for June this year.

Many customers in the automotive segment are not aware of how flexible Sample Company can be at customising orders. Sales reps will be told to emphasise this point to customers in this segment.

A survey of companies in this segment indicated that they believed that Sample Company's Widgets were not as good as the competition in waterproofing capabilities. It is believed that this is because:

- The competition tells customers that this is the case;
- Sample Company does not highlight this point in its brochures

MAUS Business Systems | Private & Confidential. This is a sample report only! Any statements or recommendations made within are not the views of MAUS Business Systems. This report is a light edition and shows only a portion of the content generated in the full edition.