
Business plan template

This business plan template is a great tool if:

- you're starting your business
- you're seeking new partners or investment
- you want to change direction
- you're fighting some challenges and need a solid plan.

We take you through some of the common sections of modern business plans. You might like to add or delete sections, depending on your business industry and phase or who you want to read your plan.

The sections are ordered in the best way for the finished plan. But sometimes it's easiest to do the later sections first, then come back and fill in the earlier summary sections. Complete it in the order that feels right for you.

For each section, we include some help text. You might like to delete that when you have finished your plan, or to leave it in as a reminder to yourself.

Business plan for [enter your business name]

Date: [Enter date]

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Executive summary

The executive summary is where you traditionally 'sell' your business to the reader by getting straight to the point and promoting the critical information you need to get across. You'll touch on many of the key issues later on, so don't go into great detail – just give the reader an idea of the potential of your business and a taste of what's to come. Try to keep it to one page.

Rather than start with the executive summary, it's often easiest to complete the rest of your business plan in detail first. When you do, make sure you write no more than a few paragraphs. Use plain language and avoid jargon.

Executive summaries are a controversial element of the modern business plan. Many people think they are important because if the reader of the business plan (such as a potential investor) is pushed for time, the executive summary can communicate all the vital information to them quickly. However, other people don't like executive summaries because they think they oversimplify complex ideas.

Think about your idea and your audience when weighing up whether to use an executive summary in your business plan. If your readers will be experts or specialists in your field or industry, they may skip the executive summary to check out the finer details of your plan.

[Start your executive summary here]

Business details

This section provides details of your business so that the reader can look you up to verify that you exist and find out more about you.

You can go to the Companies Office (companiesoffice.govt.nz) to check your:

- registered name*
- date of registration*
- structure*
- New Zealand Business Number (NZBN).*

Business name	{Enter the legal or registered name of your business}
Trading name	{Enter the name of your business that you use with customers}
Established	{Enter the date you first began trading}
Structure	{Eg, Sole Trader, Partnership, Company}
Date registered	{Enter date you first registered with Companies Office, if applicable}
TIN	{Enter your Business Registration Number, if applicable}

Contact details

Contact name	
Landline	
Mobile	
Email	
Physical address	
Postal address	

Online/social media

Website	
LinkedIn	
Facebook	
Twitter	
YouTube	
Blog	

What we do and how we do it

You need to be clear on what your business actually does. You and the people reading your business plan should be able to understand what you do and why that's appealing to customers.

Your overview will ideally include:

- *who your target customers are*
- *what you do*
- *how you do it*
- *why that is valuable to your customers*
- *how you're different from other companies available to your customers.*

That's a lot of important information, but you still need to keep it short and to the point. It should be easy for a reader to understand this overview of your business. Keep your overview to a few paragraphs or maybe even a few sentences. See [Developing your unique selling point](#) on [business.govt.nz](#) for tips.

[Enter a summary of what you do, how you do it and why that's different in the market and valuable to your customers.]

Business background

Business history

Some people like to know the background – where you have come from and how you have got to this point. Without going into too many details, summarise the history of your business.

You might include:

- *where the business idea stemmed from*
- *major milestones in the life of the business to date, eg initial investment, first staff member – see [Common business milestones](#) on Business.govt.nz*
- *first and major sales.*

[Enter a short summary or list of key moments in the business' history.]

Current position

Bring the reader up to date, summarising your current business. You might include:

- *locations and outlets*
- *number of employees*
- *number of customers*
- *current turnover*
- *current balance – whether, overall, you have or owe money*
- *intellectual property.*

[Enter a short summary of your current business.]

Our goal/mission

Whether you're starting up or are already in business, it's good to be clear on your next big goal. This might be a goal for this year, for the next three years or even the next 10 years.

The best goals or missions are specific, ambitious yet achievable and have a set timeframe. For example, in 1988 jeweller Michael Hill set himself a mission of having 70 shops in seven years. He achieved that goal.

[Enter your goal or mission.]

Our strategy

Key steps or jobs to do in achieving our goal/mission

List the main steps or jobs that are important in getting that job done, eg hire more people, reorganise the team, create another product, increase marketing and gain investment. The rest of the business plan will be about explaining those steps. You might like to complete those sections first, so that you have the answers to include here.

See business.govt.nz for tools to help you figure out key steps or jobs to do in achieving your goal or mission. Check out:

- [10-step quick-focus business plan](#), which guides you to think about next steps.

[List the main steps or jobs that are important in achieving your goal/mission.]

Current and planned team

Your team is one of your biggest assets. Investors make their decisions based on the strength of the people leading the business. And if your plan says you're planning to grow, you'll need to know who you need to join you.

See business.govt.nz's [Hiring and managing people](#) section for information about [taking on employees](#) and [getting the most out of your team](#).

Current team structure

[Enter an organisation chart, showing where the roles fit together, if your team is more than a few people]

Current team

Name	
Role title	
Key responsibilities	
Qualifications	
Experience	
Track record	

Name	
Role title	
Key responsibilities	
Qualifications	
Experience	
Track record	

Name	
Role title	
Key responsibilities	
Qualifications	
Experience	
Track record	

Mentors, consultants, advisors and other outside help

List other key people who are working on your business or helping you succeed.

See business.govt.nz for information about [getting ready for advice and mentoring](#) in areas including tax and [intellectual property](#).

Name	Role/Job title

Planned team structure

[Enter an organisation chart, showing where the roles fit together, if your team will be more than a few people.]

Planned roles

Role title	Key responsibilities

Retention, engagement and recruitment policies and practices

To maintain and improve your business' capabilities, detail the best practice solutions you'll use to retain key staff and compete for skilled workers in the job market.

This is often an area overlooked in business plans, but you should lay out your retention and recruitment solutions to readers. This will give them confidence that your business won't be hamstrung by a high turnover of staff or any other human resources issues.

[Enter the policies and practices you will use to recruit, retain and engage staff.]

Market analysis

Market research

Explain what market research you've done to build this plan and the methods you used. Outline how ongoing market research is built into your daily business operations. Talking about how you got your market knowledge and customer insight helps the reader have confidence in what you're about to tell them. See [How to research your market and competitors](#) on [Business.govt.nz](#).

[Summarise the market research you've done and will do on an ongoing basis.]

Market opportunity

Describe the opportunity in the marketplace that you've recognised. Go into detail about how visible this opportunity is to your competitors (whether it's a gap your competitors are also actively looking to fill or one that you think is largely unrecognised by the market) and the potential revenue the market opportunity represents.

[Describe the opportunity in the marketplace that you've recognised.]

Market structure

Describe where your business fits into the marketplace or supply chain structure and any efficiencies you plan to implement to usurp the status quo. For example, you could start selling directly to customers online if the accepted structure in your industry is to sell to wholesalers and retailers. This would provide you with cost and time efficiencies that represent competitive advantages.

[Describe where your business fits into the marketplace or supply chain structure and any efficiencies you plan to implement to usurp the status quo.]

Target market size and outlook

Having a target market is incredibly important, but many businesses ignore this fact. Without knowing what type of people will be most attracted to your offering, you won't be able to build a true picture of your business' viability. And without targeting the people most attracted to your offering, you'll never be able to maximise the real potential of your business.

Provide all the relevant statistics to describe the market – the locations and the people. The readers will need to know how large the market is in consumer/business numbers and demographics (eg age, income).

Also detail the markets you've identified that could provide future growth for your business.

See Statistics New Zealand (stats.govt.nz) for tools to help you understand your local market. If you're interested in exporting, New Zealand Trade and Enterprise might be able to help with your competitor analysis. See NZTE.govt.nz for more.

[Note all the relevant statistics to describe the market. Identify markets that could provide growth.]

Customer mindsets and behaviours

In addition to customer numbers and demographics, it helps to understand your customers' attitudes and behaviours. Those things can influence the way customers engage with your business. See [Creating your brand](http://business.govt.nz) on business.govt.nz.

[Summarise or list the factors influencing your target customers' purchasing habits and the way they will engage with your business.]

[Explain how the business will meet the market's requirements.]

Competitor analysis

It's good to understand your competitors – who they are, their strengths and their weaknesses – particularly if you have a small target market. That knowledge will help you to be different from your competitors and to shape your business strategy. See [How to research your market and competitors](#) on [Business.govt.nz](#)

Use this section to identify your competitors' strengths and weaknesses, and formulate a strategy to combat the former and target the latter.

Your choices should be based on sound competitor research that gives you an accurate picture of the experience your competitors offer the customers you're both targeting. This means you should buy products and services from your competitor to gain first-hand knowledge of their offering and to compare it with your own without making any assumptions.

If you think you'll be recognised by your competitors, don't use this as an excuse to limit your research to their website and advertising. Consider sending in a friend as a mystery shopper.

If your market and competitors is overseas, New Zealand Trade and Enterprise (NZTE) might be able to help with your competitor analysis. See [NZTE.govt.nz](#) for more.

[Enter name of competitor]

Strengths	Weaknesses

[Summarise your strategy for competing with that business]

[Enter name of competitor]

Strengths	Weaknesses

[Summarise your strategy for competing with that business]

[Enter name of competitor]

Strengths	Weaknesses

[Summarise your strategy for competing with that business]

SWOT – Internal and external forces

Now that you've analysed your market and your competition, think more widely about your SWOT – your strengths, weaknesses, opportunities and threats. Some will be internal to your company. Others will be forces outside your direct control. They're all important to identify and plan for.

Including this detail here will give the reader confidence that you're aware of what might be impacting your business, and have thought about how to deal with or make the most of those forces.

Internal forces – Strengths

Explain what positively impacts on your business from the inside. What do you do well, or what do you have that you can make the most of? For example, a good reputation, smooth operations, or a strong team. Outline what you'll do to make the most of those strengths.

Strengths	What we'll do

Internal forces – Weaknesses

Explain what negatively impacts your business from the inside. It could be what you don't do well or what you don't have that you need. For example, a poor reputation or none at all, bumpy operations, the wrong team. Outline what you'll do to overcome or turn around those weaknesses.

Weaknesses	What we'll do

External forces – Opportunities

Explain what might positively impact your business from the outside. What's out there or on offer that you could make the most of? For example, good talent to hire, a large untapped market, new software tools, a key new partnership. Outline what you'll do to take those opportunities.

Opportunities	What we'll do

External forces – Threats

Explain what might negatively impact your business from the outside. What's out there that might be a risk to your business? For example, no talent to hire, law changes, rising production costs, poor public infrastructure. Outline what you'll do to mitigate those risks.

Threats	What we'll do

Marketing strategy and budget

Detail your strategy for taking your product or service to the target market.

Marketing is the umbrella term for the overall strategy of taking your product and placing it in the hands of your customers. So marketing strategies often entail the coordination of everything from product design and pricing to sales and advertising.

The core segments of a marketing strategy are often referred to as The Four Ps. The more coordinated these four elements are, the more likely it is that your strategy will be a success.

The Four Ps are:

- *Product – designing features into your product or service that meet the needs of the target market.*
- *Price – using a pricing strategy that reflects the values of your product and brand, and appeals to the target market.*
- *Place – choosing the right distribution channels to make sure the product is sold at the right place and time to meet your target market, and choosing the correct delivery method to meet their needs.*
- *Promotion – choosing promotional and advertising tactics to appeal to your target audience to maximise sales.*

All four elements must work in conjunction. For example, if the promotional methods emphasise value but the pricing emphasises quality, then they won't complement each other.

You should split your promotional strategy into two categories – launch and ongoing marketing – because they will require two different sets of tactics. The former will be gauged to attract new customers while the latter uses a mix that contains more tactics for keeping existing customers.

When it comes to budgeting your promotional and advertising efforts, you should measure and keep track of your spend as you would do in any other part of your business. Use break-even analysis to measure the level of business that needs to be generated before you see a return on your investment, and compare that with the costs as you strategise. If the return on investment (ROI) is unrealistic, try to find more cost-effective ways of marketing your business.

See [Marketing and Sales](https://www.business.govt.nz/marketing-and-sales) on [business.govt.nz](https://www.business.govt.nz) for more.

Launch strategy and budget

Explain your launch marketing strategy and then note your budget. Few businesses make their name purely on word-of-mouth; they need to promote their business to effectively set up their stall in the marketplace. The budget for this should be part of the start-up costs mentioned in the Finance section and reflect the total cost of the launch marketing tactics outlined in your marketing strategy.

[Outline your strategy.]

Area of spend	Cost (\$)
Total	

Ongoing marketing strategy and budget

Once you've launched your business and gained recognition for your start-up's brand, you'll most likely need to continue marketing to keep the brand 'top of mind' with your target market.

Only businesses that can generate consistent, powerful, and positive word-of-mouth can normally forgo this cost. However, the fact remains that many businesses continue to promote themselves only on an ad hoc or opportunistic basis to save costs rather than committing to an effective long-term strategy.

Therefore, the budget for your ongoing marketing strategy should use tactics that are financially sustainable within your forecast cash flow. If your marketing budget needs half of your monthly cash flow to sustain it, go back to the drawing board.

[Outline your strategy.]

Area of spend	Monthly cost (\$)
Total	

Assets held and planned

Businesses hold various assets, from equipment to knowhow. It's good to acknowledge your assets in your business plan and explain how you'll replace those assets as they reach the end of their life. See [Common business assets checklist](#) on [business.govt.nz](#).

Business premises

Detail your premises situation. If you own the premises, list it as an asset. If you lease premises (or are you going to) to save money on your capital costs, explain that here.

[Explain your premises needs.]

Asset	Replacement / maintenance strategy

Computers and IT

Explain your IT (information technology) requirements and how you plan to manage them. Use this to spark thoughts about solutions for any specialist human resources or security issues, which you might want to note in other parts of your plan.

[Explain your computer and IT needs.]

Asset	Replacement / maintenance strategy

Equipment

Explain your equipment requirements and how you plan to manage them, including solutions for any machinery, vehicles and equipment costs. For example, is it more in your business' interests to buy or lease certain equipment?

[Explain your equipment needs.]

Asset	Replacement / maintenance strategy

Stock

Many businesses rely on stock for their business model, and many of those hold stock within the business. If that's the case for you, it's good to show how you'll replace your stock and how you'll protect it before sale.

[Explain your stock needs.]

Asset	Replacement / maintenance / protection strategy

Intellectual property

Intellectual property (IP) is an important business asset, but is often overlooked.

Intellectual property typically includes things like a logo, brand, trade secret, design or invention.

IP is important for small businesses because it can help:

- *create market advantages and business opportunities*
- *grow profits, including licensing or selling to others*
- *attract investment*
- *protect businesses*
- *maintain your good reputation*
- *keep competitors away*
- *be a selling point for potential business buyers.*

IP needs protecting and can be leveraged to grow your business.

See business.govt.nz's [Intellectual property section](#) for more.

[Explain your intellectual property situation, as background before listing specific IP assets.]

Asset	Replacement / maintenance / protection strategy

Financial plan

It's important to know you can make ends meet or make money if that's what you want to do. This section outlines at a high level your forecasted costs, revenue, profit and loss, break-even date, cash flow and balance sheet.

See [How much money do I need to start a business?](#) And [Introduction to business finance](#) on business.govt.nz.

Cost forecast – money out

Summarise the start-up and ongoing costs of your business. Account for as much detail as possible. The more accuracy and honesty you provide at this stage the better, because if you sugar-coat the costs you face now, you'll just be setting yourself up for problems later on.

You need to pause and spend time digging down into the figures to give yourself a realistic costs basis on which to build your break-even analysis.

Area of spend	First year (\$)	Second year (\$)	Third year (\$)
Total			

Revenue forecast – money in

Revenue can come in different forms, including sales, commissions, royalties, rent and bank interest. List the different types of revenue you'll be getting and provide a forecast for each year.

Include your sources of investment funding. It's up to you how much detail you go into. But if you'll be showing this business plan to potential investors, they'll want to see how much you're backing your business with your own investment and who else has invested in the business.

Type of revenue	First year (\$)	Second year (\$)	Third year (\$)
Investment / funding			
Total			

Break-even forecast

Carry out a break-even analysis and enter the resulting date in the space provided. A break-even analysis estimates when your business could break even and start to pay its ongoing costs. To find a break-even date, you need to a) estimate the sales volume you need to reach to break even and b) estimate how long it will take you to reach that milestone given your capacity limitations.

- a) Estimate your break-even sales volume:
 - 1) Separate all your costs into type, fixed or variable.
 - 2) Tally up your total fixed costs.
 - 3) Tally up the average variable cost per product sold or service delivered (your variable cost per unit).
 - 4) Subtract your variable cost per unit from the unit sales price to find your profit margin.
 - 5) Divide your total fixed cost by your profit margin to find your break-even sales volume.
- b) Estimate your business' average production or service capacity per day (or week if that's more relevant). Make sure you dig down into the details to account for the entire supply chain from production to point of sale. Once you have an accurate estimate, divide the break-even sales volume by your average production capacity to give you the number of days (or weeks) ahead until you reach your break-even date.

If you charge an hourly rate for a service, you can take a shortcut to the break-even calculation by calculating your break-even point in hours. Divide your fixed costs by your hourly call-out rate to find the number of hours that need to be worked to reach break-even. Apply the result to the average number of hours worked each day by the service technicians in your business.

Break-even date: [Enter date]

Profit and loss forecast

Forecasting profit and loss can be quite difficult for existing businesses, let alone start-ups with no track record to go on. If you're still in the start-up phase, you need to base your figures on your market research by estimating the value of the market and the share of it you could take from your competitors as your business develops.

Try finding industry data or using publically available statistics to support your forecasts. To show your objectivity, you can also provide pessimistic, realistic and optimistic forecasts rather than just one forecast.

Profit and loss forecast	First year (\$)	Second year (\$)	Third year (\$)
Estimated revenue			
Estimated costs			
Estimated profit/loss			

Cashflow forecast

Summarise your cashflow forecasts for the next three to five years, before attaching a detailed forecast for the next year to your business plan.

Few businesses enjoy consistent levels of cashflow throughout the year, so unless your industry or business model can justify that prediction, you'll need to drill down into your market research to identify the peaks and troughs in income that you can expect.

[Enter a summary of your cash flow.]

Balance sheet forecast

Summarise your balance sheet forecast for the next three to five years, before attaching a detailed forecast for the next year to your plan. Balance sheets account for all the assets a business owns for the calculation of its net worth, which is the value of the business' assets minus its debts (or liabilities). They also show how the assets are financed if they're not owned outright by a business or individual.

Potential investors will compare your cashflow forecasts with your balance sheet forecasts to see when the business' income is likely to balance out all the debts incurred buying assets in the start-up phase. This is different to a break-even analysis, which estimates when the business will generate enough income to cover its ongoing costs rather than its total debts.

Balance	First year (\$)	Second year (\$)	Third year (\$)
Total			

Business continuity planning

We all like to hope for the best, but sometimes things don't go our way. It's important to have a plan for when your business is interrupted by a natural disaster, a machinery malfunction, a safety incident or health issue.

Business continuity planning might involve insurance, policies, and computer back-ups and systems. Think about what's right for your business and list your processes and tools here. See [Emergency planning for businesses](#) on [business.govt.nz](#).

Risk	Systems, policies or tools to mitigate risk or deal with
{eg Computer theft}	{eg Insurance so we can buy straight away, cloud back-ups and systems to ensure data is not lost}

Legal and regulatory compliance

Every business has legal and regulatory compliance obligations – things you need to do to be allowed to operate. Use the lists below as starting points, and then add your other obligations.

Use this list as a starting point if you are a sole trader.

I have carried out the following:

- *Registered for GST*
- *Registered as an employer*
- *Trademarked my business name and logo*
- *Applied for required licences and permits*
- *Applied for verification with the following standards bodies and regulators specific to my industry*

Use this list as a starting point if your business is registered as a company or partnership with the Companies Office.

I have carried out the following:

- *Registered with the Companies Office*
- *Registered with Inland Revenue*
- *Registered for GST*
- *Registered as an employer*
- *Applied for patents or trade marks*
- *Applied for licences and permits*
- *Applied for verification with the following standards bodies and regulators specific to my industry*
-
-
-