Project # 7: The Marketing Plan

Your business plan should include a detailed Marketing Plan which provides specific descriptions on these 5 factors:

A. The Target Market

B. Competition

C. Location Analysis

D. Price Determination

E. Marketing Approach

Project # 8: Advertising

INTRODUCTION: Your Marketing Plan required you to make advertising decisions. Now you must create one of these advertisements. Effective advertising includes something original that catches the consumer’s attention, provides them with information and helps them to remember your product.

Design and present an advertising piece or a promotional strategy to your class. This may be a video, sign, radio announcement, jingle, flier, newspaper ad, free sample, or any other advertising piece you would use to market your product. Attach a copy to your portfolio (if possible – otherwise attach a photo or script).

Project # 9: The Financial Plan

Sound financial management is one of the most important ways for your business to remain profitable and solvent. In your Financial Plan you will need to determine the amount of money needed to open your business (start-up costs) and the amount needed to keep it open (operating costs). Then you will have to evaluate how much money you currently have and how much you are able to acquire through loans or other resources. Finally you will predict the amount of money your business will make in the first few months of operation, allowing you to determine your expected net profit. Your aim as a young entrepreneur is not to become a financial wizard, but to understand the financial tools well enough to gain their benefits.

\*Start Up Costs

Brainstorm a list of all the inventory, supplies, advertising, equipment/building and other needs you have before you can open your business. It may help to imagine a typical work day: what tools or supplies are you using at any particular moment? Be specific.

-Create a chart entitled “Start Up Dollars Needed”

Use this chart as a guide to create your own start-up costs chart. Organize your chart into categories and find costs associated with each item. This is a time consuming process requiring much research to obtain realistic dollar amounts. Call stores, offices, landlords and other small business owners to gather your figures. In your chart, you must include a brief description of how you arrived at each figure (make a separate column). Perhaps some of your supply needs will be furnished free from friends/relatives or are already owned by you. Make sure to explain these situations in your description column. Remember this list includes all of the costs you must incur before you can even open your business. Total the column and label the amount “Total Start Up Dollars.”

\*Now you must determine all fixed costs (e.g. rent, equipment, insurance, salaries) and variable costs (e.g. office supplies, hourly wages, advertising) you will incur during your first 3 months of operation.

Fixed/Variable Costs

Make another cost chart with separate sections for fixed and variable costs over a 3 month period. Again, list the dollar amounts and descriptions of how you arrived at these figures. Several of your categories may be repeated from your start-up costs chart. However, your totals for fixed costs should include the fixed amount for 3 months. Variable cost totals should include a range of values for 3 months, which is dependent on your business needs each month. Total these costs and label the amount “3-Month Operating Expenses.”

\*Next you must evaluate your assets. Do you have enough cash or resources to finance all your expenses from start-up through the first 3 months? If not, you will have to seek loans. Indicate how much you will need to borrow from a bank.

\*Personal Assets/Collateral

Make a list of all the assets you personally own and their values to be used as collateral for any loans you must incur. Include cash, bank account values and all property that you claim as your own. Total these figures and label the amount “Personal Assets.”

Now add the amounts of your Total Start Up Dollars and your 3 Month Operating Expenses to find your Total Expenses. Next subtract your Personal Assets total to determine your Total Dollar Needs.

Total Expenses: $\_\_\_\_\_\_\_\_\_\_\_\_\_

(–) Personal Assets: $\_\_\_\_\_\_\_\_\_\_\_\_\_

= Total Dollar Needs: $\_\_\_\_\_\_\_\_\_\_\_\_\_

This final amount shows your estimated needs to open your business and to operate it for the first 3 months. As an entrepreneur you plan to make enough sales to offset these expenses, but you realize that it may take a few months to develop a business flow. Therefore, you may choose to apply for a business loan to finance these unmet expenses.

Project # 9: Strategic Plan

Write a 1 page summary of your short and long term goals for your company. Include bullets and/or paragraph formatting to make this easy to read. It should answer the following questions:

\*What are the strengths of your business?

\*What are the weaknesses of your business?

\*What opportunities are available to you (and your competitors)?

\*What threats may impede you (and your competitors)?

The answers to these questions should describe strategies that use your strengths to not only take advantage of opportunities but also to overcome threats and reduce weaknesses.

Include a section describing how your short term business goals (about

2 years) may vary from your long term goals (about 5 years) as well as business strategies that may change over the course of those five years.

PROJECT #10 – Portfolio

You must include the work that you have done throughout the semester into one portfolio. Please include all your work into a folder with a clear cover.

\*Title Page and Table of Contents

Complete a Title Page for your business plan that is unique to your business. You may wish to use a logo or design, but it must contain the following information in a center-spaced format:

\*Business Name

\*Address/Phone Number

\*Owner Name (Your Name)

Next, complete a Table of Contents page. It must include these sections and projects (with page numbers) in the following order:

1. Table of Contents

2. Market Research (Project 4)

3. Marketing Plan

4. Advertisement

5. Financial Plan

6. Strategic Plan

7. Final Summary

– Final Summary

Write a one page summary describing your final thoughts on the potential success of your business. Discuss whether or not would like to put your plan into action and your reasons. Finally, comment on specific ideas or details that you have learned about being an entrepreneur from this portfolio project.