



# The Secret of All Successful Business Owners

## A Great Business Plan



BEVERLY HILLS  
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# Your Coaches' Background

- **CEO/Chairman – McKim Nonprofit Consulting**, Advanced Growth Strategies
- **CEO/Chairman – MSDBM** Nationally recognized company who fashioned Customer Relationship Marketing won 22 national and international **awards for database marketing and direct mail**
- **CEO/CFO – Robert McKim Advertising** – Built a ten million dollar advertising agency servicing large consumer and business to business account in Southern California
- Director of Marketing and Sales for Bushnell Optical Company, responsible for marketing, new products and sales
- **Director of Advertising and Sales Promotion - Schick Electric** - implemented a seventeen million dollar advertising and sales promotion budget
- **Gillette Brand Manager** –launched many brands
- **Education:**
- **Master Public Administration** – Walden University
- **Undergraduate: Northeastern University**, Leadership and Bachelor of Administration



# Strategic Plan vs. Business Plan

- **Strategic Plan is a process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy, including its capital and people.**
- **Business Plan is a document that shows how a business is going to achieve its objectives laid out in the plan both from a customer marketing viewpoint and the financial statements to back up the strategic plan. Typically a business plan contains top level business strategy, research data, marketing plans, tactical plans and financial forecasts**



[Your organization]  
Bike Marketing Plan

**August 24, 2011**



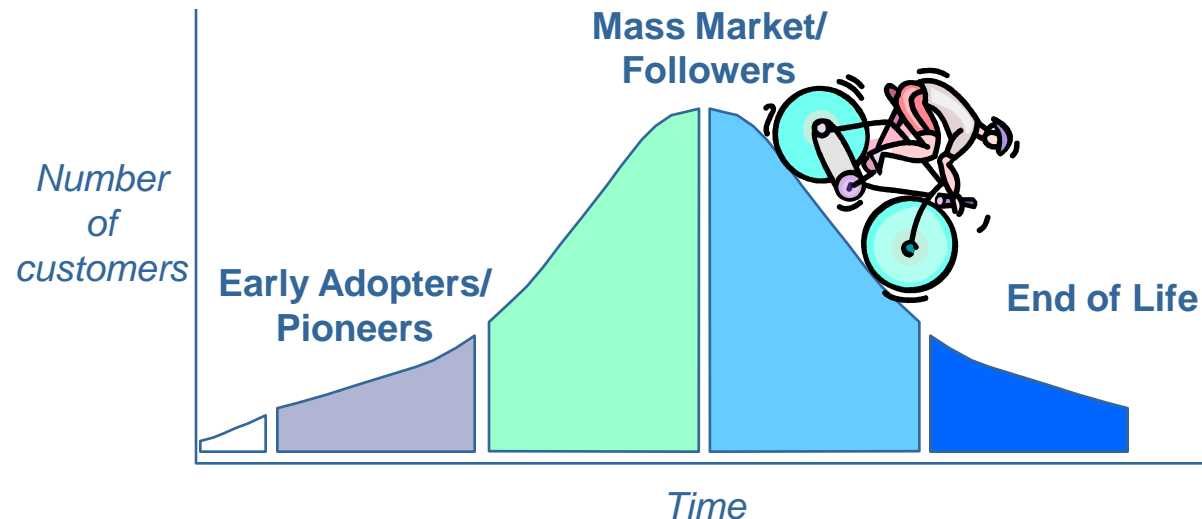
# Mission Statement

- **Clearly state your organization's long-term mission.**
  - **Try to use words that will help direct the growth of your organization, but be as concise as possible.**



# Market Summary

- **Market: past, present, & future**
  - Review changes in market share, leadership, players, market shifts, costs, pricing, competition

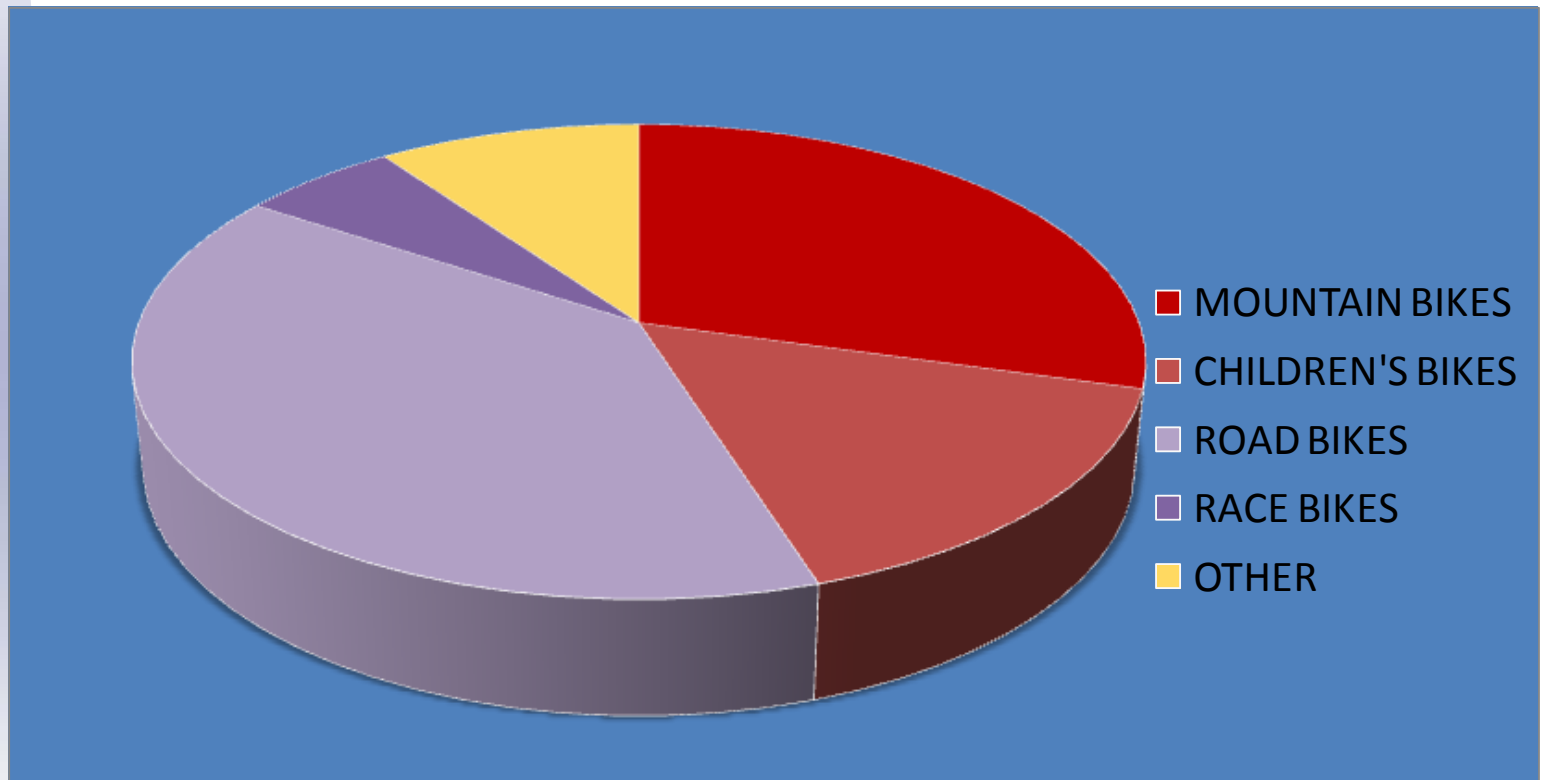


# Definition

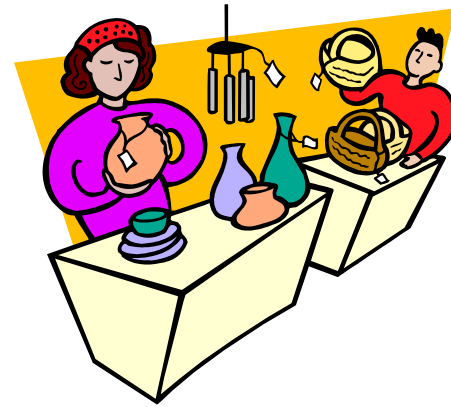
- Describe product/service being marketed



# Sales by Product Type



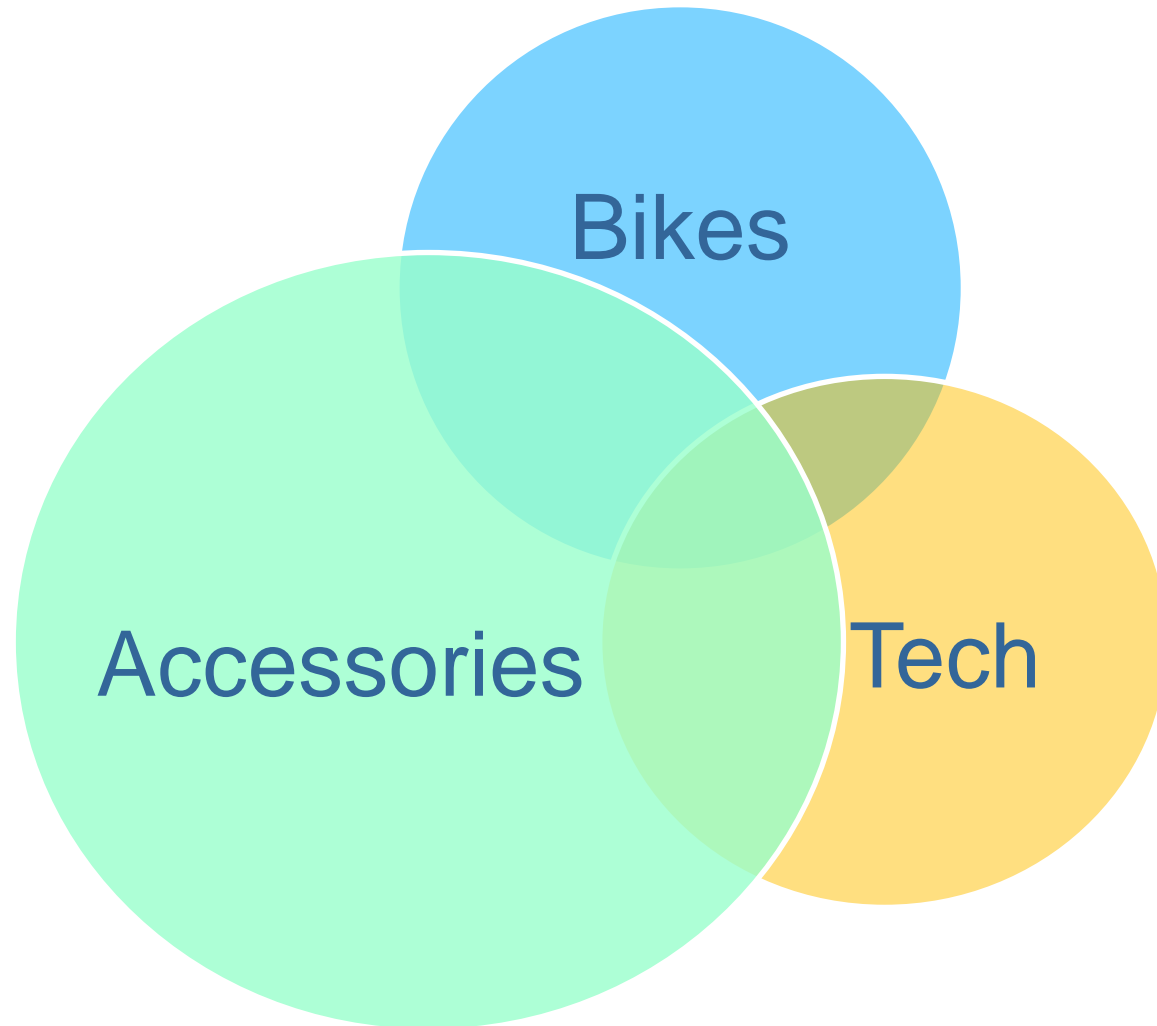
# Pricing



- **Pricing**
  - Summarize specific pricing or pricing strategies
  - Compare to similar products
- **Policies**
  - Summarize policy relevant to understanding key pricing issues

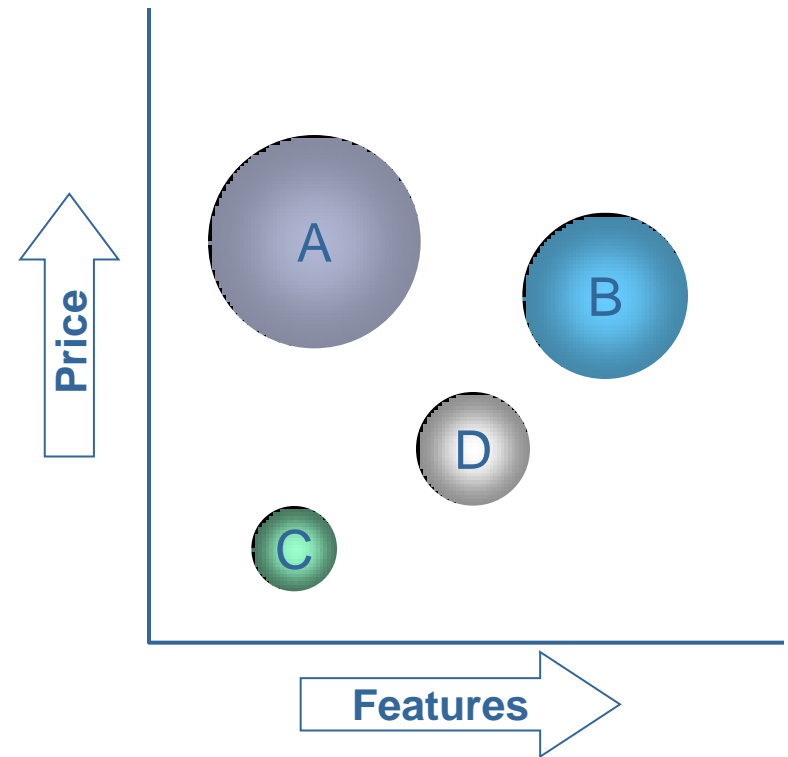


# What is Your Margin / Costs



# Competition

- **The competitive landscape**
  - Provide an overview of product competitors, their strengths and weaknesses
  - Position each competitor's product against new product



# Positioning



- **Positioning of product or service**
  - Statement that distinctly defines the product in its market and against its competition over time
- **Consumer/Client promise**
  - Statement summarizing the benefit of the product or service to the consumer

# Communication Strategies

- **Messaging by audience**
- **Target consumer demographics**

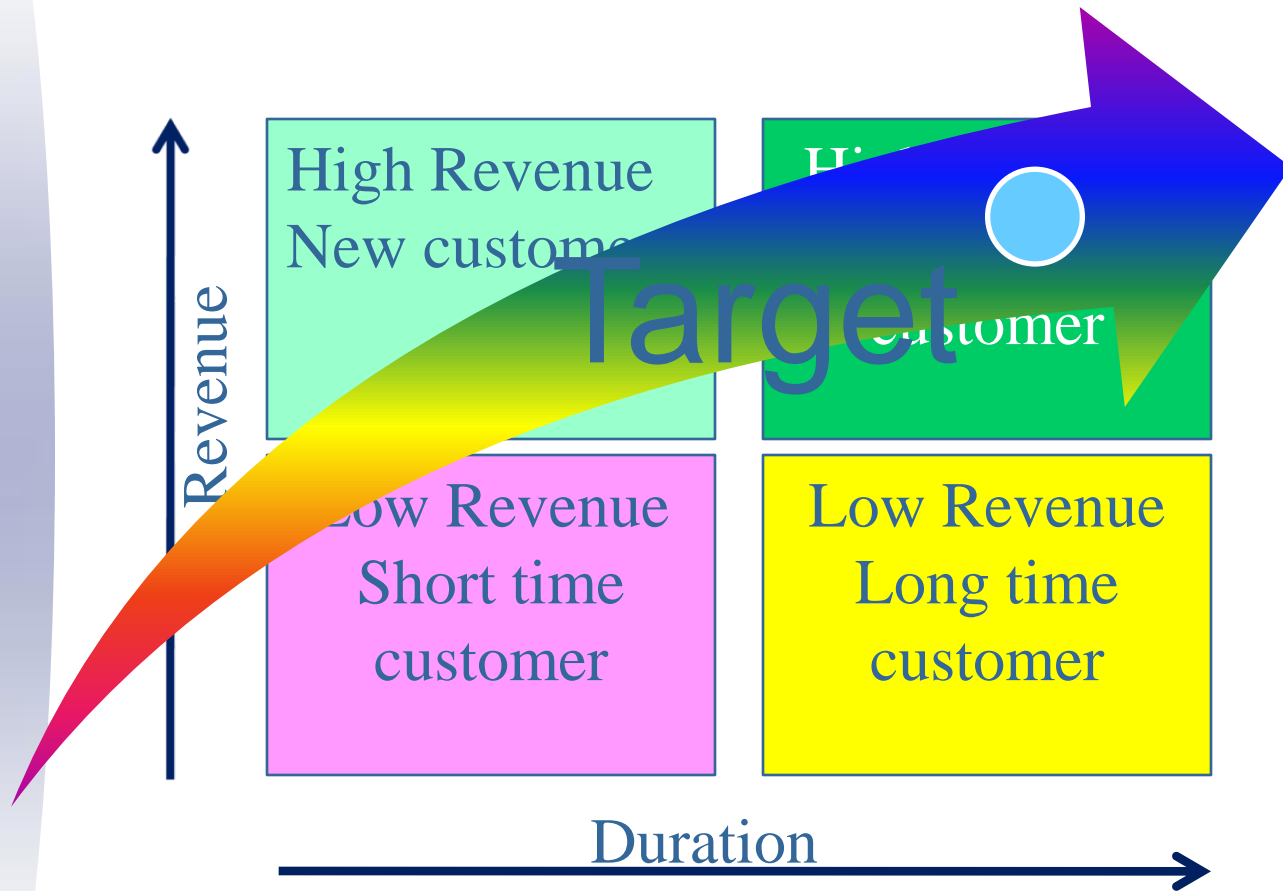


# Know Your Customer

- How well do you know the audience(s) most critical to your success?
- What are the triggers—emotional and other—that make them most likely to act in the manner you desire? Having a firm grasp on your audience allows you to target your brand for maximum effect.



# Know Your Customer/Client

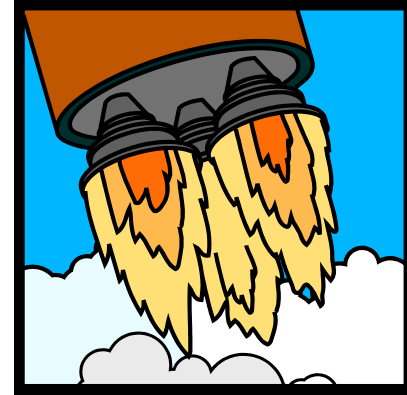




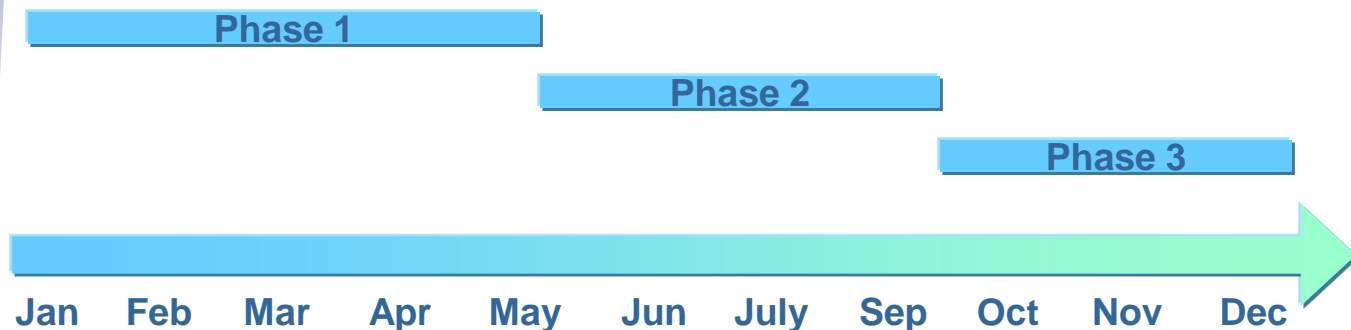
# Packaging & Fulfillment

- **Product packaging**
  - Discuss form-factor, pricing, look, strategy
  - Discuss fulfillment issues for items not shipped directly with product
- **COGs**
  - Summarize Cost of Goods and high-level Bill of Materials

# Launch Strategies



- **Launch plan**
  - If product is being announced
- **Promotion budget**
  - Supply back up material with detailed budget information for review



# Public Relations

- **Strategy & Execution**
  - PR strategies
  - PR plan highlights
  - Have backup PR plan including editorial calendars, speaking engagements, conference schedules, etc.





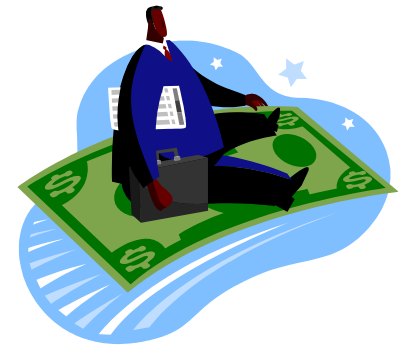
# Advertising

- **Strategy & Execution**
  - Overview of strategy
  - Overview of media & timing
  - Overview of ad spending



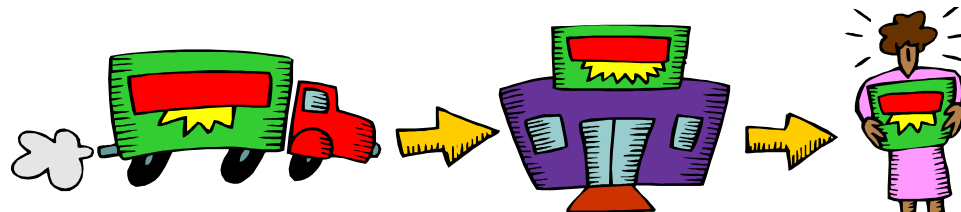
# Other Promotion

- **Direct marketing**
  - Overview of strategy, vehicles & timing
  - Overview of response targets, goals & budget
- **Third-party marketing**
  - Co-marketing arrangements with other companies
- **Marketing programs**
  - Other promotional programs



# Distribution

- **Distribution strategy**
- **Channels of distribution**
  - Summarize channels of distribution
- **Distribution by channel**
  - Show plan of what percent share of distribution will be contributed by each channel -- a pie chart might be helpful





# Vertical Markets/Segments

- **Vertical market opportunities**
  - **Discuss specific market segment opportunities**
  - **Address distribution strategies for those markets or segments**
  - **Address use of third-party partner role in distribution to vertical markets**



# International

- **International distribution**
  - Address distribution strategies
  - Discuss issues specific to international distribution
- **International pricing strategy**
- **Localization issues**
  - Highlight requirements for local product variations



# Legal



- **What is your corporate structure**
  - **Corporation, LLC or sole proprietor**
- **Licensing and bonding requirements Permits**
- **Health, workplace, or environmental regulations**
- **Special regulations covering your industry or profession**
- **Zoning or building code requirements**
- **Insurance coverage**
- **Trademarks, copyrights, or patents (pending, existing, or purchased)**



# Personnel

- **Number of employees**
- **Type of labor (skilled, unskilled, and professional)**
- **Where and how will you find the right employees?**
- **Quality of existing staff**
- **Pay structure**
- **Training methods and requirements**
- **Who does which tasks?**
- **Do you have schedules and written procedures prepared?**
- **Have you drafted job descriptions for employees? If not, take time to write some. They really help internal communications with employees.**





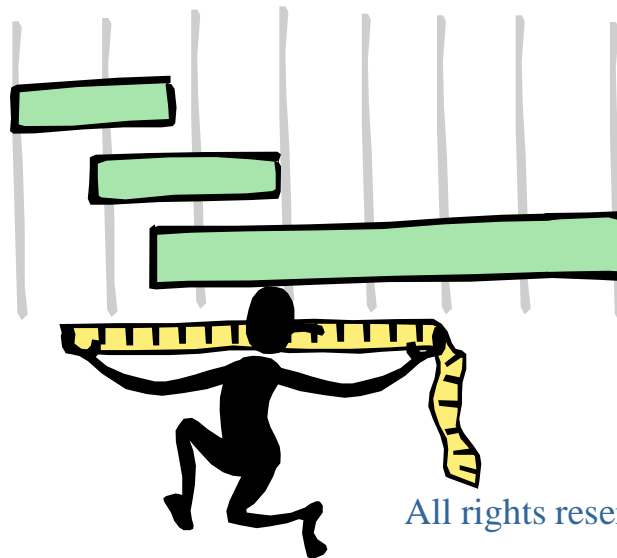
# Important Considerations

- **Existing inventory**
- **Credit policies**
- **Order to delivery of inventory**
- **Suppliers terms and conditions**
- **Customer service**
- **Quality control**
- **Accounting systems**
  - **Tracking costs**



# Success Metrics

- **First year goals**
- **Additional year goals**
- **Measures of success/failure**
- **Requirements for success**

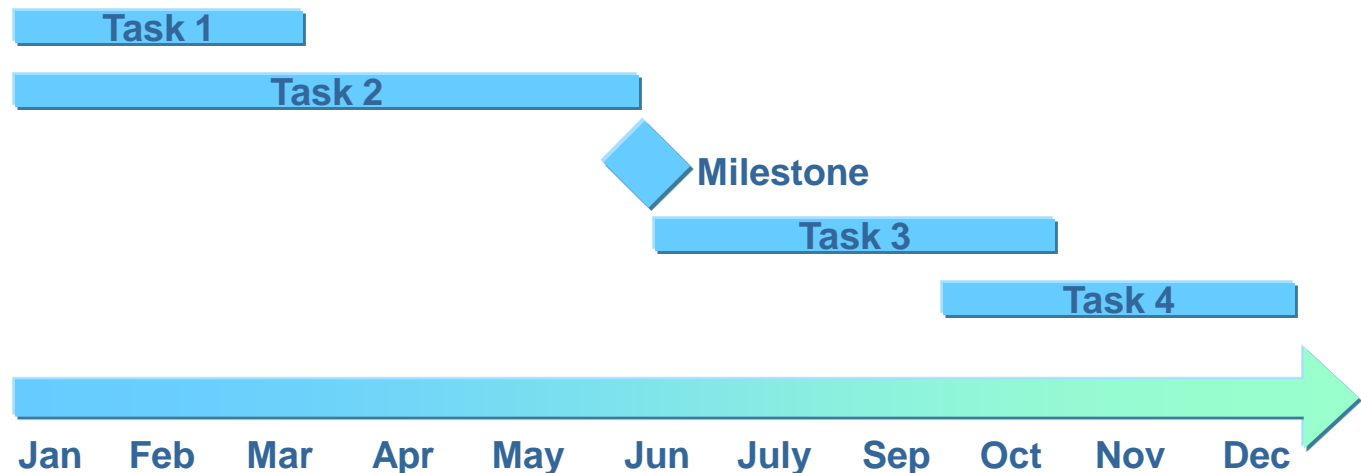


# Cash Forecast – Your Protection

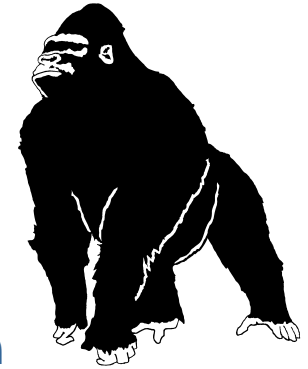
The Bike Company		15-Feb-09	Month 1	Month 2	Month 1, May	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
Beginning Cash Balance			5000												
<b>INCREASES</b>															
Bike Sales			1000	400	1000	2000	3000	4000	4800	5760	6912	\$8,294	\$9,953	\$11,944	
Tech Sales			200	300	200	200	200	240	240	240	240	240	240	240	
Miscellaneous			300	250	300		1000	1000	500	1800	600	800	1800	1000	
Tota Revenue			6500	950	1500	2200	4200	5240	5540	7800	7752	9334.4	11993.28	13183.936	\$76,194
<b>DECREASES</b>															
Start-up Expenses															
Furniture			(50.00)												
Equipment			0.00												
Deposits			0.00												
Supplies			(25.00)												
Legal			(50.00)												
Art work			(250.00)												
Other			0.00												
Total			(375.00)												
Cost of Goods			(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$12,000)
Operating Expenses															
Website			0.00	(500.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(\$500)
Direct Marke			0.00	0.00	(75.00)	(75.00)	(75.00)	0.00	0.00	(75.00)	(75.00)	0.00	(75.00)	(75.00)	(\$525)
Conferences			0.00	0.00	(50.00)	(300.00)	(50.00)	(50.00)	(50.00)	(50.00)	(50.00)	(50.00)	(50.00)	50.00	(\$650)
Newsletters			0.00	0.00	0.00	(75.00)	0.00	0.00	(75.00)	0.00	0.00	(75.00)	0.00	0.00	(\$225)
Auto			0.00	0.00	(50.00)	(50.00)	(50.00)	(50.00)	(50.00)	(50.00)	(50.00)	(50.00)	(50.00)	(50.00)	(\$500)
Dues/Subs.			(300.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(\$300)
License Fees			0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	\$100
Rent/Postal			0.00	0.00	(35.00)	(35.00)	(35.00)	0.00	0.00	(35.00)	(35.00)	(35.00)	(35.00)	35.00	(\$210)
Salaries			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0
Empl. Taxes			0.00	0.00	0.00	0.00	0.00	0.00	0.00	(500.00)	0.00	0.00	(1500.00)	0.00	(\$2,000)
Telephone			(110.00)	(110.00)	(110.00)	(110.00)	(110.00)	(110.00)	(110.00)	(110.00)	(110.00)	(110.00)	(110.00)	(110.00)	(\$1,320)
Utilities			(45.00)	(45.00)	(45.00)	(45.00)	(45.00)	(45.00)	(45.00)	(45.00)	(45.00)	(45.00)	(45.00)	(45.00)	(\$540)
Delivery			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0
Supplies			(15.00)	(15.00)	(15.00)	(15.00)	(15.00)	(15.00)	(15.00)	(15.00)	(15.00)	(15.00)	(15.00)	(15.00)	(\$180)
Banking			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0
Other			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0
Total			(470.00)	(670.00)	(380.00)	(705.00)	(380.00)	(170.00)	(345.00)	(880.00)	(380.00)	(380.00)	(1880.00)	(210.00)	(\$6,850)
<b>OTHER BUSINESS LOAN REPAYMENTS</b>															
Payment:								(15,000)							(\$15,000)
<b>PERSONAL DRAW/SALARY</b>															
										(2500.00)			(7500.00)		(\$10,000)
<b>PROFIT OR LOSS</b>															
			5030.00	(720.00)	120.00	495.00	2820.00	4070.00	4195.00	5920.00	6372.00	7954.40	9113.28	11973.94	\$ 32,344
<b>ENDING CASH BALANCE</b>															
			5655.00	280.00	1120.00	1495.00	3820.00	5070.00	5195.00	4420.00	7372.00	8954.40	2613.28	12973.94	\$ 12,974

# Schedule

- **18-month schedule highlights**
- **Timing**
  - **Isolate timing dependencies critical to success**

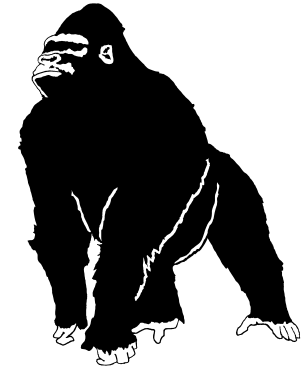


# Gorilla Campaign



- **First touch**
  - Postcard
    - Execute a low-cost promotional campaign
- **Second touch (one of the below)**
  - High-impact dimensional mailer
    - The dimensional mailer is designed to generate higher response rates, but it is also more expensive to produce and distribute
  - Direct mail letter
    - The direct mail letter is designed as another easy-to-execute low-cost promotional piece that can be broadly distributed
  - E-mail
    - Based upon your budget, timing, and lead-generation objectives, another alternative for the second touch is to send an e-mail

# Gorilla Campaign



- **Third touch**

- **Telesales**

- Telemarketing can be used as a follow-up to any individual campaign element to boost response rates

- **Fourth touch**

- **Seminars and briefings**

- The executive briefing is a key element in your overall campaign strategy
    - An executive briefing allows for a far-more-compelling presentation of your solution
    - Leverage the marketing materials available at <https://partner.microsoft.com/bi>



# Resources

- **SCORE** <http://www.score.org/resources/business-plans-financial-statements-template-gallery>
- **Microsoft** <http://office.microsoft.com/en-us/templates/business-plan-for-startup-business-TC001017520.aspx>
- **SBA** <http://web.sba.gov/busplantemplate/BizPlanStart.cfm>
- **BPA Nonprofit**  
[http://www.bplans.com/nonprofit\\_trade\\_association\\_business\\_plan/executive\\_summary\\_fc.cfm](http://www.bplans.com/nonprofit_trade_association_business_plan/executive_summary_fc.cfm)



Questions????

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