

ABOUT THIS BUSINESS PLAN

Background

Describing why the business plan has been developed.

It may be to

- identify the basis of the business, company or project;
- to visualize how the company or initiative is likely to unfold in the start up-phase as well as in operation;
- to give confidence to stakeholders who can contribute financially to the realization of the plan, including presenting a solid construction of the economy, the organization and the management.

The business plan should also provide transparency and coherence between the level of ambition (mission/vision) and the ability to realize the model, including describing how the team has the necessary skills and qualifications.

The business plan must show that the planned goals can be reached, and that economic expectations can be complied.

The business plan can also be used as a navigation tool in both the start up-phase and in future operations.

The business plan can be used iteratively – e.g. as a document, which is regularly updated, as the business or project progresses.

Summary

Make a short summary of themes/topics in the plan.

The Vision

The vision is not necessarily a specific and measurable size. Rather, it is an overarching goal that can motivate you, your team members, business partners and other stakeholders.

The vision offers a direction (what is the business or project moving towards) and a level of ambition (how big, small, known, prestigious, innovative or society-changing is it?) What are the artistic as well as the commercial ambitions?

You might want to describe a random day in 2020 - what has the realization of the vision led to?

The Mission

The mission must be specific. It should define short-term as well as long-term goals, specify how the goals are reached and how the vision is approached over time.

What are your aims and objectives? How should the plan of going forward be structured? Set up milestones describing when what should be achieved. This could be artistic, commercially, international, in terms of the market or anything else, which could be relevant to your practice and plan.

A strong mission is SMART:

- Specific
- Measureable
- Accepted (by all partners)
- Realistic
- Time limited

THE BUSINESS MODEL

Process and development

If the business shall be long lived, you need to think about how your idea and your work can develop over time. It is often through the continued development that you give your business model a sustainable life.

Describe why this is a good business idea and not just a good idea.

Describe the business areas and markets the company or project is dealing with.

Describe if there are specific technical or industry conditions that applies to the business or the project.

Describe how the business model has been developed and qualified. Is there, for example, worked with prototyping, prototyping, pilot projects, audience surveys or audience tests? Have there been professional advice on finances and legal regulations? Which professional experience is behind the model? What research and analysis has been conducted?

Whether you work alone, in business partnerships, project partnerships, or both, you should create a practice which both let itself unfold and anchor over time.

Portfolio

In most cases, you will need more than one product on your shelf. Think about whether your core product or core service could be supplemented by other products or services that can add to your profits and generate a larger customer base.

Customer Base

Describe the customer base and the target groups.

The customer base and the primary target groups are those who will have a need fulfilled or get an advantage or benefit (e.g. aesthetic, sensual, experiential, practical or economically) by purchasing, using or experiencing your product or service.

A secondary target group can be individuals, organizations or companies that are not directly buyers of the products or services, but who have an interest in having it reaching the primary target group.

Describe as accurately as possible why the target group should be interested in investing time or money in what your business has to offer.

Describe what you want with the target group and how they should be affected. Should they be informed, entertained or changed? Do you want them to buy something?

ECONOMY

Financial conditions

What are the financial conditions for the start up phase as well as for the operation of the business or project?

Describe the budget structure. Preferably both in text, numbers and graphics.

The budget structure should reflect operations as well as the specific elements of the portfolio.

Include as many budgets as necessary to support the realising of the mission. This may be budgets for:

- Founding / Start Up
- Operations
- Liquidity (value chains in the portfolio)
- Marketing & PR
- Event

Remember that the budgets as well as the accounts are made up of both costs and revenue.

Financial risks

Describe the financial risks of both the start up phase and in operations, as well as how you expect to meet them.

MANAGEMENT

Management structure

How are decisions being made, and who is in charge if running the business?

Describe how the operating organization is organised. Are there one person or more people in charge? Is there a board, a steering committee or an advisory board?

Who has the skills and responsibility for what - administration, project management, development, finances, marketing, etc.?

Legal structure

Which form of business structure is chosen for the business?

The legal structure must reflect the needs of the business plan as well as the business model in relation to

- Ownership
- Management
- Liability
- Capital
- Laws and regulations