

Creating a Simple Business Plan

By [Deborah Taylor](#)

OK, you have decided you are going to start an online business and take advantage of all the new forms of income on the internet and their earning potential. Good for you!! But before you hang your "shingle", there are some very important things to think about, consider, and put in place first. So relax, take a deep breath, grab paper and pen (or your laptop), and let's actually plan your business to avoid making mistakes, back tracking, and to give it a far better chance of being a success.

First of all, you need a fresh new idea that you can use to create an online income opportunity for yourself, or a really good innovation or improvement on an existing one. Search the internet itself of course for ideas if you don't have one already, but also look closer, around your home, yourself, and your own personal list of skills and talents. (Maybe this article will help: [Earning Income with Your Hidden or Special Talent](#).) Once you have your idea set, it is then time to plan your business around your idea.

Before starting an online business, or any business for that matter, it is very important to write a business plan. A well layed out plan can really make the difference as it will help you plot the right course for you and your business.

Begin your plan with a [Mission Statement](#), or a description of what your business will do and its purpose, and then add in what your initial products/services will be. (I say "initial" because it is better to start small and give your business time to grow and something to grow in to.)

Expand on this by adding in your objectives or what you are looking to accomplish, and your goals for your business. These objectives and goals could be directly related to the products/services you will offer, or to plans to move your business beyond an online entity, to hiring of staff, or to....

Next you will need a business name. Your business name should be reflective of your product/service, but at the same time not restrict you to that product/service. For example, if you are starting off your business doing pamphlets and later plan on adding web design services, you don't want to call your business ABC Pamphlets because that would lock you in to the one service, pamphlets. ABC Office Services or ABC Design may be more appropriate and allow you to move your business in other directions. (I wrote a short blog post called [Naming Your Business](#) that has a few more pointers.)

Now that you have identified your business purpose, outlined your objectives and goals, and given it a name, we can move on to the marketing plan. This part is a bit difficult and can take quite a bit of time and effort, but it is probably the most important as it will address the business specifics like finding your market, choosing advertising methods, delivering your products/services, and getting paid.

Here are some things to consider and research, and include in the marketing section of your business plan:

Website

Since your business will be based online, you will need a website. This will be your place of business, your storefront in effect, where you will showcase and sell your products/services. Do your homework to choose just the right domain name, web hosting, and website design. (Not sure where to go from here: [Website Fundamentals – Domain & Hosting](#))

You don't need to spend a fortune on this either. There are many great premade themes out there for free you can use to get started, and lots of reasonably priced hosting services. If you will be selling a product, you will also need some kind of ecommerce (shopping cart). Be very careful on this one. There are many third party solutions out there than can be quite expensive and you certainly don't want to spend a ton of money at the very beginning. Get just what you need to start with. You can always upgrade later. Some hosts have a shopping cart that you can

integrate in to your website, and if using WordPress there are some good plugins too. While they may not all be free, their prices are very reasonable.

Target market

Your target market refers to the customers that could be interested in your products/services. Depending on what you have to offer, your target market could be homemakers, business executives, men only, women only, teens, preteens, kids, or anywhere in between. Identify the group(s) that will most likely buy your products/services and tailor your advertising and marketing efforts in that direction. Knowing and understanding your target market and anticipating their needs will take you far.

Competition

Competition is something you really want to pay attention to in any business, and the number one reason you want to try and make your product/service as unique and as different as possible. If you do have a product/service that is similar to what others are offering, educate yourself on what your competitors are doing. Visit their website and take a look at how they are marketing and selling their product/service. Look at ways you can improve on their approach, but also look at things they are not doing that you can do to make your target market want to buy your product/service instead of theirs.

Advertising

Spend some time investigating all the different methods available to advertise your business. Take advantage of the online tools especially since these will allow you to advertise your product/service across the entire world. Learn all you can about search engines, directories, articles, banner ads, blogs, etc.

Keep in mind though that not all methods work well for all businesses so this will definitely be a trial and error exercise. Advertising is also something that is constantly ongoing so be prepared to freshen up your campaigns from time to time.

Pricing

Plain and simple, how much are you planning on charging for your product/service? What do you think it is worth? What kind of profit do you want to earn? Again you need to go back to your competition and see if you are in line with their pricing.

You don't want to set your price too high because then your competition will out sell you, nor do you want to set your price too low and make your potential customers question the quality. It should be of affordable, offer good value for the money, and of course earn you a profit. As I mentioned before, look at what your competition is doing but what they are not doing too. Perhaps you can bundle your product/service with another or offer special incentives to attract your buyers.

Shipping/Service Delivery

If your business is a product, then you will need to decide how you will deliver it. Digital products are pretty easy because you can send your customers a download link or pop a CD/DVD in the mail. Other items may require more preparation and handling.

Give some thought to how you will package your items for shipping and how much the packaging and delivery costs will be, domestically and internationally. This may be something too that you add in to your price, or charge your customer for separately.

If your business is service oriented, the way you deliver your service will depend on the type of service. Investigate options, and costs if any, and incorporate this information in to your business plan.

Payment Methods

Most online businesses accept payment through credit cards, interac transfers, wire transfers, or PayPal. Cash and cheques are very risky so it is best to avoid these. Look at the various methods available and their associated costs to find

what may work for you. Give some careful thought as some methods are more secure than others. Ensure your customers are aware of your payment methods and try not to deviate from them.

These are just some of the things that can be included in your business plan. You can add anything else that you think is important to you and your business. Take your time and keep in mind that it doesn't have to be pretty. And nothing is carved in stone. Everything can be changed and reworked to suit whatever stage you are in.

Once you have a plan, you are truly ready to get going on your new income opportunity.

Here's to your success!!

About the Author:

Deborah Taylor is a diversified administrative professional with more than 25 years of varied and progressive experience in all areas of office management and administration. President of [AVA Business Services](#), Deborah and her team provide Virtual Assistance and local Freelance support for today's global marketplace.