

Template for preparing the business plan

Introduction

The Business Plan should be written in a very simple way. Its purpose should be to help you clarify proposed business idea and make it feasible. A well-prepared business plan will make the transition from idea to reality a much smoother process. Finally, a complete business plan will greatly assist you in these areas:

- Consolidate your business approach
- Identify your target market
- Define your business strategies
- Identify management & key players
- Manage better your resources
- Determinate financing needs
- Perform well and sustain in your business

This document describes the information you need to provide in your proposal for developing a new touristic product

1. Summary of the new touristic product

*The first chapter will be the summary of your tourism project that provides your business planning idea. The executive summary should be completed as the last step in the process. Keep the executive summary short – at the most, **1 page in length**.*

The summary should cover the following topics:

- Brief description of the new product
- Target market group(s) you product aims at
- Your competitive positioning,
- How this new product will be (financially) sustainable

2. Description of the organizations

Describe in **max 2 pages** the different business / organizations that are submitting this proposal. For each business/organization involved, you can include:

- What is you core business?
- In which sector of tourism your business is operating in? e.g transportation provider, travel agent, accommodation unit, tour operator, association, local government department, etc.

- List and explain shortly your products and/or services you provide to individuals or groups
- What is your market share?
- How is visitor satisfaction?
- What is your customer base? Who buys your products or services?
- Relevant experiences in implementing the proposed product

3. Location of the new touristic product

You must explain carefully the location of the new product. The most important factor for your success may be directly related to where it will be developed. and a key to successful operations and overall growth.

Describe in **one page** maximum:

- What the locality is known for?
- Why tourist would visit your location?
- Explain competitive advantages of your location such as:
 - The level of services
 - Natural resources, weather,
 - Proximity with rivers, lakes, sea, mountains that are attractive tourist destination to visit in your area?
 - Transportation costs and facilities
 - Complementary Services
 - Local bed and breakfasts, hotels etc.
 - Airport transportation services etc.

4. New Product description and analysis

In this section you need to describe in detail the new product you want to develop, to whom you are selling it and why they are buying your service. Please describe in maximum 3 pages:

- **Detailed description of the product** you want to develop. Information can be included on:
 - Seasonality: Is this product in demand year-round, seasonally, cyclically or sporadically?
 - Innovation: Is this product available elsewhere? If so, how and where? If not, why not? How is your product different from what is already available in your area? In what way? (e.g. convenience, quality, service, price) What are the distinct advantages and disadvantages of your product versus those of your competition?
 - Marketing/positioning: How you will position your new product in the market? Which special features you will emphasize? What kind of image do you want your new product to have (value for money, customer oriented, highest quality,

- convenience, speed, exclusive, etc...)? What will your pricing strategy will be? How will you will advertise and promote your new product?
- Job creation: How this product is impacting new jobs in the sector for young people?
 - **Description of the customer base** you are targeting:
 - Description of your target customer (e.g. demographic, origin, adventure traveler, cultural traveler, families, etc.)
 - Estimation of the number of customers and projections

5. Management / Human Resource Plan for the new product

Describe in **one page** maximum:

- Experiences of the staff involved to successfully run the new product
- The number of type of persons needed to develop, implement and run the new product. Indicate if this will be done with existing staff or if new people will need to be hired
- Eventual capacity building needs for existing or new staff needed to develop or run the new product
- How will it be coordinated with other tourism service providers or value chain actors
- What outside expertise will you use (e.g. accountants, lawyers, consultants)?

6. Operational Plan/Implementation Plan of the new product

Describe in **one page** a detailed timetable for carrying out the activities needed to develop and implement the new product.

7. Financial Plan

Present and explain in detail in a detailed, monthly financial plan for 3-5 years:

- The nature, purpose and value of all the expenses to be incurred to set up and run the new product. Distinguish between initial investment costs and operational costs.
- Income forecast from your new product
- Source of funds. Indicate clearly your own financial contribution, revenue generated from the product and additional financial contributions needed.

An example of financial plan is given as annex.