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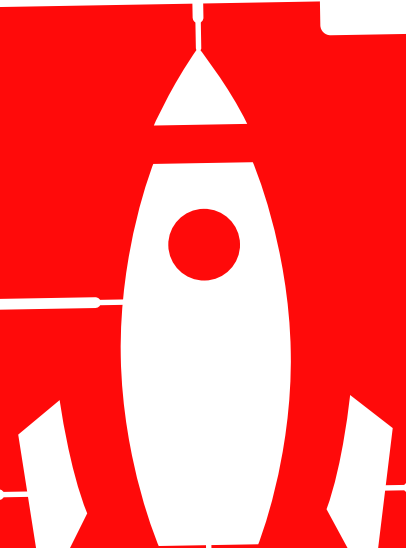
HOW TO



BUILD A



BUSINESS



# HI, IT'S TIME TO WORK ON THAT WONDERFUL IDEA OF YOURS

**It doesn't matter what stage you're at with your business idea, this document will help you to get started with creating a business plan.**

You may find our business template does not look like any template you've seen before; that's because we wanted to provide you with something that is simpler and more relevant for your application for funding from Virgin StartUp. This template covers all of the things we need to know to assess your application. It's your first step to get funding, get a mentor and get ahead!

There's no 'right way' to complete this document, but you probably fall in to one of two camps:

**1. Haven't started a business plan yet or aren't sure if what you've done so far is right?**

No problem, take this plan one page at a time and before you know it, you'll have a fully-fledged business plan.

**2. You already have a business plan? Simply do one of the following:**

- Translate your plan from its current form into this one, then you can be sure you've included everything and it will be in a format that's easy for us to review.
- Go through the questions in this template and add references to where you've answered them in your business plan.

You'll see a red box at the bottom of some pages. That's there to remind you to update your financials as you go. Previous applicants tell us it's much easier to add a bit here and there, rather than trying to translate your whole business plan into numbers at the end, especially when you start changing bits of the plan.

**To apply for a loan, you will need to submit a completed business plan with financials and supporting documents.**

# BEFORE YOU START,

We need to grab a few details from you.

Your name

The name of your business

Virgin Startup loan amount requested

To be repaid over  years

Describe your business in one sentence

Your business website

Your business Twitter

Your business Facebook

# ABOUT YOUR BUSINESS

## 1. What is your business proposition and why do you think it's a good idea?

Feel free to attach pictures, illustrations or anything else you think will help us to understand your idea better.

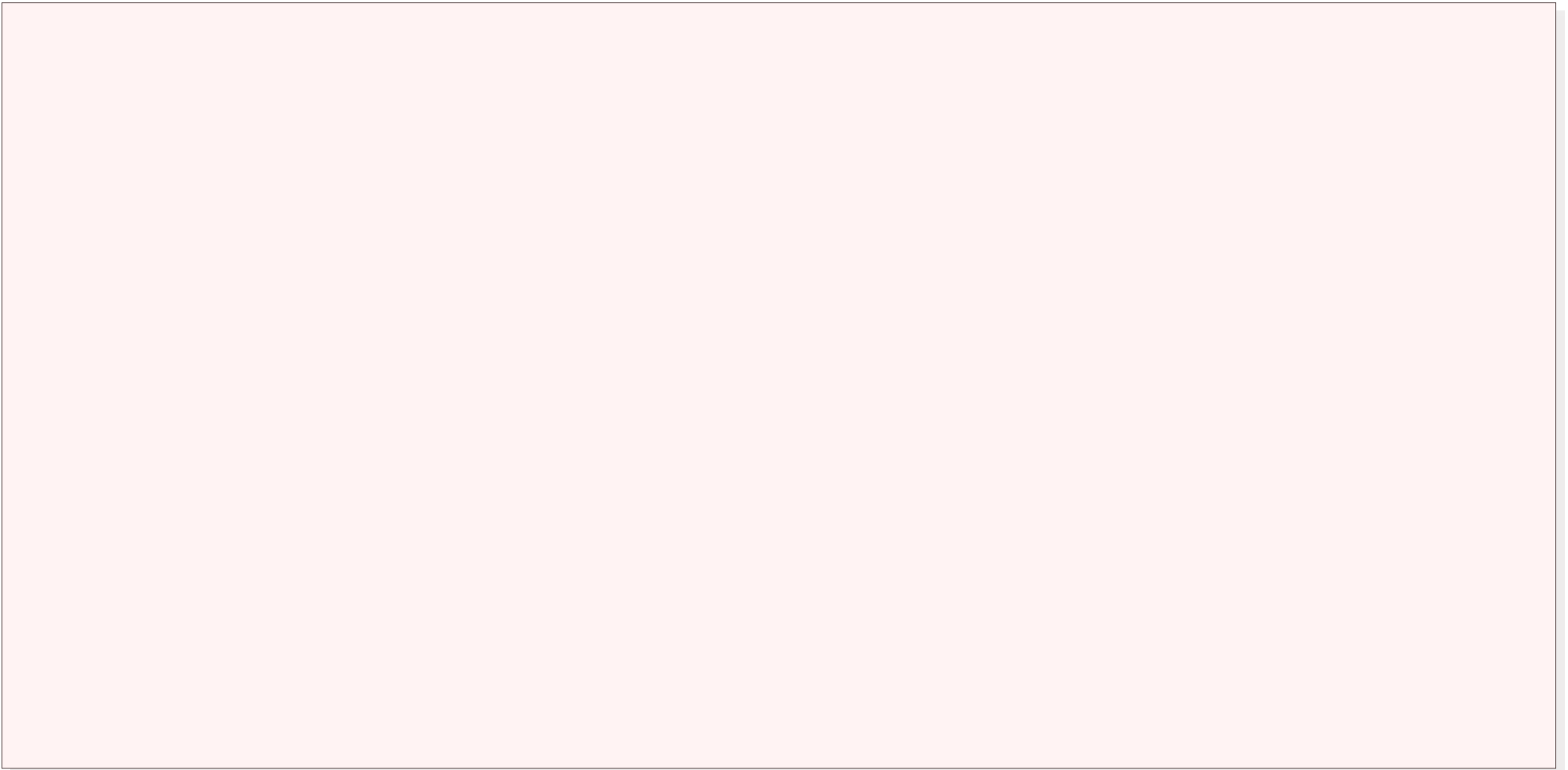
[▶ Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)



## 2. How did you come up with the idea?

For example, have you seen this done elsewhere? Have you done this for someone else already? Did you try and find a product or service and couldn't? Do you think you can do it better or cheaper than what's already out there?

[▶ Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)



### 3. How have you confirmed there is a need for your business?

[▶ Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)

#### 3a. Big picture research

Give us an overview of the industry you're going to be operating in. Are there any trends in the industry? What's the potential size of the market?

Who are the key players in this market?

### 3b. Focused research

The specific research you've carried out with your target customers and market. For example, have you conducted any surveys? What did they tell you? Have you done any test trading? What were the findings?

# ABOUT YOU AND WHY YOU ARE STARTING UP

A start-up's success is as much about the individual(s) behind the business as the idea itself. As such, it's really important for us to get to know you as well as your idea. So in this section, please tell us about yourself (if there are other partners in your business, make sure you include information about them too.)

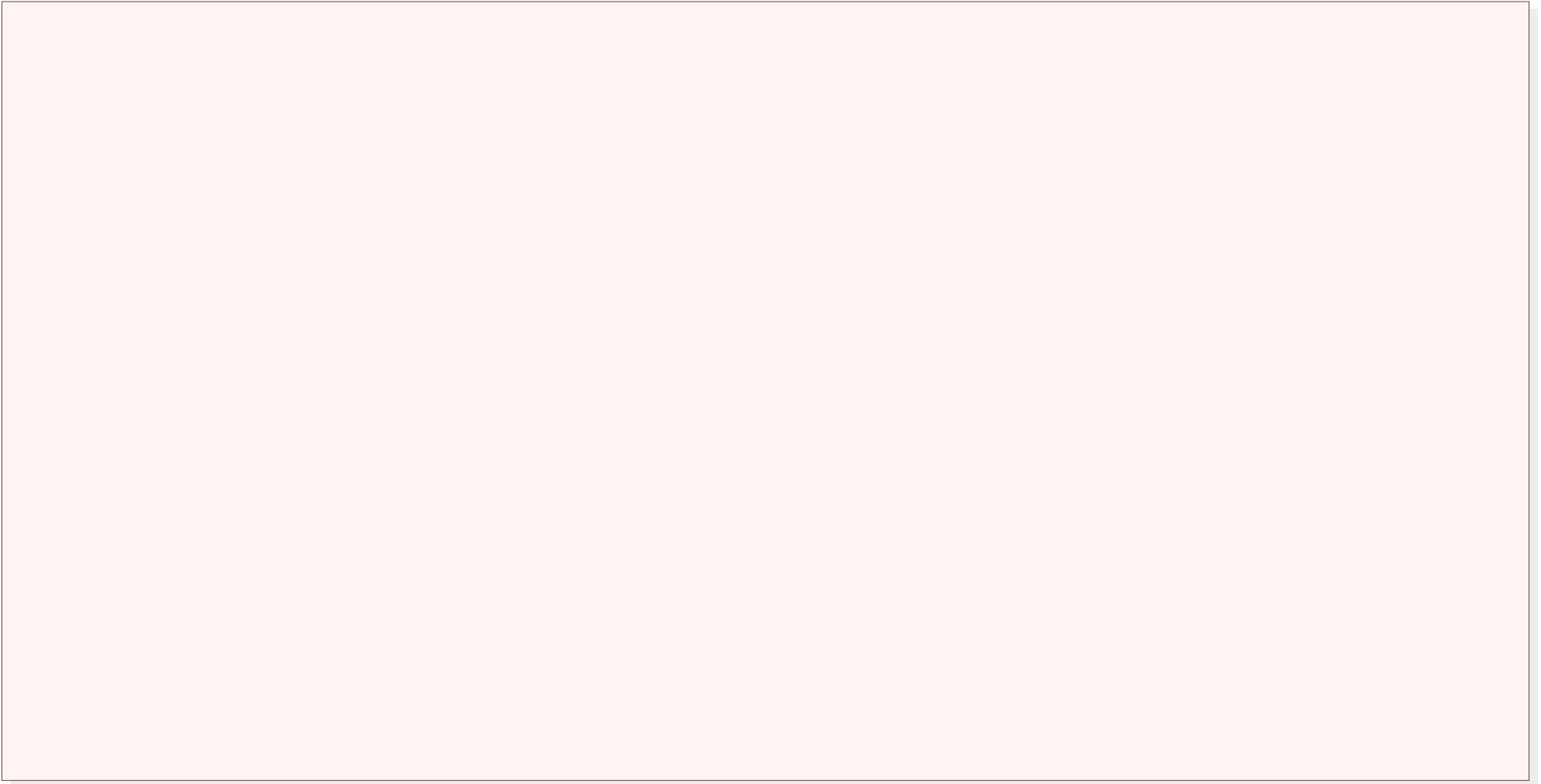
4. Please give us details of your relevant work experience, including: dates, position held, location, any qualifications gained and references who can vouch for your experiences and skills. You can also attach your CV, when you submit your business plan to us.

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5. Explain why you believe you are the right person to be doing this, including any additional information that you think can demonstrate you have what it takes to turn your idea into a successful business.

[▶ Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)



# 6. WHO ARE YOUR CUSTOMERS AND HOW WILL YOU REACH THEM?

Your business' success is ultimately down to whether you can attract sufficient paying customers. You need to be clear who your customers are and what the best way is to reach them and to make them buy from you.

▶ [Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)

<b>Customer profile</b> Break your target customers down into groups, perhaps based on demographics, what they do, where they shop, their household income, whether they have kids, etc. Rank your customer profiles by priority for your business.	<b>Why are you targeting them?</b> For each of the groups you've identified, why is your business relevant to them?	<b>How are you going to get their attention?</b> What specific things will you do to get target customers' attention? E.g. adverts placed in particular places, specific social networks etc.	<b>How are you going to convince them to buy from you?</b> What techniques are you going to use to ensure that interest in your product/service translates to a sale? E.g. attractive offers, sharing reviews or maybe just the price or features of your product/service.	<b>What specific activities does this mean you need to do?</b> Translate the information in the previous 4 columns into activities. E.g. creating Facebook page and building audience, producing leaflets, buying advertising space etc.	<b>What are the costs associated with these activities?</b> Make sure the costs you put down are realistic, achievable and necessary.

**STOP!** Check that your financials are consistent with what you have just written. If you do not have a copy of our easy to follow financial template already, email [support@virginstartup.org](mailto:support@virginstartup.org) to request one.

## Continued

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# 7. WHO ARE YOU COMPETING WITH AND HOW WILL YOU BEAT THEM?

No matter how good your idea is, there will always be other businesses fighting for the same customers – either on price or features or quality. You need to make sure you understand your competitors’ strengths and weaknesses.

▶ [Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)

<b>Competitor profile</b> Provide a short profile of each of your competitors/groups of competitors.	<b>What will you be competing with them on?</b> Is it price, features, quality, location or something else?	<b>Why do customers buy from them?</b> Competitors already have paying customers so you need to identify what makes customers buy from them.	<b>Why would customers switch and buy from you?</b> You have already identified the area that you are competing on, now identify what sets you apart, e.g. what’s going to get customers to choose you over them?	<b>What specific activities does this mean you need to do?</b> Translate the information in the previous 4 columns in to activities e.g. product quality control, quick delivery and others	<b>What are the costs related to each activity?</b> Make sure the costs put down are realistic, achievable and necessary.

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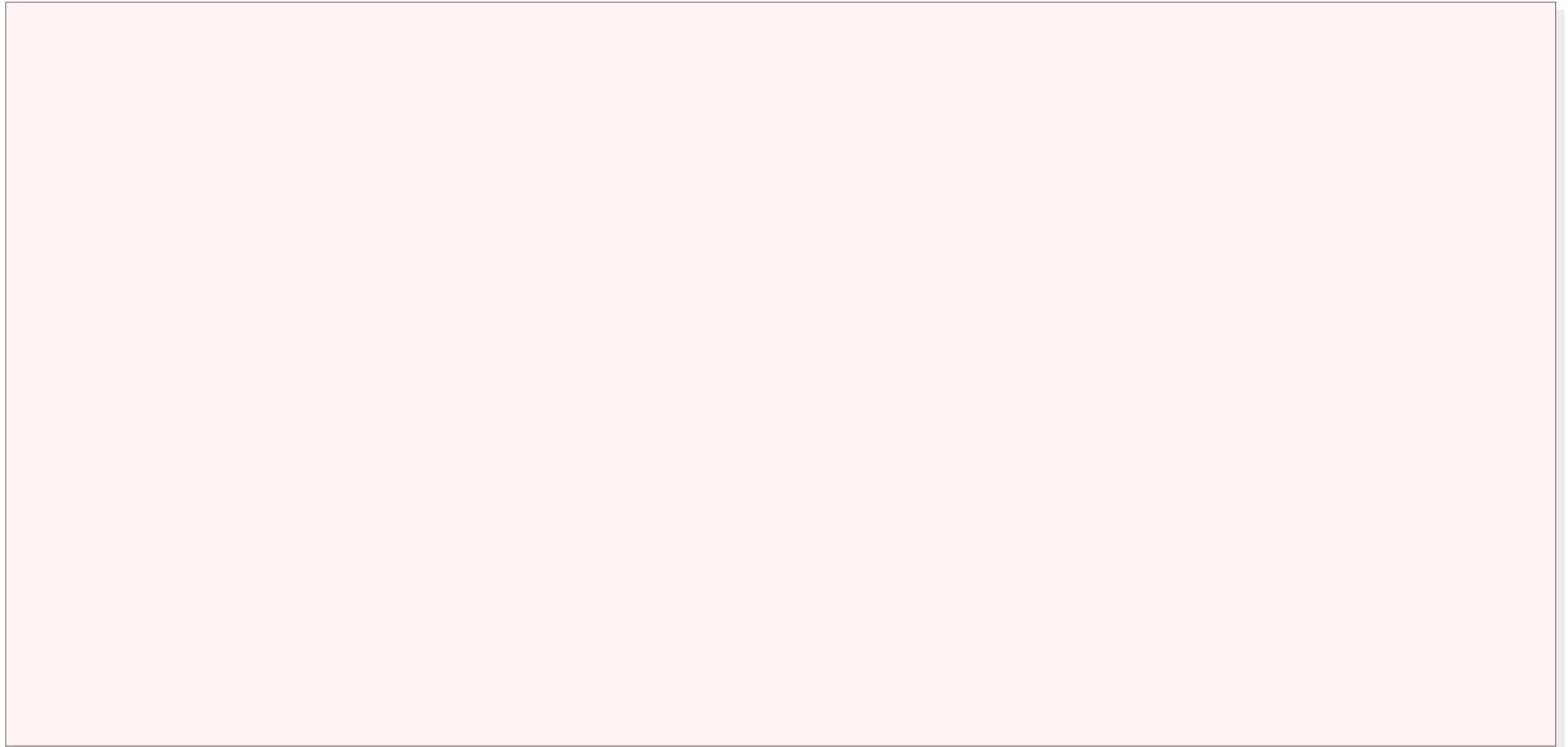
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# OPERATIONS

## 8. How will your product be produced/how will your service be carried out?

If this is a product based business, please explain the manufacturing process/supply chain – you may find a flow chart helpful for illustrating this.

[▶ Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)



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## 9. Which third parties are involved in the operational side of the business?

Please include a list of suppliers and any agreements you have with third parties.

## 10. How much do the product(s)/services(s) cost to produce/deliver?

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### 11. How will the product(s)/service(s) be delivered to the customer?

### 12. Please describe your quality control process.

Think what checks you will have in place to ensure the product or service you offer is delivered to the required quality.



### 13. How will payments be accepted?

For example cash, credit cards, online payments such as PayPal. Will you offer credit terms? When might you offer refunds?

### 14. How many staff will you have in the business?

What will their roles be? What hours will they work? What is the cost to the business?

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# 15. SALES AND MARKETING

You have worked out the costs to get your product/service made/sourced, and how it will get to your customer. Now you need to tell us about your sales and marketing plan.

▶ [Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)

Product/Service	Price you will charge	Why is your price set at this level?	Where does your price level fit vs the competition?	Are you planning to use discounting? If yes, what will it be? How will it be offered?

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# 16. SALES - QUANTITY

**Your sales forecasts should be realistic and achievable**

▶ [Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)

Product/Service	<b>How have you used your market research or test trading to build your sales forecast?</b> Consider all the factors that will impact your sales. For example, do you have any expression or interest? Is demand for your product seasonal?

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# LEGAL/REGULATORY MATTERS

## 17. Please tell us what licences you need to operate your business? How will you obtain this?

Check what legal requirements are applicable for your business by clicking on the links here: [health and safety regulation](#), [food hygiene and safety](#), [intellectual property](#), [copyright](#), [patents](#), [online and distance selling](#), [data protection](#)

[▶ Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)

## 18. Do you need any specific qualifications? If you do not already hold these, how and when will you obtain them? Is there any cost associated with this? Please attached proof of any relevant qualifications you have.

19. Please tell us about any tax, insurance and other contractual requirements for your businesses.

How have you ensured these are addressed? [▶ Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)

20. Please tell us about any health or safety requirements and how you plan to address these. You can check

[gov.uk/licence-finder](https://www.gov.uk/licence-finder) to see if this applies to you. [▶ Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)

21. Please provide us other relevant information that is not covered above. E.g. have you considered whether

you need to protect your product/brand? (IP protection, trademarks, copyright, patent etc...) You can check [gov.uk/intellectual-property](https://www.gov.uk/intellectual-property) for more information. [▶ Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)

# 22. WHAT DOES IT TAKE TO GET YOUR BUSINESS OFF THE GROUND?

Even starting the simplest of businesses requires a lot of preparation before you begin trading. Whether you're starting from scratch, or already going, we need you to identify the steps you need to take and the milestones you need to hit before your business can operate. For example, do you need to buy machinery, secure premises, sort licenses, buy stock, recruit staff and plan launch marketing.

▶ [Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)

<b>Activity</b> e.g. Secure premises	<b>Details</b> e.g. Sign lease agreement (expected XX/XX/XX), pay deposit (by XX/XX/XX) & rent up front for X months (due XX/XX/XX)	<b>By When</b>	<b>Cost Associated With Activity (if applicable)</b> e.g. £XX Rent up front

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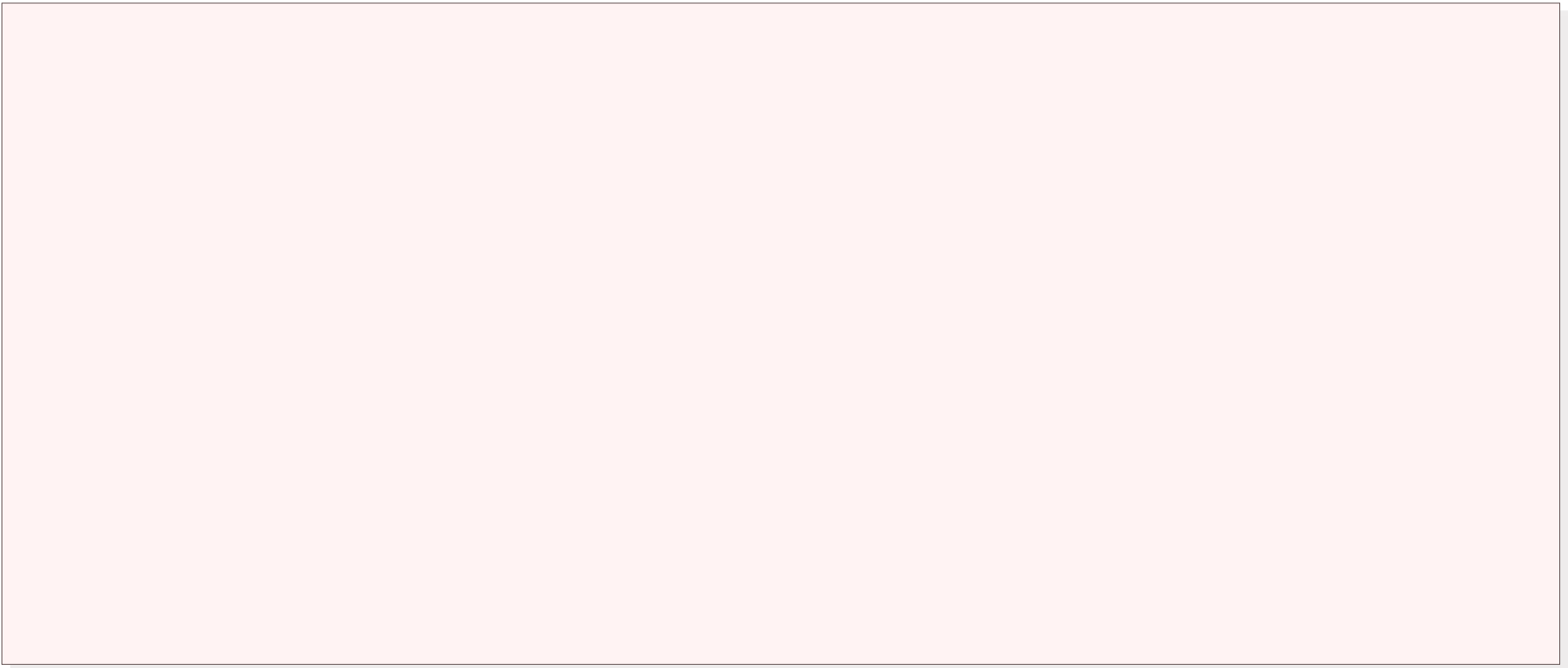
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# 23. CONTINGENCY PLAN

You cannot predict everything and there is a possibility that your plan doesn't quite work out. Your startup loan is a personal loan, so it's really important that you consider what your backup plan is. If your business' performance isn't generating sufficient income to repay your loan, what is plan b?

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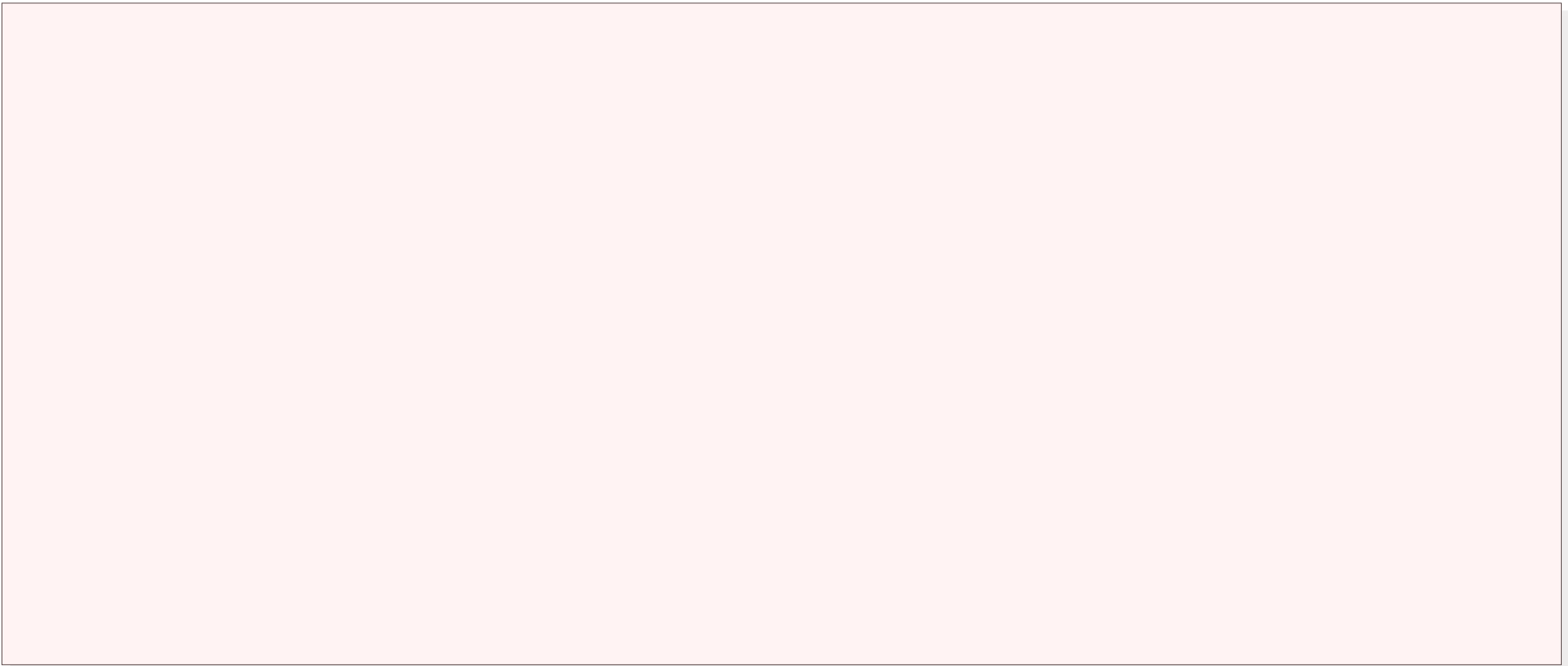




# 24. WHAT IS SUCCESS FOR YOUR BUSINESS?

The success of a business is often about 'keeping your eye on the prize' – Can you identify an aspiration for where you want your business to be in 12 months, 3 years' time and beyond? This information will help us to understand more about your long-term goals so we can work out how to best support you.

▶ [Click here to watch a video from a Virgin StartUp business advisor on how to answer this question.](#)



# CONGRATULATIONS - YOU'VE COMPLETED YOUR BUSINESS PLAN TO APPLY FOR A START-UP LOAN FROM VIRGIN STARTUP!

You're one step closer to turning your business idea into reality and it's a big step we want to celebrate with you – please go online, tweet @VirginStartUp and share your progress with us and the rest of our startup community.

If you have any questions about the business plan, email [support@virginstartup.org](mailto:support@virginstartup.org) and one of the Virgin Startup team will be happy to help you. Also, make sure you check out [www.virginstartup.org](http://www.virginstartup.org) for even more advice and inspiration.

Good luck, and remember,

.....  
"BUILDING A BUSINESS IS NOT ROCKET SCIENCE; IT'S ABOUT HAVING A GREAT IDEA AND SEEING IT THROUGH WITH INTEGRITY. THAT GOES FOR VIRGIN GALACTIC TOO, WHICH IS ROCKET SCIENCE."  
.....

RICHARD BRANSON, FOUNDER VIRGIN GROUP