

# SEVEN TIPS

## FOR A WINNING BUSINESS PLAN

Writing a business plan is a lengthy process - but it's well worth developing one.

Drafting a plan helps you crystallise in your mind what you are doing, setting out your strategy and plan of action for the next one to three years, set concrete objectives and plan how you'll achieve them, prioritise what's really important to save you precious time, and help you pinpoint gaps in your thinking.

As a young, innovative company agility is one of your prime attributes - so, while enough detail is needed to cover every section and make a compelling argument, your business plan needn't be a 25-page document.

Once written, it will become the benchmark for the performance of your business, so it pays to invest a good amount of time. And involve your employees and partners in the process to build a successful, committed team.

Ready to get going? Take a look at our seven tips for a winning business plan first...

1

### IS THE COMPETITION RIGHT FOR YOU?

Before writing your business plan in full, we recommend you read the 'Scope and Eligibility of the Competition', along with the 'Guidance for Applicants'. Then write your 'Response to Scope' and 'Project Summary', using the language within the scope of the competition, to make sure it's a good fit for your project. As well as saving you time, it's a good way of sharing your project with potential partners to get them involved.



2

## WHAT NEED OR BENEFIT DOES YOUR PROJECT ADDRESS?

We know it's tempting, but try to avoid starting your business plan by explaining how smart or technologically-advanced your innovation is (there's plenty of time for that later). Instead, set the scene for your idea by explaining what real-world need or problem you're aiming to solve.



3

## WHAT IS THE MARKET LIKE?

It goes without saying that getting your figures straight when it comes to your target market is crucial to success (we've all seen Dragon's Den). Instead of using vague terms, like 'the potential market is huge' use firm, verifiable figures. Try and structure your answer to cover the current size of the market, its dynamics (if it's growing or changing) and its potential size - avoiding wildly optimistic claims, of course.

4

## HOW WILL INDUSTRY PARTNERS PROFIT FROM YOUR SUCCESS?

For a project to be a worthy winner, it needs to be clear how it will benefit more than just yourself and your business partners. So, this is where you'll need to detail how industry partners will also profit from your idea's success. Once again, try to be as precise and concrete with your figures as you can.



5

## CAN YOU QUANTIFY YOUR RETURN ON INVESTMENT?

The million-dollar question. Ask yourself...what's your revenue model? What are your headline numbers? How will you generate and increase income? What assumptions are behind your growth forecast? And is there a potential profit at the bottom line?

6

## HOW WILL YOUR PRODUCT GET TO MARKET?

You've designed your amazing new product, but who's going to make it and sell it for you? In this section the assessor is looking for a realistic plan that will turn your big idea into reality - from raw materials to consumers' hands. Be careful not to overclaim here. Assessors know what's possible and what represents good value for public money.



# 7

## WHAT WILL BE THE WIDER BENEFITS?

Along with financial success, what other benefits will your innovation bring? To help you explore and organise the trends and drivers that will affect your target market over time, we use the acronym 'PESTLE' - which stands for:

- P**olitical – legal framework, regulations policy, trade deals, competition law, data protection.
- E**conomic trends – growth, money supply, taxation, interest rates, tariffs, confidence.
- S**ocial changes – demographics, urbanisation, leisure time, working patterns, household size.
- T**echnological changes – AI, genomics, robotics, nanotechnology, renewable energy.
- L**egal changes - rules, regulations.
- E**nvironmental issues – climate change, air quality, pollution, raw material limits, water.

These will help you identify the market changes that will have the greatest impact on your innovation plans, and also spot innovation opportunities.



## FINALLY HOW TO WRITE A COMPELLING EXECUTIVE SUMMARY

“Why am I going to read this business plan?” is the one big question your executive summary should confidently answer. Arguably one of the most important parts of your submission, it should be simple, clear and specific, including the points of difference about your project or idea. It needs to give assessors not only a quick sense of what you do - but also why it's of value.

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