



The Two Margarita Business Plan

Instructions:

1. Set aside an evening (or two or three, whatever it takes).
2. Find someone whose opinion you value but, most importantly, someone who likes tequila.
3. Print out a copy of this doc, grab a pen and some paper.
4. Mix up a couple of margaritas (recipe not included, but if you email me I'll send you a killer one) denise@funmonger.com.
5. Sit down with your marg buddy and work your way through this. Be detailed and take your time. It's actually pretty fun.
6. When you have all the details you can think of, type it up, print it, and forget about it. Wait, I'm not supposed to say that. Actually, the cool thing is that you may not look at it again for a long time, but you WILL remember it! That's the purpose of this exercise -- to get you thinking about the details, and especially the things you didn't think you needed to think about. Don't kid yourself – things will change. But if you take the time to write all these things down, you'll have a clear idea where you're headed. **It's the goal that's important, not the precise path that you take to get there.**

I. **Statement of Purpose – Broad strokes here, details later**

Forget the Miss America statements – this is your private document. Write down what you want to accomplish, in real, honest language

- What market do you want to serve?
- What products do you want to deliver?
- What goals do you have?

II. **Description of the Business**

a. **Organization**

- What people will play a role? Who, and what role?
- How will the company be structured? Incorporated, partnership, or ?
- Who is responsible for what?
- Who is the undisputed Queen of the hill?
- Who will be responsible for researching business types and when the decision is made whether to be a sole proprietorship, corporation, etc., who will file the paperwork?

b. **Financial considerations**

- What investments in time and money will be needed? Remember Rule #1 – Don't Spend Money Until You Make Money. Spend frugally and wisely, when you have to spend.
- How will the company make money? Create a small spreadsheet with income and expense projections. See below.
- How will you be compensated, and when? Be very detailed here – especially if there is more than one person involved.
- Who will be responsible for maintaining the financial books of the company, paying taxes, submitting tax returns, etc? If you know you hate this part, then hire a trusted bookkeeper – but do NOT give them access to your

accounts unless you are 100% sure they can be trusted!! I don't give anyone access to my financial accounts. Period.

- Will you work with vendors or employees when you need help? How will compensation be paid to you? Check? Credit Card? If credit card, who will set up the merchant services or gateway accounts?
- Will anyone besides you be investing any money? Remember FM Rule #1 – Don't Spend Money Until You Make Money. Don't take that literally, but don't spend money foolishly either. And don't take out loans or be beholdin' to anybody!
- If someone else is contributing money to this new venture, how will they be repaid and when? (In other words, if you ignored FM Rule #1, how are you going to bail yourself out?)

c. Services

- Define what services you will offer. BE SPECIFIC.
- Example:
 - I will offer consulting services for teaching karate classes.
 - Services will be offered in the form of packages: 1 hour, 5 hour, and 10 hour packages.
 - I will blog about karate 2x per week at no charge
 - I will offer free teleseminars 4 times a year that will be designed to promote my consulting packages listed above.
 - I will turn the free teleseminars into recordings that I will make available for free on my blog site.
 - Etcetera, etcetera, etcetera

III. Marketing Plan

a. Target market – think of one person that you are trying to reach. Give that person a name, and when you write copy, write it as if you are writing to that person. Example niche market definition – again, be specific:

- Karate instructors
- Between the ages of 30 - 45
- Active in competitions
- Live anywhere in the world (want an international reach)
- You can go crazy with this. Too little definition can shoot you in the foot. Too much detail rarely hurts. In Seth Godin terms, define your Tribe!
- What do they crave? How can you give them what they want?

b. Marketing tools – What tools will you use now, and which ones will you build into your business over time?

- Website – static or blogsite?
- Blog?
- Email marketing software -- Develop a mailing list?
- Business cards?
- Twitter? FaceBook? YouTube? Other?
- Teleseminar service?
- AdSense?
- SEO Tools?

c. **Marketing Activities – Make a broad list of the activities that you will use (in conjunction with the tools listed above) to promote your new business.**

Examples:

- Blog posts 2x/week
- Offer free report(s) (to capture data for your database)
- Offer free teleseminars (to build your list and promote products)
- Attend networking meetings – virtual or physical
- Write comments on related blogs
- etc.

d. **Marketing Project Plan – Create a simple project plan (watch the site for an example) and list all of the marketing activities, who is responsible, and establish timelines for each project**

IV. Facilities / Equipment

- a. What hardware do you need?
- b. What software do you need?
- c. Telephone equipment?
- d. Printer / fax / scanner?
- e. Home office or rented office?
- f. What color private jet?

V. Projected Finances – Create a simple spreadsheet that lists the following (See example posted on the blog). Be Realistic – Be Conservative!

- a. Detailed list of what income you expect in the first 3 months, then 6 months, then yearly for 3 years
- b. Detailed list of expenses for the same time period
- c. Net income that you expect

DISCUSSION TOPICS / DECISIONS TO BE FINALIZED:

1. Company name / domain name(s)
2. Tax form of company and how to handle 1099s or whatever
3. Contact info – who will receive requests for information and quotes – and respond?
4. Think of every possible scenario, both good and bad, and make a list of things that could go right and things that could go wrong, and how you will handle them. If you're inundated with requests for work, what will you do? If a key player is too busy and can't take on more work, how will you handle that? Hire another vendor? Refer the work to someone else? Etcetera, etcetera, etcetera.

Take this seriously (well, as seriously as you can while you're drinking Margs). Measure Twice – Cut Once!

FM Disclaimer: Yes, there is a much more complex way to do this, Elisabeth. We believe in the KIS'nFun method – Keep it Simple and Fun