

PAPER: THE STAR (BUSINESS)

DATE: 24 DECEMBER 2013

PAGE: 20

ENTREPRENEURSHIP INSIGHTS By PAM SIOW

Five steps for 2014

How to develop a business plan for the new year



Preparations: A well-crafted business plan is like a roadmap for the year.

HERE we are at the end of another year. For many business owners, it's the right time to map out a strategic plan for next year. A well-crafted business plan is your roadmap to success and an easy way to stay on task for future growth, projected income and increased profits. Take one or two days now to develop a plan and you will save time, energy and maybe even a few dollars. Here's how to develop a business plan for 2014 in five easy steps.

Set projected income

The very first thing you need to do when creating a business plan for the year ahead is to decide how much you plan on earning and what specifically you are looking to achieve. Setting these goals is only the first step, because outlining your plan for future months describes how you will get there and is the true blueprint for success.

Reflect on your current business models and income sources to help you determine your ideal income. If you're having difficulty, evaluate these factors:

- Do you need to identify a different profile that can spend more?
- Would including a recurring element to your business increase profit?
- Should your pricing be re-evaluated?
- How is your marketing plan?
- How can you expand it to achieve more?

Set incremental goals

The key to success in creating a business plan is detail and consistency. And every goal needs to be broken down into smaller tasks and objectives to ensure you are reaching your target audience and you have a plan for how to obtain your new income level.

Even the best plan is useless without milestones and success at reaching large goals comes from knowing how to create smaller, more attainable objectives. Simplify your income goals by this equation: $\text{Income per client} \times \text{frequency of clients} = \text{income}$. Clearly defined and manageable objectives—six months, monthly and weekly—will

give you the momentum you need to reach difficult milestones while keeping a larger goal in view. Besides, this process gives you a bird's eye view of exactly what income level needs to be reached within a certain time frame to stay on track for success.

Map out marketing

After determining what your income stream should be, it's time to create a formula for acquiring the clients. The most effective way to reach a target audience and the only way to secure new customers is through marketing. After all, if no one knows you exist, no one will buy your products or services.

Take a long hard look at your current marketing activities and decide which strategies are effective and can be reused, even expanded, and which should be discarded. The right marketing can bring a steady stream of new clients, as well as build brand loyalty and solidify trust with existing customers.

Here are the most effective and commonly used platforms for acquiring new clients. Make sure to allocate sufficient time and budget for each:

- Strategic Print Advertisement (Appear in front of your ideal prospects)
- Online Marketing Strategies (Content to educate and entice)
- Media Recognition (Position yourself as the expert authority)
- Social Media (Facebook, Twitter, LinkedIn, Google+)
- Networking and collaborations

Develop your team

Now that you have clearly defined, obtainable goals and a strategic marketing plan, it's time to start thinking about how you are going to make it happen. It's nearly impossible to achieve all of your goals by yourself and the best plans are always complemented by a strong team. Decide who you need and how they will help you achieve your milestones within your deadline.

Virtual teams are always an option, and can execute elements of your business plan simultaneously. On the other hand, you can

also evaluate a current team or bring in someone new to free up time for you to execute growth campaigns.

Evaluate expenses

Unfortunately, like everything in life — business costs money. However, by carefully evaluating all of your marketing activity and tracking return on investment stringently, you'll have a better idea of where the money is going and how best it should be spent. Many business owners make the mistake of looking exclusively at gross profits, neglecting net profits. Make certain to record everything and be very clear about profits before taking on any new activities. This disciplined approach will help ensure that your ideal income is indeed profits.

Crafting an effective business plan is easy with a few good tips and the right information. By defining incremental goals, developing a marketing strategy, building your team and keeping an eye on expenses, you will be more than ready to charge into 2014 with spirited enthusiasm as you watch your business transform.

■ Pam Siow is the founder of ThinkSpace. A renowned business coach within the region, Pam helps hundreds of business owners and corporations gain true success and profits with her knowledge and real-world experience. Find out more at ThinkSpace.com.my/ Internetbizownersclub.comnow.