MISSISSIPPI STATE UNIVERSITY™
CENTER FOR ENTREPRENEURSHIP & OUTREACH

Startup Planning Guide

This guide is designed to help you think through five core aspects of starting a new business: product, people, opportunity, challenges, and financials.

1. The **product**:

a) What is it you are **selling**?

_____
_____
_____

b) What are **three other things** you might call this product?

_____ _____ _____

c) Search all three terms in Google. How is your **product better or unique** than any results appearing on the first page of results?

_____
_____

d) Briefly describe how you **make** this product:

_____
_____

e) Discuss any **special technologies** or **skills** required to produce:

_____

2. The **people**:

a) Who **uses** or **benefits** from this product?

_____

b) If different from above, who **pays money** for your product or service?

_____

c) Characteristics of this person:
Gender: _____ Age Range: ____ to ____ Geography: _____
Hobbies: _____

3. The **opportunity**:

a) What **pain** are you solving for **the user or beneficiary**? What deep down makes them want to **use** your product?

_____

_____

b) What **pain** are you solving for **the buyer**? What deep down makes them want to **buy** your product?

_____

_____

c) (*B2C / C2C ONLY*) The US population is roughly 320M, **estimate how many people** could potentially be interested this product:

_____

d) (*B2B ONLY*) In 2010 the SBA estimated there were 28M businesses, **estimate how many businesses** could potentially be interested this product:

_____

e) Realistically, how many **buyers** do you think you could **reach** in one year?

_____

f) How do you get this **in front of** potential **buyers**?

_____

_____

_____

_____

4. The **challenges:**

a) What big **hurdles** or monumental task do you have to overcome?

_____

_____

b) What **skillsets** does the co-founding team currently **lack**?

_____

_____

5. The **financials:**

a) How much does each of the following groups **pay for one** the product?
End Customer $_____
Retail Store $_____ *(if applicable)*
Distributor $_____ *(if applicable)*

b) How much does it cost you to **make the first one**? $ _____

c) How much does it cost you (materials and labor) to **make subsequent ones**?
$ _____

d) What does it cost you to **setup and run the operation** for 1-mo?
Administrative and Salaries $ _____
Marketing/Advertising $ _____
Sales Costs $ _____
Production Tools & Equip. $ _____
Rents & Utilities $ _____
TOTAL = $ _____

e) Unit **Gross Margin**: 5a – 5c / 5a = _____

f) Est Annual Net **Profit**: [3e * 5a] – [5b + 3e * 5c] – [12 * 5d] = $ _____

6. The **growth:**

a) How does this company grow into a **multi-million dollar** business?
_____
_____

b) In its current form, can the business **feed you** after graduation?

Desired **salary** after graduation: = $ _____

c) **Minimum units to sell** per year [1.15 * 6b] + [12 * 5d] / [5a – 5c]
Can you sell this amount annually??? = _____

d) Calculate **market size**: 3c + 3d * 5a = $ _____