# *EXECUTIVE SUMMARY GUIDE*

# *Although this is the first section of the business plan, the Executive Summary is the last section to be written. This is where the entire plan is summarized, quickly communicating the essence of the business and the key decisions made by the entrepreneurial team in each area of the plan. It is not merely an abbreviated business plan. The reader should get a clear, basic picture of the business, and be enticed to want to read more.*

*Many small businesses fail to consider their markets, their customers and a business model that will enable them to achieve success. Instead they often get wrapped up in an interesting technology or product, which is not the same thing as an attractive business. The questions below will help you focus on the aspects of your executive summary that are relevant to the business plan. These are some initial considerations that first time readers (venture capitalists, banks, business plan judges, etc.) look at before going on to evaluate the members of the team and the soundness of your financial projections. Make sure that your executive summary provides answers to these questions in addition to giving the reader an overview of the highlights from your business plan for the new venture.*

**Opportunity Statement:**

* What is the nature of the opportunity or problem? (the underlying need )
* What forces are creating the opportunity?
* Why is the opportunity now? What is the size of the opportunity?

**Business Concept and Product or Service:**

* How would you describe the business to a potential investor, team member, or customer if you had only a short elevator ride to share together? Make sure you have a succinct and powerful way to express your business concept.
* What is unique about this venture?
* Develop a brief concept statement for the product or service that can be shown to potential customers.
* How will the product be used? What are some unique features? What existing problem(s) will you solve with your service or product offering? What are the primary benefits to customers? How does your solution improve or replace current offerings?

**Competitive Advantage:**

* What special knowledge or technology do you possess and how will you protect it?
* What are the barriers to entry?   
  Who will the competitors be?
* How will your service or product compare to those of your competitors in terms of usefulness, cost, styling, ergonomics, time-to-market, strategic alliances, technological innovations, compatibility with related product, etc?

**Description of the Target Market:**

* Briefly define your relevant market.
* What is the current size and expected growth of  
   your target market?
* What segments will you be targeting?
* Who will your first customer(s) be?
* What proof can you offer that your target customers will value your product or service?

**Essence of Marketing Approach**

* What do you need to do very well in order   
  to win this market?
* Indicate the key marketing methods used to   
  accomplish sales
* Summarize your pricing position relative to   
  the rest of the industry
* Summary the distribution channel approach

**Technology and Operational Issues:**

* What technology will you employ?
* Where are you in terms of R&D on the products/services?
* Will production be handled by you or outsourced?
* What is unique about your approach to production or operations?

**The Team:**

* Who are you and why can you do this?
* Briefly summarize your team’s qualifications.

**Economics:**

* What are the firm’s margins and volumes?
* Is the cost structure more fixed or variable?
* Make clear the model for making money.

**Financial Highlights:**

* When will breakeven be achieved?
* What is the level of potential sales of your   
  product or service?
* What level of profits do you expect to achieve?

**Financial Need:**

* How much money are you requesting?
* From what sources are you looking for money and in exchange for what (e.g., how much equity)?
* What the rate of return investors will receive and   
  when will they receive their return?