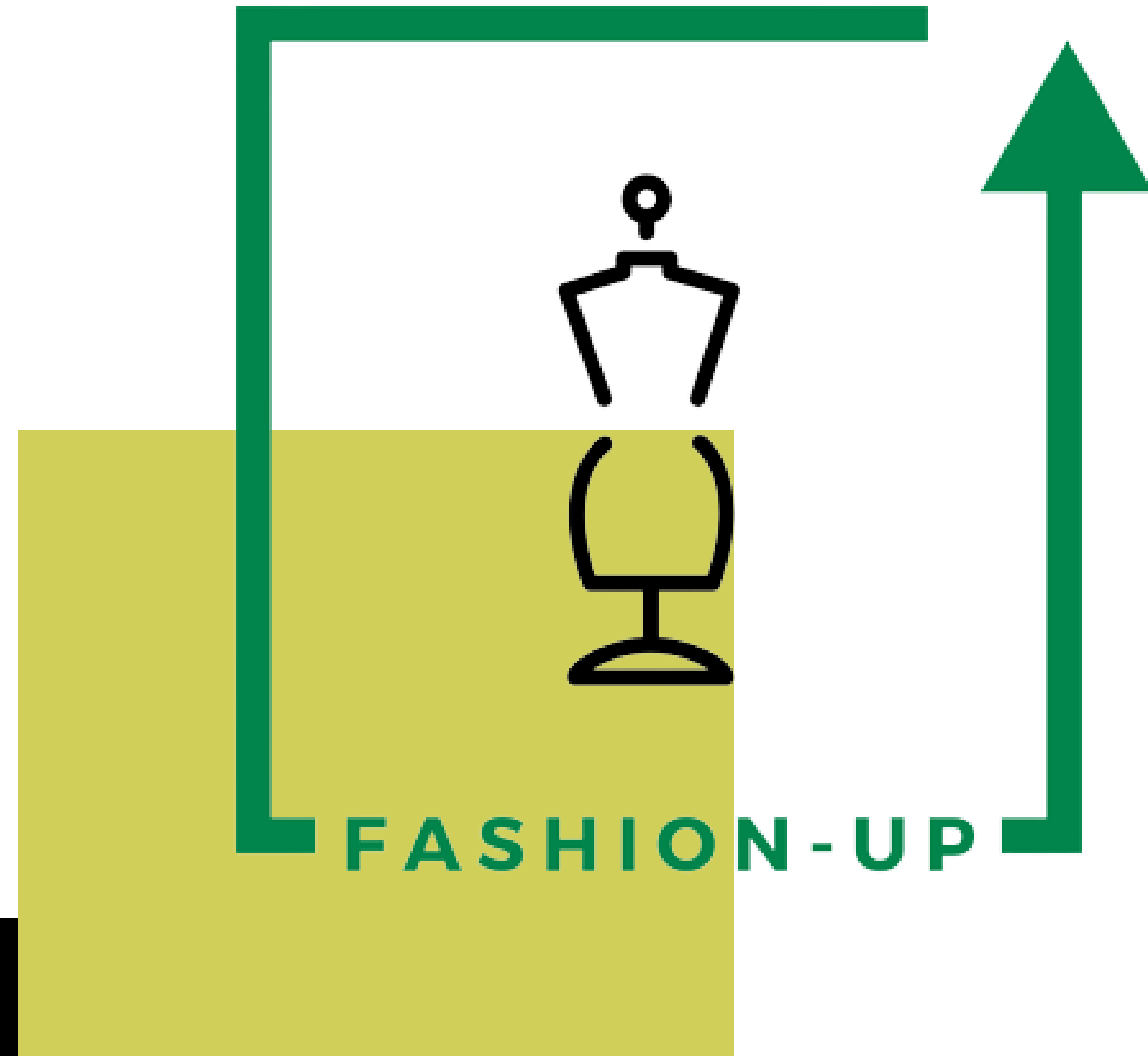


Module 5

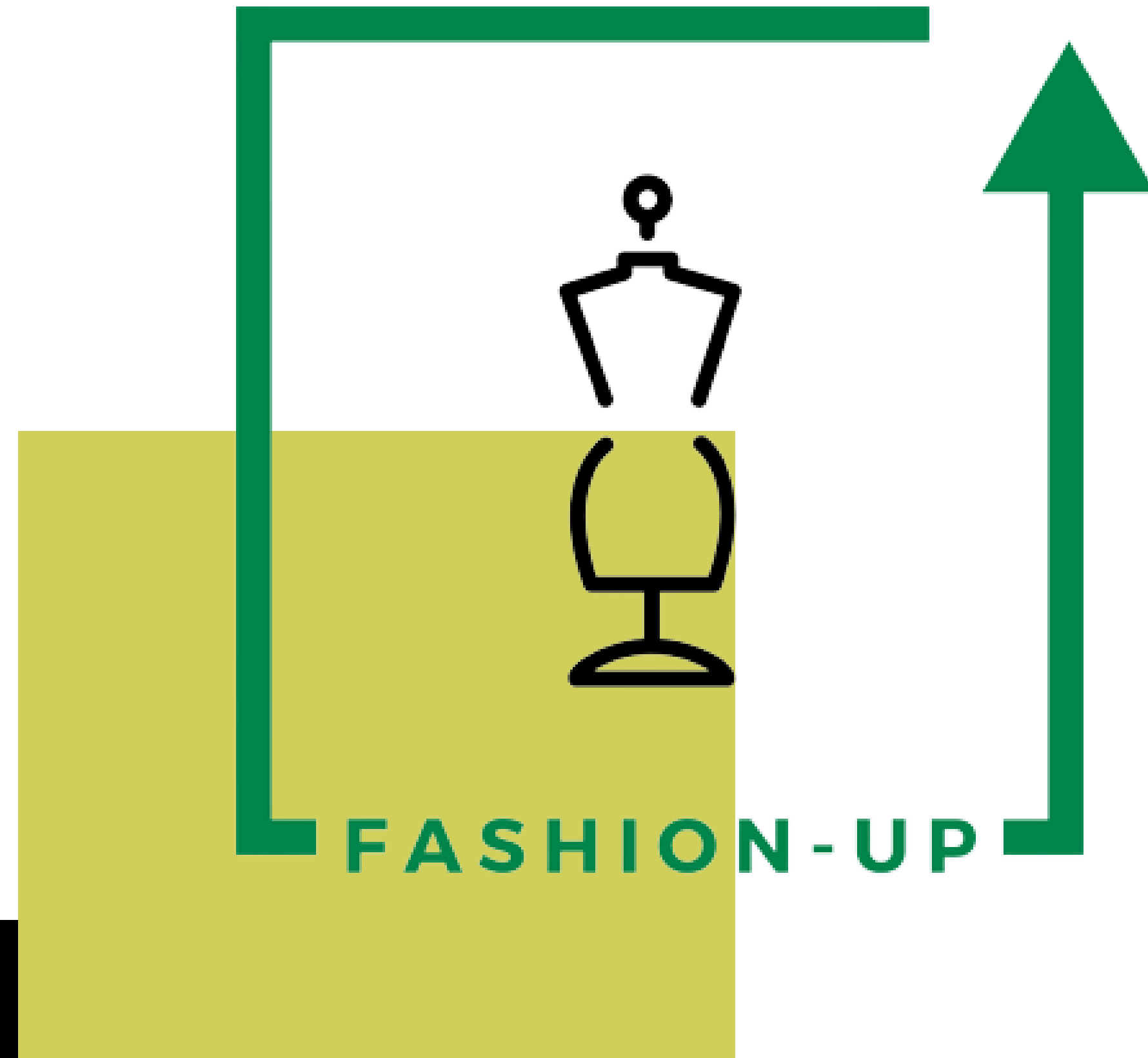
UNIT 1

BUSINESS PLANNING FOR
AN UPCYCLING ATELIER



Duration: 2 hours

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Overview of the Unit

In this Unit, you will learn about the actions needed in order to set up an upcycling atelier, i.e. the development of a business plan, the conduction of market research and competitor analysis, as well as the process of financial planning and budgeting.



Expected Learning Outcomes

By the end of this Unit, you will be able to:

1. Develop a comprehensive business plan for an upcycling atelier
2. Conduct market research and competitor analysis
3. Conduct financial planning and budgeting for your atelier

Pre-requisite knowledge

No prior knowledge is required for this Unit.

Estimated Reading Time

12 minutes



Learning Objective

The Unit aims to equip the future sartorial artisans with a basic knowledge of business planning



Target Audience

This Unit targets learners who are seeking basic knowledge on how to set-up an upcycling atelier in terms of business and financial planning.

Key concepts

Business plan, market research, competitor analysis, financial planning, budgeting

- A laptop with access to the internet
- A projector
- A flipchart
- Notepaper with pens and markers
- Post-it notes
- Printed flashcards

Necessary equipment



01



Teacher's Profile

Technical:

- Knowledge of the upcycling market, trends, and consumer preferences

Pedagogical:

- Experience in teaching adult learners and understanding their learning styles
- Strong communication and presentation skills to engage learners

Business and Entrepreneurial:

- Proficiency in developing comprehensive business plans for small enterprises
- Knowledge of marketing strategies, branding, sales techniques, and customer relationship management
- Understanding of budgeting, pricing, cost control, and financial forecasting



02

Methodology

This Unit will be based on both the project-based and experiential learning methodologies.

Developing a Business Plan

A business plan is a formal written document containing the goals of a business, the methods for attaining those goals, and the time-frame for the achievement of the goals.

It is a roadmap for your business, outlining your strategies, operations, and financial projections.





Why is it necessary?

01

Decision-making

It helps you make informed decisions about your business strategy

02

Investments

It convinces potential investors and lenders of your business's viability and attracts external funding

03

Risk management

It identifies potential risks and develops strategies to mitigate them

04

Performance Tracking

It allows you to monitor your progress and make necessary adjustments

[Watch](#)<https://www.youtube.com/watch?v=Y80DYcsrRgA>



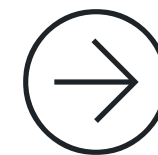
Key Components of a Business Plan



Before we talk about how to develop the business plan, let's see the key components of a detailed business plan:

- Executive summary
- Company description
- Industry analysis
- Marketing and sales strategy
- Funding and financial projections

Note



The correct way to develop a business plan will be presented later.

Executive Summary

The **executive summary** of a business plan provides a concise overview of your business. You need it in order to convince the reader that your business' concept is sound and that you have meticulously planned your actions. It also shows that there exists a clear market opportunity for your products and, hence, your business has significant advantages in comparison to your competitors.

The **company description** includes technical information, such as the registered business name, its physical location/address, the names of the founders/key members, and information on its legal structure. It is at this section that you would mention the business objectives and mission. Lastly, this section contains the description of your products and services (if any), along with the description of the company's production chain.

Company description



Industry analysis

The **industry analysis** section includes information on your business' economic sector, as well as its size and economic growth rate. Within this information the following points are included: the industry's seasonality, its potential sensitivity to economic cycles, and the potential effects of technological change on your industry. You will also include information on the industry competition and the current state of the market at the time of writing. Lastly, this section needs to include information on the business' risk management strategy; What does your business do and why is it different from the competitors? What are its strengths and advantages? What are potential risks for your business? etc.

The **marketing and sales strategy** section will include the main message of your company, as well as the strategy to convey this message to your potential customers. You should include all the tactics that you will employ in order to conduct the company's marketing (both online and in-person). It is also advisable to include your company's sales structure.

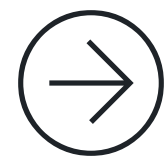
Marketing and sales strategy



Funding and financial projections

In the **funding and financial projections** section you will provide comprehensive projected financial documentation of your company for a minimum of three years. This will include the projected income and/or profit-and-loss statements, a projected balance sheet outlining your assets and liabilities, as well as a projected cash flow statement illustrating the inflow and outflow of funds within the company.

Read



<https://guides.lib.usf.edu/c.php?g=1352775&p=9985224>



How to develop a Business plan

Now that you've seen the key components of a business plan, let's talk about the correct way to develop it. Here are the steps you need to take in order:

1. **Company description** (to lay the foundation of the business, defining its mission, legal structure, and vision.)
2. **Market analysis** (to understand the industry, the targeted customers and market, and your competition)
3. **Organization and management** (to outline your company's experience, roles, and its organizational structure)
4. **Product line** (To list your offerings, including their unique selling points and pricing strategy)
5. **Marketing and sales strategy** (to showcase your tactics to attract customers)
6. **Financial projections** (to create realistic financial forecasting and statements)
7. **Funding requests** (if applicable, to seek external funding)
8. **Executive summary** (leave this for last in order to provide a concise overview of your business plan)





Let's watch this video



<https://www.youtube.com/watch?v=n6ecdYd8T6o>



Examples of business plan templates



- Free editable and printable business plan templates
<https://www.canva.com/documents/templates/business-plan/>
- Free business plan template for small businesses
<https://www.bplans.com/downloads/business-plan-template/>
- Free business plan templates <https://create.microsoft.com/en-us/templates/business-plans>
- 10 free business plans templates & examples
<https://www.hubspot.com/business-templates/business-plans>

Note



These are only suggestions; you can find many more online and/or adapt them to your own needs.

Tips

- Understand who will be reading your plan (investors, lenders, or internal stakeholders) and tailor your language and level of detail accordingly. In other words, know your audience.
- A well-written business plan should be concise and easy to read, so avoid unnecessary jargon and overly complex language.
- Set realistic goals and financial projections. Overly optimistic forecasts can damage your credibility.
- Focus on your company's unique selling point and clearly articulate it in your business.
- Graphs, charts, and infographics (or any similar visual aids for that matter) can help you present complex information in a clear and concise way.
- Your business plan is a living document so be prepared to adapt and modify it as your business evolves.
- The executive summary is the first thing people will read, so make it compelling and informative.
- Share your plan with trusted advisors, mentors, or potential investors to get feedback and suggestions.



Practical application

If you don't know where to start, you can ask for help from **experts**. Here's a list of people/places you can refer to:

- Business consultants
- Small Business development centres
- Accountants or financial advisors

You can also find a lot of **resources online**, such as:

- <https://www.bplans.com/> (Business plan templates, samples, and articles to help you get started)
- <https://www.liveplan.com/> (Business plan software that can guide you through the process and generate professional-looking documents)
- <https://enloop.com/> (AI-powered business plan software that generates a professional plan based on your input)



Activity on Business Plan development

To the trainer: the main pre-requisite is for learners to come after defining what services they will offer, to whom, and for what price range.

01

Materials needed

- Business plan template
- Laptop with access to the internet
- Markers and paper sheets
- Projector

02

Objectives

- For participants to understand the necessary information to include in their business plan.
- To conduct a thorough market research for their offer.
- To consolidate all the research work they have done on their project into a single document.
- To consolidate their financial plan.
- To be able to defend their project in front of banks or funders/investors.

01

Duration

1,5 hours

Setting

a room where you can put participants in a circle and by pairs facing a projector



Activity on Business Plan development



Plan

Time	Activity
00:00 – 00:15	Presentation of the key concepts of creating a business plan
00:15 – 01:00	Work in pairs to develop the business plan
01:00 – 01:15	Sharing and feedback
01:15 – 01:30	Debriefing and wrap-up

Activity on Business Plan development

Implementation

1. Have each participant state their name, their business plan, and one expectation or question they have for this workshop that they would like to be answered today. You could do this in turn, or have the participants pass a totem to the next person who should speak.
2. Present the workshop program and make a presentation to introduce the key concepts of creating one's business plan. Put participants in pairs, ideally by mixing participants at different stages of advancement so they can share their points of view.
3. Ask them to discuss each item of the business plan, and how confident they are in their capacity to develop them, so they can share advice.
4. At the end of this step, participants should be able to identify the 3 next steps to work on their business plan. Each participant should present where they are, their next steps, and any remaining uncertainties so the others can give feedback on how to overcome them.
5. Discuss any outstanding questions, referring to the ones mentioned at the beginning and encourage learners to reflect on their progress.



Market research and competitor analysis

These are essential tools for businesses to understand their market, identify opportunities, and gain a competitive edge.

Market research involves gathering, analyzing, and interpreting information about a market, including its size, growth potential, customer needs, and trends.

Competitor analysis involves evaluating the strengths and weaknesses of your competitors. This helps you understand their strategies, identify your competitive advantage, and develop effective counterstrategies.





Steps to conduct Market Research and Competitor Analysis for an upcycling atelier



1. Define your target market

- Describe your ideal customer by considering factors like age, income, lifestyle, and environmental consciousness.
- Understand the ideal customer's needs and preferences.

2. Conduct market research

- Monitor online trends and conversations on social media with tools like [Brand24](#) or [Hootsuite](#).
- Explore online marketplace platforms in order to analyze the demand and pricing of products similar to yours.

3. Analyze your competition

- Identify your competitors through local or online upcycling businesses that offer similar products.
- Evaluate their product range, pricing, marketing strategies, and customer reviews, i.e. their strengths and weaknesses.



Let's watch this video



https://www.youtube.com/watch?v=ocTZ0w_XIIM

Online tools

01

Market Research and Data Analysis

- Statista: Offers a vast database of market statistics and reports.
<https://www.statista.com/>
- Google Trends: Tracks search trends to understand consumer interest.
<https://trends.google.com>
- Tableau: Data visualization tool.
<https://www.tableau.com>

02

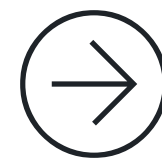
Competitor Analysis

- SimilarWeb: Analyzes website traffic and visitor engagement.
<https://www.similarweb.com/>
- SEMrush: Provides insights into competitor's strategies.
<https://www.semrush.com/>
- Ahrefs: Offers a toolkit for competitor analysis.
<https://ahrefs.com/>





Unit Summary



In this Unit you learnt about the key steps on how to develop a business plan, which is crucial for business success. It outlines your business concept, goals, and strategies. You also learnt about the significance of conducting a market research and analyzing your competition, which helps understand the market landscape and provides insights into customer needs, preferences, and trends, enabling you to tailor your products and marketing efforts accordingly.

References

- <https://hbr.org/1985/05/how-to-write-a-winning-business-plan>
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- <https://www.canva.com/documents/templates/business-plan/>
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- <https://create.microsoft.com/en-us/templates/business-plans>
- <https://www.hubspot.com/business-templates/business-plans>
- <https://uk.indeed.com/career-advice/career-development/business-plan-sections>
- <https://sproutsocial.com/insights/competitor-analysis-tools/>
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