**<business name>**

<year> Business Plan

<logo>

<date>

Contact:

<contact name>

<contact title>

<business address>

<business phone>

Table of Contents

[1. Executive Summary 4](#_Toc5979788)

[1.1 Business Concept 4](#_Toc5979789)

[1.2 Current Situation 4](#_Toc5979790)

[1.3 Purpose 5](#_Toc5979791)

[1.4 Vision Statement 5](#_Toc5979792)

[1.5 Funding 6](#_Toc5979793)

[1.6 Key Milestones 7](#_Toc5979794)

[2. Marketing Analysis 8](#_Toc5979795)

[2.1 The Overall Market 8](#_Toc5979796)

[2.2 Possible Market Changes 8](#_Toc5979797)

[2.3 Market Segment Positioning Analysis 9](#_Toc5979798)

[2.4 Target Market Strategy 10](#_Toc5979799)

[2.5 Patient Characteristics and Needs 10](#_Toc5979800)

[3. Competitive Analysis 11](#_Toc5979801)

[3.1 Industry Overview 12](#_Toc5979802)

[3.2 Nature of Competition 12](#_Toc5979803)

[3.3 Changes in the Industry 12](#_Toc5979804)

[3.4 Primary Competitors 13](#_Toc5979805)

[3.5 Competitive Advantages 14](#_Toc5979806)

[3.6 Competitive Weaknesses 15](#_Toc5979807)

[3.7 Threats and Risks 15](#_Toc5979808)

[4. Strategic Planning 16](#_Toc5979809)

[4.1 Goals and Strategy 16](#_Toc5979810)

[4.2 Strategy Implementation 16](#_Toc5979811)

[5. Services and Products Overview 17](#_Toc5979812)

[5.1 Services 17](#_Toc5979813)

[5.2 Products 17](#_Toc5979814)

[6. Sales Strategy 18](#_Toc5979815)

[6.1 Sales Tactics 18](#_Toc5979816)

[6.2 Pricing 19](#_Toc5979817)

[6.3 Discounts and Incentives 19](#_Toc5979818)

[7. Marketing Strategy 20](#_Toc5979819)

[7.1 Website 20](#_Toc5979820)

[7.2 Inbound Marketing 21](#_Toc5979821)

[7.3 Outbound Marketing 21](#_Toc5979822)

[7.4 Publicity and Advertising 22](#_Toc5979823)

[8. Operations 22](#_Toc5979824)

[8.1 Team 22](#_Toc5979825)

[8.2 Staffing Plan 23](#_Toc5979826)

[8.3 Scope of Activities 23](#_Toc5979827)

[8.4 Customer Service and Support 24](#_Toc5979828)

[8.5 Locations and Facilities 25](#_Toc5979829)

[8.6 Insurance 26](#_Toc5979830)

[8.7 Licenses 26](#_Toc5979831)

[8.8 Operations Documents 27](#_Toc5979832)

[9. The Financial Management Plan 28](#_Toc5979833)

[9.1 Start-Up Budget 28](#_Toc5979834)

[9.2 Operating Budget 28](#_Toc5979835)

[9.3 Break-Even Analysis 28](#_Toc5979836)

[9.4 Sales Forecast 29](#_Toc5979837)

[9.4.1 Underlying Assumptions 29](#_Toc5979838)

[9.4.2 Sales Forecast 30](#_Toc5979839)

[9.5 Profit and Loss Projections 30](#_Toc5979840)

[Appendix A – Acupuncturists Map 30](#_Toc5979841)

# 1. Executive Summary

*This section provides a summary description of your business. It introduces the business, describes the current situation and future vision, reveals if funding is being sought, and determines what the major milestones are for the year. This section is a summary only, for this reason the detail work required that supports this summary are shown in later sections.*

## 1.1 Business Concept

*This section describes what business you are in, what markets you serve, what services or products you sell and what you hope to accomplish with your business.*

*This section answers the questions:*

* *Why do you want to treat?*
* *What type of practice do you want to treat in?*
* *Where do you want to treat?*
* *How do you want to treat?*
* *What do you want to treat?*
* *Who do you want to treat?*
* *When do you want to treat?*

**

***As you can see, these questions mirror the ones you were asked in Chapter 1. Use the answers you developed there to fill in this section.***

*Example:*

<business name> is an Oriental Medicine clinic in <city, state>. We hope to serve men, women and children wanting natural healing options in the <city> area. Main services we provide are acupuncture and Chinese herbal treatment for pain management, allergies, women’s issues, infertility and cosmetic acupuncture. Other services we provide include NAET allergy elimination, Tuina massage, cupping, electric stimulation acupuncture and Oriental Medicine nutrition. In addition to selling select herbal medicinals in pill form, we have a full powder Chinese herbal pharmacy offering custom made herbal prescriptions. We will be open Monday thru Friday with early and late hours to make it easier for people to come for treatment that are unable to leave their work.

The company’s objectives in its first year open will to be to become the leading acupuncture clinic in <city> and surrounding areas, gaining a minimum of <number of new customers> new customers and making over $<sales> in sales by year end.

## 1.2 Current Situation

*This section describes the current situation of the business. It describes the owners, the business type, the startup planning and development that is ongoing, the proposed opening date and how to address any challenges it may face.*

*This section answers the questions:*

* *What is the business structure?*
* *Who are the owners and what are their credentials?*
* *How is this business being developed?*
* *What is the planned opening date?*
* *What are anticipated challenges and solutions to these challenges?*

**

***This section will probably be written last, so that it truly reflects your business’ situation at the time of submitting the business plan for funding. If you’re not submitting the plan for funding, this section could still be used to give you a snapshot of the “now.” The first question is developed further in Chapter 4, section “What Type of Business Structure Do You Want?”***

*Example:*

<business name> was founded by <owner names>, a licensed acupuncturist in <state> with a Doctoral degree in Acupuncture and Oriental Medicine and a Diplomate in Oriental Medicine of NCCAOM (National Certification Commission for Acupuncture and Oriental Medicine). The business became a <business type> in <county name> County on <date business established>. <business name> plans to open for business on <opening date>. The current planning and development includes finding an optimal clinic location in the area and preparing it for opening day. The business’s main anticipated challenge once open is attracting sufficient number of new patients. The business will solve these challenges by becoming well known in the community by doing local advertising and free community talks, and by increasing our presence on the internet.

## 1.3 Purpose

*This section describes the business’s purpose in the community.*

*This section answers the questions:*

* *What is the company’s reason for being?*
* *What is the company’s purpose?*

**

***This is your “why” and your purpose that you developed in Chapter 1.***

*Example:*

<business name> purpose is <purpose>.

## 1.4 Vision Statement

*This section describes how you expect your company to grow in the next five years. You’ll be describing whether you’ll be expanding the business, whether you’ll be growing to multiple locations, whether you’ll be hiring employees, whether you’ll be hiring associates in the future, and whether you’ll be expanding your product lines in the future. Be as specific as possible. Show that you dream big.*

*This section answers the questions:*

* *What type of location do you hope to be at in five years?*
* *Will you have multiple locations in the next five years?*
* *Will you have employees in the next five years?*
* *Will you have Associate Acupuncturists working for you in the next five years?*
* *Will you be expanding your services in the next five years?*
* *Will you be expanding your products in the next five years?*

**

***These questions should have been answered as part of your “dreaming” that you did in Chapter 1.***

*Example:*

In five years we envision our company will include 6-7 therapists, an office manager, one full-time office assistant and one part-time office assistant. The clinic will be a rental space preferably in a medical office building in <city>. The office will include a waiting room (minimum 12 people), a large QiGong/conference room, receptionist/business office, herb room, owner’s office, bathrooms, kitchen/practitioner lounge, and 7-8 treatment rooms (3 acupuncture treatment rooms with 1 overflow room, 2 massage rooms, and 1-2 treatment rooms for a different alternative medicine). The large QiGong/conference room area can be a combination of waiting room and treatment room separated by a movable wall, but must be at least 36’x12’. This large room will be used for QiGong classes, meetings, and seminars. Treatment rooms and owner’s office should be at least 11’x11’. Herbal area should be at least 12’x8’ and include a full sink, cabinetry and 12’ countertop. The four acupuncturist treatment rooms need to be able to handle ventilation for moxa. Receptionist/business office area should be open to the waiting room by a window only that can be locked. Business office, owner’s office, and herb room should all have locks. Total square feet should be 1700-2000 sq. ft.

Personnel will be hired for the new building as close to the physical occupancy date at possible. The two acupuncturists are meant to be new graduates or under 2 year practitioners, as I intend to mentor them. The company will handle all marketing and be responsible for bringing in patients. All patient records will be the property of <business name> and may not in any way be used by a practitioner that is leaving <business name>. All practitioners hired by <business name> will be required to sign a “Do Not Compete” clause.

In five years, we anticipate our clinic to be the most popular and largest Oriental Medicine clinic in <city> and surrounding areas. We will have a net income of over $200,000 per year.

## 1.5 Funding

*This section describes how much money you need, when you need it, what it will be used for, who will provide it, and when you plan to pay it back.*

*This section answers the questions:*

* *How much money do you need to fund the start-up?*
* *How much money do you need to fund the first three years of operations?*
* *What are the sources of funding?*
* *When are funds needed?*
* *What will funds be used for?*
* *When will any borrowed funds be paid back?*

**

***All budgets, analysis, forecasts, projections, and funding decisions were made in Chapter 5.***

*Example:*

<business name> will seek a loan to cover startup costs and first year operating costs. Total funding needed is $<amount of funding needed>. The funds will be used specifically to rent a space, to build out the space if necessary, to buy furniture and equipment to fill and decorate the space, initial marketing and opening launch, and to cover expenses for the first year operations as the business is becoming established. Funding needs to be obtained by <date>. The funding loan is anticipated to be paid off in five years.

Supporting financial documents can be found in section 9, The Financial Management Plan.

## 1.6 Key Milestones

*This section describes the company’s major goals for the next year and when you plan to accomplish them.*

*This section answers the questions:*

* *What are the key milestones for what you want to accomplish this year?*
* *What are the target dates for the key milestones?*

**

***This section should be filled out last, after the rest of the business plan is completed for the year. Your major goals will begin developing from Chapters 1 and 2, and then continue developing as you read through the rest of the book.***

*Example:*

|  |  |  |
| --- | --- | --- |
| **Milestone** | **Target Date** | **Complete Date** |
| Complete business plan |  |  |
| Attain funding |  |  |
| Sign lease to new site |  |  |
| Complete build-out |  |  |
| Grand Opening marketing completed |  |  |
| Grand Opening day |  |  |
| Accomplish ½ patient load, 1 room (average 20 patients/week) |  |  |
| Hire Office Assistant |  |  |
| Accomplish full patient load, 1 room , booked 3 weeks out (average 40 patients/week) |  |  |

# 2. Marketing Analysis

*This section describes the overall market, how your business fits into that market, and who your ideal client is.*

## 2.1 The Overall Market

*This section describes the overall market in the U.S or in your state, why you decided to open your business in this city and what the local overall market is like.*

*This section answers the questions:*

* *What is the overall market like in the U.S. and/or your state?*
* *What is it about this city that made you want to open your business here?*
* *What is the overall market like in the local area?*

**

***You decided this in Chapter 1 when you decided “where” you want to treat.***

*Example:*

<state> is a business friendly state because there are no state income taxes. Acupuncture and alternative medicine is growing in <state> yet is not saturated like states on the West coast. Because of a larger geriatric population, there will be a lot of potential patients coming in for pain management.

The owner of the company decided to open the business in <city> because 1) the larger city just South of <city> is a liberal and laid back community that is open to alternative medicine, 2) <city> is a new, large and growing community with many large new business coming into the area, 3) <city> is the fastest growing community in <state>, 4) the larger city just South of <city> has two Acupuncture schools that are South of town leaving the need for acupuncture clinics North of town, and 5) the owner lives in <city>.

## 2.2 Possible Market Changes

*This section describes possible changes that are happening or could happen in the market that can be beneficial or detrimental to this business.*

*This section answers the questions:*

* *What changes in the market can help the success of this business?*
* *What changes in the market can hinder the success of this business?*

**

***The answer to this question may be found from concepts in Chapters 1 and 2, or some research may be required. But it is an important question to answer.***

*Example:*

Due to more drug commercials that include long lists of complications and subsequent bad drug commercial warnings, more and more people are becoming disheartened with Western medicine that prescribe drugs for life and that don’t address the root cause of the problem. More people are seeking natural health solutions that not only address the symptoms, but that also make them healthier in the process. More and more insurance companies are choosing to cover acupuncture benefits. Also, more companies are adding acupuncture benefits to their health insurance packages because more employees are asking for acupuncture and alternative medicine benefits. People are more willing to pay out of pocket for alternative medicine care and are also realizing that they can use their health savings plan monies to put toward natural health alternatives. These market changes are giving more acupuncturists a larger share of the market.

## 2.3 Market Segment Positioning Analysis

*This section describes how the market is segmented in your area and how you plan to position your business in that market. This will help you to build your business strategy. The health care market can be segmented by location, service, disease, price, age and many other factors. Since you can’t be everything to everyone, what strategy will you use to gain customers – location, age, complaint, services, price or something else? This section focuses more on the area, versus the next section, target market, which will focus on the customer.*

*This section answers the questions:*

* *What part of the health care market will you focus on gaining customers from and why?*
* *How will you differentiate your business in the market to gain customer share?*

**

***The answer to these questions can be found from concepts in Chapter 1 and Chapter 3, section “Doing a Competitive Analysis”.***

*Example:*

With <city> being the allergy capital of the state, we plan to gain patients needing allergy treatment and NAET. There are as many children as adults needing this treatment, so we plan to attract families from this fast growing area of new families. There are also several large retirement communities in town so we would like to gain patients from the geriatric community that are likely to have pain management issues. People in this part of town are wealthier and more affluent, so we expect that they will be more likely to have acupuncture insurance benefits or be more willing to pay out of pocket to get natural health care.

<business name> will open as a general practice treating all patients regardless of symptoms or disease. Over time the owner will begin specializing in allergies, allergy elimination (NAET), women’s issues (menopause, PMS, menstrual disorders etc.), fertility (including IVF support, pregnancy support and post-partum support), pain management, and cosmetic acupuncture in order to differentiate the business in the market.

## 2.4 Target Market Strategy

*This section describes the customers that you plan to focus on attaining for your business from the market segment positioning you did in the last section.*

*This section answers the questions:*

* *Is your target market based on a specific area, complaint, demographic, timing need (after work, weekends), or something else?*
* *What customers will you specifically target with your marketing?*

**

***The answer to these questions can be found from concepts in Chapter 1, “Who Do You Want to Treat?” and Chapter 3, section “Doing a Competitive Analysis”.***

*Example:*

Our marketing efforts will be directed to residents of the town of <city> where the clinic is located and a ten mile radius that includes the towns of <city>, <city>, <city>, <city>, <city>, and <city>. All towns combined comprise a population of <population>.

We will focus our marketing efforts to older adults who have suffered from neck, back or knee injury, surgery or degeneration. Also, we will focus our marketing efforts to people needing allergy treatment or allergy elimination. This clinic will provide NAET (Nambudripad’s Allergy Elimination Technique), a protocol that can eliminate or reduce symptoms for many allergens including airborne, foods, skin, etc.

We will focus our marketing efforts to women with gynecological problems. These problems may include menopause, PMS, menstruation irregularity, or infertility. We will also team up with fertility doctors providing in-vetro fertilization (IVF) to give supporting acupuncture and herbal medicine pre and post procedurally. Treatment and herbal support will also be provided during all phases of pregnancy (pre, during, and post).

We will focus our marketing efforts primarily to those who work during the weekdays and find it inconvenient to receive treatment during such weekdays. Because we will be open three later nights per week and all day Saturday, we believe we can capture a significant share of those people who have trouble taking work off during weekdays for medical care.

We will focus our marketing efforts primarily to women wanting a natural way to look younger. The owner is a certified Mei Zen cosmetic acupuncturists. Mei Zen can be used for cosmetic acupuncture for the face, neck, and abdomen as well as weight loss and infertility.

<business name> plans to focus the major portion of our marketing efforts to those people in the <city>, <city>, <city>, <city>, and the greater <city> area who earn $100,000 per household per year or more and are willing to pay a premium price for premium service and other features of our clinic.

## 2.5 Patient Characteristics and Needs

*This section describes your ideal patient, what you need from them and what they need from you.*

*This section answers the questions:*

* *What are the characteristics of your ideal patient?*
* *What do you need from your ideal patient to be successful?*
* *What does your ideal patient need from you to want to retain services from you?*

**

***You decided this in Chapter 1 when you decided “who” you want to treat.***

*Example:*

We expect most of our patients to be between ages 25-60 year old, female, with household income of at least $100,000 per household a year and who has an interest in alternative health services. Her health and her families health is paramount in importance so that she is open to new natural types of healing and is willing to pay out of pocket for it if her insurance doesn’t cover it.

Expected target customer characteristics include:

* Is friendly, health conscious and open to natural health care
* Are disenchanted with western doctors and drugs
* Enthusiastically communicate the value in my services and refers me to others
* Solution oriented (will not whine and complain – willing to change even if it feels threatening)
* Committed to emotional and spiritual balance and better health
* Compliant (will make it to treatments and take their herbs)
* Responsible and on-time (will be conscientious about keeping appointments)
* Able to afford my services and products (either have enough income to spend on acupuncture or have insurance that covers acupuncture).
* People that I can heal and make a real difference in their health
* People that see acupuncture as a lifestyle change and come regularly (at least every 2 weeks)

Needs that are relatively important to our target customers are:

* Sterile, disposable needles
* Week night and Saturday office hours
* A clean, pleasant, professional-looking clinic
* Practitioners that are friendly, kind, patient, compassionate, trust worthy, and sympathetic
* Cost-effective health
* The ability to see a health care provider on relatively short notice
* That insurance is accepted
* Since we offer weight loss programs, Mei Zen cosmetic acupuncture for the face, neck, or abdomen, we meet the needs of up-scale women interested in both health care and beauty.

# 3. Competitive Analysis

*This section describes the industry, who the competitors are in the industry, and how the industry overall is changing. It also describes, within the target market, who the competitors are, whether they are a threat or provide opportunities, and what risks can be expected in starting a business in this market.*

## 3.1 Industry Overview

*This section describes the overall health care market in the U.S or in your state.*

*This section answers the questions:*

* *How many health care practitioners are there compared to acupuncturists?*
* *What are the acupuncturist’s share of the market?*
* *How successful are acupuncturists overall in the U.S. or in your state?*



***This section will require some research. Review of acupuncture periodicals can help.***

*Example:*

There are currently <# health providers> health providers in the U.S. of which <# acupuncturists> are licensed acupuncturists giving acupuncturists <percentage> of the health care market. There are <# students> students currently in Oriental medical schools. Although the number of acupuncturists is growing every year, many new graduates do not have adequate business experience or knowledge to make a success of building and running an acupuncture business and go out of business within the first year. There are only <percentage> of acupuncturists that are still in business after 5 years. Many new acupuncturists have trouble building clientele in the first few years and only work part time in the acupuncture field forcing them to take another full or part time job.

## 3.2 Nature of Competition

*This section describes how competitors in the industry (U.S. or state) compete and gain market share.*

*This section answers the questions:*

* *What do the competitors use to compete?*
* *Do competitors compete with price, experience, education, specialties or some other factor?*



***This section will require some research.***

*Example:*

Competition is by price, service, hours, whether they take insurance and testimonials.

## 3.3 Changes in the Industry

*This section describes what factors are changing in the industry (U.S. or state) that could impact acupuncture businesses.*

*This section answers the questions:*

* *What changes are occurring in the industry in the U.S. that could impact acupuncture businesses?*
* *What changes are occurring in the industry in your state that could impact acupuncture businesses?*



***This section will require some research.***

*Example:*

People overall in the U.S. are more exposed to acupuncture and Oriental medicine due to exposure in the news and television shows. People are more willing to try acupuncture than before when all avenues of Western medicine have not worked. There are also more “bad drug” commercials running that show the harm that pharmaceuticals are having to patients. Larger acupuncture clinics are opening up including in hospitals that are hiring acupuncturists making it possible for acupuncturists to just heal and not be required to run a business. This is helping to grow the profession when acupuncturists have more employment options. As far as herbal medicine, some key herbal medicinals have been taken off the market even for licensed herbalists to prescribe. This trend will have to be watched closely as if this is allowed to continue there may be trouble with herbalists being able to dispense herbs.

## 3.4 Primary Competitors

*This section shows the competitive analysis. This section describes what your competitors are doing in the area that you working in. When putting together your competitive analysis you’ll find out what other acupuncturists are out there, what they’re charging, what services they provide, do they take insurance, do they give discounts, do they have a website and when are they open. The biggest thing to find out is how what they are doing differs from what you plan to do. You need to differentiate yourself from the rest of the pack so that you can stand out when you do your marketing and build your advertising.*

*This section answers the questions:*

* *Who is your competition?*
* *What are your competitor’s strengths that may cause them to gain customers that you could be getting?*
* *What are your competitor’s weaknesses where you could possibly gain their customers?*

**

***Information from your competitor analysis, done in Chapter 3, will help you develop this section.***

*Example:*

There are currently only six licensed acupuncturists in the <city> area. However, three do not have a website, one comes across as a spa, one acupuncturist has a 2-3 week waiting period to get an appointment and one works at that clinic part-time as he also has his own clinic in South Austin.

Competition is by price, service, hours, whether they take insurance and testimonials. My price of $70/treatment falls within the range of $65-85 of competitors. One competitor charges $49/treatment, but he is a chiropractic, not a licensed acupuncturist and his clinic comes across more as a spa. Not all of the competition has late night or Saturday hours. Most of competition has good reviews if they have a website.

## 3.5 Competitive Advantages

*This section describes your advantage over your competitors based on the competitive analysis in the above section.*

*This section answers the questions:*

* *What competitive advantages does your business have?*
* *How do your business’s advantages compare with the competition?*

**

***Information from your competitor analysis, done in Chapter 3, will help you develop this section.***

*Example:*

*<Insert the competitive analysis you prepared in Chapter 3>*

There are only 6 other Acupuncturist in Round Rock where only 2 are serious threats. With only 6 Acupuncturists in <city>, 1 in <city>, 7 in <city>, and 0 in <city>, there are many opportunities for growth for an acupuncturist. <business name> made a good decision in opening up in <city> instead of <city> since there are 160+ acupuncturists in <city>.

The owner is the only NAET certified practitioner in <city> and is one of 6 NAET practitioners in the <city>, <city>, <city>and <city>areas. <city> has 11 NAET practitioners, the closest being 10 miles away.

The owner is the only Mei Zen certified practitioner in <city> and is one of 4 Mei Zen practitioners in Texas. The closest Mei Zen practitioner is in <city> with the remaining two being in the <city> area.

In comparison to our primary competitors, we possess key competitive capabilities that we believe go a long way toward ensuring the success of our business. Particularly important are the following key capabilities:

* Staff has good communication skills
* The staff shows caring, kindness and respect to all patients
* Expertise treatment in the areas of allergy/NAET, Mei Zen cosmetic acupuncture, women’s issues, infertility, and pain management
* Chinese herbal pharmacy on site with several different forms of herbs including custom powder formulas
* Gentle needling where patients comfort is key
* Our willingness to explain things to patients and provide informational brochures
* We are an insurance provider to several of the top insurance companies
* We file insurance claims for patients
* We take credit cards
* Great business skills (owner has BBA)

## 3.6 Competitive Weaknesses

*This section describes your weaknesses compared to your competitors based on the competitive analysis in Section 3.4.*

*This section answers the questions:*

* *What competitive weaknesses does your business have?*
* *How do your business’s weaknesses compare with the competition?*
* *What can your business do to repair these weaknesses?*

**

***Information from your competitor analysis, done in Chapter 3, will help you develop this section.***

*Example:*

The competitive weaknesses that may impact the success of our business are:

1. New acupuncturist in the area
2. Inexperience
3. Low internet presence – people can’t find me
4. Low weekly client count – returning customers
5. Low weekly new client count

## 3.7 Threats and Risks

*This section describes any threats and risks that the company may face that could impact the business success.*

*This section answers the questions:*

* *What are the threats and risks to the business?*
* *What is the likelihood of each threat or risk coming to pass?*
* *How does the business intend to face each threat or risk so that the business can still be successful?*

**

***Business concept decisions from Chapter 7 should be put here.***

*Example:*

Possible threats that could cause risks to the business include:

* Person illness or incapacity of acupuncturist
* Malpractice suits
* Legal scope of practice restrictions
* Legal banning of Chinese herbs or not being able to attain Chinese herbs
* Federal Healthcare Bill – how it will affect acupuncture insurance benefits

As for business and/or malpractice suits, we carry $1,000,000.00 of malpractice insurance and $1,000,000.00 of business liability insurance. We also carry property insurance and workman’s comp insurance. We believe this adequately protects our clinic from high risk. If <owner names> for any reason was unable to treat patients for more than two weeks, this would cause serious financial difficulty to this clinic to which we currently have no solution.

# 4. Strategic Planning

*This section describes your business goals for the year and how you plan to accomplish them. The vision statement in Section 1 is your current goal for the next five years. This section presents the strategic plan you will use to reach your goals for this year. The result is a list of tasks that will allow you to accomplish each strategy and goal.*

## 4.1 Goals and Strategy

*This section describes the businesses goals for the first year and the strategy for accomplishing them.*

*This section answers the questions:*

* *What are your goals for the year?*
* *What is the strategy for accomplishing each goal?*

**

***Strategic planning was discussed in Chapter 2, section “A Word on Goal Setting”.***

*Example:*

*<Insert the Strategic Planning Worksheet, step 2 you prepared in Chapter 3>*

## 4.2 Strategy Implementation

*This section describes what tasks will be done to implement the strategies listed above.*

*This section answers the questions:*

* *What tasks need to be done to accomplish each strategy?*
* *What is the priority of each task?*
* *What is the target date for completing each task?*

**

***Strategic planning was discussed in Chapter 2, section “A Word on Goal Setting”.***

*Example:*

*<Insert the Strategic Planning Worksheet, step 3 table you prepared in Chapter 3>*

# 5. Services and Products Overview

*This section describes the services and products that will be sold at this business.*

## 5.1 Services

*This section describes services that will be sold at this clinic. This section describes the strengths and weaknesses of services being provided in comparison with your competition.*

*This section answers the questions:*

* *What services will be sold at this clinic?*
* *Will there be any service packages offered?*
* *What are the strengths in your service offerings?*
* *What are the weaknesses in your service offerings?*

**

***Business concept decisions from Chapter 3 should be put here.***

*Example:*

Services will include <list all services you plan provide at the clinic>.

The strengths in our service offerings is that the owner is the only NAET certified practitioner in <city> and is one of 6 NAET practitioners in the <city>, <city>, <city> and <city> areas. <city> has 11 NAET practitioners, the closest being 10 miles away.

The owner is the only Mei Zen certified practitioner in <city> and is one of 4 Mei Zen practitioners in Texas. The closest Mei Zen practitioner is in <city> with the remaining two being in the <city> area.

## 5.2 Products

*This section describes the products that will be sold at this clinic. This section describes the strengths and weaknesses of products being provided in comparison with your competition.*

*This section answers the questions:*

* *What herbs will be sold at this clinic and in what form?*
* *What other non-herbal products will be sold at this clinic?*
* *What are the strengths in your product offerings?*
* *What are the weaknesses in your product offerings?*

**

***Business concept decisions from Chapter 3 and Chapter 10 should be put here.***

*Example:*

Chinese herbal products include a select number of Chinese patents, and a full line of Chinese single herbs and a select number of Chinese formulas in powdered form. These two forms of herbs allow us great flexibility in providing options that meet the specific needs of our patients while at the same time being affordable.

Single powdered herbs will include <list all single powdered herbs you plan to carry>. Formula powdered herbs will include <list all formula powdered herbs you plan to carry>. Patents will include <list all patent herbs you plan to carry>. Other non-herbal products include <list all other products you plan to carry>.

# 6. Sales Strategy

*This section describes how you’re going to sell, how you’re going to discount, and how you’re going to charge people.*

## 6.1 Sales Tactics

*This section describes how this business will approach sales and the tactics that the business will use to get prospective patients to desire the products and services that the business offers.*

*This section answers the questions:*

* *What sales tactics will be used to get prospective patients to desire the services that are offered?*
* *What sales tactics will be used to get prospective patients to desire the products that are offered?*
* *What sales tactics will be used to get prospective patients to see the need for and want to be a part of a treatment plan?*

**

***Business concept decisions from Chapter 3, 13, 14 and 15 should be put here.***

*Example:*

Our primary sales tactic is to offer an evaluation period consisting of four visits. During these four visits the patient will have a full consultation and exam regarding their health issues, experience acupuncture, see if they are getting results from acupuncture, see how fast they are responding to acupuncture, experience herbal medicine, see if they are getting results from herbal medicine, learn about Oriental medicine, go over their Oriental medicine diagnosis with the practitioner, and review what the practitioner recommends going forward as far as treatment plan. This evaluation period is designed for the patient to become familiar with Oriental medicine processes, become acquainted with the practitioner and establish trust in the practitioner. During this process, the practitioner will at all times be honest, authentic and at no time pressure the patient into buying the treatment package. Our strategy is to charge a fair competitive price while giving discounts and incentives to customers that can enable them to get a lower price.

## 6.2 Pricing

*This section describes pricing of services and products.*

*This section answers the questions:*

* *What is the fee for each service (insurance price)?*
* *What is the time of service discount for each service (cash price)?*
* *What is the percentage mark-up from cost for herbal products?*
* *What is the price per gram of powdered herbs?*

**

***Include here the fee schedule from Chapter 3.***

*Example:*

*<Insert the Fee Schedule you prepared in Chapter 3>*

Herbal products will be priced at 30% above the business cost of the product. Powdered herbs will be sold at $0.35/gram.

## 6.3 Discounts and Incentives

*This section describes any discounts that will be offered to patients to provide the incentive to buy a treatment package. Make sure any discounts and incentives offered are legal in your state.*

*This section answers the questions:*

* *Will pre-pay plans be offered?*
* *If so, what will the discount options be?*
* *Will there be an installment option making it easy for patients to buy the treatment package?*
* *Will there be a referral program?*
* *Will there be other discounts for groups of people such as veterans, students, seniors, or teachers?*
* *What sales and promotions will be given throughout the year?*

**

***Discounts and incentives were discussed in Chapters 3, 14, and 15.***

*Example:*

Our patient referral program includes giving a $10 credit on account to every patient who successfully refers a new patient to us. The new patient that is referred will also receive the consultation and exam for free.

We will offer a 20-25% discounts if the patient prepays for a treatment plan. Included with this package will be a free nutrition session and free acupressure training.

We will give a 10% discounts on treatments to veterans, active military and students.

Once a year starting in October we will have a Meizen cosmetic acupuncture sale to promote looking beautiful for the holidays. Offer a 15% discount on the total package if they pay a down payment and set up the appointments before the end of the year.

# 7. Marketing Strategy

*This section describes how you’re going advertise so as to get people into the door. Your website is part of this, as well as any other kind of marketing and advertising that you do.*

## 7.1 Website

*This section describes the website and how it will be used to attract customers as a marketing tool. The website may be the first opportunity to make a good impression and induce customers to call and make the first appointment. So make sure your website reflects the message about your business that you want your customers to receive. Be sure to review your competitor’s websites to help you decide how you want to convey how you are different from your competitors.*

*This section answers the questions:*

* *What are the main messages that you want your prospective customers to know about your business? Safety? Take insurance? Specialization?*
* *What do your customers say about your company? Have a page for testimonials.*
* *What is the businesses purpose?*
* *What other pages will be included in the website?*
* *Who will build, host and maintain the website?*

**

***Business decisions that affect the website are reviewed in Chapters 1, 3 and 13.***

*Example:*

The message we want to send is that our clinic is the most knowledgeable and experienced in that we have the only Doctor of Acupuncture and Oriental Medicine in the area. We also emphasize safety first, are conveniently located, specialize in allergy elimination, pain relief and infertility, and also has convenient office hours for working people.

The owner will build and maintain the website using Wordpress and host the site with <hosting company>. The website will have a bright, colorful and professional look. It will include pages describing the doctor, staff and clinic, clinic purpose, what diseases we specialize in treating, about Oriental medicine, safety, news, blog, new patient expectations and forms, testimonials, financing options including insurance, resources and a contact page. We will also have a page where they can sign up for the newsletter. This will build our e-mail customer database.

## 7.2 Inbound Marketing

*This section describes marketing techniques put into place so that the patient is able to find the business.*

*This section answers the questions:*

* *What insurance directories is the acupuncturist on?*
* *What specialty directories is the acupuncturist on?*
* *Do you have a referral program?*

**

***Business concept decisions from Chapter 13 should be put here.***

*Example:*

Our primary methods are inbound telephone calls. Inbound calls are generated by patient referrals, word of mouth and web directory referrals. We have a referral program where we give coupons to new patients to give to friends or family that entitles them to receive a free consultation and exam. If a new patient comes in that was referred by a current patient, then that patient will receive a $10 credit on their account to use for future products or services. Web directories that we are on are insurance provider lists (BCBS, Aetna and UHC), NAET, Meizen and Acufinder.com.

## 7.3 Outbound Marketing

*This section describes marketing the business will use to reach out to their prospective customers.*

*This section answers the questions:*

* *What is your e-mail strategy?*
* *How is social media used to attract customers?*
* *Are health fairs, conferences, talks or other types of “get in front of people” marketing used to attract customers?*
* *How else will you get the word out about your business? Business cards, brochures describing your company, what else?*

**

***Marketing concepts are described in Chapter 13.***

*Example:*

The primary methods we will use to let people know we are here are e-mail blasts, social media blasts, business cards and brochures. We will do free informative talks at businesses every month in order to gain new clients. The main purpose of our talks is to educate about acupuncture and Oriental medicine. We will send out e-mail blast and social media blasts several times a month about sales, holidays, Oriental Medicine information and blogs that will educate prospective patients about Oriental medicine and promote our clinic.

## 7.4 Publicity and Advertising

*This section describes what you want your advertising message to be and ways to get it out there. Advertising are elements that are paid for at certain times to promote the company. Publicity is free advertising that is used at certain times to promote the company. Pick your advertising carefully as it tends to be very expensive and many times give back little to no results.*

*This section answers the questions:*

* *What is your main advertising message?*
* *What types of advertising will we use?*
* *What types of publicity will we use?*

**

***Business concept decisions from Chapter 13 should be put here.***

*Example:*

We will put out a press release about the grand opening. We will do networking through the local BNI group and advertising in select yearly health and wellness directories. The owner will handle all advertising and publicity campaigns with clerical support from the office assistant.

# 8. Operations

*This section describes the day to day operations of the business. This includes your locations, employees, activities, how the business plans to serve their clientele, and required documents for daily business operations.*

## 8.1 Team

*This section describes anyone you hire that works on behalf of the business even if they are not a full time employee. An organizational structure may be included if your business is large enough.*

*This section answers the questions:*

* *Who is the owner of the company and what are their credentials?*
* *Who else works at the company?*
* *What professionals are hired to support the business?*

**

***Business decisions for building your team are described in Chapter 6.***

*Example:*

The key employee is <owner> who founded the practice and owns the business. <owner>’s credentials are that she is a licensed acupuncturist in the state of Texas and a Diplomate in Acupuncture thru NCCAOM. <owner> is a graduate of <school> attaining her master degree (MAOM) in <year> and her doctorate degree (DAOM) in <year>. Before becoming an acupuncturist, <owner> attained a business degree (BBA) from <school> and worked as a Software Engineer. This education and experience provided her with business experience doing customer service, management, staffing and bookkeeping. <owner> will be responsible for delivering all services to customers and running daily operations of the company including all office, finance, management and marketing tasks.

Since we are a small company, we must use outside professionals, services and contractors to help us run our operation. Other non-employees that support our business include:

Taxes: <name>, CPA

Insurance Billers: <name of insurance biller>

Answering service: <name of answering service>

Lawyer: <name of business lawyer>

Cleaning Service: <name of cleaning service>

Laundry Service: <name of laundry service>

Sharps Disposal: <name of sharps disposal service>

## 8.2 Staffing Plan

*This section describes future staffing plans. Include types of positions that you may need to fill in the future and what needs to happen in the business for you to fill those positions? You may also include here how you plan to train, motivate, reward and retain your employees.*

*This section answers the questions:*

* *What type of employees will you need to hire in the future? Office Assistant? Marketing Manager?*
* *Do you plan to hire associate acupuncturists in the future?*
* *How will employees be trained?*
* *How will employees be motivated, rewarded and retained?*

**

***See concepts from Chapter 6 to build your staffing plan.***

*Example:*

Once patient load gets to half capacity, we anticipate that we will need to hire an office assistant to run the front office. Once patient load gets to over full capacity, we anticipate that we will need to hire an associate acupuncturists. As a reward for our employees we will have a yearly review with raises as appropriate, end of year bonuses, holiday pay, paid time off (PTO) and flexible work hours.

## 8.3 Scope of Activities

*This section describes the operations of the company in delivering products and services to customers.*

*This section answers the questions:*

* *What are the daily activities of the clinic?*
* *What are the weekly activities of the clinic?*
* *What are the monthly activities of the clinic?*
* *What are the yearly activities of the clinic?*
* *Describe the client flow thru the clinic?*

**

***These business activities are described in Chapters 8 and 12.***

*Example:*

Daily clinic activities include patient appointment reminder calls, pulling and preparing patient files for the next day, checking patients in, giving treatment and herbs to patients, checking patients out and backing up the books at the end of the day. Weekly clinic activities include ordering herbs and balancing the books. Monthly clinic activities include ordering needles, office supplies and paper good supplies. Yearly clinic activities include preparing federal income taxes, paying sales tax, delivering 1099-MISC and W-2 statements, preparing budgets for the next year and doing next year’s business plan.

The clinic flow diagram is below.

*<Insert the clinic flow diagram you prepared in Chapter 8>*

## 8.4 Customer Service and Support

*This section describes the duties and tasks required to give great customer service and support.*

*This section answers the questions:*

* *Who will handle front office support and what tasks are included?*
* *What customer service and support tasks will occur during the treatment?*
* *What are the business’ standards for high customer support?*

**

***Customer service and support concepts are described in Chapters 6 and 12.***

*Example:*

The owner is specifically responsible for all front office customer support. These duties include answer the phone, making or changing appointments, understanding clinic policies, collecting fees and purchasing supplies and products. Calls are be handled by the owner if she is not with a client. During non-business hours or if she is busy with a client, calls are taken by <answering service company> staff. <answering service company> is an answering service that can give simple information, direct the client to the website, make appointments, or forward the call to the owner if necessary. Clients have 24/7 support by either <answering service company> or by calling the owner’s cell phone directly. Since customer service and support are such an integral part of our business, we strive to keep our customers satisfied at all times.

The owner is also responsible for all customer support in the treatment room. She’s responsible for answering all questions about Chinese medicine and for answering detailed customer questions about their condition and treatment.

This company has high standards when delivering customer support and shows the customer that they are always right. All customers are shown utmost respect, patience, calm communication and confidentiality. These standards include:

* Phones will be answered within three rings.
* We will strive to be on time for appointments.
* Each patient will be reminded of their appointment.
* All conversations with patients and patient files will remain confidential.
* Each patient will be greeted with a smile and hello.
* Each patient will be given education about acupuncture and Oriental medicine.
* Each patient will be given an Oriental diagnosis that will be explained to them.
* Each patient will be given a recommended treatment plan.
* We will use the high quality herbs.
* Every room of clinic will remain clean at all times.

## 8.5 Locations and Facilities

*This section describes the locations of the business and why this is an advantage or disadvantage in the market.*

*This section answers the questions:*

* *Where are the locations of the business?*
* *What is the term of the lease at each location?*
* *What are the advantages or disadvantages of the location being at this site?*
* *What furniture, including computer equipment, is in the space?*
* *What are future plans for location?*

**

***Information about locations and facilities are discussed in Chapters 1, 8 and 9.***

*Example:*

<business name> is currently located at <address> in <city, state> where we leased 791 square feet of office space. This facility includes a waiting room area, an herbal dispensary with sink, one large office/treatment room, and one smaller treatment room. Also, there are common bathrooms down the hall outside of the clinic. The large office/treatment room is divided by screens and is used by the owner. The second smaller treatment room will be leased out. The treatment room is equipped with a massage table, chairs, small desk, a sharps container, blood pressure cuff, garbage can, and TDP lamp. In the attached office, there is a desk, several chairs, shelves and filing cabinets. This facility will continue to meet all of our needs during the remaining period of the current lease which ends in December 31, <year>.

There is an option to renew the lease at the end of that time. However, in order to accommodate more practitioner and more patients, we are planning on moving to a new, larger location in the same general area. The timing of the move will be dependent on how long it takes to reach full client capacity which is 45 clients per week. Once the clinic reaches this full capacity, plans will begin for the larger, new clinic location.

The computer used for the business is a laptop owned by the owner. The laptop is in her possession at all times and goes home with her. This computer is used to track all patient and business records and for word processing and graphics. There is a single inkjet printer in the office which is a printer/fax/scanner/copier all-in-one. The phone system has 2 lines with the main line forwarding to <answering service company> after 3 rings.

## 8.6 Insurance

*This section describes any insurance the business has to protect the business.*

*This section answers the questions:*

* *Is there personal liability and property insurance and if so give details of insurance protection?*
* *Is there malpractice insurance and if so give details of insurance protection?*
* *Is there Workman’s Comp coverage and if so give details of insurance protection?*

**

***Insurance concepts are discussed in Chapter 7.***

*Example:*

<business name> carries standard business liability insurance and acupuncture malpractice insurance. We carry $1,000,000/$2,000,000 worth of business liability insurance and $1,000,000/$3,000,000 of malpractice insurance. In addition, we also carry $20,000 of personal property insurance.

## 8.7 Licenses

*This section describes licenses required to run the business.*

*This section answers the questions:*

* *What practice licenses does the business or business owners have?*
* *Does the company have a license to collect sales tax?*
* *Are there any other licenses required to run the business?*

**

***Licensing is discussed in Chapter 7. Sales tax is discussed in Chapter 4.***

*Example:*

<business name> is an LLC in the state of Texas and has DBAs in <county name> county. In addition, <owner names> is a licensed acupuncturist in the State of Texas. <business name> does have a license to collect sales tax.

## 8.8 Operations Documents

*This section describes any manuals, documents and procedures that are used in the daily operation of the business.*

*This section answers the questions:*

* *What manuals does the business have?*
* *What procedures are in place for your company?*
* *What documents are used in the running of your company?*

**

***Business forms and processes are discussed in Chapters 11 and 12.***

*Example:*

The business does have an office policy manual that all new employees are required to read. This document details the rules of the clinic, expectations of employees, pay dates, reviews, holidays, sick leave, etc.

New patient documents include:

* New Patient Contact form
* New Patient Packet forms
* Consultation History form
* Patient Policies form
* Patient Condition Assessment form
* Insurance Benefit Verification form
* Superbill Fee Ticket form

Procedures for running the business include:

* Office Daily, Weekly, Monthly and Yearly procedures
* Patient Check-In and Check-Out procedures
* Making Appointments procedure
* Insurance procedure
* Missed Appointment/Call Back Log procedure
* Patient Contact procedure
* Patient Billing Information procedure

# 9. The Financial Management Plan

*This section describes how much money you will need to start-up and run the business. This section also forecasts how much income you’ll expect to make every month so that you can prepare a profit and loss statement for the year.*

## 9.1 Start-Up Budget

*This section describes a list of all start-up expenses needed to start the business from the planning stage to opening the doors.*

*This section answers the questions:*

* *What things need to be done to open the doors?*
* *What items need to be purchased to open the doors?*
* *How much money is needed to start up the business?*

**

***Chapter 5 describes how to develop a Start-Up Budget.***

*Example:*

*<Insert the Start-Up Budget you prepared in Chapter 5>*

## 9.2 Operating Budget

*This section describes a list of all recurring expenses for the month and year, coming up with the total monthly cost needed to operate the business.*

*This section answers the questions:*

* *How much will it cost per month to operate the business?*
* *What one time yearly costs are there to operate the business?*
* *What is the total it will cost per month (including yearly costs) to operate the business?*

**

***Chapter 5 describes how to develop an Operating Budget.***

*Example:*

*<Insert the Operating Budget you prepared in Chapter 5>*

## 9.3 Break-Even Analysis

*This section describes how many patients you must treat to provide the income you must make in the first year in order to cover the monthly and yearly expenses.*

*This section answers the questions:*

* *How many patients do you need to treat per month to break even?*
* *How many patients do you need to treat per week to break even?*
* *How many patients do you need to treat per day to break even?*

**

***Business concept decisions from Chapter 5 should be put here.***

*<Insert the Break-Even Analysis you prepared in Chapter 5>*

## 9.4 Sales Forecast

*This section describes the sales forecast that you predict for the future along with underlying assumptions.*

### 9.4.1 Underlying Assumptions

*This section describes the underlying assumptions that you have made while developing the sales forecast.*

*This section answers the questions:*

* *What assumptions where made in developing the sales forecast?*
* *What are reasons that you think sales will grow over the forecast period?*

**

***Business concept decisions from Chapter 5 should be put here.***

*Example:*

Underlying Assumptions:

* To break-even, the clinic must treat 60 patients per month. Our goal is to hit 60 patients per month before year end, so that in year two we will make a profit.
* For January, our estimated number of patients per month is 7. From February to April, we estimate that our number of patients per month will increase by 30%, building on the previous month. From May to December, we estimate that our number of patients per month will increase by 20%, building on the previous month.

Since we are new to the area, we expect it will take 3 months before the community knows we are here. Therefore, in the first month we will focus on building a professional-looking website that will begin to raise awareness of our presence and bring patients in. The other way in which we will draw attention to ourselves is through the insurance directory list. We began the process of becoming an insurance provider with Blue Cross Blue Shield, Aetna and United Health Care three months ago and we expect to be approved and on the list within 3 months. Our presence on the list will help to draw prospective patients.

### 9.4.2 Sales Forecast

*This section shows the estimated number of patients that you will be treating each month to arrive at the total sales forecast for the first year. If you are seeking funding, you may have to prepare a sales forecast that extends out three, or maybe even five years, depending on our lender. If this is the case, the sales forecast for the next year will build off of the sales forecast of the previous year.*

*This section answers the questions:*

* *How many patients do you estimate you will treat each month?*
* *What do you estimate each month’s sales will be?*
* *What will be your total sales be for year 1?*

**

***Business concept decisions from Chapter 5 should be put here.***

*Example:*

*<Insert the Sales Forecast that you prepared in Chapter 5>*

## 9.5 Profit &Loss Projections

*This section describes your profit and loss predictions for the year.*

*This section answers the questions:*

* *What are your projected income for the year?*
* *What are your projected expenses for the year?*
* *What is your projected profit or loss for the year?*

**

***Business concept decisions from Chapter 5 should be put here.***

*Example:*

*<Insert the Profit & Loss Projections that you prepared in Chapter 5>*

# Appendix A – Acupuncturists Map

*This section describes where all of the acupuncturists are in the surrounding cities.*

*This section answers the questions:*

* *Where are the acupuncturists in the surrounding cities?*
* *How many acupuncturists are in each surrounding city?*

**

***Business concept decisions from Chapter 3 should be put here.***

*Example:*

This is a listing of the <city> surrounding area acupuncturists. Searches were done by Google search for “acupuncture <city>”, “acupuncture <city>”, “acupuncture <city>”, and “acupuncture <city>”.

*<Insert the Google map showing the acupuncturists in the larger surrounding area>*

* <city>: (7)
* <city>: (1)
* <city>: (0?)
* <city>: (7)
* <city>: (160)