

chapter two

business planning



**REDUCE
SPEED
NOW**

An event Business Plan serves to communicate the strategic plan for taking the event forward, usually over a period of three to five years (if it is not a one-off proposition). Every event should have a Business Plan.

Regardless of the scale, age or history of your event, the Business Plan is an essential tool that will:

- ▶ Communicate the vision, purpose and benefits of the event to others
- ▶ Enable you to focus on the event's potential to develop and grow
- ▶ Illustrate and help secure the event's viability and sustainability in the longer term
- ▶ Show how much money is needed and what it is needed for
- ▶ Help you plan the resources, delivery and operating structure
- ▶ Help you raise funding
- ▶ Help you measure success

Don't let the term 'Business Plan' put you off. You are likely to have already thought about everything you write in the plan many times over. By writing it down, it will help you organise your thoughts, share them with others and allow you to make mistakes on paper before putting plans into action. A Business Plan doesn't have to be complicated. Keep it simple and logical. Use your resources and invite key members of the team as well as event partners (if appropriate) to contribute to its formation so that the plan is 'owned' by the team. Key areas to be addressed in an event Business Plan include:

- ▶ The event's vision and mission – *i.e.* what it ultimately aims to achieve
- ▶ Who the key stakeholders are, what benefits they will accrue and how the event fits with their strategies
- ▶ The relevant experience and track record of the organisers
- ▶ The event's background and an overview of plans for the current year

- ▶ The SWOT analysis (identify strengths, weaknesses, opportunities and threats)
- ▶ The audience/spectator/participant profile (existing and targets)
- ▶ Key objectives and achievement strategy for the current year
- ▶ A development plan – key aims and objectives going forward (beyond the current year)
- ▶ Marketing and communications planning
- ▶ Event requirements – staffing structure, facilities, services, venues, etc
- ▶ How much the event will cost – budget projections over 3–5 year period
- ▶ How will it will be paid for – identifying income streams
- ▶ Management and business controls
- ▶ Risk management and contingency plans
- ▶ Future considerations

Below is a broad guide intended to help you create your own unique Business Plan. Add or exclude elements that you feel are appropriate to your event and situation – there is no right or wrong format. The scale and complexity of the event will determine the size of the plan so don't be alarmed if your final document seems too short or very long. As long as key issues pertinent to your event are thoroughly addressed and it is written in plain English, it will be a very useful document that gives you, and others, confidence to take the event forward.

The following guidance sets out a logical sequence for compiling a generic event Business Plan. It is not suggested that this approach will fit all events, but it should give you a starting point if you feel you need guidance.

BUSINESS PLAN GUIDE

FIGURE 2.1

Cover Page

- ▶ Prepare a cover page with the name of the event, title of the document and period that the plan covers. Include your event logo/visuals and your contact details

Contents

- ▶ Create a contents page to ensure the plan is easy to navigate. List the chapters and chapter contents with page numbers shown alongside
- ▶ If appropriate, indicate the distribution list
- ▶ Ensure that you date the plan

Executive Summary

The executive summary should extend to no more than two or three pages and should contain an overview of the following:

- ▶ What the event is
- ▶ The event's vision & mission
- ▶ Its objectives
- ▶ When and where it will take place
- ▶ Why the event has been developed
- ▶ Who the event aims to attract (the market)
- ▶ What the key benefits of hosting the event are – to the community, sector, stakeholders, etc
- ▶ Who developed the event and Business Plan
- ▶ Statement as to the estimated event income and expenditure
- ▶ Business Plan review (i.e. plans for monitoring and updates)
- ▶ What the main sections of the Business Plan are

1. Background & History

This section should include information on:

- ▶ **Event Management** – outline who you are and what your relevant experience and track record is
- ▶ **Event History** – is this the event's first year; where did the idea come from; have there been similar events; has it previously been staged elsewhere; what kind of event is it; who does it attract?
- ▶ **Present your SWOT analysis**

2. Event Overview – Current Year

This section should set out plans for the ‘live’ event year:

- ▶ **Restate your vision and mission**
- ▶ **Key Objectives** – clearly state the key objectives and how each will be delivered. Set timescales and identify who each action will be led by (i.e. which organisation/individual)
- ▶ **The Event** – describe the event and its various elements in more detail. Give an overview of the intended event content/programme and any new developments
- ▶ **Target Market** – give an outline of the existing audience/spectator/participant profile (if there is one) and state targets for growth and development (you should go into more detail in section 5)
- ▶ **Stakeholder Involvement and Benefits** – describe the involvement and benefits each stakeholder should expect (event partners, public funders, sponsors, supporters, host venue/city, the local community, etc). Make sure you state where the event and stakeholder strategies align

3. Development Plan – Going Forward

This section should present an outline of how the event will develop over the next 3–5 years:

- ▶ **Strategic Development** – with your vision and mission in mind, outline your key objectives and how they will be delivered and developed beyond the current year; set timescales and identify who will lead each action (i.e. organisation/individual)
- ▶ **Development Implications** – summarise the policy you will apply to ensure quality control and a relevant programme of events
- ▶ **Strategic Alignment** – going forward, describe how your event may deliver to the strategic plans of your current and potential stakeholders

4. Event Requirements

This section should outline what is required on an operational level to deliver the event:

- ▶ **Facilities** – what facilities are required in terms of public utilities, accommodation (on and off site), catering, communication, other technology (such as timing equipment for sporting events), etc
- ▶ **Services** – what services will be required and who will provide them: medical, police, child protection, fire, traffic management, health & safety, security, media, etc
- ▶ **Production** – detail the production equipment required such as power, fencing, staging, sound, lighting, vision, heavy plant, etc
- ▶ **Legal & Insurance** – consider the implications of contractual arrangements and the necessary insurance required to cover all aspects of the event
- ▶ Etc...

5. Marketing & Communications Plan

This section should describe who your audience/participants/spectators are and how you will reach them:

- ▶ **Situational Analysis** – provide outline information about existing audiences/participants/spectators; strengths, weaknesses, opportunities and threats with specific reference to the marketing and communications effort
- ▶ **Targets** – identify primary and secondary target markets for each year of the Business Plan
- ▶ **Marketing Strategy** – set aims, objectives and achievement strategies
- ▶ **Communications/Media Strategy** – outline the key communication messages and how they will be delivered against a timeline
- ▶ **Marketing Action Plan** – plot activity against a monthly timeline
- ▶ **Budgets and Resources** – show how you will finance and resource the plan
- ▶ **Monitoring, Research and Evaluation** – set out how you will monitor and evaluate the success of the Marketing and Communications Plan. Describe how you will research and monitor your audiences/participants (further guidance is provided in Chapter 12).

6. Financial Plan & Considerations

This section is crucial. You need to show that the event is financially viable and achievable.

- ▶ **Income and Expenditure Projections** – present detailed event budgets and cash flow projections for the period of the plan (see Chapter 4 for guidance).
- ▶ **Budget Notes** – as necessary, explain how you have arrived at these figures; explain any assumptions that have been made; give information about funders' commitments
- ▶ **Revenue Plan** – outline targets and strategies for securing funding and sponsorship and other incomes; include expected time scales and contingency plans (see Chapter 5)
- ▶ **Investment Appraisal** – what value for money does the event bring; who/what benefits and how will this be monitored
- ▶ **Economic Impact Estimation** – the additional income that holding the event will bring to your area/economy

7. Management & Business Controls

In this section you need to show that you are set up to manage the event appropriately:

- ▶ **Management & Organisation** – Outline the legal status of the organisation and be clear about event ownership. Detail key management and stakeholder roles and expertise; show the organisational structure and chain of command (see Chapter 3 and 7).
- ▶ **Event Action Plan** – set out a clear timetable covering all aspects of event delivery (see Chapter 1)
- ▶ **The Business** – describe how you will keep track of the business; describe the management and administration systems that will ensure the smooth running of the event
- ▶ **Other Records** – explain the other systems you will put in place to monitor progress of each operation, when will you do it, who will do it, etc
- ▶ **Management Information Systems** – how will you measure objectives against levels of achievement (marketing, budget, etc) and how will you provide reports?
- ▶ **Review** – state when the plan will be reviewed and whose responsibility it is to do so

8. Risk Management

In this section you should explain how you will address the Risk Management process:

- ▶ **Risk Factors** – identify key risk factors (e.g. with respect to your objectives, programme, finances, operations, reputation, legal, audience, health & safety, etc). Show how you will manage and mitigate risks and provide an initial risk assessment (see Chapter 9)

Appendices:

These may include appropriate documents such as:

- ▶ Additional financial information
- ▶ A site/venue map
- ▶ Previous research and economic impact information
- ▶ Equal opportunities policy
- ▶ Health and safety policy
- ▶ Ethical practices
- ▶ Code of practice/staff briefing document

How should the Business Plan be presented?

Your plan should be easy to read and navigate. It should be typed up in a clear font with good spacing. Each page should be numbered and the whole document bound. Make sure you produce multiple copies to distribute to key team members, funders and stakeholders as necessary.

If the plan is being presented in person at any point (*i.e.* to a potential funder), ensure the presenter is familiar with all aspects of the plan and they have good face-to-face presentation skills.

Reviewing the Plan

Unless otherwise agreed with event partners, it is likely you will wait until the current year's event has been staged and the evaluation process completed before you reassess the plan. A review period should be calculated into the Event Action Plan to ensure the exercise is completed in enough time to action new objectives and raise funds for future years.



TOP TIPS

- ▶ Maintaining good records, documenting your activity and producing plans is not about keeping funders and stakeholders happy. It helps you operate more efficiently, communicate what has to be achieved, and avoids the need to 're-invent the wheel' each time you start your event planning.
- ▶ Think laterally and save time – remember you should be able to cut and paste standard information sections from your Business Plan into funding applications as appropriate.
- ▶ Once you have written your plan, make sure you keep it as a 'living document'.
- ▶ Keep it simple.

