ALBERTA
efuturecentre

Developing an E-Business Plan

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Developing an E-Business Plan

The e-business planning process is similar to any other business planning initiative. The process involves a careful review of the business concept and a detailed plan to turn that concept into reality through an analysis of issues such as financial statements, market opportunities, product mix, pricing strategy, and other key variables.

The only substantive difference is that an e-business business plan places a greater emphasis on the Internet and the World Wide Web as a marketplace, communications medium, and business channel than a traditional business plan.

As with other corporate plans, the e-business plan has two audiences. These audiences, according to New Art Technologies, a North American-based e-commerce consultancy, are management and staff.

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Management is responsible for developing the concept behind the e-business dream, and ultimately making it happen. The staff is the avenue through which the plan is executed to materialize results.

Although writing a plan doesn't actually guarantee success, an e-business plan provides a critical game plan and road map. It highlights management and staff responsibilities and milestones to meet "the business" objectives.

Key E-Business Plan Components

Based on a review of leading e-commerce plans in Canada, the following provides a brief overview of the key components you should include in your e-business plan. The descriptions also include the questions that need to be asked and answered in each section.

Description of the Business

This section includes background information on your company. Key questions include: How and why the organization was started? Who are the players on your

management team? What products and services do you provide? What solutions, benefits and features do you offer?

Purpose of the Web Site

This reviews your e-business objectives. Are your objectives to increase sales, decrease costs, improve public relations, develop a qualified list of prospects, sell products directly from the web site? Other reason(s)?

Audience Analysis

This studies who you are trying to reach on the Internet. Key questions include: What is your target market? Where are your customers located? What are the leading market segments?

Market Research

This analyzes the industry in which are you operating on the Internet. Questions include: How large is your industry in dollar and unit terms? Is your industry growing or contracting and by how much? Who are the leading competitors?

Implementation Schedule

This sets out what e-business related activities have to be completed and by when. Key questions include: Which manager and staff are responsible for which tasks? What happens if tasks are not completed on time?

Evaluation and Metrics

How will your site adapt to fluctuating market conditions and changing customer needs?

This reviews how your web site traffic and e-business activities will be evaluated and monitored. Key questions include: What software will you use to measure your site activity? Who will be responsible for monitoring your site activity? How will the results be reported back to senior management? What actions will be taken as a result?

Server and Internet Service Provider Checklist

This covers what type of server you will buy or lease, and what you will expect from your Internet Service Provider (ISP). Key questions include: What type of server

(brand, speed, hard disk capacity, memory) should you use? What combination of price, service, and reliability are you expecting from your ISP?

Style Guide

This section addresses your web site's "look and feel." Key questions include: What will be your domain name? What photos and graphics will you use? What font will you use? What forms or mechanisms will you use to get orders or customer response?

Site Evolution Plan

This spells out how your site will evolve over time. Key questions include: What new upgrades and changes will be made to your site over the next three months? Six months? One year? How will your site adapt to fluctuating market conditions and changing customer needs?

Logistics

This reviews how products and services sold through your e-business may need to be physically shipped to customers in Canada, North America, and worldwide. Key questions include: How will your transportation expenses be reflected in your pricing? What tariffs, labeling, inspection, and other border paperwork and regulations will have to be met to transport your products across international borders? How do you deal with products that are returned or exchanged?

Translation/Localization

This covers your plans to translate and localize all or parts of your site to target to customers from other countries. Key questions include: what languages should you offer on your site?; and how do you customize your site to appeal to specific international cultures and tastes?

Financials

This reviews your financing requirements to maintain and grow your e-business. Key questions include: Exactly how much capital will you need to finance your e-business operation, especially during the critical start-up phase? How and over what period do you intend to repay debt and over what term?

E-Business Business Plan Resources

- **Bplans -** www.bplans.com/dp
- **Developing the e-business Plan** - www.newarttech.com/eBusiness.htm