**How to Write a Business Plan for a Bakery**

Unless you plan to seek financing from a bank or private investors, your bakery business plan as a finished product is actually less important than the process of writing it. Writing the plan forces you to meticulously analyze every aspect of your business – from how often you need to order supplies, to the daily quantities you need to bake.

**Step 1**

Write a description of your bakery. This will be the "Company Overview" of your business plan. Include details about how you started it or plan to start it. For example, perhaps you started baking out of your home as a cottage industry, then demand for your baked goods outpaced your ability to produce them. If you’ve inherited a bakery from a family member, include a brief history and description. If you’ve incorporated or found a partner for the bakery, include that in this section as well.

**Step 2**

Write your market analysis to justify the demand for your baked goods. For example, perhaps there’s a coffee shop that carries a small inventory of pastries, and they are always sold out. Maybe you’ve been selling at farmer’s markets and have consistently sold out or conducted a survey that concludes there’s a demand. Get as much demographic information about your prospective customers as you can, such as income level and amount they spend eating out. Look at existing demographic information such as government census figures or from a trade group.

**Step 3**

Write what baked goods you will sell. This is called your "Business Offering." Obviously you will serve baked goods, but detail if it will be pies, cakes, doughnuts, breads, ethnic-baked goods or specialty items such as gluten-free products. If you plan to include custom-made orders, such as birthday or wedding cakes, or after-school cupcake decorating for kids, mention that in this section. Provide a rationale for what you are offering. For example, if there is a large Hispanic population in the neighborhood and you excel at sopaipillas, mention it in this section.

**Step 4**

Detail the bakery’s management. This will include your expertise and qualifications in running a bakery, as well as those of any partners. If your strength is baking but not accounting or operations, explain how you will handle that; for example, a partner has these strengths, you’ve hired an accountant or you have a full-time person who will focus solely on running the bakery as a business. If you are using the business plan to seek investors or get a line of bank credit, include your attorney and any others who will be included in daily decision-making and operations.

**Step 5**

Write your marketing plan, which is what you will do to get customers to come to your bakery. A marketing plan needs to include products, pricing, place or distribution, and promotion. Outline the products you will sell, what your pricing strategy will be, your bakery location, any delivery services you will offer and any growth plans. Promotions includes your advertising or public relations efforts, as well as daily specials or late afternoon discounts for products that aren’t selling so that you aren’t stuck with day-old goods the next day.

**Step 6**

Make your financial projections. In this section you will detail what you expect to make within a certain time period to break even or make a profit, such as a fiscal or calendar year. To do this, you need to outline all of your costs, such as rent, supplies, salaries and other overhead, or costs it takes to keep the bakery operational. Revenue will include bakery sales plus other services, such as catering or wedding cakes.

**Step 7**

Write your executive summary. This is the first section of your business plan but it contains one or two of the most important points from each section of your plan, which you won’t usually know until after you write the bulk of your plan.