



BOROUGH OF TEST VALLEY

START & GROW

YOUR OWN BUSINESS

Your local guide to running a successful business

- All key subjects explained in simple English
- Links to useful contacts and FREE resources
- Learn how to start, grow and exit a business

2026
EDITION

 IncuHive

Test Valley 
Borough Council

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WELCOME

The idea of starting your own business can be incredibly exciting and who can blame you for being tempted?

Approximately 75% of all businesses in the UK are privately owned and have no employees. Also, it is claimed that, at any one time, up to 40% of the working population is dreaming of joining them! However, the sad truth is that far too many new enterprises fail in the early stages. Our aim is to make sure that you don't become one of them.

The good news is that there are steps that you can take to make sure that your business stands the best possible chance of success.

This guide explains the key subjects in simple English with links to more detailed articles. There is also plenty of help available in the area and much of it is free - please do make the most of it.

Good luck!

Andy Pringle
Entrepreneur and mentor



INTRODUCTION



// If you are reading this booklet, then you may be taking your first steps to starting a business in the Test Valley. You will need determination and tenacity, but we are here to help, and stand ready to support you in any way we can.

Our borough is an economically vibrant area in which a huge variety of businesses thrive. These range from large household names to the thousands of small businesses operating in our villages and rural areas, as well as in Andover and Romsey.

This online book represents one element of Test Valley's evolving response to the current economic climate. As you start out in business, the step-by-step checklist will guide you through key practical elements, including your business plan, cash-flow, funding, tax affairs and marketing. The booklet then signposts you to a wealth of further resources that you may find helpful as your business develops. These include our new business support service.

I wish you the very best of luck! //

Phil North
Leader of Test Valley Borough Council



TEST VALLEY BOROUGH COUNCIL

As a place in which to live and work, Test Valley is hard to beat.

Test Valley covers some 250 square miles of western Hampshire, is renowned for its natural surroundings, ranging from the North Wessex Downs Area of Outstanding Natural Beauty to the valleys and meadows of the River Test and its tributaries.

It is an economically vibrant area in which a huge variety of businesses thrive. These range from household names such as Simply Health and Stannah Stairlifts in Andover, to Chemring at Roke Manor just outside Romsey, and Merck on Southampton Science Park. But as well as these large companies, the borough has thousands of much smaller businesses operating throughout the area, in rural areas and villages as well as in the towns.

The borough offers a wide range of commercial, industrial and office units. In addition to larger units, Test Valley is especially well-served with small units available on short-term

licences. Complementing the Council's 38-unit Walworth Enterprise Centre in Andover are Basepoint's Business & Innovation Centre, The Commercial Centre at Picket Piece, The Rural Business Hub at Hurstbourne Tarrant, and Grateley Business Park.

The Council now owns the Chantry Centre in Andover which offers pop-up spaces and retail units, and within the Chantry Centre, IncuHive provides coworking office spaces in the heart of the town centre.

In and around Romsey, there are industrial and commercial sites available at Basepoint Business Centre, and NIX Business Centre on Abbey Park.

Nearby, Southampton Science Park is one of the country's leading science parks and is linked to Southampton University.



Website

The Test Valley Borough Council website has a dedicated section for business: [Business | TVBC](#). This includes a wide range of information on subjects including licensing & regulation, business rates, grants & business support, and local meetings and events. You can sign up to the Council's Business Matters newsletter here: [Business Newsletter | TVBC](#).

Free Business Support Service

Test Valley Borough Council is committed to encouraging prosperity; this is a corporate priority. The Council has partnered with The IncuHive Group to provide a free business support service for businesses across the borough. The service provides bespoke 1-1 support on any key business topic both for those starting out and for existing businesses. Further information is provided in the poster on the next page.

Business Grants

The Council offers some business funding through various schemes. Some schemes are time limited, and all have conditions. Details on all these grants are available at [Grants & Funding | Test Valley Borough Council](#).

Business Incentive Grant

The Business Incentive Grant encourages the start-up of fledgling businesses that can support their owners to start earning their own livelihood. Grants of £750 are available to new businesses starting up within Test Valley. You need to apply for the grant within eight weeks of starting to trade, and it should be your full-time job (minimum 30 hours per week). For further information, see: [Business Incentive Grant](#).

Independent Retailer Grant

The Independent Retailer Grant is part of the Council's strategy to support Andover and Romsey town centres by encouraging independently-owned businesses to take up vacant spaces in the town centres. The grant of £1200 is payable in two instalments of £600 after the business has been trading in its town centre location for a minimum of 3 months and a minimum of 9 months. For further information, see: [Independent Retailer Grant](#). Both grants are dependent on any necessary Council consents (such as planning, licensing and advertising).



MW Composer, Shipton Bellinger
Business Incentive Grant



The Tea Room, Andover
Independent Retailer Grant

Free Business Support in Test Valley

Got a business idea? Or already trading and want to grow?

Thanks to funding from Test Valley Borough Council you can now access **completely free** expert advice and hands-on business support. Whether you're just starting out or scaling up, we're here to help.

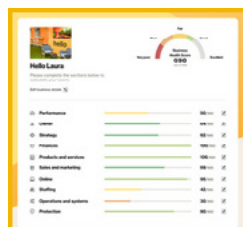
What's Included?

- **1:1 Business Mentoring** - Personalised advice to turn your plans into action
- **Funding & Grants Guidance** - We'll help you find the money and support you need to grow
- **Marketing & Client Growth Support** - From building your brand to boosting your online presence
- **Business Planning & Strategy Help** - Sharpen your focus, pivot your model, or set new goals
- **Cashflow Support** - Make your money work harder and plan for the future

Free Business 'Health Check'

Running a business?
Let's see how it's really doing.

Book your confidential 1:1 health check to discover what's working and what needs attention, so you can grow with confidence.



Starting a Business?

Getting the right advice in the early stages can dramatically increase your chances of success. Our experienced team have already supported hundreds of start-ups and would love to help you too.



Download your Start-Up Guide

Grab your free copy of our "Start & Grow Your Business" in Test Valley guide - packed with local contacts, resources, and actionable tips to help you succeed.



Are you ready to get started?

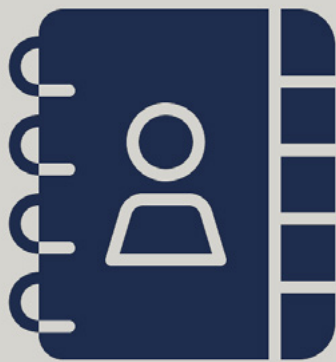
100% free. No catch.
Just great support to help you start, grow or improve your business.

Call: 0800 689 3564

Email: support@incuhive.co.uk

Learn more: incuhive.co.uk/signup

Owner or business must be located within Test Valley.
Your contact details will be shared with the Test Valley Borough Council.
Support is subject to acceptance and limits may apply.



LOCAL DIRECTORY

LOCAL DIRECTORY

Do make the most of the help and guidance that is available locally.



A wealth of help and guidance is available from local, regional and national organisations. Do make the most of it!

There are also regular events that will connect you to others in the area. Local forthcoming meetings are advertised on our website in the **Business Meetings and Events Diary**.

This directory gives you details of many of the organisations that provide resources.

Free Support For Test Valley Businesses **The IncuHive Group**

Whether you have a new business idea that you would like to explore, or are looking for ways to increase your turnover, grow your existing business or just do things more efficiently, we would love to help.

Thanks to funding from Test Valley Borough Council, our in-house team of advisors can offer you FREE, impartial business advice.

- Free advice and mentoring
- Access to funding and grants
- Finance, bookkeeping, tax
- Finding new clients, marketing, web, social media, online marketing and Ai
- Business planning and/or pivoting
- New business start-up

You will have specific strengths and areas you would like to improve. Our advisors will work with you to identify what would most help your business.

Our comprehensive package of personalised support includes a detailed 'business health check', which, with our guidance, will enable you to have a clear and honest overview of your business as it is today. As well as highlighting strengths, it will identify the areas which will need to be addressed if you are going to achieve maximum success in the future.

The package will include initial and ongoing 1:1 support designed to put the findings and recommendations into action and to maximise the chances of long-term sustainability.



Hampshire Growth Hub

hants.gov.uk/business/hampshire-growth-hub

The Hampshire Growth Hub is Government-funded and offers free business advice and resources, providing tailored support to SMEs (small, medium enterprises) that are scaling up. You can find out more about the Hampshire Growth Hub by emailing growth.hub@hants.gov.uk or by telephone at 0330 124 2068

**'You don't know
what you don't
know.'**

LOCAL DIRECTORY



Hampshire Chamber of Commerce **Hampshire Chamber of Commerce** **Business Support**

The Chamber of Commerce is a membership organisation owned and managed by local businesses whose goal it is to protect and promote business interests and organise local events. It has an international trade team offering a portfolio of services to assist businesses that are seeking to trade overseas. It also runs seminars and events to promote networking. Many of these are open to non-members.

The Romsey Chamber of Commerce and Industry is affiliated to the Hampshire Chamber of Commerce: **Romsey Chamber**. It runs after-work socials on the first Friday of every month – details are on its events page.



ENTERPRISE
SOUTH

Business South and Enterprise South **businesssouth.org**

Business South is an independent organisation representing businesses in Central South England. Enterprise South is the arm of Business South focuses on business support for SMEs, start-ups and entrepreneurs. They have recently launched an Enterprise Club for SMEs.



Andover Business Improvement District (BID) **andoverbid.co.uk**

This is an elected town centre business improvement district (BID) which came into effect on 1 April 2019. It was re-elected for a second five-year term in November 2023 which started in April 2024. Its Board is comprised of local businesses, and it helps to shape the future of Andover town centre.

Stockbridge Business Association **Stockbridge Business Association –** **Supporting Business in Stockbridge**

The Stockbridge Business Association works in partnership with local businesses in order to help Stockbridge remain and grow as a sustainable business hub.

The Skills Partnership **tsplearn.co.uk**

The Skills Partnership offers free and impartial advice to organisations of any size regarding apprenticeship and skills training.

Innovation South **em3.isvc.co.uk**

Innovation South is an online platform which provides free courses to employees across different sectors. There are a number of new bite sized courses on sustainability topics, as well as courses on topics including digital marketing, cybersecurity and finance.

Greentech South **greentechsouth.com**

Greentech South helps SMEs to become more sustainable by connecting them with experts and grant schemes.



National Farmers Union **Find out about the NFU – NFUonline**

NFU is a representation body for agriculture and horticulture in England and Wales. They strive to protect and promote British farm life and give their members a voice. There is a representative covering Hampshire and the Isle of Wight.



WSX Enterprise **wsxenterprise.co.uk**

WSX Enterprise provides practical support, advice, mentoring and training to people setting up and growing their businesses.

X-Forces

x-forces.com

X-forces provides training, mentoring, funding and peer-support for ex-military, veterans, service leavers and their families who want to start out in business.

LOCAL DIRECTORY

The King's Trust

kingstrust.org.uk/how-we-can-help/support-starting-business

The King's Trust offers help for entrepreneurs aged 18-30. They help young people transform their idea into a business plan and can provide a package of training, mentoring, resources and funding.

SECTOR SPECIFIC ORGANISATIONS

Southampton Science Park and the Catalyst Centre

science-park.co.uk
science-park.co.uk/the-catalyst-programme

The Catalyst Centre is an initiative developed by the Science Park, in association with SETsquared. They identify high quality, 'high tech' business propositions which are capable of significant growth and provide intensive support to enable businesses to flourish.

Hampshire Construction Training Association

hcta.org.uk

This is a membership organisation which helps members find quality training providers, access Construction Industry Training Board grants and funding and keep abreast of Industry initiatives and regulatory changes.

Hampshire Fare

hampshirefare.co.uk

This is a membership organisation that champions local produce to consumers and trade businesses. It facilitates events, provides opportunities and publicity, and has a voice locally and nationally. Established over three decades ago, it now has more than 350 members.

Make UK

[The Manufacturers' Organisation | Make UK](https://www.makeuk.org)

Manufacturing Advisory Service (MAS)

mymas.org

These manufacturing organisations provide practical support for manufacturing companies.

TVBC hosts a manufacturing group in Andover for local companies – please contact econdev@testvalley.gov.uk if you are interested in joining.

Hampshire School for Social Entrepreneurs (SSE)

the-sse.org/schools/hampshire

SSE Hampshire brings together people who want to make a difference through social enterprise.



LOCAL DIRECTORY

NATIONAL ORGANISATIONS PROVIDING USEFUL RESOURCES

Start Your Own Business

syob.net/uk

This is the organisation behind this booklet! If you like what you have read, see the website for further resources and articles.



Federation of Small Businesses

www.fsb.org.uk

The FSB is a membership organisation which offers a wide range of business services including advice, financial expertise, support and a voice which is heard in government. Its knowledge hub provides free resources.

National Enterprise Network

nationalenterprisenetwork.org/about-us

The National Enterprise Network is a membership organisation for micro, small and start-up businesses.

Enterprise Nation

enterprisenation.com

Enterprise Nation is a large community of small businesses and business advisers. It connects business owners to resources and expertise. It is free to join.

Small Business Pro

smallbusinesspro.co.uk

Practical help, guides, resources, tips and ideas for starting and growing a business.

UK Business Forums

ukbusinessforums.co.uk/aud-feeds

Business & E-Commerce discussion forums.

FUNDING

Grants & Funding | Test Valley BC

Test Valley BC

Details of local grants available through Test Valley Borough Council including the Business Incentive Grant and Independent Retailer Grant.

Start-Up Loans

Start Up Company - British Business Bank

A government funded scheme run by the British Business Bank to provide advice, loans and mentoring to start-up and early-stage businesses (up to 36 months).

NETWORKING



Natural Business Network (Andover)

naturalbusinessnetwork.com

The Natural Business Network promotes networking amongst businesses in Andover. It runs both Zoom and face to face meetings every week.



Amerleys, Danebury
Business Incentive Grant



Albion Tea, Andover
Business Incentive Grant

LOCAL DIRECTORY

Romsey Mutual Business Group

Romsey Networking - RMBG

RMBG is a monthly business networking initiative comprising small businesses from in and around Romsey.

BNI Hampshire

bnihampshire.com/en-GB/index

BNI is a networking organisation specialising in referral-marketing.

Business Hub Romsey

BHR - Business Hub Romsey

Business Hub Romsey is a networking group offering regular and ad-hoc events in and around Romsey.

It provides a range of 'easy in easy out' small business units let on a monthly licence; the licence fee includes building insurance, CCTV and integrated alarm system, use of a free meeting room, waste disposal and free car parking.



PREMISES



Walworth Enterprise Centre

walworth-enterprise.co.uk/2/about-us

Walworth Enterprise Centre is a serviced managed site owned by Test Valley Borough Council.

Andover Basepoint

basepoint.co.uk/locations/andover

Andover Basepoint is located in an attractive landscaped courtyard setting, with 70 unfurnished studios, workshops and managed offices. Facilities include a full-time reception, licensees' breakout area, serviced meeting rooms and a free car park.

Romsey Basepoint

basepoint.co.uk/locations/romsey

Comprises around 80 business units. These range from fully managed offices for one person to spacious workshops suitable for a wide range of business uses.

Natural Business Network meeting at incuHive Andover



LOCAL DIRECTORY

IncuHive, Andover town centre

incuhive.co.uk/our-locations/andover

IncuHive offers a range of services to support start-up and small businesses, from virtual office spaces, to desk space rental, offices and meeting rooms. They also offer mentoring sessions, networking and training opportunities. They are located within the Chantry Centre in Andover.

The Commercial Centre, Andover

thecommercialcentre.co.uk

The Commercial Centre in Picket Piece, Andover is a thriving business complex offering offices, commercial business units and industrial units to rent, two miles east of Andover town centre. The premises are 'easy-in, easy-out' and can be for long-term or short-term rental.

Grateley Business Park

grateleybusinesspark.com

This site offers a mix of offices for short- or long-term rental, large industrial units for logistics and storage and plenty of outdoor open space for storage or future expansion. It is close to a train station and the A303. A new IncuHive space has been launched in the business park offering coworking, serviced offices, light industrial units and free business support.

Hurstbourne Tarrant

ruralbusinesshub.com/the-old-post-office

This is a shared workspace offering hot desks, regular desks, private offices and pods.

NIX Business Centre

nixbusinesscentre.co.uk

NIX offers office space in Alexandra House and Park Court, both on the outskirts of Romsey.

Southampton Science Park

science-park.co.uk

Southampton Science Park offers commercial premises from 200 sq. ft to 16,000 sq. ft for science and technology businesses from start-ups through scale-up to industry-leading multinationals.



Government Sites

Business Support Helpline

gov.uk/business-support-helpline

Tel: 0300 456 3565/0191 581 0052.

Working for yourself

gov.uk/working-for-yourself

Self-employment (detailed)

gov.uk/topic/business-tax/self-employed

Set up as self-employed (a 'sole trader'): step by step

gov.uk/set-up-self-employed

Set up a business

Setting up

Includes self-employment and starting a business.

Employing staff for the first time

gov.uk/employing-staff

Set up a limited company

gov.uk/set-up-limited-company

Set up a business partnership

gov.uk/set-up-business-partnership

Running a business from home

gov.uk/run-business-from-home

Expenses - mileage: www.gov.uk/simpler-income-tax-simplified-expenses/vehicles

Expenses - working from home: www.gov.uk/simpler-income-tax-simplified-expenses/working-from-home

HMRC

www.gov.uk/government/organisations/hm-revenue-customs

Companies House

Companies House - GOV.UK

Find company information.

Health and Safety Executive

www.hse.gov.uk/index.htm

Regulation and enforcement of workplace health, safety and welfare.

Intellectual Property Office

gov.uk/government/organisations/intellectual-property-office

Intellectual property & trademarks.

LOCAL DIRECTORY

Start-Up Websites

Entrepreneurial-Spark

entrepreneurial-spark.com

With mentors, ambassadors and supporters, workshops, pitch practice, the focus is on the individual.

SmallBusiness.co.uk

smallbusiness.co.uk

Provides useful resources, products and services for small business owners and start-ups. Free online advice, news articles, guides, tips that can point you in the right direction.

Start Up Donut

startupdonut.co.uk

Aimed at helping businesses to succeed by providing reliable information and resources that can save business owners time and money.

Startup Grind

startupgrind.com

Startup Grind is an independent start-up community, educating, inspiring, and connecting founders in over 185 cities.

Start Your Business

syob.net/uk/business/Test+Valley/168

Our site! Useful information, local contacts and a FREE start-up pack which contains everything that you need to get started.

Startups


startups.co.uk

One of the most comprehensive platforms on the web. Covers everything you need to know to start, buy, run or sell a business.

Virgin Startup


virginstartup.org

Virgin StartUp, with support from the Virgin Group is run on a not for profit basis, so every pound goes towards their commitment to change the prospect of start-ups, for good.



LatestHow to StartFunding & GrantsFree Start-Up PackFree Listing

Find Your Local Area



How to Start a Business in Test Valley


Free start-up resources and useful local contacts.

Improve your chances of success!

If you are thinking about starting a business in **Test Valley** or would like to grow your existing business, we would love to help you.

Start Your Own Business in Test Valley contains resources and the information that will help give your venture the best chance of success. It also highlights organisations who offer friendly advice and the services that you are likely to need as a new startup or local business owner.

[Grants](#) | [Networking groups](#) | [Business advice](#) | [Mentoring](#) | [Co-working spaces](#)



Local help for startups

There is plenty of help for startups in Test Valley but where can it be found?

Select classification: Home & Index



**BEFORE
YOU START**

IS IT FOR YOU?

Make sure that you are aware of the reality of running a business.

Running a business does not suit everyone. You need to have a passion for what you are doing, may have to put up with stress, loss of sleep, and lack of money. Sounds great doesn't it? The upside can be freedom, not having to answer to 'the boss', the opportunity to spend your days doing something that you love, to work the hours that you choose, and the possibility of uncapped income. But be warned, IT IS NOT EASY!

It is right that you should approach starting a business with positivity but don't let this cloud your judgement. There are plenty of benefits but there are real drawbacks too and you should be fully aware of both.



**'Go in with
your eyes open'**

The reality of running a business - pros/cons

Pros: Freedom/independence, be your own boss, work/life balance, financial reward, enjoyment/passion, fits in with commitments, do something meaningful, control working environment/hours.

Cons: It's risky starting your own business, there may be financial outlay, it may impact on benefits, no guaranteed, regular wage, long/unsociable working hours, you need to wear lots of hats, no holiday pay, sick pay or pension contributions, added responsibilities, pressure and stress.



Further reading: [What is really like to start your own business?](#)

Are you the right type of person?

Thankfully, there are no formal qualifications required to run a business and anyone can have a go. The truth is only the most determined and hard working survive. If you love what you are doing or can convert a hobby into a business, you stand a much better chance of success.

Why are you thinking about starting a business?

Whilst some people start a business to make a fortune, the majority of small business people probably earn less than their employed counterparts.

Independence, creating something new, flexible hours, and personal satisfaction are better, long lasting incentives. The desire to make money is not usually enough by itself to get you out of bed on a cold and miserable morning when not everything is going to plan.

'What do you want the business to achieve?'



Further reading: [Reasons to start a business](#)

Make sure that you have the needed skills

You might think that entrepreneurs such as Elon Musk, Jeff Bezos and Howard Schultz are born with their innovative ideas. What they are good at doing is taking an idea to market by surrounding themselves with people who are experts in their chosen areas. This handbook is designed to reflect a real start-up journey for our readers.

These are the most common traits found in successful entrepreneurs :

- Passion
- Resilience
- Risk taker
- Management skills
- Organisational behaviour
- Leadership

Do you recognise any of these traits in yourself?

Alternatively, does your co-founder/business partner have the traits you are missing?



Suggested link: <https://www.syob.net/startup-steps/for-you>



Support of family and friends?

Do you have the support of your nearest and dearest? The pressure and responsibility of running your own business can sometimes result in extra stress and having less time for other things. It is best to make sure that your friends and family are 100% behind you before you begin.

Are your circumstances suitable?

Self-employment can provide a realistic alternative career if your circumstances make it difficult to find or hold onto a job. The flexibility makes it possible for anyone to set up on their own.

How much do you need to earn from the business?

It is wise to have a clear and honest understanding of how much you need to earn (after tax) to make sure that you can survive personally.



Download our free template from: [Free Personal Survival Planner](#)

Take professional advice

Taking advice from the right people will dramatically increase your chances of success. Getting a second pair of eyes to review your plan is probably the one single action that will have the most impact on your chances of setting up a sustainable business... as long as the eyes belong to the right person!

Find/clarify your business idea and the need that it satisfies

Identifying an opportunity or spotting an idea is a great start. However, it is not enough to fall in love with an idea and pursue it. Asking yourself few simple questions can make the difference between succeeding and failing.



Read more online at: [Developing an idea into a viable business](#)

Create a vision for your new business



Read: [Why Your Company Needs a Clear, Written Mission Statement](#)

Q. What is your vision for the next 2 years?

Q. What are your business objectives? Are they aligned with your personal goals?

Q. What opportunities can you look for? Demand/ innovation/ feasibility.

Create an Action plan

Consider your key actions for success and set a timeline.

Marketing and sales

Who is your target customer or early adopter (the first group of people who you think will buy your product(s) or service?)

What methods will you use to persuade them to buy your products/ services?

Make sure have all the skills that are needed

Think very carefully about your strengths and weaknesses and be honest with yourself. You are unlikely to be able to do everything yourself – certainly not effectively. The way to succeed is to do all the bits that you can do well, then either take appropriate action to plug your skills gaps or get help for the rest.

Undertake any additional training that you may require

If you have identified gaps in your knowledge or skills, please do address them by signing up for appropriate training or by taking advice from a suitable expert in that subject (outsource or employ staff).

Summary

Starting a new business can be extremely satisfying and rewarding but is not without risk. If you have a sound business idea, are prepared to put in the required effort, and have the resilience to bounce back from setbacks, this could be one of the best things that you have ever done.



REASONS BUSINESSES FAIL

1

Lack of Market Demand

Many businesses fail because they haven't accurately assessed the demand for their products or services. **Solution:** Thorough pre-start and ongoing research.

2

Insufficient Capital

Inadequate funding can lead to difficulty covering costs, expansion, or weathering unforeseen financial challenges. **Solution:** Create and update a cashflow forecast.

3

Poor Business Planning

Without a solid business plan that outlines goals, strategies, and a clear path forward, it's easy to make poor decisions or lack direction. **Solution:** A business plan!

4

Ineffective Marketing

Failing to effectively reach and engage with the target audience can result in low customer acquisition and poor brand recognition. **Solution:** A solid marketing plan.

5

Competition

Entering a market with intense competition without a differentiation can make it difficult to gain a foothold. **Solution:** Have a strong reason for customers to buy from YOU.

6

Lack of Management Skills

Inadequate leadership and management skills can result in poor decision-making, team conflict, and overall mismanagement of resources. **Solution:** Training or outsourcing.

7

Ignoring Customer Feedback

Not listening to customer feedback and failing to adapt can lead to problems. Successful businesses who ignored the signs, failed as a result. **Solution:** Listen to your customers.

8

Scaling Too Quickly or Slowly

Rapid expansion without proper planning can strain resources and lead to failure or growing too slowly can mean missed opportunities. **Solution:** Plan effectively/seek advice.

9

Ineffective Financial Management

Poor financial planning, budgeting, and expense control can quickly lead to a business's downfall. **Solution:** Spend wisely and keep a close eye on income/expenditure

10

Legal and Regulatory Issues

Ignorance or negligence of legal requirements, licences, permits, and regulations can lead to costly penalties or even closure. **Solution:** Make sure you comply - double check!

PLANNING YOUR BUSINESS

How to give yourself the best possible chance of success.

Deciding what business to set up needs careful thought but you can dramatically increase your chances of success by planning carefully.

Is there really a need?

It is almost impossible to set up a business without sufficient demand for your product or service. An 'enterprise' without paying customers is called a hobby! The fact that you are good at something and that you enjoy doing it, sadly, is not enough by itself. However, thorough market research will help you assess whether there is a really a need.

Are you going to start from scratch?

Setting up something completely new can be exhilarating – but challenging. In addition to your core skill, you will have to quickly get to grips with many more tasks which in corporate life are handled by somebody else. With so many different things to think about, it can be easy to overlook something.



Read more online at: [Common pitfalls and how to avoid them](#)

Buy a business?

Buying an existing business is a good way to leapfrog much of the set up process. Although the cost of purchase may be higher than if you started from scratch, you do gain a trading concern from day one.

Buy a franchise?

Franchising is the granting of a licence by one person (the franchisor) to another (the franchisee), which entitles the franchisee to trade under the trademark/trade name of the franchisor in exchange for a fee.

Market research

Time spent on researching will be valuable – whatever you discover. Do not be afraid to find bad news. It is better to uncover direct competition or flaws in your plan at this early stage rather than when it is likely to cost you real money.



See: [How to undertake market research](#)

FEASIBILITY STUDY

The difference between a feasibility study and a business plan.

A Feasibility Study is a way to put a business idea to the test, to provide a clear, customer-focused vision about why the proposed venture makes sense (or not!), from market, industry and team perspectives. It affords you a chance to opt out early in the process, before investing the time and energy in preparing a complete business plan or heading down what may be a dead-end road.

A Feasibility Study is there to test the validity (feasibility) of the business idea and then evolve into a Business Plan.

Please use the following steps when writing your Start-Up Feasibility Plan.
(Guidance: 5 to 10 pages).

- A description of the idea or project
- Analysis of the market for the products or services
- Competition
- Technical issues involved
- How the organisation will be structured
- Financial projections



Prepare a business plan

Research shows that having some kind of a business plan is vital to the success of any new venture, yet so many small businesses start without one. Even if you never show it to anyone else, compiling a plan will focus your mind and definitely increase your chances of success.



Download our [Free Business Plan Template](#)

Create a cash flow forecast

Sadly, money rarely comes in or goes out at the most convenient time (for example you may have to pay for your stock before you can sell it). A cash flow forecast will help you work out roughly what you can expect financially in the future – even if some of it will have to be based upon guesswork. This is vital information, particularly if you are planning to borrow money – it is best to plan for the maximum amount that you will need rather than having to keep going back to ask your lender for more.

Free Cashflow Template

All you have to do is input your figures and the spreadsheet will perform all of the calculations.

[Download](#)



The key questions that you need to address include:

Customers (Who will buy from you?)	Competition (Who are you up against?)
Who are your customers?	What do you know about the competition?
What do they need?	Who do your customers buy from now?
Where do they live/work?	Who are your main competitors?
Do they fall within a certain social group?	How do they do business?
What are the benefits of your product/service that satisfy that need?	What do you see as their strengths and weaknesses?
Why will they buy from you? What is your USP?	How will you take business from them?
How much are customers prepared to pay?	

How will you reach them? (Marketing)

Your market research should have helped you to identify your target market, where they are located, what their needs are, how they spend their money, and how they find their suppliers. The next step is to make them aware of your business and to encourage them to buy from you.

There are so many 'opportunities' to promote your business, you could easily spend every penny you earn on marketing. So, how can you create the maximum impact without breaking the bank?

Download our free
[Marketing Plan](#)
Template



When deciding where to spend your budget, be very wary of 'special offers' and impressive circulation figures – it is better to reach one customer who will buy than 100,000 who don't!

"Doing business without advertising is like smiling in the dark: you know what you are doing, but nobody else does" - Edgar Watson Howe

PS: Word of mouth advertising is probably the best marketing tool in your armoury. A recommendation from a satisfied customer is far more persuasive than any paid advertisement. Ask for referrals and positively encourage your happy clients to tell their friends.





PRACTICAL MATTERS

BUSINESS STRUCTURE

Business structure? Business name? Other considerations?

When it comes to deciding the legal structure of your business, you have plenty of choices but which would suit you best?

Business Status (Limited Company/sole trader etc.)

The most common forms of enterprise structure are:

- Sole Trader
- Partnership
- Limited Company
- Limited Liability Partnership
- CIC/Charity

For most people, the reason for choosing a particular business structure will depend on its size, trading methods, liabilities likely to be incurred. An overview follows but professional advice is also recommended.



Sole Trader

Sole trader is the term used for a “one-person” business with or without employees. You do not need to register the business although you do need to notify HMRC to avoid incurring a fine.

You are personally liable for all your business debts; if your business fails, both business and personal assets will be used to pay off the debts.

- The very latest you can register with HMRC is by 5 October after the end of the tax year for which you need to file a tax return.
- You will be issued with a Unique Taxpayer Reference Number (UTR)
- You must submit a self-assessment tax return for each financial year
- The deadline for online filing is January of the following year BUT prepare your end of year accounts MUCH EARLIER!!
- Tax and NI (class 2 and class 4) are payable in the following January (you may also have to pay money on account for the following year)

Advantages:	Disadvantages:
Simple registration	Personally liable for all business debts
Inexpensive	May not sound as “professional”
No need for accounts to be audited	Some National Insurance benefits are not available
Lower National Insurance contributions	Could be paying higher rates of tax
Losses can be offset against future profits or other income	Options limited when it comes to raising money
Tax treatment of capital gains is better than for a limited company	

You can find out more and register as a sole trader at:

www.gov.uk/set-up-sole-trader

Partnership

A partnership is legally the same as a sole trader except that two or more people are in the position of proprietors. All partners are jointly and severally liable for debts i.e. you can be made to pay off all debts of your partners. It is important to get a solicitor to draw up a partnership agreement. A partnership is a big commitment so it is essential to find the right partner(s) (just like marriage!) – that is, people with compatible and complementary personalities, skills, attitudes and goals.

Advantages:	Disadvantages:
Can spread the risk	Could be responsible for all debtors of partner(s)
Additional/complimentary skills	Need to draw up a partnership agreement
Can involve spouse or other member of family or close friend	Could fall out with partner(s)
Potentially more finance available	
Can take on additional partners, i.e. bring in extra/complimentary skills	

You can find out more about forming a partnership at:

www.gov.uk/set-up-business-partnership

Limited Company

In a limited company, the personal liability of the owners for the debts of the company is limited to the nominal value of their shareholding i.e. other personal assets are not liable. The company is a separate legal entity and therefore, can sue and be sued just like a person. You are not "self-employed" in a limited company, but employed by the company as a director. The directors as employees, therefore, pay tax under PAYE and National Insurance deducted from their earnings.

You can find out more about forming a limited company at:

www.gov.uk/limited-company-formation

Advantages:	Disadvantages:
Shareholders are not personally responsible for the debts of the company	Annual auditing required – unless small enough for exemption
May give a more professional image	Annual accounts must be submitted to Companies House
Changes in shareholders do not affect continuity	Shareholders cannot apply assets to personal use
Ownership can be made separate from management	Shareholders cannot withdraw funds at will
Company can sell shares to raise capital	Companies generally prohibited from making loans to directors
Possibility of company pension scheme with more benefits	Tax payable under PAYE and corporation tax
	Higher National Insurance contributions
	Annual meeting of members is compulsory
	Tax losses cannot be set against personal income



OTHER TYPES

There are other types of enterprise structures although they are not as common among start-ups as those already described.

Community Interest Company (CIC)	A CIC is a not-for-profit organisation designed for social enterprises that wish to use their profits and assets for the public good.
A Limited Liability Partnership (LLP)	Allows partners to admit one more limited partner who is liable only up to the amount of capital which they subscribe but cannot take part in the management of the business.
A Public Limited Company (PLC)	Is a limited company which has decided to allow its shares to be traded publicly, usually via stock markets (known as a “flotation”). In all other respects it has the same structure as a limited company.
A Company Limited by Guarantee	Has no shares; instead each member guarantees to pay up to a pre-set amount (usually £1.00) in the event of the Company ceasing to trade. As there are no shares, profits cannot be distributed except by payment to employees. This structure is best suited to not-for-profit organisations such as social enterprises and charities, clubs and associations.
Charity	A Charity is a not for profit organisation, which is formed on the basis of an agreed constitution and that provides free services and support to its beneficiaries. Charities must register with The Charities Commission.
Co-operative	An enterprise owned by its members – which include directors, staff and is governed on the principle of ‘One Member, One Vote’.

OTHER CONSIDERATIONS

Business name - decide on your name and establish availability.

It is often harder to name a new business than we think. It seems like you should be able to come up with something catchy and run with it, but it isn't that simple. You must investigate the possibility that someone else has already chosen the name, and, if so, what their rights are to use it in the area/market you will be serving.

- Look in your local directories
- Undertake a 'Google' search.
- The Companies House website offers a search facility:
www.gov.uk/get-information-about-a-company
- Check to make sure that your domain (website) name is available.

Location - work from home, office or business premises?

Deciding where to run your business could be determined by the nature of your work. Running a restaurant from home is probably not a good idea and a window cleaning business is unlikely to need swanky offices!

Insurance - make sure you have adequate cover in place.

Please carefully consider whether your business needs insurance. It is one of those costs that sometimes can be 'saved' but then prove costly later.



Read more online at: [What type of commercial insurance do I need?](#)

Licences/permissions - identify what you need and put in place.

Some types of businesses do need to obtain special licences before they open for business. Businesses within Test Valley can also find information at [Licensing & Regulation | Test Valley Borough Council](#).



The .gov website contains a useful 'licence finder' tool: gov.uk/licence-finder.

Intellectual property - do you need to protect your idea/product?

Some common types of intellectual property rights (IPR) are trademarks, copyright, patents, industrial design rights, and in some jurisdictions trade secrets: all these cover music, literature, and other artistic works; discoveries and inventions; and words, phrases, symbols, and designs.

Data protection

The General Data Protection Regulations (GDPR) is the toughest privacy and security law in the world. It imposes obligations onto organisations, so long as they target or collect data related to people in the EU.



Read: [Guide to the General Data Protection Regulation \(GDPR\)](#)

Business banking - set up your bank account.

There is no legal requirement to set up a separate bank account as a sole trader BUT it is advisable. It can be a simple current account with a different name but do check charges and terms. TVBC grants require you to have a business bank account.

Law - are there any legal implications/requirements?

You should be aware of the laws that relate to your sector and to running a business generally. The over-riding rule is that prevention is better than cure - make sure that you do not break the law by finding out what you need to know BEFORE you start to trade. We would strongly advise you to contact a local lawyer before committing yourself to any legally binding contracts.

Staff - do you need to employ staff?

If you are to free yourself from having to do everything in your business, you will have to either outsource or consider taking on staff.



See: [Employing staff](#)

Well-being

Recent times have seen unprecedented levels of personal and business stress. As a result, now more than ever, there has been a tremendous focus on people's emotional well-being especially with the long-term effects of COVID unfolding.

We are therefore actively encouraging entrepreneurs, like you, to:

- Talk to your peers, access a mentor or coach, or support programmes if you are struggling with the pressure to succeed with your venture.
- Use technology to help manage your well-being through health, stress management apps and therapeutic games.
- Set boundaries, in your calendar, between work and non-work (personal life) activities so managing your work schedule. (For example booking "me" time in your calendar, taking up a sport).





FUNDING/GRANTS

FUNDING

How to work out how much you need and funding sources.

It wasn't that long ago that borrowing from your bank, friends, or relatives were the only available options if you needed to raise money to start your business. How times have changed! While some banks are still an option for a robust proposition with match funding or the security of the equity in your home, many start-ups have found that traditional bank overdrafts and loan facilities are no longer a realistic hope.

Thankfully, the world of funding has been going through a dramatic transformation over the past few years and this has resulted in more choice for start-ups. Whereas the banks used to be virtually the only player in town, there are now numerous other options but please do take professional advice before proceeding with any financial commitment.



[Free downloadable guide to funding your business](#)

How much do you need to start?

You need to calculate your set-up costs as well as the money needed for early days of trading. Once you have started, there will be ongoing costs that you will have to consider. To calculate how much you need:



The more money that you can put in yourself, the better. Borrowing usually involves paying interest or giving up a share of your business.

Personal Survival Budget

Sadly, the personal bills continue to come in after you start a business and you need to make provision for these. Work out your own personal SURVIVAL BUDGET by adding together all of the items that must be paid to keep you afloat in the early stages – these include living costs but NOT lavish entertaining or expensive holidays. (Well, not at this point!).

Survival Budget Template

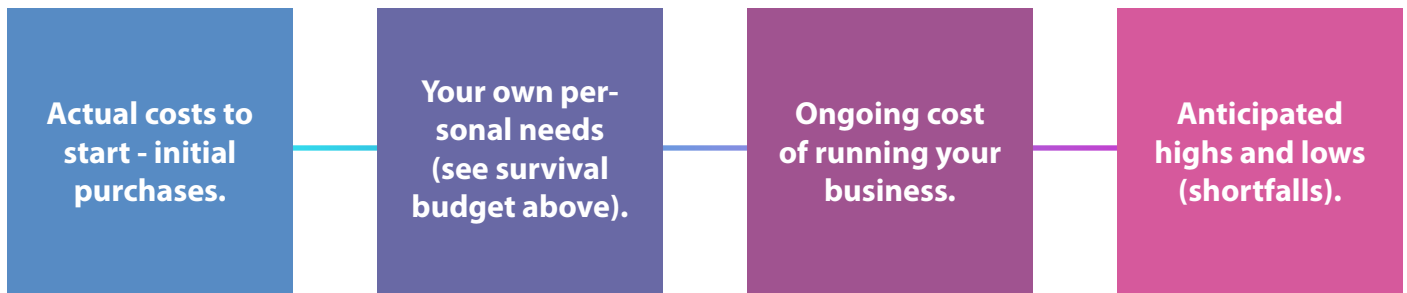
This free template will calculate how much you need to keep on top of your personal finances.

[Download](#)



Cashflow Forecast

A cashflow forecast is an essential tool at this stage. This will help you calculate your initial financial requirement as well as the money needed for early days of trading. You will have to think about:



Free Cashflow Template

All you have to do is unput your figures and the spreadsheet will perform all of the calculations.

[Download](#)



Most of the major banks' websites also offer downloadable templates.

Funding sources & grants

In an ideal world, you will have enough of your own money to fund the business. The reality for most of us is that is not usually the case. The next best thing is to obtain a grant to plug the gap. Unfortunately, they are very few and far between and are generally for fairly low amounts of money. Having said that, it is worth spending a bit of time to see if there are any that you can apply for. See: [Grants & Funding | Test Valley Borough Council](#)

See: [How to find grants](#)



Failing that, if you still need to raise money, here is a selection of the options that are available to you.

Use your personal assets: Using personal equity, such as savings or re-mortgaging your house can give you the freedom to run your business your way. However, it is important to be aware of the risk.

Bring in partners: If you're a sole trader you could consider taking on partners to raise finance. You'll need to negotiate what share of the profits each person will receive, agree how decisions are going to be made, and decide who is going to take on responsibility for the roles within the new business.

Persuade customers to pay upfront: Larger organisations can sometimes be persuaded to pay up front to fund a project or product you are developing if they need it for their own business. It may also be worth offering more favourable terms to customers who are prepared to pay a deposit in advance.

Friends or relatives: Friends and family are a good potential source of investment because they know you and believe in your ability. However, they must understand the high-risk nature of the venture and that there is a chance they might not make as much as they anticipated, or might even lose their investments completely.

Start Up Loans

Borrow up to £25,000

12 months of free mentoring

Government-backed

[Find out More](#)



Start-up loans: This Government backed loan fund has been set up specifically to help start-ups and young businesses (up to 36 months). It is a personal loan but not secured on your property and the interest rate is a reasonable fixed rate.

Asset finance: There are lenders who will allow you to borrow the money, with the loan being secured against the value of the item itself. Often used for vehicle finance but the interest rates can be high.

Personal loans: Interest rates vary dramatically depending on the perceived risk profile. You can do this online and get instant decisions.

Business loans: Available from the main banks and online finance providers. They'll ask you to provide a business plan and a financial forecast. The interest rate can be quite high and security (your home!) may be required.

Overdraft: Interest rates can be high and are charged per day you use it, so it's best not to rely on this option for long term finance needs.

Business Credit cards: Again, not a good way to borrow long term, but may be useful for short term funding. You should get a quick decision.

Supplier/trade accounts: Often this will mean that you do not have to pay for the item upfront, but can delay the outgoing payment. This is great for businesses who are awaiting invoices to be paid.

Invoice discounting/factoring: Allows you to access the value of your invoice before your client has paid it. This can effectively plug cashflow gaps. Charges vary from one supplier to the next.

Investors: Someone may wish to put money into your business in exchange for shares, profit share or a directorship. You will usually need to produce a business plan or 'pitch deck' to attract their attention.

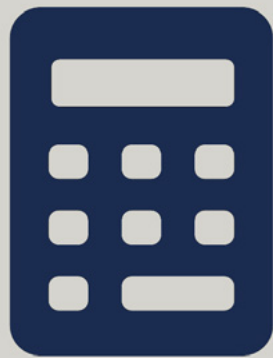
Business Angels: If you have a business idea which needs to grow quickly and has a good chance of making sizeable profits, you may be an attractive proposition for a Business Angel. As well as investing their own money, you will also acquire their expertise and contacts.

Crowd funding: This is a growing type of funding. It does involve a bit of effort on your part in writing up a campaign, publishing and sharing it on social media. There are lots of different websites/platforms.

Peer lending: This is an 'any purpose' loan where individuals or businesses put surplus funds in a 'pot' and applicants can then apply for funding from that 'pot'. Decisions are quick and interest rates are determined according to risk.



Also see: [Increase your chances of being approved for funding](#)



ACCOUNTANCY & TAX

TAX & ACCOUNTANCY

All you need to know about Tax, National Insurance, and VAT.

HMRC will take a keen interest in your venture. Legally, you are obliged to supply them with information that will determine how much tax, National Insurance, and possibly VAT that you will have to pay.

Taxes - income tax, corporation tax, National Insurance.

This chapter gives you a simple overview of the key points, but we strongly recommend that you take professional advice. If you are not an accountant yourself, it is probably best to engage someone who is and to get on with what you do best - make the money.

Income Tax

Income tax and national insurance contributions will be payable annually on any profit/income over your personal allowance. Your annual self employment 'income' will be total revenue minus expenses. So, you must have accurate details of the revenue and the 'allowable expenses' to ensure the profit/income calculation is correct.



Key Tax Dates

There are also a number of key dates that you must remember, but these vary depending upon the legal status of your business and whether or not you employ staff.

Key Dates for Self Assessment	
April	<p>HMRC sends a reminder telling you to complete a tax return.</p> <p>To complete your tax return online you must be registered to use the Self Assessment online service. If you registered online as newly self-employed from April 2014, then you may already be registered for Self Assessment Online. If you are not registered, go to: www.gov.uk/log-in-register-hmrc-online-services</p> <p>Complete your tax return using the records you have kept. You will be provided with an immediate calculation of tax and NI contributions due.</p> <p>If you wish to complete your self assessment tax return on paper, ring the Self Assessment Orderline to ask for the forms.</p>
31st October	<p>This is the deadline for paper tax returns. HMRC will work out the tax and Class 4 NI contributions and let you know how much you must pay, before the due date of January 31. If you miss this deadline, you must submit your return online.</p>
31st January	<p>This is the deadline for online tax returns. You must pay the balance of any tax and Class 4 NI contributions you owe by this date. You may need to pay a first payment on account for the following tax year by this date.</p>
31st July	<p>You may need to pay a second payment on account by this date.</p>

Value Added Tax (VAT) - do you need to register?

VAT is a tax on certain goods and services supplied in the UK. At the moment, you only have to register for VAT when your 'taxable turnover' is more than the current threshold.



See: gov.uk/vat-registration-thresholds
See also : [More information about VAT](#)

National Insurance

Almost everyone who works for a living pays NI. It goes toward pensions, benefits and healthcare. Class 2 NICs are payable by anyone who is self-employed.

Class 2: is a fixed weekly amount, paid by monthly direct debit. When you register as self-employed, you will also fill in the Class 2 direct debit form.
See: gov.uk/self-employed-national-insurance-rates

Class 4: is payable by most self-employed people. Class 4 NICs are a percentage of your annual taxable profit from self-employment, but you only start paying Class 4 when your profits reach a certain limit. You pay your contributions along with your income tax using the Self Assessment tax return.



Using a local accountant could save you a lot of headaches!

If you are in a partnership, or if your spouse is self-employed too, then each person pays their own Class 4 NICs.

If you are an employer, then you will also have to pay Class 1 – and possibly Class 1A or Class 1B – on employees' wages.

Book-keeping - DIY? Accountant? Bookkeeper?

Keeping track of income and expenditure is vital to the financial health of any business, as is complying with the demands of the revenue! Careful planning, book-keeping and compiling annual accounts are often best left to someone with the required experience and skills – an accountant or qualified book-keeper. If you operate a profitable business, a good accountant will save you a lot of aggravation and possibly money too! The tax laws are complex and accountancy fees can sometimes be covered by their knowledge of how to legally minimise the amount of tax that you have to pay.

Making Tax Digital

Making Tax Digital is a key part of the government's plans to make it easier for individuals and businesses to get their tax right and keep on top of their affairs. As a result, small businesses are increasingly looking to cloud-based accounting solutions to manage their bookkeeping, payroll, statutory accounts and annual tax returns.



Learn more online at: [Cloud Accounting Options For Small Business](#)



FINDING CUSTOMERS

FINDING CUSTOMERS

Find, win and retain customers - your business lifeblood!

Marketing should be more than just having some business cards printed, building a website, or putting an ad in the local paper and waiting for the customers to come flooding in. Preparing a marketing strategy will help you think about where your business will fit into the market and how to get it there. It is no good creating a fantastic product or service if nobody knows about it.

Do you have a clear offering?

You need to create a product that a particular group of people want or need, put it on sale in a place that those people visit regularly, and at a price that matches the value they feel they get out of it.

A lot of hard work needs to go into finding out what customers want, then you need to figure out how to produce the item at a price that represents value to them, and identify why they should buy from you rather than your competition.

Your product or service	Target Market (Who will buy from you?)
What does the customer want from the product/service?	Who are your customers?
What needs does it satisfy?	Who will buy your product/service?
What features does it have to meet these needs?	Where do they live/work?
Are there any features you've missed out?	Do they fall within a certain social group?
Are you including costly features that the customer won't actually use?	What do they need?
How and where will the customer use it?	What are the benefits of your product/service that satisfy that need?
What does it look like? How will customers experience it?	Why will they buy from you? What is your USP?
What size(s), colour(s), will it be?	Is there any seasonality in the business?
What is it to be called?	How much are customers prepared to pay?
How is it branded?	How often will they buy?
How is it different?	Who do they buy from now?

Pricing - will your prices attract customers and make you a profit?

- What is its value to the buyer?
- Are there established price points for products or services in this area?
- Is the customer price sensitive? Will a small decrease in price help?
- What discounts should be offered to trade customers?
- How will your price compare with your competitors?

USP - why should customers buy from you?

Before you can begin to sell your product or service to anyone else, you have to know how it can stand out from the crowd. This is especially important when your product or service is similar to those around you. Very few businesses are truly unique, so the key to effective marketing is what advertising and marketing professionals call a “unique selling proposition” (USP). This is the factor that makes your business different from your competitors.

Branding, design, print

As they say, “you don’t get a second chance to make a first impression”. For many of your clients, the first time they encounter your business will be online, via a letter, flyer or advertisement. It is vital to make sure that your message is as strong as if you were there in person.

A great starting point is to think about branding your business. If you think only big corporate names need to think about their brand identity, think again. Branding is all about the simple things like logo, consistent colours, fonts, style, and image. That’s as true for a one person home-based business as it is for a multi-national conglomerate.

Print

At the very least, you will have to consider ordering stationery (letterheads and business cards) that portrays your business professionally. It may be tempting to print something off at home on your computer, which may save you a few pounds, but it could cost you much more in lost business.

Marketing channels - (ways to reach your market)

There are so many different ways to try and attract the attention of your potential customers. Your challenge/goal is to decide which marketing channels will be most cost-effective and to make those work well.

- Put yourself in your customers’ shoes
- Where will they look?
- What media do they consume?
- What will appeal to them?

[Download our free one page marketing plan template](#)

WAYS TO FIND NEW CUSTOMERS

1

Digital Marketing

Leverage online channels such as social media, search engine optimisation (SEO), pay-per-click advertising (PPC), and content marketing to reach new customers.

2

Referral Programmes

Encourage your existing customers to refer friends, family, or colleagues by offering incentives or rewards for successful referrals.

3

Networking and Relationship Building

Attend industry events, trade shows, conferences, and local networking groups to connect with potential customers and build relationships.

4

Content Marketing

Create valuable and informative content, such as blog posts, videos, ebooks, and webinars, to establish your expertise and attract customers who are seeking solutions.

5

Cold Outreach

Reach out to potential customers directly through email, phone calls, or social media. Personalise your messages to address their specific needs and pain points.

6

Partnerships and Collaborations

Collaborate with other businesses that serve your target audience to cross-promote products or services and tap into their customer base.

7

Offer Free Workshops or Webinars

Host educational workshops, webinars, or seminars to showcase your expertise and provide value to potential customers while building trust.

8

Influencer Marketing

Partner with influencers or industry leaders who have a relevant and engaged audience to promote your products or services.

9

Local Advertising

Advertise in local newspapers, magazines, radio, or community websites to reach customers in your immediate vicinity.

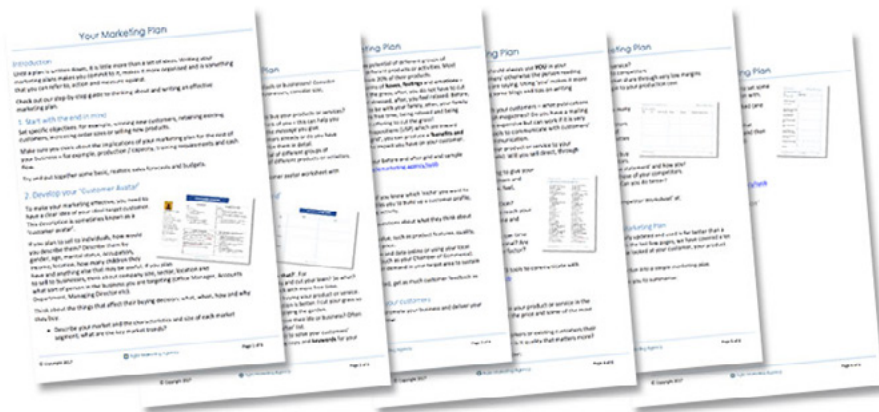
10

Customer Testimonials and Reviews

Collect positive testimonials and reviews from satisfied customers and display them on your website and marketing materials to build credibility and trust.

Prepare an initial marketing plan

You could spend every penny of your income (and more) on marketing but knowing where to get the best results is a bit of an art. Check out our step-by-step guide to thinking about and writing an effective marketing plan.



[Download now](#) free of charge and without registration.

Until a plan is written down, it is little more than a set of ideas. Writing your marketing plans makes you commit to it, makes it more organised and is something that you can refer to, action and measure against.

Selling - are you ready to SELL your products/service?

Whether you like the thought or not, having the ability to sell will prove to be a distinct advantage. However, this does not mean that you have to become hard or pushy - in fact the best salespeople are often the complete opposite. Selling is the art of finding out what a customer needs and satisfying those needs with the benefits of your product or service - not forcing something on them that they do not want or need.

Ask questions - we have two ears and one mouth, use them in that proportion (ask questions and then really listen to the answers).

Find the customers needs/wants - ask open questions that will draw out useful information. Who? What? When? Why? Where? How?

Match needs with benefits - can the benefits of your product or service satisfy your customer's needs or wants?

Ask for the order - when you know that your offer is what they need.

Business Networking

Business Networking is a great way to make new friends and business contacts. We would strongly recommend that you consider adding networking to your marketing strategy. Not only does it widen your circle of business contacts, it can keep you in touch with what is going on in the local business world, and potentially bring in more trade!



Download our [Free guide to successful networking](#)

Elevator pitch - can you define your business succinctly?

An elevator pitch is a brief, persuasive speech that you use to spark interest in what you or your business does, a useful tool particularly if you plan to go networking. A good elevator pitch should last no longer than a short elevator (lift!) ride of up to a minute, hence the name. They should be interesting, memorable, and succinct. They need to explain what makes you – or your organisation, product, or idea – unique.

Public relations (PR)

Effective use of PR can provide a strong way to get your business known. You will have to work extra hard to create a buzz, as only the most interesting stories will get you the free publicity that you crave. (Many publications now insist that you advertise with them before giving you 'free' editorial - even more reason to make sure that your story is genuinely 'news-worthy').

Customer retention - why should they continue to buy from you?

Finding new customers can be extremely expensive, so treat your current customers well and they will keep coming back to you.

Be consistent - maintain the same high standard all the time.

Feedback - get regular customer feedback whenever possible.

Loyalty scheme - can you reward existing customers for their loyalty?

Special offers - give customers reasons to come back.

Keep in touch - make sure they remember you!

Celebrations - can you send good wishes? Birthday? Anniversary etc.?

Not just selling - don't just try and sell every time you contact them.

Word of mouth

Word of mouth is the cheapest and most effective marketing tool in your armoury. A recommendation from a satisfied customer is far more persuasive than any paid advertisement. Harness this secret weapon by asking for referrals and positively encourage your happy clients to tell their friends.



WEB & SOCIAL MEDIA

THE WEB & SOCIAL MEDIA

Make the 'web' and social media work for your business.

It can't be clearer than this - EVERY NEW BUSINESS SHOULD BE ON THE WEB! If you aren't, your competitors certainly will be, as will your potential customers. The real challenge though is to make sure that they can find you when they are looking.

Why should you have a website?

If you're serious about promoting your business, then a good website is your virtual shop window, enticing potential customers, instilling confidence in you and the goods and services you offer. So if you cut corners and don't have a website, you could be doing your business more harm than good!

Your website may be as simple as letting people know your phone number and opening hours - a digital business card - or as complex as a fully automated booking system or an ecommerce store that runs even when you are asleep.

Do I need to spend money on a site if a friend or relative can help?

Can they really design a site that will put you above your competitors? Will they be around to support the site if errors appear? It can seem like a saving but it could have serious consequences to your business.

These are your options:

- Do it yourself
- Purpose built (by a web designer)
- Website builders - Wix ([wix.com](https://www.wix.com)), Weebly ([weebly.com](https://www.weebly.com)), Squarespace ([squarespace.com](https://www.squarespace.com)), WordPress ([.com](https://www.wordpress.com) or [.org](https://www.wordpress.org))
- 'Stores' - Shopify ([shopify.com](https://www.shopify.com)), Etsy ([etsy.com](https://www.etsy.com)), Ebay, Amazon

What do you really need?

A website should be useful and add value to your business, give the right impression and make potential customers want to contact you. The content should always be current and as your business grows, your website grows with it. You need your site to be easily found by potential customers, simple to use and navigate and clear in content and contact information.

Domain Names

A domain name is the name of your website or your website address. It's the place where users will find you on the internet and it's unique to you or your business. Each domain name is made up of two parts. For example, our own domain name is syob.net, the first part is the name we chose 'syob' (the initials of 'Start Your Own Business' and the second part is the extension '.net'.

How to choose a domain

- Make it memorable & simple to type
- Keep it short & straight to the point
- Describe your business or the services you offer
- Think about your market, if it's local, maybe add your town name
- Don't add symbols or punctuation
- Choose an appropriate extension (.co.uk or .com)

Hosting

Web hosts are companies that rent out space on a web server (big computer!) to host (give 'webpace' to) websites on the internet. Once the hosting company hosts your website, users can access it by typing in your web address (domain name) in their web browser. When they do this, their computer connects to the server and shows it on their screen.

Search Engine Optimisation (SEO)

This means encouraging search engines, like Google, to move you up the search engine results page rankings. The practice is commonly known as Search Engine Optimisation or SEO. Your website content is crawled by search engine robots, or crawlers, to collate the data and index it in search engine archives. Then, when a relevant search term is used, Google will return your site as a result. The ranking determines how relevant your site is to a user's search term, so effective SEO is essential if you want to generate more business online.

SEO is not a 'quick fix'.

- The search engines are constantly updating their algorithm and looking for the best match for any given search term.
- Do not believe all of the claims of SEO 'experts' who will offer to get you to the top of the rankings quickly.
- It is estimated that Google's algorithm has about 200 ranking factors. Which can you do something about?



Read more about SEO at: [Search Engine Optimisation Top 10 Tips](#)

IMPROVE YOUR WEBSITE'S PERFORMANCE

1

Optimise Page Loading Speed

Ensure that your website loads quickly by optimising images, minimizing code and enabling browser caching to reduce server response time.

2

Mobile-Friendly Design

Ensure your website is responsive and mobile-friendly to provide a seamless experience across devices. Google prioritises mobile-friendly sites in its search results

3

Keyword Optimisation

Conduct keyword research to identify relevant keywords for your content. Incorporate these keywords naturally into your page titles, headings, and content.

4

High-Quality Content

Create valuable, well-written, and informative content that addresses your target audience's needs and interests. High-quality content tends to rank better in search results.

5

Regularly Update and Refresh Content

Once created, keep your content up-to-date and relevant by updating and expanding existing articles. This signals to search engines that your site is current and valuable.

6

Internal and External Links

Incorporate relevant internal links within your content to help users navigate your site. Also, secure quality external backlinks to establish your site's authority.

7

Use Header Tags (H1, H2, etc.)

Structure your content with proper header tags (H1, H2, H3, etc.) to improve readability and help search engines understand the hierarchy of your content.

8

Optimise Images

Compress images to reduce file sizes without sacrificing quality. Use descriptive alt text to help search engines understand the content of your images.

9

Schema Markup

Implement schema markup (structured data) on your site to provide additional context to search engines about your content, which can lead to enhanced search results listings.

10

Optimise Meta Tags

Craft compelling meta titles and descriptions for each page, including relevant keywords and a clear description of the content to encourage click-throughs from search results.

Social Media

Social media is the social interaction among people in which they create, share or exchange information and ideas in virtual communities and networks. In simple English, it is lots of different sites that allow you to spread the word online.

What are the benefits?

- Google loves social media
- It is a free way of raising brand awareness
- You can spy on your competition!
- You can communicate with your market
- You can keep up to date with trends
- You can encourage people to visit to your website

There are now hundreds of social media 'channels' but which ones are the most important?

Here are the estimated number of monthly active users for the top sites:

Facebook

3 billion

YouTube

2.5 billion

WhatsApp

2 billion

Instagram

2 billion

TikTok

1 billion

Sign up and get free links:

Facebook (facebook.com)

X (x.com)

LinkedIn (linkedin.com)

Instagram (instagram.com)

TikTok (tiktok.com)



There may be other relevant sites depending upon business type and location but these are arguably the best five to focus on at the beginning. At the very least, this will allow you to add a link from each of these back to your own site - this is a great pointer for Google!



EMPLOYING STAFF

EMPLOYING STAFF

The key implications of taking on employees.

Recruiting staff is a major commitment and should be approached with caution. Whilst it is often a vital step if a business is to grow, it also brings with it financial and legal implications.

Do you really need to take on employees?

Before taking on the responsibility of employing a new team member, please consider whether this commitment is really necessary. Can the task be outsourced or undertaken by a sub-contractor?

Staff - finding and recruiting the right staff.

The key thing and first step is to identify exactly what type of person is needed for the job. The next step is interviewing effectively. Various techniques and approaches increase significantly the interviewer's understanding of the candidate's personal qualities, motivation and skills and chances of successfully determining how they will perform.



Do you understand your responsibilities as an employer?

As soon as a member of staff begins work, they are entitled to certain statutory rights. These relate to health & safety, terms and conditions of employment, equal opportunities, pay and more. You must:

- Pay employees at least the national minimum wage.
- Provide staff with an itemised payslip .
- Provide employees with a clean and safe work environment.
- Offer a daily rest period.
- Provide a certain amount of paid holiday each year.
- Give at least one-week of dismissal notice.
- Offer eligible workers statutory sick pay, statutory redundancy pay, statutory pay for maternity, paternity, adoption and shared parental leave.



See The [ACAS website](#) for full details.



Health & Safety

Under British law, you're responsible for the health & safety of all staff.



Find out more at the [Health & Safety Executive's \(HSE\) website](#)

Outsourcing - are there any tasks that can be outsourced?

Running your own business can be exhilarating. It can allow you the freedom to work whenever and wherever you like.

However, it can also be tiring, draining and frustrating! It can often mean working longer hours than those you originally anticipated as you struggle to do everything yourself and fit everything into your working day.

Outsourcing some of your workload can ensure you protect your working time and grow your business faster and more effectively.



GROWING YOUR BUSINESS

GROWING YOUR BUSINESS

Growing a business involves several stages, each with its own challenges and opportunities. While the specific steps can vary based on your business, industry, and goals, here is a general outline of the stages required:

1. Start-Up and Innovation

- **Idea Development:** Identify a unique business idea or product that addresses a market need.
- **Market Research:** Conduct thorough market research to understand your target audience, competition, and market trends.
- **Business Plan:** Create a comprehensive business plan outlining your goals, strategies, revenue model, and financial projections.
- **Legal and Financial Setup:** Register your business, obtain necessary licences, and set up financial accounts.



2. Launch and Early Growth

- **Product Development:** Develop your product or service based on market feedback and research.
- **Marketing and Branding:** Develop a strong brand identity and launch marketing campaigns to attract your first customers.
- **Customer Acquisition:** Acquire your initial customer base through targeted marketing efforts and networking.
- **Feedback Collection:** Gather feedback from early customers to refine your offering and improve customer satisfaction.

3. Expansion and Scaling

- **Operational Efficiency:** Streamline your business processes to handle increased demand efficiently.
- **Scaling Strategies:** Identify strategies to reach a larger audience, such as entering new markets, launching new products, or expanding geographically.
- **Technology Adoption:** Implement technology solutions to automate tasks, improve customer experience, and manage growth.
- **Team Building:** Hire employees with the skills and expertise needed to support your growing business.

4. Established Growth

- **Diversification:** Explore opportunities to diversify your product or service offerings to reach a broader customer base.
- **Market Penetration:** Focus on capturing a larger share of your current market by refining your marketing and sales strategies.
- **Strategic Partnerships:** Collaborate with complementary businesses to expand your reach and access new customer segments.
- **Financial Management:** Manage cash flow, monitor financial performance, and secure funding if needed for further expansion.





5. Maturity and Innovation

- **Innovation and Adaptation:** Continuously innovate your products or services to meet evolving customer needs and stay competitive.
- **Market Leadership:** Aim to become a recognised leader in your industry by consistently delivering value and maintaining a strong reputation.
- **Research and Development:** Invest in research and development to create new offerings and stay ahead of market trends.
- **Customer Loyalty:** Focus on building long-term relationships with existing customers through exceptional service and personalised experiences.

6. Exit or Sustainability

- **Exit Planning:** If your goal is to exit the business, prepare an exit strategy such as selling the business, going public, or passing it on to successors.
- **Sustainable Growth:** If your goal is to maintain the business, focus on sustaining steady growth while ensuring operational stability.
- **Community Engagement:** Contribute to your industry or community by sharing knowledge, participating in events, and giving back.

Throughout these stages, it's essential to monitor your progress, adapt to changes, and learn from both successes and failures.

Each stage may require adjustments to your strategies, goals, and tactics based on evolving market conditions and business needs. Remember that growing a business is a dynamic process that requires dedication, flexibility, and a willingness to innovate.

Seeking advice from mentors, industry experts, and business advisors can provide valuable insights to navigate each stage successfully.



EXIT PLAN

EXITING YOUR BUSINESS

Exit routes refer to the various strategies that a business owner can employ to transition out of their business while maximising value. These exit routes can vary based on the nature of the business, its size, profitability, and the owner's goals. Here are some common exit routes for business owners:

Sell the business

Selling to a competitor, a company within the same industry, or a larger corporation looking to expand. It could also be to a private equity firm or venture capitalists or individual buyer.

Management Buyout

Selling the business to its current management team, which often involves financing from banks or investors.



Employee Buyout

Selling the business to key employees or a group of employees.

Initial Public Offering (IPO)

Taking the company public by issuing shares on a stock exchange. This can provide a significant influx of capital and allow the owner to gradually exit by selling their shares.

Merger

Merging the business with another company, creating a combined entity that might be more valuable.

Liquidation

Closing down the business and selling off its assets to pay off debts.



Family Succession

Passing the business to family members through a planned succession process.

Franchising or Licensing

Transitioning to a franchising or licensing model, where others pay to use your business concept and brand.

Gradual Exit

Slowly reducing involvement in the business over time, delegating responsibilities to managers or partners.

Earn-Out Agreement

Selling the business with a portion of the sale price dependent on future performance and the achievement of certain targets.

Joint Venture or Partnership

Forming a partnership or joint venture with another business, allowing you to gradually exit while sharing responsibilities.

Charitable Donation

Donating the business or its assets to a nonprofit, which can have tax benefits.

Private Equity Recapitalisation

Partnering with a private equity firm to recapitalise the business, allowing the owner to take some money off the table while retaining partial ownership.

Licence the Intellectual Property

If the business holds intellectual property (patents, trademarks, copyrights), licensing these assets to other companies can be a way to generate income.

Consulting or Advisory Role

Transitioning to a role where you provide consulting or advisory services to the business, maintaining an income stream while reducing involvement.

The choice of exit route depends on factors such as your financial goals, the business's financial health, market conditions, industry trends, and personal preferences. It is important for you to carefully plan your exit strategy well in advance to ensure a smooth transition and maximise the value of your business.

CREATE AN EXIT PLAN

Constructing a well-thought-out exit plan for your business is essential. Here's a step-by-step guide on how to create an effective exit plan:

Define Your Goals

Are you looking to maximise profit, ensure the business's continuity, or leave a legacy? Your goals will guide your exit strategy.

Assess Business Value

Get a realistic professional business valuation to gauge what potential buyers might be willing to pay.

Choose an Exit Strategy

Choose the most appropriate exit strategy. Consider the different options outlined earlier and select the one that aligns with your objectives.

Set a Timeline

Determine when you intend to exit the business. This could be a specific date, a certain financial milestone, or a particular event.

Prepare the Business

Ensure that your business is in the best possible shape. This might involve financials, operation, and any legal or regulatory issues.

Organise Financials

Have accurate and up-to-date financial records. Prospective buyers or investors will want to review all relevant data.

Build a Transition Team

Assemble a team. This could include financial advisors, lawyers, accountants, and business brokers. They will provide guidance and expertise.

Develop a Succession Plan

If your exit plan involves passing the business to family members, employees, or partners, create a detailed succession plan. This includes identifying potential successors, providing training, and defining roles.

Address Legal and Tax Issues

Work with legal and tax experts to ensure your exit plan is compliant with relevant laws and regulations. Minimise tax implications and legal risks.

Communicate with Stakeholders

Inform key stakeholders, such as employees, customers, suppliers, and partners, about your planned exit. Transparency can help maintain relationships and ensure a smooth transition.

Create a Marketing Strategy

If selling the business, develop a marketing plan to attract potential buyers. Prepare marketing materials, financial projections, and a compelling story about the business's value.

Timing is everything if you want to achieve the best possible price.

Negotiate and Execute the Exit

Negotiate terms with potential buyers or investors. Ensure you have legal documents, contracts, non-disclosure agreements, and transition plans.

Plan for Transition

Develop a detailed transition plan to guide the new owner or management team during the handover period.

Monitor the Transition

Stay involved during the transition period to provide guidance and support. This ensures a smoother transfer of ownership and helps maintain stability.

Evaluate and Adjust

After the exit, evaluate the success of your plan. Did you achieve your financial and personal goals? Use the experience for future ventures.

Remember that an exit plan is not a static document; it's a dynamic strategy that evolves as your business and personal circumstances change. Regularly review and update your exit plan to reflect changes in the market, your business's performance, and your own goals.

The process of creating an exit plan is complex, so seeking advice from professionals with experience in business exits is crucial to ensure you make informed decisions at every step.



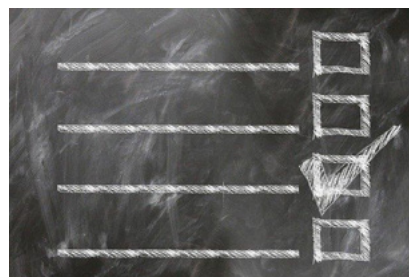


**FREE
RESOURCES**

All available for immediate download completely free of charge.



Start-Up Pack



Start-Up Checklist



Factsheets (part of pack)



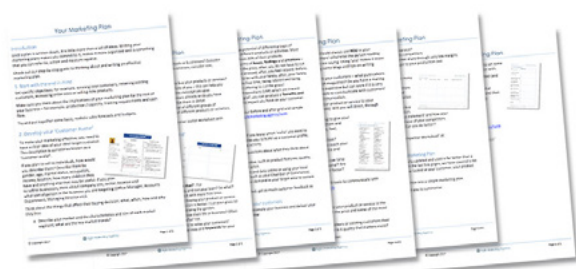
Start-Up Map



Business Plan Template

CASH FLOW FORECAST for 12 months ending												
MONTH	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
SALES												
GRAND TOTAL SALES												
Costs												
Materials												
Wages												
Other Business Income												
Other Cash Receipts												
Costs of Sales												
Materials												
Wages												
Other Business Costs												
Other Cash Payments												
Net Cash Flow												
Opening Cash Flow (Jan)												
Closing Cash Flow (Dec)												

Cashflow Forecast Template



Marketing Plan Template



Start-Up Books



START-UP CHECKLIST

START-UP CHECKLIST

This checklist has been designed to provide you with a logical step-by-step guide to aid your preparation and planning.



Not all steps are essential for every business and but it is worth considering them all to see if they apply to you.

Before you start

- ☐ Understand the reality of running your own business.
- ☐ Make sure you are suited to running a business.
- ☐ Calculate how much you need to earn from the business.
- ☐ Appreciate the reasons why businesses fail.
- ☐ Seek advice from an experienced business advisor or mentor.
- ☐ Find/clarify your business idea and the need that it satisfies.
- ☐ Create a vision for your new business.
- ☐ Undertake any additional training that you may require.

Finance and Funding

- ☐ Determine how much money you need to start/in the early stages.
- ☐ Do you now how much you need personally?
- ☐ Have you created a cashflow forecast? Check to see if there are any grants available.
- ☐ Funding - identify most suitable source if you need to borrow.

Business Planning

- ☐ Is there really a need?
- ☐ Start from scratch, buy existing business, or franchise?
- ☐ Undertake extensive market research - the clues are out there!
- ☐ Write a business plan or business model canvas.
- ☐ Create a cashflow forecast for your first 12 months.

Practical Considerations

- ☐ Legal status - Limited company, partnership, sole trader?
- ☐ Business name - decide on your name and establish availability.
- ☐ Location - work from home, office or business premises?
- ☐ Insurance - make sure you have adequate cover in place.
- ☐ Licences/permissions - identify what you need and put in place.
- ☐ Intellectual property - do you need to protect your idea/product?
- ☐ Business banking - set up your bank account.
- ☐ Law - are there any legal implications/requirements?

Accountancy & Tax

- ☐ Taxes - income tax, corporation tax, National Insurance.
- ☐ Are you aware of the key tax dates?
VAT - do you need to register for VAT?
- ☐ Book-keeping - DIY? Accountant? Bookkeeper?

Websites & Social Media

- ☐ Website - do you have a website in place?
- ☐ SEO - is your website designed to attract maximum traffic?
- ☐ Social media - have you identified the best channels and set up?

Employing Staff

- ☐ Resources - do you need to take on employees?
- ☐ Employing staff - do you understand your responsibilities?
- ☐ Outsourcing - are there any tasks that can be outsourced?

Sales & Marketing

- ☐ Product/service - do you have a clear offering?
- ☐ Pricing - will your prices attract customers and make you a profit?
- ☐ USP - why should customers buy from you?
- ☐ Branding, design, print - all in place?
- ☐ Marketing channels - which will help you to reach your market?
- ☐ Business networking - are there local groups that will suit/help?
- ☐ Elevator pitch - can you define your business succinctly?
- ☐ Public relations (PR) - are there any suitable opportunities?
- ☐ Customer retention - why should they continue to buy from you?

TAKE ADVICE

We hope that this checklist will give you a clear idea of what is involved in setting up a new business. However, it can never cover every eventuality for every business, so we strongly advise you to seek advice from a business advisor or mentor before you start.

GOOD LUCK!