



THE
PITCH

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Sage

Keeping it simple: How to create a business plan for your side hustle



INTRODUCTION

Setting your side hustle up for success with a business plan


If you're running a side hustle, you may think that you don't need a business plan. But the truth is that all businesses should have one, even if the business is still at an early stage or just a part-time project.

A business plan has many benefits. For one, it can provide guidance and structure to your startup journey, clarifying what you need to do and when, in order to stay on track. It will also push you to look at every area of your business, giving you a holistic view over your side hustle. As a result, you should have better visibility over your areas of strength and potential weaknesses.

Writing a business plan will help you prepare your side hustle for funding too. All investors will want to see a business plan before jumping on board with your idea - fail to show an investor a plan, and they could assume you're not serious about your business.

It's worth noting that you can add or remove sections to your business plan as you see fit - not all components will be relevant to every business, and there may be other areas that you want to explain in more depth.

With that in mind, here are the six main sections you should include in your business plan.



“A business plan can provide guidance and structure to your startup journey, clarifying what you need to do and when.”



01. Business overview

Your business overview should briefly cover what your side hustle does, why and how.

Although this section opens up your business plan, some suggest coming to the overview last. This is because the latter parts of your plan may end up changing the contents of this section, such as your business goals.

Introductory information

This includes the basic information about your side hustle, including:

- **Business name**
- **Year of establishment**
- **Structure**, whether it's a partnership, sole trader or limited company. If you're not sure what to set up your side hustle as, [Sage's side hustle toolkit](#) details everything you need to know
- **Contact details** including name, phone number, business address, email address and website
- **Social media details** such as links to your LinkedIn, Instagram or Twitter

Business summary

In this section, you should briefly describe the history of your business, where the idea originated from and your company's values.

Most importantly, explain what problem(s) you're trying to solve. Why is the problem important? How many people does it affect? Why is now the right time to solve it?

Business goals and objectives

Having set goals and objectives to return to will inform the rest of your business activities, so it's important to get this right.

Business goals should include both short-term and long-term aims. Think about what you want to achieve in your first year of running your side hustle, versus three years down the line. What milestones do you need to achieve along the way? What actions do you need to take to reach those milestones?

It's important that all your goals are SMART, meaning they are specific, measurable, attainable, relevant and time-bound.



Creating SMART goals for your side hustle

Specific: What exactly are you aiming to achieve? e.g. “I want to increase my Instagram followers by 25% in three months.”

Measurable: Make sure your goals are trackable so that you can see your progress and know when you’ve met your goal.

Attainable: Set goals you know will challenge you, but are still within the realms of possibility.

Relevant: Each goal should align with the rest of your business efforts. Is this the right goal and the right time to be doing it?

Time-bound: Give yourself a set deadline, such as the end of the month or a specific date.





02. Business structure

In this section, you need to put yourself in the mindset of anyone who is looking at your business plan: consider what's helpful for them to know about the operations and resources of your side hustle.

Background and experience

This section explains the roles within the company and how these are distributed. This includes the business founders, plus any part-time staff or regular contractors you work with. If it's helpful, you can lay these out in charts or diagrams, especially if there are a lot of responsibility and relationship crossovers.

This is also the section where you should go in depth on your experience. It's particularly crucial to highlight your skills and sector knowledge if you're running your side hustle alone.

Explain why you're the right person to launch this business - what is your work history? How long have you been interested in this area? Have you had any life experiences that make you uniquely qualified to work on this venture?

External advisors or mentors

If you're a solo business owner or it's just you and a co-founder, any investors reading your business plan will want to know if there are other experts helping you on your journey.

Think about who is really important to your side hustle business. This could be anyone who provides you with support, such as advisors, coaches, mentors or other investors. Cover how their experience or background is useful to your side hustle, as well as any relevant personal interests.

“Think about who is really important to your side hustle business.”

03.

Business operations

As the title suggests, this is the part of your business plan that explains how your business operates – which will likely make it one of the larger sections you’ll complete.

Products and services

While you will probably mention your products or services in a lot of other sections, it’s crucial to have a section that outlines the key details.

Explain what products or services you sell, and what you plan to

introduce in the future. You should also cover the origins of any products – do you make them yourself, or do you have a wholesaler you source them from?

Key suppliers and customers

Now’s the time to highlight any key suppliers, partnerships or customers of your side hustle.

It’s also helpful to delve into any agreements you have, why they’re so important to your business, and what you have planned in case this relationship were to break down.

A breakdown of your products and services

Products or services	Provide details of what you sell to your customers.
Distribution	Do you sell direct to customers? What is your main sales channel? Are there any distributors or sales people that help you?
Pricing	How much do you charge for your products? Is this at the premium or affordable end of the market?
Future growth	Explain the growth potential for your side hustle. What will you do next (e.g. hire employees or launch a new product)?
Production	How are the products or services produced? Is the process something that can be scaled?

Business assets

Business assets are any items of value that the business owns. This can include:

- **Premises:** Do you own or lease any premises for your business?
- **Assets and equipment:** Have you purchased laptops, vehicles, tools or machinery?
- **Stock and inventory:** How do you store your inventory? How much do you currently produce, and what are you hoping to produce in the future?
- **Intellectual property:** Do you have any licences, patents or copyrights to protect your intellectual property?

Organisational resources

Organisational resources include resources that are available to the business to help it run its operations and activities efficiently, such as:

- **People:** The skills you have on your team and how they could develop
- **Financial resources:** Do you have any external providers of finance for your business?
- **Ecommerce and technology:** What technology does your business use?
- **Data and customer information:** Briefly explain how you collect, store and use customer data, and ensure that it stays secure

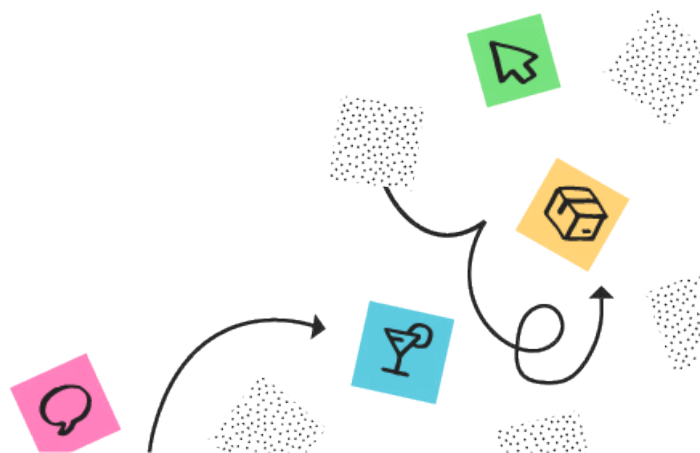
Risk management

In this section, you should share any potential risks that are facing your side hustle. Common risks include a sudden drop in demand for your product or service, or a loss of a major supplier.

Now's also the time to explain any legal requirements that you need to consider and how you have taken the steps to comply with them, as well as the details of any insurance you have to help reduce these risks.

Even if the risks are minimal, it's vital to still include this section. If you're using your business plan to apply for funding, banks or investors will want to know that you've thought about what could go wrong and you have a contingency plan in place to survive.

“Even if the risks are minimal, it's vital to still include a section on risk management.”



04. Market analysis

A market analysis is one of the most important components to your business plan.

It will show that you've taken the time to research the market, assess the competitive landscape and find a gap that could be filled by your business.

This section in your business plan could include:

- **Market overview:** The current state of the market you're entering. What are the current trends and what is its growth potential?
- **Market opportunities:** Where are there gaps in the market that you could exploit?
- **Target market:** How big is the total addressable market, who are your target customers and what are their behaviours?
- **Competitive advantages:** Are there similar businesses in the market? If so, why would someone shop with you instead?

- **Unique selling proposition (USP):** What makes your service or product unique?
- **Customer management:** How will you acquire, retain and manage your customers?

SWOT analysis

A SWOT analysis is a useful exercise to complete as part of your market analysis. It helps you to identify the strengths, weaknesses, opportunities and threats for your business, and requires you to look closely at the competition.

When completed, the framework can offer a great insight into new areas you could capitalise on or things that could pose a challenge in the future.

“Market analysis will show that you've assessed the competitive landscape.”

SWOT analysis template

Strengths

Example: Loyal customer base

Weaknesses

Example: Higher prices than some competitors

Opportunities

Example: Using SEO to appear on search results for key terms

Threats

Example: Lots of competition from more established businesses

Completing a SWOT analysis

It's worth noting that strengths and weaknesses usually include internal traits within the business, whereas opportunities and threats are often external forces.

Marketing your side hustle

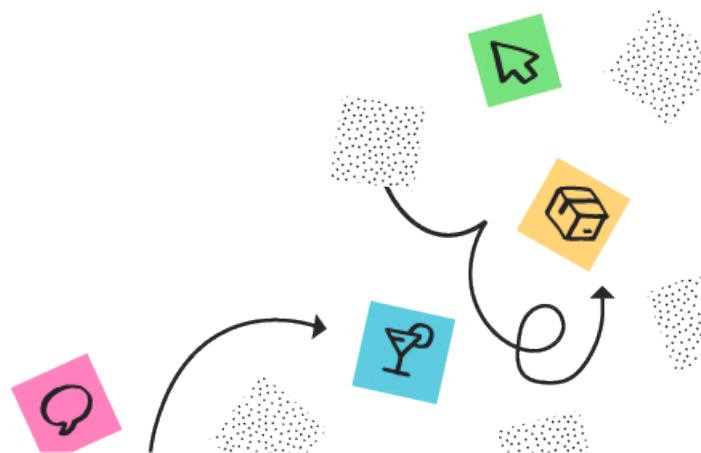
In this section, briefly outline how you'll promote your side hustle to target customers. This could include:

- **Social media**
- **Paid ads on Google**
- **Email marketing**
- **Events**
- **Pop-up stands**
- **Partnerships**
- **Local marketing** (flyers, brochures, etc)

Think about why you've chosen these channels, how you'll measure what works and any results you've had from marketing through them so far.

If you want more tips and tricks for how to market your side hustle, Sage's side hustle toolkit offers some great advice, including tips from other side hustlers who have gone through the process themselves.

[Download the toolkit here.](#)





05. Financial analysis

In the fifth section of your business plan, you should cover all of the important financial information of your side hustle.

This includes your business' financial history, financial forecast and any sources of funding. You should also include copies of key financial documents, such as:

- A cash flow forecast
- Profit and loss statement
- A balance sheet forecast

If you're not sure how to create your own cash flow forecast, Sage's side hustle toolkit includes a template that's free to use - [download the toolkit here](#).

You can also download our guide on [getting your side hustle finances sorted](#) to help you get your finances in tip-top shape.

[Download the free guide](#)

06. Appendix

Use your appendix to add any further supporting documents that haven't been included in your business plan so far.

This may be information that an investor has specifically requested from your business plan, such as more details about your product offerings.



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Ready to write your own business plan?

Your business plan is not a static document. It needs to be regularly updated so you can understand whether your side hustle is going in the right direction, or whether you need to pivot slightly.

However, having a great baseline makes this process a lot easier, so it's important that your first iteration hits the nail on the head – especially if you're hoping to eventually grow your side hustle into a full-time business.

The Pitch partner Sage has a powerful toolkit that can help you:

- Find your first customer
- Deal with finances and get your tax affairs in order
- Juggle other responsibilities with your side hustle
- Take your side hustle full time

Set yourself up for success and download their side hustle toolkit now!

[Download toolkit](#)

