

Why do I need
A BUSINESS MODEL



1

It will help you validate your assumptions about your pricing, your cost structure, and your profit to ensure that your business will make money.

Sometimes until you put all of the figures together in one place it's hard to see what the big picture will be.

2

A business model is often required when asking banks for loans, or when asking investors for money.

Banks want to see your cash flow projection part of your model to see how likely it is that they will be able to be paid back.

Investors want to see what their money will be used for and what kind of returns they can expect on their investment and when.

3

Internally, business models are great for setting budgets and so you can compare your actual results to your planned results and make changes during the year to get back on track (or to revise your estimated profit expectation).