

Magazine Business Plan Outline

EXECUTIVE SUMMARY

A one-page summary that highlights the main points of your business plan.

INTRODUCTION

- **Magazine concept or mission**
Briefly describe your focus, concept, reason for being, and the magazine's voice or personality.
- **Goals and objectives**
What would you like your magazine to accomplish or achieve? Raise start-up capital? Nationwide distribution? 10, 000 subscribers at the end of year one? List your magazine goals here.
- **Key success factors**
Outline what needs to happen for your magazine to be a success. Create milestones that will help monitor and determine your magazine's progress and growth.

COMPANY DESCRIPTION

- **Company ownership**
Describe your business type (sole proprietorship, partnership, limited partnership, limited liability company, non-profit, etc.) and name the founding members or managing partners.
- **Staff positions and departments**
Describe the different departments, positions, and duties. Also, discuss the outsourced services you will employ.
- **Company location and facilities**
Describe your company location and the basic equipment (or set-up) you will use to facilitate company business.

EDITORIAL MISSION

- **Editorial philosophy**
Provide detailed information on your magazine's concept and mission.
- **Editorial formula**
Describe frequency, single-copy price, subscription price, total number of pages, advertising-to-editorial ratio, CPM, and special content.
- **Magazine style or design**
How will your magazine look? Describe how you will visually present your magazine to convey its personality.
- **Example table of contents**
What will your magazine feature? Provide a list of departments, columns, and possible features.

MARKET ANALYSIS

- **Market segment profile**
Who are your readers? What are their interests? Where are they located? Describe your market, giving both demographic and psychographic information.
- **Advertising analysis**
Describe the types of advertisers who would be interested in advertising to your target market and why.
- **Market growth and trends**
Describe the current state of the industry. What changes or trends do you foresee? How will this be an advantage to you?

MAIN COMPETITORS

- **Competition**
Know your competitors. Identify who they are, what they do, how they do it, and why you consider them to be your competition.
- **SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats)**
In reference to your competition and the market as a whole, describe your advantages (what you can do that is different or better, and how), disadvantages (areas you need to improve in and/or experts and advisors you may need to hire), opportunities (existing market conditions that will be helpful in achieving your objectives), and threats (external obstacles you may face that might prevent you from achieving your goals).

MARKETING, CIRCULATION, AND DISTRIBUTION

- **Marketing and promotions**
Where and how do you plan on marketing your magazine? What promotional vehicles will you use to acquire readers? Consider vehicles your competition uses to reach the market also.
- **Circulation and distribution**
How do you plan on getting your magazine into the hands of your readers? What methods will you use and how often?

MANAGEMENT TEAM

Describe your team's background, experience, skills, strengths, and areas of expertise.

FINANCIAL SUMMARY

- **Start-up cost summary**
List your start-up costs as calculated from the start-up costs worksheet.
- **Executive summary of profitability**
Outline estimated costs, revenues, and profits. See "Magazine-a-nomics."

Magazine-a-nomics

It takes money to publish a magazine so you can expect a lot of up-front expense before you see any return. Most analysts predict that it takes the average magazine from three to five years to break even on investment and see a profit, so you need a plan that shows exactly where your money is going and how much you need to earn (or borrow) in order to stay afloat and cover costs in the beginning years.

Sample magazine sources of income:

- Advertising revenue
- New and renewal subscription revenue
- Single-copy or newsstand sales
- Donations
- Ancillary income

Your costs will be divided into four sections: start-up costs, production costs, fixed costs, and variable costs.

Your start-up costs will include everything you initially need to get your business up and running.

Production costs cover everything it takes to get your magazine produced. You will need to pay for content, artwork (photography and illustrations), editing, proofing, models, hair, makeup, location expenses, props, magazine design, and layout.

Fixed costs remain the same regardless of the level of sales or activity within the business. Examples include rent, P.O. box rental, utility bills, bank fees, and salaries of permanent employees.

Variable costs change in proportion to the level of sales or activity within the business. Examples include marketing and promotion costs, distribution or mailing fees, and printing costs.

Once you have estimated your costs then you should aim to figure out exactly how many magazine copies you need to sell, how many subscriptions you need to generate, how much you need to charge per ad, and how many ads you need per issue, in order to eventually become profitable. Normally, you will not be able to recoup all expenses and generate a profit from your first issue but as your magazine grows and advertising sales pick up, ideally you should be able to recoup expenses over time.