The Description of Products and Services

What is the Product/Service Description Section of a Business Plan?
Contrary to its title, the Description of Products and Services section of a business plan does not simply provide a list of products and services provided by the business. This section of a business plan includes general information about the industry the business will be involved in. Its purpose is to familiarize the reader of the business plan with the industry the business will be operating in.

What’s included in the Description of Products and Services?
The Description of Products and Services section of a business plan usually includes the following items:

1. **Description of the Industry**
   - What is the definition of the industry?
   - What is the general nature of the type of work performed in this industry?

2. **Products and/or Services Provided**
   - What type of product(s) and/or service(s) does this business provide?
   - How will the product/service benefit the customer?

3. **Nature of the Work**
   - How are the product(s) and/or service(s) produced?

Product Overview
If you are selling a product, your reader will want to know what it is, what it does, and its features and benefits. Consider including pictures if they would help your reader get a better understanding of your product. Discuss its size, shape, color, cost, design, quality, capabilities, technological life-span and patent protection. You may also wish to explain how it is produced, the materials required, and the type of labor needed.

Service Overview
If you offer your customers a service, explain what that service(s) are, how they work, and what need they address in the marketplace. Where will you operate? What makes your service different? What materials or equipment is needed? What are your days and hours of operation? Explain the steps in your service process and the benefits you offer your clients. Write this section with enough information to satisfy an outsider’s need to understand your service without boring them with trivial details.

Why Include a Description of Products/Services in a Business Plan?
Including a Description of Products and Services in a business plan serves two purposes:

1. It allows the owner of the business to become more familiar with the industry he or she will be doing business in.
2. It educates readers of your business plan who may not be familiar with your type of business.
Writing the Description of Products and Services
When writing the Description of Products and Services section of a business plan, the information provided should be specific and detailed, but not too technical. It is important that the reader, especially those not familiar with the type of business, clearly understands the Description of the Products and Services.

To begin writing the “Description of Products and Services” section of his business plan, Shaun decided that it would be useful to research the desktop publishing industry to see what products and services they provide. He also wanted to look at some of the other businesses that provide a similar service, also known as the competition. With this step complete, Shaun was ready to write the “Description of Products and Services” section of his business plan.

Sample Product/Service Description

Decker’s Digital Desktop
Description of Products and Services

Description of the Industry
Desktop publishing is the design and production of publications using personal computers with graphics capability. Desktop publishers produce professional print documents and professional electronic documents using a personal computer, desktop publishing software, a digital camera, a scanner, and a color printer. Desktop publishers help produce a variety of documents necessary to the day-to-day operations of businesses.

Products and/or Services Provided
Desktop publishers provide the expertise to produce all or some of the following print and electronic documents:

<table>
<thead>
<tr>
<th>envelopes</th>
<th>business forms</th>
<th>proposals</th>
</tr>
</thead>
<tbody>
<tr>
<td>business cards</td>
<td>books</td>
<td>calendars</td>
</tr>
<tr>
<td>flyers</td>
<td>menus</td>
<td>resumes</td>
</tr>
<tr>
<td>print ads</td>
<td>signs</td>
<td>greeting cards</td>
</tr>
<tr>
<td>brochures</td>
<td>gift certificates</td>
<td>bumper stickers</td>
</tr>
<tr>
<td>catalogs</td>
<td>awards</td>
<td>iron-on transfers</td>
</tr>
<tr>
<td>manuals</td>
<td>posters</td>
<td>presentations</td>
</tr>
<tr>
<td>directories</td>
<td>tickets</td>
<td>Web pages</td>
</tr>
<tr>
<td>newsletters</td>
<td>reports</td>
<td>Web sites</td>
</tr>
</tbody>
</table>

Nature of the work
The services provided by a desktop publisher include all or some of the following to produce a finished product:

1. Format and combine text, numerical data, photographs, charts, and other visual and graphic elements to produce publication-ready material
2. Write and/or edit text
3. Convert photos/drawings into digital images and manipulate those images
4. Design page layouts
5. Publish the final project to paper or electronic media letterhead