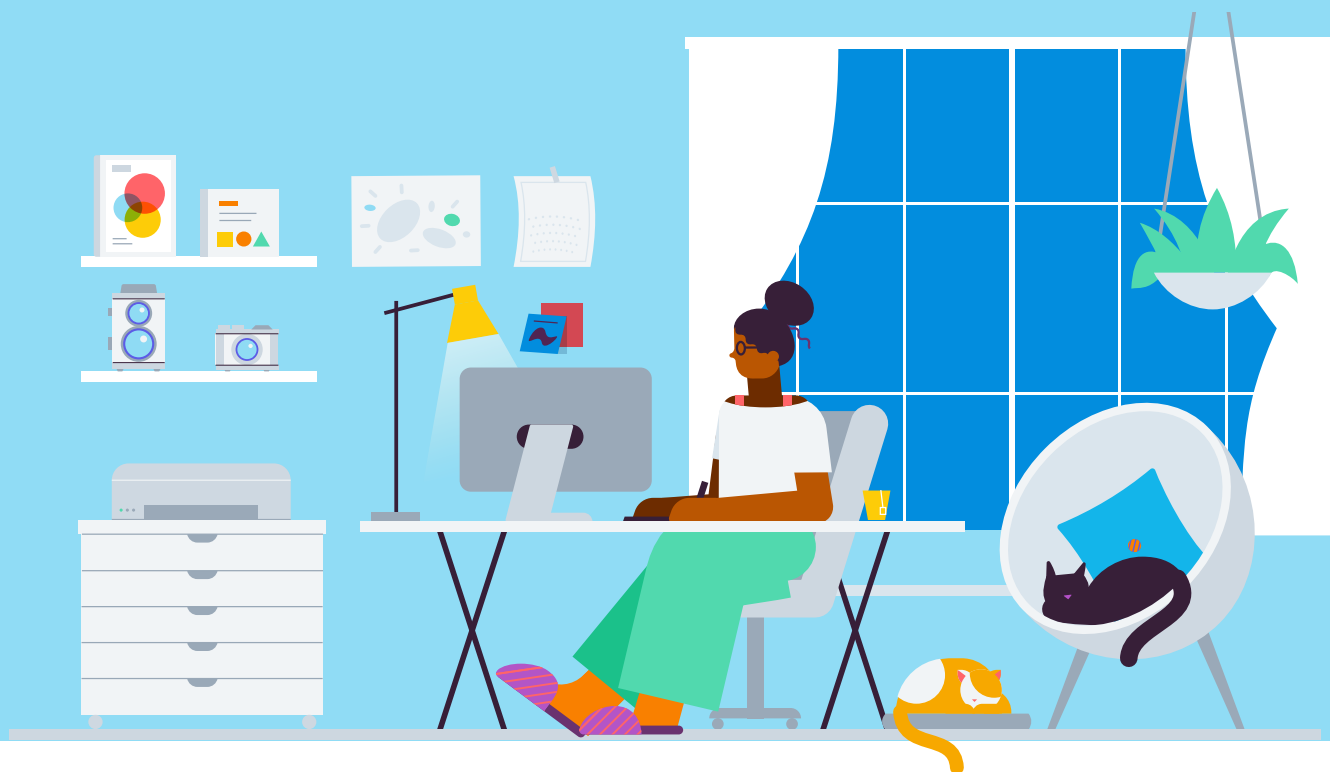




Your guide to starting a business





How to start a business

Thousands of new businesses open every day.
If all those people can do it, why not you?
Here's what to do, and when.

Xero does not provide accounting, tax, business or legal advice. This guide has been provided for information purposes only. You should consult your own professional advisors for advice directly relating to your business or before taking action in relation to any of the provided content.

1

Pages 1–3

Research your idea

2

Pages 4–7

Write a business plan

3

Pages 8–10

Do budgets and forecasts

4

Pages 11–13

Set prices

5

Pages 14–16

Choose a business structure

6

Pages 17–19

Sort your startup accounting

7

Pages 20–21

Register your business

8

Pages 22–25

Create a website

9

Pages 26–27

Get extra support

1

Research your idea

Research your idea

Your business idea is clearly inspired. But it helps to check you're not the only one who thinks so. Find out how to do market research to validate and refine your idea.

Types of market research for new businesses

As a startup, you need to figure out who's going to buy from you (customer research), and who you have to beat to get that sale (competitor analysis).

Why do customer research

By understanding your customer, you can:

- build better products and services
- learn how your people make purchase decisions

Why do competitor analysis

By understanding your competitors, you can:

- copy what they do well
- work out what you can do better

How to do market research

It's a good idea to figure out your customers first. That is the most important relationship to your business.

1. Create a customer profile.

Describe the person or business that will buy from you. For consumers, think of things like their age, location and interests. For business customers, think of things like their industry, size and location.

Stuck? Start by checking out who buys from known competitors.

2. Hit the internet

Search for information on the group you've just described. There may be existing studies into those types of people or businesses which you can use as a starting point.

3. Start asking questions

Find real-life people who fit your customer description and ask them questions like: what do they need from a business like yours? where do they get that product or service now? what's good about that current solution? and what could be better?

Market research methods

So how do you get information about people and their preferences? There are a few proven market research methods to try.

Search the internet (desk research)

Search for public studies into your customer group. And follow what those people say on social media and community groups.

Have one-to-one conversations

Ask open-ended questions and let respondents do the talking.

Host workshops or focus groups

Ask questions to a whole group of customers at once. You'll get deeper answers because people will spark off each other.

Run surveys

Ask tons of people the exact same questions to generate really solid insights and statistics.

Start a community

If your customers are enthusiasts, bring them on your startup journey. Share updates, ask questions, and invite them to be beta testers.

Give something to get something

Free catering or swag will get people to your focus group. A random prize draw will encourage people to fill out your survey. A little sweetener goes a long way when doing market research.

Research your idea

How to do competitor analysis

Customers can tell you a lot about your competitors. So you'll use many of the same market research methods to find out who you're up against.

1.

Identify your competitors

Some competitors will be obvious from the get go. But you will find more by asking customers who they buy from now. Spare a thought for indirect competitors, which sell different things but go after the same dollar (they might sell cupcakes vs your doughnuts).

2.

Compare them to each other

Competing businesses often go after different parts of the market. One will be the premium option, while another will compete on price. Or perhaps they will target different age groups or locations. Map how they relate to each other.

3.

Find where you fit

Where on the map will you go? Measure your strengths and weaknesses against your competitors and figure out where you can give them a run for their money.

That's how to do market research

You don't need a big budget or a stats degree to go do some market research. Asking a few key questions of a few target customers and doing some competitor analysis can give you the smarts to build a winning business.



2

Write a business plan

Write a business plan

Writing a business plan will help nail down your idea and give you a blueprint for executing it. Plus you need one to apply for finance. Let's look at what goes into a business plan.

What is a business plan?

A business plan describes your product or service, identifies who the customer is, explains why they need your product or service, and shows how you'll make money from that opportunity.

Why write a business plan

How you write a business plan will depend on what you need it to do. There are a couple of key jobs a business plan can have. It can:

- explain a business idea
- convince lenders or investors to put money behind that business idea

It doesn't take a book to do the first job. You can write a business plan that's short, to the point, and easy to update. That may be all you ever need. But if you're going for funding, your business plan will need to be a good deal longer and more comprehensive.

Why every business should start with a one-pager

Even if you will eventually write a long business plan, a one-pager is a great place to start. It could take as little as an hour to do your first draft and will make your idea stronger. Writing about customers, competitors, income and expenses will help develop your thinking.

How to write a one-page business plan

You'll see in the example on the next page that there are nine sections, or things to write about. So give yourself just a small space to write about each. Keeping it short will help you focus on what's important.

[Download a one-page business plan template.](#)

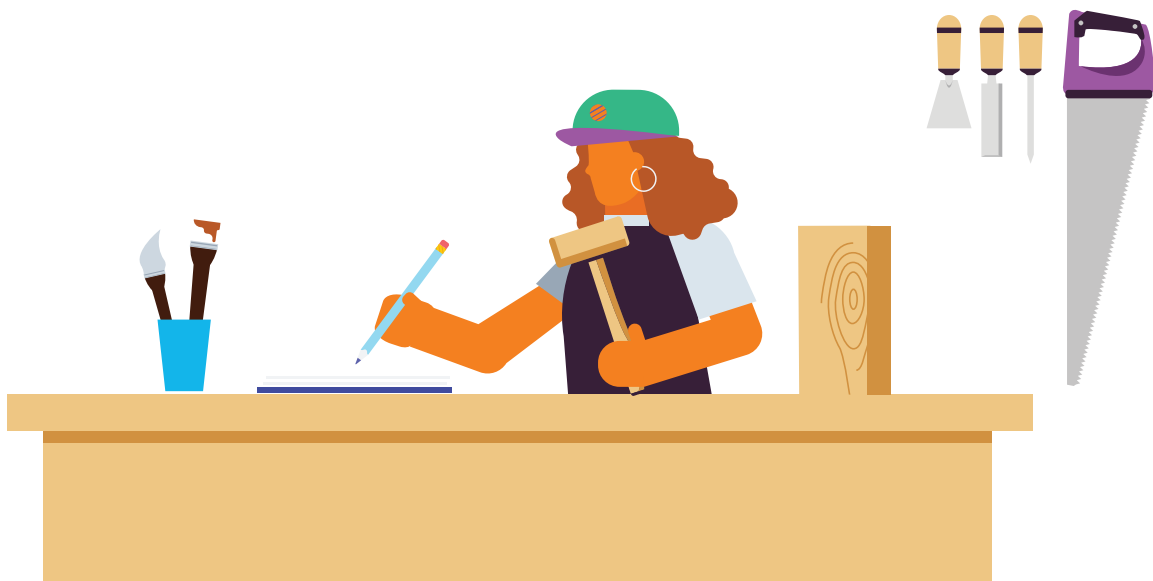
When you need a longer business plan

The greater the risk you're taking, the more comprehensive your plan should be. For instance, you'll need to write a long-form business plan if you're going to fund it with other people's money. Banks and investors will expect it.

How to write a longer business plan

Long-form business plans touch on all the same things as a one-pager, but they go into more detail and contain fewer assumptions.

Back-of-the-napkin numbers are replaced by forecasts and budgets. And guesstimates for things like costs, market size, customer preferences, and competitor weaknesses need to be backed up with proof. It's a good idea to involve an accountant or bookkeeper in developing the budgeting and finance sections.



Write a business plan

Example of one-page business plan

You'll be surprised what you can fit on a single page. Use bullets, be concise, and save the details for other documents.

Sticks & Thrones Furniture Company



We create stylish, sustainable furniture at affordable prices.

The market problem

It can be hard to buy stylish furniture pieces that are not only ethically made, but great quality, and inexpensive.

How we will solve it

Sticks & Thrones Furniture Company will be a retail and online store where people can buy ethically made and stylish furniture basics, without the expensive price tag.

Target market

57K potential customers

- 60% female, age 25-45
- 40% male, aged 25-45

Competitors

Local bricks and mortar furniture stores

Large online retailers

How our product is better

Our clothes are available online, and deliver anywhere in the world. Often local stores have no real knowledge of where the clothes are made or in what condition

Lack of visibility over contractors in larger countries and lack of knowledge about the materials used. Our furniture is made by us using sustainable materials.

Funding

£250k

We'll use this money to complete construction of our furniture factory and storefront.

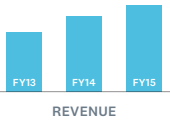
Sales channels

We sell furniture basics through our website and storefront.

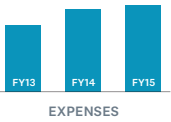
Marketing activities

- Advertise online where the target market is present
- Launch of company via an event with special deals and incentives, plus educational media
- Create marketing collateral that tells a story

Financial projections



REVENUE



EXPENSES



PROFIT

Milestones

1. Validate target market. [Insert date due, budget and name of person]
2. Hire four new employees [Insert date due, budget and name of person]
3. Create referral programme [Insert date due, budget and name of person]

The team

Our team



Founder Manager Designer

Potential partners



Accountants Timber merchant Blogger

Value proposition

The market opportunity and your solution

Target market and competition

Funding needed — and how it will be used

Sales and marketing

Budget and sales goals

Milestones (include due date, budget and person involved)

Your team and people you need to hire

Partner/s or potential business partners

Write a business plan

Contents of a long-form business plan

1. Executive summary

A short summary of the main points of your business plan. Write it last.

2. Company overview

Identify your industry, what you're selling, and how you'll charge.

3. Products or services

Include a description of the problem you're solving for customers.

4. Market analysis

Describe your target market, and examine the competition.

5. Risk assessment

Flag potential hurdles (including assumptions that could be proved wrong).

6. Marketing and sales plan

How will you find customers and make sales?
How many sales will there be?

7. Milestones

What needs to happen and when?

8. Progress reporting

When and how will you report against the milestones?

9. Team

Who will be involved in the business? Note their skills and responsibilities.

10. Budget

Estimate your costs and income (and any debt that you plan to take on).

11. Finance

Show how you'll fund the business.

You can also add an appendix with any supporting or background documents.

Make a start by downloading our [free business plan template](#).

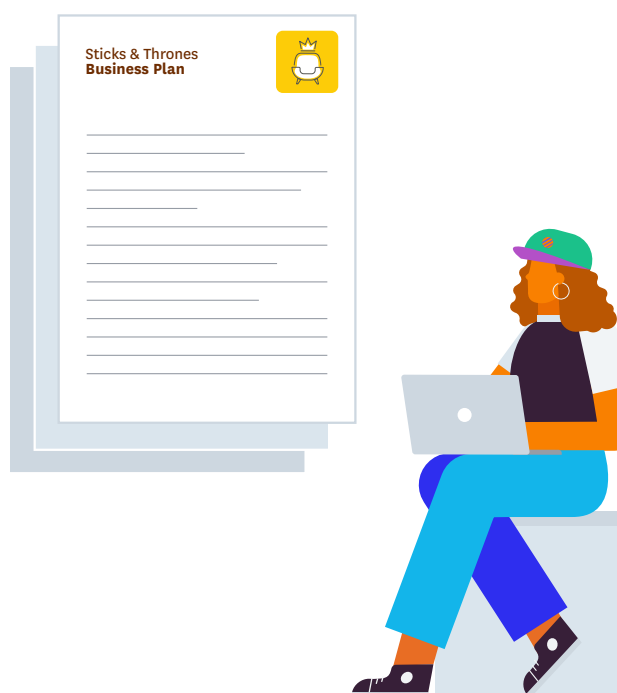
How not to write a business plan

Avoid these common business planning mistakes:

- Underestimating how much money it will take to get started
- Failing to budget for the first few months of operation (before revenues start flowing)
- Expecting sales to ramp up too fast
- Relying too heavily on one or two customers (or suppliers)
- Not including contingencies for unexpected delays or costs



For more information, visit the gov.uk page on [writing a business plan](#), which comes complete with templates to help get you started.



3

**Do budgets
and forecasts**

Do budgets and forecasts

It's time to run some numbers on your business idea. Budgeting and forecasting help with that. Let's break down the basics so you can build a financially sustainable business.

What is a budget?

A budget predicts how much money will come and go from your business over a period of time (usually a year). Budgeting and forecasting help startups see if they can afford to start a business – and if it will repay all their hard work with a return on their effort.

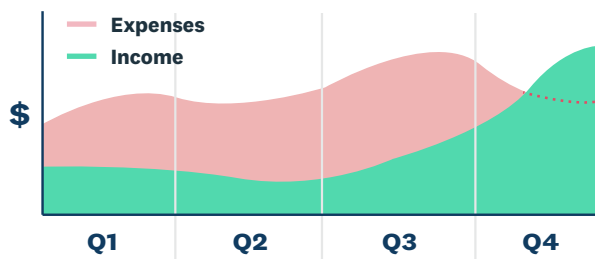
The purpose of a budget

Budgets predict the money-making potential of a business, but they also tell you things like:

- how much it will cost to start up
- whether you'll need to borrow money
- your breakeven point
- what you need to charge customers
- if you can afford staff

How to make a budget

Start off by listing your costs and note roughly when they'll hit. The timing is important to small business budgeting because it affects your cash flow. Do the same for income.



Projected costs

List costs like:

- supplies and inventory
- work tools
- overheads like rent, utilities, memberships and licences

Projected income

Projected number of sales
X
The price you'll charge

Budgeting is so nice, you ought to do it twice

Make a budget that assumes a solid first year, and another that assumes a slow start. That second budget won't be so much fun to create, but you'll be glad to have it up your sleeve if things don't take off. Bank managers and investors will also want to see two budgets.

Small business budgeting mistakes to avoid

- Don't forget to deduct **sales and income tax** from sales revenue
- Some jobs go wrong, and some inventory gets broken so **build in contingencies**
- Remember to calculate how much interest you'll pay on loans
- Factor in costs to **insure your business** against liabilities and disasters
- Put money aside to **cover depreciation** of assets like work tools (because you'll have to replace them eventually)

Tip

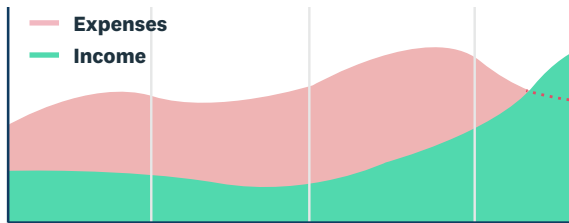


"Reduce financial risk by validating your business idea first. For example, you could open a pop-up store first, instead of paying for the fit-out of a retail store."

MERYL JOHNSTON,
BEAN NINJAS,
XERO GOLD PARTNER

Creating a financial plan for your business

Try not to freak out about this red part of the graph:



That's just part of being a startup and will appear in most small business budgets. It will take time for customers to find and trust you, so sales will be slow in the beginning. Meanwhile you'll have a lot of set-up costs to contend with.

Include a section in your business plan on how you'll make up the difference. Will you dip into personal savings? pitch investors? go to the bank? or turn to family and friends?

[Learn more in our guide to finance.](#)

The difference between a budget and a forecast

Budgeting and forecasting are often treated the same, but there are important differences. Small business budgeting shows how you expect the business to perform over a given period. Forecasts use real-life sales and cost data to show where things are actually headed.

For obvious reasons, you want to know if the two are seriously out of whack. So check your budget against actual business numbers regularly. That way you can fix problems before they get too big, and spot opportunities before they're missed. Plus the exercise will help you get better at estimating costs and income for the years ahead. Small business budgeting and forecasting go hand in hand.

Tip



"It's important to not only budget for costs that occur monthly, but also the costs that happen once or twice a year. Don't get surprised by a big lump sum insurance payment, for example."

CRISTINA GARZA,
ACCOUNTINGPROSE
XERO GOLD PARTNER

4

Set prices

Set prices

Your prices can influence the number of sales you make and the profit you earn on each transaction. We look at some pricing strategies to help find a balance between the two.

The first rule of price setting

You need to get more money out of a sale than you put into it. Which means you need to know the cost of the goods sold (also known as cost of sales).

What is cost of goods sold (or services sold)?

Cost of goods sold, or COGS, tells you what your business spends to deliver a product or service to your customer. It's treated differently to general costs like rent or employee wages.

Identifying what COGS is in your business

Look for expenses that:

- occur only when a service or good is provided
- go up and down as sales go up and down

COGS formula

You can get a good idea of your COGS by performing this calculation:

$$\begin{array}{l} \text{COGS} \\ \text{cost-of-goods} \\ = \\ \text{supplies} \\ + \\ \text{transport} \\ + \\ \text{manufacture} \\ + \\ \text{storage} \\ + \\ \text{distribution} \end{array}$$

Some may not apply.

$$\begin{array}{l} \text{COSS} \\ \text{cost-of-services} \\ = \\ \text{sales commissions} \\ + \\ \text{contractors} \\ + \\ \text{travel} \\ + \\ \text{equipment use} \end{array}$$

Some may not apply.

Permanent wages and salaries are generally not included in COGS because they stay the same no matter how many sales you make.

What are pricing strategies?

Now that you know your COGS, you know the minimum amount you have to charge to make money. But it helps to have a system to work out what you should add. That's what a pricing strategy is.

Tip

"Avoid a mismatch with what you think a customer will pay for, and what they'll actually pay for. Have an open conversation with prospective customers about what they really want, to make sure there's a real need for your product or service."



PACO NICOLE,
HOW TO NOT FREAK OUT ABOUT FINANCE
XERO PARTNER

Cost-plus pricing strategies

You can simply add a standard markup to everything you sell. Check if there are industry-standard markups, as they can give you a good place to start. An accountant or bookkeeper with experience in your industry will know.

Market-based pricing strategies

Check out the range of prices that your competition charges and:

- go higher if you offer more convenience or a premium experience
- match the average if you don't want to turn off price-sensitive shoppers

It's not a good idea to go low unless you have a steady supply chain and expect a lot of sales.

Set prices



Launch pricing strategies

New products (or businesses) sometimes use temporary pricing strategies to try and grow their customer base. These include:

- **Penetration pricing** where you lower margin to increase sales volume. This can attract new customers fast, but the trick is to keep them when your prices go up.
- **Price skimming** where you hike prices on new products or services believing that enthusiastic early adopters will pay more. Then you drop prices later on.
- **Sweetener deals** where you set prices high but offer introductory discounts. It allows you to create the feeling of a deal without permanently devaluing your product or service.

Price bundling

Some businesses bundle a few things together at a slight discount. Their profit margins come down but they sell more items as a result. Some market research will tell you what product combinations will work.

Pricing methods and COGS are key to profitability

You have two levers for making money in business – your margin and your sales volume. They're both affected by price. So give lots of thought to what you charge.

Start by working out your COGS, so you know the least you need to make on a sale. And then use some of the pricing strategies outlined here to work your way toward a ticket price.

Accountants and bookkeepers can help a lot with the numbers. They will understand industry norms and can help tell if your margins are too thin.

5

**Choose a business
structure**

Choose a business structure

Your business structure can affect how much tax you pay, and how you're treated by the law. It's worth considering the pros and cons before deciding on your legal setup.

Business structures and their effects

The main types of business structure are sole trader, partnership, and company. Your choice will affect your admin burden, tax, legal status, and your ability to raise money by selling shares.

	Easy admin	Simple tax	Legal protection	Sell shares?
Sole trader				
Partnership				
Company				

Yes
 Not necessarily
 No

If you don't choose a business structure

If you don't choose a structure when starting a business, you'll be assumed to be a sole trader. That's how a lot of people start out. However, it's worth understanding what it means to be a sole trader, and getting your head around the other structures. Speak to a lawyer or accountant before making any changes.

What is a sole trader?

A sole trader is a single-owner business. It doesn't have to be a single-worker business, so you can hire staff.

Advantages of a sole trader

It's easy to set up as a sole trader and tax is simple. You just declare income on your personal tax return.

Disadvantages of a sole trader

A sole trader doesn't have any special legal status, which means the owner is personally responsible for what the business does. If the business gets into debt or legal trouble, so does the owner. Your choice of insurance becomes very important. A sole trader may also miss out on some tax advantages that come with being a company.

Easy admin	Simple tax	Legal protection	Sell shares?

What is a partnership?

A partnership is owned by two or more people. There are no rules about how it's divided. One partner can own 99% of the business.

Advantages of a partnership

It's easy to set up as a partnership, though it's recommended you have an official letter that sets out the agreement between partners. Tax is simple too. You just declare your share of business income on your personal tax return.

Disadvantages of a partnership

If the business gets into financial or legal strife, the partners do too. You could also get into difficulty if one of the other partners does something wrong. A partnership may also miss out on some tax advantages that come with being a company.

Easy admin	Simple tax	Legal protection	Sell shares?

Choose a business structure

What's in a partnership agreement

A simple business partnership agreement should:

- state the legal name of the partnership and say what you do
- name the owners and show how many shares each has
- appoint a primary business officer
- say when and how income is distributed among the partners
- include a process for resolving disputes
- identify how bookkeeping and finances will be managed
- outline how the partnership can be wrapped up (and how debts or profits would be distributed)

As you can imagine, even a simple business partnership agreement can get lengthy and complicated. Search the internet for examples or, better still, ask an accountant or lawyer to help.

What is a company?

A company is legally separate from its owner (or owners), which means you're less exposed to legal or financial issues. A company can be owned by one person or many.

Advantages of a company

You get some legal and financial protection if things go wrong – your accountant or a lawyer can give you the lowdown. Companies pay a lower tax rate and you can choose when to draw income from the business, which gives you more options for lowering your tax bill. You can also sell shares in your company to raise money.

Disadvantages of a company

It will cost you more to operate as a company than as a sole trader or partnership. There's also more admin. You'll need to know how the company will operate before you get started, and you'll have to regularly submit paperwork to Companies House.

Easy admin



Simple tax



Legal protection



Sell shares?



You can change your business structure

You're not locked into one structure forever. A lot of businesses start out as sole traders or partnerships and grow into companies. You might change your business structure if you start getting bigger and doing more complex projects which carry a greater financial or legal risk for you.

Where do franchises fit?

If you buy into a franchise, you don't automatically become part of their business. You form your own business and enter into a deal with the franchisor. You may be able to choose your own business structure, or the franchise agreement may require it to be set up in a specific way, such as a company.

6

**Sort your startup
accounting**

If you're starting a business, then you'll need to get familiar with some accounting basics. Let's look at the main tasks, some time-saving tricks, and find out who can help with your small business accounting.

What is accounting?

Accounting tracks money as it comes and goes from a business. Some of that information is reported to the government to calculate taxes. But mostly the information helps you manage the business better.

Small business accounting basics

Accounting is a massive topic, but for most small businesses it boils down to:

1. Keeping records of business transactions (basic bookkeeping)
2. Creating accounting reports to help manage the business
3. Dealing with taxes

1. Keeping records of business transactions (bookkeeping)

A reliable and up-to-date picture of income versus costs will tell you:

- if you're profitable (or at least moving in that direction)
- if you have enough cash flow to pay upcoming bills
- everything you (or your tax agent) needs to know to do tax returns

This record-keeping is commonly called bookkeeping, and it's critical to good small business accounting. You can learn what's involved and how to do it in our guide [How to do bookkeeping](#).

Keeping the books: the early days

Keep tabs on your expenses as soon as you start incurring them. Hold onto receipts and write down what each one was for. Create a separate business bank account as soon as you can. Then your bank statement will double as a record of all your expenses.

2. Creating accounting reports to help manage the business

If you're working in the business, you'll have a rough idea of how things are going. But you'll want to base your strategic decisions on something more than instinct and feel. Small business accounting gives you the insights you need.

Things to check weekly

Sales

There's no money without sales, so it makes sense to keep a close watch on them. Just remember to consider the wider context. For example, extra sales often come with extra costs.

Profit

Make sure you get to keep some of those sales dollars after costs and taxes are taken out. Check your net profit margin, too. It shows what percentage of sales revenue becomes profit.

Wages

Wages are probably your most variable cost. It pays to keep an eye on them. Smart staffing decisions can go a long way to improving profitability.

Money owed to you

Check invoices are getting paid. Late payments mean less money in the bank, which creates all sorts of unpleasant knock-on effects for the business and your personal wellbeing.

Things to check monthly

Budget vs actuals

See if things are going as planned. If not, why not?

Liabilities

Stay on top of what's owed across loans, bills and taxes.

Cost of goods sold

Stay aware of inventory, transportation and storage costs to get your pricing right.

Last year vs this year

Compare numbers from the same month last year to see if the business is getting stronger.

How to stay on top of the numbers

Your small business accountant or bookkeeper can help pick the most important numbers for your business. They can also get those [numbers streamed to a live dashboard on your phone](#) using software like Xero.

3. Dealing with taxes

Tax is one of the first things that come to mind when you think about small business accounting, and for good reason. Mistakes can be costly. The three most common forms of tax are:

- **Income tax**
Where you pay a portion of profits to the government.
- **VAT**
Where you add a tax to your sale prices and later pay that money to the government. This only applies if you're VAT registered.
- **Employee-related taxes**
Where you collect tax from employee pay and send it to the government.

Lowering your business taxes

Business costs reduce your taxable income and therefore your tax bill, so make sure they're all accounted for. You need specialist knowledge to work out what all your deductible costs are. Get help from a small business accountant.

Get help from an accountant or bookkeeper

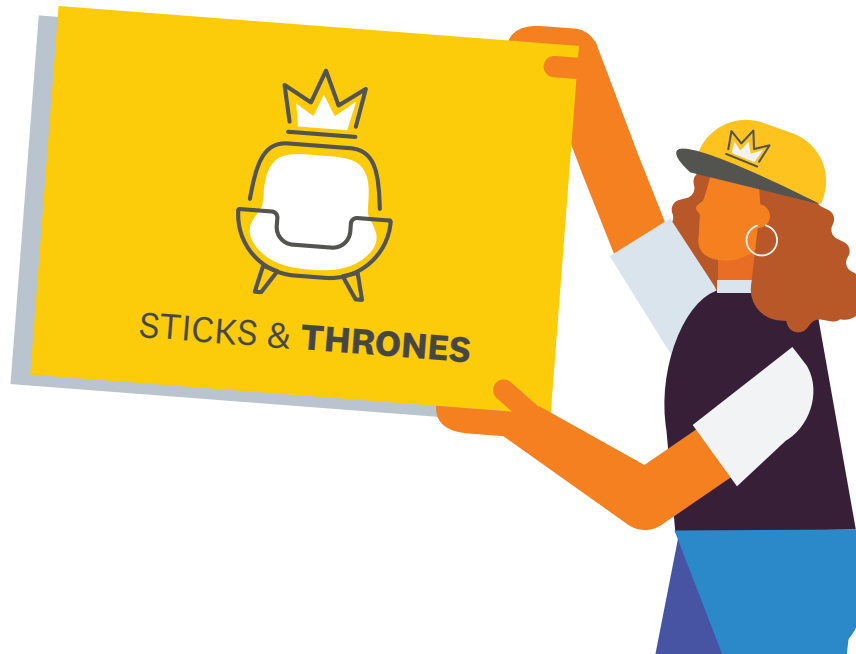
A professional can make tax time so much simpler. They can also produce financial reports to show how the business is doing. Find one in the [Xero advisor directory](#).





Register your business

After all the excitement of deciding to start a business, you'll have some paperwork to do. These first tasks as a business owner won't be the most fun, but they'll help keep you out of trouble with the law



How to register a business with the government

- **Set up as a sole trader**
You can set yourself up quickly and easily at [gov.uk](https://www.gov.uk). During the process, you'll register with HMRC for tax, and for VAT if you're going to be VAT registered. Check our guide on [VAT accounting schemes](#).
- **Set up as a partnership**
You'll need a name, and a 'nominated partner' who is responsible for keeping the business records and reporting taxes. Once you have those, you can [get set up with the government](#). During the process, you'll register with HMRC for tax, and for VAT if you're going to be VAT registered. Check our guide on [VAT accounting schemes](#).
- **Set up as a company**
Besides naming your company, you'll need to appoint directors and adopt articles of association – you can get some written or use templates. Once that work is done, it's relatively simple to [get set up with the government](#). During the process, you'll register for corporation tax. You may also need to [register for VAT](#).

Do I need to tell any other regulators?

There may be more to do if you're entering a regulated industry, such as liquor sales. Speak to friends in the industry, or the industry representative body, to find out if there are special requirements for your type of business.

Should I trademark a business name?

You can legally protect a business name and logo to prevent others from mimicking your identity. This can be a valuable step for businesses that plan to invest a lot in making their brand widely known.

This area of the law can get complicated – especially if you expand into overseas markets and find there's a business there with a similar name. Ask for advice from a legal professional with experience in this area.

At the very least, use [trademark registries](#) (and search engines) to check that no one already has your business name. It's an easy way to save yourself a lot of hassle.

8

Create a website

Treat your website like an online version of a storefront. It's the first impression for many customers and prospects. Get the basics on how to set up a business website, what to put on it, and how to turn it into a moneymaker.

The step-by-step guide to creating a business website

1. Register a web address (also called a domain name or URL) ☐

A number of companies can register a domain name for you (and they often also provide hosting). Search for domain registries online and visit their websites. Use their tools to enter your preferred web addresses and see if they're taken. When you find one that's not, claim it.

2. Get someone to host your site ☐

Websites are stored on servers, called hosts. You'll be able to find a host for a modest annual fee. Your host will also sell extra products to help protect your site against viruses and malware, and they may sell templates for building your site.

3. Choose the right plan for your website ☐

Before signing a contract with your host, check you have the right plan. You can start off with basic web hosting, but there may be extra costs if you want to add several email addresses or an online shop.

4. Pick a template (or get a custom design) ☐

You can have a website designed from scratch but many businesses use pre-designed templates these days. There are thousands out there. You can simply drop your text and images straight in, or get a developer to tweak the template to your liking.

5. Get a logo ☐

A well-designed quality logo can make you look incredibly professional. If you don't have a logo, check out design services like [Tailor Brands](#), [Fiverr.com](#) and [99Designs.com](#). Ensure your choice of colours and typeface fit your brand. You want a consistent theme across all of your stuff.

6. Add your content ☐

You needn't blindly follow what your competitors are doing, but check them out. If something's working for them, learn from it. Then focus on the ways in which you can be fresh and different.

7. Test your website ☐

Visit your site from different devices and browsers. Make sure it looks and feels practically the same on all of them. Ask friends and family for their honest opinion too.

8. Hit publish ☐

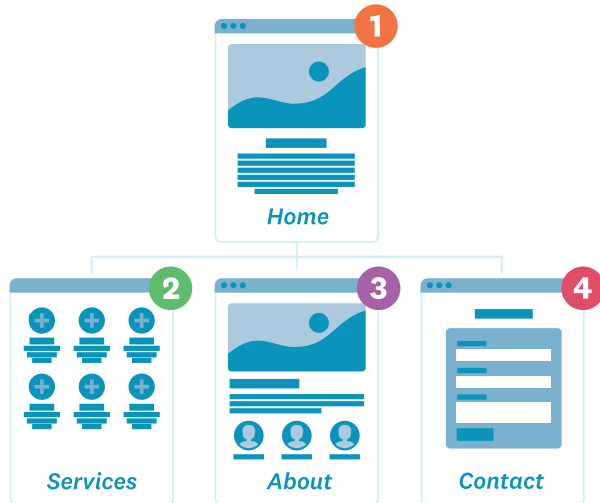
Make your site live, and tell everyone about it. Email customers and contacts. See if there are any local directories your site could be added to. Ask relevant business associates to link to you.

9. Set review and refresh dates ☐

Schedule review dates in your calendar to update and edit your site. Keep the information accurate. If you mention topical issues, make sure they're dated or kept up to date.

What goes on a website?

Websites typically have four types of pages:



Example of a basic website sitemap

1. Home page

Include your business name and logo plus a broad description of what you do, and why. Keep this short for now. The specific details can live on other pages. Let your personality and passion show.

2. Products and services

Tell visitors what they can buy from you, with a few lines about each product or service. List prices for products. If you're in services, you'll have to make a call on whether or not you reveal your fees.

3. About

Give a little background about yourself and list any organisational or professional memberships you have. Tell your story but focus less on what happened and more on why. You want your passion to shine through. This is also a good place for customer testimonials.

4. Contact us

Provide your email and business postal address, and include links to your social media accounts. A lot of people still like to see a phone number too. If you have a physical address, [embed a Google map](#). And list your business hours.

Web writing tips

- Write less – people only read about 30% of the words on a page anyway.
- Use descriptive headings – 80% of people scan for the info they need, so make it easy.
- Make it clean – it's harder (and slower) to read online so use bigger fonts and leave plenty of empty space.

Avoid the template trap

When choosing an off-the-shelf website template, you naturally expect your site will end up looking like the sample in the gallery. But that will only happen if your headers and text blocks are roughly the same length as theirs. You need to write to the template you choose, or else it could start to look odd.

Not everything on your site should sell

When creating a website, think beyond what you want from your visitors. Ask yourself what questions they're probably struggling with right now. Can you answer those for them? Here's why it's wise to give away useful information or advice:

• Attract people to your site

When people search a topic online, your best articles may start to show up as recommended reading. And if that content is really useful, readers will start to share it with their contacts.

• Win prospects over

People love getting tips and tricks. If they pick up some valuable information on your site, they're going to feel good about doing business with you.

• Hold onto customers

When you anticipate a customer's next question and answer it, customers feel like you get them. It's a great way to build rapport and loyalty.

Stay focused on your brand

When writing content for your website, it's invaluable to have something that can help focus your thoughts. Jot down the values that are most important to your brand and turn them into a word cloud. Sites like [Worditout](#) let you do it for free. Print it and post it on the wall where you're writing.

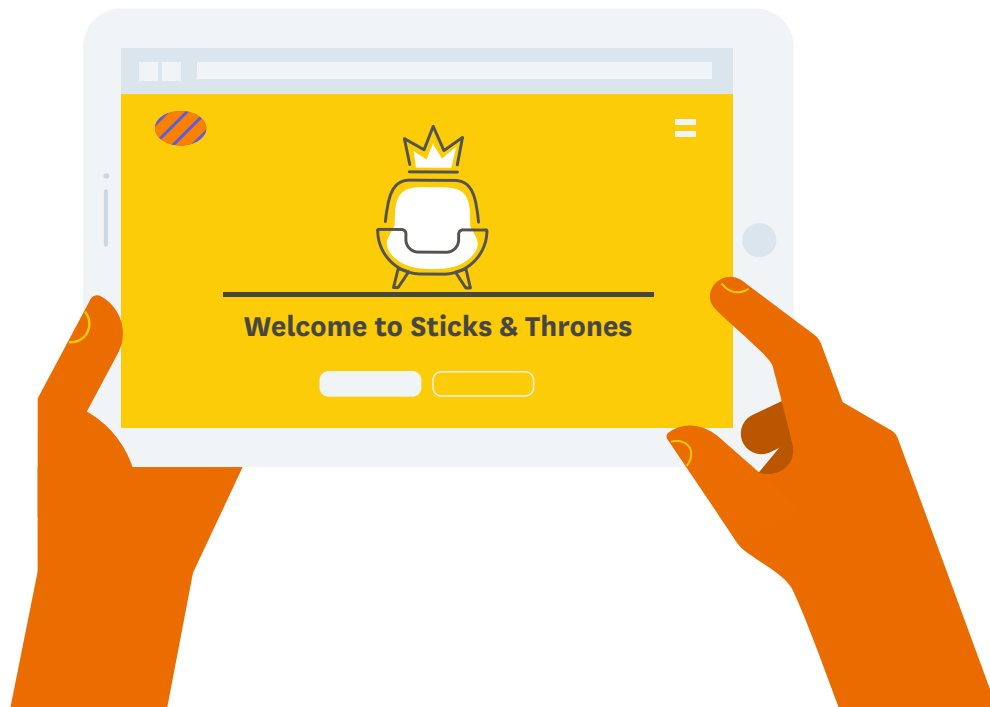


Stay centred on your brand values when you sit down to write your web content.

Eight ways to ensure your website is high quality

When starting a business, make sure your website is:

- 1. Relevant**
Understand who you're talking to (your target market) and what they're looking for. Create your site for those people. You want them to know they've found the right place as soon as they land.
- 2. Professional looking**
Treat your site like the first impression it is. Use quality images, well-written text and modern design. If budget is an issue, make fewer pages to start with. Focus on quality.
- 3. Trustworthy**
Include an 'About' page with full contact details, a little of your backstory, and some photos that put a human face on the business.
- 4. Easy to find**
Build a site that shows up when locals search for your types of products and services online. Search engine optimisation (SEO) can help you. The basics are not that hard to master.
- 5. Connected to your social media**
Some people who find your site may prefer to connect on social media. Make it easy for them to do that. It's a great way to show them more of your brand's personality.
- 6. Bringing in feedback and testimonials**
Nothing beats real-life testimonials from people who have used your service or product, so invite customers to send reviews. Be prepared to take the good with the bad.
- 7. Always up to date**
Out-of-date information isn't a good look. It gives the impression you don't care and makes the site less credible. Take down old promos and avoid putting dates in your text unless you have to.
- 8. Easy to buy from**
If you're selling through your site, make it simple and secure. Give customers an easy-to-use shopping cart, make delivery charges clear before they get to checkout, and offer a variety of payment methods such as debit card, credit card, and PayPal.



9

Get extra support

Now that you're in business, you want to stay there. Xero's got resources and solutions to help.

Free resources for new businesses

Guides

Handy tips and tricks to help you in your new life as a business owner.

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Business planning template

Choose between a 1-page or long-form template and get going.

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Business trends report

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Tech solutions for small businesses

Xero accounting software

You'll be surprised by how much of your financial admin can be automated.

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Take the stress out of payday.

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