

BUSINESS PLAN



opening of photo studio



Moscow, 2015

Adaptation of this business plan is possible for similar project in Russian Federation, Ukraine and CIS countries.

Business Plan Description

Project Idea

Opening of the family and children photo studio.

Services of the project

The basic packages of services:

- photographing of pregnant;
- photographing of newborns;
- documentary family photography (newborn, family, baby, children);
- the world of emotions;
- gift certificate for photography.

Target audience

Families with children, middle-class population of Moscow; young couple expecting a child; parents of newborn children; implementation of services for residents of the nearest Moscow regions is not excluded.

Competitive advantages:

- photo studio takes all the rental costs for shooting;
- client is also not charged a separate fee for the services of a stylist and makeup artist;
- studio provides props and costumes for a photo shoot.

Main channels of promotion

To raise awareness of the potential audience about the photo studio the following methods of promoting the project will be used:

- Search Engine Optimization (seo);
- contextual advertising;

- Social Media Marketing (SMM);
- partnership with clinics, maternity hospitals.

Market conditions

On the photo services market there are very contradictory trends: a reduction in share of costs for the manifestation of the film and printing photos in the structure of expenditure for household services, together with increased demand for professional artistic photography. Popularity of the last is caused by desire to make everyday life aesthetically beautiful, to keep the memories; also there is a significant impact of social networks as a professional photo is perceived as a kind of PR-move to attract attention to your profile on social networks.

Competitive environment

On the Moscow market of children's and family photography this project will compete with:

- photo studio «Glamus»: <http://msk.glamus.ru/>;
- photo studio «Malino Studio»: <http://www.malinostudio.ru/>;
- photo studio «Elena Mytronyna Photographer»: <http://www.mitru.ru/>;
- photo studio «Angy K Photography»: <http://angy-photography.ru/>;
- photo studio «Anna Krauklis»: <http://kids-foto.ru>.

Financial indicators of the project

Indicator	Unit	Value
Necessary investment	RUB	***
NPV	RUB	***
IRR	%	***
Payback period	years	1,50
Discounted payback period	years	1,61

Extract from the research

Photo studio services, photographic and cinematographic laboratories market in Russia is constantly increasing, reaching 11,988 million RUB in 2014, but its share in the total structure of household services has been steadily declining.

The main reason for reducing the share of photo services is that people turn to self-service, and it is available to store photos in immaterial forms on electronic devices.

There is an inverse dependence between the reduction in demand for photo services and buying a digital camera.

In Moscow, the share of photo services in the structure of household services is two times less than general indicators in Russia - 0.7% versus 1.6% (January 2015), which indicates a more intense switch of the population to self-service.

Moscow market of photo services is 3.89% of Russian.

In Moscow, 300 photo studios are officially registered; across the country approximately every fifth inhabitant has a digital camera.

The main motive of appealing to the services of professional photographers is: a need to capture the festive events; preserving memories and strengthen family ties through a joint looking at the photos; making everyday life aesthetically beautiful; ability to attract attention to the profile on social networks.

The photography market has a logic of the associated with art market, in which photography is a kind of a unique item.

The price on the photography market of Moscow forms spontaneously. For consumers the experience of the photographer has secondary importance. The most important factors during choosing a photo studio are the fame of a photographer and his reputation, which is formed through positive reviews of customers.

Photographers consider "word of mouth" as the most effective way of promoting their services.

Children and family photographers are mostly women who started this kind of creativity after the birth of their own children.

Prices for children's photo shoot are ranged from 6 000 to 35 000 RUB depending on the number of additional services included in the package.

The common is the fact that a lot of children's and family photographers do not have their own premises and, therefore, the photo shoot is often held in rented rooms, and client should pay for this rent.

Photo studios usually have the right to post images with the clients in their groups in social networks, blogs and exhibitions. Many studios require additional payments for confidentiality, which sometimes reaches 30% of the photo shoot price.

A common is a limit on the number of participants - in most cases, no more than 4-5 people are allowed; additional participants should be extra charged.

Rented premises are planned to locate in an area with good transport interchange, so customers can get to their photo shoot with minimal transfers on public transport. While planning the photo studio, the whole area will be divided into a number of useful areas: a work area, dressing room, an office with a computer and printing equipment for personnel, reception for clients.

For the start of the project realization it is planned to purchase a minimum set of equipment for individual work: cameras and attachments for them; reflectors; flash; rack; color filters and backgrounds. The availability of powerful computer for design processing of image, licensed software, high-quality printing equipment and a scanner are obligatory.

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LLC «Portal Logistics», SPK «Nauka», I.N. Frantsevich Institute of Materials of NAS of Ukraine, NTUU «KPI», Science Park «Kyiv Polytechnic», The Russian Government, Verkhovna Rada of Ukraine

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Vladyslav Tsygoda,
the head of «VTSConsulting»*