



Creating A Business Plan For Thin Air Reflections

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Executive Summary

The purpose of this business plan is to review Thin Air Reflections' value proposition, marketing assumptions, operational plan, and financial plan (Robbins, 2004). Through a survey and market analysis, Thin Air hopes to determine the target market as well as a unique selling proposition for Thin Air Reflections that will meet the needs of the specified target market. The tools that will be used to gather data and to run this business include: Survey Monkey, Internet resources (such as business and photography websites), Excel, Facebook, Instagram, Pinterest, and Etsy.

Based on the results of this study, the target market for Thin Air Reflections is the tourist population of Crested Butte, CO. The unique selling propositions for Thin Air include their childcare services that double as a photography session, and their ability to join tourists and photograph their vacation. For entrepreneurs looking to write a business plan, it would be in their best interest to find a different means to administer the survey. The survey could have administered interesting findings, however there were very few responses. The survey could be more successful if administered directly (in person for example), rather than given through a third party (travel agency/resort). However, the information obtained was useful and contributed to an overall successful study.

Business Description

Thin Air Reflections is a photography business based in Crested Butte, Colorado. Thin Air Reflections offers the traditional photography services, as well as the new unique service of childcare photography. Parents will never miss a moment when they leave their children, and they will be provided with a digital file containing photographs of all the activities their children participated in during their absence. Additionally, tourists will have their vacation professionally photographed as they partake in activities that the town has to offer.

Crested Butte's economy is dependent on vacationers, and because of this, these vacationers will be the target market for Thin Air Reflections. While locals can still benefit from these services, vacationers will be the primary focus. If families are spending their day together, Thin Air also offers the service of joining the families for the day and photographing their vacation experience. Vacationers are prepared to spend money, and by providing a variety of service options to them, the vacationers will be a reliable source of income.

Thin Air Reflections will register as a sole proprietorship company, and for the first three years be solely cash based. Thin Air has ambitious financial goals, and by year three, Thin Air hopes to establish a physical studio and gallery, as well as a second employee. In order to achieve these financial goals, in addition to providing photography sessions, Thin Air will also have an online Etsy store, which is a simple website that can be utilized to sell products (typically art related and handmade products). Thin Air can use this website to sell their photos, and at the same time increase customer familiarity with Thin Air. Through a website, online store, social media presence, and word of mouth, Thin Air has the ability to quickly become known in the small community of Crested Butte and begin to contribute to the growing economy of the vacation town.

City Description/Overview

Crested Butte Government reports there are currently 592 children in the Crested Butte Schools (K-12). With approximately 1,500 people in the town of Crested Butte, and 15,000 in the county, the local population seems small and could work against start-up businesses (“Crested Butte,” 2013). However, Crested Butte, Colorado is a destination for skiers and travelers all over the world. Crested Butte was named one of National Geographic’s best ski towns worldwide (“World’s 25 Best Ski Towns”), Powder Magazine’s 2014 Ski Town Throwdown Champion (“2014 Ski Town Throwdown”), as well as the 2014 town of ‘Whatever USA’ (Torres, 2014).

As Crested Butte continues to be noticed and win awards, the popularity of the town is increasing as well. The government website says that the potential peak season population for the town of Crested Butte is 2,798, which almost doubles the population (“Crested Butte, Colorado Community Profile”). Ski season is extremely popular for the town, but Crested Butte is also called the Wildflower Capital of Colorado since 1990, which contributes to a significant amount of summer tourists who hike, bike, kayak, etc. (“Crested Butte Wildflower Festival,” 2015).

The local government website lists the top 10 major employers in the town of Crested Butte, which 9 of the 10 are related to resorts, accommodations, and entertainment. They include:

- Crested Butte Mountain Resort
- Elevation Hotel and Spa
- The Grand Lodge
- The Lodge at Mountaineer Square
- ResortQuest
- Town of Crested Butte

- Town of Mt. Crested Butte
- Mountain Express
- The Club at Crested Butte

Crested Butte's economy is heavily dependent on tourism. The town is being given an increasing amount of publicity, and with that they will receive a heavier tourist population. Specifically in the last year there has been a lot of attention on Crested Butte in the media because of the town being named 2014 Whatever, USA (please see Appendix C for photos taken by Susanna Thompson of Whatever, USA).

Thin Air Reflections' Focus

A survey done by Professional Photographers of America (PPA) (PPA, 2013) determined that most photographers have multiple specialties, and determined there were a wide variety of specializations. The largest specialties for photographers are portrait photography, fine art photography, event photography, and wedding photography. PPA also mentions there are many new revenue opportunities popping up, and it is important to get a strong foothold in those areas. They believe consumers, regardless of the state of the economy, will always demand photographic services (PPA, 2013).

Crested Butte, CO is a beautiful location, and popular destination. Scenic photography is extremely popular in that area simply because of its incomparable beauty. Thin Air Reflections' focus will not be on landscape and wildlife photography, or portrait photography, as most photographers in the region tend to focus on. Demerson Photography is a local wedding and portrait photographer (Demerson, n.d.), and Third Eye Photography is also a local wedding and portrait photographer (Ofstedah, n.d.). Raynor Czerwinski is a landscape photographer in Crested Butte (Czerwinski, n.d.), along with Alex Fenlon of Fenlon Photo, who also takes pictures of landscape, as well as weddings, portraits, and architecture (Fenlon, n.d.). Allen Ivy, one of the most renowned photographers of the area does mainly landscape photography (Ivy, n.d.).

After comparing these different photographers, their focuses, and their techniques, it was clear what Thin Air Reflections needed. Thin Air is going to be a part of a small community, and therefore it needs to offer something that these other photographers do not. Thin Air Reflections needs to offer a unique service that would ensure its success in a small town community.

The idea for Thin Air was conceived by a pre-school teacher based on her experience living in and around a vacation community. Vacationers and community members will ask Thin Air to babysit while they are out enjoying the nightlife of the town. These people have told their friends of the baby-sitting service, and even more vacationers have asked Thin Air to baby-sit. The kids being watched are young, and are constantly doing something different. So while these kids are at home, the parents are missing out on anything new or different that their kids do.

What if, as a parent, you knew that you would not miss anything if you left your kids for a number of hours? For an hourly fee Thin Air could take pictures of the activities the kids do as they babysit. At the end of the session, Thin Air could edit the pictures, and then provide the parents with an electronic copy of the images captured. For an additional charge, Thin Air would produce these images professionally, in any number of formats.

If parents do not want a babysitter, but still would like their activities (vacationers or locals) to be photographed, then the same process could be carried out for a similar hourly fee. The photographer would still accompany the customer as they ski, hike, bike, etc.

The goal of this business is to offer something unique to the community that no one else is offering, and that can be guaranteed success. Targeting vacationers, the biggest part of the economy in Crested Butte, will ensure a steady flow of customers, which come to Crested Butte ready to spend money. Once this opportunity has been tested and proven successful in a tourist-focused economy, then there will be the possibility of more locations being established in similar areas.

Types of Businesses

There are several different types of business structure that Thin Air could identify as, and there are advantages and disadvantages to each. This section outlines a Sole Proprietorship, S Corp, C Corp, and LLC.

Sole Proprietorship

A sole proprietorship is beneficial because there are no corporate income taxes (just individual tax rate), there is a minimum legal startup cost and formal business requirements, and the business owner can write off losses against other income on Federal and State taxes. Disadvantages are there is no separation between the business and personal assets, and therefore no protection, and the owner is subject to self-employment taxes on taxable earnings, which is about 15% on every dollar they earn (“How to Set Up Your Company,” n.d.; see also Entrepreneur Staff, 2015).

S Corp

In an S Corp, there is limited liability for its shareholders, the business does not pay income taxes (they do need to file an informational tax return), most states tax the individual shareholder, losses generated by the business are passed to the shareholders, and the owner does not have to pay Social Security on part of their earnings. Disadvantages of an S Corp include having specific recordkeeping and reporting requirements, there are legal and filing costs associated with establishing and maintaining the business, and the IRS watches the salaries of the shareholder-employees closely (“How to Set Up Your Company,” n.d.; see also IRS, 2015).

C Corp

In a C Corp, the business may become a public corporation and sell its shares through the stock market, there is no limit to the number of shareholders, and they are permitted to carry corporate losses forward to future tax years. Disadvantages are the distribution of dividends can lead to double taxation (business and employee), and recordkeeping and reporting requirements are stringent (“How to Set Up Your Company,” n.d.; see also “C Corporations,” 2011).

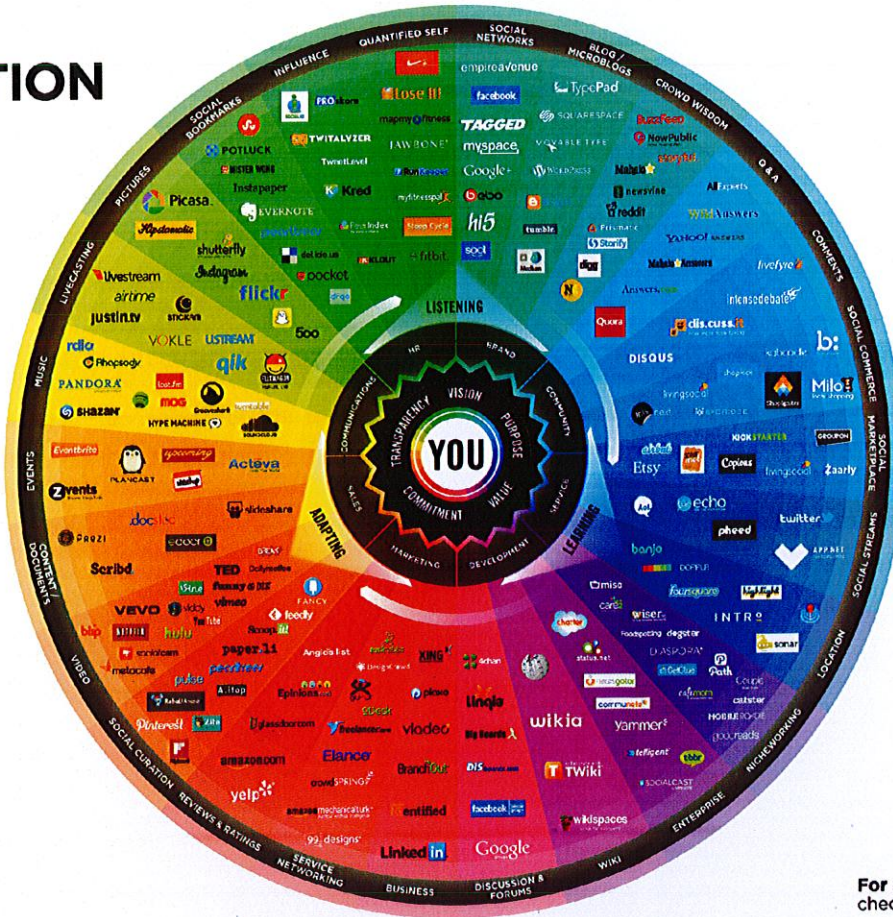
LLC

Limited Liability Companies can be easier and cheaper to start up than an S Corp. They provide corporation-style limited liability protection for employees and the owner because there is a separation between personal assets, and the company’s assets. There are also no stringent recordkeeping requirements, and members do not have to participate equally in the distribution of income from the business. Some disadvantages of a LLC are members’ earnings may be subject to self-employment tax, and LLC laws vary between states so this could become difficult for operations across states. The best circumstances to use an LLC are when the existing business has net profits over \$250,000 a year, the new business has an owner with accumulated substantial personal assets, or there is a need for a multiple-partner entity (“How to Set Up Your Company,” n.d.; see also “Limited Liability Company,” 2015).

Marketing Tools & Strategies

THE CONVERSATION PRISM

Brought to you by Brian Solis & JESS3



For more information check out conversationprism.com

(Solis, 2015)

While not every social media website and tool are listed in the Conversation Prism, this is a fantastic tool for business owners who are looking to categorize their needs, and the needs of their customers (Solis, 2015). Thin Air is looking to listen to potential customers, and receive feedback on what they think about the service, therefore, they would look to the upward facing point in the prism titled “listening.” Under listening, the top point of the pyramid, the business owner would then determine whether they would like to focus on branding, or human resources

(Solis, 2015). Under learning, the bottom right point of the pyramid, Thin Air could become a part of online communities benefit from each other's feedback as well as actions. Etsy is listed under the learning section because it is an online social marketplace that helps teach users how to be a part of a community while offering a service at the same time (Solis, 2015). Under adapting, the bottom left point of the pyramid, Pinterest is categorized under sales and marketing because it adapts to sales and marketing techniques. It is categorized as a "Social Curation" because it pulls together different products, pictures, ideas, etc. into one website (Solis, 2015).

Facebook

Facebook is a free tool that can be used for businesses to self-promote. Facebook can increase popularity of the business/service, and can help to direct traffic to the business's website. Surprisingly, Facebook benefits small businesses more than large companies, and it allows the small businesses to directly compete with these large companies ("Facebook For Business," n.d.). The business can pay to promote their page by creating advertisements as well as boost their posts for a small fee. Once a page has received at least thirty likes, a business will be able to utilize Facebook Insights. Insights is a tool for the business to track the use of their page. This will help measure the effectiveness of using this as a marketing tool. Please see Appendix B for Insights results after the business Facebook page was active for 24 hours.

Etsy

Etsy is a simple website that can be utilized to sell products. Artwork, jewelry, and clothing are some of the more popular categories that they have. The organization of the shop's storefront, along with a simple banner and description will appeal to more customers. Etsy also provides the capability of creating coupon codes, running search ads, and promoting the shop on

social media (Gatski, n.d.). It is free to set up a shop on Etsy, and Etsy only requires \$0.20 for each listing along with 3.5% of the transaction fee on the item's sale price ("Turn Your Passion Into a Business," n.d.).

Pinterest

Pinterest is an excellent tool that can be used to help increase website and Etsy shop traffic. A seller on Etsy uses Pinterest to pin each item posted in their Etsy shop. By paying close attention to all the user pins, re-pins, and likes of products, a business will be able to better understand what resonates most with their customers. Pinterest also offers Insights, similar to Facebook. Etsy users have noticed that by using Pinterest, there has been a significant increase in average views per week, and average sales per week (Feldmann, n.d.).

Instagram

Instagram is rapidly growing social media platform where users share, like, and comment on pictures. After four years, Instagram now has 300 million accounts, which means that brands will have a larger audience to engage and share these images ("300 Million Now on Instagram," 2015). Since this social media platform is centered on photographs, it is a perfect place for photographers to share their work.

WIX

There will also be a WIX website. WIX is free of charge to create a website. Once a website is created, the user can pay a monthly fee to attach a domain name to the website. This website will link Thin Air's social media accounts, Etsy shop, and schedule ("Pricing Information," 2015).

Market Analysis

When traveling with friends, a significant other, and/or children, it is difficult to digitally record all of the most exciting events and activities that you participate in. It is also difficult to get a photo of everyone on the vacation without asking for the assistance of a stranger. Someone is always excluded from the photo. By hiring a local photographer from this small business, the family can have the photographer with them for a few hours, for the day, or for their entire trip in order to ensure that all the best moments get captured and reproduced professionally. A survey was conducted on whether or not people would utilize a new service using Survey Monkey. The following section will outline the survey results.

Survey results and findings:

The survey targeted adults, 18 years or older, that travel frequently (more specifically to and from Colorado). By working with travel agencies and travel websites, the survey could be distributed to this specific target group. The survey was completely anonymous, and conducted over the period of approximately one month. The goal of this study was to gather feedback on a new business idea, while also spreading awareness to potential customers of this potential business concept. The survey questions paired with the results are listed in Appendix A.

The travel agencies never responded to emails with the survey in them, and because of this the survey had minimal responses. This type of survey may be more beneficial if done at the mountain resort. Having several surveyors posted at the bottom of the mountain as people ski in and out could greatly increase the amount of feedback this survey receives. With so few responses for the survey, it would be difficult to use this survey as very strong justification in the

decisions being made throughout this business plan; however, the results will still be used as a general guideline.

After reviewing the survey results, it seemed as though no one would be extremely likely to use this service, nor would they be extremely unlikely. The responses varied evenly, however in the question that asked what quality was the most important to them as a customer, there were overwhelming responses for both price and quality (with slightly more for quality). There were also very few people who said they would be willing to pay more than \$30 an hour for this service. Throughout the remainder of the business plan, there will be a significant effort in offering low prices, while maintaining a high quality service (please see Appendix A for detailed survey results). Survey takers also seem more likely to use this service if they have a family and/or children. For this reason traveling families will be the primary target market.

This information paired with the city information discussed in City Description/Overview section helps us to conclude that it would be an excellent decision to start a business that targets tourists. After reviewing the survey results, initially, the focus will be placed on married couples and families who are traveling to Crested Butte. There will of course still be opportunity for growth of focus as the business develops. Furthermore, based on the average household income, middle class families will be the focus. Survey respondents stressed the importance of a quality product/service at a fair price, so the goal of the business plan will be to target and meet all of these needs and create that unique selling proposition.

Thin Air's Marketing & Sales Strategy

Thin Air will initially be focused on branding, and would look to the listening section of the Conversation Prism (See Marketing Tools & Strategies section). This is one of the sections where Facebook is located. They would use Facebook to listen to customers about what they are looking for from this product/service, and they could receive feedback to improve their business.

Under learning, the bottom right point of the pyramid, in both the community and service sections, Etsy is located. Etsy is an online personal store, that is an excellent way for business owners to sell products on an already established website. This will provide Thin Air with an opportunity to sell their nature photography to people all over the world.

In the adapting section under, the bottom left point of the pyramid, sales and marketing, is Pinterest. Pinterest is an excellent tool that can send customers to a business's website, and/or to their Etsy shop. It is also a great tool for business owners to learn more about photography, and what customers are interested in. Instagram is also listed under the adapting section in communications. This photography-focused app is a great way to promote and share pictures that Thin Air will be taking.

Outside of e-marketing/social media marketing strategies, Thin Air will also rely heavily on word-of-mouth. As a survey respondent mentioned, a lot of people will be more likely to use a service like this in a small community if they hear something good about it. Word-of-mouth can also be beneficial on the social media platforms like Facebook, because customers can see Facebook posts of pictures that were taken, reviews, and other customer feedback.

Service/Product Line

Thin Air Reflections will offer standard photo sessions that will be requested via email, phone call, or through the website. Also available will be the childcare sessions. These childcare sessions will include babysitting services paired with photography, to prevent parents from missing their child's day. For vacationers, the session could include the photographer accompanying the vacationers in any activities they participate in, to ensure that their vacation will be remembered and professionally documented.

Thin Air will also have an Etsy shop where digital images of the famous town will be sold, as well as printed copies that will be available upon request. In year 3, Thin Air Reflections will open a storefront that will provide an art gallery, and photo studio that will improve the quality of service for customers, and offer a display of the printed images. The financial information pertaining to these products and services will be outlined in the financial section.

The tasks the owner will have to carry out while running the business are outlined below.

- Provide care and supervision for children of clients as desired.
- Photograph children's' activities while parents are away.
- Photograph vacationers as she joins them with their activities in town.
- Edit photographs using Adobe Lightroom or other editing tools.
- Provide a digital copy of the photos to customers (preferably to be reviewed in person).
- Professionally reproduce any photos the clients' request to be printed.
- Photograph the local area (scenic photographs), and have printed copies on hand in various formats to sell to vacationers.

- Manage the company's finances.
- Market the company through suggested methods in the Marketing/Sales sections.
- Adjust prices, products, and services depending on changes in the market.
- Purchase new equipment (outlined in the Financial Projections section), update broken or outdated equipment, and upgrade equipment as necessary.
- Take photographs to be printed professionally, as well as matted and framed upon request.
- Hire, perform background checks, and manage contract or full time employees as needed to meet customer demand.

Organization Structure

The owner of Thin Air Reflections will initially be the sole staff member of this organization. As it grows and expands, there will be room to add additional employees, however, this business will not be intended to be more than five employees.

Based on the information from the Types of Businesses section, paired with the information from the Service/Product Line Section, Thin Air Reflections will be listed as a sole proprietorship. There is not much risk associated with the start of this business, and there is a very small portion of personal assets tied into it. As the business looks into expansion, and possible franchising, then it may be appropriate to convert to an LLC.

Funding

Thin Air is not interested in receiving start up financing for their business. Based on the list of needs listed previously, they have the majority of the supplies needed. The optional items will improve the overall quality of service, and quality of the photos, but are not necessary to the initial operations of the business.

Financial Projections

After interviewing an expert in the area, the following items were recommended and have already been purchased:

- 500 GB external hard drive
- Canon EOS T3
- 18-55 wide angle lens
- 55-250 macro lens
- 16 GB SD Card
- Tripod (needs to be replaced)
- Monopod
- Table top tripod with flex legs
- Adobe Lightroom

One of the most important things a photographer can do is to have a good lens. A lot of people will focus their time and money on having a good camera, but the camera can receive any image that is taken regardless of the quality of the image. The lens, however, is the “eye” of the camera, and it defines the image’s perspective, clarity, and overall quality (Buchanan, 2009).

After interviewing an expert in the area the following items were determined as necessary to the quality of service of Thin Air Reflections and will be purchased in 2016 (the cost was distributed evenly through the year under purchases):

-  Canon EF 100-400mm f/4.5-5.6L USM Autofocus Image Stabilized Telephoto Zoom Lens with Hood & Tripod Mount - USA
-  Dolica AX620B 62-Inch Proline Tripod and Ball Head
-  Canon EF 85mm f/1.8 USM Autofocus Telephoto Lens - USA Warranty
-  Canon EF 24-70mm f/2.8L II USM Standard Zoom Lens
-  Hoya 58mm (HMC UV / Circular Polarizer / ND8) 3 Digital Filter Set with Pouch
-  iMac 27-inch: 3.5GHz with Retina 5K display
-  Adobe Photoshop
-  32GB SD card

Based on survey results, the hourly fee for this business service during the first year will be \$40 (After reviewing many photographers' opinions and feedback on pricing, it seemed that the general consensus was there is no right answer to hourly rate or set fees. Most photographers suggest doing what works best for that particular photographer, and what helps them reach that bottom line.). Each session (either simple photo session, or childcare session) will include a digital copy of the photos that have been edited free of charge. For an additional charge, customers can choose to have the photos professionally printed through Thin Air Reflections. Otherwise, they will sign a copyright agreement, and can have them printed separately at a place of their choice. Each photo that will be printed professionally will be marked up using a multiplier of 2 in order to earn a profit (Gatski, 2015). There will also be the Etsy shop that will sell digital photos for \$4.99 (based on average digital photo prices seen on Etsy), or there will be prints sold at the same markup as the other prints, and are made to order.

The first year will be run as a part-time business, with approximately 520 hours worth of sessions (this is on the basis that the owner will work 10 hours a week in sessions because year 1

of this business will be considered a part-time venture), 120 digital photos sold (assuming 10 photos will be sold through Etsy each month), and 3 prints sold per session (also an assumption). This averages out to approximately 10 hours a week of sessions, plus additional time for editing, printing, and taking nature shots. Year 1 will have an 65.23% rate of return on the investments, with a payback period of 1.53 years (see Appendix F for calculations).

In the second year, once the business has become more established, the hourly rate will increase to \$50 and hour (this fee has been raised on the basis of increased quality of service after investing in new photography equipment), with 832 hours of service (16 hours a week which allows time for editing photos while still keeping this as a part time venture), 240 digital photo sales, and 3 prints for each session (these last two numbers are assumptions on how much will be sold). During year 2 the investments of year 1 will be paid off.

At this point, going into year three, Thin Air Reflections will consider having a permanent location for a studio and art gallery. Since this is going to initially be a cash-based business, we will wait until year 3 to open a permanent location because that is when all the investments from year 1, plus any additional investments in year 2, will be paid off. It also provides the new business owner with experience owning a business before owning a physical location, which will minimize financial risk.

Median gross rent in Crested Butte is \$978 in 2012, so a location Thin Air will be looking at is anywhere between \$1,000 to \$1,500 ("Crested Butte," 2013). With additional monthly payments for electrical, Internet, etc. the combined rent and utility charges will probably be close to \$19,200 (as stated in the income statement). In order to pay for this Thin Air will need 22 hours worth of sessions per week, resulting in 1,144 hours for the year. The hourly rate will increase to \$110 (the increased work load as this becomes full-time as well as the new

investments force this number to raise). When comparing the pricing of other photographers, they price much higher than Thin Air. For this reasoning, along with the increased quality of service in photography in addition to adding a physical location, it is necessary to increase the price to this amount. There will be 50 Etsy listings per month (both digital and made to order prints), and 4 prints will be sold for each session (these are assumptions). The owner will now have rent and utilities included in the income statement and balance sheet. There will also have to be an employee to work the cash register and customer service. This will be an hourly employee (\$9 and hour).

After tax the resulting balance on the balance sheet for the first year is \$5,816.96. During the first year all the equipment previously listed will be purchased gradually, and by the second year the quality of service will improve drastically, justifying the increase in service cost. The second year the balance based on these conditions are estimated at \$14,913.72, and by the third year the resulting balance will be \$31,921.48 (please see attached spreadsheets for full details) (Holstein-Otte, 2009).

After a cash flow analysis, the determined IRR for the first 3 years of Thin Air Reflections is 80.67%, which is extremely high, meaning this project is a very desirable project to undertake (see calculations in Appendix F). For year 4, the business plan will be reassessed and Thin Air will consider filing as an LLC, S-Corp, or C-Corp and potentially franchising Thin Air Reflections.

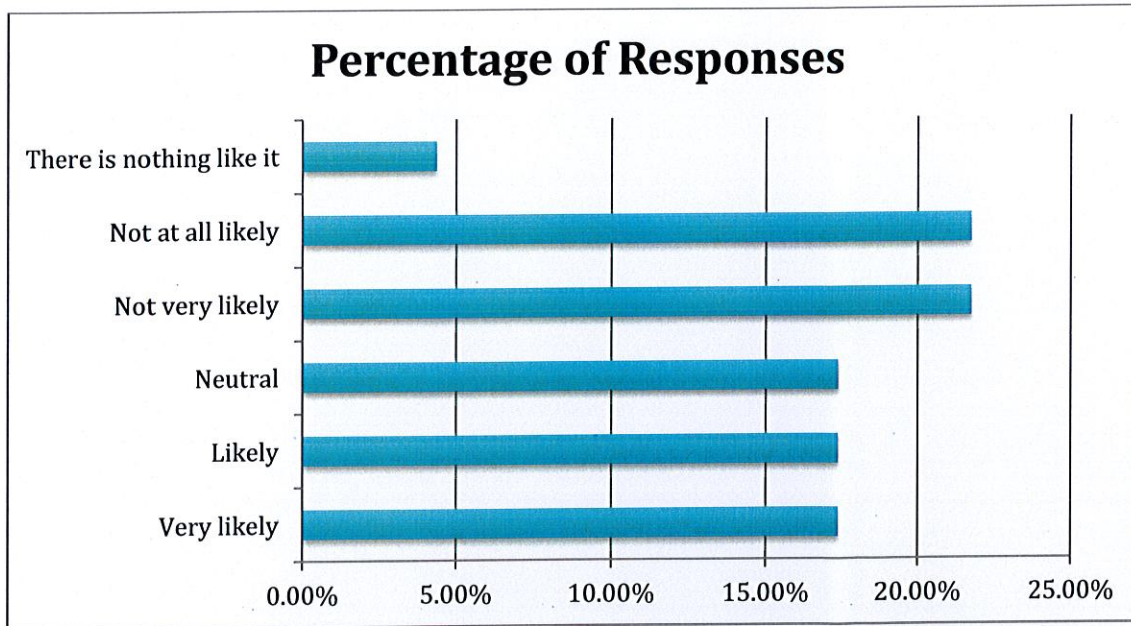
Appendices

Appendix A – Survey Results

Based on this brief description of this new service concept, please respond to the following survey.

Based on the above description, how likely would you be to use this service instead of comparable services currently available from other companies?

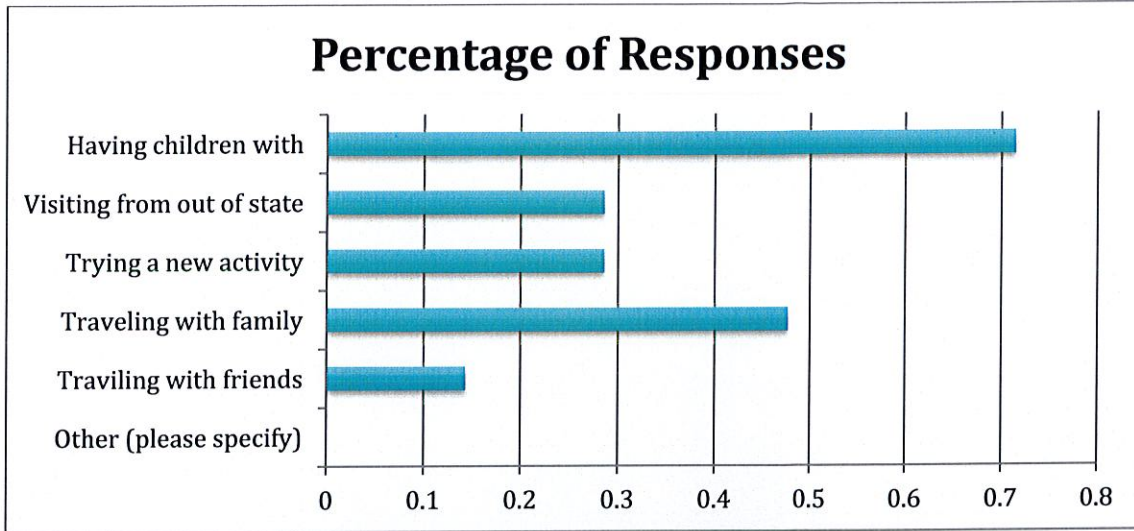
Answered: 23 Skipped: 0



Answer Choices	Responses	
There is nothing like it	4.35%	1
Not at all likely	21.74%	5
Not very likely	21.74%	5
Neutral	17.39%	4
Likely	17.39%	4
Very likely	17.39%	4
Total		23

What would make you more likely to use this service? (Check all that apply)

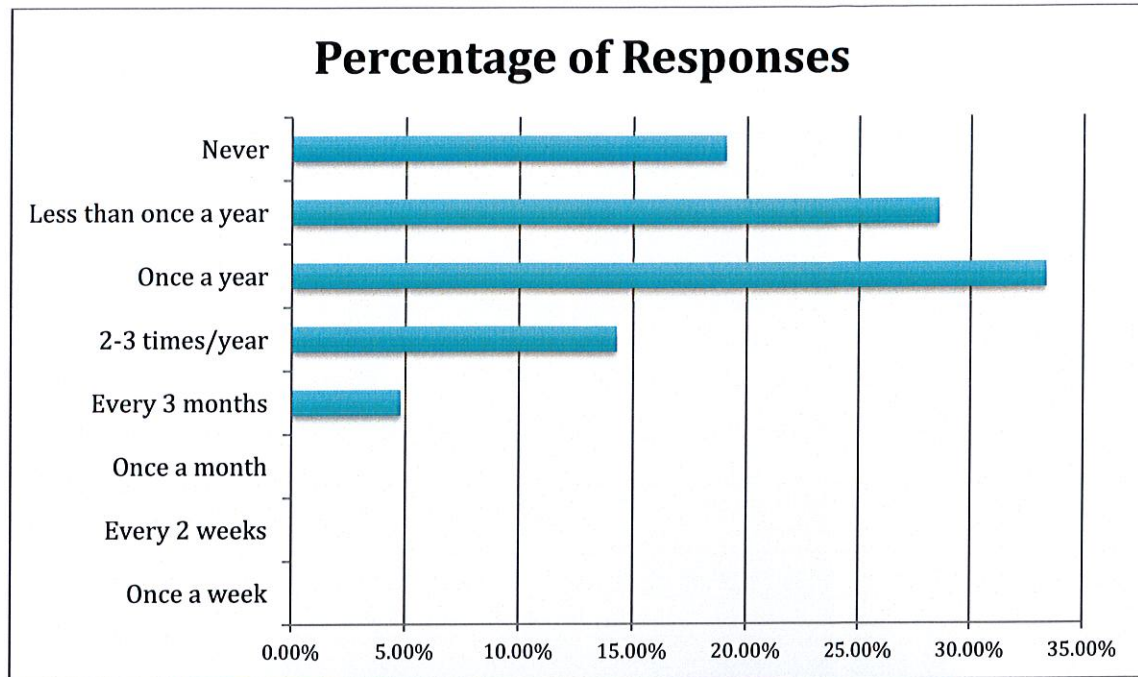
Answered: 21 Skipped: 2



Answer Choices	Responses	
Having children with	53.85%	15
Visiting from out of state	30.77%	6
Trying a new activity	38.46%	6
Traveling with family	46.15%	10
Traveling with friends	23.08%	3
Other (please specify)	0.00%	0
Total Respondents		21

How often do you expect you would use this service?

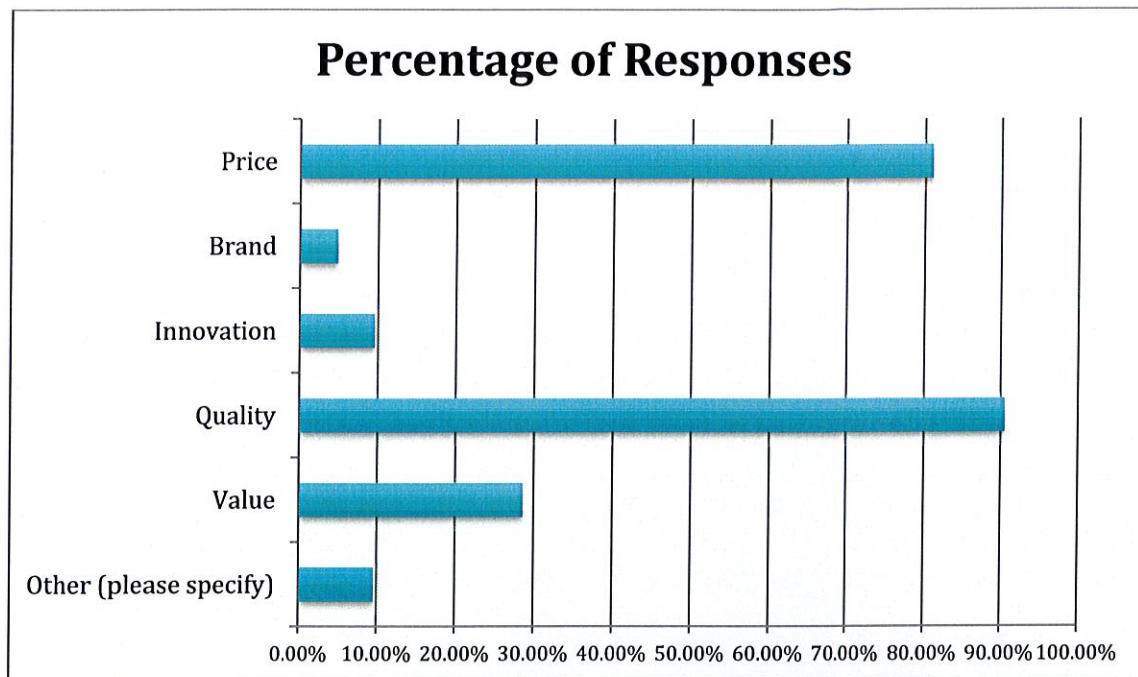
Answered: 21 Skipped: 2



Answer Choices	Responses	Count
Never	19.05%	4
Less than once a year	28.57%	6
Once a year	33.33%	7
2-3 times/year	14.29%	3
Every 3 months	4.76%	1
Once a month	0.00%	0
Every 2 weeks	0.00%	0
Once a week	0.00%	0
Total		21

When you are considering new services in this area, what are the top two things you generally consider? (Check two boxes.)

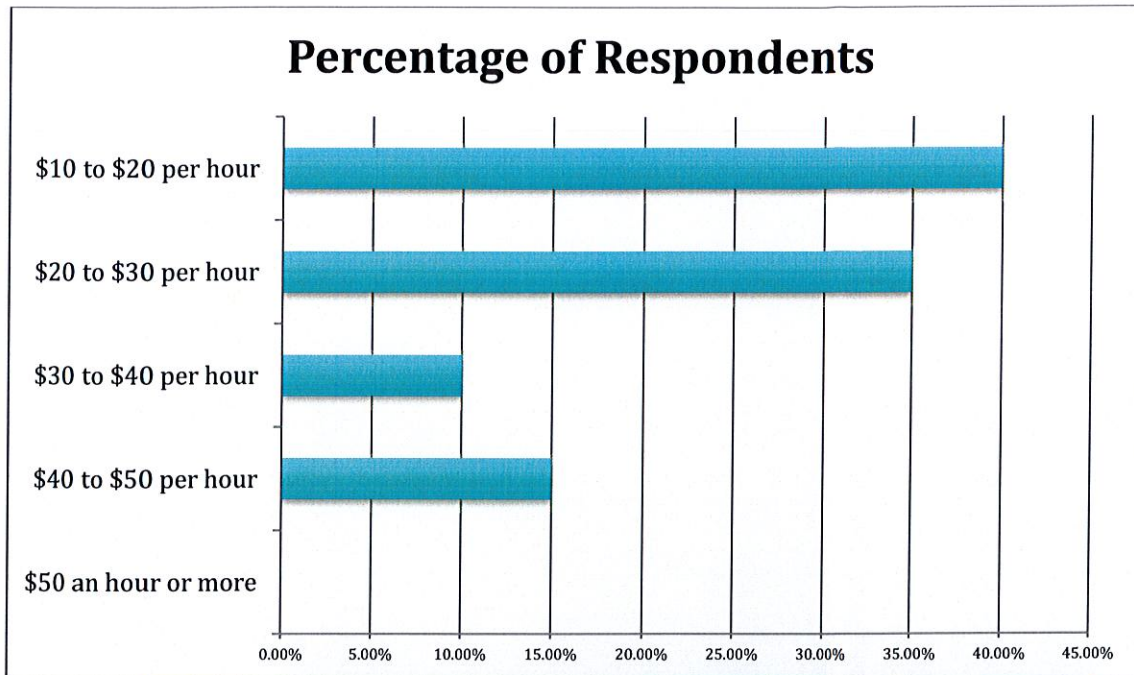
Answered: 21 Skipped: 2



Answer Choices	Responses	
Price	80.95%	17
Brand	4.76%	1
Innovation	9.52%	2
Quality	90.48%	19
Value	28.57%	6
Other (please specify)	9.52%	1 (helping local services) 1 (Recommendation)
Total Respondents		21

What would you be willing to pay for this service, per hour?

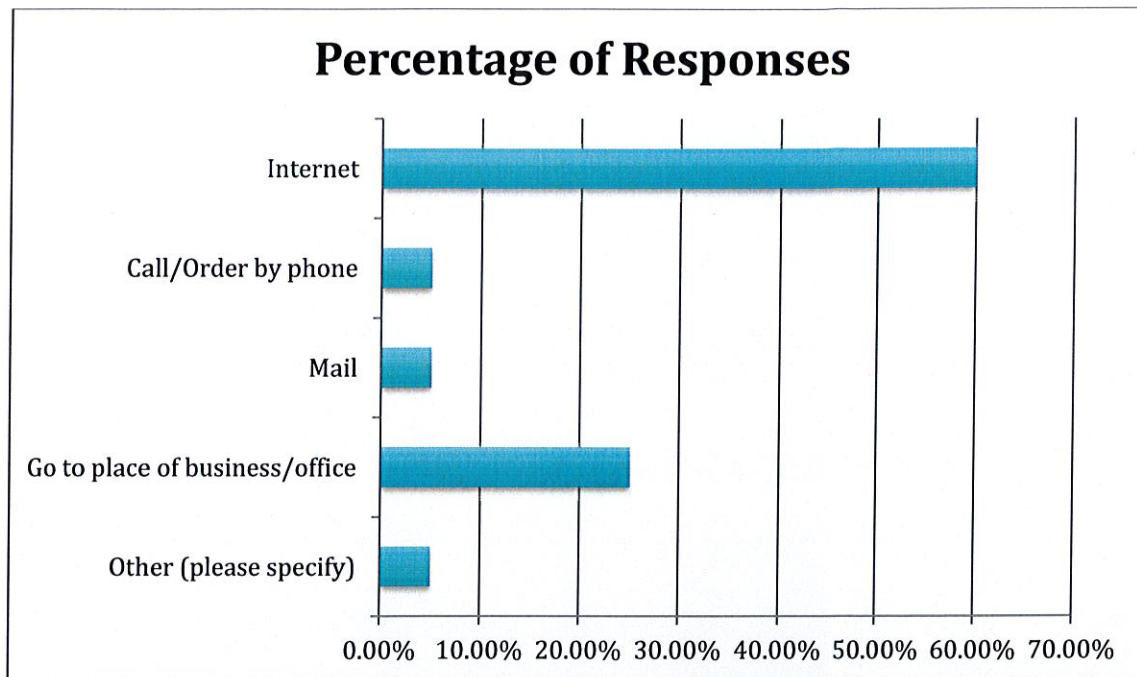
Answered: 20 Skipped: 3



Answer Choices	Responses	
\$10 to \$20 per hour	40.00%	8
\$20 to \$30 per hour	35.00%	7
\$30 to \$40 per hour	10.00%	2
\$40 to \$50 per hour	15.00%	3
\$50 per hour or more	0.00%	0
Total		20

If you are interested in this service how would you most prefer to pay?

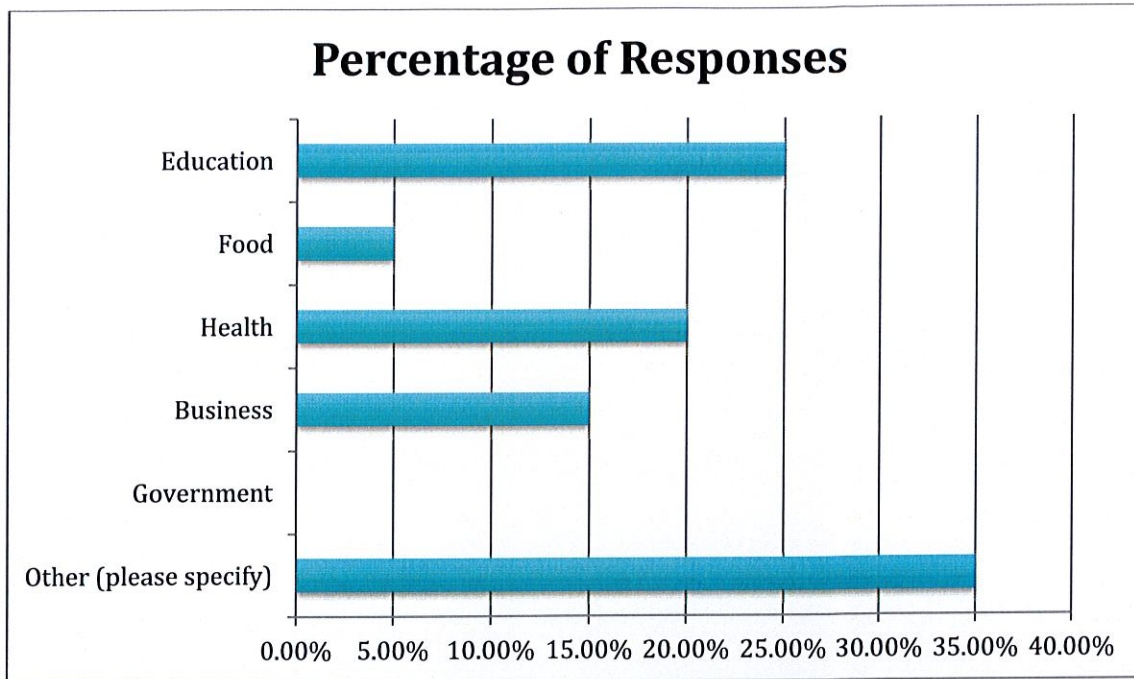
Answered: 20 Skipped: 3



Answer Choices	Responses	
Internet	60.00%	12
Call/Order by phone	5.00%	1
Mail	5.00%	1
Go to place of business/office	25.00%	5
Other (please specify)	5.00%	1 (anyway or having more than one option for convenience)
Total		20

In which industry do you work?

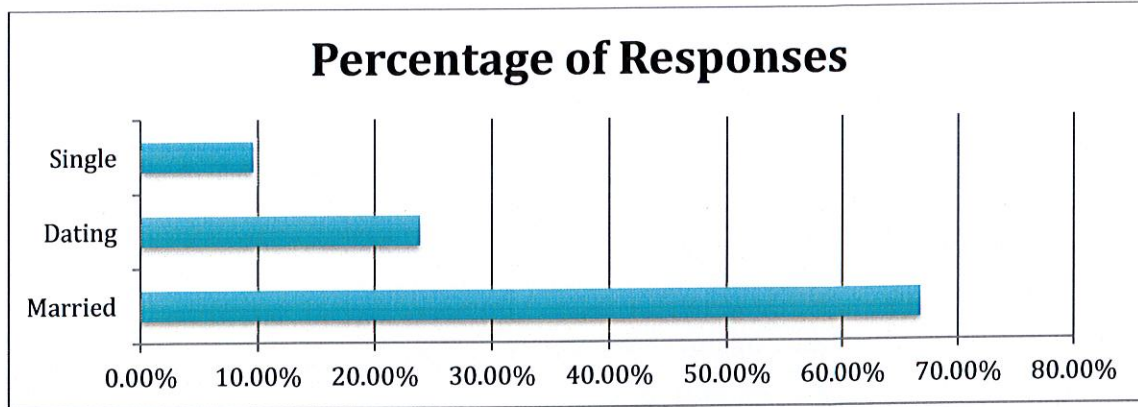
Answered: 20 Skipped: 3



Answer Choices	Responses
Education	25.00% 5
Food	5.00% 1
Health	20.00% 4
Business	15.00% 3
Government	0.00% 0
Other (please specify)	35.00% 7 (homemaker, recreation, grocery, artist)
Total	20

What is your relationship status?

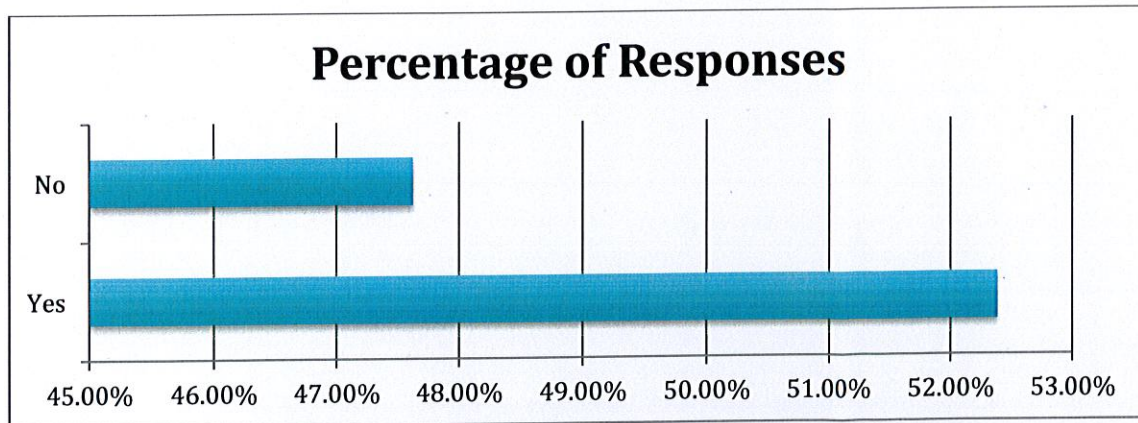
Answered: 21 Skipped: 2



Answer Choices	Responses
Single	9.52% 2
Dating	23.82% 5
Married	66.67% 14
Total	21

Do you have any children?

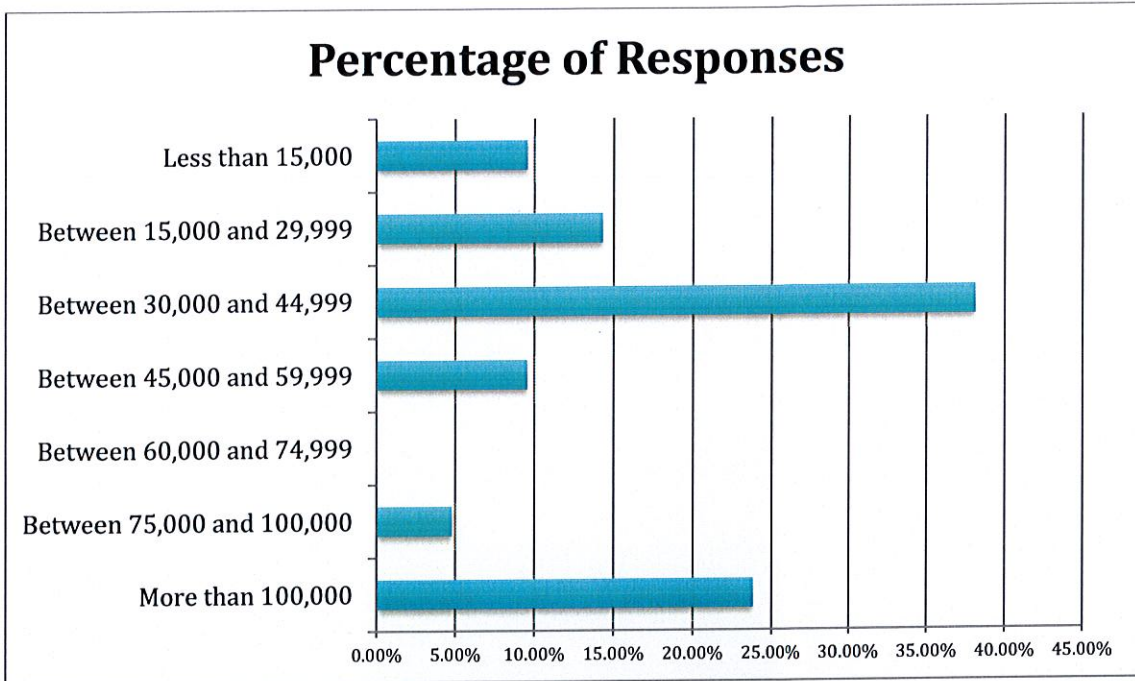
Answered: 21 Skipped: 2



Answer Choices	Responses
No	47.62% 10
Yes	52.38% 11
How many?	(1, 1, 1, 1, 2, 2, 3)
Total	21

Estimate of annual household income?

Answered: 21 Skipped: 2



Answer Choices	Responses	
Less than 15,000	9.52%	2
Between 15,000 and 29,999	14.29%	3
Between 30,000 and 44,999	38.10%	8
Between 45,000 and 59,999	9.52%	2
Between 60,000 and 74,999	0.00%	0
Between 75,000 and 100,000	4.76%	1
More than 100,000	23.81%	5
Total		21

Appendix B – Facebook Insights

Daily data is recorded in the Pacific time zone.

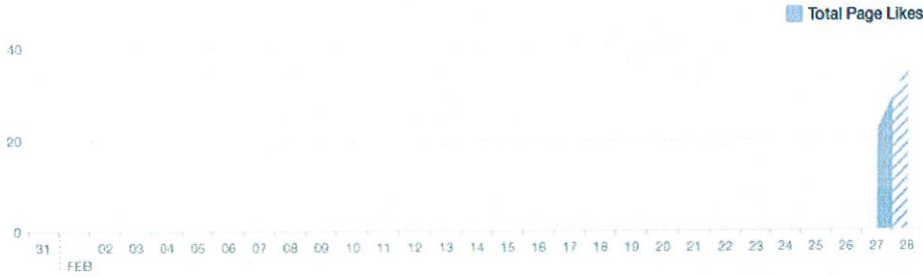
1W 1M 1Q

Start: 1/31/2015

End: 2/28/2015



Total Page Likes as of Today: 36

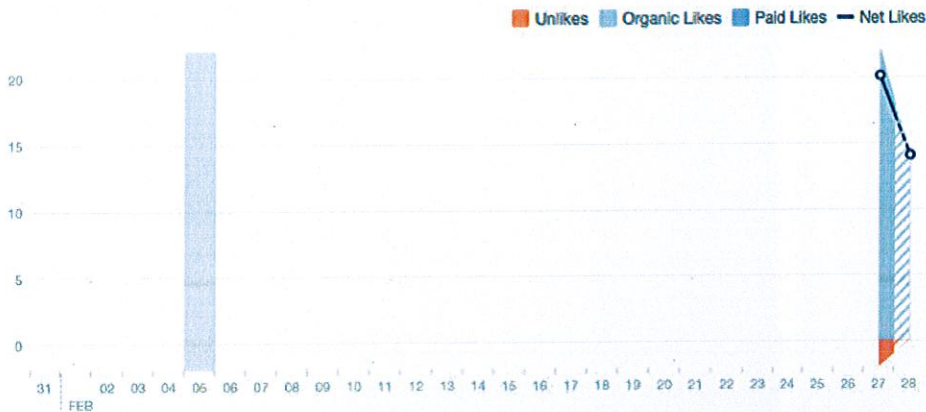


BENCHMARK
Compare your average performance over time.

Total Page Likes

Net Likes

Net likes shows the number of new likes minus the number of unlikes.



BENCHMARK
Compare your average performance over time.

Unlikes

Organic Likes

Paid Likes

Net Likes

WANT MORE LIKES?

Create an ad to get more people to like your Page.

[Promote Page](#)

Page Likes

36 Total Page Likes
▲100% from last week

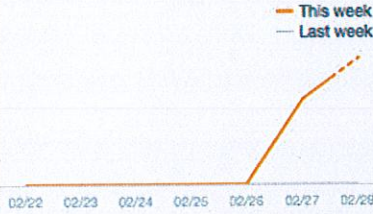
36 New Page Likes
▲100%



Post Reach

245 Total Reach
▲100% from last week

61 Post Reach
▲100%



Engagement

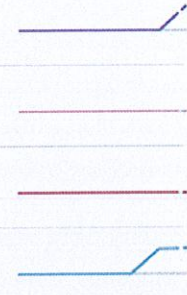
35 People Engaged
▲100% from last week

5 Likes

0 Comments

0 Shares

53 Post Clicks



Your 4 Most Recent Posts



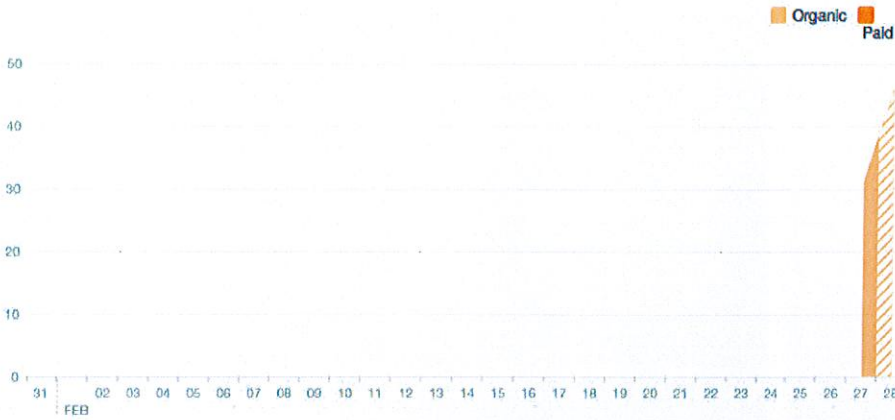
■ Reach: Organic / Paid
 ■ Post Clicks
 ■ Likes, Comments & Shares

Published	Post	Type	Targeting	Reach	Engagement	Promote
02/28/2015 12:52 am	One of our favorite photos!			48	4 5	Boost Post
02/27/2015 11:45 pm	Follow us on Instagram!			43	4 0	Boost Post
02/27/2015 5:03 pm	Thin Air Reflections's cover photo			48	1 0	Boost Post
02/27/2015 5:00 pm	Thin Air Reflections			44	0 0	Boost Post

[See All Posts](#)

Post Reach

The number of people your post was served to.

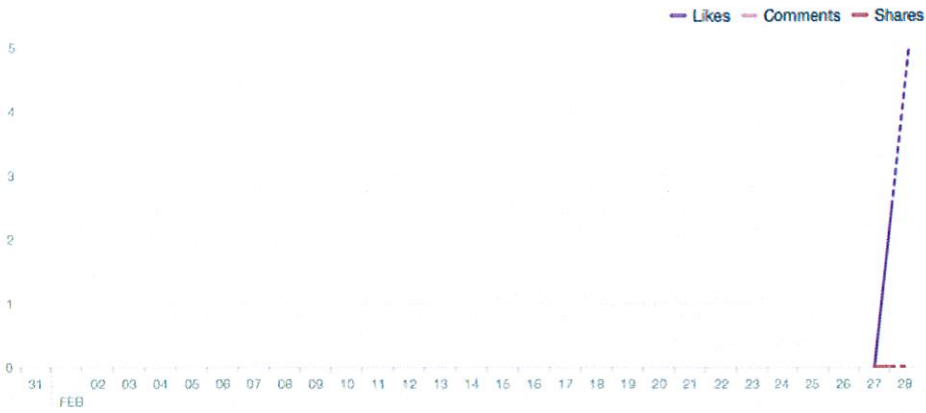


BENCHMARK
Compare your average performance over time.

Organic
Paid

Likes, Comments, and Shares

These actions will help you reach more people.

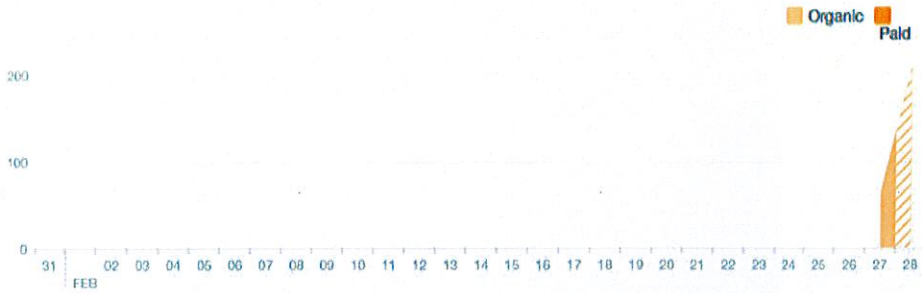


BENCHMARK
Compare your average performance over time.

- Likes
- Comments
- Shares

Total Reach

The number of people who were served any activity from your Page including your posts, posts to your Page by other people, Page like ads, mentions and checkins.



BENCHMARK
Compare your average performance over time.

- Organic
- Paid

Appendix C – Income Statement

[Thin Air Reflections]

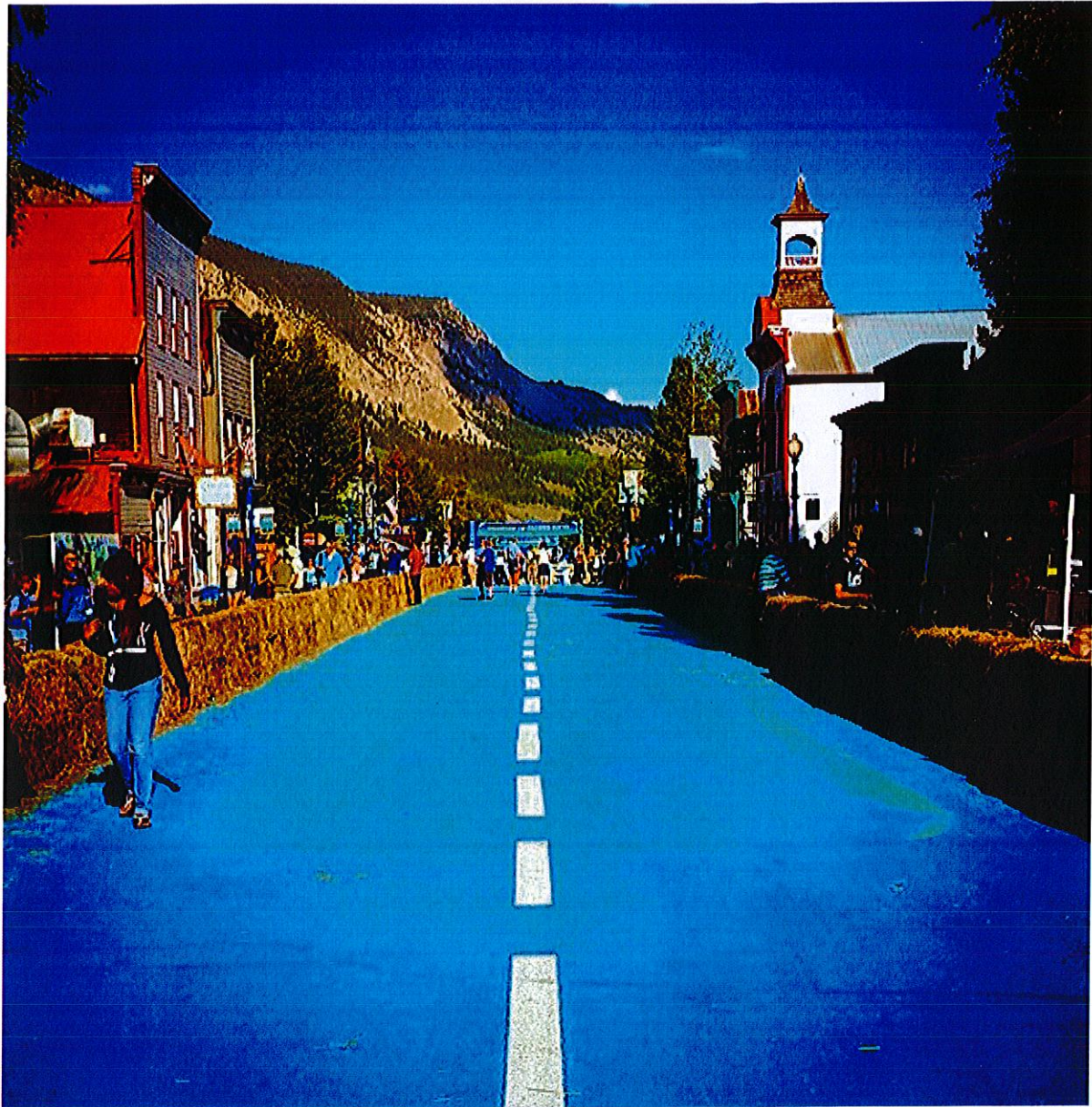
	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017	2018
Revenue						
Gross Sales	\$6,900.00	\$6,900.00	\$6,900.00	\$6,900.00	\$50,400.00	\$142,800.00
Less: Sales Returns and Allowances	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Sales	\$6,900.00	\$6,900.00	\$6,900.00	\$6,900.00	\$50,400.00	\$142,800.00
Cost of Goods Sold						
Add: Purchases	\$1,846.25	\$1,846.25	\$1,846.25	\$1,846.25	\$2,000.00	\$2,000.00
Inventory Available	\$1,846.25	\$1,846.25	\$1,846.25	\$1,846.25	\$2,000.00	\$2,000.00
Less: Ending Inventory	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cost of Goods Sold	\$1,846.25	\$1,846.25	\$1,846.25	\$1,846.25	\$2,000.00	\$2,000.00
Gross Profit (Loss)	\$5,053.75	\$5,053.75	\$5,053.75	\$5,053.75	\$48,400.00	\$140,800.00
Expenses						
Advertising	\$16.00	\$0.00	\$16.00	\$0.00	\$32.00	\$32.00
Bank Charges	\$204.30	\$204.30	\$204.30	\$204.30	\$1,502.40	\$4,161.00
Dues and Subscriptions	\$42.21	\$42.21	\$42.21	\$42.21	\$168.84	\$168.84
Insurance	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$6,000.00	\$6,000.00
License and Fees	\$20.00					
Postage	\$100.00	\$100.00	\$100.00	\$100.00	\$500.00	\$500.00
Rent						\$18,000.00
Supplies	\$100.00	\$100.00	\$100.00	\$100.00	\$500.00	\$500.00
Telephone	\$150.00	\$150.00	\$150.00	\$150.00	\$600.00	\$600.00
Travel	\$300.00	\$300.00	\$300.00	\$300.00	\$1,200.00	\$1,200.00
Utilities						\$6,000.00
Payroll Taxes	\$240.00	\$240.00	\$240.00	\$240.00	\$4,800.00	\$14,438.40
Wages	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$24,000.00	\$72,192.00
Total Expenses	\$3,872.51	\$3,836.51	\$3,852.51	\$3,836.51	\$39,303.24	\$123,792.24
Net Operating Income	\$1,181.24	\$1,217.24	\$1,201.24	\$1,217.24	\$9,096.76	\$17,007.76
Other Income						
Gain (Loss) on Sale of Assets						
Interest Income						
Total Other Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Income (Loss)	\$1,181.24	\$1,217.24	\$1,201.24	\$1,217.24	\$9,096.76	\$17,007.76

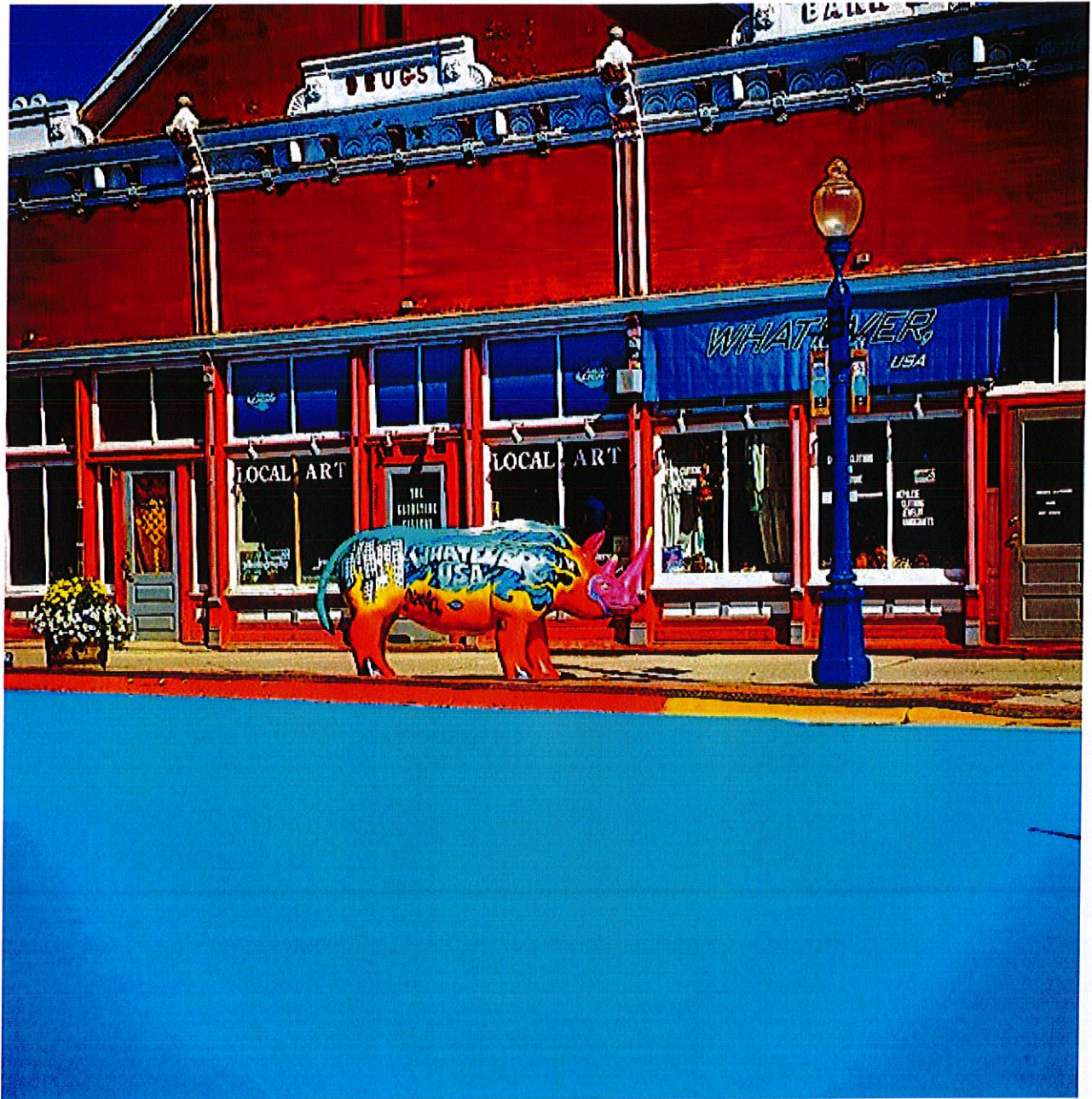
Appendix D – Balance Sheet

Thin Air Reflections

Assets			
Current assets:	2016	2017	2018
Cash	5,816.96	14,913.72	31,921.48
Total current assets	\$5,816.96	\$14,913.72	\$31,921.48
Fixed assets:	2016	2017	2018
Total fixed assets	-	-	0
Other assets:	2016	2017	2018
Total other assets	-	-	0
Total assets	5,816.96	14,913.72	31,921.48
Liabilities and owner's equity			
Current liabilities:	2016	2017	2018
Total current liabilities	\$-	\$-	\$-
Long-term liabilities:	2016	2017	2018
Mortgage payable	-	-	-
Total long-term liabilities	-	-	0
Owner's equity:	2016	2017	2018
Accumulated retained earnings	5,816.96	14,913.72	31,921.48
Total owner's equity	\$5,816.96	\$14,913.72	\$31,921.48
Total liabilities and owner's equity	5,816.96	14,913.72	31,921.48

Appendix E – Whatever, USA (Crested Butte)







Appendix F – Calculations (Rate of Return and Payback Period)

$$\text{Rate of Return} = \frac{\text{Earnings/Year}}{\text{Investment Value}} * 100\%$$

$$\text{Payback Period} = \frac{\text{Investment Value}}{\text{Earnings/Year}}$$

Rate of Return for 2016

$$\text{Rate of Return} = \frac{\$4,816.96}{\$7,385} * 100\% = 65.23\%$$

Payback Period for 2016

$$\text{Payback Period} = \frac{\$7,385}{\$4,816.96} = 1.53 \text{ years}$$

(Al-Odeh, 2012)

Cash Flow Analysis	
Year	Cash Flow
0	-7,385.00
1	4,816.96
2	7,096.76
3	15,007.76
IRR Over three years	80.6716%

(Ostwald, 2004)

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