

Of Chicken Little and Buggy Whips

The Digital Revolution in the Commercial Photography Business

Art Smith • May 27, 2008

The advent of digital photography has revolutionized not only the technology of commercial photography, but also the way the business itself works. As in any revolution, those unwilling or unable to adapt to the new paradigm will become victims. Listening to many professional photographers, you can't help but think of Chicken Little crying "the sky is falling!" While, to them, it may seem that the sky is falling, that need not be the case.

The archetypal example of a technology killing an industry has to be buggy whips. In the early 20th century automobiles quickly replaced horses and manufacturers of buggy whips found themselves in a "dead industry." One of the leading manufacturers of buggy whips (and leather industrial belts) was Chicago Rawhide Corporation. But, they didn't disappear – they adapted! Chicago Rawhide, better known recently as "CR" moved into the business of automotive and other industrial seals. In 1990, when it was bought by the SKF Group it had total sales of over a quarter of a billion dollars!

Professional commercial photography is not dead. It's alive and well, but it is not the same business it was just a few years ago. To understand the changes, we need to look briefly at the way things used to be.

The way it was

Just ten years ago, digital photography was a novelty and the professional photography business relied entirely on film. Professional quality cameras were available at prices few could afford, and were complex devices without the "point and shoot" capabilities of today's cameras. Film was expensive and processing more so. What little editing was possible took place in the darkroom and relied on arcane tricks and techniques. Duplication of images generally required having the negatives or original slides.

In those days, the barriers to entering the business were the price of equipment and the knowledge to operate it, access to a darkroom (or commercial lab), and the cost of film and processing. In keeping with US Copyright law, the images were the intellectual property of the photographer, as they are today, but moreover they were the physical property of the photographer as well: the photographer retained the negatives. Per-image production charges were relatively high in order to cover the cost of film and processing as well as the depreciation on the equipment.

Because the photographer physically owned the negatives and thus controlled the images, usage rights could be (and were) strictly limited. Photographs were licensed only for certain types of uses and only for a limited time. If a client wanted to use an image in a new way, or for a longer period, they would have to come back to the photographer and negotiate a new license. Because of the high production costs, the bulk of a commercial photographer's net income came from these licensing fees, and this revenue stream sometimes continued for months or years after the original image was shot.

The new landscape

Today things are very different. Cameras that produce high-quality images can be bought for a few hundred dollars. Built-in "point and shoot" capabilities produce excellent results in most ordinary shots. With cheap and reusable data cards replacing expensive film and processing, the per-image cost is near zero. Intellectual property rights are not easily enforced since duplication of electronic images is easy and (when done properly) produces no loss of quality.

The barriers to entering the industry have largely disappeared, and as a result, we are flooded with *soi disant* "professional photographers" and "serious amateurs" with income from other sources, doing the

photography mostly for fun and a little bit of pocket money. They are often happy to shoot on a "work-for-hire" basis in which they are paid for only their shooting time and then give away all rights to the images. It's easy to see why many say this has killed the profession.

Certainly, anyone trying to operate under the old business model will be unable to compete in today's market. One must embrace the changes and create a new model that allows for a profitable business. Fortunately, this is possible. The key is to focus on what separates a real professional photographer from the dilettantes described above, and to charge for those differences. Simply owning the equipment is no longer enough to set one apart from the general population, so new qualifications must be established. Licensing can no longer be reasonably enforced, so a new pricing scheme is required.

Redefining the professional photographer

A professional commercial photographer is no longer just someone who owns equipment capable of producing excellent images. To be a professional today, one must be able to consistently deliver high-quality images in a timely manner and in the format required by the client. Since today's cameras allow almost anyone to take a decent picture today, the standard of quality is much higher than it once was. A professional photographer today must understand lighting and be able to control it to produce the desired shot. He must know how to adjust the camera to produce the needed depth of focus, saturation, sharpness and dynamic range in a wide variety of settings. He must be able to edit and improve an image after capture so that it stands out above the work of amateurs. He must understand the needs of printers, graphic designers, web developers and others who use his images so that he delivers exactly what they need. He must act professionally on both a personal and a business level. In short, he must do a better job of giving the client what he needs.

A professional photographer must possess both "skill" (technical ability) and "talent" (aesthetic sensibility). This skill and talent must extend to both production (everything up to the image capture) and post-production (manipulation of the captured image to produce the final image). Ten years ago, it was common to have a marketing representative for the client, an art director, and several stylists (for the models, the sets, the products, etc.) present at a commercial shoot. Today many clients expect the photographer to assume these roles as part of his job. He must be able to take an idea and turn it into a finished product. A photographer who can do these things is a professional, and not just a "picture taker," and there is still a thriving market for these sorts of professionals.

Pricing in today's market

Formerly, the high per-image cost of film and processing, and the ready control of intellectual property by the photographer drove the pricing for professional photography. Today, the per-image cost is near zero, and enforcement of intellectual property rights is difficult, time consuming and expensive. As a result, today's photographer cannot justify high per-image costs, and it is in both the photographer's and the client's best interests today to offer more flexible and cheaper licensing alternatives.

Instead, the demands for exceptional talent and skills outlined above make the photographer's time more valuable, and the need to assume additional roles increases the amount of time spent both before and after a shoot. Consequently, the pricing model must be based primarily on the time required in the production and post-production phases. This is actually a simpler model than before, which works to the advantage of both the photographer and the client.

It's the photographer's job to make sure that the client understands this pricing strategy, the reasons for the changes, and the benefits to the client. When confronted with lower-priced competition, the professional photographer must be prepared to show the client the advantages that come with the higher price. Clients must be educated that a professional photographer is not just a picture taker, but rather someone who converts ideas into finished images. Of course, this requires that the photographer is, in fact, more than just a picture taker. For most, this means learning new skills in addition to acquiring new equipment. No one said change was easy!