

Will Snappr Make A Difference?

Snappr is starting to have an impact on the professional photography market, but for our AIPP members, it's not all bad news. In fact, Snappr could be a great way to differentiate ourselves and our services.

We can simplistically break up AIPP membership into three, roughly equal groups:

1. Members with less than two years' experience;
2. Members with 2 – 5 years' experience;
3. Members with over 5 years' experience.

There are fewer than 100 members with over 20 years' experience, which for a professional organisation is quite challenging. Most professions have a wealth of established practitioners to provide counsel and guidance for the profession as a whole.

DIFFERENT NEEDS

Members with less than two years' experience are generally concentrating on their craft – using a camera, understanding lighting, capturing great images.

Members with 2 to 5 years experience begin to realise they have to earn money from photography if they are to remain a professional. Not all these members intend to be full-time professionals, but the joy of taking photographs for other people lessens without a financial incentive.

And the members with over five years' experience are working out how to stay in business when the majority of their competitors are charging much less than they do. They need to work out how to show the market that they are worth their higher prices.

WHAT ARE WE CHARGING?

As a profession, it appears that we are not charging enough, based on surveys conducted by the AIPP. Some of our members have a very small turnover (less than \$1000 a week), and even smaller profit/wages. Much of this can be explained by an influx of part-time photographers.

We all know it can be hard to charge a reasonable fee for our photography. There is a lot of resistance from our customers, but there can also be a lack of self-confidence when starting out.

IS IT ENOUGH?

What happens in many situations is the part-time photographer doesn't charge enough, relying on his or her other income to survive. And if you are a part-time photographer with another income source, then charging \$100 for an hour's photography may be very attractive compared with your hourly rate as an employee.

However, a professional probably needs to charge at least \$200 to \$300 for that hour's photography, which makes it challenging if two-thirds of his or her competitors are charging much less.

STANDING APART

The problem is differentiation. Our market thinks one professional photographer is much the same as another. Our market also thinks all doctors are pretty good. Sure, there are really good doctors who charge astronomical fees, but if you turn up to a medical practice, you have an expectation of the level of skill and service. This doesn't happen with photography. There is a huge gulf between the services being offered and this is one of the reasons why inexperienced photographers can compete so easily.

DO OUR CLIENTS CARE?

In short, with such a huge influx of people offering photography services, it is a buyer's market. While the experienced photographers can rightly claim that much of the low-priced photography is not of high quality, the customer either doesn't care or doesn't realise there is a difference.

However, numbers don't lie. Unless you are charging a professional fee structure, you can't afford to be a full-time professional earning a living. You can't afford to put aside money for superannuation, buy new equipment or develop your skills.

FREE MARKET

What happens if you don't need to charge a professional fee structure? What if you like working for low prices and just enjoy the photography? Then that is your right. It is a free market and you can charge whatever you like.

However, we don't believe this happens in the vast majority of cases. What we see are thousands of photographers who 'just don't know'. They haven't done photography courses. They haven't done business courses. They haven't worked with other professional photographers. How can we expect them to know?

EDUCATION

And this is the challenge the AIPP is facing. It has three quite distinct groups of photographers at different stages of their career. Many won't make it into the third group with five years' experience, yet it is the less experienced photographers who dominate the market. That is not going to change, so we need to address the issue of photographer education right from the beginning. All photographers seeking accreditation are required to demonstrate an understanding of business skills. Note, we're not telling photographers what they should charge, rather we require them to understand what they need to charge if they wish to behave professionally.

THE BASE LEVEL

Some people would suggest this is the AIPP's key role: educating photographers about acting professionally. Agreed, the AIPP should also teach photography skills, but this is the Australian Institute of Professional Photography. It is the 'Profession' we need to focus on for our members – and the profession in general.

In some ways, with Snappr entering the market, it is doing us a favour. Snappr is setting a base level for photography. And note that on Snappr's website, it isn't claiming to provide 'professional' photographers, rather 'quality' photographers – which is a great springboard for the AIPP and its members.

If you can hire a casual, non-professional photographer from Snappr for \$250, then surely it is reasonable to pay a little more if you hire an AIPP Accredited Professional Photographer? If Snappr is successful, it will potentially take away work from our members. However, it can also grow the market, providing photography services to people in the past who would never have hired a professional anyway.

Of course, none of us know how successful Snappr will be, or if indeed there is a new market segment just waiting to be tapped. However, it is important for us to be aware of Snappr's influence in our market - and then take advantage of it.

-Vittorio Natoli

What Is Snappr?

Snappr is a potential challenge for professional photographers. It could be what Airbnb is for hotels, what Uber is for taxi drivers. It means anyone can be a hotelier, a driver or a photographer in their spare time.

Snappr offers photography services. It registers people who own a camera and sends them out to take photographs, based on an online ordering system. It is low cost photography in bulk. It appears to have a big marketing budget behind it, but we don't know how successful it really is.

Interestingly, Snappr used to offer wedding photography services, but these are no longer advertised on its website at www.snappr.co. However, it is competing for a wide variety of domestic and commercial work – events, graduations, portraits, fashion, products, food, family and real estate.

There is now some serious money and experience behind Snappr, with reported investment by YCombinator, claimed to be the world's most successful seed accelerator.

So, what could Snappr do to the market? Snappr could control the bottom of the market, the 'affordable' photography customers. This could make it more difficult for newcomers to enter the profession because of how much marketing Snappr is able to do. It would be like opening a hamburger shop with a McDonalds just down the road. It's not impossible, but you have a lot of competition.

Snappr itself claims to be developing a market that doesn't yet exist. It says around half its customers wouldn't have booked a professional photographer because they couldn't afford the \$2000 they expected to pay. By offering a service for \$100 - \$200, suddenly there is a huge 'appetite' for photography services, it says.

Snappr entering the market is probably not going to have a huge impact on established studios. It may have an impact on the newer members who are trying to establish themselves, but this impact can be managed. It comes down to a marketing plan that will differentiate yourself from a Snappr photographer.

However, we're not only competing against Snappr photographers. There are thousands of other people out there with cameras taking photos for even less than Snappr is charging. Our differentiation is not just to separate us from Snappr, but all the photographers who don't have accreditation.

The AIPP's Response to Snappr

Is Snappr 'cannibalising' the business of traditional photographers? The AIPP Executive Officer Peter Myers released a statement outlining the AIPP's views on Snappr some months ago, adapted here.

We understand that for someone who is just dipping their toe into the world of professional photography, the Snappr model of looking after the marketing, pricing, delivery and service may be attractive. However, as these photographers grow and develop, we expect they will want more control over these key areas of their business themselves.

We also understand that Snappr has rightly recognised that in the entry-level area they operate in, there is a need for a better alternative than just someone with a camera. So we don't see Snappr cannibalising our traditional business. If they are clear about who their photographers are, we see them as an ally, helping to raise awareness of the need for better quality photography.

We have a membership database of over 3,000 photographers throughout Australia, each of whom has their own business model based on their experience, proven skills, creativity, and most importantly, their status as an Accredited Professional Photographer. Most of our members are working professionals who don't want to compete in the entry-level market that Snappr services.

Our Accredited Professional Photographers, know and understand the value of building a long term relationship with their clients, the value of applying a creative mind and coming up with a solution to their clients' requirements, together with an understanding of copyright, legal and usage issues.

These are all elements of 'traditional photography' that a Snappr photographer is unlikely to be able to offer. But for a quick and cheap service that will undoubtedly be better than 'someone with a camera', we think Snappr is a great concept.

We are happy to work with Snappr. We would like to believe that, like us, they are concerned with the long term viability of the profession and their registered photographers, and that they understand the need to create a sustainable pricing and business model, which enables those photographers who want to, to progress from merely being a 'snapper with a nice camera' to the ultimate of becoming an Accredited Professional Photographer with the AIPP.

Is Surviving On \$75 An Hour Possible?

Is \$149 for a two hour session a professional rate of pay? According to Snappr's website in April 2017, the most popular services for customers wanting the lowest booking fee was a two hour shoot for \$149.

Customers are paying \$149 for two hours or, say, \$75 an hour. Can we survive on \$75 an hour? What is \$75 per hour equivalent to for a salaried employee?
 $\$75 \text{ p. h.} \times 40 \text{ hours} \times 52 \text{ weeks} = \$156,000$

It's a great salary, if you were employed 40 hours a week. However, in the photography profession, you are essentially paid for the hours behind the camera, not the hours you work, and on average, a very good photographer might be shooting two and a half out of five days. Don't forget there's also travel time between each job (assuming you're working on location). And forget the holiday season (no bookings) and your own holidays (not working). So the equation becomes something like:
 $\$75 \text{ ph.} \times 20 \text{ hours} \times 44 \text{ weeks} = \$66,000$

Before we get too excited, we need to take some expenses out of this. For instance, Snappr photographers will be paying a commission (let's guess 20%), but non-Snappr photographers will also be spending money and time on marketing and promotion. Plus there's running a car, buying equipment, phone, website, insurances – let's estimate 30% of our income will be absorbed by expenses.
 $\$66,000 \text{ less } 30\% = \$46,200$

Is this a reasonable income for shooting 20 hours a week, but still working 40 hours? That's up to you to decide. The problem is most photographers do not shoot 20 hours a week. If you get five 2-hour jobs a week at \$149, that's:
 $\$149 \times 5 \times 44 \text{ weeks} - 30\% \text{ costs} = \$22,946$

It's not nearly enough to survive on, but it might be a very welcome second source of income. Or is it? Let's work backwards now. You're earning \$22,946 a year, but how long do those 2 hour shoots really take? Let's add in an hour for travel (on average), and an hour for processing the files and liaising with the client. What is your effective hourly rate?
 $5 \text{ jobs} \times 4 \text{ hours} \times 44 \text{ weeks} = 880 \text{ hours}$
 $\$22946 / 880 \text{ hours} = \26.08 an hour.
Or a salary equivalent of \$54,000 a year.

Now, as professionals, most readers will not accept this as being enough to live on, but the good news is that Snappr is establishing this as the base rate of pay for someone who is not a professional, merely a 'quality photographer'.
Where do we go to from here?

Differentiating Ourselves From Snappr

What can an Accredited Professional Photographer offer the market that the cheaper photographers cannot? Why should clients spend more with an AIPP photographer?

AIPP President Vittorio Natoli researched his clients to find out what's the difference between a professional photograph and the thousands of images found on clients' own smart phones.

OCCASION NOT QUALITY

While we might think the difference is found in the quality of the photographs, for most clients the difference was one of occasion. The photos on their smart phones were just snaps taken at any old time, whereas photographs captured by a professional had a structure and a purpose. There was a process surrounding the images.

This is good news for AIPP members trying to differentiate themselves from cheaper photographers, such as the Snappr model being marketed today: Once the decision is made to hire someone to take photographs, clients are invested. No matter what they pay, they will want a good result, but they are not necessarily sure what that result looks like.

While some of the sample photographs on the Snappr website are competent, most can be criticised for a lack of understanding when it comes to lighting, composition and posing. The same can be said of many photographers when they start out.

However, these aren't the results we should be concentrating on. A good result is more likely to be a set of prints, a photo book, a framed print or a movie for their tablet. Snappr also offers prints to customers, but it handles this side of the process, not the photographer.

GO FOR EXPERIENCE

Having seen Snappr's marketing, clients may be open to a better option. Alternatively, clients may have been considering a professional photographer and then discovered Snappr's marketing! We can't be complacent.

Either way, we need to show our clients why what we offer is superior. Naturally, there will be different triggers for different people, but here are some suggestions to build on.

Note, most of these suggestions are not necessarily hard financial decisions or how many files or photos you get, rather they are emotional suggestions. Think about buying a car and why you want to upgrade to a better model or a more exclusive brand. All cars get you from A to B, so the marketing has to appeal to the emotions.

YOUR OWE IT TO YOURSELF

If clients are going to all the effort of having photographs taken professionally, of getting dressed, putting on makeup and organising the family, they owe it to themselves to have the photographs taken by a professional, not an amateur with a camera.

WHAT WILL OTHERS THINK?

Photographs talk about you as a family or a business. When other people look at the quality of your photographs, what will they think? A professional is more than someone who owns a camera. A professional understands lighting, composition and posing. If you want a family

portrait that will stand the test of time, or a product shot that will encourage people to buy it, hire a professional who can make this happen.

SHOW THE DIFFERENCE

Produce a series of before and after photos - what a snapshot looks like, compared to a professionally lit and posed photograph. This may help you show something tangible, but remember that many clients won't perceive this difference until you point it out. Spending time educating clients about what to look for in good photography is like explaining the benefits of a new car. Once you know, it is harder to go without.

WHAT HAPPENS TO THE PHOTOS?

What are your clients going to do with their photographs? What will happen to the dozen JPEG files delivered to them by a non-professional photographer?

Perhaps a better question is, what would they like to do with their photographs. And perhaps the best sales aids we can have are examples of the products we can offer. Show them a set of beautifully mounted prints, show them a photo book or album, show them examples of framed prints hanging on a wall.

For commercial clients, show them how your photographs work in other clients advertising, on their website, in point-of-sale. We know that photography is just the first step, so by holding our clients hands and stepping them through the process to the final expression, we are more likely to swing them over to us.

And by offering them something more than a set of JPEG files they download from a website, they are not comparing apples with apples. They are comparing apples with a gourmet meal and wouldn't they expect to pay a little more?

What ideas do you have?

Should The AIPP Sell Its Photographers?

Should the AIPP set up a website like Snappr and offer photography services to the public, provided by our members?

It is early days, of course, but if Snappr were to be very successful, if it did generate a lot of work and income for its non-professional photographers, what would this tell us? Would it indicate a new way to generate business for photographers?

At present, the AIPP comprises around 3000 individuals marketing themselves independently. What if we joined forces and marketed ourselves together? And what would our business model look like?

This is not a new idea and something the board have been thinking about recently. In the past the answer has been that the AIPP is not a sales agent. However, the AIPP has now invested heavily in accreditation and it is gradually building its brand in the general market. We have a

good story to tell prospective clients, even better if we had a centralised booking agency. In discussing the content for this magazine, even though there are no formal plans for the AIPP to become an agency or a service provider, we thought...but should there be? What are the opportunities for creating such a service? What are the challenges? What are the legal consequences?

Many businesses, such as Uber and Amazon, allow customers to rate the individual service providers. If the AIPP were to offer its members' services, over time these members would build up a rating which should satisfy both our customers, and other members who are concerned that not all members offer the same level of service. Let the customers determine this.

And level of service is a huge issue. The attraction of the Snappr model is that you can see a product and a price up front – pay this and get that. This appears to be their key to secure the client and after that they can look at add-ons (such as extra photos or prints etc). AIPP members should be able to do client customisation at a much higher level, but we need a way to engage those clients in the first place.

ImageBrief is another website that works a little like a dating agency. A client puts up a request (I need 5 photos of beaches in Greece for \$500) and the photographers grab stock shots from their libraries and bid for the job. There are many models available. So, the question is, should the AIPP look into providing such a service. And if it did, what would the model look like? Thoughts and suggestions are encouraged by all the usual channels!