

PPCO

PROFESSIONAL PHOTOGRAPHERS OF CENTRAL OHIO

FEBRUARY 2009

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Our February Speaker
Matt Lydy
"Social Media Marketing"

I am going to discuss ways of promoting your business without spending any money via the use of your website, blogs, Myspace.com, Facebook.com and twitter.com. I will go into detail about which platforms work best for different types of photographers and why its important to include a personal touch with your business.



PPCO PRESIDENTS MESSAGE February 2009

Hello everyone,

Congratulations to Penney Adams who received her Masters Degree and to Ron Burgess who received his Craftsman Degree.

Well the January print competition was a great success. We had great judges who gave a lot of good insight on the images that were presented. We should have the results and ribbon presentation at the February meeting.




Speaking of the February meeting Matt Lydy will be presenting a great topic which has been successful for a lot of photographers. Don't miss it.

Prior to Matt's presentation Ron Burgess has a short powerpoint presentation on "Jury Charge". It's a presentation that PPA makes each year to show the judges at a Print competition, prior to the judging. It is made each year to utilize different images and to place emphasis where the officials feel the judges need it. Play time is approximately 15 to 20 minutes.

We are fortunate that we are in a business that we can make of it what we want. Business not coming in...go out and get it. Weddings down... market baby portraits. Portrait business slow...go after commercial or business photography. If all else fails... take up underwater photography in the Caribbean. I'd rather be broke on a beach than in the snow...LOL

Thank you,

Jim Nardone

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<i>2008/2009 Calendar</i>
Sep. 8 Patrick Rice Seminar : Wedding Photography 2008 The State of the Industry
Oct. 13 Alexis Riffle "Creating Cash flow through Event Photography"
Nov. 3 Shawn Wright "Stop Trying to be Perfect and Start being Remarkable"
Nov. 9 & 10 Fall Two Day Conference - Hilton - Easton
Dec. 8 Members Christmas Party - The home of Penney Adams
Jan. 19 Print Competition - Judges Bob Davis, Darrell Moll, Gregg Wurtzler, Bob Hughes as Jury Chair
Feb. 9 Matt Lydy "Social Media Marketing"
Mar. 4 -9 Mid-East States Convention – Dayton OH
Mar. 16 Round Table & Swap Shop Moderator: TBA
Apr. 13 Jim Chagares Photoshop Tips and Techniques
May 11 TBA BOARD ELECTIONS

Adjusting Pricing in a Bad Economy

By Stacey Friedlein

The most frequent question I have been asked recently is in regard to making price adjustments to work in the current economy. This is a very difficult question to answer in a few sentences. With this in mind I am going to break down the fundamentals of pricing and try to address how they are made to work when the economy is slow.

As we begin, remember perception is reality and if people perceive the economy is bad, it is bad. Even when people are not directly impacted by a slow economy they will change buying habits and look for a bargain. The strength or weakness of the economy relies on what people believe to be true. When all the economic indicators are pointing to a recession and every headline screams doom and gloom it is natural for people to panic.

Where your business is concerned my advice is DO NOT PANIC. When you are making decisions based on fear you are going to make bad decisions. Therefore we need to address pricing fundamentals. The first question you need to address is do you intend to make a profit from the work you do. If the answer is yes, you must price for profit. If the answer is no, read no further, you can simply give your work away.

Now for those of you who want to be profitable, we begin by looking at the costs of running your business (general expenses including paying yourself) and producing your product (cost of sales) and add a fair profit for your business (returned to the business to use for future growth). Once we understand these numbers we can begin setting pricing based on numbers.

Understand you have to meet the minimum requirements of profitability (general expenses, cost of sales and net profit) if you are going to have a viable business. Beyond this, we look at market demographic, quality of work, placement in your market and other such factors to establish your product value and your selling price.

Because the economy is perceived to be bad does not necessarily mean you need to cut prices. Often it requires restructuring and a change in mindset in order to give your client value and keep your margins profitable.

When people have a finite amount of money to spend on your services you want to make sure they are buying out of your most profitable products.

Generally these are your prints. Be careful in offering specialty and digitally manipulated products which erode your profitability.

On the expense side you need to cut the fat. Do away with unneeded expenses, streamline workflow and delegate away those things which keep you as the business owner out of your revenue streams. Photoshop is fun but is it profitable?

Equipment vendors hate me. Here is my advice on capital expenditures. If you can't show me how the item you want to purchase (camera, software, background, etc) can make you more money than you cannot make the investment. From a business perspective it is crazy to spend money on something which will not make you more money.

If you are overshooting on sessions, you must learn to cut back. This is a time waster and a drain on your profits, whether you realize it or not. This is an area where photographers are pathetic. Shooting several hundred images on a portrait session or several thousand on a wedding is actually negatively impacting your business. You are chewing up hours of time in dealing with image files. YES, YOU ARE! By showing the client so many images you are confusing buying decisions and ultimately when the client is confused they buy less. And you are not going to like this, but I think photographers are actually lazy when they overshoot, the thought process being, "I will take a bunch and then I will have a few really good ones".

Are you angry yet? I hope so. Now what are you going to do about it? Change is in the wind. It's time you discover your photography is a business and you need to treat it as such.

Remember, DO NOT PANIC! Now create a plan for your business which includes a solid pricing plan based on the things we discussed earlier and trim the fat from your expenses. Put off capital investments which will not give you a return and work your plan. And best wishes for a successful future.

Who Is Buying Photography Right Now? How To Find The Right TARGET MARKET

by: Charles J. Lewis, M. Photog., Cr.

Now let's talk about how to select this "small pond" of target people you want to concentrate your marketing and advertising efforts on for greatest results.

It's more critical now than ever to know EXACTLY who to go after and how to get them to take action now!

It's really amazing and exciting - there are certain people who will buy from you right now, and there are other people who just won't.

Frankly, knowing who to "focus" your marketing and advertising efforts on during this Recession is way more important than a new PhotoShop plug in or a new digital camera! Why? Because none of that matters if you don't have any clients!

Okay, so I call this group of people I want to work with my "Target Market" - and here's how I determined who they are and where they are - and it will work wonderfully for you, too right now, in this Recession.

You see, if you do this right, you'll explode your business cash flow and profits. If you do this wrong, you'll really struggle.

First, here's something that's really amazing - because it's so simple and so effective. I got out a local street map of my town, and put a red "x" exactly where each of my best clients (largest sales) lived. This was extremely insightful! I thought my clients were coming from all over the place - but by doing this I discovered that most of my BEST CLIENTS were coming from a very specific area of the town!

So, knowing this, I knew exactly where to concentrate my marketing efforts, such as displays and direct mail.

Next, I looked carefully at each of my BEST CLIENTS, one at a time, to see what common attributes they had.

Here's what I found:

Here's The Top Ten Characteristics Of Your Target Market Which Will Make You Top Dollar!

My "Target Market" of best clients have the following 10 characteristics:

1. Female
2. 35-65 years old
3. Married with children
4. Is a "Warm Fuzzy"
5. Has some discretionary dollars available
6. Is a "3"
7. Values photography and the arts
8. Usually does not have photography done every year
9. Is willing to do business our way
10. Lives in the area of town I discovered above

Now, here are a few key comments about each attribute:

1. Female - men are not the normal buyer of fine, high end photography.

2. 35-65 years old - yes, we work with younger and older clients, but the best clients are consistently within this range.

3. Married with children - (not the old TV show) so she wants a really nice portrait (or wedding photography) of her children and complete family.

4. Is a "Warm Fuzzy" - this means she is a "right brain dominant" - very emotional, sensitive and loving person.

5. Has some discretionary dollars available - she doesn't need to be extremely affluent by any means - but she does need to have some discretionary dollars available to her. Many of our best clients need to put things on layaway or payments - but they do have the discretionary dollars available to invest in fine portraits and wedding photography as home decor.

6. Is a "3" - I first heard this from Photographer Linda Lapp many years ago. I can't remember where she heard it - but it's really insightful -

A "1" is described as follows: Uses his or her car as a storage area. Car is old and beat up - muffler is failing. It can be any brand of car - sometimes even an old Mercedes or Cadillac. When he or she goes out to eat, which they rarely do, they go to the local "greasy spoon" restaurant where the service and food is just fine, but the aesthetics may be lacking. And they go to the restaurant alone. They do have photography in their home - it's 4x5's and 5x7's in cardboard folders, sitting on the TV.

A "2" is described as follows: His or her car is not used very often as storage, and the muffler works, but it's still an older car, and not always very clean inside and out. And the car is a "regular" car - not necessarily a big name fancy car by any means. When they go out to dinner, they go to a locally owned restaurant that's just a little better than the "greasy spoon" restaurant and they usually go alone, but not always. They do have photography in their home, it's usually 5x7's and 8x10's in very inexpensive frames that are sitting on the TV or mantel.

A "3" is described as follows: His or her car is fairly new, clean inside and out. It's a "nice" car - but they are less concerned with the brand of the car and more concerned with how it drives and what color it is. When they go out to dinner, which they do fairly often, they go to one of the local "franchise type" restaurants, and they very often go with friends. They do have photography in their home, and it's on the walls - proudly displayed in quite nice frames.

A "4" is described as follows: His or her car is a "fancy, high-end" car - like a Mercedes or Lexus or top of the line Cadillac. And it's clean inside and out. When they go out to dinner, which they do very often, they never go alone, and they go to one of the "high end" or "fine" restaurants. They have photography in their home. It's 4x5's or 5x7's in gold leaf frames - in the bedroom sitting on a piece of furniture. But it's NEVER, EVER on the walls in a main room in the home.

(I want to help my clients become happily involved with WALL PORTRAITS - because you can get a who bunch more money for a 30 x 40 than you can for an 8 x 10 - and I totally believe in fine wall portraits as home decor. So based on the above definitions, you can see that our "Target Market" person is most definitely a "3" and certainly NOT a "4".

Now, this was a revelation to me. I always had a problem trying to figure out why so many people who certainly could afford it, would not invest in a wall portrait, no matter what I did. Once Linda told me about the 1-2-3-4 thing - it all made perfect sense.

7. Values photography and the arts - this is really important - and many photographers miss this one. We don't want to work with people who do not value what we do. (You know who they are - they are always complaining about the prices, delivery time and style of the photography.) Also, she very often also is very interested in the other arts - music, theater, painting, etc.

8. Usually does not have photography done every year - this one is really interesting - you want people who value what you do - but not people who have photography done every year, because they tend to not be willing to pay our substantial fees. (However, there ARE exceptions to this, as I'm sure you know. You certainly have a few clients who work with you almost every year, and who still tend to invest substantial dollars in the photography.)

9. Is willing to do business our way - this is another one that many photographers seem to miss. We only want to work with people who are totally willing to do business the way we want to do it. They don't try to tell us how to run our business. They don't fight with us over the "Originals" not leaving the studio, or 'Projecting". They value what you do and are happy to do business your way.

10. Lives in the area of town I discovered above with my mapping study.

So there you have them - the Top 10 characteristics of our "Target Market". I know we're not talking about f-stops and shutter speeds and image stabilization megapixels and Photoshop, but what we are talking about here will determine how many clients you work with - and how "qualified" they are - and thus how much money you generate with your photography - something that is more important now than ever to your success and growth in photography!

All the best,

Chuck Lewis