
Your Bottom Line

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Strategic operations

In many ways, operating a photography studio resembles battlefield warfare. Some business owners attempt to conquer entire markets, while others fight skirmishes for small shares or don't fight at all. To be successful in business, photographers must aggressively protect acquired territories and investigate the costs and artillery support of taking over new ones.

I've noticed that many independent portrait photographers approach new business opportunities with a "wait and see" attitude. They want clients to walk through the door, but exert little effort to promote or attract new business. This laissez-faire approach is prominent throughout the industry, particularly in special event photography, such as proms, which can be extremely lucrative.

Most proms are divided among area photographers who hold school photography contracts. However, a creative photographer with strong ambition can seize prom business from photographers who are content making traditionally mundane portraits.

I met a metropolitan photographer who was compelled to increase his prom contracts from three to 25 a year, which is a healthy business decision. When Mr. G surveyed his market area, he realized that with dedication and persistence, he could successfully reach his goal and significantly increase his special event business.

Studio owners interested in accumulating new business command several "weapons" in their arsenals. The most overused and ineffective "cannon" is price cutting. Photographers who cut costs and profit to the bone, often lose the battle in an attempt to offer "the lowest" possible prices. When photographers drastically reduce profit, they also decrease their motivation to produce quality products.

A more powerful "howitzer" available to all photographers is service. Photographers willing to provide superior service must create a more desirable product at a competitive, but not necessarily "the lowest," price. Mr. G discovered a special service that enabled him to conquer the prom market in his area.

While prom planners design and coordinate decorations with annual themes, prom photographers seldom make a serious effort to customize portrait backgrounds. Instead, they often rely on prom committees to create backdrops or employ outdated 9-foot-wide blue paper roles, plants, and white trellises which they've used for decades. The students accept this practice because they have no alternative.

However, Mr. G discovered a more effective approach. He provided prom committees with a customized background, designed to match their prom themes. By promoting special effects projected backgrounds as his primary special service, Mr. G offered prom committees a variety they couldn't acquire elsewhere. Even though his prices were not "the lowest," prom committees were excited about his special service. Within a few years, Mr. G increased his annual prom contracts to more than 50—which is healthy business activity.

What I find to be unhealthy business activity, however, is extreme placid competitor response. For seven years, area photographers lost hundreds of thousands of dollars worth of luxury business to Mr. G's studio, but made no effort to change the situation. A few studios recently began copying Mr. G's method, but because Mr. G developed long-term ties with his prom clients, competitors are forced to offer even more special services and, possibly, price cuts.

To be successful in today's highly competitive business environment, photographers must be serious about being competitive. A lackluster approach is tantamount to disappointment and often leads to failure. I have always approached business operations with a serious attitude and utilized as many "Big Berthas" as possible.

For example, when we decided to experiment with a high-tech, quick service portrait studio, we surveyed the area to learn what photographic services the competition offered to the market we wanted to capture. We chose a prime space in one of the best area malls and

invested the necessary funds to make the studio attractive. We also automated business operations with a computer system and equipped the studio and lab with high-end equipment. In essence, we rolled out every "weapon" we could muster to offer customers maximum convenience, an attractive environment, high-tech contemporary and traditional portraiture, and one-hour delivery.

In order to be successful in business, photographers must thoroughly identify the market. They must learn about customer needs and the competition and carry out strategic plans. Business owners must know how to penetrate the market, and once a studio wins the battle, photographers must continue to survey its market and potential competition.

The world of business is going to get increasingly tougher, as an ever growing number of photographers go after consumer leisure dollars. But remember, you will be competing with countless business owners interested in the same leisure dollars.

Photographers, tuxedo rentals, flower shops, limousine services, formal dress shops, and other prom service enterprises compete against one another for the same prom dollars. Therefore, photographers must create ways to encourage high school students to spend a greater portion of their prom budget on photographic products. One strategy may involve enticing prom attendees into driving their fathers' cars, instead of renting a \$100 limo, in order to purchase more photographs.

The marketplace is becoming more complicated and competitive. Innovative promotional ideas, combined with strategic planning and aggressive combat creates winners and a healthy bottom line. ☐