



Stock v. Assignment Rates—a Disturbing Trend

PDN recently ran an article online where they spoke with a few art buyers and some other photography buyers about stock photography pricing. The insights exposed in this article were, to say the least, disturbing.

I was extremely concerned by statements like this one from Barb Sanson of davidandgoliath, Los Angeles:

Anytime you need unlimited usage, it is worth spending the money for a photo shoot. Stock houses really blow this usage fee out of the water. Usage fees for a commissioned shoot are nowhere close to what the stock agencies are charging for unlimited usage. I have had instances where stock photography for one-year, national, unlimited, consumer print has been quoted in a range of \$15,000 to \$20,000. My commissioned photography has cost me anywhere from \$5000 to \$10,000 for that exact same usage.

and this from Jen Small from GSD&M in Austin, Texas:

It's astounding how much more we get for our dollar [compared to buying stock] if we had the time to shoot.

Yes, she's right--it IS astounding! We should all be astounded that these buyers are not only often, but almost always getting assignment photography for less than stock.

There is absolutely no reason whatsoever for assignment usage to be at a lower price-point than stock! Assignment photography is created specifically for the project at hand and, as such, should be expected to have a stronger impact in the same media buy. After all, it is shot to exactly fit the concept and layout of the ad. Assignment photography is the opposite of the "good enough" mentality of stock for ads (that is, "This image is good enough for this ad...it'll do.")

So how to combat the problem? Price usage licenses appropriately, and there is no reason not to now. Photographers today cannot claim ignorance of stock rates; there are so many sources for pricing information available online that everyone can get an idea of what the "going rates" are easily. Any of the major stock sites (workbookstock.com, getty.com, etc.) will give a photographer their rates for similar usage, instantly, and online. Whatever their number is, yours should be higher.

More importantly, your fees should also add in a creative factor. By that I do not mean an imaginary number, as in "creative accounting." No, instead you need to develop a creative fee based on your cost of doing business (CODB) and the complexity and/or individuality of the project. Is this something that is your signature work? Then the creative fee should be higher than if the project is relatively simple and not something that fully exploits your individual skill. Time can also be a factor (internal factor) in this part of your total fee calculation, if you are so inclined (though there are strong arguments against that which we'll touch on in a later article).

In the end, your license fee (usage) and creative factor should result in a total fee that is significantly higher than any of the stock quotes you have previously referenced for the same usage.

Oh, and don't forget that these fees are totally separate from your Production Costs (expenses). We're only discussing fees in this article.

If we don't, at the bare minimum, keep up with stock rates, then the pressure to lower prices across the board (both assignment and stock) will be insurmountable. However, if we present a united front, along with our partners in stock, we'll improve each business' bottom line.

