



Pechman Imaging Newsletter October 07

Increasing Your Market Share

Part One: Networking--Why Not?

Describe your portrait market. Most likely your competitors are seemingly pricing products based on a lack of understanding on how to make a profit and/or are basing quality on a standard of minimal acceptability. No wonder consumers are totally confused. If this describes your market, you are not alone. Today, a studio's marketing plan must address such issues by educating potential consumers and more. Networking with other savvy retailers can open doors to clientele who understand the relationship between quality and value.

Nothing in the way of marketing research has indicated that consumers want less quality from professional digital photographers, while still paying prices comparable to portraits produced from film. Most consumers now recognize that technology can cause retail prices to decline: Computers are one example. In relation to textbook, economic theory, a portion of cost reductions attributed to technological innovation is always passed on to the consumer. If not done, new competitors will enter the market based on price and eventually forcing retail prices downward for the entire industry. Such is happening today. To complicate matters even more, mall studios and mini-lab studios are attempting to redefine acceptable digital print quality downwards when revamping their studios to obtain a reasonable ROI. Almost seems hopeless for the professional studio that offer products of reduced quality. Emphasizing both quality and value can increase market share.

Solution: Network to increase market share at minimal cost.

You are not alone. Many small retail businesses in your area are having to

network to compete against the giants of WalMart, Target, Home Depot and such. By forming or networking with an existing group a portrait studio can go on the offense. When networking every member must gain. Sharing the burden is a must too. A networking studio must adopt strategies and tactics that large competitors cannot easily duplicate. Here are a few strategies to implement. Keep in mind these were used in the past with much success and will work today.

Sign Up Displays.

A small table display of high quality portraits, sign up cards with drop box and literature is set up in the waiting area of small restaurants as an example. It works like this. First, display portraits of the owner and family. Everyone entering the restaurant will obviously make comments to the owner. Second, later replace the owner's family portraits with those of recent sittings. Then you will notify those families that their portraits are on display at a designated, local restaurant. They will tell their friends and relatives to come on down to see the display. Result: the restaurant receives good PR and possible new clients. (A million dollar studio on the west coast built their business base on this very same strategy.)

Other suggestions for possible display locations are: Jewelry Stores, Drugs Stores, Banks, Saving & Loans, Credit Unions, Hardware Stores, Pet Stores, etc. Key is that these stores, etc. must be local, independent and family owned businesses.

As background information for studios in business less than ten years, bank photo sessions were very popular in the 1970's and 80's as a means to gain new clients. Sessions took place in the lobby area or a vacated conference room. The financial institutions sent a mailing to their clients and placed ads in local newspapers. The major selling point, then and still valid today, is that the bank is providing a valuable service for their loyal clientele. Bank clients, both new and old, are offered a free 8x10. Note: everyone will receive a free 8x10. Ask your lab to discount these free 8x10's. Your task is to offer packages in addition to the free 8x10.

Most jewelry stores have over time networked with portrait photographers for ring/engagement pictures. For every ring sold, the engagement couple would receive a free session and an 8x10 glossy for the newspaper. The studio would offer engagement picture packages. The same promotion was offered to anniversary couples. A simple wall display in the jewelry store and handout literature are all that is required. This tactic is an ideal method to build your business by creating good will and compiling a data base for future business by networking. Your selling point to the jewelry store is that both of you will be providing a valuable, convenient service that can easily produce long term

customers. Keep in mind that women love to frequent jewelry stores. Note: this type of session is best done in your studio.

Hardware stores do sell big ticket items such as very expensive BBQ's, etc. Example. Your networking promotion is to offer a free 8x10 with the sale of BBQ's. The connection is that outdoor cooking is synonymous with family values. Families need portraits. Networking with other retailers could enable your group to see the direct connection between products and family values with the added dimension of quality portraiture.

Summary:

Networking with other local, independent businesses will require planning on your part. Remind these business owners that they too face stiff competition from outside, corporate entities that do not have any concerns for your local community. You are building good will and obtaining exposure to new clients, and so are they. Word of mouth will aid in building your business as well as theirs. Unless you can afford to spend 15% of your gross sales on advertising, networking can help any retail business to do more on a limited advertising budget. Your lab should help you discount the free 8x10's and prints for wall displays.

Note: Successful marketing strategies and tactics of the past are still relevant today. All that is required is a tweak here and there. Ask us about our discounts for display prints and free 8x10 promotional prints.

If you think a friend or studio would benefit from our newsletter, have them contact Pechman Imaging to sign up.

800-777-0221 or <http://www.pechmanimaging.com>

Let us know your thoughts. Email us at: marketing@pechmanimaging.com

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