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### **PART I**

# Introduction

ocial media ad spending is targeted to exceed \$35 billion in 2017, and photography plays a crucial role in the visually-oriented world of advertising. As budgets shift from print and television to digital spends, the issue of how to license photography has also shifted from a niche issue to something that nearly every commercial photographer has to contend with.

The traditional parameters that photographers relied upon to settle on a licensing fee have been supplanted by follower counts, and archival duration has become perpetual. Image theft has also continued to be a concern as "curated content" accounts steal images to post to their own accounts, earning followers and advertising power in the process.

In this guide, we talk to a number of different people in the buying chain – from photographer to photographer reps to ad/design agencies to brands – to get their perspective on the ever-changing landscape of social media and photography. You will learn about different considerations for negotiating social media use licenses, as well as the massive variety in the ways both photographers and brands are navigating the ever-evolving landscape.











## Social media usage is commonplace

Unsurprisingly, more photographers are fielding licensing requests for social media use, and often being hired to shoot for social media-only placement. Although Instagram seems to be the predominant platform for the images, photographers aren't typically specifying each and every social media app.

NY-based commercial photographer <u>Winnie Au</u> said, "Generally clients are asking for social media use and it's not always specified down to what platform. On set though, I find that we are often shooting a vertical option for Instagram, a horizontal option for Facebook, that sort of thing." Providing options to the client shows an intrinsic understanding of the social media platforms.

Jennifer Tanabe, an associate creative director for Wall-to-Wall Studios said social media usage is still dependent on the situation, but "in many cases social media should be included in the licensing agreement, or at least given that option. And I would predict it's only moving forward in that direction."

The ephemeral nature of social media means that SM managers are often searching for content to fill their feeds for free or significantly reduced prices. And the phenomenon is pervasive even for the largest brands. For photographers, this often means clients are dangling small jobs sometimes consisting of a single image. With a market that is seemingly saturated with lifestyle photographers and influencers, it's challenging for full-time photographers to find quality projects.

"If a brand is looking for something on the cheap, they wont have to look far or hard to get it," said fashion/editorial photographer <u>Daeja Fallas</u>. "Where I stand it's almost not worth the trouble unless it's part of a larger project. So many kids out there who will trade a free night at a hotel or some clothes in exchange for 300 im-

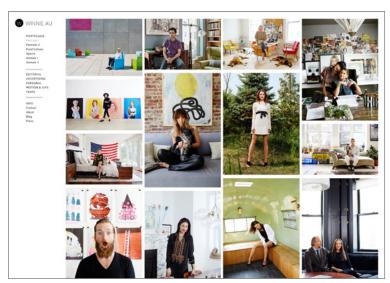


image credit: WinnieWow.com

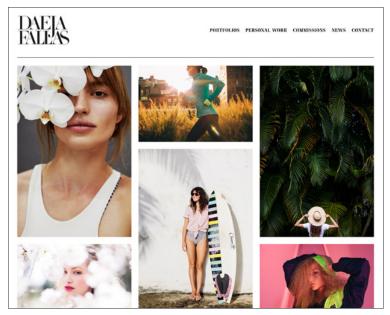


image credit: DaejaFallas.com













ages they took of their friend/girlfriend that the client can use for whatever because the Instagrammer kid does not know any better."

Even though the market is as competitive as ever, Fallas tries to be selective with her clients, choosing to work with brands that recognize her value. "I have stopped worrying about the person who will shoot a campaign for a national hotel chain in exchange for a few free nights in a room because it tells me the brand does not value what's being created and the person creating these images. I have focused my efforts on finding clients who value what I bring to the table. This does not mean they do not license my photos for social media, they often do, it is usually just a part of a larger ask."

#### **Pricing Parameters**

Licensing calculators typically require a large number of inputs to be satisfied to derive a price, including image size, industry, print run size, duration, etc. But on social media, photographers are looking at follower counts to create a licensing estimate.

From a billing perspective, estimates aren't dissimilar from more traditional usage. Photographers are itemizing their estimates based on client needs. Sometimes creative, production and licensing fees are itemized (typically for larger clients or when using agency representation) and other times they are combined into a single fee (smaller or regional clients). Pittsburgh-based Richard Kelly said often when he's working directly with a client, "I'll ask, 'How do you want me to bill you? What do you want the invoice to look like?" Kelly says that invoicing flexibility makes him valuable to smaller clients.

Photographers are largely unconcerned with photos being archived on a social media site where the con-



image credit: TinyAtlasQuarterly.com

tent can live in perpetuity. Licenses are typically built around the "active" duration of posting and reposting an image which typically falls between 1-3 months. Tiny Atlas Quarterly's Emily Nathan believes part of this is the rate at which content ages on social media. "I don't really care about it to be honest," Nathan said. "If a client is using images from more than a year previous they are doing something wrong on social."

#### License language

The pace of social media often requires rapid negotiation, but photographers need to protect their intellectual property rights and develop appropriate licensing language for dealing with their clients. Remember that a usage license should be separate from a creative fee license.















In speaking with a number of photographers, we found that few had developed any specific language for social media use. Commercial photographer Emiliano Granado said that for his last few jobs that involved any social media use, the client "simply bought out digital rights" to cover social media use.

Pittsburgh-based commercial photographer Richard Kelly has primarily dealt with regional clients, and extended a broad license to use images in all media for 2 years. "The license that I typically draw up is limited to 2 years Unlimited Media Use – typically this includes YouTube, Facebook, and Instagram. For their demographics, these are the channels they use most. They also often use images and small videos on their websites. Other than that the image lifespan is usually short. I use the Blinkbid Plus schema which is easy to read."

Adventure photographer Michael Clark said the social media licensing landscape is "still the Wild West out there" with both pricing and licensing language. "Most clients these days are just asking for unlimited usage rights, which includes social media usage, as they can't predict how the images will end up being used and it gives them a lot more freedom." We would caution against extending "unlimited" usage without understanding the client needs, and without proper compensation.

Here are a few examples of social media licenses used by photographers or given to photographers by brands to sign. Generally speaking, most licenses we've seen don't specify each social media channel – instead opting to create one big bucket for all social media channels. Durations vary, but typically, anywhere from 1 month to 2 years seems standard for license duration.

#### Wonderful Machine:

"Collateral" use is when the Work appears in or on a platform that the Client (or Agency) wholly controls

# The social media licensing landscape is "still the Wild West out there" with both pricing and licensing language. - adventure photographer, Michael Clark

and produces, such as a company web site [sic], annual report, brochure, or social media profile, and is intended to promote a commercial product, service, personality or brand.

#### Smartphone manufacturer:

Description of Services: Photographer to shoot a minimum of seventy (70) Images to safely achieve final deliverables for [redacted] for Instagram (a shooting ratio of 1 out of 10 images).

Client will use seven (7) final images and post to client's Instagram feed

Photographer agrees to post two (2) images to each of their Instagram Feeds, including pre-approved client hashtags and handles

All posts will comply with FTC regulations and guidelines to disclose relationship with Client (including, without limitation the FTC's Revised Endorsement Guidelines) (i.e., the use of #ad or #sponsored on all posts on influencers channels)

Photographer agrees to provide services exclusively to Agency Client with respect to products similar to or competitive to, including Smartphone devices from [redacted], [redacted], and [redacted], during the Term and for fourteen (14) days thereafter.

Time and Location: Agency will retain the services of Photographer for the duration of one year starting [redacted], 2016 through [redacted], 2017. Final photos will be delivered to Agency by [redacted], 2016.

Rights Granted: For ONE (1) year web use on Client owned Social Media Channels and other digital properties (.com).

# Photographers can add value beyond taking pictures

We often hear that in order to differentiate themselves, photographers need to sell more than a picture – especially when non-full-time photographers are willing to barter a hotel room for a photo. Professional photographers need to sell themselves as service providers while consistently showing added value beyond hitting the shutter.

Richard Kelly notes, "A lot of clients are realizing that social media has a big appetite for photography." Often it's too expensive or impractical to always have a professional photographer on-site. Kelly has helped some clients develop social media photography guidelines to ensure a consistency in the look-and-feel of the images. He charges the client for this work as a consulting service. "I want them to see me as more than a photographer," said Kelly. "[In] those types of opportunities, you have to think beyond just taking the picture."



#### **PART II**

# The Influencers:

How a large following creates different opportunities

he world of social media marketing carves up "influencers" – people with large followings – into three main groups: 1) micro, 2) macro, and 3) mega influencers. Roughly defined, these categories are differentiated by the number of followers:

Micro: 10,000 - 100,000 Macro: 100,000 - 1,000,000

Mega: 1,000,000+

Brands looking to include influencers in their marketing campaigns balance both follower size with aesthetics. And you can hardly begrudge brands for utilizing influencers. Fewer consumers are watching TV and reading magazines. And according to an <u>IAB survey</u>, 47% of consumers between the age of 18-24 use ad blockers. The traditional advertising methods of reaching consumers simply doesn't work. Influencers occupy a middle ground between word-of-mouth referral and

traditional advertising, and hold a disproportionate sway over the buying habits of their followers.

There is a stereotype of the mega-influencer as somehow being not as serious of a photographer, but that simply is not true. Photographers like Jimmy Chin (@jimmy\_chin), Alice Gao (@alice\_gao), and David Guttenfelder (@dguttenfelder) are incredibly talented photographers who built enormous audiences through various means. But all three have slightly different approaches to leveraging their following for economic gain. With a career in photojournalism, Guttenfelder has generally shied away from anything that could be seen as commercial. Jimmy Chin is a sponsored North Face athlete and sometimes includes a @thenorthface tag in his posts. Alice Gao is often hired both for her significant influence as a tastemaker as well as a photographer and uses FTC-approved hashtags to signify sponsored content.



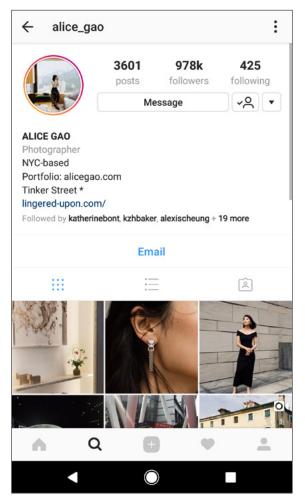


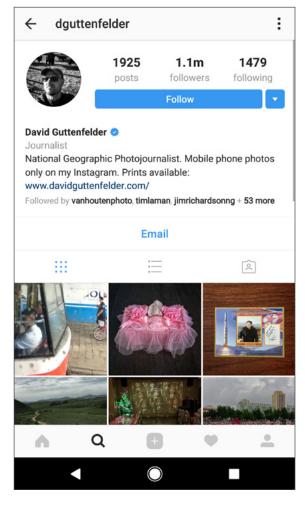












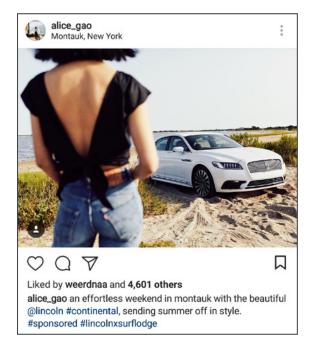






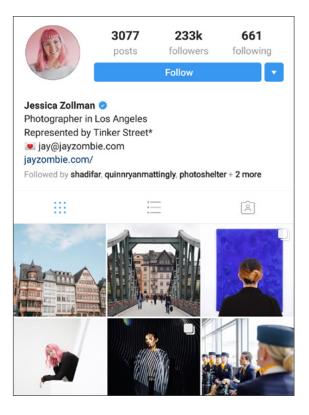






It is true that a number of photographers with large social media followings became "famous" through Instagram rather than following more traditional paths to success. There has been a tendency in the industry to look down upon these photographers, but social media monetization is a not-so-new reality. Instagram is seven years old already, and a generation of photographers has thrived on platforms like Instagram and Snapchat.

Jessica Zollman (@jayzombie) doesn't believe that social media campaigns should be priced differently. Zollman said, "I'm a professional commercial photographer and my time is valued the same regardless if it's for an influencer campaign where I'm being asked to post photos to my personal social media, or a campaign where I am taking photos for a brand to utilize." Although each negotiation is unique, Zollman more



often increases her pricing when asked to post to her more than 234,000 followers.

With mega-influencers like Kim Kardashian <u>allegedly</u> earning \$500,000 for a single post to her 100 million+ followers, it might be difficult to understand the market value for micro and macro-influencers. Influencer Marketing Hub has a social media <u>calculator</u> that offers ballpark estimates that can be used as a baseline for negotiation.

The marketing agency for a beverage manufacturer recently approached a regional influencer with 20k followers and offered "a rate of \$200" to do a custom

# There is a stereotype of the mega-influencer as somehow being not as serious of a photographer, but that simply is not true.

shoot with their product and post to the influencer's Instagram account. Additionally, "The brand is looking for you to submit a total of six (6) images to select from, and will compensate you with an incremental rate of \$200 for these 5 additional photos." The licensing fee as a function of follower count isn't unreasonable, but the lack of a creative fee for the custom shoot make this type of deal untenable for most professional photographers. But this is the current state of competition. Digital marketing agencies are approaching young influencers who are less concerned with the sustainability of the photography industry, and more interested in picking up a free hotel room and a few hundred bucks.

Sponsored post fees can vary significantly. Traditional engagement metrics (e.g. # of likes and comments) are being more closely scrutinized with statistics like engagement per follower, outbound hashtag performance, and even video completion rates for Instagram stories or Snapchat videos. Photographers playing in the sponsored content world need to understand their own audience dynamics to negotiate the highest placement fees. And of course, they need to feed the beast (i.e. their feeds), so that the audience numbers continue to grow.



### PART III

# The Photographer Representative:

A deep business perspective helps photographers negotiate contracts

hotography agents act as intermediaries between photographers and ad agencies/clients. Agents are regularly involved in the negotiation of contracts, providing a level of expertise in estimation, contract language, and trends in the business of photography that an individual photographer might not possess or have an interest in dealing with.

<u>Wonderful Machine</u> is an online marketing service for professional photographers. As a part of their service offerings, they provide pricing and negotiation expertise for a variety of commercial and corporate jobs. We spoke with Executive Producer Jess Dudley.

Many of your price estimates provide broad usage rights, and include a "collateral" category that includes social media use. Are clients typically asking for social media usage, or is it an expectation that a modern license would include SM use?

It really depends on the client and the nature of the project. For the most part, images used for social media purposes are often different than images used for traditional collateral pieces like emailers, brochures and homepages. It's really a matter of our definition for collateral being interpretable as inclusive of social media (client maintained platform, within which they do not need to pay for placement of their content). That's not to say that a client would necessarily commission separate shoots for social v. traditional collateral needs (as these images could often be captured throughout the same production), but from what I've seen, they're just not typically using social media images elsewhere in branding.

Some photographers are being hired to shoot specifically for social media. Would you price this the same as a print campaign? What factors figure into the price of the license?

Again, it all depends on the client and the how the social component fits into their broader marketing efforts. Since social media use can mean paid placement or use on owned accounts, it's important to clarify the use. Also, one has to be careful about posting sponsored content on behalf of an advertiser, to the creator's own account/s. Creators should familiarize themselves with the various platforms' terms of service and the the FTC Guidelines for sponsored content before agreeing to post sponsored content. Generally speaking, I don't think social media usage, of any kind, has caught up to print campaign usage values, though we're certainly moving in that direction. Some exceptional "influencers" may be able to pull in print campaign caliber fees for posting endorsement imagery, but that club is a relatively exclusive at this point.











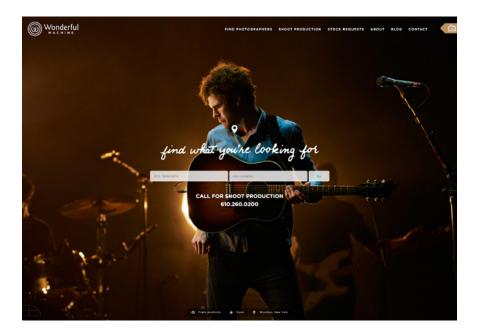
Many analysts consider YouTube to be a social media platform, but some licensing calculators I've come across view it as separate from apps like Facebook, Instagram, etc. Is YouTube more akin to traditional licensing for film production?

Although it does feel a little different from sites like Facebook, Snapchat or Instagram, based on our definitions, we would consider YouTube a social media platform. But like other platforms, there are "traditional" advertising opportunities within YouTube like pre-roll, sponsored content and banner ads, which fall into the realm of paid placement/Advertising.

How should photographers with large social media followings price their services? Should they view these jobs more as endorsements?

Absolutely. If they are being contracted to post to their own accounts (in addition to the client posting to the client's own accounts, or not), the photographer should be looking at the posts as endorsements.

I would recommend pricing endorsement posts on a per post, per image basis. Like most other licensing, there's not a benchmark rate, but factoring in the photographers follow-ship, the number of contracted posts, the type of content, the number of images within a post, the details of tagging/captioning, the complexity of the client approval process, the pacing of posts, the originality of the content and the relevance to the photographers brand/followers should give you plenty to work with in determining appropriate fees.



#### **PART IV**

# The Design Agency:

Intermediaries in the creative process helping to match brands with photographers



hile social media offers a different publishing platform for brands to communicate to their potential customers, the needs from the agency perspective are relatively unchanged. Agencies are looking for high quality images from trustworthy, reliable photographers.

<u>Wall-to-Wall</u> is a Pittsburgh and Honolulu-based integrated brand design agency that commissions photographers for various projects around the U.S. We spoke with three creative directors/producers.

The responses have been lightly edited.

In this day and age, should photographers basically expect for clients to ask for social media usage as a part of the standard licensing agreement?

Absolutely, though it's up to the photographer if they want to specifically include usage in their terms. One thing that photographers and clients often forget about is talent usage fees. So even if a photographer has allowed for social media usage, the client or agency will likely have to negotiate separately for talent usage fees online and/or in social media. Photographers should almost assume that clients know nothing about usage and the differences between types of usage and be very clear and specific about what they are and are not okay with.

What factors go into deciding whether to use a photographer strictly because they take good pictures vs hiring them because they have a large following?

Just because someone has a large following doesn't necessarily mean they take the best photos and vice versa. A large following can add credibility to anyone with a

social media account but my preference would always be to choose a photographer who takes good photos vs. number of followers.

I don't even care how big of a following a photographer has. I care about the quality of their work and their overall professionalism and reliability. If I've worked with someone before and I can trust them in every way, then I'll work with them again. Honestly, I've worked with photographers that are "hot" on social but I've often been vastly disappointed, either by their lack of technical skills or experience/professionalism/etc. I need to work with people who know how to behave around clients, who understand deadlines and follow through.

From the agency perspective, do you expect to pay photographers less for using images in social media vs. a traditional print campaign?

I would expect to pay less for social media since so many photos are being generated and consumed so quickly. People scroll through and then expect a new image. I also wonder if social media photos may not need to be as high of quality and not need the same amount of reI











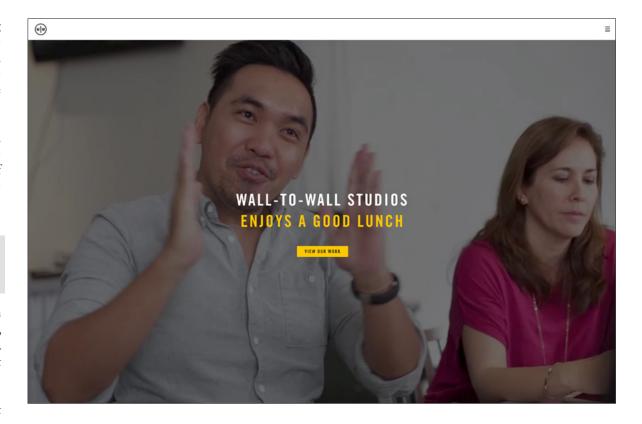
touching that a print photo would need. Another thing about social media is that part of it is (in theory) the rawness and authenticity that comes with the image. With a print piece, people don't have the same "scrolling" expectation where they see image after image after image in their feed all relatively unrelated to one another.

If it's ONLY used for social media, then perhaps it can be less costly than their usual rate to do a print campaign. I think of this as short term usage. However if that same image is used across different mediums, additional costs are fair.

# What, if anything, do you think photographers don't understand about how agencies and clients view photography?

Some photographers don't realize that client assumes they own ALL images that are taken from the shoot, even the shots that are not chosen as the final selects. Both parties need to be clear what the terms are at the beginning.

Photographers need to realize that these days, most clients (and sometimes agency folks) aren't knowledgeable about photography usage and terms of usage. Many clients aren't really knowledgeable about the fact that depending on the photographer, different usage will cost differently. Every client wants fees to be all inclusive in perpetuity, which isn't always realistic for the photographer or the client. I usually tell clients that their images have a shelf life of 3–5 years tops because the images will start to feel outdated very quickly depending upon how frequently they are used and what business they are in. Clothing and [the depiction of] technology in images become outdated quickly. Also, as stated above, both clients and photographers need to be mindful of what kind of usage was authorized for



any talent in the photos. Talent fees may have to be renewed at a certain time depending on the contract. On a more basic level, photographers and clients need to remember to get talent releases (and location releases if applicable). So many of my staff and clients forget about that which is really bad.

A large following can add credibility but my preference would always be to choose a photographer who takes good photos vs. number of followers.



## **PART V**

# The Brands

Ithough there is a tremendous amount of variety in the way that brands approach social media use, photography often falls into a few categories:

- Product/Main Campaign: Professionally created and retouched. These images use the brand's lookand-feel, and appear in print/digital advertising, catalogs, websites, and social media. These images are often negotiated with broad usage rights.
- Social media campaign images: Often created by or features influencers. These images might only be placed on the influencer accounts, or they might appear in sub-brand accounts. The images don't necessarily conform to the brand's look-and-feel.
- Event photography: Social proof that a brand is participating in in-person programming.

Here are some examples from Burberry (9.9m), Coca Cola (2.1m), and Everlane's (375k) Instagram account:

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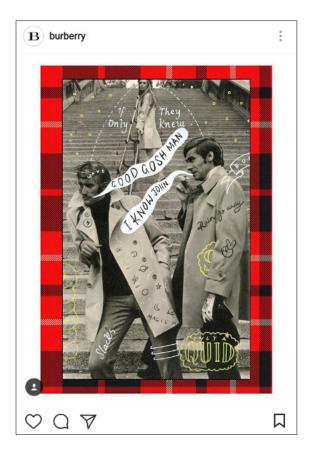
# Product/Main Campaign:



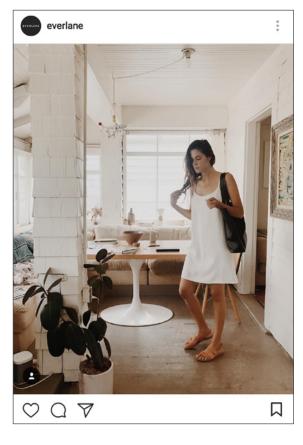




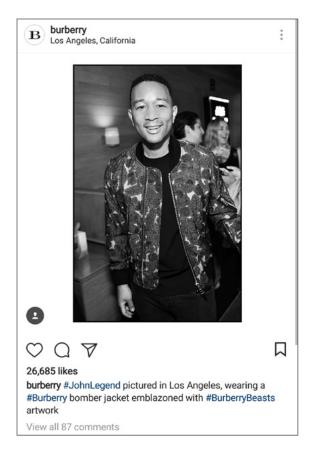
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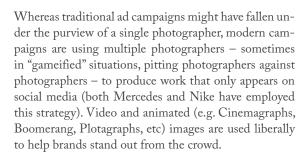
## Event campaign:







19



The Summer, Budweiser USA teamed up with multiple photographers to create an Independence Day campaign. Unlike other brands, the Budweiser image brief was very specific and the work was managed through an agency.

There simply isn't a single approach to social media advertising. Therefore the variance in licensing and/or influencer fees ranges significantly from free to tens of thousands of dollars.

One marketing manager at a major luxury brand told me that they "normally work with top tier influencers (over 1 million in following)," but they've worked with influencers with much smaller followings due to her aesthetic. "We wanted her content," the manager said. And the niche following "drove the usage [fees]."

In the early days of social media advertising, brands were looking at simple engagement metrics (e.g. likes and comments) to assess the efficacy of a campaign. But over time, marketing managers have become more sophisticated and now look at statistics like total impressions, engagement per capita, demographic segmentation and more. Photographers can drive higher licensing fees if they have a track record of producing engaging content. As such, photographers should build friendly relationships with their brand handlers so that they have access to these stats.



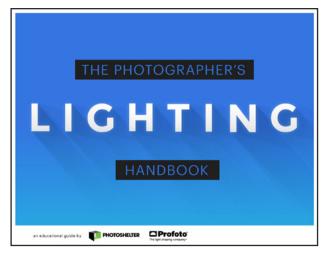


## **PART VI**

# Conclusion

hotographers seeking a "one size fits all solution" in dealing with social media licensing requests will be disappointed to find that the broad landscape makes this impossible. But in this regards, photographers have the opportunity to develop a wide buffet of creative options, offering not only photography, but ancillary services like style guides and even social media consulting.

Social media platforms continue to develop features that increase their ability to monetize, and thus photographers need to continue to be nimble. Photographers must balance their photographic and post-processing skills (e.g. cinemagraphs) along with an intrinsic understanding of the platforms to push for more billables.







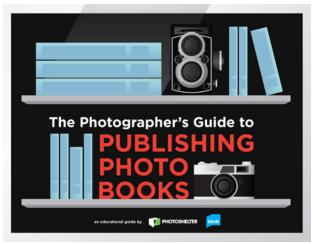
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