Annual Survey of Art Buyers

Stock Image Licensing

2016

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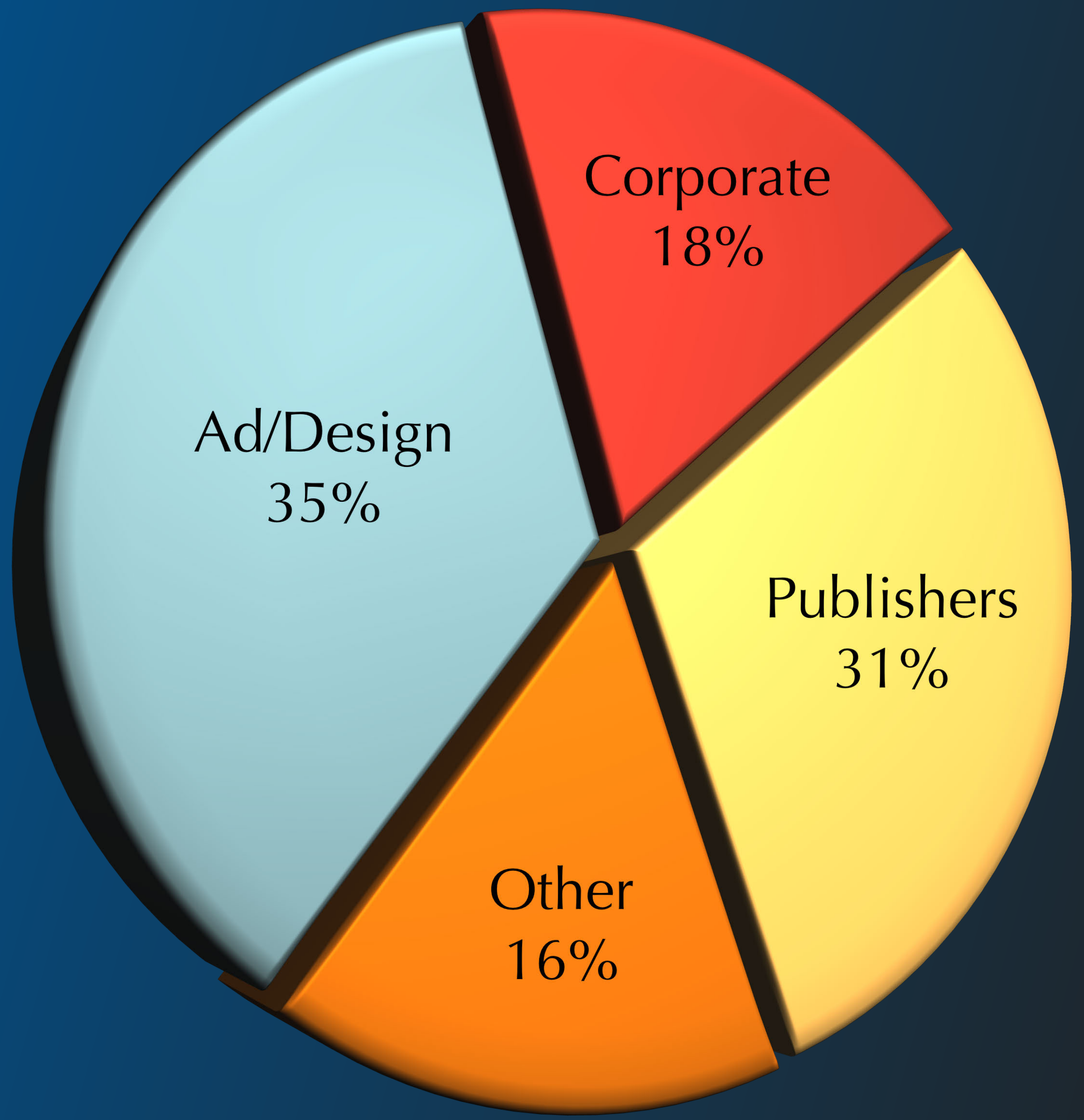
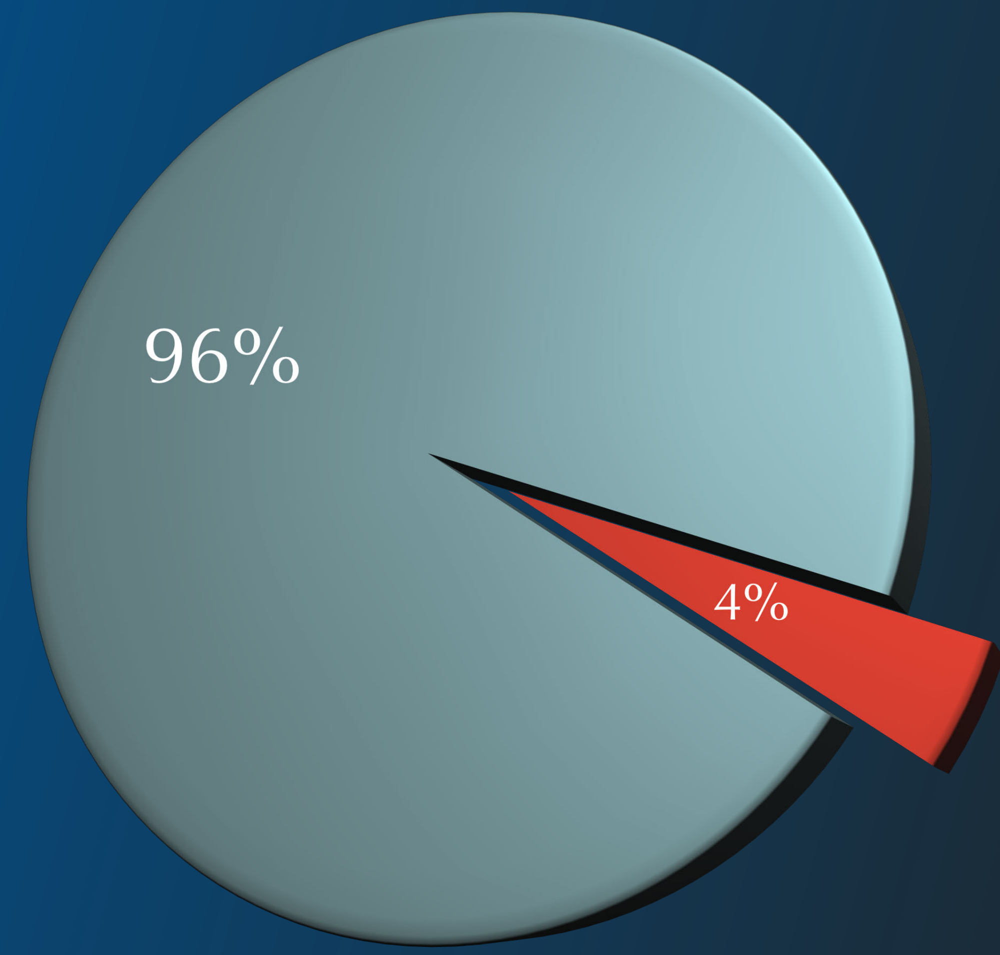
Survey Respondents

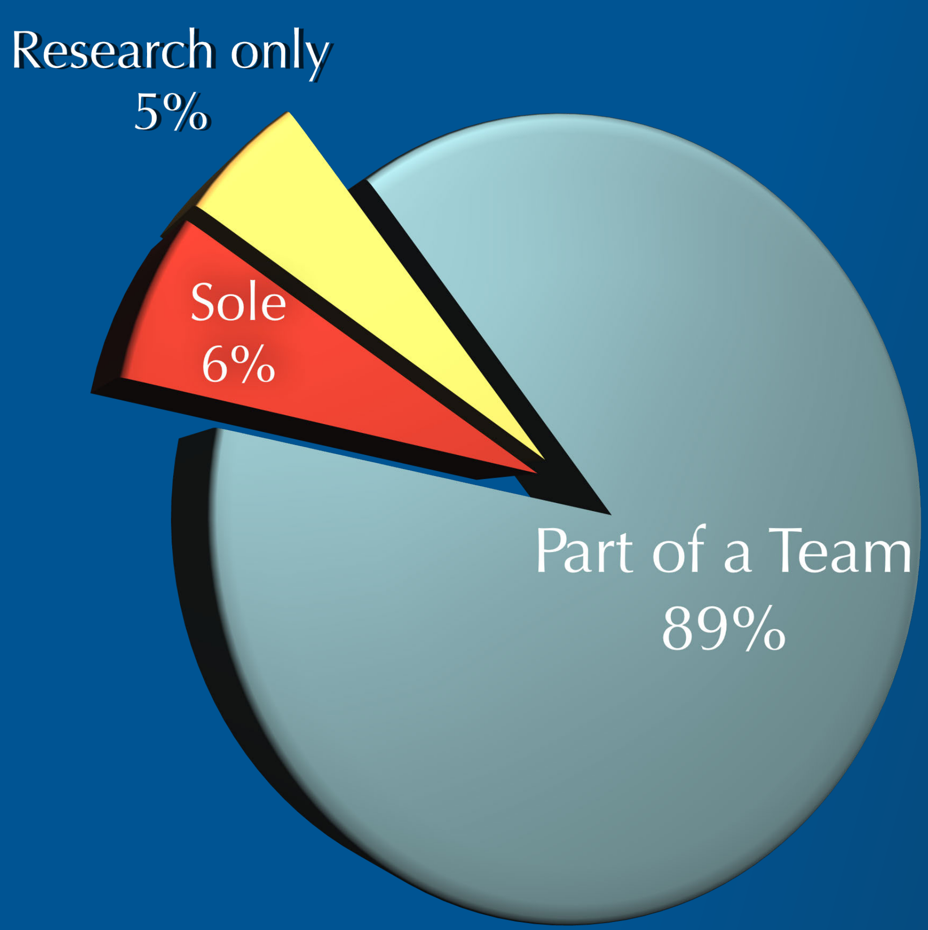
This year we asked our creative pros to self-identify company type.

- “Ad & Design” includes web designers, agencies large and small, and independent designers.
- “Other” includes education and non-profits.



96% of respondents use stock imagery in their work. Creative pros tell us that stock is critical to their success. They need more and better choices.





89% say they are part of a team which makes the final image selections.

Stock Images & Creative Pros

- Stock remains an important tool for creatives
- 53% said they use stock in more than half of their projects
- 32% use stock in 75 - 100% of their projects
- 53% license more than 100 images or clips per year
- 47% of respondents work with both stills & motion
- The love/hate relationship with stock is softening
- 63% say their use of stock will NOT increase next year
- Quality remains the top driver for image selection, yet..
- 74% say they sometimes must sacrifice quality for price

Key Findings in 2016

- 58% of those responding say they license RF content more than any other
  - Only 11% license RM more than any other
- 74% said quality is number 1, equal to those saying they must sometimes sacrifice quality for price
- Advertisers have long been more reluctant to buy subscriptions, however today 60% have at least one
- Publishers are more likely to have multiple subscriptions at this time, than advertisers or corporate clients.
- 57% of publishers use stock in at least 75% of projects
- Ad/design clients take longer to find images.
- 57% of ad/design respondents license both stills and motion
- Only 12% of publishing respondents license both

Use of Stock

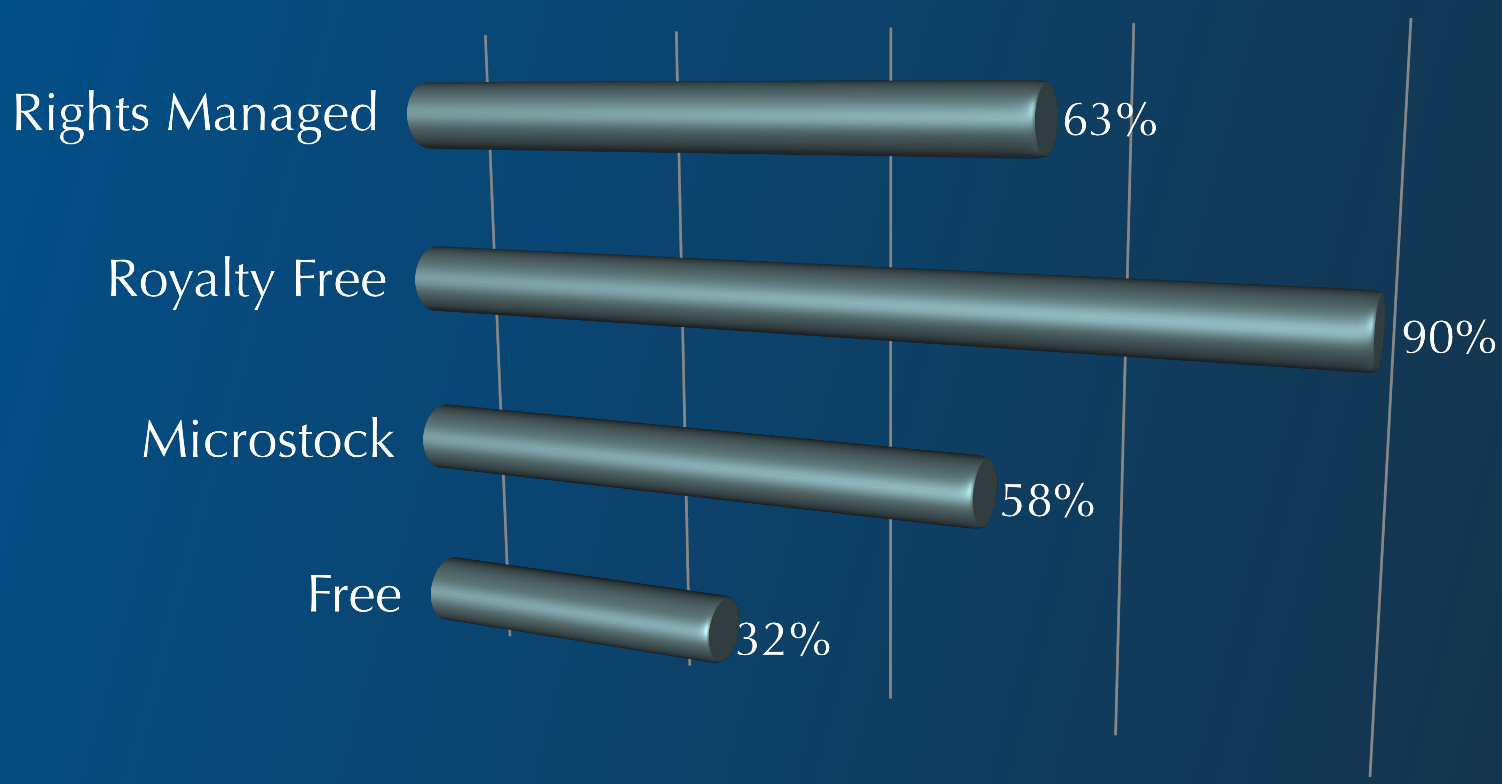
Do you expect your use of stock photography to increase in the coming year?	
Yes	37%
No	63%

Do you expect your use of stock motion to increase in the coming year?	
Yes	58%
No	42%

- The rapid increase in the use of stock photos appears to be slowing - 37% of respondents say their use of stock will increase next year. This is down from 53% in 2015.
- The number of creative pros who believe their use of stock motion will increase, is up to 58% from 39% in 2015.

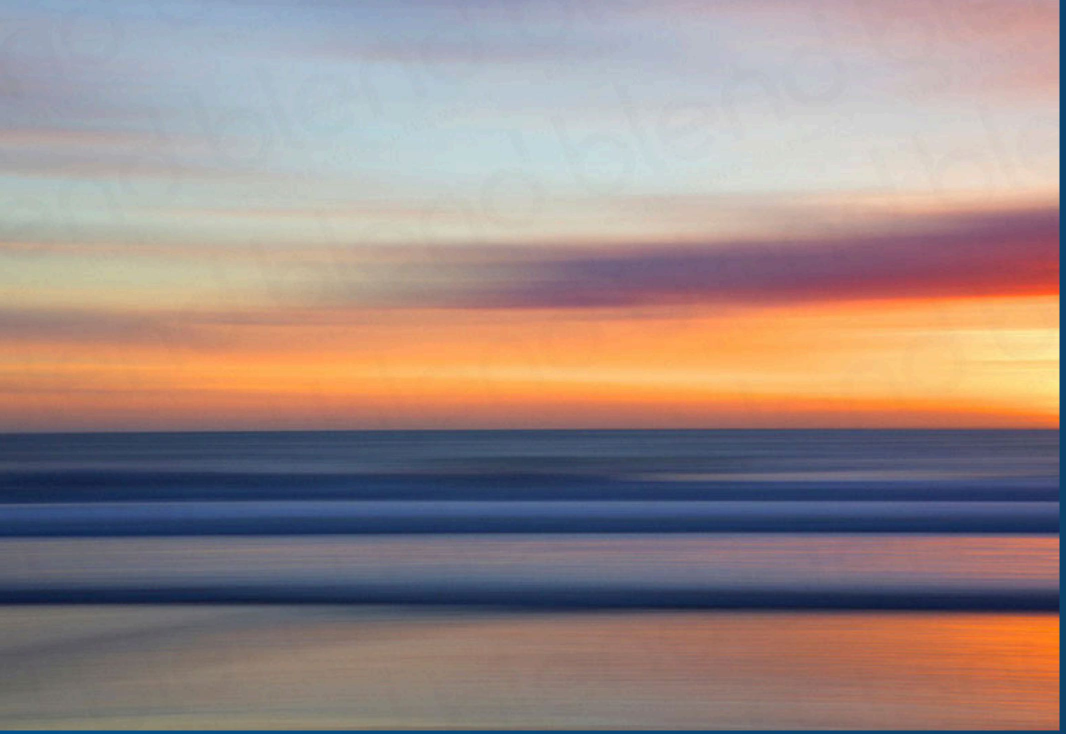
License Preferences

Which license types do you purchase?*

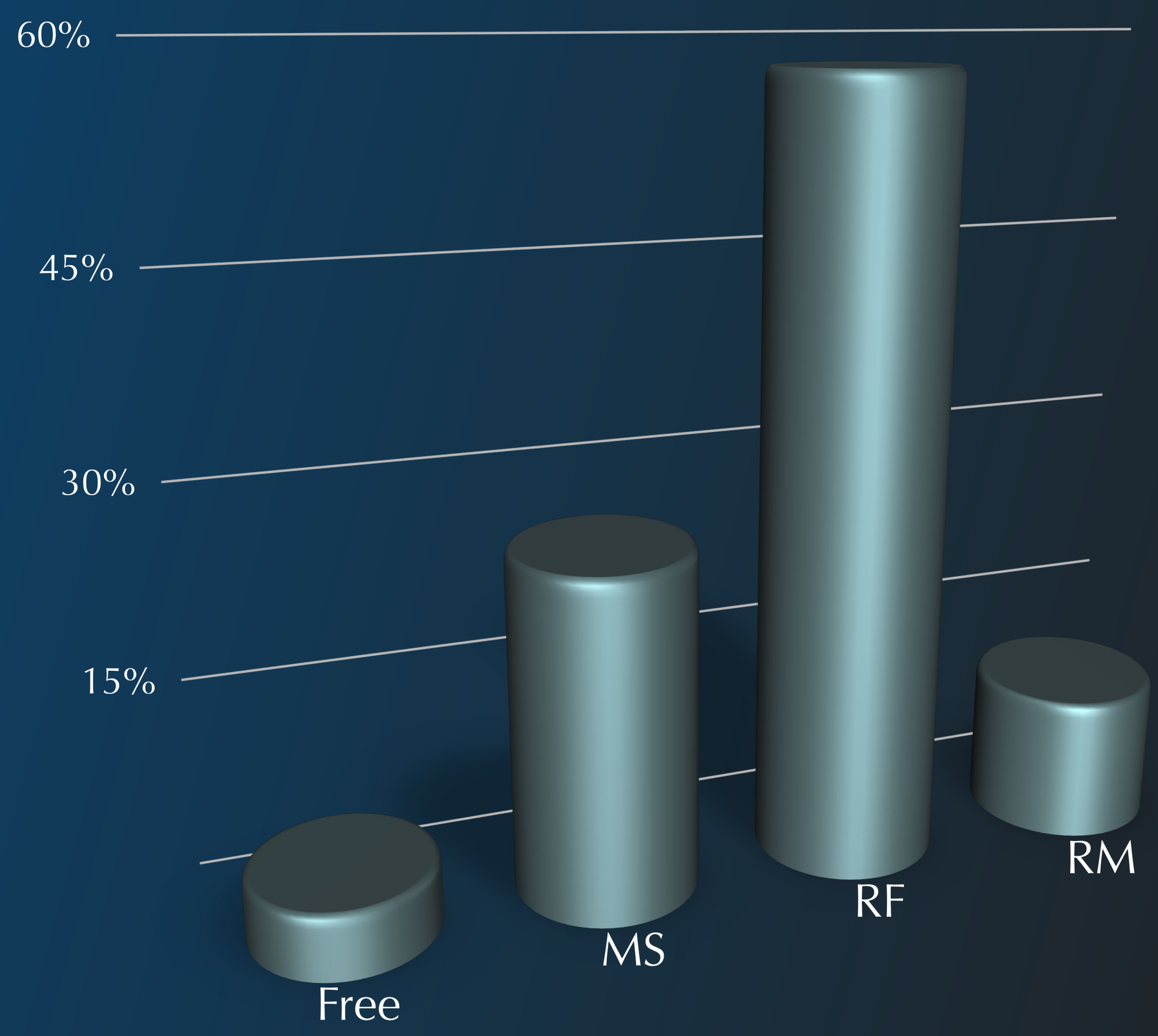


*All license types were defined to minimize confusion.

- Traditional Royalty Free has dominated as the favorite license type 3 years in a row. 90% of creative pros license traditional RF, slightly up from 2015.
- 63% of creative pros continue to license RM. This is up from 58% in 2015.
- 58% of creative pros license microstock, as in 2015.
- The number of creative pros using free images is down from 41% in 2015 to 32%.



Which license type do you license most?



- More and more creative pros say they license RF more than any other - 58% in 2016 versus 34% in 2015.
- While the number of creative pros licensing RM has increased (to 63%), the number of those licensing RM the most is down to 11% in 2016 from 25% in 2015.

Use by License Type

For which projects do you mainly use MICROSTOCK?

Digital (mobile,	**47%**
Print	37%
Video/TV	11%
Display	5%
Packaging	0%

For which projects do you mainly use ROYALTY FREE?

Digital	**37%**
Print	30%
Video/TV	12%
Display	12%
Packaging	9%

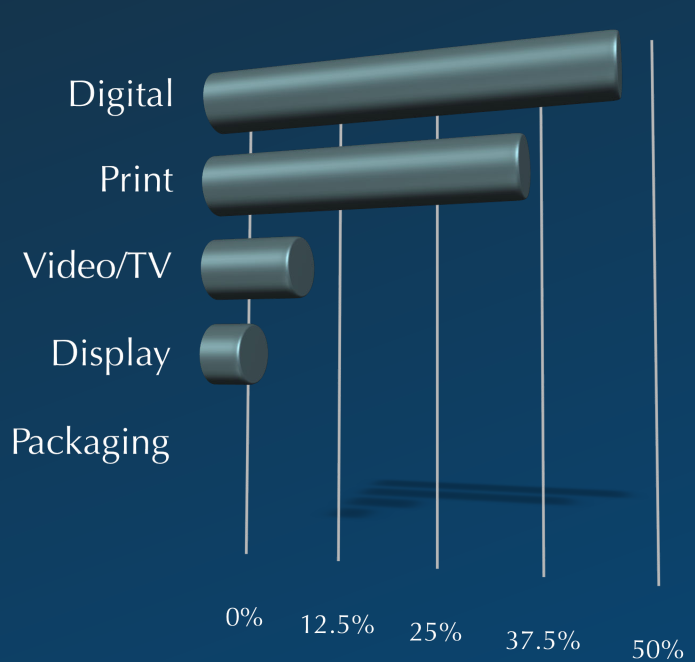
For which projects do you mainly use RIGHTS MANAGED?

Digital	23%
Print	**50%**
Video/TV	8%
Display	7%
Packaging	12%

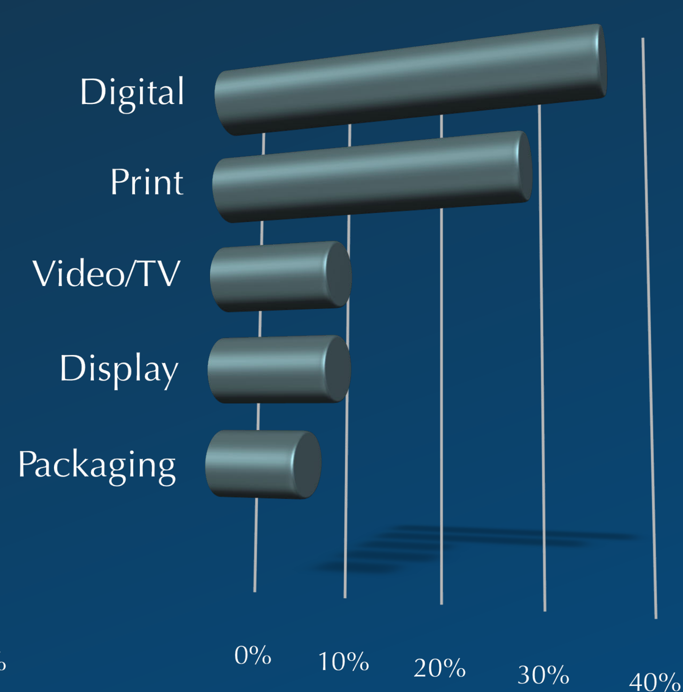
For which projects do you mainly use FREE?

Digital	**56%**
Print	**33%**
Video/TV	11%
Display	0%
Packaging	0%

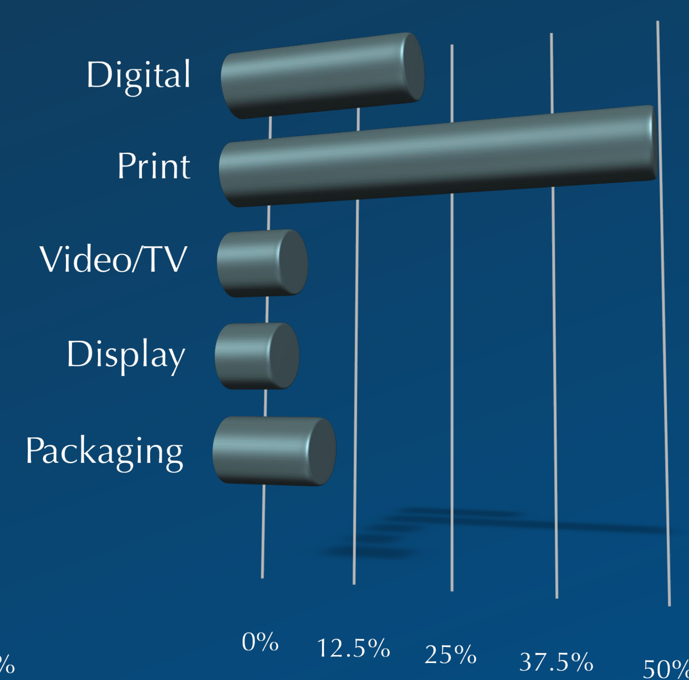
Microstock



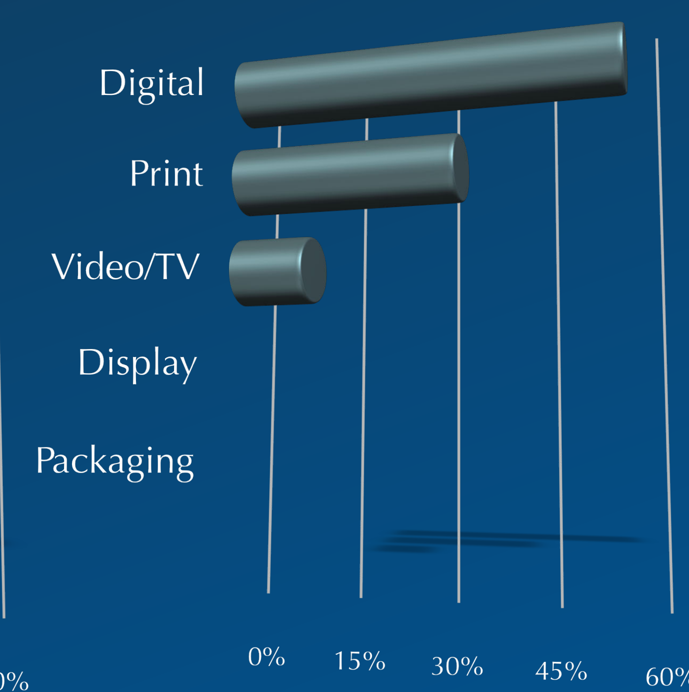
RF



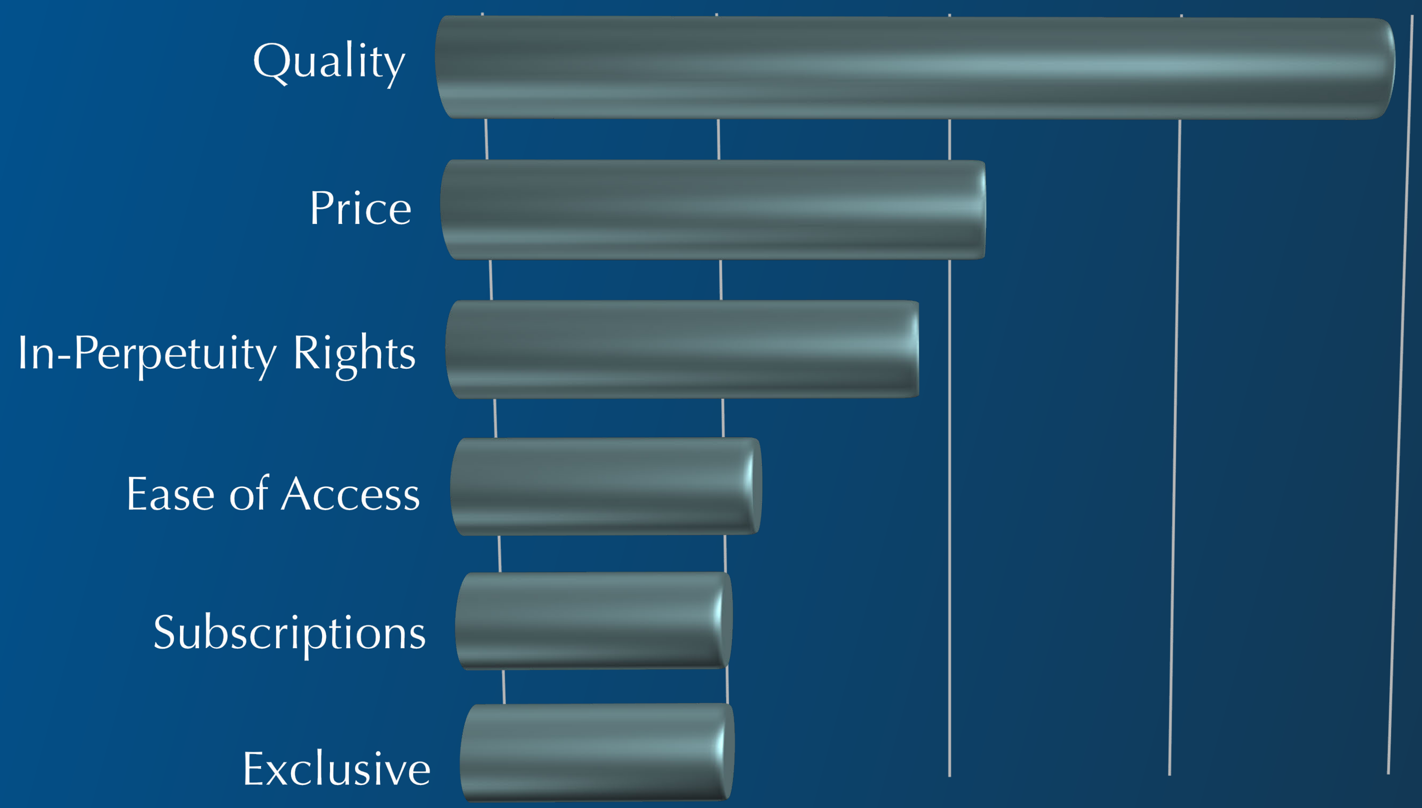
RM



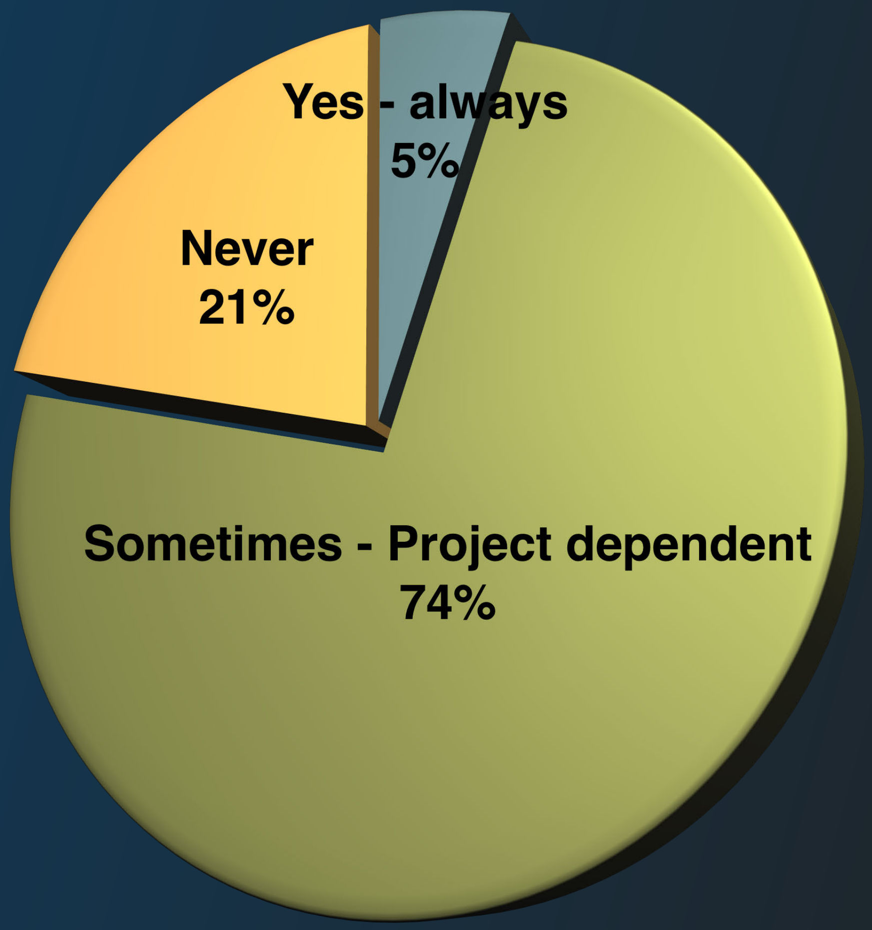
FREE



Most Important Purchase Factors



Will you sacrifice quality for price?



- Buyers continue to say that quality is the most important driver of the purchasing decision - and by a wide margin. However, 74% say they sometimes have to sacrifice quality for price. Price remains 2nd. In-Perpetuity rights moved to the 3rd spot from 4th in 2015.

- Those unwilling to sacrifice quality for price is down to 21% from 26% in 2015.

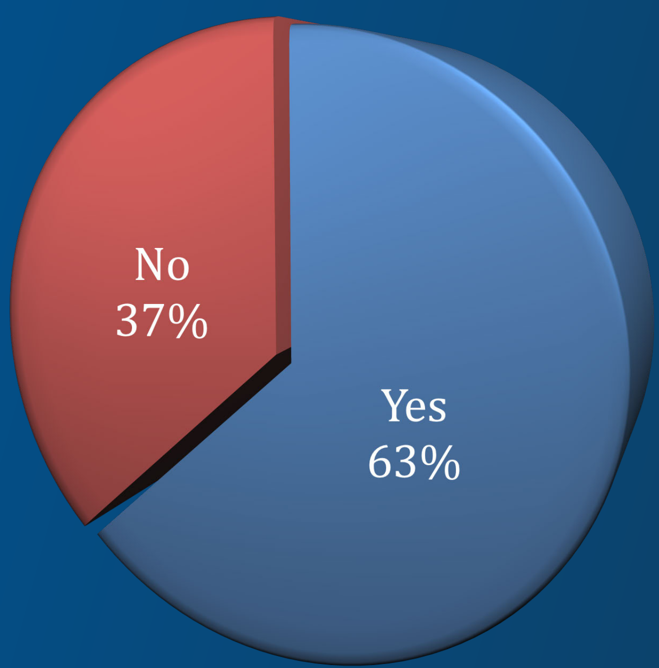
Subscriptions

While Clients *say* subscriptions are not an important purchase factor, they have embraced them:

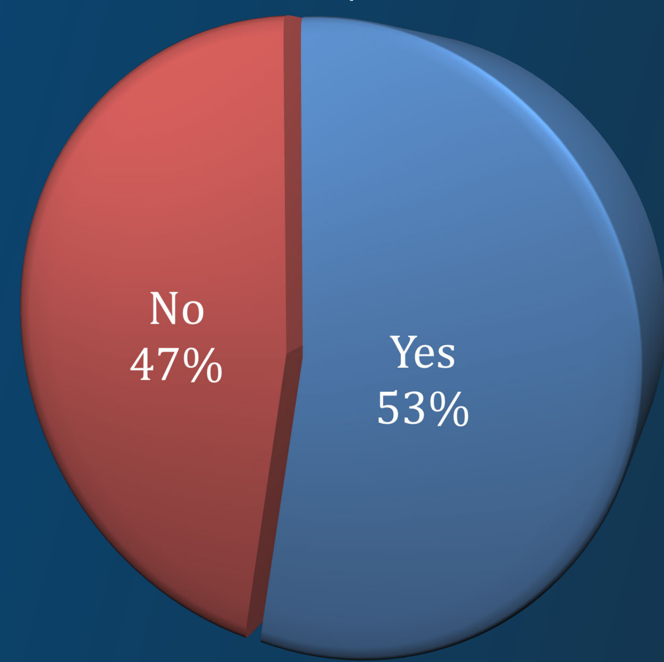
- Advertisers and “Other” (Ed and Non-Profit) are somewhat more resistant to using subscriptions
  - 39% of advertisers do not use subscription images
    - 43% use 50% or more images from subscriptions
  - 35% of “other” do not use subscriptions images
    - 48% say they use 50% of more from subscriptions
- Publishers have embraced subscriptions
  - 14% do not use subscriptions images
  - 76% say they use 50% or more from subscriptions
- Corporate buyers have embraced subscriptions
  - 24% do not use subscriptions images
  - 76% say they use 50% or more from subscriptions

Subscriptions

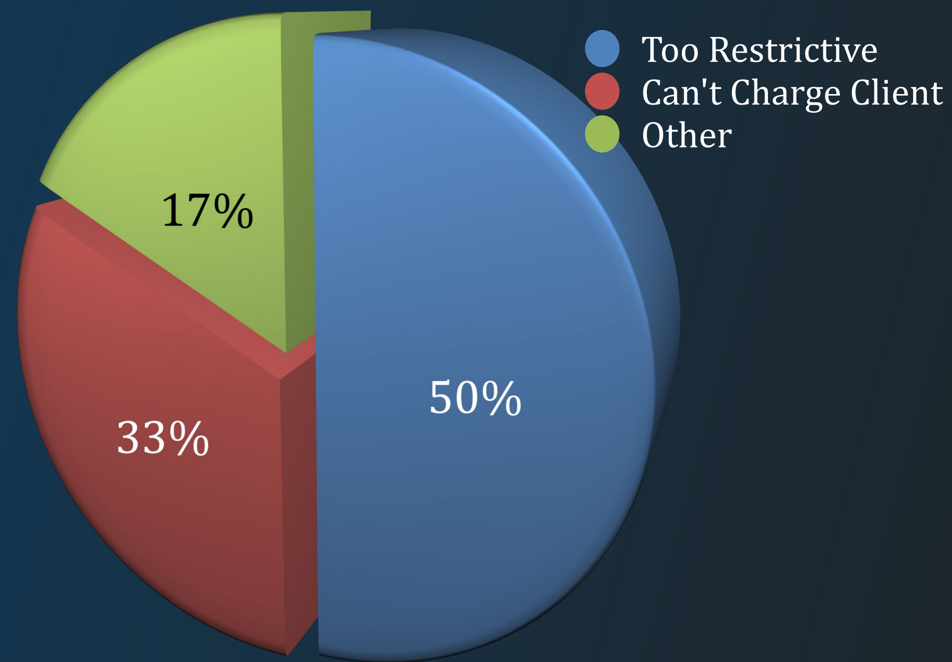
Do you have subscriptions?



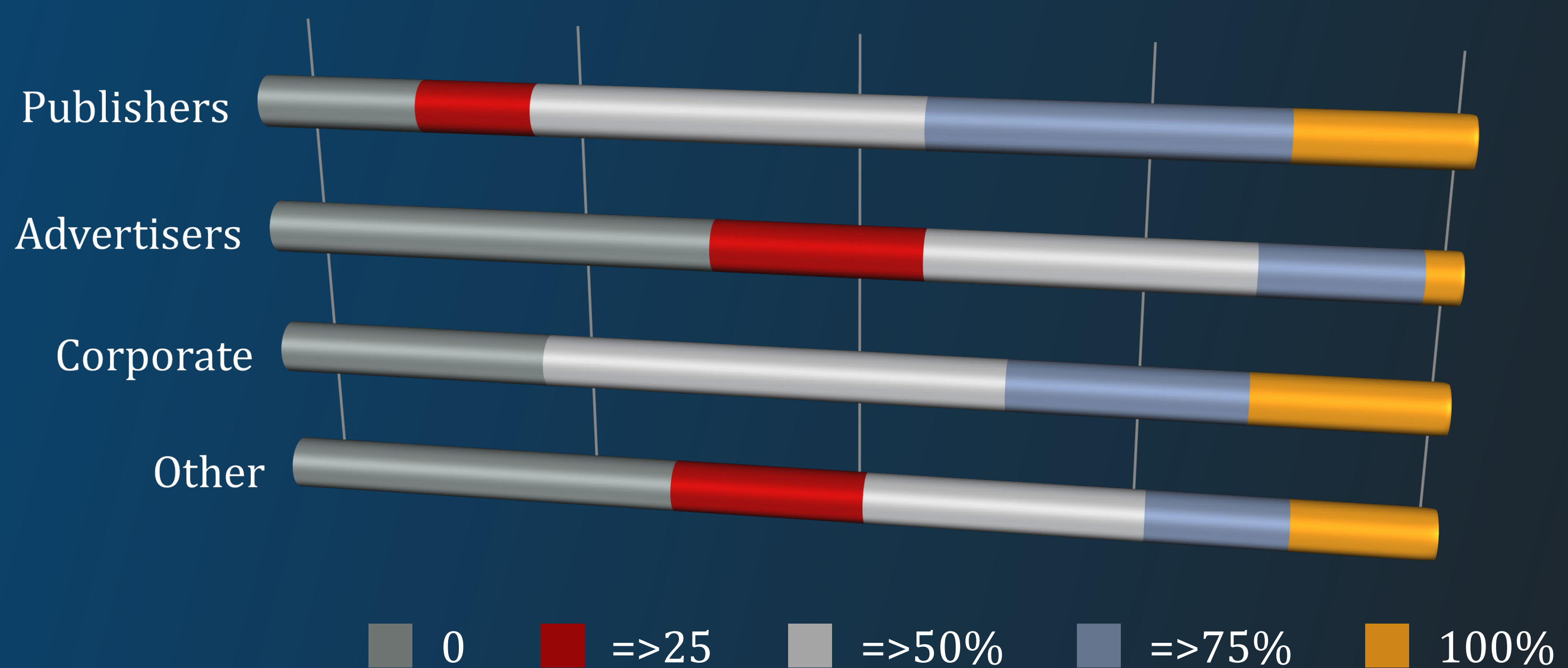
Do you have more than 1 subscriptions?



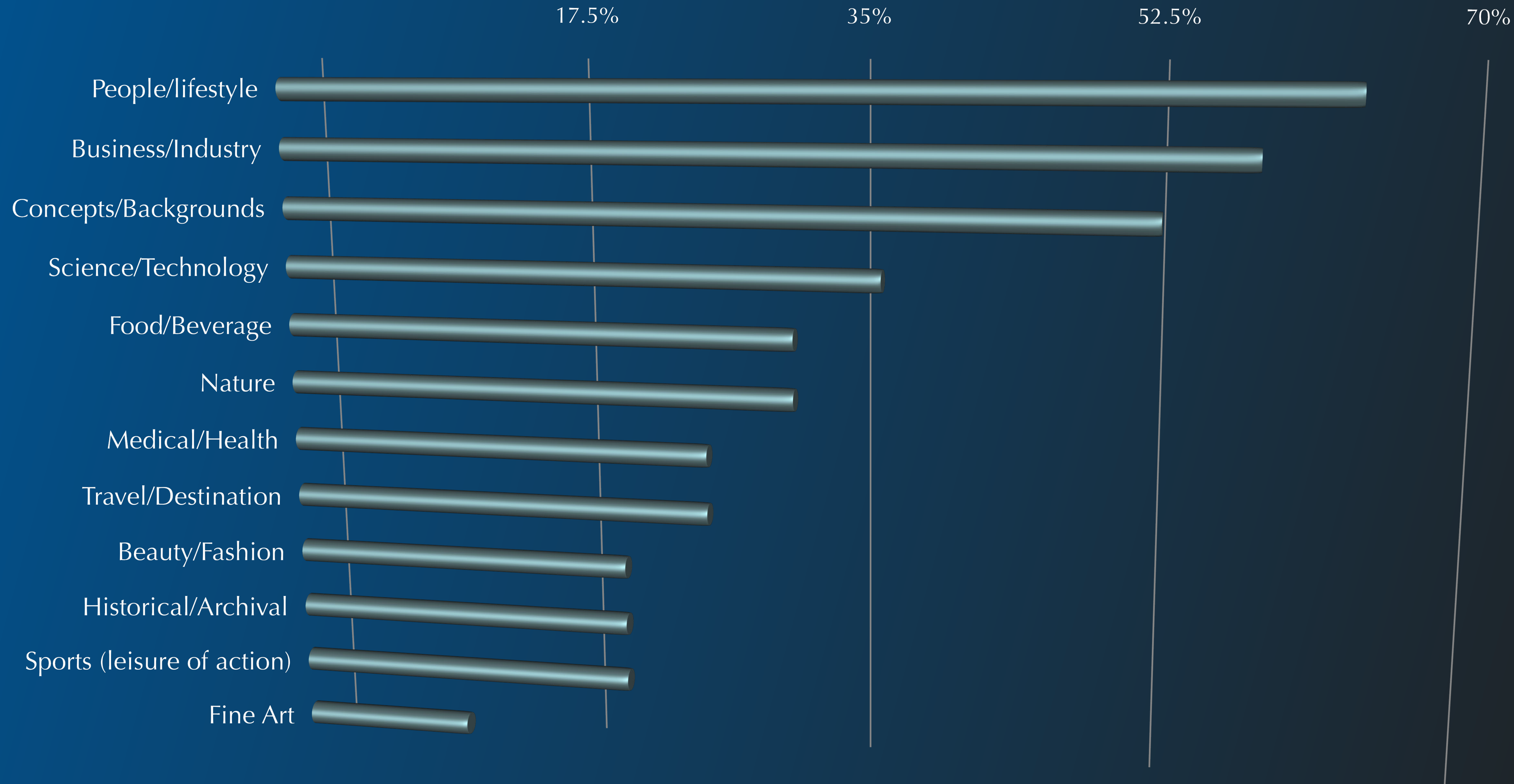
If not, why not?



What % of the images you use are from subscriptions?

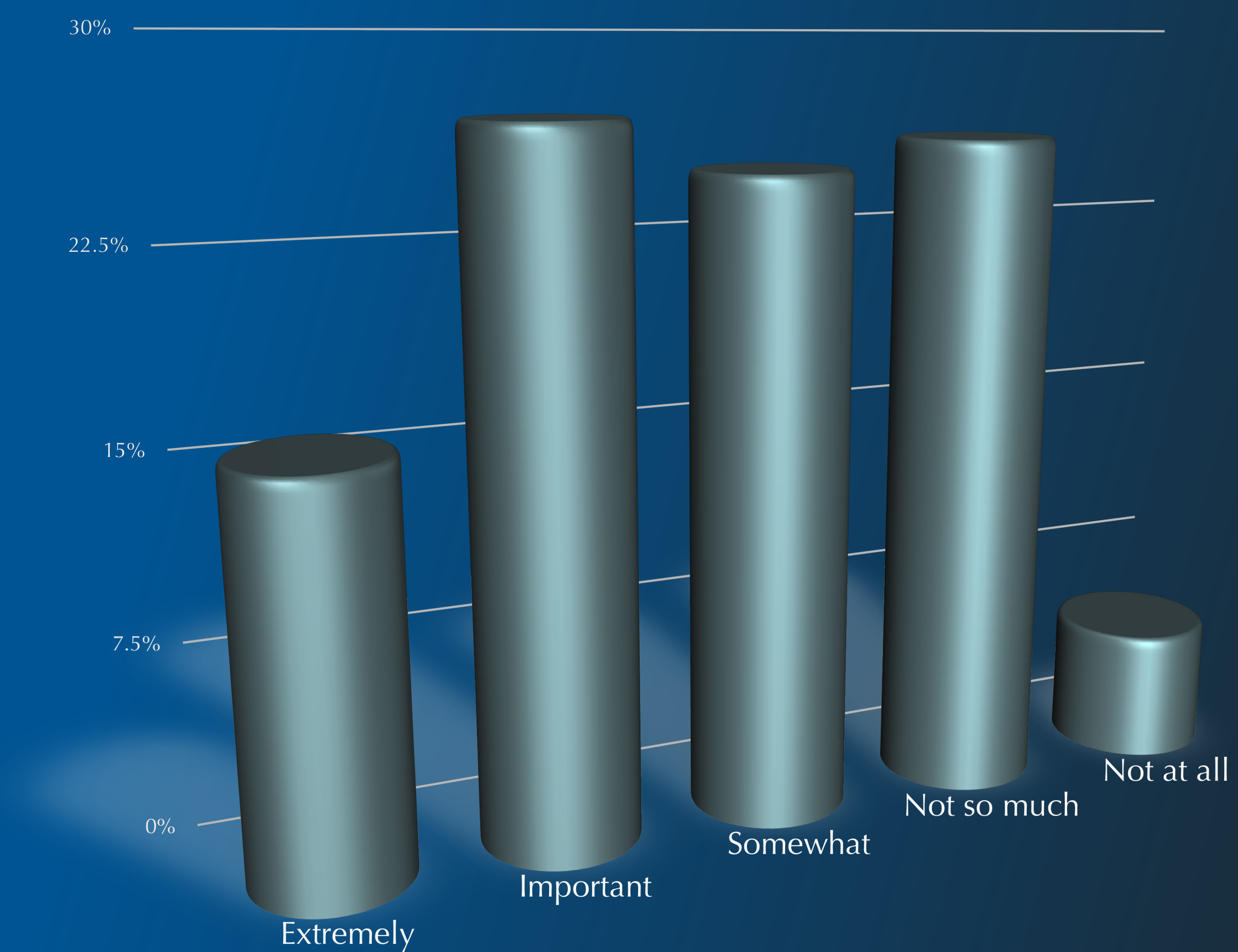


Most Needed Subjects



People & lifestyle content continues to be the most in demand. "People" also drive business, medical/health, and sports/leisure. Business/Industry moved to the number 2 spot from 3 in 2015. Buyers comment that they are looking for contemporary, authentic shots of people. Additionally, buyers want subject matter shot well in a fresh, contemporary and authentic way.

Importance of Sales Support



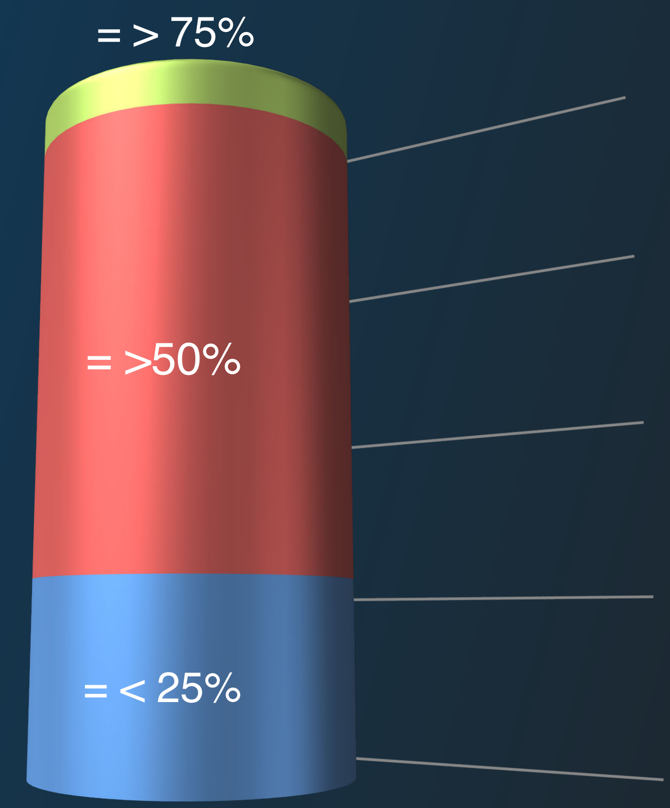
68.4% of respondents say support is at least somewhat" important." Clients prefer to license content without having to contact sales. However, when they need sales support, it is key. They want to be able to access support easily and quickly.

Art Buyers & Motion

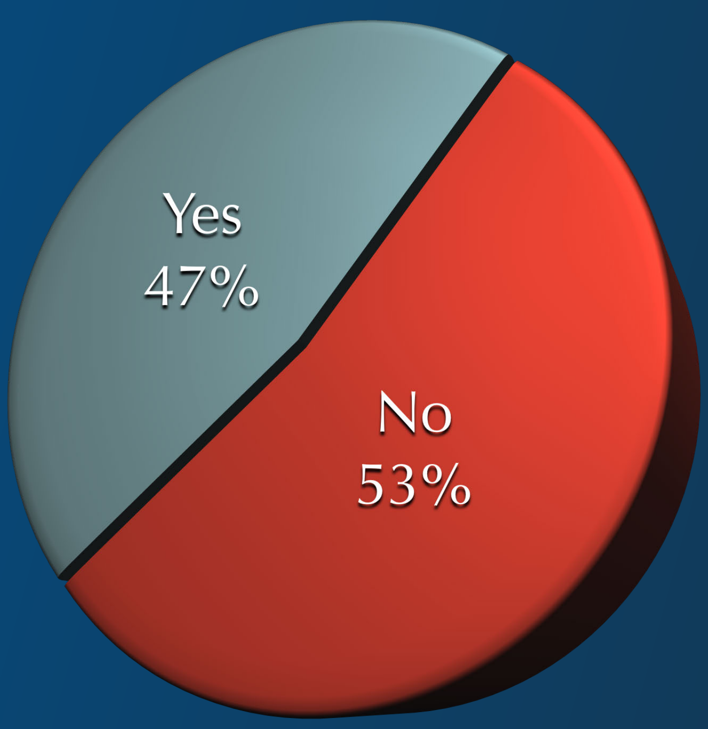
96% of respondents say they use stock. We looked at the use of both stills and motion. While less than half use both, those that do are using it in more and more projects.

- 47% of respondents say they license both stills and motion. This is down from last year. One reason may be the growth in respondents which may have shifted the user mix.
- Corporate and Ad/Design users are more likely to license both
- Of those using motion, 100% say they use it in at least 25% of their projects.
- 44% of those using motion use it in 50% or more of their projects.

Project Use With Motion



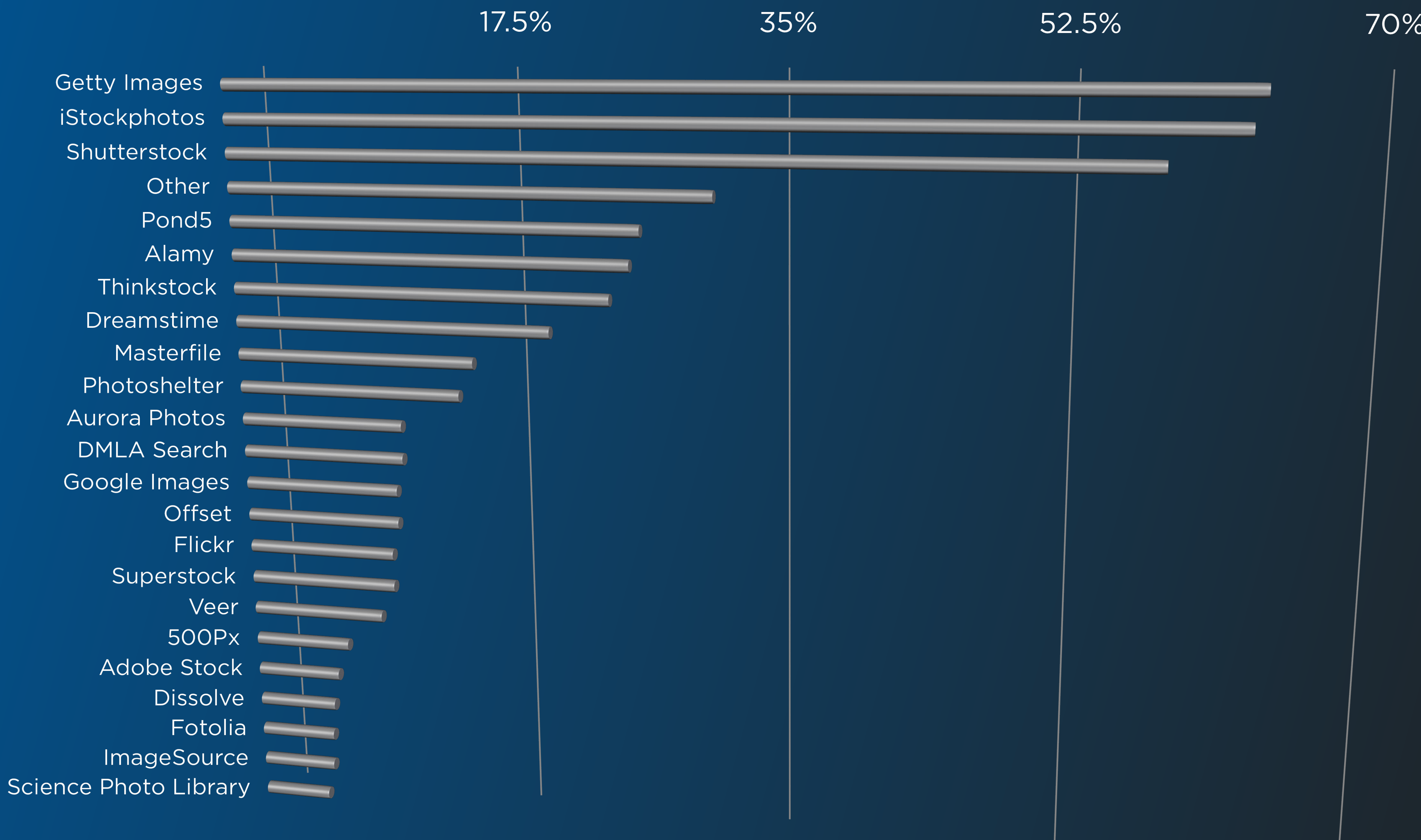
Use both Stills and Motion



Are you using more mixed media today than in previous years?	
Yes	**45%**
No	**55%**

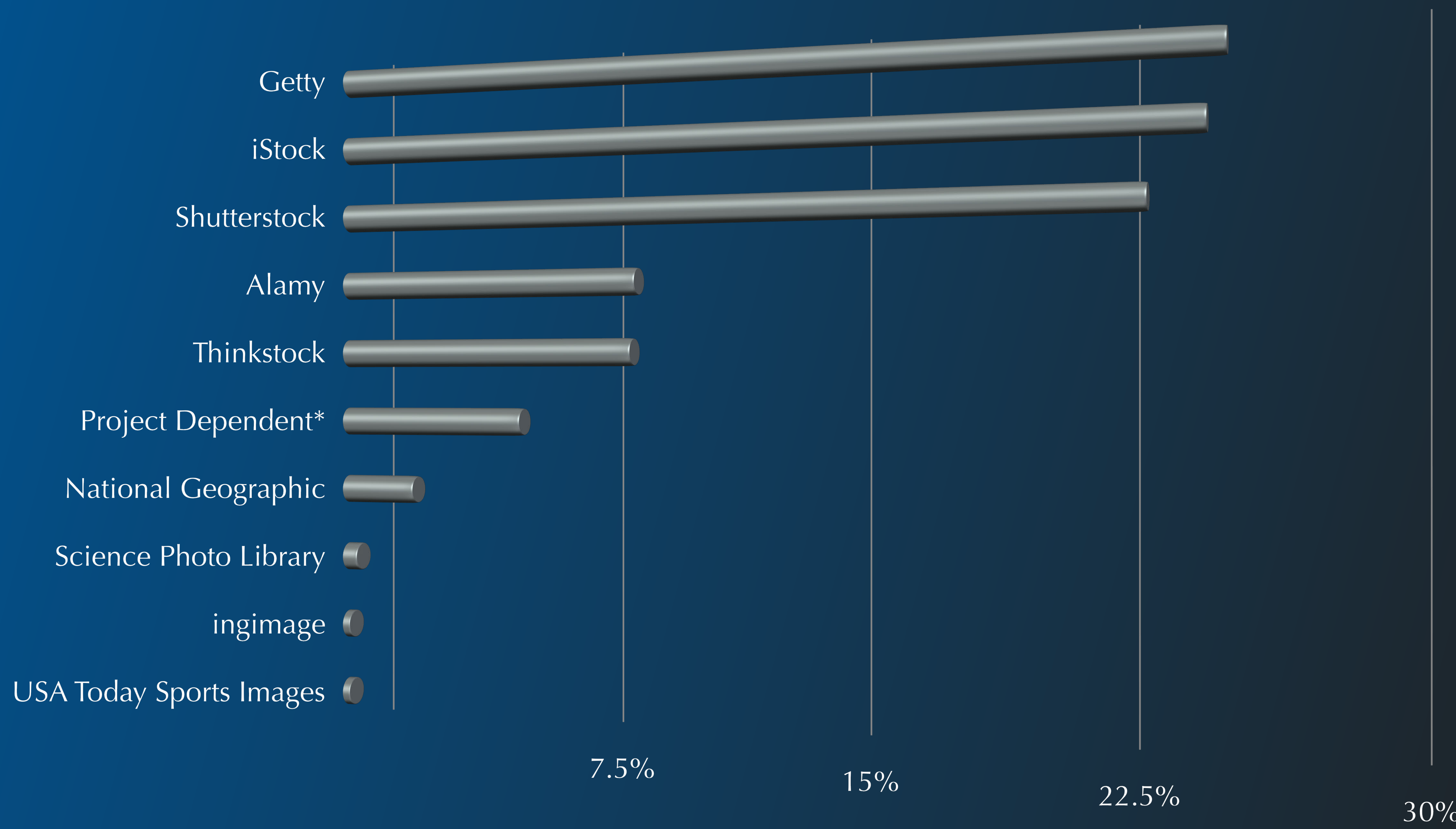
Each year we ask two questions to get a sense of brand awareness and top or favorite destinations. The first question is open-ended. A respondent can answer with as many names as they like. The second question asks each respondent to name their favorite, go-to, **first-stop** agency.

TOP of MIND - Favorite Destinations



Getty and Shutterstock swapped spots this year. Pond5 came in #5 and they were not on the list in 2015. There was a shift this year with companies moving up (Photoshelter, DMLA, and Aurora, for example) or getting on the list for the first time (Pond5, Dissolve and Science Photo Library). And, a few dropped off (Blend, Bing, Imagebrief). Note "Other" came in #4;

First-Stop Destination



The top 3 spots remain the same as 2015. The field narrowed from previous years with only 10 companies being named. National Geographic made the list for the first time, as did Science Photo Library.

Client Remarks

"Clear out the old images. And, we see too many of the same images."

"There is a TON of competition so find ways to make it EASY for the buyers, offer something special, stay competitive."

"Ease of electronic tools is fantastic. But my favorite agencies are the ones that know me personally. Although the industry is changing, keep the personal feel. The largest agencies (one in particular that is no more :-)) don't seem to get that."

"more variety"

"FYI...everyone under 30 years of age DOES NOT have a beard."

"I would like a much wider selection on Getty subscription. Also better filters, for instance eliminating hots with celebrities"

"Making searching images easier."

"I'll say it again, quality over quantity."

"Need more real images."

"Better photo metatags-keyword searching."

"Better options for research help."

"Better content in RF. Real authentic in nature."

"Make sure your sales people understand the business."

"I need a wider selection of global people."

"Don't email me so much!"

"I can't believe how many agencies have the same images. STOP."

"Move beyond the stereotypical things when showing people."

"Throw out the posed images."

"We mostly use royalty free but we need better options. Seems like the same content is everywhere. We look for unique resources."

"We use a lot of nature, sports, environmental shots. Need more good options"

"My use is a bit unique in the industry. My favorite agencies are the ones that I have had a long standing relationship with, some over 20 years. However, that relationship is contingent on my sales rep. If my rep doesn't know me, my pricing suffers, and I go to another agency. I hate it when an agencies continues to flip my from one account rep to another. I love it when my account rep doesn't change and I can develop a relationship with them. I have spent 28 years in the procurement business, the last 20 in image/footage acquisition. I have never seen a business so tied into a good rep/customer relationship."

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VisualSteam is a marketing and sales services organization that specializes in visual content markets. We work with producers, creators, and distributors to help them better understand and respond to market needs, and define strategies for expansion and execution. We also work with clients/image consumers and content marketers to help them acquire and manage visual content.

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