

Photo-Gifts

Going Beyond The Picture

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Wouldn't it be great if your customers were willing to pay you to advertise for you?

What am I talking about here, some magical revenue stream you never thought of? Nope, this very thing happens every day in this industry when someone buys a souvenir of their visit to a unique location or special event. And it's big business!

But are you really capitalizing on the profit potential offered by souvenir products?

There is a lot more to this concept than just stamping your logo or name on a product and throwing it out to the masses in hopes that they will buy. More and more, people are holding back on their disposable dollars and spending less when they come to visit, with souvenir products taking a hit.

A knee jerk reaction to this problem is to lower the retail selling price, but maybe it's not so much the price as the perceived value that is guiding your customers buying decisions.

When it comes to value and worth – perception is reality!

And while people are holding their wallets a bit tighter than in the past, special events, memorable moments and a fantasy land environment make it easy to forget about the drudgeries of everyday life, so that they may very well spend more than they planned, but only if they have a compelling reason. **Photo gifts can be that reason...**

NOTE: To keep the file size manageable, I have not included any images in the handout. However, the PPT presentation used in the class will have plenty of graphics and examples of the concepts discussed. If you are interested in receiving the PPT after the seminar, please email me at jlamb@sawgrassink.com.

The Hard Rock Syndrome

How many of you have heard of Hard Rock Cafe™? All of you of course! So a better question is: how did you become exposed to this well known brand? Was it all the great TV advertising? Nope, they don't do any. Must have been the radio spots, right? Nada, they don't do those either. So maybe it was all those full-color ads in national media? Wrong again.

The method that Hard Rock Café has so successfully used to build their brand is their line of souvenir products! In fact, they are so predominant in the consumer marketplace, that some of us refer to Hard Rock Café as a T-shirt Shop that sells hamburgers...

Hard Rock has capitalized on one of the key points that make a souvenir product desirable: "been there – done that". Looking at the typical Hard Rock product, it has the company logo, sometimes a really cool graphic and almost always a location "name-drop".

The name drop is a must for the casual visitor, as it gives them bragging rights for having visited exotic locations. Though it's true that there are Hard Rock groupies who don't care as much about the location as the brand, most people buy Hard Rock merchandise because of the "been there – done that" concept. And they aren't the only ones who have figured it out!

Harley Davidson™ is another up and coming player in the "been there – done that" souvenir market, as they have started down the same road with location "name-drops". That simple addition of text transforms the product into a collectibles category.

The Ingredients Of A Great Souvenir – The Customer's Perspective

Why does someone buy a souvenir? To satisfy a need! And that need (or needs) will define what makes a great souvenir product. The top three needs that must be satisfied by a given souvenir product are as follows:

1. Been There Done That – It makes a statement and provides bragging rights.
2. Graphically Appealing – Needs to be eye-catching and interesting. (Helps reinforce item #1)
3. Captures A Moment In Time – People like to take home a piece of a great experience.

While you might get away with 2 out of 3 occasionally, it really takes all three to be most effective. In addition, you should note the sequence above, as the characteristics are listed in order of importance.

The Ingredients Of A Great Souvenir – The Retailer’s Perspective

Inventory costs money, so a great product is defined by ROI. Inexpensive – Low production/procurement costs.

1. Low Cost – Inexpensive to procure or produce.
2. High Margins – Perception of value is on the high end.
3. In Demand – Inventory has a quick turnover.

But in reality, if you can’t see it through the customer’s eyes, then you are not likely to come up with the right mix. You would be surprised at how many people don’t buy, simply because nothing interested them. Price is not always the defining issue. In fact, many people would spend more if you gave them what they wanted. So if you focus too much on items 1 and 2, you may not every achieve item 3.

Bottom-line, this is an impulse buy, so there had better be a driving force to get the customer to stop and shop. Ideally, you want to convince them in 5 seconds or less that the souvenir is an offer of a lifetime, and if they pass it up they will never have a second chance.

Photo Gifts – The Ideal Souvenir Solution For Both Worlds

When done correctly, photo gifts are the ideal solution to meeting the criteria of both the customer and the retailer. But this shouldn’t be confused with just slapping a picture on something and adding a markup. There is a lot of psychology, creativity and positioning that are required to turn a basic picture into a real money-making product.

For the most part, photographic images fall into one of two categories:

1. Special Moments – Guest poses with characters, celebrities, landscapes, points of interest, unique backgrounds, entrances to attractions, special exhibits, etc.
2. Action Moments – Guests captured in extreme moments such as exhilarating portions of a thrill ride.

Because these are unique and personal moments, they obviously have some level of appeal to those captured in the images, though it may take a lot more processing to turn these pictures into products. It’s what you do with the picture after you take it that really makes the difference. To be effective, don’t think picture, think “a memory worth sharing with the world”.

Photo Gifts – The Challenges

As technology has advanced, it has put a digital camera into the hands of virtually everyone on the face of the earth. Everywhere you turn there are a bevy of cameras ready to record every breath you take. From cell phones, to point-and-clicks to sophisticated SLR's, it seems like everyone is in the business of capturing the exciting moments of life. The concept of taking a guest's picture, placing it in a cardboard frame and selling it to them for top dollar is fast going by the wayside, because they can do pretty much the exact same thing without spending a dime.

The key is to capture, process and print pictures in a unique way that is not easily duplicated by John Q Public. Part of the solution is controlled access to key areas that are photo-worthy. Obviously, fixed cameras on thrill rides are a prime example, as these areas may not be public. The same thing can be done with characters and celebrities. But in reality, it's not always about the limitations, but rather the enhancement of the "making a memory" factor that makes a photo gift a top seller. In other words, adding a level of excitement to the magic of the moment.

Photo Gifts – Adding The Excitement Factor

There are four components to the excitement factor:

1. Creative shots
2. Exciting graphics
3. Interesting substrates
4. Personalization & Customization

Creative Shots

Obviously the first step is taking a great picture. This means capturing the moment the right way, with high quality, full color images. A lot of thought needs to be given to angles, lighting, staging, etc. It also doesn't hurt to enhance the background of the photo area with bright colors and graphics, just to add a bit more of the "wow-pow" factor. In addition, resolution and image size need to be matched to the largest product that may be offered as a photo gift. For example, a t-shirt requires a much larger image than a keychain. Thus, the proper photographic equipment must be selected for the job.

Exciting Graphics

This is where you start to separate pictures from photo gifts. When you combine a personal photo with really cool graphics, then you transform that simple picture into a custom work of art that has a high level of appeal to the customer. The key is to have multiple graphical templates (designed to match-up with various products) that allow the guest to have a choice in what the final image will look like.

For example, with a roller coaster, having three unique graphic templates that allow the action photo to be inserted, gives the guest a part in designing their own product, rather than being restricted to one option. Good graphics can easily be the defining moment in the sales process.

This is also where you get in your advertising plug, as your logo(s) needs to play a prominent part in the graphics.

Interesting Substrates

The next aspect is choosing unique and interesting substrates. Everyone has different tastes. Custom t-shirts are a great way to go, but so are other items like license plates, mouse pads, mugs, photo panels, plaques, key chains, puzzles, coasters, etc, etc. The exact items you can offer will be determined by the method of imprinting. (More on that coming up.)

To really make this work, you need to strike a balance between the customer's needs and your needs. As you sort through the options of photo gift substrates, think not only about the appeal to the customer, but the ability to advertise your business. And of course, factor in the ability for significant markup as well.

For example, traditional photos in cardboard holders typically end up on shelves in someone's house, which means a very limited number of people ever see them or your logo.

On the other hand, products like apparel, license plates, headwear, etc are usually prominently displayed in public, which means more visibility and promotion for your facility.

Personalization & Customization

Along with offering some great graphics, being able to produce a reasonable amount of customization will also up the ante quite a bit. It's usually a simple process to drop in the guest's name and/or a date or maybe a special occasion. The key here is to keep the choices simple so the ordering process is quick. For example, fonts and layouts should all be kept to a bare minimum. Personalization can add a lot of value, but only when it doesn't dramatically increase the cost of production.

Photo Gift Production – Turning Pictures Into Profits

Photo Gifts are not something that can be massed produced; rather they are created when ordered using various forms of digital “on-demand printing”. The technology for on-demand printing is such that the equipment and production costs are low while the output and markups are high. Plus, the processes are easy to operate with very little skill required. The most common processes that produce some of the best photo gift products are:

1. Direct-To-Garment Printing
2. Digital Transfer Printing
3. Sublimation Printing

These are not the only forms of printing photo-gifts, but when it comes to cost-versus-output-versus-margin, they typically rank at the top of the list.

Direct-To-Garment Printing

Direct-To-Garment Printers (DTG) are basically large inkjet printers that apply pigment inks directly to the surface of cotton based fabrics. Though they can be used for embellishing some non-apparel surfaces, it’s important to ensure that the ink set is appropriate for the surface to ensure high quality, long lasting prints.

The process is quick and simple. It begins with a picture being sent to a computer where it is merged with the desired graphic. The final image is then transmitted to the DTG Printer, which prints directly on the surface of the garment. There is no limit to colors and no color separations are required. For the most part, it is click and print.

Upon completion of the printing, the item must be heat set to permanently cure the ink. This is usually done with a heat press and takes about 30 seconds. The end result is a customized apparel product with a high quality personalized image. It can easily sell for upwards of \$25.00

DTG Equipment Costs – Printer \$20,000+, Heat Press \$800*

DTG Printing Costs – 8” x 10” full color image - \$0.80 to \$1.50*

DTG Printing Time – 8” x 10” full color image – 1.5 to 2.0 minutes to print, 30 seconds to set*

DTG Photo Gift Products – Apparel, some hard surfaced items when combined with proper ink sets

*Average costs for reference and comparison. Actual costs will vary with equipment, image size, image coverage, etc.

Digital Transfer Printing

If you have been in the business for awhile, the term “transfer” may give you waves of nausea, as the transfers of years past were of poor quality and low resolution. The traditional transfer was a piece of rubbery looking material with an image on top and heat seal adhesive on the back. It was attached (or welded) to the surface of the product using a heat press. It was kind of like applying a patch to a garment. The result was passable, but most transfers couldn’t survive more than a handful of washings, before they started to crack and peel. Thus, the consumer became very wary of the process and tended to avoid products created with such transfers.

Digital Transfers are a completely different ballgame! With the modern production process, an image is created using a computer, then printed out with an inkjet printer and pigment inks onto transfer paper which is a **temporary carrier**. The paper is placed face down on the surface to be printed, and heat is applied using a heat press. The heat and pressure cause the image to transfer off the paper and into the surface of the garment. Upon completion, the transfer paper is discarded, leaving behind a vivid image embedded in the fibers of the garment. This is definitely not a surface application and the image will not crack or peel with multiple washings.

The quality is comparable to that of DTG, thus custom photo gift t-shirts can easily retail for \$25.00 and up.

It should be noted that screenprinting, which is the traditional method for mass producing printed apparel, is a surface application and is not as durable as digital printing.

Digital Transfer Equipment Costs – Printer \$300 to \$2500, Heat Press \$800*

Digital Transfer Printing Costs – 8” x 10” full color image - \$1.24*

Digital Transfer Printing Time – 8” x 10” image – 30 seconds to print, 1 minute to set.*

DTG Photo Gift Products – Apparel, some hard surfaced items when combined with proper ink sets

*Average costs for reference and comparison. Actual costs will vary with equipment, image size, image coverage, etc.

Sublimation Printing

Sublimation is actually a dye rather than a pigment ink and is formulated to work exclusively with polymer fibers. Because it is a dye, it actually impregnates the fibers being printed. The end result is a permanent image that won't peel or crack when applied to hard substrates. With fabrics, sublimation won't crack, peel or fade when washed.

Sublimation printing uses the same basic process as digital transfer printing. The only real difference is the type of ink (dye) and the type of surface that the ink works with. In the case of sublimation, the dye only adheres to polymer fibers, which in the case of apparel means 100% polyester. With the popularity of poly-performance, moisture-wicking fabrics, sublimation is a viable method for creating apparel-based photo gifts on these in-demand specialty garments.

However, what really sets sublimation apart from all the other digital processes discussed is the wide assortment of hard substrates including photo panels, coasters, mouse pads, plaques, signage, key chains, dog tags, puzzles and a whole lot more.

Sublimation Equipment Costs – Printer \$300 to \$2500, Heat Press \$800*

Sublimation Printing Costs – 8" x 10" full color image - \$0.64*

Sublimation Printing Time – 8" x 10" image – 30 seconds to print, 1 minute to set.*

Sublimation Photo Gift Products – Poly performance apparel and a wide variety of hard surfaced items

*Average costs for reference and comparison. Actual costs will vary with equipment, image size, image coverage, etc.

Conclusion

To wrap it all up, custom souvenir photo-gifting is a lot more than pictures in a wallet or cheap trinkets. And though it may sound like it's outside of your normal routine, if you look closer you will find it's a nice complement to what you may already be offering. And even more importantly, the cost of digitally printing photo-gifts is so low, that the ROI becomes very appealing. You don't have to spend a lot to make a lot; you just need to find creative ways to generate high margins with low costs and photo-gifting is the perfect tool for accomplishing that goal.

Thanks For Attending!

If you have questions of me after the event, please feel free to contact me at:

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