Practically every stock-photo house has a Web presence, but what are the advantages of using their online services? Go behind-the-scenes with three agency sites to sort out the pros and cons of "stocking" online.

No, "Internet stock" isn't the latest option for investing your hard-earned design wages. It's the latest, greatest incarnation of stock photography and the wave of the future, according to industry experts. Finding and purchasing images online is already here; it's a big business that's getting bigger every day.

Stock-photo Web sites initially debuted as purely informational entities. They've now evolved into interactive, functional destinations where designers can search for images and receive delivery online. Armed with the knowledge that the Web is a revolutionary mode of product delivery and provides almost unlimited access to millions of designers around the globe, the stock-photo industry is firmly entrenched in the online world. Here, we'll take a look at three stock houses on the leading edge of this technology: The Stock Market Photo Agency, Definitive Stock and SuperStock. These companies are carefully approaching the online phenomenon and examining what the future holds for them in this burgeoning, competitive market.

Stock-Photography Bonanza

In 1997, New York City-based The Stock Market Photo Agency (TSM) realized the Web represented a golden opportunity to better service existing customers. It also banked on reaching the untapped market of designers and non-designers in search of quality stock images. TSM launched its Web site (www.stockmarketphoto.com) in November 1997 with three primary goals: offer a site that's simple to navigate; allow for easy image searches; and highlight fun, interactive content.

TSM introduced free online delivery of licensed images in 1998, as well as its "Live Picture Image Server," which allows designers to examine images online. The site has steadily evolved into a virtual photo warehouse featuring more than 50,000 rights-protected images, and has become a primary cornerstone for the company's overall business operation.

"The Web changes the way we approach our business and the way we think about everything," says Dave Anderson, marketing manager for TSM. In 1998, one-third of TSM's Web customers were people who had never previously done
business with the company, which Anderson offers as "proof that people are finding us and finding us useful." With the ubiquitous nature of the Web, TSM's site has piqued the interest of more than just TSM's traditional customer base. "We see people looking for images who might not have a commercial use for them," he says.

Despite its advantages, Anderson notes that Web-site visitors are still dubious about forsaking traditional stock-photography protocol altogether. "So far, there's been a stronger preference toward digital surfing than there's been toward digital delivery, but this will change as people become more comfortable with technology," he says. "We know customers will embrace any new technology once it makes their lives easier."

In 1999, TSM plans to turn the site into a one-stop shopping cybermall with a variety of stores featuring more than just image collections. The first step in this process was a site redesign in February characterized by Anderson as "a framework to offer new features," including new content areas. The first new area offers royalty-free images; designers pay one licensing fee and are able to use images an unlimited number of times. The second area, "CreativeVille," is a place designers can visit for a dose of inspiration by networking with peers, learning about design competitions, and linking to other sites. Anderson says CreativeVille gives designers "a reason to visit the site every day."

Rounding out the one-stop-shopping concept is the newly unveiled e-commerce function of TSM's Web site, which enables designers to search for, download and purchase images online. The ability to deliver products online is what Anderson calls "the ultimate step," because stock photography is one of the only industries where this is possible. He cites Internet heavyweights such as Amazon.com and Barnesandnoble.com in saying, "One thing they're never going to be able to do is to deliver products online. This is one of the reasons the Web is so exciting for stock photography and designers - it's an area where the technology is going to change the industry much more quickly than in other industries."

All or Nothing

The genesis of Seattle's Definitive Stock centers around online sales. The company, which celebrated its September 1998 opening with the unveiling of its Web site (www.definitivestock.com), concentrates on bringing the industry's best images online. "We're not going to try to put a million pictures online, we're going to try to put the right pictures online," says Dave Roberts, Definitive Stock's chief executive officer.

Roberts sees his company leading the pack in terms of search capabilities as well. "I think this is the direction the industry is headed - having good, useful
Definitive's Web site boasts 1,000 visitors daily as it focuses on high-end customers and "professionals that know the difference between royalty-free and rights-protected images," Roberts says. "These are the customers that drive this market - the people that are really professionals - because they're the ones that really drive the clients and revenues. We're finding designers are using stock photography more and more because it's easier and cheaper than it ever was." What's more, with a target market of between two to four million design professionals, there's no shortage of customers in the high-end market. Roberts adds that Definitive wants to keep its premium image and won't enter the consumer market: "It's not a place we want to be. I don't believe Ma and Pa Kettle buy pictures.

The company's philosophy also differs from some of its competitors in that Roberts feels the industry should be focused more on designers than photographers. "We believe that if we optimize around designers, photographers will be happy because they'll make more money." Definitive's Web site debuted exclusively with royalty-free images but added rights-protected photographs to the mix in early 1999. The biggest challenge for the company in the rights-protected arena is figuring out an appropriate pricing system. But Roberts believes they've found the answers to this dilemma - "We've spent a lot of our own engineering efforts trying to build a system that gives the customer a comfort level that they're getting a fair price and the right price," he says.

Being such a young company, Definitive has its tripod firmly planted in the present but its viewfinder set squarely on the future. The company strives to be the premier online stock-photography site, and Roberts thinks Definitive has the upper hand because its technology allows designers to conduct better searches.

With the 1998 acquisition of Portland, Oregon-based Borland Stock Photo, Roberts sees Definitive as a "huge player" in the acquisition market in 1999. The goal is to acquire companies with strengths that Definitive lacks. Much of the company's traditional "offline" business has come as a result of Borland's previous accounts.

With his eye to the future, Roberts observes, "People like the whole online-buying experience... We think we're really set to establish what Web commerce should feel like in stock photography."

**Getting It Right on the Second Try**

Jacksonville, Florida-based SuperStock hit the cyberground running in October 1998 by offering designers a purely informational Web site. The site
(www.superstockimages.com) lets visitors sample and preview SuperStock images, explaining that purchases must be made by calling the company. Photographs are divided into three categories: vintage, fine art and contemporary. A “Question and Answer” section offers information about stock-related issues, like copyrighting and submitting images.

Shortly after SuperStock's Web site launched, however, the company determined the site was coming up short in at least one critical area. "We thought the informational site was going to last us about a year. But our market research indicated that our clients wanted to search on the Web, so we really speeded that up," says Beth Hinckley, vice president of marketing for SuperStock.

In early 1999, the stock house introduced an improved Web site complete with a feature that allows visitors to search its archive of images. By entering key words or categories, SuperStock's core clients - designers, advertisers and publishers - can locate any of the site's more than 30,000 images. But the company markets beyond designers at traditional firms. "There's such a huge freelance community out there. We’re really anxious to service that market, and I think the Web search is the first step," Hinckley says.

The company's goal is to make the site fully e-commerce by late 1999, a place where customers can order, purchase and have images delivered online. SuperStock's online direction is clearly the wave of the company's future, but the need to serve customers in a more traditional, low-tech manner won't go away anytime soon. "There's such a wide variety of needs out there that we're trying to service, and we think that's not going to ever shift completely from one to the other," says Cecile Jackson, public-relations manager for SuperStock. "It can be pretty time-consuming to search on the Web...We're trying to meet the needs of everyone and not everyone has time to search the Web."

Despite projecting a large portion of the company's growth commensurate to the success of its Web site, Hinckley says SuperStock is still coming to terms with harnessing the Web's potential. "We're all struggling with how we can use this new technology in a different aspect of this business," she says. "I think that's why all of us are still in this baby-step phase. We're really having to re-think marketing traditional stock imagery."