

EMA 370 - Practical Arts Entrepreneurship

Crisis Management Scenario #2

CM Plan due Sunday 4/10 @ 9PM

Scenario:

Artist: Family Photographer

A(a)rt: Color and b/w photos of families, newborns, assorted progeny, events, pets but no weddings. The photography is done either in the artist's studio or at the family's house / event location. Photos are only slightly retouched. The most valuable aspect of the A(a)rt is the photographer has a great eye for backgrounds and getting the subjects to interact with the space—absolutely stunning A(a)rt as the price point reflects.

Price Point: Varies. Single portraiture sitting \$650 to group on location / event sittings within a 75 mile radius of Raleigh \$2,500

Memberships: *Professional Photographers of America*

Inventory: NA

Marketing channels: Personal Website, word of mouth, a series of online ads (generally targeted towards those hitting upscale family and cooking sites) during the late winter to nudge the market for the late spring / summer / early fall season.

Social Media Presence: Mostly Instagram, an active and updated FB

Pre-Crisis Spring / Summer 2020 Plans:

- Was planning on scaling due to increasing requests and a desire to leverage the brewing tourist market in Asheville and the need for good quality head shots for Charlotte executives. Planned on hiring (commission basis only) a new photographer to handle the Charlotte / Asheville region plans. This said, the photographer has yet to reach out to the Asheville brewers or distillers.
- Was planning to upgrade computer & software for post-production.
- Otherwise, business as usual.

Financial Considerations:

- This is a full time gig, launched in summer of 2017.
- Finding a non-arts gig to fill in the anticipated “no income” summer is going to be not only tough, the artist was worked very hard (and smartly) to build the venture and considers a non-arts gig of any kind a total capitulation to the crisis. Indeed, the artist is willing to fight to keep the venture viable, even if it takes a summer of zero sittings.
- Thankfully, there are some savings (\$25,000), an approved application for the recently passed Federal emergency small business package (\$18,000 requested - who knows when that \$ will arrive if it'll arrive at all), a large personal credit card balance (\$225/month min), a car payment (\$327), studio rent (\$378/month) and a mortgage (\$1,783/month). Not including winter online ad buys, food, gas or discretionary purchases, the artist's monthly liabilities is \$2,713.
- Before the crisis, the artist averaged \$5,500/month from her art in 2019.

Misc. Considerations:

- If ever there was a crisis, this is it. Every sitting scheduled from 2/27/20 to present has been cancelled. All sittings and events for summer (the busy season) have either been cancelled or postponed. There literally is no \$ coming in. \$0. To make matters worse, the photographer usually has 3-8 graduation sittings but since those aren't happening this May, there's no \$0 for a computer upgrade. And to add insult to injury, the photographer just learned that she lost a contract with Duke University to be their primary photographer for the Development Department (the dept. soliciting donations from alumni, corporations and private philanthropists)...that \$18,000 /yr contract was going to pay off the SUV loan. Well, so much for nurturing those university contacts for 16 months....
- The only plan the photographer has at this point is to wait for an anticipated rush of newborns at the end of the year, invest \$10,000 in online ads during the fall to

capture that market and hope that some of the postponed events will reschedule in late summer. After that, there's no plan.

- There has been some interest in a fall sittings. Oddly, the interest is coming from retired golf tourists from Pinehurst and western NC area. The photographer knows nothing about golf, finds the whole idea of golf tourism odd and has some serious concerns about how these sittings might look through the lens—and further—how they could impact a hard earned and deserved reputation for being a good, upscale family photographer in the Triangle region. And on the purely “Art” side of things, for some reason, the photographer doesn't see the aesthetic value of retirees in brightly colored clothing sporting brands they have no clue about and seldom if ever go to the gym. How would those profiles and unique “golf” moments look to the subjects?