

# WORTH EVERY PENNY *joycast*<sup>™</sup>

Do you ever wonder if you can really make money as a portrait photographer in a world of shoot-and-burners, giving digital files for cheap? Or if the day will ever come that you could actually replace your paycheck from the job you don't even like with the money you'd make doing photography? If you're like me, juggling family, life, and gosh, just so many other things, you need some assurance that every second you pour into this photography business is worth your time, right? Even if you're not looking for a six figure income from photography, you need to know what's possible for you in today's world, in your market as a professional photographer. So on today's episode, I'm going to talk about how much a professional portrait photographer can actually make. Digging into all the good stuff like, how to support an actual family on a photography income. How to get profitable in days, not years. And why what the average photographer makes is a total lie. I'm getting real with you today, my friend. So stick with me if you're ready to turn that love for photography into a business that pays the bills.

So the real question is, how are portrait photographers like us able to run a profitable business and still put our families first, without selling digital files for cheap and working all the time. I'm Sarah Petty, your host of the Worth Every Penny Joycast, and I went from a stressed out overworked mama with three babies, to being named one of America's most profitable photographers without working my kids' lives away. Each week I'll show you how to find and serve boutique portrait photography clients in a world where we compete with free, thanks to everyone having a digital camera in their pocket. Take the first step to adding more joy and profit to your life by downloading your free photography business tools at [joyofmarketing.com/podcast](http://joyofmarketing.com/podcast).

I want to start by sharing a little bit about my backstory. I thought I couldn't make a living with art. I wanted to be an art major in college and my parents were really like, "Oh gosh. A business degree would serve you so much better." So in my mind I'm thinking, I am a business person. I'm going to get a job in marketing, which I had been doing. And I know a lot of you even tell me that you feel like we shouldn't be making money doing what we love. I don't know why we all have a little bit of guilt there. Like it's called work for a reason because it's not

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supposed to be fun. It's supposed to be work and hard. But I found myself with newborn twins and I was basically shoot and burn. I was giving people proofs. I had no orders coming in.

I wasn't meeting with them before, I wasn't meeting with them after. And I was really basically the film version of shoot and burn. And the reality was, and I learned it pretty quickly, I was not making money. But I had a burning desire to figure out, how do photographers make money? How much money can I make? Is this worth doing or should I go do something else? Sit at a desk job, leaving my yummy little babies. I so much didn't want to do it. But I heard a stat that the average photographer makes \$25,000 a year. But that meant nothing to me. Turns out it really is a lie because what does that stat even mean? How much are they working? Do they have a studio? What city are they living in? Because \$25,000 in a small town in the country is a lot more money than \$25,000 in a huge city.

What did their life look like? What are they shooting? Is it commercial? Is it portrait? Is it weddings? What does their life look like? Because to me, \$25,000 is just a number. It's completely relevant if they're working two hours a week and their life is amazing, hey, that's a pretty good amount of money. But I knew I was leaving a career, I had a business degree and I was making a higher number than that. So that as a full time income did not excite me at all. So I started investing in learning the numbers part of how a profitable photography business made money. I really wanted to understand what went into that. Why are you priced this way? Why are all these numbers... How do they come together? How do I make decisions? When can I hire? When can I have a studio?

And so I was learning that. I got good mentors. I had to scrounge for them because nobody had a business coaching photographers like I have. But as you've heard me say, within five years of opening that first studio, I was named one of the most profitable in the United States by PPA, because guys it's just a game. Learn the numbers and once you know the numbers, you play that game versus just guessing. It gave me so much confidence, and they actually hired me to be a consultant for the business division of PPA. It was called Studio Management Services, and in my opinion, it was the best thing PPA ever did. And they're no

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longer around, which makes me really sad, but they did some really good work while they were in business. After that, I started coaching photographers on their numbers, because the answers to any question you have about your business, the answers are in the numbers.

I even, when I was coaching with them, I saved some photographers from some terrible decisions because they were brand new. I remember this one couple, and they wanted to build a half a million dollar studio, but they had no business. They had maybe \$50,000, \$75,000 business, and they just wanted to talk about marketing. And I kept going back to the numbers, and the husband got angry and the wife was in tears. And I was young, but I was very determined that they understand why they're making the decisions. Don't just do it, but understand why. And years later I finally got a thank you note, not finally, but in your mind you're thinking, I hope they realize what I did for them, or maybe they didn't. Maybe they took a jump off the cliff and found a way to grow wings on the way down. But turns out they did actually take my advice and they sent me a thank you note for saving them from a huge disaster.

And I'm hoping they built their business slowly, and in a way that they understood how to grow. And you can grow it quickly too, but if you get that studio mortgage first, that payment that you have to pay, it puts all this pressure on you. It's crazy. I remember another gal, she came in, she was eight months pregnant with an unexpected, I think it was fourth child. Her hubby had just left his career and started his own company, and she said, "I'm building a studio and I need to replace my six figure corporate income, with a new baby, a bunch of kids at home." And I just said, "Look, you are putting a lot of pressure on your marriage and your family and your life." And for me, remember, I'm always talking about family first. So, I'm fighting for her kids and for her marriage.

Money's great. But I had to have that tough talk with her and I never heard what happened to her or where she ended up, but I think about her because that stuff weighs on me. And I said, "Gosh, I want your family to come first." And so I don't know what she ended up doing, but this is always, now, today, even when I coach and I have that boutique breakthrough

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course, it's a workshop that I teach live a few times a year. And I start with the numbers because I know exactly what photographers have to do to make what they want. And I know what they have to do to price right, and to build the business they want, but you can't skip over these conversations. It's so powerful and it literally changes photographers' lives, because they start to see that the answers are in the numbers, not in this conversation in your head of, "I can do this, I can do this."

I believe you can do it too. But you have to understand how the numbers add up to give you what you want. Whether it's part time, full time, extra income, or something necessary to pay your bills, the answers are in the numbers. The thing is there are numbers. There is a math and a science to business, but there's also an art to business. I love the science part because we can look at benchmarks for what we know it takes to make a profitable photography business. And then we can make the decisions that are best for us. What I learned about that whole, average photographer makes this, that conversation is completely irrelevant. I want you to know what boutique photographers make, including my students, because we don't follow the same model that others follow that work all the time, that constant grind, shoot and burn churn.

So those numbers are irrelevant. We don't follow the same model that others follow, so their numbers mean nothing. Here's what I know. Profitable boutique portrait photographers, whether you have a studio or you don't, can net between 30 and 50% of what they sell. Think about that. You're netting, that's owner's equity plus salary. That's what goes into your pocket. In my photography business alone, not Joy of Marketing, just my photography studio, I've netted always between 33 and 45%. I've students netting up to 50%. Usually those are ones without a studio. I have a studio and I'm cool with that because my sales are high and I run a super profitable business. I'm totally cool with that. But think about it. If you gross a hundred thousand dollars, so you sell enough artwork that you bring in a hundred thousand dollars, you're keeping 30 to \$50,000.

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I did that very part time with three babies under three. Three babies at home, part time. I was school mom. I got to do all the things I wanted. I got to mentor them in sports as they grew, and go to all the Boy Scout things and all the fun stuff I wanted to do. And I didn't have to go to a job for eight, 10 hours a day. 30 to 50%. Think about it. Car dealers might be lucky to net one to 2% of their gross sales. Food service, three to 5%. Some companies don't show a profit for years. As a boutique photographer, you can be this profitable immediately, in days, not weeks, months, years. Okay. But I'm going to share things that you've got to do correctly. And it doesn't matter whether you want a \$300,000 business or \$40,000 business. You can immediately keep 30 to 50%.

All right. You might want to pause this and grab a pen, or listen and then come back and re-listen when you can take notes, because you're going to want to write these things in your Joy Journal, so that as you're growing your business you have some numbers to help you make decisions. I've got four things here to help you see what it looks like to make that profitable business.

Number one, separate income generation from time. It's the same amount of work either way. If you're shoot and burn and you spend hours and hours and hours, editing and retouching, and you're making \$200, versus spending more time with your clients, holding their hand through the process and that one session gets you \$2000 or more. You do this by serving your clients at the highest level and your sales will go up. Yes, you have to invest more time with them, but they will invest way more in the artwork. Do the math. What would you rather have? 500 clients at a \$200 average to get to six figures? 500 clients. Your life is terrible. Or 50 clients at \$2,000? Or even a hundred clients at a thousand dollars? That's two clients a week. That could fit into your very part time career. So you've got to separate income generation from time.

Number two. Make sure you're priced profitably. If you're still priced too low and you don't have profit built in, you can have the biggest sales. You can have \$2,000 orders, \$3,000, \$5,000 orders, but if they're not profitable, it doesn't matter. So when you're looking at pricing

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you have to look at your variable costs. We call these, cost of sales. You might also have heard it as cost of goods sold, abbreviated COGS. All the same thing. And as you know me and if you've read my book, worth every penny, you know that I try not to use these big fancy business terms. These are just costs that you have when you have a client. For example, if you sell something that costs a \$100, your cost of sales is everything that goes into making that product. That would be your lab fees, maybe your packaging, and most importantly, your time.

Most people, most photographers do this wrong because they don't account for their time. So to run a profitable photography business, your cost of sales need to be under 25%, preferably under 20%, but for sure, under 25%. So on a \$100, you need to pay less than \$25. And again, you're not accounting for your time in there. You're thinking, "Oh, I just bought this piece of paper for a couple bucks. I'm good." But then you spend eight hours retouching. So you're losing money. Here's the thing, don't panic if you think you can't charge what you need to. Not only can you, you have to, because that's the nature of the word business. It's something you do for profit. Otherwise you would call it a hobby, right? And you'd give it for a little more than you pay to cover your costs, so that you can keep doing what you love. Imagine if you could have a hobby that you love but also make money. That's what I'm talking about. So you've got to be priced profitably.

Third, you've got to look at your fixed costs. Now, your fixed costs aren't exactly a part of your pricing but they are a part of your profit. So your hard costs need to be managed as well. These are things that you have to pay for whether you have a client ever or not. Like insurance, office supplies, marketing, even a studio. Some of you think you have to have a studio, or you want a studio. You don't need a studio, but if you want to know what it takes to have a studio and still be profitable, go listen to episode 10, How to be a Boutique Photographer Without a Photography Studio, where I talk about that. But I also talk about what it takes to get a studio. That's episode 10.

But think about this guys. If you have 25% for cost of sales, that's what it takes to make your product, and you have 35% that goes into your fixed costs. That's overhead, that's

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insurance, all those types of things. That leaves you 40% to go in your pocket. That is a huge opportunity. Think about it. You could go do some MLM, some multilevel marketing company like essential oils or whatever the new hot thing is, and make pennies on the dollar and tick off all your friends and family in the meantime. Or you can do something that you love, that generates amazing love coming back at you, and you're easily referable because your clients love and gush on you. And you can keep 40 to 50%. Isn't that crazy awesome? Yes.

Number four. You've got to learn to understand marketing. You can't just guess, you can't copy others, you can't try this and try that when you're boutique. Once you fix your pricing, you learn to serve your clients so that your sales averages go up and up. You will be shocked at what your marketing looks like, and what it needs to look like. The good news is, and I say that in a good way, all right? The good news is you can be taught. You can be taught. My whole company is called Joy of Marketing. I love marketing. That's what we do. That's what we teach. But I realized after years of just teaching marketing, that people have these other problems first that need to be fixed. So marketing is not today's topic, but I want you to know, you can be taught how to market when you're boutique, but you have to understand why you're doing what you're doing instead of just copying others.

The cool thing too, if you want help here, I have an entirely free class that you can go check out that will help keep your marketing moving forward. Go to [joyofmarketing.com/freeclass](http://joyofmarketing.com/freeclass). Joyofmarketing.com/freeclass. And I think that will really help you if you're stuck there. But I get it. You might be saying, "Sarah, I can't get clients now. How will I do it if I raise my prices?" Or, "Gosh, Sarah. I'm so shy. I can't talk to people, let alone sell." Or, "Everything I've tried for marketing didn't work." Look, you're probably caught in no man's land. You're trying to compete with the fast food restaurants and even lowering your prices isn't getting you booked. Look. I hope today I've shined a light on the fact that you are not broken, but your model probably is. When you actually have a model that serves people at the highest level, you will attract the right clients who love you.

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You will feel amazing serving them, and you're fine charging what you're worth. The better your business model, the better clients you get, and the more fun it is. And it's actually easier with clients who care more about what they're buying, even if it's more expensive. Jen Pisani, a photographer student of mine in Texas, was shoot and burn, and she learned this lesson the hard way, guys. You can learn it the hard way, or you can start to change and understand how boutique is different, and committing completely to boutique. She was shoot and burn and every fall she would go through mini session hell. She would shoot 46 sessions from October through the first week in December. She would charge 150 bucks for 10 digital images, and they'd get a 15 minute session. Literally think about that. 46 sessions. She couldn't do any fun things with her family because she was working.

So she made \$6,900 in two months, and worked all the time. And you might be saying, "Well, \$6,900 is real money," but guys, you can make more than that going to a job and at least having your nights and weekends off. She switched to boutique and get this. In one month she did three sessions for \$8,400. In one month. So a third of the time, she did three sessions instead of 46, and she's done \$8,400 versus \$6,900. Way less time and she's spending time now with her family, which is what you guys want, right? You want to make that money and put your family first. That's why the average number of what a portrait photographer makes of \$25,000, which I have no idea where that even came from, or who's claiming it or how it's even possible, because it's completely irrelevant. I don't want you having to shoot 46 sessions every 15 minutes doing another family and giving them 10 digital images.

It doesn't serve them and it doesn't serve you. All it does is use up that precious commodity you have, that is time. Think about it. Doing what you love, creating joy with your camera and keeping 30 to 50% of every dollar you take in. You control your schedule. You work around your life so you can put your family first. Sure. It's hard work to learn, but it's also hard work to go to a job where you don't have any control over what you make. When where you're literally selling away your most valuable commodity, which is your time, for a fixed amount of money. Write this down. You can make more money, but you can't make more time. I hope this

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has inspired you to double down on boutique because, gosh, if you can keep 30 to 50% of what you sell, and do it very part time so you love your life and you're putting your happiest, most awesome self into the world, isn't this worth doing? Heck yes.

Hey, photographer. It's Sarah again with a quick question for you. Do you ever wonder why some photographers make \$300 a session and others make \$3000? I know I did. So I dug deep into what's going on and I wrote a book for you called Worth Every Penny. You can get a free copy at [joyofmarketing.com/freebook](http://joyofmarketing.com/freebook). Inside this book you'll learn four ways to price your photography, and why there's just one pricing strategy that attracts the best clients. What to do when you need clients and why paying for ads doesn't work and what to do instead that's way cheaper. The do's and don'ts of social media. What most photographers are doing wrong that lowers their profits and what to do instead. I'm not sure there's a book on the planet that more photographers have read. 23,124 photographers have it already, so I want you to have it too. Grab your copy of the hardcover book free here. Just pay a little for shipping and handling at [joyofmarketing.com/freebook](http://joyofmarketing.com/freebook).