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Alamy Reports 18% Rise in Q1

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Alamy had gross sales in Q1 2008 of \$8,097,000, up 18% from Q1 2007. [Detailed statistics](#) on the last two years of Alamy's operations are provided on its Web site.

Currently, Alamy has 8,025,116 RM images and 3,996,400 RF, totaling just over 12 million images on its site. During the quarter there was a huge jump in the number of RM images submitted, going from 436,361 in Q4 2007 to 1,005,670 in Q1 2008. There were 390,584 RF images submitted in the quarter, up slightly from 352,700 in Q4 2007.

56% of the revenue for the quarter came from images submitted by photographers and 44% from agencies. The photographers share of total revenue has been rising steadily over the last two year; the ratio is now exactly opposite what it was two years ago.

Of the images licensed in Q1, 74% were RM, down slightly from the previous quarter, and the rest RF. However, due to the lower price for RM (average \$149) compared to the price for RF (average \$219), only 67% of the revenue came from RM and 33% from RF.

These figures raise an interesting point. The percentage of RF images licensed (26%) is less than the percentage of RF images in the collection (33%). A huge percentage of Alamy images are licensed for editorial use. Fixed-priced RF images may often be too high for the editorial customer. RM wins in such a situation because its price is negotiable. 76% of Alamy's revenue was for editorial uses. Given that the average price of an editorial use was \$126, much lower than the average price of an RF image (\$219), it would seem that an even higher percentage of images licensed for editorial uses were RM.

Alamy sellers with the option of offering an image as RF or RM might be advised to choose RM, giving the image a better chance of selling. The results here are very different from Getty Images, which sells two RF images for every RM sale. RF may be a bargain for commercial customers, but it's not necessarily good for those producing editorial products.

Another data point relative to RM pricing: the \$149 was the lowest average price in the last two years and down 7% from a high of \$161 in Q4 2006. This may not be a significant decline, but Alamy CEO James West, says, "Average RM prices have been falling, due to high-volume clients demanding we stay competitive with rival vendors and focus on the secondary editorial market. This can also be explained in a wider context - that this industry has an excess of supply over demand which is putting a downward pressure on pricing."

A total of \$2,672,010 was generated from RF sales. Of the remaining \$5,424,990 for RM sales, about \$4,122,992 was for editorial use and \$1,301,998 for commercial use. The average price for editorial uses was \$126, meaning that 32,771 images were licensed for editorial use. The average price for commercial use was \$371, meaning that 3,509 RM images were licensed for commercial use. The number of editorial sales was up 4% from the previous quarter. The number of commercial sales was down 5%, but the average price per sale was up 6%.

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