

Thought leadership

Oliver Robinson
+44 20 7890 9475
Oliver.Robinson@gfk.com

Heribert Tippenhauer
+49 911 395-3197
Heribert.Tippenhauer@gfk.com

A portrait of how technology has changed the photography landscape

“Photography has the capacity to provide images of man and his environment that are both works of art and moments in history.”¹

Cornell Capa’s description of photography outlines two objectives: documenting the present, and producing an artistic interpretation of it.

Looking at the first objective, video is arguably better suited to recreating the present. Indeed, the advent of 3D could raise the bar even higher, with the increasing preference for integrating multimedia elements within digital publications being perhaps an early indicator here.

So, what of the second objective? Will the creative and artistic elements of photography prove more resistant to changes in our technological landscape?

Smart-photography

Smartphones have changed the nature of photography, not only in expanding camera ownership, but also in ensuring that our cameras are in our hands (or at least, in our pockets) throughout the day. Thanks to this accessibility, we now produce more photographs than ever before.²

The vast quantity of images collected is changing the way we document life, both simplifying and complicating the task for historians of the future. But what does it mean for manufacturers today?

Crucially, as the quality of smartphone cameras has increased, they’ve become ‘good enough’ for many of us; the need for an ‘even better’ stand-alone camera is decreasing. Our global sales³ data illustrates the consequent decline in the compact camera category, with total value down 14% in the first half of 2012.

This disruption follows a pattern evident in the portable gaming market.

GfK SE
Nordwestring 101
90419 Nuremberg

T +49 911 395 0
F +49 911 395 2209
public.relations@gfk.com
www.gfk.com

Management Board:
Matthias Hartmann (CEO)
Pamela Knapp (CFO)
Dr. Gerhard Hausruckinger
Debra A. Pruent

Supervisory Board Chairman:
Dr. Arno Mahlert
Commercial Register
Nuremberg HRB 25014

¹ Think Exist (2012) Cornell Capa Quotations, [Online], Available: [http://thinkexist.com/quotation/photography has the capacity to provide images of/201038.html](http://thinkexist.com/quotation/photography+has+the+capacity+to+provide+images+of/201038.html) [accessed September 2012]

² Good, J. (2011) How many photos have ever been taken?, [Online], Available: <http://blog.1000memories.com/94-number-of-photos-ever-taken-digital-and-analog-in-shoebox> [accessed September 2012]

³ GfK global sales data, first half of 2012

When the equivalent experience on a smartphone improves at a faster rate than the stand-alone device, we're less inclined to carry one (much less purchase one). Eventually, the stand-alone device is either rendered obsolete or evolves into a niche market for needs that its smartphone competition cannot meet.

Logically, this should be bad news for camera manufacturers. However, a closer look at the data shows considerable growth at the high-end of this category. With digital single-lens reflex cameras (SLRs - total value up 11% in the first half of 2012) and a new generation of 'compact system' cameras (up 56%), the average price paid by consumers globally for a stand-alone camera in 2012 has actually increased (from €206 to €223).

Encouragingly, this high-end growth is almost enough to offset the value lost at the low-end. So, what's driving it?

How we all became photographers

Growth in smartphone adoption may have brought photography to wider audiences. We can also assume that this growth has encouraged wider participation. However, this does not seem enough to explain the growth in the high-end camera category and we also need to look beyond the camera itself.

Two of the key differences between smartphone cameras and their predecessors are integration and connectivity; integration with other functionality on the device, and connectivity with the rest of the ecosystem they inhabit.

As an example, consider these two methods of sharing a photograph:

1. Taking it with a digital camera, sideloading it to a computer, uploading it to a website, and sending the link to a friend.
2. Taking it with a smartphone, and uploading it to Facebook.

Working together, the products and services have streamlined the user experience and socialized the activity. The 300 million photos uploaded to Facebook daily are testament to their success.⁴

Alongside socialization, apps like Instagram have empowered users to edit and manipulate their photographs. Such easy-to-use apps provide another example of simplified solutions driving wider engagement with the category

⁴ [Armbrust, R. \(2012\) Capturing Growth: Photo Apps and Open Graph, \[Online\], Available: http://developers.facebook.com/blog/post/2012/07/17/capturing-growth-photo-apps-and-open-graph/](http://developers.facebook.com/blog/post/2012/07/17/capturing-growth-photo-apps-and-open-graph/) [accessed September 2012]

(Instagram alone recently passed 80 million users⁵).

The connectivity of devices including smartphones, tablets and televisions has provided a further catalyst to engagement with photography. The synchronization of these platforms, and take-up of cloud services that function across them, is improving the accessibility of our photo collections. Increasingly, we can view our photos at any time, in any place and across different devices.

The cumulative impact of these changes is perhaps most evident in the ongoing debate about whether amateur photography is impacting on its professional counterpart. While Instagram doesn't replace the skill set required for professional photography⁶, it's undoubtedly expanding the field of interested amateurs. It's these enthusiasts that are likely to be driving the high-end camera growth outlined above, equipping them to (at times) compete with professionals.

So, what does all of this mean for the future of photography?

Photo opportunities

For a long time, success in this category was defined by the ratio between picture quality and price. Smartphones have competed with this, driving accessibility, sociability, and engagement with photography across a wider audience.

Though image quality may have become a hygiene factor (at least, relative to past importance), significant opportunities remain at the high end where a growing segment of enthusiastic amateurs are seeking increasingly professional-grade solutions. Devices like Samsung's new Galaxy camera, which offer a transitional step between the integrated, socialized world of smartphone cameras and the serious, financial investment of SLRs and Compact Systems, also seem well positioned.

However, while product innovations will continue to move the category forwards, the most significant innovations are likely to come through services; harnessing our growing engagement with the category to integrate it further into our digital lives. Enabled by technology, we're getting closer to another of Cornell Capa's ideas: the camera really is

⁵ Instagram (2012) The Instagram Community Hits 80 Million Users, [Online], Available: <http://blog.instagram.com/post/28067043504/the-instagram-community-hits-80-million-users> [accessed September 2012]

⁶ Kavassalis, N. (2012) Rebuttal to "Don't Hate Instagram Because It's Disrupting Another Profession", [Online], Available: <http://kavassalis.com/2012/07/rebuttal-to-dont-hate-instagram-because-its-disrupting-another-profession/> [accessed September 2012]



becoming an extension of ourselves.⁷

About GfK

GfK is one of the world's largest research companies, with more than 11,500 experts working to discover new insights into the way people live, think and shop, in over 100 markets, every day. GfK is constantly innovating and using the latest technologies and the smartest methodologies to give its clients the clearest understanding of the most important people in the world: their customers. In 2011, GfK's sales amounted to EUR 1.37 billion.

To find out more, visit www.gfk.com or follow GfK on Twitter: https://twitter.com/GfK_en

⁷ Hungry Eye (2012) The New Landscape of Imagemaking, [Online], Available: <http://aneditorsview.tumblr.com/post/3520104385/the-camera-is-an-extension-of-yourself> [accessed September 2012]