

## SAA PLUS Packs™ Calculator

# Developing your Pricing Matrix

### INTRODUCTION

Before using the *Calculator* you must define your own pricing. The *Calculator* comes with a *zeroed* configuration file (*pluspacksconfig.js*) that must be filled with your own pricing data. To save you from the tedious work of manually entering prices for all possible image use combinations, the *Calculator* allows you to codify your own pricing into a matrix containing just a few base figures and multipliers. It then uses your matrix to extrapolate all possible combinations for you. In this section we will explain how to fill in the file *pluspacksconfig.js* with your own data.

*Note that we make no recommendations on pricing. Only you can determine the base figures and multipliers that will work best for your business.*

The matrix defines three parameters: *base price*, *coverage*, and *duration*. You must start by defining a base price for each pack. Simply put, the base price of a given pack is the amount you would charge for the smallest possible coverage and duration for that pack. Since the *PLUS Packs™* standard establishes pre-packaged coverages and durations, it is easy to determine the smallest possible usage for each pack. We have provided a worksheet to help you. Please print out the Table A ("*matrix.base*" worksheet) located at the end of this document. Armed with that worksheet and a pencil, we will walk you through all *PLUS Packs™*.

*To understand how to configure your pricing matrix, it will be a lot easier if you start with the advertising packs first.*

### ADVERTISING PACKS

For *advertising* packs, you have three parameters at your disposal to adjust and set your prices: *base price*, *coverage* and *duration*. These three parameters interact with each other the following way:

$$(\text{base} \times \text{coverage} \times \text{duration}) = \text{final price}$$

Here is what you need to know to tweak the above parameters to your satisfaction:

## BASE PRICE

Check out the *Advertising Packs* section of the *matrix.base* worksheet. As you can see on column *c* “*Smallest use*” of the worksheet, the smallest use for any of the advertising packs would be a *local* use (meaning *use in a single state or province*) for a period of *up to 6 months*.

Now go over each *advertising* pack, find on column *b* what kinds of uses that pack includes, then decide how much you should charge for rights to those uses *in a single state or province*, for a period of *up to 6 months* (the smallest possible usage, that is). Take your time to deliberate carefully, but also keep in mind that we have made it easy for you to go back at any time and play with your numbers until you are satisfied.

Once you decide on a *base price* for a pack, enter that amount in column *e* “*Enter your price*” of the worksheet. Do this only for the *advertising* packs; we will get to the other packs later. It will be easier for you to understand the other packs if you work on *advertising* first.

## DURATION

There are five multipliers for *duration*: *6 months*, *1 year*, *3 years*, *5 years*, and *10 years*. When the image buyer selects a specific *duration*, the *Calculator* multiplies your *base price* by the multiplier you have determined for that particular duration. Since “*6 months*” is the shortest possible duration, its multiplier must have a value of 1, which means in that case the *base price* remains unchanged (remember, you have already determined your *base price* based on a 6-month term). So you must decide on values for the *other four* multipliers. Should the price increase the longer the use? If so, by how much? If you want to increase the price for a certain *duration*, simply express that increase as a multiplier. For instance, if you want the price for a given *duration* to be 25% higher than your *base price*, you must set that *duration* multiplier to 1.25. Don't write this on the worksheet. Instead play with multipliers, if any, on a separate sheet. We will get back to these numbers later.

## COVERAGE

There are five possible multipliers for *coverage*: *local*, *regional*, *national*, *continental*, and *worldwide*. When the image buyer selects a specific *coverage*, the *Calculator* multiplies your *base price* by the multiplier you have determined for that particular coverage. Since “*local*” is the smallest possible coverage, its multiplier must have a value of 1, which means the *base price* remains unchanged (remember, you have already determined your *base price* based on a *local* use). So you must decide on values for the other four multipliers. Should the price increase the broader the *coverage*? If so, by how much? If you want to increase the price for a certain *coverage*, simply express that increase as a multiplier. For instance, if you want the price for a given *coverage* to be 25% higher than your *base price*, you must set that *coverage* multiplier to 1.25. Don't write this on the worksheet. Instead play with multipliers, if any, on a separate sheet. Once you think you have some ballpark figures move on to the next step below:

## PLAYING WITH NUMBERS

If you have defined any multipliers for both *duration* and *coverage*, check with a calculator to see what happens to a given pack when both multipliers are applied to the *base price*. For instance, what happens when you multiply the *base price* for *Print Advertising* by *both* maximum coverage (worldwide) *and* maximum duration (10 years)? Is the resulting price reasonable? It may not be on the first try. If needed, adjust one or both multipliers, and try again. Then try different *durations* combined with different *coverages*. Experiment a little, but keep in mind there is no need to try all possible combinations. At this point you are only aiming at rough figures. We have made it easy for you to fine-tune the *Calculator* later.

## EDITORIAL PACKS

This section assumes that you have read the instructions above for configuration of *advertising* packs. If you haven't done so, we strongly recommend you read that section first as that is the easiest route to understand how to configure your pricing matrix.

Since *editorial* packs are defined by edition or issue, unlike advertising packs they *do not* offer a range of choices for *duration*. Instead, editorial packs *always* allow an usage term of *10 years*.

*Coverage does apply to editorial packs however*, and the *Calculator* applies to your editorial base price *those same coverage multipliers you have defined for advertising*, above.

By now you may be wondering why the *Calculator* uses the same set of coverage multipliers for both *editorial* and *advertising*. Actually, *the Calculator uses the same set of coverage and duration multipliers for all packs*. This allows the *Calculator* to use a single calculation algorithm, which results in a smaller program, saving bandwidth.

Now check out the *Editorial Packs* section of the *matrix.base* worksheet. As you can see on column *c* "*Smallest use*" of the worksheet, the smallest use for any of the editorial packs would be a *local* distribution (meaning distribution in *a single state or province*) for a period of *up to 10 years* (remember, editorial is *always* set to a *10-year* term). In case you are wondering what sense does it make to distribute a book "in a single state or province", keep in mind that: 1. in some countries, states or provinces may share very little linguistic and cultural characteristics with the rest of the country; 2. the not-so-recent development of *print on demand* technologies has made local-level publishing possible.

By now you probably know what you need to do: go over each *editorial* pack, find on column *b* what kinds of uses that pack includes, then decide how much you should charge for rights to those uses *in a single state or province*, for a period of *up to 10 years* (the smallest possible usage, that is). Take your time to deliberate carefully, but also keep in mind that we have made it easy for you to go back anytime and play with your numbers until you are satisfied.

Once you decide on a *base price* for a pack, enter that amount in column *e* "*Enter your price*" of the worksheet. Do this for all *editorial* packs, then move on to the next step below:

## A QUICK CHECK OF THE NUMBERS

If you have defined any *coverage* multipliers for *advertising* above, check with a calculator (the conventional variety) to see what happens when you apply *those same multipliers* to the *base* price of some of your *editorial* packs. You get the idea. Is the resulting price reasonable? Unless the resulting prices are off by an extremely wide margin, simply move on to the next step below. Soon you will be able to fine-tune these figures in an easier way.

## INTERNAL PACKS

This section assumes you have read the instructions above for configuration of both *advertising* and *editorial* packs (in that order). If you haven't done so, we strongly recommend you read those sections first as that is the easiest route to understand how to configure your pricing matrix.

There are three *Internal* packs:

- Internal Company
- Comp Use
- Internal Review

Here is how the *Calculator* handles them:

Let's start with the *Internal Company* pack. That pack works just like the *advertising* packs:

$$(\text{base} \times \text{duration} \times \text{coverage}) = \text{final price}$$

So go ahead and check on column *b* what kinds of uses the *Internal Company* pack includes, and decide how much you should charge for rights to those uses *in a single state or province*, for a period of *up to 6 months* (the smallest possible usage). Write that amount in column *e* of the worksheet. There is no need to try out any multipliers on the *Internal Company* pack right now. Soon you will be able to fine-tune all these figures directly within the *Calculator*.

As for the *Comp Use* and *Internal Review* packs, things are a lot simpler. Since these are short-term uses, *duration is always set to a 6-month term*. Also, because in such uses distribution is typically restricted to a group working on a single project, *coverage is always set to local* (even though members of the group might be at different locations). The bottom line is that both *Comp Use* and *Internal Review* have their duration and coverage parameters always set to the smallest usage; therefore all the *Calculator* has to do is simply display your *base* price. In other words, *neither duration nor coverage* varies, so you only have one price point to worry about.

Go ahead and find on column *b* what kinds of uses the *Comp Use* and *Internal Review* packs include, and decide on their respective prices. Then enter those amounts in column *e* of the worksheet.

## PERSONAL DISPLAY PACK

This section assumes you have read the instructions above for configuration of both *advertising*, *editorial* and *internal* packs (in that order). If you haven't done so, we strongly recommend you read those sections first as that is the easiest route to understand how to configure your pricing matrix.

Configuration of the *Personal Display* pack could not be simpler: you only have one price point to determine. *Neither coverage nor duration apply*, so the *Calculator* simply displays your *base* price. *Coverage* is not applicable because no reproduction rights are granted. *Duration* is not applicable because in the case of art display (decor) *duration is presumed unlimited*.

## ENTERING YOUR PRICING DATA INTO THE CALCULATOR

If you have followed the steps outlined above, you now should have a copy of the *matrix.base* worksheet with its entire column e, "Enter your price" filled in. You may also have some notes containing a few tentative multipliers for *coverage* and/or *duration*. Now is the time to put those numbers to work. Please see the section *The Configuration File* on the *Software Guide* at [www.stockartistsalliance.org/pluspacks/softwareguide](http://www.stockartistsalliance.org/pluspacks/softwareguide) for detailed instructions on how to enter your pricing data into the *Calculator* and further refine it until you are happy with the numbers.

## MULTIPLE CONFIGURATION FILES

You can run as many different configuration files as you want within your system, *provided no single page calls more than one configuration file*. This can be useful, for instance, to have different price tiers apply to different images. See the section *Embedding the Calculator on Your Pages* on the *Software Guide* at [www.stockartistsalliance.org/pluspacks/softwareguide](http://www.stockartistsalliance.org/pluspacks/softwareguide) for details.

**TABLE A: “matrix.base” WORKSHEET**

For each PLUS Pack™, take the smallest possible use of that pack as described on column (c), determine your price for that use, then enter it on column (e)

<b>ADVERTISING PACKS</b>				
a. Pack name	b. Uses	c. Smallest use	d. ID	e. Enter your price
Print Advertising	Use in any print advertising in a magazine, newspaper, directory, insert or program. Applies to a specified end user product or service.	Use in a single state or province for six months.	PAPA	
Display Advertising	Use in any display intended for advertising or promotional purposes including billboard, banner, transit ad, trade show and store poster. Applies to a specified end user product or service.	Use in a single state or province for six months.	PADA	
Marketing Materials	Use in any marketing materials distributed to a targeted audience. Includes use in printed brochure, catalog, annual report, public relations and sales material. Also includes electronic (PDF) versions of the original printed uses. Applies to a specified end user product or service.	Use in a single state or province for six months.	PAMM	
Point of Purchase	Use in any point of purchase media including shelf talker, table tent and counter card. Applies to a specified end user product or service.	Use in a single state or province for six months.	PPOP	
Web & Electronic Advertising	Use in any web and electronic media for advertising and promotional purposes including website, web banner ad, promotional email and mobile ad. Applies to a specified end user product or service.	Use in a single state or province for six months.	PAWE	
<b>EDITORIAL PACKS</b>				
a. Pack name	b. Uses	c. Smallest use	d. ID	e. Enter your price
Book Interior, One Edition, Printed	Use on an interior page of a textbook, trade, retail, custom or reference book. Applies to a single edition of a book in printed formats. Includes use in hardcover, paperback, compendium and bind-up. Allows reproduction of page for promotional purposes.	Distr. in a single state or province for 10 years.	PBIP	
Book Interior, One Edition, All Formats	Use on an interior page of a textbook, trade, retail, custom or reference book. Applies to a single edition of a book in all printed and web formats. Includes use in hardcover, paperback, compendium, bind-up, e-book and password-protected website. Allows reproduction of page for promotional purposes.	Distr. in a single state or province for 10 years.	PBIO	
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Periodical Interior, One Issue	Use on an interior page of a magazine, newspaper or journal. Applies to a single printed issue of a periodical. Includes distribution of same issue on publisher's website. Allows reproduction of page for promotional purposes.	Distr. in a single state or province for 10 years.	PPIO	
Periodical Cover, One Issue	Use on the cover of a magazine, newspaper or journal. Applies to a single printed issue of a periodical. Includes distribution of same issue on publisher's website. Allows reproduction of cover for promotional purposes.	Distr. in a single state or province for 10 years.	PPCO	
Web & Electronic Editorial	Use for editorial purposes in any web and electronic media. Applies to a single issue or edition of an editorial use. Includes use in e-book, website and CD/DVD.	Distr. of content relevant to single state or province for 10 years.	PEWE	
<b>INTERNAL PACKS</b>				
a. Pack name	b. Uses	c. Smallest use	d. ID	e. Enter your price
Internal Company	Use in any media intended for internal business purposes including internal presentation, newsletter, brochure, intranet and video. Applies to a specified end user.	Use in a single state or province for six months.	PICO	
Comp Use	Use restricted to reproduction in design prototypes for advertisements or publications, for internal business review only. Limited to prototype use only. Image may not be displayed or distributed to the public.	No geographic restrictions. Use for six months.	PCOM	
Internal Review	Use restricted to internal business review for inspection and/or editing purposes only. Excludes reproduction in comps or other design prototypes. No reproduction, distribution or other use of the image.	No geographic restrictions. Use for six months.	PICR	
<b>PERSONAL PACK</b>				
a. Pack name	b. Uses	c. Smallest use	d. ID	e. Enter your price
Personal Display	Use for personal display purposes only. Excludes commercial and editorial use. No reproduction allowed.	Perpetual display rights.	PERS	

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## SAA PLUS Packs™ Committee

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## SAA PLUS Packs™ Calculator Software

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SAA is a non-profit trade association dedicated to the business of professional stock photographers worldwide. Founded in 2002, SAA provides information resources about the business of stock photography and substantial advocacy support on behalf of its members. SAA has emerged as an outspoken advocate for photographers seeking to maintain the value of their intellectual property in a rapidly changing business environment, and stresses the need for the stock industry to be innovative in developing business models, contracts and practices that recognize the needs and rights of stock artists as well as distributors and users.

SAA web site: [www.stockartistsalliance.org](http://www.stockartistsalliance.org)

SAA Contact: Betsy Reid, Executive Director [betsy@stockartistsalliance.org](mailto:betsy@stockartistsalliance.org)



PLUS—the Picture Licensing Universal System, is a multi-industry coalition dedicated to making image licensing easier through a system of universal standards that simplify and facilitate licensing and rights management. PLUS Packs™ are one component of a comprehensive system of standards developed by the Coalition. The PLUS standards also include a Picture Licensing Glossary, a License Data Format, a Media Matrix, a PLUS-ID system, and PLUS Registries designed to serve the needs of all licensors and licensees.

PLUS web site: [www.useplus.com](http://www.useplus.com)

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