



Consumer Imaging in Australia 2007

- 62 percent of Australian households own digital cameras compared to 59 percent in the U.S.A.
- 38 percent of households store their pictures on CDs and 5 percent online.
- 65 percent of digital camera households printed pictures from their digital camera in 2006.
- 58 percent of Australian households own cameraphones.



Research sponsor

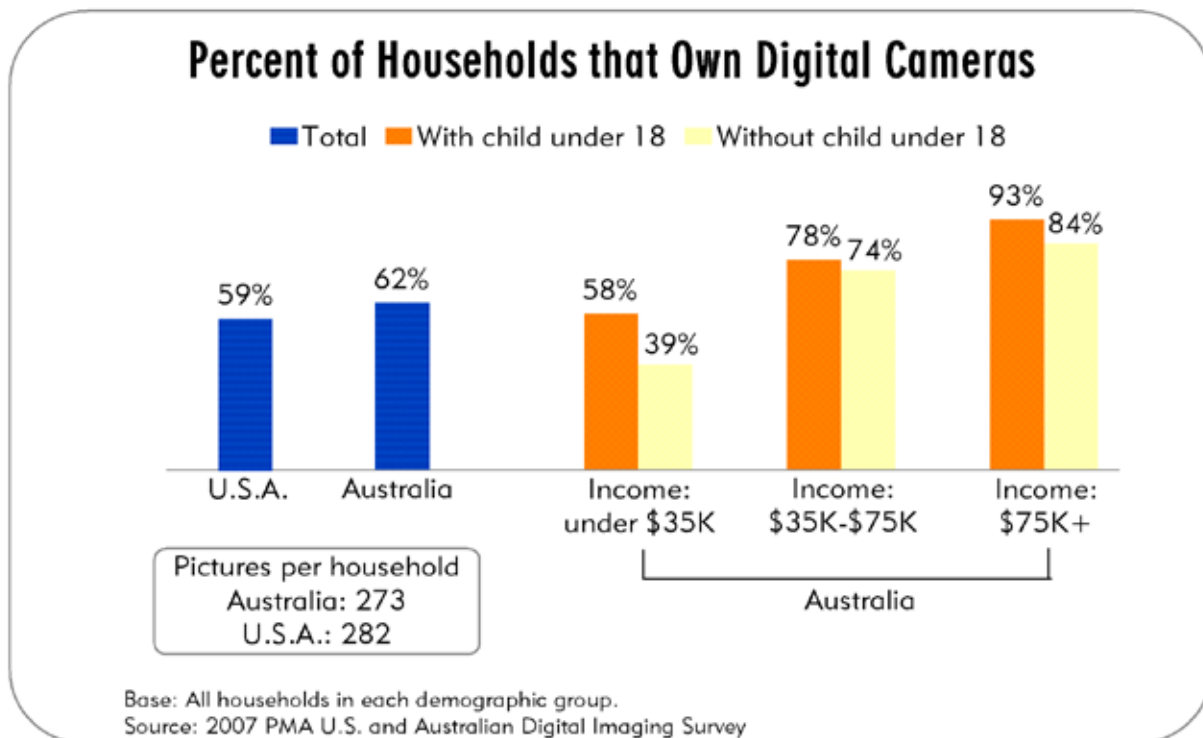


Research analysis

Consumer Imaging in Australia 2007

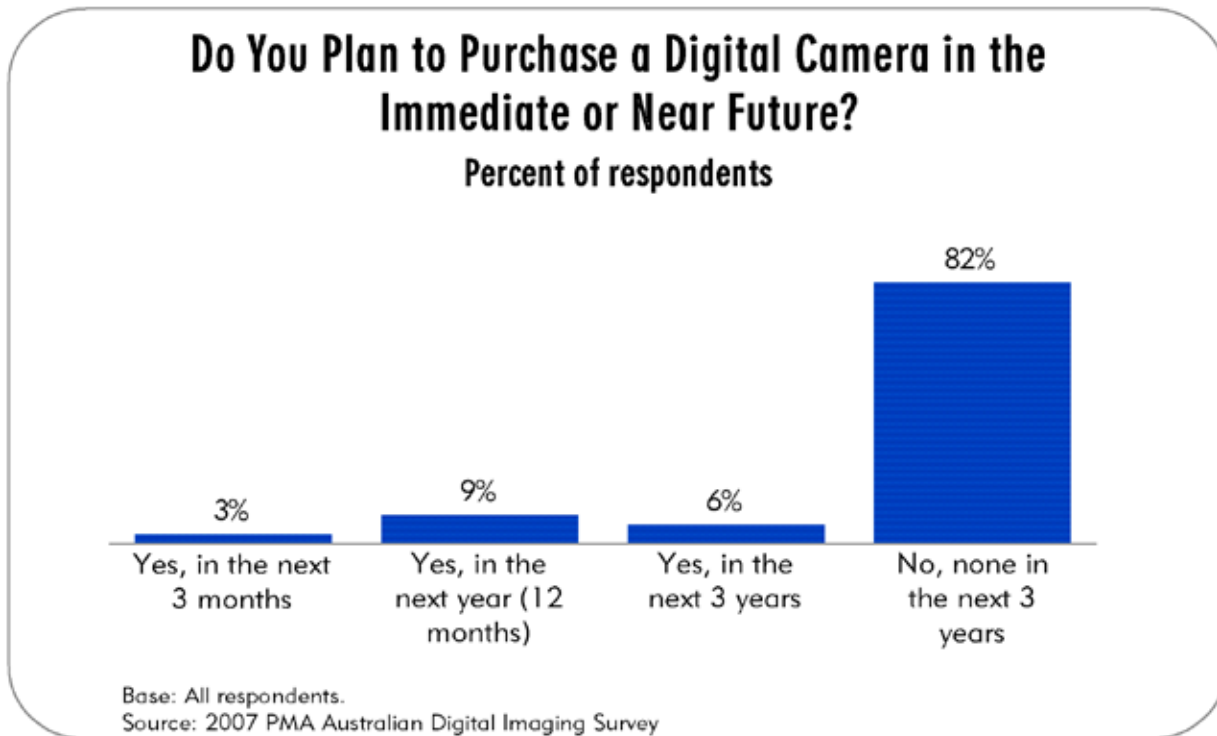
Camera Ownership

- 62 percent of Australian households own digital still cameras, compared to 59 percent of US households.
- Presence of children under age 18 is an important determinant for digital camera ownership, especially in lower incomes.
- Households in higher income groups have almost completed their transition from film cameras to digital cameras. Over 80 percent of them owned digital cameras in January 2007.
- Non-family households are more likely to have purchased their most-recent digital camera at camera stores than family households.
- Almost a third of non-family households with income above \$75,000 purchased their most recent digital cameras at camera stores.
- Family households are more likely to have purchased their most recent digital cameras at mass merchandise stores than non-family households.





Camera purchasing



Do You Plan to Purchase a Digital Camera in the Immediate or Near Future?

Percent of respondents

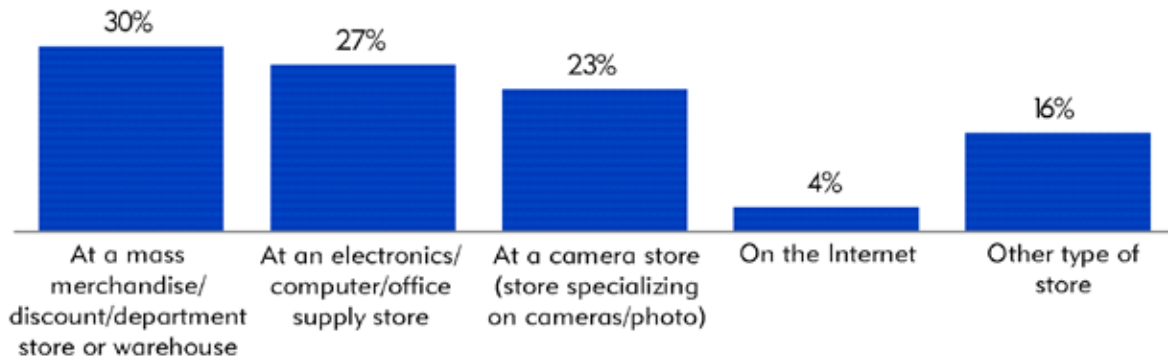
	With child under 18				Without child under 18		
	Total	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+
Yes, in the next 3 months	3%	2%	2%	3%	3%	5%	4%
Yes, in the next year (12 months)	9%	11%	12%	9%	8%	7%	14%
Yes, in the next 3 years	6%	9%	12%	8%	4%	3%	5%
No, none in the next 3 years	82%	78%	73%	79%	85%	84%	77%

Base: All respondents in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey



Where Did You Make Your Most Recent Digital Camera Purchase?

Percent of respondents



Base: All purchasers
Source: 2007 PMA Australian Digital Imaging Survey

Where Did You Make Your Most Recent Digital Camera Purchase?

Percent of purchasers

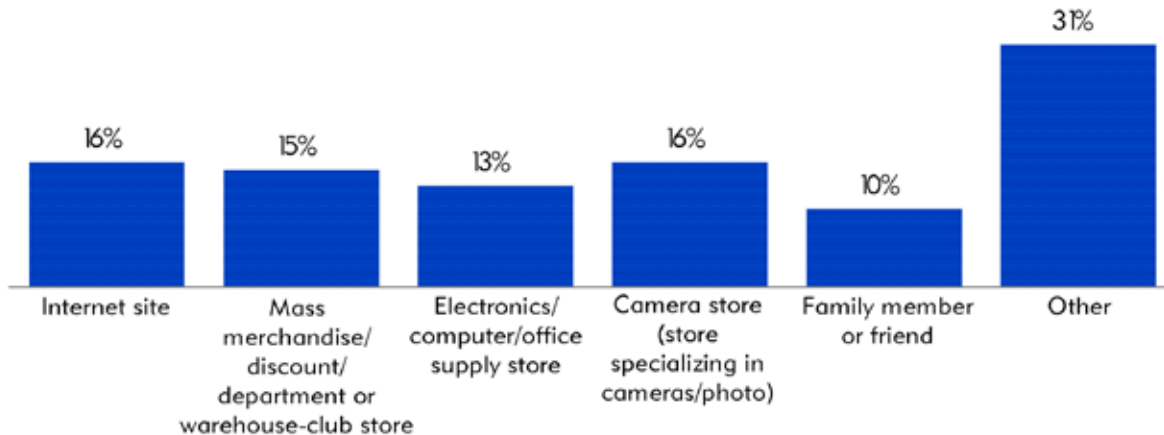
	With child under 18			Without child under 18			
	Total	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+
At a mass merchandise/discount/department store or warehouse	30%	59%	38%	31%	25%	27%	29%
At a electronics/computer/office supply store	27%	24%	31%	36%	27%	29%	20%
At a camera store (store specializing on cameras/photo)	23%	7%	16%	19%	25%	22%	30%
On the Internet	4%	7%	5%	5%	2%	4%	3%
Other type of store	16%	3%	10%	8%	21%	18%	19%

Base: All purchasers in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey



Which Stores/Sources Did You Visit for Information or to See Cameras Before Making Your Purchase?

Percent of purchasers



Base: All purchasers
Source: 2007 PMA Australian Digital Imaging Survey

Which Stores/Sources Did You Visit for Information or to See Cameras Before Making Your Purchase?

Percent of purchasers

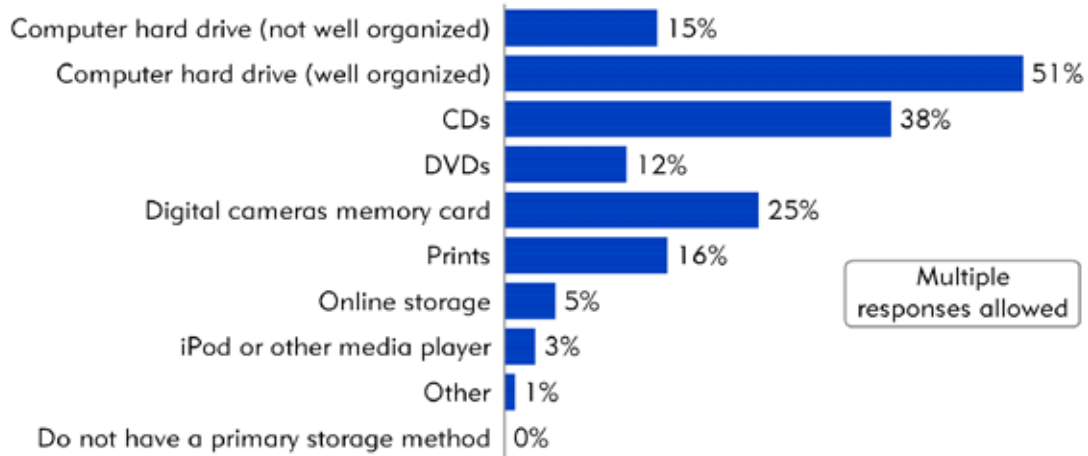
	Total	With child under 18			Without child under 18			Made prints	Made no prints
		Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+		
Internet site	16%	10%	11%	27%	8%	12%	20%	16%	20%
Mass merchandise/discount/department or warehouse-club store	15%	28%	25%	17%	17%	16%	12%	18%	14%
Electronics/computer/office supply store	13%	24%	17%	13%	13%	15%	9%	14%	12%
Camera store (store specializing on cameras/photo)	16%	14%	17%	16%	6%	15%	20%	19%	15%
Family member or friend	10%	3%	8%	7%	4%	15%	10%	10%	10%
Other	31%	21%	23%	20%	53%	27%	28%	23%	29%

Base: All cameraphone users in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

Storage and safety of digital camera images

- CDs are the second most popular storage method for digital images after hard drive storage.
- Only 16% of households make prints as means of permanently storing their photos.
- The majority of households rely on having/finding their digital files in their CDs and hard drive in the future. Digital files have become the “originals”, rather than printed images.

Households' Primary Methods for Storing Digital Camera Images Percent of households



Base: All digital camera owning households.
Source: 2007 PMA Australian Digital Imaging Survey

Households' Primary Storage for Digital Camera Images Percent of households

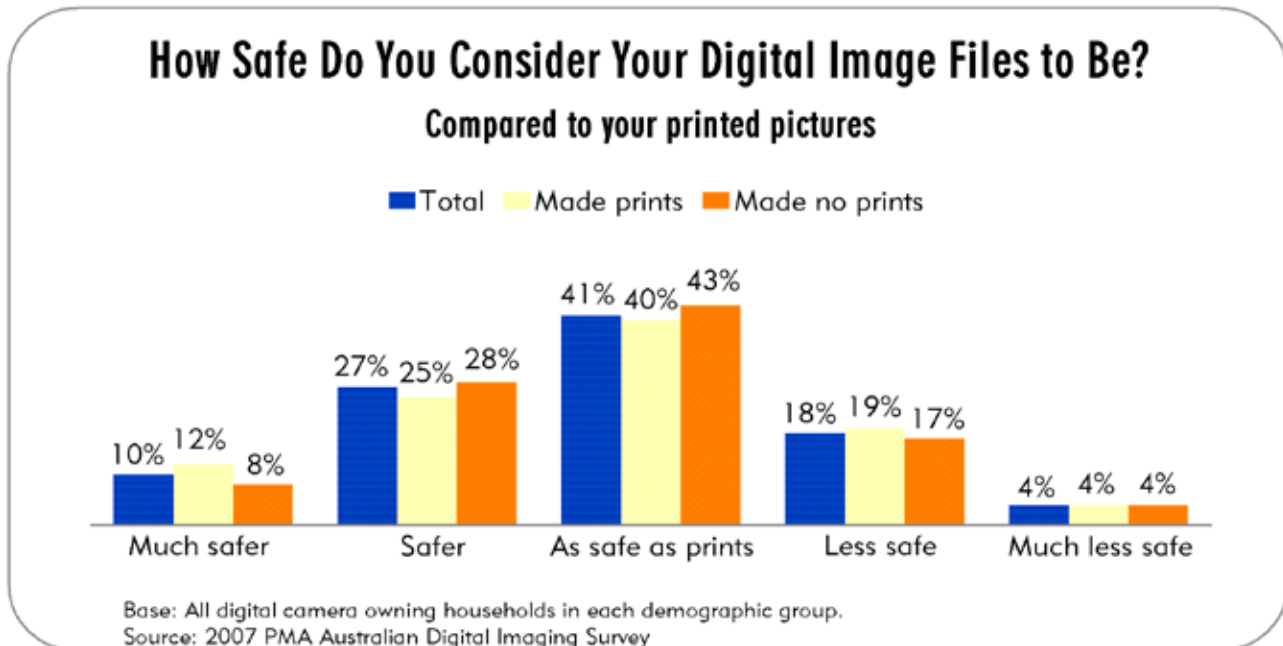
	Total	With child under 18			Without child under 18			Made prints	Made no prints
		Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+		
Computer hard drive (not well organized)	15%	24%	18%	17%	15%	15%	14%	15%	16%
Computer hard drive (well organized)	51%	44%	53%	62%	46%	49%	60%	53%	56%
CDs	38%	40%	46%	32%	33%	37%	35%	44%	26%
DVDs	12%	12%	14%	10%	20%	7%	13%	13%	10%
Digital cameras memory card	25%	24%	19%	22%	35%	24%	20%	22%	24%
Prints	16%	20%	15%	11%	26%	12%	12%	19%	7%
Online storage	5%	8%	7%	3%	9%	3%	5%	5%	4%
iPod or other media player	3%	0%	2%	3%	0%	2%	5%	1%	4%
Other	1%	0%	2%	2%	0%	2%	3%	2%	1%
Do not have a primary storage method	0%	0%	0%	0%	0%	1%	0%	0%	1%

Base: All digital camera owning households in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

Multiple responses allowed



- 78 percent of respondents consider their digital files to be at least as safe as prints they have made, recently or the past.
- 40 percent of digital camera owners that made prints view them as safe as their digital files compared to 43 of digital camera owners that made no prints in 2006.



How Safe Do You Consider Your Digital Image to Be? Compared to your printed pictures

	With child under 18				Without child under 18			Made prints	Made no prints
	Total	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+		
Much safer	10%	12%	13%	11%	9%	8%	11%	12%	8%
Safer	27%	19%	30%	24%	38%	28%	24%	25%	28%
As safe as prints	41%	50%	40%	39%	41%	40%	41%	40%	43%
Less safe	18%	19%	13%	24%	11%	19%	20%	19%	17%
Much less safe	4%	0%	3%	2%	2%	5%	5%	4%	4%

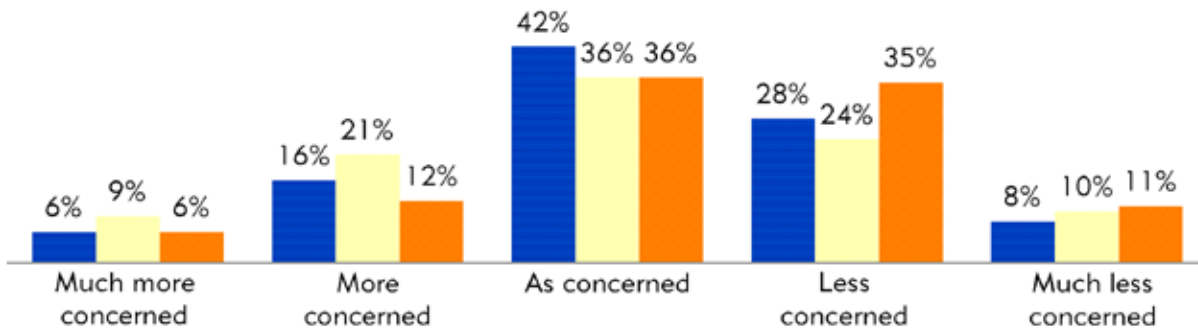
Base: All digital camera owning households in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey



- Reflecting perceptions on safety, only 22 percent of digital camera owners are more concerned of losing their digital images than they are of losing their prints.
- Concerns of losing digital images versus prints are a little higher among families with young children than for families without.
- 31 percent of families with income \$35,000-\$75,000 and a child present are more concerned of losing digital images than they are about losing their prints, compared to only 18 percent of households with similar income but no children present. Photos of young families have very high value.
- The Long Term Photo Care program available through PMA Business Resources is designed to address concerns of losing images among certain segment.

Households' Concern of Losing Digital Images Compared to Losing Printed Pictures?

■ Total ■ Income: \$35K-\$75K / with child under 18 ■ Income: \$35K-\$75K / without child under 18



Base: All digital camera owning households in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

Households' Concern of Losing Digital Images Compared to Losing Printed Pictures?

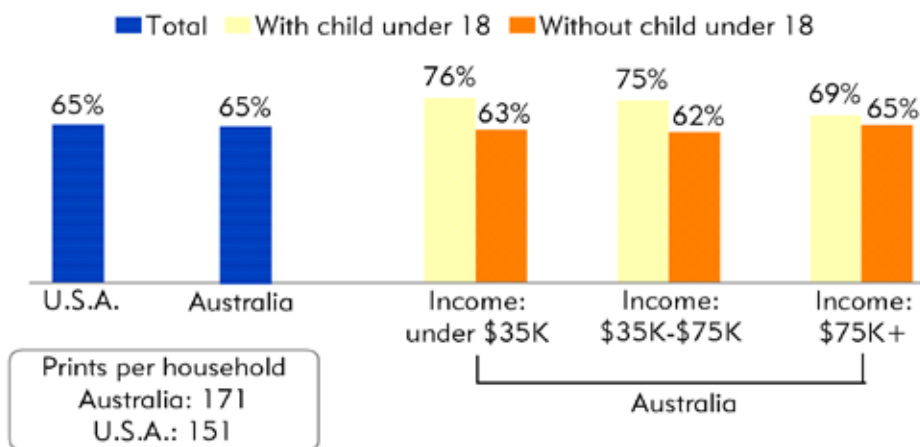
	With child under 18				Without child under 18			Made prints	Made no prints
	Total	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+		
Much more concerned	6%	8%	9%	6%	11%	6%	3%	7%	5%
More concerned	16%	12%	21%	24%	16%	12%	14%	17%	15%
As concerned	42%	35%	36%	40%	38%	36%	47%	39%	45%
Less concerned	28%	42%	24%	26%	21%	35%	25%	28%	27%
Much less concerned	8%	4%	10%	4%	14%	11%	11%	9%	9%

Base: All digital camera owning households in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

Printing digital camera images

- 65 percent of digital camera owners in Australia made regular prints from their pictures in 2006.
- Presence of children under 18 makes a difference in the probability of a household making prints, as it does in the probability of camera purchasing.
- Probability of printing does not go up with income, though, and it even decreases among family households as income goes up.
- In the United States, after several years of increases, the percent of digital camera owners making prints has remained around 65% in the past 3 years. It started from less than 50 percent back in 1999.

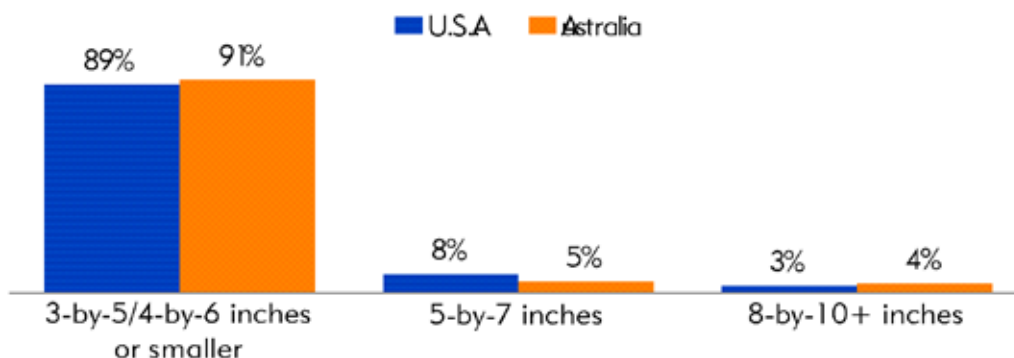
Percent of Households that Printed Digital Camera Pictures in 2006



Base: All digital camera owning households in each demographic group.
Source: 2007 PMA U.S. and Australian Digital Imaging Surveys

Print Sizes

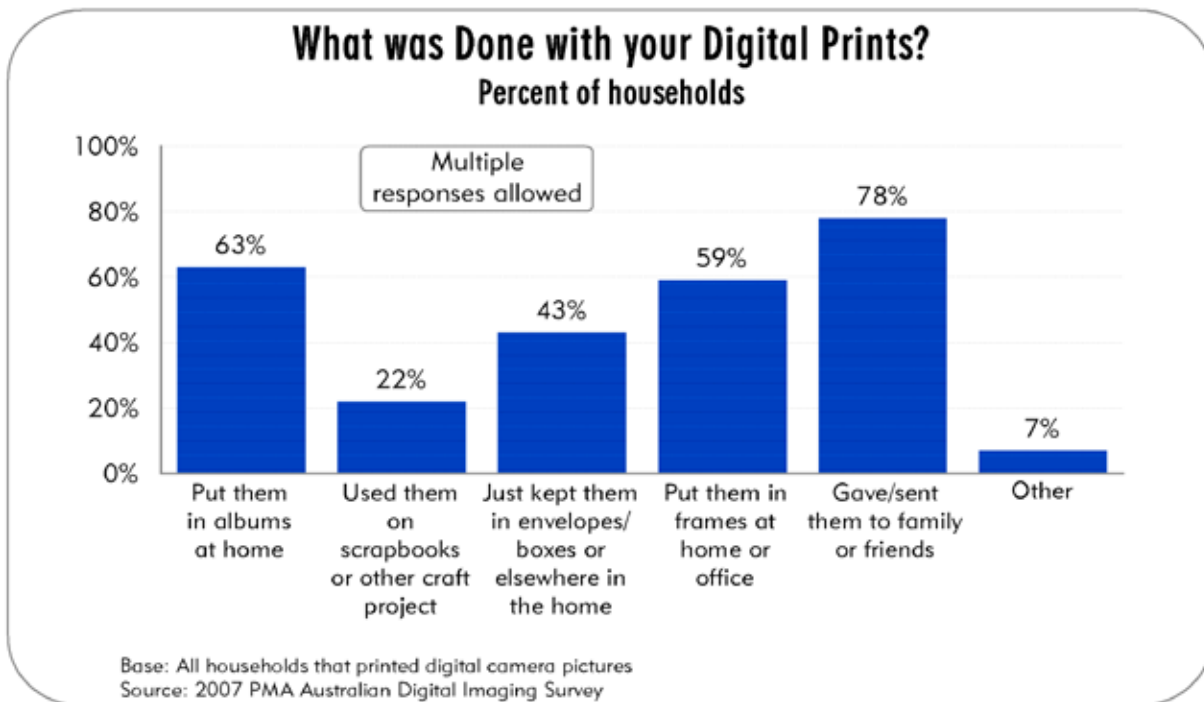
Percent of total prints made in 2006



Base: All prints made.
Source: 2007 PMA U.S. and Australian Digital Imaging Surveys

Reasons for printing

- Sharing of pictures is the dominant reason people print in Australia. The popularity of prints as means for sharing is greater among family households versus non-family households.
- Album making is the second most popular reason for making prints.
- A considerable portion of households (22 percent) also uses their prints in scrapbooks.
- Only 43% of digital camera owners that made prints, or 27% percent of all digital camera owners made prints that remained in envelopes and boxes.
- Different groups of consumers make prints for different reasons. Identifying the different reasons people make prints is key to developing the right services for each segment and increasing retail sales.



What was Done with your Digital Prints?

	With child under 18			Without child under 18			
	Total	Income: under \$35K	Income: \$35K- \$75K	Income: \$75K+	Income: under \$35K	Income: \$35K- \$75K	Income: \$75K+
Put them in albums at home	63%	70%	51%	67%	46%	70%	57%
Used them on scrapbooks or other craft project	22%	30%	32%	34%	15%	21%	22%
Just kept them in envelopes/boxes or elsewhere in the home	43%	50%	37%	50%	49%	44%	41%
Put them in frames at home or office	59%	55%	55%	67%	51%	63%	61%
Gave/sent them to family or friends	78%	85%	80%	76%	77%	71%	74%
Other	7%	0%	11%	8%	10%	11%	10%

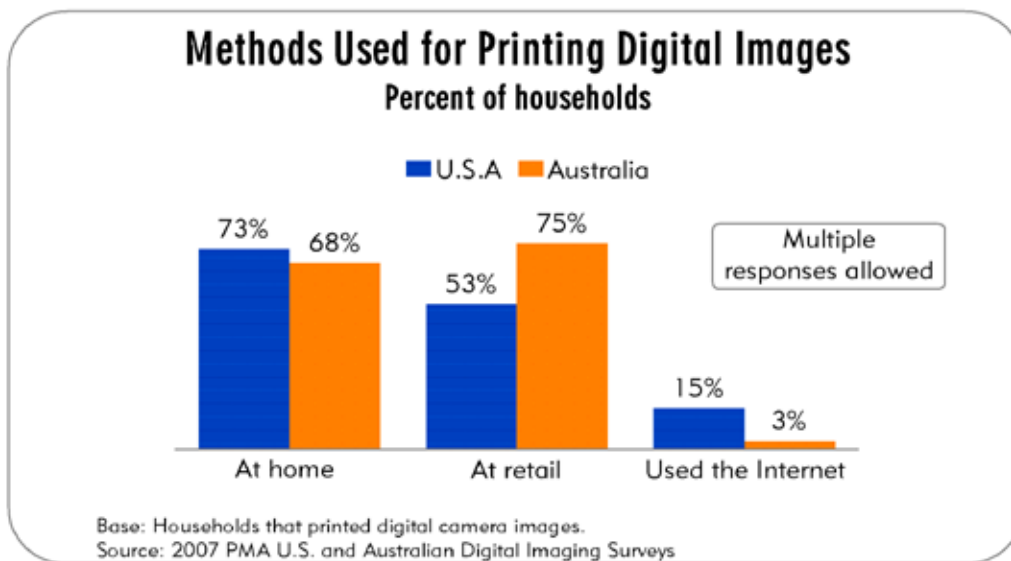
Base: All households in each demographic group that printed digital camera pictures.
Source: 2007 PMA Australian Digital Imaging Survey

Multiple responses allowed



Methods of printing

- Retail printing is more popular in Australia than in the United States at the moment. Seventy-five percent of households that made digital prints in 2006 used retail-printing options.
- 68 percent of household that printed digital camera pictures, made prints on home computer printers and photo printers.
- Only 3 percent of Australian printing households ordered prints online, compared to 15 percent of U.S. printing households.
- Note, like in the United States, significant portions of households printing at home also make prints at retail.



Methods Used for Printing Digital Images

Percent of households

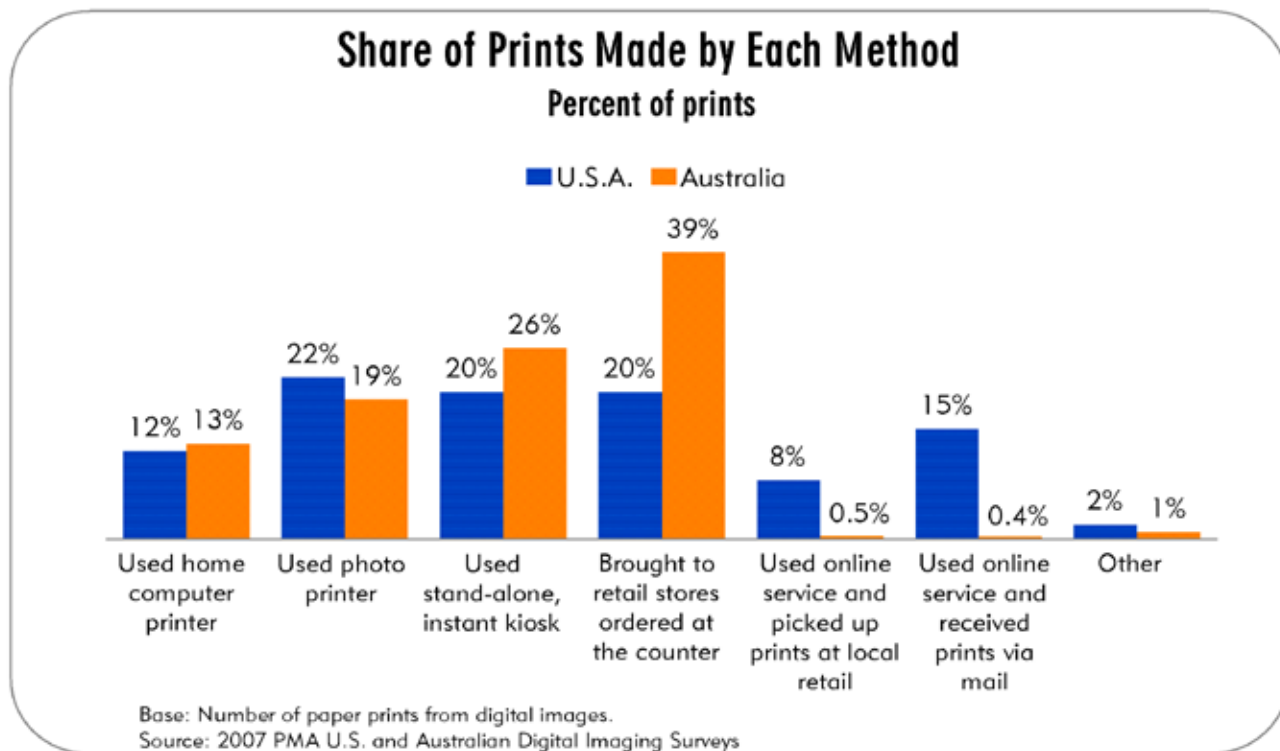
	Total	With child under 18			Without child under 18		
		Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+
At home	68%	72%	70%	73%	77%	57%	64%
Used home computer printer	31%	39%	30%	34%	23%	29%	27%
Used photo printer	48%	44%	55%	56%	58%	39%	46%
At retail (walked in or ordered online and picked-them up)	75%	67%	75%	73%	65%	80%	72%
At retail (walked in)	74%	67%	72%	73%	65%	79%	72%
Used stand-alone, instant kiosk	40%	33%	34%	41%	35%	40%	41%
Brought to retail stores ordered at the counter	49%	44%	49%	50%	29%	52%	50%
Used the Internet	4%	0%	4%	4%	0%	7%	3%
Used online service and received prints via mail	3%	0%	1%	4%	0%	4%	3%
Used online service and picked up prints at local retailer	1%	0%	3%	0%	0%	3%	0%
Other	2%	6%	3%	1%	3%	3%	1%

Base: Households in each demographic group that printed digital camera images.
Source: 2007 PMA Australian Digital Imaging Survey

Multiple responses allowed



- Shares of printing method are similar between the United States and Australia with one exception. The share of orders that would normally be placed online in the United States goes to retail minilab orders in Australia.
- 66 percent of prints in Australia were ordered or picked up in stores and 31 percent were made at home, compared to 48 percent and 33 percent in the United States, respectively.



Share of Prints Made by Each Method

Percent of prints

	With child under 18				Without child under 18		
	Total	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+
Used home computer printer	13%	14%	15%	14%	10%	11%	9%
Used photo printer	19%	13%	23%	21%	28%	19%	17%
Used stand-alone, instant kiosk	26%	29%	19%	23%	25%	27%	31%
Brought to retail stores ordered at the counter	39%	41%	39%	41%	32%	40%	42%
Used online service and picked up prints at local retailer	0%	0%	0%	0%	0%	1%	0%
Used online service and received prints via mail	0%	0%	2%	0%	0%	0%	0%
Other	1%	3%	2%	0%	4%	3%	0%

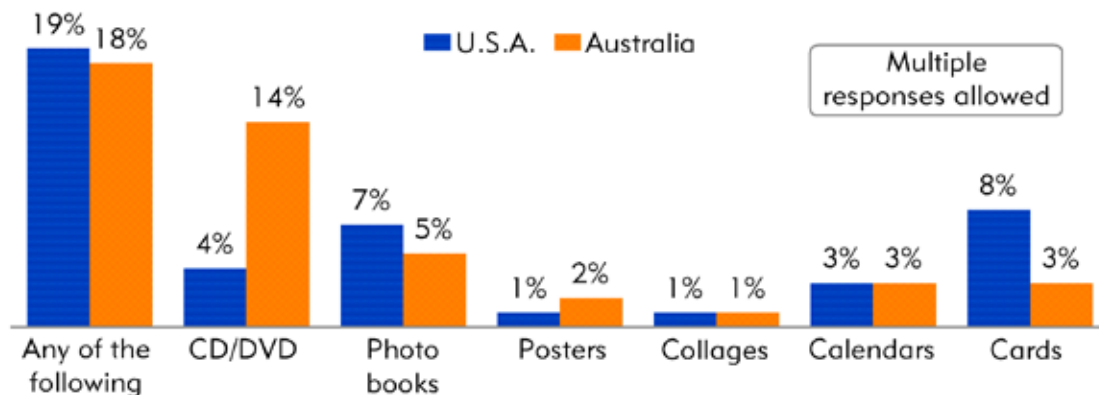
Base: Number of paper prints from digital images made by each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

Custom photo services

- The following charts and tables show the level of demand for non-traditional photo products and services in Australia today.
- In total 18 percent of Australian households purchased photo CDs, photo DVDs, photo books, posters, collages, calendars and photo greeting cards in 2006.
- These services add significant value to the photo industry and the retail channel. Every household that ordered at least one of the above spent an average of \$115 on these products and services in 2006.
- Photo CDs are much more popular purchases in Australia than in the United States, while the opposite is true for photo greeting cards.
- Offering the whole suite of products/solutions to photo customers and providing help with the design aspects of these products are keys for success in these emerging market.

Ordering of Custom Photo Products/Gifts and CDs/DVDs at Retail and Online

Percent of households



Note: Excludes products created at home and consumables used to create those products at home.

Base: All households in each demographic group.

Source: 2007 PMA U.S. and Australian Digital Imaging Surveys

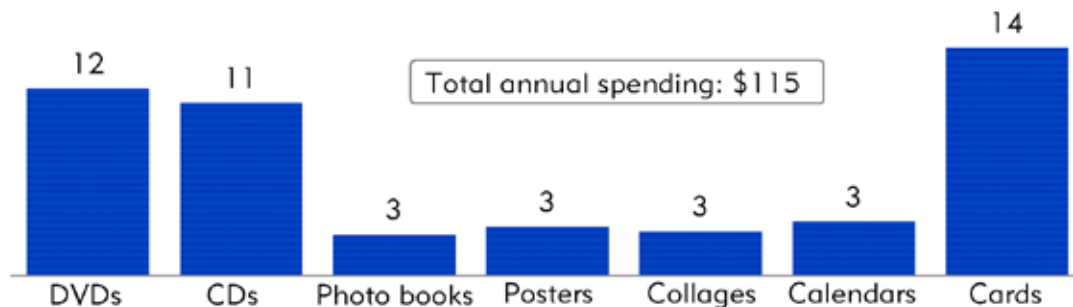
Ordering of Custom Photo Products/Gifts and CDs/DVDs at Retail and Online Percent of households

	With child under 18				Without child under 18			Made prints	Made no prints
	Total	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+		
Any of the following	18%	12%	19%	16%	12%	16%	20%	19%	15%
Photo DVDs	5%	0%	31%	24%	26%	6%	23%	17%	27%
Photo CDs	9%	13%	38%	56%	26%	43%	42%	48%	40%
Photo Calendars	3%	25%	19%	18%	13%	9%	25%	16%	15%
Photobooks/memory books	5%	25%	25%	18%	17%	29%	19%	25%	13%
Photo collages	1%	0%	6%	3%	9%	6%	4%	6%	4%
Photo greeting cards	3%	38%	13%	24%	17%	11%	19%	13%	23%
Photo posters	2%	13%	6%	12%	9%	14%	8%	10%	8%

Note: Excludes products created at home and consumables used to create those products at home.
Base: All households in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

Multiple responses allowed

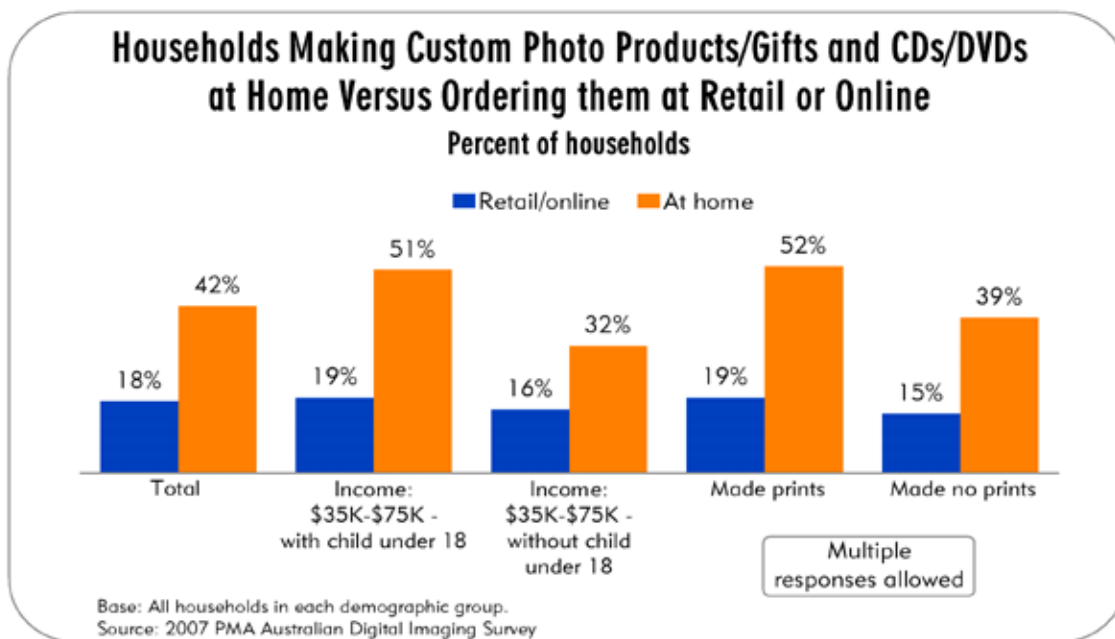
Number of Custom Photo Products/Gifts and CDs/DVDs Ordered at Retail and Online Total Spending Average per household per year



Note: Excludes products created at home and consumables used to create those products at home.
Base: All households that ordered such products.
Source: 2007 PMA U.S. and Australian Digital Imaging Surveys



- Despite 18 percent of the households purchasing custom products and photo CDs/DVDs at retail, 42 percent of households still made such products at home in 2006. Some households have not yet found beneficial trades in product quality, design, and price at retail.
-
- The importance of embracing consumers that require custom services and making the necessary investments is great because of the access it provides to niche consumer segments and households that make no prints. Fifteen percent of households that made no prints in 2006 purchased custom products at retail and 39 percent made such products at home.
- Presence of young children generally encourages the making and purchase of custom products.
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Households Making Custom Photo Products/Gifts and CDs/DVDs at Home

Percent of households

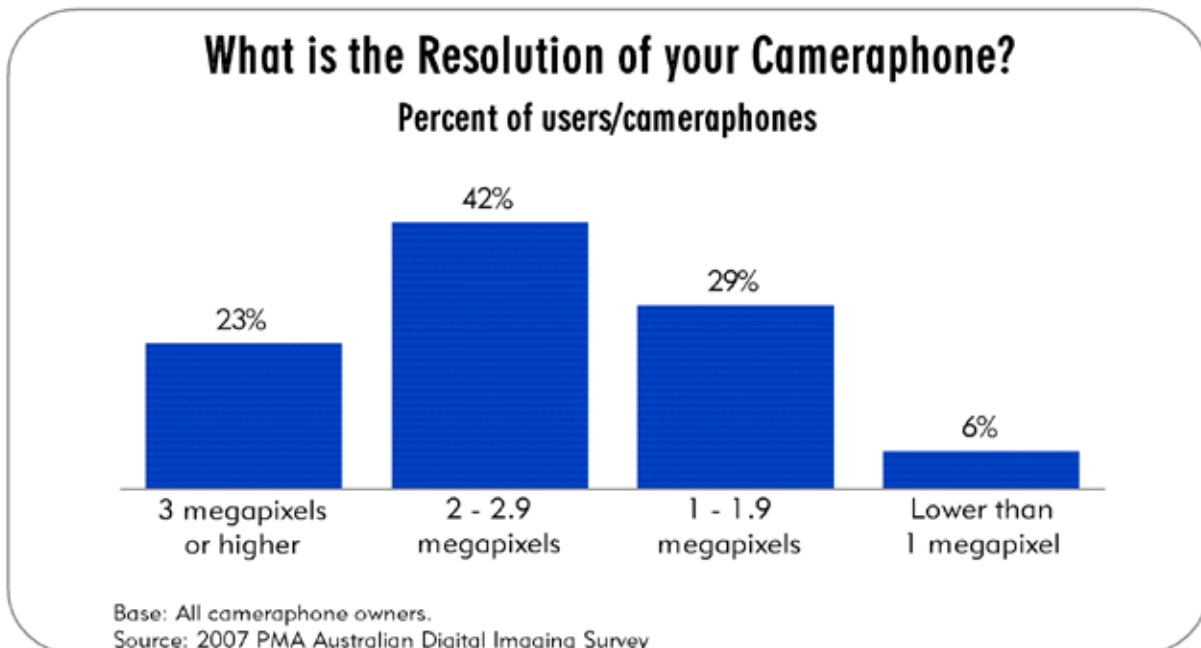
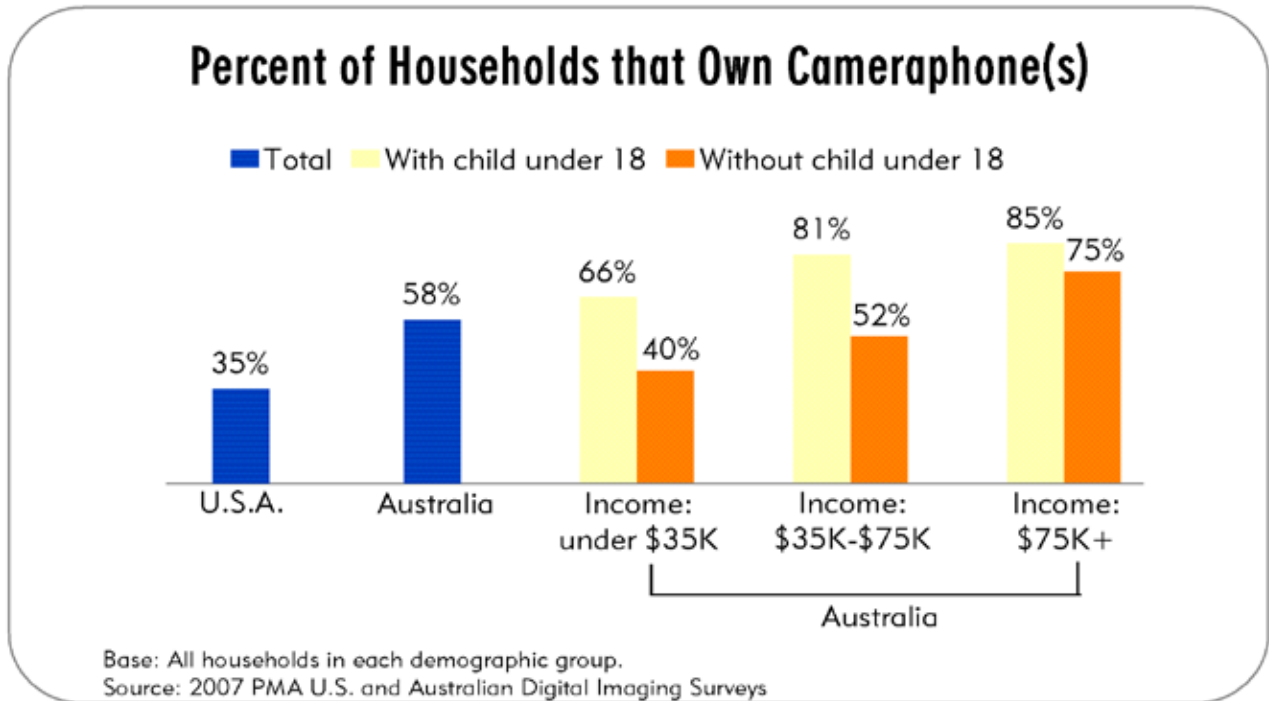
	With child under 18				Without child under 18			Made prints	Made no prints
	Total	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+		
Write a photo DVD	14%	9%	16%	21%	4%	9%	15%	17%	13%
Write a photo CD	27%	14%	40%	34%	8%	22%	32%	37%	25%
Create and print a photo calendar	5%	5%	9%	6%	1%	5%	6%	8%	3%
Create and print a photobook	4%	4%	5%	6%	3%	2%	3%	6%	3%
Create and print a photo collage	8%	9%	13%	14%	2%	5%	6%	10%	6%
Create and print photo greeting cards	11%	11%	14%	17%	6%	5%	11%	14%	10%
Other custom item/gift	1%	2%	1%	1%	1%	1%	1%	1%	1%
None of the above	58%	77%	49%	47%	82%	68%	53%	48%	61%

Multiple responses allowed

Base: All households in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

Cameraphones

- Cameraphone adoption is in advanced stages in Australia compared to the United States.
- Adoption is higher among families with children under 18 years old.
- The majority of cameraphones (65 percent) carry 2-megapixel or higher resolution cameras.





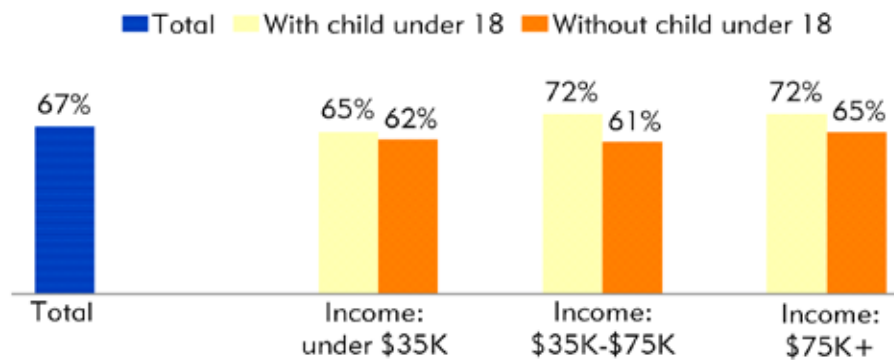
What is the Resolution of your Cameraphone? Percent of users/cameraphones

	With child under 18				Without child under 18		
	Total	Income: under \$35K	Income: \$35K- \$75K	Income: \$75K+	Income: under \$35K	Income: \$35K- \$75K	Income: \$75K+
3 megapixels or higher	23%	40%	22%	20%	22%	35%	25%
2 - 2.9 megapixels	42%	40%	52%	43%	56%	30%	31%
1 - 1.9 megapixels	29%	20%	22%	30%	11%	30%	33%
Lower than 1 megapixel	6%	0%	4%	7%	11%	4%	11%

Base: All cameraphone users in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

- One third of cameraphone owners interviewed did not take pictures with their cameraphone in 2006.
- Households seem to resort to their cameraphones to take pictures primarily when their main digital camera is not within reach.

Households that Used their Cameraphone to Take Pictures in 2006 Percent of households



Pictures taken per household: 39
Prints made per household: 1.2

Base: All cameraphone owners in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

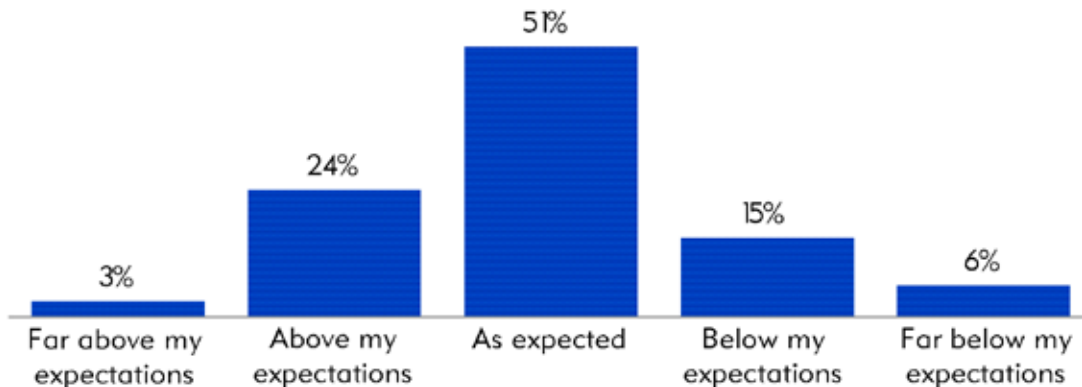
Why Did you Use Your Cameraphone to Take Pictures Rather than Another Camera? Percent of users

	Total	With child under 18			Without child under 18			Made prints	Made no prints
		Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+		
I only have a cameraphone (no other digital camera)	6%	18%	8%	2%	6%	9%	3%	6%	4%
I primarily take pictures with my cameraphone	2%	0%	0%	1%	0%	3%	2%	1%	0%
Occasion not important enough to bring a regular camera	8%	0%	12%	7%	6%	3%	5%	6%	11%
I would have taken the picture with my regular camera but I did not have it with me at the time	65%	55%	71%	69%	63%	79%	71%	69%	70%
Could not use my regular camera for technical reasons (e.g. full memory card, empty battery, museum restrictions etc.)	4%	18%	2%	4%	6%	0%	3%	3%	5%
I took the picture with both the cameraphone and another camera	0%	0%	0%	0%	0%	0%	2%	0%	1%
I wanted to send the picture to someone or upload it on website/blog quickly	2%	0%	2%	0%	0%	0%	3%	1%	1%
I wanted to have the picture on my cameraphone so I can have it wherever I go	3%	9%	2%	4%	0%	3%	2%	3%	3%
I wanted to use it as a new wallpaper on my cameraphone	1%	0%	0%	0%	0%	0%	2%	1%	1%
I just wanted to try / for fun	9%	0%	4%	12%	19%	3%	7%	11%	4%

Base: All cameraphone users in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

Satisfaction with Performance and Ease of Use of the Cameraphone when Taking/Sharing/Storing Photos

Percent of users



Base: All cameraphone users.
Source: 2007 PMA Australian Digital Imaging Survey



Satisfaction with Performance and Ease of Use of the Cameraphone when Taking/Sharing/Storing Photos

Percent of users

	With child under 18				Without child under 18			Made prints	Made no prints
	Total	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+	Income: under \$35K	Income: \$35K-\$75K	Income: \$75K+		
Far above my expectations	3%	10%	11%	1%	0%	6%	0%	2%	5%
Above my expectations	24%	20%	30%	23%	27%	25%	19%	25%	19%
As expected	51%	40%	48%	47%	27%	34%	64%	48%	49%
Below my expectations	15%	30%	11%	21%	27%	25%	16%	18%	19%
Far below my expectations	6%	0%	0%	8%	18%	9%	2%	7%	8%

Base: All cameraphone users in each demographic group.
Source: 2007 PMA Australian Digital Imaging Survey

Methodology

The statistics in this report are based on a phone survey of 1,500 households in Australia. The questionnaire was designed by PMA in cooperation with PICA. It was then used by TNS to conduct and complete 1,500 phone interviews on a representative Australian panel of households. The interview process started early in February 2007 and was completed later in the same month. For questions and more detailed information please email PMA_Marketing_Research@pmai.org.

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