



HP Photo Center customer experiences

Gerry Gibbs Camera House

Cannington, Western Australia

SOUTH OF PERTH, in the large state of Western Australia, Murray Gibbs owns and operates the Gerry Gibbs Camera House, a business started by his father 38 years ago in the community of Cannington—as this southern Perth suburb is known. Murray has been a part of the business for 28 of those years. Murray has twelve sales people, and while camera and accessory sales account for most of his business, the film processing business is an important service component to attract customers into his store.

Murray has experienced the same decline in film sales as the rest of the industry, though his film developing has kept going at the rate of 50 to 60 rolls per week, as he has successfully worked to pick up the residual processing from each of his competitors as they have dropped out of that part of the business.

Murray also offers his customers custom printing on canvas, silk, and watercolor and photo papers, on all sizes up to 44 inches x 16 feet (1.1 meters x 5 meters). He also sells custom photo books in sizes ranging from 4x6 inches (10x15 cm) up to 12x18 inches (30x46 cm), with up to 200 pages, and with lay-flat options. Gifting, calendars, and artwork reproduction round out this large product portfolio.



Competition, however, is always racing to surpass. For Murray, staying ahead of the competition with the best in quality and services—while maintaining better than competitive profit margins—has come about in part by staying ahead of competition with technology. “I have often been told that I have more toys than most!” declares Murray, “Meaning that we constantly move into new technology well before many others. It is not automatically best to be first, but as a single store, staying ahead of the rest gives us a good edge.”

SO IN 2008, AS THE GERRY GIBBS CAMERA HOUSE faced mounting competitive pressures, cost pressures, the desire to improve its environmental impact, and the need to offer more products to attract consumers and continue to supplant film, Murray again turned to technology for help. In this case, the HP Photo Center. The HP Photo Center became the store’s primary customer ordering and creative experience. Their HP solution included twelve 19-inch Input Stations, the DesignJet 130 poster printer, the CL2000 Creative printer, and—the kingpin of the solution—an HP Photosmart ML1000 Minilab printers, a dry, inkjet-based printer with amazing flexibility.

Store benefits:

- Significant labor savings (from 2½, down to 1 operator)
- Much lower maintenance
- Lower intervention rates
- Easier workflow
- New high-margin revenue streams



The present and future printing capabilities, along with the labor automation the ML1000 provides, were the key drivers for the change to HP. However, it was the replacement of his AgX minilab that started the change. Murray has been in the AgX minilab business for 26 years, but increasing concerns over the environmental impact of that older technology,

the high maintenance, and particularly the high labor costs, drove him to be an early adopter of the new dry inkjet technology. "I had been looking at a new total solution for printing for around twelve months and we came to the decision that there were three main criteria: 1) automation, 2) speed, and 3) versatility and future developments."

They looked at the Fuji and Noritsu offerings in both wet and dry labs, but neither could offer the automation and versatility of the HP ML1000. Many of the owners of other photo specialty stores thought Murray was "completely nutters" going dry. Murray thought they may have been blinded by issues of past inkjet reliability and that they didn't understand the bigger picture that included the substantial advantages of the HP ML1000, including speed, printing versatility (including sixteen print sizes with no paper changes), the greatly reduced labor costs, and the future ability to add duplexing to the same printer.

Murray's competitors likely also thought him crazy for installing the system in the middle of December. The entire HP Photo Center installation including the ML1000, however, was finished in 36 hours and saved the store a lot of angst in meeting the high pre- and post-Christmas season printing volumes, turning out quality products quickly and profitably even at the peak demand times.

Consumer benefits:

- High-quality products
- Long-lasting photos
- Products delivered in minutes

REACTION FROM MURRAY'S CUSTOMERS has been wonderful. They love the ability for the store to give them prints—all the way up to 12×18-inch—in minutes, part of the service guarantee Murray uses to trump the competition. From a quality perspective, Murray relates with a smile that the only customers who were not immediately impressed with the higher print detail the ML1000 offered over the previous AgX prints, were those few who took a while to understand that Black will be a true Black with the HP inkjet printer. They had come to somehow expect that photos—because of the AgX system's inability produce a 100% pure black—should have only dark grays.

Customers appreciate the print life promise of over 200 yearsⁱ, the result of HP's industry-leading ink and media science applied to the ML1000. Without knowing the technical words, customers also appreciate improved image quality that comes from the wider color gamut the ML1000 has over AgX printing.

From a store associate perspective, there were next to no startup challenges, and they have loved the speed and automation. Where previously the store had two to three operators running all of their printing systems and kiosks, they now have a single operator running the ML1000 and all seven other printers, and she still has time for helping customers on the Input Stations and assisting with sales.

As the owner, Murray has appreciated the improvement in profit margins. "This I believe is due mainly to the business model we are running. We are set up to have three price points for all print sizes up to 12×18 inches: 15-minute express, one-hour, and 48-hour." He prices the 48-hour service to match the market price, but price the higher-value express and one-hour products at a greater profit margin. For example, a 15-minute express 4×6 print has five times the profit margin of the standard 48-hour print. "People are time poor and are willing to pay a little extra to get a faster service," explains Murray. He attributes the noticeable increase in customer satisfaction in great part to their almost 100% guaranteed ability to deliver to these impressive delivery times.

And finally, in his efforts to better impact the environment, Murray appreciates reducing the electricity used over his former AgX lab by more than half, the elimination of chemical waste, the zero water consumption,

and the recycling programs HP has in place to make its supplies light on the planet. HP has even moved to have 100% of the retail (and consumer) photo paper be derived from suppliers certified under a forestry certification program.ⁱⁱ

ALL GOOD, BUT THEN MURRAY THEN WENT A STEP FURTHER and added a second HP ML1000 Minilab printer. If asked what his reason was for installing a second HP ML1000 Minilab printer, Murray will tell you it was speed, speed, speed. He also talks about workflow and automation the dual printers provide. While one HP ML1000 printer can do both matte and gloss surfaces, two printers allow him to offer both finishes in all print sizes without any paper changes. He has one printer doing all prints sizes in gloss and the other all print sizes in matte. The HP software pushes the orders to the appropriate printer. All



sizes of paper and both surfaces are always loaded, reinforcing the store's ability to offer a superior on-time delivery of customer orders. The dual printers also substantially reduce time and labor costs while removing close to all possibilities of human error.

When talking about the new duplexing capability of the HP ML1000D, Murray is excited about the ability to take the store to the next level in terms of quality offerings for photo books and calendars—again racing past the competition. While they have long offered high-end photo books, they will now be able to offer high-end photo books and calendars in minutes. The output of the ML1000, and now the ML1000D, is stunning. Couple that with the glueless, seconds-to-assemble HP photo book covers, and the store will yet again surpass the competition in terms of quality and service.

HP HAS HELPED MURRAY remain not just competitive, but to lead the competition. The HP Photosmart ML1000 Minilab printer has helped reduce labor costs, move labor to customer-facing sales, introduce additional quality high-margin products, and help reduce the store's impact on the environment.

All in a day's work.



ⁱ Based on 200+ years display permanence rating when under glass or in dark storage (such as an album) by Wilhelm Imaging Research, Inc. using the HP ink and photo paper developed for this system. In open display the HP photos are rated at 100+ years.

ⁱⁱ In place by the end of 2009.