

Getty Images acquires Shutterstock in \$3.7 billion deal to dominate stock media

Article

The news: Getty Images is acquiring Shutterstock in a \$3.7 billion deal that combines two of the largest stock image providers, with Getty shareholders controlling 54.7% of the merged

entity.

- The integration of the publicly traded companies will yield **\$150 million to \$200 million** in annual operational savings through combined efficiencies.
- The merged library will create an unprecedented collection of hundreds of millions of assets across images, video, and music formats.
- Current Getty CEO **Craig Peters** will lead the organization under the Getty Images name and “**GETY**” ticker symbol.

The merger requires approval from both companies' shareholders and regulators, though we expect the latter to be an easier hurdle under [the incoming Trump administration](#).

Why it matters: The merger is a response to the AI-driven transformation of the visual content industry.

The companies are responding to significant industry pressures in several ways:

- Both have experienced substantial stock declines amid broader market challenges.
- **Adobe** and AI tools like **Midjourney** are disrupting traditional stock photo models with cheaper, customized image generation, despite current limitations in the technology.
- Thanks to genAI, video is becoming cheaper, which could cut into stock image budgets as well. Adobe recently [launched its Firefly Video Model](#) with limited generative AI capabilities in **Premiere Pro**, not to mention [Luma AI's new Dream Machine platform](#).
- The combined entity will be better positioned to use its vast content library for AI model training.

Our take: This merger positions the combined company for survival and relevance in an AI-first visual content economy.

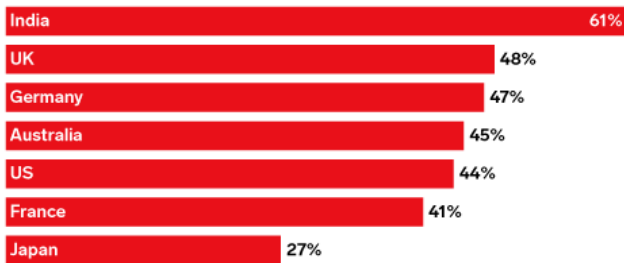
- The merged entity will be able to leverage complementary technological capabilities in search and AI development.
- The combined content libraries will create a powerful position in the growing market for AI training datasets.
- Operational efficiencies will enable increased investment in creative tools and event coverage solutions.

Long-term success will depend on several strategic factors:

- The company must successfully transform from an image licensor to an AI infrastructure provider. The rapid advancement of AI video and image generation tools and current and anticipated releases from **OpenAI**, **Adobe**, and **Meta**, underscores the urgency for traditional image providers to adapt their business models and technological capabilities.
- There's evidence that traditional stock photos and videos have less of an impact on purchase decisions—**13.7% in North America and 7.0% in the UK**—compared to AI-generated content (**25.5%** and **10.0%**), highlighting the importance for the merged company to modernize and diversify its offerings.
- At the same time, the integration of AI technologies will need to enhance rather than replace core offerings.

Marketers in Select Countries Worldwide Who Are Using Generative AI at Their Company* to Generate Visuals and Images, May 2024

% of respondents in each group



Note: Australia n=400; France n=356; Germany n=374; India n=402; Japan n=400; UK n=355; US n=374; *with 100+ employees
Source: Adobe, "Marketer/Consumer Use of Generative AI Survey" as cited in MarkeZine news, Aug 9, 2024

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