Customers Up For Grabs

I have written in the past that all printing buyers will fit into one of just five categories: *solids, liquids, gases, players* and *price monsters. Solids* are happy with their current supplier and they're not going to change. *Liquids* are generally happy with their current supplier, but they'll talk to you, and they might buy from you if you convince them that you're better than what they have now. *Gases* are unhappy with their current supplier, and most of them have already made the decision to try a new printer the next time around.

Players spread their work around, and they're price sensitive to the degree that they'll usually give the order to the printer in their "stable" who quotes the lowest price on any given project. They won't have the cheapest printer in town in that group, though, because that would make them *price monsters*—people who make all their decisions based strictly and only on price.

It turns out that there's a sixth category: *orphans*. These are the people whose printer has gone out of business. There are *solids, liquids, players* and *price monsters* among the *orphans*, but they all have at least one *gaseous* characteristic now—they *have to* try a new printer the next time around!

Orphan Identification

OK, how do you know who these *orphans* are? Maybe I should be asking a different question: Do you know who any of your competitors' best customers are? Obviously, any high volume printing buyer who's not buying from you must be buying from one of them, but can you match the buyer to the printer?

If you can't, it might be a good idea to do a little research. Start by making a list of 100 companies that you think buy enough printing to get excited about. Next, get on the telephone and call each of those companies, and ask whoever answers the phone two questions: Who orders the printing for your company, and who does he/she order it from? I would expect that you'll end up with the names of 80+ printing buyers and 80+ printing companies.

(If that sounds high, it might be because I'd expect a least a few companies to give you the names of multiple buyers and multiple suppliers. Beyond that, though, I would still expect the overall success rate of this strategy to be around 70%.)

Here's something else I would expect. If you have had a competitor go out of business recently, you'll probably identify at least a couple of companies who've been buying from that printer. That's more likely in a small town than a large city, of course, but the chances are still pretty good. And if nothing else, identifying the buyers at 100 companies can be the first step toward developing some new customers for yourself, regardless of whether they're *orphans* or not. If I were you, I'd be actively calling on these people with both a short-term and a longer-term goal in mind.

In the short term, I'd want to find out if they're *liquids* or *gases* with immediate potential. In the longer-term, I'd want to get on their radar just in case their current printer is the next one to fail. Think about that. If you'd already accomplished that goal with the last printer to fail, we wouldn't be having this discussion!

Go To The Source

The idea for this column came from an e-mail I received last week. "I have had a competitor go out of business," it read. "What would be the best steps to reach their customers?" When I called to follow up, I learned that the open printer had no idea who the closed printer's customers were.

"Do you know who the owner was?" I asked. "The first thing I'd recommend is to call him/her and see if you can make some kind of a deal to acquire the customer list. And if that doesn't work, see if you can track down some of his/her former employees. They're probably looking for work, and they might bring two levels of value to your company—individual talent *and* customer relationships."

Please note that I'm *not* recommending that anyone hire a failed printshop owner, especially in a sales role. I wrote recently that I think there are probably 1000 or more former owners working for other printers right now, and most of them aren't really contributing. In all but rare cases, I'd rather have the list than the owner—and in terms of any real relationship with the customer, I'd probably rather have the employee who dealt with the customer than the owner. Think about *that* for a moment. If your company went out of business and I wanted to capture your customers, would I be better off with you or with one or more of your employees?

Direct Contact

Let's say that you can acquire the closed printer's customer list. How should you go about making contact? The answer to that question is pretty straightforward—*call* on them! Call on the phone, with the objective of setting up a face-to-face meeting. Alternately, you can start the process with an e-mail, but you should still do it with the objective of setting up a face-to-face meeting. Remember, just because they were the failed printer's customers, that doesn't mean they're automatically going to become your customers. You're probably going to have to meet with them to close the sale!

Here's something else to think about. The best *place* to meet with them might be your shop. I love the idea that you'd be calling with a proposal like this: "I got your name from (the closed shop's owner), and with that business now closed, I hope you'll consider us to be your new printer. To start that ball rolling, I'd like to invite you to come over for a tour of our facility. I'd like to learn more about your printing needs, and I'd like to show you our capabilities. I'll even come over and pick you up!"

If they're not willing to come to you, Plan B could easily be to go to them. I hope you'll agree that there's some value in trying to set this meeting up on your turf, especially if your shop and your staff "show" well.

Final Thought

Here's a final thought for today. You probably don't want to capture *all of* a failed printer's customers. Whenever a printer goes out of business, all of that printer's *work* needs a new home, and in far too many cases, it was the *work*—high volume but low margin—that put the printer out of business in the first place. That low margin *work* is usually connected to a *price monster* customer, and as I've written before, some of those customers are like serial killers. They hurt every printer they buy from. You don't want them to hurt you!