

## Get All Of The Value From Your Customers

Earlier this year, I mentioned in an article that I've been challenging quick printers with the following statement: "You've got all of the customers you need—right now!—to double your business." That particular article was on *Defensive Management*, but the response I've been getting seems to indicate that most quick printers agree with the basic concept. The problem is, they're not sure how to actually make it happen.

The key to making it happen is to understand that every customer offers you three different levels of value. The opportunity in front of you is to harvest more of the value at each level and create a healthy increase in your sales figures.

### Level One

The first level of value from any customer is the value of what they're buying from you now. Harvesting more of that value takes you into two distinct areas. The first area is that of *customer service*...taking care of your customers so they *continue* to buy from you. That's a large part of what defensive management is all about. It's a tragedy when you gain business from some customers while losing it from others, leaving you with no net gain.

The second area concerns the prices your customers are paying you for what they're buying right now. If you can raise those prices—and you almost certainly can, at least modestly—your current customers will put more sales and profit dollars into your business without anything else having to happen.

To some quick printers, what I've just said will seem like a contradiction. The idea of raising prices will seem at odds with the idea of keeping your customers. But I'll offer this promise...if your customer service is strong enough right now to keep your customers happy on a day-to-day basis, it's going to be strong enough to support a modest price increase. If you're not keeping your customers that happy right now, you have another problem altogether!

### Level Two

The second level of value from any customer is the value of what they *could be* buying from you. You should treat it as an article of faith that every one of your customers does business with other printers. OK, that may not be true of some of your "social" customers, or of the smallest businesses among your customers. But it's almost certainly true of any *but* the smallest of the businesses that buy from you.

You can take one of two approaches to the challenge of getting more of what these people could be buying from you. One is the *declaratory* approach which is a matter of stressing the education of your customers...constantly telling them about all of your capabilities, and trying to avoid losing business to the phrase: "I didn't know you could do that!"

The other is the *exploratory* approach, which is a matter of asking people constantly what else they're working on, and what other printed products they're buying. When you encounter a project that you could be providing, you transition to the declaratory approach and make sure that the customer is aware of two things: first, that you're capable of handling the particular print or copy job; and second, that you want the business!

(It's pretty generally accepted that you can never say "thank you" too many times to one of your customers. I've also come to believe that you can never say "I want your business" too many times to a customer or prospect. Given the choice between a supplier who's sort of casual about having my business and one who demonstrates the he or she is hungry for it, I tend to want to buy from the one who wants to serve me. How about you?)

Here's another thought on combining the declaratory and exploratory approaches. I think it should be easy for you to break your "product line" down into six or eight basic categories of work; things like brochures, catalogs, manuals, business forms, and so on. I know of one very progressive quick printer who has done exactly that...Ed Gilbert of In and Out Printing in Niagara Falls, NY. He then went back through the past two years of invoices from his top 50 customers, and calculated how many orders and how many dollars of sales he'd gotten from each of them in each particular category.

It was a time consuming project, but a valuable one, because the end result was a listing of not just what these customers had been buying from him, but also what they hadn't. Working with the assumption that every business has a requirement for products within each of his basic categories, he now knew exactly what to talk about on his next calls on these customers. He simply asked them if they were aware that he was capable of producing the kind of products that he'd noticed they weren't buying from him. The result was a significant increase in business!

### **Level Three**

The third level of value from any customer is the help they could be giving you in selling to *other* users of your products and services. Here we're talking about *referrals* and *testimonials*.

A referral from a current customer gives you a tremendous "running start" with a prospect. It is without question the most powerful introduction you can get to a potential new customer. Remember, in the course of your selling efforts, you make any number of promises to a prospect...promises of quality, capability, service and competitive price. A referral from a current customer gives evidence that you'll keep those promises.

How do you gain referrals? Simply ask for them! It's hard to see any downside to asking your satisfied customers if they know anyone else—either internally within their companies, or externally in other parts of their lives—who might benefit from your services, and be interested in building the same sort of business relationship with you.

Testimonials can come in two forms: direct and indirect. A direct testimonial occurs any time a current customer tells someone else about you. That can be a spoken comment, or a written one. And of the two possibilities, a written testimonial probably has the most long-term value for you. The reason? Because you can put that written testimonial in front of as many prospects as you want!

It's not uncommon for a customer to write an unsolicited "thank you" letter to a printer, especially after that printer has done something particularly noteworthy in terms of quality or service. In my experience, many printers get at least one or two of those letters each year.

But if getting a letter like that from time to time is good, getting more is better. And again, it's hard to see any downside to asking your better customers to put their thoughts on doing business with you in writing. If you're willing to ask, you could build quite a portfolio of testimonials...from companies of varying sizes, in a variety of industries, or just in different parts of town. The chances become significantly better that you'll then have the perfect letter to influence any particular prospect.

What are indirect testimonials? Let me answer that with another question: Do you use samples of your work as part of your selling efforts? If you do—and most printers do—what are you trying to demonstrate with those samples?

The answer I most commonly hear is "quality," but I reject that answer. Because, as you know, you hand-pick those samples. You never bring out samples of jobs that didn't turn out quite as well as you or your customer thought they should. (At least I hope you don't!) Believe me, the people who buy printing in this world know that beautiful hand-picked samples are no guarantee of a printer's everyday quality.

Now think about this: Every piece of paper that has ever gone through your shop is a piece of evidence that demonstrates that some company or another trusts you to handle their printing. It's the "name-dropping" potential of samples that provides you with an indirect testimonial, which can be a subtle but very effective way to reinforce all those promises you are making.

By the way, another of the things that samples can do for you is to demonstrate your capabilities...all of the various products and services you're capable of providing. If you make it a point to show fresh and varied samples regularly to your current customers, you have another declaratory tool to use in avoiding losing business to the phrase: "I didn't know you could do that!"

### **Bottom Line**

I hope you'll agree that the bottom line here is that you *do* have all of the customers you need—right now!—to double your business. Your challenge is to harvest all of the value each of those customers provides you with.

Take good care of those customers, and protect the Level One value of the business they're giving you now. Commit yourself to both declaratory and exploratory efforts to gain more the Level Two value of what they could be buying from you. And don't let the Level Three value go untapped. Don't miss any of the opportunities to get your current customers' help in gaining new customers!

I'll say it again...you do have all of the customers you need—right now!—to double your business. Now it's up to you to make it happen!