

Modeling

When I was a kid, I built a lot of model airplanes. My older brother preferred boats, but I was an airplane guy, even way back then. From about 4th Grade to 6th Grade, I built everything from WWII fighters to cold war-era jets. They knew me by name at the model store in the town I grew up in.

These days, I don't build models, but I do build *from them*, because modeling is a very good way to maximize a sales effort, and in fact, to fine-tune a business as a whole.

Modeling Customers

The most obvious application for modeling is in the earliest stages of prospecting, and that relates directly to something I've written before: *that your next good customer will probably look a lot like a current good customer*. To put that another way, there's something about each of your current customers that creates a need for the kind of printing you sell. There is also something about them that creates an incentive to buy it from you. That may be as basic as the convenience of having you nearby. It may be as complex as a specific need for a product or service that they think only you can provide. Either way, it's important to analyze and understand *why* they buy from you. Because once you understand that, you can go looking for other companies or organizations who share the same circumstance!

Here's an example of what I'm talking about. It's been pretty well established that *associations* make good customers for quick/digital/small commercial printing companies. On the surface, the reason for that is pretty straightforward—*because they tend to buy a lot of printing!* But why is that?

If you think below the surface, you might realize that most of the printing they buy is connected with *members*—communicating with current members and trying to develop new ones. So the bottom line is that associations are good suspects because they're all about *members*. (Remember, by the way, that they're *suspects* when you *think* they might be *prospects*, and only *prospects* when you're *sure* they're fully qualified, which means you know—not just think or hope!—that they (1) buy exactly what you're best equipped to sell; (2) buy enough of it to make them pursuing them worthwhile; and (3) have some real interest in buying it from you!)

What I hope you'll see here is that associations aren't good suspects because they're associations, it's because they have—and probably want more!—members. So who else has and probably wants more members? How about health clubs and country clubs and motorcycle clubs and basketball leagues and even churches? Each of those categories is represented in the Top 5 Customers of at least one of my clients, and I think that means they probably have the potential to be in your top group.

Very few printers and printing salespeople seem to know exactly who they should be calling on, or marketing to. The result of that is usually a broad-based “shotgun” effort that hopes to hit something/anything and just bring in some orders. I think it makes a lot more sense to target the best suspects, and I think that starts with a serious analysis of your current customer list. In other words, *model* your current customers and go looking for more who fit the model.

There's more to this, by the way, than simply identifying suspects who buy a lot of printing. I define “bad” customers as those who are more trouble than they're worth, which means that “good” customers have to be less trouble—or worst case, exactly as much trouble—and they're worth. That's part of the modeling equation too!

Modeling Marketing Programs

The next most obvious application for modeling is in doing more of what works in terms of marketing. That starts with your own marketing, and it requires an understanding of whether what you're doing is working, or not! I know a lot of printers who use direct mail to market their businesses. I know very few who can prove to me that it's working. And of those, I know even fewer who know *why* it's working.

Here's a model you might find useful. One of my clients bought a digital t-shirt printer a couple of years ago, but he was never very happy with the volume it generated. My recommendation was to incorporate printed t-shirts into his overall marketing effort. He has a really cool logo, so we printed up a quantity of t-shirts featuring that logo, and we offered them as a response incentive on his next direct mail program. *Tell us about your printing needs and we'll give you a free ABC Printing t-shirt!*

The direct response rate on this mailing was approximately 4%, and the secondary response gained from follow-up phone calls raised that to almost 11%. Basically, he gave away 44 t-shirts in return for 44 appointments, and

among other things, those appointments yielded a few orders for printed t-shirts. I think you'll agree that it was a successful marketing program.

From a modeling perspective, here's what he learned: (1) a valued response incentive can increase the response rate; (2) printed t-shirts have a high perceived value, even if the printing is an advertisement for the seller; and (3) the follow-up phone calls had a very significant impact on the overall success of the program, nearly tripling the response rate. Needless to say, this printer doesn't send out "vanilla" mailings and wait for the phone to ring anymore.

This all becomes a lot more important, by the way, if you're trying to make the transition from *printer* to *marketing services provider*. Your marketing services customers will expect you to guide them toward strategies that will work, and the best way to do that will probably be to model them on strategies and programs that have been successful for others.

Modeling Employees

Here's another application for modeling—*the next person you hire to work in your business!* In this application, there is both positive and negative modeling potential. What I mean by that is to evaluate what makes your best current (or past) employees *good*, and what makes your current (or past) worst employees *bad*. I've heard the positive side of this expressed as *cloning* good employees, but that's really not the right term. You'll never find someone *exactly like* your all-stars, but if you think below the surface, you can probably identify the most critical characteristics, and then you can look for someone who has most if not all of them. On the negative side, you can probably identify the most troublesome traits, and *disqualify* anyone who demonstrates most if not all of them.

Bottom Line: modeling can probably help you to increase sales and improve your operation in other ways. Please start thinking below the surface!