

Seasonal Sales

Business tends to slow down in the summer time for many printers. I remember when business owners used to look forward to that, a natural break from the hectic pattern of the “busy” months. In the summer we’d get our people their vacations...take presses and bindery equipment off-line for maintenance...maybe take some extra time for ourselves on the boat or the golf course or whatever our own favorite indulgence might be.

I don’t know too many printers who would look forward to any slowing of business in these times, seasonal or otherwise. And I’m often asked if there are things that a printer can do to take seasonality out of the equation.

Customers Cause Seasonality

One of the basics I want you to understand is that your customers are the cause of any seasonality in your business. Or to put that another way, any seasonality in their businesses simply travels down the line to yours. One obvious answer, then, is to not put all of your eggs into a basket that conforms to a single seasonal cycle.

I’m always amazed at how few printers make a conscious effort to *shape* their customer list. If you want to know the real truth, I’m flat-out shocked at how few printers even understand the current make-up of their customer base.

Here’s an exercise that will help you to gain a clear picture of the seasonality of your business. Sit down with a sheet of graph paper—or at the computer with the spreadsheet software loaded—and a list of the customers who combine to make up 80% of your volume. Plot your actual monthly sales volume to each of those customers for at least the last 12 months, and 24 or even 36 would be better still.

The peaks and valleys on this graph will tell you if there are seasonality factors among this group of individual customers. And obviously, the longer the timeframe you’re able to chart, the better you’ll be able to identify the real trends. But what do you do with this information? How do you make it more than just an interesting collection of facts, and turn it into a tool to improve your business?

Understand Then Shape

Let’s say that 20 individual customers make up 80% of your business. When you plot their monthly sales, let’s say that 14 of them give you some level of consistent volume through the winter and spring, drop way off in the summer, and start picking back up again in the fall. Yep, this is a printing company that’s likely to have a fairly long summer...but you know that, don’t you. You may be living it right now!

The opportunity to shape your customer base is found in those other six customers. Let’s say that three of them give you consistent business throughout the whole year, about the same volume every month. Let’s say that the other three seem to do *most* of their printing in the summertime, and they’re slower while the majority of your top customers are active.

The trick to shaping your customer base is to determine what it is about these six customers that makes the different. *Why* do their printing needs flow along a different cycle. And then the most important question: who else in this town has similar printing needs, and will keep me busy during the months when so many of the rest of my customers are slow?

Numbers Game

You’re going to turn a certain percentage of the people you target as prospects into customers. I can’t tell you what that percentage will be—or even *should* be—but I think you have to accept the validity of that basic statement. If you target ten businesses that happen to be slow in the summer, and turn a couple of them into good customers, you will do your business some significant overall good. But you’ll probably also be setting things up to be even crazier during the “busy” months, while not doing anything to get more business running through the shop in the slower months. Now, if you identify and target prospects who run on a different cycle...

Customer base *shaping* is an important concept, and I’ll write on it again. There are also a couple of things you can do to effect the seasonal flow of work from individual customers, and I’ll write about that in next month’s column. For now, I hope you’re enjoying the summer. But if you’re not, and the seasonality of your business is to blame, I hope you’ll be willing to make the commitment to make this your last slow summer. *It can be done!*