

What Happened To Loyalty?

“I can’t believe this,” the printer said. “We’ve bent over backwards for these people for years, and they go with someone else over a \$10 price difference. What happened to loyalty? What happened to keeping your business with the printer who earned it?”

Those are good questions, but they raise a few more good questions, starting with “How exactly did you earn their business?” and then finishing with “Are you sure they agree?”

Earning The Business

I think printers and customers can have very different perspectives on a printer’s performance. From the printer’s perspective, “I haven’t heard any complaints” seems to qualify as a rock-solid relationship. From the buyer’s perspective, there’s a lot of opportunity for little things to add up to a less-than-satisfactory association.

Think about this for just a moment. It’s pretty well established that Murphy’s Law runs wild in the printing industry, and that just about every order is an accident looking for a place to happen. That’s not an indictment of your printshop, it’s just a fact of life in any job-shop, custom manufacturing business. There’s a lot that can go wrong, affecting quality or service or both.

Now think about this. Your best customers give you the most chances to screw up, and the confluence of Murphy’s Law and multiple chances makes it likely that your best customers see you at less than your best far more frequently than you probably want to think. So yes, you may bend over backwards for them on some occasions, but if you also let them down on other occasions, they probably see all that as balancing out—at best!

Here’s an exercise that might help you to understand this dynamic a little better. On clean sheet of paper, write down the names of your 2-3 best customer, and then for each of them, assign yourself a point for everything you’ve done in the last 30 days that you think represents “earning their business.” Now deduct 2 points for everything you’ve done that may have had the opposite effect. Be objective, what we’re looking for here is the opposite of *denial*. I think you may find that you’ve done less to deserve loyalty than you originally thought.

By the way, it may not be fair, but letting them down does carry twice as much weight as bending over backwards for them. Remember that there’s money involved in this! You don’t get any points for meeting their expectations (i.e. giving them what they paid for). You do get a point for anything they perceive as exceeding their expectations, but you lose that point and at least one more if you let them down.

They Perceive

Please note the words *they perceive*. Ultimately, your perspective on value and loyalty is meaningless if it doesn’t conform to theirs. If you think you did something that deserves a loyalty point and they don’t agree, then you don’t get the point you think you deserve. And if *they* think you let them down even though *you* don’t agree, you still lose at least 2 points. They say beauty is in the eye of the beholder. They should say that value is in the eye of the buyer. Sellers can talk about value, but it’s ultimately the buyer who decides.

I spoke with another printer recently who told me about a “ridiculous” problem he just encountered with a customer. “I couldn’t believe he got all bent out of shape about it,” he said. “Sure, it wasn’t quite what he wanted, but it’ll do what he needs it to do.”

I’m not accusing you of sharing that attitude, but I hope you’ll agree that this printer didn’t earn any loyalty in that exchange. I can assure you that he doesn’t see the problem. I hope that you do.

Communication

As with so many things in life, the solution to the “loyalty problem” lies in better communication. As a starting point, don’t assume that your customers are happy and therefore loyal. Get out there and *ask them* how they feel about the quality and service they’ve been getting from you, and beyond that, how they feel about the overall value you provide. Tell them that you value their business, but you don’t want to presume their satisfaction and loyalty. Ask them to tell you exactly how they feel.

With that information, you can (hopefully!) shore up any weaknesses in your relationships—before someone buys from a competitor over a \$10 price difference.

Locking In Customers

There's another issue between buyers and sellers that might even go beyond satisfaction and loyalty. I often hear printers talking about "locking in" their customers, and I remember the old days when we used to say that "the printer who owns the plates owns the order." (I'm mostly talking about letterpress here, which tells you something about how old I'm getting to be!) In the next evolution of technology, we used to say the printer who owned the film owned the order.

Digital originals changed all of that, making re-orders far more portable. (Did you ever wonder why they named it the Portable Document Format?) In the early days of offset printing from digital files, one printer might still have a pricing advantage on a re-order if he/she had the film or the plates that were produced from the digital original, but other than that, the printer who owns the files doesn't really own the order.

Beyond that, "owning" an order is not the same as "locking in" a customer. One is *transactional*, while the other is *relational*, and part of the point I'm hoping to make today is that a printer-customer relationship is not guaranteed by quality and service, but rather by *added-value*. Maybe another way to say that is that you need something even stronger to hold a relationship together, especially when it's so likely that you'll have quality and service failures along the way.

This ties in very nicely to the transition that many progressive quick/digital/small commercial printers are trying to make right now, from "printer" to "Marketing Services Provider." I heard one such printer say recently that she "owns" a particular customer because she developed and maintains their database, and I agree that it would be difficult for that customer to start over with another printer, no matter how many minor quality and/or service problems occurred. (All bets are off with major problems though!)

Here's my final thought for today. I believe very strongly in the "MSP" opportunity and direction. And part of the reason for that is that the printer who "owns" the marketing plan really does "own" the customer, at least to the degree that "owning" any printer-customer relationship is possible. No one's going to leave you for \$10 when you make yourself that important to the success of their business!