

Insider Perspective:

10 Web to Print Mistakes to Avoid

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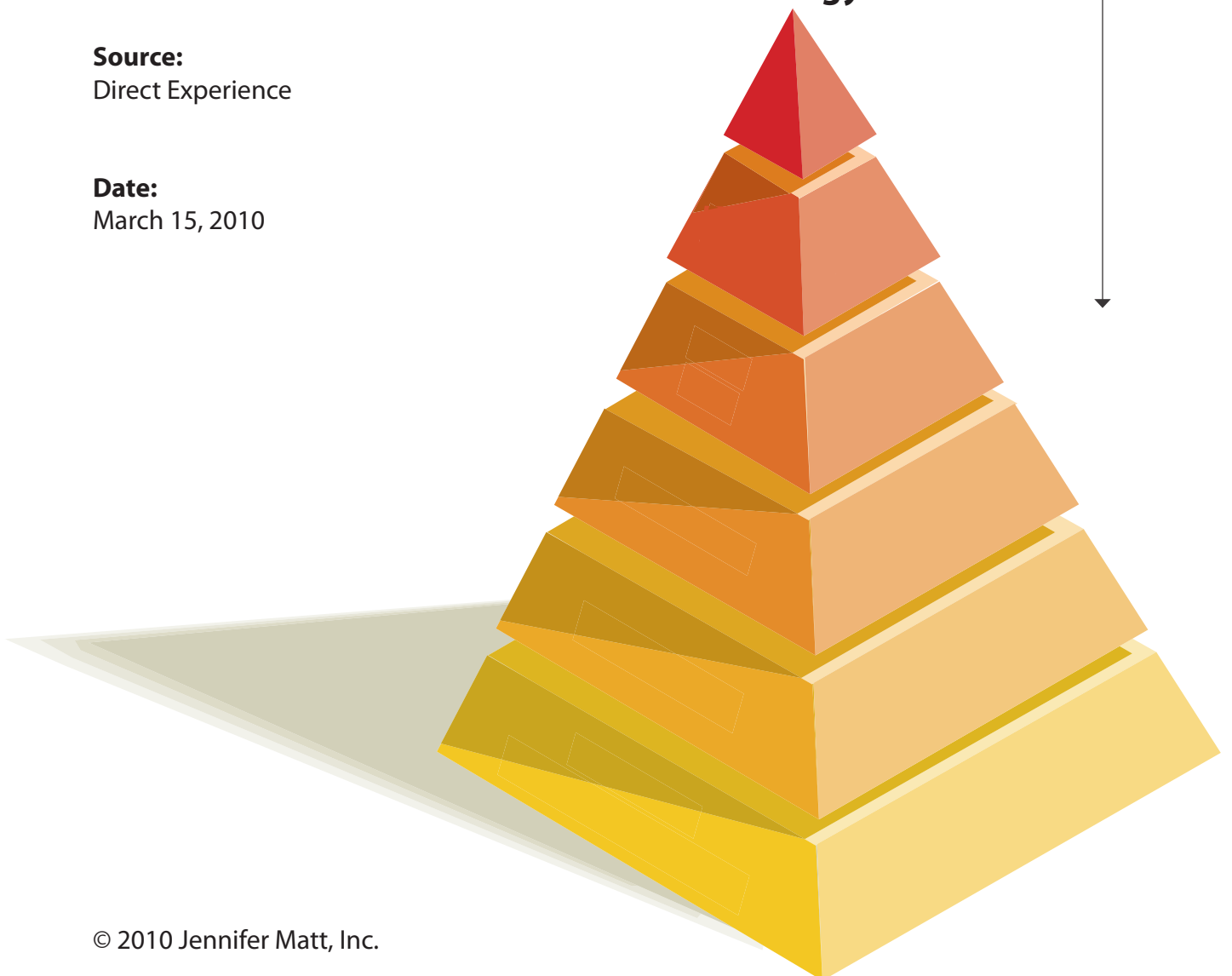
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Strategy



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Abstract

Print buying is personal, but customers now demand an impersonal, do-it-yourself service option. Imagine a bank competing without an ATM or a fast food restaurant without a drive thru? Printers need to harness the web to create their version of the ATM machine; self-service purchasing by their customers, which enables automation so that eventually 80% of the standard work can “flow” with minimal labor costs. A printer’s web strategy is a new front door to their business. In this report printers get an insider and independent perspective on how to avoid common mistakes in all phases of launching or evolving their new front door to their business.

About Jennifer Matt

With over 16 years in the web to print vendor community, Jennifer Matt offers an insider and independent perspective based on direct experience with six different technology providers and literally hundreds of web to print projects. Perspective provides a unique view of any given challenge. Much of Jennifer’s perspective comes from working on web to print technologies (selling, implementing, and supporting web solutions for printers of all sizes). Knowing the technology has been helpful; but what’s been truly invaluable is the combination of knowing the technology and understanding the print business from the front lines. Real ROI is delivered when the technology enables a solid business strategy.

Why did I write this paper?

Printers deserve an easier transition to migrating their business online. There has been too much money and time wasted during tough economic times where we should be squeezing every penny of value out of each investment. Sharing these lessons will decrease the mistakes going forward, rewarding printers with more ROI and making the partnerships between printers and vendors more effective.

Introduction

If the rate of change on the outside exceeds the rate of change on the inside, the end is near. - Jack Welch

Change and innovation in our industry used to come from within, for instance engine manufacturers would invent a new / faster way to print or a better way to finish printed goods. Forces outside our industry are driving the change around print purchasing. The purchasing of virtually ALL goods has dramatically changed with the advent of the Internet and eCommerce. Web to print is about responding to the radical change in purchasing processes that has hit every industry, print is not an exception.

Your customers and prospects expect to be able to transact with you over the web. They are privy to web based procurement in other aspects of their lives (outside of buying print). The standards by which your web to print offering will be judged by aren't so much about your direct competitors, its about how Amazon handles the checkout experience, or how fast Google's pages respond, or the payment options on eBay. Very tough comparisons to live up to! No web to print vendors have anywhere near the resources of Google, Amazon, or eBay but the Internet giants are setting the standards.

From the perspective of the printer, launching a web strategy is a high stakes venture. At the same time, a printer's web strategy is a new front door to its business. I want printers to have the confidence to navigate this transition to the web because a solid web strategy is required for survival.

Executing on a web strategy doesn't have to be confusing or overwhelming, although the last feature comparison I reviewed of web to print solutions included hundreds of features in a matrix against more than twenty currently available solutions. I'm not sure we could make a business decision any more intimidating if we started with that as a our primary intention.

Step back from the mind numbing feature comparison matrices and spend the next twenty minutes reading this report. It includes the top 10 mistakes to avoid and a framework to move forward. Remember features sell software, people create strategies and execute on business initiatives. From my experience, a well-

articulated online strategy, along with the appropriate resources (the printer's resources), and basic due diligence will drastically improve your chances of success on the web. Spend the time defining the challenge and getting perfectly clear on your online strategy. It will make choosing the vendor much easier.

As an industry we are more comfortable on the production floor than the customer's web browser. The result of retreating to this comfort zone is web to print solutions too heavily weighted on production features. I have been in sales cycles where the first question raised about a purchasing solution is, "how will this solution solve all my pre-press challenges?" Wrong question, wrong focus, I would encourage printers to ask the following questions:

How will this solution inspire my customers to want to order more frequently from me and have a better understanding of my capabilities?

How will this solution help me win new customers by demonstrating to them how we are easy to do business with, accessible, and cutting edge?

How will this solution further embed me into my existing customers so the perceived cost of changing vendors allows me to compete on value instead of price?

What's the resistance to focus on web enablement and automation for current customers?

"You don't know the work we do for customers, each and every job requires hand holding."

"My customers like the human touch, if I break that interaction they will just go somewhere else, we need to stay connected."

"We can't automate the production process, we require humans to monitor the jobs through the whole process to assure quality."

Automation is already a reality in many printers and in a new breed of print providers (e.g. Shutterfly™, Mimeo™, VistaPrint™, etc...). This automation begins

with a self-service customer driven order entry and drops into a fully automated production process. Shutterfly has enlisted their paying customers to be their CSRs via web software - 1,000's of customers spend hours building photo books and greeting cards which seamlessly flow into their production systems (brilliant!). Its very difficult to separate the human and emotional ties to print as a "custom manufacturing process" when the combination of software and hardware can "customize" without the human.

Each efficient step you gain with a web to print solution makes more resources available to focus on service and quality. It is about maximizing the use of the labor you have - freeing them up from the madness of routine order management and focusing them on the very things that cannot be handled on the web with better results.

The following pages describe the 10 most common mistakes I've witnessed while selling, implementing, and supporting web to print projects. Avoiding these common mistakes can save you enormous amounts of time, money, and your overall sanity as you launch or evolve your online business.

1 No strategy

The answer to "how" is "why"? It's important to know "why" you're opening up a new front door to your business before you determine the "how". A clearly articulated online strategy will keep you focused on business objectives. What customers do you want to service? What products do you want to offer online? What level of customization do you want to entertain per customer? Suspend all talk about technology (how) and keep your business hat on. What do you want to have in terms of business results when you go online, the first month, six months, twelve months? Backup from these objectives into a technology decision that enables the BUSINESS objectives. If you keep this approach, your discussions with vendors will be more about business objectives and less about technical features and functionality (which is a good thing).

Lack of strategy is #1 because its both the most critical component in the successful projects and it is almost always a contributing factor in the projects that

have failed or been majorly derailed. How will you judge the success of your online business? What metrics will you track? The answers to these questions should be the foundation of your strategy.

Build it yourself

Although there are a few success stories out there, a simple long term cost analysis should kill virtually every “build it yourself” temptation.

Web software has to constantly move to stay competitive; let me rephrase that - web software has to constantly move to continue to FUNCTION. For example, every single time any one of the four web browsers (Mozilla/FireFox, Microsoft/Explorer, Apple/Safari, and Google/Chrome) come out with a new release, web software developers have to research and frequently react in order to either take advantage of the new functionality or test that their web application works as expected under the new version.

This also applies to the server operating system, database, web server, framework, and on and on and on. I once took the time to count up the number of independent moving technology components at one of the web to print solutions I worked on. The total was more than 20 independent components that we had to monitor, test, and react to when they upgraded, patched, or stopped supporting the component we were using. This is an enormous amount of work that never ends and it rarely gets considered in the build vs. buy decision. Remember, this work doesn't typically add major value to your application, it just keeps it functioning as expected.

Needless to say, I recommend buying an off-the-shelf solution vs. building a web to print solution yourself. I know there may not be a perfect solution for you out there, and the dream of making it perfectly suited for you is tempting – suppress the temptation! Software is difficult and expensive. You will spend four times the money and ten times the amount of time.

License web software and host it yourself

I was at a SaaS (software as a service) / cloud computing event last year and the speaker from Adobe put up a slide that said... “The world has seen the last billion dollar desktop software company.” Pretty bold statement from one of the few billion-dollar desktop software companies. Building good software is a challenge; deploying software on site adds exponential levels of complexity and expense to an already challenging endeavor.

Centralizing software deployment (ASP or SaaS) solves a lot of complexity for the software vendor in both support and upgrades. So centralized deployment makes it easier on the vendor and it removes your burden of managing a mission critical IT project. The subscription based business model is the real revolutionary component to SaaS (Software as a Service).

A monthly subscription model drastically changes the financial transaction from an all-upfront investment (buying a license) to an incremental investment over time (subscribing to a service). Imagine if you were hiring a contractor to remodel your house. Would you think it prudent to pay them all up front for their work or would you pay them incrementally as they completed milestones? Make your web vendor a long-term partner. Paying them incrementally aligns their revenue stream to your ROI.

You can see this software deployment trend (from desktop/server – hosting/cloud) across every category of software. Google Apps user based subscription vs. Microsoft Office licensing on every desktop, enterprise licensing of SAP vs. the user based monthly subscription of Salesforce.com. Owning technology (servers and web software) has officially moved from an advantage to a liability.

No printer resources / no customer involvement

Launching a web to print solution is a major project, you have to staff it for success. This staffing has to include a clear leader from your side who is both accountable and incented by the business objectives you created in your online

strategy. Don't give the web to print project to your best employee who already has three full time jobs, this requires dedicated attention out the gate.

Your customers are another resource that is critical to the success of your solution decision and implementation success. Don't wait to find out whether the solution is easy enough for self-service usage by your customers until the decision is made! Get some customers involved at least as a sanity check on the usability before you commit to a solution.

5 Wrong solution / wrong target market

The current solutions in web to print each bring a unique approach to enabling your online business. It's vital that you understand what business you intend to support online. Not all vendors support all print products (e.g. oversize posters, complex VDP, ad hoc digital print, etc...). Your strategy has to prioritize the products you want to support so you can validate vendors based on YOUR needs rather than let them show you the components of their system that have the highest "demo power."

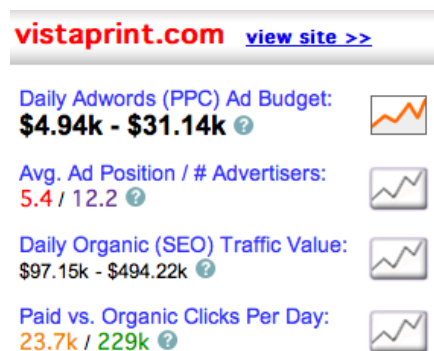
Your target market online is a critical decision point for your strategy. Do you currently do business with customers you know (B2B) or are you in the business of servicing anyone (B2C) who shows up on a given day to procure your services? Most printers are in the business of servicing customers they know (B2B). Moving your business online does not require you to change your target market. The web enables you to service any customer who has an Internet connection and your address (URL).

Most printers' service customers they know. Call it business to business, captured customers, contract customers, house accounts – you go win the relationship, you continue to build on that relationship. Your customer service representatives know these customers, your production folks know their work, and your accounting department knows how and when they pay (or don't pay). Your entire business is built around servicing these known customers and for most they represent the lion's share of your monthly revenue stream.

Now enter the World Wide Web where the delusion that “if you build it, they will come” persists. The reality is that “if you pay Google to advertise, strangers will click (not necessarily buy)”

It pains me to see regional printers buy a solution and put up a generic business card template, thinking they can 1) be found on the web amongst the other hundreds of millions of web sites 2) want to compete on price with national/international players. What local printer wants to sell a business card order for \$3.99 (the current offer advertised on VistaPrint)?

Type “business card”, “printing”, or “brochure” into Google, VistaPrint is typically the first advertiser (Google AdWords) and typically the first result on the organic search. This is not an accident; it is a well-executed and extremely well funded online advertising and search engine optimization (SEO) program.



Snap shot taken Tuesday, February 16, 2010

VistaPrint spends between \$4.9-\$31K PER DAY attracting customers to its site.

As a local print provider, you need a web strategy; and your strategy is not to compete with VistaPrint. Think of your web strategy as a way to ensure that your existing customers will stay!

Go local, if you build it, they (your existing customers) will stay!" - Jennifer Matt

Own your 5,10, 50, 100 mile radius. Offer what a national provider can't; the ability to respond quickly, do complex jobs reliably, a face, a name, and a shared member of the local community!

For a local or regional printer, the web is not about facilitating one-time generic consumer transactions, but about further embedding your services with your existing customers by providing multiple methods of purchasing.

During my interview with Cary Sherburne at WhatTheyThink back in May of 2009, she asked me the question, "What do printers have to have coming out of this economic downturn?" A year later, my answer is the same. Printers need to use the web to create their version of the ATM machine – (self-service purchasing by their customers), which enables automation so that 80% of the standard work can "flow" without a lot of manual drag (aka labor costs). Because of costs, printers cannot continue to services all orders in the same high touch way, but more importantly, customers want self-service as an option.

This may sound counter intuitive. Large faceless national print providers are marketing to my customers, I should have more touches with my customers in order to differentiate not less. Time is the most precious asset for everyone; your customer wants convenience in order to save TIME. More interactions with your customer, costs you in labor dollars and costs your customers in time.

If you want to go online to attract new customers that you don't know yet, find a niche and go after it. Generic printing products is not a niche and large international providers who are competing on price are servicing it already. What do you do really well for your existing customers? Can you extend that to others over the web?

6 Production focus

Your online business is about changing the way you interact with your customers, don't let the project get hijacked by production needs. I'm not discounting the need for technology solutions for production but web to print has to be about providing the easiest, most convenient, and most competitive order entry for your customers. Add to this, your web to print solution should be a major tool for your sales team to win new business. Customers don't care how this solution makes it easier on you as a printer. Customers care about saving time and getting what they ordered when they ordered it.

7 Configuration paralysis / exception focus

Once you've made the decision on a vendor, don't turn back, don't try and configure the selected solution into an amalgam of all the solutions you saw during the purchasing phase. Make the solution work, it will not be perfect, there is no perfect solution out there. Launch it. Too many web to print solutions are in perpetual configuration stages, you don't get ROI configuring the solution, in fact you're eating into your future ROI the longer you tinker with it before you actually open it up to live transactions. There is a tendency to think through every conceivable scenario (focus on the exceptions) rather than the 80/20 rule – automating the easy stuff so you can handle the exceptions manually.

8 Bad timing / forced timing

A lot of web to print solutions are sold with printing equipment through major print engine manufacturers (e.g. Xerox, HP, Kodak, Ricoh, Canon, Konica Minolta, etc...). Each of the major manufacturers has partnered with one or more web to print providers so they can offer value around the engine, from procurement to production workflow. The decision to buy direct or through a channel partner depends on your needs. In a traditional software licensing deal, the print engine companies can bundle the solution and provide you financing.

Because my strong recommendation is to subscribe to a SaaS solution (hosted at the vendor and a monthly subscription business model) financing should not be necessary. Purchasing through the equipment manufacturers can bring other advantages of working with a single partner, unique integrations to the vendors workflow solutions or engines, and access to local expertise within the channel partner that the web to print vendor might not be able to support.

A word of caution, don't buy the wrong solution because it's cheap and can be financed, or because it gets thrown in for free with an engine deal. Plenty of bundled in web to print solutions are never properly implemented. One concern is that buying a new engine is a lot of change already; do you have the resources to handle all the change at once? If you find the right solution and the timing

works to combine the purchase to get a better deal then go for it. Just remember the web solution deserves (and requires) dedicated attention to succeed.

9 Integration obsessions

Web to print solutions are front-end solutions to facilitate order entry, so the obvious question would be can they “integrate” with my existing backend systems (e.g. production workflow, accounting, etc...)? If you ask a web to print sales person, “Can you integrate with system A?” The answer will always be. “Yes,” because in theory you can integrate with anything if you have enough time, money, and patience. And you don’t!

Instead frame all integration inquiries around the following three questions: 1) What data?, 2) When?, 3) How?

- 1) When you integrate with system A, what data is available?
- 2) When can that data be passed (real-time, scheduled, daily)?
- 3) How is the data passed (xml, web services, etc...)?

This is the level of detail you need in order to really understand integration capabilities. Integration can be really simple (and free) or super complex and very expensive. Integration needs should be part of your strategy, be realistic about when you really need data to move from one system to another. It’s easy to think you need everything to be real-time and bidirectional, quite often a manual export / import is an extremely powerful FREE integration strategy!

10 Purchase the future

Software is constantly moving, especially web software. The next upgrade of any software product will not fix everything, will not deliver all the missing features, and will not be out when the vendor initially said it would. Buy the solution that is shipping today, in fact don't let the vendor show you a solution that isn't currently shipping. The last thing you want is your team to be "on hold" waiting for the next release, meanwhile your ROI continues to get pushed back.

New Web to Print Framework

For a more successful web enabled print business, try this new framework.

Plan

Many times printers will jump into the purchasing phase before they have clearly articulated their strategy or determined the resources required. This is the prep phase. It's where YOU define your online strategy.

When printers enter into the purchasing phase (reviewing the technologies, comparing features, etc...) without a clear articulated strategy, the strategy gets hijacked by the vendors. Vendors know how their solution matches up with the competition. Before you know it, your team actually believes a detailed pre-press report on every file uploaded into the web to print system is the most important leg to your strategy. In reality, your customers are looking for a simple catalog site where they can order things you have stored in inventory. When your strategy isn't the lead, vendors will make the strengths of their solution appear to be the most important factors in your decision. It's extremely easy to fall prey to this even under the most innocuous sales pressure.

An online strategy consists (minimally) of the following:

- 1) What are your business objectives online?
- 2) What metrics will you track against these business objectives?
- 3) Determine your target customers / market (who)
- 4) Determine how you're going to reach your customers (how)
- 5) Determine what products you want to make available online to these customers (what)
- 6) Determine what has to be customized for each customer (e.g. pricing, branding, etc...) (what+)
- 7) Determine what other data you want to capture online about these customers / transactions / activity on your solution (what +). For example: analytics about where users get stuck, payment methods, delivery options, etc...)
- 8) Determine how this new order entry is going to feed into your existing production process (how)

Purchase

Have you ever heard the phrase, writing the check was the easy part? Reviewing and selecting a vendor is an important part of the overall puzzle but it isn't the whole puzzle. There are countless guides with feature comparisons across the popular vendors in this space. I am not going to replicate that work here. Because you will be going into the purchasing phase with a clearly articulated strategy – purchasing will be a matter of finding the vendor that best suites your strategy, not looking at the vendor who wins the “most features game.” More features don't always equate to more value but it almost ALWAYS equates to more complexity. At some point a software solution's features start to bog it down and

actually make it a more cumbersome product to use (look at the tool bar in Microsoft Word!). Ninety percent of people just want to type a few paragraphs and the tool bar shows them 500 things they don't want to use, but will be forced to think about when they click on it by accident.

After you've narrowed down your vendors option to a few whose solutions actually meet your needs, here are some important considerations in making a final decision:

Purchase Recommendations

- 1. Call the vendors support desks with specific product related questions (during the sales cycle). Support is the long-term relationship, give support the focus it deserves.
- 2. Get a customer involved to assure that your customers will be capable of ordering from this solution, zero ROI if your customers can't figure it out.
- 3. Request copies of documentation to see what ability you'll have to be self-service in your use of the application. If the ordering process requires an instruction manual its not a self service on-ramp.
- 4. Ask for references: ask the references how upgrades work, support, system outages, and roadmap progress)
- 5. When you request a demonstration of the product - give specifics on what you want to see (you drive the demonstration), instead of hearing the generic pitch.
- 6. Ask specifics about the short and long term product roadmap, this gives you a chance to get a glimpse of the strategic vision (whether they "get it") and to understand what's not in the product today.

Implementation

Implementations yield frustration. This is where the reality of both the software and the vendor collide with the sales pitch. Don't get too frustrated, most missed perceptions and misrepresentations are not malicious. Sales folks want to please; you want to believe. Reality is a bit bitter.

Change is difficult. When you move from the sales and purchasing phases, typically led by sales and business people who embrace change into implementation, which is lead by operations folks who are skeptical of change, it isn't easy.

A common response is "configuration paralysis." It's when one or more members of the team says, "lets just change this one last thing before we move forward," and then another last thing, and then another. And now you've had the solution for 12 months and not a single customer has placed an order. There are obviously some good reasons to "tweak" before you launch something new to your customers (e.g. to make sure the pricing is accurate), but endless delays mask a deeper issue; folks are scared to open up the new door to their business.

The most important aspect of the implementation phase is to:

"Get Real, FAST"

Get a real transaction from a real customer who sends a real print job that gets printed by a real operator on a real machine and gets a real invoice. Get REAL. Why? Because until you go through a real transaction, you don't know what your biggest challenge to launch is, all you have are theories. Theoretical problems keep you from getting to the real obstacles that are blocking a full launch. And, typically these don't reveal themselves until a real transaction makes the journey (or tries to) from order entry to invoice.

Once during a brief pilot for a very large print provider network deployment, the folks at the central office wanted to keep “tweaking,” but the print providers in the field said very strongly, “Turn this thing on, it’s good enough. We want the revenue stream.”

Implementation is a small but crucial part to the long-term partnership – this is your time to connect directly with experts at the vendor, DON’T WASTE IT. This is why the timing of the purchase is very important. Buy the solution when you’re ready. The vendor will always want to sell it now, but make sure your ducks are in a row before you sign up because your long-term success with the solution is often determined during the implementation phase.

Opening a new door to your business is 25% technology and 75% people. Don’t let anyone tell you these things run by themselves. You need leadership from your side, probably dedicated leadership to get it off the ground.

Implementation Recommendations

1. [Get Real FAST.](#)
2. [Time Your Purchase for Implementation Success.](#)
3. [Stagger Your Professional Services Hours and/or buy extra professional services to be used post implementation.](#)
4. [Identify and engage a pilot customer ASAP.](#)

Conclusion

Your customers are online, you have to meet them where they are, regardless if you’ve had the customer relationship for two days or two decades. The underlying objective of web to print is to provide a self-service order entry that is customer driven. Customers can interact with you when it’s convenient for them, you benefit from extending your production workflow to the customer’s browser and enlist them as resources in your custom manufacturing process.

Opening up a self-service order entry via the web is achievable by printers of all sizes. Keep the focus on the front end, your customers and your sales team (who are actively seeking new customers). Don’t get dragged into a technical morass, this is a business decision which should have real business objectives driving it.