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Resourceful Designer Episode 343: Generational Clients, And how to Lose Them.

I wanna talk about generational clients and kind of give you a cautionary tale and hope that you learn from my mistakes. But before I get to that, just a quick favor I'd like to ask you. If you have been listening to the podcast for a while or even if you're brand new and you feel like doing so, I would love for you to leave a rating or review for the show. Now wherever you listen to podcast, if there is an option to rate and review the show there, such as an Apple Podcast, I would really appreciate it. Some other places you could try are Podcast Attic, if that's the app that you use, where there's Goodpods, Pod-chaser, and there's probably a whole bunch more that I don't even know about. But if you enjoy the content that I put out, if you gain some value from this, then I would really appreciate it if you can pay back a little bit by leaving a rating review on one of these platforms.

It really goes a long way to helping when somebody else discovers the podcast if they can read some reviews and help them determine if Resourceful Designer is a show they wanna listen to. So I thank you in advance for your support. And now, generational clients and how to lose them. Have you ever heard the saying, hindsight is 20/20? What it means is that it's a lot easier to look back on something and see what could have been done, What was done wrong, ways you could have improved it, and all of that. Or just look back at a situation and see the errors that were made. Kind of like the time when 35 year old me decided to teach my kids what we used to do with our bikes when we would jump them off a ramp. We were at a park somewhere and there was this huge pile of dirt, and I decided to show off for my kids. Now in hindsight, 35 year old me should have known better than to try jumping a bike, something I hadn't done since I was, what, 13 or 14 years old.

Not to mention that back then I had a BMX. And here at 35, I was driving a 12 speed. Well, things didn't go as planned. I took the ramp, landed wrong, twisted my tire, flew over the handlebars, broke my hand, and had a crowd of people gather around me asking me if I was okay. Now it's a great story now. But at the time, I felt pretty stupid and foolish. And in hindsight, I should have known better than to try that. Now I could recount all sorts of tales of stupid things I've done that hindsight tells me I shouldn't have, But I'm here to talk about generational clients.

And I think I should start off by defining exactly what I mean by that. A generational client is when usually a family run business, a small business, when the one person that's running the business decides to retire and passes their business on to somebody else. Either their kids or a manager or just somebody else that takes over the business. Now of course, this does happen in large corporations and all that. But mostly, this is small family run businesses that I'm talking about. And the reason I wanted to talk about this is just recently, I lost a client. And this is one of my oldest clients. This is somebody that I did work back when I was working at the print shop.

I started doing work for her, and I continue to do so over the years. In fact, for the past, I think, 22 years, I've been designing a t shirt for her yearly event. This is, a dance school, and they have their recital every year. And for 22 years straight, I designed the t shirt for the recital. Well, this year came along, and I knew the date because it's always the same weekend every year and it was approaching. So I reached out to my client and I asked. I says, you haven't asked me for a t shirt design this year. And she responded that her daughter, which I knew she was grooming to take over the business because my client, this person, I I've known her for years, she was getting ready to retire, to step back and let her daughter take over the dance school.

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And this year, she decided to let her daughter do more stuff and her daughter decided to do something else for the t-shirts. Now, going back to that 20 20 hindsight, I should've seen this coming. And yet, this was the 3rd time this has happened to me. And it wasn't till this time that something clicked in my head and I went, oh, I know what's happening now. It's generational clients. And the problem is that each time that this has happened to me, my relationship was solely with the patriarch or matriarch of the company. In this case, it was the owner, the woman. As I said, I've been dealing with her for years years years, decades.

But I had never really dealt with her daughter. I'd seen her. I'd said hi to her in passing. If I happened to be going down to her business and the daughter was there, I would wave and say hi. But that was the extent of it. So when this client decided to step back and let her daughter take the lead role in the company, there was no relationship between her and I. So when the time came, she didn't feel any sort of loyalty towards me. It didn't matter that her mother had used me for years years years.

This is a new generation, hence the generational client. And this new generation, she didn't know me. And looking back, this has happened twice before to me. I had another client who ran a home inspection business and I had been doing stuff for years for him. I designed his logo, all his marketing material, his website, everything. And we got along great. And he was so proud when he announced to me and let me know that his son was taking the courses to be a home inspector. And he let me know when his son graduated and when he brought him on under his wing and he was teaching him things.

And then one Des, he told me that he was getting ready to retire and his son would take over the business, and I thought that was great. Good for him. I'm really happy. He's proud of his son. But I had never talked to his son. All this communication was done via my client over phone or email. And not once did I ever talk to his son. So when this client eventually did retire and handed the entire keys to the business over to his son, his son had no loyalty to me.

In fact, the very first thing that his son Des, the very first time we talked was to call and let me know that somebody else would be taking over the website. Somebody that he knew. Somebody he had gone to school with who was also a web designer. Actually, somebody that I know very well. But it was just out of the blue. And then shortly after that conversation, he called and asked for all his files if he can get a copy of his logo and all the other stuff that I had done for him because he had somebody else, another designer that he wanted to work with. Again, this son of this business that I had been doing work for so long, we had no relationship together. So there was no loyalty between he and I.

The same thing happened with another client. This is a plumbing business. I always dealt with the father. The father was running the business, and then the father slowly stepped away, and the son eventually took over the business, but the father was still around. So anytime they needed something, the son would delegate it to his father to get it done because his father and I had a relationship. Well, then a couple of years went by, and this was the way we were working. The father was just there part time on the side, you know, just kind of lending a hand. But anytime they needed something, the son would ask the father.

And the father would get a hold of me, and I would deal directly with the father. Well, eventually, the father decided to step aside altogether. And when he did, they stopped calling me. Once again, the son who I had barely ever talked to had no relationship to me. He had no loyalty to me. And it's funny that it took this most recent one. The these have happened over the course of several years. The plumber I probably lost about 7 or 8 years ago.

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The home inspector was about 3 years ago. And this dance studio was just a couple of months ago. But it took this time for me to finally realize, for it to click in, for 2020 hindsight to rear its head. And for me to look back and realize that I never made the effort to create any sort of relationship with the next generation of entrepreneur, of business owner, of proprietor, whatever you wanna call it. But in every case, I knew that my contact, the person I was dealing with, was eventually gonna step aside. And call it hubris, call it vanity, call it whatever you want, but I just presume that the knowledge that the parent passed on to the child included dealing with me. But in all these cases, it didn't. And in each time, the child decided to part ways with me and find somebody new.

Now maybe it's because, you know, in some cases, I was closer to age to their father or mother, and they wanted to deal with somebody closer in age to them. I don't know. I never got to clarify that. In all three cases, the only conversation I ever had was a thank you for your service, but we're doing something else. And in the case of the dance studio, I never even got to talk to the daughter. It was the mother that informed me that the daughter decided to go somewhere else, and only after I reached out to say, what's going on? I haven't heard anything. And this really got me thinking. And it got me wondering, if this is happening to me, then it could very well happen to you.

Do you have any clients that are family businesses where the parents, the mother, the father, or whoever is running the business, but one of their siblings or somebody else in the family is also there, and you know that eventually that business will be passed down? Well, if that's the case, you gotta start creating a relationship with that next generation. Hence, the title, generational clients. Now I do have some clients that are in this situation. And now that my eyes have been opened to what happened, my thought right now is how can I get more involved with this next generation? I'm already thinking of ways to involve them the next time I have a project for any of them. Because I don't wanna be stuck in this boat where the next generation comes on, and I'm kicked to the wayside, and I lose a client. So in my mind right now, I could think of 2 clients that I should be reaching out to and I plan on reaching out to. And the thing is is learning this, this 2020 hindsight that flashed in my head and taught me this lesson that I hadn't seen before is now really encouraging me to reach out to these clients and make sure and even tell my current contact, the people that I'm used to dealing with. Let them know what I'm doing.

I wanna get to know the next generation. In one case, it's the father, and the father is in his seventies. He's still running the business, but I know that his daughter is there. And she's gonna take over when he finally steps aside. So I'm gonna reach out to him and say, hey. I wanna get to know your daughter more for the time when you eventually step aside. I know it's one of those things he says he's never gonna step aside, but eventually, he will. And when that happens, I wanna be recognized by the daughter as a valuable addition to their team, and I can retain them as a client.

Now I've been talking about these family businesses, but this doesn't just apply there. It can apply to anywhere else. I was thinking of a couple of other clients I had that wasn't necessarily family businesses. But I had a single contact there who was call it the head. I used to do a lot of work for our local chamber of commerce. And my contact there was the I forget what her title was. I don't remember if it was chairman or person or chair of the board or whatever. She was the lead, and she was there for years years years.

And she was my contact there, And she would reach out to me all the time. They were supposed to because of this chamber of commerce. They're supposed to spread the work around. But she trusted my capabilities, and I would get

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more work than other designers in the area because she knew that she could trust me to do good work. But she eventually retired. And I didn't know anybody else in the in the chamber. I hadn't worked with anybody else. So all of a sudden, my name was just thrown in the hat or thrown in the pool.

And whenever a job came up, it was just whichever designer. So I still got work from them, but it wasn't the same quantity that I was getting before. So this is kind of the generational thing that I was telling you about. But in this case, it wasn't because they were passing it on to a child. It was just they left. And the next person in line, the person who came in to fulfill her role to take over, first of all, I didn't know that person at all, but I did know kind of know a few of the other people that worked there. But now I think about it and I haven't done a job for the chamber of commerce in probably 2 years. Where I used to have 4, 5, 6 jobs a year that I would do for them.

Same thing for my local tourism office. I was dealing with the woman there. I was the designer for our local tourism. Everything. It didn't matter what it was. If it had to do with tourism in the area, I was the one that designed it. And then the person that I was dealing with decided after I forget how many years, many, many years of working there, she decided she wanna change. And she moved to a different department within the city.

The tourism office is run by the city municipality. And she went to a different department in the city. Now I was able to follow her. She still used me for that department. But for the tourism office, at that point, they ended up deciding that instead of using me, they wanted to hire somebody internally. So they hired somebody internally. They had they were on a 1 year contract. And after the 1 year, they decided that they weren't gonna use that person, so their contract was done.

They didn't renew it. But at that point, they didn't come back to me. They came back to me for, sorry, maybe 1 or 2 jobs. But then they started getting other people because they had no loyalty to me. So I hope all these stories of clients that I've lost helps to put that little thought in your head that if you have a client that is maybe getting up there in age or maybe has talked about retirement or stepping down, and they have somebody, whether it's a family member or somebody else that they're grooming to take over for them, you've gotta set some sort of plan in motion to start a relationship with that next generation. Because if you don't, then there's no loyalty. Just because you've done everything in the past does not create a loyalty with this new person. They may decide, well, that's fine and good, but now we wanna change.

I'm a new person taking over the business. I wanna do some things I'm not gonna just follow and do everything exactly the way it was done before. And that may include finding a new designer. But if you can create a relationship with these people, then maybe it'll make it that much harder for them to part ways with you. Once there's a little bit of loyalty and commitment there, they're much more likely to decide to stay with you. So that's the lesson, the public service announcement that I want to share with you today is look at your clients and figure out, are any of them generational clients? Are any of them gonna be passing the baton onto somebody else? And do you have a relationship with that somebody else? If not, then you should be setting plans in motion right now to build that relationship so that when the time comes, they won't even consider going to anybody else but you. And that's what I wanted to share with you today.