



# KEEPING PACE WITH CHANGING CUSTOMER DEMANDS

## CONNECT WITH CUSTOMERS TO MEET THEIR EXPECTATIONS

By Lin Gensing-Pophal

**T**echnology. Globalization. Changing demographics. Increasing competition. All of these factors have come to bear on packaging manufacturers as they work to meet the needs of their customers, so their customers can, in turn, meet the needs of their own customers. It's a cycle that is becoming increasingly complex—and increasingly fast-paced. Staying up-to-date with these changes—and the impacts on customer expectations—can be both challenging and invigorating, say professionals in the industry.

What do today's customers expect? Personal attention and specialized solutions, quicker response and turnaround times, 24/7 accessibility and person-to-person connections. Here's how the industry is meeting their needs.

### **Making One-to-One, Not One-to-Many Connections**

Customer experience in the digital age is personal. Mass marketing or mass communication techniques simply do not serve the needs of the 21st-century customer. There's no such thing as "standard"

**Designers need to think like engineers as they come up with creative solutions to customers' packaging needs, thinking creatively about structural design.**

expectations these days. Every customer is unique, with unique expectations.

Terri-Lynn Levesque is the office manager for Royal Containers Ltd., an independent corrugated converter with headquarters in the Toronto area that has been in business since 1980. Today's society, says Levesque, is all about "the personal experience." What sets service providers apart from the competition, she says, "is the ability to adapt and react to the unique requests and demands of customers and the ability to build strong relationships with them." Building those relationships, she adds, "is the responsibility of everyone from the front receptionist to the truck drivers delivering the orders."

Some customers, she says, like to communicate via email, others over the phone, and some in person. Suppliers have to be prepared to meet all of these varied demands if they want to remain competitive. "Everybody can compete with price, but what sets you apart from the rest is, are you adaptable, can you change to meet the demands and requests that customers have—even if they're totally off the wall?"

Customers are also expecting personalized attention when it comes to creating innovative solutions to their packaging needs, says Christie Iacovetti, operations manager for Michigan City Paper Box Company in Michigan City, Ind. The





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company has been manufacturing high-quality retail packaging products since 1904. Much has changed in its more than 100 years of experience.

"We have experienced a shift in the colors and patterns that our customers are requesting," says Iacovetti. "They know they have more options than just buying a white or black box." In addition, says Iacovetti, customers are more and more interested in eco-friendly packaging options. "Consumers are becoming increasingly aware of how packaging has an impact on their communities and globally. This awareness is driving the demand for eco-friendly packaging."

Technology, notes Levesque, can help to meet these demands. "We have an amazing computer system that gives us the ability to make changes very quickly. That's an important insight because customers' brand experiences encompass *all* of their interactions with a vendor; no touch points can be ignored.

Iacovetti notes that Michigan City Paper has invested in space, machinery, and automation to keep up with demands. "We've invested in additional warehouse space to store more stock options for immediate shipment. We've purchased more machinery in order to allow us to run custom orders more quickly and more cost-effectively. We're focused on automating our operations to provide a more reliable and available source of production."

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#### **A Need for Speed**

In addition to expectations of faster turnaround time, Iacovetti notes that the periods of downtime that may have existed in the past are no longer. "In the past, we would have periods of time, typically seasonal for holidays,

where we were very, very busy, offset by periods of downtime that we used to produce our stock line of boxes. In the past several years, we haven't had periods of downtime, as customer demand has been consistently high, even in nonseasonal months."

Eric Elgin agrees. Elgin is an owner of Oklahoma Interpak in Muskogee, Okla., a company that manufactures assembled partitions. Oklahoma Interpak was founded in 1980. "One of the main things I've noticed in the past five to 10 years is that lead times, at least in my business, have come way down. The turnaround on orders needs to be faster than ever before." Traditionally, he says, a two-week turnaround was the norm. Today, about one week is common, with some customers looking for even quicker turnaround. "That's just the way people do business now," he says.

To address an increasing need for speed of delivery, says Elgin, Oklahoma Interpak has turned to technology. "We've automated our factory more," he says. "We've purchased more machinery and added to our capacity." It's a trend that he predicts will continue. "I think the timelines are going to get shorter. We'll continue to speed up our lead time and shorten it—I think 9 times out of 10, that's how I get business."

Michael Drummond is president of Packrite, LLC, in High Point, N.C., a trade finisher for the corrugated and folding carton packaging industries. That same need for speed applies to the quoting process, notes Drummond. "It used to be that we took time to quote and were back to them the next week; that isn't happening anymore. Today, if it's within 24 hours, that's a long time. Quoting a box today is a matter of minutes rather than hours."

In some cases, this process can be automated online, he says, allowing customers

to enter in their specs to generate a quote. That's the kind of always-on access that customers are more and more often coming to expect.

### Always-On Access

Converters must be able to collaborate at all hours of the day or night, any day of the week, says Levesque. "We have three shifts that work six days a week, seven when required," she says.

Today's customers demand always-available access to services and information. "Customers don't have time to wait on the phone for answers," says Levesque. "In the age when everyone has mobile devices, customers align themselves with companies that are constantly updating their technology as it changes." That's important, she stresses. "Do not throw clunky, alienating technology systems or processes at a customer and expect them to be patient or understanding."

These expectations are driven not only by customer interactions within the packaging industry, but also by *all* of their collective interactions with businesses that are increasingly online, and that are increasingly improving those online interactions to better address consumer expectations. If their banks, health care organizations, and online retailers can provide a seamless experience, their box manufacturers should be able to as well. Keeping up with the competition, therefore, means keeping up with the sum total of all consumer online experiences.

At Royal, says Levesque, record growth over the past year has necessitated the need to review and change certain practices. "We had to shift our mindset to being proactive instead of reactive. We have implemented a new scheduling system, tracking, and mapping of machine uptimes and downtimes." It's important, she says, to foresee and anticipate concerns.

Of course, given the need for personalization and demand for innovative solutions, automated quotes aren't always possible. Having real people available to help with customized requests and collaborative solutions is a must.

### The Personal Touch

Despite the proliferation of technology and the expectation of always-on access, customers still appreciate the personal touch. Increasingly, they demand it. Manufacturers are adding not only technology, but also people, to address the demand.

We have a very robust customer service department, and we're growing it quickly," says Drummond. "By the end of February, we will have doubled the customer service department just to keep up with people's demands." Packrite's services are highly specialized, notes Drummond. "We're a trade supplier. When people call in a quote, for us it may involve five to six different machines. We're a specialty house. As a specialty house, you need to have qualified customer service reps who understand what the particular needs are for the customers." With so many variables to take into consideration, that type of one-on-one consultation with production experts is key.

Because of the type of work that Packrite does, Drummond has also noticed a shift in demand to more high-end graphics. "The market is growing exponentially, whether it's your high-end multiple flexo shops or your single-face lamination, like we provide. Graphics today are selling the product." He adds that the type of demand he sees is less about the design components than about the actual structure of the packaging solution. "Structure is the weak link in the industry," says Drummond.

Designers need to think like engineers as they come up with creative solutions



Eric Elgin, owner of Oklahoma Interpak, believes leveraging technology is key to keeping up with customer demands.



Michael Drummond, president of PackRite, LLC, says customers these days have a serious need for speed.



Terri-Lynn Levesque, office manager for Royal Containers Ltd., recognizes adaptability is the key to customer satisfaction.

to customers' packaging needs, thinking creatively about structural design. "Tell us what you want to accomplish, and give us your product, or a mock-up of your product, and we'll design a package that will really show the product or its processes."

But, even when dealing with the basic requirements of customers, making personal connections is important.

"In a digital world, people still love to hear a live person on the phone to develop a relationship and a personal connection," says Levesque. "We have a receptionist, which is a rarity these days."

Maintaining connections on an ongoing basis is crucial for building relationships, says Levesque. Relationships are best built through frequent face-to-face visits and calls, especially when there isn't a problem. "Dissatisfied customers don't complain; they simply walk away," Levesque says. "Happy customers are brand ambassadors. In the world of Facebook likes, a referral or customer testimonial is so important."

As companies attempt to better meet shifting customer demands, says Levesque, there's one key audience that shouldn't be overlooked, or excluded: employees. They're on the front line making connections with customers and

potential customers. "Happy employees are a crucial prerequisite for happy customers," says Levesque. "It is vital to ensure that employees throughout your company are educated, encouraged, and empowered to promote and enact your customer-retention strategies at all times."

### Staying Attuned

In a rapidly changing environment, it's important for manufacturers to stay up-to-date on trends in consumer demand and technology.

How do they do it? Participation in AICC is one great way, says Levesque, who points to resources and meetings provided by the organization as a must for those in the industry. "I've attended several AICC meetings since I started in the Emerging Leader Program in 2015; that's a way for me to stay in the loop." Attending other seminars and staying up-to-date through trade journals is also important. LinkedIn, says Levesque, is another good resource. "I go on there daily to see what everybody is talking about," she says.

Making connections with customers, colleagues, collaborators, and others is a key way to ensure that packaging manufacturers are staying attuned to new expectations, new demands, and new opportunities to better meet customer needs. Thinking of technology as an enhancement to, rather than a replacement for, personalization and personal connections is helping those on the leading edge maintain their competitive position in this fast-paced field. ■

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