



## The CAPs, the HUHA's, and the Undecideds

Here's an easy way to divide your customers into three groups. What you can learn from this division can completely transform the way you do business.

On a sheet of paper, make three columns. The titles of the three columns are CAP (left column), Undecided (middle columns), and HUHA (right column).

Under the CAP column, write in the names of some of your best customers, however you define "best". Don't worry about the meanings of CAP and HUHA; that comes later.

Under Undecided, write the names of some of your customers who are not CAP quality, but maybe with a little work, they could be.

And for HUHA, pencil in the name(s) of the customers from H---! Typically, these are the easiest customers to identify, and most people find a certain joy in assigning the HUHA label to these customers.

CAP means customers who are:

- Cooperative,
- Appreciative, and
- Profitable.

For those of us who own and operate small businesses, is there any reason to select and serve any other type of customer?

Think about it. Small Business is tough. The owner is personally involved in almost every transaction, and does not have the anonymity or the protection of bureaucratic layering available to managers of large organizations.

Every customer complaint—founded or unfounded—is personally felt by the Owner, and every customer complaint takes its toll.

So why work so hard, and assume so much business as well as financial risk, for people who don't/won't/can't appreciate the good work that you do?

Customers who fail to meet the CAP standard but possibly could do so with some work on your part fall into the Undecided column. Maybe they meet 2 of the 3 criteria, or maybe they fall short of more than one but are at least close.

In any event, if they fully fail the CAP standard, put them into Undecided. Undecided means that both you and the customer have not made the commitment to be a CAP customer.

And now for the fun part. HUHA means a customer who has his/her Head Up His A\_\_! Isn't it fun to finally give these people a label?

HUHA's often think they know your job better than

you do, and often think they are better judges of your worth, as well.

HUHA's are typically high-maintenance, and no matter how hard you try, or how deeply you discount, or how you structure your payments, you never can seem to do enough to keep them happy.

So where should you invest your time and energy? Many people will say, "On the CAPs, because they are the source of our continued existence." But CAPs are not where you should put your time.

Invest your time and energies on the Undecideds. Do your absolute best to make them CAP customers.

And if you can't make them CAP, then send them to HUHA-land.

Now think about where you spend far too much of your limited time and energy, and often money. It's on the HUHA's! We all invest far too much of our limited resources on the one group that has by far the most limited return.

The CAP customers are happy with things the way they are. They are receiving value at what they consider a fair price.

All you have to do is to make sure they don't feel that you are taking them for granted.

The HUHA's, on the other hand, are often trying to make you an unwitting actor in some kind of psychodrama that only they can win.

Their entire investment in you is to create a situation in which only they can win, and in which you can only lose.

Think for a moment about how much better your business would be, and how much happier you would be, if only you did not have to deal with the HUHA's.

We're still early into 2005, so try this simple 4-step plan.

1. Divide your customers into CAP/Undecided/HUHA.
2. Let your CAP customers know how much you appreciate them and value their business.
3. Work with the Undecideds with a view to converting them to CAPs.
4. And do everything within your power to rid yourself of the HUHA's.

Eliminating HUHA's will reduce your income only slightly. But you will free tremendous amounts of time and energy to gain more CAP's.

And that is how you grow your business.