

**80% of your income will come from 20% of your customers.
80% of your problems will come from 20% of your customers.
The income 20% is not the problem 20%.**

Some customers are easy to please and some are impossible to please. You can't please all customers, so the most effective way to effectively increase profits is:

- Put your single greatest efforts into pleasing the 20% that produce 80% of your income.
- Put your second greatest efforts into eliminating the 20% that produce 80% of your problems.

Good customers will always be good and poor customers will always be poor. The objective is to keep the good ones and dispose of the bad ones.

Here's some specific examples of "poor" customers:

- Customer has frequently claimed something was shorted and wanted a credit. It's always a relatively expensive item that I know was in the shipment.
- Customer claimed something was damaged in the shipment they just received but when its returned it proves to be a design we haven't made for over a year
- Customer is persistently asking for a special discount.
- Customer never pays the bill when due and has multiple explanations why.
- Customer abuses our return option by ordering large shipments at beginning of peak season than returning everything unsold at end of season and wants a refund - although our return policy is for exchange and not refund.
- Customer demands a territorial exclusivity but their orders are miniscule.
- Customer demands distributor level pricing but they are a retailer that qualifies only for wholesale pricing.
- Customer demands free freight claiming they get it elsewhere.
- Customer telling their customers that they personally made the products they bought from us.
- Customer putting our "handmade in Canada" labels on made in China products.

When I started in the glass business, I did my best to please all my customers. I eventually learned this was a foolish strategy that encouraged the abusers to take advantage of me. I still do my best to please all the customers that behave honourably and honestly, but those that don't are told to take their business elsewhere.