

H&H Color Lab Case Study.

Using photo applications to drive revenues and create a “buzz” with new products.

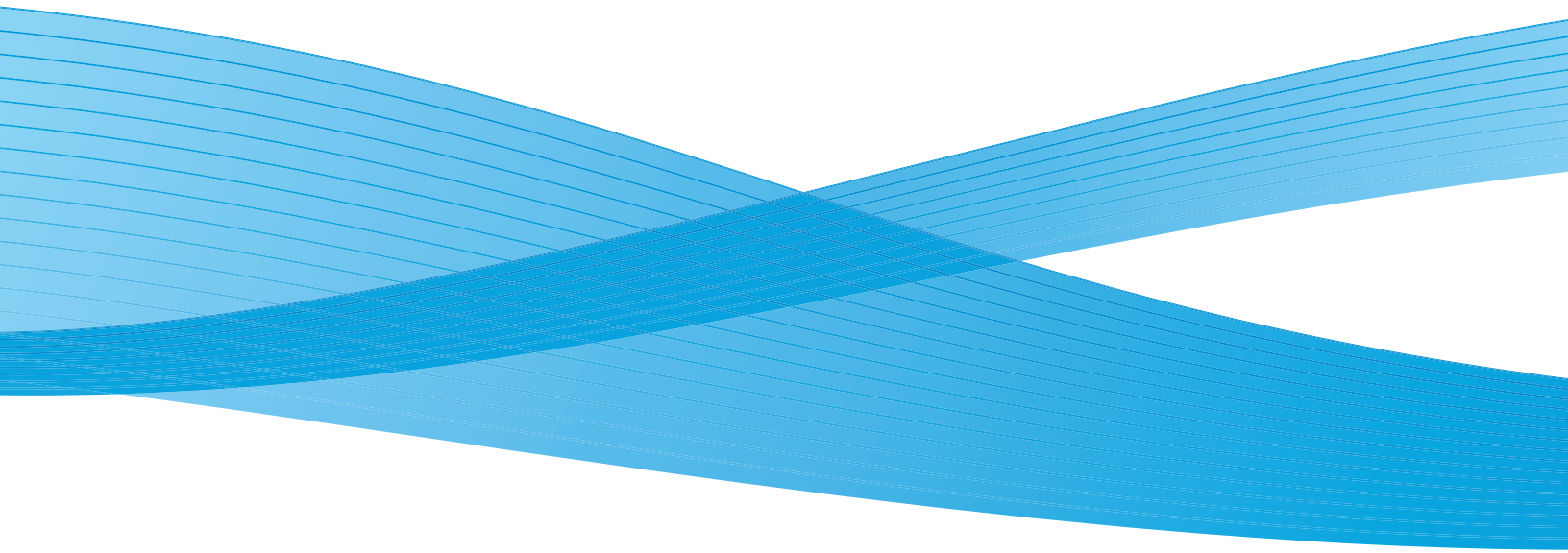


Photo applications produced on Xerox® digital presses help a professional photo lab stem the tide and grow.

H&H Color Lab

H&H Color Lab—which is based in the Kansas City, Missouri, area—serves professional photographers in all 50 states. For the past four decades, this family-owned company of 150 employees has offered a high degree of customer service and printing quality to its professional photography customers. In recent years, however, it has seen an industry trend of decreasing orders for traditional photographic prints. High-value, business-building photo applications, on the other hand, are on the rise.

Close to 90 % of the company's orders come in via the Internet and are processed through a "homegrown" Web-to-print workflow. In addition to direct customers, H&H is the back end for a number of e-partners who sell photo-printing services. Photo applications offered by H&H include customized greeting cards, calendars, hard cover and soft cover books, business cards, spiral-bound press proof magazines, and saddle-stitched booklets (e.g., catalogs, yearbooks, event programs, and prom books).

In addition, the company helps photographers succeed in their businesses through its H&H University. This initiative includes on-site classes, monthly webinars, and best-practices forums for idea and information exchange. For more information, visit www.hhcolorlab.com.

"It's not just about the photos you put on the wall or in your wallet. It's about the hundreds of new products that we can offer our customers in quick-turn short runs that help them differentiate themselves. That's what Xerox technology helps us deliver."

David Drum
Business Development Manager
H&H Color Lab

Challenge

Like other photographic labs serving professional photographers, H&H Color Lab has seen a shift in its customer base—from large studio storefronts to more and more single-person businesses. With that shift has come a marked decline in the number of transactions for each customer—as well as the dollar value for each of those transactions.

"The reality is that a customer today is worth half as much in sales as they were five years ago," says David Drum, business development manager at H&H.

With professional studios buying fewer photographic prints, H&H realized it needed to offer new products and attract new customers if it wanted to continue to grow and thrive. The key, though, was to do so while staying true to the company's core values of customer service and uncompromising quality.

Solution

H&H needed a way to accommodate short-run printing—such as to output one photo book or 24 greeting cards—using lots of variable data. "A digital press was the only way we'd get a press," says Drum.

But Drum and his colleagues had looked at digital presses in the past and felt that the quality they delivered for photo applications wouldn't live up to the quality H&H had become known for. Then they looked at Xerox.

"When we saw the Xerox output, we knew we had a product that we could sell," says Drum, "one that would give us high marks every time."

H&H started seriously pursuing the photo publishing market with a Xerox® DocuColor® 242/252 Digital Color Printer. A year later, the addition of a Xerox® 700 Printer greatly expanded the range of applications that the company could finish inline with both coated and uncoated stocks, including signature booklets.

Most recently, H&H added the Xerox® Color 1000 Press, which prints 100 pages per minute and produces high-definition image quality on a wide range of paper stocks. It includes a clear dry ink station that amplifies full-color jobs, allows for images and text to be highlighted for visual impact, and enables digital watermarks for artistic effect or security.

"The image quality on this new Xerox® press is fantastic, which is critical when producing photo applications where skin tones and blue skies need to be replicated with precision," says Drum.

Today, H&H offers its customers a wide range of photo applications—including coffee table books, greeting cards, newsletters, brochures, booklets, invitations, proof books, and notepads—in addition to traditional photographic printing. And with Xerox technology, H&H can deliver those products by using a variety of paper types and finishing options.

Benefits

From 2007 to 2008, H&H doubled the sales of its “press” products. That was followed in the next year by more than 30 % in growth—all enabled through Xerox® digital printing technology. And the upward trend continues through today. “We’ve seen dramatic growth in this area,” says Drum. With a current base of 5,000 customers, the company is growing by approximately 1,000 new active customers every year.

Benchmark quality that sets a new standard.

Success in photo applications begins and ends with image quality. When H&H customers look at their images' output using Xerox technology, a number of favorable attributes stand out according to Drum—including color saturation, consistency, and skin tones. "With our Xerox® digital presses, we've set the level of quality that other folks have to compete with."

Sales growth through product diversity.

H&H's extensive product portfolio enables photographers to offer customized add-ons that can boost sales. Photo greeting cards, for example, are available in four paper types—satin, linen, art matte, and pearl—to satisfy a multitude of tastes. And those cards are offered not only in the typical folded format, but also in unusual sizes and folding configurations. Calendars, likewise, can be ordered in a poster, spiral bound, wallet, or jewel case format. H&H provides Adobe® Photoshop® guidelines as well as custom design tools to make it easy for professional photographers to create these and other photo-rich products.

An added bonus: new kinds of customers.

With its increased capabilities, H&H can offer printing services to businesses outside of its usual scope—because the software, workflow, and integration capabilities the company has in place for photo products apply equally as well to non-photo products.

For example, H&H has produced portfolio books for homebuilders, variable data gift cards for car dealerships, and saddle-stitched booklets to meet the marketing needs of multiple businesses. "We didn't know we were a variable data, short-run printer," says Drum, "but with our Xerox® digital presses, we are—in addition to being a professional lab producing quality photographic prints and products."

Looking to the future.

While traditional photographic printing is still the majority of the company's business, the plan is to continue growing the press side. "We keep asking our customers: 'how are you using these products?' And we continue to be surprised and pleased by their ingenuity," adds Drum.

H&H will continue to provide technical expertise to its customers, but sees its role growing with regard to helping customers package and sell their services. Photo applications produced on Xerox® digital presses provide the means for H&H and its customers to “be bold, be daring, and be different.”



For more information,
visit www.xerox.com/digital-printing

