The Marketing Agency's Guide to Productization

keap

Experience more growth by productizing your services

Are you and your team trading hours for dollars? If so, you're limiting your business's growth.

That might sound harsh, but this trade-off is the reason so many agencies hit a wall in their ability to scale. The core of the issue is there are only so many hours in a day. And when a business's success relies on hourly input, a limit on hours means a limit on growth.

If this struggle sounds familiar to you and you've found it increasingly difficult to scale your company without sacrificing more hours, it's time to change your system.

How? Through productization.

Productization breaks the cycle of trading hours for dollars and allows you to grow outside of the limits of time. Your growth is our goal, so we've compiled what you need to know to start productizing. This guide will teach you:

- What productization is
- How to know if productization is right for your business
- The benefits of switching from a service-based company to a product-based company
- The steps you need to start productizing

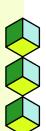
What does it mean to productize your services?

Despite the name, productizing doesn't necessarily involve selling a physical product. Rather, it's the process of taking the services your business provides and packaging them into readymade, standard marketable products. A few things that can be productized include:

- Processes
- Data
- Ideas
- Software

The ways a business can productize are endless, and it will depend on what services you offer. However, the core of this concept remains the same, no matter the industry:

Package your services into marketable products so there's no limit to how much you can sell.



Productization in action

To understand the power of productization, it helps to look at an example. Years ago, Keap was a business stuck trading hours for dollars. However, things changed when Clate Mask, CEO of Keap, and his team embarked on a productization journey.

Keap started as a software development agency. The company focused on writing custom software products for clients, but Clate found there was no extra time to acquire new customers when everyone's time was spent fulfilling current projects. They needed a way to escape the grind and get more hours out of the day, so he and the staff stepped back and took inventory. When they did, they noticed there were certain services they were doing all the time for clients, and that led them to an idea: These repetitive actions could be packaged and sold for a set price rather than charging clients an hourly rate.

This would save them time and generate more money than their previous business model because there would be no limit on the amount of products they could sell. So, the Keap team created a core bundle of their software, and over time, they expanded to offer more bundles with extra features. Eventually, Keap was able to move from a purely service-based, hourly solution for clients to being 100% productized.

Keap's story isn't the stuff of fairytales. Businesses are transitioning to a purely productized model all the time, and you can too. Let's explore how.

Can you productize your services?

If your business's growth has plateaued, yet you don't have time to take on more client projects, productizing is your solution. Don't fall into the trap of thinking you don't have any services worth building a product around.

The truth of the matter is you have expertise, resources and software that are worth something to your target audience. Customers are already paying you hourly to perform services for them — a clear indicator that you have something to sell. You just need to sell it in a different way.

You may not transition to a 100% productized business, and that's okay. Maybe the right fit for your company is a balance of service and product, such as 80% product and 20% service. As you dive in, you'll find a system that's right for you.

This is something to get excited about! If you're not yet convinced, take a peak at a few of the benefits waiting for you on the other side of productization.

Benefits of productization

The process of productization can be daunting, but the work you put into developing bundles of your services will pay off. A few of the benefits of productization you, your team and your business can experience include:

• Streamlined processes for you and your customers Productizing naturally simplifies the customer journey, and your target audience will be able to easily and quickly see what you offer, the price and all its inclusions. With a simplified customer journey, you'll save time by eliminating the need to go back and forth with client after client. Instead, the standardized products will speak for themselves. This also helps clients and prospects move through your pipeline faster and find the solution they need with less hassle.



More time •

As you read before, trading hours for dollars will no longer be your reality when you start productizing. The hours you would've spent fulfilling client projects will be available so you can focus on other aspects of your business or simply enjoy free time you didn't have before.

Scalable business model

There's no limit to how many pre-made products you can sell. Once you've put in the work to package your services, you can sell as many of those packages as possible and scale your business to new levels.

Faster payments

Gone will be the days of tracking hours and sending invoices. Instead, customers will see the price on your product pages and be able to check out right then and there. Your payments will be processed and in your account in no time at all.



666 Productization is the key to breaking out of the hamster wheel... hours for dollars or your staff's hours for dollars."

Clate Mask | Keap CEO

Productization framework

With a little brainstorming, your packaged services will come to life. Use the following framework to jumpstart your productization plan.

Market research

You want to offer something of value to your clients, so start your productization process by investigating. This may come from your existing data and experience with customers, but it wouldn't hurt to do some additional digging. The research process will help center your productization around what's most important to your target audience, which is a crucial step in creating a valuable product.

In your market research, you can also take note of how your competitors are productizing their services so you're able to differentiate your offerings and stand out from the competition.



Below are some questions to guide your research:

- Is there a gap in my industry where my agency could provide value?
- What aspect of the industry is changing right now? How can we help people understand it?
- Is there a new trend in the industry that clients may need help mastering?
- What is the biggest topic of discussion among my target audience and my competition right now?

For more help with the market research process, check out 5 tips for choosing the right customer.

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Take inventory of what you're currently selling

Next, you need to figure out what you can include in your packages. Start by asking your team the following questions:

- What expertise, skills and resources does my company own and offer?
- Are there services we're repeatedly doing for customers?
- What is most requested by my customers?
- Which of my services do clients usually stack together?

Evaluating the details of the services you're currently providing will give you a clear picture of the inventory you have available to bundle and sell. As you go through this process, identify your area of expertise. Having a niche will inform what to build your bundles around and will show you where to focus your efforts so you can position yourself as an industry expert.

Develop packages

After identifying what you can sell, start envisioning packages. Begin by mapping out what the core of your bundle will be, and as you do, make sure it aligns with what's most in demand from your customers and target audience.

You can then tack on additional features to create a well-rounded offering. You may start with one bundle, or you may see an opportunity to develop different package levels. For example, you can create bronze, silver and gold tiers, each with increasingly robust offerings to meet clients exactly where they are.

Define the deliverables

This is arguably the most important step in your productization process. Why? Because if you don't clearly define the deliverable of each product, your prospects will have a hard time seeing why it's worth purchasing. Make sure every bundle you create has a valuable deliverable attached to it, and see to it that the deliverable is clearly communicated where your product is listed for sale.

Determine how to sell and price your product

Deciding what type of payment plan makes sense for each of your products is next on your to-do list. This will depend on what features are included and the type of product you're selling. For example, if you're selling a guide about social media trends and best practices for the upcoming year, your product will be a one-time purchase. But if you're selling access to a library of social media templates and routine coaching sessions with social media expert, a subscription payment method would make more sense.

A few pricing options include:

• One-time purchase

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- Recurring subscription
- Combination (one-time purchase for product with an optional support subscription)

From there, determine how much each product will cost. Take into account your hourly rate, how much effort went into each feature offered, the worth of your expertise, and market standards.

Test repeatability and automate

A major perk to productizing is saving time, so you want to ensure your products can be accessed, purchased, delivered and used without any hiccups. <u>Automating</u> this process is key to saving you and your team valuable time and freeing you up to focus on other aspects of growth.



Your partner in productization

While making a change to the way you do business might be necessary, it doesn't mean it's not intimidating. We have good news for you – you don't have to make this change alone. Keap's Partner **Program** is a network of like-minded entrepreneurs who are dedicated to helping one another and their clients succeed.

If you're looking for someone who has productized their business and can help you with this process, there are members of the Partner Program who would be the perfect resource.

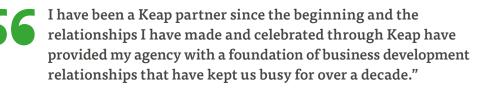
Consider becoming a Keap Certified Partner to gain access to this network of support, help other small businesses achieve success, and generate additional revenue for your business in the process.

Check out some testimonials from current Keap Partners:



I love this group, community, and company. If you want to know how I've made almost \$200k passively from my relationship with Keap, and you want to do that too...hit me up. I can support you and connect you to the right people."

Lindsey Ardmore | Star Tower Systems | Owner



Dobbin Buck | GetUWired | Owner



There's no partner program like Keap. We truly feel like a family here. There's collaboration. There's comradery. There's support. You can't find that anywhere else. This is home. As an entrepreneur, it's so lonely. When you can have a family like this, and when you can have a group to lean on, there's no reason not to."

Micaela Royer | The Streamlined Studio | CEO



Interested in joining this powerful community?

Learn more about the Keap Partner Program and discover how it can benefit you personally and professionally.