

# PRODUCTIZE

## 8 Ways To Turn Your Service Into A Product

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# 8 Steps For Productizing Your Service



In today's fast-changing world, where competition is fierce, and customers want more, service-based businesses must adapt to succeed. That's where "productization" comes in. It's a new way of doing things that's quickly changing how service companies operate.

Gone are the days when clients settled for vague pledges of quality and personalized service. Today's customers seek something more tangible, more predictable – in other words, they crave products. This shift in consumer preference leads us to a compelling question: how can service-based businesses reinvent themselves to meet this growing demand?

The answer lies in the art of productization. It's a strategy that grants service providers the ability to transform their offerings into clear, well-defined products. Through a series of well-crafted steps, companies can create a consistent, marketable experience that resonates with their core audience. Productization not only enhances the appeal of a service but also enables businesses to reach a wider customer base and scale their operations with confidence.



Generic services — whether you sell to consumers or businesses — are getting cut. Interestingly, we’re still buying products that solve a specific problem. The companies that are winning are laser focused on solving an immediate problem. Former Harvard professor Theodore Levitt’s famous quote is now more valid than ever:



**“People don’t want to buy a quarter-inch drill. They want a quarter-inch hole!”**

## Service Based Businesses That Transitioned to Products

### **ORANGE THEORY**

Orange Theory productized its fitness services by standardizing workouts, branding equipment and offering clear metrics through heart rate monitoring. They also provide membership plans for scalability and maintain a consistent studio design and branding. These efforts ensured a predictable and uniform fitness experience, making it easy for customers to engage and track their progress.

### **GEEK SQUAD (BEST BUY)**

Geek Squad successfully productized tech support and electronics services by introducing service plans, establishing a distinct in-store presence, offering online tech support, implementing standardized procedures, and focusing on customer education. Through these initiatives, Geek Squad turned tech support into a tangible product, which enhanced brand recognition, trust, and scalability.

### **ROTO-ROOTER**

Roto-Rooter productized plumbing services by adopting transparent pricing, creating service packages and ensuring 24/7 availability. They also emphasize branded uniforms and vehicles for professionalism, and integrate technology for problem diagnosis. These strategies eliminated uncertainty, built trust, and offered convenience, making plumbing solutions more accessible and reliable for customers.

# How To Switch From A Service To A Product

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There are eight different steps for transforming a service business into a product company.



# STEP

# 1

## Niche Down

The first step in the process of productizing your service is to niche way down. Many people feel uncomfortable with this step — in particular in times like these when you need more customers, not fewer.

It's counterintuitive, but the first critical step in productizing is niching down. Services can be adapted and customized for a variety of customers. In contrast, products need to fit one type of customer. When you offer your service, you likely make small changes in how you deliver it for each customer based on their preferences. The wider the variety of people you serve, the more you have to customize.

When you're selling a product, you don't have that luxury, so you need to niche it down to a cohort of people whom all share the same need.

Picking one niche also helps you design a product that will delight a micro-niche, which makes you more referable — and who couldn't benefit from a little free advertising these days?





Picking one niche allows you to efficiently reach potential customers through things like Facebook groups set up to serve a specific target.

Niche down further than you're comfortable then niche down some more.

Segment by considering the following attributes of an ideal customer:

### 1 Demographics

Age, gender, income

### 2 Firmographics

Company size, industry

### 3 Life stage

Just married, retired

### 4 Company life stage

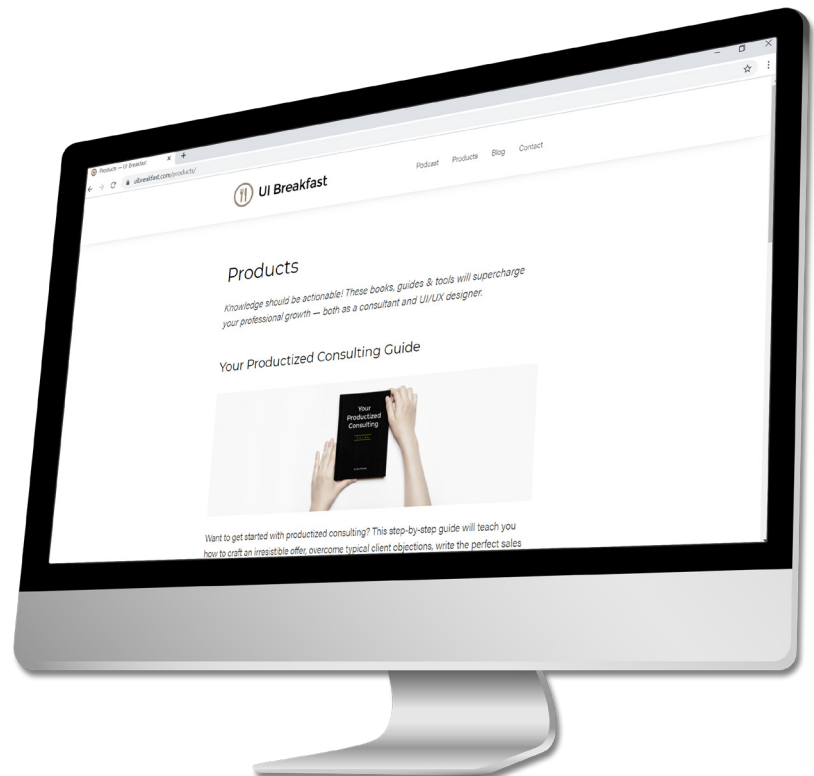
Start-up, mature, etc.

### 5 Psychographics

Motivations, personality traits

For example, Jason Swenk is a consultant who works with advertising agencies. Swenk developed a Digital Agency Owner Mastermind. Not only did he pick the industry sector of advertising agencies, but he also went even further and focused on digital advertising agencies.

Jane Portman is a user experience consultant and niched down to focus on the owners of small Software as a Service (SaaS) companies. She developed "The UI Audit" product, which packages her user experience consulting into a product.



# STEP 2 Find Your TVR

Once you've niched down more than feels comfortable, the next step in productizing your service is to identify the services you offer that are teachable to employees and valuable to your customers who have a recurring need for it. At The Value Builder System™, we call this finding your "TVR (Teachable Valuable Repeatable)."

Grab a whiteboard or blank piece of paper, and make a list of all the services you offer the niche you picked in [STEP 1](#). Next, score each service on a scale of 1 to 10 on the degree to which you can teach employees to offer the service, how valuable your niche finds the offering, and the degree to which they have a recurring need for it (i.e., Teachable Valuable Repeatable).

Pick the service that scores the highest, and move to [STEP 3](#). (You can always come back to this step if you want to consider multiple products.)

## Real-Life Example - Photography Business

Product/Service	Teachable	Valuable	Repeatable	Total
Weddings	7	9	0	16
Baseball Teams	9	3	9	21
Corporate Events	3	9	6	18
<b>School Photos</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>27</b>

# STEP 3 Define Your Quarter-Inch Hole

Next, get clear about what problem your product solves for your niche. Go beyond the features you are offering and articulate the benefits of buying.

Orange Theory created standards with measurable success indicators for people who want to track their progress.

Roto-Rooter took the guess work out of plumbing by making solutions more transparent and convenient.

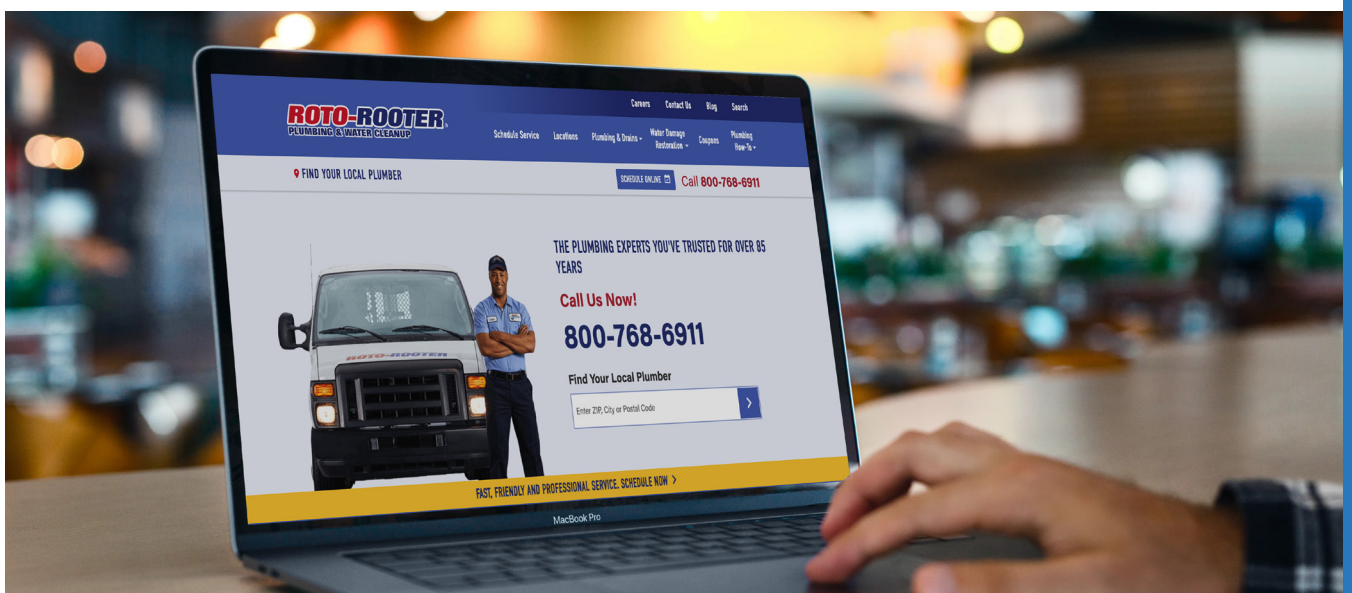


# STEP 4 Brand It

With a service, you're typically hiring a person, but with a product, your goal is to make the customer feel like they are buying a thing.

Whereas service providers have names, products have brands.

Brands like Orange Theory, Geek Squad and Roto-Rooter make service offerings feel more tangible.



# STEP 5 List Your “Ingredients”

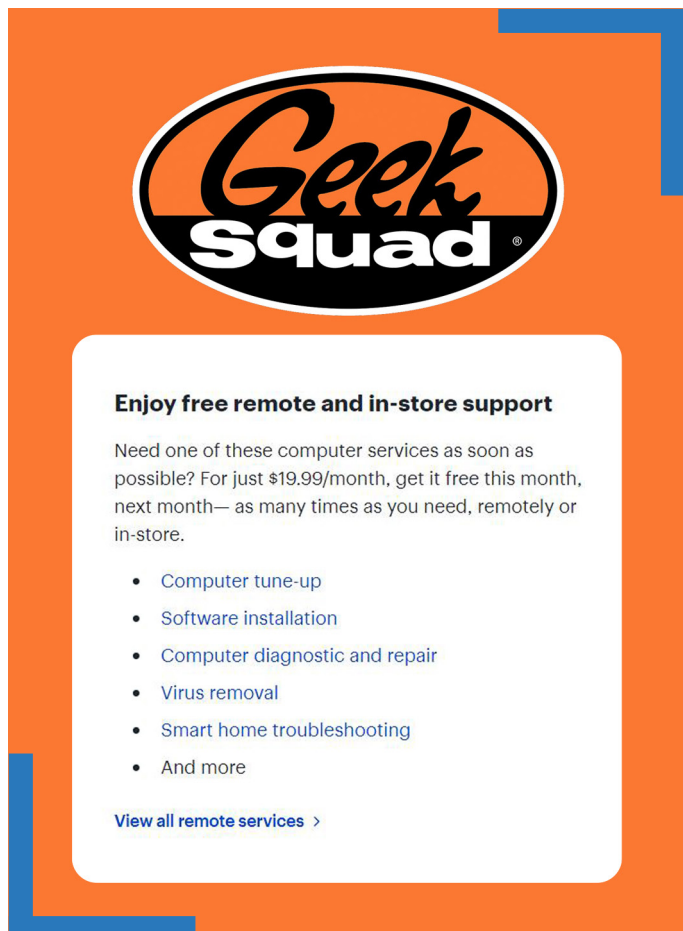
Service businesses usually customize their deliverables in a unique proposal for every prospect. However, product companies list their ingredients on the label. Therefore, make a list of what customers get when they buy your product.

For another example of listing your ingredients, take a look at the service company turned product business Data Stories.

Businesses are drowning in data. It’s easier than ever to track everything a customer does but harder to figure out how to take actionable steps to improve your business based on the data you collect. Data Stories helps you do something with your data.

You provide them with the spreadsheet, and within a few days, they send you an interactive report that’s easy to understand.

Even though they are mainly just selling a service, they have made it appear to be a product and list their ingredients in each of their offerings.

A screenshot of a Geek Squad promotional offer. The background is orange with a white rounded rectangle in the center. At the top is the Geek Squad logo, which consists of the word "Geek" in a black script font and "Squad" in a white sans-serif font, both inside a black oval with a white border. Below the logo, the text reads: "Enjoy free remote and in-store support". Underneath that, it says: "Need one of these computer services as soon as possible? For just \$19.99/month, get it free this month, next month— as many times as you need, remotely or in-store." A bulleted list follows: "• Computer tune-up", "• Software installation", "• Computer diagnostic and repair", "• Virus removal", "• Smart home troubleshooting", and "• And more". At the bottom of the white box, there is a link: "View all remote services >".

**Geek Squad**

**Enjoy free remote and in-store support**

Need one of these computer services as soon as possible? For just \$19.99/month, get it free this month, next month— as many times as you need, remotely or in-store.

- [Computer tune-up](#)
- [Software installation](#)
- [Computer diagnostic and repair](#)
- [Virus removal](#)
- [Smart home troubleshooting](#)
- [And more](#)

[View all remote services >](#)

# STEP 6 Preempt Objections

When selling a service, you typically hear your prospect's objections first-hand so you can dynamically address them on the spot.

When selling a product, you don't always have the benefit of personal interaction to overcome objections. In [STEP 6](#), you need to consider what potential objections customers might have and preempt them.

Orange Theory does this by anticipating and addressing potential objections like "What if I'm not sure I'll like this?" "What if I need extra personalized support?" "How much will this really cost me?"

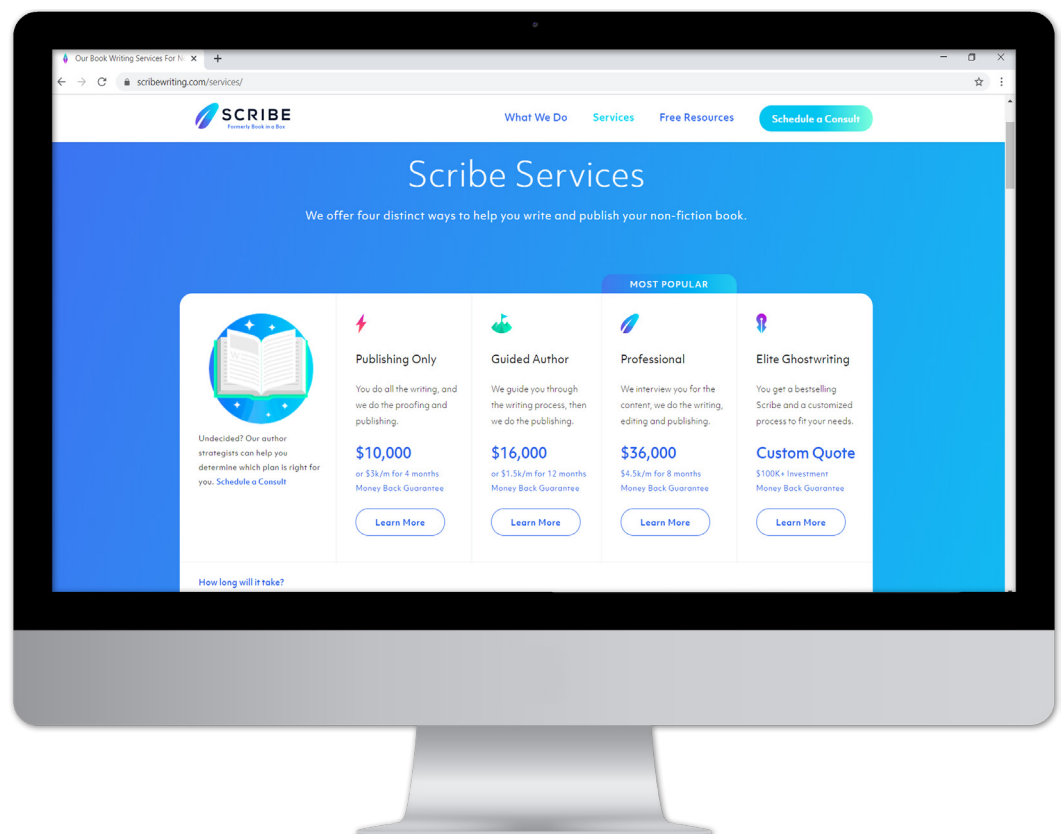


# STEP 7

## Price It

Services are quoted by the hour, day, or project and usually come at the end of a custom proposal. Products publish their price, which is one reason they feel more tangible. A published price communicates that you have a standard offering that doesn't change for each consumer.

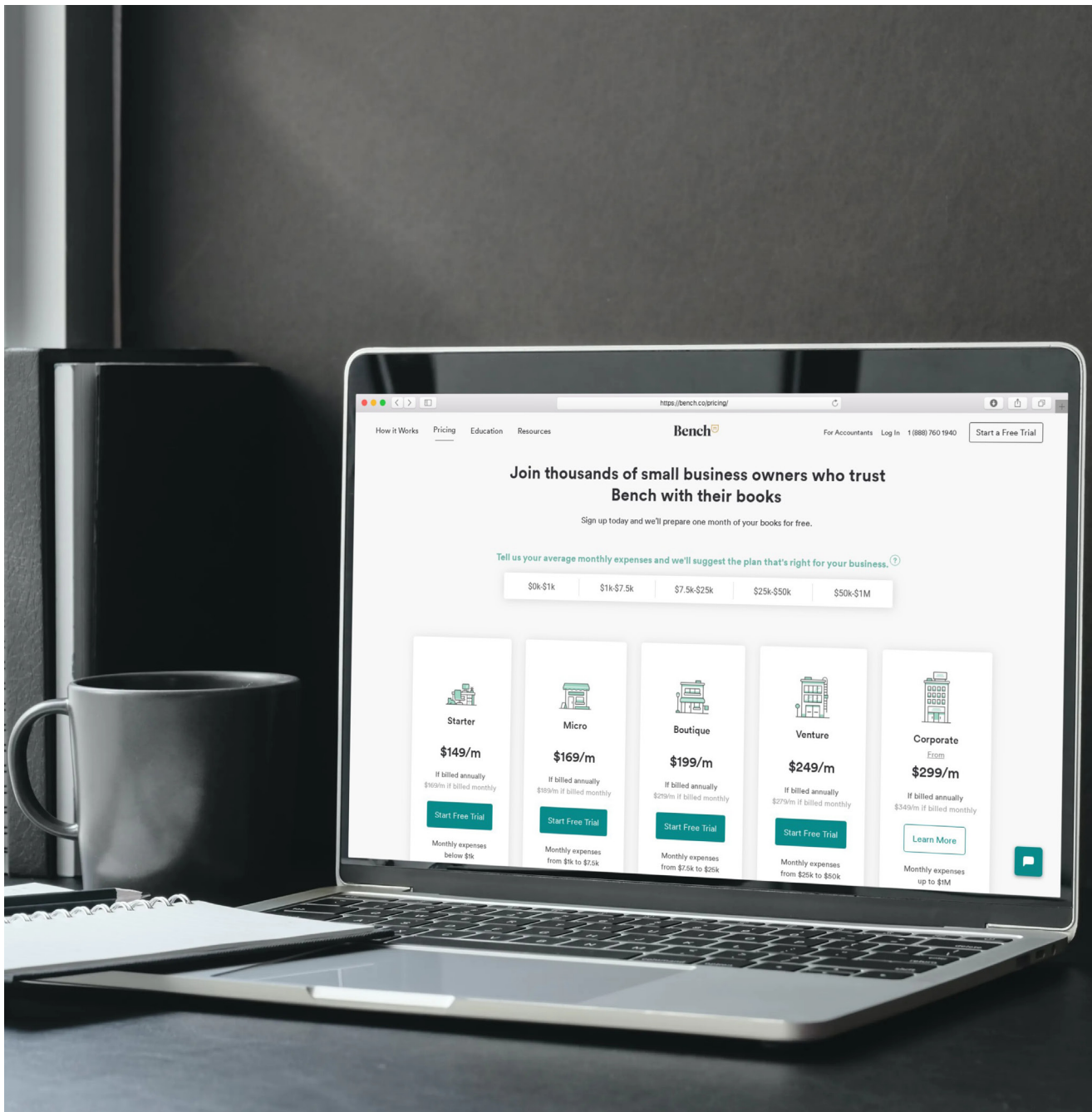
Instead of just starting a consultancy, author Tucker Max productized his insight into Book In A Box (BIAB), a repeatable process for developing a book. The company was renamed Scribe, and you can see how they price their service, making it look more like a product.





Instead of general bookkeeping services, Bench is a combination of software and human services. You upload your bank data into their software, and they provide income statements and balance sheets every month.

Like any excellent productized service, they've branded it and priced it.



# STEP 8 Manufacture Scarcity

One of the benefits of a service business is that you always have sales leverage because your time is scarce. Because you can't make more hours in the day, customers know they need to act to get some of your time.

With a product business, where your offering is always available, you need to give people a reason to act today rather than tomorrow. This means you need to manufacture a reason to act from scarcity.





One of the reasons Jason Swenk uses an “invite-only” approach to his mastermind is to maintain the illusion of scarcity. You can’t buy a spot, and you must “request an invite.”



# Conclusion

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Productizing your service makes it more tangible for consumers. It also allows you to hire people to deliver your offering because it's the same every time. That's why some of the most successful services companies go out of their way to package their service.

In today's busy world, where attention is a precious resource, productizing is more critical than ever.

