

Small But Mighty Agency Podcast

Episode 50: 5 pillars of a productized service that help you grow (even if you're at capacity)

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If you're feeling overwhelmed in your business, it might be a symptom of being at capacity. When you're at capacity you can't take on any more client work, which keeps you at a revenue cap. Though you know more is available – you just don't have the bandwidth or time to reach it. The real challenge is that Deep down; you know it isn't sustainable, and you worry it will all stop working if you step away for a few weeks. Ok, you might be wondering what does this has to do with a productized service. A productized service is how you structure your service delivery, and it's the structure that helps you build a team to get things off your plate with the confidence that balls won't get dropped. So, stay tuned as we dive into the 5 pillars of a productized service that make it easier for you to grow a service-based business.

Audrey Joy Kwan

Welcome to the Small But Mighty Agency podcast. If you're a creative, consultant, or agency owner, who wants to know what the roller coaster ride really looks like to grow your business from one to many, you're in the right place. My guest and I pull back the curtains on the realities of growing and running agencies of different sizes, and what it takes to build a team. And if you're anything like me, you want more than the highlight reel. You want to learn from the mistakes of others so that you can stop short of making the same mistakes. I'm your host, Audrey Joy Kwan, I spend my days as a coach and consultant to multiple six and seven figure agency owners. For the last seven years. I've been behind the scenes, helping people grow, lead and operate small but mighty agencies. Here at the Small But Mighty Agency podcast will uncover what works. And equally as important what didn't work to get these business owners to where they are today.

Audrey Joy Kwan

Welcome back! We're diving into the 5 pillars of a productized service. If you haven't listened to the last episode, I shared why you need a productized service if you are a service business.

The magic always starts with understanding the "why." If you haven't listened to episode 49, Why Productize Your Service, the link is in the show notes.

Before we get into the five pillars of a productized service that make it profitable and scalable with a lean team, you might ask, "what is a productized service?"

When you think of a product, when you think of a product, what typically comes to mind is a tangible good that you can physical touch. When you buy that product, it's clear what you'll get and what it will

deliver. Like an iPhone, you're buying a product that makes it easier for you to stay connected with people, entertainment and news, but you're also buying innovation and the brand promise.

A productized service is a method of packaging your service delivery with the same principles as a tangible good. Clients are clear about what they will get, they have consistent results, and the service has an established reputation in the market.

Productizing your service provides consistency in service delivery. AND Consistent delivery, messaging, and innovation take you from being a generalist to an expert. You become known for the service and your consultancy or agency get paid like experts.

You will also create more efficiency for the internal operations of your business because structured service delivery can increase focus and reduce challenges related to service quality. That means you worry less about balls getting dropped, and you're not the only one who holds the knowledge. It benefits innovation because every improvement made to your processes improves the quality of the offer.

A key to growing your service business is to have more structure and processes. Your business gets to a place where you can't just wing it anymore. A productized service is the right step in getting more time back in a small but mighty business making multiple six and seven-figures and run by a lean team because we are adding structure and processes.

What makes productizing your service powerful is the practice of less is more...

For clarity, the concept of "less is more" is not about providing less results for your clients. It's the opposite. It's about doing less, better. When you do less, you can do it better and provide better service delivery.

As the owner and operator of your small business you don't have outside investment to burn you want a profitable business as fast as possible that supports your living (that's 100% of the people I work with). If that's you, it doesn't make sense to streamline, optimize and train a team to deliver 10 different services in your business only to be the leader of none in the market. When you focus on less— maybe that's one productized service, you can be the leader, build your reputation, make your money and then scale to two and three or more. The person who focuses on leading and being an expert in one area will get there faster because they can spend energy and time being awesome versus making ten things mediocre. And guess what? You can build a lean team that is streamlined and focused too. That's my definition of "less is more" and how less can impact your business.

"Less is More" is the power behind a productized service and the five pillars.

How do I know this? I can 100% relate to where you are now. You feel like you're wearing too many hats and can't do it all...

I know that if you create a complex business that makes you feel trapped, you will never want to grow your business. You'll do little (or big!) things to self-sabotage growth because you don't want to scale overwhelm; nobody does. I've been there.

I learned this lesson as the second in command of an agency. I could not turn off my brain and relax because I would worry about what was and wasn't being done.

It wasn't until I looked at the business from a productized service perspective. We systemized our intellectual property with the right tools and processes so that contractors and employees didn't require unnecessary handholding. That gave us more bandwidth to double the revenue and sell and exit the business.

Since then, I've been behind the scenes of service-based businesses, helping owners get out of being stuck in service delivery, account management and strategy.

We start by reviewing their service through the lens of a productized service and five pillars.

If you're someone who wants to have a hard copy of the five pillars, go to my show notes to download the free Productize Your Service Roadmap or go to audreyjoykwan.com/roadmap.

What are the five pillars that I look at when evaluating a scalable service offering:

Let's start with Niche

Niche- if you've been around long enough, the word niche isn't new to you. As a Canadian, I say niche; my friends in the US say "knit-chee"; it's the same thing. There's a reason why Niche is talked about so much in business building, especially when you own a small business.

Your business can't do everything and compete with everyone. A niche narrows the focus of your business, so it attracts and increases your perceived value in a specific market section. There are two categories of niches.

When you think of a niche, an industry is what you typically think about...An example is a design agency who specializes real estate or a content marketing agency who specializes in technology. Within niches there are micro-niches. In technology a micro niche means getting deeper in specializations like medical, electronic or industrial technology and so on...

The other type of niche is your service niche. In a productized service offering, you might focus on one specific service. For example, a copywriting agency might choose to focus on email marketing as a service niche and food bloggers as an industry niche or a change management firm might focus on digital transformation as the service niche and financial services as the industry niche.

The #1 fear I see business owners have about niching is that they will make less money or leave money on the table so they continue being jack of all trades. While being the jack of all trades may get you to six figures, getting to multiple six and then seven requires you to do things differently. When you specialize, it leads to less overwhelm and more money and sharpens the results you get for your clients, making you more sought after in the niche that you choose.

Speaking about sharpening your results leads nicely to the next pillar, the pillar of promise.

The promise is the north star for your marketing and sales message. A powerful promise declares the problem and the transformation.

Clarity on your problem, solution and promise isn't always easy. If what you do comes naturally to you, and you have a ton of experience your message can get confused by too much jargon and fluff

Clarity about your promise means being able to answer these three questions:

What urgency is there for your client to solve the problem?

How does your solution meet the Pressing challenge of your client?

What is your transformation statement?

A promise and a transformation is the power behind marketing a productized service

Next Up is Intellectual Property.

If you make money from 1:1 Services and you feel that your business can't run without you, you might be hanging on to things you think only you can do.... And that's how you become the bottleneck. If that's where you're at in your business, we want to identify your intellectual property and create processes that others can follow.

Do you have intellectual property? Yes! Every service business owner has intellectual property even if you think your service is similar to someone else's, you have intellectual property. Here's why:

You have service quality and service culture, and both concepts are intellectual property. When you uncover and capture your service quality and culture into processes you can download your brain to your team.

Service quality are the processes that help you deliver quality consistently. In a service business, that's implementation, strategy and production.

Service culture is the processes that shape client experiences, including onboarding and meetings.

Identifying the processes that support service culture help you to build a business where clients see you as a partner and not a vendor.

Before we talk about processes lets, talk about the container for your service.

A container is how you package your service. It's a pillar because it's how you make money. You don't need to add different scopes of services to increase revenue, you can look at re-packaging what you have in different ways to increase the lifetime value of your customer. Another way to put it, containers play a role in retaining clients, getting clients through the door, and upselling to increase lifetime value. Here are examples of containers.

One-time projects: People might overlook one-time projects because monthly retainers are coveted, but one-time projects can work well if you can make them repeatable, meaning you can go back to the same clients and sell repeat deliverables of the same project

Re-occurring retainer: This is the preferred type of productized service because you maximize the lifetime value of a client making your sales process more profitable. Re-occurring retainers solve a re-occurring problem by delivering recurring value every month, quarter or year. Instead of buying something once, the client buys a subscription to your service.

In-the-door offer: leads the buyer into your higher-priced project or retainer. Audits and strategy can be in-the-door offers and productized.

Upsells: Increase the sales value of the client by helping your client “win” faster with premium upgrades or add-ons that deliver more value.

How you define the containers in your business creates a productized service ladder. You don't need to build your product ladder all at once, but we want to have a product ladder.

And last but not least (definitely) not least is Processes.

Processes are not just standard operating procedures or static documents that live in a drive for people to review. Processes are active workflows in a project management system that support a team to keep things on track. A team can deliver without unnecessary hand-holding by having workflows that balance enough details and direction in a project management system. When you think of workflows, the common mistake is considering just the milestones and tasks. Every great service delivery workflow has these elements:

Purpose: What are we doing in this workflow and why?

Milestones: What are the process's significant events or decision points?

Tasks: What are the steps to achieve each milestone? Could anyone pick up the task and follow it to hit the milestone?

Resources: Have you identified and created resources your team will need to follow through with critical tasks? Think templates, guides, checklists and swipe files.

Quality Assurance: Who signs off for each milestone? How will you ensure work gets done to your standards?

Although processes is the last pillar of the productized service it's key. The entirety of your processes and workflows is your product. And the difference between good and great workflow are the strategic considerations to make service delivery easier for your team while balancing service delivery excellence.

To sum it up, the pillars of productized service are:

Niche, Promise, Intellectual Property, Container, and Processes.

Productizing your services is the first foundation of building a Mighty Pod in my Mighty Pod Model program.

The five pillars I've shared with you today are the lenses through which we look at structuring and refining your service delivery to make it easier to scale with a lean and mighty pod team.

If you want to structure and refine your service delivery to get out of the weeds of your business, consider each of the five pillars while you answer these three questions:

How can you get results for your clients in the least amount of steps so that you can help your clients get what they need faster?

What bottlenecks and unnecessary padding do you have in your service offering, and how do you remove those to benefit the team?

How can you explain your intellectual property, frameworks and processes in the simplest form instead of overcomplicating them?

Don't forget to get the Free Productize Your Service Roadmap; the five pillars are available to you in the roadmap, and the link is in the show notes in your app.

That's it for today, friends; thanks for joining me today. I'll see you in the next episode.

Audrey Joy Kwan

Hey there. Thanks for hanging out with me at the Small But Mighty Agency Podcast. If you enjoyed this episode, it would mean the world to me if you hit the follow or subscribe button in your podcast app and share it with a friend. I'll see you in the next one.