Productisation

Productisation is the process of packaging a service, solution or product with a specific name so that it can be presented as a product. To build value and enhance profits, it's crucial that you productise everything you sell and do. This is applicable to both goods and services.

Countless examples of productisation exist in the UK economy. For example, Mercedes has several classes (A, B, C, E, S) and BMW has several series (1, 2, 3, 4, 5). Product names enable customers to visualise exactly what's on offer. They also give them the opportunity to buy at their price points.

In today's business economy, it's imperative that entrepreneurs understand their customers' motives. It's also a significant competitive advantage to understand how your customers create value for their customers and how you fit into that. You can then ensure your offerings complement theirs.

By mastering the art of productisation, you will create value for your intangible assets and help ensure consistent delivery to your customers. The advantages of productisation are numerous:
- Efficiency, profitability and competitiveness are increased
- The item becomes a scalable asset
- Service delivery is less time consuming because the methods and processes have been thought through
- A key point of differentiation from competitors is created; a named productised service enhances the credibility of what you do
- It's easier to market something that is standardised

Of course, productisation is not possible for every service. To productise a service, the service must be of real customer value. The service must also recur reasonably frequently. It's ideal for complex services.

An entrepreneurial business generally has an advantage over large established businesses due to its agility and ability to change. Changing the culture of executive management boards with significant bureaucratic hurdles to overcome is a difficult and relatively slow task. And individuals within larger corporations tend to hold on to knowledge, as they perceive knowledge to equate to status. Consequently, they will be reluctant to productise their knowledge.

Though productisation offers many benefits, it also presents several practical hurdles that need to be overcome.
- Any new idea will meet resistance. People are generally reluctant to change.
- It's hard work to recreate process techniques and, as a result, to productise services.

- Smaller entrepreneurial businesses lack the know-how to productise or the resources to outsource the function.
- There is a general fear that once something is productised, competitors will copy the idea.
- Services are usually developed in real time in conjunction with customers, employees and technology. Recreating a process which is the sum of several moving parts is challenging.

Despite all the above, though, the gains of productisation in terms of customer experience far outweigh the challenges:

> *Customer experience = The internal and subjective response customers have to any direct or indirect contact with a business*

In essence, customer experience is the sum of all contact a customer has with a business. All parts of the business should focus on providing an integrated, memorable and favourable customer experience that wows each and every customer.

The sum of all your customers' experiences contributes to quality, value, and, ultimately, the brand. It's what makes your business a success, and it can result in significant profits. Think of quality brands: it's not just about the actual item. If you buy an iPhone, for instance, all the touchpoints throughout the buying experience contribute to the brand: the advertising, the stores (web or physical), the retail store team, the boxes the products are shipped in, and finally the quality of the product – all of these play their part.

With the benefits of repeatable top-quality service throughout the organisation now clear, you need a method to make this happen for your business.

Achieving productisation in your business

The first step is to create a service blueprint. A service blueprint is customer focused and allows businesses to present their service processes graphically. It incorporates points of customer contact and the physical evidence (eg, booking form, web form, etc) associated with the service from the customer's viewpoint.

Once the service components are mapped out, you can identify which underlying support services will help to create a complete and focused customer experience.

A typical service blueprint has five components.

1. Physical evidence
2. Customer actions
3. Visible (to the customer) business action line of interaction

-- Line of interaction --

4. **I**nvisible (to the customer) business actions
5. Support processes

Here's an example of a service blueprint from a **Golf Driving Range:**

Physical Evidence	An order form/web page	Receptionist's uniform and welcome script	History of scores visible on screen
Customer Actions	Complete the form and make booking	Arrive at centre	Go to nominated bay
(Visible to the customer) Business actions		Greet the customer and give them equipment	Explain latest updates/weekly targets to customers
(Invisible to the customer) Business actions	Process the booking - reserve equipment		Transfer equipment to correct bay
Support Processes	Equipment preparation system (Cleaning and repair)	Registration system (list of expected visitors)	Loading of customers' scores on bay computer

It's worth mentioning again: a service blueprint is customer centric. So, the customers' actions come first. Next are the visible business actions, followed by the line of interaction, that is, the line between what is visible to the customer and what isn't. All interactions above this line are chances to wow the customer. Below the line of interaction is all the back-office stuff that makes the customer-visible stuff possible.

You may feel overwhelmed once you start thinking about your own systems. The best way to deal with it is to break the customer process map down into smaller chunks and work through these chunks one at a time. As you do so, always remember the massive benefits productisation will produce: improved customer service, profitability and business value.