

Free Webinar

Why consultants should productize their services and how to do it...

Luk Smeyers, 10.11.2021

luk.smeyers@thevisibleauthority.com

www.thevisibleauthority.com



THE
VISIBLE AUTHORITY

Next webinar in January

- January 12, 2 pm, CET (2nd Wednesday)
- Topic: My learnings from 2021
- Link to subscribe in chat (no info page yet)

Accelerator individual coaching

- New slots for 2022 → go to home page

A weekend with Luk

- A new initiative starting in 2022: 4-8 participants (EU)
- Senior consultants: >5 years experience in consulting
- Send me a mail: luk.smeyers@thevisibleauthority.com

Introduction

Productization is a core component of the
expert consultant portfolio

→ expertise-in-a-box

Agenda

- Intro Luk & what happened to me
- What is productization in consulting?
- My 3 starting points
- Why productization belongs to the expert portfolio?
- My favorite productization model
- 3 Productization examples
- My learnings from productizing in the past years
- Summary



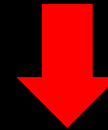
A few 'logistics'

- Have a cup of coffee ☺
- You will receive slides & recording
- Duration 50'
- There will be a 10' Q&A
- Progress boxes at the bottom





I teach consultants the
strategies to grow revenue
by standing out in a
crowded market.



Positioning Statement
(XYZ)



Luk Smeyers

- CHRO role until 2007 (in consulting)
- Founding CEO of a People Analytics consultancy iNostix in 2008
- iNostix got acquired by Deloitte in 2016 (exit Feb. 2020)
- With my global visibility, I never had to sell, persuade, negotiate
- My mantra:
 - Focus
 - Openly sharing all my learnings
- My hobbies: endurance MTB
- I live in Munich

<https://www.thevisibleauthority.com/blog/i-never-had-to-sell-persuade-or-negotiate-to-grow-my-consulting-business>



With hyper-focus & strong visibility, I was able to...

- ...consistently invest 30% of my time in visibility
- ...grow organic traffic & strong pipeline
- ...grow premium revenue without doing sales
- ...close deals without doing any follow-up
- ...get enough organic opportunity to say NO
- ...always stay in my lane: FOCUS-FOCUS-FOCUS
- ...consult with highly productized services



This is what I did

- Narrow positioning: **smallest possible viable audience, smallest possible (expensive) problem, smallest possible expertise, highly productized**
- Consistently developed high quality educative content **with a pain resolution focus**
- Openly **shared** all my experiences, successes, challenges, struggles, failures
- My formula: 'Here's what you can learn from what I learned'
- Rewired my brain from selling to **helping** (empathy, generous)



What is productization in consulting?

A productized consulting service is fundamentally a service, but with product-like benefits that allow you to systematize and optimize the packaging, pricing, marketing, sales, delivery, and follow-up.

(Author Jonathan Stark)



My 3 foundational starting points

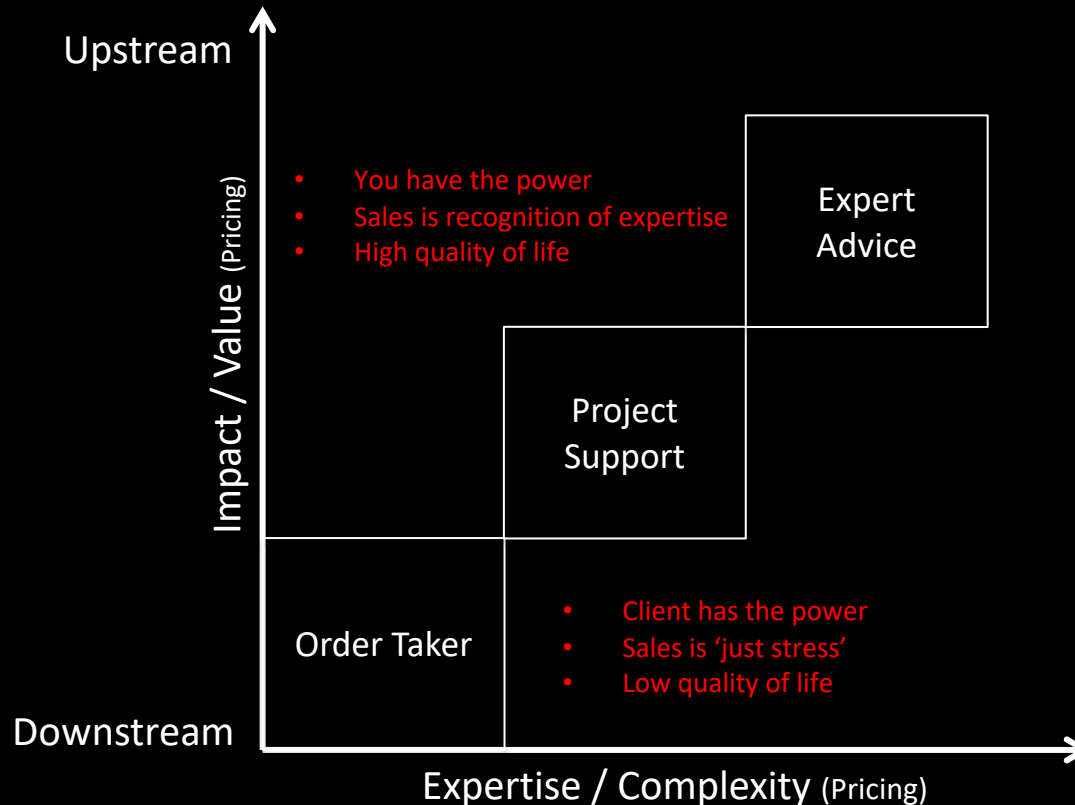
(the 'pillars' of productization)

1. The Upstream Consultant
2. Quality of life
3. Power in the sale



1. The Upstream Consultant

- most consultants are 'order takers' -



2. Quality of life



- I only work 4 days/week
- Thursday is my cycling day
- Remind yourself why you are in business: to have the life we want
- A critical reason to standardize/productize
- 0,7 – 0,3 – 2,5x

3. Power in the sale

- Most consultants are 'order takers'
- Downstream, executional & customized work
- Client is telling them what to do
- Client has all the power, keeps consultant 'small'
- Consultant is not allowed to push back
- Client perceives consultant as easy to replace

See this LI discussion yesterday

'We cannot challenge RFP's

Here's my (probably provocative) answer. Let me start by saying that I almost always challenged RIF/RFP processes. I almost never took the brief at face value. And when I explained my rationale, my pushback got accepted in 80-90% of the cases.

Important condition:

- strong ownership of the project leader, instead of gatekeeper (e.g. procurement) ownership
- strong profile as visible expert in the market (which gives easy access to C-level to challenge the process)

This was my main rationale: What a client thinks they want and what they actually need can be quite different. That's what I carefully explained and lead me to propose an upfront diagnosis. I helped them to protect for loop holes in the process and their assumptions. I never got in trouble.

Here's what I experienced over and over again: a prospect who truly values expertise will be open to answering questions and exploring different ideas or approaches.

When your expertise is truly valued, you are more likely to be able to lead (or at least influence) the process.



Another discussion from last week

- Easy or Difficult to recover from -

- Consultant: difficult to recover from:
 - Losing a client
 - Losing a pitch
 - Losing a team member
- Luk: difficult to recover from:
 - Wrong partner in the business
 - Generic positioning, keeping doors open, saying YES mostly
 - Downstream customization, no expert-productization



Ask yourself these questions

- How do you feel when you are pitching? Do they consider you as...
 - a vendor or an expert?
 - an order taker or strategic advisor?
- Is preparing the proposal effortless (expertise in a box) or a big investment?
- Are they connecting with you for your meaningfully different point of view?
- Are you able to get a premium price or do you need to give a discount?
- Are you protecting income or protecting time?
- Do you have the intention to specialize but do you keep twisting your narrative to fit the request?
- Are you afraid to challenge the brief or request from the client?



In my early consulting years, I loved to
call the office...

Me: Can you believe what I just sold?

Answer: Did you do that again?

David Baker (book 'The business of expertise'):

'The client is effectively paying you to learn on the job. Maybe you're cool
with that. I'm not so sure'.



It will burn you out

You will get stuck in the toxic consulting default mode...

(Google: 'toxic consulting')



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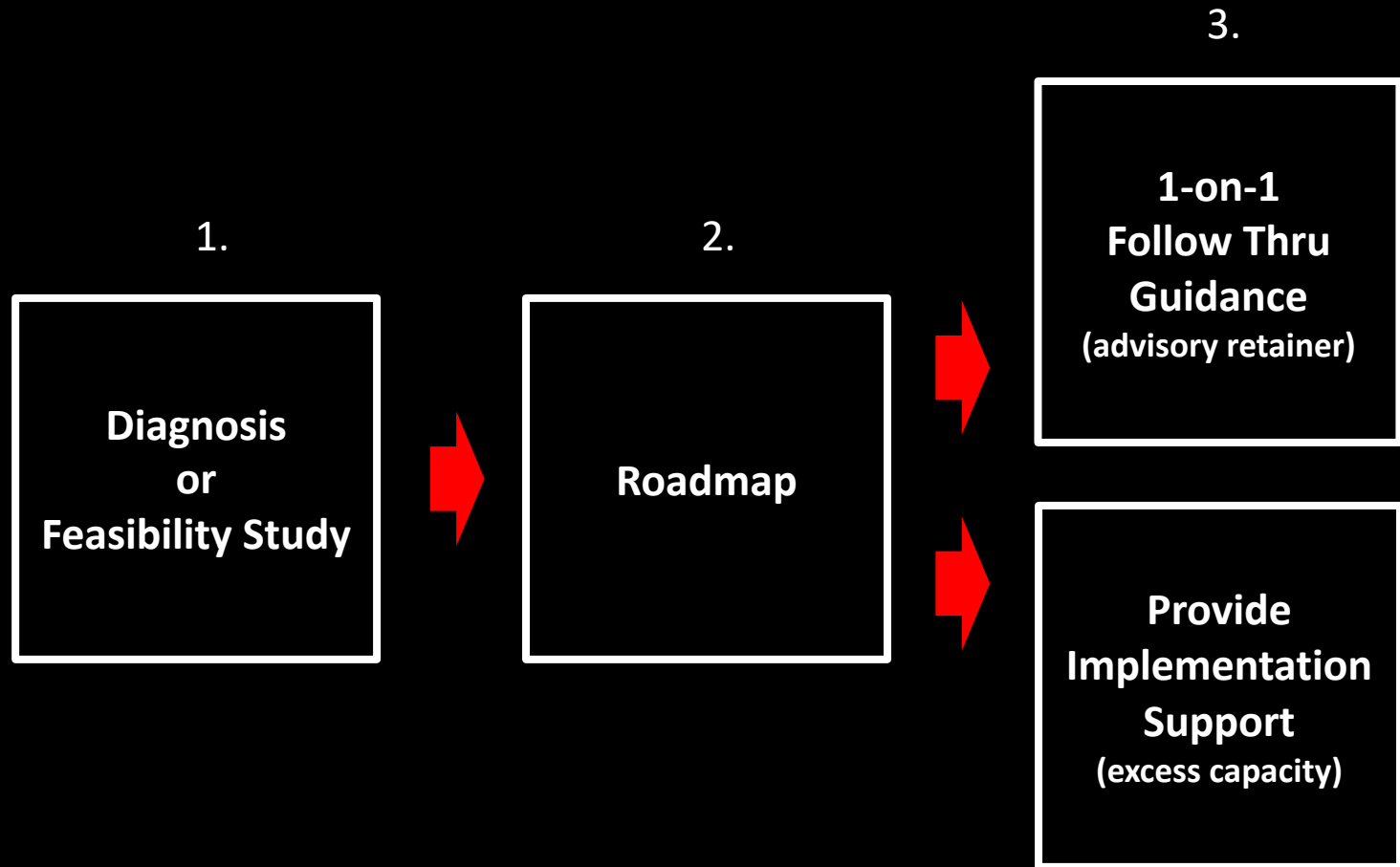


Why productization ?

- From the clients' perspective, there is one giant reason to switch to packaged services: **they know exactly what they will be receiving and what it will cost.**
- I've been talking about this already several times: buyers have a short-term horizon these days (3 to 6 months), they are looking to solve their problems fast and reliably.
- Productized services are the most inviting format for them...
 - to get your 'expertise in a box'
 - reduce risk
 - increase decision-making and delivery speed
 - understand the scope and timing
 - outline their precise involvement
 - seize the final output/delivery they will receive



My favorite model to productize



Examples of productization (1)

Salesforce post-M&A integration consultancy

(experts in merging Salesforce after enterprise M&A)

- **Step 1**: diagnosis of integration challenges, opportunities, duration estimation, and cost estimation
- **Step 2**: roadmap to integrate the two systems (mainly done by client with expert guidance) (3 workshops)
- **Step 3**: CIO gets personal guidance during 12 months (advisory retainer)



Examples of productization (2)

Sales improvement with CRM

(expert in enterprise B2B sales process improvement)

- **Step 1:** diagnosis of improvement opportunities (mainly how to improve moving from MQL to SQL - marketing qualifies leads to sales qualified leads)
- **Step 2:** roadmap to enhance the internal sales process, including the development of playbooks and a training program (delivered by consultants, beyond step 2)
- **Step 3:** CMO and CSO getting personal guidance during 12 months (with one workshop per month - follow-thru of the roadmap)



Examples of productization (3)

Retail demand forecasting consultancy

(experts in supermarket demand forecast with AI)

- **Step 1**: feasibility study to uncover demand forecast improvement opportunities, including initial opportunity-based cost estimations
- **Step 2**: roadmap to improve demand forecasting, including a training program and playbook for the CoE analytics
- **Step 3**: 6 months personal guidance for the demand forecasting leader



My biggest learnings !

- Your roadmap is THE process
- Start step-by-step (iterate, test, validate)
- Don't mix customization with productization
- Sell the total package but relax: the diagnosis is your Trojan Horse
- Pricing: upstream/premium → client is buying 'peace of mind' (he/she takes care of us)
- Diagnosis: upfront invoicing
- Sell a premium experience: 5-star process



But Luk...

“We are a very different culture, standardized processes won’t work with us” ...

My answer: “Sure, got it. That’s why we need to diagnose what can/cannot work”.

(Diagnosis + roadmap = 100% customized)



Productization helps to keep the consultants' ego in control...

- Your ego overestimates your expertise:
 - Productization will help to stay in your lane
- Your ego sub-leverages operational systems:
 - Productization requires systems to remain efficient



It takes time, there's NO hack...

- It's walk, run, stumble, crash, crawl, walk, run, stumble, crash, crawl, walk, run...
- Focus!
 - Specific audience, prototypical pain, packaged solution
 - Iterate: don't wait till it's perfect
 - Don't mix
- Start from... (and ask yourself my questions)
 - Upstream positioning
 - Quality of life
 - Power in the sale



Thank you !

Luk

Questions ?