



40 Packaging your products

What is packaging?

Packaging your products in the context of marketing your business is about grouping your products or services together to enable you to sell more and your customer to gain greater value for money. Examples of how companies package their products are everywhere. Here are some you might recognise.

- An all-inclusive holiday where the customer pays one price and gets flights, accommodation, food, drink and often sports facilities all bundled together in an attractive package.
- A fast food restaurant that offers a 'meal deal', you get the burger of your choice, fries and a drink for a set price.
- A training company that offers a complete programme of modular sessions that link together.
- A coaching company that offers a set number of coaching sessions over a three or six month period.
- Amazon books package their products in a subtle way by offering you both the book you have requested and a second related book.
- A hotel that offers special weekend breaks inclusive of dinner, bed and breakfast.
- Restaurants which offer special set menus to encourage people to dine at quieter times.

Any business can package their products and services together which potentially could have a very positive effect on sales.

Why is packaging important?

Packaging will enable you to sell more by

- promoting a higher perceived value to your customer
- automatically allowing you to up sell without having to ask for it
- creating the opportunity to work with your customer over a longer time period
- helping to move slow-moving stock by attaching it to more popular new stock.

Packaging can also help you to get stronger initial commitment from your customer. This will give you a greater opportunity to build a relationship and prove your products' or services' value to them.

Packaging can also ensure that your customer buys enough of your service to make a significant impact. A good example of this would be marketing or business consultancy. In these cases the initial groundwork often provides the foundations on which a longer term plan must be built.

Your challenge

Your challenge is to create a bundle or package that creates value for your customer and makes marketing sense. You will need to work out what naturally links together to create a complete service. Your package will need to be priced correctly and marketed appropriately.

What makes a successful package?

- It solves a complete problem that a customer has or is likely to have. A good example of this might be a car service centre that appreciates car owners need to prepare their car for the winter. A special winter car care package that covers everything that might end up a problem to customers at an attractive price could be a very desirable proposition as winter approaches.
- It gives the customer choice. If you go to an Indian or Chinese restaurant with a group of friends the menu offers you a choice of different set menus at different prices. If you go to a garage for a car wash you can usually choose between gold, silver and bronze options. People like to have a choice. Successful packages often offer up to three packaged choices, more than that can confuse the customer and make decision-making harder.
- It takes away or limits the potential hassle a customer may have organising all the various elements of a particular purchase. If you are planning a wedding there is a lot to think about: flowers, hair and make up, reception, entertainment, guest accommodation, photographer, transport to and from the venue, attendants and much more. Wedding packages that consider what is most important to the happy couple and group services together accordingly will be successful.
- The package has a high perceived value for the customer even if some of the add-on elements are lower cost to you. The more perceived value the package has, the more irresistible you will be able to make your offer.

HOW TO CREATE YOUR OWN PACKAGES – SPECIAL RESPONSE CHECKLIST

- ▶ Decide what you want your packages to achieve for you.
- ▶ Consider what problems your customers have that a package would solve for them.
- ▶ Consider how you could develop a choice of package content and pricing levels that makes your offer simple and attractive.
- ▶ Consider what value your packages offer your customers.
- ▶ Decide what you are going to call your packages.
- ▶ Test your packages with some existing customers and ask for feedback.

How to use this information

Once you have developed your packages and are clear and confident that they are right for the people you are targeting, you will need to communicate them. This can be done by describing them in your company brochures, sales letters, direct mail, on your website, in your advertising, on posters and in your proposals. Monitor how well they work for you and be prepared to review their content from time to time as customer demand dictates.

Think package and sell more