Product Offering

For the training consultant, product/service offering involves teaching on courses and developing materials. Developing your product/service offering needs to be viewed both from what you supply and what the client is buying.

What is the client is buying?
In general clients buy a solution to a problem rather than either a physical product or a service. A solution that fulfils both tangible (rational) and intangible (emotional) needs as illustrated here:

- **Tangible (rational) Needs**
  - A Training Course?
  - Learning?
  - Lowest Cost?

- **Intangible (emotional) Needs**
  - Safety of Purchase?
  - Ease of Purchase?
  - Politics?
  - Business Success

A Training Course is true to an extent but the truth is that they are buying learning and there are many ways of providing this.

Learning is an obvious need but, in my experience, a lot of clients and managers do not understand what it is. Commonly, school and university condition people, to think learning is knowledge acquisition rather than obtaining the wisdom that allows the best decisions to be made.

Lowest Cost is true to an extent but not just the lowest fee and is a matter that I explore in detail in the Pricing paper.

Safety of Purchase is a particularly important emotional need as it is difficult for clients to judge the quality and value of training services before purchasing and so prefer to buy from someone they trust – I explore practicalities in the Promotion paper.

Ease of Purchase is a common emotional need and is illustrated by buying from existing suppliers or from a large supplier that can provide a full range around the world.

Politics also play apart. For example, many years ago I was well into designing a simulation for a large client. Unfortunately, a Finance Director got involved and said “but surely the content is covered in other courses”. Except the other courses were designed to provide factual knowledge and the simulation was designed to develop the ability to do the job – the Finance Director did not understand the difference and the client was too scared to tell him that he was wrong!

Business Success is in my mind the most important reason for business people learning. And, business success needs exist at several levels – for the business, for the individual learners and for the person who authorises the course.

Needs and Wants
When developing and selling a product or service it is vital to differentiate and understand both client needs and wants. (Where needs are logical and tangible and wants are often emotional and intangible.) For example buying salt is a rational decision about buying a spice that enhances flavour. So which is better – normal table salt (at 8p for 100g) or Sea Salt (at £1.80 for 100g). Research done suggest that both are the same and, despite TV chefs suggesting that Sea Salt is better (Metro Newspaper, 16th November, 2011). So why pay twenty-times the amount for Sea Salt – simply to fulfil an emotional need. There is a classic market research test that involves getting people to tell the difference between Lager beer, Bitter Beer and Guinness when blindfolded – at this point you are probably saying “that is silly – everyone can tell”. Well I have actually done the test on a
marketing course that I ran – after a member of CAMRA (Campaign for Real Ale) and a wine buyer failed spectacularly the rest of the group declined to do the test. (If you do the test you need to pour the Guinness early so the head is gone – otherwise people will feel the head and use this to differentiate.)

**Needs:** For example, arguably every businessperson needs to have a basic level of financial knowledge but commonly they do not want this. I remember running a basic total enterprise simulation at a company conference, unfortunately the Creative Director was not happy with this as he did not see that his role required financial knowledge! On another occasion, having run a simulation several times for the store managers of a large retailer the company’s Finance Director found out and stopped the course, as he did not want his store managers to know about finance!

**Wants:** Equally, a want that conflicts with a need is a problem. For example, a common want is for the training to take no more than a few minutes (perhaps not quite that extreme, but close). But, if the time budgeted is too short, learning does not occur. Another want that I encounter regularly is feature creep where the client wants more and more to be added to a simulation (arguing that this makes it more real). Unfortunately, not only does this add to duration but, the additional complexity may be confusing (reducing learning) and not relevant to learning needs. Another want is to move all training to the web despite the fact that some learning is best done in the classroom.

**Learning Needs**

When providing a training service you need to consider both real and perceived needs. When I did my Churchill Fellowship Study, I explored why companies used business simulations and developed a five dimensional learning needs model that I believe is usable for most training. This model is illustrated below for the Business Acumen Workshop.

**Knowledge Exploration and Acquisition** involves learning facts and understanding how they are relevant to the learner – the hard skills. These – finance, marketing etc. – are the focus of a business acumen course.

**Skills Development and Practice** involves developing personal attributes such as team working, problem solving, and communication etc. – the soft skills. For a business acumen course they are of least importance. (In contrast, for a leadership course this may be the prime focus.) Although skills development and practice was not a learning outcome for the workshop, team working and knowledge sharing was a key need for the afternoon discussion and so the business simulation in the morning was designed to stimulate this.
Motivation and Engagement involves both ensuring that the learners are engaged and, perhaps, changing their behaviour. Behaviour change is illustrated by a course that I was involved with for the Regional Sales Directors of a large computer company where the client wanted them to understand the importance of sales forecasting and for them to provide better forecasts. (Having worked in the industry, I know that computer sales people are some of the most difficult to train and so I was especially pleased that the course and my simulation was a resounding success – so much so that the training consultant running the course has used my services for more than twenty-five years.)

Assessment and Evaluation involves assessing the learner’s learning prior and future need and evaluating the quality of the training and the need for remedial learning. So, assessment is from the learner’s viewpoint and ranges from self-assessment (by the learner), informal assessment (by the trainer) to formal assessment (on assessment and development centres). Evaluation is from the training point of view and assesses where the course needs to be revised and strengthened (post course evaluation) and, based on learning group needs where there is a need to adjust the course (in course evaluation). In the context of the workshop the purpose was for the learners to determine what questions to ask and to think about future learning needs. From the trainer’s viewpoint, during the workshop I need to determine which areas to expand on and which to shrink and following the course determine changes.

Learning Enhancement involves providing learning activities designed to integrate prior and current learning that address the needs of adult learners, ensure retention and focus on learning transfer.

Learn more on http://www.simulations.co.uk/Corporate%20Cartooning.htm#Whyuse

What are you supplying?
Although clients buy a solution to a problem rather than physical product or a service. For example a training provider is supplying among things:

- Time
- Expertise
- Knowledge
- Experience
- Reputation
- Current Range

Time is your ultimate resource. But if this is all you are offering then the only way to increase revenue and profit is to work longer. So you need to add value and through this command a greater price. Value is added and demonstrated through your expertise, knowledge, experience, reputation and current range of offerings.

Expertise covers your ability to teach business people and the variety of teaching. In other words, it addresses the effectiveness, efficiency and consistency of the actual teaching and coaching.

Knowledge not only covers the knowledge you have of content but also the knowledge you have of your client’s business, their industry, its problems and issues.

Experience of business is vital as, for business learners, their learning must be both relevant and practical. Experience of the practical application of the material being taught demonstrates to the learners that what you are teaching will be of use. Thus it is important in terms of engaging the learners, getting them to trust you and transfer. Recent research by Henley Business School (hrmagazine.co.uk 01/02/2012) found that the top requirement was that training should be done by experienced practitioners.

Reputation is vital when selling a service product like training where the risk of purchase is high and you can only judge quality after the event. It explains why people from large organisations or universities can command a high fee. (The second most important requirement of the Henley Business School research was reputation.)
Current Range impacts both the client’s cost of acquisition and provides examples of what you can provide. Acquisition cost is very low if a product already exists or can be easily customised. Equally, acquisition risk is low if you can demonstrate that you have provided similar learning.

How can you ensure effective and efficient development?
Developing new products is expensive and risky – risky both in terms of developing a learning activity that "works" and developing one that actually fulfils a client learning need.

Development Policy
I try not to develop any learning materials unless there is a clear client need and the client pays for the development. Often, this provides me with the basis of a new product that I can use with other clients. Even this is not possible (because the simulation is so specialised or of such strategic importance to the client), the work provides a story for my website.

Development Issues
I feel that these factors influence your ability to add to your offering:
- Quality
- Range
- Development Tools
- Development Methods
- Learning Objects

Quality is different from your ability to teach. Rather, it covers your ability to design (or select) learning materials as teaching involved different skills from those to develop learning materials. Arguably, the person developing the materials is different from the person delivering them. When, I worked for Honeywell, we separated this work with the materials designed by one group of people who then handed them on to the trainers (who honed and adapted the materials to fit their teaching style). Further, learning quality is not just the quality of the content but how engagement and learning process is built in.

Range is not just the range of content but also covers industries served and learning methods. For example, my business background has allowed me to cover most functional areas and industries (at an acceptable depth) but, I specialise in business simulations (and do not providing online e-learning, case studies, lectures, etc.)

Development Tools cover the tools that enable you to develop, update or customise your product both effectively and efficiently.

Development Methods covers the ways you manage development, updating and customising.

Learning Objects is a carry over from my software design experience where programs are built using small re-usable objects and can be applied to learning where you develop a library of learning entities – entities that can be combined into a new course.

This is one of a series of papers provided by Jeremy Hall to help training providers and training consultants. You may copy this and provide to third parties.

If you need to enhance and enliven your training provision visit www.simulations.co.uk to find out why and how you can used business simulations (business games).