Feature Downsells

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Key takeaways

- Feature down-sells lower the price by changing what the customer gets (remove features, reduce quantity or quality, or cut optional components).
- Removing features reduces both price and perceived value; the balance between price reduction and value removal determines how attractive the down-sell is.
- People will compare the money saved to the value lost and often re-upgrade themselves to the higher-priced offer after seeing the difference.
- Remove features from highest-to-lowest perceived value to maximize customers self-selecting the best value purchase for them.
- Simple formula: take something away, lower the price, then ask “How about now?”
- Feature down-sells can include product quantity, product quality, service quantity, service quality (many vectors), removing entire features (e.g., guarantees), or converting done-for-you into do-it-yourself alternatives.
- Service-quality vectors to manipulate include response time, availability windows, days/times, session length/amount, location availability, cancellation/reschedule rules, speed of delivery, service ratio (1:1 vs 1:many), communication method, provider qualifications, live vs recorded, in-person vs remote, do-it-yourself vs done-for-you, scope/exploration limits, personalization, and guarantee terms/coverage.
- Feature down-sells can lead to additional purchases (e.g., sell tools or a DIY product) and require anticipating follow-up problems/opportunities.

Checklist

1. Identify core features and quantify them
    - List every feature, component, quantity and quality metric of your core offer (guarantee length/coverage, session count/minutes, response time, delivery speed, locations, materials, etc.).
    - Why: you can only peel features back intentionally if you know exactly what you currently deliver and its perceived value; quantification lets you choose which features to remove and by how much.
2. Rank features by customer-perceived value
    - Rank features from highest to lowest perceived value for customers (use feedback, objections, or observed purchase behavior).
    - Why: removing low-value features and dropping price modestly gives a worse deal; removing high-value features and dropping price significantly encourages customers to re-up on the premium offer.
3. Choose a removal strategy (quantity, quality, or feature)

- Decide whether to reduce quantity (fewer months/sessions/units), lower quality (materials, provider level), or remove an entire optional feature (e.g., guarantee, calls).
- Why: different customers care about different vectors; the chosen strategy shapes the perceived deal and influences conversion and self-upsell behavior.

4. Set the new price relative to value removed
   - Lower the price in proportion to the value removed so the down-sell feels like a meaningful savings compared to the main offer.
   - Why: the tradeoff between money saved and value lost is the driver of purchase decisions; a clear price drop helps customers weigh the choice.
5. Phrase the offer with the “How about now?” framing
   - Present the down-sell succinctly: explain the removed feature(s), show the new price, then ask “How about now?”
   - Why: simple, direct framing makes the comparison obvious and prompts customers to self-select.
6. Use service-quality vectors to create tiered offers
   - Create specific lower-tier service options by altering: response time, time availability, days of week, times of day, session length/amount, location availability, cancellation/reschedule terms, speed of delivery, service ratio, communication method, provider qualifications, live vs recorded, in-person vs remote, exploration limits, personalization, and guarantee terms.
   - Why: these granular changes let you craft multiple meaningful tiers that appeal to different buyer needs and budgets.
7. Offer done-for-you → do-it-yourself alternatives
   - Convert high-touch services into DIY products or lower-touch sessions (e.g., sell home tools, recorded trainings, workshops, or equipment rental instead of full service).
   - Why: provides a cheaper path that still solves the problem for budget-constrained buyers and opens potential for future upsells.
8. Test removing guarantees or similar high-impact features
   - Try a down-sell that removes a strong guarantee (or other prominent feature) and lowers the price significantly.
   - Why: removing a guarantee can clarify its value and often drives customers to choose the full-priced option after comparing the two.
9. Quantify expectations internally
   - Document the exact limits of each down-sell (response times in minutes/hours/days, number of sessions, materials used, location constraints, etc.).
   - Why: prevents confusion, ensures teams deliver correctly, and makes the difference between tiers clear to customers.
10. Communicate trade-offs transparently

- When offering the down-sell, explicitly state what's removed and what remains (e.g., "You'll get chat and email but no calls").
- Why: transparency reduces buyer regret, clarifies perceived value, and makes the price-to-value comparison straightforward.

11. Prepare follow-up pathways and potential add-ons

- Anticipate problems customers may face with the lower-tier (they may need tools, extra sessions, or upgrades) and prepare add-on products or paths back to the premium offer.
- Why: down-sells often create additional purchase opportunities and need support to avoid dissatisfaction.

12. Monitor conversion and re-up rates

- Track how many prospects buy the premium vs down-sell and how many down-sell buyers later upgrade.
- Why: measures effectiveness and informs how to adjust which features are removed and how much to lower price.

13. Iterate pricing/value balance based on data

- Adjust which features you remove and how much you reduce price according to conversion data and customer feedback.
- Why: the optimal tradeoff between price and removed value is a science that improves with testing.

Examples:

- Remove quantity: instead of a three-month supply, offer a one-month supply.
- Reduce service frequency: instead of four sessions per month, offer two sessions per month.
- Lower product quality: instead of leather seats, offer vinyl seats.
- Remove a prominent feature: remove the guarantee and lower the price.
- Reduce response speed: instead of five-minute response, offer overnight responses.
- Limit time availability: offer office hours instead of "whenever you want."
- Limit days or times: Monday/Wednesday/Friday vs all days; 9–5 vs 24 hours.
- Reduce session length: 15-minute board calls vs 60-minute board calls.

Notes:

- Removing features can create follow-up issues or opportunities; plan how you'll support or monetize customers who choose lower tiers.