Increase commercial traction and further market success

AAL2Business webinars

VALUE PROPOSITION CANVAS

27th of May 2021

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No use no impact
#1 Mistake
For start-ups and R&D Teams willing to go to market

Developing Something Nobody Wants

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Need an approach for creating value for customers & lowering risk of failure!
VALUE PROPOSITION

Describes the **benefits** customers can expect from your novel solution
VALUE PROPOSITION CANVAS
Value Design Process

Extract Hypothesis → Prioritize Hypothesis → Design Tests → Prioritize Tests → Run Tests → Capture Learnings → Make Progress

our focus
Value Proposition Canvas (VPC)

Customer Profile
The set of customer **characteristics** that you **assume, observe** and **verify** in the market

Value Map
The set of value proposition **benefits** that you **design** to attract customers
Value Proposition Canvas (VPC)

Value Map

Customer Profile
PRODUCT

INSPIRED INNOVATION

Value Map

Customer Profile
CUSTOMER

INSPIRED INNOVATION

Customer Profile

Value Map
**Customer Profile Overview**

**OBJECTIVE:** Visualize what matters to your customers in a sharable format

**OUTCOME:** 1 page actionable customer profile

1. Download the Customer Profile Canvas
2. Grab a Set of Small Sticky Notes
3. Map Out Your Customer Profile
Choosing a Customer Segment
Definition:

The groups of people or organizations who share similar characteristics that you aim to reach and create value for them.
MARKET SEGMENTATION

DEMOGRAPHICS
- Age
- Gender
- Income
- Marital Status
- Ethnic Background

GEOGRAPHICS
- Local
- National
- Regional
- International

BEHAVIORAL
- Benefits
- Usage Rates
- Patterns

PSYCHOPGRAPHICS
- Activities
- Personality & Values
- Attitudes
1. Customer Segment

Taxi Passengers in Brussels, Belgium
2. Customer profile - Jobs

What customers are trying to get done?

- Call Taxi
- Find Taxi
- Give directions
- Pay
3. Customer profile - Pains

What annoys the customer before, during & after getting job done

- Wait a long time
- Compete with other customers
- Pay
- Call Taxi
- Find a taxi
- Give directions
- Unsafe driver
- Overcharged by Taxi
4. Customer profile - Gains

What outcomes & benefits customers want?

- Call Taxi
- Give directions
- Pay
- Compete with other customers
- Overcharged by Taxi
- Unsafe driver
- Wait a long time
- Easy payment
- Professional driver
- Clean sits
- WiFi

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5. Customer profile - Ranking

What is the customer priority?

Gain relevance
Rank gains according to how essential they are in the customers' eyes.

Essential
Clean sits
Professional driver
Easy payment
WiFi

Important
Call Taxi
Find Taxi
Give directions
Pay

Gain severity
Rank pains according to how extreme they are in the customers' eyes.

Extreme
Wait a long time
Compete with other customers
Overcharged by Taxi

Insignificant
Unsafe driver

Job importance
Rank jobs according to their importance to customers.
What is the customer priority?

- Easy payment
- Professional driver
- Clean
- Wifi
- Call Taxi
- Find Taxi
- Give directions
- Pay
- Wait a long time
- Overcharged by Taxi
- Compete with other customers
- Unsafe driver

Customer profile - Ranked
Customer Profile - Summary

OBJECTIVE: Visualize what matters to your customers in a sharable format

OUTCOME: 1 page actionable customer profile

1. Select customer segment
2. Identify customer Jobs
3. Identify customer pains
4. Identify customer gains
5. Prioritize jobs, pains & gains
Value Map - Overview

**OBJECTIVE:** Describe explicitly how your products and services create value

**OUTCOME:** 1 page map of value creation

1. Grab the Customer Profile you previously completed
2. Download the Value Map Canvas
3. Grab a Set of Small Sticky Notes
4. Map out how you create value for your customers
1. Value map - Products & Services

What you offer customers

- Taxi
- Smartphone App
2. Value map Pain Relievers

How exactly your products and services alleviate specific customer pains

- Taxi
- Smartphone App
- No Cash
- Instant booking
- Assigned driver
- Cost System
3. Value map - Gain Creators

How your products and services create customer gains

- Save Time
- Professional drivers
- Rating System
- Visual Map
- Taxi Smartphone App
- No Cash
- Instant booking
- Assigned driver
- Cost System

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Value map - RANKING

- **Products & Services**
  - Rank products & services from nice to have to essential

- **Pain Relievers**
  - Rank pains from nice to have to essential

- **Gain Creators**
  - Rank gains from nice to have to essential
Value map - RANKED

Taxi Smartphone App

Save Time
Professional drivers
Rating System
Visual Map

Products & Services
Rank products & services from nice to have to essential

Pain Relievers
Rank pains from nice to have to essential

Gain Creators
Rank gains from nice to have to essential

Instant booking
Assigned driver
Cost System
No Cash

Value map - RANKED

Rank products & services from nice to have to essential

Rank gains from nice to have to essential

Rank gains from nice to have to essential

Rank gains from nice to have to essential
Value Map - Summary

**OBJECTIVE:** Describe explicitly how your products and services create value

**OUTCOME:** 1 page map of value creation

1. List products and services
2. Outline pain relievers
3. Outline gain creators
4. Rank by order of importance
Ranked VPC

- Save Time
- Professional drivers
- Rating System
- Visual Map

- Taxi Smartphone App
  - Instant booking
  - Assigned driver
  - Cost System
  - No Cash

- Easy payment
- Professional driver

- Wait a long time
- Overcharged by Taxi
- Compete with other customers

- Call Taxi
- Find Taxi
- Give directions
- Pay
- Unsafe driver

Clean
Wifi
Fit - Overview

**OBJECTIVE:** Verify if you are addressing what matters to customers

**OUTCOME:** Connection between your products and services and customer jobs, pains, and gains

1. Bring in the Value Proposition Map and Customer Segment Profile you completed earlier.

2. Go through Pain Relievers and Gain Creators one by one, and check to see whether they fit a customer job, pain, or gain.

3. Put a check mark on each one that does.
Taxi Smartphone Application

- Save Time ✅
- Professional drivers ✗
- Rating System ✅
- Visual Map ✗
- Instant booking ✅
- Assigned driver ✅
- Cost System ✅
- No Cash ✗
- Easy payment ✗
- Professional driver ✗
- Clean ✗
- Wifi ✗
- Wait a long time ✗
- Overcharged by Taxi ✅
- Compete with other customers ✗
- Pay ✗
- Call Taxi ✗
- Find Taxi ✗
- Give directions ✗
- Unsafe driver ✗

Arrive on time ✅

Taxi Smartphone App

- Arrive on time
- Professional drivers
- Rating System
- Visual Map
- Instant booking
- Assigned driver
- Cost System
- No Cash

Easy payment
Professional driver
Clean
Wifi

Call Taxi
Find Taxi
Give directions
Pay
Unsafe driver
Test Your Customer Assumptions

Best Fit

Customer
Adjust & Redesign
Best Fit
Our Taxi Smartphone App helps Taxi passengers who want to book a taxi by minimizing waiting time for a taxi and enjoying affordable prices. (Unlike typical taxi services by phone)
SUMMARY

1. The *Value Proposition Canvas (VPC)* helps clarify the **customer needs** & how to **create value** for them

2. Extract value propositions using **ad-libs**

3. Validate by talking to customers

4. Take insights and update VPC