Step-By-Step Guide: Value Proposition

“Price is what you pay. Value is what you get.”
- Warren Buffett
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Customer Jobs

It is important to acknowledge that not all jobs have the same significance to your customer. Customer jobs often depend on the specific context in which they are performed. The context may impose certain constraints or limitations.

Start describing what jobs your customers are trying to get done.

**Supporting Jobs**
Divided into 3 categories

**Functional Jobs**
Is the customer job to perform or complete a specific task to solve a specific problem?

**Social Jobs**
Does the customer want to be perceived by others as gaining power/status or looking good?

**Emotional Jobs**
Do your customers seek a specific feeling like security or happiness?

**Buyer**
Comparing offers, decide which products to buy, purchasing, etc.

**Co-Creator**
Do customers help create value for your business such as co-designing?

**Transferrerer**
How do customers dispose of your product, transfer it to others, or resell it?

For more information www.evolutionacceleration.com
Customer Gains

This includes functional utility, social gains, positive emotions, and cost savings.

Which savings would make your customers happy? (time, money, effort)
What outcomes do your customers expect & what would go beyond their expectations?
How do current solutions delight your customers? (specific features, performance, quality)
  What would make your customers’ job or life easier?
  What positive social consequences do your customers desire?
What are customers looking for most? (design, guarantees, more features)
  What do customers dream about?
How do customers measure success and failure? (performance or cost)
What would increase your customers’ likelihood of adopting a solution?

What is the Gain??
- 10% more sales
- 40% more leads
- Secure website

Required Gains
Example: Your basic expectation that you have with a smartphone is that you can make a call with it.

Expected gains
Example: Since Apple launched, we expect all phones to be well designed and look good.

Desired Gains
Example: We want our smartphones to seamlessly integrate with our other devices.

Unexpected Gains
Example: Before Apple brought touchscreens and the app store, we as consumers didn’t expect them to be part of the phone.
Customer Pains

What annoys your customer before, during, and after getting a job done?

A customer pain can be severe or light to the customer, similar to how jobs can be crucial or trivial to the customer.

What does your customer find too costly?
What makes your customer feel bad?
How are current solutions underperforming for your customer?
What are the main difficulties and challenges your customers encounter?
What negative social consequences do your customers encounter or fear?
What risks do your customers fear? (financial, social, technical)
What keeps your customer awake at night?
What common mistakes do your customers make?
What barriers keep your customer from adopting a solution?

Functional
A solution doesn’t work

Emotional
Customer feels bad every time they do something

Social
Reputation in public

Ancillary
Annoyance, lack of access to something

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Products/Services

It is important to acknowledge that not all products and services have the same significance to your customers.

Some products and services are core to your value proposition, some are merely nice-to-haves.

Physical/Tangible
Good such as manufactured products.

Intangible
Products, like copyrights, or services such as after sales assistance.

Digital
Products like music downloads, or services like online recommendations.

Financial
Products like investment funds, or services like financing of a purchase.
Gain Creators

They explicitly outline how you intend to create benefits that your customer expects, desires or would be surprised by, including functional utility, social gains, positive emotions, and cost savings.

A gain creator can produce more or less relevant outcomes and benefits for the customer. Make sure you differentiate between substantial gains and nice-to-haves.

Do your products/services your customers expect go beyond their expectations?
Is there a savings your customer experiences? (time, money, effort)
Do you outperform current solutions? (specific features, performance, quality)
Make your customers’ work or life easier?
Create positive social consequences?
Something specific your customers are dreaming about?
Produce positive outcomes matching your customers’ success and failure criteria?
Help make adoption easier? (lower cost, fewer investment, lower risk, better quality, performance)

Make sure you differentiate between substantial gains and nice-to-haves.
Pain Relievers

They explicitly outline how you intend to eliminate or reduce some of the pains that annoy your customers before, while, and after they are trying to get a job done.

Typically, great value propositions alleviate only a limited number of severe customer pains but do that very well.

Produce Savings? (terms of time, money, effort)
Make customers feel better?
Fix under-performing solutions?
Put an end to difficulties and challenges your customers encounter?
Wipe out negative social consequences your customers encounter or fear?
Eliminate risks your customers fear?
Help your customers better sleep at night?
Limit or eradicate common mistakes customers make?
Get rid of barriers that are keeping your customer from adopting solutions?

Make sure you differentiate between substantial gains and nice-to-haves.