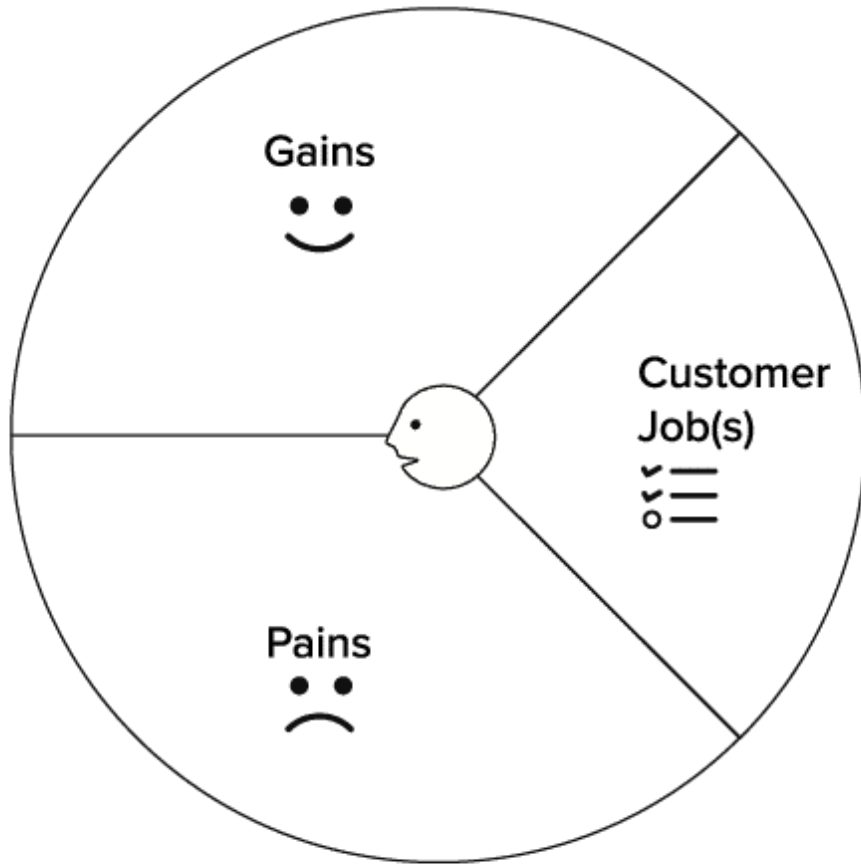# Value Proposition Design
Part II: Solution Design

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KU

KASETSART UNIVERSITY

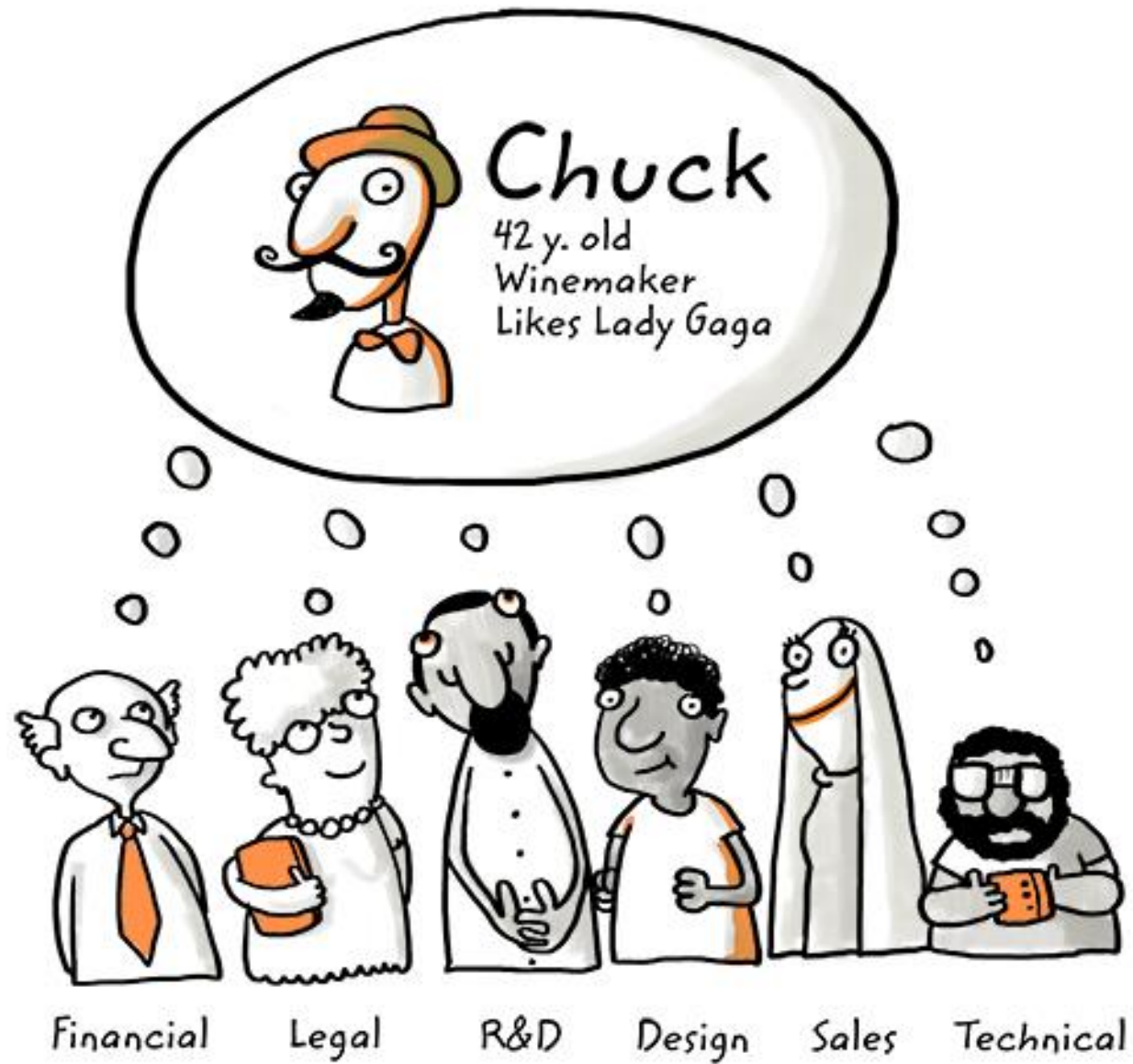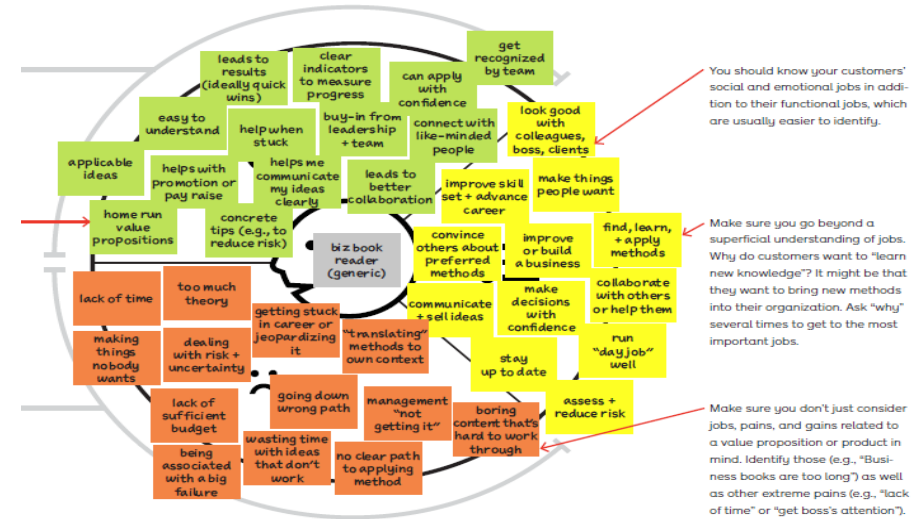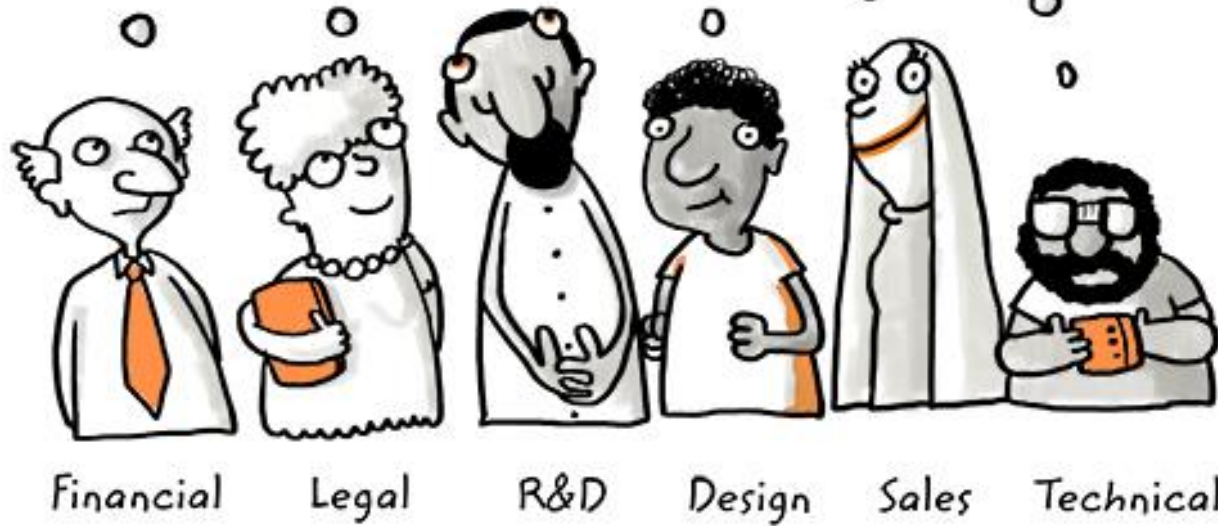# FROM MORNING SESSION..

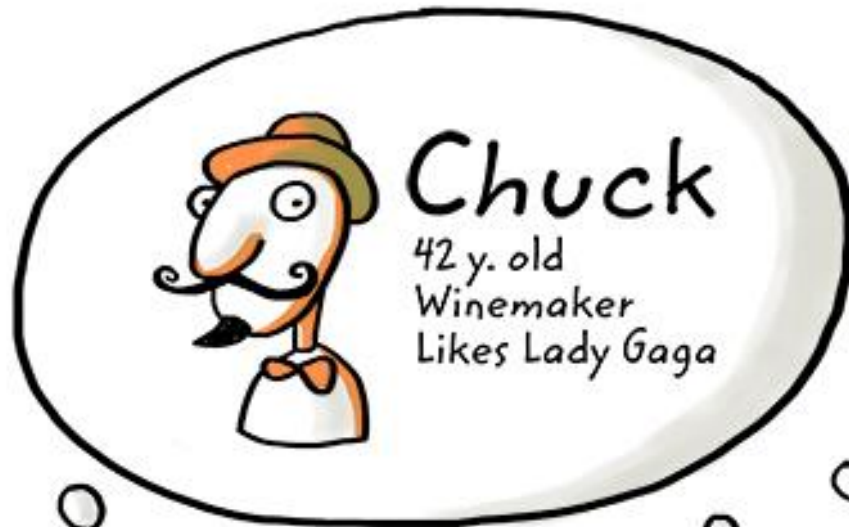

CUSTOMER PROFILE

- **UNDERSTAND**
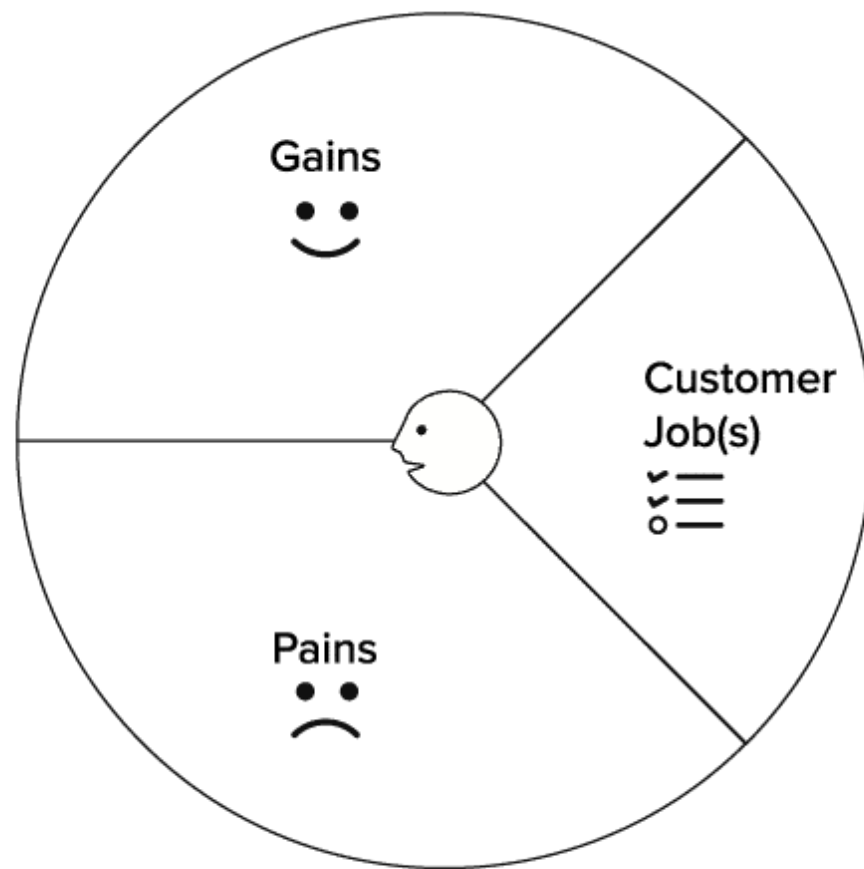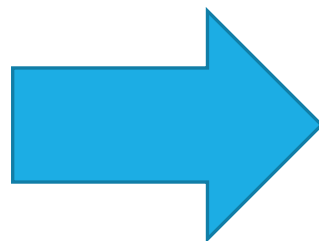
- **DEFINE**

วันนี้เราจะคุยอะไรกัน

1. ใครคือลูกค้า/ผู้ใช้
2. เข้าใจเขาให้ดีที่สุด
3. เรามีของ(ที่มีคุณค่า)ที่เขาอยากได้ไหม
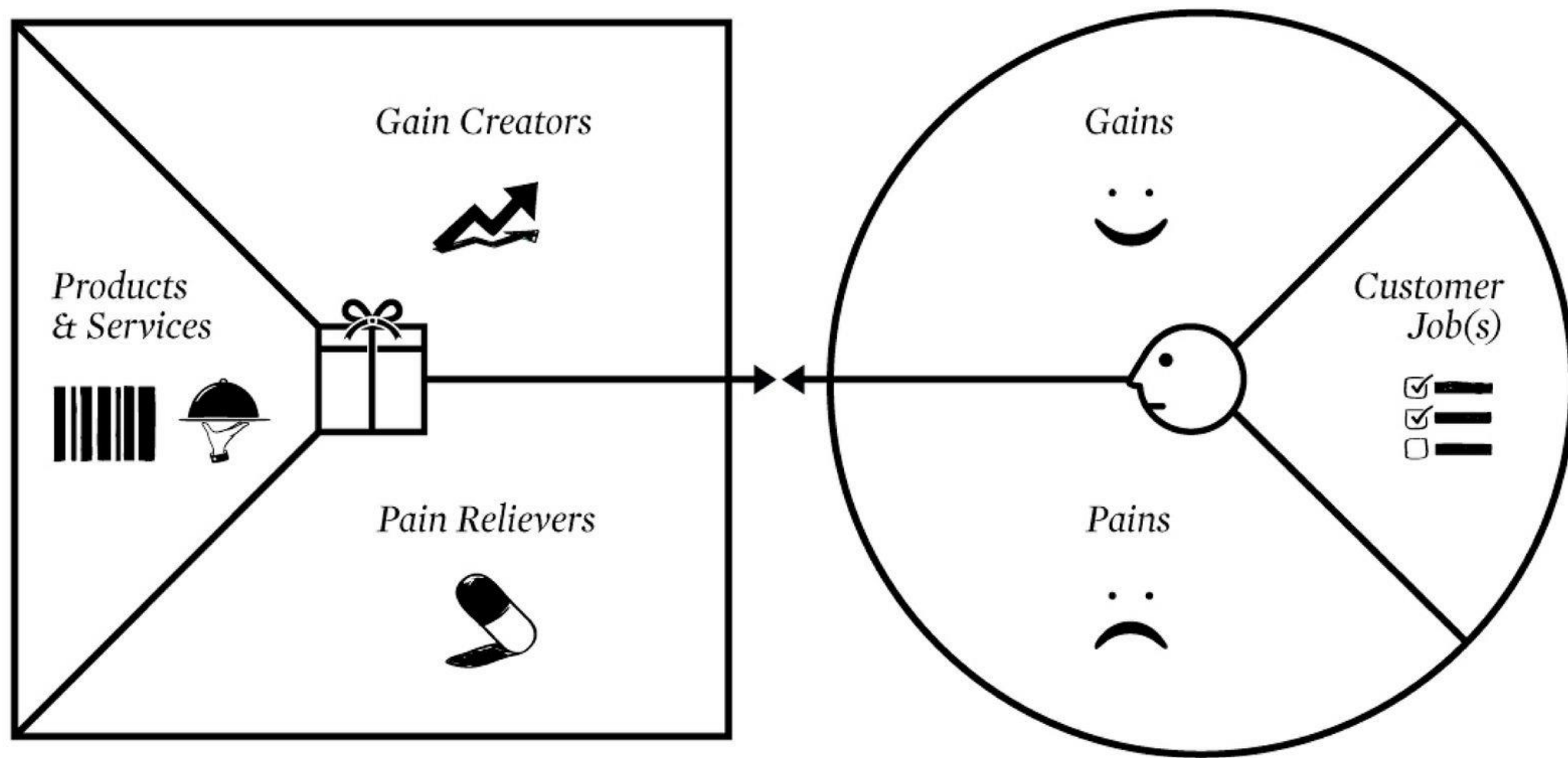
ธุรกิจคือ
การสร้างคุณค่า
ให้ลูกค้า

VALUE PROPOSITION

"Describes the benefits customers can expect from your products and services"

Gains

Customer Job(s)

Pains

CUSTOMER PROFILE

2021 Tesla Model S

0-100 ต่ำกว่า 2 วินาที !!!

Yellow notes (products/offerings):
- Value Proposition Canvas
- Book
- exclusive online companion
- online exercises, tools, templates, community
- Web app (upsell)
- online course (upsell)

Center:
- value proposition design

Green notes (benefits):
- helps shape ideas
- helps create products + services people want
- proven + effective suite of business tools
- share with and learn from peers
- software-supported methodology
- step-by-step instructions to get started
- helps understand what matters to customers
- shared language to communicate + collaborate
- enables practice + skills (self-) assessment
- access to advanced material + knowlege
- practical, visual, + enjoyable format
- minimizes risk of (big) failure
- integrates with other business methods
- brief, clear, + applicable content
- integrated with Business Model Canvas
- engaging online multimedia content

1

List products and services.

List all the products and services of your existing value proposition.

# 2

Outline pain relievers.

Outline how your products and services currently help customers alleviate pains by eliminating undesired outcomes, obstacles, or risks. Use one sticky note per pain reliever.

3

Outline gain creators.

Explain how your products and services currently create expected or desired outcomes and benefits for customers. Use one sticky note per gain creator.
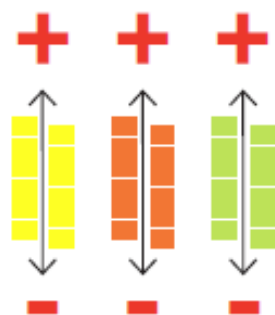
4

Rank by order of importance.

Rank products and services, pain relievers, and gain creators according to how essential they are to customers.

HOW TO DESIGN A GOOD VALUE PROPOSITION?

10 It is difficult to copy

9 Outperform competition substantially on at least one dimension

8 Differentiate from competition

7 Focus on jobs, pains and gains that people will pay a lot of money for

1 Is embedded in a great business model

10 Characteristics of a Great Value Proposition

6 Align with how customers measure success

2 Focuses on what matters most to the customers

3 Focuses on unresolved pain

4 Target few jobs, pains, and gains but extremely well

5 Goes beyond functional jobs and address emotional & social jobs

1.VITAMIN **VS** PAIN KILLER

VS

2.BETTER BY HOW MANY?

"YOU HAVE TO BE 10 TIMES (10X) BETTER THAN SECOND BEST"

PETER THIEL

ข้อเสียของ SOLUTIONใหม่

ข้อดีของ SOLUTIONใหม่

- หาของใหม่
- เสียเวลา เปลี่ยน
- เรียนรู้ใหม่

(10x)

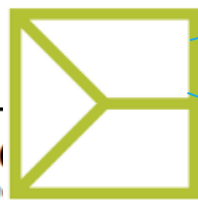- รายได้เพิ่ม
- ลดต้นทุน
- เวลา
- คน
- ฯลฯ

3. FIT EVERYONE

Value Proposition are a combination of several value propositions for several stakeholders
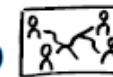
Create benefits to all customers (stakeholders)!

1 Use case
Define the use case.

3 Create the map
Place the stakeholders in the map

Public stakeholders

External stakeholders

Internal stakeholders

Customer/ user

Gains
Customer Job(s)
Pains
CUSTOMER PROFILE

2 Stakehol...
Identify all stakeh...

4 Relationships
Draw the appropriate relationships.

relation ——————
Unclear, informal relationship ——————
Institutional Relationship ——————
Directed flow of information ——————▶
Relationship with conflict potential ——⚡——
Interrupted relationship ——┼┼——
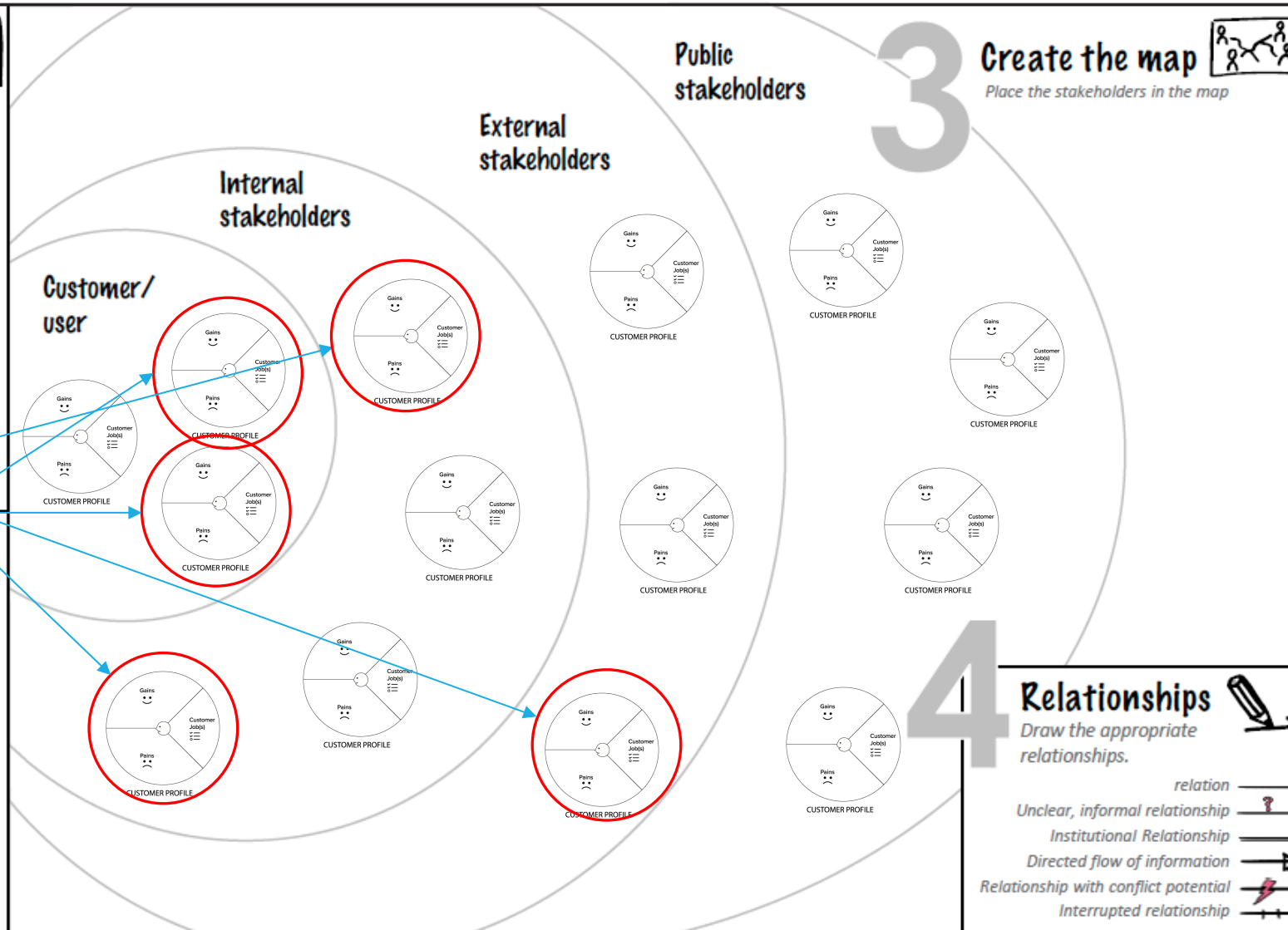
5 Findings
Describe your findings from the Stakeholder Map.

Get a PDF Premium Design Thinking Template:

RESOURCES ARE MORE OR LESS **IMITABLE**
INTANGIBLE RESOURCES ARE USUALLY LESS IMITABLE

‣ Patents

‣ Unique locations

‣ Unique assets (eg: in mining)

‣ Brand loyalty

‣ Employee satisfaction

‣ Reputation for fairness

Impossible

‣ Economies of scale

‣ Pre-empted capacity

Difficult

‣ Cash

‣ Commodities

Can be imitated

Easy to imitate

คุณค่าที่เรามี คนอื่นเลียนแบบได้ไหม

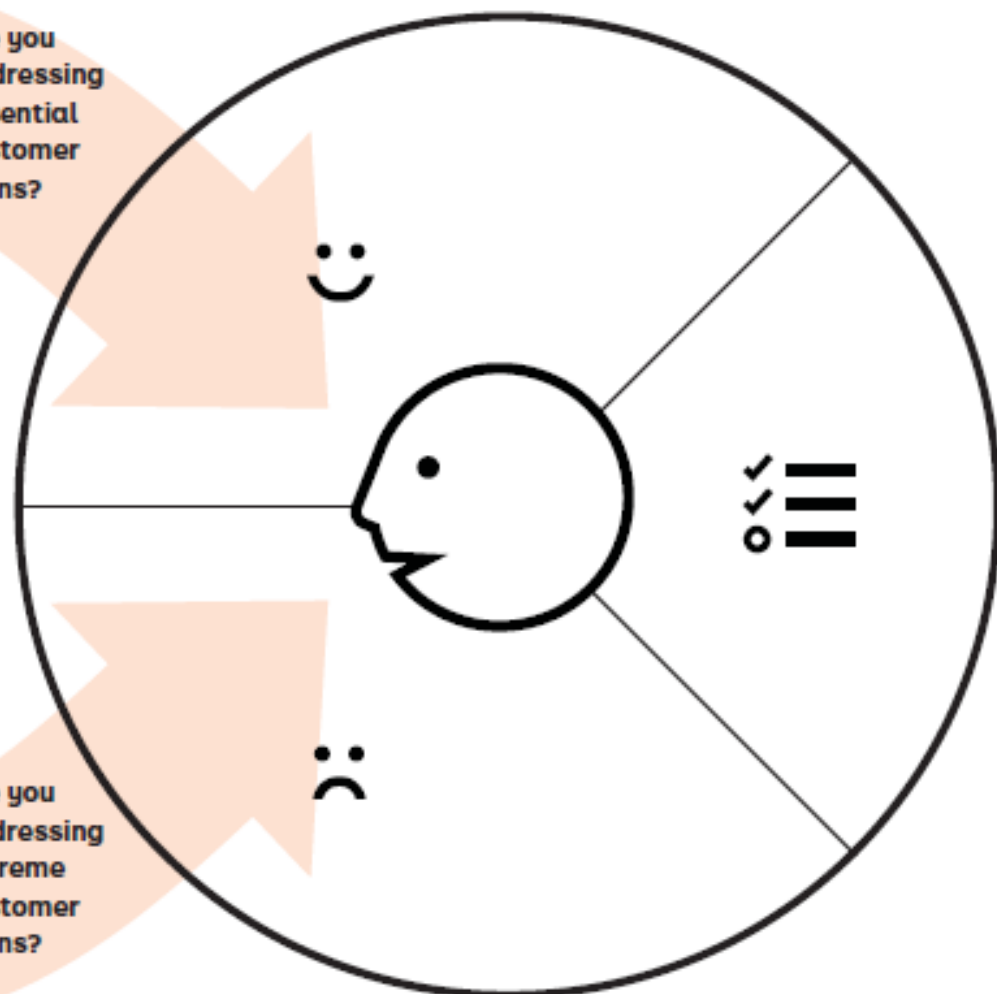# ข้อมูลลูกค้า **+** แผนที่คุณค่า
FIT?

Customers expect and desire a lot from products and services, yet they also know they can't have it all. Focus on those gains that matter most to customers and make a difference.

Are you addressing essential customer gains?

Fit

Are you addressing extreme customer pains?

Customers have a lot of pains. No organization can reasonably address all of them. Focus on those headaches that matter most and are insufficiently addressed.

Three Kinds of Fit

Searching for Fit is the process of designing value propositions around products and services that meet jobs, pains, and gains that customers really care about. Fit between what a company offers and what customers want is the number one requirement of a successful value proposition.

Fit happens in three stages. The first occurs when you identify relevant customer jobs, pains, and gains you believe you can address with your value proposition. The second occurs when customers positively react to your value proposition and it gets traction in the market. The start-up movement calls these problem-solution fit and product-market fit, respectively. The third occurs when you find a business model that is scalable and profitable.

Get "Fit" poster

3 Business Model Fit

2 Product-Market Fit

1 Problem-Solution Fit