



# **WEN BOOTCAMP**

# **Value Proposition Design**



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# CONCEPTS

- What is brainstorming, how to do it and how it would help entrepreneurs come up with solutions?
- What is “Value”? How do you create Value for your customer?
- Why do investors look for the Value Proposition Canvas?
- How to create sustainable differentiation for your solution?



**By the end of the lesson,  
you will be able to:**

- Craft your value proposition
- Create a Value Proposition Canvas
- Analyze your competitors
- Identify your competitive advantage
- Create a sustainable differentiation strategy

**Steps:**

1. Brainstorming
2. Create a Value Proposition
3. Competition Analysis
4. Sustainable Differentiation



# Brainstorm to come up with effective solutions

You have validated that the problem is worth solving. You have also identified the target market segment. You have created your customer persona. But you may wonder—is there just one possible solution to the problem? What if the problem could be solved in multiple ways? Which solution would add value to the customer?

The next step is to start brainstorming for ideas that would solve the problem you identified. Brainstorming, simply put, is to come up with as many ideas as possible to solve a specific issue. You should get everything out of your head and start narrowing down to focus on ideas that seem the best solution for the customers.

The golden rule in brainstorming is to be open for all possible ideas and suggestions and filter as you go.

Throughout the content below, you will learn more about the brainstorming process, next steps and the expected outcome:



[Innovators Must Master the Art of Brainstorming](#)  
*Wharton*

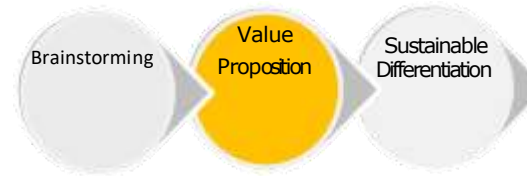


[5 ways to transform your brainstorming session into something great](#)  
*Entrepreneur.com*



Brainstorming is a great technique and exercise that you as an entrepreneur will need throughout your journey. Whether you are kicking off or looking for a solution to other problems throughout your venture building phases, this will help. Start brainstorming for potential ideas now and filter the best ideas to move forward with them.

# Value Proposition Canvas



Let's now look at a very valuable tool that will help you design your value proposition – the **Value Proposition Canvas**. Using this tool, you will be able to arrive at a solution that will solve your customer's problems and at the same time, bring them benefits that the existing alternatives do not.

Here are some videos explaining its uses and how to set it up.



[Value Proposition Canvas explained](#)

*Strategyzer.com*

[Value Proposition Canvas – CustomerSegment](#)



[Value Proposition and Assessing Fit](#)

*NationalEntrepreneurshipNetwork- Wadhwani Foundation*



## Key Takeaway:

To learn more about how the most successful organizations think about adding value to their users, here is a great video about identifying the How, Why and What behind your business.



[Start with Why](#)

*Simon Sinek*

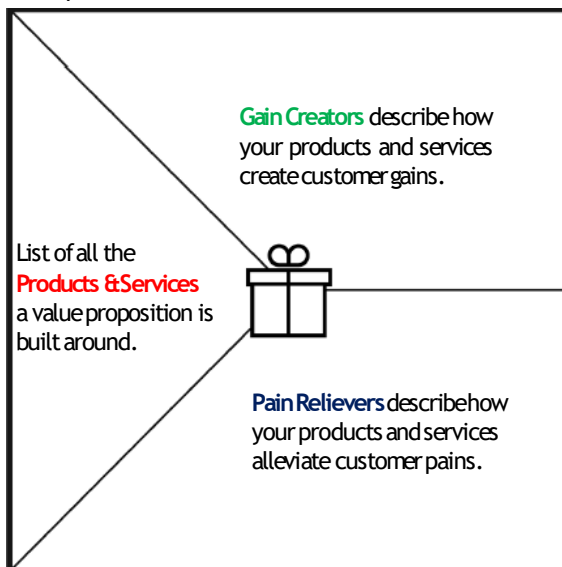
# Value Proposition Canvas



The Value Proposition Canvas helps you understand the customer and how your products and services create value. It has two sides. With the Customer Profile, you clarify your customer understanding. With the Value Map, you describe how you intend to create value for that customer. You achieve Fit between the two when one meets the other.

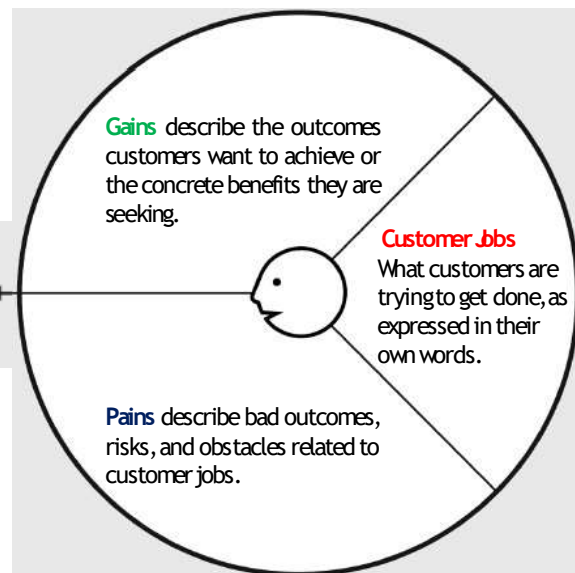
## Value Map

Describes the features of specific value proposition in your business model in a structured and detailed way.



## Customer Profile

Describes a specific customer segment in your business in a structured and detailed way.



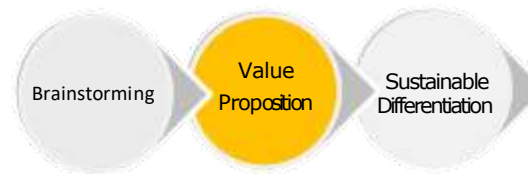
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# Crafting Value Proposition



There were taxis on the road before Uber existed. Then why did we start paying money to Uber? What value did Uber bring to the customers?

*Is it the convenience of booking a taxi from a phone? The door-step pickup? No need to worry about directions? Easy payment options? Choice of cabs based on need?*

Some of these features have addressed acute pain-points for the customer while some are added benefits. Collectively they form Uber's value proposition for its customers.

Knowing that you are creating a solution, you should look at it from the customer perspective. Always keep in mind, how would a product or service you are creating help the user. This is called adding value to the customer.

Any idea that you come up with will be either solving a significant pain that the user is experiencing or improving an existing service that they are receiving but not satisfied enough and in both cases, this is an added value.



[Value Propositions – What they are and how to create them \(With Examples\)](#)

Shopify



[Value Proposition: It's what your business does better than others](#)

Shopify



[4 steps to building a compelling value proposition](#)

Forbes



## Key Takeaway:

To make your venture successful, your solution or product must create value for your customers. To do that, you must design your value proposition. A Value Proposition is a promise you make to your customer post-purchase.



# Create your Competitive Advantage



## Speed

This strategy works very well when you are a first mover in the market. Eg: WhatsApp was a first mover, kept providing their product for free and aggressively acquired users so that no other mobile IM service could keep up.



## Capital

Raising a lot of capital can build confidence of other investors in your company and scare them from investing in your competitors as well. Eg. Ola, Uber, Walmart



## Team

Hiring great talent as they know that great talent is the key to creating and selling great products, especially in a market where employability is very low. Eg. Google and Facebook have legendary recruitment processes



## Content

Provide access to content that wasn't available to the customer before. Accelerate the growth of this content and also maintain its quality till the point that there was no other place to get such quality content. Eg Zomato, Medium



## Network

Having a great relationship and reputation with potential customers helps you acquire early users before your competitors can. Your network also helps you identify and convince the right stakeholders and investors. Eg. AirBnB and Craigslist Airbnb created a way for its customers to cross-post their listings on one of the world's most popular listing website.



## Ecosystem

Companies located in a conducive startup ecosystem have a competitive advantage because of access to capital, press, talent, expertise, mentorship, suppliers, and startup communities. Eg. Silicon Valley



## Product

A far superior product gives you a great competitive advantage. To differentiate your product, you can focus on various aspects of the product like Price, Form, Features, Ability to Customize, Performance, Quality, Durability, Usability, Reliability, Reparability, Style, Distribution system and Customer Service. Identify your strengths and capabilities and focus on one of the above. Eg. Apple on User Experience

# Call to Action!

## Step 1: Customer Segment

Think of the customer niche that you have identified for your business idea. Use Handout, Activity 1

Fill the Customer Segment section of the Value Proposition Canvas with the following:

Customer Jobs | Pains | Gains

## Step 2: Value Proposition Segment

Fill up the following sections in the Value Proposition segment of the canvas, Use Handout-Activity 2:

Products and Services | Pain Relievers | Gain Creators

Use the questions listed below to fill the **Pain Relievers sub-section**.

- What will help your customer save more?
- What will make your customers feel better?
- How can we make the solution more robust?
- What will put an end to the difficulties and challenges that your customers encounter?
- What will eliminate risks your customers' fear?
- What will help your customer sleep better at night?
- What will limit or eradicate common mistakes that customers make?
- What will make customers adopt your solution?

Use the questions listed below to fill the **Gain Creators sub-section**.

- How can you create savings to make your customers happy?
- What will produce outcomes that your customer expects or that go beyond their expectations?
- How can you copy or outperform to delight your customer?
- What will make your customer's job or life easier?
- What will create positive social consequences that your customer desires?
- What else should you do to meet your customer expectations?
- How can you fulfil your customer's dream?
- What will produce positive outcomes matching your customers' success and failure criteria?
- What will make adoption easier?





# Call to Action!

## Step 3: Craft the Customer Value Statement

For [customer] who has [wants,needs, opportunities],the [product name], is a [productcategory]that [ compelling reason for the customer to buy/keybenefit for the customer].

## Uber – The Smartest Way to Get Around



## Apple iPhone – The Experience IS the Product



## Slack – Be More Productive at Work with Less Effort



## LessAccounting – Bookkeeping, Without the Hassle

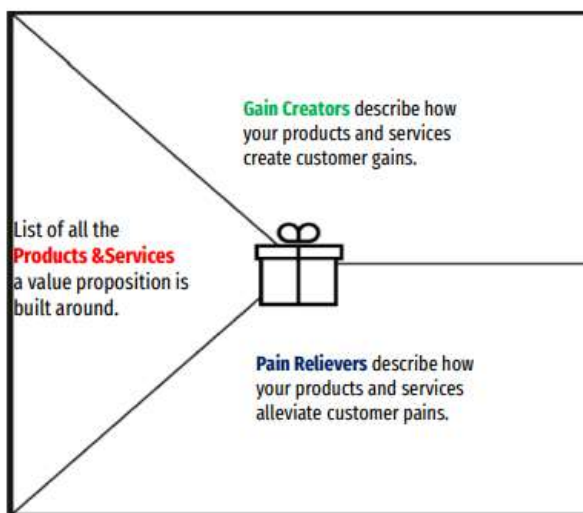


# Call to Action!

Refer to Handout and use Activity sheet 3

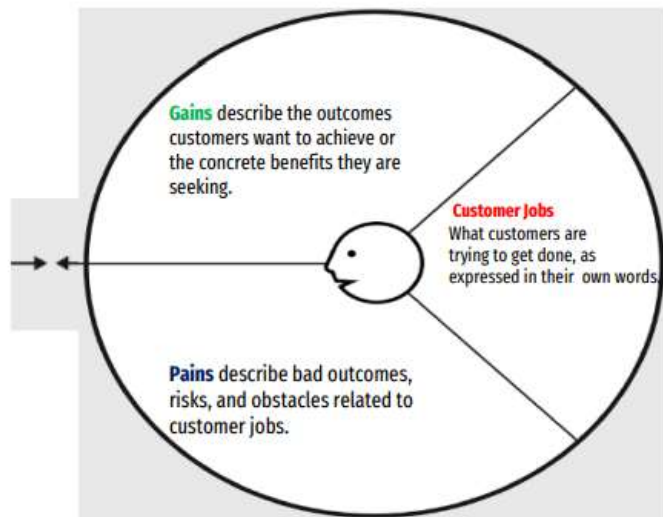
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# Call to Action!

## Competition Listing Template

### Competitors

**Direct  
Competitors**

**Indirect  
Competitors**

**Replacement  
Competitors**



Use the Handout , Activity 4 & 5 : **This is competitive Analysis templates will help you understand your competitive advantage**



# Call to Action!

What is your Unique Value Proposition?

Ans:

What competitive advantages will you build to keep the promise of your Unique Value Proposition?

Ans:

How will you defend your competitive advantage?

Ans:





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