

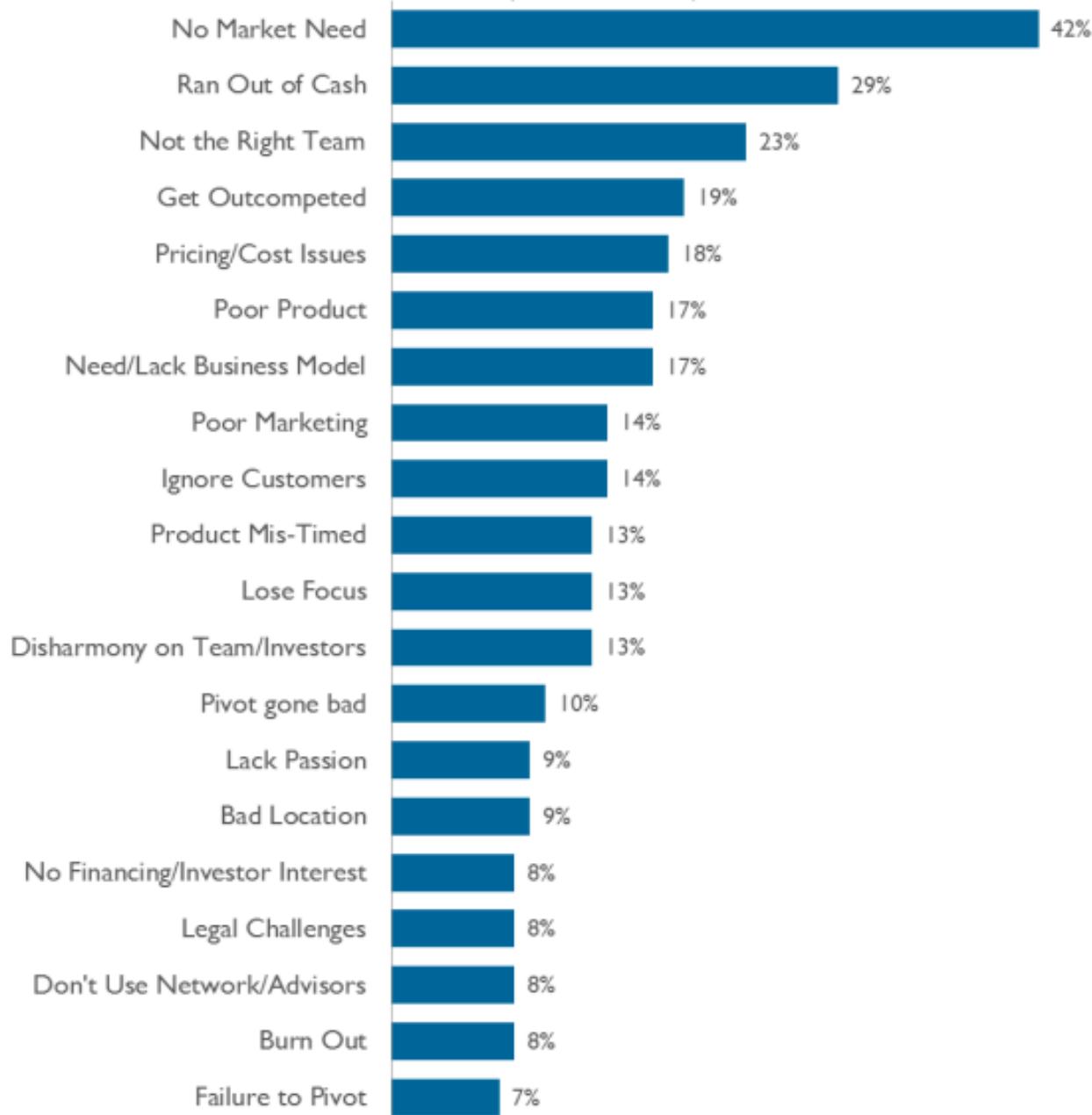


Topic 3

Value Propositions

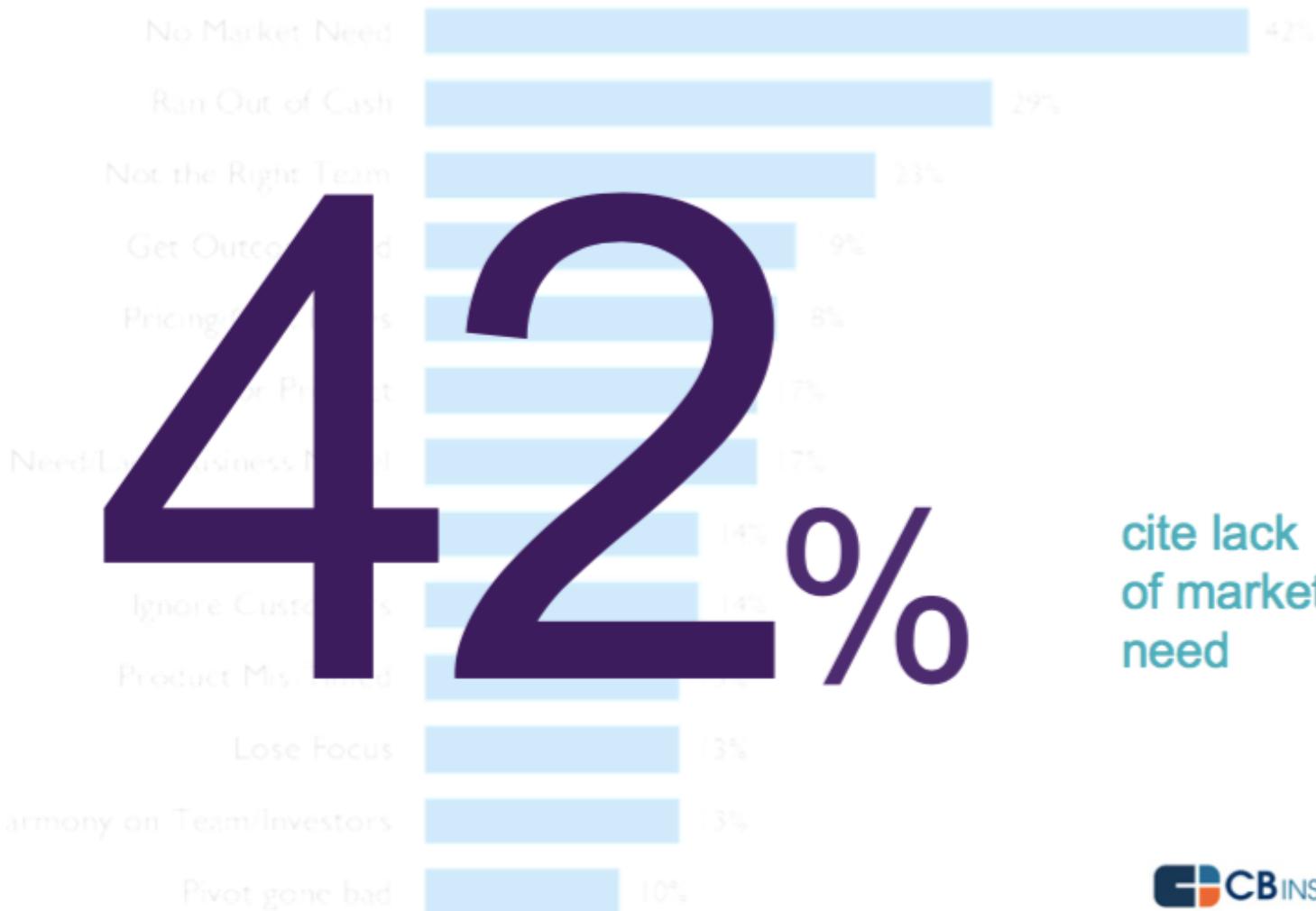
Top 20 Reasons Startups Fail

Based on an Analysis of 101 Startup Post-Mortems





Top 12 Reasons Startups Fail



a serious question...

**Do companies really
make products
that no one
wants to buy?**







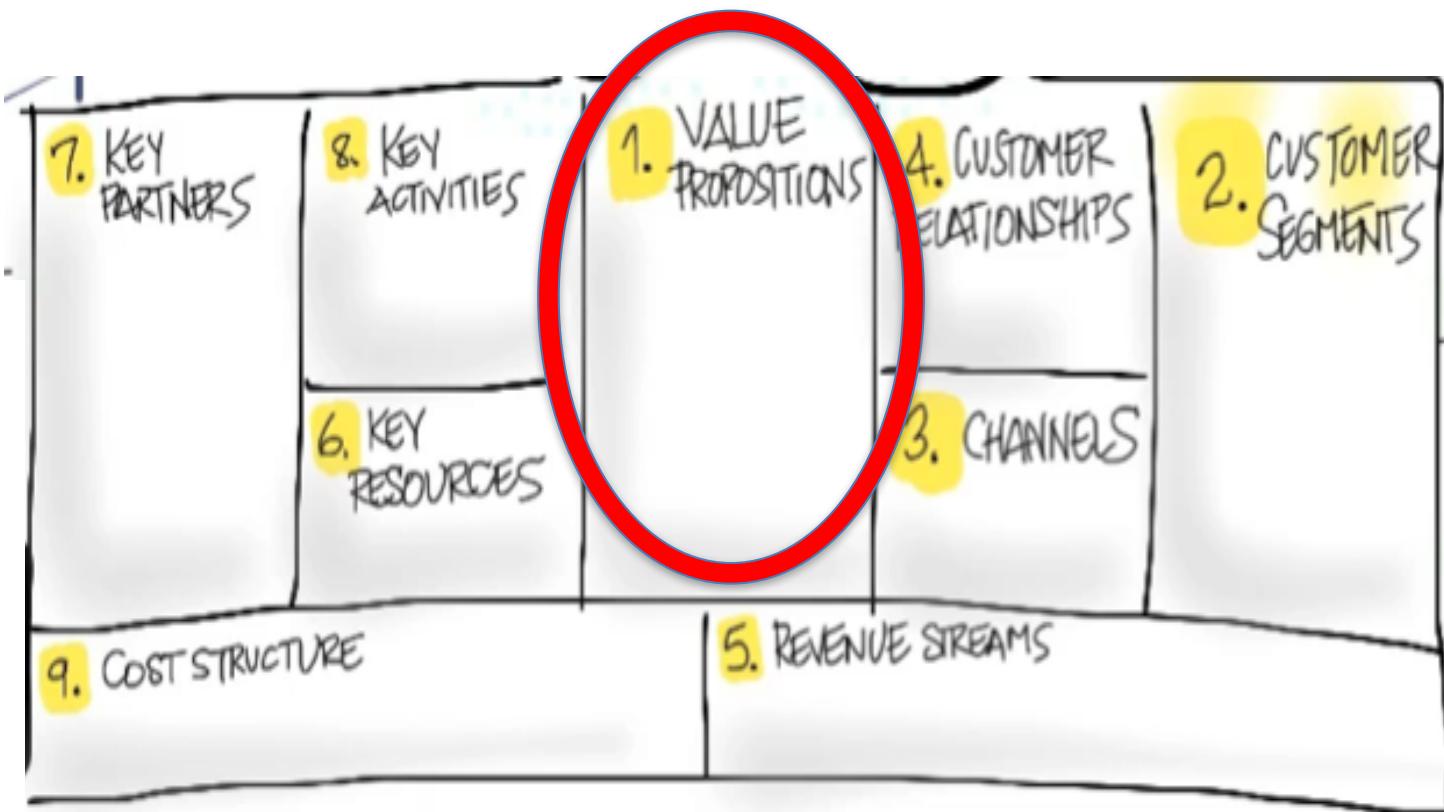


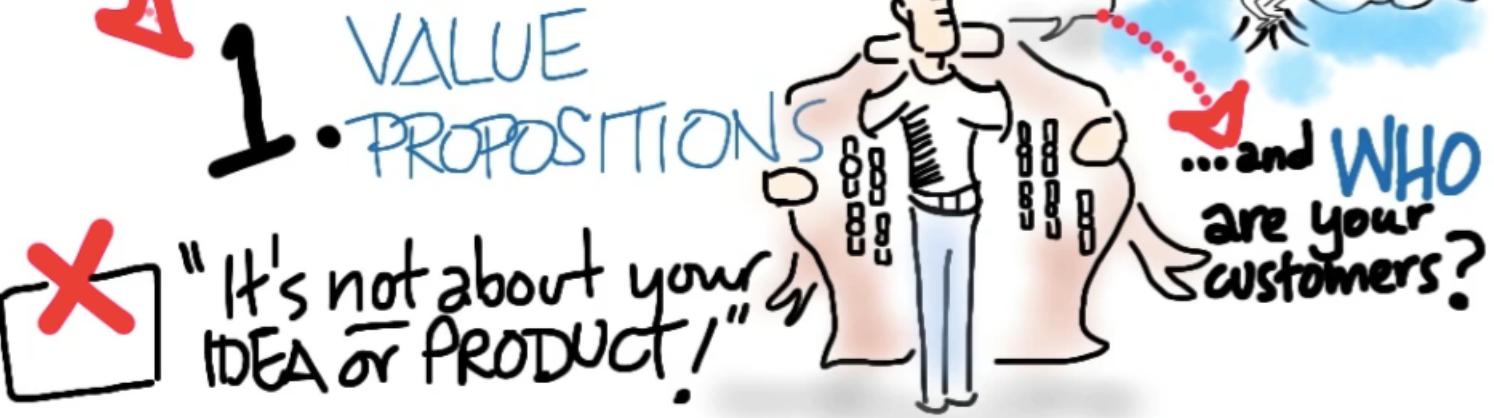
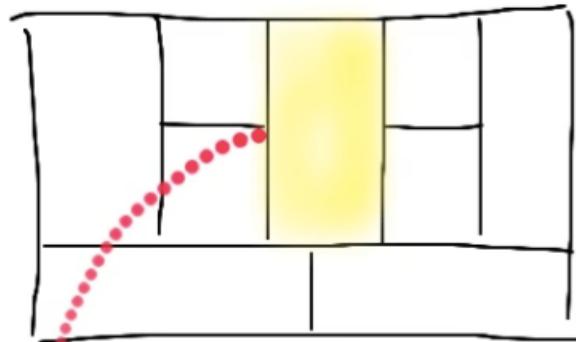


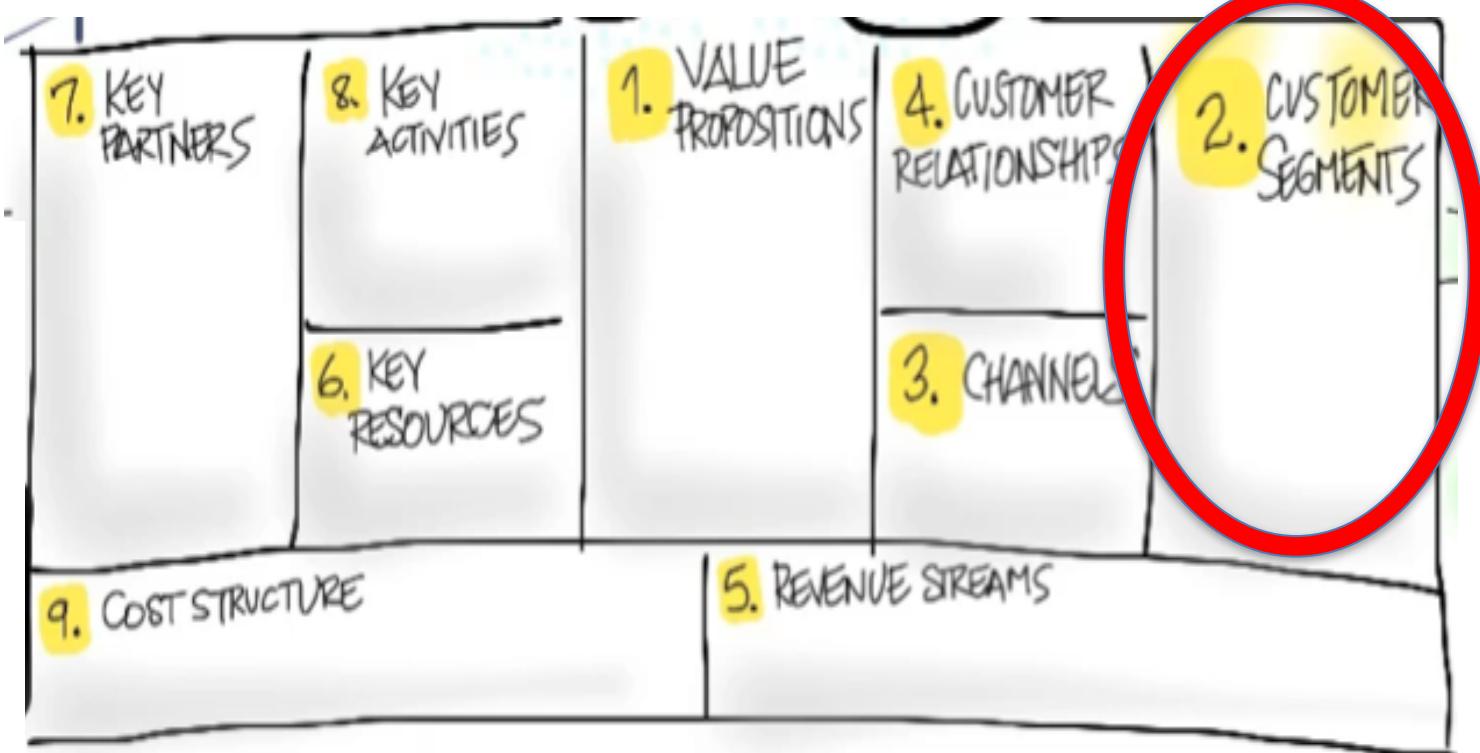


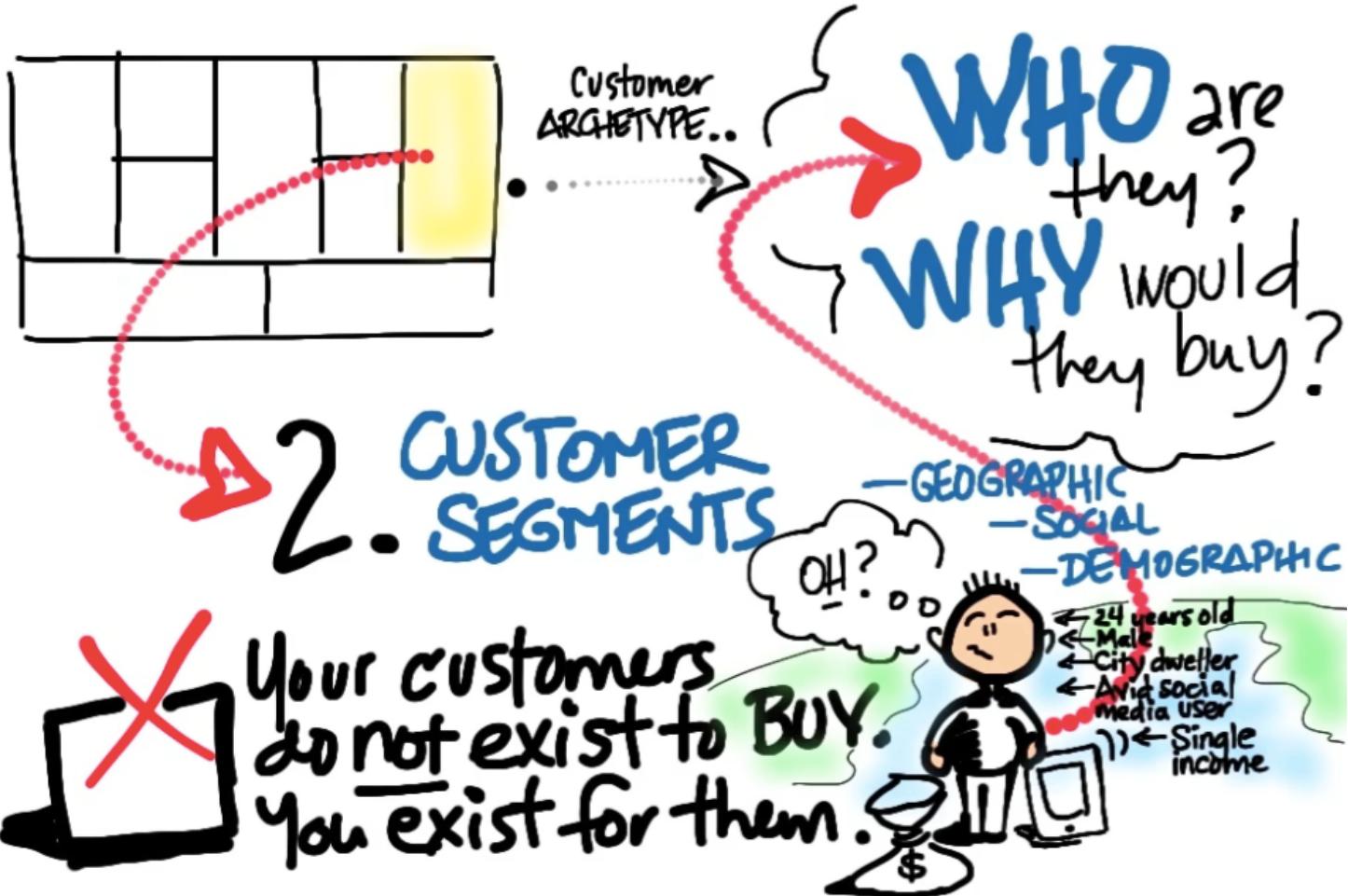
Overview

- Value proposition: Definition and purpose
- Minimum Viable Product
- Tips and thoughts
- Technical and market insights



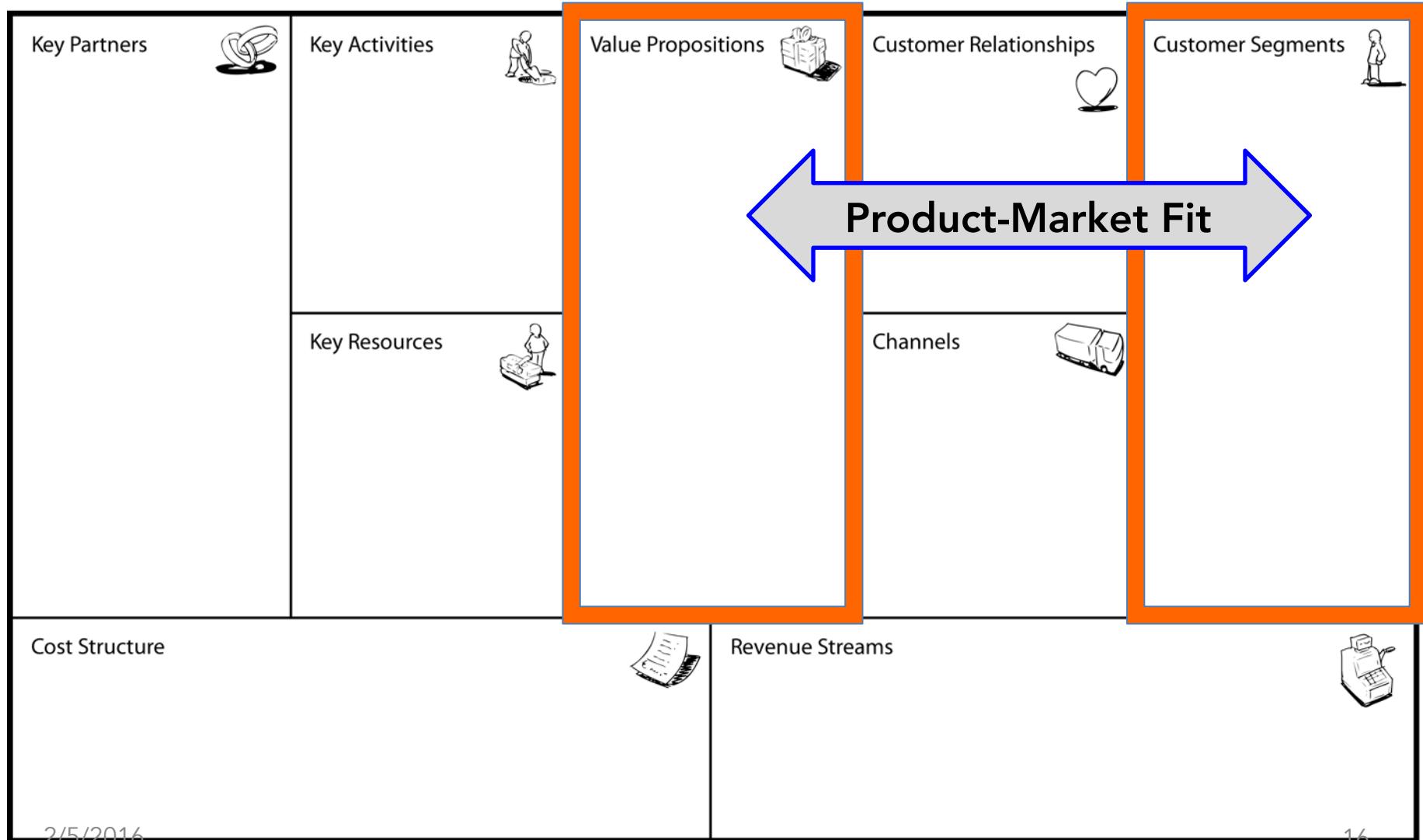








Holy Grail! Product-Market Fit



A Value Proposition is a statement that explains how your products or services address the important jobs, alleviates the extreme pains, and creates the essential gains

that a customer cares about.

A Value Proposition is **NOT**

A Value Proposition is **NOT**
an “elevator pitch”



A Value Proposition is **NOT**

an “elevator pitch”

a marketing tagline

Quietly brilliant.

Problem. Solved.

Be different. Live the authentic.

Just do it.

Be all you can be.

Imagination unlimited.

Can you hear me now?

Better people. Better pizza.

Breakfast of Champions.

A Value Proposition is **NOT**

an “elevator pitch”

a marketing tagline

a mission statement

To combine aggressive strategic marketing with quality products and services at competitive prices to provide the best insurance value for consumers.

Be the best in the eyes of our customers, employees and shareholders.

To unlock the potential of nature to improve the quality of life.

To help all people live healthy lives.

A Value Proposition is **NOT**

an “elevator pitch”

a marketing tagline

a mission statement

a feature

A Value Proposition can be “business” related:

- lower risk
- save time
- save/make money
- enable functionality
- customizable
- convenience
- quality

A Value Proposition can be emotional:

status

aesthetics

health

usability

social inclusion

ethical

self-actualization

who “owns” the Value Proposition?

YOU

Power of Observation

Distinguish the “Must Have’s” from “Nice to Have’s”

Look for examples of past experiences

Establish patterns about how customers deal with these problems today (document the stories!)

Let the data drive your analysis



Value Proposition examples

Newness

Risk Reduction

Performance

Customization

Design

Accessibility

Get Job Done

Brand/Status

Convenience

Usability



What about my cool technology??



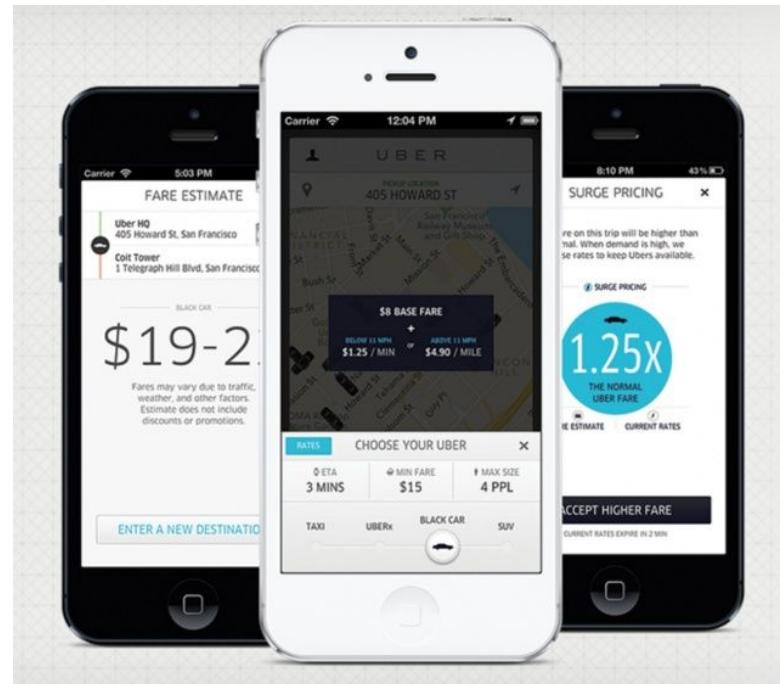
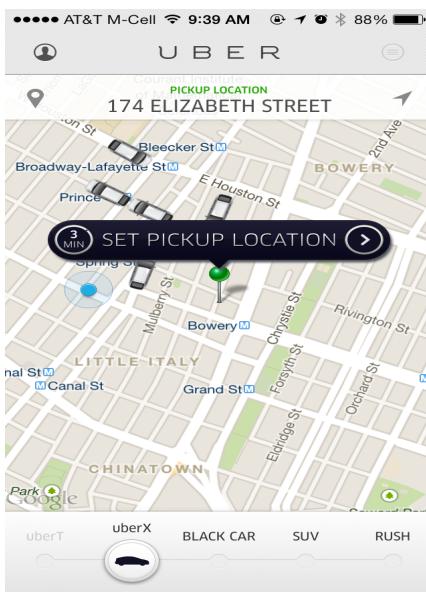
*Who
Cares?*



What vs. How vs Why

Product
vs.
Features
vs.
Value







CORPS
NSF Innovation Corps

≡ MENU

U B E R

LOG IN

SIGN UP

MOVING PEOPLE

THE UBER APP CONNECTS YOU WITH A DRIVER AT THE TAP OF A BUTTON

[SIGN UP FOR UBER](#)



Why?





Why?





Why?



Exercise

Our

 Products and Services

help(s)

 Customer Segment

who want to

 jobs to be done

by

 verb (e.g., reducing, avoiding)

 and a customer pain

and

 verb (e.g., increasing, enabling)

 and a customer gain

(unlike

 competing value proposition

)

Good Value Propositions



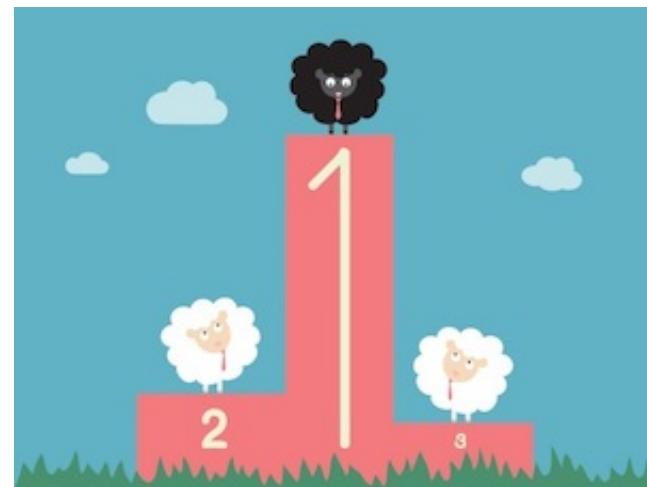
Something Customer Says



Measurable



Testable



Top Ranked by Customer

Value Proposition - Common Mistakes

- Imposing your own opinion in the VP
- Words ending in “-er” (Lack of Specificity)
- Mistaking technical improvement for value
- Describing features (product) rather than value
- Not understanding your customer’s metrics
- It’s “nice to have”
- It’s just a feature of someone else’s product
- Not enough customers care





VPs and Pricing

- Your price = your customer's cost.
- They will never ask to pay more.
- Your pricing decision is a tactical one, not a VP.
- Your question is not:
 - Do you want to pay more?
- Your question is:
 - Do you receive the value for your current solution?

VP vs. Pricing

