ENTREPRENEURSHIP

LEARNING JOURNAL UNIT 3

BUS 3303-01 ENTREPRENEURSHIP - AY2024-T5

JULY 9, 2024

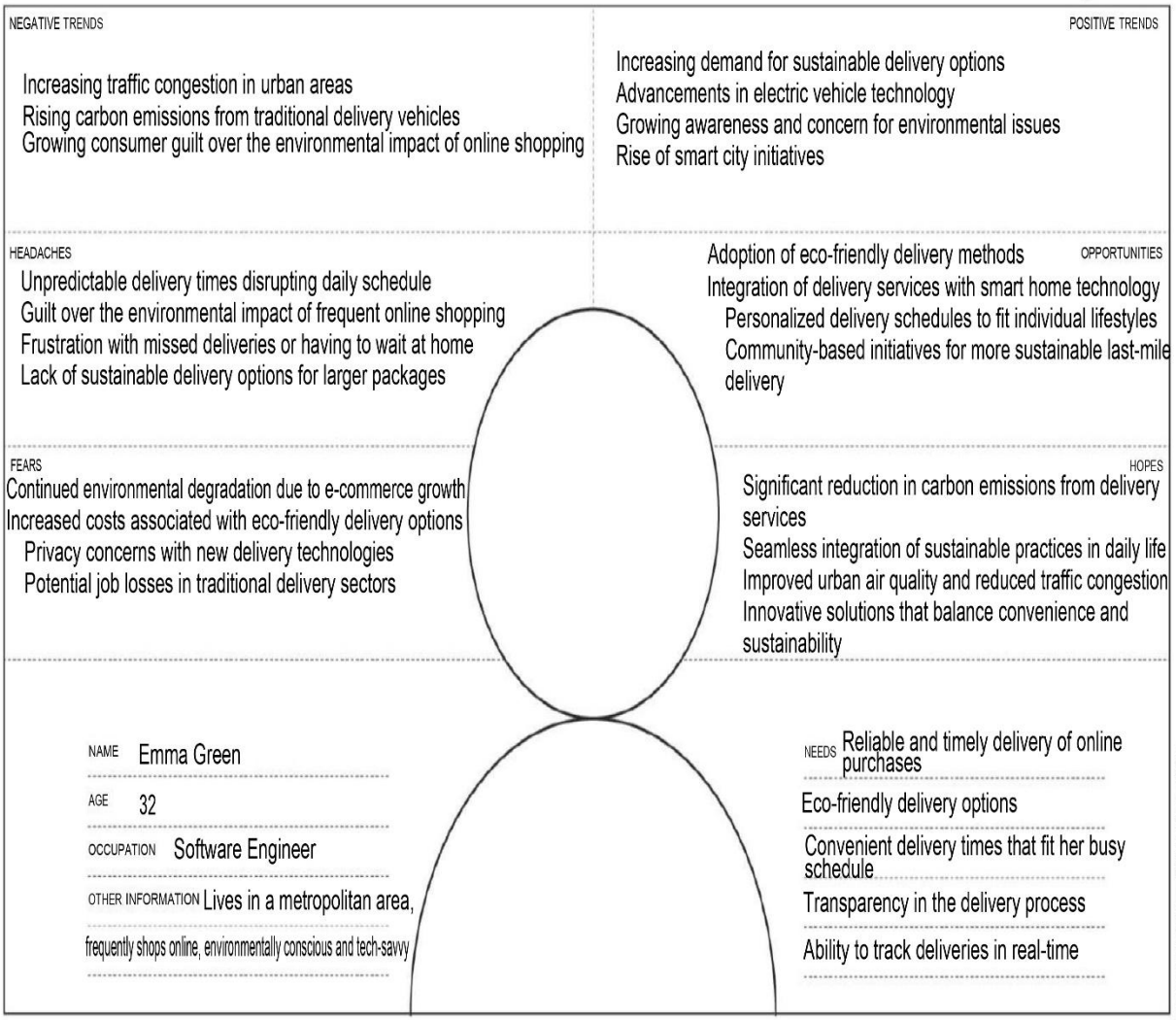
INSTRUCTOR: FUAD HASAN

PERSONA CANVAS

Based on the learning journal 2 I submitted last week, I'll complete the persona canvas for a target customer segment related to the Modular Electric Delivery Pods business idea. This persona will represent an urban resident who frequently shops online and is environmentally conscious.

Persona canvas.

BUSINESS MODELS INC.



CUSTOMER DISCOVERY AND ANALYSIS FOR MODULAR ELECTRIC DELIVERY PODS

INTRODUCTION

This report details the customer discovery process and subsequent analysis for the Modular Electric Delivery Pods business idea. Through the resolution of efficiency issues and environmental problems in urban and suburban settings, the concept seeks to revolutionize last-mile delivery. We aimed to verify our assumptions, gain more profound information, and improve our comprehension of the target market by conducting structured interviews with prospective clients.

CUSTOMER DISCOVERY INTERVIEWS

We conducted five structured interviews with individuals matching our customer persona: urban residents who frequently shop online and are environmentally conscious. The following questions and summarized responses provide valuable insights into their needs motivations and behaviors:

Q1: What kinds of things do you usually order online, and how frequently do you use delivery services?

Reactions: The interviewees stated that they used delivery services 2-4 times a week, mostly for household goods, groceries, clothes, and gadgets. Two respondents mentioned frequent food delivery orders.

Q2: What frustrations or challenges do you experience with current delivery services?

Responses: Common issues included unpredictable delivery times, missed deliveries due to work schedules, and concerns about package theft. Three interviewees expressed frustration with excessive packaging.

Q3: To what extent does environmental sustainability factor into your delivery and purchase decisions?

Reactions: Three respondents ranked sustainability as their highest priority, whereas all respondents thought it was significant. However, two mentioned that convenience and cost often outweigh environmental concerns in practice.

Q4: Would you be prepared to spend more on environmentally friendly delivery options? How much, if at all?

Reactions: Of the five interviewees, four said they would be willing to pay an additional 5–15% for sustainable delivery. One respondent was unwilling to pay extra citing financial constraints.

Q5: How would you feel about autonomous electric vehicles handling your deliveries?

Responses: Reactions were mixed. Three respondents were enthusiastic about the technology citing potential environmental benefits. Two expressed concerns about reliability and job displacement in the delivery sector.

Q6: What features or capabilities would you want in an ideal delivery service?

Responses: Common desires included real-time tracking precise delivery windows flexibility to redirect packages and options for contactless delivery. Two interviewees mentioned interest in combining deliveries to reduce environmental impact.

Q7: How do you currently manage your schedule to accommodate deliveries?

Responses: Strategies varied from working from home on delivery days to relying on building concierges or neighbors. All expressed a desire for more flexible delivery options that fit their schedules better.

Q8: What are your thoughts on community-based or shared delivery solutions?

Responses: Four interviewees showed interest in the concept particularly if it could reduce costs and environmental impact. One respondent expressed privacy concerns about shared deliveries.

Q9: How do you balance the convenience of online shopping with your environmental values?

Responses: Most respondents admitted they are struggling with this balance. Strategies included consolidating orders choosing slower shipping options and favoring brands with sustainable practices. Two mentioned feeling guilty about frequent deliveries.

Q10: What would motivate you to change your current delivery habits or preferences?

Responses: Key motivators included clear environmental benefits significant improvements in delivery reliability and flexibility and innovative solutions that don't compromise convenience. Cost remained an important factor for all respondents.

ANALYSIS REPORT

BUSINESS IDEA DESCRIPTION

Modular Electric Delivery Pods is an innovative last-mile delivery solution that utilizes small autonomous electric vehicles. These pods can combine for longer trips and separate for individual deliveries in neighborhoods addressing both environmental concerns and efficiency in urban and suburban areas.

KEY ASSUMPTIONS PRIOR TO INTERVIEWS

1. Target customers prioritize environmental sustainability in their delivery choices.
2. One of the biggest complaints from regular internet consumers is unpredictable delivery timeframes.
3. For environmentally friendly delivery solutions, customers are prepared to pay more.
4. Autonomous delivery vehicles have garnered a lot of curiosity and approval.
5. Target customers struggle to balance convenience with environmental values in their online shopping habits.

MAIN INSIGHTS FROM DISCOVERY PROCESS

1. Environmental concerns are important but often secondary to convenience and cost in practice.
2. Delivery time predictability and flexibility are crucial factors for customer satisfaction.
3. There's a willingness to pay for sustainable options but with limits typically around 10-15% premium.
4. Attitudes toward autonomous delivery are mixed with enthusiasm for the potential benefits balanced by concerns about reliability and societal impact.

5. Customers desire more control over their deliveries including real-time tracking and the ability to redirect packages.
6. There's interest in community-based solutions that could reduce costs and environmental impact.
7. Guilt associated with frequent deliveries is a common theme among environmentally conscious consumers.

VALIDATION CONTRADICTION AND EXPANSION OF ASSUMPTIONS

Our assumption about the importance of environmental sustainability was partially validated but we found that in practice it often takes a backseat to convenience and cost. This suggests a need to ensure our solution doesn't compromise on these factors while delivering environmental benefits.

The assumption about unpredictable delivery times being a major pain point was strongly validated highlighting the importance of addressing this issue in our business model.

The willingness to pay a premium for eco-friendly options was confirmed but with a more modest price tolerance than initially assumed. This insight will be crucial for pricing strategies.

The mixed reception to autonomous delivery vehicles expands upon our initial assumption revealing a need for education and trust-building in our marketing approach.

Our assumption about customers struggling to balance convenience and environmental values was validated providing an opportunity for our solution to address this tension directly.

REFINED UNDERSTANDING OF TARGET CUSTOMER

Based on the findings our understanding of the target customer has evolved. While they are environmentally conscious their behavior is more strongly driven by convenience cost and reliability. They are tech-savvy and open to innovative solutions but have concerns about new technologies that need to be addressed. They desire more control and flexibility in the delivery process and are interested in community-based approaches that align with their values.

ADJUSTMENTS TO ORIGINAL BUSINESS IDEA

1. Emphasize Flexibility: Incorporate features that allow customers to easily redirect packages or select precise delivery windows enhancing the convenience factor.
2. Transparent Eco-Impact: Develop a system to clearly communicate the environmental impact of each delivery choice helping customers make informed decisions.
3. Community Integration: Explore options for community-based delivery hubs or shared deliveries to address both environmental and cost concerns.
4. Tiered Pricing Model: To account for varying willingness to pay, implement a pricing structure that provides eco-friendly solutions at different price points.
5. Human-AI Collaboration: To address concerns about dependability and job displacement, take into consideration a hybrid model that combines autonomous cars with human oversight.
6. Smart Packaging Solutions: Integrate sustainable packaging options to address concerns about excessive waste.
7. Education Campaign: Develop materials to educate customers about the benefits and safety of autonomous delivery addressing potential reservations.

CONCLUSION

The customer discovery process has provided valuable insights that both validate and challenge our initial assumptions about the Modular Electric Delivery Pods concept. While there is clear interest in sustainable delivery solutions the findings highlight the need to balance environmental benefits with practical concerns such as convenience cost and reliability. By refining our business idea to address these nuanced customer needs we can develop a more robust and appealing solution. Moving forward we will focus on creating a flexible eco-friendly delivery system that empowers customers to offer clear value and seamlessly integrates with their daily lives. This approach positions us to effectively meet the evolving demands of environmentally conscious urban consumers in the last-mile delivery market.