

Project Design Phase

Problem – Solution Fit Template

Date	15 February 2025
Team ID	LTVIP2026TMIDS74689
Project Name	Prosperity Prognosticator: Machine Learning for Startup Success Prediction
Maximum Marks	2 Marks

Problem – Solution Fit Template:

The Problem-Solution Fit simply means that you have found a problem with your customer and that the solution you have realized for it actually solves the customer's problem. It helps entrepreneurs, marketers and corporate innovators identify behavioral patterns and recognize what would work and why.

Purpose:

- Solve complex problems in a way that fits the state of your customers.
- Succeed faster and increase your solution adoption by tapping into existing mediums and channels of behavior.
- Sharpen your communication and marketing strategy with the right triggers and messaging.
- Increase touch-points with your company by finding the right problem-behavior fit and building trust by solving frequent annoyances, or urgent or costly problems.
- Understand the existing situation in order to improve it for your target group.**

Template:

<p>1. CUSTOMER SEGMENT(S) Who is your customer? I.e. working parents of 0-5 y.o. kids</p> <ul style="list-style-type: none"> • Venture Capitalists (VCs) • Angel Investors • Startup Accelerators & Incubators • Early-stage Entrepreneurs • Government Policy Makers • 	<p>6. CUSTOMER CONSTRAINTS What constraints prevent your customers from taking action or limit their choices of solutions? I.e. spending power, budget, no cash, network connection, available devices.</p> <ul style="list-style-type: none"> • Limited access to quality startup data • Budget constraints for analytics tools • Lack of ML expertise • Time pressure in investment decisions • Data privacy regulations • Market unpredictability 	<p>5. AVAILABLE SOLUTIONS Which solutions are available to the customers when they face the problem or need to get the job done? What have they tried in the past? What pros & cons do these solutions have? I.e. pen and paper is an alternative to digital note-taking</p> <ul style="list-style-type: none"> • Manual financial analysis • Excel-based evaluation models • Traditional due diligence • Industry expert consultation • Market research reports • Gut-feeling based investment decisions • Credit scoring-like financial metrics only • Problems with current solutions: 	AS <i>Explore AS, differentiate</i>
<p>2. JOBS-TO-BE-DONE / PROBLEMS Which jobs-to-be-done (or problems) do you address for your customers? There could be more than one; explore different sides.</p> <p>For Investors:</p> <ul style="list-style-type: none"> • Difficulty identifying high-growth startups • High risk of startup failure • Lack of data-driven investment evaluation • Portfolio risk mismanagement 	<p>9. PROBLEM ROOT CAUSE What is the real reason that this problem exists? I.e. the back story behind the need to do this job? I.e. customers have to do it because of the change in regulations.</p> <ul style="list-style-type: none"> • Startup success depends on multiple complex factors • Human bias in decision-making • Incomplete historical data usage • Lack of predictive modeling • Rapidly changing market dynamics • Information asymmetry between founders and investors 	<p>7. BEHAVIOR What does your customer do to address the problem and get the job done? I.e. directly related: find the right solar panel, installer, calculate usage and benefits; Indirectly associated: customers spend free time on volunteering work (I.e. Greenpeace)</p> <ul style="list-style-type: none"> • Analyze pitch decks • Review financial statements • Conduct founder interviews • Benchmark competitors • Use spreadsheets for valuation 	BE <i>Focus on JBP, tap into BE, understand RC</i>
<p>3. TRIGGERS What triggers customers to act? I.e. seeing their neighbour installing solar panels, reading about a more efficient solution in the news.</p> <ul style="list-style-type: none"> • Startup funding decisions • Pitch evaluation sessions • Economic slowdown or recession 	<p>10. YOUR SOLUTION If you are working on an existing business, write down your current solution first, fill in the canvas, and check how much it fits reality. If you are working on a new business proposition, then keep it blank until you fill in the canvas and come up with a solution that fits within customer limitations, solves a problem and matches customer behavior.</p> <ul style="list-style-type: none"> • Historical startup data • Funding patterns • Market trends • Founder profiles • Industry performance metrics • Economic indicators 	<p>8. CHANNELS OF BEHAVIOR I.e. ONLINE What kind of actions do customers take online? Extract online channels from #7</p> <p>Crunchbase, LinkedIn, AngelList</p> <p>CH <i>Extract online & offline CH of BE</i></p>	
<p>4. EMOTIONS: BEFORE / AFTER How do customers feel when they face a problem or a job and afterwards? I.e. lost, insecure > confident, in control - use it in your communication strategy & design.</p> <ul style="list-style-type: none"> • Uncertain • Risk-averse • Confused • Overwhelmed by data 		<p>8.2 OFFLINE What kind of actions do customers take offline? Extract offline channels from #7 and use them for customer development.</p> <ul style="list-style-type: none"> • Investor pitch events • Startup expos • Accelerator programs • Policy roundtables 	CH <i>Extract online & offline CH of BE</i>

References:

1. <https://www.ideahackers.network/problem-solution-fit-canvas/>
2. <https://medium.com/@epicantus/problem-solution-fit-canvas-aa3dd59cb4fe>