

## Module 2.1: Problem and Solution Canvas Preparation

### Orientation and Canvas Introduction

- The **Problem and Solution Canvas** is a visual tool to clarify customer problems, evaluate solutions, and plan product strategies.
- Encourages focusing on real customer pain points before jumping to solutions, improving feasibility and alignment with market needs<sup>[1]</sup>.

### Key Components

- **Problem Statement:** Clearly define the customer issue.
- **Proposed Solution:** Concisely describe how you'll address the problem.
- **Target Audience:** Specify who faces the problem.
- **Value Proposition:** State the unique benefit your solution offers<sup>[1]</sup>.

### Example:

#### *Affordable Healthcare in Urban Slums*

- Problem: Lack of affordable healthcare access.
- Solution: Mobile clinics and telemedicine.
- Target: Low-income urban families.
- Value: Convenient, affordable health services<sup>[1]</sup>.

### Customer Needs Assessment

- Methods: Surveys (quantitative), interviews (qualitative), observation (behavioral gaps).
- Outcome: Prioritize needs as must-have, nice-to-have, or unnecessary.
- Example:
  - *Fintech for Small Retailers:* Surveys reveal a need for simple, low-cost mobile payments.
  - *Organic Farming:* Interviews with farmers highlight demand for affordable organic fertilizers<sup>[1]</sup>.

### Market Segmentation

- Divide the market by:
  - Demographics (age, income)
  - Geography (region, climate)
  - Psychographics (lifestyle, values)
  - Behavior (usage, loyalty)

- Example:
  - *Wellness Brand*: Segments by age and health focus (young professionals vs. families).
  - *Edtech*: Segments by student type (school, college, professionals)<sup>[1]</sup>.

## Value Proposition

- Clearly state the unique value your product provides.
- Elements: Addresses customer needs, offers tangible/intangible benefits, highlights unique features.
- Example:
  - *EV Manufacturer*: Emphasizes cost savings and eco-friendliness.
  - *Telemedicine*: Highlights convenience and rural access to healthcare<sup>[1]</sup>.

## Competitive Analysis

- Identify direct (similar product) and indirect competitors (different solution to same problem).
- Analyze strategies: pricing, marketing, distribution.
- Perform SWOT (Strengths, Weaknesses, Opportunities, Threats).
- Example:
  - *Food Delivery*: Analyzes Swiggy and Zomato to find service gaps.
  - *Solar Panels*: Studies competitors' pricing and positioning<sup>[1]</sup>.

## Market Entry Strategy

- Analyze barriers (competition, regulations), select entry mode (direct sales, partnerships), and develop a launch plan (promotion, pricing).
- Example:
  - *Fashion Retail*: Launches online before opening stores.
  - *Health Supplements*: Partners with local retailers<sup>[1]</sup>.

## Market Validation

- Build a prototype, collect feedback, and refine the product.
- Example:
  - *App Startup*: Releases beta for user feedback.
  - *Eco-Packaging*: Tests with restaurants for feedback on durability<sup>[1]</sup>.

## Regulatory and Legal Considerations

- Comply with relevant laws (IPR, safety, labor, tax).
- Example:
  - *Fintech*: Follows RBI guidelines.

- *Beverage Company*: Meets FSSAI standards<sup>[1]</sup>.

## Module 2.2: Customer Profiling

### What is Customer Profiling?

- Creating detailed representations of target customers to guide marketing and product design<sup>[2]</sup>.

### Steps in Customer Profiling

#### 1. Review Market Research

- Gather data from surveys, interviews, and industry reports.
- Identify who buys your product and why.
- Example:
  - *E-commerce*: Research shows millennials prefer online shopping.
  - *Health Brand*: Finds urban demand for organic products<sup>[2]</sup>.

#### 2. Customer Segmentation

- Divide customers by:
  - Demographics (age, income)
  - Geography (urban/rural)
  - Psychographics (lifestyle)
  - Behavior (buying habits)
- Example:
  - *E-commerce*: Segments into young professionals, budget shoppers, luxury buyers.
  - *Wellness Brand*: Segments into fitness enthusiasts, health-conscious families, seniors<sup>[2]</sup>.

#### 3. Customer Profiling

- Build a detailed picture: name, age, job, habits, goals, challenges, motivations.
- Example:
  - *Emma Johnson*: 28, graphic designer, seeks eco-friendly fashion, prefers online shopping<sup>[2]</sup>.

#### 4. Persona Development

- Create fictional characters (personas) representing each segment.
- Example:
  - *Urban Trendsetter Ananya*: 26, marketing professional, shops online for unique fashion.
  - *Fitness Enthusiast Rohan*: 28, software engineer, seeks reliable fitness products<sup>[2]</sup>.

#### 5. Validation and Feedback

- Use focus groups, pilot campaigns, and feedback to refine profiles.
- Example:
  - *Payment Solutions*: Interviews reveal need for inventory management in addition to payments.
  - *Organic Foods*: Focus groups highlight demand for eco-friendly packaging<sup>[2]</sup>.

## 6. Prioritization and Selection

- Focus on segments with highest value or growth.
- Example:
  - *Mobile Payments*: Prioritize small business owners for high transaction volume.
  - *Organic Foods*: Target urban health enthusiasts and parents<sup>[2]</sup>.

## 7. Communication and Messaging

- Personalize marketing for each segment.
- Example:
  - *Fitness Brand*: "Achieve your fitness goals" for enthusiasts via social media.
  - *Edtech*: "Advance your career" for professionals via LinkedIn<sup>[2]</sup>.

## Practical Tools

- Google Analytics, CRM software, social media insights, surveys, heatmaps<sup>[2]</sup>.

## Module 2.3: Competitor Analysis

### What is Competitor Analysis?

- Evaluating competitors to understand their strengths, weaknesses, and strategies. Helps identify market gaps and inform business strategy<sup>[2] [3]</sup>.

### Key Components

#### 1. Identify Competitors

- Types:
  - **Direct** (similar products, same customers)
  - **Indirect** (different solutions, same need)
  - **Potential** (new entrants)
- Example:
  - *Pepsi vs. Coca-Cola* (direct)
  - *Netflix vs. YouTube* (indirect)<sup>[2] [4]</sup>.

#### 2. Competitor Profiling

- Gather info on business model, offerings, target audience, pricing, marketing, operations.

- Use website analysis, social media, and customer reviews<sup>[2]</sup> <sup>[4]</sup>.

### 3. SWOT Analysis

- Evaluate Strengths, Weaknesses, Opportunities, Threats.
- Example:
  - *Smartphone Brand*:
    - Strength: Camera tech
    - Weakness: High price
    - Opportunity: Emerging markets
    - Threat: Budget competitors<sup>[2]</sup> <sup>[4]</sup>.

### 4. Market Positioning

- Analyze USP, brand perception, customer loyalty, distribution.
- Example:
  - *Apple*: Design and innovation as USP<sup>[2]</sup> <sup>[4]</sup>.

### 5. Customer Feedback and Reviews

- Analyze online reviews and social media to spot pain points and valued features.
- Example:
  - *Coffee Shop*: Competitors praised for quality, criticized for slow service<sup>[2]</sup> <sup>[4]</sup>.

### 6. Pricing Analysis

- Compare cost-plus, value-based, and competitive pricing.
- Example:
  - *Coffee Shop*: Competitor prices \$1–\$10; your shop targets \$3–\$5<sup>[2]</sup> <sup>[4]</sup>.

### 7. Differentiation Strategy

- Stand out via product quality, customer service, innovation, or eco-friendly practices.
- Example:
  - *Coffee Shop*: Unique blends, kids' play area, loyalty program<sup>[2]</sup> <sup>[4]</sup>.

### 8. Benchmarking and Improvement

- Compare performance metrics to industry standards, adapt strategies for improvement.
- Example:
  - *Coffee Shop*: Track foot traffic, host unique events to attract customers<sup>[2]</sup> <sup>[4]</sup>.

### Tools for Competitor Analysis

- SEMrush, Google Alerts, SimilarWeb, social media monitoring, SpyFu<sup>[2]</sup> <sup>[4]</sup>.

### Summary Table: Competitor Analysis Example (Coffee Shop)

Step	Example Action/Insight
Identify Competitors	Brew & Bean (direct), McDonald's (indirect)
Profiling	Brew & Bean: Artisanal, slow service
SWOT	Brew & Bean: Strong brand, limited parking
Positioning	Brew & Bean = social hub, You = family-friendly
Feedback	Competitors: Quality good, service slow
Pricing	Competitors \$1-\$10, You \$3-\$5
Differentiation	Unique drinks, kids' area, loyalty program
Benchmarking	Track customer satisfaction, host events

These notes cover all major topics and subtopics in Module 2 (2.1, 2.2, 2.3) with concise explanations and relevant examples for each section<sup>[1] [2] [4]</sup>.



1. 2.1-Engg-Entrepreneurship-and-IPR.pdf
2. 2.2-and-2.3-Engg-Entrepreneurship-and-IPR.pdf
3. <https://www.scribd.com/document/468969664/COMPETITOR-ANALYSIS>
4. [https://www.cmu.edu/swartz-center-for-entrepreneurship/assets/Olympus.pdfs/Competitive Analysis.pdf](https://www.cmu.edu/swartz-center-for-entrepreneurship/assets/Olympus.pdfs/Competitive%20Analysis.pdf)