

ENGG 683 – Value Proposition

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Value Proposition

What is the VALUE that you provide?



Value Proposition

Customers want to solve a problem



Customers buy **SOLUTIONS** to **PROBLEMS**

Don't necessarily care for
your technology

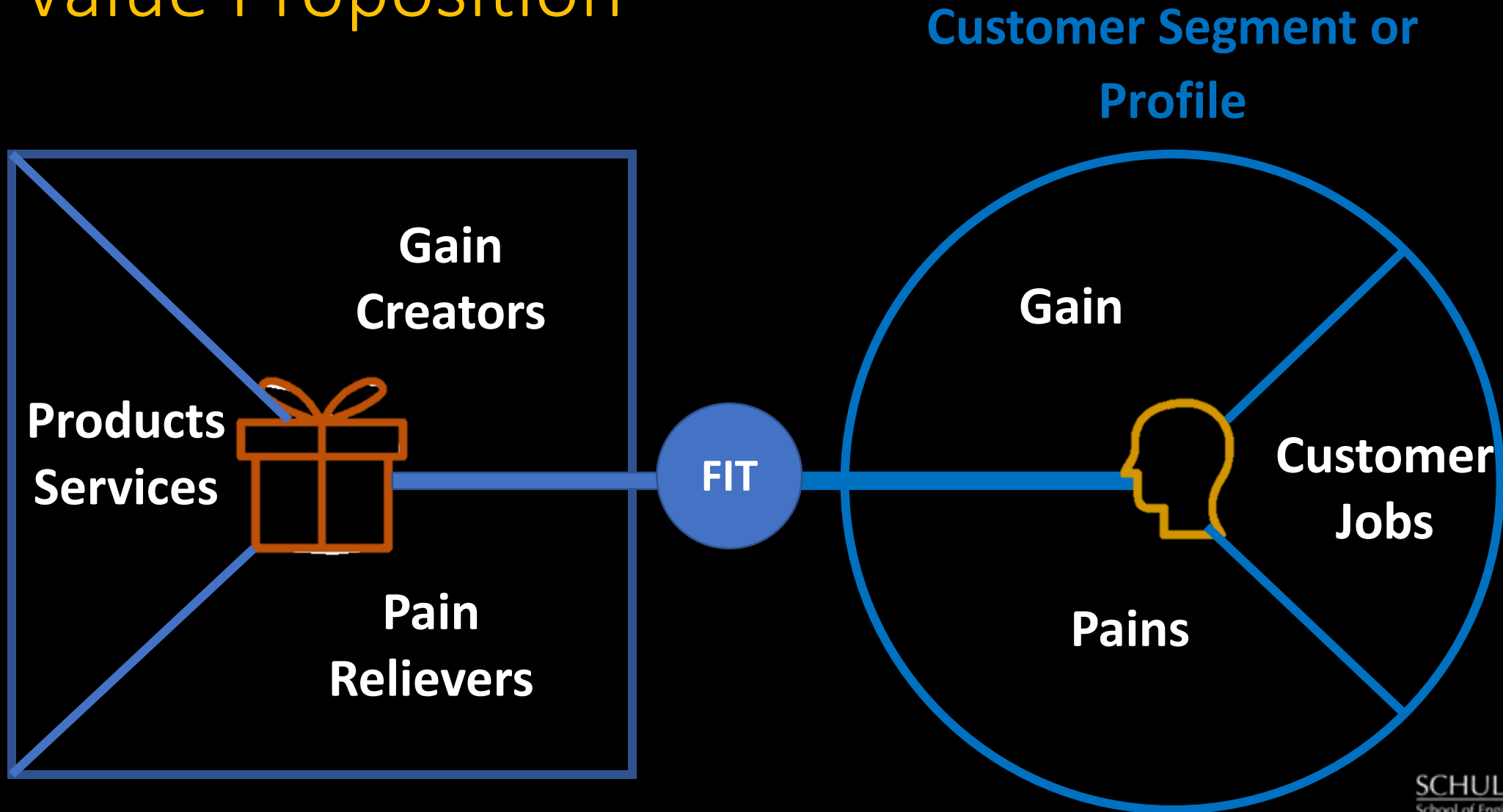
Commercial Success Process

1. Problem
Solution Fit

2. Product
Market Fit

3. Scaling up

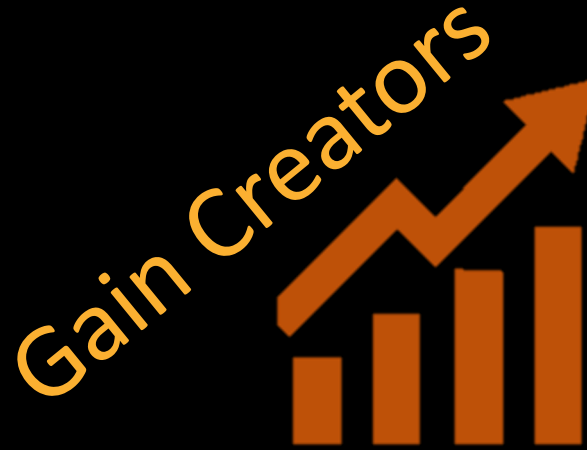
Value Proposition



Company value Proposition



Describe your product or service



Describe how your products or services create customer gains



Describe risk that your customer experience prior to, during or after

Costly
social

Customer Segment

Customer Job



Describe what one specific customer segment is trying to achieve.

Tasks
Problems
Needs

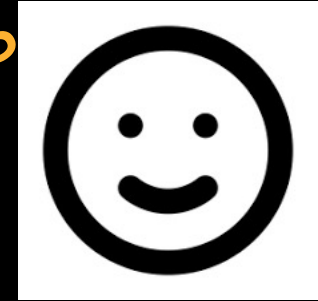
Pains



Describe risk that your customer experience prior to, during or after

Costly
social
consequences
Barriers

Gains



Describe the benefits your customer expects or wants

Cost savings
Social gains
functionality

Value Propositions

- Creates value for a customer segment through elements that are focused on the segments need
- Values can be:
 - Quantitative – price, speed, etc.
 - Qualitative – design, customer experience, etc.

Sources of Value

New Price Status Convenience Usability

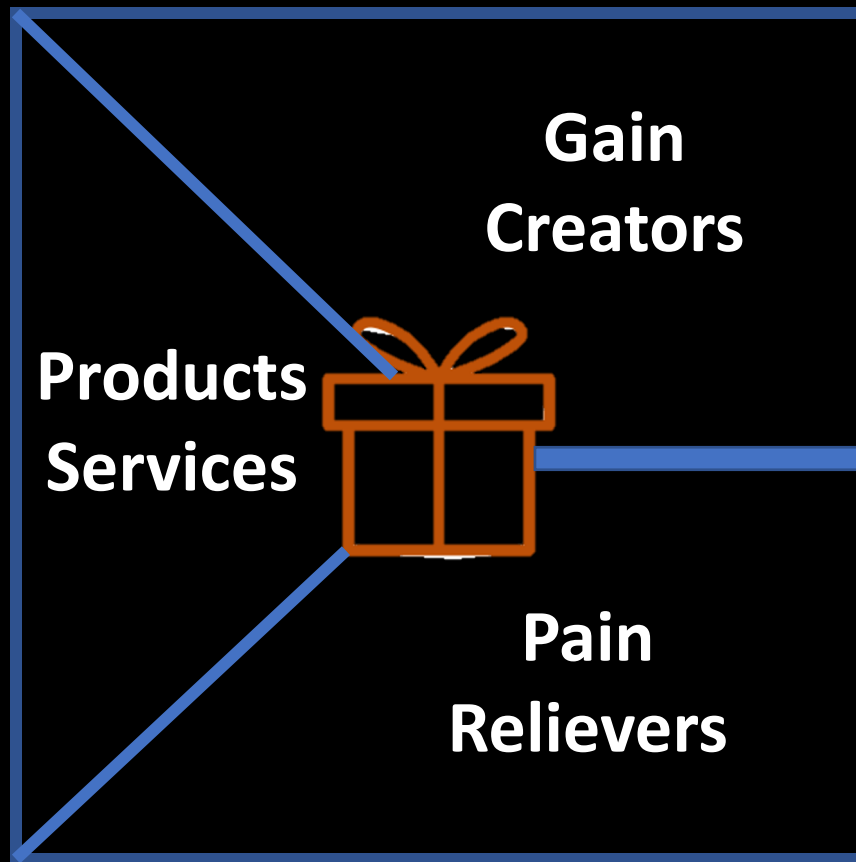
Performance Cost reduction

Brand Get the job done Accessibility

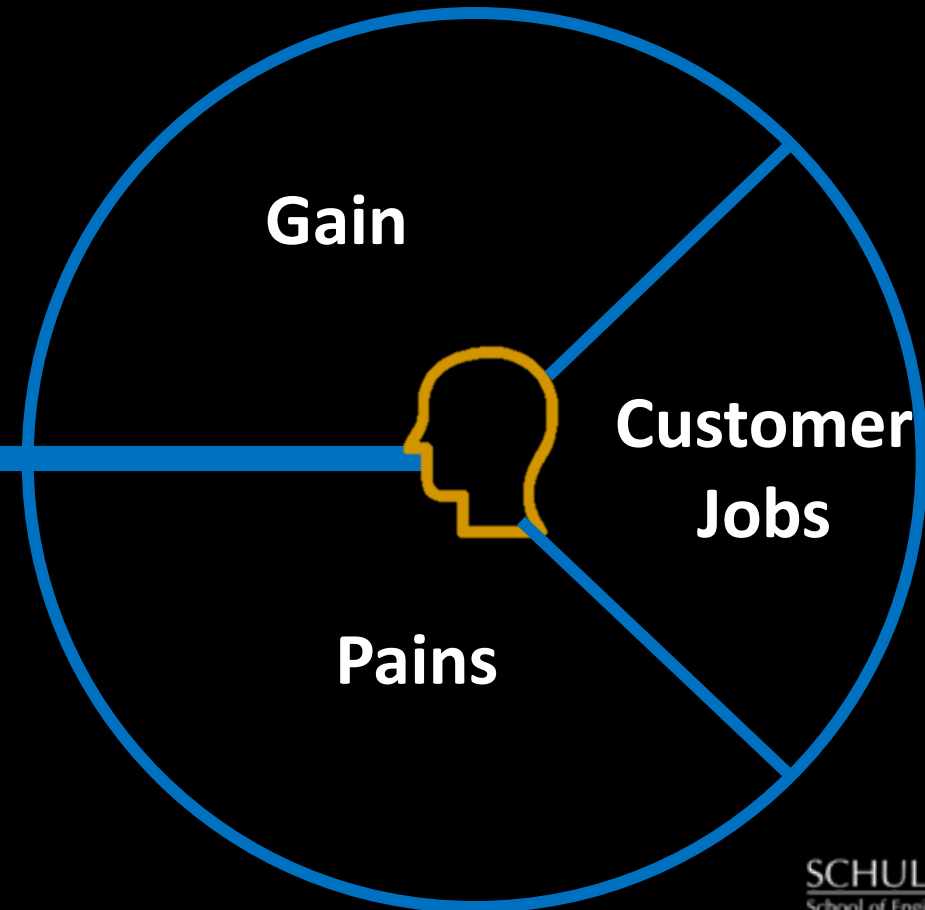
Customization Design Risk reduction

Value Proposition Example

TESLA



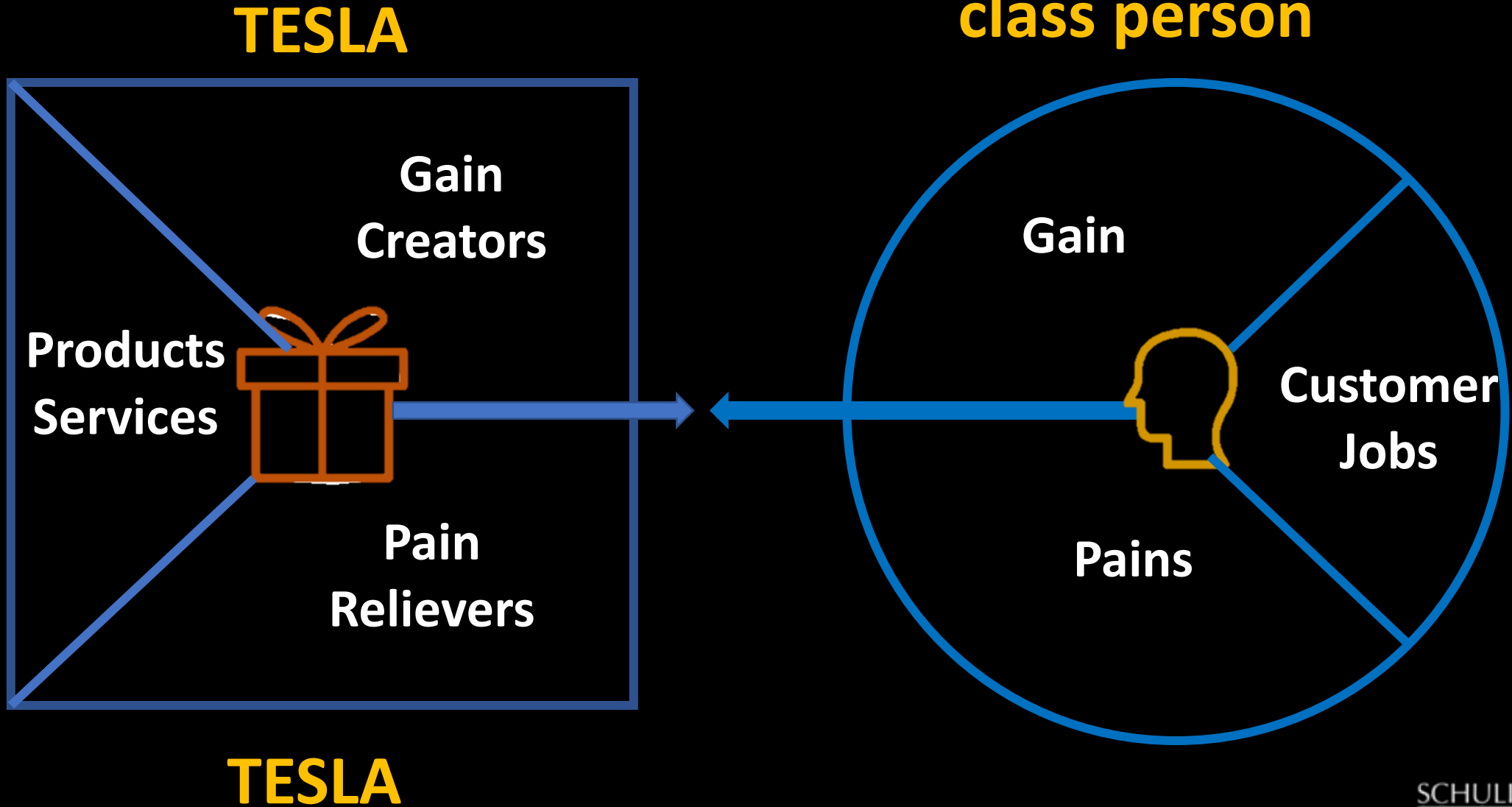
**Upper Middle
class person**



ACTIVITY – Breakout rooms



Upper Middle class person



Competitive Advantage

Competition – if not you, where would your target customers get an alternative.

How are you different than those alternative?

- Better technology
- Better process
- Cheaper
- More accessible



* Getty Images

Think about this

- Why not the alternative and you?
- There has to be a clear difference

People naturally don't like change unless there is a problem or need

Competition

- Know your existing competitors
- Who is developing a new solution technology or product
- Conduct an IP search for new patents in this area

Position yourself!

THANKS!