Strategic Decision Simulation Assignment

*Course Module: Value Proposition*

Case Study: Lumora HealthTech

# Assignment Context

You are a newly appointed Strategy Advisor at Lumora HealthTech, a B2B digital health company specializing in diagnostic software. The company’s leadership team has asked you to critically assess and improve the value proposition of its Diagnostic Decision Support System (DDSS) as part of a strategic review. Your insights will inform product refinement and positioning choices over the next 2–3 years.

# Your Task

Act as Lumora’s internal strategy consultant and propose an enhanced value proposition for the DDSS in the diagnostic lab market (Germany and Austria). Make explicit design choices using frameworks and concepts from the Value Proposition module. Use only the case information provided.

# Assignment Instructions

## Step 1. Identify Strategic Positioning (20 pts)

Choose one Generic Strategy and 2–3 Archetypes and justify how they align with internal capabilities and market.

## Step 2. Define the Current State (20 pts)

Briefly describe Lumora’s current value proposition using the eight-element structure.

## Step 3. Design an Enhanced Value Proposition (30 pts)

Propose and justify 3+ design choices using frameworks like Value Stick, JTBD, Elements of Value, Four Actions, Archetypes. Then complete the ERRC grid to refine DDSS positioning.

## Step 4. Write a New Value Proposition Statement (15 pts)

Craft a concise and differentiated statement for the enhanced DDSS.

## Step 5. Reflect on Trade-offs and Execution Challenges (15 pts)

Identify 2 trade-offs or internal gaps and suggest how to manage them.

# Grading Rubric

|  |  |  |
| --- | --- | --- |
| Section | Criteria | Points |
| Step 1 | Clarity and coherence of positioning choices | 20 pts |
| Step 2 | Accurate diagnosis of current value proposition | 20 pts |
| Step 3 | Quality and justification of design choices; relevant and strategic ERRC actions | 30 pts |
| Step 4 | Quality of value proposition statement | 15 pts |
| Step 5 | Recognition of trade-offs and feasibility | 15 pts |

# Instructor Notes & Sample Solution

## Step 1: Identify Strategic Positioning

Generic strategy: Differentiation.  
Archetypes: Solutions Provider, Reputation Player, possibly Platform Provider (if suggesting EHR links). Students should justify coherence with current capabilities.

|  |  |
| --- | --- |
| Generic Strategy | Positioning Archetypes (2–3) |
| Differentiation | Solutions Provider, Reputation Player, Platform Provider |

## Step 2: Define the Current State

Students should highlight Lumora’s structured data strengths, high diagnostic accuracy, integration capabilities, and customization. Weaknesses include onboarding speed, aging interface, and lack of AI/mobile features.

|  |  |
| --- | --- |
| Element | Model Answer |
| Target Customer Segments | Large diagnostic labs in Germany and Austria |
| Product/Service Portfolio | DDSS with structured data logic for lab diagnostics |
| Relative Price Position | Mid-premium compared to niche AI tools and generic SaaS |
| Complements | Integration APIs, audit support, configurable UI |
| Value Proposition Statement | High-accuracy diagnostics, trusted compliance, modular setup |
| Customer Value Attributes | Accuracy, compliance, configurability, trust |
| Cost-Reducing Attributes | Self-setup, flat-pack onboarding, optimized for labs |
| Relative Performance Levels | Best-in-class: accuracy and integration; At-par: usability; Sub-par: speed of onboarding, interface modernity |

## Step 3: Design an Enhanced Value Proposition

Expected moves: Improve onboarding (simplified setup, templates), add predictive analytics or EHR interoperability, shift UX toward more modern interface, possibly modular cloud deployment. Use of Value Stick, JTBD, or Elements of Value is expected.

|  |  |
| --- | --- |
| Action | Value Attribute or Feature |
| Eliminate | Overly complex customization options |
| Reduce | Time-to-onboard |
| Raise | Mobile compatibility, user experience |
| Create | Predictive analytics, cloud EHR interoperability |

### Strategy Value Curve – Instructor Example

This sample value curve illustrates how Lumora compares to its two main competitors on key attributes.

|  |  |  |  |
| --- | --- | --- | --- |
| Value Attribute | Lumora | Competitor A | Competitor B |
| Diagnostic Accuracy | 4.5 | 3.8 | 3.5 |
| Integration with Lab Systems | 4.8 | 3.2 | 4.0 |
| Ease of Use | 4.0 | 4.7 | 4.2 |
| Onboarding Speed | 3.5 | 4.6 | 4.0 |
| Customization | 4.3 | 2.5 | 3.8 |
| Customer Support | 4.6 | 3.2 | 4.1 |
| Regulatory Compliance | 4.9 | 3.5 | 3.9 |
| Price | 3.3 | 4.7 | 4.0 |

Visual representation of the enhanced strategy value curve:

A graph with lines and points

AI-generated content may be incorrect.

## Step 4: Value Proposition Statement

Example: 'Lumora DDSS delivers precision diagnostics at scale—integrated, compliant, and predictive—designed for busy labs and clinics that demand speed, accuracy, and trust.'

## Step 5: Trade-offs

- Reducing customisation may alienate niche customers.  
- Cloud-based features require investment and compliance updates.  
- Shifting to predictive analytics demands AI partnerships or in-house talent.