

Plenary - 2

Value Proposition Canvas



S. No.	Activity	Duration	Time	Lead
1.	SlideShow & Music + Welcome the group + PDA Scan START_QR	3 minutes of wait + 2 minutes	5:55 – 6:00	Roshan & Ananya
2.	Introduction to the Business Model Canvas	5 mins	6:00 - 6:05	Jacob / Navrun
3.	Introduction to the Value Proposition Canvas Customer Profile <ul style="list-style-type: none"> - Customer Jobs - Introduction to BGK & its Customer Jobs 	10 mins	6:05 - 6:15	Jacob / Navrun
4.	Customer Profile Activity 1- Customer Jobs	15 mins	6:15 - 6:30	Gautam guided by Navrun
5.	Introduction to the Value Proposition Canvas Customer Profile <ul style="list-style-type: none"> - Customer Pains - Example of BGK Pains 	5 mins	6:30 - 6:35	Jacob / Navrun
6.	Customer Profile Activity 2 - Customer Pains	15 mins	6:35 - 6:50	Gautam guided by Navrun
7.	Introduction to the Value Proposition Canvas Customer Profile <ul style="list-style-type: none"> - Customer Gains - Example of BGK Gains 	5 mins	6:50 - 6:55	Jacob / Navrun
8.	Customer Profile Activity 3 - Customer Gains	15 mins	6:55 - 7:10	Gautam guided by Navrun

S. No.	Activity	Duration	Time	Lead
9.	Poll - Have you joined our Whatsapp Group	1 min + 1 min	7:10 - 7:12	Roshan
10.	Introduction to the Value Proposition Canvas Value Map - Products & Services	5 mins	7:12 - 7:17	Jacob / Navrun
11.	Value Map Activity 1 - Products & Services	10 mins	7:17 - 7:27	Gautam guided by Navrun
12	Introduction to the Value Proposition Canvas Value Map - Pain Relievers	5 mins	7:27 - 7:32	JJacob / Navrun
13	Value Map Activity 2 - Pain Relievers	10 mins	7:32 - 7:42	Gautam guided by Navrun
14	Introduction to the Value Proposition Canvas Value Map - Gain Creators	5 mins	7:42 - 7:47	Jacob / Navrun
15	Value Map Activity 3 - Gain Creators	10 mins	7:47 - 7:57	Gautam guided by Navrun
16	Introduction to Fit	5 mins	7:57 - 8:02	Jacob / Navruns
17	Feedback Form + Closing + PDA Scan END QR	5 mins	8:02 - 8:07	Ananya + Roshan

Session Summary



- The Business Model Canvas: embed value proposition in a viable business model to capture value for the organisation; profit calculated by subtracting the total of all the costs in the Cost Structure from the total of all Revenue Streams. The model as the following components explained in detail in the later slides:
 1. Customer segments
 2. Value Propositions
 3. Channels
 4. Customer Relationships
 5. Revenue Streams
 6. Key Resources
 7. Key Activities
 8. Key Partnerships
 9. Cost Structure
- Value Proposition Canvas: clarifies user needs, expressed as Job Pains and Gains, value map that is expressed as Products and services, pain relievers and gain creators.
- Value Proposition Canvas has two sides: Customer Profile (clarifying customer understanding) and Value Map (how the value will be created).
 - Fit- when the two sides meet. (Case study- Green Kraft Producer Company)
 - Customer Jobs: Functional Jobs, Social Jobs, Personal/Emotional Jobs, Supporting Jobs; Job Context and Importance.
- Customer Profile:
 - Customer Pains: undesired outcomes and problems, obstacles, and risks; pain severity varies; make pains concrete.
 - Customer Gains: required gains, expected gains, desired gains, and unexpected gains; gain relevance; make gains concrete.
 - What are the best practices for mapping jobs, pains and gains?

Session Summary



- Value Map:
 - Products and Service- a list of what the company offers; Physical/ Tangible, Intangible, Digital, and Financial; relevance.
 - Pain Relievers- how products and services alleviate specific customer pains; how to eliminate customer problems; focus on extreme pains; focus on only few pains; questions to consider; its relevance.
 - Gain Creators- how products and services create gains; focus on gains that are relevant to customers and where products and services make a difference; question to consider; its relevance.
 - Map how products and services create value.
 - What are the best practices for mapping value creation?
- Fit: the two sides meet
 - Check your fit
 - BGK Fit
 - Design, Test, Repeat
 - Three Kinds of Fit- Problem-Solution Fit, Product-Market Fit, and Business Model Fit.
- Stakeholders- Influencers and Recommenders vs Decision makers (mostly B2B); customer vs consumer (mostly B2C).

The Business Model Canvas¹



Embed your value proposition in a viable business model to capture value for your organization. To do so, you can use the Business Model Canvas, a tool to describe how your organization creates, delivers, and captures value. The Business Model, and Value Proposition Canvas perfectly integrate, with the latter being like a plug-in to the former that allows you to zoom into the details of how you are creating value for customers.

The refresher of the Business Model Canvas on this spread is sufficient to work through this book and create great value propositions. Go to the online resources if you are interested in more or get Business Model Generation,* the sister publication to this book.

*Business Model Generation (2010), Osterwalder and Pigneur

Customer Segments

are the groups of people and/or organizations a company or organization aims to reach and create value for with a dedicated Value Proposition.

Value Propositions

are based on a bundle of products and services that create value for a Customer Segment.

Channels

describe how a Value Proposition is communicated and delivered to a Customer Segment through communication, distribution, and sales Channels.

Customer Relationships

outline what type of relationship is established and maintained with each Customer Segment, and they explain how customers are acquired and retained.

Revenue Streams

result from a Value Proposition successfully offered to a Customer

Segment. It is how an organization captures value with a price that customers are willing to pay.

Key Resources

are the most important assets required to offer and deliver the previously described elements.

Key Activities

are the most important activities an organization needs to perform well.

Key Partnerships

shows the network of suppliers and partners that bring in external resources and activities.

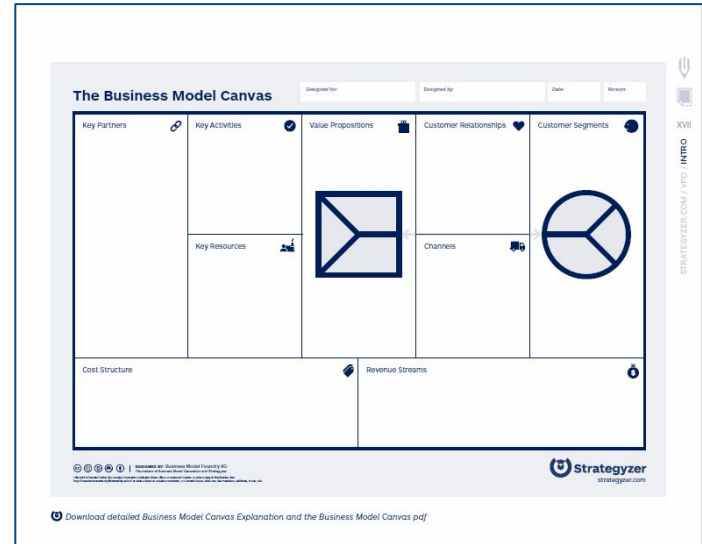
Cost Structure

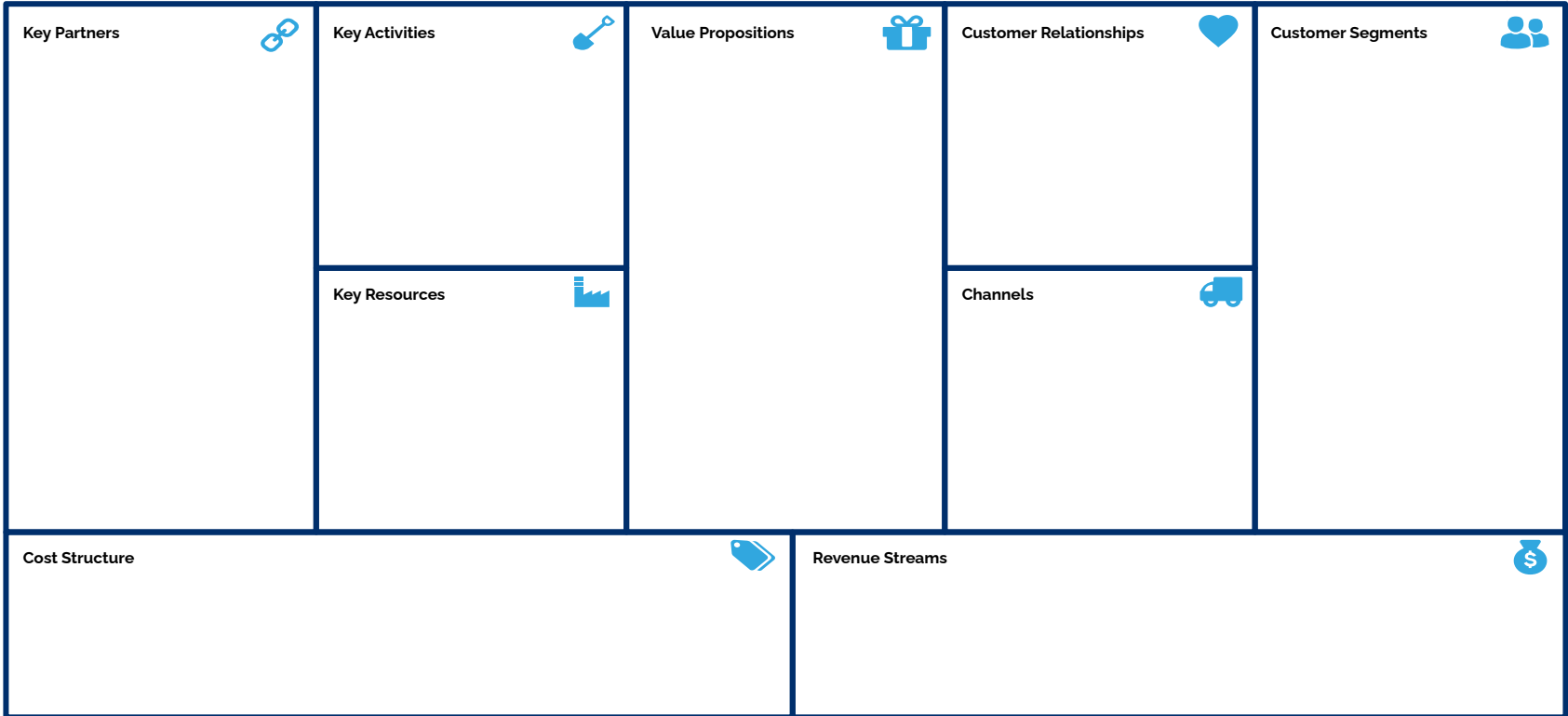
describes all costs incurred to operate a business model.

Profit

is calculated by subtracting the total of all costs in the Cost Structure from the total of all Revenue Streams.

A tool developed by Alexander Osterwalder and the Strategyzer group It has become a de-facto tool for enterprises to map how to create, deliver and capture Value by enterprises





Original version: Strategyzer.com



THE BUSINESS
MODEL ANALYST

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businessmodelanalyst.com

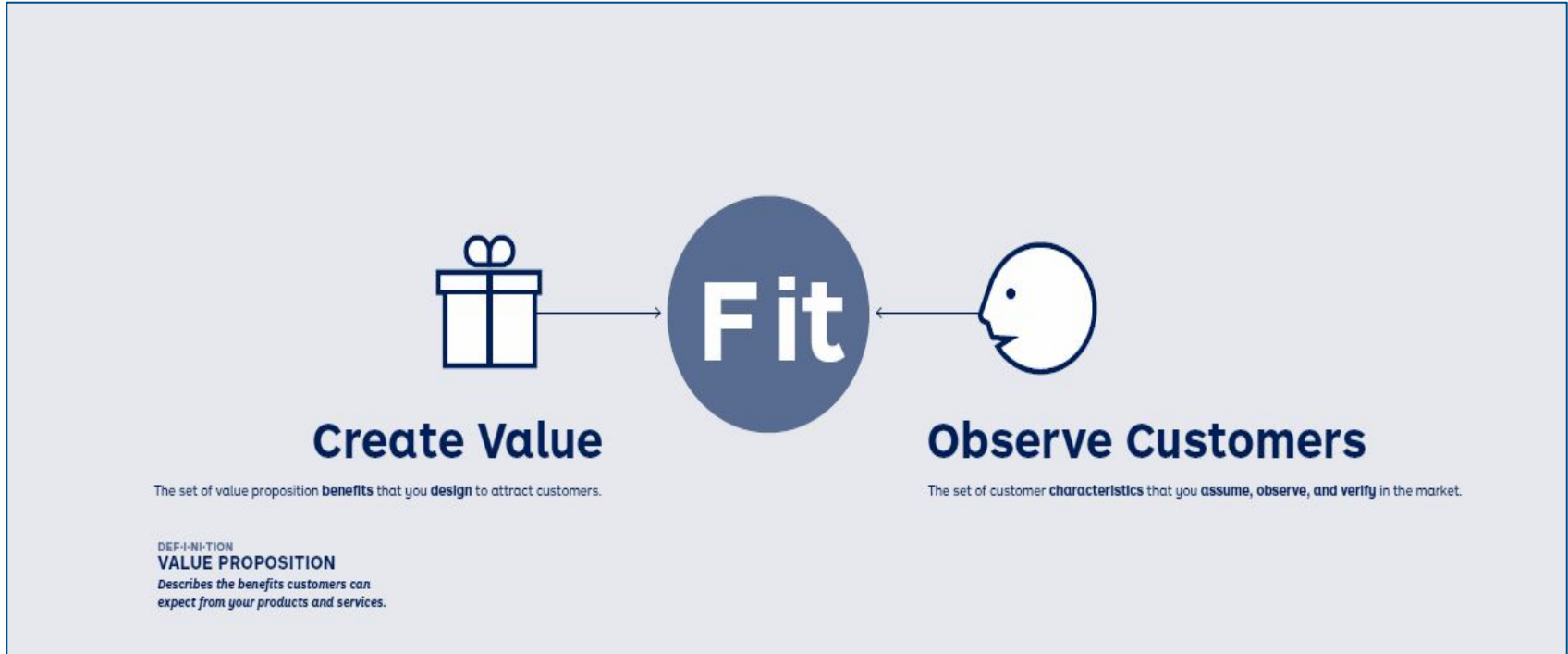
The Value Proposition Canvas has two sides:

With the **Customer Profile**, you clarify your customer understanding.

With the **Value Map**, you describe how you intend to create value for that customer.

You achieve **Fit** between the two when one meets the other.

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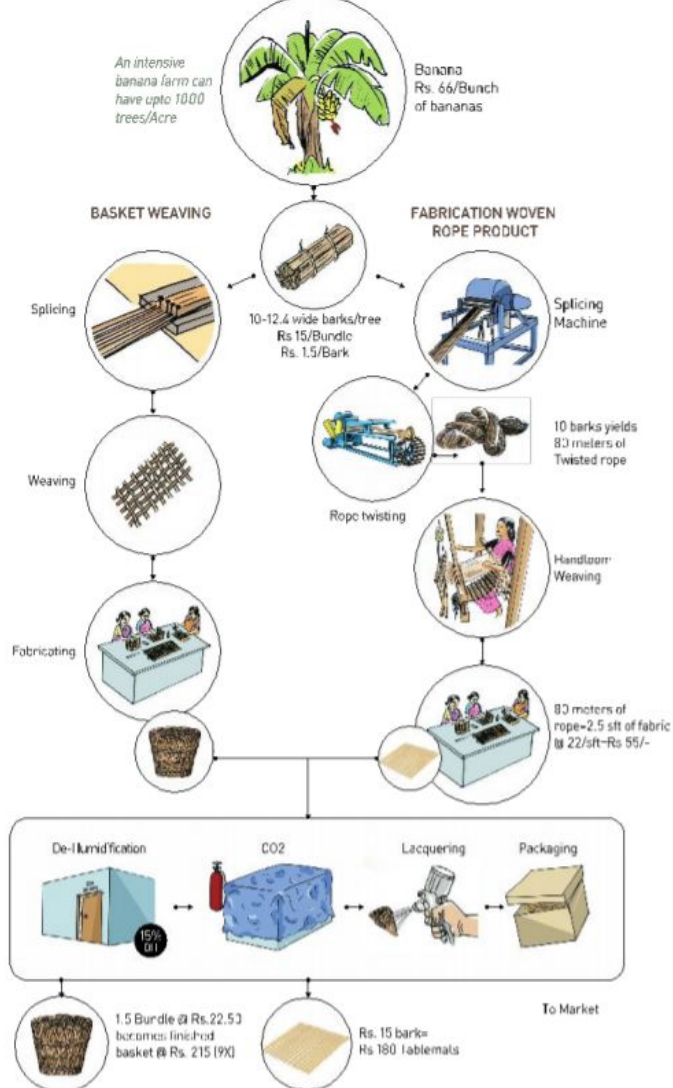
Example- Greenkraft Producer Company



- Green Kraft is a producer company incubated and supported by Industree Foundation in 2012 – it creates livelihoods for 1,100+ rural poor women who are weaving baskets and other natural fiber products
- It is owned by women producers, many of whom are first time earners and have significant household work commitments – owing to this fact, GK also provides key capacity building services to ensure that the women progress in their earnings and careers



Banana Value Chain: Green Kraft Producer Company



Work from home during the Covid19 pandemic has seen GreenKraft adapt its model to

a. Work from unit (limited numbers)



b. Work from mini-spoke as pictured above
3-10 women get together at a convenient space and work together

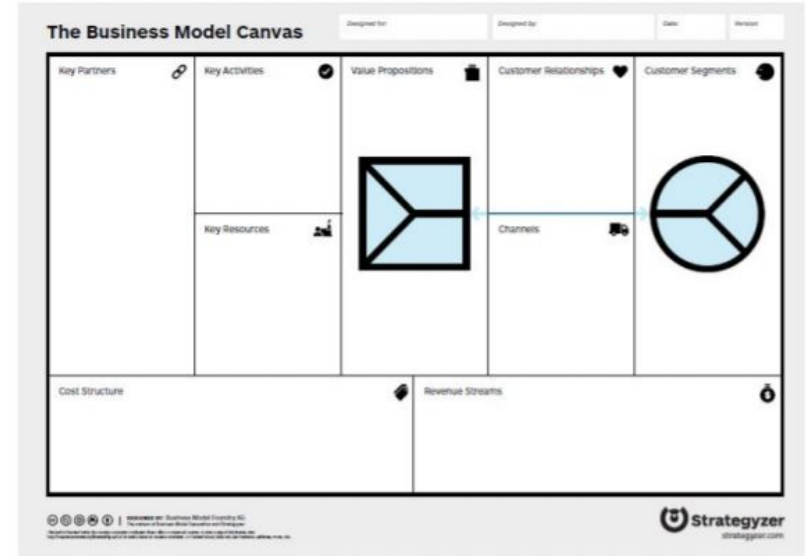


c. Work alone at home

The persona in the example going forward is a a 'work alone from home' mini enterprise leader

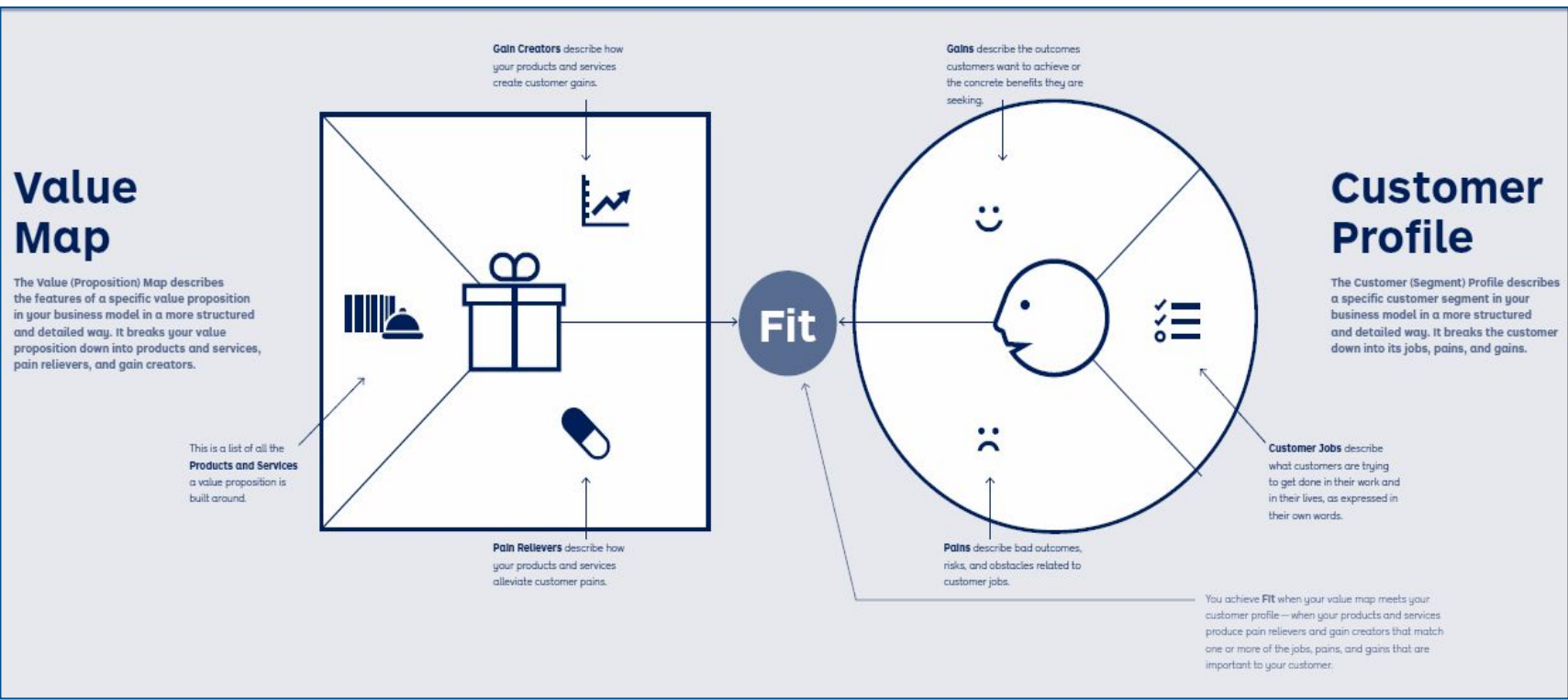
Value Proposition Canvas

Key to creating the business model is understanding the Value Proposition that clarifies user needs, expressed as Jobs Pains and Gains And the Value Map that is expressed as Products and Services, Pain Relievers and Gain Creators



[Download detailed Business Model Canvas Explanation and the Business Model Canvas pdf](#)

The Value Proposition Canvas has two sides. With the Customer Profile ^{p. 10} you clarify your customer understanding. With the Value Map ^{p. 26} you describe how you intend to create value for that customer. You achieve Fit ^{p. 40} between the two when one meets the other.



Customer Jobs



Jobs describe the things your customers are trying to get done in their work or in their life. A customer job could be the tasks they are trying to perform and complete, the problems they are trying to solve, or the needs they are trying to satisfy. Make sure you take the customer's perspective when investigating jobs. What you think of as important from your perspective might not be a job customers are actually trying to get done.*

Distinguish between three main types of customer jobs to be done and supporting jobs:

Functional jobs

When your customers try to perform or complete a specific task or solve a specific problem, for example, mow the lawn, eat healthy as a consumer, write a report, or help clients as a professional.

Social jobs

When your customers want to look good or gain power or status. These jobs describe how customers want to be perceived by others, for example, look trendy as a consumer or be perceived as competent as a professional.

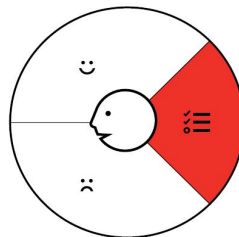
Personal/emotional jobs

When your customers seek a specific emotional state, such as feeling good or secure, for example, seeking peace of mind regarding one's investments as a consumer or achieving the feeling of job security at one's workplace.

Supporting jobs

Customers also perform supporting jobs in the context of purchasing and consuming value either as consumers or as professionals. These jobs arise from three different roles:

- **BUYER OF VALUE:** jobs related to buying value, such as comparing offers, deciding which products to buy, standing in a checkout line, completing a purchase, or taking delivery of a product or service.
- **COCREATOR OF VALUE:** jobs related to cocreating value with your organization, such as posting product reviews and feedback or even participating in the design of a product or service.
- **TRANSFERRER OF VALUE:** jobs related to the end of a value proposition's life cycle, such as canceling a subscription, disposing of a product, transferring it to others, or reselling it.



Download trigger questions to help find customer jobs

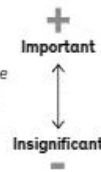
*The jobs to be done concept was developed independently by several business thinkers including Anthony Ulwick of the consulting firm Strategyn, consultants Rick Peal and Bob Moesta, and Professor Denise Mitterhouse of DePaul University. It was popularized by Clay Christensen and his consulting firm Innosight and Anthony Ulwick's Strategyn.

Job context

Customer jobs often depend on the specific context in which they are performed. The context may impose certain constraints or limitations. For example, calling somebody on the fly is different when you are traveling on a train than when you are driving a car. Likewise, going to the movies with your kids is different than going with your partner.

Job importance

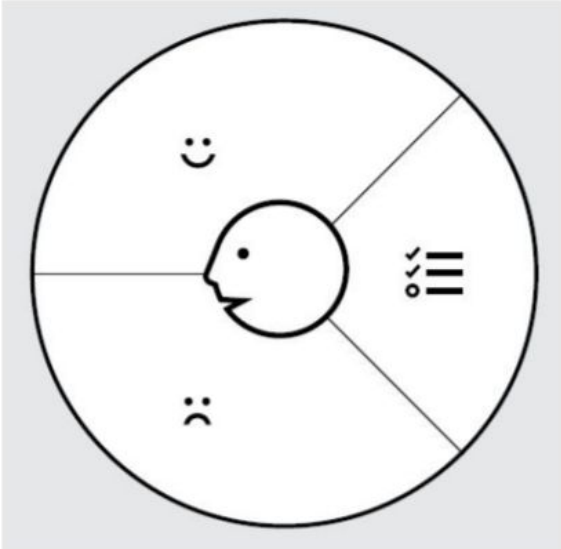
It is important to acknowledge that not all jobs have the same importance to your customer. Some matter more in a customer's work or life because failing to get them done could have serious ramifications. Some are insignificant because the customer cares about other things more. Sometimes a customer will deem a job crucial because it occurs frequently or because it will result in a desired or unwanted outcome.



Poll



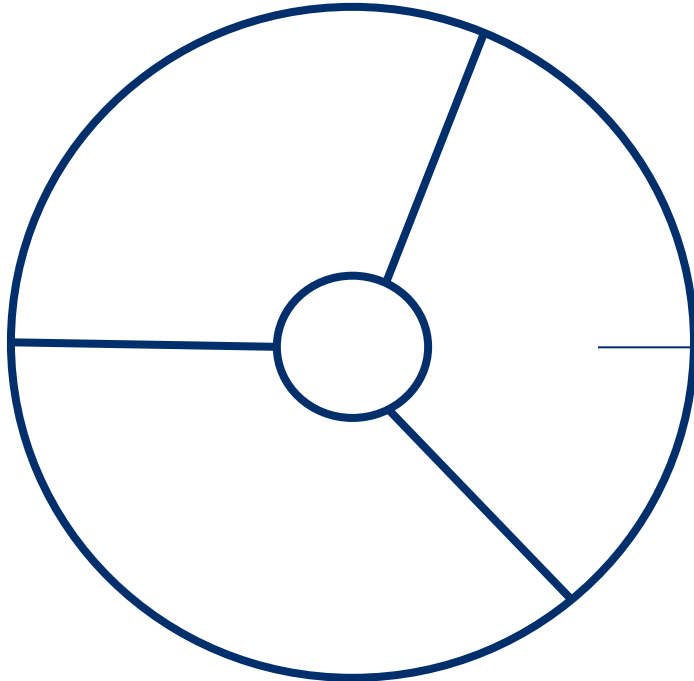
Customer Profile



Jobs for GreenKraft WFH Persona



Functional	Social	Personal/ Emotional	Supporting
Earn a reasonable/fair livelihood	Being recognised as an entrepreneur or professional within the community, and where one's input is recognised	Providing for children's education	Co-creating solutions along with Greenkraft – from effective production processes, learning curriculum, to transport to work etc
Manage household finances efficiently – save money for future spending and resilience to crises	working in an equitable manner with members of her own community and family	Independence, confidence to care for one's family financially, a feeling of financial stability	Purchase of raw material, work in the unit and contribute intellect to improve unit operations
Take care of family (cooking, cleaning, rearing children, taking care of livestock etc)	Recognition from family and husband as not just a caregiver but an economic provider	Career progression– for example from a producer to an MEL to a unit leader	inbound raw materials, conduct quality checks on raw materials & final products – enter into other allied activities at home/units like quality checking, mobilization etc.
Ensuring health & happiness of her family – from nutrition to socialization of kids and husband		Job security, respect from seniors in the org hierarchy	
		Safety – in commute, from sexual assault and good channels to air grievances and fears	
		preserving cultural heritage	



Jobs (in order of importance)

1. Earn a reasonable/fair livelihood
2. Providing for children's education
3. Take care of family (cooking, cleaning, rearing children, taking care of livestock etc)
4. Independence, Safety and Stability
5. Being recognized as an entrepreneur or professional within the community, and where one's input is recognized
6. Career Progression
7. Job security, respect from seniors in the org hierarchy
8. working equitably with community

Customer Pains

Pains describe anything that annoys your customers before, during, and after trying to get a job done or simply prevents them from getting a job done. Pains also describe risks, that is, potential bad outcomes, related to getting a job done badly or not at all.

Seek to identify three types of customer pains and how severe customers find them:

Undesired outcomes, problems, and characteristics

Pains are functional (e.g., a solution doesn't work, doesn't work well, or has negative side effects), social ("I look bad doing this"), emotional ("I feel bad every time I do this"), or ancillary ("It's annoying to go to the store for this"). This may also involve undesired characteristics customers don't like (e.g., "Running at the gym is boring," or "This design is ugly").

Obstacles

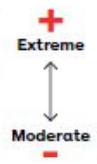
These are things that prevent customers from even getting started with a job or that slow them down (e.g., "I lack the time to do get this job done accurately," or e.g. "I can't afford any of the existing solutions").

Risks (undesired potential outcomes)

What could go wrong and have important negative consequences (e.g., "I might lose credibility when using this type of solution," or e.g. "A security breach would be disastrous for us").

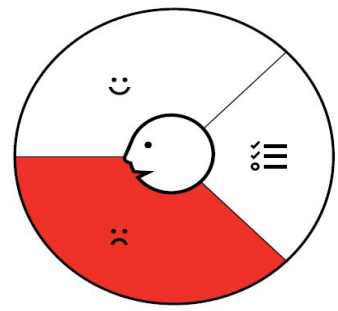
Pain severity

A customer pain can be extreme or moderate, similar to how jobs can be important or insignificant to the customer.



Tip: Make pains concrete.

To clearly differentiate jobs, pains, and gains, describe them as concretely as possible. For example, when a customer says "waiting in line was a waste of time," ask after how many minutes exactly it began to feel like wasted time. That way you can note "wasting more than x minutes standing in line." When you understand how exactly customers measure pain severity, you can design better pain relievers in your value proposition.



The following list of trigger questions can help you think of different potential customer pains:

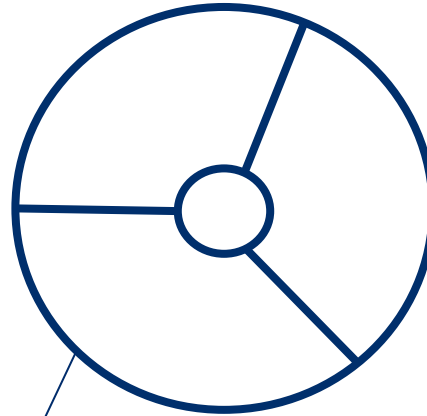
- How do your customers define too costly? Takes a lot of time, costs too much money, or requires substantial efforts?
- What makes your customers feel bad? What are their frustrations, annoyances, or things that give them a headache?
- How are current value propositions underperforming for your customers? Which features are they missing? Are there performance issues that annoy them or malfunctions they cite?
- What are the main difficulties and challenges your customers encounter? Do they understand how things work, have difficulties getting certain things done, or resist particular jobs for specific reasons?
- What negative social consequences do your customers encounter or fear? Are they afraid of a loss of face, power, trust, or status?
- What risks do your customers fear? Are they afraid of financial, social, or technical risks, or are they asking themselves what could go wrong?
- What's keeping your customers awake at night? What are their big issues, concerns, and worries?
- What common mistakes do your customers make? Are they using a solution the wrong way?
- What barriers are keeping your customers from adopting a value proposition? Are there upfront investment costs, a steep learning curve, or other obstacles preventing adoption?

 Download trigger questions

Pains



Undesired outcomes, problems and characters	Obstacles	Risks
Jobs that are remunerative and give me a good income do not fit my schedule – I can't fulfill my household responsibilities well if I also work	Resistance from family to be independent – what will my husband think if I start working?	Resilience to life crises and financing major life events- what happens in a medical emergency? How do I pay for my daughter's wedding?
A lot of jobs that pay are in nearby cities – there is no work I can do in the village I live in that pay remotely well	I am not confident to travel outside my home and take part in economic activity – in my village this is not a woman's job	Compromise of safety through one terrible event (for example sexual assault), compromise of family ties from working while the family is against it
Manufacturing jobs can be extremely boring – especially highly repetitive assembly line type jobs at factories	I don't feel qualified to do any job outside of manual labor or a manufacturing job which doesn't require any skills – even if I get one of these jobs I don't see any way to progress and grow my income over time	
I should remain at home or very close to home since I have children, livestock and parents living with me and I have to tend to them throughout the day		
It is difficult for me to travel anywhere further than a few kilometers (7), minutes (30) or cost (Rs. 20) if I need to travel at all		



Pains (prioritized)

1. Inflexible working hours at conventional jobs
2. Not enough remunerative job opportunities near home
3. Need to be near or at home to fulfill household duties
4. Resistance from family and husbands for women to work
5. Uninspiring, boring manufacturing jobs
6. Resilience to life crises
7. Feeling of lack of qualification, feeling of lack of career progression
8. Safety and security can feel compromised

Jobs (in order of importance)

1. Earn a reasonable/fair livelihood
2. Providing for children's education
3. Take care of family (cooking, cleaning, rearing children, taking care of livestock etc)
4. Independence, Safety and Stability
5. Being recognized as an entrepreneur or professional within the community, and where one's input is recognized
6. Career Progression
7. Job security, respect from seniors in the org hierarchy
8. working equitably with community

Customer Gains

Gains describe the outcomes and benefits your customers want. Some gains are required, expected, or desired by customers, and some would surprise them. Gains include functional utility, social gains, positive emotions, and cost savings.

Seek to identify four types of customer gains in terms of outcomes and benefits:

Required gains

These are gains without which a solution wouldn't work. For example, the most basic expectation that we have from a smartphone is that we can make a call with it.

Expected gains

These are relatively basic gains that we expect from a solution, even if it could work without them. For example, since Apple launched the iPhone, we expect phones to be well-designed and look good.

Desired gains

These are gains that go beyond what we expect from a solution but would love to have if we could. These are usually gains that customers would come up with if you asked them. For example, we desire smartphones to be seamlessly integrated with our other devices.

Unexpected gains

These are gains that go beyond customer expectations and desires. They wouldn't even come up with them if you asked them. Before Apple brought touch screens and the App Store to the mainstream, nobody really thought of them as part of a phone.

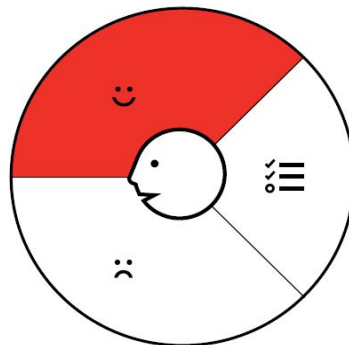
Gain relevance

A customer gain can feel essential or nice to have, just like pains can feel extreme or moderate to them.



Tip: Make gains concrete.

As with pains, it's better to describe gains as concretely as possible to clearly differentiate jobs, pains, and gains from one another. Ask how much they'd expect or dream of when a customer indicates "better performance" as a desired gain. That way you can note "would love an increased performance of more than x." When you understand how exactly customers measure gains (i.e., outcomes and benefits), you can design better gain creators in your value proposition.



The following list of trigger questions can help you think of different potential customer gains:

- Which savings would make your customers happy? Which savings in terms of time, money, and effort would they value?
- What quality levels do they expect, and what would they wish for more or less of?
- How do current value propositions delight your customers? Which specific features do they enjoy? What performance and quality do they expect?
- What would make your customers' jobs or lives easier? Could there be a flatter learning curve, more services, or lower costs of ownership?
- What positive social consequences do your customers desire? What makes them look good? What increases their power or their status?
- What are customers looking for most? Are they searching for good design, guarantees, specific or more features?
- What do customers dream about? What do they aspire to achieve, or what would be a big relief to them?
- How do your customers measure success and failure? How do they gauge performance or cost?
- What would increase your customers' likelihood of adopting a value proposition? Do they desire lower cost, less investment, lower risk, or better quality?

📄 Download trigger questions

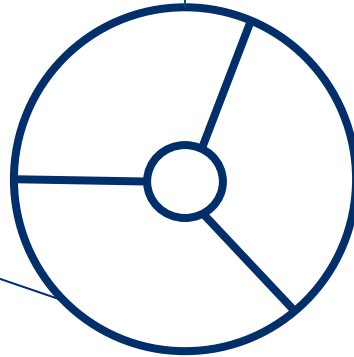
Required	Expected	Desired	Unexpected
Earn consistently & sufficient (minimum Rs. 4000 for 4 hours of work per day, Rs. 7000-8000 for full day)	Earnings will grow over a period of time	Gaining recognition in the community as an entrepreneur	Being recognized globally for your work
Work locations that accommodate household responsibilities	Working hours that allow for household responsibilities	Work responsibilities that grow over time and the career progression that goes with it	Having your vocation being respected (craft/creative manufacturing) becoming a more respectable field that even your kids could enter as professionals when they grow up
		Capacity building that allows for responsibilities to grow over time	Ownership & connection to the wider business system you are a part of – for example Amul dairy farmers have no real connection to the Amul business system e.g., marketing and distribution – can we build this system differently?
		Opportunities to be a leader and change maker in the community – to improve the outcomes of your own community	Engaging work and fun at work
		Become better at each of the multitude of roles one plays – citizen, mother, brother/sister, caregiver, family financial planner, experience creator for family etc.	

Gains

1. Earn consistently, sufficiently
2. Earnings grow consistently over time
3. Work locations and timings that allow for household responsibilities
4. Growing responsibilities and career progression
5. Capacity building to enable career progression,
6. Gaining recognition in the community as an entrepreneur, leader, change maker
7. Global recognition of products and of vocation, multiple active different work modes
8. Fun at work

Pains (prioritized)

1. Inflexible working hours at conventional jobs
2. Not enough remunerative job opportunities near home
3. Need to be near or at home to fulfill household duties
4. Resistance from family and husbands for women to work
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Jobs (in order of importance)

1. Earn a reasonable/fair livelihood
2. Providing for children's education
3. Take care of family (cooking, cleaning, rearing children, taking care of livestock etc)
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5. Being recognized as an entrepreneur or professional within the community, and where one's input is recognized
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7. Job security, respect from seniors in the org hierarchy
8. working equitably with community

Best Practices for Mapping Jobs, Pains and Gains



✗ Common Mistakes

Mixing several customer segments into one profile

Mixing jobs and outcomes

Focusing on functional jobs only and forgetting social and emotional jobs

Listing jobs, pains, and gains with your value proposition in mind

Identifying few jobs, pains, and gains

Being too vague in descriptions of pains and gains

✓ Best Practices

Make a Value Proposition Canvas for every different customer segment. If you sell to companies, ask yourself if you have different types of customers within each company (e.g., users, buyers).

Jobs are the tasks customers are trying to perform, the problems they are trying to solve, or the needs they are trying to satisfy, whereas gains are the concrete outcomes they want to achieve—or avoid and eliminate in the case of pains.

Sometimes social or emotional jobs are even more important than the “visible” functional jobs. “Looking good in front of others” might be more important than finding a great technical solution that helps complete the job effectively.

When you map your customer, you should proceed like an anthropologist and “forget” what you are offering. For example, a business publisher should not map jobs, pains, and gains merely related to books, because a reader has the choice between business books, consultants, YouTube videos, or even completing an MBA program or training. Go beyond the jobs, pains, and gains you intend or hope to address with your value proposition.

A good customer profile is full of sticky notes, because most customers have a lot of pains and expect or desire a lot of gains. Map out all your (potential) customers’ important jobs, extreme pains, and essential gains.

Make pains and gains tangible and concrete. Rather than just writing “salary increase” in gains, specify how much of an increase a customer is seeking. Rather than writing “takes too long” in pains, indicate how long “too long” actually is. This will allow you to understand how exactly customers measure success and failure.

Best Practices for Mapping Jobs, Pains and Gains

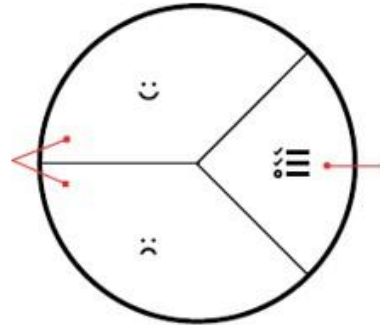


Pains vs. Gains

When you get started with the customer profile, you might simply put the same ideas in pains and gains as opposites of each other. For example, if one of the customers' jobs to be done is "earn more money," you might start by adding "salary increase to gains" and "salary decrease" to pains.

Here's a better way to do it:

- Find out precisely how much more money the customer expects to earn so it feels like a gain and investigate what decrease would feel like a pain.
- In the pains, add the barriers that prevent or make it difficult to get a job done. In our example the pain might be "my employer doesn't give raises."
- In the pains, add the risks related to not getting the job done. In our example the pain could be "might not be able to afford my child's future college tuition."



Ask "why" several times until you really understand your customers' jobs to be done.

Another issue when you get started with the customer profile is that you might settle with a superficial understanding of your customer's jobs. To avoid this, you need to ask yourself why a customer wants to perform a certain job to dig deeper toward the real motivations.

For example, why might a customer want to learn a foreign language? Maybe because the "real" customer job to be done is to improve his CV. Why does he want to improve his CV? Maybe because he wants to earn more money.

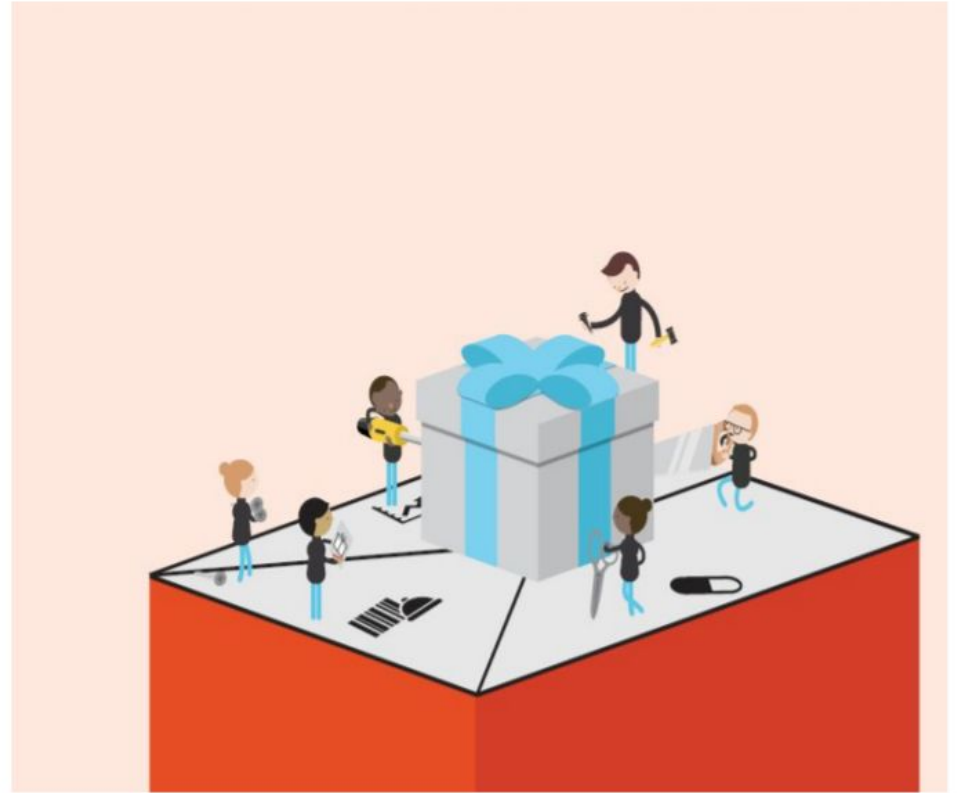
Don't settle until you really understand the underlying jobs to be done that really drive customers.

Questions to ask



- Segment the different GK producers by something logical – could be religion, age, type of village etc. as these segments may have different gains, pains, jobs
- Quantify things - what does earn consistently mean? In terms of a monthly income – what does consistently mean – look at it annually. What do flexible working hours mean- eg: certain segment do not want to work more than 2 hours at a stretch as they are frequently interrupted by various household tasks interspersed throughout their day
- Gain some distance from your solution or hypothesis and think in terms of first principles – be open to changing your solution or hypothesis
- **Most Important:** Empathise and immerse yourself in the lives of your stakeholders (not just users) – Spend time with them, spend time in places they spend time in to deeply understand their needs, challenges, aspirations. Ask questions but also just observe – There are many answers that you will get from observation, that you will not get if you explicitly ask
- These principles will help you design better and actually solve a problem

VALUE MAP



Products and Service



This is simply a list of what you offer. Think of it as all the items your customers can see in your shop window — metaphorically speaking. It's an enumeration of all the products and services your value proposition builds on. This bundle of products and services helps your customers complete either functional, social, or emotional jobs or helps them satisfy basic needs. It is crucial to acknowledge that products and services don't create value alone only in relationship to a specific customer segment and their jobs, pains, and gains.

Your list of products and services may also include supporting ones that help your customers perform the roles of buyer (those that help customers compare offers, decide, and buy), co-creator (those that help customers co-design value propositions), and transferer (those that help customers dispose of a product).

Your value proposition is likely to be composed of various types of products and services:

Physical/tangible

Goods, such as manufactured products.

Intangible

Products such as copyrights or services such as after-sales assistance.

Digital

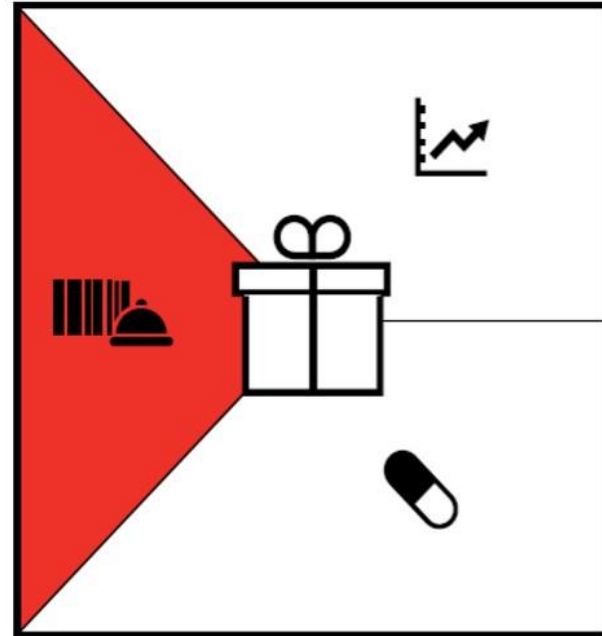
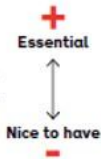
Products such as music downloads or services such as online recommendations.

Financial

Products such as investment funds and insurances or services such as the financing of a purchase.

Relevance

It is essential to acknowledge that not all products and services have the same relevance to your customers. Some products and services are essential to your value proposition, some are merely nice to have.



Products and Services (Prioritized)



- Bring work to people rather than bring people to work – leverage local materials, local knowledge - this requires a hybrid hub and spoke model, professional services* etc and....
- Multiple options for multiple modes of working – that are always active. EG: work from home, work from friends home, work from unit
- A standardized, value added product line combined with methods of training that allow for producers to feel productive on day 1 while learning new skills
- Opportunities for interested producers to scale the model in their own village by becoming MEL's – starting with distributing raw materials, mobilizing producers in their village etc.
- Wide range of platformized 6C service providers to create choice, the ability to give two sided feedback and ratings to improve the interactions

*Remember Industree's Innovation Stack?

Products & Services

Bring work to people rather than bring people to work – leverage local materials, local knowledge - this requires a hybrid hub and spoke model, professional services

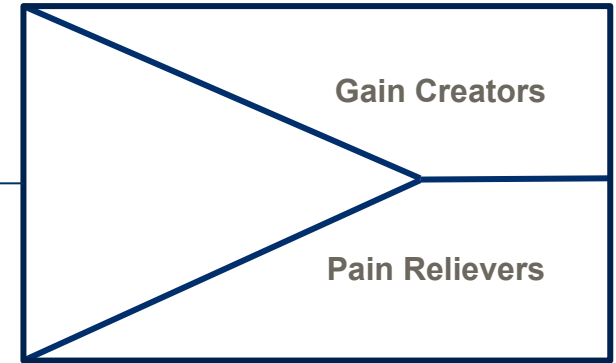
A standardized, differentiated (by design), value added product line targeted at B2B customers (frequent orders etc)

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methods of training that allow for learning and productivity

Interested producers can scale the model in their own village by becoming MEL's

Platformized 6C services



Pain Relievers



Pain relievers describe how exactly your products and services alleviate specific customer pains. They explicitly outline how you intend to eliminate or reduce some of the things that annoy your customers before, during, or after they are trying to complete a job or that prevent them from doing so.

Great value propositions focus on pains that matter to customers, in particular extreme pains. You don't need to come up with a pain reliever for every pain you've identified in the customer profile—no value proposition can do this. Great value propositions often focus only on few pains that they alleviate extremely well.

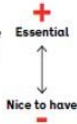
The following list of trigger questions can help you think of different ways your products and services may help your customers alleviate pains.

Ask yourself: Could your products and services...

- produce savings? In terms of time, money, or efforts.
- **make your customers feel better?** By killing frustrations, annoyances, and other things that give customers a headache.
- fix underperforming solutions? By introducing new features, better performance, or enhanced quality.
- **put an end to difficulties and challenges your customers encounter?** By making things easier or eliminating obstacles.
- wipe out negative social consequences your customers encounter or fear? In terms of loss of face or lost power, trust, or status.
- **eliminate risks your customers fear?** In terms of financial, social, technical risks, or things that could potentially go wrong.
- help your customers better sleep at night? By addressing significant issues, diminishing concerns, or eliminating worries.
- limit or eradicate common mistakes customers make? By helping them use a solution the right way.
- eliminate barriers that are keeping your customer from adopting value propositions? Introducing lower or no upfront investment costs, a flatter learning curve, or eliminating other obstacles preventing adoption.

Relevance

A pain reliever can be more or less valuable to the customer. Make sure you differentiate between essential pain relievers and ones that are nice to have. The former relieve extreme issues, often in a radical way, and create a lot of value. The latter merely relieve moderate pains.



Download trigger questions

Pain Relievers (prioritized)



- Globally compliant units with latest processes in place– from fire safety to clear processes for grievance redressal to good ventilation, to creches for child-care, to clean, hygienic restrooms
- View of entire family as a unit to uplift and empower, not just the woman producer – educating husband and family to also empower the woman producer and encourage her to take part in economic activity and become a change maker
- Safe, punctual and affordable transport options to units close to producers' homes
- Division of labour, but option to carry out multiple tasks in the assembly line styled production system (to avoid boredom and repetitiveness)

Products & Services

Bring work to people rather than bring people to work – leverage local materials, local knowledge - this requires a hybrid hub and spoke model, professional services

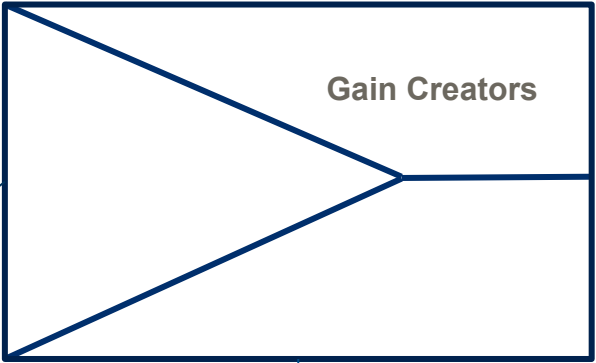
A standardized, differentiated (by design), value added product line targeted at B2B customers (frequent orders etc)

Multiple options for multiple modes of working – that are always active. EG: work from home, work from friends home, work from unit

methods of training that allow for learning and productivity

Interested producers can scale the model in their own village by becoming MEL's

Platformized 6C services



Pain Relievers

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Gain Creators



Gain Creators describe how your products and services create customer gains. They explicitly outline how you intend to produce outcomes and benefits that your customer expects, desires, or would be surprised by, including functional utility, social gains, positive emotions, and cost savings.

As with pain relievers, gain creators don't need to address every gain identified in the customer profile. Focus on those that are relevant to customers and where your products and services can make a difference.

The following list of trigger questions can help you think of different ways your products and services may help your customers obtain required, expected, desired, or unexpected outcomes and benefits.

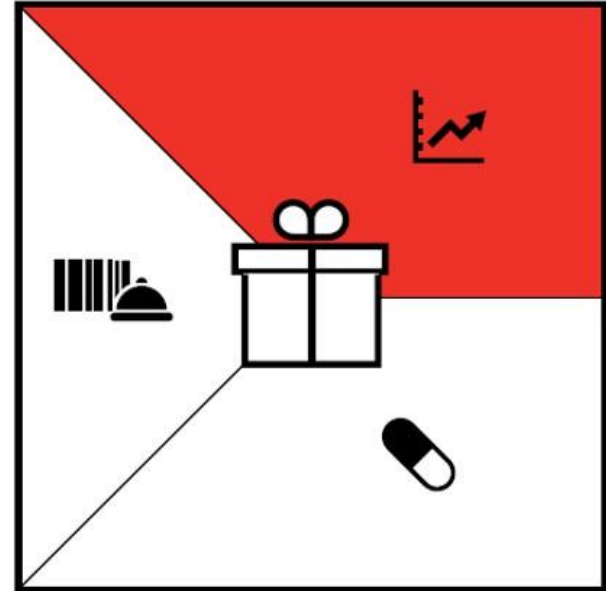
Ask yourself: Could your products and services...

- create savings that please your customers? In terms of time, money, and effort.
- produce outcomes your customers expect or that exceed their expectations? By offering quality levels, more of something, or less of something.
- outperform current value propositions and delight your customers? Regarding specific features, performance, or quality.
- make your customers' work or life easier? Via better usability, accessibility, more services, or lower cost of ownership.
- create positive social consequences? By making them look good or producing an increase in power or status.
- do something specific that customers are looking for? In terms of good design, guarantees, or specific or more features.
- fulfill a desire customers dream about? By helping them achieve their aspirations or getting relief from a hardship?
- produce positive outcomes matching your customers' success and failure criteria? In terms of better performance or lower cost.

- help make adoption easier? Through lower cost, fewer investments, lower risk, better quality, improved performance, or better design.
- help make adoption easier? Through lower cost, improved investments, lower risk, better quality, improved performance, or better design.

Relevance

A gain creator can produce more or less relevant outcomes and benefits for the customer just like we have seen for pain relievers. Make sure you differentiate between essential and nice to have gain creators.



Download trigger questions



Gain Creators



- Globally compliant units that bring work close to home, offer for flexible locations and hours
- Paths of career progression with increase in responsibilities, remuneration, clear set of incentives
- Holistic, contextualized capacity building – eg: 4Y training, financial, digital literacy, leadership ,entrepreneurship etc.
- Channels of communication to producers so that they can see their work and its impacts on buyers, end customers etc. Explore ways of maintaining connection that producers have to their consumers – traditionally artisan sat across from customer and customized products on the spot. This was lost with globalization
- Fun for further community building and more cohesive networks – festival, birthday celebrations, workshops, games etc.

Products & Services

Bring work to people rather than bring people to work – leverage local materials, local knowledge - this requires a hybrid hub and spoke model, professional services

A standardized, differentiated (by design), value added product line targeted at B2B customers (frequent orders etc)

Multiple options for multiple modes of working – that are always active. EG: work from home, work from friends home, work from unit

methods of training that allow for learning and productivity

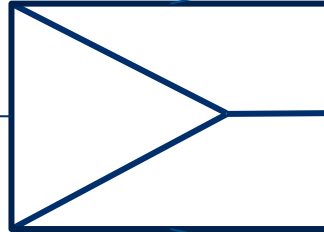
Interested producers can scale the model in their own village by becoming MEL's

Platformized 6C services

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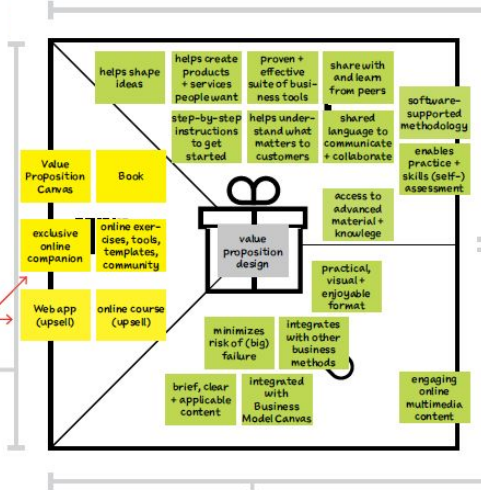
Mapping the Value Proposition of Value Proposition Design



Remarkable value propositions focus on jobs, pains, and gains that matter to customers and achieve those exceedingly well. Again, you should not try to address all customer pains and gains. Focus on those that will make a difference for your customer.

It's okay to aggregate several value propositions into one.

"Naked" list of the products and services that your value proposition builds on to target a specific customer segment.



Pain relievers outline how exactly your products and services kill customer pains. Each pain reliever addresses at least one or more pains or gains. Don't add products or services here.

Gain creators highlight how exactly your products and services help customers achieve gains. Each gain creator addresses at least one or more pains or gains. Don't add products or services here.

Formal Map of how we believe the products and services around this book create value for customers



Map how your products and services create value



OBJECTIVE
Describe explicitly
how your products
and services create
value

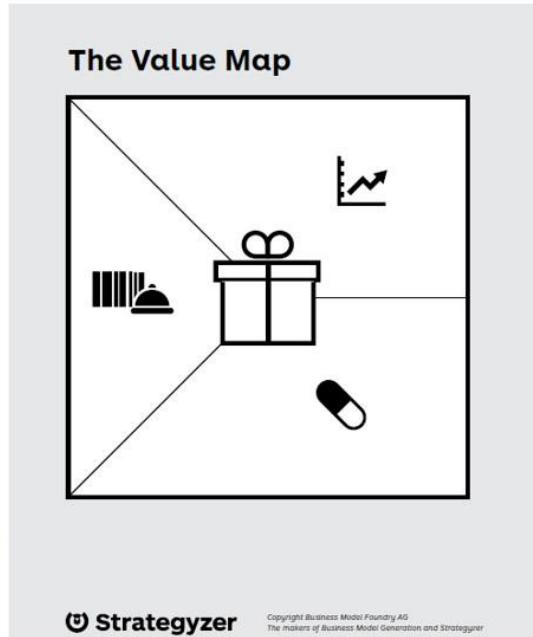
OUTCOME
1 page map of value
creation

Instructions

Sketch out the value map of one of your existing value propositions. For example, use one that targets the customer segment you profiled in the previous exercise. It's easier to get started with an existing value proposition. However, if you don't have one yet, sketch out how you intend to create value with a new idea. We will cover the creation of new value propositions more specifically later on in this book.

For now:

1. Grab the Customer Profile you previously completed.
2. Download the Value Map.
3. Grab a set of small sticky notes.
4. Map out how you create value for your customers.



1

List products and services
List all the products and services of your existing value proposition.



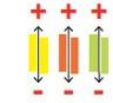
2

Outline pain relievers
Outline how your products and services currently help customers alleviate pains by eliminating undesired outcomes, obstacles, or risks. Use one sticky note per pain reliever.



3

Outline gain creators
Explain how your products and services currently create expected or desired outcomes and benefits for customers. Use one sticky note per gain creator.



4

Rank by order of importance
Rank products and services, pain relievers, and gain creators according to how essential they are to customers.

Do this exercise online

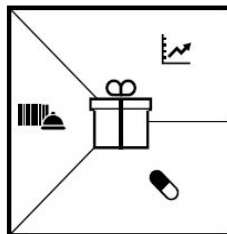
[Download the Value Map.pdf](#)

Best Practices for Mapping Value Creation



Pain relievers vs. Gain creators

Pain relievers and gain creators both create value for the customer in different ways. The difference is that the former specifically addresses pains in the customer profile, while the latter specifically addresses gains. It is okay if either of them addresses pains and gains at the same time. The main goal of these two areas is to make the customer value creation of your products and services explicit.



What is the difference with the pains and gains in the customer profile?

Pain relievers and gain creators are distinctly different from pains and gains. You have control over the former, whereas you don't have control over the latter. You decide (i.e., design) how you intend to create value by addressing specific jobs, pains, and gains. You don't decide over which jobs, pains, and gains the customer has. And no value proposition addresses all of a customer's jobs, pains, and gains. The best ones address those that matter most to customers and do so extremely well.

Best Practices for Mapping Value Creation

✗ Common Mistakes

List all your products and services rather than just those targeted at a specific segment.

Add products and services to the pain reliever and gain creator fields.

Offer pain relievers and gain creators that have nothing to do with the pains and gains in the customer profile.

Make the unrealistic attempt to address all customer pains and gains.

✓ Best Practices

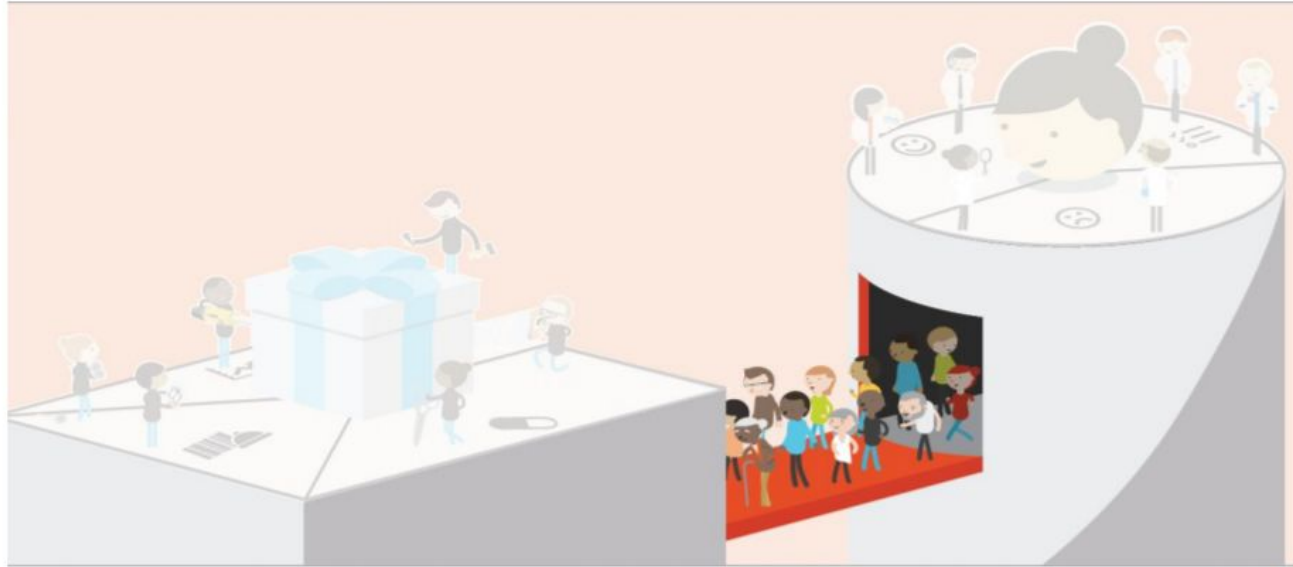
Products and services create value only in relationship to a specific customer segment. List only the bundle of products and services that jointly form a value proposition for a specific customer segment.

Pain relievers and gain creators are explanations or characteristics that make the value creation of your products and services explicit. Examples include "helps save time" and "well-designed."

Remember that products and services don't create value in absolute terms. It is always relative to customers' jobs, pains, and gains.

Realize that great value propositions are about making choices regarding which jobs, pains, and gains to address and which to forgo. No value proposition addresses all of them. If your value map indicates so, it's probably because you're not honest about all the jobs, pains, and gains that should be in your customer profile.

FIT

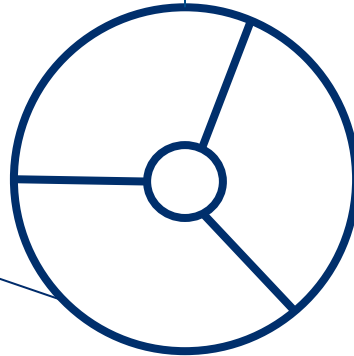


Gains

1. Earn consistently, sufficiently
2. Earnings grow consistently over time
3. Work locations and timings that allow for household responsibilities
4. Growing responsibilities and career progression
5. Capacity building to enable career progression,
6. Gaining recognition in the community as an entrepreneur, leader, change maker
7. Global recognition of products and of vocation, multiple active different work modes
8. Fun at work

Pains (prioritized)

1. Inflexible working hours at conventional jobs
2. Not enough remunerative job opportunities near home
3. Need to be near or at home to fulfill household duties
4. Resistance from family and husbands for women to work
5. Uninspiring, boring manufacturing jobs
6. Resilience to life crises
7. Feeling of lack of qualification, feeling of lack of career progression
8. Safety and security can feel compromised



Jobs (in order of importance)

1. Earn a reasonable/fair livelihood
2. Providing for children's education
3. Take care of family (cooking, cleaning, rearing children, taking care of livestock etc)
4. Independence, Safety and Stability
5. Being recognized as an entrepreneur or professional within the community, and where one's input is recognized
6. Career Progression
7. Job security, respect from seniors in the org hierarchy
8. working equitably with community

Products & Services
 Bring work to people rather than bring people to work – leverage local materials, local knowledge - this requires a hybrid hub and spoke model, professional services

A standardized, differentiated (by design), value added product line targeted at B2B customers (frequent orders etc)

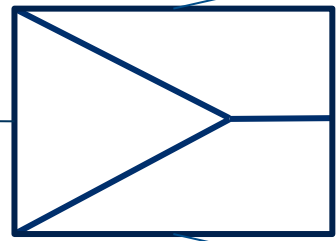
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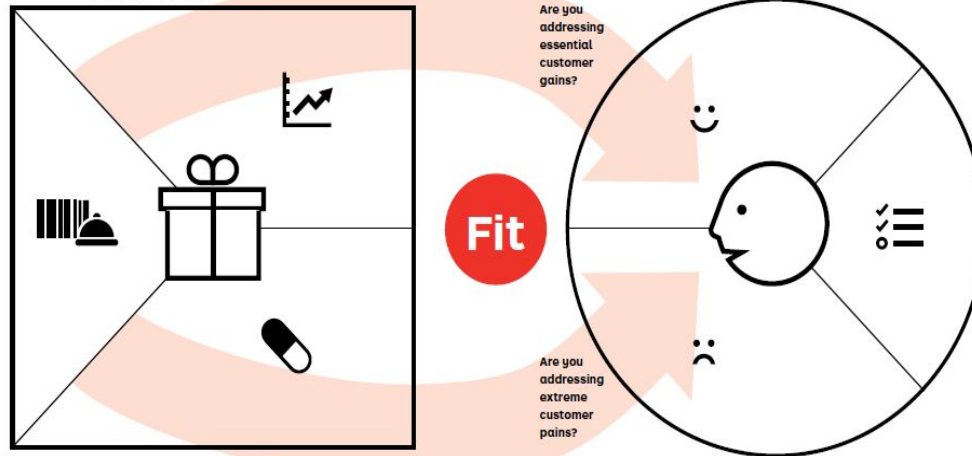
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Customers expect and desire a lot from products and services, yet they also know they can't have it all. Focus on those gains that matter most to customers and make a difference.

You achieve fit when customers get excited about your value proposition, which happens when you address important jobs, alleviate extreme pains, and create essential gains that customers care about. As we will explain throughout this book, Fit is hard to find and maintain. Striving for fit is the essence of value proposition design.



Customers have a lot of pains. No organization can reasonably address all of them. Focus on those headaches that matter most and are insufficiently addressed.

Your customers are the judge, jury, and executioner of your value proposition. They will be merciless if you don't find fit!

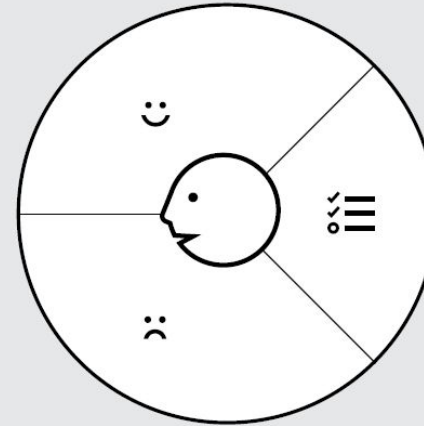
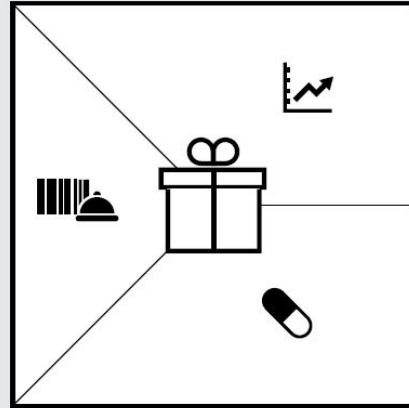
Check Your Fit



- **OBJECTIVE**
Verify if you are addressing what matters to customers
- **OUTCOME**
Connection between your products and services and customer jobs, pains, and gains

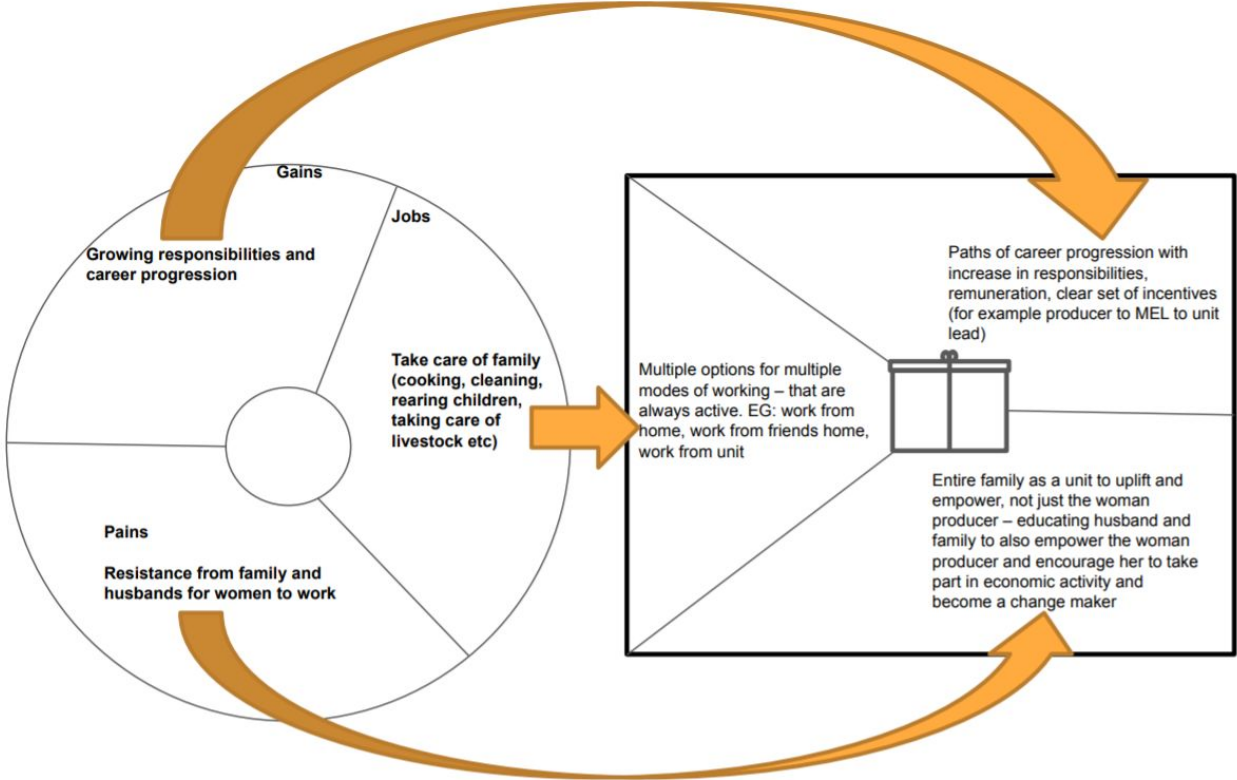
Do this exercise online

- 1**
Instructions
Bring in the Value Proposition Map and Customer Segment Profile you completed earlier. Go through Pain Relievers and Gain Creators one by one, and check to see whether they fit a customer job, pain, or gain. Put a check mark on each one that does.



- 2**
Outcome
If a Pain reliever or Gain creator doesn't Fit anything, it may not be creating customer value. Don't worry if you haven't checked all pains/gains—you can't satisfy them all. Ask yourself, how well does your Value Proposition really fit your Customer?

Download the Value Proposition Canvas pdf



<p>Key Partners</p> <p>Village council Logistics partners Neighbours/local school/temple for spill over spaces</p>	<p>Key Activities</p> <p>Weaving herself Mobilising other women from the community Ensuring quality and targets are met Making Standardised, differentiated, value added B2B banana bark product lines</p>	<p>Value Propositions</p> <p>Blended work modes (WFH, WFFH, WFU) that bring work to people rather than people to work Regular, growing and sufficient income Respect in community and at work Holistic and robust capacity building Independence and security Part of a larger enterprise that uplifts community Holistic and robust capacity building Producer owned enterprise leverage creates career progression for producers</p>	<p>Customer Relationships</p> <p>Daily check in with spoke head Training and upskilling Meeting with team members in larger unit Feedback and recognition</p>	<p>Customer Segments</p> <p>Work from home producer micro enterprise leader</p>
	<p>Key Resources</p> <p>Timely receipt of quality raw material Supply chain support Jigs and tools Drying yard Space for short term storage Platformised access to a range 6C services</p>		<p>Channels</p> <p>Mini-spoke and spoke</p>	

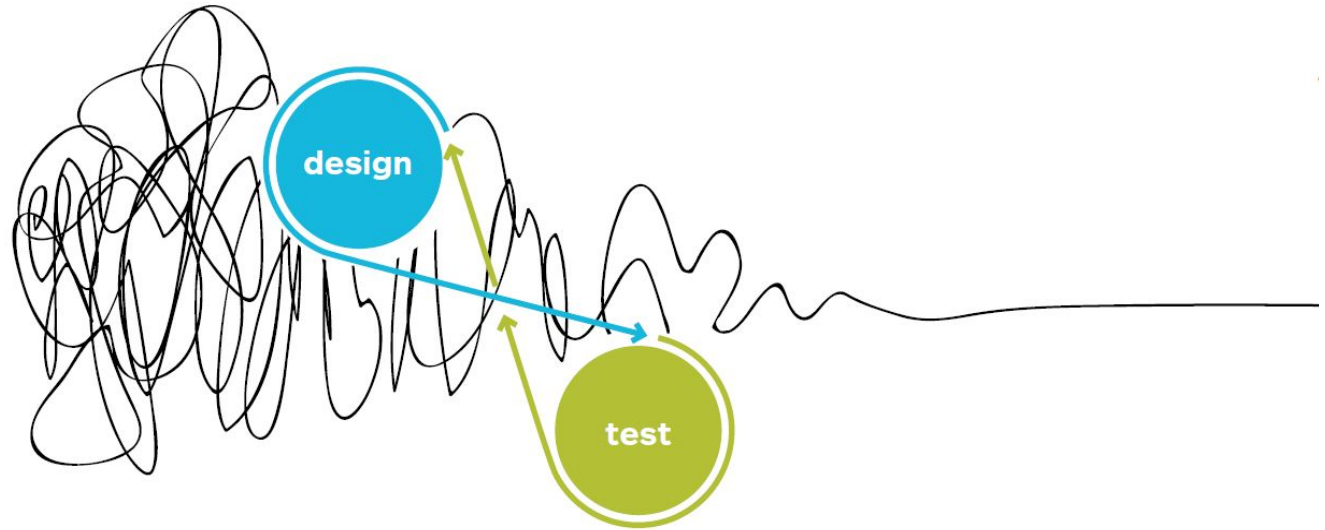
<p>Cost Structure</p> <p>Training and learning time Rentals if any Mobile phone charges Transport and travel</p>	<p>Raw material Transport and logistics Piece rate Social security</p>
---	--

<p>Revenue Streams</p> <p>Piece rate from basketry Quality assurance and supervisory fees Training fees Rental of space</p>
--

Design, Test, Repeat



The search for value propositions that meet customer jobs, pains, and gains is a continuous back and forth between designing prototypes and testing them. The process is iterative rather than sequential. The goal of *Value Proposition Design* is to test ideas as quickly as possible in order to learn, create better designs, and test again.



Three Kinds of fit



Searching for Fit is the process of designing value propositions around products and services that meet jobs, pains, and gains that customers really care about. Fit between what a company offers and what customers want is the number one requirement of a successful value proposition.

Fit happens in three stages. The first occurs when you identify relevant customer jobs, pains, and gains that you believe you can address with your value proposition. The second occurs when customers positively react to your value proposition and it gets traction in the market. The start-up movement calls these problem-solution fit and product-market fit, respectively. The third occurs when you find a business model that is scalable and profitable.

Get "Fit" poster



On Paper



In the Market



In the Bank

1. Problem-Solution Fit

- Problem-solution fit takes place when you
- Have evidence that customers care about certain jobs, pains, and gains.
 - Designed a value proposition that addresses those jobs, pains and gains.

At this stage you don't yet have evidence that customers actually care about your value proposition.

This is when you strive to identify the jobs, pains, and gains that are most relevant to customers and design value propositions accordingly. You prototype multiple alternative value propositions to come up with the ones that produce the best fit. The fit you achieve is not yet proven and exists mainly on paper. Your next steps are to provide evidence that customers care about your value proposition or start over with designing a new one.

2. Product-Market Fit

- Product-market fit takes place when you
- Have evidence that your products and services, pain relievers, and gain creators are actually creating customer value and getting traction in the market.

During this second phase, you strive to validate or invalidate the assumptions underlying your value proposition. You will inevitably learn that many of your early ideas simply don't create customer value (i.e., customers don't care) and will have to design new value propositions. Finding this second type of fit is a long and iterative process; it doesn't happen over night.

3. Business Model Fit

- Business model fit takes place when you
- Have evidence that your value proposition can be embedded in a profitable and scalable business model.

A great value proposition without a great business model may mean suboptimal financial success or even lead to failure. No value proposition—however great—can survive without a sound business model.

The search for business model fit entails a laborious back and forth between designing a value proposition that creates value for customers and a business model that creates value for your organization. You don't have business model fit until you can generate more revenues with your value proposition than you incur costs to create and deliver it (or "them" in the case of platform models with more than one interdependent value propositions).

Stakeholders



Influencers and Recommenders vs Decision makers (Mostly B2B)

- Influencers and recommenders are basically the gatekeepers that we go through to reach to the actual decision maker who in turn will buy the product.
- Decision makers- They have the actual autonomy and power to buy our product

Customer vs consumer (Mostly B2C)

- Customers are the ones who actually buy your product
- Consumers are the ones who will consume bought product.

As an example, when I market a piece of chocolate, I market it to the child rather than the parent. In this case the child acts as both influencer and consumer, while the parent is the decision maker and customer.

Key Questions



1. Are essential gains being addressed? - In the example of Industree...
2. Are extreme customer pains being addressed?
3. Are customers excited by the value proposition on offer?

Feedback Form



Thank you!



Acknowledgements



Not all of the ideas in this presentation are our own. We sincerely thank the below contributors for their ideas that we have adopted, adapted, remixed and built upon. We encourage you to do the same with the ideas in this presentation.

Alex Osterwalder, Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers

Alex Osterwalder, Value Proposition Design: How to Create Products and Services Customers Want