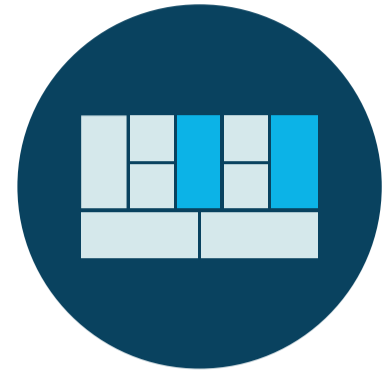


10 Characteristics of Great Value Propositions



Are embedded in great business models

Stop for an instant and reflect on the characteristics of great value propositions before reading about how to design them in this chapter. We offer 10 characteristics to get you started. Don't hesitate to add your own. Great Value Propositions...



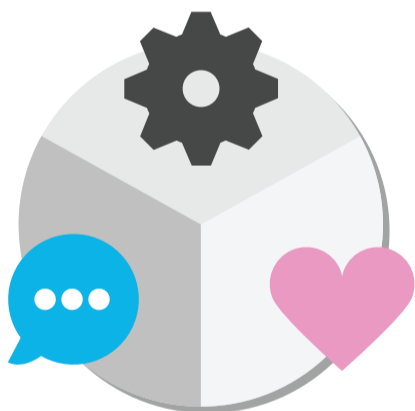
Focus on the jobs, pains, and gains that matter most to customers



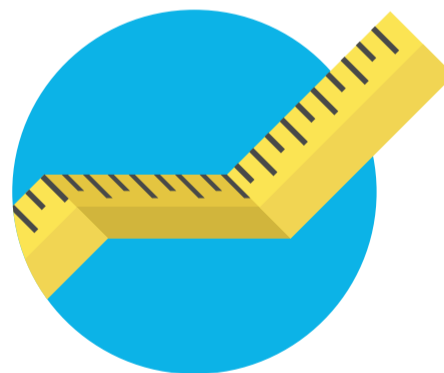
Focus on unsatisfied jobs, unresolved pains, and unrealized gains



Target few jobs, pains, and gains, but do so extremely well



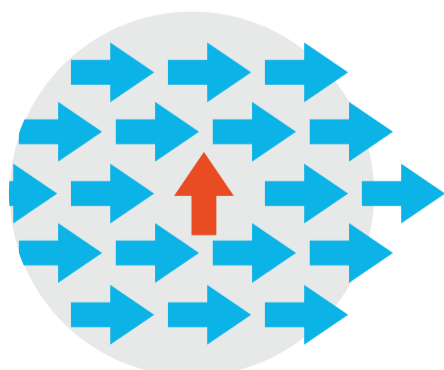
Go beyond functional jobs and address emotional and social jobs



Align with how customers measure success



Focus on jobs, pains, and gains that a lot of people have or that some will pay a lot of money for



Differentiate from competition on jobs, pains, and gains that customers care about



Outperform competition substantially on at least one dimension



Are difficult to copy

You'll love Value Proposition Design if you've been...

Value Proposition Design will help you successfully...



Overwhelmed by the task of true value creation

Frustrated by unproductive meetings and misaligned teams

Involved in bold shiny projects that blew up

Disappointed by the failure of a good idea



Understand the patterns of value creation



Leverage the experience and skills of your team



Avoid wasting time with ideas that won't work

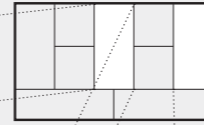


Design, test, and deliver what customers want

failure → **success**

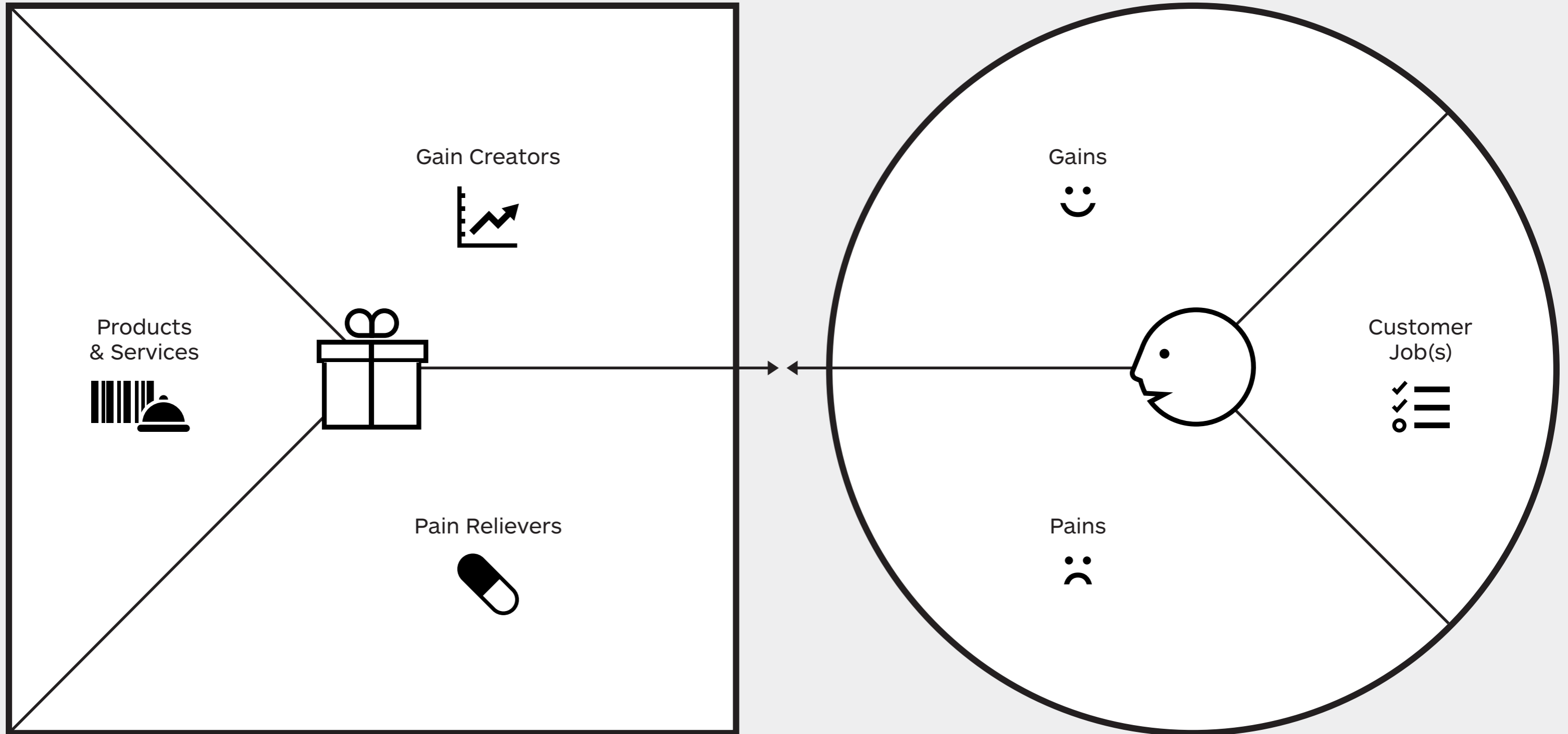


The Value Proposition Canvas

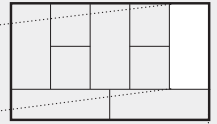


Value Proposition

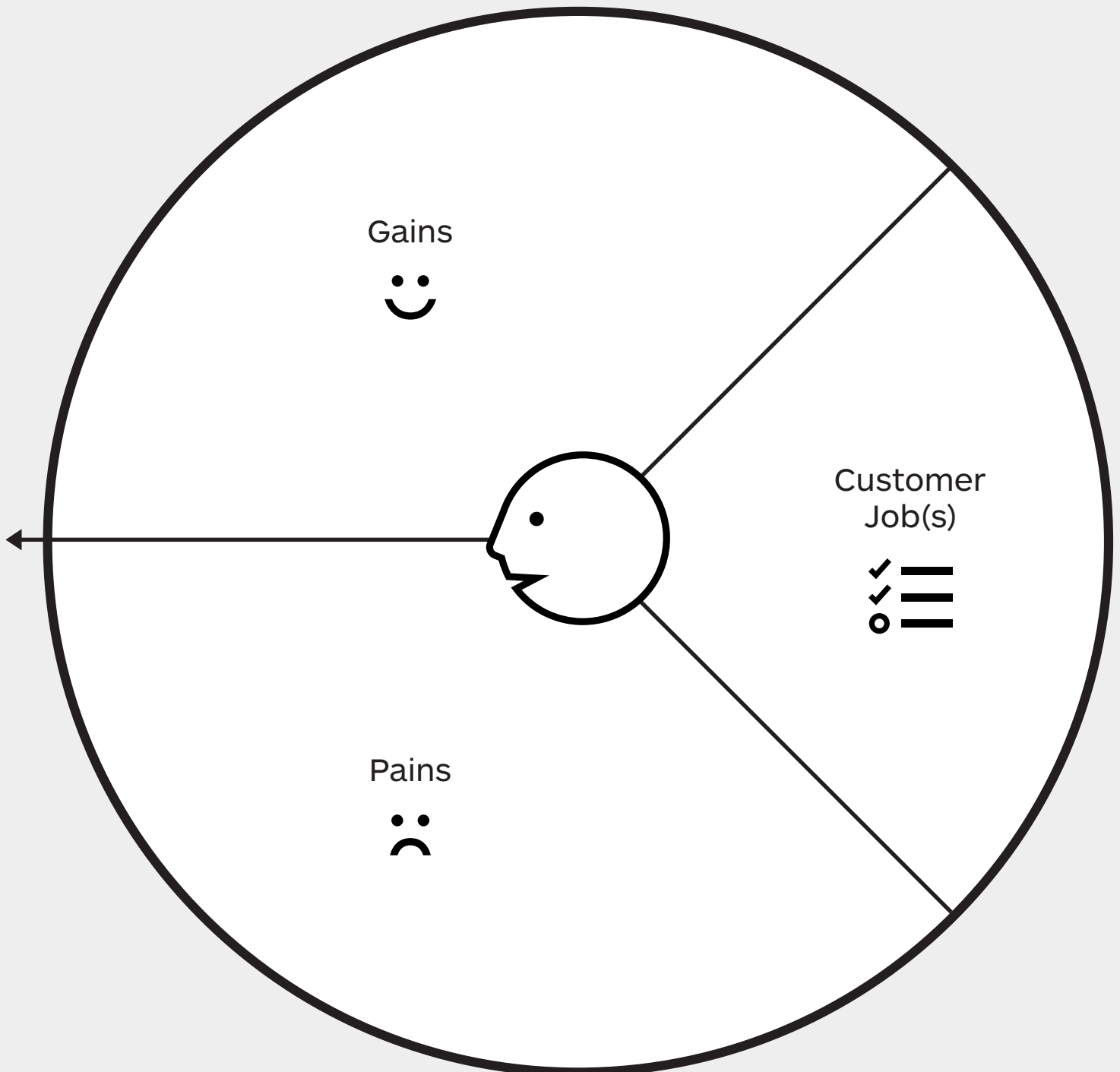
Customer Segment



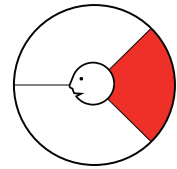
The Value Proposition Canvas



Customer (Segment)
Profile:



Customer Jobs



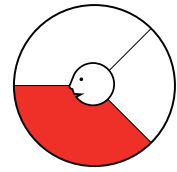
Trigger Questions

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.

Use the following trigger questions to help you think of different potential customer jobs:

- 1.** What is the one thing that your customer couldn't live without accomplishing? What are the stepping stones that could help your customer achieve this key job?
- 2.** What are the different contexts that your customers might be in? How do their activities and goals change depending on these different contexts?
- 3.** What does your customer need to accomplish that involves interaction with others?
- 4.** What tasks are your customers trying to perform in their work or personal life? What functional problems are your customers trying to solve?
- 5.** Are there problems that you think customers have that they may not even be aware of?
- 6.** What emotional needs are your customers trying to satisfy? What jobs, if completed, would give the user a sense of self-satisfaction?
- 7.** How does your customer want to be perceived by others? What can your customer do to help themselves be perceived this way?
- 8.** How does your customer want to feel? What does your customer need to do to feel this way?
- 9.** Track your customer's interaction with a product or service throughout its lifespan. What supporting jobs surface throughout this life cycle? Does the user switch roles throughout this process?

Customer Pains



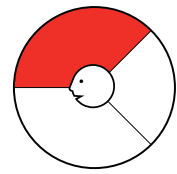
Trigger Questions

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.

Use the following trigger questions to help you think of different potential customer pains:

- 1.** How do your customers define too costly? Takes a lot of time, costs too much money, or requires substantial efforts?
- 2.** What makes your customers feel bad? What are their frustrations, annoyances, or things that give them a headache?
- 3.** How are current value propositions under performing for your customers? Which features are they missing? Are there performance issues that annoy them or malfunctions they cite?
- 4.** 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?
- 5.** What negative social consequences do your customers encounter or fear? Are they afraid of a loss of face, power, trust, or status?
- 6.** What risks do your customers fear? Are they afraid of financial, social, or technical risks, or are they asking themselves what could go wrong?
- 7.** What's keeping your customers awake at night? What are their big issues, concerns, and worries?
- 8.** What common mistakes do your customers make? Are they using a solution the wrong way?
- 9.** 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?

Customer Gains



Trigger Questions

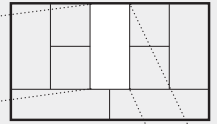
Gains describe the outcomes and benefits your customers want. Some gains are required, expected, or desired by customers, and some would surprise them.

Gains include functional utility, social gains, positive emotions, and cost savings.

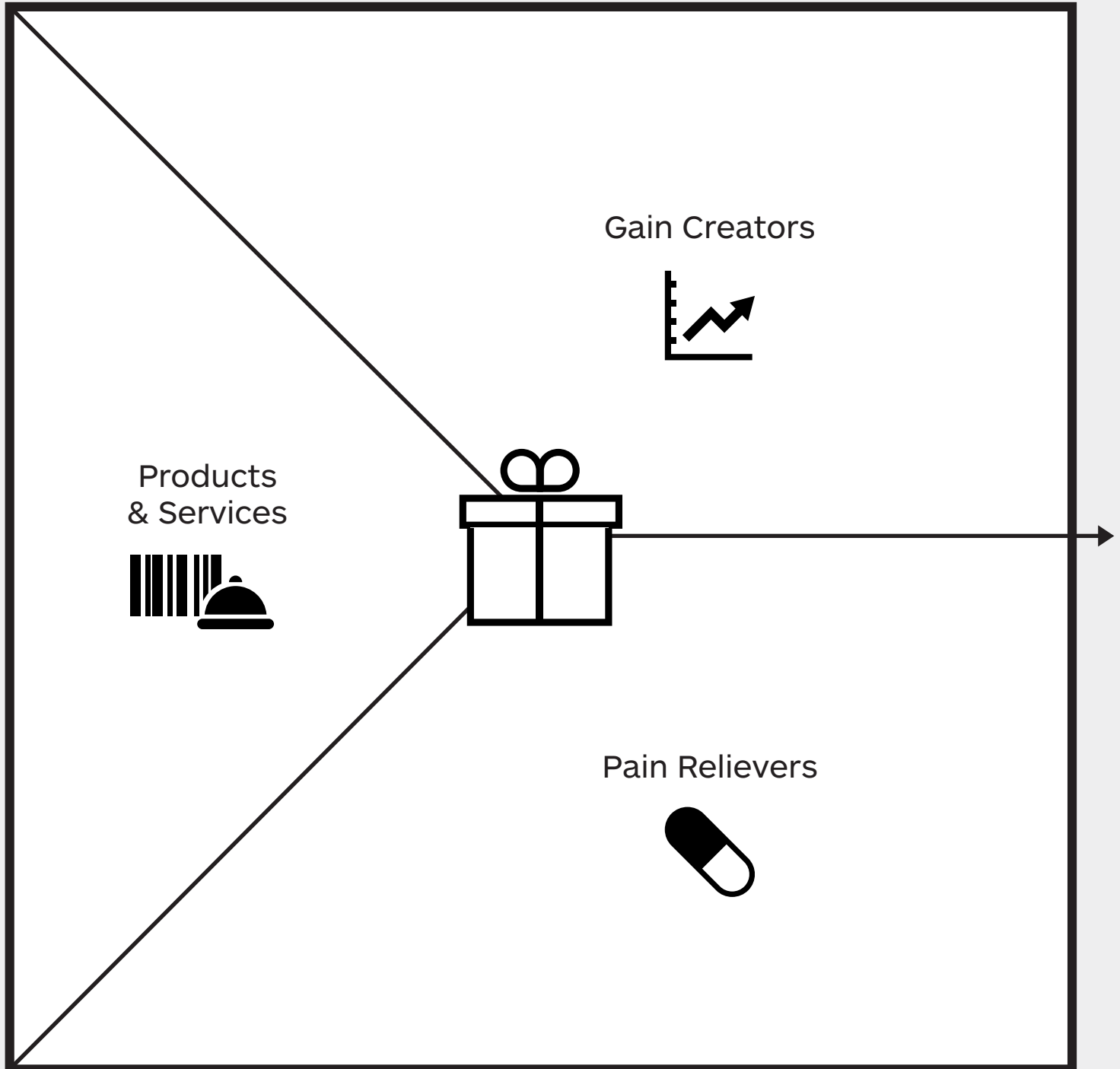
Use the following trigger questions to help you think of different potential customer gains:

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

The Value Proposition Canvas

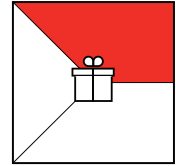


Value (Proposition)
Map:



Gain Creators

Trigger Questions



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.

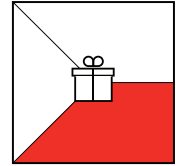
Use the following trigger questions to ask yourself:

Could your products and services...

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

Pain Relievers

Trigger Questions



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.

Use the following trigger questions to ask yourself:

Could your products and services...

- 1.** ... produce savings? In terms of time, money, or efforts.
- 2.** ... make your customers feel better? By killing frustrations, annoyances, and other things that give customers a headache.
- 3.** ... fix under-performing solutions? By introducing new features, better performance, or enhanced quality.
- 4.** ... put an end to difficulties and challenges your customers encounter? By making things easier or eliminating obstacles.
- 5.** ... wipe out negative social consequences your customers encounter or fear? In terms of loss of face or lost power, trust, or status.
- 6.** ... eliminate risks your customers fear? In terms of financial, social, technical risks, or things that could potentially go wrong.
- 7.** ... help your customers better sleep at night? By addressing significant issues, diminishing concerns, or eliminating worries.
- 8.** ... limit or eradicate common mistakes customers make? By helping them use a solution the right way.
- 9.** ... 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.

Ad-Lib Value Proposition Template


Ad-libs are a great way to quickly shape alternative directions for your value proposition. They force you to pinpoint how exactly you are going to creating value. Prototype three to five different directions by filling out the blanks in the ad-lib below.


OBJECTIVE

Quickly shape potential value proposition directions


OUTCOME


Alternative prototypes in the form of “pitchable” sentences


Our _____
 *Products and Services*


help(s) _____
 *Customer Segment*

who want to _____

_____  *jobs to be done*

by _____ and a customer pain
 *verb (e.g., reducing, avoiding)*

and _____ and a customer gain
 *verb (e.g., increasing, enabling)*

(unlike _____ **)**
 *competing value proposition*