

Value Proposition Guide - Part A: Understanding your Value Proposition

Can you articulate the needs or problems that your technology solution could solve for end users?

What is this tool?

This tool guides you through a process that creates a profile of your target market (end user) by understanding their business challenges, constraints, wants and needs for improvement.

It will also help you understand how your technology solution can be valuable to potential customers/clients.

It will guide you using prompts to help you think through the key values your technology solution can provide potential clients/customers and end users.

Why use this tool?

This tool will help you to explore the end user wants (emotional drivers), needs (motivators) and fears (undesired outcomes), which will help inform the marketing and pricing strategy.

Very often what your clients/customers and end users value as the benefits of your technology solution will be different to the research and technical benefits of the technology solution. This tool aims to help you think through what these values are.



Note

Part B of this tool will help you condense this thinking into a clear, concise statement that describes the value or benefits your technology solution can deliver to the market/end user and potential customers/clients.¹

¹ Source: <https://cxl.com/blog/value-proposition-examples-how-to-create/>

Tool

This brainstorming tool can be completed by an individual or in a group/team setting.

Open the [Value Proposition brainstorming template](#) and follow the steps below:



Step 1.

Start by building a profile of your potential end users (i.e. the market). Think specifically about the key business processes and activities they undertake daily.



Step 2.

Continue building a profile of your potential end users by brainstorming the challenges, problems, and negative impacts an end-user may experience before, during or after their activity is completed.

The aim of this step is to unpack what detracts from an end user's experience before, during and after completing an everyday activity.



Tip

For Step 1, consider the following when brainstorming about an end users business processes and activities:

1. Functional: The processes or problems a potential end user undertakes daily and how they do it.
2. Social: The processes and activities that make potential end users trying to look good, gain power or achieve social status through social business processes and/or activities?
3. Emotional: The processes or activities make the potential end users feel good, have an aesthetic appeal or provide security.
4. Basic needs: The processes and activities that satisfy the basic needs of the end user (e.g. communication, accounting, monitoring).



Step 3.

Conclude the profile of your potential end users by brainstorming what motivates and creates value for them.

The aim of this step is to identify things that the end user values before, during and after they have completed an activity.



Tip

For Step 3, consider the following when brainstorming about end user benefits and motivations:

1. **How the current solutions used by the end users make them happy.** Are there special features that make their life easier, such as a particular standard of quality or performance etc.?
2. **What type of savings would make the end user happy.** This could include money, time, effort, profit, salary increases etc.
3. **Any positive environmental effects from their business activities.** This could include water savings, improved water, air, and/or soil quality etc.
4. **Any positive social impacts from their business activities.** This could include health benefits, increased status etc.
5. **What is likely to go beyond an end user's expectations.** This could include level of quality, performance etc.



Tip

For Step 2, consider the following when brainstorming about an problems and distractions for the end user of your technology solution:

1. **Negative emotions and dislikes.** What makes the end user feel bad?
2. **Challenges.** What are the main difficulties experienced by the end user when trying to get their job done?
3. **Poor environmental conditions.** Are there any negative environmental that result from their business activities such as water or air pollution?
4. **Negative economic effect.** Are there any negative economic impacts that result from their business activities such as undesired costs, inefficiencies etc.?
5. **Negative social issues.** Are there any undesirable social impacts from what their business activities, such as poor working conditions, health issues, etc.?
6. **Risks.** Are there any risks or possibility of things going wrong impacting the end users or their business (e.g. technical, social, financial, regulatory, political, etc.)?
7. **Barriers to adoption.** Are there any barriers to the end user using the technology? Do they resist change? Is there a steep learning curve before the technology solution can be used? Are there high up-front costs?



Market/End user ■ Step 4



Market Validation



Step 4.

Now it's time to think about how you can contribute to existing and new market products and services to improve your end user's life.

Brainstorm how your technology solution/ services/skills or expertise can add value to your end users (i.e. the market).



Tip

For Step 4, consider the following when brainstorming how you can add value to the market's products and services:

1. Which features support your end users to get either a functional, social or emotional business process or activity done or help to satisfy a want or need?
2. Are there any ancillary services/products that end users may need or want to perform their business activities/processes that either you or your research institution may be able to provide?



Step 5.

To complete your technology solution profile, brainstorm ideas about how the functions and characteristics of your technology solution, services and expertise can add value to a potential market products for end users or create a new market for a potential customer(s)/clients(s).



Note

Solving problems is the key.

Don't limit your thinking to new technology solutions only. Think more broadly about the challenges your end users are experiencing and the types of technology solutions (yours or others) that could help them solve this.

For example, there may be an existing product or service on the market that your expertise could help adapt to help add value to your end user's business.



Step 6.

Reflect on the results of your brainstorm to determine your market opportunity.

Identify overlaps between the end user profile and the technology solution profile.



Note

Relationships are important.

Relationships are the key to developing a good understanding of your market needs and wants.

For help understanding and managing your relationships refer to the **Networks and Relationship readiness** tools.



Note

If you cannot identify any overlaps, your technology is likely to have minimal value for end users and therefore customers are not likely to be interested.



Tip

The key to developing a good value proposition is understanding the specific challenges for end users and how these can be solved for their benefit. You also want to identify value for customers/clients and positive impacts for the community.

You can find an example of a completed value proposition in the [Value Proposition brainstorming template](#).



Tip

For Step 5, be as specific as possible about the features of your technology solution that address problems and create solutions. Consider the following:

1. Which functions and characteristics of your technology solution make end users happy (e.g. specific performance, features, quality standards etc.)?
2. How can your technology solution eliminate risks to the end user or organisation (e.g. technical and financial risks, regulations, political etc.)?
3. What functions and characteristics help end users reduce or eliminate environmental impacts (e.g. water pollution, air quality, etc.)?
4. How can your technology solution reduce or eliminate negative social impacts (e.g. poor working conditions, health issues etc.) or enhance social benefits?
5. Which functions and characteristics add economic value (e.g. savings in money, time, effort, etc.)?
6. How can your technology solution eliminate barriers that may be contributing to end users not adopting your solution (e.g. lowering upfront costs, reducing a learning curve, etc.)?
7. Which functions and characteristics meet or go beyond the expectations of the end users?
8. What is your intellectual property position?
9. What is the potential market definition size and trends?