



Rubizmo

Master Class



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Master Class Module 2

Value Proposition

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Overview of the Master Class

The building modules of the Master Class

1. Introduction of business model and Business Model Canvas
2. Value Proposition
3. Customer Segments, Customer Relationships, and Channels
4. Key Partners, Key Resources, and Key Activities



Home Task



<https://www.strategyzer.com/business-model-canvas/value-propositions>

- ❑ Find the link in the video description called Home Task if you are watching the video on YouTube.

Home Task

Group Discussion/Individual Reflection

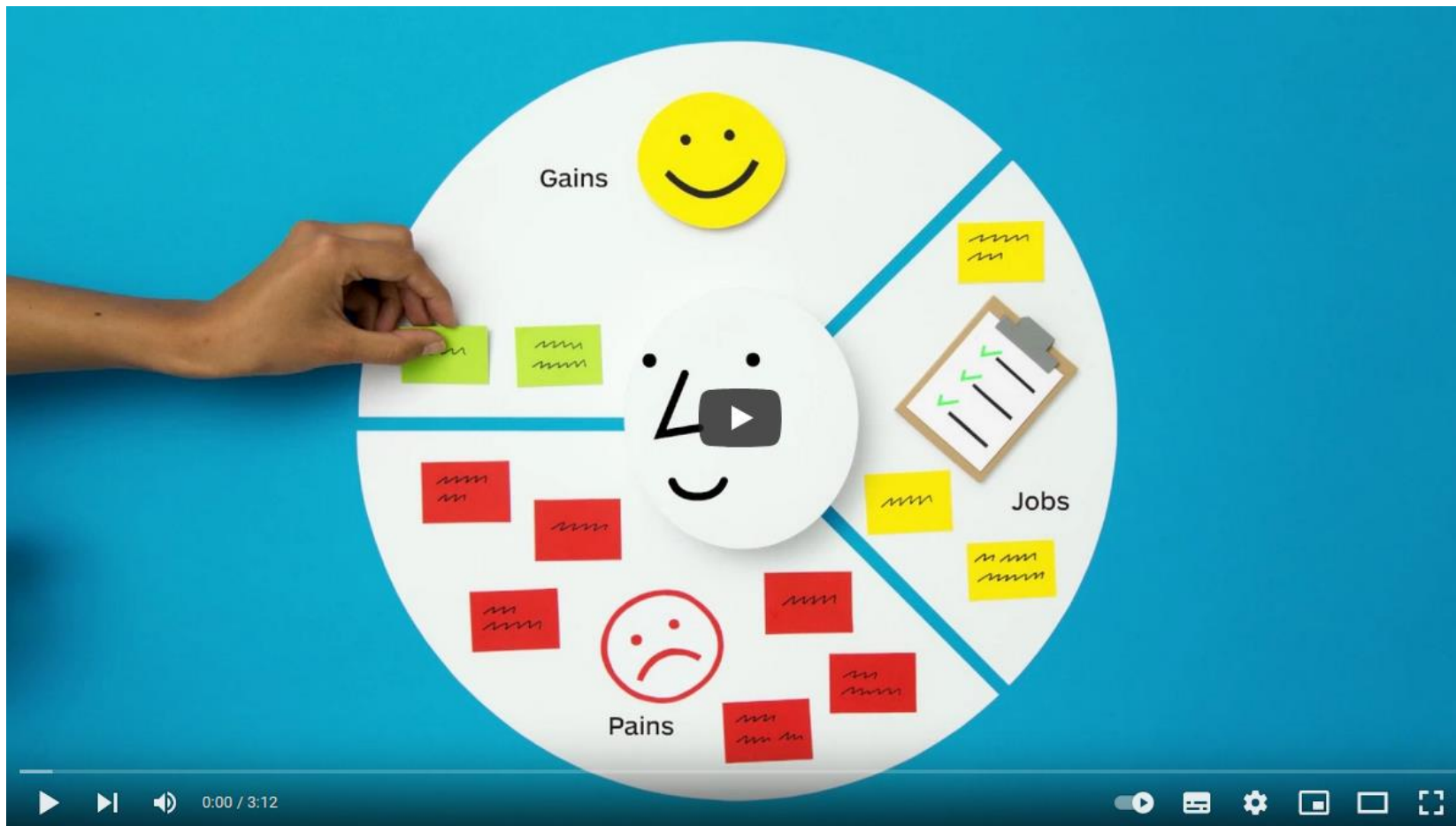
Discuss in group of 3-4 participants and if you are alone - reflect by yourself, the two questions or remarks you brought to the class.

1. In case of remarks:
 1. Why is it remarkable? Provide arguments.
2. In case of questions:
 1. Are your peers able to answer your question(s)?

Value Proposition



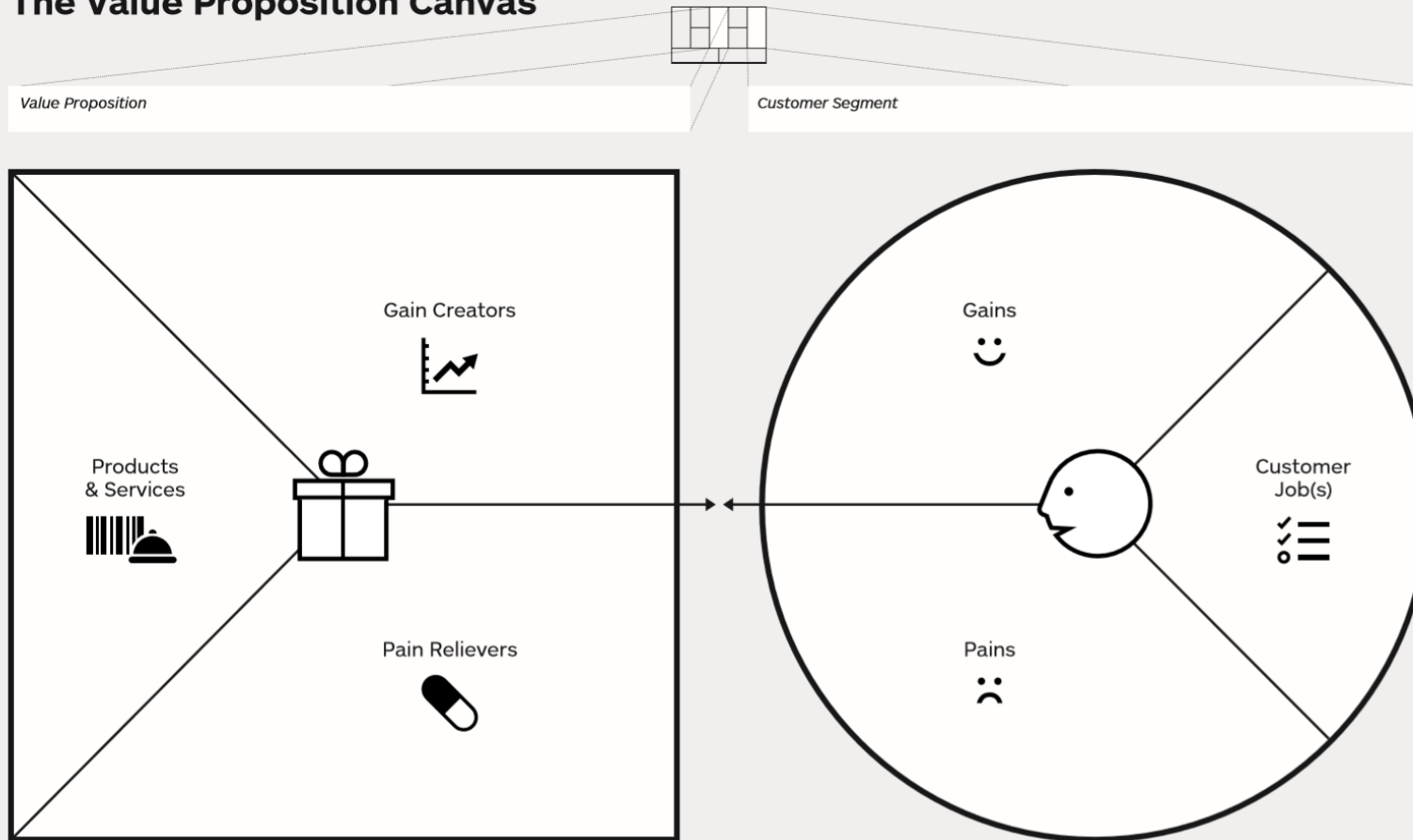
Value proposition explains the difference between a company's offers and those of its competitors, and shows why customers have to buy from a company (Lindi & Marques da Silva, 2011).



Value Proposition Canvas

- ❑ Find the link in the video description called Value Proposition Canvas if you are watching the video on YouTube.

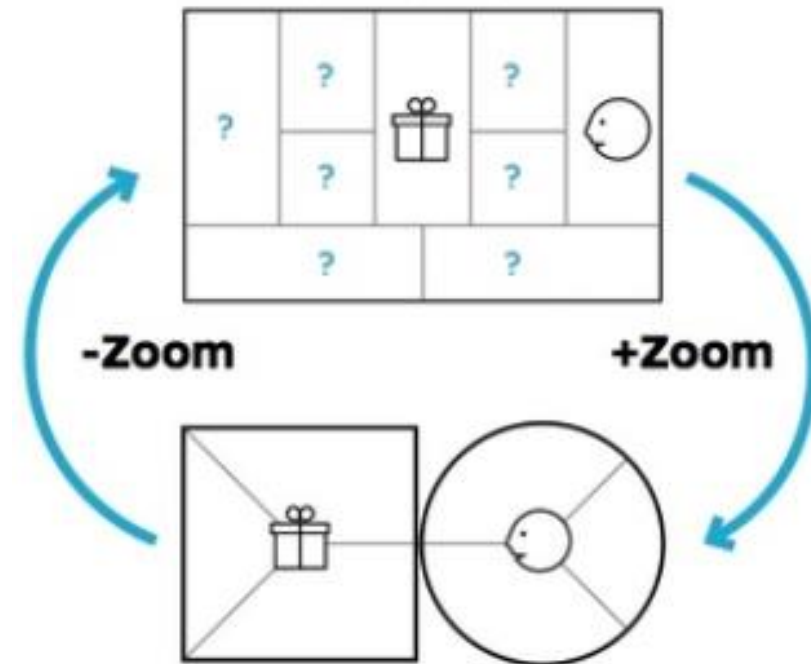
The Value Proposition Canvas



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Create Value for both Customers and Business



<https://www.strategyzer.com/blog/posts/2014/9/29/value-proposition-design>

Value Proposition Canvas

Customer Profile



Observe Customers



Value Map



Create Value

(Osterwalder & Papadakos, 2014)

Bio On

Succeeding in making the world clean



Bio-On

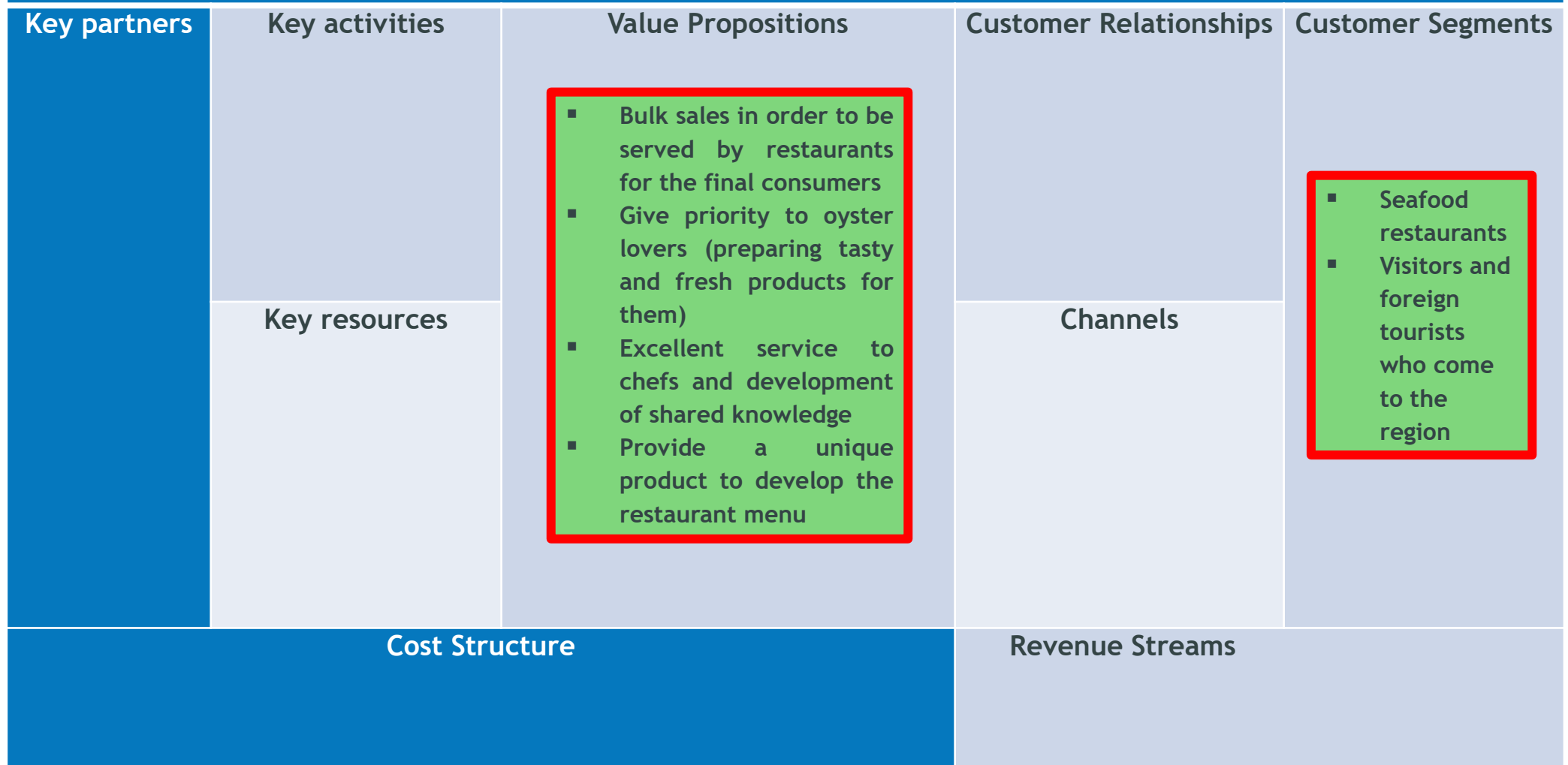


- ❖ Who are our customers?
- ❖ What pain are we solving?
- ❖ What gain are we creating?

Organic Plastic

- **Customer segments?** Organic plastic can be used in cosmetics, pharmaceuticals, packaging design, clothing, etc.
- **What pains are solved?** New products can be dissolved within a few days and without any toxic materials, no matters if it is left in the soil or sea water.
- **What gains are created?** 100% ecological and sustainable materials are produced.

Klemmings ostron's BMC



Klemmings ostron



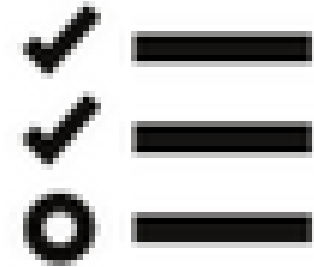
[Video](#)

Click on the link if you want to read the case again:

- ❑ <https://rubizmo.eu/virtual-library/when-the-swedish-oyster-diver-builds-her-own-market>
- ❑ Find the links of the case and video in the “video description” if you are watching the video on YouTube.

Customer Profile

Customer Jobs

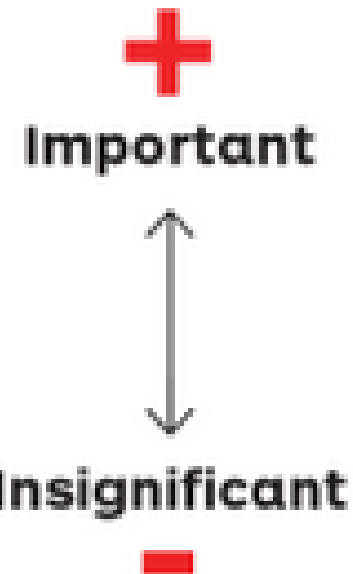


Types of Customer Jobs

Functional jobs

Social jobs

Personal / emotional jobs



(Osterwalder & Papadakos, 2014)

Customer Profile - Klemmings ostron

Customer Jobs

Customer Segments

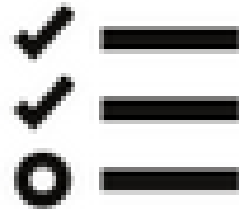
- Seafood restaurants

- Y... and

- ...ign
...our... w...
...ome...



Restaurants would buy if wild oysters give them a competitive advantage



Restaurants are looking for a high-volume supplier

Customer Profile

Customer Pains

Functional

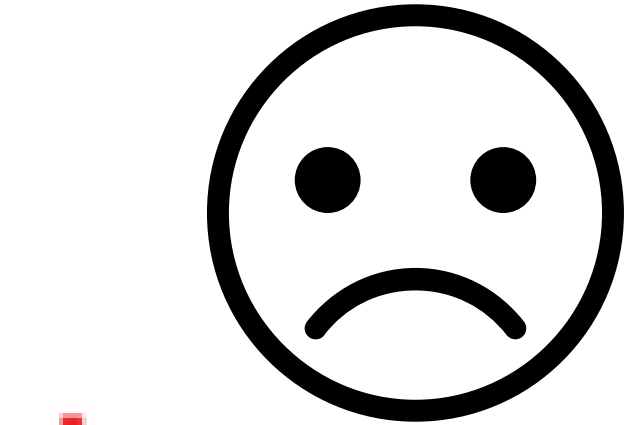
Social

Emotional

Undesired characteristics

Something that slows down the customer

Something with negative consequences



Extreme



Moderate



(Osterwalder & Papadakos, 2014)

Customer Profile - Klemmings ostron

Customer Pains

Restaurants do not risk on (do not feel good about) an unequipped and unknown company



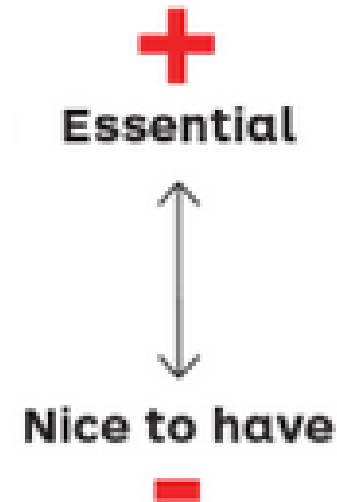
Customers will not buy if sustainability issues are not addressed

Bad taste and spoiled oysters ruin the reputation of restaurants

Customer Profile

Customer Gains

- ❖ Which savings our customers would value?
- ❖ What quality level do they expect?
- ❖ What positive social consequences do our customers desire?
- ❖ What would be a big relief to them?
- ❖ ...



(Osterwalder & Papadakos, 2014)

Customer Profile - Klemmings ostron

Customer Gains

Customers
would value if
ecosystem is
preserved

Strong marketing
introduces the
product to the
restaurants

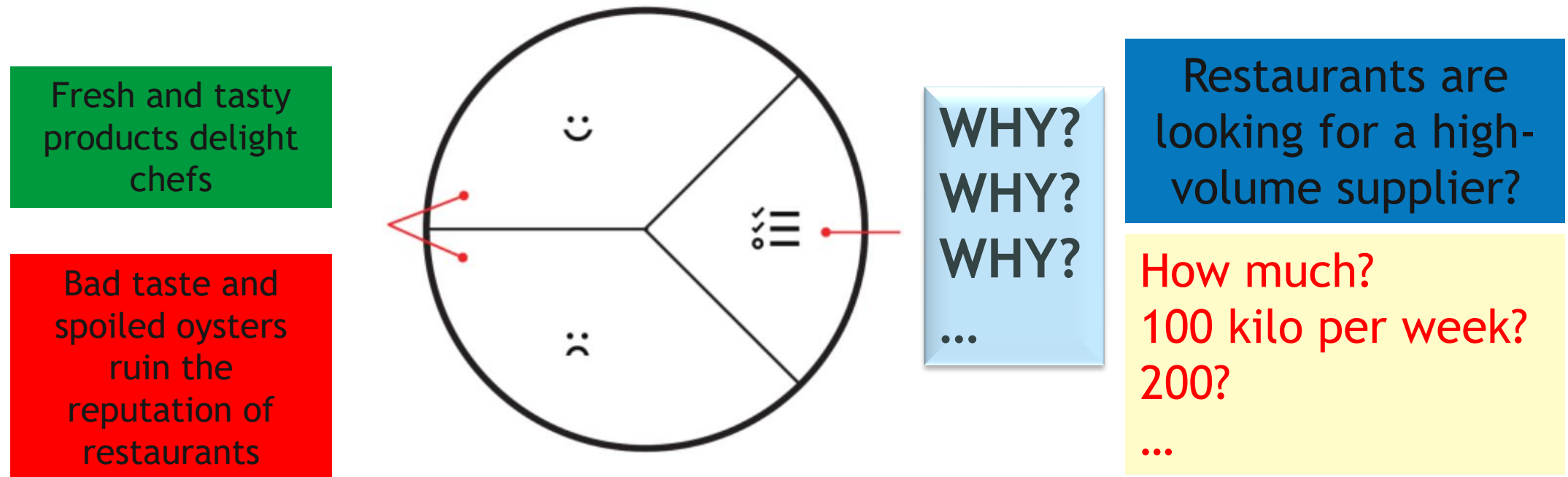


A well-equipped or
expanded company
attracts the customers

Fresh and
tasty products
delight chefs

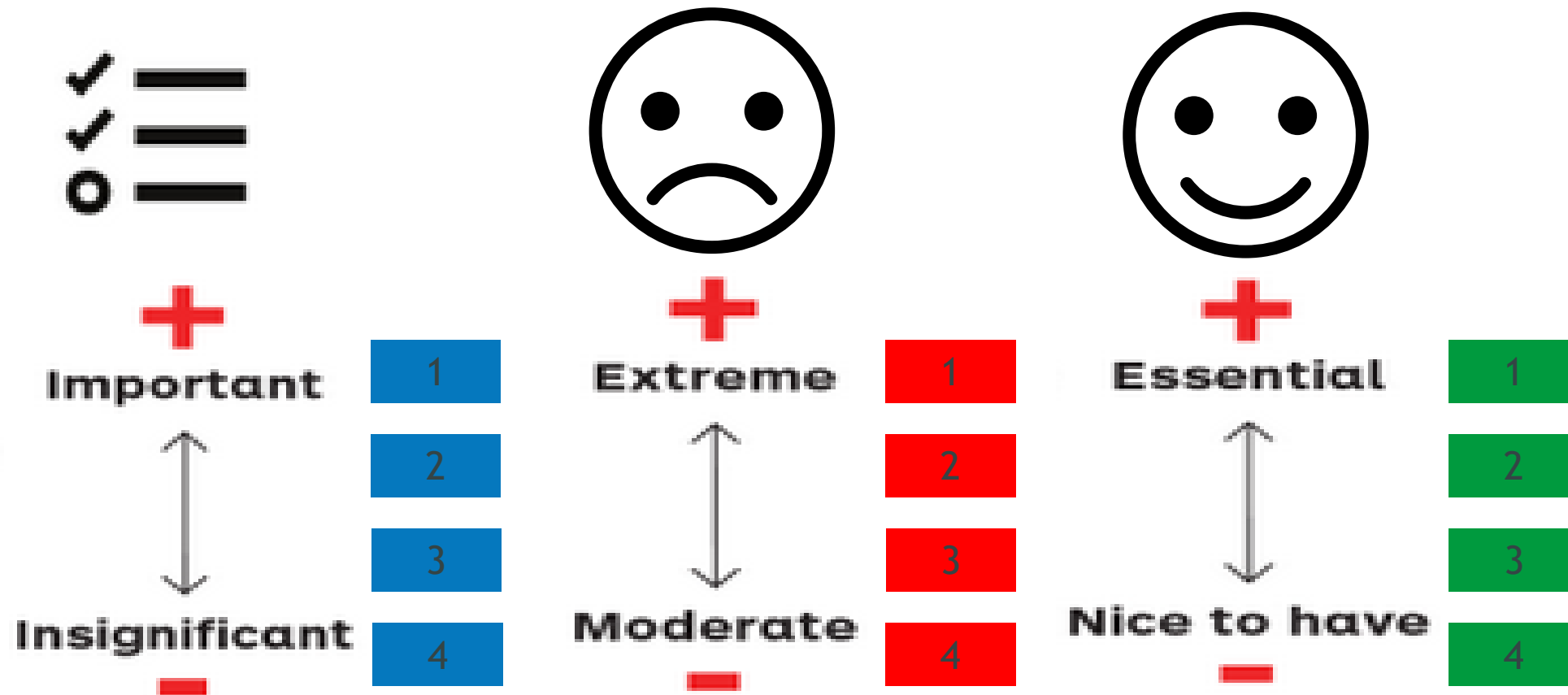
Customer Profile

Jobs, Pains, and Gains



(Osterwalder & Papadakos, 2014)

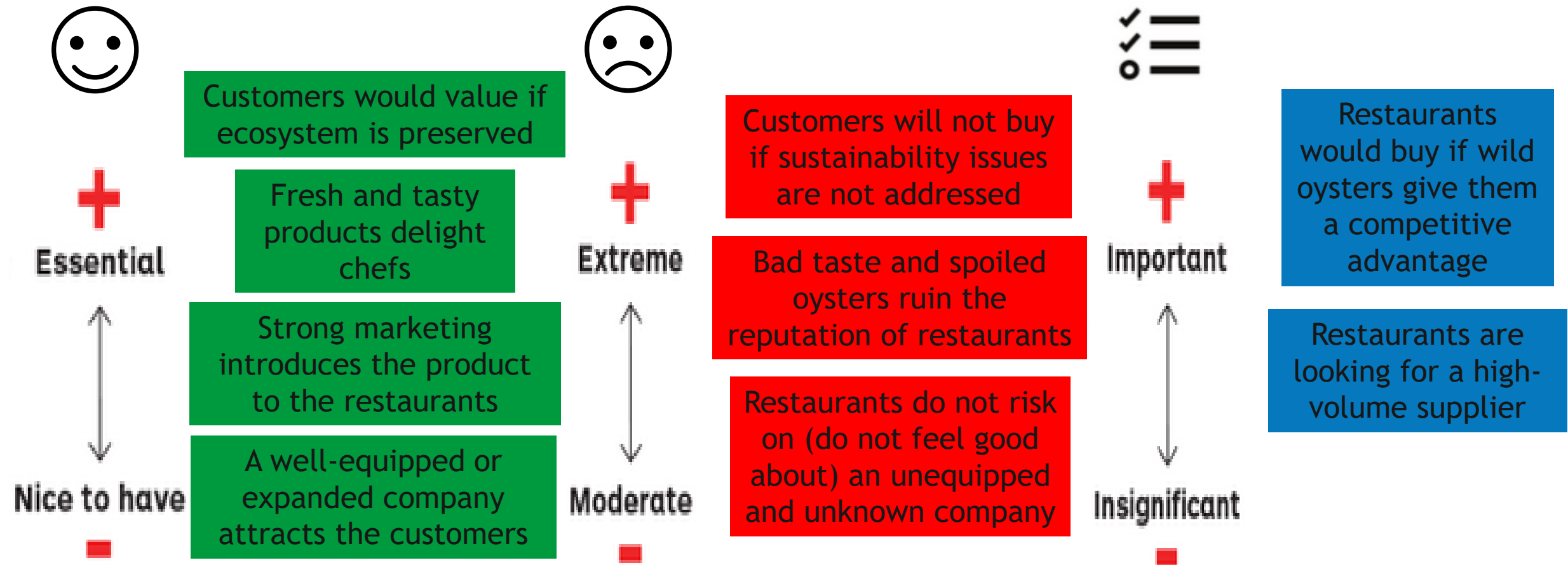
Ranking Jobs, Pains, and Gains



(Osterwalder & Papadakos, 2014)

Klemmings ostron

Ranking Jobs, Pains, and Gains



Value Map

Products & Services



- ❖ What bundle of products and services do we offer that help our customer perform a functional, social, or emotional function?
- ❖ Which products and services help our customer perform their tasks?

(Osterwalder & Papadakos, 2014)

Value Map - Klemmings ostron

Products & Services

Lotta harvests two kinds of wild oysters for restaurants



She delivers oysters herself to the restaurants and talks to chefs about their uniqueness

Value Map

Pain Relievers



Could products and services:

- ❖ Save time and money?
- ❖ Show better performance or quality?
- ❖ Remove negative social consequences?

...

(Osterwalder & Papadakos, 2014)

Value Map - Klemmings ostron

Pain Relievers

Lotta handles the seafloor with care

Lotta dives and harvests per order and does not put pressure on the oysters

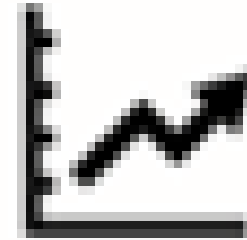


Lotta holds oyster safaris to increase the company's reputation

The company collects plastics left in the beaches and sea

Value Map

Gain Creators



Could our products and services:

- ❖ Create quality levels that customer expects?
- ❖ Show positive social consequences?
- ❖ Fulfil our customers' aspirations and dreams?
- ❖ ...

(Osterwalder & Papadakos, 2014)

Value Map - Klemmings ostron





Gain Creators

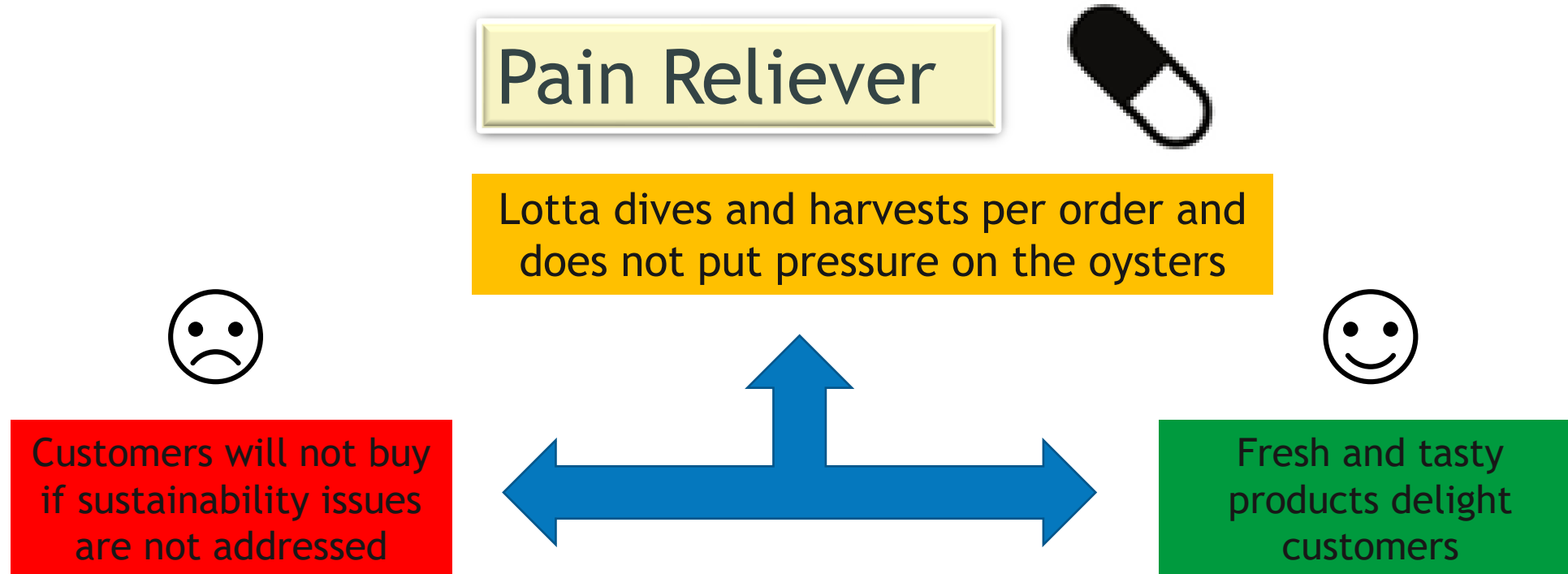
The company has addressed sustainability and introduced itself as a unique supplier in the market



Consumers are surprised with the chefs' new dishes cooked (or flavors made from the shells)

Pain Relievers vs. Gain Creators

- Both   create value for customers in different ways, but either of them can address  and  at the same time (Osterwalder & Papadakos, 2014: 38).



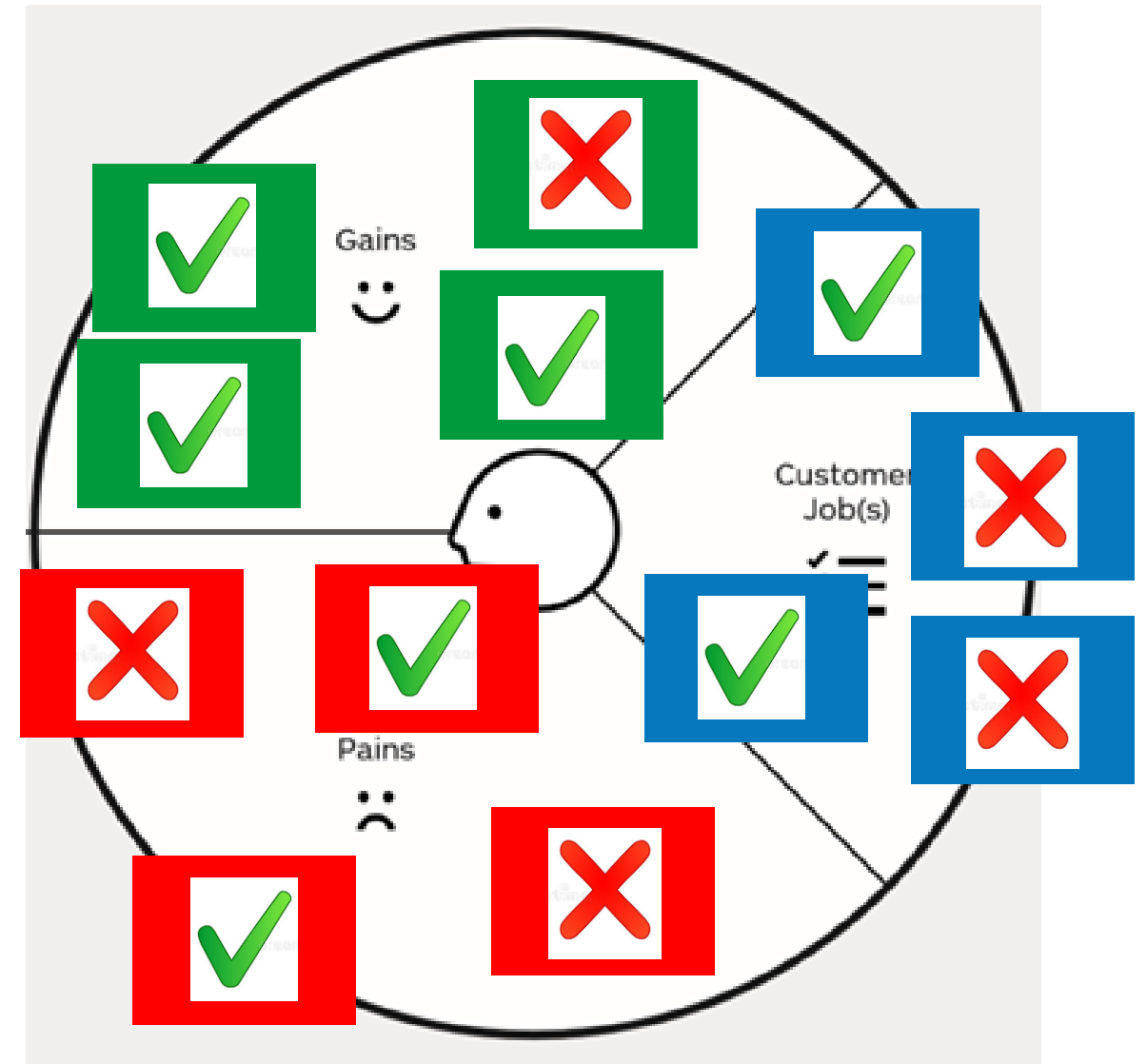
Pain Relievers vs. Gain Creators

- We have control over pain relievers and gain creators, but not over gains and pains.
- We decide how we intend to create value to address pains, gains, and jobs. However, we do not decide over which pains, gains, and jobs the customer has.

(Osterwalder & Papadakos, 2014: 38)

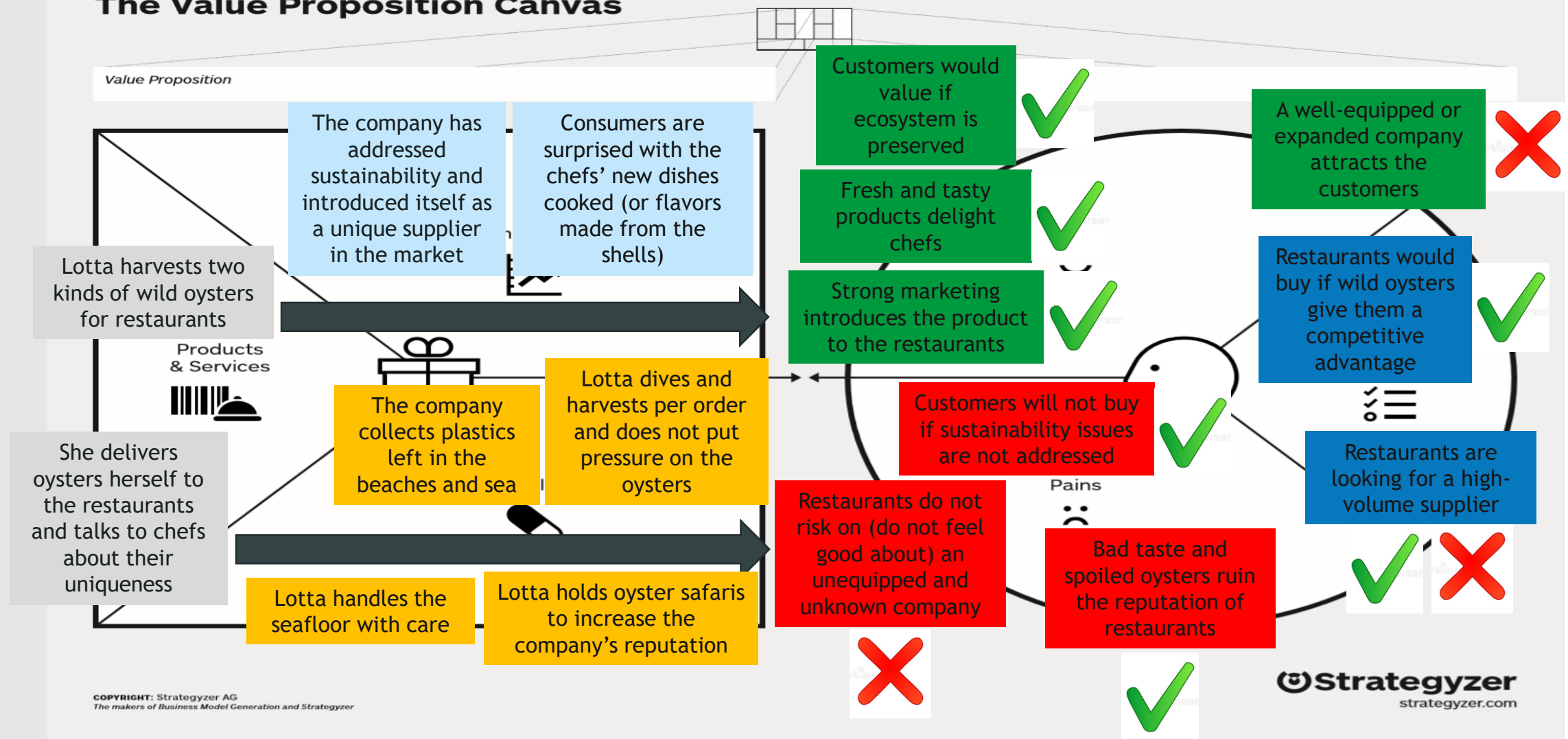


(Osterwalder & Papadakos, 2014: 41)



Fit - Klemmings ostron

The Value Proposition Canvas



End Task

1- Please go to the Rubizmo Virtual Library and read the case “Ocean Rainforest”. Here is the direct link:

- <https://rubizmo.eu/virtual-library/a-revolution-for-the-algae-market>

2- Understand the company’s value proposition and try to draw the customer profile and value map.

- If you, as an entrepreneur, have an especial idea about a product or service for a customer segment, you can individually draw your customer profile and value map.

3- Discuss how new product or service has (not) met customer jobs, what pains are (not) solved and what gains are (not) created?

❑ Find the link in the “video description” if you are watching the video on YouTube.



Ocean Rainforest

References

- <https://www.strategyzer.com/blog/posts/2014/9/29/value-proposition-design>
- Lindi, J. & Marques da Silva, C. (2011). Value proposition as a catalyst for a customer focused innovation. *Management Decision*, vol. 49 (10), pp. 1694-1708.
- Osterwalder, A. & Papadakos, T. (2014). *Value proposition design : How to create products and services customers want : get started with*; Hoboken, New Jersey: Wiley.

Videos

- <https://www.youtube.com/watch?v=Ex6o07qtoSQ>
- <https://www.youtube.com/watch?v=i21dIDHuAtE>



Master Class Module 2

Value Proposition

We appreciate your listening

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