

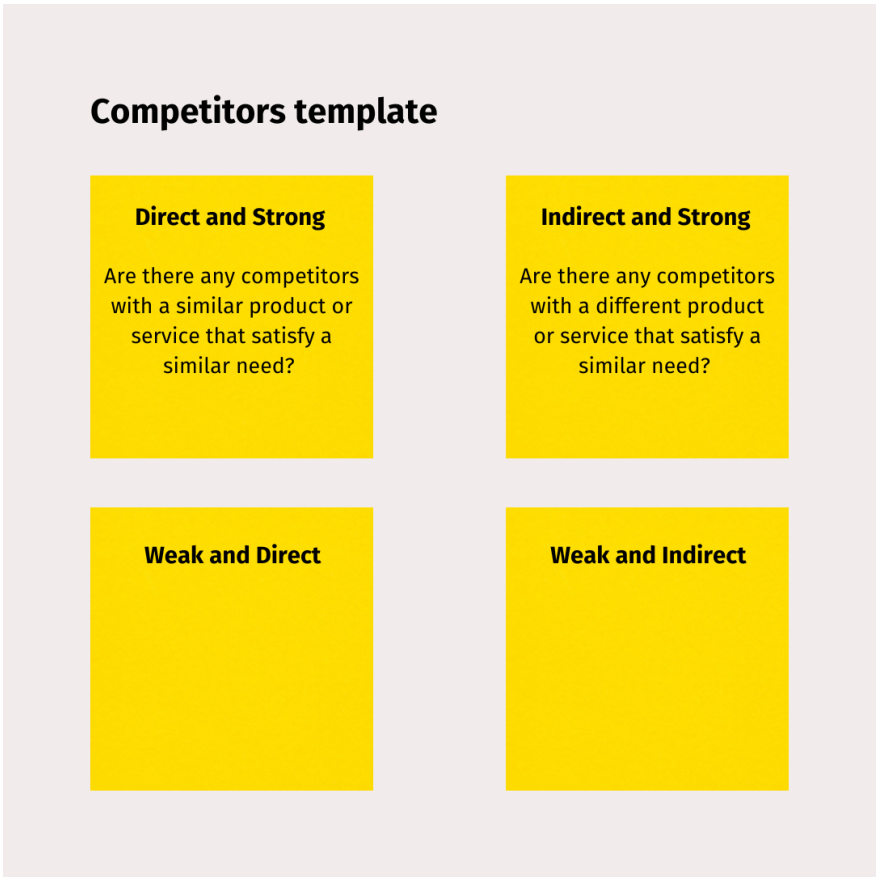
Value proposition toolguide

In the context of a start-up, a value proposition is a concise statement that describes the core value that the start-up's product or service offers its customers and how it solves their problem or satisfies their need better than existing alternatives.

In order to properly build this statement you need to use the following frameworks to obtain a precise picture.

- **Know your competitors**

To make a value proposition you need to carry out a competitor analysis, here is a template you can use.



- **Get to know your customer**

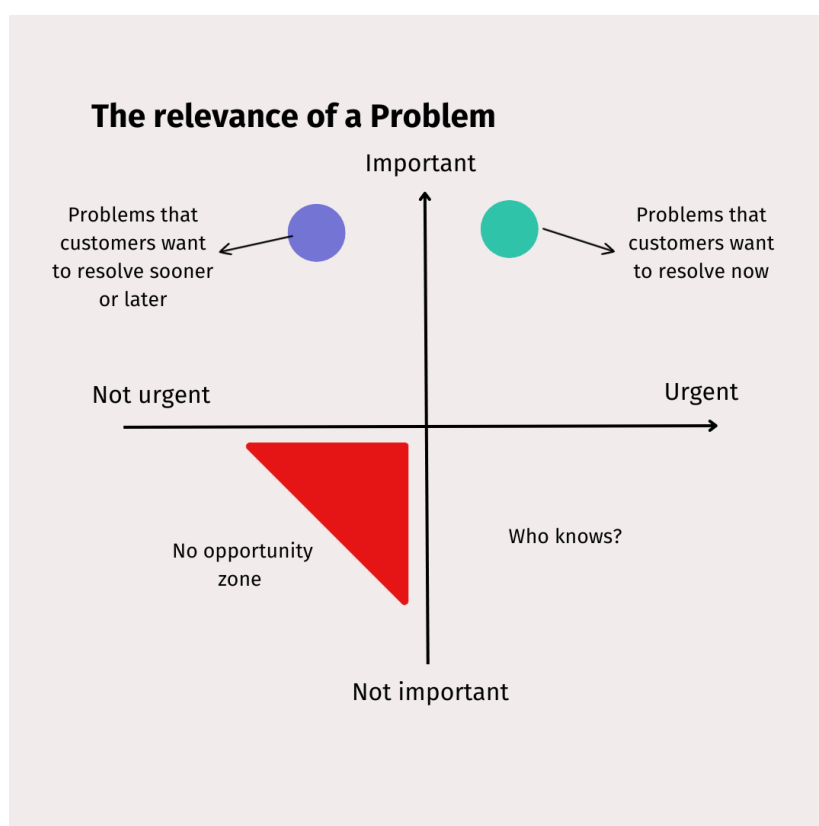
Another important step is to get to know your customer's life very well, to the point of becoming obsessed with them.





- **Knowing the relevance of the problem**

Another key element in defining the value proposition is to identify and understand the relevance of the problem. Here is a template to help us identify it.



Once we have covered these frameworks, it is time to get to the value proposition statement

The value proposition is the core message, the hard core of your start-up.

Specifically, it is a statement that summarises the reason for the existence of your business, i.e. the value you create for your ideal customer and for which they are willing to pay and engage with you.

Your start-up's value proposition must be so clear and simple that it can be summarised in one sentence.

The Value Proposition Statement, which summarises your value proposition, consists of 6 parts:

1 the ideal customer

2 the problem (why)

3 your solution (what)

4 your product or service (how)

5 the solution offered by your competitors

6 the key features that differentiate you from the competition

Here is a template you can use to formulate your Value Proposition Statement.

For **[target customer]** who are dissatisfied with **[the current solutions to solve the problem]**, our idea/product/service **[new idea]** which **[provide the key problem/solution function]**, differently from **[competitors offers]**, our idea/product/service **[describe the key characteristics]**

Each part of the value proposition has so far been validated by you.

Now you have to make sure that the combination of these elements creates the unique value proposition that will really make a difference to your ideal customer and thus stand out from the competition.

The tool consists of two parts:

1) the Value Proposition Statement

2) and the Value Proposition Map

Start with the Value Proposition Statement.

First, identify your best competitors and write down their value proposition for each of them.

Then place the different value propositions on the Map.

As you see, value propositions are a combination of two aspects: the importance of the customer's perceived problem (how urgent and serious for your customer is the problem you are trying to solve) and the quality of your solution (to what extent does your solution solve the problem).

You then go on to describe your Value Proposition and place it within the map.

For your value proposition to be sufficiently interesting for your audience, it must be positioned in the area to the right of the dotted line.

Here is an explanatory graphic of what has been said so far.

