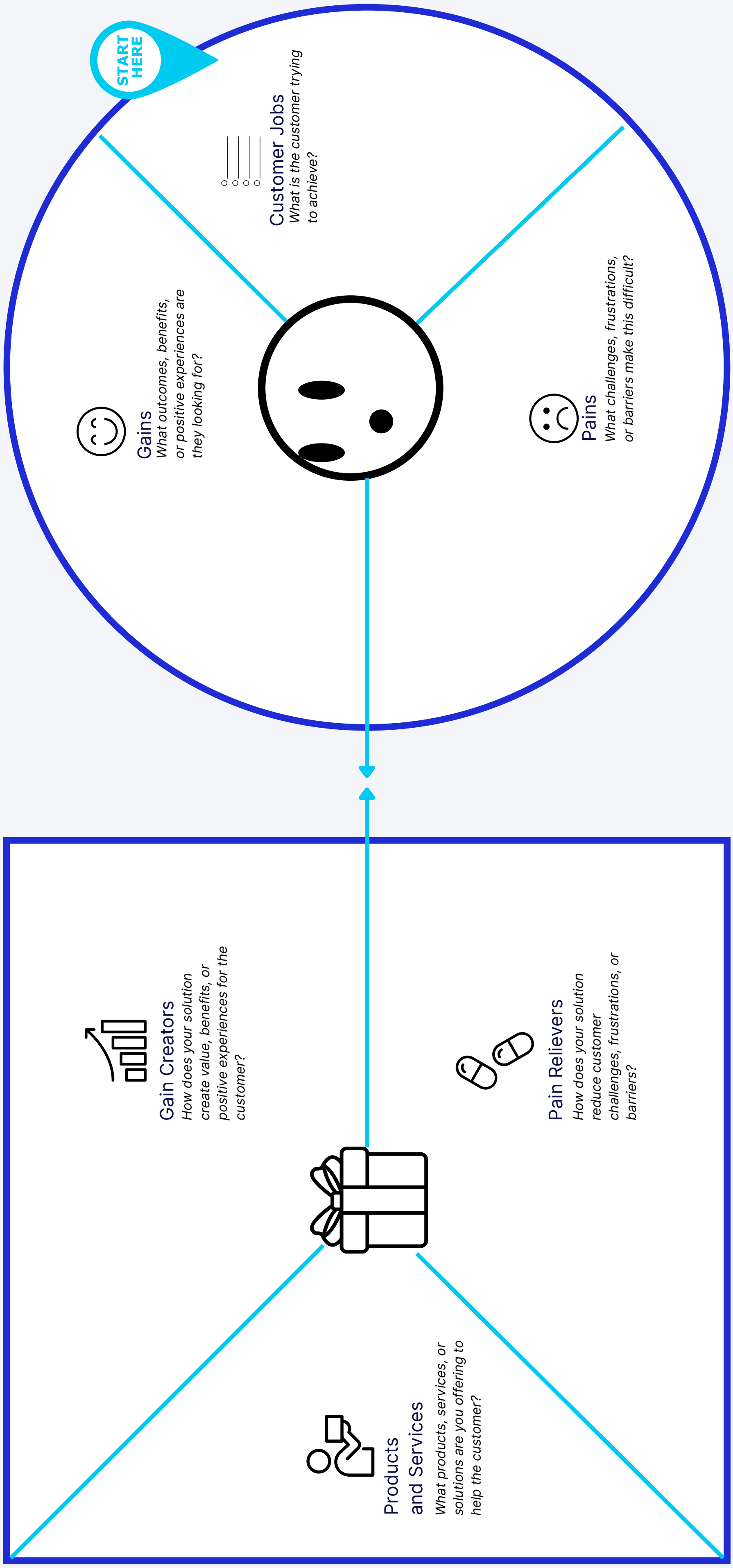
Value Proposition Canvas created by Alexander Osterwalder, Yves Pigneur, and Alan Smith | Strategyzer.com

Value Proposition Canvas

Understand your customers. Create value that addresses their needs.

Customer Segment

Value Proposition



USE FOR

- Creating Value
- Designing Solutions
- Identifying Problems
- Exploring Customer Needs
- Understanding Customers

TIP

Focus on fit. The strongest value propositions address real customer needs by relieving pains and creating meaningful gains.

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SCAN HERE

HOW TO USE THE VALUE PROPOSITION CANVAS

The Value Proposition Canvas, developed by Alexander Osterwalder, Yves Pigneur, and Alan Smith, helps you better understand your customers and design solutions that create value for them. It consists of two parts: the **Customer Segment** and the **Value Proposition**. The goal is to achieve a strong fit between what customers need and what you offer.

STEP 1: PREPARE YOUR WORK AREA

Complete the canvas somewhere free from distraction. If working in a team, choose a collaborative space and capture ideas using short notes or keywords.

STEP 2: FILL IN YOUR CANVAS

Customer Segment

Start by understanding your customer before thinking about solutions. This section helps you map out their characteristics and needs.

- **Customer Jobs:** Identify the tasks, problems, or needs your customers are trying to address. These can be:
  - Functional Jobs: Practical tasks or activities customers want to complete (e.g., commuting or cooking).
  - Social Jobs: How customers want to be perceived by others (e.g., looking good or gaining status).
  - Emotional Jobs: How customers want to feel (e.g., feelings of security or happiness).
- **Pains:** Identify the challenges, frustrations, risks, or barriers customers experience while trying to accomplish their jobs. Consider:
  - Obstacles preventing success: Challenges that make goals difficult to achieve.
  - Costs in time, money, or effort: Resources customers must spend or sacrifice.
  - Negative emotions, concerns, or uncertainties: Feelings such as frustration, stress, or confusion.
- **Gains:** Determine the outcomes, benefits, and positive experiences customers expect or desire. These can include:
  - Functional gains: Desired outcomes, convenience, or improved performance.
  - Social gains: Recognition, status, or how customers want to be perceived.
  - Emotional gains: Positive feelings such as confidence, happiness, security, or peace of mind.

Value Proposition

Next, define how your product or service creates value for the customer.

- **Products & Services:** List the products, services, features, or solutions that form your value proposition.
- **Pain Relievers:** Describe how your products or services reduce customer challenges, frustrations, risks, or barriers. Consider:
  - Reducing costs or risks: Saving time, money, or effort.
  - Removing obstacles: Making tasks easier to complete.
  - Addressing frustrations: Reducing negative experiences or concerns.
- **Gain Creators:** Describe how your products or services create customer value, benefits, or positive experiences. Consider:
  - Improving outcomes: Helping customers achieve their goals.
  - Providing additional benefits: Creating extra value or convenience.
  - Enhancing positive experiences: Increasing satisfaction, confidence, or enjoyment.

STEP 3: ANALYSE AND ITERATE

- **Review:** Check for alignment between customer needs and your value proposition.
- **Feedback:** Seek input from customers, teammates, mentors, or stakeholders.
- **Refine:** Update the canvas based on feedback and new insights.

STEP 4: VALIDATE YOUR VALUE PROPOSITION

- **Test Assumptions:** Engage with potential customers to test your value proposition.
- **Market Research:** Gather evidence to validate customer demand and feasibility.
- **Prototype:** Develop and test prototypes, products, or services to gather real-world feedback.

STEP 5: DOCUMENT AND SHARE

- **Record:** Capture your completed canvas digitally or with photographs.
- **Communicate:** Use the canvas to communicate your understanding and ideas.
- **Update:** Revisit and refine the canvas as new insights emerge.