

# The Value of your product

## Research your value

In this module we will discuss two things. The first being the value proposition and the second the market validation. This is because the value proposition will help you identify what your customer wants and needs, while the validation checks if customers actually like the products and have those pains and gains.

The value proposition is a more detailed part of the business model canvas, it comes from the same ideas as the BMC. Alexander Osterwalder also created this method of giving value to your company. Through this module you will gain the understanding of what makes a customer buy your product/service or what makes them skip the product.

With all the research you have done in the previous steps of creating a plastic revaluation company idea, this one will help you bring your product to market.

## Description

When you are selling your product it is good to understand what your customers want and need. Value proposition helps you create your customers profile, to see how the fit between the customer and the product or service is. Once you have identified the fit between your customer and your product or service, validation can help to show how a product actually responds with the customers. This in turn can help you to make your value proposition canvas better adapted to your customer.

The value Proposition builds further on BMC and the market research, if you have done the modules about those two it will be easier to create a value proposition.

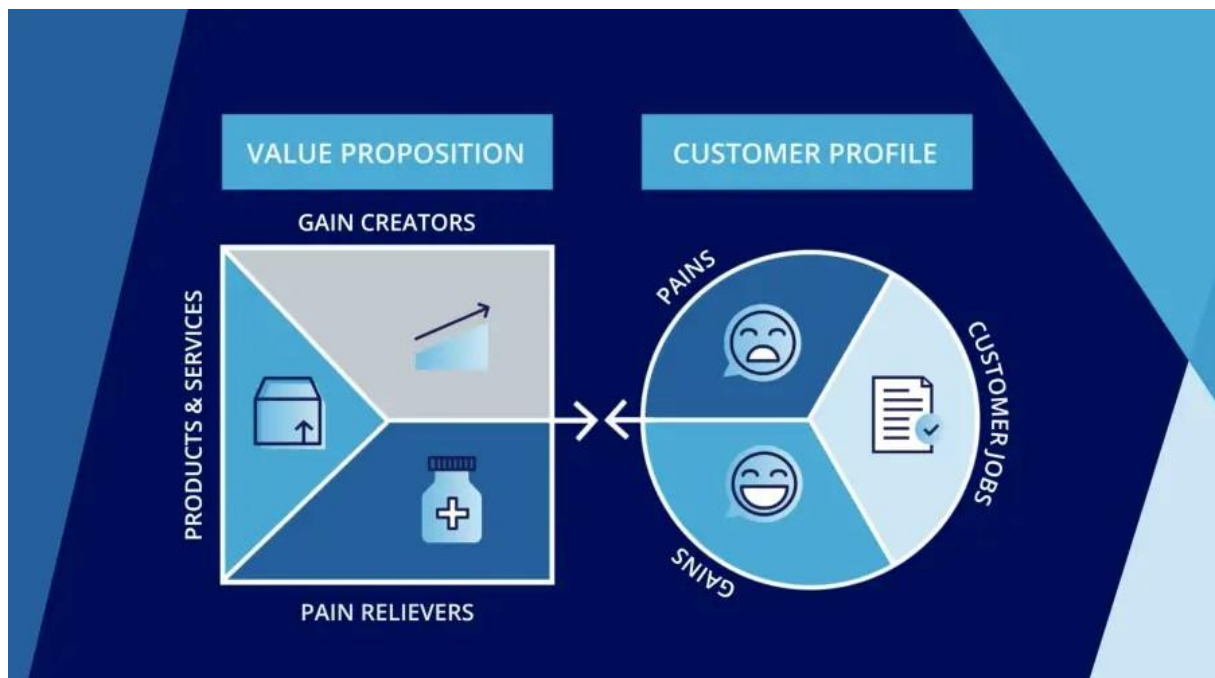


Figure n1° The Value proposition model

The Value Proposition Canvas works according with two segments, we will start with the right one, customer segments which is the circle.

First, we should identify the customer jobs. Customer jobs are what the customer needs to get done. This can be functional, social, or emotional. Your product could also help them perform in a basic task.

Secondly, we should identify the pains. Thus, the points that irritate customers while trying to get the job done. Again this can be functional, social, or emotional. If pains are making a customer sad or annoyed, this can be a good indicator of struggles.

Within the customer segments the gains are the last one to be discussed. This obtains how the customers measure a job well done.

The following segment is the value proposition. This is the square. With the value proposition try to find a pain reliever or gain creator for each pain and gain. If you have still pains and gains left, try to think if there are possible solutions, which you can implement.

We will start with the products and services. This is the product or service you are providing. Now we will discuss the gain creators. How the product or service increases the benefits of the outcomes. If you followed the module “Creating a Sustainable Business Model” and created a BMC for yourself you can have a look at step 11, these can help you identify your gains. Lastly, we will show you pain relievers. Pain relievers show how the product or services decrease the problems of the customers.

Keep in mind that you can design several variations on the Value Proposition Canvas, as each customer has different wishes. If different customer profiles have the same pains and gains, you should focus on these pains and gains required, because it will create several happy customers. Of course, it will not be possible to address all the pains and gains of all the customer profiles. Focus on those which are relevant for the customer and where your product or service is making the difference. While recycling can have a significant influence on certain customer segments, keep in mind that recycling should not be the only factor you measure. If your product/service does not work properly besides the recycling aspect, this will influence the chances of a customer using your product again.

It is important that your BMC is up to date, in order to create a clear Value Proposition Model, otherwise your business can still fail even if you have a good Value Proposition Model.

Once you know what the customer wants and you have product or service available, it is also good to test it with some of your target group. Points to consider are:

- How many people do you need?
- Do you need to test the product for a period of time?
  - How long would suit for your product?
- How are people providing feedback?
- Where should they validate the product?
- Make sure the customer is comfortable
- Make sure you understand the customers comments. If not, try to make it clear for yourself.

There are different ways in which you can validate your product. This all depends on your needs, your product or service and on the target audience. Options to consider are:

- Focus groups
- Test groups
- Surveys
- Create a prototype
- Hand out free samples

Once you have done the market validation this can help you recreate your value proposition canvas, with the up to date info. Now your VPC is even more in line with your customers.

## Case studies & Examples

To help you think about how you can do your research, you can have a look at different examples and best practices. This can help you think about what you would like to do/offer/produce.

### PlasticRoad

Plastic Road is an example which extensively piloted their product before bringing it to market. You can find more information [here](#).

- After their research period they monitored their product for two years during a pilot.
- After these two years of piloting they made some changes to their product, being ready for the Dutch market in 2021.

Plastic Road shows how they researched their product after which they tested, what they thought was best for the final product. After the two year period they made some changes, due to the experiences in the two years. Thus testing can make your product better for the market.

### LABO MONO

LABO MONO is an example which used user testing to finalize the products for market. You can find some extra information [here](#).

- During the first year of development LABO MONO let potential user test the product to receive some feedback.

Using User to test your product can help you improve your product. Certainly when you are developing something which you want to look nice, as jackets, what you like might not be what someone else likes.

### VIAKORP

A best practice which can show you how to test your product is VIAKORP. They tested their product in facilities around the world. You can find more information [here](#).

- VIAKORP contact facilities around the world to test their product.

Not only did they have local facilities, they contacted worldwide facilities, already creating some worldwide knowledge on their product. Making sure how worldwide knowledge was applied to create the best product.

## Resources

### Links:

- <https://www.b2binternational.com/research/methods/faq/what-is-the-value-proposition-canvas/>
- <https://www.designbetterbusiness.tools/tools/value-proposition-canvas>
- <https://www.impactplus.com/blog/value-proposition-examples>
- <https://plan.io/blog/product-idea-validation/#5-create-prototypes-mockups-and-concepts>
- <https://rubygarage.org/blog/product-validation-guide>
- <https://www.surveymonkey.com/mp/product-testing/>

### Videos:

- <https://www.youtube.com/watch?v=ReM1uqmVfPO>
- [https://www.youtube.com/watch?v=b\\_X18bmpHaw](https://www.youtube.com/watch?v=b_X18bmpHaw)

### Papers (press articles, guides, reports):

- <https://ageconsearch.umn.edu/record/231899/>