

# Value Proposition Canvas

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## WHAT IS IT?

The Value Proposition Canvas is a tool that allows you to design, test, build and manage customer value propositions. In many ways it is an extension of the more familiar business model canvas.

In many cases the ideas for a new product are based on the proposition teams' experience rather than having had any contact with real or potential users. This is where a quick and easy tool like the Value Proposition Canvas (VPC) comes in. The process of VPC creation is quite simple: identify the customer wants, fears and needs. The goal of creating the VPC is to learn how to match your current or proposed product features, benefits and experience and the value you offer to your customers (see Figure 1).

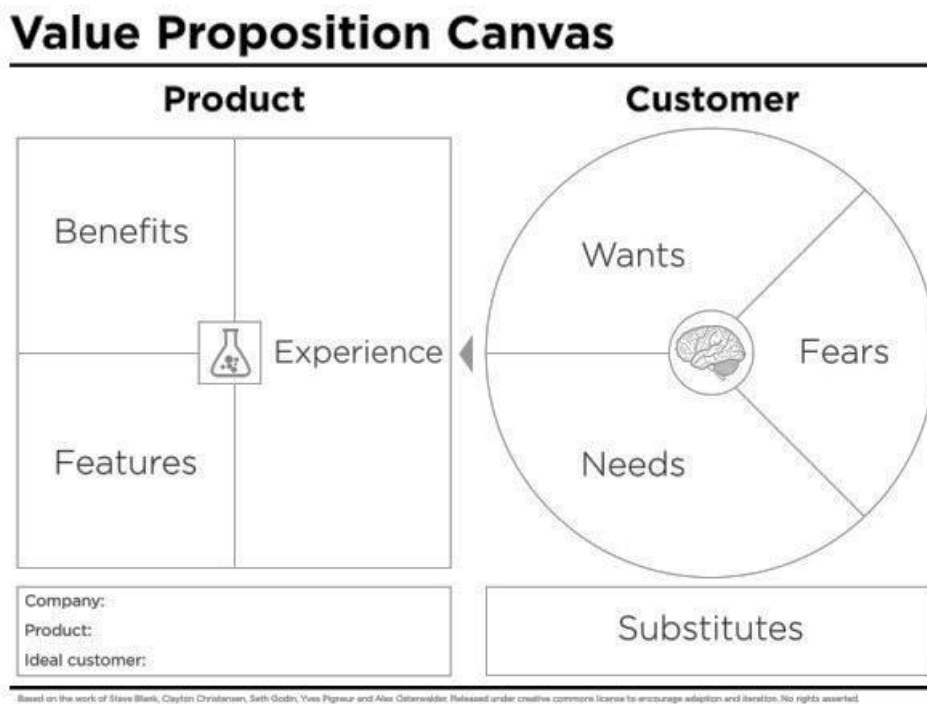


Figure 1. Value Proposition Canvas (Peter Thomson, 2013)

When new users learn about your product, they have a few questions: Who are you? What do you do? How will I benefit from your service/site/app? The VPC can help identify that concise summary of why your product is valuable. If, for example, you are a website the value proposition should be the first thing your users should see when they visit.

## WHY DO YOU NEED IT?

As a product creator you need a level of authenticity around the process of building something. As UXers we are quite needy in that we really want to know the problems our users face and how we can solve those. There's nothing worse than a new proposition that feels like an additional feature but which no one is able to articulate why it is being added. What problem is it solving and how is it solving it in a better way than users currently use?

The VPC identifies where the proposed idea will (or will not) enhance the current user experience and add value to the user. When translated to something digital, it's easy to share and communicate with stakeholders and the product team – if there are any concerns over the proposition, it can be used to facilitate those conversations and ensure that the project goes in the right direction.

The canvas is split into two sections, Product and Customer. The Product section uses the widely accepted marketing language of features and benefits plus the additional UX section, experience.

- **Features** – A factual description of how the product works. The features are the functioning attributes of your product.
- **Benefits** – A benefit is what your product does for the customer. The benefits are the ways that the features make your customer's life easier by increasing pleasure or decreasing pain.
- **Experience** – The product experience is the way that your product makes the customer feel (emotional). It's the sum total of the combined features and benefits.

The Customer section draws on neurolinguistic programming and psychology research into motivation, focusing less on pains and gains because people can be motivated by both pains and gains in different ways.

- **Wants** – The emotional drivers of decision-making are things that we want to be, do or have. Our wants are usually conscious – aspirational – thoughts about how we'd like to improve our lives.
- **Needs** – The customer's needs are the rational things that the customer needs to get done. But remember these needs are not always conscious. Customers can have needs that they may not know about yet.
- **Fears** – The fear of making a mistake, missing out, loss and other related fears. Fears can be a strong driver of purchasing behaviour and can be the hidden source of wants and needs. For any product there is a secret pain of switching, even if your product is better than the competition.

## WHEN DO YOU NEED IT?

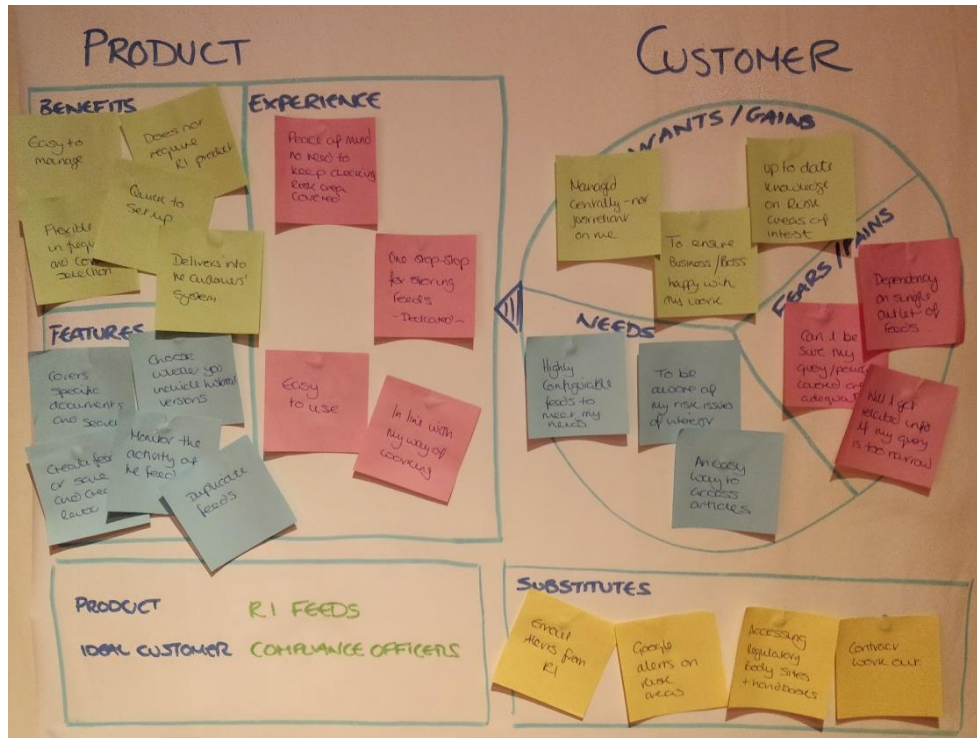
Early on in the discovery process – definitely ahead of the design, especially if it is not clear to the product team why something is being designed. To create something we need understand whether people need it.

## HOW DO YOU DO IT?

Creating the VPC is very much a collaborative exercise.

1. If you are in an agency, ask your client to help fill in the sections to be sure that you have understood all information correctly. Similarly, if in a corporate, ask the product manager to complete these or if you have one, the proposition team.
2. Ideally, the next step is to speak to current or potential customers.
3. Cluster all the information from the Customer portion of research, if there is a discrepancy between what your client believes and what customers are saying, use these findings to form some further research questions for the next phase of interviews.
4. With you revised script, speak to more customers and validate that the revised customer needs make sense and resonate with the second group of customers.
5. Now write up these findings and additionally update the VPC, ready for communicating back to the business.
6. The goal is to now have the real-validated proposition value acknowledged by your client before proceeding to the next phase of the design process.

## EXAMPLE



## REFERENCES

<https://dev.to/iriskatastic/value-proposition-in-ux-design-ef4>

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<http://blog.digital-heart.co.uk/blog/why-weve-altered-value-proposition-canvas/>