3. a Creating value: Value proposition canvas

The value proposition canvas is one of a range of innovation tools produced by Strategyzer as part of their platform for marketing experts, product owners and value creators. We have used the canvas to explore the potential for retrofit and 'futurefit' services to create value for domestic and organisational customers.

We used the Business Model Canvas approach to identify a wide range of pains and gains that domestic and non-domestic customers may experience when trying to achieve the jobs they have to carry out. This is then used to explore how a service can result in 'pain relievers' or 'gain creators' which are valued by the customer.

The templates below are pre-populated with a wide range of possible pains, gains etc. relevant for retrofit and Smart Community Energy Services.

Useful for

- Identifying the specific needs of a target segment, and designing your service to best meet those needs.
- Considering product design from the perspective of how it meets your customers' needs, not what it is technically feasible.
- Narrowing down product features to those most valued by users of the service.
- Turning 'features' of a technology into 'benefits'.
- Creating a hypothetical understanding of the value your service could deliver to customers, which you can then test with potential customers.

How it works

1. Audience

Identify your priority customer segment. The narrower you can be, the more tailored your service can be to meeting their needs and delivering them maximum benefit.

2. Jobs to be done

Consider what your customer needs to achieve – their jobs to be done – that are likely to be relevant to your service. Select the most relevant jobs from the populated list. Feel free to adapt them or add new ones.

3. Pains and gains

What are the pains that your customer may experience in trying to get these jobs done, or gains they would value in relation to carrying out these jobs. Again, narrow down the selection to the most important factors, and if needed adapt or add to the suggestions.

4. Pain relievers and gain creators

Now consider how your product or service either relieves these pains or helps create the gains the customer values. Again, narrow down the selection to the most important factors, and if needed adapt or add to the suggestions. Be as focused as possible. A retrofit financing

service doesn't directly deliver carbon savings – but it does enable a customer to carry out retrofit measures.

5. Design insights

Use these insights to then describe the features of your product or service which could deliver these pain relievers and gain creators. As you develop your product, use these insights to help you focus on creating a service that delivers these benefits or 'value', rather than what a service could be technically capable of doing.

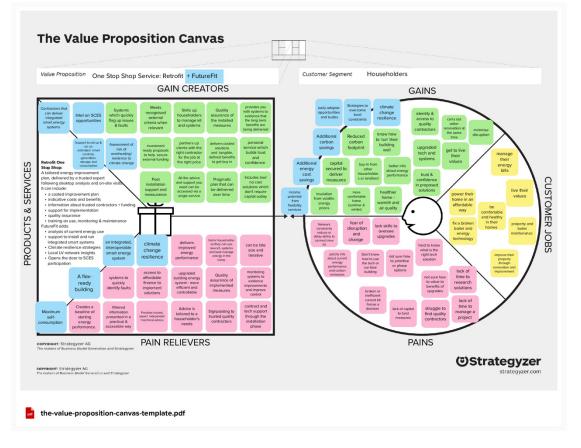
Pre-populated examples are below. A full explanation of the process and blank templates are available from the <u>Strategyzer website</u>.

What next?

Having considered the value created from the perspective of the service user, consider the tiered benefits your service might deliver to the wider energy system.

Templates

Domestic energy retrofit-future fit Value Proposition Canvas template can be viewed on Low Carbon Hub's mural account: <u>Link</u>





SME energy retrofit-future fit Value Proposition Canvas template can be viewed on Low

Carbon Hub's mural account: link

