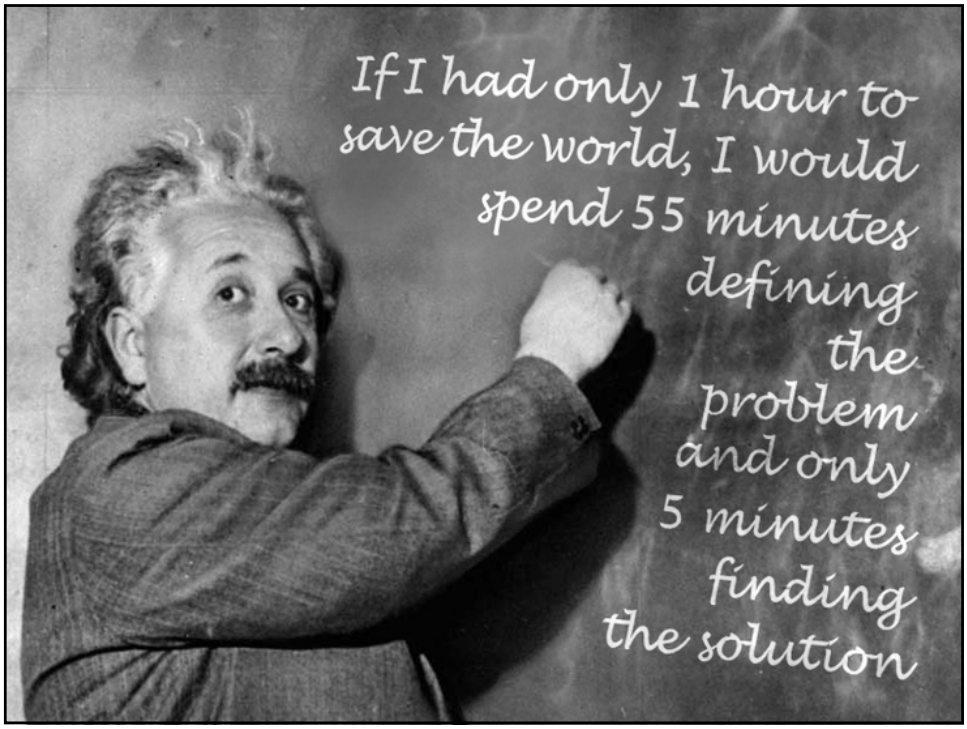
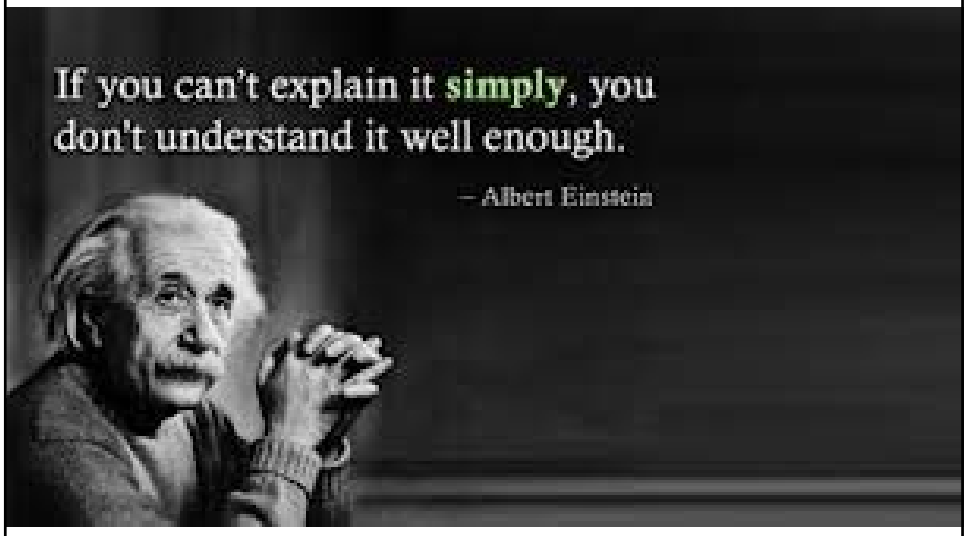
	CUSTOMER VALUE PROPOSITION (CVP)			OPERATING MODEL
PROBLEM FORMULATED AS A POV What is the customer/ consumer problem or "Job" you are solving? Problem is formulated from the Point of View (POV) of the user. Same concept as "Jobs to be done"	**CUSTOMER/ CONSUMER CIRCUMSTANCE** How can we define customer/ consumers in terms of who they are and their circumstance and in the form of personas?	**SOLUTION ATTRIBUTES** What attributes do we need to deliver to the customer? Which of our customer problems are we solving with these attributes? **COMPETITION AND BARRIERS** What are the competitive alternatives to getting the job done and barriers to getting it done well?	**SOLUTION** What is the devised product and/or service that delivers on the key customer attributes? **CHANNELS** What are the key channels the company uses to reach its customers? **PAYMENT STRUCTURE** What is the price and how does the customer pay for the solution?	**COMPETITIVE ADVANTAGE** What are the key resources and processes needed to deliver the CVP – people, technology, partners, funding What are the unique required to achieve a competitive advantage? **KEY METRICS** What are the top three activities that you need to measure and track progress over the next week/month?)
PROFIT FORMULA				
REVENUE STREAMS AND ADOPTION Represents the cash a company generates from each customer segment. Include adoption dynamics. Sales/usage 1st year, 2nd year, etc.				**COST STRUCTURE** What are the costs (direct and overhead) incurred to operate the business model?
← EXTERNAL →				← INTERNAL →
RISKS AND ASSUMPTIONS				
What are the top three risks and assumptions?				

Getting to the right problem from the point of view from the insights and needs of the customer


If I had only 1 hour to save the world, I would spend 55 minutes defining the problem and only 5 minutes finding the solution


If you can't explain it simply, you don't understand it well enough.
– Albert Einstein

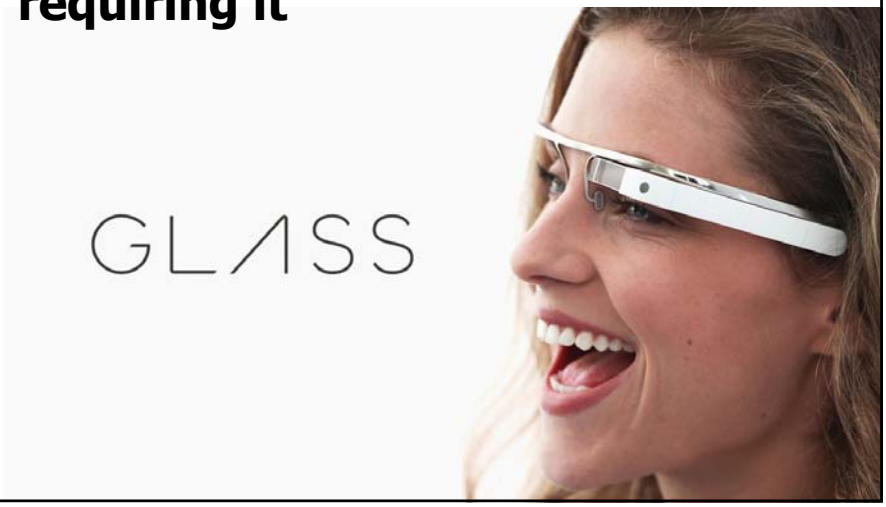
Objective

To be able to determine the right problem and reframe it from the point of view (POV) and insight of the user

Many innovations fail not because of a fatal flaw in the innovation itself, but because the company fails to understand the problem they are solving

Segway: a transportation device for everyone. Not determining which users have a problem requiring the attributes of a Segway

Google Glass: A mobile device for everyone. Not determining which users have a problem requiring it



"….Google didn't improve Glass in specific ways for an application to attract users from a target market to buy Glass. In the end, by trying to be a "cool tool" for everyone Glass ended up being something nobody really needed"

-Forbes, Feb 12, 2015, Adam Hartung

Apple Watch: What problem are they trying to solve and for whom?

What is the right problem?

Incubators for 3rd world rural regions

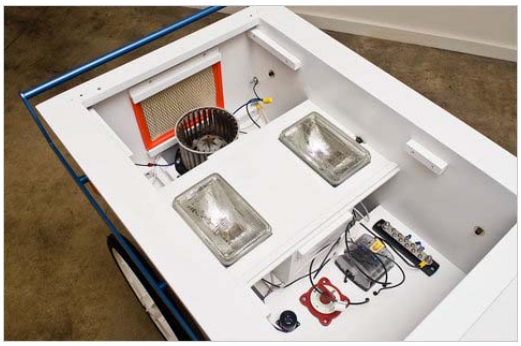
Is this the problem?

Rural clinics in India, Bangladesh, Nepal, Cambodia and Indonesia

need a much lower cost and maintenance free incubator

so that they can prevent premature babies from dying.

Neonuture Incubator



Problem point of view: what?

a unique, concise reframing of the problem that is grounded in user needs and insights (empathy)

point of view: components

user be specific

need use verbs

insight observation + interpretation

The Problem

user a desperate parent living in a remote village who

needs the means to give her dying baby

insight (empathy) a chance to live

Inexpensive
Less than 1% of the cost of a standard incubator

Durable
Can be reused up to 50 times

Portable
Can be used while the baby is held in the mother's arms or during transport

Hygienic
Easily cleaned using soap and water

Safe
Simple and intuitive to use, validated through routine safety testing and extensive clinical trials

Effective
Incorporates an innovative phase change material to rapidly stabilize the temperature of an infant suffering from hypothermia

Embrace launches a rapidly growing program in Afghanistan in government hospitals with some of the worst infant mortality rates in the world, in partnership with the NGO Health, Education, and Economic Development for Afghanistan."

In India, Embrace launches a rapidly growing program in Uttar Pradesh's Raebareli District, in partnership with the district government, and with the generous support of funder Narayana Murthy and the technical guidance of Rajiv Gandhi Mahila Vikas Pariyojana, a local development organization.

Embrace now has programs in 11 different countries, and has reached over 50,000 low birth weight and premature infants.

www.embraceglobal.org

As a team reformulate your problem statement.

REVIEW

point of view: components

user be specific

need use verbs

insight (empathy) observation + interpretation

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Create a POV

USERS (Be very specific)

needs to

NEED (verb)

because

Surprising INSIGHTS (Empathy)

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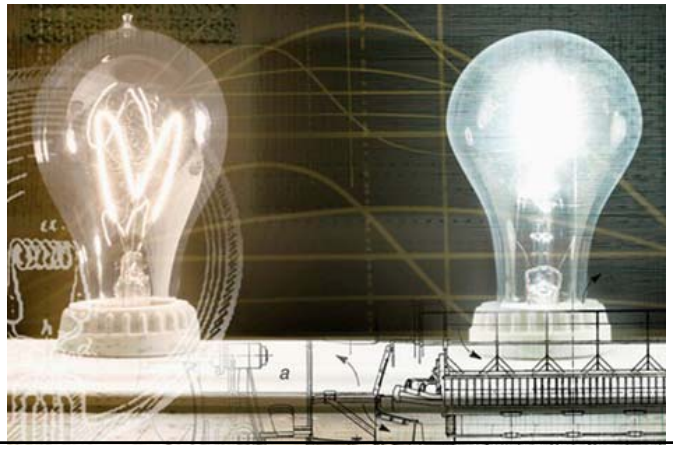
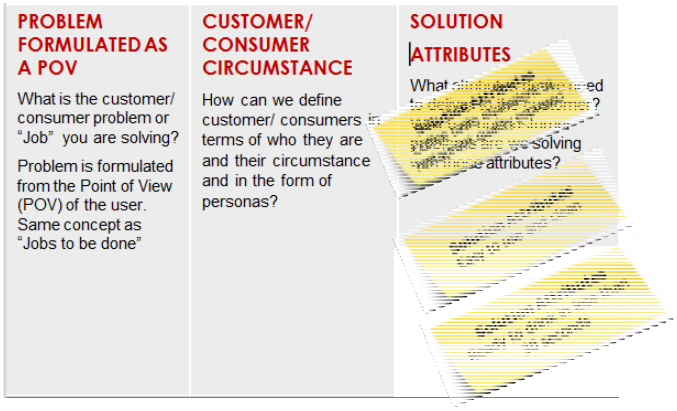
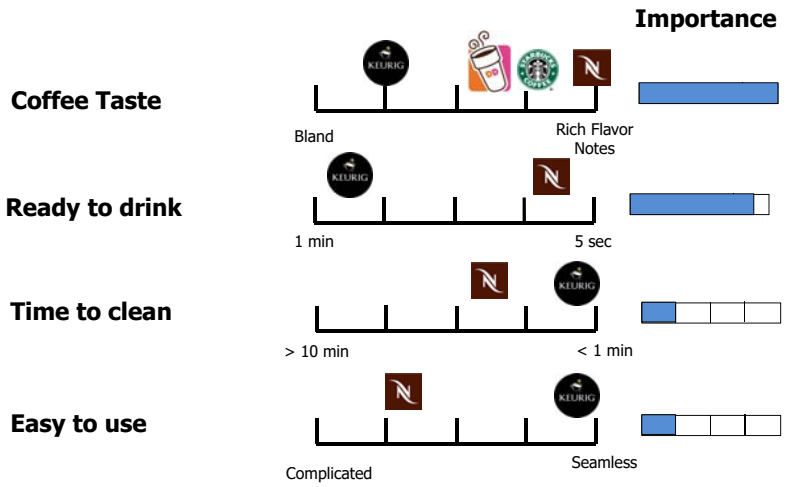
Problem

Increasing the knowledge and awareness of “best practices” in innovation in your company



Solution Attributes

What attributes do we need to deliver to the customer? Which of our customer problems are we solving with these attributes?



Solution Attributes Map