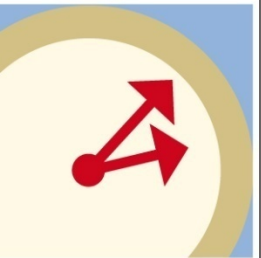
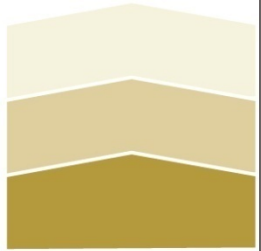
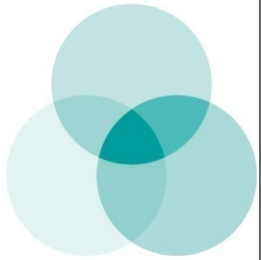


**MARTIN**  
PARROT



# VALUE PROPOSITION AND VALUE MANAGEMENT

Presentation at Value Analysis Canada  
June 2016

# Agenda

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- Definitions of value proposition
- The Strategyzer approach
- Value management
  - ▣ Needs analysis
  - ▣ Cost analysis
- Comparison
- What can each approach learn from the other

# Value Proposition

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A clear statement which

- Explains how your product solves the problems of your clients or improves their situation (Relevant)
- Delivers specific benefits (quantified value)
- Tells your ideal client why he/she should buy from you and not from your competition (unique differentiation)

# Value Proposition

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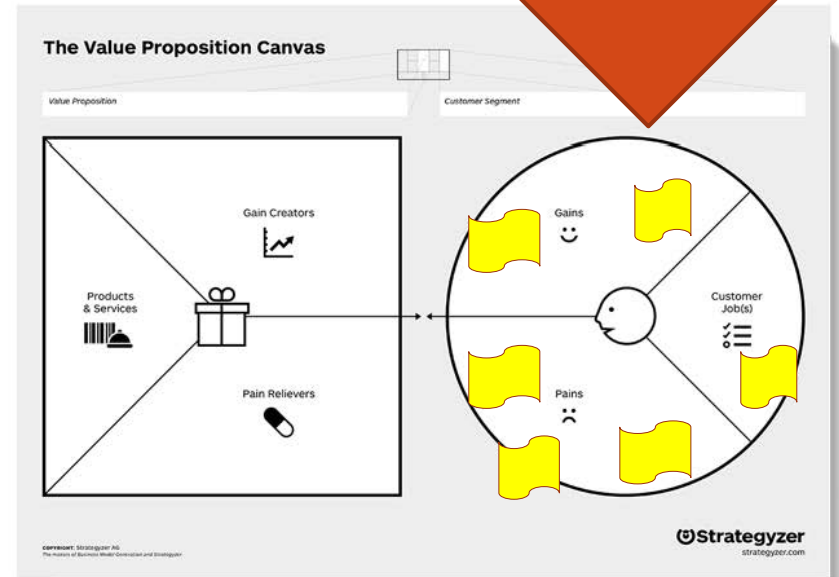
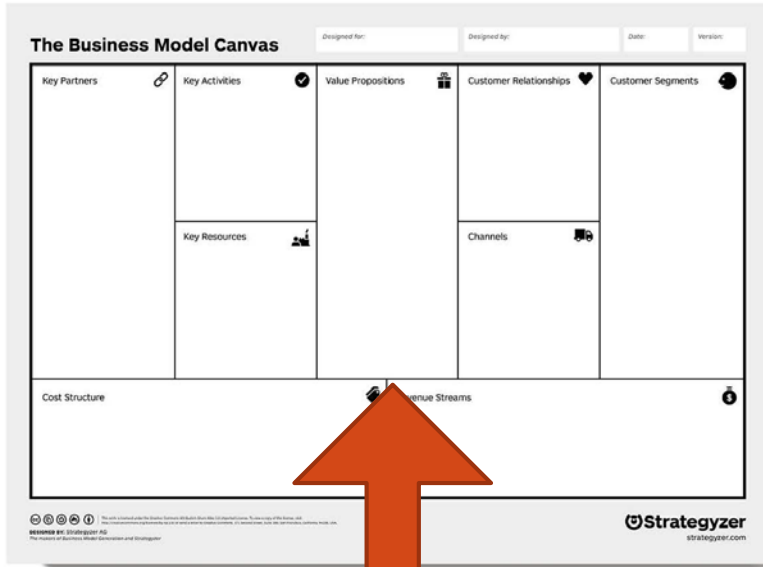
- The main reason why a prospect should buy from you
- The promise you make that you will deliver value and the fact that your client will believe that this value will be delivered and that he will be able to experience it

# Value Proposition

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- A clear statement which will convince your clients that your products or services will add more value or will solve a problem better than the other products or services from the competition

# Strategyzer Approach



# Value management

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- Competitiveness approach which allows the identification of the client needs and then, finding the solution to fulfill these needs at the best cost

# Needs Analysis

- Identify...
- Organize...
- Characterize...
- Set into a hierarchy...
- Estimate the cost of...
  - ... the functions of a product or service

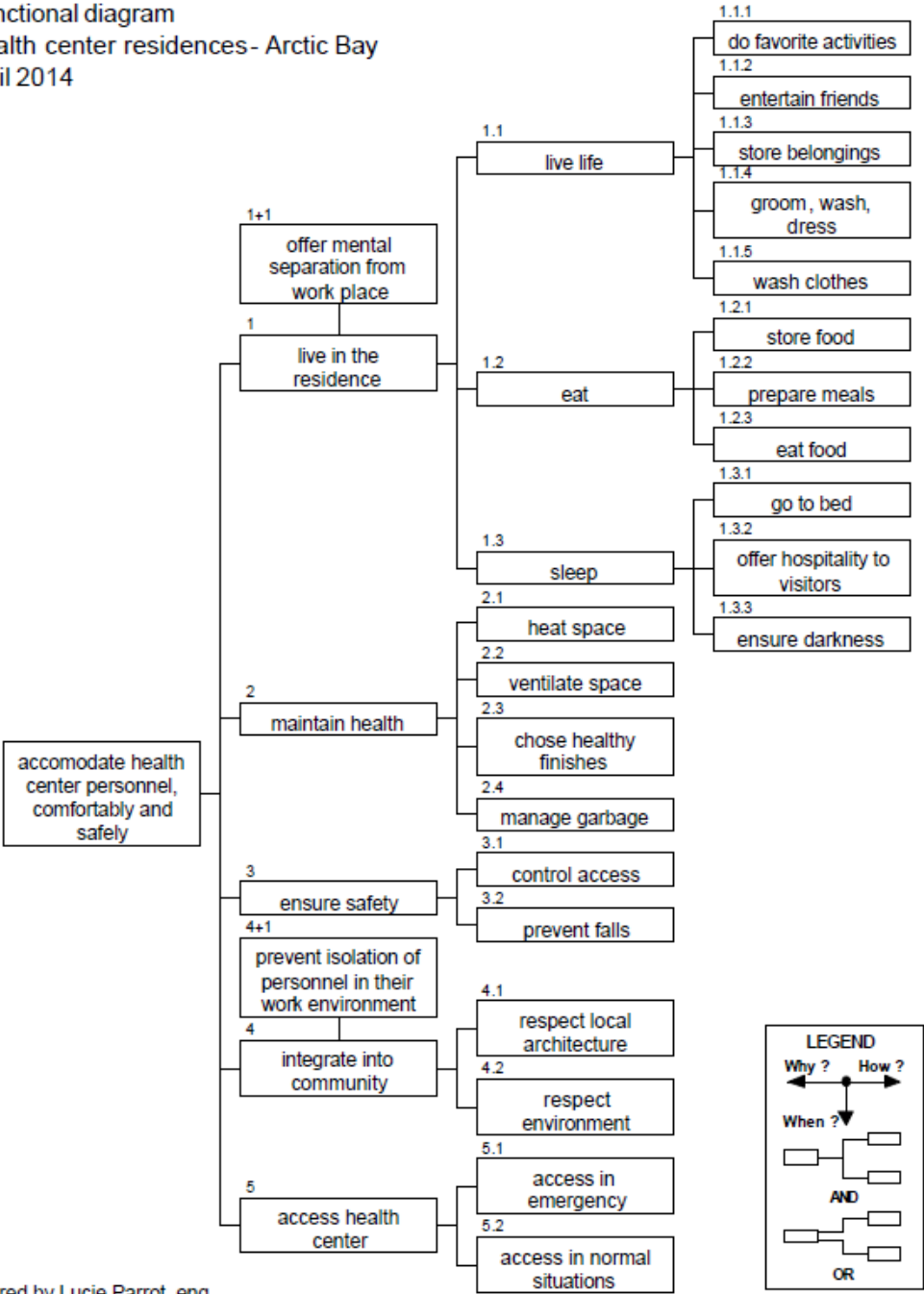


# Identify functions – 6 methods

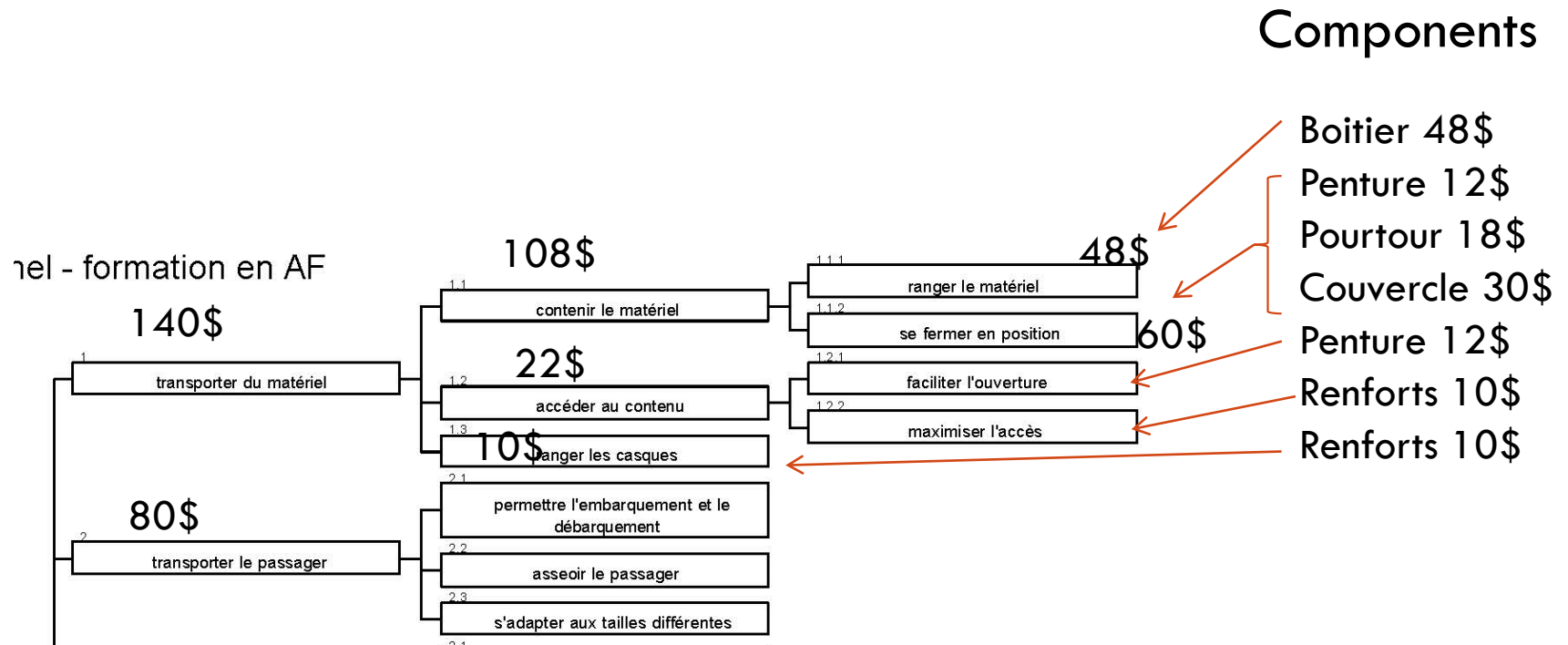
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1. Intuitive method analysis
2. Environment analysis
3. Sequential analysis
4. Efforts and movements analysis
5. Reference product analysis
6. Rules and regulations analysis

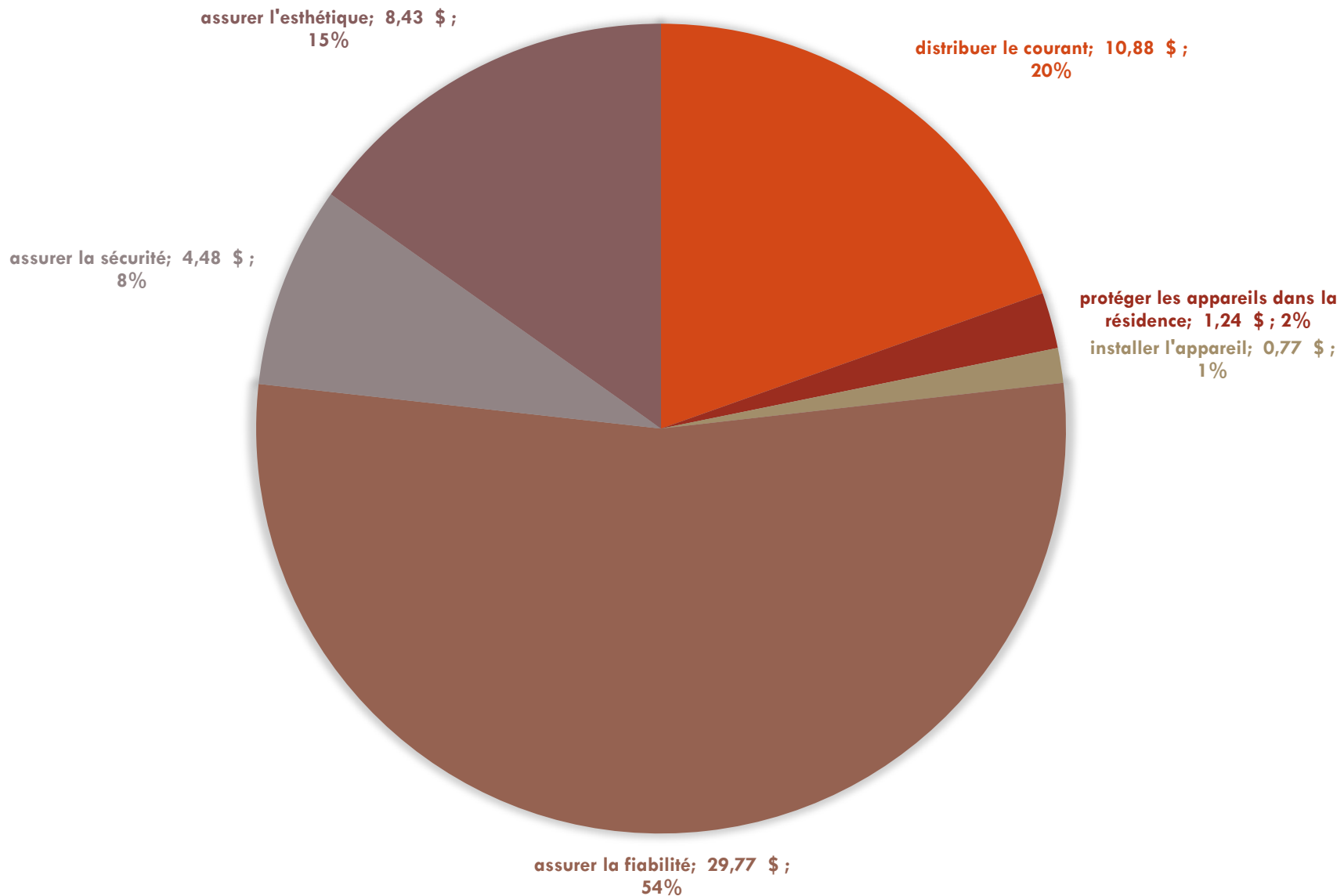
Functional diagram  
 Health center residences- Arctic Bay  
 April 2014



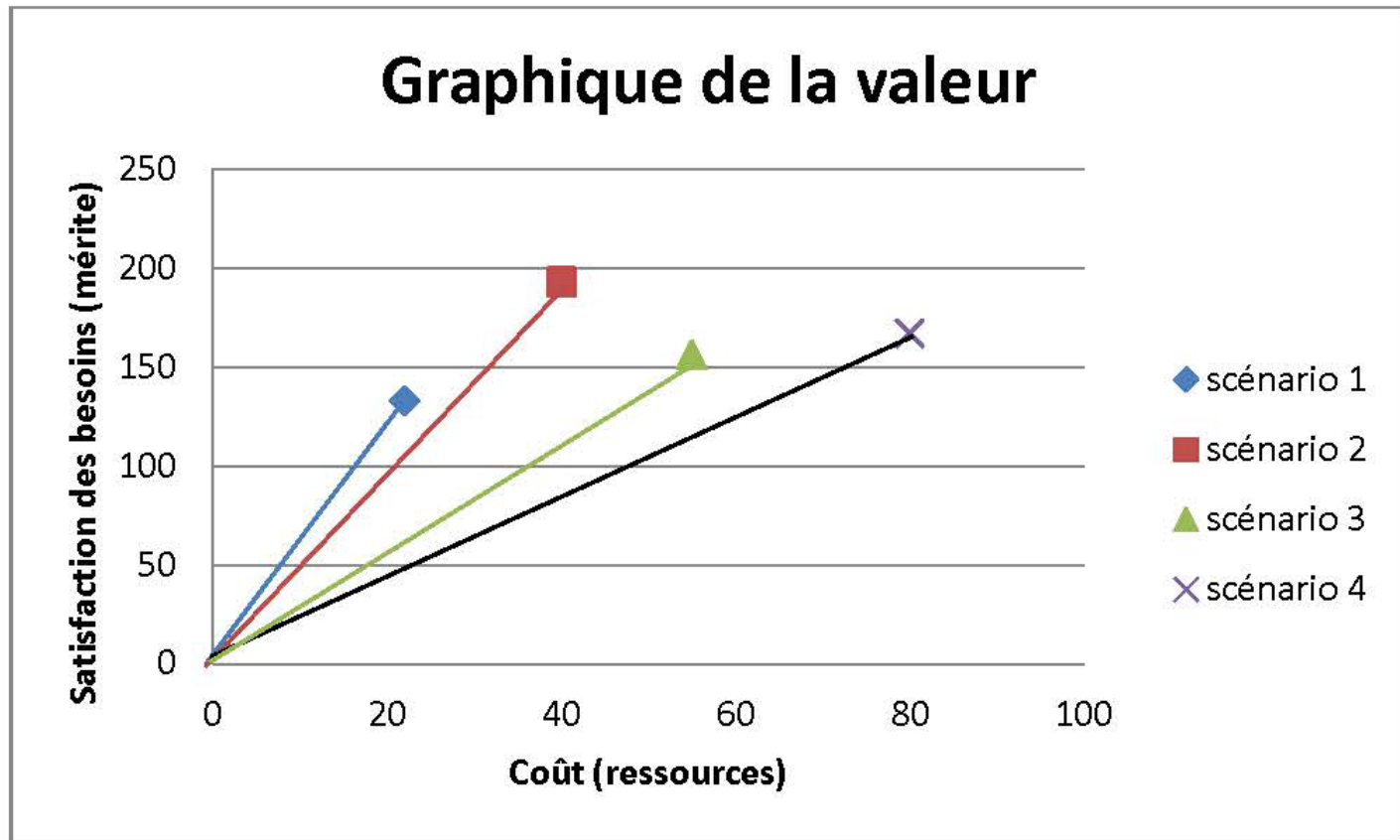
# Cost Analysis



## DISTRIBUTE POWER SAFELY IN A HOUSE



# Cost Analysis



# Comparison

## Business model Strategyzer

- Describe les jobs, pains, gains, on post-its
- Identify what can alleviate problems and create gains
- No cost analysis
- More oriented towards Business and marketing

## Value Management

- Describe functions and place them in a function diagram
- Creativity session to find best solution to fulfill functions
- Link cost of solutions to functions
- More oriented towards design

# What can each one learn

## Business model Strategyzer

- Use a function diagram instead of posts its
- Use systematic method to identify functions
- Use various levels of hierarchy
- Integrate cost analysis

## Value Management

- Add to the 6 methods to identify functions, the analysis of « pains » and « gains »
- Identify what has more value for the client
- Make sure you find what can relieve the pains and support the gains

# Conclusion

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- Strategyzer has a great method to develop a value proposition (more marketing oriented)
- Value management is a great method to orient the design of the product (more design oriented)
- Each can learn from the other to be more comprehensive