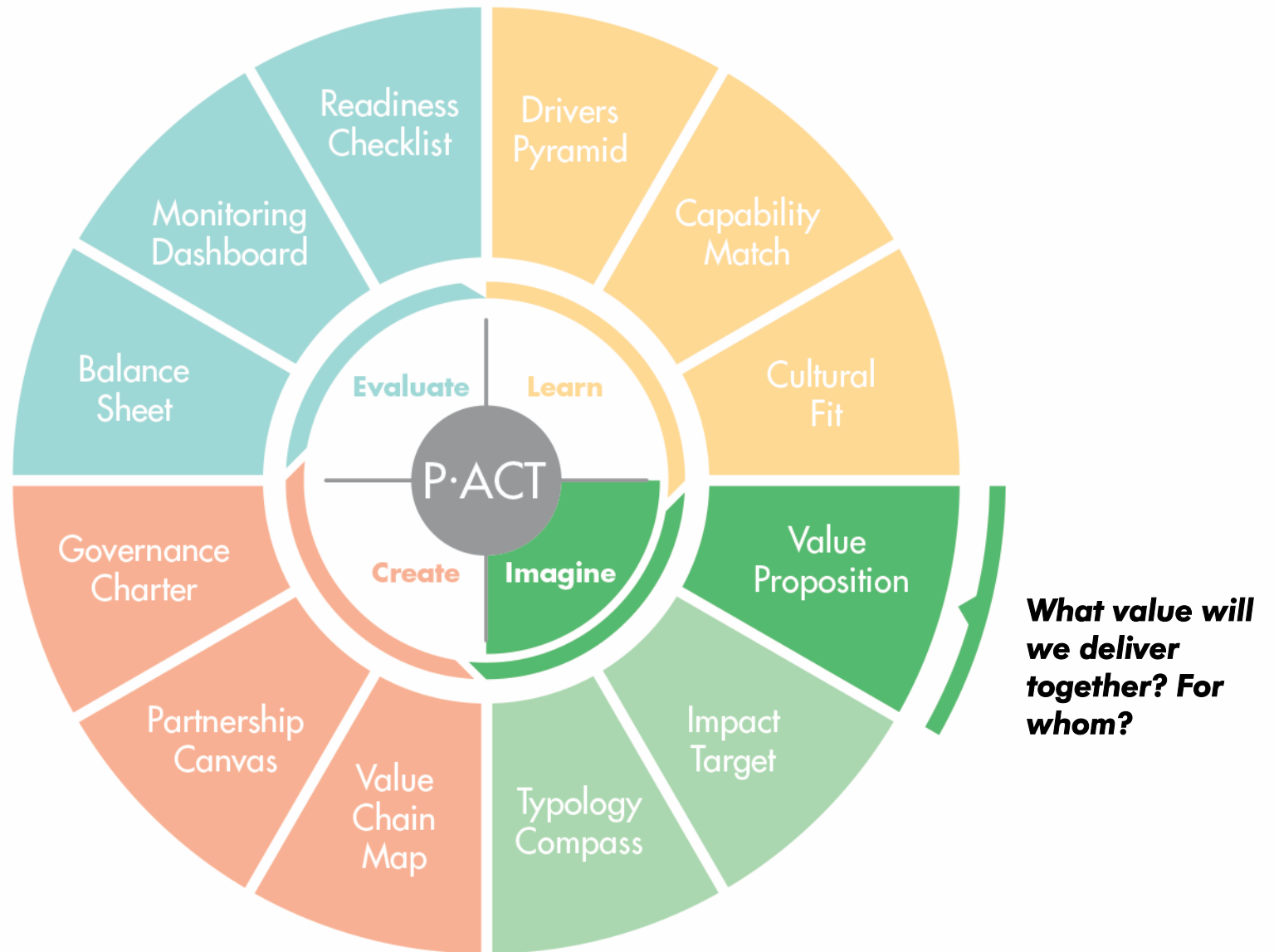


Value Proposition

***What value will we
create together?
For whom ?***

P·ACT



The Value Proposition

What value will we create together? For whom?

Partnerships are formed to create or enhance value for common stakeholders. While each partner has its own customers and value proposition, all organizations in a partnership need to define as a group who they will serve together and what value they will deliver beyond what they already offer individually. This tool enables partners to define the partnership's key stakeholders and to articulate the value proposition of the partnership.

Value Proposition Mural template

Tool source:
Adapted from SEED Value Proposition Building tool
(not public)



Why should we use it?

To converge on a common definition of the value created through the partnership.



What will we accomplish?

Identify the partnership's customers & other key stakeholders.

Define the value exchanged between the partners and each stakeholder group.

Articulate the partnership value proposition statement.

Step-By-Step

Step 1



Step 2



Step 3



Step 1:

Identify key stakeholders

1.1 Together, list the individuals or organizations that will be exchanging value with your partnership using the categories: **Customers, Community, Partners and Institutions.**

These stakeholders can be already part of the individual organizations' value chains or they can be completely new. Some stakeholders might fit into more than one category, in which case, decide where they may fit best in the partnership as per your judgment.

1.2 Together, discuss each key stakeholder group and clarify the specific organizations or the detailed profile of a typical representative individual or organization you are targeting.

- ?** How important are each stakeholders to your partnership?
- ?** Which partner has a better relationship with the different stakeholder groups?

Example

○ Partner 1

Expressions Global: supplies affordable piped water for irrigation to rural smallholder farmers in Kenya.

○ Partner 2

Solar Freeze: Provides renewable energy-powered mobile cold storage units to rural smallholder farmers in Kenya.

Customers	Individuals or entities who buy or pay for your products/services	exp: Smallholder farmers in Western Kenya districts, 2-5 acres, irrigated, have excess vegetables for sale
Community	Local community members benefiting from the partnership	exp: Farmer families ages 18-60, primary schooling completed
Other Partner	Individuals or entities working with the partners	exp: Extension agents including agro-dealers and government agents operating in the districts
Institutions	Institutions providing an enabling environment for the partnership	exp: Local government represented by the Office of Economic Development

Step 2:

Map partnership value flows

2.1 For each stakeholder group, identify all the types of value the partners will deliver and will receive:

- **Value Delivered:** What additional benefit does the partnership deliver?
- **Value Received:** What will the partners receive in exchange for that benefit?

2.2 Record the value flows on the value proposition map by depicting arrows between the partners and the different stakeholders. There could be multiple types of value exchanged in each direction.

Examples of value types that can be exchanged:



Technology



Money/Revenue



Energy



Health



Employment



Research



Education



Goodwill/Loyalty



Networks



Environmental Conservation

Example

Value Proposition Map

Partner 1

Expressions Global: supplies affordable piped water for irrigation to rural smallholder farmers in Kenya.

Partner 2

Solar Freeze: Provides renewable energy-powered mobile cold storage units to rural smallholder farmers in Kenya.



Step 3:

Articulate the partnership value proposition

Having a clear and concise value proposition statement ensures that partners are aligned and enables them to communicate consistently about the partnership with other stakeholders.

3.1 Articulate a general Value Proposition Statement for the partnership:

- It should clearly identify your target customer and other key beneficiaries.
- It should clearly define the value that these individuals will receive from the partnership.
- It should communicate clearly to ALL the stakeholders how they will benefit from engaging with this partnership.

3.2 Reflect together on your Value Proposition statement and refine it as necessary:

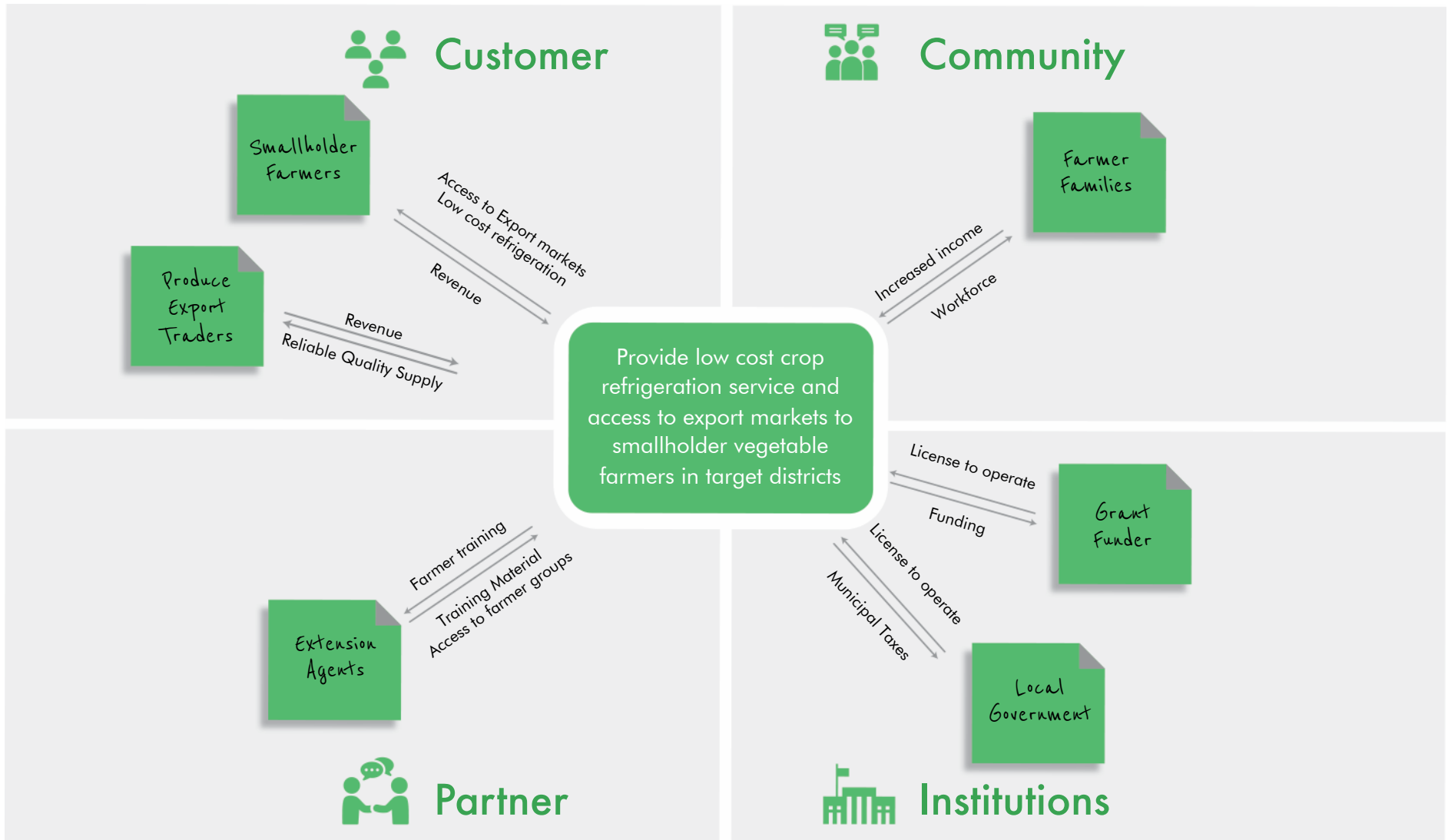
- Is it **coherent** with each of the partner's present value propositions?
- Is it adding something **relevant** to each of the partner's present value propositions?

Example

Value Proposition Statement

Partner 1
Expressions Global: supplies affordable piped water for irrigation to rural smallholder farmers in Kenya.

Partner 2
Solar Freeze: Provides renewable energy-powered mobile cold storage units to rural smallholder farmers in Kenya.



Facilitation tips

Step 1

Collective brainstorming

- People might refer to different stakeholder groups with similar terms. Make sure that the partners are very specific and aligned in defining the profile of each stakeholder group.
- When the stakeholder is a known individual or institution, name them.

Step 2

Collective brainstorming + Collective reflection

- People tend to focus on value in the form of money or physical products. Challenge partners to think more broadly and consider other less tangible forms of value. Give examples in categories that are particularly relevant.

Step 3

Collective definition

- Encourage partners to be specific but concise when crafting the statement.
- Before closing, ensure that all partners have a strong buy-in for the final value proposition statement.
- Print the statement on a card and give it to each participant to use in future conversations.