Value Chain Map

How will we deliver the value proposition of the partnership?

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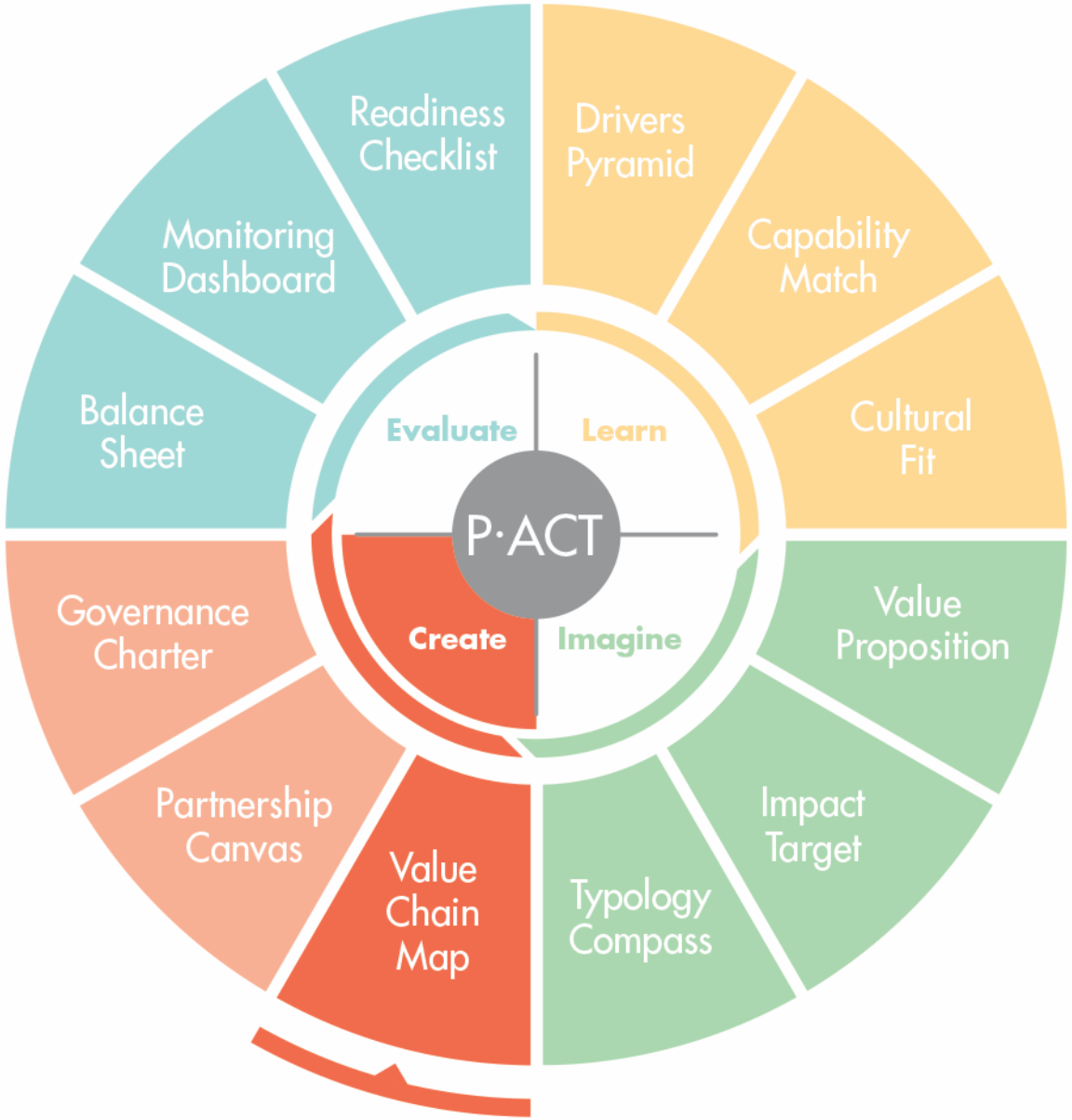


Pre-requisite tools:
- Value Proposition

Next tools:
- Partnership Canvas

How will we deliver the value proposition of the partnership?

Value Chain Map

How will we deliver the value proposition of the partnership?

Partners may make different assumptions about how they will deliver the partnership value to their customers often resulting in misalignment and conflicts. Hence, it is important to clearly define the roles each partner will play in the partnership value chain as it pertains to the flow of products and services, money and information between the different stakeholders. This tool enables partners to converge on a common partnership value chain model and to clarify the activities that each partner is expected to accomplish in order to deliver the partnership value to its customers.

Value Chain Map *Mural template*

Tool source:
Inspired from the **Customer Value Chain Analysis**

Why should we use it?

To establish a detailed model for how the partners will deliver the partnership value proposition to their customers.

What will we accomplish?

Clarify the list of key stakeholders taking part in the delivery model

Define each of the partners' roles in the delivery model

Converge on a common delivery model

Step-By-Step

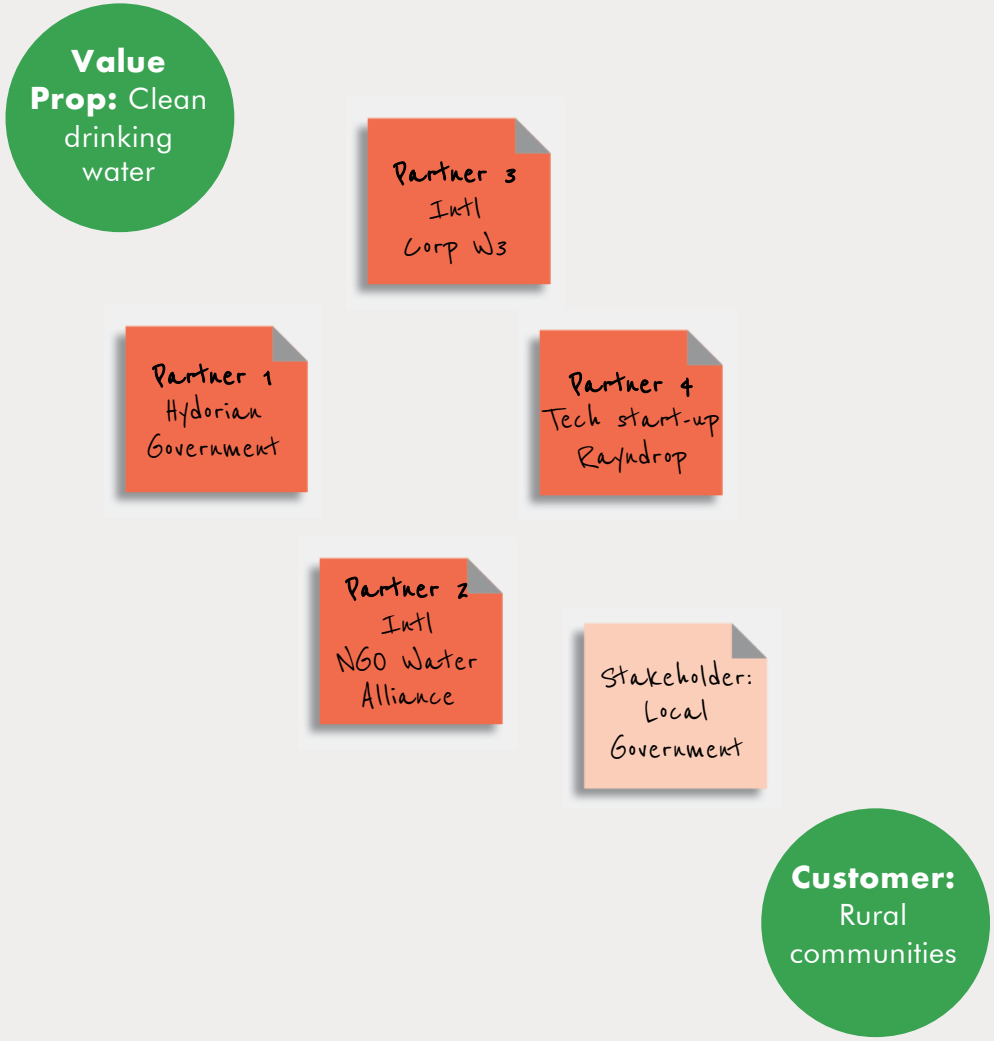
Step 1:

Identify the value chain actors

1.1 Together, list on post-it notes your target customer group(s), and your partnership value proposition(s). A partnership may have more than one customer group, and each one may receive a different value proposition.

1.2 Together, list on different post-it notes each of the key stakeholders who will be involved in the partnership value chain including your own organizations. These should include any individuals or institutions that will have a role to play in the creation or delivery of your partnership value proposition.

Example: Partnership driven by national Hydoria government (Partner 1) bringing together International NGO Water Alliance (Partner 2), multinational water treatment corporation W3 (Partner3); and tech start-up Rayndrop (Partner 4) to provide safe drinking water to rural communities. (Hydoria Teaching case)



Step 2:

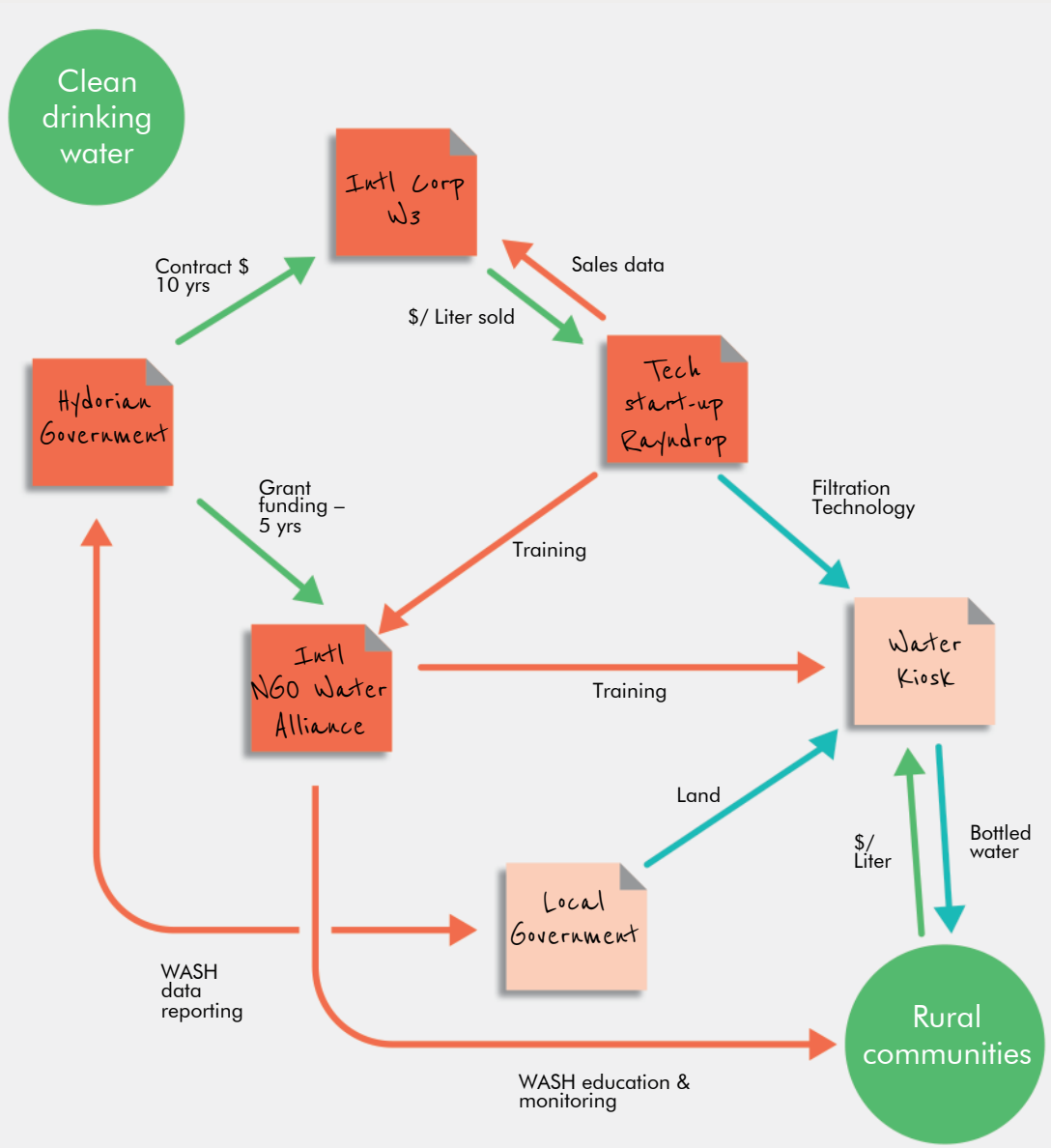
Map the value chain flows

2.1 Connect the partnership value proposition with the customers by mapping the flows of ***Product / Service***, ***Money*** and ***Information*** between the different actors. Use color coded arrows to represent each type of flow.

- ***Products/Services:*** Physical products or services rendered, installation, maintenance, after sales services...
- ***Money:*** Income, funding, subsidies...
- ***Information:*** Training, data, feedback...

2.2 For each connection, add the unit of measurement and any known specifics about the elements delivered (how much, how often...)

Value Chain Map



Step 3:

Refine the value chain map

3.1 Use the **4 A's framework** below to evaluate and complete your value chain map with any missing links between the stakeholders.

- **Awareness**: How will your customers know they need your product? How will they know about it?
- **Accessibility:** How and will they access it? How will they know how to use it?
- **Affordability:** How will they pay for it? How will they afford it?
- **After Sale:** How will they assess it? How will they maintain it?

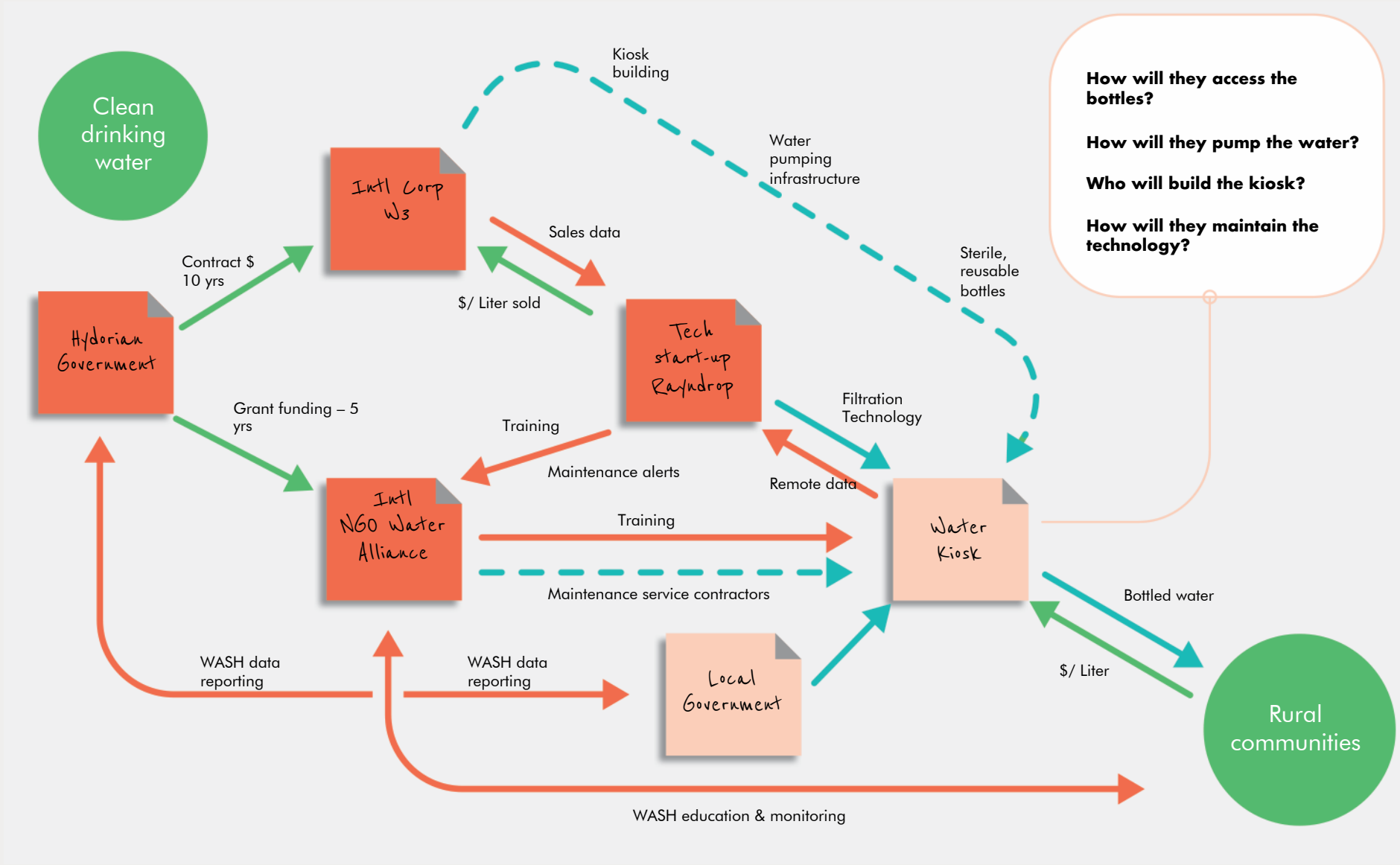
Feel free to add more discussion questions to each category depending on your own partnership context.

3.2 Once your value chain map is complete, discuss the following questions:

- Have we considered all the key stakeholders? Who else might join the value chain down the line? How would that change the map?
- Are there enough incentives for each actor in the value chain to sustainably fulfill their function? If not, how can we improve the incentives?
- Does the value chain create the value proposition expected by the customer?
- Does the value chain generate the impact expected by or promised to the beneficiaries?

Example

Hydoria Case study



Step 3:

Refine the value chain map (continued)

3.3 List any open questions, areas of concern or improvement. Identify next steps to begin addressing each item on your list. Set a timeline to follow up on the next steps listed in your action plan.

Action Plan Table – Example:

Identified open questions or area of improvement	***Next steps***	***Responsible***	***Timeline***
How can we monitor the quality of the bottled water?	Research correlation between water quality and WASH indicators before introducing a quality control function	Rayndrop	Jan 15, 2020
How will the water piping be maintained?	Consult with industrial contractor for recommendations	W3	Jan 30 2020
Can the tech maintenance be done by the kiosk operator in the long term?	Consult community to assess level of qualification and predict level of staff turnover	Water Alliance	Jan 30 2020
How often will technical training be needed	Gather benchmark info and meet with WA technical manager at WA to agree on frequency	Rayndrop	Feb 20 2020
Is the price affordable to community members?	Conduct a small market test	Water Alliance	March 30 2020
Who will pay for the maintenance fees?	Run financial scenarios to establis	All	Feb 15 2020

Worksheet 1:

Action Plan Table

Identified open questions or area of improvement	*Next Steps*	*Responsible*	*Timeline*

Facilitation tips

Step 1
Collective brainstorming

- Make sure at the start that all partners are aligned on who their customers are and what value proposition they will deliver to them. If needed, use the Value Proposition tool to establish that alignment.

Step 2
Collection brainstorming + collective reflection

- Have participants take turns to add different arrows. Strat with one type of flow then move to the other. if certain stakeholders are left out of the map connections, challenge their importance.

Step 3
Collection reflection

- Before closing the meeting, ensure that all partners have strong buy in into the map and the action plan they created together.
- Have the partners set a time and place to follow up on any next steps in the action plan.