



CENTER FOR HOMELAND  
DEFENSE AND SECURITY  
NAVAL POSTGRADUATE SCHOOL



# HSx MODULE: ENTREPRENEURSHIP (STEP 8 – QUANTIFY THE VALUE PROPOSITION)



APRIL 2017

# HOW TO QUANTIFYING THE VALUE PROPOSITION?

- Identify the customers most important need or problem they are having.
- How is this problem being solved today or identify this as an unmet need.
- How you can potentially solve that problem and show through quantifiable ways the amount of value you add.

# HOW TO QUANTIFYING THE VALUE PROPOSITION?

- Identify the customers most important need or problem they are having.
  - Interviewing potential customers and your Persona to deeply and intimately understand the most important issue facing them. The one issue that they worry the most about and gives them the most problems.
  - This is the reason your business exists, to focus on solving a problem or doing something better and making your customers life better and/or easier.

# HOW TO QUANTIFYING THE VALUE PROPOSITION?

- How is this problem being solved today or identify this as an unmet need.
  - Understand the current solution/answer to the problem identified in the previous step.
  - Quantify the current method (how fast is something done, capacity something has, power used, level of learning, cost, etc..)
  - Layout the process as detailed as possible and become an expert in it as much as possible.

# HOW TO QUANTIFYING THE VALUE PROPOSITION?

- How you can potentially solve that problem and show through quantifiable ways the amount of value you add.
  - After understanding the problem and how it is currently handled determine how exactly your product will make the process better or easier for the customer and by how much.
  - Being able to demonstrate in detail how and where your product can solve the problem or do it better is the essence of the step.

# VIDEO CLASSES AND SHORT PRESENTATIONS

- How to Measure Your Product's Value - Quantified Value Proposition Explained - Bill Aulet - [https://www.youtube.com/watch?v=EIIUtlxc-eg&list=PLQykyC1zr8f-O1RIG45\\_y7cGFVapzJsDM](https://www.youtube.com/watch?v=EIIUtlxc-eg&list=PLQykyC1zr8f-O1RIG45_y7cGFVapzJsDM)
- How to Create a Quantified Value Proposition - Bill Aulet [https://www.youtube.com/watch?v=GnKnST54YYw&list=PLQykyC1zr8fO1RIG45\\_y7cGFVapzJsDM&index=2](https://www.youtube.com/watch?v=GnKnST54YYw&list=PLQykyC1zr8fO1RIG45_y7cGFVapzJsDM&index=2)
- Ning Shirakawa, CEO of Native Mind, Explains Her Startup & Its Persona - [https://www.youtube.com/watch?v=fxEBk-iEgC0&index=3&list=PLQykyC1zr8f-O1RIG45\\_y7cGFVapzJsDM](https://www.youtube.com/watch?v=fxEBk-iEgC0&index=3&list=PLQykyC1zr8f-O1RIG45_y7cGFVapzJsDM)
- How to Quantify the Value Proposition: Native Mind Case Study - [https://www.youtube.com/watch?v=oiMYjzR2VkM&index=4&list=PLQykyC1zr8f-O1RIG45\\_y7cGFVapzJsDM](https://www.youtube.com/watch?v=oiMYjzR2VkM&index=4&list=PLQykyC1zr8f-O1RIG45_y7cGFVapzJsDM)
- Tips for Entrepreneurs - Ning Shirakawa, CEO of Native Mind - [https://www.youtube.com/watch?v=30JCWdm5fqU&index=5&list=PLQykyC1zr8f-O1RIG45\\_y7cGFVapzJsDM](https://www.youtube.com/watch?v=30JCWdm5fqU&index=5&list=PLQykyC1zr8f-O1RIG45_y7cGFVapzJsDM)

# SUMMARY

- During this step you quantified the value your product brings to the customer by; understanding the customers need, understand how its currently being met, demonstrating how your product will answer this problem better.
- Being able to quantitatively show the detailed value of your product will make it clear in the mind of your customer and team why this product is valuable and how it will make the lives of the customer better.

# Entrepreneurial Process – Quantifying the Value Proposition

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**Date of information:** 14 March 2017

**Overview:** Being able to quantitatively show the detailed value of your product will make it clear in the mind of your customer and team why this product is valuable and how it will make the lives of the customer better. During this step you quantified the value your product brings to the customer by; understanding the customers need, understand how it's currently being met, demonstrating how your product will answer this problem better.<sup>1</sup>

How to Quantify the Value Proposition (Aulet, 2013)

- Identify the customer's most important need or problem they are having.
- How is this problem being solved today or identify this as an unmet need.
- How you can potentially solve that problem and show through quantifiable ways the amount of value you add.
  
- Identify the customer's most important need or problem they are having.
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  - Being able to demonstrate in detail how and where your product can solve the problem or do it better is the essence of the step.

## Educational Videos and Short Classes:

- How to Measure Your Product's Value - Quantified Value Proposition Explained - Bill Aulet
  - [https://www.youtube.com/watch?v=EllUtlxc-eg&list=PLQykyC1zr8f-O1RIG45\\_y7cGFVapzJsDM](https://www.youtube.com/watch?v=EllUtlxc-eg&list=PLQykyC1zr8f-O1RIG45_y7cGFVapzJsDM)

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<sup>1</sup> Aulet, B. (2013). *Disciplined Entrepreneurship*. Hoboken, New Jersey, United States of America: John Wiley & Sons, Inc.





- How to Create a Quantified Value Proposition - Bill Aulet
  - [https://www.youtube.com/watch?v=GnKnST54YYw&list=PLQykyC1zr8fO1RIG45\\_y7cGFVapzJsDM&index=2](https://www.youtube.com/watch?v=GnKnST54YYw&list=PLQykyC1zr8fO1RIG45_y7cGFVapzJsDM&index=2)
- Ning Shirakawa, CEO of Native Mind, Explains Her Startup & Its Persona
  - [https://www.youtube.com/watch?v=fxEBk-iEgC0&index=3&list=PLQykyC1zr8fO1RIG45\\_y7cGFVapzJsDM](https://www.youtube.com/watch?v=fxEBk-iEgC0&index=3&list=PLQykyC1zr8fO1RIG45_y7cGFVapzJsDM)
- How to Quantify the Value Proposition: Native Mind Case Study –
  - [https://www.youtube.com/watch?v=oiMYjzR2VkM&index=4&list=PLQykyC1zr8fO1RIG45\\_y7cGFVapzJsDM](https://www.youtube.com/watch?v=oiMYjzR2VkM&index=4&list=PLQykyC1zr8fO1RIG45_y7cGFVapzJsDM)
- Tips for Entrepreneurs - Ning Shirakawa, CEO of Native Mind
  - [https://www.youtube.com/watch?v=30JCWdm5fqU&index=5&list=PLQykyC1zr8fO1RIG45\\_y7cGFVapzJsDM](https://www.youtube.com/watch?v=30JCWdm5fqU&index=5&list=PLQykyC1zr8fO1RIG45_y7cGFVapzJsDM)