PMDE PROGRAM

MODULE 4: DESIGN THINKING - IDENTIFYING PRODUCT OPPORTUNITIES

CLASS: PMDE BATCH , **MODULE 4**

SESSION-1 & 2

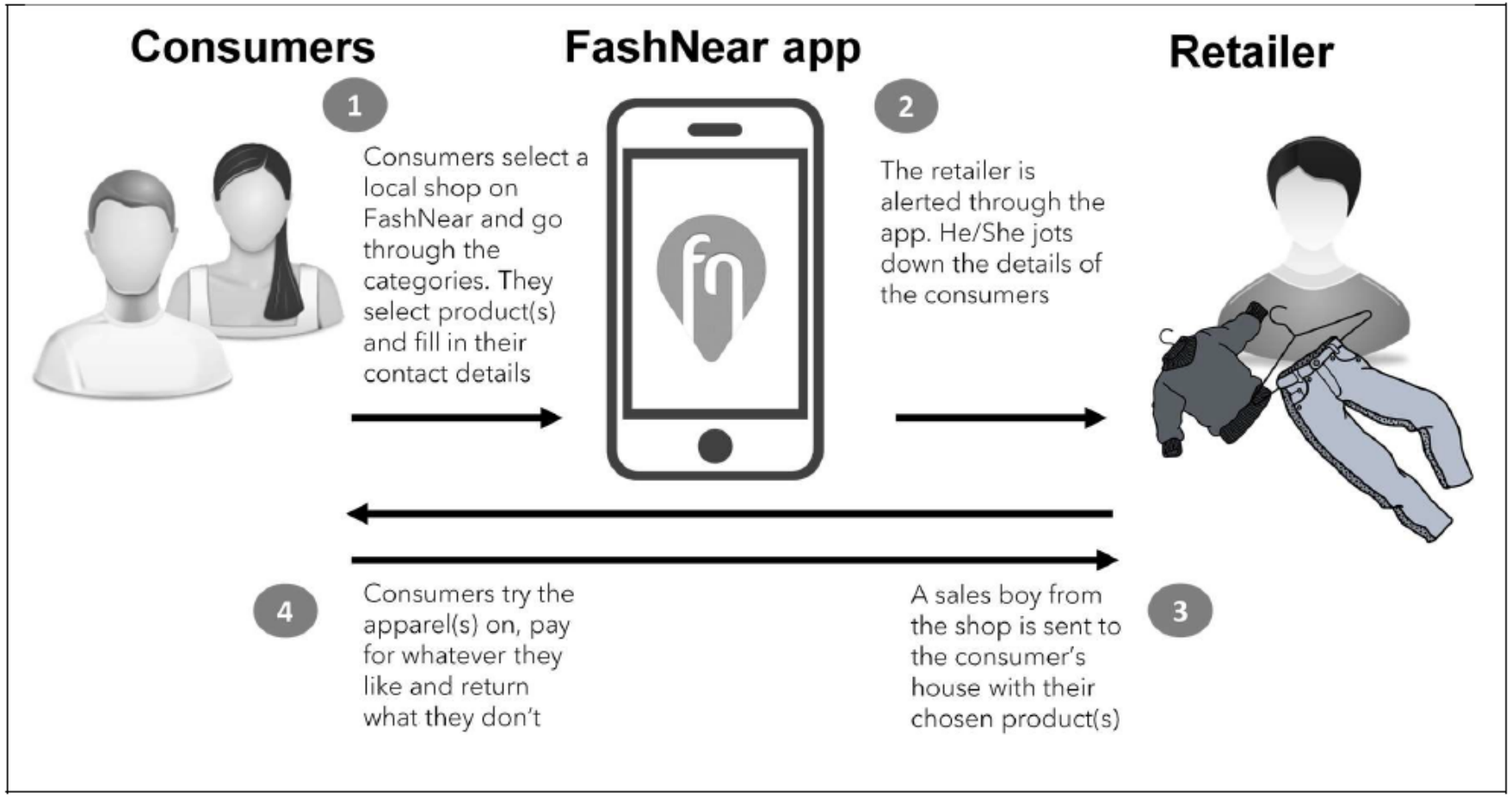
MINI CASE : FASHNEAR

MINI-CASE:

- What was the business idea? How did the founders derive this idea?
- Hyperlocal business and hyperlocal delivery model
  - Product acquired locally, from neighbourhood establishments and delivered to the customer in the same geographic area
  - Unique value proposition – delivery of products and services in a short time
  - Many categories of retail sector going hyperlocal – e.g., food, groceries, pharma, fashion
- Market research by founders

MINI-CASE (CONTD.)

- ‘Interesting’ idea of the founders
- Problem addressed ? For whom?
  - For neighbourhood fashion apparel stores mostly retailing unbranded apparel
  - Problem – no easy pathway for such local stores to participate in online commerce
  - For shoppers ?
- Built a fashion app to buy online from any neighbourhood store – FashNear
  - Connecting consumers with neighbourhood stores



The model didn't work! Poor revenues even in the sale season, though there were limited early users

MIN-CASE (CONTD.)

- Why limited takers?
- Which path to take? Give what the customers really want, or ‘change’ the customers and chase a new problem?

PERSONAS

- Sellers and buyers
  - Sellers – small local fashion apparel businesses (likely without an online presence on major ecommerce sites)
  - Buyers – tech savvy urban men and women looking to buy apparel from local shops
- Corrections
  - Personas away from case facts! Stick to case facts
  - Stereotypical personas
  - Personas to be built based on user research !
  - Having many personas is fine, which among these were prioritized by Fashnear?

BUSINESS MODEL CANVAS

- Key partnerships
- Key activities – vendor onboarding
- Value propositions
- Customer relationships
- Customer segments
- Cost structure
- Revenue streams?
- **Corrections**
  - BM away from case facts! Stick to case facts

THE DIGITAL PRODUCTS & THEIR SUCCESS?

Why do products fail?

- Most products fail because they do ***not meet customer needs in a way that is better than other alternatives –problem-solution fit***
- Simply put, products fail when they do not get to the ***product-market fit***
- Products also fail when they do not help achieve your organizational goals or do not align with your strategy

PROBLEM-SOLUTION FIT

- The first stage of the lean startup process - validating the problem/solution fit
- Is this problem worth solving?
  - ***Problem first***, rather than creating solutions first
  - Who are the ***target customers***?
  - Do the ***customers acknowledge*** that this is a problem? – 'interesting' is not enough
  - Are the customers ***willing to pay*** to solve the problem?
- Problem-solution fit – needs evidence that the proposed product or service addresses important customer problem(s)/need(s)
  - Problem for a critical mass of people, not a select few!

TEMPLATE: PROBLEM DISCOVERY

1. Establish the need for a solution
1.1 What is the basic need?
1.2 What is the desired outcome?
1.3 Who stands to benefit and why?

2. Justify the need
2.1 Is the effort aligned with our strategy?
2.2 What are the desired benefits for the company, and how will we measure them?
2.3 How will we ensure that a solution is implemented?

3. Contextualize the problem
3.1 What approaches have we tried?
3.2 What have others tried?
3.3 What are the internal and external constraints on implementing a solution?

4. Write the problem statement
4.1 Is the problem actually many problems? 4.2 What requirements must a solution meet?
4.3 Which problem solvers should we engage? 4.4 What information and language should the problem statement include?
4.5 What do solvers need to submit? 4.6 What incentives do solvers need?
4.7 How will solutions be evaluated and success measured?

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