Integrative CVP Framework Design, Using Lean-startup Methodology

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Abstract

The success of a company in the market is linked to the value it delivers to its customers. However, that value is not always constant. As the environment changes, so do customer experiences and requirements, and eventually the value they seek also evolves. Thus, a timely, clear, and effective value proposition, along with the associated benefits, becomes the functional, psychological, and economic foundation of a business. Therefore, the customer value proposition is crucial in terms of Product-Market Fit (PMF), establishing competitive differentiation, and delivering consistent messaging. Despite this, the most widely known and utilized model related to the Customer Value Proposition (CVP) in general businesses is the Value Proposition Canvas (VPC) by Osterwalder and Pigneur. Apart from that, there are only a few other models used by scholars and experts. In this paper, I selected the VPC model, which is widely used by business practitioners globally, and two other major CVP models well-known to experts. I conducted a detailed analysis of these models and derived the essential elements and key features of a customer value proposition. These were then combined with the Lean Startup methodology, which is frequently used for innovation today, to design an integrated CVP model that startups can easily utilize. The framework proposed in this study is a comprehensive CVP model that incorporates the strengths, weaknesses, characteristics, and commonalities of the three existing CVP models. It is designed to flexibly adapt depending on the business direction or strategic characteristics of the company by comprehensively considering all circumstances of the entire company or a specific product/service. Additionally, it systematically manages the contents of customers' wants & needs, strategic focus, and growth horizons, even after application. The Integrative-Lean CVP Model, designed for easy use by startups, is expected to help them with limited funding and marketing capabilities identify value proposition elements for timely PMF, fostering the creation of a new startup ecosystem.

■ KeyWords: Startup, Value Proposition, Customer Value Proposition(CVP), Product-Market Fit(PMF), Lean-startup methodology

Ⅰ. Introduction

Customer Value Proposition(CVP) is a clear statement that explains how a company's product or service solves a customer's problems, improves their situation, and delivers specific benefits, while distinguishing itself from competitors. In other words, CVP is the answer to why target customers should choose to buy from you specifically. The key elements include targeted customer needs, unique benefits, and differentiation from competitors. Particularly in today's rapidly changing environment, it is more important than ever for startups to establish a corporate structure that continuously grows and innovates. Implementing a CVP strategy to effectively connect market and customer demands with the company's unique value is significant for adapting successfully.

However, despite the fact that CVP is such an important and critical tool in corporations, especially for startups, there seems to be insufficient academic focus on the topic. Globally in my research, fewer than 10 papers related to CVP have been published for last 10 years, and most of them apply to fields like marketing, e-commerce, and retail. There is no research focused on the CVP model itself. As a result, startups face big challenges when trying to select and implement a specific CVP model suitable for their individual circumstances. And also, it is not expected to do academic advancement in this area. This highlights the urgent need for the development of an effective CVP model that startups can easily adopt and benefit from in any situation.

CVP is a continuous process that must be revised according to environmental changes, while simultaneously pursuing innovation and efficiency. In this paper, I aim to develop a comprehensive framework that helps startups build and maintain a competitive advantage their core solutions. This framework balances customer needs, strategic differentiation, and long-term growth, ensuring that the startup can sustain its competitive edge. Furthermore, the framework will be applied to a specific startup's business to validate its effectiveness. For this, I seek to present a new model related to CVP based on the analysis results of previously established major CVP models which have a long history and are well-known to experts worldwide. By combining the essential elements and strong points of each CVP model derived from a detailed analysis of these models, based on the lean-startup methodology, which is widely used for innovation and sustainable development today, not only are many of the shortcomings of existing CVP models addressed, but it will also lay the foundation for startups to achieve sustainable development with their unique competitiveness.

The integrated model proposed in this study is based on the core concepts and framework of the lean-startup methodology introduced by Eric Ries (2011). It systematically incorporates the characteristics, advantages, and core elements of CVP-related theories presented by Osterwalder et al.,(2014), Treacy & Wiersema (1995), and Baghai et al.,(1999). The extracted factors are systematically integrated to form a comprehensive CVP framework. This framework aims to leverage the strengths of each theory while mitigating the weaknesses of traditional CVP models, providing startups with a structured approach for sustainable growth and competitive advantage. The following table represents research methodology of this paper.

<Table 1> Research Methodology

		Description
1	Analysis	- Lean Startup Process(continuous innovation, MVP, iterative process) - Existing CVP Models
2	Conceptual Design	- Factors extracted; Characters, Merits, Core elements, Commonalities etc. - Methods for developing CVP based on general CVP model
3	Integrative CVP Modeling	- Set integrative CVP process based on lean-startup methodology - Combine factors extracted and Integrative CVP frameworking

II. Theoretical background and Prior research

2.1 Lean-startup methodology

Lean-startup is a well-known methodology developed by Eric Ries. He was inspired by lean methodology of Toyota Production System, and developed the lean-startup methodology while encountering unexpected failures. Lean production aims to eliminate waste in the value stream, and this principle also applies to lean-startup. Eric Ries(2011) emphasizes the importance of eliminating waste by quickly identifying which practices create value and which do not. The emphasis of the lean method is on efficiency, and lean-startup applies this lean approach to the management of startups. A startup, as defined by Eric Ries during the development of the lean-startup methodology, is an organization established to create a new product or service amidst significant uncertainty. Therefore, company size, business field, and industry type are not important factors in this definition.

The characteristics of a lean startup are that it is possible to establish an acceptable plan that reflects the production environment and market conditions, and that it repeats small experiments and evaluations with a customer-centered approach. If you look at the customer feedback loop (Build-Measure-Learn; BML), a learning mechanism of the lean concept organized by Eric Ries, you can understand the principles of lean-startup. Once a Minimum Viable Product is completed based on an idea or hypothesis, customer response is measured using qualitative and quantitative methods. Specific learning content is derived from the data obtained from this measurement, and the validity of the idea or hypothesis is verified or refuted based on this content. And from this result, we derive action and start again. As you repeat the loop, if the company is moving in the ideal direction you want, you can continue in that direction, but if not, you must admit that the strategy is fundamentally wrong and push for change. If you decide to pivot, you can set the starting line again and start the BML cycle from there (Ries, 2011). He emphasized, "what is important in a startup is not creating a service or function, but achieving the effective learning necessary to run a sustainable business." As the development process progresses based on experimentation and verification, it indicates when to change direction, thereby reducing wasted time and money. Furthermore, by encouraging experimentation and learning, it strengthens entrepreneurship training among organizational members, allowing companies to continuously innovate. Companies must focus on redefining the market through repeated observation and finding hidden opportunities through this,

and in this sense, lean startup can be a new approach that can turn these efforts into visible results (Kong, 2015).

The Lean Startup methodology offers a new perspective for proactively responding to the increasingly competitive business environment. It has been widely applied not only in various research methodologies aimed at fostering innovation in different fields, both domestically and internationally, but also in actual corporate settings. Over the past five years, many a studies related to lean startup methodology have been published, including works by Mansoori et al. (2019), Harms & Schwery (2019), Leatherbee & Katia (2020), Lee(2022), Kim & Jung(2023), and Park & Park (2023). These papers commonly emphasize redefining markets through repeated observations to identify innovative opportunities, making this approach applicable across a variety of fields. This has also been incorporated into the development of an integrated CVP model.

2.2 Customer Value Proposition (CVP)

CVP is the first thing a company must establish to build a business model among many a key factors such as profit formula, key resources, and key process etc. And also, it is the potential value that a company promises to provide to customers, which essentially becomes the reason why customers choose the product or service. In this way, CVP can be said to be one of the most powerful means for a company to have a competitive advantage in today's hyper-competitive market.

Generally, a CVP consists of three parts: target customer, customer task definition, and value provided to the customer. However, even if a CVP is made by comprehensively considering these three factors, not all of them is attractive and persuasive. In many cases, when you look at the CVP, you can guess what kind of product/service it is, but there are often cases where the customer is not persuaded as a reason to use the product/service. Therefore, in order to create a CVP that can be understood and persuaded by most people, sufficient information must be provided so that even those who do not have much understanding of the product or service can fully understand and persuade them (Payne et al., 2017).

Creating a CVP is not a one-time thing. It is a process that requires continuous investigation, verification, and action. To create a CVP, you must first select target customers and identify their requirements and needs through market research. Then, after identifying who your competitors are and what value they provide, you define the solution you want to provide and create a clean and impactful CVP statement. And the CVP declaration created in this way is continuously refined based on customer reactions. CVP is a concept that must be continuously managed from a comprehensive, interactive, and process perspective. And companies that need to develop and maintain customers and generate profits must pay attention at the company level.

Until now, the most widely known and used model related to CVP is only Osterwalder and Pigneur's Value Proposition Canvas(VPC). Of course, there are several other models besides VPC, but they are known only to some scholars and experts, not general firms. Over the past 10 years, the number of papers related to CVP published domestically and internationally includes works by Payne et al. (2017), Kirchberger et al. (2020), Bailetti & Tanev (2020), Sheth (2020), Tarola (2016), and Mohd Satar et al. (2019). In Korea, research by Yang(2023) and Han et al. (2021) represents the main

contributions to the field. In here, domestic papers focuses on a CVP method using text mining of online customer reviews and mediating factors of CVP. And the foreign papers highlight the evolving role of CVP in both established business and startups with a focus on digital transformation, scalability and customer centric, not CVP model itself.

Ⅲ. Analysis of existing CVP Models

3.1 Value Proposition Canvas(VPC)

VPC was introduced in 2014 by Alexander Osterwalder and Yves Pigneur, who proposed the Business Model Canvas in 2010. It is a strategic tool used to design, test, and understand the value that a product or service provides to customers. The VPC is a framework that verifies the suitability of a product or service by matching it with what the market and customers are looking for. It can be said to be a detailed tool that models the relationship between customers and the proposed value. In this way, the VPC is a useful tool that can be used when adjustments to existing products or services are needed or when a new product is launched. Therefore, the VPC helps entrepreneurs and innovators better understand their customers, identify their jobs, pains and gains, and create products and services that solve them, as well as measure their value proposition using experiments and metrics. It is also much helpful for strategic improvement (Osterwalder et al.. 2014). The items that make up the VPC are as follows.

1) Customer profile
a. Customer Job: describes the activities(tasks) that our defined target customer group strives to achieve in their work or life.
b. Pains: defines the inconveniences or unsatisfactory results experienced by customers in the process of performing tasks.
c. Gains(expected results): what the actual customer expects is defined in the customer's language, including required benefits, expected benefits, and the unexpected benefits.
2) Value Map
a. Product & Services: describes how the tangible and intangible products and services provided to customers bring benefits and solve problems.
b. Pain Relievers: specifically define how our product/service solves the discomfort of our target customers.
c. Value Creators: specifically define how our products/services achieve the results/appearances expected by target customers.

VPC is very useful for creating a fit between the value a company offers and what customers need and want. The VPC allows companies to focus on providing real value to customers and helps clearly communicate the benefits of the product or service they wish to propose to customers.

3.2 Value Disciplines

Treacy & Wiersema(1993) make the assumption that an organization will always excel in which it is good at. This value position is determined by the opinion of external parties such as organization's customers and suppliers. The value of an organization is not only determined by price but also by other factors such as the effort someone has to make to purchase the product/service. They said that companies should choose one discipline to excel in while maintaining threshold standards in the other two.

1) Product Leadership

An organization that focuses on product leadership will always strive for product development and product innovation and want to be market leader of the specific product and service. They strive to create a continuous stream of innovation that is in demand with both loyal and new buyers. The organization invests much in R&D. Its key aspects include innovation, high performance, creativity and market leadership.

2) Operational Excellence

An organization that focuses on cost leadership will always aim at providing its customers with high quality products or services at competitive prices and ease of purchase. Companies that pursue this strategy aim to lead their industry in terms of price and convenience. The key characteristics of this discipline include efficiency, consistency, standardization and low cost.

3) Customer Intimacy

Customer intimacy is about developing deep, personalized relationships with customers. Companies that adopt this discipline focus on tailoring their products and services to meet individual customer needs. The organization is continuously working to meet the customer's requirements and delivers mainly tailor-made work and one-on-one solutions in which the organization focuses on a long-term customer relationship.

This model provides a framework for companies to identify and pursue a clear strategic focus. Whether through operational excellence, product leadership, or customer intimacy, companies can build a competitive edge and achieve market leadership by excelling in one of these areas.

3.3 Three Horizons Model

Three Horizons Model is a strategic framework designed to help organizations manage and sustain growth over the long term. Developed by McKinsey & Company, it segments innovation and growth initiatives into three different time horizons, each with distinct goals and management approaches. This structured approach allows for the evaluation of potential growth opportunities without jeopardizing current operations. Each horizon has a specific focus and demands a unique management approach. As seen in the graph below, Horizon 1 represents the core business as it currently stands. It focuses on maintaining existing assets and supporting short-term growth(1-3 years) with the lowest value. Horizon 2 represents the emerging opportunities that help develop a

company in the next 2-5 years. Horizon 3 has the highest value and illustrates long-term goals (5-12 years), which involve creating entirely new possibilities for business growth (Mehrdad et al.. 1999).

The primary advantage of the three horizons model is that it provides a common language for discussing and understanding various types of growth. Anyone in a C-level position within a large corporation knows that each board member has a unique perspective on the organization's future development. The 3 horizons model presents your team with the overall innovation plan and the objectives for that plan across time, including when they can anticipate a return on investment, outcomes, or profit.

The 3 Horizons Model is widely used in various industries to guide strategic planning & innovation management. It helps organizations ensure not to become overly focused on short-term gains at the expense of long-term sustainability. It provides a structured approach to balancing short-term performance with long-term innovation and growth by Balancing, Resouces allocation and Leadership and Culture.

3.4 Features, Strengths & Weaknesses, and Commonalities of Existing Models

The three of existing models propose different approaches for pursuing customer value and growth, and can be applied appropriately depending on a company's situation. The VPC serves as a clear analytical tool for understanding customer needs, while Value Disciplines focuses on securing competitive advantage through strategic emphasis. Meanwhile, the Three Horizons Model stresses the balance between short-term performance and long-term innovation. The characteristics, strengths, and weaknesses of each model can be summarized at the following table.

< Table 2 > Features, Strengths & Weaknesses of Existing Models

	Features	Strengths	Weakness
Value Proposition Canvas	The tool that clearly visualizes and analyzes the value that a product or service provides, tailored to the customer's pain points and gains	-Customer centric approach -Easy to understand -Clear value proposition	-Lack of external environment analysis -May contain many subjective elements
Value Disciplines	Focus on one of the three value disciplines (operational excellence, customer intimacy, product leadership) to gain a competitive advantage in the market	-Set clear strategic direction -Possible to do selective approach -Possible to differentiate from competitors	-Difficult to maintain balance due to the need to focus on a single area -May be sensitive to market changes
Three Horizons Model	A model that promotes sustainable growth by simultaneously considering short, mid and long-term strategies	-Balance between short, mid-term & long-term growth -Prepared for the future -Ability to manage risk	-Requires complex resources allocation and management -Uncertainty in mid-to-long-term innovation exists

Source : Summary of researchs based on relevant books and papers

In order to create a more integrated and sophisticated model, the key features, strengths and weakness of three models were extracted along with common themes, which were then incorporated

into the design of an integrated CVP model. The main points of common themes are as follows: First, 'customer-centricity'; all three models emphasize the importance of understanding customer requirements and adjusting value propositions accordingly. Second, 'strategic differentiation'; each model aims to differentiate the company from competitors by providing unique value. Third, 'innovation and adaptability'; each model offers a framework for adapting and evolving based on market conditions and customer needs. Another important commonality is the 'emphasis on learning and feedback.' All the three models encourage a dynamic approach where companies learn from customer interactions and market changes to improve their value propositions, explaining the relevance of applying the Lean Startup process. These common themes have formed the foundation for creating and maintaining value that aligns with both customer needs and strategic growth objectives.

IV. Conceptual design of CVP

4.1 Combining criteria of essential elements of CVP

As a result of examining the three CVP models analyzed previously, we can see that building and managing a CVP system and strategy is a process that requires three-dimensional and comprehensive thinking. In addition, although there are clear differences in the research perspective and strategy establishment method of the three models, there are three core strategic elements of the CVP process, which are as follows.

First, the CVP must be structured comprehensively within the mutual relationship of 'value-customer-product'. In the CVP process, the value perceived by the customer, the customer and the products provided influence each other, so in order to make a successful CVP, it is necessary to comprehensively analyze and understand information about strategy, customers, products/services. In order to create a successful CVP, it is necessary to establish a CVP strategy by considering all aspects of strategy, offering, and customers.

Second, it is necessary to look at the communication response implemented during the CVP process. CVP is not a one-time, temporary thing. As emphasized in the VPC, a communication strategy for CVP must be formed centered on customer feedback and needs, and the message for value propositions must be adjusted and improved through continuous customer feedback. And you should use clear and concise messages so that customers can easily understand the value.

Third, in order to create a successful value proposition, it is necessary to continuously innovate the CVP by strengthening strengths and addressing weaknesses through CVP tracking. This process will enhance the quality of CVP and strengthen differentiation points compared to competitors. Value Disciplines identifies three strategic focuses that a company should emphasize to secure a competitive advantage: operational excellence, product leadership, and customer intimacy. Similarly, the Three Horizons Model suggests that a company establish and operate a long-term strategy using the three horizons for sustainable growth. This indicates that the level of the customer value proposition must be continuously improved through the CVP tracking process.

4.2 Methods for developing CVP

Value proposition is a specific statement of the value (brand, product, benefits, etc.) that can be provided to target customers. In order to strengthen customer value, it is necessary to continuously provide differentiated value to your target customers compared to your competitors. In order for a company to offer a value proposition that is differentiated from its competitors, it is very important to first realistically understand what customers experience with the company. Customer satisfaction experience has historically depended on the functional value of products/services, but as competition intensifies, the functional differentiation of products and services is decreasing. It is now important to focus on the emotional value that customers feel with their hearts rather than what they think with their heads (Park, 2019).

In order to develop a differentiated value proposition, it is necessary to identify the core loyalty factors that customers consider important in the customer experience process and analyze the differentiation factors compared to competitors. Developing a CVP model is related to what target customers want and how the products/services the company wants to provide can meet them. In order to be an effective CVP framework, the following contents must be included;

"Identify Target Audience -> Understand Customer Needs -> Analyze Competitors -> Define Unique Selling Proposition -> Craft a Benefit-Oriented Message -> Communicate Clear Value -> Test and Refine -> Integrate Across Marketing Channels -> Deliver on Our Promise -> Monitor and Adapt"

V. Conceptual design of CVP

5.1 Methods for developing CVP

The Integrative Lean CVP framework presenting in this paper is based on the concept that 'CVP is a comprehensive process of building and managing a CVP system and is designed as a process that can be applied to all types of value proposition activities performed by startups. As mentioned earlier, the three existing CVP models have different focuses and frameworks. The VPC is an iterative process that focuses on customer problems and needs, while Value Disciplines focuses on the specific value of the customer, but places more emphasis on the company's overall strategic focus, and Mckinsey's Three Horizons Model focuses on the company's long-term focus rather than on the customer. Because it focuses on growth and innovation, it is difficult for individual companies of different characteristics to apply it in practice. Accordingly, the lean CVP process proposed in this study is an integrative CVP process that systematizes related processes so that startups can easily utilize them and builds a CVP strategy through product development and customer response measurement. This is designed to suggest a way for startups with core products/services efficiently build their own CVP process through product analysis and customer response analysis. The characteristics of the integrative lean CVP model presented in this study are summarized as follows,

First, it is a comprehensive CVP model that reflects all the pros and cons of the three existing

models, and is a model that can comprehensively consider all situations of target customer companies or specific products. Second, the frame can be applied flexibly according to the business direction or strategic characteristics of the target company, and systematic management is easy even after application. Third, the contents of the customer's wants & needs, strategic focus, and growth horizons are included comprehensively and analytically. Fourth, even startups without specialized knowledge can build a CVP system with minimal data and knowledge obtained through product/service development.

5.2 Development methodology of integrative CVP process

The CVP Framework, which applies the lean-startup methodology, designed the basic structure based on the components and operation method of lean-startup, and was constructed by applying the CVP essential elements derived from the existing CVP model. From the lean-startup process perspective, it is possible to design a new model that takes advantage of the three existing models, following next steps.

1. Initial hypothesis setting and verification: Establish an initial hypothesis about the products and verify this hypothesis through experimentation.

2. Customer Development: Through customer interviews, it is identified the problem in detail and revise the hypothesis by reflecting the feedback.

3. CVP Draft development: CVP draft is developed that reflects the key elements of each model, test the Draft through customer pre-verification, and collect data.

4. Pivot or Persevere: Analyze experiment results and pivot when necessary, and if successful, continuously improve the model.

5. Repeated learning(Build-Measure-Learn Cycle): The cycle is repeated to optimize the model and strengthen the value proposition.
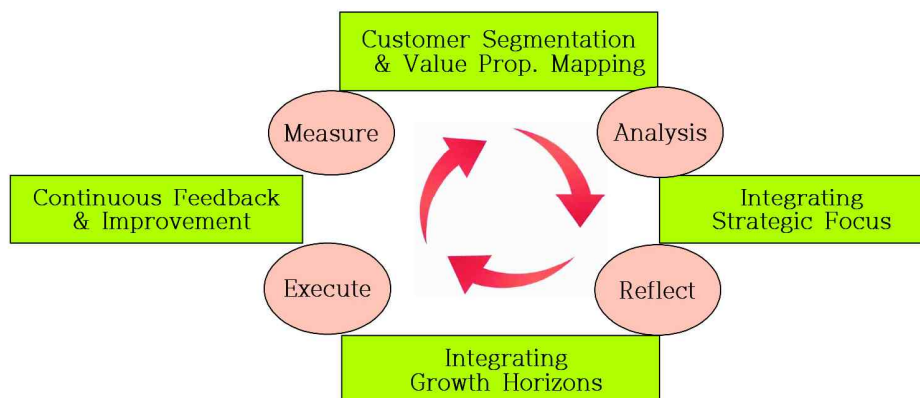
In this way, a new value proposition model can be developed that fits the startup's product/service characteristics. The CVP Framework customized for specific customer and product solves customer problems by focusing on solving the customer's main problems, and provides customers with a sense of trust by revising the CVP content based on data collected through customer communication.

5.3 Design of integrative lean CVP Framework

The integrated CVP framework presented in this study is based on the concept of the lean-startup process, but utilizes the characteristics and advantages of the three models mentioned above to provide customer-centered value while simultaneously achieving the company's strategic focus and long-term growth goals. It was made possible.

The most important thing to do for value proposition is "customer segmentation and value proposition mapping". At this stage, the jobs, pains, and gains of the customer segment are analyzed, and the value proposition of the product/service to be proposed in relation to these is defined. In addition, it is mapped how the value proposition meets the customer's needs and perform matching
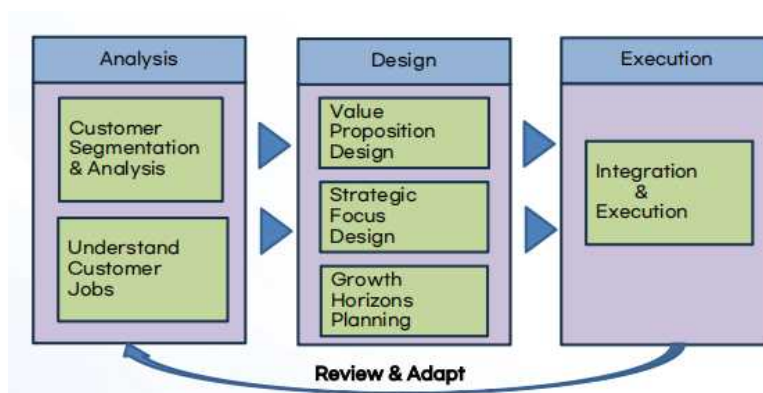
between the customer profile and solution offerings. Now, it can be said that how accurately you analyze the customer's job, pain, and gain is directly connected to whether you can provide the right customer value proposition and turn them into a loyal customer. And the next step is "integrating strategic focus". Depending on the strategic direction the customer is focusing on, the direction pursued and the marketing strategy to be implemented vary. Customers can choose between strategic focuses such as product leadership, operational excellence, and customer intimacy, or in some cases, a mix of strategies that are appropriate for each customer. Naturally, the content and method of customer value propositions must vary depending on the customer's choice of strategy. The third step is "integrating growth horizons". At this stage, it is possible to simultaneously consider current business, emerging business, and future potential business to present how the customer's strategic direction will change and what benefits will be provided through the product/service to be offered value. In addition to applicability to current business, it will be possible to suggest potential or future-oriented messages and business content for innovation and entry into new markets according to each horizon. Last but not least is "continuous feedback and improvement". Since customer value proposition must be a continuous, repetitive, and developmental process, it must go through a continuous investigation and feedback process after setting the initial hypothesis. You need to collect customer feedback to continuously improve your value proposition and strategy, and adjust and optimize your strategy based on data from each horizon.

Source : Summary of researchers based on the above explanation
<Figure 1> Integrative Lean CVP Process

Through this effective communication for CVP, we repeatedly perform the process of identifying whether customer reactions are positive or negative and reflecting them in establishing the next CVP strategy, and continuously improve so that the value we wish to propose can be effectively delivered to customers. And by making a value proposition through the integrated CVP framework presented in this study, all startups will be able to establish a strategy that reflects customer situations and wants & needs in the initial strategy establishment stage, and will be able to derive step-by-step CVP results in the execution stage. And the core components of the Integrative lean CVP framework, named ADE model, are executed through seven stages of activities as follows;

Source : Summary of researchers based on the above explanation
<Figure 2> Integrative CVP Framework(ADE Model)

Now, I would like to present a case study from a fitness app company, on how successful CVP can be executed by applying the ADE model presented at this study.

VI. Case study

6.1 Validity check of Integrative CVP model

Objective: To validate the effectiveness and applicability of the Integrative CVP Framework presented
Target: Apply it to a case study of a fitness company that seeks to expand its business using an App
Situation: Amid trends of scaling and specialization, competition has intensified. The fitness company aims to overcome these challenges by developing and using an App, and the Integrative CVP Model will be applied to this scenario
Verification Method: Using the main elements of the startup fitness company's App-based business expansion plan, the CVP Plan (Step 1 ~ 7) will be developed within the framework of the Integrative CVP Framework at first. Following this, an Implementation Plan (Step 8) will be formulated based on the CVP Plan
Expected Outcomes: By analyzing the Jobs/Pains/Gains of segmented target customer groups and designing a Value Proposition and Strategic Focus tailored to each group, the startup will not only gain market competitiveness but also confirm the ability to establish a foundation for sustainable development through the continuous implementation of a strategically consistent business plan

6.2 Case of applying the Integrative CVP framework to a fitness company

Step 1: Customer Segmentation and Analysis

	Segments	Conditions & Specifications
1	Busy Professionals	Having limited time but a desire to stay fit

| 2 | Fitness Enthusiasts | Seeking advanced workout features with high motives |
| 3 | Casual Exercisers | Looking for basic fitness routines to stay healthy |

*source : made by researcher

Step 2: Understand Customer Jobs, Pains, and Gains

		Descriptions
Busy Professionals	Jobs	Quick workouts, stress relief, maintain fitness
	Pains	Lack of time, high stress levels, difficulty in sticking to routines
	Gains	Efficient workouts, improved energy levels, stress reduction
Fitness Enthusiasts	Jobs	Advanced tracking, intense workouts, goal setting
	Pains	Need for variety, risk of injury, progress tracking
	Gains	Customizable plans, detailed progress insights, injury prevention
Casual Exercisers	Jobs	Easy-to-follow routines, maintaining basic fitness
	Pains	Motivation, consistency, understanding workout benefits
	Gains	Simple routines, motivational support, basic health improvements

*source : made by researcher

Step 3: Value Proposition Design
1) Develop Value Propositions:

		Descriptions
Busy Professionals	Product & Services	Time-efficient workout plans
	Pain Relievers	Quick, effective routines; stress-relief exercises
	Gain Creators	Increased energy levels, reduced stress
Fitness Enthusiasts	Product & Services	Advanced tracking features, intense workout plans
	Pain Relievers	Variety in workouts, injury prevention tips
	Gain Creators	Detailed progress tracking, customizable workout plans
Casual Exercisers	Product & Services	Basic fitness routines, beginner-friendly features
	Pain Relievers	Motivational tips, easy-to-follow guides
	Gain Creators	Health maintenance, improved fitness

*source : made by researcher

2) Align with Customer Segments:

Use the VPC to map each segment's jobs/pains/gains to specific features of the app.

Step 4: Strategic Focus Selection

	Strategic Focus Areas	Develop Specific Strategies
Busy Professionals	Operational Excellence	Optimize app efficiency, reduce workout planning time
Fitness Enthusiasts	Product Leadership	Innovate with new tracking technologies, introduce advanced workout features
Casual Exercisers	Customer Intimacy	Personalize communication, offer motivational content and support

*source : made by researcher

Step 5: Growth Horizons Planning

		Descriptions
H.1	Optimize Core Business	. Improve user interface for ease of use. . Enhance existing features based on user feedback. . Focus on customer retention strategies.
H.2	Develop Emerging Opportunities	. Partner with fitness equipment manufacturers for integrated tracking. . Expand into new markets with localized content. . Introduce premium subscription plans with additional features.
H.3	Explore Future Innovation	. Invest in VR-based workout experiences. . Develop AI-driven personalized fitness coaching. . Explore health and wellness analytics for holistic fitness management.

*source : made by researcher

Step 6: Integration and Execution

		Descriptions
1	Integrate Customer Insights with Strategic Focus and Growth Horizons	. Align customer needs with strategic focuses and growth horizons . Ensure value propositions are relevant and updated regularly based on customer feedback
2	Develop a Comprehensive Roadmap	. Create detailed implementation plans with timelines/milestones /KPIs . Assign responsibilities and allocate resources for each strategic initiatives
3	Implement and Monitor	. Execute the roadmap with regular monitoring . Use project management tools and dashboards to track progress and performance
4	Continuous Feedback and Improvement	. Collect feedback through in-app surveys, user reviews, and focus groups . Iterate and refine features and strategies based on feedback

*source : made by researcher

Step 7: Review and Adapt

		Descriptions
1	Regular Review Sessions	. Schedule quarterly review sessions to assess progress . Evaluate the effectiveness of value propositions, strategic focus areas, and growth initiatives
2	Adapt and Pivot	. Adapt strategies and pivot if necessary based on market changes, customer feedback, and performance data . Maintain flexibility and responsiveness to ensure long-term success

*source : made by researcher

Step 8: Implementation Plan

		Descriptions
Busy Professionals	Value Proposition	Time-efficient workout plans with stress-relief exercises
	Strategic Focus	Operational Excellence ; Enhance app speed and reduce loading times, provide quick access to workouts
	Growth Horizons	. H1: Optimize workout plan algorithms for faster recommendations . H2: Develop partnerships with wellness programs for corporate clients . H3: Explore AI-driven quick workout suggestions based on daily schedule analysis

Fitness Enthusiasts	Value Proposition	Advanced tracking features and customizable plans
	Strategic Focus	Product Leadership; Introduce cutting-edge fitness tracking technology.
	Growth Horizons	. H1: Roll out updates to tracking features with more detailed analytics. . H2: Launch a new product line with integrated fitness wearables. . H3: Innovate with VR workout simulations for an immersive experience
Casual Exercisers	Value Proposition	Basic fitness routines and motivational support
	Strategic Focus	Customer Intimacy; Personalize user experience with tailored content.
	Growth Horizons	. H1: Improve user engagement with personalized notifications and tips. . H2: Expand the library of beginner-friendly workout videos. . H3: Introduce community features for social motivation and support

*source : made by researcher

VII. Conclusions

7.1 Implications

This study proposes an integrated and effective CVP model by combining the lean-startup methodology, used as a corporate innovation method, with the merits, core elements and commonalities of existing CVP models. This approach enables startups, which often lack funds and marketing capabilities, to implement timely and appropriate CVP. The purpose is to identify value proposition elements and create a new startup ecosystem.

The integrative lean CVP framework, named ADE model, applied the lean startup methodology to create a compact CVP process, considering the characteristics of startups with time and cost constraints. The Lean CVP process, which repeats the stages of 'analysis-reflection-execution -measurement' by applying the strengths of the lean startup methodology, covers everything from customer profiling to offering solution mapping, customer strategic focus selection, and the present-emerging-future. By making it a value proposition related to the process, customer satisfaction was maximized. Since this CVP framework allows the establishment of CVP and management strategies regardless of the type and nature of the value proposition, the method of use can vary depending on the characteristics and needs of the company. Since CVP is a process that must be continuously developed and managed through customer-facing communication, customer response results must be immediately reflected in CVP innovation to improve the quality of CVP.

7.2 Limitation and future research direction

At this study, I proposed a new CVP framework, integrative lean CVP model, following the concept of lean-startup methodology and proved the effectiveness and usefulness of the integrative CVP model with a case study of a fitness app company. I am confident that this integrated CVP model will be highly useful not only for new businesses but also for startups already engaged in specific ventures, as it provides a solid foundation for sustainable growth

Even though the ADE model proposed various aspects to maximize the effectiveness of CVP, beginners may find it somewhat difficult and complex to use. But, I believe this issue will be easily adapted and accustomed after using it several times.

And in future research, it would be studied the efficiency of the process and variables that may occur through an empirical study and develop it into a highly complete CVP model by supplementing the structure and contents of the model at various fields.

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린스타트업방법론을 이용한 통합 고객가치제안모델 설계

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국 문 요 약

시장에서 기업의 성공은 고객에게 전달하는 가치와 연결되어 있다. 그러나 그 가치가 항상 일정한 것은 아니며 환경이 변함에 따라, 고객경험과 요구사항도 변하고 마침내 그들이 추구하는 가치도 변하기에 적시적절하며 명쾌하고 효과적인 가치제안은 관련 효익(benefits)과 더불어 기업의 기능적, 심리적, 경제적 기초가 된다. 따라서 Product-Market Fit, 경쟁력 있는 차별점 구축, 일관된 메시지 전달의 차원에서 고객가치제안은 매우 중요하다. 그럼에도 실제로 일반 기업에서 Customer Value Proposition(CVP) 관련 가장 많이 알려져 왔고 널리 활용되는 모델은 Osterwalder와 Pigneur의 Value Proposition Canvas(VPC)뿐이며 그 외에는 학자나 전문가 들이 사용하는 모델들이 몇 개 더 있을 뿐이다. 이에 본 논문에서는 전 세계적으로 고객가치제안 관련 기업 실무자들이 많이 사용하는 VPC 모델과 전문가들에게 잘 알려진 2개의 주요 CVP 모델을 선정, 이들을 상세 분석해서 도출된 고객가치제안의 필수요소 및 특장점을 오늘날 혁신을 위해 많이 사용되는 린스타트업 방법론과 결합하여 스타트업이 손쉽게 활용할 수 있는 통합 CVP Model을 설계하였다. 이번 연구에서 제안하는 Framework은 Integrative-Lean CVP process의 기본 틀 위에 기존 CVP 3개 모델의 장단점과 특징 및 공통점을 모두 반영한 고객가치제안 종합모델로 기업 전체나 특정 제품/서비스의 모든 상황을 종합적으로 고려하여 기업의 사업방향이나 전략적 특성 등에 따라 탄력적으로 적용할 수 있고 고객의 Wants & Needs와 Strategic Focus 그리고 Growth Horizons의 내용이 종합적, 분석적으로 포함되어져 적용 이후에도 체계적으로 관리할 수 있다는 특징이 있다. 스타트업뿐만 아니라 중견기업, 대기업 및 일반 기관에서도 손쉽게 사용할 수 있도록 설계되어 자금과 마케팅역량이 부족한 스타트업들이 적시적절한 Product-Market Fit의 구현을 위한 가치제안 방법론을 적용, 기대 이상의 성장을 하여 새로운 스타트업 생태계가 만들어지길 기대한다.

■ 중심어: Startup, Value Position, Customer Value Proposition(CVP), Product-Market Fit(PMF), Lean-startup methodology

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