Week 1 Defining Value Concept

1. What is value? (Always perceived, relative to the consumer, dynamic)
2. Value for consumer:
   i. Low price (Aldi, Tigerair)
   ii. What I want (Instrumental vs Terminal Value)
   iii. Benefit/price or benefit-price
   iv. What I get for what I give (improved: performance, asset productivity, operating productivity, reduced risk)
3. Consumer value (unique/individual, subjective), supplier value/firm (return of investment)
4. Type of value (Functional/Instrumental, Symbolic/Expressive, Experiental/Hedonic, Cost/Sacrifice)
5. Main sources of value: Information, Interaction, Environment, Ownership/Possession Transfer, Product-actual/augmented
6. The idea that people put a value of losses that is 2.5 times higher than gains suggests that it is important to look at costs in the value equation – e.g. reducing risk, effort, time or price may have real leverage in your value creation / value delivery model (these costs won't be equally important)

Week 2 Value creation in Organization (as Provider)

1. Marketing has evolved
2. Three generic strategies
3. How a firm build/develop their competitive strategies by developing their core competencies (outsourcing, example: Boeing and Apple)
4. Porter's Value Chain (value creation in organization through cost reduction or differentiation)
5. Segmentation, targeting, and Positioning (STP) + Perceptual maps
6. Value Proposition (not the corporate slogan! It is benefit element statement) (Good, Cheap, Fast: DELL, Walmart, Raspberry)

Week 3 Business Model Canvas

1. Business model innovators outperform traditional innovator (process innovator and product innovator) example: Skype
2. Innovation either increases customer value of a product or service (example: Apple) or lowers their cost to create competitive advantage (example: DELL)
3. Business model innovation answers
   i. Who is your target customer?
   ii. What do you offer them?
   iii. How do you create value proposition?
   iv. How do you generate revenues?
4. Business Model Generetion & Value Proposition Design by Andrew Osterwalder and Yves Pigneur

5. Business Model Canvas vs. Value Proposition Canvas

Week 5 Value Models: Business Models and Value Proposition

1. Create benefit for customer, not features
2. Needs vs. offering and market orientation
   Market orientation: to discover additional needs of customers of which they are unaware. It creates a new market for customer that will be long lasting.
3. The implications of service-dominant (SD) logic.
   SD logic is a process of firm's capability/competitive advantage to create a benefit for customer by including customer as a co-creator of a value or assisting customer in the value-creation process
4. Understanding the revenue side
   i. The merchandise sales model
   ii. The per use model
   iii. The timed usage model
   iv. The subscription model
   v. The auction model
   vi. The advertising/sponsorship model
   vii. Leasing model
   viii. Referral / cross-marketing model

Week 6 Value Models: Co-creating value

1. Co-creation vs Co-production:
   Co-creation: working together to create products or services of value
   Co-production is a component of co-creation relating to specific tasks undertaken by customers that may occur prior to or during usage, consumption or experience
2. Make-or-buy decision
   Even though we may be able to reduce costs using external sourcing, the economic answer is that there are always transaction costs, the "costs of running the system"
   Transaction costs consist of:
   i.   Safeguarding costs (monitoring cost)
   ii.   Adaptation costs
   iii.   Measurement costs
3. Co-creation of innovations
   How to innovate using relationships:
   i.   Open innovation (E.g. Laursen and Salter 2006)
   ii.   Traditional versus lead user method
   iii.   Lead user concept and its effectiveness
4. Lead user concept
   Lead users are user of a product of a service at the very first time who need the product or service, even before the early adopter and routine users. These lead users may help firm to

progress with their product or service innovation, by involving the lead customers at the process of designing, building (prototypes), and test (feedback), to keep firm's competitive advantage.

5. Co-production
   Example: Pepsi refresh project, My starbuck idea, Dell ideastorm

6. Crowdsourcing
   Example: Kaggle. It meets the organization/firm that don't have the statistical technique to extract maximum value of their data and data scientist that crave real-world data to develop and refine their techniques. Firm gets data by paying cost -effective price, data scientist refines their statistical technique and money.

7. Social Network