Value Proposition Design for New Environmental Ventures
ESM 256B, Winter 2022

Class: T 8:00-9:15 am
BH 1520
(See GauchoSpace for Zoom Link)

Instructor: Emily Cotter
Office Hours: F 1:00-2:00 pm and by appointment
Cell Phone: 310.569.3941
Email: ecotter@bren.ucsb.edu

Course Description
ESM 256B is about developing analytical and conceptual skills required to assess the market potential for a new environmental venture. Students will perform customer discovery research to generate an idea, identify and define a market opportunity, and assess whether their concept for a new environmental venture represents a viable opportunity. Topics covered include customer discovery, industry analysis, market definition, opportunity recognition, and value proposition design.

Course Objectives
- Acquire skills for researching and analyzing key industry, market, competitor and customer information, gathering data from both primary and secondary sources.
- Develop analytical and critical thinking skills through the process of identifying and defining a market opportunity for a new environmental venture.
- Build a compelling case to demonstrate whether the concept is a viable opportunity, through a final presentation before a panel of judges comprised of entrepreneurs and investors from the local business community.

Idea Generation
As part of the educational process, throughout the Eco-E program, individual students will bring a variety of ideas and information to an Eco-E class project for discussion, review and analysis. Any ideas or information introduced to an Eco-E class project by an individual student will be available for use by any student team member, both during or after the Eco-E class project, for any purpose, unless it is Prior IP. Prior IP is intellectual property that is developed by a student before the Eco-E class project began and that is both recognized and protectable under United States copyright, patent or trademark laws. Any Prior IP introduced by a student during the course of an Eco-E class project may be used by all student team members in the course of the Eco-E class project for academic purposes only.
To avoid misunderstandings and confusion, if a student wants to contribute Prior IP to an Eco-E class project, that student should clearly identify it as Prior IP to the other student team members and notify the instructor that the Prior IP is being contributed to the class project for academic use in the Eco-E class project.

**Course Software**
- Box – File Sharing Service
- GauchoSpace – Learning Management System
- Google Drive – File Storage and Synchronization Service
- Zoom – Online Conference System

Slack – Messaging Application
Students should register for an account with Slack and join the `mesm2023eco-e` workspace. See GauchoSpace for the invitation link.

**Required Reading**
Harvard Business Publishing Coursepack
Cases are listed in the schedule below. See course entitled “Value Proposition Design for New Environmental Ventures (ESM 256B, W22)” on Harvard Business Publishing site at:

https://hbsp.harvard.edu/import/896098

All the readings are listed under the Harvard course entitled “Value Proposition Design for New Environmental Ventures (ESM 256B, W22).” Each Harvard reading costs $4.25-7.95. The total approximate cost for the coursepack is $32.35 (paid directly to Harvard Business Publishing).

All other required reading will be made available via download on GauchoSpace.

**Optional Reading**
Value Proposition Design
Alexander Osterwalder, Yves Pigneur, Gregory Bernarda, Alan Smith and Trish Papadakos
https://strategyzer.com/books/value-proposition-design

**Remote Class**
During the first two weeks of Winter Quarter, our class will meet through the Zoom online conference system. We will adopt the same rules and norms as in a physical classroom. For everyone's benefit, please join the class in a quiet place. Turn on your video. Mute your microphone, unless you are speaking. Close any browser tabs not required for participating in class. This form of learning is somewhat new to all of us, and success will depend on the same commitment we all bring to the physical classroom.

Upon request, live Zoom sessions may be recorded for students who are not able to attend in real time (due to an excused absence or connectivity problems). Each video will be available to individual students by request. By default, your microphone will be muted when you join the session. If you do not want to be included in the recording, simply turn off your camera and keep your microphone off. You may ask questions in the chat window.
The instructor is also available upon request for a make-up session, due to an excused absence or connectivity problems, in the event that a live Zoom lecture session has not been recorded.

**Course Assessment**

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<thead>
<tr>
<th>Assessment</th>
<th>Individual Contribution</th>
<th>Project/Team Contribution</th>
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<tbody>
<tr>
<td>Attendance and Participation</td>
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<tr>
<td>- Class Attendance</td>
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<tr>
<td>- In-Class Discussions</td>
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<tr>
<td>- In-Class Presentations</td>
<td>500 points (25%)</td>
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<tr>
<td>Eco-E Opportunity Concept Project:</td>
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<tr>
<td>Eco-E Opportunity Concept Post</td>
<td>100 points (5%)</td>
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<tr>
<td>Sprint 1</td>
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<tr>
<td>Interview Summaries</td>
<td>100 points (5%)</td>
<td>100 points (5%)</td>
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<tr>
<td>Progress Report</td>
<td>100 points (5%)</td>
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<tr>
<td>Sprint Presentation</td>
<td>200 points (10%)</td>
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<tr>
<td>Sprint 2</td>
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<tr>
<td>Interview Summaries</td>
<td>100 points (5%)</td>
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<tr>
<td>Progress Report</td>
<td>200 points (10%)</td>
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<tr>
<td>Final Presentation</td>
<td>400 points (20%)</td>
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<tr>
<td>Positioning Statement</td>
<td>100 points (5%)</td>
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<td>Customer Profile</td>
<td>100 points (5%)</td>
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<td>Value Map</td>
<td>100 points (5%)</td>
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<tr>
<td>TOTAL</td>
<td>500 points (25%)</td>
<td>200 points (10%)</td>
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|                             |                         | 1,300 points (65%)        |

**GRAND TOTAL** 2,000 points (100%)

The deadline is at the beginning of class (i.e., 8:00 am) on the due date listed for each assignment, unless otherwise instructed. Assignments submitted after the deadline but within 24 hours will lose 5% of the total points; after that, an additional 5% for each day that the assignment is late.

**Attendance and Participation**

Students are expected to attend every class. The participation portion of the grade is 500 points. Participation is evaluated in a number of ways. Obviously, participation is correlated with attendance. It is impossible to earn participation points if a student is not in class. Students remain responsible for submitting work due even if absent. Students should e-mail the instructor prior to any missed class. Students remain responsible for the material covered and assignments given during an absence.

This course is designed to be held in-person. However, it is likely that at times some students will have to call in remotely (e.g., if they receive a positive Covid test result). I will Zoom stream (but not record) lectures at the ESM 256B W22 Class Meetings Zoom Link posted on GauchoSpace. Students should e-mail the instructor to request this remote option. However, please note that there will be in-class activities and discussions that are not possible for students calling in virtually.

Attendance at all class sessions is critical to the learning process and the participation component of the course. Entrepreneurship is a collaborative and interactive process. Entrepreneurs find opportunities,
adapt, and improve themselves by listening and learning from others. Please come to class prepared to participate in the day’s activities.

**Eco-E Opportunity Concept Project**

Working on an Eco-E Opportunity Concept Project, students will demonstrate their ability to perform customer discovery research and analyze a potential Eco-E Opportunity. Students may choose to work individually or on a team comprised of two to five people.

During the quarter, students will conduct customer discovery research, perform industry/market analysis, and research the environmental problem in two 3-week long “sprints,” as follows:

<table>
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<tr>
<th>Sprint</th>
<th>Period</th>
<th>Length</th>
<th>Date</th>
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<tbody>
<tr>
<td>Sprint 1</td>
<td>1/18/22 to 2/7/22</td>
<td>21 days</td>
<td>2/8/22</td>
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<tr>
<td>Sprint 2</td>
<td>2/8/22 to 2/29/22</td>
<td>21 days</td>
<td>3/4/22*</td>
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*Eco-E Opportunity Concept Project – Final Presentation on Friday, March 4, 2022.*

The goal of these sprints is to “get out of the building” and talk to customers and/or industry experts face-to-face (or via Zoom), in order to discover evidence for the following:

- a customer problem exists;
- a proposed solution that solves a problem for an identifiable group of customers/users;
- the market is accessible and potentially large enough that a viable business might be built; and,
- a significant environmental problem exists that potentially can be addressed by a new product or service.

Students should set milestones for each sprint (e.g., interview 5 industry experts and 5 potential customers during Sprint 1).

During each sprint, teams should aim to interview at least 10-15 academic experts, industry experts and/or potential customers. The required minimum for each student will be 3 interviews per sprint.

Students will also gather secondary research to analyze the environmental problem, environmental policy and existing solutions. Additionally, teams will research and analyze the external environment to provide supporting context for developing a business model based on the Eco-E Opportunity Concept.

On each presentation day, students will report what they learned through customer discovery research during the last sprint. Students will also share any new research or analysis that supports the overall Eco-E Opportunity Concept.

**Description of Course Assignments**

**Eco-E Opportunity Concept – Written Post**

By the Team Formation Deadline, teams will create a “Concept Post” in Slack. The post should provide the team’s working name and the name of each team member, followed by a one-sentence description of the team’s proposed Eco-E Opportunity Concept or research focus.
In a brief paragraph, explain why the team came together or what initiated the project. Address at least one of the following questions:

- What environmental problem does the team want to help solve?
- Is there a particular industry that interests all the team members?
- Is there a trend in a specific industry that may represent an opportunity?
- Is there a potential customer identified based on observations of a customer problem?
- Is the team continuing research from the previous quarter?

The goal for this quarter is to develop a clear and compelling Eco-E Opportunity Concept. Share your initial hypotheses and any evidence gathered, to date (if any).

The Concept Post must be submitted in #opportunity-concepts within the mesm2023eco-e workspace on Slack by 5:00 PM on 1/18/22. See “Instructions for Concept Post” in #opportunity-concepts. This Concept Post will account for 5% of your grade (max. 100 points). These points will be the same for each team member.

Interview Summaries
Students will demonstrate their analytical skills and their ability to perform customer discovery research through interviews with academic experts, industry experts or potential customers. Each student is required to participate in at least 3 interviews per sprint. You may have more than one team member participate in an interview and work together on the interview summary. However, each team is required to have a minimum number of interviews per sprint, equal to 3 interviews per team member. For example, a team of 4 students must conduct a minimum of 12 interviews during a given sprint.

An interview summary should be submitted for each interview conducted. It is a brief report of the key insights from an interview with an academic expert, industry expert or potential customer. Be sure to list all students who participated as interviewees. Students should be prepared to provide a link to the full interview (e.g., transcribed interview from Zoom), in case anyone would like to read the full transcript. You will create an “Interview Summary” post in the relevant research channel(s) within the mesm2023eco-e workspace on Slack. For further instructions, see “Submit Your Interview Summary by Post” in #tips-for-slack.

Your interview summaries for Sprint 1 must be completed by 8:00 AM on Tue 2/8/22. These Interview Summaries will account for 5% of your grade (max. 100 points).

Your interview summaries for Sprint 2 must be completed by 8:00 AM on Tue 3/1/22. These Interview Summaries will account for 5% of your grade (max. 100 points).

Progress Reports
At the end of each sprint, a Progress Report will be submitted by each team/project. The Progress Report will state the research focus and goals for the reported sprint, then summarize what was achieved through research and key takeaways. For customer discovery research, the Progress Report should include what was learned during the sprint, any customer problems discovered, any new ideas generated or any resulting pivots, and an assessment of potential opportunities.
Each team will create a “Progress Report” post in their private team/project channel within the mesm2023eco-e workspace on Slack. For further instructions, see “Submit Your Team’s Progress Report by Post” in #tips-for-slack.

A progress report for Sprint 1 must be completed by 8:00 AM on Tue 2/8/22. This Progress Report will account for 5% of your grade (max. 100 points). These points will be the same for each team member.

A progress report for Sprint 2 must be completed by 8:00 AM on Tue 3/1/22. This Progress Report will account for 10% of your grade (max. 200 points). These points will be the same for each team member.

Presentations
Each team will give one Sprint Presentation in class on Tue 2/8/22 and one Final Presentation to an audience on Fri 3/4/22. The Final Presentation will be judged by a panel of experts (business leaders, investors and entrepreneurs). Specific guidelines for the Sprint Presentation and Final Presentation will be posted on GauchoSpace.

A soft copy of the Sprint Presentation must be uploaded onto GauchoSpace by 8:00 AM on Tue 2/8/22. The Sprint Presentation will account for 10% of your grade (max. 200 points). These points will be the same for each team member.

A soft copy of the Final Presentation must be uploaded onto GauchoSpace by 12:00 PM on Fri 3/4/22. The Final Presentation will account for 20% of your grade (max. 400 points). These points will be the same for each team member.

Please use the following format for submission of your team’s presentations:
Sprint Presentation_(Team Name)
Final Presentation_(Team Name)

Positioning Statement
At the end of this course, teams will create a one-sentence “Positioning Statement,” a strategic statement that succinctly communicates the unique value that the new environmental venture would offer to a particular target market segment.

Each team will create a “Positioning Statement” post in their private team/project channel within the mesm2023eco-e workspace on Slack. For further instructions, see “Submit Your Team’s Positioning Statement by Post” in #tips-for-slack. The Positioning Statement will account for 5% of your grade (max. 100 points). These points will be the same for each team member.

Value Proposition Design Canvas
At the end of this course, teams will complete a Value Proposition Design Canvas, including both the Customer Profile and Value Map.

Each team will upload their Customer Profile and Value Map in their private team/project channel within the mesm2023eco-e workspace on Slack. The Customer Profile will account for 5% of your grade (max. 100 points). The Value Map will account for 5% of your grade (max. 100 points). These points will be the same for each team member.