

Product and Service Development Canvas

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Getting Started

Before writing your project Business Plan, it's important to take time to think through and complete planning for each product and service. We recommend completing the Product and Service Development Canvas to help you think through the marketing, operational, and financial components for each of the products and services. This may take some time, and will most likely, need input from both staff and partners. Be sure to schedule enough time for in-depth, structured discussions.

Step 1: Use this Product and Service Development Canvas for each of the two to three products or services, that are critical to your project's sustainability. These are the products and services designed for your primary target market.

Step 2: After completing the strategic, operational, and marketing thinking sections of the canvas, we recommend using the Financial Outlook Worksheet to help complete the financial thinking section of this canvas. The Financial Outlook Worksheet walks you through estimating costs and income for a product or service. This worksheet is a separate document. Both the canvas and the worksheet should be completed prior to writing your project Business Plan.

Step 3: With completed Product and Service Development Canvases, you have all the information you will need to write your project Business Plan. Include each of the completed canvases as appendices to project Business Plan.

Completing the Canvas

1. **Identify product or service:** The first step is to briefly describe your product or service. (50 words or less)
2. **Strategic Thinking:** This was completed within your Strategic Plan. Starting here will help you keep your product and service development aligned with your project goals and objectives.
 - a. Identify a specific target market to guide your planning and analysis. This is most likely the primary target market of your project. The primary target market was identified in your Marketing Plan.
 - b. List the project goals that are being met by successfully delivering this product or service to your target market.
 - c. List the project strategic objectives that are being achieved by successfully delivering this product or service to your target market.
3. **Marketing Thinking:** This was completed within your Marketing Plan for your primary target market. You can think of this section as an abbreviated needs assessment focused on the selected product or service.
 - a. What are the jobs this target market is working on or problems they are trying to solve?
 - b. While the target market is doing this work, or solving these problems, what are the issues that are causing them pain, or that are getting in the way of their doing the jobs? What is frustrating to them?
 - c. While the target market is doing this work, or solving these problems, what are the circumstances that will help them complete the work? What will be the gains they experience when the jobs are done, or the problems are solved? What are the benefits they value?

- d. Write out key messages that will resonate with this target market. These are the value statements that describe what benefits the target market will experience when this product or service is successfully delivered. The key messages identify what specific pains are addressed and what specific gains are delivered.
4. **Operational Thinking:** This focuses the marketing ideas for a product or service. With the target market in mind, identify the operational attributes for successfully delivering this product or service. Some of the operational thinking may be part of your operational plan, or within your workplan, where key initiatives are listed.
- a. List desired experience and relationships the target market may have while they are using or receiving your product or service. Experiences may include situations, or type of environment, such as: personalized, interactive, remote, efficient, convenient, self-service, automated, collaborative, etc.
 - b. List methods of delivery that the target market would prefer as they receive and use this product or service. Examples include in-person, email, telephone, written, video or mobile technology, asynchronous, conferencing, trainings, presentations, and update announcements.
 - c. Key initiatives (activities) are used to implement and support your product or service as you deliver it to your target market. These are the larger activities that generally take six to 18 months to complete and are key to bringing the product or service to life.
 - d. It is important to examine the project's infrastructure and key resources that are needed to successfully deliver the product or service to this target market. This includes identifying the most important tools, technology, expertise, staffing, materials, and financial resources.
 - e. Key Partners may be needed to develop, implement, support, and deliver this product or service. It is important to accurately and creatively identify who they are. Fundamental partners may be both inside and outside of your network, so challenge yourself to think 'outside of the box'.

5. **Financial Thinking:** The last preparatory step is to consider the financial components of your product or service. We recommend completing the Financial Outlook Worksheet for each product or service. This worksheet is a spreadsheet designed to help you estimate your start-up and operational costs, consider pricing options, and estimate your revenues and net income.

Note: The Financial Outlook Worksheet is a separate document.

- a. Document any significant assumptions that are used within the Financial Outlook Worksheet.
- b. Use the Financial Outlook Worksheet to identify and calculate the start-up and operational costs for this product or service.
- c. Use the Financial Outlook Worksheet to identify and calculate revenue for this product or service.
- d. Use the Financial Outlook Worksheet to identify and calculate net income for this product or service and identify assumptions and scenarios for forecasting the financial outlook for this product or service.

Product and Service Development Canvas	
1. Product or Service: <i>(Describe your product or service in 50 words or less)</i>	
STRATEGIC THINKING	
2a. Target Market:	
2b. Project goals met by this product or service:	2c. Project strategic objectives met by this product or service:
MARKETING THINKING	
3a. Jobs being worked on or problems being solved by the target market:	3b. Pains experienced by the target market while doing their work:
	3c. Gains wished for or expected by the target market while doing their work:
3d. Key Messages:	

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OPERATIONAL THINKING		
4a. Desired experience and relationship:	4b. Delivery:	
4c. Key Initiatives:	4d. Key Resources:	4e. Key Partners:
FINANCIAL THINKING		
5a. Significant Assumptions:		
5b. Start-Up and Operational Costs:	5c. Revenues:	
5d. Forecasted Annual Net Income (Pro Forma):		