

Why my invention needs a value proposition

For many new entrepreneurs and inventors, commercialising your idea can be both costly and frustrating due to not understanding how to identify which market has the most potential and the process you need to undertake to communicate with the right people. An early pitfall many fall into is their race to patent that idea without first understanding whether their idea is competitive in the commercial world. Before a single dollar is spent, the entrepreneur should address the following question:

“What is the market need for my idea and what is its value proposition compared to other existing solutions?”

I'll break this question down using as little industry jargon as possible. Market need describes a situation where a potential customer has a problem that hasn't been solved sufficiently by existing solutions. In this situation, an idea that can solve a market problem has more market value to potential investors and partners than an idea which is pushed to the market for the sake of creating a product. Some simple web searching using key words appropriate to the market need should provide enough information to determine whether your idea is genuinely new or potentially competitive against the current market solutions.

There are several variations to the definition of value proposition, but to put it in context with a new idea, your value proposition is why your idea is better than what currently exists to solve a market need. Let's use an example.

Rodents living in domestic environments present a problem that needs to be solved. A potential customer with a rodent problem can draw upon several solutions such as a trap, bait or buy a cat.

As an inventor of a new mouse trap, not only does my idea have to work (satisfying a market need) it also needs to be a better solution than using bait, a cat or other traps currently available on the market. My value proposition would be why my solution is better than the other options currently available. Armed with this understanding, the entrepreneur is ready to move forward.

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Understanding and communicating why your idea is the better solution to a market need helps define your patent application and provides a stronger position when negotiating with potential partners or investors. It demonstrates you have a clear understanding where your idea should work, how it meets the needs of a customer and why it is the best solution available.

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