

THE HOMA FILES

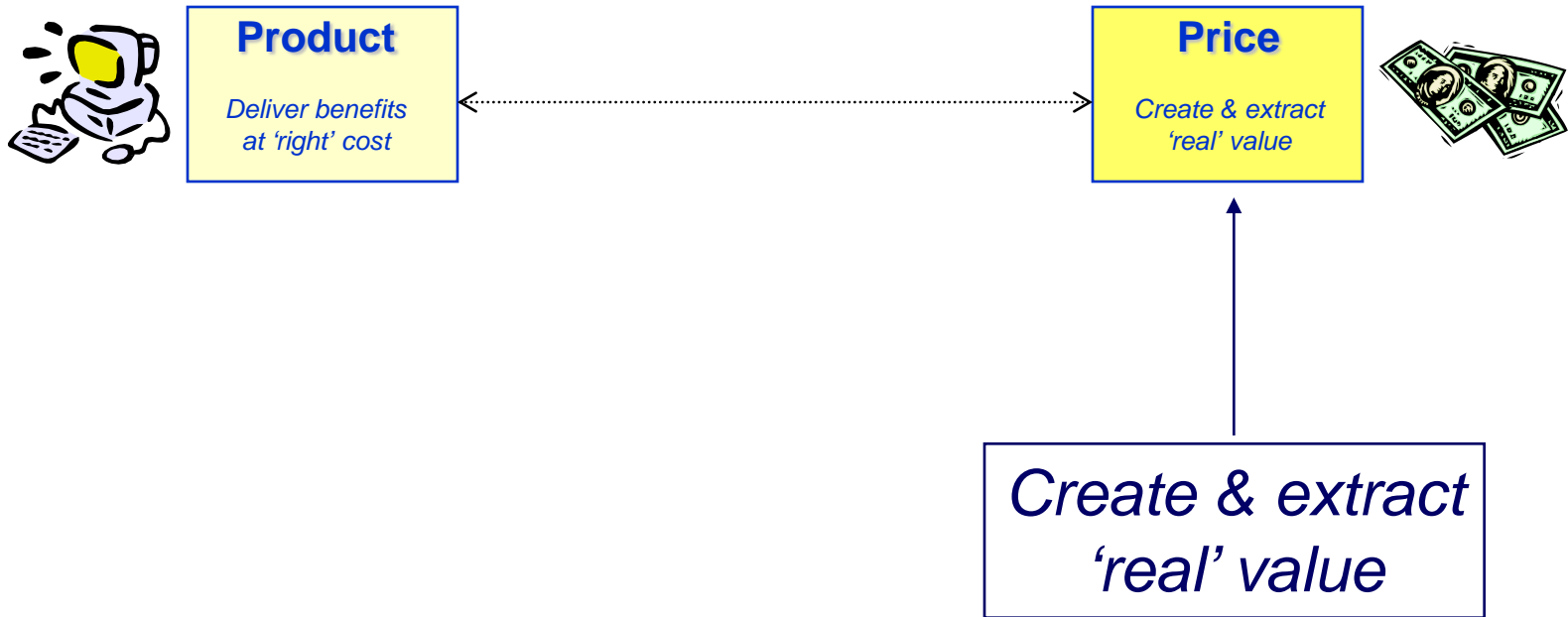
Professor Ken Homa
Georgetown University



Introduction to **Value Maps**

Proprietary Material

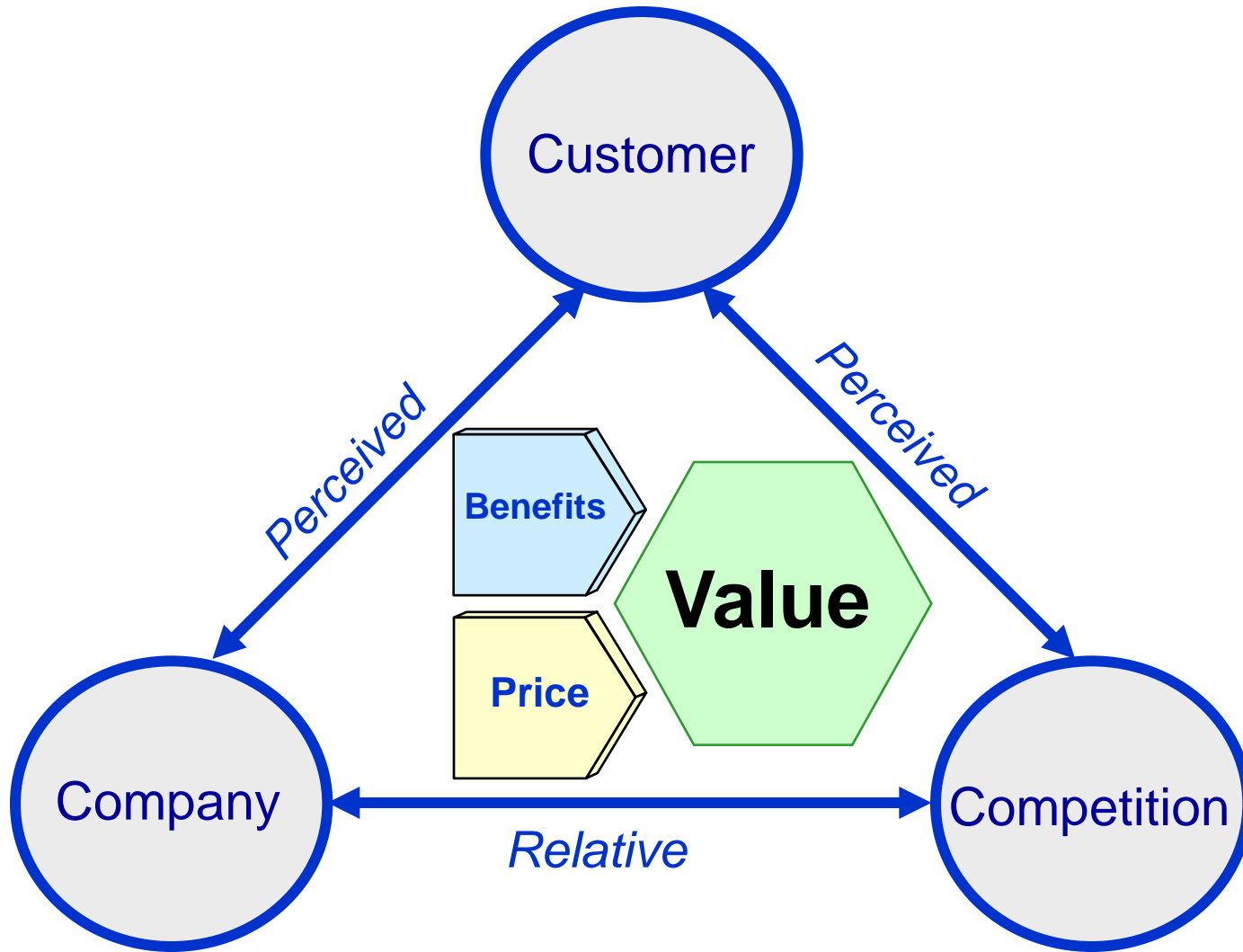
© K.E. Homa



Product
Deliver benefits
at 'right' cost

Price
Create & extract
'real' value

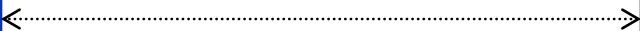
Relative Perceived Value



Value = Intersection (Product, Price)



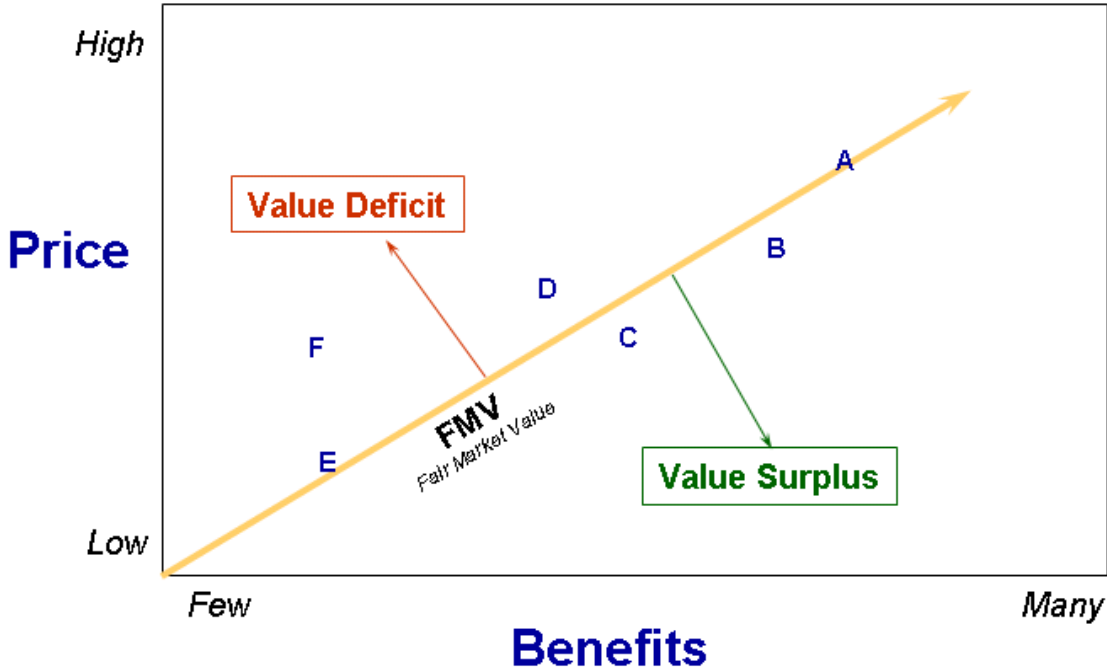
Product
Deliver benefits at 'right' cost



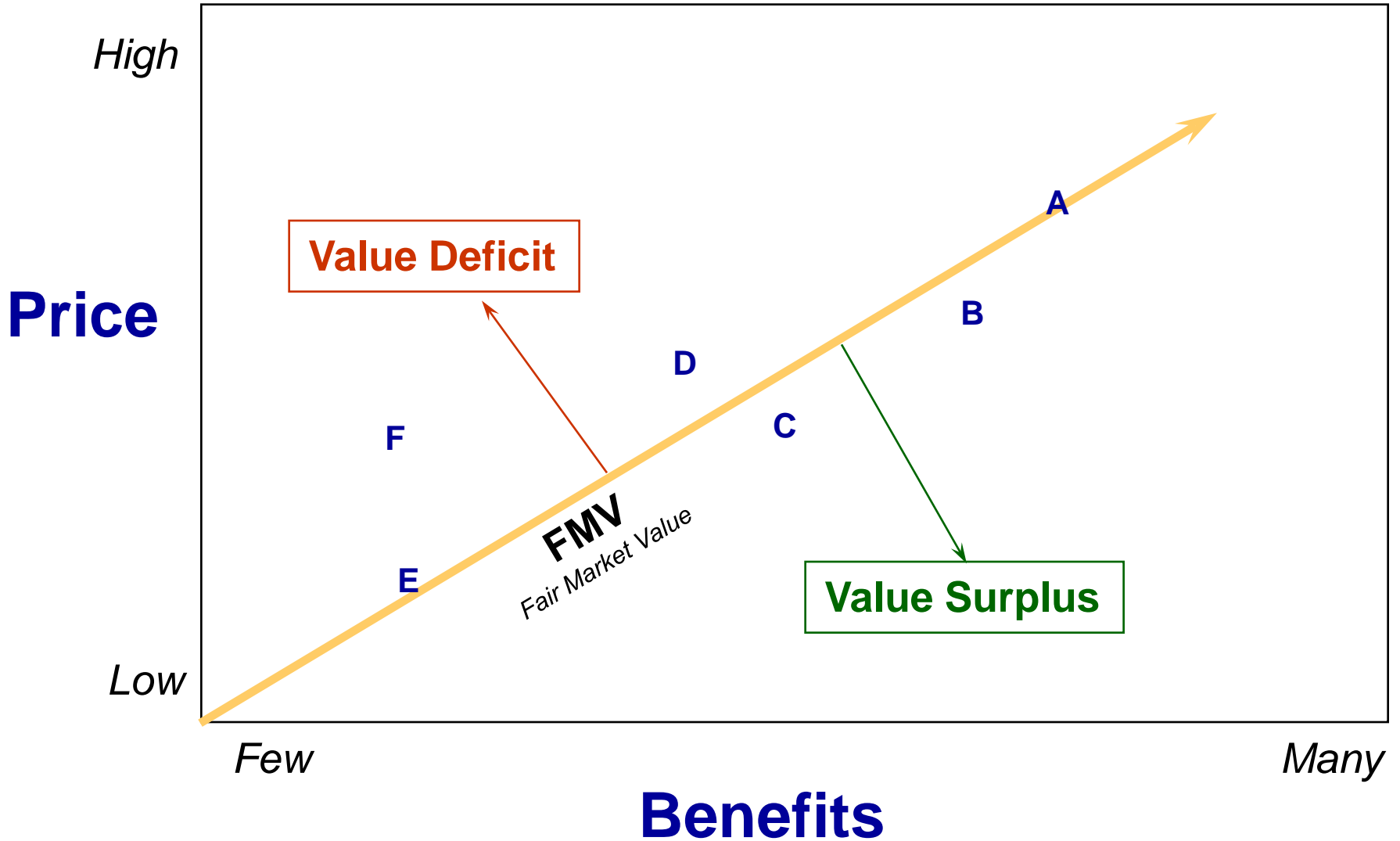
Price
Create & extract 'real' value



Value Map



Value Map



Value Map derivation ...

Value Map

High

**P
R
I
C
E**

Low

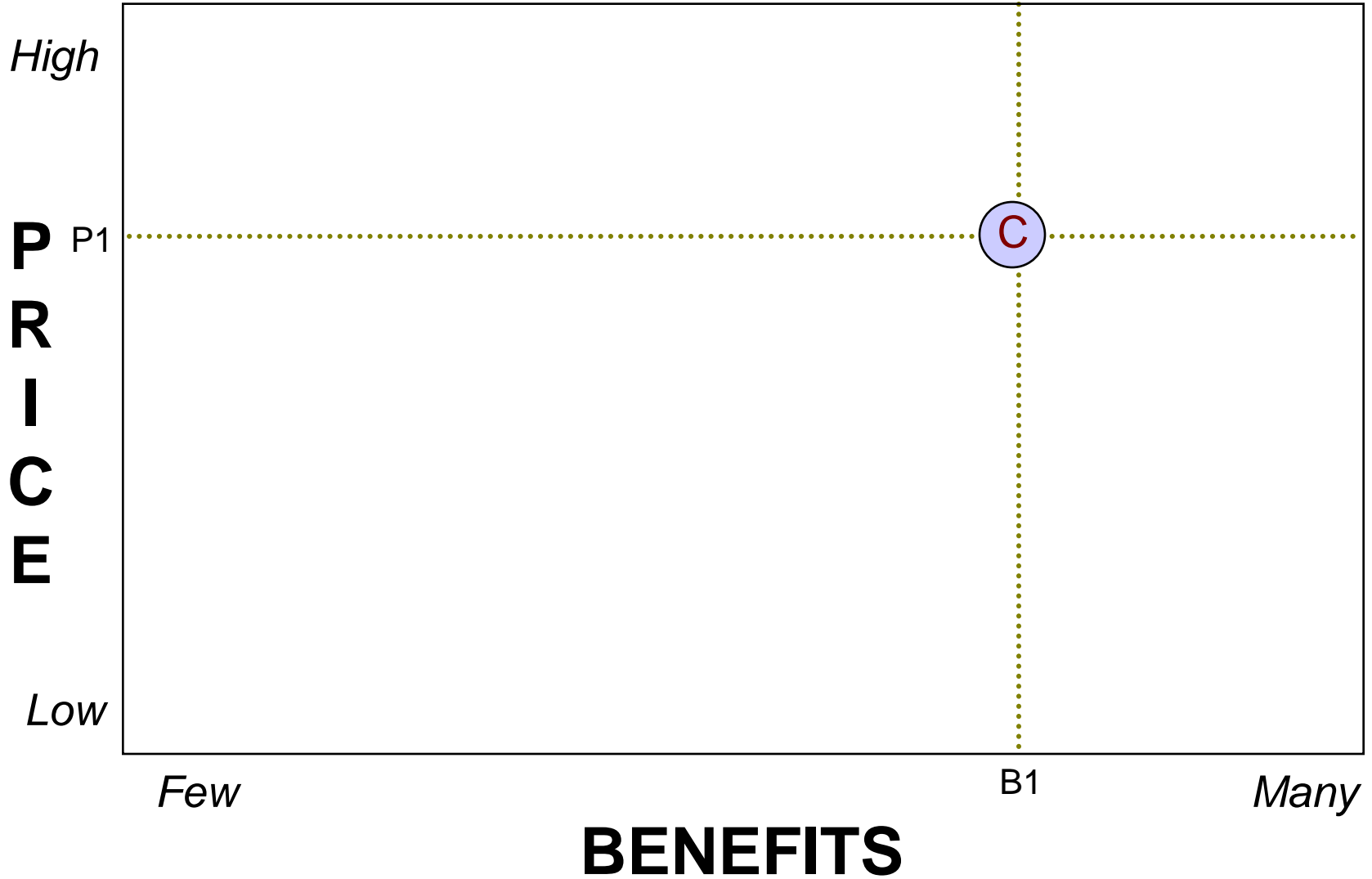
Few

Many

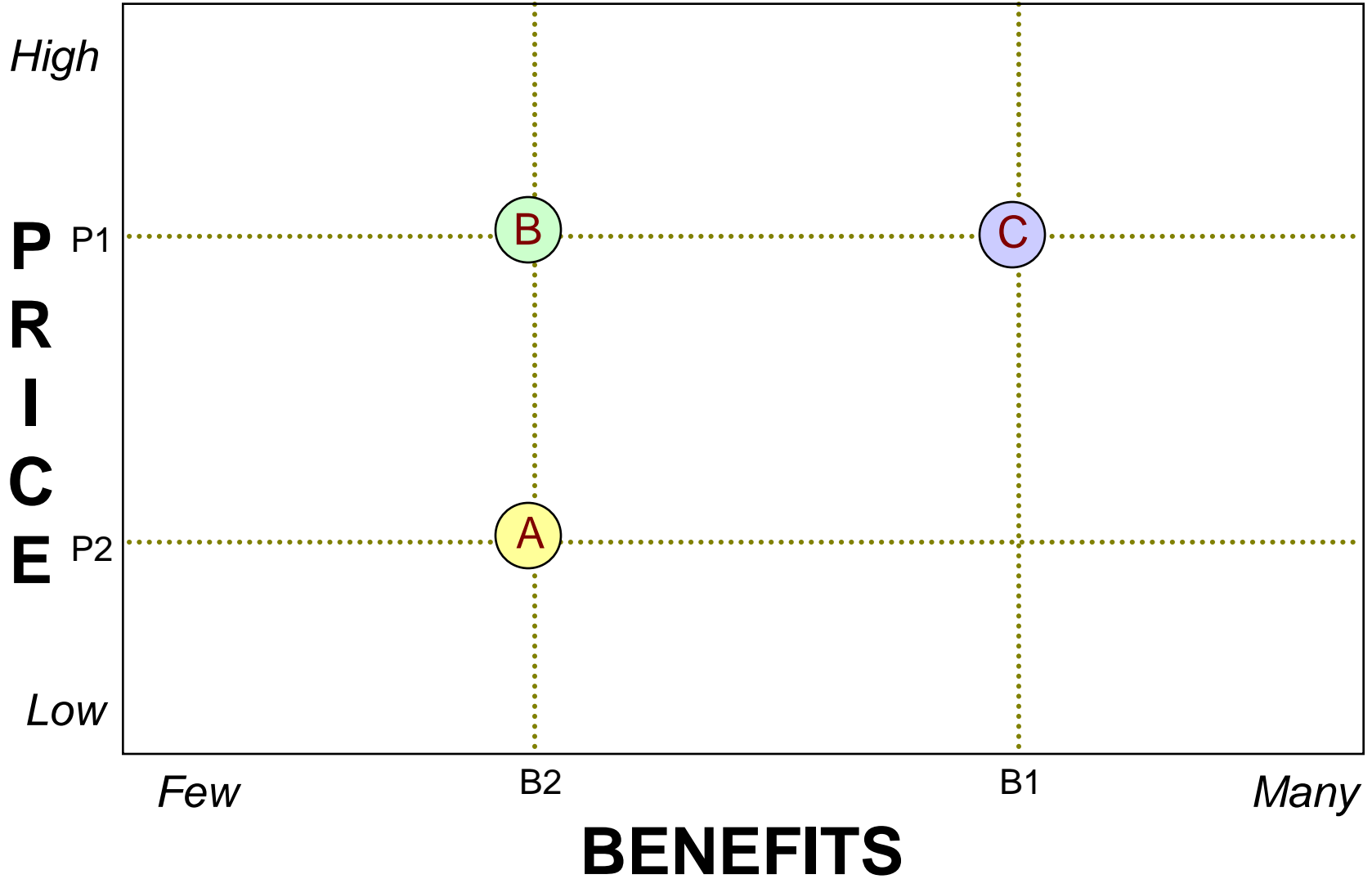
BENEFITS



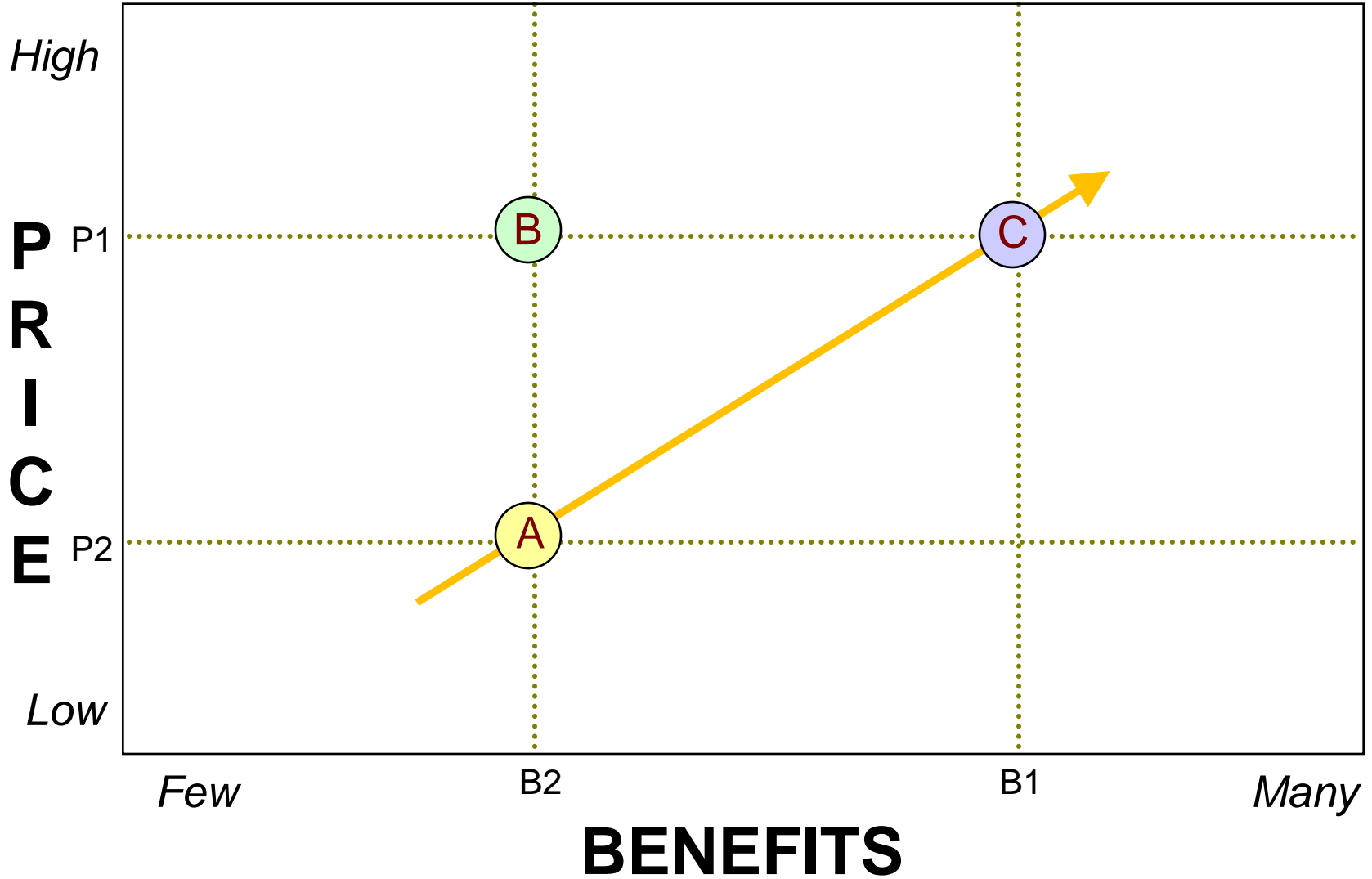
Value Map



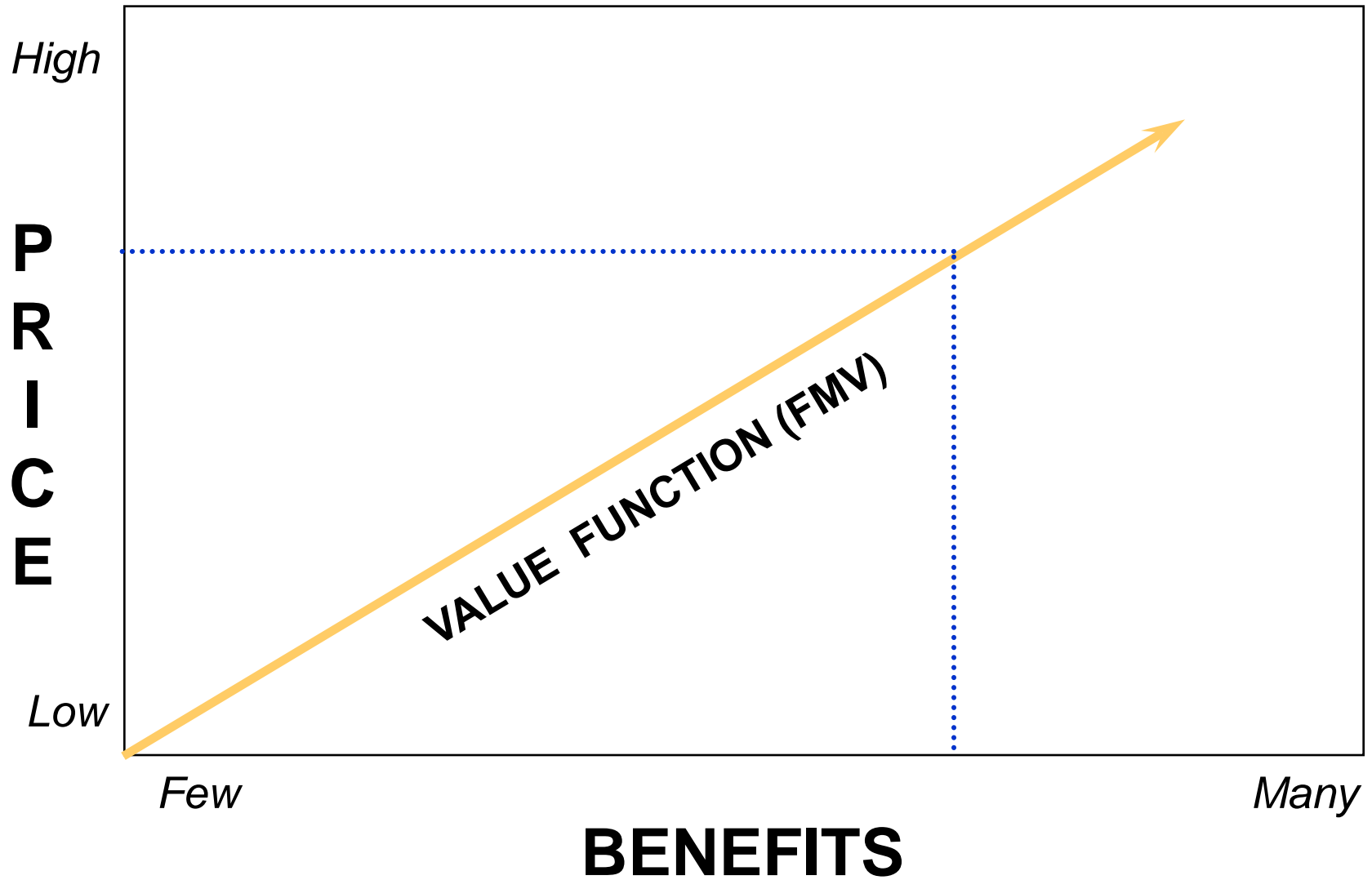
Value Map



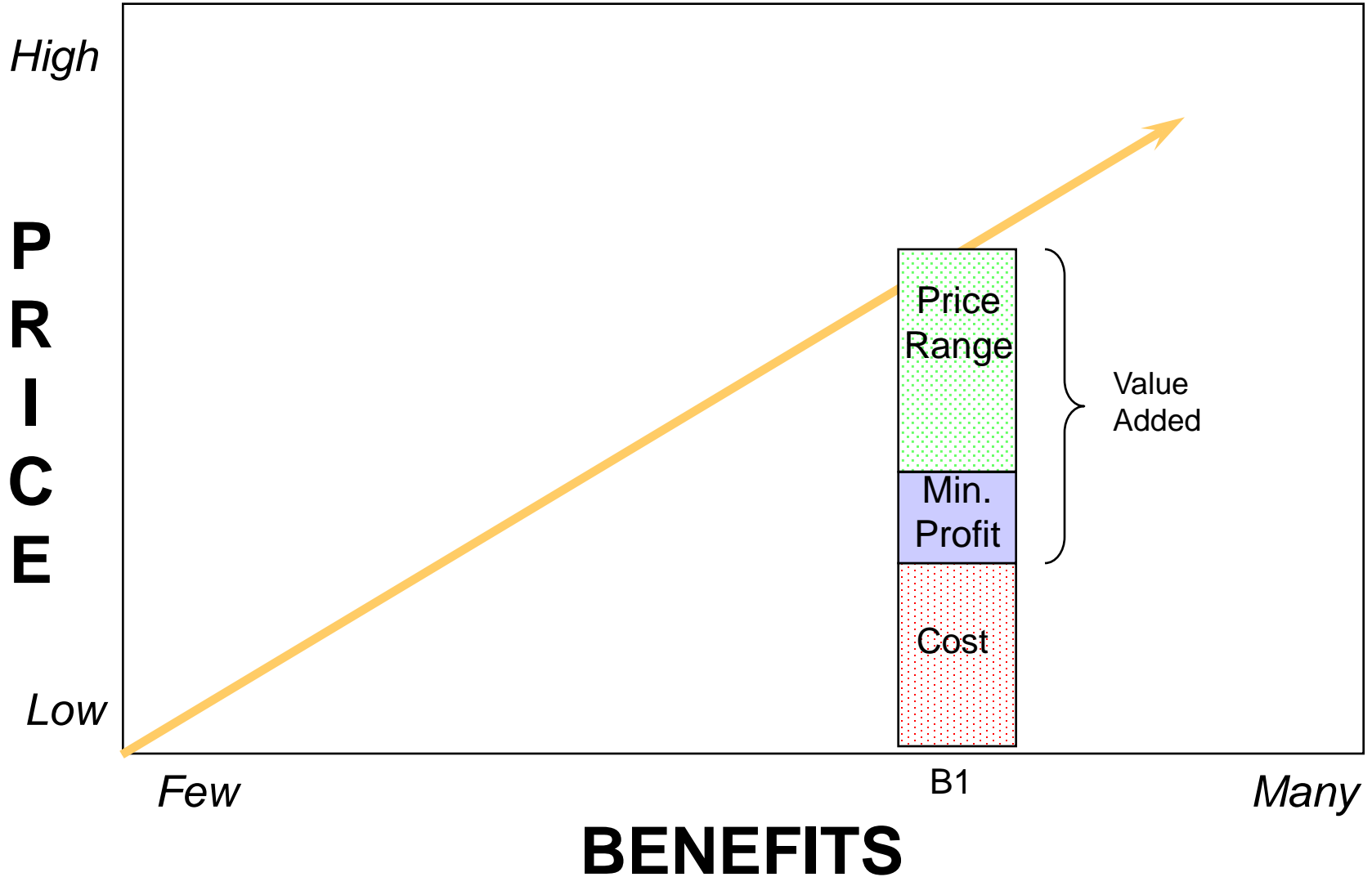
Value Map



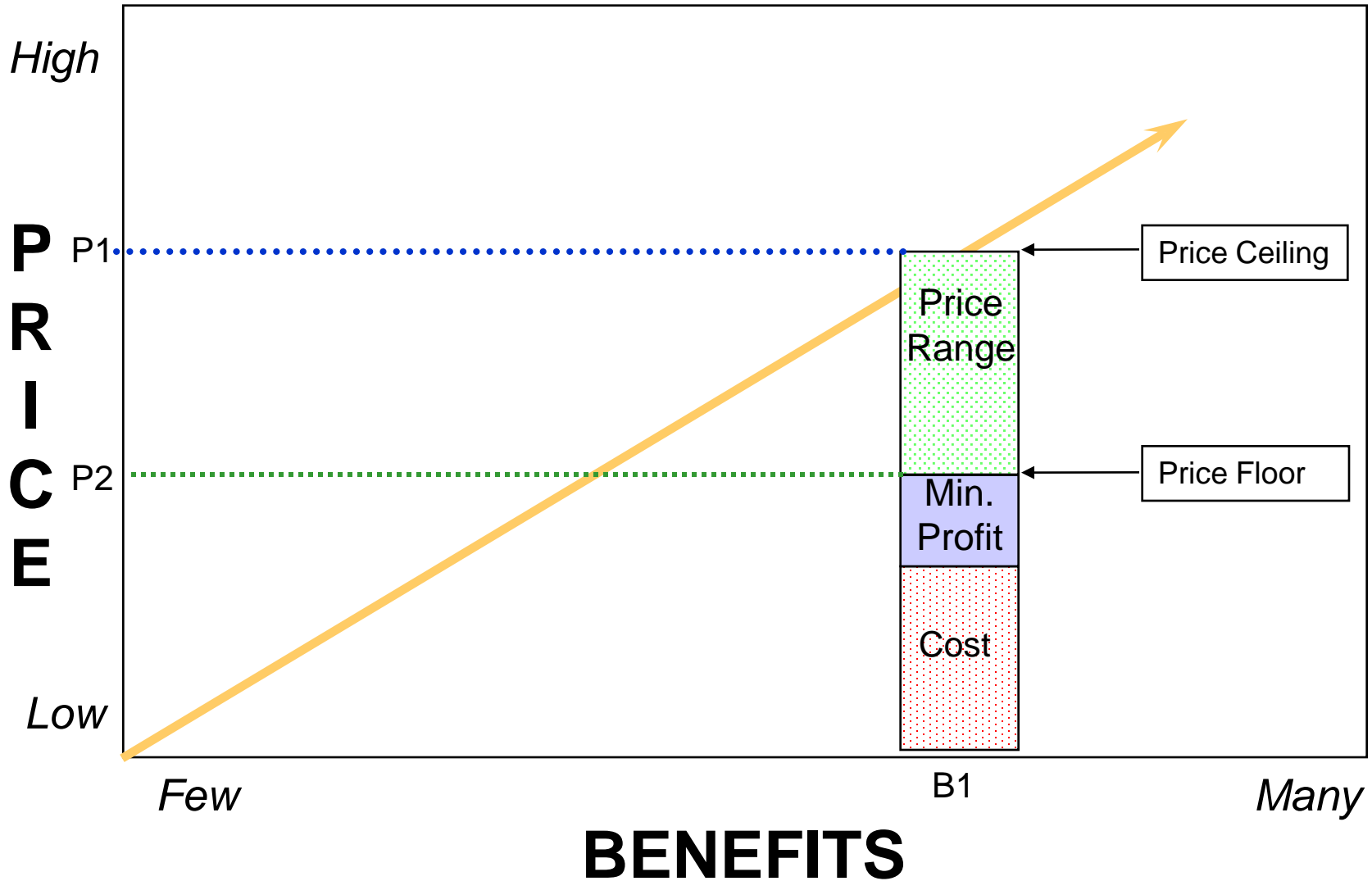
Value Map



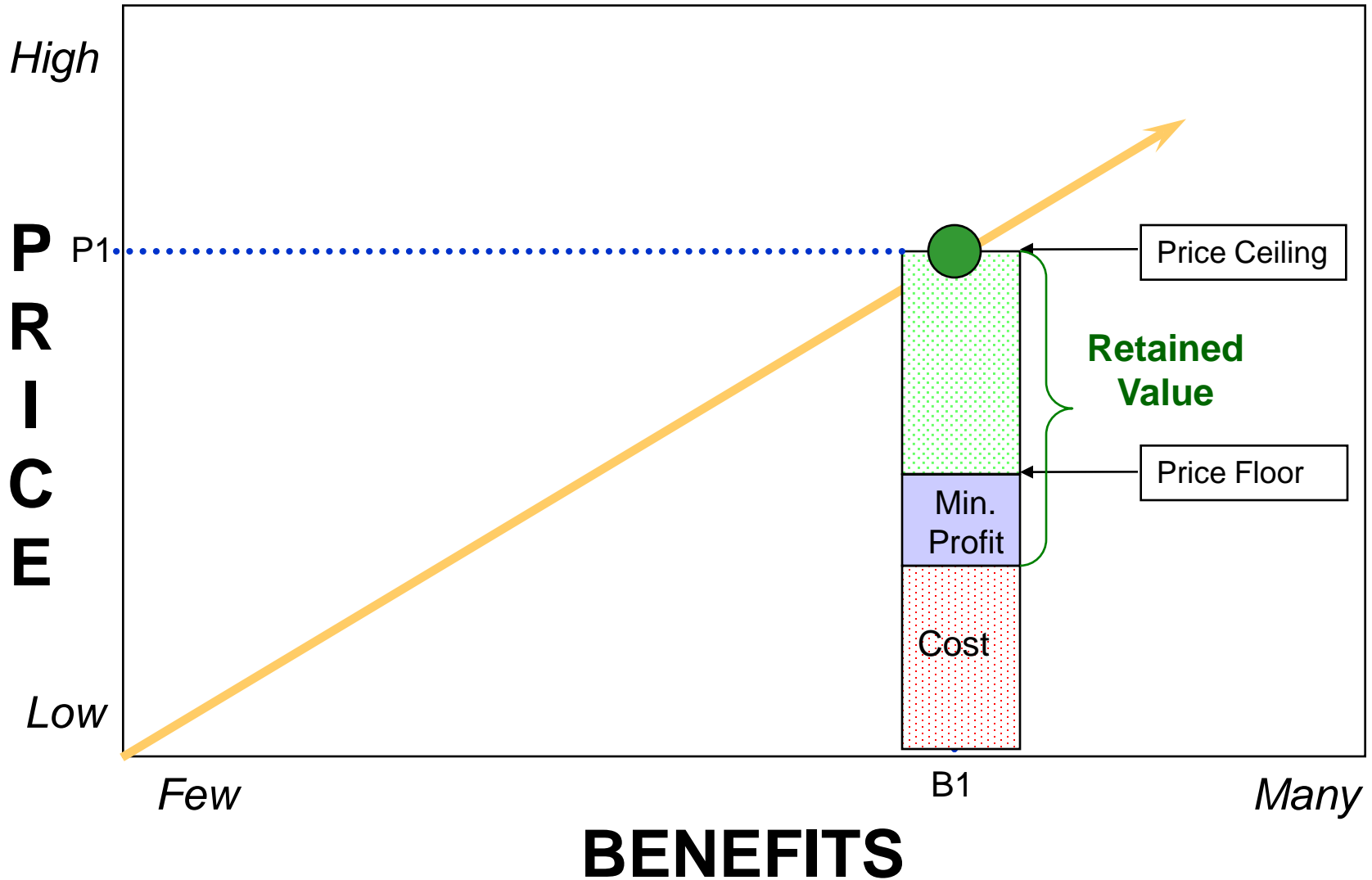
Value Map



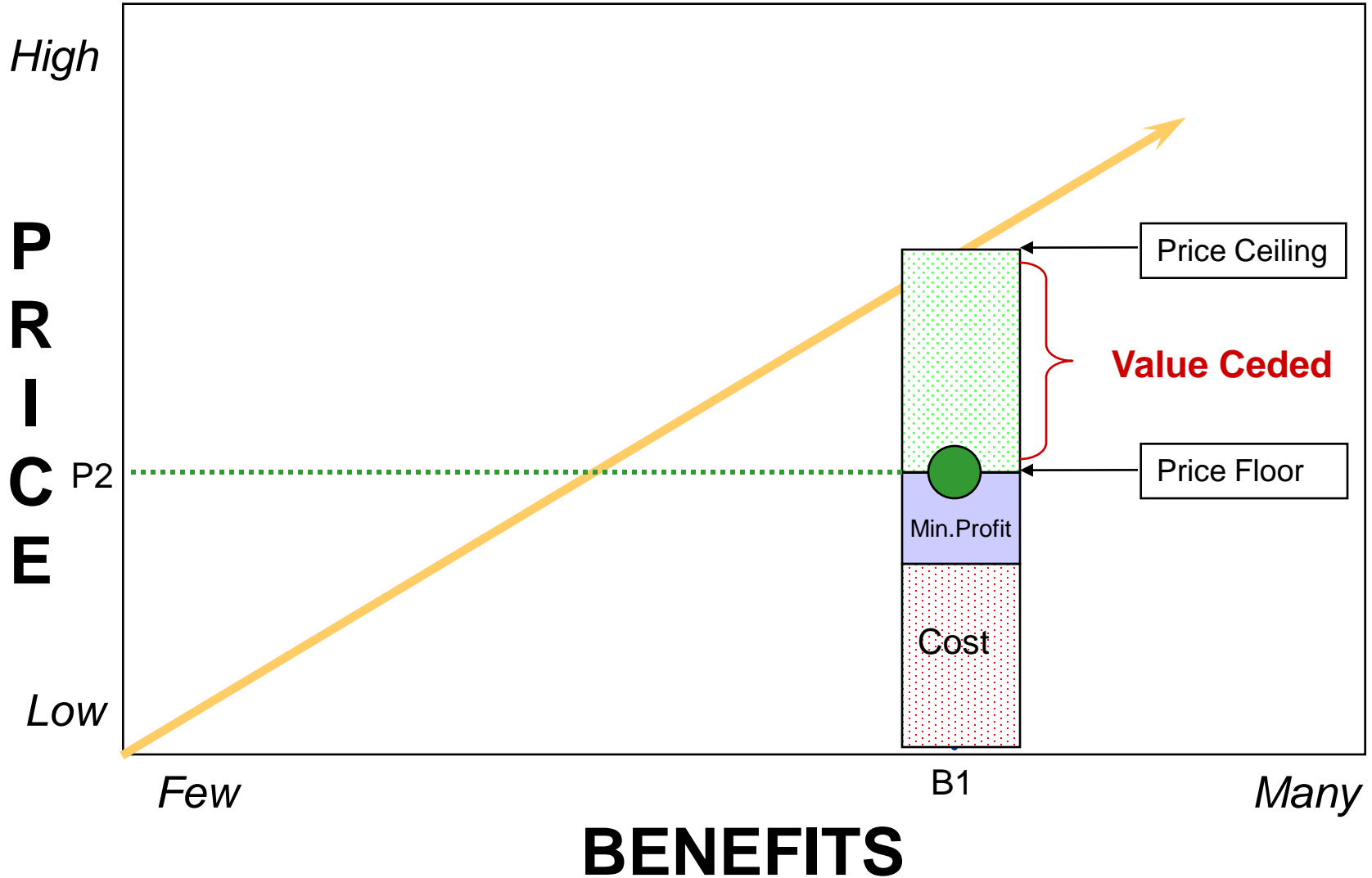
Value Map



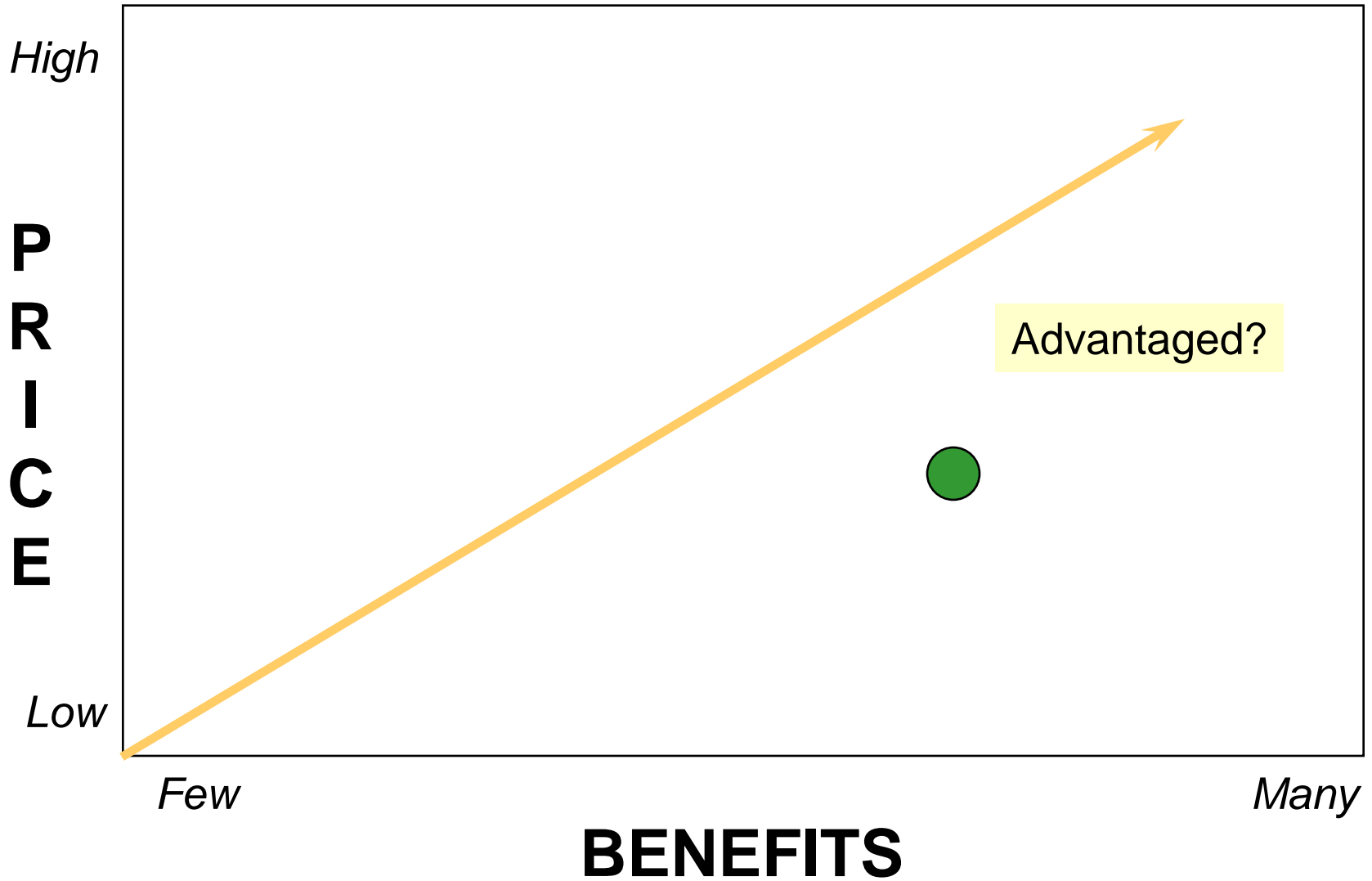
Value Map



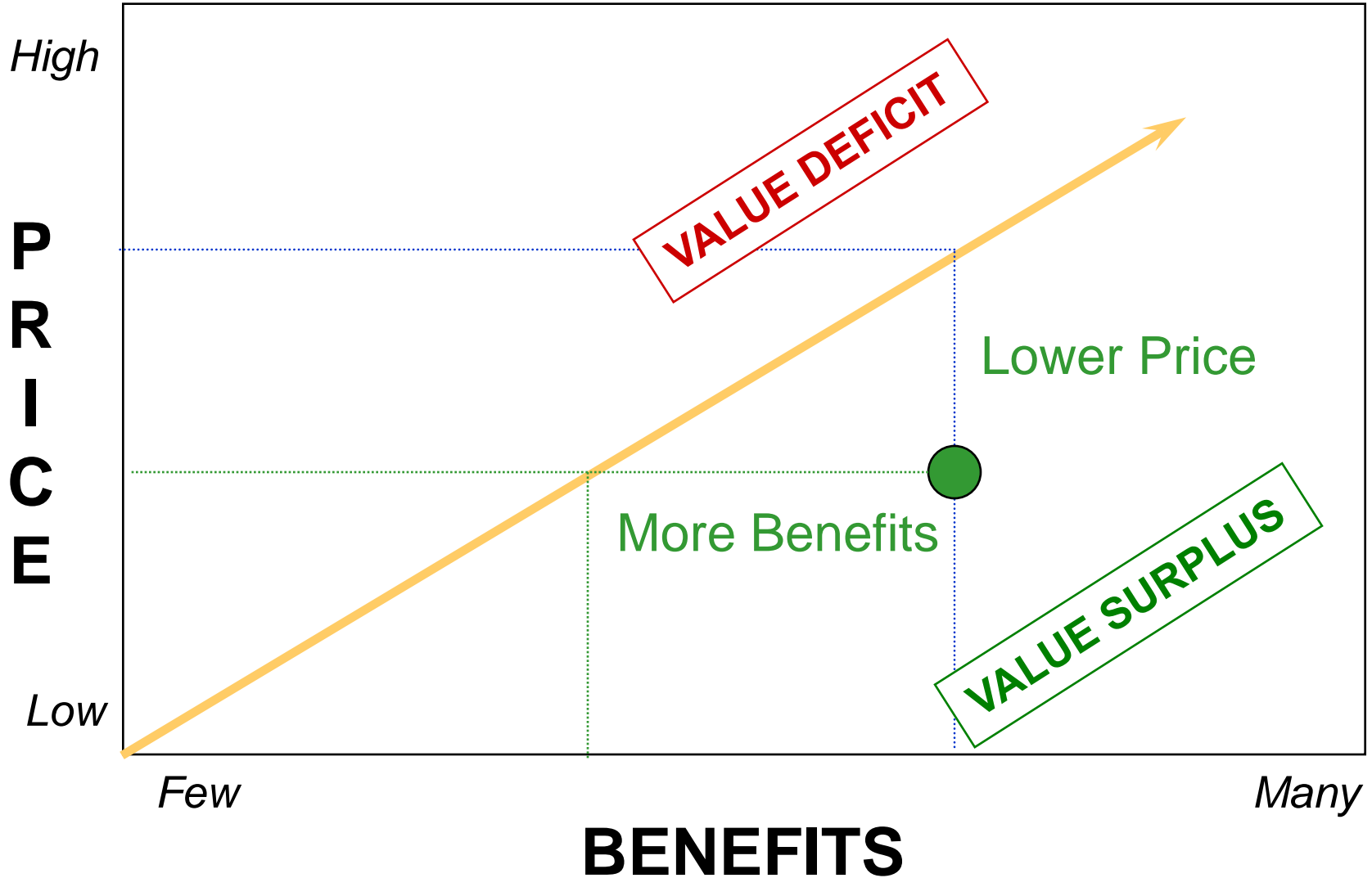
Value Map



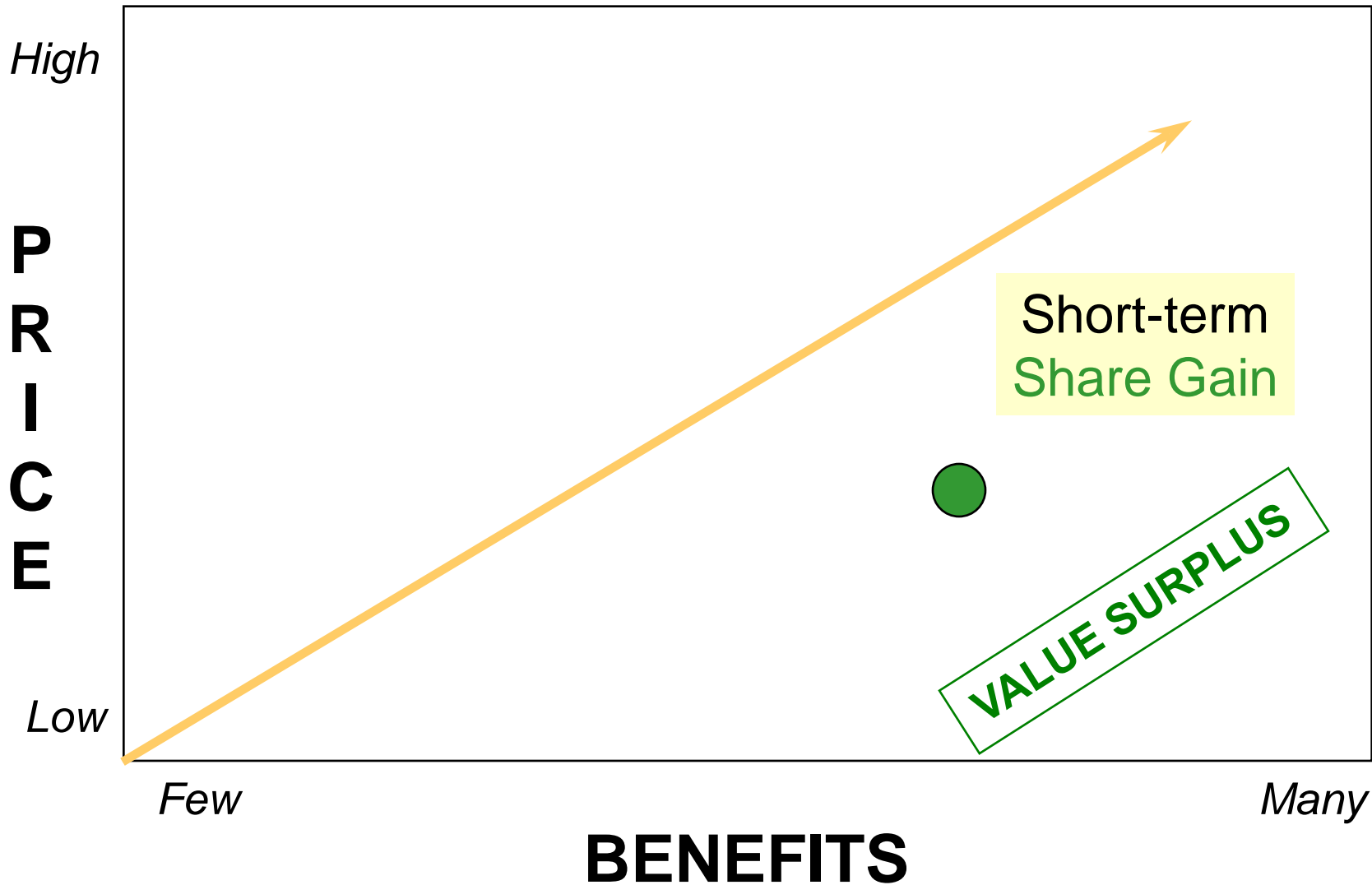
Value Map



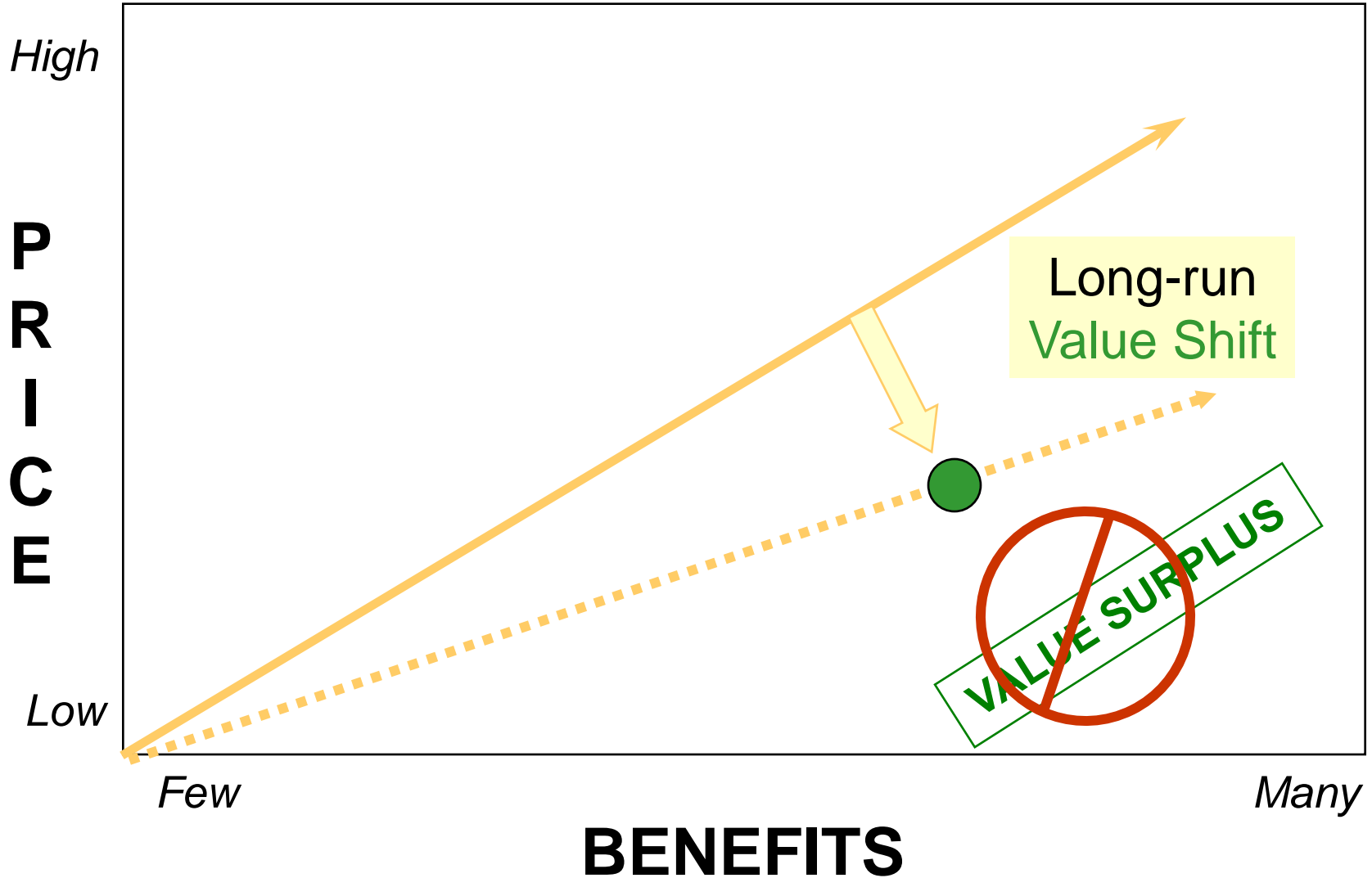
Value Map



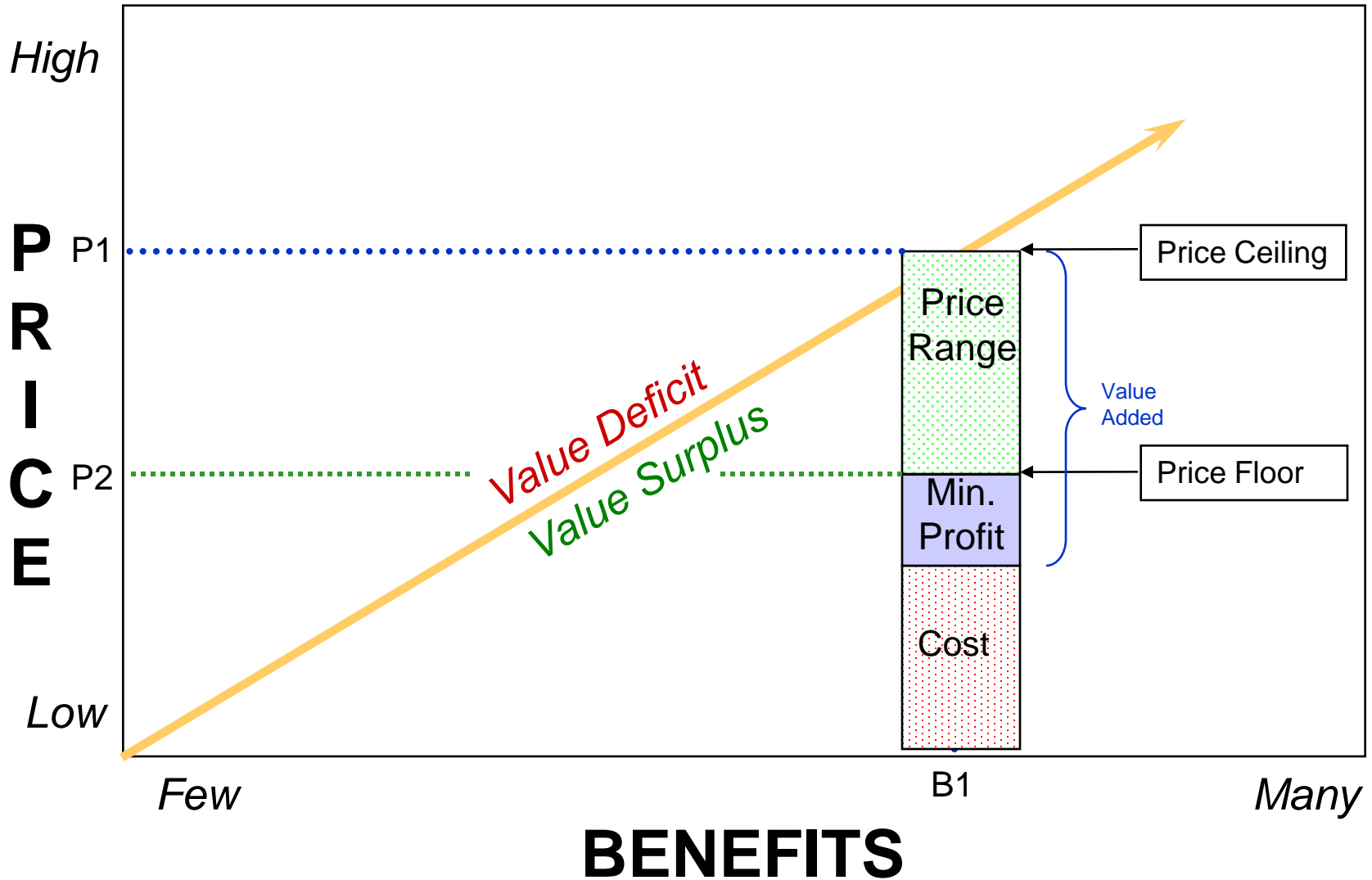
Value Map



Value Map



Value Map



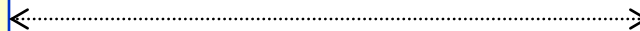
Respect costs, but peg prices to the market.

Cede value only for clear strategic purposes.



Product

*Deliver benefits
at 'right' cost*

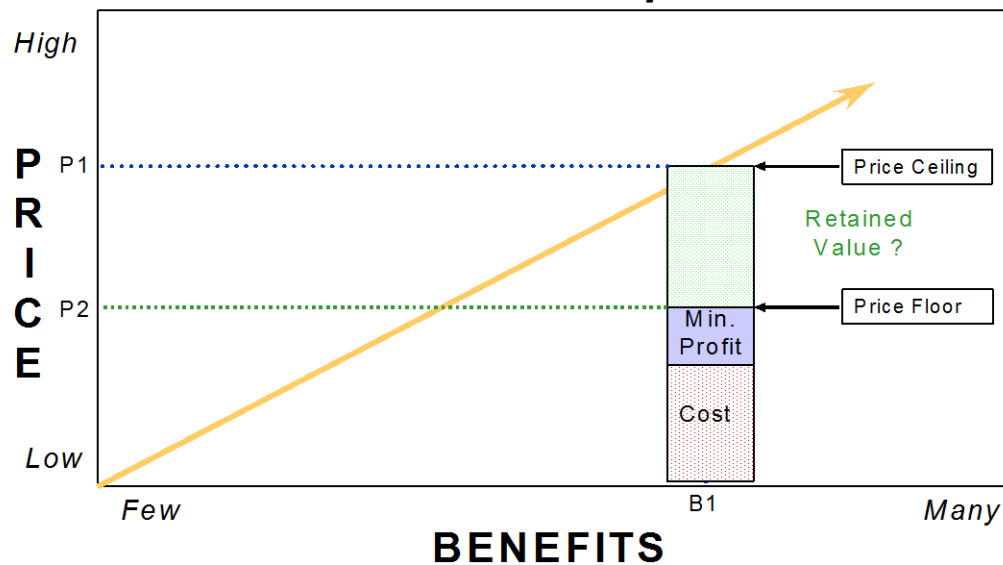


Price

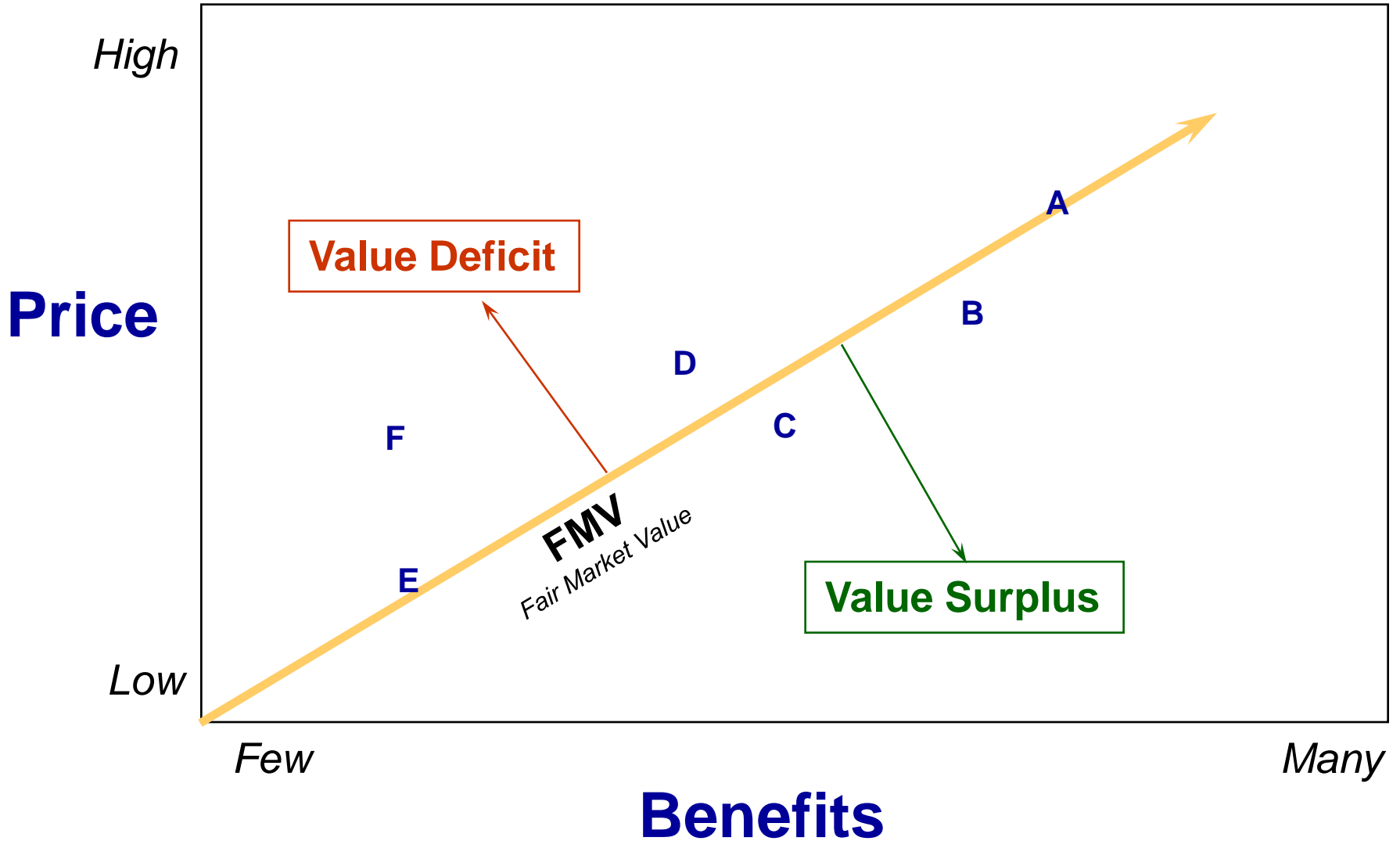
*Create & extract
'real' value*



Value Map



Value Map



From MR to Value Maps ...

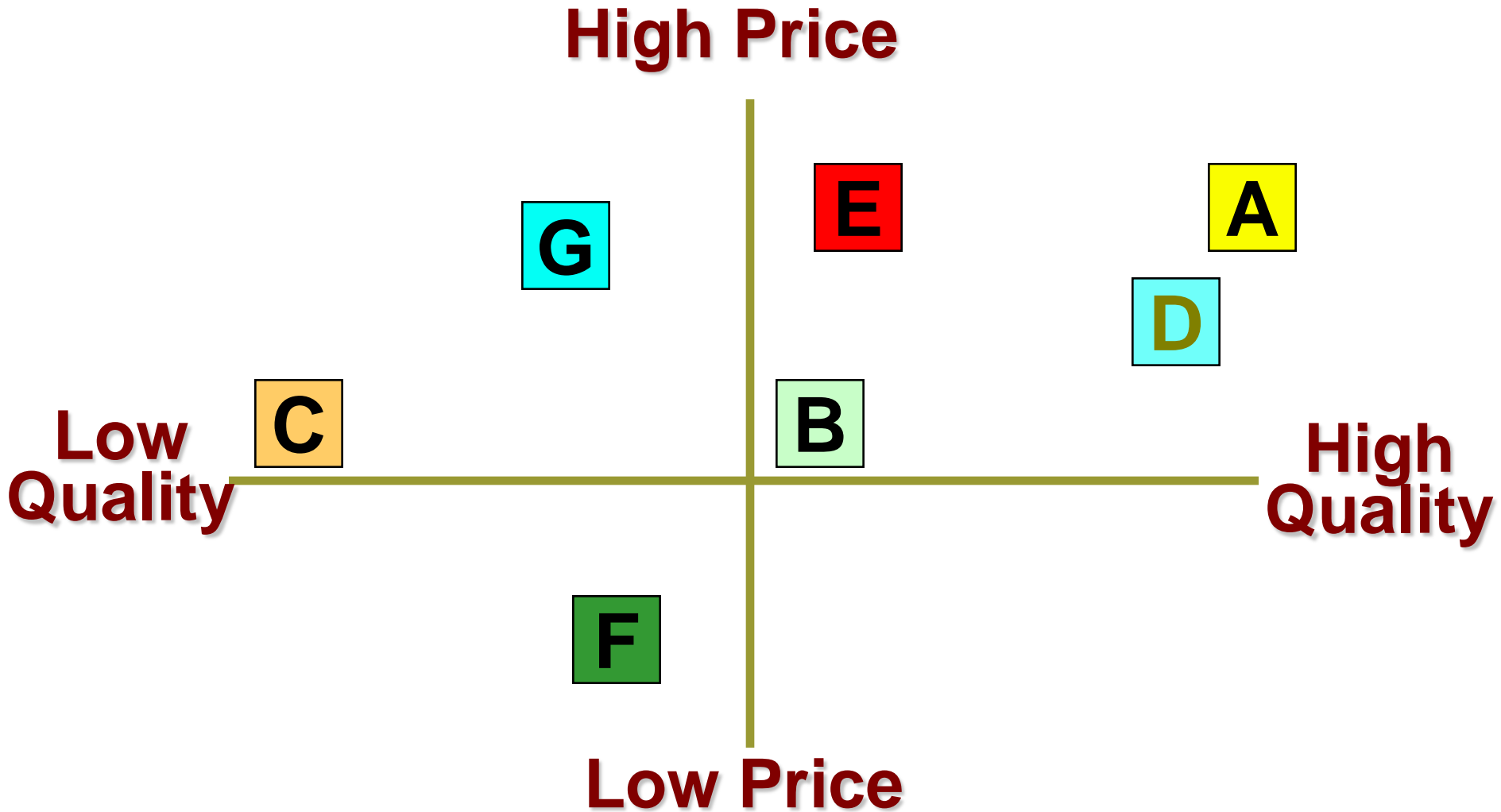
Preference Models

Research Illustration

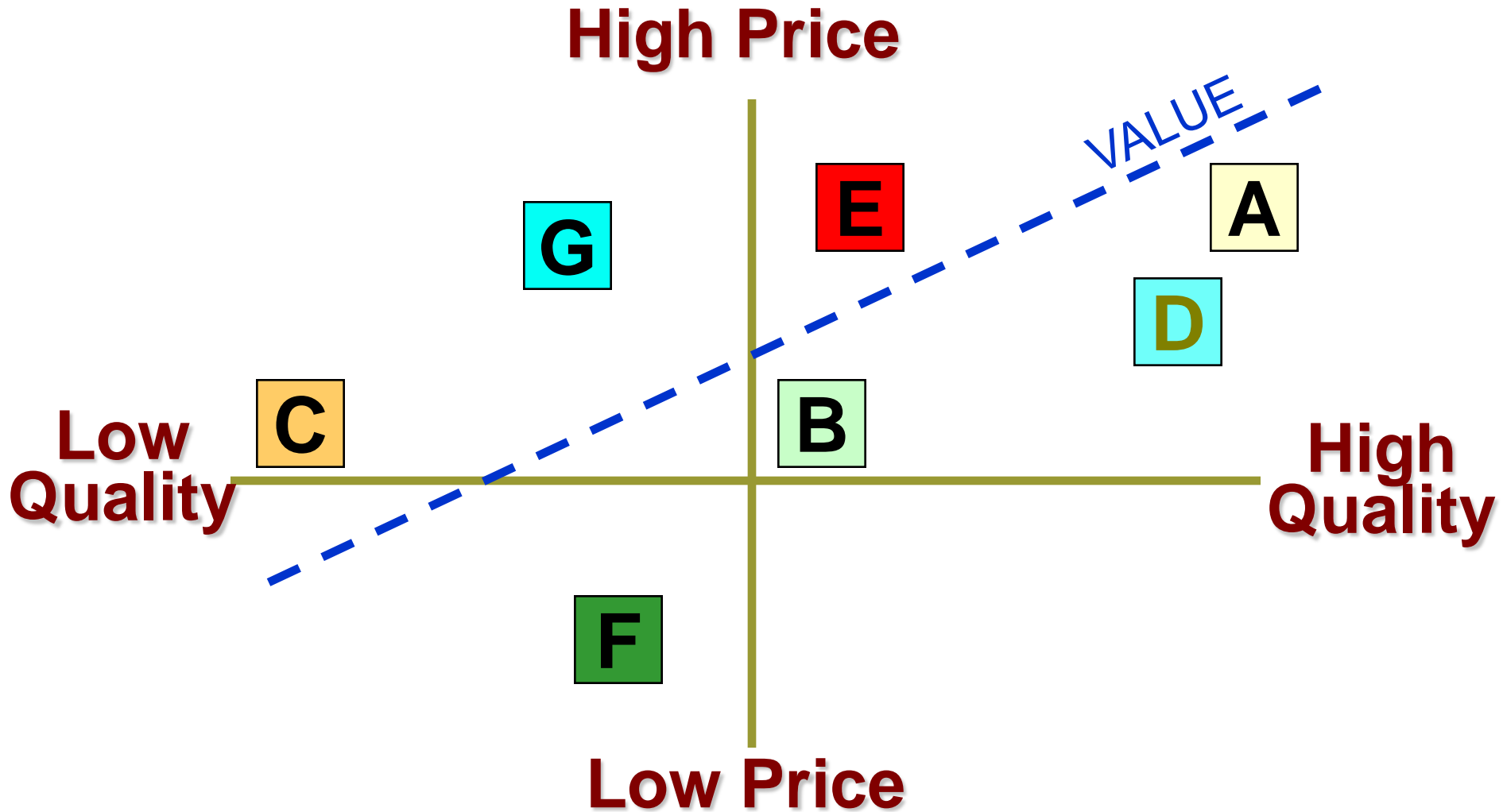
- How sweet is your ideal cola ?
- How important is it to you that a cola have the proper sweetness ?
- How closely does brand X match to your ideal sweetness ?

Very=4 Somewhat=3 Not much=2 Not at all=1

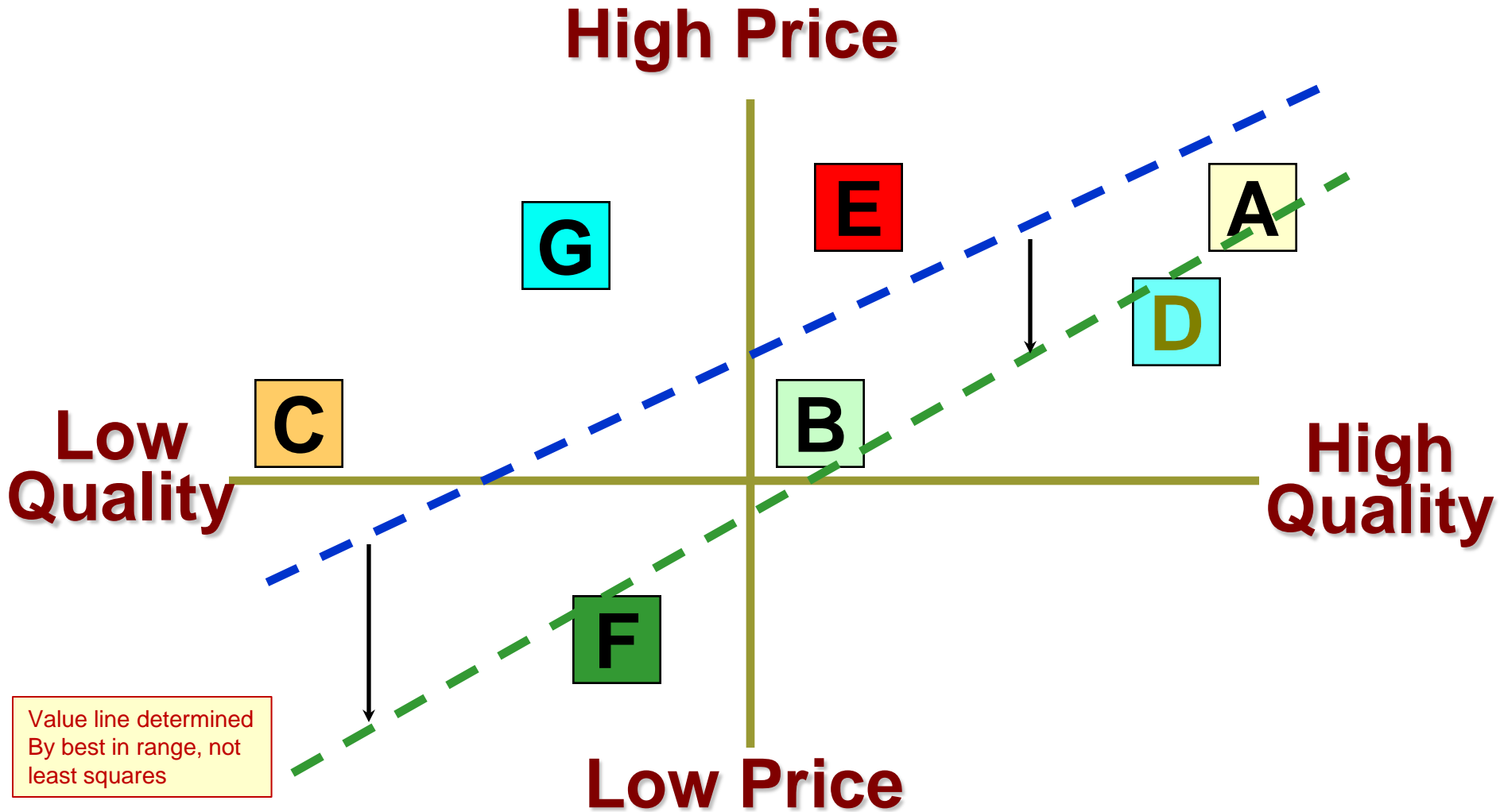
Perceptual Map



Perceptual Map – FMV Line



Perceptual Map – FMV Line



Perceptual Map – Value Segments

