**Book Recommendation Business Analysis**

**Objective:**

With the growth of platforms such as YouTube, Amazon, and Netflix, recommender systems have become increasingly prevalent in our daily lives. From e-commerce sites recommending products of interest to buyers, to online advertisements suggesting content based on user preferences, these systems are now an integral part of our online experience. In essence, recommender systems are algorithms that suggest relevant items to users, whether it be movies, texts, products or something else. The significance of recommender systems cannot be overstated, as they have the potential to generate substantial revenue for companies or distinguish them from their competitors. A book recommendation system can bring numerous benefits for users. Firstly, it can offer a personalized experience for users by suggesting books that match their reading preferences and interests. This can save time and effort for users as they won't have to search through a vast library of books to find something they like. Furthermore, the recommendation system can also assist users in discovering new books and authors they may not have considered otherwise, broadening users' reading horizons.

**Industry Overview:**

*Global Book Industry :*

The global market size of books was valued at USD 138.35 billion in 2021 with an projected annual growth rate of 1.9% from 2022 to 2030.  North America made the largest contribution to the global market of almost 33% in 2021 = $45.655. Further, the hard copy segment accounted for 78.7% of the market = $35.93. Taking a deeper dive, the online book sales in the US accounted for 8.8 billion dollars in 2022. Major market players that sell non-online books including amazon account for 96% of the market. Hardcover and paperback books make up 56.3% of the market, hence ***online paperback/hardcover books*** equate to 54% of the market. Finally, revenue generated from online paperback book sales = $4.756 billion dollars  in 2022.

Growth:

4.5% per year, so projectedrevenue generated from online paperback book sales is almost $5 billion dollars in 2023.

*Goodreads Overview:*

Goodreads is a subsidiary of Amazon and a social cataloging website in the US that enables people to search its database of books, annotations, quotes, and reviews. Upon signing up, users can create a library catalog and reading list by registering books. They also have the option to form their own book clubs and participate in surveys, polls, blogs, and discussions. **Goodreads’ revenue was about $5.0M in 2022 with about 119.7M visits per month. The US was the top country sending desktop traffic of about 42.64%.**

**SWOT Analysis:**

**Strength:**

Provides the largest online catalog of books in multiple languages and versions

**Weaknesses**

User Experience:

Search Engine: poorly manufactured search engine algorithm; it does not effectively pull books from the database.

Poor book recommendations: recommendations are not specific enough.

Librarian system: goodreads inhibits a team of anonymous volunteers to answer questions; there is no direct communication (phone number/email), the concern is reported into a forum resulting in inefficiency or no response at all.

**Opportunities**

Increase the usability of social media features to promote community feel.

**Threats**

Being too slow in adopting user feedback,wants, and needs.

***Pain Point:***

Since Amazon's acquisition of Goodreads for $150 million in 2013, the user experience hasn't undergone significant aesthetic transformations. Despite recognizing Goodreads' need for a revitalization, Amazon seems to be inactive in making any improvements. Further, it lacks tailored book recommendations: recommendations aren’t specific enough.