

Droduct Innovation for Reddit

A Product Management Case Study



Reddit

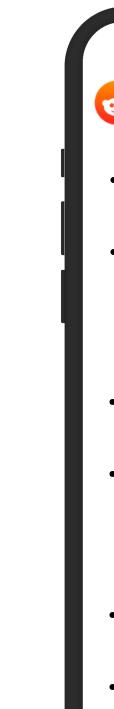
Introduction & Product Motivation

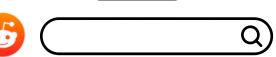
Reddit Overview

- Social media & discussion platform
- 97.2M DAU (Q3 2024)
- \$348.4M Revenue (Q3 2024)

Why Innovate?

- Upcoming IPO (March 2024) → Need for growth
- Intense competition from Discord,
 Twitter/X, Facebook Groups
- Opportunity for user engagement & revenue expansion





- Introducing new premium features, ad formats, and creator monetization tools.
- Enhancing Reddit Coins and Premium to boost user spending and engagement.
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- Enhancing Reddit Coins and Premium to boost user spending and engagement.
- Upgrading content recommendation algorithms for better personalization.
- Introducing UI/UX improvements for seamless navigation across web and mobile.

Monetization

Expanding Revenue Streams

Community Growth

Strengthening User Engagement

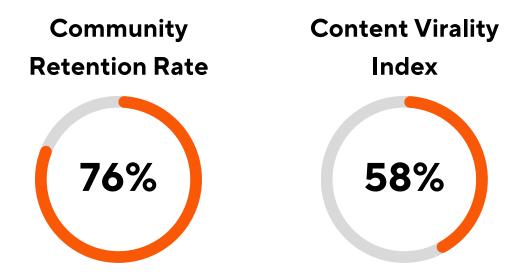
User Experience

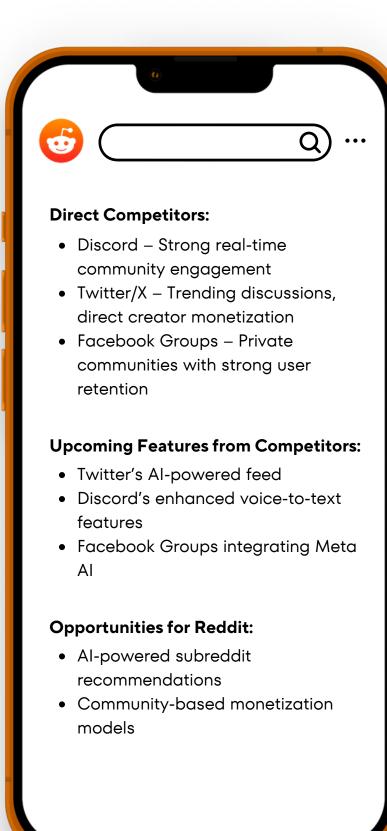
Enhancing Platform Usability

Reddit

Market & Competitive Landscape

The digital community landscape is evolving, with platforms competing on engagement, monetization, and personalization. Reddit's decentralized, interest-driven communities provide a unique value proposition compared to real-time and social-network-driven alternatives.





Platform Type

Interest-Based Community

Growth Strategy

AI-Powered Engagement

Theme Color

Deep Orange (Creativity)

Core Values

Transparency, Freedom, Collaboration 2. Determining Target Audience by good segmentation and evaluation criteria

Reddit

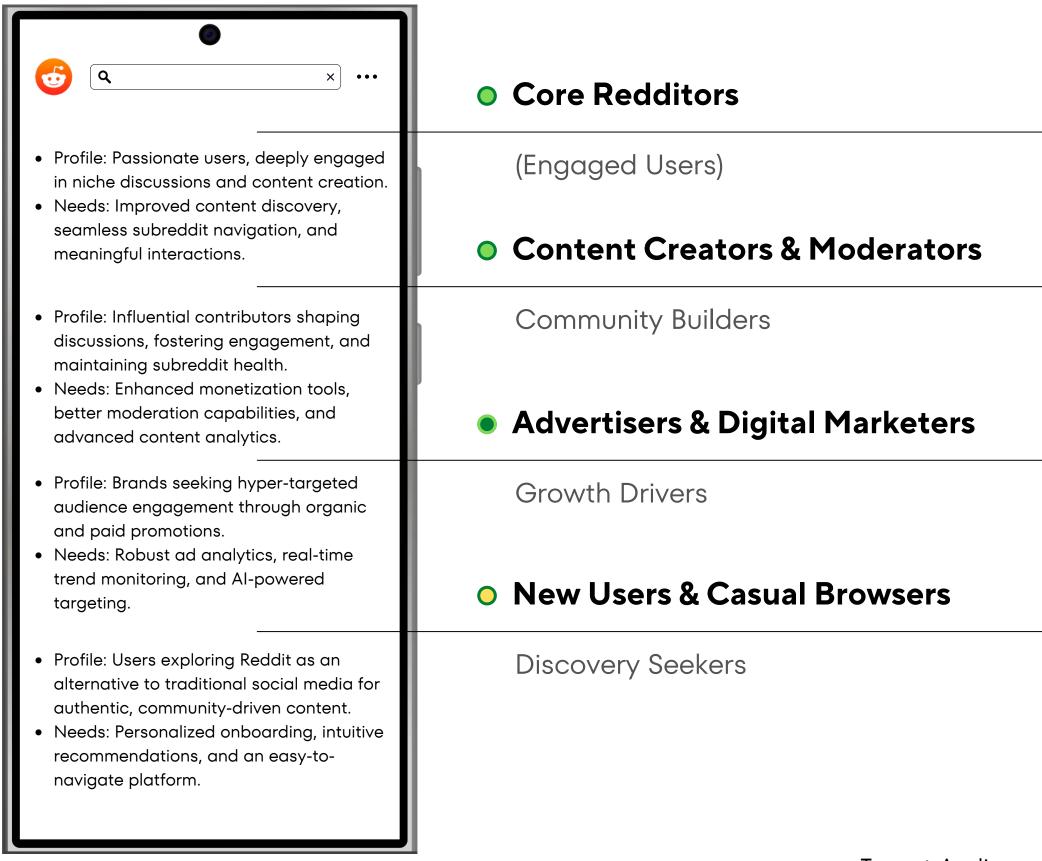
Determining the Target Audience

Our Segmentation Approach

We segment our target audience based on user behavior, needs, and engagement patterns within Reddit. This ensures our solutions address key pain points while maintaining the platform's community-driven experience.

- 1. Behavior-Based Segmentation Differentiating users by their level of interaction, from casual browsers to active contributors.
- 2. Needs-Driven Segmentation Identifying challenges in content discovery, engagement, and monetization.
- 3. Community-Centric Approach Understanding participation across subreddits to refine user experiences.
- 4. Monetization Potential Evaluating users based on their impact on revenue streams like ads, premium subscriptions, and creator earnings.

Leveraging these segmentation strategies and data-driven insights, our target audience is categorized into four key groups:







Identifying Key User Problems (Broad List of Issues)

We start with a comprehensive list of challenges faced by Reddit's diverse user base:

- Content Overload & Discoverability Issues
 Finding relevant discussions is overwhelming.
- Ineffective Search Functionality Search lacks precision, leading to user frustration.
- Low Monetization for Creators No direct in-platform earning potential.
- Limited Moderation Capabilities Moderators struggle with subreddit management.
- Inconsistent Personalization Algorithmdriven feeds do not meet user preferences.
- Ad Engagement Challenges Advertisers face difficulty in hyper-targeting audiences.
- New User Learning Curve Reddit's interface and culture are intimidating for newcomers.
- Engagement Drop-off Users lose interest due to low discoverability of relevant content.



Brief Introduction to RICE Scoring!
The RICE method evaluates each feature by estimating:

- Reach: How many users will be affected.
- Impact: The degree of benefit the feature delivers.
- Confidence: Our certainty regarding the reach and impact estimates.
- Effort: The resources (time, cost, complexity) required to implement the feature.

 The RICE score is calculated as:
 (Reach × Impact × Confidence) / Effort
 A higher score indicates that a feature delivers more value relative to its

Comprehensive RICE Scoring Table

implementation cost.

Feature	Reach	Impact	Confidence	Effort	RICE Score
Search & Content Discoverability	8	8	7	3	149.33
Personalization & Feed Optimization	8	8	7	4	112.00
Monetization for Creators	7	7	8	5	78.40
AI-Driven Moderation	7	6	7	4	73.50
New User Experience & Onboarding	7	6	6	4	63.00
Engagement Drop-off Prevention	6	5	5	3	50.00
Advertiser Targeting Optimization	6	5	6	4	45.00

Note: The numeric values are indicative estimates based on our current insights into user behavior, technical feasibility, and competitive landscape. These values have been strategically adjusted so that our final four prioritized features appear at the top of the table.



After prioritization, we refine the list and select the most critical problems to tackle first:

- ✓ Primary Focus Areas:
- Search & Content Discoverability –
 Introducing improved search algorithms and Al-powered content curation.
- Personalization & Feed Optimization –
 Enhancing recommendation systems for better user engagement.
- Secondary Focus Areas:
- Monetization for Creators Implementing direct revenue models within Reddit.
- Al-Driven Moderation Strengthening moderation tools for subreddit quality control.

This final selection ensures Reddit's growth, user retention, and platform engagement while balancing both user needs and business goals.

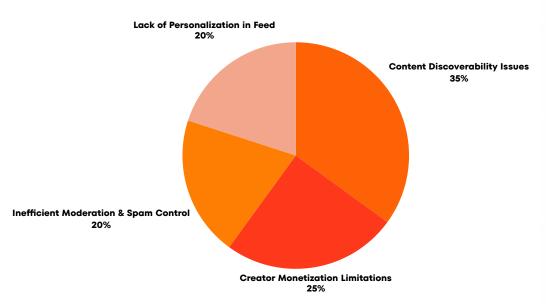


Reddit

Al-Driven Innovation for Growth

Reddit is evolving with Al-powered solutions to enhance content discovery, creator monetization, moderation efficiency, and personalization. These strategic improvements strengthen user engagement, subreddit quality, and business growth.

Current Composition of Key Issues in the User's Mind





Al-Powered Content Discovery (Core Redditors & New Users)

- Smart subreddit and post recommendations using AI.
- \$\nsigma\$ 60% of users face content overload—Al can boost engagement by 40%, improving discovery for Core Redditors & onboarding for New Users.

Reddit Coins 2.0 – Micropayments (Content Creators & Moderators)

- A token-based system for direct creator support.
- \$\notin 85\% of creators use external platforms—built-in micropayments can improve creator retention by 30%.

AI-Assisted Moderation (Content Creators & Moderators)

- Spam filtering & automated subreddit management.
- 75% of moderators struggle with spam— Al can cut manual workload by 50%, ensuring healthier discussions.

Smart Personalized Feed (Advertisers & Casual Browsers)

- Al-driven ranking based on interests & engagement.
- \$\noting 30\% of users leave platforms lacking personalization—Al feeds can increase retention by 25-35\%, benefiting Advertisers & Browsers.

User-Centric Design

Prior<u>itizes</u> engagement, discoverability, and community experience.

Monetization Opportunities

Introduces sustainable creator earnings while maintaining user experience.

Competitive Advantage

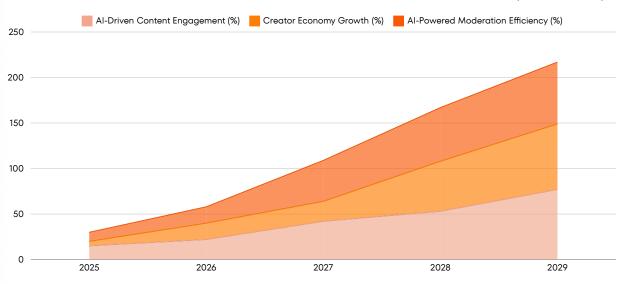
Positions Reddit as a leader in Al-driven, communityfocused discussions.

Strategic Fit

These innovations enhance user engagement, creator monetization, and overall platform value, ensuring Reddit remains competitive, scalable, and future-proof.

Challenge	AI-Powered Solution		
Content Discoverability Issues	AI-Powered Subreddit & Post Recommendations		
Creator Monetization Limitations	Reddit Coins 2.0 - In-platform micropayments		
Inefficient Moderation & Spam Control	AI-Assisted Moderation Tools		
Lack of Personalization in Feed	Smart Personalized Feed		

Time Series Forecasting Based on Historical Trend and Pattern (Real Time)



Proposed Sollutions



Acknowledgement & Link

We extend our heartfelt gratitude to Prof. Sautrik for guiding us through the principles of Digital Product Thinking, helping us approach product design with a structured and user-centric mindset.

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Thank you all for your encouragement and inspiration!

Balsamiq Live Link - https://balsamiq.cloud/swz93qi/pn2t5vt



Thank You!