

Yelp Connections



Yelp's Goal for 2019



*“Our strategy is designed to **drive consumer usage** and engagement with proprietary features and experiences in high-frequency **categories like Restaurants**”*

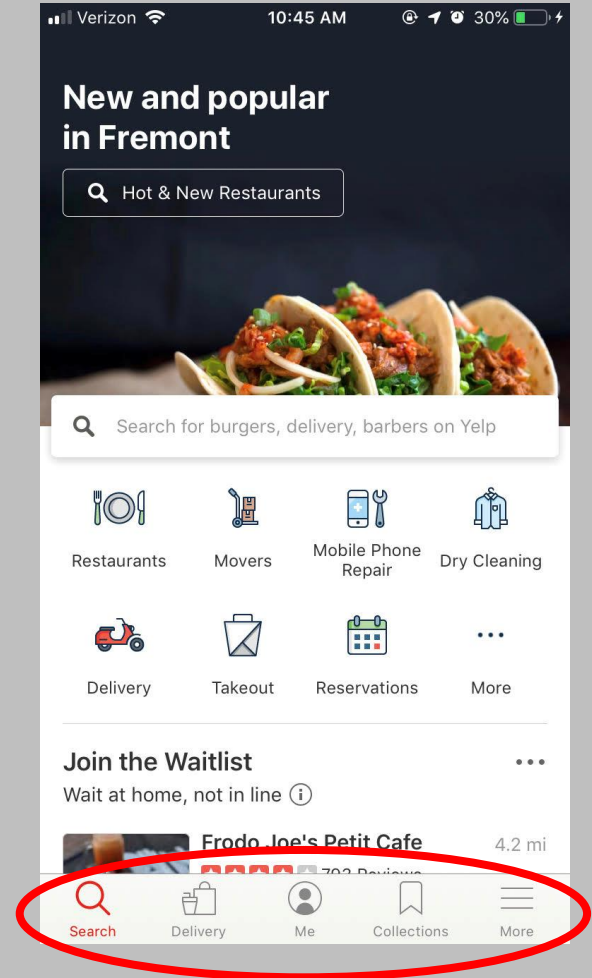
- Q3 2018 Shareholder Letter



Problem Statement

The Yelp Collections icon  is 1 of 5 icons always present in the app.

How can we make **Collections** more useful to advertisers and consumers?



Motivation 1: Competition



Recent Events

Impact

Google

- Google is **cloning Yelp features** with Google Explore, reviews, and others¹
- **Manipulating Google search** to favor Google content over Yelp²

- Overall traffic to Yelp platform could decline as Google continues to take market share
- Internet search as a means for Yelp user traffic is compromised

Instagram

- Experiencing **~70% revenue growth rate** YOY³
- **50%** of US social network users access Instagram monthly (13% growth YOY)⁴
- **Local-based food Instagram accounts** are more prevalent than ever⁵

- High user engagement and revenue growth rates from Instagram are drawing users away from Yelp



Competitors are gaining ground and are **developing user communities** that challenge Yelp's position in the Restaurant space.



Motivations 2,3: Company & Public Factors



Recent Events

Impact



- Advertising contracts switched from long-term to more flexible⁶
- Company-wide focus on user engagement instead of expanding globally⁷

- Less commitment in contract means more advertiser churn, but potentially **more advertisers at the top-of-the-funnel**
- Changes to Yelp user interface can focus on US/Canada consumer preferences

Public

- **Significant public distrust** in the quality of Yelp reviews⁸
- Consumers react better to information that is more visible⁹
- Consumers increasingly spend more time on mobile devices instead of computers¹⁰

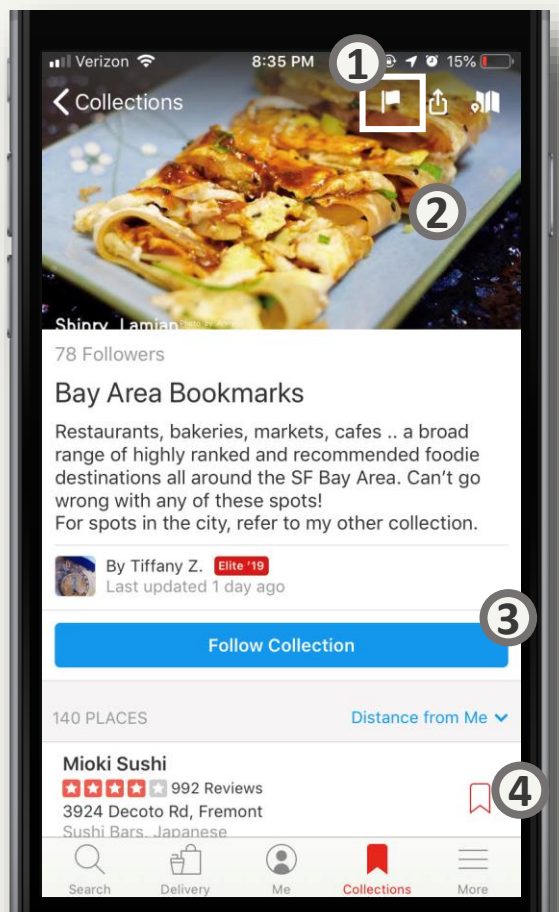
- Yelp needs to find alternative ways of creating credibility to stay competitive
- Consumers spend significantly more time on visual media than written
- Phones are limited real-estate; apps need to be clean and clutter-free



Yelp struggles with building credibility for its restaurant reviews. Yelp must develop alternative methods for establishing trust.



Challenges with the Current Collections



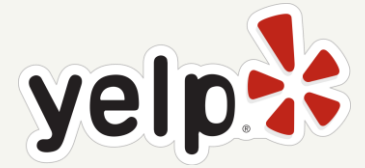
- 1** Flag button
Flag button– next to Share and Map button– is too significant in this spot¹¹
- 2** Banner image takes up 1/3 of the screen
Visually attractive but cannot be clicked on, identified, or used in any way
- 3** “Follow Collection” button
Uses screen from end-to-end, taking up a lot of space that can be used more optimally
- 4** “save to collection” button
Not essential on this page; users likely to screen restaurants before adding to personal Collection
- 5** Default Collections page
Clicking in and out repeatedly to go from one Collection to another does not encourage exploration

← Main Collections page **5**

What changes should we make to the Collections page to increase user stickiness?



Solution: Re-Design the Collections Page



1

Add “Discover Other Collections” section as a new way to let users discover Collections more effectively

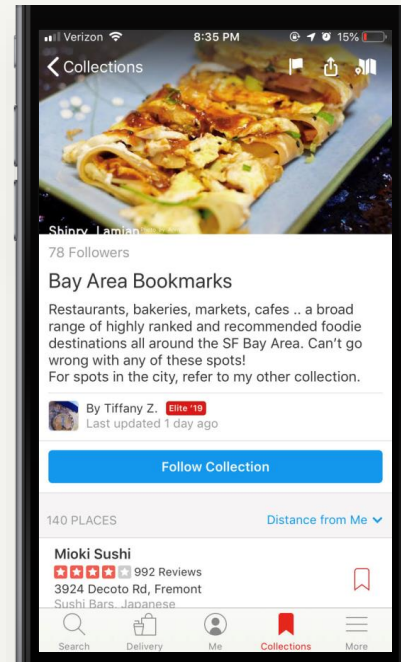
2

Re-format default screen to emphasize features with the most utility (move Follow Collection Button, delete flag, delete initial image)

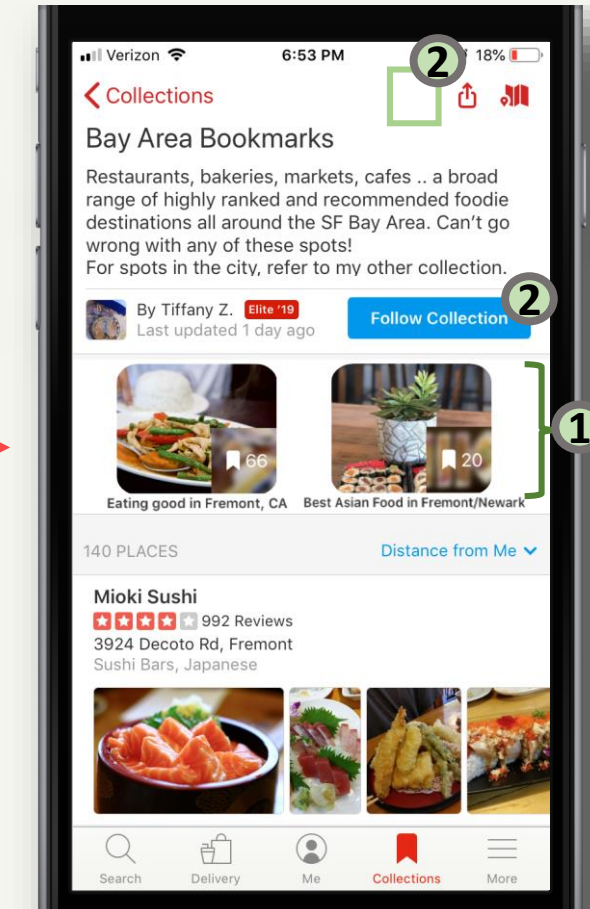
3

Create scroll up to get map of restaurants (swipe fingers down), just like how you access the map when doing a regular Yelp Search¹²

Old default page



New default page



Benefits



App Experience

- 1 **Simplifies user journey**
- 2 **Visually aesthetic**
- 3 **Decluttering**

Scrolling up to view map parallels regular Yelp searching; app is more organized

More images in the default page that reference to either a restaurant or other Collections

Follow Collection button can be smaller with same effect

User

- 4 **Increase stickiness**
- 5 **Collections assign credibility**


More focused features = more engaged users

Collections take time to curate; beats credibility of random review

Advertiser

- 6 **Non-intrusive ads**
- 7 **Stronger ad opportunities**

Yep can recommend advertisers when creating Collections

Yelp search map has advertiser pins  highlighted; Collections should too¹³



Market Validation

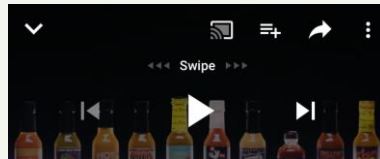


“Why is swiping within a Collections page an effective way for user retention?”

Other content-supporting companies are also using swiping for user retention

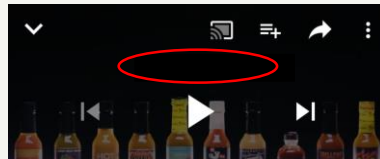


New Feature

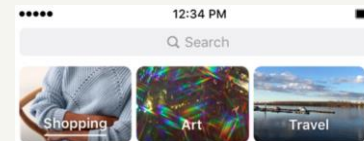


Swipe left and right for previous/next video

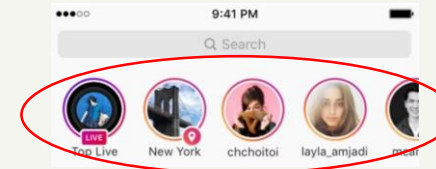
Old Feature



Needed to click to access previous/next video



Swiping lets us explore into other categories



Top bar was simply Instagram Stories;
was not relevant to Instagram Explore



User Journeys

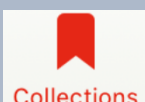


Journey

Implementation

Can I see a map of the person's collections?

Main screen



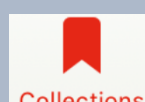
One collection

Swipe up

Map

Where can I find this person's other collections?

Main screen



One collection

User profile

More collections

What's the easiest way for me to find more collections?

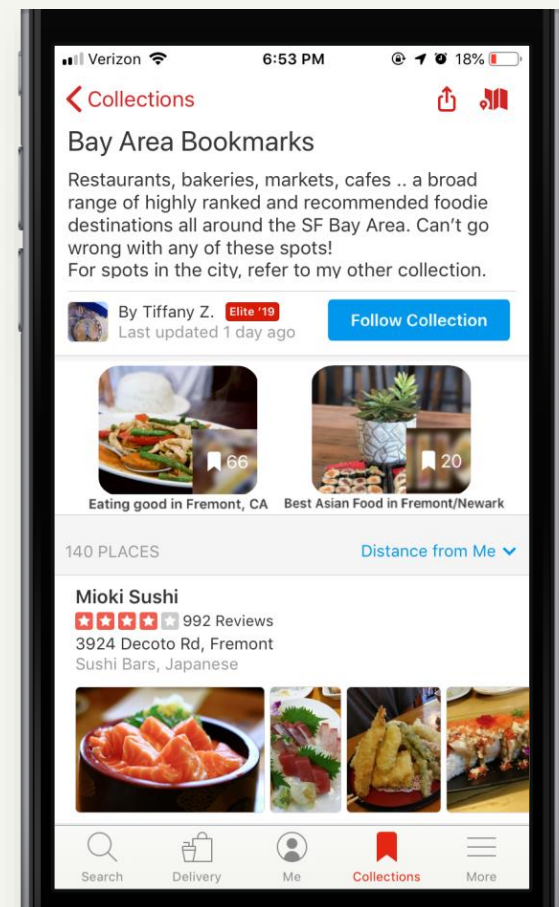
Main screen



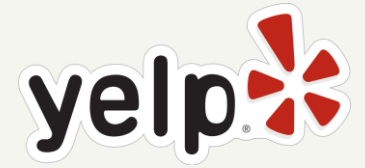
One collection

Swipe right

Discover other collections



Adoption Strategy



Testing

Beta Testing

- A/B testing
- use Instabug (reduced time Lyft spend resolving bugs by 30%)

Notification

- **In-app notification** of the new feature

Measure of Success

Metrics

- Higher # of advertisers (restaurants) that are added to any Collection
- Higher % of new users follow/create a Collection
- Higher % of Yelp Elite follow/create Collections
- Monthly Active Users that begin using Collections

Effect

Retain changes

- Discover how to further optimize the changes
- Continue measuring user activity within Collections



Risks & Mitigations



Risks

- 1 Quantifying user experience response requires a lot of time and effort
- 2 Many advertisers (restaurants) will naturally be left out of Collections
- 3 Users that rely on Collections are blindsided to other restaurants

Mitigations

- 1 Begin measuring changes in the number people using Collections as soon as the it is deployed
- 2 As users begin building a Collection, offer recommendations to advertisers (and non-advertisers)
- 3 Create a Yelp Explore Collection that displays a variety of under-represented restaurants



Appendix



Appendix



1. <https://seekingalpha.com/article/4185145-yelp-surviving-competitive-threats?page=2>
2. <https://www.law.berkeley.edu/wp-content/uploads/2015/04/Luca-Wu-Yelp-Is-Google-Degrading-Search-2015.pdf>
3. <https://techcrunch.com/2018/06/20/instagram-1-billion-users/>
4. <https://adespresso.com/blog/instagram-statistics/>
5. <https://www.lamag.com/digestblog/hungryinla/hh>
6. <https://www.cnbc.com/2018/11/09/yelp-craters-30percent-as-advertisers-abandon-the-site.html>
7. <http://www.yelp-ir.com/node/12951/html> (link, see “high penetration rates”)
8. <https://www.bostonmagazine.com/restaurants/2018/02/21/boston-third-graders-yelp-reviews/>
9. [https://www.hbs.edu/faculty/Publication Files/12-016_a7e4a5a2-03f9-490d-b093-8f951238dba2.pdf](https://www.hbs.edu/faculty/Publication%20Files/12-016_a7e4a5a2-03f9-490d-b093-8f951238dba2.pdf)
10. <https://www.emarketer.com/content/mobilhe-time-spent-2018>



Appendix



11.

Flags shouldn't be offered so easily for Collections

Looking at the Content Guidelines (<https://www.yelp.com/guidelines>), content within the Collections is simply aggregated information from the regular Yelp search. It would be difficult to violate the guidelines simply through the “description” of the collection.

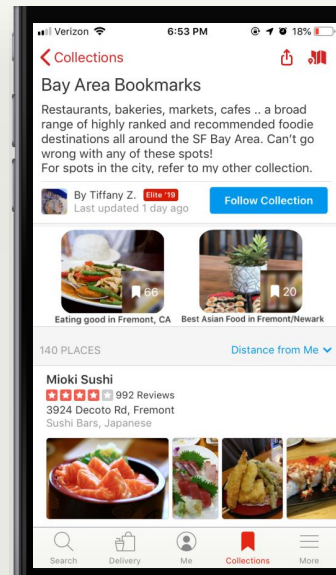
If a user needs to flag a collection, he/she can do it through the creator's profile page.

Having the flag button so prominent in its current position brings an implicit negative tone to Collections.

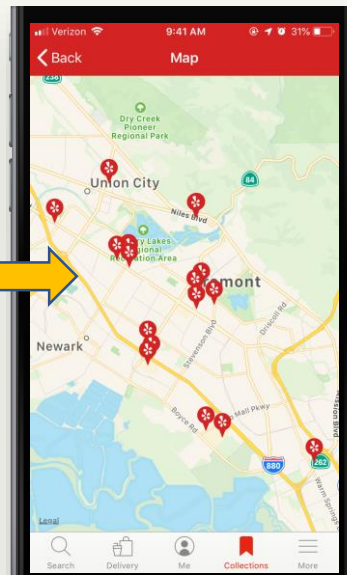
12.

Scrolling up on the new default screen should yield a map

New default screen



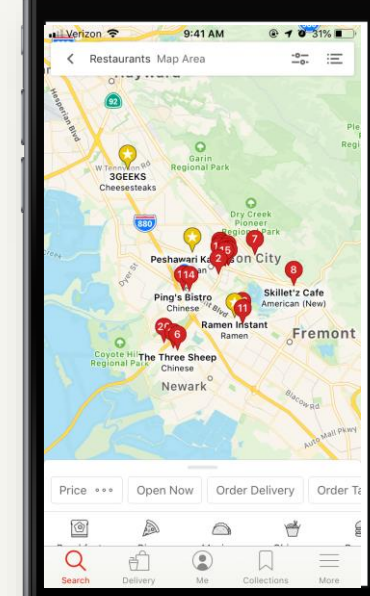
Current collections map



13.

Collections map should highlight advertisers as yellow too

Current search map



Current collections map

