Slow Growth in eBook Sales at Two Birds Publishing

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Module 2 Challenge

Hypothesis

The decline in the ebook renewal rates is like due to a combination of the following,

1. Competition from other forms of media

 a. WHY: There are many options for consumers to choose from including audiobooks and the rise of social media content has brought in short video snippets of useful information

2. Increasing availability of free content

a. **WHY:** There are tons of free ebooks available on the web for users to download

3. Changing reading habits

a. **WHY**: Many consumers prefer to buying physical books rather than reading off a screen

4. Accessibility issues

a. **WHY**: Some consumers might find it difficult to access the ebook content, or may have a negative experience with the technology, which can reduce their desire to renew

Hypothesis Continued:

1. Competition from other forms of media

a. Year-to-date eBook revenues were down 6.3% as compared to the first nine months of 2021 for a total of \$759.2 million. Digital audiobook format continued with double digit increases, 13.6% for September, coming in at \$75.0 million in revenue. Source: Link

2. Increasing availability of free content

a. Free ebooks are available at public libraries across the US. Over 439 libraries invested into digital space, checkouts of ebooks are up 52%. Source: <u>Link</u>

3. Changing reading habits

a. Ebook sales plunge 17% as readers switch back to print due to 'screen fatigue'. Source: <u>Link</u>

4. Accessibility issues

- a. 88% of online customers say they wouldn't return to a website after having a bad user experience. Source: Link
- b. 53% of marketers leverage message personalization in their email marketing strategy. Source: <u>Link</u>

Design-Thinking: Empathy Customer 1

- Have been Two Birds app user for two years
- Downloaded 5 books within each year that were read during vacations.
- Prefers audiobooks due to long driving commute to work.
- Likes to read self development, innovation, and thriller books. Wishes the app had more genres available.
- Finds the app interface pretty good, but lacks personalized comment and reading recommendations per users liking

Design-Thinking: Empathy Customer 2

- Potential new customer
- learnt about the app through word of mouth
- Heard about great customer service but app's user interface isnt great
- Currently a student and interested to see if
 Two Birds offer books used in class
- As a personal goal, wants to read more books

Design-Thinking: Define

The problems with Two Birds that arose during the empathy phase are the following,

- 1. Preference of audibooks
- 2. No time to read ebooks even though subscribed
- Users expressed interested in the diversity of genres
- 4. Lack of student books, reading material
- 5. Requires more personalized content, books recommendations, author shoutouts, and etc. to connect with users

Design-Thinking: Ideate

Potential solutions could be the following,

- 1. Personalized recommendations
- 2. Content Diversification
- 3. User On-Boarding
- 4. In-App Community
- 5. In-App Gamification & Rewards System
- 6. User Feedback and Improvement
- 7. Student offering & discounts, first months free plus free reading when you sign up
- 8. Customer support available 24/7 via chat, call, text, and email

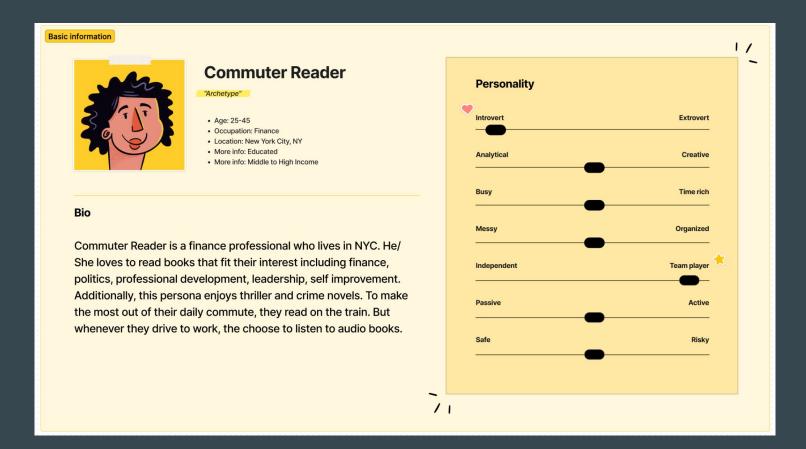
Design-Thinking: Prototype

- 1. **Content Diversification:** Diversify content offerings on the app including adding more genres. Add other media options, audiobooks, comics, multimedia content.
- 2. **Gamification:** Gamify the process of reading, where the user collects points or stars for the amount of time or pages read. Add reading challenges and badges to incentivize users to keep using the app. Points can be used towards a purchase within the app
- 3. **Personalized recommendations:** Add more personalized content, book recommendations based on users reading history, in-app behaviour
- 4. **User Feedback and Improvement:** Regularly collect feedback to understand their pain points. Address needs through updates and new features.
- 5. **User On-Boarding:** Offer onboarding experience for new users, with clear and concise instructions on how to use the app
- 6. **Push Notifications:** Provide relevant notifications to users to keep them engaged with the app. Send reminders about new releases, promotions, or new reading challenges.

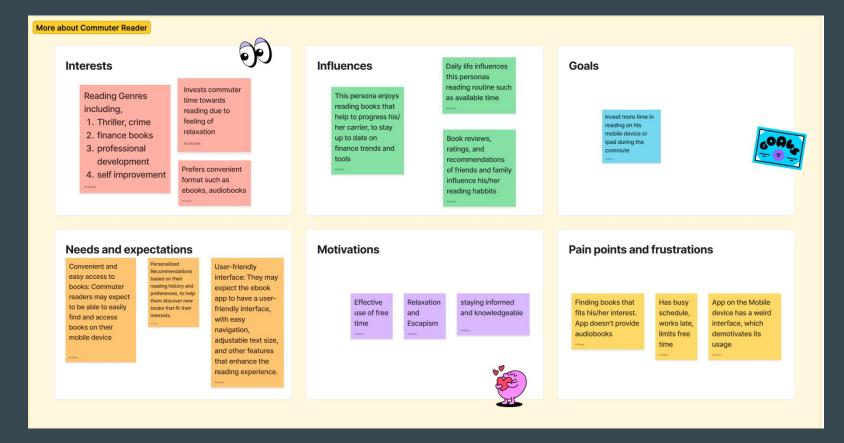
Design-Thinking: Testing Strategy

- **1. Define Objective:** pick new features from the list in the prototype that are intended to accomplish our goal
- **2. Target Audience:** Select a target audience to test the new features that fall under the age group of 18-50
- 3. Usability Test: Run usability testing, function testing, and performance testing and select the metrics that will be used to evaluate results including feedback surveys, net promoter score, user retention, session length, conversion rate
- 4. **Test**: Conduct the tests with the selected target audience in-person testing, remote testing, or a combination of both.

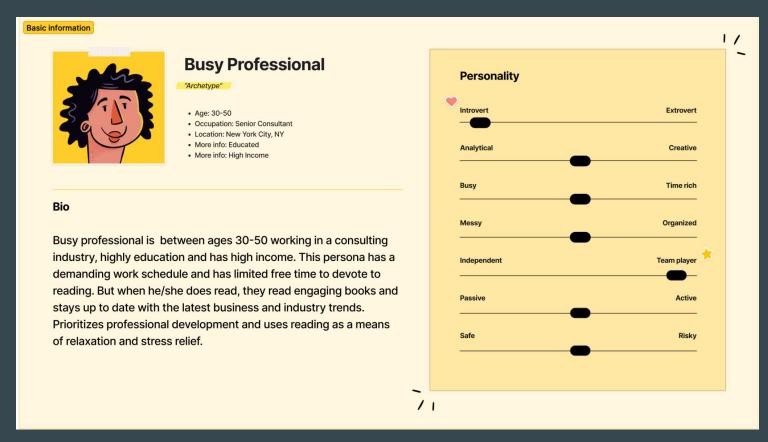
User Personas - Commuter Reader



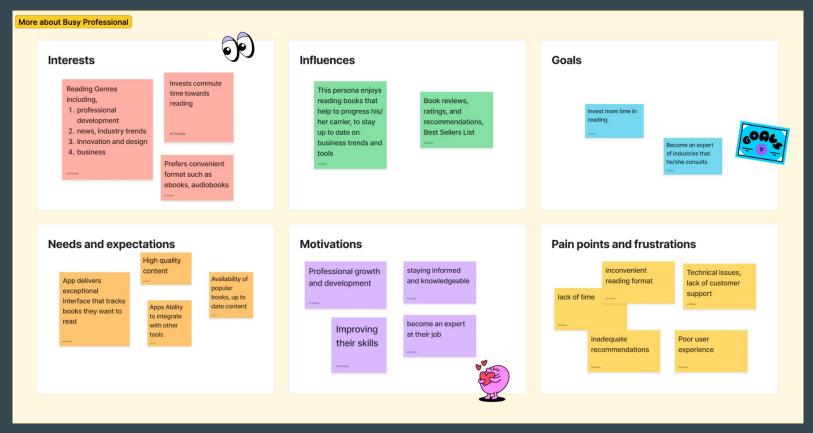
User Personas - Commuter Reader Continued...



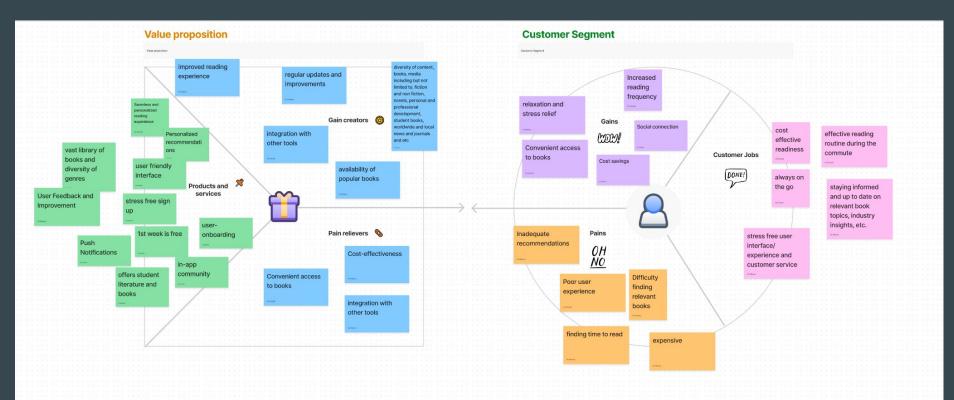
User Personas - Busy Professional



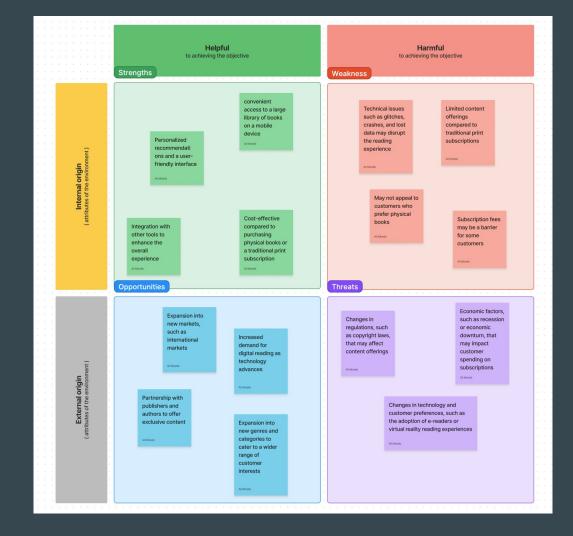
User Personas - Busy Professional Continued...



Value Proposition Canvas



SWOT Analysis

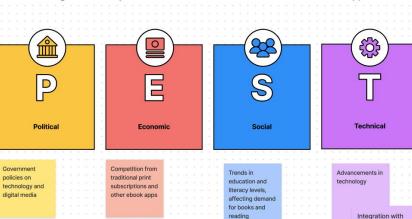


PEST Analysis

PEST Analysis (political, economic, social and technological) is a management method whereby an organization can assess major external factors that influence its operation in order to become more competitive in the market. As described by the acronym, those four areas are central to this model.

Get Started

Use these categories & sticky notes to discuss how external forces could create opportunities or threats



Customer spending on subscriptions affected by Changes in exchange rates affecting

international

Customer attitudes towards digital reading and the perceived value of physical

Integration with other tools and devices, such as productivity and management Changes in data privacy and

regulations affecting data transfer and storage

Summary of Findings

- Unhappy User experience due to poor app design
- Users have troubles maneuvering around the app
- Lack of relevant reading content for specific user interests
- Lack of adequate personal recommendations
- Technical support hard to reach

Summary of Recommendations

- Include benefits such as tailored recommendations, custom features, and personalized service to fit users interests
- Redesign app so it offers benefits including reliability, durability, and high performance. Additionally, Integration with other tools to enhance the overall experience
- Gamify the process of reading, where the user collects points or stars for the amount of time or pages read.
 Add reading challenges and badges to incentivize users to keep using the app. Points can be used towards a purchase within the app
- Diversify content offerings on the app including adding more genres and other media options, audiobooks, comics, multimedia content and integrate student literature
- Offer onboarding experience for new users