Business Cases for Recommendations

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Business Cases

- Relevance
- Novelty
- Serendipity
- Increased Diversity

Cold Start Problem

Relevance

Relevance

Definition

"The quality or state of being closely connected or appropriate"

It seems most recommenders should do this by default, but...

Relevance

Not a great recommendation

Definition

"The quality or state of being closely connected or appropriate"

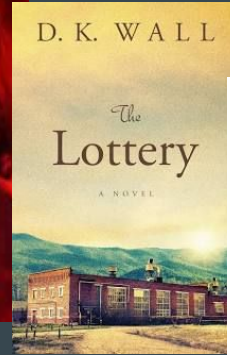It seems most recommenders should do this by default, but...

Novelty

Novelty

- A book or show that just came out.

- A financial product you didn't know existed

- A new product you didn't about

Definition

"The quality of being **new**, **original**, or **unusual**"

Serendipity

Serendipity

- How do we get the right event in front of you at the right time?

CAN'T BELIEVE THIS IS HAPPENING

Definition

"The occurrence and development of events by chance in a happy or beneficial way"

Increased Diversity

Increased Diversity

- Diversity is important in recommendations, but is often controlled by the product itself.

Definition

"The state or occurrence having a great deal of variety"

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Cold Start Problem

The Cold Start Problem

- How do we make recommendations to users that we have no information about?

Recap

To be successful recommendations <u>must</u> be

<u>Relevant</u>; but also should be new and exciting (novelty), arrive at the right time (serendipity), and are more likely to be successful when users have variety (increased diversity).

For some users, you might not have information to help make relevant recommendations - this is **<u>the cold start problem</u>**.