

# Note of Intent- Read-y

Group 19

## I. Problem

Due to the fact that trees are the premier materials to produce papers and there is a lack of alternative materials, the book publishing industry is considered as one of the major factors of deforestation. According to a study of Bureau d'Analyse Societale, each year in France, there is an overproduction of 142 millions books which are mostly not even read as a result of the commercial politic of publishing agencies. Also, as Green Press Initiative found, more than 20 millions trees are cut down to produce books and about 95 millions trees for the production of newspapers every year (cf. actualitte.com). Taking into account of the accelerating global warming and climate change, we think that the problems of overproduction of books and book waste are important and deserve more public attention because they can incur enormous environmental cost for our planet which now is faced with the challenges of ecological and sustainable development. Besides, under the context of overproduction of books, we observe that on the one hand, many books are unoccupied and rarely read again anymore after being used, on the other hand, students have insufficient access to textbooks and have difficulties in completing their courses' reading lists because of the lacks of library disponibility and accessible book pricing.

## II. Proposed concept

It is in this context that we finally form the concept of "Read-Y", an online platform dedicated to the circulation of second-hand books among Sciences Po students. It is an ideal intermediary for both book providers and book users, enabling not only senior students to offer the books that they possess while read rarely, but also junior students to have easier access to mandatory and recommended books in class. In this way, a lot of money and effort could be saved from the personal perspective, and our planet would suffer less from human exploitation and activities as well. Inspired by Tinder, we design a function that users can swipe the books that he likes and dislikes. We also plan to adopt the geological information system in this service in order to facilitate users' book-choosing process and to develop the personal recommendation fonction. Apart from its basic function of book exchange, this platform presents an added value in terms of sociability as the buyers and providers ought to chat and arrange an offline appointment for the exchange of books.

For these considerations, we decide to name this platform as "Read-Y". As a combination of "read" and "ready", it indicates the essence of our service, as well as our aspiration that every user gets ready to read books and even come across some books serendipitously when opening the application. Also, this name borrows the semantic structure from French as it looks like "lisez-y", laying stress on the platform itself and occupying user's mind. Additionally, the letter Y which stands for the generation Y corresponds to the identity of targeted consumers.

The initial scope of this platform is supposed to be limited in Science Po students who currently study at Paris campus on account of their direct demand for textbooks and also the convenience for an exchange. Chances are that we could broaden the business market by motivating Sciences Po graduates to take part in book exchange. Furthermore, with the primary success in Paris campus, we could eventually include other Sciences Po campuses in our scope or even duplicate our business model to other universities.

With regard to evaluation of this business idea, this project is regarded as very concrete, with high level of efficiency and rapid feasibility. It is no doubt an efficient solution aiming at meeting with customers' concrete need both from provider side and user side. The idea is also feasible and conductible as our customer scope are accessible, flexible and dynamic and we are no longer constrained by technology deficiency thanks to the quick development of Internet. Concerning the originality of this idea, it is important to mention that it takes roots in the concept "sharing economy". However, this concept hasn't been largely employed or implemented in the domain of culture and humanities, which prompts us to take the initiative to create a peer-to-peer system and eventually an open-source community for the exchange of second-hand books. Therefore, the originality of our idea is considered as relatively high.

We introduce three methods to implement the POC (proof-of-concept) test before the launch of product in order to demonstrate how our product is viable. The first method involves an extensive research in the form of a quantitative questionnaire among Sciences Po students, so as to obtain digestible data and to visualize our market need. The second method consists of the maquette of platform site and application interface, from which our allies and investors could realize intuitively how our concepts are operationalized by means of simulating the exchange process. The third method includes the examination of our business canvas, in which we conceive the projected revenue from products and indicate service cost, as a proof of the fact that we are evaluating ourselves internally and objectively.

### **III. Expected positive impacts / sustainability of the solution**

The first major positive impact we are expecting is a massive cultural promotion. The latter is for sure extremely hard to measure but is our main objective and expected impact. By enabling free and accessible books' exchanges between peers we aim to encourage cultural effervescence and intellectual stimulations. We strongly believe it can be an intellectual boon for institutions like Sciences Po as the latter would benefit from a wider and greater cultural ebullience. It will foster people to discuss, debate and argue online (or while swapping). Therefore we aim to create intellectual stimulation and foster cultural discussions.

Moreover we expect positive ecological impacts as our project answers to the problem of book waste. Rather than just throwing away or pill up books in libraries students would be encouraged to swap their old books thus to give them a « second life ». By ensuring ecological benefits our project also find its sustainability: the merchandises exchanged are perfectly sustainable (to a certain limit). As books can be swapped several times, our project is sustainable and ecologically efficient.

Furthermore we expect from our application social benefits as it would enable people to meet, discuss and debate through physical swapping and online book benchmarking. Indeed

while using the application people will come across books they have read or would like to read and discuss with peers sharing (or not) the same cultural tastes. This social dimension is key to develop strong critical spirits and openness.

All in all, we expect to create a genuine cultural ebullience while being ecologically respectable and sustainable. We are also solicitous about the social dimension of our project: enabling people to interact and discuss about cultural issues.

#### **IV. Major risks and actions to reduce them**

Our first and main risk comes from the fact that individuals might not upload their books on the application. Without any content, the project would not work at all. People would not be able to swipe and exchanges books. To counter this risk, we're going to put in place a point-rewarding system with a ranking. Each time someone uploads a book, they will get some points, the number of points rewarded will be even bigger if the book is exchanged. Up to a certain threshold, individuals will go up and will get different ranks. The names of these rankings will be centered around the topic of reading. It can be famous authors like J.K Rowling, Shakespeare, Stephan Kings, and Agatha Christie. Individuals are very reactive to rankings, this will incentivize them to put more books, in order to get more points and have a better ranking.

A second caveat would be that individuals start exchanging other objects using the application. As the team can not control every book uploaded, people can post other objects, leading to maybe illegal exchanges or developing the application into a classic marketplace. At first, we will put in a place a process of reporting. Individuals will be able to report to the application if someone is not exchanging a book. They will also be able to report if the individual did not exchange the right book or there was a problem during the exchange. Individuals who try to sell or exchange other things than books will be banned. This way the platform will auto-regulate itself. In a longer perspective, we would like to put in place a visual recognition algorithm that will look at the pictures uploaded and define if it is a book or not. This way, we can combine the reporting from users and the the alerts from the artificial intelligence algorithm.

#### **V. Development strategy and major milestones**

The users of our platform will firstly be the Sciences Po students. Also, teachers of Sciences Po will be able to post on "Read-Y" a list of required and optional readings for their course. The idea is to make this list accessible to course participants using the platform, so that they would have a higher incentive to read them. Indeed, students usually don't complete the reading because of a lack of disponibility or an inaccessible price. We have already asked teachers if they would be interesting in posting their lists, they were all enthusiastic about that. We would like then to export the concept to other universities within a few months.

Later, on the medium run, we will create partnerships with book shops, a win-win situation. Booksellers will be able to sell their unsold articles (of course to a lower price, but that way they can get rid of their stocks). For these special books, we can charge a price to our customers and therefore take a commission, resulting in a source of income. We will add to our app a new section concerning these books, so that our users won't be confused.

Finally, on the long run, the idea is to generalize the concept to a much bigger scope, to the society in general. "Read-Y" will be present in every city. This would stick to our concept of the sharing economy, since people from different background will meet and share their books and their opinions about the books.

## **VI. Return on investments**

We expect to have fixed costs for the creation and the management of our project.

The first cost we have identified is the server that will host the website (around 10€ per month). As one of our team member has coding skills, he will create the website without external help. Thus, the development of the website is cost free.

We also plan to create an application for smartphones which will induce additional costs in terms of designing and managing. The development of the application is estimated at 5.000€. This amount of money would be gathered through cash contribution from each of us. As our application will be available for iPhones and Android phones, we will have to pay a unique 20€ fee to be on the Google Play Store and 60€ per year to be on the Apple Store.

In order to ensure our project, we expect 3 revenues streams.

The first source of income relies on advertising fees. We plan to make money by running advertising on our website and application through Google AdSense. This program is free and allows us to choose the type of advertising that will appear on the users' screen (text, image, flash, video, audio). We only get paid when visitors click on an advertising though.

As we want our project to remain free for our users, we need high visibility on the long run to generate traffic on the website. Therefore, the expansion of "Read-Y" for students in other universities appears necessary and not just for Sciences Po students.

Let's assume two variables: the CPC (cost per click) or how much you can get from one click and the CTR (click through rate). For 1000 visitors per day, a CPC of 0,10€ and a CTR of 5% will generate an income of 5€. There are between 5000 and 10.000 students only at the Sciences Po campus of Paris. This small calculation shows us to what extend our concept needs to be exported outside Sciences Po if we want to be profitable.

The second source of income is the commission coming from the sales of older editions. The amount of the commission on each sale will be negotiated with the book shop. We expect a commission of 10% though.

The last source of revenues would be through the subscription of a premium account in order to avoid advertising.. We imagine a low monthly participation but still providing a regular income ( 2 € per month).

## **VII. Organisation**

The structure needed will be very light since we need few people to create, maintain and promote the website. People in our team already have the skills needed: we have a Web developer to create and maintain the website, more business profiles to make the business work, and someone with marketing skills to promote our platform.

Our first partners will be Universities and the teachers that will upload the list of books needed on our platform. Some of them have already expressed their interest for the

platform, and agreed to upload their list on it next year. Then, we will think of extending our collaboration to bookshops so they can propose their unsold books on our platform at lower prices.

To start our business and pay the first bills, we will need some early sponsors like Universities, which form whole part of our project. More precisely, Sciences Po offers its material and financial support to student initiatives, and the Sciences Po incubator would be of great help to start our business. Moreover, some companies could be interested in our project if it aligns with their corporate responsibility goals.

Group 19 -----

Arno Baumgartner

Danyun Pei

Huimin Zhuo

Laure Casellas

Louise Dupond

Martin Viellard

Maxim Temam

Romane Rossetini