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Martyn Daniels
Vista

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Chaos — Trading on the Internet — BookEasy™

by Martyn Daniels (Vista)

Column Editors: **Sandra K. Paul** (President, SKP Associates) <skpassoc@internetmci.com>
and **Albert Simmonds** (Director, ISBN — US Agency, R.R. Bowker) <albert.simmonds@bowker.com>

Trading on the Internet should be no different than trading anywhere. Before we start to trade we must first understand the landscape and the market — its size, needs, issues, etc. We then need to understand our position within or related to that market. We then need a proposition to offer to the market. Finally, we need to set expectations, objectives on our costs, returns and associated time-scales. However, we all know that the Internet is dynamic and is growing at a phenomenal rate. It is so pervasive that what we thought of it six months ago is probably different from what we think today and what we will think of it in six months time.

If we briefly look at this challenging market, we see that the Internet challenges all our previous thinking and environment. It does not respect geography — after all, where is the US in a virtual world? It will demand the growth of the global economy. It does not respect size as a competitive advantage and enables the physically small to be virtually large. It creates a level playing-field for all.

What do we trade over the Internet, digital product or physical product? What is more important in this virtual world: the full online digital content or the context? [Context being the bibliographic reference, reviews, abstracts, blurbs, covers, etc. that enrich content, enable you to discover it and also value it.]

Obviously the issues vary between the different sectors. Individual publishers can be found on the Web, but can they satisfy individual consumer needs for aggregation? Who will emerge as the intermediaries in this market? Who will offer “one stop shopping?” It is clear that there are new content hungry entrants waiting in the wings — **Microsoft, AOL, etc.** — as well as global brands — **Barnesandnoble.com, Amazon.com, etc.**

In the UK, an extensive review of the supply chain was jointly commissioned by the **Booksellers Association and Publishers Association**, with funding from the British government. Performed by **KPMG**, it did not tell us anything we didn't already know, but it has galvanized our thinking! How do we service the “tail” — the 80% of customers and suppliers who only generate 20% of value and volume but have a high cost of service? How do we stop drowning in a sea of paper, faxes, telephone calls, and clerical administration, all of which tend to inhibit instead of enable trade? How do we establish common authoritative and timely bibliographic and business information?

How long have trading partners operated with one hand tied behind their backs — publishers not knowing what is selling and bookstores not knowing what is available and what the price is? Studies in the UK show that some 60 to 70% of all customer service calls to publishers are about price, availability and order status. How do we start to think about minimizing stock holding and not maximizing it across the chain? How do we increase stock turn and investment return? How do we build trading partnerships in an adversarial landscape where a “deal culture” prevails and results not on growing the cake for all, but on growing slices of it at the expense of others? Uncertainty, the lack of effective communication and trading partnerships is the mother of all inefficient supply chains.

What has all this got to do with trading on the Internet and how can it help move us forward?

How many understand the concept of “self service?” “Self service” is about your ability to go and serve yourself to your information, on a trading partner's system. Home banking is one example of this. **FedEx** and **UPS** are others where anyone can log onto the Internet and by entering their parcel tracking number, in-

stantly track a parcel down worldwide. Why not allow bookstore or library customers of a publisher or distributor to service themselves to publish information, not Monday to Friday 9 to 5, but 7 days a week, 24 hours per day, irrespective of time zones? Effective “Self Service” is a unique Internet function.

Some would have you believe that **EDI (Electronic Data Interchange)** as we know it today will be the answer. They are wrong. EDI will work where there is volume and simple transactions. It will not work with “tail,” where it is too expensive, cumbersome and complex; cost and utility will always prevail. It will not work for queries or forecast information. The Internet is cheap, effective and can reach the people and needs which traditional EDI and value-added networks can't.

On the Internet you can build virtual trading networks where you can go from one partner to the next at the click of a mouse button in real time. The Internet cannot only build on the EDI transaction standards that we have today, but also introduce new “presentation” standards. What we all have to learn is that the standards we develop going forward must be simple and easy to implement.

Yesterday, we had to accommodate all the “baggage” we had built to service the paper chain. Standards were designed to serve both large and small. They were focused on replicating the paper forms and transactions we used. Nothing happened unless a physical transaction that was the same as the paper form was generated. Today this should no longer be the case.

Standards often were developed with great enthusiasm by industry committees, but only partially implemented. Standards today are not about structuring transactional records as we knew them in the world of EDI. They are about communicating structured and unstructured records. Also, not all communication will be machine to machine, as required for EDI. Some will be person to machine and in these cases standards must also be about presentation in the new virtual trading environment.

Standards will need to cover how users access their data online in their trading partners' systems. They will have to cover integration with online content, access and rights. They need to cover identification and authentication in a virtual world. Most importantly, standards need to break free of the technicians and the thinkers and be developed in a simple and practical way. If people don't understand them, they will not be adopted by the mass. The simplest solutions are often the most successful because they are understood and quickly and widely adopted; the reverse is often true of the complex and cumbersome ones.

The Internet can break down the walls that exist between trading partners and enable us together to redesign the business process, not to reflect on yesterday's landscape that relied on the postman or the phone, but on the new virtual landscape. What is clear

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On the Road — A New Kind of Meeting Report

A glimpse at “Life in the Trenches” — “On the road again/ Just can’t wait to get on the road again....”

Column Editor, **Don Jaeger** (Alfred Jaeger, Inc.) <jaeger@ajaeger.com>

*The following story is another episode from the infamous Boulder NASIG board meeting of last October. I am sorry that there wasn't more column space to print all of the stories received from this meeting; however, **Jim Mouw's** episode is a fitting conclusion to this series. It is great to have so many librarian stories about their travels, but I'd like to receive other “On The Road” stories from those vendor and publisher reps that are out there 20-25 weeks a year. Feel free to fax me at (516) 543-1537 or e-Mail to jaeger@ajaeger.com. I would be pleased to include your story in the next available issue. By the time this column is printed we will be at the ALA and looking forward to seeing our good friends at the Washington, DC, conference in June. — DJ*

From: **James Mouw** (U. of Chicago)

<mouw@midway.uchicago.edu> (who is familiar with snow)

I was greeted by sunny weather Sunday morning and left Boulder for Denver with sun in my heart. (Does this make me the first one out???) The roads were passable, but not great — the funniest part was that Pena Boulevard was the easiest part of the trip. At the last moment I got stuck in the gas station lot right next to the rental car return, but a couple of most kind gentlemen gave me a push and got me going again.

Avis was a nightmare of confusion — they just pretty much said “park it anywhere, buster” and so I did. I was heartened by the fact that they did not charge me for the extra day rental — I guess they knew they would have rioting on their hands if they tried.

The airport on Sunday morning was in total chaos, as I suspect

it was for everyone. I kept looking for other NASIG-ites, but saw none. By the time I got through the bag check line my original flight should have left, but it turned out to have been canceled anyway. But, the 10:35 flight (this was at 12:30) still hadn't left and the agent said, “I can book you on it but there is an hour wait at security. How aggressive can you be?” I said VERY! and ran down the concourse to find the line much shorter than anticipated and got to the gate in plenty of time.

We then waited another hour for a flight crew to appear. They came, and we then sat on the plane for another two hours while the plane in front of us waited for someone to plow their gate so they could pull in. I couldn't believe that after all of that, United only managed to find half a plane full of people to send to New York. I think most of our confirmed passengers were still at the front desk trying to check baggage.

We did NOT get free drinks, but money flowed like water — I've never seen so much alcohol consumed on a single flight!!! The low point of the trip was when one passenger threw a fit because her special meal wasn't on board. I think if we would have taken a vote, she would have been tossed overboard.

Finally I got to Laguardia, and since my shuttle wasn't there, it took them another two hours to get me a shuttle, and then another hour ride to New Jersey. Oh, it was raining cats and dogs by then.

Total time in transit 5:00 am — midnight — Boulder to New Jersey.

I think I will never travel again! 🌧

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to our vision is that the user will only want to learn once. If everybody does it differently, forget it.

A fundamental cornerstone going forward must be that a bookstore or library should not be asked to perform the same function differently on every Web site they go to. It doesn't make sense to expect them to do anything else. The key is to make it simple, affordable and enjoyable to do business. If every publisher and distributor creates their own solution, they will all fail.

Which brings us to **BookEasy**™. It offers such standards, functionality, and significant service functionally over the Internet. **BookEasy** is a partnership between **VISTA Computer Services** (which can access and understand publisher systems and information), **Whitaker**, the UK ISBN Agency, and **R.R. Bowker**, the US ISBN agency. In the UK, **BookEasy** also partners with the **Booksellers Association**, who own the UK industry payment clearance house. These are key partnerships that make up the trading landscape and we expect to expand to include many others. It is a true virtual industry and community service is being developed as such with all players in the in-

dustry sitting down and working together to make their businesses more efficient.

BookEasy offers central bibliographic search and discovery, central routing and security management, as well as central ordering facilities. At the distributed sites today it provides direct access to publisher operational systems that offer current pricing, availability, and ordering options, as well as the ability to check order status. **BookEasy** is not theory, it is real. It was developed in

Internet time-scales (weeks not months or years). It puts the book trade back to the vanguard of electronic trading, where it once was when it developed and implemented the ISBN. It shows where we get when we co-operate and do not compete. It starts to be the vehicle which can address a great deal of today's supply chain issues and build tomorrow's supply chain. It strengthens today's partnerships and enables them to

compete in the virtual world. It enables us to cast off yesterday's paper chain “baggage” and take advantage of today's Internet reality. 🌧

NB — The author, **Martyn Daniels**, joined Vista three years ago as Director of Strategic Development and is responsible for the management of Strategic Industry Initiatives, from research through to product delivery and also for Vista's marketing program. Previously, Martyn had over 26 years' systems, logistics, commercial and program management experience which had been gained at a Senior Executive level in blue chip organizations, within the automotive, oil and retail sectors.