

## A book is a book...

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One second after the twelfth stroke of midnight the entire IT industry stopped holding its breath and said 'didn't we do well' to a slightly sceptical world; the bug repellent had worked. After that particular anticlimax I am now struggling to select a big enough subject with which to enter the new millennium. It is too early to report in detail on the vast sums of money spent on Christmas shopping online and the crash in Internet stock value has yet to materialise. In this relative moment of quiet, whilst it seems certain that the growth in online shopping will continue much as predicted, it is interesting to consider some of the aspects of the products themselves which will affect the way we buy in the future.

A book is a book! Books were the first serious mass market product to succeed on the Internet for a number of good reasons quite apart from their affordability. First, there is a huge variety of types which can be indexed effectively and consequently it is easier to find the one you want, by author, title, subject, genre etc. Secondly, having found the book you want, such as the latest Booker prize winner, you know that every copy will be the same and it does not need testing! Confidence in your impending purchase can be further enhanced by the provision of additional information such as reviews and extracts. Finally, having made your purchase, your book will almost certainly survive the rigors of delivery intact. The ease of delivery extends to CDs, videos and software and the online market has the advantage of allowing the consumer to sample sound bytes or download game trials further increasing confidence.

The advantages of online buying can be summarised under the headings; convenience, confidence, information availability and ease of delivery. On this basis we should be able to identify the potential winners and losers online and clarify the issues faced by online retailers. As an example let us select the fashion industry, obvious winners could be socks and novelty boxer shorts, standard sizes, easy to post etc. The bespoke tailors industry looks much trickier, however, there are now a host of online tailors making clothes to your precise measurements to order. Some even give online instructions of how to take measurements and will send swatches of material if the information online is not adequate for the buyer to make a decision on description alone. In theory once they have your dimensions they can offer both convenience and confidence long-term. After all, a shirt is a shirt, we rarely try them on and it would be good to know that they will fit perfectly each time.

Obviously the products that score most heavily on the ease of delivery are services such as insurance, banking and share dealing. The main issue here is probably consumer confidence. For some customers it is still reassuring to be told face-to-face that your property is definitely covered against all consequences of global warming. However, I suspect that this is simply a matter of familiarity and the potential for cost savings as the customer enters their own information into the company computer whilst sitting in their own chair and providing their own

heating will have an inevitable impact. In addition, Internet banking is becoming increasingly attractive as the guarantees given by many online banks remove any security worries associated with shopping and banking online. The reason that the banks can be so confident is because transferring encrypted card details via the Internet is an order of magnitude more secure than giving account details verbally to an operator using a mobile phone.

Wine is another product with a glittering future on-line. Like books there are a huge variety to choose from but unlike books you can't stand in the aisle dipping into the product, consequently the value of additional information to build confidence in the choice is even greater. Another feature of wine is the finite nature of a particular bin or vintage, this can provide an additional incentive to buy now. Once stocks are sold the Web site can be updated immediately so buyers know which wines are available in real time. This method of retail is exceedingly convenient and the consumer can be provided with more information than is readily available through conventional high street stores.

Perhaps surprisingly another growing online market is the antiques business. Unique or rare items, such as a 19th Century Alex Patrick longnose beech head putter, can be located and purchased over the Internet via direct sale or online auction. For retailers product information can be disseminated to the target audience by having a well designed, user-friendly site that is easy to find on the super-highway. For buyers searching for an item they wish to purchase, however obscure, it is almost certainly out there somewhere. The fundamental point is that the online buyer has access to a far greater selection of product and is consequently much more likely to find the right item, the real gain here is convenience. The business challenge is to find ways to increase the confidence that the advertised item is authentic and to provide guarantees of delivery.

The web is a new medium for doing business which needs to be molded to meet the needs of each individual product and service. The challenge faced by startups and existing players alike is to find creative new ways to exploit the abilities of the internet without losing sight of the unique attributes of their product and the needs of their customers.

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