

Welcome to IF Consulting's weekly e-mail newsletter

August 8, 2003

Our regular email tackles the topical issues that surround all marketing channels and their underlying strategies.

This newsletter is also available as a PDF on our Website (<http://www.i-f.com/E-comLinks02.htm>) if you want to download a version for your hard copy file.

The Revival and Revolution of a Second-hand Business

Borne from the frustration a used-book dealer experienced every time she searched for an out-of-print title, Advanced Book Exchange (Abebooks) has turned the second-hand book business on its head. Prior to the establishment of Abebooks, the only way to go look up out-of-print titles was to search through the local used-book stores or to pore through the 30 or so pages of AB Bookman, a weekly magazine that published lists of titles.

The service now links around 10,000 used and rare-book dealers worldwide, each paying a monthly subscription the number of titles they place online. There are more than 38 million books on Abebooks' lists, with 50,000 to 100,000 added every day.

Soon after establishment, Abebooks had a competitor in bibliofind.com, which Amazon bought out in 1998. Second-hand books now account for 15 percent of Amazon's sales, and other sites continue to spring up. According to the founder of Abebooks, the number of used-books sold now is approximately 100 times the figure in 1995.

<http://www.theage.com.au/articles/2003/08/01/1059480541153.html>

IF Comment

We're all familiar with retired executives who open a used bookshop because of their love of books and their literary bent. As with so many other changes in today's world, the second-hand bookshop may no longer be a safe retirement haven.

Hay-on-Wye, in England, is the World's largest centre for the sale of used books. If the Advanced Book Exchange continues to grow, it may supplant the likes of Hay-on-Wye. Advanced Book Exchange and similar sites may make the Hay-on-Wye's of this world and individual rare and used booksellers a thing of the past.

Amazon's approach in bookselling has been proven over the years. Whether or not used books will achieve the same market penetration with electronic channels remains to be seen.

The survival of second-hand bookshops, which usually can't make a profit operating out of Barnes and Noble or Borders' physical sites, depends on whether buyers prefer the ease and efficiency of buying on-line over experiencing the smell and ambience of a used bookshop, or the touch and feel of handling a rare volume or of finding a book of unrealised value.



Marketing Channel
Strategy Consultants
Maximizing shareholder value
through creating the best route
to market

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Snippets

Last week, Coca-Cola Co. and one of its largest customers, Burger King resolved their differences over the sale of slush drinks at the fast food giant's restaurants. Despite earlier claims that the drink was no longer "strategically relevant" to Burger King's long-term plans, a Coke spokesperson announced on Friday that "Both companies are focused on strengthening our relationships and forming a stronger partnership and growing our businesses."

http://story.news.yahoo.com/news?tmpl=story&u=/ap/20030802/ap_on_bi_ge/coca_cola_investigation_6

According to a recent study conducted by Scarborough Researcher, a company specializing in identifying consumer patterns, home broadband users in the US display a greater likelihood to buy online compared to all Net users. American adults with at-home broadband connections accounted for almost one-third (31 percent) of all consumer online spending last year totalling 15 billion dollars.

<http://www.emarketer.com/news/article.php?1002389>

Computer giant Dell is currently recruiting solution providers as service partners to address the business sector. While the move makes sense for the direct vendor, with no in-house services organization and few channel relationships, it is threatening the established operators, IBM and Hewlett-Packard.

<http://www.crn.com/sections/Columnist/Columnist.asp?RSID=CRN&ArticleID=43654>

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IF Consulting publishes "Our View", a quarterly review of topical marketing channel issues. Samples are available on our website. To receive "Our View", please return this email with your address details.

To unsubscribe, please reply with "unsubscribe" AND a copy of the email address to be removed.

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<http://www.i-f.com>