

E-commerce for Booksellers

This document shows the wide variety of e-commerce options available to booksellers ranging from level 1 (basic) up to level 3 for more sophisticated solutions. Some of these solutions are low cost or even free. Try to match the right solution to your business.

Level 1: IVR Interactive Voice Response

A very basic form of e-commerce available to telephone users is IVR (Interactive Voice Response). Gardners offers a service called "Gardcall" and Bertrams offers "Call Bertie". Macmillan Distribution has also developed an IVR service. If you haven't tried IVR get in touch with one of these companies and see how simple it is to use.

The main advantages of IVR are that you can check prices and stock availability and place orders 24 hours a day, and you only need a telephone and an account with the supplier. It is rather slow to type ISBNs into a telephone keypad but for ordering just a few titles it works very well.

These companies benefit by being able to cope with your enquiries and take your orders 24 hours a day without having to have staff on duty. Your orders are fed immediately into their order processing systems so that there is minimal delay and no danger of typing errors caused by rekeying your order.

This is one of the cheapest and simplest forms of e-commerce. It makes ordering more responsive and gets around any delays which can happen at peak times when it may be difficult to get through to customer services.

Level 2: Free e-commerce services using a PC and the Internet

Two of the major e-commerce services are free to booksellers. These are PubEasy, and Batch.co.uk. These services have been running for several years and have many satisfied customers.

PubEasy (www.pubeasy.com)

On PubEasy you can search participating distributors' title information and find out if they stock a particular book, you can look up the latest price and stock availability, and you can place orders. Most distributors who are affiliated to PubEasy will send you a confirmation email in reply to your orders – and orders placed on PubEasy are given high priority by the distributor. You can also look at your dues file at major distributors and this is useful for checking on your outstanding orders. This service is free to booksellers.

PubEasy has a number of affiliates (what PubEasy calls the distributors who are linked to the service), each of whom has a PubEasy web site with common functionality. You will be given a password to enable you to access all the distributors on PubEasy or you can use the central service site (and send orders which are routed to the right affiliate). A list of affiliated publishers and distributors can be found on the web site. PubEasy features the vast majority of big distributors as well as the two main wholesalers and is therefore an ideal way to try out electronic trading with suppliers.

You will need to have a trading relationship with these distributors to get the most out of PubEasy; otherwise you will be restricted to enquiries only and will not be able to place orders. If you are a bookseller who already orders from major UK distributors and you want to join PubEasy you should register online with PubEasy at www.pubeasy.com. PubEasy will provide you with a PIN number, user ID and password. If you already have an EAN, GLN or SAN number, you should provide it to PubEasy for information when you register.

It may take 24 hours before you get your account information but, once you log in to PubEasy successfully, the service is designed to be intuitive and easy to use. For booksellers, PubEasy is a useful free service, which requires no advanced technology beyond an Internet-capable PC and a web browser. PubEasy will help with basic product information, up to date prices and stock availability as well as online ordering. And you needn't input each ISBN separately: you can copy a whole file of ISBNs into PubEasy central services and check their prices and availability (ideal for processing a large school order etc).

PubEasy can also be used for returns authorisation, thanks to a link to Batch returns (see below).

There is a more advanced capability in PubEasy which involves connecting other systems, e.g. Booksolve's EPOS system to PubEasy or Bertline to PubEasy or other uses of PubEasy's established TRANSACT facility or new XML web services. These are covered in level 3.

Batch.co.uk (www.batch.co.uk)

Batch.co.uk is an online payments service, wholly owned by the Booksellers Association, which enables booksellers to receive electronic invoices from publishers/distributors and pay online at the end of the month by a direct debit to Batch's bank account and from there, payment is made on the bookseller's behalf to all the suppliers on the Batch system.

If you are tired of writing endless cheques (and at the 2004 Booksellers Conference a speaker from Blackwell's stated that in a full year they produce some 25,000 cheques at an estimated processing cost of £4 each – that's costing Blackwell's £100,000 just to produce the cheques!) then Batch might be a system worth looking into. You will need to register and receive an account number and password as you do for PubEasy.

Batch is essentially an online version of the long established Booksellers Clearing House (BCH) which enabled you to make payments to more than

500 book trade suppliers with a single payment. Like BCH, the objective of Batch is to reduce your banking charges and improve control of your cash flow. You can find the list of Batch-capable suppliers on the Batch web site.

Batch is free to booksellers. To find out more about Batch and see how it might help your business visit www.batch.co.uk.

Batch Returns

Batch also offers an online returns authorisation service which is free to booksellers. This service is part of the Industry Returns Initiative (IRI) and aims to reduce the cost of handling returns both for booksellers and distributors. Most of the major distributors are now participating, with more planning to do so soon, so there is a real opportunity to get most of your returns authorised using this facility.

Several hundred booksellers of all sizes are already using this service. It works as follows:

- You send a returns request online to participating distributors via the Batch web site.
- The distributor's system will automatically check your request against the standard IRI parameters to ensure that it complies.
- The distributor's system will then send back an authorisation via the Batch returns system within a few hours, together with an electronic barcode label.
- You print out the barcode label and return the books with the barcode label on the top of the parcel, and at the same time send an electronic returns confirmation message via Batch to the distributor.
- Credit will be given from the date your returns arrive at the distribution centre, but it cannot be "taken" until your usual payment terms have expired; in other words, if you bought on 30 days your credit will also be 30 days.

You can find more information and a demonstration on the Batch web site at www.batch.co.uk, and about IRI from BIC (www.bic.org.uk).

E4books research has indicated how important returns are to booksellers and what a source of frustration returns can be, whether because of waiting for the next rep visit, delays in receiving credits, stock tied up, administration effort, and so on. Find out how the combination of IRI and Batch Returns can help.

Wholesaler websites

A high standard of e-commerce is also available from the major wholesalers. The wholesalers have web sites which offer search facilities, ordering and even returns. There are also account management facilities etc. It is

necessary to be an existing retail customer of these wholesalers in order to use their online services. All of these online facilities are free (i.e. included in the cost of trading with the appropriate wholesaler). Some of these services are accessed via the Web using an Internet-capable PC and some from the EPOS systems available from the major wholesalers (Bertline, Gardlink) If you trade with any of the following, find out about their e-commerce services by visiting:

Bertrams: www.bertrams.com

Gardners: www.gardners.com

(IBS-STL) Send The Light: www.stldistribution.co.uk

Computer bookshops: www.computerbookshops.com

Level 3: Subscription services for more complex requirements

This section is about various subscription online services which may be suitable for more technically advanced businesses e.g. those with IT resource to hand when needed or businesses which need to process larger volumes. Some of these services will be chargeable.

PubEasy Transact

This service is a variant on the basic PubEasy service but it is still free to booksellers. It enables booksellers to connect their Internet-enabled EPOS systems to PubEasy, so that bookseller staff can log in to the store EPOS system and do enquiries and place orders on the distributors via PubEasy. The EPOS system communicates with PubEasy and brings back the enquiry data. The user may be unaware exactly how all this works but simply sees the data on their screen. The fact that the data didn't come from a database in the store but instead came from a PubEasy affiliate's database somewhere in the UK or US shouldn't matter to the user. The idea is to provide the latest possible information where it is needed.

Transact was designed to enable booksellers to process high-volume inquiry, ordering and order tracking directly with suppliers, domestically and internationally. PubEasy claims that Transact is a low cost alternative to EDI and it can be used in a range of solutions from a very basic spreadsheet to a full EPOS implementation, so find out if Transact could provide more benefit for your business in addition to the regular PubEasy service.

To find out more about Transact visit

<http://www.pubeasy.com/booksellers/transact.html>.

PubEasy has also been developing new XML web services which are standard enquiries available to any systems supplier and their customers. For example a price and availability enquiry can be installed very simply and the bookseller's system can send an enquiry to PubEasy and receive back an immediate answer. It is possible that

Transact may be replaced eventually by web services solutions. For more information about these services see the PubEasy website.

TeleOrdering

TeleOrdering is the book industry's electronic order routing service, now owned by Nielsen BookData. It has been going for 30 years and each year it handles up to 30 million order lines, from booksellers to distributors. It is widely used by the larger bookselling chains where the volumes of orders are so high that it is much more efficient to send all in one go a large file of orders to the TeleOrdering routing service to be checked and routed on to the correct UK distributor, than to employ extra staff to process large volumes of orders by looking up suppliers' details and placing individual orders.

With TeleOrdering it is possible to specify (by using a code) that an order should go to a specific publisher, distributor or wholesaler; or, if this field is left blank, TeleOrdering will by default look the ISBN up on its routing database (which is updated several times a day as changes in distribution arrangements are notified to Nielsen BookData) and the order will then be forwarded to the appropriate distributor. Nearly 100% of purchase orders are now supplied electronically by various methods including an email alert to the publisher prompting smaller publishers to download their orders from a free website. The service prides itself on being comprehensive and able to send even the most obscure customer order to the correct supplier. The TeleOrdering database holds around 45,000 publishers, distributors and wholesalers.

TeleOrdering charges booksellers about £500 a year and for this an average sized bookshop can place as many orders as they like! There are higher charge bands for very large shops.

TeleOrdering provides very basic free software to connect your EPOS system to the TeleOrdering service via telephone dialup. It is also possible to access TeleOrdering via the Internet using FTP. If you wish to know more about this facility it would be best to contact Nielsen BookNet at the Internet Address (URL) below. For more on FTP see the section on FTP and AS2 below.

TeleOrdering is the market leader for ordering and is ideal for larger businesses which process high volumes of orders. To find out more about TeleOrdering visit www.nielsenbooknet.co.uk/controller.php?page=100.

Nielsen BookNet Web

BookNet Web is an online service which fulfils a number of functions. It is a "front end" for TeleOrdering which enables you to send TeleOrders online and, if you already subscribe to TeleOrdering, NBNWeb is free. If not, the ordering service costs about £500. NBNWeb is also an online bibliographic service and has a number of search facilities using Nielsen BookData's bibliographic database. Access to the different databases e.g. UK or Global

etc. is priced separately. The service is integrated so that you can search for a book, check its price and stock availability and place an order. After you have ordered the book you can then look up your orders and check where TeleOrdering has sent the order and whether it has been received correctly and for some larger distributors you can see order acknowledgement and delivery note information received from the distributor in reply to your order. You can also obtain the distributor's contact details to chase the order by phone if necessary.

BookNet Web competes with PubEasy but offers order routing (TeleOrdering) to all UK publishers, distributors and wholesalers. Certain features - such as looking up your discount or viewing delivery note information - is restricted to data from the major distributors who have installed the necessary interfaces with Nielsen BookNet.

It may be worth contacting Nielsen BookNet to discuss your requirements in detail. Do you need to send large orders to a whole range of suppliers? Do you need to search a high quality bibliographic service online? If you normally use TeleOrdering do you sometimes need to chase overdue orders to see where they have been sent and to obtain the suppliers' details in case you wish to follow up with a phone call? If you do, then Nielsen BookNet Web could be a very useful service.

NBNWeb can be trialled for a short time as a free service so that you can check the functionality and ensure it is right for you before subscribing. Nielsen developed a slightly reduced version of BookNet Web specifically for major distributors to provide to their bookseller customers as a free service. If you wish to take advantage of this facility talk to Nielsen and ask them for the contact details of distributor partners involved in this scheme.

BookData Online

BookData Online is the new Nielsen service which offers some bundled functionality including bibliographic information and order-tracking. Contact Nielsen for more information.

BookNet Web API Link

If you have an Internet enabled EPOS system you may want to try BookNet Web's API link which competes with PubEasy's Transact service. Any search, enquiry or order which you can do with a PC and a browser on BookNet Web can be integrated into your EPOS system using this standard API (interface). This means that a member of your staff can log into your (web enabled) EPOS system and access Nielsen BookData's bibliographic information and send orders via TeleOrdering, all from within the EPOS system in the bookshop. Eventually web services technology may be supersede this API solution.

To contact Nielsen BookNet to discuss TeleOrdering, BookNet Web and BookNet Web API link please visit www.nielsenbooknet.co.uk.

EDI

EDI (electronic data interchange) is the accepted way of communicating routine commercial messages from business to business in a standard format. The messages are sent from the sender's computer via a variety of networks and they are received by the receiver's computer. The important point to note here is that the computers should be able to send and receive these messages without human intervention.

Book Industry Communication has developed or approved a number of EDI standards for business messages used by the book trade. These include orders, acknowledgements, invoices etc. For more information on these messages and standards go to www.bic.org.uk. The importance of these standards is that if booksellers, wholesalers and distributors agree to use them then electronic messages can be processed automatically and the right action taken. BIC has been very successful over many years in persuading the book trade to use these standards correctly and holds detailed implementation clinics for interested parties to clarify any ambiguities in the standards and ensure they are used correctly.

EDI is most suitable for larger organisations with high volumes but it is now possible for small organisations to trade with larger ones via EDI using a web based solution. BookNet Web and Batch.co.uk are both online services which enable an organisation to key in data via the web at one end of the supply chain and transmit it to a trading partner using EDI. This means that small businesses don't need to invest in the more expensive EDI solutions used by their larger trading partners but instead can subscribe to online services at much lower cost.

There are a number of EDI services used by the book trade. These include:

- Nielsen BookNet EDI Service
- Batch.co.uk
- FreewayCommerce EDI services
- FTP or AS2 via the Internet

See below for details of each service.

Nielsen BookNet EDI Service

Nielsen BookNet owns the EDI service which was formerly called First EDItion and which has been the market leading EDI service in the book trade for more than a decade. Nielsen BookNet's EDI Service uses the GXS network which is used by major supermarkets and is one of the largest EDI networks in the world.

To find out more about Nielsen BookNet EDI Service visit www.nielsenbooknet.co.uk.

Batch.co.uk

Batch.co.uk offers an EDI service for delivery notes, invoices and payment messages. For more details visit www.batch.co.uk.

Freeway Commerce

In addition to GXS, used by Nielsen BookNet, several other EDI value-added networks (VANs) exist which can be used by members of the book industry. These include AT&T, IBM and BT. One way to use these alternative EDI services is to talk to Freeway Commerce, a specialist communications company which supplies EDI translation software to booksellers and distributors. They offer low cost access to a number of networks and also to the Internet via FTP and AS2. To find out more about their EDI services visit www.freewaycommerce.com.

Both Freeway Commerce and Nielsen BookNet can handle all the main business messages but their approaches and pricing models are quite different. If you are interested in developing EDI capabilities it would be wise to talk to your leading trading partners before deciding on an EDI solution. Typically a major trading partner may specify how they want to communicate with you via EDI. They may insist on a particular message and standard such as Tradacoms or EDIFACT. If they are already live with several trading partners then it is advantageous to fit into an existing method rather than develop something new. You need to be aware that there is often interconnectivity capability between networks and services. This means that you can for example use Batch and connect via Batch to a distributor using EDI with First Edition or Freeway. It would be advisable to discuss your requirements and capabilities with more than one solutions supplier and more than one trading partner before making a decision.

Also consider the full range of messages which you will want to be able to exchange and don't just look at orders. You also need to think about whether you will be able to handle invoice, returns credit note and other messages in the future. You should check this with your trading partners and systems and solutions providers. EDI of this type is generally for larger users as the benefits accrue with larger volumes.

AS2 and FTP via the Internet

We are all familiar with the Internet as a worldwide network of computers talking to each other. Rather than using a Value Added Network (VAN) to send EDI messages such as orders and invoices it is possible to use the Internet. The main advantage is that there is no traffic charge for using the Internet.

FTP stands for File Transfer Protocol and it is a way of sending files of information across the Internet. For e-commerce purposes it is very important that the files sent are to an accepted standard so that they can be loaded and interpreted automatically by the trading partner without intervention. FTP can be used to place a file in a folder on a trading partner's system. Alternatively a trading partner can visit your system via the Internet and collect a file via FTP. BIC (Book Industry Communication) has developed some rules governing the use of FTP in the book trade and these can be found on the BIC web site (www.bic.org.uk.)

FTP is currently used by larger companies to send files of orders to TeleOrdering and by other companies to receive those orders from TeleOrdering. The wholesalers often have files of information available for their customers to collect via FTP and these include lists of ISBNs stocked and other data, which may be useful to larger bookshops or Internet bookstores. Some large companies use FTP to exchange orders or invoices directly without going through an intermediary company. This is usually cheaper but has to be managed by the companies concerned as there is no third party involved.

AS2 is a more modern protocol than FTP. It is used in e-commerce as a means of sending standard EDI messages across the Internet. The idea is to take a traditional Tradacoms or EDIFACT message and "wrap" it with a header and a trailer which starts and ends the file and identifies its contents. This wrapper enables an old Tradacoms format message to be transmitted across the Internet in a securely encrypted file. The main worries about the Internet used to be reliability and security. AS2 uses powerful digital encryption which protects the contents of the message.

Trading partners need to be able to receive the message, open it and cope with the Tradacoms standard message inside.

Some people involved in e-commerce believe that AS2 offers an opportunity to put secure EDI across the Internet at much lower cost without having to translate all the existing Tradacoms messages into a more modern format or XML.

Others believe that AS2 is a development cul-de-sac and a diversion from the progress which is currently being made with SOAP XML and new web technologies.

Either way AS2 is best developed with expert help from a company which specialises in AS2. Companies already doing Tradacoms EDI may like to investigate AS2 as a possible cost saving way forward.

Other specialist communications and software companies provide services to booksellers and distributors. Sometimes they provide the communications software and sometimes you can buy the software and a package deal with a network.

In addition to talking to FreewayCommerce, another useful provider of these services is Atlas Products International (www.atlasproducts.com). Atlas has a number of products which include a secure Internet service and a very

capable communications-translation engine capable of coping with all EDI messages.

These companies are most suitable for larger booksellers which have IT staff to hand. Non-technical staff may find these companies more difficult to deal with.

Conclusion

E-commerce is complicated because there are several competing companies, services and technologies and your business needs to use the company, service and technology which is right for your business. Also think about your major trading partners and ensure that you can fit in with their current solutions and future plans. Above all, ask lots of questions of potential suppliers of these services and tell them about your business and ask them how they can help. Much depends on the size of your business, the systems you already have, the availability of IT expertise and support, your budget and your business objectives. Many booksellers want to order electronically because it reduces their costs, simplifies business processes and speeds up their service to their customers. If you are just starting out, look first at solutions in level one and two and see what suits your business before moving on to level three.