

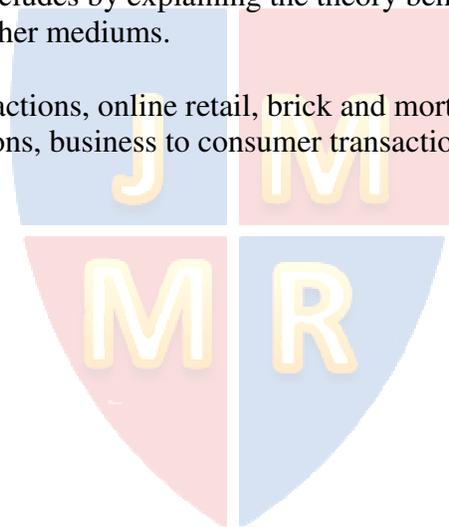
Online bookstore - A new trend in textbook sales management for services marketing

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ABSTRACT

The research study explores the phenomenon of increase in the use of online medium for textbook sales. The study uses the basics of commerce transactions, incorporating them into a model to explain their effects on different mediums of textbook sale. The study uses theoretical approach in explaining the influence of advantages and disadvantages of each medium on transactions occurring through it. The study designs two different models each representing a single medium. The method of flowchart analysis is used to describe the various processes occurring in each medium and transactions are incorporated at the point of sales in both the models. Overall the study concludes by explaining the theory behind the growth of online medium when compared to other mediums.

Keywords: Commercial transactions, online retail, brick and mortar store, used book sale, business to business transactions, business to consumer transactions, and consumer to consumer transactions.



INTRODUCTION

It has been more than a decade for the use of internet to be much common in each individual house. The revolution of internet has influenced all types of age groups from seniors to teenagers; from veterans to trainees, each and every person had his way of learning the method and using it for his own convenience. From leisure to fantasy, from shopping to studying from education to gaming, internet had its dominance compared to any other form of medium. Internet became the easiest and the cheapest way to reach the global network. Multiple facets were added including attractive advertising, live videos, simplified usages etc. Internet became a good source for marketing and selling products. Internet became the new catalog for product sales for retail companies. The medium of newspaper lost its importance for advertising products to internet. Add On, pop ups, sidebars etc became the best way to advertise products. Google Ad sense and Ad words made it easier for organizations to sale their products through their easy availability on the search engines. With the increase in popularity, increase in usage of the medium for the sale of international, domestic and local product increased. The medium of internet became popular among many local and small scale firms for advertising their product among vast audience of buyers around the globe.

With the increase in sales many of small scale and individual vendors made internet as their main medium for sales. Using multiple available online retailer web portals and online auction networks, many individual sellers preferred internet over other mediums. Rather than using television, radio, newspaper and handouts, internet gained the sole popularity in the sales market. Free search engines, no cost advertising, low commission web portals, easy bargaining and price comparisons made it possible from many sellers to sell their products below the average cost. In the last five years with the increase in the use of internet, book purchase through the medium of internet also increased. From fiction to comics, from textbook to novels, book purchase on internet has become the easiest and cheapest method for buying and selling books. On campus bookstore is popular among students in textbook purchase, but for most sellers the medium of internet is most preferred medium for selling (Krey, Clow & Babin, 2009).. A study by Krey, Clow, & Babin (2009) found that 96% of students purchase or rent the required textbook for a college. Yang (2003) empirically examined the probability of students purchasing their textbooks online with the conclusion that purchasing textbooks online can be predicted by possession of computer and the internet skills, having a retentive attitude towards money and dissatisfaction with the university bookstore. Thus he concluded that most of students preferring the on campus bookstores were seen to be freshman.

A research by McNeill has suggested that freshmen are more likely to purchase new textbooks from the campus bookstore, while seniors start utilizing more economical sources (McNeill, 2007). With the increase in the usage of the medium of internet for sales, comparison of internet with brick and mortar bookstore started taking place. Many researchers and schools started studying the purchase patterns taking places on both the mediums. The simplified method of studying the purchase pattern was to study the transactions taking place on both the mediums. The next step was to know how these patterns affected the buyers and sellers and what makes each medium more lucrative compared to other. The research study deals with the purchase pattern followed by both the mediums. The research study is only associated with the textbook purchase and selling pattern. Buying and selling pattern studied are both followed by students, retailers and publishers. The study tries to interpret the flow of the pattern by sketching a model indicating different transactions. The transactions mainly relate to the basic sales pattern

followed in by buying and selling theory. The study tries to incorporate B2B- business to business, B2C- business to consumer, C2C- consumer to consumer and C2B- consumer to business transactions taking place in both the mediums. The study compares these mediums and showcases the advantages and disadvantages related to each medium.

The main purpose of the study is to explain the increase in popularity of internet based textbook sales with respect to the methods of transactions that provide these medium a leading edge over others. The research study sketches two different models, the first model describes online medium of textbook sales, while the second model describes the on/ off campus medium of textbook sales. The study compares both the models and explains the flow pattern of numerous transactions taking place in the system of each medium. The study keeps the model simple by using consumer (student) as the primary buyer. Each model showcases the sources through which each medium gets the required textbook for sale, and how that book is purchased and sold by the consumer (student). The study also showcases how the factors of availability, lead time, wider selection, better choices, resale and above all price factor influence both the mediums with respect to the transactions taking place. Overall the research study differentiates both the methods on basis of the transactions and explains the advantages of the medium of internet over traditional approach with respect to the models.

RESEARCH SUBJECT

The study deals with sales of textbooks through two different mediums. The reason for choosing the genre of textbook over novel and fictional books was because of the factor of necessity a textbook brings with it compared to that of other genre. A student who enrolls for a course knows the necessity of buying the textbook. Each course has recommended textbook which a student is required to buy. The textbooks selected by professors or instructors are usually viewed as an integral element of the higher education process and often account for nearly 90% of the classroom instructions (Stein, Stuen, Carnine, & Long, 2001). On average, an American student spends about \$900 per semester on textbooks and related course materials (Carbaugh & Ghosh, 2005). Having a textbook is the most mandatory thing a student has to keep in mind when planning to enroll for a course.

There are various methods of getting a textbook. These methods are broadly categorized into purchase, rent and sharing. Sharing even if categorized as a purchase still limits the sales by reducing the number of buyers. Purchase can be done through on campus bookstore, off campus bookstore and online retail. Renting can be done on campus, off campus and online. The study here deals mainly with purchase and resale through the medium of on campus and off campus bookstore and online retail. Renting and sharing are not considered in this research study mainly because 0.6% have only seen to rent textbook in a survey carried out among undergraduate and master students (Krey et al., 2009). Keeping purchase and resale of the textbook as a center of the research, this study develops two models describing how a textbook is bought by a student and how that textbook is resold. The models are developed taking into considerations the purchase patterns that take place among various elements. The basic element taken into consideration is the consumer, a student responsible for buying the textbook. The other elements are retailers, vendors and publisher. The basic element consumer (student) also acts as a seller for resale of used book in the used book purchase secondary market. This study showcases how these elements interact with each other in the form of transactions and how these transactions relate to both the mediums of purchase.

The model for each medium showcases these transactions and incorporates the advantages and disadvantages each medium has into the model. The model has been developed on multiple theories developed by different scholars in the field marketing science, management science and information system. This study tries to relate theoretical data to frame models indicating the purchase pattern of textbooks in the book sales industry.

TRADITIONAL APPROACH

The traditional approach is the approach which is preferred by consumer who emphasizes more on instant acquisition of the book rather than price. The traditional approach is also seen to be the most preferred method advised by the school advisor during the enrollment into the program. The traditional approach is divided into two different types the on campus bookstore and the off campus bookstore. The survey in the study by Krey indicates that 64.2% students purchased their textbooks through on campus bookstores, while as only 21.3% purchased it through off campus stores (Krey et al., 2009).

On Campus

The study by Krey tells us that 97% universities have on campus bookstores (Krey et al., 2009). Only 3 % universities in United States of America don't have on campus bookstores their students use school library, public library and off campus bookstore as the source of purchasing or renting the textbook. On campus bookstore is also the most reliable and easiest accessible way for student to buy the textbook. It becomes more reliable than any other source because it is operated by school even if it is subsidized to a third party retailer. Third party retailers are the ones who sell products to consumer after buying them directly from manufacturer, retailer or other consumer. On campus bookstores set their own price. This price is not negotiable and there exists no price comparison for same product. The price is decided by third party retailer himself.

On campus bookstore can be monopolistic market if there exists no off campus bookstore and if there is no access to computer and internet. The advantages of on campus bookstore are trust, less lead time, more access to book condition and guaranteed delivery/ purchase. Many students trust on campus bookstore as it is operated by the school but subsidized to third party. Lead time heavily depends upon the availability of the book at the bookstore, if price is not the factor of concern then the lead time required to acquire the book at an on campus store is much lesser than that of other mediums especially internet. Buying a book at a bookstore gives the consumer more access towards the condition of the book when compared to that of internet retailers. On a medium like internet, internet retailers like Amazon use common picture of the book to describe all types of conditions, the only thing differs is the type of condition, but on eBay a picture can be uploaded but that doesn't guarantee the condition. The last advantage is guaranteed delivery of the specified product, with purchase comes instant delivery. No lead time required neither any fear of loss exists with on campus purchase, you can check out the product instantly. There are also some disadvantage associated with the method like availability, limited inventories, buy back policies and non comparable price. The factor of availability comes into the picture when the demand remains very high and supply through publisher or retailer at a fixed buying price remains limited. As the price is incomparable and non flexible, any change in supply can be decisive and result in affecting the availability.

Limited inventory is also another disadvantage, being a brick and mortar store having limited stock is precise. This also in turn affects the availability; it becomes a first come first served basis for a buyer. Buy back policy is also a big disadvantage; fixed amount for buy back and limited buy back guarantee becomes a big problem for used book sellers. Also certain books are not even accepted for buy backs. Last but not the least the most important factor and the biggest disadvantage is the price. May not be the important factor for some buyers, but for many it stands out as a big difference, where even five dollars stands out to be decisive. Some of examples for such sales would be the online auction sites. The bid's presented increase by few cents rather than dollars, this showcases the importance of price value of money. Fixed price brings in non flexibility, non flexibility rises because of a single way transaction between on campus bookstore and consumer, no comparison of prices takes place, which helps the bookstore to keep prices in control. The biggest advantage that the bookstore faces is that it is an integral part of the school due to which many students in turn rely on it.

Off Campus

Few schools enjoy the privilege of off campus bookstore. Off campus bookstores are mainly seen in metropolitan cities. Metropolitan cities being highly populous in nature require multiple mediums for delivery, one of which is off campus bookstores. Off campus bookstores have the same advantage and disadvantage that of the on campus bookstores. The main difference between them is that of affiliation, where one relates itself to a particular university while as the other one doesn't.

NON TRADITIONAL APPROACH

The new type of approach that has been seen growing in last five years has been the non traditional approach. The non traditional approach is divided into three types rent, sharing and online. The rent approach is seen to be the least preferred method while as the sharing is something which is considered as single purchase for multiple use by many. Also there hasn't been any data available in the research field which precisely tells us about how many students really share. Renting is a method which is only preferred by those who don't have much knowledge about the use of computer and internet or who don't prefer using online money transactions, which may disclose their credit line information. The only method that gives the traditional approach a competition is online sales.

The medium of internet is heavily used to advertise and sale products of multiple genre. Cheap to use, easily accessible, use as per convenience, price comparisons etc are few of the benefits that are related with this medium. Online retailing started with the dot com bubble in 1995, internet started became popular through "World Wide Web" and "Mosaic" web browser. The birth of online retailing started in 1995 with the launch of two big online retailing websites, eBay and Amazon. EBay was started in the year 1995 by Pierre Omidyar as an online auction portal. Later on it went on to develop as an online retail center where both new and used goods were purchased. At the same Jeff Bezos established Amazon, which didn't had the bidding aspect in its trading but specialized itself in book sales compared to that of eBay. Amazon and eBay was then followed by Staples, and now there are more than 300 reputed and reliable retailer websites around the globe. Overall today internet stands out to be the biggest medium for selling and buying.

ONLINE RETAIL

Online retail has been the one of the most upcoming retail sales in the genre of book sales. In last ten years the on campus and off campus bookstores have seen tremendous decline in the number of buyers and most of these buyers have turned up to the source of online retail. Most of the online retail sites act like third party commission firms they are not directly associated with publication. They either buy books acting as retailers from publishers or they provide space to a retailer to sell his product, whichever way it works the online retail firm gets a commission paid for their service. Consumers can compare the price, quality and availability of items from across the globe (Limayem et al., 2000). Given the competition from powerful traditional businesses, a successful e-business can only occur if the business can satisfy its consumers' needs better than those traditional business approaches and provide consumers with lower prices, wider selections, better choices, superior services, or more convenience (Vassos, 1996).

Online retail mainly became popular for their used book sale policies. These policies were very much open compared to on campus and off campus bookstore buy back schemes. These policies allowed a seller to decide his own price to sell his product on an online system compared to that of on and off campus system. On and off campus system failed in this category because their buy back schemes had rigid, non flexible buy back price tags due to which neither the used book seller nor the consumer (student) were found to be satisfied. Some of the advantages that a seller and a consumer get for using online retail systems are discussed below. From purchase/ buying point of view online system is preferred by students who have retentive attitude towards money and who are forward looking. Chevalier and Goolsbee (2003) explore the college textbook market to determine whether its consumers are forward-looking, where a forward-looking consumer is defined as a person who thinks about the future when making durable goods purchases today. The first advantage of online retail sales is price comparison. A lower priced textbook can be only obtained if there is a price comparison among different sellers. The price comparison helps a student to choose a textbook from multiple choices. It is guaranteed through online search engine that whatever lowest price is described on the list would be the lowest for that frame of time. When compared to on campus bookstore, the bookstore decides the price by itself even if the book was bought at a very lower price.

There are many retailers who display their products online and try to sell their product on lower price due to stock clearance; this doesn't happen at on campus bookstore. The second advantage is availability. It hardly happens that a book is found unavailable on an online source; most of the books are available 365 days a year. Globally networked Information Systems can reduce the search and transaction costs for buyers and sellers to locate and trade products (Bakos, 1997), and can thereby facilitate the creation of technology-mediated electronic exchanges (Malone, Yates, and Benjamin, 1987). Comparing to on and off campus bookstore it can be seen that an online retail doesn't require an inventory to stock the sales, as every individual retailer, seller can sell his product through his individual inventory. Having multiple sellers helps online retail websites to keep up with the availability of the book throughout the year. With availability comes the factor of availability of obscure books. Obscure books are usually not available at on and off campus bookstores but they are pretty much available at reasonable rates online. With respect to lead time on campus bookstore prove to be the best option but still when price is

considered as the most influential in purchase lead time can be satisfied by choosing options between methods of delivery.

Online purchase also gives a consumer choice of wider selections. Selection can be done between new and old, by comparing prices. Selection can also include type of seller for individual genre a publisher, retailer or a primary consumer in case of used goods. The factor of wider selection also depends upon the price tag on the product by each seller. The combination of right price with proper condition of product is the most required thing. The advantage of better choice also comes into picture, even the product is not directly visible still the described condition and the seller's feedback can be used as a medium to evaluate the condition of purchase. Feedback of the seller describes the past experience of other buyers with seller. In an on and off campus store the product is visible on site but a substitute or same product with better product becomes hard to find as most of the textbooks are sold on first come first served basis. The last and the biggest advantage for a buyer is the factor of convenience. The consumer can buy the product from anywhere and at any time the only thing he requires is a computer and access to internet. From selling point of view the biggest advantage is that used books can be sold irrespective of any buy back schemes etc. Retailer and primary consumer (student) can sell his textbook by setting his own price on the online retail website. This can also relate to the consumers purchase pattern where he could prefer to buy on online at much lower rate so he could make much of it from selling it after use.

A more recent study also uses textbook data to show that students are forward looking when making their purchases and that their value of a textbook declines when the release of a new edition will foreclose on the resale market for a new textbook purchase (Chevalier and Goolsbee, 2005). This factor somewhere brings in the necessity of selling the used book in shorter lead time. The best medium to carry out such operation to get a better price would be internet. The second advantage for a used book seller would be the freedom and flexibility that the seller gets to fix his own price on the textbook. Once he plans to sell, the online retail website provides him with the available second advantage for a used book seller would be the freedom and flexibility that the seller gets to fix his own price on the textbook. Once he plans to sell, the online retail website provides him with the available data on the current market prices which helps him to determine the selling price of the textbook. Many retailers prefer to carry out online stock clearance discount sales and book bundling packages at reasonable lower prices. This type of bundling is not seen in on and off campus bookstore. These types of bundling are provided by publishers through their own online websites but the price tag compared is much higher than that of retail. The factor of convenience is common for both consumer and seller. They can operate from whichever place they want to. Selling, buying and promotion can be done through any place. Many sellers prefer this method because of the online transaction money transfer method, which makes it easy to deposit the money directly into bank account. When compared to on and off campus bookstore, book price can be cash, cheque or voucher which has to be personally deposited. The concerns related to the medium of online sales are with regards to sharing an individual's personal information with the online retail sales firm. Most of the online retail websites ask an individual to sign up for an online account. The online asks personal and bank account and/ or credit card and/or debit card information. Many of the people don't like to share this information and this type of transaction method becomes a big problem for online retail. This is one of the biggest reasons why on campus and off campus bookstores are still keeping with their sales.

Amazon and eBay in last five years have started using direct checkout methods as alternative to sign up accounts, where direct check out method doesn't require a person to feed in and save their account and credit card information (Yang, Zielinski and Cheng, 2009). Also third party online payment and money transfer websites like Paypal act as third party firms for money transfers. Paypal started in 1998 and currently acquired by eBay runs as the most trusted third party money transfer service around the globe. Both the methods try to solve the concern of data theft with respect to account information of consumers. Overall it can be concluded that use of online retail sales is preferred by the people who are price sensitive. Price sensitivity is seen directly proportional to the resale of used textbooks. The price is the one of the factors which is seen highly influential between both seller and consumer. Consumers like to take the advantage of low price, while as sellers like to have price flexibility. The tool of price comparison acts to be the most beneficial asset that the online retailing website has over other medium. For consumer search engines, add to cart and "check out as guest" are other few advantages, but for sellers it is direct transaction with consumer, online money transfers, bundling products. Overall it is precise that with the increase in knowledge regarding online purchase, the sales of online textbooks has also increased.

USED TEXTBOOK VS. NEW TEXTBOOK SALE

The biggest reason for increase in the sale of used book was price concerns. As discussed above price sensitivity influences the decision of textbook resale. The factor of price sensitivity heavily depends upon two things increase in price of new textbook by publisher and introduction of new editions by authors. Introduction of new edition brings with it the threat that old editions will get discarded from use. Students try to resale their used textbooks as soon as possible so they can gain a good return on their investment.

A recent study by the Government Accountability Office (GAO) revealed that textbook prices have increased twice as fast as the annual inflation rate, which has led to more financial issues for college students (Pollitz & Christie, 2006). However, acquiring the necessary course materials can put a financial burden on most college students as the price of textbooks has averaged a 6% annual increase since 1987. Increase in price tempts many students to go for used textbooks rather than new. The shift to purchasing more used textbooks is verified by data that shows the sales of used textbooks have increased 15% annually while the sales of new books have only increased 5% on average (Mui & Kinzie, 2008). Also other alternatives to compete the used book sales were to use new online version mediums (Mui & Kinzie, 2008). Online versions or e-books are designed to entice college students to continue to buy new textbooks while meeting the objective of lowering costs for students (Carlson, 2005). Overall price sensitivity remained the center of discussion for the increase in used textbook sale.

MODEL 1: ONLINE PURCHASE PATTERN MODEL

Refer to model 1 at the end of the text. The model 1 is designed with respect to the purchase pattern that takes place in online retail sales medium. The study tries to showcase the sales transactions taking place at various stages in the model. The study also tries to incorporate the advantages and disadvantages related with each step occurring in the model. The model takes search engine phase as the center and takes into assumption a student as a consumer. As indicated above the research deals with the purchase of a textbook by a student so the primary

consumer considered in the model is a student. The phase of search engine is directly related with some of the benefits that an online medium has compared to that of on and off campus mediums. The advantages of price comparison, indentifying condition, availability, better choices and wider selections are incorporated into the phase.

The phase of “add to cart” is used to save the selection for time being, if a new search is resumed then the previous still remains in the cart unless and until it is bought. The phase of “purchase” is incorporated with the advantages of low price, convenience, and choice of payment method. Some of the concerns related with purchase and the solution on those problems have been described above. The concerns only deal with privacy related matters with respect to individual financial information, using direct checkout and third party money transfer the concerns are reduced using these alternatives. As the title suggests the research focuses mainly on transactions taking place during multiple operations of sales. Sales of textbook is categorized into two parts the new textbook sale and used textbook sale. The consumer is assumed to be a student selecting the textbook through the search engine. The main transaction, transaction between the student and the seller occurs in the “purchase” phase.

The transactions are also differentiated into types primary and secondary. Primary transactions are the transactions taking place between consumer (student) and the seller. Secondary transactions are the transactions that take place between two different sellers, for example, publisher and retailer. Out of these two different seller one acts as consumer of the secondary transaction. In the model the sale of new textbook for online medium showcases three transactions B2C, B2C and B2B. The primary transaction B2C occurs between retailer and consumer (student) and the second one between publisher and consumer. The consumer (student) can directly interact with publisher or retailer for purchase of the book. With this type of transaction the consumer (student) gets the advantage of price comparison, seller background check (using feedback), method of shipping, and the convenience of buying it from his desired location. The online retail website only acts as a medium for displaying the products to consumers around the globe.

The online retail website charges percent commission for textbook sell to the seller. As per the charged percentage the seller can fix his own price, to sell the product to consumer (student). Price setting flexibility is a big feature of the seller and it stands out to be the reason why online retail website contains multiple genres of transactions. The secondary transaction that occurs in new textbook sale is B2B, business to business transaction occurs between two different sellers out of which one acts like consumer. For example most of the online transactions that take place on online retail website are between publisher and retailer. Retailers act as consumers for buying textbooks on wholesale basis at a significant lower price, which again results in price drop for the primary transaction to take place. The common factor that relates all the three transactions is price. Lower price favors consumer (student) while as price flexibility favors retailers. The used textbook sale is the biggest advantage that the online retail websites enjoy. Used textbook sale brings with it the factor of price sensitivity. Preferring shorter lead time to sell a used textbook seller prefer online retailing as the first choice. The biggest advantage of online retailing is the price flexibility; any seller can set his own price for reselling the used book. Most of sellers are individual consumers (students) who buy books either through online or on/ off campus bookstores.

Most of the online retail websites provide sellers tools to compare the current prices before they set their own price. These kinds of tools help sellers in primary consumers (students) to resale their textbook at reasonable rate with lesser lead time. Price and freedom to sale act as

the main attraction of online retail to sellers. With different types of sellers comes different genre of transactions. For used book sale the primary transactions that take place are C2C and B2C, while as the secondary transaction that take place are B2C and C2B. For used book sale the primary transactions that take places are C2C between consumer (student) and consumer (student) and B2C between retailers to consumer (student). The C2C transaction is the biggest advantage that a seller gets when selling a used book online. The seller may be a consumer (student) or retailer, can set his own price after using comparison tools and accepting the percentage commission. It becomes his own choice regarding when to sale the book and in which time frame. He can calculate the lows and high's of prices using price comparison tools. For a buyer this becomes a great opportunity for selecting the best lowest price available. Also the buyer can take advantage of comparing different conditions of textbooks. He can choose the one which favors with right price. Online retail benefits C2C greater than any other available medium.

The second type of primary transaction that occurs is B2C between retailer and consumer (student), the retailer involved in this transaction also acts as buyer in the secondary transaction. There are many retailers available who offer lower prices for stock clearance etc. The secondary transactions that are involved in sales of old textbooks are B2C and C2B. The B2C transaction takes place between a publisher and consumer (student or retailer) for a new book which is then resold as a used book by the consumer who then acts like a seller. The C2B transaction takes place between the consumer (student or retailer) and retailer. The retailer then gets involved in B2C transaction to resale the book. The dominating factor in these transactions is seen as price, drop in price takes place as the book goes from new sale into used sale transaction. The most benefitted is the consumer (student) who occurs in the last phase of transaction. Overall the model tries to interpret the transactions taking place in online retail medium sales, and incorporates influence of advantages on each transaction taking place.

MODEL 2: ON & OFF CAMPUS PURCHASE PATTERN MODEL

Refer to model 2 at the end of the text. The model 2 is designed with respect to on and off campus bookstores. Majority of on and off campus bookstores operate in the same manner, both of them are brick and mortar stores and that is reason why they are considered as same in the research. Being a brick and mortar store no direct interaction takes place between consumer (student) and seller (publisher, retailer or consumer). The store itself acts as a retailer medium for selling the textbook. The model will use B2C as the main source of transaction, taking place between store and the consumer (student). Similar to model 1, model 2 will also use two categories for textbook sale one will be new and the other will be used. Transactions are differentiated as main source, primary and secondary. The only difference in type of transaction for both the models is main source transaction, which is completely irrelevant for model 1.

The biggest disadvantage that the medium of on and off campus retail sales faces is that of main source transaction which indirectly effects the price of textbook. A fixed price is placed for a particular textbook, which completely eliminates the factor of price comparisons and low prices. Student sensitive towards price usually don't prefer opting fixed price bookstore unless and until lead time is of great concern. With respect to sales of new textbook the transactions that occur are B2C as main source transaction and B2B as primary transaction. B2B transactions occur between store and seller who is a publisher or retailer. In this transaction the price of the book rises way above the retail or publisher price. This acts like a disadvantage when the

medium is compared to that of online. Also B2B secondary transaction occurs between publishers and retailers, where retailers buy textbooks on a wholesale discount rate and further these books are sold to a store at much lower rate. The on & off campus bookstore capitalizes heavily in this situation due their fixed selling price.

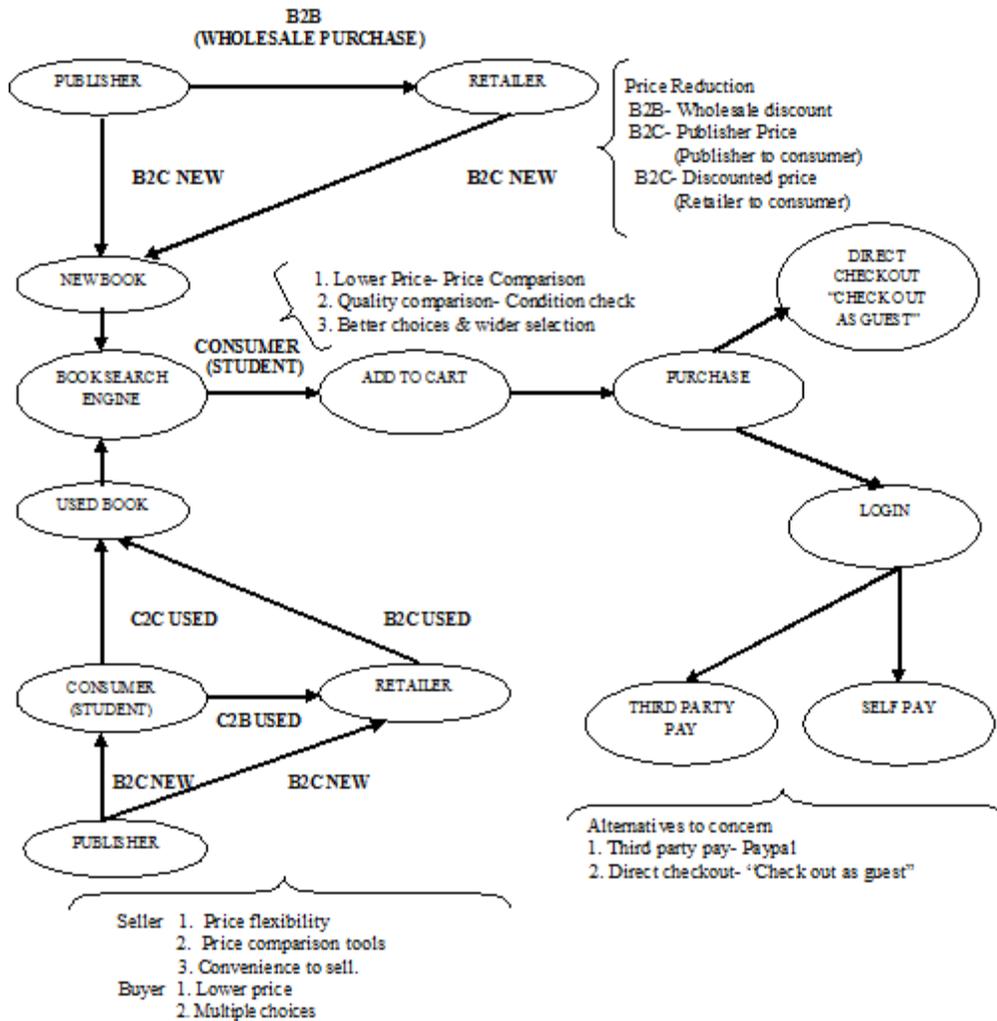
With respect to used book sale the transactions that occur are B2C as main source transaction and C2B and B2B as primary transaction for sale of used book and B2C as secondary transaction for sale of new book for the recipient of primary transaction. The C2B transaction takes place between consumer (student) and store, the biggest advantage associated with this medium lies here the consumer (student) has to sell the book on a fixed price which is offered by the store he is not given the freedom of choosing his own price. The second type of primary transaction that takes place is B2B, this transaction takes place between a retailer and the store. Store negotiates a price with the retailer and buys the books on a wholesale rate. In this type of transaction the retailer has to negotiate on price and this stands out again as another disadvantage with respect to online mediums. The advantages that a consumer gets through store purchase are that physical visibility of product and assured purchase.

CONCLUSION

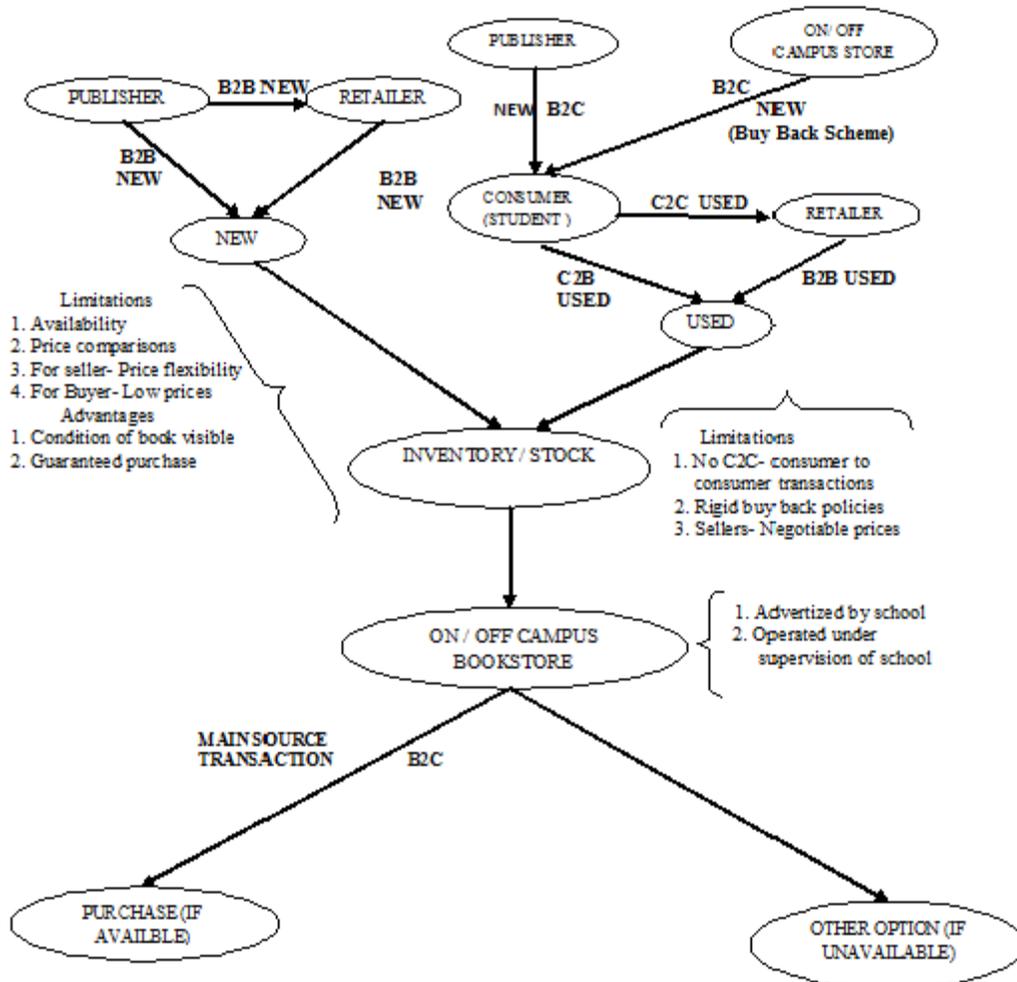
Model 1 and model 2 both try to interpret the sequence of transactions occurring with respect to particular medium. The models also try to interpret how advantage can influence a transaction. Any advantage offered by the sales medium helps the medium to grow up with respect to the transactions and money transfer occurring in the market. It can be concluded after comparing both the models that model 1 for online retail medium shows multiple and direct transactions taking place between consumer (student) and seller for both new and used textbook. Also in both the categories of textbook sale, new and used in an online medium shows price sensitivity as the main influential factor. Low price, price flexibility and convenience stands out to be the biggest advantage online medium has compared to on & off campus bookstore. Online medium shows more interaction between buyer and seller, and also more flexibility in pricing policy. Consumer to business transaction with respect to used textbook sale shows more adaptability towards online medium compared to that of on and off campus stores. Model 2 showcases pros and cons related to on and off campus retail sales medium.

Thus it can be concluded that the factor of lead time is the biggest advantage of that medium followed by examination of physical condition of book. Guaranteed purchase is also advantage that this medium enjoys over online because of the recent internet fraud cases. Main source transaction stands out to the biggest disadvantage which gives rise to no price comparison; fixed price and rigid buy back schemes. This medium fails heavily in the category of consumer to business transaction taking place between consumer (student) and store especially with rigid buy back prices. Used book sales dominating the textbook sales market prefer online medium than on campus. Overall it can be concluded that the dominance of on campus bookstore is fading with time as the online medium grows and expands in popularity. Also the disadvantages of on & off campus medium act as advantages for the online medium favoring different types of transactions occurring through it. To conclude, the research study tries to interpret the advantages of a medium and tries to incorporate them into transactions, which help to explain the growing use of online medium as a sales channel.

MODEL 1: ONLINE PURCHASE PATTERN MODEL



MODEL 2: ON & OFF CAMPUS PURCHASE PATTERN MODEL



Note: The letter in bold indicate the type of transaction and the type of sale.

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