

e-Bookstore: Opening Door to the Garden of Knowledge

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Abstract- Second-hand book shopping has been a current trend in today's stream. The process of selling and buying thesecond-hand book is somehow lead to time and energy wastage. The purpose of this paper is to give solution through Online Second-hand Bookshop System. The customer segment includes buyer, seller, and donator. This project has proposed conceptual solutions through Business Model Canvas (BMC), Value Proposition Canvas (VPC), and Environment Map (EM).

Keywords- second-hand, bookshop, selling, buying, donating, services, BMC, VPC, EM

I. INTRODUCTION

In this globalization era where most people are exposed to thevarious type of new technology, there is still many people are sticking to the basic when it comes to reading. These people prefer reading a hard copy book rather than atechology based book like Kindle by Amazon where we can store many e-books inside it. It might be because of the screen of this technology book that emits light and it can hurt our eyes if we stare it for a long time that people do not prefer this way of reading. However, thecost of new books nowadays is very expensive that it hinders people who love to read to buy many books that they want. So, people now are seeking other ways to get their wanted books for acheaper price and one of the ways is to buy a second-hand book from other people that wanted to let go of their book.

II. PROGRAM BACKGROUND

This paper proposes a business model that will implement e-Bookstore that will target citizens of Kuala Lumpur and Selangor. The main objective of the system is to help people to buy books at acheaper price easily and these second-hand books will be supplied by our own community. For our business, we will have to prepare the costs to buy

the unused books that the people wanted to sell. To sell books, these sellers will have to fill in the form on the website that we had prepared and we will go to buy the books personally from them. These books will then be advertised on our website for buyers to see and buy if it interests them.

III. PROBLEM STATEMENT

There are numerous of bookshops that exist today. The popular ones are MPH, Popular Bookstore, and Kinokuniya. People can buy any selections of books there. However, today's books that are sold in the traditional bookstore are pricey. For one brand new fictional novel, a customer has to pay quite some price for it. This is because physical bookstore has the overhead and other costs to pay (Bookmasters.com, 2016). Furthermore, there is no bookstore yet that sells asecond-hand book. By logic, by buying thesecond-hand book the price might get slightly cheaper. When a student purchases a used book, he easily saves more than half the money that he would have spent had he purchased a completely new one (K. Anna, 2013). There are also problems where the bookstore are far away and most of the bookstores are only located in shopping malls. For some part of the country, there is no place that book buyer can get to book shopping easily. Their place may be far from the city and that makes them have to go far to search for a bookstore in malls in order to buy a book.

For sellers who used to sell their used books, there are some problems that they have to endure. They may face customer's negotiation when dealing face to face. The chances for them to find possible buyers are also small. It also takes a lot of their time meeting the customers. Some of them maybe are not interested in selling their used books. It is just that they have so many books that take their space. Since they think that by donating the books would solve their problems since the books may be still in a good condition.

IV. METHODOLOGY

In order to know the problem faced by the buyer, seller, and donator of books, a questionnaire has been generated as a methodology in gaining information for this project. The answers from the respondents are used to know their problems and benefits that they think they can get from the system. 35 respondents have participated in the data gathering. The questions are divided into two parts, seller part and buyer part. There is no scope for the target respondents hence it is open to all to answer. The questionnaire is done through Google Forms and distributed among potential users of our website in Kuala Lumpur and Selangor area. Business Model Canvas (BMC) (Osterwalder, A. & Pigneur, Y., 2010) is also been produced to know how the system can generate money and profit. In order to know the what the customer needs through their views, Value Proposition Canvas (VPC) (Osterwalder, A. et al., 2014) has been created. This is done to know what are the criteria that fit into customer needs. Besides that, EM (Osterwalder, A. et al., 2014) is produced to know the market forces, competitive analysis, macroeconomics and the foresight of the system.

V. LITERATURE REVIEW

To get more ideas on how to implement the system in our business, we reviewed two businesses that have the same type of services as what we plan to do which is Amazon.com and Lazada.my websites.

A. Amazon.com

Amazon is a popular American e-commerce that is based in Seattle, Washington in July 1994, attracting every people on Earth by becoming the largest online retailer in the world. The founder, Jeff Bezos started the business as an online bookstore and it was one of the first online businesses that emerged after the Internet is allowed to be used by average people as before that only certain organization can use the Internet. In the beginning, Amazon started slow but then, it survived the period where many online businesses fail in the early 2000s with their initial business plan strategy and become popular and profitable business after that. Their success until nowadays might be because they always look at the customer and their innovative business model built around a market-changing customer value proposition,

mentioned by Dagley (2013). By using Amazon, a large collection of books can be found and interested buyers can choose whichever they prefer; a new book or second-hand book at a different range of price. The chosen book will then be delivered fast to your front door making the process much easier than the traditional way of going to the physical bookstore. Figure 1 below shows the screenshot of Amazon.com website homepage.



Figure 1 Amazon.com website

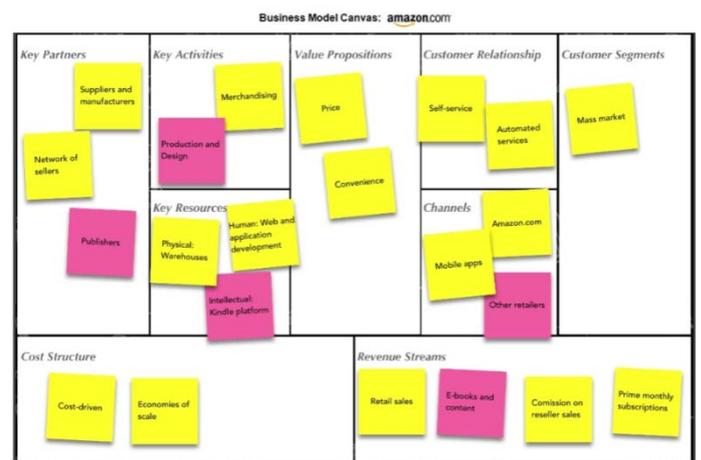


Figure 2 Business Model Canvas of Amazon

From Figure 2 that shows the Business Canvas Model of Amazon, we can see that Amazon build a partnership with a network of sellers that will use Amazon website to sell their products and Amazon will get revenues from each transaction made by those sellers and buyers. Hence, besides getting profit from their retail sales, Amazon also get revenues from the commission of other sellers' sale and a monthly subscription of their website. The value proposition that Amazon gives to their customers is the reasonable price where customers can choose their wanted products from many ranges of prices and also convenience for their customers to shop as they just have to buy their products online and wait for the products to get

delivered. These value propositions allow Amazon to extend itself into new markets and deepen its customer relationships, mentioned by Noren (2013).

B. Lazada.com.my

Lazada Group was established in 2012 by Rocket Internet, an organization that builds online business start-ups and is based in Singapore. As of 2014, Lazada Group has now operating websites (Lazada.com) for various countries in Southeast Asia such as Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam. As mentioned by Chew (2016), the business targeted Southeast Asia region using Amazon.com business model as reference and taking the advantage of Amazon's weak presence in these locations. Lazada websites now become one of strongest online retailers in the region housing many sellers to use their service. Lazada also uses their own delivery system to send out the product bought by customers, making the delivery more efficient. Figure 3 below shows the screenshot of Lazada.com.my website homepage.



Figure 3 Lazada.com.my website

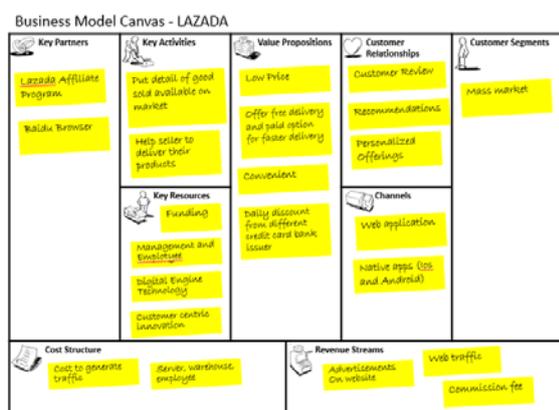


Figure 4 Business Canvas Model of LAZADA

According to Figure 4, the value proposition that Lazada offers to their customers is low price, free delivery, and convenient. Then, it becomes unique compared to other e-commerce websites by offering early discount from different credit card

bank issuer everyday which can attract more customers. Lazada's revenue streams are from advertisements that other sellers placed on Lazada website and also commission fee from each transaction made between sellers and buyers.

C. Adaptation of Business Model

There are many things that we can learn from Amazon and Lazada to improve our business model. As these two businesses are among successful businesses in the world, we can make use of their business model as an example to be implemented in our own business. First, we should create a partnership with various companies that is related to our business like both Amazon and Lazada. For example, we can request for partnership with book publisher companies that can help us to get more cheaper books to be sold on our online bookstore besides other used books that we get from individuals personally. This can help us to generate more revenue from our retail sales. Besides that, we can also implement Lazada's key activity of delivering seller products to customers. When customers successfully paid for the products, the sellers will hand the products to Lazada and Lazada will help to deliver the products to customers using their own delivery service called Lazada Express (Lex) Courier. Next, we can also use their way of channeling the business that is through both web application and mobile application simultaneously. Instead of our initial plan on having the only website running, adding the mobile application as another channel is also a good idea. It can be a direct marketing channel for our business that everything that we want to provide to our customers is right at their fingertips if they installed the mobile application. We can be visible to our customers at all times as we can see that nowadays people are spending a long time with their smartphones in a day. Mentioned by Howard (2016), in the United States, adults engaged with gadgets like smartphones and tablets for about nine hours and 39 minutes each day. Even though the statistic experiments on people in the United States, we can see the situation here in Asia is almost the same as in the States. Therefore, we can take this opportunity to deliver our product to be known by more people day by day.

VI. INITIAL CONCEPTUAL FRAMEWORK

A. Initial Business Canvas Model

(refer to Figure 10)

B. Initial Value Proposition Canvas

(refer to Figure 11, Figure 12, Figure 13, Figure 14 and Figure 15)

VII. ANALYSIS & FINDINGS

To validate our initial business models in previously shown Business Model Canvas (BMC) and Value Proposition Canvas (VPC), we did some interviews and also distributed survey questionnaires to our customer segments. As a result, we discussed on the preferences of the participants and their opinion on our proposed business plan.

A. For Seller

1) Do you have experience in selling a second-hand book?

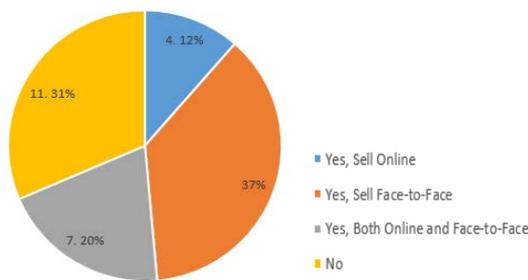


Figure 5

Using Figure 5, it can be seen that most participants had sold their second-hand book to other people before. Only 11 out of 35 participants never have the experience selling their books. From a number of people with experience in selling their books, there are more of them sold their book face-to-face instead of solely sold it online.

2) Why people sell their unused book?

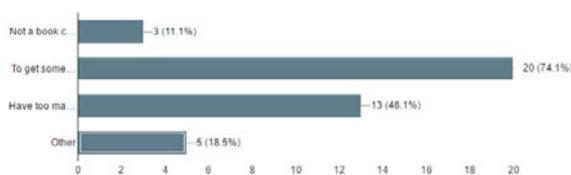


Figure 6

From Figure 6, most of them think that selling unused book can generate money with 20 participants choosing this option.

3) What are the difficulties/pains of people face to sell their unused book face to face?

This question is open-ended and we can see from the responses of the participants, many of them said that selling book face to face is difficult when abuyer starts to negotiate the price. Next, they also mentioned that it is very difficult when they need to

make an appointment time and location to meet to deliver the book when they have a different schedule and living far from each other.

4) What do you think the benefits that people get by selling their unused book online?

This question is also open-ended question and from the responses, most of them mentioned that by selling books online, it is easier to find a buyer as they can spread the ad. Besides, they also said that it is time-saving and energy-saving.

B. For Buyer

1) Do you have any experience buying a second-hand book?

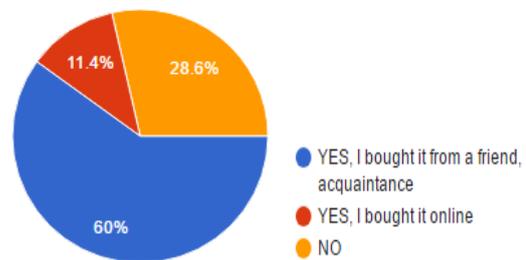


Figure 7

From Figure 7, we can see that most of them had an experience in buying thesecond-hand book as 71.4% of them chose Yes and other chose No.

2) What benefits can a buyer get if they buy the book online instead of going to the physical store?

This is an open-ended question. Most of them answered that it saves time as they do not need to go to the physical store to buy books. Next, they also said that it is usually cheaper buying online rather than buying it at the store.

3) Do you think that processes to buy the book (or other things) from the Internet are easy or not?

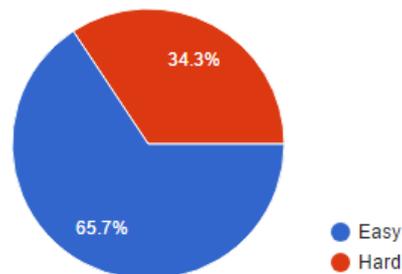


Figure 8

From Figure 8, most of the participants (65.7%)

think that the steps to buy things online are easy. Meanwhile the other 34.3% think the steps are hard.

4) If there is a website special for our community to sell and buy their second-hand books, do you think you will use it?

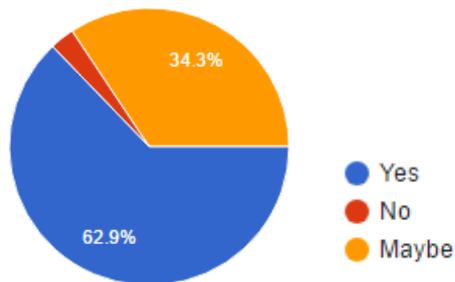


Figure 9

From Figure 9, out of 35 participants, 22 of them (62.9%) are interested in using the website that can sell and buy their second-hand books while 12 of them (34.3%) choose Maybe and one of them (2.9%) choose No.

VIII. ENHANCED CONCEPTUAL FRAMEWORK

A. Enhanced Business Canvas Model (refer to Figure 16)

i. Key partners

Key partners are the relationship between suppliers and partners in the business that ensure the business model work. A key partner in this project are the seller with unused books, the supplier of books for e-bookstore and have the collaboration with existing online bookshop also.

ii. Key activities

This is important to the business to know that what action that a company needs to follow make sure the business success. For e-Bookstore, the key activities find the secondhand book, buy it from the seller, advertise and sell through the websites and deliver it to the buyer.

iii. Key resources

Key resources are the assets for the business to run well. In this project, the key resources are technological platforms such as website and mobile application seller who want to sell their unused book.

iv. Value proposition

Value proposition means the benefit that the user can get from this project. e-Bookstore give to values to the customer, seller, and donors. For the customer, they can get a cheaper price than market price, easier to find the wanted books and have trusted platform to buy books. For seller side, they can generate income from their unused books by selling it to the potential customer, get experience to sell unused books online. For donors side, they had trusted platform to do a good deed.

v. Customer relationships

Customer relationship is where the company make the relationship with their potential customer or seller by giving them opportunities to give feedback, review, and rating to the website and can interact through social media, for instance, Facebook.

vi. Channels

For e-Bookstore, the channels are on the website, mobile application, and network of Mosque.

vii. Customer segments

e-Bookstore expects people who need to buy secondhand books, who want to sell the unused books and those who want to donate the books.

viii. Cost structure

The cost structure is to describe what cost that needs to be calculated in order to run the business. For this case, the company cost structure from technological setup and running costs and salaries to permanent employees.

ix. Revenue streams

Revenue streams are the where the business can get revenue from it, for this case the revenue stream are surge pricing, delivery charges, donation and advertisement on the website.

B. Enhanced Value Proposition Canvas

(refer to Figure 17, Figure 18, Figure 19, figure 20, and Figure 21)

C. Environmental Map

i. Key trends

Nowadays, the usage of the Internet are widely used and almost every one of us uses the Internet in their daily life. So that, the online shopping also becomes one of the trends among the seller that want to generate income from it.

ii. Market forces

The online business received great impact from the potential buyer because it reduces the costs and saves the energy compared they have to go buy to the physical stores. For the seller side, this will be their platform to generate their income easily without spending more money to have the business

iii. Macroeconomic forces

Like Amazon.com, it already become the preferred online shopping website among the user and it make the buyer and seller believed there is another way to doing business than to have physical stores to start the business

iv. Industry forces

The existing website already has their place on the potential user preferred and it makes the researcher have the idea for the e-Bookstore within the Selangor and Kuala Lumpur area that easy for the students to get the books.

D. Strategy Canvas (refer to Figure 22)

From the figure 22, there are many comparisons with Amazon.com and e-Bookstore even though both websites have a similar business model. The price of the books in Amazon.com might be more expensive than e-Bookstore because e-Bookstore is basically for university students so, the seller and the buyer are mostly among students. The seller literally needs to follow the capability of the students to buy the books. Meanwhile, Amazon.com is one of the trusted platforms for the

customers to buy through online compared with e-Bookstore, this website can be trusted also but not yet be the popular trusted platform like Amazon.com.

Furthermore, the quality of the books for both websites are at the same level of quality but for service, Amazon.com little bit higher than e-Bookstore. In terms of convenience, e-Bookstore are more convenience to the user whether seller or buyer because the area cover for the business are in Malaysia and specifically area Selangor and Kuala Lumpur compared to the Amazon.com which is an International website. The popularity among the customers, Amazon.com is higher compared with e-Bookstore because Amazon.com is the pioneer for this online business. Moreover, in terms of variety of choice of books that the customer can choose to buy, Amazon.com has a variety of choices compared with e-Bookstore.

So, e-Bookstore needs to improve and always upgrade the features on the website so that the customers will be attracted to be one of the customers. Other than that, these website needs to ensure that the different of the value proposition of these website will make the customers use the websites more often than other online bookshop websites.

IX. CONCLUSION AND FUTURE WORK

In conclusion, the business model canvas and value proposition canvas are important in the business because from there it can ensure that the business is achieving their own value. Otherwise, Online Secondhand Bookshop website can give the opportunity to the seller to learn and gain experience doing the business online. This trend of online shopping will be more popular if the company knows how to deal it because the online business is always competing with physical business. In future, if this website is accepted and being used properly by people in Kuala Lumpur and Selangor whom we targeted for this beginning phase, we could make the scope bigger by expanding our business to whole Malaysia.

X. REFERENCES

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INITIAL BUSINESS MODEL CANVAS (BMC) AND VALUE PROPOSITION CANVAS (VPC)

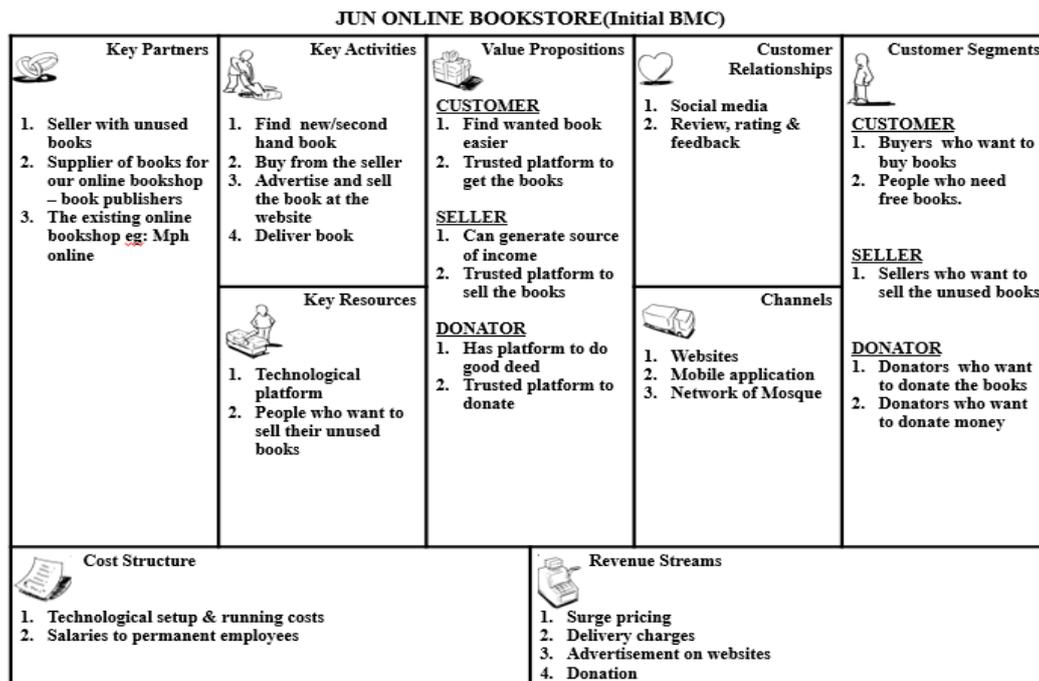


Figure 10 Initial BMC

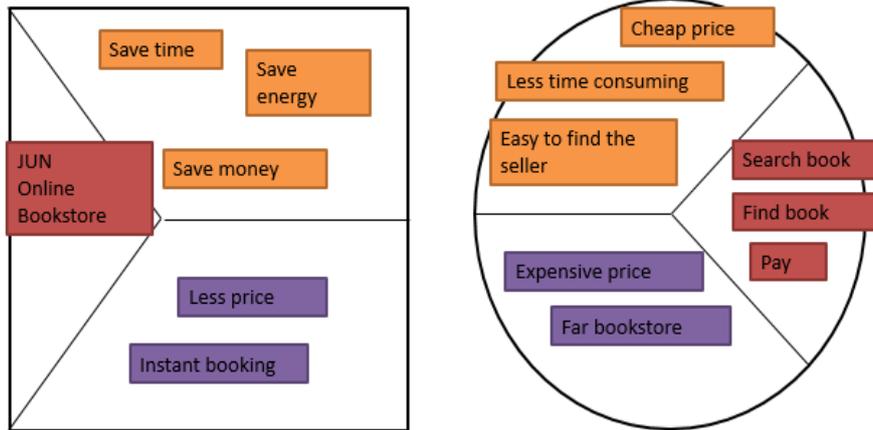


Figure 11 Initial VPC for Buyer who wants to buy books

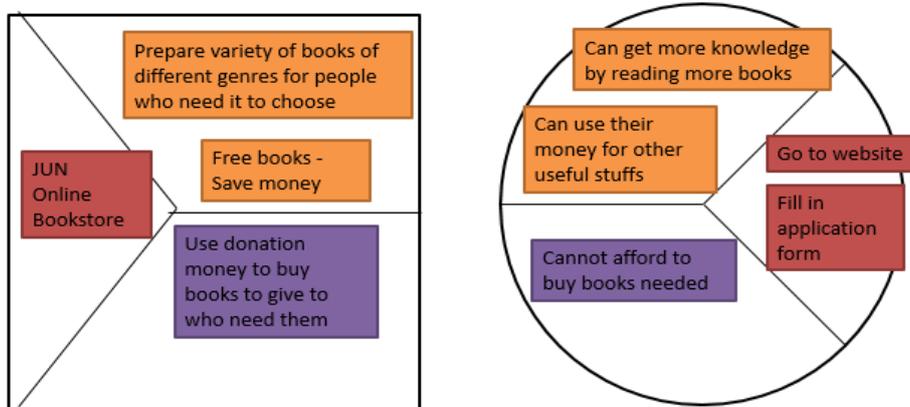


Figure 12 Initial VPC for People in need of Free book

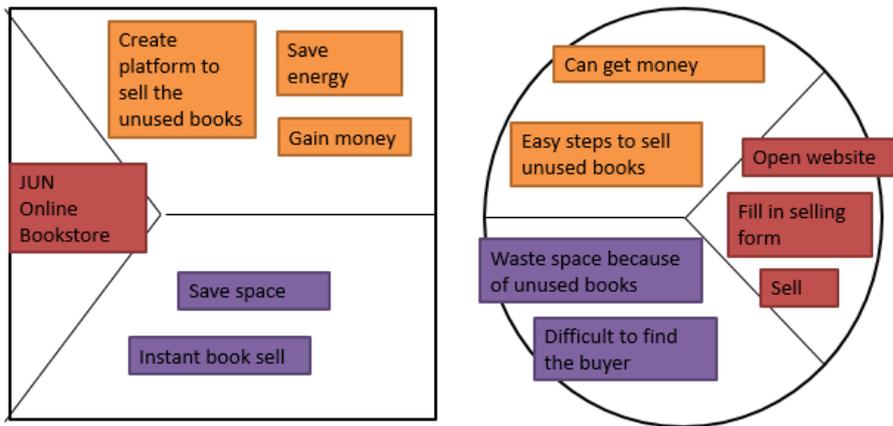


Figure 13 Initial VPC for Seller

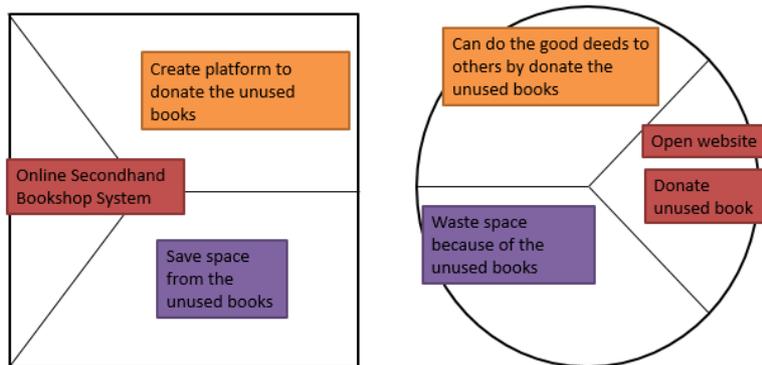


Figure 14 Initial VPC for Book Donator

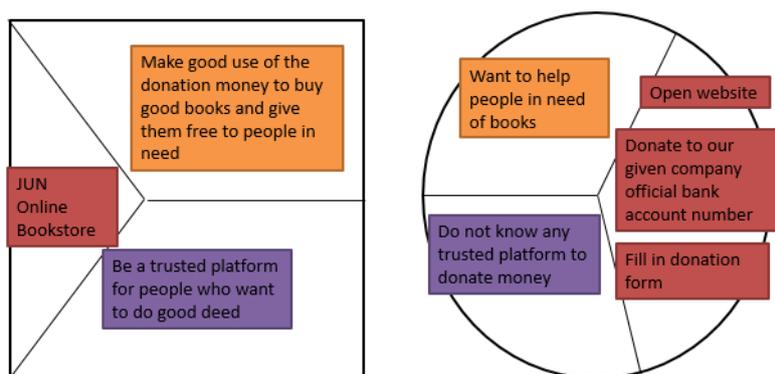


Figure 15 Initial VPC for Money Donator

ENHANCED BUSINESS MODEL CANVAS (BMC) AND VALUE PROPOSITION CANVAS (VPC)

JUN ONLINE BOOKSTORE(Enhanced)

<p>Key Partners</p> <ol style="list-style-type: none"> 1. Seller with unused books 2. Supplier of books for our online bookshop – book publishers 3. The existing online bookshop eg: Mph online 	<p>Key Activities</p> <ol style="list-style-type: none"> 1. Find new/second hand book 2. Buy from the seller 3. Advertise and sell the book at the website 4. Deliver book 	<p>Value Propositions</p> <p><u>CUSTOMER</u></p> <ol style="list-style-type: none"> 1. Get much cheaper books than market price 2. Find wanted book easier 3. Many choices of books 4. Trusted platform to buy the books <p><u>SELLER</u></p> <ol style="list-style-type: none"> 1. Can generate source of income 2. Can get experience to sell unused books online 3. Trusted platform to sell the books <p><u>DONORS</u></p> <ol style="list-style-type: none"> 1. Has platform to do good deed 2. Trusted platform to donate 	<p>Customer Relationships</p> <ol style="list-style-type: none"> 1. Social media 2. Review, rating & feedback 	<p>Customer Segments</p> <p><u>CUSTOMER</u></p> <ol style="list-style-type: none"> 1. Buyers who want to buy books 2. Person who in need of free books. <p><u>SELLER</u></p> <ol style="list-style-type: none"> 1. Sellers who want to sell the unused books <p><u>DONATOR</u></p> <ol style="list-style-type: none"> 1. Donators who want to donate the books 2. Donators who want to donate money
	<p>Key Resources</p> <ol style="list-style-type: none"> 1. Technological platform 2. People who want to sell their unused books 		<p>Channels</p> <ol style="list-style-type: none"> 1. Websites 2. Mobile application 3. Network of Mosque 	
<p>Cost Structure</p> <ol style="list-style-type: none"> 1. Technological setup & running costs 2. Salaries to permanent employees 		<p>Revenue Streams</p> <ol style="list-style-type: none"> 1. Surge pricing 2. Delivery charges 3. Advertisement on websites 4. Donation 		

Figure 16 Enhanced BMC

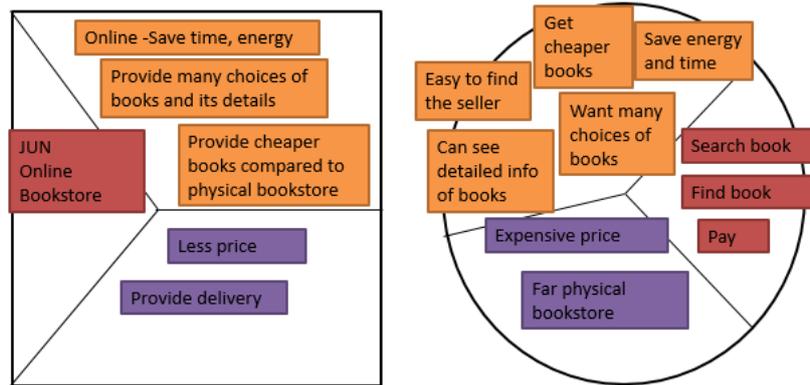


Figure 17 Enhanced VPC for Buyer who wants to buy book

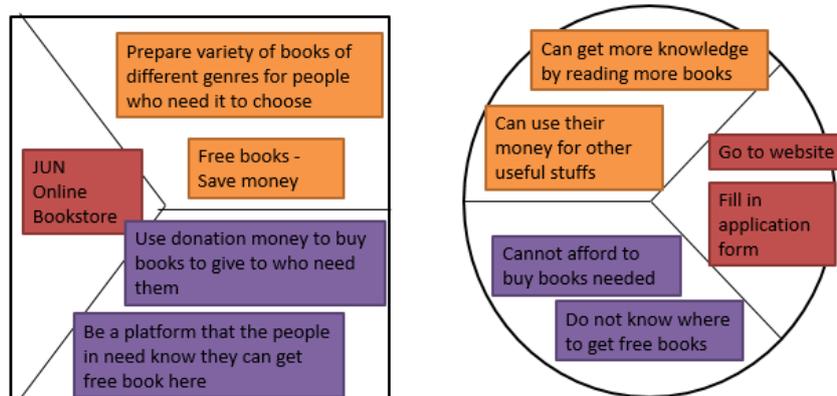


Figure 18 Enhanced VPC for People in need of Free Books

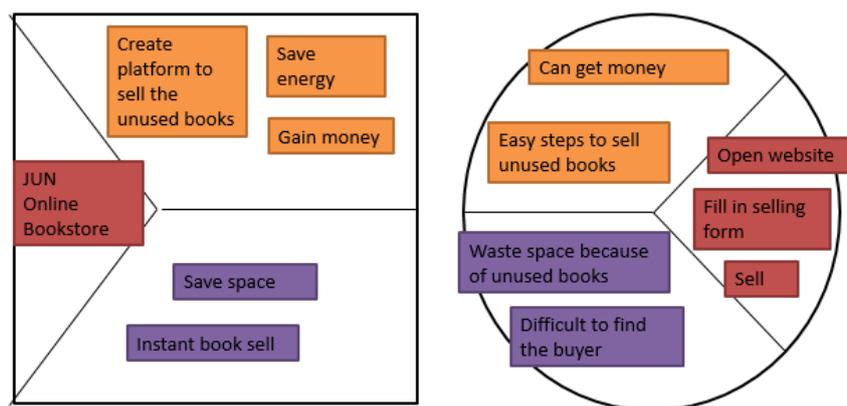


Figure 19 Enhanced VPC for Seller

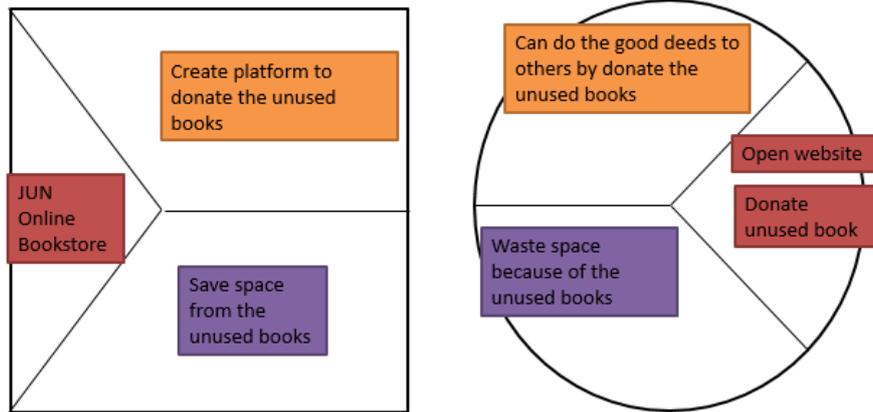


Figure 20 Enhanced VPC for Book Donator

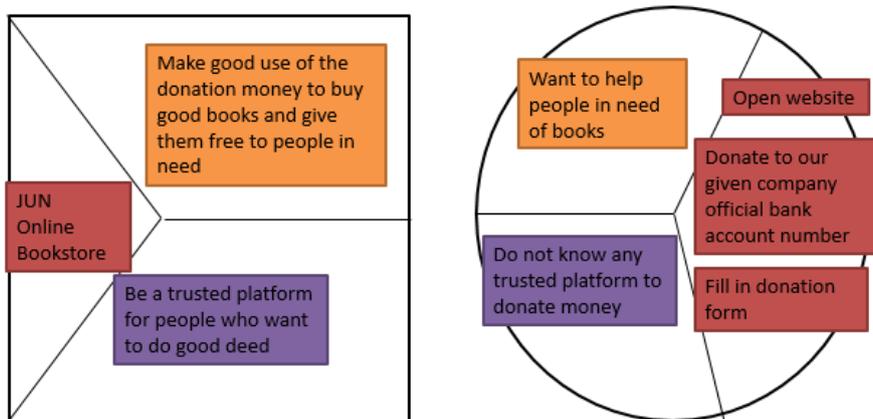


Figure 21 Enhanced VPC for Money Donator

STRATEGY CANVAS

STRATEGY CANVAS FOR e-BOOKSTORE

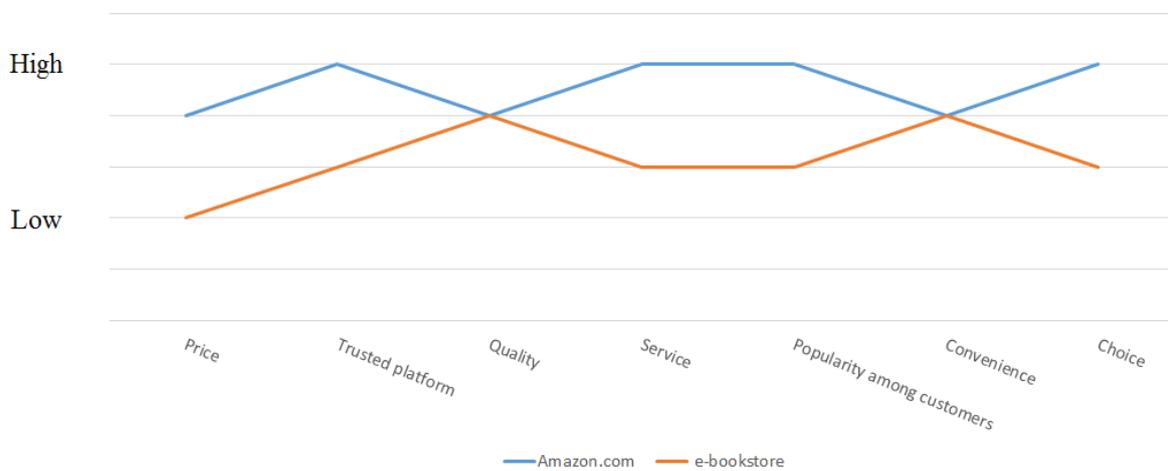


Figure 22 Strategy Canvas