



PETER COLLINGRIDGE

## DIRECT ACTION

Isn't it about time that publishers teamed up to create a new internet channel that could take on Amazon? asks Peter Collingridge

The great thing about any book fair is that it brings so many people together, and that is a fantastic starting point from which to do business. The idea of value in such a meeting is not a new one but it is something that is shared by the new media economy as well as the old.

In business speak, leveraging the long tail is all about aggregation. Come again? What that means is that if you can attract enough people to your market, you'll sell lots of different products. And, suddenly, publishers are realising the future of selling books lies in the web.

Precipitated by Google's scanning plans, the changes in the film, music, TV and advertising businesses, the growth of MySpace and YouTube, and the entropy on the high street, publishers have gone web-crazy.

This is a good thing. Publishing, as with film, music and advertising before it, has been slow to adopt the web as a serious and integrated part of its development. Publishers have left it to others to demonstrate and exploit the massive opportunities of the web, and are now in catch-up mode.

For the last 10 years, Amazon's growth and revenue has clearly demonstrated the unstoppable desire of consumers to buy products, and books in particular, online. It is debatable whether Amazon's aggressively simple, original customer acquisition strategy—to be cheaper than everyone else—has led us to the difficult, price-led state of the high street.

But the facts are clear: you can sell lots of books online. Amazon does this by being the single stop for online shoppers. By aggregating.

Publishing, and traditional bookselling, on the other hand, are in a pretty tight spot. It is hard to see how things will get any easier, but not difficult to imagine them getting worse.

I have often wondered what is stopping the industry—in the form of the most powerful houses in the UK, including a delegation from the Independent Alliance—getting together and taking on Amazon.

The creation of an "aggregating" internet channel through which to sell books—be it physical books, e-books, audiobooks, articles, print on demand or whatever—is the logical response to this current climate. Yes, it would be expensive, difficult, and require some bitter pills to be swallowed. But is it so different to what the airline industry created with Opodo in the face of the new business model brought in by Lastminute.com?

A consortium of publishers could create a channel that could add significant value to the consumer—enough to attract customers without attracting the attentions of the Competition Commission. Access to content would be the key differentiator over Amazon, as well as the ability to do new and exciting things with the content on the site—things that could not be done without the say-so of the copyright holders.

Why else would customers come? Looking back at how Amazon gained customers, the new rival could easily compete on price, range and service. Such a service could be, and would have to be, advertised and marketed successfully. Loyalty could be bought through perfect execution.

We can see from the activity at LBF that sourcing titles is not the problem facing publishers—it is getting them to market at a fair price. This idea may be radical, but radical thinking is surely what the book trade needs in order to evolve for the 21st century.

Peter Collingridge is m.d. of Apt Studio, a web consultancy specialising in publishing. He has produced the main sites for Canongate, Walker Books, and also fiftestate.co.uk for HarperCollins.

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