

# RECOMMENDATIONS FOR DEVELOPMENT OF ONLINE BOOKSTORE IN INDONESIA: A REVIEW FROM WRITER'S PERSPECTIVE

<sup>1</sup>Robertus Nugroho Perwiro Atmojo and <sup>2</sup>Anggita Dian Cahyani

<sup>1</sup>School of Information Systems, Bina Nusantara University, West Jakarta, Indonesia

<sup>2</sup>Department of Psychology, Bina Nusantara University, West Jakarta, Indonesia

Received 2014-03-10; Revised 2014-04-01; Accepted 2014-04-05

## ABSTRACT

One of the problem when buying books via online transaction in Indonesia is the lack of book preview facility. In this situation the phenomenon of “*buying a pig in a poke*” is very possible to occur. Moreover, the customer feels disappointed when the book she/he purchases is unavailable. The classical reason usually given is the book stock is not available anymore, because it is discontinued from its supplier. Nevertheless, at the time on the display window the book stock may be “*in stock*” and the customer is enabled to do the ordering and payment process. This study presents some important recommendations which are expected to help online bookstore developers in Indonesia in order to improve the quality of their services.

**Keywords:** Indonesian Online Bookstore, Online Bookstore Development, Online Bookstore Comparison, E-commerce

## 1. INTRODUCTION

Through online bookstore, any type of books can be bought easily. Just search, click and buy; all can be done online. This practice will be more beneficial for urban people because of its easy access from a distance. Farag *et al.* (2007) found that urban citizens tend to buy books online compared to those who live in suburban. Saving time is the main reason why urban people do the online purchasing more often than the suburbs. This finding leads to the understanding that not all the potential buyer has much time to do “*offline*” shopping, come to the shop by themselves, do some reviews and buy product on the spot. In other words, not all potential buyers are always able to do *in-store shopping* activity. Although based on Schultz and Block (2011), they were reported that the decision making process in product buying is highly influenced by *in-store shopping* activity. Those findings, will be a challenge for online bookstore owner to adapt all the physical bookstore facilities and

implementing them on her/his webstore. *Gramedia* is one of the several interesting example of superlative bookstores in Indonesia, provides product review facility to its customers with a trial book which can be read without any time restriction. Whenever the trial book is not available on display, the customer still can easily ask for a new sealed book to be opened as a trial book by requesting to the book clerks. Those efforts are made in order to maintain and improve the quality of service to its customers. However, the interesting case of *Gramedia's* high quality services take place on *in-store shopping* activity. The question is, how about the book review process in online bookstore in Indonesia? **Figure 1** could be described as the emersion of writer's disappointment about the unavailability of book stock within a certain online transaction time. Where at that time, the bookstore system allows the writer's to do the purchasing and payment process. Whereas, actually the book stock does not really exists in their or in their suppliers repository.

**Corresponding Author:** Robertus Nugroho Perwiro Atmojo, School of Information Systems, Bina Nusantara University, West Jakarta, Indonesia

Dari: [REDACTED]  
Kepada: [REDACTED]  
Dikirim: Selasa, 5 Maret 2013 13:41  
Judul: Konfirmasi Order #145540 untuk status pending/kosong

robertus nugroho Yth,

Terima kasih atas pesanan anda di [REDACTED]

Karena tidak ada persediaan dari supplier kami, kami tidak dapat mengirimkan buku sbb:

- Applied Multivariate Statistical Analysis (Pie)

Silahkan reply email ini untuk penggantian buku / pengembalian dana untuk judul buku yang kosong di atas.

Kami tunggu 3-5 hari kerja sejak email ini di kirimkan, jika tidak ada balasan maka kami akan masukkan dalam antrian refund.

**Fig. 1.** Email notification from the bookstore informs about the unavailability of book stock from its supplier. The email retrieved on Tuesday, 5th March 2013

And then if the email notification passages on **Fig. 1** were translated into English, that will be as follows:

“*Dear, Robertus Nugroho.*

*Thank you for your order in [bookstore name]  
In order to the unavailability of stock from our supplier,  
we cannot do the shipping process of  
the book entitled: Applied multivariate statistical  
analysis (pie).*

*Please reply this email for book replacement or money  
refund according to the unavailability of that book titled  
above.*

*We will wait for your response within 3-5 work days,  
since this email has been sent. If there is no response  
from you, then we will admit it to the refund queue. “*

The idea of this review paper, begins from writer's disappointment about online bookstore service quality in Indonesia. Which is, as a consumer in several transactions with the online bookstore. In overall, the writer's did not satisfied towards their services. A set of recommendations from literature reviews and empirical observations to the several world-class online store is expected to help online bookstore developer in Indonesia improve their customer service quality in line with current market needs.

## 2. REVIEWS

In reality, an *apple to apple* comparison between *in-store shopping* and online shopping can not be simply to obtained which the winner is. Both of them have an excellence value from their loyal consument perspectives. Could be taken as an example, almost of all physical

bookstores in Indonesia do not have an internet facility to satisfy its consumer while they need to search a book on the spot. Whereas from the transportation perspectives, Cao (2012) recommends that it is very important for all physical bookstores to provide internet facility for their customer, because it could be simplify the mobilisation process of the customer. So, it is no need for customer to go back to her/his house only to make sure the book they need to buy is suitable. Using the internet, she/he can check the expected book on the spot. Nevertheless physical bookstore has an advantage for book preview process, whereas the online bookstore doesn't.

From our experience to buy book via online transaction, there were several problems that interfere us about the purchase decision. The main problem is, our inability to do the book preview process which make us hesitate to buy or not to buy the book. In online situation, as online shopper our expectation is always having a possibility to do the communication with the sales clerk, in a real time. Nevertheless, almost of online bookstore in Indonesia are quite difficult to contact and very late to answer our question as soon as possible. Our question is, can some of the advantages possessed by the physical bookstore adapted to the online bookstore in Indonesia?

## 3. METHOD

This review paper approach refers to “*first people perspective*” which has been used by Maswera *et al.* (2009). This approach has been previously used in giving important recommendation to *e-commerce* system development in tourism industry of Sub-Saharan Africa. Research objects which were observed in this reseach are online bookstore in

Indonesia. Compared to the existing giant companies like *Barnes and Noble* or *Amazon.com*, the online bookstore in Indonesia is relatively new and, thus, potential to be the focus of current research in terms of technology and consumer research. There are two techniques used in this study: (1) Information gathered based on literature reviews and (2) Information gathered using observational method towards technology features and current customer services on several online store industries.

## 4. THE RECOMMENDATION

There are several recommendations from this study.

### 4.1. Product listing Pages Presentation

Schmutz *et al.* (2010) found that list presentation has lower user cognitive load than matrix (array) presentation. List presentation is fit to use for showing result from search box, especially for product quantity and price comparison in detail (**Fig. 2**). Previous study by Honga *et al.* (2004) supported this finding. User has a tendency to see a product hierarchically and based on Honga *et al.* (2004) list presentation do has a psychological effect which, thus, supports user to buy a product. Whereas matrix presentation is very appropriate for flash scanning product catalogues (**Fig. 3**). However, based on writer observation to the current product-listing web *e-commerce* pages, combination between list presentation and matrix presentation as used in *amazon.com* or *ebay.com* is the most appropriate. How comfortable eye movement to fixation wide of product-listing pages is depend on user, thus, will be better if apply combination of both list and matrix presentation.

User would be able to do comparison product test in detail from every angles, both vertically or horizontally.

### 4.2. Product Stock Information Transparency

The observation was resulted from five biggest online bookstores in Indonesia. In **Fig. 5 and 6** show that they do not provide information about product availability on their website. From writer's experience, online store that does not show information about product availability could trigger consumer dissatisfaction. The customer expectation is whether they get product as they wish for after clicking "*buy*" and "*pay*", based on agreed time. But in reality, most of the time, the product ordered is no longer available or discontinued. **Figure 1** is a screenshot of email notification received from online bookstore which inform that the book entitled "*Applied Multivariate Statistical Analysis (Pie)*" has been discontinued from the supplier, while payment has already been done (**Fig. 4**).

Strategy used by *amazon.com* can be applied by online bookstore in Indonesia as well. Although the information provided indirectly refers to the product availability numbers, information like "*in stock*" or "*out of stock*" (**Fig. 7**) would reduce permanent consumer disappointment risks to temporary consumer disappointment. Psychologically, "*out of stock*" information could lead to consumer disappointment, but at least it may lead the consumer still stand expecting for the same product to be "*ready stock*" soon or may lead them to consider for another product. Consumer disappointment may be caused by lack or dissonance of information, for instance "*the product is discontinued*", but on the catalog the product is still available and purchasable. That omission could lead to permanent disappointment and loss of customer loyalty (Campo *et al.*, 2004).

### 4.3. Real Time Online Support Assistancy

Previous study about consumer complaint behavior by Jaspera and Waldharta (2013) found that online consumers, complain more than the consumers which do the traditional shopping (*in-store shopping*). Some of the complaints caused by defect product, the product received is not in line with expectation, or ordered product is discontinued. Elmorshidy (2013) stated that consumer feels more confident in shopping activity when accompanied by another party. Another party might be consumer's significant others (friends, family) or salespeople. Based on Elmorshidy (2013), consumers will appreciate for suggestion and recommendation which is responsive, professional and on the spot before she/he buys a product. Web Embedded Instant Messenger (WEIM) like *Yahoo Messenger*, therefore, can be used as an effective and efficient tool from either seller and customer perspectives. Seller can show their commitment to give the best service to customer by providing real time assistance using WEIM effectively and efficiently since WEIM is inexpensive. On the other hand, customer would get information needed quickly and directly from the seller. WEIM facility is not only effective tool for customer, but also efficient since customer does not have to send and check email or give a call to seller only to ask about book availability. **Figure 8** is an example of real time support assistancy that uses WEIM facility from *Bhinneka.com*.

### 4.4. The Online Preview

To prevent "*buying a pig in a poke*" when buying a book, Online Book Preview (OBP) like *amazon.com*'s "*search inside this book*" is highly needed to be applied for every online bookstore. "*Buying a pig in a poke*" is likely to occur and could harm consumers since they

do not have powerful “veto power” (Gehrig *et al.*, 2007). Consumers tend to get an unexpected product (book) if they do not get opportunity to do product (book) content preview. Without OBP facility, review content by consumers is only possible to do when the book has been purchased and received by themselves. The probability of consumer to get an expected or unexpected content becomes 50:50.

Based on our observation, there are two types of OBP which could be adapted and developed by online bookstore developer. (1). “Search inside this book” facility (Fig. 9) and (2) “my shelf” facility from JSTOR.org (Fig. 10-12). Although amazon.com’s “search inside this book” still has limitation on its content pages previewed, it has advantage that

consumers do not have to login first to use the facility. It is certainly facilitates the consumer to do a book preview immediately. This is supported by previous study by Tilson *et al.* (1998) which found that “login first” or “sign up first” requirement before getting interaction into the system is not preferably for some consumers, because it restricts their movement. “My shelf” facility from JSTOR could be considered to be applied since the facility give an advantage for consumer to do full text content review. Consumers are given a quota amount of reading that is allowed in a certain time frame (e.g., within a month, the consumer is only allowed to review three full text content scientific journal articles). It means that this facility will not be detrimental for the publisher.

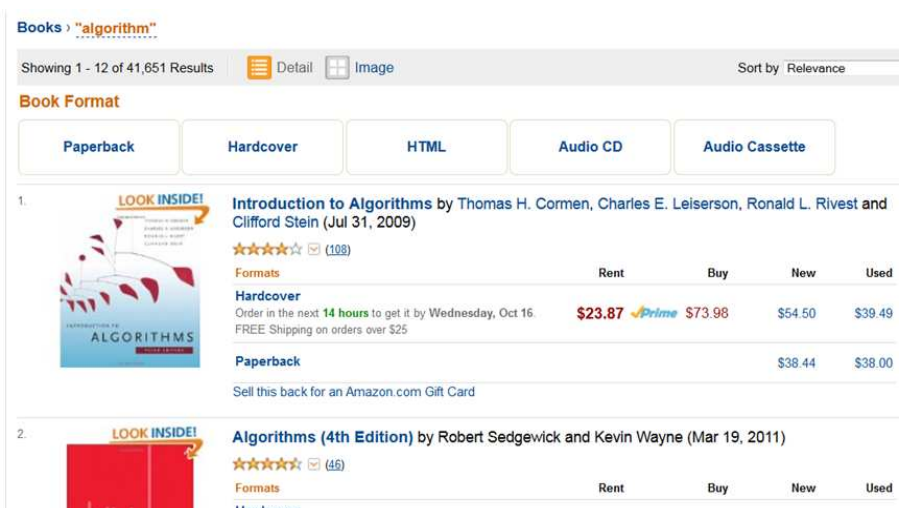


Fig. 2. List presentation of product-listing page from amazon.com



Fig. 3. Matrix presentation of product-listing page from ebay.com



Fig. 4. Information regarding the payment received from online bookstore on Friday, 1st March 2013



Fig. 5. No information about product stock availability from bukukita.com

...sangat berharga baru yang langsung mendapat julukan ...

**Always With Me**  
oleh Hyun-Gu Won  
Penerbit: Hanu

List Price : Rp-68,000  
Your Price : Rp-54,400 (20% OFF)

Penerbit : Penerbit Hanu (AG)  
Edisi : Soft Cover  
ISBN : 6027742232  
ISBN-13 : 9786027742238  
Tgl. Penerbitan : 2013-10-01  
Bahasa : Indonesia

Halaman : 0  
Ukuran : 200x135x0 mm  
Berat : 400 gram

**Sinopsis Buku:**  
...SANGAT PERCAYA PADA 'TAKDIR', DAN WANITA YANG M...

Fig. 6. No information about product stock availability from *bukabuku.com*

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Steven S. Skiena (Author)  
English (12 customer reviews)

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44 new from \$53.97 34 used from \$51.82

Fig. 7. "in stock" product information from *amazon.com*



Fig. 8. real time online support assistance using WEIM facility from *Bhinneka.com*



Fig. 9. “search inside this book” facility from *amazon.com*



Fig. 10. “my shelf” facility from *JSTOR.org* (A)

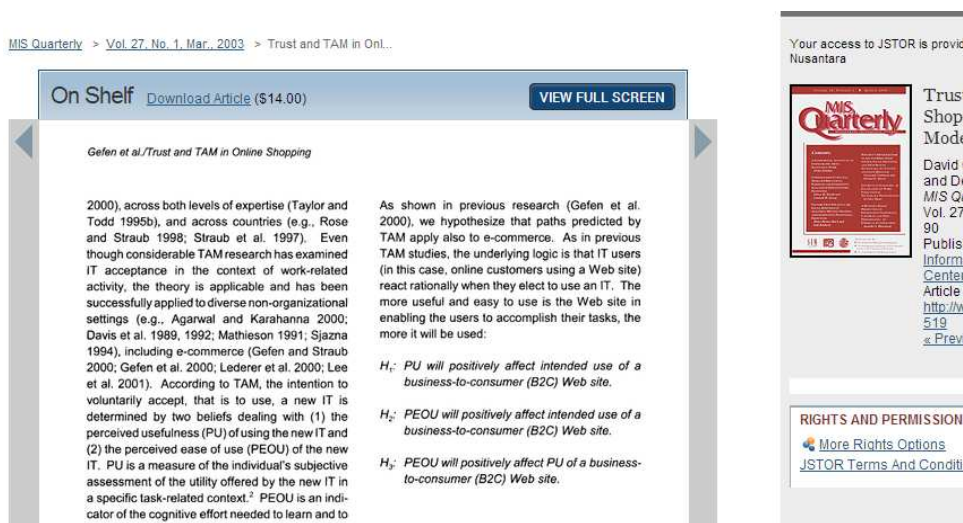


Fig. 11. “my shelf” facility from JSTOR.org (B)



Fig. 12. “my shelf” facility from JSTOR.org (C)

The online preview facility is necessarily to be applied to facilitate potential buyer doing a product review. Previous study by Park *et al.* (2007) reported that online review quality has a positive influence to

consumer purchasing intention towards product. By involving a reviewer on the review process may lead to the communication phenomena namely Word of Mouth (WOM) among the consumers.



## 5. CONCLUSION

The main purpose of this study is to trigger further study for online bookstore development in Indonesia. Based on four recommendations generated in this study, there are some suggestions for further research topics.

### 5.1. Product-Listing Page Presentation

We assume that product listing presentation that can be switched easily between horizontal position (matrix presentation) and vertical position (list presentation) will be preferable compared to product-listing pages with only horizontal or vertical position. It could be investigated through comparative study about user preferences toward product listing pages.

### 5.2. Product-Stock Information Transparency

Transparency in displaying information of product availability is very important. Consumer will get a guarantee that they will get the product they want. This recommendation could be followed up through study about the influence of product stock information transparency towards consumer purchasing intention.

### 5.3. Real Time Online Support Assistancy

In line with previous study from Elmorshidy (2013) that consumers will highly appreciate for suggestion and recommendation which are responsive, professional and “*on the spot*” before they buy a product. We assume that every online bookstore needs to provide instant messaging feature to facilitate communication between seller and buyer. Based on this recommendation, further research about how implementation of instant messaging affect consumers purchasing intention needa to be conducted.

### 5.4. The Online Preview

From several trials of buying a book via online transaction in Indonesia, we faced couple of difficulties. One of the difficulties are, we as consumer, always be in a “*buying pig in a poke*” situation which is always expecting for the good book with the good content too. Without online preview facilities, consumer potentially gets a book which is not as interesting as its cover title. Oftenly, consumers could not rely on ranking method (based on consumer review) or “*Best Seller*” label. Based on the finding, we assume that every online bookstore is required to provide online preview facility as its commitment of service excellence. This can be a foundation to conduct further research about how people’s attitude toward online preview if it is implemented on every online bookstore.

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