

COLUMNS

Amazon Books and the mythical wormhole

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By **Gary Schwartz**

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We all woke up this year to our ecommerce hero marching into Seattle and opening up a real bricks-and-mortar store. The creaking wood floors and smell of pulp is live and well. Stroll down 2623 Northeast University Village and Amazon Books dominates the open-air plaza.

Amazon's bookstore is full of comfy reading chairs. Step inside and you see a display of "Read Local" books, the first time that Amazon has had the ability to geo-profile without a privacy disclosure. After all the bookstores that Amazon has vanquished, it is now a humble tenant.

A few years ago, I wrote in my book "Fast Shopper, Slow Store" that Amazon would ultimately come down from the cloud into the mall. Well, since then shoppers have certainly become faster and incumbent stores slower.

I recall a conversation I had with the Barnes & Noble manager in New York's Grand Central while writing the manuscript. We watched commuters read books in the aisle to kill time before the train. Hardly any left with a book in hand.

"Is it sustainable supporting ostensibly an entertainment destination?" I asked.

My answer came later that year when the store shuttered to the public.

During the past decade, online pricing with competitive logistics and the burgeoning popularity of ebooks became the death knell of our largest bookstore chains, including Borders and Angus & Robertson.

Value of pulp

So why is Amazon, a retailer that rudely interrupted bookstore chain Barnes & Noble's business, now testing the waters as a physical store? One key reason is that books are still alive and well.

In the words of one of my favorite authors, Mark Twain, "The reports of my death have been greatly exaggerated."

Analysts, and yours truly, who predicted ebooks would overtake pulp by 2015 saw digital sales drop dramatically.

Ebook advocates maybe returning to print, or juggling a potpourri of digital screen, audio and pulp.

Unquestionably, cuddling up with a book and a coffee on a rainy Sunday seems the inalienable right of the global consumer.

This mixed-channel sale makes the book a value asset for any commerce broker.

Unlike music and video content, the book seems to be a traditionalist holdout. For this reason, the book could be the essential bridge from the shelf to the cloud an omnichannel sale that will reward the successful shopper keeper. Amazon is vying for this role.

The Seattle store lives in neutral commerce territory.

Amazon Books' bricks-and-mortar prices are guaranteed to match Amazon.com. This store is perhaps a playground for the company to understand the book buyer's journey outside of the online storefront and home delivery. Lessons that it perfects here could have profound implications.

Wormhole from aisle to cloud

The wormhole as space geeks know is a passage through space and time. In other words, a geo-shortcut. We are all looking for commerce wormholes to link the physical world with the online world and vice versa.

The consumer has become channel agnostic. Our marketing departments are trying to follow suit.

The role of CDO (chief digital officer) used to be relegated to online sales. Now it is a horizontal role that gives the officer oversight on the physical store and its distance commerce cousin in the cloud.

While a shopper may not purchase online, 80 percent are using online to research their offline basket. Reversely, 75 percent have used the store as the "showroom," and buying in the cloud.

We all know that in the same way that shoppers consume physical and digital books, they now buy in-store and in-cloud products.

Starting with the book allows for warmth and intimacy. Books are Amazon's gateway drug to its one-click commerce basket.

Books drive personalization and help profile the user. Our libraries reflect our interests and create an evergreen relationship with the seller.

We attribute more trust to our booksellers and their recommendations a la Goodreads than our electronic or appliance salesperson.

Books are the original omnichannel sin. Books ease the consumer into the commerce wormhole. And the retailer that commands the mythical wormhole from the store to the cloud and back owns the customer.

AMAZON'S ONE-CLICK checkout on your mobile screen, its Dash instant Wi-Fi "buy" buttons on your in-home bulk purchases and its logistics prime network to delight its customer all lead to ubiquitous path-to-purchase sales.

Will Amazon expand its footprint into the sleepy Seattle plaza to include electronics and appliances?

Will Amazon provide clienteling services for brands and finally become the showroom for its cloud?

Perhaps Amazon Books is the first foray of many in the wormhole business model.

However, as space-geek pundits caution, "Wormholes bring with them the dangers of sudden collapse, high radiation and dangerous contact with exotic matter."

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