



Noël's product management corner – MEMBER SUCCESS STORY

Indaba – Leveraging Underlying Technology to Create a New Business

When Xavier Helgesen started Better World Books three years ago he had no idea that it would be the genesis of his new successful software company, Indaba. A serial entrepreneur with a heart and a knack for turning simple needs into big businesses, Xavier saw campus books as a way to help non-profits. College students have one ongoing problem – lots of books to get rid of and a need to replace those with lots of new books. Better World Books helps non-profits raise money by running book collections and selling those books online for a profit that goes to the non-profit. The focus is on college books and the campus can pick the cause. Books that aren't sold get donated for shipment to Africa to schools in desperate need of textbooks. The company may seem like it's all about books, but it's really all about technology. Because of the business model, the only way for Better World to be successful is to distribute books in a way that creates the most value. So, that means if a book is more valuable to send to Africa than to sell online, they will do that. But if the money raised by selling a book is the greatest value, then they will do that instead. Determining the best value for the book and being completely and totally efficient about it is the genesis of the technology that is today Indaba.

With Better World Books, Xavier and the team saw that what they really needed to be able to do was to be available in every marketplace on the web. Doing that is no easy task, requiring integration of data across many marketplaces. There was really no company addressing that need. So, they built the functionality they needed. The Indaba platform allows sellers to list once and sell everywhere. The same item can be for sale on multiple marketplaces and when someone orders the item, it is cancelled from all sites.

Better World Books is still around, but

Indaba has licensed the software and extended the platform to other markets and customers. It turns out that what works for books works for other similar customers. What Indaba found is that large inventory sellers that require large volume sales and efficiencies are a great target for the platform. For example, customer Goodwill of Minnesota has pallets and pallets of inventory. With Indaba, they simply scan their barcodes and let the platform take over. Indaba is connected to all the big marketplaces including Amazon and eBay and has a host of shipping and other online partners. With features like automated price reductions based on competitive pricing scenarios and the ability to set minimums, Indaba basically takes all the work out of selling on the Internet. Target customers include big media companies, liquidators and other high quality high volume sellers.

So how are they doing? They have about 20 customers and because their business model is based on a percentage of sales they are successful when their clients

are successful – a win-win for all involved. The Indaba technology has made Better World Books better than ever – the company is a top eBay and Amazon seller. Because the Indaba product stemmed from a real business need, they were able to refine it and tweak it based on an actual customer, building something that now can be leveraged across multiple customers with similar pain points. The company's focus in online selling and marketplaces has made them experts in the field with expert technology. Visit www.goindaba.com to see for yourself.

Noël Adams is President of Phase Forward (www.phaseforward.net). Phase Forward is a product management and product marketing firm in San Francisco that executes projects along the product lifecycle from new product research and market analysis to writing product requirements to outbound product marketing and product launch. Phase Forward team members also deliver seminars and coaching on a variety of new product topics.

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