Modern Models and Superior Strategies: Cases from the Cutting Edge of E-Business

Richard E. Potter
Guest Editor

Electronic business has grown beyond its e-commerce roots of marketing and traditional transaction support into a deep and diverse venue for enriching customer relations, collaborating with business partners, facilitating intrabusiness exchange, and enabling electronic government, to name but a few manifestations. We have seen that the deployment of enabling e-business technologies can be evolutionary and tactical, with a cautious and measured strategic aim of improving internal efficiency, for example. But other technologies have been deployed quite differently, fueling the rapid emergence of revolutionary and competing new business models that were not possible before.

There has been a period of experimentation and refinement since the rise of the World Wide Web which is by no means over. New technologies are continually emerging and new business models and strategies that leverage those technologies follow very shortly thereafter. Our goal for this special issue of the International Journal of E-Business Research is to take stock at this point in e-business history. We present a collection of articles that illustrate the dramatic range of new e-business models and strategies, and the technologies that support them.

Our first article, by Yurov, Yurova, and Potter, approaches the topic with an emphasis on traditional strategy theory. The authors draw on established strategy frameworks to classify the strategies of a healthcare technology firm, detail the changes in the strategies over a period of years, and explain how the strategies have helped the firm achieve sustained revenue growth and profitability.

Our second article, by Gallaugher, expands our perspective by synthesizing and leveraging two additional strategic frameworks applied to e-business and the Internet: (1) the concept of strategic positioning and (2) the resource-based view of the firm. Several examples of the applied framework are demonstrated, based on a series of case studies, with information drawn both from secondary sources as well as over 60 field visits with senior managers at technology firms in Seattle, Silicon Valley, and Tokyo conducted from 2005-2006.

The third article, by Papagiannidis and Berry, shifts toward an emphasis on the development and competition among e-business models. The article provides some lessons learned from the emergence of new music industry business models and assesses how these might inform the rapidly developing online video and television marketplace. The practical effects of technological changes and their accompanying business models are illustrated through a series of case studies, and alternative frameworks for music and video content online are proposed.

The fourth article, by Kuivalainen, Ellonen, and Sainio, shifts our perspective from macro to
micro, with a detailed case study of the evolution of e-business strategy of a single firm. The authors provide a holistic exploration of the motives, strategic stances, and success factors of a magazine Web site. They describe and analyze the development of the Web site and subsequent changes in the e-business model of the magazine from the foundation of the Web site in 1998 to the situation in fall 2004 using triangulated data (interviews, observation, statistical data, customer feedback, newspaper articles).

The final two articles place greater emphasis on the advancement and application of facilitative e-business platforms. The first of these, by Kollmann and Häsel, offers a case study of the development and deployment of a B2C reverse auction platform for service and handcraft ordering. The electronic business model and the competitive strategy are analyzed, providing evidence that the intermediation of handcraft and service orders are suitable to form the basis of an e-marketplace. The authors also conclude that for such ventures, a combination of public relations, performance marketing, and cooperation represents an ideal strategy to increase the number of demanders and suppliers.

Our final article, by Gasmelseid, reports on the development and use of a modern e-contract platform. The author presents a multi-agent system approach used to integrate the process of contract formulation between a national telecommunications company and its potential contractors, providing them a common platform to express their individual objectives, develop appropriate variations, and then negotiate to reach a mutually acceptable solution. The article also presents this and earlier frameworks which can be used for implementing an Internet-based e-contracting process using multiagent technology.

Richard E. Potter is associate professor and interim head of the Department of Information and Decision Sciences in the College of Business Administration, University of Illinois at Chicago. Trained at the University of Arizona, Dr. Potter's research and teaching interests span management and information technology, with foci on electronic team support and management, executive IT management, technology & strategy, medical informatics, and organizational culture and development.