Preface

What is the difference between a business model and revenue model? E-Business Strategies, Inc. (2008) indicated that a Business Model is the umbrella term used to describe the method–position in the value chain, customer selection, products, pricing–of doing business. A Revenue Model lays-out the process by which a company actually makes money by specifying how it is going to charge for the services provided. The business model lays out the strategy–what should be done or how to create value? The revenue model spells out the execution–how to convert the value creation into cash-flow.

As Michael Rappa (2008) indicated, business models are perhaps the most discussed and least understood aspect of the Web; a business model is the method of doing business by which a company can sustain itself, that is, generate revenue. The business model spells out how a company makes money by specifying where it is positioned in the value chain (Porter, 1985).

Why new business models? Often the innovation rests not in the technology or product, but in the business model itself. The old principles no longer work in the new economy. Businesses have reached the old model’s limits with respect to complexity and speed. Great shifts–genuine and radical transformation–have been shaping the economy and business environment in recent decades. Technology, especially information and communication technology, has radically altered the requirements for building and managing a successful business. Disruptive technologies require new business models.

The progress of Information Technology and the network tendency brings the commercial opportunity of industry of globalisation; this includes the enterprise to the enterprise, as well as the enterprise to individual, and moreover, includes satisfying of personalization demand. In the future 10 to 20 years, the enterprise with individual productive forces and the height of working efficiency will be decided by whether or not they can utilize the emerging technology and the auxiliary manpower. Given by the technology, the more convenient communication tool lets the people reduce the barrier of time difference, shortens life and the work custom difference between each other, and therefore will have more potential of the emerging commercial opportunity of industry.

The core value of next generation innovation industry will lie in satisfying the explicit and tacit demand from each person in different times and different life conditions. The industry must properly utilize emerging technology, and the right technology and wireless creativity content to provide individuals and the industry a simple start and fast use. Therefore, an appropriate fusion between the infrastructure of industry innovation and the business process will promote frequency and effectiveness. Developing each industry is necessary to have to be able to cover end-to-end process, and must be able to utilize the same principle at heart by clearly understanding industry object and demand, and thinking complete process and operation mechanism. The key successful factors of next generation innovation industries are: credible content, effective communication, and congenial experience.
Under the tendency of globalisation, technologicalization, and virtualization, the commercial opportunity for industrial business model innovation is extremely lucrative. Four great traits of the innovation industry are: professional, intimate, immediate and touching. If enterprises can provides these values at right time and right place, the customer's greatest needs, it is the successful key factor. Moreover, the ability to suitably utilize the web technology will pour into the new vigour for the innovation industries. Advanced countries gradually took the innovation industry as the core of their industrial structure, and observed global population structure change as well as the life condition transformation, developing the cross-regional innovation life support gradually to clarify situations of using the service. How well the industry grasps the new turning point of the innovation and urges the service content to trend to fine, high value-added and internationalisation development is actually the current, important topic. Therefore, under the life condition and the environmental variation, the study discusses the business model innovation, and might provide reference for innovative thought and developmental visions.

Google paved the way of a succession of “Peer production”, they carried on the business model innovation, and their performance and profits are striking. Google obviously positively utilized the ICT tool to carry on the business model innovation of new generation web application, which has become the only way of industrial innovation for raising competitiveness.

Web 2.0 is the newest global network development; global hardware has quite high strength in the international market, but the question is how to unify the hardware superiority and coordination between the global software talent. Meanwhile, integrating hardware industry, existing network industry, as well as the newly created Web information service with resources integration, leveraging industry economy synergy is the key point which the future will develop. In the future, any organizations could become the best environment of empirical network innovation service in global area, developing so-called opening spirit of Web 2.0, recruiting more international talents, and, with some creativity, unifying global superiority of information hardware industry. All this will create positive, cooperative circulation among cross-industry. Finally, it will become concurrently “IT base” of both the “software and hardware” of the world.

There is a whole aspect of Web 2.0 that can drive genuine business value and significant competitive advantage in online software that encourages social collaboration, two-way use of the Web, services that are open and repurposable, Web-based applications, and more. But can we build and grow a real business with these ideas? To these concerns, the book points out that this is only one end of a spectrum. To illustrate this argument, the book has collected real-world Web 2.0 business success stories that demonstrate this point.

Although Web 2.0 is known as take the network as a platform, but O'Reilly actually thought this concept should not limit to moves on the homepage, but is extends the homepage activity to all kinds of installment, therefore, O'Reilly has also stressed, the Web 2.0 keys do not lie in it how newly, but lie in whether it has developed the true potential of network platform.

The book is aimed to explore how for-profit and non-profit organizations create and implement a platform of new business model; it is for making related industry join Business 2.0 platform to quickly response to global trend and large opportunity for emerging new business model.

Moreover, it is able to promote more commercial opportunities for other industries such as airline, traffic, transportation, hotel, restaurant and ICT industries etc. to form economic scale and even output to the world via this business 2.0 platform. In addition, it also can be used to facilitate commercial opportunities for high-tech industries, SMEs, Non-profit Organizations (such as education and cultural industry).

In brief, the importance of each of the chapter submissions is described as follows:
1. Enterprise 2.0 is an evolutionary step forward releasing employees from the constraints and limitations of the legacy communication and productivity tools. If people feel like they can make a difference, they will. The Enterprise 2.0 approach promotes open communications that encourage respect and participation, even across geographic and cultural boundaries. Access to knowledge empowers and motivates people to strive towards common goals together. Enterprise 2.0 addresses ‘knowledge silos’ by enabling a common space for knowledge capture and sharing. Enterprise 2.0 still suffers from a couple of myths coming from the “2.0” label. But, far from being a hype word applying Web 2.0 concepts to professional organisations, it refers to a tangible reality.

2. Management 2.0 is a management paradigm, based on the employee occupying the focal spot. Thus, the management 2.0 is a challenge, by definition, as management is defined serving organizations’ needs. 2.0 Managers have to balance between these two polar aspects of organization and individual. The suggested framework includes specific techniques for handling the challenge, and these were emphasized in the chapter. In addition, supporting technologies were suggested, easing the 2.0 manager as s/he handles the management 2.0 challenge. The new “management 2.0” is employee-centric, yet retains responsibility of the manager for the employee, for the work and for external relations. To summarize all in one sentence, one might say: Management 2.0 has to do with transforming from a boss into a leader.

3. This chapter adopted the DEA to measure the operational efficiency of 57 international tourist hotels in Taiwan. By comparing relative efficiency, the benchmarking hotels and an individual hotel’s competitiveness can be identified. Further analysis of the critical success factors contributing to hotels having good performance help managers understand the factors determining the good operational performance. In this chapter, the linkage between performance measurement and critical success factors were illustrated by Taiwanese international tourist hotels. It was expected that this thesis would provide useful information for future related research as well as identifying hotel management needs.

4. Knowledge is high-value resource that is integrated to apply for making organizational decisions and taking productive actions. It includes data, information, ideas, experience, insights and awareness. It is the combination of information or what we know or the state of knowing in-depth. The critical success factors for KM in a service organisation can be broadly classified as into four divisions- People, Processes, Technology & Sustainable development. Various principles, techniques, obstacles, strategies have been used for implementing KM. The case of KYC explains the effective knowledge use for development. This chapter highlights the implementation of KM in education providing KM strategies for organization change for effective implementation and achievement of organizational objectives.

5. By exploring the role that SMEs play in the e-supply chain management through a case study, this chapter contributes to a better understanding of the crucial issues in SME’s adoption and implementation of e-SCM system and processes, and to effective strategy development to deal with the challenges. In spite of the contribution and significance stemming from this study, limitations need to be acknowledged in terms of being a single case study and relying largely on the information provided by the senior managers and the company. In view of the limitations, this study treated the data as illustrative rather than definitive. The author wishes to see more rigorous empirical studies on how to help SMEs, specifically and in practice, take on e-SCM to benefit their business in the literature.
6. This chapter indicated certain norms in business ethics and the values they reflect can help reduce the agency problem, thus ethical values such as trust, loyalty, honesty, consistency, and openness have all been emphasized. The idea of ethic climate is thus proposed when the above ethical values are treated as a part of the organizational culture. The chapter tries to use the concept and means of corporate governance under ethic climate to build a new business model.

7. This chapter combines Web 2.0 to English writing courses, and it may be a good method for the future writing course, particularly for college writing course. Because most writing course is two to four hours a week in Taiwan, the teacher can use the class blog to motivate students to write the article. In addition, from learning other classmates’ writing, students can write better according to read more articles. Students also can imitate other classmates’ writing to improve their own writing skills. In developing cooperative partnerships with cultural enterprises, governments must bear a heavy burden of responsibility for pressing forward systematization of their commercial operations. In this regard, they must bring together and organize their various administrative agencies in an effort to assure the effectiveness of cultural enterprise operations.

8. This chapter examines the case firm: Liuli Gongfang due to an integrated innovation model in the cultural innovation industry, explore how it grew from a small workshop into one of the world’s leading glassware makers. Development of Liuli Gongfang: through sheer perseverance and constant willingness to learn, the Liuli Gongfang gradually found its feet. The company had played a leading role in the development of modern Chinese glassware making, and had succeeded in developing its own distinctive brand image.

9. This chapter indicates donors have always gathered in various communities, but today there are more and more people thinking about co-funding, funder collaborative and other ways that they can leverage their giving through interacting with other donors. In addition, as NPOs move from fundraising (philanthropy 1.0) to friend raising (philanthropy 2.0), they are recognizing the power of building a Web 2.0 community of supporters and donors are beginning to see the value of this community as well. Nonprofits and charities have a strong opportunity to engage in meaningful conversations (that may lead to contributions) with the social media savvy – especially those who are uncultivated. This indicates a growing market for distribution of information via social networks. Trust in social media is significant among social media savvy would-be donors. They trust social networks and blogs to provide important information. Social media use is also very high with users participating in social networks, participating in blogs, participating in message boards. Social Networking: It’s about relationships and trust.

10. This chapter has introduced a novel approach to modelling that is based on a view of computation and programming that is significantly broader than conventional views. Empirical Modelling (EM) is a new and radically different approach to complex systems design and business modelling. The primary focus of EM is on the comprehension and on the use of computer-based interactive situation models (ISMs) that represent the way in which the aspects of systems behaviour are constructed in terms of agencies, observables and dependencies. On this EM view, computer-based models of business processes can be built in a way similar to that in which human beings make conceptual models of such processes. Author can then specialise and circumscribe our models to derive software systems. In this way EM can offer both cognitive and operational support to BPR from the very early, conceptual stages of modelling.

11. Several applications of this approach in the design of business models, viz., product planning, product design, marketing-mix, portfolio-selection, capital budgeting, resource allocation, etc. are
possible when such systems are modeled in MCDM format. When probability theory can handle imprecision due to randomness, fuzzy logic is an alternative to tackle problems with imprecision due to fuzziness. Business models for profit and non-profit sectors due to their socio-economic contexts can never be stated precisely and for that reason precise computational tools have limitations in handling them. However, some of these can be nicely captured and sorted out when the problems are viewed in a soft computing framework which can not only give a valid and reliable result but also with a meaning in socio-economic perspective. This empowers FGP with the ability for designing as well as solving complex business situations for meaningful decisions.

12. Electronic banking has a good soil to grow in both in Germany and Finland. Though differences can be found in many aspects through a detailed scanning of statistics, both countries are well off to prepare themselves for the electronic banking business. This analysis of the chapter on banking history should confirm the idea that the banking industry had prepared itself for the Internet era over decades. Innovations such as bank giro transfers and the SWIFT network paved the banks’ way to the Internet world. However, much remains still to be done for example in the field of international harmonization, for example before we can really talk about a Single European Payment Area.

13. Drawing on the findings, this chapter however advises that management of organisations should formulate strategies to develop positive attitudes for portal use to accelerate its diffusion among employee community. Such strategies should take into consideration of the possible effect of employees’ age and educational characteristics. E-commerce researchers should further examine ways to improve the attitudes of employees for portal use by addressing the requirements unique to various employee groups who may vary based on their age and academic orientations. This study even contributes to theory construction by developing an empirical foundation based on which operationalisation and analysis of employee attitudes towards B2E portal can be further extended.

14. The correlation between music downloading methods and the Internet self-efficacy is somewhat a different story. Three skills (factors) of the Internet self-efficacy were found statistically to be correlated to three methods of music downloading, thus upholding the second hypothesis regarding the Internet self-efficacy. The three skills were “video functions,” “photo albums”, and “video sharing.” However, the three correlations, two positive and one negative, were all low, meaning while the correlations were statistically significant, their relationships were all weak. Since the P2P file sharing has a lot to do with the use of the instant messenger, the identification of the instant messenger skill in this case is justifiable and understandable. The existence of the correlation between the video sharing and the method of using Web forums to download and/or share music files does make sense. The skill of the file sharing is a necessary, though not a sufficient, skill to do the video sharing on the Web. Therefore, a person who is equipped with the skill of the video sharing online, he/she definitely will be able to carry out file sharing activities. Web privacy is the only variable that was found to carry a negative correlation with methods of downloading music. The negative sign between Web privacy and music downloading methods in theory may be interpreted as follows: The more concern a Web user has toward the privacy, the less likely he/she will be involved in the music downloading activities, whether they use the special downloading software or the Web forums to do the downloading.

15. This chapter presents a signal which is loud and clear. That signal is that the Internet self-efficacy instrument needs periodically update because self-efficacy is after all a context, and/or domain-specific, and because the Internet usage applications evolve so rapidly, so drastically, and so fundamentally. As such, it may be a good idea to revise the instrument once every few years. In
addition, mobile technology including 3G and 3.5G is gaining a lot attention lately. It may explain why the development of a mobile computer self-efficacy scale is not a surprise at all and may be a new trend for future research as well.

In summary, the book may be the first book for introducing the whole aspects of business model 2.0 and for implementing new business models in for-profit organizations (Especially is in high-tech industries, SMEs, service industries and ICT industries), **non-profit organizations (Especially is in education and cultural innovation industry)**, it will contribute scholarly value and potential contribution for practitioners. In addition, the book will focus on the implement of Web 2.0 and new business models in information science, technology and management fields. Definitely, it will make some contributions in these literatures.

The target audiences for this book are such as PhD and master students, scholars, managers, researchers, et cetera. The availability of such literature will aid this target audience to combine the theories and practices of business model 2.0. The potential uses for this book is that this book will be utilized by library reference, upper-level course supplement (such as Ph.D. and master courses), resource for instructors (academics and enterprises), research units, etc.

The potential benefits readers will gain from this book and benefits to enhance available literature are the book proposes to integrate the resources of innovative technology applications and innovative service to accelerate the growth of highly value-added Web-based industry. The platform will continuously play a critical role to drive global businesses to actively involve in business model innovation: technologies and applications with demonstrative, commonality, or integrative features with technological endowments. Such diversified development of novel operation model should stimulate new business opportunity for the industry. Successfully help companies from a variety of industries to develop new operating models and establish benchmarking for other companies to follow. Promote companies to invest self-raised funding and staffs in not only advanced technologies and applications but also management innovation. In addition, successfully plot the roadmap of global novel organizations in for-profit and non-profit. Other major contributions of the book include: collaboration innovation of Web 2.0 and innovation service models.

In summary, the book will explore business model, business model on the web, Web 2.0 business models, the technologies and applications of Web 2.0 and how these various business models can create real business value with Web 2.0 through building a platform of Business 2.0 to accelerate the growth of highly value-added industries whether they are for-profit or non-profit organizations.

*Te Fu Chen*

*Lunghwa University of Science and Technology, Taiwan*