Companies invest in e-business and its supporting technology for their e-business initiatives. E-business applications such as supply chain management and customer relationship management improve transaction efficiency and scope economies, as well as promote new product and service offerings and close customer relationships. However, it is difficult for companies to capture these benefits as economic value or profits. Many companies launching e-businesses have not been successful at creating economic value. A survey done by AMR Research Inc. (2001) showed that companies would increase their e-business spending even during an economic downturn. However, the return on these investments has been mixed at best.

According to DMR Consulting Group Inc. (2002), 62% of companies that have implemented customer relationship management (CRM) products are not getting much benefit from their investments, which can run into millions of dollars. To justify continued expenditures, it may be necessary for IT managers to move beyond simply demonstrating the benefits of technology and objectively demonstrate the increase in economic value these technologies can produce. To create value from e-business, companies may have to develop appropriate strategies or unique value propositions to complement their e-business investments. This book presents a group of studies that yield significant new insights into the creation of e-business value.

The first chapter, by Madeja and Schoder, investigates empirically the impact of CRM on corporate success in e-commerce at the firm level. The authors find that a skill-set based on accumulating and exploiting customer knowledge for e-commerce is a critical success factor in e-commerce. This is especially true for B2C and small companies. The study is based on 469 companies in the German-speaking area of Europe, specifically Germany, Austria, and Switzerland.
Gurau’s chapter analyzes the implementation process of a customer relationship management (CRM) system in online retailing and the challenges of transforming a product-focused business into a customer-centric organization. The author argues that the implementation of CRM systems in online organizations determines a complex restructuring of the organizational elements and processes to adapt to new customer-centric procedures.

The chapter by Evans presents Customer Relationship Operational Systems Integrated Technologies (CROSIT) and Customer Process Reference (CPR) models to assist e-businesses in articulating eCRM through a combination of system, application, and process activities. According to the author, the CROSIT model provides a five-layered approach to integrate technologies, resources, strategy, and manageability of an eCRM system. The CPR model is an extension of CROSIT, which is used to gauge the readiness of the eCRM system, including its applications, interrelated processes and sub-systems, and their integration into the e-business environment.

Kim, Im, and Kang’s chapter introduces the concept of electronic supply chain design (eSCD) and develops a model that shows the effects of eSCD on the customization capability of companies. The model identifies three major effects of eSCD—electronic linkage effect, supply chain coordination effect, and co-engineering effect. The authors empirically test the model using data collected from the automobile industry in Korea.

The chapter by McIvor and Humphreys examines the strategic implications of B2B commerce for the buyer-supplier interface. The authors identify a number of areas where Internet technologies can make a contribution to the creation of competitive advantage. They argue that closed-network problems and the nature of buyer-supplier relations present major impediments to companies achieving the full strategic potential of Internet technologies at the buyer-supplier interface.

Analyzing the relationship between purchasing strategies and e-procurement solutions in handling different steps in the purchasing processes, Rehme, Kindström, and Brege propose a model based on purchasing strategies that identify appropriate e-procurement solutions to be considered for different types of purchased items. They argue that the model can be used to evaluate purchasing initiatives from both academic and practical perspectives.

Recognizing that minority-owned firms are excellent trading partners that offer competitive prices and high-quality products and services, Young examines how large corporations use their public websites to communicate with small, minority-owned, and women-owned businesses. Based on findings from a large-scale study of publicly available corporate websites, the author identifies common practices for Web-based supplier diversity efforts and proposes a framework for using the Web to initiate minority supplier contacts.
Lan and Yen’s chapter investigates the impacts of the digital transition process in Alaska by systematically examining Internet usage in the state. The authors find that Alaska is very committed to taking advantage of digital opportunities and that the transition to digital technologies is at various stages of implementation throughout the state. This research can help policy makers and enterprises within Alaska to realize the potential of the current digital revolution and enterprises outside Alaska to target this market more effectively.

Based on the practical experience gained from numerous e-commerce consulting projects in Europe and the United States, Butscher, Luby, and Hofer provide an overview of strategic success factors for sustainable and profitable businesses with online content. The authors explore the practical implications of the strategic success factors they identify through a case study of a business selling music online. This leads them to a set of concrete action guidelines to be considered when starting a content-selling business on the Internet.

The chapter by Glandon and Haynes uses a modified form of the theory of planned behavior to examine the impact of past online purchasing behavior on intentions to purchase online in the future. The authors find that in addition to the theory’s original constructs such as attitude, subjective norm, and perceived behavioral control, past purchasing behavior is directly related to intentions to shop online in the future. Their results indicate that the challenge to Web vendors is to entice potential customers to try online shopping, since they quickly gain control and confidence from the experience.

Dillon and Reif’s chapter examines empirically how consumers’ perception of purchases influences their Internet buying practices. Building upon existing knowledge of pre-Internet buying motivations, the authors identify 16 factors. These can be divided into four general categories: product perception, shopping experience, customer service, and consumer risk. The authors argue that successful e-businesses and e-commerce system developers must understand and acknowledge that consumers’ perceptions about the marketplace in general, and about each vendor’s website in particular, affect consumers’ decisions to buy.

The chapter by Rupp and Smith examines strategic aspects of e-commerce that have a direct bearing on the complexities of the e-banking/e-lending industry. They argue that management must understand these complexities in order to leverage the power of the Internet and achieve sustainable competitive advantage. The authors use diffusion theory to help understand the practitioner’s viewpoint of the many changes within the e-banking/e-lending industry.

Ghahramani’s chapter proposes an Internet-based systems development and modernization model (SDMM) that can be used to develop new systems, to modernize legacy systems, and to increase the net present worth of current systems. The model uses online modules to develop products that are fully
capable of bridging the design to the system development lifecycle phases. It is a structured approach through which system designers and developers can interact with users before the system is designed.

The chapter by Sotiriades and Economou introduces the premises, the implementation, and performance evaluation of a tele-working platform that was put into operation in the Public Bureaus of Thessaly’s rural county in Hellas. According to the authors, this platform complies with various telecommunications service providers’ specifications and is built on a distributed computing basis.