Chapter IX

Using E- and M-Business Components in Business: Approaches, Cases, and Rules of Thumb

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Abstract

This chapter discusses using e- and m-business components in supporting and enhancing existing businesses and in creating new business innovations. A framework illustrating two different approaches companies have to adoption of e- and m-business components is proposed. Three cases of how Finnish companies have, in an innovative way, used e- and m-business components to support, enhance, and launch businesses are presented. Based on the illustrative framework and the cases, some rules of thumb for using e- and m-business components in business are proposed. The aim of
Introduction

It is quite clear that electronic (e) and mobile (m) commerce are here to stay and that they give established companies a set of new alternatives to conduct their businesses and opportunities for starting new companies. In general, we can characterise e- and m-commerce as the different ways of supporting and conducting business over the Internet (e) and/or with mobile devices (m). Examples of e-commerce can be a store operating exclusively on the World Wide Web (e.g., Amazon.com) or a company offering only very limited services through the Internet (e.g., e-mail-based reservations). m-commerce can be understood in equally diverse ways, indeed there may be a number of different definitions for e- and m-commerce which are all correct. Due to the possibility of very diverse views in understanding what e-commerce and m-commerce are, in this chapter, we refer to the application of e- and m-commerce techniques to business as using e- and m-business components.

There are, and have been, many misperceptions as to what e- and m-commerce are, about what they are not, and especially about how and how much they generate value. These misperceptions have led to a number of spectacular failures, such as those of the online grocer Webvan and the Internet clothing retailer Boo.com, which for their part have made many managers feel suspicion toward applying e- and m-business components in their companies.

The aim of this chapter is to support managers in understanding what kind of e- and m-business components would possibly suit their companies. A key issue in assessing the suitability of e- and m-business components for a company is understanding the orientation that the company has in its approach to e- and m-business components (i.e., is the company a technology- or a business-orientated e- and m-business component adopter?). Observing the different orientations of approaches of different companies to adopting e- and m-business components helps managers to better understand the orientation of their own company and may significantly reduce the risk of misinterpreting the e- and m-business component investment needs of the organisation.

It cannot be argued that e- or m-commerce would be almighty forces that guarantee success. Indeed, if such statements are made, they are undoubtedly wrong. However, there are a number of positive experiences from successfully using e- and m-business components to enhance and to revitalise existing businesses, such as the British grocer Tesco, whose online endeavour Tesco.com