ABSTRACT

Internet has made a spectacular impact on all organizations, creating completely new challenges on one hand and on the other offering entirely new conveniences. Through the establishment of digital networks, a considerably faster and less expensive way is created to exchange information with others. Moreover, spatiotemporal borders disappear. Hence, entirely new business models are being developed and companies are discovering completely new strategies to gain competitive advantage in this information age. Traditional economies defined by regions and countries have shifted to more globally oriented markets. As the convergence of information, communication, and technology (ICT) becomes imperative, global collaboration will drive modern management, making it indispensable to understand the critical success factors (CSFs) of doing it the e-way. Through in-depth observation and desk analysis, the paper aims to identify and understand the critical success factors vital for the success of eBusiness in these networked economies.

Keywords: CSFs, eBusiness, Globalization, ICT, Management, Networks, Strategies, Success

INTRODUCTION

The internet has dramatically impacted every kind of organization. It forms completely new challenges on one hand but on the other hand it offers entirely new facilities. Through the establishment of digital networks, a considerably faster and less expensive way is created to change information with others. Additionally, spatiotemporal borders disappear (Pörner, 2002). Totally new business models are being developed and companies have discovered completely new strategies to gain competitive advantage in this information age. Traditional economies defined by regions and countries have shifted to more globally oriented markets.

The discipline of supply chain management has progressed from inventory, warehouse, and transportation management to strategic management both in the boardrooms of global enterprises and in the offices of SMEs. The new eBusiness environment enables global collaboration through networks for conducting world-wide supply chain operations. Supply chain and material management are seen as the arteries of a nation’s economy, and their metrics are used to evaluate the level of modernization and economic power of a nation.

As the convergence of information, communication, and technology becomes imperative and global collaboration drives modern management, it becomes important to understand...
the critical success factors (CSFs) of doing it the e-way. The advancements in society and technology leading to convergence of information, communication and technology coupled with accelerations in globalization, competitive environments, and changing customer’s preferences have created new challenges as well as opportunities for leveraging the computers. Yet there is a need to identify and understand the critical success factors underlying the success of eBusiness and that is the core objective of this paper.

**GENERAL PERSPECTIVE OF THE ECOMMERCE AND EBUSINESS**

According to Turban et al. (2005, p.4) eCommerce is the realization of all business activities realized via computer networks. eBusiness in contrast does not only include the buying and selling process but everything else like e.g. the customer service, the corporation with suppliers and every internal process of the organization handled via an established digital network. Dell was the first company that was using the direct-marketing business model to sell such an expensive good like a PC directly to its customers without the intermediation of a reseller (Turban et al., 2005, pp. 2–3). The term “eBusiness” has a very broad application. It can describe companies operating in the ICT producing sectors as well as new emerging sectors and industries such as in the area of digital content. However, at a more fundamental level, the term eBusiness also describes the application of information and communication technologies to business processes in all sectors of the economy to reduce costs, to improve customer value and to find new markets for products and services. It is in this sense the term is interpreted this chapter.

The paper is intended to form the basis of a new eBusiness strategy aimed at encouraging and assisting businesses, across all sectors of the economy, to use ICTs in a way that will maximize their competitive advantage. Effective use of ICTs by enterprises is a key element in building competitiveness and for this understanding the critical success factors in eBusiness is crucial. Today eBusiness has emerged as a mainstream way to facilitate business transactions around the world. The definition of eBusiness is broad, and encompasses eCommerce and all means by which people transact with one another over the internet.

**eBusiness is Different**

All eBusiness is potentially worldwide in scope. There are no national or territorial boundaries on the internet. The jurisdictional exposure to uncertain and possibly conflicting laws is great. The ease of access to eBusiness businesses through the internet coupled with their 24x7 availability presents a strong likelihood that customers from around the world will visit sites. This global exposure and related legal risks associated with the absence of territorial boundaries as well as business hour limitations need to be kept in mind. eBusiness websites are private property. They may be thought of as a piece of virtual real estate in cyberspace. Because they are positioned in cyberspace there is an implied invitation to visit them. They are intended to be visited. Visitation is encouraged further by advertising. This is one reason why websites need to implement applicable Terms of Use so that customers and visitors are on notice as to the house rules applicable to the websites, their content, services and use. Website Terms of Use have become the principal legal strategy for managing the legal risks associated with eBusiness or virtual business websites. Another major characteristic of eCommerce business applications is to recognize their dependence on information technology. The risks of computer errors, hackers, and computer viruses, denial of service attacks, power outages, computer malfunctions and unplanned downtime need to be appreciated. Security, reliability and scalability are thus very important to eCommerce businesses and promise to become increasingly
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