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
this chapter is to offer managers helpful insights for planning e- and m-business component investments.

**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