Chapter 6.18
Resource-Based Interdependencies in Value Networks for Mobile E-Services

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ABSTRACT

The advent of new electronic platforms, such as fixed and mobile Internet, is forcing firms from a range of industries to come together in so-called value networks for the provision of innovative e-services. Firms from different industries have widely varying resources. Our analysis is aimed at specific types of interdependencies, relating the actors’ own and others’ resource contributions to the value creation involved in bringing the service about. To better understand these interdependencies, we draw on theories about firm resources and interorganizational relations. We analyze the importance and relevance of different resources in a number of case studies of mobile information and entertainment services in terms of the actors’ resources and contributions to value in the provision of such mobile services. In the cross-case comparison, we contrast the power structures in the different value networks and identify similarities and differences in terms of the types of industrial players that assume positions of greater or lesser importance. We conclude with a discussion of the implications for value network research.
INTRODUCTION

The advent and adoption of new electronic platforms, such as fixed and mobile Internet, provides a basis for so-called e-services. E-services have been defined as “any asset that is made available via the Internet to drive new revenue streams or create new efficiencies” (Piccinelli et al., 2001, p. 100). The rapid evolution of these services has left many issues unresolved. The problems of interest to us include uncertainty with respect to the complex networks that are involved in delivering these services. In environments of increasing electronic interaction, the value chain concept, where materials are moved sequentially down a supply chain, has been replaced by the value network, a dynamic network of partnerships and information flows (Bovel & Martha, 2000), changing as customer preferences change. This phenomenon also is taking place in the telecommunications industry (Fi & Whalley, 2002; Maitland et al., 2002; Sabat, 2002). We aim to understand the interdependencies among actors involved in delivering mobile services in general, and mobile information and entertainment services and location based services in particular, in terms of their contribution to value creation. To this end, we adopt a resource-based perspective.

We consider a number of innovative cases of mobile information and entertainment services. Such services involve the delivery of information and entertainment content to a mobile user. Since these services typically require collaboration of a range of actors across different sectors, our analysis encompasses the entire value network of firms involved in making the service available. Whilst research on value networks for mobile services could be approached from several angles, including network formation, strategic management, and so forth, here, we focus on resources and interdependencies. We investigate the actual constellation of actors; what are their resources, how are they interdependent, and what do they contribute to the value network?

The chapter is structured as follows. We begin with a brief review of relevant literature to provide a basis for our analysis of several mobile information and entertainment services. In particular, we examine the interdependencies among actors in the value networks and how their contribution to value creation determines their strategic position within the network. These tools are then used to analyze each of the five case studies of specific services. In the cross-case analysis, we collate and discuss the findings from the cases. We conclude with implications of our research for the literature on value networks and point to further areas of research.

THEORETICAL CONTEXT

A fundamental aspect of a value network is that it accomplishes the directed utilization of resources in the provision of a product or service. In the following subsections, we derive a basis for our analysis of interdependencies in mobile information and entertainment services. The aim is to arrive at an analytical tool that can be used to understand the interdependencies among actors involved in delivering such services in terms of their contribution to value creation. This will provide important insights into the configuration and dynamics of actors in value networks.

We begin with a definition of resources, and, given the context of value networks, we include a discussion of the resource-based view and its links to strategic alliances. Next, we look at interactions among organizations in interorganizational relations and, more specifically, value networks for the provision of mobile services. Finally, we consider different classes of interdependencies, focusing on the strategic position of firms within the value network and not within the market. We will argue that the configuration of actors is based on their resource-based contribution to value. We conclude this section with a summary of the