
Editorial: achieving competitive advantage in e-business

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The purpose of this IJEB special issue is to provide researchers and practitioners with a better understanding of how to achieve competitive advantage in today's e-business environment. Despite the dot.com crash of 2000, companies still invest in information technology (IT) and e-business applications such as CRM, SCM, and B2B to pursue their e-business initiatives. Companies hope to generate economic value from these e-business investments, but the return on these investments is mixed at best. The reason for this is that simply throwing money into e-business initiatives does not create economic value. For example, companies do not get much benefit from their CRM deployments without also having a customer-centric strategy. To achieve competitive advantage in e-business, companies may have to develop strategies or unique value propositions to complement their e-business investments. The papers published in this special issue examine the question of how to achieve competitive advantage in e-business from various perspectives. The initial call for papers attracted 24 submissions, with five being selected following a rigorous review process. We have tried to ensure that the selections present a truly international flavour to the various research viewpoints. The guest editor is pleased to present contributions from Wade et al., Shin, Brown et al., Hamilton and Selen, and finally Yoon and Leem.

Michael Wade, David Johnston, and Ron McClean: exploring the net impact of internet business solution adoption on SME performance

The authors explore the post-adoption effect of internet business solutions (IBS) on business value creation, as measured by firm revenues, direct and indirect costs, and investment satisfaction for a sample of 254 small- and medium-sized enterprises (SME). In addition, they test how well the much-discussed Revolutionary and Evolutionary views of e-business strategy fit the data. The results of their study show that business value can be significantly enhanced by the adoption of Internet business solutions. Furthermore, benefits are not mutually exclusive to either view – the surveyed organisations experienced post-IBS adoption benefits by pursuing both strategies concurrently.

Namchul Shin: an empirical investigation of the economic payoffs of e-business and CRM innovations

While the question of the benefits of e-business initiatives has been an issue in both the academic and business worlds, there has been little empirical research on the value created from such initiatives. Using *Information Week's* annual data set of innovative IT users, the author empirically examines the contribution of e-business initiatives to firm performance, measured by gross margin, revenue per employee, ROA, and ROE.

The measure of e-business initiatives is constructed by combining e-business and CRM innovations. Data are analysed for the full sample and for both the manufacturing and service industry sectors for the 2 years of 1999 and 2000. The results show that e-business and CRM innovations contribute to firm performance significantly. The results indicate that when firms deploy e-business technologies and practices early and creatively, namely when their e-business initiatives are innovative, they can generate significant economic returns.

Ann Brown, Dan Remenyi, and Adeolu Bajomo: electronic banking for SMEs: a case study of Fortis bank UK

This paper focuses on the UK banking industry's current approach to meeting the banking needs of SMEs. It investigates questions raised by the industry's assumption that internet banking will replace PC based banking as the preferred electronic channel between banks and their SME clients in the future. The case study reports on the 2-year project at Fortis UK to develop and sell an Internet business banking service to its SME clients. Based on this analysis, the authors found that SME response has been unexpectedly negative. They explore the reasons for this and propose a model of the factors that affect the adoption of internet banking by SMEs.

John Hamilton and Willem Selen: strategic positioning for real-estate management in Australia: implementing e-business for competitive advantage

Many initiatives that create additional value in real estate transactions derive from effective web presence and virtual searching facilities. Recent research takes a strategic view, viewing the internet as an enabling technology that enables new business strategies, business model development and business infrastructure by allowing companies to tailor their deployment of internet technology to particular strategies. The authors describe such deployment from a strategic positioning perspective and via a competitive positioning matrix. The authors consider various dimensions of interacting with customers, and the flexibility/complexity and innovation of the website environment/infrastructure that supports and complements the real estate interaction. They derive a preferred competitive positioning model, along with a preferred expansion path. This e-business model for a regional real estate organisation in Australia demonstrates how the competitive positioning model may be deployed as the driver for building competitive advantage.

Chui Young Yoon and Choon Seong Leem: development of an evaluation system of personal e-business competency and maturity levels

The authors develop an Evaluation System of Personal e-Business Competency (ESPEC) to evaluate individual e-business competency and maturity levels in the e-business environment. ESPEC measures the requirements of e-business knowledge, skills, and mindset with evaluation indices of personal e-business maturity. The indices are customised to four types of business departments – strategy planning, development/maintenance, business applications, and consulting/education – and three levels of business positions: top manager, middle manager, and worker. The authors also define a maturity model of personal e-business competency for interpretation of the evaluation results. The evaluation model was verified for validity and reliability by a factor analysis and a reliability analysis was performed through a pilot test. The system was applied to an assessment of actual human resources, 124 workers in an enterprise, to

testify its practical value through a series of questionnaires, written tests and application tests.

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