

eBusiness: The Opportunities

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Most people in the industry agree, eBusiness is the future; it is redefining commerce, transforming industries and eliminating the constraints of time and distance. Although it is becoming clear the opportunities from eBusiness are infinite, relatively few companies have incorporated it into their strategy and even less into their operations. However, the vast potential rewards cannot be ignored: the number of Internet users is expected to reach 100 million by the year 2000, while projected figures indicate revenues from business to business and selling to consumer Internet use will hit \$66 billion and \$7 billion respectively at around the same time. So how can your company become an eBusiness? This article will highlight the areas eBusiness can maximise opportunities.

Transforming your business

So how do you start transforming your business into an eBusiness? It is important early on in the process to realise eBusiness is more than just technology, it affects how a company views its strategy and operations. Most businesses have started the process of transformation by investing in email, a web presence, and intranets. These will form the foundation for your eBusiness strategy and create a basis from which to establish improved business-to-business and business-to-consumer relationships, the keys to eBusiness.

Re-examine your business model and ask yourself who or what your company should be in the Internet age, and what your focus should be. It is a good idea to form an eBusiness team which pulls in expertise from both business and IT: eBusiness should be business driven rather than an IT initiative. This team can then work to clearly identify core business processes, analyse the real and potential opportunities eBusiness offers, and plan how to integrate eBusiness into your existing business systems.

Incorporating Internet technology into your core business processes enables new levels of relationships to be established with customers, distributors, suppliers and partners. The main areas eBusiness can maximise business value are: customer relationships, supply chain management and e-commerce. By using Internet technology, these three business-critical processes can be transformed into a single, streamlined system.

Customer relationships

Customers are usually the basis of any business and are therefore critical to its success, so it follows that improving customer service is the best way to build customer loyalty. eBusiness can

help you to achieve this in a variety of ways. First, you can give your customers access to the information they need from your business by integrating information from your back office systems onto your website and giving them secure access. In this way, you are not only managing your relationship with the customer, but they are effectively managing their relationship with you and therefore creating a more streamlined, customer 'self-service'.

eBusiness also enables sophisticated customer profiling and personalised targeting through integration with data warehousing systems. Customers' purchasing habits can be collected, analysed and used to increase revenues by targeting them with products and services linked to their past purchasing profiles. This cross-selling technique can be a very powerful revenue-raising tool.

Supply chain management

eBusiness can improve the supply chain, or perhaps with the advent of the web, we should call this the 'supply web'. A combination of eBusiness concepts and Net technology can be used to set up two-way communications with suppliers, distributors and partners using extranets, web servers and groupware. This gives all the parties involved access to the information each group needs to streamline the supply chain.

Enhancing the supply chain through eBusiness has numerous benefits: not only does it reduce operating costs through more efficient inventory management; it also improves customer satisfaction through improved stock control and customer profiling. In addition, overall productivity is increased by maintaining better data integrity from streamlined and faster communications.

E-commerce

E-commerce enables businesses to offer products and services over the web, reducing the importance of issues such as physical distance, and allowing 24-hours a day sales. Any business can now achieve a global presence.

E-commerce includes the following processes:

- electronic presentation of products and services
- online ordering and invoicing
- automated customer accounts
- online payments and transactions

In addition, e-commerce can be further enabled by eBusiness technology. The electronic presentation of products can be through a database-driven online catalogue that is integrated with the back-office functions of stock control and warehousing. Customers are therefore provided with accurate, up-to-date information while browsing your products, as you maintain adequate stock control via communication with suppliers.

Online ordering can be securely integrated with an order entry system. By accepting credit card payments and utilising online clearance through a payment service provider with whom you have established a partnership, electronic payments are greatly streamlined. Other benefits are obvious: online selling considerably reduces overheads associated with paper-based processes as well as giving the customer a faster, more responsive service.

eBusiness and its application form a vast subject. Having developed far beyond a mere means of communication, it now points the way forward for all businesses eager to develop their marketing channels and capture new customers. With it you can build lasting relationships, increase revenues and ensure that your company has the competitive edge in the new millennium. Isn't eBusiness the opportunity you can't afford to miss?

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