E-business revolution

We are facing an e-Business revolution but what is actually going to happen?

What does it mean for:
- consumers?
- businesses and companies?
- TPO’s?
E-business definitions

E-business is commercial activity conducted over electronic networks, often over the Internet, which lead to the purchase or sale of goods or services

EITO

E-business is a business model and strategy

HM&V Research Ltd

E-business is the name for the integration of strategies, processes and technologies in an enterprise

GartnerGroup
Internet penetration in Europe, 11/99

Source: Nua, Jupiter Communications

~ 30%
Finland
Sweden
Norway
Denmark

~ 12-18%
UK
Holland/Benelux
Germany
Switzerland

< 8%
France
Austria
Spain
Italy

Source: Nua, Jupiter Communications
Mobile phone penetration in Europe, 11/99

Source: Telecom Handel, ITU, Sonera

~ 60-65%
- Finland
- Sweden
- Norway

~ 40-45%
- Italy
- Denmark

~ 30-35%
- Portugal
- Switzerland
- Austria

~ 22-25%
- UK

~ 18-22%
- France
- Holland
- Spain
- Belgium
- Germany
Change of business environment

New technologies and infrastructures

New economy - new business logics and value creation mechanisms

New partnership between private sector and government

Global business environment

Liberalism

Technology

Politically controlled business areas

National states controlled system

Hierachic businesses and business logics

Traditional technologies and infrastructures
Changing role of innovation system

- New technologies and infrastructures
- Business development
- Politically controlled business areas
- Liberalism
- Trade promotion (TPO’s)
- Traditional technologies and infrastructures

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Change of business environment

From export business to operating in global business environment

Product life cycle

Emerging

Mature

Export business

Global business

Home market

Global market

Market coverage

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We are constantly moving on ….

\[ e \rightarrow E \rightarrow M \]

e = electronic, dotcom, pure Internet-play
E = Enterprise and Entire Business
M = Mobile-sensitive, Multiple, Media-Independent Channels

New Economy merges with Old Economy; atoms and location merge with bits and globality
M-business builds on and is part of E-business

M - business

- Expanded customer needs in new market spaces
- PostPC-terminals
- Wireless and Multichannel Access
- Portals
- Applications, Content, Service Experiences
- market places
- standards, protocols
- telephones, remote controls, personal smart terminals

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Remarkable remarks ….

• The foundation of competition and value creation in new economy is not in the efficiency on information utilization, speed, decision making nor any other of the popular management techniques. It is the innovation of business design enabled by the Internet.

  Tapscott 1999

• To transform a firm into an agile E-business without destroying the existing businesses, it needs an E-business strategy before making remarkable investments into E-commerce and service.

  Slywotzky 1999
This is also true:

**Globalization** is no more about winning new markets, as before, but about building unique value propositions. A firm must be best in some area and this is based on intangible capital such as capability, brand or network. New economy allows specialization. A global firm gets the best resources in the world.

HM&V Research

*The Winner Takes All!*
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Market coverage
Messages for the TPO’s

* our clients’ businesses are becoming more complex
* they don’t have anymore that much time
* exports / imports are loosing their relative importance
* trade promotion, tomorrow, is a too limited definition
* TPO’s have to change themselves and promote the change of their clients
  - focus on the business development / consulting
  - undertake pilot-experiments
  - associate themselves with other business development service providers (VC’s, technology agencies, R&D-community
* TPO’s need also an E-strategy, not just e-commerce