

Creating Value from IT and e-Business

# *Editorial Preface*

## *Twentieth Issue*

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**Thompson S.H. Teo**

National University of Singapore

Organizations have been leveraging information technology (IT) to enhance business competitiveness since the era of strategic information systems in the 1980s. With the advent of the Internet browser in 1993, there is increasing use of the Internet for business-to-business and business-to-consumer activities. However, this increase slowed down significantly when the dot.com bubble burst in April 2000. While Internet start-ups with no clear business model for generating profits have largely disappeared, traditional organizations are leveraging Internet technology to streamline business operations and enhance business competitiveness.

A special report entitled "The e-biz surprise" by Business Week (2003) provides some evidence of the wide ranging impact and value of e-business. Further anecdotal evidence of e-business value can be found in e-Commerce pioneers, such as Dell, Yahoo! and E\*Trade. Although business activities seek to generate revenues from IT and e-business investments, research shows that financial and economic measures alone do not adequately capture the value from such investments (Tiwana and Ramesh, 1999). Similarly, the productivity paradox of IT also indicates that evidence of payoff from IT investments is often mixed (Brynjolffson, 1993; Brynjolffson and Hitt, 1996; Santos and Sussman, 2000) and often depends on how firms view the role of IT in their business operations (Teo, Wong and Chia, 2000).

However, future expectations pertaining to positive impacts of IT and e-business on competitive advantage often serve as key motivations for firms to use technology to enhance their competitive advantage in areas such as marketing and sales, information access and distribution, research and development, and customer and product support services. It is important to realize that technology by itself is only an enabler. Technology resources must be complemented by sound business practices which would include complementary business and human resources.

In this special issue, we have three research articles, an expert opinion as well as a book review. The three research articles were selected from thirteen submissions to the special issue. The first article by Doolin, McQueen and Watton examines Internet strategies for established retailers using case studies of four New Zealand retailing firms. The authors propose a framework for categorizing Internet strategies as well as examine factors that influence the adoption of Internet retailing. The results should be of interest to both researchers and practitioners in better understanding various Internet retailing strategies.

The second article by Hanke and Teo examines the globalization of e-commerce at United Airlines. The authors examine the challenges faced by United Airlines as well as the lessons learned from her experiences. These lessons should provide insights for researchers and

practitioners on the challenges in globalizing e-commerce as well as some ways to deal with them.

The third article by Versendaal and Brinkkemper uses a case study of Komatsu America Corporation to illustrate the benefits and success factors of buyer-owned electronic trading exchanges. The authors also propose an Improvement framework (I-frame) derived from existing literature that could be used by researchers and practitioners to assess the benefits and success factors of the procurement function.

The expert interview by Ranganathan with the Chief Information Officer of the City of Chicago illustrates the planning, execution and evaluation of e-business projects. The interview provides some insights as to how technology is used to make the services of the City of Chicago more efficient and accessible to citizens.

The book review by Lee-Partridge on wireless technology provides some interesting insights on how wireless technology can change the way we live, work and play. It also provides some examples on how firms are leveraging wireless technology to create value for customers.

Collectively, this special issue demonstrates the wide ranging impact and value of IT and e-business. In addition, it also provide some evidence of the ability of the Internet to transform businesses by providing more options to firms to streamline business operations, extend global reach and forge close linkages with business partners and customers.

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**Thompson S.H. Teo** is a Global Associate Editor for JITCA. He is an Associate Professor and Information Systems Area Coordinator in the Department of Decision Sciences, School of Business at the National University of Singapore. His research interests include the strategic uses of IT, e-commerce, adoption and diffusion of IT, and strategic IT management and planning. He has published more than 70 articles in international refereed journals such as *Communications of the ACM*, *Database*, *Decision Sciences*, *Decision Support Systems*, *Information and Management*, *International Journal of Electronic Commerce*, and *Journal of Management Information Systems*.