

Mastering e-Business

Answers to Selected
Questions & Exercises

2010 Version

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Introduction

This set of *Answers to Selected Questions & Exercises* goes with the following book:

Title: Mastering e-Business,
Author: Paul Grefen,
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The elaborations of questions and exercises provided in the sequel are provided by the author of the book. Although they fit the book, they are not the *only possible* elaborations – they are provided as high-quality examples to show the right way of thinking towards finding solutions.

Chapter 1

Question 1

What are the major differences between POSH and TTU from an e-business point of view? Formulate your answer both in terms of their current business operations and their business innovation characteristics. Take both the individual companies and the markets in which they operate into account. Make assumptions where necessary.

Major differences between POSH and TTU are (non-exhaustively):

- POSH is an established business organization, whereas TTU is a new business organization. This implies that POSH has to deal with more of an 'as-is' situation, whereas TTU can design its operation much more from scratch.
- Given its business model, TTU is completely dependent on its e-business sales channels, whereas for POSH, e-business is an addition to its existing sales channels.
- TTU delivers services in a digital way, whereas POSH delivers physical products. Consequently, POSH is dependent on physical transport services, whereas TTU isn't.
- POSH is in the office supplies market, where TTU is in the digital communications market. In the latter, one can expect much more true innovations. Hence, the latter will require more innovation capacity from players in the market.
- TTU is much more dependent on advanced information technology, e.g. for supporting video conferences, than POSH.
- The internal organization of TTU is much more organized by using information technology (as it is spread over the globe) than the more traditional organization of POSH.

Question 3

Try and make an 'educated prediction' of the further growth of the size of the Internet (in terms of number of Internet hosts), beyond the graph shown in Figure 1. Are there parameters or factors constraining the future size of the Internet? Note that there are not only 'traditional computers' connected to the Internet, but also other devices (both in the business world and in the personal world).

It is not so easy to make precise predictions of the future growth of the Internet. According to figures from the Internet Systems Consortium, the number of Internet hosts on January 1st, 2009, was larger than 625 million. Very probably, this number will grow substantially in future because:

- More people will connect their personal computing devices to the Internet (think for example of third world countries where this is not yet common practice).