
Business-to-Business on the Internet
ITM's e-Business Philosophy



White Paper
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Business Challenge

An overwhelming majority of organizations rely on the internet to provide information access, publish content, communicate (email and faxes) with customers, vendors, strategic partners, and to transact basic business. In these applications, the internet provides an invaluable forum for low-cost, secure, and fast information access and content publishing.

While many organizations rely on the internet to drive awareness, most realize that extending internal systems and integrating external systems to business supply chain members is the key to staying competitive in today's market. Standard methods of business communications such as phone, fax, email, and overnight mail are outdated, costly, inefficient, lack security features and require a huge time investment. Business-to-business (B2B) solutions simplify information processing and data management, allow people to seamlessly communicate through a ubiquitous network, improve data quality and customers relations, and accelerate products to market more efficiently and effectively while maximizing the productivity of employees, vendors, and customers.

Research by IBM and the McKenna Group indicates that e-Business return on investment dramatically increases when there is a "creation of more automated and integrated business processes." The evolution of business on the web has gone from getting your information on the web (TCP/IP, HTML, & SSL) to integrating the web with business systems (JAVA & XML) to transforms the way you conduct business (web services). By shifting traditional business processes to the web, organizations can integrate and extend information and processes to cross-platform and scalable solutions that deliver exponential cost savings and productivity gains via its ability to securely interact with all participants in the business supply chain.

By connecting information, people, and processes across traditional business boundaries, organizations can sharpen their focus and accelerate new products and services to market. In order to stay competitive and achieve success organizations need real business solutions capable of driving real benefits.

Overview

e-Business allows people to seamless communicate through a ubiquitous network (internet) that transcends organizational and business boundaries. By improving existing business processes through e-Business solutions, organizations use the internet to connect information and people across traditional boundaries.

The following three components are critical to the successful e-Business:

- Network (internet)
- Content (information and data)
- Collaboration

Web portals open up the network to provide people with enhanced access to information and data. Collaboration, either in real time or asynchronous models, fosters effective and efficient communication around the data and business processes.

The Internet provides ubiquitous connectivity so that anyone can participate in a business process if authorized and connected to the Internet. It breaks down the business and organizational boundaries that exist between geographically separate people, internal and external systems, and business transactions. This network provides for secure content access and collaboration.

Information and data are the content that drive business processes and relationships. The internet allows organizations to extend this content into the business processes for all members of a supply chain.

Collaboration allows people to exchange information within a given business process or transaction. By shifting cumbersome communication activities to a ubiquitous network, people and associated processes are more efficient.

The combination of the network, content, and collaboration provides a foundation for successful e-Business solutions that help organizations sharpen their focus and accelerate new products and services to market.

Terms

For purposes of this white paper the following distinctions are helpful:

Access capabilities enable individuals to access the internet, send and receive email, and transfer files (FTP).

Publishing capabilities enable consumer and others to access published content and view files, securely if necessary.

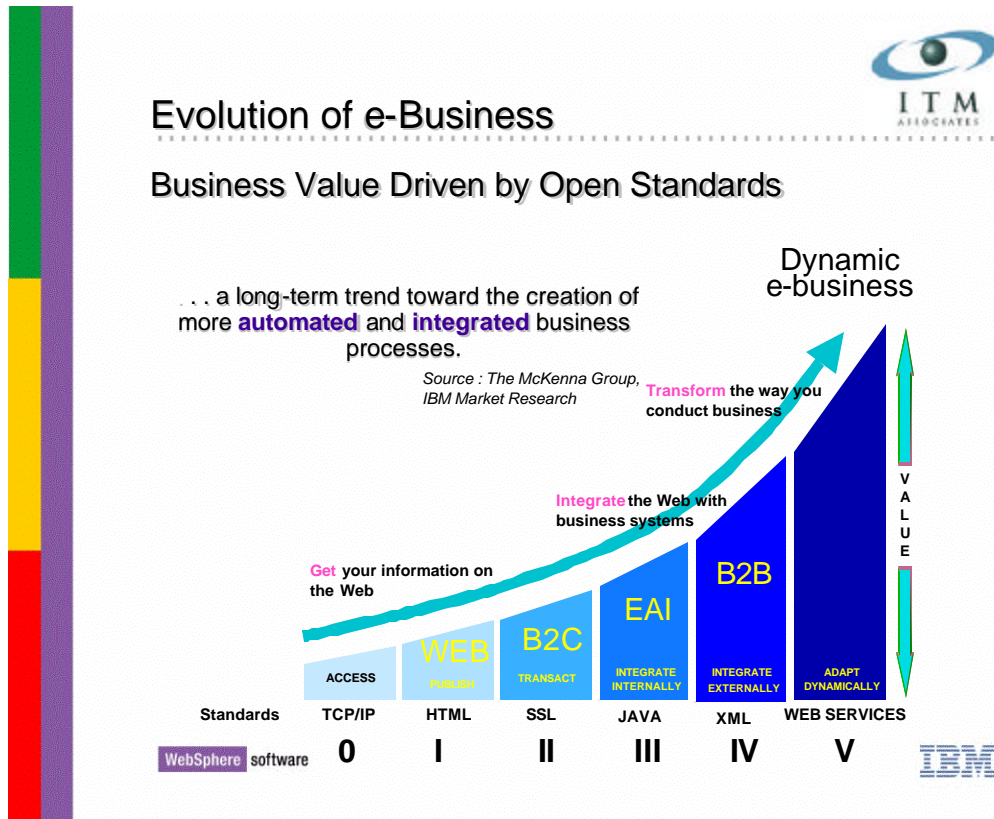
e-Commerce capabilities enable customers to securely execute business transactions over the Internet. e-Commerce typically refers to transactions where customers purchase products and/or download content.

e-Business capabilities facilitate and enhance a company's core business functions including integration with internal and external systems, on-line dynamic content delivery, collaborative information exchanges, real-time communications, and integrated workflow and data interchange.

e-Business delivers the foundation for an organization to realize significant return on investment and cost savings along with productivity gains. e-Commerce applications typically provide alternative means to sell and deliver products to customers. e-Business solutions typically include e-Commerce components.

The Evolution of e-Business

The e-Business adoption curve isn't linear, there's a break between the ability to conduct online transactions and to extend and integrate both internally and externally. The security chasm occurs because of increased need for security as the customer begins conducting their transactions over the web. The business chasm occurs when organizations are ready to begin integrating with their value net partners (supply chain members and key partners). Unfortunately, it's at this business break point where companies can begin to realize greater value from their e-business.



Each state of e-business adoption represents a particular set of business goals:

0 & I are about market reach

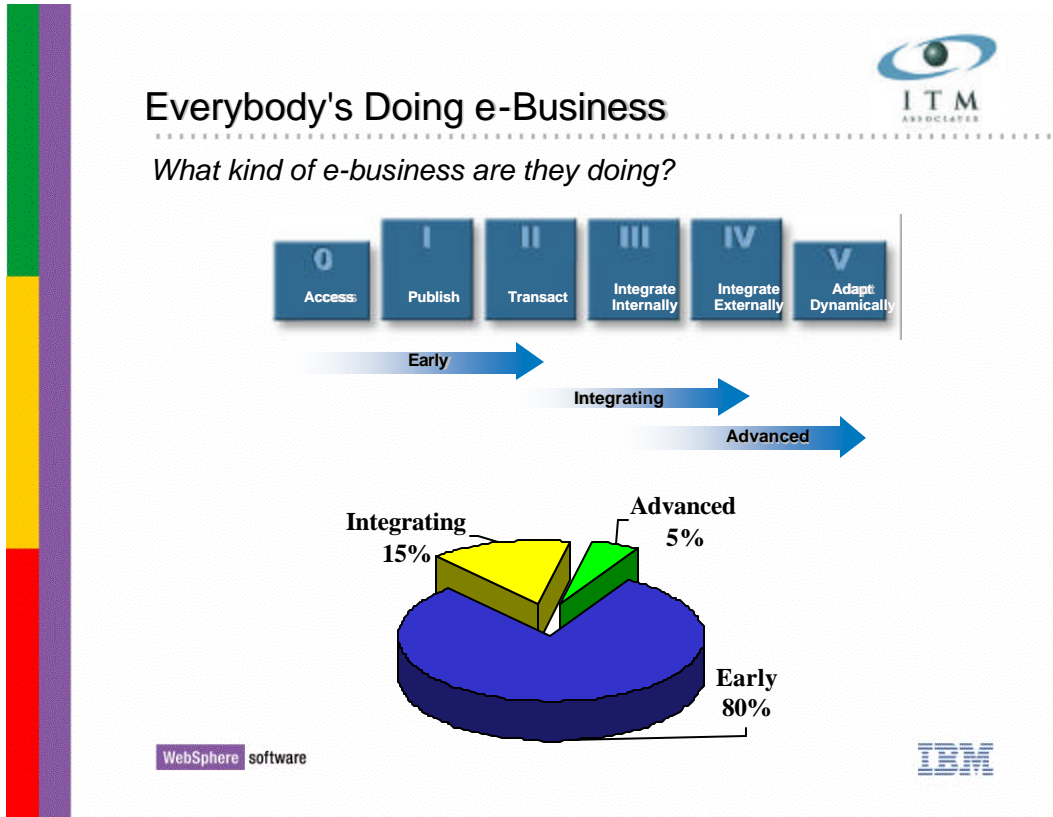
II & III are about efficiency and customer satisfaction

IV & V are about becoming an adaptive and dynamic e-business

Now that we understand the e-Business implementation curve; let's see where organizations are in their adoption of e-business.

Who is Doing e-Business

In terms of adoption and implementation functions - 80% of e-business functions are customer facing (McKenna Group 2001 2Q).



There is significantly less focus on decreasing costs and improving efficiencies in stages 0, I, & II, while stages III, IV, & V provide dramatically higher returns on investment.

e-Business solutions are capable of eliminating unnecessary time delays while providing increased employee productivity, process efficiency, and improved quality of product. Solutions like these increase your bottom-line profitability, lead to market innovation, and maintain a competitive advantage in your industry.

ITM's e-Business Philosophy

ITM's experience confirms that dynamic e-Business delivers a tangible return on investment. Business customers must see value in an organization's web offering or portal in order to return to and use a web site. As part of an overall web-portal strategy including collaboration, backend system integration, real-time communication, and data interchange, organizations can create a valuable, business oriented web experience for all target audiences.

Your organization will reap the most direct rewards when site visitors can initiate transactions that trigger internal and external workflows and collaboration to improve quality of service and accelerate business processes and responsiveness.

Any e-Business initiative should be consistent with management's goals in terms of the following:

- (a) Desired image projection, branding, market penetration, and public relations;
- (b) Improved operational efficiency; and

- (c) Desired e-Business support for target groups (e.g., information collaboration, systems integration, automated workflows, data exchange, etc.).

By connecting information, people, and processes across traditional business boundaries, organizations can sharpen their focus and accelerate new products and services to market. e-Business solutions from ITM provide the bridge allowing organizations to reap the benefits of connecting information, people, and processes.

While ITM has the requisite skills to provide the “look and feel” of a web site, its expertise is not with web site publishing (a commodity supplied by numerous graphic and web design firms). Rather ITM’s expertise and experience lies within extending the functional and architectural aspects of the solution and business processes to ensure operational efficiency, system scalability, and content maintainability. Where appropriate, ITM works together with graphic design firms to define the look and feel of a website (logos, colors, graphical objects).

ITM’s expertise and experience is in creating e-Business oriented web portals that meet the following criteria:

Internal Integration. Integration of orders, electronic forms, feedback, and on-line document delivery with workflow to internal ERP, fulfillment, CRS, and other backend systems increase employee productivity and customer satisfaction.

External Integration. Using workflow to integrating MSDS sheets, procurement systems, and supply chain members into extended internal systems increase vendor participation and satisfaction.

Dynamic Content. User login allows the site to display content and to make system functionality available to each target audience.

Minimal Training. User adoption is the single greatest challenge with any e-Business initiative. By using connecting the right people with the right information at the right to improve their business processes improves user acceptance.

Ease of Maintenance. Automated maintenance routines minimize the need for additional human resources and technical support personnel to maintain and support the web site.

Web Site Analysis. Analysis processes to track and measure website traffic and visitor activity (e.g., traffic by days and hours, number of individual page visits, average visit duration, etc.) allows the site to be constantly upgraded and modified to meet changing customer needs.

Front-end design. Graphical front ends, changing content, latest industry news, and other standard web features provide an easy to use and friendly environment for visitors. Standard font sizes and types, optimized graphics, and single page presentation of information improve user experiences.

Summary

ITM, in partnership with IBM, delivers high-value, scalable e-Business solutions to connect information, people, and processes to break traditional business boundaries. ITM has a successful track record of delivering increased productivity, improved process efficiencies, enhanced customer and supply-chain retention and loyalty, and accelerated time to market for products and services.