

EXAM EBUSINES INNOVATION FEB 14, 2005, 18.30-21.30

Instructions: This is a closed book exam – it is not allowed to consult any material – physical or electronic. Be sure to switch mobile phones off and store them in a closed bag. Be sure to indicate name and student number on each sheet. Concise yet complete answers are better than long-winded answers. You may answer in English or in Dutch. Grade for this exam is Round (Sum of Points / 10). Grade for the eBusiness Innovation course is $0.5 \times \text{this exam} + 0.5 \times \text{group assignments}$. You will be reported the final grade for the eBusiness Innovation course. Success!

Question 1 (20 points)

- a) According to Turban, e-Commerce and e-Business are not the same. Explain, using the definition of e-Commerce and e-Business, the differences. (10 points)
- b) The field of e-Business and e-Commerce is overwhelmed with so-called *-to-* acronyms (B2B, B2C, etc.). Present some reasons for the existence of these acronyms. (10 points)

Question 2 (30 points)

- a) Porter claims in his article (HBR March/June articles & Syllabus Electronic Commerce) that network effects are seldom seen in e-business cases. Explain what a network effect is, and give an example. (10 points)
- b) Network effects of a service or product may introduce barriers of entry for competitors. Explain, by using the MS-Word word processor product as an example, why such barriers may emerge. (10 points)
- c) Explain, using email as an example, how standards may contribute in reducing such barriers. (10 points)

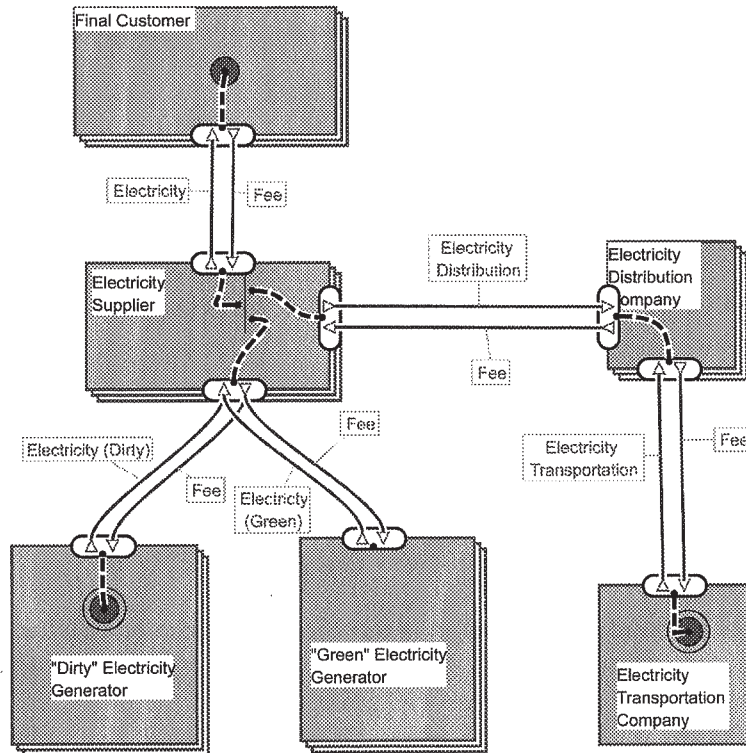
Question 3 (30 points)

- a) Consider the following text and e^3 value diagram. Which mistakes are in the diagram, given the text below? (10 points)

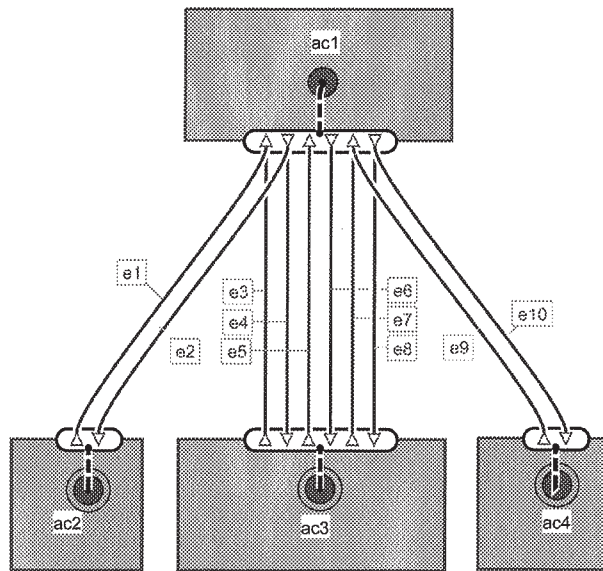
Text: As in many European countries, the electricity power industry will be deregulated. As a result, a substantial change in the sector will be expected. End customers will obtain electricity (KiloWattHours, KWh) from a supplier that can be seen as a retailer. Since there are many of such "electricity" retailers, the end-customer can choose a particular supplier to satisfy his needs. Additionally, the customer will have to pay for distribution capacity to deliver the electricity to his premises. Distribution capacity will be delivered by a distribution company. There are more than one distribution companies, but the final customer can choose from only one, since distribution companies each serve a specific region. In turn, distribution companies obtain long distance electricity transport facilities from an electricity transportation company. In The Netherlands, there is only one of such a company. The supplier may obtain electricity from many sources. First of all, it can be obtained from big, "dirty" energy power plants. Second, the supplier may decide to obtain electricity from a "green" electricity generator. In addition to this green

electricity, the supplier obtains also green certificates for each KWh green electricity. Each certificate can be sold to the government for a subsidy.

Diagram:



- b) Consider the following (abstract) e^3 value diagram. Is this diagram a valid diagram and why? (Hint: Evaluate the various value transactions possible.) Please note: you are not asked to improve the diagram, only to state what is wrong. (10 points)



- c) Explain the difference(s) between an e^3 value diagram and a diagram representing a business process (e.g. a UML-activity diagram). (10 points)

Question 4 (20 points)

- Tapscott uses two aspects to define five types of B-Webs. Explain these two aspects. (10 points)
- Explain the five types of Tapscott's B-webs. Preferably use the aforementioned aspects to do so. (10 points)