The Power of Business Processes in E-Commerce

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Abstract

New trends are characterizing the E-Commerce environment: The market is consolidating and good business concepts no longer suffice for sustainable success. Instead, maxims of the old economy like cost-efficiency, turn-over, and profit maximisation using known assets like business process management, innovation, and collaborations are being focused.

E-Commerce requires a good management of business processes since crucial processes are in direct interaction with customers. Innovation can be achieved through novel retail process-chains that are shorter and thus more efficient than those of conventional commerce. Furthermore, collaboration based on aligned business processes enables integrated products and services with a single interface to consumers.

The competition is rising along with the market consolidation and causes shrinking margins. For the profit and turn-over maximization, it is therefore necessary to raise the amount of transactions and to achieve business process efficiency. The trend of individualization calls for offer customization to consumers and composes together with the amount of transactions the need of mass customization. This challenge can be coped through the factory-like organization of the old economy for the E-Commerce of tomorrow.

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