Case 1: Covisint

Question 1

- The success of an exchange depends on the number of users and the transaction volume. Creating one exchange increases both.
- Operating an exchange is not part of GM/Ford’s core competencies.
- It is easier to win small suppliers for a single exchange.

Question 2

- The whole industry would be affected if Covisint experienced an outage.
- Trade volumes and market prices are confidential information in the same way as technical details. The companies risk the loss of control over that knowledge.

Question 3

- It is still possible to gain a competitive advantage, but not with just superior processes, only with more intelligent sourcing:
  - Spending analysis/ Data mining
  - Efficient lot sizes

Question 4

- It will be a burden for them to connect to Covisint, especially if they use proprietary software or are incapable to provide certain information in real-time.
- A solution are service providers which offer browser or e-mail access to such integrated systems.

Case 2: Lowe

Question 1

- see the Internet, e.g.

Case 2: Lowe

Question 2

• Compare
  – www.homedepot.com
vs.
  – www.lowes.com

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Case 2: Lowe

Question 3

• Home improvement items are often heavy and bulky.
• High shipment charges make them unattractive for direct online sales.
• It seems to be a good e-commerce strategy to use the web site as a tool for helping customers buying in the shops.

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Case 2: Lowe

Question 4

• A good on-line presence is very important
  – find nearest store
  – check opening hours
  – provide information necessary for more complicated home improvement tasks

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Case 3: Port of Seattle

Question 1

• The second phase may involve changing the systems and work processes.

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Question 2

• Benefits include
  – the reduction of processing costs,
  – an increase in the flow of goods and information, and
  – improvement in the level of customer service.

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Case 3: Port of Seattle

Question 3

• The initial five projects may have been identified based on customer input.

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Case 3: Port of Seattle
Question 4
• Advantages include
  – reduction in operating cost and
  – access to resources not available in-house.
• Disadvantages may include
  – increased costs and lengthy bid process.

Assignment for Next Class
• - Chapter 9; self-assessment test;
  review questions 4, 6, and 7
• - Chapter 10; self-assessment test;
  review questions 1, 4, 13, 17

Thank you!
Any questions? Please send an e-mail to mhepp@computer.org!
http://ruby.fgcu.edu/courses/mhepp/