

A review of the RBV of the firm within the e-Business literature: What's next?

Pedro Soto Acosta,

Department of Management & Finance, University of Murcia,
Campus de Espinardo, 30100 Murcia, Spain
psoto@um.es, +34 868 887805,
Fax: +34 868 887537

Ricardo Colomo-Palacios,

Computer Science Department, Universidad Carlos III de Madrid Av.
Universidad, 30.28911 Leganés (Madrid). Spain
ricardo.colomo@uc3m.es, +34 91 624 5958
Fax: +34 91 624 9129

Euripidis N. Loukis,

Department of Information and Communication Systems Engineering,
University of the Aegean, Karlovassi, Samos, GR-83200, Greece
eloukis@aegean.gr, +30-22730-82221
Fax: +30-22730-82009

ABSTRACT

The article provides a review of the adoption of a resource-based view of the firm (RBV) in eBusiness literature and, then, suggests directions for future research. First, a distinction is drawn between Internet resources and eBusiness capabilities. Second, the relationship between Internet resources and eBusiness value is emphasized. Third, the relationships among Internet resources, eBusiness capabilities and firm performance are argued and, finally, the complementarity of Internet resources and eBusiness capabilities is proposed as source of business value. In this regard, a set of propositions is advanced to help guide future research.

KEYWORDS: *Internet; eBusiness; resource-based view of the firm; resources; capabilities; eBusiness value.*

1. INTRODUCTION

The resource-based view of the firm (RBV) has been reflected in the information systems (IS) literature since the mid-1990s and is increasingly being used by business researchers to identify the characteristics of, so called, eBusiness. In particular the RBV provides guidance on identifying the contribution of these various technologies which may impact upon organisational performance (Santhanam & Hartono, 2003).

There is considerable debate about the value of eBusiness in this respect due to the gap between investment and the lack of empirical evidence for business enhancement. Case studies on firms such as eBay and Amazon demonstrate how to create business value, but there is a question as to whether the lessons learned from these "Internet giants" are more widely applicable. In this sense, the RBV has been offered as an explanation of how eBusiness overcomes its paradoxical nature and to what extent it is actually enabling increased organisational performance and value. Existing research (Zhu, 2004; Zhu & Kraemer, 2005) has found a significant relationship between eBusiness capabilities and firm performance. However, very little work has been undertaken to identify Internet resources and eBusiness capabilities. Similarly, although the complementarity of eBusiness capability has been studied (Zhu, 2004), little effort has been directed to assessing their fundamental impact. Moreover, the direct influences of Internet resources and eBusiness capabilities on performance have received very little attention. In this regard, the paper outlines how the RBV may augment research in eBusiness and its consequent added value.