

# JIT 12 DCXNET



## Case description

In 1999, the Global automotive industry was in a difficult situation: overcapacity and customer demand for faster delivery and better service drove executives at a number of manufacturers to explore the potential business value of the Internet. This case describes an analysis of the DCXNET initiative which bundled all eBusiness actions taken by DaimlerChrysler to exploit the opportunities of this then new technology. The case particularly focuses upon the strategic planning process for eBusiness at DaimlerChrysler.



## Commentary

The case highlights some of the key drivers for ICT adoption within the value-network of automobile manufacture. EBusiness was considered by the industry as a means both for managing its supply chain better and to provide new access channels for customers. DaimlerChrysler had to react to developments and trends within its market environment.

The case describes the strategic planning undertaken by DaimlerChrysler used to decide upon the most appropriate eBusiness strategy for the company. This involved determining the most relevant use of ICT to enable and innovate business processes.

Three areas for the application of eBusiness are described: the use of ICT in the supply chain; the use of ICT in the

customer chain; the use of ICT to improve internal collaboration within the workforce and the application of ICT within the product itself.



## Issues

DaimlerChrysler unlike its competitors did not decide to create a separate eBusiness unit. Instead, it decided to treat eBusiness change as a distinct time-delimited project embedded within its strategy process. However, the project adopted a holistic approach to considering ICT application across the internal value-chain and wider value-network of the company. This appears to have led to some key performance improvements in critical areas such as the speed by which components are delivered along the supply chain.



## Keywords

Private sector organisation		
Informatics industry	Informatics consumer	
eBusiness	B2B eCommerce	B2C eCommerce
eBusiness strategy	Informatics strategy	



## References/Sources

Klein, A. and Krcmar, H. (2006). DCXNET: e-transformation at DaimlerChrysler. *Journal of Information Technology*, 21(1), 52–65.

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