

E-BUSINESS: A FRAMEWORK FOR EXAMINING CREATION AND APPROPRIATION OF VALUE

Fabrizio Noboa
IDE Business School

ABSTRACT

Strategy is basically about the creation, appropriation, and sustainability of value. The Internet has witnessed a huge amount of ventures willing to create, appropriate, and sustain value in this new competitive setting. However, competitiveness in e-commerce has been highly tough and the web has experienced high mortality rates. The Internet has made it more difficult for firms to appropriate value, even though it has also made it easier to create value. For this reason, there is an enormous academic interest in examining whether the value that is created through the Internet may be captured by firms or may flow entirely to customers. Based on an exploratory study of two Spanish online travel agencies, the present paper offers a framework that may serve to analyze the potential of a site to create and appropriate value.

INTRODUCTION

Success in e-commerce has proved to be a difficult task. Many supposedly smart businesses in cyberspace have collapsed and investors are becoming more cautious when a new ebusiness venture is set. This disappointment is not without reason. Web sites are hardly showing any profit and the few that are not in the red are certainly not achieving superior performance. While there may be numerous explanations as to why some online firms have survived and others died, this paper wants to explore a traditionally accepted statement within the economics and strategy literature. Scholars coming from both traditions claim that firms that do not appropriate value would hardly survive in the marketplace and, by extension, would not achieve a competitive advantage. Therefore, many firms may not have survived in cyberspace simply because they were unable to capture part of the value created through the site, letting it flow entirely to other agents of the market (e.g., customers).

The purpose of this paper, then, is to develop a framework to analyze the potential of an e-business venture to create and appropriate value. We start by defending why it may be reasonable to differentiate between creation and appropriation of value, and how this may be done; followed by a discussion on the adequate unit of analysis for examining these issues; then, two Spanish virtual travel agencies are examined through the lenses of the framework suggested, which is firmly anchored in accepted constructs in the literature. Finally, conclusions are given.

CREATION AND APPROPRIATION OF VALUE

Value has been one of the main interests among finance scholarship. Concretely, it has been interested in measuring firms performance, i.e. profitability, and in the development of adequate proxies for that purpose. On the other hand, strategists and economists have been also interested in value, but their research has been more concerned with the variables that affect firms' performance than with adequate mechanisms to measure it. Moreover, strategists in general suggest managers trying to affect the variables that influence firm's performance in order to outperform the market. Therefore, unlike finance scholars, strategists are interested in finding what managers can do in order

to increase their profitability, i.e. the value they appropriate, and, by extension, in finding what they can do in order to increase the value they create.

Empirical research on strategy has not made an explicit separation between creation and appropriation of value, implicitly assuming it as a simultaneous process. Even though this may be true, it might be desirable to differentiate between how firms create and appropriate value for many reasons. First of all, it is not evident that firms that create value would capture all or part of it. In almost perfect competitive markets, for example, most of the value created by firms may be captured by consumers and firms might only expect normal returns. Secondly, while certain conditions external to firms may improve their ability to create value, they can threaten firms' ability to appropriate it. This is exactly the case, for example, with the advent of the Internet and related technologies. On the one hand, firms may develop innovative ways of doing business through the Internet and may create value by bringing to the market transactions that would not have been performed offline. On the other hand, many benefits of the Internet (e.g. making information widely available, reducing the difficulty of purchasing), threaten firms' ability to extract price premiums from buyers, making it hard for them to capture the benefits of the Internet as profits. Finally, maximal value appropriation, and not maximal value creation, may be the adequate objective of the firm (Brandenburger and Stuart Jr., 1996).

Brandenburger and Stuart Jr. (1996) distinguish between the concepts of creation and appropriation of value. They start analyzing how different players along a market chain create value, and define value creation as the difference between the value of the product and the cost of the inputs used to make that product. As the value of the product depends upon buyers' perception, they expressed value creation as the difference between buyer's willingness-to-pay and suppliers' opportunity costs. Consequently, value creation is an outcome of the efforts carried on by all the agents involved in a transaction. By contrast, value appropriation depends on each of the players involved in the production of a particular good or service, particularly in each player's bargaining power. According to this interpretation, the players with high added value are the ones who may appropriate value since their bargaining power is high; on the contrary, the players with low added value will not capture any and may be substituted by others without threatening the value created in the market chain. By extension, if the bargaining power of a player changes, her ability to capture value changes as well.

The claim of Brandenburger and Stuart Jr. (1996) that value is created by all the agents involved in a particular 'vertical market chain' is consistent with traditional strategic network theory which states that the locus of value creation may be the network rather than the firm (Gulati, Nohria et al., 2000). This assertion may be more evident in cyberspace where firms' limits are more difficult to draw since many agents have to join together their interests and efforts in order to enable a particular transaction. This is the case of an online travel agency, which could be thought as a network that creates value for the final customer based on a joint effort of many agents. For example, in order to help the traveler to find the best fares of a domestic flight, (and, therefore, creating value through 'efficiency'¹) a start-up needs to have access to airfare databases, and may want to sign a contract with the owners of those databases (e.g., Sabre). Similarly, if the virtual travel agency wants to create value through 'complementarities', it may need to sign contract with car rental firms (e.g. AVIS). Clearly, taking advantage of the value creation potential of the Internet implies broadening

¹ 'Efficiency' is one of the four e-commerce value drivers suggested in Amit R, Zott C. (2001). The others are 'Complementarities', 'Lock-in' and 'Novelty'.

firms' boundaries by signing alliances with parties needed to provide the service, which might not necessarily be the case for physical firms.

However, even though value creation in cyberspace is an outcome of the efforts of the agents that enable an online transaction, each agent looks for its own benefit as regards value appropriation. Since one of the effects of the Internet and related technologies in the overall business landscape is that it changes the bargaining power of the agents (Porter, 2001), it is particularly important to analyze online value appropriation because, as previously explained, when the bargaining power of a player changes, its ability to capture value changes as well. For example, as customers have more access to relevant information about prices, delivery and brands, they can search for and find the cheapest alternatives in the market, thus increasing their bargaining power in detriment of firms (Sinha, 2000). Similar reasoning can be applied to the agents that belong to the network that make a concrete site. Using again the example of a virtual travel agency, the owner of the database that allow travelers to search for better fares may capture some of the value created in the network whereas the travel agency itself might hardly capture any if it acts solely as an aggregator of content and did not bring added-value to the network.

Overall, it is arguable to study creation and appropriation of value as a simultaneous process for physical and virtual firms; in fact, one would call into question such methodology nowadays where firms' limits are more and more difficult to draw (Sampler, 1998), being virtual markets a particular example of this phenomenon. What seems reasonable is to analyze value not only as divided among the many parties that conform a network but also as created by parties as diverse as customers. Under this setting, it could be easily the case of some agents creating value and others appropriating it.

As e-commerce firms may be thought of as a collection of agents that work together to deliver a product to the final user, the role played by each of the components of the network is not trivial. For example, some agents that belong to the network that allow a virtual travel agency to enable online transactions might bring low added-value to the system and then, may run the risk of being substituted by anyone able to provide the same service without the travel agency running the risk of collapse; however, if a player with high added-value decides not to be part of the network, then, the whole virtual travel agency may collapse. Consequently, the relationships between the agents that form an e-commerce firm may be a good starting point to think about possibilities of examining value appropriation, and the unit of analysis used to investigate this issue, must allow researchers to deepen the characteristics of those relationships.

UNIT OF ANALYSIS TO EXAMINE CREATION AND APPROPRIATION OF VALUE

One of the topics that has received greater attention from strategy researchers has been the determination of the ultimate sources of superior performance (McGahan, 1999; McGahan and Porter, 1997; Rumelt, 1991; Schmalensee, 1985). Empirical findings suggest that industry and firm specific effects are both important when explaining performance, but they are no conclusive statements as regards how much of the differences in performance are explained by each factor (Bowman and Helfat, 2001). Research, then, has looked for specific determinants of superior performance and different sources of value creation can be associated with a particular theoretical framework. For example, within the theoretical framework developed by Porter (1985), the adequate unit of analysis for measuring value creation would be activities, while for Resource-Based View's scholars would be resources (Barney, 1991), networks for strategic network theorists (Gulati, Nohria et al., 2000), and capabilities for other scholars (Teece, Pisano et al., 1997). This diversity in unit of

analysis proposed in the literature is an important obstacle when measuring online value creation. As stated by Amit and Zott (2001), e-commerce may have numerous potential sources of value creation that might be difficult to capture through a unique particular paradigm. Trying to solve this problem, they proposed the 'business model' as a unit of analysis in order to unify existing theoretical frameworks.

The business model '*depicts the design of transaction content, structure and governance so as to create value through the exploitation of business opportunities*' (Amit and Zott, 2001:511). Although the main reference point of the business model is a particular firm, it spans firm boundaries because it includes all the agents involved in the delivery of a particular transaction. As such, it can also span industry boundaries including agents that are needed to perform a particular transaction even if they do not belong to the same industry. These characteristics are important to be captured when analyzing virtual firms, where industry boundaries are certainly difficult to draw. For example, the presence of 'Secure Socket Layers' in cyberspace, i.e. firms that encrypt customers' information in order to guarantee security in the transaction, has become standard. They exist in businesses as diverse as travel agencies, bookstores, or auctions. Therefore, the business model may include all the agents that enable an online transaction, being a reasonable unit of analysis for exploring how e-commerce firms create value.

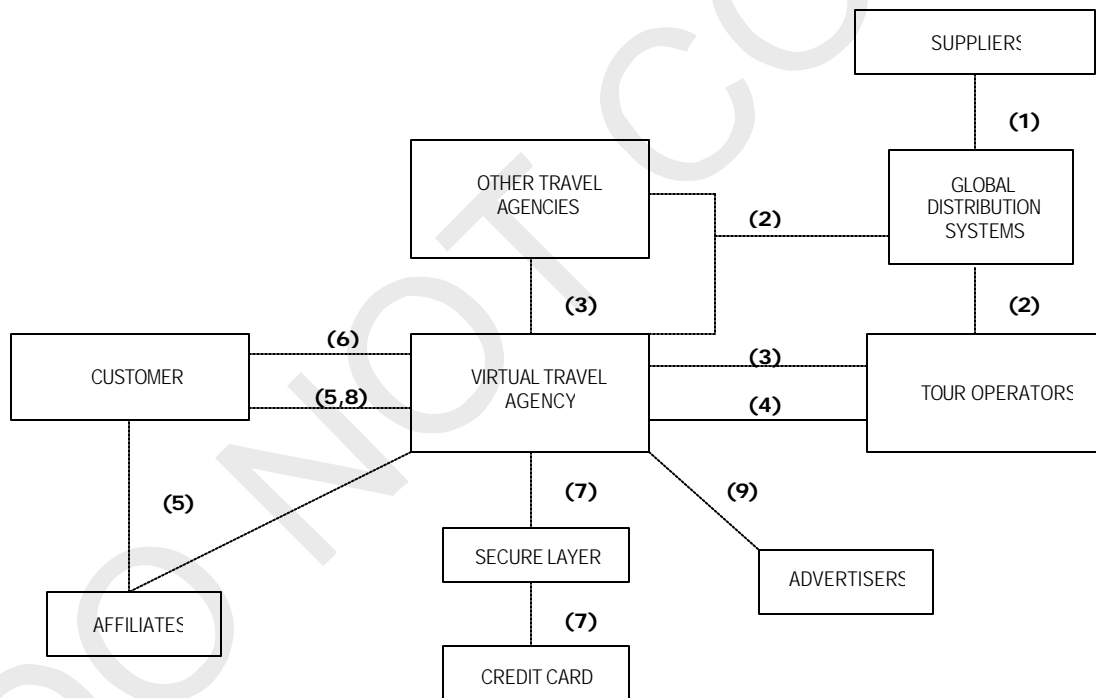
As regards value appropriation, Amit and Zott suggest the revenue model as the appropriate unit of analysis: '*a revenue model refers to the specific modes in which a business model enables revenue generation*' (2001:515). The business model and the revenue model are complementary, yet different concepts. For their authors, while the business model refers primarily to value creation, the revenue model is primarily concerned with value appropriation. However, the definition of the revenue model makes no reference to costs and, therefore, it will hardly be a good mechanism to measure how value is appropriated since rents may dissipate if the costs of providing the product exceed the revenues generated. On the contrary, as the business model is centered on the analysis of transactions, it emphasizes the role played by the parties involved in the delivery of value, and therefore, it may be the adequate unit of analysis to examine value appropriation under the framework delineated in previous sections, where the role played by each of the parties involved in the creation of value matters.

By focusing the analysis on transactions, the business model differs with 'activity system maps' (Porter, 1996) and 'the value system' (Porter, 1985; Porter and Millar, 1985). The basic purpose of *activity system maps* is to examine strategic fit through the way in which the activities of a company complement one another. According to Porter, if activities complement and reinforce one another, the company may be able to create more value than companies with over or under designed activities that do not complement themselves. In this sense, *activity system maps* are a graphical extension of the value chain which main purpose is to highlight existing linkages within the value chain, with suppliers and channels. This exercise allows an identification of how a particular company is linked with external agents through activities and how this relationship may affect the ability of a particular firm to create value; however, it would need a great deal of effort to span firm's boundaries, and include the role played by important agents such as customers or parties that belong to different industries, issues that matter in an examination of online value appropriation. By the same token, even if the value chain is extended to include the *downstream value* (Porter, 1985; Porter and Millar, 1985), i.e. the value associated with customers, the 'value system' is still an incomplete instrument for analyzing online value appropriation since it would not span a particular industry

boundary. On the contrary, the business model solves the limitations of both constructs building the value chain in such a way as to include all the relevant parties that create and appropriate value.

In sum, the main difference between the business model and *activity system maps* or the *value system*, is that the first does not follow the flow of a product from creation to sale, but describes the steps that are performed in order to complete transactions. To a certain extent, Porter's framework needs an election of the boundaries of the firm, and he seems to suggest it to be the firm. Naturally, this would lead to a discussion about what is exactly a firm. The business model extends Porter's framework in order to impose less artificial barriers as regards the boundaries of the firm. Therefore, using the business model as a unit of analysis for examining online value appropriation may help to identify all the relevant parties involved in the creation and division of value, the way they are connected, the sequencing of transactions and the adopted mechanisms for enabling transactions (Amit and Zott, 2001). Each of these elements may be necessary if we take appropriation of value as a function of the bargaining power of the agents.

Figure 1
Online Travel Agencies' Business Model



ONLINE TRAVEL AGENCIES: PROPOSED BUSINESS MODEL

Following the framework suggested in Amit and Zott (2001), we have constructed a virtual travel agency business model in order to see how it may enable online bookings (See Figure 1). It allows the identification of the parties that make it possible to enable transactions, the way they are connected, the sequencing of transactions, and the specific object that is being transacted.

Appendix 1 shows an extended graphic that includes all the agents that may enable online bookings and the main way they are connected; however, as some agents do not play a significant role in the provision of services sold by an online travel agency, they were eliminated in the proposed business model without running the risk of misinterpreted the business. Similarly, Figure 1 does not try to identify all the possible connections that are possible between the different parties that conform the network, but how do they have to be linked for the virtual travel agency to provide online bookings. For example, the fact that the customer can reach directly the airlines to make an online flight reservation, is not included in a business model which objective is to show the transactions that are needed to satisfy the customer that book a flight through a virtual travel agency. (Appendix 2 describes the transactions included in the proposed business model).

Figure 1 helps to identify the object that is being interchanged in each of the transactions, what is received by the parties, and what do they deliver. In so doing, it is possible to identify the parties that are transforming the input received, the ones that are mere intermediaries as they deliver just the received product, and the parties that offer access to complementary products. Some of them may clearly create value while others arguably do. As regards their potential to do so, it is necessary to analyze how they do in terms of accepted constructs in the literature.

THE STUDY

We have selected two Spanish online travel agencies to be analyzed. As none of the existing Spanish firms shows a profit so far (i.e., none appropriate value), the selection was based on the two that were most visited by Spanish users during 2002.² Potentially, the sites that are most visited by users are the ones with greater possibilities of perform a selling and, by extension, make a profit. We interviewed top managers of both companies in order to understand how the site perform transactions, to identify the object that is being interchanged in each of the transactions, what is received by the parties, what do they deliver, and how the company is linked with other parties of the value system. This process allowed us to propose a business model for the firms and realize how they do in terms of the creation and appropriation of value constructs.

We asses value creation potential of the sites based on the constructs proposed by Amit and Zott (2001):

Variable	Definition	Measures
Efficiency	To perform a particular economic interchange at a lower cost.	<ul style="list-style-type: none"> •Transaction Speed •Degree of Automation •Breadth and depth of information provided •Ease of access to potential transaction participants
Complementarities	When customers value your product more when they have other products/services than when they have your product alone.	<ul style="list-style-type: none"> • Bundling of resources and capabilities • Bundling of products and services
Lock-In	The extent to which customers are motivated to engage in repeat transactions.	<ul style="list-style-type: none"> •Direct Incentives •Trust and reliability •Network Effects •Irreversible up -front investments

² According to a study of Baquía (2002) with data of NetValue Spain.

Novelty	Innovation in products, services, new methods of production, distribution or marketing, markets served, structuring of transactions.	<ul style="list-style-type: none"> •New combination of products, services, and information •New participants brought together •New structuring of transactions
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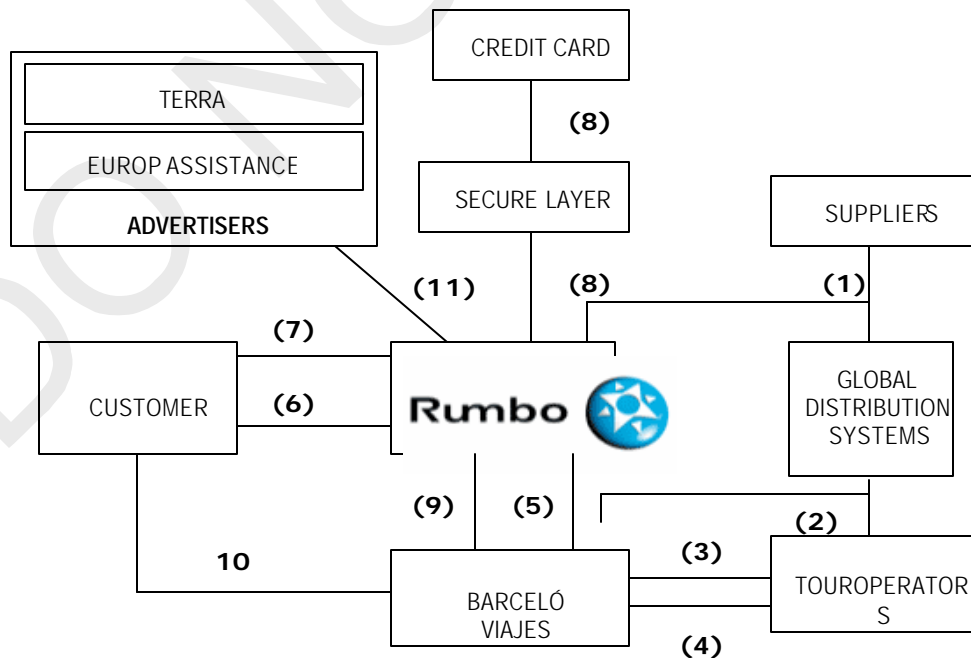
As regards value appropriation, we use bargaining theory and the constructs synthesised in Coff (1999) and Zott and Amit (2002) :

Variable	Definition
Access to information	Knowledge about necessary information to perform transactions.
Cost of replacing exiting stakeholder	The cost focal firm would bear if a stakeholder were to leave.
Switching cost for exiting	The cost that stakeholders would bear if the focal firm were to leave.

Case 1: www.Rumbo.es

This is the favorite site for Spanish users based on data of NetValue Spain. It is a joint-venture between a recognized Spanish Internet portal (Terra), and Amadeus (one of the biggest global distribution systems). It claims that the organization, fulfillment, technical support, and formalization of any online booking are responsibility of a traditional and well-known local travel agency (Barceló Viajes), which may imply that while Terra and Amadeus have developed the site jointly, their offerings are basically those of Barceló Viajes. The suggested business model for Rumbo is shown in Figure 2.

**Figure 2
Rumbo's Business Model**



The value creation potential of Rumbo is rather small. As regards market access, different sources give the site different number of visitors, but always small related with other Spanish sites. Its capacity of improving the match between the buyer and the product she purchases is small as well, since it basically aggregates the offerings of Barceló Viajes, covering a quite small spectrum. However, Rumbo actually creates value by allowing customers to contract an insurance for a purchased travel, by allowing customers to book a room in many small local resorts (most of them do not have a web site), and by allowing them to buy theme parks tickets (which may be thought as complementary to a weekend-package near a theme park).

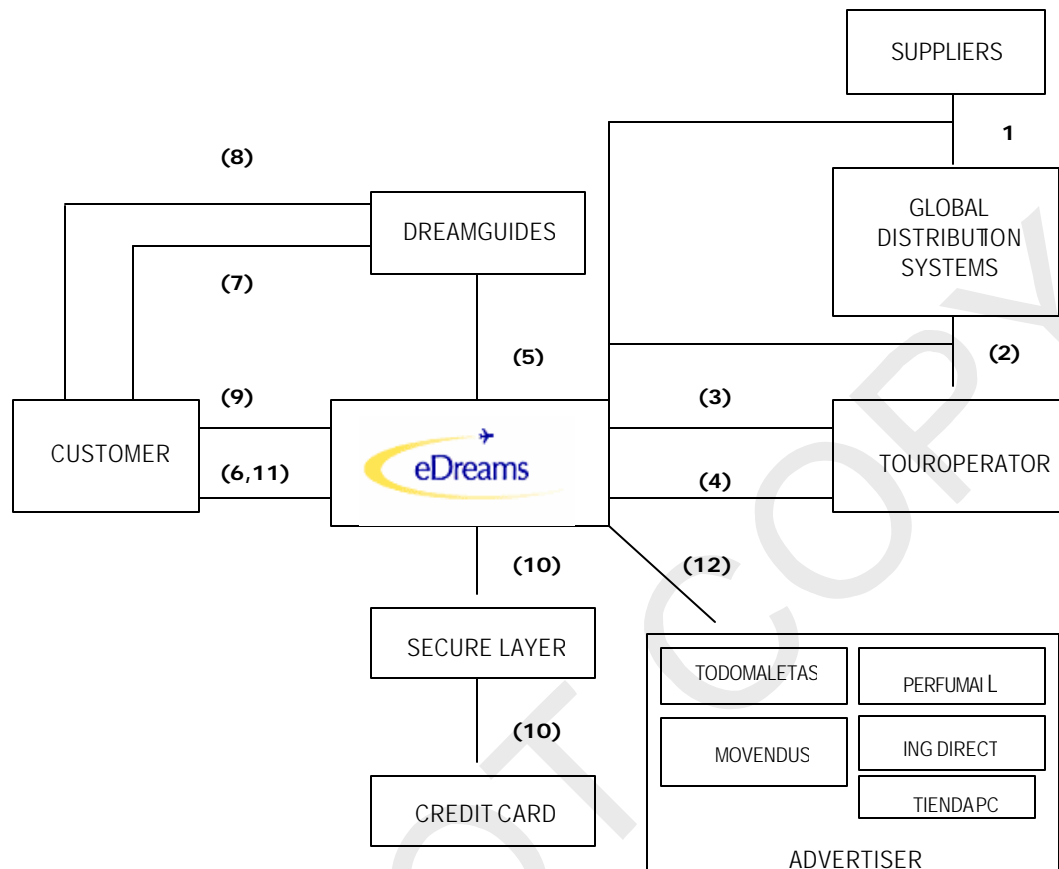
As regards value appropriation, the position of Rumbo may be classified as low. It not only faces the uncomfortable environment of the industry already described, but lack of a favorable position with the toughest player in the network (tour operators). Rumbo depends on the tour operators that provide Barceló Viajes' offerings, which seem to be only a few as they cover only a small range of travels. In this sense, Rumbo, through Barceló Viajes, has to negotiate with a small number of tour operators, increasing the bargaining power of them in detriment on its own: if one of the contracted tour operators fails, Rumbo may have to go to one of the few already contracted to provide the service and, therefore, would be in a bad position to achieve a favorable deal.

However, it is important to mention that Rumbo also owns an important link, i.e. direct access to a global distribution system (Amadeus), which may enhance its bargaining power related with tour operators. The final effect on the value Rumbo appropriates of a favorable and unfavorable position with tour operators may need empirical verification.

Case 2: www. eDreams

Even though NetValue Spa in gives this site the second place among Spanish online travel agencies, eDreams has received numerous awards, both local and internationally. It claims to have signed alliances with most of the best European tour operators, which may explain its broad spectrum of offerings. The suggested business model for eDream is shown in Figure 3.

Figure 3
eDreams' Business Model



Contrary to Rumbo, eDreams have made an enormous effort to create value through the site. It has sold advertisement spaces to companies that provide complementary products such as suitcases and news and advices about cars (if the travel is done by car, it has sense to offer such a complementary). It has built a virtual community made by the *DreamGuides*, real people with experience in traveling and local knowledge about specific places; even though the practical knowledge of some DreamGuides may be placed into question, they are prompt to answer all kind of questions that travelers usually have before deciding where to go. With this community, the site is certainly creating value through novelty. Finally, eDreams tries to personalize its offerings to its clients with its service named “Viajes a la Carta”. Apparently, travelers can ask for the specific travel they want to make and the company replies with the closest offering that its partners (the tour operators) have.

As regards value appropriation, the position of eDreams may be classified as medium. Even though it faces the tough environment that also faces Rumbo, it is in a better position to negotiate with the tour operators it has contracted. The fact that eDreams negotiates with a higher number of tour operators, places it in a better position to achieve favorable deals: if one contract fails to be signed; eDreams can turn to another tour operator without placing in danger its site. By aggregating many tour operators, eDreams is in position to achieve a huge variety of offerings and perform more efficient deals. It can bundle the information in many dimensions (as actually is the case) such as seasons, budget or destinations, practicing a sophisticated price discriminating strategy. As bundling

extracts more customers' willingness to pay than fixed pricing, having many tour operators may allow eDreams to appropriate value.

A summary and the details of the findings are shown in Appendix 3.

CONCLUSION

This paper proposes a methodology to analyze creation and appropriation of value in e-commerce. Although empirical research on strategy has not made a distinction between the two processes, many reasons exist to differentiate between the two. E-commerce firms may serve as an example of the usefulness of this separation, because web pages can be thought as a collection of agents that join together their efforts in order to enable a particular online transaction. In this setting, it could be perfectly the case of some agents creating value and others appropriating it. Based on the business model as a unit of analysis (Amit and Zott, 2001), the framework proposed in this paper may help to determine whether a firm, and a particular agent of a network, creates or appropriates value.

In this sense, creation of value does not necessarily imply appropriation of it. Similarly, some agents can appropriate value even if they are not really creating it. For example, *Affiliates* can appropriate value even if they are not really creating value to the network (arguably they are lowering the costs of advertising, or improving the match between the buyer and her purchases). By extension, if an agent creates value through a particular strategic decision, it may appropriate value through a completely different one. In the case of eDreams, for example, they are creating value through the community of DreamGuides, but are appropriating value through their favorable position relative to suppliers (tour operators).

This paper is a first step in order to improve our understanding as regards the processes of creation and appropriation of value in e-commerce. It proves to be useful to understand the way a specific firm is using the Internet to perform transactions and whether or not the specified model may be adequate to create and appropriate value. The proposed framework may serve to assess the sustainability of a particular e-business venture.

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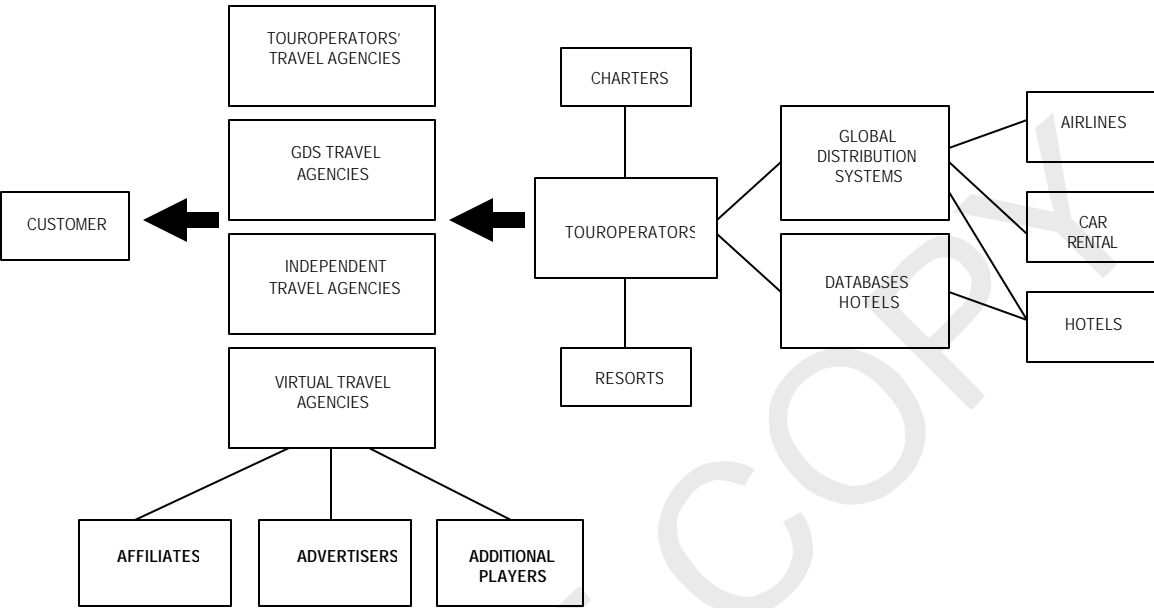
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Fabrizio Noboa
Assistant Professor of Management
IDE Business School
Nicolas Lopez 518 y Marco Aguirre (Pinar Bajo)
Quito-Ecuador
Phone: (593-2) 2434043. Ext: 127
e-mail: fnoboa@ide.edu.ec

**APPENDIX 1
PLAYERS THAT MAY ENABLE ONLINE BOOKINGS**



APPENDIX 2
TRANSACTIONS PERFORMED BY THE NETWORK THAT CONFORM A VIRTUAL TRAVEL AGENCY

(1) Car rental companies, airlines, and hotels give, respectively, information of availability of cars for rent, seats on planes, and lodging, to global distribution systems. They are grouped under the name “Suppliers” in Figure 1.

(2) Global distribution systems (such as Amadeus, Sabre, or Galileo), develop software that allows an easy search of suppliers’ offerings. They sell this software (‘suppliers’ availability software’) to tour operators and travel agencies.

(3) Travel agencies (virtual and physical) built their offerings making agreements with tour operators. Some of them have direct access to the ‘suppliers’ availability software’. Virtual travel agencies can go directly to suppliers, who are also developing their own databases and software. Finally, some traditional travel agencies have developed their online version, which depends solely on its brick-and-mortar’s offerings.

(4) Tour operators search for existing tours in specific geographic places. They combine this information with necessary elements of the ‘suppliers’ availability software’ and bundle them in tours or packages; for so doing, they get in touch with charters and resorts. Finally, they sell their tours to customers. In some countries, they cannot reach the customer directly and depends on travel agencies by law (this is the case for countries like Spain and Italy).

(5) The virtual travel agency reaches the customer through affiliates or its specific marketing campaign. It gives the customer information of existing tours, availability of its suppliers, and may provide her with service through physical placements (call centers, for example).

(6) The customer searches in the virtual travel agency site a desired travel or product (a specific flight, a particular cruise). If satisfied, she chooses one, and decide to perform and online booking/purchasing.

(7) The virtual travel agency passes this information to the secure socket layer, a service provided by certain companies that encrypt customer’s information. The encrypted information goes to credit card companies that confirm customer’s financial status and allow the transaction.

(8) The virtual travel agency sends to the customer a booking notification. If desired, a selling is performed and the customer receives the components of the tour (airline tickets, hotel reservations, etc.).

(9) The virtual travel agency offers access to its customer to advertisers. If agreed, advertisers place an ad on the virtual travel agency site, allowing it to offer important complementary products (such as suitcases). In general, when the customer clicks on the ad of the advertiser, she abandons the site of the travel agency and goes to the main page of the advertiser.

**APPENDIX 3
RUMBO AND eDREAMS' CREATION AND APPROPRIATION OF VALUE POTENTIAL**



VALUE CREATION POTENTIAL	Efficiency	HIGH	HIGH	MEDIUM
	Complementarities	HIGH	HIGH	MEDIUM
	Lock-In	HIGH	MEDIUM	LOW
	Novelty	HIGH	HIGH	LOW
	Overall	HIGH	MEDIUM/HIGH	LOW/MEDIUM
VALUE APPROPRIATION POTENTIAL	Access to information	HIGH	HIGH	MEDIUM
	Cost of replacing stakeholder	LOW	LOW	HIGH
	Switching cost of exiting focal firm	HIGH	MEDIUM	LOW
	Overall	HIGH	MEDIUM/HIGH	LOW/MEDIUM

eDreams VALUE CREATION POTENTIAL: MEDIUM/HIGH	
Efficiency HIGH	Fast loading of pages: the site allows fast transactions Reduction in physical travel agencies' marketing cost Search by destination, budget, season, activity Dream Guides and the Traveler's board shares information The site allows demand aggregation
Complementarities HIGH	Call Center Booking online, payment offline Complementarity in technology with tour operators Certain complementarities among products Complementarity in technology with physical travel agencies: eDreams Pro
Lock-In MEDIUM	Personal Profile The community of Dream Guides play an important role to assessing customers No Affiliate Programs No irreversible up-front investments made by customers
Novelty HIGH	The community of Dream Guides Three patents: DreamGuides, eDreams Pro, eDreams Club Caravanning rent

eDreams VALUE APPROPRIATION POTENTIAL: MEDIUM/HIGH	
Access to information HIGH	Information about 1,000 tour packages (65 tour operators) Information about tips and details on destinations and activities (450 DreamGuides) Information about flights (700 airlines) Information about villas (20,000) Information about cruises, caravanning, lodging, car rental.
Cost of replacing exiting stakeholder LOW	If one tour operator leaves (out of 65), low cost for eDreams. If one physical travel agency leaves (out of 255), low cost for eDreams. If the GDS partner leaves, probably medium cost for eDreams. If one airlines leaves (out of 700), low cost for eDreams. If one car rental company leaves (out of at least 10), low cost for eDreams.
Switching cost for exiting MEDIUM	If eDreams leaves, its partners may have to turn to a different online travel agency; for partners not to lose, they would have to turn to an online travel agency with greater reach than eDreams. In Spain, it would be Rumbo, but many alternatives internationally.

Rumbo VALUE CREATION POTENTIAL: LOW/MEDIUM	
Efficiency	Slow loading of pages
MEDIUM	Too many steps to perform transactions than standard in the industry
	Management inventory costs for physical travel agency are reduced
	Easy search for airline tickets. Complex search for other products
	The site allows demand aggregation
Complementarities	Complementarity in activities with physical travel agency
MEDIUM	Booking online, payment offline
	Certain complementarities among products
Lock-In	Possibility of receiving last minute offerings by mail
LOW	Personal Profile, but low customization
	No Affiliate Programs
	No irreversible up-front investments made by customers
Novelty	Interesting additional services: money conversion, international hour time
LOW	No patents
Rumbo VALUE APPROPRIATION POTENTIAL: LOW/MEDIUM	
Access to information	All the information provided by Amadeus
MEDIUM	All the information provided by Viajes Barceló
	Information about villas (at least 150, but not many more)
	Information about additional offering.
Cost of replacing exiting stakeholder	If Viajes Barceló leaves, high cost for Rumbo
HIGH	If Amadeus leaves, high cost for Rumbo (although it's impossible)
	If car rental company leaves, high cost for Rumbo
Switching cost for exiting	If Rumbo leaves, its partners may have to turn to a different online travel agency or go by their own. Viajes Barcelo could do it.
LOW	