

Chapter 7

BIG Data:

An Enabler in Developing Business Models in Cloud Computing Environments

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ABSTRACT

The basic functions such as production, marketing, and finance continue to be the same from an agricultural economy to an industrial economy. Business processes, procedures, methods, strategy, management thinking, and approach related to basic functions have been changed due to global market competition. Consequent to global competition, business activities have become more complex. Due to this complexity, the type and quantum of information required by the business enterprises are increasing. It is interesting to note that information and communication technology is providing many new concepts to handle and manage the complex information to remain competitive in the global market. The concepts such as big data and cloud computing along with other collaborative technology facilitate creating conceptual business models for facing realities in the global market. This chapter mainly explains with two case illustrations of the importance of the above concepts for developing business models for textile and retail sectors.

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INTRODUCTION

Globalization, which was initially viewed with fear and distrust has opened up huge new markets for many business enterprises across the globe. This has been focusing on the need for an innovative approach in conducting business by enterprises. It is apt to recall the observation of Peter Ducker on innovation. “A Business enterprise has two and only two basic functions, marketing and innovation. Marketing and innovation produce results. All the other departments are cost centers. The dividing factors in the market are niche markets and unique products or services. Innovative approach is needed to achieve the above factors in the present competitive market. Strategic thinking is required for any innovative approach. Strategic thinking decisions are based on the following:

1. An understanding of the current and emerging needs
2. An understanding of the organizations current and anticipated future core competences such as special skills or knowledge resources and culture and
3. A future view of the industry sector and marketplace.

Even the most stable industries and the strongest brands can be blown to bits by the emerging concepts in information and communication technologies. Technology is forcing to rethink its business models and organizational designs as it contributes to the re-balancing of power in the market place. It is no longer guaranteed to those organizations that have the financial resources and size on their side. Smaller organizations that are fast and flexible can now outmaneuver the traditional large enterprises by employing new technology that enables them to deliver goods and services to their customers at a faster pace and lower cost (Kumar & Kumar, 2013).

NEED FOR A BUSINESS MODEL

The problem arises when the organizations are spending too much time tinkering with the existing business models of their organizations instead of re-allying their teams around the potential doing something extraordinary in the market place. Tinkering is like painting a Car when the engine is weak. The challenge today is to develop sustainable business that is compatible with the current economic reality. In the present global market scenario an enterprise remaining competitive in the market depends on its ability to focus on core business and adapting to changes quickly. Now it has become imperative for every business enterprise to innovate a

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