

ECnow.com's Top Ten 2003 Business Trends

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By Mitchell Levy

Creator of The Value Framework™ (<http://ecnow.com/value/>), Author of the book E-Volve-or-Die.com

Many prominent individuals have contributed to ECnow.com's top ten 2003 trends. Scott Adams, creator of Dilbert, Tony Scott, CTO of General Motors, and Dan Tapscott, President of New Paradigm Learning Corporation, among many others, have all gazed into their crystal balls to share their thoughts on the future. My favorite quote this year is from Mark Addison, President of Rocket Science who says, "*We'll all be extra cautious about our predictions this year, because our predictions last year didn't quite come true.*" Mark, you need to speak for yourself! ☺

Since 1998, as President and CEO of ECnow.com, I have been making annual predictions of the top ten trends in business/e-commerce. To review and verify how close to reality these predictions were, go to <http://ecnow.com/predictions.htm>. This may help you to gauge the credence of the following predictions for the upcoming year 2003.

In the first prolonged economic downturn in a decade, Americans are trying to come to grips with an environment they haven't had to deal with for many decades, probably never in their lifetimes. This uncertainty, coupled with the prolonged change to business brought about by the continued proliferation of the Internet into all aspects of work and play, accounts for all the ten trends highlighted for this year. [Of special note are trends #9 and #10. Although I'm not 100% certain these trends will be fully realized in 2003, I certainly wish we would make significant progress in these areas.]

ECnow.com's TOP TEN TRENDS FOR THE YEAR 2003 are:

1. **The American Psychological Association Announces its Best Year Ever**
2. **Quiet, Yet Continued Strong Growth in E-Commerce**
3. **The Economy Waffles while Folks Look for "the Breakout Event" and to overcome the dot.bomb Malaise**
4. **Operational Efficiency Continues to be a Key Corporate Driver**
5. **Specialist are In, Generalists are Out**
6. **The Software Industry has Changed Forever**
7. **Web Services Show Demonstrated ROI**
8. **Marketing has Changed Forever**
9. **Significant Inroads Made on Eliminating Spam**
10. **Users Will Get More of What They Want**

BONUS TREND:

Key Areas to Keep an Eye On Include: Security, Wireless, Real-time Business Intelligence, Broadband

Here are the quotes from notable industry experts and luminaries on ECnow.com's Top Ten Trends:

1. **The American Psychological Association Announces its Best Year Ever**

"After 10 years of sustained economic growth, a 4-year bubble where salaries, expectations, and retirement dreams increased dramatically, and a number of decades of relative 'safety', a number of Americans are trying to find the meaning of life."

Mitchell Levy, Author, E-Volve-or-Die.com

"Employees will become increasingly disgruntled because the sluggish economy reduces their employment options. Managers will have more power and will become more overtly evil."

Scott Adams, Dilbert Cartoonist

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"Health and emotional balance... with the challenges on Wall Street, the 401k mess, and the socio-economic challenges of the probable war with Iraq, companies are turning to a more holistic approach to employee productivity. Focusing on coping skills, building a sense of well-being, and helping their teams build the emotional tools to develop positive thinking, learning, and communication skills."

Susan Papageorgio, Owner, Inspired Learning, a training and learning resource

"Ethics will become a required course in most MBA programs"

Mark X. Addison, President, Rocket Science

2. Quiet, Yet Continued Strong Growth in E-Commerce

"The use of e-commerce will continue to increase, despite the economic climate, with a more efficient, disciplined, orderly, and user friendly manner that will increase not only the usage rate, but also participation."

Tom Popek, VP, Finance & Operations, Resilience

"eBay will continue to move from its stronghold in online auctions to being a major player in shopping online in general - both in the C2C and B2C space."

Lisa Ann Strand, Director and Chief Analyst, eCommerce, NetRatings Inc.

*"Amazon (or EBay) is once again accepted as the most likely future 'Wall*Mart killer.'"*

James Roche, Co-President and CEO, Fort Point Partners Inc.

"Sites that focus on industries transformed by an online presence will continue to be most successful in taking away offline share of sales – most salient examples include Travel, Photo Processing, and Flowers & Gifts."

Lisa Ann Strand, Director and Chief Analyst, eCommerce, NetRatings Inc.

"Profits will become the norm for dotcoms that whose demise had previously been grossly exaggerated."

Leland Harden, Vice Chancellor of Institutional Advancement, New Canoe University

3. The Economy Waffles while Folks Look for "the Breakout Event" and to overcome the dot.bomb Malaise

"The technology sector will hold steady in 2003, without any significant increase. The consumer confidence index needs to remain relatively constant for this prediction to hold true. If the consumer confidence index drops during this holiday season, the technology sector could be negatively impacted and the impact would have a longer duration."

Richard M. Brenner, CEO, The Brenner Group, Inc.

"This will be an unspectacular year in every sense of the word, other than on the political stage. As corporate earnings grow somewhat and are gauged to be more predictable by investors, the stock market will have an average year - as in the old gauge of average."

Damon Danielson, CEO, nForceNet

"Many e-commerce entrepreneurs in Silicon Valley continue walking around like members of a cargo cult after World War II, just hoping the planes come back. But VC's will not increase investment in the e-commerce sector."

Mark Resch, CEO, Onomy Labs, Inc.

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"Jobs come from small business but the dot com bomb killed investment in entrepreneurs who actually have solid products. Tracking reinvestment in businesses is critical because it will fuel the drivers of the next boom."

Barbara Shaw, President & CEO, Breveon

"IT projects will continue to advance at budget pace, not fear pace for at least the first half of the year."

Robert Labatt, Entrepreneur in Residence, Saint's Ventures

"The pendulum will start to stabilize in the middle."

Punita Pandey, CEO, netCustomer

"... unprecedented corporate bankruptcies and losses"

Scott Andrews, Founder, AspireNow

4. Operational Efficiency Continues to be a Key Corporate Driver

"Increased focus on software and systems quality...this is a high cost item for most IT organizations and continued cost pressures will force a stronger look at this. Additionally, offshore sourcing will emerge as a significant factor in the outsourcing model for most corporations. Companies that were dabbling with this in 2002 will morph their exploratory activity into significant (greater than 50% growth) activity in 2003."

Tony Scott, CTO, IS&S (Information Systems and Services), General Motors

"Zero Impact Payback Time - Companies are conserving cash at all costs. The days of 12-month implementation efforts and nebulous ROI after 2 years are dead. Companies will only purchase technologies that have a clear, immediate benefit to the bottom line. Suppliers that have the shortest payback times will benefit."

John Jordano, Sr. Member Technical Staff, Salesforce.com

"Transparency, its implications for business and how to manage it will become a central issue for executives, driving profound changes in corporate values and behavior -- for the better -- as firms rethink how to build trusting relationships."

Don Tapscott, President, New Paradigm Learning Corporation

"Many firms, large and small, will decide to do some of their computing in a hosted or on-demand environment, avoiding new or additional capital expenditures and the need to hire skilled support staff."

Amy D. Wohl, President, Wohl Associates

"Continued focus on integration and data quality that enables increased automation of business processes."

Nicole Kidd, Author, TheJournalists.com

"...consolidation of Internal Systems."

Parag Patel, VP, International, Bowstreet Inc.

"Employees are a vastly unused resource when it comes to information transferal- strange but true...with staffing cutbacks happening at many companies, it's essential to spread internal knowledge."

Keith Borman, President & CEO, Qarbon

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5. Specialist are In, Generalists are Out

"Businesses will hire greater numbers of experts who have single, narrow niches - very specialized areas of expertise -- as problem solvers. Generalists with multiple unrelated niches (jack-of-all-trades) and coaches will be less desirable."

Andrea Reynolds, Founder/Agent, ExpertsWhoSpeak.org

"Whatever happens to the economy, smart marketers will continue to do well, wanna-be's will keep losing their jobs."

Andy Sernovitz, CEO, GasPedal

"The future for e-business is not the mega-corporation but the small business, often home-based business. This area is already exploding... these businesses are small, they are flexible, they have no inventory and they can turn on a dime."

Robert Middleton, Owner, Action Plan Marketing

6. The Software Industry has Changed Forever

"Enterprise software never recovers from its slump. \$100mm mega projects based on Siebel, SAP, and others have produced such a legacy of pain and failure that CIO's suggesting their implementation are viewed with skepticism."

James Roche, Co-President and CEO, Fort Point Partners Inc.

"Less investment in major back office system implementations, but increased investment in wrappers that expose information and capabilities in those systems to external parties, particularly customers."

Hank Barnes, SVP of Software Marketing and Strategy, divine, Inc.

"Enterprise architecture committees/teams inside large companies will recommend that their organizations move toward loosely coupled Service-oriented architectures. Many companies will have "ROI battles," as people who understand the substantial long-term cost benefits of service oriented architectures (SOAs) battle the bean counters, who will still be focused on short-term cost savings."

Jason Bloomberg, Senior Analyst, ZapThink LLC

"The technology planning horizon for Global 5000 companies is now a synthesis of software engineering (Web services) and process engineering (BPMS). With the wildfire adoption of application servers, component-based development and Web services, the field is ripe for the wildfire spread of process management... The balance of power will shift, away from the need to squeeze business processes into the prepackaged fashions of the IT industry, and toward the ability to creative, improve and transform business processes. 2003 will be the first year some providers of individual applications make the switch to process manufacturing."

Howard Smith, CTO EMEA, co-chair BPMI.org, Computer Sciences Corporation

"One-size-fits-all packages will give way to incremental, custom automation of each company's unique business processes."

Chris Beall, CEO, Transparent Business Corporation

"Best of Breed software vendors must continually reinvent themselves or get rolled over."

Michael Ker, President & CEO, Webplan, Inc.

"More consolidation in healthcare, transportation, and technology software companies with additional short-term staff shrinkage. Point solutions for mission critical challenges will receive more buyers' attention than large, somewhat integrated, and expensive solutions."

Philippe Lavie, President, KeyRoad Enterprises, a CustomerCentric Selling Affiliate

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"Users will use standard desktop applications to interface with complex enterprise applications. This will reduce reluctances to adopting new systems, reduce training needs, and increase productivity."

Ted Henson, Chief Learning Strategist, Global Knowledge, Knowledge Products

"Microsoft will become a leading player in the CRM space faster than anyone expected... One of the leading companies will fail..."

William Grosso, Member, Board of Directors, Software Development Forum

7. Web Services Show Demonstrated ROI

"Web Services, despite the hype, will become integrated into enterprise IT architectures. IT strategy will be based in "Services Based Architectures."

Don Tapscott, President, New Paradigm Learning Corporation

"Web Services will start to seriously take off...the first packaged applications that offer some Web Services out-of-the-box will hit the market..."

Kaj Van de Loo, Director, Product Strategy, GBU Commerce, SAP Labs, Inc.

"Web Services will be used for real application integration, however, to most employees and customers, Web Services will remain an invisible, back-end technology, so the press will proclaim that Web Services are failing to live up to vendor hype."

Richard Petersen, VP Product Marketing, Infravio, Inc.

"Integration across disparate islands of applications remains the number 1 issue with Enterprises. Web Services picks up steam to address this area with lower connection cost."

Jnan R. Dash, Executive Consultant & former Group VP at Oracle

"Systems and network management players will embrace web services as a common integration technology, enabling enterprises to "roll their own" management packages that combine the best of monolithic traditional SNM frameworks (HP, BMC, Tivoli, etc.) with strong niche offerings from smaller SNM vendors. (NetIQ, Wyle, Collation, DigitalFuel, etc.)"

Dave Asprey, Director, Strategy, Cable & Wireless

8. Marketing has Changed Forever

"As the online medium delivers more reliable, projectable, results at a reasonable cost, big agencies and their fortune 500 clients are going to continue to increase the share of marketing dollars that are allocated in this direction."

Brad Peppard, President, CinemaScore Online Inc.

"In the face of consumer backlash against conventional Web advertising, companies are turning to permission-based, interactive branding such as contextual cross-selling, newsletters, and polling."

Cia Romano, CEO and Founder, Interface Guru (tm)

"... proliferation of product placements in video and online games."

Aaron Heinrich, SVP, Manning Selvage & Lee

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9. Significant Inroads Made on Eliminating Spam

"Tools for handling Spam are going to take a quantum leap next year as they become a normal part of email client software. Automated filters built on a combination of collaborative filtering shared across the Internet, customized filtering such as pattern recognition (email from anyone in my address book is ok), and layered filtering (direct to trash vs. red flag vs. yellow flag vs. unknown vs. advertising) will cut the Spam you have to deal with by 99%."

Brad Peppard, President, CinemaScore Online Inc.

"Spammers will get sued right out of business."

Andy Sernovitz, CEO, GasPedal

"I get 1,000 Spam e-mails a day and would be happy to test-drive any proposed solution. Please don't Spam me ☺"

Mitchell Levy, President & CEO, ECnow.com

10. Users Will Get More of What They Want

"Increased focus on designing business and processes from the outside-in, i.e. the way your customers want it, not the way you have executed traditionally."

Hank Barnes, SVP of Software Marketing and Strategy, divine, Inc.

"User expectations of Web sites will continue to rise, fueled by lean and mean models such as Google. Companies failing to embrace current best-of-breed solutions such as content management systems, intelligent search, and usability testing will face two concurrent challenges: dropping audience numbers and increasing production costs."

Cia Romano, CEO and Founder, Interface Guru (tm)

"Back to the basics on (online) customer service. Companies doing business online will finally realize that the customer really is king. It's the customer that's empowered, they have a choice, and companies are finally going to realize that the power of the web truly lies in customer service and in doing better (and more efficient) business with the end-user. This will include better use of e-mail with the customer, fulfillment, order-taking and general inquiries."

Chris Consorte, Marketing Consultant / Partner, Integrated Direct

"Increasingly intelligent ECRM software will analyze customers' price expectations and dynamically re-price items upward to avoid "leaving money on the table" in electronic transactions."

Jack Powers, Director, IN3.ORG, the International Informatics Institute

BONUS TREND:

1. **Key Areas to Keep an Eye On Include: Security, Wireless, Real-time Business Intelligence, Broadband**

SECURITY:

"The demand for more tools to analyze and derive meaningful information from a diverse and distributed number of sources will become critical as the "war on terrorism" gains momentum in the global political landscape."

Kaj Pedersen, CEO, Urbana Software

"Holistic security - 9/11/01 has made enterprises and governments more safety-conscious. Security spans from the individual (such as identity checking) to the enterprise (such as business continuity planning or BCP) and in the future beyond to collaboration partners."

Randy Haykin, Managing Partner, Outlook Ventures

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"People will continue to say that security is critical to making e-commerce viable, but they still won't be willing to pay extra for it."

Alan Karp, Principal Scientist, Hewlett-Packard

RTE:

"The Real Time Enterprise (RTE) is about people looking at fresh information and making different decisions based on that data. Today, most organizations are looking in the rear view mirror and making forward moving decisions based on what they see behind them. The RTE allows people to look out the side windows to predict where to go next."

Mike Turner, CEO, Waveset Technology

"Real-time proactive systems - If information is available almost everywhere, systems can leverage that information to be more proactive in real-time. Today, C-level managers are demanding real-time information on their companies in order to stay proactive and competitive."

Randy Haykin, Managing Partner, Outlook Ventures

"Real-time Business Intelligence becomes hot in 2003. Near real-time access to the right information by the right user becomes crucial for staying ahead in the game."

Jnan R. Dash, Executive Consultant & former Group VP at Oracle

WIRELESS:

"Wireless. Nothing more needs to be said. We're burdened by connectivity issues. Lots of work is performed away from the office context. It needs to be supported."

Gloria Gery, Principal, Gery Associates

"Mobile/PDA applications that integrate with the Internet will become easier to use and provide more business transactions for the masses."

Thomas Wong, Author and Consultant, Intesync

"Wireless computing will come into its own as security and management issues begin to be successfully addressed."

Steve Weissman, President, Kinetic Information LLC

BROADBAND:

"Look for the Internet and broadband TV content to converge in style and impact."

Russell Levine, CEO, Zoomedia, Inc.

About the Author:

Mitchell Levy is President and CEO of ECnow.com (<http://ecnow.com>), a Management Consulting firm helping companies and individuals' transition from the industrial age to the Internet age with strategy, marketing, and off-the-shelf and customized on-line and on-ground training. He is the author of the book E-Volve-or-Die.com (<http://e-volve-or-die.com>), creator of the Value Framework™, a strategic framework for analyzing and creating corporate success, author of the Value Framework™ workbook (<http://ecnow.com/value>), and Chairman of CEOnetworking (<http://CEOnetworking.com>). Mitchell is a popular speaker, lecturing on business and management issues throughout the U.S. and around the world.

One-Page Bio on Mr. Levy: <http://ecnow.com/mediaattention/mitchell.levy.htm>

Detailed Bio on Mr. Levy: http://ecnow.com/ml_bio.htm

Mr. Levy's Public speaking appearances: <http://ecnow.com/speaking.htm>

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