A Digital–Enabled World	5/25/2001

CHICAGO – When the Web first took off, every desktop was turned into an e–commerce portal. In the future, every Internet–enabled PDA will be a doorway to e–tailers of all kinds, writes Mitchell Levy, author of "E–Volve–or–Die" and founder of the e–commerce management program at San Jose State University.

The advent of the Web and universal access to a market of over 250 million users has made every desktop a potential point of sale and has ushered in the era of electronic commerce.

But the great untold story of the "Internet Age" is the fact that there is an enormous networked world that encompasses not only the Internet, but also any interactive device.

Those firms that understand network–delivered value – whatever the protocol and independent of the device – will evolve into 21st century practitioners of digital commerce.

The Internet was just the first quantum leap of many to come. The era of strategy leveraging technology will prevail, and not the other way around.

Consider: There are now 10,000 internetworked ATMs, 100,000 enterprises using electronic data interchange (EDI) and over $2 trillion in network–mediated credit transactions – all of which go over networks outside of the Internet.

At the same time, the Internet is extending far beyond the desktop. By 2005, the number of personal digital assistants (PDAs, such as Palm Pilots) and cell phones connected to the Internet will outnumber the computers on the Web.

PDAs, which at first were a novelty gadget, now jack into corporate networks, synchronize with enterprise information and can even run major enterprise applications.

Wireless phones, expected to outnumber Internet computers in three years, not only surf the Web but also intelligently connect to programs that push information from corporate commerce sites – signaling when information can or should be acted on. Our pagers have become e–mail receivers, filtering out what we can or should want to know.

For businesses large and small, this new networked world presents an enormous opportunity to communicate with customers anywhere and everywhere.

Companies like Oracle, SAP, Schwab, America Online and NCR are examples of companies that are leveraging a universe of data, applications and commerce–enabled devices that incorporate the Internet, proprietary networks and wireless devices.

FedEx and UPS use ubiquitous networks to connect scanner data immediately with enterprise databases, accessible to customers over the Web. Local law enforcement personnel use similar devices to scan in license plates in parking zones.

The ubiquitous nature of cameras on traffic lights, directly linked to OCR units in many municipalities, has automated the business process of many urban cities – enabling digital law enforcement.

Hospitals use PDAs not just to input data without paper, but to move patient information to repositories that analyze, predict and message to health care professionals the next important treatment to prescribe. As an

aggregate, Internet–connected medical devices and instruments will cull the response of medical data, helping pharmaceutical firms to quickly analyze the effectiveness of new patient treatments.

Let me take it to the next level. Within 10 years, every human on the planet will be walking around with 15 to 25 computers on their person and a constant link to the Internet.

If you assume this statement to be true, how will it affect your company's interactions with their customers, partners and employees? The answer should be dramatic. Everything needs to change.

The real question for today is, what should your company be doing now to prepare for the future we are currently embarking on?

Every business needs to ask:

- What business am I in?
- What value do I provide to my customer?
- How do universal networks change things?

The smart companies will address this question and "e–volve" their companies into the Internet age. The not–so–smart companies will take the path of least resistance – the path that many dot–coms are taking today, which is the opposite of e–volving.