Executive Summary

This chapter continues to summarize the results of the interviews, with a special focus on the suppliers’ perspective. In the conclusion, the main results from both points of view are compiled, compared, and discussed in an attempt to arrive at answers to the questions of whether the initial assumptions still hold true, whether there are real differences between the healthcare providers and the suppliers, and if the healthcare market is to be regarded as a special market.

The suppliers reported that the main reasons for adopting eBusiness procedures in their organizations were a combination of process automation, process optimization and error-free data. Many of the experts additionally stated that they wanted to share their expertise in process management with their customers. This serves the hospitals, but also the suppliers, who know that only if the processes in the hospitals are well-managed will process automation and optimization work on their side as well.

Changing an organization and its processes was not easy, according to what the industry stated. It needed measures at all levels—in particular, training and informing people so that the changes associated with eBusiness were not a source of fear but rather an opportunity for their professional career. Training measures should concern the account managers and the sales force, as well as the staff working in the customer canvassing department who could now be promoted to better positions in customer service.

Despite the achievements within one’s own organization, however, there were still barriers that impeded the general utilization of eBusiness methods. The industry experts said that most of the problems originating from hospitals were caused by a “lack of understanding of the importance of eBusiness,” which was followed by a reluctance to make the necessary investments in eBusiness in combination with a “lack of support from the management level.”

Although there is still the suppliers’ demand for hospitals to become more active in eBusiness today, there is an understanding that both parties are needed to establish electronic business communication. The industry experts, however, insisted they needed input from the customers in the form of a clear demand for eBusiness because the industry had no means of forcing the hospitals into electronic purchasing.
In accordance with the hospitals, the manufacturers saw eBusiness not only as an enabler for online procurement but also as a technical facilitator for other services, such as logistics. The industry experts agreed that the most important innovative service promoted by eBusiness was the electronic catalog. With its additional product information and linking to scientific resources, the enhanced catalog was a service for the customers to inform themselves better and faster about recent developments and new products.

Not only is the catalog an advanced new service, it also constitutes the core element of conducting electronic business. It is, in fact, the basic prerequisite for getting clean data and for allowing both sides to analyze their business data properly. The interviews showed that the industry experts appreciated the value of clean data very much and explicitly expressed this.

There was less agreement on other issues of eBusiness among the industry experts. Some assumed that eBusiness creates a more trusting, and potentially closer relationship between suppliers and their customers. While some industry experts fully agreed, others stated it was only the product that defined the quality of the relationship.

Another controversial issue among the experts was the link between R&D and eBusiness. The first group of experts stated that R&D and clinical trials were beyond the scope of the supply chain and eBusiness. The other group doubted that communicating with customers via electronic channels was the right approach in a field requiring creativity, such as in R&D. On the bottom line, it seems that product development and evaluation have very little in common with how eBusiness is currently understood.

Hospital and industry experts very much agree on how they envisage the future of eBusiness in healthcare. Five years was a realistic timeframe to get a critical mass of eBusiness users, and cost issues would continue to dominate the discussion in the future. Practicing eBusiness was not a competitive advantage (for most experts), but not having it would be a competitive disadvantage. Globalization played no role in the customer-supplier relationship.

In conclusion, the results from both groups of interview partners show that hospitals, as well as manufacturers, assume a pragmatic attitude towards eBusiness characterized by the success already achieved, as well as by the understanding of what comes next on the agenda. The second wave of eBusiness is no longer dominated by unrealistic promises, but by the certainty that eBusiness is on its way towards achieving value in several areas. The initial assumptions about eBusiness, its benefits, impacts, and barriers can only be partly supported by this study. eBusiness is definitely more than process automation—its power is established by high-quality data and opportunities derived from accessing them with the catalog being the keystone. Technical barriers are waning, but standards remain an issue to be solved, many experts said. Healthcare providers and suppliers largely agree in their appraisal of the status quo of eBusiness and also in their predictions about future developments. Many arguments put forward support the assumption that the healthcare market is special.

Evolving from a nice to have to a must have, eBusiness will contribute to distinguishing between those who will stay in business versus those who will be out of business—and this holds true for hospitals and suppliers alike.