# INTERNET PORTALS

In order to gain an understanding of Internet portals, it is important to understand the role they play in e-commerce. What value-added services do they offer the customer? To the supplier? Most importantly, what are the goals of Internet portals in e-commerce? This section of the presentation will attempt to help us gain an understanding of how Internet Portals have developed and how they plan on shaping the way e-commerce is carried out in the future.

## DEFINITION OF PORTAL

What is a portal? As presented previously, a portal is a gateway. In this case, an Internet portal is an entryway that provides us the ability to travel through the maze of e-businesses and family web pages to eventually land us where we can find the products or information we are desperately seeking. In some cases, the Internet portal will offer the capability to travel to your desired location via banner ads; in others, the portal will provide you a listing of all the indexed web sites currently stored in its database that appears relevant to your request. Some of the most popular portal sites are Yahoo!, Lycos, Netscape Netcenter, Go, among others.

## EVOLUTION OF PORTAL TECHNOLOGY

In the early years, what we now call portals were called "search engines." These search engines were based on Boolean technology applied to HTML documents. The value behind this search engine technology was to help people find things in the vastness of the Web.

In the next stage of development, "navigation sites" became the term used to describe the functions available at Excite, Infoseek, Lycos, and Yahoo. During the first period it was assumed that users could navigate through the Web by searching through associated links. It soon became evident that average users did not want to develop professional research skills to find information on sports, weather, and travel. To address this user frustration, navigation sites added the function of categorization. Categorization is the method by which popular sites and documents were filtered and put into pre-defined groups based on their content (sports, news, finance, etc.).

The third and most recent stage of development introduced the new term of "portals." In the current portal phase, sites not only provide search functionality and categorized content, but they also offer additional features. Some of these features include access to "communities of interest" (e.g. Yahoo! Financial's threaded discussions), real-time chat, user-specified content (my-Excite!), and access to specialized functions (shopping networks, auctions, on-line trading, etc.).

The driving force behind all of this change was the idea that a person should have a single point of access from which they could make connections for all of their Web information needs. Over the years Web consumers have been teaching the "portal site"

about their needs. When you look at the evolving needs of Web consumers you have to ask yourself this question. Are the needs of internal "knowledge" workers in organizations fundamentally any different? In some ways it seems ironic that some of the hottest names on the Web (Yahoo, Excite, etc.) are pointing the way to the next era of information for businesses and corporations-especially since most of the information content on these sites is of little or no value to businesses.

## DIFFERENT TYPES OF PORTALS

A great deal can be learned from the needs of Web consumers. However, it must be understood that there is a big difference between the role that public portals (my-Excite, my-Yahoo!, etc.) fulfill and the role business portals fulfill.

Commercial portals offer narrow content for diverse communities of online users. Although they offer customization of the user's interface, commercial portals are still intended for broad audiences and offer fairly simple content, such as a stock ticker or news on a few preselected items. Commercial portals strive to attract advertising dollars from companies who otherwise might advertise somewhere else. The purpose of commercial portals is to attract large numbers of repeat visitors that often times results in the inclination to buy what portal advertisers have to sell.

Personal portals target specific, filtered information for individuals. As with commercial portals, they offer fairly narrow content, but are typically much more personalized because they are catering to an audience of one.

Corporate or business portals coordinate a great deal of content for a narrow group of users. Their content is much broader than a commercial portal since the information used to make business decisions is much more complex than the information used by an individual in his/her decision making.

## COMMERCIAL PORTALS

### How have portals developed?

Initially, Internet Portals were just as they sounded, an entryway into the giant cloud known as the Internet. Giant databases were built to accumulate information on the ever-growing number and wide variety of Internet sites. The ability to search for, and find, addresses and businesses was the first large hurdle they overcame.

However, as businesses provided large amounts of money through web banners, and as portals learned that they could make more money if they could keep people on their sites, more features began to emerge. Soon, the search engine was being crowded into the corner of the web site while other features like subject directories, news, weather, entertainment information, stock quotes, and shopping took their places on the 17 inch monitor. Capabilities then arose to allow users to personalize their browsing experience,

giving each computer junky the ability to view in seconds what it took more seconds to previously surf.

Finally, the Internet portal strategy is complete. The first goal of establishing a successful Internet Portal is to accumulate as many visitors as possible. The means to accomplish this is what we like to call "mergers and acquisitions." Many Internet Portals have repeatedly snapped up a number of small but very popular Internet sites, to create a very large and very popular Internet site. Take for example Lycos, which acquired the very popular search engine HotBot, a large Web page builder Tripod, and more recently proposed a merger with USA Networks.

The second goal of the Internet portal strategy is to keep their visitors on for a very long time. You do this by providing everything that the visitor might want to view. This is effectively carried out by partnerships with other businesses to perform some of the features listed above, or by mergers and acquisitions. In any event, the longer the portals can keep visitors on their sites, the more the web advertising is worth.

**What role do they play in e-commerce?**

To illustrate the position Internet Portals have in e-commerce, let's follow an example. Suppose, as you were rushed to get to work, you tore your last pair of pants that haven't shrunk yet. You can't get out of the house, so where will you find a store on the Internet that sells dress slacks. You've got it; you hop on your computer and type in [what?] your most favorite Internet Portal address. After a quick search, you are carried away into the slacks paradise on the web. Now your only worry is to find someone who can get you your pants before you are supposed to be at work.

As this example shows, Internet Portals provide quick and easy access to hundreds of e-businesses on the Internet that hopefully relate to what you want to find. As a result, Internet Portals are the first contact source for e-commerce. With the extensive databases of Internet addresses indexed to all categories of personal interests, being included in these databases are the suppliers' dreams.

**Why use an Internet Portal?**

This question can be subdivided into two parts; Why should I as a customer us an Internet Portal? , and Why should I as an e-business use an Internet Portal?

Customers generally need the services of Internet Portals to locate the business or location of the information they seek. In some instances, the customer will know exactly where they want to go on the internet, but the capability to discover interesting facts, news articles, and to even find information for a presentation on Internet Portals, make Internet Portals invaluable. In addition, the ever-increasing pace of the average person's life have created the need to find what you want, as quickly as possible.

E-businesses require the use of Internet Portals to increase their sales potential. As stated earlier, Internet Portals are generally the first contact that your customers make, if your not listed in their portal, the customer will probably not know you exist.

**CORPORATE / BUSINESS PORTALS**

"Portals have garnered more attention than virtually any other Internet technology over the past year—partly because of Wall Street's mania over Excite, Infoseek, Lycos, and Yahoo. Some have gone as far as to call portals the next generation of desktop computing, saying that portals will do for global knowledge-work what the railroad did for the industrial revolution."

Information Week

Inside a business a portal takes on a completely different role. Its purpose is based on the overall mission of the organization—adding value for its customers to create an effective business model that will operate effectively and efficiently in order to remain competitive.

With the introduction of intranets and new capabilities to capture, store, retrieve and distribute large amounts of information from multiple sources, many computing infrastructures are being challenged and pushed to their limits. This could possibly result in a shift away from information systems comprised of isolated programs

In a recent Delphi survey of 300 IT and business managers from Fortune 500 companies, more than half were introducing a corporate portal. Another quarter will follow suit in the next two years. So why the urgency for businesses to develop a corporate portal strategy?

The purpose of corporate portals is to capture and share knowledge and information. Corporate portals are intended to aggregate information from multiple sources. This is an appealing thing for businesses who have large amounts of all types of information. Users of corporate portals would have a single point of access to everything they need to do their job regardless of what source it comes from. The introduction of corporate portals could bring about a shift in our view of information enterprise management from isolated tasks to an integrated information environment. Corporate portals not only help individuals make sense of large amounts of information, they also help maintain connections between information sources.

BENEFITS OF CORPORATE / BUSINESS PORTALS

1. Organizations are able to create structured access to information across large, multiple, and disparate enterprise information systems.

2. A corporate portal provides an integrated and customizable interface to all the information a user needs to do his or her job.

3. An EIP employs a Web browser interface that is simple to use and cost-effective to implement.

## CONCLUSION

"Portals seem like the next logical step in the evolution of the Web in general, and Intranets in particular. On Intranets a person's time is especially valuable, and portals can help to reduce "time-on-task." This next-higher level of integration also creates the potential for more powerful Intranet services, although these services can be challenging to build. In the future, watch for portals to continue to evolve and grow in capability."

Portal technology is still in its infant stages. However, as it continues to develop and progress it promises to offer great benefits to the business world. As one author put it, "Portals work when you can't imagine life without them." (Thomas Stewart, Fortune Magazine)