Table of Contents

List of Figures iv

List of Tables v

Acronyms vi

A. Foundation 1

I. Introduction 2

I.1 Motivation 2

I.2 Research Gaps and Research Questions 5

I.3 Structure of the Thesis 9

I.4 Research Context and Design 11

I.5 Differentiation from Prior Research at the Chair of Information Management 14

I.6 Anticipated Contributions 15

II. Theoretical Background 19

II.1 Information System Strategy Research and the Genesis of the Concept of Digital Business Strategy 19

II.2 Digital Technologies and the Changing Competitive Landscape 24

II.3 Digital Transformation and the Role of Path Dependence as a Restraining Factor for Strategic Change 28

B. Studies on Digital Business Strategy and the Resulting Challenges Faced by Incumbent Firms 33

I. Distinguishing Characteristics of Digital Business Strategies and the Resulting Generic Types 34

1 Study 1: Exploring Strategic Orientation in the Age of Digital Transformation: A Longitudinal Analysis of Digital Business Model Patterns 35

1.1 Introduction 36

1.2 Background 37

1.3 Methodology, Data Sample & Analysis 39

1.4 Findings 42

1.5 Discussion and Conclusion 48

2 Study 2: Digital Business Strategy, Strategic Flexibility, and Firm Performance – An Empirical Investigation 51

2.1 Introduction 52

2.2 Theoretical Foundations 53

2.3 Conceptual Development 55

2.4 Hypotheses Development 58
2.5 Methodology 61
2.6 Results 66
2.7 Discussion of Findings 69
2.8 Limitation and Future Research 74
2.9 Appendix 75

II. Performance Implications of Digital Business Strategy 77

1 Study 2: Digital Business Strategy, Strategic Flexibility, and Firm Performance – An Empirical Investigation 78

1.1 Introduction 79
1.2 Theoretical Foundations 80
1.3 Conceptual Development 82
1.4 Hypotheses Development 85
1.5 Methodology 88
1.6 Results 93
1.7 Discussion of Findings 96
1.8 Limitation and Future Research 101
1.9 Appendix 102

III. Path Dependence and Its Impact on the Evolution of Industrial-age Incumbents' Digital Business Strategies 104

1 Study 3: Re-examining Path Dependence in the Digital Age: The Emergence of Connected Car Business Models 105

1.1 Introduction 106
1.2 Background 108
1.3 Methodology, data sample, and analysis 115
1.4 Findings 118
1.5 Discussion of findings 139
1.6 Contributions, limitations, and future research 143
1.7 Appendix 145

C. Contributions 148

I. Findings and Results 149

I.1 Findings Regarding the Distinguishing Characteristics of Digital Business Strategies and the Resulting Generic Types 149
I.2 Findings Regarding Performance Implications of Digital Business Strategy 152
I.3 Findings Regarding Path Dependence and Its Influence on the Evolution of Industrial-age Incumbents' Digital Business Strategies 154

I.4 Synthesis: A Strategic Renewal Perspective on the Evolution of Incumbents Digital Business Strategies 157

II. Implications for Theory and Practice 162

II.1 Implications for Research 162

II.2 Implications for Business Practice 165

III. Limitations and Future Research Opportunities 169

III.1 Limitations 169

III.2 Future Research Opportunities 170

IV. Conclusion 172

References 174

Appendix vii