

# lansiti defines business ecosystems as large, loosely connected network of entities

## Business ecosystem definitions and checklist

### Definitions

#### Moore (1996)

- Business ecosystems are economic communities
- Inside this community, there are partners along supply chain, customers, stakeholders, financing, trade associations, standard bodies, labor unions, governmental and quasigovernmental institutions and other interested parties

#### lansiti (2004)

- Basically, a business ecosystem is a **business network**.
- Business ecosystem are formed by **large, loosely connected networks of entities**, that **interact** with each other in complex ways
- The **health and performance** of a firm is dependent on the health and performance of the whole

### Checklist: Business ecosystem characteristics

- A **large number** of entities
- **Legally autonomous** entities (firms or organizations)
- **Loosely interconnected network**
- Sharing a **common goal & fate (effectiveness & survival)**
- **No hierarchical power & formal authority** among partners
- (Mostly) **long-term relationships**
- Participants performing **different roles**
- (Mostly) based on a **common technology or platform**
- **Co-opetition**: Simultaneous cooperation and competition
- **Co-evolution**: Dynamic process for business ecosystem development
- Existence of **network effects**: Value for customer increases by number of participants
- Members of a business ecosystem are **capable of conscious decisions** on their own behalf