Learning Objectives

Upon completion of this unit, students should be able to:

1. Describe an appropriate strategy process models for e-business.
2. Apply tools to generate an e-business strategy.
3. Apply tools to select e-business strategies.
4. Explain alternative strategic approaches to achieve e-business.
5. Assess the main elements of supply chain management and their relationship to the value chain and value networks.
6. Appraise the potential of information systems to support supply chain management and the value chain.
7. Explain how to integrate e-business strategy with existing business and information systems.
8. Evaluate investment priorities and returns from e-business.

Unit Summary

This unit explores the technology of the Internet, including hardware, software and communications. We discuss technologies such as fiber optics, which enables high-speed data transfers over the Internet. New technologies are introduced that provide relatively inexpensive, high speed Internet service to homes and businesses, such as digital subscriber lines (DSL) and broadband Internet media. Also streaming media (audio and video), Internet telephony and other technologies used to enhance online business communications.

The most talked about topic today in e-business and e-commerce is wireless Internet technology. Wireless technology turns e-business into m-business, or mobile business. It allows you to connect to the Internet any time from virtually any place. You can use it to conduct online transactions, make purchases, trade stocks and send e-mail. New technologies will lead to the wireless office, where computers, phones and other office equipment are all networked without cables. The advantages and limitations of promising new wireless technologies are discussed in this chapter and how wireless technology is currently used and its future applications.

The explosion of e-business is forcing businesses and consumers to focus on Internet security. Consumers are buying products, trading stocks and banking online. They are providing their credit-card numbers, social-security numbers and other highly confidential information through Web sites. Businesses are sending confidential information to clients and vendors over the Internet. At the same time, we are experiencing increasing number of security attacks. Individuals and organizations are vulnerable to data theft and hacker attacks that can corrupt files and even shut down e-businesses. Security is fundamental to e-business.
This unit is structured around a clear process framework for strategy development. At the conclusion of the unit you should be able to explain how e-business strategy differs from other forms of strategy and explain some of the similarities and differences between e-business strategy and other forms of strategy.

Developing an e-business strategy requires the integration of existing business approaches to new approaches. While all e-business strategies have their independent qualities, most e-business models share several characteristics including: continuous internal and external environmental scanning analysis, clear vision and mission statements, key emphasis on assessing the differential benefits provided by e-channels, effective strategy implementation and control and most importantly being responsive to change.

Techniques such as resource analysis, demand analysis, competitor analysis, applications portfolio analysis and SWOT analysis are introduced in this unit as tools companies can use to effectively scan the micro and macro environment. Organizations must have a clear vision on whether digital media will complement or replace other media, and their capacity for change. Clear objectives must be defined and in particular goals for the online revenue contribution should be set.