



**E-Business Strategy**  
**”Introduction, Tech & Net Marketing”**  
**MBA/USQ**

**Lecture 1**

(July 27, 2000)

Tralvex (Rex) Yeap MAAAI MSCS

University of Leeds

# Outline



- ✓ N-ways Introduction
  - Personal Information and Background
  - Students' Information and Background
- ✓ Course Outline:
  - Requirements and Expectation
  - Module Assessment
  - Recommended Books
  - Layout of Course
  - Strategies for Local Lectures
  - Virtual Office Hours
- ✓ Course Delivery Methods
- ✓ General Reference for the Course
- ✓ Organization of EBS Website
- ✓ Modules for Lecture 1
- ✓ **M1: Introduction to EB**
- ✓ M2: Technologies for EB
- ✓ M3: Internet Marketing
- ✓ Class Activity 1: Survey
- ✓ Class Activity 2: Reading
- ✓ Class Activity 3: Assignment
- ✓ Class Activity 4: Reading
- ✓ Additional Handouts for L1
- ✓ What's in Store for Lecture 2

# Personal Information and Background

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✓ **EBS Lecturer (SG):**

Tralvex (Rex) Yeap MAAAI MSCS

E-mail: [tralvex@acm.org](mailto:tralvex@acm.org)

Home : <http://tralvex.com>

ICQ no.: 20248177 (<http://www.icq.com>)



✓ **Educational Background:**

- Master of Science (Distinction) in Vision, Visualization and Virtual Environments at U. Leeds
- Read Bachelor Science in Computing (Systems Development) at Monash University.

## Personal Information and Background (cont.)

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### ✓ **Current Work:**

- Part-time: Lecturer for USQ, UOL, UOS, UCE, UOW and TVU.
- Full-time: (1) Inventor (2) Managing corporate Patent portfolio for Asia largest Research Institute in Information Technology / Information Systems (3) IT/Computing Patent Analysis/Mapping.
- Three Internet patents pending, two Internet Business Model patents in the pipeline.

# Personal Information and Background (cont.)

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## ✓ **Past Work:**

- Lecturer for Information System for Managers, Strategy Management in IT, Project Management, Strategy & Information Management, Neural Networks, Open Systems and Website Development.
- Software Engineer at System Engineering (SysEng) R&D work on real-time embedded systems.
- Games & CAI developer (Champion in National Software Competition 1991' Open Category).

## ✓ **Future Work:**

- Lecturer: same subjects
- More Internet and software inventions.

# Students' Information and Background

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- ✓ **Name**
- ✓ **Company**  
Which industry?
- ✓ Your preferred **executive role** here (one only):  
**CEO / COO / CFO / CTO /**  
**CIO / 'CBO' / 'CMO' / 'CPO'**  
**/ others**



# Course Outline: Requirements and Expectation

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- ✓ Information Systems for Manager module.
- ✓ To re-cultivate (if necessary) the hobby - **reading** publications and articles.

# Course Outline:

## Module Assessment

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### ✓ Two Assignments

Assignment One (20%) due 24 Aug 2000 (new date)

Assignment Two (30%) due 25 Sep 2000

### ✓ One written 3hrs Examination - 50%



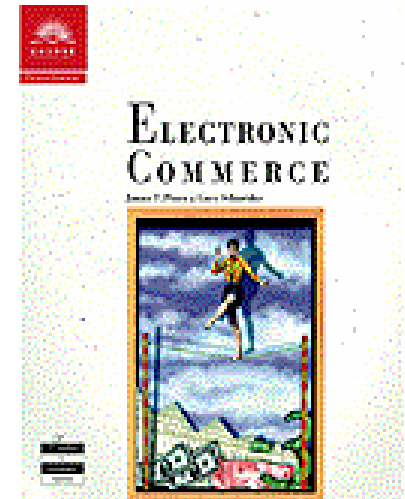


# Course Outline: Recommended Books



- ✓ **Electronic Commerce** by James T. Perry, Gary Schneider

**Review:** Electronic Commerce is a complete introduction to the world of electronic commerce, including balanced coverage of technical and business topics. Case studies and plentiful business examples complement conceptual coverage to provide a real-world context. Implementation strategies are analyzed, using examples of both successful and unsuccessful implementations.



# Course Outline:

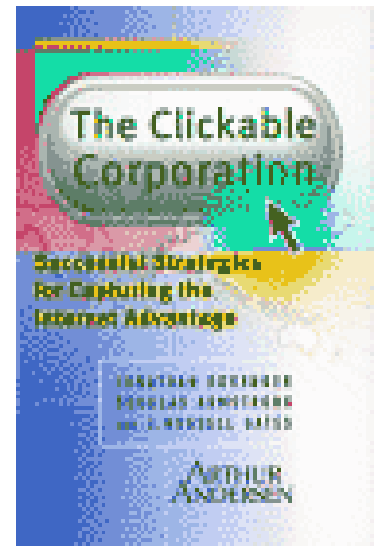
## Recommended Books (cont.)



- ✓ **The Clickable Corporation: Successful Strategies for Capturing the Internet Advantage** by Jonathan Rosenoer, Douglas Armstrong, J. Russell Gates

**Review:** Provides a strategic view of case studies of 25 well-known companies engaged in e-commerce. Their studies reveal how any company can capture meaningful Internet advantage for its stakeholders whether they are shareholders, business partners, or customers. DLC: Business enterprises--Computer networks. Eight Internet advantages that were drawn from the hard-won experience by twenty-five companies in the book are:

- (1) **Information**
- (2) **Choice**
- (3) **Convenience**
- (4) **Customization**
- (5) **Savings**
- (6) **Community**
- (7) **Entertainment**
- (8) **Trust**



# Course Outline:

## Recommended Books (cont.)



### ✓ E-Business : Roadmap for Success by Ravi Kalakota, Marcia Robinson, Don Tapscott

**Review:** To the uninitiated, e-business refers solely to the process of buying and selling goods over the Net. In our increasingly interactive age, however, it actually means much more. e-Business: Roadmap for Success, by Ravi Kalakota and Marcia Robinson, defines the term as "the complex fusion of business processes, enterprise applications and organizational structure necessary to create a high-performance business model." Kalakota and Robinson--specialists in the field who serve as founder-CEO and president, respectively, of a company called e-Business Strategies--show how to employ its tenets to compete more effectively in today's brave new world. Aiming at managers who recognize the need to plan and implement just such a course of action, the authors offer solid advice for designing interrelated strategies focused on customer relationships, resource planning, order management, and supply chains, and on evaluating investments needed to make them a reality.



# Course Outline: Layout of Course

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## **Basic:**

- ✓ **Four** local lectures
- ✓ **One** video conferencing
- ✓ **Two days** lectures with Dr. Andy Koronios

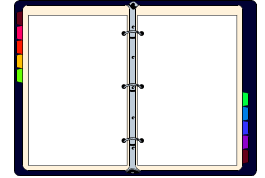
## **Extra:**

- ✓ **Anywhere, Anytime** via Internet email / WWW access
- ✓ Eight weeks Physical contact, 8 weeks Virtual contact - in short, 16 weeks of **full contact**.

# Course Outline:

## Strategies for Local Lectures

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### ✓ Lecture 1/4

- Administration:
  - (a) Getting to know each other (to optimize communications)
  - (b) Organizational Foundation
- **Module 1. Introduction to e-Business**
- **Module 2. Technologies for Electronic Business**
- **Module 3. Internet Marketing**
- Discussion on Assignment 1
- Case Studies Discussion

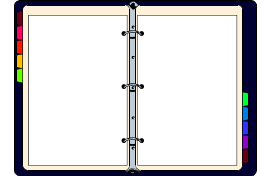
### ✓ Lecture 2/4

- **Module 4. Strategies for database marketing**
- **Module 5. Business-to-Business Transactions: EDI, Intranets, & Extranets**
- Assignment 1 Discussion (Part 2)
- Case Studies Discussion

# Course Outline:

## Strategies for Local Lectures (cont.)

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### ✓ Lecture 3/4

- **Module 6. Internet Payments & Banking**
- **Module 7. Security Issues** in Electronic Commerce
- Assignment 2 Discussion
- Case Studies Discussion

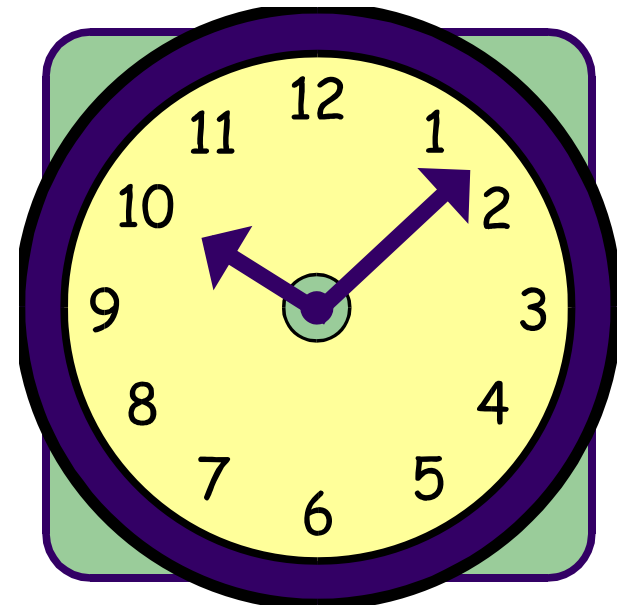
### ✓ Lecture 4/4

- Module 8. Legal & Ethical Issues
- Module 9. Tax & Electronic Commerce
- Module 10. Government Policies and **Future Trends**
- Past Year Examination Papers Trends Analysis / Prediction
- Case Studies Discussion

# Course Outline: Virtual Office Hours

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- ✓ Via Internet **e-mail**  
indefinitely
- ✓ Via EBS **Website**  
indefinitely



# Course Delivery Methods



- ✓ **Open** approach to “E-Business Strategy”. Welcome all **questions**.
- ✓ **Live lecturing**
- ✓ Maximum use of **Internet**
  - ISM Homepage **<http://tralvex.com/ebs>**
  - Soft copies of notes (in Powerpoint format) can be downloaded from the web.
  - **Past years assignments** and **examination papers** are located in the same website.
  - Include many **relevant hyperlinks** to EBS resources.
- ✓ Use of **Internet e-mails**:  
Students may submit their queries to me anytime



# General References for the Course



- ✓ Information Systems related information.
- ✓ General computer-related news sources.
- ✓ All web links in the ISM website.
- ✓ Various ezines, catalogued in the web.
- ✓ Whatis.com (Computer Science Dictionary)  
<http://whatis.com/>
- ✓ Technology Encyclopedia  
<http://www.techweb.com/encyclopedia/>
- ✓ Computing Dictionary  
<http://wombat.doc.ic.ac.uk/>
- ✓ Webster Dictionary  
[http://work.ucsd.edu:5141/cgi-bin/http\\_webster](http://work.ucsd.edu:5141/cgi-bin/http_webster)

# Organization of EBS Website

<http://tr Alvex.com/ebs>



- ✓ Course Schedule, online lecture notes
- ✓ Recommended Books
- ✓ Selected Articles (soft)
- ✓ Past years assignment paper / examinations
- ✓ Miscellaneous Documents, eg. Class list
- ✓ Web Resource:
  - On-line E-Business Resources
  - MIS
  - Module 1, 2, ..., 10

# M1: Introduction to E-Business

## Third Generation E-Business Video (by Intel)



<http://www.intel.dk/eBusiness/estrategies/eb3/video/overview.aspx>

# M1: Introduction to E-Business



## Three Definitions of an E-Business (**EB**):

- ✓ “Using **Internet** technologies to transform key **business processes.**” (IBM)
- ✓ “E-business is the application of **new technologies** and processes to enhance, evolve and often replace traditional **ways of doing business.**” (PricewaterHouseCoopers)
- ✓ “The transformation of key **business processes** through the use of **Internet** technologies.” (Oracle)

# M1: Introduction to E-Business



## Three Definitions of an E-Commerce (EC):

- ✓ “**Business processes** which shift transactions to the **Internet** or some other non-proprietary, Web-based system” (US Dept of Commerce)
- ✓ “E-commerce using the **Internet** is a new way of advertising, buying, selling and, in some cases, delivering goods and services.” (DCITA, AU Gov)
- ✓ “Doing **business** electronically” (Association for Electronic Commerce)

# M1: Introduction to E-Business

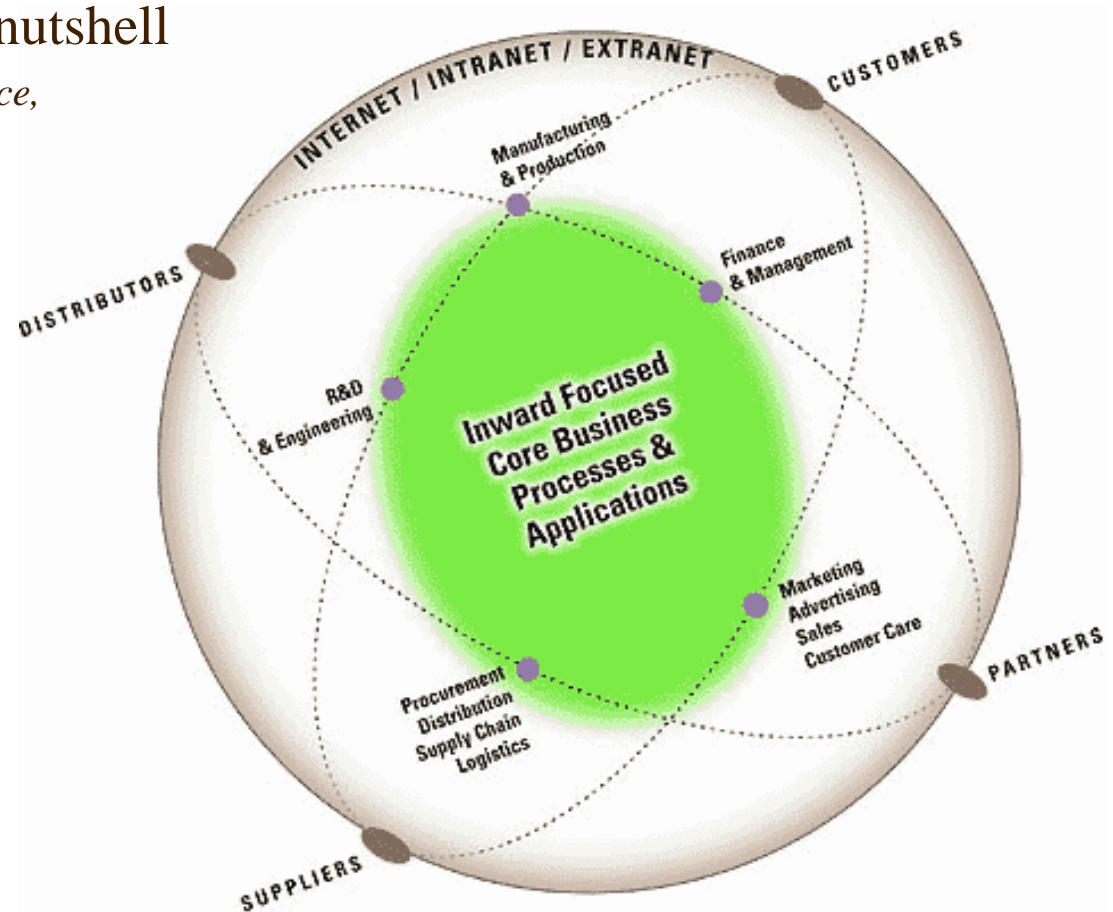


EC & EB the same? Some say **yes**, some say **no**.

- ✓ **YES** camp: “To many people, the term electronic commerce... some people and businesses use the term electronic business... In this book, we will use the term electronic commerce in its **broadest definition**.” (Electronic Commerce, Schneider & Perry)
- ✓ **NO** camp: We define e-commerce as buying and selling over digital media. e-Business, in addition to encompassing e-commerce, includes both front- and back-office applications that form the engine for modern business. **e-Business** is not just about e-commerce transactions; it's about **redefining old business models**, with the aid of technology, to maximize customer value. e-Business is the **overall strategy**, and e-commerce is an extremely important facet of e-business. “ (E-Business: Roadmap for Success, Kalakota et al.)

# M1: Introduction to E-Business

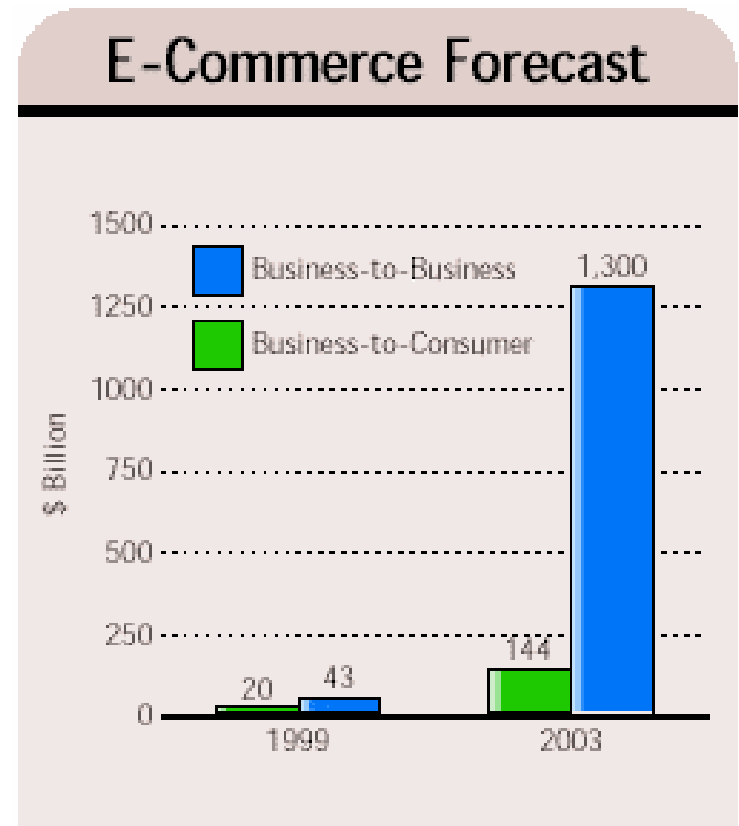
- ✓ E-Business in a nutshell  
(*Enterprise E-Commerce*,  
Meghan-Kiffer Press)



# M1: Introduction to E-Business

## B2B vs B2C

- ✓ Industry divides electronic commerce into two main categories: **business-to-business** and **business-to-consumer**.

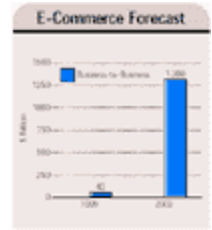


Source: Nov. 1999 Forrester Research



# M1: Introduction to E-Business

## B2B vs B2C

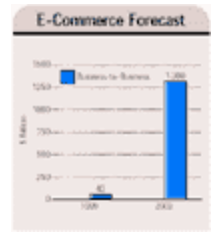


- ✓ **Business-to-business** implies the selling of products and services between **corporations** and the **automation of systems** via integration.
- ✓ This category of commerce typically involves **suppliers, distributors, manufacturers, stores, etc.**
- ✓ Most of the transactions occur **directly** between two systems.
- ✓ For example, suppose that an **aircraft company** wants to build a plane. The plane requires parts from both large and small suppliers. goal of e-commerce is to automate the entire supply chain. In this example, we call this automation "**supply chain management**" (the process of tying together multiple suppliers of goods to create the final product).

The E-Commerce Book: Building the E-Empire By Steffano Korper and Juanita Ellis, 1999

# M1: Introduction to E-Business

## B2B vs B2C (cont)

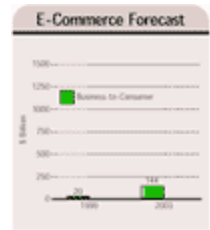


- ✓ E-commerce between businesses is expected to be five times higher than business-to-consumer e-commerce. By 2003, Forrester Research Inc. estimates that business-to-business commerce will balloon to **\$1.3 trillion**.
- ✓ Constituting 9% of all United States business trade, and more than the gross domestic product of either Britain or Italy, that's ten times the amount of business-to-consumer e-commerce.
- ✓ By **2006**, that figure could represent **40% of all business** conducted in the United States.

The E-Commerce Book: Building the E-Empire By Steffano Korper and Juanita Ellis, 1999

# M1: Introduction to E-Business

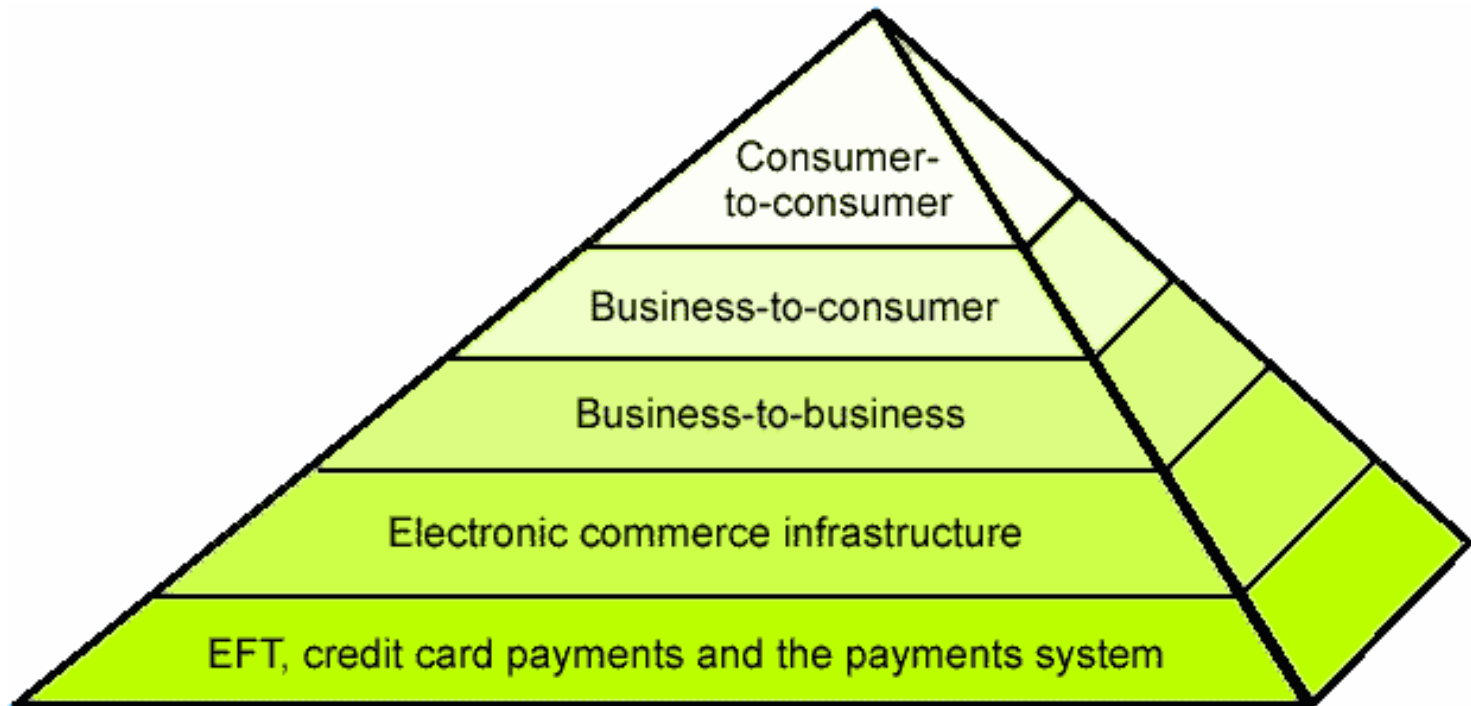
## B2B vs B2C



- ✓ **Business-to-consumer** commerce involves **interactions** and **transactions** between a **company** and its **consumers**.
- ✓ Focus is placed on **selling** goods and services, and **marketing** to the consumer.
- ✓ Their main focus is to **sell to consumers** via the **Internet**.
- ✓ A shorter definition (whatis.com): B2C is the **retailing** part of e-commerce on the Internet.

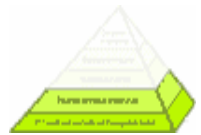
# M1: Introduction to E-Business

- ✓ Layers of e-commerce activity (OECD 1997b, *Measuring E-commerce*, Committee for Information, Computer and Communications Policy, Paris, OCDE/GD(97)185, p. 19.)



# M1: Introduction to E-Business

- ✓ **EFT and Other Payments Systems** is the **transactional foundation** upon which a great deal of e-commerce is based or follows. There are already a great number of transactions in the economy that occur at this level. Key activities at this level include use of Automatic Teller Machines (**ATMs**), the huge raft of transactions that occur daily between banks in the payments system, as well as **credit card payments, electronic payrolls** and many more.
- ✓ **E-commerce infrastructure** includes network service providers (NSP), hardware, software and enabling services.



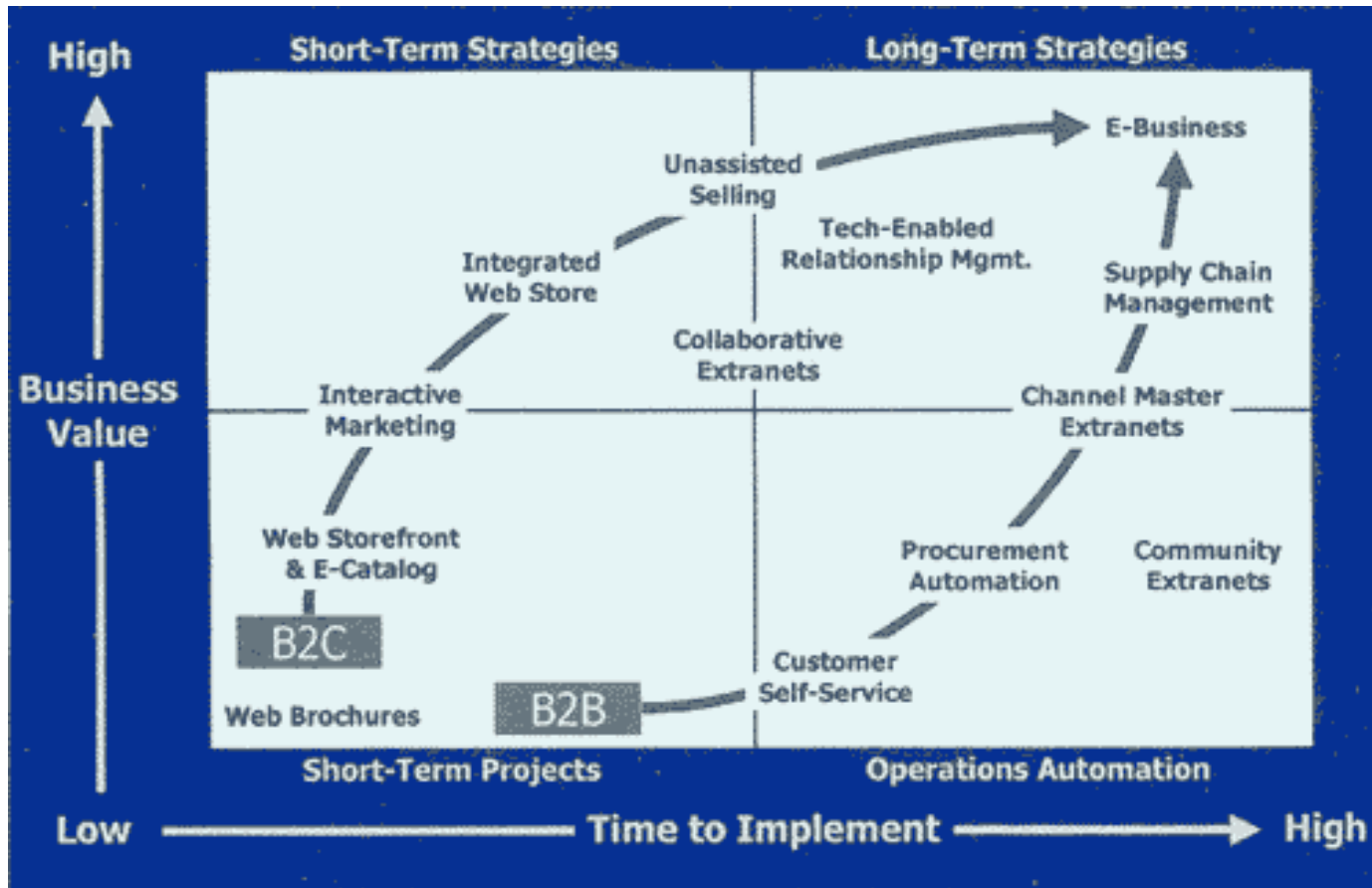
# M1: Introduction to E-Business

- ✓ **Business-to-business** represents the major proportion of e-commerce activity. The focus of business-to-business e-commerce has been on the **inter-corporate** or **inter-organisational** supply chain, although non-supply chain interactions are also significant.
- ✓ **Business-to-consumer** e-commerce can involve **electronic transactions** in marketing, ordering and paying, after sales service and, in the case of intangible or virtual goods and services, even delivery.
- ✓ **Consumer-to-consumer** e-commerce consists primarily of websites where **consumers deal directly with one another**, such as online communities, free personal classifieds pages, auction houses such as eBay, and swap sites.



# M1: Introduction to E-Business

## Internet Adoption Curve



Internet Adoption Curve (Source: GartnerGroup, B2B vs B2C Paths to E-commerce Success, October 1998)

# M1: Introduction to E-Business

## Statistics

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<u>World Total</u>	332.73 million
Africa	2.77 million
Asia/Pacific	75.5 million
Europe	91.82 million
Middle East	1.90 million
Canada & USA	147.48 million
South America	13.19 million

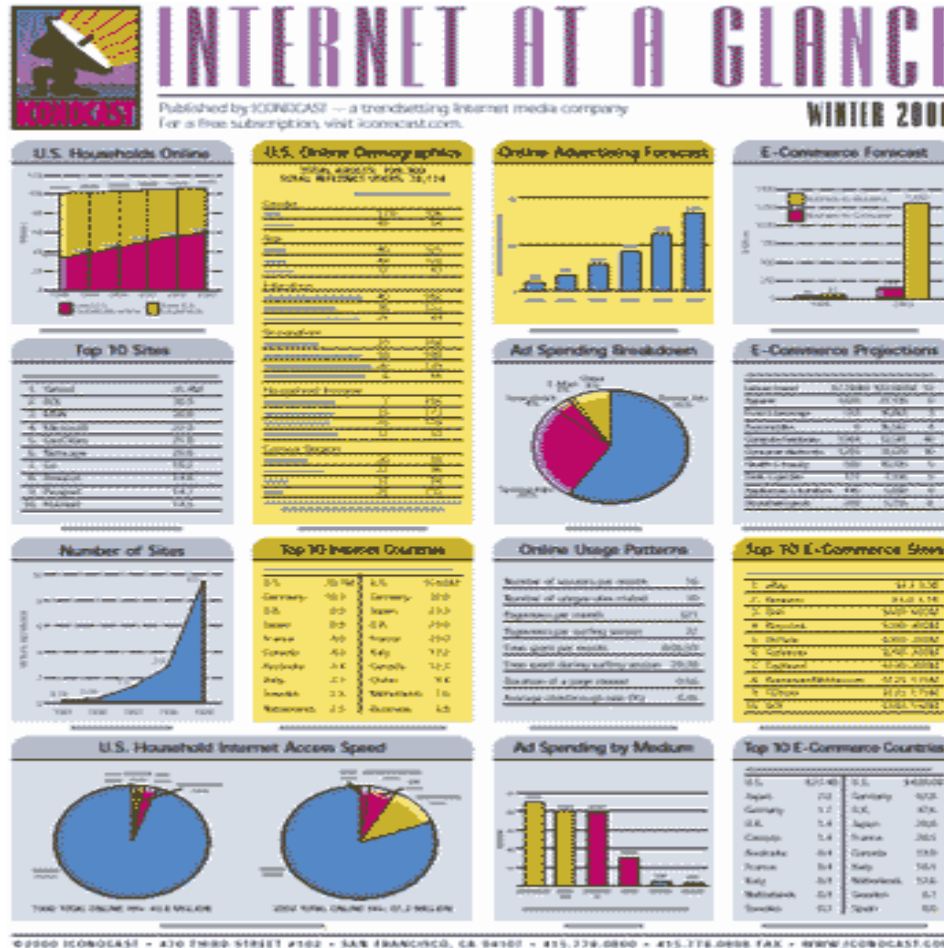
An estimate of **number of on-line users** as at June 2000.

Source: Various; Methodology  
Compiled by: Nua Internet Surveys

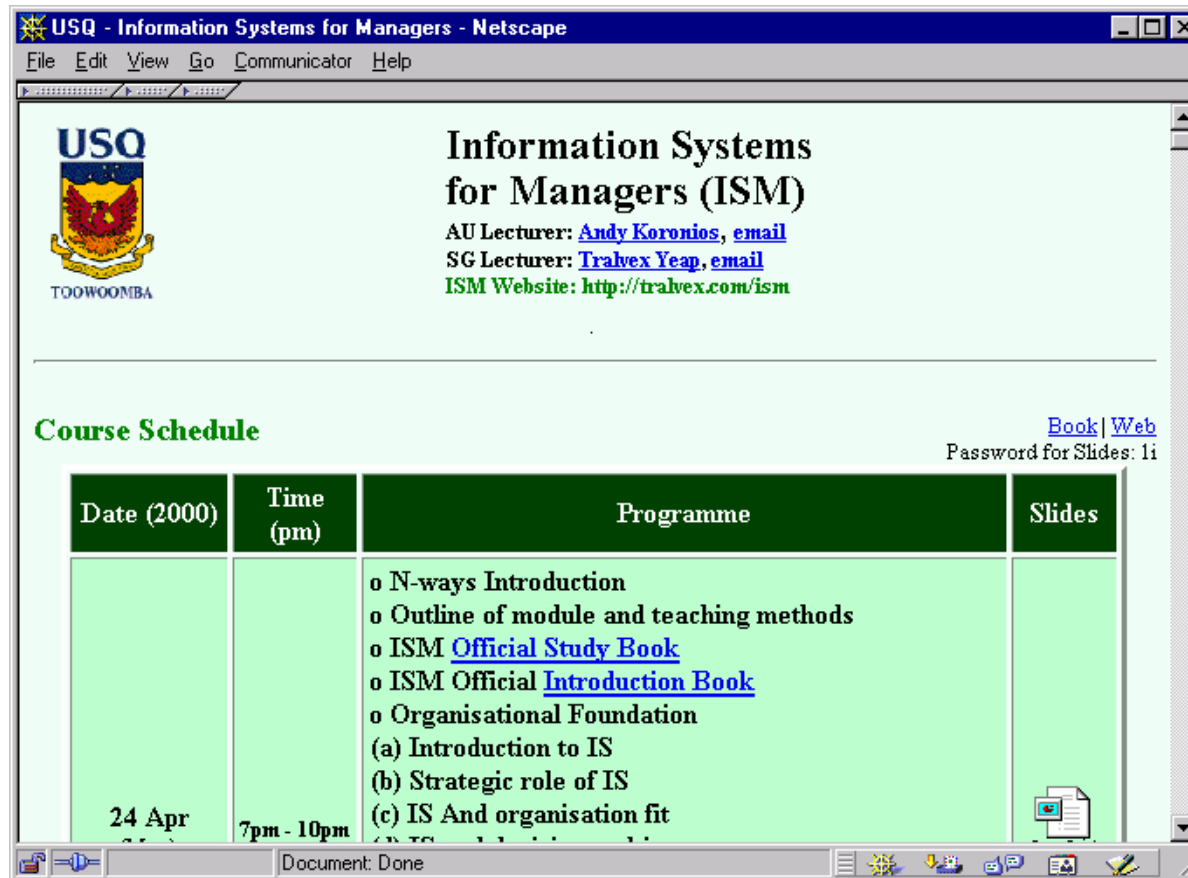
[http://www.nua.ie/surveys/how\\_many\\_online/index.html](http://www.nua.ie/surveys/how_many_online/index.html)



# M1: Introduction to E-Business Statistics (cont)



# M2: Technologies for the Electronic Business



USQ - Information Systems for Managers - Netscape


File Edit View Go Communicator Help

**USQ**  
TOOWOOMBA

## Information Systems for Managers (ISM)

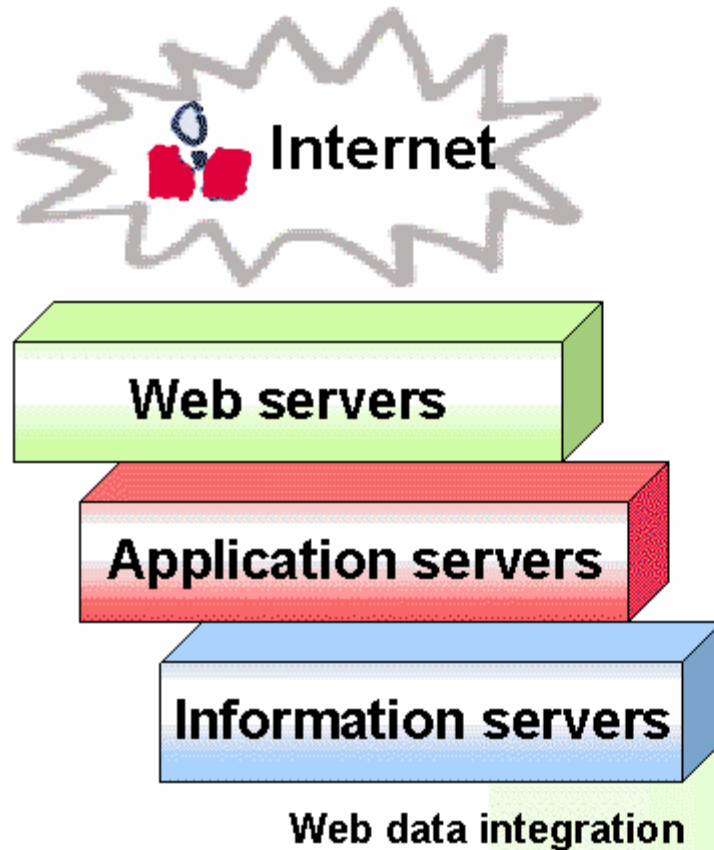
AU Lecturer: [Andy Koronios, email](#)  
SG Lecturer: [Tralvex Yeap, email](#)  
ISM Website: <http://tralvex.com/ism>

**Course Schedule** [Book](#) | [Web](#)  
Password for Slides: li

Date (2000)	Time (pm)	Programme	Slides
24 Apr	7pm - 10pm	<ul style="list-style-type: none"><li>o N-ways Introduction</li><li>o Outline of module and teaching methods</li><li>o ISM <a href="#">Official Study Book</a></li><li>o ISM Official <a href="#">Introduction Book</a></li><li>o Organisational Foundation</li><li>(a) Introduction to IS</li><li>(b) Strategic role of IS</li><li>(c) IS And organisation fit</li></ul>	

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## M2: Technologies for the Electronic Business (cont)



### ■ Internet

- Enabling Electronic Business with standards

### ■ Web servers

- Providing entry points to the IT infrastructure

### ■ Application servers

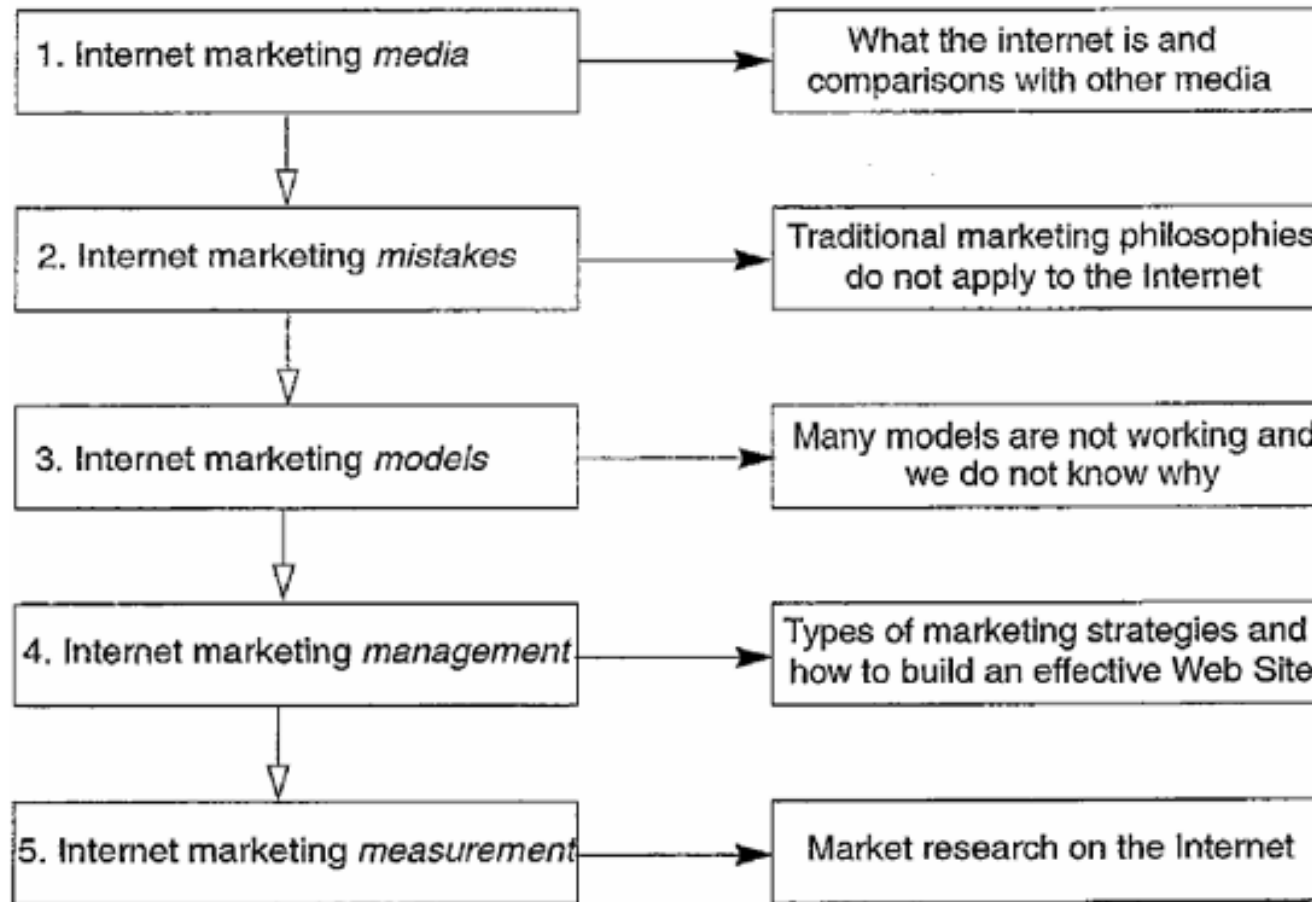
- Providing back-end application processing

### ■ Information servers

- Converting any data source into Internet objects

# M3: Internet Marketing

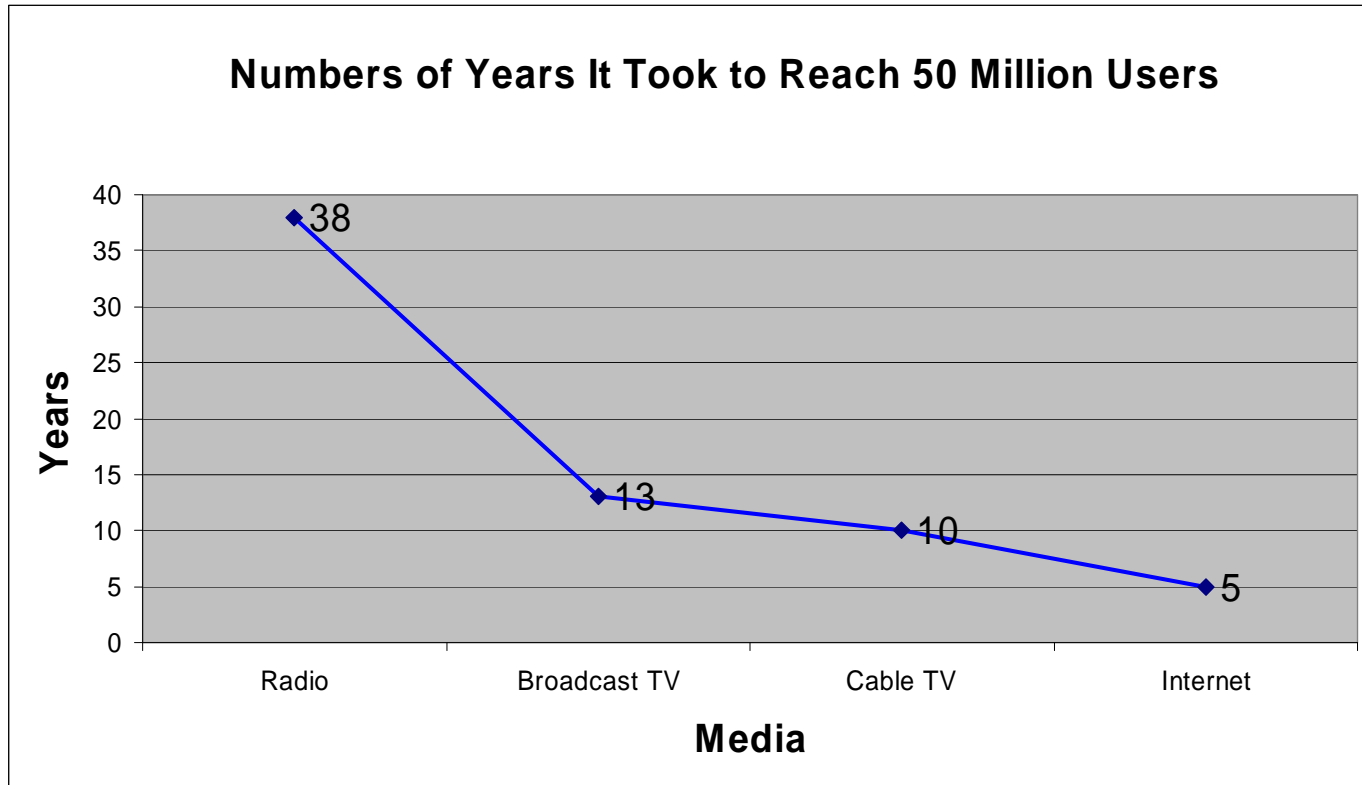
## The 5 Ms



**d. t. o. g. s.** (Interactive Marketing : The Future Present by Forrest & Mizerski, 1995, p.xi)

# M3: Internet Marketing

## Numbers of Years It Took to Reach 50 Million Users



Source: Yahoo!: Internet Life magazine



# Class Activity 1

## Survey: Industry of Interest (Pick top 2)



From “EC beyond 2000” Paper

- ✓ A. Banking and Finance
- ✓ B. IT industries
- ✓ C. Communications Services
- ✓ D. Business Services
- ✓ E. Health
- ✓ F. Media and Entertainment
- ✓ G. Retailing
- ✓ H. Transport
- ✓ I. Education
- ✓ J. Manufacturing
- ✓ K. Agriculture
- ✓ L. Mining

### Note: Assignment 1 Org/Ind

- ✓ Sporting organisations F
- ✓ Farming enterprises K
- ✓ Educational establishments I
- ✓ Flower growers/retailers G
- ✓ Health industry E
- ✓ Automotive industry H
- ✓ Accounting profession A
- ✓ Regional communities

<http://www.arts.monash.edu.au/projects/cep/knowledges/regcoms.html>

# Class Activity 2: Reading

“E-commerce Beyond 2000” by DOCITA, AU Gov





# Class Activity 3: Assignment 1 Discussion

Weighting: 20%, Max Words: 2000



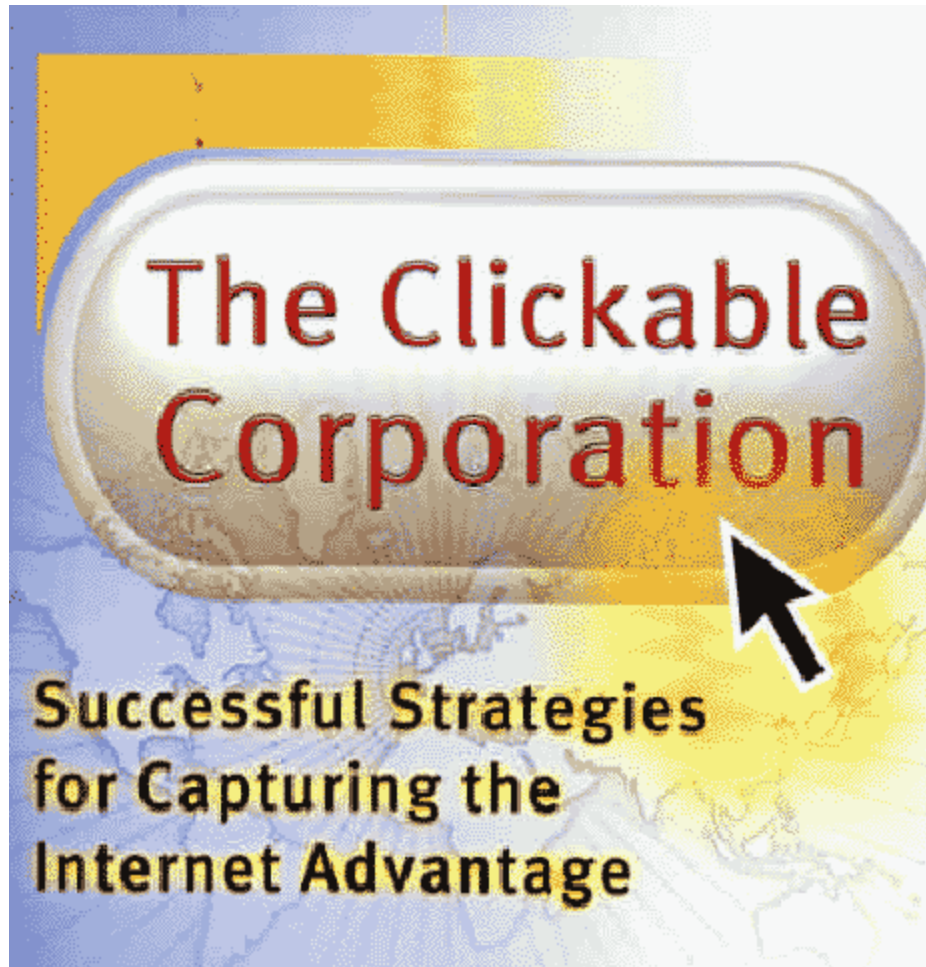
**It is likely that electronic commerce will affect every organisation in our society.** From the list below, you are required to **choose one** type of organisation and **write a report** explaining how you think your chosen organisation is likely to be affected. You must include both positive and negative effects. You are then required to **identify** and **recommend several ways** in which this type of organisation should **respond to survive** in this new economy.

Types of organisation or industries:

- ✓ Sporting organisations
- ✓ Farming enterprises
- ✓ Regional communities
- ✓ Educational establishments
- ✓ Flower growers/retailers
- ✓ Health industry
- ✓ Automotive industry
- ✓ Accounting profession

# Class Activity 4: Case Studies (3x)

“Clickable Corporation”, Chp 2 – Click with Information



- ✓ Autobytel.com
- ✓ Bloomberg.com
- ✓ Expedia.com

2

Click with Information

*Share your knowledge.  
Reap the benefits.*

**W**hat is the information advantage?

Your parents thought it belonged to the Sears, Roebuck & Company catalog, a lap-bruising monster crammed with mail-order goodies that

# Additional Handouts for Lecture 1



- ✓ 1. E-Business Website
- ✓ 2. Origins of "Electronic Commerce", "Electronic Business" and "Internet Commerce"
- ✓ 3. NUA Internet Surveys (with good Articles sorted by industry)
- ✓ 4. 32 Internet Marketing Techniques
- ✓ 5. Clickable Corporation: Chapter 2 "Click with Information"
- ✓ 6. E-commerce beyond 2000 (AU Gov)

## **Available on EBS Website only**

- ✓ 1. Hobbes' Internet Timeline v5.1
- ✓ The Emerging Digital Economy II (Published by US Gov)

## What's in Store for Lecture 2



- ✓ Module 4. Strategies for database marketing
- ✓ Module 5. Business-to-Business Transactions: EDI, Intranets, & Extranets
- ✓ Assignment 1 Discussion (cont)
- ✓ Case Studies, Discussion

A spiral-bound notebook with a light beige, textured cover. The spiral binding is on the left side. The text is centered on the page.

**End of Lecture 1**

Good Night.