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CHAPTER 2

Gaining Competitive Advantage Through Information Systems

CHAPTER OBJECTIVES

After reading this chapter, you will be able to do the following:

1. Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
2. Describe how information systems support business models used by companies operating in the digital world.
3. Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.

CHAPTER OVERVIEW

This chapter examines how organizations can use information systems (IS) strategically, enabling them to gain or sustain competitive advantage over their rivals. As described in Chapter 1, "Managing in the Digital World," a firm has competitive advantage over rival firms when it can do something better, faster, more economically, or uniquely. In this chapter, we begin by examining the role of information systems at different levels of the organization. We then examine international business strategies that shape how information systems can be designed to support how data and controls flow across national borders. Finally, we talk about the continual need to find innovative ways to succeed with and through information systems.

CHAPTER OUTLINE

PREVIEW
- Managing in the Digital World: The Business of Merging "Groups" and "Coupons"

ENABLING ORGANIZATIONAL STRATEGY THROUGH INFORMATION SYSTEMS
- Organizational Decision-Making Levels
  - Operational Level
  - Managerial/Tactical Level
  - Executive/Strategic Level
- Organizational Functional Areas
- Information Systems for Automating: Doing Things Faster
- Information Systems for Organizational Learning: Doing Things Better
- Information Systems for Supporting Strategy: Doing Things Smarter
- Sources of Competitive Advantage
  - BRIEF CASE Wi-Fi in the Sky

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Identifying Where to Compete: Analyzing Competitive Forces
Identifying How to Compete: Analyzing the Value Chain
The Role of Information Systems in Value Chain Analysis
The Technology/Strategy Fit
Assessing Value for the IS Infrastructure
Economic Value
Architectural Value
Operational Value
WHO'S GOING MOBILE Mobile Platforms
Regulatory and Compliance Value

BUSINESS MODELS IN THE DIGITAL WORLD
Revenue Models in the Digital World
Freeconomics: Why Free Products Are the Future of the Digital World
How Freeconomics Works
WHEN THINGS GO WRONG The Pains of Miscalculating Groupon
The Freeconomics Value Proposition
Applying Freeconomics in the Digital World
International Business Strategies in the Digital World
ETHICAL DILEMMA Underground Gaming Economy

VALUING INNOVATIONS
The Need for Constant IS Innovation
Successful Innovation Is Difficult
Innovation Is Often Fleeting
Innovation Is Often Risky
Innovation Choices Are Often Difficult
Organizational Requirements for Innovation
Process Requirements
Resource Requirements
Risk Tolerance Requirements
Predicting the Next New Thing
COMING ATTRACTIONS Google's Project Glass: A Pair of Glasses
The Innovator's Dilemma
Organizing to Make Innovation Choices
Implementing the Innovation Process
KEY PLAYERS The Global Elite
Thinking About Investments in Disruptive Innovations
INDUSTRY ANALYSIS Education

Key Points Review

Key Terms

END-OF-CHAPTER CASES
Case 1: LinkedIn
Case 2: Streaming Video

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TEACHING SUGGESTIONS

The notion of competitive advantage is not terribly difficult for most students to grasp. A lecture to introduce the concept's terms and basic ideas is a good starting point. One of the key models that can be discussed at greater length, depending on the class's background, is the Porter competitive forces model. QuickMBA has a good primer on Porter's five forces: http://www.quickmba.com/strategy/porter.shtml.

An extended discussion of the value chain is also advisable. Here is a basic description that can be used for value chain: http://www.netmba.com/strategy/value-chain/.

Students can be asked to provide examples of firms that have significant investments in technology that improve the customers' experience with that firm. Students can be asked to recount experiences with online purchases from a firm that arranges for delivery through a parcel or express service that provides online package tracking. This concept originated with firms such as FedEx, and is now available from other delivery firms, including the U.S. Postal Service. This can be held up as an example of a competitive advantage turned competitive necessity. This discussion can lead up to the problem of sustaining a competitive advantage. Students should be asked to identify any corporation that has managed to sustain competitive advantage over time. Students are unlikely to identify many in this situation.

Students could be asked to give examples of current innovations that have replaced certain technologies. They should be directed to Table 2.8 to see examples and then try to come up with additional responses.

Students should be asked to discuss possible reasons why freeconomics might not be a good thing. The following link can be used to facilitate this discussion:
http://www.readwriteweb.com/archives/beware_of_freeconomics.php.

ANSWERS TO REVIEW QUESTIONS

2-1 Compare and contrast the characteristics of the operational, managerial, and executive levels of an organization.

Answer:
The operational level of management within an organization addresses routine structured decisions/activities with the use of automated transaction processing systems such as inventory control, cash register, and sales processing systems. The managerial, or tactical, level of management focuses on middle managers such as finance, marketing, human resources, and accounting. Decisions at this level are usually semi-structured, with managers using systems that can analyze and forecast data to aid in the decision-making process. The executive, or strategic, level deals with unstructured decisions that are complex and many times long term.
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Analytic Skills

2-2. Compare and contrast automating and learning.

Answer:
Automating business activities occurs when information systems are used to do a business activity faster, more cheaply, and perhaps with greater accuracy and/or consistency. IS can be

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used to help automate. It can also be used to improve aspects of an operation in order to gain dramatic improvements in the operation as a whole. When this occurs, technology is said to help us learn because it provides information about its operation and the underlying work process that it supports. A learning approach allows managers to track and learn about business activities and to use that information to help design and build automated systems.
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Use of Information Technology, Analytic Skills.

2-3. Describe competitive advantage and list six sources.

Answer:
An organization has competitive advantage whenever it has an edge over rivals in attracting customers and defending against competitive forces (Porter, 1985, 2001). In order to be successful, a business must have a clear vision, one that focuses investments in resources such as information systems and technologies to help achieve a competitive advantage. Some sources of competitive advantage include the following (see Figure 2.11 of the textbook):

1. Being the first to enter a market
2. Having the best-made product on the market
3. Delivering superior customer service
4. Achieving lower costs than rivals
5. Having a proprietary manufacturing technology, formula, or algorithm
6. Having shorter lead times in developing and testing new products
7. Having a well-known brand name and reputation
8. Giving customers more value for their money

LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Use of Information Technology

2-4. How do an organization's resources and capabilities result in a competitive advantage?

Answer:
To develop and sustain a competitive advantage, organizations must have resources and/or capabilities that are superior to those of their competitors. Resources reflect the organization's specific assets that are utilized to create cost or product differentiation. Capabilities reflect the organization's ability to leverage these resources in the marketplace.
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Analytic Skills

2-5. Describe the four international business strategies.

Answer:

Strategy	Description	Strengths/Weaknesses	Systems & Communications
Home Replication	International business seen as extension of home business; used in homogeneous markets	-Focus on core competencies in home market -Inability to react to local market	-Domestic systems with limited communications -Local databases
Global	Centralized organization with standardized offerings across	-Standardized product offerings allow achieving	-Centralized systems with multiple networks

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	markets; used in homogeneous markets	economies of scale -Inability to react to local market conditions	between home office and subsidiaries -Data sharing between home office and subsidiaries
Multidomestic	Federation of associated business units; decentralized; used in very heterogeneous markets	-Ability to quickly react to local conditions -Differing product offerings limit economies of scale, and limited inter-unit communication limits knowledge sharing	Decentralized systems with bidirectional communication between home office and subsidiaries -Local databases
Transnational	Some aspects centralized, others decentralized; integrated network; used in integrated global markets	-Can achieve benefits of multidomestic and global strategies -Difficult to manage; very complex	Distributed/shared systems with enterprise-wide linkages -Common global data resources

LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Dynamics of the Global Economy, Analytic Skills

2-6. What is freeconomics, and what are several approaches for applying its concepts to various industries?

2-7. Why is successful application of innovative technologies and systems often difficult?

Answer:
There are limits to using emerging information systems to gain or sustain a competitive advantage. Information systems are often bought from or built by someone else. They are often either purchased from a vendor or developed by a consultant or outsourcing partner. In these situations, the information systems are usually not proprietary technologies owned by the organization. Second, given the pace of change in the digital world, advantages gained by innovations often have a limited life span. Third, developing innovative information systems always entails a risk. Finally, choosing among innovative information systems–related investments is just as difficult as choosing consumer electronics.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Reflective Thinking Skills

2-8. What is the "innovator's dilemma"?

2-9. Using past examples, explain what is meant by a disruptive innovation.

Answer:
Disruptive innovations are new technologies, products, or services that eventually surpass the existing dominant technology or product in a market (see textbook, Table 2.8). For example, retail giant Sears nearly failed in the early 1990s when it did not recognize the transformational power of the disruptive innovation of discount retailing; today, discounters Walmart and segment-specific stores such as Home Depot dominate retailing.

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LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Analytic Skills

2-10. Describe the disruptive innovation cycle.

Answer:
The model (as shown in Figure 2.24) essentially holds that the key to success for modern organizations is the extent to which they use information technologies and systems in timely, innovative ways. The vertical dimension of the disruptive innovation cycle shows the extent to which an organization derives value from a particular information technology, and the horizontal dimension shows time.
LO: 2—Describe how information systems support business models used by companies operating in the digital world.
AACSB: Analytic Skills

NOTE: Self-Study questions and answers 2-11 through 2-20 can be found in the text.

ANSWERS TO PROBLEMS AND EXERCISES

2-21. Match the following terms to the appropriate definitions:

__ b __ **value chain analysis**
__ f __ **freeconomics**
__ d__ **managerial level**
__ g __ **value chain**
__ e __ **disruptive innovation cycle**
__ c __ **disruptive innovation**
__ a __ **innovator's dilemma**
__ i __ **transnational business strategy**
__ h __ **multidomestic business strategy**
__ j __ **operational level**

2-22. Using a business or organization that you are familiar with, contrast the operational, managerial, and executive levels by contrasting each level's typical activities, types of decisions, and information needs.

Answer:
Answers will vary according to the organizations chosen. However, an example could be Walmart. The operational level would consist of supervisors such as those in charge of managing the check-out area. The use of cash registers, which are systems that control cash and inventory, is an example of transaction processing systems used at this level. Types of decisions made here would be structured, such as creating a schedule for allocating cashiers and human resources systems to manage evaluations of employees. The managerial level would consist of people who manage the different departments. Their decisions would be considered semi-structured, such as "How will I arrange the items in my department?" and "How will I manage the change between the different seasons of the year?" The executive level of management would be the store manager. Here decisions are unstructured, such as "How will I manage the budget for the store?" or "How will I increase sales?" or "How will I plan for emergencies?"
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Analytic Skills

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2-23. Using your own life, contrast several structured versus unstructured decisions that you regularly have to make.

Answer:
Answers will vary, but an example could be "What ingredients do I need to purchase to make mac'n'cheese?" (structured) versus "Where will I go on vacation this year?" (unstructured).
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Reflective Thinking Skills

2-24. Identify a company utilizing the distinct competitive strategies shown in Figure 2.10; provide evidence to support your selections.

Answer:
Answers will vary. One example would be a company that specializes in golf and ski sports items. This company would have a strong summer and a strong winter appeal. It would be using a narrow market differentiation strategy because it would be appealing to a niche market within the sports market as well as a niche segment of the population.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Reflective Thinking Skills

2-25. Of the five industry forces presented in the chapter (Porter's model), which is the most significant for an organization in terms of making IS investment decisions? Why? Which is the least significant? Why?

Answer:
These answers should be based on context. Students can argue any of the five factors as long as they discuss the implication to making the business case.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Analytic Skills, Reflective Thinking Skills

2-26. Using a company or organization that you are familiar with, map its various business processes into a value chain.

Answer:
Answers will vary.
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Analytic Skills, Reflective Thinking Skills

2-27. Using a business or organization that you are familiar with, analyze the organization's business model, including its customer segments, value proposition, channels, customer relationships, revenue streams, key resources, key activities, key partners, and cost structure.

Answer:
Answers will vary. An example would be woot.com. The customer segment this company attracts is those looking for deeply discounted deals. The value proposition is that one major product is offered each day and that product is discounted more than normal to entice sales. Once sold out, the item is no longer available. The channel is direct mail sales by checking out through

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Amazon. Customer relationships are forged by offering a sign in and then receiving notices through e-mail offerings. Revenue streams are created by single-offering sales and through specific products offered in different categories (home, computers, etc.). Key resources that make it work for Woot include partnerships with Amazon, shippers, and those providing methods of payment. Key activities include the ability to secure a wide variety of products to offer customers. Key partners include suppliers, shippers, and banking contacts. The cost structure includes buying products in bulk that are considered over-produced and then moving them through the sales model.
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Analytic Skills, Reflective Thinking Skills

2-28. Go to Amazon.com's affiliate site. How does affiliate marketing at Amazon.com work? How do Amazon.com's business partners get paid? Who can sign up for this service?

Answer:
As an affiliate, a business is paid based on an advertising model on the number of referrals generated. Most any business can sign up if it has an existing Amazon account.
LO: 2—Describe how information systems support business models used by companies operating in the digital world.
AACSB: Analytic Skills

2-29. Find and describe an example not discussed in this chapter that demonstrates the freeconomics concept of freemium.

Answer:
Answers will vary, but one example is the rock band Nine Inch Nails. They allowed their followers to download their latest album (*Ghost I-IV*) for free. Simultaneously, the rock band generated revenue from a number of other sources, including concerts, deluxe CD box sets, and paid downloads. In a traditional economy, it would not make sense to distribute 100 free CDs in order to sell 2 concert tickets, 3 T-shirts, or 4 paid-for CDs. The cost of producing and distributing the actual records will simply be too high compared to the revenue. Once you are able to produce and distribute the music with computers, this scenario changes. The marginal cost of distributing each album is close to zero. This means that only a small percentage of users need to buy something for this model to be profitable.
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Reflective Thinking Skills

2-30. Find and describe an example not discussed in the chapter that demonstrates the freeconomics concept of cross-subsidy.

Answer:
One example would be Adobe and its products. Adobe offers Acrobat Reader for "free" to anyone who is willing to download the product from the Adobe website. This software is used to view portable document format, or pdf, files. On the other hand, if a person wishes to create or manipulate pdf files, Adobe Acrobat must be purchased. The current price of Adobe Acrobat 8 Professional is $449.00 for the whole package and $159.00 to upgrade.
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.

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AACSB: Reflective Thinking Skills

2-31. Find and describe an example not discussed in this chapter that demonstrates the freeconomics concept of zero marginal cost.

Answer:
One example is a passenger train that still has seats open after selling a ticket. Adding passengers to those seats will very slightly increase the amount of fuel the train will consume in order to reach its destination, because their presence means more mass that the engine must move. The mass of an additional person, however, is so small compared to that of the train that this cost is so small as to be irrelevant. Goods that can be sold and distributed via the Internet, such as computer software or electronic books, still require bandwidth and electricity for each copy, but the marginal cost of any individual copy is negligible.
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Reflective Thinking Skills

2-32. Find and describe an example not discussed in the chapter that demonstrates the freeconomics concept of labor exchange.

Answer:
One example would be Digg, which started as an experiment in November 2004. The site's main function is to let users discover, share, and recommend Web content. Members of the community can submit a Web page for general consideration. Other members can vote that page up ("digg") or down ("bury"). The end product is a series of wide-ranging, constantly updated lists of popular and trending content from around the Internet, aggregated by a social network.
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Reflective Thinking Skills

2-33. Why shouldn't every organization deploy innovative information systems? What are some of the recommended characteristics of an organization that are necessary in order for that organization to successfully deploy innovative technologies?

Answer:
The key concept when considering deploying innovation is based on the e-business innovation cycle, where "value" is used as the metric. The recommended characteristics are: (1) put technology ahead of strategy, (2) put technology ahead of marketing, and (3) innovation is continuous.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Analytic Skills

2-34. Identify examples not discussed in the chapter of disruptive innovations that successfully displaced or marginalized an industry or technology.

Answer:
The examples given in Table 2.8 should give students a good starting point for this discussion. Other examples could be the cell phone replacing land line phones, local community colleges

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disrupting the four-year colleges for some, and medical clinics and urgent care facilities displacing the traditional doctor's offices.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Reflective Thinking Skills

2-35. Apply the progression and effects of disruptive innovation on an industry (see Table 2.9), describing the evolution of a disruptive technology to a product or industry.

Answer:
Again, examples in Table 2.8 should give students a good starting point for this discussion.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Analytic Skills

ANSWERS TO APPLICATIONS EXERCISES

The Solution Files to accompany these exercises are available within the Instructor Resource Center. The Student Files to accompany these exercises are available for download at: www.pearsonhighered.com/valacich . Please refer to the Data File Guide for file names.

SUGGESTED ANSWERS TO TEAM WORK EXERCISE: NetStats: Online Searching

The Google search engine has become so popular with Internet users that the word "Google" is often used as a verb ("I 'Googled' the restaurant to see its reviews"), but there are other well-known search engines, such as Yahoo! and Microsoft's Bing. Table 2.11 shows the percentage of Internet surfers who used each search engine (i.e., the search engines' market share) in April 2014 as compared to April 2012.

Questions and Exercises

2-38. Search the Web for the most up-to-date statistics about the search engine market.

Answer:
Answers will vary.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Analytic Skills

2-39. As a team, interpret these numbers. What is striking/important about these statistics? How do the numbers compare to your own search behavior?

Answer:
Answers will vary.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Analytic Skills

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2-40. How have the numbers changed? Will there be other important players in the search engine market?

Answer:
Answers will vary according to when the stats are accessed.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Analytic Skills

2-41. Using your spreadsheet software of choice, create a graph/figure most effectively visualizing the statistics/changes you consider most important.

Answer:
Answers will vary according to when stats were found and then graphed. This exercise will provide students an opportunity to look at how events can change over time.
AACSB: Analytic Skills

ANSWERS TO OPENING CASE: Managing in the Digital World: The Business of Merging "Groups" and "Coupons"

1. How have information systems enabled new, interesting business models like that of Groupon?

Answer:
Information systems are involved in every aspect of an organization. Because of this they can add value in three ways, with each building on the other. First, when organizations automate, they are using technology to accomplish tasks quicker, cheaper, and with greater accuracy. Second, organizational learning occurs when they use their past behavior and information to improve their business processes. Third, IS can be used to help an organization gain a strategic advantage over its competitors.
LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
AACSB: Use of Information Technology

2. What are the key components of Groupon's current business model?

Answer:
Key components include customers organizing together to partner with established merchants looking to clear out seasonal stocks or excessive supply to benefit both the customer and retailer. As merchants sell higher volume, the cost per unit decreases.
LO: 2— Describe how information systems support business models used by companies operating in the digital world.
AACSB: Analytic Skills

3. How might Groupon leverage technology to strategically create a competitive advantage?

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Answer:
Groupon could build a database of customers and try to lock in repeat customers by profiling its subscribers. Then, when similar deals exist, forward those deals to certain customers to generate sales. This can only be done by creating good surveys of existing customers and the products they buy or like.
LO: 2—Describe how information systems support business models used by companies operating in the digital world.
AACSB: Analytic Skills

ANSWERS TO BRIEF CASE—WiFi in the Sky

1. How do you feel about cell phone use during a flight? Would you switch to or abandon carriers if cell phone use were allowed on one but not the other? Why or why not?

   Answer:
   Answers will vary.
   AACSB: Reflective Thinking Skills

2. Do you think that using the Internet or cell phones creates any security problems on a flight? Why or why not?

   Answer:
   Answers will vary.
   AACSB: Reflective Thinking Skills

Answers to Industry Analysis: Education

1. Are online courses better or worse compared to traditional, face-to-face course? Why?

   Answer:
   Answers will vary.
   LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
   AACSB: Reflective Thinking Skills

2. In what ways could technology be used to improve on the deficiencies of online courses?

   Answer:
   Answers will vary but some responses could include proctoring of exams, video conferencing, and streamed lectures.
   LO: 1—Discuss how information systems can be used for automation, organizational learning, and strategic advantage.
   AACSB: Reflective Thinking Skills

ANSWERS TO END-OF-CHAPTER CASES

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Case 1: LinkedIn

2-42. Do you think it is ethical for employers to search the Internet for information on potential employees?

Answer:
Answers will vary, but this topic should provide a lively discussion.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Reflective Thinking Skills

2-43. Do you believe that you can gain a competitive advantage by joining a network such as LinkedIn? Why or why not?

Answer:
Answers will vary, but most students will probably agree that it provides an exponential contact list that could help professionals in job search situations, whether they are hiring or looking to be hired. Other advantages are that it will link you with common interest groups, enable you to ask (and help answer) questions that are posted by members, and integrate the application with mobile devices such as cell phones. To maintain any competitive advantage it might offer, you must be sure to avoid posting negative information or "dirt" such as content related to drinking and partying, or playing practical jokes on a friend.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Reflective Thinking Skills

2-44. Have you joined or do you plan to join LinkedIn (or a similar type of site)? Why or why not?

Answer:
Answers will vary.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.

Case 2: Streaming Video

2-45. In what ways has technology enabled the transformation and destruction of the traditional video rental industry?

Answer:
Answers will vary. No longer does a customer have to drive to a rental store to rent a movie and then have to drive back to return it within a specified time period. The convenience of being able to use technology to download (stream) a movie to numerous types of devices and watch it instantly has rapidly gained acceptance.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Reflective Thinking Skills

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2-46. Paid programming from cable companies still largely follows the model it has been following for the past few decades. How will technology and the public's appetite for on-demand, streaming video change the cable television industry in the coming years?

Answer:
Answers will vary. One major way change will occur is that customers will be able to stream the programs they want at any time without regard to cable TV's set time slots of when programs will run.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Reflective Thinking Skills

2-47. Discuss whether and how Netflix or Amazon can continue to grow their business and revenues in the streaming video market.

Answer:
Answers will vary. The ability to grow their business will depend on the ability to obtain program releases when they are released versus having to wait for a specified time period before availability.
LO: 3—Explain why and how companies are continually looking for innovative ways to use information systems for competitive advantage.
AACSB: Reflective Thinking Skills

MyMISLab

2-48. List and describe five general types of organizational strategy.

Answer: Visit MyMISLab for suggested answers.

2-49. What is the business model and what are its primary components?

Answer: Visit MyMISLab for suggested answers.

For an example illustrating the concepts found in this chapter, view the videos in mymislab.com.

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