

1.3. Benefits & Advantages of e-Business

To E or not to E—That is the question?

- Competitive Edge
- Global Accessibility
- Culture and Leadership
- Channel Conflict
- Shortage of skills
- Lack of ICT Infrastructure
- Physical Customer interaction

The Disruptive Technology which changes the Strategic Thinking

Old Rule	Disruptive Technology	New Rule
Information-In one place at one time	Shared Databases	Information appears in multiple places simultaneously
Only experts can perform complex tasks	Expert Systems	A generalist can work of an expert
Businesses must choose Centralisation or not?	Telecommunications Networks	Businesses benefit from centralisation and decentralisation
Managers make all decisions	Decision Support Tools	Decision making is part of everyone's job
Field staff need offices to get/give information	Wireless/Mobile Computers/ Internet	Field staff connectivity where ever they are
Best contact with buyer is personal contact	Internet World Wide Web	Best contact with buyer is effective contact

Some Benefits of eBusiness

Proactive decision-making

Increase quality of service

Increase market share

Reduce unnecessary costs

Reach new customers

Eliminate bottlenecks

**Gain advantage
over competitors**

Improve on supply chain mgt.

Improve on technology

**Benefits
to the
Organization**

Advertise globally

Improve on financial mgt.

Accept online ordering

Accept online payment

Improve on Customer relationship

Cut down on delays

Improve on efficiency