

Book Review

E-Business, Strategic Thinking and Practice

By Brahm Canzer

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Reviewed by

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Until recently, business curricula in the U.S. have not undergone major revisions since the introduction of international business and ethics into business studies. In the last few years business curricula are being revamped with the integration of electronic commerce. It is hard to find a business program that does not offer electronic commerce either as a major, minor, certificate program or course. The first wave of electronic commerce books either succumbed to the e-commerce hype or emphasized the technologies supporting e-commerce. It is only in recent times that textbooks suitable for undergraduate education are being written.

"E-business, Strategic Thinking and Practice," by Canzer is written for the undergraduate level and is suitable for a variety of pedagogical techniques. It includes case studies, exercises and individual and group research projects. The purpose of the book is to enhance the understanding of e-business strategies. It provides a comprehensive overview of vocabulary, concepts and strategic thinking.

The contents of the book are arranged in three modules – Module I covers framework for e-business; Module II covers strategic business planning for the Internet; implementation of the e-business plan is covered in Module III. Each module is further organized into four chapters.

Module I presents a framework for understanding e-business. It recounts how business activity over the Internet has evolved and prepares the student for e-business planning and implementation, which are further elaborated in Modules II and III. Environmental forces affecting planning, technical foundations of the Internet technologies, and ethical, legal and social issues behind e-business are discussed in this module. Chapter 1 defines e-business and provides a sketch of the basic models of e-business: B2B, B2C and C2C. Motivation for studying e-business is provided by discussing various opportunities available (within an organization) to improve marketing, management and finance operations by utilizing the Internet technologies. A very brief overview of convergence of communication technologies is provided. Chapter 2 deals with environmental forces affecting e-business planning. Globalization, socio-cultural factors, political and legal issues, technology, competition, economics and demographics are identified as environmental forces affecting the e-business. This material provides the "big picture" of commerce and how e-business fits in it. The Internet and related technologies are discussed in Chapter 3 discusses, albeit briefly, the technical details behind the various Internet technologies. At best, the reader is presented with the names and capabilities of some of the common technologies. It is doubtful whether the reader gains a good overview of the technologies from the material presented. Chapter 4 deals with ethical, social and legal issues surrounding e-business, including privacy and confidentiality, security, digital property rights, governmental regulation and taxation. Again,

like the previous chapter dealing with technology, this chapter is far too sketchy, and it is doubtful whether the reader will gain a good understanding of the nuances of the difficult issues in mere fifteen pages.

The author examines strategic planning in greater detail in Module II and elaborates emerging e-business models, including brokerage, advertising, subscription, pay-per-view, distribution channel, affiliation, community, infomediary and portals. The efficiency, productivity, product standardization and customization advantages of e-business solutions, such as customer relationship management (CRM) and supply chain management (SCM), are discussed. The typical strategic choices at corporate level are alliances, partnerships, mergers and acquisitions; the choices at business unit level are cost leadership, differentiation and focus; and at the operational level they are efficiency, quality improvement, customer responsiveness and innovation. Research and analysis of opportunities for growth are covered in Chapter 7, including reasons for conducting e-business research, steps in conducting research and how to collect external and internal data. Chapter 8 is somewhat more theoretical than most other chapters and deals with communications process and consumer behavior. For students not yet familiar with marketing concepts, this chapter provides the theoretical foundations of marketing concepts needed for understanding of e-business.

Implementation of e-business plans is the concern of Module III. This module is subdivided into separate chapters dealing with marketing, organizational and managerial, and financial issues. Chapter 9 is most useful for students who have not yet taken a marketing course. It offers information on identifying and segmenting markets, product development and product mix selection. Chapter 10 deals with organizational and managerial issues, including organizational activities, structure, production and operations, and productivity and efficiency issues. Chapter 11 covers the basics of financial management and financial statement analysis. Again, students who have not yet taken accounting and finance courses will benefit from this chapter. Finally, Chapter 13 shows how e-business plans can be implemented and controlled. Basics of project management, setting performance objectives and standards, measuring performance are discussed.

There are many books dealing with e-commerce and e-business. A quick search of the Library of Congress reveals that over 200 books were published in the last three years alone. How does this book compare with similar books on e-commerce? 1) It is a textbook for undergraduates, 2) the hype of e-commerce is kept to a minimum, and 3) strategy, planning and implementation of e-business is stressed – not the Internet technologies. The book does not have much to offer to practitioners. For class use it provides a variety of pedagogical tools, including case studies to motivate each chapter, review and discussion questions, individual and group projects, as well as a variety of resources on the book's supplementary site. However, since the topics are covered at a very introductory level, the book may not be suitable for MIS curriculum. The best use of this book, in the reviewer's opinion, is as a supplemental text in an introduction to business course for freshmen or sophomores.

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