CHAPTER 14

Internetworking and E-Business Strategy

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LEARNING OBJECTIVES

- *To explain the meaning and the origins of the internetworking strategy.*
- *To articulate how internetworking helps create value.*
- *To understand the internetworking business models.*
- *To gain knowledge about the type, the form, and the level of internet-working strategy.*
- *To analyze the impact of competitive, cooperative, and macro environment on internetworking strategy.*
- *To learn how to develop high-performance Internet ventures.*
- *To specify distinguishing features of the mobile internetworking strategy.*

INTRODUCTION

Internetworking strategy is the strategy related to e-Business—or conducting business electronically. At a very simple level, business entails commerce—trading, buying and selling of goods and services. At a deeper level, business also involves ensuring the supply and availability of stock (supply chain management), ensuring transport and delivery support (logistics), ensuring responsiveness to the customer demand (customer relationship management), and ensuring payment (transactions). Electronic Business (e-Business) begins to address how these various components of business can be managed 'electronically'.

Internetworking includes buying and selling on the Internet—the 'network of networks' that allows exchange of data, content, voice, and video; as well as linking with the suppliers through the Extranet, and with various internal divisions through the Intranet.

Internetworking strategy fits well with the ongoing shift from vertical organizational structures (i.e., vertically integrated organizations that are managed through hierarchical control)