

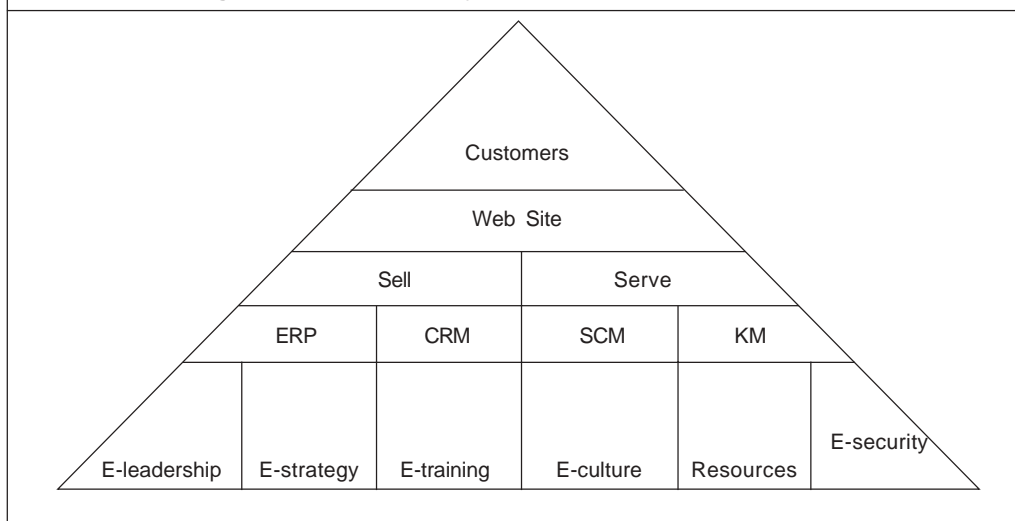
# Getting to Transformation

*Author: Randiv Mehra, Publisher: Macmillan India Ltd.,  
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## Introduction

The book is presented in four parts; containing 23 chapters which includes glossary, bibliography, subject index and name index. The author has used tables and diagrams besides lucid expression. The objective of the book is to understand how organizations can UNLEASH the power of internet and e-business and can reinvent themselves. The organization cannot transform itself in a single day and needs an integrated approach which involves various key concepts and components in transformations. The book talks about all such concepts and components aimed at to serve the customers better and to sell the products to generate more revenue. The following figure illustrates the said approach.

**Source: Book; Figure 21.1: Various Key Concepts and Components in Transformation**



## 1. Internet

Internet is a new medium of communication for the business community, whereby it provides a new meaning to trade and commerce. The online auction sites, portals and corporate websites are the new upcoming utilities of e-commerce. However, the people have not come out of the fear because of dotcom disasters but the author argues that the enterprise thought to get the short-term benefits without proper customer relationships. The author points out that wrong choice of business models, spending lavishly on advertisements and technology, lack of attention to infrastructure and logistics, lack of customer service and lack of managerial experience were main causes of the dotcom bursts even after having good ideas, energy, money and ability to provide new services.

Internet has been able to disseminate the information across the countries, there are countries like China, which have censored many websites to control the information. But the fact still remains that the Internet is the quickest and most convenient form of communication applications for example, using e-mails and online interaction. Such online communication can be in text, images, photos, voice recording etc., and allows the business to facilitate the communication one by one or in groups. Not only this, the Internet also provides access to a wide range of information and can be stated as a virtual digital warehouse practically free of cost.

#### **About the Author**

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## **2. E-commerce**

E-commerce is still at a very nascent stage in India due to lack of adequate bandwidth and telecom infrastructure. E-commerce is a new concept which helps in doing business by using electronic components and the processes to drive the business correspondence, transaction and payments.

E-commerce basically involves B2B and B2C. B2B basically connects different suppliers to clients and different business's institutional partners. B2C connects the business to consumer. Starting from the products like books, CDs, gift items to services like travel and holidays, financial services and entertainment activities are being provided to the customer by just a click of the mouse. The benefits of e-commerce are, it—removes the middleman, automates the manual tasks and paper-based transactions and payment processing. The book has broadly defined and discussed issues related to e-commerce like market, recognizing brands, types of products, language and cultural barriers, taxation and customer service capability. Moreover, the online payment system is the crucial factor while implementing e-commerce as the customers prefer secrecy regarding their general profile, credit card details and bank account number. But the attitude of the consumers is changing and busy people prefer to buy the books, gifts items and sometimes music CDs online from authentic sites like [indiatimes.com](http://indiatimes.com), [rediff.mail.com](http://rediff.mail.com) etc. Therefore, it is very essential to win the confidence of the customers and the clients.

## **3. Marketing the Websites**

The corporate website is the gateway to attract more customers and other stakeholders by providing information about product and services information. It could be a sale channel if it synchronizes the technologies and the company's focus. However, many organizations in India still do not have websites, indicating how reluctant they are "Getting to Transform". These organizations not only lose their existing customers but they are also unable to attract prospective customers and suppliers. Therefore, the book discusses a ten-step plan to guide the companies to create attractive websites. The ten-step plan deals with defining objectives, analyzing the competitors websites, knowing the customer, basic plans for involving customers and domain name selection, design and aesthetics of website, content plan, development of graphics, website testing, website hosting and finally test after hosting. These ten steps are really very informative

to those companies desiring to provide value addition to the customers and other stakeholders everyday.

The author states that the website has two purposes viz., i) To attract the stakeholders, and ii) To generate revenue. Just having a company website is not of any use unless it targets the stakeholders and the stakeholders must also enjoy using it. This needs proper marketing of the website. Website marketing can be done both by the using traditional methods and online marketing. Traditional methods include direct sales, advertising the URL, promotion through correspondences and public relations and online marketing. But it is advisable to utilize both the methods. Online marketing has great advantage over traditional methods of marketing as it is more interactive, cost effective and can reach the targeted stakeholders in less time by mass customization and the message can be updated very fast. The website should not be aimed only to attract and create awareness but also to sell the products and services. But In India, there are only few large companies which are interactive in selling products online. According to the author, the marketing of website is possible:

- However there may be different strategies for different companies to promote the company website like the hotels website can be promoted by state tourist's website or aviation websites.
- Another method to promote the website is—setting up *banner advertisements* in the right portal. Banner adverts can have a link to the details of the products or services.
- Most banner advertisements are being used by Infosys, Citibank, ICICI, FMCG companies, Tata groups etc. Another method to market the website can be *direct e-mail marketing*, whereby the e-mails can be sent to the available database but this may be risky if the receiver gets irritated. Therefore, there must be the option not to receive the e-mail in future so that the next time an enterprise sends and promotion campaigns, the e-mail can go to the spam folders.
- *Viral marketing* can also be an important tool to market the website. The company can also create an *alliance or partnership* to a website with another website to enhance its visibility like; the renowned companies can list down the names of its suppliers and can give their details in brief.

#### **4. Personalization**

The author emphasizes that it is very essential to develop relationship with new, prospective and old customers. On one hand, important traditional tools are time-consuming and incur more costs while internet can be utilized as an interactive medium to contact and to get hold of the customers. The important tools in internet are e-mails, newsletters, customization, personalization and loyalty programs. The company website is the gateway for attracting prospective customers. The website should be such that it can be customized based on the profile of the customers like, languages, colors, font size and visibility of website.

Personalization is an advanced form of customization whereby the customers get promotional offers or product descriptions etc., based on the database available to the company. Such database can be prepared by the organization by offering newsletters or by getting the customer profile when the customer clicks the company website for more information.

The author gave an example of the *New York Times* newsletter which personalizes the marketing efforts based on the user registration. One of the examples of personalization is the collaborative filtering whereby the products are sold based on the behavioral data of the customers and thus identifying the choices, patterns, trends, preferences etc., can help the products to be sold. [www.rediffmail.com](http://www.rediffmail.com) for example sends reminder e-mails to customers who have bought same types of books that have been bought earlier. The website should be interactive like e-mails to organization for more information. Thus, the sections like feedback form or FAQs make the process more interactive and customers feel they are taken care of by themselves. The loyalty program like booking the tickets by credit cards or debit cards or frequent buyer programmes and special promotional offers really help in building the relationship management through interactive B2C.

## **5. Customer Satisfaction on the Internet**

The author observes that the online customers get the first impression from the home page of the website which encourages them to get inside. Descriptions about the product, its characteristics, mode of payment and delivery play an important role in online shopping. People visit the websites and want to obtain the service and goods delivered as soon as possible because either goods or services are unavailable elsewhere or the customers are too. The customers also want fool proof security for their credit or debit cards. The customer satisfaction on the internet can be achieved by utilizing various upcoming online tools like live chat, Text-based chat, newsletter service and co-browsing. While offline customer service can be helpful, solving customer problems and making the service polices quite efficient is also essential.

The online tools and their applications like website performance, detailed product/service information, customer service button and the integrated data can really be helpful in catering to the needs of online customers. Prompt e-mail replies automated response system, Frequently Asked Questions and call back facilities are important medium that can be leveraged to serve the online customers.

### **5.1 Delighting the Customers**

According to the author the term "Delighting the customers" means offering services that makes customers happy for example, offering an unexpected feature which adds value. This can be provided by the state-of-the-art tools and techniques which make the online customers happier. These tools can be self-service, personalization, online consultancy, online training and rich content. Examples of self-services for online customers are:

- The British Airways provides online booking and payment facility for ticketing and helps in planning an itinerary in easy steps.
- Websites of Hertz and Avis give the details of different types of vehicles, their features number of days the vehicle is required, pick and drop time and facility to calculate hire charges while confirming the booking.
- FedEx has well established logistics system and the package can be tracked just by entering the airway bill number on its website.

- Almost every website provide a facility to download application forms, free articles, training material, and product and services details etc., which really save the time of the customers and delight them without incurring any costs.

Some example of online Consultancy:

- [www.economicstimes.com](http://www.economicstimes.com) provides online legal consultancy called "Ask Experts" by charging Rs. 500 for each query .
- [www.apollolife.com](http://www.apollolife.com) provides advice on health matters for different target groups like individuals, doctors, medical students etc. It provides updated information on the health, news, tips and features on the healthcare, diets, fitness etc. Thus, rich content in the websites is really helpful as it delights the customers by providing lively, informative and engaging content
- Asian paints provide a free online interior consultancy for visitors who log on its websites.

## 6. E-business

The author defines e-business as "a convergence of information, technology and commerce" which is dependent on key resources such as people and systems. It aligns people and system with the internet and goes beyond IT and internet environment. It is an in depth form of digitalized management and control which is the need of the hour because of cut-throat competition, globalization, liberalization and new technological development.

E-business focuses mainly on seeking information, technological drive, data integration, Business Process Reengineering (BPR) and connectivity. Some of the advantages of e-business are—it decreases the operating costs, improves the control, enhances the productivity, and provides a real-time solution. A word of caution in this regard is that the technology may be obsolete soon and the cost to implement and to train the employees may be higher. However, it transforms the whole system like:

- Bharat petroleum sells over 4 cr of sales everyday from [www.ebiz.bpc.co.in](http://www.ebiz.bpc.co.in)
- Air Sahara is a pioneer in online ticket auctions just like [www.priceline.com](http://www.priceline.com). and [www.expedia.com](http://www.expedia.com).
- Dell has a niche in selling computers over the internet.

The organization must identify its objectives, goals, and the way to find solutions and make them happen. However, implementing e-business involves the integral approach of political, technical and cultural process.

### 6.1 Components of E-business

According to the author, there are four interlinking components of e-business viz., Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), Knowledge Management (KM) and Supply Chain Management (SCM).

The book talks about ERP, CRM, KM and SCM in detail by quoting different examples and case studies. CRM can be used both in manufacturing and service sector which provides automated customer service and supports, automated marketing and sales force automation.

Intranet is another important facet of e-business which is nothing but KM. Intranet connects the organization and manages its data which can be accessed via any internet browser having specific IP address, username and password.

Intranet is one of the latest forms of corporate communication mechanisms which help in sharing and disseminating knowledge. TISCO is one of the pioneers in managing the knowledge via intranets.

## 7. E's of E-business

There are few e's which are important while implementing e-business. Among them are e-leadership, e-strategy, e-leadership, e-culture and e-security are important.

**7.1 e-strategies** are an important asset for any organization involved in online business. The organization must define the strategy like market share, revenue, cost, profitability etc. This strategy must be based on market research or on the judgments of top executives and by involving the junior executives in the process as it will give more scope to formulate the strategies. The organization must have different revenue models like the advertising model, the subscription model, the membership model and the traction model. The strategic models on the internet can be static model, New Sales channel model, hybrid model and online model. The section e-business discusses the case of [www.indianherb.com](http://www.indianherb.com) showing how beautifully it has leveraged the website to sell its products.

**7.2 e-leader:** To communicate values and cultures *vis-à-vis* the changing mindset of the employees are important challenges to the leaders of e-business as the system goes on changing from physical to digital and e-leader must create a vision, awareness and demonstrate commitment by teamwork, motivation, employee retention and create an environment to change the attitudes and beliefs.

**7.3 e-security:** Another important issue discussed in the book is e-security which means how to win the confidence of customers for e-business because in the online business, cases of credit card fraud, theft of company data, hacking, unauthorized access, virus infection, industrial espionage are at the risk. Hence, there must be a secure system and policy which can safeguard the interests of the stakeholders. Some secure protection technologies include firewalls, virtual private network, encryption, digital signature, digital certificates etc.

## 8. Conclusion

Thus, in this electronic era, the internet and e-business can provide competitive advantages but three user groups i.e., managers, customers and suppliers are important while implementing e-business projects. The continuous innovation in the system will bring more benefits and long-term relations with the customers and suppliers. The fact still remains "how to serve the king and queen i.e., customer." ❧

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