**IS 501 – ASSIGNMENT 2**

Read the paper “How Smart, Connected Products Are Transforming Competition” by Michael Porter and James Heppelmann (2014), attached together with this file and answer the following questions.

1. (20 Pts) Indicate how five competitive forces are affected by the changes brought by smart and connected products.
2. (20 Pts) How four generic competitive strategies are affected? Explain (Ch. 3, Slide 33).
3. (20 Pts) How value chain activities are transformed with the new era of smart products? Explain.
4. (20 Pts) What ethical issues have been raised by the development and spread of smart and connected products? Relate your answer to five moral dimensions of the information age (Ch.4, Slide 10).
5. (20 Pts) Consider the organization you chose to introduce in Assignment 1. How could the new technologies discussed in the paper be incorporated in the products and services? In what way would this new wave change the industry and the organization? Discuss by referring to the Porter’s competitive forces and value chain models as well as change in business strategy.

**Important notes:**

1. You should upload your files through the Assignment tool in ODTUClass. The files should be in either **Word** or **PDF** formats.
2. Please adhere to **academic rules and ethics** in preparing your assignments. Plagiarism is not allowed. Plagiarism checker tools will be used.
3. **In answering the questions**, please note there may not be a definite answer and one sentence replies may not get full marks. You should explain and justify your responses.