1. a) **Explain the role of IT to business disintermediation to the consumer.**

Information Technology (IT) helps businesses talk directly to customers without anyone else in the middle. Here's how:

1. **Talking Straight:** IT lets businesses chat with customers online using websites, apps, or social media. This means companies can sell their stuff right to the people who want to buy it, without needing stores or other go-betweens.

2. **Online Shopping:** Ever bought something online? That's IT at work. Companies use IT to sell things on websites or apps, so you can shop from home and get stuff delivered without going to a store.

3. **Finding Info:** IT helps you learn about products or services. You can see prices, read reviews, and compare things easily. This means you can make smarter choices without needing someone else to tell you.

4. **Personal Touch:** Companies use IT to know what you like, so they can offer you things you'll probably love. It's like they're custom-making stuff just for you!

5. **Making Things Smooth:** IT helps companies manage orders, keep track of products, and help you when you need support. It makes things faster and smoother for both you and the company.

So basically, IT lets companies skip the middle steps and talk directly to you, making shopping easier and more personal!

1. b) What do you learned from Michael Porter's competitive forces model? Explain the information system strategies for dealing with competitive forces.

Porter's Competitive Forces Model, created by Michael Porter, is a popular tool for understanding how companies gain an edge over others in their industry. This model gives an overview of a company, its rivals, and the surrounding environment. It emphasizes the significance of a company's environment and its reliance on it. Porter's model focuses on five competitive forces that impact a company's destiny. Competitive Forces Model by Michael Porter explains five factors that greatly affect how well a company performs:

1. **Traditional Competitors:** Other companies in the same market continually improve their products and services, develop brands, and create reasons for customers to stick with them.

2. **New Market Entrants:** Fresh companies entering the market can shake things up. They might have advantages like new ideas and motivated staff, but they also face challenges such as needing funding and lacking brand recognition.

3. **Substitute Products and Services:** In every industry, there are alternatives that customers can turn to if a company's prices get too high. New technologies often create these substitutes, reducing a company's control over pricing and profit margins.

4. **Customers:** A company's success depends on attracting and keeping customers who are willing to pay higher prices. If customers can easily switch to other options or force companies to compete solely on price, it becomes harder for companies to maintain profits.

5. **Suppliers:** The power of suppliers can impact a company's profits. When suppliers can increase their prices faster than a company can, it affects the company's bottom line. Companies with multiple suppliers for essential components have more control over prices, quality, and delivery schedules. These forces shape how companies operate and compete within their industries, impacting their ability to succeed

2. a) What is switching costs? Why should company's switching cost remain high?

Switching costs are like obstacles or challenges that make it hard or inconvenient for you to change from using one thing to another. Imagine if you've been using a certain phone for a long time, and you're used to all its features, apps, and how it works. If you want to switch to a different phone, it might be tough because you'd have to learn how the new one works, move all your stuff over, and maybe even lose some things you had on the old phone.

Companies want these obstacles to be high so that it's harder for you to leave and go to a competitor. They want you to stick with their product or service because it's more challenging for you to switch. This helps them keep customers and also stops new companies from easily attracting customers away. High switching costs keep you sticking with what you're already using, making it less likely for you to change to something else.

2 . b) Illustrate business value chain model with example and explain the role of IT to achieve values.

The business value chain model is a way of understanding how a company creates value for its customers. It includes primary activities directly related to producing goods or services, and support activities that assist those primary activities.

Let's take a simple example of a company that sells handmade furniture:

1. **Primary Activities:**

   - **Inbound Logistics:** This involves getting raw materials like wood, screws, and varnish to the workshop. IT can help by using systems to manage inventory, track supplies, and automate reordering when stocks are low.

   - **Operations:** The actual making of furniture, where skilled artisans use tools and techniques to craft tables, chairs, etc. IT might aid in optimizing production schedules, managing workflow, or even using computer-aided design (CAD) software to create designs efficiently.

   - **Outbound Logistics:** Packaging finished furniture, arranging transportation, and delivering it to customers. IT systems can assist in managing shipping logistics, tracking deliveries, and providing customers with delivery updates.

   - **Marketing and Sales:** Advertising the furniture, reaching potential customers, and making sales. IT plays a vital role here, such as using online platforms, websites, and social media for marketing, managing customer databases, and implementing e-commerce systems for online sales.

   - **Service:** After-sales service, warranties, or repairs. IT systems can help in customer support, managing service requests, and keeping records of customer interactions for better service provision.

2. **Support Activities:**

   - **Procurement:** Sourcing materials, negotiating with suppliers, and managing contracts. IT systems can streamline procurement processes, manage supplier relationships, and optimize purchasing decisions.

   - **Technology Development:** Research and development for new designs or production techniques. IT supports this by facilitating innovation through software tools, simulations, or digital design platforms.

   - **Human Resource Management:** Hiring, training, and managing skilled craftsmen. IT assists in HR processes like recruitment, training modules, performance evaluations, and maintaining employee records.

   - **Infrastructure:** General support like maintaining the workshop, administrative functions, and IT infrastructure. IT ensures efficient operations by managing internal networks, databases, and office systems.

The role of IT in achieving value in this business lies in its ability to streamline processes, enhance efficiency, improve decision-making, and enable better customer experiences. For instance:

- **Supply Chain Optimization:** IT systems can track inventory levels, forecast demand, and automate procurement processes, ensuring the right materials are available when needed, reducing costs, and improving efficiency.

- **Customer Relationship Management (CRM):** IT systems can collect and analyze customer data, enabling targeted marketing campaigns, personalized offerings, and efficient customer service.

- **Process Automation:** IT tools automate repetitive tasks, reducing errors, saving time, and increasing productivity. For example, using software to generate invoices, manage orders, or schedule deliveries.

- **Innovation and Design:** IT supports innovation through software tools for design, simulations, or virtual prototyping, enabling the development of new and better furniture designs.

By integrating and leveraging IT systems across these value chain activities, the furniture company can achieve operational excellence, enhance customer satisfaction, innovate effectively, and ultimately create and deliver more value to its customers.

3(A). 'IT changes both the relative costs of capital and the costs of information'- based on this statement write the transaction cost theory with example.

ANS:
Transaction cost theory suggests that in the past, when it was expensive to participate in markets (high transaction costs), companies found it efficient to do everything internally. However, with the advent of Information Technology (IT), firms can now reduce their costs associated with market transactions. This allows them to outsource work to external entities, decrease their number of employees, and still increase their revenues by relying more on outsourcing firms and external contractors.

Example:

Consider a small manufacturing company that, before the widespread use of IT, had to manage all aspects of production, from raw material acquisition to product distribution, internally. The high transaction costs of dealing with multiple external suppliers and distributors made it more cost-effective to handle everything within the company.

3(B)Differentiate tacit and explicit knowledge. Narrate the major types of knowledge management systems.

Tacit knowledge: Knowledge residing in the minds of employees that has not been documented is called tacit knowledge.It is Personal and difficult to express. It is Difficult to formalise and share broadly.

Explicit Knowledge: knowledge that has been documented is called explicit knowledge. Explicit knowledge is codified, and easy to communicate and it is Easily accessible and can be distributed widely.

There are three types of knowledge management system:

- **Enterprise knowledge management system:** An Enterprise Knowledge Management System focuses on organizing and sharing knowledge across an entire organization. It helps employees collaborate, access relevant information, and contribute their expertise.
- **Knowledge work system:** A Knowledge Work System supports individuals or teams in creating, acquiring, and applying knowledge to solve problems or make decisions. It's tailored to the specific needs of knowledge workers.
- **Intelligent Techniques:** Intelligent Techniques involve using advanced technologies like artificial intelligence (AI), machine learning, and data analytics to manage and extract insights from vast amounts of information. These systems can learn and adapt over time.

6(A): explain c2c, c2b, g2g with example?

ANS:

- C2C (Consumer-to-Consumer):
    - Explanation: C2C refers to transactions or interactions that occur directly between consumers. It's when one individual sells or exchanges goods, services, or information with another individual.
    - Example: Think of online marketplaces where people sell used items to each other, such as a person selling a bicycle on a platform like eBay to another individual.
- C2B (Consumer-to-Business):
    - Explanation: C2B involves transactions where individual consumers offer products, services, or information to businesses. In this model, consumers act as suppliers, and businesses act as consumers.
    - Example: Consider a freelance graphic designer offering their services on a platform like Fiverr or Upwork. The business (client) pays the individual for their design services.
- G2G (Government-to-Government):
    - Explanation: G2G involves interactions or transactions between government entities. It can include the exchange of information, collaborative efforts, or formal agreements between governments.
    - Example: When two countries sign a treaty or agreement to cooperate on environmental issues, it's a G2G interaction. The governments work together for a common goal.