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Social Business Strategy: The Competitive Advantage

In a world that is rapidly evolving around global business and the convergence of social responsibility, Strategic Information Systems (IS) along with the pursuit of having a competitive advantage in the world has started to emerge as the forefront for organizational restructuring across vast industries. To understand the intricacy of these forces restructuring organizations world-wide, one must explore the complicated interplay between social business strategies, IS strategies, and the competitive goal of organizations attempting to gain a sustainable yet viable edge in the world. An exploration of this topic reveals thought-provoking questions, including how does the overarching business strategy wield influence over both organizational and IS strategies? What dependencies bind these strategies? Can an organization's strategy and IS strategy exist independently, separate from any connection with the broader business strategy? By exploring areas such as airline manufacturing and online retail industries, one can start to unravel and, thus, gain insight into the synergistic and interwoven nature organizations employ to stay ahead of the competitive curve.

Before diving into the various work sectors, to gain a competent understanding of the crucial undertaking that these businesses go through, one must first understand the core concepts surrounding the strategies employed by these organizations. One of the most pivotal among these topics is organizational strategy. According to F. Dieffenbacher (2023), organizational strategy resides at the crossroads of a business's goals and its structural framework. Further, Dieffenbacher (2023) elaborates that an enterprise's organizational structure intricately delineates the relationships binding its diverse reserves of resources: "The organizational structure of every business dictates the relationships between the various resources the business has at its disposal".

Organizational strategy encompasses the systematic orchestration of these resources and harmoniously aligns them with the long-term aspirations of the organization itself. This notion of systematic orchestration of resources denotes a forward-thinking ideology to ensure that the resources employed by businesses are channeled the most efficient and optimal way toward understanding the overarching objectives of the organization.

Further, the IS strategy and its concepts are equally important to the massive undertaking forgone by companies. As Pearlson, Saunders, and Galletta (2023) assert, IS strategy encapsulates "the technology (hardware, software, networking, data), people, and processes that an organization uses to manage information" (p. G-7). Armed with this foundation, one can delve into the intricately woven synonymy between social business strategies, IS strategies, and competitive advantage, where the sway of organizational strategy becomes increasingly crucial. Organizational strategy assumes the role of architect, which shapes the trajectory of both the social and IS strategies and, in assuming this role, ensures that the alignment within the organization's broader objective and goals is unified, preparing that organization for competitive success. The symbiotic nature of this serves as a figurative crucible in which social responsibility, innovative technology, and organizational competitive prowess mesh together to form the foundational components of contemporary business methodologies.

Another crucial constituent of an organization is business strategy. In short, "business strategy is the strategic initiative a company pursues to create value for the organization and its stakeholders and gain a competitive advantage in the market. This strategy is crucial to a company's success and is needed before any goods or services are produced or delivered" (Boyles, 2022). With such a vision, one can gain insight into the very bedrock upon which organizational strategies are constructed. This paves the way to the creation of value, not only for

the organization but for its broader ecosystem as well. The business strategy serves as more of a beacon for companies in which the decisions, actions, and resource allocations align perfectly within the organization's aspirations for attaining a competitive edge. The roadmap established by this strategy acts as a precursor to the company's current and future endeavors, channeling the business for success. Throughout all the intricacies of business strategies, IS strategies, and competitive advantages, the sway of organizational strategy remains unwavering by providing a backdrop that shapes and interweaves all the facets of business activities.

Shifting attention to the manufacturing sector reveals the evolution of modern social business strategies, which is to delineate the shift from a conventional approach model, entailing a profit centered model strategy, to a more comprehensive approach. This approach is more firmly planted and centered around sustainability and the influence of society. Modern-day organizations understand that there is some significance in the engagement of stakeholders, economically viable and conscious manufacturing, and sustainability. To properly execute this alternate approach, more robust IS strategies to seamlessly integrate real-time data capture, vigilant monitoring, and comprehensive analysis are needed. For example, if an organization implements an integrated supply chain system of management, then this approach offers greater resource optimization and less wasteful energy consumption. This data-driven approach, in turn, can bolster practices that are more sustainable and promote overall organizational operation efficiency.

With this foundational understanding of the core concepts behind business and organizational strategy, one can now begin to delve into the intricacies of the individual sectors. The first sector in question is the domain of online retail. In online retail, businesses attempt to leverage social business strategies with the aim of positioning the customers at the epicenter of

their operations. With the advent of e-commerce, customer shopping has become more personalized and tailored to the customers supporting the organization. Various platforms like social media and online interfaces serve as conduits for reaching the consumer in a more targeted and practical approach. This direct customer engagement allows the organizations of the e-commerce businesses to directly engage with consumers to both strategically induce the businesses forward progression in the industry as well as level with the consumers on a more personal level from the comfort of wherever in the world they may be. This approach allows the businesses to broaden their outreach to not just a single location but all over the world. The effective execution of these strategies hinges on sophisticated customer relationship management (CRM) systems. These CRM's trace the interactions of the customers, their preferences, and their purchase histories. This empowers the online retailers to meticulously craft marketing campaigns specifically targeting customers and leads to an overall heightened level of customer gratification.

Among the relentless pursuit of innovation, the airline industry has also embraced more customer-centric social business strategies, leveraging social media for real-time updates, promotions, and responsive customer service resolutions. Predictive maintenance through the Internet of Things (IoT) ensures aircraft health, safety, and operational efficiency. In this respect, aviation organizations must devise a way to strategically navigate competition, choosing short-term or long-term approaches. In a study over aviation strategies, Bastola (2022) stated, "Therefore, all aviation organizations are forced to choose their own strategy in order to sustain this growing competition. Therefore, to do that they must choose either short-term or long-term strategy depending upon their own circumstances". While all aviation organizations and companies are different, they must adopt their own way of strategic advancement to stay on the

competitive edge with other organizations. This includes employing IS strategies like online and mobile applications as well as competitive strategies such as pricing, comfort, and amenities. Bastola (2022) adds, "Modern technologies and customer care and comfort are the leading strategies to attract passengers. Airlines with maximum attractive features tend to invite more passengers. Due to which, Air company will have maximum profit thus increasing organizational performance". This quote vividly captures the imperative nature for aviation organizations to adopt effective strategies that align with their circumstances. Modern technology combined with prioritized passenger experience emerges as a central strategy for attracting passengers and enhancing overall performance. Bastola's insights further illustrate that airlines offering a range of attractive features inherently attract a larger passenger base, resulting in more profit for the organization itself as well as competitive success in the industry. This underscores the significance of technological and customer-oriented strategies in advancing the aviation industry, a theme that resonates with the broader context of innovation and customer care.

While the quest for a more sustained competitive edge in the market, conglomerates of all major retail companies find themselves in a vastly evolving ecosystem characterized by high customer demands and fierce competition. To survive while remaining sustainable and viable, these companies must adapt and fortify their competitive edge by harnessing a vast network of tools, including IS, business, and organizational strategies. Armed with this toolkit of strategies, organizations can extract insights into the behavior patterns of consumers, marketing trends, and seamless integration of online and offline channels through various strategies with the help of data analytics. Concurrently, social media engagement tools enable retailers to actively monitor brand preferences and sentiment as well as allow for direct engagement with customers in real time. These conjoined methodologies not only allow the businesses and retailers to thrive; they

encourage a more loyal and trusting consumer base. With this, the organizations can create a more sustainable company and progressive goal to help achieve long- and short-term success in the competitive market.

In the age where a vast majority of life is profoundly digital, being able to maintain a competitive edge requires a more proactive stance when facing and embracing technological innovations. As industries witness the transformation of technological breakthroughs, it is imperative that businesses utilize strategies such as IS strategies to stay up to date to use such knowledge to their benefit. Furthermore, the fluctuating nature of customer preferences encompasses and underlines the significance of the need for agility in both business and IS strategies. For example, as the idea of sustainability becomes a more paramount concern for business consumers, retailers must be able to recalibrate their approaches and adapt. If these changes occur, they must be able to realign from their previous targeting goals to offer a more targeted solution to the consumer based on their needs. These changes might include a whole recalibration and redesign of user interfaces to spotlight products and practices more suited for the change in consumer preference.

The interwoven dependencies between business strategies and information systems are a constant response to the impact of technological advancements as digital trends and technology increase. These changes have not only reshaped the expectations of the consumer but also the market dynamics employed by businesses by prompting the organizations to reformulate previous strategies to stay on a constant competitive edge and meet the needs and loyalty of consumers. IS strategies, once limited to the functional operation of a business, have now emerged as more strategic assets that allow businesses to be able to differentiate themselves from other companies in the competitive landscape.

To provide a more tangible example of how potent the IS Strategy is, one can inspect the widespread adaptations and adoptions of advanced data analytics. “Among all analytics tools, Predictive Analytics (PA) has become an increasingly hot topic in analytics circle as more organizations realize that predictive modeling of customer behavior and business scenarios is the big way to gain insights out of Big Data.”(Attaran, p.2). These advanced analytics strategies and tools empower the organization and businesses to be able to understand and adapt quickly to the ever-changing behaviors of consumers and preferences. This allows the businesses to become more personable with their products and strategies, which, in turn, encourages longevity and success. The collaboration held between the various social business strategies employed widely by companies allows the fostering of customer loyalty and ability to answer to the plethora of demands made by consumers with ease. In the same instance, the rise of Artificial Intelligence (AI) technology and Machine Learning capabilities offered by technological advances allow the business to be able to predict and analyze patterns of consumers and adapt quickly to consumers’ wants and needs effectively and efficiently while predicting future trends. Utilization of these tools through IS strategic decisions allows for faster adaptability and more proactive and progressive stance in being able to maintain a sustainable business, which further emphasizes the alignment of technology with overarching business objectives.

The fusion between social business strategies and IS capabilities is accelerating every day through various technologies, such as the ever-changing evolution of mobile technology. This enables businesses to provide real time engagement directly to consumers through applications and smartphones. This integration not only is beneficial for the organization in question; it directly impacts the customer because it provides a more enriched engagement and fosters customer loyalty through brands and specific products as well as creating a more omni-

channeled approach to provide seamless interactions between businesses and consumers. In response to unforeseen disruptions, like global pandemics, organizations must also be able to rapidly adapt IS strategies, prioritizing online transactions, contactless operations, and data privacy compliance. In a study of research done by James Manyika, Katy George, Eric Chewning, Jonathan Woetzel and Hans-Warner Kass, it was stated that, “ **COVID-19 pandemic** has underscored manufacturing’s role in providing products that are critical to health, safety, national security, and the continuity of multiple industries. “(p.1). Continuing on with their research, they went on to describe that this all occurred in the midst of the emergence of new technologies and the growth of innovative technologies, and the United States is able to seize the opportunities granted with massive pandemic such as Covid-19 to make a more competitive market through itself. This would allow the United States to take advantage of the shut down and the rise of new technology to make a more competitive market inside of the United States rather than outsourcing. With COVID-19, businesses everywhere were shut down and were forced to close their doors. No number of businesses were not able to adapt to the drastic and swift change in society and were not able to survive the lockdown because of their lack of innovation. This is why it is paramount to be able to utilize IS, business, and organizational strategies to be able to shift rapidly to manage sudden, massive changes.

In summary, the intricate integration of social business strategies and information systems serves as the foundation for contemporary organizational success and competitive advantage. Upon completion of investigation, one can understand that this synthesis demonstrates that overarching business strategy drives the evolution of organizational and IS strategies while fostering operational efficiency, customer engagement, and sustainable practices. This symbiotic relationship is evident in sectors like manufacturing, online retail, and the airline

industry where the cohesion of social considerations and technological innovations propels strategic integration. The cases presented dispel the notion of isolated strategies, illustrating how organizational and IS strategies are inherently intertwined to achieve innovation and adaptability as well as a seamless customer experience. This alignment further optimizes resource utilization for competitive advantage as exemplified by the integration of analytics, artificial intelligence, and mobile technology. Organizations that thrive in the business landscape should be able to leverage the constructive collaborations brought forth by social business strategies as well as IS strategies to perform optimally, remaining resilient to deadlocks in adaptation. By leveraging all the tactics and strategies, businesses can secure and obtain a progressive and competitive edge and maintain a prosperous and innovative future.

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