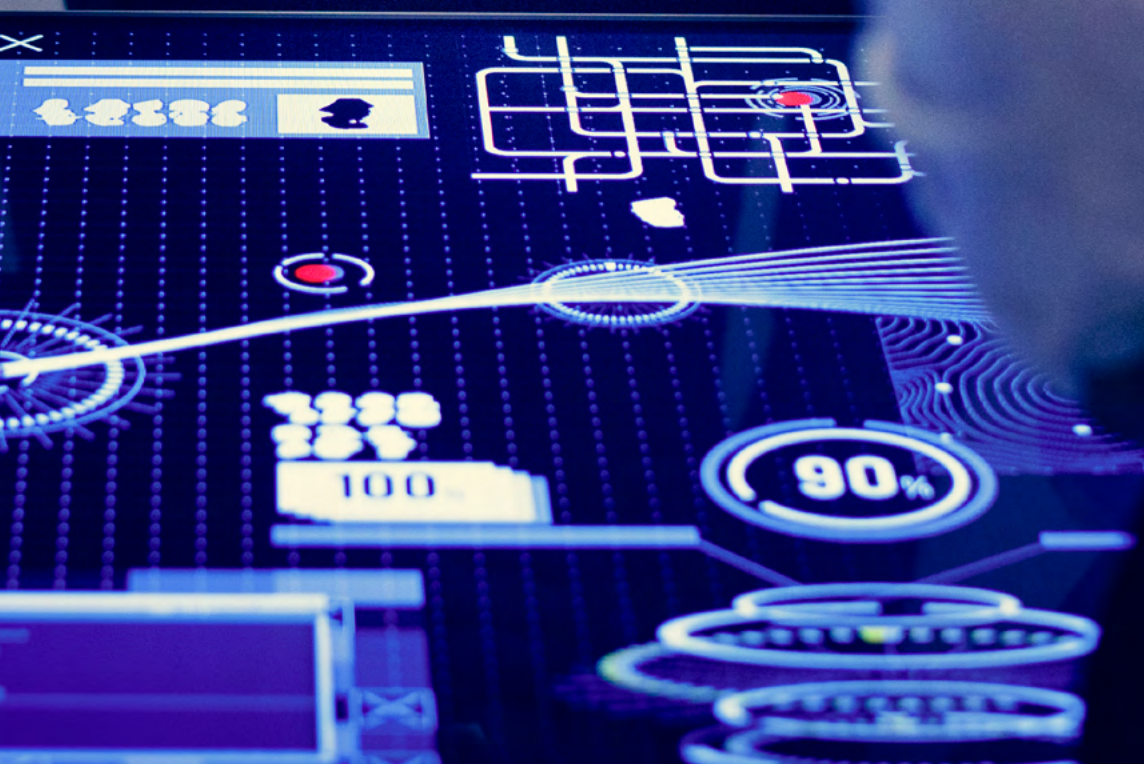# Foundation in Global Digital Business

Course Outline

Introduction

As business, trade and social interactions leverage more and more digital channels, tools and platforms, businesses wishing to compete and grow successfully in this environment must continue to adapt their structures, products, services and customer engagement platforms.

The Foundation in Global Digital Business course offers an introduction to this evolving business landscape. The course is a concise but high-quality educational program that has been designed to prepare business leaders with valuable knowledge for the ever-evolving digital landscape.

Outline

Course Dates	16th September – 22nd October 2020
Class format	• Online webinars and webcasts where users are anonymised. • Course delivered through Adobe Connect • Interactive functions may be disabled to preserve participant privacy • Pre-class preparation: Reading case studies and watching videos • Post-class practice: take-home exercises with solutions provided
Class Delivery	• Classes (total 6 sessions) are taught weekly. • Each weekly session is up to 2 hours. • Teaching will be conducted in the English language. • Timing to be determined based on lecturer & audience availability & time zones.
Curriculum Highlights	Curriculum provides a broad introductory coverage on: • The Digital Economy and Digital Business Models • Introduction to Customer Relationship Management (CRM) • Digital Toolkits and Change Management • Global E-Commerce Trends • Crafting the Digital Business Model • Managing the Digital Business
Course Outcome	Certificate of Attendance will be issued upon course completion.

Teaching Goals

The Foundation in Global Digital Business course has been designed to provide an introductory to intermediate level of knowledge on digital business. The course will provide participants with:

- An understanding of the digital economy and digital business models
- The tools to understand and navigate the digital business landscape and successfully manage digital business operations
- A solid foundation in understanding modern digital trends through real-world case examples
- A familiarity with digital business value chains.

The success of the program will be defined as follows, by end of the 6-week program, students are expected to:

- Be able to describe the common digital business models - including virtual merchant, brokerage model, advertising model, subscription model and community model.
- Understand how modern digital toolkits such as CRM adds value to business operations.
- Understand the evolution of e-commerce and the opportunities it presents for business growth and the economy
- Understand the role of management in pulling all the concepts together for effective and efficient delivery

Recommended pre-thinking for this course

Participants are encouraged to think about a business of personal interest to themselves. Over the length of the course, participants will be able to apply the concepts and tools discussed to this business. This will allow participants to further contextualise and ground the various concepts.

Syllabus

Week 1 *Wednesday* *16th September 2020*	**The Digital Economy and Digital Business Models** *Understanding digital business models, the digital economy and the skills needed to thrive in this evolving landscape.*
Week 2 *Wednesday* *23rd September 2020*	**Introduction to Customer Relationship Management (CRM)** *The important role of CRM in business growth and success.*
Week 3 *Wednesday* *30th September 2020*	**Change Management** *Identifying and applying digital tools to successful change management.*
Week 4 *Wednesday* *7th October 2020*	**Global E-Commerce Trends** *A brief history and evolution of e-commerce; digital is the new business.*
Week 5 *Wednesday* *14th October 2020*	**Crafting the Digital Business Model** *Building a model that is fit for purpose.*
Week 6 *Thursday* *22nd October 2020*	**Managing the Digital Business** *Management principles for the digital era.*

Week 1. The Digital Economy and Digital Business Models

Led by Dr. Suddha Chakravartti, Head of Research, EU Business School

Facilitated by Ian Bennett, Associate Head of Programmes, Choson Exchange

Preparatory material:

Pre-reading:
- What is the digital economy? https://www2.deloitte.com/mt/en/pages/technology/articles/mt-what-is-digital-economy.html

Video:
- YouTube cartoon on digital business models (https://youtu.be/9Xy2YeAHjcY)

Agenda:

- ✓ What is the digital economy? In what ways can it be applied in the business world?
- ✓ What kind of digital business models are there and how are these changing?
- ✓ How will the digital economy change the future or our world, and what skills are most important for the next-generation talents?

Homework:

- Create a one-page summary of your learning from Week 1
- If you have a business interest, think about how your business would fit into the digital economy
- Read pre-reading for next week

COURSE CONTENT

Digital Economy

- Digital economy is any economy that is based on digital interactions mainly characterised by business activity through happening on digital platforms or facilitated through digital platforms on the internet/ world-wide web.
- More and more, the digital economy is an extension of the traditional economy, with traditional services and service provides extending their offerings online. This means that businesses and industry sectors are not just finding new ways to sell their goods and services online, it also means that more business and industry sectors can develop new and tailored offerings with targeted value for their customers.
- Most products, services and methods of engagement can be digital, traditional and/or a combination of both, offering both businesses and their customers a wide array of options.

Digital Business Models

- Several types of business models exist, businesses can adapt and combine these to find the best for their operations:

  o <u>Virtual merchant</u> *(a look at the Alibaba model)* – the virtual merchant model allows a business to sell their products online.

  o <u>Brokerage or peer-to-peer model</u> *(a look at the Didi Chuxing model)* – the brokerage model provides a platform for two sides to make a transaction of products (Alibaba) or services (Didi). The brokerage model sees the business operate as a middleman who often charges a fee on the successful completion of the transaction using the platform.

  o <u>Advertising model</u> *(a look at the WeChat model)* – the advertising model focuses on attracting large numbers of users to whom the business can advertise to. This model may not focus on providing a particular paid product or service but would rather attract users to the site/platform and then advertise to them.

  o <u>Subscription model</u> *(a look at the iQiyi model)* – the subscription model allows users to access and use a service or product without having to own it. This model allows businesses to collect revenues over time and also allows businesses to cultivate a customer base. An example of a business that use this model are Netflix.

  o <u>Open Source or community model</u> – here, the business develops a software that is free to access and can be contributed to by others. The business has options to either sell a premium version of the software, sell licences, provide training on using the software etc. This approach allows the initial creator to build a community around their product.

- Many of these models can be increasingly combined to create a successful business model and in today's world, most businesses tend to combine various models to ensure sustainability and growth. It is important however to make sure that you understand how your core business is impacted by each model.

Evolving nature of the digital economy

- The digital economy is making it easier to interact and do business with people around the world. In particular, the digital economy is expanding supply chains and value chains. This means that industry sectors have access to a wider range of suppliers, products, manufacturers ingredients etc. This in turn increases the range of services and products available to customers.

- In addition, new technologies mean that more customised products can be made for individual customers are opposed to previous manufacturing methods that required large orders to fulfil economies of scale.

- iQiyi is a large Chinese company that provides video streaming services. Before iQiyi was founded, people would typically have had to rent or buy videos from a video store, and then return the videos when they were done. Before renting and buying videos from the video store was possible, people would only have been able to watch shows/movies when they were shown on a television network. While this is a simple example, it shows how the nature of the product/service and the business model has changed over time.

Led by Joanne Jankowski, lecturer, EU Business School

Facilitated by Ian Bennett, Associate Head of Programmes, Choson Exchange

Preparatory material:

Pre-reading:
- What is CRM? https://www.salesforce.com/eu/learning-centre/crm/what-is-crm/#crm
- Look at the company Kingdee http://www.kingdee.com.hk/en/cases/
- Look at the company Aifanfan https://aifanfan.baidu.com/

Video:
- YouTube cartoon: What is Customer Relationship Management (CRM)? (https://youtu.be/7me7mjvTiTI)

Agenda:

✓ What is CRM, and how does it apply to business?
✓ Do you know any global companies using CRM in their business? How does it work?
✓ How will CRM change the future of business, and how should one be prepared for it?

Homework:

- CRM concept check questionnaire (solution provided)
- Read pre-reading for next week

COURSE CONTENT

Customer Relationship Management (CRM)

- The customer is the most important aspect of any business because without the customer the product or service does not matter. It is important to remember that a business is most successful when the customers feel like a need is being satisfied.
- CRM looks at the processes, tools and approaches that companies can employ to understand, manage and shape their interactions with all customers whether in the past, present or future (potentials).

  o Processes – refers to the steps taken by businesses to build these relationships with customers
  o Tools – this refers to all the technologies, software and hardware that is available to businesses to track customer interactions.
  o Approaches – looks at the rationale and reasoning behind why and how relationships should be managed with customers.

- Types of CRM include:

  o Operational – Operational CRM streamlines the business processes and used to generate leads and convert them into customers.

- Analytical – Analytical CRM helps top management to understand the best way to reach and attend to customers. Here, data analysis is key as these insights help to paint a picture of the current situation of the business.
- Collaborative – Collaborative CRM, sometimes called as Strategic CRM, enables an organization to share customers' information among various business units like sales team, marketing team, technical and support team. For example, feedback from a support team could be useful for marketing team to approach targeted customers with specific products or services.

CRM in Business

- A business may introduce CRM for many different reasons and these reasons may vary from industry to industry.

  - Marketing – this tool would help businesses to map out potential opportunities as well as understand what tactics appeal most to their customers. This is also helpful when trying to understand what marketing approaches would be appropriate for potential new customers.
  - New Product Development – understanding customer needs will influence new product/service development
  - Customer Service – CRM is crucial for a brand in building great customer service. A business should understand where to reach and how to reach its customers to cater to their requests and respond to their needs.
  - Partner Management – this cuts across the range of partners from manufacturers to distributors etc. CRM tools allow the business to track each engagement and monitor each relationship.
  - Human Resource Management – this can be used to accelerate the recruitment process

Some CRM benefits to remember

- Improved contact management
- Cross-team collaboration
- Heightened productivity
- Empowered sales management
- Accurate sales forecasting
- Reliable reporting
- Improved sales metrics
- Increased customer satisfaction and retention
- Boosted marketing ROI
- Enriched products and services

Some notable CRM platforms around the world

- HubSpot CRM, Saleforce.com, Freshsales, Pipedrive, Insightly, Microsoft Dynamics 365, Zoho CRM.

CRM and the digital economy

- With more social and economic interactions going digital, it is getting easier for businesses to follow customer interactions and meet customers where it matters to them the most.
- Regardless of the business model, CRM is applicable and should be paid attention to.

Week 3. Change Management

Led by Luc Craen, Managing Director & Vice-President, EU Business School

Facilitated by Ian Bennett, Associate Head of Programmes, Choson Exchange

Preparatory material:

Pre-reading:
- The hard side of change management
  https://hbr.org/2005/10/the-hard-side-of-change-management

Video:
- 5 ways to lead in an era of constant change – Jim Hemerling
  https://www.youtube.com/watch?v=urntcMUJR9M
- Change Management – EU Business School Faculty Video

Agenda:
- ✓ What is change management and why is it important today?
- ✓ What tools should businesses consider when implementing change?

Homework:
- Create a one-page summary for Week 2 and Week 3. If you've thought about a business at the start of the class, create a summary of how CRM and Change Management affect your business
- Read pre-reading for next week

COURSE CONTENT

Understanding Change Management
- Being able to respond to change is an important aspect of any business process. Today's evolving digital landscape requires companies to be adaptive and flexible to change, truly successful companies however are ones that drive change.
- Change management refers to the processes, actions and thinking that an entity applies to any of it is responding to any change. Change can be internal or external. Some common factors that driver change are listed below:
  - o Technological evolution
  - o Process reviews
  - o Crisis
  - o Consumer habit changes
  - o Competition,
  - o Acquisitions, mergers, and organizational restructuring

Principles to consider in change management
- <u>Change is about humans</u> – even when change is inspired by new technologies or

processes, in most cases there are still humans who need to manage these technologies or processes. It is important that any change manager tailors this process to the humans that will be affected by it.

- <u>Change should start at the top</u> – Lead by example. In a company it is not enough for the leadership to declare change. The leadership must show why the change is important by leading the way. It is important to make a formal case for why change must happen and more often that not this must be led by top management.
- <u>Involve every layer of the organisation and create ownership</u> – while it is important to start at the highest level of the hierarchy, it is equally important to engage at all levels. Management must find ways to engage various levels and should give the various levels tasks to lead on that contribute to the broader change process. This creates ownership.
- <u>Communicate the message</u> – Communication is key, ensuring that everyone understands what the inspiration is behind the change, why it is important and what their various roles are.
- <u>Consider cultural elements</u> – Culture is a crucial element of individual personality. If we understand that change is about humans, then we understand that culture plays a role in how people react to change. Organisational culture is also important when considering change.
- <u>Prepare for the unexpected</u>

Elements of an effective change management process

- Create a sense of urgency
- Build a coalition
- Form strategic vision and initiatives
- Enlist volunteer army
- Enable action by removing barriers (create the enabling environment)
- Generate short-term wins
- Sustain acceleration
- Institute change

Week 4. Global e-Commerce Trends

Led by Ugochukwu Ikpeazu, Partnership Coordinator and Research Associate, EU Business School

Facilitated by Ian Bennett, Associate Head of Programmes, Choson Exchange

Preparatory material:

Pre-reading:
- Alibaba/Taobao case

Video:
- YouTube: Taobao and A Young Entrepreneur's dream (https://youtu.be/CoZ7scMldxU)
- YouTube: Taobao Villages in China (https://youtu.be/X7hVzBzTg_g)

Week Task:

Try browsing www.taobao.com and experiment searching a gift for your family

Agenda:

- ✓ Understanding e-commerce
- ✓ What is Alibaba/Taobao's business model? What made it so famous among Chinese consumers?
- ✓ How did Alibaba/Taobao help China's transformation into a digital economy?
- ✓ What other latest developments of e-commerce are happening globally?

Homework:

- Additional documentary and reading on Jack Ma's journey of founding Alibaba
- Read pre-reading for next week

COURSE CONTENT

Understanding e-commerce

- Ecommerce, also known as electronic commerce or internet commerce, refers to the buying and selling of goods or services using the internet, and the transfer of money and data to execute these transactions. Ecommerce is often used to refer to the sale of physical products online, but it can also describe any kind of commercial transaction that is facilitated through the internet.
- Whereas e-business refers to all aspects of operating an online business, ecommerce refers specifically to the transaction of goods and services.
- E commerce models:
  - o Business to Consumer (B2C)
  - o Business to Business (B2B)
  - o Consumer to Consumer (C2C)

- o   Consumer to Business (C2B)
- Examples of E-commerce are retail, wholesale, dropshipping, crowdfunding, subscription, physical products, digital products, services

The Evolution of e-commerce

- Global retail e-commerce sales are estimated to reach $.4.5 trillion by 2021, a figure that has grown steadily over the years and has been spurred on more recently by the Covid-19 pandemic.
- In China in 2019, e-commerce was estimated at $1.5 trillion. In the same year, China had more than 800 million digital consumers.
- How did this all begin?

Some major e-commerce milestones

1991   World Wide Web was created

1994   Netscape launched Navigator, a then popular web browser

1995   eBay founded and Amazon makes first sale

1996   Over 40 million people have internet access and online sale surpass $1 billion

1998   PayPal founded

1999   Alibaba established

2001   70% of internet users make an online purchase during the holiday season

2003   Taobao platform launched

- Over the years as more and more companies and consumers engaged in e commerce, the increased competition drove advancements and sophistication. It became important to be able to reach many consumers with many different products around the world.

Trends to consider

- Mobile shopping and mobile payments – making it easier to access goods and services
- Voice assisted commerce – allowing customers to make voice commands
- Chatbots – will improve the shopping experience
- AI and machine learning – to help businesses learn more about their customers
- Personalisation
- Virtual reality – enhancing the shopping experience

Week 5. Crafting the Digital Business Model

Led by Rob Green, lecturer, EU Business School

Facilitated by Ian Bennett, Associate Head of Programmes, Choson Exchange

Preparatory material:

Pre-reading:

- Crafting the Digital Business Model – EU Business School Article

Video:

- What is Your Digital Business Model? https://www.youtube.com/watch?v=W0b-a6RIwLY
- Crafting the Digital Business Model – EU Business School Faculty Video

Agenda:

- ✓ Recap on digital business models
- ✓ Understanding which model is the right fit for your business
- ✓ Crafting your digital business model

Homework:

- Create a one-page summary of how you would craft a digital business model and how you would fit CRM into this
- Read pre-reading for next week

COURSE CONTENT

Digital business models

- Earlier in the course we discussed various digital business models listed below:

  - <u>Virtual merchant</u> *(a look at the Alibaba model)* – the virtual merchant model allows a business to sell their products online.

  - <u>Brokerage or peer-to-peer model</u> *(a look at the Didi Chuxing model)* – the brokerage model provides a platform for two sides to make a transaction of products (Alibaba) or services (Didi). The brokerage model sees the business operate as a middleman who often charges a fee on the successful completion of the transaction using the platform.

  - <u>Advertising model</u> *(a look at the WeChat model)* – the advertising model focuses on attracting large numbers of users to whom the business can advertise to. This model may not focus on providing a particular paid product or service but would rather attract users to the site/platform and then advertise to them.

  - <u>Subscription model</u> *(a look at the iQiyi model)* – the subscription model allows users to access and use a service or product without having to own it. This model allows businesses to collect revenues over time and also allows businesses to cultivate a customer base. An example of a business that use this model are Netflix.

- o Open Source or community model – here, the business develops a software that is free to access and can be contributed to by others. The business has options to either sell a premium version of the software, sell licences, provide training on using the software etc. This approach allows the initial creator to build a community around their product.

- Questions to consider when crafting your business model

  - o What industry am I in? – it is important to understand your industry, where it's been, where it is at the moment and where it's headed. This understanding will help you identify potential changes that might affect you once you start your business.

  - o What business am I in? – while this seems obvious, you should have a clear idea what business you are in. Are you an end-to-end service provider? Will you focus on one level of the value chain? You must clearly outline what your core operations are in the context of your focus industry.

  - o Who are my customers? – Are you selling to individuals, businesses, or facilitating trade between individuals/businesses? Who are you trying to reach? Customers can be segmented into a great amount of detail based on preference, needs etc. Example, a car manufacturer has multiple customer categories e.g. new drivers, families, performance, safety etc.

  - o Where are my customers? – where are your customers located? The global digital economy means that you can produce your good or service in one location and trade in another.

  - o How can I reach them? – what is the most effective and efficient way to reach your customers?

  - o How do they usually access this service/product? – for the service or product that you offer, how would your potential customers usually access this? If you are selling a car and you are focusing on family cars, where do families typically buy their cars?

  - o Who is the competition? – who are these families buying their cars from at the moment? Understanding your industry would help you identify potential trends. Using the car example, a trend could be that families are moving away from buying typical cars to buying minibuses. This would help you define your business/ product early.

  - o What are the strengths, weaknesses, opportunities and threats to my business? – Frequently review your SWOT analysis.

Week 6. Managing a Digital Business

Led by Dr. Jon-Hans Coetzer, Academic Dean, EU Business School Online Campus
Facilitated by Ian Bennett, Associate Head of Programmes, Choson Exchange

Preparatory material:

Pre-reading:

- Management in the Digital World – EU Business School Article

Video:

- Management in the Digital World – EU Business School Faculty Video

Agenda:

✓ Management and strategy
✓ Analytics
✓ Reflection: What was the more impressive digital application that we discussed, and why?
✓ Overall wrap-up and recap of the course.

Homework:

- Reflect and create a summary of your learning from this course, utilizing your previous summaries created
- If you thought about a business at the start of the course, you can prepare a summary that describes the impact of these concepts on your business as well as what new angle you have discovered from your business
- Collection of teaching feedback.

COURSE CONTENT

Managing your digital business strategy

- Over this course we have looked at business models, their drivers and influences as well as different aspects of the digital economy. It is a Leaders responsibility to create a vision, and a good Managers responsibility to bring these all together in a cohesive manner using the concepts we have discussed. It is possible to be both a good leader and a good manager at the same time but being one does not automatically mean you are the other.
- Your strategy will map out who the key stakeholders are and help you identify the best path to reaching and engaging them.

Analytics

- Web analytics is the measurement, collection, analysis and reporting of web data for purposes of understanding and optimizing web usage. Web analytics are important because it can be used as a tool for market research (CRM), new product development and overall optimisation. Analytics tools are a key component of the management process.

Reflection on Global Digital Business

Reflective discussion between faculty on the evolving nature of global digital businesses

Faculty profiles

Suddha Chakravartti
Head of Research at
EU Business School
and Editor-in-Chief at
ONResearch

Suddha Chakravartti is the Head of Research at EU Business School and Editor-in-Chief at ONResearch. He is also a lecturer in International relations and Law. His research and teaching interests pertain to international affairs, public policy, globalization and international development. He has previously held research positions in various international organizations and academic institutions.

Joanne Jankowski
Lecturer at
EU Business School

Joanne Jankowski is a lecturer in the areas of communications and human capital management at EU Business School, as well as a professional executive coach and corporate trainer. Her background includes working in SMEs, six years of corporate experience at Tesco plc. and over 10 years in academics in Swiss and American Universities.

Luc Craen
Managing Director
& Vice-President at
EU Business School

Luc Craen has been leading EU Business School Switzerland and Germany for several years after taking over from his father Dirk Craen. As a visionary young entrepreneur and researcher, Luc Craen has a strong commitment to delivering quality education in partnership with the local and international business community.

Ugo Ikpeazu
Partnership Coordinator
and Research Associate at
ONResearch at
EU Business School

Ugo Ikpeazu is the Partnership Coordinator and a Research Associate at ONResearch at the EU Business School. He is an entrepreneur and works as a business and international development consultant supporting Governments and the private sector in building innovative tech-based solutions, partnerships and businesses.

Robert Green
Lecturer at
EU Business School

Robert Green is a Lecturer at EU Business School for seven years. He is a Masters/Phd Research development candidate at University of Lausanne; a Digital Media & Entertainment Producer, and an Audio Engineer. He is a media & communications specialist, a professional recording artist, and a former management for Starbucks Coffee Company in the United States and Europe.

Dr. Jon-Hans Coetzer
Academic Dean at
EU Business School
Online Campus

Jon-Hans Coetzer is the Academic Dean for the EU Business School Online Campus. He is a senior higher education leader with over 15 years of experience in higher education. He has worked as Project Coordinator in Strategic Crisis Management Training for the Federal Chancellery in Bern. He was a senior delegate of the International Committee of the Red Cross (ICRC) in more than fifteen countries, and as project coordinator for the United Nations Institute for Training and Research (UNITAR).