

ABSTRACT

The developments in information technology and the rapid growth of the internet have created the opportunity for success to companies that can leverage it for business. E-business is a strategy in which through e-business, companies have new ways to create value that will enhance competitive advantage. However, the business phenomenon of the collapse of many e-business companies (dot-com) that occurred in the past decade has led to differences of opinion about the role of e-business strategy in order to improve competitive advantage.

Sources of competitive advantage are differ across different industries or markets. This research is based on two general streams of thought that provides the theoretical foundation for competitive advantage, namely, Resource-Based View (RBV) and Transaction Cost Theory (TCT). This study hypothesized that competitive advantage is generated by e-business strategy formed by IS/IT strategic asset, integrated supply chain management and integrated customer relationship management.

This study is explanatory research with causality approach. The population for this study is all companies in Indonesia that implement e-business strategy Business to Business (B2B), Business to Consumer (B2C) or combination of both. The number of samples are 107 companies and the respondents are the owner, manager and managerial-level employee of the company that became the object of research. The analysis tool is Structural Equation Modeling.

The findings of this research are e-business strategy has significant positive effect on competitive advantage, as well as IS/IT strategic asset and integrated customer relationship management have significant positive effect on e-business strategy. Empirical Implications of these findings is that companies can build competitive advantage through e-business strategy.

Keywords: e-business strategy, competitive advantage, IS/IT strategic asset, integrated supply chain management, integrated customer relationship management.