



## Chapter XIX

# E-Business in India: Early Evidence from Indian Manufacturing Industry

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## Abstract

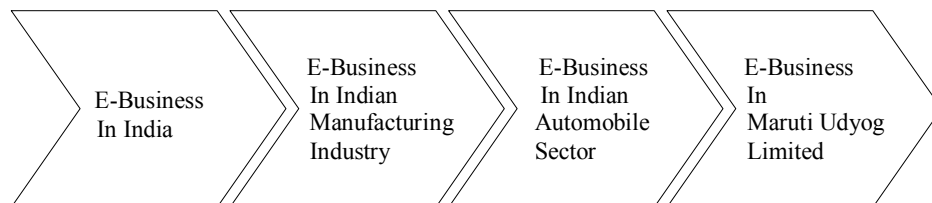
*Business and industries have faced several changes from the agriculture society to information society. The recent change is due to Information Technology (IT) affecting many businesses and industries. It is changing the nature of business from the traditional way of doing business. The complete change in traditional business is due to IT. This is known as e-business transformation. The Indian manufacturing industry is undergoing this IT-enabled change and is still under process of click and brick system. Indian automobile companies are stressing the importance of e-business in the domestic automotive industry. The main aim of the chapter is to explain how the manufacturing and especially the automobile industry business has changed from traditional brick and mortar business to click and brick e-business. This chapter provides a study of e-business transformation in manufacturing industry in India using Flexible Systems (SAP-LAP) Methodology. The SAP-LAP stands for Situation-Actors-Process and Learning-Action-Performance. This methodology helps for understanding systematic nature of e-business transformation. The explanation of stakeholder flexibility due to e-business transformation in Industry will be explained.*

## Introduction

As e-business is reshaping industries, it is hard to ignore or hard to survive without participating in IT-enabled business. Indian companies are doing well in the e-enabled environment, especially in its manufacturing industry. The aim of this chapter is to address the e-business transformation issues in an Indian context through a real-life case study of an Indian automobile organization. The scope of the chapter covers systematic understanding of e-business transformation through Flexible Systems Methodology. The case of the automobile industry is selected purposively. The reason behind this is that automobile companies are the first users of the newest and latest technologies. Hence, it has touched the day-to-day life of Indian customers as they adopt new technology. Most important reason is that manufacturing accounts for a significant contribution in the Indian GDP system and especially the automobile sector. The big question is whether e-business can help in the manufacturing sector for enhancing productivity and efficiency. The chapter highlighted and covered current and emerging issues related to e-business strategy. The information used in SAP-LAP analysis and in the chapter, has come from the doctoral work carried out by the author on “e-business transformation and stakeholder flexibility: a study of manufacturing industry in India.” It is very difficult and beyond the scope of the chapter to provide all data and information. Some concise points and information is highlighted from the doctoral work.

## Chapter Organization

The chapter is organized into four levels in order for understanding the e-business in India. The levels are: e-business in India, Indian manufacturing industry, Indian automobile sector and a case of Indian premier automobile company. The Flexible Systems Methodology is used for understanding the e-business in manufacturing industry, while SWOT analysis is done with automobile sector, and the case study of Maruti Udyog Limited is explained. The case of Maruti is taken for briefly explaining the e-business in automobile company. It reflects from J.D. Power sales satisfaction and customer satisfaction index 2004, in India, Maruti received 813 points on a 1000-point scale and the industry average is 758 points in customer satisfaction, carried out with 3,600 customers across nation. The sales satisfaction index is 784 and industry average is 760 on a 1000-point scale. The flow of the chapter is shown in chain given below. Maruti is the highest scorer in both surveys and above average, which is the reason for choosing the case for knowing where e-business is helping them.



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