
Abstract:
Growth in electronic commerce (EC) continues to exceed growth rates in traditional markets and continues to offer new and different opportunities than traditional businesses. Its failures, however, suggest that many firms are not following successful strategies and have failed to align their EC strategies with business strategies. Observing practices at 12 companies provided insight into the impact of EC alignment on organizational profitability. A framework for its strategy types, derived from the Miles and Snow typology, was found to be useful in examining the strategic practices of the companies and results were generally consistent with the ideal profiles. Data suggested that companies with medium to high alignment exhibited higher planning formality and were more profitable. Analyzers displayed the highest alignment and online commitment. Both analyzers and prospectors had high profitability but prospectors displayed low alignment. Reactors exhibited the lowest alignment and were the least profitable.

Keywords: Strategic information systems, Electronic commerce strategy, Electronic commerce alignment, Electronic commerce planning