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# The Modern Methods in Organizational Strategic Decision-Making for Making Transformation in Online Businesses

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## ABSTRACT

Today, with the development of web-based technologies, online business has found a lot of expansion. In this type of business, information systems are used to strengthen and control business processes. Online business means doing business using remote communication and related tools. In the meantime, to start such a business, it should look for new methods that can surpass the competitors. One of the important elements in the management of any business is the strategic decision-making of the organization. Accordingly, the present study investigates new methods in organizational strategic decision-making to create transformation in online businesses. The results of this study showed that new methods in organizational strategic decision-making for online businesses emphasize improving the competitive position of a company's products or services within a business unit in an industry with a specific market segment and online businesses should be set up based on four attitudes which are as follow: differentiation defender, low-cost defenders, analysts, and opportunist.

## **Introduction**

One of the most important and main indicators of a manager's presence in an organization that he/she has taken its management, is adopting an appropriate decision and trying to implement it quickly, correctly, and efficiently. In other words, if an appropriate decision-making and following correct and up-to-date information is adopted, transparency includes all levels of the organization. Making a logical and effective decision based on clear information guarantees and stabilizes the consistency and durability of the organization's life (Johnson, 2022). Decision-making can be defined as a way of acting or moving in a specific direction that has been chosen with consideration and awareness, among different ways and methods to achieve a desired goal. Star believes that: "Decision-making, is the basis of all the duties that the manager performs in the organization. There are many organizational decisions and each organizational level requires a specific decision maker. The subject of the research is the investigation of the relationship between the organizational communication system and strategic decision-making in the Ministry of Industry, Mines and Trade.

Strategic decisions include those decisions that are aimed at the future and higher goals of the organization (Yu et al, 2022). The type of a decision, why adoption of it, the appropriate mechanisms for implementing the decision, the right time to deal with it, getting feedback, and reviewing the decision are among the issues that make it inevitable to examine the effects of organizational communication system in this field. Perhaps poor communication is one of the major sources that cause to make poor decisions (Johnson, 2022). All the experts believe that man is a social being and it is obvious that this social nature leads a man to communicate a relationship and establish a relationship with the various existences of society and the group in which he/she is placed in it, and according to the psychological construction, the educative conditions and the environment are involved in a series of relationships that differ from each other in terms of type and manner aspects. The organization as a social institution, due to its basic goals beyond everyday communication, establishes a type of organizational communication between people, and it is obvious that in this regard, communication and their orientation toward organizational goals is one of the essential issues the attention of managers, and this attention is due to this fact that managers have realized that effective communication with the employees and understanding their communicative motivations is an effective factor in the success of managers in achieving the designed goals of any organization (Özemre & Kabadurmus, 2020).

In the meantime, every organization needs business and credit resources to continue its activities. Because one of the most important ways of providing resources is selling goods, services, and ideas. Therefore, electronic commerce means the production, marketing, sale, and delivery of goods and services using electronic tools (Purwanto, 2022). E-commerce is divided into four main groups based on being real or legal the parties of the transaction, as well as their type of relationship: business-to-business (B2B) - business-to-customer (B2C) -

customer-to-customer (C2C) - customer-to-business with the enterprise (C2B). Despite the fact that it has not been passed a long time from the e-commerce, it has assumed a significant role in our daily life, so that it is not easy to avoid it. Buying and selling goods and exchanging related funds through credit cards is one of the simplest and most efficient roles of e-commerce in the daily life of Internet users. Online business means applying all information systems to strengthen and control business processes (Xiang et al, 2022). Today, these processes are developed using web-based technologies. Online business in a simple definition means doing business using remote communication and related tools. From this point of view, e-commerce has a smaller and more limited concept than an online business. In e-commerce, money must be exchanged between the two parties to reach the concept of business, but in online business, there is no need to exchange money. For example, an administrative meeting conducted through the online space is considered an online business (Purwanto, 2022). In general, the strategy of the organization is the orientation and vision of the organization in the long term, which by shaping its existing resources and a relatively efficient and changeable environment, provides the needs of the market and fulfills the expectations of the stakeholders, so that to gain an advantage for the organization. An issue that needs to be clarified, is the relationship between e-business strategies and the overall strategy and finally other strategies of the organization, including marketing strategies, information technology strategies, etc. (Mir Barg Kar & Ebrahimi, 2017). According to the mentioned issues, this article has investigated the new methods in organizational strategic decision-making to create evolution in online businesses and has evaluated this issue.

## **1. THEORETICAL FOUNDATIONS OF STRATEGIC DECISION-MAKING**

### **Strategic decision making**

Decision-making is one of the basic pillars of management to such an extent that some the scholars of management science, such as Herbert Simon, consider management equivalent to decision-making. Strategic decision-making can be defined as a systematic and organized effort to make decisions and take fundamental actions that will determine based on what an organization or any other entity is, what it does, and what it work. Strategic decision-making facilitates communication and participation, aligns divergent interests and values with each other, and promotes and encourages regular decision-making and successful implementation (Özemre & Kabadurmus, 2020).

### **Definition of decision**

The decision is as follows the result or the end of a process, a process that analyzes the available data and information about a subject and from their appropriate combination reaches to the desired strategies and the best solution. However, the end of one process can start another process. In other words, a decision may create the beginning of a decision or other decisions (Asgharpour, 1992, p. 31).

### **Definition of decision making**

Generally, decision-making based on its global interpretation has been defined as a choice among the expression of options (Luthons, 1992).

Also, other researchers define decision-making as the following description:

Decision-making describes a process through which a solution to a certain problem is selected (Stoner, 1983). In another definition, in 1997, Jafarnejad defined decision-making as choosing one option among several options to answer a perceived problem (Jafarnejad, 1997).

### **Nature of decision making**

The success of managers in organizations depends on their skills in good planning, organizing, guiding, and control. We should know that the turning point in applying all these skills in a good way is that managers benefit from decision-making skills. In other words, all activities of managers are related to decision-making (Hazer, 2014).

Newman considers decision-making as the essence of all management activities and Simon believes that management and decision-making are two words with the same meaning and synonyms, and states that organizational activity and behavior is a complex network of decision-making processes. Griffiths (1959) considers decision-making as the heart of organization and management and believes that all management functions and organizational dimensions can be explained in terms of the decision-making process. Allocation of resources, communication network, official relations, and realization of the organization's goals are controlled by a decision making mechanism. Therefore, decision-making is the key to understanding the complexity of the organization and management performances.

In management, what is considered the basis of actions and the place of formation of interactions are decisions and decision-making. An inquiring mind may ask why when they count the duties of management, there is nothing seen called decision-making in it. And the active mind reaches here which decision-making flows in all elements of management. All actions of the manager are mixed with decision-making. Therefore, management is equated with decision-making. Newman says: "Decision-making is a reaction that a person adopts in the encounter with any problem." Wherever a person takes an action based on his/her will, there is definitely a decision-making process between that will and that action (Taslimi, 2017).

Whatever comes from human will, the decision is adopted there. So the essence of management is decision-making, and the essence of decision-making is human will.

The effects and consequences, findings, and results of decision-making are something that all managers at all levels of management, even up to the transnational level until the largest management level, are considered, since it is affected by the amount and dimensions of the will that it expresses and covers a certain radius. Wherever any action and any topic takes place, decision-making is necessary. Newman adds that the quality of management is a function of the quality of decision-making. The decision itself is considered as an absolute value and the essence of management, which is the quality of management (Taslimi, 2017).

### **Classification of decisions**

Knowing and classifying the bases of decisions is a necessary condition for improving the decision-making skills of managers of organizations. Decision-making without knowing the characteristics, nature, process, mechanism, and effects of decisions definitely cannot be stable, and many unstable decisions are caused by the unawareness of decision-makers regarding the above cases.

### **Planned and unplanned decisions**

Planned decisions include decisions that are made according to custom, law, and procedure. Common procedures are usually used to solve specific problems and situations. Therefore, decisions are planned in such a way that has the greatest efficiency in solving repetitive and everyday problems that use specific procedures. If the problem is repeated, and its constituent factors can be defined, examined, analyzed, and predicted, such a problem in the planning framework is classified (Özemre & Kabadurmus, 2020).

This type of decision somewhat limits the manager's freedom of action, because the organization makes decisions instead of the manager. Hence, the manager's time is freed to deal with other issues. But unplanned decisions, new decisions that have not been predicted in advance, and therefore are unstructured, then no definite and existing procedures can be used to analyze them. The mentioned decisions are related to unusual and unique issues. In general, if a problem is not so repeatable that a policy can be determined for it or is so important that it requires special attention, thus it should be solved in this framework of decisions. In the organizational hierarchy, managers at higher levels, use unplanned decisions more and it is very important for them to use them (Hamidizadeh, 2017).

### **Hierarchical decisions**

These types of decisions include strategic, tactical, technical, and operational decisions, that we will describe each of them here (Hamidizadeh, 2007).

### **Strategic decisions**

These types of decisions include those decisions that are aimed at the future and high goals of the organization, and then investigate, study and influence the organization's activities in the long term. These types of decisions are usually made in uncertain conditions due to environmental changes and technical progress of available resources and available time. Therefore, strategic decision-making makes the organization purposeful and oriented in all dimensions. The mentioned decisions have the discretionary aspect and are made indirectly.

These global decisions determined by the organization as a whole should follow; and their responsibility is taken by top-level managers. These decisions are often new, complex, extensive, and include uncontrollable variables such as consumers' actions with the economic status of society. A process used in strategic decisions is influenced by the organizational structure and the following three characteristics affect it that are as follows:

a) its complexity and level; b) the degree of formality of the structure; c) the level and degree of organizational concentration and decentralization. Strategic decisions are usually related to the whole organization, not a department or a single part of it, strategic decisions are in the form of the environment of organization in this sense that they affect the long-term plans of the organization.

### ***Tactical decisions***

These decisions are made by the middle and top managers of the organization. But the primary responsibility of these types of decisions, which have a coordination aspect, is taken by the middle managers. The coordinating decisions, coordinate the strategic decisions of senior managers with the operational and technical decisions of first and second-level managers. Strategic decisions, which are often related to the state of the whole organization, must be realized by operational managers, are implemented through middle managers, and then transferred to them. Thus, such decisions have high sensitivity to the success of the organization.

### ***Technical decisions***

These decisions are allocated to the second-level managers of organizations and include decisions related to the optimal combination of resources, planning the production of goods and supply of services, determining technology, machinery, and technical equipment, in proportion to capital and labor, are responsible for executable strategic decisions.

### ***Operational decisions***

Decisions are made in the lower-level of the organization and have a limited time dimension, are called “operational decisions”. These decisions do not necessarily endanger the life of the organization if they deviate from the high goals. Operational decisions are related to the process of converting data into desired outputs of the organization. These decisions can be predicted in different situations with the help of statistical methods. These decisions are made uniformly and daily and in many cases are often repetitive and are used to solve similar problems. These decisions are related to the details of organizational planning, review, and inspection of deviations from plans and continuous adjustment and correction of resources, and created changes during the implementation of operational plans. Lower-level managers try to implement the policies and procedures of the organization accurately to solve problems, complaints and work assignment. Management, at this level of decision-making, usually does not need much insight, and its opportunity to realize creativity and independent judgment is relatively limited. When the problem and the necessity and the pressure of the factors cause a person to have to make a decision, this decision is not only strategic but also when a decision is made based on the analysis of the elements and the prediction of the future and based on logic, it can be strategic. What is true is that a person, a group, a society, and a company cannot continue to live without a strategy. Perhaps it can be said that strategy is natural, that is, it is an integral part of the existence and life of a person, and it is a part of human creation, if in the organizational hierarchy, strategies are not formulated at their own levels and for lower organizations, the lower-level manager will start to make a decision. One of the reasons the stagnation of Iran's industry is unclear decision-making levels. Because when a person makes a decision, the top managers tell him why. Has anyone said to do this work? This situation continues up to the higher levels of the organizational hierarchy.

## **2. DEFINITION OF STRATEGIC THINKING**

Strategic thinking means shaping and systematizing to chaos, it means that a person is able to create order and harmony in his/her mind and be coherent in his/her thinking. We live in a world where if we don't have the strategic thinking that others have, we are constantly interacting with the world, in case they induce their own strategies into us. Strategist's thinking along with coherence and thought order form the main tool of a strategist. With the help of this tool and relying on other colleagues in the field of providing the required information and expertise, the strategist can design a method to solve the bottlenecks and complications that the company is suffering from difficulty and step into the scene of action. (Eichaviomi, 1992).

### **Effective factors in the spread of strategic thinking**

- **Creation of information systems:** One of the first and most important measures in the spread of strategic thinking is the creation of information systems to identify internal and external people of the organization, competitors, and external systems related to the organization.
- **Teaching:** Teaching the method and importance of strategic thinking to managers.
- **Organizational culture:** Every organization is like a human being, it has a personality, and in general, wherever several people work together, a culture is created for them. Managers should create a culture in the organization that respects this type of thinking and makes others more interested in it.
- **How to make a decision in the organization:** Every decision can not be accepted and implemented in every organization. The criteria must be certain and definite.

### **Administrative hierarchy, the fall of strategic decision-making**

Administrative hierarchy spends most of the managers justifying the hierarchy to the highest officials in relation to the smallest tasks. On the other hand, in our culture, the myth-making feature is strong, and we highly value heroes. The personality of managers has a very guaranteeing role. Many managers use personal power and

personal power to solve problems. In relation to two issues, regardless of the importance of those issues, an issue that is a trivial issue may go ahead just because of the personality of a manager who defends it.

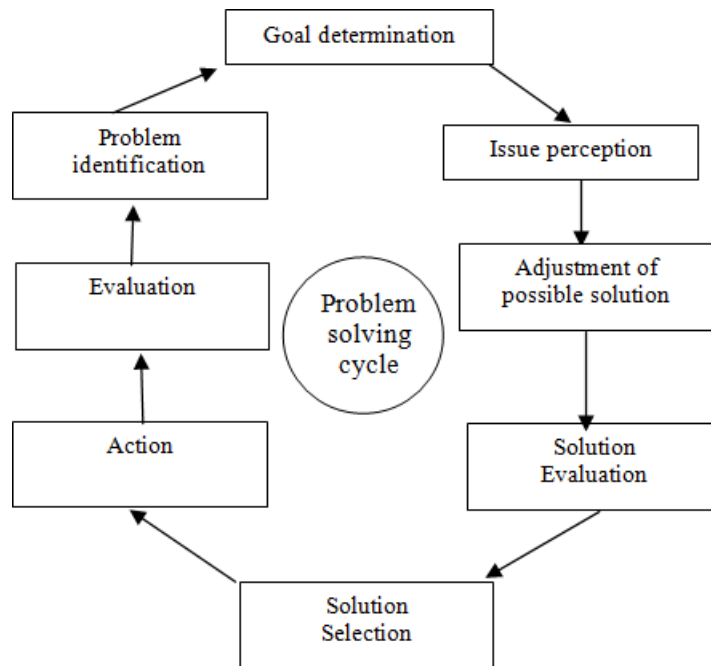
### **Strategic decision-making criteria**

- Compatibility with environmental and internal conditions (Stability);
- Identifying whether the chosen strategy is based on assumptions or not (Validity);
- Coherence and compatibility (Consistency), the different parts of the strategy must be compatible with each other;
- Feasibility: At this stage, we must be careful if we have enough resources to implement the strategy;
- Risk and vulnerability (Uncertainty): Instead of considering uncertainty as an obstacle, it should be changed to one's advantage.
- Flexibility and flexible;
- Financial desirability, when necessary, can be satisfied with one or more of these seven cases and make the final decision. The ability to make decisions and management requires the possession of characteristics that can be obtained in the framework of the education system. In this context, it is necessary which the country's education system in order to develop talents and promote and strengthen intellectual independence and create sensitivity to their effectiveness in their career and organizational future as decision-making, decision-maker and responsible elements, should have the position and their scientific capability should be developed through the higher education system in order to obtain the necessary scientific competence in key jobs (Tadbir, 2019).

### **Decision-making process**

Cooks (1991) and his colleagues summarized the decision-making and problem-solving process in Figure (1) and state it as follows (Cooks, 1991):

- **Observing the problem:** At this stage, a specific problem is observed in the organization, which may be internal or external factors of the organization.
- **Identifying and explaining the problem:** It is one of the basic stages in decision-making, a issue or problem is something that endangers the organization's ability to achieve its goals. The problem can be identified by comparing what should have happened and what has happened.
- **Determining the objectives of the decision:** Herein, what must be achieved, as the main objectives, is prepared and listed.
- **Perception of the problem:** Dealing with stimuli that prevent the realization of goals. It is a problem that needs to be solved. It is one of the most important decision-making processes. At this stage, it should be noted that the solution is considered only to solve the problem, and a lack of correct understanding of the problem will lead to providing a solution unrelated to the problem, which will not remove the obstacle.
- **Adjustment of possible solutions:** The usefulness of this step depends on more accuracy of the previous steps. The solutions are obtained according to the scientific and practical experiences of the decision-maker. The more solutions to solve the problem are found and determined, the better choice will be made in decision-making.
- **Evaluation of the solution:** A criterion is selected and all solutions are evaluated based on it.
- **Selection:** Based on the results obtained from the "Sixth" step, any solution that is more efficient according to the results that the organization will benefit from it, will be selected.
- **Action:** An solution that is selected, - is implemented.
- **Evaluation:** According to the results obtained from this stage, the selected solution is evaluated and its deficiencies are resolved.



**Figure 1-** Decision-making process

Chester Barnard has classified decisions into two organizational and individual groups, which are explained as follows.

#### **Individual decisions**

As was mentioned, decision-making is one of the most important management activities. It involves choosing one solution from among several solutions. The decision-making life of any organization is as long as the life of the same organization, from the stage of creation of the founding idea to the collapse of that organization. The first attitude about individual decision-making has known as classical decision-making theory, which is the process of choosing a solution among different solutions (Szllagyi and Wallace, 1987). In this theory, the decision-maker calculates the operation, results, and feasibility and about the value and with regard to the goals, priorities, and input and output, obtains the necessary information and according to the rules and laws that exist, he/she evaluates his/her goals with the results obtained and selects his/her solution (Szllagyi and Wallace, 1987).

#### **Organizational decisions**

These decisions are made by managers according to their organizational duties, capacities, and official talents, so managers often delegate these types of decisions to their subordinates in order to increase their participation while increasing the speed of doing work (Hamidizadeh, 2007). The meaning of employees' participation, is all measures that increase the amount of influence and responsibility of employees in the decision-making process through appropriate representatives at different levels of the organization, and its purpose is by intervention of employees in the decision-making process, to reduce the amount of conflicts between managers and employees, and the work parties by having equal rights and opportunities to exchange opinions and re-decide decision-making again between organizational issues, consider themselves belonging to a single group that works to achieve common goals (Özemre & Kabadurmus, 2020).

### **3. THEORETICAL FOUNDATIONS OF ONLINE BUSINESS**

#### **Business**

Components or parts of a company that are engaged and involved in multiple and different industries or activities are called "Strategic business units". (Walker, et al, 2003). In general, each strategic business unit has three main characteristics: a separate economic unit or a set of activities related to each other that can be planned separately from the rest of the company, each of them has its own set of competitors and each of them has separate management that is responsible for strategic planning and business profitability (Kotler, 2009). Each business decides which goals, markets, and competitive strategies to follow (Walker, et al, 2003).

## **Business Strategy**

Researches show that competitive strategy focuses on export laws and regulations (Rahman Seresht, 2016). On the other hand, the business level strategy in Impasco Company emphasizes offensive, defensive, release and conservative strategies (Shams, 2008). The main purpose of coordinating business-level strategies and functional-level strategies is to combine and apply two similar models in two different areas of organizations' management (Arabi and Haghghat Sabet, 2006). The effect of coordination between business strategy and marketing strategy has an effect on organizational performance and this coordination improves organizational performance based on strategic reference points (Rezvani, 2006). The coordination relationship between business-level strategies and financial strategies based on strategic reference points improves organizational performance from the perspective of financial strategies (Abedi, 2009). Regional capabilities of small and medium enterprises focus on the role of business strategies (Nasehi Far et al., 2009). Researches show that the competitive advantage of economic enterprises in establishing business strategies and determining how to use these strategies is depending on the situation (Porter, 1985). Therefore, focusing on business strategies and how to implement these strategies in the organization is a serious challenge and requires modeling (Johnson, 2022). On the other hand, the role of culture and the future needs of customers in formulating an effective business strategy is emphasized (Yu et al, 2022). In general, the challenges ahead for organizations in formulating and implementing business strategies emphasize environmental factors (Petrou et al, 2020) and through the strategic reference points of business strategies, it is possible to focus on the dimensions of society and social attitudes (Johnson, 2022). The classification types of Porter's strategies show that Porter analyzes business based on the internal processes of the organization (Porter, 1998). The paradigm of competitive marketing strategies development based on the theory of strategic reference points is proposed as a new paradigm in the field of marketing strategy development patterns, and besides responding to market conditions, the business strategy is aligned with the competitive strategies of the business unit (Özemre & Kabadurmus, 2020). Formulating business strategy according to environmental factors emphasizes planning, implementation, and control of business strategy and is in line with social responsibilities in that industry (Hunger & Wheelen, 2001). Competition with competitors can largely determine the direction and type of business strategy of the organization (Jackson, 2008). With a decision-making approach to strategy, business strategy can be modeled (Morris, 2002). On the other hand, the causes of environmental conflicts in the creation and implementation of business strategies in the European electronic industry have been evaluated in this regard, which it attempts to analyze the framework of conflicts created by competitors (Langerak et al, 2004). In addition, a comprehensive model has been developed to identify human force capabilities in the implementation of business strategies (Morris, 2002). The technological development approach of digital enterprises at the business level shows the importance of online business strategies (Bredin, 2006). The challenges of financial strategies in the Eastern European food industry with regard to business strategies have shown the importance of strategy evaluation at business levels (Haour, 2006). On the other hand, the European Marketing Strategy Research Institute completed a research that shows that knowledge management has a logical process in line with the process of implementing business strategy, and the organizational structure should be designed in this process so that human knowledge is transferred (Alio, 2007). Also, the search for organizational strategies and their relationship with the company's business strategy shows the importance of these strategies (Jackson, 2008). Research shows that the basic factors of establishing business strategies include organizational structural factors, environmental factors, human factors, technological factors, and financial factors, and the coordination of these factors exerts the greatest effect on the organization (Hinterhuber, 2008).

## **Online Business**

### ***Types of online business***

In fact, online business is the use of mechanized facilities and data transfer and new information in transactions. In other words, it is a kind of business that is carried out by the wide and global network of the Internet, which includes two subsets (Olson et al, 2021):

- **Closed online business:** If two companies want to cooperate extensively with each other and exchange commercial information, they must sign contracts with each other according to the rules of online business (EDI) which have specific standards, and each party should comply with the relevant standards to create the background for this type of business (such as having a secure network for exchanging information through computers...). This type of online business is usually done by large companies and is called "closed online business".
- **Open online business:** With the expansion of the use of the global Internet network, a type of online business developed under web pages (such as buying from an Internet store) in which the customer and the seller communicate through the web network, which this type of business so-called "open online business".



## **Methods of customer attraction and advertisement**

### ***Pyramidal or Cellular***

In this method, by inviting your friends or initial customers, you will get some customers, and those customers will bring two more customers, and if these two people bring another two customers (such as the cellular division), we will get a lot of customers, but this method is different from the method of pyramid companies because according to a subset of the category; 5% does not reach us and 4% does not reach category 4, but all of them reaches us (Xiang et al, 2022).

### ***Branding method***

In order to realize among people, it is necessary which not to advertise directly and introduce ourselves and our business to people with shapes, sentences, words, or colors. For example, for a while, there was a banner in the city where it was written over it "Don't call again". This method makes people think about the meaning of this advertisement and they wait to see what will be the result of this advertisement. During this time, on the virtual pages, they produce hashtags on the same theme and people are also entertained and involved in this advertisement on cyberspace (Purwanto, 2022); Now that people are involved, they add little things to attract more customers, and after a while, the advertisement is presented completely; Now this sentence and the company and the work of that company have been completely recorded among the people and the company starts making more advertisements with the same theme and people are attracted to it or a page is created on the virtual pages that do not introduce the services and are asked people to take a poll, that is, they put the name of the company and ask people to guess the application and service (or even the name of the company if the name is strange) and in this way attract more people (Xiang et al, 2022)

### ***Logo register method and collection name***

During the time that is left until the opening of the company, they use the shape, logo, and name of the collection so that they can attract customers and people so that they can have more efficiency, and they count the days so that people wait for it (they often get confused that this confusion is very practical and causes the company to have high efficiency when they see) what is the application and services of this company and this amount of advertising for which company was and when they realize that due to their more familiarity than other companies at the beginning of work, as a result, they are attracted to it and the efficiency of that company increases (Purwanto, 2022).

### ***Guerrilla method***

In this method, no special plan is followed (It means that there is no special plan for advertising and does not follow a goal) and they do extensive advertising in different places (that is, wherever they think someone might see those advertisements and be attracted, they advertise while those advertising should be focused and non- guerrilla), for example, when the company does extensive advertising in the streets and cyberspace (These examples are used for advertising anywhere that someone may see it), which usually this type of advertising has less efficiency than other models. A guerrilla method is exactly like guerilla wars that usually these wars (which here are similar to competition with other companies) is defeated ,but there are few times that the guerilla model wins. This is while you and your company have to work hard to be able to have some efficiency, but on the other hand, another company will travel the way you traveled in 100 years in one night because it was able to have a focused advertisement.

**Environmental recognition:** 1- Virtual environmental recognition; 2- Physical environmental recognition.

### ***Virtual environmental recognition***

The company must have full knowledge of virtual environments (that is, it must examine different virtual environments and identify the parts that are better and more efficient and then advertise in those parts); For example, an online restaurant business must advertise in cyberspace in food-related sections, that is, it should not advertise in technology centers; It should advertise in the sections related to food education and places that have more efficiency. Organizations that usually do this and obtain information from their environment are usually very successful and have been able to achieve very high efficiency, but on the other hand, organizations that do not do this, i.e. do not obtain information from their environment, usually, after for a while, their advertisements are failed and because of this problem, their companies gets into trouble and dissolves (Purwanto, 2022).

### ***Physical environmental recognition***

In addition to virtual environments, the organization should also be aware of physical environments to be able to have physical advertisements with more efficiency; for example, an organization provides medical services,

so it should advertise in places where people need medicine (for example, this organization has a series of drugs that are very rare and cannot be found in pharmacies. Because usually, people besides restaurants have a less urgent need for that drug. If the organization provides sensitive services, such as beauty services that require a quiet and secure environment, the organization should not be placed near a place where it may disrupt the security of the building because customers may lose their security and not return to that organization (Purwanto, 2022).

### **Best time start-up an online business**

One of the ways to earn income quickly and without the need for capital is to startup online businesses which most of them first start from inside home and then grow and become large organizations. Many people believe that startup an online business is only possible with a lot of investment, and they have to spend a lot of money to startup a website and advertising, or they have to be proficient in programming and as a result to startup an online business by doing complex technical works, while it is completely the opposite of this issue, i.e. you don't need an expert or you don't need coding or you don't need to storage products. But since there are many virtual pages, marketing work has become more difficult and for this work, you may need to spend some money. If your online business ideas are good and you want to implement them, you must this issue that you have been a quick start and thus it is not recommended to use complex tools and very high costs at the beginning of the path, because the use of complex tools and high costs will greatly reduce your speed and growth at the beginning of the path and this issue will cause you to lose your motivation. One of the most important factors that cause people to fail in starting a virtual business is perfectionism. Perfectionism makes you turn the path which you passed within 6 months into a year and a half and this subject causes you to get disillusioned easily and unconsciously give up your online business after a while, according to Google's statistics, a significant number of websites that are launched, are faced with failure after a few months. (Jafari, 2017).

### **Strategic decision-making in the evolution of online business**

The online business strategy emphasizes improving the competitive position of a company's products or services with a business unit in an industry with a specific market segment. Business strategy can be competitive (competing with all competitors to gain an advantage), cooperative (cooperating with one or more competitors to gain an advantage against other competitors), or both of them. The business strategy shows how a company should compete in a particular industry (Hunger & Wheelen, 2001).

Four types of strategies to compete in the industry as business strategies are introduced as follows:

1) Opportunists strategy; 2) Analysts strategy; 3) Differentiation defenders strategy and 4) low-cost defenders strategy (Arabi and Rezvani, 2007).

#### ***Opportunistic strategy***

In this strategy, mostly the business has entered the market for the first time with a new product and service. They do not hesitate to enter into new market segments where an opportunity has arisen. These businesses focus on offering products that improve performance levels. They always pay attention to new needs, new markets, and new customers. In general, they take advantage of opportunism by entering the market (Arabi and Rezvani, 2007).

#### ***Analysts' strategy***

In this strategy, businesses are rarely the first entrants with new products or services in emerging market segments. They cover market activities permanently and enter the market as followers with a better targeting strategy, more benefits for customers, and lower total costs. In general, by analyzing the conditions and the target market, they establish the business (Arabi and Rezvani, 2007).

#### ***Differentiation defenders strategy***

In this strategy, businesses try to maintain a relatively stable territory by fiercely protecting of their product's market position. They rarely proceed to provide a new product or service. Instead, they focus on providing a product or service with superior quality. Their prices are usually higher than the industry average. They always pay attention to the interior of the selected territories and try to maintain it with superior quality. In general, they try to maintain the market by differentiating their products from other competitors (Arabi and Rezvani, 2007).

#### ***Low-cost defenders strategy***

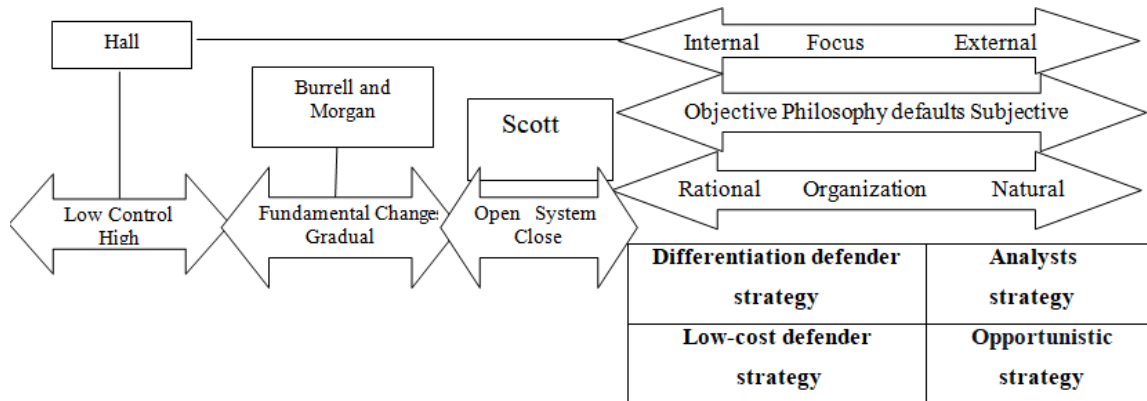
In this strategy, businesses try to maintain a relatively stable territory by fiercely protecting of their product's market position. They rarely proceed to provide a new product or service. Instead, they focus on the goods'

production efficiency as soon as possible. They focus on increasing market share in existing markets by offering products with the best prices. Low-cost defenders adopt maximum control over organizational processes to reduce production costs (Arabi and Rezvani, 2007).

**Types of business level strategy based on strategic reference points’ theory**

Business level strategy refers to how companies compete in the market (Hunger & Wheelen, 2001).

A common and dominant framework for business strategies that focuses on customers and competitors, is Porter's typology. In this typology, business-level strategies are based on SRP and SRP. To determine the overall situation of the company from a strategic point of view, these four factors have the highest importance, which can be seen in Figure 2 based on the perspectives of Olson, Slater, and Holt (2006).



**Figure 2-** Types of business-level strategies based on theory of strategic reference points

**Types of business strategies based on strategic reference points**

As was mentioned earlier, there are three categories related to the logical foundations, and the patterns of strategic reference points have been extracted from them. At first, the dominant theories in the four time periods of Richard Scott, four paradigms for analyzing the social theories of Burrell and Morgan, as well as the model of effectiveness and a set of values of Richard H. Hall are investigated. In this part, with the typology of business strategies and their placement based on the mentioned views, these strategies have been analyzed.

**Placement of business strategies based on Richard Scott’s attitude**

As was mentioned earlier, Richard Scott (1998) proposes three perspectives for theoretical models of organizations which are as follows: The rational and natural perspective and the open and closed system perspective. Then, he combines the three mentioned views with each other and provides a comprehensive framework for categorizing organization theories. Figure 3 shows this framework for business strategies. The two reference points in this Figure are as follows: The type of view to the organization (natural rational); and system type (open / closed).

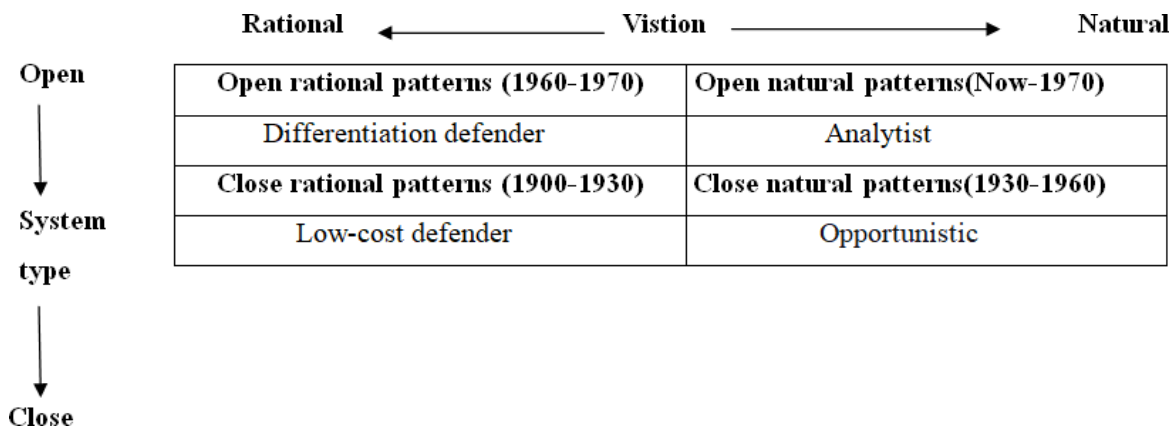


Figure 3- Typology of business strategy based on Scott's attitude

**Placement of business strategies based on Burrell and Morgan's attitude**

Burrell and Morgan (1979) have considered the attitudes related to the nature of social sciences in terms of objective subjective dimension and the attitudes related to the nature of society in terms of the dimension of ordering/fundamental changes. They say if we consider these two reference dimensions together, we get four distinct sociological paradigms that can be used to analyze a wide range of social theories. The relationships between these paradigms have been named humanist, structuralist, interpretive, and functionalist. In Figure 4, business strategies are placed based on this category.

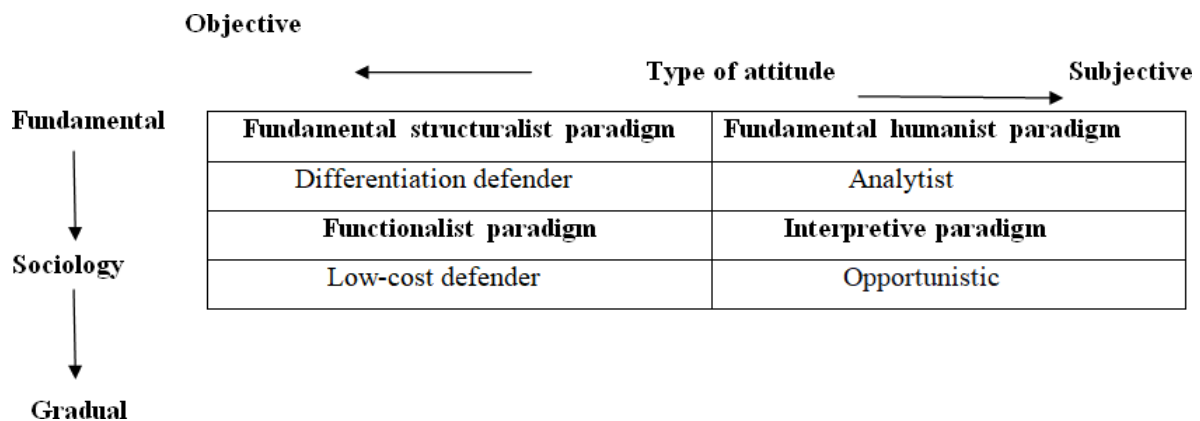


Figure 4- Typology of business strategies based on Burrell and Morgan's attitude

**Placement of business strategies based on Richard H. Hall attitude**

Richard H. Hall (2001), by introducing a contingent model with the title of a comprehensive model of effectiveness, emphasized that all management issues can be defined in the form of this model. He states that scientists, theoreticians, and experts who have investigated the organization, knowingly or unknowingly, have started their work with the issue of its effectiveness. In order to show what effectiveness model or models each organization uses, Hall has used two reference points: 1) The focus and tendency of the organization to the internal or the external environment and 2) The amount of severe or low control. (Flexibility). By examining different effectiveness models and using the mentioned two dimensions of reference, he states four models of effectiveness. In Figure 5, business strategies are placed based on Hall's attitude.

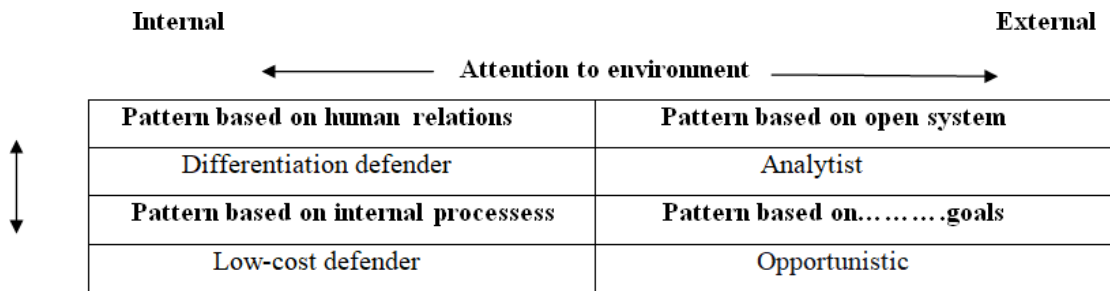


Figure 5- Typology of business strategies based on Hall's attitude

**Summary of business strategies based on strategic reference points**

Strategic reference points based on the triple attitude can replace business strategies in Figure 6, which was shown more comprehensively before.

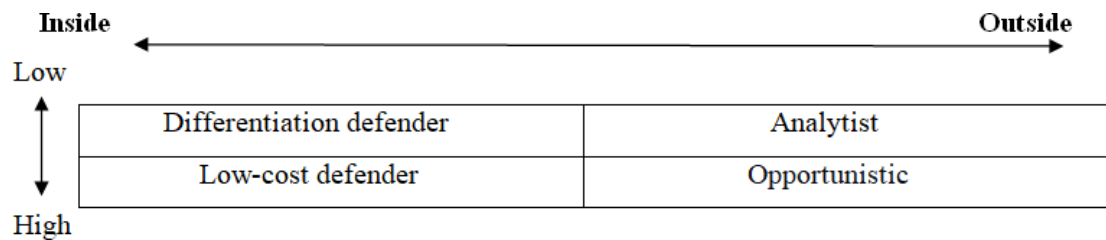


Figure 6- Strategic reference points of business strategies

**4. DISCUSSION AND CONCLUSION**

Today, with the development of technology all over the world, a new type of business with the name “Online business” has been introduced. Online business means a set of activities that are done online through the Internet. Some internet businesses have offered free services or even provide their services with fee payment. Since we are also talking about earning income, then setting up this type of business for doing a series of tasks in exchange for receiving its fee. At the beginning of work, you have to think and plan well to start up this type of business. In order to create evolution in online business, new methods have been introduced in strategic organizational decision-making. Today, the surprising changes that surround organizations, the complexities of organizational decisions, globalization, and the speed of information and communication technology, all show the necessity of using strategic planning to face such issues more than in the past. Intelligent managers have realized that by defining and explaining the goals and missions of the organization in the long term, they can achieve their plans better. The organization works better and reacts more appropriately to the environment, and with the help of this planning, managers determine their directions in the future and equip the organization against tomorrow's changes and developments. Having strategic thinking means the mental and executive preparation of all the organization's members to adapt to the conditions or temporal and semantic precedence over environmental changes. In the economic environment, the approach of global trade, e-commerce and threats, and opportunities, economic interaction between the instability countries of the global economy, intense interaction between the components of the global economy, in the cultural and social environment, the speed of information technology and people's accessibility to it, increasing customer demands, improving cultural communication, in terms of the technological environment, drastic technological changes, improving global technological communication, hardware technology in the case of distribution have been greatly increased, and every day we see new inventions and developments, the formation of competition is constantly changing, unknown and new competitors have quickly entered the global arena and is considered as a serious threat, the behavior of competitors is unpredictable and investors are cautious in their behavior towards investing in companies. In today's world, the surrounding environment is facing a lot of turbulence and uncertainty, and the competition has become very intense. In order to achieve success in the field of competition, organizational systems should use a type of planning that is futuristic and environmentally oriented, so that while identifying environmental factors and developments, in a long-term time horizon their influence is determined by the organization and how the organization interacts with them. This type of planning is actually the same strategic planning that in order to achieve the goals of the organization, selects strategies from among the strategic options by relying on the strengths and eliminating the weaknesses, using the opportunities in a proper manner, and avoiding threats so that if it is implemented correctly, will make the organization successful in the field of competition. Today's organizations need strategic planning for success, the existence of differences in the size, volume, and nature of the activities of large and small organizations, has also distinguished their strategic

planning from each other. So that most of the models presented in this field are in accordance with the characteristics of large organizations and maybe for this reason they can easily and at the desired time carry out strategic planning. If few models and studies have been presented in the field of strategic planning of small organizations and their little experience in using this type of planning also indicates this situation. In recent decades, the category of realizing and implementing strategy has always been one of the most controversial topics in management. Due to the establishment of online businesses, new methods have emerged in strategic organizational decision-making. Strategy implementation is a process in which based on it, the policies and strategies are implemented using plans, budgets, and procedures. Studies have shown that more than 70% of the reasons for the failure of strategic plans lie in the implementation stage. Organizations are unaware of the fact that the successful formulation of a strategy cannot guarantee its successful implementation. Today, the most important concern of most organizations is the implementation of strategies that according to goals and visions have been developed with a lot of effort and many attempts. Strategy implementation is not possible without the full support of senior managers and should be the main concern of senior managers. Considering the dynamics of companies and organizations, there is a need to review and examine changes such as structure, technology, strategy, culture, and other elements of the organization, and there are managers, especially senior managers, before attempting any fundamental change. New methods of strategic decision-making for starting up an online business, at first what should we think about in the beginning after answering questions like these? What is the reason for your desire to start a business on the Internet and generate income from this method? What idea do you want to start up? Do your activity and idea have an audience on the Internet?! Who are we going to compete with?! Estimate the amount of complexity of work and see if you have the necessary power to implement your internet business idea. All the questions mentioned above are among the most important cases that must be thought about them. There are many people who enter into a series of businesses with their thoughtlessness and eventually have failed in the shortest possible time. After thinking, in the next step, you should go to a series of more important cases. Every business is the result of a thought and idea. So, a good idea for starting up a business on the Internet should be found first. What do you want to do? What areas do you have an expert in? Find a great idea. The pureness of the idea is very important and it causes a lot of earning income. Most internet money-making businesses are pure and creative ideas. After choosing the idea, you should go to some of the businesses that have launched in a similar field. If your thinking and idea are unique, you won't need to review them. But if the idea is repeated or there are similar cases, you must definitely investigate the competitor's sites in terms of the type of activity, the way of activity, how to provide services, how to deal with customers, etc. It is important to evaluate the work of competitors in this sense that to succeed in online business you have to be better than your competitors. It means that you have to provide services that are much better than competitors' sites. It is in this case that the audience and new customers flock to that service. Customers of other sites and companies may even be drawn towards this service because of the good service. One of the most important points that must be investigated, is the online business market. After choosing an idea and examining a series of competitors, it should be evaluated whether this field of work has a good market or not?! Because nowadays everyone is looking for a profitable and pure business. So, to having the correct choice, the market should be examined. There are many ways to start up this type of business. One of them is a website design and implementation, which is the most common type of online business startup. In many online business startup ideas, having capital will not be required. One of the important reasons that most people tend to be drawn to this type of business is the low initial capital. You can start up a good online business at the lowest cost. In some methods of Internet income generation, there will require even any cost. Of course, there are some online businesses that need a lot of capital to succeed at the very beginning. In general, initial start-up costs are low.

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