I. Management Decision Problem 2, Section 2.5 (page 72)
Sprint Nextel has the highest rate of customer churn (the number of customers who discontinue a service) in the cell phone industry, amounting to 2.45 percent. Management wants to know why so many customers are leaving Sprint and what can be done to woo them back. Are customers deserting because of poor customer services, uneven network coverage, or the cost of Sprint cell phone plan? How can the company use information systems to help find the answer? What management decisions could be made using information from these systems?

II. Review Question 1, at the end of chapter 2 (page 75)
How does Porter’s competitive forces model help companies develop competitive strategies using information systems?
- Define Porter’s competitive forces model and explain how it works.
- List and describe four competitive strategies enabled by information systems that firms can pursue.
- Describe how information systems can support each of these competitive strategies and give examples.
- Explain why aligning IT with business objectives is essential for strategic use of systems.

III. Review Question 2, at the end of chapter 2 (page 75)
How do the value chain and value web models help businesses identify opportunities for strategic information system applications?
- Define and describe the value chain model.
- Define the value web and show how it is related to the value chain.

IV. Review Question 3, at the end of chapter 2 (page 75)
How do information systems help businesses use synergies, core competencies and network-based strategies to achieve competitive advantages.
- Explain how information systems promote synergies and core competencies.
- Describe how promoting synergies and core competencies enhances competitive advantages.