# 2910323 E-commerce

## Examination paper: Zone B

Time allowed: two hours and fifteen minutes

There are five questions on this paper. Answer three questions. Full marks will be awarded for complete answers to three questions. Candidates must not attempt more than the required number of questions. Calculators are not allowed.

## QUESTION 1

(a) We are currently in the second wave of Electronic Commerce. Compare and contrast the first wave of Electronic Commerce with the second.

[ 5 Marks ]

(b) Discuss in detail how electronic commerce is being used to optimise traditional commerce activities thereby increasing the effectiveness and efficiency of businesses. Include in your answer two advantages and two disadvantages of using Electronic Commerce and the key issues associated with using the Internet for International Electronic Commerce.

[ 10 Marks ]

(c) Describe in detail the role and evolution of markup languages used in Electronic Commerce. Your answer should include a discussion of which languages are used today and which tools are used to develop software applications with them.

[ 10 Marks ]

## QUESTION 2

(a) Discuss how companies are using product differentiation, relevance to the user and perceived value as part of defining a branding strategy. Suggest how the techniques of rational branding and affiliate marketing may be used to promote a business brand on the Web.

[ 10 Marks ]

(b) Compare and contrast product-based and customer-based marketing strategies when used to promote a company's electronic commerce Web Presence. In your answer explain how these strategies utilise marketing mix theory.

[ 5 Marks ]

(c) Discuss the usage of virtual communities as technologies for adding Stickiness to web sites.

[ 10 Marks ]

## QUESTION 3

(a) Compare and contrast various approaches to protecting client computers which are advised if a customer wishes to conduct electronic commerce securely. Include in your answer a discussion on the use of cookies, approaches to monitoring active content and the use of digital certificates.

[ 10 Marks ]

(b) Describe in detail the use of encryption in ensuring channel secrecy when providing customers with secure channels for communication. Include in your answer a comparison of public and private key encryption.

[ 10 Marks ]

(c) Describe in detail methods for protecting intellectual property on-line. Include in your answer a discussion of property protection software, host-name blocking and the use of proxy servers.

[ 5 Marks ]

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## QUESTION 4

(a) Discuss the process of market segmentation. Include in your answer an explanation of usage-based segmentation, behavioural segmentation and occasion segmentation.

[ 5 Marks ]

(b) One goal of marketing is to create strong relationships between a company and its customers. Describe the five-stage model of customer loyalty.

[ 5 Marks ]

(c) Describe the process of conducting an auction and provide five examples of different types of bidding processes.

[ 10 Marks ]

(d) Contrast Business-to-Business auctions with a general consumer auction such as eBay.

[ 5 Marks ]

## QUESTION 5

(a) Write a detailed description of the different forms of banner advertising currently being deployed. Include in your answer an explanation of the process of constructing banners including authoring tools, formats and levels of intrusiveness.

[ 10 Marks ]

(b) Compare and contrast product-based and customer-based marketing strategies in electronic commerce and explain how the marketing mix can be used in both strategies to establish an effective web presence.

[ 10 Marks ]

(c) Discuss the key technical and non-technical issues that must be taken into consideration by any company wishing to attract customers, build loyalty and trust, and establish an effective web presence.

[ 5 Marks ]