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RE: CIS 234e – Text A, Electronic Commerce – TRUE/FALSE Questions

Chapter 1 ~ Introduction to Electronic Commerce

Description: festline

**INSTRUCTIONS: See Key Terms and Review Questions at the end of the Chapters**

**ENTER your Answers below. Email to Prof. Villegas by due date.**

**TRUE/FALSE (Mark T for True and F for False)**

**\_\_\_\_\_\_ 1. The legal environment in which electronic commerce is conducted is full of clear and concise laws.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 2. Economists use a formal definition of market that includes two conditions: first, the potential sellers of a good come into contact with potential buyers, and second, that a medium of exchange is available.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 3. Using the value chain reinforces the idea that electronic commerce should be a business solution, not a technology implemented for its own sake.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 4. A transaction is an exchange of value, such as a purchase, a sale, or the conversion of raw materials into a finished product.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 5. In some cases, business processes use traditional commerce activities very effectively, and technology cannot improve them.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 6. Electronic payment can be easier to audit and monitor than payment made by check.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 7. Value-added networks are leased telephone lines that establish direct network connections to all trading partners of an organization.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 8. A product's shipping profile is a collection of details about the shipper.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 9. Business-to-business electronic commerce occurs when a person sells an item through a Web auction site to another person.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 10. The U.S. government is one of the largest electronic data interchange (EDI) trading partners in the world.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 11. A problem that EDI pioneers faced was the high cost of implementation.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 12. Most economists agree that markets are weak and ineffective mechanisms for allocating scarce resources.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 13. Buyers and sellers in commodity markets experience significant transaction costs.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 14. Irrespective of the transferability of merchandising skills to the Web, products are difficult to sell on the Web.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 15. A commodity item is a product or service that is hard to distinguish from the same product or service provided by other sellers.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 16. The increase in broadband connections in homes is a key element in the B2C component of the second wave.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 17. A DVD is an excellent example of an item with a high value-to-weight ratio.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 18. Electronic commerce provides buyers with an easy way to customize the level of detail in the information they obtain about a prospective purchase.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 19. Transferring funds, placing orders, sending invoices, and shipping goods to customers are all types of activities or transactions.**

**a. True**

**b. False**

**\_\_\_\_\_\_ 20. A freight forwarder is a company that arranges shipping and insurance for international transactions.**

**a. True**

**b. False**

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