Chapter 1

**##1.** **Differentiate between m-commerce and e-commerce.**

**Ans:**

|  |  |  |
| --- | --- | --- |
| Criteria | E-commerce | M-commerce |
| Definition | Electronic Commerce (or also called E-commerce) refers to the activities of buying and selling products and services with the use of electronic systems such as the internet. | Mobile Commerce (or also called M-commerce) refers to the process of buying and selling products and services with the use of internet/cellular data. |
| Devices used | Computers, laptops | Wireless handheld devices such as cell phone, iPads, tablets. |
| The use of Internet | Mandatory | Not Mandatory (allow the use of offline mode, might not work properly through) |
| Connectivity | Smaller | Larger owing to bigger number users. |
| Payment gateway | Credit cards | Caller's rate, mobile banking or user's credit card |
| Usage | Less simple because of more complicated user interface and more functions | Simple because all functions have been simplified |
| Cost | Less costly for creation a web store and the use of internet | More costly for the creation of a mobile app and the use of cellular data |

**##2.** **Question: Write short notes on m-commerce.**

**Ans: M-commerce** Mobile Commerce (or also called M-commerce) refers to the process of buying and selling products and services with the use of internet/cellular data M. Commerce involves the online transactions through the wireless handheld devices such as mobile phone, laptop, tablet, or any other personal digital assistant. It does not require the user to sit at the computer that is plugged in and perform the commercial transactions. Through M-Commerce, people can perform several functions such as pay bills, buy and sell goods and services, access emails, book movie tickets make railway reservations, order books, read and watch the news, etc. Advantages of M-commerce: The Advantages of M-commerce is write down below • Through M-commerce, the companies can be in regular touch with the users through the Push Notifications. Any discount, scheme, pay back benefits can be communicated to the customers through a message to their mobile phones. Eg. Super shop companies always sends a message to its members about the Season Sale • M-Commerce enables local business to grow by tracking the location of the potential customer and sharing the information on their mobile phones Eg. The educational institutes track down the local students and give information about the courses offered by them. •With the help of M-commerce, the users can pay their mobile bills, electricity bills, without standing in the long queues. Eg. Mobile applications such as bKash, Mkash etc. are the online payment platforms. •M-commerce enables the customers to book movie tickets, railway tickets, air tickets and event tickets thereby saving a lot of time. Eg Book My Show, IRCTC mobile applications offers the online reservation services. •Through M-Commerce, customers can easily access the complete information about the product or service provider before availing its services. E.g. Any new restaurant is opened in the city; one can access about it in detail through mobile. •M-Commerce helps the marketer to have a wider reach of potential customers than he can have by visiting all personally. E.g. Text can be sent to the mobile phones of many potential customers residing in different parts of the country Make My trip is the best example.

**##3. Question: State some significant problems of E-commerce over traditional system**

**Ans:** Some significant problems of E-commerce over traditional system:

• Lack of Personal Touch: E-business lacks the personal touch. One cannot touch or feel the product. So it is difficult for the consumers to check the quality of a product. Also, the human touch is missing as well. In the traditional model, we have contact with the salesperson. This lends it a touch of humanity and credibility. It also builds trust with the customer. An e-Business model will always miss out on such attributes. •Delivery Time: The delivery of the products takes time. In traditional business, you get the product as soon as you buy it. But that doesn't happen in online business. This lag time often discourages customers. However, e-businesses are trying to resolve such issues by promising very limited delivery times. • Security Issues: There are a lot of people who scam through online business. Also, it is easier for hackers to get your financial details. It has a few security and integrity issues. This also causes distrust among potential customers.

**##4. What is E-Commerce?**

**Answer:** E-commerce: E-commerce stands for electronic commerce. E-commerce is the buying and selling of goods and service or the transmitting of funds or data over an electronic network primarily the internet. E-commerce is a transaction of buying or selling online. Electronic commerce draws on technologies such as mobile commerce, electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automated data collection systems.

**##5. What are the different types of e-commerce?**

**Answer:** E-commerce stands for the electronic commerce. E-commerce is the buying and selling of goods and services on the transmitting of funds or data over an electronic network primarily the internet.

**Different types of e-commerce:**

**Business-to-Business (B2B):** Business to business (B2B) e-commerce encompasses all electronic transaction of goods or service conducted between companies.

**Business to consumer(B2C):** The business to consumer type of e-commerce is distinguished by the establishment of electronic business relationship between business and final consumer.

**Consumer to consumer (C2C):** Consumer to consumer (c2c) type e-commerce encompasses all electronic transactions of goods or services conducted between consumers. Generally, these transactions are conducted through a third party.

**Consumer to business (C2B):** In C2B there is a complete reversal of the traditional sense of exchanging goods.

**##6. List some major advantage and disadvantages of e-commerce.**

**Or, what are the advantages of E-commerce transaction?**

Answer: The advantages of Ecommerce transaction: ✓ Faster buying/selling procedure, as well as easy to find products.

✓ Buying/selling 24/7. ✓ More reach to customers, there is no theoretical geographic limitations ✓ Low operational costs and better quality of services. ✓ No need of physical company set-ups Easy to start and manage a business ✓ Customers can easily select products from different providers without moving around physically.

Disadvantage of E-commerce: ✓Any one, good or bad, can easily start a business. And there are many bad sites which eat up customers' money. ✓There is no guarantee of product quality. ✓ Mechanical failures can cause unpredictable effects on the total processes.

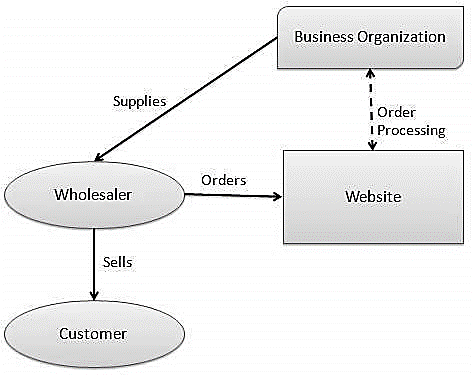
✔As there is minimum chance of direct customer to company interactions, customer loyalty is always on a check. ✔ There are many hackers who look for opportunities, and thus an ecommerce site, service, payment gateways, all are always prone to attack ✔Software development industry is still evolving and keeps changing rapidly.

**##7. Distinguish between e-commerce and e-business.**

|  |  |
| --- | --- |
| **E-Commerce** | **E-Business** |
| ✔ Trading of merchandise, over the internet is known as E-commerce. | ✔Running business using the internet is known as E-business |
| ✔It is subset | ✔It is superset |
| ✔There is a limitation of money transaction | ✔ There is no limitation of money transaction |
| ✔Commercial transaction | ✔ Business transaction |
| ✔Requires Website | ✔ Requires Website, CRM, EPR etc. |
| ✔only use Internet | ✔ Internet, Intranet and Extranet |

**##8. Explain with a block diagram the working principle of B2B e commerce.**

Ans: B2B stands for business to business: Website following B2B business mode sells its product to an intermediate buyer who then sells the product to the final customer. As an example, a wholesaler places an order from a company website and after receiving the consignment sells the end product to final customer who comes to buy the product at wholesales outlet.



Chapter 2

**##9. Question: What is firewall? Where it is used? Why is it necessary?**

**Ans: Firewall:** A firewall is a network security system either hardware or software based, that controls incoming and outgoing network traffic based on a set of rules.

**Where used:** If any pc is connected to the internet the pc is a potential target to an array of cyber threats such as hackers, key loggers. So a firewall wall as a barrier or a shield between pc and cyber space Baric firewalls included in windows XP only monitor incoming traffic by default. **For why it is necessary:** It is necessary to protect the information from any unnecessary access and from any kind of threads and from spam.

**##10. Question: Write short notes on Digital Certificate.**

**Ans: Digital Certificate**: A person (sender), who is sending an encrypted message, may obtain a digital certificate from a CA to ensure authenticity. The CA issues the digital certificate with the applicant's public key, along with other information such as holder name, serial number, date of expiration and a digital CA signature. It also issues its own public key in the public domain via the Web. When a Web message is transmitted, a digital certificate serves as an encrypted attachment containing the public key and other relevant identifying data. When the recipient receives the message, the digital certificate is decoded using the CA's public key. Using various information residing in the digital certificate, the recipient can send an encrypted reply back to the sender. Digital certificates verify website authenticity and legitimacy. A browser may display an unsafe digital certificate alert but still permit user entry. This warning signals that the website is a threat and security risk.

The most common digital certificate standard is X.509.

**##11. Question: Explain how SSL helps an E-commerce system to be secure.**

**Ans:** Secure Sockets Layer (SSL) technology is the industry standard method for protecting web communications developed by Netscape Communications Corporation. The SSL security protocol provides data encryption, server authentication, message integrity, and optional client authentication for a TCP/IP connection. Because SSL is built into all major browsers and web servers, simply installing a digital certificate turns on their SSL capabilities. Installing Digital Certificates on your web servers and implementing an online payment system are the two essential components for a secure infrastructure. Digital certificates for Web servers provide authentication, data integrity and privacy through encryption. Also, implementing a secure online payment system will allow your e-commerce website to process payments online. However this paper is not to focus on the payment system.

**##12. Question: Describe how SET protocol helps transaction in E-commerce.**

**Ans:** Secure Electronic Transaction or SET is a system which ensures security and integrity of electronic transactions done using credit cards in a scenario. SET is not some system that enables payment but it is a security protocol applied on those payments. It uses different encryption and hashing techniques to secure payments over internet done through credit cards. SET protocol was supported in development by major organizations like Visa, Master-card, Microsoft which provided its Secure Transaction Technology (STT) and Net-Scape which provided technology of Secure Socket Layer (SSL). SET protocol restricts revealing of credit card details to merchants thus keeping hackers and thieves at bay. SET protocol includes Certification Authorities for making use of standard Digital Certificates like X.509 Certificate. Before discussing SET further, let's see a general scenario of electronic transaction, which includes client, payment gateway, client financial institution, merchant and merchant financial institution.

**##13. Question: What is dual signature? What is the purpose of dual signature in SET protocol?**

**Ans:** **Dual signature:** A cryptographic procedure introduced by SET, an electronic payment system, to ensure data protection during business transactions. This type of signature is generated by calculating hash values separately for two messages, concatenating the two hash results to a new message, and then hashing that value and encrypting the result. **The purpose of dual signature in SET protocol:** The purpose of the dual signature is link two messages that are intended for two different recipients. In this case, ✔The customer wants to send the order information (OI) to the merchant and the payment information (PI) to the bank.

**✓** The merchant does not need to know the customer's credit-card number, and the bank does not need to know the details of the customer's order. **✓** The customer is afforded extra protection in terms of privacy by keeping these

two items separate. ✔However, the two items must be linked in a way that can be used to resolve disputes if necessary. ✔The link is needed so that the customer can prove that this payment is intended for this order and not for some other goods or service.

**##14. Define Data Encryption.**

Answer: Data Encryption: Data encryption translates data into another form, or code, so that only people with access to a secret key (formally called a decryption key) or password can read it. Encrypted data is commonly referred to as cipher-text, while unencrypted data is called plaintext. Currently, encryption is one of the most popular and effective data security methods used by organizations. Two main types of data encryption exist asymmetric encryption, also known as public-key encryption, and symmetric encryption.

**##15. What is public key and private key encryption? Or,**

**Write short notes on public key and private key.**

**Answer:** Public Key Encryption: In which a message is encrypted with a recipient's public key. The message cannot be decrypted by anyone who does not possess the matching private key, who is thus presumed to be the owner of that key and the person associated with the public key.

Private Key Encryption: Private key encryption is the form of encryption where only a single private key can encrypt and decrypt information. It is a fast process since it uses a single key. However, protecting one key creates a key management issue when everyone is using private keys. The private key may be stolen or leaked.

**##16. Question: What is the difference between private key and public key encryption?**

**Ans:** Difference between private key and public key encryption:

|  |  |
| --- | --- |
| **Private Key** | **Public Key** |
| A type of lock used in asymmetric encryption that is used with an encryption algorithm to convert the message to an unreadable from. | A type of lock used in asymmetric encryption that is used with a decryption algorithm to convert the message to an original from. |
| Used to encrypt the message | Used to decrypt the message |
| Used to encrypt the message | A secret key that can be used to decrypt messages encrypted with the corresponding public or private key. |
| Widely distributed | Kept secret |
| Applies to asymmetric encryption. | Applies to asymmetric and symmetric encryption. |

**##17. Define cryptography. How does public key cryptography solve the drawback of private key cryptography? Explain.**

**Ans:** Cryptography: Cryptography is associated with the process of converting ordinary plain text into unintelligible text and vice-versa. It is a method of storing and transmitting data in a particular form so that only those for whom it is intended can read and process it.

How public key cryptography solves the drawback of private key cryptography: Private-key cryptography, also known as symmetric-key cryptography, employs identical private keys for users, while they also hold unique public keys. "Symmetric key" refers to the identical private keys shared by users.

✓ Since keys are subject to potential discovery by a cryptographic adversary, they need to be changed often and kept secure during distribution and in service.

✓Choosing, distributing, and storing keys without error and without loss is difficult to reliably achieve.

Chapter 3

**##18. Question: Compare EDI on Value Added Network (VAN) and**

**EDI on the internet. Or, Compare the services offered by internet access providers and Vans for handling EDI.**

**Ans: Electronic Data Interchange:** EDI is the computer-to-computer exchange of business document in a standard electronic format between business partners.

**EDI via VAN:** These are private network when electronic business documents are exchanged between partners. The VAN provider manages the network and provides companies with mailboxes where they can send and receive EDI documents. **EPI on Internet:** EDI however is significantly older going back to the days before the internet was prevalent as a communication medium between businesses.

**##19. Question: What is an electronic payment system?**

**Answer:** E-payment system is a way of making transactions or paying for goods and services through an electronic medium without the use of check or cash. It's also called an electronic payment system or online payment system. Read on to learn more. The electronic payment system has grown increasingly over the last decades due to the widely spread of internet-based banking and shopping. As the world advance more on technology development, a lot of electronic payment systems and payment processing devices have been developed to increase, improve and provide secure e-payment transactions while decreasing the percentage of check and cash transaction.

**##20. Question: What are the benefits of electronic payment system?**

**Ans: Benefits of electronic payment systems: Time savings:** Money transfer between virtual accounts usually takes a few minutes while a wire transfer or a postal one may take several days. Also, we will not waste our time waiting in lines at a bank or post office. **Expenses control:** Even if someone is eager to bring his disbursements under control, it is necessary to be patient enough to write down all the petty expenses, which often takes a large part of the total amount of disbursements. The virtual account contains the history of all transactions indicating the store and the amount we spent. And we can check it anytime we want. This advantage of electronic payment system is pretty important in this case

**Reduced risk of loss and theft:** We cannot forget our virtual wallet somewhere and it cannot be taken away by robbers. Although in cyberspace there are manyscammers, in one of the previous articles we described in detail how to make our e-currency account secure. **Low commissions:** If we pay for internet service provider or a mobile account replenishment through the UPT (unattended payment terminal), we will encounter high fees. As for the electronic payment system: a fee of this kind of operations consists of 1% of the total amount, and this is a considerable advantage. **User-friendly:** Usually every service is designed to reach the widest possible audience, so it has the intuitively understandable user interface. In addition, there is always the opportunity to submit a question to a support team, which often works 24/7. Anyway we can always get an answer using the forums on the subject. **Convenience:** All the transfers can be performed at anytime, anywhere. It's enough to have an access to the Internet

**##21. Question: Write about internet advertisement categories in the E-commerce scenario.**

**Answer:** Online advertising is any type of marketing message that shows up with the help of the Internet. Savvy advertisers are increasingly making use of this forum for reaching consumers, for a number of reasons ✔ It's relatively inexpensive ✔It reaches a wide audience ✔It can be tracked to measure success (or failure) ✔ It can be personalized for a target audience •Now, there are a wide variety of advertising types we could use - we've listed the seven top types here: **Display Ads:** The original form of online advertising, these are visual ads that appear on third party websites . Display ads have evolved from the basic form of banner ads. Nowadays, display ads come as: ✓ Static images - these are your basic banner or square ads that appear around the content. ✓Text - these are text ads that are created by algorithms to make text ads relevant to the surrounding content. ✓ Floating banners- these move across the screen or float above the regular website's content. ✓ Wallpaper- these appear and change the background of a website, filling the whole page. ✓Popup ads- these are new windows that appear in front of the website content, newly opened window displays the full ad so visitors can see. ✓ Flash- these are moving ads that "flash" different content at the viewer ✓ Video - these are small video ads that auto play or wait for the video to be played by the visitor. •Display ads are usually very affordable. **Social Media Ads:** It's a marketing arena that is not only efficient but effective. Social Media advertising is great because we can target our audience perfectly. Here are two types of Social Media advertisements: •Organic - creates loyalty and gives you feedback from your target audience; new form of Word-of-Mouth •Paid - leverage promoted posts and reach specific people •The best platforms to target are: •LinkedIn for B2B sales •Facebook for display and top of funnel marketing •Stumble Upon for amazing, attention-grabbing content •Other platforms to hit up if you have the budget for it: ✓ Twitter ✓ Google+ ✓ Pinterest ✓ Instagram ✓ Tumblr ✓ Reedit **Search Engine Marketing (SEM):** The most dependable form of online paid advertising (and also the most common). SEM works based on keywords - we and other businesses like ours bid on keywords through search engines in an effort to get our website up higher on the Search Engine Results Page (SERP). **Native Advertising:** Native advertising is those sponsored listings at the end of blog posts, appearing on your Facebook feeds and posted to other social media. These pieces of content are integrated and camouflaged into the platform on which they appear. **Remarketing/Retargeting**: The best way to market to people who already know about our product and service is to remarket to them. Or retarget. Depends on who we're talking to. When people visit our site, we drop a cookie on them so that, as they travel around the web, our ads will appear over and over to remind them about our product or service. **Video Ads:** While YouTube ads are the most popular and well known of video ads, there are actually several different formats, types and content options. We can go the route of educational/informative. Or maybe we want to post a how-to. Try to pull on the emotional strings of our viewers by creating a visual story. Once we've created your video, we can post to: • YouTube/Google •Facebook •Twitter •Vimeo •Brightroll • YuMe • Hulu •Specific Media **Email Marketing:** Hanging out with Display Ads back near the start of online advertising, Email Marketing is a cheaper, faster and effective form of advertising. Email Campaign Managers: •Mail Chimp •Constant Contact •Weber •Convert Kit •Get Response •Campaign Monitor •Active Campaign

**##22. What is EDI (Electronic Data Interchange)?**

**Ans:** (Electronic Data Interchange): Electronic Data Interchange (EDI) is the electronic interchange of business information using a standardized format, a process which allows one company to send information to another company electronically rather than with paper. Business entities conducting business electronically are called trading partners.

**##23. How is electronic credit card different from a credit card?**

Answer: How electronic credit card is different from credit card: A credit card is a card distributed by financial companies. This piece of plastic card helps users to get funds from the bank without withdrawing any amount of money.

Though electronic and traditional credit card merchant services have similar purposes, these methods still have a lot of differences. The typical credit card processing system needs a place where we can store the machine Each terminal has access to the registrar's desktop. The electronic payment processing service-on the other hand- let us processes a transaction wherever our smart device is.

**##24. Explain the requirement of payment system. Or Name different types of E-payment system and write down the requirement for E-payment system. Or, Explain the different types of electronic payment mechanisms.**

Ans: when you purchase goods and services online, you pay for them using an electronic medium This mode of payment, without using cash or cheque, is called an e-commerce payment system and is also known as online or electronic payment systems.

Some of the modes of electronic payments are following. ✓Credit Card ✓Debit Card

✓ Smart Card ✓ E-Money

✓ Electronic Fund Transfer (EFT)

**Credit Card:** It is one of most common mode of electronic payment. The action credit card older is: ✓The card holder – Customer ✓The merchant-seller of product who can accept credit card payments. ✓The card issuer bank - card holder's bank ✓The acquirer bank- the merchant's bank ✓The card brand-for example, visa or master card.

**Debit Card:** Debit cards are the second largest e-commerce payment medium in India. Customers who want to spend online within their financial limits prefer to pay with their Debit cards.

**Smart Card:** It is a plastic card embedded with a microprocessor that has the customer's personal information stored in it and can be loaded with funds to make online transactions and instant payment of bills.

**E-Money:** E-Money is a prepaid account that allows the customer to store multiple credit I cards, debit card and bank account numbers in a secure environment.

**Electronic Fund Transfer:** It is a very popular method to transfer money from one bank account to another bank account. Accounts can be in saine bank or different bank.

**##25. Briefly discuss the processes that are involved in handling credit card.**

**Answer:** Credit card processing can be reduced to one of six steps. For the most part, each of these steps is involved with transferring a cardholder's payment information and authorization from one party to another.

**Consumer:** The first step in credit card processing happens on the consumer level, when a cardholder swipes, dips their card, or hands over their payment information to the merchant.

**Merchant:** Next, the merchant accepts and collects the payment information. This can be done in one of two ways. The payment can be accepted physically in so-called card present transactions

**Processor**: The credit card processor collects that information and is responsible for routing that data across to the other stages, and facilitating communications between various parties. Initially, however, their primary role is to send the payment information to the card network.

**Card Networks**: Your customer's card will operate one of the major credit cards networks the most common ones are Visa and MasterCard. Once the networks receive the payment information from the processor, they pass it to your customer's bank

**Consumer Bank:** The cardholder's bank then receives the payment request, and they verify whether the cardholder has the appropriate funds or credit to complete the purchase.

**Back to The Merchant:** Lastly, the message that the payment has been requested or denied flows back through the same channels it did to get to the cardholder's bank.

Chapter 4

**##26. Discuss the different online marketing strategies in E-commerce.**

**Ans:** Digital marketing, also called online marketing, is the promotion of brands to connect with potential customers using the internet and other forms of digital communication **1: Search Engine Optimization (SEO)**: SEO or search engine optimization is the process of adjusting your website to improve its organic, free, or "natural" placement in search results. SEO consists of on-page factors (content, structure, and user-friendliness) and off-page factors (links from other sites, social shares, authority). **2: Search Engine Marketing (SEM):** Search engine marketing or SEM is the process of using paid search (Pay Per Click ads) to gain website traffic. In the past, SEM was used as an umbrella term that encompassed SEO and paid search. **3: Pay Per Click or Pay Per Call (PPC):** PPC marketing can be broken down into two main categories paid search and paid social marketing. Ads are published on search engines or social platforms, and companies are charged every time their ad is clicked. **4: Content Marketing**: Moz defines content marketing as the creation and distribution of relevant, valuable content to communicate with customers and achieve your marketing goals. Content marketing strategies focus on communicating with customers, rather than selling, providing content that educates, amuses, or otherwise provides value to customers on a consistent basis in order to attract and retain a specific desired audience. **5: Social media marketing:** Social media marketing is the use of social media platforms and websites to promote your business and connect with customers. Social media marketing does not necessarily drive sales. Instead, it is often used to increase engagement, build links and bring content to the attention of customers, and create a distinctive "brand". **6: Email marketing:** Email marketing is one of the most cost-effective types of digital marketing strategies. Email is often cited as the "more effective replacement" for direct mail marketing, as you can directly reach a wide network of customers in an instant with newsletters, ads, or reminders through email. **7: Influencer marketing**: Influencer marketing is one of the newest types of internet marketing strategies but it is expected to become increasingly popular in 2018. Influencers (individuals with a strong social following) are paid to promote your company's products or services. **8: Affiliate Marketing:** Affiliate marketing is the process of earning a commission by promoting or advertising

other companies' products or services. **9: Reputation marketing:** Reputation marketing consists of using press releases, social media, and customer review "platforms to develop a positive perception of a company.

**##27. Question: Why maintaining the one-to-one marketing is easy using the internet?**

**Ans:** One-to-one marketing (sometimes expressed as 1:1 marketing) is a customer relationship management (CRM) strategy emphasizing personalized interactions with customers. The personalization of interactions is thought to foster greater customer loyalty and better return on marketing investment. **Why internet marketing is important for one-to-one marketing: To increase the visibility of our business:** These days everything can be done online from buying movie tickets to buying furniture for home. Internet has brought tremendous changes in our life style. Every business should recognize this and establish their presence on the internet. Internet marketing is beneficial for all the types of businesses, This will allow you to expand our visibility to larger population **To connect with the customers:** Social media marketing allows us to connect with our potential and returning customers. Update our customers with the new or latest features of our business. We can publicize the upcoming products or services and give a small description of these good and services to our customers. **To cope up with the competition**: These days' people are able to access and purchase a wide range of goods from online with the help of internet. It is very crucial for any business to maintain the competition against the small, local and large online retailers and businesses. **It is good for research and development:** We can research good keywords which suits our business. We can make use of these keywords in our business to place our site on the top of the search engine results. **Legitimate our-self:** By establishing and maintaining the presence online, business can show their customers that their business is active, dynamic and working to improve and is trying to grow.

**##28. Question: Write short notes on the following on-line communities and new marketing opportunities.**

**Ans: On-line Communities:** An online community is a group of people with common interests who use the Internet (web sites email, instant messaging, etc.) to communicate, work together and pursue their interests over time. An online community, also called an internet community or web community, is a virtual community whose members interact with each other primarily via the Internet. For many, online communities may feel like home, consisting of a "family of invisible friends. Those who wish to be a part of an online community usually have to become a member via a specific site and thereby gain access to specific content or links. An online community can act as an information system where members can post, comment on discussions, give advice or collaborate Commonly, people communicate through social networking sites, chat rooms, forums, e mail lists and discussion boards. People may also join online communities through video games, blogs and virtual worlds. The rise in popularity of Web 2.0 websites has allowed for easier real-time communication and ability to connect to others as well as producing new ways for information to be exchanged.

**##29. What is Marketplace?**

Ans: A marketplace is a large online shopping center, where products from many brands are offered and in which you can find any product, anytime and from anywhere. Marketplaces work in a simple, effective and economical way. The goal is that both customers and sellers have it easy when it comes to selling and buying.

**##30. What are some of the major advantages and disadvantages of being a first mover?**

**Ans: First mover:** A company that is the first to establish itself in a given market or industry, the proverbial 'early bird,' is known as the first mover.

**Advantages:** ✓First movers have the potential to make a lasting impression on customers, which

can lead to brand recognition and brand loyalty. ✓First movers have more time to refine their processes and to perfect their products or services. ✓ First movers may have a sustainable advantage when there is a high cost involved for customers to switch brands at a later date.

**Disadvantages:** ✓ First movers bear the economic burden of developing a new market that followers into the market can exploit ✔Followers into the market can learn from the mistakes of the first Mover, allowing them to reduce their risk and avoid making costly mistakes. ✔Followers may be able to examine the processes of the first movers and modify them for greater efficiency and cost reduction. ✔Followers can utilize newer technologies that become available, while first movers may be heavily invested in older technologies.

**##31. Explain the different steps involved in the development of a commerce web site.**

**Answers:** Different steps involved in the development of an e-commerce web site:

**Buying the domain name:** Every ecommerce website needs a platform and a catchier name that is easy to remember

**Selecting the right platform:** the next step to consider is the selection of the right platform that will be used. We can build an e-Commerce website and shopping cart from scratch. However, this will involve a long development time.

**Customization of design** We can effectively use and customize the themes that are readily available in theseplatforms.

**Search engine optimization:** Now that our site is well designed and developed, another important aspect is search engine optimization (SEO).

**##32. What do you mean by web advertising? Discuss the main reasons to prefer internet for advertising.**

**Answer:** Web advertising: Web advertising is a marketing strategy that involves the use of the Internet as a medium to obtain website traffic and target and deliver marketing messages to the right customers.

**The main reasons to prefer internet for advertising:** ✓Online advertising is fast, flexible, and track-able ✓Drive traffic to our website & increase conversions ✓Increase brand awareness, credibility & trust ✓Promote to our specific target markets. ✓Reach the Hard-to-Reach Millennial ✓Re-engage previous prospects with retargeting ads ✓Lower our marketing costs.

**##33. What are SCM and CRM? Briefly explain them.**

**Answer: Supply Chain Management**: Supply chain management (SCM) is the process and activity of sourcing the raw materials or components an enterprise needs to create a product or service and deliver that product or service to customers.

The goal of SCM software is to improve supply chain performance. Timely and accurate supply chain information allows manufacturers to make and ship only as much product as can be sold. Effective supply chain systems help both manufacturers and retailers reduce excess inventory. This decreases the cost of producing, shipping, insuring, and storing product that cannot be sold.

**Customer Relationship Management;** CRM stands for "Customer Relationship Management" and refers to all strategies, techniques, tools, and technologies used by enterprises for developing, retaining and acquiring customers. This software ensures that every step of the interaction with consumers goes smoothly and efficiently in order to increase the overall profits.

**##34. Question: What do you understand by the term "clicks and bricks" in commerce?**

**Ans:** Bricks and clicks is a term for a business model by which a company integrates both offline and online presences sometimes with the third extra flips. Additionally, many will also offer telephone ordering and mobile phone apps or at least provide telephone sales support. In this procedure when a chain of stores allows the customer to order products either online or physically in one of their stores also allowing them to either pick-up-their order directly at a local branch of the get it delivered to their home. There are many alternative combinations of this model. The success of the model in many sectors of the model in many sectors has lessened the credibility of some analysts who argued that the internet would render traditional retailer absolute through.

Chapter 5

**##35. How can you manage data in virtual factory? Explain.**

**Answer:** Virtual factory refers to an integrated model that includes variety of software, tools and methodologies in order to solve any real time problem of manufacturing system.

Large manufacturers have been using simulation to support decision-making for design and production However, with the advancement of technologies and the emergence of big data, simulation can be utilized to perform and support data analytics for associated performance gains. This requires not only significant model development expertise, but also huge data collection and analysis efforts.

The virtual factory concept is presented as the vehicle for manufacturing modeling and simulation. Virtual factory goes beyond traditional simulation models of factories to include multi-resolution modeling capabilities and thus allowing analysis at varying levels of detail. A path is proposed for implementation of the virtual factory concept that builds on developments in technologies and standards. A virtual machine prototype is provided as a demonstration of the use of a virtual representation for manufacturing data analytics.

**##36. Write short notes on digital signature and digital cash.**

**Answer:** Digital Signature ✓ Digital signatures are used to authenticate the identity of the sender. It is like signing a message in electronic form. ✔A digital signature is a protocol that produces the same effect as a real signature. ✔It is a mark that only the sender can make and other people can easily recognize that it belongs to the sender. A digital signature is also used to confirm agreement to a message ✔A digital signature must be unforgivable and authentic. ✔If the result is true, the message is accepted otherwise it is rejected.

Digital Cash: Digital Cash (also known as e-currency, e-money, electronic cash, electronic currency, digital money, digital currency, cyber currency) refers to a system in which a person can securely pay for goods or services electronically without necessarily involving a bank to mediate the transaction. This article briefly describes the concept of Digital Cash and its features.

**##37. What is virtual factory?**

**Answer: Virtual Factory**: It refers to an integrated model that includes variety of software, tools, and methodologies in order to solve any real time problem of manufacturing system.

**The advantage of virtual factory involves:**

✔ It helps in creating capabilities to support the rapid development in manufacturing sector by pooling the experts. ✔ It helps in providing solutions in a speedy and cost-effective manner. ✔ It eliminates the need for pilot plants or production runs and replaces it with virtual simulation on software. ✔ It helps in the decision-making process.

**##38. Explain the unique features and uses of smart cards.**

**Answer: A smart card may have the following generic characteristics** ✓Contains a tamper-resistant security system and provides security services. ✓Communicates with external services via card-reading devices, such as ticket readers, ATMs, DIP reader, etc.

**User 1. Financial:** ✓Visa: Visa Contactless, Quick VSDC, "qVSDC, Visa Wave, MSD, payWave ✓MasterCard Pay-Pass Magstripe, PayPassMChip **2.SIM:** The subscriber identity modules used in mobile-phone systems are reduced-size smart cards, using otherwise identical technologies **3. School:** ✓Tracking student attendance ✓As an electronic purse, to pay for items at canteens, vending machines, laundry facilities, etc. ✓ Tracking loans from the school library

Chapter 6

**##39. How does Business Process Reengineering (BPR) differ from business improvements?**

**Answer:** The way Business process Reengineering differ from business improvements are given below: Management involvement: Business improvements involve employees at all levels and emphasizes continuous improvements of work process where process reengineering involves management in a "hands-on" role. Involvement of team members: In continuous process improvement or business improvements team members are involved on an "as needed" bans over an extended time frame Involvement of m members is more intense in case of process reengineering. Improvement goals: In CPI it is achieved over a period of time. In process reengineering it is achieved periodically. Implementation approach: CPI add p to significant overall improvement for a firm process reengineering focuses on outcome. Organizational change: With CPI organizational changes take place over an extended period of time. But with process Reengineering radical process changes take place only with changes in job design, management system.

**##40. Define Business Process Reengineering (BPR)? Explain its importance.**

**Answer:** **Business Process Reengineering (BPR):** The Business Process Reengineering or BPR is the analysis and redesign of core business processes to achieve the substantial improvements in its performance, productivity, and quality. The business process refers to the set of interlinked tasks or activities performed to achieve a specified outcome.

**Importance of BPR:** ✓ Can save a company which is running at a loss ✓ Can find new business dimensions✓ BPR will open up new dimension into the existing business ✓Continues improvements will enhance the business performance✓ Over all change could enhance the performance of the business

✔ Improves quality ✓ Speedier

Chapter 7

**##41. Describe on ethical, social and political issues in e-commerce.**

**Answer:** The ethical, social, and political issues raised in e-commerce, provide a framework for organizing the issues, and make recommendations for managers who are given the responsibility of operating e-commerce companies within commonly accepted standards of appropriateness. The major ethical, social, and political issues that have developed around e commerce over the past seven to eight years can be loosely categorized into four major dimensions: information rights, property rights, governance, and public safety and welfare. **Information rights:** What rights to their own personal information do individuals have in a public marketplace, or in their private homes, when Internet technology makes information collection so pervasive and efficient. **Property rights:** How can traditional intellectual property rights are enforced in an internet world where perfect copies of protected works can be made and easily distributed worldwide in seconds? **Governance:** Should the Internet and e-commerce be subject to public laws? if so, what law-making bodies have jurisdiction state, federal, and/or And international? **Public safety and welfare:** What efforts should be undertaken to ensure equitable access to the Internet and ecommerce channels? Should governments be responsible for ensuring that schools and colleges have access to the Internet? Is certain online content and activities - such as pornography and gambling - a threat to public safety and welfare? Should mobile commerce be allowed from moving vehicles?

**##42. What issues should be covered by the E-commerce laws in any country?**

**Answer:** The issues are: ✔My current commerce solution is not integrated ✔The feature on my commerce store front is lagging behind ✓ We have too many systems and to manage which hastily our growth ✔My current solution is not truly multi-channel ✔My current system feel old school and they are different to use