



UNIVERSITY EXAMINATION 2012/2013

SCHOOL OF PURE AND APPLIED SCIENCES

DEPARTMENT OF INFORMATION TECHNOLOGY

BACHELOR OF BUSINESS INFORMATION TECHNOLOGY

VIRTUAL CAMPUS

UNIT CODE: BBM 421/BIT 2103

UNIT TITLE: ELECTRONIC COMMERCE

DATE: MARCH 2013

MAIN EXAM

TIME: 2HRS

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Answer Question One and any other Two Questions.

1. a) Identify the E-commerce model and E-tailing business model adopted by Malist. (4 Marks)
- b) What are the benefits of using e-tailing approach in a company and to its customers? (10 Marks)
- c) One of the critical success factors of retailing is customer acquisition and retention. Discuss the advantages of electronic marketing and advertising of a company in Kenya. (8 Marks)
- d) Outline three key factors for the success of an E-commerce business. (8 Marks)
2. a) What is meant by the term digital wallet? (2 Marks)
- b) Discuss three major categories of e-commerce giving real examples in each case. (6 Marks)
- c) Highlight three main barriers to the growth of e-commerce in Kenya. (6 Marks)

d) The most tangible benefit of EDI is that it saves business money. Justify this statement with regard to transaction handling administrative and clerical costs.

(6 Marks)

3. a) Distinguish between spot buying and strategic buying. (2 Marks)

b) Discuss five strengths of e-commerce. (10 Marks)

c) E-commerce platforms provide at the following features:

i. A catalogue display.

ii. Shopping cart capabilities.

iii. Transaction processing.

iv. Tools to modify and add to the store catalog and storefront display.

Explain the role of each in facilitating successful transactions. (8 Marks)

4. A) Discuss each of the following, giving relevant examples:

i. SSL and SET. (2 Marks)

ii. Copyright. (2 Marks)

iii. Patent. (2 Marks)

b) The internet is rapidly transforming our lives, giving way for benefits not imagined in the past few years. It is also however, a powerful tool for those who wish to engage in crime and unlawful acts. Discuss four legal and ethical issues arising from the use of internet. (8 Marks)

c) Discuss with example any three methods of e-payment systems, how transactions usually take place. (6 Marks)

5. A) Distinguish between the term richness and reach of information as applied in electronic commerce. (4 Marks)

b) Highlight three features of a well functioning website. (6 Marks)

c) Rapid growth in ICT has resulted to organizations creating of virtual teams of specialists as a strategic way of utilizing Human capital in different geographical locations to achieve competitive advantage. These teams are key components in

e-commerce business operations. Discuss five reasons behind the growing popularity of virtual teams in e-commerce development. (10 Marks)