



MERU UNIVERSITY OF SCIENCE & TECHNOLOGY

Foundation of innovations

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University Examination 2016/2017

**FOURTH YEAR SECOND SEMESTER EXAMINATION FOR THE DEGREE OF
BACHELOR OF PURCHASING AND SUPPLIES MANAGEMENT, INFORMATION
TECHNOLOGY**

**THIRD YEAR SECOND SEMESTER BACHELOR OF BUSINESS INFORMATION
TECHNOLOGY**

SECOND YEAR SECOND SEMESTER BACHELOR OF BUSINESS ADMINISTRATION

CIT 3304/CIT 3477: E-BUSINESS/ E-COMMERCE

DATE: JUNE 2017

TIME: 2 HOURS

INSTRUCTIONS: Answer question **one** and any other **two** questions.

QUESTION ONE (30 MARKS)

- a) Consumers go through a decision making process before deciding on what to buy online.
Highlight five stages in the consumer decision making process. (5 marks)
- b) Discuss five strategies that E-businesses can use to ensure they remain in business no matter the competition and other market forces (5 marks)
- c) Explain the purpose of the following systems used to enhance the functionality of an e-business system (6 marks)
 - i) CRM
 - ii) SCM
 - iii) MIS

- d) Internet is one of the main infrastructures that support E-commerce and E-business. Current Internet suffers from a number of limitations hence hindering the full potential of the E-Business. State any five limitations of internet as an infrastructure (5 marks)
- e) List three advantages and three disadvantages of outsourcing Web design for E-commerce portals. (6 marks)
- f) Explain what the following terms mean in support of E-Business: Intranet, Extranet and Internet. (3 marks)

QUESTION TWO (20 MARKS)

- a) E-Commerce applications are supported by infrastructure that is modelled in five support areas. State these support areas and for each give an example. (10 marks)
- b) State and briefly explain the 3Rs of E-Business strategy. (6 marks)
- c) Citing Amazon and OLX companies that engage in E-Commerce, state the business model and the revenue model used by each of the two companies (4 marks)

QUESTION THREE (20 MARKS)

- a) Describe five goals of web attackers and show how they can be countered (10 marks)
- b) Issues raised by internet and e-commerce can be viewed at individual, social, ethical and political levels. State any four major categories of these issues (4 marks)
- c) Explain the following terms as used in E-business using examples (6 marks)
- i) Business process reengineering
 - ii) Value chain integration
 - iii) Enterprise resource planning

QUESTION FOUR (20 MARKS)

- a) Explain the differences between a brick and mortar organization and a click and mortar. Give two examples of each category. (10 marks)
- b) Highlight five factors that define the consumer behavior. (5 marks)
- c) State five features of intelligent agents that aid in the implementation of E-Business. (5 marks)

QUESTION FIVE (20 MARKS)

- a) Explain five major aspects that E-commerce laws should address to achieve a better environment for online trading. (10 marks)
- b) Kenya has experienced tremendous growth in the internet access over the last 10 years but this growth is not reflected on online transaction volume in the country. Discuss reasons why growth of internet does not result to growth in online business transactions in Kenya. (6 marks)
- c) State four types of payment systems that can be adopted by any E-Business company (4 marks)

