



SOUTH EASTERN KENYA UNIVERSITY

UNIVERSITY EXAMINATIONS 2017/2018

FIRST SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

BIT 203: ELECTRONIC COMMERCE

(Machakos Campus)

DATE: 15TH DECEMBER, 2017

TIME: 10.30 - 12.30 PM

INSTRUCTIONS TO CANDIDATES

- a) Answer **ALL** questions from section A(Compulsory)
- b) Answer **ANY TWO** questions from section B

SECTION A (30 Marks) - Compulsory

Question One

- a) Explain the following terms as used in electronic commerce:
 - i) Electronic Funds Transfer at Point of Sale;
 - ii) Search Engine optimization;
 - iii) Trade Secrets. **(3 marks)**
- b) Outline **three** differences between ecommerce and traditional commerce. **(3 marks)**
- c) Mary was doing an assignment on Electronic wallets used in e-commerce she realized that they fall into several different categories. Describe two of the categories. **(2 marks)**
- d) Differentiate between the following:
 - i) Credit card and debit card;
 - ii) Copyright and patent;
 - iii) Organic viral marketing and Controlled viral marketing. **(6 marks)**
- e) Outline two ways the internet affect the bargaining power of suppliers. **(2 marks)**
- f) Explain four factors to considerations when selecting e-commerce software for your product catalog. **(4 marks)**
- g) A typical e-commerce transaction loop involves several major players. Explain the role played by two of the players. **(4 marks)**
- h) Describe three components of a generic ecommerce framework. **(6 marks)**

SECTION B (40 Marks): ANSWER ANY TWO QUESTIONS

Question Two

- a) Describe four elements used to increase ranking of catalog in search engine. **(4 marks)**
- b) Outline four factors that make internet useful for Electronic Data Interchange. **(4 marks)**
- c) Explain two of the moral dimensions that govern the information age. **(4 marks)**
- d) Mercy started an e-business and to ensure he is successful, one of his objective is to implement a successful secure payment system. Explain four important security requirements that will support his objective. **(8 marks)**

Question Three

- a) Describe two barriers to electronic payment. **(2 marks)**
- b) Explain three Order fulfillment issues that can result from ecommerce purchase. **(6 marks)**
- c) Purchase of goods through electronic commerce is gaining popularity in Kenya. Discuss four of its benefits to customers. **(4 marks)**
- d) Explain how the following ecommerce technology features raises ethical, social and political issues:
 - i) Global reach;
 - ii) Universal standards. **(4 marks)**
- e) Most governments have implemented e-commerce to improve on service delivery to citizens. Elaborate two ways the government of Kenya can achieve such an improvement. **(4 marks)**

Question Four

- a) Explain the following components of e-commerce business strategy:
 - (i) Revenue model;
 - (ii) Value proposition;
 - (ii) Market opportunity. **(3 marks)**
- b) Social media is gaining popularity in current business environment. Describe three ways it can be used to support business. **(3 marks)**
- c) Explain three types of Business to Customer e-commerce. **(6 marks)**
- d) Distinguish between the following terms:
 - i) Asymmetric and symmetric encryption method used in security;
 - ii) Secure Sockets Layer (SSL) and Secure Electronic Transactions (SET). **(4 marks)**
- e) Mr. Wan wants to start on online business, suggest four considerations he should make when selecting an e-commerce software/store for his catalog. **(4 marks)**

END.