



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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**MAIN EXAMINATION**

**JANUARY – APRIL 2014 TRIMESTER**

**FACULTY OF COMMERCE**

**MBA- PROGRAMME**

**CEN 613: E-COMMERCE AND ENTREPRENEURSHIP**

**Date: APRIL 2014**

**Duration: 3 Hours**

**INSTRUCTIONS: Answer ALL Questions**

- Q1. a) What is the e-commerce business model adopted by the E-Bay.Com. **(4 marks)**
- b) Explain the key value proposition that the online business is using over the web. **(6 marks)**
- c) Name and explain the suitability of the revenue models adopted by the online business. **(6 marks)**
- d) What management, organization and technology factors play a role in E-Bay's responses to its problems? **(9 marks)**
- Q2. Read Nyimbo Retail store case and answer the following question:

Identify with substantiation (from the factors given in the case) the unique features of e-commerce technology that is the basis of the advice given to the Nyimbo music stores management. **(21 marks)**

- Q3. Sanda Shoe Company is contemplating to build an interactive and dynamic website that will enable them to increase their sales and hence maximize on profits.

- a) Imagine you have been appointed the new IT manager, consider your options of developing and hosting the website in-house with existing staff or outsourcing the entire project to a facility management company. **(5 marks)**

Q4. The internet is providing the technology medium for entrepreneurs to start new ventures. Assume you are to start a new E-commerce business model to operate over the web.

- a) What are the key elements of your e-commerce business model that you have to include in your business plan to ensure successful operation of the web based business? **(16 marks)**
- b) What are the desirable security dimensions of such online business? **(8 marks)**

Q5. Online transactions involve transfer of value across organizational and individual boundaries. This has encouraged use of electronic payment systems in the whole world.

- a) What are the factors that hinder electronic payments in Kenya? **(6 marks)**
- b) Explain any two electronic payment methods used to transact online. **(4 marks)**

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