



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

**A. M. E. C. E. A**

**MAIN EXAMINATION**

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**JANUARY – APRIL 2018 TRIMESTER**

**FACULTY OF COMMERCE**

**DEPARTMENT OF ACCOUNTING AND FINANCE**

**REGULAR PROGRAMME**

**CIS 421: INTRODUCTION TO E-BUSINESS**

**Date: APRIL 2018**

**Duration: 2 Hours**

**INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions**

Q1. Read the case below and answer the following questions

WEEMA party is a newly established political party in Kenya strategized to win elections in 2017. The party has build a dynamic website that will facilitate all the services of the website online.

Kenyan citizens including those in diaspora can access the website for information on the party manifesto, regulations of the party, campaign strategies etc. The website enables online recruitment of new members. A Kenyan citizen who has attained the age of eighteen can sign in by filling an electronic form with fundamental personal details at the site. The system will then generate user name and password to be used for authentication whenever the member accesses the website. The member upon logging in can choose on four membership options: Gold, silver and bronze with annual membership fee of Ksh2m, ksh1m and ksh0.5m respectively. Life membership is encouraged with an additional ksh1m above the annual fee. All payments are payable online at the website with credit/debit cards at the subscriptions and payments page.

The party has very active content management strategy with powerful use of web 2.0. Members can suggest across the country and even in diaspora information they feel should be included on the website to popularize the party. The Webmaster can choose from variety of content recommended and captured from campaign rallies and post homepage.

There is a lot of information classified in webpages to attract new members and sustain current members. Information on changes on manifesto content, development agenda of the party, policies, ethics, short and long term plans, processes and procedures of nominations.

The website also provides online interactive tools with the officials of the party including nominated candidates. This includes chat, voice over Internet protocol e.g. skype and personal emails contacts.

- a) What is the type of e-commerce is adopted by the WEEMA political party **(2marks)**
- b) Explain the e-commerce business model WEEMA political party is operating online **(4 marks)**
- c) What is/are the revenue model(s) used by the e-commerce business model **(6marks)**
- d) Explain the value propositions in the above case **(6 marks)**
- e) What are the suitable payment methods/systems for the above online entity **(6 marks)**

Explain the possible challenges that the above online approach of managing a political party may pose. **(6 marks)**

Q2. Internet technology infrastructure and reliance on web content is in the increase across East Africa among individuals and organizations.

- a) Differentiate between online/direct and offline/indirect connection to web users in your region. **(10 marks)**
- b) What are the factors you would consider in choosing an Internet service provider (ISP) for a firm in your region? **(10 marks)**

- Q3. a) State the business to customer (B2C) e-commerce business model described below AND indicate the suitable revenue (financial) model for each.
- i) Attracts Internet users who have common interest, hobbies, or people that belong to the same social group. **(3 marks)**
  - ii) An online business that post/keep valuable content on the website. Interested users can only access by paying fees payable on stated period for access to some or all of its content offerings. **(3 marks)**

- iii) An online business over the web that offers its content mainly for free. Their aim is to attract as many Internet users as possible. It's seeks to be a popular website among Internet users. **(3 marks)**
  - iv) Online customers can choose products or the packaged information at labeled prices, then order, pay online before/after delivery. **(3marks)**
  - v) Online business operating over the Internet that enables transactions for individuals or businesses as an electronic market place. **(3 marks)**
  - b) Explain three ethical issues that are necessary to be observed in an e-commerce transaction environment. **(5 marks)**
- Q4. Transacting over the Internet (E-commerce) is increasingly embraced globally. E-commerce is notably increasing profitability and helping to start new online businesses but it also has challenges of security.
- a) Explain the suitable e-commerce security dimensions/concerns that ensures there is a suitable/conducive e-commerce environment. **(10 marks)**
  - b) Explain the steps necessary in developing a suitable e-commerce security plan for an online firm. **(10 marks)**

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