



THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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MAIN EXAMINATION

JANUARY – APRIL 2019 TRIMESTER

FACULTY OF SCIENCE

DEPARTMENT OF COMPUTER AND LIBRARY SCIENCE

REGULAR PROGRAMME

CMT 423: E-COMMERCE

Date: APRIL 2019

Duration: 2 Hours

INSTRUCTIONS: Answer Question ONE and any other TWO Questions

- Q1. a) Distinguish the following terms as used in e-commerce.
- i) E-commerce and E-business **(2 marks)**
 - ii) Personalization and Customization **(2 marks)**
 - iii) Business model and Business plan **(2 marks)**
 - iv) Differentiation and Commoditization **(2 marks)**
- b) List the three different stages (with timelines) in the evolution of e-commerce. **(3 marks)**
- c) State the five primary revenue models used by e-commerce firms. **(5 marks)**
- d) Briefly describe three costs to consumers of participating in an auction. **(3 marks)**
- e) Describe four benefits of web profiling to both consumers and businesses. **(4 marks)**
- f) The concept of media convergence has three dimensions. Briefly discuss them. **(3 marks)**
- g) List the four main online retail business models. **(4 marks)**

- Q2. a) What are the six key components of an effective business model? **(6 marks)**
- b) Describe four specific ways that a company can obtain a competitive advantage. **(4 marks)**
- c) Briefly describe six key challenges facing content producers and owners. **(6 marks)**
- d) List the four key factors affecting the online entertainment industry. **(4 marks)**
- Q3. a) Describe five limitations on the growth of e-commerce (B2C). **(5 marks)**
- b) List six B2C business models. **(6 marks)**
- c) Describe four limitations to encryption solutions. **(4 marks)**
- d) Briefly describe the five steps in developing an e-commerce security plan. **(5 marks)**
- Q4. a) List the two price allocation rules in auction markets. **(2 marks)**
- b) Describe the following possible auction abuses and frauds.
- i) Bid rigging **(1 mark)**
 - ii) Price matching **(1 mark)**
 - iii) Feedback extortion **(1 mark)**
 - iv) Bid siphoning **(1 mark)**
- c) Briefly describe five benefits of online auctions. **(5 marks)**
- d) What are the three basic principles of ethics? **(3 marks)**
- e) Identify and describe the three main types of intellectual property protections. **(6 marks)**
- Q5. a) Describe four unique features of e-commerce technology. **(8 marks)**
- b) Describe five factors that will help define the future of e-commerce over the next five years. **(5 marks)**
- c) List five factors to consider when building an e-commerce site. **(5 marks)**
- d) Briefly describe the following types of scalability
- i) Vertical scaling **(1 mark)**
 - ii) Horizontal scaling **(1 mark)**