

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

SECOND TRIMESTER FINAL EXAMINATION, 2007 / 2008 SESSION

## DBS5028 – E-COMMERCE

31<sup>st</sup> DECEMBER 2007  
2.30 P.M – 4.30 P.M  
(2 Hours)

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### INSTRUCTIONS TO STUDENT

1. This Question paper consists of 7 pages (excluding the cover page). There are three sections in this Question paper. Please attempt **ALL** questions in the three sections.  
  
**Section A:** Multiple Choice Questions, Question 1 - 30, (30 marks)  
**Section B:** True / False, Question 31 - 50, (20 marks)  
**Section C:** Short Answers, 4 Questions, (40 marks)
2. For **Section A**, please mark your answers in the OMR sheet provided.
3. For **Section B**, please mark **A** for the **TRUE** statement and **B** for the **FALSE** statement in the OMR sheet provided.
4. For **Section C**, please write your answers in the **Answer Booklet** provided.

**Section A : Multiple Choice Questions, Question 1 – 30 (30 Marks)**

*Instruction: Please mark your answers in the OMR sheet provided.*

1. Which business activity would be **LEAST** suited to e-commerce?
  - a. Sale of travel services
  - b. Sale of books
  - c. Sale of perishable foods
  - d. Banking and finance
  
2. Which of the following statements about electronic commerce in the second wave is **FALSE**?
  - a. Web site contents are primarily in English language.
  - b. E-mail will be used as an integral part of marketing strategy.
  - c. RFID is integrated in E-Commerce.
  - d. High bandwidth Internet data transmission.
  
3. Which type of e-commerce that eBay.com best exemplifies?
  - a. C2C e-commerce
  - b. B2C e-commerce
  - c. B2B e-commerce
  - d. P2P e-commerce
  
4. \_\_\_\_\_ occurs when one business transmits computer-readable data in a standard format to another business.
  - a. EFT
  - b. Business Interchange
  - c. E-procurement
  - d. EDI
  
5. Which of the following is a top-level domain name for general use?
  - a. .org
  - b. .com
  - c. .net
  - d. .info
  
6. \_\_\_\_\_ is a set of rules for delivering Web page files over the Internet.
  - a. XML
  - b. HTTP
  - c. HTML
  - d. TCP/IP
  
7. Bluetooth and Wi-Fi are examples of \_\_\_\_\_ connection technology.
  - a. leased-line
  - b. wireless
  - c. broadband
  - d. LAN
  
8. Large electronic commerce sites have Web servers that process customer's request and return \_\_\_\_\_ Web pages to them.
  - a. dynamic
  - b. changing
  - c. unchanging
  - d. static

**Continued....**

9. \_\_\_\_\_ is electronic junk mail which is also known as unsolicited commercial e-mail.
- a. Spam
  - b. CGI
  - c. VPN
  - d. Java
10. The \_\_\_\_\_ software is developed by a community of programmers who make the software available for download at no cost.
- a. FTP
  - b. ASP
  - c. Open-source
  - d. Telnet
11. Which of the following is now a standard of electronic commerce that keeps track of the items the customer has selected and allows customers to add new items or remove items?
- a. shopping list
  - b. shopping cart
  - c. order form
  - d. transaction list
12. For a selling business, \_\_\_\_\_ software provides standard electronic commerce activities, such as secure transaction processing and fulfillment.
- a. midrange
  - b. e-business
  - c. Web hosting
  - d. server-based
13. A firm's \_\_\_\_\_ describes how a firm will produce a superior return on invested capital.
- a. value proposition
  - b. competitive strategy
  - c. revenue model
  - d. market strategy
14. Which of the following is **NOT** a goal of businesses when constructing their web sites?
- a. Allows access to information easily about the organization
  - b. Provide information about products and services
  - c. Build relationship with customer through the providence of interactive communication link
  - d. Provide free services to attract customer to the site
15. Which of the following refers to a person or a device that can listen on and copy Internet transmissions?
- a. Propagator
  - b. Transmitter
  - c. Eavesdropper
  - d. Listener
16. Which of the following statements does **NOT** refer to secrecy violation?
- a. Access to a company's customer contacts by an unauthorized user
  - b. Alteration of the access rights of various user groups to a company's database
  - c. Access to a company's customer credit card details by an unauthorized user
  - d. None of the above.

Continued....

17. Supposed an Internet email message is intercepted and its contents are altered before they are forwarded to its original destination. Which category of computer security does this threat refers to?
- a. Secrecy
  - b. Integrity
  - c. Necessity
  - d. Authentication
18. Which of the following is the greatest benefit of using electronic wallet?
- a. Consumers only need to enter their information once on every site with which they want to make purchases.
  - b. An alternative for consumers without credit cards.
  - c. Consumers can use it for micropayments.
  - d. An alternative for consumers without cash.
19. Which of the following is **FALSE** about payment cards used for online transactions?
- a. Several groups are involved in the payment card processing which involves the merchant's bank as well as the customer's bank.
  - b. The greatest advantage of payment cards is their worldwide acceptance.
  - c. The consumer is charged an additional transaction-based fee for every transaction that is made.
  - d. Payment card service companies charge merchants per-transaction fees and monthly processing fees.
20. Customers who return to the site one or more times after making their first purchases are called \_\_\_\_\_.
- a. sponsors
  - b. retained customers
  - c. shoppers
  - d. crawlers
21. \_\_\_\_\_ relies on the cognitive appeal of the specific help offered, not on a broad emotional appeal.
- a. Rational branding
  - b. Emotional branding
  - c. Cognitive branding
  - d. Market appeal
22. Which of the following is **FALSE** about email marketing?
- a. Email marketing is a way that businesses can maintain effective dialog with their customers.
  - b. Obtaining customers' approvals before sending them any email is important.
  - c. Opt-in e-mail refers to the practice of sending e-mail messages to people who request information on a particular topic.
  - d. None of the above.
23. \_\_\_\_\_ are the prices that potential buyers in an auction are willing to pay for an item.
- a. Bids
  - b. Proposals
  - c. Inquiries
  - d. Presents

**Continued....**

24. In which of the following auctions do bidders submit their bids independently, and are usually prohibited from sharing information with each other?
- a. sealed-bid
  - b. closed-bid
  - c. conservative-bid
  - d. secure-bid
25. Smaller businesses often sell their unusable and excess inventory to \_\_\_\_\_, which are firms that find buyers for these items.
- a. inventory specialists
  - b. liquidation brokers
  - c. inventory removal services
  - d. secondary marketers
26. A(n) \_\_\_\_\_ is a gathering place for people and businesses that do not have a physical existence.
- a. auction
  - b. online community
  - c. lock-in community
  - d. escrow service
27. \_\_\_\_\_ strategies focus on reducing costs or generating value by working with suppliers or inbound shipping and freight service providers.
- a. Downstream
  - b. Building
  - c. Purchasing
  - d. Upstream
28. Hiring another company to provide the outside support for all or part of a project is called \_\_\_\_\_.
- a. outsourcing
  - b. fast venturing
  - c. portfolio managing
  - d. personalizing
29. Which of the following is a company that offers start-up companies a physical location with offices, accounting and legal assistance, computers, and Internet connections at a very low monthly cost?
- a. prototype
  - b. incubator
  - c. call center
  - d. metric
30. The \_\_\_\_\_ should be a member of the internal team that sets the objectives for the project.
- a. business manager
  - b. account manager
  - c. application specialist
  - d. project manager

**Continued....**

**Section B: True / False, Question 31 - 50 (20 Marks)**

*Instruction: Please mark A for the **TRUE** statement and B for the **FALSE** statement in the OMR sheet provided.*

31. Service Network Management is an independent firm that offers connections and Electronic Data Interchange (EDI) transaction forwarding services to buyers and sellers.
32. B2B e-commerce is sometimes known as e-procurement.
33. Technology development is a supporting activity in the value chain.
34. World Wide Web was born out of the need for the U.S. government, specifically the Defense Department, to communicate with its weapons installation distributions all over the world.
35. The Internet has routers that that handle packet traffic along the Internet's main connecting points.
36. The main job of a Web server computer is to respond to requests from Web client computers.
37. A high-traffic electronic commerce site, with thousands of catalog inquiries each minute, requires different software compared to a small online shop selling only a dozen items.
38. Data mining can help businesses find customers with common interests and discover previously unknown relationships among the data.
39. A dynamic catalog stores information about items in a database, usually on a separate computer that is accessible to the server that is running the Web site itself.
40. Web portals such as Yahoo.com and MSN.com often use web catalog revenue model.
41. A micro virus is a type of virus that is coded as a small program and is embedded in a file.
42. Client-side electronic wallet stores a customer's information on a remote server belonging to a particular merchant or wallet publisher.
43. When creating a marketing strategy, managers must consider both the nature of their products and the nature of their potential customers.

**Continued....**

44. Using the Web to communicate with potential customers offers many of the cost savings of mass media but none of the advantages of personal contact selling.
45. Commerce in the physical world is called marketplace while commerce in the virtual world is called market space.
46. In industries where there is a high degree of competition among suppliers, reverse auctions can be an efficient way to conduct and manage the price bidding that would naturally occur in that market.
47. Intelligent software agents are programs that search the Web and find items for sale that meet a buyer's specifications.
48. A key part of creating a business plan for electronic commerce initiatives is the process of identifying potential benefits.
49. Operational partners are responsible for developing ideas and staffing the internal team.
50. In project portfolio management, the CIO assigns a ranking for each project based on its importance to the strategic goals of the business and its level of risk.

**Section C: Short Answers, 4 Questions (40 Marks)**

*Instruction: Please write your answers in the Answer Booklet provided. Answer ALL questions.*

**Question 1**

- a) Differentiate between Advertising-Supported and Advertising-Subscription revenue models. Also, provide an example of a company for each revenue model. (4 marks)
- b) Explain what you do understand regarding the relationship between customer service and loyalty. (3 marks)
- c) Briefly explain any **TWO** security threats to server computers. (3 marks)

**Continued....**

**Question 2**

- a) Differentiate between session cookies and persistent cookies. (2 marks)
- b) Briefly explain an example of a security threat to client computers. (2 marks)
- c) State **ONE** advantage and **ONE** disadvantage of Electronic cash. (3 marks)
- d) What is a smart card? Why is it safer than conventional credit cards? (3 marks)

**Question 3**

- a) Briefly explain the following terms below:
  - i. Demographic segmentation
  - ii. Banner ad(4 marks)
  
- b) One of the goals of marketing is to create strong relationships between a company and its customers. List **FIVE** stages of Customer Loyalty in the *correct* order. (6 marks)

**Question 4**

- a) Discuss **THREE** services that are related to an auction. (6 marks)
  
- b) Describe the differences between English auction and Dutch auction. (4 marks)

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