

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

THIRD TRIMESTER FINAL EXAMINATION, 2007 / 2008 SESSION

DBS5028 – E-COMMERCE

23rd MAY 2008
3:00 p.m. – 5:00 p.m.
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This Question paper consists of **8 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 - 25, (25 marks)
Section B: True / False, Question 26 - 50, (25 marks)
Section C: Short Answers, 5 Questions, (50 marks)
2. For **Section A**, please mark your answers in the **OMR sheet** provided.
3. For **Section B**, please mark **A** for **TRUE** statements and **B** for **FALSE** statements 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 – 25 (25 Marks)

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

1. Which of the following product is **LEAST** suited for electronic commerce?
 - a. Software
 - b. Magazine
 - c. Music
 - d. Jewelry

2. The design process in a value chain includes:
 - a. Identifying potential customers.
 - b. Conducting research and test marketing.
 - c. Determining best price for purchase of raw materials.
 - d. Finding ways to improve the quality of products.

3. In the second wave of electronic commerce:
 - a. Bar codes are used to track inventories.
 - b. E-mail is used as an integral part of customer contact strategy.
 - c. Web pages are primarily in English.
 - d. Many dot com companies failed.

4. Which network option is **BEST** suited for businesses that want to transmit confidential information to each other?
 - a. Virtual Private Network
 - b. Intranet
 - c. Internet
 - d. Virtual Public Network

5. The **MOST** commonly used markup language on the Web is:
 - a. XHTML
 - b. XML
 - c. SGML
 - d. HTML

6. Large electronic commerce sites use the _____ client/server architecture.
 - a. one-tier
 - b. three-tier
 - c. two-tier
 - d. four-tier

7. Below are factors that can affect the performance of a Web server, **EXCEPT**:
 - a. Server software
 - b. User capacity
 - c. Server size
 - d. Connection speed

8. Which of the following about centralized Web server architecture is **TRUE**?
 - a. The servers are more susceptible to the effects of technical problems.
 - b. The small number of servers is less costly.
 - c. Load-balancing systems are used.
 - d. The large number of smaller servers is less powerful.

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9. Which program provides a report on the number of dead links and types of errors found on Web pages?
- a. Link checker
 - b. Ping
 - c. FTP
 - d. Telnet
10. The _____ helps companies develop coordinated demand forecasts using information from each participant.
- a. SCM software
 - b. CRM software
 - c. CMS
 - d. KMS
11. The application server:
- a. Accepts request message from the Web server.
 - b. Runs application programs.
 - c. Passes response message to the Web server.
 - d. All of the above.
12. The step that takes place when a customer clicks the “electronic checkout” button in a Web shopping cart is:
- a. Customer is asked to enter his name and e-mail.
 - b. Customer is directed to another Web site.
 - c. Customer is immediately logged out from the Web site.
 - d. Customer is required to enter his billing and shipping information.
13. Which type of Web hosting allows the company to have more direct control over the Web site design and hosting services?
- a. Co-location
 - b. Internal hosting
 - c. Dedicated hosting
 - d. Shared hosting
14. Which of the following is **NOT** a goal to be met when constructing an electronic commerce site?
- a. To ensure users can easily obtain information about the company.
 - b. To allow users to easily follow the links on the site.
 - c. To maintain users’ attention on the site.
 - d. None of the above.
15. Web portals offer attractive features that help to increase the _____ of the site.
- a. scalability
 - b. usability
 - c. stickiness
 - d. reliability

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16. Which type of revenue model is used by **MOST** online magazines such as *Slate* and *Salon*?
- a. Fee-for-transaction
 - b. Advertising-subscription mixed
 - c. Web catalog
 - d. Fee-for-service
17. An effective _____ is very crucial to ensure that online companies are able to sustain visitors' attention and encourage repeat visits.
- a. Business presence
 - b. User interface
 - c. Web presence
 - d. Web interface
18. In electronic commerce, both client and server computers are subjected to _____ violation.
- a. integrity
 - b. secrecy
 - c. necessity
 - d. All of the above
19. All of the following statements about digital signature are correct, **EXCEPT**:
- a. Used with asymmetric encryption.
 - b. Used with symmetric encryption.
 - c. Used to ensure transaction integrity.
 - d. Used to ensure transaction privacy.
20. One benefit of _____ is the ability to make payment which costs less than a dollar on the Web.
- a. e-currency
 - b. e-wallet
 - c. cash
 - d. credit card
21. The dissimilarity between rational branding and emotional branding includes:
- a. Both are commonly used by most electronic commerce companies to advertise products and services.
 - b. Emotional branding is used by most electronic commerce companies to advertise products and services.
 - c. Rational branding is used by most electronic commerce companies to advertise products and services.
 - d. Emotional branding is rarely used by traditional companies to advertise products and services.
22. Which marketing strategy uses Web sites to advertise and promote other company's products and services?
- a. Affiliate marketing
 - b. Viral marketing
 - c. Word-of-mouth
 - d. E-mail

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23. Online bidders who are interested in special products would visit the _____ auction site.
- a. business-to-consumer
 - b. general consumer
 - c. business-to-business
 - d. specialty consumer
24. All of the following statements about Web portals are incorrect, **EXCEPT**:
- a. Features available provide a high degree of stickiness that attracts advertisers.
 - b. Low potential for targeted marketing because Web portals do not ask visitors to provide demographic data.
 - c. Use fee-for-transaction revenue model.
 - d. None of the above.
25. The _____ maintains all software related to electronic commerce initiatives.
- a. business manager
 - b. programming leader
 - c. application specialist
 - d. graphics designer

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Section B: True / False, Question 26 - 50 (25 Marks)

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

26. Transaction cost incurs when a seller identifies the prices of raw materials from several suppliers.
27. One technological limitation of electronic commerce includes legal and policy issues.
28. Supply chain analyzes the internal business processes of a company.
29. Both HTML and XML are simpler subsets of SGML.
30. Most electronic commerce sites today use dynamic Web page generation technology.
31. Analysis of a log file provides interesting information about Web site visitors.
32. Large companies tend to use the hosting services of a CSP.
33. When choosing the type of electronic commerce software, projected number of Web site visitors should be considered.
34. Web retailers use fee-for-service revenue model to sell books and computers.
35. Customers visit electronic commerce sites to read general information about a company.
36. It is more effective to apply the mass media approach on the Web rather than the personal contact approach.
37. Unauthorized access to a company's customer contact details is a secrecy violation.
38. The packet filter firewall is used by the Web server to filter request by limiting access to specific applications.
39. An embedded JavaScript within a Web page is executed on the server computer.
40. American Express card works by transferring money from the customer's bank account to the seller's bank account.
41. Transferring electronic cash costs more than processing online credit card transactions.

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42. The use of opt-in mail is more effective than banner ads.
43. When a Web visitor subscribes to the Web site's content, retention cost is incurred.
44. Most electronic commerce sites target customers based on geographic segmentation.
45. Responding to specific customer behavior is an element in technology-enabled relationship management.
46. Auction escrow services protect the interest of bidders.
47. Most online auctions occur on specialty consumer auction sites.
48. Maintenance of an electronic commerce Web site should never be outsourced.
49. Costs and benefits are identified for electronic commerce initiatives in the planning stage.
50. Operational partners offer knowledge to venture sponsors that want to launch electronic commerce initiatives.

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Section C: Short Answers, 5 Questions (50 Marks)

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

Question 1

- a) Explain **ONE** advantage and **ONE** disadvantage of the distributed Web server architecture. Explain what a load balancing system is and how it is used in this architecture. (6 marks)
- b) Based on a scenario that a Web visitor requests for the display of a company's Web site, describe how the Web client and Web server communicate with each other in a two-tier client/server network. (4 marks)

Question 2

- a) Explain the type of electronic commerce software used by:
i. Small electronic commerce sites
ii. Mid-sized electronic commerce sites
iii. Large electronic commerce sites (6 marks)
- b) List and explain the **TWO** general types of function in Supply Chain Management software. (4 marks)

Question 3

- a) List **THREE** reasons to why businesses aim to achieve Web presence goals. (3 marks)
- b) Explain the use of revenue models and give **ONE** type. (4 marks)
- c) List **THREE** guidelines for effective customer-centric Web site design. (3 marks)

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Question 4

- a) What are the **THREE** most commonly used online payment cards? In general, list **TWO** benefits and **TWO** drawbacks of those cards. (7 marks)
- b) What is an electronic wallet? What are its advantages to consumers? (3 marks)

Question 5

- a) Other than just selling and buying products and services, what are **FOUR** activities offered by electronic commerce opportunities? (4 marks)
- b) Many smaller companies tend to partially outsource certain functions of their Web sites to third parties. Explain **TWO** functions. (6 marks)

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