

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

THIRD TRIMESTER FINAL EXAMINATION, 2008 / 2009 SESSION

**DBS5028 / DBS5928 – E-COMMERCE**

20<sup>th</sup> MAY 2009  
9:00 a.m. – 11:00 a.m.  
( 2 Hours )

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## INSTRUCTIONS TO STUDENT

1. This Question paper consists of **6 (SIX) pages** (excluding the cover page). There are **3 (THREE) sections** in this Question paper. Please attempt **ALL** questions in the three sections.

**Section A:** Multiple Choice Questions, Question 1 - 20 (20 marks)

**Section B:** True / False, Question 21 - 40 (20 marks)

**Section C:** 4 Structured Questions (40 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 – 20 (20 Marks)**

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

1. In the first wave of e-commerce, \_\_\_\_\_.
  - A. most Web sites had language translation
  - B. many dot com companies succeed
  - C. broadband technologies were used for Internet connections
  - D. many new companies started with external investor capital
  
2. Limitations of e-commerce include all of the followings **EXCEPT** \_\_\_\_\_.
  - A. lower communication and operational costs
  - B. security and privacy issues
  - C. difficult to integrate e-commerce software with existing applications and databases
  - D. lack of trust in unknown sellers and faceless transactions
  
3. The ISP service and bandwidth that is **MOST** suitable for corporations, government agencies and businesses requiring high-speed guaranteed connection and service levels would be \_\_\_\_\_.

A. cable modem	C. DSL
B. T3 lines	D. telephone modem
  
4. What is the difference between HTML and XML?
  - A. HTML is designed to describe data on a Web page.
  - B. HTML uses a predefined set of markup "tags" to format a Web page.
  - C. XML document resides on a different Web page from the HTML document.
  - D. Both are similar, with no difference in purpose.
  
5. What is the leading Web server software that is available today?

A. Microsoft IIS	C. UNIX
B. LINUX	D. Apache
  
6. What is the advantage of distributed client/server architecture over the centralized approach?
  - A. The server computers are larger and more powerful.
  - B. Does not require hubs or switches to connect among the servers.
  - C. Uses load balancing technique.
  - D. None of the above.
  
7. What is the **FIRST** step in building an e-commerce Web site?
  - A. Design the Web site.
  - B. Promote the Web site.
  - C. Register a domain name.
  - D. Select a Web host.

**Continued...**

8. What is a drawback of self-hosting as compared to co-location?
- A. Disallows the company to have full control over the Web site content.
  - B. The Web server is owned and maintained by the Web hosting service provider.
  - C. Needs specialized staff and expensive high-speed connection.
  - D. All of the above.
9. It is important that an online business creates an effective \_\_\_\_\_ to sustain visitors' attention and encourage repeat visits.
- A. Web presence
  - B. physical presence
  - C. Web advertising
  - D. physical advertising
10. All of the followings are the goals to meet when constructing an e-commerce site **EXCEPT** \_\_\_\_\_.
- A. to maintain visitors' attention on the site
  - B. to ensure visitors can easily obtain information about the company and products
  - C. to enable visitors easily follow the links on the site
  - D. to ensure visitors visit the site only once
11. "Hacking" a computer and stealing information about the users of a Web site and using the information to "deface" the homepage is known as \_\_\_\_\_.
- A. eavesdropping
  - B. spoofing
  - C. cybervandalism
  - D. steganography
12. What is the disadvantage of symmetric encryption?
- A. Slow when encrypting large amount of information.
  - B. Different key is used for encrypting and decrypting message.
  - C. If the secret key is lost, the entire encryption system fails.
  - D. Insecure as the public key that can be posted publicly.
13. Which of the following parties is **NOT** involved in an online credit card transaction?
- A. Merchant bank
  - B. Automated clearing-house
  - C. Merchant's card issuing bank
  - D. Consumer
14. Payment systems should be \_\_\_\_\_.
- A. low risk and low cost
  - B. instantly convertible without intermediation
  - C. tamper-resistant
  - D. all of the above
15. In the "exploration" stage of customer relationship life cycle, the following online communications are used **EXCEPT** \_\_\_\_\_.
- A. search engines
  - B. site visits
  - C. newsletters
  - D. Web catalogs

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16. "A fashion Web site visited by consumers reflects a self-chosen lifestyle and value."

The above statement **BEST** exemplifies which major type of online market segmentation?

- A. Behavioral
- B. Psychographic
- C. Demographic
- D. Geographic

17. Below are the risks and costs faced by merchants at online auctions, **EXCEPT**

- A. selling goods at higher prices
- B. transaction fees charged by the auction site
- C. false bidding by bidders
- D. nonpayment by winning bidders

18. Which of the following statements is **FALSE** about English auction?

- A. Example is eBay.
- B. Also known as public descending-price auction.
- C. A single seller and multiple buyers competing against one another.
- D. Buyers can skip bidding at each price, but return at higher prices.

19. The \_\_\_\_\_ is responsible for the Web site's reliable operation.

- A. project manager
- B. programmer
- C. application specialist
- D. system administrator

20. Late outsourcing of the e-commerce system is **MOST** likely to include

- A. maintenance
- B. initial site design
- C. transaction handling
- D. Web hosting

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**Section B: True / False, Question 21 - 40 (20 Marks)**

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

21. The value chain is a method of doing business by which a company can generate revenue.
22. Revenue model is a key element of a business model.
23. All e-commerce activities are done over the Internet.
24. A virtual private network (VPN) uses the private intranet to carry information by using encryption, authentication and access control.
25. Packet InterNet Groper (Ping) gives you some idea about the speed of the server and the Internet at a particular moment.
26. With dynamic page generation, the contents of a Web page are being hard-coded in HTML.
27. A knowledge management program is important to manage the operation and implementation of e-commerce projects.
28. Microsoft and IBM are key players in offering e-commerce software systems.
29. Disintermediation is more likely to occur in supply chains involving several intermediaries.
30. The usability of a Web site refers to the quality of the Web designer's experience when designing the Web site.
31. Digital signature or digital certificate validates the sender and time stamp of a transaction.
32. Web bugs are hidden in both marketing e-mail messages and on Web sites.
33. An example of an e-macropayment is a person who purchases a copy of an archived news article for \$1.50.
34. E-check processing speeds the checkout process for consumers.
35. Affiliate marketing refers to word-of-mouth marketing in which companies promote a product or service by telling others about it.

**Continued....**

36. CPM (cost per thousand impressions) is the metric used for the fee that an advertiser pays for each 1,000 times a banner is clicked.
37. E-auctions are used only in C2C.
38. Shopping agents are tools that explore the Web on behalf of consumers who specify search criteria.
39. Opportunity cost is a formula to calculate the cost of owning and operating an e-commerce site.
40. The combination of both software and hardware creates the largest component of a Web site budget.

**Continued...**

**Section C: 4 Structured Questions (40 Marks)**

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

**Question 1**

- a) Describe **TWO** major types of e-commerce and provide an example of each. (6 marks)
- b) Explain the following key technology components of the Internet:  
i. Packet switching  
ii. Client/Server technology (4 marks)

**Question 2**

- a) Explain the two-tier and three-tier e-commerce system architecture. Which tier is more commonly used? Why? (7 marks)
- b) Briefly describe the **THREE** basic functionalities provided by e-commerce software for online sales. (3 marks)

**Question 3**

- a) Discuss **TWO** major revenue models and provide an example of each. (6 marks)
- b) Describe **TWO** key dimensions of e-commerce security. (4 marks)

**Question 4**

- a) Identify **FIVE** parties involved in an online credit card purchase. Discuss **TWO** limitations of the online credit card system to merchants. (4.5 marks)
- b) Define online banners ads and describe **ONE** benefit and **ONE** limitation. List **TWO** types of banner ads. (5.5 marks)

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