



KENYATTA UNIVERSITY
UNIVERSITY EXAMINATIONS 2010/2011
INSTITUTE OF OPEN LEARNING
EXAMINATION FOR THE DEGREE OF BACHELOR OF INFORMATION
TECHNOLOGY
SIT 405: ELECTRONIC COMMERCE

DATE: MONDAY 31ST JANUARY 2011

TIME: 4.30 P.M – 6.30 P.M

INSTRUCTIONS:

Answer question ONE in Section A any two questions from section B.

Section A

QUESTION ONE [30 MARKS]

- a) Distinguish between the following terms. [6 marks]
 - i. Brick and mortar and click and mortar organization
 - ii. Extranet and intranet
 - iii. EDI and EFT
- b) Describe any three business activities(processes) that are appropriate for being implemented by use of e-commerce [3 marks]
- c) Describe the web architecture of e-commerce [5 marks]
- d) Explain the following e-commerce models [4 marks]
 - i. Business-to-Business (B2B)
 - ii. Government to citizen (G2C)
- e) Discuss the role of internet in the development and growth of e-commerce [5marks]
- f) Explain the term "search engine. and state its major functionality in supporting E-commerce [3 marks]
- g) Many businesses are using and recognizing mobile payment system, currently being supported by three service providers i.e. *Safaricom, Zain* and *YU (Mpesa, ZAP and YUcash respectively)*. Highlight the benefits that mobile payment system offers over the traditional bank payment systems [4 marks]

Section B

Question Two[20 Marks]

- a) Explain ANY three components that should be integrated in a website used to perform pure/partial e-commerce transactions [6 marks]
 - i. Shopping cart capabilities
 - ii. Transaction processing
 - iii. Tools to modify and add to the store catalog and storefront display
- b) Explain three benefits that most of our local business/micro enterprises may enjoy as a result of using a good website [3 marks]
- c) Explain the term supply chain highlight how the e-commerce enhances the value of a supply chain [4 marks]
- d) Distinguish between the following terms: [6 marks]
 - i. Credit card and debit card
 - ii. E-commerce and E-business
 - iii. Market aggregators and market integrators

Question Three [20 Marks]

- a The emergence of Internet has rapidly transformed the way we communicate, educate, buy and sell goods and services, providing unparalleled benefits to the society. Discuss four legal and ethical issues that may arising from the use of internet canceling the benefits [4marks]
- b Discuss the concept of outsourcing in relation to the development of e-commerce applications [3 marks]
- c Describe the term firewall and explain two categories of e-commerce [6 marks]
- d Explain the use following Internet applications in relation to e-commerce [3 marks]
 - 1. Email
 - 2. Telnet
 - 3. Ftp
- e Explain ANY four components of electronic -market places [4 marks]

Question Four [20 Marks]

- a) Internet resources are greatly threatened by many forms of threats. Explain the following terms in reference to the Security internet resources.[6 marks]
 - i. Auditing
 - ii. Integrity
 - iii. Authorization and Authentication
- b) Explain “**CGI**” and evaluate its role in electronic commerce applications.[3 marks]
- c) E-commerce Business pressures are divided into the following categories. Explain how each of them has impacted e-commerce [6 marks]
 - (i) Market
 - (ii) Societal
 - (iii)Technology
- d) Explain five characteristics of a successful e-payment method [5 marks]

Question Five [20 Marks]

- a) Write short notes on the following [6 marks]
 - i. Digital signature process
 - ii. Digital certificates
 - iii. Certification authority
- b) The main challenge affecting the application of e-commerce in Kenya is the inadequate policy, legal and regulatory framework. Discuss the possible issues that should be discussed by the framework. [5 marks]
- c) Describe five types of Electronic Cards [5 marks]
- e) Distinguish between the following terms [4 marks]
 - i. SSL and SET
 - ii. Web page and web site