## THE OPEN UNIVERSITY OF SRI LANKA COMMENWEALTH EXECUTIVE MASTER OF BUSINESS/PUBLIC ADMINISTRATION PROGRAMME



**FINAL EXAMINATION - 2014** 

E-COMMERCE MCP2601

**DURATION: THREE (3) HOURS** 

DATE: 6<sup>th</sup> August, 2014

TIME: 9.30 am - 12.30 pm

#### **INSTRUCTIONS**

- 01. Answer Four (04) questions including question (Q1) (compulsory question).
- 02. Write legibly and be focused.
- 03. Question No.1 carries 46 marks and other questions carry 18 marks each.

#### Q1.- Compulsory question.

- (a) GlobalReading is a wellknown retail bookstore located in Sri Lanka with several branches spread over the island. It is always reputed for its wide selection of good books. In addition to books, all stores of GlobalReading sell audio CDs, DVDs/videos, toys, magazines and stationary. Another unique feature of the book store is the comfortable environment conducive to reading. The GlobalReading decided to launch an online bookstore to reach the customers across the globe. At the very initiative it faced a problem with the domain name registration (GlobalReading.com) due to cybersquatting. In developing the e-commerce website the bookstore explored all possibilities and decided on outsourcing. The management emphasized on implementing high security in transactions as well as taking all possible measures to maintain the customer privacy and adhere to any legal and ethical limitations and was decided to promote buy side e-commerce as well. Finally the management stressed on developing avenues for customer relationship management as well.
- i. Describe three (03) unique features that have to be presented in GlobalReading.com web site to be on the competitive edge. (6 marks)
- ii. Using a real world example explain what is cybersquatting and its impact on companies dealing with e-commerce. (6 marks)
- iii. Describe three (03) security measures that can be adopted by the web site to ensure secure transaction from the point of view of their potential customers. (6 marks)
- iv. Describe how GlobalReading.com can maintain Intellectual Property rights of authors. (6 marks)
- v. Describe three (03) e-CRM measures that can be adopted by GlobalReading.com. (6 marks)



# b). State whether the following statements are TRUE or FALSE. Give reasons in short for your answer.

- i. One of the benefits of advertising via e-commerce is the capability to create brand credibility.
- ii. Offering user reviews are integral tools used in making on-line businesses more interactive.
- iii. Global reach, customer feedback data and the potential market to an array of products are all reasons why owners are marketing their business on-line.
- iv. Opt-out option provides better protection of personal requirements compared to opt-in model.
- v. Outsourcing of e-commerce web site development is always a positive action irrespective of the confidentiality of the data.
- vi. Use of Radio Frequency Identification (RFID) technology has given a new face to supply chain management.
- vii. Organizations practicing e-commerce always engage in e-procurement.
- viii. Social, political and economic factors influence the growth of e-commerce in Sri Lanka.

 $(2 \text{ marks each} \times 8 = 16 \text{ marks})$ 

### Answer any Three (03) questions from the following.

Q2.

- (i) 'Adoption of e-commerce by Sri Lankan business organizations is still slow.' Briefly describe the factors that are most important in encouraging them for e-commerce adoption. (6 marks)
- (ii) Distinguish between e-commerce and e-business. (5 marks)
- (iii) Distinguish between buy-side and sell-side e-commerce with respect to an organization. (7 marks)

Q3.

- (i) 'Commitment from the top level management is needed when adopting e-commerce to a traditional business and it facilitates certain level of restructuring as well'.

  Describe why it says that e-commerce is a catalyst for fundamental changes in organizations. (7 marks)
- (ii) Briefly describe four (4) different e-commerce business models. (6 marks)
- (iii) Describe how e-commerce facilitates customization of products and services.

(5 marks)

Q4.

- (i) Due to present competition in e-commerce channels, having a website for the organization is not sufficient enough for e-commerce. Describe different types of online intermediaries with their role in promoting the e-commerce site. (6 marks)
- (ii) An e-commerce website is having problems with its password security system and decides to implement two-factor authentication. Explain the alternatives that can be adopted by the e-commerce site and factors to be considered in selecting an alternative. (6 marks)
- (iii) The 'name your own price' model is considered a reverse auction in e-commerce. Compare and contrast reverse auction model with auction model. Give suitable examples. (6 marks)

Q5.

- (i) In the recent past e-commerce experienced an exponential growth in sales due to m-commerce. Assume that a super market which is already having an e-commerce site is trying to capture m-commerce customers as well. Critically analyze this move describing the necessary changes that has to be incorporated to the existing web site.

  (5 marks)
- (ii) Describe three (3) different revenue models for a web portal such as Yahoo.

  (4 marks)
- (iii) Having an ecommerce site only will not help in boosting sales; in addition the firm needs to focus on its marketing as well.
  - (a) Describe the dimensions of marketing communications in e-commerce.

(5 marks)

(b) Describe different marketing communications techniques that are commonly used in e-commerce sites. (5 marks)

Q6.

- (i) Assume that you are a senior manager of a local bank, assigned the task of evaluating its e-banking services. Describe how you apply the SWOT analysis in the evaluation.

  (12 marks)
- (ii) It is a commonly known fact that personal information of Internet users are collected for various purposes. Compare and contrast the impact of self registration and application generated cookies in e-commerce in collecting personal data of the users.

(6 marks)

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