

Q2 (a) Briefly discuss some of the key strength of using the internet for businesses.

Answer

Key strength of using the internet for business is as follows:

- (i) 24 × 7 operation: Round the clock operation is an expensive proposition in the brick-and-mortar' world, while it is natural in the 'click and conquer' world.
- (ii) Global reach: The net being inherently global, reaching global customers is relatively easy on the net compared to the world of bricks.
- (iii) Cost of acquiring, serving and relationing customers: It is relatively cheaper to acquire new customers over the net; thanks to 24 × 7 operation and its global reach. Through innovative tools of 'push' technology, it is a so possible to retain customer's loyalty with minimum investments.
- (iv) An extended enterprise is easy to build: In today 'world, every enterprise is part of the 'connected economy' as such, you need to extend your enterprise all the way to your supplier and business partners. Internet provides an effective way in this regard.
- (v) Disintermediation: using internet, one can directly approach the customers and supplier, ignoring the middle man and in this process reducing the cost also.
- (vi) Improved customer service to your clients: It results in higher satisfaction and more sales.
- (vii) Power to provide the 'best of both the worlds ': It benefits in traditional business side by side with the internet tools.
- (viii) A technology base customer interface:
- (ix) The customer controls the interaction.
- (x) Knowledge of customer behavior.
- (xi) Network economics.

Q2 (b) What is Business -to- Business (B2B) model? Discuss its major benefits

Answer

B2B (Business-to-Business) is that model of e-commerce where by a company conducts its trading and other commercial activity through the internet and the customer is another business itself. This essentially means commercial activity between companies through the internet as a medium.

Major advantages are:

- Direct interaction with customers
- Focused sales promotion
- Building customer loyalty
- Scalability
- Saving in distribution costs

For further help, refer Page Number 48 of Text Book

Q3 (a) Write down the name of protocol and their purpose in respect of the following client-server applications.

- (i) World wide web
- (ii) E-mail
- (iii) File Transfer
- (iv) Chat

Answer Page Number 154 of Text Book

Sr. No.	Name of Application	Protocol	Purpose
1	World Wide Web	Hyper Text Transport Protocol (HTTP)	Offers access to hypertext documents, executable programs and other internet resources.
2	E-mail	Simple Mail Transport Protocol (SMTP) Post office protocol Version 3 (POP 3) Multi-purpose Internet mail Extensions (MIME)	Allows the transmission of text messages and binary attachments across the internet.
3	File Transfer	File Transfer Protocol	Enables files to be uploaded and downloaded access the internet
4	Chat	Internet Relay chat Protocol (IRC)	Provides a way for users to talk to one customer in real-time over the internet. The real-time chat groups are called channels.

Q3 (b) Explain the classification of different software agents?

Answer Page Number 124 of Text Book

Q4 (a) What are advantages of online marketing as compared to traditional marketing?

Answer Page Number 175 of Text Book

Q4 (b) What are the various reasons for the growing importance of E-advertisements?

Answer

The reasons for the growing importance of e-advertisements:

- (i) People increasingly prefer to surf the internet rather than watch TV.

- (ii) The target audience goes to the advertisement, rather than the other way around.
- (iii) Development of business search engines by companies such as C2B Technologies, which aim to link buyers with online bargain sites for over a million products for comparison-shopping purposes.
- (iv) Yahoo! has a business unit which offers contests and prizes to online participants, which drive players to the websites of different clients. To play, participants must provide certain data including their preference of advertisements and tests, which presents a valuable database as to customer preferences.
- (v) The growth of e-business. Dell computers, for example, estimates that in the near future, 90% of its sales will be through the internet.
- (vi) The internet is not geographically restricted. Amazon.com sells 20 percent of its books to foreign destinations, whereas a physical bookstore server an area of only a few square miles.

Q5 (a) List the general security issues that e-businesses must consider?

Answer Page Number 215, 216 of Text Book

Q5 (b) Credit cards as E-payment system have proved quite popular because of various reason. State these reasons briefly.

Answer

Popularity of credit cards is:

- (i) The system is familiar to users and was widely used before the advent of e-commerce.
- (ii) Transaction costs are hidden from users.
- (iii) Payment is simple anywhere and in any currency, this matching the global reach of the internet.
- (iv) Credit-issuing company sharers the transaction risk; helping overcome consumer's fear and reluctance to buy goods they have not actually seen, from seller's they do not know.

Q5 (c) What are the keys of E-payment systems?

Answer Refer Page Number 285 of Text Book

E-cash must have the following four properties:

- (i) Monetary value
- (ii) Interoperability
- (iii) Retrievability
- (iv) Security

Q6 (a) What are the privacy issues associated with E-CRM?

Answer Page number 326 of Text Book

Q6 (b) What are the benefits of E-SCM? Explain briefly.

Answer

Benefits of e-SCM are

- (i) It is web-based, not web – enabled
- (ii) It incorporates broadcast and active messaging to proactively notify an individual of a condition that requires attention.
- (iii) It supports the exchange of “real time” information through trading communities such as employees, customers, suppliers, distributors and manufacturers.
- (iv) It has open Internet Application Architecture which allows for rapid deployment and scalability, combining unlimited internal/external users in a “real-time” environment.
- (v) It has an interface capability with any third party software.
- (vi) It is platform independent.
- (vii) It is a fully integrated system.
- (viii) It has web visibility and processing capability 24×7
- (ix) It is rules- based.

Q7 (a) The importance of knowledge management can be gauged from various factors. Discuss briefly.

Answer

Importance of knowledge management can be gauged from the following factors:

- (i) The market place is increasing by competitive and the rate of innovation is rising, such that knowledge must evolve and be assimilated at an ever-faster rate.
- (ii) Competitive pressures are reducing the size of the work force which holds this knowledge.
- (iii) Knowledge takes time to acquire and mature. Employees have less and less time for this.
- (iv) There are chances that experts may leave the organization or retire, leading to loss of knowledge.
- (v) There is a need to manage increasing complexity as more and more companies are becoming transnational in nature.
- (vi) Loss due to high employee turnover in knowledge industries can be minimized.
- (vii) Reduction in training cost for new employees.
- (viii) Avoid duplication of efforts and reduce repetition.

Q7 (b) Describe the value of e-commerce?

Answer Page Number 327 of Text Book

Functions of a Data warehouse are

- Extracting
- Integrating
- Filtering
- Standardizing
- Transforming
- Cleaning

Features are:

- Subject oriented
- Integrated
- Non – volatile
- Time variant

Q8 (a) What is the future of mobile commerce in India? Discuss briefly.

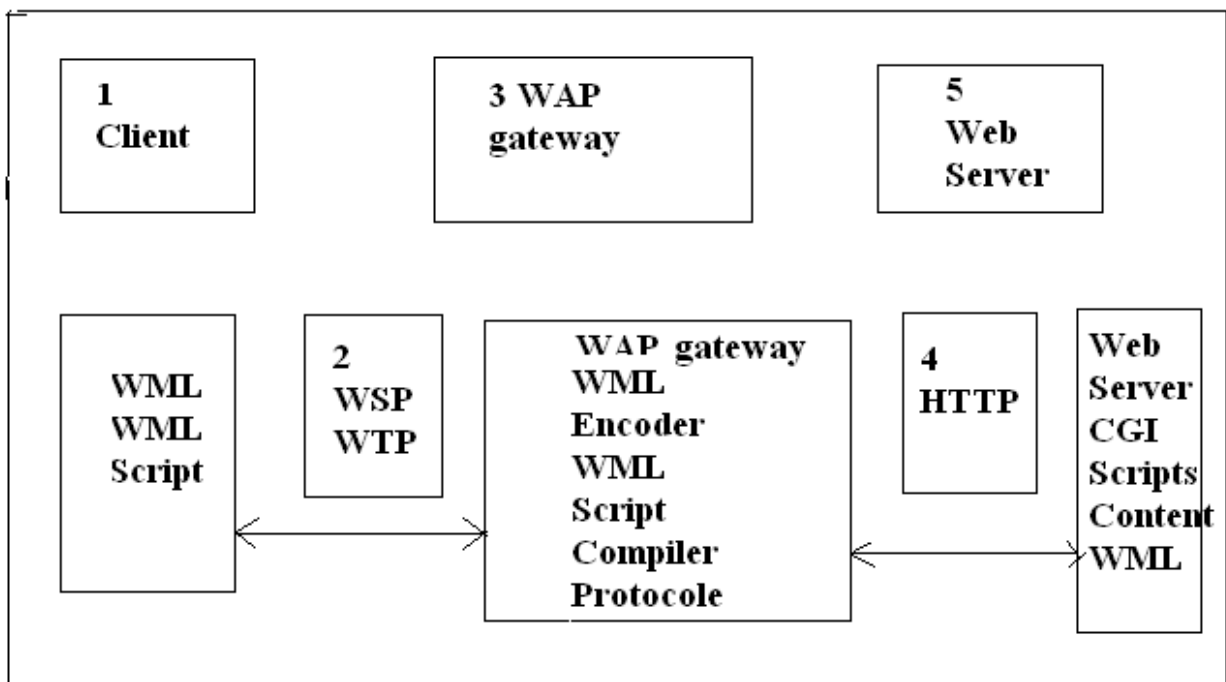
Answer Page number 413-414 of Text Book

Q8 (b) ‘Push and Pull’ are two ways of transferring information to and from a phone, via WAP. Now, with the help of diagram, illustrate a simple pull transaction and the steps involved in it.

Answer

Following figure: illustrates a simple pull transaction and the steps involved in it.

Refer Page number 437 & 438 of Text Book



Q9 (a) 'Blocking' and 'Filtering' are two common technological tools for using internet in a protected manner. Explain briefly.

Answer Page Number 502-503 of Text Book

Q9 (b) What are the strategies for the development of website?

Answer Page Number 478 of Text Book

Four types are (i) Demographics (ii) Expressed Preference (iii) Past transactions (iv) Observed.

For further explanation, refer page number 478 of Text Book

Q9 (c) What is phishing?

Answer

Phishing: Computer Criminals used a relatively new method-phishing which is becoming more and more popular amongst hackers. Recently many banks all over the world encountered a variety of frauds and scams committed by hackers and inside bank officials. But the most widespread crime against banks and especially accounts owners is a so-called 'phishing scam'. This scam is always entailed by usual spam.

Text Book

E- Commerce – An Indian Perspective, P.T. Joseph, S.J., Second Edition, PHI, 2007