



THE OPEN UNIVERSITY OF SRI LANKA
COMMONWEALTH EXECUTIVE MASTER OF BUSINESS/PUBLIC ADMINISTRATION
PROGRAMME
FINAL EXAMINATION 2017
E-COMMERCE MCP2601
DURATION THREE (03) HOURS

DATE: 2nd December, 2017

TIME: 9.30 am – 12.30 pm

INSTRUCTIONS

- Answer Four (04) questions including question (Q1) (compulsory question).
 - Write legibly and be focused.
 - Cite suitable examples where possible.
 - Question No.1 carries 46 marks and questions in Part-B carry 18 marks each.
-

Part A – Compulsory question.

Q1.

- (i) Read the following and answer the questions given below: a) to f).

Nimal and Amila own a small supermarket in a suburban town with a large and growing elderly population. Because of their remote location, they don't have any competition from the large chain stores. Recently the Government built a Vocational Training College in this town, which caters to 1,500 students.

One day, Nimal suggested to have a website for their store because it is the current trend. Amila was not very sure about the idea and she wanted to know what they can put on the website. Nimal said it should contain several pictures of the store, the items sold at the store and a mechanism to enable customers to place orders through the website. Nimal further emphasized that students from the training college will order food from them rather than buy fast foods like pizza from food chains and the senior citizens would also prefer it since they can avoid walking long distances.

Amila was little curious whether the senior citizens can use computers instead they enjoy getting out. She further added that, senior citizens usually do not buy that much when they visit the store

and they will find it hard to do online payments. Therefore, will the website going to make any positive impact on their business?

Nimal is optimistic of having a web page and is confident that they can increase the sales through the website and they will be able to recover the investment in no time. He further added that he has found a consultant for the website and he has plans to start a delivery service as well.

- a) Justify the need for having a website for the store through a SWOT analysis. (8 marks)
- b) Describe how the store can use characteristics of information, reach, richness and affiliation to make an impact on their sales through the website. (4 marks)
- c) Though having an online component for the store will be an added advantage, there can be many risks as well. Describe the risks that will be associated with the website proposed. (4 marks)
- d) It will be more beneficial for the store to attract the students from the Training College. Explain the special features that can be incorporated to the website to attract students. (4 marks)
- e) Since the website is mainly targeting two different customer segments based on age, describe what ethical and legal standards that the website needs to maintain. (4 marks)
- f) This store is located in a suburban area with several tourist attractions which can be used for eco-tourism. Describe how the website can be expanded to promote eco-tourism in the area. (4 marks)

(ii). Write short notes on the following

- a) Payment authentication
- b) Auction model
- c) Cookies
- d) Click and motor companies
- e) Data Encryption
- f) Digital divide

(3 marks × 6 = 18 marks)

(End of compulsory question)

Part B - Answer any Three (03) questions from the following**Q2.**

- (i) Identify three (03) different components of e-business and assess their relative impact on an organization. (5 marks)
- (ii) Due to competition in the marketplace customers have more choice in e-purchasing. Describe how a website can improve customer stickiness to a website. (6 marks)
- (iii) "At present categorizing an e-commerce website under one particular revenue model is not appropriate". Critically analyze this statement with examples. (7 marks)

Q3.

- (i) With the growth of online business, traditional intermediaries were replaced by a different set of intermediaries. Describe three (03) new intermediaries with examples that arose due to growth of e business. (5 marks)
- (ii) Due to increase in data breaches it has become mandatory to protect data transferred through networks. Describe three (03) such methods. (5 marks)
- (iii) Waiting to address security threats until such happens is not an advisable step. Develop a security plan for a large scale company with a website which allows online transactions. (8 marks)

Q4.

- (i) "Online purchasing is fast catching the Sri Lankan market". Critically analyze this statement. (5 marks)
- (ii) The "Learn Well" school is one of the prestigious schools in Sri Lanka. Recently at the advisory board a decision was taken to go digital with all possible aspects. Hence it was decided to modify the school website and adopt a digital policy. Design an initial draft of a digital policy for the school. (8 marks)
- (iii) Describe three (03) different payment systems available for online transactions with their limitations. (5 marks)

Q5.

- (i) Briefly explain the impact of social media on online business. (6 marks)
- (ii) Maintaining privacy of users has become one of the major issues in e-commerce. Briefly describe three (03) types of privacy breaches and methods to avoid them. (6 marks)
- (iii) Describe three (03) techniques that can be used to maintain Intellectual Property Rights in e-commerce websites. (6 marks)

Q6.

- (i) It is always anticipated that having an accompanying website for a marketing venture is an advantage. Describe any negative impacts of a website in e-commerce. (5 marks)
- (ii) "With the rapid increase in e-marketing now the customer has more power than the seller". Critically describe this statement with examples. (6 marks)
- (iii) Describe how you can achieve marketing mix through a website for a medium scale business. (7 marks)

(Copyright Reserved)