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University Examinations 2024/2025

THIRD YEAR FIRST SEMESTER EXAMINATION FOR THE DEGREE BACHELOR OF
BUSINESS INFORMATION TECHNOLOGY, BACHELOR OF SCIENCE IN
INFORMATION TECHNOLOGY

CIT 3304: ELECTRONIC BUSINESS

DATE: JANUARY 2025

TIME: 2 HOURS

INSTRUCTIONS: Answer question *one* and any other *two* questions

QUESTION ONE (30 MARKS)

- a) Describe Content Delivery Network (CDN) in respect to e-commerce? Highlight its role (3 marks)
- b) Highlight two main benefits of E-commerce for businesses? (2 marks)
- c) Differentiate between 'value chain' and 'value systems' (4 Marks)
- d) Explain the difference between E-business and E-commerce. (3 marks)
- e) Describe the role of intranet in E-commerce infrastructure? (2 marks)
- f) Describe two essential methodologies for developing an E-commerce website. (4 marks)
- g) Highlight the purpose of a shopping cart in an online store? (3 marks)
- h) Mention two security measures to protect E-commerce transactions. (3 marks)
- i) Briefly explain the Concept of E-commerce taxation. (3 marks)
- j) Highlight the importance of defining a clear strategic vision and setting objectives during the strategy formulation process (3 marks)

QUESTION TWO (20 MARKS)

- a) (i) Discuss the role of front-end and back-end infrastructure in an E-commerce system. (4 marks)
- (ii) How do they contribute to the overall functionality of an online store? (4 marks)
- b) Evaluate the impact of emerging technologies like AI and machine learning on E-commerce infrastructure and user experience. How can these technologies drive innovation in online business models? (6 marks)
- c) Discuss the ethical issues surrounding targeted advertising in e-commerce in relation to potential risks to consumer privacy, and how should e-commerce businesses address these concerns? (6 marks)

QUESTION THREE (20 MARKS)

- a) Evaluate three different types of electronic payment systems used in E-commerce highlighting the advantages and challenges of each? (6 marks)
- b) Imagine you are setting up an E-commerce website for a retail business. Describe the key factors you need to consider in terms of web design, user experience, and managing the website to ensure its success. (6 marks)
- c) You are a security expert hired by an E-commerce company. Outline the steps you would take to secure the company's back-end systems and ensure the protection of customer data. (8marks)

QUESTION FOUR (20 MARKS)

- a) Discuss the concept of nexus and its role in determining tax obligations for e-commerce businesses. (6 marks)
- b) (i) Explain the importance of obtaining consent and being transparent with customers about data tracking practices. (4 marks)
- ii. How can businesses ensure compliance with data protection regulations, such as GDPR? (4marks)

- c) Imagine a customer is experiencing issues with their order on an E-commerce platform. Write a step-by-step process on how the purchasing process should be completed and how to handle the customer's concerns effectively. (6 marks)

QUESTION FIVE (20 MARKS)

- a) Explain three ways in which mobile commerce can benefit small businesses? (6marks)
- b) Discuss the importance of user experience (UX) design in shopping cart optimization on e-commerce sites/applications. (discuss three) (6marks)
- c) Describe any four key elements that should be included in an e-commerce product catalog. (8marks)