



(Knowledge for Development)

KIBABII UNIVERSITY

(KIBU)

**UNIVERSITY EXAMINATIONS
2019/2020 ACADEMIC YEAR**

**SPECIAL/SUPPLEMENTARY EXAMINATIONS
YEAR FOUR SEMESTER ONE EXAMINATIONS**

**FOR THE DEGREE OF
BACHELORS OF SCIENCE
(INFORMATION TECHNOLOGY)**

COURSE CODE : BIT 412

COURSE TITLE : ELECTRONIC COMMERCE

DATE: 02/02/2021

TIME: 11.00 A.M. – 1.00 P.M.

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTIONS ONE AND ANY OTHER TWO

QUESTION ONE (COMPULSORY) [30 MARKS]

- a. Define the following terms. [2 Marks]
i. Information asymmetry
ii. Marketspace
- b. Distinguish between e-commerce and e-business. [2 Marks]
- c. Identify two ways of obtaining digital certificates [2 Marks]
- d. State four benefits of e-commerce to the customer. [4 Marks]
- e. Discuss the benefits of intranet commerce. [4 Marks]
- f. Identify the types of security features used in client server types of network. [4 Marks]
- g. Explain three of the business consequences that can result from growth in information density. [6 Marks]
- h. With the aid of a well labelled diagram, explain the layered architecture of EDI. [6 Marks]

QUESTION TWO [20 MARKS]

- a. Discuss the history of E-Commerce. [6 Marks]
- b. Identify the technological innovation that made client/server computing possible. [2 Marks]
- c. Describe the essential components of a 3-tier client server [6 Marks]
- d. Discuss the impact client/server computing has had on the Internet. [4 Marks]
- e. Identify the risks involved in Electronic Payment Systems. [2 Marks]

QUESTION THREE [20 MARKS]

- a. i. What is an electronic payment system? [1 Mark]
ii. Describe three types of electronic payment systems. [6 Marks]
iii. Discuss two advantages of electronic payment systems. [4 Marks]
- b. Discuss the use of digital signature during E-Commerce transaction. [3 Marks]
- c. Explain the difficulties encountered in the application of digital signatures. [2 Marks]
- d. Explain why targeting a market niche is smarter for a community provider than targeting a large market segment. [4 Marks]

QUESTION FOUR [20 MARKS]

- a. Describe the various steps involved in creating an e-commerce site. [6 Marks]
- b. State two advantages and two disadvantages of a Smart Card. [4 Marks]
- c. Discuss the advantages and disadvantages of being a first mover. [4 Marks]
- d. Define disintermediation and explain its benefits to Internet users. [4 Marks]
- e. Explain how disintermediation impact friction-free commerce. [2 Marks]

QUESTION FIVE [20 MARKS]

- a. i. Explain the use of Secure Sockets Layer (SSL) to secure the network. [2 Marks]
ii. Explain how SSL works. [4 Marks]
- b. Describe the role of EDI standards when exchanging EDI documents. [2 Marks]
- c. Identify any two most commonly used communications protocols in EDI process. [2 Marks]
- d. i. Explain network security. [2 Marks]
ii. Discuss the types of security features used in client server networks. [6 Marks]
- e. Explain why an e-commerce site might not want to report being the target of cybercriminals. [2 Marks]