7. Discuss the various types of e-commerce business models.

8. What are the major advantages and disadvantages of e-commerce for businesses and consumers?

9. Explain the role of supply chain management in e-commerce.

10. Discuss the various security challenges and solutions in e-commerce.

Answers:

6. Traditional commerce is the buying and selling of goods and services through physical stores and intermediaries. Electronic commerce, or e-commerce, is the buying and selling of goods and services over the internet.

Some of the key differences between traditional and electronic commerce include:

- Physical presence: Traditional commerce requires a physical presence, such as a store or office. E-commerce does not require a physical presence, as businesses can operate entirely online.
- Intermediaries: Traditional commerce often involves intermediaries, such as wholesalers and retailers. E-commerce can reduce the need for intermediaries, as businesses can sell directly to consumers online.
- Cost: Traditional commerce can be more expensive than e-commerce, due to the costs of maintaining a physical presence and hiring staff. E-commerce can be more cost-effective, as businesses can have lower overhead costs.
- Convenience: Traditional commerce can be less convenient than e-commerce, as consumers need to travel to a store to purchase goods and services. E-commerce is more convenient, as consumers can shop from anywhere in the world with an internet connection.

7. The various types of e-commerce business models include:

- Business-to-consumer (B2C): B2C e-commerce businesses sell goods and services to consumers. Examples of B2C e-commerce businesses include Amazon, eBay, and Walmart.com.
- Business-to-business (B2B): B2B e-commerce businesses sell goods and services to other businesses. Examples of B2B e-commerce businesses include Alibaba, Global Sources, and BuyerZone.

c) An e-commerce website's homepage

d) A type of e-commerce payment method

Answer: b) A list of items a customer intends to purchase online

Section B: Short Answer Questions (20 marks)

6. Define electronic commerce (e-commerce) and provide an example of how it benefits businesses.

Answer: Electronic commerce (e-commerce) refers to the buying and selling of goods and services over the internet. It involves online transactions between businesses, consumers, or both. E-commerce benefits businesses by expanding their reach, reducing operational costs, providing a platform for global sales, and enabling personalized marketing and customer data analysis. For example, an e-commerce platform allows a small local boutique to sell its products to customers worldwide, increasing its market and revenue potential.

7. Explain the concept of B2B (Business-to-Business) e-commerce and provide an example.

Answer: B2B e-commerce refers to online transactions and interactions between businesses. It involves companies buying and selling products or services to and from other businesses through digital platforms. For example, a manufacturer purchasing raw materials from a wholesale supplier through an online portal is a B2B e-commerce transaction. This model streamlines procurement processes, reduces costs, and enhances efficiency for businesses.

8. What is the significance of mobile optimization in e-commerce? Provide two reasons.

Answer: Mobile optimization in e-commerce is crucial for several reasons. Two significant reasons are:

a) **User Experience**: Mobile optimization ensures that a website or app functions seamlessly on mobile devices. Since many consumers use smartphones for shopping, a positive user experience, including easy navigation and fast loading, encourages sales and repeat business.

b) **Search Engine Rankings**: Search engines like Google prioritize mobile-friendly websites in search results. Having a mobile-optimized e-commerce site can improve search engine rankings, making it easier for potential customers to find the online store.

Section C: Essay Questions (40 marks)

9. Discuss the challenges and opportunities of cross-border e-commerce. Provide examples and strategies for businesses looking to expand internationally.

10. Explain the importance of customer service in e-commerce.

Section C: Long Answer (10 marks each)

11. Discuss the different stages of the e-commerce buying process.

12. Explain the different types of e-commerce marketing strategies.

13. What are the different factors that affect the success of an e-commerce business?

14. Discuss the future of e-commerce.

Answers

Section A:

1. (a)
2. (a)
3. (d)
4. (d)
5. (d)

Section B:

6. E-commerce is the buying and selling of goods or services over the internet, while e-business refers to all business activities that take place online. E-commerce is a subset of e-business.

7. The different types of e-commerce business models are:

    - Business-to-consumer (B2C): This is the most common type of e-commerce, where businesses sell goods or services directly to consumers.
    - Business-to-business (B2B): This type of e-commerce involves businesses selling goods or services to other businesses.
    - Consumer-to-consumer (C2C): This type of e-commerce involves consumers selling goods or services to other consumers.