



### **QUESTION ONE (30 MARKS)**

- a) Explain the benefits of E-Commerce to consumers. (6 Marks)
- b) Explain any three classifications of E-Commerce transactions. (6 Marks)
- c) Differentiate between intranets and extranets as used in E-Commerce. (4 Marks)
- d) List any three components of an electronic market and explain. (6 Marks)
- e) Explain four factors affecting E-commerce in Kenya. (4 Marks)
- f) Discuss the various ways to authenticate a person or information on a computer. (4 Marks)

### **QUESTION TWO (20 MARKS)**

- a) Briefly explain the following concepts of consumer behavior in E-Commerce: (10 Marks)
  - i. Trust
  - ii. Satisfaction
  - iii. Customer loyalty
  - iv. E-loyalty
  - v. Personalization
- b) Explain any five characteristics of successful E-tailing business. (10 marks)

### **QUESTION THREE (20 MARKS)**

- a) Web advertising is an attempt to disseminate information in order to affect buyer-seller transactions. Discuss why an organization may prefer web advertising to traditional advertising media. (10 Marks)
- b) One of the greatest challenges that business owners and clients constantly face is the security of the website. Explain five ways to mitigate security threats in this context. (10 Marks)

### **QUESTION FOUR (20 MARKS)**

- a) Explain how the following two technological developments have fueled the growth of E-Commerce:
  - i. Electronic Data Interchange. (3 Marks)
  - ii. Electronic Funds Transfer. (3 Marks)
- b) Explain the benefits of EDI. (8 Marks)
- c) Explain the applications of EDI. (6 Marks)

### **QUESTION FIVE (20 MARKS)**

- a) Explain the various services provided by the internet. (10 Marks)
- b) Explain the various types of portals in E-Commerce. (10 Marks)