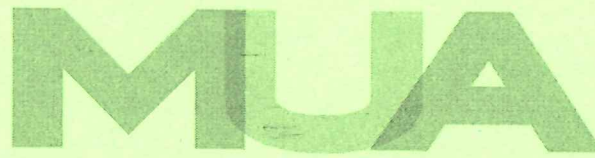


The
Management
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UNDERGRADUATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DEGREE OF BACHELOR OF MANAGEMENT AND LEADERSHIP

BMT 404 : ELECTRONIC COMMERCE

DATE: 9TH AUGUST 2024

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow.

EARLY BIRD EXIM COMPANY LTD

Early Bird Exim Company limited was established in 2010 with the aim of exporting and importing second commodities. Their product range included cars, bicycles, motorcycles and garments. At the onset, the company was doing well using the conventional methods of doing business until a rival company established a similar business online. This jolted the market and Early Bird bottom line started shrinking. The loss was on a downward trend for 6 consecutive months. The management called for a consultative meeting with senior managers where they discussed the emerging challenges.

At the end of the meeting, it was clear that the rival had deployed technology while Early Bird continued conventional business as normal. The ICT manager pointed out that technology will give the company a competitive edge. It will open the global markets, ease customer feedback, facilitate customer education and even expose Early Bird employees to new learnings.

This excited the management and a decision was made to go online as the new normal. The ICT manager was tasked to form a working committee and get to work immediately. After three months, Early Bird Exim Company Limited had adopted technology in all her operations. The bottom line got a lease of life. The management was upbeat and the trend continued. The company is now on a growth trajectory and the future looks promising.

Required:

- a) Identify the e-commerce business model that Early Bird Exim Company Ltd has adopted and explain how it has worked to her advantage? (5 Marks)
- b) As a graduate of e-commerce from MUA, advise Early Bird management on how to leverage on the Internet to further grow the business.

(12 Marks)

- c) Early Bird Exim Company Ltd has a reputation of communicating electronically. As the head of E- Marketing, what would you do differently?
(8 Marks)

QUESTION TWO

- (a) Security is critical in e-commerce. Analyze some of the security concerns in e-commerce in the developing world. (7 Marks)
- (b) Appraise 5 security threats in e-commerce business (8 Marks)

QUESTION THREE

Discuss the contemporary and emerging trends in e-commerce in Kenya today.
(15 Marks)

QUESTION FOUR

- a) Define Electronic data interchange (EDI). (3 Marks)
- b) Demonstrate the benefits of adopting EDI in a business. (6 Marks)
- c) Examine the setbacks of adopting EDI in Kenya today. (6 Marks)

QUESTION FIVE

- a) **Electronic marketing** is critical to the success of e-business. Define internet marketing. (3 Marks)
- b) Discuss the various components of the internet marketing definition.
(12 Marks)

QUESTION SIX

Electronic commerce faces a couple of barriers and other challenges in Africa. Assess some of these **barriers and propose possible solutions**.

- (a) Barriers (10 Marks)
- (b) Solutions (5 Marks)

