

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF
ENTREPRENEURSHIP AND SMALL BUSINESS BUSINESSES AND BACHELOR OF
SCIENCE INHOTEL MANAGEMENT**

BEEM 403: ELECTRONIC COMMERCE

STREAMS:

TIME: 2 HOURS

DAY/DATE: THURSDAY 13/12/2018

8.30 A.M – 10 .30 A.M

INSTRUCTIONS

- **Answer question one and any other three questions**

1. Some enterprising young men have come up with a concept they refer to M-Mbuzi which help Kenyans abroad to deliver gifts to their families within the country . The Kenyans abroad simply log on to a website where they choose the gift they want to send to their relatives and their relatives' contacts. They make their payments from the website as well. The young men then shop locally for the gifts and deliver them thereby making their money.

Required :

- (a) What is E-Commerce and what benefits can be derived from E-commerce. [10 marks]
- (b) In your opinion, is the M-Mbuzi concept a business? With reference to the definition of a business and the features of a business, justify your position. [10 marks]
- (c) Explain the concept of consumer to consumer (C2C) E-Commerce, and outline its advantages. [10 marks]
2. (a) You have currently been appointed as a trade policy specialist in the ministry of trade by your county government. Advice the county on the various E-Commerce strategies it can employ to promote its products and businesses locally and internationally. [12 marks]
- (b) Discuss the external environmental variables affecting the growth and use of E-Commerce by firms in Kenya. [8 marks]

3. (a) Discuss organizational factors influencing the choice of online marketing strategy by a firm. [12 marks]
- (b) Discuss the challenges facing firms in implementing e-commerce strategies in Kenya. [8 marks]
4. (a) Maji Bora company ltd, a small business firm dealing in fast moving consumer goods (FMCG) has sought your advice on the components of e-commerce to consider in executing the promotion of its products. Discuss the components to the management of the company, clearly showing the influence of each in choosing the best promotion strategy. [14 marks]
- (b) Social media has gained a lot of publicity in advertising and selling products locally and internationally. Explain the shortcomings of this e-commerce platform. [7 marks]
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