Name: **Enrolment No:**	UPES UNIVERSITY WITH A PURPOSE

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, December 2019

Course: E-commerce and E-business **Semester: III**

Program: MBA International Business **Time: 03 Hours**

Course code: DSIT8001 **Max. Marks: 100**

Instructions: Section 'A' is for 20 marks. In section 'A', attempt all statements in question 1 as instructed, each statement carries 2 mark. Section 'B' is for 20 marks. In section 'B', attempt all (four) questions each question carries 5 marks. Section 'C' is for 30 marks. In section 'C', attempt all (three) questions each question carries 10 marks. Section 'D' is for 30 marks. In section 'D', attempt all questions each question carries 15 marks.

SECTION A **(20 Marks)**

Q1	i. The capacity to respond to environmental threats and opportunities is commonly known as: a. Disruptive technology b. Strategic agility c. SWOT analysis Online marketplace analysis ii. The electronic marketplace channel structures describe the ways that products and services are delivered to customers by manufacturers or selling organisations. Which one of the following terms refers to 'cutting out the middleman'? a. Disintermediation b. Countermediation c. Recountermediation d. None of the above iii) Which term represents a count of the number of people who visit one site, click on the ad, and are taken to the site of the advertiser? a. Affiliate programs b. Click-through c. Spam d. All of the above iv) E-commerce has the following advantages: a. geographic reach. b. 24x7 coverage. c. efficiencies of scale. d. information sharing. e. All of the above □ v) When packets leave a network to travel on the internet, they must be translated	**CO1** **20**

	into a standard format. ____ usually perform this translation function. a. Switches b. Routers c. Bridges d. Routing algorithms vi) Using digital communications technologies to maximise sales to existing customers and encourage continued usage on online services is known as: a. Personalization b. e-customer relationship management c. customer centric marketing d. mass customization vii) A(n) ____ is an interconnected network, usually one that uses the TCP/IP protocol set, and does not extend beyond the organization that created it. a. internet b. intranet c. extranet d. ARPANET viii) The electronic integration and management of all procurement activities including purchase request, authorization, ordering, delivery and payment between a purchaser and supplier is known as: a. E-procurement b. E-procurement process c. E-procurement system d. All of the above ix) A _____ is the set of planned activities designed to result in a profit in a marketplace. a. business model b. profit model. c. business plan. revenue model. x) Which of the following is/are the most common type of B2B e-commerce? a) supply chain management b) electronic portal c) online auction d) All the above	
	SECTION B	**(20 Marks)**
Q2	Distinguish between e-commerce and e-business. What are the buy-side and sell–side of e-commerce?	**CO1** **5**

Q3	Outline the reasons why a business may wish to adopt e-commerce?	**CO1 5**
Q4	What are the different layers of TCP/IP protocol stack? Discuss their function briefly	**CO2 5**
Q5	Which revenue model is most preferred by the e-commerce and why?	**CO3 5**
	SECTION-C (30 Marks)	
Q6	Discuss the security requirements of Internet and E-Commerce application and how these requirements are fulfilled by various hardware and software systems.	**CO3 10**
Q7	E-business involves re-evaluating value chain activities. What types of changes can be introduced to the value chain through e-business?	**CO2 10**
Q8	List the different business models identified by Timmers (1999). Contrast the market potential for B2B and B2C auctions.	**CO4 10**
	SECTION-D (30 Marks)	

Case study

The case summarizes the history of Tesco supermarkets' efforts to encourage electronic trading with their suppliers from EDI to Internet-based purchasing. The benefits and problems of implementing such electronic partnerships are explored.

Retailers have long sought greater collaboration in their supply chains, but few have managed to achieve it. One that has is Tesco, the UK's largest grocery retailer, which has built a reputation as one of Europe's most innova- tive retailers in its use of information technology.

As with many retailers, Tesco has long used electronic data interchange (EDI) to order goods from suppliers and the network links Tesco's and the 5000 suppliers it has in 2008 according to its supplier information web site. Tesco's suppliers range from very small companies offering one product delivered direct to a few stores, to multinationals supplying large volumes of goods to their stores around the world via our international sourcing hubs in Hong Kong and elsewhere.

The remainder of this case provides a historical perspective on the adoption of E-commerce at Tesco which originated with electronic orders from Tesco, but with limited sharing of information about Tesco inven- tory. But in 2006, according to its supplier information web site, a new system, TescoLink was introduced to allow suppliers direct access to store level sales data on their products as well as information on wastage, margin and stock availability. This will assist suppliers to achieve ECR and reduce their own inventories.

The EDI system started operating in the 1980s and its use was initially limited to streamlining store replenish- ment. In 1989, Tesco took its first steps on the road to ollaboration and began using its EDI network to help its suppliers better forecast demand.

About 350 suppliers receive EDI messages with details of actual store demand, depot stockholdings and Tesco's weekly sales forecasts. According to Barry Knichel, Tesco's supply chain director, this forecasting project has been successful as average lead times have fallen from seven to three days. 'Nevertheless, the information flow is strictly one way', he says. 'We still do not know the true value of this sales data because we never get any feedback.'In 1997, Tesco thus started its Tesco Information Exchange (Tie) project in an attempt to achieve much more sophisticated two-way collaboration in its supply chain. 'This really was a big development for us', he says. 'The guiding principle was to combine our retailing knowledge with the product knowledge of our suppliers.'

A large Tesco store may carry 50,000 products while a supplier will have at most 200. An important aim of the Tie project was thus to shift responsibility for managing products down to the relevant supplier.

‘Suppliers clearly have a better understanding of their specific product lines, so if you can engage the supplier to manage the supply chain you are going to get much better product availability and reduce your inventory’, says Jorge Castillo, head of retail business for GE Information Services, which developed the extranet technology behind Tie.Suppliers pay from £100 to £100,000 to join Tie, depending on their size. This then allows them to access the Tie web site and view daily electronic point- of-sale (Pos) data from Tesco stores. According to Mr Castillo, Tie lets suppliers monitor changes in demand almost in real time and so gives them more time to react. ‘Before, Tesco’s suppliers would not have seen a problem until Tesco got on the phone to them’, he says. ‘Now, it is the suppliers who get on the phone to Tesco and they can see much earlier on if a product is not selling well.’

The data can be analysed in a number of ways to allow suppliers to see how sales perform by distribution centre, by individual store or even by TV region – important for promotions. The management of promotions is a complex process requiring close cooperation between supplier and retailer. However, it has traditionally been difficult to do well because of the lack of shared data to support collaborative decisions.

‘Promotions can be a nightmare’, says Mr Knichel. Tesco and GEIS added a promotions management module to the service in 1999. It allows retailers and suppliers to collaborate in all stages of the promotion: initial commercial planning, supply chain planning, execution and final evaluation.

According to St Ivel, one of Tesco’s bigger food suppliers, Tie has saved 30 per cent of its annual promotional costs.More than 600 suppliers, representing 70 per cent of Tesco’s business, are using Tie today and Tesco aims to have all its suppliers onboard by the end of 2000. Around 40 suppliers are participating in the most recent addition to the Tie system, a collaborative data module.This aims to allow ‘seamless’ planning in which the planning data on the screen is jointly filled in by both retailer and supplier. Mr Knichel sees this as radical change for the retail industry as suppliers and retailers have traditionally worked to separate agendas.

He feels Tie has much potential to streamline Tesco’s supply chain and to help suppliers improve their service levels and promotions. But retailing is a traditional industry and many suppliers are set in their ways.

‘Only two suppliers have fundamentally changed the way they work as a result of Tie. Nevertheless, they can bring products to market much faster than any of their competitors’, he says.

Q9	What benefits does Tesco’s information exchange offer to the retailer and its suppliers? What differences have the use of TIE added over the original EDI system?	**CO4 15**
Q10	Discuss reasons why only two of Tesco’s suppliers have fundamentally altered the way they work as a result of TIE.	**CO4 15**