

- 1) Which of the following is most reflective of the true definition of ebusiness?
- A) any business activities carried out in electronic form
 - B) the usage of electronic data interchange (EDI)
 - C) the effective delivery of ecommerce via the internet
 - D) the strategic use of technology to integrate business processes, applications, and organizational structure
 - E) business conducted over the internet
- Answer: D
Diff: 2 Type: MC Page Ref: 6
Skill: A Objective: 1
- 2) Which of the following best describes a supply chain?
- A) a process that enables a business to make continuous improvements in offerings to customers
 - B) a model for providing excellent customer service
 - C) the logical flow of goods and services through an organization
 - D) an interrelated set of functions that provide the goods and services which will be sold to customers
 - E) the replenishment cycle of parts or items for sale
- Answer: D
Diff: 2 Type: MC Page Ref: 14
Skill: R Objective: 4
- 3) Which of the following does *not* increase privacy and security on the internet?
- A) encryption
 - B) credit cards
 - C) firewall
 - D) smart cards
 - E) passwords
- Answer: B
Diff: 2 Type: MC Page Ref: 18
Skill: A Objective: 6
- 4) Which of the following scenarios best describes basic firewall architecture?
- A) Firewall Computer – Network Server - Internet - Community of Users
 - B) Firewall Computer – Internet - Network Server - Community of Users
 - C) Internet – Network Server – Firewall Computer – Community of Users
 - D) Internet – Firewall Computer – Network Server – Community of Users
 - E) Network Server – Internet – Firewall Computer – Community of Users
- Answer: D
Diff: 3 Type: MC Page Ref: 19
Skill: R Objective: 6
- 5) Hypertext Markup Language (HTML) is:
- A) a programming language used to create web applications.
 - B) a set of standards for transferring files.

- C) a programming language used to create webpages.
- D) a software used to create online storefronts.
- E) exactly the same as XML.

Answer: C

Diff: 2 Type: MC Page Ref: 10
Skill: A Objective: 3

- 6) Which of the following statements is true of Extensible Markup Language (XML)?
- A) It is an outdated language.
 - B) It relies solely on pre-defined tags to identify information.
 - C) It is the same as HTML.
 - D) It provides a mechanism to define new tags.
 - E) It is not compatible with HTML.

Answer: D

Diff: 1 Type: MC Page Ref: 11
Skill: R Objective: 3

- 7) The predominant scripting language used to create webpages is _____.
- A) TCP
 - B) HTTP
 - C) HTML
 - D) IP
 - E) XML

Answer: C

Diff: 1 Type: MC Page Ref: 10
Skill: R Objective: 3

- 8) Which of the following statements is true with regard to ERP systems?
- A) ERP systems are large software applications used to automate activities across a business.
 - B) ERP systems are predominately used in small to medium sized companies.
 - C) ERP systems usually use a number of different databases.
 - D) ERP systems are simple to implement in a business.
 - E) ERP systems serve the same purpose as CRM systems.

Answer: A

Diff: 2 Type: MC Page Ref: 12
Skill: A Objective: 3

- 9) Which of the following tools could businesses use when trying to achieve full system integration?
- A) enterprise resource planning
 - B) eprocurement
 - C) customer relationship management
 - D) supply chain management
 - E) all of the above

Answer: E

Diff: 2 Type: MC Page Ref: 10
Skill: A Objective: 3

10) Which of the following features of internet-based business have an impact on the models adopted by businesses?

- A) speed and convenience
- B) customization
- C) media flexibility
- D) redefinition of product value
- E) all of the above

Answer: E

Diff: 2 Type: MC Page Ref: 6
Skill: R Objective: 2

11) Which of the following is true of sell-side procurement systems?

- A) They involve systems that fully automate purchases by staff and involve electronic contact with outside suppliers.
- B) They involve the selling end of the supply chain, which consists of customers and the processes that connect with them.
- C) They automate transactions involved with selling products to an organization's suppliers.
- D) They connect an organization's suppliers directly to its customers.
- E) They have no direct link to the systems of an organization's suppliers or customers.

Answer: B

Diff: 2 Type: MC Page Ref: 13
Skill: A Objective: 4

12) With regard to ebusiness, business models have changed substantially in all *but* which of the following ways?

- A) making old sources of revenue obsolete
- B) increasing infrastructure costs
- C) increasing technology costs
- D) adding new sources of revenue
- E) adding convenience

Answer: B

Diff: 3 Type: MC Page Ref: 7
Skill: A Objective: 2

13) Ebusiness can be defined as:

- A) the use of technology to connect with customers and suppliers.
- B) the use of technology to reduce costs and/or increase profits.
- C) online advertising and webpages.
- D) using electronic networks to reach new markets.
- E) all of the above.

Answer: E

Diff: 2 Type: MC Page Ref: 5
Skill: A Objective: 1

14) Supply chain management is related to customer relationship management in the following way:

- A) the supply chain allows companies to market to customers efficiently
- B) SCM and CRM are both parts of EDI
- C) SCM and CRM are competing business theories
- D) CRM and SCM can share information and are critical to each other due to data integration
- E) SCM gets parts from suppliers to sell to customers online

Answer: D

Diff: 3 Type: MC Page Ref: 13
Skill: A Objective: 3

15) Which of the following is the driving force for ebusiness growth in many companies?

- A) use of technology to improve efficiency inside the company
- B) improved communication with customers
- C) perceived increase in market reach
- D) employee downsizing due to automation
- E) a cultural shift within the firm

Answer: C

Diff: 1 Type: MC Page Ref: 15
Skill: A Objective: 5

16) Systems integration is important to ebusiness because:

- A) data needs to be written in consistent code to be read.
- B) the functional areas of business need to combine information secretively.
- C) rapid changes and actions require efficient data movements.
- D) the internet is an integrated environment.
- E) programmers need to use one language to integrate everything.

Answer: C

Diff: 2 Type: MC Page Ref: 10
Skill: A Objective: 3

17) Ebusiness models that have been tried in the past number of years have focused on:

- A) speed, convenience, customization, and flexibility.
- B) speed, convenience, mass marketing, and online selling.
- C) convenience, customization, flexibility, and email campaigns.
- D) establishing businesses as bricks-based enterprises.
- E) integration of supply chain management and public relations.

Answer: A

Diff: 2 Type: MC Page Ref: 6
Skill: A Objective: 2

18) Which of the statements below most accurately describes privacy on the internet?

- A) Privacy is not really an issue on the internet.
- B) Web browsers are not good enough to protect privacy.
- C) New legislation takes away personal privacy online.
- D) Companies have little to worry about with respect to privacy.
- E) Surfing online has no privacy risks.

Answer: B

Diff: 2 Type: MC Page Ref: 18

Skill: A Objective: 6

19) Business to consumer electronic commerce focuses primarily on:

- A) gathering marketing data on web users to sell products.
- B) developing a valuable subscriber list that has tremendous value.
- C) getting consumers involved in entering data online.
- D) assisting customers to efficiently find, purchase, and receive goods.
- E) closing expensive bricks stores and using more digital technology.

Answer: D

Diff: 3 Type: MC Page Ref: 13

Skill: A Objective: 4

20) The business to business arena of electronic commerce can be described as:

- A) using the internet to invest in other companies.
- B) pooling together resources so that small businesses can compete.
- C) ecommerce transactions between customers and companies.
- D) electronic transactions between businesses in the same area.
- E) electronic transactions between businesses, primarily through the internet.

Answer: E

Diff: 2 Type: MC Page Ref: 14

Skill: A Objective: 4

21) Which is *not* one of the benefits of ebusiness named in this chapter?

- A) increasing sales
- B) reducing costs
- C) expanding market reach
- D) improving customer service
- E) providing Graphical User Interface (GUI)

Answer: E

Diff: 1 Type: MC Page Ref: 15

Skill: A Objective: 5

22) The use of a mathematical formula that is applied to electronic data to render it illegible to anyone without the decoding key is called _____.

- A) firewall blocking
- B) encryption
- C) encoding
- D) code privatization
- E) pseudo coding

Answer: B

Diff: 2 Type: MC Page Ref: 18

Skill: R Objective: 6

- 23) A firewall is placed between:
- A) a computer and a server.
 - B) an intranet and a client computer.
 - C) the internet and a network.
 - D) an extranet and a client computer.
 - E) network interfaces and client computers.

Answer: C

Diff: 1 Type: MC Page Ref: 19

Skill: R Objective: 6

- 24) Businesses achieve systems integration by tying their systems together internally and externally using:
- A) supply chain and customer relationship management.
 - B) ebusiness domains and ecommerce.
 - C) intranets and extranets.
 - D) enterprise resources planning (ERP) and electronic data interchange (EDI).
 - E) buy-side and sell-side systems.

Answer: C

Diff: 1 Type: MC Page Ref: 10

Skill: A Objective: 3

- 25) MySpace, Facebook, and LinkedIn are all examples of _____.
- A) cloud computing
 - B) software as a service
 - C) electronic data interchange
 - D) ebusiness
 - E) social media

Answer: E

Diff: 1 Type: MC Page Ref: 2

Skill: A Objective: 1

- 26) Sears is an example of an old company that has made the transition to the world of ebusiness and now has one of the top-rated ebusiness websites on the internet while still retaining its traditional retail presence. This transition would be considered to be _____.
- A) brick-and-mortar
 - B) clicks to bricks
 - C) bricks to clicks
 - D) plug and play
 - E) bricks presence

Answer: C

Diff: 3 Type: MC Page Ref: 5

Skill: A Objective: 1

27) The internet is being revolutionized through the spread of mobile units such as smartphones, iPads, and other internet-capable devices. These tools have made the internet _____.

- A) ubiquitous
- B) more secure
- C) less secure
- D) iniquitous
- E) less expensive

Answer: A

Diff: 2 Type: MC Page Ref: 2

Skill: R Objective: 1

28) The use of the internet together with _____ make it possible for internet-based businesses to provide customized products and services.

- A) business intelligence
- B) encryption
- C) integrated systems
- D) internet service providers
- E) PayPal

Answer: C

Diff: 2 Type: MC Page Ref: 7

Skill: A Objective: 2

29) Growth in ebusiness is driven by how its benefits will impact profitability. The two main ways in which contribution to profit can be achieved are:

- A) increased revenue and cost reduction.
- B) increased sales volume and cost reduction.
- C) reductions in customer service personnel and increased customer service.
- D) improved relations with suppliers and customers.
- E) expanding market reach and increased competitive advantage.

Answer: A

Diff: 3 Type: MC Page Ref: 15

Skill: A Objective: 5

30) Two sides are involved in trading communities or exchanges. These two sides are:

- A) suppliers and manufacturers.
- B) manufacturers and distributors.
- C) vendors and suppliers.
- D) suppliers and customers.
- E) customers and customers.

Answer: D

Diff: 2 Type: MC Page Ref: 13

Skill: A Objective: 3

- 31) The Personal Information Protection and Electronic Documents Act (PIPEDA) is designed to help individuals maintain a measure of control over personal information.

A) True

B) False

Answer: True

Diff: 2

Type: TF

Page Ref: 19

Skill: R

Objective: 6

- 32) The rise in the use of the internet is the single most important enabler of ebusiness of any type.

A) True

B) False

Answer: True

Diff:

Type: TF

Page Ref: 12

Skill: R

Objective: 3

- 33) In the B2B arena, activity has centred on the streamlining of the customer relationship management applications by establishing shared systems between suppliers and customers, using the internet or related technology.

A) True

B) False

Answer: False

Diff: 3

Type: TF

Page Ref: 14

Skill: A

Objective: 4

- 34) The streamlining of the internal value chain and the external supply chain enable businesses to respond quickly to the increasingly stringent demands of ecustomers.

A) True

B) False

Answer: True

Diff: 2

Type: TF

Page Ref: 9

Skill: A

Objective: 2

- 35) Businesses achieve systems integration by using intranets to connect their systems internally, and by using extranets to connect their systems to customers and suppliers.

A) True

B) False

Answer: True

Diff: 1

Type: TF

Page Ref: 10

Skill: R

Objective: 3

- 36) One of the reasons people use the internet is for convenience.

A) True

B) False

Answer: True

Diff: 1

Type: TF

Page Ref: 6

Skill: A Objective: 2

- 37) Media flexibility describes the capabilities of the internet to cooperate with multimedia companies.

A) True
B) False

Answer: False

Diff: 2 Type: TF Page Ref: 8

Skill: A Objective: 2

- 38) Social media marketing is completely free marketing for businesses.

A) True
B) False

Answer: False

Diff: 3 Type: TF Page Ref: 2

Skill: A Objective: 1

- 39) Artificial intelligence (AI) is a powerful application or set of applications that allows businesses to capture, analyze, interpret, and report on data across an enterprise, thus creating valuable information for the enterprise.

A) True
B) False

Answer: False

Diff: 2 Type: TF Page Ref: 13

Skill: R Objective: 3

- 40) Government to Government (G2G) is one of the domains of ebusiness.

A) True
B) False

Answer: False

Diff: 2 Type: TF Page Ref: 15

Skill: R Objective: 4

- 41) Software as a service (SaaS) providers make applications available for no charge to businesses over the internet.

A) True
B) False

Answer: False

Diff: 2 Type: TF Page Ref: 2

Skill: R Objective: 1

- 42) One of the clear advantages of ebusiness is the lower cost of executing transactions.

A) True
B) False

Answer: True

Diff: 1 Type: TF Page Ref: 16

Skill: A Objective: 5

43) What are the major two challenges of ebusiness discussed in this chapter?

Answer:

privacy and security

Diff: 2 Type: ES Page Ref: 18

Skill: R Objective: 6

44) List three benefits of ebusiness.

Answer:

increasing sales

reducing costs

improving customer service

minimizing competitive pressure

expanding market reach

Diff: 2 Type: ES Page Ref: 15

Skill: R Objective: 5

45) What is the role of buy-side procurement systems?

Answer:

Involves systems within a business that fully automate purchases by staff and involve electronic contact with outside suppliers, often through the internet or an extranet.

Diff: 3 Type: ES Page Ref: 13

Skill: R Objective: 4

46) What is business intelligence (BI)?

Answer:

Business intelligence (BI) is a powerful application, or set of applications, that allows businesses to capture, analyze, interpret, and report on data across an enterprise, thus creating valuable information for the enterprise.

Diff: 3 Type: ES Page Ref: 13

Skill: R Objective: 4

47) Apart from intranets and extranets, what are the other four tools that are used by companies to achieve systems integration?

Answer:

Enterprise Resource Planning (ERP), Supply Chain Management (SCM), Customer Relationship Management (CRM), and eprocurement

Diff: 3 Type: ES Page Ref: 12

Skill: R Objective: 3

48) Distinguish between ecommerce and ebusiness.

Answer:

Ecommerce is the use of the internet for of buying, selling, or exchanging products, services, or information.

Ebusiness is a broader term that extends beyond the use of the internet, referring to the strategic use of technology to streamline internal business processes and interactions with external parties. *Diff: 3 Type: ES Page Ref: 6*

Skill: A Objective: 1

49) List four domains of ebusiness transactions.

Answer:

B2B (business-to-business)

B2C (business-to-consumer)

B2G (business-to-government)

G2B (government-to-business)

Diff: 1 Type: ES Page Ref: 13-15

Skill: R Objective: 4

50) Describe what is meant by cloud computing.

Answer:

Cloud computing involves applications and other computer resources being hosted on the internet rather than on an enterprise's own computer systems. Service providers make the application available for a fee – a practice known as software as a service (SaaS). Cloud computing frees up the business from the burden of software and infrastructural maintenance.

Diff: 3 Type: ES Page Ref: 2

Skill: A Objective: 1