



الجامعة السعودية الإلكترونية  
Saudi Electronic University

E-Com-101:E-Commerce

**ASSIGNMENT QUESTIONS**

**Set-1**

1. What is a payment gate-way also discuss how does it Works.

Payment gateway is the application that is used for E-commerce payments it is the virtual equivalent of a physical point of sale terminal located in most retail outlets. Payment gateways encrypt sensitive information, such as credit card numbers, to ensure that information passes securely between the customer and the merchant.

Herewith a general example how the payment gateway works :

- The Customer purchase the items from the website and enters a credit card number in check-out page.
- Details about the purchase are sent by checkout to the payment gateway for processing.
- The payment gateway forwards transaction information to seller's bank.
- The seller's bank forwards transaction information to the bank that issued the buyer's credit card to authorize the transaction.
- The bank that issued the buyer's credit card either approves or denies the transaction and sends that information back to the seller's bank.
- If the transaction is approved, the bank will deposit funds on a merchant's account at a scheduled time.
- The payment gateway sends transaction details and response back to the website
- The E-Commerce website inform the buyer know if the transaction was approved or denied.

2. Name the three most vulnerable points in e commerce environment and also discuss why these points are so vulnerable and what is the solution?

Three key points of vulnerability in e-commerce environment:

1- Client

2-Server

3-Communications pipeline (Internet communications channels)

Those three main points that could be are compromised through hacking – fraud – Phishing  
Cybervandalism - Data breach – Spoofing – Spams and Dos attacks

And there are basic methods in order to secure each side :

Protecting Internet communications

-Encryption

Securing channels of communication

-SSL, VPNs

Protecting networks

-Firewalls

Protecting servers and clients

### 3. What are the factors that Influence Consumers' Buying Behavior also mention Stages in the Buying Process.

A consumer, making a purchase decision will be affected by the following three factors:

1. Personal
2. Psychological
3. Social

Six Stages to the Consumer Buying Decision Process (For complex decisions). Actual purchasing is only one stage of the process. Not all decision processes lead to a purchase. All consumer decisions do not always include all 6 stages, determined by the degree of complexity...discussed next.

The 6 stages are:

1. Problem Recognition(awareness of need)--difference between the desired state and the actual condition. Deficit in assortment of products. Hunger--Food. Hunger stimulates your need to eat. Can be stimulated by the marketer through product information--did not know you were deficient? I.E., see a commercial for a new pair of shoes, stimulates your recognition that you need a new pair of shoes.
2. Information search--
  - o Internal search, memory.
  - o External search if you need more information. Friends and relatives (word of mouth). Marketer dominated sources; comparison shopping; public sources etc.

A successful information search leaves a buyer with possible alternatives, the evoked set.

Hungry, want to go out and eat, evoked set is

- o chinese food
- o indian food
- o burger king

- klondike kates etc
- 3. Evaluation of Alternatives--need to establish criteria for evaluation, features the buyer wants or does not want. Rank/weight alternatives or resume search. May decide that you want to eat something spicy, Indian gets highest rank etc.  
If not satisfied with your choice then return to the search phase. Can you think of another restaurant? Look in the yellow pages etc. Information from different sources may be treated differently. Marketers try to influence by "framing" alternatives.
- 4. Purchase decision--Choose buying alternative, includes product, package, store, method of purchase etc.
- 5. Purchase--May differ from decision, time lapse between 4 & 5, product availability.
- 6. Post-Purchase Evaluation--outcome: Satisfaction or Dissatisfaction. Cognitive Dissonance, have you made the right decision. This can be reduced by warranties, after sales communication etc. After eating an Indian meal, may think that really you wanted a Chinese meal instead.

#### 4. Discuss the 10 most Important Website Attributes.

##### 1. Visual appeal

The Web has evolved during its 20-year history from a text-based channel into a highly visual platform that contains images, streaming video and widespread interactivity, making it exceptionally appealing as a medium. You only have to look at social platforms to know images and imagery are at the heart of engaging the user. Ensuring text and graphics are visually appealing makes it easier for the eye to quickly scan the page and decide whether or not to continue using the site.

##### 2. Navigation

Navigation is an important consideration for websites, as there is usually a large variety of information and services to communicate to the target audience. An effective navigation structure assists in channeling users to the appropriate section of a website and allows users to easily locate the information they require. Users should have a good idea of what can be found behind each link and navigational cues should show users where content lives in the site's hierarchical structure.

##### 3. Homepage

The homepage is of critical importance to any website. It is the 'hub' of a website, where the vast majority of users will first land before navigating through site content. A successfully designed homepage engages users through visual design, allows users to easily gain an understanding of the type of content available on the website, and provides strong calls to action to ensure users are easily able to find the content they desire (to name just a few).

##### 4. Range of services on homepage

Some organizations provide a wide range of services to different audiences, and it is important that the homepage reflects this. Users find it more comfortable to navigate websites where the homepage acts as a reference point. The visual distinction and navigational signposts present on homepages ensures users can recognize their starting point when they return from exploring a new part of the site.

## 5. Brand

Prospective customers are usually interested in the experiences and opinions of others. With strong competition in many industries, it is vital for an organization's website to highlight its reputation and brand, in order to attract new customers. A core information source for prospective customers is to hear the successful outcomes from current customers, clients or staff. This can be achieved in the form of testimonials, success stories, accolades and awards.

## 6. Search

Search is a commonly used feature by users on all types of websites. Due to the large amount of content available on many organizations' websites, providing a user friendly, flexible, reliable search feature is viewed as a high priority. When focusing on content rich websites, the use of advanced search features through filtering is of high importance. Users who use the search feature will often make assumptions about the quality of the content available on the website overall, based on the results generated by the available search.

## 7. Social media

Social media is a great way to interact more casually with your target audience, and by displaying feeds contextually it draws attention to this information source and can increase engagement levels. With an effective social media strategy, your organization can hope to build brand awareness and hook users into your direct marketing funnel.

## 8. Responsive design

With the number of users accessing content via mobile devices increasing rapidly it is critical that an organization's website content is optimized for viewing on smaller devices. Not only should the site be easy to read and navigate, but also content must be prioritized with a clear hierarchy in mind. Core content and functionality should be presented, and anything, which is not absolutely necessary, should not be displayed. We believe that the following website provides a good example of responsive design.

9. Live Chat: it is added value feature to the website, give the required support for the customers.

10. Consumer reviews: shows how the customers evaluate the products and their experience

## 5. What do you understand by motivation also discuss Maslow's Hierarchy needs.

Motivation is giving a proper reason to do something, and motivate your customers is give them a good reason to buy.

Maslow hierarchy needs is :

1. Biological and Physiological needs - air, food, drink, shelter, warmth, sex, sleep.

2. Safety needs - protection from elements, security, order, law, stability, freedom from fear.
3. Love and belongingness needs - friendship, intimacy, affection and love, - from work group, family, friends, romantic relationships.
4. Esteem needs - achievement, mastery, independence, status, dominance, prestige, self-respect, respect from others.
5. Self-Actualization needs - realizing personal potential, self-fulfillment, seeking personal growth and peak experiences.