

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 1) Customization means to change a delivered product or service based upon a consumer's preferences or past purchasing behavior. 1) _____
- 2) Web 2.0 describes a set of applications and technologies that encourage and rely on user- and consumer-generated interactivity and content. 2) _____
- 3) E-commerce as we know it today would not exist without the Internet and the World Wide Web. 3) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 4) Which of the following is *not* a major technology trend in e-commerce? 4) _____
 - A) The Internet broadband foundation becomes stronger in households and businesses.
 - B) Computing and networking component prices increase dramatically.
 - C) Podcasting takes off as a new media format.
 - D) Wireless Internet connections grow rapidly.
- 5) E-commerce can be defined as: 5) _____
 - A) the digital enablement of transactions and processes within an organization.
 - B) the use of the Internet and the Web to transact business.
 - C) any digitally enabled transactions among individuals and organizations.
 - D) the use of any Internet technologies in a firm's daily activities
- 6) The integration of video, audio and text marketing messages into a single marketing message and consuming experience is an example of: 6) _____
 - A) ubiquity.
 - B) information density.
 - C) richness.
 - D) personalization.
- 7) Which of the following are all unique features of e-commerce technology? 7) _____
 - A) information density, universal standards, personalization/customization, sales force-driven.
 - B) local/regional reach, interactivity, richness, personalization/customization.
 - C) universal standards, richness, information density, interactivity.
 - D) interactivity, global reach, information asymmetry, personalization/customization.
- 8) None of the following technologies easily crosses national boundaries to a global audience *except*: 8) _____
 - A) newspapers.
 - B) the Internet.
 - C) television.
 - D) radio stations.
- 9) Network externalities are related to which of the following features of e-commerce technology? 9) _____
 - A) Interactivity
 - B) Universal standards
 - C) Information density
 - D) Richness
- 10) E-commerce can be said to have begun in: 10) _____
 - A) 1983.
 - B) 2001.
 - C) 1995.
 - D) 1985.

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11) A value proposition defines how a company's product or service fulfills the needs of a customer. 11) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

12) A _____ business model provides a way for consumers to sell to each other with the help of an online business 12) _____
A) B2C B) C2C C) B2B D) P2P

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13) The major hubs in the U.S. where the Internet backbone intersects with regional and local networks are commonly referred to as Network Access Points (NAPs). 13) _____

14) A podcast is an audio presentation stored as an audio file and posted to the Web. 14) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

15) _____ is one of the original Internet protocols and is used to transfer files from a server computer to a client computer and vice versa. 15) _____
A) HTTP B) SSL C) FTP D) SMTP

16) The backbone of the Internet is formed by: 16) _____
A) Network Service Providers (NSPs). B) Internet Service Providers (ISPs).
C) Metropolitan Area Exchanges (MAEs). D) Internet Exchange Points (IXPs).

17) Software programs that gather and/or filter information on a specific topic and provide a list of the results may be called any one of the following *except*: 17) _____
A) bots. B) cookies.
C) intelligent agents. D) software robots.

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18) Building a Web site from scratch is always the most cost effective choice. 18) _____

19) It can cost as much to maintain a Web site on an annual basis as it does to build it. 19) _____

20) Dynamic page generation lowers menu costs. 20) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

21) Which of the following basic system functionalities is used to display goods on a Web site? 21) _____
A) Product database B) Digital catalog
C) Customer database system D) Shopping cart system

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22) In order to accept payments by credit card, online merchants must have a merchant account established with a bank or financial institution. 22) _____

23) PayPal does not require the recipient of payments to have a PayPal account to receive funds. 23) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

24) _____ refers to the ability to identify the person or entity with whom you are dealing on the Internet. 24) _____

- A) Integrity
- B) Authenticity
- C) Availability
- D) Nonrepudiation

25) Software that is used to obtain private user information such as user's keystrokes or copies of e-mail is referred to as: 25) _____

- A) Trojan horses.
- B) browser parasites.
- C) spyware.
- D) adware.

26) A(n) _____ is hardware or software that acts as a filter to prevent unwanted packets from entering a network. 26) _____

- A) PPTP
- B) proxy server
- C) firewall
- D) virtual private network

27) All of the following payment systems provide some security against unauthorized use *except*: 27) _____

- A) cash.
- B) personal checks.
- C) accumulating balance.
- D) debit cards.

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

28) Spoofing a Web site is also called _____. 28) _____

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

29) In 2007, a fairly equal percentage of both men and women had access to the Internet. 29) _____

30) Transaction logs are built into Web server software. 30) _____

31) Amazon is an example of a company that uses affiliate marketing. 31) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

32) The online activity engaged in most frequently by the most online users is: 32) _____

- A) using a search engine.
- B) researching products and services.
- C) using e-mail.
- D) reading news.

33) A _____ is a set of needs, drives, motivations, perceptions and learned behaviors. 33) _____

- A) culture
- B) lifestyle group
- C) psychological profile
- D) subculture

34) Which of the following types of online market segmentation and targeting involves using age, ethnicity, religion, etc.? 34) _____

- A) Psychographic
- B) Contextual
- C) Technical
- D) Demographic

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- 35) Sending e-mail marketing messages is typically less costly than sending direct mail marketing messages. 35) _____
- 36) Online consumer behavior is fundamentally different from offline consumer behavior. 36) _____
- 37) Permission e-mail campaigns produce the highest response rate. 37) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 38) The most popular search engine provider is: 38) _____
A) MSN. B) Yahoo. C) Google. D) Ask Jeeves.
- 39) Which of the following is the largest and fastest growing form of social marketing? 39) _____
A) Game advertising B) Social network advertising
C) Virtual life advertising D) Blog advertising
- 40) Impressions are a measure of the: 40) _____
A) number of http requests. B) number of times an ad is served.
C) number of times an ad is clicked. D) number of pages viewed.
- 41) Which of the following measures the ratio of actual orders to "Add to cart" clicks? 41) _____
A) Cart conversion rate B) Conversion rate
C) View-to-cart ratio D) Browse-to-buy ratio
- 42) Which of the following measures the ratio of "Add to cart" clicks to product views? 42) _____
A) Acquisition rate B) Cart conversion rate
C) Browse-to-buy ratio D) View-to-cart ratio
- 43) Which of the following measures the ratio of actual orders to checkouts started? 43) _____
A) Acquisition rate B) Conversion rate
C) Cart conversion rate D) Checkout conversion rate
- 44) Acquisition rate is a measure of the: 44) _____
A) percentage of visitors who become customers.
B) percentage of visitors who indicate an interest in a site's products by registering or visiting a product's pages.
C) percentage of existing customers who continue to buy on a regular basis.
D) percentage of shoppers who do not return within a year after their initial purchase.
- 45) Recency refers to the: 45) _____
A) time elapsed since the last action taken by a customer.
B) percentage of customers who do not return during the next year after an initial purchase.
C) percentage of customers who return to the site within a year to make additional purchases.
D) percentage of existing customers who continue to buy on a regular basis.

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 46) _____ is the sending of marketing messages to specific sub-groups in the population. 46) _____

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47) In Europe, privacy protection is much weaker than in the United States. 47) _____

48) Copyright protection protects against others copying the underlying ideas in a work. 48) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

49) Which ethical principle emphasizes putting oneself into the place of others and thinking of oneself as the object of the decision? 49) _____

- A) The Social Contract Rule
- B) The Collective Utilitarian Principle
- C) The Golden Rule
- D) Universalism

50) Which ethical principle states that, when confronted with an ethical dilemma, individuals should take the action that achieves the greater value for all of society? 50) _____

- A) Universalism
- B) The Social Contract Rule
- C) The Golden Rule
- D) The Collective Utilitarian Principle

51) Which ethical principle states that if an action cannot be taken repeatedly, then it is not right to take at all? 51) _____

- A) Universalism
- B) The Social Contract Rule
- C) Slippery Slope
- D) The Golden Rule

52) Which ethical principle asks you to consider the impact of your decision if the principles underlying your decision became an organizing principle of the entire society? 52) _____

- A) The Social Contract Rule
- B) Risk Aversion
- C) The Golden Rule
- D) Slippery Slope

53) Which ethical principle tells you that it is wise to assume perfect information markets? 53) _____

- A) The *New York Times* Test
- B) The Collective Utilitarian Principle
- C) The Social Contract Rule
- D) The Golden Rule

54) Which ethical principle states that when confronted with an ethical dilemma, an individual should take the action that produces the least harm, or the least potential cost? 54) _____

- A) Slippery Slope
- B) Collective Utilitarian principle
- C) No Free Lunch
- D) Risk Aversion

55) Downloading music tracks owned by record companies without paying for them is an example of a violation of: 55) _____

- A) privacy law.
- B) patent law.
- C) copyright law.
- D) trademark law.

56) Registering a domain name similar or identical to trademarks of others to extort profits from legitimate holders is an example of: 56) _____

- A) cybersquatting.
- B) metatagging.
- C) cyber piracy.
- D) framing.

57) Over which of the following does ICANN have authority? 57) _____

- A) Public policy issues
- B) Standards
- C) Domain name system
- D) Technical infrastructure

- 58) All of the below are advantages of online retail *except*: 58) _____
 A) faster delivery of goods. B) lower supply chain costs.
 C) ability to change prices. D) lower cost of distribution.
- 59) Craigslist.com is a player in which of the following online services market? 59) _____
 A) Real estate services and career services
 B) Travel services
 C) Insurance services and brokerage services
 D) Online accounting services

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 60) _____ goods are consumed quickly and have shorter life spans. 60) _____
- 61) A(n) _____ is a single channel Web firm that generates almost all its revenues from online sales. 61) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 62) An e-book that is stored on a publisher's server and for which purchasers pay a fee for reading on-screen is an example of a: 62) _____
 A) Web-downloadable e-book. B) custom-published e-book.
 C) print-on-demand e-book. D) Web-accessed e-book.
- 63) The primary e-book revenue model is: 63) _____
 A) pay-per-download. B) marketing.
 C) advertising. D) subscription.

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- 64) Social network participation is one of the most common usages of the Internet. 64) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 65) _____ is the tendency to gravitate toward, and bid for, auction listings with one or more existing bids. 65) _____
 A) Winner's regret B) Group buying C) Bid rigging D) Herd behavior

Answer Key

Testname: E-COM_FULL_REVIEW

- 1) TRUE
- 2) TRUE
- 3) TRUE
- 4) B
- 5) B
- 6) C
- 7) C
- 8) B
- 9) B
- 10) C
- 11) TRUE
- 12) B
- 13) FALSE
- 14) TRUE
- 15) C
- 16) A
- 17) B
- 18) FALSE
- 19) TRUE
- 20) TRUE
- 21) B
- 22) TRUE
- 23) FALSE
- 24) B
- 25) C
- 26) C
- 27) A
- 28) pharming
- 29) TRUE
- 30) TRUE
- 31) TRUE
- 32) C
- 33) C
- 34) D
- 35) TRUE
- 36) FALSE
- 37) TRUE
- 38) C
- 39) B
- 40) B
- 41) A
- 42) D
- 43) D
- 44) B
- 45) A
- 46) Ad targeting
- 47) FALSE
- 48) FALSE
- 49) C
- 50) D

Answer Key

Testname: E-COM_FULL_REVIEW

- 51) C
- 52) A
- 53) A
- 54) D
- 55) C
- 56) A
- 57) C
- 58) A
- 59) A
- 60) Nondurable
- 61) virtual merchant
- 62) D
- 63) A
- 64) TRUE
- 65) D