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MBAS 407

First Semester M.B.A. Degree Examination, January 2019
BUSINESS ADMINISTRATION
E-Commerce

Time : 3 Hours

Max. Marks : 70

SECTION – A
(Compulsory)

Note : Answer to this question should **not** exceed **6** pages. **(1×15=15)**

1. “E-commerce has changed the way business is being carried on”. Justify this statement with respect to retail sector.

SECTION – B

Note : Answer **any five** questions. **Each** question carries **8** marks. Answer to **each** question should **not** exceed **5** pages. **(5×8=40)**

2. What are the incentives for an organisation engaging in e-commerce ?
3. Examine the role of e-commerce in redefining the organisation.
4. Explain the E-commerce sale life cycle model.
5. What are the different types of risks associated with Intranets ?
6. You are approached by a company to help them prepare a disaster recovery plan, what will be your approach ?
7. What are the features that digital payment mechanism should possess to become a viable payment solution ?
8. How does an e-organisation differ from a conventional organisation ? Explain with suitable examples.
9. What are the management opportunities in e-commerce ?

P.T.O.



SECTION – C
(Compulsory)

Note : Answer to this question should **not** exceed **6** pages.

(1×15=15)

10. Crutchfield Corporation (crutchfield.com) is a successful consumer electronics retailer headquartered in Virginia. They began in 1974 as a print “magalog” – a cross between a magazine and a catalog. What distinguished their catalog from others was the inclusion of information designed to educate potential buyers.

Crutchfield sells a wide range of electronic products – televisions, digital cameras, stereo equipment, and the like. It is a multichannel retailer providing sales and service through their mail order catalog, call centers, and their website that includes live chat. Crutchfield has won BizRate’s “Circle of Excellence Platinum” award for fourteen consecutive years. Crutchfield recognized the growing importance of mobile technology as new sales and service channels.

Goldman Sachs’ March 2014 forecast \$626 billion in sales by 2018 would be accounted for by mobile online shopping globally.

This number represents about 98% of the total of mobile shopping in 2013. Crutchfield concluded that they needed a payment solution that was built specifically for mobile transactions and could run on a variety of mobile devices. In addition, the solution needed to support their Canadian call center and the Web, as well as servicing other international buyers outside the U.S. and Canada and could be implemented quickly.

As noted earlier, most e-payments are made with credit and debit cards. This is true for both non-mobile and mobile purchases. However, the number of steps and the total amount of information required to complete a card transaction with a mobile device can be a bit more because of the smaller design and the time delay in mobile responses. For this reason, Crutchfield decided to implement an alternative solution that could support a range of mobile devices. They chose PayPal Mobile Express Checkout. In October 2010, PayPal introduced their Mobile Express Checkout system, which is a mobile version of their Express Checkout service.



Before the introduction, they had approximately 5 million members using mobile devices to place orders. It was a cumbersome process requiring a number of steps. They tried to simplify the process with a pay-by-text service, but were unsuccessful. The Express Checkout is a comprehensive, streamlined, and highly secure service that expedites checkouts. Crutchfield decided to employ Usablenet Inc., which built Crutchfield's mobile site, to help integrate Mobile Express Checkout with their existing website. Usablenet has over 400 clients worldwide, and has been named by *Fast Company* magazine as one of the top 10 innovative companies in mobile computing. They have lived up to their billing. They took only two weeks to get the system up and running, just in time for the holiday season.

Crutchfield's ROI from their new mobile system was substantial. First, testing revealed that the Mobile Express System increased conversion by 33.7%. In this case, conversion refers to the number of unique visitors to a site who actually made a purchase. More importantly, testing also revealed that 65% of the PayPal mobile users were new to Crutchfield. Not only did the system result in improved sales, but it also attracted new customers.

Questions :

- a) Why was Crutchfield interested in implementing a mobile payment solution ?
 - b) What solution did Crutchfield select ?
 - c) What were the outcomes of the mobile payment implementation ?
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