

EMERGING MODES OF BUSINESS WS 2

Class 11 - Business Studies

Section A

1. **Assertion (A):** There is a greater transaction risk in e-business. [1]
Reason (R): E-business requires technically and professionally qualified personnel.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
c) A is true but R is false. d) A is false but R is true.
2. **Assertion (A):** B2C transactions have business firms at one end and the customer care on the other end. [1]
Reason (R): Online Shopping is an example of B2C Commerce.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
c) A is true but R is false. d) A is false but R is true.
3. **Assertion (A):** B2C commerce entails a wide gamut of marketing activities. [1]
Reason (R): Identifying activities, promotion and delivery of products carried out online are included in B2C variant of E-Commerce.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
c) A is true but R is false. d) A is false but R is true.
4. **Assertion (A):** B2E Commerce has led to effective human resource management. [1]
Reason (R): It allows a firm to interact with its employees resorting to personnel recruitment, interviewing and selection, training, development and education.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
c) A is true but R is false. d) A is false but R is true.
5. **Assertion (A):** Companies can understand consumer tastes and preferences through B2C Commerce. [1]
Reason (R): Companies can conduct online surveys to ascertain who is buying what.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
c) A is true but R is false. d) A is false but R is true.
6. **Assertion (A):** E-business allows non-hierarchical communication. [1]
Reason (R): Communication takes place in all directions i.e., vertical, horizontal, and diagonal.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.

- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false. d) A is false but R is true.
14. **Assertion (A):** E-business allows firms to have direct communication with customers without involving intermediaries. [1]
Reason (R): Operating cost is higher in E-business than the traditional business.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false. d) A is false but R is true.
15. **Assertion (A):** Intra-B Commerce has to lead to easy efficient inventory and cash management. [1]
Reason (R): Customers can now be handled more easily.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false. d) A is false but R is true.
16. **Assertion (A):** E-business and E-commerce are not interchangeable. [1]
Reason (R): E-Business is wider in scope than E-Commerce.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false. d) A is false but R is true.
17. **Assertion (A):** Intra B Commerce leads to faster decisions and speedier workflows. [1]
Reason (R): Different Departments can communicate effectively through Intra B Commerce thus better communication and speedier decisions.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false. d) A is false but R is true.
18. **Assertion (A):** In Intra-B commerce, parties involved in the electronic transactions are from within a given business firm only. [1]
Reason (R): Intra-B is one of the variants of Traditional Business.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false. d) A is false but R is true.
19. **Assertion (A):** B2C Commerce helps the sellers to get to know about the level of customer satisfaction. [1]
Reason (R): B2C variant of e-commerce enables a business to be in touch with its customers on a round-the-clock basis.
- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false. d) A is false but R is true.
20. **Assertion (A):** There is no locational requirements for E-business unlike the traditional one. [1]

Reason (R): Physical presence is not required in E-business.

- a) Both A and R are true and R is the correct explanation of A.
- b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false.
- d) A is false but R is true.

21. **Assertion (A):** Formation of consumers' forum and pressure groups is an example of C2C Commerce. [1]

Reason (R): E-business is relatively easy to start than a traditional business.

- a) Both A and R are true and R is the correct explanation of A.
- b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false.
- d) A is false but R is true.

22. **Assertion (A):** E-business may be defined as the conduct of industry, trade and commerce using computer networks. [1]

Reason (R): E-business and E-commerce are one and the same thing.

- a) Both A and R are true and R is the correct explanation of A.
- b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false.
- d) A is false but R is true.

23. **Assertion (A):** C2B commerce provides the consumers with the freedom of shopping at will. [1]

Reason (R): Customers can reach out to businesses as and when they are in need of products.

- a) Both A and R are true and R is the correct explanation of A.
- b) Both A and R are true but R is not the correct explanation of A.
- c) A is true but R is false.
- d) A is false but R is true.

24. B2C variant of e-commerce enables a business to be in touch with its _____. [1]

- a) employees
- b) customers
- c) creditors
- d) managers

25. Both buyers and sellers are customers under _____ type of e-Business transaction. [1]

- a) B2C commerce
- b) C2C commerce
- c) C2B commerce
- d) B2B commerce

26. Both Sellers and buyers are business firms, under _____ type of e-commerce transaction. [1]

- a) B2C Commerce
- b) C2B Commerce
- c) C2C Commerce
- d) B2B Commerce

27. _____ greatly facilitates and speeds up the entire B2C process. [1]

- a) B-commerce
- b) e-Banking
- c) e-Commerce
- d) C-commerce

28. Historically, the term E-Commerce originally meant the facilitation of _____ transactions using Electronic Data Interchange (EDI) technology to send and received commercial documents like purchase orders or invoices. [1]

- a) B2C commerce
- b) C2C commerce

c) B2B commerce

d) C2B commerce

Section B

29. Abdul Kadir and Sunil Kumar jointly set up a firm. The business of the Firm was the production and sale of oil and flour at a large scale. Both the partners invested a sufficient quantity of capital. The objective of their business was to make nutritious oil and flour available to the people. They fixed the price of their product less than that of the other competitors. Their brand name was Fulwari. Owing to the good quality and low price, the people bought their product quickly. The firm had divided all its business into two divisions. The first division was managed by Mr. Sukhbir Singh. The activities done in this Division were as follows: Production, Stock Management. The second division was managed by Mr. Rohtas Gandhi. The activities performed in this division were as follows: Getting information about goods, Issuing orders, Taking the delivery and Making the payment. Both the divisions were performing all their respective activities through the medium of the internet. The business of the firm was gradually growing. [3]
- On the basis of the above paragraph answer, the following:
- What would you call the activities performed in the Division of Mr. Rohtas Gandhi in the modern business vocabulary/terminology?
 - What collective name would you give to the activities being looked after by Mr. Sukhbir Singh and Mr. Rohtas Gandhi?
30. Out of e-business and traditional business, which one enjoys ease of going global? [3]
31. Grehni Foods Private Limited is such a company which does the business of Grocery Items of daily domestic usage. Its business is spread throughout Delhi. The company's 35 stores are providing their services to the residents of Delhi. All the business activities of this company depend on the Internet. Its main activities are as follows: Obtaining Information about Goods, Ordering Goods, Receiving Orders of goods, Making Payments, Getting Payment, Stock Management, Product Development, Accountancy and Human Resource Management. The Company's stores being spread at distant places, all of them use the medium of Internet for Mutual Dealings. The Middlemen are disappearing because of business being based on the Internet. Consequently, customers are getting goods comparatively at a cheaper price. Because now the payment is also made through Internet, the risk of carrying cash by the people has come to an end. The people are fully satisfied with the services of 'Grehni Foods'. One of the reasons for their satisfaction is that now their doubts are immediately removed. Being influenced by the success of this company, some other people also started this type of business. But they could not achieve much success. The reason for this was the additional advantage to 'Grehni Foods' because of being the First Mover. [3]
- Which system of business of being followed by 'Grehni Foods Private Limited'- Traditional or Modern.
 - Give the special name of the business system identified in Part (i).
 - Quoting the relevant lines write about the three advantages of the special system identified in (ii).
 - Which particular field of e-Business is indicated from the mutual dealing being done on the Internet by the different stores/departments of the company?
32. Lavanya is running a health and weight management center in Varanasi. She keeps in regular touch with her clients through an online portal. Moreover, she often conducts online surveys to ascertain the level of customer satisfaction. Identify and explain the component of e-business being described above. [3]
33. Write short notes on: (i) B2C Commerce; and (ii) C2C Commerce. [3]
34. What is electronic business? [3]
35. Define B2B commerce. [3]

36. Why e-commerce has become so important in recent days of demonetisation and replacement of currency? Explain in short. [3]
37. Give the meaning of Automated Teller Machine. Also discuss its utility. [3]
38. Define e-business. [3]
39. Describe briefly the data storage and transmission risks in E-business. [3]
40. Sky Enterprises is dealing with mobile accessories. With the continuous increase in demand for mobiles, their business is expanding. However, the Managing Director (MD) observed that the decision-making process in the enterprise is very slow and the level of coordination is decreasing between the various departments. Tejas, an IT professional, suggested that the company should have its own internet to interact and deal between various departments and persons within the firm. MD liked the idea and implemented it immediately. Identify the branch of e-business suggested by Tejas. Also mention some areas, in which this branch of e-business can be conducted. [3]
41. State any three differences between e-business and traditional business. [3]
42. e-Business and e-Commerce mean one and the same thing. Defend or refute. [3]
43. Discuss the various types of e-business transactions. [3]
44. Singtel Ltd. is a leader online seller of sports items. Recently, the company received an email in its mail junk folder from an anonymous person. On opening the email and after clicking on the link given in the mail, the entire computer system of the company was damaged. Identify the type of e-business risk that has caused damage to the computer system of Singtel Ltd. How can this type of damage be protected in the future? [3]
45. Max Ltd. sells computer speakers online. Recently, the company got an order of supply of 2 speakers from Shivam (a customer). Identify the type of transaction risk highlighted in each of the following individual cases: [3]
- i. Max Ltd. sent the speakers to Shivam at the address mentioned in the order. However, speakers were returned back to the company as Shivam denied the placement of order.
 - ii. Max Ltd. delivered the speakers to the wrong address.
 - iii. Max Ltd. says that the company has not received the payment for the speakers, while Shivam claims that he has already made the payment through his credit card.

Section C

46. Why are e-business and outsourcing referred to as the emerging modes of business? Discuss the factors responsible for the growing importance of these trends. [6]
47. Wasim is successfully doing a business of manufacturing ready-made theme party costumes. Recently, his friend Syed suggested to him to start selling his products online. However, Wasim is quite hesitant to implement his friend's suggestion. [6]
- In the context of the above case, answer the following questions:
- a. State briefly any three limitations because of which Wasim may be hesitant to implement his friend's suggestion.
 - b. Briefly outline the resources required for the successful implementation of e-business,
 - c. Briefly, state any three benefits that Wasim can avail of by venturing into e-business.
48. State at least seven differences between E-business and traditional business. [6]
49. OLX, founded in the year 2006, is an Argentinian global online marketplace which is operating in 45 countries. OLX became the vernacular for 'selling' in India, in the form of 'OLX Pe Bech De', 'OLX Kar Do' and 'OLX it'. About 90% of listings in India came from used mobile and electronic items, used home and household goods, and used cars & bikes. In the year 2016, OLX said about 72% of all used cars sold monthly in India were from [6]

transactions on its website.

Identify and explain the component of e-business being described above.

50. Govind is a manufacturer of readymade kids garments. He sells his products through various dealers across the country. However, his sales are decreasing over the years. Recently, his wife gifted him a jacket, which she had ordered through Myntra (an Online Shopping Site for Fashion and Lifestyle). This gave Govind an idea to start selling his products online. [6]
- a. State any three benefits that Govind can get through e-business.
 - b. Also, mention three limitations which Govind may face in e-business.
51. Vivan has recently joined a popular insurance company in Jharkhand as a Business Development Manager. The entire process of his recruitment, selection and orientation training was conducted online. Even after joining he has been given an option to work from wherever he is, and at his own speed and time convenience twice a week. He participates in the monthly meetings of the Business Development Managers from the various branches of the company which is held online via tele/video conferencing. [6]
- Identify and explain the component of e-business being described above.
52. Splendor Ltd.' is a popular music company. Keeping in line with the changing trends the company uses various types of e-business activities to operate successfully. The company interacts through a network of computers with a number of other business firms who may be suppliers or salespersons. The company carries out a number of promotional activities and sometimes even delivery of products (e.g., music or films) are carried out online. The company has set up call centers for the customers to make toll free calls and register their queries and lodge complaints round the clock at no extra cost. The company makes use of intranet for managing interactions and dealings among various departments and persons within the organization. The company provides Virtual Private Network (VPN) technology because of which it is not necessary for the employees to come to the office and the meetings can be held online via video conferencing. The company uses financial intermediaries like PayPal in order to facilitate payments online. [6]
- Keeping in mind the scope of e-business identify the various types of e-business activities adopted by Splendor Ltd. by quoting lines from the paragraph.
53. Discuss the limitations of electronic mode of doing business. Are these limitations severe enough to restrict its scope? Give reasons for your answer. [6]
54. Zomato is a restaurant search and discovery service founded in the year 2008. It currently operates in 23 countries, including India, Australia, and the United States. It provides information and reviews on restaurants, including images of menus even when the restaurant does not have its own website. On 18th May 2017, the Indian branch of Zomato became the target of hackers. A security blog called Hack read claimed over 17 million accounts had been breached. Zomato confirmed that names, email addresses, and encrypted passwords were taken from its database. The company reassured affected customers that no payment information or credit card details were stolen. Zomato said that the security measures it uses to ensure the stolen passwords can't be converted back into normal text. [6]
- In the context of the above case, answer the following questions:
- a. One of the key risks that data stored in the systems and en-route is exposed to is hacking. What is the other type of such risk? Explain.
 - b. How can a business protect itself from the type of risks as identified in part (a) of the question?
 - c. What are the different kinds of transaction risks involved in e-business?
55. Discuss the salient aspects of B2C commerce. [6]

Section D

56. **State True or False:** [20]
- (a) Business-to-Employees refers to the transactions between business firms and employees to customers. [1]
 - (b) B2B Commerce is that business activity in which two firms make electronic transactions. [1]
 - (c) The Merchant Banking falls under the category of Financial Services. [1]
 - (d) An automated teller machine (ATM) is an electronic banking outlet. [1]
 - (e) E-commerce refers to the purchasing and selling of commodities or services utilising the internet and the transfer of money and data to perform these transactions. [1]
 - (f) The net-banking transfer is not an online transaction. [1]
 - (g) Registration has to be done with the online vendor by filling-up a registration form before starting online shopping. [1]
 - (h) Intra B Commerce refers to transactions between the people who are a part of one or enterprise. [1]
 - (i) Smart cards are widely used to encrypt digital television streams. [1]
 - (j) Traditional business is a local shop which gives its services or goods to its local consumers [1]
 - (k) B2E commerce refers to a firm's interactions with its employees. [1]
 - (l) The delivery of some goods can be taken on the internet. [1]
 - (m) Digital cash offers the ability to use real currency in an electronic form. [1]
 - (n) Smart cards cannot be used as electronic wallets. [1]
 - (o) Business-to-business refers to the dealings between business firms. [1]
 - (p) The term e-commerce originally related to Electronic Data Interchange (EDI) technology used to send and receive commercial documents like purchase orders or invoices. [1]
 - (q) E stands for electronic in e-business. [1]
 - (r) The world-wide reach is one of the limitations of e-Business. [1]
 - (s) A cheque cannot be accepted by the vendor. [1]
 - (t) The After-Sale-Service falls under the category of advertisement services. [1]