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

1) Which is not one of the seven principles for building effective blogs?
   A) Set up the blog so that each post gets its own permanent URL.
   B) Make friends with other bloggers, online and off.
   C) Blog frequently and create at least half a dozen posts every weekday.
   D) Focus on a broad topic to appeal to a large audience.

2) The portion of an e-seller’s business through which customers interact, including the seller’s portal, electronic catalogs, shopping cart, and payment gateway, is referred to as the _______ of the business.
   A) back end B) front end C) intermediary D) infrastructure

3) _______ are audio files that enable companies to deliver audio-specific content, including music, speeches, radio-style presentations, and more.
   A) Wikis B) Mashups C) Blogs D) Podcasts

4) An auction in which there is one buyer and many potential sellers or in which a buyer places an item for bid on an RFQ system and the lowest bid wins is referred to as all of the following except:
   A) bidding auction system B) reverse auctions
   C) forward auctions D) tendering system

5) Traditional and electronic markets have three main functions, which include each of the following except:
   A) facilitating the exchange, purchase or transfer of information, goods, services, and payments associated with transactions
   B) providing an institutional infrastructure, such as a legal and regulatory framework that enables the efficient functioning of the market
   C) financing the transformation of raw materials into finished products
   D) matching buyers and sellers

6) Which is not a popular search engine?
   A) Google B) Linux C) Lycos D) AltaVista

7) The cost curves of digital products differ from the cost curves of physical products because in digitization:
   A) most costs are variable and fixed costs are low.
   B) all costs are variable.
   C) most costs are fixed and variable costs are very low.
   D) most costs are fixed, but variable costs are high.

8) Which of the following is a Web 2.0 application?
   A) auctions B) e-catalogs C) blogs D) shopping carts
9) Human or electronic intermediaries attempt to reduce each of the following limitations of direct interaction except:
   A) search costs
   B) product distribution
   C) contract risk
   D) lack of privacy

10) Commercial uses of blogs include all of the following except:
   A) to enhance employee communication with one another
   B) to allow everyone to participate as a peer
   C) to communicate with customers and other third parties
   D) to supplement corporate public relations and press releases with personal from the heart talk

11) A(n) ________ is an order-processing technology that allows customers to accumulate items they wish to buy while they continue to shop
   A) electronic shopping cart
   B) mobile portal
   C) intelligent agent
   D) e-fulfillment agent

12) The most common and traditional form of auctions in which one seller entertains bids from many buyers is referred to as ________.
   A) reverse auctions
   B) bidding auction system
   C) forward auctions
   D) tendering system

13) E-catalogs have several common characteristics. Which of the following is not a characteristic of e-catalogs?
   A) good search and comparison capabilities
   B) easy to customize
   C) easy to create without advanced information technology
   D) easy to update product information

14) Which of the following statements does not describe bartering?
   A) Intermediaries can be helpful, but they are expensive and very slow.
   B) The problem with bartering is that it is difficult to find trading partners.
   C) It is the oldest method of trade.
   D) It is primarily done between private parties.

15) ________ provides customers with exactly what they want, when and where they want it. Effective communication between the supply chain and the factory floor is needed to make it happen.
   A) Demand-driven manufacturing
   B) Real-time manufacturing
   C) Build-to-order manufacturing
   D) Virtual manufacturing

16) Employees may waste time trying to find relevant and accurate information if they have to access multiple information systems. The best solution to this problem is the use of ________.
   A) browsers
   B) Web portals
   C) intranets
   D) intermediaries

17) When prices are negotiated or discounted, as in auctions or stock markets, that pricing mode is called ________.
   A) commodity pricing
   B) pre-shopping
   C) dynamic pricing
   D) negotiation

18) Insurance companies and hotels sell services through storefronts called ________.
   A) portals
   B) wikis
   C) browsers
   D) RSS
19) Activities related to order fulfillment, inventory management, purchasing from suppliers, accounting and finance, packaging, and delivery are done in what is termed the _______ of the business.
   A) infrastructure  B) intermediary  C) front end  D) back end

20) A type of broker that helps consumers compare different stores is a _______.
   A) search engine  B) shopping facilitator  C) virtual mall  D) remediator

21) An electronic storefront includes several mechanisms to help sales and sales transactions. The most common mechanisms include all of the following except:
   A) electronic catalog  B) payment gateway  C) supply chain  D) search engine

22) Customized catalogs are especially useful in B2B e-commerce for each of the following reasons except:
   A) Intranets, in particular, can deliver customized catalogs to different business customers.
   B) E-catalogs can show the buyer’s ID number for the item, model, or SKU number rather than the seller’s ID numbers.
   C) E-catalogs can be designed to show only the items that the employees in a specific organization are allowed to purchase.
   D) E-catalogs can be customized to show the same item to different customers at different prices, reflecting discounts or purchase-contract agreements.

23) Because of their cost curve, digital products profits will:
   A) increase very rapidly as volume increases, once the fixed costs are paid.
   B) increase rapidly as volume increases, once the fixed costs are paid.
   C) decrease as volume increases, once labor costs are paid.
   D) remain constant regardless of volume, once the variable costs are paid.

24) Eastern Mountain Sports introduced ________ tools in order to increase collaboration, information sharing, and communication among stores and their employees, suppliers, and customers.
   A) B2B  B) B2C  C) Web 2.0  D) business intelligence

25) The major ________ e-marketplaces are storefronts and Internet malls.

26) The major challenge faced by ________ is the need to index documents from a variety of sources, such as file systems, intranets, document management systems, e-mail, and databases, and then present a consolidated list of relevance-ranked documents.
   A) mobile portals  B) intelligent engines  C) knowledge portals  D) enterprise searches

27) All of the following are benefits of e-auctions to buyers except:
   A) opportunities to find unique items
   B) convenience of bidding anywhere and any time
   C) opportunity to bargain
   D) can liquidate large quantities quickly
28) The elimination of various types of agents that mediate between buyers and sellers, such as travel and insurance agents, is referred to as ________.
   A) remediation          B) disintermediation
   C) automation           D) e- distribution

29) Online markets that are owned and operated by a single company and that are either sell-side or buy-side are known as ________.
   A) B2B marketplaces      B) e-malls
   C) private e-marketplaces D) commercial portals

30) What is a benefit of e-auctions to the sellers?
   A) lack of differentiation
   B) anonymity
   C) optimal price determined by the market
   D) convenience of bidding anywhere and any time

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

31) Companies are using Second Life, which is an example of a(n) ________, to bolster their physical businesses.

32) One of the major changes in the supply chain of e-markets is to transfer some activities to customers and/or employees through ________.

33) An auction in which a seller takes bids from buyers is called a(n) ________ auction.

34) In a(n) ________ e-marketplace, a company purchases from many suppliers. This type of purchasing arrangement is considered to be many-to-one.

35) Porter divided the impacts of the Internet into either positive or negative impacts for the industry. According to his model, most of the impacts are ________.

36) A(n) ________ is a single point of access through a Web browser to critical business information located inside and outside of an organization.

37) ________ are electronic intermediaries that provide and/or control information flow in cyberspace, often bundling information and then selling it to others.

38) Priceline.com pioneered the ________ model. In this model, a potential buyer specifies the price that he or she is willing to pay to any seller who will sell at that price.

39) All of the activities related to order fulfillment, inventory management, payment processing, packaging, and delivery are done in what is called the ________ of the business.

40) ________ have become more and more active in politics.

41) In a(n) ________ catalog, information is presented in motion pictures or animation and information can be presented or changed in real-time, as with stock prices.
42) _______ refers to prices that are not fixed, but that are allowed to fluctuate as supply and demand in a market exchange.

43) _______ tools are used to tailor a product, service, or Web content to specific user preferences.

44) Blogs and wikis are _______ applications.

45) WebMD is the largest medical information services company in the United States. Although the company is known mainly for its consumer portal, webmd.com, its core business is being an electronic _______.

46) _______ is a free micro-blogging service that allows its users to send and read other users' short text messages, which are up to 140 characters in length.

47) _______ are animated computer representations of humanlike movements and behaviors in a computer-generated 3-dimensional world.

48) The Internet economy has _______ barriers to entry.

49) An online shopping center where many online stores are located is called a(n) _______.

50) _______ is a method that enables manufacturers to create specific products for each customer based on the customer's exact needs.

51) _______ tools are social networking tools used by organizations.

52) A(n) _______ is a type of social network that allows everyone to participate as a peer enabling anyone to add, delete, or change content.

53) Trackbacks, pings, and RSS feeds are some of the features that distinguish _______ from regular Web pages.

54) A(n) _______ is a virtual marketplace in which sellers and buyers meet and conduct different types of transactions.

55) The major challenge faced by enterprise search is the need to _______ documents from a variety of sources, such as file systems, intranets, document management systems, and e-mail.