

Code: 14E00307

MBA III Semester Regular &amp; Supplementary Examinations November/December 2016

**E – BUSINESS**

(For students admitted in 2014 &amp; 2015 only)

Time: 3 hours

Max. Marks: 60

**PART – A**

(Answer the following: (05 X 10 = 50 Marks))

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- 1 Define the term e-business and explain how it is different from e-commerce.  
**OR**
- 2 Discuss the factors that contribute to the success of e-business.
- 3 Explain the scope of security and reliability in e-businesses.  
**OR**
- 4 List the possible security threats in an e-business environment.
- 5 What is remote method invocation (RMI)? How is RMI implemented?  
**OR**
- 6 Explain middleware and the different types of middleware.
- 7 Define an e-business application and explain the advantages of the same.  
**OR**
- 8 Discuss the importance of the integration of applications involved in an e-business.
- 9 A service oriented architecture (SOA) is a new paradigm to implement dynamic e-business solutions. Justify the statement.  
**OR**
- 10 Define the concept of EDI (Electronic data interchange) and explain various standards and specifications for its implementation in companies / organizations.

**PART – B**

(Compulsory question, 01 X 10 = 10 Marks)

**11 Case study:**

Barnes & Noble was the leading player in traditional book retailing and had outlets across the US. They felt that their traditional way of book selling was appealing to their customers. In the early 2000s, consumer expenditures on books had reached somewhere close to \$25 to \$35 billion. The rate of growth afterwards was impacted by other media channels and other forms of entertainments including DVDs, VCDs and even electronic forms of books. There were wholesalers with target regions and retailing was initially dominated by independent and local bookstores. Gradually, after 1980, the chains started increasing their share as there were superstores with better facilities and larger number of available titles. Book malls slowly came in picture and changed the overall sales patterns. The purchasers got access to book titles and could even select among them. The influence of the seller was still there but slowly it started diminishing and customers could see value in buying from these bookstores. In the US, Barnes & noble, borders, and crown are three major names in the bookstore chain business.

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Barnes & Noble was the largest chain in 1996-1997, not only in the US but across the world. After going public, they expanded by developing other book-related businesses, including publishing. This allowed them to offer hefty discounts. This expansion certainly contributed to their revenues but the major share of revenue was coming through retail book selling across US. The sophisticated inventory management system, dealing with wholesalers and maintaining a very high quality allowed them to remain ahead in the race as compared to borders. The huge collection in stores and huge spaces kept them ahead. Marketing initiatives, such as book saver's card, discount on listed price funded by publishers and signing with starbucks, allowed them to increase customer base, and their brand name in book retailing was established.

Book stack, a cyberstore, came into existence in 1997 with several hundred book titles. This was later taken over by amazon.com. initially, they could not make profits; however, they survived by raising money. The innovative idea of no actual stocks and having an understanding with wholesalers across the US enabled them to offer great discounts and even home delivery at a great pace. This attracted a customer segment that knew what they wanted. Slowly, they offered services, such as lists of similar books, recommended titles, and facility of going through contents. There was no limit to book titles and hence the average daily visits to Amazon.com's website increased substantially. In a way, it revolutionized book selling. Barnes & Noble realized the way Amazon.com was progressing. They started their electronic bookshop. They tried to keep it separate from their retailing business and that was the reason they could not have enough pace in delivering and could not take advantage of their strength. Amazon.com responded aggressively to the cyberspace entry of Barnes & Noble and added more titles and responded innovatively to their customers. This enabled them to win the initial cyber war in book retailing. However, with innovation, Barnes & Noble has gradually improved.

In India, online book selling has started picking up. The big bookstore chains are not offering discounts and are addressing different customer segments. Small and individual bookstores are still doing well. It is interesting to watch the response of the existing market when a real online bookstore comes into picture.

**Questions:**

- (a) Analyze the business model changes of Barnes & Noble.
- (b) Build an e-business framework for online book selling.

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