

FINAL ALTERNATIVE ASSESSMENT

Examination Paper

(COVER PAGE)

Session	:	April 2021
Programme	:	Diploma In Business (DIB) Diploma In Marketing (DMKT) Diploma In Finance (DFIN) Diploma In Entrepreneurship (DENT) Diploma In E-Commerce (DEC)
Course	:	ICT2107: E-Commerce Theory And Applications
Date of Examination	:	
Time Start	:	July 29, 2021 (Thursday) @ 4.00pm
Time End	:	July 30, 2021 (Friday) @ 4.00pm
Duration	:	24 Hours
Special Instructions	:	
		Answer ALL questions.
Materials permitted	:	Nil
Materials provided	:	Nil
Examiner(s)	:	Mohd Norhazli , Azmir Ismail, Ooi Kok Keong and Marie Shirlean Mekilen
Chief Moderator	:	Ihsan Mahmood

This paper consists of 6 printed pages, including the cover page

DIPLOMA IN BUSINESS (DIB)
DIPLOMA IN MARKETING (DMKT)
DIPLOMA IN FINANCE (DFIN)
DIPLOMA IN ENTREPRENEURSHIP (DENT)
DIPLOMA IN E-COMMERCE (DEC)
ICT2107: E-COMMERCE THEORY AND APPLICATION
FINAL ALTERNATIVE ASSESSMENT: APRIL 2021 SESSION

This Alternate Assessment contains **2 (TWO)** parts :

Part A : Article Review (40 marks)

Part B : Case Scenario (60 marks), Answer all questions.

Instruction Part A: Produce an article review based on the digital-media-communication related article given. The article review assignment contains 40 marks. Download the article from the Final Assessment folder.

Article Title: **Taking A Look at Different Types of E-Commerce**

Article Author: **Rania Nemat**

Article Year Publish: **2011**

Publisher: **World Applied Programming Journal**

Instruction Part B: Answer all questions. Each question is 20 marks.

1) Case Scenario 1: **Alibaba Fuses Digital Stores with Livestreaming**

As livestream e-commerce – a trend accelerated by the Covid-19 pandemic – continues to heat up, Taobao Live pumped out a series of measures for brands to supercharge their growth through its immersive technology. One way that the Alibaba Group-owned livestreaming platform has sought to do this is by deeply integrating its livestream technology with brands' e-commerce stores. Slated to roll out soon, the upgraded “live stores” will be highly customizable, the platform said. Brands will be able to display their streams prominently on their store homepage and can also tailor special experiences for different tiers of customers. For example, they can create invite-only VIP programs and interactive features and vouchers that only pop up for their loyalty-club members.

“A major trend going forward will be elevated livestream experiences,” said Alibaba Group Vice President Yu Feng, who oversees content e-commerce at Taobao. “More and more consumers have adopted livestreaming as a way to shop. It has become an irreversible trend and, at the same time, an increasingly competitive space.”

Brands' original livestreams, as opposed to those created by influencers, have surged since 2019, as an increasing number of brands have mastered the popular medium to connect with

Chinese consumers. Some companies have even invited celebrities or their CEOs and senior executives to appear on camera to answer viewers' questions. Others, like Dior or Cartier, have broadcast private jewelry exhibitions and fashion shows for consumers to "see now, buy now." These brand-operated livestream accounts have since become among the top performers on Taobao Live – representing over half of the 1,000-plus livestreaming accounts that raked in RMB100 million (USD \$15.4 million) in transactions in the 12 months ended March 31, 2021.

Meanwhile, ahead of the 6.18 Mid-Year Shopping Festival, Alibaba is looking to upgrade its search algorithms and layout across its apps to boost the exposure of brand-produced livestreams throughout the entire user journey. Livestreaming has also become especially popular with those looking to build up their presence. Over 90% of new brands – those that have joined Alibaba's e-commerce site Tmall within the past three years – have tapped Taobao Live to engage consumers, the company said. Amid the growing popularity of its platform, Taobao Live has continued to roll out new, experimental New Retail experiences within its streams, including artificial intelligence-powered hosts, augmented-reality beauty tests, 3D home decoration and mix-and-match features for clothing. The platform is also partnering with DAMO Academy, Alibaba's research arm, to develop a smart livestreaming camera capable of processing real-time speech, visual cues and hand gestures. The launch of this device will reimagine how livestream presenters interact with fans. Launched in 2016, Taobao Live has become an indispensable branding, marketing and sales tool for merchants and influencers across Alibaba's platforms. During the pandemic, restaurant owners on Ele.me made use of Taobao Live to stream cooking tutorials and stay connected with their customers. Tourism companies and cultural heritage sites on Fliggy also tapped livestreaming to offer virtual tours to Chinese shoppers amid Covid-19 lockdowns and travel bans.

According to Alibaba's financial results released in February, Taobao Live generated over RMB400 billion in gross merchandise volume in 2020. Per Taobao Live's latest figures, users had access to over 500,000 combined hours of livestreaming content each day in 2020. Also, loyal users who tuned into livestreaming six times a day placed an average of more than 10 orders per month, translating to roughly over RMB1,500 in monthly spending. During its industry event on Wednesday, Taobao Live announced its aim to help 2,000 livestreaming channels on the platform and 200 of its ecosystem partners each achieve annual sales of RMB100 million. It will also give livestream presenters access to an official pool of products listed from Taobao and Tmall. All products are prescreened and offer livestreamers, who might not have the capability to have their own quality-control team, an efficient resource to find and explore quality products to recommend to their followers. This year, Taobao Live also plans to build 300 physical livestreaming centers, which will serve as workspaces and professional filming studios for influencers and merchants. It will also continue to train farmers and aspiring livestream hosts from rural regions through its 102 dedicated training facilities across the country, which have helped cultivate 10,000 new livestreamers so far. As of March, a total of more than 100,000 farmers and rural livestreamers have broadcast 2.52 million sessions via the platform.

"This past year, we've made not only digital advances, but we've also made heartwarming memories by innovating for good," said Alibaba's Yu Feng.

“Looking ahead, we are committed to further investing in and developing innovative technologies and services to better support our partners.”

- taken from Alizila.com (2021)

Question 1

Based on the case scenario above, explain in detail the **FIVE (5)** advantages and **FIVE (5)** disadvantages of live-streaming application in E-commerce including 1 (one) example for each answer.

2) Case Scenario 2: **Trump’s Attempts To Ban Tiktok And Other Chinese Tech Undermine Global Democracy**

The Trump administration aims to purge Chinese tech companies from the United States, and that has consequences for all of us. U.S. President Donald Trump and his administration recently issued three new national security measures: an expansion of the State Department’s Clean Network initiative and two executive orders. The Clean Network initiative forbids the use of Chinese tech in the U.S. telecom system and prevents app stores such as Google Play and the Apple App Store from offering certain Chinese apps. The two executive orders ban U.S. persons and businesses from doing business with two Chinese companies: Tencent Holdings, owner of the WeChat app, and ByteDance Ltd., owner of the viral video-sharing app TikTok. At first glance, it seems strange that a social media app aimed at teenagers could be at the centre of a global controversy over national security and privacy concerns. TikTok is best known as a platform for teens and young adults to share short videos of themselves dancing or lip-syncing to their favourite songs. According to Trump, TikTok is collecting and sending personal data about Americans directly to the Chinese government. The administration is also worried that, in the future, the app can be used as a conduit for spreading disinformation to Americans. At this point, all these fears are hypothetical. TikTok has consistently rejected these accusations — even the Central Intelligence Agency agrees that the app does not pose a threat. Since 2018, TikTok has been downloaded two billion times worldwide. Its success represents the first real challenge to dominant U.S.-based social media platforms such as Facebook and Instagram. In the U.S., TikTok has been downloaded 165 million times. According to a new survey report, the “State of Social Media in Canada 2020,” TikTok is now one of the top 10 most popular social media apps in Canada. Fifteen per cent of online Canadians over the age of 18 reported having an account; TikTok is the only Chinese-owned social media platform to achieve a 10 per cent adoption rate in Canada. These actions by the U.S. government represent a major break along a geopolitical and technological fault line between China and the U.S. that has been building for over 20 years and could signal the beginning of a new Cold War between the two states. In recent years, privacy has become a national security concern in Washington. U.S. policy-makers have been alarmed about the volume of personal data gushing out of the U.S. via social media apps, computer hacking and foreign acquisitions of American firms. This treasure trove of data can be used to build profiles of Americans, commit all manner of financial fraud and even be used for blackmail. In 2018, the U.S. prevented a company owned by Chinese billionaire Jack Ma from buying MoneyGram over fears

that American banking data would be leaked to the Chinese government. In 2019, the U.S. ordered another Chinese company, Kunlun, to sell Grindr, a dating app for gay, bi, trans and queer people, to an American investor group. The argument was made that the app's database contained sensitive personal information such as a user's location, messages and HIV status. According to the U.S. Department of State, these latest decrees are part of "the Trump Administration's comprehensive approach to safeguarding the nation's assets including citizens' privacy and companies' most sensitive information from aggressive intrusions by malign actors, such as the Chinese Communist Party."

At first glance, these measures look like a reasonable response against a repressive government with a reputation for using electronic data to control and imprison its own citizens. But in a bid to divide the online world between itself and China, the U.S. government might have inadvertently started the construction of a new "digital Berlin Wall." And like all walls, this new digital wall can lock people in just as well as it can keep people out. This lays the groundwork for the end of an open and free internet and may accelerate the creation of a splinternet, whereby a country or groups of countries fracture the world wide web into a series of walled sections shaped according to their own politics. The splinternet is becoming a reality. These crude measures by the U.S. brings U.S. tech policy in line with China and other authoritarian regimes. In response to these moves, the Internet Society, a group founded in 1992 by internet pioneers Vint Cerf and Bob Kahn, warned that "[h]aving a government dictate how networks interconnect according to political considerations rather than technical considerations runs contrary to the very idea of the internet. Such interventions will significantly impact the agility, resiliency and flexibility of the internet."

With these attempts to extend control over foreign ownership of social media apps and platforms, the internet becomes a tool to limit democratic freedoms. These actions will further legitimize and embolden governments around the world to interfere with or shut down the internet whenever it is politically expedient. Long-term and frequent internet interference can cause the systematic and structural erosion of freedom of expression and freedom of speech. Platform ownership matters, especially the foreign kind. Trump's action against TikTok is a gift to Facebook, which recently launched TikTok copycat feature Instagram Reels. Forcing the sale of TikTok in the U.S. will also be a win for whichever company purchases it. In the long run, however, these executive orders likely will remind regulators around the world, but especially those in the European Union, about the strategic importance of foreign ownership of communication platforms. Citing data privacy and national security, many countries will likely pass new cyber-sovereignty laws, making it more difficult for foreign companies to operate. Long-term fallouts from this policy include increased operating costs, which in turn will impact large tech companies such as Google and Facebook the most. With litigation pending and talks of fire sales and shotgun weddings to Microsoft or some other western tech company, the fate and legality of Trump's executive measures are still in doubt. If cyber sovereignty and the splinternet take root, we are in for some troubling times ahead for global democracy. Whether Trump intended to or not, he has set in motion changes that might fundamentally undermine the internet as we know it.

- taken from *The Conversation.com* (2020)

Question 2

Based on the case scenario above, list and explain in detail the **TEN (10)** reasons why protecting internet data privacy is important.

3) Case Scenario 3: **Alipay, Huawei Roll Out Biometric Security for Mobile Payments**

Users of a new Huawei smartphone equipped with a fingerprint reader will be able to make mobile e-payments without passwords using Alipay's Wallet app, Alipay said in a press release today. Biometric security technology built into Huawei's soon-to-be-launched smartphone, the Mate 7, will be integrated with the Alipay Wallet app, which is China's top mobile-payment solution with over 100 million users. The biometric technology, including encryption and authentication managed by Huawei, will allow mobile users to confirm payments for a wide variety of goods and services with their smartphones simply by swiping a digit instead of entering a lengthy code.

Biometric technology such as fingerprint or retina recognition is touted as a more secure and convenient method of identity authentication. Banks, governments, credit-card companies and mobile phone manufacturers have been exploring possibilities in the industry, but the development path has some potholes. Fingerprint readers on Samsung's Galaxy S5 and Apple's iPhone 5 have been successfully hacked, defeating the security function that prevents unauthorized use. Alipay's tie-up with Huawei, the world's third-largest smartphone vendor by shipment volume, gives the e-payments company a way to fast-track biometric payment technology in China. As a precaution against hackers, Huawei is providing chip-level security for the Mate 7, meaning fingerprint data can be saved and stored on the phone, but the data is encrypted and cannot be accessed. Huawei will also employ high-level encryption and verification to ensure only approved third-party applications, such as Alipay Wallet, are allowed to access the fingerprint information for transactions.

- taken from Alizila.com (2021)

Question 3

Based on the case scenario above, explain in detail the **FIVE (5)** advantages and **FIVE (5)** disadvantages of biometric security application in E-commerce.

~THE END~

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