



INTERNATIONAL DIPLOMA IN BUSINESS



MODULE: E-COMMERCE

ASSIGNMENT TITLE: SECOND HAND CAR MART

DECEMBER 2009

Important Notes:

- ❖ Please refer to the Assignment Presentation Requirements for advice on how to set out your assignment. These can be found on the NCC Education *Campus*. Scroll down the left hand side of the screen until you reach Personal Support. Click on this, and then on Policies and Advice. You will find the Assignment Presentation Requirements under the Advice section.
- ❖ You must familiarise yourself with the NCC Education Academic Dishonesty and Plagiarism Policy and ensure that you acknowledge all the sources which you use in your work. The policy is available on *Campus*. Follow the instructions above, but click on Policies rather than Advice.
- ❖ You must complete the ‘**Statement and Confirmation of Own Work**’. The form is available on the Policies section of *Campus*. Scroll down the left hand side until you reach Personal Support. Click on this and then click on Policies and Advice.
- ❖ Please make a note of the recommended word count. You could lose marks if you write 10% more or less than this.
- ❖ You must submit a paper copy and digital copy (on disk or similarly acceptable medium). Media containing viruses, or media which cannot be run directly, will result in a fail grade being awarded for this module.
- ❖ All electronic media will be checked for plagiarism.

Marker's comments:

Moderator's comments:

Mark:

Moderated

Final

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Introduction

You are an e-commerce consultant and have been approached by a local publishing business. They currently publish a magazine called *Second Hand Car Mart* that offers second hand cars for sale. The cars are advertised by both individuals and companies looking to sell them. The magazine is published monthly and has a selling price of \$10.00. It currently sells around 3,000 copies per issue.

Due to the economic downturn the sales of new cars have dropped significantly. This has resulted in an increased demand for second hand cars and the publishers are keen to exploit this. They would like to launch an e-commerce site that advertises second hand cars for sale on the Internet. The intention is that prospective buyers will contact the car sellers and make their own arrangements to evaluate and purchase the cars. The site will not be involved in the actual purchasing process, but will simply act as a marketplace through which buyers and sellers can meet.

The publishers have asked you to assist them in developing the initial plan for the site. They would like you to focus upon a number of critical elements as far as the new e-commerce site is concerned:

- What business model should be adopted for the site?
- How should the site be marketed and promoted to potential users?
- How to select an outsourced partner to develop and host the e-commerce site on behalf of the publisher?
- What specific security threats is the site likely to face and how should these be countered?

They have asked you to investigate these issues and provide them with your recommendations.

Aim

As part of the project you have been asked to undertake the following activities:

1. Provide a short report that will summarise your thoughts on the most suitable revenue model that should be adopted by the e-commerce site, together with your reasons for making this decision.
2. Develop an outline marketing plan that will help to ensure that the usage of the site is high and generates the required levels of revenue.
3. Identify three potential domain names for the new site.
4. Identify the key questions to ask potential e-commerce suppliers in order to select an appropriate company to develop and host the site on behalf of the publishers.
5. Produce a list of the key security concerns associated with the use of the e-commerce site and the appropriate countermeasures that can be adopted.

Task 1 – 5 Marks

Carry out some Internet-based research to find any information that relates to e-commerce sites that advertise second hand cars for sale. Make notes on the revenue models that are used by these sites and the marketing techniques that are adopted to promote their services to both car buyers and sellers.

Task 2 – 5 Marks

Produce a project plan for the way you intend to complete the rest of this assignment. For planning, use the timescale you have been allocated for this assignment i.e. from the date you start to the date you submit your assignment. Submit a copy of your plan to your tutor **before** you proceed further with the assignment.

Task 3 – 20 Marks

Produce a report of no more than 1000 words that considers the revenue model that would be most appropriate as far as the new e-commerce site is concerned. As part of this you should evaluate the following options:

- Classified Advertising
- Subscription
- Advertising Supported (i.e. carrying adverts from third parties such as suppliers of car accessories, financial companies providing car loans etc.)
- Advertising-Subscription Mixed Revenue Model

The report should include your recommendation for the preferred option together with your reasons for selecting this.

In addition, the publishers have also asked for your opinion as to whether they should continue to publish the existing magazine alongside the e-commerce site, or whether the e-commerce site should completely replace the magazine. The report should include your recommendation in relation to this, together with your reasons.

Task 4 – 22 Marks

Using PowerPoint or a similar tool, prepare a maximum of fifteen slides outlining the key elements of a marketing plan that could be put in place in order to promote the new e-commerce site. The plan should clearly identify how the site will be promoted to both buyers and sellers of second hand cars and the key marketing messages that will be used. Take full account of the various approaches that can be taken for online marketing, together with any offline promotional activities that you feel may be appropriate. As part of this plan explain how you would measure the results of the various activities, and gather information about both buyers and sellers on the site that might assist in future marketing activities.

Task 5 – 12 Marks

Write a short note listing the three potential domain names that you have identified, together with your recommendation for the choice of domain name that should be used by the new e-commerce site. As part of this note you should explain the particular benefits that you feel the chosen domain name offers, and also list THREE reasons why a domain name is important to the ongoing success of an e-commerce site.

Task 6 – 24 Marks

Produce a list of sixteen key questions to ask prospective e-commerce suppliers, who will be required to design, develop and host the new e-commerce site on behalf of the publisher. The questions should seek to establish that the successful company has the necessary skills, expertise and track record to ensure that they are capable of providing a high quality level of service.

Task 7 – 12 Marks

Write a briefing note (of no more than 400 words) that lists FOUR main security threats that could pose a risk to the operation of the new e-commerce site. Explain the risks that each of these threats could pose to the site and briefly describe FOUR specific countermeasures that could be put in place to protect against these threats.

Guidance

This assignment will allow you to demonstrate your understanding of some of the key considerations in establishing a new e-commerce site. In particular it will enable you to show an understanding of the requirement to establish an appropriate revenue model for the site, together with the main considerations in selecting an e-commerce supplier to design, develop and host the site.

Submission Requirements

1. A word-processed, printed document containing all the written components of the assignment (Tasks 1, 2, 3, 5, 6 and 7) signed and dated by your tutor/lecturer.
2. A printed version of the presentation you have prepared (Task 4).
3. A copy of all the electronic material (Tasks 1, 2, 3, 4, 5, 6 and 7) on appropriate medium (zip disk, CD-ROM etc.).

Warning: All media must be virus free!

Media containing viruses, or media which cannot be run directly, will result in a FAIL grade being awarded for this module.

**You must read and understand NCC Education's policy on 'Academic Dishonesty and Plagiarism'.
You must complete the 'Statement and Confirmation of Own Work' form and attach the completed form to
your assignment.**