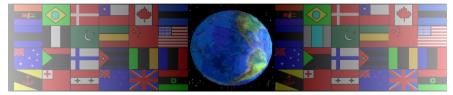# E-COMMERCE
AND
ELECTRONIC DATA INTERCHANGE (EDI) - QUESTIONS
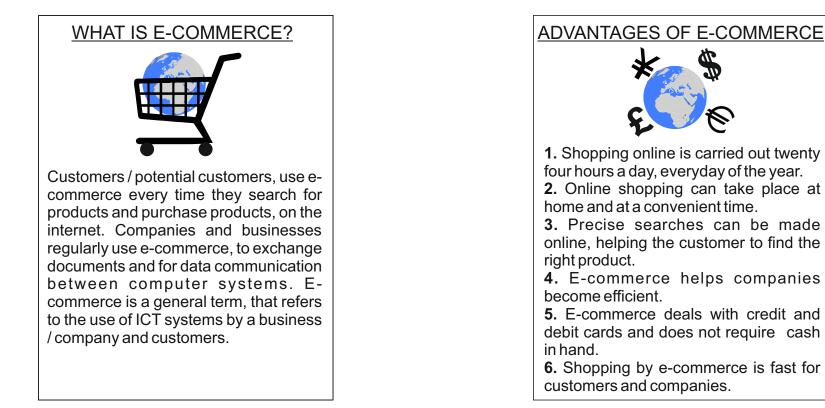
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W.A.T.T.

World Association of Technology Teachers

This exercise can be printed and used by teachers and students. It is recommended that you view the website (www.technologystudent.com) before attempting the design sheet .

WHAT IS E-COMMERCE ?

WHAT IS E-COMMERCE?

Customers / potential customers, use e-commerce every time they search for products and purchase products, on the internet. Companies and businesses regularly use e-commerce, to exchange documents and for data communication between computer systems. E-commerce is a general term, that refers to the use of ICT systems by a business / company and customers.

ADVANTAGES OF E-COMMERCE

1. Shopping online is carried out twenty four hours a day, everyday of the year.
2. Online shopping can take place at home and at a convenient time.
3. Precise searches can be made online, helping the customer to find the right product.
4. E-commerce helps companies become efficient.
5. E-commerce deals with credit and debit cards and does not require cash in hand.
6. Shopping by e-commerce is fast for customers and companies.

1. What is E-Commerce?   *3 marks*

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1. List three advantages of E-Commerce.   *3 marks*

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WHAT IS EDI (ELECTRONIC DATA INTERCHANGE) ?

WHAT IS ELECTRONIC DATA INTERCHANGE (EDI) ?

EDI - companies use standardised document / file formats. Employees use the same computer system to order materials, track customer orders, control stock levels, produce invoices and to carry out accounting.

Companies that use EDI, can transfer data from one branch to another and even across the world, with full confidence that the data can be accessed, edited and updated, without problems.

An example of a standardised document format is PDF.

ADVANTAGES OF EDI ?

Reduces the overall cost of running a business.

Stock levels, order levels, accounts and invoices can be viewed immediately, due to the computer system.

EDI eliminates the need for most paperwork.

Efficiency levels are very high, as human error is minimised. The effective flow of business is assured.

EDI systems enhance security for the customer and company.

Improved communication between employees and branches.

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1. What is EDI ?   *3 marks*

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2. List three advantages of EDI (Electronic Data Interchange).   *3 marks*

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