

CIW v5 E-Commerce Designer

CIW 1D0-525

Version Demo

Total Demo Questions: 15

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Topic Break Down

Topic	No. of Questions
Topic 1, The Internet and Electronic Commerce	26
Topic 2, E-Commerce Site Design	20
Topic 3, E-Commerce Site Development	35
Topic 4, E-Commerce Site Management	36
Topic 5, E-Commerce Security	41
Total	158

QUESTION NO: 1

Which of the following is an example of just-in-time (JIT) delivery?

- A. Warehousing large amounts of assembled goods as customers demand the product
- B. Storing the product in parts until customers demand the assembled product
- C. Obtaining the product only after supplies have run out
- D. Obtaining and developing items as customers demand the product

ANSWER: D

Explanation:

“Obtaining and developing items as customers demand the product” is an example of just-in-time delivery because JIT coordinates procurement and production with actual customer demand. Rather than maintaining substantial inventories in advance, an organization obtains needed materials and develops or assembles products at the time they are required for fulfillment. This approach is intended to reduce the amount of capital tied up in inventory, lower storage and handling needs, and limit waste from obsolete or excess goods. Effective JIT delivery depends on accurate demand information, dependable suppliers, efficient production processes, and timely logistics, because materials and finished goods must be available when the customer order requires them. In an e-commerce setting, demand signals from customer orders can trigger the purchasing, assembly, or fulfillment activity that supplies the item. IBM describes just-in-time manufacturing as an inventory-management approach in which materials are received only as they are needed in the production process, and Shopify similarly notes that JIT inventory is ordered and received as needed rather than held in stock. See [IBM: Just-in-Time Manufacturing](#) and [Shopify: Just-in-Time Inventory](#).

QUESTION NO: 2

Paul conducts business in a country that levies a value-added tax (VAT) on all goods purchased within its borders. What must Paul configure in order to add a VAT automatically to the total cost of a purchase?

- A. The purchasing database
- B. The inventory database
- C. The shopping cart
- D. The payment gateway

ANSWER: C

Explanation:

The shopping cart must be configured because it is the e-commerce component that calculates the order total during checkout. A properly configured cart can apply a tax rule based on the buyer's location, the products being purchased, and the applicable VAT rate, then add that amount to the subtotal before presenting the final amount due. This ensures that the customer sees the VAT-inclusive total at the point of purchase and that the order records retain the tax amount for reporting and fulfillment purposes.

VAT configuration commonly includes establishing the merchant's tax registration details, creating the relevant tax rate or automated tax rule, and specifying whether displayed product prices include or exclude VAT. The cart then uses this information as it builds the checkout total, alongside item prices, shipping charges, discounts, and any other applicable fees. Modern e-commerce platforms describe tax settings as checkout/cart functionality; for example, Shopify documents how taxes are calculated and charged at checkout, while Stripe Tax documents automatic tax calculation for transactions. See [Shopify tax documentation](#) and [Stripe Tax documentation](#).

QUESTION NO: 3

What step would be appropriate before launching an e-commerce site with a newly installed payment gateway?

- A. Contact the issuing bank to verify connections.
- B. Contact the acquiring bank to verify connections.
- C. Register the gateway with accepted credit card issuers.
- D. Test the system using various payment methods.

ANSWER: D

Explanation:

Testing the system using various payment methods is the appropriate pre-launch step because a newly installed payment gateway must be validated in the complete checkout flow before real customers use it. The site owner should confirm that authorization requests are submitted successfully, approval and decline responses are handled correctly, transaction details are recorded accurately, and customers receive the expected confirmation messages. Testing should cover the payment types the store intends to accept, such as credit or debit cards, digital wallets, and any supported alternative methods. It should also include realistic conditions such as declined payments, invalid card details, cancellations, and interrupted transactions. Using the payment provider's sandbox or test credentials allows these checks to be completed without processing live charges. This quality-assurance step helps ensure that the gateway configuration, merchant account credentials, security settings, and order-processing integration operate reliably as a single process. Payment Card Industry guidance emphasizes testing security controls and processes, while gateway providers commonly provide dedicated sandbox environments for integration testing before production deployment. See the [PCI Security Standards Council's PCI DSS resources](#) and [Stripe's payment-testing documentation](#).

QUESTION NO: 4

Suppose you were using statistical software to evaluate the performance of various HTTP server packages. What would be the most efficient way to compare performance data accurately?

- A. Request that vendors provide their benchmark results of running a standard monitoring application.
- B. Use a remote computer to capture statistical information on each server operating under a simulated load.
- C. Install resource-monitoring software on each server independently and vary the actual load conditions on each server.
- D. Gather real-time performance data on each server by running several system-monitoring applications on the server at one time.

ANSWER: B

Explanation:

Use a remote computer to capture statistical information on each server operating under a simulated load. This approach provides an efficient and reliable basis for comparison because each HTTP server can be tested under a controlled, repeatable workload. A simulated load can hold key test variables consistent, including the request mix, concurrency level, duration, network path, and hardware configuration. The resulting measurements, such as requests handled per second, response time, throughput, error rate, and resource use, are therefore comparable across the server packages rather than reflecting unrelated changes in production traffic.

Collecting statistics remotely is also important because monitoring tools installed and running on the server being evaluated can consume processor time, memory, disk activity, or network capacity. That measurement overhead can alter the very performance being measured. Remote collection reduces this observer effect while allowing the same data-collection method to be applied consistently to every test target. This is aligned with standard benchmarking practice: define a representative workload, execute it repeatedly in a controlled environment, and collect metrics with minimal interference. Apache JMeter supports distributed load testing and reporting, as described in the [Apache JMeter distributed-testing documentation](#). The [ApacheBench documentation](#) also illustrates the use of a separate benchmark client to generate HTTP requests and measure server behavior.

QUESTION NO: 5

You have just obtained a signed digital certificate from a certificate authority. What is the next step you should take?

- A. Install the certificate.
- B. Sign the certificate.
- C. Export the certificate.
- D. Publish the certificate.

ANSWER: A

Explanation:

After receiving a signed certificate from a certificate authority, the appropriate next step is to install the certificate. The certificate authority has already completed the signing and validation process, producing a certificate that binds the organization's identity to its public key. Installation places that issued certificate into the relevant web server, application server, operating system certificate store, or other service that will use it. For a secure website, this normally includes associating the certificate with the server's corresponding private key and configuring the HTTPS service or virtual host to present it during TLS connections.

Installation is essential because merely possessing the certificate file does not cause a server to use it. Once installed and bound to the service, the server can provide the certificate chain to visitors, allowing browsers to validate the site identity and establish encrypted sessions. The exact installation procedure differs among platforms, but the security purpose is consistent: deploy the CA-issued certificate where the protected service can access it. Mozilla's overview of certificate authorities and HTTPS provides useful background on this trust model: [Mozilla Support](#). For practical TLS certificate deployment concepts, see [Cloudflare Learning Center](#).

QUESTION NO: 6

Vera's new e-business failed in its second year because inventory levels were constantly depleted and she was unable to satisfy order fulfillment. The most likely underlying reason for the failure may be that Vera's business plan did not address:

- A. inventory storage requirements.
- B. marketing strategies and tactics.
- C. customer demographics.
- D. supply chain management.

ANSWER: D

Explanation:

Supply chain management. is correct because it encompasses the coordinated processes required to obtain products from suppliers, maintain appropriate inventory levels, and deliver orders reliably to customers. An e-business must plan how it will forecast demand, select and manage suppliers, determine reorder points and safety-stock levels, monitor stock availability, and coordinate warehousing and fulfillment. If these processes are not addressed in the business plan, the company can repeatedly run out of inventory even when there is customer demand. Stockouts directly prevent order fulfillment, reduce customer confidence, and can cause customers to buy from competitors, making the problem particularly damaging for an online business whose customer experience depends on accurate product availability and dependable delivery. Effective supply-chain planning also establishes contingencies for supplier delays, unexpected increases in demand, and transportation disruptions, helping the business continue operating when conditions change. The U.S. Small Business Administration identifies operations and management planning as important parts of a business plan, including how the business will function day to day. Oracle's supply-chain overview likewise describes supply chain management as coordinating the flow of goods and related processes from sourcing through delivery. See the [U.S. Small Business Administration business-plan guide](#) and [Oracle's supply chain management overview](#).

QUESTION NO: 7

Which of the following terms describes the percentage of site visitors who complete a desired action, such as purchasing a product or subscribing to a newsletter?

- A. Conversion rate
- B. Page-view rate
- C. Bandwidth rate
- D. Server uptime rate

ANSWER: A

Explanation:

Conversion rate is correct because it measures the proportion of visitors who perform a defined desired action. An e-commerce site may calculate purchase conversion rate by dividing the number of completed orders by the number of visitors, then expressing the result as a percentage. The metric helps the merchant evaluate whether site design, product offerings, advertising, and checkout processes are successfully turning visits into measurable business results.

Page views measure the number of times pages are viewed, and click-through rate measures how often users click a link or advertisement. Neither measure directly indicates how many visitors completed the site's intended goal. Google Analytics documentation describes conversions as important user actions measured for a website or application; see [Google Analytics conversions documentation](#).

QUESTION NO: 8

You will be hiring someone to localize your e-commerce site in order to reach a specific audience. Which of the following is most essential for the person you hire to effectively complete the job?

- A. The ability to communicate clearly with the team that created the site
- B. An understanding of the scripting language and database type used on the site
- C. An understanding of the importance of the just-in-time (JIT) process to the company
- D. An understanding of the language and culture of the audience you want to reach

ANSWER: D

Explanation:

An understanding of the language and culture of the audience you want to reach is most essential because localization adapts an e-commerce experience for a particular market rather than merely translating its text. An effective localizer must accurately convey meaning in the audience's language while recognizing cultural expectations that affect how customers interpret content, imagery, dates, measurements, currencies, forms of address, navigation, and purchasing information. This helps ensure that product descriptions, calls to action, promotions, and customer-facing policies feel natural, relevant, and trustworthy to the intended users.

For an e-commerce site, cultural competence is especially important because it supports customer confidence throughout the buying journey. A localized site should present information in ways that match local conventions and avoid messaging or design choices that could confuse or alienate customers. The World Wide Web Consortium describes internationalization as designing content and technology so it can be adapted to users in different languages, regions, and cultures; localization is the adaptation for a specific locale. This makes language and cultural knowledge the core qualification for the role. See the [W3C internationalization overview](#) and the [W3C guidance on cultural considerations in personal names](#).

QUESTION NO: 9

Denying that a payment transaction took place is known as:

- A. nonrepudiation.

- B. negative authentication.
- C. poor data integrity.
- D. repudiation.

ANSWER: D

Explanation:

Repudiation is the act of denying that an action, communication, or transaction occurred. In an e-commerce payment context, it describes a situation in which a party—for example, a purchaser—claims they did not authorize or complete a transaction. This is an important security and business concern because online transactions may occur without the parties being physically present, so systems need reliable evidence connecting an action to its originator.

Payment systems address repudiation through controls that establish accountability and preserve transaction evidence. These can include authenticated customer sessions, transaction records, timestamps, digital signatures, confirmation messages, and audit logs. Such evidence can help demonstrate that a particular user approved a payment and can be used to resolve a dispute. The related security property, nonrepudiation, provides assurance and proof that a party cannot credibly deny a completed action; therefore, the denial itself is termed repudiation. The National Institute of Standards and Technology defines non-repudiation as assurance that the sender of information is provided with proof of delivery and the recipient is provided with proof of the sender's identity, supporting accountability in electronic exchanges. See [NIST's non-repudiation glossary entry](#) and [NIST's security and privacy glossary resources](#).

QUESTION NO: 10

Which technology provides channel security (privacy and authentication) through encryption, and reliability through a message integrity check (secure hash functions)?

- A. HTTP
- B. S-HTTP
- C. SSL
- D. SET

ANSWER: C

Explanation:

SSL is correct because it was designed to secure the communication channel between a client and server. It provides privacy by encrypting application data after a secure session is negotiated, preventing parties that intercept network traffic from reading the protected content. SSL also supports authentication, most commonly by allowing the client to validate the server's identity through a digital certificate and the public-key infrastructure used during the handshake. Depending on the configuration, client authentication can also be used.

For reliability in the sense used by this question, SSL protects message integrity. Its record protocol applies a message authentication check based on secure hash functions so that the receiving endpoint can detect whether protected data was modified in transit. The combination of encryption, authentication, and integrity protection makes SSL a channel-security technology rather than merely an application protocol. In current practice, SSL has been superseded by Transport Layer Security, particularly TLS 1.2 and TLS 1.3, but "SSL" remains the intended historical term in this CIW question. See the [SSL 3.0 protocol specification](#) and the [TLS 1.3 specification](#) for the security services and record-protection model.

QUESTION NO: 11

Which of the following is true of a mid-level offline instant storefront?

- A. It is more expensive than an online instant storefront.
- B. It is easier to use than an online instant storefront.

- C. It provides fewer security options than an online instant storefront.
- D. It is less likely to allow site customization features.

ANSWER: A

Explanation:

“It is more expensive than an online instant storefront.” is true. In CIW’s treatment of instant storefront solutions, an offline storefront is software acquired and installed by the merchant, rather than a hosted storefront service accessed through the web. A mid-level offline product typically requires an up-front software license and may also require the merchant to obtain and manage compatible hosting, installation, upgrades, and supporting technical resources. Those ownership and deployment requirements generally create a higher initial cost than an online instant storefront, which is commonly offered as a hosted service with a lower entry cost and recurring subscription charges. The distinction is principally about the delivery and cost model: the offline product gives the business software it operates itself, whereas the online product shifts much of the platform operation to the service provider. CIW’s E-Commerce Designer curriculum covers selecting appropriate e-commerce solutions and evaluating their costs and capabilities. See the [CIW E-Commerce Designer certification overview](#) and the related [CIW E-Commerce Designer course materials](#).

QUESTION NO: 12

Online credit-card transactions require a payment gateway. Payment gateway software can be installed on your Web server or hosted online. After you install a payment gateway, you must:

- A. configure the gateway to work with your e-commerce server.
- B. install the e-commerce database system.
- C. select and establish a compatible merchant account.
- D. develop an effective marketing strategy.

ANSWER: A

Explanation:

After payment-gateway software is installed, it must be configured to communicate correctly with the e-commerce server and the selected payment processor. This configuration typically connects the checkout application to the gateway through supplied integration settings or API credentials, identifies the merchant account, specifies transaction and callback endpoints, and enables the secure exchange of authorization requests and responses. Without this integration step, the shopping cart may collect order details but cannot reliably submit payment transactions to the gateway or receive approval, decline, and error results needed to complete the order workflow.

Configuration also supports secure handling of payment data. A properly integrated gateway allows the site to send payment information through the gateway’s approved process, often using tokenization or hosted payment fields so that sensitive card data is not unnecessarily handled by the merchant’s own application. This is consistent with PCI DSS guidance that organizations protect account data and use secure system configurations. The PCI Security Standards Council provides an overview of PCI DSS at [PCI DSS](#). Gateway providers likewise document the need to configure authentication credentials and server-side payment integration; see [Stripe’s Payment Intents documentation](#).

QUESTION NO: 13

An online merchant plans to send promotional e-mail to customers who previously subscribed to its newsletter. Which of the following must the merchant include in each commercial e-mail message?

- A. A clear method to opt out of future e-mail messages
- B. A request for the recipient’s payment-card number
- C. An attached executable file describing the merchant

D. A requirement that the recipient reply to unsubscribe

ANSWER: A

Explanation:

A clear method for recipients to opt out of future messages must be included in commercial e-mail. An unsubscribe mechanism allows recipients to withdraw consent or otherwise request that the sender stop sending promotional messages. The merchant must honor opt-out requests within the time required by applicable law and should not require recipients to pay a fee or provide unnecessary information to unsubscribe.

Commercial e-mail should also contain accurate sender information and a valid physical postal address. In the United States, the CAN-SPAM Act requires a clear and conspicuous explanation of how the recipient can opt out of receiving future commercial e-mail. See the [FTC CAN-SPAM Act Compliance Guide](#).

QUESTION NO: 14

Which of the following is a messaging protocol designed to ensure the integrity of data sent between incompatible computers?

- A. Electronic Data Interchange
- B. Electronic Data Interface
- C. Electronic Download Instruction
- D. Electronic Description Interface

ANSWER: A

Explanation:

Electronic Data Interchange is correct because EDI is a standardized method for exchanging structured business documents directly between separate computer systems. It enables organizations with different internal applications, databases, and operating environments to communicate using agreed document formats, message structures, and transmission rules. Rather than relying on a person to rekey information from a received document, an EDI translator converts business data into a standard interchange format for transmission and converts the received interchange into a format the recipient's system can process.

That standardization is central to preserving data integrity: important fields such as purchase-order numbers, quantities, dates, addresses, and invoice amounts are represented consistently and can be validated by the receiving system. EDI implementations also commonly use controls such as interchange identifiers, acknowledgments, validation, and secure transport to support reliable business-to-business exchange. In e-commerce, this makes EDI particularly useful for routine, high-volume transactions among trading partners, including orders, invoices, shipping notices, and payment-related documents. The U.S. National Institute of Standards and Technology describes EDI as the computer-to-computer interchange of strictly formatted messages representing documents, while the United Nations' UN/EDIFACT standard defines internationally agreed electronic data interchange formats and directories. See [NIST's EDI glossary entry](#) and [UNECE UN/EDIFACT standards information](#).

QUESTION NO: 15

Which of the following are common methods for tracking customers in a referrer program?

- A. Customer names, landing page hit counts, page redirections
- B. Cookies, page redirections, specialized URLs with ID numbers
- C. Web browser tracking files, sales commission records, customer names
- D. Cookies, Web server referrer agent log files, registered user names

ANSWER: B

Explanation:

Cookies, page redirections, specialized URLs with ID numbers are common mechanisms used to associate a visitor or completed transaction with the referring partner in a referral or affiliate program. A specialized URL generally contains a unique referral, affiliate, or campaign identifier. When a prospective customer follows that link, the site can record the identifier and attribute a later conversion to the appropriate referrer. A redirect is frequently used as an intermediary tracking step: it records the referral information before sending the visitor to the intended destination page. Cookies can preserve the referral identifier in the visitor's browser, allowing attribution to continue across pages or for a defined period after the initial visit. Together, these mechanisms support reliable referral attribution and the calculation of any applicable referral credit or commission. Cookie-based storage and its role in retaining site data are described by [MDN Web Docs: HTTP cookies](#). The use of URL parameters to identify and measure the source of traffic is also documented in [Google Analytics campaign URL builder guidance](#).