The Logistics Strategy and the Growth of E-Commerce in Nigeria

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ABSTRACT

The study investigated the impact of logistics on e-commerce in Jumia, Nigeria. The research questions were developed to capture three measures of logistics on e-commerce activities of Jumia Nigeria. They are concerned with the impact of integration and knowledge competency on e-commerce activities in Jumia Nigeria; the effect of customer focused logistics competency on e-commerce activities in Jumia Nigeria, and the influence of measurement competency on e-commerce activities in Jumia Nigeria.

Data were obtained using a well-structured questionnaire as an instrument to gather information from the respondents, which captures the three research questions. The convenience sampling technique was adopted, and the sample size of the study was one hundred (100), which were randomly selected. The empirical results findings obtained reveal that there is need for improvement in logistic practice in Jumia, Nigeria with respect to integration and knowledge competency; customer focused logistics competency; measurement competency. Consequent on the findings, the study recommends that Jumia, Nigeria should improve its logistics practice in order to improve on its ecommerce activities.

(Keywords: logistics, electronic commerce, economic activities, competency assessment, questionnaire research, Jumia Nigeria)

INTRODUCTION

In the field of management, logistics entails the management of flow of things from the origin point to the point of consumption so as to meet the aims of the customers or organizations (Tepic, Tanackov, and Gordan, 2011). Stank, Davis, and Fugate (2005) perceived logistics as an important component of supply chain management.

The Council of Supply Chain Management Professionals (2007) recognize the importance of logistics management in Supply Chain Management which is essential in planning, implementation, and controlling the efficient, effective forward and reverse flow and storage of goods, services and related information between the point of origin and the point of consumption in order to meet customers’ requirements. It is basically a management technique used for planning, implementing, and controlling of people and resources aimed at satisfying the goals of the company and satisfaction of consumers.

There are several fields of life that logistics serves as a relevant tool in achieving organizational goals. Its application originates from the field of military science in the procuring, maintenance and transportation of material, personality and facilities. Logistics was engaged in the military to ensure the maintenance of supply lines towards disrupting those of the enemy. It was basically a strategy employed to win wars and battles (Cozzolino, 2012; Troy, 2014).

In the field of production and engineering, logistics helps to ensure that each machine and workstation receives the right product in the right quantity and quality, at the right time.

However, logistics has helped to promote e-commerce transactions as consumers have mitigated some of the challenges of distance barriers and time wasting to purchase goods and services via the internet. As such, businesses have evolved from traditional, physical trade transactions to trade via the internet using electronic devices such as mobile phones, computers and laptops. Today, several business activities are conducted online. People go online to sell and buy both goods and services, and many transactions cannot be completed without Internet technology (Wang and Chen, 2010).
The history of e-commerce however dates back to the 1970s when the ARPANET was used to arrange cannabis sale between students at Stanford Artificial Intelligence Laboratory and the Massachusetts Institute of Technology (Wienclaw, 2013). Mintel was later introduced in France by the France Telecom for online ordering. Subsequently Amazon.com, eBay, IndiaMART, Alibaba Group and other e-companies were established afterwards to meet the growing online demand for goods and services (Iqbal, 2009).

Electronic commerce activities include the inter-organizational processes of market-based sell-buy relationships and collaboration (known as business-to-business, or B2B, commerce) and consumer-oriented activities (business-to-consumer, i.e., B2C, and consumer-to-consumer, or C2C), as well as the intra-organizational processes that support them (Zwass, 2003).

Electronic commerce as a way of doing business has significant advantages; organizations are embracing e-commerce as a means of expanding markets, improving customer service, reducing costs, and enhancing productivity (Wenninger, 1999).

Efficiencies are experienced in marketing and advertising; e-commerce makes disintermediation possible, eliminating the middleman (Turban, King, Lee and Viehland, 2004). Other efficiencies include reduced inventory and round the clock access at no additional cost.

E-commerce enables higher customization by allowing organizations to improve customer service. A vital benefit of e-commerce is access to global markets which enables businesses to expand their reach. The Internet allows for unconstrained awareness, visibility and opportunity for an organization to promote its products and services (Senn, 2000).

Statistics reveal that there is rising rate in e-commerce, with a volume of $1.89 trillion e-trades in 2014 and increased to $2.67 trillion in 2016. The Asian Pacific accounts for the largest trades followed by North America, Europe, Latin America and Africa (Global B2C E-commerce Report, 2016). The emergence of e-commerce in Nigeria started during the mid-1990s when the internet and telecommunications industry became popular, but its growth tarried until the advent of internet banking at the beginning of the 21st century (Idigbe, 2010). There has been growth in the number of mobile users, which has also contributed to the growth of e-commerce in the country. Ovia (2007) affirms that the growth of credit/debit cards and Automated teller machines (ATMs) has also contributed to the growth of e-commerce in the country. Nigerians can now pay, withdraw or transfer funds anywhere in the country with the introduction of MasterCard, Visa Card, Inter-Switch, and e-transact.

Studies on e-commerce are however concerned with its cost, quality, flexibility, innovation, and delivery of goods and services through online demands towards the point of delivery. Studies have also focused on the outcome of logistics on e-commerce variables such as cost, quality, and manufacturing strategies (Frohlich and Dixon, 2001). Lekovic and Milicevic (2013) was concerned with five roles logistics plays in e-commerce: implementation of orders, inventory management, warehouse management, distribution and packaging.

The lag between ordering and delivery of goods also remains a concern in literature on logistics e-commerce nexus, which is important to reducing the risks of electronic business transactions (Lekovic and Milicevic, 2013). Wang (2015) evaluated the performance of logistics on e-commerce based on three criteria: resource utilization, overall efficiency and response time management. These are some of issues investigated in the literature towards ensuring that the e-commerce businesses thrive and ensure consumer's satisfaction is maximized.

**STATEMENT OF THE PROBLEM**

Electronic commerce in Nigeria has come a long way with the help of internet usage in the country with an estimated $12 billion trade in 2016 (businessamlive.com). The e-commerce business space in the country is proliferated with several e-commerce businesses such as slot.ng, wakanow, Payporte, Vconnect, Dealdey, Kara, and Gloo.ng. However, these are dominated by Jumia Nigeria and Konga who engage in retail trade of almost every type of goods on their websites (Phillip Consulting, 2014).

Customers in Nigeria who purchase items on the internet readily enjoy the benefits of convenience and variety of goods, while e-commerce businesses reap the benefits of large geographical reach for their goods as well as
lower costs of running operating their businesses with lesser workforce. Despite the growing rate of e-commerce in the country a vast majority of the country prefer in-store to online business.

Customers endure the challenges of late delivery of goods, poor quality of goods delivered, problems with item return or money refund (Phillip Consulting, 2014). However, a more compelling issue on e-commerce business in the country is that Nigerians spent more than ₦327 billion shopping online in 2016, with barely 400,000 digital customers who buy and sell online despite having more than 92 million internet users (interentworldstats.com).

Phillip Consulting (2014) showed that most Nigerians indicated displeasure over online transactions ranging from delay in delivery, mismatch of items displayed on the internet and that delivered, slow website, out of stock goods and poor customer services. Lekovic and Milicevic (2013) and Djelassi (2013) showed that response time, distribution and efficiency are characteristics of logistics that influence e-commerce activities.

Shang and Marlow (2007) gave an elaborate study to analyze the impact of logistics on e-commerce activities using four logistic performance indicators: integration and knowledge competency, customer focused logistics competency, measurement competency, and agility competency were identified. The study reveals that logistics performance was positively associated with financial performance. However, there is dearth in empirical studies in Nigeria to investigate these propositions. Thus, this study seeks to help provide empirical explanations to these issues using Jumia Nigeria as a case study.

CONCEPT OF E-COMMERCE

Electronic commerce (otherwise known as e-commerce) is the wireless transfer of business information and transaction via electronic data interchange (EDI), e-mail, electronic bulletin boards, fax machines and electronic funds transfer (Oluyomi, 2012). Kareem, Owomoyela and Oyebamiji (2014) defined e-commerce as the use of communications technology particularly the internet to buy, sell and market goods and services to customers.

E-commerce according to Laudon and Traver (2008) connotes the use of the internet and the web to transact business more formally, digitally enabled commercial transactions between and among businesses and individuals. Rosen (2002) states that electronic commerce or e-commerce refers to a wide range of online business activities for products and services. Despite the several definitions accorded to it, the concept of e-commerce is all about using the Internet to do business better and faster. It is about giving customers controlled access to your computer systems and letting people customize products and services for themselves and delivering the products and services in due time.

These personalized automated services are of great financial benefits to a business in the form of increased revenue and decreased cost of doing business. It is about committing a company to a serious online effort and integrating your Web site with the heart of your business (Oluyomi, 2012).

E-commerce is useful to any form of business transaction in which the parties interact electronically rather than by physical exchanges or direct physical contact. E-commerce is usually related with conducting transaction concerning the transfer of ownership or rights to make use of goods or services through a computer-mediated network or buying and selling over the internet.

The global reach offered by the Web enables a company to place their products and services in front of the entire world. This benefits a company in that; they are able to transact business with anyone from anywhere in the world and at any given time over the Web. This also means that products and services can be accessible from any internet-connected device. Thus, reducing the time and cost of making transactions. The global access makes it possible for companies to explore more easily new business opportunities and new markets. Therefore, it is easy for a new entrant to compete with well-established companies. Amazon.com was able to carve a market niche and subsequently became an established firm as an online bookstore despite the fact there were already a lot of established bookstore firms (but with no online stores) (Oluyomi, 2012).

Through e-commerce, organizations can capture valuable data about their customers, which can be used to reach targeted market segments and support customer relationship marketing. Organizations utilize digital direct marketing to
disseminate messages to potential customer groups about products and services within their specific areas of interest. Also, organizations have an opportunity to interact with their customers in a way that allows them to build increased customer loyalty (Oluyomi, 2012).

The nature of e-commerce also implies that customers are to access a vast number of products and services from suppliers around the globe, thus providing a much wider range of choices in suppliers, price, quality and features. Buyers are able to shop and make product comparisons with different online stores from the convenience of their homes at any time of the day or night.

There is no limit to the market place, and this is in sharp contrast to traditional commerce where consumers have to visit a market place in order to make a purchase. Also, delivery costs and time are dramatically reduced for products that can be delivered over the Internet such as games, e-books, music, software, and videos (Reynolds, 2009).

Sajuyigbe, (2012) identified eight (8) types of e-commerce which are: Business-to-business e-commerce (B2B) (involving two or more businesses make transactions or collaborate electronically); Collaborative commerce (c-commerce) (this type business partners collaborate electronically); Business-to-consumers (B2C) (sellers are organizations, while the buyers are individuals); Consumers –to-businesses (C2B) (in such framework, consumers make known a particular need for a product or service, and organizations compete to provide the product or service to consumers); Consumer-to-consumer (C2C) (an individual sells products (or services)to other individuals); Intra-business (intra-organizational) commerce (an organization uses e-commerce internally to improve its operations); Government-to-citizens (G2C) and to others; and Mobile commerce (m-commerce) (this is done in a wireless environment, such as using cell phones to access the Internet).

Several proactive drivers have been identified as rationale for business organizations to adopt the e-commerce (Gilmore, Gallagher, and Henry, 2007). Proactive reasons include the expansion of a company’s marketplace to national and international markets. However, Papazoglou and Ribbers (2006) argued that several organizations are often at a dilemma on the need for adoption of any form of innovation, and e-commerce is still new hence they see the creation of a website as an onerous task. These factors include: firm size, organizational structure, and quality of human resources; technologies which are the internal and external factors significant to the business; others include: environment which expresses where the firm conducts its business such as industry, competitors, government, etc. Within the wider spectrum, issues such as Technology competence, firm size, firm scope, consumer readiness, and competitive pressure were significant factors in the adoption of e-commerce. In the same vein, Gbolagade, et al. (2013) affirmed that innovation culture, infrastructure, finance, knowledge and skills, compatibility and level of security were the significant factors in the adoption of e-commerce.

**RESEARCH METHODOLOGY**

The data collected were sorted, processed and analyzed by using descriptive and inferential statistics. The analysis was in accordance with research hypotheses. The descriptive analysis defined the properties of the data to show the variations in responses and opinions using frequencies, percentage denotations as well as other descriptive tools. Data collected for the study was analyzed using appropriate descriptive and inferential statistics such as Chi-square to test hypotheses and was done using Statistical Package for Social Sciences (SPSS).

**RESULTS AND DATA ANALYSIS**

The data collected were sorted, processed and analyzed using descriptive and inferential analysis. The descriptive analysis described the data obtained using averages and percentages from the responses obtained from the questionnaire; inferential analysis was used to test for significance of responses obtained from the descriptive analysis. The test of significance employed is the chi-square statistical technique.

The Chi-square is a non-parametric technique used when a qualitative methodology is employed (Oaikhenan and Udegbulam, 2004). The chi-square is used to test for the equality or otherwise of more than two proportions. The data set obtained from questionnaire is non-quantitative hence a qualitative technique
adopted to test for significance from the descriptive analysis. The chi-square statistic which is denoted as $\chi^2$ is algebraically stated as:

$$\chi^2 = \frac{\sum (f_e-f_o)^2}{\sum f_e}$$

Where:

$\chi^2$ is the Greek symbol used to denote the chi-square statistic

$f_e$ is the expected frequency

$f_o$ is the observed frequency

$\sum$ is the Greek symbol denoting summation

**Socio-Demographic Characteristics of Respondents**

**Table 1**: Distribution of Respondents by Socio-Demographic Characteristics.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Categories</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex</td>
<td>Male</td>
<td>54</td>
<td>54</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>46</td>
<td>46</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Age</td>
<td>Less than 18years</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>18-25years</td>
<td>91</td>
<td>91</td>
</tr>
<tr>
<td></td>
<td>26-30years</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>More than 30years</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Tribe</td>
<td>Igbo</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>Hausa</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Yoruba</td>
<td>44</td>
<td>44</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Religion</td>
<td>Christianity</td>
<td>69</td>
<td>69</td>
</tr>
<tr>
<td></td>
<td>Islam</td>
<td>31</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

**Source**: Field Survey, 2018
Analysis of Research Questions

There are 54 male and 46 female respondents. The respondents have 91 individuals who fall between the ages of 18 and 25 years, while only 9 of them are between the ages of 26 and 30 years. From the respondents, 44 are Yoruba, 21 are Igbo, while 35 are from other tribes not stated. Most of the respondents are Christians, as 69 are Christians and 31 of them are Moslems.

From Table 2, 49 of the respondents strongly disagree and 51 disagree to the first question put forth. Therefore, Jumia Nigeria does not utilize time-based logistics solutions like continuous replenishment, quick response and just-in-time with its customers.

The table also reveals that 46 of the respondents strongly disagree while 54 of them disagree to the second question put forth. This reveals that Jumia Nigeria does not have active programs to capture the experience and expertise of individuals and transfer this knowledge throughout their transactions with customers.

Question three probed to know whether Jumia Nigeria clearly define roles and responsibilities with customers. 43 of them strongly disagree, while 57 disagree to the question, which implies that Jumia Nigeria does not clearly defines roles and responsibilities with customers.

From responses obtained from question 4, 47 of them respondents agree that the information available on Jumia Nigeria website is accurate, timely and formatted to facilitate them. However, a majority of the respondents who make up 53 individuals strongly disagree. Therefore, there is strong indication that the information available on Jumia Nigeria website is not accurate and timely.

The respondents reveal that Jumia Nigeria should improve on programs to enforce standardized logistical performance. 42 of them strongly confirm this, while 58 also confirmed it.

Results obtained from Table 2 indicates that Jumia Nigeria needs more effort on integration and knowledge competency in its ecommerce activities.

Table 2: Analysis of Integration and Knowledge Competency.

<table>
<thead>
<tr>
<th>S/N</th>
<th>QUESTIONS</th>
<th>FREQUENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>SD</td>
</tr>
<tr>
<td>1.</td>
<td>Jumia Nigeria successfully utilizes time-based logistics solutions like</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td>continuous replenishment, quick response and Just-in-Time with customers.</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Jumia Nigeria has active programs to capture the experience and expertise</td>
<td>46</td>
</tr>
<tr>
<td></td>
<td>of individuals and transfer this knowledge throughout their transactions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>with customers.</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Jumia Nigeria clearly defines roles and responsibilities with customers.</td>
<td>43</td>
</tr>
<tr>
<td>4.</td>
<td>The information available on Jumia Nigeria website is accurate, timely</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>and formatted to facilitate you.</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Jumia Nigeria has active programs to enforce standardized logistical</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td>performance</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Survey, 2018
Table 3: Analysis of Customer Focused Competency.

<table>
<thead>
<tr>
<th>S/N</th>
<th>QUESTIONS</th>
<th>FREQUENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>SD</td>
</tr>
<tr>
<td>1.</td>
<td>Jumia Nigeria ensures that customer requirements are regularly employed in planning.</td>
<td>46</td>
</tr>
<tr>
<td>2.</td>
<td>Processes are in place that ensures customer feedback and complaint-driven improvements get corrective action and appropriate priority by Jumia Nigeria.</td>
<td>53</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2018

Table 4: Analysis of Measurement Competence.

<table>
<thead>
<tr>
<th>S/N</th>
<th>QUESTIONS</th>
<th>FREQUENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>SD</td>
</tr>
<tr>
<td>1.</td>
<td>Jumia Nigeria extensively measures logistics performance of your purchases in terms of price, customer service, and quality of goods sold to you.</td>
<td>44</td>
</tr>
<tr>
<td>2.</td>
<td>Jumia Nigeria captures information of your purchase activities and measures it to ensure your satisfaction is usually met.</td>
<td>55</td>
</tr>
<tr>
<td>3.</td>
<td>Jumia Nigeria provides you with logistics details in helping it to make decisions on its business activities.</td>
<td>46</td>
</tr>
<tr>
<td>4.</td>
<td>Jumia Nigeria conducts a survey for its customers to help assess customers’ satisfaction.</td>
<td>42</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2018

Table 3 provides responses to two questions on customer focused competency in Jumia’s e-commerce activities. Results from the first question show that 46 strongly disagree while 54 disagree to the question put forth. Therefore, the respondents are unanimous on the position that Jumia Nigeria should ensure that customer requirements are regularly employed in planning.

Responses obtained from question two shows that 47 agree that processes are in place that ensures customer feedback and complaint-driven improvements get corrective action and appropriate priority by Jumia Nigeria. However, 53 of the respondents strongly disagree on the question put forth. This gives strong basis to assert that processes should be adequately put in place by Jumia Nigeria to ensure customer feedback and complaint-driven improvements should get corrective action and appropriate priority.

From the foregoing, Table 3 reveals that Customer Focused Competency needs improvement in e-commerce activities of Jumia Nigeria.

Table 4 provides four questions that explain measurement competence in ecommerce activities of Jumia Nigeria. Responses obtained from the first question show that 44 strongly disagree while 56 disagree to the question put forth. Thus, the respondents unanimously agree that Jumia Nigeria needs to extensively measure logistics performance of your purchases in terms of price, customer service, and quality of goods sold to them.

45 of the respondents agree that Jumia Nigeria captures information of their purchase activities and measures it to ensure their satisfaction is usually met. However, a majority 55 individuals strongly disagree to the question put forth. These results reveal that the respondents indicate that Jumia Nigeria needs to capture information of customer purchase activities and measures it to ensure customer satisfaction is usually met.
46 of the respondents strongly disagree while 54 disagree to the question put forth on “Jumia Nigeria provides you with logistics details in helping it to make decisions on its business activities”. Therefore, this reveals that Jumia Nigeria needs to provide its customers with logistics details in helping it to make decisions on its business activities.

42 of the respondents strongly disagree while 58 of them disagree to the fourth question put forth. Therefore, there is unanimous decision among the respondents that Jumia Nigeria needs to conduct a survey for its customers to help assess customers’ satisfaction. Responses obtained from Table 4 reveal that there need for improvement measurement competence in the ecommerce activities of Jumia Nigeria.

Test for Research Hypotheses

The responses obtained from Tables 2 to 4 shall be tested to provide valid contents to them.

Chi-Square Analysis for Hypothesis One

Hypothesis One

H₀: Integration and knowledge competency does not have any significant impact on e-commerce activities in Jumia Nigeria.

H₁: Integration and knowledge competency has significant impact on e-commerce activities in Jumia Nigeria.

The test result obtained from the table above reveals that the significant values are greater than 0.05 (5%). This provides evidence to accept the null hypothesis and conclude that Integration and knowledge competency does not have any significant impact on e-commerce activities in Jumia.

Chi-Square Analysis for Hypothesis Two

Hypothesis Two

H₀: Customer focused logistics competency does not have significant effect on e-commerce activities in Jumia Nigeria.

H₁: Customer focused logistics competency has significant effect on e-commerce activities in Jumia Nigeria.

From the results obtained from table 6, the probability values are greater than 0.05 (5%). Therefore, the null hypothesis will be accepted, which confirms that customer focused logistics competency does not have significant effect on e-commerce activities in Jumia Nigeria.

Table 5: Chi-Square Analysis for Hypothesis One.

<table>
<thead>
<tr>
<th>Chi-Square</th>
<th>040^a</th>
<th>.640^a</th>
<th>1.960^a</th>
<th>.360^a</th>
<th>2.560^a</th>
</tr>
</thead>
<tbody>
<tr>
<td>Df</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Asymp. Sig.</td>
<td>.841</td>
<td>.424</td>
<td>.162</td>
<td>.549</td>
<td>.110</td>
</tr>
</tbody>
</table>

_a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 50.0._

Table 6: Chi-Square Analysis for Hypothesis Two.

<table>
<thead>
<tr>
<th>Chi-Square</th>
<th>.640^a</th>
<th>.360^a</th>
</tr>
</thead>
<tbody>
<tr>
<td>Df</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Asymp. Sig.</td>
<td>.424</td>
<td>.549</td>
</tr>
</tbody>
</table>

_a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 50.0._
Table 7: Chi-Square Analysis for Hypothesis Three.

<table>
<thead>
<tr>
<th>Chi-Square</th>
<th>.640&lt;sup&gt;a&lt;/sup&gt;</th>
<th>.160&lt;sup&gt;a&lt;/sup&gt;</th>
<th>.640&lt;sup&gt;a&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Df</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Asymp. Sig.</td>
<td>.424</td>
<td>.689</td>
<td>.424</td>
</tr>
</tbody>
</table>

<sup>a</sup> 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 50.0.

**Chi-Square Analysis for Hypothesis Three**

**Hypothesis Three**

H<sub>0</sub>: Measurement competency does not significantly influence ecommerce activities in Jumia Nigeria.

H<sub>1</sub>: Measurement competency significantly influences ecommerce activities in Jumia Nigeria. The responses obtained related to the research hypothesis are presented in Table 7.

The probability values obtained from the table above are 0.424, 0.689 and 0.424, which are greater than 0.05 (5%). Therefore, there is no basis to reject the null hypothesis. The study therefore concludes that measurement competency does not significantly influence ecommerce activities in Jumia Nigeria.

**DISCUSSION OF FINDINGS**

The results obtained reveal that there is need for improvement logistic practice in Jumia Nigeria with respect to integration and knowledge competency; customer focused logistics competency; and measurement competency. Therefore, none of these measures of logistics has a significant impact on the e-commerce activities of Jumia Nigeria. This finding disagrees with most developed studies such as Zhang, Zhang, and Lim (2005); and Tontini and Zanchett (2010) who confirmed that firms could achieve customer satisfaction by developing effective logistics. However, the finding agrees with Aniki, Mbohwa and Akinlabi (2012) who found that the rail system in Nigeria is obsolete due to negligence and poor maintenance on this logistics system.

The result obtained also agrees with Phillip Consulting (2014) which found that most Nigerians expressed displeasure over online transactions ranging from delay in delivery, mismatch of items displayed on the internet and that delivered, slow website, out of stock goods and poor customer services. Thus, the engagement of logistics by e-commerce companies in Nigeria is very good but there is a need for improvement.

**CONCLUSION**

The study concludes that stating that there is need for improvement development of logistics in Jumia Nigeria. The integration and knowledge competence application of logistics by the firm is found low and unimpressive, which would adversely affect their performances. More so, Jumia Nigeria has poor customer focused competency logistics. The firm is not able to ensure customers’ requirements are largely employed in planning.

Similarly, customer feedback mechanism is poor by the firm. This confirms why many customers would prefer to make cash payments when their goods are delivered to secure their satisfaction. Lastly the firm is poor to measure success of its sales and consumer satisfaction. Hence logistics in Jumia has not been able to promote e-commerce activities in the firm. In order to improve on e-commerce activities in Nigeria, Jumia Nigeria should improve on its logistics management.

**RECOMMENDATIONS**

Consequent on the findings, the study draws the following recommendations:

i. Jumia Nigeria and other e-commerce firms in Nigeria should pay attention to knowledge logistics to ensure they have the requirements
(such as technology, transportation, outsourcing partners and inventory management) to meet customers’ demands.

ii. Jumia Nigeria and other e-commerce firms in Nigeria should focus on improving on their customer-focused competency logistics by ensuring customers’ requirements and feedback are employed in their business planning.

iii. Jumia Nigeria and other e-commerce firms in Nigeria should improve on their agility logistics by ensuring their business operations are flexible to meet dynamic demands of consumers.

iv. Jumia Nigeria and other e-commerce firms in Nigeria should adopt measurement competency by measuring their sales and consumers’ satisfactions which would help them improve on their logistics approach needed to satisfy their customers.

REFERENCES


**SUGGESTED CITATION**