Customer Expectations and E-Commerce Logistics Operations in Nigeria

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ABSTRACT

E-commerce encompasses a wide range of business ventures, including online shopping, online auctions, and electronic markets. These astounding advances have not only helped e-commerce enterprises access a larger customer base, but they have also improved business outcomes and revenues for online shops. The expansion of the Nigerian economy has altered consumer purchasing strategy and buying options. This study is dictated by the need to determine the best ways to handle consumer expectations in connection to e-commerce usage in logistics operations on e-commerce platforms in Nigeria.

The study used a primary method of data collection that entails clarifying data from interviewees who work for the company using research instruments. The findings showed that there is a healthy customer expectation at an average mean of 4.38 and standard deviation of 0.59 strongly agreed, customer loyalty at an average mean of 3.63 and standard deviation of 1.18 agreed, customer satisfaction at an average mean of 3.99 and standard deviation of 0.70 agreed, customer brand loyalty at an average of mean of 3.73 and standard deviation of 1.02 agreed respectively. A perfect positive correlation is represented by r = 1, and a perfect negative correlation by r = -1. The products available on Jumia have a significant impact on consumer expectations, brand loyalty, satisfaction, and customer expectations regarding product patronage. The study concluded customers virtually mindlessly follow their items on the platform, which has both theoretical and real-world ramifications. It therefore recommends that Jumia should keep doing what makes them happy to sustain their customer expectations, customer loyalty, customer satisfaction and customer brand loyalty.

(Keywords: e-commerce, logistics, customer satisfaction, operations)

INTRODUCTION

E-commerce is said to have started with the development of Electronic Data Interchange (EDI) in the 1960s, which allowed businesses to exchange documents electronically. However, the true catalyst for e-commerce came with the advent of the World Wide Web and the development of web browsers such as Netscape in the mid-1990s. The late 1990s and early 2000s saw the rise of e-commerce giants like Amazon and eBay, which fundamentally altered consumer behavior and retail (Davey, 2019).

Globally, e-commerce has grown significantly in the last 20 years. These astounding advances have not only helped e-commerce enterprises access a larger customer base, but they have also improved business outcomes and revenues for online shops. Global retail e-commerce sales are predicted to almost double in the next three years, from roughly $3.5 trillion in 2019 to $6.5 trillion in 2022, according to Clement (2019) in the report Global retail e-commerce sales 2014–2023. Online shopping, electronic markets, and online auctions are examples of e-commerce, which is the offering or facilitation of goods and services through websites (Kotler and Keller, 2016).

One of the terms used in the business world the most is "online shopping." Both developed and developing nations frequently experience it (Armstrong and Kotler, 2009). These days, terms like "market space" and "virtual store" are often utilized. Nigeria has seen a sharp increase in online purchasing throughout the past five years. Numerous online shopping portals, such as Jumia have been built. The manner that consumers have changed the way they shop has

dramatically changed in the last ten years (Bilgihan, Kandampully, and Zhang, 2016). Even though people still buy from physical stores, they find online shopping to be highly handy since it eliminates the need for them to visit the business in person. Online shopping offers many benefits, including the ability to save time and energy when making purchases (Williams Bertsch, Wiele and Iwaarden, 2018).

Online shopping helps people save time, which is crucial for modern consumers because, on the one hand, time is money and people are so busy these days that they cannot or will not spend much time shopping. Online purchasing is unrestricted, unlike traditional retail, which has certain limitations or constraints on goods purchases. When buying online, consumers have an excellent chance to assess how much a product costs in relation to those of competitors. In a country like Bangladesh, where people want to compare the prices of their products or where consumers are price sensitive, price comparison is quite easy, thus people will utilize the internet as their shopping medium.

Online shopping involves a great deal, more engagement and communication between the buyer and seller than traditional retail. Similar to email or other social media platforms like Facebook, Twitter, and the like, electronic communication occurs during online buying. Customers may readily obtain information from sellers about product details, price, quantity, and shipment dates when they shop online (Rosen & Purinton, 2014). Achieving customer happiness is a relative concept that must be fully comprehended to succeed in business. In today's business world, a company is considered successful if it can satisfactorily serve its customers. In Nigeria, internet shopping has experienced significant growth in the past several years.

The expansion of the Nigerian economy has altered consumer purchasing habits. People are increasingly using the internet to transact business, and this trend is expanding quickly. A new era in business has been brought about by online and internet shopping, which makes it easier for consumers to interact with marketers. At the same time, customers are attempting to adopt these new transactional system methods, and their feedback has been positive (Kim and Stoel, 2018). Online purchasing is expanding quickly all around the world. The amount spent on retail in the United States in 2012 was $320 billion, up 18% from the year before. Of this amount, 27 percent was influenced by online sales. The developed world, which has largely embraced online shopping, is now considering creating a framework for this new system to ensure that there will not be any issues down the road. However, some businesses are having trouble implementing online shopping, so marketers need to be aware of what consumers want from an online shopping service (Elliot and Fowell, 2013).

Many studies have been conducted in this area, but nearly all of them show that the primary reason for this is that internet retailers ignore their clients. The most popular online purchases, according to the report, are tickets for theatre and concerts, computer software, and airline tickets and other travel-related merchandise. While food and other grocery products are rarely bought online, sports, clothing, and other items like books, newspapers, and equipment are all highly sought after items when it comes to internet shopping. Clothes were the most popular physical item purchased online, followed by gadgets.

A study on online purchasing indicates that the primary cause of failure in this endeavor is a lack of comprehension, either in terms of the customer's wants or their correct and efficient identification. Online and internet marketers must always produce innovative products and have a deep understanding of client needs to succeed (Kristensen and Westlund, 2014). An online marketer needs to be customer-focused since they cannot succeed without it. Since the majority of online marketers are currently worried about the problem, it is anticipated that clients will receive high-quality service from the online marketer.

LITERATURE REVIEW

Ha, Deville, Pham, and Hà (2018), conducted a study in China using an online poll, people's intentions to re-use mobile applications are strongly and favorably impacted by their effort expectations. Additionally, it has been shown that an individual's desire to utilize home tele-health services technology is positively and significantly impacted by their effort expectation, which increases with age. Applying the same conceptual underpinnings to travel business,

Martín and Herrero (2012) revealed that e-purchase intention of designated accommodation is minimally impacted by effort and performance anticipation. They suggested doing the same study again in various service sectors and situations.

The idea of performance expectations talks about how much a user will profit from using a certain technology. Additionally, it significantly raises user satisfaction and expectations for usability. Performance expectancy influences user intents to use e-government (Chen and Aklikokou, 2020).

Using the most recent TAM version, it is clarified that performance expectancy as an influencer of an individual's intention is one of the elements affecting adoption of specific technology, such as ARTS.

According to (Chong, 2013), perceived trust is the degree to which a person believes that by utilizing a system, their performance would be strengthened or increased. Research demonstrates the important role that trust plays in e-commerce adoption, whether directly or indirectly.

In addition, some research has shown that trust has little impact on people's intentions to utilize technology, such as their adoption of mobile commerce. Studies on mobile financial services have also shown that trust is not very important. Consumer-to-Consumer (C2C) internet commerce also incorporates several trust-related factors, according to Leonard and Jones (2019). The perception of website quality and the opinion of a third party can both influence a buyer's trust in a vendor. Trust is also recognized as a crucial precondition for fostering consumer loyalty or favorable purchasing habits in the beverage sector.

To address the dynamics of customers' intents for mobile payments, Wong and Mo (2019) employed TAM. Additionally, they discovered that a possible predictor of a customer's propensity to pay is perceived trust. Like business to consumer (B2C) e-commerce, business to business (B2B) e-commerce is trust-based. (Alsaad, Mohamad, and Ismail, 2017) looked at the moderating effect of trust on the link between environmental and technological variables on the adoption of e-commerce. Therefore, trust is seen to be the most significant element influencing an online buyer's intention.

Due to businesses' growing realization that their success mostly depends on giving their consumers a great purchasing experience, customer experience has emerged as a prominent issue in marketing research. Because of this, companies invest more of their financial resources on providing consumers with satisfying experiences, which may encourage them to make larger purchases. Strong emotional attachments to brands and higher customer satisfaction that results in customer loyalty are only two benefits that organizations hope to achieve from providing positive customer experiences (Anshu, *et al*., 2022).

Continuing the conversation on the online customer experience, the overall cumulative psychological impact of a customer's interactions with many virtual touchpoints is referred to as the OCSE. Customers' interactions with the online environment give rise to the multidimensional, subjective, and holistic process known as the Online Customer Service Experience (OCSE) (Trevinal and Stenger, 2014). Products sold on e-commerce platforms, for instance, have some attributes that consumers deem to be subjective. Customers' virtual interactions influence their emotive and cognitive states, which in turn influence their purchasing habits (Cachero-Martínez and V´azquez-Casielles, 2021).

These dimensions may be classified into two categories: functional and psychological (Klaus, 2013). According to Klaus (2013), the psychological dimension of a website is comprised of trust, value for money, and context familiarity, whereas the functional dimension includes usability, communication, social presence, product presence, and interaction. Furthermore, Pandey, and Chawla (2018) modified the psychological and functional dimensions' elements for online clothing purchasing from the context of book shopping.

Within the functional dimension of the OCSE, they employed four components: visual engagement, informativeness, interactivity, and ease of search and navigation. According to Pandey and Chawla (2018), the psychological dimension of the OCSE had six components: e-distrust, e-negative beliefs, e-self in efficacy, e-logistic ease, e-convenience, and e-enjoyment.

According to Chaudhuri and Holbrook (2001), customers' attitudinal loyalty is the desire to stick with a certain firm despite reduced costs given by

competitors, as well as the likelihood that they will suggest these items to others. According to Chaudhuri and Holbrook (2001), it comprises a "degree of dispositional commitment in terms of some unique value associated with the brand." Both the emotive and cognitive aspects of an individual's engagement with e-commerce platforms are included in attitude-based loyalty.

According to Gentile, *et al.* (2007), cognitively, it represents the way a client frames their interaction with specific e-commerce platforms. It stands for an emotional bond that strengthens allegiance and draws the consumer into the e-commerce platforms, which raises the level of attitudinal loyalty.

In general, a customer's attitude toward a platform indicates their propensity to choose it over others and is associated with sentiments of attachment and readiness to promote other users to it. According to Srivastava and Kaul (2016), attitudinal loyalty is one way that the customer experience influences judgments about what to buy. According to their findings, customer experience management is possibly the most important component in winning over customers. Loyal customers will spend more time on platforms where they have a stronger attitude, which increases the likelihood that they will make impulsive purchases (Anshu, *et al.*, 2022).

Customer self-control is the capacity to restrain one's thoughts, feelings, and actions when confronted with unfavorable urges and temptations (Kuhn, 2013). When people have self-control, they may sustain careful psychological conduct, which ultimately leads to them denying themselves short-term gains in favor of long-term gains. Consumers that possess strong self-control behave thoughtfully, deliberately, and with great forethought (Kuhn, 2013).

METHODOLOGY, RESULTS, AND DISCUSSIONS

The Existing Customer Expectation

Table 1 demonstrates that, on average, Jumia consumers strongly agreed that their expectations had been realized. This agreement was seen across all seven aspects, including a good attitude towards customers (Mean 4.53 and SD 0.52). It is strongly agreed upon that products are continuously improving themselves (Mean 4.51 and SD 0.54). The majority of a product abilities are useful (Mean 4.48 and SD 0.55). It is strongly acknowledged that Jumia are truthful with their followers (Mean 4.38 and SD 0.57).

It is strongly agreed upon that Jumia and customers have a tight relationship (Mean Average: 4.29, SD: 0.66). They strongly agreed that the Jumia products are good (Mean 4.28 and SD 0.64). They also strongly agreed that Jumia have various avenues of communication (Mean 4.23 and SD 0.67). The supporters are generally rather satisfied with their Jumia groups (Mean 4.38 and SD 0.59).

Table 1: Customer Expectations.

Variable	Mean	S.D.	Results
Customer Expectations			
1. Jumia have a positive attitude towards customers	4.53	0.52	Strongly Agreed
2. Jumia are constantly improving themselves	4.51	0.54	Strongly Agreed
3. Jumia have a wide range of products	4.48	0.55	Strongly Agreed
4. Jumia are sincere with their customers	4.38	0.57	Strongly Agreed
5. Jumia have a close relationship with customer	4.29	0.66	Strongly Agreed
6. Jumia have good public/media image	4.28	0.64	Strongly Agreed
7. Jumia have multiple communication channels	4.23	0.67	Strongly Agreed
Average	4.38	0.59	Strongly Agreed

Source: Researcher's Fieldwork (2024)

Table 2: Correlation Coefficient Analysis.

Variable	1	2	3	4	5	6	7	8
1) Gender	1.00							
2) Age	0.114	1.00						
3) Income	0.135	0.143	1.00					
4) Education	0.092	0.061	-0.072	1,00				
5) Customer expectations	0.085	0.242	0.197	0.064	1.00			
6) Customer loyalty	0.094	0.061	-0.073	-0.061	0.119	1.00		
7) Customer satisfaction	0.274	-1.00	0.44	0.380	0.314	0.110	1.00	
8) Social media influence	0.524	0.072	0.133	0.170	0.207	0.212	0.257	1.00

Correlation Coefficient Analysis of Purchase Intentions

The strength and direction of a linear association between two variables on a scatterplot are measured by the correlation coefficient (r), which was calculated using the data in a correlation coefficient study. In this case, a perfect positive correlation is represented by r = 1, and a perfect negative correlation by r = -1. Furthermore, an uphill (positive) linear relationship that is weak is represented by +0.30, a moderate uphill (positive) relationship by +0.50, a strong uphill (positive) relationship by +0.70, and a perfect uphill (positive) linear relationship by + 1.00.

The following conditions were satisfied for the Pearson correlation coefficient: There was a ratio on the measuring scale. There was nearly a normal distribution of the variables. Additionally, the correlation was linear, and the gathered data contained no outliers. Additionally, the researcher examined the following variables related to Jumia purchase and patronage intention using a correlation coefficient analysis:

1) Gender
2) Age
3) Income
4) Education
5) Customer expectations
6) Customer loyalty
7) Customer satisfaction
8) Social media influence.

Table 2 illustrates how the correlation coefficient analysis produced data that were difficult to understand and lacked obvious linear correlations. Education (0.135) was correlated with age and gender, and it was primarily related to females. The amount of income (0.092), especially discretionary income, has an impact on the degree of participation. The link between age and education (0.197) and customer expectations (0.242) was observed. Expectations from customers determine loyalty (0.119). Brand equity depended on gender (0.524), income (0.170), customer expectations (0.207), customer loyalty (0.212), and customer contentment (0.257). Customer satisfaction was correlated with age (0.274), income (0.380), and customer expectations (0.314).

Regression analysis is used to ascertain the extent to which the independent factors are related to changes in the dependent variable, purchase intentions. The p-value indicates if these coefficients differ significantly from zero, and the coefficients provide information on these changes. The unidentified parameters, represented as a vector or scalar beta (β). The percentage of variance in the dependent (response) variable purchase intentions that this framework can account for is shown by R Squared. A low R Squared number does not always mean that a model should be rejected.

One of the most important statistical techniques in research is hypothesis testing. The purpose of the hypothesis test was to identify which of the two statements about a population that are mutually exclusive is best supported by the sample data that was gathered. The hypothesis test pertaining to customer expectations, customer loyalty, customer satisfaction, and the influence of products through loyalty is the basis for determining whether a discovery can be considered statistically significant. The beta value for customer expectations was 0.340, with R Squared of 0.172. This value was more than the beta value for customer loyalty, which was 0.327, with R Squared of 0.124, and lower than the beta value for customer happiness, which was 0.451, with R Squared of 0.124 of 0.145).

Table 3: Regression Analysis of Customer Purchasing Intentions.

Customer Purchasing Intentions Variable	β	R-Square	Sig.
Customer expectations	0.340**	0.172	0.000
Customer loyalty	0.327**	0.124	0.000
Customer satisfaction	0.45**	0.145	0.000
Customer brand loyalty	0.389**	0.121	0.000

**p< .01.

The impact of loyalty on product influence was found to have a beta coefficient of 0.398 and R Squared of 0.121.

CONCLUSION

The entire understanding of the impact of Jumia on customer purchase intentions is improved by these findings, which offer a number of helpful theoretical and practical implications. The study tried to bring a new perspective to the body of existing literature while confirming the previously stated literature's conclusions regarding customer expectations for e-commerce and its evolution from its inception to the present.

All things considered, it is evident that the products available on Jumia have a significant impact on consumer expectations, brand loyalty, satisfaction, and customer expectations regarding product patronage.

RECOMMENDATIONS

Given the large population of Lagos, it is the duty of the Jumia e-commerce platform to make sure that more people join them in supporting the products advertised on their site. Nevertheless, more work needs to be done to draw in more people to use the platform. The study's conclusions suggest the following actions.

i. In order to maintain and grow their consumer base, they should keep doing what makes them happy.

ii. The results of this study will persist in influencing the purchasing intentions of customers through customer expectations, customer loyalty, customer satisfaction, and customer brand loyalty.

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