

A Holistic Presentation of Online Shopping in Nigeria

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ABSTRACT

This study analyzed the Online Shopping in Nigeria. It was an attempt to put together a picture of what online shopping in Nigeria looks like as one whole. It therefore considered the various works of other writers as a basis for a literary and descriptive presentation. From a background of definitions, history and trends of Online shopping in the world and Nigeria, the paper highlighted the advantages and disadvantages, the size and the economic base of Nigeria as well as internet usage and the involvement of the Nigerian online shoppers. Frontline Online shops including Jumia, Konga, DealDey, etc., were identified. It was found out that Nigeria is a fast growing and progressive nation and a fertile online market for ecommerce investment. Gender, Age (youths), higher level of Education and higher Income were found to have a positive relationship with online shopping. Though the argument on gender is still on, analysis on purchase by product categories seem to favour the female. Major challenges include among others Security, Internet scam, poor infra-structure, cash payment after delivery, etc. Also, highlighted was the Nigerian shoppers buying pattern. Nigerian online shoppers were found to be good and sophisticated ahead of other African countries. However, ecommerce including online shopping in Nigeria was still being viewed as being in its infantile stage. The large and rapidly growing population of Nigeria, the rapid growth of internet usage and online shopping culture, the rising number of Micro, Small and Medium scale Enterprises (MSMEs) that are springing up and embracing the ecommerce market system together with Government proposal to improve internet services were all seen as encouraging indices for a better economy and a promising market for investors in the ecommerce industry. The paper encouraged investors and also presented a step-by-step instruction for new and still-nervous online shoppers.

Keywords: online shopping, advantages and disadvantages, internet usage etc.

INTRODUCTION:

It is no longer news that technology has added remarkable ease to total human activities and relationships, but it is news when new and specific frontiers are opened for use in the different aspects of endeavor. The introduction and use of the Internet, for instance, in Marketing and marketing activities is not just an aspect of technological event to ease human endeavor, but a huge opening of the frontier of marketing development and human relationship. Marketing now has more than ‘one soul’ and can be approached from various in-routes. (Kotler & Armstrong, 2010, p. 50) have observed that “the explosive growth in computer communication and information and other digital technologies has made a major impact on the ways companies bring values to their customers”. This revolutionary developments as rightly observed by these scholars have led companies and consumers to be able to reach out to each other anywhere in the world with only a touch of some parts of the devices almost as if they had stretched out their hands to touch and whisper. Today, companies simply put up the required info at their Websites and consumers reach out to them with only few clicks of the computer mouse, touch of buttons or screen of phones to log onto the websites to make their purchases effortlessly, without leaving the comfort of their environment, be it home, workplace, leisure parks or any other place wherever. Shoppers do not have to experience the inconveniences of taking associated risks of travelling to the market places as in the traditional marketing system; they interact directly with sellers over the internet and

goods purchased over the internet are delivered to the required location. The huge expenditure of energy and associated stress in the totality of traditional marketing has greatly reduced if not eliminated completely, in many cases. The whole invention and practice has greatly impacted on the global marketing landscape and the growth of users has wonderfully and rapidly penetrated the globe.

It is observable that many professionals wonder at the explosive nature of the internet and enveloping almost all corners of the world. Kotler and Armstrong (2010) as marketing professionals posted that “the most dramatic new digital technology is the internet”, whose users growth from 1.2 billion in 2010 has hit an estimated 3.4 billion by 2015, concluding that “the technology boom is providing exciting new opportunities for marketers.” Because of the observable rapid growth in the use of the internet, marketers have cashed in to make it a means of reaching its customer and so effectively been used. This has made online shopping the fastest growing form of marketing and the world a global market for all countries. Nigeria as a marketing participant and its teeming population is not left out.

There is a general belief that what is generally referred to as ‘third world’ or ‘developing countries’ do not absorb or follow new developments quickly as the ‘developed countries’. (<http://nigerianonlinestores.com>). Nigeria, unfortunately is classified among the developing countries, but has a large consuming population, so this author is triggered to find out where Nigeria is, in terms of their participation in or embracing online shopping; when was online population introduced into Nigeria, what is the level of absorption or penetration of the Nigerian consumers; who are the users considering gender, age, education and income group. These are areas which shall be examined. But it is worthwhile to give the reader a clear understanding of what Online Shopping is, before discussion on the areas on focus. The author shall adopt a literary description approach based on the works of other scholars.

What is Online Shopping?

Online Shopping literally is an association of two words, ‘Online’ and ‘Shopping’. Starting with what could be considered more or less a simpler term, shopping is a term which in marketing refers to looking at products and services from a shop and buying them. According to the Oxford Advanced Learners Dictionary, shopping is the activity of going to a shop or store to buy thing(s). It should be noted that one does not just lift (buy) from the shop in the name of shopping, but with such activities which may include, looking at what is to be bought and comparing the prices, substitutes and may be closely examining them to be sure of their qualities before a final decision is made to buy them.

Online, which could be seen as a more recent term refers to an Internet activity. Any activity that is done over the internet is referred to as an online engagement. This term has come on with the technological development of the internet and its use with the help of electronic gadgets. So there are of recent such terms as e-Commerce, e-Banking, e-Retailing, e-Learning, etc., referring Online commercial, banking, retailing, learning activities. Relying on the works of (T.P., Dellaert, & Ruyler, 2004) (Gagriel, Ogbuigwe, & Ahiauzu, 2016) defined Online shopping as “the shopping behaviour of consumers in an online store or website used for online purchasing purposes.” It is “a form of electronic commerce which allows consumers to directly buy goods or services from the seller over the internet using a web browser.”(www.wikipedia.org). Online shopping therefore, means shopping via the internet. It refers to “the process of purchasing goods and services from merchants who sell over the internet.” (MasterCard Worldwide Insight, 2008). In other words, it is “the act of purchasing products and services over the internet”, also known as e-Commerce (electronic commerce): www.mobileinfoguru.com. Kotler and Armstrong (2010. 204) call it E-Procurement, meaning “purchasing through electronic connection between buyers and sellers”. (Ozuru, Ogbuji, & Amue, 2015) see online shopping as “the process whereby consumers directly buy goods and services from a seller in real-time, without an intermediary service over the internet.” So, it is purely an internet based activity where the “consumers find a product of interest by visiting the website of the retailer directly or by searching among alternatives vendors using a shopping search engine which displays the same product availability and pricing at different e-retailers”. (www.wikipedia.org).

Buying online still has the semblance of buying from a traditional market with all the activities therein, but there is no face-to-face contact with the seller. Instead, there is provision for interactions in the form of written questions and answers, referred to as ‘chat’ between the seller and the buyer; if the interaction are carried out immediately, then, it is referred to as ‘live chat’. Otherwise questions may stay up to 24 hours before the buyer gets a response. The online shop does not make room for bargaining, it can be looked upon as the internet supermarket, where prices of goods remain same, once they have been tagged. There is no provision for little additions on purchased quantities to the buyer, locally referred to as “jara” and no room for bar bargaining. However, there may be some deals as in commissions for large purchases, (say, buy six and get one free), free

delivery when purchase quantities are up to a certain number or within close locations in certain cities. All in all, everything boils down to buying and selling, money and goods/service must be exchanged, but, the buyer must use electronic device, have internet access, logs into the websites of the seller of his/her choice of products and searches for the product he/she desires to have, compares alternative products, quality and prices, places an order. Payment can be made using e-banking process immediately or in some cases, on delivery. The internet as can be seen has revolutionized everything, including marketing. Today, there are electronic activities in almost everything, such that we have terms like e-banking, e-transaction, e-commerce, e-payment, e-transfer, e-government, e-conference, etc. Online Shopping means shopping via the internet, simple.

Brief History of Online Shopping:

Mr. Michael Adrich, an English entrepreneur is credited with the invention of online shopping in 1979, that is, about 39 years before now. It was at its rudimentary stage. In 1980 he launched what was known as the Redifon’s Office revolution, a system that allowed “customers, agents, distributors, suppliers and service companies to be connected online to the corporate system and allowed business transactions to be completed electronically in real-time.” Within the same year of 1980, the inventor improved his work by improving his design and used Videotex technology. However, the first Worldwide web server and browser created by Tim Berners-Lee in 1990 was opened for commercial use in 1991. Major innovations including Online Banking, NetMarket, Internet shopping Network started in 1994. As the first secure retail transaction over the web, NetMarket was followed by Amazon.com in 1995, eBay and Alibaba launched its sites of Toaboa and Tmall in 2003 and 2008, respectively. (www.wikipedia.org).

Online shopping has rapidly developed over the years. With the penetration and spread of the internet and the availability of many devices including computers (desktops, laptops, tablets and smartphones) online shopping has been made easier and availably common among consumers.

In Nigeria the introduction and launching of the Mobile Telephony System (an Internet driven system) in 2001 laid the foundation for rapid development of the industry (www.businessinfo.com.ncc). One area which has gained prominence today is the Online shopping system. It has now come up as an alternative to the traditional shopping system. Its presence has created a platform for comparison. It is easier for shoppers to imagine the stress in the traditional system where shoppers travelled long distances to market places, either in their own vehicles or payment of public transport; sometimes only on specific market days in remote areas, once a week. One can imagine the stress of going around from stores to store or stall to stall, brushing against other shoppers, etc., in search of what one desires to buy, when there is now, in place, a system of shopping which can be carried out any time, any day and from anywhere, just with a touch of some device. Online shopping can be done within and outside Nigeria at ones convenience.

Since the introduction of Global System for Mobile-communication (GSM) laid the e-platform for ecommerce, the Nigerians market has metamorphosed rapidly. This info on the internet user growth in Nigeria may give hindsight to the growth of online shopping over the years. The statistics was based on Nigeria’s estimated population of 181 million. (www.jacobian.com)

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|-------------|---|---|-----|
| 2001 - 2006 | - | - | 3% |
| 2007 – 2009 | - | - | 14% |
| 2010 – 2011 | - | - | 27% |
| 2012 – 2015 | - | - | 56% |

By 2001 when the GSM was introduced in Nigeria the subscriber base was about 200,000 but grew rapidly to over 40 million by 2010. With increased population of over 186 million in 2017 the number of internet users also increased to a population of 97.21 million. (www.premiumtimesng.com). By August 2016, Nigeria was ranked 7th among Internet User countries in the world. The list include, from first to last in that order, China, India, United States, Brazil, Japan, Russia, Nigeria, Indonesia, Germany and Mexico. (www.webclick.com). It is the first in Africa ahead of South Africa and Kenya at second and third positions, respectively. It is observable that Nigeria may be the least developed country among the countries within the top ten, but yet has risen in terms of internet usage. Researches have shown that many internet users also shop via the internet and the case of Nigeria is not an exception. “Early evidence suggests that Nigerians are well on their way to becoming some of the biggest online shoppers in Africa. This was the prediction in 2012. Four years on with the introduction of online store, the prediction seems to be on point”. (Sadiq-Mabeko, 2016). This researcher further stated that PayPal has placed Nigeria as the 3rd online shopping nation worldwide with a shopping value of \$610 million in

2015 and a projection of \$819 million in 2016 (about a hooping =N=327 billion).

Online shopping in Nigeria:

Nigeria with over 186 million people is the largest market in Africa. Of course, it is Africa’s largest economy and one of the fastest growing economies in the world. “By 2030, one in every six African will be Nigerian and Nigeria will have one of the largest economies in the world.” (www.mobilemediainfotech.wordpress.com) Before 2016, Nigeria was seen as Africa’s second largest economy and its Gross Domestic Product (GDP) was \$263 billion. Report by World Bank and Euromonitor International has it that Nigeria’s middle class rose by 28% and its GDP based on purchasing power has increased by 21.67% in the last four years. (www.matchdesk.com). Today, it is seen as Africa’s largest economy. With this ‘green market’ background, this research believes that only a not-so-wise investor would not want to invest in Nigeria, even in the phase of some challenges.

In the early years after the launch of the internet, some Nigerians mainly in the diaspora started using the PayPal and others at home followed, only to be shocked by the closure of PayPal in 2005 for reasons related to Cyber fraud. PayPal did not only close all Nigerian accounts but also refused registration of any new account that was traced to a Nigerian IP address. However in 2014 it revoked that policy and arrangement, and re-entered the Nigerian online market and is doing well now. (www.mobilemediainfotech.wordpress.com).

Record has it that Ecobank was the first to launch an internationally accepted Credit card (Ecobank MasterCard) in 2004. Other banks like Zenith, GTB, UBA, etc. followed later. This provided consumers in Nigeria the medium to make purchases online overseas. Sadiq-Mabeko, O. (2016). This scholar believes that ‘the turning point’ was the report of survey of Master card World wide of June 11, 2012 which showed that 92% of Nigerians who took part in the survey indicated a positive attitude towards use of online shopping. It also indicated that 52% of the Nigerians who had shopped online in the last three months before the survey said they will continue to shop online within the next six months. With this report this write-up is tempted to believe an enticingly perfect foundation was laid for Online shopping in Nigeria.

Online shopping in Nigeria by local stores may have started with the operation by Fouani Nigeria Ltd, as a distributor of LG Electronic products in 2011. However, on July 3, 2012, a truly online store in the name of Jumia was launched, initially with the name, Kasuwa, a Hausa word meaning Market. It later changed its name to Jumia till date. Konga.com, DealDey, and many others were also launched in the same year. (Sadiq-Mabeko O. 2016). Though there are claims that there are over 200 Nigerian online stores in the net, a research report has listed 158 of them, with a visit to more than 70% of them to ascertain their genuineness, without their knowing the motive. The following were listed as the top 20 Online shops in Nigeria:

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|------------------------|------------------|------------------|------------------|
| 1. Jumia.com.ng | 6. DealDey.com | 11. Supermart.ng | 16. Regalbuyer |
| 2. Konga.com | 7. Kaymu | 12. Kara.com.ng | 17. Mystore.com |
| 3. Slot.ng | 8. Parktelonline | 13. Gidimall.com | 18. Ojashop.com |
| 4. OLX.com.ng | 9. Jiji.ng | 14. Gloo.com | 19. Adibba.com |
| 5. Coliseum/Taafoo.com | 10. Yudah.com.ng | 15. Fouani.com | 20. Buyam.com.ng |
- (www.mobileinfoguru.com)

The ecommerce industry in Nigeria has been growing rapidly, driving Africa’s growth rate of 25.8% against the rest of the world’s growth of 15.8%. Nigeria on its own is credited with a growth rate of 25% annually. Nigeria’s ecommerce is reported to be over =N=255 billion annually. (Ihenyen, 2015); www.linkedin.com; www.nigerialawtoday.com).

With a ‘humble’ beginning of an injection of \$10 million into Jumia (then Kasuwa), and 5 staff Jumia (the first online shop) is today operating with over 500 staff on its payroll. Other shops were also launched and are operating, and today the online consumption according to the Minister of Finance Dr. Omobola Johnson is worth about \$12 billion, with a projection of \$154 billion by 2025. There are also reports that over 300,000 orders are made daily, whereas there are over 500 visits to each sites of the web shops daily. (www.jakobian.com; (Mutum, 2013): www.dailytrust.com.ng/sunday/index.php/feature). Jumia has been credited as the leading online shop in Nigeria, followed by Konga and DealDey. Nigeria’s internet shopping has continued to witness rapid growth and new areas are being opened and explored. Recently the first online Christian bookshop known as The Book Center, was lunched in Lagos, January 26, 2017. (www.mobileinfoguru.com).

Nigeria has placed itself as the leader in online shopping in Africa with 66% against South Africa’s 60% and

Kenya 55%. 55% of Ghanaians and 51% Ugandans claim they have never bought anything online. (Report of GeoPoll survey as reported by (Adepitun, 2016)). It was projected that Nigeria's online shopping will hit \$13 Billion by 2018.

Advantages and Disadvantages of Online Shopping in Nigeria:

Online shopping has come to stay in Nigeria and researches have shown the rate of penetration is fast and encouraging as far as, ecommerce is concerned. Like every other phenomena, be it natural or man-made, it has its good and bad sides, more so, when compared with an existing engagement, in this case, the traditional shopping system in market places. It is therefore necessary to look at the advantages or benefits and disadvantages of this new shopping system as it is being assimilated into the Nigerian market. This is the next area of focus of this work.

ADVANTAGES:

Contribution to the Economy:

A prominent outlay in the Information Communication Technology, online shopping has played a vital role in the business sector in job creation. The nation's National Bureau of Statistics (NBS) has put the figures of actual jobs created for the teaming unemployed youths at 12,000 by 2012. The industry has contributed about 10.44% to the country's Gross Domestic Product in 2013. According to the nation's Minister for Communication and Info Technology, Dr. Omotola Johnson, ecommerce in Nigeria has attracted over \$200 million in foreign investment (Senator Ihenyen. 2016).

Expanding the Frontiers of the Legal System:

New creations need new laws to legally put the system in place and control practices of the operators, so is with ecommerce in Nigeria. New laws are being put in place to guarantee good judgment and fair play within the system. By so doing the borders of the Nigerian legal system is expanded for internal and external operations for shoppers, sellers and investors. For instance, laws that are put in place to protect shoppers and sellers on the net are relatively new as issues relating to cybercrimes and fraud are also relatively new, being that they come in with internet which is also relatively new.

Impact on Micro, Small and Medium Scale Enterprises:

Prior to the introduction of the ecommerce into Nigerian shopping system, the case of doing business was slow, in that, Micro, Small and Medium scale enterprises operators had the issue of money payment and delivery of goods delayed. But today monies for businesses are instantly paid for by potential buyers and shipment start almost immediately. With this on ground, operators now enjoy brisk and nonstop flow of businesses and this encourage new operators to come in. It is on record that the numbers of operators have increased tremendously.

Placing Nigeria on the Investors' World map:

Because of the population and actively large participation of Nigerian shoppers online, the country has been placed squarely in the mind of investors for Africa from all over the world. As already highlighted, Nigeria is the leader of shopping in Africa and 7th in the world. It is seen by many investors as an "investors' heaven" in Africa – a country where over 300, 000 online orders are placed daily, and counting.

"A Terragon Group study conducted in 2014 shows that 63% of Nigerian internet users claimed they have bought at least one item online." (www.mobilemedianinfotech.wordpress.com). Whereas Nigeria's internet access market is set to witness a huge boost, is targeting a fivefold increase in broadband and increased internet penetration this year 2018. This is in addition to a research by Philip Consulting which shows that 38% (about 70 million) of Nigerians prefer to buy their desired products via the internet. Based on this, it is projected that Nigeria will have one of the world's largest economies by 2030.

The growth in ecommerce is based on connectivity. According to National Communication Commission, Nigerian subscriber base of 48.2 million in June 2013 rose to 67 million in June 2014, a staggering 19.2 million in just twelve months; this translates to a 40% density which is above African average. (McKinsey & Company). Nigeria has a large population as well as a large shopping population and many investors, all over the world, now know about 'this large market' and want to get into it.

E-shopping as a 24-hour operation:

Even-though there is an active period between 9.00 am and 9.00 pm, online shopping is 24 hours available for shoppers. A market that is 24 hours available provides a limitless time of purchase for the operators (buyers and sellers). Buyers can have what they desire and sellers have their money. Shoppers have the ease of adjusting their programmes in work-place and other endeavours in any way as required because they have at the back of their mind that they can shop anytime, courtesy operations of ecommerce. The market will not be closed and

sellers will not go to sleep as in the known activity in the traditional market system. All the shopper does is to put on their electronic devices, touch a few buttons to select what they want from the seller's web site, pay and it is delivered.

Security of money:

Prior to this era of ecommerce, shoppers and marketers carried large amount of money, in hard currency, to make their transactions, a practice which is prone to broad day robbery, stealing or loss, as in forgetting bags containing such monies in vehicles, motor parks or just in transit. This problem is solved by the instant transfer of business funds from the account of the buyer to the account of the seller. Even though there are some cases of cyber fraud occasioned by scam, buyers can avoid this by buying from trusted online shops.

Time Management and Save of Time:

With Online shopping precious time is saved and other time which could have been wasted in a traditional market-place shopping system where shoppers would transport themselves to the market, maneuvers between other shoppers and from stall to stall is used for other engagement. Your device links you directly to the market and purchase is effected from any point the shopper feels it is convenient.

Saves Energy and stressful experience:

It is more stressful to buy from the traditional market place considering the travelling distance before one gets to the market, the 'confrontation' from the sellers on a face-face arrangement, to persuade and the bargain itself to get a lower price, all add up to the stress of the buyer, whereas Online shopping makes for fine touch of your cherished devise and the transaction is completed in minutes.

In addition the goods may be large or heavy. In this case the stress of carrying the heavy goods is done by the currier, not you; thanks to online shopping system.

The world market in your pocket:

Online shopping system brings everything in the world market to you via your device (computer, phone, etc.) in your pocket. With internet shopping any Nigerian can shop from anywhere in the world. Time has passed when it was those who travel outside the country or gone to our big cities that are privileged to have some items. Now the world market is with you in your hand-bag or pocket and shoppers can buy what they want from any location and it is delivered to you at your location, from books to jewelries, CDs, phones, vehicles, machines, name it! This is the beauty of Online shopping not only to Nigerians but shoppers all over the world.

No pressure Sales:

Many shoppers have had the experience of buying a product out of excessive pressure from sales person, only to regret having made the purchase later. In online shopping there is no middle man and no pressure, no tricky talks; the pressure which shoppers receive from salesmen are removed; shoppers only examine what they want to buyer and take a decision by oneself.

Disadvantages:

It cannot be all good; the following are some of the disadvantages which are attributes of the online shopping system which are not only felt by Nigerians but shoppers all over the world.

No trial use opportunity:

Online shopping does not make provision for trial use before purchase. Many shoppers like to put on items like clothes, shoes, eye glasses, etc., to see how it fits before purchase. Online purchases do not give this opportunity. You only pay and it is delivered. You may return it and the additional return cost is borne by the buyer. In Nigeria some sellers like Jumia and Konga, have modified this experience by introducing Payment on delivery. The intent is to give the buyer the opportunity of trial use in items like shoe (which could be tight) and clothes (which may not fit well). It is also an introduction used by few online marketers to capture the market of online shops.

Alongside this is the fact that shoppers cannot feel the product they buy, as in the case of touching and feeling the material in clothing because the quality is 'hidden' until delivery.

Difference between Internet presentation and the physical item:

One short-coming in online shopping is that in many cases shoppers notice a marked difference between what the sellers place on the net and what is finally presented to the shopper on delivery after payment. For instance, a maroon colour in the net may turn out to be dark red when the physical presentation is actually made.

No immediate confidant:

Because an online shopper is communicating through a device, many shoppers always feel the absence of a close confidant during online shopping. In a traditional market system, Nigerians particularly women, are used to and always seeking the opinion of other passers-by in the market in order to take purchase decisions; whether the item is beautiful and or good at that price, etc. However this can be improved by getting a close confidant

like a friend, sibling, spouse, to be around when surfing the net and when actually making a choice and purchase.

Insecurity and Web Scam:

Like the armed robbery and burglary, internet crimes abound and innocent and unsuspecting online shoppers have fallen victims of transferring money to the accounts of fake online shops. Some others have had internet fraudsters copying security details from buyers and using that to steal money from their Credit card account. In Nigeria this internet fraudsters are notoriously referred to as ‘yahoo-yahoo’, ‘cyber 419’, etc.

For the purpose of this write-up, it is here highlighted that there are quite a lot of advantages and disadvantages which have not been mentioned here, and which are not common to the Nigerian shopping experience only, but sure inherent attributes of online shopping. Therefore the highlighting of the advantages and disadvantages should be used as guides to appreciate the direction of the write up and understanding. In the light of the forgone, it is important to look closer at critical aspects in the Nigerian ecommerce and shopping system as below.

Issues and Challenges of Online Shopping in Nigeria:

There are issues and challenges which this writer considers are peculiar to the Nigerian online shopping and may be to other countries, which for some reasons are, in the same class with Nigeria. A few of them are examined below:

Difference between Physical product and the photo in the net:

This is a very common issue experienced by shoppers in Nigeria. Because one does not have physical contact with the product that is being ordered, there is no assurance of having exactly what is being ordered at delivery. With the help of techno graphic manipulations, items posted on site may be made to look more attractive and on delivery may be quite different. Situations like this creates additional problem to the buyer in terms of the anxiety of having to wait for the delivery and the cost of returns where the buyer is not satisfied. As one writer puts it, “You rush to the door and sign the package with all the excitement in the world but your whole world comes crashing as soon as you open it and it is the exact opposite of what you hoped for.” (www.informationng.com).

Delayed Delivery:

The issue of delayed delivery of ordered products is of serious concern to Nigerian shoppers and business people. Delayed delivery creates so much anxiety for the shopper. According to (Ajao, 2011) a friend bought from Nigeria the first time and the product (book) was promptly delivered. But on a second order, “the book was not delivered on schedule, days turned into weeks and weeks turned into months” of anxiety and waiting. The buyer lost faith in Nigeria ecommerce with this experience, even though the book was eventually delivered. It may be inferred that because most displayed products on the web site of online marketers are not manufactured by them, so they can run out of stock and it may take some time to get new stock from the manufacturer, whereas the buyer has already placed the order and may have transferred the purchase funds. In situations like this, the marketer should quickly communicate with the buyer and ‘Money-Back’ arrangement should be effected immediately, if the shopper so desires. However, many sellers now boast of less than 24 hours delivery within Lagos and Abuja, and Jumia apart from hours delivery within Lagos and Abuja, says it delivers to any part of Nigeria within 5 days.(www.information.ng.com)

Internet Scam:

For some unknown reasons, many Nigerian internet users have gone into the practice of defrauding unsuspecting and innocent shoppers of their hard-end money. Nigeria is notorious for this. As mention earlier, It is referred to as “yahoo-yahoo” or “cyber 419”, and it does portray the country in bad light. Ajao (of cit) posted that some Nigerian online stores are not real but scam; “the stores appear with no intention of shopping but disappear after ordering and payment.” For this reason, shoppers should be very careful and precautionary when shopping online and should shop from trusted sites. For instance, a smart Nigerian shopper should be able to shop from Jumia.ng.com and NOT from *Jumia.com*, *Jumnia.ng.com*, *Jumia.net*, *Jumai.ng.com* or any fake but similar site as such, because some of these scammers may want to exploit the leadership of Jumia.ng.com to defraud new and unsuspecting shoppers. Legally, there should be stricter measures to punish internet fraudsters. (Senetor Ihenyen 2015).

Cost of Transportation and Infrastructural issues:

Because of many factors including difficult terrain, poor road network, energy problems, poor economy, etc., high delivery cost has become a real hindrance to smooth online business in Nigeria. There exist cases where carrier cost is higher than the cost of the product because of transport cost. Imagine a buyer who ordered some item like clothing costing about ₦3,000.00 from Abuja and the carrier cost to deliver at a remote riverine location in Bayelsa state is ₦5,000. With this, the buyer will not be encouraged to make a second purchase if he pays for the first one. Nabot Zarqa (2016) confirms the work of (Kshetri, 2008a), Kshetri 2008b that “lack of network and transportation infrastructure hinders the most basic process upon which online shopping fundamentally depends.

Security Concerns:

There is also the issue of security in the country. Hardly would a day pass that cases of armed robbery on travelers are not reported; cases of militant groups or cult groups or ‘area boys’ (some gang boys in a neighborhood) who come together and block the road and cause untold hardship on travelers and the communities, abound. There are also the cases of Boko Haram terrorist group, menace of cattle herders, etc., who operate at will in the North Eastern part of Nigeria. As a result internet operations and electricity have been cut off in many cities in this area. This has cut off potential online shoppers from these areas and no sane online market or carrier operator would risk delivering orders in many cities around there. There are also tales of a case where staff of a carrier company were robbed and bitten up in a location down South of Nigeria where they were on their way to delivering two iPod phones. The staff was attacked after someone had interviewed him around the area for the delivery.

There are also cases where Security Agents turn themselves into anti-security outfit and disrupt shipment of goods en-route delivery location. There are “situation where the police have impounded our vans for no real reason and some even taking our drinks, on duty.” (<https://technopoint.ng>). This does not reflect the needed encouragement.

Cash on Delivery and Free Delivery:

Because of competition in the online market some online market operators in an attempt to get large market share and more patronage have introduced the deal of Payment on Delivery, but this has turned out to be a problem to many online shops. This is because some Nigerian shoppers are in the habit of ‘changing their mind’ and cancel the order en-route delivery. The goods will have to be returned and the operator loses on all fronts: time wasted, risk of accident (and robbery), transportation cost, etc. According to Mr. Lanre Akinlagun, founder of Drink.ng, an online drink shop, ‘the two worst things that happened to ecommerce in Nigeria are Cash on Delivery and Free Delivery.’ However, large operators like Jumia and Konga are using and enjoying the advantages of this deal. It is also a common practice in many countries like Singapore and UK, but in a country like Nigeria with so much issues and challenges, Mr. Akinlagun believes that should not have been introduced, concluding that it is a credit-based business which brings severe stagnation to small businesses.

The above are only a few of the issues and challenges in the Nigerian online shopping business which are highlighted in this write-up; there are more and can be added to this.

The Nigerian Online Shopping Characteristics in a Nutshell:

Nigeria is the most populated country in Africa with a projected number of 186,879,760 people by end of 2017 or there about. Of this number 97,210,000 or 52% are internet users. It means Nigeria is the largest internet user in Africa. It may be deduced that this credit on internet usage is as a result of the large population. But it is argued that the quality of Nigeria’s internet service is poor. According to (Eweniyi, 2016), the Internet live statistic reports that Seychelles, Morocco, South Africa, and Tunisia, have better internet quality than Nigeria and Kenya, all in that order. This could be a problem to smooth ecommerce advancement in Nigeria. (www.internetworldstats.com; www.thisdaylive.com; www.konbini.com/ng/lifestyle; www.phillipsconsulting.net; www.webelick.com).

However a survey conducted by Philip Consulting in 2016 in Lagos, Abuja, Oyo, Delta, Kaduna and Rivers States as reported on 3,390 respondents show that at least 51% of the respondents still prefer to shop in-store; 49 preferred online shopping. But between 2014 and 2016, 97% have currently shopped online, at least once per year and 78% prefer Payment on Delivery. (www.thisdaylive.com; www.phillipsconsulting.net). Jumia leads the e-tail shops in Nigeria with 46% market share, followed by Konga 32% and DealDey third. About 76% of Nigerian shoppers use smart phones for their shopping, compared to China’s 86% and India’s 82%.

(www.phillipsconsulting.net; www.vanguardngr.com; www.sunnewsonline.com). Experts in the field say Nigerians are well educated, smart, sophisticated and experienced online shoppers, operating successfully locally and in cross-border transactions. According to a recent report (Broll Shopper Segmentation Report 2016, Vol 1), Nigeria is ahead on the curve when compared to online shopping practices in Kenya and South Africa. (<https://sunnewsonline.com>). Most of its shops are located in Lagos and Abuja, with Lagos having the highest concentration of Micro, Small, and Medium Enterprises (MSMEs) in the country. According to the Lagos State Governor, Akinwunmi Ambode, there are over 3,000,000 micro business enterprises and 11,000 Small and Medium Scale Enterprises (SMSE) in Lagos alone and their operations contribute a significant quota to operations of the online shops, and indeed, the national economy.

However, it is not all very rosy in Nigeria. There is a report that OLX, one of the leading shops has closed its office in Nigeria in 2016. Efrtin.com had earlier closed down in 2015, and according to (Ogunfanfuwa, 2016), Konga sold its business to Zinox group, citing high cost of doing business in the country as the reason.

The Gender Issue:

The issue of gender participation on issues in human activities is always of major concern to researchers and was considered by this work. Many studies have shown that fewer women than men are internet users. (Nielsen, 1999) and Bruce (2000) reported 53 % men to women's 45 % internet usage in separate studies conducted in United States and Canada. But in a study in US (Alrech & Settle, 2002) found no significant difference between the attitude of both men and women towards online shopping. In the earlier years after the launching of internet in Nigeria, Anunobi and Mbagwu (2000) found out that fewer women than men visit the internet but spend a longer time surfing. They believed that general pattern of life is based on the cultural norms and values of the society. These authors agree that in Africans, Nigeria inclusive, and Asian where there is a high level of gender discrimination, a low percentage of women use the internet (Asia 22%, Africa's Senegal 12%, Zambia 38%). But Aswegen (2015) based on a study conducted in 2003 believes that women have overtaken the men in online shopping. She posted that "while men have historically been the early adopters of online shopping, women have caught up with them quickly". This was based on a study by SeeWhy in 2013 whose result showed that 57% of women as against 52% men purchased goods online. "Women click through e-commerce 30% more than men."(<https://freshmail.com>). (Dahiya, 2012) affirmed that women buy more frequently than men.

"It's is clear, men and women think differently about shopping and will approach the act of shopping online in different ways." (Aswegen 2015). It was further explained that men are more task-oriented and utilitarian while women are mission-oriented and hedonistic in their online shopping characteristic. But who actually does more online shopping in Nigeria?

In Africa, especially Nigeria, women are the pivot of decision making in family purchases and shopping. (Swaminathan, Iepkowska-white, & Roa, 1999); Ifeanichukwu 2016). Invariably, the authors favour the position that women shop more online. After a 2014 survey of online shopping in Nigeria, Phillip Consulting concluded that "females are dominating online shopping" in the country. But this survey on 1,540 respondents was made up of 71% males and 29% women, where it was claimed that 65% of the female respondents against male's 53% shopped online. One may be tempted to think that a large percentage of a smaller number does not translate to higher participation when compared to a smaller percentage of a large number. This write-up will not support any on the side of the divide. This is because many researches have not also agreed to the assertion that more women than men shop online. For instance, many authors in this school of thought believe that since some culture places a barrier on certain involvement by women, that the internet participation being more or less a public involvement affect women participation in Nigeria and more so the Nigerian women suffers gender discrimination and empowerment. (Dholakis, Dholakis, & Kshetri, 2003); Silthole 2007; (Bimber, 2000), (Anunobi & Mbagwu, 2009); Bruce 2000; Kshetri 2008a, b). While (Hassan, 2010) asserts that "female value the utility of online shopping less than their male counterpart do". In Taiwan, Chuang and Chun (2010) studied gender differences among adolescents and found that males had significantly more positive attitude towards online shopping than females. (Aswegen, 2015) considers online shopping according to gender as a function of the working of the brain which makes men to go on a mission while women are on a journey as far as online shopping is concerned. This was interpreted to mean that "men buy" while "women browse". (Shavit, 2015) maintains that men know what they want and go for it and leave the website once they make the purchase whereas women 'wander' in the internet across websites. Shavit looks at men as 'Hunters' and women as 'Gatherers', but after a study of purchase transactions on Nasty Gal (fashion shop

for women) and Bonobos (shop for men's wear) concluded that women are the main drivers of online shopping, which to them reflects the "conventional wisdom position" that women drive a very large percentage of the household spending. However, when viewed from product categories, males were more interested in hard-wares, soft-wares and electronics while females have their interest on clothing, jewelry, food, etc. (<https://freshmail.com>)

And is Age a factor?

Age is a very important variable which must always be considered when it comes to consumers' behavior because it is a determining factor since interest, desires and wants change with age. Also internet participation is an exciting activity which may not give the same level of appeal or arouse same level of interest as far as age is concerned. So, age is a factor worth considering as we examine online shopping in Nigeria.

Ericsson Mobility Report (2017) as reported by (Abisoye, 2017) said that 62% of the over 180 million Nigerians are youths who are active internet users and online shoppers. The most active online shoppers in Nigeria were in the age bracket between 25 and 36 years. (www.phillipsconsulting.net; (Ahmed & Sathish, 2005); (Ifeanyichukwu, 2016). This write-up reasons that there are more shoppers in this age bracket because most of the working class youths are in this grade; they have money to throw about, and also being that they will be trying to acquire more personal household items. Because they are in the working class group just out of the financial control of parents, it is really an opportunity to show or feel independent so they use their income as they like, shopping freely for themselves , family and friends.

Education as an Advantage:

The application of the internet and the manipulation of internet devices possess an educational challenge to users, so shopping online is not for the illiterates. The Nigerian internet users and online shoppers by virtue of their level of education and positive attitude to internet are rising to the occasion. The Nigerian middle class who make up 28% of the nation's population are well educated with 92% having completed a post-secondary school education. They are brand conscious and internet savvy. (www.mobilemedianinfotech.wordpress.com). This data on education excludes the number with school certificate as their highest qualification, who can carry out their online shopping with great expertise, too. However, Ifeanichukwu (2016) in her study indicated there is a positive relationship between education and online shopping, when it was discovered that the graduate group lead the shoppers' ecommerce activity.

Income:

The income factor also is always having an impact on consumption because it has to do with spending and saving, in other words, management of what accrues to the worker or businessman as a final take-home package. The consumer has to manage what he has with what he wants. A simple analysis will show, to a greater extent, that the more funds you have, the more you will spend, so, this is also noticeable in the behavior of consumers who shop online. A study by Phillips Consulting in 2014 revealed that the largest number of online shoppers, 64% of the respondents were those whose salary were above =N=500,000 (Five Hundred Thousand Naira) per month whereas those who earned from =N=25,000 (Twenty-five Thousand Naira) and below were 46%. As expected, the study showed a positive relationship between higher income and more online shopping.

Also income as a factor was seen to play a role when risk was considered. Studies reveal that higher income earners are not much afraid of the risk of being defrauded as the low income earners. (Lu, et al 2003; Ifeanyichukwu 2016). For this write-up, it might be reasoned that they are less afraid because they believe they have enough and can still 'survive' well, even if they are defrauded.

Prospect of Online Shopping in Nigeria:

The development and application of Internet Technology and more so ecommerce, has and will continue to impact on the whole world. Nigeria has one natural gift which helps put it in bright light in the international community. This is her much criticized large and rapidly growing population, which has turned to be a blessing in disguise, considering the fact that it provides for a large consumer market and an educated one that is. This attribute amplifies the nation as an investor's heaven and internet shopping stands out in this respect. Already Nigeria is in the top ten nations when it comes to online shopping, along with other industrialized countries like United States, Japan, etc. This will certainly add to the economy, create jobs for her youths and assist her meet

her target of one of the largest 20 world economies in the nearest future. Nigeria stands out as the African leader in the ecommerce industry with over 40% of Africa's ecommerce ventures located in Nigeria. Disrupt Africa. (<https://punchng.com>). As Nigeria's population continue to grow, so is its internet user population which is internet and online shopping savvy. Along this, a very large percentage of the Nigerian online shoppers do so via mobile devices, which means shopping at will, anytime, anywhere. This is one of the most attractive potential for ecommerce expansion, growth and development, sure, a huge boom in the economy at the corner. In addition, the Nigerian Government is intensifying effort in encouraging new entrants into entrepreneurship at all levels (Micro, Small and Medium), and the result is encouraging. Campaigns, provision of soft and interest-free loans, grants and trust Funds are all being employed by governments and its agencies to encourage entrepreneurship. Recently, the government of Lagos State established an Employment Trust Fund for Small and Medium Enterprises (SMEs) and disbursed ₦6.25 billion to the operators. (<https://sunnewsonline.com>). In addition, the Nigerian Government is planning an improved internet and broad-band services, this year 2018. All these are pointers to a bumper ecommerce operations.

How do Nigerians Shop online?

While there are still arguments for and against the gender who shops more, research has shown that about 60% of shoppers buy beauty and fashion products (which reflects women related wants) against about 53% who buy electronic products (which reflect men related wants), whereas as large as 78% of Nielsen Survey respondents claimed they paid cash after delivery. Majority of these respondents base their position on lack of trust and inability to inspect the product as a serious challenge, but still promise to shop more in future online.

CONCLUSION:

Nigeria has suffered the impact of an outstanding corrupt nation, a place where crime thrives, a nation whose economy has been bastardized, an under-developed nation and even a near failed state. Many western investors are always advised to steer away from Nigeria. But the case of ecommerce of Nigeria and the shopping attributes and strength of Nigerians has designated the country in the world map as a fertile ground for investment and a rapidly growing economy. Even in the face of all this, many strongly believe Nigeria's ecommerce is still at a tender stage. According to the founder of Konga Shopping Company, Mr. Sim Shagaya, it will take a time period of a decade for the Nigerian ecommerce industry to attain a reasonable level of maturity. (<http://ventureafrica.com>). Phillip Consulting also affirms Nigeria's ecommerce industry is still at its tender stage.

There is a general believe that many people (Nigerians) out there, are still very nervous about the use of their phones and other appliances for internet activities, including shopping online. Experience shows that even university students, whom this author sees as the most adventurous of all, still nurse some level of fear when it comes to online shopping. So this research will use this medium to encourage all Nigerians to learn to shop online and shop regularly (from trusted sites) because it is the market of the future. As a contribution to online shopping in Nigeria, this write-up has made the following available as it is considered will encourage and assist a potential online shopper, particularly the very new once:

“People have been using their computers to shop for over a decade now. It's easy to do and it's mostly safe, although some people are still a little nervous.

You'll need a credit or debit card and a secure password. This is something you can make up, something unique to you and something nobody should be able to guess.

A different password for each site you use is ideal – perhaps a set of squiggles you can memorise followed by the name of the site you're using. So, your password for this site might be &\$^bbcwebwise – as long as nobody knows the &*\$^ bit, it's unique and pretty safe.*

Online shopping is easy. Go to the site on which you want to shop. Click on the item you want, click “add to basket” and then stop. Check that the web address in the browser starts with https (rather than http) – this means they're using some sort of security when handling your money.

Enter your credit or debit card details. There will often be a few random characters on a display and you'll be asked to enter those too. This is called ‘Captcha’, and it's a way of making sure you're a real person, not a piece of software designed to defraud.

So, you enter your details, complete your purchase and wait for your goods to arrive. It's as straightforward as that!” (Source: www.bbc.co.uk/webwise/guide/about-shopping-Online)

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