Application of Commodity School of Marketing Thought to Electronic Retailing in Nigeria: A Case Study of Jumia

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Abstract

This study examines the application of commodity approach to electronic retailing in Nigeria with special reference to Jumia. The study is necessitated in order to assist the electronic retailers and prospective entrepreneurs to have better understanding on how commodity approach can be applied to electronic retailing activities by studying Jumia. Both qualitative and quantitative research design was employed in this study. Online survey was employed as data collection method by sampling 192 respondents using convenience sampling technique. The data collected were analyzed using descriptive statistics on SPSS (Version 23.0). The findings show that application of commodity approach to electronic retailing in Nigeria is evident in Jumia with emphasis on its products classification, promotion activities, distribution strategy as well as its retail strategy.

Keywords: *commodity approach; electronic retailing; Jumia; retail strategy.*

Introduction

Historical thought in marketing discipline has a rich tradition (Power, 2012), its relevance to marketing literature remains and represents a robust field of knowledge. An that is because the understanding of its origin and pattern of change is useful to the scholars in marketing and the society at large (Savitt, 1980). From the past studies reviewed Commodity school of marketing thought is classified as one of the traditional approaches in historical marketing literature (Omotoyinbo & Iyiola, 2017); and was initially propounded by Parlin (1912) although, Copeland (1923) is usually cited as the most influential early writer (Sheth et al., 1988). This school focuses on how classes of goods are marketed. As the schemes of classification have always been at the center of the commodity approach, because they are important in differentiating among various types of commodities (Zinn & Johnson, 1990). Different authors keep building on Copeland's (1923) tripartite classification using different approaches such as

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Aspinwall (1958), Bucklin (1963), Kaish (1967), Holbrook and Howard (1977), Enis and Roering (1980), Murphy and Enis (1986), Peterson, Balasubramanian and Bronnenberg (1997) among others.

Notwithstanding, among these aforementioned authors, Bucklin (1963) took an extra step to extend commodity approach to retailing activities. Since marketing discipline has a rich tradition of historical thought that can be used to explain numerous aspects of marketing activities such as retailing (Powers, 2012). However, retail marketing is on the verge of a new era that will produce more efficient, meaningful and more profitable marketing practices; as this new era is being energized by technological development (Mulhern, 1997). Retail marketing has witnessed major disruptions as a result of internet usage particularly in the area of electronic retailing; this followed the development of department store, mail-order catalog and growth of discount department stores (Christensen & Tedlow, 2000). Also, each of these disruptions results to change in retail marketing practices and activities in the area of consumer behaviour, responsiveness of existing retailers and new retailers' development (Powers, 2012; Christensen & Tedlow, 2000). Thus the changes that have occurred as a result of development of internet provide an opportunity to apply commodity school of marketing thought to a modern online environment such as electronic retailing.

Statement of Problem

Commodity approach represents one of the early approaches in marketing research (Omotoyinbo & Iyiola, 2017). Majority of the previous studies reviewed in this school majored on product classification which has been the heart of commodity approach. However, little or no work has delved into application of commodity school of marketing thought to electronic retailing. Also it was discovered that majority of the scholarly works from these past studies employed qualitative method. Therefore, this study seeks to fill these two gaps by examining how commodity school of marketing thought can be applied to electronic retailing in Nigeria using both qualitative and quantitative methods.

Research Objectives

o To determine how commodity approach of products classifying is applied in Jumia electronic retailing.
o To investigate how distribution strategy adopted in Jumia electronic retailing varies based on the classification of products.
o To determine whether Jumia electronic retailing applies the product classification in its promotion activities.
o To determine whether Jumia electronic retailing effectively use the concept of patronage motives as retail strategy.

Research Questions

o How is commodity approach of products classifying applied in Jumia electronic retailing?
o How does the distribution strategy adopted in Jumia electronic retailing vary based on the classification of products?
o Does Jumia electronic retailing apply the product classification in its promotion activities?
o Does Jumia electronic retailing effectively use the concept of patronage motives as retail strategy?

Background to the Study

Evolution of online business-to-consumer (B2C) electronic retailing

The concept of Business-to-Consumer B2C has revolutionized marketing practice especially in the area of electronic retailing (Aminu, 2013), though B2C was first utilized in 1979 by Michael Aldrich who reached consumers through the use of television as the primary channel; online B2C only became popular in the late 1990s during the dot.com boom (Kenton, 2019). During this period, it was used mainly to refer to online retailers who directly sold products to consumers through the use of internet. This group of retailers includes companies through their websites sell finished goods or products directly to the online consumers. The shipping and the delivery of the products can be from the warehouse or directly from manufacturer. The online companies that mostly engage in selling directly to the consumers are known as Business-to-Consumer (B2C) companies e.g. Jumia in Nigeria (Kenton, 2019). During the dot.com burst many Online B2C companies were victims in the area of investor's interest decline in the sector, capital funding of the venture was dried up. Although some Online B2C companies survived the shakeout e.g. Amazon, Priceline, Ebay; Ever since then they are being witnessing great success (Kenton, 2019). Decades after the dot.com revolution, B2C companies with a presence of web continue to dominate over their counterparts (traditional brick-and-mortar) (Kenton, 2019).

Evolution of electronic retailing

The term electronic retailing was first introduced as early as 1995 (Pirakatheeswari, 2010). The retail evolution pace has increased dramatically due to the advent of internet as consumers become more empowered by the use of smart devices such as mobile phones and others (Grewal, Motyka & Levy, 2018). Sethuraman and Parasuraman (2005) labelled electronic retailing as the greatest technological evolution in traditional retailing in the last decade.

An Overview of Jumia

Jumia, formerly known as Africa Internet Group (AIG) whose parents company is German Rocket Internet with vision of e-commerce platform implementation for African consumers (Weigert, 2018). Jumia Online B2C is an open Business-to-Consumer platform that enables businesses to reach Africa's vast and growing consumer market (Jumia, 2019). Jumia B2C website in Nigeria deals with different commodity such as electronics, books, home appliances, kiddies items, fashion items for men, women and children, cool gadgets, computers groceries, automobile parts, and more on the go (Jumia, 2019). It was founded in 2012 by Jeremy Hodara and Sacha Poignonnec, co-founders and co-CEOs. In 2015, Jumia with other AIG e-commerce start- ups were reunited under the holding Jumia Group which forms an ecosystem comprises of nine companies controlling various segments of e-commerce namely: Jumia, Jumia Market, Jumia Food, Jumia House, Jumia Travel, Jumia Car, Jumia Deals, Jumia Jobs and Jumia Services (Weigert, 2018; Jumia, 2019).

As at 2017, Jumia operates in 23 countries and is still expanding (Weigert, 2018). As at September 30, 2019 the number of active consumers of Jumia was 5.5million up from 3.2 million in 2018 and up from 4.8million at the end of the second quarter of 2019 (Jumia report, 2019). Jumia Online B2C has established itself as the destination for quality branded product and catering to increase sophisticated African consumer(s). As at now, it is the most visited B2C online retail website in Africa (Jumia, 2019).

Significance of the study

This study is a significant step in furtherance of knowledge in historical marketing thought research as regards the application of commodity school of marketing to electronic retailing in Nigeria. This is essential because the rate at which internet is engaged in conducting business

activities in the developing countries most especially in Nigeria is still at low pace compared to other advanced countries (Aminu, 2013; Kizito, Charles & Nwandikam, 2018). Therefore, this study will be of value to different categories of people for different reasons: It will assist the electronic retailers and prospective entrepreneurs to have better understanding on how commodity approach can be applied to electronic retailing activities. This study also dealt with retail strategy that will help the electronic retailers and marketers that are constantly looking for ways to have competitive advantage over their counterparts in electronic retailing. In addition, this study possibly will contribute immensely to the literature which will be of benefits to the historians, lecturers, students and those who may desire to carry out a necessary research on the related topic.

Scope of study

This study is restricted to Jumia electronic retailing activities. Also, Nigeria is considered to be a good fit for adoption as a case study in the application of commodity school of marketing to electronic retailing with reference to Jumia; because it has been affirmed by Ibam, Boyinbade and Afolabi (2017) that the growth of internet usage in Nigeria is increasing with over 90% growth between 2000 and 2016. While Aderibigbe (2015) asserted that Nigeria is regarded as the leading e-commerce nation in Africa with 89% followed by South Africa with 70% and Kenya 60% respectively. Thus, this study is limited to Jumia, Nigeria.

Limitation of study

This study has the following limitations: since online study was conducted to collect data from the respondent and the study link was sent to prospective respondent via internet therefore it is likely to be filled by people that are not within the study population but claimed to be. In addition, the older adults of 50 years and above were not properly represented in this study. Therefore, all findings cannot be generalized to all ages.

Literature Review

The concept of retail strategy

Retail strategy can be defined as a clear and definite plan for the retailers to draw up the framework for tapping the market and build long – term relationships with consumers (Kumar, 2018). While, Bhasin (2019) defined retail strategy as a detailed marketing plan related to a particular business, its target market, ways and methods to achieve the plans in relation to retail. Furthermore, Moore (2005) described retail strategy as what retailers offer to customer – side in order to capture the target market. The primary objective of retail strategy identified by Bhasin (2019) is to increase sales as well as customer satisfaction. There are different types of retail strategies that retailer can adopt in target markets as well as satisfying customers such as retention, growth and improvement, promotional, pricing and competitive strategies (Deepika & Rovi, 2011).

Factors that influence retail strategy

Internal factors such as location, merchandizing etc. external factors – competition, political restrictions, seasonality etc. (Bhasin, 2019). Also, promotion, price, supply chain and private label (Grewal, Levy & Kumar, 2009). While Levy and Weitz (2001) identified services offered, advertising and store design. These notwithstanding, different authors had looked into retail strategy as regards commodity approach such as Aspinwall (1958), Bucklin (1963), Miracle (1965), Murphy and Enis (1986) among many others; although, they all applied it in offline context.

Commodity approach to retail strategy

Aspinwall (1958) considered retail through the use of characteristics of goods theory and relates the theory to distribution and promotional strategy. The focus of this theory is to enable the marketers to evaluate proper marketing and distribution strategy for product based on its characteristics. Aspinwall (1958) developed five different characteristics of products such as gross margin, adjustment, time of consumption and searching time. Alongside with a spectrum of continuous colour on a schematic chart ranging from red, orange and yellow in alignment with Copeland's (1923) tripartite product classes. According to Aspinwall (1958), product that falls in red region will require high promotional such as consumer advertising with long distribution channel; product that falls within yellow region will require low promotional strategy such as personal selling and short distribution channel; while product that falls in orange region will require moderate promotion in consumer advertising and personal selling as well as moderate distribution channel.

Also, Miracle (1965) contributed to commodity approach to retail strategy, by extending characteristics of good theory initially proposed by Aspinwall (1958). Although, Aspinwall (1958) relates it to distribution and promotional strategy, Miracle (1965) took a step further by relating it to product and pricing strategies. As regards pricing strategy, Miracle (1965) reported that pricing strategy are established based on two areas: the degree of varying prices from customer to customers and the degree of adherence to the price list at the point of price negotiation for each sale. Although Miracle (1965) only applied this in offline context, it is imperative to determine whether it will be applicable in online context as regards Jumia electronic retailing. Furthermore, Murphy and Enis (1986) also contributed to retail strategy by classifying consumer goods on the basis of Copeland's (1923) tripartite structure in a table of two dimensions titled effort and risk. For convenience good that falls into low category on both effort and risk dimension – limited marketing mixes can be employed by the marketers. Also for shopping good that falls into higher category on both effort and risk dimension - widest range of marketing mixes can be employ by the marketers; While for specialty good that falls on the highest category on both effort and risk dimension - requires most little range of different marketing mixes. In addition to the aforementioned authors, Buklin (1963) also contributed to retail strategy in the area of patronage motives, and this is extensively considered below.

Commodity approach to retail strategy (Bucklin, 1963)

Bucklin (1963) used the concept of patronage motives as the basis for classification of retail stores. The retail stores were classified as convenience stores, shopping stores and specialty stores. For convenience stores, the consumer has a definite product preference and seeks product to meet that preference from the most accessible store. As regards shopping stores, the consumer utilizes these stores when product preference is incompletely defined and shop in these stores to gain information to complete the product preference. While in specialty stores, the consumers have a definite   preference and willingness to buy the product from a particular store even though it may not be the most accessible (Bucklin, 1963). Bucklin developed an extension based on the redefined classification of goods through the use of patronage motives. Patronage motives are perceived by consumers as the factors that can be controlled by retailers. Such factors are credit, service, assortment, guarantee, easy shopping and price (Bucklin, 1963). According to Bucklin (1963), the purpose of bringing in the patronage motives was to classify consumer buying motives with regards to retail store using discrimination among product motives – based upon consumer's interpretation as regards product style, quality, special features and the social status associated with the brand name. This formed the consideration platform of retail marketing strategy and cleared the ambiguities that would arise if product factors are solely used as the basis for consumer buying motives (Bucklin, 1963).

The concept of electronic retailing

The concept of electronic retailing connotes selling of retail goods with the use of electronic media specifically via the internet (Hargrave, 2019). Iqbal, Rahman and Hunjra (2012) also affirmed that electronic retailing is a means of using World Wide Web (www) to offer goods all over the globe by means of virtual stores. In addition, Aminu (2013) accentuated that electronic retailing requires existence of retailer's website through which shopping is carried out in a virtual environment without physical contact between the sellers and the buyers.

Components of electronic retailing

These components are essential ingredients in carrying out electronic retailing (Hargrave, 2019); namely: website, online strategy, efficient distribution of product – delivery service, time and condition of the received product (Hargrave, 2019; Rudansky – Kloppers, 2017). Also, web-based information systems, retailers brand, website easy usage, product characteristics, regular customer update, transparency in business practices (Pirakatheeswari, 2010; Bharathi, 2020). Weitz (2006) also identified provision of online chat box, personalization, adequate privacy policy. As components of electronic retailing is very imperative for the success of electronic retailers most especially in the area of competitive advantage (Hargrave, 2019).

Benefits of electronic retailing

Electronic retailing offers the following benefits to consumers namely: access to virtual stores globally, access to different products via internet (Iqbal, Rahman & Hunjra, 2012). Aminu (2013) opined that electronic retailing can offer benefits to consumers' stores in form of: easy buying, better pricing, better information, privacy, time saving etc. also electronic retailing attracts consumers to interact globally. Also, electronic retailing offers benefits to electronic retailers such as: access to geographical dispersed markets, low transactional, low cost in information exchange, close customer relationships aided by one on one marketing, ability to compete on non-price dimension (Dubelaar, Sohal & Savic, 2005). Katole (2011) viewed global reach, better customer service, low capital cost, new forms of specialized stores and niche marketing, mass customization, and more value added services and targeted marketing as the benefits of electronic retailing.

Demerits and challenges of electronic retailing

Lack of emotional shopping experience, non-provision of sensory support to customer which prevents them feeling, holding or trying the product, fear as a result of lack of trust, expensive amount of creating and maintaining websites and substantial costs for warehouses construction

(Piraktheeswari, 2010; Hargrave, 2019). The challenges of electronic retailing encountered by retailers are unproven business models, channel conflicts, legal issues, security and privacy such as website hacking, data pilferages, misused of personal details online, cyber theft (Piraktheeswari, 2010). In addition, Weitz (2006) also stated customer's time consuming when browsing through retail offering.

Commodity approach to electronic retailing (Peterson, Balasubramanian & Bronnenberg, 1997)

The structure of good classification was updated in 1997 by Peterson et al. (1997). The basis of this update was centered on the impact of the internet on the products characteristics. Peterson et al. (1997) opined that it is not possible to market all categories of goods via internet. This resulted to classification of goods to either search goods or experienced goods. Although Nelson (1970) initially adopted this classification of goods in marketing and applied in traditional retailing while Peterson et al. (1997) extended this classification of goods to electronic retailing. According to Peterson et al. (1997) search goods are typically evaluated by consumers through comparison of product information. Since consumer can assess the features of the product using readily available information, therefore internet retailing is likely to be a good fit due to information storage and search capabilities of the internet (Peterson et al., 1997).

In the same vein, if a good is an experience good, the good's features information may not be sufficient for a consumer to engage in an internet-based transaction (Peterson et al.. 1997). For some consumers prefer to experience or inspect the product prior its purchase. For example if the product is a new perfume, the internet will not be a good fit for a first time buyers who will want to experience the product's fragrance (Poon & Joseph, 2001). Internet can only be a better option for such consumer if the customer has experienced the good prior to purchase (Peterson et al., 1997).

Methodology

Research design

This research employed both qualitative and quantitative methods. As regards qualitative method – the study used desk research design to review past studies in order to identify the variables that were later used to develop questions for the quantitative analysis. As regards quantitative method - the study used descriptive research design by employing a cross – sectional survey method aimed at obtaining information for investigating and examining the application of commodity school of marketing thought to electronic retailing through a structured questionnaire.

Population of study

The population of this study consisted of customers of Jumia in the metropolitan area of Yaba Local Government. This was selected because it is one of its headquarters in Lagos State, Nigeria. In order to obtain responses from only the customers that falls within this study's specification, short structured questions for screening were posed, to ascertain if the intended respondents had previously engaged in transactions with Jumia online shopping, those that answered 'Yes' were recruited for this study, while those that answered 'No' were not recruited for this study but rather were thanked for their time. Therefore the total targeted population was

636,000 as the figures represented the total population of quarterly net addition of Jumia customers as at September 30, 2019 (Jumia, 2019).

Sample selection and size

Yamene (1967) formular was used to derive the sample size as detailed below:

$$n = \frac{N}{1+N(e)^2} \tag{1}$$

Where: n - sample size, N - Total Population, e - Sampling error (0.07).

$$n = \frac{636,000}{1 + 636,000\ (0.07)^2} = 204$$

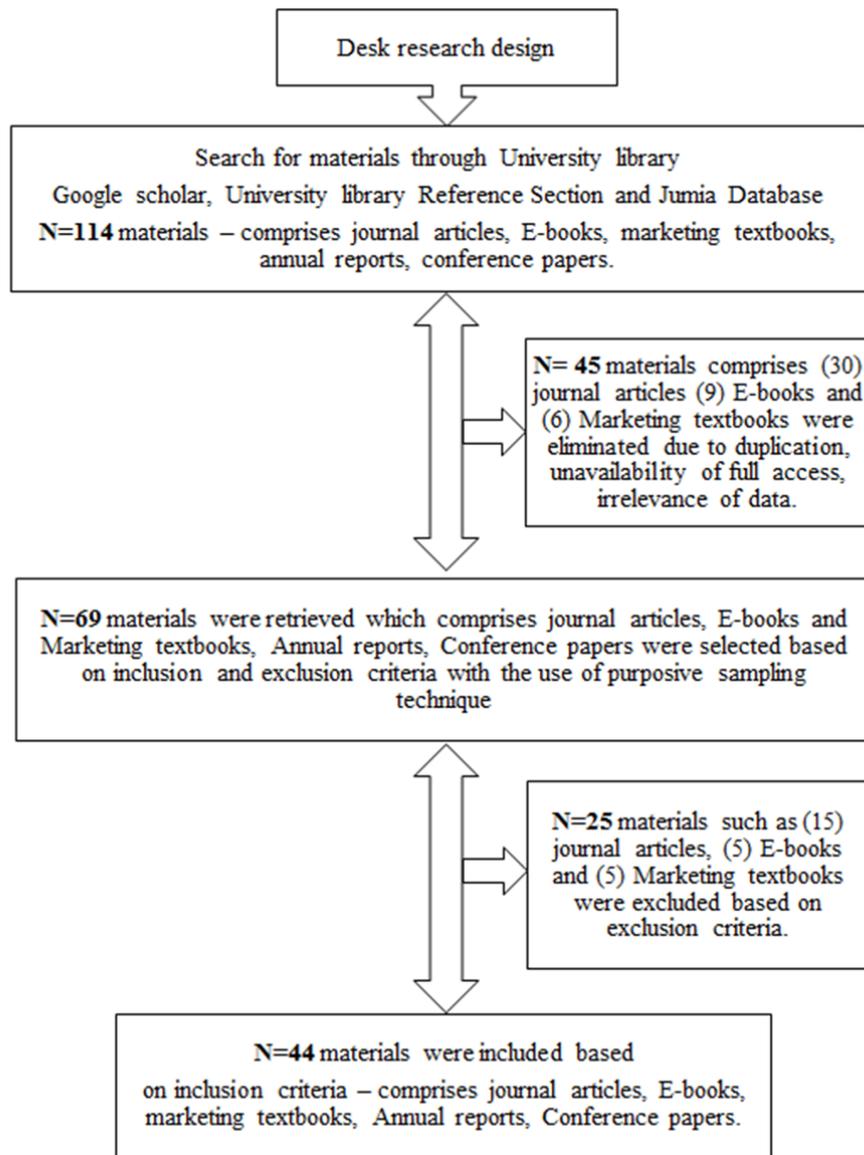### Sampling procedure

This study employed purposive sampling technique in order to obtain information from 204 Jumia customers which represent the unit of analysis. The researcher employed this sampling technique by using certain characteristics that participants must possess in order to be selected. The characteristics of the participants considered in this study were age (above 18 years), educational background (literacy), gender (male and female). Also the participants must have personal shopping experience with Jumia.

Data Collection Procedure

Data for this study was collected from both primary and secondary sources. Primary data was obtained through the use of a structured questionnaire that was deployed through online. Before intended respondents could have access to the online questionnaire, they were asked if they had

previously engaged in transactions with Jumia online shopping within Yaba Local government area. If the answer is 'Yes' they would be able to proceed and participate in the study, but those that responded 'No' were not allowed to proceed in the study. For those that answered 'Yes', they received a survey link that enable their access to the online questionnaire. This survey link was deployed using various social media platforms such as Facebook, Whatsapp, Telegram, Instagram among many others. This online questionnaire was used to extract relevant questions on the application of commodity school of marketing thought to electronic retailing in Nigeria. The questionnaire covers commodity approach to retail strategy and product characteristics with reference to Jumia. While, the secondary data was obtained through the use of goggle scholar, university library reference section and Jumia database to retrieve materials related to this study. The steps taken in order to collect relevant information from secondary data sources were shown in the Figure 1.

Desk research design

Search for materials through University library
Google scholar, University library Reference Section and Jumia Database
N=114 materials – comprises journal articles, E-books, marketing textbooks, annual reports, conference papers.

N= 45 materials comprises (30) journal articles (9) E-books and (6) Marketing textbooks were eliminated due to duplication, unavailability of full access, irrelevance of data.

N=69 materials were retrieved which comprises journal articles, E-books and Marketing textbooks, Annual reports, Conference papers were selected based on inclusion and exclusion criteria with the use of purposive sampling technique

N=25 materials such as (15) journal articles, (5) E-books and (5) Marketing textbooks were excluded based on exclusion criteria.

N=44 materials were included based on inclusion criteria – comprises journal articles, E-books, marketing textbooks, Annual reports, Conference papers.

Fig. 1. Data Collection Flow Chart
Source: Authors' Compilations (2021).

Instrument development

In order to develop a valid instrument that addressed this study research questions and hypotheses, five variables of retail strategy related to commodity approach were identified from literature search and measurement scales was developed to measure each of the identified variables based on the constructs derived from the literature review. Therefore, the questions for this study were generated by using the variables identified from previous studies which can be used to measure the relationship between these five retail strategies of commodity approach variables namely: product classification, distribution, promotion, patronage motives and pricing. Also the instruments comprise the questions to identify the respondents' demographics, shoppers' information and experience with electronic retailing.

Pilot study

The data collection instrument for this study subjected to a pilot study in order to carry out tests of validity and reliability. This was to ensure whether the instrument is suitable for the purpose of data collection. Content validity was also conducted by given out the instrument to two lecturers in Business Administration as well as doctoral students in University of Lagos. Corrections were made based on suggestions given in order to make the instrument valid and reliable. Also SPSS was used to ascertain the Cronbach's alpha internal reliability test for the constructs. These Cronbach's alpha details are provided in the Table 1.

Table 1. Reliability test of the constructs

Constructs	N	Items	Cronbach Alpha
How is commodity approach of products classifying apply in Jumia electronic retailing?	19	5	0.75
How does the distribution strategy adopted in Jumia electronic retailing vary based on the classification of products?	19	6	0.80
Does Jumia electronic retailing apply the product classification in its promotion activities?	19	5	0.85
Does Jumia electronic retailing effectively use the concept of patronage motives as retail strategy?	19	3	0.89

Source: Pilot Study, 2021.

The Table 1 depicts four (4) constructs of the study; and nineteen (19) questions were raised across these four constructs; since Churchill (1979) reports that in developing multiple items measure, theory suggests that researchers should sample from the set of all items representing the construct of interest. Since, the crobanch's value in this study are greater than 0.70, this prove the study to have higher and desirable reliability index, it also suggests that the study instrument is reliable and connote that the research's internal consistency is acceptable.

Administration of research instrument

The online questionnaire design for this study was administered through internet to the respondents (Jumia customers). In order to target the customers that falls within this study's specification, short structured questions were posed to ascertain if the intended respondents had previously engaged in transactions with Jumia online shopping, those that answered 'Yes' participated in the study, by receiving a survey link containing this study's questionnaire, while those that answered 'No' were not allowed to participate but rather receive thank you message for their time. The study survey link was sent through possible electronic means. The respondents were informed about the purpose of the study, while clarifications by the respondents were made where necessary through phone call, text messages, e-mails and other relevant social media.

Results of Data Analyses

A total of 204 respondents were expected to participate in the online survey exercise designed for this study, but one hundred and ninety two (192) respondents' participated thus representing 94.1% response rate. Since there was no missing value in the data set, all the 192 responses were found usable for this study. The data collected were analyzed using frequency distributions, percentages and mean as descriptive statistic.

Analysis of the respondents' data

Table 2 shows the analysis of the respondents for this study using frequency and percentage distributions.

Table 2. Demographic data of respondents

Variables	Categories	Frequency	Percent (%)
Gender	Male	103	53.6
	Female	89	46.4
	Total	**192**	**100.0**
Age	Below 20 years	50	26.0
	20 to below 30 years	110	57.3
	30 to below 40 years	31	16.1
	40 to below 50 years	1	0.5
	Total	**192**	**100.0**
Marital Status	Married	17	8.9
	Single	175	91.1
	Total	**192**	**100.0**
Religion	Christian	148	77.1
	Muslim	44	22.9
	Total	**192**	**100.0**
Education	WASC/GCE/NECO	92	47.9
	OND/NCE	7	3.6
	HND/B.Sc/B.Ed./LL.B.	70	36.5
	Masters	23	12.0
	Total	**192**	**100.0**
Occupation	Employed	14	7.3
	Self Employed	11	5.7
	Student	167	87.0
	Total	**192**	**100.0**
Income	N20,000 or Less	89	46.4
	N20,000 - N49,999	42	21.9
	N50,000 - N79,999	29	15.1
	N80,000 – N109,000	15	7.8
	N110,000 and above	17	8.9
	Total	**192**	**100.0**
Years of online Shopping experience	Less than a year	65	33.9
	1 to less than 5 years	89	46.4
	5 to less than 8 years	31	16.1
	8 years and above	7	3.6
	Total	**192**	**100.0**

Source: Field Survey, 2021.

The Table 2 above represents information of the respondents, gender distribution shows that males (53.6%) responded more than female (46.4%). As regards age, responses were found to be higher among people within the age of 20 and 30 (57.3%) followed by 30 and 40 (16.1%).

For marital status, majority of the respondents were single (91.1%), with religion distribution of more Christian (77.1%). As regards educational qualification, majority of the respondents owned WASC/GCE/NECO (47.9%) and HND/B.Sc/B.Ed/LL.B (36.5%). For occupation, highest respondents were student comprised both part time and full time (87%). While 46.4% earned N20,000 or less monthly, 21.9% earned within the range of N20,000 and N49,999 and 15.1% earned above N50,000 but less than N80,000 monthly. Also the years of online shopping experience shows that 33.9% of the respondents has less than a year, 46.4(%) has between 1 to 5 years while 16.1(%) has more than 5 years but less than 8 years of online shopping experience. Overall, the demographic data reveals that the respondents can adequately provide reliable information as regards this study.

Analysis of Data on Relevant Variables

Research Question One: How is commodity approach of product classifying applied in Jumia electronic retailing.

The mean analysis of the respondents' opinion on how commodity approach of product classifying is applied in Jumia electronic retailing is provided in Table 3.

Table 3. Mean Analysis of Responses on how is commodity approach of product classifying applied in Jumia electronic retailing

	N	Mean	Stdn Devtn
Jumia online store's products are classified as convenience products	192	3.57	1.23
Jumia online store's products are classified as shopping products	192	4.19	.85
Jumia online store's products are classified as specialty products	192	3.57	1.11
Jumia online store's products are classified as search products	192	4.02	1.04
Jumia online store's products are classified as experience products	192	3.33	1.28

Source: Field Survey, 2021.

Table 3 reveals with the views that Jumia online store's products are classified as: convenience, shopping, specialty and search products with means of 3.57, 4.19, 3.57 and 4.02 and standard deviations of 1.23, 0.85, 1.11 and 1.04 respectively. However, they fairly agreed with the view that Jumia online store's products are classified as experience products with the mean of 3.33 and standard deviation of 1.28.

Research Question Two: How does the distribution strategy adopted in Jumia electronic retailing vary based on the classification of products?

The mean analysis of opinion of the respondents on how distribution strategy adopted in Jumia electronic retailing varies based on the classification of products is presented in Table 4.

Table 4. Mean Analysis of Responses on how does distribution strategy adopted in Jumia electronic retailing vary based on the classification of products

	N	Mean	Standard Deviation
Jumia distributes its convenience products through direct method (customer's door step)	192	4.20	.92

Table 4 (cont.)

Jumia distributes its shopping products through direct method (customer's door step)	192	4.22	.87
Jumia distributes its specialty products through direct method (customer's door step)	192	4.13	.87
Jumia distributes its convenience products through indirect method (other retail channels)	192	3.29	1.38
Jumia distributes its shopping products through indirect method (other retail channels)	192	3.27	1.31
Jumia distributes its specialty products through indirect method (other retail channels)	192	3.15	1.28

Source: Field Survey, 2021.

Table 4 reveals with the views that Jumia distributes its products such as convenience, shopping and specialty through direct method with means of 4.20, 4.22, 4.13 and standard deviation of 0.92, 0.87 and 0.87 respectively. However, they fairly agreed that Jumia distributes its products such as convenience, shopping and specialty through indirect method with means of 3.29, 3.27, 3.15 and standard deviations of 1.38, 1.31 and 1.28 respectively.

Research Question Three: Does Jumia electronic retailing apply the product classification in its promotion activities?

The mean analysis of the responses of respondents as regards whether Jumia electronic retailing applies product classification in its promotion activities is provided in Table 5.

Table 5. Mean Analysis of Responses on does Jumia electronic retailing apply the product classification in its promotion activities.

	N	Mean	Standard Deviation
Jumia employs electronic media to promote its convenience products to prospective customers	192	4.18	.96
Jumia adopts electronic media to promote its shopping products to prospective customers	192	4.35	.81
Jumia employs electronic media to promote its specialty products to prospective customers	192	4.41	.74
Jumia electronic retailing promotes its products according to the classification of that product	192	4.23	.81
The type of promotional strategy adapted to market Jumia electronic retailing products depends on the classification of the product.	192	4.03	.93
Overall Average Means			**4.24**

Source: Field Survey, 2021.

Table 5 reveals with the views that Jumia online stores employs electronic media in promoting its specialty, shopping and convenience products to its prospective customers with means of 4.41, 4.35, 4.18 and standard deviations of 0.74, 0.81 and 0.96 respectively. They also agreed that Jumia promotes its products based on the classification of that product with the means of 4.23 and standard deviation of 0.81. In addition, they agreed that type of promotional strategy adapted to Jumia products depends on the classification of the product with mean of 4.03 and standard deviation of 0.93. Since the overall average mean of Table 5 is calculated as 4.24, hence they agreed that Jumia electronic retailing apply the product classification in its promotion activities.

Research Question Four: Does Jumia electronic retailing effectively use the concept of patronage motives as retail strategy?

The mean analysis of responses of the respondent on whether Jumia electronic retailing effectively use the concept of patronage motives as retail strategy is presented in Table 6.

Table 6. Mean Analysis of Responses on does Jumia electronic retailing effectively use the concept of patronage motives as retail strategy

	N	Mean	Standard Deviation
Jumia patronage motives such as credit facilities, assortment, guarantee easy shopping etc. encourage me to buy shopping products in its shopping store	192	3.93	1.05
Jumia patronage motives such as credit facilities, assortment, guarantee easy shopping etc. encourage me to buy shopping products in its specialty store	192	3.99	1.03
Jumia patronage motives such as credit facilities, assortment, guarantee easy shopping etc. encourage me to buy specialty products in its specialty store	192	3.95	1.06
Overall Average Mean			**3.96**

Source: Field Survey, 2021.

Table 6 reveals with the views that Jumia patronage motives such as credit facilities, assortment, guarantee, easy shopping etc. encourage them to buy products such as shopping and speciality in its shopping and specialty stores and vice versa with means of 3.93, 3.99, 3.95 and standard deviations of 1.05, 1.03 and 1.06 respectively. Since the overall average mean is calculated as 3.96, hence they agreed that Jumia electronic retailing effectively use the concept of patronage motives as retail strategy.

Discussion

This study attempts to examine the application of commodity approach to electronic retailing in Nigeria, using Jumia as a case study. The study raised four questions which were answered empirically. The finding reveals the respondents agreed that commodity approach of product classifying is applied in Jumia electronic retailing, Thus, the commodity approach of products is evident in Jumia electronic retailing by classifying its products to different categories namely convenience, shopping, specialty, search and experience, which is line with Copeland (1923) and Peterson, Balasubramanian, and Bronnenberg (1997). It was also revealed that distribution strategy adopted in Jumia electronic retailing varies based on the classification of products. For instance, it uses direct method to distribute its shopping products more than convenience products and specialty products, while it uses less of indirect method to distribute it specialty products. This finding suggests that Jumia electronic retailing uses both direct and indirect method of distribution strategy to reach its customers and these findings is in support of Aspinwall's (1958) distribution strategy.

Furthermore, this study shows that Jumia electronic retailing applies product classification in its promotion activities by using electronic media to reach its prospective customers with means ranging between 4.03 and 4.41 and overall mean of 4.24. Finally, the finding of this study reveals that Jumia electronic retailing in Nigeria adopts patronage motives as retail strategy with mean rating of between 3.93 and 3.99 and overall mean of 3.96. This is in line with Bucklin (1963). For instance, three out of the four Bucklin's (1963) patronage motives of consumer matrix is relevant in Jumia electronic retailing such as shopping store – shopping goods, specialty store – shopping goods and lastly specialty store – specialty good.

Conclusion

Based on the findings of this study, the study concludes that application of commodity approach to electronic retailing in Nigeria is evident in Jumia with emphasis on its product classifications, promotion activities, and distribution strategy and patronage motives as retail strategy.

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