

**DETERMINANTS OF ONLINE PURCHASE  
INTENTION OF SEASONAL GOODS IN  
NIGERIA: THE ROLE OF PERCEIVED  
VALUE AND TRUST**

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INTENTION OF SEASONAL GOODS IN  
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VALUE AND TRUST**

by

**NWAKAJI CHRISTOPHER**

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## LIST OF ACRONYMS AND ABBREVIATIONS

AVE	Average Variance Extracted
BI	Brand Image
CB-SEM	Covariance Based-Structural Equation Model
CMB	Common Method Bias
COM	Compatibility
CR	Composite Reliability
DV	Dependent Variable
HTMT	Hetrotrait-Monotrait
IV	Independent variable
KMT	Krejci and Morgan Table
MV	Missing Value
OPI	Online Purchase Intention
PEB	Perceived Economic Benefit
PCE	Procedure for Contacting e-Vendor
PI	Price Image
PLS	Partial Least Square
PTS	Perceived Transaction Security
PV	Perceived Value
PVT	Perceived Vendor Transparency
RO	Research Objectives
RQ	Research Question
RIE	Reputation and Identity of the e-Vendor
SEM	Structural Equation Model
SOR	Stimulus Organism Response
SPSS	Statistical Package for Social Science

TRT	Trust
RIE	Reputation and Identity of the e-Vendor
UK	United Kingdom
USA	United States of America
VAM	Value-Based-Adoption Model
WQ	Website Quality

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**PENENTU SASARAN PEMBELIAN BARANGAN BERMUSIM SECARA  
DALAM TALIAN DI NIGERIA: PERANAN KEPERCAYAAN DAN  
PENILAIAN OLEH PEMBELI**

**ABSTRAK**

Faktor bermusim mempengaruhi setiap aspek keputusan pembelian pembeli. Sesuatu ‘Musim’ itu boleh menjadi faktor penentuan pembelian barangan oleh pembeli, pilihan percutian dan masa untuk membeli. Beberapa dekad yang lalu, pembelian secara dalam talian bagi barangan bermusim telah mengalami pertumbuhan yang luar biasa, terutamanya semasa tempoh bermusim di Nigeria. Walaupun berlakunya pertumbuhan pembelian secara dalam talian bagi barangan bermusim ini, faktor yang mempengaruhinya masih kurang diteliti. Kajian ini bertujuan untuk mengkaji kesan pengantaraan persepsi nilai dan kepercayaan terhadap hubungan antara persepsi faedah ekonomi, persepsi keselamatan transaksi, keserasian, kualiti laman web, imej harga, persepsi ketelusan vendor, imej jenama dan niat pembelian dalam talian bagi barangan bermusim. Teori asas kajian ialah Teori Tindak Balas Rangsangan Organisme (SOR) dan Model Penerapan Berasaskan Nilai (VAM). Intrumen utama kajian ini menggunakan soal selidik tinjauan dalam proses pengumpulan data kajian. Kaedah pintasan pusat membeli-belah digunakan untuk mengedarkan soal selidik kepada peserta. Soal selidik telah diberikan kepada 800 pembeli dalam talian yang dipilih secara rawak daripada pusat beli-belah merentasi enam zon geopolitik negara. Selepas saringan data, 413 soal selidik didapati boleh digunakan. Kajian ini menggunakan Pakej Statistik untuk Sains Sosial dan Smart PLS-SEM untuk menganalisis data. Hasil analisis data mendedahkan bahawa persepsi faedah ekonomi, persepsi keselamatan transaksi, keserasian, kualiti laman web, imej harga dan imej

jenama mempunyai kesan positif dan signifikan terhadap kepercayaan pengguna. Hasil analisis data mengungkapkan bahwa manfaat ekonomi yang dirasakan, keamanan transaksi yang dirasakan, kompatibilitas, kualitas situs web, citra harga dan citra merek berpengaruh positif terhadap kepercayaan konsumen. Keputusan menunjukkan bahawa kepercayaan mempunyai kesan pengantara yang positif antara persepsi manfaat ekonomi, persepsi keselamatan transaksi, keserasian, imej harga, imej jenama dan niat pembelian dalam talian bagi barangan bermusim. Selain daripada persepsi nilai didapati menjadi pengantara antara persepsi keselamatan transaksi, keserasian, persepsi harga ketelusan vendor dan niat pembelian dalam talian bagi barangan bermusim. Keterbatasan penelitian ini berkaitan dengan profil demografis responden dimana kebanyakan pengguna atas talian adalah dari kalangan wanita. Pandangan dan pendapat yang diungkapkan oleh responden perempuan mungkin berbeda dengan lelaki jika dinilai dari setiap negara yang mempunyai budaya yang berlainan. Keterbatasan lain adalah bahwa penelitian ini mengandalkan data yang dikumpulkan dari responden di setiap ibu kota dan Wilayah Ibu Kota Federal Abuja, masing-masing, sehingga mengecualikan pengguna di daerah pedesaan dan pinggiran kota Nigeria. Pendapat responden di setiap bahagian ibukota seluruh negara yang dipilih mungkin berbeda dengan yang ada di pedesaan atau pinggiran kota sehingga membatasi generalisasi penelitian penemuan. Kajian ini bukan sahaja meluaskan badan pengetahuan sedia ada tetapi juga memberikan pandangan dan pemahaman yang berguna tentang penentu niat pembelian dalam talian bagi barangan bermusim di Nigeria.

# **DETERMINANTS OF ONLINE PURCHASE INTENTION OF SEASONAL GOODS IN NIGERIA: THE ROLE OF PERCEIVED VALUE AND TRUST**

## **ABSTRACT**

Seasonality influenced every aspect of consumer purchase decisions. Seasons determine the goods that consumers purchase, and when to purchase them. The last few decades have experienced tremendous growth in online purchases, especially during the seasonal periods in Nigeria. Despite this growth in online purchases, the factor influencing consumer online purchase intention of seasonal goods remained under-researched. This study aims to examine the mediating effect of perceived value and trust on the relationship between perceived economic benefit, perceived transaction security, compatibility, website quality, price image, perceived vendor transparency, brand image and online purchase intention of seasonal goods. The theories underpinning this study are the Stimulus Organism Response Theory (SOR) and the Value-Based Adoption Model (VAM). A survey questionnaire was the major instrument used to collect primary data for this study. A mall intercept method was used to administer the questionnaire to the participants. Questionnaires were administered to 800 online shoppers purposively selected from shopping malls across the six geopolitical zones of the country. After data screening, 413 questionnaires were found usable. The study used a Statistical Package for Social Sciences and the Smart PLS-SEM to analyse the data. The results of data analysis revealed that perceived economic benefit, perceived transaction security, compatibility, website quality, price image and brand image have a positive effect on consumer trust. Similarly, perceived transaction security, compatibility, website quality, price image and brand image have positive effects on perceived value. Furthermore, results show that trust has a positive

mediating effect between perceived economic benefit, perceived transaction security, compatibility, price image, brand image and online purchase intention of seasonal goods. Besides perceived value was found to have a positive mediating effect between perceived transaction security, compatibility, price image perceived vendor transparency and online purchase intention of seasonal goods. The limitation of this study relates to the demographic profile of the respondents where the majority of the respondents were female online shoppers. The view and opinions expressed by female respondents may vary or differ from their male counterparts in other states and cultures. Another limitation is that this study relied on data collected from respondents in the state capital of each state and the Federal Capital Territory, Abuja thus excluding customers in the rural and suburban areas of Nigeria. The opinion of the respondents in the selected state capitals may differ from those in the rural or sub-urban areas thus limiting the generalization of the research findings. This study not only extends the existing body of knowledge but also provides useful insights and understanding of the determinants of online purchase intention of seasonal goods in Nigeria.

# **CHAPTER 1**

## **INTRODUCTION**

### **1.1 Introduction**

In the introductory stage of this research, the background of the study was extensively discussed to stimulate the interest and importance of the study. The problem statement which is the bedrock of the research was subsequently discussed. This chapter further highlighted the research questions, research objectives, significance of the study, the scope of the study, definitions of key terms and finally, the organization of the thesis.

### **1.2 Background of the Study**

Online shopping is gaining popularity every day as it enables consumers to buy goods irrespective of time and location at their convenience (Changchit et al, 2019). Consumers have been influenced by technological change and as a result, the majority of them preferred to buy goods online which offered them a convenient lifestyle, saves time, cost and quality prompt services instead of the traditional method of shopping which tends to be cumbersome and frustrating at times (Sivakumar & Gunasekaran, 2017). With the increasing access to the internet coupled with sophisticated mobile devices at the disposal of customers, online shopping has inevitably become the best viable alternative option for shopping (Ariffin et al.,2018). Research on online purchases has gained tremendous attention as it has recorded tremendous growth in recent times. The majority of the existing research shows that online purchasing has been the focus of researchers in developed nations due to the development of internet infrastructures (Ayodele & Chigbata 2021) while it has received relatively



insignificant attention from researchers in developing countries (Ayodele & Chigbata2021). Some of this research is an attempt to investigate factors that motivate consumers to adopt online purchases rather than the traditional method of purchase. Nowadays, many successful retailers are striving to expand into global penetration through online purchases as it has become one of the easiest and fastest methods of expanding businesses beyond national boundaries at a moderate cost, and it provides retailers with an opportunity to create a globally competitive brand (Andrejić & Jović, 2020).

### **1.3 Overview of worldwide e-Commerce**

Electronic commerce (e-commerce) has gained tremendous popularity as an economic driving force for both developed and developing countries in recent years (Frederick, & Gereffi, 2019; Shao et al, 2022). This is because many companies around the world have made electronic commerce (e-commerce) a top priority (Adam & Alhassan, 2020), and as such many companies now have adopted the use of the internet to sell their goods to consumers and connects with other stakeholders due to the convenience it provides in reaching customers irrespective of distance (Lindh & Vasse, 2019; Shao et al., 2022; Wang et al, 2022).

Globally, the number of online shoppers has continued to increase in recent times (Janjevic & Winkenbach, 2020) as the number of online buyers worldwide has experienced tremendous growth from 1.66 billion people in 2019 and is projected to 2.14 billion people in 2021 (Statista, 2022). The recent increase in online purchases can be attributed to the global Convid-19 pandemic (Alfonso et al, 2020). Jibril et al, (2020) posit that some people choose online shopping due to the convenience and competitive prices offered by e-retailers. Worldwide growth in the number of online

shoppers has made many consumers and organizations rely on the internet for purchases and to meet their client's demands (Adam & Alhassan, 2020). According to Grand View Research, global e-commerce retail sales reached US\$ 4.25 trillion in 2019 and are projected to increase at an average of 20.7% annual growth rate within seven years (Statista,2021). The increased use of electronic devices such as smartphones, tablets, and laptops has dramatically impacted positively the global e-retail marketplace thereby allowing for faster and easy sharing of product information and prompt customer feedback on available products (Cho, & Kim, 2021).

In the last decade, e-commerce has demonstrated impressive growth on all the continents of the world (Vasić et al., 2020). In all the continents, Asia-Pacific, the US, and Northern Europe have recorded impressive growth in e-commerce more than other continents of the world (Malighetti et al, 2019; Pappas et al, 2017) Global growth of online sales in e-commerce retail sales in various regions has continued to vary from one continent to another. According to eMarketer, (2020), the continental e-commerce retail sales revealed thus; Asia-Pacific (\$2,448.33 trillion), North America (\$749 million), Central and Eastern Europe (\$192.91 million), Latin America (\$83.63 million) while Middle East & Africa is (\$41.56 million). From the above, Asia-Pacific accounts for 42.3% of global e-commerce retail sales, followed by North America which makes up 22.9%, Central and Eastern Europe accounted for 16.2%, Latin America is 9.1% while the Middle East and Africa is 10.3%. The remarkable growth of Asia-Pacific e-commerce retail sales is a result of consumers changing lifestyles and high internet penetration in communication and information technology (Narang & Trivedi, 2018).

China is the world's leading e-commerce market, with total online sales estimated at \$2.8 trillion in 2021 while more than \$3.6 trillion in e-commerce sales are generated in China and the United States, accounting for more than 73 percent of total global e-commerce retail sales (eMarketer, 2021). It is not surprising that these two giants have produced some of the world's most successful e-commerce businesses. Indeed, China and the United States account for the majority of half of the top 10 countries in e-commerce. China's online retail represents 54.7% of global retail sales followed by the United States (\$86.92 billion), United Kingdom (\$141.93 billion), Japan (\$115.40 billion), South Korea (\$103.48 billion), Germany,(\$81.85 billion), France(\$69.43 billion), Canada (49.80 billion), India (\$46,05 billion) and Russia is \$26.92 billion (eMarketer, 2021). A study in the UK revealed that 5,168,780,607 million people representing 54.7% of the total global internet users use the internet for online shopping transactions (Clement, 2020). The major factor that contributes to the global expansion of e-commerce is easy access to the internet and the availability of internet infrastructures Internet (World Stats, 2021).

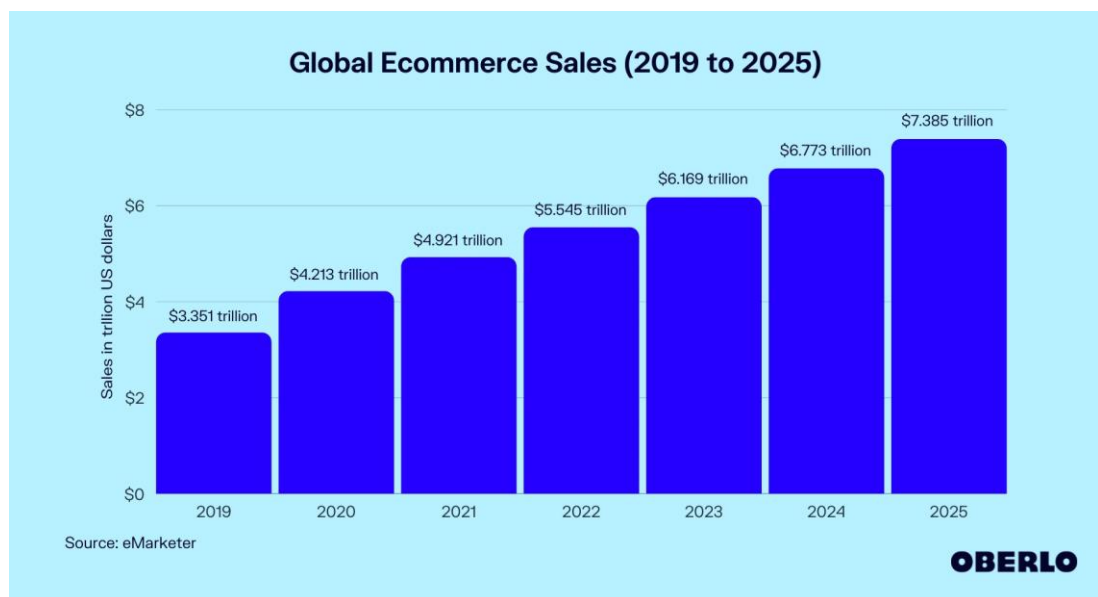


Figure 1.1 Global e-commerce retail sales from 2019-2025 (eMarketer,2021)

Globally, since 2019 till date, there has been a remarkable increase in e-commerce sales. According to the above figure (Figure1.1), global online retail sales grew remarkably from \$3.351 trillion (14%) in 2019 to \$4.921 trillion representing a 20% increase in 2021 and it is projected to reach \$6.169 trillion representing 22% growth in 2023 (eMarketer,2021).

In 2022, global e-commerce revenue is estimated to reach \$5.545 trillion. This amount is anticipated to rise in the coming years, demonstrating the extent to which e-commerce has become a more profitable alternative for enterprises. Online sales are likely to continue to increase and acquire a bigger share of the retail business in the coming years. Global e-commerce retail sales are projected to surpass \$7.3 trillion by 2025, with e-commerce accounting for 24.5% of aggregate retail sales. Furthermore, more than half of online shoppers (55.4%) use their mobile phones to make purchases. Hence, it is not surprising that online sales will continue to grow as people become more acquainted with the convenience of buying on mobile devices.

The remarkable upsurge in global e-commerce retail sales is a result of covid-19 induced restrictions of movement which raised the online overall retail sales from 16 percent to 19 percent in 2020 (Internet World Stats, 2021). The coronavirus has had a significant influence on global e-commerce increase and has transformed the type of business that is carried out (Eger et al., 2021). Bhatti1 et al (2020) noted that the covid-19 pandemic expanded e-commerce greatly. Bhatti1 et al, (2020) further affirmed that the covid-19 pandemic has had a huge influence on global e-commerce, both positively and negatively. This is because consumers avoided going out, maintained social distancing, and shop from the comfort of their homes due to the prevalence of the covid-19 pandemic which resulted in an increase in e-commerce sales of 74% at Walmart Grocery e-commerce. Available information reveals that the covid-19

epidemic has a considerable effect on e-commerce retail sales as its sales are anticipated to rise to \$6.5 trillion by 2023 (Jones, 2020). A study found that 52 percent of people stay away from busy places and brick-and-mortar stores whenever they want to do their shopping (Bhatti et al., 2020). E-commerce has influenced the number of online shoppers in both developed and developing countries alike, including Malaysia, Singapore, Thailand, and Pakistan. The expansion in global e-commerce further justifies the acceptance of internet technology, innovations and advancement in mobile technology (Internet World Stats, 2021).

Table 1.1 World Internet Usage and Population Statistics 2021 Year-Q1  
Estimates

<b>World Regions</b>	<b>Population (2021 Est.)</b>	<b>Population % of World</b>	<b>Internet Users 31 Mar 2021</b>	<b>Penetration Rate (% Pop.)</b>	<b>Growth 2000-2021</b>	<b>Internet World %</b>
<b>Asia</b>	4,327,333,821	54.9 %	2,762,187,516	63.8 %	2,316.5 %	53.4 %
<b>Europe</b>	835,817,920	10.6 %	736,995,638	88.2 %	601.3 %	14.3 %
<b>Africa</b>	1,373,486,514	17.4 %	594,008,009	43.2 %	13,058 %	11.5 %
<b>Latin America,</b>	659,743,522	8.4 %	498,437,116	75.6 %	2,658.5 %	9.6 %
<b>North America</b>	370,322,393	4.7 %	347,916,627	93.9 %	221.9 %	6.7 %
<b>Middle East</b>	265,587,661	3.4 %	198,850,130	74.9 %	5,953.6 %	3.9 %
<b>Oceania / Australia</b>	43,473,756	0.6 %	30,385,571	69.9 %	298.7 %	0.6 %
<b><u>WORLD TOTAL</u></b>	7,875,765,587	100.0 %	5,168,780,607		1,331.9 %	100.0 %

**Source:** United Nations Population, 2021.

From Table 1.1, an estimate of 5.168,780,607 billion people in the world is active internet users representing 65.6% of the global population. China, India, and the United States are the top leading countries in internet usage (Clement, 2021). The Asia continent has the highest number of online users (2,762,187,516) followed by Europe (736,995,638) while Africa ranked third with 594,008,009 internet users (Internet

World Stats, 2021). In the Asia continent, East Asia accounts for the majority of the share with a 63% internet penetration rate in the region.

Globally, North America has the highest online penetration rate (93.9 %) followed by Europe at (88.2 %) and Latin America at (75.6%) (Clement, 2021). Presently, the global online penetration is 65.6% with Northern Europe ranked first with an internet penetration rate of 95% worldwide as the United Arab Emirates (UAE), Denmark, and South Korea are the leading countries in internet penetration (Clement, 2021). In contrast, North Korea is ranked last in global internet penetration with almost an absence of online usage among its population (Clement, 2021). Despite a large number of internet users in the region, the Asia continent lags in internet penetration (Clement, 2021). Hamed & El-deeb, (2020) further that the global increase in internet usage is a result of advancements in mobile technology.

Despite impressive growth, across the globe, the development of e-commerce globally is confronted with a lot of challenges. Some of these challenges are; First, due to internet infrastructural constrain in some countries, e-commerce's maximum potential has not yet been realized (Wang et al., 2021). Second, the problem of transaction security has become a major concern as the internet expands into a worldwide information infrastructure (Babu, & Vijayalakshmi, 2020; Wang et al., 2021) as many customers are hesitant to give up personal details online, such as their present address, social security number, and credit card details. Security and privacy concerns are major hindrances to e-commerce development globally (Kuruwitaarachchi et al, 2019). Third, in a typical commercial setting, trust is built on the backs of prior personal experiences or through transparent legal frameworks. Globally trust deficit has been a major problem confronting online-oriented businesses (Nalendra et al., 2021; Aslam et al, 2020). Consumers are increasingly becoming

hesitant to purchase goods or services through e-commerce platforms as a result of an absence of trust (Apau et al, 2019; Choi & Mai, 2018; Rita, & Dhillon, 2017). Fourth, lack of transparency has hampered the widespread usage of e-commerce in many countries of the world (Dahbi & Benmoussa, 2019). In many cases of online purchases, there are hidden charges that do not appear on the purchase bill but do appear on the payment option which portrays the organization as lacking in transparency (Zhou et al, 2018). Besides, additional handling costs may apply, particularly with overseas transactions where some transactions are shrouded in secrecy hence lacking openness in the entire process. Fifth, many businesses that have not had an internet presence previously have started to develop their online stores leading to high competition hence, remaining in business has become increasingly difficult. Sixth, due to the obvious extraordinary rate of localizing services coupled with the limited number of homes with access to the internet, e-commerce activities in many countries particularly in small industries, may not be sustainable. The situation is significantly worse in developing countries like Africa. Currently, 90% of internet host computers are in high-income nations, which account for just 16% of the global population. Hence in many countries around the world, there is a shortage of widespread internet connectivity. Seventh, all e-commerce website requires good images because they provide a visual representation of how the product will appear. Unfortunately, the product images are not a true reflection of what is seen on the website as they should closely resemble the actual product. Customers must be able to see the image from an expanded perspective from all angles.

#### **1.4 Overview of e-Commerce in Africa**

The African continent has a population of 1,373,486,514 billion people with 594,008,009 million internet users representing 43.2% of the entire population of the continent (United Nations Population, 2021). Africa is the second largest continent in terms of population size after Asia and the third in global internet usage (Clement, 2021). African e-commerce retail sales increased from 21,352 to 27,970 billion US dollars in 2020 and 2021 respectively and it is projected to increase to \$33,317 billion in 2022 (Statista, 2022). E-commerce retail sales in Africa is estimated to reach a value of 46,100 billion US dollar in 2025 (Statista, 2022). In the last five years, Africa has experienced one of the most impressive growth in internet expansion in the world (Internet World Stats, 2021). However, compared to other continents of the world, internet access in Africa remains low. The fast expansion of internet access has led both companies and consumers to appreciate the benefits of e-commerce with convenience being the major appealing factor for internet businesses as obtained in Kenya and Nigeria. According to Omar (2018), the worldwide e-commerce growth rate is 16.8%, while Africa's e-commerce market is increasing at 25.8%. Nigeria, South Africa, and Kenya are the top three online-shopping nations in the continent, and their economies have benefited greatly as a result. Several reasons have been adduced for the growth of e-commerce sales in Africa. Among the most commonly mentioned reasons in order of their sequence are more convenience (26%), COVID-19 (25 percent), saving time (23 %), safety option (11%), no difference from traditional stores (9 percent), more appealing (8 %), more variety (7 %), purchase budget (5%), aesthetic factors (5%), and familiarity with the online website (5%). Usman & Kumar, (2020) posits that an increase in awareness of e-commerce has tremendously contributed to the adoption of online purchases. Hence, the adoption of online shopping has resulted



in numerous sellers in different e-commerce prevailing on customers to meet their purchasing needs online, especially those within the wholesale and retailing sector (Raza & Khan, 2021; Singh & Srivastava, 2018).

While several sectors in e-commerce were affected by varying levels of lockdown in 2020 due to the covid-19 pandemic, online businesses experienced an increase in sales as many consumers in African countries opted for home delivery over physical visits to shopping malls and stores. The restrictions imposed by the government during the covid-19 lockdown resulted in a 30% decrease in in-store shopping and this was a major factor in the upsurge in online shopping. During the covid-19 pandemic, most African countries experienced the comfort of buying goods online. Similarly, more than 45% of Africans purchase online at least once a month, according to Deloitte research.

In the African continent, Nigeria has the highest number of internet users (126,078,999), followed by Egypt (49,231,493), Kenya (46,870,422), South Africa (32,615,165), Algeria (25,428,159), Morocco (23,739,581), Tanzania, (23,142,960) (Internet World Stats, 2021). According to an e-commerce report in 2021, Nigeria, South Africa, and Kenya control more than 50% of e-commerce sales in the African continent (Clement, 2021). Despite this growth, e-commerce in Africa is still at the developing stage as it controls just a small fraction of the total aggregate global retail sales (Clement, 2021).

Although Africa's e-commerce business is flourishing, there is a need to tackle the challenges that are the continent from reaching its maximum potential. According to Zastracom, the slow pace of technological development in Africa's e-commerce sector is a key impediment to the industry's potential for development. Though the e-

commerce business is developing, internet shopping is still in its infancy in the continent due to low levels of internet connectivity, high costs of high-speed internet access, lack of a nationwide street area network, general distrust of online transactions, low bank card penetration, and restricted e-commerce payment plans among others as they hinder Africa's e-commerce market from achieving its maximum potential (Khan & Uwemi, 2018).

However, relative to other continents, internet access remains low in Africa due to uncertainty about the use of credit cards (transaction security) for online payment transactions (Antwi, 2020). In some African countries, significant disparities exist. Though some African economies have adopted the cashless economy as seen in industrialized countries, some still relied on cash (Antwi, 2020). In the same vein, Ibam et al, (2018) noted that e-commerce in Africa has not yet fully developed due to concerns about the use of credit cards for online payment transactions. According to Emmanuel (2015), the Inter-Bank Credit System (NIBSS) in Nigeria observed a significant number of fraudulent charges in 2015 accounting for 8.8% of online transactions. As a result, it has become evident that distrust in online payment systems is one of the major barriers that have consistently deterred many people from purchasing goods online (Samuel et al.,2015; Ibem et al., 2020). Again, some African countries have not fully established legal frameworks to address consumers' concerns about intellectual property laws and consumer protection in the digital domain (Ibam et al, 2018).

## **1.5 Overview of e-Commerce in Nigeria**

Nigeria is the leading online shopping country in Africa with 66% of its population on the internet usage (United Nations Population, 2020). The Nigerian e-

commerce sector remains Africa's biggest e-commerce business as it is valued at \$13 billion and increases at a rate of 25% yearly (Gabriel et al., 2016; Ibam et al., 2018). Interestingly, Nigeria has a population of 206,357, 950 million people with 126,078,999 million internet users representing 61.09% internet penetration of the total population and it is projected to increase to 65.2% in the year 2025 (Statista, 2021). This implies that 38.91% of the total population is not connected to the internet. However, it is exciting to mention that 169.2 million people representing 83% of the total population of Nigeria are connected to a mobile phone (Statista, 2020) and this has facilitated online shopping in the country. Joseph, (2019) observed that there has been a dramatic increase in Nigeria's e-commerce market in recent years. According to Phillips Consulting, online shopping platforms generate an aggregate of 1.3 billion Naira a month and sell over 500 different types of goods daily. In 2020, 76.6 million Nigerians purchased goods online, generating more than \$6 million in income (Varrella, 2021). Phillips Consulting (2021), further affirmed that online shopping platforms inject about \$1.56 billion into the Nigerian economy every year.

Despite being a recent phenomenon in Nigeria, e-commerce is growing in popularity due to its convenience, increases in the population of internet users, lower prices, cost-saving, and easy search for information. Khan & Uwemi, (2018) noted that the advent of online companies like Jumia, Konga, Dealdey, Tracklist and GSM and growing internet access contributed to the growth of online shopping in Nigeria. The shift to a cashless economy, increase in mobile phone usage and the movement control order during the covid-19 pandemic increases online shopping usage (Ajide, Ibrahim, & Alimi, 2020; Usman & Kumar, 2020). In addition, the e-commerce business has established a presence in many major cities in Nigeria and this has increased its influence on consumers. For developing countries like Nigeria, e-

commerce is projected to be a key determining factor in economic development (Ezennia & Marimuthu, 2022). As a result of the opportunities offered by internet technologies, e-commerce has helped Nigeria's participation in the global economy. Experts believe that with the opportunities provided by internet technologies, e-commerce will help Nigeria to overcome economic challenges and improve its participation in the global economy.

Despite the tremendous growth of online shopping in Nigeria and the positive prospects of this alternative purchasing technique, negative elements are increasingly linked with it. First, lack of transparency is one of the major factors discouraging people from engaging in online purchases in Nigeria (Olise et al., 2019). Secondly, the insecurity of online purchase transactions constitutes a setback to the adoption of online purchases in Nigeria (Usman & Kumar, 2020). The activities of internet fraudsters raise security concerns among many people who would have liked to purchase goods online (Inegbedion et al., 2016). Thirdly, many consumers are ignorant of the benefits and opportunities associated with online purchases in Nigeria due to a lack of awareness (Oloveze et al., 2021). This explains why internet usage is increasing without a corresponding increase in the number of online shoppers (Varrella, 2021). Fourthly, the low level of adoption of online shopping in Nigeria is attributed to a lack of trust in online websites ((Ibam, Boyinbode, & Afolabi, 2018b; Usman & Kumar, 2020). A study by Dopson (2021) revealed that 17% of consumers abandon their online shopping cart due to distrust of the retailer's online website, especially with credit card information. Fifth, one of the greatest impediments to the adoption of online shopping in Nigeria is that the modern method of buying goods online through a credit card is not compatible with the traditional method of buying that allows customers to touch, test and make later payments. Sixth, despite the cost-

saving associated with online shopping, many people in Nigeria have not recognized this advantage due to illiteracy, ignorance and lack of awareness of the economic benefits offered by online shopping Khan & Uwemi (2018). Seventh, the information needed to carry out online shopping is lacking on the vendor's website and this hindered the usage of an online platform for purchase in Nigeria (Usman & Kumar, 2020). Eighth, despite the growth in internet usage in Nigeria, many people do not purchase online due to a lack of awareness of its potential value. Potential values are service excellence, convenience, price and time-saving associated with purchasing goods online (Huang et al., 2019; Li Suo, Rui-Chen Lu, 2020).

## **1.6 Demand for Seasonal Goods and Consumer Behaviour**

With the advancement of technology, an increasing number of items are trendy or seasonal commodities, having a limited sales time, poor salvage value, and high market volatility (Shi et al., 2016). Consumer online purchase of a product becomes seasonal when the goods meet a need that arises only at a particular time of the year. Seasonal goods have a well-established seasonal pattern of demand that results in consumer buying behaviour such as concentrating on the purchase of seasonal goods a few weeks before festivities or seasonal periods (Nambiar et al, 2021; Shi et al., 2016). Furthermore, the pattern of seasonal consumer demand for goods is a reflection of the ordering and stocking policies of the distributor since the ordering policy of the goods is to minimize the selling cost and the risk of overestimating demand. Caro & Gallien, (2012) argued that the pattern of demand for seasonal goods is different from that of non-seasonal or other categories of consumer goods. This is because the demand for seasonal goods reaches its peak within a short time after the commencement of the season and thereafter starts to decline till the end of the selling

season (Caro & Gallien, 2012; Jonathan, 2009). Consumers' demand for seasonal goods is unique as it is huge during the seasons and the period is limited while the goods may be in short supply (Kincade, Kim, & Gibson, 2010). Kawakatsu, (2010) further noted that after achieving its highest value, the demand rate for seasonal goods marginally decreased with time. This trend of demand makes seasonal goods especially fashion clothing have more salvage value during the early stage of the festive season and diminish as the season progresses and this equally affects the price of the goods (Namin & Ph, 2015). The supply of seasonal goods in a finite period has always been the determining factor and is normally followed by a low salvage value at the end of the time horizon (You & Chen, 2007).

According to Bahng and Kincade, (2012), seasonal goods are goods that experience a significant increase in demand as a result of festivities, time and seasonal changes during the year and it is usually during the festive periods. Preetam & Arnab (2016) believe that products that are unavailable in a particular season of the year or goods which are available all over the year but with associated quantity and price variation are termed seasonal goods. Seasonal goods refer to goods that consumers purchase to satisfy their needs for the period of the season (Kincade et al., 2010). Seasonal goods often experienced fluctuating demand. This is because the need for the goods is high during the season and declines after the seasonal period. Seasonal goods can be identified through the trend of demand for the goods at a particular period of the year and this distinguishes them from other goods in the market. Hence seasonal goods differ from one environment/country to another.

Seasonal demand exists for several products such as electric fans, air conditioning, refrigerator, fashion clothes, summer and winter clothes, etc. Online retailers take advantage of the seasonal period to sell more of these seasonal goods due

to the huge demand to meet the needs of the season (Chen et al, 2019). The seasonal period provides an opportunity for online retailers to sell more seasonal goods due to the ephemeral nature of the goods (Shailashri et al., 2018). A survey of Jumia online shops in Nigeria revealed that sales of seasonal goods such as customized fashion clothing, and electronics (refrigerators, air conditioners and electric fans) experienced high during the festive period and summer seasons (Clement, 2020).

In Nigeria for instance, during the winter season when the temperature is extremely cold, there is high demand for special winter clothes but the demand subsides immediately after the winter season is over and the temperature normalizes hence the demand for winter clothes will reduce because consumers do not need them until the next winter season. Again, during the summer season when the temperature is extremely hot in Nigeria, there is high demand for air-conditioning, electric fans, and refrigerators due to high temperature. However, the demand for these goods declines as soon as the temperature returns to normal. Due to the increase in demand for the aforementioned goods caused by changes in climatic weather conditions and festivities, they are classified as seasonal goods. This is because of irregular demand.

This study focuses on seasonal goods due to the following reasons. First, seasonal goods attract high demand globally and it accounts for 48% of goods purchased online in Nigeria (Aaron, 2019). Shailashri et al, (2018) argued that most of these seasonal goods are sold online during the festival season (cultural or religious festivals) because they attract high demand. According to Varrella,(2020), seasonal goods such as fashion clothing and others account for \$ 1.2 billion of total online sales in 2019 in terms of online spending in Nigeria and it experienced 43% growth annually. The high demand for seasonal fashion clothing, especially during festive periods is attributed to consumer need to identify with what is in vogue as well as to

meet seasonal needs. Secondly, the demand for seasonal goods is high during the seasons and the period is limited while the goods may be in short supply (Kincade et al, 2010). Given the huge demand for seasonal goods at a particular time of the year, special attention is needed to find out the factors that will motivate consumers to purchase seasonal goods online in Nigeria. Thirdly, there is a growing trend among consumers to buy more goods during a seasonal period than at other times of the year (Clement,2020).

### **1.7 Problem Statement**

Despite the available widespread opportunities, the growth of e-commerce remains slow in Nigeria (Khan & Uwemi, 2018). This problem not only affects e-commerce generally but also online purchases of seasonal goods.

The economic benefit is very crucial to consumers when deciding to make their online purchases. Studies revealed that economic benefits are a strong motivation for customers' online purchase intention (Dabbous & Sayegh, 2020). Similarly, Usman & Kumar, (2020) noted that economic benefit is important to customers' online shopping. Incidentally, a study on the influence of economic benefits on online purchase intention of seasonal goods in developing countries like Nigeria is unexplored. Hence, there is insufficient knowledge and understanding of the extent to which economic benefits (lower prices and discounts) influence consumer online purchase intention of seasonal goods in Nigeria. Previous studies have investigated the effect of perceived economic benefit on online purchase intention (Dabbous et al., 2020)“but not on any product. The study on the mediating role of perceived value and trust on the relationship between perceived economic benefit and online purchase intention of seasonal goods are lacking in the existing literature in Nigeria hence this study will fill



this gap. The question is “to what extent does perceived economic benefit influence online purchase intention of seasonal goods? Does perceived value and consumer trust mediate between perceived economic benefit and online purchase intention of seasonal goods?”

Globally, the security of online transactions poses a serious challenge to the online shopping community and this has attracted a serious discourse (Indiani & Fahik, 2020). However, given Nigeria's population of over 206 million, it's reasonable to believe that the number of individuals who purchase goods online will correspond with the country's population. However, this is not the case due to transaction security-related issues in Nigeria (Ibani et al., 2018). Awe et al. (2019) noted that customers will not engage in online shopping if their transactions are not secured on the online retailer's website. Besides, the prevailing hacking of sensitive information by fraudsters further heightens consumers' fear and this affects their decisions to purchase goods online in Nigeria (Usman & Kumar, 2020). Carvajal-Trujillo, & Escobar-Rodríguez, (2015) noted that consumers avoid online shopping whenever the security of their transactions is not guaranteed. Past studies examine the effect of the transaction security on online purchase intention (Aggarwal & Rahul, 2018; Do, Nguyen, & Nguyen, 2019; Maia, et al, 2019; Taheri & Shourmasti, 2016) but their effect on the intention to purchase seasonal goods online has remained unexplored in the context of Nigeria. Again, past studies investigated and confirmed the positive mediating effect of trust on the relationship between perceived transaction security and online purchase intention (Sembada & Koay, 2019; Sui & Geng, 2021) but not on seasonal goods. Again, studies on the mediating effect of perceived value on the relationship between perceived transaction security and online purchase intention of seasonal goods have not been explored by previous studies. Trust and perceived value were introduced as

mediating variables due to the inconsistent results of the previous studies. Hence it is important to examine the mediating effect of perceived value and trust on the relationship between perceived transaction security and online purchase intention of seasonal goods from the perspective of the Nigerian environment due to the inconsistent results of previous studies. Again, it is because the country is aspiring to grow its economy from all fronts including the development of e-commerce (Ezennia & Marimuthu, 2022). Again, due to the contribution of e-commerce (online purchases) to the growth of the country's GDP (Ayokunmi, Aslinda, Seman, & Rashid, 2022).

A review of the previous literature has shown that compatibility is a significant factor that influences consumer online purchase intention (Agag & El-Masry, 2016; Amaro & Duarte, 2015; Singh & Sinha, 2020; Thalie et al, 2020). Tarhini et al, (2018) noted that when customers realize that online purchase is well-suited to their lifestyle, values and desires, they would be eager to use them. Considering the various factors that affect online purchases, the issue of compatibility has not been accorded the desired attention as one of the key factors in consumer online purchase intention, especially in developing countries like Nigeria (Khan & Uwemi,2018). This is because online shopping has not fully developed in Nigeria. Statistically, Nigeria has a population of 126,078,999 million internet users with only 76.6 million online shoppers (Varrella, 2021). It is astonishing that despite the huge population of Nigerian only just 37% purchase goods online. Olaleye et al, (2020) attributed the slow adoption of online purchases in Nigeria to the problem of consumer incompatibility with the new system of purchase which was considered not fitting into their lifestyle and culture. Even though many consumers have become internet-savvy, customers are still skeptical about how online shopping could meet their shopping needs and

preferences (Aristio et al, 2019). The question is to what extent does compatibility stimulate consumer online purchase intention of seasonal goods in Nigeria?

The website is the communication channel that connects online retailers to the outside world. From the perspective of online shopping, website quality is regarded as a significant internal consideration for customers to assess retailers' products (Ongsakul et al., 2020). This is why website quality is considered an important driver of online purchases (Kouser et al, 2018). The quality of an online retailer's website is a crucial factor for its success and it plays a major role in influencing consumer online purchase intention (Gao & Li, 2019; Hasanov & Khalid, 2015a). In Nigeria for instance, online websites are mar with a lot of irregularities which makes people to ponder over their acceptance as low website quality undermines consumers' trust and interrogates the correctness of the information supplied on the website. Hence, poor website quality often makes customers lose interest in online shopping as most of the time goods delivered do not reflect the order placed. (Olaleye et al, 2020). Again, previous studies have examined the direct relationship between website quality and consumers' online purchase intention (Hsu et al, 2018; Li et al, 2017; Mainardes et al, 2019). However, a study on the role of perceived value and consumer trust on the relationship between website quality and online purchase intention of seasonal goods has not been explored in the existing literature.

Price image plays a major role in consumer intention to purchase goods online. Similarly, Zielke (2018) found that price image has a strong influence on online purchasing intentions. Though, consumers respond in different ways to the price image ascribed to a product (Son & Jin, 2019), their notion of price image does not only based on the actual price of the product but also includes other monetary costs such as total time spent on shopping and other considerations taken to obtain the needed benefits

that motivate customers to purchase the goods online (Cheah et al, 2020). Roth et al, (2017) observed that unfair prices trigger negative responses and often lead to consumers' avoidance to purchase goods online. Arogundade (2018), noted that high product price account for 74% of consumers' reasons for abandoning online purchases in Nigeria. Again, what constitutes a price image to buyers in an online purchase environment is often misunderstood. Furthermore, the extent to which price image can stimulate the online purchase of seasonal goods has rarely been examined in previous studies in Nigeria.

Transparent information is very crucial for the development of online shopping as it assists customers when searching for products (Zhou et al., 2018). Lack of transparent information on online retailers' websites hurts consumers' online purchases. (Olaleye et al, (2020). In the same vane, Olaleye et al, (2020) assert that the failure of online retailers to disclose vital information such as the company's warranty and product return policy hinders many Nigerians from engaging in online purchases. Furthermore, a study revealed that consumer abandons their online purchase on a retailer's website due to a lack of transparency in the website information (Teofilus et al., 2020). Despite, the pivotal role of transparent information in stimulating online shopping, a study on the effects of perceived transparency on online purchase of seasonal goods in the context of developing countries like Nigeria is lacking in the existing literature. Furthermore, with the growing numbers of internet users in Nigeria, one would expect a corresponding increase in the number of online buyers in the country, however, this was not the case as the absence of transparent information deters many people from engaging in online shopping (Khan & Uwemi, 2018). The question is to what extent does online vendor transparency influence the online purchase intention of seasonal goods in Nigeria?

Brand image has been recognized as a major factor that influences customers' perceptions of the product, value, and purchase intention (Kartini et al, 2020). Prior studies have shown that brand image helps customers to identify a product and its manufacturer (Zhao et al., 2018) and it enables them to take purchase decisions where product attributes cannot physically be examined (Songa et al,2019). Even though there are several studies on brand image, its influence on the brand image of seasonal goods on online purchase intention is a domain that is under-researched and unexamined in the context of a developing country like Nigeria. Previous studies examined the direct relationship between brand image and online purchase intention (Aghekyan-Simonian et al. 2012; Agmeka et al, 2019; Irwan, 2020). However, these prior studies rarely examined the intervening role of perceived value and consumer trust on the relationship between brand image and online purchase intention of seasonal goods. The question is what is the influence of brand image on perceived value and consumer trust? Do the intervening role of perceived value and consumer trust positively influence online purchase intention of seasonal goods? However, it is not clear the extent to which brand image influences consumers' online purchase intention of seasonal goods (Aghekyan-Simonian et al. 2012). This raises the motivation to examine the role of trust and perceived value in the relationship between brand image and online purchase intention of seasonal goods.

One of the most important foundations of any business relationship is trust (Ozdemir et al, 2020). Trust is crucial to the realization of online shopping as it supports online vendors' operations (Ventre & Kolbe, 2020). Due to the increased perception of uncertainty in an online purchase, trust has been seen as an essential factor in forming economic relationships (Usman & Kumar, 2020). Nigeria has the potential for e-commerce growth but the growth is not predictable due to distrust

(Olaleye et al., 2020). A study revealed that 17% of consumers abandon their online shopping carts as a result of a lack of trust in the retailer's website (Dopson, 2021). Studies revealed that trust influences consumers' online purchases intention (Al-debei, Akroush, & Ashouri, 2015; Dabbous et al, 2020; Mahliza, 2020; Qalati et al., 2021; Rehman et al, 2019). Some of the previous literature has acknowledged the significant role of trust in influencing consumer intention to purchase goods online (Al-debei et al., 2015; Wang et al, 2019). In these previous studies, trust was used as an intervening variable in online research between environmental stimuli and online purchases (Chang et al, 2019; Sembada & Koay, 2019). Findings from these studies revealed that trust has a positive and significant effect on online purchase intention (Citra, 2019; Dabbous et al., 2020; Hsu et al., 2018; Lombart & Louis, 2014; Sembada & Koay, 2019; Mainardes et al., 2019) These results are inconsistent with the findings of (Bianchi & Andrews, 2012; Octavia & Tamerlane, 2017; Ventre & Kolbe, 2020; Watanabe et al, 2020). Due to the inconsistent results, the relationship needs to be reinvestigated.

The value of purchasing goods online is critical to customers' intentions to make purchases. The fundamental building block of all social exchange activities is consumer perception of value, which is a significant determinant of purchasing behaviour in online shopping environments (Konuk, 2018). Several studies examined the effect of perceived value on online purchase intention and the majority of these studies were conducted in developed countries while studies in developing countries are scanty (Graciola et al, 2020). Despite the growing internet usage and internet penetration in Nigeria, the number of shoppers falls short of expectations due to a lack of clear knowledge of the cost saving of online shopping (Khan & Uwemi, 2018). However, there are several challenges when using perceived value to persuade

customers to purchase goods online. Hence motivating customers to shop online based on the improvement of perceived value is a challenging task in a highly illiterate society like Nigeria. This is because wrong and improper assertions of customer value can hinder consumer online purchase intention. In previous studies, the relationship between perceived value and online purchase intention has been examined (Chang & Chen, 2015; Graciola et al., 2020; Konuk, 2018; Nisar & Prabhakar, 2017; Zhao, Deng, & Zhou, 2017) but the mediating effect of perceived value on the relationship between independent variables and online purchase intention of seasonal goods are unexamined in Nigeria.

Furthermore, fragmented, mixed and inconsistent results of direct determinants of online purchase intention were observed thereby affecting a clear position and judgment of scholars on what constitutes the actual predictors of online purchase intention. Taking a clear view of the results of some of the variables like perceived transaction security (Aggarwal & Rahul, 2018; Kumar et al., 2018; Mahliza, 2020; Sembada & Koay, 2019; Sharma et al., 2019; Zhu et al., 2019) found that it has a positive effect on online purchase intention but on the contrary to Law et al., (2016) posit that it was negative. A prior study affirmed that perceived economic benefit has a positive effect on online purchase intention (Dabbous et al., 2020) but Azizi & Javidani, (2010) found the result to be negative. Again, (Octavia & Tamerlane, 2017; Qalati et al., 2021; Mainardes et al., 2019); Peña-García et al., 2020) found that website quality positively influenced online purchase intention but Hasanov & Khalid, (2015; Wei et al., (2018) contended that it was negative and insignificant. Furthermore, another contention is the findings on compatibility, whereas (Agag & El-Masry, 2016; Amaro & Duarte, 2015; Peña-García et al., 2020) affirmed that compatibility positively influenced online purchase intention, opposing this finding Ibrahim et al.,