Online Sales Promotion and Consumer Online Shopping Behaviour in Nigeria

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Abstract: The study investigated the effect of online sales promotion on consumer online shopping behaviour in Nigeria. The main objective of the study was to examine online promotion activities and how these activities influence, motivate and stimulate consumers online shopping in Nigeria. The method use for this study was mainly a desk research focus on the review of related literature. The study shows that online sales promotion have positive significant effect on consumer online shopping behaviour in Nigeria. The study recommended that online store (e- stores) should ensure that their promotion activities addresses the needs of consumers. Online stores should also provide online service quality to instill confident and trust of the consumers while shopping online.

Keywords: Online sales/promotion, consumer behaviour, online shopping.

Introduction

Over the years electronic commerce has become one of the essential characteristics in the internet era. Online promotion or internet promotion is related to a form of strategic communication meant to inform, persuade and remind the potential buyers or consumers of a product or science in order to influence an opinion or elicit a response (Najima, Noorum & Syed 2021). Online promotion change the psychology and stimulate consumers to think and evaluate brand purchase possibilities when they otherwise may not have (Percy et al, 2009). Many marketers and retailers utilized different online promotion strategies in order to understand consumer preferences and to boost their sales, (Kotler et al, 2014). The author further stipulate that companies used online sales promotion on their websites to communicate messages to consumer to inform them of the availability of their products or services and the need to buy and use their product or service. Fill (2006) affirm this, by saying that online promotion attract, stimulate and influence consumer online shopping behaviour. According to Kotler and Armstrong (2014) online sales promotion is the use of attractive incentive offer to motivate them to make purchases. It is a set of marketing activities aimed to stimulate the demand of a

particular product or service and increase awareness. Online sales promotion is regarded as short term incentives through add-on products or price reduction that facilitate increase of sales within a period of time (Strauss and Forst, 2012). The authors mention online sale promotion incentives to include coupons, rebates, free product sampling, contests, premium and sweepstakes. Christou (2011) defined online sales promotions as propositions with special incentives that are offered typically through company's website, social media, sending e-mail announcing discount, advertise promo via online spaces such as videos, pop-ups and sidebars using search engine. Christou (2011) listed the measurement indices of online sales promotion to include: the size of the consumer's base attained, the sale volume, the level of information acquisition by consumers, the increased level of product brand purchase and the level of consumer product brand awareness. The aim of embarking in online promotion is to motivate consumers not only to shop online but also to change their narrative about online buying behaviour and also to increase the extent of their shopping by buying more products, thereby increasing their sales and profit volume.

Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the internet using a web browser. Consumers find a product of interest by visiting the website of the retailer directly or by searching among alternative vendors using a shopping search engine which displays the same product availability and pricing at different computer and devices, including desktop computers laptops, tablet and smart phones (Berkin, Clarke and Clarke, 2002) Monsuwe, Dellanart and Ruyter, 2014 . According to Ling, Chai and Piewl (2010). Consumers' online shopping behaviour is the buying behaviour of the ultimate consumer, Orji and Ahungwa (2020) also stated that the buying behaviour involves purchasing and other consumption activities of people engaging in the exchange process. It is the mental, emotional and physical activities that a consumer engages in when selecting, purchasing, using and disposing products or services so as to satisfy needs and desires. This behaviour is motivated or purposive.

When firms embark on online sales promotion, seeking to attract consumers, the behaviour displayed by consumers online include: (i) Becoming aware of the need for a product (ii) acquisition of product brands' information (iii) comparison of alternative product brands featured in sales (iv) purchasing a specific brand following their decision, and (v) ultimately deciding to repurchase the product brand based on their satisfaction with the brand after usage.

Statement of problem

Online sales promotion and online shopping, especially to retail environment, enable consumers to visit electric store (e-store), locate and select products, make payment through credit cards, debit cards, money transfer, or cash on delivery and get delivery at their door steps. Price can be compared before purchases by visiting e-stores of two or more competing electronic retailers (e-trailers) or online price comparison websites. E-stores offers shoppers certain benefit that cannot be offered by brick-and-mortal (physical) stores and these attract a growing number of customers to online shopping from over the world. These benefit are well documented in extant literature – diverse product choices, individual (customized) product or services information, shopping convenience 24/7 shopping, time saving and competitive pricing (Katele, 2011). These benefit have led to tremendous growth in the number of shoppers who have adopted the internet as a means of shopping. Painfully, in-spite of these benefit, online shopping is still face with a number of challenges: Low internet in fracture, socio-cultural barriers, security issues, high consumer perceive risk, fraud and trust, and inadequate regulatory frameworks all of which have led to low online shopping adoption among consumers in most countries including Nigeria. Hence the high level practice of brick-and-mortal (traditional method of shopping.

Objective of the study

The general objective was examine the effect of online sales promotive on consumer online shopping behaviour in Nigeria.

Literature review

Online sales promotion

Online sales promotion are temporary deals, and ways of communicating promotional incentives such as contest/sweepstakes, price discount, bonus pack, coupon, free sample and free shifting to attract potential consumers through the company's website, emails and other social media platforms to motivate and stimulate the purchase of company brand of products, (Ahungwa, 2018), Christou (2011) pointed out that online sales promotion is done through the company webside, social media, sending email, announcing a discount, advertise promo via online space such as banners, videos, pop-ups and sidebairs. According to Kotler et al, (2005) posited that online sales promotion can be valuable to consumers and positively influence their shopping decisions. The authors further stressed that firms can also use online promotion to improve consumer experiences such as form delight and distraction, and influence their attitude towards brands. Fill (2006) assert that online sales

promotion is used by companies to create interest of brand among consumers. Doyle and Stern (2006) stated that online sales promotion gives companies quick result. Lamb et al (2009) also pointed that using online sales promotion is cost-effective compared to promotional activities offline.

Rationale for online sales promotion

The importance of online sales promotion has increased with the increasing competition globally. The reason for the increased importance of online sales promotion is to have favourable sales and future expansion in sales and profitability, gaining of market share and for effective and efficient dissemination of value information to the right target consumers. It is a foundational finding in literature that online sales promotion is associated with major consumer sales and brand choices, increase in consumption rate, and even new product trial behaviour of consumers. The value of online sales promotion from consumers' perpestive can be categorized as utilization or hedonic (pleasure) benefit (Lece, 2003). The authors listed further six benefit of online sales promotion to consumers to include: financial savings, convenience, value expression, exploration and entertainment.

Online shopping

Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from sellers over the internet using a web browser. Consumers find a product of interest by visiting the website of the retailer directly or by searching among alternative vendors using a shopping search engine, which displays the same products availability and pricing at different e-retailers. Online shopping gives, consumers the access to the world market, enabling them to compare prices across the region at various sites, find out price variations by order fragmentation, get awareness about alternative products (Jagonew24.com,2015). Consequently, the e-sellers ensure that they portray themselves in the cyber world through websites and portals.

Consumers Online Shopping behaviour:

Consumer online shopping behaviour is the study of how online consumers select, buy, use, and dispose goods, ideals or experiences online to satisfy their needs and wants (Kotler and Keller, 2009) studying and understanding online consumers' behaviour will provide companies cues for improving, introducing and promoting products or services, setting prices, devising channels grafting messages and developing other marketing activities (Ogba, 2012). Therefore a successful and effective online sales promotion requires that companies fully connect with the consumer and adopt a holistic marketing orientation which will lead to understanding consumers' need and

wants. Dann, (2011) identified five market based on consumers' online usage: (a). Direct information seeker; are users that primarily look for formation about product or service online without guarantee that they may be converted into online buyers. (b) "Undirected information-seekers":- are newcomers to a product of service. They are more likely to interact with online prompts click through a web page like in advertising. (c) Directed buyers, have predetermined mindset and wish to buy a specific product, online. (d) Bargain hunters; are price-sensitive users that like to discover product during sales promotions. These users, discounts is a major attraction to online sales conversion. (e) Entertainment seekers; are online consumers that are attracted to marketing delivered as a fun activity. Interacted online games could be useful in attracting this kind of consumers.

Typology of online consumers

Moe (2003) outline three kinds of online consumers behaviour to include;

(a) Trackers; are online consumers who are exactly looking for a product that they definitely wish to buy. They use the internet, search for the information about the product, it price and delivery methods, post-purchase service etc. once proper information is found, little effort is needed to get them do the business.

(b) Hunters: Just know the categories of product, that they need but no specific decision on whose product to buy. They use the internet to find a list of product of their need categories to make comparison. This kind of online consumers need advice and help to do the business.

(c) Explorers; don't even have the categories of products in their minds, they just want to buy something online. There is more uncertainty of this type of online consumers

Consumer Online Shopping Decision Making Process

Social scientists have developed many sophisticated theories of consumer behavour. They propounded varieties of theoretical models to explain sequence of behaviours involve in making a purchase decision. The first task in promoting any new product is to create awareness perception – that the product exist second provide enough information-learning-about the product for the prospective customers to make an informed decision. Finally, the marketer want to be persuasive enough to stimulate the customer desire to satisfy his or her needs or wants by purchasing and repurchasing the product. (Arens and Bovec, 2005). According to Lucidchart (2022), consumer decision making process exhibited in online shopping comprises of five stages:

(i)   Problem Recognition: The consumer first recognizes the need for a service or product which is prompted internally or externally resulting to a want.

(ii)   Information Search: The consumer gather information to understand how to fulfill the need and want. This entails browsing and consulting online resources such as Google or customer.

(iii)   Alternative Evaluation: At this point, prospective buyers develop criteria for what they want in a product, they weigh their perspective choices against comparable activities.

(iv)   Purchase Decision; Once fact are gathered including feedbacks from previous customers, consumer then arrive at a logical conclusion on a product brand to buy.

(v)   Post Purchase Evaluation: Here the consumer reflects on whether he/she was satisfied with the value or benefits received from the product. This may require further decision to repurchase the product in future.

From the perspective of Google (Gina, 2020), the consumer buying or shopping decision-making process goes through the following stages:

(i)   **Exposure**: This is the knowledge the consumer have about the products of a certain category. Example when consumers are expose to online promotion messages of a company

(ii)   **Trigger**: This refers to the things that provoke change in the consumer from passive to an active (buying) state such as when consumers are motivated to engage in online purchase via online promotion.

(iii)   **Exploration and Evaluation:** Middle space phase during which consumers research and compare all options and simultaneously jumping from one e-store to the other.

(iv)   **Purchase**: Having selected the brand option that has the best appeal, the consumer makes the final purchase.

(v)   **Experience**: The impression of the buyer about product is reflected after using or consuming the product. The better the product experience, the more likelihood of repurchasing the product.

Empirical Review

Agbi et al (2019) investigated the effect of online sales promotion on consumers' purchasing decision in beverage industry in Nigeria. The objective of the study was to examine the relationship between online sales promotion activities and consumer purchase decision in beverage industry in Lagos. The study adopted a cross sectional survey design. Primary data were collected from consumers of Nigerian Bottling company Plc products within Lagos

metropolis using structured questionnaire via a 5-point likert scale. Date were analyzed using simple percentages, frequency, tables, mean and correlation analysis via the use of spss v.20. The result of the study shows that online sales promotion have positive influence on consumer online shopping or purchasing decision in Beverages industry in Nigeria.

Orji et al (2020) examined the effect of online sales promotion on consumer buying behavour of food seasoning among Nigeria households. The objective of the study was to examine the effect of online sales promotion tools on consumers buying behaviour of food seasoning among households in Nigeria. A case of Nestle maggi Naijapot using survey questionnaire. The questionnaires were closed-ended on a 5-point likert scale. Descriptive and inferential statistical analysis was used in the study. The descriptive statistical analysis use simple percentage while inferential statistical analysis used linear regression analysis. The result of the study shows that, there was a positive effect of online sales promotion on consumer online shopping behaviour of Nestle Maggi Naijapot among Nigeria households.

Luo, et al, (2021), undertook a study on the impact of online promotion activities on consumer impulsive online shopping intention in China. The objective of the study was to examine the influence of online promotion on consumers' impulsive online shopping intention in China. The study adopted a survey research design. Questionnaires were administered using probability sampling technique. Data were collected from the respondents who were citizens of China who reside in China metropolis. The data were analyzed using linear regression analysis with the aid of statistical package for social sciences (SPSS v.24) The result of the study shows that online promotion have a significant impact on consumers impulsive online shopping intention.

Kamoru and Mariam, (2020), Examined online sales promotion and its perception among undergraduate students in Osogbo, South Western Nigeria. The objective of the study was to ascertain the effect of online sales perception among undergraduate students in Oshogbo south western Nigeria. Purposive and snowball sampling techniques was used in the study. Data were collected through focus group discussion of undergraduate students of Oshogbo south western Nigeria. The study adopted a qualitative research design, using corpus analysis and voyant tools for presentation and analysis of data. The result of the study showed that online promotion have significant effect on undergraduate students perception of online shopping in Osogbo, South Western Nigeria.

Rahman et al; (2018), Investigated the effect of online sales promotion on consumer shopping or buying behaviour in Dhaka City, Bangladesh. The objective of the study was to examine the influence of online sales promotion

on consumer shopping behaviour in Dhaka City, Bangladesh. The study adopted a descriptive survey design. The study adopted a convenient non-probability sampling method. Data were collected from consumers who reside in Dhaka City, through a well constructed and self administered questionnaires on 5-point likert scale. The study used hierarchical multiple regression analysis to analyzed the data. The result of the study showed that consumer online shopping behaviour is significantly influenced by trust and other factors including online promotion.

Constraint to Consumer Online Shopping in Nigeria

(i) **Security**: Due to the nature of internet in Nigeria, the information across the web could be lost or stolen easily, especially consumer personal information and monetary details. In business to customer (B2C) E-Commerce area. web merchant offers third-party privacy and security protection programme to customers while other websides have secure certified by professional security organization still most online customers lost huge sum of money every year through internet fraud. Fleenor and Raven (2003) stated that financial risk and security concern has been a major challenge in online shopping. Therefore internet retailers have responsibility to keep monetary and personal details of consumers safely during and after the online shopping.

(ii) **Privacy**: Other forms of risk the consumer face is psychological risk, such as disappointment and frustration while shopping online which is mainly caused by privacy information lost on the internet, privacy information could be tracked, hacked and shared with third parties, in order to send spam mails or emails. In Nigeria, the federal government through Nigeria communication commission (NCC) has the statutory authority to prohibit the website to acquire information by unfair and deceptive sharp practices; however, it does not have ability to comprehensively control, every activity of the internet. According to Ahemad, et al (2010), the lack of legal remedies, online shoppers should be aware of privacy risk which could affect them shopping on the internet. The lack of privacy information also lead to customers being more careful to deciding what kind of information to reveal online and to which website. Consumers are being careful to reveal their personal information since the legal environment of the internet is uncertain and unreliable.

(iii) **Trust and trust worthiness:** According to Mayer et al, (1995) cited in Lee and Lee (2003) trust is the willingness of a party to be vulnerable, to the actions of another party based on the expectation

that the other party will perform a particular action important to the truster irrespective of the ability to monitor or control that other party. This definition is widely recognized and most people purchase product and services based on their level of trust in the products or services. The authors listed determinant of online shopping trust to include firms' image, market share, pre-conceived services delivery capacity and industrial ranking.

(iv) **Infrastructure challenge:** According to GESCI (2012) infrastructure refers to the internet environment hardware or equipment, software applications and services associated with ICT, including telecommunication and electricity; grid, network (Floonor and Raven, 2003). Infrastructure challenge can be categorized as: the challenge of personal computer (PC) penetration, the challenge of access to the internet, the challenge of electronic payment and electricity supply etc. The effectiveness of the internet as a veritable tool of marketing depends on its availability, this is lacking in developing countries including Nigeria's technology industry.

(v) **Inadequate Regulatory Framework:** With the advert of the internet, many developing countries including Nigeria have not amended their laws to accommodate rights, obligations and responsibilities of providers and users of the internet services, and how redress can be sought and obtains in the court of competent jurisdiction, thus making it difficult for shoppers to get redress in case of injury.

Methodology

The study adopted the desktop literature review method (desk study). This involved an in-depth review of studies related to effect of online sales promotion on consumer online shopping behaviour in Nigeria. The study implemented three stages on the subject understudy to determine the viability of the subject for research.

This comprised initial identification of articles related to and based on effect of online sales promotion and consumer online shopping behaviour. Second search involved fully available publications on the subject on thematic concerns related to effect of online sales promotion on consumer online shopping behaviour in Nigeria. The last step involve selection of accessible publication and reduction of literature to focus on the articles that relate to the subject based on the reviewed conceptual and empirical literature.

Conclusion

The study revealed that online sales promotion have influence on consumer online shopping behaviour. It also revealed in related literature that online consumers do not go through the entire decision making process anytime they shop online for products because of the influence of sales promotion. Online sales promotion therefore is an inevitable promotional apparatus for firms that really want to maintain or increase their market share, get customer attention, customer retention, increase sales volume and profitability. It is therefore concluded that online sales promotion have significant effect on consumers' online shopping behaviour in Nigeria.

Recommendations

The study recommended that online stores (e-stores) should ensure that their promotion activities addresses the need of consumer to motivate, and influence them (consumers) always to shop online. Also online e-stores should provide online service quality to instill consumers confidence and trust to engage in online shopping.

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