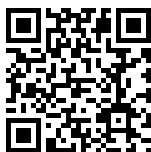


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Impact of Logistics Management Practices on Organizational Performance of Jumia Company in Nigeria

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Abstract

The current study comprehensively investigated the impact of logistics management practices adopted by Jumia digital logistics management company in Nigeria on the overall performance of the company. The study elicited primary data from 768 respondents with the help of online Google Forms. Moreover, the research also surveyed two distinct categories of participants, comprising 384 Jumia customers and 384 Jumia staff members. It employed SPSS Amos to analyze the collected data to construct a Structural Equation Model (SEM). The estimated results showed that all the four dimensions of logistics management– namely, inventory management (IVM), warehousing (WHS), transport logistics (TPL), and information flow management (INF) exert positive and significant impact on Jumia's organizational performance. Furthermore, the study also evaluated the impact of each logistics management practice on Jumia's performance indicators, which encompasses customer satisfaction (CUS), expansion of market share (MKS), and reduction of costs (COM). It also determined that, each of the logistics management practices has a positive influence on all three organizational performance indicators, with the exception of TPL, which did not yield minimum cost. The study also identified a limited distribution of warehousing facilities across Nigeria for Jumia. Consequently, it recommended that Jumia-Nigeria should expand its warehousing network nationwide. Moreover, the study sued for enhanced internet-based information flow management with tangible mass media channels, such as handbills. Lastly, it underscored the need for logistics management companies to employ diverse strategies, given their complementary nature, to collectively enhance the company's overall performance.

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Keywords: evaluation, Jumia-Nigeria, logistics management, organizational performance

Introduction

The trade sector has experienced a recent transformation with the advent of logistics management and online distribution of goods and services. This evolution has revolutionized the way products are sourced, transported, and delivered, enhancing efficiency and global connectivity. Logistics innovations optimize supply chains, reducing costs and delivery times. Online platforms facilitate borderless commerce, enabling businesses to reach wider markets and consumers to access a diverse range of products. The foremost virtual business is associated with “Book Stacks Unlimited”, which was launched in 1992 as a virtual bookstore, in 1995 “Amazon” was launched (Deng et al., [2022](#)). The advent and constant improvements in information communication technology (ICT) have affected every facet of human endeavor, ranging from socialization (Kizgin et al., [2019](#)), education (Oliver, [2002](#)), healthcare (Beteng, [2020](#)), legal proceedings (Ibekwe & Onwuatuegwu, [2021](#)), and of course, commerce (Koutsoutos & Westerholt, [2005](#)). This influence extends to a global context where people increasingly prioritize conducting business activities with greater efficiency, security, and cost-effectiveness. Notably, the success of e-commerce giants such as Amazon has spurred entrepreneurs worldwide and Nigeria is no exception. Other leading e-commerce companies globally include Amazon, Alibaba, eBay, Walmart, and JD.com. As highlighted by Adeniran et al. ([2022](#)), several prominent logistics management enterprises have emerged in Nigeria. These include well-known names, such as Jumia, Konga, Kobo360, Breath2Wealth, Okrikah, DeliveryBros, Cartehub, STYLISTAA, and DayDone Limited, indicating the significant role of e-commerce in Nigeria's evolving business landscape. These organizations are collectively referred to as e-commerce logistics firms that operate within the nation.

Nigeria, being a developing nation with an estimated population exceeding 218 million, presents a substantial market for manufacturing and logistics operations. However, it is also noteworthy for internet fraud and challenges that may hinder successful online logistics operations. Jumia is a leading e-commerce platform in Africa, and it operates across multiple countries, providing a wide range of products and services including online retail, digital payment solutions, and logistics. It connects consumers with sellers along with offering a convenient and diverse shopping experience.

Despite several hurdles, Jumia, after a decade of operation, has expanded its reach to encompass 13 African countries, underscoring the need for empirical investigation. As reported by Statista, Jumia's Gross Merchandise Volume (GMV) exceeded \$1 billion in 2019, and \$836.5 million in 2020, exemplifying its substantial presence in Africa's e-commerce landscape. The company's successful IPO, on the New York Stock Exchange in 2019, further reflects investor confidence. Challenges, such as inadequate infrastructure, varying regulations, and logistical complexities persist in African markets. Given Jumia's remarkable expansion, empirical research becomes imperative to unravel the factors driving its growth and the role of effective logistics management in overcoming obstacles.

While, prior research has examined logistics management, e-commerce, and related factors in Nigeria, a gap still exists concerning how logistics strategies impact the performance of logistics firms. The current study is highly relevant since effective logistics management directly influences the efficiency, cost-effectiveness, and reliability of operations. Moreover, it also ensures timely and accurate deliveries, which enhances customer satisfaction and retention, ultimately driving business growth. In the recent global competitiveness in e-commerce, logistics serves as a significant differentiator, providing firms with a competitive advantage and the need to examine the efficiency and effectiveness of the logistics management practices on the performance of companies using Jumia. Studying logistics management helps firms adapt to market changes, become more agile, and make data-driven decisions since sustainable logistics practices, compliance with regulations, and supply chain resilience are increasingly important considerations.

Against this backdrop, this study aimed to explore specific measures implemented by Jumia Nigeria, that have influenced its financial performance, product offerings, and return on investment. The research explored inventory management (IVM), warehousing (WHS), transport logistics (TPL), and information flow management (INF) which are four logistics management strategies embraced by Jumia-Nigeria. The aim was to evaluate how these practices impact the company's holistic performance. Within this study, the focal points of organizational performance were customer satisfaction (CUS), market share (MKS), and cost reduction (COM). Therefore, the study investigated the impact of logistics best practices on Jumia-Nigeria, focusing on consumer satisfaction, COM, and

MKS expansion. The specific objectives included assessing IVM, WHS practices, TPL management, and INF management on company's organizational performance in Nigeria.

The emergence of digital logistics management and retail companies is a recent phenomenon in Nigeria, with a presence spanning approximately over a decade. Although, several such companies operate within the country, Jumia-Nigeria stands out due to its expansion beyond national borders. The current study, thus, delved into the online-based logistic management practices employed by Jumia that have contributed to its performance in terms of enhancing CUS, minimizing costs, and increasing MKS in Nigeria. Moreover, the research also examined both, the individual and combined impacts of logistics management practices on various performance indices.

The significance of the current study extends beyond academia, holding valuable implications for businesses and policymakers alike. For businesses, it offers a blueprint to enhance operational efficiency, reduce costs, and elevate CUS. By understanding the intricate impact of logistics management components, firms can fine-tune their strategies, allocate resources judiciously, and secure a competitive edge in the ever-evolving e-commerce landscape. The current study empowers businesses to optimize their logistics practices, ultimately driving higher profitability. For policymakers, it explains the importance of fostering an environment conducive to logistics excellence, promoting economic growth, job creation, and improved service delivery. It highlights the need for supportive policies that enable companies, such as Jumia to thrive and contribute significantly to the Nigerian economy, setting a precedent for e-commerce and logistics development in the region.

Literature Review

Concept of Logistics Management and Organizational Performance

Querin and Gobl ([2017](#)) emphasized “logistics and customer service” as the two pivotal elements fundamental to online-oriented business endeavors. This confers a competitive advantage over traditional brick-and-mortar shopping by ensuring the punctual delivery of customer-requested items and the immediate availability of information or support as required. As expressed by Calixto ([2016](#)), “logistics management entails the planning, execution, and control of efficient flow and storage of goods,

services, and pertinent information from origin to consumption, all while meeting customer requirements”. This might involve harnessing logistical resources, such as vehicles, pipelines, airplanes, and vessels to proficiently supply products to consumers, with the objective of cost reduction and profit maximization. Christopher (1998) defines logistics management as strategically overseeing material procurement, movement, and storage, optimizing current and future profitability through cost-effective order fulfillment.

From the aforementioned definitions, it is apparent that logistics management is an intricate operation implemented by businesses to ensure smooth goods flow, tailored to customer needs. Moreover, logistics practices primarily focus to satisfy customers while minimizing costs to boost sales and profits. With this backdrop, the study at hand probed into Jumia-Nigeria's logistics management practices, particularly concerning their impact on financial performance, product offerings, and return on investment. Logistics management can be seen as the planning, execution, and control of efficient goods and information flow from origin to consumption, aimed to meet customer requirements and minimizing costs to enhance sales and profits. For precision and practicality, the research examined four main logistics management practices: transportation, WHS, IVM, and INF.

Transportation Management

This entails the physical movement of goods from their origin to the designated endpoint, involving meticulous planning for efficient, profit-maximizing transit. In this context, transportation encompasses a broad spectrum of approaches adopted by Jumia-Nigeria, such as outsourcing transportation services, door-to-door delivery, and haulage shipment for bulkier items.

Warehousing (WHS)

This encompasses the proper storage and handling of goods within retail practices, focusing on warehouse location, material management, and storage methods. Jumia's warehousing includes the layout of its warehouses across Nigeria, as well as the procedures for loading and unloading goods.

Inventory Management (IVM)

This refers to the oversight of goods stock within organizations, guided by actual sales and estimated future demand. The study broadens this concept to include stock checking, inventory record keeping methods (manual or automated), and the use of inventory management software.

Information Flow Management (INF)

Timely dissemination of information is essential in all human relationships, particularly within complex organizational structures. Information about product availability, pricing, location, timing, and delivery is critical in logistics management, facilitated through information communication technologies (ICT). This study narrowed down information flow management to measurable parameters, such as online communication systems, supply chain management software, and online customer support.

Organizational performance refers to assessing whether organizations achieve their set goals and targets while striving for growth and resource utilization effectiveness. In other words, it is the assessment of an organization's achievement of set goals, growth, and effective resource utilization. It is primarily measured based on organizational goals and indices. This study focused on three main performance indicators: CUS, MKS increase, and cost minimization (COM). It reflects how well the organization meets its objectives and benchmarks.

Customer Satisfaction (CUS)

This gauge how content customers are with Jumia-Nigeria's services, derived from their evaluation of purchased products and services. It encompasses emotional and expectation-based satisfaction.

Market Share (MKS)

A crucial business objective, increased MKS enhances profit margins, quality, pricing, and sales efficiency. The study regards MKS as the volume of sales generated by Jumia-Nigeria and the expansion of its customer base.

Cost Minimization (COM)

A vital efficiency factor, this strategy seeks to reduce operational costs while maintaining high-quality services, maximizing output, revenue, and profit.

In summary, the current study delved into multifaceted realm of logistics management and its impact on Jumia-Nigeria's organizational performance. The investigation narrowed down its focus to key logistics practices and performance indicators, shedding light on the dynamics of this online-based shopping mall's operations and success factors.

Moreover, the study also adopted the “logistics performance model”, which Green et al. (2008) applied. The foundation for framework that illustrated the positive correlation between logistics capabilities and organizational performance within supply chain management was laid by Morash and Clinton (1997). Similarly, Wisner (2003) posited a positive connection between logistics management strategies and organizational performance, although lacking empirical validation. In contrast, Schramm-Klein and Morschett (2006) found empirical evidence which suggests that logistics quality significantly influences the firms' organizational performance within the retail sector.

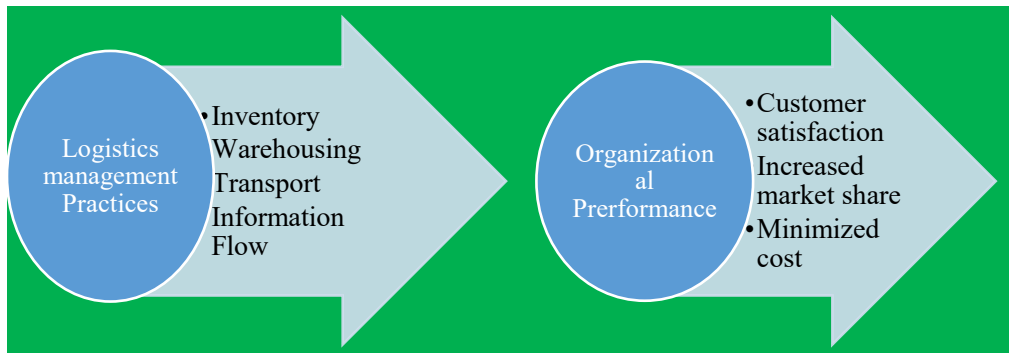
Theoretical Framework

The current study examined the influence of logistics management practices on Jumia-Nigeria's organizational performance. Logistics management, encompassing WHS, TPL, IVM, and INF, collectively enhances the company's efficiency, cost-effectiveness, and customer satisfaction. The Resource-Based View (RBV) theory is a framework in strategic management that emphasizes the internal resources and capabilities of a company as the key drivers of competitive advantage and superior performance. It suggests that a firm's unique and valuable resources, such as intellectual property, human capital, technology, and physical assets, are the primary sources of sustained competitive advantage. The theory highlights the importance of possessing resources that are rare, valuable, difficult to imitate, and non-substitutable, and it stresses the role of organizational capabilities in leveraging these resources effectively. The RBV theory is applicable in this study, since it suggests that a firm's unique resources and capabilities, such as effective logistics management practices, contribute to its competitive advantage and overall performance. Jumia's adept handling of these logistics elements bolsters its operational effectiveness, minimizes costs, and optimizes its supply chain, ultimately leading to an improved organizational performance in terms of profitability and customer service.

In line with the contentions presented by Green et al. (2008), Morash and Clinton (1997), Schramm-Klein and Morschett (2006), and Wisner (2003), this research empirically investigated the connection between logistics management strategies implemented by Jumia-Nigeria and its overall performance. Drawing upon these assertions, the study aimed to analyze transportation, IVM, INF, and WHS as benchmarks to evaluate Jumia-Nigeria's logistics management practices. Subsequently, these practices are assessed in relation to the company's organizational performance metrics including CUS, MKS, and cost reduction.

Figure 1

A Schematic Representation of the Connection between Logistics Management and Organizational Performance.



Empirical Review

Adeniran et al. (2022) examined factors influencing the acceptance and patronage of e-commerce logistics in Nigeria, citing case studies, such as Jumia and others. The study identified economic conditions, technology infrastructure, public awareness, and sociocultural dynamics as influential. Egbebu (2021) investigated the impact of operations management on small- and medium-sized enterprises in Nigeria's hospitality sector. The findings highlighted the importance of financial prudence and operational controls for growth. Li et al. (2019) explored quality of service's impact on CUS with Jumia/Kaymu's online shopping outlets in Cameroon, revealing a significant connection. Abdul et al. (2019) analyzed logistics management's effect on Dangote Flour Mills Nigeria's organizational performance, showing that transportation management and information flow had notable impacts. Ristovska et al. (2017) studied the relationship between logistics

management practices and efficiency and effectiveness in eight Macedonian companies, emphasizing IVM, WHS, storage, TPL, and INF. Similarly, Green et al. (2008) also investigated the influence of logistics performance on organizational performance within a supply chain context by using a sample of 142 plant and operations managers. The findings indicated a positive relationship between logistics performance, supply chain management strategy, and marketing performance.

However, previous studies have limitations in examining the specific roles of various logistics management practices on organizational performance. It is evident that there is a lack of empirical evidence regarding logistics management practices' distinct impacts, such as IVM, WHS, TPL, and INF, on CUS, cost reduction, and MKS, especially in the Nigerian context. This study stands out for its unique focus on exploring Jumia-Nigeria's logistics management practices and their effects on MKS growth, CUS, and cost reduction, setting it apart from prior research on this topic. The empirical significance of the current study lies in its unique approach to investigate Jumia-Nigeria's logistics management practices and their precise impact on company's MKS growth, CUS, and operational cost reduction. By addressing these gaps in the existing literature, the study aimed to provide valuable insights and contributed to a deeper understanding of the subject matter. The hypothesis of the study is that logistics management practices have no significant effect on organizational performance of Jumia-Nigeria.

Methodology

The current study employed a survey research design. Survey research design was adopted due to its suitability to collect quantitative data from a large and diverse sample. It offers advantages, such as efficient data collection, allowing for a broad representation of respondents from Jumia-Nigeria. The survey enabled structured and standardized data collection, facilitating the assessment of specific logistics management practices' impact on organizational performance. This design enabled a comprehensive examination of the impact of logistics management practices on organizational performance in a systematic and quantifiable manner. The design also minimizes a researcher's biased behavior by adopting a positivist research approach. The positivist research approach suits the study to determine the logistics management's impact on organizational performance by emphasizing objectivity, causality, and

empirical data. It enables the quantitative assessment of specific logistics practices' effects on performance metrics, such as CUS, cost reduction, and MKS, allowing for clear cause-and-effect relationships to be established. The large-scale survey aligns with positivism's focus on generalizability and replicability, making it ideal to produce empirical, measurable insights that may inform decision-making and contribute to the broader body of knowledge in the field of logistics management and organizational performance.

Variables, primarily latent, are measured using relevant proxies and rankings, ensuring clear, measurable outcomes. The deductive approach tests the postulation that logistics management practices positively correlate with organizational performance. Primary data was sourced from Jumia-Nigeria employees and customers to examine whether logistics practices influence the company's performance. The study's variables, such as CUS, MKS, and COM, are measured using latent variables and collected through online Google forms. The population comprises Jumia-Nigeria employees and customers, with a sample size determined through the Krejcie and Morgan (1970) formula.

The reliability of the instrument was tested by using the Cronbach's Alpha test. The Cronbach's Alpha is a measure of internal consistency reliability. It assesses the extent to which items in a scale or instrument consistently measure the same underlying construct. In this study, the instrument examined the influence of logistics management practices on organizational performance of Jumia-Nigeria. A Cronbach's Alpha coefficient of 0.943 is relatively high. A coefficient of 0.943 suggests that the items in the instrument are highly correlated with each other, indicating a strong degree of consistency in measuring the intended construct (influence of logistic management practices on organizational performance). It indicates exceptionally high internal consistency and reliability. This high reliability is essential to draw robust conclusions from the data. The Hotelling's T-Squared Test coefficient of 5646.691, along with an F statistic of 318.282 and a low probability value of 0.000, implies significant multivariate differences in logistics management practices, influencing Jumia-Nigeria's organizational performance. The high T-Squared value suggests substantial separation among groups and the F statistic reinforces this by indicating that the observed differences are unlikely due to random chance. The very low probability value further

supports the rejection of the null hypothesis, emphasizing the statistical significance of the observed effects. These results collectively indicate that the instrument is effective in detecting meaningful variations in logistics management practices and their impact on organizational performance within the context of Jumia-Nigeria.

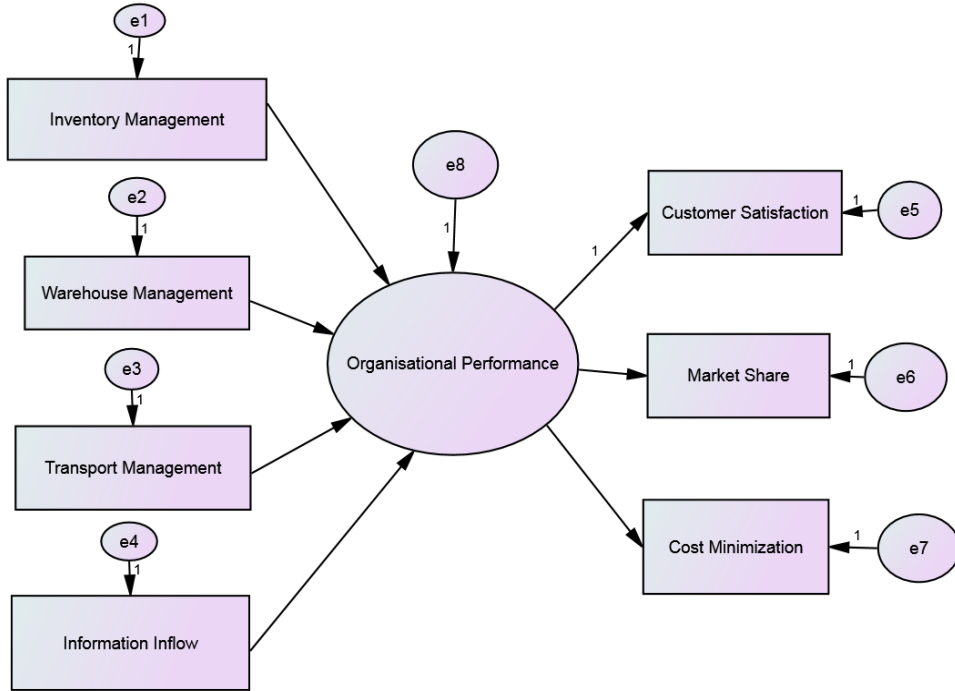
Descriptive analysis and Structural Equation Modeling (SEM) through SPSS and SPSS Amos were used for data analysis. SEM was chosen to account for organizational performance's latent variables and indices. The structural model in the current study illustrates the impacts of various logistics management practices on organizational performance. Each logistics practice's direct influence on CUS, MKS, and COM was also examined. Utilizing SEM through SPSS Amos becomes essential in this context due to the presence of latent variables. In the current study, the dependent variable is organizational performance, encompassing key indices: customer care (CUS), market share (MKS), and COM. These indices are observed variables, while organizational performance is considered as a latent variable, assessed through average responses to these indices. The same measurement approach applies to explanatory variables representing logistics management practices with observed variables calculated as averages across items within each practice. The current study identified four significant logistics management practices: warehousing (WHS), transport logistics (TPL), inventory management (IVM), and information management (INF).

In the structural equation model, error terms (e's) from 1 to 8 in Figure 2 and (e's) from 1 to 7 in Figure 3 are generated by the SPSS Amos system. The rectangular boxes on the right represent measures of the three organizational performance indices: CUS includes timely delivery, product quality, and payment ease averages; MKS captures sales volume, demand quantity, and new location demand averages; COM includes retail partner efficiency, internet use efficiency, and outsourcing efficiency averages. On the left, the rectangular boxes measure the four logistics management practices adopted by Jumia-Nigeria. WHS covers warehouse distribution and goods movement methods; TPL captures transport service outsourcing, door-to-door delivery, and heavy goods haulage averages; IVM assesses inventory check frequency and record-keeping systems; INF evaluates supply chain software use, customer care availability, and communication through email and social media. By integrating these key variables into a

regression model, it yields structural layout of the model as depicted in Figure 2.

Figure 2

Structural Equation Model (SEM) Depicting the Impact of all Logistics Management Practices on Overall Organizational Performance.

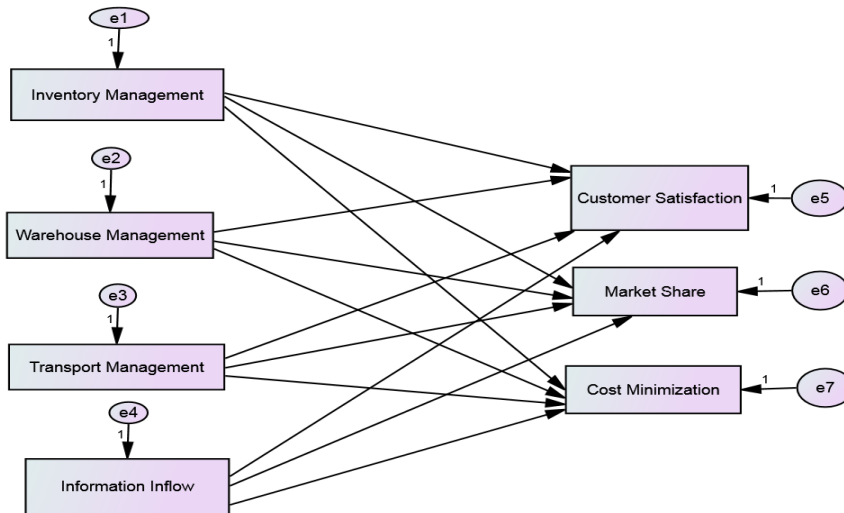


The current study's approach aligns with the quantitative research strategy and employs surveys to collect data from Jumia-Nigeria employees and active customers. The choice of quantitative research facilitates evaluating the relationship between dependent and independent variables, as well as interactions among sub-variables.

In summary, this study followed a rigorous methodology to explore the complex interplay between logistics management practices and Jumia-Nigeria's organizational performance. Through extensive data collection, SEM, and analysis, the study aimed to illuminate the connections between logistics strategies and the company's success indicators.

Figure 3

Depiction of a Structural Equation Model (SEM) Showcasing the Direct Influences of Various Logistics Management Practices on Distinct Organizational Performance Indicators.



In the structural equation diagram, the error terms (e 's) are in the range of 1 to 8 in Figure 2 and 1 to 7 in Figure 3, and are generated automatically by the system. The rectangles on the right side signify the measurements of identified organizational performance indices. These include CUS, entailing factors, such as timely delivery, goods quality, and payment convenience; MKS of the company, encapsulating sales volume, demand quantity, and geographical demand expansion; and COM, involving retail partners' efficiency, internet utilization efficiency, and outsourcing efficiency.

The left side comprises rectangular boxes representing the four distinct logistics management practices adopted by Jumia-Nigeria. WHS) incorporates warehouse distribution across Nigeria and goods movement techniques. TPL) encompasses outsourced transport services, door-to-door delivery systems, and heavy goods haulage. IVM quantification relies on inventory checks frequency and record-keeping systems, while INF encompasses supply chain software utilization, availability of customer service phone lines, and communication via emails and social media

channels. Aside SEM, various statistical tools including tables and charts have been deployed to analyze the study results.

Results and Discussion

Descriptive Statistics

This study elicited relevant responses from 384 staff members of Jumia-Nigeria on the aspects of organizational performance and also elicited the data from 384 customers of the same company on issues relating to CUS. The summary of findings on each question on the research instrument is provided as follows.

Demographic Characteristics of Jumia Staff

The demographic characteristics of respondents, such as educational qualification and duration of experience of Jumia staff have implicit ways to affect the reliability of their responses. It was determined that majority (that is, 267 respondents representing 69.5%) of them were educated up to the tertiary level of education. Education had a mean value of 2.73 and a standard deviation value of 0.609, indicating that the deviation from tertiary education was not wide. It was also established that majority of Jumia's staff members had worked for a period ranging between 5 years and over 10 years. This number accounted for 297(77.3%) of the respondents which had a mean score of 1.85 and a standard deviation value of 0.761. This shows that majority of the respondents were well informed about operations of the company.

Organizational Performance of Jumia

The organizational performance of Jumia was assessed in six (6) different spheres, that is, MKS, COM, IVM, WHS, TPL, and INF. On MKS, it was confirmed by 381(99.2%) Jumia staff members that the market share of the company was sky-touching. A similar number affirmed that the level of demand placed by customers for Jumia products was on the rise just as customers from new locations were on the increase. This was a testimony to the fact that the company's MKS is on the rise.

On the index of COM, it was found that by using retail partners, Jumia-Nigeria has effectively reduced its cost of operations, as indicated by the majority of the respondents who are staff of the company. Similarly, by using internet-based channels to conduct its marketing services, Jumia-Nigeria has saved its cost of operation a good deal as compared to using

physical channels. In the same way, by outsourcing some of its orders, the company has saved its cost of operation. These inferences were drawn based on the responses of the majority of the staff.

Regarding the index of IVM, it was found that majority of Jumia staff members confirmed that the company is in the practice of checking its inventory regularly to keep tap with what is on the ground and what is needed. At the same time, the method of inventory record keeping system is highly automated, and as such, it is easy to manage the inventory. The majority of respondents indicated that warehouses are either not in work or available in each of the six geopolitical zones in Nigeria. However, pertaining to the manner of loading and offloading of goods in the warehouses, an overwhelming majority of the staff confirmed that Jumia uses a mixture of machines and human beings.

Concerning the index of TPL, the study determined that whenever the company has an overwhelming order for goods and it outsources the transportation of such goods to other transport companies, it brings relief to the company, as confirmed by the majority of the respondents. It was also confirmed that by delivering customers' orders to their doorsteps, it has endeared the company to the people. Finally, it was also established that by using large vehicles to move bulky orders across the country to customers brings many benefits to the company.

Finally, on INF practices adopted by Jumia, majority of the respondents confirmed that the company enjoyed a huge advantage by using ICT and social media channels for the passage and receipt of information. In the same manner, by using supply chain management application soft wares for information management combined with customer care service channels, such as phone lines and e-mails, the company truly enjoys a high level of effectiveness in information management.

Demographic Characteristics of Customers of Jumia

Concerning the educational qualification of customers of Jumia, 6 (1.6%) of the respondents had no formal education, while only 15 (3.9%) were educated up to the primary school level. However, 56 (14.6%) of the respondents were educated up to the secondary level, while an overwhelming majority of 307 (79.9%) of the respondents were educated up to the tertiary level. This implies that since Jumia operates mainly using online channels, the customers of the company are highly educated to be

able to access their services. It also means that the customers sampled by this study were informed enough to provide very fair and accurate answers in their choices of the options.

Measurement of Customer Satisfaction

To gauge whether customers of Jumia were satisfied with their services, the study did so on fairness of prices, time taken to deliver their goods, the quality of goods they purchase from Jumia, and ease of effecting payments on the products demanded. It was found that, the majority of the respondents were of the opinion that the prices charged by Jumia-Nigeria are relatively cheap and, as such, can be judged as fair prices. In the same manner, an overwhelming majority of the customers agree that Jumia delivers to its customers on time, sells standardized products to its customers and makes it easy for them to make payments for the products. This shows that the majority of customers are satisfied with Jumia-Nigeria’s services.

The current study attempted to ascertain whether each logistics management practices, namely IVM, WHS, TPL, and INF, significantly impacts organizational performance OP. CUS, MKS, and COM were identified as key organizational performance indicators. SEM has effectively addressed these objectives, as illustrated in Figure 4.

Figure 4

Estimates Showing how Logistics Management Practices Adopted by Jumia-Nigeria Impacts its Overall Organizational Performance.

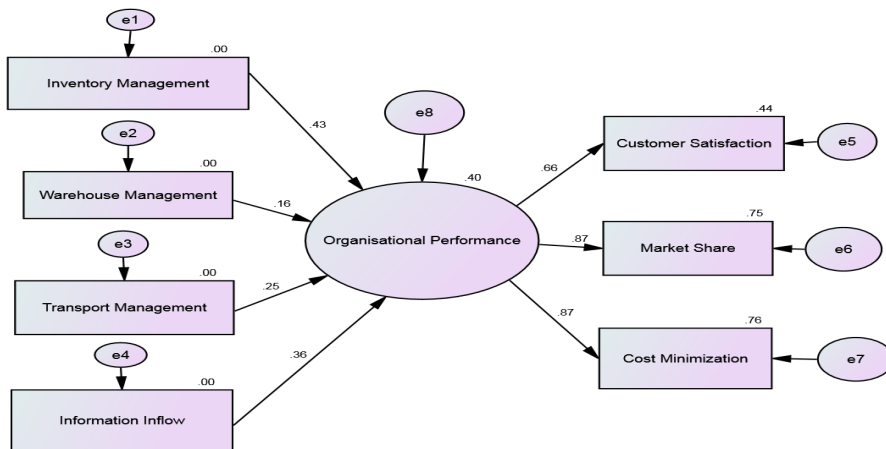


Figure 4 shows that IVM practices exert a significant positive impact (0.425) on the company's overall organizational performance. Similarly, WHS management positively influences organizational performance (0.16). Additionally, TPL significantly boosts organizational performance (0.25), while INF management yields a substantial positive impact (0.356).

Figure 5

Estimates Indicating a One-on-One Import of Logistics Management Practices on Respective Organizational Performance Indicators

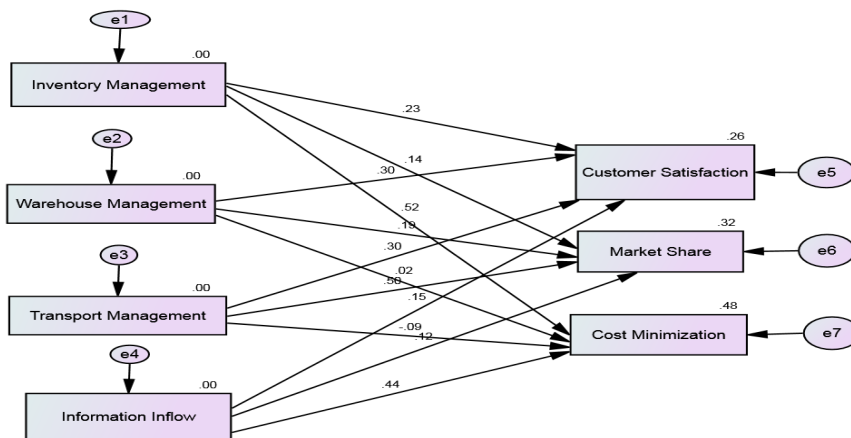


Figure 5 delves further, examining the direct influence of each logistics management practices on the three organizational performance indicators. IVM significantly impacts CUS (0.233), MKS (0.14), and COM (0.525). WHS management significantly impacts CUS (0.303) and MKS (0.194), with a negligible impact on COM. TPL significantly influences CUS (negative but statistically insignificant), and MKS (0.498), while INF has a positive and significant impact on COM (0.445), and CUS (0.154).

Explaining the estimated coefficients with justification, the results revealed significant and varying implications of different logistics management practices on identified dimensions of organizational performance. The study investigated that IVM) has a positive and significant impact on CUS which can be attributed to the company's ability to meet customer demands promptly through efficient stock control. The significant impact on MKS suggests that effective IVM allows the company to offer a wider range of products, attracting and retaining customers. Moreover, the substantial influence on COM suggests that optimized IVM

practices reduce holding costs, positively affecting the company's financial performance.

The findings further showed that WHS management significantly affects both CUS and MKS, respectively. This highlights the importance of streamlined warehousing operations in ensuring product availability and timely deliveries, thereby contributing to CUS. The impact on MKS implies that efficient warehousing facilitates improved order fulfillment and customer service, enhancing the company's competitive position. Although, the negligible impact on COM may seem counterintuitive, it could indicate that warehousing costs are not the primary focus for optimization within Jumia's business model. TPL also significantly influences MKS, suggesting that effective TPL contributes to timely deliveries and reliable services, attracting and retaining the customers. The negative, statistically insignificant impact on CUS could point to the complexity of managing TPL and the potential for occasional service disruptions that might slightly affect customer experiences.

More so, the INF's significant positive impact on COM indicates that streamlined information exchange processes reduce inefficiencies and costs associated with miscommunication or delays. The positive impact on CUS suggests that accurate and transparent information flow enhances the customer experience by providing real-time updates on orders and deliveries. These results underline the nuanced and multifaceted nature of the relationship between logistics management practices and organizational performance. They emphasize the need for Jumia-Nigeria to tailor its strategies to different dimensions of performance, harnessing the positive impacts of each logistics aspect while addressing any potential challenges or limitations. The findings underscore the significance of multiple logistics management practices for enhanced organizational performance. The results emphasize the potential benefits of combining various practices to optimize outcomes.

Conclusion and Policy Recommendations

The current study concluded that logistics management practices, embraced by Jumia-Nigeria, encompassing WHS, INF, TPL, and IVM, individually and collectively enhanced the company's organizational performance. This impact is evident in terms of CUS, increased MKS, and reduced operational costs. To maximize gains in Nigeria's operational

landscape, Jumia must embrace innovative approaches within INF and TPL. Suggested measures to enhance Jumia-Nigeria's performance based on study findings include:

- i. *Decentralizing the Warehousing Network*: It is recommended that the company adopts a decentralized approach to its warehousing network. This entails establishing multiple warehouses strategically across Nigeria. This step aims to mitigate the expenses associated with TPL involving lengthy distances and handling bulky goods.
- ii. *Enhancing Information Flow (INF)*: To ensure comprehensive communication, it is advised to augment internet-based INF with tangible mass media channels, such as distributing handbills. This strategy would facilitate the company's outreach to individuals without internet access, particularly within rural communities where efficient internet infrastructure remains limited.
- iii. *Collaboration in Inventory Management IVM*: The IVM practices employed by Jumia-Nigeria have yielded remarkable outcomes across performance indicators. This signifies an opportunity for logistics management entities including companies akin to Jumia, to form partnerships in order to enhance their operational performance. Additionally, government initiatives could involve supporting emerging entrepreneurs through educational opportunities under the guidance of Jumia.
- iv. *Leveraging Diverse Logistics Management Practices*: It is prudent for logistics management enterprises to harness a broad spectrum of logistics management practices, recognizing their inherent synergy. The mixed results observed from individual logistics management practices on each organizational performance metric underscore the value of integrating multiple practices to achieve optimal outcomes.
- v. *Holistic Integration*: The study recommends that there should be seamlessly integrated logistics functions through robust communication and collaboration between WHS, TPL, IVM, and INF. This streamlines operations, reduces redundancies, and enhances overall efficiency.
- vi. *Collaborative Partnerships*: Forge strong relationships with suppliers and transportation providers to ensure reliable and timely deliveries. Collaborative planning and sharing of information can reduce lead times, enhance inventory turnover, and contribute to operational cost savings.

- vii. *Customer-Centric Communication*: Enhance communication with customers by providing real-time updates on order status, delivery times, and tracking information. Transparent and proactive communication boosts customer trust and satisfaction.

By implementing these recommendations, Jumia-Nigeria can capitalize on its logistics management practices to deliver enhanced CUS, increased MKS, and reduced operational costs. This strategic approach not only strengthens the company's competitive position but also contributes to sustainable growth and profitability.

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