# GROWING PAINS OF JUMIA MARKETPLACE: A PAN-AFRICAN E-COMMERCE GROUP

ΒY

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# CASE STUDY SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (LEADERSHIP) UNIVERSITI TUN ABDUL RAZAK

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#### DECLARATION

I hereby declare that the case study is based on my original work except for quotations and citations that have been duly acknowledged. I also declare that it has not been previously or concurrently submitted for any other degree at UNIVERSITI TUN ABDUL RAZAK (UNIRAZAK) or other institution.

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Date:

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#### **EXECUTIVE SUMMARY**

This case study is based on secondary research built on articles, research papers and web analytics.

Jumia Group is the pan-African online shopping business. The company's structure is composed of the marketplace which links sellers with customers. Jeremy Hodara and Sacha Poignonnec established Jumia in February, 2013. The company began to function in Nigeria and Pakistan that same year under the name Kaymu; after receiving an undisclosed amount of seed funding from Rocket Internet.

The company's primary activities are online shopping stores and logistics services. In the past years Jumia has been growing tremendously in the industry and have created many opportunities in different regions of Africa.

This case study aims at analysing the problems faced by Jumia in its competitive industry and to provide solutions and recommendations to the problems. From the reviews in various websites, the case study shows the problems faced by Jumia, such as reputation and perception, management and leadership defects. In conclusion, it highlights the possible solutions and implementation of the solutions.

#### **PART 1: CASE DESCRIPTION**

#### **1.1 COMPANY BACKGROUND**

#### 1.1.1 Jumia Group

Jumia Group is the pan-African online shopping business. The company's structure is composed of the marketplace which links sellers with customers. Its logistics service enables the shipment and delivery of packages from sellers to consumers, and the company's payment service facilitates transactions among participants active on its platform in selected markets. The company provides its services to several countries in Africa and other continents. Its geographical segments are West Africa, North Africa, South Africa, East Africa, Portugal, France, and Germany. The larger part of the company's revenue is made from the West Africa segment.

#### 1.1.2 Brief History

Jeremy Hodara and Sacha Poignonnec established Jumia in February, 2013. The company began to function in Nigeria and Pakistan that same year under the name Kaymu; after receiving an undisclosed amount of seed funding from Rocket Internet. The company's employee growth started from the range of ten to sixty in the period of the first three quarters of the year and also extended its operation to Ghana and Morocco in October, 2013.

By June 2015, Kaymu had extended its operations to other countries, bringing the total number of countries to 35. Jumia Market employs eBay's business model, serving as a web based shopping center where purchasing and selling exchanges happens. The organization dispatched its phone applications for Android, iOS and Blackberry in September, 2014 taking advantage of the gigantic development of technology innovation, particularly on the African landmass. In March 2016, AIG reported that top level bank, Goldman Sachs and French Insurance organization AXA,

had joined its list of financial backers with both contributing an aggregate amount of more than \$300 million.

The company is led globally by Massi Spalazzi, who serves as Chief Executive Officer (CEO), while Andrea Di Natale serves as the company's Chief Operating Officer (COO).[citation needed]

In June 2016, AIG, through a blend of a live Periscope broadcast and Twitter channel, declared that it was combining all its online brands into one organization: Jumia and platforms exploring food, land, car and other products market, turned to be a part of the Jumia establishment.

In the first quarter of 2019, Jumia was at that point functioning in many nations in Africa, including Kenya, Nigeria, Egypt and Uganda among others. The Kenyan Jumia is the most mainstream web based shopping platform in the country.

#### 1.1.3 Product and Services

Jumia Village Market, a offline based store, was established to help draw in customers who were wary about the security and other issues of online based payment. The store was intended to establish a climate for customers who were hoping to associate with sellers physically and customers who couldn't finish payments through the Internet.

Jumia Market launched AIG Express, a logistics network, in May, 2015 to help ease logistics management in Africa. AIG Express focuses on quicker logistics delivery time while creating more jobs in Africa.

Jumia Market SafePay was initiated in May, 2013 as a means for safe online payment on its website. SafePay is an escrow service that permits purchasers to pay directly to Jumia Market for things purchased in addition to the payment of delivery, while merchants need to send the products brought to the purchaser prior to accepting the payment from Jumia Market. In nations like Uganda, where Jumia is working Mtn Mobile money as one of the payment strategies, the customer pays into a Jumia account after which Jumia takes care of the vendor's payment.



Figure 1 Market Place

#### 1.1.4. Jumia's Pace of Work Development

Established in 2012 in Nigeria by Sacha Poignonnec and Jérémy Hodara, Jumia with its business model strategies was able to significantly become the online business pioneer in Africa in only 4 years. With records of development, it is noted that sales increased by 5 over the most recent two years. Today, Jumia is available in 12 African nations, workers 1800 individuals and has conveyed over 1.6 million orders in 2015.

This extraordinary development has pulled in the absolute greatest financial backers around the world; Africa Internet Group, Jumia's parent organization, raised \$300 million last May from Goldman Sachs, AXA and Rocket Internet. It's the lone

organization to be esteemed at more than one billion dollars in the African and it's not giving any indications of halting.

While the African landmass has colossal opportunities for online sellers, there are still significant number deterrents that ruin web based business development: frail web foundation, a muddled financial area and logistical challenges.

#### a. A winning strategy: adapting to the realities of the African continent

Irrespective of the challenging environment, Jumia took the risk of expanding its online based business across the continent. To adjust to the local market, they took on a drawn out prolonged strategy that included:

- Having a strong strategic logistic.
- Enlightening the purchaser by indicating to them that internet based shopping could be the best alternative

#### b. Building their Distribution network

In online based shopping, delivering of products is known to be one of the challenges due to logistics. Hence Jumia chose to have their own fleet of trucks and bikes instead of relying on various logistics partners to convey their products. Their objective was to lesson delays and for it to be able to cover a wide region. Presently Jumia has so many fleets than DHL, making it conceivable to convey across 12 nations. The organization additionally utilizes couriers in large urban communities like Lagos.

Jumia likewise offers a few elective logistics alternatives, including self-pick-up, and conveyance through a couple of selected partners. Their drawn out objective however, is to predominantly utilize their own logistics.



Figure 2 Jumia bike delivery

#### c. Cash payment on delivery

Jumia integrated cash and carry payments methods to meet-up with the preferences and needs of African consumers. Since half of the adults do not have a bank account, the website provides the opportunity for customers to pay in cash to the delivery man. This additionally serves to impart trust in customers, who are as yet careful about using the online payment platform.

#### d. Going beyond physical distribution

Jumia saw that most African nations had low logistics networks, for example, Lagos, where there are just a modest bunch of shopping centers for a population of 20 million.

To offer a more extensive product range, the company worked with various local and global partners, basically turning into the passage for brands that need to venture into the African market. They deal with everything from warehousing to product delivery. Jumia in 2016, cooperated with Decathlon in Ivory Coast, where the sort of items that the brand sold were not locally accessible.



Figure 3: Jumia Website

#### e. Bringing the biggest online events to the local market

Jumia initiated a few internet shopping occasions to bring more awareness to their brand, including a 24 hour Black Friday occasion.

They additionally made Mobile Week in a few African nations, most quite the lvory Coast, Morocco and Kenya. Jumia had a campaign aimed at promoting enormous phone brands that were sold at a huge markdown price for 5 days. The occasion has been a colossal achievement since the initiation of the primary Mobile Week, Jumia sells more cell phones than the greatest hypermarket in the country.

## 1.1.5 Location



Jumia is headquartered in Ikeja, Nigeria and has 12 office locations across 12 countries.

Figure 4 Jumia Headquarter

#### **1.2 INDUSTRY OVERVIEW**

#### 1.2.1 Global Perspective of E-commerce Industry

The worldwide online business market size was estimated at USD 9.09 trillion in the year 2019 and is relied upon to increase yearly at the rate (CAGR) of 14.7% from 2020 to 2027. Expanding infiltration of the web is supporting the telephone populace across the nations. Advanced infiltration, travel and relaxation, e-tailing among others comprise various online business choices accessible to the web customer base that are acquiring force with expanding web utilization. Henceforth, technology promotion among consumers is relied upon to decidedly affect market development. The developing significance of quicker browsing has prompted the improvement in internet connectivity, along these lines prompting advancement in 4G and 5G innovation.

The enactment of 4G and 5G technology for the aim of connection purpose is believed to have a great positive impact on the market growth as it gives an uninterrupted, seamless experience to the user.

Well entrenched companies and bigger enterprises are inclining towards online based business due to the fact that it is less costly to establish since it does not require physical structures and many employees that the companies would be on monthly salary. Online based business provides the companies an easy reach to their customers. Also due to the emergence of social media ads, the companies are able to create more awareness on brands and through positive online reviews, companies are gaining popularity which in turn aid in the growth of e-commerce.

#### Key Companies & Market Share Insights

The market is divided and is required to be confronted with high rivalry in the coming years. Numerous players are executing business models and strategy to sustain and grow their market share. Some of the prominent players in the global e-commerce market are:

- Amazon.com, Inc.
- JD.com, Inc.
- Apple, Inc.
- Alibaba Group Holding Limited
- Flipkart Private Limited
- Walmart, Inc.
- eBay, Inc.
- Best Buy
- The Home Depot
- Takealot

#### 1.2.2 E-Commerce in Nigeria

Nigeria is an African country located on the Gulf of Guinea, in the western part of the continent with the population of 206,000,000 inhabitants as at 2019. Nigeria is Africa's largest economy and depends on oil as its major source of foreign exchange earnings and government revenues. The country is rich in natural resources such as; natural gas, petroleum, tin, iron ore, coal, limestone, niobium, lead, zinc and arable land.

With the momentum of Internet usage growth in Nigeria, the numbers of smartphone users are increasing. While the local area's penetration is low, most of the under-developed cities and towns have internet cyber cafes that enable them to be able to access the internet. For the developed cities and towns, most of the occupants are using smartphones with reliable internet connection. Although the lack of fibre network with wider internet coverage is evidently likely to affect the growth of e-commerce in Nigeria, however, with the estimated number of internet and smartphone users in Nigeria, a tremendous growth is expected.

Despite the growth of ICT in Nigeria, its penetration still remains low when compared to other African countries due to the low energy power supply, low speed of data access and high cost for internet subscriptions.

#### 1.2.3 E-Commerce Companies in Nigeria

E-commerce based business in Nigeria today has been on a steady growth development from the past years. There are many online based business organizations in Nigeria but the significant players in the online business industry are Jumia, Konga (which as of late has been procured by Zinox, a Nigeria tech company which produces and distributes Personal Computers), Payporte and Wakanow. There are other online business stores, for example, SME markethub, Yudala, SLOT, Kara however these stores are small players in the industry. They offer primarily only their own products and services to the customers online, these companies are owned by usually an individual.

Slot for instance which is owned by SLOT company deals in selling of electronic gadgets and its accessories, offering of product repairs and maintenance. Jumia which is noted to be one of the greatest online based businesses in Nigeria, it was previously known as Africa Internet Group, it was established in 2012. Jumia, which is Africa's first online business market space, has caught African enormous market opportunity with services like Jumia Logistics and Jumia Pay.

The company which was first begun in Lagos, Nigeria presently functions in more than 20 African nations. Jumia at present covers for example, companies such as Lamudi (Jumia House), Jovago (Jumia Travel), Hellofood (Jumia Food) and other numerous companies that are currently making up the Jumia Group. Konga is one of the main online business organizations simply like Jumia. It is a Nigerian online based business company established in 2012 with its headquarters in Ikeja, Lagos State Nigeria. Konga is the key rivalry Jumia faces in the web based business industry today. It is well known for web based shopping of items, for example, telephones, PCs, other electronic gadgets, sport wears, style, food supplies, books and more at the best costs in Nigeria. The organization is worth nearly \$34 million and has more than 184,000 dynamic customers. PayPorte has developed to get one of the greatest online business stores in Nigeria. Payporte has its base in Lagos, Nigeria. PayPorte was granted the 'Internet business Company of the Year' at the Central Bank of Nigeria Cashless Card Expo in 2016. The organization manages deals of items which change from hardware,

telephones, design, home and kitchen items to fragrances and some more. (Site of PayPorte 2019).

#### **1.3 COMPETITION**

The competitors of Jumia Group in E-commerce industry are identified below;

#### AMAZON.COM



#### Figure 5 Amazon Logo

Amazon.com, online retailer, producer of electronic book readers, and online shopping service that turned into the notable electronic trade. It provides a platform for online retail shopping. It functions through the industry segmentation: North America, International, and Amazon Web Services. The North America fragment incorporates retail deals of consumer products and memberships through North America-centered sites, for example, www.amazon.com and www.amazon.ca. The International section offers retail deals of consumer products and memberships through universally engaged sites. The organization was established by Jeffrey P. Bezos in July 1994 and is settled in Seattle, Washington

Its extensive online presence is strong to an extent that in 2012, 1 percent of all Internet traffic in North America went all through Amazon.com server. Amazon's brand is noted throughout the world as one of the best platforms to buy almost anything online.

#### JD.Com Inc



Figure 6 JD Logo

JD.com is China's largest online retailer and its biggest overall retailer, as well as the country's biggest Internet Company by revenue.

JD.com sets a precedent for web based shopping through its obligation to quality, legitimacy, and its tremendous product offering covering everything from food products, attire to gadgets and beautifiers. It sets an unparalleled standard of 24 hours delivery and unmatched speedy service cross country.

Customers in China are well informed that the JD.com brand ensures quality. JD.com adopts an exacting zero-resistance strategy to guarantee providing only the best quality. The company puts together its business model of direct deals, where it controls the whole production network, with a commercial platform that restricts the quantity of merchants, to guarantee that it can keep up exacting quality control. This is joined with various checking techniques that distinguish any dubious items or dealers.

As an innovation driven organization, JD.com builds solid and scalable platforms that carry an incentive to partners and customers in areas of online business, logistics, distributed computing and smart innovation. The organization was established in 2004 in Beijing by CEO, Richard Liu.

#### APPLE INC.



Figure 7 Apple Inc Logo

Apple Inc. designs, based in Cupertino, CA, is one of the most valuable companies in the world, that designs, develops, and sells consumer electronics, computer software, and online services. It is noted to be one of the big five companies in the US in information technology. Apple Inc was co-founded in 1997 by Steve Jobs and Steve Wozniak. Its company segments include the Americas, Europe, Greater China, Japan and Rest of Asia Pacific. Apple's worldwide annual revenue totaled \$274.5 billion for the 2020 fiscal year. Apple is the world's largest technology company by revenue and one of the world's most valuable companies. As the global economy of technology continues to grow, Apple Inc also continues to record growth in its market segment.

#### **ALIBABA GROUP**



#### Figure 8 Alibaba Logo

Alibaba Group Holding Limited, which is also regarded as Alibaba Group and as Alibaba.com, is a Chinese worldwide technology driven organization that focuses on online business, retail, Internet, and innovation. Established on 28 June 1999, in Hangzhou, Zhejiang, the organization provides consumer to consumer (C2C), business to consumer (B2C), and business-to-business (B2B) deals through their online interfaces, also electronic payment service, shopping web crawlers and distributed computing service.

Alibaba's first sale of stock (IPO) raised US\$25 billion on 19<sup>th</sup> september 2014, giving the organization a market value estimation of US\$231 billion and, by a long shot, at that point the biggest IPO in world history. It is among the best 10 enterprises, and is the 31st-biggest public organization in the world.

Alibaba being the world's biggest retailer and web based shopping company. In 2020, it was also rated as the fifth-largest artificial intelligence company. It is additionally one of the greatest funding firms, and one of the greatest investment organizations on the world. The organization has the biggest B2B (Alibaba.com), C2C (Taobao), and B2C (Tmall) commercial market on the planet. It has been venturing into the media business, with incomes ascending by triple rate.

#### TAKEALOT



#### Figure 9 Takealot Logo

Takealot is a South African e-commerce company based in Cape Town, South Africa. As the country's largest online retailer and most innovative ecommerce on the African continent. Takealot was officially launched in June 2011, following the successful acquisition of an existing ecommerce business called Take2 by the US-based investment firm.

Takealot has helped grow online shopping in South Africa. Takealot is the one stop online retailer for the customer that looks for an easy and convenient web based purchasing and great customer experience. The site has been in existence for longer than 10 years, having been set up in 2002. Its wide varieties of product give it a receptive edge. Customers can shop anything from books to games, PCs and TVs.

The key part of what makes Takealot a successful web based business is that the online retailer endeavors to give its customers the most recent items in the market, combined with updated product description.

#### KONGA



#### Figure 10 Konga Logo

Konga has progressed significantly since its humble background in 2012 the only e-commerce website in Lagos that major in infant and beauty care. The online web based has transformed into a significant online retailer, regularly named "The Amazon of Africa." In 2015, Konga united with leading Nigerian banks to launch KongaPay, a protected and convenient online payment technique and to handle the issue of trust in Africa when it came to online payment.

The e-commerce website was one of the first in Africa to start a system of payment that was coordinated with world banks as an advancement that utilizes a click system that eradicated the sharing of sensitive data while making payment.

With sponsorship from the great South African media, Naspers, Konga is currently a significant player in the online business space. In 2014, Naspers, which has a half stake in Konga, put US \$50 million in the online store.

Shopping categories on Konga.com include books, home appliances, mobile phones & tablets, office appliances & stationery, groceries, toys, computers, books, fashion, movies, music, etc.

Less than one percent of Nigeria'spopulation currently shop online, so Konga.com has its work cut out for it to not only get Nigerians buying but also to get them buying from Konga.

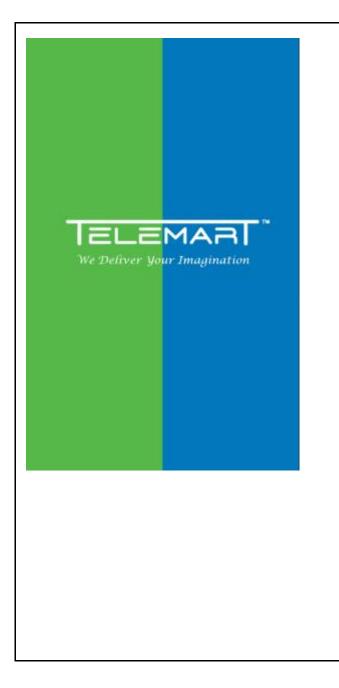


Figure 11 Ebay Logo

EBay is the world's web based shopping platform centered for purchasers and vendors to corporately trade nearly anything. Started in 1995, eBay began as a place to exchange collectables and products that are difficult to find. Since then, it has propagated into a marketplace where products like phones, DVDs to dress, collectables and vehicles are sold.

With over 103.6 million postings worldwide and an extra 6.1 million postings added every day, EBay offers unlimited opportunity for individuals to purchase from and offer to the world. EBay is a global company that has a local presence in different regions of the world. eBay operates in localised marketplaces that grant users the opportunity to buy local products and have them delivered wherever they want within the country.

Others are captured in the following table;



Telemart is the 2nd largest Ecommerce company in Pakistan & only one to have an Omnichannel presence i.e Retail. Its retail division has an expansion plan of more than 400 outlets by the end of 2025. It has already started to open franchises across Pakistan & have partnered with telcos to increase the number rapidly. It also managed to onboard more than 15,000 affiliates from the rural sector. Telemart is also the E-commerce only brand in Pakistan selling Premium Gold Plated Products with a wide range to choose from i.e. mobile phones, laptops, watches, Jewellery, pens, cufflink, and other accessories, etc. Telemart is among the Top 3 Global Resellers of Gold Plated products.



Ozsale is the main web based shopping club in Australia and your entryway to reasonably cheaper designer style.

Consistently it has deals for the top design brands in the world. Ozsale members can get these deals and enjoy saving funds of up to 80% on women, men's and youngsters' style and extras, same as excellence and homeware brands.

Being a member is free and everybody is welcome to join.

Ozsale is among the APAC Sale Group. Ozsale has committed customers in Australia, Europe, Asia and New Zealand who are willing to go through their products searching for the best product.

Ozsale gives an easy and convenient method to get access to great deals throughout the year from the solace of your own home. With Ozsale, one don't necessarily need to wait for the deals because the best brands are consistently on discounted

# minto

# A COLLECTIVE OF FASHION STORES

Miinto, a web based business that hails from Denmark, has sold around 700 million Danish kroner, which compares to around 94 million euros, a year ago. This is a great increase of 40% in excess when compared with the earlier year.

Miinto online serves as an platform brings various that fashion stores online to customers. The organization was established in Denmark in 2009, yet before long extended its business to Norway, Sweden, Poland, the Netherlands, Belgium and Switzerland.

Beside the expansion, Miinto likewise increased its growth much more, by having previous Fashion Week chief Camilla Frank join the group and by opening another vintage shop.

#### **1.4 SWOT Analysis**

#### 1.4.1 Strengths of Jumia

- The geographic presence in various locales can stand as one of the significant qualities of the company. It decides the business' range to the selected market and guarantees smooth access to the market.
- The varieties of items offered gives room for the company to grow the customer base and counterbalance losses with benefits acquired from the other products.
- A strong online presence on various social media platforms, effective and productive social platform media management can improve the impact of positive electronic word of mouth and create solid business to customer relationships.
- Strong financial position and health can allow the firm to make further investments.
- Availability of suppliers that can offer low cost raw materials which give the company an edge to produce more at a cheaper price.
- Being strategically positioned in a location with access to low cost in terms of employee employment.
- The all-around IT framework which is incorporated into the business can improve the operational proficiency and increment information on the most recent market patterns.
- Equipped and dedicated human resources can be a ground-breaking wellspring of a competitive advantage, especially when the business nature is service oriented.
- The quality of a product gives the company growing brand loyalty and shifts Jumia from the position of retail to marketplace.

• Having a considerable diverse environment serves as a business strength especially when the company intends to function in an international market.

#### 1.4.2 Weaknesses of Jumia

- The company can draw the criticism from the environmentalists for its poor waste management practices and inability to integrate sustainability in business operations.
- The company may lose efficiency due to poor inventory management practices.
- The money shortage or deficient current resources adversely influence the liquidity position and damages the general business functionality.
- Low business budget for the advertising and marketing debilitates the organizations' capacity to grow the customer base.
- Less disbursement of resources on the research and development activities can weaken the company's performance.
- Failure to know customers' needs and understand customers' expectations can result in ineffective management decision making. With this weakness, the company might not be able to figure out the areas that need improvement.
- Price charged and product quality does not synchronise. It is noted that the price of products does not equate to the product quality which simplifies that there is a need to revise the pricing strategy.
- Not being able to attend to customers' complaints which lead to negative word of mouth.
- Lack of employee commitment due to how employees are treated and low salary payment with stands as a de-motivational factor for the employee. Thereby reducing employee morale and motivation to work effectively.

• Absence of organisation's leadership and management principles in the company, thereby leading to poor management.

#### 1.4.3 Opportunities of Jumia

- The increasing growth in the population which brings about an increase in the customer segment.
- The continuous change in trend which translates to change in customers' needs and preferences can serve as a great opportunity for Jumia to produce more products.
- The constant evolution of technologies will help in the area of product development and delivery process. This will help in reducing cost and result in efficient and innovative products. Customers may start preferring new and creative products/services as a result of changing tastes.
- The increase in customer's income serves as a base to introduce more products.
- The marketing trend of e-commerce and social platforms serve as a great opportunity for jumia to transcend to other regions.
- The springing up of new market segments and new niches give the company the chance to expand.

#### 1.4.4 Threats of Jumia

Aside from the various opportunities that the external business environment offers, the company is also faced with some threat.

• The constant introduction of new rules and regulations enforced by governments and other related bodies make it difficult for Jumia to expand and inability to comply with the rules will lead to expensive lawsuits.

- Insufficient talent pool in the market makes it difficult for the company to get the right talents for various roles in the company.
- The threat of existing competitors and new entrants affects the ability of the company to maintain and increase the customer base.
- The disintegrating economic conditions such as inflation influence business performance and profitability.
- Slow GDP growth and shrinking economy act as a major threat, which could lead to increase in product cost.
- Various cyber security issues pose a threat to Jumia.

#### **1.5 SPECIFIC AREA OF INTEREST**

For being a major company in the Nigerian E-commerce industry, the main purpose of this case study is to comprehensively explore into the status, growth level, progress and achievements as well as challenges of Jumia; and to critically analyse the company using general business analytical tools.

Among the combined analytical tools that are being used in this case study are listed down in sequence as follows:

- SWOT Analysis
- Perceptual Map
- Blue Ocean Strategy
  - Strategy Canvas
  - Four Action Framework

Based on all of the inputs gathered and written above, especially the Weaknesses matrix of the SWOT analysis structured on the previous section (1.4), the major issues are identified, narrowed down and clustered accordingly before the rest of the combined analysis took place. With the outcomes of the combined analysis,

alternatives are derived and evaluated, and recommendations, together with a timeline, are proposed – objectively to enhance the performance and the sustainability of the leading role played by Jumia in the Nigerian E-commerce industry.

#### **1.6 CONCLUSION**

As a conclusion of this part, Jumia is undoubtedly a well recognised online shopping store in Africa and other continents. Despite the growth of the ecommerce industry, it still remains a major leading brand irrespective of its weaknesses. It is believed that Jumia will continue to experience growth due to the varieties of product offered and having strong brand recognition.

It has captured a huge Africa market opportunity with several offerings like Jumia logistics and Jumia pay. Due to the present saturation of the industry, soon Jumia will be faced with greater strive in the industry. Will Jumia be able to strategically maintain their position of being the largest online Africa stores also in terms of profitability? Hence the part 2 analysis was conducted to analyse the industry.

#### PART 2: CASE ANALYSIS

#### 2.1 CASE SYNOPSIS

Jumia Group is the pan-African online shopping business. The company's structure is composed of the marketplace which links sellers with customers. Its logistics service enables the shipment and delivery of packages from sellers to consumers, and the company's payment service facilitates transactions among participants active on its platform in selected markets. The company provides its services to several countries in Africa and other continents. Its geographical segments are West Africa, North Africa, South Africa, East Africa, Portugal, France, and Germany. The larger part of the company's revenue is made from the west Africa segment.

Jeremy Hodara and Sacha Poignonnec established Jumia in February, 2013. The company began to function in Nigeria and Pakistan that same year under the name Kaymu; after receiving an undisclosed amount of seed funding from Rocket Internet. The company's employee growth started from the range of ten to sixty in the period of the first three quarters of the year and also extended its operation to Ghana and Morocco in October, 2013.

By June 2015, Kaymu had extended its operations to Algeria, Saudi Arabia, Croatia and Angola, Mozambique, Bangladesh, Nepal, Myanmar, Slovenia, Sri Lanka, Bulgaria, Uzbekistan, and the Philippines, bringing the total number of countries to 35. Jumia Market employs eBay's business model, serving as an online shopping mall where buying and selling transactions takes place.

#### 2.2 PROBLEM RECOGNITION

Based on the comprehensively Case Description, including the Weaknesses and Threats of the SWOT analysis, two (2) major problems are recognised, clustered and listed as follows:

- Reputation and perception: Jumia being a leading e-commerce retail platform in Africa, for Jumia not to identify the issue of low product quality and high prices of product is a major problem for the company, as it directly has an impact on its reputation, perception and sustainability of the company.
- Management/Leadership Defect: As an organization, it has no management based control and leadership which could directly coordinate the workers as well as engage the customers when needed, leading to poor customer service and lack of project management, among others. Equally, there is misalignment in their leadership structure as a result of inability to attract the right talent and skills that matches for a great leader.

#### 2.3 PROBLEM DEFINITION

2.3.1 Reputation and perception

Several customers who shop on Jumia complained as regards the quality of product they received. There seems to be some variation in the products specifications on the website and the actual product received. This is crystal clear based on the negative review customers comment on the product they purchased. In addition, the customers also highlighted that the product purchased from Jumia is relatively expensive when compared to buying it from different online stores. Since this has been a long term issue, Jumia failed to address the issue, hence it can be said that they do not understand their customers' needs.

#### 2.3.2 Management/Leadership Defect

As drawn from the SWOT Analysis, Jumia has poor management and leadership systems. It has poor inventory management practices. Insufficient budget for the marketing and promotion activities weakens the firms' ability to expand the customer base. The inability to understand customers' needs and expectations lead to an ineffective strategic decision-making process. The Poor project management practices, Lack of organisational commitment as well as the misalignment between the organisation's leadership style, form a great defect in the organization's leadership and management structure.

#### 2.4 PROBLEM DIAGNOSIS

#### 2.4.1 Reputation and perception

In the B2B ecosystem, the 'reputation and perception' challenges are unavoidable. Jumia should know the significance of their company's reputations and perception. Companies with solid positive reputations draw in better customers. They are seen as offering more benefit, which regularly permits them to charge a premium. Their customers are more faithful and purchase more extensive ranges of products. Reputation is one of the major criteria of assessing the trustworthiness of a business platform. At the point when customers have no experience with an e-commerce platform, reputation might be the way to retain customers. From other peoples' comments, customers can form positive experiences towards the company which is not the case in regards to Jumia. This can clear the issue of perception and help to improve customers' readiness to rely on the company. Reputation is a basic part of trust. Company's picture and reputation have been discovered to be an important empowering influence of e-commerce and decrease customers' anxiety. An undeniable degree of brand awareness and great reputation diminishes the online customers' demand for credibility before they purchase products.

All comments and reviews from customers on Jumia's website can be read by potential customers, this will bring about lack of trust. Most people in Africa would prefer to shop online instead of going to the physical store, however when they constantly come across negative reviews of products on Jumia's website this will make them withdraw from purchasing the products. Also since Africans are known to always seek information for others as regards the best store to purchase a product it will be difficult for Jumia to get a referral if the individual has encountered the issue of buying products of less quality in high price from Jumia platform.

#### 2.4.2 Management/Leadership Defect

The role of management and leadership in any business is very crucial to the sustainability and profitability of the business. Theoretically there has to be remarkable leadership behaviour and management talents in the company if it is intended for it to be successful in a long term projection and to be a competitive force in the market. It is believed that due to Jumia's poor management skills and leadership style, major areas of the business such as marketing and promotions, strategic decision making, and how employees are treated are being negatively affected. These have a great impact on employees may be struggling with the leadership being given. If employees have an effective leader their task performance will continue to soar.

Jumia needs to come to realize that poor management and leadership in their business will have a significant impact on their business, considering that there are many competitors in the same industry that can take over their market share. Lack of good leadership and management can carry a long lasting effect on the company workforce, resource and customer satisfaction.

## 2.5 COMPETITIVE ANALYSIS

Competitive analysis simplifies as a method of evaluating the strategies of competitors to determine their strengths and weaknesses in relation to an owner's business, and understand the market conditions. The aim of the competitive analysis is to collate the intelligent information for planning countermeasures and develop market strategy. The competitive analysis was conducted as an exercise to compare competitors in Africa.

## 2.5.1 Perceptual Map

Perceptual map is a visual representation tool used to analyse where a brand, product or services stands among competitors. Most ecommerce companies use this tool in determining the perceptions of customers or potential customers regarding their product or services. Typically the position of a company is displayed relative to their competition.





The perpetual map representation of Jumia and other competitors, it can be seen that there is very little differentiation between the four companies. The perceptual map based on the attributes of price and quality shows that Amazon occupies a superior position in the industry. It is shown that Amazon offers high quality products for a low price. Jumia occupies the second position, the map shows that Jumai offers low price products for high quality products, while Konga and Takealot far differentiated from Jumia in terms of high quality for low price.

#### 2.5.2 Blue Ocean Strategy

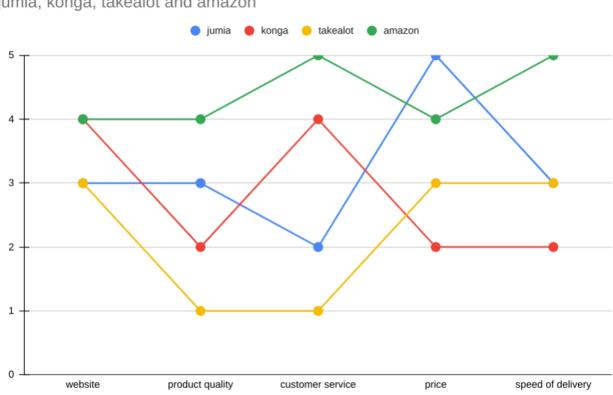
Blue Ocean Strategy, a book published by two great authors, W. Chan and Renee Mauborgne. Blue Ocean Strategy suggests companies are better off searching for ways to gain uncontested market space over competing with similar companies. It is a tool that helps the company to build the ability to systematically create and capture new value through Blue Ocean strategy.

Companies are tested with environment changes; expanding the power of rivalry, fierce financial conditions, and an enormous rate of technological development. Then again, markets become more global, the competition and chances of expansion are conceivable around the world. Customers' preferences are changing, there is an increase in demand, lower costs, better services, and products customized to their precise necessities.

Hence there is a need for companies to break out from the existing red ocean of competition by creating unchallenged market space that makes uncontested market space. The strategy canvas and the four actions framework are the two analytical tools of the blue ocean strategy. The following subsections are done objectively to identify the blue ocean for Jumia and how the company can go about it.

#### 2.5.2.1 Strategy Canvas

Chan Kim and Renée Mauborgne's Strategy Canvas is a central diagnostic tool and an action framework that graphically captures the current strategic landscape and the future prospects for an organization. The strategy canvas of e-commerce - the primary market that Jumia is in - was constructed below. The ratings (vertical axis) refer to the performance of each company based on the competing aspects (horizontal axis) respectively. The numbers range from 5 to 1, where 5 means high, 4 - above average, 3 - average, 2 - below average and 1 - low.



jumia, konga, takealot and amazon

Figure 13 Strategy Canvas of the Online shopping industry in Africa.

## • Website

In regards to websites, Amazon is rated higher than Jumia, Konga and Takealot. Amazon's website is known to be safe in term terms of security issues. Personal and financial information are transmitted securely. Although the other companies have their websites, however they have been known to have many scenarios of phishing attacks tailored to specific victims using personal details.

## Product quality

In regards to product quality, Amazon was rated higher than Jumia, Konga and Takealot. From the complaints of customers of Jumia, Kong and Takealot, it is noted that product quality is quite low in relation to the price paid for the product. There seems to be some variation in the products specifications on the website and the actual product received in terms of quality.

Customer Service

In regards to customer service, Amazon and Konga were both rated higher than Jumia and Takealot. Amazon and Konga are known for prompt response to customers related issues while experience with Jumia and Takealot is not satisfactory to their customers. Many customers complained of not receiving their complete order or they receive damaged products, customer service is unprofessional in the way they attend to customers and also they fail to respond and sort out issues swiftly.

• Price

In regards to product price, Jumia is ranked the highest among the competitors followed by konga. Based on customer reviews from the web, most customers agree that Jumia products are quite cheap. Due to low costing, Jumia are able to sell their products at a cheaper rate to the customers.

## • Speed of Delivery

In regards to Speed of delivery, Amazon is ranked the highest and the others fall to average and below. Amazon consistently offers a fast delivery to their customers. Many customers of Jumia, Takealot and konga have had worse experience when it comes delivering products on time, this is due to the issue of traffic congestion in Africa and logistics management ability.

## 2.5.2.2 Four Action Frameworks

Based on the strategy canvas constructed, presented and explained in the previous subsection, the four actions framework was then applied, objectively, to identify the ultimate blue ocean for the company. Theoretically, it is used to remodel buyer value elements in producing a new value curve. To break the trade-off between differentiation and low cost in creating a new value curve, the framework poses four key questions, shown in the diagram, to challenge an industry's strategic logic.

• Eliminate

Which factors that the industry has long competed on should be eliminated?

Reduce

Which factors should be reduced well below the industry's standard?

- Raise
   Which factors should be raised well above the industry's standard?
- Create
   Which factors should be created that the industry has never offered?

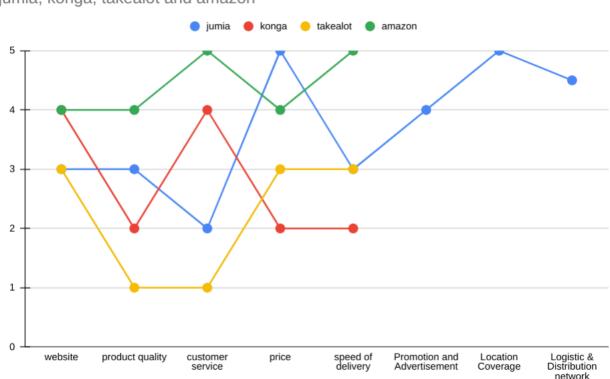
The application of the four actions framework based on the strategy canvas of the Online shopping Industry, in order to identify a new value curve for Jumia was conducted below.

Eliminate	Raise
Though it is mentioned in the swot	As regards to product quality, Jumia
analysis that Jumia should expand to new	needs to decide and set quality standards
market segment, new niches and product	for products and also ensure customers
line expansion, on a second thought and	receive their product free from defects.
in consideration to blue ocean strategy, it	
is more strategic for the company to	
eliminate expansion into other market	
segment and focus on the present market	
segment, since the segment is the major	
customers for most ecommerce business	
Reduce	Create
Workers that are not performing their duty	Jumia can create a major platform
should be dismissed.	specifically for customers to login their
	complaints.
	Employ professional workers to handle
	the customers' complaints.

Figure 14 Application of the Four Action Framework for Jumia.

#### 2.5.3 Justification for the Blue Ocean

Based on the outcomes of the four actions framework and following the concept of value innovation, the key differentiation factors were identified and added into the extended strategy canvas, objectively, to justify the blue ocean for Jumia. Value Innovation is the concurrent quest for differentiation and low cost, making a leap in value for the buyers and the organization. It is referred to as such because instead of focusing on beating the competition, the focus should be on making the competition irrelevant. Thus, the extended canvas was constructed below. The saturated region represents the red ocean of the industry while the extension region represents the identified blue ocean for Jumia.



jumia, konga, takealot and amazon

Figure 15 Extended strategy canvas of the Online shopping industry in Africa.

#### • Promotion and Advertisement

As part of Jumia method to increase their market share, they have a number of social media platforms including Facebook, LinkedIn, Instagram and Twitter. Jumia has one LinkedIn Account, and they have been using it to promote their products, have interactions, and communicate their business operations and news related to their customers and potential customers. With the Facebook and Twitter account, every country has their own accounts and the kind of service they run on their LinkedIn and Twitter platform is almost the same as Facebook. One of the strategies that Jumia uses on their social media platform is the "give away strategy". Instances of this is "predict and win" strategy when their followers are informed to foresee the last score lines of some chosen ser football matches like the UEFA Champions League games and the others. Others incorporate answering secret questions accurately. Customers who have their forecasts right or give a right response to the riddle or their question are generally gifted with Jumia voucher cards to purchase assortments of products from their site. The effect of this technique is the awareness that they have made about their business which has helped increase their customers. As a component of the approaches to enable their products to reach more customers, Jumia advances their Facebook page through Facebook advert often. These social media are used to constantly advertising their products, also advertisement is not limited to social media, advertisement videos and songs are also propagated on televisions and radio stations.

#### Location Coverage

Jumia's has a large network of leased warehouses, pick up stations for consumers and drop-off locations for sellers and more than 200 local third-party logistics service providers. Jumia logistics facilities are situated in all parts of African country they are, which makes product distribution easy and fast. This has positioned Jumia to instantly become one of the biggest players in e-commerce logistics space across the continent. The company is also likely betting on quickly gaining traction by winning potential customers through its years of experience in logistics, from product handling to last mile delivery.

#### • Logistic and Distribution network

Jumia logistics and distribution network is very unique as compared to other ecommerce. Jumia logistics and distribution network is extremely exceptional when compared with other online shopping businesses. A customer can straightforwardly shop online on Jumia primary site. What a customer or a potential customer needs to do is to choose his/her country from the rundown of nations wherein they are and afterward the site will divert to that country site. For instance, customers in Nigeria will shop on Jumia site by means of https://www.jumia.com.ng/and that of Algeria through https://www.jumia.dz/. Once more, customers in Ghana will shop on Jumia https://www.jumia.com.gh/ likewise any other customer who lives in nations in which Jumia works will shop on an alternate site. On top of this, they have Jumia Global which permits any merchants who are not situated in their nation of operation to operate on their platform. For instance, suppliers who are not situated in Nigeria can offer their products on their online store through Jumia Global. The program was presented in 2016. Like their different sites for each country wherein they operate, 5 Junia Global site is an expansion of every nation's site. Customers in Nigeria can shop on Jumia Worldwide by means of https://www.jumia.com.ng/jumia-worldwide/. Then again, customers in Ghana can shop on Jumia Global by means of https://www.jumia.com.gh/jumia-worldwide/and that of Kenya https://www.jumia.co.ke/jumia- worldwide/?source=FlyoutMenu.

## 2.6 ALTERNATIVE SOLUTIONS

Based on the problems recognised, defined and diagnosed, as well as the thorough analysis conducted on the previous sections, the two alternatives solutions were suggested to overcome each problem. As a recap and to make it easier for the readers, the clustered problems were as listed below.

## 1) <u>Reputation and perception</u>

Jumia being a leading e-commerce retail platform in Africa, for Jumia not to identify the issue of low product quality and high prices of product is a major problem for the company, as it directly has an impact on its reputation, perception and sustainability of the company.

## 2) Management/Leadership Defect

As an organization, it has no management based control and leadership which could directly coordinate the workers as well as engage the customers when needed, leading to poor customer service and lack of project management, among others. Equally, there is misalignment in their leadership structure as a result of inability to attract the right talent and skills that matches for a great leader.

## 2.6.1 Alternatives for Reputation and Perception

The list of alternatives to solve the clustered problem of reputation and perception was constructed as follows.

	Alternative 1				
	Aggressive campaign and promotion				
	lunch to promote the company as a				
	strong, effective and efficient brand.				
	Alternative 2				
	Training and development for employees				
Reputation and Perception	to gain specific knowledge and skills as				
	regards customer service so as to				
	enhance customers experience.				
	Alternative 3				
	Constant monitoring and evaluation of all				
	social media platforms so as to be well				
	informed of customers dissatisfaction and				
	needs.				

Table 1 List of Alternatives for Reputation and Perception

## 2.6.2 Alternatives for Management and Leadership Defect

The list of alternatives to solve the clustered problem of Management and Leadership Defect was constructed as follows.

Management and Leadership Defect	<u>Alternative 1</u> Continuous training and development for managers and leaders in the company to acquire the necessary skills and knowledge		
	<u>Alternative 2</u> Set forth a management structure on workflow and accountability. Employ hierarchical management which is a top- down pyramid structure.		
	<u>Alternative 3</u> Deploy transformational and transactional leadership style to provide direction, implementation of plans and motivate works.		

Table 2 list of Management and Leadership Defect

## 2.7 EVALUATION OF ALTERNATIVES

The set of alternative solutions for both problems are constructed from the thorough analysis conducted, information gathered from research papers and web review portals are put into consideration as well. Also, before the proposal of the recommendations and an implementation plan, the evaluation of the alternative was constructed.

The alternatives were evaluated, examined and tabulated objectively to identify the importance, feasibility, effectiveness and impact of each alternative. Widely used decision criteria framework is applied, the ratings refers to the performance of each alternative based on the decision criteria respectively. The numbers range from 5 to 1, where 5 means high, 4 above average, 3 average, 2 below average and 1 low.

Criteria	<u>Alternative 1</u> Aggressive campaign and promotion lunch to promote the company as a strong, effective and efficient brand.	Alternative 2 Training and development for employees to gain specific knowledge and skills as regards customer service so as to enhance customers experience.	monitoring and evaluation of all social media platforms so as to be well informed of customers
Cost Effective	3	3	3
Ease of Implementation	4	4	2
Business Impact	4	5	5
Total	11	12	10

2.7.1 Evaluation of Alternatives for Reputation and Perception

Table 3 Evaluation of Alternatives for Reputation and Perception

Based on the table above, it can be denoted that Alternative 2 is the most effective, visible and impactful amongst the alternatives, followed by alternative 1 and then alternative 3. Although all the alternatives are crucial and would collectively solve the issue of reputation and perception. Therefore it is proposed for the alternatives to be implemented concurrently following a strategic plan.

2.7.2 Evaluation of Alternatives for Management and Leadership Def	ects

Criteria	Alternative 1 Continuous training and development for managers and leaders in the company to acquire the necessary skills and knowledge	management structure on workflow and accountability.	provide direction,
Cost Effective	3	5	5
Ease of Implementation	3	5	4
Business Impact	4	5	5
Total	10	15	14

Table 4 Evaluation of Alternatives for Management and Leadership defect

Based on the table above, it can be denoted that Alternative 2 is the most effective, visible and impactful amongst the alternatives, followed by alternative 3 and then alternative 1. Although all the alternatives are crucial and would collectively solve the issue of reputation and perception. Therefore it is proposed for the alternatives to be implemented concurrently following a strategic plan.

#### 2.8 RECOMMENDATIONS

Based on careful examination of the problem alternatives as a solution to the problems, instead of having to choose one alternative, below are recommendations on solutions to the problem.

#### 2.8.1 Recommendations for Reputation and Perception

In regards to reputation and perception, customer service, low product quality and high price was deduced as the sources of the clustered problem. There are three distinctive alternatives proposed to collectively solve the issue of reputation and perception. At the foremost part of this paper, it is acknowledged that Jumia is one of Africa's largest online shopping stores with a strong brand recognition which translates to having a high market share and profitability.

Foremost, the first alternative suggests that Jumia should aggressively campaign and promote the company as a strong, effective and efficient brand. Due to the numerous customer reviews of product quality and service which has affected Jumia reputation, it is crucial that Jumia plan and execute an aggressive marketing campaign to redeem their reputation and perception of the brand. For instance, Jumia can launch a campaign of refund and warranty on mostly electronics products, this will give the customers an inch of trust on the brand. When trust is built, Jumia reputation and perception will be corrected gradually. The campaigns should be launched in all various social media platforms and other forms of media to enable a fast dissemination of information.

Secondly, the second alternative suggests that training and development should be conducted for the employee at the customer care department. Employees should be made to pass through training and development inorder to gain specific knowledge and skills as regards customer service so as to enhance customers experience. The training and development are majorly for the customer care team, since the major issues are analysed from poor customer service. The required training and development would be mainly a practicalised based training, the training will focus on analysing how to respond swiftly to various issues presented by the customers and maintaining calmness in situations whereby the customer is aggressive in the choice of statement.

Lastly, the third alternative suggests that there should be Constant monitoring and evaluation of all social media platforms so as to be well informed of customers dissatisfaction and needs. In the present age of technology savviness, customers are noted to be more expressive on social media as regards their satisfaction in situations, hence Jumia needs to be well informed of the comments and dissatisfaction of customers since information on social media are widely spread. Jumia can employ the use of Business analytical tools to filter customer's comments on social media. There are various business analytics softwares that retrieve data from one or more social media platforms and combine it in a repository, to be reviewed and analyzed.

#### 2.8.2 Recommendation for Management and Leadership Defect

In regards to management and leadership defects, leadership styles and management issues were diagnosed as the source of the clustered problem. There are three distinctive alternatives proposed to collectively solve the issue of Management and Leadership defects.

Foremost, it is important that Jumia's pool of talent should be well equipped with the right knowledge to do the job. The first alternative solution emphasized on Continuous training and development for managers and leaders in the company to acquire updated necessary skills and knowledge. The training enables the employees to be more efficient and better managers and leaders.

The second alternative suggests that Jumia should set forth a management structure on workflow and accountability. Employ hierarchical management which is a top-down pyramid structure, this approach allows for authority and performance of task. It gives a clear line of authority which makes those under the authority to be accountable for actions. In business management there is a structure of responsibility a manager must understand in order to be able to lead the employees into achieving the

organizational goals. Responsibilities such as Organize, Command, Control, Coordinate, Plan, Forecast. With those responsibilities, the manager is able to execute business plans. Although Jumia currently have an hierarchical management structure, however from the issues analysed, it is evident that the structure has not been effective in terms of principles and dealing with teams.

Lastly, the alternative structure suggested the deployment of transformational and transactional leadership style to provide direction, implementation of plans and motivate works. Leadership in a business environment goes more than just a figurehead title, it requires that leadership styles should be adopted in the management of plans and motivating of workers to fulfill their role.

## 2.9 IMPLEMENTATION PLAN

Based on the recommendations explained and elaborated in the previous section, the implementation plan was constructed and presented below.

	Year 1				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Reputation and Perception	Survey on customers disatisfaction and needs	Research on required training and development	Commence training and development	Review effectiveness of traing and development	
	Using analytical tool to retrieve data on social media	Begin campaign and promotion		Review customers service employee performance	
Management and Leadership Defect	Survey among employees as regard leadership and management	Research on required traings and development	Review employees performance	Review effectiveness of traing and development	
	Draft out various loop holes	Comment training and development			

Figure 16 Implementation plan

The management together with the leaders, strategic human resource and marketing team should set an introductory meeting to be brief and deliberate on the implementation of the plan. The goals for the meeting should be highlighted and deliberated upon so as to get the full cooperation of all parties involved in the implementation plan. Plans for the two problems will be run simultaneously as the issues are intertwined.

Upon the commencement of the year, plans for each quarter should be executed, there should be constant update and monitoring to ensure that plans are being followed through accordingly every quarter of the year.

#### a. <u>Reputation and Perception</u>

For the first quarter of the year, surveys should be carried out on customers dissatisfaction and needs. This is aimed to collate responses on customers' opinion on their general thoughts regarding the brand. Also the use of business analytical tools will be deployed to retrieve data on reviews and comments on social media. After which all these data has been collated and analysed, specific issues that need to be addressed will be drawn out.

For the second quarter, required training and development that can be used to tackle the issues drawn out would be researched on. Also this is the period where the company will launch an aggressive campaign and promotions that will give the company the opportunity to clear the negative reputation and perception of the customers and also to gain new customers.

In the third quarter, training and development should commence for the workers especially the customer service team. Lastly, in the fourth quarter, effectiveness of the training and employee performance should be reviewed to ascertain if the training conducted and campaign is effective.

#### b. Management and Leadership Defect

For the first quarter of the year, surveys should be conducted among the employees to analyse and draft out the loopholes in management and leadership. In the second quarter, required training and development that best tackle the issues drafted out should be researched on and also commenced in the same quarter.

For the third quarter, review of performance should be done to ascertain the effect of the training on the managers and leaders of the company and lastly in the fourth quarter, effectiveness of the training and development should be reviewed.

#### 2.10 CONCLUSION

In the case of reputation and perception, the analysed issues have given useful insights as shed light on the negative impact of bad reputation and perception especially on a strong brand in a competitive market. In order for Jumia to continue being the major and leading online shopping stores in Africa they need to understand the risk and danger in having a negative reputation and perception.

The analysis highlighted that the quality of service offered to a customer has an impact on online shopping business reputation because if customers are not satisfied they will switch to other competitors and will not recommend other people to purchase from their store, perhaps even bad-mouthing the store. This shows customer satisfaction mediates reputation.

Based on Part 2: case analysis it can be concluded that despite all the problems being analysed Jumia is growing and expanding progressively. However the problems analysed is an intending pitfall for Jumia if they fail to acknowledge these issues and work towards addressing and solving the issues. Being a business that involves so many processes, key principles of management and leadership style is essential to not only to the reputation and perception of the business but to the success and sustainability of the business.

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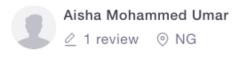
# APPENDICES

## APPENDIX 1 JUMIA CUSTOMER REVIEW

# **Overview**

Jumia has a consumer rating of **4.28 stars** from 62 reviews indicating that most customers are generally satisfied with their purchases. Consumers satisfied with Jumia most frequently mention customer service and fast delivery. Jumia ranks **21st** among **Electronics** sites.

Service	00000	9
Value	000000	9
Shipping	000000	9
Returns	00000	9
Quality	00000	9



## $\star$ $\star$ $\star$ $\star$

Jan 28, 2021

## I ordered on jumia global since...

I ordered on jumia global since November 2020 and its January 2021 and I still have not received my package. Infact jumia don't have a direct phone line to contact. U only write to them which they respond after three days. I tracked my order which showed that my item has arrived the destination country but all effort has proven difficult because i still dont know why my package has not been delivered yet.



## Good products mostly.

🔂 🔂 🔂 💽 💮 July 26th, 2020

Jumia has got good customer rating for quality products and customer service. Different sellers actually drop their products on this site and this is where the problem comes from. They do not have a good quality control check in place to test the authenticity and quality of this products. Hence, you would often get disappointed especially if you don't check reviews on products before ordering.

Comment 🝷   🎔 Thank you   Respond as company   < Share   🏲	Helpful (0)
∠ 1 review <sup>③</sup> NG	
★ ★ ★ ★ ★	Jan 28, 2021

## I ordered on jumia global since...

I ordered on jumia global since November 2020 and its January 2021 and I still have not received my package. Infact jumia don't have a direct phone line to contact. U only write to them which they respond after three days. I tracked my order which showed that my item has arrived the destination country but all effort has proven difficult because i still dont know why my package has not been delivered yet.

Very poor service. No direct contact number to complain. When u write to them, it takes three days or more for them to respond. Am never using Jumia again! I just want my paid for package to be delivered.

🖞 Useful 🛭 🗠 Share

## APPENDIX 2 AMAZON CUSTOMER REVIEW

## **Overview**

Amazon has a consumer rating of **4.24 stars** from 9,016 reviews indicating that most customers are generally satisfied with their purchases. Consumers satisfied with Amazon most frequently mention customer service, free shipping and prime member. Amazon ranks **5th** among Marketplace sites.

Service	00000	463
Value	00000	452
Shipping	00000	452
Returns	00000	377
Quality	00000	438

## APPENDIX 3 TAKEALOT CUSTOMERS REVIEW

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#### **Rusted quality**

"

I just bought a Wilson Staff golf bag for R2300 which was supposedly to come in "brand new condition", but it is rusted on the inside. And no where can I get in contact with a consultant for a refund or a replacement of the bag, it is appalling customer service. Can someone please refer me to...

#### Anonymous $\bigstar \Leftrightarrow \Leftrightarrow \Leftrightarrow \Leftrightarrow$

Don't buy party balloons from take alot they always send u old perished balloons...

III < A

"

Posted 1 day ago

#### Eichstedt ★ 🛧 🛧 🛧 🤣

Automated system is completely unprofessional, takealot make promises that the parcel will be delivered before 17:00pm, I received it at 21:30pm, after opening the parcel I found that the weed trimmer bull bar bracket is broken (packaging was also damaged), I had to go and Google for there contact details because it's not available on the takealot app (only automated nonsense), I spent too much on the item already then I still had to be placed on hold and listen to a bunch of adds while waiting, I decided to make a bracket myself out of fibreglass because this transaction already caused me two weeks of work and a further two to three weeks is not worth it, this is unprofessional and considered terrible business, if there was a -5 star rating I'll give it a -3, this rating is more suited just because a broken parcel actually found it's way to its destination and because this was a complete waste of R3000.

"

w < A

Posted 4 days ago

## APPROVAL PAGE

# TITLE OF PROJECT PAPER: GROWING PAINS OF JUMIA MARKETPLACE: A PAN-AFRICAN E-COMMERCE GROUP

## NAME OF AUTHOR : KUSIMO OLUWATOSIN REBECCA

The undersigned certify that the above candidate has fulfilled the condition of the project paper prepared in partial fulfillment for the degree of Master of Business Administration (Leadership).

SUPERVIS	OR			
Signature	:	 	 	
Name	:			
Date	:			

## ENDORSED BY:

Dean

Graduate School of Business Date: