

## **Nigeria E-Commerce Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)**

Market Report | 2023-01-23 | 100 pages | Mordor Intelligence

### **AVAILABLE LICENSES:**

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

### **Report description:**

The Nigerian e-commerce market is expected to register a CAGR of 12.24% during the period 2022-2027. The market is primarily driven by advanced infrastructure, high internet penetration, and a growing number of card-based payment systems.

#### Key Highlights

Nigeria's economy is moving toward cashless transactions, with digital payment and electronic banking being adopted across the country. Many transactions can now be completed electronically using a variety of new digital financial services platforms. With a 30 percent increase in 2021, the Nigerian eCommerce market contributed to the global growth rate of 29 percent. The development of electronic payments in Nigeria encourages payment service providers to enter the industry, which sees Nigeria as a viable market. Nigerian visitors increasingly use debit cards from local banks such as Citibank, Zenith, UBA, and Fidelity to make payments abroad in nations such as the United Kingdom, Germany, South Africa, and the United States.

The rise in fraudulent online activities, sometimes known as cybercrime, is one of, if not the most, significant constraints facing Nigerian online purchasing industries. Cybercrime is any criminal conduct carried out over the internet to defraud individuals of their property. People's e-wallets have been stolen, and phone numbers have been used for advertising illegal services, among other things.

The importance of excellent logistics in any business or industry cannot be overstated. Logistics is critical for creating visibility in the e-commerce supply chain and determining overall consumer satisfaction, efficiency, and service delivery. However, it is worth noting that it necessitates a great deal of skill and a complex network of multiple small systems.

Consumers stayed at home for a long time during the COVID-19 Pandemic due to movement limitations, which resulted in various behavioral modifications in the name of following rules and avoiding infection. These changes are primarily due to the product they purchased and how they bought it. At this time, consumers mainly purchased their basic and essential requirements through online shopping.

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

## Nigeria E-commerce Market Trends

### Penetration of Internet and Rise in online payments

The internet landscape in Nigeria is thriving, and it has one of Africa's most developed internet economies. Nigeria has the continent's largest population and one of the world's youngest. Nigeria boasts some of Africa's strongest network coverage and mobile communication infrastructure. The percentage of people who use the internet is currently above 70%, and it is expected to continue to rise.

According to various statistics, the number of smartphone users in Nigeria ranges between 25 and 40 million. Mobile devices are used to access the internet more frequently than desktop computers. In 2019, mobile devices accounted for over 70% of internet access, with this percentage considerably greater for online marketplace visits.

According to the National Communication Commission (NCC), most internet users are shoppers, and mobile network coverage is currently estimated at 77%. In Nigeria, 89 percent of internet users purchase online, with another 24 percent planning to do so in the near future.

To fully realize its digital potential and create millions of jobs, the government must continue to invest in infrastructure, enhance skills, and execute investment possibilities, among other things. Furthermore, the poor adoption of online payments in Nigeria, as well as the rest of Africa, may have an impact on digital commerce.

The total number of internet subscriptions recorded across mobile, fixed wired, and Voice over Internet Protocol (VoIP) as of April 2020 reached 138.7 million. This is, however, as broadband penetration, which drives internet access and connectivity, dropped from 39.90% in March 2020 to 39.58% in April 2020, according to the latest statistics released by the Nigerian Communications Commission (NCC), the telecoms industry regulator.

### Growing B2C E-commerce segment

Nigeria's economy pushes toward cashless payment as digital payment, and electronic banking are being implemented across most federation states. Currently, many transactions can be conducted electronically using several emerging digital financial services platforms.

The successful adoption of electronic payments in Nigeria is encouraging the entrance of payment service providers, which see Nigeria as a promising market. Debit cards from many local banks such as Citibank, Zenith, UBA, and Fidelity, are now used by Nigerian travelers to make payments in countries such as the United Kingdom, Germany, South Africa, and the United States. The demand for electronic transactions has attracted payment facilitators from Europe and Asia who invest in Nigerian electronic infrastructure projects. Nigeria's online commerce and financial technology are strengthened by a fast-growing youth population, expanding consumer power, and increased smartphone penetration.

Africa Internet Group owns online retailer Jumia and nine other e-ventures. Its best-known venture is online retailer Jumia, one of Africa's better-funded startups. Since its inception in Lagos in 2012, Jumia has operated in several other African countries, selling considered goods. In April 2019, Jumia was listed on the New York Stock Exchange (NYSE).

Konga (<https://www.konga.com/>), a competitor to Jumia, was set up in 2012 to sell a wide range of products, from home appliances to groceries. It merged with Yudala in May 2018 but continued to operate under the Konga brand name. In December 2016, Yakata, another competitor, reached over 155,000 orders, valued at nearly \$11 million for the month alone.

### Nigeria E-commerce Market Competitor Analysis

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

Nigeria's E-commerce market is highly fragmented in nature. Major players include Zikel Cosmetics, Soso games, SLOT Systems Limited, and Jumia International. These major players actively participate in partnerships and product innovations to gain regional market share.

April 2022 - Pan-African e-commerce platform Jumia has inked an exclusive partnership with franchise Domino's Pizza to reach more consumers. Jumia and Domino's anticipate significant business growth and build consumer convenience.

April 2022 - Rabat - 4PX, a Chinese logistics firm, has struck a partnership deal with Africa's leading e-commerce platform Jumia to expand their joint pool of customers on the African continent. The two logistics companies plan to start operations in Nigeria before expanding to Kenya, Egypt, and Morocco, under the new partnership.

Additional Benefits:

The market estimate (ME) sheet in Excel format  
3 months of analyst support

### **Table of Contents:**

#### 1 INTRODUCTION

- 1.1 Study Assumptions and Market Definitions
- 1.2 Scope of the Study

#### 2 RESEARCH METHODOLOGY

#### 3 EXECUTIVE SUMMARY

#### 4 MARKET INSIGHTS

- 4.1 Market Overview
- 4.2 Industry Attractiveness-Porter's Five Forces Analysis
  - 4.2.1 Bargaining Power of Suppliers
  - 4.2.2 Bargaining Power of Buyers/Consumers
  - 4.2.3 Threat of New Entrants
  - 4.2.4 Threat of Substitute Products
  - 4.2.5 Intensity of Competitive Rivalry
- 4.3 Key market trends and share of E-commerce of total Retail sector
- 4.4 Impact of COVID-19 on the E-commerce sales

#### 5 MARKET DYNAMICS

- 5.1 Market Drivers
  - 5.1.1 Adoption of Online mode of Payments
  - 5.1.2 Growing Penetration of Internet
- 5.2 Market Challenges
  - 5.2.1 Increase in Cybercrime
- 5.3 Analysis of key demographic trends and patterns related to E-commerce industry in Nigeria (Coverage to include Population, Internet Penetration, ecommerce Penetration, Age & Income etc.)
- 5.4 Analysis of the key modes of transaction in the E-commerce industry in Nigeria (coverage to include prevalent modes of

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

payment such as cash, card, bank transfer, wallets, etc.)

5.5 Analysis of cross-border E-commerce industry in Nigeria (Current market value of cross-border & key trends)

5.6 Current positioning of country Nigeria in the E-commerce industry in Africa

## 6 Market Segmentation

### 6.1 By B2C ecommerce

6.1.1 Market size (GMV) for the period of 2017-2027

6.1.2 Market Segmentation - by Application

6.1.2.1 Beauty & Personal Care

6.1.2.2 Consumer Electronics

6.1.2.3 Fashion & Apparel

6.1.2.4 Food & Beverage

6.1.2.5 Furniture & Home

6.1.2.6 Others (Toys, DIY, Media, etc.)

### 6.2 By B2B ecommerce

6.2.1 Market size for the period of 2017-2027

## 7 Competitive Landscape

### 7.1 Company Profiles

7.1.1 Zikel Cosmetics

7.1.2 JUMIA INTERNATIONAL

7.1.3 SLOT Systems Limited

7.1.4 Ajebomarket

7.1.5 Chrisvicmall

7.1.6 Obeezi Mall

7.1.7 Soso Games

7.1.8 BonAmour

7.1.9 PayPorte

## 8 Investment Analysis

## 9 Future Outlook of the Market

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

**Nigeria E-Commerce Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)**

Market Report | 2023-01-23 | 100 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

**ORDER FORM:**

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

\*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

\*\* VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-03-05"/>
		Signature	

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

