Trust Issues in Business to Customer Online Systems in Ebonyi State of Nigeria

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Abstract In developing countries like Nigeria, a big gap still exist between business owners and their customers with respect to online transactions. This problem is causing people their time since they have to leave other activities including work in order to be physically available at the business site to make transactions. The purpose of this work therefore is to investigate the reason behind the prevalent poor attraction of customers to the online market in this region, and to suggest possible solutions to relieve it. Result shows that users do not trust the online business in Nigeria. According to the respondents, some percentages of them has been defrauded on the online platform, others for some reasons do not trust or use it. *Practical implications*: The emergence of online businesses along with the use of the internet as its basic network has brought new concerns and risks in business-to-consumer (B2C) environment; consequently, trust is a fundamental factor in every e-commerce activity. In what concerns to the importance and the position of B2C business in e-commerce, researchers have paid more attention to this area and have strived to overcome challenges to build online trust (Namamian & Kamar, 2012). So trust in a B2C in e-commerce can be achieved if necessary measures are put in place to increase the site quality, security integrity and above all structural assurance and feedback platform. *Research limitations*: This research has been able to highlight the importance of building trust in the online environment along with the customer service, which is vital in online environment. It gives a deep insight on the importance of this particular area and further scope for research in the future. However, the following recommendation where made for further reconsideration: Further study could be conducted on the online environment factors because websites act as the primary contact with the customers; It would further be interesting to conduct research on online customer service; including more samples to develop the understanding in greater sense.

Keywords e-trust, e-commerce, business-to-consumer (B2C)

1. Introduction

Since the 90´s, business to consumer (B2C) electronic commerce has continued to grow in coverage and usability. This is evident in the many number of organizations that utilize the web today for promoting, marketing and transacting their products and services. More so, nowadays, with the advent of distributive content sharing platform such as peer to peer, reaching desired audience is easier and very affordable [1]. As expected, Business owners are taking advantage of this easy reach that the Internet offers to reach their customers without distance barriers.

Like most other inter personal relationship, trust is usually an enabling factor that enables any two parties to transact. You have some level of trust on your plumber for instance to have allowed him access to your house. Such trust could be gained in a number of ways, it could be based on his personal competence, or the reputation of his company, or similar factors. In likely manner, the website which serve as intermediary between business owners and their clients need to also portray some attributes of trust that will attract clients. Although this is not always the case, as most business websites are usually simple in design without adequate incentives targeted at

trust [2]. This is even more pronounced in developing countries like Nigeria, where a big gap still exist between business owners and their customers with respect to online transactions [3-5].

Unlike traditional shopping method where clients usually go to the business site for transaction, the online market is a bit more demanding because there is no physical view of the items to be purchased or other physical assessments that clients would base their trust. Most of these factors need to be translated into digitals and embedded on the business websites to boost trusts of customers who visit the site. They need reasonable assurance that the service or product they are asking for, will be delivered as expected. There is also need to assure them that the information they provide for the transaction will be kept private and safe; the manner in which these things are presented determine if they will be trusted or otherwise. So it is not just about typing them on the websites, but also they need to be structured correctly with convincing evidence.

Taking the banking sector as an example, which is the focus of our work, especially in developing countries such as Nigeria, a big gap still exists between the banks and their customers with respect to online transactions [3-5]. This problem is causing people their time, since they have to leave other activities including work, in order to be physically available at the business site to make transactions. It is not unusual to spend several hours at the banking hall due to the fact that there are usually too many customers to attend to. Most of the transactions the customers come to perform can however be done from the comfort of their homes and offices, but because they consider it non convincing or trustworthy enough, they prefer to come to the physical business area where they can get to interact physically with the staff.

Enterprises, especially banks have been challenged with this problem because it causes unnecessary crowdedness in their offices. They have adopted approaches such as creating awareness among their customers, but it seems to be yielding little fruits at the moment. We viewed this problem from the perspective of trust, and conducted this study to ascertain the validity of our view. As we shall be discussing subsequently, we reached out to divers categories of people to ascertain why they shy away from taking advantage of the online platform despite the fact that it would save them time and money. Our findings agree with our perception as it was found that very good percentage of the population do not trust the online system, and that is why they do not use it.

The basic methodology that has been applied in this work is questionnaires, sampling the views of various population sects to obtain their opinion on the subject. A cross-section of students, workers, as well as the less literate has been sampled.

To the best of our knowledge, the inhibitions that exist among customers in terms of embracing the online market in Nigeria has not been viewed from the perspective of Trust. The rest of the work is organized as follows, section 2 discusses an overview of trust, while section 3 illustrate the state of the art, followed by presentation of findings in section 4, section 5 presents possible means of encouraging trust in Nigerian online market, then section 6 contains conclusion and recommendation.

2. An Overview of Trust

Trust is very important in human life, most of our activities as men are anchored in trust. For example, we trust the bus driver when we get on board, and we also trust the bank when we deposit our money there. Individuals or agents can only transact if some form of trust is established. Although trust does not exactly mean security, it is required to establish some sense of security between agents [6]. Trust grows with time, usually based on the type of outcome that interactions between involved parties has produced over time; good outcome encourages trust, while negative result discourage it [7]. The many definitions of trust include this one from Chang, E., Dillon, T. S., & Hussain, F. K. (2005) [8], who defined it as "*the belief that the Trusting Agent has in the Trusted Agent's willingness and capability to deliver a quality of service in a given context and in a given Timeslot*". So it is necessary to have some catalyzing agents that would allow belief to thrive in order to enable trust, especially in a business-to-consumer online system.

Forms of Trust

Broadly speaking from the perspectives of how trust is formed, it can be placed under the following major headings [9]:

Direct Trust: As we have mentioned, trust builds over time, and could also be destroyed in a similar manner, but often quicker. Direct Trust refers to the kind of trust that the trustor builds on the trustee over a period of

time which they have interacted, so it is based on past interaction history. If an agent has maintained consistently good interaction record, then it is easy to draw some assertion from there when deciding whether or not to interact with them in the future. Direct trust therefore implies that a trustee has enough bases to make trust decision based on previous interactions it had with the trustor.

Indirect Trust: When agents are alien to each other with no past history together, a popular approach to initiate trust would be through indirect trust. It involves seeking and getting recommendations by the trustee about the trustor, from the trustee's known neighbor(s). In this case, the trustee's known neighbors serve as third party attesting to the behavior of the trustor. Based on gathered testimonies, a decision could be made either to engage the trustor in the transaction or to decline.

Hybrid System also exists, which combines direct and indirect trust methods. It is useful when the trustee does not have enough information to make decision concerning a trustor; probably because they have not interacted severally, or because the transaction involved is sensitive and a higher assurance is needed. Testimonies from neighbors as well as own interaction experience is combined to make decisions.

3. State of the Art

Trust is one of the most important factor in relationships. Our ability to be open and share some forms of resources with others is the basis of all social relationships. If we think about business relationships, interpersonal relationships, and others, we cannot exclude the fact that trust is one of the most important aspects to take into account. For instance, we may find it hard to do business with a person we do not trust, on the other hand we would free more free to do business with people we trust. As stated in [10] trust concept, in a generalized way, has been researched in different academic areas such as philosophy, psychology, management, and economics [11-16]. Despite recent studies showing that "trust in the security of the Internet is still weak" [17], it is common knowledge that people spend more time on the internet nowadays than ever. Some of the activities people develop online include buying and selling, among other transactions. Regarding the success of Business to Customer (B2C) e-commerce transactions, trust assumes a key role [18]. French, T., & Opatola, K. (2010) [19] focused on how two sub-cultures in Nigeria perceive trust. According to their findings, the two sub-cultures in Nigeria (namely, Yoruba and Igbo) actually perceive trust differently, and cultures where found to have considerable influence on their perception. Our work has a different focus, which is not how trust is perceived, but how the perceived trust influence B2C in Nigeria, with a peculiar focus on Ebonyi State, which is one of the States where the Igbo people reside.

4. Summary of the Survey

In this section, we are going to present the analysis/summery of the survey carried out on the course of this work.

Table 1: Personal data of respondents

Gender	Frequency	% Distribution
Male	32	64
Female	18	36
Total	50	100
Age	**No of Respondents**	**% Distribution**
21-30	26	52
31-40	12	24
41 and above	12	24
Total	50	100
Academic Qualification	**No of Respondents**	**% Distribution**
SSCE	24	48
OND/NCE	12	24
HND/BSc	10	20
MSc	4	8
Ph.D.	0	0

Total	50	100
Occupation	**No of Respondents**	**% Distribution**
Lecturer	4	8
Civil Servant	12	24
Student	24	48
Others	10	20
Total	50	100
Response Rate	**No.**	**Percentage**
Number Returned	50	83.3
Number unreturned	**10**	**16.7**
Number Administered	**60**	**100**

The result in table 1 above shows that 64% of the respondents were male, while 36% were female. It further reveals that 52% of respondents fall within the age of 21-30 years, while 24% fall within the age of 31-40 years, and the remaining 24% were aged 41 years and above. 48% of the respondents were seen to have Senior Secondary Certificate (SSCE) as their highest qualification. 24% have National Diploma (OND), 20% attained first degree (HND/BSc), while 8% have MSc and above. 8% of the respondents were shown to be lecturers by occupation, 24% are civil servants, 48% are students, while 20% fell under the 'others' category. The questionnaire return rate was 83.3%.

Table 2: How do you shop for your basic needs?

Responses	No. of Respondents	% Distribution
Go to Shopping mall/market	24	48
Shop online	18	36
Send another person	8	16
Total	50	100

The analysis in the table 2 shows that only 36% of the respondents shop for their basic needs online. Others either go to shopping mall/market or send another person to shop for them.

Table 3: Have you shopped online before?

Responses	No. of Respondents	% Distribution
Yes	18	36
No	32	64
Don't know	0	0
Total	50	100

Here we observe that only 36% of the respondents have shopped online before, others have never shopped online; implying that online shopping is still uncommon in the study area. Note that these people have access to the business owners' websites, but probably did not gather the confidence to transact with them.

Table 4: If yes, was the transaction successful and were you satisfied as a customer?

Responses	No. of Respondents	% Distribution
Yes	8	44.4
No	10	55.6
Total	18	100

Table 4 shows that 44.4% of those who have shopped online were satisfied, while 55.6% did not record satisfaction in their online transactions. This is attributable either to their own inadequacies or the ineffectiveness of the online transaction systems they used.

Table 5: Were there provision for customer care help line and active response to complaints on the online shopping?

Responses	No. of Respondents	% Distribution
Yes	6	33.3
No	0	0
There was, but not satisfactory	12	66.7
Total	18	100

From this analysis, only 33.3% of the respondents appear to be comfortable with the customer care avenue

encountered in their online transaction. 66.7% of the respondents disclosed that even though there was Customer Care Avenue in the online transaction system used, they were not comfortable with the response they received for their complaints.

Table 6: How often do you transact with web based vendors?

Responses	No. of Respondents	% Distribution
Very Often	3	16.7
Sometimes	8	44.4
Rarely	7	38.9
Total	18	100

As shown in table 6, among the people who were seen to use online transaction, only 16.7% transact very often with web based vendors. 44.4% transact sometimes while 38.9% rarely do so.

Table 7: How was payment made for transaction with the web based vendors/shopping?

Responses	No. of Respondents	% Distribution
Through the website	2	11.1
Bank	10	55.6
Payment on delivery	6	33.3
Total	18	100

According to the information on table 7, only 11.1% have paid through the website in the course of their online transaction, 55.6% pays through the bank while 33.3 pay upon delivery. This implies low trust among the customers on the vendors.

Table 8: Do you trust online business especially with unfamiliar vendors?

Responses	No. of Respondents	% Distribution
Yes	0	0
No	7	38.7
Fairly	11	61.3
Total	18	100

From table 8, non among the respondents appear to have reasonable trust on online business vendors. While 61.3% have just fair trust, 38.7% do not always have trust at all on the online business vendors.

Table 9: Have your personal identity or financial information been stolen by hackers?

Responses	No. of Respondents	% Distribution
Yes	3	16.7
No	8	44.4
Not really	7	38.7
Total	18	100

Analysis in table 9 implies that 16.7% have had either their personal identity or financial information stolen by hackers. While 44.4% have not had such experience, 38.7% of the respondents appear to be uncertain about whether their information or identities have been hacked or not. This could be as a result of mismanagement of information by the business owners who have the websites.

Table 10: The first time you visited and explored an e-commerce website, was it satisfactory and trust worthy?

Responses	No. of Respondents	% Distribution
Yes	8	44.4
No	10	55.6
None	0	0
Total	18	100

Table 10 shows that 44.4% were satisfied the first time they visited and explored an e-commerce website. However, 55.6% were not.

Table 11: Do you think that promoting online business to customer transactions is needful in Nigeria?

Responses	No. of Respondents	% Distribution
Strongly agree	11	61.3
Agree	7	38.7
Disagree	0	0
Total	18	100

The information presented in table 11, indicates that 61.3% of the respondents strongly agree to promote online business to customer transactions, while 38.7% agrees to same. No responder disagreed to this, showing that they also appreciate the convenience it offers, but are just reluctant to use them based on trust.

Table 12: Do you read feedback from other customers before proceeding with online transactions?

Responses	No. of Respondents	% Distribution
Yes	15	83.3
No	3	16.7
Total	18	100

From table 12, 83.3% of the respondents read feedback from other customers before proceeding with online transactions, while 16.7% do not.

Table 13: If yes, does the feedback influence your choice of proceeding with the transaction or otherwise?

Responses	No. of Respondents	% Distribution
Yes	13	86.7
No	0	0
Not really	2	13.3
Total	15	100

Table 13 shows that among those who read other customers' feedback before proceeding with online transactions, 86.3% get influenced while 13.3% do not get influenced and as such would proceed with transaction without really minding the feedback from other customers. This also shows that not everyone believes that the feedbacks represent the true virtues of the business, meaning that there could be bias in the rating.

Table 14: Which of the following signs could enhance your trust on a vendor if found on their website?

Responses	No. of Respondents	% Distribution
Padlock sign	0	0
Visa	1	5.6
Cartoon	0	0
Real Address	10	55.6
Real pictures	7	38.8
No idea	0	0
Total	18	100

This section of the response agrees with the ideas of the authors of (Namamian & Kamar, 2012) who have opined that connection to physical location is very important. 5.6% of the respondents chose Visa as the sign that would enhance their trust on online vendors. 55.6% chose Real Address while 38.8% chose Real Pictures sign.

Table 15: In your view, how good has online business been to customer system in Nigeria?

Responses	No. of Respondents	% Distribution
Excellent	0	0
Good	8	44.4
Poor	10	55.4
Very poor	0	0
Total	18	100

Analysis in table 15 relates to how good the online business has been to customers in Nigeria. On this, 44.4% of the respondents opined that it has been good while 55.4% claim that it has been poor. Showing that there is still a long way to go for business owners in terms of gaining the confidence of their online customers.

Table 16: Which secure payment do you think best suites a shopping website?

Responses	No. of Respondents	% Distribution
PayPal	0	0
MasterCard	12	66.7
Cash on delivery	6	33.3
Total		100

Surprisingly, but understandably though, respondents in the study area are not used to PayPal, this is due to the fact that their service is not popular in Nigeria. 66.7% of the respondents preferred MasterCard as the best suited

payment system for shopping websites, while 33.3 percent opted for cash on delivery, again due to online phobia.

Table 17: Do you think online business could be used to enhance economic development in Nigeria?

Responses	No. of Respondents	% Distribution
Yes	39	78
No	0	0
Not really	11	22
Total	50	100

From table 17, 78% of the respondents think that online business could be used to enhance economic development in Nigeria, with the remaining 22 percent not sure of their stand.

5. Possible Means of Encouraging Trust in Nigerian Online Market

From the forgoing therefore, it is evident that online shopping system is not trusted by the populace, we therefore recommend that business owners in Nigeria should consider enhancing online trust via Human Computer Interface (HCI). Including some elements such as seals, Trust signs, Physical address, rich media, all contribute to boosting the trust of users on Business websites. It is also very important to capture cultural views of the local people on the websites so as to appease their taste, and encourage trust. The risk of loss of information or money should also be minimized, as this on its own also builds trust, and encourages adoption of the online market [20-21].

6. Conclusions and Recommendations

We have studied the situation of things in the B2C, from the perspective of trust in Nigeria. A cross-section of respondents were studied using questionnaires. Accordingly, trust was found to be a stumbling block on the path of enhanced B2C relationship in Nigeria. Based on the gathered feedback, some suggestions has been made, which hopefully would boost the peoples' trust and confidence in the online market. Cultural values need to be reflected on B2C websites in other to attract more local traffic. Studies continue on the best methods of capturing diverse cultural views of the Nigerian people in the B2C websites that target the indigenous people.

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