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Cross-Border E-Commerce and Traditional Retailers in Zambia: Insights from Amazon, Alibaba, and Jumia

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Abstract

Over the past years, cross-border e-commerce activities have increased rapidly worldwide thanks to digital advancements. This phenomenon has offered consumers significant benefits, particularly in terms of product variety and competitive pricing. However, the impacts of cross-border e-commerce on traditional retail in Zambia still remain underexplored. It is for this reason that this study investigated the influence that international platforms such as Amazon, Alibaba, and Jumia have on consumer behavior and retail competitiveness in Zambia. A qualitative research design was employed in the study. This involved 15 semi-structured interviews with traditional retailers in Lusaka and Ndola, as well as 2 focus group discussions with policymakers and industry representatives. The government publications, industry reports, and peer-reviewed literature were used to obtain secondary data that would provide more context and triangulation. The data were then analysed by using thematic analysis in order to identify the underlying patterns and themes in consumer behavior. The findings of the research revealed that middle-aged consumers are the most active participants in cross-border e-commerce. It established that affordability and product variety played a key role in driving the adoption of e-commerce services. Besides, the problems of consumer trust are found to be aggravated by delays in delivery, quality issues of the products, and inefficient consumer protection systems. Traditional retailers also reported experiencing increased price competition, changing consumer preferences, and reduced customer traffic as a result of the growing preference towards e-commerce services. Overall, evidence confirmed that cross-border e-commerce is indeed reshaping consumer habits in Zambia, despite the structural weaknesses in the retail sector. As such, policy reforms are needed to help address regulatory fragmentation, improve logistics and customs processes, and strengthen digital payment interoperability. For local retailers, adopting hybrid models such as click-and-collect provides a better opportunity to improve competitive advantage by leveraging both consumer trust in physical stores and the convenience of digital platforms.

1. Introduction

1.1 Background of the Study

Technological advancement has led to the rise and widespread use of e-commerce, facilitating cross-border transactions. E-commerce is “the trading of goods and services through digital platforms” (Huang & Lin, 2023). It allows businesses to reach customers beyond their physical locations. In Africa, for instance, countries like Kenya and Nigeria have successfully capitalized on their strong digital financial services and logistics to expand their e-commerce industries (Celestin et al., 2024). Platforms such as Alibaba, Amazon, and Jumia offer international digital marketplaces that support e-commerce (Mthembu et al., 2019).

Globally, the leading online marketplaces include Amazon, Alibaba, and Jumia, which make available to consumers a wide variety of goods in different regions. Amazon is the world’s largest e-commerce giant, providing a variety of products, a fantastic logistics network, and customer service innovations. Based in China, Alibaba is a wholesale and retail trade company that connects buyers with manufacturers around the world through AliExpress and Taobao (Huang & Lin, 2023). Jumia, considered Africa’s largest e-commerce platform, caters to regional markets by offering localized products and integrating mobile payment solutions. These platforms have influenced consumer purchasing habits in Zambia by offering greater product variety, competitive pricing, and digital convenience.

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Amazon, Alibaba, and Jumia have also influenced Zambian consumers' purchasing habits by enabling them to access a larger selection of foreign goods at cheaper prices. Nevertheless, the lack of a seamless cross-border e-commerce implementation is limited by some challenges like exorbitant shipping prices, delivery delays, and logistical inefficiencies (Shemi, 2023). According to the International Trade Administration (2023), Zambia's limited warehousing infrastructure, inefficient supply chains, and high import tariffs increase the cost and complexity of cross-border trade, making e-commerce less attractive for both businesses and consumers.

NEPAD (2021) highlights that weak digital payment systems and consumer concerns over product authenticity contribute to lower adoption rates of e-commerce in Zambia. The platform has partnered with third-party logistics and mobile payments to localize its operations. However, Celestin et al. (2024) report that these efforts have not fully resolved issues related to variable service quality, product availability, and fulfillment inefficiencies. Therefore, it is important to consider the current and future viability of cross-border e-commerce in Zambia, considering global platforms, as these shape consumer preferences and purchasing decisions

According to the International Trade Administration (2023), digital financial services play an important role in supporting online transactions in Zambia. For instance, mobile money made 14.8 billion USD of transactions in 2022 (International Trade Administration, 2023). The movement towards financial inclusion and the decreased cost of digital commerce are linked to the widespread use of mobile money services, particularly in urban and peri-urban areas. Consequently, there has been a notable rise in consumers engaging in digital commerce (Celestin et a., 2024). Despite this progress, research on the sustainability of cross-border e-commerce models, especially those leveraging social media marketing, remains limited. Currently, many businesses utilize platforms like Facebook, Instagram, and WhatsApp to reach both domestic and international customers (Shemi, 2023).

The NEPAD (2021) presents digital platforms as a means of promoting e-commerce products, creating jobs, and increasing economic growth. But the report also notes that the sector is poorly structured because there is no form of well-worded regulatory framework. Such inconsistencies have been caused because of a lack of clear policies on e-commerce taxes, consumer protection, and trade regulations. Regulatory gaps need to be addressed to allow Zambia to realize maximum economic gain off digital trade.

1.2 Problem Statement

While the sector is growing globally, cross-border e-commerce in Zambia remains relatively new, with only a few businesses able to scale their operations effectively (Celestin et al., 2024). Zambia continues to lag behind its regional peers because of factors like weak internet penetration, fragmented mobile payment systems, and limited logistics infrastructure. For example, Zambia's internet penetration was 56.8% in 2022, significantly lower than in other countries such as Kenya and Nigeria (ZICTA, 2023). This situation restricts SMEs' ability to effectively participate in digital trade and integrate with international payment systems. Additionally, inconsistent tariffs, customs delays, and inadequate regulatory safeguards reduce the competitiveness of Zambian businesses (International Trade Administration, 2023). Furthermore, the poor enforcement of intellectual property (IP) law makes consumers doubt information regarding product authenticity as well as brand protection. As such, consumers remain hesitant to adopt cross-border e-commerce due to concerns over counterfeit goods, fraud, and a lack of effective consumer protection (NEPAD, 2021; Kala, 2023).

1.3 Objectives

Main Objective

To evaluate the impacts of Zambian cross-border e-commerce enterprises that implement social media marketing approaches.

Specific Objectives

- To analyse the development trajectories of e-commerce businesses that use social media marketing and their impact on traditional retailers.
- To determine the impact of customer loyalty in cross-border e-commerce on traditional retailers.
- To examine how operational and logistical expenses in cross-border e-commerce influence the competitiveness of traditional retail models.

2 Literature Review

2.1 Theoretical Framework

Consumer behavior theories and organizational efficiency models are the best way to explain the sustainability of the cross-border e-commerce in Zambia. Therefore, this study focuses on three fundamental frameworks to investigate the sustainability of e-commerce enterprises through the cross-border model in Zambia. These include the Unified Theory of Acceptance and Use of Technology (UTAUT), the Transaction Cost Economics (TCE), and the diffusion of innovations (DOI) theory.

Williams et al. (2015) indicate that the Unified Theory of Acceptance and Use of Technology (UTAUT) can be used to evaluate customer behaviour in digital markets. This model indicates that "the customer adoption of e-commerce is affected by performance expectancy, effort expectancy, social influence, and facilitating conditions" (Williams et al., 2015, p. 445). The research on consumer trust in cross-border transactions reveals that security, logistical efficiency, and convenience of payment systems affect customer loyalty (Huang, 2022; Yuwen et al., 2022; Yang & Lin, 2022). In Zambia, though, predisposing factors like the cost of the internet, network coverage, and cross-portability of mobile money services seem to be better predictors of adoption as compared to performance expectation. This is unlike the developed market, where people adopt it because they expect convenience and efficiency (Huang and Lin, 2023). Therefore, UTAUT offers an effective framework that needs to be contextualized to describe the situation in Zambia, where infrastructure is the main obstacle (Shemi, 2023).

The transaction cost economics (TCE) theory supplies the critical base of international e-commerce sustainability. According to Ketokivi and Mahoney (2020), "businesses and consumers make purchasing decisions based on transaction costs such as search, negotiation, and enforcement" (p. 1013). According to Sleuwaegen and Smith (2020), poor country consumers avoid cross-border transactions because of the additional costs and uncertainty. The high costs of cross-border transactions "limit Zambia's adoption of e-commerce due to the lack of digital and logistical infrastructure" (Xiao et al., 2022, p. 4). Therefore, companies with good logistics and strategic alliances to deal with the transaction cost problem in the regional supply chain are more likely to survive. This theory, in Zambia, highlights the reason why globalized business models such as Alibaba, with consolidated logistics and massive operations, attract a larger number of customers than local businesses that are disintegrated.

Finally, the Diffusion of Innovations (DOI) theory provides a useful framework for analysing how new business models and technology proliferate in a society (Haryanti & Subriadi, 2020). According to the DOI theory, the five elements that influence the adoption rate are relative advantage, compatibility, trialability, complexity, and observability. To embrace cross-border e-commerce, businesses need to have a competitive edge compared to business cases of traditional retail, be able to make local payments and deliveries, and use a handy purchasing streamlining. Therefore, since internet connection is costly in Zambia, and digital literacy degrees differ from those of other African nations, such as Kenya and South Africa, cross-border e-commerce tends to be less common in this particular country (Robb &Vilakazi, 2020; NEPAD, 2021). This theory helps highlight the factors contributing to the decreased willingness among Zambians to use cross-border e-commerce, in addition to emphasising the need for regulatory reform to spread it further.

2.2 Cross-Border E-Commerce Trends

Across the world, cross-border e-commerce is growing, and Africa is a big market because of the penetration of the internet and mobile financial services. International Trade Administration (2023) discusses how Alibaba, Amazon, and Jumia have facilitated cross-border transactions in African countries. Its incorporation of localised logistics and digital payment solutions has allowed Jumiato grow in various African countries, including Zambia.

However, Robb and Vilakazi (2020) reveal some variations in success. For example, Jumia has achieved good market penetration in Nigeria and Kenya due to its better digital infrastructure. Zambia's cross-border e-commerce market faces challenges in logistics and consumer trust, which hinder its growth. Celestin et al. (2024) noted that digital platforms can drive economic growth in Zambia. However, they are unsuccessful because of weak infrastructure support and ill-equipped regulatory frameworks.

Cross-border e-commerce in Africa is one of the defining characteristics of regional trade partnerships and economic agreements that enable international transactions. The African Continental Free Trade Area (AfCFTA), which seeks to lower tariffs and facilitate trade across African nations, will likely facilitate cross-border e-commerce by reducing the cost and speed of international transactions (Obeng-Odoom, 2020). According to Geda and Yimer (2022), countries with well-integrated regional policies on trade achieve higher e-commerce growth because fewer trade barriers allow more companies in the cross-border market to participate in trading.

Zambia has not maximised the available provisions offered by AfCFTA, particularly because of logistical inefficiencies and a lack of clarity on import/export regulations for trade flows. "Even though cross-border e-commerce is gradually expanding, many small and medium-sized enterprises (SMEs) engaging in cross-border e-commerce continue to face customs delays, high taxation, and lack of enforcement of trade policies, limiting the sector's growth" (Obeng-Odoom, 2020, p. 169). Removing the regulatory barriers would help Zambian businesses compete better in the global digital marketplace.

Consumer preference and behaviour, particularly in emerging markets, are other important factors in developing cross-border e-commerce. According to Huang (2022), consumers in developing economies often prefer to shop from well-established global platforms because of the concern about product quality, fraud, and after-sales services. Currently, consumer trust is a major challenge in the context of global e-commerce in Zambia. Despite having a lot of interest in e-commerce, many Zambians refrain from making online purchases, fearing that the goods will be fake and delivery services will be unreliable (Shemi, 2023).

Unlike in markets such as South Africa, where consumer protection laws and refund policies that have increased trust in online transactions are in place, Zambia does not have a comprehensive legal framework to enforce online consumers' rights and to resolve transaction-related disputes (Boateng & Sarpong, 2019). Under present arrangements, if businesses trade across borders, they may struggle to retain their customers' confidence, affecting the overall sector. Consumer trust has become increasingly important in determining the sustainability of Zambia's cross-border e-commerce industry as digital financial services and logistics networks continue to improve.

2.3 Infrastructure Deficiencies

Zambia's e-commerce sector's main challenge is the lack of developed infrastructure, ranging from digital connectivity to transport networks and payment systems. According to Kala (2023), Zambia is not technologically advanced enough to support cross-border transactions. This is at a disadvantage compared to regional leaders in Kenya and South Africa. Broadband is lacking for business and enabling businesses and customers to fully participate in digital commerce due to expensive data plans, inability to participate in the digital interchange due to frequent internet outages and infrequent access to basic broadband service. As per NEPAD (2021), Zambia has a low internet penetration rate compared to the rest of Africa, and this has been a challenge for companies to create trustworthy online platforms and carry out real-time transactions.

The inefficiency of electronic payment methods also makes the issue worse. Zambian customers widely use mobile money services such as MTN Mobile Money and Airtel Money. However, these systems do not always work with foreign e-commerce websites, which limits customers' access to worldwide markets. Unlike Kenya, where M-Pesa is a useful tool for e-commerce (Shemi, 2023), Zambia's mobile payment solutions are fragmented and lack interoperability across borders. Due to their inability to handle payments this poses a significant obstacle for companies looking to grow globally. Businesses are discouraged from engaging in digital transactions and customers from making online purchases due to the vulnerability of online payment gateways.

Logistical Inefficiencies

Cross-border e-commerce in Zambia is affected by supply chain and transportation problems, in addition to digital infrastructure. Customers are discouraged from making purchases abroad by the exorbitant shipping charges, unreliable delivery networks, and ineffective customs clearance procedures (Shemi, 2023). While global e-commerce platforms have been able to localise their transportation networks in more advanced African markets, Zambia's weak transportation facilities and lack of last-mile delivery solutions pose problems. The World Bank (2024) ranks Zambia's logistics performance lower than neighbouring countries, reflecting inefficiencies in freight services, warehouse management, and distribution networks.

High import tariffs and customs delays further complicate cross-border trade. Unlike South Africa, which has regional hubs that make import processes easier due to trade agreements, Zambia's customs regulations are inconsistent and unpredictable (International Trade Administration, 2023). Unexpected tariff hikes in e-commerce businesses often result in unexpected costs that have to be absorbed by the seller or passed on to consumers. Also contributing to the lack of trust on the part of consumers is the uncertainty created by land borders, where delays occur and poor tracking systems that affect delivery timelines. Celestin et al. (2024) show that shipping times in Zambia are among the longest in Africa for buying goods from international platforms versus local retail options.

Regulatory Challenges

Due to the absence of a well-defined regulatory framework for e-commerce in Zambia, there is uncertainty surrounding businesses and consumers (Celestin et al., 2024). Although government policies on taxation, consumer protection, and digital trade are documented, the enforcement and compliance requirements remain inconsistent (Imwiko, 2024). According to the International Trade Administration (2023), Zambia does not have clear guidelines on e-commerce taxation, which means that businesses cannot easily determine what taxes they owe if they are doing cross-border trade. As a result, businesses may face unexpected tax penalties, which discourage investing in the sector.

Another major gap in Zambia's e-commerce landscape is consumer protection laws. Unlike in South Africa, where digital trade regulations are robust to protect the buyer, Zambia has no strong enforcement mechanisms to hold digital traders who provide fake goods or deliver substandard services to account (Kala, 2023). Many consumers are sceptical about purchasing from an online store because the chances of acquiring a defective product, refunds, or disputes against the merchant are still uncertain. Cross-border e-commerce business is not easy without strict legal safeguards; it is difficult for businesses to build consumer trust, which is necessary for the business to grow.

Additionally, Zambia has not fully integrated into regional e-commerce policies, such as the African Continental Free Trade Area (AfCFTA), which seeks to make digital trade across African borders easier (Imwiko, 2024). Other countries have already started implementing policies aligned with AfCFTA's provisions. Zambia is behind in adopting digital trade regulations, which places it at a disadvantage in the regional e-commerce landscape (Imwiko, 2024). Addressing these regulatory gaps would boost business confidence and enhance Zambia's competitiveness in the global electronic economy.

Impact on Traditional Retailers

The rise of cross-border e-commerce has changed consumers' shopping habits by making it easier to purchase a variety of products at a competitive price (Al-Fawwaz, 2022). Nevertheless, studies indicate that traditional retailers are changing their game through hybrid business models (Huang & Lin, 2023). For example, traditional retailers adapting to the online market in South Africa are strategically incorporating both online and physical stores for successful competition (Al-Fawwaz, 2022).

However, the transition has been slower in Zambia. According to NEPAD (2021), local retailers are financially and technologically limited in adopting e-commerce solutions. Studies present that traditional businesses in Zambia face digital literacy troubles that hinder their capacity to take on cross-border platforms (Shemi, 2023). While these challenges are faced, some traditional stores in Zambia have started exploring partial digital integration to stay in the game. However, in recent times, larger retail chains and highly established companies have started embracing social media marketing, mobile payment options, and basic e-commerce operations to retain digitally connected consumers (International Trade Administration, 2023).

Most smaller retailers continue to rely more on real retail transactions because of inadequate internet access and a lack of technical expertise with the digital 'stores' at an affordable cost. While traditional retailers in Kenya or South Africa have been able to capitalise on offerings like Jumia and Takealot to reach out to more customers, most Zambian retailers continue to rely on physical store sales. This slow adoption of digital transformation worries that traditional retail businesses will be unsustainable in the long term. This is such a supreme change in big consumer preferences to the convenience and diversity of online shopping.

2.4 Literature Gaps and Contribution of This Study

Despite the increased studies on the adoption of e-commerce in Africa, Zambia is not well represented in empirical research. A lot of the current literature is dedicated to the digital leaders like Kenya, Nigeria, and South Africa (Mthembu et al., 2019; Celestin et al., 2024). There are not many studies that critically assess how Zambian SMEs, who use social media platforms to access cross-border markets, circumvent the challenges of operations, infrastructures, and regulations. Additionally, in contrast to the wide application of theories such as UTAUT, TCE, and DOI in the global context, very little has been done to explore their applicability in low-digital-literacy environments such as Zambia.

3 Methodology

3.1 Research Design

A qualitative research design was used to study cross-border e-commerce effects in Zambia through qualitative and quantitative methods. The design was chosen to enable an in-depth exploration of consumer experiences, business practices, and regulatory perspectives of the changing e-commerce environment in Zambia that cannot be adequately captured through quantitative analysis. A case study approach focusing specifically on Amazon, Alibaba, and Jumia was employed during the study. These platforms were selected because they are the most significant drivers of cross-border e-commerce in the Zambian market. The research evaluated scholarly works together with industry reports, government publications, and market analyses to understand existing knowledge in this field.

Purposive sampling was applied in this research to ensure that the selected participants had direct experience in terms of using e-commerce services. A total of 15 semi-structured interviews were conducted with owners and managers of traditional retail businesses in Lusaka and Ndola. Additionally, two focus group discussions were held with a total of 10 participants, including policymakers from the Ministry of Commerce, Trade and Industry and representatives of industry associations. This approach was chosen because of its ability to capture perspectives from both businesses and regulators. This is very necessary when it comes to providing a holistic understanding of the Zambian e-commerce sector.

3.2 Data Collection Methods

The research data collection involved using structured questionnaires along with interviews and focus group discussions as primary data methods. Such research approaches enabled researchers to detect comprehensive insights regarding consumer attitudes alongside their struggles and behavior patterns for international e-commerce. The research focused on three essential groups of stakeholders, which included consumers together with business owners, and policymakers. Reliable secondary data was obtained from Zambia's Ministry of Commerce, Trade, and Industry and from NEPAD (2021), International Trade Administration (2023), and peer-reviewed journal articles, together with the ministry. The documents delivered essential information about trade regulations and policy frameworks, and digital infrastructure, because these elements affect e-commerce sustainability in Zambia.

Statistical information stemming from government and trade institutions aided the assessment of vital market indicators, including e-commerce penetration rates and mobile money uptake, as well as shipping expenses. The research relied on recent publications from the previous six years to maintain validity and reliability. The research analysed academic and policy-related studies that presented modern market realities and current market dynamics.

3.3 Data Analysis

Thematic analysis was applied to qualitative data from both interviews and focus groups in order to identify common patterns of insight. Statistical Package for the Social Sciences (SPSS) was used to process quantitative data, which produced descriptive statistics and inferential statistics. The quantitative analysis through SPSS produced numerical data for validating statistical results about consumer activities and market patterns. The research methods worked together to create a solid interpretation between numerical data and experiential findings, thus strengthening the validity of the study's findings.

3.4 Ethical Considerations

The research process followed ethical integrity standards in every step. Informed consent was obtained from all participants prior to participating in the questionnaires and interviews. The research used only participant responses for its purposes and protected their confidentiality by guaranteeing anonymity. Participation in the study was entirely voluntary, and respondents were informed of their right to withdraw at any time without consequence. Secondary data sources received proper citation and reference treatment, which followed academic integrity guidelines. The study prevented plagiarism by properly attributing sources, which helped maintain its credibility as well as scholarly rigor.

4 Findings and Analysis

4.1 Demographic information

Age Distribution

The results indicate that individuals aged 40–55 years were the most active participants in cross-border e-commerce (35%), followed by the 30–40 years group (28%). Younger respondents aged 18–30 and those 55 and above were equally represented at 18%.

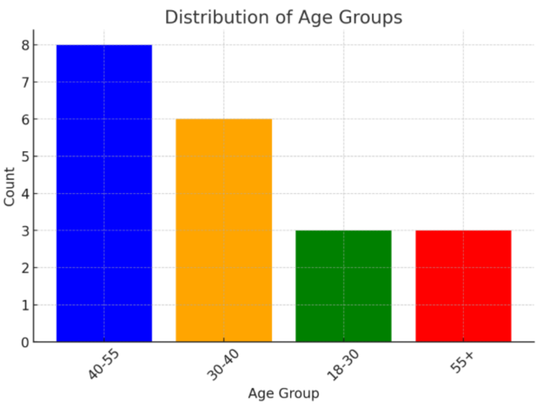

Figure 1: Age Distribution of Respondents

This finding shows that middle-aged consumers are the dominant cross-border shoppers. The disparity can be attributed to the generally higher incomes and greater digital literacy among middle-aged consumers.

Gender Distribution

The findings reveal that males (60%) were more active in cross-border e-commerce compared to females (40%).

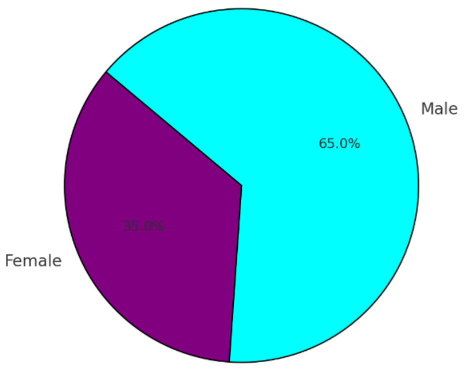

Figure 2: Gender Distribution of Respondents

This disparity suggests that men are more likely to engage in international digital shopping, possibly due to differences in purchasing behavior and risk perception.

4.2 Online Shopping Frequency

More than half of the respondents (53%) reported shopping online rarely. Regular shoppers accounted for 26%, while about 16% shopped occasionally, and 5% never shopped online. This is shown in figure 3.

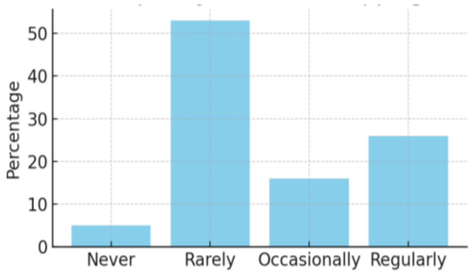

Figure 3: Frequency of Online Shopping

To examine the association between consumers' preference for online shopping and its impact on customer loyalty, a Chi-Square test of independence was conducted and crosstabulation of variables was done as shown in figure 3a and 3b.

Table 1a: Cross tabulation: Prefer Online* Perceives sales decline

	Perceives Sales Decline: No	Perceives Sales Decline: Yes	Total
Prefer Online: No	9%	5%	14%
Prefer Online: Yes	9%	77%	86%
Total	18%	82%	

Table 1b: Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	4.189a	1	.041		
Continuity Correction	2.188	1	.139		
Likelihood Ratio	4.408	1	.036		

The Pearson Chi-Square value was 4.189 with a significance level of .041 ($p < .05$). This indicated a statistically significant association between a preference for online shopping and the perception that traditional retailers face a decline in sales. The trend indicates that the growth (trajectory) of e-commerce is directly linked to a primary challenge for traditional retailers.

4.3 Preferred E-Commerce Platforms for Cross-Border Purchases

Alibaba was the most frequently used platform (45%), followed closely by Amazon (40%). Some respondents (15%) reported using both interchangeably.

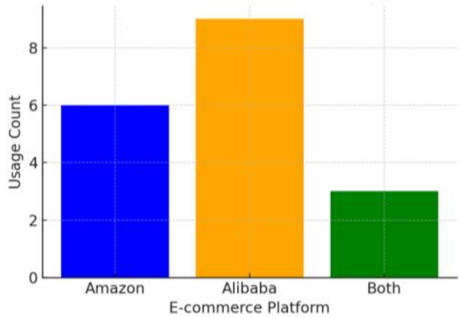

Figure 3: Preferred Platforms for Cross-Border Purchases

The dominance of Alibaba suggests that affordability and a wide variety of products are major drivers for consumers.

4.4 Factors Influencing Cross-Border E-Commerce Purchases

Affordability and product variety were identified as the most influential factors (70% and 60%, respectively). Convenience (45%) and security (30%) were important but secondary.

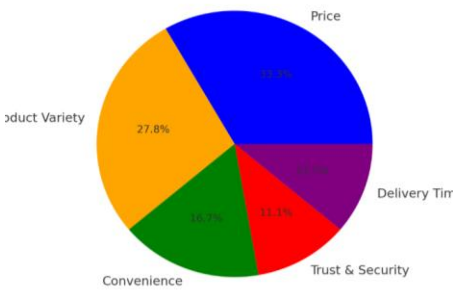

Figure 4: Factors Influencing Cross-Border Purchases

4.5 Issues Faced in Cross-Border Transactions

About 50% of respondents reported experiencing issues when purchasing from international platforms. The most common challenges include delivery delays (35%), product quality concerns (25%), and difficulties with returns and refunds (20%). Meanwhile, the other 50% of respondents reported smooth transactions, indicating a division in consumer experiences.

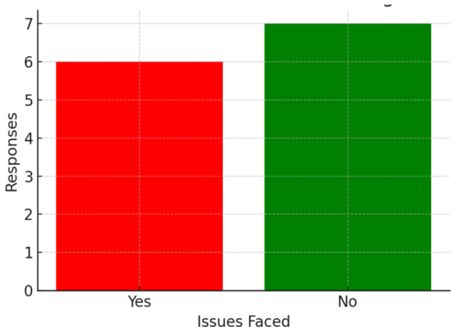

Figure 5: Issues Faced in Cross-Border Transactions

4.6 Preference for Online vs. Local Retail Shopping

A slight majority (55%) preferred online shopping, while 45% favored traditional stores.

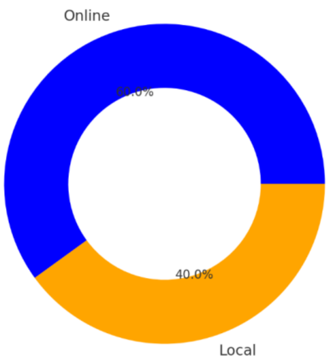

Figure 6: Preference for Online vs. Local Shopping

This slight difference suggests that physical retail locations remain relevant for certain purchases, particularly those requiring immediate availability or in-person verification

4.7 Impact of Cross-Border E-Commerce on Local Shopping Habits

A majority (60%) of respondents indicated that their shopping habits have changed due to cross-border e-commerce, shifting towards international platforms. However, 40% still frequently shop locally.

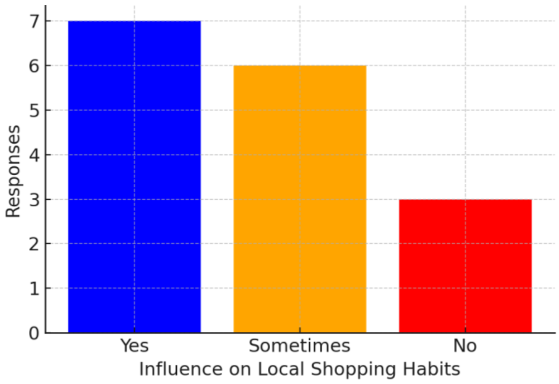

Figure 7: Impact of Cross-Border E-Commerce on Local Shopping Habits

This suggests that factors such as cultural familiarity, local business loyalty, and trust still influence purchasing decisions.

4.8 Challenges Faced by Traditional Retailers

Retailers identified price competition (50%), shifting consumer preferences (30%), and reduced foot traffic (20%) as major challenges.

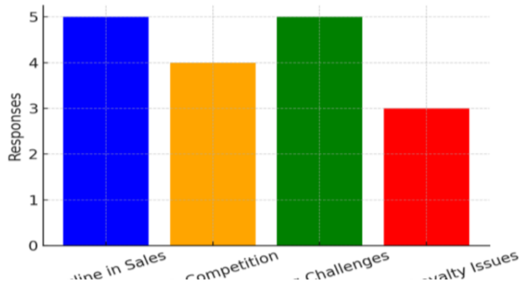

Figure 8: Challenges Faced by Traditional Retailers

This shows that retailers who integrate omnichannel strategies may have better resilience against online competitors.

Table 2: Thematic Analysis Codebook

Theme	Description	Example Quote	Freq.
1. Competitive Pressure & Market Decline	E-commerce seen as interfering with local retailers through its lower prices and broader market reach.	"It has brought a lot of competition to traditional retailers"; "Kills local markets".	10
2. Shift in Consumer Expectations	E-commerce perceived as setting new standards in terms of product variety and convenience.	"...has altered customer expectations"; "People shift in the way they shop because online platforms are very convenient and accessible".	6
3. Need for Adaptation and Digitalisation	Traditional retailers acknowledge that they must improve their services, such as through digitalisation, to remain relevant.	"Compels local retails to improve in service delivery"; "Sensitization of digitization of services to traditional retailers is needed".	5
4. Product Variety and Quality	Consumers highlight the uniqueness and superiority of e-commerce platforms.	"access to state of the art technology and diverse clothing preferences"; "Delivery time and unique of products".	4
5. Risks and Drawbacks of E-commerce	Concerns are raised about e-commerce platforms in terms of fraud, poor quality, and financial risks.	"Sometimes you can loose your money to unscrupulous people"; "It has brought more harm than good".	3

The thematic analysis strongly supports all the three objectives of the study. Regarding Objectives i and ii, data show that the establishment of e-commerce is highly perceived as a disruptive force , as captured in Themes 1, 2, and 4. This disruption is seen in terms of loss of the market position of traditional retailers and alteration of customer loyalty through affordability, convenience, and variety. Objective iii is reflected in Theme 3, where adaptation and digitalisation are identified as necessary strategies for continued survival of traditional retailers. However, Theme 5 highlights that risks and inefficiencies, particularly in terms of perceived fraud, delays, and poor consumer protection, limit the ability of traditional retailers to compete effectively in the new market setting.

4.9 Discussion

The results of this paper point out key demographic, behavioral, and structural dynamics that define cross-border e-commerce in Zambia. The dynamics can be understood only in the context of the theories of consumer behavior and the frameworks of sustainability reviewed above.

Demographics and Trends of Adoption

The age and gender distributions indicate that middle-aged consumers (40-55) are major consumers of cross-border e-commerce, whereas younger and older consumers are under-represented. This is in line with the Unified Theory of Acceptance and Use of Technology (UTAUT) presented by Williams et al. (2015), which highlights that the adoption is highly predictable by the presence of such facilitating conditions as financial resources and digital literacy. Participants in the middle age group in Zambia have more chances to integrate the purchasing power with the proper technological knowledge, and younger consumers are not able to buy because of financial constraints, as well as older groups do not use digital tools (Shemi, 2023). The male-participation skew is reminiscent of Jones and Li (2020), who observe that risk-taking and knowledge of international digital markets can frequently shape early adopters.

Preferences and Costs of Platforms

The market dominance of Alibaba indicates the demand of consumers in low prices and diversification. The TCE can be a helpful tool in this situation, as the Zambian consumers will reduce the expenditures spent on the product search and price comparison by selecting platforms offering more concentrated assortments and favourable prices (Ketokivi and Mahoney, 2020). The dependency on Alibaba, however, is an indicator of the structural disadvantage of local retailers, unable to compete with such economies of scale. This goes in line with the post by Sleuwaegen and Smith (2020) that the high cost of transactions in less developed markets limits the competitiveness of local retailers.

Hurdles of Trust and Logistics

Consumer issues such as delivery, product quality, and problems with returns consolidate the previous literature as trust and logistical capacity are the focal point of the cross-border e-commerce hindrance in Africa (Huang, 2022; World Bank, 2024). In terms of a Diffusion of Innovations (DOI) lens, these impediments delay adoption by decreasing the relative advantage perceptions and observability (Haryanti and Subriadi, 2020). Although half of the participants expressed that they prefer to shop online, the quality issues and difficulty in receiving a refund prove that the appreciation of cultures and confidence in local stores continue to play a critical role in determining the buyers' purchasing pattern (Boateng and Sarpong, 2019).

The Impact on Traditional Retailers

Competition is becoming equally tough in the traditional retailers, with price undercutting and changing consumer preferences becoming the most radical challenges. Such results resonate with Al-Fawwaz (2022) and Ranjan (2024), who also focus on the fact that e-commerce across borders influences the customers of the physical shops by providing cheaper prices and a greater variety. Nevertheless, this has been further worsened by the slow uptake of hybrid models by Zambian retailers (NEPAD, 2021). In contrast to South Africa, where retailers have adopted the omnichannel strategy, Zambian companies are still largely dependent on in-store purchases, and thus, they are vulnerable to digital disruption.

Policy and Strategic Implications

The findings of this research highlight the urgency of regulatory clarity and infrastructure building in promoting the digital trade environment. Inconsistent online money transactions and disjointed logistics add to the cost of transactions and demoralise trust, restricting the ability of Zambia to join the African Continental Free Trade Area (AfCFTA) (Obeng-Odoom, 2020; Imwiko, 2024). To policymakers, this implies focusing on regulatory change, tariff harmonisation, and subsidising last-mile logistics solutions. To the retailers, the results imply that consumer trust is a competitive resource. Through the existing community associations and by implementing hybrid forms of click-and-collect, the Zambian retailers can reduce the losses to foreign systems and provide convenience and reliability that the global companies cannot offer.

Theoretical Contribution

Moreover, the research is useful in advancing the existing literature by showing that theories traditionally used to explain consumer behavior in the Western context, like UTAUT, TCE, and DOI, can also be applied to explain consumer behavior in developing countries like Zambia. For instance, facilitating conditions associated with UTAUT, such as data affordability and interoperability of mobile money, are greater determinants of e-commerce adoption than the performance expectancy. Equally, TCE points out that consumers in low-infrastructure settings experience high logistical costs and fraud issues disproportionately. This highlights why there is a need to adapt these theoretical frameworks in ways that can be applied in the emerging economies, such as in the developing countries, where institutional and infrastructural challenges are key determinants of digital adoption.

Limitations

There are several limitations recognised in this study. First, the sample was mostly urban-based, with Lusaka and Ndola being the major areas, and thus might not be reflective of the rural experience of consumers and retailers, given that internet penetration is less in rural settings. Second, due to the use of purposive sampling, the findings may not be generalised because the subjects were not chosen randomly but instead on their relevance. Third, the qualitative design offers richness of insight but cannot be extended to draw causal and generalized statistical conclusions. Future studies should then consider using a nationally representative sample to capture different segments of consumers, especially the rural ones. Furthermore, longitudinal research is advisable to understand the role of changing infrastructure, regulatory change, and regional trade agreements like the AfCFTA in promoting the adoption of cross-border e-commerce in Zambia as time goes by. Other comparative research with other African economies may also yield a more comprehensive perspective on regional similarities and differences in adoption patterns of e-commerce.

5 Conclusion and Recommendations

This examined how e-commerce across borders had impacted the conventional retailers in Zambia, especially with reference to the role of Amazon, Alibaba, and Jumia. Findings indicate that the affordability and product variety are the primary factors to encourage consumers to use the international platform, whereas logistical inefficiency, the delay of the delivery, and product quality concerns are still major barriers to the adoption. The middle-aged consumers become the most active consumers, whereas men tend to be more active in international online shopping than women.

The findings affirm that e-commerce across national borders has already started to transform the behavior of consumers in Zambia, with most of the respondents indicating that their shopping habits have been changing to online stores. Meanwhile, the price competition and declining customer loyalty are the growing pressures that the traditional retailers have to face. These dynamics highlight the applicability of transaction cost economics, the UTAUT model, and the diffusion of innovations theory in describing the adoption patterns of Zambia, though with crucial contextual modifications.

To the policymakers, the research shows the dire necessity to tackle the issue of regulatory fragmentation, simplify the customs procedures, and ensure the appropriate consumer protection measures to develop trust in online purchases. Digital infrastructure, mobile money system interoperability, and last-mile logistics need to be invested in to reduce transaction costs and make e-commerce more inclusive. In the case of retailers, a hybrid business model, including click-and-collect services, presents the way to access consumer confidence in the local store and compete on the level of convenience and accessibility.

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