



DEMAND-SIDE MARKET POWER AND STRATEGIC ORDERING DELAYS: EVIDENCE FROM THE AUTO-SPARE-PARTS WHOLESALE INDUSTRY IN THE LADIPO MARKET AREA OF LAGOS

By

EMENIKE, Nnaemeka Ikedichi
University of Lagos, Akoka

ABSTRACT

This research examines the effects of buyer market power on ordering delays in auto-spare parts wholesaling business operations in the Ladipo markets region in Lagos, Nigeria. This research will be carried out on the assumption that big customers can use their negotiating power to engage in certain practices in addition to using pricing as a means of securing better deals, including but not limited to ordering delays, fragmented orders, delays in restocking and conditional negotiations. Buyer power, transaction costs and postponement in the chain of logistics are theories used in this research. An empirical study conducted through a primary survey employing a structured questionnaire will serve as the research methodology to gather data from the target population of 120 auto-spare parts wholesalers in the selected geographical area. Data analysis techniques included descriptive statistics, validity and reliability test, correlation test and OLS regression. Findings show positive relationship between demand side market power and ordering delays while high levels of ordering delays negatively predict good supplier relations as well as poor performance measures in the wholesale industry. The findings indicate that demand side market power influences the strength of the bargaining power of buyers but excessive ordering delay could become counterproductive due to shortage in inventory among other problems.

KEYWORDS: Buyer Power; Strategic Ordering Delay; Auto Spare Parts; Ladipo Market; Wholesale Distribution; Supplier Relationship; Lagos; Primary Data.

INTRODUCTION

Auto-spare-parts markets occupy a strategic position in urban transport economies because they support vehicle trading systems. The well-known Ladipo auto-spare-parts trading market in Lagos is renowned for serving as the source of supply of auto parts available for trade in the market in an unstructured way (Agunbiade, 2022). According to the historical sources, the Ladipo auto spare parts market has grown into a large market after it was initially just the local one. It consists of a complex structure of trades, services offered by the supplier intermediaries, dependence on imported products, price fluctuations, a wide variety of auto spare parts, and negotiations.

Market power possessed by the buyer plays an important role in the discussed type of markets. Traditionally, market power referred to the ability of the supplier to control the price and output level. Market power, known also as buyer power in the case of wholesale markets, can be described as the ability of the buyer to manipulate the transaction conditions in his favor through the ability to switch to another supplier, bulk buys, frequent ordering, and negotiation. (Chen, 2007; OECD, 2022). For example, when dealing with the auto spare parts trade, a buyer might exert his market power by negotiating for better prices, more convenient trade terms, postponing the order, splitting it among various suppliers, etc.

Strategic order timing refers to the postponing of the order or reordering of stocks in order to obtain better information about prices, obtain a favorable negotiating position, and avoid exchange



rate risks and wrong sizes of stock. From the perspective of supply chain management, ordering delay provides additional time for the observations of the possible uncertainties regarding the demand for particular goods. However, the ordering delay might create a lot of pressure on the supplier and cause a shortage of the products. Therefore, the main research question will be, "What effect does the demand-side market power of the buyer produce on the timing of orders placed?"

This article will conduct an investigation of the stated problem based on primary data collected from the wholesalers in the Ladipo auto spare parts market. This paper aims to achieve the following objectives: to determine the effect of buyer demand-side power on ordering delays; to analyze the effect of ordering delays on supplier relationship quality; to estimate the impact of both variables on wholesalers' performance. In terms of its structure, this article would represent the empirical analysis, including presentation of demographics of the surveyed sample and questionnaire design and testing.

LITERATURE REVIEW

Demand-side market power in wholesale markets

A buyer's ability to obtain better terms in comparison to other buyers when purchasing is referred to as "demand-side market power" or "buyer power." Unlike monopsony market power, the latter has varying implications for the exercise of the buyer depending on whom the buyer exercises it against. For example, Chen (2007) argues that exercise of the buyer's power over small suppliers improves the welfare, whereas exercise of the buyer's power over the powerful suppliers creates a welfare loss.

There are several forms of buyer market power that are utilized by the buyers in wholesale markets. They include bulk buys, presence of substitute products, reputation power, commitment to the purchase in the future, customer power, and coordination in association. The abovementioned buyer powers would be relevant to the investigation of the demand-side market power in the Ladipo auto spare parts market.

Strategic ordering delays and timing power

Order postponement is usually caused not by the buyer's inability to make a decision on time. Instead, the buyers usually choose to postpone the order because of uncertainties, high costs of enforcement of agreements, and special uses of assets (Williamson, 1985). Such uncertainties could be related to the demand and supply of products. Particularly in informal markets, such as the Ladipo market of auto spare parts, a buyer postpones his orders due to the cost involved.

However, the postponement of the order could be detrimental for the supplier because delivery time plays a crucial role for supply chain pressures, pricing, and fulfillment of orders. In such cases, buyer demand-side market power through order postponement might lead to order delay, which might serve as timing power for the buyer.

Auto-spare-parts wholesaling and informal market coordination

Wholesalers sell auto spare parts. These auto spare parts vary in brand, origin, and abundance and, thus, speed of movement. As a consequence, wholesalers deal with fast-moving and slow-moving auto spare parts. Wholesaling involves selling the parts purchased from suppliers to customers in the environment of rapid information flow.



Theoretical framework

For the research, three main theories would be used. Demand side market power refers to the influence the downstream buyer exerts on the upstream supplier through the buying volume, switching costs, and ability to negotiate (Chen, 2007; OECD, 2022). Next, transaction cost economics would explain why uncertainties and enforcement costs might force the buyer to postpone the order. Finally, supply chain postponement theory explains that postponing order commitment in the conditions of demand uncertainty might be useful for the buyer since he obtains gradual improvement in information (Caliskan Demirag et al., 2021). Therefore, a positive correlation between market power and ordering delays would exist.

However, the results would be determined by whether it is beneficial for wholesalers.

Conceptual Model and Hypotheses

According to the developed conceptual model, market power affects ordering delays among wholesalers. Further, ordering delays result in changes in the quality of the relationship with the supplier and affect the wholesalers' performance. At the same time, market power might have a direct impact on the wholesalers' performance by affecting the trade terms, prices, and availability of difficult-to-obtain products. In contrast, ordering delays might hinder performance.

H₀₁: Demand-side market power has no significant effect on strategic ordering delays among auto-spare-parts wholesalers in Ladipo market.

H₀₂: Strategic ordering delays have no significant effect on supplier relationship quality among auto-spare-parts wholesalers in Ladipo market.

H₀₃: Demand-side market power and strategic ordering delays have no significant joint effect on wholesale performance in the Ladipo auto-spare-parts market.

METHODOLOGY

As a methodology of the quantitative research, a cross-sectional survey would be chosen. This kind of design was appropriate for solving the research question in the paper, as the goal was to explore wholesalers' opinions regarding the phenomenon. A structured questionnaire was an appropriate data collection instrument due to its focus on behavior and perceptions.

The study targeted auto-spare-parts wholesalers located at the Ladipo market grounds in the state of Mushin, Lagos. This group was selected because it was positioned between the importer, supplier, retailer, mechanic, and the final consumer. As a result, wholesalers had buyer power and used strategic order timing. The sample included 120 respondents.

Purposive sampling was chosen for selecting the respondents. The reason was the absence of a full sampling frame for wholesalers in the studied area. The questionnaire consisted of five parts. The section A contained questions on the respondents' characteristics. Section B was related to measures of buyer demand-side market power. Section C was related to strategic ordering delays.

Section D presented measurements of the quality of the relationship with the supplier. Finally, the last section contained measurements of wholesaler performance. Respondent agreement with each question was rated on the five-point Likert scale, where those who agreed gave scores ranging from 4 to 5, while those who disagreed gave scores ranging from 1 to 3. The validity of



data was ensured by its correspondence with buyer power, order timing, and supply chain relationship literature. Reliability was checked with the help of the Cronbach's alpha test.

Data Presentation and Analysis

Preamble

This section presents the primary-data results for the study. It begins with questionnaire distribution and demographic characteristics of respondents, followed by item-level response distributions, descriptive statistics for the constructs, reliability results, correlation analysis, and regression-based hypothesis testing. The total usable sample is 120 wholesalers.

Table 1: Questionnaire distribution and response rate

Item	Frequency	Percentage
Questionnaires administered	150	100.0
Questionnaires returned	127	84.7
Invalid/incomplete questionnaires	7	4.7
Usable questionnaires	120	80.0

The response analysis shows that 150 questionnaires were administered to auto-spare-parts wholesalers, 127 were returned, and 120 were usable for analysis. The usable response rate of 80.0% is adequate for a primary survey and provides a reasonable basis for descriptive and regression analysis.

Table 2: Demographic and business characteristics of respondents

Demographic variable	Category	Frequency	Percentage
Gender	Male	100	83.3
Gender	Female	20	16.7
Age of respondent	18-25	3	2.5
Age of respondent	26-35	31	25.8
Age of respondent	36-45	51	42.5
Age of respondent	46-55	23	19.2
Age of respondent	56 and above	12	10.0
Years in business	Less than 5 years	17	14.2
Years in business	5-10 years	48	40.0



Years in business	11-15 years	27	22.5
Years in business	Above 15 years	28	23.3
Role in business	Owner/Managing Director	52	43.3
Role in business	Wholesale Manager	24	20.0
Role in business	Purchasing Officer	25	20.8
Role in business	Sales/Inventory Supervisor	19	15.8
Product line	Engine parts	26	21.7
Product line	Body parts	18	15.0
Product line	Electrical parts	26	21.7
Product line	Suspension/brake parts	29	24.2
Product line	Mixed spare parts	21	17.5
Main supply source	Mostly imported	82	68.3
Main supply source	Mixed local and imported	30	25.0
Main supply source	Mostly local	8	6.7
Average monthly turnover	Below N1 million	14	11.7
Average monthly turnover	N1m-N5m	45	37.5
Average monthly turnover	N5m-N10m	38	31.7
Average monthly turnover	Above N10m	23	19.2

The demographic profile indicates that the sample is dominated by male respondents, reflecting the gendered structure of auto-spares-parts wholesaling in the study area. Most respondents fall within the 26-45 age bracket and have operated for at least five years, suggesting that the responses are drawn largely from experienced traders. The dominance of imported and mixed supply sources confirms that exchange-rate movements and import logistics are relevant to ordering decisions in the market.



Table 3: Response distribution for Demand-side market power

Statement	SA (%)	A (%)	U (%)	D (%)	SD (%)	Total
Major buyers in Ladipo can pressure suppliers to reduce prices.	22 (18.3)	48 (40.0)	45 (37.5)	5 (4.2)	0 (0.0)	120 (100)
Suppliers accept longer payment or delivery terms because they do not want to lose key buyers.	23 (19.2)	46 (38.3)	41 (34.2)	9 (7.5)	1 (0.8)	120 (100)
Wholesalers with large customer networks can easily switch from one supplier to another.	18 (15.0)	54 (45.0)	41 (34.2)	7 (5.8)	0 (0.0)	120 (100)
Bulk purchasers influence the timing and quantity of supplies received from suppliers.	25 (20.8)	54 (45.0)	35 (29.2)	6 (5.0)	0 (0.0)	120 (100)
Buyer groups and informal	21 (17.5)	54 (45.0)	38 (31.7)	7 (5.8)	0 (0.0)	120 (100)



trader associations strengthen bargaining power in the market.						
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The responses for demand-side market power show a generally high level of agreement, with item means ranging from 3.67 to 3.82. This indicates that respondents recognise the relevance of this construct in the Ladipo wholesale environment. The pattern suggests that market behaviour is shaped by bargaining power, timing decisions, supplier reactions and performance pressures.

Table 4: Response distribution for Strategic ordering delays

Statement	SA (%)	A (%)	U (%)	D (%)	SD (%)	Total
I sometimes delay placing orders in order to observe price and exchange-rate movements.	19 (15.8)	53 (44.2)	42 (35.0)	6 (5.0)	0 (0.0)	120 (100)
I postpone restocking when I expect suppliers to reduce prices or improve trade terms.	16 (13.3)	53 (44.2)	44 (36.7)	6 (5.0)	1 (0.8)	120 (100)
Ordering delay is used strategically to negotiate better discounts from suppliers.	20 (16.7)	50 (41.7)	41 (34.2)	9 (7.5)	0 (0.0)	120 (100)



I split or postpone orders across suppliers to avoid dependence on a single supplier.	26 (21.7)	46 (38.3)	37 (30.8)	11 (9.2)	0 (0.0)	120 (100)
Strategic ordering delay helps wholesalers manage uncertainty in demand and inventory costs.	21 (17.5)	47 (39.2)	42 (35.0)	10 (8.3)	0 (0.0)	120 (100)

The responses for strategic ordering delays show a generally high level of agreement, with item means ranging from 3.64 to 3.73. This indicates that respondents recognise the relevance of this construct in the Ladipo wholesale environment. The pattern suggests that market behaviour is shaped by bargaining power, timing decisions, supplier reactions and performance pressures.

Table 5: Response distribution for Supplier relationship quality

Statement	SA (%)	A (%)	U (%)	D (%)	SD (%)	Total
Frequent ordering delays can weaken trust between wholesalers and suppliers.	11 (9.2)	46 (38.3)	47 (39.2)	16 (13.3)	0 (0.0)	120 (100)
Suppliers become less willing to grant credit when buyers delay orders repeatedly.	13 (10.8)	40 (33.3)	56 (46.7)	11 (9.2)	0 (0.0)	120 (100)



Suppliers respond negatively when buyers use ordering delay mainly as a bargaining tactic.	12 (10.0)	43 (35.8)	50 (41.7)	13 (10.8)	2 (1.7)	120 (100)
Strategic delays can reduce supplier willingness to reserve scarce parts for a wholesaler.	9 (7.5)	43 (35.8)	51 (42.5)	17 (14.2)	0 (0.0)	120 (100)
Good communication can reduce the negative effect of delayed orders on supplier relationships.	13 (10.8)	37 (30.8)	57 (47.5)	13 (10.8)	0 (0.0)	120 (100)

The responses for supplier relationship quality show a generally high level of agreement, with item means ranging from 3.37 to 3.46. This indicates that respondents recognise the relevance of this construct in the Ladipo wholesale environment. The pattern suggests that market behaviour is shaped by bargaining power, timing decisions, supplier reactions and performance pressures.

Table 6: Response distribution for Wholesale performance

Statement	SA (%)	A (%)	U (%)	D (%)	SD (%)	Total
Strategic ordering delay improves profit margins when market prices are unstable.	15 (12.5)	48 (40.0)	45 (37.5)	10 (8.3)	2 (1.7)	120 (100)



Ordering delay can reduce stock-out losses when demand is uncertain.	20 (16.7)	48 (40.0)	41 (34.2)	11 (9.2)	0 (0.0)	120 (100)
Excessive delay in ordering can reduce sales because customers may not find needed parts.	14 (11.7)	52 (43.3)	45 (37.5)	9 (7.5)	0 (0.0)	120 (100)
A balanced ordering strategy improves inventory turnover and cash-flow performance.	21 (17.5)	36 (30.0)	54 (45.0)	9 (7.5)	0 (0.0)	120 (100)
Wholesalers that combine bargaining power with timely ordering perform better than those that over-delay.	16 (13.3)	40 (33.3)	56 (46.7)	7 (5.8)	1 (0.8)	120 (100)

The responses for wholesale performance show a generally high level of agreement, with item means ranging from 3.52 to 3.64. This indicates that respondents recognise the relevance of this construct in the Ladipo wholesale environment. The pattern suggests that market behaviour is shaped by bargaining power, timing decisions, supplier reactions and performance pressures.



Table 7: Descriptive statistics for Demand-side market power

Statement	N	Mean	Std. Deviation
Major buyers in Ladipo can pressure suppliers to reduce prices.	120	3.73	0.809
Suppliers accept longer payment or delivery terms because they do not want to lose key buyers.	120	3.67	0.900
Wholesalers with large customer networks can easily switch from one supplier to another.	120	3.69	0.797
Bulk purchasers influence the timing and quantity of supplies received from suppliers.	120	3.82	0.820
Buyer groups and informal trader associations strengthen bargaining power in the market.	120	3.74	0.815

Using the decision rule that a mean of 3.00 and above indicates agreement, all items under demand-side market power record mean scores above the threshold. This confirms that the construct is empirically relevant to the respondents. The standard deviations show moderate variation, implying that although respondents generally agree, individual experiences differ depending on business size, supplier access and product specialisation.



Table 8: Descriptive statistics for Strategic ordering delays

Statement	N	Mean	Std. Deviation
I sometimes delay placing orders in order to observe price and exchange-rate movements.	120	3.71	0.793
I postpone restocking when I expect suppliers to reduce prices or improve trade terms.	120	3.64	0.807
Ordering delay is used strategically to negotiate better discounts from suppliers.	120	3.67	0.842
I split or postpone orders across suppliers to avoid dependence on a single supplier.	120	3.73	0.907
Strategic ordering delay helps wholesalers manage uncertainty in demand and inventory costs.	120	3.66	0.865

Using the decision rule that a mean of 3.00 and above indicates agreement, all items under strategic ordering delays record mean scores above the threshold. This confirms that the construct is empirically relevant to the respondents. The standard deviations show moderate variation, implying that although respondents generally agree, individual experiences differ depending on business size, supplier access and product specialisation.



Table 9: Descriptive statistics for Supplier relationship quality

Statement	N	Mean	Std. Deviation
Frequent ordering delays can weaken trust between wholesalers and suppliers.	120	3.43	0.837
Suppliers become less willing to grant credit when buyers delay orders repeatedly.	120	3.46	0.809
Suppliers respond negatively when buyers use ordering delay mainly as a bargaining tactic.	120	3.42	0.875
Strategic delays can reduce supplier willingness to reserve scarce parts for a wholesaler.	120	3.37	0.819
Good communication can reduce the negative effect of delayed orders on supplier relationships.	120	3.42	0.826

Using the decision rule that a mean of 3.00 and above indicates agreement, all items under supplier relationship quality record mean scores above the threshold. This confirms that the construct is empirically relevant to the respondents. The standard deviations show moderate variation, implying that although respondents generally agree, individual experiences differ depending on business size, supplier access and product specialisation.



Table 10: Descriptive statistics for Wholesale performance

Statement	N	Mean	Std. Deviation
Strategic ordering delay improves profit margins when market prices are unstable.	120	3.53	0.879
Ordering delay can reduce stock-out losses when demand is uncertain.	120	3.64	0.868
Excessive delay in ordering can reduce sales because customers may not find needed parts.	120	3.59	0.794
A balanced ordering strategy improves inventory turnover and cash-flow performance.	120	3.58	0.866
Wholesalers that combine bargaining power with timely ordering perform better than those that over-delay.	120	3.52	0.830

Using the decision rule that a mean of 3.00 and above indicates agreement, all items under wholesale performance record mean scores above the threshold. This confirms that the construct is empirically relevant to the respondents. The standard deviations show moderate variation, implying that although respondents generally agree, individual experiences differ depending on business size, supplier access and product specialisation.



Table 11: Reliability analysis

Construct	Number of Items	Cronbach alpha	Decision
Demand-side market power	5	0.890	Acceptable
Strategic ordering delays	5	0.870	Acceptable
Supplier relationship quality	5	0.881	Acceptable
Wholesale performance	5	0.901	Acceptable

The reliability results show that all constructs have Cronbach's alpha values above the commonly accepted threshold of 0.70. This indicates that the questionnaire items are internally consistent and suitable for further analysis.

Table 12: Descriptive statistics of study constructs

Construct	N	Mean	Std. Deviation	Minimum	Maximum
DMP	120	3.73	0.691	1.80	5.00
SOD	120	3.68	0.685	2.20	5.00
SRQ	120	3.42	0.686	1.80	5.00
WPERF	120	3.57	0.718	2.00	5.00

The construct-level means indicate that demand-side market power, strategic ordering delays, supplier relationship quality and wholesale performance are all perceived as important features of the Ladipo auto-spare-parts wholesale industry. The mean values above 3.00 show that respondents generally agree with the existence of buyer power and deliberate ordering behaviour.

Table 13: Correlation matrix

Variable	DMP	SOD	SRQ	WPERF
DMP	1.000	0.624	-0.434	0.040
SOD	0.624	1.000	-0.548	-0.210
SRQ	-0.434	-0.548	1.000	0.055
WPERF	0.040	-0.210	0.055	1.000

The correlation matrix shows that demand-side market power is positively associated with strategic ordering delays. This suggests that wholesalers with stronger bargaining positions are more likely to



use deliberate timing strategies. Strategic ordering delay is negatively associated with supplier relationship quality, implying that excessive delay may weaken supplier trust. The relationship with wholesale performance is mixed, which supports the argument that delay can be useful up to a point but costly when overused.

Hypotheses Testing

Table 14: H01 - Demand-side market power has no significant effect on strategic ordering delays

Model	B	Std. Error	Beta	t	Sig.
Constant	1.377	0.270		5.093	0.000
DMP	0.618	0.071	0.624	8.666	0.000
Model Summary (R)	0.624				
R Square	0.389				
ANOVA (F)	75.106				0.000

The regression result indicates that demand-side market power has a positive and statistically significant effect on strategic ordering delays. The coefficient for demand-side market power is 0.618 with $p = 0.000$. The model explains 38.9% of the variation in strategic ordering delays. Therefore, H01 is rejected. This means that wholesalers who possess greater buyer power are more likely to delay orders strategically in order to obtain price, credit or timing advantages.

Table 15: H02 - Strategic ordering delays have no significant effect on supplier relationship quality

Model	B	Std. Error	Beta	t	Sig.
Constant	5.441	0.289		18.845	0.000
SOD	-0.549	0.077	-0.548	-7.125	0.000
Model Summary (R)	0.548				
R Square	0.301				
ANOVA (F)	50.771				0.000

The regression result shows that strategic ordering delay has a negative and statistically significant effect on supplier relationship quality. The coefficient is -0.549 with $p = 0.000$. Therefore, H02 is rejected. This implies that while order delay may be used as a bargaining strategy, frequent or opportunistic delays can weaken trust, reduce supplier credit support and lower supplier willingness to reserve scarce parts.



Table 16: H₀₃ - Demand-side market power and ordering delays have no joint effect on wholesale performance

Model	B	Std. Error	Beta	t	Sig.
Constant	3.973	0.384		10.361	0.000
DMP	0.289	0.117	0.279	2.471	0.015
SOD	-0.402	0.118	-0.383	-3.399	0.001
Model Summary (R)	0.302				
R Square	0.091				
ANOVA (F)	5.878				0.004

The multiple regression result indicates that demand-side market power and strategic ordering delays jointly explain 9.1% of the variation in wholesale performance. Demand-side market power has a positive and significant coefficient of 0.289, while strategic ordering delay has a negative coefficient of -0.402. The model is statistically significant with $F = 5.878$ and $p = 0.004$. Therefore, H₀₃ is rejected. The implication is that buyer power can improve performance through favourable terms, but excessive ordering delay can reduce performance through stockouts, weakened supplier trust and lost sales.

Table 17: Summary of hypotheses

Hypothesis	Statement	Decision	Finding
H ₀₁	Demand-side market power has no significant effect on strategic ordering delays	Rejected	Demand-side market power significantly increases strategic ordering delays.
H ₀₂	Strategic ordering delays have no significant effect on supplier relationship quality	Rejected	Strategic ordering delays significantly reduce supplier relationship quality.
H ₀₃	Demand-side market power and strategic ordering delays have no significant joint	Rejected	Both variables jointly influence wholesale performance, with buyer power positive and delay negative.



	effect on wholesale performance		
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Discussion of Findings

Based on the findings discussed above, it is evident that the effect of demand-side market power has a great impact on fostering strategic ordering delays within the Ladipo auto-spare-parts wholesale market. This is consistent with the buyer power principle that suggests that powerful buyers are capable of getting better trading conditions from their suppliers (Chen, 2007). While compared with price-based buyer power, strategic delays provide traders with bargaining power based on the uncertainties created during the process.

The effect of strategic ordering delays on the quality of supplier relations demonstrates the drawbacks of using delay as a means of bargaining. In this regard, the use of buyer power together with the delay strategy creates a high probability for traders to establish a poor supplier relationship due to the element of uncertainty introduced. Such an outcome is consistent with the transaction cost theory, which explains that the transaction costs increase due to uncertainty and opportunism (Williamson, 1985). There are many reasons why traders value suppliers in the Ladipo auto-spare-parts wholesale market, including getting access to scarce auto spare parts, supplier credits, and establishing a reliable relationship.

The positive relationship between wholesaler performance and buyer power is another important finding. Powerful buyers in the selected market enjoy favorable discount terms, preferential supplier choices, and bargaining capabilities. Conversely, the use of strategic ordering delays hinders the performance of wholesalers when such strategies result in stockouts and poor business performance. These findings align with the concept of supply chain postponement, according to which postponed commitment provides more opportunities than advance decisions (Caliskan Demirag et al., 2021).

CONCLUSION

This article presents insights into the effects of demand-side market power on strategic ordering delays practiced by wholesalers in the Ladipo auto-spare-parts wholesale market. It turns out that buyer power is advantageous for wholesalers because it offers them the ability to bargain. However, the strategic ordering delays practiced by buyers are detrimental to the quality of supplier relations and wholesalers' performance.

These findings recommend that traders should practice delayed ordering in a disciplined manner in order to prevent difficulties in suppliers. Traders should protect their supplier relationships through early notification, partial commitment in ordering processes, transparent negotiations, and a reliable system of payments. Market associations in Ladipo should facilitate a fair system of ordering to reduce opportunistic behavior among traders. Suppliers should establish their own incentives depending on trader reliability while limiting their bargaining abilities. Wholesalers should introduce digital platforms for tracking inventories and product prices.

Policy and Managerial Implications

Based on the findings of this article, there are several suggestions that can be made for market policies and managerial issues. From the point of view of market association, it is necessary



to implement rules that limit opportunistic delays during negotiations. Managers are recommended to balance their bargaining power with stock availability and consumer demands. From the point of view of suppliers, it is important to secure themselves by offering attractive discounts to reliable traders. Policymakers should acknowledge informal market clusters as supply chains requiring infrastructure.

Suggestions for Future Researches

From the discussions of this article, it becomes evident that its findings are based on the perception of wholesalers in a chosen market cluster. In order to conduct further research on this topic, it would be advisable to focus on longitudinal analysis, transaction records, and additional markets. Among issues that require further consideration are exchange rates, shipping and importing regulations, and digital payment systems in auto spare part market clusters.



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Appendix A: Questionnaire Instrument

Title: Demand-Side Market Power and Strategic Ordering Delays in the Auto-Spare-Parts Wholesale Industry in Ladipo Market Area of Lagos. This questionnaire is designed for academic research. Responses will be treated confidentially and used only for research purposes. Please tick the option that best represents your opinion: SA = Strongly Agree, A = Agree, U = Undecided, D = Disagree, SD = Strongly Disagree.

Section A: Demographic and Business Profile

Table A1: Demographic section

S/N	Item	Response options
1	Sex	Male / Female
2	Age group	18-25 / 26-35 / 36-45 / 46-55 / 56 and above
3	Years in business	Less than 5 years / 5-10 years / 11-15 years / Above 15 years
4	Role in business	Owner / Wholesale Manager / Purchasing Officer / Sales or Inventory Supervisor
5	Main product line	Engine parts / Body parts / Electrical parts / Suspension or brake parts / Mixed spare parts
6	Main supply source	Mostly imported / Mixed local and imported / Mostly local
7	Average monthly turnover	Below N1 million / N1m-N5m / N5m-N10m / Above N10m

Section B-E: Likert-scale Statements

Table A2: Questionnaire Items

Code	Statement	Response options
DMP1	Major buyers in Ladipo can pressure suppliers to reduce prices.	SA / A / U / D / SD
DMP2	Suppliers accept longer payment or delivery terms	SA / A / U / D / SD



	because they do not want to lose key buyers.	
DMP3	Wholesalers with large customer networks can easily switch from one supplier to another.	SA / A / U / D / SD
DMP4	Bulk purchasers influence the timing and quantity of supplies received from suppliers.	SA / A / U / D / SD
DMP5	Buyer groups and informal trader associations strengthen bargaining power in the market.	SA / A / U / D / SD
SOD1	I sometimes delay placing orders in order to observe price and exchange-rate movements.	SA / A / U / D / SD
SOD2	I postpone restocking when I expect suppliers to reduce prices or improve trade terms.	SA / A / U / D / SD
SOD3	Ordering delay is used strategically to negotiate better discounts from suppliers.	SA / A / U / D / SD
SOD4	I split or postpone orders across suppliers to avoid dependence on a single supplier.	SA / A / U / D / SD
SOD5	Strategic ordering delay helps wholesalers manage uncertainty in demand and inventory costs.	SA / A / U / D / SD
SRQ1	Frequent ordering delays can weaken trust between wholesalers and suppliers.	SA / A / U / D / SD



SRQ2	Suppliers become less willing to grant credit when buyers delay orders repeatedly.	SA / A / U / D / SD
SRQ3	Suppliers respond negatively when buyers use ordering delay mainly as a bargaining tactic.	SA / A / U / D / SD
SRQ4	Strategic delays can reduce supplier willingness to reserve scarce parts for a wholesaler.	SA / A / U / D / SD
SRQ5	Good communication can reduce the negative effect of delayed orders on supplier relationships.	SA / A / U / D / SD
WPERF1	Strategic ordering delay improves profit margins when market prices are unstable.	SA / A / U / D / SD
WPERF2	Ordering delay can reduce stock-out losses when demand is uncertain.	SA / A / U / D / SD
WPERF3	Excessive delay in ordering can reduce sales because customers may not find needed parts.	SA / A / U / D / SD
WPERF4	A balanced ordering strategy improves inventory turnover and cash-flow performance.	SA / A / U / D / SD
WPERF5	Wholesalers that combine bargaining power with timely ordering perform better than those that over-delay.	SA / A / U / D / SD