



COVID 19 AND THE AIRFREIGHT MANAGEMENT SYSTEM IN NIGERIA: THE NEED FOR A BEHAVIOURAL RENAISSANCE

By

Dr Adeniyi O. Oluwakoya

Department of Transport Management, Redeemer's University, Ede, Osun State, Nigeria.

Abstract

The Covid-19 incidents have brought to the fore the freight agglomeration as more need to satisfy the demand of people staying home due to restrictions. This development increases the potential of the airfreight system as the assistance for economic sustenance amid the pandemic. However, the extant problems bedevilling the airfreight management system in Nigeria persist even as the advantages during the pandemic try to override the inherent difficulties. This study seeks to examine the various challenges in the light of reformed behavioural insight and disposition among the various stakeholders in the Nigerian airfreight system. The methodology involves an archival tenet of behavioural adoption into sectorial system building and enhancement for effective and efficient service delivery. The study suggests a total of behavioural overhauling among the stakeholders in the Nigerian airfreight system. It opines a more behavioural consideration since behavioural relationship and engagement take a more intense involvement in the airfreight transaction in Nigeria.

Keywords: Covid 19, airfreight, management system, renaissance, Nigeria

Introduction

The airfreight management system is critical to the success of any economy (Alkaabi & Debbage, 2011). Modern economic hits are strongly related to the innovations and development in the air freight system. The dynamic of having a distant production and manufacturing centre sited relative to the raw material source- the spread of the hi-tech output located away from traditional industrial cluster zone. Globalisation has significantly transformed and enhanced logistics and supply chain processes. A massive reduction in the distance across cities and nations relies strongly on an effective airfreight system. Industrial productive capacity, to support economics, is promoted through timely sequences of raw material procurement, production and distribution of output (Coe et al., 2008; Oluwakoya, 2011).

Couple with this is the growing capacity in the electronic commerce platform worldwide. The convenient nature of online shopping, buying and selling via electronic interchanges has increased the freight movement substantially across the world. Aside from the traditional business enclave of air cargo, firmly expressed as the carriage of air freight, air express and airmail. There is an offshoot of emerging ground transport and allied services to support airfreight business. Also, the growth in logistics and supply chain services to help business offerings has been increasing (Bask, 2001).

Unfortunately, the incident of COVID-19 affected the airfreight logistics of the supply chain system in Nigeria (Andam et al., 2020). It remains the only survival option for international and local transfer of goods and services during the period. The airfreight logistics process, not totally on lockdown as the passenger stream, offers fillip for economic and societal livelihood support. Despite its contribution, COVID-19 has further revealed extant problems in the Nigerian airfreight system. The need for a change of approach may be relevant to overhaul the airfreight processes and take them to another level of efficiency and effectiveness. This intervention which might be a probable solution to the myriads challenges befalling the airfreight systems, could be a behavioural renaissance in the management of the airfreight system.

In light of the above, air freight remains the backbone of the modern economy, production, trade, manufacturing and industry linkage in the emerging globalised society (Oluwakoya et al., 2019). Therefore, this paper examines the emergence of COVID-19 and the challenges of airfreight

management systems in Nigeria. It seeks to understand all these issues with a view of the behavioural dimension of the processes of airfreight management in Nigeria.

History of Air Freight Development

The development of air freight is synonymous with air transportation's evolution. The world's first freight started in history a few years before the development of air transportation.

The US launched the first air freight service, and the flight took place on November 7 1910, between Dayton and Columbus, Ohio, USA. The trip was piloted by Philip Orin Parmelee using a Wright Model B aircraft. The total distance covered was 105 conveying a shipment of 200 pounds of silk intended to open a store (Camile, 2005). The flight lasted for fifty-seven (57) minutes, the world record. The first "freight only" flight service is solely for transporting goods.

Moreover, the world's first official airmail flight was between the united provinces of Agra Oudh, British India. That took place on February 18, 1911. The first airmail freight flight was piloted by Henri Pequet, who flew a total number of 6500 letters over a distance of 13km from Allahabad to Naini- the nearest Bombay station Calcutta line to the exhibition. The aircraft for the flight was a Humber-Sommer biplane and covered the journey in thirteen minutes.

The world's first scheduled airmail post service was in the United Kingdom between the London suburb of Hendon and the postmaster general's office in Windsor, Berkshire, on September 9, 1911. It follows the successful trial seen in India. The service ran for under a month, transporting 35 bags of mail in 16 flights.

Post-war Year

Despite some attempts to organise air freight airlines from the 1920s, the first commercial airlines that were all cargo did not emerge until after World War 2 in 1945, at the conference in Havana, where 57 airlines formed the international Air transport association. The activities after the war where the allies and Russians controlled siege Berlin, known as Berlin blockade, during this period the only alternative to get food and other deliveries to west berlin were through the air in 330 days, and more to May 12, 1949, a total of 2.26 million tons of cargo airlifted to Berlin, an average of 6,800 tons a day 80% by the US and 20% by the UK.

The freight traffic increased modestly reaching only 800,00 tons worldwide by the mid-1950s, caused by an upsurge in post-war. The economic fortune of Germany and Japan emerged from the hill and willing to take the world to business by storm, while the United States were approaching the height of its economic dominance. Western Europe has just recovered from the war. In 1968, Boeing launched the four-engine 747, the first wide-body aircraft. The 747 was the first aircraft to transport full pallets in the cargo hold, revolutionising the air cargo industry.

Modern Air Cargo

The airfreight industry did not grow as expected and remained a tiny part of total air traffic. Especially for much of the first five post-war decades, most carriers saw it as a secondary activity, even though there had always been specialised cargo airlines. Passenger airlines' common practice of carrying belly cargo, often seen as a lucrative enterprise, has lessened the need for a dedicated large cargo aircraft.

The 1990s saw air cargo emerge as a vital industry pillar. It helped by the express parcel carriers, such as FedEx, DHL, TNT and UPS, created by the changes in practices in the manufacturing sector. The emergence of information technologies and the internet also enhance the air freight industry as clients and customers can now track their shipments in real-time to delivery. Even the introduction of electronic air waybills reduces the amount of paper documentation accompanying each shipment, increasing the security and safety of transportation.

Concept of Airfreight Management System

The business dictionary defines airfreight as the "carriage paid for goods transported in aircraft." In another vein, the free dictionary defines air freight as a system of transporting cargo by air. It is interesting to note that the core function of material and physical distribution management is a significant constituent of the traditional logistics evolution involvement. It is a part of the transportation services requirements aside from the following: trucking, freight rail, inland waterways, marine shipping and pipelines (Wells, 2007).

The range of influence of airfreight has been conclusively far-reaching; it encompasses the evolutionary development of logistics processes from emergence to conceptual transformation in the modern-day scenario. Traditionally the scope of involvement has grown astronomically from minimal to optimal effective, productive engagement. Fragmentation of productive centres on a

multidimensional level as national, regional and international thrives on the conceptual relevance of airfreight capabilities and functionalities.

Thus the understanding of the conceptual relevance of airfreight is described in the changing nature of spatial structures expressed in spatial complexities of productive, distributive and consumption spatial realities.

Covid 19 and the Role of Airfreight in Supply Chain System

The modern economic structure had evolved to highlight the significance of airfreight. The globalisation of industries and regional economic bloc further accentuate the need for cooperation. This innovation has led to the fragmentation of productive centres, even far-off locations. This innovation is necessary to take advantage of cheap constructive input such as labour and nearness to the raw material source.

The emergence of the Covid-19 proved the potential of airfreight as a saving grace for economic assistance. The lockdown period marked a total collapse of the aviation super-structure and activities. The Nigerian airspace was entirely lockdown save for emergency and evacuation flights of stranded citizens from different destinations around the globe. Aside from the evacuation flights allowed by the Nigerian aviation authorities, passenger-scheduled flights did not exist. However, airfreight becomes the only alternative that benefits the nation maximally. As relief packages and palliatives for national support through an International organisation, relief agencies, the United Nations and different countries came in through the airfreight mode. Also, the high-value cargoes and shipments from international merchandise through online stores purchased by the citizen during the lockdown period were carried as airfreight. The airfreight helps support family needs, especially those sought through international online stores.

Moreover, it helps keep vital industries needed to support the economy during the lockdown as raw materials needed for local consumer demands moved through airfreight during the pandemic. Thus, assisting the sustenance of the economy through the continued production process to sustain the economy and support jobs and livelihood for the family. Besides the industrial requirements, airfreight supports other components of the economy needed to buoy the critical economic sectors during the pandemic.

Also, the logistics and the supply chain system benefited immensely from the activities spurred by the sustained airfreight movement during the epidemic. Even the local supply chain processes advanced strongly. While vehicular movement in the country was grounded, local and inter-state freight vehicles were allowed to continue in the supply function to meet the citizens' basic needs across the country's different states.

The airfreight system complemented the seafreight logistics modes during the lockdown as emergency supplies that are time-sensitive cargoes that the latter could not handle are moved by air. Especially pharmaceutical supplies, urgently needed for victims of Covid-19 and other related collections tied to the health sector. Besides, other high-value raw materials that support the economy in the different sectors of the economy draw their supplies from the airfreight mode.

Similarly, airfreight facilitated the development of agriculture during the Covid-19 lockdown. Most agricultural products used as palliatives were transported by airfreight to different destinations in the country. In another vein, the distribution of seedlings among farmers cushioned the effect of hunger among people during the lockdown as airfreight. Heavy agricultural equipment procured by the government and private agrarian concerns for land cultivation and farming activities benefits from airfreight function during the total lockdown.

Behavioural Renaissance and Air Freight Management in Nigeria

Behavioural science forms an underpinning foundation for understanding human behaviour and psyche. Therefore, behavioural outcomes result from the formative behavioural buildup of individuals. These are diverse and vary from person to person. Adequate knowledge of behavioural insight presents a potential renaissance that could revamp the different sectors of the economies. This knowledge makes them cope better with the present global realities. Moreover, the benefits of airfreight satisfy multifarious demands across the various sector of the Nigerian economy during the lockdown. Hence, applying behavioural insight to the Nigerian airfreight subsector offers transformative potential beyond the effects of policy and regulations.

Interestingly, the underpinning of the Nigerian airfreight subsector still holds a robust behavioural interface. Such a connection is critical either to make the Nigerian airfreight system work or destroy it. The human interface is more pronounced in the Nigerian airfreight system.

The essential composition of the Nigerian airfreight system includes the customs, freight forwarders, airlines, third-party logistics, airport cargo handlers, airport freight truckers, courier service providers, airport authorities and cargo sorters. In light of this, the human interface seems more extensive in the overall chain processes of airfreight cargo. Therefore the success of this specific subsector requires efficient and effective behavioural insight and oversight. The sector plagued with inefficient colouration as cargo loss, tampered freight, undelivered cargo, delay, missing items, incomplete delivery, inadequate labelling and wrong address issues. All of these still point to the inefficiency in the behavioural transaction of airfreight cargo processing from the source to the end delivery point.

Moreover, the airport authorities are often accused of corruption and inefficiency in airfreight cargo handling. Similarly, the airport airfreight handling companies and agencies have not exercised professionalism enough in the day-to-day transaction. Sadly, the connivance between the government authorities and the airfreight agencies has not helped matters in the general airfreight handling in the country.

In the light of the preceding, the behavioural renaissance among critical actors in the Nigeria airfreight industry portends possible options to overturn the setbacks that have fallen the sector before and during the Covid-19 pandemic. The renaissance may include openness and accountability towards effective service delivery in the airfreight management system. Also, trust and integrity are rooted more in behavioural insight and disposition among all the stakeholders in this critical sub-sector. Besides, the interpersonal relationship among the diverse personalities in the airfreight industry enabled effectiveness and efficiency in the overall service offering and delivery. Lastly, the Covid-19 has already created a new environment in airfreight handling, a total departure from the norms enshrined in the Nigeria airfreight industry. Therefore, continued growth and development in the sector hinge on adhering strictly to protocols and regulations for unhindered operations for sustainability.

Issues and Challenges of Air Freight Management in Nigeria

Despite tremendous opportunities, the challenges facing developing the airfreight industry in Nigeria's economy are enormous. Therefore, to benefit from the avalanche of potential, which may help the Nigerian economy? The following discussed hereafter need to be tackled with utmost enthusiasm.

Presently the Nigerian economy seems to be enjoying some form of investment across economic sectors, which may spur demand for airfreight services. In this light, there is a need for infrastructural repositioning and upgrading. The current air transport infrastructure seems inadequate; the cargo shed and terminal were refurbished and expanded to meet growing demand. More so, the nation renewed its status as the biggest economy in Africa; possibly, this would make the country a vortex to invest with prospective global investors and trust fund managers.

Another issue threatening the burgeoning potential in the air freight market is the transactional cost of obtaining spare parts and forex. Major equipment deplored for freight services sourced from overseas, lack of local affiliation for the spare part is a significant problem. Equipment had to be transported thousands of miles for minor or major repairs. Implicit in this is the disruption to schedule, which may hamper continuous freighter loadings. Besides, the difficulties in securing raw materials pose a significant risk for sustainable operations.

Government regulation activities may accentuate the level of airfreight consolidations; airfreight forwarders seem to be lost in the schemes of things within the industry. Therefore, greater coordination is needed to take advantage of the opportunities in the industry entirely.

Moreover, Nigeria's air freight subsector remains largely on high-level integrity and accountability. The current era of e-commerce and omnichannel sales distribution is made more efficient only if the stakeholder in the air freight and ancillary service providers raise the level of responsibility and accountability. Cases of theft, missing cargo, and loss in transit which now characterise the nature of service offering, should be done away with more excellent service offering (Leinbach & Capineri, 2007).

Conclusion

The airfreight sub-sector in the Nigeria supply chain management system played a crucial role in the sustenance of the economy during the Covid-19 pandemic. Therefore, the level of service delivery needs to be enhanced to lend more supportive roles in the logistics and the supply chain sector and significantly impact revamping the Nigerian economy. No doubts there exist an actual problem which has plagued the subsector over the years. This study, therefore, seeks a new approach to tackle existing hitches that have brought the sub-sector low.

In this light, this study advances a behavioural renaissance strategy for all the actors in the Nigerian airfreight industry. The behavioural transaction still holds the preponderance of activities in the subsector. This change involves the total personality remake of all the individuals working in the subsector to create a harmonious behavioural mindset that would enhance effectiveness and efficiency in the sector. Moreover, the incident of Covid-19 has proven the intrinsic ability of the airfreight to provide the necessary support to transform the Nigerian economy.

References

- Andam, K. S., Edeh, H., Oboh, V., Pauw, K., & Thurlow, J. (2020). *Estimating the economic costs of COVID-19 in Nigeria* (Vol. 63). Intl Food Policy Res Inst.
- Alkaabi, K. A., & Debbage, K. G. (2011). The geography of air freight: connections to US metropolitan economies. *Journal of Transport Geography*, 19(6), 1517-1529.
- Bask, A. H. (2001). Relationships among TPL providers and members of supply chains—A strategic perspective. *Journal of Business & Industrial Marketing*.
- Camille, A. (2005). *The History of Air Cargo and Airmail from the 18th Century*, p. 8.
- Morrell, P. S. (2011). *Moving Boxes by Air: The Economics of International Air Cargo*. Published by Ashgate Publisher.
- Michael, S. (2013). *The Air logistics Handbook: Air Freight and the Global Supply Chain*. Published by Routledge.
- Wells, A. T. (2007). *Air Transportation: A Management Perspective*. Published by Ashgate.
- Leinbach, T. R., & Capineri, C. (2007). *Globalised freight transport: Intermodality, e-commerce, logistics and sustainability*. Published by Edward Elgar Publishing limited.

- Coe, N. M., Dicken, P., & Hess, M. (2008). Global production networks: realising the potential. *Journal of economic geography*, 8(3), 271-295.
- Oluwakoya, A. O. (2011). The impact of deregulation and liberalisation in the Nigeria air transport market. *Journal of Air Transport Studies*, 2(1), 51-67.
- Oluwakoya, A. O., Ojo, J. A., & Ayatoyinbo, B. B. (2018). Extent of supply chain integration among selected manufacturing firms in Lagos metropolis, Nigeria. *Nigeria Journal of Management Sciennces*, 6(2).