

## MARKETING STRATEGY AND THE PERFORMANCE OF SMALL AND MEDIUM SCALE ENTERPRISES IN KOGI EAST

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### ABSTRACT

*This study empirically evaluated marketing structure and performance of small and medium scale enterprises in Kogi East. Employing an exploratory research design, the study conducts a thorough review of existing empirical studies within the field, focusing on the social capital theory, resource-based view theory and institutional theory. The most appropriate theory to underpin the research is resource-based view (RBV) theory as it emphasizes how internal resources and capabilities contribute to sustained competitive advantage. The empirical studies consistently underscore the significant impact of marketing structure and performance of small and medium scale enterprises in Kogi East, including promotion strategy and price strategy. The study concludes that multiple factors, both internal and external, contribute to the intricate landscape of SMEs in the region. The study recommended that SMEs in Kogi East should focus on developing dynamic capabilities as this involves cultivating the ability to adapt to changing circumstances, innovate, and respond strategically to evolving market conditions.*

**Keywords:** Marketing Strategy, Performance, Promotion Strategy, Price Strategy, Small and Medium Scale Enterprises

### INTRODUCTION

The importance of marketing strategy in supporting the expansion and long-term viability of companies, especially small and medium-sized firms (SMEs), has received a lot of attention lately. Since small and medium-sized enterprises (SMEs) are essential to economic growth, it is critical to comprehend the dynamics of their marketing strategies and how they affect their performance. SMEs are essential for promoting innovation, accelerating economic growth, and opening up job prospects (Audretsch, 2018). SMEs have a significant role in the GDP of Nigeria and act as a driving force behind the development of wealth and the eradication of poverty (Ezeani & Chukwuma, 2019). Consequently, investigating the factors influencing the performance of SMEs in Kogi East is imperative for regional economic development. Marketing strategy emerges as a critical determinant influencing the competitiveness and sustainability of SMEs. For SMEs in Kogi East to thrive in a dynamic business environment, understanding how their marketing strategies align with regional characteristics becomes pivotal. Whether through digital marketing, relationship-building, or guerrilla marketing tactics, the relevance of these strategies in the local context must be explored (Owomoyela *et al.*, 2013). Marketing strategy has evolved into a crucial tool globally, essential for organizations to thrive in competitive market environments. The initiation of a marketing strategy involves conducting a market survey, assessing needs, attitudes, and competitors' products. Subsequently, it encompasses customer service, packaging, sales, distribution, advertising, and promotion. Owomoyela *et al.* (2013) claim that marketing strategy is

a tool for ensuring greater distribution, offering reasonable pricing, satisfying consumer demands, and supporting these initiatives with a successful price and promotion plan.

SMEs in Kogi East must tailor their promotion strategies to resonate with the unique socio-cultural and economic characteristics of the region. Understanding local consumer behaviors and preferences is crucial for creating promotional content that effectively communicates with the target audience (Kotler & Keller, 2016). While price strategy is a critical element that directly impacts the competitiveness and profitability of SMEs. In the unique market landscape of Kogi East, developing a well-calibrated pricing strategy is essential for SMEs to remain competitive and sustain their operations. SMEs in Kogi East should adopt a pricing strategy that takes into account the local market dynamics. Understanding the pricing strategies of competitors and offering competitive pricing can enhance the perceived value of products or services (Kotler & Armstrong, 2021). Kogi East, with its unique socio-economic and cultural landscape, poses distinctive challenges and opportunities for SMEs. Local consumer behaviors, market trends, and competition dynamics require tailored marketing strategies for effective penetration and sustained growth (Ezeani & Chukwuma, 2019).

Despite the growing recognition of the importance of marketing strategies for SMEs, there exists a research gap concerning the specific challenges and opportunities faced by SMEs in Kogi East. Addressing this gap is vital for providing insights that can inform policymakers, business owners, and other stakeholders on how to enhance the marketing strategies of SMEs for improved performance and regional development. This study focuses on exploring the relationship between marketing strategy and the performance of SMEs within the specific context of Kogi East. Small and Medium-Scale Enterprises (SMEs) play a crucial role in driving regional economic development, contributing significantly to innovation, employment, and overall economic growth (Audretsch, 2018; Ezeani & Chukwuma, 2019). Specifically, in Kogi East, these enterprises are vital for shaping the local economy. Despite their economic importance, SMEs in Kogi East face challenges in developing and executing effective marketing strategies, which directly affect their overall performance and sustainability. Limited resources often prevent SMEs in Kogi East from investing in comprehensive marketing approaches (O'Reilly & Tushman, 2013). The unique socio-economic and cultural characteristics of Kogi East create obstacles for SMEs in understanding and adapting marketing strategies to local nuances (Ezeani & Chukwuma, 2019). The rapid pace of technological changes poses challenges for SMEs in Kogi East to effectively adopt and leverage digital marketing strategies (Smith & Chaffey, 2005). Inadequate marketing strategies may result in a lack of competitiveness, impeding SMEs' ability to capture market share in Kogi East (Owomoyela *et al.*, 2013). Limited marketing efforts can lead to a restricted market reach and lower brand visibility, constraining the growth potential of SMEs (Chiliya *et al.*, 2009). Challenges in crafting and implementing effective marketing strategies can impact SMEs' ability to establish and maintain robust customer relationships (Gronroos, 1996).

In achieving the objectives of this study, the following questions are formulated to be answered by this study.

- i. Does promotion strategy have significant effect on performance of small and medium scale enterprises in Kogi East?
- ii. Does price strategy have significant effect on performance of small and medium scale enterprises in Kogi East?

The study to assessed the effect of marketing strategy on performance of small and medium scale enterprises in Kogi East. The Specific objectives are:

- i. To ascertain whether promotion strategy have significant effect on performance of small and medium scale enterprises in Kogi East.
- ii. To examine whether price strategy have significant effect on performance of small and medium scale enterprises in Kogi East.

The hypotheses of this study was presented in null form

**H<sub>01</sub>:** Promotion strategy do not have significant effect on performance of small and medium scale enterprise in Kogi East.

**H<sub>02</sub>:** Price strategy do not have significant effect on performance of small and medium scale enterprise in Kogi East.

## REVIEW OF RELATED LITERATURE

### Concept of Marketing Strategy

Marketing strategy is a foundational element of overall business planning, encompassing a coordinated set of actions designed to achieve specific objectives within a target market. It involves identifying customer needs, developing a unique value proposition, and creating plans to effectively communicate and deliver that value to the target audience. Marketing strategy plays a pivotal role in guiding resource allocation, positioning a brand in the market, and fostering sustainable competitive advantage. According to Kotler *et al.* (2021), contemporary marketing strategies emphasize a customer-centric approach, where understanding and meeting customer needs are paramount. This involves leveraging data analytics and customer insights to tailor products and services to the preferences of the target audience. Smith and Chaffey (2020) highlight the increasing importance of digital marketing strategies in the age of digital transformation. Integrating online channels, social media, and technology-driven tools is crucial for reaching and engaging modern consumers effectively.

In a study by Maignan and Ferrell (2020), the integration of sustainability and Corporate Social Responsibility (CSR) into marketing strategies is explored. This reflects a growing awareness of the impact of businesses on society and the environment, emphasizing responsible and ethical practices in marketing. Recent works by Fournier and Dacin (2018) emphasize the adoption of agile marketing strategies. Agile approaches involve flexibility and responsiveness, enabling companies to adapt quickly

to changing market conditions and consumer behaviors. Peppard and Ward (2016) discuss the significance of personalization in marketing strategy, emphasizing the building of personalized relationships with customers. This involves tailoring messages and offerings based on individual preferences, fostering long-term customer loyalty. A study by Porter (2019) emphasizes the enduring importance of competitive positioning and differentiation in marketing strategy. Businesses need to define and communicate what sets them apart from competitors to create a compelling value proposition. Tsiros and Chatterjee (2018) discuss the role of data-driven decision-making in marketing strategy. The use of analytics and big data allows businesses to gain insights into consumer behavior, optimize campaigns, and make informed strategic choices. The contemporary concept of marketing strategy reflects an integrated and dynamic approach, considering not only the traditional 4Ps (Product, Price, Place, Promotion) but also factors like sustainability, agility, and personalized customer experiences. It aligns with the evolving landscape of consumer expectations, technological advancements, and global market trends.

### **Concept of Promotion Strategy**

Promotion strategy is a fundamental element of marketing, playing a vital role in informing, persuading, and influencing potential customers about a product or service. It constitutes one of the essential components of the marketing mix, commonly known as the 4Ps, which also include product, price, and place (Kotler *et al.*, 2021). The comprehensive nature of promotion strategy involves the planning and execution of communication activities using various promotional tools and tactics to achieve objectives like creating awareness, generating interest, and driving desired actions among the target audience. The diversity of promotion strategies is evident in the array of tools available, including advertising, public relations, personal selling, sales promotion, and digital marketing efforts (Kotler *et al.*, 2021).

The choice of the promotion mix is influenced by factors such as the product or service's nature, the characteristics of the target audience, and the broader marketing objectives of the business. Contemporary marketing literature underscores the importance of an integrated approach to promotion, where various promotional tools work together synergistically to create a cohesive and impactful message. Scholars like Kotler *et al.* (2021) emphasize the need for a holistic promotional strategy that combines traditional and digital channels to reach consumers effectively in today's dynamic marketplace. Digital transformation has significantly influenced promotion strategies in recent years. Smith and Chaffey (2020) highlight the increasing importance of digital marketing strategies, including social media promotion, content marketing, search engine optimization, and email marketing. These channels provide businesses with the opportunity to engage with consumers in real-time, personalize messages, and measure the effectiveness of promotional efforts through data analytics. The role of social media in promotion strategy is particularly noteworthy. According to Kotler *et al.* (2021), social media platforms provide businesses with an effective approach to engage with their audience, increase brand recognition, and enable two-way communication. Social media platforms such as Facebook, Instagram, Twitter, and LinkedIn allow businesses to interact with customers, exchange content, and even run targeted ads. Furthermore, the idea of content marketing as part of a promotion plan has grown in popularity. The goal of content marketing is to draw in and hold on to a certain audience by producing and disseminating

informative, timely, and well-written material. In order to build a stronger bond between the company and its customers, this strategy—highlighted by Kotler et al. (2021)—focuses on offering educational and entertaining material that corresponds with the requirements and interests of the target audience.

Promotion strategy is a multifaceted aspect of marketing that involves a mix of promotional tools and tactics to communicate with the target audience. In today's dynamic business environment, a comprehensive and integrated approach that leverages both traditional and digital channels is essential for effective promotion. The evolution of promotion strategies reflects the changing landscape of consumer behavior and technological advancements, emphasizing the need for businesses to adapt their promotional efforts to remain competitive in the market.

### **Concept of Price Strategy**

Price strategy is a critical aspect of marketing that involves determining the appropriate pricing for a product or service to achieve specific business objectives. It is one of the key components of the marketing mix, often referred to as the 4Ps, alongside product, promotion, and place (Kotler *et al.*, 2021). The concept of price strategy encompasses various pricing models, tactics, and approaches designed to position a product within the market, maximize revenue, and influence consumer behavior. The literature on marketing emphasizes the strategic role of pricing and its impact on a company's overall success.

According to Kotler *et al.* (2021), pricing decisions are integral to the value proposition a company offers and significantly influence consumers' perceptions of a product's worth. The choice of a particular pricing strategy is guided by several factors, including market conditions, competition, customer demand, and the company's business objectives. One common pricing strategy is cost-plus pricing, where the company calculates the production cost and adds a markup to determine the selling price. This approach is straightforward but may not fully capture the perceived value of the product in the eyes of the customer. Alternatively, value-based pricing focuses on setting prices based on the perceived value to the customer. This strategy, as discussed by Smith and Chaffey (2020), requires a deep understanding of customer needs and preferences to align the price with the perceived value of the product or service. Dynamic pricing, as highlighted by Smith and Chaffey (2020), is another strategy gaining prominence, especially in online markets.

This approach involves adjusting prices based on real-time market conditions, demand fluctuations, and other variables. Dynamic pricing allows companies to optimize revenue and respond quickly to changes in the competitive landscape. Moreover, psychological pricing, as noted by Kotler *et al.* (2021), leverages psychological effects to influence consumer perception. Techniques such as pricing a product at ₦9.99 instead of ₦10 create a psychological impact, making the product seem more affordable. The concept of price strategy is evolving in response to the digital transformation of markets. Online platforms and e-commerce have introduced new pricing dynamics, including price comparison tools, discounting strategies, and personalized pricing based on customer data (Smith & Chaffey, 2020). Digital marketing efforts, such as email campaigns or online promotions, also play a role in influencing consumer perceptions of value. Price strategy is a dynamic and multifaceted element of marketing that involves determining the right pricing approach to achieve specific business goals. The choice of strategy depends

on various factors, and contemporary literature highlights the importance of aligning pricing decisions with customer perceptions, market conditions, and broader business objectives. The evolution of price strategies is evident in the adaptation of traditional models to the digital landscape and the increasing emphasis on understanding customer value and behavior.

### **Concept of SMEs Performance**

Small and Medium-sized Enterprises (SMEs) performance is a complex and multidimensional concept, encompassing various factors that assess the success, growth, and overall effectiveness of these businesses. The evaluation of SMEs performance involves considerations of financial indicators, operational efficiency, innovation, market share, and adaptability to changing environments. Financial performance, a crucial aspect of SMEs performance, is often gauged through metrics such as revenue growth, profitability, and return on investment (Chittithaworn *et al.*, 2011). Operational efficiency is another key component, where streamlined internal processes and effective resource utilization contribute to overall competitiveness and success (Kumar and Siddhartha, 2012). Operational performance indicators may include measures of production efficiency, supply chain management, and cost-effectiveness. Innovation plays a significant role in SMEs performance, allowing businesses to stay competitive and adapt to changing market demands (Hassan *et al.*, 2017).

Innovation extends beyond product development to include process innovation, novel marketing strategies, and the adoption of new technologies (Hassan *et al.*, 2017). Market share serves as a crucial indicator of SMEs performance, reflecting the business's position relative to competitors within its target market. Achieving and expanding market share is often associated with effective marketing strategies, customer satisfaction, and the ability to differentiate products or services (Gunday *et al.*, 2011). Adaptability and flexibility are increasingly recognized as essential aspects of SMEs performance, particularly in dynamic and uncertain business environments. SMEs that can respond quickly to market changes, technological advancements, and shifts in consumer behavior are more likely to succeed (Hafeez *et al.*, 2019). This adaptability involves strategic agility, the ability to pivot when necessary, and a proactive approach to identifying and leveraging emerging opportunities. The relationship between strategic management practices and SMEs performance has been extensively studied (Loh & Shim, 2016).

Effective strategic planning, goal setting, and implementation are critical for achieving sustainable performance outcomes. Strategic management practices guide SMEs in aligning their internal capabilities with external market conditions, thereby enhancing their overall performance. Hoque *et al.* (2018) emphasize SME performance as a "complex series of actions that integrate skills and knowledge." This definition implies that performance involves a holistic approach that goes beyond mere financial metrics and incorporates various strategic and operational elements. Becherer *et al.* (2012) specifically highlight profitability and the ability to fulfill the desires of a firm's stakeholders as crucial aspects of SME performance. Their perspective underscores the significance of meeting the expectations of various stakeholders, including customers, investors, and employees.

## Theoretical Review

### Resource-Based View Theory

Resource-Based View (RBV) Theory, initially formulated by Edith Penrose and later refined by Jay Barney and Birger Wernerfelt, serves as a theoretical lens to explore how the unique resources and capabilities of small and medium-scale enterprises (SMEs) contribute to their competitive advantage within the distinctive context of Kogi East (Penrose, 1959; Barney, 1991; Wernerfelt, 1984). RBV becomes instrumental by shifting the focus from external factors to the internal resources possessed by these enterprises. This theory assumes that SMEs in Kogi East possess heterogeneous and immobile resources, offering potential sources of sustained competitive advantage (Barney, 1991; Wernerfelt, 1984).

The study draws on RBV's strength in providing a theoretical foundation for understanding how SMEs can develop and maintain a sustainable competitive advantage based on their unique resources (Barney, 1991). By emphasizing the internal strengths of SMEs, the study aims to uncover the distinctive resources that contribute to their competitive position. However, the study acknowledges the challenges associated with RBV, such as the difficulty in identifying key resources and the potential neglect of external environmental factors (Peteraf, 1993; Barney, 1991). Critics argue that RBV may lack a dynamic element, necessitating consideration of dynamic capabilities in the rapidly changing business environment (Teece *et al.*, 1997; Kraaijenbrink *et al.*, 2010). Resource-Based View (RBV) theory is strategically applied to investigate the marketing strategy and performance dynamics of small and medium-scale enterprises (SMEs) in Kogi East. RBV provides a lens through which to understand how the unique internal resources and capabilities of these enterprises contribute to their competitive advantage within the specific context of Kogi East. RBV is foundational to this study, focusing on the internal strengths of SMEs and their potential to influence marketing strategy choices and subsequent performance outcomes.

The theory assumes that SMEs in Kogi East possess diverse and immobile resources that can serve as sources of sustained competitive advantage (Barney, 1991; Wernerfelt, 1984). The application of RBV provides a robust theoretical foundation for the empirical examination of marketing strategy and performance among SMEs in Kogi East. By aligning with RBV's principles, the study aims to uncover actionable insights that can inform SMEs, policymakers, and stakeholders in fostering sustainable growth in the local business landscape.

### Institutional Theory

Institutional theory, developed by scholars like Meyer and Rowan, DiMaggio, and Powell, offers a valuable lens for understanding how institutional pressures shape the behavior and strategies of Small and Medium-Scale Enterprises (SMEs) in the specific context of Kogi East (Meyer & Rowan, 1977; DiMaggio & Powell, 1983). Institutional theory assumes that organizations, including SMEs, conform to prevailing norms, values, and practices in their environment to gain legitimacy and reduce uncertainty (DiMaggio & Powell, 1983). It provides a framework to analyze how SMEs in Kogi East respond to institutional pressures in the formulation and execution of marketing strategies. The theory's strength lies

in its ability to explain how external forces influence organizational behavior and decision-making, providing insights into why certain practices become normative within an industry or region (DiMaggio & Powell, 1983).

Critics argue that institutional theory tends to overlook the agency of organizations and may oversimplify the complexities of decision-making by attributing actions solely to external pressures (Jepperson, 1991). Additionally, it has been criticized for offering descriptive rather than explanatory power (Scott, 2014). The application of institutional theory provides a robust theoretical framework for the empirical examination of marketing strategy and performance among SMEs in Kogi East. By empirically exploring how these enterprises respond to and navigate institutional expectations, the study aims to contribute valuable insights that are applicable to SMEs, policymakers, and stakeholders committed to fostering sustainable growth in the region.

### **Theory Relevant to the Study**

Upon evaluating resource-based view (RBV) theory and institutional theory theories in the context of the study investigating marketing strategy and performance of small and medium-scale enterprises (SMEs) in Kogi East, the most appropriate theory to underpin the research is resource-based view (RBV) theory. RBV is particularly relevant as it emphasizes how internal resources and capabilities contribute to sustained competitive advantage. In the context of SMEs in Kogi East, understanding and leveraging internal strengths, such as unique resources related to marketing, can influence their competitive position. RBV aligns well with the study objectives, especially in exploring how promotion and pricing strategies are influenced by the distinctive resources within SMEs. It allows for an in-depth examination of how these internal resources contribute to the effectiveness of marketing strategies.

### **Empirical Review**

Ihemeje *et al.* (2023) studied marketing strategies and the performance of small and medium-scale enterprises in Kogi State. Using both descriptive and inferential analytical techniques, including multiple regression and correlation matrices, the study used a descriptive research methodology to collect and analyze data. It shown that the performance of SMEs in Kogi State is impacted by the specialization strategy, which includes price and advertising strategies. Additionally, research demonstrated a notably favorable correlation between the differentiation approach and customer satisfaction. To avoid uneven performance results, the research recommended small and medium-sized business owners to refrain from mixing their price and marketing strategies. Rather, it recommended that they concentrate their efforts on improving product quality, content, operational procedures, and innovation as part of their differentiation strategy in order to raise consumer satisfaction levels.

Uchena *et al.* (2021) examined the extent in which the application of entrepreneurial marketing practices affects the performance of small and medium scale enterprises in Nigeria. The study used a structured questionnaire to gather data from people who work as managers or owners of small and medium-sized businesses in Abuja, the federal capital area. 384 was the sample size determined by applying the Godden sample size statistical procedure. Retrieval rate was 79% as only 302 out of the 384

questionnaires that were sent were filled out and returned. Multiple regression analysis was utilized to test the hypotheses after the collected data was analyzed using both descriptive and inferential statistics. Retaining and incorporating innovation into entrepreneurial marketing strategies was one of the study's core suggestions. This approach is seen as crucial for generating consumer value, which in turn promotes the development and survival of entrepreneurial ventures.

Asenge and Asue (2020) examined the effect of market growth strategies on the performance of small and medium scale enterprises in Benue State, Nigeria. The research especially examined how the success of small and medium-sized businesses (SMEs) in Benue State, Nigeria, was impacted by strategies for product creation, market penetration, and excellent customer service. The study employed a survey research design, with questionnaires serving as the main means of data collecting. 281 SMEs located in the Makurdi metropolitan were included in the research population. These SMEs were chosen from a variety of industries, including manufacturing, retail/wholesale, services, and agribusiness. Regression analysis was used to test hypotheses, while mean and standard deviation were used for data analysis and display. The findings showed that the performance of SMEs in Benue State, Nigeria, is highly influenced by both the product creation plan and the market penetration strategy. Furthermore, it was discovered that a quality customer service strategy significantly affected the success of SMEs in the

Chigbata *et al.* (2020) determined the association between the product strategy, promotion strategy and performance of SMEs in Anambra State. The study used Cochran's equation for infinite population using a descriptive survey research technique. The hypotheses were tested with the help of SPSS version 20 and the Pearson correlation coefficient. The performance of SMEs in Anambra State was shown to have a favorable and substantial association with product and promotion marketing methods. The study concluded with recommendations for business organizations that included producing high-quality products first, using eye-catching packaging, providing after-sale services, and providing customers with extra unique operational benefits.

## METHODOLOGY

The survey research design was chosen for this study in order to achieve its goals. 9,138 registered SMEs in Kogi make up the study's population; these data were obtained from the Nigerian Small and Medium Enterprises Development Agency (SMEDAN, 2020). SMEs in nine Kogi East local governments—Dekina, 1390, Ankpa, 1280, Idah, 1190, Omale, 957, Ofu, 1013, Ibaji 786, Bassa, 698, Olamaboro, 967, and Igalamela-Odolu, 857—were included in the research. The Taro Yamani sampling procedure formula was used to calculate the study's sample size. The study's 400-person sample was drawn from Kogi East's registered SMEs. The method of simple random sampling was applied. A systematic questionnaire was employed in the investigation. Participants were asked to state the degree to which

### Model Specification

The dependent variable is Performance of Small and Medium Scale Enterprise in Kogi East (PFSM), while the independent variables are Promotion Strategy (PRMS) and Price Strategy (PRST). To achieve

all the hypotheses of this study, Multiple regression was used to estimate the model. The model is presented thus:

$$PFMS = f(\text{PRMS and PRST})$$

$$PFMS_i = \beta_0 + \beta_1 PRMS_i + \beta_2 PRST_i + \mu_i \text{-----} (1)$$

Where: PFMS = an indicator representing Performance of Small and Medium Scale Enterprise in Kogi East (Dependent Variable);

$\beta_0$  = a constant and  $\beta_{1-2}$  = coefficients of independent variables;

PRMS = a predictor representing Independent Variable (Promotion Strategy);

SFC= a predictor representing Independent Variable (Price Strategy);

$\mu$  = Stochastic error term;

$i$  = Cross sectional; and

$f$  = Functional relationship.

**DATA ANALYSIS AND DISCUSSION OF FINDINGS**

Four hundred (400) copies of the questionnaire were distributed to Kogi East small- and medium-sized business owners. Of these, only 386 (or 386 copies of the questionnaire) were accurately completed and sent back. Three hundred and eighty-six (386) completed and returned copies of the questionnaire formed the basis of the study's analysis.

Using Cronbach's Alpha, the research tested for dependability. As can be seen here, the Cronbach's Alpha test score of 69% indicates an acceptable outcome.

**Reliability Statistics**

Cronbach's Alpha	N of Items
.691	15

Source: Researcher’s Computation Using SPSS 21.0 Version

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.692 <sup>a</sup>	.568	.541	.33924

a. Predictors: (Constant), PRMS, PRST

The R-square value of .568, as depicted in the model summary table above, indicates that the proxies of the independent variables (Promotion Strategy and Price Strategy) collectively contribute to 56.8% of the variance in the dependent variable (Performance of Small and Medium-Scale Enterprises in Kogi East). Meanwhile, the adjusted R-square value of .541 signifies that the precise influence of the combined effect of Promotion Strategy and Price Strategy accounts for 54.1% of the variance in the Performance of Small and Medium-Scale Enterprises in Kogi East. Notably, the remaining 45.9% of the variance is unaccounted for by the variables in the current model.

**ANOVA Output**

ANOVA<sup>a</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2649.447	2	883.149	4205.348	.004 <sup>b</sup>
	Residual	64.515	345	.187		
	Total	2713.962	348			

a. Dependent Variable: PFSM

b. Predictors: (Constant), PRMS, PRST

The model shows a strong fit and is statistically significant at the 5% level, according to the F-Statistics value of 4205.348 and a significance level of .004 shown in the above table. This implies that the findings are solid and appropriate for directing decision-making procedures.

**Test of Hypotheses**

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.306	.117		5.311	.004
	PRMS	.393	.096	.618	2.656	.000
	PRST	.213	.045	.129	6.297	.003

a. Dependent Variable: PFSM

**Test of Hypotheses**

**H<sub>01</sub>:** Promotion strategy do not have significant effect on, performance of small and medium scale enterprises in Kogi East.

The coefficient table presented above indicates a significant t-statistic value of (2.656) with a corresponding significance level of (.000), which is deemed significant at the 5% level. This signifies that the promotion strategy has a positive and substantial effect on the performance of small and medium-scale enterprises in Kogi East. Consequently, the null hypothesis one was rejected, while the alternate hypothesis was accepted.

**H<sub>02</sub>:** Price strategy do not have significant effect on, performance of small and medium scale enterprises in Kogi East.

The coefficient table presented above indicates a notable t-statistic value of (6.297) with a corresponding significance level of (.003), which is significant at the 5% level. This suggests that the price strategy has a positive and significant impact on the performance of small and medium-scale enterprises in Kogi East. Consequently, the null hypothesis two was rejected, while the alternate hypothesis was accepted.

### **Discussion of Findings**

The study found that promotion strategy has positive and significant effect on performance of small and medium scale enterprise in Kogi East. This implies that a unit increase in promotion strategy would lead to increase in performance of small and medium scale enterprise in Kogi East. Promotion plays a pivotal role in the operations of small and medium-sized enterprises (SMEs). By engaging in promotional activities, SMEs can significantly enhance their visibility and market presence. This heightened visibility often translates into increased profitability for these businesses. The findings is consistent with the findings of Ihemeje et al. (2023).

The study found that price strategy has positive and significant effect on performance of small and medium scale enterprise in Kogi East. This implies that a unit increase in price strategy would lead to increase in performance of small and medium scale enterprise in Kogi East. Small and Medium Enterprises (SMEs) do not exist in isolation but rather function within a dynamic business environment characterized by a diverse array of pricing strategies employed by competitors. The capacity of an SME to effectively navigate this landscape, finding equilibrium in its pricing strategies compared to others within the same industry, significantly impacts its bottom line and overall profitability. The findings is consistent with the findings of Ihemeje et al. (2023).

### **CONCLUSION AND RECOMMENDATIONS**

Small and medium-scale enterprises, much like any other business, encounter numerous challenges, with stiff competition being a prominent issue in a constantly evolving business landscape. Many of these enterprises struggle to implement effective strategies to enhance their performance. This study examines factors such as promotion strategy and price strategy to assess their influence on the performance of small and medium-scale enterprises in Kogi East. The findings of the study suggest that properly implemented strategies have the potential to enhance the performance of SMEs in Kogi East.

The following recommendations were proffered;

- i. SMEs should ensure that they put adequate promotional strategy in place so as to favorably compete with other firms in the industry.
- ii. SMEs should adopt a pricing strategy that would give them a fair market share in the industry they belong.

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