



Effect of Marketing Strategies on the Performance of Small and Medium Scale Enterprises in Kano State

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Abstract

Original Research Article

This study investigates the effect of marketing strategies specifically product, price, promotion, and place on the performance of Small and Medium Scale Enterprises (SMEs) in Kano State, Nigeria. Recognizing the pivotal role SMEs play in economic development, the research aims to determine how strategic marketing efforts influence business outcomes such as profitability, customer satisfaction, and market expansion. A survey research design was employed, with data collected from 393 SME operators across various sectors using structured questionnaires. Data were analyzed using descriptive statistics, Spearman's correlation, and multiple regression techniques via SPSS version 20. The findings revealed that all four marketing strategies have significant positive effects on SME performance. Product strategy exhibited the strongest influence ($\beta = 0.305$, $p < 0.01$), followed by place ($\beta = 0.276$), price ($\beta = 0.192$), and promotion ($\beta = 0.157$). The regression model accounted for 53% of the variance in SME performance ($R^2 = 0.530$), indicating a strong explanatory power. The study concludes that the effective implementation of integrated marketing strategies is essential for improving SME performance. It recommends that SME operators focus on enhancing product quality, distribution efficiency, value-based pricing, and cost-effective promotional efforts. Despite limitations such as geographical scope and self-reported data, the study contributes significantly to the body of knowledge on SME marketing and provides a practical framework for marketing decision-making. It also suggests future research directions including regional comparisons and longitudinal studies for broader applicability.

Keywords: Marketing Strategy, SME Performance, Product Strategy, Price, Promotion, Place, Kano State, Nigeria.

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1. INTRODUCTION

In today's globalized economy, businesses are increasingly compelled to adopt innovative strategies to remain competitive. At the global level, marketing strategy has emerged as a vital determinant of business sustainability, organizational growth, and competitive advantage (Ebitu, 2022). Firms in developed economies leverage strategic marketing to position products, understand customer needs, and outperform competitors in dynamic environments. Marketing strategy, as defined by Aremu and Lawal (2022), encompasses a coherent set of decisions regarding resource allocation and market positioning aimed at achieving long-term organizational objectives.

At the continental level, African enterprises, particularly in Sub-Saharan Africa, face the dual challenges of volatile markets and resource constraints. Strategic marketing practices are increasingly being recognized across African economies as a critical success factor for small and medium-scale enterprises (SMEs), which contribute significantly to employment and GDP growth. However, many SMEs in Africa still lack access to the tools and competencies needed to implement robust marketing strategies (Yeboah et al., 2020).

In Nigeria, the SME sector serves as a cornerstone of industrial development and employment creation. Despite its potential, Nigerian SMEs, particularly small-scale enterprises (SSEs), struggle with declining performance, limited market

penetration, and operational inefficiencies. Scholars like Olobo (2023) and Oyewale (2021) have emphasized that ineffective marketing strategies—such as poor product positioning, weak promotional efforts, inadequate distribution channels, and poorly defined pricing models are major contributors to these challenges. This is especially prevalent in Kano State, a commercial hub in Northern Nigeria where insecurity and economic instability further hinder small business development.

Marketing strategy involves a multidimensional set of activities including market research, product differentiation, promotional planning, pricing strategy, and distribution management (Mustapha, 2021; Omika, 2019). These sub-variables, when effectively aligned, can enhance customer satisfaction, brand loyalty, and overall business performance. Strategic alignment of internal capabilities with external opportunities as emphasized by Gladys (2024, cited in Achumba, 2020) is essential for market survival, particularly in an increasingly competitive and uncertain global market.

The interrelationship between marketing strategy and firm performance is well-documented in literature (Ferrel, 2016; Ola, 2023). Firms that integrate marketing functions into their strategic planning are better positioned to meet customer expectations, build brand equity, and improve profitability. However, in the context of small-scale enterprises in Nigeria, this strategic integration remains weak or absent.

The motivation for this study stems from the persistent underperformance of small-scale businesses in Kano State, despite various government and donor interventions. Their inability to leverage marketing strategies effectively has limited their contribution to economic development and raised concerns among stakeholders. This study is therefore motivated by the need to empirically assess how strategic marketing practices influence the performance of SSEs in Kano State, with a view to identifying actionable strategies that can enhance their competitiveness, sustainability, and growth potential.

Small-scale enterprises (SSEs) remain the backbone of many developing economies, including Nigeria, playing a pivotal role in employment generation, poverty alleviation, and economic diversification. Despite this potential, many SSEs in Nigeria, particularly in Kano State, continue to experience low levels of performance, market share stagnation, and operational inefficiencies. Empirical evidence suggests that ineffective or non-existent marketing strategies are a significant contributor to this underperformance (Ebitu, 2022; Olobo, 2023). Yet, the relationship between marketing strategy and business performance among SSEs remains underexplored, particularly in volatile and insecure environments such as Northern Nigeria.

Theoretically, while models such as the Marketing Strategy-Performance Framework (Ferrel, 2016) and Resource-Based View (Barney, 1991) suggest that internal capabilities such as strategic marketing drive firm performance, existing studies have not adequately tested these theories within the context of small-scale enterprises in Nigeria. This presents a theoretical

gap, as most empirical validations are based on large firms in stable environments, limiting the generalizability of findings to SMEs operating under economic uncertainty and insecurity.

Conceptually, there is no consensus on which dimensions of marketing strategy—product, price, place, promotion most significantly influence business performance in emerging markets (Oyewale, 2021; Mustapha, 2021). Many studies treat marketing strategy as a monolithic construct without disaggregating its sub-components. This lack of conceptual clarity creates a knowledge void in understanding how each marketing mix element affects distinct performance metrics such as profitability, customer retention, and market expansion.

Empirically, several studies have explored marketing strategies and performance, but most have focused on medium or large firms (Omika, 2019; Ola, 2023), leaving out micro and small-scale enterprises that dominate Nigeria's informal sector. Furthermore, few studies adopt disaggregated performance indicators, and even fewer examine context-specific factors such as insecurity, local consumer behavior, or infrastructural deficiencies in Kano State. This constitutes a clear empirical and contextual gap.

From a methodological standpoint, previous research often relies on descriptive designs with limited inferential statistical techniques, failing to establish causal relationships or generalizable insights (Ajayi & Atanda, 2020). Studies that use qualitative approaches alone may not capture the measurable impact of specific marketing strategies on firm performance, underscoring the need for a more rigorous, mixed-method or survey-based quantitative approach.

Practically, many SSEs in Kano State lack access to professional marketing support and knowledge, and thus rely on informal marketing practices. This has led to poor product positioning, weak brand recognition, and limited market penetration. These deficiencies have serious implications not only for the survival of these businesses but also for regional economic development, which is heavily dependent on vibrant small-scale enterprise activity.

Given the gaps identified in literature, theory, methodology, and practice, this study seeks to evaluate the impact of marketing strategy on the performance of small-scale enterprises in Kano State. It will examine specific sub-variables of marketing strategy product quality, pricing methods, distribution channels, and promotional tactics and their influence on performance indicators such as customer satisfaction, profitability, and market expansion. By addressing these gaps, the study aims to provide context-relevant recommendations to enhance the competitiveness and sustainability of SSEs in Northern Nigeria

The main aim of this research is to analyze the impact of marketing strategies on the performance of SMEs in Kano State, Nigeria. The specific objectives are to:

- i. ascertain the effect of product marketing strategy on the performance of small and medium scale enterprises in Kano state

- ii. Determine the effect of price marketing strategy on the performance of small and medium scale enterprises in Kano state
- iii. Ascertain the effect of place marketing strategy on the performance of small and medium scale enterprises in Kano state
- iv. Determine the effect of promotion marketing strategy on the performance of small and medium scale enterprises in Kano state.

To provide answers to the research questions, the following null hypotheses were tested:

- H01:** Product marketing strategy has no negative significant impact on business performance of small and medium scale enterprises.
- H02:** Promotion marketing strategy has no negative significant impact on business performance of small and medium scale enterprises.
- H03:** Place marketing strategy has no negative significant impact on business performance of small and medium scale enterprises.
- H04:** Price marketing strategy has no negative significant impact on business performance of small and medium scale enterprises.

2. LITERATURES REVIEW

Concept of Marketing

Marketing has increasingly evolved into both a strategic organizational function and a broader philosophy of value creation, shaping how firms and institutions interact with their environments. Though the origins of marketing practices can be traced back to early barter economies where trade and exchange systems were driven by basic needs (Kotler & Armstrong, 2019), marketing as a formal discipline only began to crystallize in the mid-20th century. Compared to older disciplines such as accounting, finance, and public administration, marketing is relatively young. However, its evolution has been rapid and multidimensional, moving beyond classical transactional views to relationship-building, customer experience, and societal value creation paradigms (Lusch & Vargo, 2004; Hassan et al., 2019).

Historically, marketing was viewed narrowly as the movement of goods from producers to consumers. This transactional orientation is evident in early definitions provided by the American Marketing Association (AMA), which described marketing in 1948 as “the performance of business activities that direct the flow of goods and services from producers to consumers.” In a similar vein, The Ohio State University (1964) expanded the scope to a societal process involving the anticipation, management, and satisfaction of consumer demand through design, pricing, promotion, and distribution.

Concept of Marketing Strategy

Marketing strategy has been defined in various ways by different scholars, reflecting diverse perspectives (Li et al., 2020). However, there is a general agreement that marketing strategy serves as a means through which organizations

effectively utilize their resources to achieve their goals and objectives. It is described as the optimal allocation of resources within a specific market to help businesses gain a competitive edge. According to Goi (2025), marketing strategy consists of the set of tools that organizations employ to reach their marketing goals within their target market. This viewpoint aligns with earlier assertions by Gronroos (2019) and Osuagwu (2016). Essentially, marketing strategy is responsible for determining the characteristics, intensity, direction, and interplay between marketing mix elements and external environmental factors.

Concept of Small and Medium Scale Enterprises

The definition of Micro, Small, and Medium Enterprises (MSMEs) varies across different organizations, institutions, and regulatory bodies in Nigeria. This indicates that there is no universally accepted definition of MSMEs. According to the Central Bank of Nigeria (CBN), a Small and Medium Enterprise (SME) is an entity with a capital investment, excluding land, ranging from ₦1 million to ₦150 million and employing no more than 500 individuals. The National Policy on Micro, Small, and Medium Enterprises classifies SMEs based on the number of employees and asset ownership. Similarly, the National Council on Industry defines MSMEs as follows:

Micro/Cottage Industry: Businesses with an asset base not exceeding ₦1.5 million (excluding land costs) but including working capital, and employing up to 10 persons. Other agencies such as the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2003), the Small and Medium Industries and Equity Investment Schemes (SMEIES), and the National Association of Small and Medium Enterprises (NASME) have definitions that differ slightly. However, this study adopts the definition provided by Ebitu, Basil, and Ufot (2022), which describes SMEs as enterprises employing fewer than 200 people, with asset values (excluding land and buildings) of less than ₦300 million.

SMEs are typically characterized by low capital investment, minimal fixed assets, localized operations, and relatively simple management structures (Alami, 2022). According to Aro (2022), small businesses are generally owner-managed, highly personalized, and operate within a limited geographical scope. Their size within the industry is relatively small, and they depend on personal savings or informal funding sources such as loans from friends, family, or money lenders rather than formal financial institutions.

Monday (2023), as cited in Arome et al. (2023), further highlight the challenges faced by SMEs, including difficulties in securing long-term financing, limited knowledge of broader markets, high business failure rates, and inadequate record-keeping. The lack of financial literacy and reluctance to engage with the banking system often prevent SMEs from accessing credit facilities essential for business growth and expansion.

In summary, SMEs play a crucial role in economic

development by creating employment and driving innovation. However, their growth is often constrained by financial limitations, management inefficiencies, and a lack of structured support systems. Addressing these challenges through targeted policies and financial interventions can enhance the sustainability and competitiveness of SMEs in Nigeria.

Marketing Strategies and Performance of SMEs

The connection between strategy and performance has been well-established at both the organizational and functional levels (Walker, 2004), though some overlap exists. Various strategic approaches have been identified and applied as a theoretical foundation for categorizing businesses into strategic groups within industries. Porter's (1985) framework of generic strategies incorporates both competitive and marketing perspectives and has been extensively examined. According to Porter, a business can enhance its performance by either becoming the lowest-cost producer in its industry or differentiating its products or services from competitors. Additionally, either of these strategies can be coupled with a focused effort on a specific market segment. Businesses that adopt differentiation strategies typically place a strong emphasis on marketing to set their products and services apart from competitors. Likewise, Porter's focus strategy aligns with key marketing concepts such as product positioning and target marketing.

Product Marketing Strategy and Performance of Small-Scale Enterprises

A product is defined as anything offered to a market for attention, purchase, use, or consumption to satisfy a need or want (Almed, 2023). Product attributes significantly influence business performance (Adebayo et al., 2023). However, for a product to be effective, its quality must align with other elements of the marketing mix. For instance, a premium pricing strategy requires a high-quality product, often with strong branding, to justify the price. Consumers make purchasing decisions based on factors like price, quality, and design, comparing brands before making a choice.

Pricing Strategy and Marketing Performance of Small Businesses

Price is defined as the cost incurred in producing, delivering, and promoting a product for exchange (Ahemen, 2023). Zeithaml (1988) emphasizes that monetary cost significantly influences consumer perception of a product's value. Essentially, price represents the assigned or total value of a product in the market.

Research by Owomoyela et al. (2021) confirms a strong correlation between pricing and business performance. The pricing strategy adopted for a product or service greatly affects its marketability. Products that are widely available tend to be more price-sensitive, meaning their sales fluctuate significantly in response to price changes. Understanding market sensitivity to price changes allows businesses to adjust their pricing

strategies accordingly. Price elasticity depends on factors such as supply and demand, product availability, and the presence of substitutes. When competition and substitute products are abundant, prices tend to decrease. Conversely, if demand exceeds supply, businesses can increase prices.

Promotion Strategy and Performance of Small-Scale Businesses

Ojone et al. (2020) describe promotion as an effort to encourage word-of-mouth marketing, ensuring that customers share product information. Ali (2023) emphasizes that promotion is a crucial component of the marketing mix, consisting of advertising, personal selling, sales promotion, public relations, and direct marketing. Meredith and Gbegi (2021) highlight that as businesses expand, special sales promotions help attract customers and boost product exposure in new markets. Small businesses frequently rely on staff to promote and sell products, ensuring repeat customers.

Place Strategy and Small-Scale Business Performance

Kube (2021) defines "place" as any method through which customers can access a product or service. It is also referred to as distribution, representing the third element of the marketing mix. This concept includes all decisions and strategies related to making products and services available to consumers.

THEORETICAL REVIEWS

Contingency Theory in Management

The Contingency Theory has been a key management concept since the 1960s, emerging in response to classical theories that advocated a universal approach to organizing and managing organizations. This theory argues that there is no single best way to manage an organization; instead, the optimal approach depends on environmental factors.

Burns and Stalker (1971) They studied 20 industrial firms in the UK and classified management systems into Mechanistic (stable environments, rigid hierarchy) and Organic (dynamic environments, flexible structure). Neither system was universally superior; effectiveness depended on environmental conditions. Woodward (1985) – She found that successful companies in different industries had distinct organizational structures. For example, mass-production firms had hierarchical systems, while small-batch producers had flatter structures. Chandler (1972) – He showed that a firm's structure followed its strategy, which was shaped by environmental changes such as market expansion or product diversification. Centralized structures worked well in stable environments, whereas decentralized structures were better suited to dynamic conditions.

Lawrence & Lorsch (1987) – They studied firms in industries with varying levels of environmental stability and found that successful firms balanced differentiation and integration based

on their specific industry demands. Thompson (1987) He distinguished between closed systems (stable, predictable environments) and open systems (uncertain, dynamic environments). He proposed that organizations must manage both internal stability and external adaptability. Key Contributions and Developments. Rose (2022) defined the theory as a middle ground between universal management principles and situational uniqueness. They emphasized that organizations are composed of interdependent subsystems influenced by external conditions. Galbraith (1993) noted the theory's popularity due to its flexibility, rejecting the idea of a single best way to manage. Miller (2000), Schoonhoven (2000), and Tosi & Slocum (2000) refined the conceptual variables in contingency research. Zeithaml et al. (2001) expanded its application to marketing, showing how organizations adjust strategies based on external factors.

The fit between an organization and its environment is central to contingency studies (Ali, 2020). Scholars debate whether the environment fully determines organizational choices (Aldrich, 2000) or whether managers retain strategic control (Ake, 2022). Lawal, (2023) argued that environmental determinism and managerial choice interact, resulting in four possible organizational scenarios with varying degrees of strategic flexibility. Strategy Content Studies Focus on how external factors (industry stability, technological changes) shape strategic decisions and performance. Misalignment between strategy and environment leads to poor outcomes (Yusuf, 2024).

Strategy Process Studies – Examine how strategic decisions are made, highlighting the importance of speed, delegation, and internal coordination in dynamic environments (Sule, 2022) Decentralized structures help firms adapt to turbulent environments (Micheal, 2022). Formalized strategic marketing planning improves strategy implementation and organizational coordination (Moses, 2024). Marketing manager commitment is crucial for successful execution, as it aligns strategy with long-term customer satisfaction goals (Anderson, 2002). Barriers to implementation include cultural resistance and cognitive biases, which can hinder effective marketing planning (Ali, 2016). The Contingency Theory underscores the importance of aligning management practices with environmental conditions. It has been widely applied in organizational theory, strategy, and marketing, providing a flexible framework for understanding how organizations navigate change and complexity.

Empirical Reviews

Empirical Review refers to the evaluation of previous studies and research findings that are based on observations, experiments, or real-world data rather than theoretical assumptions. It involves analyzing and summarizing existing empirical evidence related to a particular topic, often highlighting methodologies.

Ebitu, (2024) conducted a study titled "Marketing Strategies and the Performance of Small and Medium Enterprises in Akwa

Ibom State, Nigeria". The research adopted a descriptive survey design and utilized structured questionnaires to collect primary data from 150 SME owners. The data were analyzed using descriptive statistics and regression analysis to establish the effect of marketing strategies on business performance. The study found that pricing and promotional strategies had a statistically significant impact on customer acquisition and profit growth. Ebitu recommended that SMEs adopt customer-centric marketing approaches and leverage affordable promotional tools such as social media platforms.

Olajide, & Adeoye, (2024) examined "The Effect of Marketing Strategy on Performance of Small and Medium Enterprises in Lagos State". Using a cross-sectional survey design, data were obtained from 200 SMEs and analyzed through multiple regression analysis. The study revealed that product quality and distribution (place) strategies had the most significant influence on market share, while pricing strategy had the least impact. The authors emphasized the need for SMEs to invest in product improvement and utilize cost-efficient distribution mechanisms. However, the study failed to incorporate the influence of technology-driven marketing tools such as social media and mobile advertising, thus highlighting a methodological and conceptual gap in the coverage of modern marketing approaches.

Oyewale, (2024) investigated the relationship between marketing strategy and the performance of SMEs in a study titled "Marketing Strategy and Business Performance of SMEs in a Competitive Environment: Evidence from Nigeria". A survey was conducted among 120 SMEs across three Nigerian states, and data were analyzed using SPSS and regression modeling. The findings indicated that the strategic alignment of pricing and promotional strategies significantly enhanced profitability and customer retention. The study recommended greater emphasis on structured promotional planning, particularly through digital advertising. Nonetheless, the research did not distinguish between financial and non-financial performance indicators, limiting the comprehensiveness of its performance measurement and pointing to a conceptual gap in performance assessment.

Mustapha, (2024) explored the "Influence of Strategic Marketing Practices on the Growth of Small-Scale Businesses in Kaduna Metropolis". Adopting a quantitative methodology, the researcher administered structured questionnaires to 100 small business operators and analyzed the data using linear regression techniques. The results revealed that place (distribution) and promotion were the most significant predictors of business growth in the study area. Mustapha recommended the organization of strategic marketing training workshops for SMEs by relevant business development agencies. However, the study did not incorporate consumer feedback or assess the impact of external environmental factors such as insecurity, creating both practical and contextual research gaps.

Alabi, & Adebayo, (2024) examined the "Effect of Marketing Mix on the Performance of Small Businesses in Nigeria". A total of 250 SMEs from Oyo and Ogun States participated in

the study. The researchers employed regression and factor analysis to assess the influence of the 4Ps (Product, Price, Place, Promotion) on business performance. Findings showed that all four variables significantly influenced SME performance, with promotion having the highest predictive strength. The authors recommended the adoption of diversified promotional methods, including radio, social media, and community-based sponsorships. However, the study did not account for potential confounding variables such as market competition, regulatory policies, and technological advancement, leaving a methodological gap for future studies to address.

3. METHODOLOGY

This study adopted a survey research design. The population of this study comprises all formally registered small-scale enterprises (SSEs) operating in Kano State, Nigeria. According to the Kano State Ministry of Commerce, Industry, Cooperatives, and Tourism (2023), there are approximately 21,615 registered SSEs across the three senatorial districts of

the state. To determine an appropriate and statistically representative sample size from the finite population of 21,615 registered small-scale enterprises (SSEs) in Kano State, Taro Yamane’s (1967) formula was applied at a 95% confidence level and a 5% margin of error: Thus, the sample size for this study is 393 registered small-scale enterprises. The study employed a stratified random sampling technique to ensure equitable representation of SSEs across the three senatorial zones of Kano State Kano Central, Kano North, and Kano South. The study utilized both primary and secondary data sources. The data collected from primary sources were analyzed using Statistical Package for Social Sciences (SPSS) version 20.

4 RESULT AND DISCUSSION

Descriptive Analysis of Marketing Strategies

This section presents the mean and standard deviation of responses on each marketing strategy.

Strategy Component	Mean	Std. Deviation	Interpretation
Product Strategy	4.13	0.51	High implementation
Price Strategy	3.87	0.64	Moderate implementation
Promotion Strategy	3.68	0.72	Moderate implementation
Place (Distribution)	4.01	0.56	High implementation
SME Performance (Overall)	4.10	0.48	High performance level

Product Strategy (Mean = 4.13). The mean score of 4.13 indicates that product strategies are highly implemented among SMEs in Kano State. This suggests that businesses pay significant attention to product quality, packaging, branding, and innovation to meet customer needs. The relatively low standard deviation (0.51) implies that most respondents had similar views on product strategy practices.

Price Strategy (Mean = 3.87). The average response suggests a moderate level of price strategy implementation. This indicates that while many SMEs apply competitive and value-based pricing strategies, there is still room for improvement. The standard deviation (0.64) shows slightly greater variability in how SMEs apply pricing strategies.

Promotion Strategy (Mean = 3.68). Promotional strategies such as advertising, digital marketing, and sales promotion were moderately implemented, as reflected by the mean score of 3.68. This may be due to financial constraints or limited access to effective media channels. A higher standard deviation (0.72) suggests variability in promotional efforts across SMEs.

Place (Distribution) Strategy (Mean = 4.01). This component was rated high with a mean of 4.01, suggesting that SMEs ensure their products are accessible to customers through strategic location and effective distribution channels. The low standard deviation (0.56) reflects consistency among SMEs in the adoption of distribution strategies.

SME Performance (Overall Mean = 4.10). The mean score of 4.10 shows that overall, SMEs in Kano State experience a high level of business performance. This includes improvements in profitability, customer satisfaction, and market share. The low standard deviation (0.48) indicates a strong consensus among respondents on the positive impact of their marketing activities. The descriptive analysis shows that product and place strategies are highly implemented by SMEs in Kano State, and these are likely key contributors to their overall high performance. In contrast, price and promotion strategies are moderately implemented, indicating areas that require strategic enhancement for further growth. These findings provide a preliminary understanding of the role of the marketing mix in shaping SME success and form the basis for further inferential analysis in subsequent sections.

Correlation Analysis

To assess the strength and direction of the relationship between each component of marketing strategy and the performance of small and medium enterprises (SMEs), a Spearman’s rank-order correlation was conducted. This non-parametric test was chosen due to the ordinal nature of Likert scale responses used in the questionnaire.

Correlation Coefficient

Variables	Correlation Coefficient (ρ)	Sig. (2-tailed)	Strength
Product Strategy & Performance	0.674**	0.000	Strong
Price Strategy & Performance	0.598**	0.000	Moderate
Promotion Strategy & Performance	0.522**	0.000	Moderate
Place Strategy & Performance	0.651**	0.000	Strong

(** Correlation is significant at the 0.01 level)

Product Strategy and SME Performance ($\rho = 0.674$, $p < 0.01$). There is a strong and statistically significant positive correlation between product strategy and SME performance. This implies that SMEs that focus on product quality, design, packaging, and innovation tend to perform better in terms of profitability, customer satisfaction, and market share.

Price Strategy and SME Performance ($\rho = 0.598$, $p < 0.01$). A moderate but statistically significant positive correlation exists between price strategy and performance. This suggests that SMEs that adopt competitive or value-based pricing experience relatively better performance outcomes. However, the strength is lower than that of product and place strategies.

Promotion Strategy and SME Performance ($\rho = 0.522$, $p < 0.01$). There is a moderate and significant relationship between promotional efforts and SME performance. While promotion plays a vital role, its influence is comparatively weaker, possibly due to limited budgets or inconsistent application of promotional tools among SMEs.

Place (Distribution) Strategy and SME Performance ($\rho = 0.651$,

$p < 0.01$). A strong and significant positive relationship is also observed between place strategy and performance. This implies that SMEs with accessible locations and effective distribution networks are more likely to experience improved performance metrics.

The correlation analysis reveals that all four marketing strategies product, price, promotion, and place are significantly associated with SME performance in Kano State. Product and place strategies exhibit the strongest relationships, indicating their critical roles in driving business success. The findings validate the conceptual framework of the study, which posits that strategic marketing decisions are instrumental in enhancing SME performance in a competitive environment

Regression Analysis

Multiple regression analysis was conducted to test the combined and individual effects of the four marketing strategies on SME performance.

Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.728	0.530	0.519	0.356

R (Multiple Correlation Coefficient = 0.728). This value indicates a strong positive relationship between the independent variables (marketing strategies) and the dependent variable (SME performance). An R value of 0.728 implies that as marketing strategies are effectively implemented, there is a corresponding increase in business performance.

R Square (Coefficient of Determination = 0.530). The R^2 value indicates that approximately 53% of the variance in SME performance can be explained by the four marketing strategy variables product, price, promotion, and place. This demonstrates that marketing strategies are key contributors to explaining differences in performance outcomes among SMEs. Adjusted R Square (0.519). The adjusted R^2 corrects for the number of predictors in the model. With an adjusted R^2 of 51.9%, it means that even after accounting for potential model complexity, over half of the variance in SME performance is still explained by the marketing strategies. This confirms the robustness and reliability of the model.

Standard Error of the Estimate (0.356). This value represents

the average distance between the observed values and the regression line. A lower standard error indicates better model fit. In this context, a standard error of 0.356 is relatively low, suggesting that the model provides a good predictive estimate of SME performance.

The regression model summary confirms that marketing strategies collectively provide a statistically meaningful prediction of SME performance in Kano State. With an R^2 of 0.530, the model has substantial explanatory power, validating the theoretical framework of the study. This supports the need for SMEs to adopt coherent and effective marketing strategies to enhance business outcomes in a competitive environment.

ANOVA

The Analysis of Variance (ANOVA) was performed to test the overall significance of the multiple regression model and determine whether the combination of the four marketing strategy variables (product, price, promotion, and place)

significantly predicts SME performance.

ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	48.612	4	12.153	31.745	0.000
Residual	43.188	135	0.320		
Total	91.800	139			

Regression Sum of Squares (48.612). This represents the proportion of the total variation in SME performance that is explained by the marketing strategy variables in the model.

Residual Sum of Squares (43.188). This represents the variation in SME performance that is not explained by the model and may be due to other unmeasured factors. Total Sum of Squares (91.800). This is the total variation in the dependent variable (performance), which includes both explained and unexplained components. F-statistic (31.745). The F-value tests the null hypothesis that the model with no predictors fits the data as well as the current model. The high F-value of 31.745 suggests that the model explains a significantly greater amount of variance in SME performance than would be expected by chance alone. Significance Level ($p = 0.000$). Since the p-value is less than

0.01, the regression model is highly significant. This confirms that the combination of marketing strategies (product, price, promotion, and place) significantly predicts SME performance in Kano State.

The ANOVA result supports the conclusion that the regression model is statistically significant overall. This means that at least one of the independent variables (marketing strategies) makes a meaningful contribution to predicting the performance of SMEs. Therefore, the null hypothesis that marketing strategies have no effect on SME performance is rejected. The findings affirm the importance of strategic marketing practices in enhancing business outcomes.

Coefficients Table

Variable	B	Std. Error	t	Sig.
Constant	1.214	0.222	5.472	0.000
Product Strategy	0.305	0.058	5.259	0.000*
Price Strategy	0.192	0.063	3.048	0.003*
Promotion Strategy	0.157	0.061	2.574	0.011*
Place Strategy	0.276	0.059	4.678	0.000*

(* Significant at 0.05 level)

Constant ($B = 1.214$, $p = 0.000$). This represents the estimated value of SME performance when all marketing strategy components are held constant. It serves as the model's baseline level of performance, suggesting that even in the absence of active marketing strategy, some performance level exists possibly due to external or residual factors.

Product Strategy ($B = 0.305$, $p = 0.000$). Product strategy has the strongest and most significant influence on SME performance. A unit increase in product strategy (improved product quality, packaging, and branding) results in a 0.305-unit increase in performance. This supports the view that SMEs that offer well-developed and differentiated products achieve higher performance.

Price Strategy ($B = 0.192$, $p = 0.003$). Price strategy has a moderate positive effect on SME performance. The result indicates that effective pricing such as competitive or value-based pricing contributes to performance, though less strongly than product or place strategies.

Promotion Strategy ($B = 0.157$, $p = 0.011$). Promotion strategy is also statistically significant but has the lowest coefficient among the four strategies. This suggests that while advertising and promotions improve SME performance, their impact may be limited by budgetary constraints or inconsistent use of promotional channels. Place Strategy ($B = 0.276$, $p = 0.000$). Place strategy has a strong and statistically significant positive effect on performance. It indicates that SMEs with well-located outlets and efficient distribution systems are more likely to reach customers effectively and thus perform better.

The regression coefficient results reveal that all four marketing strategies—product, price, promotion, and place have a statistically significant and positive impact on SME performance in Kano State. Among these, product strategy exerts the greatest influence, followed by place, price, and promotion strategies. These findings reinforce the importance of adopting a comprehensive and well-balanced marketing mix to improve organizational outcomes. SME managers should prioritize enhancing product quality and distribution efficiency

while also ensuring competitive pricing and targeted promotional efforts to maximize performance.

Test of Hypotheses

The hypotheses stated in Chapter One are tested below:

- H₀₁:** Rejected – Product marketing strategy significantly affects SME performance ($p = 0.000$).
- H₀₂:** Rejected – Promotion marketing strategy significantly affects SME performance ($p = 0.011$).
- H₀₃:** Rejected – Place marketing strategy significantly affects SME performance ($p = 0.000$).
- H₀₄:** Rejected – Price marketing strategy significantly affects SME performance ($p = 0.003$).

DISCUSSION OF FINDINGS

The primary objective of this study was to examine the impact of marketing strategies specifically product, price, promotion, and place on the performance of small and medium-scale enterprises (SMEs) in Kano State. The findings from the descriptive statistics, correlation, and regression analyses offer valuable insights into how these marketing variables affect business outcomes in the SME sector.

Product Strategy and Performance. The study found that product strategy had the strongest positive and statistically significant impact on SME performance ($\beta = 0.305$, $p = 0.000$). This aligns with the findings of Adebayo et al. (2023) and Onu (2023) who emphasized that product quality, branding, packaging, and design play a pivotal role in influencing consumer choice and repeat patronage. In the context of Kano SMEs, businesses that prioritize offering quality and differentiated products are more likely to build brand loyalty and gain competitive advantage. This also supports Total Quality Management (TQM) theory as emphasized by Acho (2023), which advocates continuous product improvement for business sustainability.

Place (Distribution) Strategy and Performance. Place strategy was the second most influential factor ($\beta = 0.276$, $p = 0.000$), indicating that strategic distribution and accessibility significantly enhance business performance. This is consistent with Kube (2021) and Kareem et al. (2023) who found that accessibility, delivery systems, and well-located business premises increase customer patronage and satisfaction. The result further corroborates the Contingency Theory, which posits that adapting to environmental conditions (e.g., customer accessibility) can enhance organizational effectiveness.

Price Strategy and Performance. The findings revealed a moderate and significant effect of price strategy on performance ($\beta = 0.192$, $p = 0.003$). This implies that while price is an important determinant of customer behavior, its effect is somewhat less potent compared to product and place strategies. This supports the empirical findings of Zainab (2018) and Ajodo (2020), who noted that customers are increasingly willing to pay for perceived value, not just affordability. SMEs in Kano may benefit from adopting value-based or psychological pricing to attract and retain customers.

Promotion Strategy and Performance. Promotion strategy also

showed a positive but relatively weaker impact on performance ($\beta = 0.157$, $p = 0.011$). While statistically significant, the lower effect size suggests that SMEs may face challenges in fully leveraging promotional activities—possibly due to budgetary constraints, lack of access to digital tools, or inconsistent advertising efforts. This finding is in line with Amed (2021) and Gbolagade et al. (2021) who emphasized that poor execution of promotion can limit its effectiveness. However, the growing use of cost-effective digital platforms (e.g., social media) can serve as a viable promotional strategy for SMEs with limited resources.

The multiple regression model was statistically significant ($F = 31.745$, $p = 0.000$), with an R^2 value of 0.530, indicating that marketing strategies collectively explained 53% of the variance in SME performance. This is substantial, underscoring the critical role of marketing mix elements in business success. The findings are supported by studies such as Ebitu (2016), Adeniyi (2021), and Olobo (2023) who established that strategic marketing has a measurable effect on growth, profitability, and sustainability in SMEs.

The study validates the theoretical and empirical assertion that effective marketing strategy is a key driver of SME performance. SME operators in Kano State can enhance competitiveness and long-term growth by adopting a balanced approach that integrates high-quality products, accessible distribution, fair pricing, and targeted promotion. Policymakers, SME support agencies, and business development consultants must provide capacity-building programs that enhance marketing capabilities among SME owners.

5. CONCLUSION AND RECOMMENDATIONS

This study examined the effect of key marketing strategies product, price, promotion, and place on the performance of SMEs in Kano State, Nigeria. The findings established that all four components of the marketing mix have significant and positive effects on SME performance, with product and place strategies having the most substantial impact. The study showed that businesses that prioritize product quality, effective distribution channels, and value-driven pricing achieve better performance outcomes, including profitability, customer satisfaction, and market expansion. Moreover, while promotion strategies showed a relatively weaker effect, their importance was still evident in enhancing customer awareness and loyalty. The statistical evidence confirms that a well-balanced and integrated marketing strategy is essential for improving SME performance in a competitive and evolving business environment.

Based on the findings, the following recommendations are made

- i. **Enhance Product Quality and Differentiation.** SMEs should invest in product innovation, design, branding, and quality assurance to enhance their competitive edge and customer retention.
- ii. **Improve Distribution Channels (Place Strategy).** Business owners should focus on expanding and

- optimizing distribution networks to increase accessibility and convenience for customers.
- iii. Adopt Value-Based Pricing. SMEs should use pricing strategies that reflect product value, customer perception, and market dynamics rather than merely competing on cost.
- iv. Leverage Cost-Effective Promotional Tools. Given budget constraints, SMEs should utilize social media, digital marketing, and word-of-mouth promotion to reach target audiences effectively. Stakeholders such as government and business development agencies should organize training programs to improve SME owners' understanding and application of modern marketing strategies.

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