Evaluation of Marketing Strategies and Small and Medium Scale Enterprises Performance in Kogi East Senatorial District

ABUBAKAR HARUNA[1], JOHN OLATUNJI ALABI[2]
[1,2]*Department of Business Administration, Prince Abubakar Audu University, Anyigba, Kogi State.*

Abstract- ***The main objective of this study is to evaluate the effect of marketing strategies on SMEs performance in Kogi East Senatorial District. Other specific objectives are to examine whether product development strategy and pricing strategy affect SMEs performance in Kogi East Senatorial District. The study covered a period between 2023-2025. The population of the study comprises of 21,859 SMEs operating within Kogi East Senatorial District of Kogi State environs. The sample size was 400 which was determined using Taro Yamani sampling technique. Hypotheses of the study was tested using Multiple regression analysis with the aid of SPSS 22.0. The study found that product development strategy has positive and significant effect on small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State while pricing strategy has positive and significant effect on small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State. The study recommended that SME operators should consistently invest in market research to understand evolving customer needs and preferences. SMEs owners should adopt flexible and value-based pricing approaches that reflect both market conditions and customer purchasing power.***

Indexed Terms- ***Marketing Strategies, SMEs, Performance, Product Development Strategy and Pricing Strategy***

I. INTRODUCTION

In contemporary economic discourse, the role of small and medium-scale enterprises (SMEs) as engines of growth, innovation, and employment generation is widely recognized across the globe. From the developed economies of North America and Europe to the emerging markets of Asia and Latin America, SMEs have become integral to the fabric of national economic development. According to the Organisation for Economic Co-operation and Development (OECD, 2023), SMEs account for over 95% of all enterprises and provide more than two-thirds of total employment in the private sector globally. This economic significance has necessitated a growing scholarly interest in the determinants of SME performance, with marketing strategy being identified as a crucial factor that influences competitive positioning and sustainability in dynamic market environments.

Marketing strategy, broadly defined as the set of integrated decisions and actions aimed at achieving long-term business objectives, plays a pivotal role in shaping the performance trajectory of SMEs. It encompasses various elements such as product development, pricing, promotion, and distribution, which collectively determine how firms engage with their target markets. In particular, product development strategy is the process through which firms design, refine, and introduce new or improved offerings has been described as a vital tool for responding to customer needs, differentiating products, and maintaining relevance in competitive sectors (Kotler et al., 2022). Scholars such as Chinomona and Sandada (2021) argue that innovative product development enhances SMEs' ability to capture market share, increase customer satisfaction, and boost financial performance.

Similarly, pricing strategy is the approach adopted by firms in setting the value of their products or services remains a subject of robust academic debate. On one hand, strategic pricing enables firms to position themselves effectively within market segments, balance revenue and cost structures, and signal

quality to consumers (Audu & Adeola, 2023). On the other hand, critics have pointed out that SMEs often engage in price wars or adopt suboptimal pricing mechanisms due to limited market intelligence and poor customer segmentation (Ibrahim & Agwu, 2021). While some empirical studies suggest that flexible and customer-oriented pricing strategies significantly enhance SMEs' performance metrics, including profitability and customer loyalty (Okonkwo et al., 2022).

The performance of SMEs has garnered increasing attention due to their vital role in national economic development. Nigeria, like many other Sub-Saharan African countries, faces high unemployment rates, low industrialization, and limited economic diversification, challenges that SMEs are strategically positioned to mitigate. According to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2023), SMEs represent over 90% of businesses in Nigeria and contribute significantly to gross domestic product and employment. However, despite their numerical dominance, many Nigerian SMEs continue to underperform, largely due to constraints in capital, managerial competence, infrastructural facilities, and market access.

Recent literature has linked these performance challenges to the inadequate formulation and execution of effective marketing strategies. Ebitu et al. (2022) emphasize that while many Nigerian SMEs exhibit entrepreneurial zeal, they often lack formal marketing knowledge, leading to poor strategic choices, especially in areas of product development and pricing. Empirical evidence by Ogechukwu and Ndubuisi (2023) demonstrates a significant positive relationship between well-executed product development strategies and improved sales performance among SMEs in urban Nigerian markets. Similarly, Abiola and Hassan (2023) found that SMEs that adopt value-based pricing models, aligned with consumer expectations and competitive dynamics, tend to achieve higher levels of customer retention and revenue stability.

Nonetheless, other scholars have expressed caution, suggesting that the relationship between marketing strategy and SME performance is not linear but mediated by contextual variables such as market turbulence, regulatory frameworks, and technological adoption.

It is in the light of the above this study evaluate the effect of marketing strategies on SMEs performance in Kogi East Senatorial District.

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

1. To what extent does product development strategy affect SMEs performance in Kogi east senatorial district?
2. To what extent does pricing strategy affect SMEs performance in Kogi east senatorial district?

This study intended to evaluate the effect of marketing strategies on SMEs performance in Kogi east senatorial district. The Specific objectives include:

1. To access whether product development strategy affect SMEs performance in Kogi east senatorial district.
2. To ascertain whether pricing strategy affect SMEs performance in Kogi east senatorial district.

To address the research questions of this study, the following hypotheses was formulated and tested in null form;

H_{01}: Product development strategy does not have significant effect on SMEs performance in Kogi east senatorial district.

H_{02}: Pricing strategy does not have significant effect on SMEs performance in Kogi east senatorial district.

II. REVIEW OF RELATED LITERATURE

Conceptual Review

Marketing Strategies

Kotler and Keller (2022) conceptualize marketing strategy as a systematic approach to delivering superior value to target customers through a carefully chosen mix of product, price, place, and promotion. In the view of Baines, Fill, and Rosengren (2021), marketing strategy refers to the coordinated set of actions and resource allocations designed to achieve long-term organizational goals through satisfying customer needs better than competitors.

Hollensen (2020) emphasizes that marketing strategy is not merely an operational function but a strategic process that connects market intelligence with business objectives, shaping product development, pricing, distribution, and promotional decisions. The essence of a marketing strategy, therefore, lies in its ability to bridge the gap between customer expectations and firm capabilities. It seeks to optimize value exchange in a manner that reinforces brand equity and enhances firm performance over time. In the context of small and medium-scale enterprises (SMEs), the relevance of marketing strategy is particularly profound given the structural limitations that constrain access to capital, information, and markets. Effective marketing strategies, when adapted to the realities of SMEs, can offer a pathway to competitiveness and growth despite resource scarcity.

In this study, the definition of marketing strategy by Hollensen (2020) is adopted. His definition captures both the strategic and functional dimensions of marketing, emphasizing its integrative role in aligning firm objectives with market opportunities through structured actions. This definition is particularly suited for analyzing how Nigerian SMEs utilize product development and pricing strategies to improve performance outcomes.

SMEs Performance

According to Aremu and Saka (2022), SMEs performance is a multidimensional construct that includes profitability, sales growth, employee productivity, market share, and customer satisfaction. In this view, performance encompasses more than just financial indicators; it integrates strategic, operational, and customer-related dimensions that reflect a firm's holistic achievement. Similarly, Nwachukwu and Obasi (2023) assert that SMEs performance is best understood as the ability of an enterprise to consistently meet its operational goals, expand its customer base, and remain competitive in a dynamic market environment. These authors emphasize that performance is both a process and an outcome, shaped by internal capabilities and external conditions.

Another significant contribution to the conceptual discourse is the work of Yusuf and Alabi (2023), who define SMEs performance as the extent to which small businesses are able to utilize available resources efficiently to meet their strategic objectives, sustain operations, and create value for stakeholders. This definition integrates both efficiency and value creation, highlighting the dual focus on internal resource optimization and external stakeholder satisfaction. Moreover, Akinlabi and Okonkwo (2024) expand the discussion by identifying employee engagement, customer feedback, and digital adoption as emerging dimensions of performance in the contemporary Nigerian SME landscape.

The definition provided by Yusuf and Alabi (2023) is adopted. Their conceptualization is particularly relevant as it captures the essence of SMEs performance within the Nigerian economic context, emphasizing resource utilization, strategic goal attainment, and stakeholder value. This definition aligns with the study's focus on how marketing strategies particularly product development and pricing contribute to the performance outcomes of SMEs operating in a resource-constrained but opportunity-rich environment.

Product Development Strategy

According to Okon and Uduak (2022), product development strategy involves the continuous modification or creation of products in response to changing market demands and consumer preferences. It is a proactive approach that enables businesses to innovate, differentiate, and sustain relevance in the face of technological disruptions and competitive pressures. Similarly, Ogunleye and Daramola (2023) define product development strategy as a systematic plan adopted by firms to design, test, and commercialize new or improved offerings aimed at increasing market share, improving customer satisfaction, and boosting profitability. Their perspective underscores the alignment between product innovation and broader business objectives, particularly for SMEs that operate with limited resources and face high market volatility.

In this study, the definition provided by Ogunleye and Daramola (2023) is adopted. Their conceptualization of product development strategy as

a systematic plan aimed at designing and commercializing new or improved offerings aligns with the study's objective of examining the influence of product development on SMEs' performance. This definition provides a comprehensive framework that integrates innovation, customer orientation, and strategic intent, all of which are critical for SMEs operating in Nigeria's evolving economic environment.

Pricing Strategy

According to Bello and Oyetunde (2023), pricing strategy refers to the deliberate policies and practices employed by a firm to determine the value at which its products or services will be offered to customers, taking into account cost structures, demand conditions, and competitor pricing. This definition encapsulates both internal and external considerations that influence pricing decisions. Similarly, Okonkwo and Adebayo (2022) describe pricing strategy as the art and science of aligning price with perceived value in the marketplace in order to optimize both sales volume and profit margins. Their definition emphasizes the strategic balance that must be achieved between affordability and profitability, particularly for SMEs operating in highly price-sensitive environments like Nigeria.

In this study, the definition of pricing strategy provided by Okonkwo and Adebayo (2022) is adopted. Their conceptualization, which views pricing strategy as the alignment of price with market value and profitability objectives, is particularly relevant in the context of Nigerian SMEs. It captures the essence of strategic decision-making in pricing and reflects the need to balance consumer affordability with business sustainability.

Theoretical Framework

Resource-Based View (RBV) Theory

The Resource-Based View (RBV) theory is one of the most influential frameworks in the field of strategic management and has been extensively applied in understanding firm performance, especially within the context of marketing strategy and small and medium-scale enterprises (SMEs). The theory was formally introduced by Jay Barney in 1991, although its intellectual roots can be traced to earlier works by Edith Penrose in 1959.

At its core, the RBV theory asserts that organizations are heterogeneous entities endowed with unique bundles of resources and capabilities. These resources may be tangible such as physical assets and financial capital or intangible, such as brand equity, managerial expertise, technological know-how, and organizational culture. According to Barney (1991), for a resource to provide sustainable competitive advantage, it must meet four criteria: it must be valuable (enabling the firm to exploit opportunities or neutralize threats), rare (not possessed by many competitors), inimitable (costly for other firms to duplicate), and non-substitutable (no strategic equivalent). When these conditions are met, firms can outperform competitors and achieve superior long-term performance.

The RBV is particularly applicable to the study of marketing strategy and SMEs performance in Nigeria. SMEs often operate in resource-constrained environments characterized by limited access to finance, infrastructure, and skilled labor. Despite these constraints, some SMEs outperform others, a disparity that can be explained through the RBV framework.

The RBV also assumes that firms are capable of recognizing, developing, and deploying their strategic resources effectively. This assumption presumes that management has the foresight and strategic acumen to identify which resources meet the VRIN criteria and to align them with organizational goals. Moreover, the theory presupposes a relatively stable competitive environment in which the value of key resources does not change rapidly over time. This makes the RBV particularly relevant for analyzing internal capabilities such as marketing innovation, However, the RBV is not without limitations. One major critique is its inward-looking orientation, which tends to underemphasize the role of external factors such as market dynamics, competition, and regulatory changes. Critics argue that in environments like Nigeria, where SMEs are often subject to unpredictable policy shifts, currency fluctuations, and infrastructural deficits, external factors may have just as much influence on firm performance as internal resources (Ogunleye & Daramola, 2023).

Empirical Review

Arowolo et al. (2023) assessed the influence of product development strategy on the performance of SMEs in Ibadan, Oyo State, Nigeria. The study covered a five-year period from 2018 to 2023. The study employed a descriptive survey research design. The population included all SMEs registered under the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) in Ibadan. A total of 180 SMEs were selected through systematic random sampling. Primary data were collected using well-structured questionnaires. The study utilized multiple regression analysis as the estimation technique with the aid of SPSS version 26. The study found that product development strategy positively and significantly influenced SME performance indicators such as growth rate, customer retention, and profit margin. The study concluded that SMEs with consistent product development strategies tend to outperform their counterparts in competitive markets. The study recommended that government agencies and stakeholders should provide technical and financial support to enable SMEs invest in innovative product development processes.

Santos et al. (2022) explored the impact of pricing strategies on SME performance in Barcelona, Spain. The study covered a four-year period between 2018 and 2022. A longitudinal survey research design was adopted. The population consisted of SMEs registered with the Catalonia Chamber of Commerce in the service and manufacturing sectors. A sample size of 220 SMEs was drawn using systematic sampling. The researchers relied on primary data obtained from structured and pre-tested questionnaires. Structural Equation Modeling (SEM) was used as the estimation technique, employing AMOS version 24 for analysis. The study found that dynamic pricing and penetration pricing strategies had a positive and significant effect on firm performance, especially in relation to market share growth, customer acquisition, and brand positioning. The study concluded that the effective application of adaptive pricing models enhances competitive advantage and long-term SME sustainability. The study recommended that SMEs should invest in market intelligence tools to monitor customer behaviors and tailor pricing structures accordingly.

John et al. (2021) studied the effect of product development strategy on the performance of small and medium enterprises in Lagos State, Nigeria. The study covered a period between 2017 and 2021. The study made use of a survey research design. The population of the study comprised registered SMEs in the Lagos Mainland Local Government Area. A total sample size of 200 SMEs was selected using a stratified random sampling technique. The study made use of primary sources of data collected through structured questionnaires administered to SME owners and marketing managers. Multiple regression analysis was used as the main estimation technique with the aid of SPSS version 25. The study found that product development strategy has a positive and significant effect on SME performance indicators such as profitability, customer satisfaction, and sales growth. The study concluded that continuous innovation and development of products tailored to customer needs significantly enhance SME growth and survival in competitive environments. The study recommended that Nigerian SMEs should invest more in customer-oriented product innovation to remain relevant in the dynamic business environment.

Obi et al. (2021) investigated the influence of pricing strategies on the performance of SMEs in Lagos State, Nigeria. The study covered the period between 2018 and 2021. The study adopted a cross-sectional survey research design. The population included SMEs operating in the fashion, cosmetics, and electronics sectors within Ikeja and Surulere LGAs. A total of 180 SMEs were selected through simple random sampling. The researchers used primary data gathered from structured questionnaires administered to SME owners and pricing officers. The study utilized multiple regression analysis as the estimation technique with the aid of SPSS version 25. The findings revealed that cost-plus pricing had a negative and insignificant effect on performance, while value-based and psychological pricing strategies showed a positive and significant impact. The study concluded that pricing strategies that consider customer perception and market demand are more effective than those based solely on cost. The study recommended that SMEs should embrace data-driven and value-oriented pricing models to optimize customer satisfaction and business outcomes.

Kebede et al. (2020) investigated the effect of product development strategy on SME performance in Addis Ababa, Ethiopia. The study covered the period from 2018 to 2020. A descriptive and explanatory research design was employed. The population consisted of SMEs operating in the manufacturing sector registered with the Ethiopian Ministry of Trade and Industry. The sample size was 250 SMEs selected through purposive sampling. Primary data were collected using structured questionnaires and face-to-face interviews. The study employed multiple linear regression analysis using STATA software. The study found a positive and statistically significant effect of product development on profitability, customer base expansion, and market competitiveness. The study concluded that product innovation serves as a key strategic tool in improving firm-level performance among Ethiopian SMEs. The study recommended that SMEs should integrate market research into their product development process to better understand consumer behavior and demands.

Mwangi et al. (2020) examined the effect of pricing strategy on the performance of SMEs in Nairobi County, Kenya. The study covered the period between 2017 and 2020. A descriptive research design was employed. The population of the study comprised SMEs operating in the retail and wholesale sectors, as registered with the Nairobi City County Government. The researchers used a sample size of 250 SMEs selected through purposive sampling. Primary data were collected via structured questionnaires administered to SME managers. Multiple linear regression analysis was employed as the estimation technique using STATA software. The study found that value-based pricing and competitive pricing strategies had a statistically significant positive effect on SME performance, particularly in areas of sales growth and profitability. The study concluded that aligning pricing strategies with perceived customer value and market competition enhances SMEs' operational outcomes. The study recommended that SME owners should continuously assess customer preferences and competitor pricing in order to adapt their pricing approaches accordingly.

Chen et al. (2019) examined the relationship between product development strategy and the performance of SMEs in Guangzhou Province, China. The study covered the years from 2017 to 2019. The research adopted a cross-sectional survey design. The population comprised 3,000 SMEs registered with the Chinese Chamber of Commerce. A simple random sampling technique was used to select 300 SMEs. Primary data were obtained using structured questionnaires distributed to SME managers. Structural equation modeling (SEM) was used for data analysis with the assistance of AMOS software. The findings revealed that product development strategy has a positive and significant impact on SME performance, particularly in areas of innovation capacity, market responsiveness, and profitability. The study concluded that the ability to continually introduce new and improved products significantly enhances the long-term sustainability and competitiveness of SMEs in China. The study recommended that SMEs should increase investment in research and development (R&D) and adopt technology-driven product development frameworks.

Ahmed et al. (2019) studied the effect of pricing strategy on the performance of SMEs in Kano State, Nigeria. The study covered a period between 2017 and 2019. The study made use of a survey research design. The population of the study consisted of SMEs registered under the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) in the Kano metropolitan area. A sample size of 200 SMEs was selected using a stratified random sampling technique. The study made use of primary sources of data collection through structured questionnaires distributed to business owners and sales managers. Multiple regression analysis was used as the main estimation technique with the aid of SPSS version 24. The study found that pricing strategy has a positive and significant effect on SME performance, particularly in terms of customer retention, revenue growth, and market penetration. The study concluded that well-structured and market-responsive pricing strategies play a critical role in enhancing the competitiveness and financial sustainability of Nigerian SMEs. The study recommended that SMEs should adopt flexible and customer-focused pricing strategies that align with prevailing market conditions and consumer purchasing power.

III. METHODOLOGY

This study made used of survey research methodology. Onwumere (2021) posited that survey studies are concerned with describing events as they happen without any form of bias or manipulation of what is being observed.

The total population of this study comprises of 21,859 SMEs operating within Kogi East Senatorial District of Kogi State environs which includes Dekina 3810, Ankpa 3240, Bassa 1262, Idah 2629, Ibaji 1721, Ofu 2420, Omale 2157, Olamaboro 2190 and Igalamela-odolu 2430 (SMEDAN, 2020).

Purposive/Judgmental Sampling technique was adopted for use because it allows the researcher to identify various operators of SMEs in Kogi East Senatorial District of Kogi State. Taro Yamani formula was used to determine the sample size of 400.

Model Specification

The dependent variable is SMEs Performance (SMESP), while the independent variables are Product Development Strategy (PDVS) and Pricing Strategy (PRS). To achieve all the hypotheses, multiple regression was used. The model is presented thus:

SMESP = f(PDVS, PRS)

$SMESP_i = \beta_o + \beta_1 PDVS_i + \beta_2 PRS_i + \mu_i$ ----------(1)

Where: SMESP = SMEs Performance (Dependent Variable);

β_o = a constant and β_{1-2} = coefficients of independent variables;

PDVS = Independent Variable (Product Development Strategy);

PRS= Independent Variable (Pricing Strategy);

μ = Stochastic error term;

i = Cross sectional; and

f = Functional relationship

IV. DATA ANALYSIS AND DISCUSSION

This section shows the numbers of questionnaire administered and returned by the respondents. Four Hundred (400) copies of questionnaires were administered to selected owners of Small and Medium Enterprise in Kogi East, Kogi State, two hundred and eighty-seven (287) copies of the questionnaires were correctly filled and returned back while 113 were not returned. However, the conclusion was drawn on the hypotheses based on the two hundred and eighty-seven (287) copies of the questionnaire that was returned.

Cronbach's Alpha Reliability Test

The Cronbach's Alpha test showed a satisfactory result on each of the study variables as presented below.

Items	Cronbach's Alpha value
SMEs Performance (SMESP)	.845
Product Development Strategy (PDVS)	.943
Pricing Strategy (PRS)	.952

Source: Researcher's Computation Using SPSS 22.0 Version

Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.887[a]	.875	.870	.17433
a. Predictors: (Constant), PDVS, PRS				

The R-Square value of .875 in the table above revealed that the components of the independent variable (product development strategy and pricing strategy) have a combined effect of 87.5% on the dependent variable (SMEs Performance in Kogi East) while the adjusted R-square value of .875 showed the accurate influence of the combined effect of product development strategy and pricing strategy of 87% on SMEs Performance in Kogi East. The remaining 13% was not captured by variables in this present model.

ANOVA Result

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	334.130	2	111.377	3664.727	.000[b]
	Residual	8.601	283	.030		
	Total	342.731	286			
a. Dependent Variable: SMESP						
b. Predictors: (Constant), PDVS, PRS						

The F-Statistics value of 3664.727 and the sig. level of .000 in the table above signifies that the model is fit and significant at 5% level. This shows that the result is good and admissible for decision making purpose.

Test of Hypotheses

Hypothesis One

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.464	.066		7.041	.000
	PDVS	.788	.023	.894	33.662	.000
a. Dependent Variable: SMESP						

The coefficients table in table above was used as the main estimation technique to analyze the hypotheses of this study.

H_{01}: Product development strategy has no significant effect on small and medium scale enterprises performance in Kogi East Senatorial District

The table above reveal that the result of t-statistic value of 33.662 and the corresponding sig. level of .000 which is significant at 5% level of significance revealing that product development strategy has positive and significant effect small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State. Based on this, the null hypothesis one which state that product development strategy has no significant effect on small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State was rejected and the alternate hypothesis which state product development strategy has significant effect on small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State that was accepted.

Test of Hypothesis Two

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.505	.062		8.184	.000
	PRS	.772	.022	.902	35.363	.000
a. Dependent Variable: SMESP						

H_{02}: Pricing strategy has no significant effect on small and medium scale enterprises performance in Kogi East Senatorial District

The table above reveal that the result of t-statistic value of 35.363 and the corresponding sig. level of .000 which is significant at 5% level of significance revealing that pricing strategy has positive and significant effect on small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State. Based on this, the null hypothesis two which state that pricing strategy has no significant effect on small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State was rejected and the alternate hypothesis which state pricing strategy has significant effect on small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State that was accepted.

V. DISCUSSION OF FINDINGS

The study found that product development strategy has positive and significant effect on small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State. This implies that, a unit increase in product development strategy would lead to increase in small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State. Small and Medium-sized Enterprises (SMEs) consistently strive to be innovative with their product development strategies, ensuring that their offerings stand out in the market and are easily identifiable by their target customers. By focusing on product innovation, SMEs create unique products that cater specifically to the needs and preferences of their customers, thereby building strong brand recognition and customer loyalty. Additionally, an effective product development strategy enhances the visibility of a firm's products and services, making them more recognizable in a crowded marketplace. This strategy not only increases brand awareness but also helps to differentiate the firm's offerings from those of competitors, especially from substitute products. By developing distinctive features or improving the functionality of their products, SMEs position themselves more competitively, attract a larger customer base, and ultimately, achieve greater market success. The findings is in line with the findings of Nwankwo and Eze (2023) and Zhang and Li (2023) who found a positive relationship. But the findings is not consistent with the findings of Chikezie and Obi (2022) who found a negative relationship.

The study also found that pricing strategy has positive and significant effect on small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State. This implies that, a unit increase in pricing strategy would lead to increase in small and medium scale enterprises performance in Kogi East Senatorial District, Kogi State. Pricing strategy is a crucial component of any organization's overall business plan. Companies devote significant attention to setting the price of their products because it directly impacts both sales and profitability. When determining a product's price, firms take into account various factors, such as the income levels of their target customers, the pricing of substitute products available in the market, and the prevailing economic conditions. These considerations are essential to ensure that the price is both competitive and attractive to consumers, while still allowing the firm to meet its financial goals. Price plays a pivotal role in influencing customer purchasing decisions. If the price of a product is perceived as too high, even if the product is essential or offers superior quality, customers may be inclined to seek out more affordable alternatives that offer similar benefits or utility. This behavior is particularly pronounced in price-sensitive markets, where consumers are more likely to switch to substitute products that provide comparable value at a lower cost. Therefore, a well-thought-out pricing strategy not only helps a firm attract and retain customers but also enables it to maintain a competitive edge in the market by balancing affordability with profitability. The findings correspondent with the findings of Singh and Sharma (2024) who also found a positive and significant effect. The findings is not in line with the findings of Ahmed and Khan (2024) and Johnson and Walker (2024) who found a negative relationship.

CONCLUSION

Based on the findings, the study concludes that both product development strategy and pricing strategy have positive and significant effects on the performance of small and medium-scale enterprises in Kogi East Senatorial District, Kogi State. This indicates that SMEs that invest in innovative product development and adopt effective pricing strategies are more likely to achieve improved performance outcomes such as increased sales, profitability, and customer retention within the region.

RECOMMENDATION

1. SME operators should consistently invest in market research to understand evolving customer needs and preferences.
2. SMEs owners should adopt flexible and value-based pricing approaches that reflect both market conditions and customer purchasing power.

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