

# Marketing Strategies and Performance of Small and Medium Scale Enterprises (SMEs) in Ikare Akoko Ondo State

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## ABSTRACT

Marketing strategies has been a functional desire and a method for attaining all-inclusive business success. This paper examined effect of marketing strategies on the performance of Small and Medium Enterprises in Ikare Akoko. A descriptive research design was employed. Sample size of 350 was drawn from a population of 2825 which comprised selected registered SMEs owners in Ikare Akoko. Multiple Regression Technique was used to test research hypothesis. The findings obtained revealed that marketing strategy (promotion marketing strategy, price marketing strategy, place marketing strategy, and product marketing strategy) significantly influence performance of SMEs in Ikare Akoko. The research concluded that marketing strategy (product strategies, promotion strategies, price strategies and place strategies) have a significant and positive impact on performance of SMEs in Ikare Akoko. Hence, the paper recommended that SMEs in Nigeria should establish varieties of quality products with new features and design. This will increase many customers to patronize their products. They should also charge equitable price, position suitably to the final consumers. More so, Management of the SMEs in Ikare Akoko should ensure that they increase effort in product advertisement in

order to enhance promotional strategy in the organisation. Finally, SMEs should continually ensure goods and services produced reach final consumers or users by locating convenient place for their varieties products.

**Keywords:** Marketing Strategies, Performance, Price Strategies, Promotion Strategies, SMEs,

## 1.0 INTRODUCTION

The strategy of a marketer reflects how plans are formulated to achieve marketing objectives. The strategy is sequel to the need to have marketing agility. Marketing agility is a representation of the dynamic capabilities of SMEs in Ondo State. Guille'n & Garcí'a-Canal (2019) expressed that firms need to possess sound knowledge of critical capabilities with good understanding of competition in the markets so as to enhance improvement of their performance. SMEs face the challenge of not being able to adapt to the dynamic nature of the business environment (such as persistent change in customers' requirements, price perceptions and product quality consideration). These are market conditions that institute persistent shifts in the competition landscape (Williamson, Ramamurti, Fleury, & Fleury, 2023).

Organisations from corner to corner the world necessitate marketing capability to endure viable, competitive, and prosperous. In contemporary business environments, marketing strategy has become more applicable than any other business function because today's companies face the toughest opposition ever (Kotler & Armstrong, 2017). Hence, firms must develop strategies that will enable them to outpace competitors to win, save, and grow customers in order to remain in business. In developing strategies, it is important for firms to analyse and identify their opponents and develop successful, customer-value-based strategies for building and sustaining profitable customer interactions.

Marketers are to achieve their performance in the face of tough competition where different competitors display varieties of products or services with special focus on customer's proposition. In Ondo State, the importance of marketing strategy for SMEs cannot be overestimated. Bettioli, Di Maria & Finotto (2019) expressed that a number of literature streams in management and strategy have stressed the crucial function played by marketing in constructing and sustaining competitive advantages. The inability of a marketer to formulate and implement better strategy may imply that the achievement of superior performance will be problematic. Enterprises with high performance are presumed to have better marketing strategy implementation capability compared to enterprises with average performance (Slater, Hult, & Olson, 2020). Marketing strategy can help the marketers to define the present marketing situation and envision the most appropriate course of actions to achieve a desired performance in the form of market share, sales and profitability.

### **1.1 Statement of the Problem**

Small and medium-scale enterprises (SMEs) find it problematic to progress beyond the existence and survival stages of growth. Many firms fail in their formative years, and most people in business would state that the first three years are the solidest. So it is very

important for small and medium-scale entrepreneurs to develop proper marketing strategies that will enable them to grow and remain in business for a long time. These strategies are in the areas of product, pricing, promotion, place, packaging, positioning, and people, which are the elements combined coherently by marketers to achieve their objectives. The performance problematic, which is measured in terms of sales growth and profitability for SMEs, exists probably because product performance does not meet the prospects of customers. Again, SMEs may not consider the elasticity of demand when setting prices for their products. Again, the researcher is speculating that they do not carry out promotional activities that boost their corporate image. It is also possible that the crusade of goods and related information from point of origin to point of consumption is not well planned to meet the requirements of customers. Also, the packaging of the products may not be very attractive to customers. It is also possible that efforts are not well made to occupy their products in consumers' minds relative to competing products, and the employees in the organisations are not well-trained to effectively handle customers' complaints. These factors and others may be careful to have an impact on the sales, market share, and effectiveness of SMEs in Ikare Akoko. However, there is a lack of information with regard to the relationship between advertising strategies and business performance, particularly in the context of small and medium-sized enterprises (SMEs) in Ikare Akoko. In order to fill this gap, the researcher was interested to carry out this study.

### **1.2 Research Questions**

How does promotion marketing strategy affect performance of SMEs in Ikare Akoko?  
How does price marketing strategy affect performance of SMEs in Ikare Akoko?  
How does place marketing strategy affect performance of SMEs in Ikare Akoko?

### **1.3 Research Objectives**

The general objective is to investigate the effect of marketing strategies on the performance of SMEs in Ikare Akoko. The specific objectives tense to:

Explore the effect of promotion marketing strategy on the performance of SMEs in Ikare Akoko.

Examine the effect of price marketing strategy on the business performance of SMEs in Ikare Akoko

Determine the effect of place marketing strategy on business performance of SMEs in Ikare Akoko

### **1.4 Research Hypotheses**

Promotion marketing strategy does not significantly affect performance of SMEs in Ikare Akoko.

Price marketing strategy does not significantly affect performance of SMEs in Ikare Akoko.

Place marketing strategy does not significantly affect performance of SMEs in Ikare Akoko.

### **1.5 Significance of the Study**

This study attempts to provide clarity on the relationship between marketing strategies and performance of small and medium scale enterprises (SMES). The study also aims to highlight aspects of marketing strategies and performance of SMEs that can assist SMEs in improving performance, creating wealth and achieving a sustainable competitive advantage. In a country like Nigeria, in which the Government is under significant pressure to create jobs, the formation of new SMEs and the improvement of existing SMEs will contribute to alleviating this pressure.

### **1.6 Scope of study**

This research focuses on the effect of marketing strategies on the performance of SMEs in Ikare Akoko. The scope is limited to some selected SMEs in Ikare Akoko.

## **2.0 LITERATURE REVIEW**

### **2.1 Conceptual Review**

#### **2.1.1 Performance of SMEs**

Performance is defined as utilizing the 3E: economies, efficacy and efficiency, as forms of manifestation. Cross (2018) think that the following three concepts can be associated with the performance: efficiency, economies and efficacy. It could be described as bellows: Performance = Economies + Efficiency + Efficacy. Hence, to be progressive means all three variables are combined, the joining together of which indicates the level of performance of an entity. Efficiency comprises of either utilizing a quantity provided by resources, desired at the upper level of the attainable results, or minimizing the quantity of the utilized resources to attain a predetermined outcome (Cross, 2018).

Ikpore et al (2017) also notes that the European Union defines SMEs as an enterprise that has not more than two hundred and fifty employees and total turnover of not more than €50 million. According to World Bank (2019), medium enterprise is an enterprise which employs a maximum of 300 employees with a maximum of 15 million dollars annual turnover.

Ardjouman and Asma (2015) further defined performance in terms of output such as profitability or quantified objectives. This indicates that SMEs performance has to do with both results and behaviour. This understanding covers accomplishment of desire levels as well as review goal and setting. When management behaviour is right, then the desire levels of output would be accomplished and vice versa for failure. When management behaviours upon marketing strategies are focused on a suitable direction, then this positively influenced the SMEs performance.

Definitions of micro, small and medium-size enterprises (MSMEs) vary from different bodies, organizations and institutions in Nigeria. This confirms that there is no specific and generally accepted definitions of micro, small and medium-sized enterprises.

An SME according to the Central Bank of Nigeria is one whose capital employed excluding land is between ₦1 million and ₦150 million and employs not more than 500 persons. The National Policy on Micro, Small and Medium Scale Enterprises defines SMEs with respect to the backdrop of number of persons employed and assets possessed. The National Council on Industry defined Micro, Small and Medium Enterprises (MSMEs) as follows; Micro/Cottage Industry: Industry with asset base of not more than ₦1.5 million excluding cost of land, but including working capital and a staff strength of not more than 10, Small Scale Industry: Industry with asset base of more than ₦1.5 million but in excess of ₦50 million excluding cost of land, but including working capital and/or a staff strength from 11 to 100, Medium Scale Industry: Industry with asset base of more than ₦50 million, but not in excess of ₦200 million excluding cost of land but including working capital and/or a staff strength from 101 to 300 and Large Scale Industry: Industry with asset base of over ₦200 million excluding cost of land but including working capital and/or a staff strength of more than 300.

Small and medium-sized enterprises (SMEs) have long been recognized as a tool for economic growth and development. World Bank (2021). This growing recognition has resulted in the World Bank Group's commitment to the small and medium-sized enterprise (SMEs) sector as a key component of its strategy to promote economic growth, employment, and poverty alleviation. In 2004, the World Bank Group approved approximately \$2.4 billion in support of micro, small, and medium sized businesses (SMEs). While the importance of small and medium-sized businesses cannot be overstated, categorizing businesses as large or medium-sized is subjective and based on different value judgments. In defining small and medium-sized businesses, different criteria such as employment, sales, or investment have been used (SMEs). According to existing literature, the

definition varies by economy, but the underlying concept remains the same.

### **2.1.3 Marketing Strategy**

The idea of Marketing Strategy is steadily turning into a fundamental piece of today current endeavour. The idea of strategy is old and it comes from Greek word strategy which implies art of Army General. Shaw (2012) clarified that strategy in a wide stat organization embarks to achieve its goals. Marketing strategy is along these lines an interaction of deliberately analysing competitive environment and business factors influencing business units, and determining practical patter (Adewale, et al., 2023). Characterized marketing strategy as an interaction that can permit organization to focus assets on ideal freedoms with objectives of expanding sales and accomplishing sustainable competitive advantage.

A definitive goal of any marketing strategy is customer's satisfaction without which no organization can meet its objectives. This is characterized as in a specific marketing region, the suitable assignment of assets to assist enterprises to win competitive benefit (Cavusgil & Zou, 2024). They explain further that marketing strategy is an arrangement of the marketing tools using by companies in pursuing their marketing goals in the target market.

Mohamed et al. (2014) considers marketing to be as a picked line of activity chose by an organization for seeking after a marketing objective. This can be seen likewise as the art of evaluating, establishing, and formulating cross-functional decisions that will guarantee a company to attain needed goals. It should be called attention to here that Marketing includes exercises that give satisfaction to shoppers. It is a coordinating with measure. Advertisers should perceive and comprehend purchasers' requirements and needs and afterward decide way of satisfying them.

According to Fifield (2022) Marketing strategy is a fundamental instrument for improving performance and accomplishing maintainable competitive advantage. The

main aim of any marketing strategy is to build an additional value for the customers in comparison to the competitors, and this value should be evaluated from the perception of customers. For instance, setting the product price is very difficult since the organization needs to consider maximum profit parallel to huge levels of sales, but at the same occasion the price of the product should match the satisfaction of customers from the delivered value (Ardjouman & Asma, 2019).

The proxies of marketing strategies are product strategies, promotion strategies, price strategies and place strategies. These are explained below:

### **2.1.3.1 Promotion Strategy**

The promotion involves all process of communications adopted by a marketer to find exchange for his goods or services, to build awareness, convince customers to purchase and patronize it in future. The conversation to target group of customers regarding the benefits and attributes of the products or services. With absence of communication, the benefits, attributes and product value would not be aware by consumer and purposes of service or products launching and expanding trades would be impossible. When goods' awareness comes through communication then only the interest would be built and clients/customers would take the decision to purchase.

According to Oldani H (2015), Promotional strategies are statements on communication strategy to be adopted to notify, remind and/or persuade people about a company's services, goods, ideas, image, community involvement, or effect on society. Within the era of technology, consumers wish companies to relate with them more often through various channels of communication. This has turn to a challenge for the enterprises of today specifically the small one who finds it difficult to set resources aside for the same.

### **2.1.3.2 Price Strategy**

Price refers to monetary value of all products and services that are fixed for purpose of exchange. It is the amount a customer pays to take possession of goods. This is fixed after considering many factors like as competition, product identity, market share, the client's perceived value of the goods and material costs. Organization may rise or reduce the product's price if other stores have similar goods. The organization gets its money back in business through the price of commodity produced. If market fixed price is very low then it may be harder to arrive to the point of breakeven and if fixed too high then it may have greatest negative impact on the sale (Dolgui & Proth 2020). It is a relevant decision that influences the financial performance of a company. Dolgui and Proth (2020) noted that pricing strategy is the procedure of adjusting price of the goods in accordance to the state of the market to rise competitiveness. The following strategies can be adopted in pricing strategies:

### **2.1.3.3 Place Strategy**

This denotes a location or point where the goods is made available to enable the final users gain access to it. This necessitated the commodities and customer should be present at a particular point or location then only to ensure buying and selling. Unless a specific point set to be a meeting place, the sales activity may impossible to occur. It is also utilized for distribution channel. It comprises any internet virtual stores as well as physical store. Place not only termed as physical store basically where goods are available in a Place but also how the goods take place or build image in the mind of customers. It relies upon the view of customers. It similarly involves systematic designing of making the services/ or goods to be physically available to the consumers or users in the market. Skilful and efficient management of marketing channels is relevant to obtain market channel power.

### 2.1.4 Marketing Strategies and Performance of SMEs

Spillan and Parnell (2021) acknowledged that the links between strategy and performance have been substantiated at firm and functional levels, although there is often overlap between the two. At the business level, strategy typologies also referred to as gestalts, frameworks, and archetypes identified several generic strategic approaches and were developed and utilized as a theoretical basis for identifying strategic groups in industries. Porter's (1985) generic strategy typology also infers competitive and marketing dimensions and has been widely tested. According to Porter, a business can maximize performance either by striving to be the low cost producer in an industry or by differentiating its line of products or services

from those of other businesses; either of these two approaches can be accompanied by a focus of organizational efforts on a given segment of the market. Presumably, differentiated businesses should emphasize marketing as a means of distinguishing their products and services from those of their rivals. Likewise, Porter's focus orientation is consistent with the marketing themes of product positioning and target marketing. This framework provides association between independent variable and dependent variable topic under study. The independent variable is marketing strategy which have product development strategies, promotional strategies, place strategies and price strategies while dependent variable is performance of SMEs as shown in figure 2.1 below.

## 2.2 Conceptual Framework

### Independent Variables

### Dependent Variable

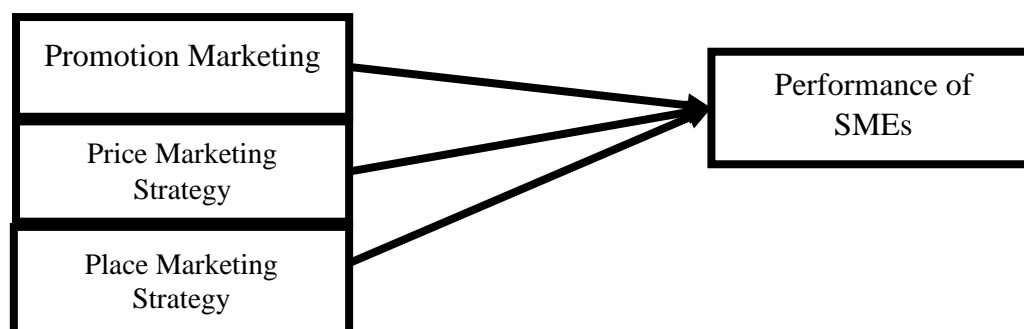


Figure 2.1 Conceptual Framework

## 2.3 Theoretical Review

### 2.3.1 Marketing Mix Theory

This theory emanated for Borden in 1949 after been propounded by James Culliton in 1948 and expanded by Jerome McCarthy. The view and point of marketing mix theory is to set up all the parts of designing marketing around the psychological desire, habits and target (Kasabov, 2015). The first individual to assume for the 4P's of marketing – Promotion, Product, Place and Price was. Jerome McCarthy in 1960 which are the major variables or elements adopted in making of the marketing mix. He proposed that while crafting for a marketing strategy, the four variables is essential to marketers.

Also Albert Frey in 1961 established another series of marketing mix variables into two divisions: The offering which was the product, packaging, service, price and brand whereas another one was the Process which included promotion, advertising, personal selling publicity, sales, marketing research, distribution channels, the new product development and strategy formation. In order to recognize the relevant of human, people were included to the list of variables, thereby allowing Process to reflect the evidence that service is experienced at the moment of purchase by Bernard Booms and Mary Bitner (Kasabov, 2015). A marketing mix is essential for a business's short-term and

long-term strategy for making sales. Businesses rely on their marketing mix to guide market research and identify the core values and most viable products. A good marketing mix is objective-focused, adjusting each variable to reach optimum sales.

### **2.3.2 Push and Pull Theory**

These are two theories in single. The origin of the term push and pull was in the logistics and supply chain management, although it has broadly utilized in marketing as Push or pulls to explain if the company initiates its activity, (Brocato, 2015). As for Fredrick Winslow Taylor in his book titled "The principle of scientific management" in 1911 established the theory of push and pull. Companies utilized his perceptions by concentrating on effectiveness than their counterpart by looking into the desires of the potential customers and pushing on what will fulfil or satisfy their wants. This differs in a condition where the consumers have different approaches. A promotional strategy is utilized in push marketing, where companies tend to present their brands to consumers. While in pull marketing, the perception behind it is to get customer coming by improving loyalty, differentiating and positioning a brand in the market compared to that of the competitor. This can be done through the mass media promotion, for example, when a media house has road-shows to a specific region (Cooper, 2019). More so, many companies are driving from push theory to pull theory since it offering the remedy and information in a broader accessible way and enabling the consumers to adapt to what will highly satisfying their wants and needs. Additionally, an organization can prepare the answer ahead of time as a supposition of push remedy since they can in advance anticipate the needs of the consumers (Cooper, 2019). For a company to increase effectiveness, it should more emphasis on the pull theory. This is because if they build the penultimate user manual that will cater to all the questions the consumer may ask; it will decline the contact

which the client may desire to do to the company. Furthermore, emphases on training customer assistance will be needed. Hence most company have adopted the pulling solution (Harding, 2017).

### **2.3.3 Resource-Based View**

The Resource-Based view theory can be adopted to build competitive strategic marketing. This theory suggests that the competitive advantage lies in the resources that a company can access and use, not in the capacity to control the environment (Campbell, 2004). It assumes that companies have three divisions of resources namely; intangible resources, organizational capabilities and tangible resources. Tangible resources comprise technological, financial, physical and organizational properties and thus are conveniently identified. On the other hand, intangible resources are more complex to indicate and hence hard to imitate. They include strategies that an organization adopts over time and ends to better-quality performance (Barney, Caroline, & David, 2002). Lastly, organizational capabilities are skills and capabilities which an organization combines to transform tangible and intangible resources into outputs, for example, outstanding customer service.

## **2.4 Empirical Review**

Jenkins (2024) reported on marketing Strategies for Profitability in Small Independent Restaurants. Data were collected using the primary source of data to obtain responses through the administration of a well-structured questionnaire to the respondents. Cluster sampling was used in three senatorial districts i.e. Adamawa north, south and central. One local government was selected from each senatorial district. The study adopted simple random sampling techniques to arrive at 399 respondents. Data were analyzed using inferential statistics (multiple regression) to test the hypotheses. The result show significant effect of innovative marketing strategy and market dominant strategy on customer satisfaction. The study concluded that global system for

mobile providers in Adamawa State should improve on their innovative process in order to better their market offerings through improvement in technology, investing in research and development and to enable customers have access to their products easily in terms of location, customer care services and quick response to network upgrade in order to have a competitive dominance.

Apuke (2023) reported on the impact of marketing strategies on customers 'satisfaction- a study of Nigeria Bottling Company (NBC) Yola Depot, Nigeria. He evaluated the impact of marketing strategies on customers' satisfaction in NBC Yola depot from (2008-2023). He used survey research design. He analysed data using Pearson correlation test and chi-square. His finding reveals that 84.6% of the customers patronize the company product because it offers satisfaction and customer relation management strategy, coupled with high powered marketing skill. He recommended that the company should focus on building commercial capabilities, increase their CRM strategy to ensure that they serve their customers better, while ensuring that they continue to be innovative in meeting the customers 'demands in a proactive manner for sustainable business capability, customer loyalty and retention.

Eniola and Olorunleke (2020), investigated marketing strategy on company performance of SMEs in Kwara State, Nigeria. The research discovered that the elements which are packaging, promotion, price and product were remarkably enhancing performance of business.

Kadhim et al. (2016) determined the critical impact of marketing strategy on customer loyalty by customer fulfilment in food and beverage products. Marketing Mix (4P's) is adopted as Independent Variables while the dependent variables in the study is customer Loyalty. The information was collected from three hundred clients of food and beverage products SMEs owned by Malaysia. The study adopted Path Analysis technique and SPSS 20.0 method was used to analyze and

present the relationship. It is discovered from the findings that promotion, product, price and place were positively affects customer fulfilment of food and beverage products SMEs in Malaysia.

Gichuru & Limiri (2019) conducted a study on market segmentation as a strategy for customer satisfaction and retention. They investigated the use of market segmentation as a tool for improving customer satisfaction. They adopted a survey research design. Data collected were analysed using descriptive method. They found that in utilizing market segmentation, institutions paid particular attention to barriers that negatively impact the effectiveness of the market segmentation exercise. They concluded that the need to pay particular attention to issues relating to barriers to implementing market segmentation was highlighted. They did not make any recommendations.

Hanmaikyur (2019) investigated market segmentation practices and the performance of small and medium enterprises (SMEs) in Benue state, Nigeria. He adopted a cross-sectional survey design. The unit of analysis was organizations while the owner/managers of SMEs were the respondents. He employed systematic and simple random sampling as well as the snowbell sampling techniques to collect the needed data for the study with a sample size of 401 SMEs covering SMEs from all sectors that exist in the study area. He used a combination of descriptive and inferential statistics (regression model) to empirically and statistically analyze the data collected. He found that market segmentation has significant positive effect on SMEs performance. He concluded that market segmentation has positive effect on SMEs performance in Makurdi metropolis of Benue state, Nigeria. He recommended that SMEs managers and operators should accord segmentation practices more attention to derive the benefits that accrue from its usage. Alipour et al. (2018) studied the influence of relationship marketing and customer loyalty in Kerman Iran insurance company. Customer Loyalty is a dependent variable while independent variable is Relationship



Marketing (satisfaction, trust, communication, management, and competence). The information was gathered among 155 customers of central branch of Kerman Iran insurance firm. The analysis was done with the assistance of Pearson correlation coefficient technique. The findings significant and positive association between variables. Thus organizations desire to use association market strategies as competitive benefit to maintain its current customers through stable and long-term relations.

Mumel et al (2017) showed that there is a significant correlation between the number of marketing communication activities a company uses and their net sales and customer loyalty. However, companies aspiring for better business performance should concentrate more on the frequency of using specific marketing communication activities and not so much on how many marketing communication activities they should use. This is because according to research, the frequency of using certain marketing communication activities correlates with the number of business performance variables, and this results in more options to improve certain business performance indicators. Again, it is much easier to adjust the frequency of use of marketing communication activities than to adjust the number of marketing communication activities the company uses.

## **2.5 Research Gap**

Many studies on marketing strategies and SME performance tend to generalize across sectors, but specific sectors (e.g., manufacturing, technology, service industries) may require unique approaches to marketing. The adoption of digital marketing in SMEs is often discussed, but there is limited research on the specific challenges and success factors for SMEs in different regions or industries in adopting digital marketing strategies. While some studies consider cultural influences on marketing strategies, there is still limited focus on how regional differences (e.g., rural vs. urban

SMEs or differences across countries) impact marketing strategy and performance outcomes. Most research focuses on short-term performance outcomes of marketing strategies, such as sales growth or market share. There is a gap in long-term studies that evaluate how consistent marketing strategies contribute to the sustainability and scalability of SMEs over time. There is a shortage of literature specifically focused on the marketing strategies of SMEs in emerging markets, particularly those facing economic instability or infrastructure challenges. While marketing strategy is often linked to performance metrics such as brand awareness or customer acquisition, there is less focus on the direct link between marketing efforts and financial performance metrics such as profitability, return on investment (ROI), and cost-efficiency.

## **3.0 METHODOLOGY**

### **3.1 Research Design**

The study employed a descriptive research design because it provides an accurate estimation of the association between market strategies and the performance of SMEs in Ikare Akoko. This design also allows the researcher to collect both quantitative and qualitative information that captures information on the demographic characteristics of the population studied within a short time and at minimal cost (Cooper & Schindler, 2012).

### **3.2 Population of the Study**

According to SMEDAN, (2021), there are 2,825 registered SMEs in Ikare Akoko. This forms the total population for this study.

### **3.3 Sample Size and Sampling Technique**

In this work, simple sampling random technique was adopted. The simple random technique means that every case of the population has an equal probability of inclusion in sample (Omar, 2014). In this method, every member of the populace has a balance chance of being chosen as subject. The entire process of sampling is done in a single step with each subject selected

independently of the other members of the population. However, a sample size of 310 was gotten from the study populace of 2,825 at 5% error tolerance and 95% degree of freedom utilizing Yamane's statistical formula.

$$n = \frac{N}{1 + N(e^2)}$$

Where n= sample size, N= Population of the Study, e= error term/significance level

$$n = \frac{2,825}{(1 + 2,825 (0.05)^2)} = 350$$

### 3.4 Research Instrument

Questionnaires was the core collecting data instruments for the study. It was adopted because it is seen as an easy and instant process of collating and analyzing the participants view. The questionnaire was arranged into a close-ended Likert scale of Strongly Agree (SA = 5); Agree (A = 4); Undecided (U =3) Disagree (D = 4); and Strongly Disagree (SD = 5).

### 3.5 Sources of Data Collection

The study adopts information from secondary and primary data. Primary data was collated from selected owners of SMEs in Ikeare Akoko. Secondary sources were collated from internet and physical source. The secondary/auxiliary information will be gotten from book, paper, journal, article and unpublished dissertation. This simplifies information that has been analyzed (Kumar, 2011).

### 3.6 Validity and Reliability

The research was reliable by given copies of questionnaire to supervisor to check and also validated through Cronbach Alpha of 0.80 for all variables involved.

### 3.7 Method of Data Analysis

Data gathered were analyzed using descriptive statistics. Also, multiple regression analysis was employed to test research hypothesis.

### 3.8 Model Specification

This study makes use of statistical equation model. The expression of the model explains relationship between dependent variable i.e. performance of SMEs and marketing strategies which is independent variable (promotion marketing strategy, price marketing strategy, place marketing strategy, and product marketing strategy). This model expressed as follow:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + U \dots 1$$

Y = Performance of SMEs

$\beta_0$  = Constant,  $X_1$  = Promotion marketing strategy,  $X_2$ = Price marketing strategy,  $X_3$  = Place marketing strategy,  $\beta_0$ - $\beta_3$  = Beta coefficients,  $U_t$  = the error term.

### 3.9 A Prior Expectation

A-Priori Expectations

A-priori expectation consist of expectations about the existing independent and the dependent variables. This has to do with the expectations in every research activity. The performance of small and medium scale enterprises and marketing strategies (i.e.  $X_1$  = Promotion marketing strategy,  $X_2$ = Price marketing strategy,  $X_3$  = Product marketing strategy) are positively related in the theories form. ( $X_1, X_2, X_3 > 0$ ).

## 4.0 DATA PRESENTATION AND ANALYSIS

### 4.1 Data Presentation

Descriptive statistics were used to analyze demographic characteristics of respondent while ordinary least square multiple regression analysis was adopted to test research hypothesis. However, the researcher administered 350 questionnaires, out of which, 310 sets of questionnaires were validly returned. Hence 88.9 percent response rate was obtained for the research which was recognized adequate and serve as basis for data analysis.

This section analyses personal details of respondents in terms of marital status, age distribution, level of education and type of business operation as shown in table 1 below.

**Table 1: Demographic Characteristics of Respondents**

Variable Name	Group	Frequency	Percentages (%)
Gender	Males	209	67.2%
	Females	101	32.8%
	Total	310	100%
Age	<30	57	18.3%
	31-40	99	31.8%
	41-50	134	43.1%
	51 and Above	21	6.8%
	Total	310	100%
Marital Status	Married	245	78.8%
	Single	54	17.4%
	Divorced/Separated	12	3.8%
	Total	310	100%
Level of Education	Secondary	81	26.1%
	Post-Secondary	121	40%
	University	90	28.0%
	Others	19	5.9%
	Total	310	100%
Business Owners	Sole Business Owners	181	58.2%
	Partnership	102	32.8%
	Limited Liability Company	28	9.0%
	Total	310	100%

**Source: Field Survey, 2024**

Table above shows that out of 310 participants in the field survey, 67.2% of the participants were male while 32.8% were female. This implies that male participants were more among SMEs owner in Ikare Akoko. Also, the table shows that out of 310 participants in the field survey, 18.3% of the participants were less than thirty years of age, 31.8% of them were between thirty one and forty years of age, 43.1% participants were between forty one and fifty years. Fifty one years and above participants were 6.8%. This indicates that many of the participants in the survey were between forty one and fifty years of age. More so, the table indicates that out of 310 participants in the field survey, 78.8% of the participants were married, 17.4% were single, while 3.8% were divorced. This indicates that majority of the participants in the survey of this research were married. Moreover, the table shows that out of 310 participants in the survey, 26.1% have secondary school certificate, 40.0% held post-secondary school certificate, 28.0% were university degree holders, while 5.9% were those with post-graduate qualification. This shows that majority of the

respondents sampled were university degree holders. Finally, table shows that out of 310 respondents in the survey, 58.2% of the respondents were in sole business owner of SMEs in Ikare Akoko, 32.8% were partnership owner of SMEs in Ikare Akoko, while 9.0% were in the owner with limited liability which their SMEs are subject to limited liability of joint ownership. This shows that majority of the respondents in the survey were sole owners since the operation requires little and affordable capital.

#### **4.2 Analysis of the Data**

The multiple regression analysis was carried out to predict the influence of marketing strategies (independent variables) on performance of SMEs (dependent variable). The coefficient of determination,  $R^2$  measures the amount of variation in the dependent variable explained by the variation in the independent variable (Keller, 2018). The R-squared shows how well the predictor variables explain the dependent variable and thus represents the variation in Y that is explained by the Xs variables.

**Table 2: Model Summary**

Model	R	R-Square	Adjusted R-Square	Std. Error of the Estimate	Durbin-Watson
1	.538	.746	.787	1.625	1.812

a. Predictors: (Constant), promotion marketing strategy, price marketing strategy, place marketing strategy, and product marketing strategy.

Table 2 presents a summary of the model in which the item of interest is the adjusted R<sup>2</sup> statistics, which is 0.746. This suggests that promotion, pricing, place and product

account for 74.6% of the variation in performance of SMEs and remaining one was not captured by the model. As shown in Table 2 above.

**Table 3: ANOVA Result**

Model		R-Square	Df	Mean Square	F	Sig.
1	Regression	597.200	1	280.212	56.311	0.01
	Residual	478.568		2.765		
	Total	1075.768				

**Dependent Variable: Performance of SMEs**

Table 3 shows results of analysis of variance (ANOVA). The results display that the F-statistics is 56.311 (p = 0.001). The results

indicate that the four null hypotheses were rejected. Therefore, the alternate suggests that:

Variables	Coefficient	Std. Error	T-stat	Sig.
(Constant)	1.765	1.899	0.903	0.368
Promotion Strategy	0.150	0.050	2.995	0.002
Pricing Strategy	0.129	0.051	2.522	0.012
Place Strategy	0.119	0.059	2.008	0.022

**Dependent Variable: Performance of SMEs**

Table 4 shown the results on the coefficients of the regression model. The coefficients results show that promotion marketing strategy significantly influence performance of SMEs, standardized Beta = .144, (p = 0.002). These results suggest that performance of SMEs is dependent on promotion which increased significantly by 14.4%. Also, the coefficients result equally displayed that pricing positively affect performance of SMEs, standardized Beta = .164, (p = 0.012). These results observe that performance of SMEs is dependent on pricing marketing strategy which increased significantly by 16.4 percent. Furthermore, the result of coefficients indicates that place marketing strategy significantly affected performance of SMEs, standardized Beta = .134, (p = 0.022). These outcomes indicate that performance of SMEs is dependent on place marketing strategy which increased significantly by 13.4%. Finally, the coefficients results show that product

marketing strategy significantly influence performance of SME, standardized Beta = .722, (p = 0.003). The outcomes indicate that performance of SMEs is dependent on product marketing strategy as it significantly influences performance of SMEs by 72.2%.

### 4.3 Test of Hypotheses

Promotion marketing strategy (X<sub>1</sub>) was positively related with small and scale medium enterprises and significant because of (2.995) (0.002<0.05) level of significant. Simply means that marketing strategy through promotion means can yield positive effect on small and scale medium enterprises. Price marketing strategy (X<sub>2</sub>) was positively related with small and scale medium enterprises and significant because of (0.128) (0.012<0.05) level of significant. Simply means that marketing strategy through price marketing strategy means can yield positive effect on small and scale medium enterprises.

Place marketing strategy ( $X_3$ ) positively related with small and scale medium enterprises and significant because of (0.119) ( $0.022 < 0.05$ ) level of significant. Simply means that marketing strategy through product marketing strategy means can yield positive effect on small and scale medium enterprises.

#### **4.4 DISCUSSION OF FINDINGS**

The findings analyzed effect of marketing strategies on the performance of SMEs in Ikare Akoko. In reference to objective one, the result showed that the coefficient for promotion marketing strategy (0.142) is statistically significant. This is because its sig or p value is 0.002 which is below the 5% degree of significance. Hence, a unit increase in promotion marketing strategy will result in a 0.142 development in performance of SMEs in Ikare Akoko. Therefore, the null hypothesis was rejected, and outcome indicated that promotion marketing strategy has a statistically significant effect on performance of SMEs in Ikare A. This finding aligned with work of Sapuro, (2016) whose study found that there was a significant relationship between promotional marketing strategies and SME performance. Also, the finding of objective two displayed that the coefficient for pricing marketing strategy (0.164) is statistically significant. This is because its sig or p-value is 0.012 which is less than the 0.05 level of significance. Hence, a unit increase in pricing marketing strategy will lead to a 0.164 increase in performance of SMEs in Ikare Akoko. Therefore, the null hypothesis was rejected, and an alternate one made that pricing marketing strategy has a statistically significant effect on performance of SMEs in Ikare Akoko. These findings are aligned with Owomoyela et al (2023) who stated that price marketing strategy has a significant effect on business performance.

Additionally, the finding of objective three, shown that the coefficient for place marketing strategy (0.134) is statistically significant. This is because its level of sig or p-value is 0.022 which is less than the 0.05

or 5% degree of significance. As a result, a unit increase in place marketing strategy will lead in a 0.134 impact in performance of SMEs in Ikare Akoko. So, the null hypothesis was rejected, and alternate made that place marketing strategy has a statistically significant effect on SME performance. The outcome aligned with the research of Ferri et al. (2022) whose outcomes disclosed that innovation in assortment; information sharing and transportation coordination had positive and significant relationships with firm performance.

#### **5.0 CONCLUSION AND RECOMMENDATIONS**

##### **5.1 Conclusion**

Based on the above, it is therefore concluded that marketing strategy (product strategies, promotion strategies, price strategies and place strategies) have a significant and positive impact on performance of SMEs in Ikare Akoko. Thus when customers are treated better, they will not only embrace to continue their transaction with their bank choice but also to inform others the operation of such SMEs.

##### **5.2 Recommendations**

Based on the result of the study, the following recommendations are made:

- i. SMEs in Nigeria should establish varieties of quality products with new features and design. This will increase many customers to patronize their products.
- ii. They should charge equitable price, position suitably to the final consumers.
- iii. Management of the SMEs in Ikare Akoko should ensure that they increase effort in product advertisement in order to enhance promotional strategy in the organisation.
- iv. The SMEs should continually ensure goods and services reach final consumers or users by locating convenient place for their varieties products.

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