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Influence of Marketing Strategies on Business Performance of Selected Small and Medium Enterprises in Abeokuta Metropolis, Ogun State, Nigeria

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ABSTRACT

Marketing strategy is a substantial driving force that differentiates the success of many businesses by conceptualizing and implementing a good marketing strategy with clear demarcation. This study investigates the relationship between marketing strategies and business performance, evidence from Abeokuta metropolis. The study conceptualized a model showing the relationship among product strategy, promotional strategy, pricing strategy and business performance. This study used descriptive and inferential survey research approach. The study population was the selected SMEs owners in Abeokuta metropolis, Ogun state. Data was collected from 158 respondents through a validated and reliable questionnaire. One hundred and fifty-eight (158) copies of the questionnaire were successfully retrieved and were analyzed using descriptive and inferential statistics. The findings reveal a significant positive relationship between product strategy and business performance ($PC = 0.32$, $N = 158$, $p < 0.01$); No significant relationship between promotional strategy and business performance ($PC = 0.28$, $N = 158$, $p < 0.05$); a significant positive relationship between pricing strategy and business performance ($PC = 0.30$, $N = 158$, $p < 0.03$); The findings also reveal that these variables (product strategy, promotional strategy and pricing strategy collectively have significant impact on business performance. Conclusively, the finding of the study shows that product strategy, promotional strategy, and pricing strategy significantly enhance business performance among SMEs in the Abeokuta metropolis. The study recommends that SME owners should use the AIDA framework to create marketing campaigns that build awareness, generate interest, foster desire, and prompt action.

Keywords: Marketing strategy, product strategy, promotional strategy, pricing strategy, business performance, AIDA.

INTRODUCTION

A strong marketing strategy must outline an organization's long-term goals. Marketing strategy is a long-term process. The marketing reasoning that a company will use to achieve its marketing objectives is known as its marketing strategy. The marketer can make the right choice about the four elements of the marketing mix—price, product, and promotion utilizing marketing strategy—because there are no safe actions in the corporate organization. These essential elements must be integrated into a cohesive, successful strategy if the product

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is to perform well in the marketplace. It consists of target market tactics, marketing mix, and marketing budget (Cross Ogohi 2019). Any company or business must have a marketing strategy, which is a long-term and forward-looking approach that is an entire game plan with the primary goal of building a sustainable competitive advantage via understanding the requirements and wants of the consumers (Omer Farkash 2022).

In today's globalizing market, businesses also think about internationalizing their events and activities to stay competitive. Any business that wants to be strong and thrive in the cutthroat economy of today needs to be competitive. Establishing, growing, safeguarding, and preserving an organization's competitive edge is the aim of creating its marketing strategy (Inyommom & Nyiatagher, 2024). When it comes to handling the ambiguous and unpredictable environment in strategic marketing management, managerial judgment is essential. Furthermore, plans may have additional aspects based on the type of firm. Any business strategy starts with a marketing plan. The goal of business is to maximize profits while delivering goods to consumers as effectively as feasible. These are all attempts at marketing.

An organization's goals must be taken into account, especially those related to improving customer happiness and boosting sales volume at profit. Aremu and Lawal (2019) define strategy as an organization-wide pattern of resource allocation choices. In order to achieve the intended values, this addresses both goal values and values and beliefs, as well as what is acceptable and most importantly unacceptable. Aremu and Lawal (2019) define strategy as an examination of the market and surroundings, consumer purchasing patterns, rivalry, and the need and capability of marketing intermediaries. In order for an industry to strengthen its marketing share and lessen the impact of competition, marketing strategy is crucial.

According to Badaru and Moses (2025), business performance is defined as a company's ability to use strategy to achieve organizational goals. It serves as a gauge for how well management is doing this. Excellent management is necessary for firms to operate effectively. Through both formal and informal methods, this successful company management style helps them adjust their personnel, assets, and systems to achieve their intended business objectives. Planning, modeling, rating, and other components that must work together and support one another in order to successfully run the business make up business performance. A company's success depends on its capacity to gauge its performance. It entails contrasting a company's declared goals with its actual accomplishments. Additionally, it ensures low manufacturing costs and efficiency.

Statement of Problem

According to Ambler, Kokkinaki, and Puntoni (2019), the success or failure of any business organization in today's business activities depends on how well it can satisfy its customers. This act places a great deal of task and responsibility through marketing on any organization hoping to excel at satisfying their customers and clients. Previous research has shown how important SMEs are to the economic growth of the majority of emerging nations. According to Kenyan data, SMEs account for about 70% of the country's GDP (Ogunode 2020). SMEs are widely seen as the catalyst for a nation's economic growth, but in Nigeria, the reverse is true.

According to data from recent years, within the first few months of their establishment, three out of five SMEs in Nigeria fail (Ogunode, 2020). Nonetheless, it is acknowledged that SMEs have unique obstacles that affect their expansion, profitability, and innovative performance and restrict their capacity to make meaningful contributions to sustainable development. Hakansson (2021) views corporate marketing as a key component of SMEs' success because of its influence on fostering and propelling industry growth. Regretfully, it appears that the majority of Nigerian SMEs have not yet achieved the intended outcomes in their firm through marketing strategy.

This study demonstrates the disparity in the impact of marketing strategy on SMEs in Nigeria as companies lacking a plan for pricing, promotion, and product would perform worse (Umar & Dangana, 2024).

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Objectives to the Study

The study's main goal is to look at how marketing strategies affect company performance in the Ogun state city of Abeokuta. But the particular goals are to:

i. Examine the effect of product strategy on business performance in Abeokuta metropolis.

ii. Evaluate the effect of promotional strategy on business performance in Abeokuta metropolis.

iii. Investigate the effect of pricing strategy on business performance in Abeokuta metropolis.

Research Questions

i. What is the effect of product strategy on business performance in Abeokuta metropolis?

ii. What is the effect of promotional strategy on business performance in Abeokuta metropolis?

iii. What is the effect of pricing strategy on business performance in Abeokuta metropolis?

Research Hypotheses

Hypotheses are tentative assumption drawn from the project work; the hypotheses below were made in relation with stated problems and objectives of the study in null form.

H_0: Product strategy has no significant effect on business performance in Abeokuta metropolis.

H_0: Promotional strategy has no significant effect on business performance in Abeokuta metropolis.

$H_{0:}$ Pricing strategy has no significant effect on business performance in Abeokuta metropolis.

Scope of the Study

The study covers the Effect of Marketing Strategy on Business Performance, evidence from selected SMEs. The study limits scope to Abeokuta metropolis, area of Ogun state.

II. Literature Review

Conceptual Review

Marketing Strategy

A key factor that distinguishes the success of many firms is a well-thought-out and executed marketing strategy that clearly defines how, when, and where the company will compete as well as the best marketing strategy choice possibilities (Umar, 2021). By carefully crafting a marketing plan, a company's limited marketing resources may be maximized to meet its marketing goals. Marketing strategy planning and decision-making and marketing strategy decision execution are the two fundamental components of every marketing strategy (Shaw, 2020). Therefore, before creating a marketing plan, management must ascertain what kind of resources it has and how they are being used. To be able to define priorities, one must first grasp the company's aims and objectives.

Marketing strategy, according to Bayad and Govand (2021), entails figuring out the precise intended decisions about target audience, marketing objectives, marketing strategies involved, and desired value proposition while utilizing available resources to accomplish optimal utilization. Therefore, understanding tactical issues related to resource allocation decisions, the strategy of an appropriate marketing program, and capability issues supporting each of the specific marketing tactics chosen are all necessary for an effective implementation of marketing strategy (Mallari & Ibay 2020).

Product Strategy

According to Alderson (2020), a product is a collection of utilities that includes both the product's numerous characteristics and the services that surround it. Anything that can be made available to a market for consideration, purchase, usage, or consumption that might fulfill a need or want is considered a product. A consumer product is one that end consumers buy for their own usage. Customers plan their purchases, evaluate brands based on quality, quantity, and price, and make frequent purchases. Products, according to Mohammad (2020), are the actual goods as well as the packaging and label information that may influence a customer's decision to see, examine, and purchase a product.

Product quality encompasses not just the product's technical and physical attributes but also its whole user experience. In addition to meeting their technical needs, consumers seek items that will satisfy them in the long run. It is evident from earlier studies that product influence significantly affects corporate success. As a result, investments in quality enhancement should be made not just to meet market demands but also to lay the groundwork for future growth and market sustainability.

Promotional Strategy

Promotion is a marketing tactic that serves as a communication method between buyers and sellers, according to Badiru and Oyedepo (2021). Additionally, a certain amount of work needs to be done in order to create and try to motivate clients to promote the services provided. Another theory put up by Hakansson (2021) is that promotion seems to revolve on the best possible integration of marketing communication tools in order to transfer a product's message and brand from the manufacturer to the customer. Mallari & Ibay (2020) define promotion as public relations, direct marketing, personal selling, advertising, and sales promotion. According to Umar (2021), promotions are now an essential part of the product marketing mix, which consists of a variety of marketing and advertising tactics that may be utilized to meet the company's marketing and advertising goals. The significant correlation between company success and promotion has previously been demonstrated by Amine and Cavusgil (2021).

According to Amine and Cavusgil (2021), several scholars have highlighted the significance of promotional mix to commercial markets as a useful instrument for attaining sales, financial, and customer performance. Chukwudi & Aljounaidi (2021) investigated six promotion-related factors, including advertising, sales promotion, personal selling, trade shows, personal visits, and promotion adaptation, to ascertain the impact of the variables on export performance. Firm performance was favourably correlated with the majority of promotion-related factors. The most explored component of the promotional mix was advertising since it was thought that effective advertising would provide information, recall foreign consumers, and persuade them that the company's goods would be worthwhile.

Pricing Strategy

Hubli & Hubli (2023) define pricing as the expense paid by the company in creating, distributing, and advertising the product. Pricing believes that money is another element that affects how consumers perceive a product's worth. A valued product's price might be its true or appraised worth. According to Kotl (2020), pricing is the sum of money paid for a product. Doole (2019) found a significant correlation between pricing and company performance. The pricing of your product or service will really have a big impact on how marketable it is! Choosing the appropriate pricing for the goods being offered is one technique to attract

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customers. A right pricing is one that is commensurate with the product's quality and can satisfy customers (Jones, 2020).

Business Performance

According to Garg, Gupta, Dzever, Sivarajah, and Kumar (2020), business performance is the utilization of the company's resources and capital to accomplish its operational, financial, and strategic goals throughout time. It may be characterized as taking the shape of the three E's: economy, efficacy, and efficiency. According to Mihai Ristea (2020), the following three ideas; efficiency, economies, and efficacy are connected to company success.

Efficiency may be defined as using a certain amount of resources in order to obtain the best possible outcomes or as using less resource in order to accomplish a specific outcome. Providing the tools and resources required to do a task at the lowest possible cost is what economies are all about. Whether or whether the intended outcomes are met or exceeded in comparison to actual outcomes throughout the activity's execution will determine its efficacy.

When an entity uses all available resources to grow the activity and meet the demands of its external partners as effectively as feasible, it is said to be in an effective condition.

Marketing Strategy and Business Performance

Customer performance, which is a key benefit for the company, may be defined as the capacity for regular and scheduled operations to meet and exceed the customer's preferences and value. Regardless of the marketing strategy selected; standardization or market adaptation, this is carried out by the business. In order for the firm to securely adapt to the different market circumstances in other nations and achieve improved business performance, the internal and external business environments that have a beneficial impact on the business must be included in the marketing strategy.

Business and Marketing Strategy In the literature on marketing and strategic management, performance correlation has been a major issue of study. Effective marketing improves the organization's financial and non-financial outcomes, according to several empirical studies (Umar & Dangana 2024).

Product strategy is the capacity to deliver goods that satisfy customers, resulting in high levels of customer happiness, revenue, and profitability (Goodie-Okio, 2022). Businesses may target clients that are more price sensitive and boost revenue by using an effective pricing strategy. While the distribution system will give clients access to the goods and the simplicity of making a purchase, the marketing strategies will raise awareness, encourage purchases, and reinforce the brand.

Additionally, customer relationship methods lead to increased customer loyalty rates, higher customer repurchase rates, and reduced client acquisition costs, all of which improve organizational success. Numerous studies have demonstrated that businesses that effectively employ this combination of marketing components, or Price, Promotion, Product, and Distribution strategy, outperform those that use just one or two of the components in terms of market placements and business performance (Ambler & Puntoni 2019).

Conceptual Framework

The aim of this study is to investigate the relationship between Marketing strategy and Business Performance (evidence from some selected SMEs) of Abeokuta metropolis. The independent variable in the study is marketing strategy while dependent variable is Business Performance. Marketing Strategy has three elements namely Product, Promotion and Pricing. The following objectives were used to test the hypotheses: To

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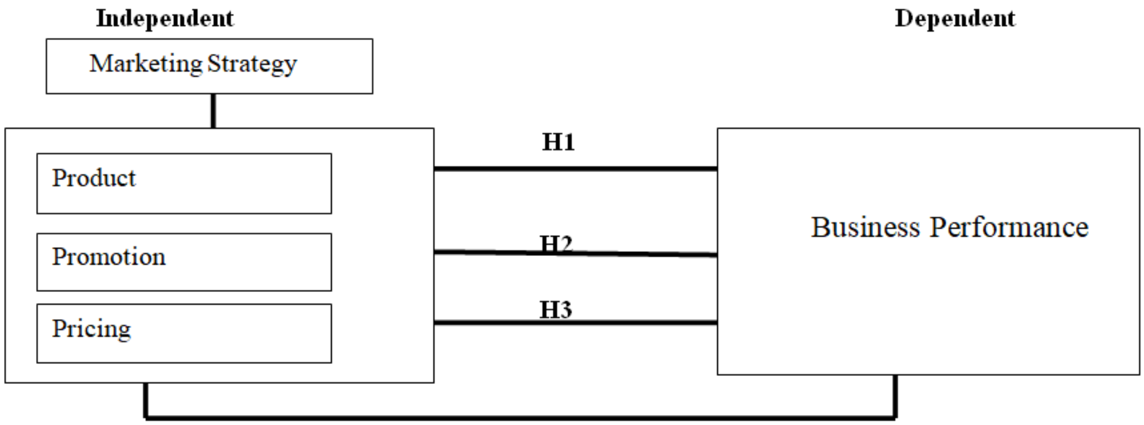
consider the effect of product strategy on business performance; To examine the effect of promotional strategy on business performance and to evaluate the effect of pricing strategy on business performance in Abeokuta metropolis.



Source: Researcher's Conceptual Framework, 2026.

Theoretical Review

Resource Based View (RBV) Theory

According to Jay Barney's (1991) Resource-Based View (RBV), a company's internal resources and skills are the key to long-term competitive advantage and superior performance. Instead than focusing on a company's exterior positioning in the market, it emphasizes using the company's internal competitive advantages. The fundamental idea underpinning RBV is that a business may outperform its rivals if it possesses valuable, uncommon, unique, and non-substitutable (VRIN) resources and talents. Using assets that are valuable, rare, unique, and non-replaceable is the first step toward success. Marketing strategies are regarded as an organization's strategic functional competence that may provide it with a competitive edge and improve its company success. Effective marketing techniques turn into strategic assets in RBV that improve business success.

The resource-based perspective hypothesis, which represents how an organization uses its strategic resources and capabilities, is the foundation of this study. According to RBV, those who can develop, shape, and utilize these resources are more likely to succeed in the company.

AIDA Model

A prime example of contemporary marketing theory is the AIDA model. The AIDA model, which was first introduced by E. St. Elmo Lewis in 1898, represents a substantial paradigm shift in the way ads are organized according to customer views. Attention, Interest, Desire, and Action are referred to as AIDA. AIDA is an acronym used in marketing and advertising that describes a general list of events that could occur when a customer interacts with a particular advertisement.

According to Rahmawati & Rino (2025), the AIDA model is a marketing strategy that leads prospective customers through four stages: awareness (attention stage), where the potential customer is made to pay attention to the product; interest (interested stage), where the potential customer is made to be interested in improvement of the product and its benefits; desire (desired stage), where the potential customer is made to be interested in purchasing the product; and action (act stage), where the main customer takes action by making purchases of goods and services.

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The goal of the marketing mix tools i.e. public relations, digital marketing, sales promotion, advertising, and personal selling is to draw in customers and encourage them to make a purchase. A reasonable framework for assessing whether these strategies achieve their objectives is the AIDA model. Understanding how effective marketing strategy might influence customer decision-making is made easier by the AIDA model. An organization can assess if marketing initiatives are effective by looking at:

- Provide product information (Awareness), and
- Promote customer interaction (Interest),
- Increase sales volume (increase Desire),
- Increase actual sales (Action).

The AIDA model states that an organization is likely to improve sales revenue, market share, profitability, customer acquisition, and customer loyalty (with the help of post-purchase programs) if a marketing program successfully moves the customer through the four stages.

Empirical Review

Yalo, Enimola, and Nafiu (2019) investigated how marketing tactics affected SMEs' performance in Kogi State. Purposive sampling was utilized together with a survey study design. Questionnaires were distributed to 300 individuals. While distribution and pricing strategies have a positive and significant relationship with the sales and profitability performance of SMEs in Kogi State, promotion strategy has a negative and significant relationship, according to percentage analysis and multiple regression analysis.

Nwaeze, Nwadike, Ufomadu, and Nwankpa (2020) conducted a similar study on the effects of marketing strategies on the performance of small business entrepreneurs in Aba, Nigeria. The study's findings showed that the relationship between marketing, pricing, and product quality strategies had a significant impact on small business entrepreneurs' business performance. A survey research design was used for this investigation. 120 dry cleaning and laundry facilities received surveys. The sample size was formed by the completion and return of ninety (90) of them. Descriptive statistics were used in the analysis.

In order to investigate the effect of marketing techniques on the performance of SMEs in Jigawa state, Nigeria, Umar and Dangana (2024) employed marketing approaches. 350 SME owners completed a standardized questionnaire, and the data was analyzed using multiple regression analysis. The findings demonstrate that the performance of SMEs was significantly impacted by each predictor variable, including price and promotion.

Audu, Jacob, and Umar-Yusuf (2025) evaluated how marketing strategies affected the performance of bottled water companies in the city of Abuja. The purpose of the study was to look at how marketing methods, including product and promotion strategies, affect the performance of bottled water businesses in Abuja. This study employed a survey research design with a sample of 323 customers. PLS-SEM, or partial least square structural equation modeling, was employed. The study discovered that while product and promotion strategies had a positive and significant impact on the performance of bottled water businesses in Abuja, price strategies had a negative and significant impact, while place strategies had a negative and negligible impact.

The influence of marketing techniques, such as product, pricing, promotion, and site, on the success of SMEs in Kano State, Nigeria, was examined in this research by Badaru and Moses (2025). 393 respondents, who operated SMEs in various industries, completed structured questions as part of the survey study design. The findings showed that each of the four marketing techniques significantly improves SMEs' performance.

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Research Design, Population and Sample Size

This study will use a survey research design to measure the two variables (independent variable and dependent variable) of the study. The independent variable is Marketing Strategy and dependent variable is Business Performance. The three sub-variables of the Marketing Strategy will be used to evaluate the Marketing Strategy: Product Strategy, Promotional Strategy, and Pricing Strategy.

The population of this research study was all the registered SMEs owners with Abeokuta metropolis, Ogun State area who uses between 1-199 labour force with less than N10million and less than N1billion turnover. The total number of registered SMEs in Ogun State as at July, 2025 was 1,794 according to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) while the Corporate Affairs Commission (C.A.C) reported 261 registered SMEs in Abeokuta Metropolis. Thus, the number of individuals in this study is 261.

The SMEs Owners, admin and other staff from various companies were selected through purposive and stratified sampling techniques. The five occupational sectors of the SMEs owners were the Manufacturing, wholesale/retail trade, Education, Agriculture and Construction.

Sampling Size Determination

Using the Taro Yamani formula for sample size determination, the study's sample size was determined to be 158 (Yamani, 1954). The following formula was used to determine the sample size.

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

Where:

n= Sample size

N= Population

e= level of significance (5%)

1= constant

$$n = \frac{261}{1 + 261\,(0.05)^2} = \frac{261}{\left(1 + 261\,(0.0025)\right)} = \frac{261}{157.9} = 158$$

Therefore, the sample size was 158 SMEs owner.

Data Collection

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This study's data came from both primary and secondary sources. While secondary data is gathered from online journals and library resources, primary data was obtained through the administration of a questionnaire on the sample size.

Model Specification

This study consists of two variables Marketing Strategy, which is the independent variable and Business Performance which is the dependent variable.

Y= $f(x)$ ……………………………………………….(1)

Y= Dependent variable= Business Performance

X=Independent variable= Marketing Strategy

The model can be further developed to established relationship between Marketing Strategy and Business Performance:

Y=a+bx+e…………………………………………. (2)

Y= Dependent Variable (Business Performance)

a= Intercept (Constant Term)

b= coefficient of the independent variable

X= Independent Variable (Marketing Strategy)

E= Error Term

Therefore,

MS= f (β_{PS} +β_{PS} +β_{PS}+E)

Where:

X= Marketing Strategy (MS)

$x_{1=}$ Product Strategy (PS)

$x_{2=}$ Promotional Strategy (PS)

$x_{3=}$ Pricing Strategy (PS)

Y=Business Performance (BP)

Data Analysis and Presentation

The structural equation model (SEM) was used to examine the data. The analysis seeks to shed light on both opportunities for improvement and the efficacy of present company tactics.

Measurement Model

A measurement model is a statistical model that establishes the connections between latent variables (constructs) and observable indicators. By examining the validity and reliability of the measuring items, it is utilized to validate the constructs. The model gives a number of indicators, such as factor loadings, Cronbach's alpha, composite reliability, and average variance extracted (AVE), and assesses the validity of the observable variables as proxies for the latent variables.

Table 1: Measurement Model for Constructs

Construct	**Indicator**	**Factor Loading**	**Cronbach's Alpha**	**Composite Reliability**	**AVE**
Product Strategy (PS)	PS1	0.75	0.84	0.88	0.59
	PS2	0.80			
	PS3	0.78			
	PS4	0.77			
Promotional Strategy (PrS)	PrS1	0.72	0.82	0.87	0.57
	PrS2	0.74			
	PrS3	0.76			
	PrS4	0.79			
Pricing Strategy (PiS)	PiS1	0.77	0.85	0.89	0.60
	PiS2	0.81			
	PiS3	0.82			
	PiS4	0.78			

Source: Author’s Computation (2026).

The measuring methodology for the study's constructs; Product Strategy, Promotional Strategy, and Pricing Strategy was shown in Table 2. Factor loadings, Cronbach's alpha, composite reliability, and average variance extracted (AVE) are used in the table to assess the validity and reliability of these constructs.

Four indicators are used to evaluate the product strategy construct (PS1, PS2, PS3, PS4). Each item strongly contributes to the construct, as indicated by the factor loadings for these indicators, which vary from 0.75 to 0.80 (Hair et al., 2010). The measuring items have strong internal consistency and reliability, as indicated by the Cronbach's alpha of 0.84. A high degree of dependability is shown by the composite reliability of 0.88. The AVE is 0.59, which is higher than the suggested benchmark of 0.50 and shows that the concept accounts for more than half of the variation in the indicators.

Four indicators (PrS1, PrS2, PrS3, and PrS4) with factor loadings between 0.72 and 0.79 comprise the promotional strategy construct. This construct has a Cronbach's alpha of 0.82, indicating strong internal consistency. A high degree of dependability is shown by the composite reliability of 0.87. The concept captures a significant amount of the variation, as indicated by the AVE of 0.57, which satisfies the suggested criterion.

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Four indicators (PiS1, PiS2, PiS3, PiS4) with factor loadings ranging from 0.77 to 0.82 are used to measure the pricing strategy architecture. With a Cronbach's alpha of 0.85, the dependability is good. The construct appears to be measured consistently, as indicated by the composite reliability of 0.89. The concept captures a considerable percentage of the variation, as seen by the AVE of 0.60, which is higher than the suggested threshold.

Discriminant Validity

The Heterotrait-Monotrait (HTMT) ratio of correlations is used in this work to assess the discriminant validity of the constructs in accordance with the recommendations of Henseler, Ringle, and Sarstedt (2015).

Table 2: Heterotrait-Monotrait Ratio (HTMT) of Correlations

Constructs	**PS**	**PrS**	**PiS**
PS	-	0.82	0.83
PrS	0.82	-	0.81
PiS	0.83	0.81	-

Source: Author’s Compilation (2026).

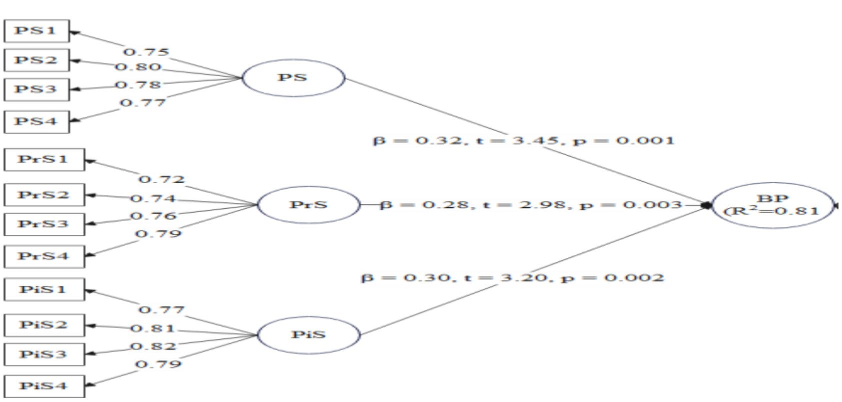
Good discriminant validity is shown by the HTMT ratios for every pair of constructs being below the 0.85 benchmark. These findings verify that the constructs are unique and assess many underlying ideas. These results guarantee the validity of the constructs employed in this investigation and bolster the robustness of the measuring approach.

Structural Model Evaluation

In order to ascertain the strength and importance of the suggested hypotheses, the structural model evaluation entails analyzing the connections between the constructs. This involves evaluating the importance of the associations, R2 values, and path coefficients. This is a thorough method for evaluating the structural model.

Figure 1: Structural Model of Marketing Strategy on Business Performance of SMEs

Note:



PS = Product Strategy, PrS = Promotion Strategy, PiS = Pricing Strategy, BP = Business Performance.

Path Coefficients and Hypothesis Testing

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The direction and intensity of the connections between the constructs are shown by the route coefficients. Usually, t-values or p-values from bootstrapping are used to evaluate the significance of these associations.

Table 3: Path Coefficients and Hypothesis Testing

Path	Path Coefficient	t-value	p-value	Hypothesis – Decision
PS -> BP	0.32	3.45	0.001	Rejected
PrS -> BP	0.28	2.98	0.003	Rejected
PiS -> BP	0.30	3.20	0.002	Rejected

Source: Author's Compilation (2026).

The links between Product Strategy (PS), Promotional Strategy (PrS), Pricing Strategy (PiS), and Business Performance (BP) are analyzed in Table 4.10. Path coefficients, t-values, and p-values for these correlations are shown in the table.

Product strategy and business performance have a path coefficient of 0.32. This positive relationship implies that better business performance is linked to advances in product strategy. This association is statistically significant, suggesting it is unlikely to have happened by accident, according to the t-value of 3.45. The dependability of this positive link is further supported by the p-value of 0.001, which is well below the typical benchmark of 0.05.

The relationship between business performance and promotional strategy has a path coefficient of 0.28. This suggests a favourable relationship between enhanced business performance and stronger promotional strategies. Statistical significance is demonstrated by the t-value of 2.98, indicating that the observed effect is not the result of random fluctuation. This result is supported by the p-value of 0.003, which is less than the 0.05 benchmark confirming the beneficial impact of promotional strategy on business performance.

The Pricing Strategy to Business Performance link has a path coefficient of 0.30, which indicates a positive association. This suggests that improved business performance is linked to successful pricing strategies. The association is statistically significant, as indicated by the t-value of 3.20.

The p-value of 0.002, which is less than 0.05, further confirms the significance of this positive relationship.

Hypothesis Testing

The hypotheses on how business performance in the city of Abeokuta is affected by pricing, promotional, and product strategies. These are the following hypotheses:

Hypothesis 1: Product Strategy

Null Hypothesis (H_{01}): Product strategy has no significant effect on business performance in Abeokuta metropolis.

The path coefficient is 0.32, the t-value is 3.45, and the p-value is 0.001. Since the p-value is less than 0.05, the null hypothesis is rejected (not supported). We therefore conclude that Product strategy has a significant positive effect on business performance in Abeokuta metropolis.

Hypothesis 2: Promotional Strategy

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Null Hypothesis (H_{02}): Promotional strategy has no significant effect on business performance in Abeokuta metropolis.

The path coefficient is 0.28, the t-value is 2.98, and the p-value is 0.003. Since the p-value is less than 0.05, the null hypothesis 2 is rejected (not supported). It was concluded that Promotional strategy has a significant positive effect on business performance in Abeokuta metropolis.

Hypothesis 3: Pricing Strategy

Null Hypothesis (H_{03}): Pricing strategy has no significant effect on business performance in Abeokuta metropolis.

The path coefficient is 0.30, the t-value is 3.20, and the p-value is 0.002. Since the p-value is less than 0.05, likewise, the null hypothesis 3 is rejected (not supported). Therefore, Pricing strategy has a significant positive effect on business performance in Abeokuta metropolis.

The findings of the hypothesis testing show that pricing, promotional, and product strategies all significantly improve business performance in the city of Abeokuta. The fact that none of the null hypotheses are validated shows how crucial these tactics are to improving corporate performance.

III. Discussion of Findings

These findings are in line with other studies, highlighting the significance of innovation and smart marketing in improving corporate success.

The beneficial effects of product strategy on company performance are consistent with earlier research highlighting the contribution of product innovation to business success. For example, Audu, Jacob, and Umar-Yusuf (2025) discovered that by satisfying changing consumer demands and generating a competitive edge, product innovation improves business success. According to a research by Nwaeze, Nwadike, Ufomadu, and Nwankpa (2020), maintaining market leadership and profitability depends on effective product development procedures.

Previous studies on the effectiveness of marketing communication demonstrate the noteworthy positive impact of promotional strategy on corporate performance. Effective promotional methods may greatly increase brand visibility, consumer engagement, and sales, according to Umar and Dangana (2024). The AIDA framework, which confirmed that successful promotional activities that raise awareness, spark interest, develop desire, and spur action are crucial for boosting sales and improving business performance, is consistent with the beneficial impact of promotional strategy on business performance (Strong, 1925).

Previous studies that emphasize the significance of strategic pricing in influencing consumer behavior support the positive association between pricing strategy and business performance. Pricing methods that reflect perceived value have a beneficial effect on consumer happiness and loyalty, according to Goodie-Okio (2022).

CONCLUSION

This study showed that price, promotional, and product strategies greatly improve company performance for SMEs in the city of Abeokuta. The results highlight how important innovation, successful marketing communications, and clever pricing are to the success of businesses. Product strategy increases growth and competitiveness via ongoing innovation. The AIDA framework serves as a guide for promotional strategy, which successfully increases sales and consumer engagement. Pricing strategy guarantees consumer loyalty

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and happiness when it is in line with the purchase-decision model. These observations highlight how crucial strategic planning is to long-term company success and competition.

Recommendation

The study's conclusions support the following suggestions for SMEs in the city of Abeokuta:

1. To keep a competitive advantage and satisfy shifting consumer needs, SME owners should constantly develop and enhance their goods. This may be accomplished by funding R&D, getting input from consumers, and keeping abreast of market developments in order to launch new and enhanced products.

2. The AIDA framework should be used by SME owners to develop marketing strategies that increase awareness, spark interest, cultivate desire, and encourage action. To increase engagement and revenue, this entails creating persuasive messaging, employing a variety of marketing platforms, and interacting with clients through focused promotions and advertising.

3. To increase customer satisfaction and loyalty, SME owners should create pricing plans that take into account their customers' perceptions of value. This may be accomplished by analyzing rival pricing, performing market research to understand consumer expectations, and providing value-based pricing that strikes a balance between affordability and quality, guaranteeing long-term business success.

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