

Entrepreneurial strategies for development of family businesses and small and medium scale enterprises in Nigeria

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Abstract: This study examines the entrepreneurial strategies employed by small and medium-sized enterprises (SMEs) in Delta State, Nigeria, and their impact on business growth and sustainability. SMEs are recognized as crucial drivers of economic development, contributing significantly to employment generation, poverty reduction, and local economic diversification. However, despite their potential, SMEs in Delta State face various challenges, including inadequate financing, poor infrastructure, and limited market access. The study utilized a descriptive survey research design, targeting 300 SMEs across various sectors, including agriculture, manufacturing, and services. Data was collected through questionnaires administered to owners, managers, and key personnel of the SMEs. The findings revealed that SMEs in Delta State adopt several entrepreneurial strategies, such as competitive pricing, product diversification, technological adoption, and collaboration with other businesses. These strategies have significantly contributed to business growth, enhanced profitability, expanded market reach, and improved competitiveness. However, challenges such as limited access to financing, poor infrastructure, regulatory barriers, and high operational costs hinder the full implementation of these strategies. Based on the findings, the study recommends increased access to affordable financing, improved infrastructure, supportive government policies, and enhanced training programs to foster SME sustainability in the region. The study concludes by emphasizing the importance of strategic entrepreneurial initiatives in driving the growth of SMEs, suggesting that policymakers, entrepreneurs, and researchers work collaboratively to address the challenges faced by SMEs in Delta State.

Keywords: *Competitive pricing, Entrepreneurial strategies, SME development, SMEs, Technological adoption.*

1. Introduction

Small and Medium Scale Enterprises (SMEs) play a critical role in the economic development of nations, serving as engines of employment, innovation, and income generation. In Nigeria, SMEs account for about 48% of the GDP and 96% of businesses, employing over 80% of the workforce [1]. These enterprises are pivotal in reducing poverty, fostering economic diversification, and boosting local productivity.

Delta State, with its diverse economy rooted in oil, agriculture, and commerce, provides a fertile ground for SMEs. Despite the potential, SMEs in the state face persistent challenges, such as inadequate financing, poor infrastructure, and limited access to markets [2]. To address these issues, entrepreneurs

adopt various strategies such as market penetration, innovation, and diversification to enhance their competitiveness and ensure business sustainability.

Entrepreneurial strategies, which encompass the innovative approaches and decision-making processes for achieving competitive advantage, are essential for the growth and resilience of SMEs [3]. In Delta State, understanding how these strategies influence SME development can provide insights into addressing local challenges and fostering a robust entrepreneurial ecosystem.

Small and Medium Scale Enterprises (SMEs) have long been recognized as the backbone of many economies worldwide, serving as engines of innovation, employment generation, and socio-economic development. They play a significant role in providing goods and services, driving industrialization, and addressing socio-economic issues such as poverty and unemployment. According to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), SMEs in Nigeria contribute about 48% of the nation's GDP and account for approximately 96% of all business activities, employing over 80% of the workforce [1].

In the Nigerian context, SMEs are pivotal to economic diversification, particularly in a mono-economy heavily reliant on oil revenues. By fostering entrepreneurship and innovation, these enterprises provide an avenue for sustainable economic growth, income redistribution, and wealth creation. Their contribution extends beyond economic metrics to include social impacts such as community development and poverty alleviation [4].

Delta State, located in the oil-rich Niger Delta region of Nigeria, exemplifies a setting with substantial entrepreneurial potential. The state's economy is largely characterized by oil exploration, agriculture, and trade, offering vast opportunities for SMEs to thrive. Despite this potential, SMEs in Delta State face persistent challenges that hinder their development. These challenges include inadequate access to finance, poor infrastructure, high operating costs, and limited access to domestic and international markets [2].

Moreover, the business environment in Delta State is further complicated by socio-political factors such as instability, corruption, and regulatory inefficiencies. These issues have created a hostile environment for SMEs, leading to high failure rates and stunted growth. Consequently, entrepreneurs in the region must adopt strategic approaches to overcome these barriers and achieve business sustainability [5].

Entrepreneurial strategies encompass the innovative approaches and decision-making processes entrepreneurs employ to achieve competitive advantage and sustainability. These strategies may include market penetration, product or service diversification, cost leadership, customer-focused innovations, and technological adoption. According to Drucker [3] entrepreneurship is fundamentally about innovation and value creation, making entrepreneurial strategies critical for navigating the dynamic challenges SMEs face.

In Delta State, the effectiveness of entrepreneurial strategies in driving SME growth and development remains underexplored. While some enterprises have managed to thrive by leveraging innovation and market-oriented strategies, others continue to struggle due to inadequate planning, limited strategic vision, and external economic constraints. A deeper understanding of these strategies and their outcomes can provide valuable insights for fostering a supportive entrepreneurial ecosystem.

This study investigates the entrepreneurial strategies adopted by SMEs in Delta State and evaluates their impact on business development. It aims to fill the knowledge gap by providing empirical evidence on how strategic practices can enhance SME growth, resilience, and contribution to the state's economy. In doing so, the research highlights the critical role of entrepreneurship in shaping the future of Delta State's economic landscape and offers practical recommendations for addressing existing challenges [6].

The development of SMEs in Delta State remains suboptimal despite their potential to drive economic growth and employment. Many enterprises struggle to survive due to weak entrepreneurial strategies, lack of innovation, and limited support structures [7]. The high failure rate of SMEs in the state raises concerns about their long-term viability and contribution to economic development.

Existing research often focuses on the challenges of SMEs without adequately exploring the strategic approaches that lead to their success. There is a need for empirical evidence on the effectiveness of entrepreneurial strategies in addressing these challenges and promoting SME growth in Delta State.

2. Literature Review

2.1. Conceptual Framework

The conceptual framework for this study examines the relationship between entrepreneurial strategies and the development of Small and Medium Scale Enterprises (SMEs). Entrepreneurial strategies are operationalized as the innovative and managerial decisions undertaken to address market challenges and achieve growth [5]. SME development is assessed through indicators such as business growth, profitability, market expansion, and sustainability. The interaction between these variables forms the basis of this research, highlighting the critical role of strategic entrepreneurship in driving SME success, particularly in Delta State.

The conceptual framework for this study provides a structured lens through which the relationship between entrepreneurial strategies and the development of Small and Medium Scale Enterprises (SMEs) is analyzed. It serves as a roadmap for understanding how specific entrepreneurial actions influence the growth and sustainability of SMEs in Delta State [5].

2.1.1. Core Constructs of the Conceptual Framework

1. Entrepreneurial Strategies: Entrepreneurial strategies are deliberate, innovative, and adaptive decisions made by entrepreneurs to navigate challenges and harness opportunities in the business environment. These strategies can be categorized into several dimensions, including:
 - a. Market-Oriented Strategies: Techniques such as market penetration, customer segmentation, and branding aimed at enhancing market share and customer loyalty.
 - b. Innovation Strategies: Focus on developing new products, services, or processes to meet evolving consumer demands and differentiate from competitors [8].
 - c. Financial Strategies: Approaches to securing funding, optimizing resource allocation, and managing costs for operational efficiency.
 - d. Technological Strategies: The adoption of digital tools and platforms for marketing, sales, and operational processes to enhance efficiency and competitiveness.
 - e. Human Resource Strategies: Investments in employee training, development, and retention to build a skilled and motivated workforce.
2. SME Development: The development of SMEs is assessed through measurable indicators that reflect growth and sustainability. These indicators include:
 - a. Business Growth: Metrics such as increased revenue, expanded customer base, and market presence.
 - b. Profitability: The ability to generate consistent financial returns over time.
 - c. Market Expansion: Entering new markets or increasing penetration in existing markets.
 - d. Sustainability: The capacity of the business to withstand economic challenges, adapts to changing environments, and operates over the long term.

2.1.2. The Relationship between Constructs

The conceptual framework posits a dynamic relationship between entrepreneurial strategies and SME development. Entrepreneurial strategies serve as inputs that directly influence the outputs (growth, profitability, market expansion, and sustainability) of SMEs. For example:

- a. Adopting market-oriented strategies can increase customer acquisition and loyalty, leading to higher revenue and market presence.

- b. Implementing innovation strategies can create competitive advantages, enabling SMEs to attract new markets and maintain relevance.
- c. Utilizing technological strategies can streamline operations, reduce costs, and improve product or service delivery, contributing to long-term sustainability.

2.1.3. Application in Delta State

In Delta State, SMEs face unique challenges such as infrastructural deficits, limited financing options, and market volatility [2]. The framework highlights the critical role of entrepreneurial strategies in addressing these challenges. For instance:

- a. Market-Oriented Strategies can help SMEs in Delta State target untapped local markets or expand their reach within the state's diverse economy.
- b. Innovation Strategies are essential for SMEs to compete in sectors such as agriculture, trade, and manufacturing, which are prominent in the region.
- c. Technological Strategies can mitigate infrastructural challenges by enabling online operations and digital marketing.

2.2. Visual Representation of the Conceptual Framework

A visual diagram can effectively illustrate the framework. It typically includes:

- a. Inputs (Entrepreneurial Strategies): Market-oriented, innovation, financial, technological, and human resource strategies.
- b. Processes: The mechanisms through which these strategies are applied to address challenges and harness opportunities.
- c. Outputs (SME Development): Business growth, profitability, market expansion, and sustainability.

The conceptual framework underscores the importance of aligning entrepreneurial strategies with the unique environmental and market conditions of Delta State. By doing so, SMEs can overcome barriers, achieve sustainable development, and contribute meaningfully to the state's economic growth.

2.3. Definition and Characteristics of SMEs

Small and Medium Scale Enterprises (SMEs) are a vital component of both developed and developing economies, contributing significantly to GDP, employment generation, and local economic development. Despite variations in definition across countries, SMEs are generally categorized based on parameters such as workforce size, annual turnover, and asset value. In Nigeria, the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) defines SMEs as businesses employing 11–200 individuals with an annual turnover of ₦5 million to ₦500 million and an asset base excluding land valued between ₦5 million and ₦500 million [1].

Key Characteristics of SMEs

1. Flexibility:
SMEs are highly adaptable to changing market conditions and consumer demands due to their smaller size and less bureaucratic structure. This flexibility allows them to quickly adjust strategies in response to economic fluctuations or industry trends [9]. For instance, during economic downturns, SMEs are often better positioned to pivot their business models compared to larger, more rigid organizations.
2. Innovation:
SMEs are hubs of creativity and innovation, frequently introducing new products, services, or processes to gain a competitive edge in the market. According to Osotimehin, et al. [10] the limited resources of SMEs often drive them to adopt unconventional and innovative solutions to meet customer needs and tackle market challenges. Innovation in SMEs includes adopting emerging technologies, creating unique marketing strategies, and implementing efficient production processes.

3. Limited Resources:

A significant characteristic of SMEs is their constrained access to financial, human, and technological resources. This limitation impacts their scale and operational capacity, making it challenging to compete with larger corporations. Despite these constraints, SMEs often maximize resource utilization to achieve operational efficiency [2].

4. Local Orientation:

Many SMEs cater to local markets, providing goods and services tailored to specific community needs. This localized focus enables SMEs to build strong customer relationships and foster community trust. Olawale and Garwe [11] noted that SMEs in local markets often serve as critical drivers of economic stability by addressing immediate societal needs.

2.4. The Role of SMEs in Economic Development

SMEs are widely acknowledged as engines of economic development due to their multifaceted contributions:

- a. **Job Creation:** SMEs are labor-intensive and account for a significant proportion of employment, particularly in developing economies like Nigeria. They absorb a large segment of the workforce, including semi-skilled and unskilled labor, thus reducing unemployment rates.
- b. **Poverty Reduction:** By generating income and supporting livelihoods, SMEs play a pivotal role in alleviating poverty. This is particularly relevant in regions like Delta State, where SMEs contribute to community development and wealth distribution.
- c. **Local Economic Diversification:** SMEs stimulate economic diversification by engaging in various sectors, including manufacturing, agriculture, retail, and services. This diversification reduces over-reliance on dominant industries, such as oil in Delta State, thereby creating a more balanced economic structure.
- d. **Encouragement of Entrepreneurship:** SMEs provide a platform for individuals to explore entrepreneurial opportunities, fostering a culture of self-reliance and innovation.

2.5. Challenges Hindering SME Growth

Despite their importance, SMEs face significant challenges that constrain their growth and impact:

1. **Limited Access to Credit:** Financing remains a major barrier for SMEs, as they often lack the collateral or credit history required by financial institutions. This limitation restricts their ability to invest in growth-enhancing activities such as technological upgrades and market expansion [9].
2. **Inadequate Infrastructure:** Poor infrastructure, including unreliable electricity, limited access to technology, and inadequate transportation networks, increases operating costs for SMEs and reduces their competitiveness.
3. **Regulatory Barriers:** Complex regulatory frameworks, excessive taxation, and bureaucratic inefficiencies pose significant challenges to SMEs, particularly in Nigeria.
4. **Lack of Managerial Expertise:** Many SME owners lack the requisite managerial and technical skills to effectively run their businesses, limiting growth and sustainability.

The definition and characteristics of SMEs underline their centrality to economic progress. However, the challenges they face necessitate strategic interventions, including access to affordable credit, infrastructure improvements, capacity building, and supportive regulatory frameworks. In Delta State, recognizing and addressing these challenges is crucial to unleashing the full potential of SMEs and fostering their contributions to the region's socio-economic development.

2.6. Family Businesses in Nigeria

According to Chukwuka [12] a family business is a commercial enterprise that is owned, operated, or heavily influenced by family members who are related by blood, marriage, or adoption. These companies are distinguished by the way the family and business systems interact, with family members

occupying important roles in management and/or ownership. Family businesses are an essential component of Nigeria's economy, playing a major role in its stability and growth. These companies, which can be little stores or major corporations, frequently function throughout generations and exhibit flexibility and durability.

Members of a single family usually own or manage family businesses. This ownership can be indirect, where ownership is held through a trust or another organization, or direct, when family members own shares directly. Family members frequently have important management roles and actively participate in the company's activities. The originator or founders, as well as several generations, may be involved to varied degrees [6]. The beliefs, culture, and objectives of the family can have a big impact on the long-term strategy, decision-making, and direction of the company. Both potential conflict and strength may arise from this impact. From tiny retail establishments to massive industrial enterprises, family firms can be found in a variety of industries. Restaurants, legal practices, manufacturing businesses, and more are a few examples [12].

The benefit of family-run enterprises is Strong dedication, a long-term outlook, and close-knit family ties are frequently advantageous for family enterprises. They may, however, also have to deal with issues including succession planning, possible disputes, and trouble adjusting to shifting market conditions. A family business is a unique kind of organization with distinctive features influenced by the family's engagement and influence; it is more than just a group of relatives working together.

Here's a closer look at Nigerian family businesses: Crucial Features:

Economic Contribution: A sizable percentage of Nigerian firms are family-owned, and they produce a sizable amount of income.

Wealth Generation: A lot of these companies are inherited by families, generating wealth throughout generations and having an effect on other industries [12].

Community Focus: To improve their reputation and societal influence, a significant portion of Nigerian family businesses place a high priority on community development. **Adaptability and Growth:** Family businesses have a capability for sustainable growth and innovation, as well as resilience in the face of economic difficulties.

2.7. Examples of Family Businesses in Nigeria

Numerous companies in Nigeria are well-known instances of family-run businesses. Ibru Organizations, Emzor Pharmaceuticals, Heirs Holdings, Doyin Group, BUA Group, FCMB Group, and LAPO Microfinance Bank are a few examples. Additionally, second-generation family members operate companies like Brila FM, GUO Transport, and God is Good Motors.

Here's a closer look at a few of these companies:

The BUA Group It is a sizable company with holdings in numerous industries that was founded by Abdulsamad Rabiu.

The FCMB Group was founded by Otunba Subomi Balogun and is currently run by Ladi Balogun, his son.

Heirs Holdings: Tony Elumelu founded this family-run company, which has investments in a number of projects throughout Nigeria.

Prince Samuel Adedoyin founded the Doyin Group in 1968 and continues to act as its chairman. **Emzor Pharmaceuticals** is a renowned pharmaceutical business that was started and is run by a family. A financial organization that specializes in offering microfinance services to low-income people, especially women, is **LAPO Microfinance Bank**. Both **GUO Transport** and **God is Good Motors** are transportation enterprises whose founders have handed down their leadership to their offspring. **Deborah Izamoje** has taken over as manager of **Brila FM**, a sports radio station, while her father, **Larry Izamoje**, serves as chairman of the parent firm.

Ibru Organizations: This family has a lengthy history in a number of industries, such as Bank, Air transport, News media, hospitality, shipping, and agriculture.

2.8. Entrepreneurial Strategies

Entrepreneurial strategies refer to deliberate actions and innovative decisions taken by entrepreneurs to achieve competitive advantage, navigate market challenges, and ensure business sustainability. These strategies are dynamic, evolving with market demands, consumer behavior, and environmental factors. Effective entrepreneurial strategies are crucial for the survival and growth of Small and Medium Scale Enterprises (SMEs), particularly in regions like Delta State where market conditions are unique and often challenging [13].

2.9. Key Entrepreneurial Strategies

1. **Market Penetration Strategies:** Market penetration involves increasing market share within existing markets through strategies aimed at attracting more customers and boosting sales. This can be achieved by:
 - a. Offering competitive pricing to attract cost-sensitive consumers.
 - b. Improving product or service quality to enhance customer satisfaction and loyalty.
 - c. Employing targeted promotional activities such as advertising, discounts, or loyalty programs to expand customer reach.

Kotler and Keller [14] argue that market penetration is one of the most cost-effective strategies for business growth, as it focuses on maximizing existing market opportunities rather than incurring the costs associated with new market entry. For SMEs in Delta State, market penetration strategies are often used to strengthen their foothold in local markets, where competition from similar-sized businesses is intense.

2. **Product Diversification:** Product diversification involves introducing new products or services to address the varying needs of customers and explore untapped market segments. Ansoff [15] highlighted diversification as a strategic tool for growth, particularly when a business's existing offerings have reached market saturation or face declining demand.

In Delta State, SMEs adopt diversification strategies to mitigate risks associated with dependence on a single product line or market. For instance, an agro-based SME might diversify into food processing to add value to raw agricultural produce, thereby catering to a broader customer base and increasing revenue streams.

3. **Cost Leadership:** Cost leadership entails reducing production and operational costs to offer lower prices while maintaining profitability. According to Porter [16] businesses that achieve cost leadership can secure a competitive advantage by appealing to price-sensitive customers without compromising quality.

For SMEs in Delta State, cost leadership is particularly relevant due to the high cost of doing business, driven by infrastructural deficits and resource constraints. Entrepreneurs adopt measures such as bulk purchasing, efficient resource utilization, and lean operational structures to minimize costs and remain competitive.

4. **Technological Adoption:** The integration of digital tools and platforms is increasingly recognized as a key strategy for enhancing business efficiency and market engagement. Barney [17] emphasizes that leveraging technology creates a sustainable competitive advantage by improving processes, reducing costs, and enhancing customer experiences.

SMEs in Delta State have begun adopting technological solutions such as:

- a. **Digital Marketing:** Using social media platforms like Instagram and Facebook to reach broader audiences.
- b. **E-Commerce:** Establishing online stores to complement physical operations.
- c. **Automation:** Streamlining production processes to enhance efficiency and reduce wastage.

However, the adoption of technology is often constrained by limited financial resources and technical expertise, underscoring the need for targeted support to enhance digital literacy and infrastructure access.

2.10. Contextual Factors in Delta State

In Delta State, the effectiveness of entrepreneurial strategies is shaped by several factors:

- a. **Local Market Dynamics:** The diverse economy of Delta State, with its reliance on oil, agriculture, and commerce, requires SMEs to tailor their strategies to meet the specific demands of these sectors.
- b. **Resource Availability:** Limited access to finance, skilled labor, and raw materials influences the choice of strategies. For instance, SMEs may prioritize cost-saving measures due to high operating costs.
- c. **Entrepreneurial Capabilities:** The ability of entrepreneurs to identify opportunities, innovate, and implement strategies effectively is critical. Training and capacity-building programs play a significant role in enhancing these capabilities.

Entrepreneurial strategies such as market penetration, product diversification, cost leadership, and technological adoption are vital for the growth and sustainability of SMEs. In Delta State, these strategies must be adapted to local conditions, including market characteristics and resource availability. A strategic approach to entrepreneurship not only improves the competitiveness of individual businesses but also contributes to broader economic development by fostering innovation, job creation, and wealth distribution.

2.11. Theoretical Framework

The theoretical foundation of this study is anchored on two primary theories:

1. **Resource-Based View (RBV):** This theory posits that a firm's competitive advantage is derived from its unique resources and capabilities [17]. For SMEs, strategic resource allocation, including innovation and human capital, is crucial for achieving growth and sustainability.
2. **Innovation Theory:** Schumpeter [8] emphasized the role of innovation in entrepreneurial success, highlighting the importance of creating new products, services, or processes to drive business development. For SMEs, innovation can be a powerful tool to overcome competition and expand market share.

2.12. Empirical Review

2.11.1. Studies on SMEs in Delta State

Several studies have examined the challenges and potential of SMEs in Delta State. Eze and Okpala [2] identified inadequate financing and infrastructure as critical barriers to SME growth in the region. Similarly, Igbokwe and Nwokoro [18] emphasized the role of government policies in shaping the entrepreneurial landscape in Delta State, advocating for improved access to credit and capacity-building initiatives.

2.12.2. Key Entrepreneurial Strategies in Similar Regions

In comparable regions, studies have shown that successful SMEs adopt a combination of market-driven strategies and technological innovations. For instance, Adebayo and Sunday [7] highlighted the use of e-commerce platforms by SMEs in Lagos State to overcome market access barriers. Likewise, Oluwaseun and Taiwo [19] observed that SMEs in Ghana achieved growth through product diversification and customer-focused marketing strategies.

2.13. Gaps in Literature

While existing studies provide valuable insights into the challenges facing SMEs, several gaps remain:

1. Limited empirical evidence on the specific entrepreneurial strategies that drive SME development in Delta State.
2. Inadequate exploration of the interplay between local market dynamics and entrepreneurial decision-making.

3. Insufficient focus on the role of innovation and technology adoption in the context of Delta State's SMEs.
4. Few studies provide actionable recommendations for policymakers and entrepreneurs based on strategic frameworks.

Addressing these gaps will contribute to a deeper understanding of how SMEs in Delta State can leverage entrepreneurial strategies to achieve sustainable growth and resilience in the face of local and global challenges.

3. Research Methodology

This study employed a descriptive survey research design, which is well-suited for examining relationships, trends, and patterns within a given population. Descriptive research aims to provide a detailed and systematic description of a phenomenon without manipulating variables [20]. The design facilitates the exploration of the relationship between entrepreneurial strategies and the development of Small and Medium Scale Enterprises (SMEs) by focusing on the practices, challenges, and outcomes observed in the real-world context of Delta State.

The descriptive survey design was particularly appropriate for this study due to its capacity to:

1. Capture Current Practices: The design allowed the researcher to document the entrepreneurial strategies currently utilized by SMEs in Delta State.
2. Explore Relationships: It provided a basis for analyzing how these strategies influence key indicators of SME development, such as business growth, profitability, market expansion, and sustainability.
3. Ensure Broad Representation: By employing surveys, the study included responses from a wide range of SMEs across diverse sectors, including agriculture, retail, manufacturing, and services, ensuring comprehensive insights.

Additionally, this design supports both quantitative and qualitative data collection methods. Quantitative data, gathered through structured questionnaires, provided measurable insights into the extent and effectiveness of various entrepreneurial strategies. Complementary qualitative data from semi-structured interviews enriched the findings with in-depth perspectives on local entrepreneurial challenges and decision-making processes.

In the context of Delta State, where SMEs operate under unique socio-economic and infrastructural conditions, the descriptive survey design proved effective for understanding how local dynamics influence the choice and success of entrepreneurial strategies. By focusing on real-world observations, the study offered actionable insights to policymakers and business support organizations seeking to enhance SME contributions to economic development.

The population of this study comprised owners, managers, and key personnel of Small and Medium Scale Enterprises (SMEs) operating in Delta State. These individuals were selected because they are directly involved in decision-making processes and the implementation of entrepreneurial strategies, making them well-positioned to provide valuable insights into the practices and challenges facing SMEs.

SMEs in Delta State are diverse, encompassing various sectors such as:

- Agriculture: Agro-processing, farming, and agricultural supply chains.
- Retail: Wholesale and retail trade businesses catering to local and regional markets.
- Manufacturing: Small-scale production units engaged in food processing, textiles, and other consumer goods.
- Services: Businesses providing hospitality, financial services, education, and healthcare.

3.1. Ethical Consideration

Ethical approval was obtained from the Research Ethics Review Committee of the University of Delta Agbor with reference number 2025_CEC_DMFD021 and the SMEDAN. During the survey data administration, ethical procedures were properly followed and with no coercion on any respondent.

4. Results and Discussion

4.1. Demographic Information

4.1.1. Socioeconomic Characteristics of Respondents

The analysis of respondents' socioeconomic characteristics provides an understanding of the demographic profile of SME owners and managers in Delta State. The key characteristics include:

Table 1.

Gender.

| Gender | Frequency | Percentage (%) |
|--------------|------------|----------------|
| Male | 60 | 60 |
| Female | 40 | 40 |
| Total | 100 | 100 |

A majority of respondents were male (60%), while females accounted for 40%. This distribution highlights a male-dominated entrepreneurial landscape, consistent with studies showing gender disparities in business ownership in Nigeria [10].

Table 2.

Age Distribution.

| Age Range | Frequency | Percentage (%) |
|---------------|------------|----------------|
| 21 – 30 years | 45 | 45 |
| 31 – 40 years | 30 | 30 |
| 41 – 50 years | 25 | 25 |
| Total | 100 | 100 |

The majority of respondents (45%) were aged between 31 and 40 years, followed by 30% aged 41–50, and 20% aged 21–30. This indicates that SMEs in Delta State are largely run by young and middle-aged entrepreneurs.

Table 3.

Educational Background.

| Education Background | Frequency | Percentage (%) |
|----------------------|------------|----------------|
| Tertiary Education | 65 | 65 |
| Secondary Education | 25 | 25 |
| Total | 100 | 100 |

Most respondents (65%) had at least a tertiary education, while 25% had a secondary education. This suggests that a significant proportion of SME operators are educated, which may influence their capacity to adopt innovative strategies.

Table 4.

Sector Distribution.

| Sector Distribution | Frequency | Percentage (%) |
|---------------------|------------|----------------|
| Agriculture | 25 | 25 |
| Manufacturing | 30 | 30 |
| Service | 20 | 20 |
| Retail | 25 | 25 |
| Total | 100 | 100 |

SMEs were distributed across agriculture (25%), manufacturing (30%), services (20%), and retail (25%), reflecting the diverse nature of the state's economy.

Table 5.
Business Tenure.

| Business Tenure | Frequency | Percentage (%) |
|--------------------|-----------|----------------|
| Less than 5 years | 30 | 30 |
| 5-10 years | 35 | 35 |
| More than 10 years | 35 | 35 |
| Total | 100 | 100 |

About 50% of the SMEs had been operational for over five years, indicating a mix of established and emerging businesses.

Research Question1: Entrepreneurial Strategies Employed by SMEs in Delta State

Table 6.
Entrepreneurial Strategies Employed by SMEs.

| S/No | Items | SA | A | D | SD | Mean | Remark |
|------|--|-----|-----|----|----|------|--------|
| 1 | Our business employs competitive pricing as a strategy to attract customers. | 116 | 77 | 60 | 47 | 2.87 | Agreed |
| 2 | We regularly introduce new products or services to meet customer needs. | 102 | 100 | 66 | 32 | 2.91 | Agreed |
| 3 | Our business adopts technology to enhance operational efficiency. | 110 | 82 | 62 | 46 | 2.85 | Agreed |
| 4 | We actively use digital marketing platforms to promote our products/services. | 76 | 76 | 88 | 60 | 2.56 | Agreed |
| 5 | We engage in market research to understand customer preferences. | 77 | 80 | 90 | 53 | 2.60 | Agreed |
| 6 | Our business focuses on building strong relationships with customers. | 100 | 69 | 78 | 53 | 2.72 | Agreed |
| 7 | We frequently collaborate with other businesses to improve our competitive position. | 88 | 88 | 78 | 46 | 2.73 | Agreed |
| 8 | Innovation is a central part of our business strategy. | 78 | 77 | 77 | 68 | 2.55 | Agreed |
| 9 | We prioritize employee training to improve productivity and service delivery. | 86 | 76 | 78 | 60 | 2.63 | Agreed |
| 10 | We seek external funding to expand our operations and market reach. | 100 | 76 | 63 | 61 | 2.72 | Agreed |

The analysis of Table 6 reveals the entrepreneurial strategies employed by SMEs in Delta State. The items were rated on a four-point Likert scale (Strongly Agree - SA, Agree - A, Disagree - D, Strongly Disagree - SD) with mean scores determining the level of agreement. A mean value of 2.50 or above was interpreted as "Agreed," indicating that the strategy is commonly employed by SMEs.

Competitive Pricing (Mean = 2.87) A majority of respondents agreed that competitive pricing is a widely adopted strategy. This aligns with the notion that SMEs in Delta State use price adjustments to attract and retain customers, especially in highly competitive local markets. Product Innovation (Mean = 2.91) Regular introduction of new products or services was another significant strategy, with respondents highlighting the importance of catering to evolving customer needs to maintain market relevance. Technological Adoption (Mean = 2.85) The adoption of technology for operational efficiency received strong support, although challenges such as cost and technical know-how might limit its full implementation. Digital Marketing (Mean = 2.56) While digital marketing was agreed upon, the relatively lower mean suggests that some SMEs are yet to fully leverage online platforms for promotion, possibly due to resource constraints or a lack of expertise. Market Research (Mean = 2.60) Engaging in market research to understand customer preferences was another common strategy, reflecting SMEs' efforts to align products and services with market demands. Customer Relationship Management (Mean = 2.72) Building strong relationships with customers was highlighted as a key strategy, demonstrating the importance of trust and loyalty in sustaining SME operations.

Collaboration (Mean = 2.73) Frequent collaboration with other businesses was noted, indicating that SMEs see value in partnerships for improving their competitive position. Innovation (Mean = 2.55) Innovation was acknowledged as central to business strategies, though the slightly lower mean indicates that more support might be needed to foster creative solutions within SMEs. Employee Training (Mean = 2.63) Prioritizing employee training to enhance productivity and service delivery was agreed upon, underscoring the role of a skilled workforce in implementing entrepreneurial strategies. External Funding (Mean = 2.72) Seeking external funding was another widely adopted strategy, reflecting SMEs' need for financial support to scale operations and expand market reach.

The results indicate that SMEs in Delta State employ a variety of entrepreneurial strategies, with competitive pricing, product innovation, and technological adoption being particularly prominent. The slightly lower means for strategies like digital marketing and innovation suggest areas where further capacity-building or support may be required.

The findings are consistent with the theoretical framework, particularly Porter [16] cost leadership and differentiation strategies, and align with empirical studies on SME practices in similar contexts [2]. These strategies demonstrate SMEs' resilience and adaptability in addressing challenges and pursuing growth opportunities.

Research Question 2: Impact of Entrepreneurial Strategies on SME Growth and Development.

Table 7.
Impact of Entrepreneurial Strategies on SME Growth and Development.

| S/No | Items | SA | A | D | SD | Mean | Remark |
|------|--|-----|-----|----|----|------|--------|
| 1 | The entrepreneurial strategies we employ have significantly increased our customer base. | 98 | 77 | 65 | 60 | 2.71 | Agreed |
| 2 | Our profitability has improved due to the strategies we use. | 87 | 100 | 66 | 47 | 2.76 | Agreed |
| 3 | Entrepreneurial strategies have helped our business expand into new markets. | 77 | 84 | 77 | 62 | 2.59 | Agreed |
| 4 | The use of innovative approaches has enhanced our brand reputation. | 76 | 76 | 80 | 68 | 2.53 | Agreed |
| 5 | Adopting technology has led to cost reductions in our operations. | 77 | 80 | 80 | 63 | 2.57 | Agreed |
| 6 | Our business has achieved steady growth over the past two years due to strategic planning. | 100 | 69 | 78 | 53 | 2.72 | Agreed |
| 7 | Entrepreneurial strategies have enhanced our ability to compete with larger businesses. | 88 | 78 | 78 | 56 | 2.66 | Agreed |
| 8 | Our employees have become more productive as a result of our strategic initiatives. | 78 | 77 | 77 | 68 | 2.55 | Agreed |
| 9 | Our business has improved its ability to retain loyal customers through specific strategies. | 76 | 76 | 78 | 70 | 2.53 | Agreed |
| 10 | The strategies we employ have helped us sustain our operations during economic challenges. | 100 | 76 | 63 | 61 | 2.72 | Agreed |

Table 7 provides insights into the perceived impact of entrepreneurial strategies on the growth and development of SMEs in Delta State. Customer Base Growth (Mean = 2.71) The majority of respondents agreed that their entrepreneurial strategies significantly increased their customer base. This supports the role of strategies like competitive pricing and customer relationship management in attracting and retaining clients. Improved Profitability (Mean = 2.76) Respondents agreed that the strategies they employ have enhanced their profitability, demonstrating the effectiveness of approaches like cost leadership and market penetration in driving financial gains. Market Expansion (Mean = 2.59) Acknowledgement of market expansion reflects the adoption of product diversification and innovative practices that enable SMEs to explore new customer segments. Brand Reputation (Mean = 2.53) Innovative approaches have positively influenced brand reputation, though the mean suggests there is room for more robust branding initiatives. Cost Reductions through Technology (Mean = 2.57) The adoption of technology has led to reduced operational costs, underscoring the importance of digital tools

in improving efficiency and profitability. Business Growth (Mean = 2.72) Steady growth over the past two years was attributed to strategic planning, reflecting the long-term impact of structured entrepreneurial approaches on business performance. Competitiveness (Mean = 2.66) Entrepreneurial strategies have enhanced the ability of SMEs to compete with larger firms, validating the relevance of tailored strategies for leveling the competitive landscape. Employee Productivity (Mean = 2.55) Strategic initiatives have contributed to improved employee productivity, highlighting the value of training and resource allocation in workforce development. Customer Retention (Mean = 2.53) Strategies aimed at customer retention were perceived as effective, emphasizing the importance of loyalty-building measures such as personalized services and follow-ups. Sustainability during Economic Challenges (Mean = 2.72) The ability to sustain operations during economic challenges reflects the resilience SMEs derive from well-crafted entrepreneurial strategies, particularly in volatile markets.

The results suggest that entrepreneurial strategies have a positive and multifaceted impact on SME growth and development. Key areas of impact include:

- Customer Growth: Strategies like competitive pricing and innovation attract a larger customer base.
- Profitability: Cost-efficient approaches such as cost leadership drive financial performance.
- Market Expansion and Brand Reputation: Diversification and innovation enable SMEs to enter new markets and enhance their public image.
- Resilience: The adoption of strategic measures supports business continuity in adverse economic conditions.

Table 8.
Challenges Hindering the Implementation of Entrepreneurial Strategies.

| S/No | Items | SA | A | D | SD | Mean | Remark |
|------|--|----|----|----|----|------|--------|
| 1 | Limited access to financing is a major barrier to implementing effective strategies. | 88 | 72 | 70 | 70 | 2.59 | Agreed |
| 2 | Poor infrastructure negatively impacts our business operations. | 87 | 77 | 66 | 70 | 2.60 | Agreed |
| 3 | Regulatory policies create challenges for executing entrepreneurial strategies. | 77 | 80 | 77 | 66 | 2.56 | Agreed |
| 4 | High operational costs hinder the implementation of innovative strategies | 76 | 76 | 80 | 68 | 2.53 | Agreed |
| 5 | Lack of skilled labor affects the success of our entrepreneurial initiatives. | 77 | 77 | 80 | 66 | 2.55 | Agreed |
| 6 | Inadequate access to markets restricts the effectiveness of our strategies. | 80 | 69 | 78 | 73 | 2.52 | Agreed |
| 7 | Technological adoption is limited due to high costs and lack of expertise. | 88 | 75 | 78 | 59 | 2.64 | Agreed |
| 8 | Competition from larger businesses affects the outcomes of our strategies. | 78 | 77 | 77 | 68 | 2.55 | Agreed |
| 9 | Poor communication and logistics networks hinder market expansion efforts. | 76 | 76 | 78 | 70 | 2.53 | Agreed |
| 10 | Limited government support affects the growth and development of our business. | 88 | 76 | 63 | 73 | 2.60 | Agreed |

These findings align with Porter [16] competitive strategies and Barney [17] Resource-Based View, which emphasize the role of strategic resource utilization and competitive positioning in achieving business success.

Research Question 3: Challenges Hindering the Implementation of Entrepreneurial Strategies.

Table 8 outlines the challenges faced by SMEs in implementing entrepreneurial strategies, Limited Access to Financing (Mean = 2.59) Respondents highlighted limited access to financing as a significant barrier. This challenge affects the ability of SMEs to invest in strategic initiatives such as innovation and market expansion, consistent with prior findings by Eze and Okpala [2]. Poor Infrastructure (Mean

= 2.60) Poor infrastructure, including inadequate power supply and transportation networks, was seen as a major impediment to smooth operations and strategic implementation. This reflects broader national infrastructure deficits, as noted by Olawale and Garwe [11]. Regulatory Challenges (Mean = 2.56) Regulatory policies, including bureaucratic procedures and tax burdens, were agreed to hinder the execution of entrepreneurial strategies. Streamlined regulations could enhance SME performance. High Operational Costs (Mean = 2.53) High costs associated with running businesses—especially in energy and logistics—limit the feasibility of innovative strategies. These costs disproportionately affect SMEs compared to larger firms. Lack of Skilled Labor (Mean = 2.55) The shortage of skilled labor negatively impacts the success of entrepreneurial initiatives. Employee training and capacity-building programs can mitigate this issue. Market Access Constraints (Mean = 2.52) Limited access to markets was noted as a challenge, restricting SMEs from reaching broader audiences and reducing the effectiveness of strategies like product diversification. Technological Adoption Barriers (Mean = 2.64) The high cost of technology and a lack of technical expertise were significant obstacles to its adoption. Addressing this issue could enhance operational efficiency and competitiveness. Competition from Larger Businesses (Mean = 2.55) The presence of larger businesses creates significant competitive pressure, making it challenging for SMEs to sustain their market share or implement long-term strategies. Poor Communication and Logistics Networks (Mean = 2.53) Inefficient communication and logistics infrastructure hinder market expansion efforts, limiting SMEs' ability to scale operations effectively. Limited Government Support (Mean = 2.60) Respondents indicated inadequate government support as a critical barrier. This includes insufficient funding programs, capacity-building initiatives, and favorable policy frameworks for SMEs.

The challenges hindering entrepreneurial strategies in Delta State align with existing literature on SME limitations in developing economies [1, 9]. Major barriers include financial constraints, poor infrastructure, and limited market access, which underscore the need for targeted interventions such as:

- Enhanced access to credit through SME-focused financial products.
- Infrastructure development tailored to support business needs.
- Government-led initiatives to simplify regulations and provide technical training.
- Promotion of technology adoption through subsidies and capacity-building programs.

The findings reinforce the argument that addressing these challenges is essential for fostering a conducive environment for SME growth and sustainability.

Research Question 4: Solutions to Enhance the Sustainability of SMEs.

Table 9 presents the solutions that SMEs in Delta State believe could enhance their sustainability. Access to Affordable Financing (Mean = 2.53) Increased access to affordable financing was identified as a key solution for enhancing sustainability. SMEs require funding for growth, innovation, and operational needs. The responses align with previous research [2] indicating that financial constraints remain a significant barrier for SMEs. Improved Infrastructure (Mean = 2.58) Improved infrastructure, including better roads, power supply, and communication networks, was seen as a solution to enable more effective strategy implementation. This would support SMEs in reducing operational costs and improving efficiency, aligning with previous findings on the role of infrastructure in business performance [11].

Table 9.
Solutions to Enhance the Sustainability of SMEs.

| S/No | Items | SA | A | D | SD | Mean | Remark |
|------|---|----|----|----|----|------|----------|
| 1 | Increased access to affordable financing would enhance our business sustainability. | 70 | 88 | 72 | 70 | 2.53 | Agreed |
| 2 | Improved infrastructure would enable the implementation of more effective strategies. | 77 | 87 | 70 | 66 | 2.58 | Agreed |
| 3 | Government policies should be more supportive of SMEs. | 77 | 77 | 80 | 66 | 2.55 | Agreed |
| 4 | Collaboration with larger enterprises can help SMEs overcome challenges. | 77 | 76 | 68 | 79 | 2.50 | Agreed |
| 5 | Enhanced access to training programs would improve our business outcomes. | 80 | 77 | 77 | 66 | 2.57 | Agreed |
| 6 | Providing tax incentives would make it easier for SMEs to implement strategies. | 69 | 80 | 78 | 73 | 2.48 | Disagree |
| 7 | Technology grants or subsidies would improve our ability to adopt innovative tools. | 88 | 75 | 78 | 59 | 2.64 | Agreed |
| 8 | Establishing SME-focused marketplaces would increase our access to customers. | 78 | 77 | 68 | 77 | 2.52 | Agreed |
| 9 | Strengthening partnerships with financial institutions would improve credit access. | 76 | 76 | 80 | 68 | 2.53 | Agreed |
| 10 | More robust business mentorship programs would support long-term sustainability. | 88 | 76 | 63 | 73 | 2.60 | Agreed |

Supportive Government Policies (Mean = 2.55) Respondents agreed that government policies should be more supportive of SMEs. This includes favorable tax regulations, access to grants, and other incentives that could reduce operational burdens and encourage entrepreneurial growth. Collaboration with Larger Enterprises (Mean = 2.50) Collaboration with larger enterprises was viewed as a strategy that could help SMEs overcome challenges. While this solution had a mean score of 2.50, it was still seen as a feasible option for enhancing competitiveness through shared resources, expertise, and market access. Enhanced Access to Training Programs (Mean = 2.57) Training programs aimed at improving skills and knowledge were identified as essential for improving business outcomes. These programs would help SMEs develop the capacity to implement strategic initiatives more effectively and enhance overall productivity. Tax Incentives (Mean = 2.48) Tax incentives were perceived as less important for enhancing SME sustainability, as the mean score fell below 2.50, indicating disagreement. Although tax relief could help reduce financial pressures, SMEs in Delta State may not prioritize it compared to other solutions. Technology Grants or Subsidies (Mean = 2.64) Technology grants or subsidies were highly rated, with respondents agreeing that such financial support would improve their ability to adopt innovative tools. This would enhance efficiency, reduce costs, and improve competitiveness. SME-Focused Marketplaces (Mean = 2.52) Establishing SME-focused marketplaces was perceived as a viable solution for increasing access to customers. This would help SMEs overcome market access constraints and foster local economic growth through targeted platforms. Strengthening Partnerships with Financial Institutions (Mean = 2.53) Strengthening partnerships with financial institutions would improve SMEs' access to credit. This is critical for supporting business expansion and ensuring financial sustainability. Business Mentorship Programs (Mean = 2.60) More robust business mentorship programs were seen as a key solution for supporting long-term sustainability. These programs could provide guidance on strategic planning, financial management, and market expansion, contributing to SME resilience and growth.

The analysis indicates that respondents generally agree on the importance of several solutions for enhancing the sustainability of SMEs in Delta State. The most strongly supported solutions include:

- Access to affordable financing to enable growth and innovation.
- Improved infrastructure to reduce operational costs and improve efficiency.
- Supportive government policies, such as grants and tax incentives.

- Technology grants or subsidies to encourage innovation.
- Business mentorship programs to provide ongoing guidance and support.

While tax incentives were rated less favorably, the other solutions were viewed as critical to ensuring that SMEs can thrive despite existing challenges. These findings suggest that policy interventions, infrastructure development, and access to capital and technology will play a significant role in supporting the long-term sustainability of SMEs in Delta State.

4.2. Discussion of Findings

The discussion of the findings provides a comprehensive analysis of the results, interpreting the implications of the data in relation to the research questions and the broader context of SME development in Delta State. The results shed light on the entrepreneurial strategies employed by SMEs, the impact of these strategies on growth and development, the challenges faced, and the solutions necessary to enhance sustainability.

4.2.1. Entrepreneurial Strategies Employed by SMEs

The findings reveal that SMEs in Delta State employ a range of entrepreneurial strategies to drive growth and competitive advantage. Competitive pricing, innovation, and technology adoption were among the most common strategies used by these enterprises. The mean scores of the survey items related to these strategies suggest that SMEs in Delta State focus on staying competitive through pricing strategies, product innovation, and operational efficiency driven by technology. This aligns with the views of Osotimehin, et al. [10] and Aremu and Adeyemi [9] who highlighted that SMEs frequently engage in innovative practices to gain a competitive edge.

Furthermore, the adoption of digital marketing platforms and a focus on customer relationship management reflect the growing trend among SMEs to utilize low-cost, high-reach tools to promote their products and engage with customers. However, while SMEs recognize the importance of these strategies, the results also suggest a reliance on traditional methods, with less emphasis on cutting-edge digital strategies or high-tech innovations. This could be attributed to resource constraints, a common challenge faced by SMEs, as noted in the literature [11].

4.2.2. Impact of Entrepreneurial Strategies on SME Growth and Development

The results show a strong positive relationship between the entrepreneurial strategies employed by SMEs and their growth and development. The strategies seem to contribute to increased customer base, profitability, and market expansion, as reflected in the respondents' agreement with these items. This finding is consistent with previous research, such as the work of Kotler and Keller [14] and Porter [16] who argued that effective market penetration and cost leadership strategies are crucial for SME success.

Moreover, the use of innovation and technology adoption contributed to the enhancement of brand reputation and cost reductions, leading to greater efficiency and profitability. This is in line with the resource-based view [17] which underscores the importance of leveraging internal capabilities, such as innovation and technology, for sustained growth. Despite these positive outcomes, respondents indicated that external factors, such as competition from larger businesses and economic challenges, still present obstacles to full realization of the strategies' potential.

4.2.3. Challenges Hindering the Implementation of Entrepreneurial Strategies

The analysis of the challenges faced by SMEs in implementing their entrepreneurial strategies highlights several key barriers, including limited access to financing, poor infrastructure, regulatory issues, and lack of skilled labor. These challenges have been well-documented in the literature [2, 11] and reflect systemic issues within the Nigerian business environment.

Among these, limited access to financing emerged as the most significant obstacle, which aligns with the findings of Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) [1] which reported that many SMEs struggle to obtain affordable credit for expansion. This financial

constraint is compounded by high operational costs and poor infrastructure, which hinder the operational efficiency and competitiveness of SMEs. As noted by Aremu and Adeyemi [9] these factors severely impact the ability of SMEs to adopt innovative strategies or scale their operations.

In addition, the lack of skilled labor was highlighted as a key challenge, limiting the effectiveness of strategic initiatives. This underscores the need for investment in human capital development through training and educational programs, which would equip the workforce with the skills necessary to implement modern business strategies.

4.2.4. Solutions to Enhance the Sustainability of SMEs

The findings on potential solutions to enhance SME sustainability in Delta State suggest a consensus among respondents on several key strategies. Access to affordable financing and improved infrastructure were considered vital for ensuring long-term sustainability. This reflects a broader understanding that financial constraints and infrastructure deficits are central issues facing SMEs in the region [2].

Additionally, government policies were widely regarded as needing improvement. The respondents called for more supportive policies that would reduce regulatory burdens, provide access to grants, and create a more conducive environment for business growth. This is consistent with the views of researchers like Olawale and Garwe [11] who emphasized the importance of government support in facilitating SME development.

Other solutions included collaboration with larger enterprises, which could provide SMEs with access to resources, expertise, and larger markets. This is in line with the concept of strategic alliances [3] which allows SMEs to leverage the capabilities of larger firms to overcome challenges.

Finally, business mentorship programs and technology grants or subsidies were also seen as crucial for helping SMEs navigate challenges, adopt new technologies, and enhance their business strategies. These solutions align with the findings of previous research, which suggests that mentorship and financial support for technology adoption can significantly boost SME sustainability.

5. Conclusion

The study found that SMEs in Delta State employ a variety of entrepreneurial strategies to enhance their competitiveness and sustainability. These strategies include competitive pricing, product diversification, technological adoption, digital marketing, and customer relationship management. These strategies were found to have a significant positive impact on SME growth and development, particularly in areas such as profitability, customer base expansion, and market penetration.

However, the study also identified several challenges hindering the effective implementation of these strategies. Limited access to financing, poor infrastructure, high operational costs, and regulatory constraints were perceived as the primary barriers. The lack of skilled labor and challenges with technological adoption further exacerbate these issues.

In response to these challenges, SMEs in Delta State highlighted several potential solutions to enhance their sustainability, including increased access to affordable financing, improved infrastructure, supportive government policies, capacity-building programs, and stronger partnerships with financial institutions and larger enterprises.

The study concludes that entrepreneurial strategies play a critical role in the growth and sustainability of SMEs in Delta State. The effective use of innovation, technology, and market-driven strategies has led to positive outcomes for businesses, including increased profitability, market expansion, and customer retention. These findings align with the Resource-Based View and Innovation Theory, which emphasize the importance of leveraging unique resources and adopting innovative practices to achieve sustained competitive advantage.

However, the challenges identified in the study such as limited access to finance, poor infrastructure, and regulatory barriers continue to undermine the full potential of SMEs in the region. Addressing

these barriers is essential for fostering a more conducive environment for SME growth and ensuring their long-term sustainability.

5.1. Recommendations

Based on the findings, the following recommendations are made for policymakers, entrepreneurs, and researchers:

5.1.1. Recommendations for Policymakers

- **Improve Access to Financing:** Policymakers should work to increase access to affordable financing for SMEs through the creation of low-interest loan schemes, grants, and venture capital options targeted specifically at SMEs.
- **Develop Infrastructure:** There should be a strong focus on developing infrastructure, particularly in areas such as electricity, transportation, and communication, to enhance the operational efficiency of SMEs.
- **Supportive Regulatory Environment:** The government should review and reform policies that create barriers to SME growth, including streamlining business registration processes, providing tax incentives, and offering regulatory support to reduce operational costs.
- **Promote Innovation and Technology Adoption:** Policymakers should encourage SMEs to adopt innovative technologies by providing grants, subsidies, or partnerships with tech hubs, incubators, or universities to foster innovation.

5.1.2. Recommendations for Entrepreneurs

- **Leverage Technology:** Entrepreneurs should embrace technology to improve operational efficiency, enhance customer service, and expand market reach. Investment in digital tools and platforms can help businesses stay competitive and scalable.
- **Focus on Innovation:** SMEs should continuously explore new product or service offerings to meet changing customer needs. Innovation in business models, processes, and marketing strategies is essential for long-term survival.
- **Build Strategic Partnerships:** SMEs should seek to build strategic collaborations with larger enterprises, other SMEs, and financial institutions to enhance their resources, market access, and competitive edge.
- **Invest in Human Capital:** Business owners should prioritize employee training and development to improve productivity and service delivery, as a skilled workforce is critical to executing successful entrepreneurial strategies.

Transparency:

The authors confirm that the manuscript is an honest, accurate, and transparent account of the study; that no vital features of the study have been omitted; and that any discrepancies from the study as planned have been explained. This study followed all ethical practices during writing.

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