

EFFECT OF PRICING STRATEGIES ON SMEs PERFORMANCE OF SOME SELECTED SUPER MARKET IN KADUNA METROPOLIS

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Abstract

This study examined the effect of pricing strategies on the performance of some selected Super market in Kaduna Metropolis. The study seeks to determine the effect of cost-informed pricing, competitive pricing, and value-informed pricing strategies on the performance of some selected super market in Kaduna Metropolis. Data were gathered through survey questionnaires self-administered to the respondent of the study. The study adopted a quantitative and descriptive research method to gather data from 63 valid respondents of the study. However, the Statistical Package for Social Sciences (SPSS) version 26 was used to ascertain the relationship between the dependent variable and independent variables. The study results revealed that some variables of pricing strategies, such as cost informed pricing and value informed pricing with Beta values (0.009 and 0.016) respectively indicates an insignificant effect on the performance of some selected super market in Kaduna Metropolis with a ($p\text{-value} = 0.52$ and 0.80) > 0.05 . Thus, competitive informed pricing is statistically significant with a $p\text{-value} = 0.03 < 0.05$. The study concludes that competitive informed pricing is vital to make the operation more important to improve the performance of some selected super market in Kaduna Metropolis. The study therefore recommended that super market operators should blend different pricing strategies like cost informed pricing and perceived value pricing to optimize super market performance.

Keywords: Pricing strategies, Cost-informed Pricing Strategy, Competitive Pricing Strategy, Value-informed Pricing Strategy, Supermarket performance

1. Introduction

Small and Medium-sized Enterprises (SMEs) are a vital component of economies worldwide, contributing significantly to employment, economic growth, innovation, and wealth creation. Their performance is important not only for individual business growth and sustainability but also for industry and national economic development. Globally, SMEs account for approximately 90% of all firms, 50% of employment, and up to 40% of GDP in emerging markets (World Bank, 2023). Consequently, SME performance has become an important issue in business and corporate finance literature because of their role in facilitating economic activities, transferring risks, and channeling resources.

Financial performance is particularly important because it reflects an enterprise's ability to generate revenue, control costs, meet financial obligations, achieve profitability, and sustain operations. SMEs stakeholders have different expectations: owners and managers seek profitability, growth, welfare, and remuneration; investors focus on returns; governments emphasize tax contributions; while employees value job security. Meeting these interests requires managers to pursue sustainable financial performance and long-term business viability (Adeleke & Folorunso, 2024).

Despite their importance, SMEs in Nigeria continue to face considerable performance and survival challenges. Limited access to finance remains a major constraint (Adebayo & Akinwande, 2023), with about 70% of Nigerian SMEs reportedly relying on personal savings and family funds rather than formal credit channels (NASME, 2023). Furthermore, 60% of SMEs experience difficulties in meeting their financial obligations, indicating substantial financial distress (Oyewole & Oluwatobi, 2024). Poor financial management has also been identified as a major contributor to weak SME performance (Adeleke & Folorunso, 2024), while more than 95% of SMEs reportedly fail within their first five years of operation because of poor performance and related challenges (Yuefen, Long, & Kian, 2024).

Among the factors influencing SME performance, pricing decisions are particularly important. Inadequate pricing, limited market foresight, and inability to respond to competitive pressures may adversely affect sales, profitability, and business survival. This concern is significant in Nigeria, where SMEs contribute less than 50% of national GDP, compared with 70% in Ghana, 60% in Asia, and 50% in the USA (PwC, 2024; SMEDAN-NBS, 2021).

Given the dominant role of SMEs in Nigeria, improving their performance requires greater attention to strategic practices, including effective pricing.

Price is the monetary consideration exchanged by a buyer for a product or service and significantly influences consumer buying behaviour and decisions regarding products and brands (Zhang et al., 2024; Sharma et al., 2024; Chen et al., 2024; Cali et al., 2023). Pricing strategy refers to the approaches firms use to determine appropriate price levels by considering relevant market factors and business objectives (Gerpott & Berends, 2022; Noble & Gruca, 2019). Effective pricing enables firms to recover costs, generate adequate profits, support growth, and achieve sustainability (Hinterhuber & Bertini, 2021). As Kohli and Rajneesh (2011) observed, product development, promotion, and distribution create the foundation for business success, while effective pricing enables firms to realize the value generated by these activities.

Pricing is therefore a critical element of the marketing mix comprising product, price, place, and promotion (Gunaydan, 2023; Brassington & Pettitt, 2012). Unlike the other elements, price directly generates revenue for the firm and represents the value consumers exchange to obtain

the benefits of a product or service (Agwu & Carter, 2014; Kotler et al., 2025). Consequently, pricing can either enhance or undermine organizational growth and performance (Echendu & Onuoha, 2023).

Pricing strategies may be examined through three major dimensions: value-informed, competition-informed, and cost-informed pricing strategies (Abidin et al., 2023; Chen & Shah, 2023; Sammut-Bonnici & Channon, 2015). Value-informed pricing emphasizes customers' perceived value and willingness to pay; competition-informed pricing considers competitors' prices and market conditions; while cost-informed pricing focuses on the costs associated with producing, acquiring, and selling products. These approaches enable firms to balance customer expectations, competitive pressures, cost recovery, and profitability.

The importance of pricing is particularly evident in the supermarket industry, where businesses operate in highly competitive environments and consumers can easily compare prices across outlets (Albad, 2015). Changes in consumer behaviour, inflation, operating costs, and increasing competition make pricing a critical strategic decision (Cant et al., 2026). Thus, effective pricing strategies are increasingly recognised as important to SME success, particularly amid rapid economic and technological changes (Ali & Anwar, 2021).

For supermarkets in Kaduna Metropolis, strategic pricing is especially important because of the increasing number of competing retail outlets and changing consumer purchasing patterns. Supermarket operators must therefore consider customer-perceived value, competitors' prices, operating costs, and prevailing market conditions in establishing appropriate prices. Effective pricing can enable supermarkets to maintain customer loyalty, improve profitability, and achieve sustainable performance.

However, despite the recognized importance of pricing, empirical evidence on the relationship between pricing strategies and organizational performance remains inconclusive. Studies by Huang (2024), Mai (2024), Echendu et al. (2023), and Njoroge and Gathungu (2022) have reported mixed findings. Furthermore, limited research has examined value-informed, competition-informed, and cost-informed pricing strategies collectively in relation to supermarket performance within a specific Nigerian metropolitan context. Existing studies have also been conducted across different industries and geographical settings, limiting the generalization of their findings (Aguilar et al., 2024; Cressman, 2021; Rao, 2015; Oxenfeldt, 2014).

This gap necessitates further investigation into the effects of pricing strategies on supermarket performance in Kaduna Metropolis. Examining the three pricing dimensions may provide empirical evidence to assist supermarket owners and managers in making more effective pricing decisions and contribute to the literature on pricing and SMEs performance in Nigeria. Against this background, this study seeks to examine the effect of pricing strategies on the performance of selected supermarkets in Kaduna Metropolis. Specifically, it examines the effects of **value-informed pricing, competition-informed pricing, and cost-informed pricing strategies** on supermarket performance. Hence, the objective of this study is to examine the effect of pricing strategies on the performance of some selected supermarket in Kaduna Metropolis.

2. Literature Review and Theoretical Framework

2.1 Concept of Pricing Strategies

Pricing is the process through which firms determine the prices of their products or services by considering factors such as acquisition or production costs, market conditions, competition,

brand, and product quality (Sheikh et al., 2023). It is one of the four elements of the marketing mix product, promotion, place, and price and the only element that directly generates revenue, while the others primarily constitute costs.

Pricing strategies are therefore the mechanisms firms use to establish appropriate prices for goods and services in pursuit of organizational objectives (Nagle, Zale & Hogan, 2020). Kotler et al. (2025) further emphasize that pricing strategy influences the value firms derive from their offerings and has direct implications for revenue, profitability, market share, and growth.

2.2 Dimensions of Pricing Strategies

Pricing strategies are approaches adopted by firms to determine prices in order to achieve business objectives and improve market performance. This study focuses on competitive-informed, cost-informed, and value-informed pricing strategies.

2.2.1 Competitive-Informed Pricing Strategy

Competitive-informed pricing involves setting prices with reference to competitors and prevailing market conditions. Gupta, Ivanov and Choi (2021) describe it as selecting strategic price points that enable firms to take advantage of market conditions relative to competitors. It is particularly relevant where firms offer similar products, making competitors' prices an important consideration (Ali & Anwar, 2021). Because competitors' pricing decisions can influence market outcomes, firms must anticipate and respond strategically to competitors' actions (Cakranegara et al., 2022).

2.2.2 Cost-Informed Pricing Strategy

Cost-informed pricing involves determining selling prices by calculating fixed and variable costs and adding an appropriate profit margin (Ellering, 2023; Horngren et al., 2013). The approach ensures that prices cover production, distribution, labour, raw materials, and other operating costs while providing an adequate return.

2.2.3 Value-Informed Pricing Strategy

Value-informed pricing determines prices primarily according to the value customers perceive in a product or service (Zimbroff & Schlake, 2015). Effective application requires firms to understand customers' needs, preferences, and expectations and align prices with perceived value. This approach can strengthen customer relationships and improve customer satisfaction (Hinterhuber & Liozu, 2017).

2.3 Relationship Between Pricing Strategies and Performance

Effective pricing strategies are important to supermarket performance because they can influence profitability, liquidity, sales growth, and revenue. Value-informed pricing may enhance profit margins and revenue growth by aligning prices with customers' perceived value (Jones et al., 2019). Pricing strategies are also more effective when aligned with organisational objectives and market positioning, thereby supporting customer satisfaction and financial performance (Gupta & Lehmann, 2020). Similarly, value-informed and competitive-informed pricing strategies have been associated with improved sales growth and net income, suggesting that supermarkets can enhance performance by responding to both customer value perceptions and competitive conditions (Baker & Hart, 2021).

2.4 Empirical Review of Related Studies

Ndwandwe and Khoza (2026) examined pricing strategies and SME growth and sustainability in South Africa using 132 SMEs. The study found that cost-plus, value-based, and competitor-based pricing strategies were widely adopted and that strategic pricing and timely price adjustments significantly improved business growth and sustainability. However, the South African context differs from Nigeria, necessitating further investigation within the Nigerian supermarket sector.

Obiajulu, Azubuko, and Okpanachi (2025) investigated pricing strategies and SME financial performance in Nigeria using 175 SMEs across different sectors in Lagos State. The study found that cost-based pricing was most commonly used, while value-based pricing recorded the strongest financial performance, particularly in profitability and revenue growth. However, the study covered multiple sectors rather than supermarkets, creating a need for sector-specific investigation.

Jose (2024) examined pricing strategies and sales performance among telecommunications firms in Luanda, Angola, using 250 respondents. The study found significant positive relationships between competitive, penetration, and psychological pricing and sales performance, with penetration pricing recording the strongest relationship. However, the study did not incorporate cost-based and value-based pricing, limiting its coverage of the pricing dimensions considered in the present study.

Aguilar et al. (2024) examined pricing strategies and business performance among 103 SMEs in Santa Cruz, Laguna, Philippines. Using a quantitative descriptive-correlational design and Pearson correlation analysis, the study found that cost-plus, competitive, and value-based pricing were highly effective in improving SME performance, particularly profitability. Nevertheless, the study was conducted outside Nigeria, highlighting the need for context-specific evidence from developing economies such as Nigeria.

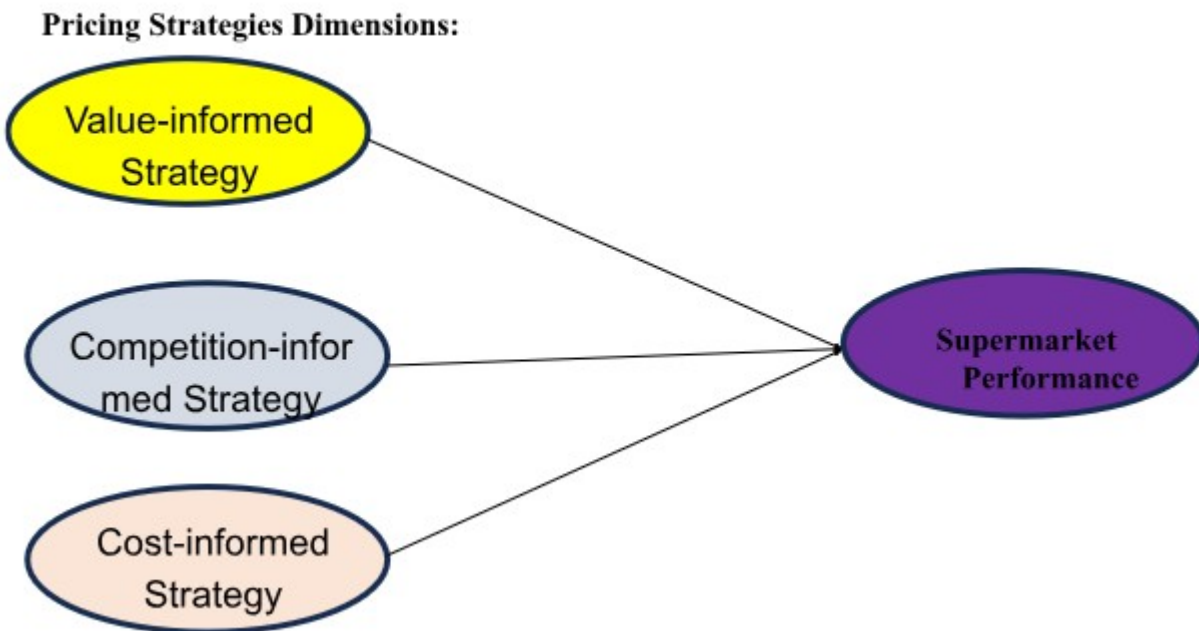
Overall, existing studies provide evidence of a positive relationship between pricing strategies and SME performance, but important contextual and sectoral gaps remain. Many studies were conducted outside Nigeria, particularly in South Africa, Angola, and the Philippines, while Nigerian evidence has largely focused on SMEs across multiple sectors rather than supermarkets. In addition, Jose (2024) examined different pricing dimensions from those adopted in this study. Therefore, limited empirical evidence exists on the combined effects of cost-informed, competitive-informed, and value-informed pricing strategies on the performance of supermarket SMEs in Nigeria. This study addresses this gap by examining these pricing dimensions within the supermarket sector in Kaduna Metropolis.

2.5 Theoretical Background

This study is anchored on Economic Pricing Theory, which provides a framework for understanding pricing decisions and their implications for organizational performance. The theory explains that supply and demand are the primary determinants of the prices at which goods and services are exchanged. According to Gordon (2023), the central objective of price theory is to determine the optimal market price at which supply and demand are in equilibrium. At equilibrium, the quantity supplied corresponds with the quantity demanded, thereby establishing a balance in the market. Although supply and demand remain fundamental to pricing, other factors such as product quality, perceived value, brand loyalty, and customer satisfaction may also influence price, particularly in competitive markets. Thus, the traditional

economic view of pricing may require consideration of contemporary market dynamics and changing consumer preferences.

Economic Pricing Theory provides the theoretical foundation for this study because it explains how pricing decisions can influence organizational performance. It also provides a basis for examining the relationship between costs, product value, market conditions, and pricing strategies, thereby supporting the assessment of the most appropriate pricing approaches for improving supermarket performance.



Source: Researchers Conceptualization, (2026)

Figure 1: Conceptual model of the study showing the hypothesized relationships amongst the independent variables and dependent variable.

3. Methodology

This study employed a descriptive survey research design to obtain a valid and accurate representation of the study variables and their relationships as they naturally occur. The design is appropriate for investigating trends, attitudes, perceptions, and behaviours within a population (Sekaran & Bougie, 2019; Creswell & Creswell, 2023). **Saunders et al. (2023)** argued that descriptive survey research is suitable for obtaining a systematic and accurate description of a population or phenomenon. The study population consists of ninety-five (95) owners/managers of some selected Supermarket in Kaduna Metropolis.

The population of 95 owners/managers of selected supermarkets in Kaduna Metropolis was obtained from records compiled from registered supermarkets operating within Kaduna Metropolis (KADCCIMA, 2026). However, a sample size of 76 selected supermarket was determined using Yamane (1976) method of calculating sample size of a population. Although,

the sample size of 76 from a population of 95 can be calculated using the Yamane (1976) formula as follows:

Yamane's Formula Were,

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

Where:

n= Sample size, N= Population size, e= Level of precision (sampling error) and 1= Constant

Given: N=95, e=0.05(5% level of precision) Substituting into the formula:

$$n = \frac{95}{1+95(0.05)^2}$$

$$n = \frac{95}{1+95(0.0025)} n = \frac{95}{1+0.2375} n = \frac{95}{1.2375} n = 76.76 \approx 77$$

According to Sekaran and Bougie (2019), a sample size between 30 and 500 is adequate for most studies. Furthermore, Memon et al. (2020) emphasized that sample size adequacy should ensure sufficient statistical power and representativeness for meaningful analysis. Therefore, the sample size adopted for this study was considered appropriate. Hence, following the aforementioned rule of thumb, the sample size of the study will be (i.e. 77) which is also appropriate for the study.

In addition, the study employed simple random sampling because it gives every member of the population an equal and independent chance of being selected, thereby minimizing selection bias and enhancing the representativeness of the sample.

The technique is widely regarded as one of the most effective probability sampling methods for producing unbiased and generalizable findings (Saunders et al., 2023; Creswell & Creswell, 2023).

The questionnaire used for this study was adapted from the instruments developed and validated by Jose (2024), Aguilar et al. (2024), and Obiajulu et al. (2025) in their studies on pricing strategies and organizational performance. Relevant modifications were made to align the instrument with the objectives and context of the present study. The questionnaire was structured using a modified five-point Likert scale ranging from Strongly Agree (5), Agree (4), Undecided (3), Disagree (2), and Strongly Disagree (1). Data collected were analyzed using the Statistical Package for the Social Sciences (SPSS) version 26. Both descriptive and inferential statistical techniques, including frequency distribution, mean scores, correlation, and regression analyses, were employed to analyze the data and test the study hypotheses.

4. Data Presentation and Analysis

A total of 77 copies of questionnaires were distributed to the respondents but only 63 copies of the questionnaires were returned. All the 63 returned questionnaires were completely filled. This shows that 63 out of 77 copies of questionnaires represent the overall response rate of 82% and therefore, 63 usable copies of the questionnaire represent a valid response rate of 82%.

The above response rate achieved was deemed adequate for the study, as it enhanced sample representativeness and reduced the potential for non-response bias, thereby strengthening the validity and reliability of the findings (Saunders et al., 2023; Dillman et al., 2024). Thus, it can be therefore specified that this study's response rate is appropriate and adequate for further analysis. Table 1 presents the result of the study.

Table1

Questionnaire Distribution and Response Rate

Questionnaires	Frequency	Rate (%)
Distributed Questionnaires	77	100
Unreturned Questionnaires	14	18
Returned Questionnaires	63	82

Source: Field Survey, 2026

4.1 Demographic Statistics

Table 2: Gender distribution of the respondent

Gender	Frequency	Valid Percent	Cumulative Percent
Male	45	71.4	71.4
Female	18	28.6	100.0
Total	63	100.0	100.0

Source: Field Survey, 2026

From the above table 2, it shows that the majority of the respondents were male with a total of 45 respondents representing 71.1% of the sample population while female are 18 respondents representing 28.6% of the sample population.

Table 3: Age Range

Age (Years)	Frequency	Valid Percent	Cumulative Percent
20-30	10	15.9	15.9
31-40	29	46.0	61.9
41-50	17	27.0	88.9
Above 50	7	11.1	100.0
Total	63	100.0	100.0

Source: Field Survey, 2026

Table 3 above shows response on the age bracket of the respondents, from the table 10 respondents representing 15.9% of the sampled population falls within 20-30 age bracket, followed by those that falls within 31-40 age bracket with a total of 29 respondents representing 46% of the sampled population, followed by 41-50 age bracket with a total of 17 respondents representing 27% of the sampled population. However, those that fall within above 50 age brackets have 7 respondents representing 11.1% of the sampled population.

Table 4: Educational Background of the Respondents

Qualification	Frequency	Valid Percent	Cumulative Percent
Secondary	5	7.9	7.9
Diploma/NCE	27	42.9	50.8
Degree/HND	21	33.3	84.1
Post Graduate	10	15.9	100.0
Total	63	100.0	100.0

Source: Field Survey, 2026

From table 4 above, the table shows that the educational background of the respondents is represented as follows: those with a secondary school certificate are 5 respondents representing 7.9% of the sampled population, followed by those that have Diploma/NCE with a total of 27 respondents signifying 42.9%, those that have Degree/HND are 21 respondents signifying 33.3% while those that have post graduate certificate are 10 respondents signifying 15.9% of the sampled population.

Table 5: Current Position

Current Position	Frequency	Valid Percent	Cumulative Percent
Executive	19	30.2	30.2
Manager	23	36.5	66.7
Supervisor	14	22.2	88.9
Others	7	11.1	100.0
Total	63	100.0	100.0

Source: Field Survey, 2026

From the table above, it shows that the response on the current position of the respondents, from the table the executive has 19 respondents representing 30.2% of the sampled population, followed by the manager with 23 respondents representing 36.5% of the sampled population, followed by the supervisors with 14 respondents representing 22.2% of the sampled population while others with 7 respondents representing 11.1% of the sampled population.

Table 6: Model Summary^b

				Change Statistics						
Model	R	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. Change	F	Durbin-Watson
1	.286 ^a	.842	.569	.842	1.745	3	59	.000		1.402

a. Predictors: (Constant), Comp_Inf_Stra, Cost_Inf_Stra, Value_Inf_Stra

b. Dependent Variable: Org_Perf

Source: Authors computation, using SPSS version 26

To test the amount of variation in the dependent variable that is attributed to pricing strategy, the R squared was computed. From the results as presented in Table 6, the R square 0.842 infers that 84.2% of the variation in performance can be explained by the changes in pricing strategy leaving 15.2 % unexplained (error term).

Table 7: Analysis of Variance (ANOVA^a)

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	1.697	3	.566	1.745	.000 ^b
Residual	19.115	60	.324		
Total	20.812	63			

a. Dependent Variable: Org_Perf

b. Predictors: (Constant), Comp_Inf_Stra, Cost_Inf_Stra, Value_Inf_Stra

Source: Authors computation, using SPSS version 26

Similarly, the analysis of variance test was carried out to test the overall significance of the pricing strategy and performance model. The results in Table 7 show a p-value at $0.000 < 0.05$. Hence, it was concluded that model of pricing strategy and SMEs performance of some selected supermarket was statistically significant.

Table 8: Regression Coefficients

Model	Unstandardized Coefficients ⁰		Standardized Coefficients		Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta	T		Lower Bound	Upper Bound
1 (Constant)	1.341	.405		3.311	.000	.531	2.152
Cost_Inf_Stra	.009	.090	.013	.102	.052	-.171	.189
Value_Inf_Stra	.016	.103	.019	.151	.080	-.191	.222
Comp_Inf_Stra	.281	.126	.281	2.225	.003	.028	.533

a. Dependent Variable: Org_Perf

The regression outputs for competitive informed pricing strategy were positive and significant ($\beta=0.281$, p-value $0.003 < 0.05$) with the model summarized as $Y=1.341+0.281X_1$. Since $\beta=0.281$, it can be concluded that one-unit increase in competitive informed pricing strategy will increase performance by 0.281 units' other factors held constant. Moreover, competitive informed pricing strategy is statistically significant since p-value $=0.03 < 0.05$. Hence, the null hypotheses is rejected: competitive informed pricing strategy has a significant positive effect on SMEs performance of some selected super market in Kaduna Metropolis was supported concluding that an effective competitive informed pricing strategy had a significant positive effect on the performance of some selected super market in Kaduna Metropolis.

On the other hand, cost informed pricing strategy and value informed pricing strategy with Beta values (0.009 and 0.016) respectively indicates an insignificant effect on the SMEs performance of some selected super market in Kaduna Metropolis with a (p-value $=0.52$ and 0.80) > 0.05 .

4.2 Test of Hypotheses

The pre-set level of significance for this study is 0.05. Therefore, in testing the Hypothesis, if the P-value (significance level) exceeds the pre-set value (0.05), the Null Hypothesis will be

Accepted and the Alternative Rejected. Otherwise, the Null Hypothesis will be Rejected and the Alternative Accepted.

Test of Hypothesis one (H01)

Ho1: Value-informed pricing strategies has no significant effect on the performance of Some Selected Super Market in Kaduna Metropolis.

The regression Coefficient table shown that the level of significance of the value informed pricing strategy under the column labelled Significant (sig) at $0.80 > 0.05$; it means the result is insignificant (See Table 8). Since the P- value $(0.80) > (0.05)$.

Hence, therefore the Null Hypothesis (H01) will be accepted. This means there is no significant effect of value informed pricing on SMEs performance of some selected super market in Kaduna Metropolis.

Test of Hypothesis Two (H02)

Ho2: Competition-informed pricing strategies has no significant effect on the SMEs performance of Some Selected Super Market in Kaduna Metropolis.

The regression Coefficient table shown that the level of Significance of competitive informed pricing strategy under the column labelled Significant at 0.03 which is less than the pre-set value of 0.05; it means the result is Significant (See Table 8).

Since the P-value (0.03) is lower than the Pre-set value (0.05), the Null Hypothesis (H02) will be rejected. This means that there is a significant effect of competitive informed pricing on SMEs performance of some selected super market in Kaduna Metropolis.

Test of Hypothesis Three (H03)

Ho3: Cost-informed pricing strategies has no significant effect on the performance of Some Selected Super Market in Kaduna Metropolis.

The regression Coefficient table shown that the level of Significance of cost informed pricing strategy under the column labelled Significant at 0.52 which is higher than the pre-set value of 0.05; it means the result is not Significant (See Table 8). Since the P-value (0.52) is greater than the pre-set value (0.05). The Null Hypothesis (H03) will be accepted. This means there is no significant relationship of cost informed pricing on SMEs performance of some selected super market in Kaduna Metropolis.

4.3 Discussion of the Findings

This study examined the effect of pricing strategies on SMEs performance of selected supermarkets in Kaduna Metropolis using value-informed pricing, competitive-informed pricing, and cost-informed pricing. The findings revealed that only competitive-informed pricing had a significant positive effect on SMEs performance, while value-informed pricing and cost-informed pricing were not statistically significant.

The result implies that supermarkets in highly competitive markets improve performance more effectively by aligning prices with competitors' pricing behaviour and prevailing market

conditions. This finding supports Owuor (2022), who reported a significant relationship between competitive pricing and firm performance. It is also consistent with Gerpott and Berends (2022) and Abidin et al. (2023), who emphasized that competitive pricing enhances responsiveness to market dynamics and customer price sensitivity.

Furthermore, the coefficient of determination ($R^2 = .842$) indicates that 84.2% of the variation in SMEs performance is explained by pricing strategies, while 15.8% is accounted for by other factors not included in the model. This suggests that although pricing strategies are important determinants of performance, other operational and environmental factors also play a role in influencing SMEs performance.

5. Conclusion

This study concludes that among the pricing strategies examined, only competitive-informed pricing has a significant positive effect on SMEs performance of selected supermarkets in Kaduna Metropolis, while value-informed and cost-informed pricing do not show significant effects.

This implies that supermarkets perform better when pricing decisions are guided by competitors' pricing behaviour and prevailing market conditions, rather than solely by cost or perceived customer value.

Furthermore, the study established that pricing strategies explain a substantial proportion of variation in SME performance ($R^2 = .842$), indicating their importance in determining business outcomes. However, other factors not included in the model also contribute to performance differences among SMEs. Overall, competitive-informed pricing is identified as the most effective pricing strategy for enhancing supermarket performance in the study area.

6. Recommendations

Based on the findings, the following recommendations are made:

- i. Supermarket managers should prioritize competitive-informed pricing by regularly monitoring competitors' prices and adjusting their own prices accordingly, as it significantly enhances SMEs performance.
- ii. Managers should strengthen market intelligence systems to improve responsiveness to price changes within the competitive retail environment.
- iii. Value-informed and cost-informed pricing should not be disregarded but used as complementary strategies alongside competitive pricing to support profitability and differentiation.

7. Suggestions for Future Studies

Future studies should include other determinants of SME's performance such as customer satisfaction, service quality, and promotional strategies to improve explanatory power beyond pricing strategies.

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