

EFFECT OF SOCIAL MEDIA MARKETING ON THE PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES IN KADUNA METROPOLIS: MODERATING ROLE OF ENTREPRENEURIAL ORIENTATION

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Abstract

This study investigates the effect of social media marketing strategies on the performance of Small and Medium Enterprises (SMEs) in Kaduna Metropolis, with entrepreneurial orientation (EO) as a moderating variable. The research adopts a quantitative survey design, targeting 263 registered SMEs in the metropolis. Data were collected using structured questionnaires administered to SME owners and managers and analyzed using descriptive statistics, correlation, and multiple regression analysis with moderation. The findings reveal that social media marketing significantly enhances SME performance, improving customer acquisition, retention, and brand visibility. Entrepreneurial orientation was found to positively moderate this relationship, indicating that SMEs with higher levels of innovativeness, proactiveness, and risk-taking derive greater benefits from social media marketing strategies. The study concludes that This study concludes that social media marketing significantly enhances the performance of SMEs in Kaduna Metropolis. SMEs that actively engage in social media strategies experience higher sales, improved customer retention, and greater brand visibility. Additionally, entrepreneurial orientation plays a critical moderating role, strengthening the positive impact of social media marketing on firm performance. SMEs with higher levels of innovativeness, proactiveness, and risk-taking are better able to leverage digital marketing tools to achieve superior outcomes. It's recommended that owners and managers should actively invest in social media marketing strategies as a core part of their business operations.

Keywords: Entrepreneurial Orientation, Kaduna Metropolis, SME Performance, Small and Medium Enterprises (SMEs), Social Media Marketing, Moderating Effect

1. Introduction

The rapid development of digital technologies has transformed the business environment in Nigeria, shifting enterprises from traditional marketing approaches to more interactive and cost-effective online platforms. The rise of e-marketing has enabled businesses to reach broader markets, improve customer engagement, and enhance performance beyond the limitations of geography and physical infrastructure (Njelita et al., 2023). Nigerian SMEs now leverage digital tools such as social media advertising, search engine optimization, and email campaigns to compete more effectively with larger firms, while also gathering valuable consumer data that supports informed decision-making (Sheikh et al., 2025; Awad & Aboalghanam, 2023). The continuous expansion of the digital economy in Nigeria therefore presents significant opportunities for SMEs to enhance competitiveness in an increasingly technology-driven marketplace (Fintech News Africa, 2023).

In this evolving digital landscape, Small and Medium Enterprises (SMEs) are strategically adopting social media marketing and email marketing as essential tools for enhancing business performance. With traditional marketing methods becoming less effective and more expensive,

digital marketing provides SMEs with measurable, affordable, and highly interactive means of engaging customers and promoting products (Chaffey & Ellis-Chadwick, 2019). In Nigeria particularly in urban areas the widespread use of smartphones, increased internet penetration, and the popularity of platforms such as Facebook, Instagram, WhatsApp, and X (formerly Twitter) have given SMEs new avenues to interact with consumers, build brand visibility, and achieve competitive advantage (Akanbi & Baiyere, 2021).

Social media marketing has become central to modern business operations, offering SMEs opportunities for real-time customer communication, targeted advertising, and rapid dissemination of marketing content. Likewise, email marketing has remained a powerful channel for personalized communication, customer retention, and targeted promotional messaging (Kotler & Keller, 2016). These tools collectively support data-driven decision-making, foster brand loyalty, and improve marketing efficiency, which are vital for the growth and sustainability of SMEs (Kaplan & Haenlein, 2010). Given that SMEs contribute significantly to economic development and employment in Nigeria, the effective utilization of social media and email marketing is expected to positively influence key performance indicators such as sales growth, customer retention, and market expansion (Eze, Chinedu-Eze & Bello, 2021).

To strengthen these relationships, this study introduces Entrepreneurial Orientation (EO) as a moderating variable. EO typically conceptualized through innovativeness, proactiveness, and risk-taking captures the strategic posture of business owners and their willingness to explore new opportunities (Lumpkin & Dess, 1996; Kusa & Asemokha, 2021). SMEs with high EO are more inclined to adopt innovative technologies, proactively respond to market dynamics, and engage in calculated risks that enhance their digital marketing outcomes. According to Ismail and Oladipo (2023), SMEs with strong entrepreneurial orientation tend to derive greater benefits from digital marketing strategies, as they are more open to experimentation, innovative content creation, and proactive customer engagement. Therefore, EO is expected to strengthen or weaken the effect of social media and email marketing on SME performance depending on the strategic behavior of owners and managers.

Despite the growing adoption of digital marketing tools, significant gaps persist in understanding their actual impact on SME performance, particularly within the context of Kaduna Metropolis. Many SMEs use social media and email marketing informally, with inconsistent strategies, limited capacity for content creation, and inadequate metrics for evaluating the effectiveness of their digital campaigns (Okeke, Ezenwoke & Oruh, 2020). Additionally, challenges such as limited digital skills, infrastructural constraints, and insufficient funding continue to hinder the effective implementation of digital marketing among SMEs (Onyeaghala & Oti, 2018). While some Kaduna-based SMEs report improved customer engagement and market reach through digital channels, others struggle to convert online activity into measurable performance outcomes such as revenue growth, customer loyalty, and competitive advantage.

Moreover, the lack of empirical evidence specific to Kaduna Metropolis limits the ability of policymakers, business owners, and support agencies to make informed decisions regarding digital marketing investments and training (Akanbi & Baiyere, 2021). This creates a need for research that examines how social media and email marketing influence SME performance and how entrepreneurial orientation may modify these relationships.

Therefore, this study aims to investigate the effect of social media marketing strategies on the performance of SMEs in Kaduna Metropolis, with entrepreneurial orientation as a moderating variable. The findings are expected to provide valuable insights into best practices in digital marketing and offer policy recommendations for enhancing SME competitiveness and growth.

In line with the objectives of the study, the study addressed the following research questions, and hypotheses.

- i. What is the effect of social media marketing on the performance of SMEs in Kaduna Metropolis?
- ii. Does entrepreneurial orientation moderate the relationship between social media marketing and the performance of SMEs in Kaduna Metropolis?

H0₁: Social media marketing strategies has no significant effect on the Performance of Small and Medium Enterprises (SMEs) in Kaduna metropolis.

H0₂: Entrepreneurial orientation does not significantly moderate the relationship between social media marketing and the performance of SMEs in Kaduna Metropolis.

2 Literature Review

Conceptual Review

The conceptual review provides a comprehensive understanding of the key constructs underpinning this study

Small and Medium Enterprises

According to Adelekan & Ogunleye (2021), SME performance refers to the ability of small and medium-sized enterprises to achieve desired outcomes in terms of profitability, productivity, and overall business growth. This performance is often assessed using both financial indicators (e.g., return on investment, revenue growth) and non-financial indicators (e.g., customer satisfaction, market share, and innovation). The authors argue that in the modern competitive environment, SMEs must align their internal capabilities, including marketing strategies and innovation, with external market demands to sustain growth. As such, performance is no longer just about profitability but about building adaptive capacity for long-term survival.

Olawale & Garwe (2022) conceptualize SME performance as the extent to which enterprises can effectively utilize their limited resources to achieve strategic objectives such as market expansion, customer retention, and operational efficiency. Therefore, performance is not solely financial but also includes achieving milestones like entering new markets, developing new products, and leveraging digital technologies. Musa & Bello (2023) defined SMEs performance as the measurable achievements of enterprises in terms of innovation adoption, market responsiveness, and sustainability. This assert that performance in the current digital economy is largely influenced by entrepreneurial orientation proactiveness, risk-taking, and innovativeness—which enables SMEs to remain competitive.

Social Media Marketing

Tuten & Solomon (2021) define Social Media Marketing (SMM) as the use of social media platforms to connect with an audience to build brands, increase sales, and drive website traffic through content creation, engagement, and advertising. This emphasize that SMM focuses on developing relationships with consumers by developing interaction, feedback, and trust. Unlike traditional marketing, SMM enables two-way communication, allowing brands to listen,

respond, and adapt to customer needs in real-time. According to Dwivedi et al. (2021), Social Media Marketing involves the strategic use of social networks to communicate brand values, increase awareness, and cultivate customer loyalty. Its note that SMM allows companies, especially SMEs, to deliver consistent and engaging brand narratives that resonate with target audiences. SMM is also an important channel for gathering consumer feedback and refining marketing messages to enhance brand loyalty and trust.

Zollo, et al., Pellegrini (2020) define SMM as a value co-creation platform where firms and consumers collaborate in brand development through content, feedback, and emotional connections. This emphasizes that social media is not merely a broadcast channel but a space where brands co-create meaning with users, influencing brand image and business performance. This participatory nature of SMM leads to higher levels of consumer satisfaction and loyalty. Appel et al. (2020) define Social Media Marketing as a strategic marketing function that enables SMEs to amplify their digital presence, scale customer acquisition efforts, and access new markets at a relatively low cost. This defines that the democratization of communication channels through social media empowers smaller businesses to compete with larger firms by creating tailored, authentic brand experiences.

Kumar et al. (2021) define Social Media Marketing as a data-driven marketing strategy that leverages real-time analytics and user-generated content to tailor messaging and optimize campaign outcomes. They emphasize the analytical potential of social media platforms in monitoring customer sentiment, segmenting audiences, and predicting consumer behavior.

Social media marketing (SMM) is the strategic use of social networking platforms such as Facebook, Instagram, Twitter (X), LinkedIn, and WhatsApp to connect with current and potential customers. It involves content creation, community engagement, paid advertising, and analytics monitoring, all aimed at building brand awareness, generating leads, and driving business growth. In this study, SMM is defined as the deliberate and structured deployment of social media platforms to attract, convert, and retain customers, thereby contributing to improved performance of SMEs.

Entrepreneurial Orientation

Lumpkin & Dess (2021) defined entrepreneurial orientation as the processes, practices, and decision-making styles of firms that act entrepreneurially. EO encompasses five dimensions; innovativeness, risk-taking, proactiveness, competitive aggressiveness, and autonomy which collectively shape how a business identifies and exploits opportunities in the marketplace. This orientation reflects a firm's willingness to innovate, take risks, and lead rather than follow competitors.

Wales (2020) views entrepreneurial orientation as a firm-level strategic capability that represents its tendency to identify and exploit market opportunities through innovative, proactive, and risk-taking behaviors. This orientation contributes to dynamic capabilities that allow organizations to respond rapidly to environmental changes and maintain competitiveness in turbulent markets. Covin & Slevin (2021) describe EO as a behavioral strategy that embodies a firm's posture toward entrepreneurship through actions that involve calculated risk-taking, aggressive competition, and investment in innovation. It reflects how the firm organizes itself to explore new opportunities for growth and respond to threats in the external environment.

Zhou & Li (2020) view EO as a learning-oriented mindset that encourages experimentation, exploration, and the willingness to take calculated risks in pursuit of growth. EO helps firms accumulate experiential knowledge, which can be leveraged to create new value propositions

and gain competitive advantages, especially in technology-driven or uncertain markets. Miller (2021) conceptualizes entrepreneurial orientation as a valuable, rare, and inimitable resource within the framework of the resource-based view of the firm. According to this perspective, EO enables firms to develop unique competitive capabilities, such as speed to market, product differentiation, and customer responsiveness, which in turn contribute to superior firm performance.

Entrepreneurial orientation in this study is defined as a firm's processes, practices, and decision-making styles that facilitate the identification, evaluation, and exploitation of opportunities in dynamic markets (Fang et al., 2022). Collectively, these dimensions define EO as a dynamic orientation that fosters innovation, market responsiveness, and sustainable competitive advantage, particularly for SMEs operating in rapidly changing environments.

Review of Empirical Studies

The paper reviewed and synthesized empirical studies relevant to the study.

Tajvidi & Karami (2021) examine the mechanisms through which social media marketing enhances firm performance, emphasizing its role in strengthening customer relationships and expanding market reach. Drawing insights from a case study of small and medium enterprises (SMEs) in the United Kingdom, the study demonstrates how firms strategically integrate social media tools such as Instagram, Facebook, and Twitter into their marketing processes. The findings show that when social media marketing is aligned with broader business strategies, firms experience improved competitive advantage, stronger customer loyalty, greater lead generation, and enhanced brand visibility. While the study offers valuable evidence on the benefits of social media marketing, it does not sufficiently address implementation challenges such as limited digital skills, financial constraints, and technological inefficiencies that some firms encounter. However, the study focused on SMEs in United Kingdom, whereas the present study examines SMEs in Kaduna Metropolis. This creates an environmental gap, as United Kingdom and Nigeria differ significantly in socio-economic, cultural, and technological contexts.

Obermayer et al. (2022), using a qualitative case study approach, investigate how family-owned businesses in the wine industry in Central Europe employ social media practices to enhance business performance. The study utilizes semi-structured interviews, observational data, and content analysis to explore how selected wineries design and implement social media strategies across platforms such as Facebook, Instagram, and YouTube. The case study reveals that factors such as high-quality visual content, active audience engagement, storytelling techniques, and consistent brand identity significantly influence the success of social media marketing efforts. The findings underscore the need for firms to tailor digital marketing practices to the unique characteristics of their industry and customer preferences. However, despite offering deep insights into sector-specific applications, the study's conclusions have limited generalizability because they focus solely on a small sample of wineries in one region.

Subagja et al. (2022) conducted a study that explores the combined role of social media utilization and innovativeness in enhancing SME performance, using a quantitative survey-based research design. The study focuses on manufacturing and service-based SMEs in Indonesia, employing structured questionnaires administered to SME owners and managers to assess how social media practices and innovative capabilities interact to influence firm outcomes. Using structural equation modeling (SEM) for data analysis, the study demonstrates a strong synergistic relationship between creative content development, adoption of new digital tools, and improved business performance. The findings show that innovation significantly amplifies the effectiveness of social media marketing, enabling firms to attract customers,

expand their market presence, and respond quickly to environmental changes. The study concludes that SMEs with higher levels of innovativeness achieve superior performance outcomes from social media engagement. However, because the case context is limited to Indonesian SMEs, the generalizability of the findings to SMEs in other regions may be constrained.

Bader et al. (2022) conducted a study in Jordan, examining the perceived effect of e-marketing on marketing performance from the customer's perspective. Using a quantitative survey method, data were collected from customers of various retail and service businesses to assess how e-marketing practices influence customer satisfaction, brand loyalty, and purchase behavior. The study found that digital tools significantly improve customer engagement by enabling faster communication, personalized promotions, and convenient service delivery. The results reveal that e-marketing enhances marketing performance through higher customer satisfaction, increased brand loyalty, and ultimately sales growth. However, the study's major limitation is its exclusive focus on customer perceptions, without addressing firm-level determinants such as entrepreneurial orientation, managerial capabilities, or strategic digital readiness. Additionally, the context-specific nature of Jordan's digital landscape means the findings may not fully apply to SMEs in regions like Nigeria, where infrastructural challenges, digital maturity, and consumer behavior differ.

Mehralian & Khazaei (2022) analyzed the effect of digital marketing on the performance of MSMEs during the COVID-19 pandemic, using customer relationship management (CRM) as a mediating variable. The study employed a mixed-method research design, combining a structured questionnaire with interviews from MSME managers in Iran to measure how digital marketing tools and CRM practices contributed to firm resilience during the crisis. Using structural equation modeling (SEM), the findings show that MSMEs that integrated digital marketing with strong CRM systems achieved better performance, customer retention, and adaptability during the pandemic. The research highlights that CRM plays a significant mediating role by helping firms understand customer needs, personalize interactions, and maintain loyalty in volatile market conditions. However, the study does not examine how entrepreneurial behaviors such as proactiveness, innovation, or risk-taking could strengthen the digital marketing–CRM–performance pathway. Furthermore, because the study was conducted within a pandemic context, it leaves gaps regarding the long-term and post-crisis implications of digital marketing for MSME performance under stable economic conditions.

Nuseir & Refae (2022) study explores how digital marketing capabilities improve business performance, with CRM serving as a mediating factor. It emphasizes that firms with strong digital marketing capabilities can build better customer relationships, resulting in higher customer retention, satisfaction, and sales. Chinelo & Alozie (2022) study examines the effect of electronic marketing on the financial performance of SMEs in Enugu State, Nigeria. It identifies a significant positive relationship between e-marketing tools, such as social media and email marketing, and financial performance indicators like sales growth and profitability. The study underscores the importance of e-marketing in helping SMEs reach broader audiences and reduce marketing costs. While the study highlights the benefits of e-marketing, it is limited to financial performance and does not explore non-financial metrics, such as customer satisfaction or brand loyalty.

Ollor & Nwankwo (2022) investigate the influence of e-marketing on the performance of travel agencies in Port Harcourt, Rivers State, focused specifically on service-oriented businesses within the travel and tourism sector. The researchers employed a survey method, collecting data from staff and customers of selected travel agencies to examine how e-marketing practices

affect customer acquisition, brand visibility, and operational efficiency. Their findings reveal that digital tools; such as social media platforms, email promotions, and online booking systems significantly improve agency performance by expanding market reach and reducing transaction costs. The study demonstrates the transformative potential of e-marketing for service-based enterprises; however, its limitation lies in its narrow geographic and industrial scope. Because the research is confined to travel agencies in Port Harcourt, the findings have limited generalizability and may not reflect the realities of SMEs in other regions like Kaduna Metropolis, where digital infrastructure, customer behavior, and industry dynamics differ significantly.

Ligaraba et al. (2023) explore the effectiveness of opt-in email marketing on consumer behavior using the Stimuli–Organism–Response (S–O–R) theory as the theoretical framework. The study adopts a quantitative research design, utilizing structured questionnaires distributed to consumers who have subscribed to marketing emails from selected retail brands. The S–O–R framework is applied such that personalized email content (stimulus) triggers emotional or cognitive reactions in consumers (organism), ultimately leading to behavioral responses such as purchase decisions, repeat patronage, and brand loyalty (response). Findings show that engaging, relevant, and well-designed email campaigns significantly influence consumer behavior by developing trust and fostering stronger customer relationships. However, the study does not sufficiently address contextual limitations, such as varying levels of email penetration, low digital literacy, or the dominance of alternative communication channels like WhatsApp in many regions. These limitations raise concerns about the applicability of the findings in environments where email marketing adoption remains low or inconsistent.

Ylinen & Ranta (2024) examine the relationship between employer ratings on social media platforms and firm performance, employing a machine learning analytical approach to uncover both direct and indirect effects. The study uses a large dataset of employer reviews from platforms such as Glassdoor and LinkedIn to analyze how employer reputation influences firm performance through mechanisms such as improved employer branding, talent acquisition, and organizational reputation. By focusing on internal performance indicators, such as employee productivity, retention, and innovation capacity, the study highlights how social media activity extends beyond consumer engagement to influence organizational performance from within. However, the study does not address how social media marketing directly affects traditional performance outcomes like sales growth, customer loyalty, or market expansion. Additionally, its emphasis on employer branding may be less applicable to SMEs in emerging markets like Nigeria, where external marketing and customer acquisition are often more pressing priorities than employer reputation. As such, the findings may not fully translate to SMEs seeking to leverage social media for immediate commercial outcomes.

Theoretical Framework

This study is anchored on the Resource-Based View (RBV) theory, which underpins the effect of social media marketing strategies on the performance of small and medium enterprises.

Resource-Based View (RBV) Theory

The Resource-Based View (RBV) theory, developed by Barney (1991), posits that firms gain and sustain a competitive advantage by effectively acquiring, managing, and leveraging internal resources that are Valuable, Rare, Inimitable, and Non-substitutable (VRIN). This theory emphasizes the strategic importance of a firm's internal capabilities such as technological tools, marketing skills, and customer relationships in driving superior performance.

In the context of this study, social media marketing capabilities are treated as strategic intangible resources. These tools enable SMEs to reach wider audiences, build stronger customer relationships, and achieve measurable business growth, especially in a resource-constrained environment like Kaduna Metropolis.

Social media marketing strategies reflect a firm's marketing capability and a critical internal resource. SMEs that develop and utilize these digital tools effectively can create a unique market presence, improve customer engagement, and drive higher performance outcomes. Previous studies (Wang & Hsu, 2014; Tajeddini, 2016) have used the RBV theory to explain how digital marketing resources enhance firm performance. It has been shown that SMEs that utilize digital tools like social media management can outperform competitors who do not.

3. Methodology

This study adopts a quantitative research design using a survey method. This design is appropriate because it enables the researcher to statistically assess the relationship between social media marketing and SME performance, as well as the moderating effect of entrepreneurial orientation. The use of quantitative techniques allows for objective measurement of variables and facilitates generalization of findings across SMEs in Kaduna Metropolis. The target population comprises all registered Small and Medium Enterprises (SMEs) operating within Kaduna Metropolis. According to the Kaduna Chamber of Commerce, Industry, Mines, and Agriculture (KADCCIMA, 2024), there are 471 registered SMEs in the metropolis. To determine an appropriate sample size, the study relied on the Krejcie and Morgan (1970) sample size determination table, which recommends a sample of 214 SMEs for a population of 471.

However, to enhance the statistical power of the study, minimize non-response bias, and improve the representativeness of the findings, the sample size was increased by 30%, following the recommendation of Bartlett, Kotrlik, & Higgins (2001) that researchers should adjust sample sizes upward when dealing with heterogeneous populations or when survey non-response is anticipated. Thus, the final sample size of 278 SMEs is considered adequate and appropriate for achieving reliable, valid, and generalizable results within acceptable margins of error.

Primary data were collected using structured questionnaires administered to SME owners and managers. Data collected from the field were analyzed using multiple regression analysis and moderation analysis. Regression analysis was used to determine the effect of social media marketing on SME performance, while moderation analysis assessed whether entrepreneurial orientation strengthened or weakened this relationship. A total of 278 questionnaires were administered to SME owners and managers across Kaduna Metropolis. Out of these, 263 were correctly completed and retrieved, representing a valid response rate suitable for statistical analysis and interpretation.

Model Specification

The model was adapted from Eber's (2024) study and modified to suit the context of this research.

The regression model is specified as follows:

$$PER = \alpha + \beta_1 SM + \beta_2 EO + \beta_4 (SM \times EO) + \varepsilon$$

Where:

PER= SMEs Performance

α = Intercept

β_1 - β_3 = Coefficients

SM= Social Media Marketing

EO= Entrepreneurial Orientation

SMM $\times$ EO = Interaction term showing how entrepreneurial orientation moderates social media marketing

ε = error term

4. Result and Discussion

Descriptive Statistics

The descriptive statistics of the data collected for the study is presented and discussed in this section. The summary of the descriptive statistics of the variables are presented in table 1

Table 1

Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
PER	266	1.00	5.00	3.6474	1.09269
SM	266	1.00	5.00	3.1534	1.33818
EO	266	1.00	5.00	3.2459	1.04632
Valid N (listwise)	266				

Source: SPSS Output, 2025

The descriptive statistics provide an overview of the responses from the 266 SMEs surveyed in Kaduna Metropolis. SME performance (PER) has a mean score of 3.6474 with a standard deviation of 1.09269, indicating that most SMEs perceive their performance to be above average, though with some variability across firms. Social media marketing (SM) recorded a mean value of 3.1534 (SD = 1.33818), suggesting that SMEs moderately utilize social media platforms for marketing activities, but the relatively high standard deviation shows considerable differences in the extent to which individual SMEs adopt social media tools. Entrepreneurial orientation (EO) has a mean score of 3.2459 (SD = 1.04632), reflecting a moderately strong display of innovative, proactive, and risk-taking behaviors among SMEs.

Correlation Matrix

The result of the Pearson correlation Coefficients of the variables of the study is presented in Table 2 as follows;

Table 2

Correlation Matrix

		PER	SM	EO
PER	Pearson Correlation	1	.364**	.166**
	Sig. (2-tailed)		.000	.007
	N	266	266	266
SM	Pearson Correlation	.364**	1	-.008
	Sig. (2-tailed)	.000		.897
	N	266	266	266
EO	Pearson Correlation	.166**	-.008	1
	Sig. (2-tailed)	.007	.897	
	N	266	266	266

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS output, 2025

The correlation results reveal the relationships among the variables. SME performance shows a weak positive relationship with social media marketing ($r = 0.364$, $p < 0.01$), indicating that higher adoption of social media strategies is associated with better SME performance. Similarly, SME performance has a weak positive correlation with entrepreneurial orientation ($r = 0.166$, $p < 0.01$), suggesting that SMEs exhibiting greater innovativeness, proactiveness, and risk-taking tendencies tend to perform slightly better. Social media marketing and entrepreneurial orientation show no meaningful relationship ($r = -0.008$, $p = 0.897$), indicating that the two variables operate independently in this sample.

However, all correlation coefficients fall well below the commonly accepted multicollinearity threshold of 0.70, demonstrating that the relationships among variables are not excessively strong. Therefore, the analysis concludes that there is no multicollinearity problem, and the variables are suitable for regression analysis.

Regression Results

Table 3

Model Summary^b

		Std. Error			Change Statistics				
	R	Adjusted R	of the	R Square	F			Sig. F	
Model	R	Square	Estimate	Change	Change	df1	df2	Change	
1	.424 ^a	.180	.171	.99509	.180	19.179	3	262	.000

a. Predictors: (Constant), SM_EO, EO, SM

b. Dependent Variable: PER

Table 4

ANOVA^a

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	56.972	3	18.991	19.179	.000 ^b
	Residual	259.431	262	.990		
	Total	316.403	265			

a. Dependent Variable: PER

c. Predictors: (Constant), SM_EO, EO, SM

The model summary shows that the regression model provides a meaningful explanation of SME performance, with an R value of 0.424 indicating a moderate positive relationship between the predictors; social media marketing (SM), entrepreneurial orientation (EO), and their moderation term and performance. The R Square of 0.180 and Adjusted R Square of 0.171 suggest that the model explains about 17–18% of the variation in SME performance. The ANOVA results confirm that the model is statistically significant, with an F-value of 19.179 and a p-value of 0.000, demonstrating that the combined predictors significantly influence SME performance in Kaduna Metropolis.

Table 5

Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	2.158	.247		8.740	.000		
	SM	.212	.057	.260	3.709	.000	.637	1.570
	EO	.155	.059	.148	2.622	.009	.979	1.021
	SM EO	.035	.014	.175	2.486	.014	.629	1.590

a. Dependent Variable: PER

Test of Hypotheses

Hypothesis One (H0₁): *Social media marketing strategies has no significant effect on the performance of Small and Medium Enterprises (SMEs) in Kaduna Metropolis.*

The regression results in Table 5 show that Social Media Marketing (SM) has a significant positive effect on SME performance ($B = 0.212$, $t = 3.709$, $p = 0.000$). Since the p-value is less than 0.05, the null hypothesis (H0₁) is rejected. This indicates that social media marketing significantly enhances SME performance in Kaduna Metropolis. In practical terms, SMEs that adopt social media strategies such as consistent posting, online customer interaction, and digital brand promotion tend to experience higher customer engagement, increased sales, and improved market visibility.

Hypothesis Two (H0₂): *Entrepreneurial orientation does not significantly moderate the relationship between social media marketing and the performance of SMEs in Kaduna Metropolis.*

The interaction term between Social Media Marketing and Entrepreneurial Orientation (SM_EO) is positive and statistically significant ($B = 0.035$, $t = 2.486$, $p = 0.014$). Since the p-value is below 0.05, the null hypothesis (H0₂) is rejected. This means entrepreneurial orientation significantly moderates the relationship between social media marketing and SME performance. This implies that SMEs with stronger entrepreneurial characteristics such as innovativeness, risk-taking, and proactiveness gain greater performance benefits from social media marketing compared to firms with weaker entrepreneurial orientation. Entrepreneurially oriented SMEs are more likely to leverage social media creatively and strategically, thereby achieving superior performance outcomes.

Discussion of Findings

The study reveals that social media marketing (SM) has a significant effect on the performance of SMEs in Kaduna Metropolis. This finding aligns with previous research indicating that social media is a critical tool for enhancing business growth, customer engagement, and brand visibility (Syaifulah et al., 2021; Tajvidi & Karami, 2021; Obermayer et al., 2022). The results of this study, which show a positive and statistically significant relationship between SMM and SME performance, suggest that active engagement on platforms such as Facebook, Instagram, and Twitter allows SMEs to connect with customers in real time, improve brand recognition, and generate sales opportunities. These findings are consistent with Subagja et al. (2022), who demonstrated that SMEs combining social media use with innovation achieve superior business outcomes. This supports the expectation that firms leveraging digital channels can achieve measurable performance gains despite limited resources.

The study also finds that entrepreneurial orientation (EO) positively moderates the relationship between social media marketing and SME performance. SMEs with higher levels of innovativeness, proactiveness, and risk-taking experience greater benefits from social media marketing compared to firms with lower EO. This finding confirms the theoretical premise of the Resource-Based View (Barney, 1991), which emphasizes that firm capabilities such as entrepreneurial orientation enable the effective utilization of strategic resources like digital marketing tools. Empirically, this is supported by Ismail and Oladipo (2023), who found that SMEs with strong entrepreneurial orientation are more likely to adopt innovative marketing strategies and respond proactively to market trends, thereby enhancing performance outcomes.

5. Conclusion and Recommendation

This study concludes that social media marketing significantly enhances the performance of SMEs in Kaduna Metropolis. SMEs that actively engage in social media strategies experience higher sales, improved customer retention, and greater brand visibility. Additionally, entrepreneurial orientation plays a critical moderating role, strengthening the positive impact of social media marketing on firm performance. SMEs with higher levels of innovativeness, proactiveness, and risk-taking are better able to leverage digital marketing tools to achieve superior outcomes.

Recommendations

The study recommends that;

- i. For SMEs: Owners and managers should actively invest in social media marketing strategies as a core part of their business operations. By creating engaging content, interacting with customers online, and promoting products through digital platforms, SMEs can improve sales, customer retention, and brand visibility, even with limited financial resources.
- ii. For Policymakers and Support Agencies: Programs and training should be designed to enhance entrepreneurial orientation among SME owners, focusing on innovativeness, proactiveness, and calculated risk-taking. This will enable SMEs to maximize the benefits of digital marketing strategies, ensuring that social media adoption translates into measurable performance gains.

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