

## **Competitive Advantage and Performance of Small and Medium Printing Press Firms in the FCT**

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### **Abstract**

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The study evaluates the impact of competitive advantage on the performance of small and medium printing press firms in the FCT. The study adopted a survey research design and also used a random sampling technique. The study used primary data with a structured questionnaire administered to the respondents. The study used a total population of 229 small and medium printing firms in the FCT and the sample size was selected using purposive sampling method. The study used regression and correlation. The study concluded that there is a significant relationship between competitive advantage and performance of small and medium printing press firms in the FCT. This implies that competitive advantage in terms of cost, quality, price and service delivery contribute significantly to the performance of small and medium printing press in the FCT. The study recommended that small and medium printing press firms should adopt competitive strategy as relates to price, quality and service delivery as it positively affects performance in terms of effectiveness, efficiency and sales.

**Keywords:** *Competitive advantage, Price, Quality and service delivery*

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### **Background to the Study**

It is now universally recognized that Small and Medium-sized Enterprises (SMEs) make a significant contribution to the socio-economic and political infrastructure of developed and developing countries as well as the nations in transition from command to market economies (Matlay & Westhead, 2005). The performance and growth of small and medium enterprises (SMEs) is a major driver and indices for the level of industrialization; modernization; urbanization, gainful and meaningful employment for all those who are able and willing to work, equitable distribution of income, the welfare, income per capita and quality of life enjoyed by the citizenry (Aremu & Adeyemi, 2011), this is because SMEs contribute to employment growth at a higher rate than larger firms (Farouk & Saleh, 2011) It, therefore, means that the optimal performance of Small and Medium-sized Enterprises should be paramount in the minds of managers of national economies and policies and programmes to support the growth of SMEs must be consciously and vigorously pursued. Competitive advantage, on the other hand, is a business concept that has been in practice even before the term was coined by Porter in 1985 (Porter, 1985). According to Day and Wensley, (1988) it has been stated that there is no common meaning for competitive advantage in practice or in the marketing strategy literature. Competitive advantage is obtained when an organization develops or acquires a set of attributes (or execution actions) that allow it to outperform its competitors (Wang, 2014). In other words, competitive advantage is revealed, when activities of a given organization are more profitable than those of its market competitors or when it outperforms them as regards other significant results of activities (Huff, Floyd, Sherman & Terjesen, 2009), including, for example, the share in the market, product quality or technological advancement. Inherently, a lot of enterprises are not able to exceed such prescribed standards (Huff et al., 2009).

According to Grant (2010) if a firm is to prosper within an industry it must establish a competitive advantage over its rivals. The Printing Press business in the Federal Capital Territory (F.C.T.), Nigeria is a vibrant and highly competitive subsector of the nation's capital economy, hosting a total of two hundred and twenty-seven (227) Small and Medium printing press firms (Corporate Affairs Commission, 2018). For businesses to survive in an environment that is highly competitive such as that of the Printing Press industry in Abuja owners/managers of firms have to be aware of competitors; their strengths and weaknesses. The competitive strategy literature suggests that managers need a significant amount of time for analyzing each of their competitors (Porter, 1991). This is, of course, necessary so as to enable owners/managers who make the decision for their firms to leverage on information gathered from such analysis and plan ways to carve a niche for themselves in order to gain a competitive advantage over other firms.

### **Statement of the Problem**

There has been comparatively little research that explores competitive advantage in small firms as compared to studies of competitive advantage in large companies. One of the main reasons is that competitive advantage in the smaller firms often arises accidentally as a result of particular operating circumstances surrounding the enterprise (Jennings & Beaver, 1997). Consequently, small and medium enterprises find it difficult to ascertain what exactly is

responsible for the perceived competitive advantage they have over competitors and therefore cannot strategically plan for the long term on how to sustain competitive advantage or create one where there seem to be none.

This state of affairs is what is obtainable in the Small and Medium Printing Press industry in Abuja as majority of business firms in the industry do not consciously make plans ahead of time that will give them a cutting edge over competitors rather they wait for situations to determine what decision to make as regards measures to take in order to gain competitive advantage and sometimes the outcome of this reactionary approach to planning may be too costly.

However, the ideal situation should have been for firms to formulate a strategic plan that would place them ahead of the competition and/or sustain their competitive advantage. This lack of attention to making a conscious plan to gain competitive advantage has invariably resulted in the closure of many SMPPF due to their inability to design long term plans that would keep them ahead of the competition.

### **Research Questions**

This study seeks to provide answers to the general question on the extent to which competitive advantage affects the performance of Small and Medium Printing Press firms in Abuja. The specific research questions are:

1. To what extent does price affect the performance of Small and Medium Printing Press Firms in the FCT?
2. How does the quality of printing affect the performance of Small and Medium Printing Press Firms in the FCT?
3. To what extent does timely delivery of service affect the performance of Small and Medium Printing Press Firms in the FCT?

### **Objectives of the Study**

The main objective of the study is to evaluate the impact of competitive advantage on the performance of Small and Medium Printing Press Firms in Abuja. The specific objectives of the study are to:

1. Determine the impact of price on the performance of Small and Medium Printing Press Firms in the FCT.
2. Evaluate the impact of quality of print on the performance of Small and Medium Printing Press Firms in the FCT.
3. Examine the impact of timely delivery of service on the Performance of Small and Medium Printing Press Firms in the FCT.

### **Statement of Hypotheses**

The following null hypotheses were formulated to guide the study:

- Ho1:** There is no significant relationship between price and the performance of Small and Medium Printing Press Firms in the FCT.
- Ho2:** There is no significant relationship between quality and the performance of Small and Medium Printing Press Firms in the FCT.

**Ho3:** There is no significant relationship between timely delivery of service and the performance of Small and Medium Printing Press Firms in the FCT.

### **Significance of the Study**

This study is relevant to owners and managers of Small and Medium Enterprises in Nigeria especially those in the Printing Press industry in Abuja on measures to gain competitive advantage and how this does affect the performance of their firms in terms of efficiency, effectiveness, and sales. This by implication will encourage owner and managers of SMEs to consciously make strategic plans aimed toward achieving competitive advantage. The study will also serve as a useful source of reference for researchers who may wish to delve into a related field of study.

### **Scope of the Study**

The study covers a period of four years (2014-2018) this is because the printing business in Abuja experiences an economic boom during Pre-election year because of the huge amount of monies politicians invest into the printing of billboard, branding of cars and other insignia during campaigns. The study is also restricted to the impact of competitive advantage on the performance of Small and Medium Printing Press Firms in the FCT and the findings and recommendations are based on point in time data collated in October 2018; this does not in any way imply that findings from this work cannot be applied to other Small and Medium Enterprises not related to the Printing industry. The study is also restricted to the competitive advantage proxies of; price, quality, and timely service delivery while the performance proxies are limited to efficiency, effectiveness, and sales.

### **Limitations of the Study**

The researcher was faced with the challenge of distributing the questionnaire to the various Printing Press firms in the FCT, this required some level of financing in terms of printing the questionnaire and logistics for its distribution but the researcher was able to surmount this challenge with the assistance of volunteers who helped with the distribution of the questionnaires. The researcher was also faced with the challenge of cold reception from owners/managers of Printing Press firms in Abuja, this was because they thought the information collated may be used against them in some way but this challenged was also overcome by the researcher by convincing the owners/managers that the data collated would be treated as confidential and that respondents are at liberty to use pseudo names because what really matters to the study is their sincere opinion and not their identity.

### **Literature Review**

#### **Concept of Competitive Advantage**

In this era of globalization where products from a different part of the world compete for patronage in the same market; enterprises have found themselves enmeshed in a stiff competition wherein products or services offered by each entrepreneur must exceed the expectations of every consumer or client. Exceeding expectations requires every entrepreneur to have create additional features that are peculiar to their product in order to gain a competitive advantage (Sinaga & Gallena, 2018 According to Breznik (2012), competitive

advantage is a firm's unique market position that gives it the ability to make profit that is above the industrial average. Another significant characteristic of competitive advantage is that one cannot be easily tell if a firm is having comparative advantage over other firms within its industry but can only be inferred from the performance of the firm (Klein, 2002). Competitive advantage as viewed by Porter (1985) is about how the company practices generic strategy which in other words means an enterprise daily actions as it relates to cost leadership or differentiation strategy.

Competitive advantage as viewed by Porter (1985) is about how the company practices generic strategy which in other words means an enterprise daily actions as it relates to cost leadership or differentiation strategy The main objective of strategic management is to develop and sustain competitive advantages of an enterprise that will enable it achieve results that are above the industrial average (Celglinski, 2016). The sustained superiority of a firm in any industry is traceable to certain factors and these factors are what give the firm the competitive edge (Powell, 2011). However, SMEs in Nigeria generally are not known to practice principles of strategic management as planning is basically short term.

### **Sources of Competitive Advantage**

The dimensions of competitive advantage are cost, quality, time, flexibility, innovation and responsiveness (Kahreh, Ahmadi, & Hashemi, 2011). Competitive advantage is often assessed in relation to industry structures, products, markets, customers, strategies and communication (Shearman, Easton & Rothschild, 1993). It has also been used for describing positions of superiority based upon the provision of superior customer value or the achievement of lower relative costs and the resulting market share and profitability performance. However, none of these definitions provides a complete understanding of competitive advantage, but taken together they describe the position of advantage and how it was gained (O'Donnell, Gilmore, Carson & Cummins, 2002). This study adopts the following three sources as sighted in the work of Sinaga and Gallena (2018):

#### **a) Cost**

Cost is an amount given up to gain something in exchange for it. For an enterprise to be more competitive cost must be taken into considerations. There is a need to differentiate good costs from bad costs. Good cost adds value to the business in terms of product differentiation, better customer service and designing innovative ways to exceed customer expectation. Bad cost on the hand adds little or no value to the business and results to wastage of scare resources.

#### **b) Quality**

Quality pertains to the attainment of the standard set by the enterprises. Quality is exceeding consumer's expectations in which satisfaction is attained. According to Gill (2009), "in a product, quality makes sure the present expectations of the customer are met and the future needs are also incorporated (or shown concern)." In other words, quality is concern about the future benefit.

### **c) Time**

Time is very important for every entrepreneur to consider. Fast-moving strategy in product development is a part of being efficient. In the 1980s George Stalk and Thomas Hout published a series of articles that advanced time as a new dimension of competitive advantage (Stalk, 1988; Bower & Hout, 1988).

According to Johnson and Busbin (2000), "The fundamental ingredients of time base competition are low-cost variety and fast response time. Companies using this strategy concentrate on compressing the time required to manufacture and distribute their products and cutting the time required to develop and introduce new products. By so doing, companies can offer a broader product line, cover more market segments, and rapidly increase the technological sophistication of their products. The benefits of these practices can be generically expressed as gains in quicker response time. For those companies not focusing on time-based competition, a "responsiveness gap" develops. Time-based competitors then exploit this gap to gain a competitive advantage. Companies offering increased variety and fast response time have shown a history of fast growth and increased profitability." The statement above clearly explains the fact that competitive advantage is also based on time and therefore entrepreneurs must be fast enough to respond to the demand of every customer.

### **Concept of Small and Medium Enterprise**

Onugu (2005) described a small enterprise as an enterprise whose total cost including working capital (With the exception of cost of land) is between ten million naira (#10,000,000) and one hundred million naira (#100,000,000) and/or a workforce of between eleven (11) and seventy (70) full-time staff and/or with a turnover of less than ten million naira (#10,000,000) in a year. According to the Organization for Economic Cooperation and Development (OECD), the characteristics of SMEs not only reflect the economic patterns of the country but also the social and cultural dimensions. These differing patterns are noticeably reflected within different definitions and criteria of SMEs adopted by different countries. Whereas some refer to the number of employees as their distinctive criteria for defining SMEs, others use invested capital, and some other use a combination of the number of employees, invested capital, sales, and industry type (Dababneh & Tukan, 2007). This study adopted Small and Medium Enterprises (SMEs) as defined by the National Council of Industries which states that SMEs refer to business enterprises whose total costs excluding land is not more than two hundred million naira (N200, 000,000.00) only. This definition was adopted for the study because it gives no restriction to the number of employees SMEs can have and this fits perfectly for the study because data on the number of employees working for SMEs used for the study could not be ascertained.

### **Concept of Performance**

Mahapatro, (2009) defines Organizational Performance as the ability of an organization to fulfill its mission through sound management, strong governance and a persistent rededication to achieving results. According to Swanson (2000), organizational performance is the valued productive output of a system in the form of goods or services. Russell and Russell (2011) argue that most organizational performance can be grouped into one of the



following six general categories. However, certain organizations normally develop their own categories as appropriate depending on the organization's mission: a) Effectiveness: A process characteristic indicating the degree to which the process output (work product) conforms to requirements of the organization; b) Efficiency: A process characteristic indicating the degree to which the process produces the required output at minimum resource cost; c) Quality: The degree to which a product or service meets customer requirements and expectations; d) Timeliness: Measures whether a unit of work was done correctly and on time. However, the criteria must be established to define what constitutes timeliness for a given unit of work. The criterion is usually based on customer requirements; e) Productivity: The value added by the process divided by the value of the labour and capital consumed; and f) Safety: Measures the overall health of the organization and the working environment of its employee.

### **Empirical Studies**

Asieh (2016) empirically analysed the impact of competitive strategies on corporate innovation in the automobile industry of Iran. The study applied a questionnaire-based survey of managers from two major automobile manufacturers (SAIPA and Iran Khodro) in Iran. A total of 286 useable questionnaires were retrieved from managers from the two manufacturers. These were subjected to a series of correlational and regression analyses. The measures of the independent (competitive strategies) and dependent (corporate innovation) variables are based on literature. The results reveal that the competitive strategies of Porter had a positive and significant influence on corporate innovation. With strong statistical significance, three competitive strategies-cost leadership, differentiation, and focus-provide an explanation for variations in corporate innovation dimensions including innovation in product, innovation in process, and administrative innovation.

Uchegbulam, Akinyele and Ibidunni (2015) investigated the impact of competitive strategy on the performance of Small and Medium Enterprises in Nigeria. Gaining insight from existing literature and theoretical models form· hypotheses were developed and tested using regression analysis. Copies of well structured questionnaire were administered to 150 randomly selected SMEs in Ikeja and Surulere local government areas of Lagos State. The findings revealed that there is a relationship between product features and customer base; product customization and sales growth, value-added products and revenue growth. It also indicated that better product quality has an influence on returns on investment.

### **Theoretical Framework**

#### **Porter's Generic Competitive Strategies**

This study is hinged on Porter's generic competitive strategies; this theory puts forward three generic strategies firms can possess: "Cost Leadership" (no frills), "Differentiation" (creating uniquely desirable products and services) and "Focus" (offering a specialized service in a niche market). The Focus strategy is also subdivided into two parts: "Cost Focus" and "Differentiation Focus". Firms can differentiate their products/service in different ways in order to gain competitive advantage i.e; product/service features, linkages between functions, timing, location, product mix, links with other firms, product/service customization, product/service complexity, consumer marketing, distribution channels, service and support,

and reputation. Firms focus on a particular market niche, and company resources are devoted to maintaining market leadership in that niche, and thus gain sustainable competitive advantage.

## **Methodology**

### **Area of the Study**

The study was conducted in the Federal Capital Territory (FCT) and covers all the Printing Firms in the various Area councils in the FCT. The Area Councils are; Abaji, Gwagwalada, Kuje, Abuja Municipal, Bwari, and Kwali.

### **Research Design**

The study used survey research design and the reason for using survey research design is that data needed for the study required the use of primary data which was collated through the use of structured questionnaire. The survey research design is used when the variables are qualitative; therefore questionnaire was administered to the respondents who are the owners/managers of SMPPF in the FCT.

### **Population of the Study**

The population of the study is the total number of Small and Medium Printing Firms within the F.C.T which is given as 227 (Corporate Affairs Commission, 2018). Therefore, the entire 227 SMPPF is used in this study as the population of the study.

### **Sample Size of the Study**

The study used a purposive sampling method to select 92 printing press firms in the FCT. However, the reasons for selecting 92 SMPPF are; based on the availability of data on their operations, their proximity to the researcher and their perceived long term operation in the industry. The selected printing press firms have stayed long enough in the business and a pilot study has shown that they have a good bookkeeping culture. Another criterion for selection was that the study considered SMPPF that were established before the period the study intended to cover. The 92 printing firms in Abuja were also chosen because they have modern equipment such as cord printing machines, direct imaging machines; flex printing machines, binding machines, laminating machines, and graphic design departments. These types of equipment form standard printing press in the printing industry, which are available in the selected printing press firms in Abuja this much was revealed by the pilot study conducted. The researcher also rejected 135 registered small and medium printing press in Abuja as a result of none existence of some of the printing press firms (there are no existing addresses) as stated in Corporate Affairs Commission (CAC) record and some of them (printing press firms) lack equipment while some use the business names to collect government contracts which they sub-contract to other existing printing press firms.

### **Sampling Techniques of the Study**

The study adopted simple random sampling method; the reason for using simple random sampling method is that it is a technique where every item in the population has an even chance and likelihood of being selected in the sample. Therefore, the selection of items completely depends on chance or by probability and therefore this sampling technique is also sometimes known as a method of chances.



### Source of Data

The study used primary source of data, it is used because data needed for the study is qualitative in nature and the variables used in this study required qualitative data since competitive advantage is scaled and performance of SMEs is also scaled in order to have same level of measurement.

### Method of Data Collection

The method of data collection used in this study is questionnaire which was administered to the respondents and this implies the use of primary source of data. The reason for using primary sources of data is that it is crucial in presenting a study of this nature and it is a research data that is based on original data produced by the people actually involved in the subject area of the research. The questionnaire was administered to the respondents who are the owner/ managers of SMPPF in the FCT.

The questionnaire was tested to ascertain that the reliability of the questionnaire was answered properly and noted that the instruments used are unique and perfect. The reliability and viability of the questionnaire are more than the Alpha values 0.6. The copies of the questionnaires were tested to ensure that the questions were answered properly and the table below indicates the reliability value of the variables. The variables used in this study scored above Alpha value of 0.6, all the variables scored at least 0.9 which is above the set limit.

**Table 1:** Reliability Test

Variables	Number of items	Cronbach's Alpha
Performance	3	0.991
Price	3	0.973
Quality	3	0.989
Service delivery	3	0.984

**Source:** researcher computation (2018)

Therefore, the Alpha values are reliable.

### Method of Data Analysis

The statistical tools used are multiple regression, Spearman correlation, mean and simple parentages. The multiple regressions, was used to determine whether there is effect relationship between the variables. The correlation was used to establish the strength and degree of the relationship that exist between the variables and that the decision rule is that, if coefficient of determination is +1 or -1, it implies that there is positive/negative association between the dependent and independent variables. Also, if the result of the analysis indicates zero (0), it implies that there is no association between the dependent and independent variable. The study uses the mean to establish the average of the numbers which is the calculated central value of a set of numbers and is used to represent the typical value of the variables and therefore, serves as a yardstick for all observations in the study. The standard deviation was used to quantify the amount of variation or dispersion of a set of data values in this study.

The study used normality test to ascertain whether the data collected were normally distributed or not. Normality test is used to know if the data set are normally distributed or not and if the data set has a problem then it can be subjected to screening. The software statistical package of SPSS was used in analysing data in this study. The reason for employing SPSS statistical software package is that it has the capacity to indicate how a model fits the work and also shows various tests such as t-test, f-test and the probability of either accepting or rejecting based on the condition of 5% level of significance.

The model is expressed in this study as follows:

$$Y = \alpha + \beta_1 x$$

Where y = dependent variable,  $\alpha$  = intercept,  $\beta_1$  is coefficient and x is the independent variable.

However, the above model is expressed as:

$$PM = \alpha + \beta_1 PR + \beta_2 QLT + \beta_3 SDL + \mu \dots \dots \text{equation 1}$$

$\beta_1$       Coefficient

$\alpha$       = Intercept

$\mu$       = Error terms

PR      = Price

QLT = Quality

SDL = Service delivery

PM = Performance

## Data Analysis

**Table 2:** Price

Items	5	4	3	2	1
SMPPF in the FCT use skimming pricing strategy to attract customers patronage	31(33.69)	29(31.52)	26(28.26)	4(4.35)	2(2.17)
SMPPF in the FCT frequently use penetration pricing strategy to encourage customers to patronize their firm.	28(30.43)	30(32.61)	21(22.83)	8(8.69)	5(5.43)
SMPPF in the FCT use premium pricing strategy to encourage customers to patronize their firm.	39(42.39)	26(28.26)	7(7.61)	10(10.86)	10(10.86)

**Source:** Survey, 2018

Table 2 indicates that 33.69% of the respondents strongly agreed that SMPPF in the FCT use skimming pricing strategy to attract customer's patronage. 31.52% of the respondents agreed that SMPPF in the FCT use skimming pricing strategy to attract customer's patronage and 28.26% of the respondents were undecided. 4.35% of the respondents strongly disagree that SMPPF in the FCT use skimming pricing strategy to attract customer's patronage and 2.17%

of the respondents disagreed with the statement that SMPPF in the FCT use skimming pricing strategy to attract customer's patronage.

Table 2 shows that 30.43% of the respondents strongly agreed that SMPPF in the FCT frequently use penetration pricing strategy to encourage customers to patronize their firm, 32.61% of the respondents agreed that SMPPF in the FCT frequently use penetration pricing strategy to encourage customers to patronize their firm and 22.83% of the respondents were undecided. 8.69% of the respondents strongly disagree that SMPPF in the FCT frequently use penetration pricing strategy to encourage customers to patronize the press and 5.43% of the respondents disagree that SMPPF in the FCT frequently use penetration pricing strategy to encourage customers to patronize their firm.

Table 2 shows that 42.39% of the respondents strongly agreed that SMPPF in the FCT use premium pricing strategy to encourage customers to patronize their firm, 28.26% of the respondents agreed that SMPPF in the FCT use premium pricing strategy to encourage customers to patronize their firm and 7.61% of the respondents were undecided. 10.86% of the respondents strongly disagree that SMPPF in the FCT use premium pricing strategy to encourage customers to patronize their firm and 10.86% of the respondents disagree that SMPPF in the FCT use premium pricing strategy to encourage customers to patronize their firm.

**Table 3: Quality**

Items	5	4	3	2	1
SMPPF in the FCT design their Products to fit customer needs and fulfil customer expectations	53(57.61)	31(33.69)	5(5.43)	2(2.17)	1(1.09)
SMPPF in the FCT involve intangible elements of <u>quality</u> such as environments, <u>customer service</u> and <u>customer experience</u>	43(46.74)	33(35.87)	6(6.52)	2(2.17)	8(8.69)
SMPPF in the FCT provide information on quality of its product to its customers	49(53.26)	28(30.43)	10(10.87)	3(3.26)	2(2.17)

**Source:** Survey, 2018

Table 3 indicates that 57.61% of the respondents strongly agreed that SMPPF in the FCT design their Products to fit customer needs and fulfil customer expectations, 33.69% of the respondents agreed that SMPPF in the FCT design their Products to fit customer needs and fulfil customer expectations and 5.43% of the respondents were undecided. 2.17% of the respondents strongly disagree that SMPPF in the FCT design their Products to fit customer needs and fulfil customer expectations while 1.09% of the respondents disagree that SMPPF in the FCT design their Products to fit customer needs and fulfil customer expectations.

From the table 3, 46.74% of the respondents strongly agreed SMPPF in the FCT involve intangible elements of quality such as environments, customer service and customer experience, 35.87% of the respondents agreed that SMPPF in the FCT involve intangible elements of quality such as environments, customer service and customer experience and 6.52% of the respondents were undecided. 2.17% of the respondents strongly disagree that SMPPF in the FCT involve intangible elements of quality such as environments, customer service and customer experience while 8.69% of the respondents disagreed that SMPPF in the FCT involve intangible elements of quality such as environments, customer service and customer experience.

Table 3 shows that, 53.26% of the respondents strongly agreed that SMPPF in the FCT provide information on quality of its product to its customers, 30.43% of the respondents agreed that SMPPF in the FCT provide information on quality of its product to its customers and 10.87% of the respondents were undecided. 3.26% of the respondents strongly disagreed that SMPPF in the FCT provide information on quality of its product to its customers and 2.17% of the respondents disagreed that SMPPF in the FCT provide information on quality of its product to its customers.

**Table 4:** Timely Delivery of Service

Items	5	4	3	2	1
SMPPF in the FCT deliver their services on time to customers	41(44.57)	32(34.78)	5(5.43)	3(3.26)	11(11.96)
SMPPF in the FCT deliver their work to customer at their designated addresses	39(42.39)	40(43.48)	3(3.26)	7(7.61)	3(3.26)
SMPPF in the FCT deliver their goods and service to customers by paying for the transport.	32(34.78)	39(42.39)	10(10.86)	9(9.78)	2(2.17)

**Source:** Survey, 2018

It is recorded that 44.57% of the respondents strongly agreed that SMPPF in the FCT deliver their services on time to customers. 34.78% of the respondents agreed that SMPPF in the FCT deliver their services on time to customers and 5.43% of the respondents were undecided. 3.26% of the respondents strongly disagreed that SMPPF in the FCT deliver their services on time to customers and 11.96% of the respondents disagreed that SMPPF in the FCT deliver their services on time to customers.

In table 4 above, it shows that 42.39% of the respondents strongly agreed that SMPPF in the FCT deliver their work to customer at their designated addresses. 43.48% of the respondents agreed that SMPPF in the FCT deliver their work to customer at their designated addresses and 3.26% of the respondents were undecided. 7.61% of the respondents strongly disagreed that SMPPF in the FCT deliver their work to customer at their designated addresses and 3.26% of the respondents disagreed that SMPPF in the FCT deliver their work to customer at their designated addresses.

In table 4 above, it reveals that 34.78% of the respondents strongly agreed that SMPPF in the FCT deliver their goods and service to customers by paying for the transport. 42.39% of the respondents agreed that SMPPF in the FCT deliver their goods and service to customers by paying for the transport and 4.54% of the respondents were undecided. 10.86% of the respondents strongly disagreed that SMPPF in the FCT deliver their goods and service to customers by paying for the transport and 2.17% of the respondents disagreed that SMPPF in the FCT deliver their goods and service to customers by paying for the transport.

**Table 5: Performance**

Items	5	4	3	2	1
Competitive advantage strategy increases the efficiency of SMPPF in the FCT	31(33.69)	23(25.00)	23(25.00)	8(8.69)	7(7.61)
Competitive advantage strategy improves the effectiveness of SMPPF in the FCT	33(35.87)	27(29.37)	22(23.91)	6(6.52)	4(4.35)
Competitive advantage strategy drastically increase sales figures for SMPPF in the FCT	24(26.09)	29(31.52)	10(10.87)	25(27.17)	4(4.35)

**Source:** Survey, 2018

Table 5 indicates that 33.69% of the respondents strongly agreed that Competitive advantage strategy increases the efficiency of SMPPF in the FCT. 25.00% of the respondents agreed that Competitive advantage strategy increases the efficiency of SMPPF in the FCT and 25.00% of the respondents were undecided. 8.9% of the respondents strongly disagreed that Competitive advantage strategy increases the efficiency of SMPPF in the FCT and 7.61% of the respondents disagreed that Competitive advantage strategy increases the efficiency of SMPPF in the FCT.

Table 5 indicates that 35.87% of the respondents strongly agreed that Competitive advantage strategy improves the effectiveness of SMPPF in the FCT. 29.37% of the respondents agreed that Competitive advantage strategy improves the effectiveness of SMPPF in the FCT and 23.91% of the respondents were undecided. 6.52% of the respondents strongly disagreed that Competitive advantage strategy improves the effectiveness of SMPPF in the FCT and 4.35% of the respondents disagreed that Competitive advantage strategy improves the effectiveness of SMPPF in the FCT.

Table 5 indicates that 26.09% of the respondents strongly agreed that Competitive advantage strategy drastically increase sales figures for SMPPF in the FCT. 31.52% of the respondents agreed that Competitive advantage strategy drastically increase sales figures for SMPPF in the FCT and 10.87% of the respondents were undecided. 27.17% of the respondents strongly disagreed that Competitive advantage strategy drastically increase sales figures for SMPPF in the FCT and 4.35% of the respondents disagreed that Competitive advantage strategy drastically increase sales figures for SMPPF in the FCT.

**Table 6:** Descriptive Statistics of the Variables

Descriptive Statistics

	N	Range	Mean		Std. Deviation	Variance
	Statistic	Statistic	Statistic	Std. Error	Statistic	Statistic
PM	92	.78	.5387	.00648	.11812	.014
PR	92	.70	.4916	.00859	.15647	.024
QLT	92	.70	.4610	.00933	.16992	.029
SDL	92	4.00	3.8429	.13747	1.15012	1.323
Valid N (listwise)	92					

Source: SPSS, 23 Version, 2018

The table 4.66 revealed that the result of descriptive statistics showing the mean, range and standard deviation as well as variance. The mean value of performance (PM) is 0.53, Price (IPR) is .49 and the mean value of quality (QLT) is .46 and also the mean value of service delivery is 3.8.

$$PM = \alpha + \beta_1 PR + \beta_2 QLT + \beta_3 SDL + \mu \dots \dots \text{equation 1}$$

**Table 7:** Correlation Analysis

Correlations

		PM	PR	QLT	SDL
PM	Pearson Correlation	1	.927**	.912**	.942**
	Sig. (2-tailed)		.000	.000	.000
	N	92	92	92	92
PR	Pearson Correlation	.927**	1	.928**	.947**
	Sig. (2-tailed)	.000		.000	.000
	N	92	92	92	92
QLT	Pearson Correlation	.912**	.928**	1	.906**
	Sig. (2-tailed)	.000	.000		.000
	N	92	92	92	92
SDL	Pearson Correlation	.942**	.947**	.906**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	92	92	92	92

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

Source: SPSS, 23 Version, 2018

The above table indicates that there is a positive association between competitive advantage and performance of small and medium printing press firms in the FCT. There is also positive relationship between price and performance of small and medium printing press firms in the FCT. The table also reveals that there is positive association or relationship between quality



and performance of small and medium printing press firms in the FCT. However, the table coefficient of correlation shows strong positive relationship between service delivery and performance of small and medium printing press firms in the FCT.

**Table 8:** Regression Test

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.953 <sup>a</sup>	.908	.907	.38720

a. Predictors: (Constant), PR, QLT, SQL

ANOVA<sup>a</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	483.629	2	161.210	1075.279	.000 <sup>b</sup>
	Residual	49.175	92	.150		
	Total	532.804	90			

a. Dependent Variable: PM

b. Predictors: (Constant), PR, QLT, SQL

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.330	.075		4.411	.000
	PR	.668	.067	.154	2.518	.000
	QLT	.282	.048	.269	5.825	.000
	SDL	-.564	.055	-.552	10.260	.002

a. Dependent Variable: PM

**Source:** Econometric output, 2018

**Decision Rule:** 5% level of significance

The Fisher-statistics (F) is 1075.279 with an associated P statistic value of 0.000 which suggested that the model is a good fit. The coefficient of price (PR) is positive and significant in enhancing performance of small and medium printing press firms in the FCT. The  $PM = 0.333 + 0.66PR$  which indicates that price will increase by 16% for every 1% increase in performance of small and medium printing firms in Abuja. The p-value of 0.00 is less than the t-Statistic value of 2.518 and the standard error value of 0.067 is less than the t-statistic value which implies that there is significant relationship between Price and performance of small and medium printing press firms in the FCT.

The coefficient of quality (QLT) is positive and significant in enhancing customer patronage in small and medium printing press firms in the FCT. The  $PM = 0.333 + 0.0282QLT$  which indicates that quality will increase by 28% for every 1% increase in performance of small and medium printing firms in the FCT. The p-value of 0.000 is less than the t-statistic value of 5.825 and the standard error value of 0.067 is less than the t-statistic value which implies that

there is significant relationship between quality and performance of small and medium printing press firms in the FCT.

The coefficient of service delivery (SDL) is positive and significant in enhancing performance of small and medium printing press firms in the FCT. The PM=  $0.333+0.0564SDL$  which indicates that service delivery will increase by 56% for every 1% increase in performance of small and medium printing firms in the FCT. The p-value of 0.012 is less than t-Statistic value of 10.260 and the standard error value of 0.055 is less than the t-statistic value and standard error which implies that there is significant relationship between service delivery and performance of small and medium printing press firms in the FCT. The coefficient of determination ( $r^2$ ) of 0.91 indicates that about 91% variation in performance in small and medium printing press firms in the FCT can be explained by competitive advantages. The remaining 9% can be explained by other related factors not noted in the regression model. The f-statistic value of 2.457 is significant at p-value of 0.00 and the finding is that there is significant relationship between competitive advantage and performance of small and medium printing press firms in the FCT.

### **Discussion of Findings**

From the analysis, the study found that there is significant relationship between competitive advantage and performance of small and medium scale printing press firms in the FCT. This implies that competitive advantage in terms of cost, quality, price and service delivery contribute significantly to performance of small and medium scale printing press in the FCT. The study is in line with the study of Uchegbulam, Akinyele and Ibadunni (2015) who found that competitive advantage significantly leads to performance of small and medium printing press firms. The study is also in tandem with Porter's Generic Competitive Strategies.

### **Conclusions and Recommendations**

The study concluded that there is significant relationship between competitive advantage and performance of small and medium printing press firms in the FCT. This implies that competitive advantage in terms of cost, quality, price and service delivery contribute significantly to performance of small and medium printing press in the FCT. The study hence recommends that small and medium printing press firms should adopt competitive strategy as relates to price, quality and service delivery as it positively affect performance in terms of effectiveness, efficiency and sales.

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