

Technological Innovation and Performance of Small and Medium Enterprises: Evidence from Nigeria

Abstract

Purpose - Contemporary technological innovations are considerably altering the operative field of small businesses. They impact firms and their products, consumers, and the market, resulting in turbulent and rapid changes in customers' tastes and needs, resulting in a shortage of products and brands' life cycles. Furthermore, technology has intensified SMEs' businesses' innovativeness effort, making production faster, easier and cheaper than that of the larger organizations. This is because customers, through technological advancements, have prompt information about new innovative product brands of competitors. Most firms, regardless of their size, have an innovative objective. However, for firms to remain competitive in the global market, they need to intensify their efforts to achieve their creative objectives through the improvement of existing products, the introduction of entirely novel products, and the introduction of new processes or techniques of production. Therefore, this study examines the relationship between Technological Innovation and SME performance in the Yola North Local Government Area of Adamawa State. Specifically, it explores the relationship between e-marketing innovation, e-communication, product innovation, and e-training and SME performance.

Design/methodology/approach - Drawing on Schumpeter's theory of innovation, Diffusion of Innovation and Technology Acceptance theory and the literature reviewed, the Authors developed a conceptual model of the link between e-marketing innovation, e-communication, product innovation, and e-training and SME performance. The Smart SPSS software approach was used to test the model by applying ordinary Regression Analysis (OLS) using data collected through a questionnaire-based survey from 332 SMEs within the Jimeta metropolis in Adamawa state.

Findings - The results indicate that e-marketing, e-communication, and product innovation significantly and positively impact SMEs' performance. However, e-communication has a positive but insignificant impact. The result suggests that small and medium enterprise owners should imbibe the culture of embracing technological change to thrive and succeed.

Originality - To the best of the authors' knowledge, this study is the first to provide empirical evidence on e-marketing innovation, e-communication, product innovation, e-training, and SME performance within the Jimeta metropolis in Adamawa state, Nigeria.

Keywords: Technology Innovation; E-marketing Innovation, E-communication, Product Innovation, E-training, and SME performance

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