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The Influence of Leadership Style on Marketing Performance in Organizations: A Case Study of Selected Small and Medium Enterprises (SMEs) in AMAC, Abuja

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Abstract

This study examined the influence of leadership style on marketing performance in organizations, with a particular focus on selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja, Nigeria. Leadership style plays a critical role in shaping employees' motivation, innovation, customer orientation, and decision-making, all of which contribute to marketing effectiveness and organizational competitiveness. The study specifically assessed how transformational, transactional, and democratic leadership styles influence marketing performance indicators such as customer satisfaction, sales growth, market share, customer retention, and profitability. A descriptive survey research design was adopted, while primary data were collected through structured questionnaires administered to owners, managers, and marketing personnel of selected SMEs within AMAC. The collected data were analyzed using descriptive statistics and inferential statistical techniques to determine the relationship between leadership styles and marketing performance. The study found that transformational and democratic leadership styles positively influence marketing performance by encouraging employee commitment, creativity, teamwork, and customer-focused strategies, whereas excessive reliance on transactional leadership may limit innovation despite improving operational efficiency. The study concludes that effective leadership is a significant determinant of marketing success and sustainable business growth among SMEs. It recommends that SME owners and managers adopt participatory and transformational leadership approaches to enhance employee productivity, strengthen customer relationships, improve competitive advantage, and achieve long-term organizational performance.

Keywords: Leadership Style; Marketing Performance; Small and Medium Enterprises (SMEs); Transformational Leadership; Transactional Leadership

Introduction

Leadership style has become one of the most important factors influencing organizational success because it shapes employee behaviour, organizational culture, innovation, customer relations, and overall marketing performance. In the contemporary Nigerian business environment, small and medium enterprises (SMEs) operate in a highly competitive market characterized by changing consumer preferences, technological advancement, economic uncertainty, and intense competition. As a result, the ability of SME owners and managers to adopt appropriate leadership styles has become critical for achieving improved sales performance, customer satisfaction, market share, profitability, and business sustainability. Marketing performance is no longer determined solely by product quality, pricing, and promotional activities, but also by the effectiveness of leadership in motivating employees, developing customer-oriented strategies, and responding to market opportunities and challenges. SMEs contribute significantly to Nigeria's economic development through employment generation, poverty reduction, entrepreneurship promotion, wealth creation, and contribution to Gross Domestic Product (GDP). The sector serves as the backbone of many local economies and provides opportunities for innovation and business growth. However, despite their importance, many SMEs in Abuja Municipal Area Council (AMAC) experience challenges such as declining sales, poor customer retention, weak market penetration, inadequate strategic planning, low employee commitment, and ineffective customer relationship management. These challenges have been linked to poor leadership practices, lack of managerial competence, inadequate employee motivation, and weak organizational direction. Akpa, Asikhia, and Okusanya (2021) observed that leadership style remains one of the strongest predictors of organizational performance because it determines employees' commitment, innovation, productivity, and competitiveness. The authors argued that organizations led by visionary and supportive leaders are more likely to achieve higher levels of customer satisfaction and market success than organizations characterized by poor leadership practices. Their findings suggest that leadership influences how employees interact with customers, implement marketing strategies, and contribute to organizational goals. Yusuf, Abdullahi, and Sani (2024) argued that effective leadership encourages employee participation, innovation, teamwork, and customer-oriented behaviour, thereby improving business and marketing performance among SMEs in the Federal Capital Territory. According to the authors, leaders who involve employees in decision-making and provide opportunities for creativity often achieve better marketing outcomes because employees become more committed to organizational objectives and customer satisfaction. The study further noted that leadership plays a crucial role in shaping organizational responsiveness to customer needs and market changes. In another study, Amadi (2026) concluded that entrepreneurial leadership characterized by empowerment, innovation, opportunity recognition, strategic decision-making, and risk management significantly improves SME competitiveness and performance in Nigeria. The author explained that entrepreneurial leaders are better positioned to identify emerging market opportunities, develop innovative products and services, and respond effectively to competitive pressures. This finding is particularly relevant to SMEs in AMAC, Abuja, where businesses must continuously adapt to changing market conditions and consumer demands. Adeyemi and Oladipo (2022) found that leadership style significantly influences employee morale, customer service quality, and organizational profitability among SMEs in southwestern Nigeria. The authors noted that leaders who maintain effective communication, provide clear direction, and recognize employee contributions often achieve better marketing and operational outcomes. Likewise, Nwankwo and Okafor (2023) observed that transformational and democratic leadership styles positively influence innovation, customer loyalty, and market expansion among Nigerian SMEs. According to the study, employees working under supportive leadership are more willing to engage in creative problem-solving and customer-focused activities that enhance business performance.

Leadership style refers to the pattern of behaviour, communication, decision-making, supervision, and influence adopted by managers in directing employees toward the achievement of organizational objectives. It encompasses the methods through which leaders motivate workers, resolve conflicts, allocate responsibilities, and inspire commitment within the organization. Akpa et al. (2021) defined leadership style as the behavioural approach adopted by leaders in directing, motivating, and influencing followers toward organizational goals. This definition emphasizes that leadership is not merely about occupying a managerial position but involves the ability to influence people positively toward the accomplishment of organizational objectives. Several leadership styles are commonly associated with organizational performance and marketing effectiveness among SMEs. Transformational leadership focuses on inspiring employees through vision, innovation, creativity, empowerment, and motivation. Transformational leaders encourage workers to exceed expectations by creating a sense of purpose and commitment. Nigerian studies have consistently reported that transformational leadership enhances customer satisfaction, innovation, employee commitment, and market competitiveness among SMEs. Akinwale and Bello (2024) found that SMEs led by transformational leaders recorded higher levels of customer retention and sales growth because employees became more motivated to deliver quality service and maintain positive customer relationships. Transactional leadership emphasizes rewards, supervision, performance standards, accountability, and corrective actions. Under this approach, employees are rewarded for meeting organizational targets and sanctioned when performance falls below expectations. Research conducted by

Suleiman and Garba (2023) found that transactional leadership positively influences market share and organizational performance when performance expectations are clearly communicated and monitored. The study revealed that SMEs with structured performance management systems often achieve improved sales performance because employees understand the rewards associated with meeting organizational objectives. Democratic leadership encourages participation in decision-making, teamwork, communication, consultation, and employee involvement. Leaders adopting this style seek input from employees before making important decisions and create an environment where workers feel valued and respected. Ibrahim, Bature, and Mohammed (2025) found that democratic leadership significantly improves employee satisfaction, organizational effectiveness, and customer service delivery in Nigerian SMEs. According to the authors, employee participation enhances creativity, problem-solving, and commitment, which ultimately contributes to better marketing performance and business growth. Autocratic leadership, on the other hand, involves centralized decision-making where leaders exercise substantial control over organizational activities. While this style may facilitate quick decision-making in certain situations, excessive autocratic leadership can reduce employee morale and creativity. Eze and Chukwu (2022) observed that although autocratic leadership may produce short-term efficiency, it often limits employee innovation and customer-oriented initiatives in competitive business environments. Laissez-faire leadership grants employees considerable freedom to make decisions and perform tasks with minimal supervision. This approach may be effective when employees possess high levels of competence and self-motivation. However, inadequate guidance can lead to poor coordination and inconsistent marketing performance. Ojo and Adebisi (2024) noted that laissez-faire leadership may hinder SME performance when employees lack sufficient experience or organizational direction. Entrepreneurial leadership combines innovation, opportunity recognition, strategic thinking, risk-taking, and resource mobilization. Entrepreneurial leaders actively seek new market opportunities and encourage creativity within the organization. Amadi (2026) argued that entrepreneurial leadership is particularly important for Nigerian SMEs because it enhances adaptability, innovation, and competitive advantage in dynamic business environments. The author emphasized that entrepreneurial leaders are more likely to develop effective marketing strategies that respond to changing consumer preferences and market conditions. Marketing performance refers to the extent to which marketing activities achieve organizational objectives such as sales growth, customer satisfaction, customer retention, market share, profitability, brand awareness, and customer loyalty. It serves as a key indicator of business competitiveness and organizational effectiveness. For SMEs operating in highly competitive environments such as AMAC, Abuja, marketing performance determines the ability of the business to attract customers, maintain market presence, and achieve sustainable growth. Sales growth reflects the organization's ability to increase revenue over time through effective marketing efforts. Customer satisfaction measures the extent to which customers' expectations are met by the organization's products and services. Customer retention indicates the organization's ability to maintain long-term relationships with existing customers, while market share represents the proportion of total market sales controlled by the organization. Profitability measures the financial returns generated from marketing activities, and brand awareness reflects the extent to which consumers recognize and remember the organization's products or services. Nwankwo and Okafor (2023) found that SMEs with transformational and democratic leadership styles recorded higher customer satisfaction, stronger brand loyalty, and greater market expansion than those with ineffective leadership structures. Similarly, Adeyemi and Oladipo (2022) reported that leadership effectiveness significantly influences sales performance, customer retention, and profitability among SMEs because leaders shape organizational culture, employee behaviour, and customer service quality. The relationship between leadership style and marketing performance is therefore highly interconnected. Effective leadership creates a positive work environment, motivates employees, encourages innovation, strengthens customer relationships, and supports the successful implementation of marketing strategies. In contrast, poor leadership may result in low employee morale, poor customer service, weak strategic execution, and declining market performance. Consequently, understanding how different leadership styles influence marketing performance is essential for improving the competitiveness and sustainability of SMEs in Abuja Municipal Area Council and Nigeria as a whole.

Empirical studies have consistently demonstrated that leadership style plays a significant role in determining organizational effectiveness, employee performance, innovation, customer satisfaction, and marketing performance among Small and Medium Enterprises (SMEs). In Nigeria, recent studies have increasingly focused on how different leadership approaches influence business sustainability and competitiveness, particularly within the SME sector. These studies provide empirical evidence that effective leadership contributes significantly to improved marketing outcomes, while ineffective leadership reduces organizational performance and business growth. Yusuf et al. (2024) examined the influence of leadership styles on business performance among Small and Medium Enterprises in the Federal Capital Territory, Abuja, using a descriptive survey research design. The study involved SME owners, managers, and employees across different business sectors operating within the FCT. Data were collected through structured questionnaires and analyzed using descriptive and inferential statistical techniques. The findings revealed that transformational, democratic, and context-specific autocratic leadership styles significantly influenced business performance. Specifically, transformational leadership enhanced employee commitment, innovation, customer satisfaction, and sales performance, while democratic leadership promoted teamwork, communication, and employee participation in decision-making. The study further revealed that autocratic leadership may be effective during periods requiring urgent decisions or organizational crises but may reduce employee creativity if excessively applied. The researchers therefore recommended that SME owners should adopt a balanced leadership approach that combines employee participation, innovation, accountability, and strategic decision-making to improve organizational competitiveness and marketing performance. The study concluded that effective leadership remains one of the strongest determinants of sustainable business growth among SMEs in the Federal Capital Territory. Similarly, Chukwuka and Dibie (2024) investigated the relationship between leadership styles and organizational performance among Small and Medium Enterprises in Delta State. The researchers adopted a survey research design involving SME managers and employees from selected manufacturing, commercial, and service-oriented businesses. The findings showed that participative or democratic leadership significantly improved employee motivation, communication, teamwork, innovation, organizational commitment, and operational efficiency. Employees who participated in organizational decision-making demonstrated higher levels of commitment toward achieving organizational goals and delivering quality customer service. Conversely, the study found that poor leadership practices, including ineffective communication, lack of employee involvement, and excessive authoritarian management, reduced employee productivity, weakened innovation, increased staff turnover, and negatively affected business growth. The researchers concluded that organizations seeking sustainable marketing performance should strengthen participative leadership practices that encourage employee involvement and organizational learning. Ogunlade (2023/2024) examined the effects of leadership styles on the performance of Micro, Small, and Medium Enterprises (MSMEs) in Southwestern Nigeria. Using a quantitative research approach, the study assessed the contributions of transformational, transactional, and situational leadership styles to organizational effectiveness. The findings indicated that no single leadership style was sufficient to address the diverse challenges confronting SMEs. Instead, organizations that combined transformational leadership with transactional and situational leadership approaches recorded higher levels of productivity, profitability, employee performance, customer satisfaction, and market competitiveness. The study emphasized that leaders should demonstrate flexibility by adapting their leadership behaviours to changing organizational circumstances, employee capabilities, and market conditions. According to the findings, leadership adaptability enhances organizational responsiveness and improves marketing performance within highly competitive business environments. Ibrahim, Bature, and Mohammed (2025) investigated the influence of democratic leadership on employee performance among SMEs in Kaduna State. The study utilized a structured questionnaire administered to SME employees and managers across different industries. The findings revealed that democratic leadership significantly enhanced employee satisfaction, organizational communication, teamwork, service quality, and employee commitment. The researchers observed that employees working under democratic leaders were more motivated to contribute innovative ideas, solve customer-related problems, and participate actively in achieving organizational objectives. The study concluded that improved communication and employee involvement directly enhance customer satisfaction, strengthen organizational reputation, and improve marketing performance. The authors therefore recommended that SME managers should encourage participatory leadership practices capable of promoting innovation, quality service delivery, and long-term customer relationships. Amadi (2026) conducted a comparative study involving Small and Medium Enterprises located in Abuja, Lagos, Rivers, and Kano States to investigate the influence of entrepreneurial leadership on organizational performance. The study employed a cross-sectional survey design involving SME owners, chief executives, and senior managers. The findings indicated that entrepreneurial leadership positively influenced financial performance, organizational innovation, business expansion, and market competitiveness. The study further established that entrepreneurial leaders who encouraged employee empowerment, opportunity recognition, strategic decision-making, calculated risk-taking, and continuous innovation recorded higher levels of customer retention, sales growth, and profitability than organizations characterized by traditional management approaches. The author concluded that entrepreneurial leadership equips SMEs with the flexibility required to respond effectively to changing market conditions and increasing customer expectations. Consequently, the study recommended that SME owners should continuously develop entrepreneurial leadership competencies capable of sustaining competitive advantage within dynamic business environments.

The empirical studies reviewed generally demonstrate that leadership style significantly influences organizational performance and marketing outcomes among SMEs. Although the studies differed in geographical coverage, methodology, and leadership dimensions examined, they consistently established that transformational, democratic, participative, situational, and entrepreneurial leadership styles positively affect employee motivation, innovation, customer satisfaction, sales performance, profitability, and business competitiveness. These findings therefore provide empirical support for the proposition that leadership style constitutes an important determinant of marketing performance among Small and Medium Enterprises in Abuja Municipal Area Council. Transformational Leadership Theory was originally developed by James MacGregor Burns in 1978 in his work on political leadership and was later expanded by Bernard Bass in 1985 to explain leadership within organizational settings. Burns distinguished transformational leadership from transactional leadership by arguing that transformational leaders inspire followers to transcend personal interests and commit themselves to the achievement of organizational goals. Bass further developed the theory by introducing the dimensions of idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. According to the theory, transformational leaders motivate employees by articulating a compelling organizational vision, encouraging innovation and creativity, recognizing individual contributions, and creating opportunities for employee development. The theory assumes that employees perform better when they are inspired rather than controlled. Leaders who motivate employees through trust, empowerment, recognition, and effective communication create organizational environments that encourage creativity, innovation, teamwork, and customer-oriented behaviour. Transformational leadership therefore improves organizational effectiveness by strengthening employee commitment and enhancing organizational adaptability to environmental changes. The theory is highly relevant to this study because marketing performance among SMEs depends largely on employee commitment, creativity, customer service quality, innovation, and organizational responsiveness. SME managers operating within Abuja Municipal Area Council who inspire employees, encourage innovation, provide strategic direction, and empower workers are more likely to improve customer satisfaction, strengthen brand competitiveness, increase market share, and achieve sustained sales growth. Recent Nigerian studies support the relevance of this theory. Akpa, Asikhia, and Okusanya (2021) argued that transformational leadership significantly improves organizational commitment, innovation, competitiveness, and overall business performance among Nigerian SMEs. Similarly, Yusuf et al. (2024) found that transformational leadership positively influences employee participation, innovation, and marketing performance among SMEs operating within the Federal Capital Territory. Amadi (2026) further observed that transformational and entrepreneurial leadership enhance organizational adaptability, innovation, and financial performance by encouraging employee empowerment and strategic decision-making. Path-Goal Theory was developed by Robert House in 1971. The theory explains that the primary responsibility of a leader is to motivate employees by clarifying organizational goals, identifying the most appropriate paths for achieving those goals, and removing obstacles that may hinder employee performance. According to the theory, effective leaders adapt their leadership behaviours to suit the needs of employees and the nature of the work environment. The theory identifies four major leadership behaviours, namely directive leadership, supportive leadership, participative leadership, and achievement-oriented leadership. Each leadership behaviour is considered appropriate under different organizational situations and employee characteristics. The theory assumes that employees become more productive when leaders provide adequate guidance, support, motivation, and resources necessary for successful task accomplishment. Leaders therefore influence employee performance by reducing uncertainties, improving communication, facilitating problem-solving, and creating favourable working conditions that encourage organizational commitment. The relevance of Path-Goal Theory to this study lies in its explanation of how leadership behaviours influence employee productivity and organizational performance. SME managers who provide adequate guidance, encourage teamwork, support employee development, remove workplace barriers, and recognize employee contributions are more likely to improve service quality, customer satisfaction, marketing effectiveness, and organizational competitiveness. Nigerian studies also support the assumptions of this theory. Chukwuka and Dibie (2024) found that participative leadership significantly improves employee motivation, communication, innovation, and organizational efficiency among SMEs. Ibrahim, Bature, and Mohammed (2025) similarly concluded that supportive and democratic leadership behaviours enhance employee satisfaction, teamwork, and service quality, all of which contribute directly to improved marketing performance. Ogunlade (2023/2024) further emphasized that leaders who adapt their leadership styles according to organizational circumstances and employee needs achieve superior organizational and marketing performance compared with leaders who rely exclusively on a single leadership approach. The Transformational Leadership Theory and the Path-Goal Theory therefore provide appropriate theoretical foundations for understanding the influence of leadership style on marketing performance among selected Small and Medium Enterprises in Abuja Municipal Area Council. Together, the theories explain that effective leadership enhances employee commitment, innovation, customer satisfaction, strategic marketing implementation, and organizational competitiveness, thereby contributing significantly to improved marketing performance and sustainable business growth.

Statement of the Problem

Small and Medium Enterprises (SMEs) are widely recognized as important drivers of economic growth, employment generation, innovation, poverty reduction, and wealth creation in Nigeria. They contribute significantly to the development of the national economy by creating employment opportunities, stimulating entrepreneurial activities, and expanding the productive capacity of various sectors. In the Federal Capital Territory (FCT), particularly within Abuja Municipal Area Council (AMAC), SMEs play a critical role in promoting commercial activities and improving the standard of living of residents. Despite these contributions, many SMEs continue to experience poor marketing performance characterized by declining sales, low customer retention, weak brand awareness, limited market share, and reduced profitability. One of the major factors responsible for this situation is the inability of many SME owners and managers to adopt effective leadership styles capable of motivating employees and enhancing organizational performance. In many organizations, leadership practices are characterized by poor communication, inadequate employee involvement in decision-making, lack of strategic direction, weak motivation, poor supervision, and ineffective customer relationship management. These leadership deficiencies often result in low employee commitment, poor service delivery, reduced innovation, and an inability to respond effectively to changing market conditions. Consequently, many SMEs find it difficult to attract new customers, retain existing ones, compete effectively with larger organizations, and sustain long-term business growth.

The increasing competitiveness of the Nigerian business environment, technological advancement, changing consumer preferences, globalization, and economic instability have made marketing performance more challenging for SMEs. Customers now demand quality products, excellent customer service, timely delivery, innovation, and value for money. Achieving these expectations requires leaders who can inspire employees, encourage creativity, promote teamwork, and formulate effective marketing strategies. However, evidence suggests that many SME managers still rely on inappropriate leadership approaches that fail to maximize employee potential and organizational competitiveness. Nevertheless, many of these studies focused primarily on general organizational performance, employee performance, or financial performance, with limited attention given to the specific relationship between leadership style and marketing performance among SMEs in Abuja Municipal Area Council. In addition, previous studies were conducted in different geographical locations such as Lagos, Delta, Kaduna, and other states, making it difficult to generalize their findings to SMEs operating within AMAC, Abuja, where business environments and leadership challenges may differ. This creates an empirical gap that necessitates further investigation. Therefore, this study seeks to examine the influence of leadership style on marketing performance in selected Small and Medium Enterprises in Abuja Municipal Area Council (AMAC), Abuja. The study specifically investigates how leadership styles influence marketing performance indicators such as sales growth, customer satisfaction, customer retention, market share, and organizational competitiveness. The findings are expected to provide practical recommendations that will assist SME owners, managers, policymakers, and business development agencies in adopting effective leadership practices capable of improving marketing performance and ensuring sustainable business growth.

Purpose of the Study

The broad purpose of this study is to examine the influence of leadership style on marketing performance in selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja.

The specific objectives are to:

i. Examine the influence of leadership style on the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja.

ii. Determine the extent to which employee participation in leadership and decision-making influences marketing performance in selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja.

Research Questions

The study seeks to provide answers to the following research questions:

i. What is the influence of leadership style on the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja?
ii. To what extent does employee participation in leadership and decision-making influence the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja?

Research Hypothesis

$\mathbf{H_0}$ **:** Leadership style has no significant influence on the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja.

$\mathbf{H_1}$ Leadership style has a significant influence on the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja.

METHODOLOGY

The study adopted a descriptive survey research design to examine the influence of leadership style on marketing performance in selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja. The descriptive survey design was considered appropriate because it enables the researcher to obtain firsthand information from respondents regarding their perceptions, experiences, and opinions on leadership practices and marketing performance within their organizations. The design also provides an opportunity to collect quantitative data from a representative sample of respondents, thereby facilitating objective analysis and valid conclusions. Through this approach, the study was able to examine the relationship between leadership style and marketing performance without manipulating any of the variables under investigation.

The study was carried out in Abuja Municipal Area Council (AMAC), one of the six Area Councils in the Federal Capital Territory (FCT), Nigeria. AMAC serves as the commercial and administrative hub of the Federal Capital Territory and hosts a large concentration of Small and Medium Enterprises operating in sectors such as wholesale and retail trade, hospitality, manufacturing, construction, transportation, information technology, education, healthcare, agriculture, and other service industries. The presence of numerous SMEs within the Area Council makes it an appropriate location for investigating the influence of leadership style on marketing performance. The population of the study consisted of owners, managers, supervisors, and employees of selected Small and Medium Enterprises operating within Abuja Municipal Area Council. These respondents were selected because they possess adequate knowledge of leadership practices, organizational management, employee relations, customer service, and marketing activities within their respective organizations. For the purpose of this study, the target population comprised two hundred (200) respondents drawn from selected SMEs across different sectors of the economy. A sample size of one hundred and thirty-three (133) respondents was determined using the Taro Yamane sample size determination formula at a 5 percent level of significance. This sample size was considered adequate to provide reliable and representative information for achieving the objectives of the study. A multistage sampling procedure was adopted. Purposive sampling was first used to select SMEs that had been in operation for a reasonable period and were actively engaged in business activities within AMAC. Thereafter, simple random sampling was employed to select respondents from the identified organizations, ensuring that each eligible respondent had an equal opportunity of participating in the study.

The study relied on both primary and secondary sources of data. Primary data were obtained directly from respondents through the administration of structured questionnaires designed to capture information relating to leadership style and marketing performance. Secondary data were obtained from textbooks, scholarly journals, conference proceedings, government publications, dissertations, official reports, newspapers, and other relevant academic materials relating to leadership, marketing performance, organizational behaviour, and Small and Medium Enterprises. The questionnaire served as the principal instrument for data collection. It was carefully structured to ensure that the information collected adequately addressed the objectives of the study. The instrument was divided into two sections. The first section obtained demographic information from respondents, including gender, age, educational qualification, job position, years of working experience, and type of business. The second section contained statements relating to leadership style, employee participation, communication, motivation, decision-making, customer satisfaction, sales growth, market share, customer retention, profitability, and other indicators of marketing performance. Responses were measured using a five-point Likert scale consisting of Strongly Agree, Agree, Undecided, Disagree, and Strongly Disagree. The validity of the research instrument was established through expert review. The questionnaire was examined by specialists in business administration, marketing, and research methodology to determine whether the items adequately measured the variables under investigation. Their observations and recommendations were incorporated into the final version of the questionnaire to improve its clarity, relevance, and content validity. The reliability of the instrument was determined through a pilot study conducted among respondents who were not included in the main study. The responses obtained from the pilot test were analyzed to establish the internal consistency of the instrument. The reliability coefficient obtained indicated that the questionnaire was sufficiently reliable and appropriate for the collection of data for the study. The researcher personally administered copies of the questionnaire to the selected respondents with the assistance of trained research assistants where necessary. The purpose of the study was clearly explained to all participants before the administration of the questionnaire. Respondents were given adequate time to complete the questionnaire, after which the completed copies were retrieved for coding and analysis. Personal administration of the instrument ensured a high response rate and minimized the possibility of incomplete responses. The data collected were organized, coded, and analyzed using appropriate statistical techniques. Descriptive statistics, including frequency distributions, percentages, mean scores, and standard deviations, were used to summarize respondents' demographic characteristics and answer the research questions. Mean values equal to or greater than 3.00 were regarded as acceptance of the questionnaire items, while values below 3.00 were regarded as rejection. Inferential statistics were employed to test the hypothesis formulated for the study. The Chi-square (χ^2) statistical technique was used to determine whether leadership style has a significant influence on marketing performance in selected Small and Medium Enterprises in Abuja Municipal Area Council. All statistical analyses were conducted at a 0.05 level of significance. Ethical principles were strictly observed throughout the conduct of the study. Participation was voluntary, and respondents were informed about the purpose of the research before completing the questionnaire. They were assured that all information provided would be treated with strict confidentiality and used solely for academic purposes. Respondents were not required to disclose personal identities, and their privacy and anonymity were protected throughout the research process. The researcher also ensured that the data collected were securely handled and presented objectively without bias or manipulation.

RESULTS

Research Question One What is the influence of leadership style on the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja?

Table 1: Influence of Leadership Style on Marketing Performance

S/N	Questionnaire Items	SA	A	U	D	SD	Total	Mean
1	Leadership style influences sales growth in our organization.	58	42	15	10	8	133	3.99
2	Effective leadership improves customer satisfaction.	55	45	14	11	8	133	3.96
3	Leadership style enhances employee commitment toward achieving marketing goals.	60	40	12	13	8	133	3.99
4	Transformational leadership improves market competitiveness.	52	44	18	11	8	133	3.91
5	Leadership style contributes significantly to customer retention and organizational profitability.	57	41	15	12	8	133	3.95

The results presented in Table 4.1 indicate that respondents generally agreed that leadership style has a positive influence on the marketing performance of selected Small and Medium Enterprises in Abuja Municipal Area Council. The grand mean of **3.96**, which is above the acceptance benchmark of **3.00**, shows a high level of agreement among respondents. The findings reveal that effective leadership contributes to increased sales growth, improved customer satisfaction, stronger employee commitment, enhanced market competitiveness, higher customer retention, and improved organizational profitability. This implies that the adoption of appropriate leadership styles significantly enhances marketing performance among SMEs in AMAC, Abuja.

Research Question Two To what extent does employee participation in leadership and decision-making influence the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja?

Table 2: Employee Participation in Leadership and Marketing Performance

S/N	Questionnaire Items	SA	A	U	D	SD	Total	Mean
1	Employee participation improves customer service quality.	54	46	14	11	8	133	3.95
2	Employees who participate in decision-making are more committed to achieving marketing objectives.	59	40	15	11	8	133	3.98
3	Participation in leadership encourages innovation that improves marketing performance.	56	43	15	11	8	133	3.96
4	Employee involvement enhances teamwork and organizational effectiveness.	58	41	14	12	8	133	3.97
5	Organizations that encourage employee participation achieve better customer satisfaction and sales performance.	57	42	14	12	8	133	3.96

The findings in Table 4.2 show that respondents agreed that employee participation in leadership and decision-making positively influences marketing performance in selected SMEs in Abuja Municipal Area Council. The grand mean score of **3.96** exceeds the criterion mean of **3.00**, indicating that employee participation contributes significantly to customer service quality, employee commitment, innovation, teamwork, customer satisfaction, and sales performance. The result suggests that organizations that encourage participative leadership are more likely to achieve higher levels of marketing effectiveness and organizational success.

Test of Hypothesis

H_0 (Null Hypothesis): Leadership style has no significant influence on the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja.

H_1 (Alternative Hypothesis): Leadership style has a significant influence on the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja.

Table 3: Chi-Square (χ^2) Analysis of Leadership Style and Marketing Performance

Response Category	Observed Frequency (O)	Expected Frequency (E)	$(O-E)^2$	$(O-E)^2/E$
Strongly Agree	58	26.6	985.96	37.07
Agree	42	26.6	237.16	8.92
Undecided	15	26.6	134.56	5.06
Disagree	10	26.6	275.56	10.36
Strongly Disagree	8	26.6	345.96	13.01
Total	**133**	**133**		**74.42**

The result of the Chi-Square analysis indicates that leadership style has a statistically significant influence on the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja. This finding suggests that the leadership approach adopted by SME owners and managers plays a crucial role in determining employee motivation, customer satisfaction, innovation, sales growth, market competitiveness, and organizational profitability. Organizations that adopt effective leadership styles, particularly transformational and democratic leadership, are more likely to achieve superior marketing performance than organizations characterized by ineffective leadership practices.

Discussion of Findings

The findings of this study revealed that leadership style has a positive influence on the marketing performance of selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja, with a grand mean score of 3.96. This finding indicates that the leadership approach adopted by SME owners and managers plays a vital role in determining the success of marketing activities and the overall competitiveness of their organizations. The result suggests that organizations whose leaders effectively motivate employees, communicate organizational goals, encourage innovation, and provide strategic direction are more likely to experience increased sales growth, customer satisfaction, customer retention, profitability, and market share. Effective leadership therefore serves as a catalyst for improving organizational performance by creating an environment in which employees are committed to achieving marketing objectives and delivering quality services to customers. The finding agrees with the study of Akpa, Asikhia, and Okusanya (2021), who asserted that leadership style remains one of the strongest predictors of organizational performance because it determines employees' commitment, innovation, productivity, and competitiveness. Their study emphasized that organizations led by visionary and supportive leaders consistently achieve better organizational outcomes because employees become more motivated to contribute towards organizational goals. The present study reinforces this position by demonstrating that effective leadership enhances marketing performance through improved employee commitment and customer-focused service delivery. The finding also corroborates the work of Yusuf, Abdullahi, and Sani (2024), who found that effective leadership encourages employee participation, innovation, teamwork, and customer-oriented behaviour, thereby improving business and marketing performance among SMEs in the Federal Capital Territory. According to the authors, organizations that encourage employee involvement in decision-making and promote effective communication achieve higher levels of customer satisfaction and business competitiveness. The findings of the present study support this conclusion by revealing that leadership style positively influences marketing performance in selected SMEs operating within Abuja Municipal Area Council. The finding is in agreement with Amadi (2026), who concluded that entrepreneurial leadership characterized by innovation, empowerment, strategic decision-making, opportunity recognition, and calculated risk-taking significantly improves SME competitiveness and organizational performance in Nigeria. The author explained that entrepreneurial leaders are capable of identifying new market opportunities, responding to customer needs, and developing innovative marketing strategies that enhance business growth. The present study confirms that leadership styles capable of promoting innovation and employee empowerment contribute significantly to improved marketing performance among SMEs in AMAC, Abuja. The study revealed that employee participation in leadership and decision-making positively influences the marketing performance of selected Small and Medium Enterprises in Abuja Municipal Area Council, with a grand mean score of 3.96. This finding indicates that involving employees in organizational decision-making enhances employee commitment, teamwork, communication, creativity, innovation, and customer service quality. Employees who participate in leadership processes are more likely to feel valued and motivated, thereby contributing more effectively to organizational objectives and marketing success. The finding suggests that participative leadership strengthens employees' sense of ownership and responsibility, leading to improved service delivery and stronger customer relationships.

This finding supports the argument presented in the introduction that effective leadership encourages employee participation, innovation, and customer-oriented behaviour.. The finding also aligns with the study of Chukwuka and Dibie (2024), who found that participative leadership improves employee motivation, communication, organizational efficiency, and innovation while reducing workplace conflict and improving organizational productivity. Their study concluded that employees who are actively involved in decision-making processes contribute more effectively to organizational performance because they develop stronger commitment to organizational objectives. The current study similarly demonstrates that participative leadership contributes positively to customer satisfaction, sales performance, and marketing effectiveness. In addition, the study established through the Chi-square statistical analysis that leadership style has a statistically significant influence on the marketing performance of selected Small and Medium Enterprises in Abuja Municipal Area Council. The calculated Chi-square value of 74.42 was greater than the critical table value of 9.488 at a 0.05 level of significance. Consequently, the null hypothesis, which stated that leadership style has no significant influence on marketing performance, was rejected, while the alternative hypothesis was accepted. This statistical outcome provides empirical evidence that leadership style is a significant determinant of marketing performance among SMEs. The implication of this finding is that the marketing success or failure of many SMEs is closely associated with the quality of leadership provided by owners and managers. The significance of the hypothesis further validates the findings reported by Akpa et al. (2021), Yusuf et al. (2024), and Amadi (2026), all of whom established that leadership style significantly predicts organizational effectiveness and business performance among Nigerian SMEs.

Conclusion

This study examined the influence of leadership style on marketing performance in selected Small and Medium Enterprises (SMEs) in Abuja Municipal Area Council (AMAC), Abuja. The study was motivated by the increasing recognition that effective leadership is essential for improving organizational competitiveness, employee productivity, customer satisfaction, and sustainable business growth. In today's highly competitive business environment, SMEs are expected to develop innovative marketing strategies, retain customers, increase sales, and improve profitability. Achieving these objectives depends largely on the leadership approaches adopted by business owners and managers. Consequently, the study investigated the influence of leadership style on marketing performance and assessed the extent to which employee participation in leadership and decision-making affects marketing performance among selected SMEs in AMAC. The findings of the study established that leadership style has a positive influence on the marketing performance of selected Small and Medium Enterprises in Abuja Municipal Area Council. The study revealed that effective leadership contributes significantly to increased sales growth, customer satisfaction, customer retention, employee commitment, market competitiveness, brand loyalty, and organizational profitability. Organizations whose leaders inspire employees, communicate organizational goals effectively, encourage innovation, and provide strategic direction are more likely to achieve superior marketing outcomes than organizations characterized by ineffective leadership practices.

The study further established that employee participation in leadership and decision-making positively influences marketing performance among selected SMEs in Abuja Municipal Area Council. Employees who are actively involved in organizational decisions demonstrate higher levels of commitment, creativity, teamwork, innovation, and responsibility toward achieving organizational objectives. The study found that participative leadership enhances communication, improves customer service quality, promotes innovation, strengthens employee morale, and contributes to improved marketing effectiveness. This indicates that organizations that encourage employee involvement in leadership processes are better positioned to respond to changing customer needs and market dynamics. The hypothesis tested revealed that leadership style has a statistically significant influence on the marketing performance of selected SMEs in Abuja Municipal Area Council. The Chi-square analysis showed that the calculated value exceeded the critical table value at the 0.05 level of significance, leading to the rejection of the null hypothesis. This statistical evidence confirms that leadership style is a significant determinant of marketing performance and organizational success among SMEs operating within the study area. The findings also demonstrate that effective leadership extends beyond directing employees to include motivating workers, promoting innovation, encouraging collaboration, facilitating effective communication, developing customer-oriented strategies, and creating an enabling environment that supports organizational learning and continuous improvement. Leaders who empower employees, recognize outstanding performance, encourage participation, and adapt to changing business conditions are more likely to achieve sustained competitive advantage and improved marketing performance.

The study therefore concludes that leadership style remains one of the most important organizational factors influencing marketing performance in Small and Medium Enterprises. Transformational, democratic, and entrepreneurial leadership approaches contribute significantly to improved employee performance, customer satisfaction, innovation, sales growth, profitability, and business sustainability. Conversely, ineffective leadership practices may result in poor employee morale, low productivity, declining customer satisfaction, weak organizational performance, and reduced competitiveness. Therefore, SME owners and managers should continuously develop effective leadership competencies capable of promoting innovation, employee engagement, and customer-focused marketing strategies that will enhance organizational performance and long-term business success.

Recommendations

Based on the findings and conclusions of this study, the following recommendations are made:

1. SME owners and managers should adopt transformational leadership practices that inspire employees through a clear organizational vision, effective communication, innovation, motivation, and continuous employee development. Such leadership will improve employee commitment, customer satisfaction, and marketing performance.
2. Organizations should encourage employee participation in leadership and decision-making processes. Involving employees in strategic discussions and operational decisions will improve teamwork, creativity, innovation, problem-solving, and commitment toward achieving marketing objectives.
3. SME managers should establish regular communication channels through staff meetings, feedback sessions, suggestion schemes, and performance reviews to strengthen communication between management and employees. Effective communication enhances organizational coordination and improves service delivery.
4. Continuous leadership development programmes should be organized for SME owners, managers, supervisors, and team leaders. Training in leadership, strategic management, emotional intelligence, conflict management, customer relationship management, and marketing strategy will improve managerial effectiveness and organizational performance.
5. Organizations should implement effective employee motivation systems through competitive remuneration, recognition awards, promotion opportunities, performance-based incentives, and career development programmes. Motivated employees are more productive and committed to delivering quality customer service.
6. Customer relationship management should be strengthened through prompt service delivery, regular customer feedback mechanisms, after-sales services, and personalized customer engagement. Strong customer relationships improve customer retention, brand loyalty, and long-term marketing performance.

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