

Examining Business Environment Ecosystem and Consumer Goods Manufacturing Industry Performance in South East Nigeria

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Abstract

This study examines how the business environment ecosystem, encompassing economic, political, technological, social, and cultural aspects, impacts the performance of companies producing consumer goods in South East Nigeria. The researcher employed a judgmental sample method to survey 100 permanent employees from five small and medium-sized enterprises (SMEs) that were selected for their relevance to the study. These SMEs were Calumary Konsult, Mr. Biggs Foods, Nnewi Cutix Cable, Innoson Motors, and Luchee Collections—the HR departments of the chosen companies assisted in distributing structured questionnaires via Google Forms. A total of 100 surveys were sent out, and 78 were completed and submitted. This means that 78% of people responded. We used SPSS software to look at the data. The results show that poor infrastructure, unpredictable exchange rates, inflation, insecurity, and inconsistent policies make it very challenging for manufacturing to thrive in the area; nevertheless, technological limitations and shifts in customer behaviour make operations even more challenging. The study finds that these systemic problems in the business environment make it challenging for consumer goods firms to grow and remain competitive. To improve the industry in South East Nigeria, it was recommended that investments be made in infrastructure, the rules be revised, safety measures be implemented, local sourcing be supported, new projects be initiated based on innovation, and market research be conducted regularly.

Keywords: Business Environment Ecosystem, Consumer Goods Manufacturing, Innovation, South East Nigeria, Environmental Constraints, Policy Reform

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1. Introduction

Over the past decade, the significance of manufacturing businesses cannot be overstated, especially in the sector that produces consumer products. The sector has experienced substantial growth on a global scale (Muhanika, 2021). In any case, the emerging business environment ecosystem is currently being scrutinized and subjected to new sustainability-related regulations (Adeyemi, Pinto, Sunmola, Aibinu, Okesola, & Adeyemi, 2024; Khan, Tomar, Fatima, & Khan, 2022). This, in conjunction with the challenges of conducting business, such as insecurity, exchange rate volatility, political instability, inconsistent policies and institutional frameworks, inadequate access to finance, and high interest rates (Muhanika, 2021), and this has led to a significant percentage of manufacturing industries especially the sector producing consumer products, particularly in Nigeria, relocating to a relatively favorable business environment ecosystem. This has also limited the manufacturing revenue and economic contribution of these businesses in the country since the inception of the civilian regime (Onye, Dasi & Etuk, 2023).

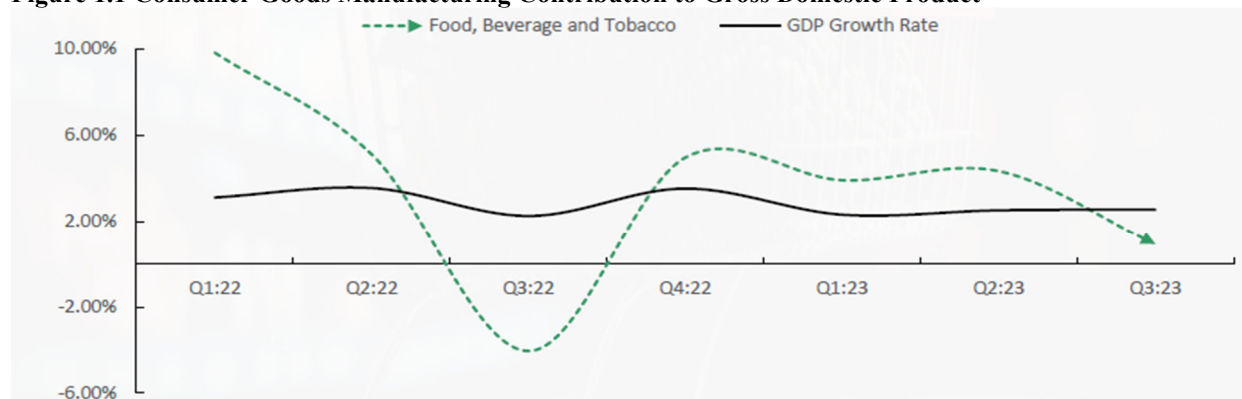
The business environment in South East Nigeria has a significant impact on the performance of the consumer goods manufacturing industry. This ecosystem includes the institutions, infrastructure, regulatory frameworks, market conditions, and socio-political factors that affect business and industrial activity (World Bank, 2020). This ecosystem encompasses both formal and informal mechanisms that either facilitate or hinder production, innovation, market access, and competition. This ecosystem in Southeastern Nigeria has long-standing industrial traditions that are at odds with a lack of infrastructure, uncertain macroeconomic policies, limited access to capital, and inefficient regulations. All of these things have a direct effect on the production of consumer goods. South East Nigeria has always been a place where people start businesses. This is especially true in Aba (Abia State) and Nnewi (Anambra State), where informal manufacturing clusters have emerged in response to the government's neglect, leading to significant unemployment (Okonkwo, 2020). These small ecosystems functioned as micro-industrial enclaves, producing items such as clothing, leather goods, and household goods. These clusters were

very resilient and adaptable, but they were part of a weak national business environment ecosystem that did not offer much institutional support, had unreliable infrastructure, and made it difficult to access funding (Akinyosoye, 2021). This legacy continues to impact the expansion of industry in the area. In the regulatory part of the business ecosystem, the Southeast is still hindered by bureaucratic inefficiencies, various taxes, and inconsistent enforcement of national regulations. The Companies and Allied Matters Act (CAMA) 2020, along with the work of the Presidential Enabling Business Environment Council (PEBEC), aims to streamline business procedures and eliminate bottlenecks. However, their effects at the subnational level have not been the same (Okeke, 2022).

Many small and medium-sized manufacturing businesses in the area claim they are being harassed by multiple regulatory authorities and are required to pay multiple taxes to both state and local governments. These conditions make people less likely to invest and more likely to engage in informal work. A fragmented regulatory framework makes people less likely to trust institutions, which is a crucial component of a thriving business ecosystem (Adebayo & Olayiwola, 2023). Shibia (2023) states that the business environment ecosystem, comprising laws, regulatory frameworks, institutional arrangements, and physical infrastructure, is crucial for either facilitating or hindering business operations. Legal and physical elements are just one part of this ecosystem. It also encompasses social and economic factors, as well as institutional dynamics, that collectively impact a business's performance. Handoyo, Mulyani, Ghani, and Soedarsono (2023) and Alkali and Isa (2019) suggest that a company's traits are directly related to both internal and external factors. The literature repeatedly emphasizes that a company's age, industrial sector, capital base, and size are key internal factors that interact with the external business ecosystem to influence performance outcomes (Handoyo et al., 2023).

Handoyo et al. (2023) state that the environment in which a business operates, encompassing market conditions, legislative frameworks, and institutional support, has a significant impact on how the organization behaves and its actions. When it comes to manufacturing consumer goods, these ecosystem components have a direct impact on the ease of doing business, which in turn affects a business's performance and profitability (Reddy et al., 2023). Market demand has become a crucial indicator of the business climate's health, as customers become increasingly aware of product quality and ethical sourcing (Nudurupati, Garengo, & Bititci, 2021). The business environment ecosystem is both a force that pushes companies to change and a limit on how they can do so. Handoyo et al. (2023) stress again how important it is to look at how a company acts from two points of view: the internal environment (which includes the company's features and strategic skills) and the external environment (which includes market uncertainty, changes in regulations, and the level of competition). Manufacturing companies must effectively manage the interactions between internal and external factors within the larger ecosystem to remain competitive and achieve their strategic objectives (Zhu, Chen, Zhao, & Yu, 2023; Nudurupati et al., 2021). Alkali and Isa (2019) and Pearce and Robinson (2021) both agree that the external business environment is a complex and interrelated system that encompasses factors such as macroeconomic conditions, government regulations, global trends, supply chain behavior, and customer expectations. The adaptability and efficacy of management's responses typically decide how much this external environment affects a manufacturing company's strategy (Sedyastuti et al., 2021). Ashinze (2023) and Meristem (2023) both suggest that the consumer products business in Nigeria is a reliable indicator of consumer sentiment and economic stability. The Nigerian consumer goods industry is more than just a group of enterprises that make and sell things. It is a living, breathing example of what Nigerians like, how they live, and what they do (Meritem, 2023). This complex industry encompasses a diverse range of products, including food and drink, personal care items, technology, and a wide array of other items. It gets to the heart of how buying habits and economic patterns are constantly shifting (Ashinze, 2023). As of the third quarter of 2023, the Nigerian food and beverage industry made up 49.01% of the manufacturing sector's GDP (National Bureau of Statistics, 2024). The food and drink industry has been experiencing a decline since the first quarter of 2022, when it reached its highest growth rate of 9.81%. The food and drink industry expanded by 0.92% in the third quarter of 2023. This is down from -4.05% in the third quarter of 2022 and 4.94% in the fourth quarter of 2022 (NBS, 2024). There have been numerous problems in the consumer goods sector, highlighting the ease of doing business in Nigeria. Some of these problems include unstable currency rates and inflation rates, which means that prices are increasing and customers' spending power is decreasing. Inflation in the country is at its highest level in 18 years (28.20% as of November 2023), which has changed how people shop, how much money they have, and how they spend it. This has changed the dynamics of the sector (Ashinze, 2023). This rise in inflation is partly due to ongoing supply chain issues. Food prices have been consistently increasing due to poor infrastructure, safety issues in commodity-producing regions, and rising oil prices, which have made it more expensive to transport agricultural goods. As a result, food costs have increased by 32.84%, the most significant rise in 18 years. Figure 1.1 illustrates that Nigerian consumer goods companies have contributed to the economy's growth, despite facing challenges (Ashinze, 2023).

Figure 1.1 Consumer Goods Manufacturing Contribution to Gross Domestic Product



Source: NBS, Meristem Research

Source: NBS (Meritem, 2023)

Across demographics, historical periods, and geographical regions, researchers have examined how a country's business environment affects its manufacturing sector. Ouanhlee (2024), Shibia (2023), Handoyo et al. (2023), Sedyastuti (2021), Pearce and Robinson (2021), Muazu (2020), Adeoye and Elegunde (2019), and Adejumo (2019) have investigated the impact of environmental changes on industrial outputs. These studies provide useful information, although their regional focus, methodological scope, and temporal context vary. The impact of the South East Nigerian business environment on consumer goods production is still little understood. This ecosystem encompasses regulations, infrastructure, market access, institutional support, as well as social and political factors. This region inside a country has its institutions, infrastructure, and social and economic issues that can affect outcomes differently from national and global levels. Its focus on South East Nigeria distinguishes it from past studies that have not contextualized or critically analyzed the relationship between the business environment ecosystem and the performance of the consumer goods manufacturing sector. This personalized technique provides region-specific insights to fill literature shortages.

2. Literature Review

2.1. Nexus between Business Environment Ecosystem and Business Environment

The business environment ecosystem refers to the complex and dynamic interaction of internal and external factors—including institutional frameworks, regulatory policies, market conditions, infrastructural support, socio-cultural dynamics, technological developments, and environmental constraints—that collectively shape the operational context and strategic decisions of businesses (Handoyo et al., 2023; Zhu, Chen, Zhao, & Yu, 2023). It is an integrated system in which companies not only affect but also help shape the development of the larger economic and institutional landscape. This ecosystemic view understands that a business's success depends not on individual factors, but on how well different parts of the environment work together and remain stable (Reddy et al., 2023). Additionally, the business environment ecosystem encompasses various stakeholders, including governments, suppliers, customers, banks, and competitors. Their interactions create either conditions that help or hurt a company's ability to compete and innovate (Nudurupati, Garengo, & Bititci, 2021). This ecosystem is typically hurt by poor institutions, a lack of infrastructure, inconsistent policies, and unstable markets, especially in developing nations like Nigeria. All of these factors have significant impacts on sectors such as consumer product manufacturing. By viewing the corporate environment as an ecosystem, we can gain a comprehensive understanding of how companies adapt, thrive, or excel in a specific location and economic context.

Figure 2.1 the Figure Below Illustrate Business Environment Components



Source: (Handoyo et al., 2023; Zhu, Chen, Zhao, & Yu, 2023).

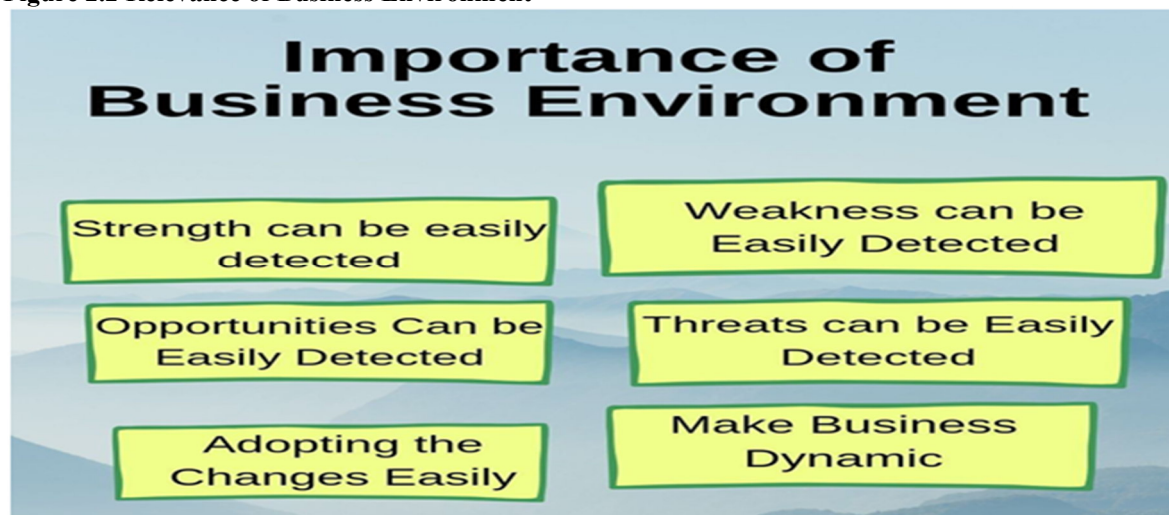
The business environment (BE), on the other hand, is highly dynamic, characterized by information that is

not always clear and events and activities that are not always predictable (Patil & Kinage, 2020). Because of this, we need to change the way we run businesses and devise new ways to compete in the global market that influence and shape business activities. Therefore, understanding the environmental business circumstances of any system is a constraint and a determining factor in business settings that are constantly evolving worldwide (Adagba & Shakpande, 2022). Like many other developing countries, Nigeria's business climate is characterized by market and demand unpredictability, a high cost of living, poor infrastructure that slows down delivery times, and weak public regulations (2020). Researchers have found that the conditions and traits of the business environment have a significant impact on the overall performance of an industry (Adagba & Shakpande, 2022; Patil & Kinage, 2020). Haruna et al. (2018) suggest that the first step in any research on organizations should be to examine the business environment. This means that environmental business factors or determinants, which include both internal and external factors, have a significant impact on how businesses operate within a country.

Daniel et al. (2019) note that one aspect that distinguishes the outside world is that businesses cannot alter it. Anekwe, Ndubuisi-Okolo, and Uzozie (2019) state that a firm cannot operate in isolation. A firm often works in a complicated setting. There will probably be significant changes in the environment itself. Mutuality refers to the relationship between a business and its environment, where the business has an impact on specific aspects of its surroundings, and the environment, in turn, has an impact on the business. An organization's performance depends on how well it can adapt to its surroundings, which are affected by the environment in which it works (Anekwe et al., 2019). One of the ways people contribute to making the world a better place is by ensuring that businesses can grow in a sustainable and supportive environment. The government needs to provide infrastructure that fosters an environment conducive to both people and the planet. Fear and uncertainty have made Nigeria's economic environment worse in recent years. Many businesses, especially small ones, have failed, and the big ones have left the nation.

Anekwe et al. (2019) and Ouanhlee (2024) state that the business environment encompasses all the elements in the environment that can affect or inspire a firm. Ouanhlee (2024) states that the business environment comprises social, political, cultural, and financial factors that influence a company's survival, growth, and development. Changes in government law and customer requests are examples of these kinds of circumstances. Anekwe et al. (2019) suggest that managers need to reconsider their approach to their jobs due to the impact of information technology, global competition, the quality service revolution, and corporate social responsibility. The paradigm shift is giving rise to new businesses that are more aware of their surroundings, both inside and outside.

Figure 2.2 Relevance of Business Environment



Source: Ahmedov, (2022).

Management cannot influence the external business environment. The company must understand its workplace to improve. Enterprises and the environment interact in a two-way manner. This makes reasonable because organizations face opportunities, constraints, resources, and dangers (Ahmedov, 2022). Nigerian small and medium-sized enterprises face numerous challenges that can render the workplace unsafe for investors (Anekwe et al., 2019). Therefore, understanding these factors and their impact on organizational performance is crucial. According to Anekwe et al. (2019), internal effects are integral to an organization's operating framework and impact numerous business areas. Anekwe et al. (2019) discuss government rules, a poor economy, political instability, cheap competitors, changes in consumer behavior, environmental and health concerns, new technologies, natural disasters, changes in input supply, fluctuations in macroeconomic variables, and terrorist attacks. Internal factors include low-quality staff, internal control issues, poor financial and resource management, operational problems, high employee turnover, and excessive leverage. Ahmedov (2022) claims that the global

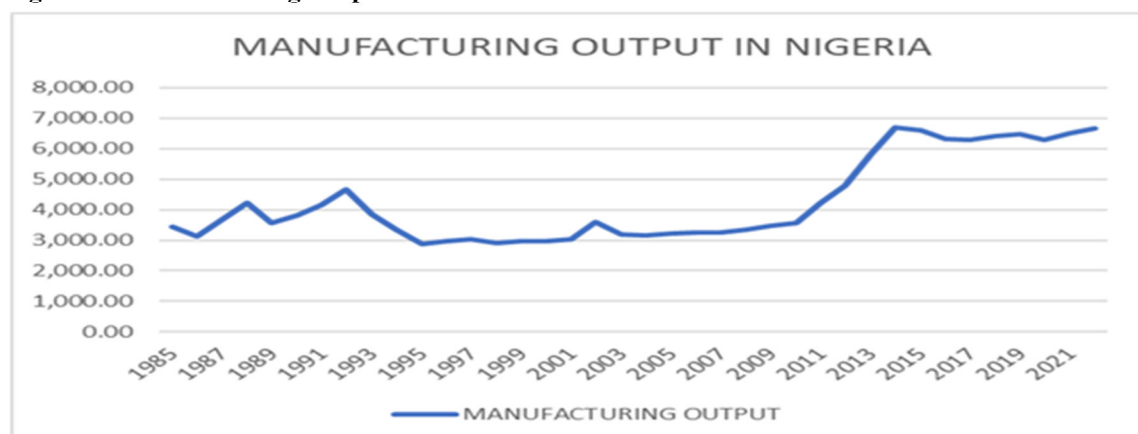
business environment affects corporate performance especially the manufacturing consumer products industries.

2.2 South East Nigeria's Economic Business Environment Ecosystem and Consumer Goods Manufacturers

Manufacturing, which transforms raw materials or parts into finished goods through physical, mechanical, or chemical processes, remains a key driver of economic growth. This method enables companies to generate profits by creating products that are worth more than the cost of their inputs. The economy of South East Nigeria relies on consumer goods, mainly food and drinks, household items, and FMCGs. The region's complex business environment encompasses a diverse ecosystem of institutional, infrastructural, regulatory, socio-economic, and market aspects, presenting both opportunities and challenges for the sector.

Consumer product manufacturers are struggling worldwide, particularly in wealthy nations such as China, Singapore, and Malaysia (Alase, Okusanya, Oguntuase, & Babalola, 2023). According to the Deloitte Report (2020), open market policies, global competition, and market saturation are causing enterprises to lose money and market share. Nigeria has similar, and sometimes worse, global issues. Poor institutions and structural issues struck the South East the most. According to the Manufacturing Association of Nigeria (2021), the Nigerian manufacturing ecosystem has many systemic issues. These include unclear rules, rising energy costs, inadequate logistical infrastructure, raw material shortages, inflation, high financing costs, and fluctuating exchange rates. These issues increase costs, make it difficult to compete, and erode investor confidence in the manufacturing sector. Nigerian manufacturers struggle to compete due to economic restraints, according to research. Akabike (2020) and Afolabi & Lasehinde (2019) found that poor management, corruption, bureaucratic inefficiency, and rising expenses made enterprises less productive, less lucrative, and less innovative. According to Ojeleye et al. (2020), Nigerian manufacturers underperform because they fail to utilize their full potential and employ inadequate management approaches, particularly in unpredictable macroeconomic conditions. Previously, research concentrated on how inflation, exchange rates, and interest rates affect manufacturing. They overlooked the impact of managerial abilities and adaptability on these results (Egbunike & Okerekeoti, 2020; Issah & Antwi, 2019). These findings demonstrate how market actors, institutional facilitators, and infrastructural platforms interact to shape the region's manufacturing potential from a business ecosystem perspective. The business environment ecosystem contains regulations, economic incentives, institutions, human capital, and innovative ideas. These issues commonly lack or do not work correctly in Southeastern Nigeria (Chukwunonso & Ugochukwu, 2022). This dysfunctional environment makes it more challenging for consumer products companies to collaborate and acquire the assistance they need to grow, address global market issues, and transition to smart manufacturing. Despite its potential, the area's manufacturing industry has undergone significant changes in its contribution to the economy and job creation. Ogar, Okoi, and Ite (2024) report that manufacturing accounted for 9.46% of Nigeria's GDP and 13.37% of jobs from 1981 to 2024. Employment in the industry increased somewhat between 1986 and 1995, but its GDP contribution decreased, indicating lower productivity and efficiency. In the early 2000s, manufacturing's GDP output fell below average, and jobs plummeted. These data demonstrate that Nigeria's industrial foundation has more serious issues and that policies and ecosystems need to be adjusted for locations like the South East.

Figure 2.3 Manufacturing Output Secular Trends



Source: Central Bank of Nigeria Statistical Bulletin (2023)

Despite these ups and downs, the manufacturing sector has significant job growth potential, as manufacturing employment and GDP contribution are positively correlated with the sector's share of total employment. Manufacturing in Nigeria employs fewer people than other industries, mainly due to its relatively small GDP share and other factors (Ogar et al., 2024). Manufacturing accounts for less than 10% of Nigeria's GDP. The sector may not generate significant revenue, resulting in few job opportunities. Due to their ability to produce more with fewer

personnel than traditional manufacturing, IWOSS companies are more likely to create jobs. Global economic changes are pushing workers from manufacturing to services (Ogar et al., 2024). Developing nations, such as Nigeria, are expanding their markets for commodities. Manufacturing employment losses frequently lead to additional service industry positions. Nigeria's industrial sector rarely uses its full capacity compared to other strong economies. The industry is not performing well, which may make it harder to create new positions. Oil exports boost the economy, but most Nigerians farm. Akpunonu and Orajaka (2021) and Dauda and Ajeigbe (2021) caution that a focus on these areas may lead to reduced industrial investment and job opportunities. Manufacturing contributed to an 8.57% increase in GDP from 2016 to 2020. Its productivity rose 12.82%.

Notably, cement production increased by 43.24%. The textile, apparel, footwear, food, drink, tobacco, and wood and wood products sectors all expanded simultaneously. These data demonstrate the significant role of manufacturing in driving economic growth. The following empirical studies examine the performance of manufacturing companies. Using qualitative statistics and yearly data from 1960 to 2022, Tizhe et al. (2022) examined the extent to which Nigeria's industrial sector created jobs. The number of manufacturing jobs in Nigeria has decreased due to the closure of several companies. Manufacturing failures affect jobs and living conditions. A 2022 study by Edewor and Kollie examined the factors that facilitate the employment of young people in key Nigerian economic sectors. Comparative advantage (RCA), logit regression, and job elasticity were the study's descriptive statistics. Manufacturing is one of Nigeria's primary economic sectors that can create jobs at all levels, according to research. The survey found that Nigeria outperforms other nations in 17 export categories.

Business, industry, and manufacturing clusters are nationwide. Utilising these clusters' goods and services effectively will help more young people find employment. Manufacturing had the lowest employment elasticity at 0.056, and banking had the highest at 0.734 among the twelve industries that were not thoroughly analysed (Alifa et al., 2021). From 2017 to 2019, researchers found that small and medium-sized enterprises, as well as their output, significantly impacted the economy and job levels in Indonesian provinces. Production value and the number of small and medium-sized firms are independent. The region's economy and job market are closely intertwined. The study utilised secondary data, employing panel data regression. Panel data regression was done using the Fixed Effect Model on 102 of 34 samples. Production value and industrial units did not alter the region's economic dependent variable. Output value and factories produce jobs.

2.3 The Relationship Between technological, political factors and manufacture consumer products in South East Nigeria

The knowledge-based economy, along with international markets and industries, is driving the growth and expansion of technologically innovative goods and services. Okonkwo, Ene, Ude, Muna-Enwelu, and Chukwu (2023) state that the World Bank acknowledges the impact of new information and communication technology (ICT) products and technological advances on the economies of businesses in developing countries, which enable businesses to grow and develop. Startups can utilise innovative ICT solutions based on technology to enhance or replace existing networks and information systems, thereby opening up new markets. Technological progress has led to changes in society and the economy that facilitate and ease development (Okonkwo et al., 2023). Governments worldwide support policies and programs aimed at reducing the digital divide by providing less developed areas with greater access to ICT. Technological innovation is currently the most widely discussed topic in Nigeria's business landscape. It has achieved remarkable and incredible things in an area that has significant potential for long-term, sustainable economic growth. Danbatta (2019) states that the Nigerian Communications Commission (NCC) supports its efforts to promote ICT innovation and leverage new technologies. The NCC believes that these efforts will help the Federal Government achieve its goal of creating jobs that will enable millions of Nigerians to escape poverty and achieve wealth. He discussed the importance of ICT inventors, tech enthusiasts, and tech entrepreneurs. Their efforts will help people learn more about ICT, create jobs for the country's many young people, increase income, and contribute to the overall flourishing of the economy. For example, the ICT industry in Nigeria's economy accounts for 13.9 per cent of the GDP, surpassing the oil and gas sector, which, as of October 2019, comprised 8.8 per cent (NBS, 2023). The telecom business, and by extension, the overall ICT sector, may help 100 million Nigerians escape poverty by 2030. ICT innovations have the power to transform the economy in every way, improve people's lives, and generate wealth that has never been seen before for Nigerians, both individuals and businesses in the industry (NBS, 2020). Both prosperous and developing economies believe that technological innovation is necessary for economic growth and success.

Okonkwo et al. (2023) suggest that improved technical innovation can lead to more innovative and sustainable economic growth, thereby facilitating business operations within the economy. Innovative ICT products are creating jobs and wealth in dynamic, knowledge-based economies because they have a clear potential to help people learn new skills. By combining theoretical knowledge acquired in school with practical expertise in the business and trade fields, it can successfully address the talent gap in the economy's technology sector. Okonkwo et al. (2023) emphasise that technical innovation is crucial for achieving long-term economic benefits from technological growth and development in the twenty-first century.

Olubodun (2019) says that the political atmosphere affects business and will continue to do so because firms are usually seen as trying to protect and grow their value. Businesses typically believe that market settings, which encompass factors such as interest rates and foreign currency rates, are more crucial to their operations than non-market settings, including the political environment (Olubodu, 2019). The political climate of a country also has a significant impact on whether businesses remain open. The government influences the country's economy through laws, regulations, policies, and other political actions. Businesses may perform better if their managers are aware of these government programs. To continue doing business, organisations must devise strategies to cope with, adapt to, or modify this environment in some way.

Olubodun (2019) also notes that the political atmosphere is crucial for every economy; however, excessive government interference can hinder businesses' growth and success, making it more challenging for them to contribute to the national economy as a whole. For instance, Nigerian government programs and rigorous corporate restrictions sometimes limit the options and success of companies, except for those owned by the government. Because the government often utilises big corporations as public examples, because they are well-known, their inability to meet political expectations quickly becomes a hindrance to their growth. The Nigerian telecom sector is one such example. In most developing economies, the political climate is such that government interference, political instability, and corruption consistently lead to problems, including higher costs for businesses and a reduced ability for businesses to improve their performance (Adamaagashi, Awakessien, & Awakessien, 2024). Businesses often fail to utilise all their resources because the country's political environment is poorly managed. This might make unemployment worse.

Some of the bad things that can happen when it is hard to do business in a country are kidnappings, armed robberies, terrorism, youth unrest, street crimes, and organised crime (Adamaagashi et al., 2024). These acts can harm the country's infrastructure and make it difficult for businesses to operate. Increasingly, businesses are concerned about security for the sake of their employees and buildings. This makes it more difficult for them to conduct business and generate profits for their shareholders. As part of this alignment, companies should be included in making strategic decisions to lessen any adverse effects on performance (Adamaagashi et al., 2024). When these difficulties co-occur, they make it challenging for businesses to operate and incur costs. This fee increases the total cost of the goods and services provided to clients. To improve performance, companies may need to take various steps to mitigate the impact on their business. Olubodun (2019) says that these difficulties are what make the political climate in most underdeveloped countries, including Nigeria, what it is. When laws are too strict, customers have less buying power because all the costs (including the time and money it takes to comply with rules and policies) are passed on to the people who utilise an organisation's goods or services. For example, the Manufacturers Association of Nigeria (MAN), which is made up of companies that make things for consumers, recently had to ask for a special FX window because there was not enough foreign exchange (FX) to buy raw materials that were not available in Nigeria. This was intended to mitigate the effects of the limited supply and ensure that the companies could continue operating (Nairametrics, 2024). The way it portrays people's behaviour around it is reactive, but it highlights the overall impact of the country relying on a single product for all its income. When the economy slows down, the manufacturing sector's capacity utilisation decreases, and both the government and industry must contend with the effects. To protect their current or future organisational assets, businesses may decide to follow the government's political actions or try to build a relationship with it. However, firms need to develop dynamic abilities to shape the political environment through their strategic actions, as it is changing rapidly and in numerous ways (Adamaagashi et al., 2024).

2.4 Review of Theories

Dynamic Capability Theory

Eisenhardt and Martin (2000) developed the Dynamic Capability Theory (DCT) as an extension of the Resource-Based View (RBV). It focuses on how an organisation can adapt, integrate, and reconfigure its internal and external resources in response to changing environmental conditions. The theory suggests that companies do not just have a long-term competitive edge because they possess resources; they also have a long-term competitive edge because they can effectively manage those resources through innovation, flexibility, and strategic responsiveness. One of DCT's biggest strengths is that it can be used in unstable circumstances, where businesses—especially private ones—can utilise their capacity to adapt and stay ahead of their competition (Panibratov & Klishevich, 2020). However, its limitation is that it is complicated, and there is no explicit agreement on how to evaluate and utilise dynamic capabilities, which makes it difficult to apply consistently across industries (Kevill et al., 2021). DCT is very important in the business environment ecosystem in South East Nigeria because it helps explain how companies that manufacture consumer goods can survive and thrive in times of political uncertainty, technological change, and economic upheaval. These companies can better address infrastructure problems, changing market needs, and new regulations by learning about and improving their dynamic skills. This will make the region more resilient and competitive in the long run.

Resource-Based View (RBV)

According to Riviere et al. (2021) and based on earlier work by Barney (1991) and Teece et al. (1997), the Resource-Based View (RBV) says that a company's long-term competitive edge comes from its ability to acquire, develop, and strategically use unique internal resources and capabilities, especially those that are valuable, rare, hard to copy, and cannot be replaced. The notion suggests that intangible assets, such as culture, experience, and employee expertise, are crucial for a company, as they are unique to that organization. Competitors cannot easily copy these things. One of the best things about RBV is that it focuses on establishing long-term strategic assets and internal capabilities, which align with how organizations' demands change in uncertain settings. However, its biggest flaw is that it does not adequately address changes in the external world and how internal resources interact with external threats or opportunities (Arend & Bromiley, 2011). RBV provides a fundamental framework for understanding how consumer manufacturing companies in Southeastern Nigeria can leverage their internal strengths, such as skilled workers, production expertise, and localized innovation, to remain competitive despite challenges like infrastructure issues, inconsistent policies, and shifting economic conditions. Therefore, the RBV remains crucial to this study, as it contributes to the Dynamic Capability Theory by examining how companies can enhance their resilience and adaptability.

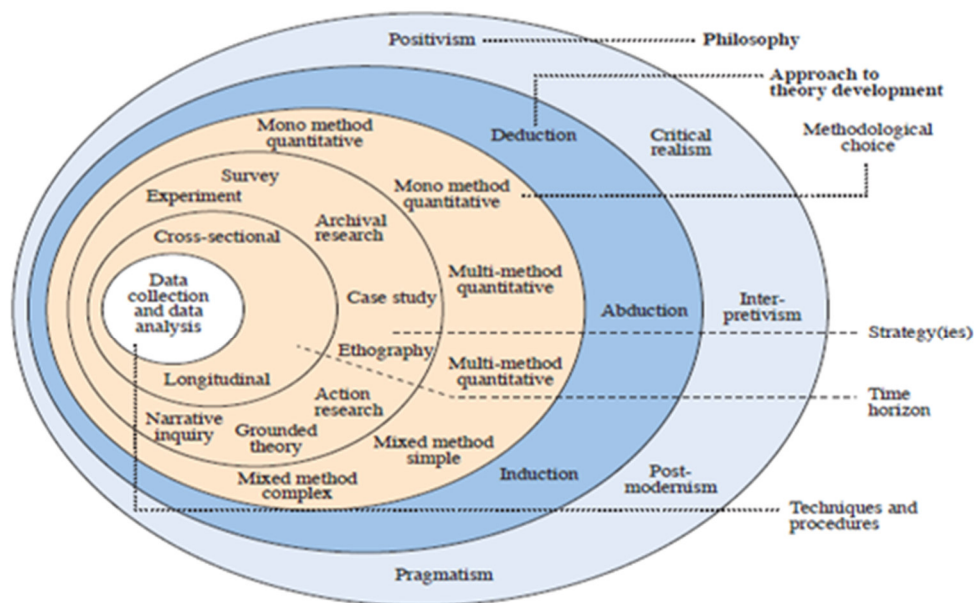
2.5 Literature Gap

Researchers have examined how the business or corporate environment impacts industrial performance across various regions, sectors, and periods. Ogunmuyiwa (2022), Asogwa and Onukwuli (2020), Pearce and Robinson (2021), Ojimba et al. (2023), Arahyl (2022), Bello et al. (2022), and Kinange and Patil (2020) have all done research that has helped us understand how outside variables affect company outcomes. The results of these studies, on the other hand, are often different because they use different methods (like econometric modelling, time-series analysis, or case studies) and look at different contexts, from national-level evaluations to sector-specific studies in areas outside of South East Nigeria. There is considerable research available, but few empirical studies examine the business environment ecosystem in the South East region of Nigeria and its impact on the consumer manufacturing sector. This ecosystem includes political, social, cultural, technological, and financial aspects. Most previous research has overlooked the unique structural and institutional factors that characterize this geopolitical zone, including poor infrastructure, fragmented markets, inconsistent local policies, and socio-political dynamics that can impact the performance of industries and the effectiveness of consumer-oriented manufacturing. This study also differs from earlier ones in that it uses a systematic questionnaire to gather detailed information from manufacturing companies in the area. This enables the classification and analysis of business environment variables in a more detailed manner, breaking them down into four categories: political, socio-cultural, technological, and financial. This study also employs the onion theory framework (Saunders et al., 2016) to develop a layered interpretive model that integrates external environmental factors with internal firm dynamics. This provides a comprehensive understanding of how the ecosystem influences industrial decision-making and productivity. In short, this study fills a significant gap by focusing on South East Nigeria, employing a theory-based, context-sensitive methodology, and examining the consumer manufacturing sector specifically, which has not been extensively studied in the past. This provides us with a clearer understanding of the specific problems and opportunities in the region that impact industrial outcomes.

3 Methodology/Theoretical Framework

This study employs the Onion Research Model by Saunders et al. (2019) to examine how the economic, technological, political, and socio-cultural environments in South East Nigeria influence the production of consumer goods. The model's tiered approach helps create a clear and organized research design that guides the study from its conceptual roots to the methods for collecting data. Bryman and Bell (2019) note that this is especially helpful in ensuring clarity and minimizing bias among researchers. Using this framework, the study employs structured questionnaires to objectively assess how various aspects of the business environment impact the performance and decision-making of manufacturing companies in the area.

Figure 3.1 Onions Theoretical Framework



Source: (Saunders et al 2019)

Raithatta (2017) says that the study onion gives a clear account of the main procedures that must be taken to create a successful technique. Figure 3.1 illustrates that an investigation procedure involves distinct steps, even when employing Onion model research methods. In any event, the pictures illustrate the philosophical framework, research method and strategy, and other aspects of data analysis that are intended to yield the results of a study. This study, on the other hand, used the research approach mentioned.

3.1 The Area of Study

The research area is one of the inner layers of the Onion Model. It is comprised of "tactics" for collecting and analyzing data more effectively (Mahesh, 2020). The research area helps the researcher narrow the study down to a specific part of the entire population, making data collection and analysis easier (Alturki, 2021). This study examines the states of Abia, Anambra, Ebonyi, Enugu, and Imo, which comprise the Southeast geopolitical zone of Nigeria. Anthropologists note that the Igbo people, native to Nigeria's southeastern geopolitical zone, are recognised for their entrepreneurial spirit (Ojimba, Okafor, Okeke, & Mbah, 2023). The Igbo are the third largest ethnic group in Nigeria. There are more than 1,000 people per square mile in a short area, which makes them quite densely packed (Ojimba et al., 2023). The Southeast was chosen as the location for manufacturing consumer goods due to its ability to adapt to the country's industrialisation efforts, its proximity to raw materials and resources needed to produce consumer goods, and the fact that the manufacturing sector is so broad that it needs to be narrowed down to a smaller segment. There are numerous manufacturing centres in Southeastern Nigeria, including Onitsha, Aba, and Nnewi. This makes the area great for studying how to create consumer goods. Ojimba et al. (2023) argue that the region is an ideal location for studying the impact of the business environment on performance, as it produces a wide range of consumer goods, including textiles, food processing, cosmetics, and plastics. Obasi (2023) states that examining the consumer goods manufacturing sector in South East Nigeria is crucial for understanding the region's economic growth and development, as it significantly contributes to the region's GDP.

3.2 The size and method of sampling for the study population

The study's population is made up of five (5) chosen consumer goods and small and medium-sized businesses that are currently operating in South-East Nigeria. There are more than two hundred and sixty (260) enterprises in the region, and these firms will be chosen by judgmental sampling (Ojimba et al., 2023). As a result, all of the companies' permanent employees are part of the sample for this study. Akman (2023) says that judgmental sampling is a type of non-probability sampling in which the researcher uses their best judgment. He said that when the researcher already knows a lot about the topic, judgment sampling can be an excellent alternative to a large-scale population sample. The poll included companies like Calumarv Konsult, Mr Biggs Foods, Nnewi Cutix Cable, Innoson Motors, and Luchee Collections.

3.3 Gathering Data Strategy

Bouchrika (2024) states that the phrase "data collection strategy" refers to the methods used to gather data for easy analysis and interpretation. Data is a crucial component of research, as it influences how the study's objectives are achieved and how recommendations are formulated. The researcher used a standardized questionnaire to gather data for this investigation, regardless of the method employed. Before administering the questionnaire to the respondents, several questions were reviewed to ensure they aligned with the study's goals and objectives (Tiwari, 2024). A structured questionnaire is helpful because it is inexpensive and easy to use for gathering information from a large number of people. It also lets you see how different people feel about the same subject. (Cleave 2023) The researcher used Google Forms to share the data collection tools online with a WhatsApp group of respondents who worked for the five selected consumer goods companies. The Human Resource Department of each company helped set up the group. Google Forms is an online research tool that allows you to send questionnaires to people who may not be easily accessible. It makes things easier for the researcher by eliminating the need to travel to the study location solely to administer the surveys. The reason for using this medium is that Google Forms is a quick and easy way to collect data in various settings, ranging from academic research to business surveys. (Tiwari, 2024). We utilized a structured questionnaire to get the data. The 5-point Likert scale is straightforward to comprehend, which may make responders more interested. This makes it easier to understand and reply, which means more people will do so and the data will be more accurate (Christina, 2024). The questionnaire consists of three parts. Part A includes an introduction that informs respondents about the researcher's objectives and assures them that their answers will be kept confidential. Part B contains the demographic information of the respondents, including their gender, age, level of education, length of service with the organization, and work position. Section C talked about how the study topics were graded. Additionally, the research supervisor reviewed the instrument to ensure its reliability, and a pilot test was conducted with 10 participants. The purpose of the reliability test is to make sure that the tool accurately represents the study's goals and objectives.

3.4 Method of Data Analysis

SPSS statistical software was used to look at the data. IBM bought SPSS, a flexible set of statistical software, in 2009. Williams (2024) states that SPSS offers a fast visual modelling environment that can handle models of varying complexity levels. People use SPSS to get data for research, coding, and market research. The reason for using this software instead of other statistical programs is that it has excellent data processing capabilities, particularly its ability to combine files, whether they pertain to the same subjects with different variables or different subjects with the same variables (Williams, 2024). We collected the data using Google Forms and then transferred it to Excel to ensure its accuracy. This prevented any problems that could have affected the calculations, making coding easier for more accurate analysis. Chalisa (2019) supports the reasoning for using the coding approach by stating that coding is proper when a study lacks a hypothesis to test. The researcher aims to determine the respondents' views on the topic. Because the respondents held different viewpoints, the analysis must be postponed until all the data have been collected.

The study also utilizes tables, frequency distributions, charts, percentages, and means to examine the demographics of the respondents and address the research questions. We used tables, frequency distributions, charts, and percentages to examine the patterns in the survey responses. The mean was also used to examine and clarify the study's research questions and objectives. Kumar (2018) stated that these measures of central tendency were beneficial since they facilitated the ease of understanding data analysis in research investigations.

4. Data Presentation, Analysis and Interpretation

This chapter primarily focuses on analyzing the data collected in the previous chapter. There are two parts to the data analysis. The first subsection illustrates the distribution of participants by age, gender, and other factors. We need to know the participants' demographic information so that we can appropriately group them and have a clear picture of their traits before we start the primary data analysis. The second part presents and analyses the primary study questions.

4.1. Presentation of Participants' Demographic Information

The figures below summarize the demographic distribution.

1. Gender

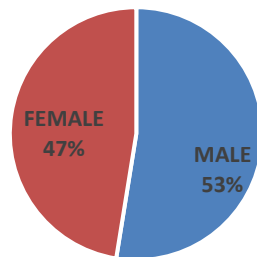


Figure 4.1: Gender of the Participants

Figure 4.1 above reveals that 53% of the respondents were men and 47% were women. According to data from the National Bureau of Statistics (NBS, 2024), most people working in manufacturing in Nigeria are men. The male-dominated participants in this study largely agree with the NBS's findings about the business, which aligns with what most people have observed. Therefore, there is a good chance that the results will be accurate and dependable, as this research is based on demographic data from the Bureau of Statistics.

2. Age Group

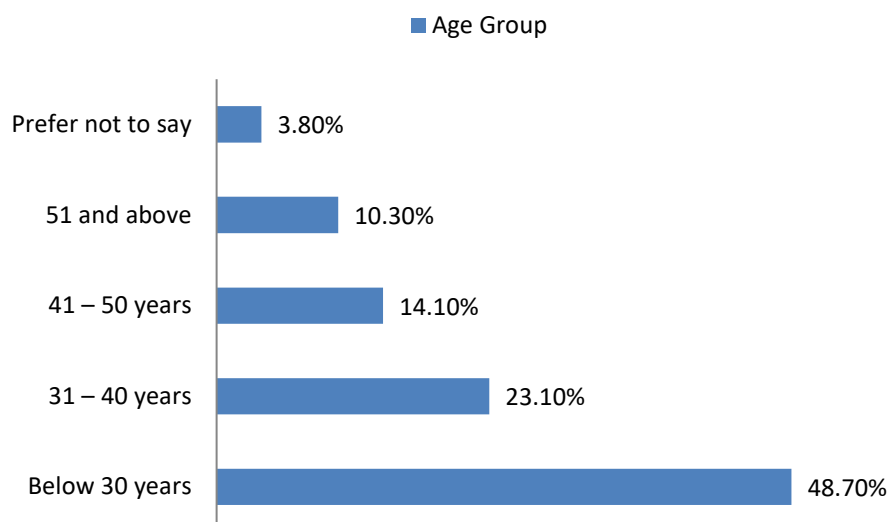


Figure 4.2: Age Distribution of the Participants

According to Figure 4.2, the majority of participants in the study were 30 years old or younger. They comprised 48.7% of all participants in the study. The age group of 31 to 40 years old came in second, with 23.1%. The oldest group was comprised of people aged 51 and above, who made up 10.3% of all respondents. It is vital to remember that 3.8% of the sample did not wish to disclose their age. So, the majority of people are 30 years old or younger. This suggests that Nigeria's manufacturing industry has considerable potential, as most of its workers are in their productive years. This is why this study focused on the right people.

3. Educational qualification

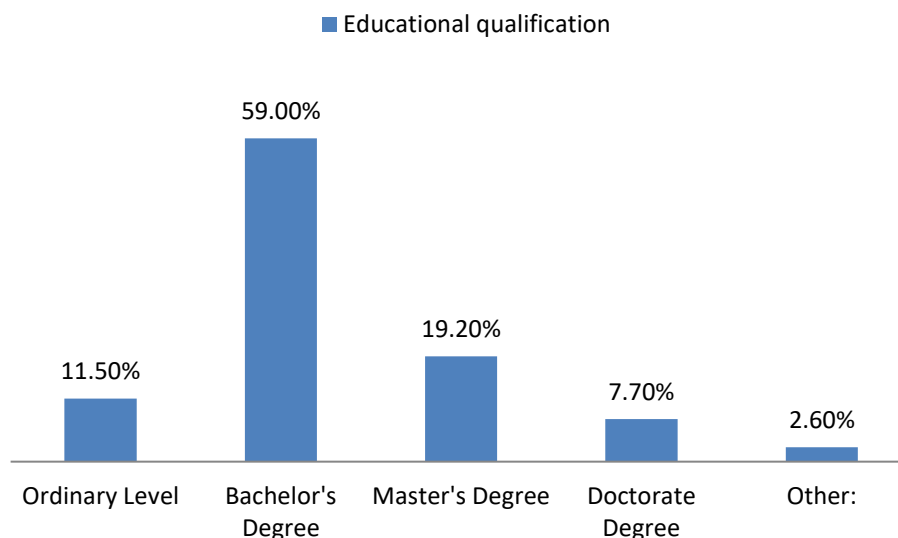


Figure 4.3: Educational Qualification of the Participants

The educational level of the participants is shown in Figure 4.3 above. The majority, or approximately 59 per cent, holds a bachelor's degree. Again, 19.2% hold a master's degree, and 11.5% have completed Ordinary Level school. This means that the majority of the people in the survey are full-time workers at small and medium-sized businesses who hold a bachelor's degree. However, just roughly 7.7 per cent have a PhD degree, which means that their educational qualifications are relatively evenly spread across..

4. Length of Service with the Organization

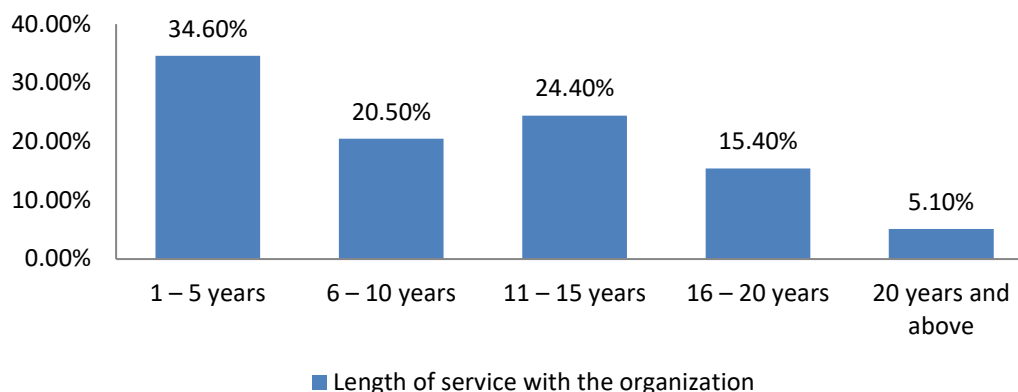


Figure 4.4: Participants' Length of Service with their Organization

The participants were asked how long they had been with their current company. Figure 4.4 above summarizes their statements. The results show that 34.6% of people have worked for their present company for 1 to 5 years, 24.2% for 11 to 15 years, 20.5% for 6 to 10 years, and 15.4% for 16 to 20 years. The participants are spread out relatively evenly, indicating that they are experienced workers rather than new hires who may not be familiar with their corporate environment. This makes the research more credible because it focuses on individuals who have been involved in the work for a long time.

5. Job Status

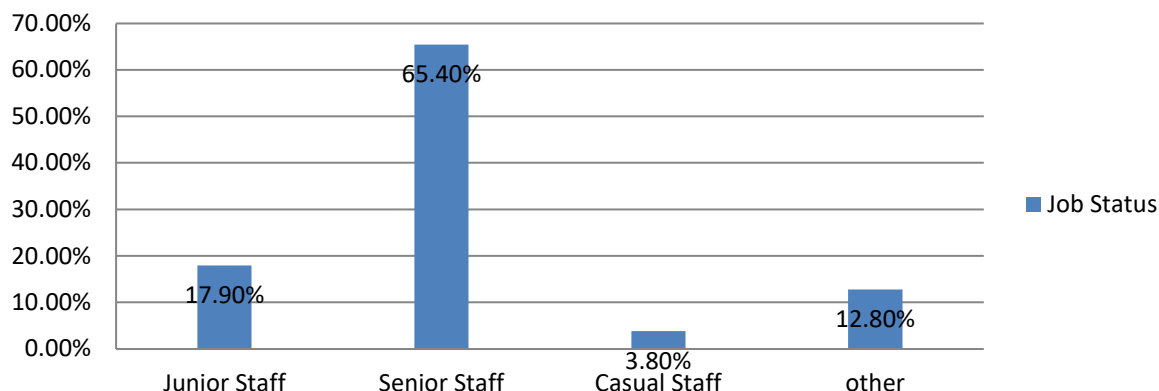


Figure 4.5: Participants' Job Status

Figure 4.5 illustrates that a significant proportion of respondents, 65.4% are senior staff members within their organizations. On the other hand, junior staff and casual personnel make up 17.9% and 3.8%, respectively. This indicates that the study primarily included senior-level employees from the selected small and medium-sized businesses. This is probably because they were more involved in and understood important organizational roles and decision-making processes.

4.2 Research Questions Analysis

In this sub-section, the research questions are analyzed using the mean value of the cumulative responses as a basis for making decision. The mean value is compared with the criterion mean of 3.0. The criterion mean is obtained by computing the average of the 5-point Likert scale. Any mean value that is above 3.0 is regarded as "Agreed" while any mean value that is below 3.0 is regarded as "Disagreed".

Research Question One:

How does the economic climate in South East Nigeria affect consumer goods manufacturers?

Table 4.1: Responses on Economic Business Environment

A	Economic Business Environment and Consumer Product Manufacturers	SA	A	D	SD	UND	Mean	Decision
1.	A lack of proper infrastructure hinders manufacturers of consumer goods in Nigeria.	47 (60.3)	31 (39.7)	0 (0.0)	0 (0.0)	0 (0.0)	4.60	Agree
2.	One of the main obstacles to the efficient management of consumer product manufacturers in Nigeria is the high interest rate.	29 (37.2)	47 (60.3)	0 (0.0)	2 (2.6)	0 (0.0)	4.32	Agree
3.	Management of Nigerian Consumer Product Manufacturers faces a challenge in the face of a high inflationary trend.	36 (46.2)	35 (44.9)	3 (3.8)	4 (5.1)	0 (0.0)	4.32	
4.	Manufacturers of consumer goods in Nigeria face challenges to their long-term viability due to prohibitively high entry fees and levies.	36 (46.2)	35 (44.9)	3 (3.8)	4 (5.1)	0 (0.0)	4.26	Agree
5.	The management of consumer product manufacturers in Nigeria faces a significant problem in the shape of the high cost of raw materials.	35 (44.9)	39 (50.0)	2 (2.6)	2 (2.6)	0 (0.0)	4.37	Agree
6.	The performance of Nigerian consumer product manufacturers is threatened by the changes of the currency exchange rate.	36 (46.2)	39 (50.0)	1 (1.3)	2 (2.6)	0 (0.0)	4.39	Agree
7.	A potential risk to the performance of Nigerian consumer product manufacturers is an epileptic power supply.	36 (46.2)	35 (44.9)	4 (5.1)	3 (3.8)	0 (0.0)	4.33	Agree

Source: Researcher's Field Work (2025)

Table 4.1 above summarizes the cumulative responses on the economic business environment factors that affect manufacturers of consumer goods in Nigeria. The participants mostly agree to the responses in the survey.

As a follow-up to the responses, the mean rating is made more explicit in figure 4.6 below:

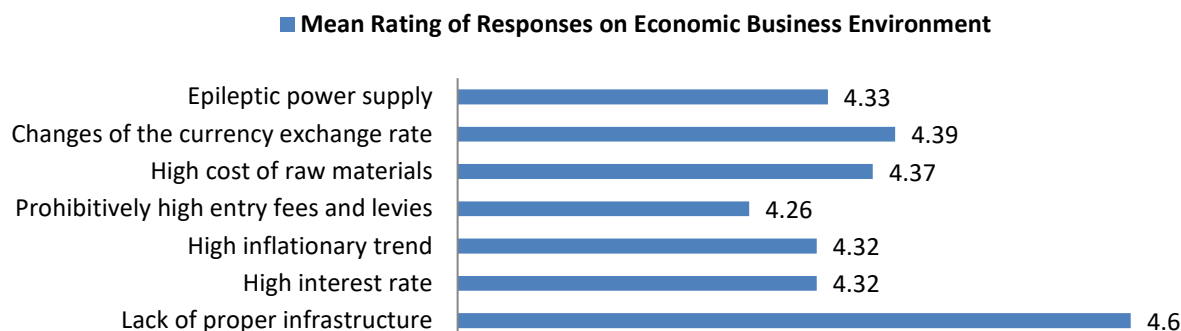


Figure 4.6: Mean rating of Participants on Economic Business Environment

The results show that the biggest problem for manufacturing companies is poor infrastructure, which had the highest mean score of 4.60, showing that most people agreed. Other significant problems are changes in the exchange rate ($\bar{x} = 4.39$), high prices for raw commodities ($\bar{x} = 4.37$), and power outages ($\bar{x} = 4.33$). High interest rates and inflation were also named as major economic problems, with an average score of 4.32 for each. High entry fees and levies were still important, although they were the least important concern, with a mean score of 4.26.

Research Question Two:

Are businesses in South East Nigeria that make consumer goods affected by political and technological factors?

Table 4.2: Responses on Political and Technical Factors

B	Political and Technical Factors that Affect Manufacturers of Consumer Products In South East Nigeria	SA	A	D	SD	UND	Mean	Decision
8.	Companies in the Management of Manufactured Consumer Goods in South East Nigeria have difficulties due to ineffective network systems and communication.	36 (46.2)	36 (46.2)	3 (3.8)	2 (2.6)	1 (1.3)	4.33	Agree
9.	The Management of Companies that Produce Consumer Products inadequate access to information and technology is a concern in South East Nigeria.	29 (37.2)	43 (55.1)	3 (3.8)	3 (3.8)	0 (0.0)	4.25	Agree
10.	Companies in the Management of the Manufactured Consumer Goods industry face challenges due to a need for sufficient technical expertise. Southeastern Nigeria.	38 (48.7)	36 (46.2)	3 (3.8)	1 (1)	0 (0.0)	4.37	Agree
11.	The management of enterprises that manufacture consumer products in South East Nigeria is impacted by inadequate modern equipment.	32 (41.0)	40 (51.3)	3 (3.8)	3 (3.8)	0 (0.0)	4.29	Agree
12.	Management of Manufactured Consumer Goods Firms in Southeast Nigeria Faces Challenges from High Crime and Insecurity Rates.	37 (47.4)	33 (42.3)	1 (1.3)	6 (7.7)	1 (1.3)	4.26	Agree
13.	The management of consumer goods manufacturing companies in southeast Nigeria is negatively impacted by government regulations.	29 (33.3)	39 (50.0)	8 (6.4)	5 (6.4)	0 (0.0)	4.37	Agree
14.	Management of Manufactured Consumer Goods Firms in Southeast Nigeria Face Difficult Regulatory Environments.	33 (42.3)	39 (50.0)	1 (1.3)	4 (5.1)	1 (1.3)	4.26	Agree

Source: Researcher's Field Work (2025)

Excerpts from Table 4.2 above show the cumulative responses on the political and technical business

environment factors that affect manufacturers of consumer goods in Nigeria. Also, the participants mostly agreed to the responses in the survey and so the mean rating of their responses is computed and shown in figure 4.7 below for clarity:

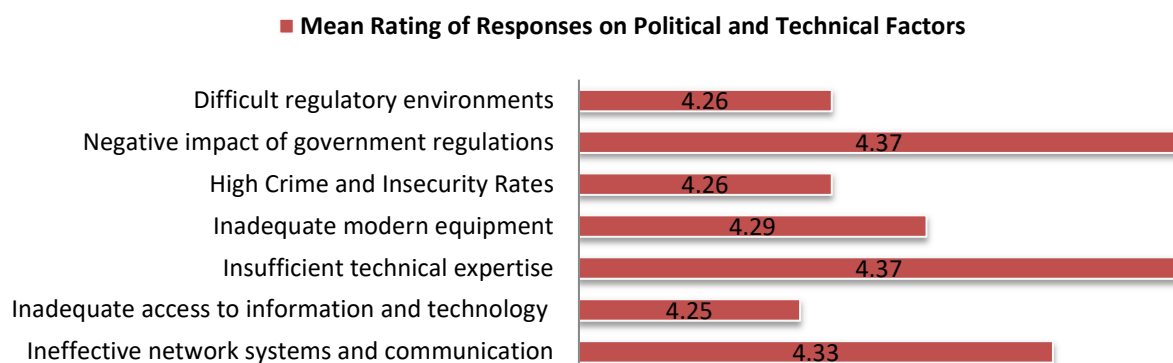


Figure 4.7: Mean rating of Participants on Political and Technical Factors

Figure 4.7 shows that the respondents identified government rules and a lack of technical knowledge as the two most significant political and technical problems facing manufacturing activities in South East Nigeria. Both problems got a mean rating of $\bar{x} = 4.37$. Poor communication and networking systems ($\bar{x} = 4.33$) and insufficient modern equipment ($\bar{x} = 4.29$) were also identified as significant problems for operations. Other concerns included a challenging regulatory environment and high crime and insecurity rates (both $\bar{x} = 4.26$), as well as a lack of information and technology ($\bar{x} = 4.25$). All of these factors make it difficult for manufacturers in the area to operate.

Research Question Three:

To what extent has socio-cultural factors affected the operations of consumer goods manufacturing firms in South East Nigeria?

Table 4.3: Responses on Socio-cultural Factors

C	Socio-Cultural Business Environment Factors	SA	A	D	SD	UND	Mean	Decision
15.	Belief in religious entities has a negative impact on consumer product manufacturing management in southeastern Nigeria.	26 (33.3)	39 (50.0)	8 (10.3)	5 (6.4)	0 (0.0)	4.10	Agree
16.	Consumer Product Manufacturing Management in Southeast Nigeria is Affected by Shifting Consumer Behaviour.	30 (38.5)	35 (44.9)	5 (6.4)	7 (9.0)	1 (1.3)	4.10	Agree
17.	The Management of Consumer Product Manufacturing in Southeast Nigeria is Constrained by Customer Beliefs and Norms	20 (25.6)	42 (53.8)	9 (11.5)	7 (9.0)	0 (0.0)	3.96	Agree
18.	Southeast Nigeria's consumer product manufacturers are plagued by inadequate management due to corruption and other social vices.	25 (32.1)	43 (55.1)	6 (7.7)	3 (3.8)	1 (1.3)	4.12	Agree
19.	Due to insecurity in the region, consumer product manufacturers in southeast Nigeria need to be better managed.	36 (46.2)	29 (37.2)	5 (6.4)	8 (10.3)	0 (0.0)	4.19	Agree

Source: Researcher's Field Work (2025)

Table 4.3 presents the total responses to questions about how socio-cultural factors influence consumer goods manufacturers in Nigeria. Most people who answered the survey agreed with the questions, resulting in high mean scores, similar to those found in previous studies. Figure 4.8 illustrates these average scores in a manner that facilitates understanding and visualisation of how socio-cultural business environment elements influence them:

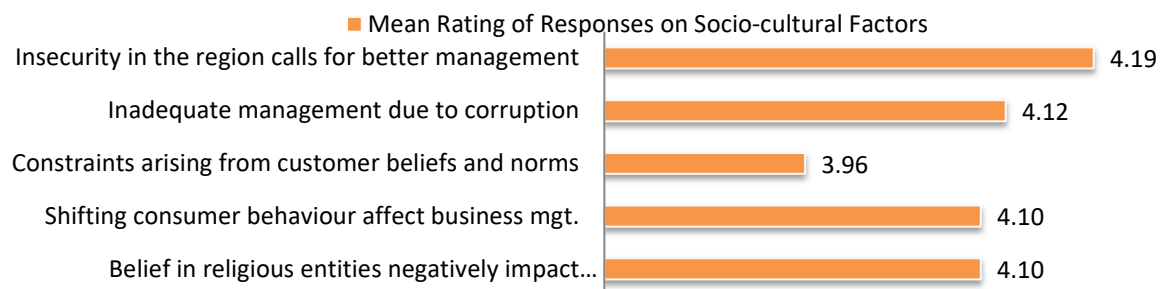


Figure 4.8: Mean rating of Participants on Socio-cultural Factors

Analysis of the mean responses is summarized in Figure 4.8 and the result indicates that constraint arising from customer beliefs and norms was the least socio-cultural factor, within the business environment of the firms, which affected their operations ($\bar{x} = 3.96$). The socio-cultural business environment factors which posed serious threat to the firms in South East Nigeria as opined by the respondents were insecurity in the region ($\bar{x} = 4.19$) and inadequate management due to corruption ($\bar{x} = 4.12$). Religious influences ($\bar{x} = 4.10$) and shifting consumer behaviour ($\bar{x} = 4.10$) were seen as issues which posed significant obstacles to the operations of the manufacturing firms in South East Nigeria.

4.3 Discussions of Findings

Based on the specific objectives of the study, the study summarizes the findings below:

1. The results show that the economic situation in South East Nigeria is very hard on the consumer products manufacturing sector. This is mainly due to poor infrastructure, frequent power outages, high inflation, and limited access to affordable loans. This aligns with the findings of Pelz et al. (2023) and Ugwoke et al. (2020), who suggest that unpredictable energy supply increases production costs, as businesses must rely more heavily on generators. As Kolade et al. (2024) and Adeyemi (2022) point out, inflation exacerbates the problem by eroding people's purchasing power and increasing the cost of inputs. Banks also hike interest rates, which makes it harder to get loans (Ogunsanya, 2022). These conditions suggest that the business environment is weak, making it challenging for companies to adapt effectively. The Resource-Based View (RBV) suggests that companies can develop internal capabilities to address these types of challenges (Riviere et al., 2021), but the region's high level of economic instability hinders many enterprises from achieving competitiveness or sustainability. Negative impact of government regulations and insufficient technical expertise were identified as the most significant political and technical factors which affected the business operations of manufacturing firms in South East Nigeria. In the order of the mean ratings, other political and technical factors included ineffective network and communication systems, inadequate modern equipment, difficult regulatory environment, high crime/insecurity rates and inadequate access to information and technology.
2. The study's results indicate that political and technological issues have a significant impact on manufacturers of consumer goods in South East Nigeria, aligning with findings from other studies. Adamaagashi et al. (2024) and Ugwu, Mbah, and Umah (2022) argue that political instability, inadequate regulatory frameworks, and corruption create an unpredictable environment, which increases costs and reduces investment opportunities. BudgIT (2024) states that the surge in kidnappings and insecurity poses a significant threat to corporate operations. Security issues and a challenging regulatory environment also erode confidence and hinder business continuity. The absence of contemporary equipment, a weak communication infrastructure, and inadequate IT systems, which have average scores of 4.33 and 4.29, makes it more challenging to be efficient and flexible. Okonkwo et al. (2023) and Ozoh et al. (2020) emphasize that new technologies can make businesses more sustainable and competitive, but only if they can access and utilize them effectively. The Dynamic Capability Theory (Sunder & Ganesh, 2021) provides further insight into this problem. It states that companies need to develop integrative skills, such as adaptive communication and creativity, to handle unstable situations. The combination of political instability and slow technological progress continues to hinder growth and resilience in the manufacturing sector of South East Nigeria.
3. The results show that socio-cultural factors have had a significant impact on how consumer products manufacturing companies in South East Nigeria work, but not equally across all variables. Respondents stated that insecurity, corruption-related poor management, and religious influences were the greatest threats to business operations. They also said that customer beliefs and lifestyle trends were the least important socio-cultural constraints. This is in line with what Ngwoke and Akabike, Daka et al. (2022) say: their data reveal a rise in mortality and property damage due to insecurity, with attacks motivated by religion making business risks even higher, especially for Christian-owned businesses. This instability has had effects that extend beyond physical danger to include significant issues with business continuity. Euromonitor (2024) states that changing consumer lifestyles are crucial for market competition; however, this study found that these changes had a lesser impact on

how businesses operate than political and social instability.

5. Conclusion

The study's final comments emphasize the significant impact of the business environment ecosystem, comprising economic, political, technological, and socio-cultural subsystems, on the operations of consumer goods manufacturing companies in South East Nigeria. In this ecosystem, the economic subsystem is under significant stress due to poor infrastructure, unstable exchange rates, inflation, high interest rates, and inconsistent electricity supply. All of these factors make production more expensive and disrupt value chains. Politically, inconsistent policies, insecurity, and corruption create a weak and uncertain environment, which in turn lowers investor confidence. Technological limitations, such as a lack of the right skills or access to contemporary production tools, make it even more challenging for the manufacturing industry to be innovative and efficient. Socio-cultural factors, including religious tensions, poor corporate governance, and shifting consumer behaviour, make the market unstable and complicate planning operations. These interconnected problems in the business environment ecosystem need structural changes and coordinated actions by policymakers, industry players, and stakeholders to make the region more resilient and encourage long-term industrial growth.

5.1 Recommendations

The government needs to focus on building essential infrastructure, such as roads, electricity, and water supply, in South East Nigeria to improve the environment for consumer product manufacturers. These things have a direct effect on manufacturing costs and efficiency. Stable macroeconomic conditions are just as vital; thus, the Central Bank of Nigeria should employ effective monetary policies to maintain stable exchange rates and control inflation. Encouraging local sourcing of raw materials will make manufacturers less dependent on imports and help maintain a smooth supply chain. Setting up special economic zones with good infrastructure and tax incentives can attract more investment and help the region's industries expand. When discussing the political climate, the government needs to simplify its rules so that producers are not required to complete excessive paperwork. To close the gap in human capital, training programs should be established to help workers enhance their technical skills. Insecurity remains a significant issue, so firms must implement robust security measures to safeguard themselves and enhance investor confidence. Strengthening relationships between the public and private sectors can also help enhance the delivery of infrastructure and governance, ultimately improving the overall business climate.

Investing in contemporary machinery and production methods is crucial for the technological and socio-cultural environment, as it enhances manufacturing efficiency and competitiveness. Innovation and tech clusters will encourage research, business, and digital change. At the same time, businesses must address social and cultural issues, including corruption, instability, and religious tensions. Manufacturers should also conduct regular market research to stay informed about how consumers' tastes and preferences evolve. They should also undergo cultural sensitivity training to ensure their products align with local values and tastes. All of these steps will work together to create a more flexible and supportive business environment.

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