COMPARING NIGERIAN AND CHINESE BUSINESS MODELS IN NIGERIA'S SME ECOSYSTEM: A CONCEPTUAL APPROACH TO ENTREPRENEURIAL STRATEGIES, LOCAL ADAPTATION, AND BILATERAL COLLABORATION

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Abstract
This study investigates the comparative dynamics of Chinese and Nigerian Small and Medium Enterprises (SMEs), emphasizing business model innovation, local adaptation, and bilateral collaboration. Nigerian SMEs, pivotal to employment and economic growth, face structural inefficiencies, limited financing, and infrastructural deficits, constraining their performance and innovation capacity. Conversely, Chinese SMEs benefit from coordinated state support, relational networks, and digitally integrated ecosystems that enhance scalability, agility, and competitiveness. Despite extensive Nigeria–China economic engagement, including trade, infrastructure, and financial cooperation, comparative analysis of SME business models remains limited. This research highlights the potential for hybrid models that integrate international best practices with local entrepreneurial strategies to improve Nigerian SME resilience. Findings underscore that institutional support, knowledge transfer, and strategic adaptation are critical for effective cross-national collaboration. The study provides practical insights for policymakers, advocating equitable partnerships, enhanced capacity-building mechanisms, and hybridization of business models to strengthen SME competitiveness and sustainable economic development in Nigeria.

Keywords: Business Model, Entrepreneurial Strategies, Local Adaptation, Bilateral Collaboration, China and Nigeria

JEL Classification: L22, L26, M13 &F23

Introduction

Small and Medium Enterprises (SMEs) are widely recognized as major drivers of economic growth, innovation, and employment in both developed and developing economies (Enaifoghe, (2024). In Nigeria, SMEs constitute a substantial part of the business environment and contribute significantly to job creation and economic activities (Ndayako, 2021). However, the sector continues to face persistent challenges such as inadequate infrastructure, limited access to finance, weak institutional support, and regulatory inefficiencies, which constrain firm performance and long-term sustainability (Lawal, & Oguns-Obasohan, 2025). Existing studies indicate that firms that embrace innovative business models and technological capabilities tend to demonstrate greater resilience and adaptability in unstable business environments (Nosike, et al., 2024). Despite this, research on Nigerian SMEs has largely focused on internal operational constraints with limited attention to comparative entrepreneurial frameworks that may provide strategic lessons for local firms.

Globally, Chinese business models have attracted considerable scholarly attention due to the rapid growth of China's SME sector and its successful integration of innovation, digitalization, institutional support, and coordinated financing systems (Yuan et al., 2021). Chinese SMEs often benefit from strong relational networks, government-backed infrastructure, and technologically enabled supply chains that enhance competitiveness and international market participation (Li Haibo, 2024). These entrepreneurial strategies have contributed significantly to enterprise sustainability and economic transformation in China (Yuan, et. al., 2021). At the same time, Nigeria and China have developed extensive bilateral economic relations through trade, infrastructure development, investment cooperation, and technology exchange initiatives. Recent agreements such as the Belt and Road Initiative and currency swap arrangements further deepen economic integration between both countries (Jahswill, 2025). However, while Chinese business activities increasingly shape Nigeria's economic landscape, limited research has comparatively examined how Chinese entrepreneurial strategies relate to Nigerian SME practices and performance (Onwu, et al., 2024).

The existing literature reveals important gaps. First, there is inadequate comparative analysis of Chinese and Nigerian business models within a unified analytical framework. Second, studies have not sufficiently examined how Nigerian SMEs adaptor integrate foreign entrepreneurial strategies into local business realities (Ngwu, & Mbaeze, 2026). Third, the mechanisms through which bilateral collaboration facilitates knowledge transfer, innovation, and SME competitiveness remain underexplored (Arslan et al., 2021). Consequently, policymakers and practitioners lack sufficient empirical evidence to determine how international entrepreneurial models can be adapted to strengthen the Nigerian SME ecosystem without undermining local business dynamics (Igwe, et al., 2020). Against this backdrop, this study comparatively examines Chinese and Nigerian business models with emphasis on entrepreneurial strategies, local adaptation, and bilateral collaboration within Nigeria's SME ecosystem. The study seeks to provide theoretical and practical insights into how cross-national entrepreneurial practices can enhance SME competitiveness, innovation, and sustainable development in Nigeria. By exploring the interaction between foreign business models and local entrepreneurial realities, the study contributes to the growing discourse on SME development in emerging economies.

Literature Review

Chinese SME Business Models

Chinese SME business models are largely characterized by efficiency, scalability, and continuous innovation driven by dynamic capabilities and strong state-supported ecosystems (Yuan, et. al., 2021). A central feature is business model innovation (BMI), where firms constantly refine how they create and deliver value in response to competitive pressures and technological change (Dymitrowski, & Mielcarek, 2021). This includes integrating entrepreneurial orientation, organizational agility, and risk management to enhance performance and market responsiveness (Jingwen, et al., 2025). Additionally, Chinese SMEs are deeply embedded in industrial clusters and supply chains, allowing them to achieve cost efficiency and rapid production cycles, particularly in manufacturing sectors such as textiles and electronics (Yuan, et. al., 2021). Their models often leverage low-cost labour, export-oriented strategies, and global market integration, contributing significantly to international trade (Ali, et al., 2023). Another defining element is reliance on guanxi (networks and relationships), which facilitates access to resources, information, and market opportunities, enabling faster decision-making and adaptability.

Nigerian SME Business Models

Nigerian SME business models are predominantly informal, flexible, and survival-oriented, reflecting the country's volatile economic environment and institutional constraints (Omeihe & Omeihe, 2024). A significant proportion of SMEs operate outside formal regulatory frameworks, relying on family ownership, personal savings, and informal financing mechanisms to sustain operations due to limited access to affordable formal credit and institutional support (Usman, et al., 2025). These models are often characterized by short-term decision-making and a cash-flow focus, with limited strategic planning or structured systems (Otokiti, et. al., 2022). The sector is highly diverse, spanning trade, agriculture, services, and light manufacturing, with many businesses functioning as subsistence ventures aimed at income generation rather than long-term growth (Fadeyi, et al., 2025). Due to infrastructural challenges such as unreliable electricity and poor logistics, SMEs adopt adaptive and cost-minimizing strategies, including reliance on generators and localized supply chains, which raise operational costs and limit productivity (Alake, et. al., 2024).

Social capital and personal networks also play a role in facilitating business operations and market transactions where formal institutions are weak, although these networks are often underutilized due to the informal nature of many enterprises (Omeihe & Omeihe, 2024). Recently, there has been a gradual shift toward digitalization, with SMEs leveraging mobile payments, e-commerce, and social media marketing to expand market reach and improve financial inclusion (Aikor, et. al., 2025). Nigerian SME business models are largely informal and adaptive, shaped by resource constraints and institutional challenges, but are increasingly evolving toward more structured and technology-enabled systems (Emehelu, & Oboreh, 2022).

Key Variable

Entrepreneurial strategies

Entrepreneurial strategies represent the approaches, methods, and practices adopted by firms and entrepreneurs to achieve competitiveness, market penetration, sustainability, and long-term growth within a business environment (Igbokwe, 2024). In Nigeria's SME ecosystem, entrepreneurial strategies differ significantly between Nigerian-owned enterprises and Chinese-owned businesses operating in the country due to variations in cultural orientation, capital structure, innovation systems, managerial philosophy, and international business experience (Adeleye et al., 2020). The comparison of Nigerian and Chinese business models therefore provides important insights into how strategic entrepreneurial practices shape SME development, local adaptation, and bilateral economic collaboration in Nigeria (Luo, et al., 2022). Chinese entrepreneurial strategies in Nigeria are largely driven by cost leadership, network-based expansion, rapid market penetration, and long-term investment orientation (Zhang & Peck, 2016). Chinese firms operating within Nigeria's SME environment often utilize economies of scale, efficient supply chain management, and strong manufacturing linkages to reduce operational costs and increase market competitiveness (Sun, Jayaram, & Luo, 2011).

Many Chinese entrepreneurs adopt relationship-based business systems commonly referred to as guanxi, which emphasizes trust, networks, and long-term business relationships as strategic tools for market survival and expansion (Luo, et al., 2022). Another major entrepreneurial strategy employed by Chinese businesses in Nigeria is aggressive market adaptation and product customization (Kaplinsky & Morris, 2009). Chinese SMEs frequently adapt their products to suit local consumer purchasing power, preferences, and socio-economic realities within the Nigerian market (Faloye, & Owoeye, 2021). For instance, Chinese firms often produce low-cost alternatives of electronics, household goods, machinery, and construction materials tailored to low- and middle-income consumers in Nigeria (Onyetube, 2025). This adaptive strategy enhances customer accessibility and increases market penetration across different regions of Nigeria (Kaplinsky & Morris, 2009). Chinese entrepreneurs also emphasize technology transfer and production efficiency as part of their competitive strategy in emerging markets such as Nigeria (Buckley et al., 2007). Through vertical integration and standardized production systems, Chinese firms achieve operational efficiency and maintain competitive advantage within Nigeria's highly dynamic SME sector (Du, & Banwo, 2015). In contrast, Nigerian entrepreneurial strategies are predominantly characterized by informal market adaptation, survival entrepreneurship, relationship marketing, and opportunity-driven innovation (Adeleye, et al., 2020).

Local adaptation mechanisms

Local adaptation refers to the strategic modification of business models, products, or services to align with cultural, economic, and regulatory conditions in a specific market (DiBella, 2020). In Nigeria, firms adapt by integrating local supply chains, customizing products for consumer preferences, and engaging in community-based marketing. Social norms, purchasing power, and informal networks significantly influence these adaptations (Kalu, et al., 2025). Chinese firms entering Nigeria have adopted strategies such as localized hiring, forming joint ventures, and tailoring digital platforms for local consumers (Fadeyi, et al., 2025). Mechanisms such as flexible pricing, culturally relevant branding, and partnership with local distributors enhance market acceptance and reduce operational risks (Yuan, et. al., 2021). Comparative research emphasizes that effective local adaptation requires continuous feedback loops, knowledge of regulatory frameworks, and responsiveness to customer behaviour (Egerea, et al., 2022). Firms that successfully implement these mechanisms achieve higher market penetration, stronger brand loyalty, and sustainable competitive advantage in complex emerging markets.

One key adaptation mechanism is product localization, where firms modify goods and services to align with local preferences, income levels, and consumption patterns (Zhao, et al., 2014). Chinese SMEs operating in Nigeria often adjust product pricing and specifications to match Nigeria's price-sensitive market, particularly in sectors such as retail, electronics, and manufacturing (Adeleye et al., 2020). Another mechanism is institutional adaptation, which involves aligning business practices with Nigeria's regulatory environment, informal market systems, and bureaucratic processes (North, 1990). Foreign firms, particularly Chinese enterprises, often rely on local intermediaries and partnerships to navigate regulatory uncertainty and infrastructure challenges in Nigeria (Xia et al., 2014). Nigerian SMEs similarly adapt by engaging in informal networks and relational contracting to reduce transaction costs and enhance trust (Williamson, 1985). Overall, local adaptation mechanisms are essential for bridging institutional gaps and enhancing firm performance in Nigeria's complex SME environment, where success depends on responsiveness to local realities rather than standardized global strategies.

Bilateral collaboration and knowledge transfer

Bilateral collaboration and knowledge transfer play a central role in shaping the performance and competitiveness of Small and Medium Enterprises (SMEs) within Nigeria's evolving business ecosystem, particularly in relation to Chinese-Nigerian business interactions. Bilateral collaboration between Chinese and Nigerian SMEs has become increasingly important for knowledge transfer, capacity building, and market expansion (Jahswill, 2025). Collaborative arrangements include joint ventures, strategic alliances, technology licensing, and training programs. These partnerships allow Nigerian SMEs to access advanced production techniques, management practices, and digital tools from Chinese counterparts (Aikor, et. al., 2025). Conversely, Chinese firms gain insight into local consumer behaviour, regulatory environments, and market entry strategies. Knowledge transfer often occurs through structured programs, cross-cultural teams, and embedded learning within operational processes (Dukiya, & Benjamine, 2021). Challenges include language barriers, trust-building, and differences in business culture, which can slow effective knowledge dissemination (Li Haibo, 2024).

In the context of Nigeria and China, such collaboration has facilitated increased Chinese direct investment in manufacturing, construction, and retail sectors, thereby influencing SME operational models in Nigeria (UNCTAD, 2022). Chinese firms operating in Nigeria often introduce cost-efficient production techniques, supply chain efficiencies, and informal training systems that Nigerian SMEs can learn from through supplier relationships and joint ventures (World Bank, 2021). Furthermore, collaborative platforms such as trade partnerships and industrial clusters enhance tacit knowledge exchange, which strengthens entrepreneurial adaptability among Nigerian SMEs (OECD, 2020). Therefore, bilateral collaboration between Nigeria and China not only promotes investment flows but also serves as a strategic mechanism for capability building and long-term SME development (UNCTAD, 2022).

Comparison between Nigerian and Chinese business models

The increasing presence of Chinese firms in Nigeria has transformed the structure and operational dynamics of the Small and Medium Enterprise (SME) ecosystem in the country (Adeleye et al., 2020). Nigerian and Chinese business models differ significantly in terms of entrepreneurial orientation, financing structures, labour systems, innovation practices, market penetration strategies, and approaches to local adaptation (Okoro, 2021). While Nigerian SMEs are often characterized by informality, survival-driven entrepreneurship, and resource constraints, Chinese enterprises operating in Nigeria are typically associated with scale efficiency, state-backed financing, and aggressive market expansion strategies (Oyelaran-Oyeyinka & Lal, 2016).The comparison based on empirical review are based on the following conditions:

Entrepreneurial orientation and strategic focus

Nigerian business models are largely necessity-driven due to unemployment, weak industrialization, and limited access to formal employment opportunities (Akinbola et al., 2019). Many Nigerian entrepreneurs establish businesses primarily for income survival rather than long-term industrial expansion (SMEDAN, 2021). Consequently, Nigerian SMEs tend to focus on small-scale trading, services, agriculture, and low-capital ventures (Onugu, 2018). In contrast, Chinese business models are generally growth-oriented and strategically expansionist (Zhang & Peck, 2016). Chinese firms entering Nigeria often operate with long-term commercial objectives supported by networks, supply chain integration, and economies of scale (Sun, Jayaram, & Xu, 2011). Chinese entrepreneurs frequently emphasize manufacturing, construction, telecommunications, and wholesale distribution, sectors that require significant capital investment and operational coordination (Adeleye et al., 2020). Empirical evidence indicates that Chinese firms in Nigeria outperform many local SMEs in pricing efficiency and production capacity because they benefit from strong supplier networks and lower production costs from China-based manufacturing ecosystems (Oyelaran-Oyeyinka & Lal, 2016). For example, Chinese firms such as Huawei and ZTE expanded rapidly in Nigeria through infrastructure financing, strategic partnerships, and cost leadership approaches (Adeleye et al., 2020).

Financing structure and access to capital

One of the major differences between Nigerian and Chinese business models is access to finance. Nigerian SMEs face severe financing constraints due to high lending rates, collateral requirements, and weak financial inclusion systems (CBN, 2022). According to the Small and Medium Enterprises Development Agency of Nigeria, many SMEs rely heavily on personal savings and informal borrowing mechanisms because access to bank credit remains limited (SMEDAN, 2021). Chinese firms, however, often benefit from substantial financial support from Chinese state-owned banks and export credit institutions (Brautigam, 2011). This enables Chinese enterprises to offer lower prices, absorb market risks, and sustain long-term investments in foreign markets such as Nigeria (Kaplinsky & Morris, 2009). Chinese businesses also utilize rotating credit associations, family financing systems, and diaspora networks to support expansion (Zhang & Peck, 2016). Empirical studies have shown that access to low-cost financing allows Chinese firms operating in Nigeria to dominate sectors such as electronics, textiles, and construction materials (Adeleye et al., 2020). Nigerian SMEs often struggle to compete because of higher operational costs and infrastructural challenges such as unreliable electricity and transportation systems (World Bank, 2020).

Local adaptation and market penetration

Nigerian business models are deeply embedded in local cultural systems, informal market structures, and relationship-based transactions (Akinbola et al., 2019). Nigerian entrepreneurs often rely on ethnic networks, community trust, and personalized customer interactions to maintain business operations (Fadahunsi, et al., 2000). Flexibility and improvisation are major strengths of Nigerian SMEs because they operate in highly volatile economic environments (Onugu, 2018). Chinese firms initially faced criticism for poor localization and limited integration with local communities in Nigeria (Oyelaran-Oyeyinka & Lal, 2016). However, recent evidence suggests that many Chinese businesses have increasingly adapted their operations to local market realities by hiring Nigerian workers, engaging local distributors, and modifying products to suit local consumer preferences (Adeleye et al., 2020). For example, TECNO successfully adapted to Nigerian consumer needs by producing affordable smartphones with long battery life and dual SIM functionality suitable for African markets (Sun et al., 2011). This adaptation strategy significantly increased its market penetration across Nigeria and other African countries.

Labour practices and human resource management: Nigerian SMEs generally operate with informal labour systems characterized by family labour, apprenticeship arrangements, and flexible employment practices (Onokala, & Banwo, 2015). Due to financial constraints, many Nigerian SMEs cannot provide structured employee training, competitive wages, or formal welfare systems (SMEDAN, 2021). Chinese firms operating in Nigeria are often associated with stricter managerial discipline, productivity-focused labour systems, and centralized decision-making structures (Adeleye et al., 2020). While some studies report efficiency gains associated with Chinese management approaches, others criticize poor working conditions, communication barriers, and limited upward mobility for Nigerian workers (Oyelaran-Oyeyinka & Lal, 2016). Empirical evidence from construction and manufacturing sectors suggests that Chinese firms tend to prioritize operational efficiency over participatory management styles (Kaplinsky & Morris, 2009). This contrasts with Nigerian SMEs, where relational management and social familiarity are often emphasized.

Technology transfer and innovation: Nigerian SMEs generally experience low technological capability because of inadequate research funding, weak industrial policy implementation, and limited innovation infrastructure (World Bank, 2020). Most Nigerian SMEs rely on imported technologies and imitation-based production systems (Akinbola et al., 2019). Chinese business models, on the other hand, emphasize rapid technology diffusion, manufacturing efficiency, and incremental innovation (Zhang & Peck, 2016). Chinese firms in Nigeria have contributed to infrastructure development, digital connectivity, and manufacturing activities through strategic investment projects (Adeleye et al., 2020). However, the extent of genuine technology transfer remains contested. Some researchers argue that Chinese firms mainly import machinery and technical expertise from China rather than developing local technological competencies (Brautigam, 2011). Others contend that bilateral collaborations have improved Nigerian access to affordable technologies and entrepreneurial opportunities, particularly in telecommunications and retail distribution sectors (Sun et al., 2011).

Summary of the comparison between Nigerian and Chinese business models

S/N	Dimension	Nigerian Business Model	Chinese Business Model
1	Entrepreneurial Orientation	Survival-driven and necessity-based entrepreneurship	Growth-oriented and expansion-driven entrepreneurship
2	Access to Finance	Limited access to formal credit and high borrowing costs	Access to state-backed financing and strong capital networks
3	Market Strategy	Informal, relationship-based, and locally embedded	Cost leadership, scale efficiency, and aggressive expansion
4	Local Adaptation	Strong understanding of local culture and informal systems	Increasing localization but partially enclave-oriented
5	Labour Practices	Informal labour and apprenticeship systems	Structured, productivity-focused labour management
6	Technology and Innovation	Low technological capability and imitation-based systems	Manufacturing efficiency and incremental innovation
7	Competitive Advantage	Flexibility, adaptability, and social networks	Economies of scale, supply chain integration, and low-cost production
8	Bilateral Collaboration	Limited industrial competitiveness	Strong international trade and investment networks

Source: Self compilation (2026)

Critical Analysis

Entrepreneurial partnerships between Chinese and Nigerian SMEs are characterized by mutual learning, resource sharing, and joint market exploitation (Ezeani, & Ngoka, 2022). Chinese entrepreneurs often provide technical expertise, capital investment, and access to global supply networks, while Nigerian partners contribute local market knowledge, regulatory navigation, and consumer insights (Emehelu, & Oboreh, 2022). These collaborations are evident in sectors like manufacturing, retail, and digital services, where joint ventures and co-investments create scalable business models (Livieratos, & Lepeniotis, 2017). Trust, cultural sensitivity, and long-term commitment are critical to successful partnerships. Empirical research such Alake et al., (2024) shows that these collaborations can enhance innovation, reduce operational risk, and improve access to financing for Nigerian SMEs. However, challenges such as power asymmetry, conflicting management practices, and regulatory complexity require careful negotiation. By fostering strategic alliances and learning networks, Chinese-Nigerian entrepreneurial collaborations contribute to sustainable SME growth and integration within global and local value chains (Luo, et al., 2022).

Comparative studies on Chinese and Nigerian business models often highlight the efficiency, scalability, and state-backed advantages of Chinese firms, yet such claims require critical interrogation within the Nigerian SME context (Daraojimba, et. al., 2023). For instance, Chinese enterprises operating in sectors such as construction and manufacturing in cities like Lagos and Abuja are frequently portrayed as models of cost efficiency and rapid project delivery. However, this narrative overlooks concerns about labour practices and limited knowledge transfer to local firms. Evidence from the China Civil Engineering Construction Corporation projects in Nigeria suggests that while infrastructure delivery is accelerated, local SMEs often remain subcontractors with minimal capacity development (Adeleye, et al., 2020).

Furthermore, the adaptability of Chinese business models is often overstated. While Chinese traders and manufacturers in markets such as Alaba International Market are seen as highly responsive to local demand, their dominance has been criticized for crowding out indigenous entrepreneurs. Nigerian SMEs, in contrast, demonstrate contextual resilience through informal networks and indigenous innovation, yet they face structural constraints such as limited access to finance and inconsistent regulatory enforcement (Oghuvbu, 2022). This suggests that the perceived superiority of Chinese models may be more a function of external support systems than inherent strategic advantage.

Bilateral collaboration between Chinese and Nigerian firms is also frequently framed as mutually beneficial, but this assumption is contested. Joint ventures often exhibit asymmetrical power relations, with Chinese firms controlling technology and capital while Nigerian partners contribute market access (Yuan, et. al., 2021). For example, collaborations in the textile sector have not significantly revitalized Nigeria's declining domestic industry, raising questions about long-term sustainability (Aikor, et. al., 2025). Thus, while the literature emphasizes synergy, empirical realities in Nigeria reveal uneven outcomes that challenge overly optimistic interpretations of Sino-Nigerian business integration.

Lessons for Nigeria government on the partnership engagement

- Nigeria should establish robust bilateral commissions and regulatory systems to manage partnerships effectively, ensuring transparency and accountability in agreements with foreign partners.
- Agreements must go beyond infrastructure delivery to include clear provisions for skills development and technology transfer, enabling local firms to build long-term capacity.
- Policies should mandate greater participation of Nigerian SMEs in joint projects to avoid marginalisation and ensure inclusive economic benefits.
- Government should leverage PPP models to balance foreign investment with domestic enterprise growth, fostering mutual benefits.
- Nigeria must address power asymmetries by ensuring equitable terms in financing, ownership, and profit-sharing arrangements.

Recommendation for SMEs in Nigeria based on Chinese ecosystem

Nigerian SMEs can strengthen competitiveness by adopting key practices from the Chinese SME ecosystem, particularly in strategic state-supported entrepreneurship and structured industrial clustering (Coad, et al., 2025). One major recommendation is the development of strong government–SME linkage systems, similar to China's policy-driven support frameworks that enhance financing, tax relief, and innovation capacity (World Bank, 2020). This approach improves survival rates and accelerates SME growth. Another recommendation is the adoption of technology-driven entrepreneurship, as Chinese SMEs heavily leverage digital platforms, e-commerce ecosystems, and mobile payment systems to expand market reach and efficiency (Zhang & Peck, 2016). Nigerian SMEs should integrate digital tools such as fintech platforms and online marketplaces to improve productivity and reduce operational barriers. Furthermore, Nigerian SMEs should embrace industrial clustering and specialization, as seen in China's industrial parks, which promote shared infrastructure, knowledge spillovers, and reduced production costs (UNIDO, 2019). This model enhances collaboration and economies of scale among SMEs. Finally, bilateral collaboration between Nigerian and Chinese SMEs should be encouraged through joint ventures and knowledge transfer initiatives to enhance managerial capacity and global competitiveness (OECD, 2020). Such partnerships can improve innovation and access to international markets.

Conclusion

This study highlights that while both Chinese and Nigerian SMEs operate within dynamic and challenging environments, their business models differ significantly in structure, orientation, and institutional support. Chinese SMEs demonstrate strong capabilities in scalability, innovation, and integration within formal ecosystems, largely supported by coordinated state policies and advanced infrastructure. In contrast, Nigerian SMEs exhibit resilience and adaptability, navigating structural constraints through informal networks, flexible strategies, and emerging digital practices. However, this adaptability is often limited by systemic barriers such as inadequate financing, infrastructural deficits, and regulatory inconsistencies. The comparative analysis underscores that the perceived superiority of Chinese business models is not solely a function of strategic design but is deeply rooted in enabling institutional frameworks that are largely absent in Nigeria. While bilateral collaboration between the two countries presents opportunities for knowledge transfer, capacity building, and technological advancement, existing partnerships remain uneven, with limited benefits accruing to Nigerian SMEs. Therefore, for Nigeria to fully leverage such collaborations, there is a need for deliberate policy interventions that promote equitable partnerships, strengthen institutional support, and encourage hybrid business models. By integrating global best practices with local realities, Nigerian SMEs can enhance competitiveness, achieve sustainable growth, and contribute more effectively to national economic development.

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