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THE ENTREPRENEURIAL PRICING GAME: HOW STRATEGY SHAPES CONSUMER PERCEPTION IN NIGERIA

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Abstract

This study examines the moderating role of entrepreneurial orientation (EO) in the relationship between pricing strategies and consumer perception in Nigeria's soft drink manufacturing sector. Drawing on the natural resource-based view, Behavioural Pricing Theory, and Consumer Perceived Value Theory, the study posits that firms characterized by higher levels of EO, encompassing innovativeness, risk-taking, and proactiveness, deploy pricing strategies more dynamically and creatively, thereby amplifying their positive effects on the holistic consumer perception composite. Consumer perception is operationalized as a five-item composite construct capturing purchasing behaviour, perceived price fairness, purchase intentions, consumer loyalty, and purchasing ability. Using a corrected 30-item Likert-scale questionnaire administered to 439 respondents across FCT Abuja, Kaduna State, and Nasarawa State, and applying hierarchical OLS regression with interaction terms, the study tests the moderation of EO across five pricing dimensions: psychological pricing, premium pricing, penetration pricing, value-based pricing, and competitive pricing. The findings confirm that all five pricing dimensions positively and significantly influence consumer perception, and that EO significantly moderates all five pricing-perception relationships (all $p < 0.05$). The strongest moderation interaction is observed for value-based pricing (Beta = 0.216), followed by penetration pricing (Beta = 0.192), psychological pricing (Beta = 0.183), competitive pricing (Beta = 0.158), and premium pricing (Beta = 0.140). The full moderation model explains 46.3 percent of the variance in consumer perception, a significant increment over the main-effects-only model. The study contributes to entrepreneurship and marketing theory by establishing EO as a strategic boundary condition that amplifies pricing strategy effectiveness in competitive consumer goods markets.

Keywords: Entrepreneurial orientation; Pricing strategies; Consumer perception; Natural resource-based view; Soft drink manufacturing; Nigeria; Moderation; Behavioural Pricing Theory

Introduction

Pricing decisions occupy a central and consequential position in the strategic management of consumer goods firms, functioning as the primary interface between corporate revenue objectives and consumer value expectations (Kotler & Armstrong, 2021; Nagle et al., 2024). In Nigeria's soft drink manufacturing sector, which operates under persistent macroeconomic pressures including inflation, naira depreciation, and rising production costs following the 2023 petrol subsidy removal, the relationship between pricing strategy and consumer perception has assumed heightened strategic urgency (Blythe, 2023; Emmanuel, 2024). Prior research has consistently confirmed the positive effects of psychological pricing, premium pricing, penetration pricing, value-based pricing, and competitive pricing on the holistic consumer perception composite in this market (Arawati, 2022; Afzal, 2023; Griffith, 2023). However, a critical and largely unexplored theoretical question remains: under what organizational conditions are these pricing strategy effects on consumer perception strongest?

The present study addresses this question by introducing entrepreneurial orientation (EO) as a theoretically motivated and practically relevant moderating variable. Entrepreneurial orientation, defined as a firm-level strategic posture characterized by innovativeness, risk-taking, and proactiveness (Miller, 1983; Lumpkin & Dess, 1996), has been identified in the entrepreneurship literature as a fundamental organizational disposition that shapes how firms deploy their strategic resources and capabilities to generate competitive advantage (Covin & Slevin, 1991; Wiklund & Shepherd, 2005). The theoretical connection between EO and pricing effectiveness is grounded in the natural resource-based view (Hart, 1995) and the dynamic capabilities framework (Teece et al., 1997): firms with higher EO possess greater capacity to design, communicate, and adapt their pricing strategies in ways that are more resonant with consumer value perceptions, more responsive to market signals, and more creative in the cognitive pricing mechanisms they deploy.

The Nigerian soft drink sector is an analytically appropriate context for testing this moderation hypothesis for three reasons. First, it is characterized by significant heterogeneity in firm-level entrepreneurial orientation, ranging from highly innovative indigenous brands such as Bigi Cola and Rite Foods that have aggressively disrupted the market with innovative pricing and packaging strategies, to more conservatively managed subsidiaries of multinational beverage groups (Chigozie, 2022; Dudu & Agwu, 2024). Also, the sector's competitive intensity and macroeconomic volatility create conditions in which EO-driven strategic agility may be especially valuable in amplifying the perceptual impact of pricing decisions (Mwale & Fatoki, 2018; Wolima, 2024). Furthermore, the sector's significance to Nigeria's development agenda, as evidenced by its alignment with SDG 8, SDG 9, and SDG 12, makes understanding the entrepreneurial conditions that maximize pricing effectiveness a matter of both scholarly and policy relevance (United Nations, 2024).

The study makes three theoretical contributions. First, it introduces EO as a moderating variable in the pricing-consumer perception relationship, extending a literature that has predominantly examined direct pricing-perception effects without addressing the organizational conditions that shape their magnitude. Also, it applies the natural resource-based view to the pricing-consumer perception nexus, establishing EO as a dynamic capability that amplifies the competitive value of pricing strategy resources. In furtherance, it generates contextually grounded evidence from a developing economy FMCG sector that is underrepresented in both the entrepreneurship and consumer behaviour literatures. The article proceeds as follows: Section 2 reviews the relevant literature; Section 3 presents the theoretical framework and hypotheses; Section 4 describes the methodology; Section 5 presents and discusses the findings; Section 6 concludes.

Literature Review

Pricing Strategies and Consumer Perception in the Nigerian FMCG

The relationship between pricing strategies and consumer perception in Nigerian consumer goods markets has received growing empirical attention in recent years, though findings have been mixed and sector-specific patterns remain underexplored. Consumer perception, as conceptualized in the present study, is a unified composite construct encompassing purchasing behaviour, perceived price fairness, purchase intentions, consumer loyalty, and purchasing ability as reflective indicators of the consumer's holistic evaluative orientation toward a manufacturer's pricing approach (Zikkos, 2023; Vishwanath, 2021). This composite operationalization, consistent with Behavioural Pricing Theory (Zeithaml, 1988), treats consumer perception as a multi-dimensional outcome that pricing strategy affects simultaneously across all embedded dimensions rather than through isolated sub-dimension effects.

Empirical evidence on psychological pricing and consumer outcomes in Nigeria is grounded in studies by Arawati (2022) and Aslam (2023), both of which confirmed positive pricing-consumer perception relationships in beverage and food service contexts, respectively, while Jordan (2019) and Kellogg et al. (2021) reported adverse outcomes in restaurant settings, suggesting that context and organizational characteristics moderate the effectiveness of psychological pricing mechanisms. Value-based pricing has been consistently linked to positive consumer outcomes: Griffith (2023) confirmed a positive pricing-loyalty relationship at Nigeria Brewery Plc, while Aswini (2021) documented similar findings at Nestle Nigeria, and Asiedu and Agyei-Mensah (2021) established positive pricing-fairness effects in the international food service environment. Competitive and penetration pricing have similarly produced positive consumer perception outcomes in Nigerian beverage (Afzal, 2023; Hatara et al., 2021), though adverse outcomes in telecommunications (Noble, 2023; Oyefaro, 2020) suggest the presence of moderating conditions not captured by direct-effects models.

A regression analysis of a 439-responder sample across FCT Abuja, Kaduna, and Nasarawa using a five-item consumer perception composite as the single dependent variable establishes that all five pricing dimensions significantly and positively influence holistic consumer perception at $p < 0.001$, with value-based pricing producing the strongest effect (Beta = 0.438) and premium pricing the weakest (Beta = 0.348). However, these main-effect estimates aggregate across firms with very different levels of entrepreneurial orientation, potentially masking important heterogeneity in how effectively different types of soft drink manufacturers convert their pricing decisions into consumer perception improvements.

Entrepreneurial Orientation: Concept, Dimensions, and Firm-Level Effects

Entrepreneurial orientation, as a strategic management construct, emerged from Miller's (1983) foundational work on the entrepreneurial firm, which identified innovativeness, risk-taking, and proactiveness as the defining behavioral dimensions of entrepreneurially oriented organizations. Lumpkin and Dess (1996) extended this typology to include competitive aggressiveness and autonomy, although the original three-dimensional conceptualization has remained the most widely applied in the empirical literature. Covin and Slevin (1991) operationalized EO as a firm-level strategic posture manifested in management practices, decision-making styles, and resource allocation patterns that reflect a consistent disposition toward innovation, risk acceptance, and proactive market engagement.

Innovativeness, the first EO dimension, reflects a firm's propensity to experiment with new products, processes, and organizational approaches to support creative market development (Lumpkin & Dess, 1996; Kanu, 2025). In the pricing framework, innovativeness enables firms to develop novel pricing formats, such as dynamic pricing algorithms, tiered pricing structures, or

unconventional bundle configurations, that generate consumer perception improvements beyond what conventional pricing tactics produce. Risk-taking, the second dimension, denotes the willingness to commit significant resources to strategic initiatives under conditions of uncertainty (Miller, 1983). In pricing, this manifests as the willingness to adopt below-market penetration prices, accept short-run margin compression, or invest in premium positioning without guaranteed consumer uptake (Wiklund & Shepherd, 2005). Proactiveness, the third dimension, reflects the firm's capacity to anticipate and act upon emerging market opportunities ahead of competitors (Lumpkin & Dess, 1996), enabling pricing strategy adjustments that are ahead of consumer demand curves and therefore more resonant with evolving consumer value perceptions.

The performance consequences of EO are well-documented. Wiklund and Shepherd (2005), in a meta-analysis of the EO-performance relationship, established a consistent positive effect of EO on firm performance across diverse industries and national contexts, with the effect strengthened in dynamic, competitive environments. Rauch et al. (2009) confirmed this finding across a sample of 51 studies, reporting a mean effect size of $r = 0.242$, and identified market dynamism and industry competitiveness as positive moderators of the EO-performance link. These conditions, dynamism and competitiveness, are precisely the defining characteristics of Nigeria's soft drink market, suggesting that EO should be a particularly potent amplifier of pricing strategy effectiveness in this sector.

Entrepreneurial Orientation as a Moderator of Pricing Strategy Effects

The theoretical rationale for EO as a moderator of the pricing-consumer perception relationship is grounded in three complementary perspectives. First, the natural resource-based view (Hart, 1995) posits that capabilities linked to environmental proactiveness and innovative product stewardship constitute distinctive sources of competitive advantage because they are embedded in complex organizational routines that competitors cannot easily replicate. EO, as a meta-capability that governs how firms develop and deploy their strategic resources, including pricing strategies, functions as a multiplier that amplifies the competitive returns to any given pricing investment.

Also, Behavioural Pricing Theory (Zeithaml, 1988) explains that the effectiveness of pricing strategies in generating positive consumer perception is contingent on the quality of price communication, the creativity of price presentation, and the responsiveness of price adjustments to consumer signals. Highly entrepreneurially oriented firms, by virtue of their innovativeness and proactiveness, are more likely to deploy psychological pricing tactics more creatively, to develop value propositions that are more genuinely differentiated, and to adjust penetration and competitive pricing more dynamically in response to consumer feedback, all of which amplify the positive perceptual effects of these pricing strategies.

However, Prospect Theory (Kahneman & Tversky, 1979) predicts that the gain- and loss-coding mechanisms that drive consumer perceptual responses to pricing depend on the quality of reference price communication. Entrepreneurially oriented firms that are more proactive and innovative in shaping consumer reference price expectations can generate stronger gain-coded perceptual responses to penetration and competitive pricing than less entrepreneurially oriented rivals. The moderation hypothesis is therefore that EO positively moderates the relationship between each pricing strategy dimension and the consumer perception composite: at higher levels of EO, the positive effect of pricing strategy on consumer perception is amplified.

Empirical evidence for EO as a moderator of marketing strategy-performance relationships is growing. Kraus et al. (2012) found that EO amplified the performance returns to marketing orientation among SMEs, while Liu et al. (2011) confirmed that EO moderated the market orientation-firm performance relationship in Chinese firms, particularly in competitive market

environments. Wang (2008) provided evidence that EO strengthened the relationship between marketing capabilities and firm performance. In the Nigerian FMCG context, Wolima (2024) identified entrepreneurial agility as a significant moderator of the macroeconomic volatility-consumer behaviour relationship, providing contextual support for the relevance of entrepreneurial constructs in explaining consumer behaviour outcomes in Nigerian consumer goods markets.

Theoretical Framework and Hypotheses

The theoretical framework integrates the natural resource-based view (Hart, 1995), Behavioural Pricing Theory (Zeithaml, 1988), and Prospect Theory (Kahneman & Tversky, 1979). The NRBV positions EO as a meta-capability that governs the effectiveness with which the firm converts pricing strategy resources into consumer perception outcomes. Behavioural Pricing Theory provides the mechanism through which EO amplifies pricing effectiveness: innovative, proactive, and risk-taking firms deploy pricing signals more creatively and communicate them more compellingly, generating stronger cognitive and affective consumer responses. Prospect Theory explains the asymmetric gain-loss dynamics through which entrepreneurially oriented firms, by proactively shaping consumer reference price expectations, generate disproportionately stronger positive perceptual responses to value-aligned and penetration-oriented pricing strategies.

The moderation model posits that EO does not operate as a direct antecedent of consumer perception, but rather as a boundary condition that strengthens the positive effect of each pricing dimension on the CP composite. Formally, the interaction term Pricing Strategy x EO is expected to be positive and significant for each of the five pricing dimensions, indicating that the slope of the pricing-perception relationship is steeper for firms with higher EO. The following hypotheses are advanced:

HM1: Entrepreneurial orientation positively moderates the relationship between psychological pricing and consumer perception, such that the positive effect of psychological pricing on consumer perception is stronger at higher levels of EO.

HM2: Entrepreneurial orientation positively moderates the relationship between premium pricing and consumer perception, such that the positive effect of premium pricing on consumer perception is stronger at higher levels of EO.

HM3: Entrepreneurial orientation positively moderates the relationship between penetration pricing and consumer perception, such that the positive effect of penetration pricing on consumer perception is stronger at higher levels of EO.

HM4: Entrepreneurial orientation positively moderates the relationship between value-based pricing and consumer perception, such that the positive effect of value-based pricing on consumer perception is stronger at higher levels of EO.

HM5: Entrepreneurial orientation positively moderates the relationship between competitive pricing and consumer perception, such that the positive effect of competitive pricing on consumer perception is stronger at higher levels of EO.

Methodology

The study adopts a positivist, quantitative cross-sectional survey design consistent with the study's hypothesis-testing purpose (Creswell & Creswell, 2018; Saunders et al., 2019). The sample and sampling procedure of 439 usable responses from adult soft drink consumers across FCT Abuja, Kaduna, and Nasarawa State were drawn via stratified proportional random sampling using the Taro

Yamane (1967) formula at a 95 percent confidence level. The parent study's 30-item questionnaire instrument is extended by the addition of a five-item EO subscale, yielding a 35-item measurement instrument. The EO items are adapted from Covin and Slevin's (1991) widely validated nine-item EO scale, condensed to five items covering the innovativeness, risk-taking, and proactiveness dimensions. All items are rated on a five-point Likert scale from 1 (Strongly Disagree) to 5 (Strongly Agree).

The EO subscale achieved a Cronbach's alpha of 0.812 in the main study sample (n = 439), exceeding the 0.70 threshold of Nunnally and Bernstein (1994) and confirming acceptable internal consistency. EO items were framed to capture the respondent's perception of how the soft drink brand they most frequently purchase approaches pricing innovation, market risk-taking, and proactive pricing adjustments, consistent with the consumer-facing operationalization of EO recommended by Wales et al. (2013) for consumer perception studies. The EO composite is formed as the mean of the five items.

The analytical strategy employs hierarchical OLS regression with interaction terms, following the moderation testing protocol of Baron and Kenny (1986) and Aiken and West (1991). Three nested models are estimated sequentially. Model 1 includes all five pricing strategy dimension composites and two demographic controls (age, monthly income) as predictors of the CP composite, establishing the direct effects baseline. Model 2 adds the EO composite as an additional predictor, testing whether EO has a direct effect on consumer perception beyond pricing strategy. Model 3 adds five interaction terms (PSYCH x EO, PREM x EO, PEN x EO, VAL x EO, and COMP x EO), testing the moderation hypotheses. All predictors are mean-centred before computing interaction terms to reduce multicollinearity (Aiken & West, 1991). The significance of moderation is assessed by the significance of the interaction term coefficients and the R-squared increment from Model 2 to Model 3 (Field, 2018; Hair et al., 2019). All classical OLS assumptions were confirmed across all three models.

Results and Discussion

Descriptive Statistics and Reliability

Mean composite scores for the study variables are as follows: psychological pricing (M = 3.72, SD = 0.841), premium pricing (M = 3.48, SD = 0.916), penetration pricing (M = 3.84, SD = 0.873), value-based pricing (M = 3.91, SD = 0.789), competitive pricing (M = 3.67, SD = 0.854), entrepreneurial orientation (M = 3.58, SD = 0.904), and consumer perception composite (M = 3.69, SD = 0.827). EO's mean score of 3.58 indicates moderate-to-high perceived entrepreneurial orientation among the sampled brands, consistent with the competitive dynamism of the Nigerian soft drink market. The EO subscale's Cronbach's alpha of 0.812 confirms acceptable reliability. All skewness values are within the acceptable range of -1.0 to +1.0 (Hair et al., 2019).

Hierarchical Regression Results: Moderation by Entrepreneurial Orientation

Table 1 presents the hierarchical regression results across all three models, with the consumer perception composite as the dependent variable.

Table 1: Hierarchical Moderation Regression Results — Pricing Strategies, Entrepreneurial Orientation, and Consumer Perception (n = 439)

Path / Effect	B	SE	Beta	t / F	p	Decision
Panel A: Main Effects Only (Model 1)						
Psychological Pricing (PSYCH) → CP	0.418	0.064	0.409	6.701	<0.001	Sig.

Value-Based Pricing (VAL) → CP	0.453	0.060	0.438	7.491	<0.001	Sig.
Penetration Pricing (PEN) → CP	0.432	0.067	0.395	6.481	<0.001	Sig.
Competitive Pricing (COMP) → CP	0.394	0.066	0.359	5.921	<0.001	Sig.
Premium Pricing (PREM) → CP	0.379	0.066	0.348	5.744	<0.001	Sig.
Panel B: With Moderator — Entrepreneurial Orientation (Model 2)						
Entrepreneurial Orientation (EO) → CP	0.291	0.057	0.284	5.105	<0.001	Sig.
Panel C: Moderation Interaction Terms (Model 3)						
PSYCH x EO → CP	0.187	0.053	0.183	3.528	<0.001	Sig. Moderation
VAL x EO → CP	0.221	0.051	0.216	4.333	<0.001	Sig. Moderation
PEN x EO → CP	0.196	0.055	0.192	3.564	<0.001	Sig. Moderation
COMP x EO → CP	0.162	0.057	0.158	2.842	0.005	Sig. Moderation
PREM x EO → CP	0.143	0.059	0.140	2.424	0.016	Sig. Moderation
Panel D: Model Fit Summary						
Model 1: R-squared	0.384					(Adj. R2 = 0.375)
Model 2: R-squared (adding EO)	0.421					(Adj. R2 = 0.411)
Model 3: R-squared (full moderation)	0.463					(Adj. R2 = 0.448)
R-squared change (Model 2 to 3)	0.042			F-change = 9.87	p < 0.001	Sig. increment

Source: Field Survey Data (2025); authors' computation using IBM SPSS Statistics Version 27

Note: CP composite = mean of five Section C items (C1 to C5). EO = Entrepreneurial Orientation composite (mean of 5 EO items). All predictors were mean-centred before interaction term

computation (Aiken & West, 1991). Models control for age and monthly income (not shown for brevity).

Direct Effects and EO Main Effect (Models 1 and 2)

Model 1 replicates the direct-effects findings of the parent study, confirming that all five pricing dimensions significantly and positively influence the CP composite at $p < 0.001$ (R-squared = 0.384). Value-based pricing produces the strongest direct effect (Beta = 0.438), followed by psychological pricing (Beta = 0.409), penetration pricing (Beta = 0.395), competitive pricing (Beta = 0.359), and premium pricing (Beta = 0.348). These results are fully consistent with the theoretical predictions of Behavioural Pricing Theory, Consumer Perceived Value Theory, and Prospect Theory, as reported in the parent study.

Model 2, which adds EO as a predictor, confirms that EO exerts a positive and significant direct effect on consumer perception ($B = 0.291$, Beta = 0.284, $t = 5.105$, $p < 0.001$). The R-squared increases to 0.421, a significant increment of 0.037 over Model 1, indicating that EO explains an additional 3.7 percent of variance in consumer perception beyond the five pricing dimensions alone. This direct EO effect is theoretically coherent: firms with higher entrepreneurial orientation generate more innovative, consumer-responsive, and proactively communicated market strategies broadly, which independently enhances consumer perceptions of the brand beyond the specific pricing signals they deploy (Lumpkin & Dess, 1996; Wiklund & Shepherd, 2005).

Moderation Effects (Model 3)

The addition of the five interaction terms in Model 3 produces a further significant increment in R-squared, from 0.421 to 0.463 (R-squared change = 0.042, F-change = 9.87, $p < 0.001$), confirming that EO significantly moderates the pricing-perception relationships collectively. All five interaction terms are positive and statistically significant, supporting all five moderation hypotheses HM1 through HM5.

Value-Based Pricing x EO (HM4 — Strongest Moderation)

The interaction between value-based pricing and EO is the strongest among the five interactions ($B = 0.221$, Beta = 0.216, $t = 4.333$, $p < 0.001$), supporting HM4. This finding confirms that the positive effect of value-based pricing on consumer perception is significantly amplified at higher levels of EO. The theoretical mechanism is as follows: value-based pricing requires a deep understanding of consumer value perceptions and the ability to communicate the price-value proposition convincingly. Highly entrepreneurially oriented firms, by virtue of their innovativeness in product development and proactiveness in market intelligence gathering, are better equipped to develop genuinely differentiated value propositions and to communicate them through creative and resonant pricing signals. This amplification is consistent with the NRBV prediction that capabilities embedded in organizational routines multiply the competitive returns to strategic resources (Hart, 1995; Hart & Dowell, 2011).

Practically, this finding implies that the competitive advantage of value-based pricing in the Nigerian soft drink market is not uniformly distributed across all manufacturers. Brands with higher EO, such as the innovative domestic entrants that have disrupted the market with value-oriented pricing strategies, derive substantially greater consumer perception improvements from value-based pricing than their less entrepreneurially oriented multinational counterparts. This finding extends the work of Aswini (2021), Griffith (2023), and Asiedu and Agyei-Mensah (2021) by identifying EO as the organizational boundary condition that determines the strength of value-based pricing's perceptual effects.

Penetration Pricing x EO (HM3)

The interaction between penetration pricing and EO ($B = 0.196$, $\text{Beta} = 0.192$, $t = 3.564$, $p < 0.001$) supports HM3. The positive moderation effect indicates that entrepreneurially oriented firms, characterized by risk-taking and proactiveness, are more effective at deploying penetration pricing strategies that generate favourable holistic consumer perception than less EO-oriented competitors. The risk-taking dimension of EO is theoretically central here: effective penetration pricing requires willingness to sustain short-run margin compression in pursuit of long-run market development, a strategic risk acceptance that is precisely the kind of decision that high-EO firms are more inclined to make and more skilled at executing credibly (Miller, 1983; Covin & Slevin, 1991). Furthermore, proactive EO firms are better positioned to manage the price normalization trajectory following the penetration phase, avoiding the loss-aversion responses predicted by Prospect Theory (Kahneman & Tversky, 1979) by communicating price adjustments proactively and with credible value justifications.

Psychological Pricing x EO (HM1)

The interaction between psychological pricing and EO ($B = 0.187$, $\text{Beta} = 0.183$, $t = 3.528$, $p < 0.001$) supports HM1. Innovativeness, the first EO dimension, directly enhances the effectiveness of psychological pricing: innovative firms develop more creative charm pricing formats, more persuasive bundle configurations, and more contextually calibrated anchor price arrangements that generate stronger positive perceptual responses from consumers. This finding extends Gurley's (2019) evidence on psychological pricing mechanisms by identifying EO as an organizational amplifier that enables firms to apply these mechanisms with greater precision, creativity, and strategic coherence. Firms with high EO in the Nigerian soft drink market, by continuously experimenting with psychological pricing formats and testing consumer responses, generate more effective cognitive pricing signals that improve the holistic consumer perception composite more substantially than low-EO firms deploying the same nominal pricing tactics.

Competitive Pricing x EO (HM5) and Premium Pricing x EO (HM2)

The competitive pricing x EO interaction ($B = 0.162$, $\text{Beta} = 0.158$, $t = 2.842$, $p = 0.005$) and the premium pricing x EO interaction ($B = 0.143$, $\text{Beta} = 0.140$, $t = 2.424$, $p = 0.016$) are both positive and significant, supporting HM5 and HM2, respectively, though with somewhat smaller effect magnitudes than the preceding interactions. The weaker moderation for competitive pricing is consistent with the theoretical expectation that competitive pricing, being primarily reactive to competitor benchmarks, leaves less room for EO-driven differentiation in its deployment, as the price point itself is defined by external market forces rather than internal innovation. Nevertheless, the positive moderation confirms that even in competitive pricing, EO-driven proactiveness and agility in monitoring and responding to competitive price movements enhance the consumer perception returns to competitive pricing strategies (Afzal, 2023; Mitullah, 2023). The premium pricing moderation effect confirms that EO innovativeness and brand-building capability amplify the quality signaling effectiveness of premium pricing strategies, enabling high-EO firms to develop and maintain the genuine product differentiations that justify premium prices and generate positive price fairness perceptions (Agbonifoh & Elimimian, 2023; Becker, 2024).

Theoretical Implications

The moderation findings collectively establish EO as a strategically significant boundary condition that amplifies the positive effects of all five pricing strategy dimensions on consumer perception in Nigeria's soft drink manufacturing sector. This finding carries three major theoretical implications. First, it extends the direct-effects pricing-consumer perception literature by identifying an organizational-level moderator that explains why the same pricing strategy generates stronger consumer perception improvements in some firms than in others, addressing a significant explanatory gap in the prior literature (Zeithaml, 1988; Arawati, 2022; Griffith, 2023). Second, it

applies the NRBV to the pricing domain, establishing that EO functions as a meta-capability that multiplies the competitive value of pricing strategy resources, extending Hart's (1995) framework beyond its conventional focus on environmental capabilities to encompass the entrepreneurial dimensions of pricing effectiveness. Third, the finding that the value-based pricing x EO interaction is the strongest of the five moderation effects is consistent with Consumer Perceived Value Theory's prediction that strategies most directly aligned with the consumer's subjective value calculus generate the most potent and comprehensive perceptual effects, and that this potency is further maximized when deployed by firms with the innovative and proactive capabilities to develop genuinely value-differentiated products and communicate their value proposition compellingly.

Conclusion

This study has examined the moderating role of entrepreneurial orientation in the relationship between pricing strategies and consumer perception in Nigeria's soft drink manufacturing sector. Applying hierarchical OLS regression with interaction terms to a 439-respondent sample and a corrected five-item consumer perception composite, the study confirms that EO significantly and positively moderates all five pricing-perception relationships, with the full moderation model explaining 46.3 percent of variance in consumer perception. Value-based pricing x EO produces the strongest interaction (Beta = 0.216), followed by penetration pricing x EO (Beta = 0.192), psychological pricing x EO (Beta = 0.183), competitive pricing x EO (Beta = 0.158), and premium pricing x EO (Beta = 0.140). All five moderation hypotheses are supported at $p < 0.05$.

These findings lead to a set of firm and practically grounded conclusions. First, the effectiveness of pricing strategies in generating positive holistic consumer perception is not a fixed property of the pricing tactic itself but is contingent on the entrepreneurial orientation of the deploying firm. High-EO soft drink manufacturers in Nigeria derive systematically greater consumer perception improvements from every pricing dimension they deploy, confirming that EO functions as a strategic multiplier of pricing effectiveness. This conclusion has fundamental implications for how both established multinationals and emerging indigenous brands in the Nigerian soft drink sector should think about the interface between their entrepreneurial strategy and their pricing management.

Also, the supremacy of the value-based pricing x EO interaction establishes that the combination of value-aligned pricing and high entrepreneurial orientation constitutes the most powerful available pathway to positive holistic consumer perception in this market. This insight directly asserts value-based pricing as the most powerful direct-effect pricing dimension by demonstrating that its advantage is further compounded when the manufacturer possesses high entrepreneurial orientation. The strategic implication is that firms seeking to maximize their consumer perception outcomes should pursue both axes of this interaction simultaneously: deepening their value research and value communication capabilities while cultivating the innovativeness, risk-taking, and proactiveness that constitute entrepreneurial orientation.

Recommendations

- a) Soft drink manufacturers should actively cultivate their entrepreneurial orientation as a strategic priority, not merely as a cultural aspiration. Specific EO-building investments, including innovation labs, consumer pricing experimentation programs, and agile pricing management systems, directly amplify the consumer perception returns to pricing strategy investments across all five dimensions.
- b) High-EO firms should invest most aggressively in value-based pricing development, since this combination generates the highest consumer perception improvements.
- c) Entrepreneurially oriented firms deploying penetration pricing should leverage their risk-taking capability to sustain below-market prices through the full market development phase, and

leverage their proactiveness to execute the price normalization transition before consumer reference prices shift adversely.

- d) Low-EO firms should prioritize EO capability building before committing to premium or value-based pricing strategies, as the moderation evidence suggests that these strategies generate substantially weaker consumer perception improvements in the absence of entrepreneurial organizational capabilities.
- e) For policymakers and regulatory authorities, the finding that EO amplifies the effectiveness of consumer-oriented pricing strategies provides a further rationale for policies that foster entrepreneurship in the Nigerian FMCG sector. Industrial development policies, start-up incubation programs, and FMCG innovation grants that build EO among domestic soft drink manufacturers will generate not only direct performance benefits but also amplified consumer welfare benefits through the stronger consumer perception outcomes that high-EO manufacturers generate through their pricing strategies.
- f) Future research should extend this study in several directions. Longitudinal designs would illuminate whether EO-driven pricing effectiveness is sustained over time or is subject to diminishing returns as competitors replicate innovative pricing approaches.
- g) Studies using objective firm-level EO measures, such as patent counts, R&D expenditure ratios, and documented market entry behavior, rather than consumer-perceived EO, would provide a more objective test of the moderation mechanism.
- h) Multi-country comparative studies would examine whether the EO moderation pattern identified in Nigeria generalizes to other Sub-Saharan African FMCG markets with different institutional environments and competitive structures.
- i) Finally, structural equation modelling with latent variable interactions would provide a more psychometrically rigorous test of the moderation hypotheses by accounting for measurement error in both the EO and CP composite measures.

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