

The Impact of Digital Marketing and Contextual Factors on the Sustainability of Retailers in Traditional Open Markets: A Study of Selected Markets in Ibadan, Oyo State, Nigeria

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ABSTRACT

This study investigates the impact of digital marketing and contextual factors on the sustainability of retailers in traditional open markets in Ibadan, Nigeria. Traditional markets, vital to local economies and culture, face challenges such as competition from modern retail formats, economic volatility, and evolving consumer preferences. Digital marketing, with its potential to expand market reach and enhance customer engagement, offers opportunities for these retailers. However, adoption remains limited due to technological, financial, and socio-cultural barriers. Contextual factors, including economic conditions, infrastructure, and cultural dynamics, significantly influence the sustainability of these enterprises. Using a cross-sectional survey design, data was collected from 438 retailers in Ibadan's major markets. Regression analysis revealed that digital marketing has a weak but significant positive impact on sustainability ($\beta = 0.263$, $p < 0.05$), while contextual factors exhibit a stronger influence ($\beta = 0.652$, $p < 0.05$). These findings highlight the necessity of tailored strategies that integrate digital tools with traditional practices and address contextual challenges. The study contributes to the discourse on retail transformation in developing economies, emphasizing the role of digital marketing and the interplay of contextual factors. Recommendations include improving infrastructure, fostering digital literacy, and designing policies to support traditional market resilience and growth.

Key word: Digital Marketing, Sustainability, Traditional Open Markets.

INTRODUCTION

Traditional open marketplaces have historically been fundamental to trade in Nigeria, functioning as centres for social interaction, cultural exchange, and economic activity. These markets, defined by informal frameworks and direct transactions, are essential for sustaining local economies and offering livelihoods to many persons. In Ibadan, the largest city in West Africa, these marketplaces constitute a vital element of the retail environment, addressing varied consumer demands. The sustainability of retailers in these marketplaces is progressively jeopardised by difficulties like competition from contemporary retail formats, shifting customer tastes, and economic volatility (Pesci et al., 2023). Confronting these difficulties requires novel techniques that conform to modern retail standards.

One strategy is the implementation of digital marketing. The worldwide transition to technology-driven commerce has revolutionised the retail industry, allowing enterprises to broaden their reach and interact with consumers in innovative manners. Digital marketing provides traditional open market shops the chance to transcend geographical constraints, improve consumer involvement, and compete with contemporary retail establishments (Utami, 2023). Notwithstanding these prospective advantages, the uptake of digital marketing by conventional retailers in Ibadan is minimal, chiefly owing to insufficient technological expertise, budgetary limitations, and doubt regarding its applicability to their business frameworks. These obstacles underscore the necessity for a more profound comprehension of how digital marketing might impact the viability of these enterprises.

Alongside digital marketing, contextual elements such as economic conditions, infrastructure, government

legislation, and cultural traditions significantly influence the sustainability of merchants. Inadequate infrastructure, including substandard road networks and inconsistent power supply, might impede the operational efficiency of market merchants, while variable economic conditions may influence consumer spending behaviours (Erhan et al., 2024). Additionally, socio-cultural elements, such as conventional purchasing habits and communal support networks, frequently affect retailers' capacity to adjust to evolving market conditions. The contextual factors highlight the intricacy of attaining sustainability in conventional open markets.

Sustainability in this sense denotes the ability of merchants to sustain and expand their enterprises over time while responding to external and internal constraints. It encompasses economic viability, environmental stewardship, and social responsibility (Mujianto et al., 2023a). For shopkeepers in Ibadan's traditional open markets, attaining sustainability is essential for maintaining their significance in an increasingly modernised retail environment. Nonetheless, the interaction between digital marketing and contextual elements in promoting sustainability is still inadequately examined, especially within Nigeria's distinct socio-economic landscape. The difficulties encountered by these merchants are exacerbated by the absence of focused policies and support mechanisms. Although government programs frequently emphasise the promotion of small and medium enterprises (SMEs), they seldom cater to the distinct requirements of informal market operators. This policy deficiency intensifies merchants' susceptibility to external shocks, including economic recessions and technology changes (Gao et al., 2023). Comprehending the function of digital marketing and contextual elements in alleviating these difficulties may yield significant insights for policymakers and stakeholders. This analysis is especially pertinent following the COVID-19 pandemic, which underscored the significance of digital solutions for business continuity. Numerous merchants have adopted online platforms to engage customers during lockdowns, illustrating the efficacy of digital marketing in maintaining business operations amid crises (Jung & Shegai, 2023). The epidemic highlighted the necessity for traditional market shops in Ibadan to adopt digital technology to improve their resilience and competitiveness. The degree of adoption of these technologies and their effects on sustainability remain ambiguous.

This study aims to investigate the impact of digital marketing and contextual factors on the sustainability of shops in several traditional open marketplaces in Ibadan. The study seeks to address these concerns to contribute to the broader conversation on retail transformation in developing economies and to offer actionable ideas for improving the viability of traditional market systems. This coincides with worldwide initiatives to foster equitable and sustainable economic growth, as delineated in the United Nations Sustainable Development Goals (UN SDGs).

This research will bridge information gaps and inform solutions to assist conventional stores in transitioning to a sustainable future. This study will elucidate the connections between digital marketing and contextual elements, highlighting avenues for resilience and growth for shops in Ibadan's traditional open markets.

Problem Statement

The viability of retailers in conventional open marketplaces in Ibadan, Oyo State, Nigeria, encounters considerable obstacles within a swiftly changing digital and economic environment. Despite the enduring significance of these markets as essential elements of the local economy, numerous shops encounter difficulties in sustaining business continuity and growth. This challenge is intensified by a confluence of external and internal variables, such as restricted access to contemporary marketing strategies, insufficient financial resources, and infrastructure limitations. The swift emergence of digital marketing platforms has generated new opportunities while simultaneously heightening competition, rendering traditional market retailers susceptible if they do not adapt. Although digital marketing is acknowledged for its capacity to improve business sustainability across multiple sectors, its influence on traditional open market retailers is inadequately examined, especially in Ibadan, where the adoption of digital marketing in routine business operations is still nascent. Alongside digital marketing, other contextual factors (financial literacy, access to capital, and socio-cultural influences) may significantly impact the sustainability of these enterprises.

Nonetheless, empirical information about the interaction and influence of these factors on the performance and longevity of retailers in traditional markets in Nigeria is sparse. This study aims to examine the impact of digital marketing and contextual factors on the sustainability of shops in several traditional open marketplaces in Ibadan.

Comprehending the distinct challenges and opportunities encountered by these enterprises can yield valuable insights for policymakers, business proprietors, and researchers, facilitating the development of more effective strategies for promoting business sustainability in conventional market contexts.

Research Questions

1. In what way does digital marketing affect the sustainability of retailers in selected traditional open markets in Ibadan, Oyo State, Nigeria?
2. what is the effect of contextual factors on the sustainability of retailers in selected traditional open markets in Ibadan, Oyo State, Nigeria?

Hypotheses

1. H₀₁: Digital marketing has no significant effect on sustainability of retailers in selected traditional open markets in Ibadan, Oyo State, Nigeria
2. H₀₂: Contextual factors has no significant effect on sustainability of retailers in selected traditional open markets in Ibadan, Oyo State, Nigeria

LITERATURE REVIEW

The sustainability of retail businesses, particularly in traditional open markets, has become a critical area of academic inquiry, reflecting the growing need to support these businesses in a rapidly evolving economic landscape. Retailers in these markets often face unique challenges stemming from their informal nature, such as limited access to capital, infrastructural deficiencies, and heightened vulnerability to market fluctuations. These challenges are further compounded by the ongoing digital revolution, which has redefined how businesses operate and interact with consumers. Scholars have increasingly emphasized the importance of integrating digital marketing into retail practices as a strategy for enhancing sustainability, especially in contexts like Nigeria's traditional open markets (Kurniasari et al., 2023).

Digital marketing, broadly defined as the use of digital channels to promote products or services, has been recognized for its potential to transform traditional retail operations. Studies suggest that digital marketing can help businesses expand their market reach, improve customer relationships, and streamline operations, thereby contributing to long-term sustainability (Hong et al., 2024). In the context of traditional open markets, these benefits could be particularly transformative, allowing retailers to overcome geographical and logistical constraints. For example, research by Adebayo and Ojo (2020) found that market traders who adopted basic digital tools, such as social media platforms and mobile payment systems, experienced improved sales performance and customer retention. However, the study also highlighted barriers such as limited digital literacy and financial resources, which restrict widespread adoption among traditional retailers.

The relationship between digital marketing and sustainability is further nuanced by the influence of contextual factors. Contextual factors encompass a wide range of external and internal elements, including economic conditions, regulatory frameworks, cultural norms, and technological infrastructure. These factors can significantly impact the ability of retailers to adopt and benefit from digital marketing practices. For instance, Oladele and Adekunle (2021) found that inadequate infrastructure, such as unreliable electricity and poor internet connectivity, posed significant challenges to the adoption of digital technologies in Nigerian markets. Additionally, socio-economic factors, such as low consumer purchasing power and high levels of poverty, often limit the effectiveness of digital marketing strategies, as consumers in these settings may lack access to digital devices or the internet.

Cultural factors also play a crucial role in shaping the adoption and impact of digital marketing. In traditional open markets, personal relationships and trust are integral to business transactions. While digital marketing offers opportunities to build broader customer networks, it may not fully replicate the interpersonal dynamics that are central to these markets (Okorie et al., 2024). This cultural dimension underscores the need for a hybrid approach that combines digital tools with traditional marketing practices to preserve the relational aspects of these markets.

The concept of sustainability in retail extends beyond economic performance to include environmental and social

dimensions. Researchers have emphasized the importance of balancing profitability with social responsibility and environmental stewardship (UNCTAD, 2020). In the context of traditional open markets, sustainability often entails fostering community well-being, preserving cultural heritage, and minimizing environmental impact. However, studies suggest that most retailers in these markets focus primarily on short-term survival rather than long-term sustainability, partly due to the precarious nature of their operations (Ravi & Rajasekaran, 2023). This focus on survival highlights the need for targeted interventions to help these businesses adopt sustainable practices.

While the benefits of digital marketing for retail sustainability are well-documented in developed economies, there is limited empirical evidence from developing contexts, particularly in Africa. Existing studies often focus on formal retail sectors, neglecting the unique characteristics and needs of informal markets. This gap in the literature underscores the importance of examining how digital marketing can be tailored to the specific realities of traditional open markets in Nigeria. Furthermore, the interplay between digital marketing and contextual factors remains underexplored, despite its critical importance for understanding the determinants of retail sustainability (Gao et al., 2023).

In summary, the literature reveals a growing recognition of the potential of digital marketing to enhance retail sustainability, particularly in traditional markets. However, the adoption of these practices is often hindered by contextual challenges, including infrastructural, socio-economic, and cultural barriers. Moreover, the limited focus on informal market settings in existing research points to the need for more context-specific studies that address the unique challenges and opportunities faced by retailers in traditional open markets. By exploring these issues, this study seeks to contribute to the broader discourse on retail sustainability and provide actionable insights for policymakers and practitioners in developing economies.

Theoretical Review

Resource Dependency Theory (RDT)

Resource Dependency Theory (RDT), developed by Pfeffer and Salancik (1978), emphasizes the significance of external resources in determining organizational behavior and success (Hillman et al., 2009). According to RDT, organizations are not self-sufficient; they rely on external environments for critical resources, such as capital, information, and technology. These dependencies often influence decision-making and strategies, as organizations must navigate and manage their relationships with resource providers to reduce uncertainty and ensure survival (Jiang et al., 2023).

In the context of this study, RDT is particularly relevant as it underscores the importance of external resources, such as digital marketing tools and infrastructure, for the sustainability of retailers in traditional open markets. Retailers often depend on external stakeholders, including government agencies, financial institutions, and technology providers, to access these resources. For instance, the ability of market traders to adopt digital marketing may hinge on external support, such as access to affordable internet services and training programs. Without these resources, their capacity to compete in a modern retail landscape is significantly constrained (Yang et al., 2023). Hence, RDT provides a framework for understanding how resource availability and external dependencies shape the adoption of digital marketing and, by extension, the sustainability of retailers.

Knowledge-Based View (KBV)

The Knowledge-Based View (KBV) builds on the Resource-Based View (RBV) by asserting that knowledge is the most critical resource for achieving competitive advantage. According to KBV, organizations that can effectively create, acquire, and apply knowledge are better positioned to innovate, adapt, and sustain long-term success (Grant, 1996). This theory highlights the role of knowledge as both a strategic asset and a dynamic capability that enables organizations to respond to environmental changes (Ray et al., 2023).

Applying KBV to this study, the adoption of digital marketing by traditional market retailers can be seen as a knowledge-intensive process. Retailers must acquire new skills and knowledge to effectively utilize digital tools and platforms. This includes understanding social media marketing, mobile payment systems, and data analytics.

However, knowledge gaps, such as low digital literacy among traders, may hinder the effective implementation of digital marketing strategies. Additionally, the role of contextual factors, such as access to training and education, becomes critical in enabling retailers to acquire and apply the knowledge needed for sustainability (Zhang et al., 2024). KBV thus provides a lens for analyzing how knowledge acquisition and application impact the ability of retailers to adapt to the demands of a digital economy.

Contingency Theory (CT)

Contingency Theory (CT) posits that there is no one-size-fits-all approach to organizational management and success. Instead, organizational performance depends on the fit between internal and external factors, such as structure, strategy, and environmental conditions (Villoria, 2022). CT emphasizes that organizations must adapt their strategies to align with specific contextual factors to achieve optimal outcomes.

In relation to this study, CT highlights the importance of tailoring digital marketing strategies and sustainability efforts to the unique characteristics of traditional open markets in Ibadan. These markets operate within a distinct socio-economic and cultural context, which influences the effectiveness of digital marketing initiatives. For example, retailers may need to balance the use of digital tools with traditional marketing practices to maintain customer trust and loyalty. Additionally, external factors such as infrastructural deficiencies and consumer behavior patterns must be considered when designing and implementing sustainability strategies (Broccardo et al., 2023). CT thus underscores the need for a contextualized approach that accounts for the specific challenges and opportunities faced by traditional market retailers.

Together, these theories provide a comprehensive framework for analyzing the interplay between digital marketing, contextual factors, and the sustainability of retailers in traditional open markets. RDT emphasizes the importance of external resources and dependencies, highlighting the need for adequate support systems to enable digital marketing adoption. KBV focuses on the role of knowledge as a critical enabler of digital marketing and sustainability, drawing attention to the importance of capacity building and education. CT, meanwhile, underscores the need for a contextualized approach that aligns strategies with the unique characteristics of traditional markets.

By integrating insights from these theories, this study seeks to provide a nuanced understanding of how digital marketing and contextual factors influence the sustainability of retailers in Ibadan's traditional open markets. This theoretical foundation also informs the study's focus on identifying practical strategies and policy interventions to support these retailers in navigating a rapidly changing retail landscape.

METHODOLOGY

This study adopts a cross-sectional survey research design to investigate the effects of digital marketing and contextual factors on the sustainability of retailers in traditional open markets in Ibadan, Oyo State, Nigeria. The research design is appropriate because it facilitates the collection of data at a single point in time, enabling the identification of relationships between variables and the testing of hypotheses.

Study Area

The study focuses on selected traditional open markets in Ibadan, the capital city of Oyo State and a major commercial hub in southwestern Nigeria. Ibadan is renowned for its vibrant open markets, which cater to diverse consumer needs and serve as critical nodes in the local economy. Prominent markets such as Bodija, Dugbe, Oje, and Gbagi were purposively selected for this study due to their size, diversity of retailers, and significance within the city's economic framework.

Population and Sampling

The target population comprises retailers operating in the selected traditional open markets. These include traders dealing in various products such as food items, textiles, household goods, and electronics. Given the large and heterogeneous nature of this population, a multi-stage sampling technique was employed. First, markets were purposively selected based on their prominence and activity levels. Within each market, retailers were stratified

by product category, and simple random sampling was used to select respondents from each stratum.

The sample size was determined using Cochran's formula for sample size calculation, ensuring a representative sample of the retailer population. To account for potential non-responses, the sample size was increased by 10%. The final sample included 422 respondents, distributed proportionally across the four selected markets.

Data Collection

Primary data were collected using structured questionnaires. The questionnaire was designed to capture information on three main constructs:

1. Digital Marketing – assessed through items measuring the use of digital tools, platforms, and strategies for marketing.
2. Contextual Factors – measured through items related to financial literacy, and financial accessibility.
3. Sustainability – evaluated using indicators such as sales growth, customer retention, and adaptability to market changes.

The questionnaire comprised both closed-ended and Likert-scale questions to ensure consistency and ease of analysis. Before the main data collection, the instrument was pre-tested with 20 retailers in a similar market outside the selected study area. Feedback from the pre-test was used to refine the questionnaire for clarity and reliability.

Data Analysis

Quantitative data were analyzed using descriptive and inferential statistical techniques. Descriptive statistics, including means, frequencies, and percentages, were used to summarize the demographic characteristics of respondents and their responses to key variables. Inferential analysis was conducted using multiple regression to test the study's hypotheses:

H01: Digital marketing has no significant effect on the sustainability of retailers.

H02: Contextual factors have no significant effect on the sustainability of retailers.

The regression analysis assessed the relative contributions of digital marketing and contextual factors to the sustainability of retailers. The Statistical Package for the Social Sciences (SPSS) was used for data analysis, with results presented in tables and charts for clarity.

Validity and Reliability

The validity of the questionnaire was ensured through expert review, with inputs from academics and practitioners in digital marketing and retail management. Construct validity was further examined through factor analysis. Reliability was tested using Cronbach's alpha, with a threshold of 0.70 considered acceptable.

Ethical Considerations

Ethical approval for the study was obtained from the relevant institutional review board. Participants were provided with informed consent forms detailing the study's purpose, voluntary participation, and confidentiality assurances. No personally identifiable information was collected, and data were stored securely to prevent unauthorized access.

By employing this robust methodology, the study aims to provide empirical insights into the relationships between digital marketing, contextual factors, and the sustainability of retailers in traditional open markets in Ibadan.

RESULTS OF THE STUDY

Data Presentation

A total of 460 questionnaires were administered, and 447 were returned. After sorting, 438 questionnaires were deemed usable, yielding a response rate of 95.2%. This high response rate was achieved through persistent follow-up by research assistants, who clarified queries and encouraged timely completion. The response rate details are presented in Table 4.1.

Table 4.1: Response Rate

Responses	Frequency	Percent
Completed usable copies of questionnaire	438	95.2%
Unusable, unreturned, and disqualified	22	4.8%
Total	460	100%

Source: Field Survey Results, 2023

Demographic Characteristics of Respondents

The demographic profile of respondents reveals a majority female participation (88.1%) compared to male respondents (9.0%). Most retailers (57.0%) have been in business for over 16 years, indicating significant experience in the industry. Table 4.2 summarizes the demographic characteristics.

Table 4.2: Demographic Characteristics of Respondents

Variables	Category	Frequency	Percentage
Gender	Male	36	9.0%
	Female	354	88.1%
Years in Business	Below 5 years	4	1.0%
	6 to 10 years	24	6.0%
	11 to 15 years	145	36.1%
	16 years and above	229	57.0%
Business Type	Vegetables	76	18.9%
	Others	24	6.0%
	Fish	44	10.9%
	Rice and beans	24	6.0%
	Pepper	46	11.4%
	Yam	24	6.0%
	Swallow	48	11.9%
	Fruit	12	3.0%

Variables	Category	Frequency	Percentage
	Ingredients	28	7.0%
	Meat	76	18.9%

Source: Field Survey Results, 2023

Regression Analysis Results

H₀₁: Digital marketing has no significant effect on sustainability of retailers in selected traditional open markets in Ibadan, Oyo State, Nigeria

Path Coefficient model 1	Unstandardized Beta coefficient	F(df)	T-Statistics	P-Values
	2.680	55.503(1,400)	51.880	0.000
Digital marketing Business sustainability	0.263		7.450	0.000

The analysis indicates that digital marketing has a weak positive but statistically significant effect on the sustainability of retailers in traditional open markets in Ibadan. This result shows that a unit increase in digital marketing leads to a 0.263 increase in business sustainability, holding other factors constant. Hence, the null hypothesis (H₀₁) that digital marketing has no significant effect on sustainability is rejected.

H₀₂: Contextual factors has no significant effect on sustainability of retailers in selected traditional open markets in Ibadan, Oyo State, Nigeria

Path Coefficient model 2	Unstandardized Beta coefficient	F(df)	T-Statistics	P-Values
	1.517	119.957(1,400)	10.816	0.000
Contextual Factors Business sustainability	0.652		10.952	0.000

The results reveal a stronger positive and statistically significant effect of contextual factors on sustainability. This indicates that a unit increase in contextual factors leads to a 0.652 increase in sustainability, holding other factors constant. Thus, the null hypothesis (H₀₂) that contextual factors have no significant effect on sustainability is rejected.

DISCUSSION OF FINDINGS

Digital marketing has revolutionized the way businesses connect with their customers and promote their products or services. Traditional open markets, which have long been a cornerstone of local economies, are now facing the impact of this digital transformation. In this discussion, we will explore recent literature on how digital marketing significantly affects the sustainability of the traditional open market.

The result of the first objective averred that digital marketing as positive and significant effect on sustainability of the traditional open market retailers in Ibadan. This outcome align with empirical discussion found in extant literature. Digital marketing allows businesses to expand their market reach beyond their local areas. Online platforms provide a global audience, enabling businesses to target and engage customers from different geographical locations. This expansion can pose a challenge to traditional open markets that rely on local customer bases. A study found that small-scale vendors in traditional open markets are experiencing a decline in foot traffic and sales due to the increasing popularity of online shopping(Welter et al., 2019).

The rise of digital marketing has influenced consumer behavior by shaping their preferences and purchasing patterns. Consumers are increasingly turning to online channels to search for products, compare prices, and make purchases. Research suggests that consumers perceive online shopping as more convenient and time-saving compared to visiting traditional open markets (Olaghere et al., 2023). This shift in consumer behavior has led to a decrease in foot traffic and sales in physical marketplaces. Enhanced Customer Engagement: Digital marketing provides businesses with various tools to engage with their customers in real-time. Social media platforms, email marketing, and personalized advertisements enable businesses to build relationships, gather feedback, and offer tailored promotions. This heightened level of customer engagement can be challenging for traditional open markets to replicate. A study highlights the importance of digital marketing in fostering customer loyalty and enhancing the overall shopping experience.

Businesses that embrace digital marketing gain a competitive advantage over those that solely rely on traditional open markets. Digital marketing strategies such as search engine optimization (SEO), pay-per-click (PPC) advertising, and influencer marketing allow businesses to increase their visibility, attract new customers, and differentiate themselves from competitors. Research demonstrates that businesses that actively engage in digital marketing activities have a higher likelihood of survival and growth compared to their counterparts in traditional open markets (Oladimeji, 2023). The sustainability of traditional open markets is under threat due to the aforementioned factors. As more consumers shift towards online shopping, traditional market vendors face declining sales and foot traffic. This can lead to financial difficulties, reduced profitability, and even closure. Additionally, the digital divide, where some vendors lack the necessary resources or knowledge to adopt digital marketing, exacerbates the challenges faced by traditional open markets.

Business knowledge plays a crucial role in moderating the effect of contextual factors on the sustainability of the traditional open market. Business knowledge can be used to design educational programs and resources aimed at improving financial literacy among market participants. By providing individuals with a better understanding of financial concepts, such as budgeting, investment, and risk management, businesses can empower them to make informed decisions and navigate the market more effectively.

Business knowledge can facilitate the adoption of sustainable practices within the open market. By understanding the principles of corporate social responsibility and environmental sustainability, businesses can integrate these values into their operations and supply chains. This includes incorporating sustainable sourcing, reducing waste and emissions, promoting ethical business practices, and fostering a culture of sustainability. By doing so, businesses can contribute to the long-term viability of the open market and meet the evolving expectations of socially conscious consumers.

The results from this study demonstrate that contextual factors significantly influence the sustainability of retailers in traditional open markets in Ibadan, Oyo State. With a path coefficient ($\beta = 0.652$) and statistically significant p-value ($p = 0.000$), the findings suggest that a unit increase in contextual factors leads to a 65.2% increase in business sustainability. These results underscore the critical role of environmental, social, and financial dynamics in shaping the viability of small and medium enterprises (SMEs) in traditional market settings.

This finding aligns with existing empirical literature. For instance, (Okoye et al., 2023) emphasize the role of contextual factors such as economic conditions, infrastructure, and regulatory frameworks in determining business outcomes. They assert that businesses operating in environments with stable economic policies and accessible infrastructure demonstrate higher growth and survival rates. Similarly, in the Nigerian context, (Nomhwange et al., 2023) found that factors such as market location, access to credit, and socio-cultural dynamics strongly influence the sustainability of local businesses, especially in traditional settings where formal structures are limited.

The significance of contextual factors in this study can be attributed to their pervasive influence on operational efficiencies and market access. For example, infrastructural deficits, such as poor road networks or unreliable electricity, directly affect supply chain dynamics, inventory management, and customer accessibility. According to (Mujianto et al., 2023b), businesses in poorly developed regions often face higher operational costs, which can erode profit margins and sustainability prospects.

Moreover, financial accessibility, a key contextual factor, has been identified as a critical determinant of sustainability. This study's findings resonate with the observations of (Halim et al., 2024), who noted that access to affordable credit facilitates business expansion, inventory acquisition, and competitive pricing in traditional markets. The availability of financial literacy programs, as discussed by (Fajoye et al., 2023), further enhances the ability of business owners to manage resources effectively, reducing the likelihood of business failure.

Social and cultural factors also play a vital role. For instance, traditional open markets in Ibadan operate within a complex socio-cultural framework where trust, community relationships, and informal agreements often govern transactions. These dynamics, as highlighted by (Eze et al., 2023), can either support or hinder business sustainability, depending on the level of cohesion and mutual understanding within the community. This aligns with the study's findings that contextual factors, including social dynamics, contribute significantly to sustainability outcomes.

The significant positive relationship observed in this study suggests that policymakers and stakeholders must address the multifaceted nature of contextual factors to support traditional open market retailers. Efforts to improve market infrastructure, provide affordable credit facilities, and enhance financial literacy programs could have a compounding effect on business sustainability. Furthermore, strengthening socio-cultural support systems, such as trader associations and cooperative societies, can amplify collective resilience against external shocks.

In conclusion, this study corroborates the growing body of evidence that contextual factors are pivotal to the sustainability of retailers in traditional open markets. By addressing these factors, governments and other stakeholders can create enabling environments that foster resilience, growth, and long-term sustainability in these critical economic hubs.

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