

An Assessment to Identify Strategies for Small Enterprises in the Service Sector and Industrial Ventures to Achieve Competitive Advantage in China

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ABSTRACT

The research says that small businesses in China's industrial and service sectors adopted a few different techniques to go ahead in the marketplace. It became quite clear how important service difference is for making a company profitable. The study also examined how these small enterprises used efficiency, innovative thinking, and technology to maintain their viability. The data was carefully looked at using SPSS software and quantitative methods. The findings demonstrated a strong link between offering diverse services and being better than the competitors. Small firms who supplied unique services, followed great rules, and reacted swiftly did very well in the marketplace. They achieved their goal to improve brand awareness, customer satisfaction, and retention of customers by being different in how they did things. The study found that creativity and the application of new technology also made things more efficient and less expensive. The government also pushed small enterprises to use eco-friendly and innovative methods by making rules that were good for them. The research found that being able to change the mind and being dedicated to ongoing improvement were important for remaining competitive in China's fast-paced economy. The study's results mostly confirmed that offering diverse types of services is important for developing and keeping a competitive advantage. Small firms that put customer loyalty, efficiency, and new ideas first saw further growth. The study's results could offer policymakers and managers vital information on how to help small enterprises in China's industrial sector. It showed how important it is to be creative and adaptable in order to do well in this competitive field over the long term. In conclusion, the study underscored the importance of service uniqueness in enabling small enterprises in China to attain their competitive objectives.

Keywords: Small enterprises; Industrial ventures; Competitive advantage; Service differentiation; Competitive advantage in China.

INTRODUCTION:

Industrial ventures expansion, creativity, and advertising are all significantly fuelled by small enterprises. They help a country be more productive, increase productivity, and create jobs. Insufficient financial resources, insufficient technical ability, and fierce market rivalry are common obstacles that these small enterprises commonly encounter. Approaches that enable small enterprises acquire a sustained competitive advantage are crucial for their survival and growth in industrial ventures. Small enterprises may outperform their competition thanks to competitive advantage (Puspaningrum, 2020). High-quality goods, creativeness, cost-effectiveness, and happy consumers can get business there. Utilising sophisticated equipment and competent employees, small enterprises must concentrate on enhancing the effectiveness of operations. Another way they may fortify their authority is by embracing adaptable manufacturing techniques and being swift to meet fluctuating market demands. Their exposure to fresh marketplaces and assets may be enhanced via the formation of alliances with manufacturers and bigger enterprises. In the case of small enterprises, creativity is an additional essential strategy. To differentiate themselves in highly competitive industrial ventures areas, they might

introduce new goods, use sophisticated production processes, and enhance aesthetics. While investing in R&D might be expensive, it pays off in the end by producing distinctive products and services that rivals will have a hard time imitating. Another key to staying ahead of the competition is building a devoted client base and strong branding. The development of human resources is additionally a priority for small enterprises. Efficiency and inventiveness are both enhanced by skilled workers, which in turn results in superior goods and services. The entire efficiency may be improved via educational initiatives and growth in leadership. Furthermore, small enterprises may enhance their ability to make decisions and market penetration by using online resources and data-based tactics (Nayak et al., 2023). Success in industrial ventures may be achieved by small enterprises with the aid of governmental assistance. Their effectiveness may be enhanced by regulations that support creativity, offer monetary support and stimulate export prospects. These small enterprises may expand and contend with bigger companies thanks to finance and technical assistance.

BACKGROUND OF THE STUDY

China's marketing and industrial ventures growth are significantly influenced by small enterprises. They are

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vital to the industrial and manufacturing industries. Job creation, creative thinking, and geographic expansion are all benefited by these small enterprises. Small enterprises have experienced both benefits and problems because of China's increasing industrialisation over the last several decades. Large companies and worldwide rivals control the marketplace, making it difficult for numerous of them to thrive. Highly successful strategies that assist small enterprises obtain a competitive advantage are crucial for their sustained success. A lot is happening in the industrial sector of China at present. Regulatory changes, new technologies, and globalisation all have an impact. With the goal to promote entrepreneurship and modernisation among small enterprises, the government has launched programmes like "Made in China 2025" (Wen et al., 2022). The problem is that small enterprises frequently possess less opportunity for money, less qualified workers, and fewer resources. Because of these limitations, they find it challenging to contend with big companies. Thus, for their success and development, it is crucial to recognise competitive tactics. Small enterprises can differentiate themselves in the marketplace thanks to competitive advantage. Attracting consumers, improving effectiveness, and boosting revenue are all helped by it. Critical techniques that contribute to obtaining this advantage are cost management, differentiation of products, and innovations. Small enterprises that prioritise enhanced quality and technological advancement are more prepared for competition on both a national and international level. Effective strategies and digital technologies may also help the Chinese small enterprises. The economic landscape is shifting quickly in China's industrial ventures. Higher standards and quicker service are what consumers want (Li et al., 2021). Small enterprises are similarly impacted by international logistics interruptions and financial instability. Flexibility and innovation are key to their continued competitiveness in small enterprises in China. Their position in the marketplace may be strengthened via the development of alliances, investment in investigation, and enhancement of managerial abilities. The piano, as a popular and all-ages musical instrument, is particularly important in the future development of art teaching in colleges and universities. The

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PURPOSE OF THE RESEARCH

Finding out what worked to provide small enterprises in industrial ventures in China in gaining a competitive advantage was the study's main goal. The study aimed

to ascertain the tactics utilised by these small enterprises to prosper amid fierce competition, enhance productivity, and adjust to a constantly evolving market. They desired to understand how they could become more effectively at that which they enjoy by being open to new ideas, using new technology, and saving money. It also looked at how regulations, market forces, and competition from across the globe changed the way they did things. It used a study of small industrial businesses to look at ways to cut costs that didn't hurt productivity or retention of clients. The purpose of examining SMBs' observations and the strategies which assisted them thrive was to offer small industrial businesses in China's fast-changing economy useful tips that could assist them remain productive and profitable in the years ahead.

LITERATURE REVIEW

Investigators have formerly attempted to understand how adaptive capabilities enable SMEs to acquire and maintain a competitive advantage. The aim of this investigation was to elucidate essential conceptual structures, dominant research trajectories, and current understanding deficiencies (Fabrizio et al., 2022). The investigators aimed to provide a thorough understanding of how SMEs adapt to changing environments while achieving growth via their utilisation of adaptable capabilities. The review sought to shape future research by highlighting essential areas of inquiry and prevailing concepts. The study's findings indicated that SMEs might enhance production and adapt to their constantly changing environments by using agile features. To go ahead of the competitors, it needed important skills like learning new things, being creative, and being able to change the plans quickly. Assessment highlighted that previous studies had failed to adopt a longitudinal attitude, with most of them examining individual sectors. It was argued that future research ought to investigate assets and flexible capabilities in interaction with outside influences in a divergence of SME contexts. Another research's chief purpose was to review global challenges to SMEs while uncovering the fundamental strategies that they adopted to succeed in highly competitive and volatile conditions (Naradda Gamage et al., 2020). With its purported goal to understand how organizational, technical, and financial aspects determine the long-term viability of SMEs, the researchers sought to understand the internal dynamics of SMEs and how they adapt in emergencies, shortages in resources, and market fluctuations. Furthermore, the examination intended to showcase likely policing influences and future directions in SMEs development. Economic conditions, lack of innovation, restricted access to markets, and poor managerial capabilities are among the issues hindering SMEs around the world, according to the research results. The research found that government policies and programs to help corporations grow were very important for making these businesses stronger competitors on an international scale. Another research revealed that small and medium-sized manufacturing businesses' performance and competitive edge might be considerably affected by green advertising and packaging materials (Maziriri, 2020). The research discovered a favourable association

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between eco-friendly marketing and packaging that is sustainable, competitive edge, and business outcomes, aiming to ascertain if adopting green practices may enhance company resilience and competitiveness. Small and medium-sized businesses (SMEs) who used eco-friendly practices saw an improvement in their image, customer trust, and total profits. The findings showed that companies might have a long-term edge over their competitors by putting sustainability first, which also seemed to be the right thing to do.

RESEARCH QUESTION

What is the effect of service differentiation in acquiring competitive advantage in China?

RESEARCH METHODOLOGY

Research Design

With the goal to assess the quantitative data, the researchers used SPSS version 25. The odds ratio and 95% confidence interval were used to evaluate the statistical relationship's direction and strength. To be considered statistically significant, researchers looked for p-values lower than 0.05. They used descriptive analysis to glean important features from the data. Data prepared for statistical analysis by computer often undergoes evaluation using quantitative approaches. Many surveys, polls, and questionnaires contributed to this data set.

Sampling

To determine the research's methodology, researchers employed a simple random sampling procedure. To be eligible to participate in the study, participants were asked to complete out questionnaires. Investigators were able to disseminate 950 surveys after administering 830 persons utilising the Rao-soft application. The study investigators were able to arrive at a total sample size of 850 out of 898 valid replies; 48 of them were deleted due to being insufficient.

Data and Measurement

In this research, a questionnaire survey served as the primary data collection instrument. Respondents were asked to provide demographic information in the first part of the survey, and then in the second part, they were given a 5-point Likert scale to score several features of both online and offline channels. Many tools are available to help in secondary data collection, but online databases are crucial.

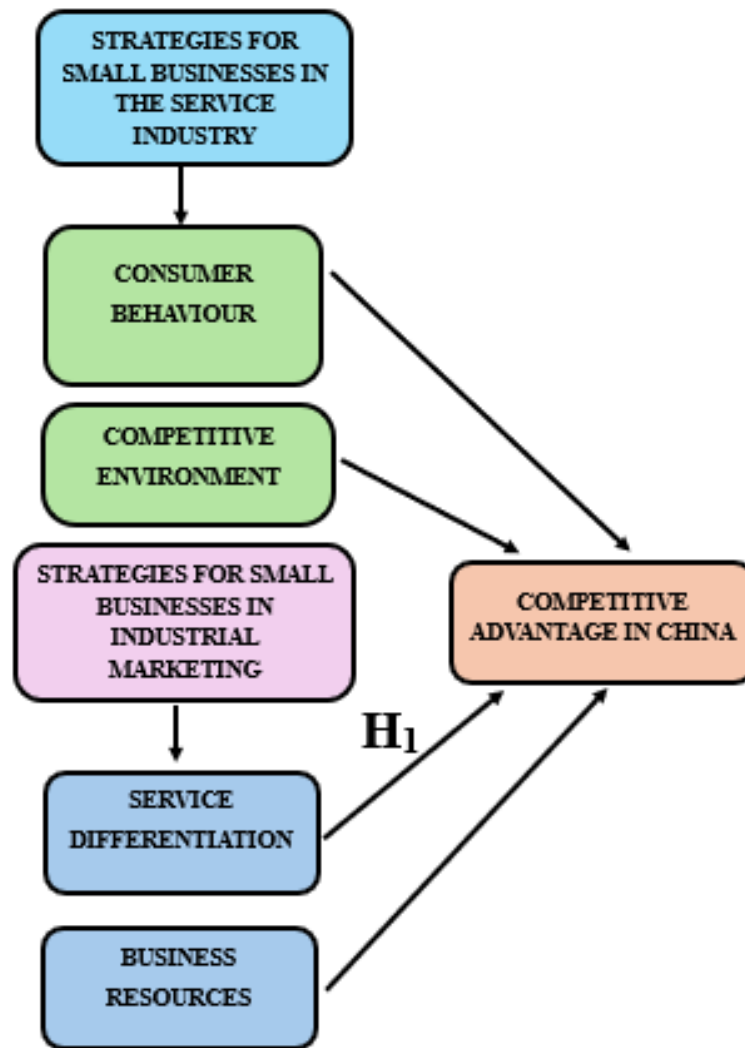
Statistical Software

The researchers used SPSS version 25 in conjunction with Microsoft Excel to conduct the statistical analysis.

Statistical Tools

The data's fundamental structure has been defined via an exhaustive investigation. Researchers have discovered the data's important parts after a comprehensive study. Analyses of variance (ANOVA) and factors showed that nothing was off.

CONCEPTUAL FRAMEWORK



RESULT

Factor Analysis

One way to get to the bottom of observable data is via factor analysis (FA). Regression coefficients are often used in evaluations when there are insufficient visual clues or diagnostic variables. Possible weak spots, breaches, and connections are the centre of attention in modelling. Different regression datasets may be compared using the Kaiser-Meyer-Olkin (KMO) Test. The findings demonstrate that both the theoretical model and its sample parameters deliver dependable predictions. Perhaps there will be indications of redundant data in the dataset. Data makes it simpler to read when it is shorter. From KMO, the researcher gets a number between zero and one. A KMO value between 0.8 and 1 is considered an acceptable range for the sample size.

1. These are the acceptable limits, according to Kaiser: Kaiser has set the following criteria for approval:
2. A pitiful 0.050 to 0.059, below average 0.60 to 0.69. Middle grades often fall within the range of 0.70-0.79.
3. With a quality point score ranging from 0.80 to 0.89. They marvel at the range of 0.90 to 1.00.
4. Table 1: KMO and Bartlett's Test
5. Testing for KMO and Bartlett's Sampling Adequacy Measured by Kaiser-Meyer-Olkin: 0.873
6. The results of Bartlett's test of Sphericity are as follows:
7. Approx. chi-square= 4850.145
8. df =190; sig =.000

Table 1: KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.873
Bartlett's Test of Sphericity	Approx. Chi-Square	4850.145
	df	190
	Sig.	0.000

Handling the gathered observations for the selected sample is normally made simple by the provided number. The researchers used "Bartlett's Test of Sphericity" to try to validate whether the indicators of a strong association were indeed statistically significant. An appropriate sample is defined as one with a calculated Kaiser-Meyer-Olkin value of 0.873 or above. With a p-value of around 0.00, the findings of Bartlett's Sphericity test were statistically significant. The correlation matrix is rendered insignificant due to its flawless performance in Bartlett's Sphericity test.

INDEPENDENT VARIABLE

Strategies for small enterprises in industrial ventures:

For survival and expansion, small enterprises in industrial ventures require defined strategy. To maintain their competitive edge, they need to prioritise innovation while also reducing costs. The key to consistent demand is solid connections with both suppliers and customers. Putting money into technology helps get more done with less wasted effort. Acquiring client confidence requires quality management (Al-Surmi et al., 2020). One way to find out what people want is to do a little market analysis. With ongoing instruction, small enterprises must additionally cultivate talented workers. Businesses can connect with more customers by teaming up with other businesses and regional sectors. Adaptable leadership enables prompt reactions to shift in the marketplace. The uncertainties may be mitigated by prudent budgeting and control of risk. It is important to make effective utilisation of governmental assistance and policy initiatives. Marketing and advertising help get people to remember the business and keep coming back (Akpan et al., 2022). Prospects for development may be enhanced via export options as well. Persistent profitability in competitive marketplaces may be achieved by small industrial enterprises by balancing effectiveness, quality, and creativity.

FACTOR

Service differentiation:

The technique that helps a service stand out from competitors is known as service differentiation. Its primary goal was to draw in and keep clients by providing them with unique value. Efficiency, creative thinking, advertising, and the client experiences were how businesses attained this. Differentiation in the service sector frequently relied on individualised attention and happy clients (Shajrawi & Aburub, 2023). To differentiate themselves, businesses improved the speed of response, interaction, and the provision of individualised alternatives. Continuous provision of services and highly qualified employees were also crucial. Businesses were able to increase convenience and accessibility with the use of digital and technological marketplaces. Credibility and loyalty were boosted by a favourable reputation and powerful brand perception. A competitive advantage and increased retention of consumers were the results of successful service differentiation. Organisations were also able to implement higher costs because of this (Cicconetti et al., 2023). Differentiation remained a crucial preservation tactic in the marketplace with comparable products. Companies improved their financial standing and chances of success in the future by responding to specific client demands and aspirations.

DEPENDENT VARIABLE

Competitive advantage in China:

In China, a competitive advantage is achieved by a combination of innovative thinking, efficient operations, and a deep grasp of the marketplace. To keep costs for goods low, many Chinese companies aim for cost management. To boost output while cutting expenses, numerous enterprises are turning to cutting-edge technological solutions. Due to the size of the nation's market, businesses can rapidly evaluate and implement innovative concepts (Qiu et al., 2020). Robust supply networks and competent employees also contribute to expansion. Policies initiated by governments support worldwide growth and industrial modernisation. To maintain their competitive edge, Chinese enterprises pour a lot of money on technological advancement. Improving quality and building a strong brand are now top concerns. By forming collaborations with multinational enterprises, regional businesses can obtain expertise and reach new customer bases.

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Chinese companies have an advantage in a dynamic environment because to their speed and flexibility (Zhang et al., 2025). Chinese enterprises can retain their competitive advantage both domestically and globally via a mix of creative thinking, expense control, and aggressive expansion. The worldwide financial system is still shaped by this advantage for China.

Relationship between service differentiation and competitive advantage in China:

China found a robust correlation between service differentiation and competitive advantage. To stand out in a congested marketplace, Chinese enterprises offered distinctive services. Companies were able to differentiate themselves and win over customers because to service differentiation. Priorities were efficiency, customisation, and high-quality service. Consumers placed a premium on creativity and dependability in China's rapidly expanding service sector. Pleasure and confidence were greater with businesses that provided personalised responses (Wen et al., 2022). A favourable word of reference and numerous sales resulted from this. Furthermore, local businesses embraced technologies to make their services more convenient and easier to utilise. Chinese businesses were driven to innovate by the intense worldwide competition. With differentiation, they were able to lessen economic competition while keeping their profitability percentages intact. The long-lasting advantages were made possible by an established brand identification and connections with clients (Pei et al., 2020). It encouraged long-term expansion and paved the way for companies to carve out distinctive niches in both domestic and international markets.

As previously stated, the hypothesis was formulated with the aim of investigating the robust relationship between service differentiation and competitive advantage in China:

- “H01: There is no significant relationship between service differentiation and competitive advantage in China.”
- “H1: There is a significant relationship between service differentiation and competitive advantage in China.”

Table 2: H₁ ANOVA Test

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	78,924.439	275	7849.435	931.462	0.000
Within Groups	756.894	574	8.427		
Total	79,681.333	849			

This research has important results. The F-value is 931.462 and the p-value is around 0.000, indicating statistical significance at the 0.05 alpha level. This determined that the null hypothesis has been rejected, and the alternative hypothesis, “H1: There is a significant relationship between service differentiation and competitive advantage in China” has been accepted.

DISCUSSION

The results showed that service differentiation has a big effect on the competitive edge in the Chinese market. The statistical study shows that the two variables are very closely related. Businesses that provided something really unique were better at getting and keeping customers. They were able to grow their market share and keep their customers because of this competence. The results also showed that new technologies and innovations were important for making distinction possible. Companies who spent money on new technologies and projects that put customers first had a distinct edge over their competitors. The survey found that customers were happier with organisations that delivered faster and more customised services. This led to further success and devoted customers. It also indicated that raising the value and efficiency of products was very important for

getting an advantage over the competition. Small and medium-sized businesses in China were able to take advantage of these advantages because to flexible and quick market strategies. Small firms were encouraged to think beyond the box by government initiatives and subsidies, as well as incentives from the private sector. The report says that businesses who can effectively combine technology, new ideas, and great customer relationships may be able to stay ahead of the competition. Because they could tell their services apart, they were able to swiftly adapt to the changing market and economy that globalisation created. The results together illustrated the significance of distinguishing services as a pivotal element in the competitive advantage of the Chinese market. The information learnt from this research might assist professionals grow their share of the marketplace and be successful in the years to come.

CONCLUSION

The research also revealed that differentiated services significantly influenced how Chinese enterprises might get a competitive advantage in the market. Even though there was a lot of competition, small firms who gave their clients great customer service had been capable for do well. They stayed on top by being innovative, efficient, and making consumers happy. It was also observed that small firms did better when they proved responsive for fresh perspectives and ready to change with the times. Government agencies helped them grow by giving them money and working together on plans. Even the tiniest firms might establish reliable brands and devoted clients by making their offerings distinct from others. Because of this knowledge, they were also able to quickly adjust to the changing requirements of the commercial world. It was decided that small firms who wish to stay ahead of the competition must make service distinction a top priority. Their commitment to quality, innovation, and adaptability led to their continued prosperity and stability. The research says that for Chinese industrial enterprises to be in business for a long time, they need to keep an eye on new ideas that are being developed

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