



Resilient Entrepreneurship in Crisis Economies: Survival Strategies of Fast-Food Enterprises amid Fuel Price Volatility and Economic Hardship in Warri Metropolis, Nigeria

Justice O. OKEI, Ph.D^{1*}, Glory IVIE², Walter Omatsola Ajuniye-Boyo³

¹Department of Business Administration, Michael and Cecilia Ibru University, Agbarha-Otor, Delta State, Nigeria

²Finance Department, Python Engineering; Jad Group Ltd, Enerhen Road, Effurun, Delta State, Nigeria

³Department of Business Administration, University of Benin, Edo State, Nigeria

*Corresponding Author

Justice O. OKEI

Department of Business Administration, Michael and Cecilia Ibru University, Agbarha-Otor, Delta State, Nigeria

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Abstract: This study investigated the Resilient Entrepreneurship in Crisis Economies: Survival Strategies of Fast-Food Enterprises amid Fuel Price Volatility and Economic Hardship in Warri Metropolis, Nigeria. Using a qualitative research design, semi structured interviews were conducted with fifteen participants, comprising ten owners and five managers of resilient fast food business. Thematic Analysis of the interview data revealed five dominant strategies: cost management, flexible pricing, local sourcing, diversification and customer loyalty. Rising fuel costs and inflation were identified as the most significant challenges, leading to increased operational expenses and reduced consumer patronage. Despite these constraints, entrepreneurs demonstrated resilience through adaptive practices that balanced financial sustainability with customer retention. The findings corroborate existing literature on entrepreneurial resilience, while also highlighting insight into how medium sized enterprises in sector like the fast food industry survive systemic crises in fragile economies. This study concludes that entrepreneurial resilience in Warri is multidimensional, combining financial prudence, operational adaptability, social embeddedness and psychological endurance.

Keywords: Economic Hardship, Entrepreneurial Resilience, Adaptive Strategies, Price Hikes.

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INTRODUCTION

Entrepreneurship in developing economies is frequently marked by turbulence, uncertainty and systemic fragility. Scholars have long observed that entrepreneurial activity in such contexts is shaped not only by opportunity recognition but also by survival imperatives (Bruton, Ahlstrom & Obloj, 2008). Nigeria, Africa's most populous nation and largest economy, exemplifies this reality. The country's entrepreneurial landscape is deeply intertwined with macroeconomic instability,

infrastructural deficits and policy volatility. In recent years, Nigeria has experienced a sharp downturn in economic conditions, driven by inflation, currency depreciation and fuel price volatility. These dynamics have placed immense strain on small and medium size enterprises (SMEs), which constitute the backbone of Nigeria's economy (Akinwale, 2021).

The fast food industry, particularly in urban centres such as Warri, Delta State, has been among the sectors most affected. Fast food enterprises,

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which rely heavily on consumer convenience and affordability, have been disproportionately impacted by rising operational costs and declining consumer purchasing power. Yet, despite widespread closures, a subset of businesses continues to operate, demonstrating remarkable resilience. Understanding the survival strategies of these enterprises is critical for informing both entrepreneurial practice and policy in crisis economies.

Nigeria's dependence on petroleum revenues has historically rendered its economy vulnerable to fluctuations in global oil markets (Salaimartin & Subramanian, 2013). The removal of fuel subsidies in 2023 intensified inflationary pressures, leading to sharp increases in transportation costs, food prices, and general living expenses. Inflation reached 28.9% by late 2023, with food inflation surpassing 30% (Central Bank of Nigeria, 2023). For businesses reliant on fuel for electricity generation and logistics, these increases have been devastating. The erratic power supply forces many enterprises to depend on generators, amplifying operational costs (Ezirim & Nwachukwu, 2020). Rising fuel as rice, flour and poultry, these price increases erode profit margins and constrain menu offerings. The Russia-Ukraine war further compounded the situation by driving up the cost of imported wheat and flour, essential inputs for many fast food products (World Bank, 2023).

The fast food industry in Nigeria has expanded significantly over the past two decades, driven by urbanization, changing consumer lifestyles, and the demand for convenience (Ogunyemi, 2019). Major players such as Chicken Republic and Shoprite have established nationwide footprints, while smaller enterprises cater to localized markets. In Warri, fast food businesses play a vital role in urban food consumption, offering affordable meals to workers, students and families. However, the sector's reliance on disposable income makes it highly sensitive to economic shocks. As inflation erodes consumer purchasing power, discretionary spending on fast food declines, leading to widespread closures.

Resilience in entrepreneurship refers to the ability of business owners to adapt, innovate and sustain operations despite adverse conditions. Williams and Shepherd (2016) conceptualize resilience as both an individual and organisational capability, encompassing psychological endurance, strategic flexibility and resourcefulness. Bullough and Renko (2013) emphasize that resilience is particularly critical in crisis economies, where entrepreneurs must navigate systemic challenges beyond their control. Research highlights several dimensions of entrepreneurial resilience, including financial resilience, which involves managing cash

flow, reducing costs, and diversifying income streams (Korber & McNaughton, 2018); operational resilience, which entails adapting business models, supply chains and processes to changing conditions (Doern, Williams & Vorley, 2019); social resilience, which leverages networks, community support and customer loyalty to sustain patronage (Uzuegbunam, 2020); and psychological resilience, which requires optimism, perseverance and problem solving orientation in the face of adversity (Bullough & Renko, 2013).

In the Nigerian context, resilience is often shaped by informal networks, improvisation and adaptive strategies. Entrepreneurs rely on local sourcing, flexible pricing and community engagement to mitigate the effects of economic hardship. These strategies reflect a broader pattern of survival entrepreneurship, where the primary goal is continuity rather than growth (Bruton *et al.*, 2008). Warri presents a unique context for examining entrepreneurial resilience. As an oil producing city, it has experienced both economic booms and downturns linked to the petroleum sector. The recent fuel price hike has intensified hardship, with residents facing higher transportation costs and reduced disposable income. Fast food enterprises which depend on daily patronage, have been forced to innovate to remain viable.

Preliminary evidence suggests that resilient fast food businesses in Warri employ strategies such as menu nationalization, reducing the variety of offerings to focus on high demand, cost effective items, such as; energy efficiency, investing in alternative energy sources or optimizing generator usage to reduce fuel consumption; flexible pricing models, adjusting portion sizes and prices to align with consumer budgets; local ingredient sourcing, minimizing reliance on imported goods by sourcing locally available staples; customer loyalty programs, offering discounts, promotions and personalized services to retain regular customers; and diversification, expanding into catering, delivery or related services to supplement income streams. These strategies highlight the adaptive capacity of entrepreneurs in Warri, who balance cost management with customer retention in a highly constrained environment.

This study contributes to the literature on entrepreneurial resilience by situating it within the context of crisis economies. While resilience has been widely studied in developed economies. While resilience has been widely studied in developed economies, less attention has been paid to how entrepreneurs in fragile contexts navigate systemic challenges. By focusing on fast food enterprises in Warri, the study provides insights into the micro level

strategies that underpin survival in Nigeria's volatile economy. The findings will have practical implications for policymakers, understanding the survival strategies of SMEs can inform targeted interventions, such as energy subsidies, credit facilities and infrastructural support. For business support organisations, the study highlights area where training and capacity building can enhance resilience. For entrepreneurs, the documentation of survival strategies offer a repository of best practices that can be adapted to similar contexts.

Nigeria's economic crisis, driven by fuel price volatility and inflation, has created a hostile environment for fast food enterprises in Warri. Yet, the resilience of certain businesses underscores the ingenuity and adaptability of entrepreneurs operating in crisis economies. By examining the survival strategies of these enterprises, this study seeks to illuminate pathways for sustaining entrepreneurship under extreme conditions. Ultimately, the research contributes to broader discussions on resilience, entrepreneurship and economic development in fragile contexts.

Objectives:

- i. To explore the impact of fuel price hikes and economic hardship on fast-food businesses in Warri.
- ii. To examine internal and external factors contributing to business resilience.

Empirical Review

Entrepreneurial resilience has attracted considerable scholarly attention in recent decades, particularly in contexts marked by crisis and uncertainty. Studies in developed economies have examined how entrepreneurs adapt to shocks such as natural disasters, financial crises and pandemics. For instance, Williams and Shepherd (2016) explored emergent ventures in Haiti following the earthquake, showing how resilience manifests through resource improvisation and community embeddedness. Similarly, Bullough and Renko (2013) investigated resilience during economic downturns, emphasizing psychological endurance and adaptive strategies. These studies underscore resilience as a multidimensional construct encompassing financial, operational, social and psychological dimensions.

In African contexts, research has increasingly focused on the challenges of entrepreneurship the unique institutional voids in emerging markets, noting that entrepreneurs often rely on informal networks and improvisation to survive. Uzuegbunam (2020) examined entrepreneurial networks in Nigeria's informal economy, demonstrating how social capital and community ties enhance resilience. Korber and

McNaughton (2018) provided a systematic review of resilience in entrepreneurship, but their analysis was largely global, with limited empirical findings in African economies. While these studies offer valuable insights, they often generalize resilience without deeply engaging with dynamic peculiar to certain sector.

The fast food industry in Nigeria has been studied primarily from the perspective of consumer behaviour and urban lifestyles. Ogunyemi (2019) analyzed fast food consumption patterns, linking them to urbanization and changing dietary preferences. Industry reports have highlighted the sector's growth potential and challenges, particularly in relation to competition and supply chain management. However, empirical research on how fast food enterprises navigate systemic economic crises remains scarce. Most studies focus on broader SME resilience or informal sector survival, leaving a gap in understanding how formalized yet vulnerable sectors like food adapt to shocks such as fuel price volatility and inflation.

Fuel price volatility, a central feature of Nigeria's economic landscape, has been examined in relation to macroeconomic stability and household welfare. Sala i Martin and Subramanian (2013) discussed the resource curse and its implications for Nigeria's dependence on petroleum revenues. Ezirim and Nwachukwu (2020) analyzed energy insecurity and its impact on business performance, emphasizing the burden of generator reliance. Yet, few empirical studies have connected fuel price dynamics directly to the operational strategies of small enterprises in specific industries. The intersection of fuel price volatility, consumer spending patterns and fast food business resilience in Warri remains underexplored.

Existing literature also trends to emphasize resilience in either informal microenterprise, such as fast food outlets. These businesses occupy a unique position: they are more structured than informal street vendors yet more vulnerable than multinational chains. Their survival strategies, therefore, provide a critical lens for understanding resilience in crisis economies. The absence of empirical studies focusing on this sector in Warri highlights a significant knowledge gap.

Furthermore, most resilience studies in Nigeria adopt quantitative approaches, measuring resilience through financial indicators or survey data. While useful, such methods often overlook the nuanced, lived experiences of entrepreneurs navigating daily crises. Qualitative approaches, such as in-depth interviews and thematic analysis, remain underutilized in this context. By engaging directly with fast food entrepreneurs in Warri, this study

seeks to capture the micro level strategies and adaptive practices that are often invisible in large scale surveys.

Consequently, while there is a growing body of literature on entrepreneurial resilience, several gaps persist. First, resilience has been studied extensively in developed economies and in generalized African contexts, but based on specific sector analyses in Nigeria remain limited. Second, the fast food industry, despite its economic significant, has not been empirically examined in relation to systemic crises such as fuel price volatility and inflation. Thirdly, existing studies often rely on quantitative measures, neglecting qualitative insights into the lived realities of entrepreneurs. This study addresses these gaps by focusing on the survival strategies of fast food enterprises in Warri, employing qualitative methods to generate knowledge that is unique based on context that can inform both policy and practice.

METHODOLOGY

This study employed a qualitative research design to investigate the survival strategies of fast food enterprises in Warri, Nigeria, amid fuel price volatility and economic hardship. A qualitative approach was chosen because resilience and adaptation are complex, dependent on context phenomena that could not be adequately captured through quantitative measures alone. By engaging directly with entrepreneurs, the research sought to uncover the lived experiences, perceptions and practices that underpinned business continuity in crisis economies.

The population of interest comprised owners and managers of fast food enterprises comprising operating in Warri. These individuals were selected because they were directly responsible for strategic and operational decisions within their businesses and therefore possessed firsthand knowledge of the challenges and adaptive strategies employed during the economic downturn. Purposive sampling was used to identify enterprises that had remained operational despite widespread closures, ensuring that participants represented resilient businesses capable of providing rich insights into survival strategies.

Data were collected through indepth, semi structured interviews with owners and managers of fast food businesses that had remained operational despite the economic downturn. Purposive sampling was used to identify enterprises that demonstrated resilience, ensuring that participants were selected based on their ability to provide rich insights into survival strategies. This sampling strategy was justified because the study was not concerned with

statistical generalization but with understanding the specific mechanisms of resilience within a defined context.

Data analysis was carried out using thematic analysis, which involved systematically coding interview transcripts to identify recurring patterns, themes and strategies. Thematic analysis was particularly suited to resilience research because it enabled the researcher to move beyond surface level descriptions to uncover underlying processes and meanings.

Credibility and trustworthiness were enhanced through triangulation, achieved by comparing findings across multiple participants and by cross referencing emerging themes with existing literature on entrepreneurial resilience. Member checking was also employed, whereby participants were invited to review preliminary interpretations to ensure accuracy and resonance with their experiences, Ethical considerations were strictly observed, including informed consent, confidentiality and the voluntary nature of participation.

RESULTS

A total of fifteen participants were interviewed, comprising ten owners and five managers of fast food enterprises in Warri. These participants were purposively selected because their businesses had remained operational despite widespread closures in the city. The instrument used for data collection was a semi structured interview guide, which contained open ended questions designed to elicit detailed narratives about operational challenges, adaptive strategies and customer responses.

When asked "How have rising fuel prices affected your business operations?", one owner explained: "Fuel alone now takes almost half of our daily income because we run generators all day. Without power, we cannot preserve food or serve customers." A manager added: "transportation cost have doubled, so supplier charge more. We had to cut down our menu to only what we can afford to produce."

In response to "What strategies have you adopted to remain in business despite these challenges?", participants highlighted several approaches. One owner stated: "We reduced portion sizes and introduced smaller packs so customer can still afford something." Another noted: "we started sourcing vegetables and poultry locally instead of relying on imported frozen foods.

Finally, in response to "Have you explored new business opportunities to cope with the crisis?",

several participants mentioned diversification: “We now do catering for small events and home deliveries. It helps us survive when walk-in sales are low.”

Table of Strategies Reported

Survival Strategy	Number of Participants	Representative Response
Cost Management	15	“We reduced menu options and cut staff hours to save costs.”
Flexible Pricing	12	“We introduced smaller packs so customers can still afford something.”
Local Sourcing	9	“We started sourcing vegetables and poultry locally instead of relying on imports.”
Diversification	7	“We now do catering for small events and home deliveries.”
Customer Loyalty	10	“We give discounts to regulars and that keeps them coming back.”

Analysis

From the result it was found that the SMEs used five major strategies underpinning resilience: cost management, flexible pricing, local sourcing diversification and customer loyalty.

Cost management was the most frequently cited strategy, with nearly all participants reporting reductions in menu options, staff hours and energy consumption. This findings corroborates Korber and McNaughton (2018) assertion that financial resilience often involves streamlining the operations to preserve cash flow.

Flexible pricing was adopted by twelve of the fifteen participants. Adjusting portion sizes and introducing smaller, affordable meal options allowed businesses to retain customers with reduced purchasing power. The adaptation reflects Doern, William and Vorley (2019) observation that resilience in crisis economies requires business models that respond directly to consumer realities.

Local sourcing was reported by nine participants, who minimized reliance on imported goods by sourcing staples locally. This finding resonates with Uzuegbunam (2020) emphasis on the role of local networks and community ties in sustaining entrepreneurial resilience.

Diversification into catering and delivery services was mentioned by seven participants, broadening revenue streams and reducing dependence on customer who purchase physically from the shop, This strategy mirrors Bullough and Renko (2013) conclusion that resilience often entails reconfiguring business models to exploit new opportunities during crises.

Customer loyalty was emphasized by ten participants, who reported that promotions, personalized service, and community engagement sustained patronage. This findings aligns with Williams and Shepherd (2016) study of post disaster

ventures which highlighted community embeddedness as a critical factor in survival.

DISCUSSION

The findings demonstrate that fast food enterprises in Warri employed multifaceted strategies to cope with fuel price volatility and economic hardship. Rising fuel costs and inflation forced entrepreneurs to innovate in ways that balanced financial sustainability with customer retention. Cost management and flexible pricing addressed immediate financial pressures, while local sourcing and diversification reflected longer adaptive practices period. Customer loyalty initiatives illustrated social dimension of resilience, where trust and community ties served as buffers against economic shocks.

This study extends existing literature by providing insights specific to a sector of the Nigeria regarding resilience. Previous research has examined resilience broadly within SMEs or informal enterprises (Bruton, Ahlstrom & Obloj, 2008; Uzuegbunam, 2020), but few studies have focused on the structured yet vulnerable sectors such as fast food. By documenting the lived experiences of owners and managers, this research fills a critical gap in understanding how medium size enterprises navigate systemic crises.

Moreover, the findings underscore the importance of qualitative approaches to resilience study. Unfortunately, quantitative studies often overlook the nuanced strategies entrepreneurs employ, whereas thematic analysis reveals the complexity of adaptation in fragile economies. The emphasis on local sourcing and customer loyalty, for instance, illustrate context specific practices that may not be captured through survey data alone.

From this study, policy implications are significant. The reliance on generators highlights the urgent need for stable electricity supply to reduce operational cost (Ezirim & Nwachukwu, 2020).

Flexible pricing and menu rationalization suggest that consumer support policies, such as subsidies for staple foods, could ease pressures on both businesses and households. Diversification into catering and delivery services points to the potential for training and support programs that encourage innovation among SMEs (Bullough & Renko, 2013).

Consequently, the resilience of fast food enterprises in Warri illustrates the ingenuity and adaptability of entrepreneurs operating in crisis economies. Their survival strategies provide valuable lessons for policymakers, business support organisations, and other entrepreneurs facing similar challenges. By situating resilience within the specific context of fuel price volatility and economic hardship, this study advances scholarly understanding of entrepreneurship in fragile economies and offers practical insights for sustaining business continuity under extreme conditions.

CONCLUSION

This study examined the survival strategies of fast food enterprises in Warri, Nigeria amid fuel price volatility and economic hardship. Through semi structured interviews with fifteen participants (10 owners and 5 managers), the research revealed that these businesses faced significant challenges, including soaring operational costs, declining consumer patronage and supply chain disruptions. Despite these pressures, the enterprises demonstrated resilience by adopting strategies such as cost managements, flexible pricing, local sourcing, diversification and customer loyalty initiatives.

The findings highlight that resilience in crisis economies is not a singular attribute but a multidimensional process that combine financial prudence, operational adaptability, social embeddedness and psychological endurance. Fast food entrepreneurs in Warri exemplify how small and medium size enterprises can survive system shocks by continuously innovating and leveraging community ties. This study contributes to the literature by providing sector specific insights into entrepreneurial resilience in Nigeria, addressing gap empirical research on structured yet vulnerable industries such as fast food.

Recommendations

1. Business support organisations should provide training programs focused on innovation, diversification and crisis management. This programme can help entrepreneurs expand into other business prospects like catering, delivery and other complementary services.
2. Policies that strengthen local agricultural supply chains would reduce reliance on

imports and mitigate the impact of global price fluctuations. Partnerships between fast food enterprises and local farmers should be incentivized.

3. Cooperative associations and business clusters in Warri should be supported to foster knowledge sharing, resource pooling and collective bargaining power.
4. Government agencies should prioritize stabilizing electricity supply and reducing dependence on generators, as energy costs were identified as the most significant burden. Targeted subsidies for staple food items could also ease pressures on both businesses and households.

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