KEKE BAN POLICY AND PERFORMANCE OF SMES WITHIN YENAGOA METROPOLIS OF BAYELSA STATE, NIGERIA

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Abstract

The study was carried out to assess the effects of the ban on Keke (tricycle taxi) on small and medium-scaled enterprises (SMEs) in the Yenagoa metropolis. The study's specific objectives were to evaluate the socio-economic impacts of the Keke ban on consumers' access to SMEs, examine the extent to which the Keke ban policy has affected the performance of SMEs, and access the socio-economic impacts of the Keke ban policy on employment levels of SMEs within the Yenagoa metropolis. To this end, the cross-sectional research design was adopted. The population of the study was three hundred persons made up of SMEs managers, owners and employees. The Taro Yemen formula was employed to determine a sample size of one hundred and seventy-one respondents while simple random sampling technique was used. Data was collected from a structured questionnaire and were analysed descriptively with simple percentage tables while hypothesis were tested with Chi-square analysis. The Keke ban has significantly increased transportation costs, reduced customer access, disrupted SME operations, and negatively impacted employment, ultimately harming business profitability and worsening economic strain on SMEs and workers. To mitigate the negative impacts of the Keke ban, authorities should introduce subsidized transport options like regulated mini-buses, provide financial support such as tax reliefs and low-interest loans to affected SMEs, and encourage businesses to implement workforce mobility solutions like employee shuttles or transport allowances.

Keywords: Ban policy, Small and Medium Enterprises (SMEs), Socio-Economic, Performance, Urban Transportation.

Introduction

Urban transportation policies significantly impact the economic dynamics of cities (Fontoura et al., 2020). In Yenagoa, the capital of Bayelsa State, the recent restriction on commercial tricycles (Keke) between the hours of 7pm to 6am for over three years, was implemented as a security measure following a violent clash between tricycle operators and local youths, which resulted in fatalities (Ofiebor, 2023). This measure, aimed at restoring peace, has inadvertently disrupted local businesses and economic activities. The restriction has led to a complex interplay of economic challenges for the city's residents and business owners, highlighting the significant role that transportation policies play in urban economic stability.

Before the restriction, Keke operators were integral to the local economy, providing employment opportunities and facilitating affordable transportation of goods and services. Small and Medium-sized Enterprises (SMEs) heavily relied on these tricycles for logistics, which kept operational costs low and allowed businesses to thrive. With the ban, businesses now face higher transportation costs leading to increased prices for consumers and operational challenges. The sudden change has forced many SMEs to seek alternative, more expensive transportation methods, further straining their financial resources (Jack, 2021). The ban has reduced footfall in markets, shops, and other business locations, particularly in areas lacking alternative public transport options within the timeframe of the ban (7p.m to 6a.m). Similar policies in other Nigerian cities, such as the commercial motorcycle ban in Onitsha (albeit, a total ban), have shown severe economic consequences, including increased travel costs and reduced business productivity (Obilor, 2023). The economic landscape in Yenagoa may experience similar disruptions, leading to a decline in business activities and overall economic growth.

This study aims to analyze the economic repercussions of the Keke restriction on businesses in Yenagoa. By examining the effects on SMEs' operational costs, customer accessibility, and employment.

Objectives of the study

1. To evaluate the socio-economic impacts of the Keke ban on consumers' access to SMEs within the Yenagoa metropolis.

2. To examine the extent to which the keke ban policy has affected the performance of SMEs within Yenagoa Metropolis.

3. To access the socio-economic impacts of the Keke ban policy on employment levels of SMEs within the Yenagoa metropolis.

Hypotheses of the study

Ho_1: the Keke ban policy does not affect consumers' access to SMEs within the Yenagoa metropolis significantly.

Ho_2: the keke ban policy does not have any significant impact on the performance of SMEs within Yenagoa Metropolis.

Ho_3: the Keke ban policy has not significantly affected the employment level of SMEs within the Yenagoa metropolis.

Literature Review

Urban Transportation Policies and Economic Impacts on Businesses

Urban transportation policies are central to the functioning of cities, as they dictate the movement of people, goods, and services within urban areas. These policies are typically designed to achieve a range of objectives, including enhancing mobility, reducing traffic congestion, improving public safety, and mitigating environmental impacts (Rodrigue, 2020).

The objectives of urban transportation policies often extend beyond just mobility improvements. Safety is a major concern, especially in cities with high rates of traffic accidents involving commercial vehicles. For example, in many Nigerian cities, policies have been enacted to regulate the operation of commercial motorcycles and tricycles to reduce accident rates and enhance public safety. In this context, the recent restriction on Keke operations in Yenagoa was introduced primarily as a security measure to prevent further violence following a clash between Keke operators and local youths (Ofiebor, 2023).

However, the economic implications of these transportation policies are profound and often complex. While the primary objectives of such policies might be to improve safety and order, they can have unintended consequences on the local economy. Restrictions on vehicle operations can disrupt the livelihoods of those who depend on these vehicles for income. Moreover, businesses that rely on these modes of transport for logistics and customer access may face increased costs and reduced market reach, leading to broader economic challenges (Jack, 2021).

The Role of Keke (Tricycles) in Urban Transportation in Nigeria

Keke, or tricycles, have a long history in Nigeria's urban transportation system, emerging as a popular mode of transport in the early 2000s. Initially introduced as a low-cost alternative to motorcycles, Keke quickly gained popularity due to their affordability, accessibility, and ability to navigate congested urban areas (Odewunmi, 2020). They have since become an integral part of the transportation network in many Nigerian cities, providing essential services to both commuters and businesses. For SMEs, Keke offers a vital logistical solution, enabling the transportation of goods at lower costs compared to more formal modes of transport (Olawale, 2022). This is particularly important in densely populated urban areas where larger vehicles face difficulties in maneuvering. For low-income earners, Keke provides an affordable means of transportation, ensuring access to employment opportunities, markets, and essential services (Adebayo, 2021). The accessibility and affordability of Keke make them a critical component of the urban economy, particularly in cities where public transport infrastructure is underdeveloped.

While urban transportation policies aim to address critical issues like safety and congestion, their economic impacts can be significant, particularly in contexts where informal transport modes like Keke play a central role.

Theoretical Literature

The Central Place Theory

The Central Place Theory was originally formulated by Walter Christaller in 1933 and later translated into English in 1966. This theory provides a framework for understanding the spatial distribution of cities, towns, and businesses in relation to transportation networks. Central Place Theory posits that urban areas, or "central places," serve as hubs for the provision of goods and services to surrounding areas. The distribution and hierarchy of these central places are influenced by factors such as transportation, population density, and consumer demand. In the context of Yenagoa, where the Keke ban disrupts a key mode of transportation, this theory helps to explain

how changes in accessibility might affect the economic activities of small and medium-sized enterprises (SMEs) in different parts of the city. Central Place Theory is based on several key propositions. First, Christaller (1966) argued that central places exist to provide goods and services to surrounding areas, with larger central places offering a wider range of services and attracting people from greater distances. Second, the theory suggests that transportation networks play a crucial role in determining the size and spacing of these central places. Efficient transportation allows for a wider distribution of goods and services, enabling central places to serve larger hinterlands.

The theory also emphasizes the importance of threshold and range—two concepts that explain the minimum population required to support a service (threshold) and the maximum distance consumers are willing to travel to access that service (range). When transportation is efficient, both the threshold and range increase, allowing businesses to serve more customers over a larger area. However, if transportation is restricted, as with the Keke ban, the range decreases, meaning that fewer consumers are able or willing to access the services provided by SMEs. Conclusively, Central Place Theory offers a robust framework for understanding the socio-economic impacts of the Keke ban in Yenagoa.

Empirical Literature

Jack & Tokpo (2021) examined the effects of transportation restrictions on SMEs in Ibadan, Nigeria. The study found that businesses reliant on informal transport modes, such as tricycles and motorcycles, faced severe disruptions in their supply chains. These disruptions led to delays in the delivery of goods, higher inventory costs, and increased reliance on more expensive transportation options. As a result, many SMEs reported reduced profit margins and, in some cases, business closures. The findings highlight the vulnerability of SMEs to changes in transportation policies, particularly in contexts where alternative transport options are limited or costly.

In a similar study, Olawale (2022) explored the impact of transportation restrictions on consumer behavior in Abuja. The study found that consumers were less likely to visit markets and businesses that were difficult to reach due to transportation bans, leading to a concentration of economic activities in more accessible areas. The findings suggest that transportation policies that limit access to certain areas can have significant implications for consumer behavior, market access, and the spatial distribution of economic activities within cities.

Internationally, studies have also explored the impact of transportation policies on SME operations. In Dhaka, Bangladesh, the restriction of rickshaws in certain urban areas led to a significant decline in the profitability of small businesses that relied on these vehicles for customer deliveries (Hossain & Susilo, 2011). The study found that the ban not only increased transportation costs but also reduced the accessibility of businesses to their customer base, particularly in densely populated areas where rickshaws were the primary mode of transport. Similarly, research in Mumbai, India, by Sharma and Singh (2019) indicated that transportation restrictions targeting informal transport modes led to a decline in SME profitability, primarily due to increased logistical costs and reduced customer footfall.

Literature Gap

This study was carried out to fill specific gaps left by prior studies on similar policies in other cities. While studies by Obilor (2023) and Eze (2021) examined how transportation restrictions impacted consumers' access in Onitsha and Port Harcourt, this research narrows in on how the Keke ban has uniquely influenced the performance of SMEs in Yenagoa. Regarding employment impacts, this research diverges from studies by Adebayo (2021) and Odewunmi (2020), which concentrated on job losses in the transport sector. Instead, it examines employment trends within SMEs in Yenagoa, looking specifically at how the Keke ban affects workforce dynamics within local businesses. These identified literature gaps make this work unique from others.

Methodology

This study utilized a cross-sectional research design, which is commonly employed to collect data from a population or sample at a single point in time. The study specifically adopted a survey design, using instruments such as questionnaires and interviews for data collection.

The population of this study is the total registered MSMEs in Bayelsa State. According to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) report, there are three hundred (300) registered SMEs in Bayelsa State. One manager from each of the 300 SMEs is considered as part of the population for this study.

The simple random sampling was adopted in this study. Given the above population size of 300 the researcher applied a Taro Yemen statistical formula. Taro Yemen formula is given as: $n=\dfrac{N}{1+N(e)^2}$

Where;
n = Sample size sought, =?

N = Total population size, =300

e = Level of significance or limit of tolerable errors, = 0.05

1 = constant

Therefore,

$$n = \frac{300}{1+300(0.05)^2} = 171$$

Thus, a sample size of 171 managers/owners SMEs served as respondents to represent the entire population in this study.

This study used primary data collected through a structured questionnaire. The questionnaires were sent to managers and owners of the SMEs through their email addresses, and subsequently, copies of the filled questionnaires were retrieved and used. The method of data analysis for the study was simple descriptive statistics and Chi-square analysis. The questionnaire measurement of the study used a four-point Likert rating scale as justified by Orji (2017), and Orji, Akhimien, Nweke, & Ridwan (2022) who argued that respondents have behaviour of either survey optimizing or satisfying thus, including neutral point could lead to decrease in measurement quality. Weight was assigned as follows: Strongly Agreed 4, Agreed 3, Disagree 2, and Strongly Disagree 1.

The Chi-square derived from Kendall coefficient of concordance method was used in testing hypotheses concerning the differences between a set of observed frequencies of a sample and a corresponding set of expected frequencies. Thus, the hypothesis was tested using the Chi-square test statistical tools and the formula as shown as follows: $X^2 = \frac{\sum(O_i - E_i)^2}{E_i}$, where:

X2 = Computed Chi-square Value

Oi = Observed frequency

Ei = Expected frequency

Results and Discussions

Table 4.1 Administered Questionnaires and Returned Questionnaires

Questionnaires Distribution	Frequency	Percentage
Returned/Valid Questionnaires	166	97.1%
Questionnaires not Returned/Invalid	5	2.9%
Total	171	100

Author's Computation using Survey Data, (2025)

Table 4.1 shows that response rate of the questionnaire administered. The response rate is a critical factor in determining the reliability and validity of research findings. From Table 4.1, a total of 171 questionnaires were distributed to managers/owners of SMEs in Bayelsa State. Out of these, 166 were completed and returned, resulting in a response rate of 97.1%, while 5 questionnaires (2.9%) were either not returned or invalid.

Table 4.2: Socio-economic impacts of the Keke ban on consumers' access to SMEs.

S/N	Statements	SA	A	D	SD
1	The ban has increased transportation costs for customers coming to my business	59 (36.1%)	46 (27.7%)	36 (21.6%)	25 (14.6%)
2	Since the Keke ban, the number of customers visiting my business has decreased	64 (38.6%)	50 (30.1%)	30 (18.1%)	22 (13.3%)
3	Keke ban has made it difficult for customers to access my business	68 (41.0%)	58 (34.9%)	22 (13.3%)	18 (10.8%)
4	My business has experienced a drop in sales because of reduced customer access	48 (28.9%)	62 (37.3%)	42 (25.3%)	14 (8.4%)

Source:Computation field Survey (2025)

Table 4.2 presents the socio-economic impact of the keke ban on consumers' access to SMEs. The first statement assessed whether the Keke ban had led to an increase in transportation costs for customers. The results show that 36.1% of respondents strongly agreed (SA) and 27.7% agreed (A), meaning that a majority (63.8%) acknowledged increased transportation costs. This aligns with findings by Gwilliam (2017), who argued that transportation restrictions often raise commuting expenses, particularly for low-income earners. The second statement examined whether the number of customers visiting businesses had decreased due to the Keke ban. The results show that 38.5% strongly agreed (SA) and 30.1% agreed (A), indicating that a substantial majority (68.6%) experienced reduced customer visits. This finding is consistent with studies by Olubomehin (2017) and Adebayo (2021), which highlight the importance of commercial tricycles in supporting urban commerce by ensuring customer mobility.

The third statement assessed whether customers found it difficult to access businesses due to the ban. A significant proportion (41.0% SA and 35.0% A) confirmed this, totaling 76% of respondents. This supports previous studies by Gwilliam (2017) and Salau et al. (2021), which emphasize that ease of business accessibility is a key determinant of customer retention. Small businesses rely heavily on proximity and convenience for customer loyalty. The fourth statement explored whether businesses experienced a drop in sales due to reduced customer access. The results indicate that 28.9% strongly agreed (SA) and 37.3% agreed (A), meaning that 66.2% of respondents confirmed a decline in sales. This is supported by study by Rodrigue (2020), which found that restricted mobility due to transport bans often leads to lower business revenues.

Table 4.3: Impact of Keke Ban on SME performance

S/N	Statements	SA	A	D	SD
1	Keke ban has increased the operational costs for my business	64	58	20	24
		(38.6%)	(34.9%)	(12.0%)	(14.5%)
2	My business has faced delays in supply or logistics due to limited transportation options	74	50	26	16
		(44.5%)	(30.1%)	(15.6%)	(9.6%)
3	Productivity of my business has decreased as a result of the Keke ban	64	40	18	24
		(38.5%)	(24.1%)	(10.8%)	(14.4%)
4	Since the Keke ban, the operational efficiency of my business has declined	66	54	26	20
		(39.7%)	(32.5%)	(15.6%)	(12.1%)

Source:Author's Computation using Survey Data, (2025)

Table 4.3 shows the extent to which the Keke ban affected the performance of SMEs. The first statement assessed whether the Keke ban had increased operational costs for businesses. The results indicate that 38.6% strongly agreed (SA) and 34.9% agreed (A), meaning that a majority (73.5%) of respondents experienced higher costs. This is consistent with study by Adebayo (2021), which found that disruptions in public transport often lead to higher expenses for businesses that rely on affordable logistics. The second statement examined whether businesses faced supply chain disruptions due to the ban. A significant 44.5% of respondents strongly agreed (SA) and 30.1% agreed (A), making a total of 74.6% who reported delays. This finding aligns with studies by Olubomehin (2017) and Salau et al. (2021), which highlight that transportation restrictions negatively impact supply chains, causing delays in procurement and delivery.

The third statement assessed whether productivity had decreased due to the Keke ban. A substantial proportion (38.5% SA and 24.1% A) agreed, meaning that 62.6% of respondents experienced reduced business output. This supports findings by Rodrigue (2020), which suggest that transportation challenges can disrupt business operations, leading to inefficiencies in workforce and service delivery. The fourth statement investigated whether operational efficiency had declined due to the ban. A majority (39.7% SA and 32.5% A) agreed, totaling 72.2% of respondents. This aligns with research by Gwilliam (2017), which found that an efficient transport system is essential for business efficiency.

Table 4.4: Socio-economic impacts of the Keke ban on employment level of SMEs.

S/N	Items statements	SA	A	D	SD
1	Keke ban has affected the ability of employees to commute easily to work	60 (36.1%)	46 (27.7%)	36 (21.6%)	24 (14.6%)
2	My business has suffered a reduction in working hours for some employees due to transport limitations	64 (38.5%)	50 (30.1%)	30 (18.1%)	22 (13.3%)
3	Keke ban has led to increased lateness of employees to work	68 (41.0%)	58 (35.0%)	22 (13.2%)	18 (10.8%)
4	Due to the Keke ban, my business has reduced its workforce	48 (28.9%)	62 (37.3%)	42 (25.3%)	14 (8.4%)

Source: Author's Computation using Survey Data, (2025)

Table 4.4 gives the analysis of responses to research question three. The first statement assessed whether the Keke ban had affected employees' ability to commute easily to work. The results show that 36.1% strongly agreed (SA) and 27.7% agreed (A), meaning that a majority (63.8%) of respondents faced commuting difficulties. This supports the findings of Rodrigue (2020), who highlighted that transport disruptions significantly affect employee mobility, leading to productivity losses and increased stress. The second statement examined whether businesses had to reduce working hours due to transport limitations. A total of 68.6% of respondents (38.5% SA, 30.1% A) agreed that the Keke ban led to reduced employee working hours. This aligns with the study by Olubomehin (2017), which found that transportation difficulties force businesses to adjust work schedules, leading to lower productivity.

The third statement investigated whether the Keke ban had led to increased lateness among employees. A significant 76% of respondents (41.0% SA, 35.0% A) agreed that lateness had increased. This finding is consistent with Salau et al. (2021), who found that restricted transport systems negatively affect punctuality and workforce efficiency. The fourth statement assessed whether businesses had been forced to reduce their workforce due to the Keke ban. The results indicate that 66.2% of respondents (28.9% SA, 37.3% A) agreed that workforce reduction had occurred. This supports research by Gwilliam (2017), which found that transportation disruptions often lead to layoffs in SMEs due to operational inefficiencies and increased costs.

Test of Hypotheses
Hypothesis One
Ho1: The Keke ban policy does not affect consumers' access to SMEs within the Yenagoa metropolis significantly.

Table 4.5: Observed Frequencies obtained from Table 4.3

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree	Row Total
Statement 1	59	46	36	25	166
Statement 2	64	50	30	22	166
Statement 3	68	58	22	18	166
Statement 4	48	62	42	14	166
Column Total	239	216	130	79	664

Source: Author's Computation using Survey Data, (2025)

From the above table, we now calculate the expected frequencies. For each cell, the expected frequency (E_i) is calculated as:

$$E_i = \frac{(Row\ Total)(Column\ Total)}{Grand\ Total}$$

Table 4.6: Expected Frequencies derived from Table 4.5

Statements	SA	A	D	SD
Statement 1	53.36	44.64	31.32	20.68
Statement 2	30.24	25.36	17.76	11.64
Statement 3	29.16	24.36	17.04	11.44
Statement 4	24.24	20.64	14.48	9.64

Source: Author's Computation using Survey Data, (2025)

We now calculate Chi-square (X^2) for each cell. After calculating for all cells, we will sum up all the values to get the total chi-square statistic.

$$X^2 \quad = \quad \sum \frac{(O_i - E_i)^2}{E_i}$$

Table 4.7: Calculated Chi-square values Calculated from Table 4.5 and Table 4.6

Statements	Chi-square value
Statement 1	22.39
Statement 2	0.1025
Statement 3	1.67
Statement 4	11.67
Total	35.83

Source: Author's Computation using Survey Data, (2025)

Therefore, $X^2_{calculated}$ = 35.83

Now, we need to determine the degrees of freedom (*df*) for the chi-square test. The degrees of freedom are calculated as: df = (r – 1) x (c – 1)

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Decision: Since the calculated chi-square ($X^2_{calculated}$ = 35.83) is greater than the critical chi-square ($X^2_{tabulated}$ 16.919) at *df* =9 and 0.05 level of significance, we hereby reject the null hypothesis which says that Keke ban policy does not affect consumers' access to SMEs within the Yenagoa metropolis significantly.

Hypothesis Two

Ho$_2$: The Keke ban policy does not have any significant impact on the performance of SMEs within Yenagoa Metropolis.

Table 4.8: Observed Frequencies Obtained from Table 4.3

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree	Row Total
Statement 1	64	58	20	24	166
Statement 2	74	50	26	16	166
Statement 3	64	40	18	24	166
Statement 4	66	54	26	20	166
Column Total	268	202	90	84	664

Source: Author's Computation using Survey Data, (2025)

We now calculate the expected frequencies. For each cell, the expected frequency (E_i) is calculated as:

$$E_i = \frac{(Row\ Total)(Column\ Total)}{Grand\ Total}$$

Table 4.9: Expected Frequencies derived from Table 4.8

Statement	SA	A	D	SD
Statement 1	34.63	26.05	11.57	10.75
Statement 2	34.63	26.05	11.57	10.75
Statement 3	30.42	22.87	10.15	9.46
Statement 4	34.63	26.05	11.57	10.75

Source: Author's Computation using Survey Data, (2025)

We now calculate Chi-square (X^2) for each cell. After calculating for all cells, we will sum up all the values to get the total chi-square statistic: $X^2 = \sum \frac{(O_i - E_i)^2}{E_i}$

Table 4.10: Calculated Chi-square values calculated from Table 4.8 and Table 4.9

Statements	Chi-square value
Statement 1	12.206
Statement 2	3.728
Statement 3	0.454
Statement 4	0.663
Total	17.051

Source: Author's Computation using Survey Data, (2025)

Therefore, $X^2_{calculated} = 17.051$

Now, we need to determine the degrees of freedom (*df*) for the chi-square test. The degrees of freedom are calculated as: df = (r-1) x (c-1)

Decision: Since the calculated chi-square ($X^2_{calculated} = 17.051$) is greater than the critical chi-square ($X^2_{tabulated}$ 16.919) at *df* =9 and 0.05 level of significance, we hereby reject the null hypothesis which says that Keke ban policy does not have any significant impact on the performance of SMEs within Yenagoa Metropolis and accept the alternative hypothesis.

Hypothesis Three

Ho3: The Keke ban policy has not significantly affected the employment level of SMEs within the Yenagoa metropolis.

Table 4.11: Observed Frequencies obtained from Table 4.4

Statement	S A	A	D	SD	Row Total
Statement 1	60	46	36	24	166
Statement 2	64	50	30	22	166
Statement 3	68	58	22	18	166
Statement 4	48	62	42	14	166
Column Total	240	216	130	78	664

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Author:Computation using Survey data 2025

We now calculate the expected frequencies. For each cell, the expected frequency (E_i) is calculated as: $E_i = \frac{(Row\ Total)(Column\ Total)}{Grand\ Total}$

Table 4.12: Expected Frequencies derived from Table 4.11

Statement	SA	A	D	SD
Statement 1	25.81	25.26	19.74	16.19
Statement 2	23.38	22.96	17.92	14.74
Statement 3	25.19	24.77	19.38	15.87
Statement 4	30.62	30.01	23.46	19.27

Source: Author's Computation using Survey Data, (2025)

We now calculate Chi-square (X^2) for each cell. After calculating for all cells, we will sum up all the values to get the total chi-square statistic: $X^2 = \sum \frac{(O_i - E_i)^2}{E_i}$

Table 4.13: Calculated Chi-square values calculated from Table 4.11 and Table 4.12

Statements	Chi-square value
Statement 1	5.2
Statement 2	4.02
Statement 3	4.49
Statement 4	3.88
Total	17.09

Source: Author's Computation using Survey Data, (2025)

Therefore, $X^2_{calculated} = 17.09$

Decision: Since the calculated chi-square ($X^2_{calculated} = 17.09$) is greater than the critical chi-square ($X^2_{tabulated}$ 16.919) at *df* =9 and 0.05 level of significance, we hereby reject the null hypothesis which states that Keke ban policy has not significantly affected the employment level of SMEs within the Yenagoa metropolis.

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Discussion of findings

Socio-Economic Impacts of the Keke Ban on Consumers' Access to SMEs

The findings indicate that the Keke ban has significantly increased transportation costs for consumers accessing SMEs within Yenagoa Metropolis. Majority of respondents acknowledged that the ban led to higher commuting expenses, which aligns with previous studies highlighting the role of affordable transportation in economic activities. Without cost-effective transport options, customers are forced to spend more, making frequent visits to businesses less viable. This situation disproportionately affects low-income earners, who depend on affordable mobility for their daily activities. Eze (2021) found that transportation restrictions reduced access to markets for consumers, leading to lower sales volumes for local businesses. The study also found that the ban has reduced customer visits to businesses. Many respondents confirmed that fewer people now patronize SMEs.

Furthermore, difficulty in accessing businesses due to the transport restrictions was a major concern among respondents. A substantial number reported challenges in reaching SMEs, reinforcing previous research that highlights accessibility as a key determinant of customer loyalty and business growth. Small enterprises often depend on convenience and proximity to attract and retain customers, and any disruption in mobility affects their profitability.

Impact of Keke Ban Policy on the Performance of SMEs

The findings reveal that Keke ban has increased operational costs for businesses. A significant proportion of respondents reported that their expenses have risen due to higher logistics and transportation costs. This aligns with previous studies that emphasize the link between transport disruptions and increased business expenses. SMEs, particularly those that rely on commercial tricycles for deliveries and commuting employees. Jack & Tokpo (2021) found that SMEs in Ibadan suffered severe supply chain disruptions due to informal transport restrictions, leading to higher inventory costs and reduced profit margins. Another major consequence of the ban is a supply chain disruption. Many respondents confirmed that the policy has led to delays in procuring goods and delivering services.

The study found that productivity levels among SMEs have declined due to the ban. A large proportion of respondents reported experiencing inefficiencies in daily operations. Previous study supports this finding, that businesses facing transportation challenges often experience delays, reduced workforce effectiveness, and disruptions in service delivery (Arigbede et al 2024). Productivity losses translate into lower output, affecting business growth and sustainability.

Furthermore, operational efficiency has suffered as a result of the ban. Many businesses reported delays in service delivery, increased cost burdens, and reduced speed in operations.

Socio-Economic Impacts of the Keke Ban Policy on Employment Levels of SMEs

The findings reveal that Keke ban has negatively affected employees' ability to commute easily to work. A majority of respondents reported difficulties in getting to their workplaces, a situation that has been linked to lower productivity and increased stress levels. Study indicates that transport restrictions often lead to absenteeism and job dissatisfaction, which can weaken workforce morale and efficiency. Another key impact of the ban is the reduction in employee working hours. Many businesses have had to shorten their operational schedules due to transportation difficulties. This aligns with previous studies suggesting that mobility challenges force businesses to adjust work shifts, leading to lower productivity (Odewunmi, 2020).

The study also found that lateness among employees has significantly increased due to the Keke ban. A substantial number of respondents confirmed that transport disruptions have made it difficult for workers to arrive on time. This finding supports research indicating that transportation constraints directly impact workforce efficiency and service delivery (Goodfellow, 2017). Additionally, businesses have been forced to reduce their workforce due to declining revenues and operational challenges. A significant proportion of respondents reported layoffs as a direct consequence of the Keke ban.

Conclusion

Based on the findings, the study therefore concludes that the Keke ban has significantly affected SMEs and consumers in Yenagoa Metropolis, leading to higher transportation costs, reduced customer access, and declining sales. Businesses face increased operational expenses, supply chain disruptions, and lower productivity, while employees struggle with commuting challenges, lateness, and job losses. The study further concludes that the ban has created economic strain, threatening SME sustainability and employment.

Recommendations

Based on the findings of this study, the following recommendations are made:

1. Subsidized Transport Options – Authorities should introduce affordable and accessible transport alternatives, such as regulated mini-buses, to reduce commuting costs and improve access to SMEs.

2. Support for Affected SMEs – Financial aid, tax reliefs, or low-interest loans should be provided to SMEs struggling with increased operational costs and declining sales.

3. Workforce Mobility Solutions – Businesses should implement employee shuttle services or transport allowances to ease commuting difficulties and reduce lateness.

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