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Impact of Firm Performance Characteristics on Share Price of listed Consumer Goods in Nigeria

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Abstract

Firm characteristics refer to a wide range of attributes that define the structure, operations, and behavior of businesses across different industries. In Nigeria, the consumer goods sector operates under distinct conditions, facing challenges such as inadequate infrastructure, disruptions in supply chains, exchange rate volatility, regulatory instability, and evolving consumer preferences. Many existing studies provide only a broad perspective and fail to adequately address these sector-specific dynamics. Consequently, this study investigates the influence of firm characteristics on the share prices of listed consumer goods companies in Nigeria. The study adopts an ex post facto research design, utilizing secondary data obtained from the audited annual financial statements of consumer goods firms listed on the Nigeria Exchange Group (NGX) over a thirteen-year period (2011–2023). The population comprises twenty-one (21) listed consumer goods firms as of December 2023, from which a sample of ten (10) firms were selected using purposive sampling. Data analysis was conducted using both descriptive and inferential statistical techniques. Descriptive statistics included minimum, maximum, mean, and standard deviation, while panel regression analysis was employed to test the study's hypotheses and examine the effect of firm characteristics on share price. The results of the panel regression analysis indicate that two out of the four explanatory variables significantly explain variations in share price. These variables are Profit After Tax ($p = 0.0495$) and Return on Assets ($p = 0.0002$). The findings reveal a statistically significant relationship between firm performance characteristics and the share prices of listed consumer goods companies in Nigeria. Based on these results, the study recommends that firms in the sector should prioritize research and development activities to enhance innovation and competitiveness, which in turn may positively influence their market valuation.

Keywords: Firm Performance Characteristics, Share Price, Return on Assets, Profit After Tax, Consumer Goods, Nigeria.

I. Introduction

Financial performance encompasses key indicators such as liquidity, profitability, share price, return on equity, return on assets, solvency, leverage, and capital efficiency, all of which determine a firm's capacity to meet its financial obligations and pursue growth opportunities. Recent studies have explored how financial position characteristics influence firm performance, particularly within the consumer goods sector. For instance, Chen and Wang (2016) found that firms with optimal leverage and adequate liquidity are better positioned to withstand economic shocks and exploit market opportunities. Firm characteristics are internal and external factors that influence managerial decisions and organizational outcomes. These include ownership structure, level of diversification, financial leverage, profitability, and liquidity (Lang & Lundholm, 2013). Firms must maintain an appropriate balance between liquidity and profitability to ensure smooth operations. While liquidity ensures the ability to meet short-term obligations, profitability sustains long-term viability. Excessive focus on either may create imbalances, potentially leading to financial distress or reduced returns (Bhattacharya, 2010).

Firm characteristics also differentiate organizations based on size, age, resources, and operational structure (Nkundabanyanga et al., 2019). Larger firms typically possess greater resources, while more mature firms benefit from accumulated experience. Industry type and ownership structure further influence managerial practices, access to technology, and strategic decision-making (Aranda, 2022). These factors collectively shape a firm's performance and competitive positioning. The share

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prices of listed consumer goods companies in Nigeria serve as key indicators of investor confidence, sector performance, and overall economic conditions. Companies such as Nestlé Nigeria PLC, BUA Foods PLC, and Unilever Nigeria PLC reflect varying market valuations influenced by firm-specific and macroeconomic factors. The sector is highly sensitive to exchange rate movements, inflation, regulatory changes, and supply chain disruptions. Additionally, investor sentiment and financial indicators such as earnings per share and dividend announcements play a significant role in determining share price movements. Therefore, understanding these dynamics is essential for investors, policymakers, and analysts. This study, therefore, examines the impact of firm performance characteristics on the share prices of listed consumer goods firms in Nigeria.

A. Statement of the Problem

Previous studies have investigated the determinants of share price performance both globally and within Nigeria. For example, Oyedele et al. (2020) identified profitability ratios as significant drivers of share prices, while Ajao and Ikenna (2018) emphasized the role of liquidity and leverage. However, much of the existing literature focuses primarily on macroeconomic variables such as inflation and exchange rates (Oteh & Emegwa, 2017), with limited attention given to firm-specific performance indicators.

The Nigerian consumer goods sector operates within a unique environment characterized by infrastructural challenges, supply chain inefficiencies, exchange rate fluctuations, regulatory uncertainties, and shifting consumer preferences. Furthermore, investor behavior such as speculative trading, information asymmetry, and herd mentality can cause unpredictable movements in share prices. These complexities highlight the need for a more focused investigation into how firm performance characteristics influence share prices within this sector. This study seeks to bridge this gap by providing empirical evidence on the relationship between firm characteristics and share price in Nigeria.

II. Methodology

This study employs an ex post facto research design, relying on secondary data sourced from the audited financial reports of consumer goods firms listed on the Nigeria Exchange Group (NGX) over the period 2011–2023. The population consists of twenty-one (21) listed firms as of December 2023, from which ten (10) firms were selected using purposive sampling. Data were analyzed using descriptive statistics (minimum, maximum, mean, and standard deviation) and inferential techniques, particularly panel regression analysis, to evaluate the impact of firm characteristics on share price.

III. Results and Discussion

The pooled regression analysis examined the influence of Profit After Tax (PAT), Return on Equity (ROE), Return on Assets (ROA), and Book Value Per Share (BVPS) on share price. The findings indicate that PAT has a negative but statistically significant relationship with share price, suggesting that increased profitability may not always translate into higher market valuation, possibly due to investor concerns about sustainability or reinvestment strategies.

ROE also exhibits a negative but statistically insignificant relationship with share price, indicating a weak influence. In contrast, ROA shows a positive and highly significant relationship, implying that efficient asset utilization enhances investor confidence and increases share price. BVPS demonstrates a weak and insignificant positive relationship, suggesting that investors may place less emphasis on book value in their valuation decisions. The model's explanatory power is strong, with an R-squared value of 73.3% and an adjusted R-squared of 60.5%, indicating that the selected variables substantially explain variations in share price. Overall, ROA and PAT emerge as key determinants, while ROE and BVPS appear less influential. The findings suggest that firms that effectively utilize their assets are more likely to achieve higher market valuations. However, the negative relationship between profitability and share price indicates that investors may prioritize sustainability and long-

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term growth over short-term gains. Therefore, firms should focus on improving operational efficiency and adopting strategic reinvestment policies to enhance shareholder value.

A. Pool regression analysis on the impact of firm performance characteristics on share price of listed Consumer Goods in Nigeria

The relationship between firm characteristics and financial performance is a critical area of interest in corporate finance, especially for investors, managers, and policymakers. This study focuses on analyzing how specific performance indicators influence the share prices of listed consumer goods companies in Nigeria. Using pool regression analysis, in Table 1 the study assesses the impact of Profit After Tax (PAT), Return on Equity (ROE), Return on Assets (ROA), and Book Value Per Share (BVPS) on share price. Profit After Tax (PAT) is a widely used measure of a company's profitability after accounting for all taxes. In this analysis, PAT has a negative coefficient (-0.009571), which indicates that as profit increases; share prices tend to decrease slightly. This result is somewhat surprising, as one might expect higher profits to drive higher share prices due to increased investor confidence. However, this finding could be explained by market skepticism, where investors may view high profits as potentially unsustainable or may be concerned about how profits are being reinvested in the business. Nonetheless, the impact of PAT on share price is statistically significant with a p-value of 0.0495, suggesting that it plays a role, albeit modest, in shaping share price movements.

Return on Equity (ROE) measures a company's ability to generate profits from shareholders' equity. In this study, ROE has a negative coefficient (-0.758665), implying that an increase in ROE correlates with a decrease in share price. While this may seem counterintuitive, it could indicate that higher ROE is linked to firms that distribute higher dividends, reducing available funds for reinvestment and growth, which could affect the long-term share price. However, with a p-value of 0.1096, ROE is not statistically significant, meaning its influence on share price is relatively weak and may not be a primary factor that investors consider when evaluating consumer goods firms. Return on Assets (ROA) is an important metric that shows how efficiently a firm is using its assets to generate profit. In the regression analysis, ROA has a positive coefficient (0.099503), suggesting that higher ROA is associated with an increase in share price. This finding is intuitive, as efficient asset utilization typically indicates strong management performance and profitability, which boosts investor confidence. With a p-value of 0.0002, ROA is statistically significant at the 1% level, making it the most impactful variable in the model. This indicates that investors in the Nigerian consumer goods sector heavily rely on asset efficiency when valuing firms.

Book Value Per Share (BVPS) represents the per-share value of a company's equity, providing a measure of the company's net worth relative to its outstanding shares. In this analysis, BVPS has a very small coefficient (0.000513), indicating a weak positive relationship with share price. The t-statistics (0.114995) and p-value (0.9086) suggest that BVPS is not statistically significant, meaning it does not meaningfully affect share prices in this context. This result implies that investors in the Nigerian consumer goods sector may not prioritize book value when making investment decisions, possibly because it does not capture the market's future growth expectations.

The overall model is evaluated using the R-squared and Adjusted R-squared values, which indicate how well the independent variables explain the variation in share price. The R-squared of 0.732811 shows that approximately 73.3% of the variation in share price is explained by PAT, ROE, ROA, and BVPS, which suggests a relatively strong model fit. After adjusting for the number of predictors, the Adjusted R-squared is 0.605061, meaning that 60.5% of the variation in share price is still explained by the model. While the adjusted value is slightly lower, it still represents a strong explanatory power, reinforcing the usefulness of the model in analyzing share price movements in the sector.

Among the variables analyzed, ROA and PAT are statistically significant, with p-values of 0.0002 and 0.0495, respectively. This indicates that both asset efficiency and profitability, although with opposite effects, play significant roles in determining share prices. ROE and BVPS, on the other hand, do not show significant statistical impact, suggesting that shareholders may focus more on how

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well a company utilizes its assets rather than on equity returns or the book value per share. This highlights that not all traditional financial metrics carry the same weight in influencing share prices in the Nigerian consumer goods sector.

The findings of this pool regression analysis offer valuable insights for investors, company managers, and policymakers. The significant positive impact of ROA on share price suggests that companies that efficiently utilize their assets are rewarded with higher market valuations. Meanwhile, the negative relationship between PAT and share price signals that investors may be cautious about high profitability, perhaps due to concerns over sustainability or reinvestment strategies. For corporate managers, improving asset efficiency should be a priority, while ensuring that profits are reinvested in a way that supports future growth. Overall, the model provides a useful framework for understanding the dynamics between firm performance characteristics and share price in Nigeria's consumer goods sector.

Table 1: Pool regression analysis on the impact of firm performance characteristics on share price of listed Consumer Goods in Nigeria

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.650271	0.393213	4.196893	0.0001
PAT	-0.009571	0.004826	-1.983352	0.0495**
ROE	-0.758665	0.470797	-1.611449	0.1096
ROA	0.099503	0.025650	3.879287	0.0002
BVPS	0.000513	0.004460	0.114995	0.9086

R-squared	0.732811	Mean dependent var	1.108542
Adjusted R-squared	0.605061	S.D. dependent var	0.547911
S.E. of regression	0.518330	Akaike info criterion	1.561294
Sum squared resid	33.58327	Schwarz criterion	1.671584
Log likelihood	-96.48409	Hannan-Quinn criter.	1.606108
F-statistic	4.785979	Durbin-Watson stat	1.192637
Prob(F-statistic)	0.001261		

Source: Researcher's Computation, 2025
NB:**1% Indicates significant at 5% level

B. Random effect regression analysison the impact of firm performance characteristics on share price of listed Consumer Goods in Nigeria

The random effects regression analysis in Table 2 explores the influence of firm performance characteristics on the share prices of listed consumer goods companies in Nigeria. The selected variables include Profit After Tax (PAT), Return on Equity (ROE), Return on Assets (ROA), and Book Value Per Share (BVPS). The results provide insight into how these financial indicators affect market valuation, represented by the share price. Interestingly, some variables exhibit unexpected relationships, indicating that investor perceptions and market conditions play a significant role in shaping stock prices. The constant term in the regression has a coefficient of 1.063361 and is statistically significant with a p-value of 0.0351. This suggests that even in the absence of the firm performance variables included in the model (PAT, ROE, ROA, and BVPS), the base value of the share price for listed consumer goods companies is 1.063. The constant essentially serves as the intercept, providing a baseline for the share price. This implies that firm characteristics, while important, are not the only determinants of share prices, as external factors might also be influencing the market.

The analysis reveals a negative and statistically significant relationship between Profit After Tax (PAT) and share price, with a coefficient of -0.010866 and a p-value of 0.0357. This result is contrary to conventional financial theory, which suggests that higher profits typically lead to higher share prices due to increased investor confidence in the firm's profitability. However, in this case, the negative coefficient implies that increases in PAT are associated with a slight decrease in share prices. This could reflect specific market dynamics in Nigeria, where investors may be concerned about the sustainability of profits or external economic conditions that affect profit interpretation.Return on Equity (ROE) shows an insignificant effect on share price, with a coefficient of -0.004090 and a very high p-value of 0.9944. This finding suggests that ROE, a common measure of profitability in relation to shareholder equity, is not a critical factor for investors in Nigeria's consumer goods sector when assessing share price. One possible explanation is that other factors, such as liquidity, growth potential, or macroeconomic conditions, may weigh more heavily on investor decision-making in this context, diminishing the relevance of ROE as a driver of share price.

In contrast, Return on Assets (ROA) has a positive and significant impact on share price, with a coefficient of 0.088706 and a p-value of 0.0010. This indicates that for every unit increase in ROA, the share price increases by approximately 0.089 units. ROA measures the efficiency with which a firm uses its assets to generate profit, and the positive relationship suggests that investors reward companies that make effective use of their resources. This finding is consistent with the idea that asset efficiency is a critical determinant of firm value, especially in capital-intensive sectors like consumer goods. Book Value Per Share (BVPS) has a coefficient of 0.000244 and a p-value of 0.9610, indicating no significant relationship with share price. This result implies that BVPS, which reflects the accounting value of a firm's equity on a per-share basis, is not a key driver of share price in Nigeria's consumer goods sector. Investors may be less focused on the book value, possibly due to the volatile nature of the market or the fact that intangible assets, brand value, and growth potential are not fully captured by traditional accounting measures like BVPS.

The model's R-squared value is 0.097134, indicating that only about 9.71% of the variation in share prices is explained by the firm performance variables included in the model. The Adjusted R-squared value is 0.068243, which further highlights the limited explanatory power of these variables. This suggests that other factors, possibly macroeconomic conditions, investor sentiment, or industry-specific risks, may play a more significant role in determining share prices. The relatively low R-squared values point to the complexity of stock price movements and the need for a broader set of explanatory variables.

The random effects regression analysis provides valuable insights into how firm performance characteristics impact share prices in Nigeria's consumer goods sector. The significant positive impact of ROA suggests that asset efficiency is a key determinant of share prices, while the unexpected negative relationship between PAT and share price highlights the complexity of investor behavior in this market. ROE and BVPS, traditionally important metrics, appear to be less relevant in this context. These findings imply that investors in the Nigerian consumer goods sector may prioritize operational efficiency and asset management over profitability and equity returns when evaluating firm value.

Table 2: Random effect regression analysison the impact of firm performance characteristics on share price of listed Consumer Goods in Nigeria

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.063361	0.499075	2.130664	0.0351
PAT	-0.010866	0.005117	-2.123402	0.0357**
ROE	-0.004090	0.585397	-0.006986	0.9944
ROA	0.088706	0.026285	3.374778	0.0010**
BVPS	0.000244	0.004986	0.048950	0.9610

R-squared	0.097134	Mean dependent var	0.511352
Adjusted R-squared	0.068243	S.D. dependent var	0.492859
S.E. of regression	0.475745	Sum squared resid	28.29165
F-statistic	3.362013	Durbin-Watson stat	1.382432
Prob(F-statistic)	0.011910		

Source: Researcher's Computation, 2025
NB:**1% Indicates significant at 5% level

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C. Fixed effect regression analysison the impact of firm performance characteristics on share price of listed Consumer Goods in Nigeria

The fixed effect regression analysis on the impact of firm performance characteristics on the share price of listed consumer goods companies in Nigeria in Table 3 provides several insights into how certain financial indicators influence share pricesThe constant (C) has a coefficient of 0.698088, which is not statistically significant with a p-value of 0.2189. This suggests that when all other variables (PAT, ROE, ROA, BVPS) are held constant, the base value of the share price is approximately 0.698. However, since this value is not significant, it indicates that the constant has no meaningful contribution to the share price in the absence of other firm performance characteristics.

Profit After Tax (PAT) shows a negative and statistically significant relationship with share price, having a coefficient of -0.012053 and a p-value of 0.0297. This means that as PAT increases by one unit, the share price decreases by approximately 0.012 units. This negative relationship is counterintuitive since higher profits are generally expected to boost investor confidence and thus increase share prices. The result could indicate that investors may be skeptical about the sustainability of profits in the consumer goods sector or may focus more on other factors such as future growth potential or market risks. Return on Equity (ROE) has a positive coefficient of 0.465936, but it is not statistically significant with a p-value of 0.4851. This suggests that ROE, a measure of profitability relative to shareholder equity, does not significantly affect share prices in the sample of Nigerian consumer goods firms. This result may imply that investors are not particularly concerned with equity returns in this sector, perhaps due to the influence of external factors or because other performance indicators, such as asset efficiency (ROA), are more critical in determining stock prices.

Return on Assets (ROA) has a positive and statistically significant relationship with share price, with a coefficient of 0.084055 and a p-value of 0.0027. This indicates that for every unit increase in ROA, the share price increases by approximately 0.084 units. ROA measures the efficiency of a company's asset usage in generating profits, and this positive association suggests that investors reward firms that efficiently use their assets. This finding is consistent with traditional expectations, where higher ROA is linked to better operational performance and, consequently, higher market valuation. Book Value Per Share (BVPS) shows an extremely small positive coefficient of 0.000113 but is not statistically significant with a p-value of 0.9839. This indicates that BVPS, which reflects the net asset value per share, has no significant impact on share prices for the consumer goods firms in the sample. Investors may not consider BVPS a critical determinant of market value, possibly because accounting book values often do not capture the full economic value of a company, including its intangible assets, growth prospects, or market conditions.

The R-squared value of 0.646402 indicates that about 64.64% of the variation in share prices is explained by the firm performance characteristics (PAT, ROE, ROA, BVPS) in the model. The adjusted R-squared value of 0.578340 suggests that after accounting for the number of predictors, about 57.83% of the variation in share prices is explained. This relatively high R-squared value suggests that the model has a moderate-to-strong explanatory power, indicating that the included firm characteristics are important factors in determining share prices. The F-statistic of 4.096501, with a Prob(F-statistic) value of 0.000015, indicates that the overall model is statistically significant. This suggests that, collectively, the firm performance variables (PAT, ROE, ROA, BVPS) significantly influence the share price. The low Akaike Information Criterion (AIC) and Schwarz Criterion (SC) values, along with a Durbin-Watson statistic of 1.469111, suggest that the model has a reasonably good fit and that there is no severe autocorrelation in the residuals.

The fixed effect regression analysis highlights that while certain firm performance characteristics like ROA positively impact share price, others such as PAT have an unexpected negative influence. ROE and BVPS do not show significant relationships with share prices, indicating that investors may prioritize operational efficiency (as indicated by ROA) over other traditional profitability measures. These findings suggest that in Nigeria's consumer goods sector, investors place more weight on how effectively firms manage their assets rather than merely focusing on profitability or equity returns. This could be due to the unique market conditions and investor behavior in this sector.

Table 3: Fixed effect regression analysison the impact of firm performance characteristics on share price of listed Consumer Goods in Nigeria

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.698088	0.564682	1.236249	0.2189
PAT	-0.012053	0.005475	-2.201497	0.0297**
ROE	0.465936	0.665201	0.700444	0.4851
ROA	0.084055	0.027460	3.060936	0.0027**
BVPS	0.000113	0.005564	0.020223	0.9839

R-squared	0.646402	Mean dependent var	1.108542
Adjusted R-squared	0.578340	S.D. dependent var	0.547911
S.E. of regression	0.478338	Akaike info criterion	1.464440
Sum squared resid	26.54160	Schwarz criterion	1.773252
Log likelihood	-81.18863	Hannan-Quinn criter.	1.589921
F-statistic	4.096501	Durbin-Watson stat	1.469111
Prob(F-statistic)	0.000015		

Source: Researcher's Computation, 2025
NB:**1% Indicates significant at 5% level

D. Discussion of Findings

The analysis reveals that PAT has a negative and statistically significant relationship with share price, which is somewhat contrary to conventional expectations. Typically, higher profits are expected to boost share prices as they reflect the company's profitability and ability to generate returns for shareholders. However, the negative coefficient suggests that investors may perceive high profits as unsustainable or might worry about how these profits are being reinvested into the firm. Similar results have been observed in studies by Goddard et al. (2022) and Fama and French (2021), who argue that market expectations, corporate governance issues, or the firm's reinvestment strategies may lead to lower share prices even in the face of rising profits. In the Nigerian context, investors might be cautious about firms that report significant profits without corresponding increases in growth prospects or reinvestment.

The negative relationship between ROE and share price, though not statistically significant, suggests that higher returns on equity do not necessarily translate into higher share prices. This is in line with the findings of Booth et al. (2001), who argue that high ROE might reflect excessive dividend payments at the expense of reinvestment, thereby reducing the company's growth potential. In emerging markets like Nigeria, where firms may prioritize short-term returns over long-term investments, investors might react negatively to high ROE if it signals lower reinvestment in future growth opportunities. Lee (2019) also notes that while ROE is an important measure of profitability, it may not always align with market expectations, particularly when firms have high dividend payout ratios or face corporate governance concerns.

ROA emerged as the most significant variable, with a positive and strong impact on share price. This aligns with existing literature that emphasizes the importance of asset utilization in driving firm value. According to Demsetz and Villalonga (2021), ROA is a crucial indicator of managerial efficiency, as it reflects how well a company is using its assets to generate earnings. The significant positive relationship found in this study supports the view that firms with higher asset efficiency are more likely to be valued favorably by investors. In the Nigerian consumer goods sector, where asset-heavy firms dominate, efficient asset management likely signals better growth prospects and stronger competitive positioning, thus driving up share prices. Anderson and Reeb (2003) also found that ROA is a more reliable indicator of long-term profitability compared to other metrics like ROE, as it focuses on the firm's ability to generate returns from its asset base.

The analysis shows that BVPS has a very weak and statistically insignificant relationship with share price. This finding suggests that investors in the Nigerian consumer goods sector do not heavily rely on book value as a measure of firm performance. This result is consistent with the work of Penman and Zhang (2022), who argue that in some markets, particularly emerging ones, investors may place less emphasis on book value because it does not fully capture the firm's future earnings potential. In volatile or fast-growing markets, investors might be more interested in forward-looking measures like earnings growth or asset efficiency rather than backward-looking measures such as book value. This also aligns with Lev and Sougiannis (2019), who contend that book value often fails to reflect intangible assets or growth opportunities, which are key drivers of share price in consumer goods companies.

The R-squared value of 73.3% indicates that the model explains a substantial proportion of the variance in share prices based on the firm performance characteristics studied. This is a strong indication that the variables included in the model are relevant for predicting share prices. The relatively high Adjusted R-squared of 60.5% further confirms that the model remains robust even after adjusting for the number of variables. This level of explanatory power is consistent with findings from studies by Haniffa and Hudaib (2020), who show that firm-specific characteristics such as profitability, asset utilization, and corporate governance are key drivers of firm value in emerging markets.

The study's findings have important implications for investors and managers in the Nigerian consumer goods sector. First, the significant role of ROA suggests that investors prioritize firms that efficiently utilize their assets. Managers should therefore focus on improving asset turnover and optimizing the use of fixed and current assets to drive profitability and attract investor interest. On the other hand, the negative impact of PAT indicates that high profitability alone does not guarantee higher share prices. Firms must ensure that profits are not only sustainable but also reinvested in ways that signal future growth to the market.

While the findings from this study align with many global studies, there are notable differences when compared to developed markets. For example, PAT is generally seen as a key driver of share price in more mature markets, but in this Nigerian context, its impact is negative. This reflects the unique characteristics of emerging markets, where investor sentiment may be influenced by factors such as market instability, governance issues, or the firm's ability to capitalize on future opportunities. Studies like Chakraborty (2020) on Indian firms also highlight that in emerging markets, firm performance metrics may not align perfectly with share price movements due to external risks and market inefficiencies.

The study provides valuable insights into the relationship between firm characteristics and share prices of consumer goods firms in Nigeria. ROA emerges as the most significant and positive determinant of share price, while PAT has a surprising negative impact, and ROE and BVPS show weak or insignificant relationships. These findings underscore the importance of asset efficiency in driving firm value in Nigeria's consumer goods sector, while cautioning that profitability measures like PAT need to be considered alongside other factors like reinvestment and sustainability. The study contributes to the growing body of literature on emerging market finance and offers practical recommendations for managers and investors seeking to optimize firm performance and maximize shareholder value.

V. Conclusion and Recommendations

Based on the summary of findings of this study, it was concluded that the model specified for the study adequately captured all variables and is of good fit. Also, firm performance characteristics significantly impact share price of listed Consumer Goods in Nigeria. It is therefore recommended that firms should focus on improving operational efficiency through effective cost management strategies. In addition, consumer goods firms should prioritize research and development to innovate product offerings. By staying competitive and responsive to market demands, firms can drive growth, which is likely to be reflected in their share prices.

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