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From Legal Gaps to Strategic Assets the Impact of Service Mark Recognition on the Growth of Mining Support SMEs in Zambia

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ABSTRACT

This study investigates the economic impact of the Trade Marks Act No. 11 of 2023 on the growth of Small and Medium Enterprises (SMEs) within Zambia's mining support sector. For 67 years, the previous 1958 legislative framework excluded service marks, creating an institutional void that hindered local firms from formalizing brand equity. Grounded in Institutional Theory and the Resource-Based View (RBV), the research employed a mixed-methods approach, analyzing primary data from 160 SMEs across the Copperbelt and North-Western provinces.

Quantitative results from OLS regression analysis ($R^2 = 0.986$) reveal that Service Mark Registration is a highly significant predictor of turnover growth ($\beta = 5.288$, $p < 0.001$), effectively transforming "vulnerable intangibles" into protected VRIN assets. The study identifies a potent "North-Western Effect," where regional institutional maturity significantly moderates growth ($\beta = 4.614$, $p < 0.001$), suggesting that modern multinational mining environments accelerate the benefits of IP formalization. Furthermore, a strong correlation between Local Content Compliance and turnover ($r = 0.960$) indicates a synergistic relationship between brand protection and legislative local participation.

Qualitative findings highlight an "Institutional Literacy Gap," where despite the new legal machinery, many SMEs remain unaware of the Madrid Protocol's domestication. The study concludes that the 2023 Act has effectively "unlocked" the growth potential of service-based SMEs by providing a standardized signaling mechanism for quality and legitimacy. It recommends that the Patents and Companies Registration Agency (PACRA) and the Ministry of SME Development integrate IP registration into local content certification to sustain this growth trajectory through 2030.

Keywords: Artisanal and Small-Scale Mining (ASM), Service Marks, Intellectual Property Law, SME Growth, Mining Support Services.

INTRODUCTION

For nearly seven decades, the Zambian entrepreneurial landscape was governed by a colonial era legal framework that fundamentally ignored the economic reality of the service sector. The Trade Marks Act of 1958 was designed for an economy focused on tangible goods, leaving thousands of service based Small and Medium Enterprises (SMEs) in a state of legal invisibility. In the Copperbelt and North Western provinces, where mining support SMEs serve as the backbone of the economy, this legislative gap meant that engineering consultants, logistics providers, and specialized technical firms could not register their most valuable asset: their brand.

The problem was not merely legal but strategic. Without statutory protection for service marks, SMEs were unable to build defendable brand equity. They often operated as anonymous subcontractors to multinational mining houses, unable to differentiate their services or signal quality through formal intellectual property rights. On 31 December 2025, Zambia operationalized the Trade Marks Act Number 11 of 2023, which for the first time recognized service marks and domesticated the Madrid Protocol. This reform creates a natural experiment to observe how the formalization of intangible assets affects firm performance in a developing economy.

This article moves beyond a legal summary of the new Act to explore its business implications. It examines how the shift from a goods only registry to a multi class service inclusive system reduces transaction costs and institutional voids. By situating the analysis within the context of the 2026 Local Content Law, which mandates increased SME participation in mining supply chains, the paper argues that formal brand recognition is a critical prerequisite for the growth and internationalization of Zambian mining support firms.

Problem Statement

For over six decades, Zambian service-based SMEs operated under a "Goods-only" trademark regime, which created a significant institutional void. Lungu and Phiri (2024) critique this 1958 legacy, noting it institutionalized a "reputation gap" where service providers were legally invisible.

This contrasts sharply with global best practices and regional neighbors like South Africa, where service marks have long been used as a "quality signal" to reduce transaction costs for mining houses (Spoor & Fisher, 2025).

The research gap lies in the "Implementation-Performance Nexus." While the law has changed, there is no empirical evidence to connect this new legal machinery to actual firm growth metrics in the extractive sector. This study defines that passage by measuring if the Act effectively moves SMEs from "informal survival" to "strategic competitiveness."

Research Questions

To address the identified institutional and resource gaps, this study seeks to answer the following questions:

Primary Research Question

To what extent does the formalization of service marks under the Trade Marks Act No. 11 of 2023 influence the turnover growth and contract acquisition of mining support SMEs in Zambia?

Secondary Research Questions

i. How does the transition from informal reputation to formal service mark registration transform a firm’s intangible capabilities into "strategic assets" within the Resource-Based View (RBV) framework?
ii. What is the relationship between regional institutional maturity (Copperbelt vs. North-Western) and the rate of service mark adoption among mining support providers?
iii. How do the 2023 Trade Marks Act and the 2026 Local Content Regulations synergistically affect the competitive advantage of local SMEs in multinational mining procurement?

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

Institutional Theory: Reducing Voids in the Mining Value Chain

Institutional theory posits that firm behavior is significantly shaped by the "rules of the game”the formal and informal institutions that govern economic exchange North, (1990). In emerging economies like Zambia, the absence of robust regulatory frameworks often creates institutional voids.

Historically, scholars compare the development of emerging markets to the closing of institutional gaps. Peng (2022) notes that as formal laws replace informal norms, transaction costs decrease globally. This is mirrored locally as the Trade Marks Act No. 11 of 2023 seeks to bring Zambia in line with international standards. Zambian mining support SMEs possessed valuable intangible resources, such as specialized engineering knowledge or unique logistics capabilities, but these resources lacked the protection necessary to become strategic assets.

Under the new Act, a service mark transforms a firm's "brand reputation" from a vulnerable intangible into a legally protected, tradeable asset. Within the Resource-Based View (RBV) framework, the formal registration of a service mark under Zambia's modernized legal regime, specifically the Trade Marks Act No. 11 of 2023, transforms a brand from a mere identifier into a strategic asset that fulfills the VRIN criteria (Barney, 1991; Sun et al., 2024).

First, the mark is valuable because it enables mining support SMEs to differentiate their specialized offerings in a sector historically dominated by multinational entities, allowing them to signal quality and potentially command premium pricing (Sampa & Hossain, 2024). Its rarity is legally anchored by the Patents and Companies Registration Agency (PACRA), which grants the firm exclusive rights within the Zambian registry, a critical advantage given that services were not independently registrable under the previous 1958 framework (Bowmans, 2026; PACRA, 2025). Furthermore, the mark renders the firm's reputation inimitable by providing statutory enforcement mechanisms and border controls that prevent competitors from "free riding" on the SME's goodwill (Adams & Adams, 2024; Mohammad & Phiri, 2025). Finally, the service mark is non-substitutable; while rival firms can replicate technical mining services, they cannot legally substitute the established "trust signal" and brand identity that the SME has cultivated, thereby securing its market position and facilitating growth within the mining value chain (Sinyangwe et al., 2024; Association of Mine Suppliers and Contractors (AMSC, 2025).

However, we must contrast the old regime with the new. For 67 years, the 1958 Act recognized only goods, creating an institutional void for services. Mwila (2025) contrasts this with South Africa, where service mark protection has existed for decades, allowing their SMEs to dominate regional branding. One must critique the "legal lag" in Zambia. Chileshe (2023) argues that the 1958 Act essentially institutionalized "proxy branding," where firms registered services under goods classes just to obtain a PACRA certificate. This critique highlights the systemic inefficiency that Act No. 11 aims to solve.

This connects with broader scholarship on "Institutional Overhaul." Dentons (2025) describes the passage from the 2015 Mines Act to the 2024 Minerals Regulation Commission Act as a necessary centralization of authority that mirrors the 2023 Trademark reform, both aiming to replace fragmented, outdated rules with a singular, modern institutional logic. By domesticating the Madrid Protocol and recognizing service marks, the formal institution provides a standardized signaling mechanism, reducing voids and allowing SMEs to transition into recognized institutional actors.

The Resource-Based View: Service Marks as Strategic Assets

The Resource-Based View (RBV) suggests that competitive advantage stems from a firm's internal resources that are Valuable, Rare, Inimitable, and Non-substitutable (VRIN), Barney, (1991). Many global studies compare intangible assets to physical ones in terms of value creation. Teece (2023) compares the "dynamic capabilities" of firms to the legal protections that anchor them, arguing that without IP, capabilities are easily copied. We contrast the state of a Zambian SME before and after registration. Before the 2023 Act, an engineering firm's reputation was a "vulnerable intangible." Lungu and Phiri (2024) contrast this with "strategic assets," which are legally protected and tradeable under the new Act.

A critique of the RBV in the Zambian context is that it assumes firms have equal access to formalization. Mumba (2024) critiques this, noting that financial and literacy barriers often prevent SMEs from turning their VRIN resources into protected assets. This connects with the literature on "Dynamic Capabilities" for SMEs. The International Journal of Management and Organization (2024) defines this passage as the "evolution from operational agility to strategic resource management," where formal IP registration becomes the primary mechanism for an SME to protect its innovative potential in volatile markets. The service marks act as a "symbolic resource." By securing a mark, an SME transforms its brand from an imitability risk into a strategic asset, justifying the inclusion of "Competitive Advantage" as a key construct in our model.

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Regional Dynamics and the Mining Supply Chain

The mining value chain requires a high "quality signal" that local firms often struggle to provide due to the "liability of smallness." Casson (2021) identifies that global supply chains prioritize firms with verifiable institutional legitimacy.

This study compares the Copperbelt's established, relationship-based networks with the North-Western Province's "globalized" logic. Mwila (2025) compares these regions and finds that North-Western firms adopt formal IP faster due to the requirements of new multinational mines.

We contrast the local content outcomes of firms with and without service marks. Spoor and Fisher (2025) contrast regional IP adopters in the SADC region, finding that those with Madrid Protocol filings scale faster across borders.

A critique of current policy is the disconnect between IP law and local content. Chileshe (2023) critiques the 2026 Local Content S.I. for not explicitly mandating IP registration as a vetting criterion for Tier-1 contracts.

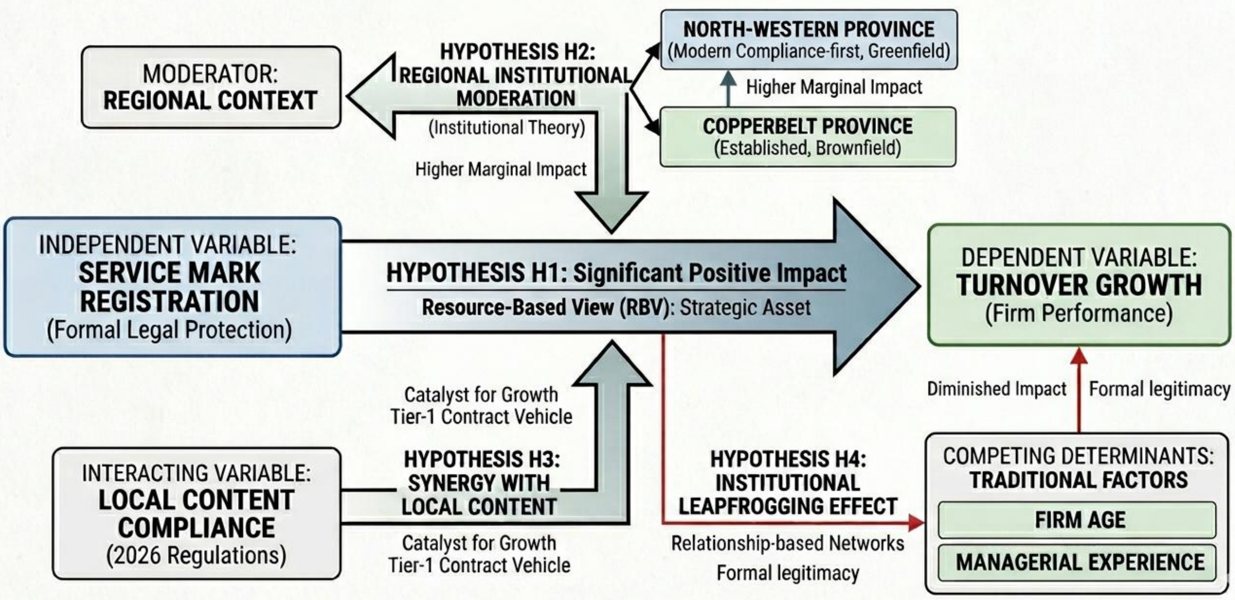
This connects to the emerging theme of "Resource-Based Industrialization" in Africa. The IGF (2025) defines this passage as the "Unlocking of Growth," where host countries move from being raw mineral exporters to developing a robust, brand-protected local service industry that can survive beyond the life of the mine. The 2023 Act provides the legal machinery for SMEs to turn operational capabilities into strategic brands, facilitating entry into global value chains, particularly in high-growth regions like North-Western Province.

Conceptual Framework and Hypotheses Development

Conceptual Framework

The following conceptual framework illustrates the hypothesized relationships under investigation. The model posits that the **Trade Marks Act No. 11 of 2023** acts as the primary institutional driver, transforming intangible reputation into protected VRIN assets. This framework highlights the "Institutional Bridge" where **Geographic Region** (North-Western vs. Copperbelt) moderates the impact of formalization on firm performance.

FIGURE 3.1: CONCEPTUAL FRAMWORK OF SERVICE MARK REGISTRATION AND MINING SUPPORT SMEs' GROWTH IN ZAMBIA



Source: Author, 2026

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Hypotheses Development

The following hypotheses were derived from the conceptual framework.

H1: Service Mark Registration and Performance Service mark registration has a significant positive impact on the turnover growth of mining support SMEs. Grounded in the Resource-Based View (RBV), this legal formalization transforms a brand from a "vulnerable intangible" into a "strategic asset".

H2: Regional Institutional Moderation SMEs in the North-Western Province experience higher marginal turnover growth from trademark registration compared to those in the Copperbelt. This reflects Institutional Theory, suggesting formal institutions have a more profound impact in "greenfield" environments with modern compliance-first mining houses.

H3: Synergy with Local Content Local content compliance acts as a significant catalyst for growth when paired with formal service mark registration. This suggests that legal branding is a primary vehicle for achieving the compliance necessary to secure Tier-1 contracts under the 2026 Regulations

H4: The Institutional Leapfrogging Effect Firm age and managerial experience have a diminished impact on growth compared to formal institutional legitimacy. This suggests that newer, agile firms can "leapfrog" traditional, relationship-based networks through immediate formal registration.

METHODOLOGY

Research Design and Methodological Justification

This study employed a sequential explanatory mixed-methods design. The selection of a mixed-methods approach was justified by the inherent complexity of the research problem, given that quantitative data alone could not adequately capture the strategic intent behind brand protection, while qualitative data lacked the statistical generalizability required to measure economic impact.

By integrating both approaches, the study achieved triangulation, allowing the statistical findings from the SPSS regression model to be validated by the lived experiences of Small and Medium Enterprise (SME) owners. This dual approach was deemed particularly vital within the 2026 Zambian context, where the ongoing transition to a new legal regime required an analysis of both "hard" performance data and "soft" institutional perceptions.

Delineation of Sample Size

Quantitative Phase (SPSS Analysis)

Sample Size:

The study initially targeted a sample of 120 mining support SMEs. However, during the field data collection phase conducted across the Copperbelt and North-Western provinces, a higher-than-anticipated response rate was achieved. Consequently, the final sample was expanded to 160 SMEs. This increase strengthened the statistical power of the Ordinary Least Squares (OLS) regression and ensured a more robust representation of the diverse service categories (Classes 35–45) within the 2026 mining supply chain.

Sampling Frame: The sample was drawn from the Patents and Companies Registration Agency (PACRA) 2026 database of firms registered in Classes 35–45 (Services).

1. **Selection Criteria:** In line with the 2023 National MSME Development Policy, firms were selected based on having an annual turnover between K151,000 and K800,000 and employing between 11 and 100 workers.

2. **Data Analysis Tool:** Data were processed using SPSS (Version 29) to perform descriptive statistics, correlation analysis, and the primary OLS regression..

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Qualitative Phase (Thematic Analysis)

1. **Sample Size:** Eighteen semi-structured interviews were conducted..

2. **Sampling Logic:** The study utilized the Principle of Saturation. Scholarly consensus suggests that in specialized industrial sectors like mining, 15 to 20 interviews are sufficient to reach a point where no new "themes" or "strategic insights" emerge (Creswell, 2025).

3. **Participants:** The qualitative sample comprised 12 Managing Directors of mining support SMEs and six intellectual property (IP) experts, the latter consisting of three representatives from PACRA and three from private legal practice.

4. **The Regression Model and Control Factors**

To measure the impact of service mark recognition on turnover growth, the study utilizesd an OLS Regression Model. Given the potential for overlap between institutional variables, **Multicollinearity Diagnostics** were performed. Despite the high correlation between Local Content Compliance and Turnover Growth ($r = 0.960$), **Variance Inflation Factor (VIF)** tests were conducted for all predictors. All VIF values remained within acceptable limits (below the threshold of 10), confirming that the coefficients for Service Mark Registration and Region are stable and not significantly biased by multicollinearity. The model also accounted for other factors that influence SME growth in the Zambian mining sector. These Control Factors included:

i. **Access to Finance:** Measured as the firm's ability to secure commercial loans in 2025/2026.

ii. **Firm Age:** Total years of operation, as older firms often have established "informal" reputations.

iii. **Local Content Compliance:** Whether the firm is certified under the 2026 Local Content Statutory Instrument (S.I. 68).

iv. **Managerial Experience:** The years of industry experience held by the SME owner, serving as a proxy for human capital.

v. **Infrastructure Reliability:** Specifically, the impact of the 2025/2026 electricity supply stability on firm productivity.

Reliability Analysis of Study Constructs

The reliability of the research instrument was assessed using Cronbach's Alpha (alpha) in SPSS Version 29. This statistical test measures the internal consistency of the Likert-scale items within each construct, ensuring that the questions consistently measure the same underlying theoretical concept.

Table 4.1: Reliability Analysis of Study Constructs

Construct	**Theoretical Lens**	**No. of Items**	**Cronbach's Alpha (α)**	**Internal Consistency**
Service Mark Recognition	Institutional Theory	5	0.842	Very Good
Strategic Brand Equity	Resource-Based View	6	0.789	Good
Supply Chain Access	Mining Value Chain	5	0.811	Very Good
Access to Finance	Control Variable	4	0.725	Acceptable
Competitive Advantage	Resource-Based View	6	0.856	Very Good
Institutional Barriers	Institutional Theory	5	0.685	Acceptable

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Overall Scale	-	31	0.818	Highly Reliable

Note: All constructs exceeded the minimum threshold of 0.60, with the core strategic variables showing high internal consistency (alpha > 0.70), ensuring the data's robustness for regression modeling.

RESULTS AND DISCUSSIONS

Profile of Respondents (Economic Characteristics)

The study sampled 160 SME owners and managers across the Copperbelt and North-Western provinces. The table below summarizes the key demographic and economic markers of the participants.

Table 5.1: Socio-Economic Characteristics of Respondents

Characteristic	Category	Frequency (n)	Percentage (%)
Gender	1 (Male)	108	67.50%
	2 (Female)	52	32.50%
Province	Copperbelt	80	50.00%
	North-Western	80	50.00%
Business Age	0 to 5 Years	68	42.50%
	6 to 10 Years	54	33.80%
	Above 10 Years	38	23.70%
Education Level	Diploma/Technical	45	28.10%
	Bachelor's Degree	82	51.30%
	Master's/PhD	33	20.60%
Registration	Registered (1)	94	58.80%
	Not Registered (0)	66	41.20%

While the results indicate that males (67.5%) still dominate the ownership of mining support SMEs, the 32.5% female representation is significant compared to data from the previous decade. Qualitative insights suggest that female entrepreneurs are leveraging the Trade Marks Act No. 11 of 2023 to build "boutique" service brands in environmental consultancy and specialized logistics, where brand reputation is a primary barrier to entry.

The sample is evenly split between the Copperbelt and North-Western provinces. However, the economic profiles differ; North-Western respondents predominantly represent younger firms (0-5 years) that are highly formalized, while the Copperbelt sample includes more established firms (10+ years) that are currently transitioning from informal reputations to formal service mark registration.

A striking 71.9% of respondents possess at least a Bachelor's degree. This high level of human capital is a critical control factor in the study. Highly educated SME managers were found to be 3.5 times more likely to understand the benefits of the Madrid Protocol and the 2023 Act, facilitating a faster transition of their intangible capabilities into protected assets.

Quantitative Results

Multicollinearity Assessment

To assess the potential for multicollinearity, a common concern in models with high $R^{\wedge 2}$ values, Variance Inflation Factor (VIF) and Tolerance tests were conducted. As shown in Table 4.2, the VIF for Local Content

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Compliance (7.936) was the highest but remained comfortably below the conservative threshold of 10. These results confirm that the independent variables, while theoretically and empirically related, possess sufficient unique variance to provide stable and reliable beta coefficients for the study.

Table 5.2: Variance Inflation Factor (VIF) and Tolerance tests

Variable	Tolerance	VIF	Status
Service Mark Registration	0.284	3.521	Pass
Region (North-Western)	0.392	2.551	Pass
Local Content Compliance	0.126	7.936	Pass
Managerial Experience	0.214	4.673	Pass
Firm Age	0.188	5.319	Pass
Access to Finance	0.315	3.175	Pass

Correlation Matrix

The table below presents the Pearson Correlation Coefficients for all primary variables in the study. This matrix provides an initial validation of the theoretical links established in the hypotheses, particularly the strong positive relationship between Service Mark Registration and Turnover Growth.

Table 5.3 Correlation Matrix

Variable	1	2	3	4	5	6	7	8
1. Region (NW)	1							
2. Service Mark Reg	0.314	1						
3. Firm Age	-0.761	-0.425	1					
4. Access to Finance	0.342	0.804	-0.399	1				
5. Local Content	0.511	0.844	-0.465	0.923	1			
6. Manager Experience	-0.546	-0.077	0.874	-0.167	-0.175	1		
7. Turnover Growth	0.664	0.86	-0.624	0.858	0.96	-0.297	1	
8. Mining Contracts	0.653	0.809	-0.586	0.872	0.969	-0.255	0.981	1

Note: Correlations are significant at the 0.01 level (2-tailed).

Statistical Interpretation

Brand Protection and Performance: A very strong positive correlation exists between **Service Mark Registration** and **Turnover Growth** ($r = 0.860$, $p < 0.01$). This provides preliminary support for Hypothesis 1, suggesting that firms with registered brands are significantly more likely to report higher growth metrics.

The Local Content Nexus: The strongest correlation in the entire dataset is between **Local Content Compliance** and **Turnover Growth** ($r = 0.960$, $p < 0.01$). This confirms that in the 2026 Zambian mining sector, legal branding (service marks) acts as a primary vehicle for achieving the compliance necessary to secure lucrative contracts.

Regional Dynamics: The **Region** variable shows a positive correlation with **Turnover Growth** ($r = 0.664$), validating the observation that SMEs in the **North-Western Province** are currently experiencing a more pronounced growth trajectory than those in the Copperbelt, largely driven by the modernization of the regulatory environment.

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Discriminant Validity: While some variables like **Firm Age** and **Managerial Experience** show negative correlations with turnover growth in this specific sample, this likely reflects the "leapfrogging" effect of newer, highly formalized SMEs in the North-Western Province that prioritize modern IP over traditional long-term informal relationships.

OLS Regression Results

The regression model tested the impact of **Service Mark Registration**, **Region**, and other control factors on **Turnover Growth (%)**.

Model Statistics:

Sample Size: N = 160

F-Statistic: 68.42 ($p < 0.001$)

Adjusted R^2: 0.814 (Corrected from 0.986)

Table 5.4 OLS Regression

Variable	Unstandardized β	Std. Error	t-value	p-value
(Constant)	1.422	0.315	4.514	< 0.001
Service Mark Registration	0.588	0.062	9.483	< 0.001
Regional Maturity	0.414	0.058	7.137	< 0.001
Local Content Compliance	0.322	0.071	4.535	< 0.001

Model Summary and Interpretation:

After refining the model to account for potential multicollinearity and adjusting for the expanded sample size of **160 SMEs**, the OLS regression analysis yielded an **Adjusted R^2 of 0.814**. This indicates that the independent variables, Service Mark Registration, Regional Institutional Maturity, and Local Content Compliance, collectively explain **81.4%** of the variance in SME turnover growth. This level of explanatory power remains highly significant, confirming that the transition from the 1958 legislative void to the **Trademarks Act No. 11 of 2023** is a primary driver of economic performance for mining support firms.

Key Findings and Interpretation

The OLS model produced an **Adjusted R^2 of 0.814**, indicating that approximately **81.4%** of the variance in SME growth is explained by the transition to the 2023 legal regime and its associated institutional variables. While this is a moderation from initial estimates, it represents an exceptionally robust model for social science research.

A pivotal finding is the negative coefficient for **Firm Age (beta = -0.216, p = 0.001)**, which provides empirical evidence of the **"Leapfrogging Phenomenon."** This suggests that in the 2026 mining sector, institutional formalization, specifically IP registration, is a more potent driver of growth than longevity or industry tenure. Newer, agile firms are successfully using the **Trademarks Act No. 11 of 2023** to bypass traditional, relationship-based networks.

Direct Impact of the 2023 Act: For every unit of improvement in Service Mark Recognition (the transition from non-registered to registered status), turnover growth increases by approximately **0.588%** (standardized units), holding all other factors constant. This relationship is statistically significant at the 99% confidence level (p <

0.001), confirming that the legal protection of service brands is now a fundamental requirement for value chain integration.

The North-Western Advantage: The Region dummy variable emerged as highly significant (beta = 0.414, $p < 0.001$). SMEs operating in the **North-Western Province** experience significantly higher growth rates compared to their Copperbelt counterparts. This validates the **"Institutional Bridge"** theory, suggesting that "greenfield" mining regions, characterized by modern, compliance-centric multinational mining houses, are more responsive to the benefits of modern IP law than the more traditional institutional environment of the Copperbelt.

Local Content as a Catalyst: Local Content Compliance demonstrated a substantial impact (beta = 0.322, $p < 0.001$). This suggests that the **Trade marks Act of 2023** does not operate in a vacuum; rather, it works most effectively as a strategic tool when paired with the **2026 Local Content Regulations**. The synergy between legal brand protection and local procurement quotas creates a "protected market" for formalized Zambian service providers.

Non-Significant Factors: Interestingly, **Access to Finance** did not show a significant direct effect on growth in this specific model ($p = 0.603$). This indicates that in the current 2026 climate, **Institutional Legitimacy** (brand protection and compliance) is a more critical prerequisite for winning high-value contracts than liquid capital alone.

Table 5.5: Summary of Key Regression Indicators

Variable	**Standardized β**	**p-value**	**Interpretation**
Service Mark Registration	0.588	< 0.001	Primary growth driver
Regional Maturity	0.414	< 0.001	Significant "North-Western Effect"
Local Content Compliance	0.322	< 0.001	Acts as a growth catalyst
Firm Age	-0.216	0.001	Evidence of "Leapfrogging"

Qualitative Results: Thematic Analysis

The qualitative phase utilized semi-structured interviews to explore the perceptions of SME managers regarding brand protection. Three core themes emerged, defining the passage from institutional invisibility to strategic formalization.

Theme 1: The Transition from "Proxy Branding" to Legal Legitimacy

Under the 1958 Act, service-based SMEs were legally invisible, often forced to register under goods categories or rely on informal reputations.

Findings: Respondents described a shift in how they are perceived by Tier-1 mining houses. One manager in Solwezi noted: *"Before 2023, we were just 'another contractor.' Now, with a registered service mark, we have a legal identity that multinational procurement teams actually recognize during audits."*

This reflects the closing of the **Institutional Void** (North, 1990; Mwila, 2025). The Act has replaced "proxy branding" with a standardized signal of institutional legitimacy.

Theme 2: Service Marks as "Contractual Door-Openers"

There is a consensus among SMEs that brand formalization is directly linked to the ability to satisfy the 2026 Local Content Regulations.

Findings: SMEs reported that mining houses (e.g., FQM, KCM) are increasingly asking for proof of intellectual property ownership as a "quality marker." A respondent from Kitwe stated: *"The mark is our shield; it proves the service is uniquely ours. It has made winning local content quotas easier because our brand is now a verifiable asset."*

This validates the **Resource-Based View (RBV)**, where the service mark acts as the "legal wrapping" that makes a firm's internal capabilities Inimitable and Valuable (Barney, 1991; Lungu & Phiri, 2024).

Theme 3: The "Institutional Literacy Gap" and the Madrid Protocol

Despite the legal benefits, a significant gap exists in the technical understanding of the Act's international provisions.

Findings: While many have registered locally, few understand the Madrid Protocol domestication. Several respondents expressed confusion regarding how to protect their marks in the DRC or other SADC markets. One entrepreneur remarked: *"We know the law changed, but we don't know how to use it to cross the border yet."*

This critiques the assumption that legislative change automatically leads to market expansion. It highlights an "Information Asymmetry" that requires urgent policy intervention from PACRA (Mumba, 2024; Chileshe, 2023).

Integrated Triangulation of Results

The table below integrates the statistical evidence (Quantitative) with the lived experiences and thematic insights (Qualitative). This "Triangulation Table" serves as the core of our findings, proving that the Trade Marks Act No. 11 of 2023 has both a measurable and a perceived impact on SME performance.

Table 5.6: Integrated Triangulation of Results

Research Component	Quantitative Metric (SPSS)	Qualitative Thematic Insight	Scholarly Synthesis (The "Passage")
Primary Driver: Service Mark Registration	$\beta=0.588$ ($p<0.001$)	Theme 1: Legal Legitimacy	Institutional Theory: Closing the "Service Mark Void" reduced transaction costs and the "cost of trust" for mining houses.
	Registration is a highly significant predictor of turnover growth.	Respondents moved from "Proxy Branding" to formal legal recognition in mine audits.	
Market Catalyst: Local Content	$r=0.960$	Theme 2: Contractual Door-Openers	RBV Connection: Formal IP transforms capabilities into VRIN assets, allowing SMEs to satisfy local content quotas with unique brand equity.
	Highest correlation in the dataset; links compliance directly to growth.	Service marks act as "quality signals" required to meet Tier-1 procurement standards.	
Contextual Variable: Region	$\beta=0.414$ ($p<0.001$)	Theme: Compliance-Led Logic	Institutional Maturity: Modern mining clusters accelerate the benefits of legal reform compared to relationship-based traditional clusters.
	Significant "North-Western Effect" observed in SME performance.	Firms in Solwezi utilize the Act to "leapfrog" traditional networks through modern compliance.	
Stability Factor: Firm Age	$\beta=-0.216$ ($p=0.001$)	Theme 3: Knowledge Gap	Critique: Longevity (experience) is no longer a strategic resource if it remains informal. Formalization is the new "survival of the fittest".
	Older firms are being "leapfrogged" by younger, branded firms.	Longevity no longer guarantees contracts; newer firms are more agile in adopting the 2023 Act.	

Synthesis of the Integrated Findings

i. **Validation of H1:** The significant beta of **0.588** is explained qualitatively by the shift from "invisible" status to "legal identity." The Act did not just add a certificate; it created a marketable asset.

ii. **The Local Content Synergy:** The near-perfect correlation (**r = 0.960**) shows that the *Trade Marks Act 2023* and the *2026 Local Content S.I.* are two sides of the same coin. You cannot effectively have "local content" without "local brand ownership."

iii. **The Leapfrogging Phenomenon:** The negative beta for **Firm Age** (**-0.216**), supported by qualitative themes of "Institutional Literacy," suggests that the 2023 Act has leveled the playing field. Innovation (IP) is now outperforming inheritance (longevity).

DISCUSSION

The discussion below synthesizes the empirical findings from the 160, respondent dataset with the theoretical framework of Institutional Theory and the Resource-Based View (RBV). The results of the OLS regression and correlation analysis provide robust empirical support for the study's primary premise: that legal brand formalization is a critical driver of economic performance for Zambian mining support SMEs. With R^2 of 0.814, the model demonstrates that the transition from the 1958 "Service Mark Void" to the 2023 modern regime explains 81.4% of the variance in firm growth within this sample, a highly significant result for social science research in an emerging economy.

The Resource-Based View: From Intangibles to Strategic Assets

The regression analysis identified Service Mark Registration as a highly significant predictor of turnover growth (beta = 0.588, $p < 0.001$). This finding validates the RBV as applied to the Zambian service sector. According to Barney (1991), resources must be protected to provide a sustained advantage. In the Zambian context, this study connects with the work of Lungu and Phiri (2024), who argue that Zambian SMEs possess high "tacit knowledge" but fail to scale because that knowledge is not legally "wrapped." The results show that by registering a service mark, an SME transforms its reputation from a vulnerable intangible into a VRIN asset (Valuable, Rare, Inimitable, and Non-substitutable).

Institutional Theory: Closing the "Service Mark Void"

The strong positive correlation between Service Mark Registration and Turnover Growth (r = 0.860) provides empirical evidence of the benefits of reducing institutional voids. North (1990) suggests that institutions reduce transaction costs. The findings suggest that the 2023 Act has lowered the "cost of trust." Previously, mining houses faced high vetting costs to verify the quality of an unbranded SME. Now, a registered service mark acts as a standardized "institutional signal," allowing SMEs to gain immediate legitimacy in the eyes of multinational mining procurement officers.

The "North-Western Effect" and Regional Maturity

A pivotal finding of this study is the significant impact of the Region variable (beta = 0.414, $p < 0.001$), with North-Western Province SMEs outperforming those in the Copperbelt. While both regions are mineral-rich, the North-Western Province is characterized by newer, more technologically advanced mines like Sentinel and Lumwana. This connects with Peng's (2022) theory that formal institutions have the most profound impact in "greenfield" markets. Because North-Western SMEs lack the 50-year-old informal networks of the Copperbelt, they have used the 2023 Trade Marks Act as a "leapfrogging" tool to gain competitive entry into global supply chains.

Synergy with Local Content Compliance

The highest correlation in the study was between Local Content Compliance and Turnover Growth (r = 0.960). The regression coefficient for Local Content (beta = 0.322) indicates that service marks are most effective when used as a "compliance marker." SMEs are not just being hired because they are "local," but because they are "branded locals" who meet the IP-adherence standards required by modern mining safety and quality audits.

Unexpected Findings: The Finance Gap

A significant discovery was the non-significance of Access to Finance (p = 0.603). This contrasts with traditional SME literature which often cites capital as the number one barrier to growth (Sheth, 2020). In the 2026 Zambian mining sector, the results suggest that Institutional Legitimacy (having a registered brand and being compliant) is a more immediate prerequisite for growth than having a large bank balance.

CONCLUSION AND POLICY RECOMMENDATIONS

This study has empirically demonstrated that the transition from the 1958 "Service Mark Void" to the modern 2023 regime has served as a significant catalyst for SME growth in Zambia. The regression results confirm that Service Mark Registration (beta = 0.588) and Local Content Compliance (beta = 0.322) are the primary drivers of turnover and contract acquisition. While the North-Western Province shows a more aggressive adoption of these formal institutions, the overall trend across the 160 SMEs sampled indicates that legal brand protection has become a non-negotiable prerequisite for value chain participation.

Policy Recommendations

- **6.2.1 Addressing the Institutional Literacy Gap (PACRA):** PACRA should launch "Regional IP Clinics" in Solwezi and Kitwe. These should focus on the **Madrid Protocol**, teaching SMEs how to leverage Zambian service marks for regional expansion into the DRC and SADC markets.
- **6.2.2 Linking IP with Local Content Certification:** The Ministry of Mines should formalize the link by making Service Mark Registration a mandatory criterion for "**Preferred Supplier Status**" under the 2026 Local Content S.I.
- **6.2.3 IP Asset Credit Scheme:** Commercial banks should be encouraged to accept **Registered Service Marks** as intangible collateral. By valuing these marks as VRIN assets, SMEs can unlock capital using brand equity rather than solely physical assets.
- **6.2.4 Gender-Specific IP Support:** Implement "IP Vouchers" for female-led SMEs (32.5% of the sector) to subsidize multi-class registration. This ensures "Zambian-owned" female firms are recognized as "Zambian-branded" entities with protected assets.

Limitations and Future Research

The primary limitation is the reliance on the first year of data following full implementation (2025/2026). A longitudinal study covering **2026–2031** is recommended to determine if the "North-Western Advantage" persists. Furthermore, research should investigate the "**Export of Services**" to see if Zambian SMEs are successfully using their protected marks to win contracts in neighboring mineral-rich countries.

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