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Towards a Better Understanding of Credit Terms: A systematic review of recent Credit Terms research across the Globe

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Abstract

The importance of credit terms in determining small enterprises' access to commercial banks' credit and their performance cannot be overlooked. However, despite the increasing emphasis by government and various financial institutions such as the World Bank and International Monetary Funds, there seems to be no complementing efforts from scholars particularly, in the developing nations, to proffer solutions to small enterprises' growing difficulties in accessing credit for smooth operations. These concerns prompted the conduct of this study with the aim to provide a better understanding of the concept. Data were extracted from 23 relevant articles published in top 10 Academic Journal Publishers based on the 2024 ranking by World Scientific Publishers and analysed in line with the Preferred Reporting Items for Systematic Reviews and Meta-Analysis (PRISMA) protocol. Findings show that publications on credit terms in the last seven years have been uneven with Africa performing poorly. Findings also show that methodologies employed have been in favour of secondary data while the use of first-generation statistical tools of analysis preponderate. The study therefore recommends that forthcoming review studies be carried out using primary data and second-generation statistical tools for better outputs.

Keywords: Credit terms, Systematic review, PRISMA, World scientific publishers

INTRODUCTION

The launching of a business idea and its sustainability which manifests in the form of growth, development, and expansion is crucially dependent on the extent to which credit is affordably available. No business can survive without it any more than a human being can survive without blood (Aelex, 2023). Thus, the maxim that 'Credit is the life blood of an enterprise' holds true irrespective of the nature, location and size of the business. In realisation of this, the public sector across the globe have made frantic efforts to provide the much-needed financial resources through various Programmes and initiatives for the development of enterprises thereby promoting the vibrancy of the private sector which had been at the forefront of economic growth and development in most of the developed economies. In the same vein, some non - governmental organisations (NGOs) have both indirectly and directly provided various forms of funding for entrepreneurial development with the overall aim of reducing poverty, inequality, and improving living standard of living. All these measures were aimed at complementing the traditional role of Deposit Money Banks (DMBs) in mobilising funds for the development of the private sector.

However, in spite of all these commitments by both the public and private sectors, and especially, the banking sector, poor access to credit has ranked highest among the challenges faced by Small and Medium Enterprises (SMEs) in various parts of the world (Eton, Mwosi, Mutesigensi & Ebong, 2017; Chan, Chinnery & Wallis, 2023). Investigations in to the cause of this has shown that DMBs, though willing to lend to entrepreneurs, consider SMEs as 'ugly customers' due to certain undesirable peculiarities such as opacity, informality, and poor record keeping. In addition, insufficient legal and policy frameworks which could the risk exposure of DMBs limit their enthusiasm in lending to SMEs (Asian Development Bank, 2022).

Consequently, since they cannot completely avoid doing business with SMEs, DMBs often adopt some measures or conditions to confine their risks within the bounds of calculability and minimality. These conditions which have been referred to as credit terms by some scholars and lending terms by others have also been conceptualised in several ways. In recent studies, interest charges, non-interest charges, collateral requirements, and repayment conditions are the most mentioned components of credit or lending terms often used by DMBs to provide the needed safeguard for the credits given out to SMEs (Auh & Landoni, 2022; Chan, Chinnery, & Wallis, 2023; Lokopu, Cherono & Simiyu, 2023). The popular notion is that these conditions might have been so stringent thus inhibiting access. In spite of its importance, there are only a handful of research that have attempted to provide a comprehensive knowledge of what credit terms are, its constitution, effects and other aspects. So, it can be inferred that the understanding of credit terms is still shrouded in a cloud of ignorance which needs illumination. Since only what is known can be solved, this systematic study attempts to bring under one study the various efforts made by scholars to provide knowledge about this subject matter in the last five years.

Accordingly, the study sets the following specific objectives to achieve its overall aim: to review the conceptualization of credit terms; examine the various components of credit terms; provide a schematic overview of studies conducted on credit terms over the past seven years; and analyze the methodologies employed in previous research.

LITERATURE REVIEW

The banking industry which provides the bulk of credit required by investors is usually a highly regulated industry in most countries because of its crucial role in ensuring a sound and stable financial system. Basically, banks mobilise funds from the Surplus Spending Units (SSUs) and make these available to the Deficit Spending Units (DSUs) for investment and consumption purposes (Dansana, Patro, Mishra, Prasad, Razak & Wodajo, 2023).
However, the loan approval conditions in many developing countries are currently very stringent due to the need for banks to ascertain applicants' eligibility and risk of loan default. Financial institutions in developing countries therefore often impose very stringent credit terms, such as high lending rates, collateral requirements, short repayment conditions, and guarantor requirements. Since these requirements usually restrict credit access, investment, technology adoption, and poor business performance, there is a strong case for measures to encourage banks to relax these

borrowing terms in order to improve access to cheap and affordable credit (Jack, Kremer, de Laat & Suri, 2018).

The Resource-Based View (RBV) and Pecking Order Theory (POT) have been used to support the arguments on the effect of credit terms on access to credit and business performance. While the RBV treats credit access as a strategic resource and postulates that firms with more favourable credit terms can use it to an advantage to achieve competitive advantage, and improve performance, the POT suggests enterprise owners prefer internal financing than debt and offers explanation on why enterprises rely on favourable credit terms to sustain operations (Zhang & Zhu, 2021; Joseph& Dejmal, 2023).

Empirical study conducted by Akwo and Ngwa (2024) on the effects of credit availability on the financial performance of SMEs in Bamenda, Cameroon showed that collateral requirements have an insignificant positive effect on the financial performance of the sampled SMEs while credit costs affect SME performance positively and significantly. In the same vein, Dadem *et al.* (2025) analysed the effect of credit access on the financial performance of SMEs in Bamenda and found a significant and positive effect of credit terms on financial performance.

Finally, Battaglia, Gulesci and Madestam (2024) explored the effect of repayment flexibility and risk taking on credit access using a quantitative approach. The regression results showed that repayment flexibility eased both the credit constraint and thus affected credit access and business performance in a positive and significant way.

METHODS

The broad objective of this study was to provide a survey of recent scholarly literature on credit terms. The specific objectives include: review the conceptualization of credit terms, review the various components of credit terms, provide a schematic illustration of the distribution of studies carried out to explain credit terms in the last seven years and review the various methodologies used in previous studies.

Therefore, the researchers conducted thorough search of literature by including policy-oriented, practitioner, and academic literature published from 2018 to 2024. This systematic review followed the Preferred Reporting Items for Systematic Reviews and Meta-Analysis (PRISMA) protocol (Liberati *et al*., 2009; Shela, Ramayah, Aravindan, Ahmad, & Alzahrani, 2023) to select and review the articles. The protocol is widely adopted in multifarious fields, given that its ability to enhance review accuracy and minimise the risk of researchers' biases has been well proven and acknowledged in scholarly literature (Haque, Fernando & Caputi, 2021).

Searches and Selection Criteria

In compliance with PRISMA protocols, the study carried out scoping procedures in order to extract or draw out the most relevant articles from the literature from July 2-4, 2024. In line with the focus of this study, the relevant articles were chosen from the top 10 Academic Journal Publishers, by articles, based on the 2024 ranking by World Scientific Publishers which was retrieved from https://www.scilit.net/rankings. These include Elsevier BV, Springer science and business media LLC, Wiley, Multidisciplinary Digital Publishing Institute (MDPI), Informa UK Limited, Oxford University Press, Frontiers Media SA, Sage publication, Emerald and Cambridge university press. However, no publication was found on the current subject matter by Informa UK Limited and Frontiers Media SA during the period under review, hence, these two publishers were excluded from the review. These articles were mainly indexed in Google Scholar, ScienceDirect, World of Science (WoS), Scopus, and normal Google databases. Evidence Gap Map (EGMs) and relevant journals to the study were used to determine the extent of work that has been done and whether these sufficiently addressed the same issues discussed in this study. This search revealed that not much has been done since the Basel III reform was finalized in 2017. This necessitated this review as a contribution to and extension of existing literature in this area. The keywords used for the search process were 'credit terms', 'lending terms', 'lending policies', and 'loan terms' which were considered broad enough to adequately cover the subject matter of the study.

Meanwhile, the study was limited to a period of six years spanning the 2018–2024, a year after the Basel III policy, a major global policy aimed at ensuring the soundness of financial institutions, was finally signed in 2017 (Ozili, 2021). This yielded a total of 107 articles. Source and type of documents for the study were limited to articles and journals published in English Language by the selected publishers from 2018-2024. Proper coding based on the research problem was done after which records were exported to a Microsoft Excel file for quality assessment.

Quality Assessment, Eligibility, and inclusion

The study employed a two-stage process to assess the articles. In the first stage, in order to ensure that the articles meet the selection criteria, the retrieved titles and abstracts were reviewed. In the second stage, full-text articles that were deemed relevant were retrieved and painstakingly assessed to determine if they met the inclusion criteria to ensure that the documents were properly filtered. A total of 45 irrelevant articles were discovered and removed during the process of filtering. Thus, 62 articles were found relevant and included in the review study.

Data Extraction and Synthesis

For data extraction, proper organisation of the material was carried out. Data was extracted from all included articles and properly checked to take care of the risk of missing values. Extracted data covered author, methodology, data set used, country, continent, study period, sample size, and study population. Descriptive analysis was carried out to help in understanding the major trends of the publications in terms of distribution by year, source title and contributing countries.

ANALYSIS AND INTERPRETATION OF RESULTS

Literature Search and Study Selection

The literature search conducted resulted in a total of 2015 articles. Figure 1 presents a flow diagram of the search, screening and selection process. Figure 1 shows that after duplicates were removed, the 1894 articles that were left were further screened on the bases of title and abstract. A total of 107 full-text articles were selected for further investigation. Finally, 23 studies met the inclusion criteria and were included in this study.

The distribution of these articles is presented in Table 1.

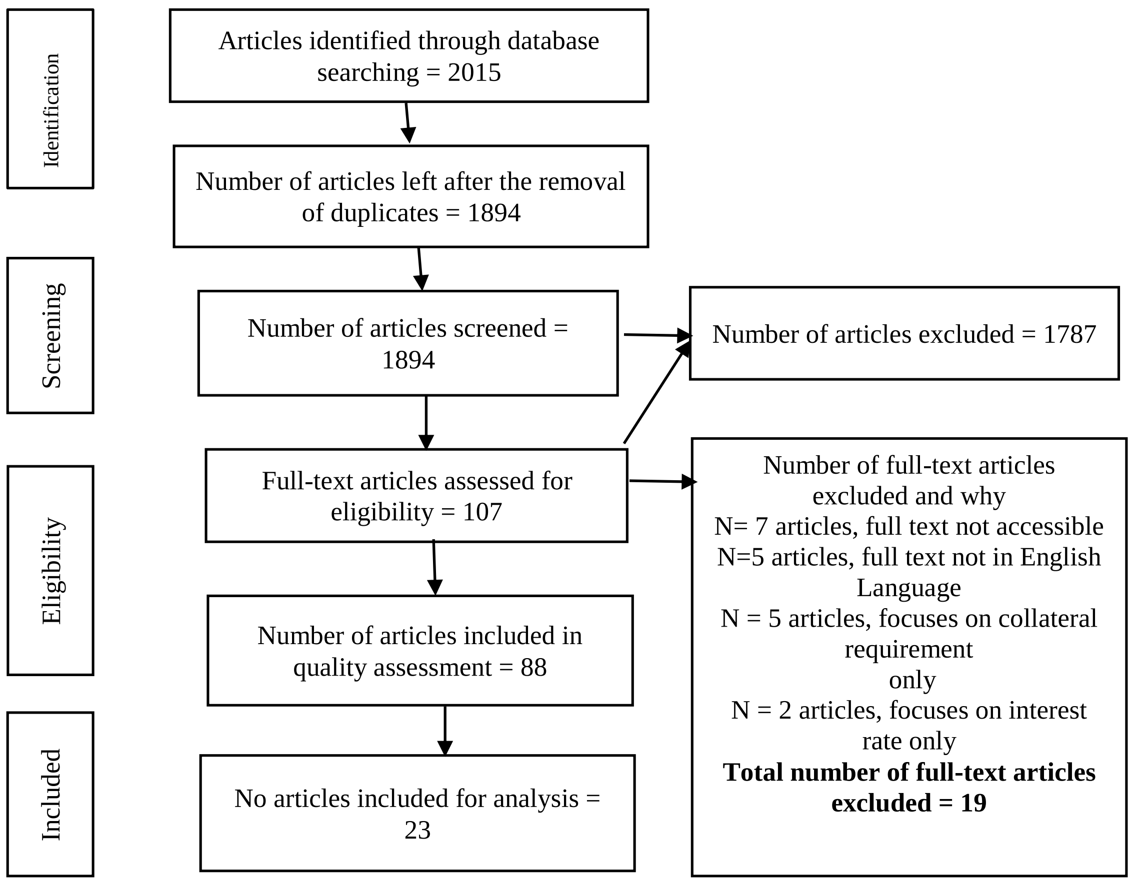

Figure 1: PRISMA flow diagram showing search results and exclusions

Table 1: Distribution of credit terms related articles by selected publishers from 2018-2024

S/N	Publisher	Country/Continent	No. of Publication	Percentage
Distribution by selected publishers from 2018-2024				
1	Elsevier	Netherlands, Europe	6	26
2	Wiley	USA, North America	5	22
3	Emerald	United Kingdom, Europe	3	13
4	MDPI	Switzerland, Europe	1	4
5	Cambridge University Press	United Kingdom, Europe	2	9
6	Oxford University Press	United Kingdom, Europe	2	9
7	Springer	Germany, Europe	3	13
8	Sage	USA, North America	1	4
	Total		**23**	**100**
Distribution by year of Publication by year of Publication				
1	2018		3	13
2	2019		3	13
3	2020		2	8.7
4	2021		2	8.7
5	2022		5	21.7
6	2023		8	34.9
7	2024		0	0
	Total		**23**	**100**

Source: Author's Computation, 2024

Table 1 reveals that Elsevier the highest percentage (26%) of articles followed by Wiley which published 22% of the total number of articles on credit terms across the world in the period covered by the review. Springer and Emerald are tied, each accounting for13% of total publications. Cambridge University Press and Oxford University Press account for 9% of total publication each while MDPI and Sage published the least number of articles on credit terms during the time period covered by the review with each accounting for 4% of total publication.

Another information provided by Table 1 is the proportion of the articles published by the selected academic journal publishers over the review period (2018-2024). It shows that the highest proportion (34.9%) of the publications took place in the year 2023. Year 2018, the year after the final ratification of Basel III policy recorded an appreciable proportion (13%) of total publication while the least publications was recorded in the year 2024. There was a drop in the number of articles published in 2020 and 2021 as only 8.7% of total publication was made in each of the two years. While the low proportion of publication in 2020 and 2021 could be attributed to the impact of COVID-19 Pandemic, the only reason that could be adduced for the low publication in the year 2024 is that the year was just in its first half during the time of the review.

Another important information that can be gleaned from Table 1 is that all the top-ranked academic journal publishers are domiciled in the countries of European and North American continents. As indicated in Table 1, 6(75%) out of the publishers are domiciled in Europe, and the remaining 2(25%) are found in the USA. This implies that none of the 8 top-ranked academic publishers by World Scientific Publishers in 2024 was domiciled in the continents of Africa, Asia, South America, and Australia.

Conceptualisation and Effect of Credit Terms

The study reveals that twenty out of the twenty-three reviewed publications (Berger, Makaew, & Roman, 2019; Caporale, Lodh, & Nandy, 2018; Escalante, Osinubi, Dodson, & Taylor, 2018; Hertzberg, Liberman, & Paravisini, 2018; Pappas, Walsh, & Xu, 2019; Delis, Kim, Politsidis, & Wu, 2020; Ghimire, Escalante, Ghimire, & Dodson, 2020; Do, Truong, & Vu, 2021; Auh and Landoni, 2022; Gong, Xu, & Yan, 2023; Naiborhu and Ulfa, 2023) did not dwell on definition of credit terms but instead considered the its composition and effects. However, three publications (Ngeno, 2019; Kimeto, Naibei, & Bett, 2022; Widyastuti, Ferdinand, & Hermanto, 2023) paid attention to the issue of definition. According to Ngeno (2019), credit terms refer to "the debt repayment of your agreement with a creditor, such as 60 months, 48 months in form of duration". Kimeto *et al.* (2022), conceptualise it as "a credit control practice for any firm that takes part in the provision of credit facilities to its stakeholders". A broader perspective to the conceptualisation of credit terms was provided by Widyastuti *et al.* (2023). They conceptualise it as "standards set by credit provider institutions that debtors must meet which include the loan repayment period, guarantee, and interest rate.

The study has also revealed that that there are slight variations in the terms used to describe the concepts, although, these differing terms are homogenous in reference. These identified terms are: Credit terms (Ngeno, 2019; Iqbal and Rao, 2022; Widyastuti *et al.*, 2023), loan financing policies (Kimeto *et al.*, 2022; Lokopu, Cherono, Simiyu, 2023), loan features (Dansana, Patro, Mishra, Prasad, Razak, & Wodajo 2023), loan terms (Caporale *et al.*, 2018; Escalante *et al.*, 2018; Hertzberg *et al.*, 2018; Delis *et al.*, 2020; Ghimire *et al.*, 2020; Auh and Landoni, 2022; Hu, Schclarek, Xu, & Yan 2022), lending terms (Escalante *et al.*, 2018, 2020; Delis *et al.*, 2020), loan contract terms (Berger *et al.*, 2018; Pappas *et al.*, 2019; Do *et al.*, 2021; Gong *et al.*, 2023), loan packaging terms (Ghimire *et al.*, 2020), loan pricing term (Jin *et al.*, 2022), and lending scheme policy (Naiborhu & Ulfa, 2023).

Furthermore, the study reveals various components of credit terms which can be grouped broadly into three. First, Borrower-specific factors such as age, gender, education, race/tribe (Gong *et al.*, 2023). Second, Business-specific factors which include firm size, firm age, and location. Third, loan-specific factors which include collateral requirements, repayment condition, loan size, interest rate (Pappas *et al.*, 2019; Do *et al.*, 2021). Giving another perspective to this grouping, Escalante *et al.* (2018) and Delis *et al.* (2020) classify these terms under price and nonprice terms. The review study also shows that a number of theories have been used in previous studies in connection with credit terms. The common ones are Agency theory (Iqbal and Rao, 2022), Asymmetric Information Theory (Kimeto *et al.*, 2022), Transactions Costs Theory (Kimeto *et al.*, 2022), Trade-off Theory (Ngeno, 2019), Pecking Order Theory (Ngeno, 2019), MM Theory (Ngeno, 2019), The Modified pecking Order" financing theory (Ngeno, 2019) and Static Trade-off Theory (Ngeno, 2019).

Amongst the reasons adduced for the use of credit terms in the reviewed studies include ensuring recovery of loan exposure to clients (Escalante *et al.*, 2018), and serving as a screening device (Gong *et al.*, 2023). Financial institutions, especially, commercial banks often engage in granting credit facilities to enterprises, particularly small and medium enterprises (SMEs) for the smooth conduct of their operations. However, banks do this with great caution as SME lending is considered risky because of some peculiar characteristics of SMEs which increase the risk of default. Furthermore, the existence of information asymmetry which puts more information in the hands of SMEs than banks careful screening of firms by banks before credit facilities are granted. Therefore, banks use credit terms as a screening device to get information about the quality of prospective borrowers usually indicated by a set of features (Beltrame *et al.*, 2022).

The review also established that the effect of credit terms on firms could be negative or positive depending on whether it is compatible with business growth or not. Some of the effects mentioned in the reviewed studies include, inter alia, liquidity challenges, reduction in firm's profitability and viability, and disposition towards undertaking risky projects (Escalante *et al.*, 2018; Gong *et al.*, 2023; Widyastuti *et al.*, 2023). Few studies (Escalante *et al.*, 2018; Pappas *et al.*, 2019; Do *et al.*, 2021) also confirmed that financial institutions discriminate against small businesses in their lending scheme policies. The studies also provide evidence that shows that financial institutions also apply lending scheme policies discriminatively based on borrower's gender, race, and age.

Table 2: Distribution of Studies Based on Methodologies Adopted

S/N	Author(s)/Date	Title of Article	Country	Components	Source of Data	Method of Data collection	Data Analysis Techniques
1	Braggion *et al.*, 2023	Credit provision and stock trading: evidence from the South Sea Bubble	UK		Secondary	Database	Regression
2.	Escalante *et al.*, 2018	Looking beyond farm loan approval decisions: Loan pricing and nonpricing terms for socially disadvantaged farm borrowers	USA	Loan amount, interest rate, loan maturity	Secondary	Database	Descriptive statistics; Regression
3.	Biglaiser *et al.*, 2020	Regulators vs. markets: Are lending terms influenced by different perceptions of bank risk?	USA	loan maturity, cost of credit, loan repayment	Secondary	Database	Correlation, regression
4	Do *et al.*, 2021	Options listings and loan contract terms: Information versus risk-shifting	USA	Loan maturity, collateral, interest rate	Secondary	Database	Regression
5	Pappas *et al.*, 2019	Real earnings management and loan contract terms	USA	interest spreads, collateral requirements, loan maturity	Secondary	Database	Linear regression
6	Gong *et al.*, 2022	National development banks and loan contract terms: Evidence from syndicated loans	China	Loan maturity, Loan size	Secondary	Database	Regression
7	Naiborhu and Ulfa, 2023	The lending implication of a funding for lending scheme policy during COVID-19 Pandemic: The case of Indonesia banks.	Indonesia	Interest rate	Secondary	Database	Difference-in-Difference regression
8	Iqbal and Rao, 2023	Social capital and loan credit terms: does it matter in microfinance contract?	Pakistan	Loan size, interest rate, repayment schedule.	Primary	Questionnaire	PLS-SEM
9	Ghimire *et al.*, 2020	Do farm service agency borrowers' double minority labels lead to more unfavorable loan packaging terms?	USA	Loan amount, interest rate and maturity.	Secondary	Database	Regression
10	Kimeto *et al.*, 2022	The Relationship between Credit terms and Financial Performance of Microfinance Institutions in Kericho County, Kenya	Kenya	Credit terms, financial performance.	Primary	Questionnaire	Regression
11	Dansana *et al.*, 2023	Analyzing the impact of loan features on bank loan prediction using Random Forest algorithm	India	Type of business, loan term, and marital status.	Secondary	Database	Regression
12	Caporale *et al.*, 2018	How has the global financial crisis affected syndicated loan terms in emerging markets? Evidence from China	China	Interest rate, loan maturity, profitability, loan amount.	Secondary	Database	Difference-in-Difference regression
13	Berger *et al.*, 2019	Do business borrowers benefit from bank bailouts? – The effects of TARP on loan contract terms	USA	Spread, amount, maturity, collateral, and covenants	Secondary	Database	Difference-in-Difference regression
14	Auh and Landoni, 2022	Loan terms and collateral: Evidence from the bilateral Repo market	USA	Interest rate, collateral, and maturity	Secondary	Database	Regression

15	Liu and Chin, 2023	Are banking and accounting expertise on the audit committee related to bank loan terms?	China	Interest rate, collateral, and maturity	Secondary	Database	Regression
16	Jin *et al.*, 2022	What firm risk factors drive bank loan pricing and other terms? Evidence from China.	China	Interest rate, collateral, and loan maturity	Secondary	Database	Regression
17	Ngeno, 2019	Influence of Credit Lending Terms of Microfinance Institutions on Financial Performance of Small and Medium Enterprises in Eldoret Town, Kenya	Kenya	Collateral, loan period, interest rate, and loan size	Primary	Questionnaire	Chi square, Correlation and regression
18	Cheng and Hasan, 2023	Firm ESG practices and the terms of bank lending	China	Interest rate, collateral, and maturity.	Secondary	Database	Regression
19	Egrican, 2021	Overlapping board connections with banker directors and corporate loan terms: Evidence from syndicated loans	USA	Collateral, loan maturity, interest rate	Secondary	Database	Regression
20	Widyastuti *et al.*, 2023	Strengthening formal credit access and performance through financial literacy and credit terms in micro, small and medium businesses.	Indonesia	Collateral, interest rate, loan repayment time	Primary	Questionnaire	SEMPLS
21	Hu *et al.* (2022)	Long-term finance provision: National development banks vs commercial banks	USA	Loan maturity, interest rate.	Secondary	Database	Panel Data Analysis
22	Hertzberg *et al.*, 2018	Screening on loan terms: Evidence from maturity choice in consumer credit	USA	Loan maturity, interest rate	Secondary	Database	Regression
23	Lokopu *et al.*, 2023	Effect of bank loan financing policies on performance of small and medium enterprises in Turkana County, Kenya	Kenya	Collateral, interest rate, repayment conditions.	Primary	Questionnaire	Correlation Analysis

Source: Author's Compilation (2024)

As evident from Table 2, USA has the highest number of the publications made in the selected publishers during the review period having recorded 10 publications representing 43.5% of total publications. Next to the USA is the China with 5 publications representing 21.7% of total publication, Kenya with 3 publications, representing 13%, Indonesia with 2 publications, representing 8.7%, while UK, Pakistan, and India contributed 4.3% each to total publications. Method of data collection used in the reviewed articles was predominantly secondary generated from various databases. Table 2 shows that 18 (78.3%) of the studies used secondary data while the remaining 5 (21.7%) used primary data collected through questionnaires. The methods of data analysis adopted by the reviewed studies were majorly first-generation statistical tools such as regression, correlation, Chi-square, panel data analysis (Ngeno, 2019; Hu *et al*., 2022; Cheng & Hasan, 2023; Lokopu *et al*., 2023). However, second-generation statistical tool – Structural Equation Modelling-Partial Least Squares was also used by Iqbal and Rao (2023) and Widyastuti *et al*. (2023).

DISCUSSION

The first objective of the study was to carry out a systematic review of the conceptualisation of credit terms in recent articles. The review conducted revealed that a good number of the scholars (Hertzberg *et al*., 2018; Pappas *et al*., 2019; Deli *et al*., 2020; Ghimire *et al*., 2020; Do *et al*., 2021; Auh and Landoni, 2022; Gong *et al*., 2023; Naiborhu and Ulfa, 2023) did not concentrate their efforts on defining credit terms but rather carried out a comprehensive description of what credit terms represent. To these scholars, concepts such as credit terms should be described rather than providing a simplified definition which might not capture the whole essence of the concept. However, a handful of the scholars provided definitions for credit (Ngeno, 2019; Kimeto *et al*., 2022; Widyastuti *et al*., 2023) provided definitions for credit terms and offered brief explanations. These two approaches are often used in research and both can be useful if the rule accuracy is observed, especially in the case of definition to avoid misleading interpretation. The review also revealed that scholars have used concepts such as loan financing policies, loan features, loan terms, lending terms, loan contract terms, loan packaging terms, and lending scheme policy to synonymously with credit terms. This implies that the concept of credit terms is broad and can be flexibly discussed under several headings provided its main essence is not lost.

The second objective of the study was to identify the various components of credit terms as used by the scholars whose studies were used in this review. The outcome of the review has shown that the components of credit terms have been grouped under: Borrower-specific factors such as age, gender, education, race/tribe (Gong *et al*., 2023), business-specific factors which include firm size, firm age, location, loan-specific factors which include collateral requirements, repayment condition, loan size, interest rate (Pappas *et al*., 2019; Do *et al*., 2021). Giving another perspective to this grouping, Escalante *et al*. (2018) and Delis *et al*. (2020) classify these terms under price and nonprice terms. The study also revealed that the loan-specific and business- specific factors could be used as moderating variables when looking at the effect of the loan-specific factors on specific aspects of firms such as performance.

The third objective of the study was to provide a schematic illustration of the distribution of studies carried out to explain credit terms in the last five years. Table 1 showed that the three most preferred publishers used by authors across the globe for the publication of credit-term related articles were Elsevier, Wiley, and Emerald. These three publishers accounted for about 61% of the total articles published on credit terms by the selected publishers within the reviewed period. The review also revealed that more than half (56.6%) of the articles were published in year 2022 and 2023. This could be due to the post Covid-19 Pandemic global emphases placed by both government and researchers on the need to ramp up financial access to enterprises that were affected by the pandemic. Understandably, publication of articles was affected in the years 2020 and 2021 which coincided with the period of the global pandemic. In terms of geographical distribution of publication, USA has the highest number of the publications, followed by China. The only representation from Africa was Kenya that published 3 articles within the review period. This highlights the need for researchers in African countries particularly, Nigeria, to commit resources to publishing with top-ranked publishers and in journals with high impact index. Such quality research will have a more pronounced effect on development than publications in low-rated journals that in most cases are for gaining academic promotion without practical bearings on real challenges.

Finally, the review looked at the various methodologies utilised in studies involving credit terms published within the study period by the selected publishers. It is obvious that most (78.3%) of the empirical works utilised secondary data using various databases while the dominant statistical tool of analysis was regression and correlation while only two authors (Iqbal and Rao, 2023 and Widyastuti *et al*., 2023) used structural equation modelling for analysis. The third analytical tools used in the published studies in the period under review by the selected publishers was Chi square (Ngeno, 2019). This implies that the authors relied heavily on the use of first-generation statistical tools. This situation needs improvement given the weaknesses associated with genre of statistical tools.

CONCLUSION

The study conducted a systematic review of prior research on credit terms. In reviewing the literature, key findings were made leading to the identification of key gaps in literature. Based on these findings, the inference could be brawn that research publication on credit terms in high-ranked Academic Journal Publishers in the last five years (2018-2024) is very low in Africa in general and Nigeria in particular. Therefore, there is a dire need for empirical efforts geared towards credit terms and their influence on small enterprises' performance. It can also be concluded based on the findings that previous studies relied on secondary data and the use of first-generation statistical tools of analysis such as regression and correlation.

RECOMMENDATIONS

Sequel to the findings and the conclusion drawn, the study recommends the following:

- That scholars across the globe in the field of enterprise financing should prioritize widening the scope of existing knowledge in the field of entrepreneurial financing, especially as it has to do with commercial banks' credit terms and the effect it has on small enterprises.
- That subsequent studies should place more emphasis on using primary data for more robust findings. This offers first-hand information on the credit situation of small enterprises and the part played by commercial banks' credit terms in the area of credit accessibility.
- That second-generation statistical tools such as structural equation modelling be adopted in subsequent studies for better outputs. First-generation models are only effective in analysing simple models. But contemporary research requires the assessment of complex models involving the interaction of many variables including both direct and indirect interactions. Second generation models such as Structural Equation Modelling are designed to handle this kind of complex model (Elangovan & Raju, 2015; Dash & Paul, 2021).

Conflicts of Interest

The authors declare no conflict of interest.

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