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Product Innovation and Its Effects on Sustainable Competitive Advantage among 10 Selected Manufacturing Firms in Ibadan Metropolis, Nigeria

Adeolu Adedapo

Professor, Center for Entrepreneurship and Innovation,
University of Ibadan, Nigeria

Femi Bamiduro

Graduate Student, Center for Entrepreneurship and Innovation,
University of Ibadan, Nigeria

Abstract:

The area of product innovation and competitive advantage among manufacturing firms is drawing the attention of scholars, as manufacturing firms also crave for sustainable competitive advantage but they are oblivious of the dots that are needed to be connected in order to ensure competitive edge over their competition. Many Fast-Moving Consumer Goods (FCMG) firms strive to thrive and remain relevant in the market and a major driver for survival and competitiveness is the ability to consistently innovate and develop new products. The process of product innovation that will confer a sustainable competitive advantage on manufacturing firm is quite complex, time-consuming, capital-intensive, and resource intensive, especially at the design stage. This places a heavy burden on the manufacturing firm who are willing but not able to commit the requisite resources needed to develop such products. In line with these challenges, the large-scale industries easily exploit such opportunities, as they are more equipped with the technology, technical know-how, expertise, capital etc. It is against this background there is a need for a study like this to look at the issues that could be posing threats to the sustenance of manufacturing firm's competitive advantage. Primary method of data collection was used to gathered relevant information from the field, using structured questionnaire for data collection, the research design is descriptive in nature, 330 questionnaires were distributed across the 10 selected manufacturing firms, however, 256 were returned which constitute about 78% of the total administered questionnaires while the data was analyzed using 20.0 version of SPSS. Two hypotheses were postulated and the results derived shows that there is a linear relationship between the variables used to measure the two constructs which invariably mean that manufacturing firms in Ibadan metropolis uses Product Innovation as a strategy to gain a competitive edge in the market hence the two null hypotheses were rejected. Consequently, it was concluded in this study that product innovation has a positive effect on the sustainable competitive advantage of manufacturing firms. However, it was recommended that product Innovation deserves a greater attention and more commitment from manufacturing organizations so as to guarantees other benefits other than just Sustainable Competitive Advantage. This will offer an opportunity to the manufacturing industry and their respective players to know the necessary corrective measure that is vital in ensuring sustainable competitive advantage.

Keywords: Product innovation, sustainable competitive edge, manufacturing companies, Ibadan

1. Introduction

In today's highly competitive environment, the goal of each organization is to defeat the competition and win new customers. Individuals who are holders of knowledge represent a tool for the generation of innovations. The creation of innovations is a complex process, which requires simultaneous capability and expression of multidimensional internal changes such as; the organization innovation, new product development and resource capability among others (Hana 2013). To ensure sustainable competitive advantage with these factors, the organization needs to consider factors such as; effective strategy (differentiation, cost leadership, and focus strategy) market share, and customer needs. Innovation is considered as one of the success features in the manufacturing companies, it is regarded as the basic element to reach customer satisfaction and to realize their desires. It means finding a new idea, which will be implemented for realizing the competitive advantage to the companies, at a time when they have had similar opportunities to present their products at low costs (Kangasharju and Pekkala 2002; Tsaur and Lin 2004; Sarin and Mahajan 2004; Rubera and Kirca 2012).

The world economic environment is characterized by rapid changes in all frameworks, especially the technological sides that become the most important discussion that affects the economic manufacturing company's strategies. Under this new atmosphere that features the external and internal company's environment, it becomes necessary for the companies to fit themselves in these changes in order to maintain their marketplace and to face the

aggressive competition in such an open world market (Martín-de Castro et al. 2013). Under such a situation, companies are imposed (compelled) to carry out research and development in all fields through innovation and creativity regarding their methods that include: management process, product, marketing etc. in order to find out new innovative ideas which distinguish the company from others and give it an efficient competitiveness.

The increasingly competitive business environment has made imperative for organizations to put in place systems and processes that will guarantee appreciable organizational performance in the interest of its stakeholders. To this end, several solutions have been developed to ensure that desired organizational outcomes are achieved despite the dynamics of competition. Innovation is one concept that has gained enormous popularity in both business research and practice (Kleinschmidt and Cooper 1991; Odumeru, 2013).

Product innovation according to Gunday et al, (2011) is broadly seen as an essential component of competitiveness, embedded in the organizational structure, processes, products, operations, and services within a firm. Product innovation is one of the fundamental instruments of growth strategies to enter new markets, to increase the existing market share and to provide the company with a competitive edge. The developed and developing economies around the world have come to realize the value of small and medium-scale manufacturing businesses. They are seen to be characterized by dynamism, innovations, efficiency, competition, technological development, and their small size allows for the faster decision-making process (Ordonez de Pablo 2005; Mohr and Sarin 2009; Oksanen and Hautamaki 2015). Governments all over the world have realized the importance of these categories of companies and have formulated comprehensive public policies to encourage, support, and fund the establishment of SMEs in manufacturing section of the business hub (Hosseininia and Ramezani, 2016).

Product innovation is broadly seen as an essential component of competitiveness, embedded in the organizational structure, processes, products, operations, and services within a firm (Roerich 2004; Szymigim and Bourine 2010; El Zuhairy et al, (2015). Product innovation is one of the fundamental instruments of growth strategies to enter new markets, to increase the existing market share and to provide the company with a competitive edge. However, developed and developing economies around the world have come to realize the value of manufacturing firm. They are seen to be characterized by dynamism, innovations, efficiency, competition, technological development, and their small size allows for a faster decision-making process. But with the dynamism of the environment and changes in consumption pattern, the manufacturing firm product innovation has been a challenge; hence their sustainable competitive edge is not guaranteed (Sandmeier et al 2010).

Product Innovation is the development of new products, changes in the design of established products, or use of new materials or components in the manufacture of established products (Sorli and Stokic 2011). Product Innovation reflects a change in the quality of products for the benefit of its consumers. Process innovation, on the other hand, represents changes in the way firms produce the end product for the benefit of its customers (Seng et al, 2011; Soliman, 2013). It is the implementation of a new or significantly improved production or delivery method. This includes significant changes in techniques, equipment and/or software (Guillaume, 2010; Lim et al 2010). Administrative innovation is the adaptation of a new administrative system for the business practices, workplace or to the external relations to improve the performance of an organization (OECD 2005). It is the creation of a new organizational design that supports better the creation, production and delivery of products and services.

Development of manufacturing enterprises is *sin-qua-non* for employment generation, encouraging the use of local resources, feeding service industries, the potential for rapid industrialization, value-added production, and contributing to the Gross Domestic Product (GDP). But with the dynamism of the environment and changes in consumption pattern, the production of products requires a high level of innovation because of rapid change in consumers taste, the manufacturing enterprises, therefore, have been finding it challenging in innovating their products; hence their survival is not guaranteed (Shane et al 2004; Ibidunni & Ibidunni, 2014).

The area of product innovation and competitive advantage among manufacturing firms is drawing the attention of scholars, manufacturing firms also crave for sustainable competitive advantage but they are oblivious of the dots that are needed to be connected in order to ensure competitive edge over their competition. Many Fast-Moving Consumer Goods (FMCG) firms strive to thrive and remain relevant in the market and a major driver for survival and competitiveness is the ability to consistently innovate and develop new products, hence, the significance of this study. The research will also put to test models that have been postulated in times past to know how manufacturing firms can either improve the New Product Development process or innovate the existing product to meet customer's satisfaction. The research will also be an addendum to existing literature in the area.

2. Research Methodology

2.1. Research Strategy and Methods

This research work employed a qualitative and quantitative approach keeping in mind the aim and nature of the study. This study will provide empirical evidence of how Product Innovation affects the sustainable competitive advantage among manufacturing firms in Ibadan Metropolis.

2.2. Research Design and Approach

This study employed a survey method for data collection because it's a suitable strategy for business research, it allows for the collection of a large amount of data from a sizable population in a highly economical way. The main purpose of this study is to explain the relationship between two variables, Product Innovation and Sustainable Competitive

Advantage. The study employed cross-sectional survey approach since it's the dominant method in business research and the questionnaire survey approach sounds most appropriate means to collect data from the manufacturing firms in Ibadan metropolis.

Aside from the primary data sources that will be adopted, other relevant secondary data like; books, journals, published articles relating to Product Innovation and Sustainable Competitive Advantage among others are used. The adopted design permits for review and changes in the research procedure for gathering relevant data.

2.3. Population of the Study

There are quite a number of manufacturing firms in Ibadan metropolis, however random sampling was used to select ten (10) manufacturing firms from fast moving consumer goods industries, Thirty (30) questionnaires were administered to each of the firms within the period of three weeks and 78% of the total administered questionnaires were retrieved for analysis. The target respondents are: Research and Development department 'R&D' (if functional), production department, marketing department, sales department and also the Top Management members of the organizations in order to draw valid and comparable conclusions. While SPSS version 20.0 was used to analyze the data.

2.4. Sampling Techniques

The sample size for this study is made up of 300 respondents, which comprises respondents from 10 randomly selected companies in Ibadan metropolis, each company with 30 questionnaires. The list of selected manufacturing companies includes the following:

- Sweetco Foods Limited
- Yale Foods Nigeria Limited
- Quality Foods Manufacturing Company
- Foodco
- P & G
- Premier Feeds Mill Company Limited
- Fumman Nigeria Limited
- Sumal Foods Limited
- Meyer Paints Oluyole Ibadan
- Altak Industries Limited

The questionnaires were administered to the various departments that know the dynamics of production, such as; Research and Development department, Production Department, Marketing Department, Sales Department, and also some of the top management members. However, due to the likelihood of not getting up to 100% returns from the respondents, it is imperative to add 10 percent of the sample size, that is, add 30 questionnaires to the 300, making 330 questionnaires all together to be administered. By so doing, accurate data analysis can be guaranteed.

2.5. Research Sample Frame

The sample frame is the list of sampling entities and properties used as the basis for analysis such as organization, state, institutions, people, executives and others. By considering sample frame as an outline description of the population in this work, the researcher adopted sample frame as initial factor of survey research because it is expected to give a rapid picture of a close representation of the observable in the study population. The target population (census) of the study are above listed companies in the sampling techniques, respondents will be randomly chosen from each of the companies ranging from Research and Development department to the Production Department, Marketing Department, Sales Department, and Top Management Executives respectively.

Population		Frequency	Percentage
1.	Sweetco Foods Limited	30	10%
2.	Yale Foods Nigeria Limited	30	10%
3.	Quality Foods Manufacturing Company	30	10%
4.	Foodco	30	10%
5.	Premier Feeds Mill Company Limited	30	10%
6.	Fumman Nigeria Limited	30	10%
7.	Sumal Foods Limited	30	10%
8.	Meyer Paints Oluyole Ibadan	30	10%
9.	Altak Industries Limited	30	10%
10.	P & G	30	10%
11.	Addition	30	10%
Total		330	110%

*Table 1: Sample Size
Source of Data and Procedure for Data Collection*

Both primary and secondary sources were used for the data collection. The primary data were obtained mainly with the instruments of questionnaire and interview methods. Questionnaires were administered to 330 focused personalities of the study. Concerning information on the effect of product innovation on sustainable competitive advantage, secondary data information was obtained as well from the various selected organization report, other relevant data from textbooks and additional data were sourced from the University Library, Internet, journals etc. The data collection technique that was used in selecting the respondents for the study is simple random sampling method. This method was used because of the homogeneity in the study population.

2.6. Research Instrument

A mixture of research instrument, involving the use of interview and questionnaire was chosen because of the nature of this study. A well-structured questionnaire was developed and was used to gather information largely from the selected manufacturing firms for the study.

2.7. Validity and Reliability of the Research

Validity test were carried out so as to ensure that the research instrument measured what it supposed to measure. The four methods of measuring external validity are: face validity, content validity, criterion validity, and construct validity. Face and content validity were carried out on this work. Content validity measures the appropriateness of the wording of the instrument and the objectives of the study while the face validity enables the researcher to make an assertion to claim to have measured what he or she intended to measure (Singh 2014). To ensure face and content validity of the instrument (content-related evidence), the researcher confirmed if the format used in designing the instrument is appropriate for obtaining the information required from the respondents.

Therefore, in order to validate the authenticity of the findings of the research, the researcher ensured that the content of the questionnaire measures exactly what it supposed to measure with an attempt to curtail irrelevant question so as to ensure the content validity of the instrument. The researcher as well ensured the reliability of the study in such a way that the degree of stability or consistency of measurement is guaranteed.

2.8. Ethical Considerations

While carrying out the research, the respondents were not pressured and the researcher did not intrude into their privacy in any way. The information gathered was treated with extreme caution and the identity of respondents remains confidential (including the organization). This research will not only improve the knowledge of the researcher but will improve the condition of the organizations studied and other organizations in Ibadan and beyond on the need to address the challenges of product innovation. The consent of the organizations being studied were sought and obtained before commencement of the research.

In addition, this research will be objective and will not be biased in analysis and presenting the results obtained. This research avoids any form of inappropriate use of information such that will affect the safety of the respondents. The adopted research methodology was appropriate, objectively and carefully selected to present a valid research outcome.

3. Data Presentation, Analysis and Interpretation

3.1. Presentation of Data

The research questionnaire was administered to Three Hundred and Thirty (330) respondents from different departments of the selected manufacturing firms in Ibadan metropolis, these departments are saddled with the responsibility of ensuring that their respective firm have a sustainable competitive edge in the market, among of which are; Research and Development department, Production department, Marketing department, Sales department, and other key offices in the selected manufacturing firms. The sample frame consists of 10 selected manufacturing firms in Ibadan metropolis, 300 sample size, additional 30 sample size was added to the main sample size in remedy for occurrence of short fall in the number of expected returns. Out of the 330 administered questionnaires, 256 were returned which constitute about 85% of the intended 300-sample size. The table below shows the response rate and the number of administered questionnaires.

Questionnaire	Respondents	Percentage (%)
Returned	256	78
Not Returned	74	22
Total Distributed	330	100

Table 2: Analysis Of Response Rate
Source: Field Survey (2018)

3.2. Return Rate

$$\frac{\text{Number of returned questionnaires}}{\text{Number of administered questionnaires}} \times 100 = \frac{256}{330} \times 100 = 78\%$$

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-27	11	4.3	4.3	4.3
	28-37	125	48.8	48.8	53.1
	38-47	99	38.7	38.7	91.8
	48-57	21	8.2	8.2	100.0
	Total	256	100.0	100.0	

Table 3: Age

Source: Field survey (2018)

The table above shows the age bracket of the respondents, majority (125) of the respondents are within the age bracket of 28-37 years, which constitute 48% of the total respondents, 99 of them, which constitute 38.7%, are within 38-47 years old, 21 (8.2%) are within 48-51 years while only 11 (4.3%) of them are within 18-27 years old. In line with this, one can conclude that the average worker at the manufacturing firms in Ibadan metropolis is within the age bracket of 28-37 years.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	192	75.0	75.0	75.0
	Female	64	25.0	25.0	100.0
	Total	256	100.0	100.0	

Table 4: Gender

Source: Field survey (2018)

The table above shows a predominant number of male genders in the manufacturing firms, Ibadan metropolis. 192 of the total respondents, which constitute 75%, are male, while 64 (25%) of them are female. This implies that more of male are working in manufacturing firms than female.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Christianity	144	56.3	56.3	56.3
	Islam	108	42.2	42.2	98.4
	Traditional	4	1.6	1.6	100.0
	Total	256	100.0	100.0	

Table 5: Religion

Source: Field survey (2018)

This table shows that 144 (56.3%) respondents are Christian, 108 (42.2%) are Muslim while only 4 (1.6%) are neither Christian nor Muslim.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	59	23.0	23.0	23.0
	Married	187	73.0	73.0	96.1
	Others	10	3.9	3.9	100.0
	Total	256	100.0	100.0	

Table 6: Marital Status

Source: Field survey (2018)

The above table shows 187 predominantly married workers which constitutes 73% of the total population, 59 (23%) of them are single while only 10 (4%) are neither single nor married.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	HND	110	42.9	42.9	42.9
	BSc	44	17.1	17.1	60.0
	Others	102	39.8	39.8	100.0
	Total	256	100.0	100.0	

Table 7: Academic Qualification

Source: Field survey (2018)

This table depicts that 110 (43%) out of the total respondents are HND holders, 44 (17%) of them are BSc holders while 102 (40%) of them holds other qualification different from BSc and HND.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Nothing	106	41.4	41.4	41.4
	CIM	64	25.0	25.0	66.4
	NIM	23	9.0	9.0	75.4
	CIMA	12	4.7	4.7	80.1
	Project Management	37	14.5	14.5	94.5
	Others	14	5.5	5.5	100.0
	Total	256	100.0	100.0	

Table 8: Professional Qualification

Source: Field survey (2018)

In terms of professional qualification, the above table shows that quite a number of the respondent do not possess any professional qualification. 106 (41.4%) of them has no professional qualification, 64 (25%) of them are Chattered marketer with professional certificate of Chattered Institute of Marketing (CIM), 23 (9%) of them has proficiency certificate in Nigeria Institute of Management, 12 (4.7%) of the respondents are chattered management accountants with a proficiency certificate in Chattered Institute of Management Accountant, 37 (14.5%) of them possess a professional qualification in project management, and 14 (5.5%) of them possess other professional qualification aside the ones mentioned. With this analysis, one can say that proficiency in production and marketing plays a vital role in the manufacturing firms in Ibadan metropolis.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Production personnel	72	28.1	28.1	28.1
	Marketer	94	36.7	36.7	64.8
	R & D	29	11.3	11.3	76.2
	Supervisor	24	9.4	9.4	85.5
	Sales rep	28	10.9	10.9	89.1
	Manager & others	9	3.5	3.5	100.0
	Total	256	100.0	100.0	

Table 9: Position

Source: Field survey (2018)

This states the various positions of respondents that have influence on how product is been made. 72 of the respondents are production personnel, 94 of them are marketers, 29 of the respondents are in Research and Development (R & D), 24 of them which constitute 9.4% are production supervisor, 28 of them are sales representative, while only 9 of them are managers. With this, one can say production personnel and marketer are predominantly needed in manufacturing firm.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	10	3.9	3.9	3.9
	Undecided	51	19.9	19.9	23.8
	Agree	140	54.7	54.7	78.5
	Strongly agree	55	21.5	21.5	100.0
	Total	256	100.0	100.0	

Table 10: Product Innovation Makes Us Remain Relevant in the Market

Source: Field Survey (2018)

The table above shows that 21% of the respondents agree to the statement that says "product innovation makes us remain relevant in the market" 55% of them agree to this statement, 20% of them are indifference hence, they remain undecided, while only 4% of the respondents disagreed. Therefore, with this response one can say product makes manufacturing firms to be relevant in the market.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.8	.8	.8
	Disagree	10	3.9	3.9	4.7
	Undecided	84	32.8	32.8	37.5
	Agree	98	38.3	38.3	75.8
	Strongly agree	62	24.2	24.2	100.0
	Total	256	100.0	100.0	

Table 11: We Have a Competitive Edge over Our Competitors Because of Our Drive for Innovation

Source: Field Survey (2018)

The table above shows that 24% of the respondents strongly agree to the statement that says “we have a competitive edge over our competitors because of our drive for innovation” 38% of them agree to this statement, 33% of them are indifference hence, they remain undecided, while only 4% of the respondents disagreed and 1% of them strongly disagreed. Therefore, one can say a drive for innovation can result to a competitive edge.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	15	5.9	5.9	5.9
	Undecided	93	36.3	36.3	42.2
	Agree	96	37.5	37.5	79.7
	Strongly agree	52	20.3	20.3	100.0
	Total	256	100.0	100.0	

Table 12: Constant Product Innovation Is an Integral Process of Our Operation

Source: Field Survey (2018)

This table above shows that 20% of the respondents strongly agree to the statement that state that a Constant product innovation is an integral process of our operation, 38% of them agree to this statement, 36% of them are indifference hence, they remain undecided, while only 6% of the respondents disagreed. Therefore, one can say that a Constant product innovation is an integral part of many Fast-Moving Consumer Goods (FMCG).

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	19	7.4	7.4	7.4
	Undecided	85	33.2	33.2	40.6
	Agree	104	40.6	40.6	81.3
	Strongly agree	48	18.8	18.8	100.0
	Total	256	100.0	100.0	

Table 13: We Innovate Our Product and Process to Meet the Market Demand

Source: Field Survey (2018)

The table above shows that 19% of the respondents strongly agree to the statement that says “we innovate our product and process to meet the market demand”, 41% of them agree to this statement, 33% of them are indifference hence, they remain undecided, while only 7% of the respondents disagreed. Therefore, one can say that product innovation and process are major in meeting the market demand.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.8	.8	.8
	Disagree	24	9.4	9.4	10.2
	Undecided	94	36.7	36.7	46.9
	Agree	100	39.1	39.1	85.9
	Strongly agree	36	14.1	14.1	100.0
	Total	256	100.0	100.0	

Table 14: Product Innovation Has a Positive Effect on Our Profitability

Source: Field Survey (2018)

The table above shows that 14% of the respondents strongly agree that product innovation has a positive effect on profitability, 39% of them agree to this statement, 37% of them are indifference hence, they remain undecided, while only 9% of the respondents disagreed and 1% of the respondents strongly disagree. Therefore, one can say that product innovation has positive effects on profitability of manufacturing firms.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	.4	.4	.4
	Disagree	16	6.3	6.3	6.6
	Undecided	70	27.3	27.3	34.0
	Agree	103	40.2	40.2	74.2
	Strongly agree	66	25.8	25.8	100.0
	Total	256	100.0	100.0	

Table 15: Continuous Product Development Accounts for Our Market Share

Source: Field Survey (2018)

The table above shows that 26% of the respondents strongly agreed that continuous product development accounts for market share, 40% of them agree to this statement, 27% of them are indifference hence, they remain undecided, while only 6% of the respondents disagreed and 1% of the respondents strongly disagree. Therefore, one can say that continuous product development accounts for market share of manufacturing firms in Ibadan metropolis.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.8	.8	.8
	Disagree	23	9.0	9.0	9.8
	Undecided	83	32.4	32.4	42.2
	Agree	98	38.3	38.3	80.5
	Strongly agree	50	19.5	19.5	100.0
	Total	256	100.0	100.0	

Table 16: Our Customers Increases Every Year Due to Improvement in Our Products

Source: Field Survey (2018)

The table above shows that 20% of the respondents strongly agreed to the statement that says “our customers increases every year due to improvement in our products”, 38% of them agree to this statement, 32% of them are indifference hence, they remain undecided, while only 9% of the respondents disagreed and 1% of the respondents strongly disagree. Therefore, one can say that manufacturing firm’s customer’s increases every year due to improvement in their product.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.8	.8	.8
	Disagree	20	7.8	7.8	8.6
	Undecided	82	32.0	32.0	40.6
	Agree	108	42.2	42.2	82.8
	Strongly agree	44	17.2	17.2	100.0
	Total	256	100.0	100.0	

Table 17: To Remain Relevant in Business, Product Development Is Inevitable

Source: Field Survey (2018)

The table above shows that 17% of the respondents strongly agreed to the statement that says “to remain relevant in business, product development is inevitable”, 42% of them agree to this statement, 32% of them are indifference hence, they remain undecided, while only 8% of the respondents disagreed and 1% of the respondents strongly disagree. Therefore, one can conclude that to remain relevant in business, product development is inevitable.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	3	1.2	1.2	1.2
	Low	26	10.2	10.2	11.3
	Moderate	92	35.9	35.9	47.3
	High	103	40.2	40.2	87.5
	Very high	32	12.5	12.5	100.0
	Total	256	100.0	100.0	

Table 18: Rank in Other of Importance How Product Improvement Has Increased the Number of Customers You Have in the Market

Source: Field Survey (2018)

Above table depicts the ranking of various respondents on how product improvement has increased the number of customers their firm have in the market, 13% ranked very high, 40% ranked high, 36% ranked moderately, 10% of them ranked the statement low, while only 1% of them ranked very low. Conclusion can then be made therefore that product improvement has increase the number of their customers in the market.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	79	30.9	30.9	30.9
	Yes	177	69.1	69.1	100.0
	Total	256	100.0	100.0	

Table 19: Is It Only Product Improvement That Keeps You Thriving In The Market?

Source: Field Survey (2018)

This table reveals that majority of the respondents which constitute 69% of the total respondents maintain that, it is only product improvement that keeps them thriving in the market, while 31% of them says no to this statement.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	2.0	2.0	2.0
	Disagree	73	28.5	28.5	30.5
	Undecided	26	10.2	10.2	40.6
	Agree	114	44.5	44.5	85.2
	Strongly agree	38	14.8	14.8	100.0
	Total	256	100.0	100.0	

Table 20: We Satisfy Our Customers with Constant Product Improvement

Source: Field Survey (2018)

The table above shows that 15% of the respondents strongly agreed to the statement that says “we satisfy our customers with constant product improvement”, 45% of them agree to this statement, 10% of them are indifference hence, they remain undecided, while only 28.5% of the respondents disagreed and 2% of the respondents strongly disagree. Therefore, one can conclude that constant product improvement will lead to customer satisfaction.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	89	34.8	34.8	34.8
	Yes	167	65.2	65.2	100.0
	Total	256	100.0	100.0	

Table 21: Are You Able to Meet The Needs of Your Customers as a Result of Product Innovation?

Source: Field Survey (2018)

This table reveals that majority of the respondents which constitute 65% of the total respondents maintain that, they are able to meet the needs of their customers as a result of product innovation, while 35% of them says no to this statement. This, therefore means that manufacturing firms are able to meet the needs of their customers as a result of product innovation.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	2	.8	.8	.8
	Low	20	7.8	7.8	8.6
	Moderate	99	38.7	38.7	47.3
	High	110	43.0	43.0	90.2
	Very high	25	9.8	9.8	100.0
	Total	256	100.0	100.0	

Table 22: How Would You Rate the Satisfaction Level of Your Customer as a Result of Product Innovation?

Source: Field Survey (2018)

This table reveals the perceived satisfaction level of manufacturing firm's customers as a result of product innovation. 10% of the respondents says the satisfaction level of their customers as a result of product innovation is very high, 43% of them says the satisfaction level is high, 39% of them maintain a moderate level of satisfaction, 8% of them posits that the satisfaction level is low, while only 1% of the respondents are of the opinion that the satisfaction level is very low. Based on this pool of opinions, one can say quite a number of manufacturing firms in Ibadan metropolis satisfy their customers as a result of product innovation.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Low	1	.4	.4	.4
	Low	14	5.5	5.5	5.9
	Average	60	23.4	23.4	29.3
	Satisfactory	181	70.7	70.7	100.0
	Total	256	100.0	100.0	

Table 23: How Would You Rate Your Customer Feedback About Your Products?

Source: Field Survey (2018)

Above table shows that 71% of the respondents rate the feedback from various customers to be satisfactory, 23% of them rated the feedback to be on an average satisfaction, 6% of them says rated the feedback low. This therefore indicates that most of them got a satisfactory feedback from their various customers.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Human capital improvement	25	9.8	9.8	9.8
	Financial improvement	151	59.0	59.0	68.8
	Material improvement	66	25.8	25.8	94.5
	Technology improvement	13	5.1	5.1	99.6
	Others	1	.4	.4	100.0
	Total	256	100.0	100.0	

*Table 24: What Improvement Would You Like to See In Your Business Operation to?
Satisfy Your Customer More?
Source: Field Survey (2018)*

This table reveals the opinion of the respondents on the areas in which improvement is needed so satisfy their customers. 10% of them says improvement is needed in human resources, 59% of them are of the opinion that financial improvement is all they needed to improve upon, 26% of the respondent posits that material improvement is what they would like to see, while only 5% of them acknowledge the importance of technology hence they hope to see improvement in technology so as to aid their business operation and satisfy their customers more.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not accessible	1	.4	.4	.4
	Rarely accessible	186	72.7	72.7	73.0
	Moderately accessible	1	.4	.4	73.4
	Highly accessible	68	26.6	26.6	100.0
	Total	256	100.0	100.0	

*Table 25: How Would You Rate the Accessibility of Resources Required to Meet Your Customers Need
Source: Field Survey (2018)*

This table shows how different respondent's rates the accessibility of resources required to meet their customers need. 27% of them say the resource is highly accessible, 73% of them are of the opinion that the resource is rarely accessible.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Financial resource	15	5.9	5.9	5.9
	Material resource	105	41.0	41.0	46.9
	Human resource	113	44.1	44.1	91.0
	Technological resource	23	9.0	9.0	100.0
	Total	256	100.0	100.0	

*Table 26: What Resources Help Most in Meeting the Customer Needs?
Source: Field Survey (2018)*

This table shows the respondents view on the resources that help most in meeting the customer needs. 6% of them says financial resources help most in meeting customer need, 41% of them are of the opinion that material resource is needed most, 44% of them says human resource is mostly needed in meeting customer needs, while 9% of them says technology resource is mostly needed.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	1	.4	.4	.4
	Low	4	1.6	1.6	2.0
	Moderate	34	13.3	13.3	15.2
	High	148	57.8	57.8	73.0
	Very high	69	27.0	27.0	100.0
	Total	256	100.0	100.0	

*Table 27: Please Rate in Order of Importance How Access to Resource Help in
Meeting Your Customer Need?
Source: Field Survey (2018)*

This reveals how respondents' rate in order of importance how access to resource help in meeting their customer needs. 27% of them stated that it's very high, 58% of them say it's high, 13% opined that it's moderate, while only 2% of them says that the accessibility is low.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Negative	92	35.9	35.9	35.9
	Neutral	8	3.1	3.1	39.1
	Positive	156	60.9	60.9	100.0
	Total	256	100.0	100.0	

Table 28: What Can You Say About Your Competitive Edge in the Manufacturing Market?

Source: Field Survey (2018)

This table shows the views of various respondents on the competitive edge of their respective firm in the manufacturing firm, 61% of them maintain a positive view, 3% of them remain neutral, while 36% of them have a negative view about their competitive edge in FMCG manufacturing firms in Ibadan metropolis.

3.3. Test of Hypotheses and Discussion of Results

Correlation analysis was used to measure the relationship between Product Innovation and Sustainable Competitive Advantage. Two hypotheses were postulated for this study and proper interpretation and analysis techniques were used to explain the hypotheses testing.

3.4. Null Hypothesis

- Ho: Manufacturing firms do not need product innovation to gain Sustainable competitive advantage.

		Product Innovation	Sustainable Competitive Advantage
Product Innovation	Pearson Correlation	1	.149*
	Sig. (2-tailed)		.017
	N	256	256
Sustainable Competitive Advantage	Pearson Correlation	.149*	1
	Sig. (2-tailed)	.017	
	N	256	256

Table 29: Correlations

*. Correlation Is Significant at the 0.05 Level (2-Tailed)

3.5. Interpretation of Result

The result above measured the relationship between Product Innovation and Sustainable Competitive Advantage; the Pearson product moment correlation coefficient r gave a significance or p -value of 0.017, which is lower than alpha 0.05 as shown in the table above. This result therefore reveals that there is statistically significant correlation between Product Innovation and Sustainable Competitive Advantage. This implies that Product Innovation have a significant impact on Competitive Advantage that is Sustainable, hence the decision rule would be to reject the null hypothesis (H_0).

- **Ho:** New product development does not guarantee a favourable market share.

		Market Share	New Product Development
Market Share	Pearson Correlation	1	.206**
	Sig. (2-tailed)		.001
	N	256	256
New Product Development	Pearson Correlation	.206**	1
	Sig. (2-tailed)	.001	
	N	256	256

Table 30: Correlations

**. Correlation is Significant at the 0.01 level (2-tailed)

3.6. Interpretation of Result

The result above measured the relationship between New Product Development and Market Share; the Pearson product moment correlation coefficient r gave a significance or p -value of 0.001, which is lower than alpha 0.01 as shown in the table above. This result therefore reveals that there is statistically significant correlation between New Product Development and Market Share. This implies that New Product Development have a significant impact on the Market Share that the manufacturing firms has. Therefore, the decision rule would be to reject the null hypothesis (H_0).

3.7. Discussion of Results

This study examines the effects of Product Innovation on Sustainable Competitive Advantage, (study of 10 selected FMCG manufacturing firms in Ibadan metropolis) and the variables used for the independent construct (Product Innovation) are New Product Development and Resource Capability while that for the dependent constructs are Market Share and Customer Satisfaction. The study aimed to evaluate how Product Innovation could be veritable tools in ensuring Sustainable Competitive Advantage among the Fast-Moving Consumer Goods manufacturers in Ibadan metropolis. Two hypotheses were postulated and the results derived shows that there is strong and linear relationship between the variables used to measure the two constructs which invariably mean manufacturing firms in Ibadan metropolis use Product Innovation as a strategy to maintain competitive edge in the market hence the two null hypotheses were rejected, however, based on information derived from the field, some respondents claim that product innovation do not guarantee a sustainable competitive advantage.

4. Summary, Findings, Conclusion and Recommendations

4.1. Findings – Product Innovation and Sustainable Competitive Advantage

Many authors who looked at it from numerous perspectives have defined product Innovation. The research work was basically conducted to know the effects of Product Innovation on Sustainable Competitive Advantage. In carrying out the study, primary and secondary sources of data were made use of in gathering relevant information. From the information gathered, it was revealed that there is a corresponding influence between Product Innovation and Sustainable Competitive Advantage of FMCG manufacturing firms in Ibadan metropolis.

Therefore, the findings of this study are divided into 2 parts, theoretical findings and empirical findings. The theoretical findings are abstracted from the literature review in chapter 2 while empirical findings are derived from data generated from the field survey.

The literature reviewed in the study revealed the following findings: Sustaining competitive advantage is the challenge faced by many businesses in today's fast-paced world. Product Innovation is a topic frequently studied in the field of entrepreneurship and marketing, both by academicians and practitioners. But little attention has been given towards the ability of product innovation in achieving and sustaining a competitive advantage. Manufacturing firm, without regards for size, are increasingly seeking the unique ways of differentiating their offering and product innovation is one such option in this regard. Many organizations, today, have responded to the strategic and financial impact of innovation, treating it as a strategic weapon (Warraich et al., 2013). Along with globalization, the influence of innovation on the product is the most intense trend affecting management and marketing of the product in today's dynamic world. Better product delivery helps firms in differentiating their offering; obtaining more business from current customers; and attracting new customers (Mukherjee *et al*, 2003). It is the capacity to innovate new products in order to be more competitive through; quality, higher techniques, perfect marketing...etc. for attracting customers; there are several strategies to gain a sustainable competitive advantage which are related directly with products such as low costs strategy, differentiation strategy and focus strategy. The first one (low costs) means the company's capacity to produce or to sell the same product by a lower price than the competitors, the second strategy (differentiation strategy) - that was proposed by Porter meant to differentiate the product in order to create new value to the customers. This strategy aims to develop company's products and to improve the quality of maintaining an advanced competitive position through product innovation, which creates a new value. In the third strategy (Focus strategy) the company concentrates and focuses on a selected part of the market and tries to realize its needs through the differentiation in products or prices or both.

Product innovation according to Zuhairy et al (2015) is broadly seen as an essential component of competitiveness, embedded in the organizational structure, processes, products, operations, and services within a firm. Product innovation is one of the fundamental instruments of growth strategies to enter new markets, to increase the existing market share and to provide the company with a competitive edge. However, developed and developing economies around the world have come to realize the value of manufacturing firm. They are seen to be characterized by dynamism, innovations, efficiency, competition, technological development, and their small size allows for a faster decision-making process. But with the dynamism of the environment and changes in consumption pattern, the manufacturing firm product innovation has been a challenge; hence their sustainable competitive edge is not guaranteed.

The continuance and the persistence of any company depends on its capacities to maintain its marketplace and face the competition which spreads rapidly and aggressively with the globalization and the expansion of the new technologies, and while product reflects the company's image its whole success depends also on the product success through realizing (compliance) consumers desires and needs, and developing new products.

The concept of sustainable competitive advantage (SCA) on the other hand was introduced in 1984 when Day was explaining the competitive advantage maintenance strategies. The term sustainable competitive advantage was seriously developed in 1985 by Porter and in terms of a variety of competitive strategies (cost leadership, differentiation, and focus) to achieve a long-term competitive advantage. Nevertheless, Porter did not provide a formal definition for sustainable competitive advantage (Porter 1985). Partalala (2013) has provided the closest definition of a sustainable competitive advantage as the continuity of benefits and application of unique value creation strategies asynchronously with potential competitors that are not able to copy such benefits. The sustainable competitive advantage is related to the firm's efforts in establishing and maintaining advantages for a long-term period. The sustainable competitive advantage is affected by three factors: the size of the target market, greater access to resources and customers, and restrictions on the powers of

the competitors. Usually, a firm can create the sustainable competitive advantage whose managers apply its strategy based on characteristics that cannot be easily copied (Journal & Science, 2015).

4.2. Summary of Empirical Findings

Quite a number of researchers have carried out studies on product innovation as a tool for sustainable competitive advantage, the notable ones among them are as follow:

(Reguia, 2014) posits that company's continuance is related to its capacity in developing competitive advantages in its products that allows it to obtain customers' fidelity and wilding its market share through product innovation. So, companies become obliged to adopt product innovation and provide the favourable environment through Encouraging R&D; Providing financial sources to support new innovations; Putting efficient programs and policies; Motivating innovators.

(Soliman, 2013), opined that the rise of the innovation has led organizations to embrace innovation as a key competitive advantage. This has led to the introduction of the innovation-based view as one of the four key perspectives of strategic management. This is somewhat similar to the introduction of the institution-based view, which is put forward by Peng and Pleggenkuhle-Miles (2009) as the third view in strategic management in 2009. Incorporating the innovation-based view into the global strategy domain could assist firms in enhancing the development of the global strategy in these highly competitive business environments. This paper proposes that innovation-based view of global strategy matters. The introduction of the quadruple global innovativeness strategy model demonstrates that it is possible to link the three well-known strategy perspectives (namely, industry competition, resources, and institution views) and the innovation-based view. This link could assist firms in enhancing their efforts for sustainable competitive advantages.

In the same vein Mohammad and Masoud (2015), concluded that customer relationship management is of the highest load and importance, and therefore it is recommended the organizations shows a high level of significance and sensitivity toward their clients and customers so that they can be satisfied and have a good interaction with the organization. Organizations should keep it in mind that customers are somehow the most important asset of any organization whether private, public, manufacturing, or service so they should be considered as a major and distinct asset so that the performance of organizations is improved in the light of customer-orientation principle, hoping to gain the competitive advantage, especially sustainable competitive advantage.

In linewith the above various empirical views, it was unanimously agreed that product innovation is indispensable for an organization that wants to have a competitive edge over its competitors.

5. Conclusion

The study aimed at evaluating the effects of Product Innovation on the Sustainability of manufacturing firms Competitive Advantage. This research was conducted using 10 selected FMCGs manufacturing firms in Ibadan as a case study. The study was built at four specific objectives which are: to ascertain the relationship between product innovation and sustainable competitive advantage; to know the extent to which new product development guaranteed a favourable market share; to know the relationship between product innovation and customer satisfaction; and to examine if manufacturing firm has the right resources to meet customer need.

Data were collected using questionnaire as the main data instrument. The findings were gotten from 256 respondents across 10 selected manufacturing firms namely; Sweetco Foods Limited, Yale Foods Nigeria Limited, Quality Foods Manufacturing Company, Foodco, P & G, Premier Feeds Mill Company Limited, Fumman Nigeria Limited, Sumal Foods Limited, Meyer Paints Oluyole Ibadan, and Altak Industries Limited.

Sequel to the hypotheses postulated, it was found out that there is a positive relationship between Product Innovation and Sustainable Competitive Advantage among manufacturing firms in Ibadan metropolis.

This conclusion coincides with Soliman(2013), which opined that the rise of product innovation has led organizations to embrace innovation as a key competitive tools that can stand the test of time. This has led to the introduction of the innovation-based view as one of the four key perspectives of strategic management. This is somewhat similar to the introduction of the institution-based view, which is put forward by Peng and Pleggenkuhle-Miles (2009) as the third view in strategic management in 2009. Incorporating the innovation-based view into the global strategy domain could assist manufacturing firms in enhancing the development of the global strategy in these highly competitive business environments. This paper proposes that innovation-based view of global strategy matters. The introduction of the quadruple global innovativeness strategy model demonstrates that it is possible to link the three well-known strategy perspectives (namely, industry competition, resources, and institution views) and the innovation-based view. This link could assist firms in enhancing their efforts for sustainable competitive advantages.

6. Recommendations

This section recommends measures to be considered by academia, corporate organization, business incubation Centre's, and other players in the manufacturing market.

Product Innovation deserves greater attention and more commitment from manufacturing organizations in that it guarantees other benefits other than just Sustainable Competitive Advantage. This will offer an opportunity to the manufacturing industry and their respective players to know the necessary corrective measure that is vital in ensuring sustainable competitive advantage.

The long-term competitive position of manufacturing firms depends on their capability of managing and improving their basic technology. Therefore, product innovation is not exhaustive on its own for a sustainable competitive advantage, technology innovation also plays a vital role in staying ahead of the game in the manufacturing firms.

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