

INFLUENCE OF INNOVATIVE MARKETING STRATEGY ON NON-FINANCIAL PERFORMANCE OF SELECTED MANUFACTURING COMPANIES IN LAGOS STATE, NIGERIA

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Abstract

Manufacturing companies in Nigeria has been experiencing unprecedented challenges in the globalized working surroundings and this had resulted to low business turnover which is leading to closure of the companies or relocating to another African Country. The study therefore seeks to examine the influence of innovative marketing strategy on non-financial performance of manufacturing companies in Lagos State. Descriptive research design was adopted and data were collected through structured questionnaire. The population of the study was fifty-six (56) manufacturing companies in Lagos State out of which five (5) manufacturing companies, that were strictly into food and beverages were selected. Each of the five (5) companies selected, average of twenty (20) that has information to provide was used except Unilever Nigeria Plc that has total numbers of twenty-one (21) staff in strategic position giving the total number of one hundred and one (101). consisting of strategic managers and subordinates to access what was happening at corporate planning, commercial and marketing department of the manufacturing companies were used as sample size. Purposive sampling technique was used to arrive at the sample size. Multiple Regression and correlation were used to analyse the data collected. Findings revealed that there was positive relationship between innovative marketing strategy and non-financial performance of selected manufacturing companies in Lagos State. Furthermore, with R^2 value = (0.693), meaning that Innovative marketing strategies has positive impact on business expansion and with variables statistically significant at 95% confident limit and sig 0.000, meaning that product innovative strategy has positive relationship with business expansion in the selected company. The study recommended that manufacturing companies should pay adequate attention to their strategic marketing activities, particularly innovating or modifying their products? this will help to stimulate demand and achieve deeper market penetration.

Keywords: Innovative, Product innovation, Marketing strategy, Non-financial, Performance.

1.0 INTRODUCTION

Economic landscape today is being shaped by two powerful forces- technology and globalization. Besides technology and globalization, other forces reshaping the Nigerian economy include deregulation, privatization and the general reform agenda of the Federal Government as contained in the National Economic Empowerment Development Strategy (NEEDS, 2003). These changes in the operating environment have brought about the need for strategic marketing in conformity with the changing nature of the marketing environment to enable companies compete favourably. However, for a manufacturing company to survive in this competitive environment and improve its performance, the adoption of strategic marketing is imperative to woo potential customers by producing product which satisfies their needs and wants. A company that does not strategise its activities may find its very survival very threatened, and for a marketing strategy to be successful, organisations need to recognize its relevance and develop an effective process (NEEDS, 2003). Noticeable is the increase in the degree of strategic practices which correlates positively with the increase in environmental instability (Brews & Purohit, 2007).

Anabila and Awunyo (2012) established that organisations should always reassess their business strategies to ensure survival as well as profitability in this dynamic business environment. Initially, marketing was ignored and not too aggressive compared with what we have today in business environment (Akinyele, 2010). More so marketing is one of the major factors that gives an edge over competition in taking accurate marketing decisions, as a result it is expedient for every organisation to have good marketing knowledge. Product positioning and services depend on the performance and implementation of intellectual and good strategic plans (Chicagoexec, 2011). Strategy implies the analysis of the market, its environment, customer buying behaviour, resource allocation of decisions made throughout the organisation and competitive activities are the need and capabilities of marketing intermediaries (Aremu & Lawal 2012). Presently, business organisation developed and implement effective marketing strategies that can create more value for their customers.

Organisational performance measures how well a company meets the individual objectives of its business plan. It lies in understanding of how each element can support or restrain the other, on how to balance the dynamics between the elements to determine the most suitable solutions in any situation. There is no gain saying that there is a link between innovative marketing strategy and organisational performance. Presently the problems of evaluating factors that influences strategic

marketing on the performance of manufacturing companies still persists, though previous literatures have focused on different factors that may influence the performance of an organisation, these includes disregarding the importance of strategic marketing,, weak funding, attitudes of marketing executives, general environmental uncertainties as a result of changes in the legal environment, political, cultural, technological, demographic, competitive and international environments - which led to high rate of unemployment in the country (Agbonifoh & Iyayi, 1999; Afriyie, Du & Musah, 2019; Cross, 2018 and Gbolagade. Adesola & Oyewale, 2013). Despite all the variables listed by the researchers above, manufacturing companies are still facing certain problems.

The numbers of Manufacturing companies which have moved to other African Countries, underperforming, or closing down businesses are increasing in the manufacturing firms. Harsh turbulent operating environment and increasing competitive environment continues to prevail in Lagos State (Akinyele, 2010). The sector has been experiencing unprecedented challenges in the globalized operating environment.: in light of the above, some manufacturing firms are recoding low business turnover which is leading to closure of the companies. Existing literatures on strategic marketing practices in Nigeria focused mainly on effect of marketing strategies on organisational performance, marketing Problems and the performance of Selected Small and Medium Enterprises (SMEs) in Southern Senatorial District, evaluation of marketing strategies undertaken by Coca Cola Company as a multinational corporation in Nigeria and Strategic market orientation and business performance' of 'food and beverages organisations in Nigeria (Cross, 2018; Garland & Brooksbank, 2009 and Nwokah, 2008). Existing studies focused only on financial performance. However, this study identifies existing literatures that link strategic marketing with non-financial performance.

The study seeks to investigate the relationship between innovative marketing strategy, product innovation strategy and business expansion of manufacturing companies in Lagos state, such that organisations that are into manufacturing can implement research findings for survival.

1.1 Objective of the Study

The broad objective of this study is to examine the influence of innovative marketing strategy on non-financial performance of selected manufacturing companies in Lagos State. while the Specific objectives are to:

- i. investigate if there is a positive relationship between innovative marketing strategies and business expansion;

- ii. examine the relationship between product innovation strategy and business expansion

2.0 LITERATURE REVIEW

2.1 Concept of Strategic Marketing

A considerable amount of literature has been published on strategic marketing. Osuagwu (2004) opined that strategic marketing is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organisation is, what it does, and why it does it, with a focus on the future. In this regard Wright (2005) posited that strategic marketing is all-embracing, flexible and adaptable practice. It demanded that marketing managers ensure that the organisation achieves a sustainable competitive advantage, hence, a structured approach to planning and strategy formulation is advocated. Owomoyela, Oyeniyi, and Ola, (2013), believed that strategic marketing is an avenue of providing quality product that satisfies customer needs, offering affordable price and engaging in wider distribution and back it up with effective promotion strategy. Waweru (2011) argued that strategic marketing deals with the direction and scope of the long-term activities performed by the organisation to obtain a competitive advantage. It required of an organisation to develop sound strategies that help to fully understand the landscape, ward off threats, and become more capable to meet changing conditions. Porter (1980) and Roger (1995) opined that strategy enables businesses to position themselves in industries, bring vision to present, defined specific goals driving concrete actions and making vision a reality. Strategic marketing is a set of determinations that guide or direct managers to reach their long-term desired marketing positions (Ferrell & Lucas, 1989). Still other scholars such as Ugglä (2015) regard strategy as the bridge which balances between the organisation and the environment. However, based on the definitions stated and from the context of this study, strategic marketing is seen as the managerial process that entails analysis, formulation, and evaluation of strategies that would enable an organisation to achieve its goals by developing and maintaining strategic fit between its distinctive competencies against the threats arising from its environment.

2.2 Innovative Marketing Strategies

Innovation marketing strategy essentially comes from two important business terms which are innovation and marketing. In order to understand innovation marketing, it is essential to understand the meaning of the two words (Martin, 2016). An innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations (OECD, 2005). The

requirement for an innovation was product, process, marketing method or organisational, method must be new (significantly improved) to the firm.

Marketing in a nutshell is the process where the producers communicate to the customers about their products and services. Marketing is essential for informing the customers and prospective customers about the product, its features and why they should buy it (Martin, 2016). Innovative marketing concept is all about conducting market research into customer needs, behaviours and trends, develop a prototype or changes within product designing, launching a new product in a unique place, pricing the product in a unique way, promoting products in an unconventional way, etc. The role of innovation in marketing is to explore new market to increase sales and profitability. Innovation marketing believes in the dynamics of business world that are changing on regular basis and so as the marketing strategies as well. Marketers know that conventional marketing techniques are not effective anymore and the businesses are surrounding by advanced technology. Innovative strategies in marketing allow marketers to trace the performance alter the strategies to better cater the customers' needs (Umar, 2019).

Innovation decisions are the most fundamental strategic decisions for every firm, since innovation today is the most fundamental instrument of firms to enter new markets, to increase current market shares, and to strengthen the competitive edge (Gunday, Ulusoy, Kilic & Alpan, 2011). This strong focus on innovation is motivated by the increasing competition in both domestic and global markets, generated by rapidly changing technologies and competition strategies, which in turn may swiftly erode the valuation in the market place of current products and associated services. This implies that innovation, which can be conceived as the transformation of ideas, information and knowledge to increased competitiveness and sustained competitive advantage, overall constitutes an indispensable component of firm strategies. There are several reasons for this, such as the need to offer improved or even new products, to apply more efficient production, and organisation methods, to perform better in the critical markets, and to increase the perception among the customers of the firm's products. At the same time, we must remember that firms have different levels of innovative resources and capabilities (Tavassoli & Karlsson, 2015).

In order to guide their decisions on how the limited innovation resources should be used to reach their objectives, firms apply different innovation strategies. Should a firm focus on only one type of innovation or combine various types of innovation at the same time? In either case, how to choose between products, process, market and organisational innovations and possible combinations of these four basic types of innovation, given limited resources for innovation? What are the determinants of these choices? Today there exist a very large body of research on the determinants of

innovation as well as the effects of innovation for firms, industries, regions and nations. However, surprisingly little is known theoretically and empirically about the determinants of different innovation strategies. We even barely know much about which innovation strategy is commonly used by firms. The few studies by economists that exist have almost exclusively focused on the determinants of product and process innovations and combinations of product and process innovations (Cabagnols & Le Bas, 2002; Du, Love & Roper, 2007).

2.3 Product Innovation Strategy

Product innovation can be seen as the introduction of a good or a service that is new or improved regarding its features or intended uses, including significant improvements in technological specifications, components and materials, incorporated software, user friendliness or other functional characteristics. It can utilize new knowledge or technologies, or it can be based on new uses or combination of existing knowledge or technologies (OECD, 2005). Product innovation is also the result of a difficult process driven by advancing technologies, changing customer demand, shortening product cycles and increasing national and international competition. It is normally assumed that successful product innovation demands a strong intra-firm interaction as well as between the firm and its customers and suppliers (Gunday, Ulusoy, Kilic & Alpan, 2011).

2.4 Non-Financial and Financial Performance

The term performance can be referred to as something completed, or something happening now, or activities that prepares for new needs. Furthermore, performance is the estimate of standard or prescribed indicators of effectiveness, efficiency, and environmental responsibility such as, cycle, productivity, waste reduction, and regulatory compliance. One of the important issues in business has been why some organisations succeeded while others failed. Organisation performance has been the most important issue for every organisation, be it profit or nonprofit one. It has been very important for managers to know which factors influence an organisation performance in order for them to take appropriate steps to initiate them. However, researchers have different opinions on definitions of performance, Bhagwat and Sharma (2007) opined that performance is equivalent to the famous 3Es i.e (economy, efficiency, and effectiveness) of a certain program or activity. While, Daft, (2000) defined organisational performance as the organisation's ability to attain its goals by using resources in an efficient and effective manner. Quite similar Tapanya, (2004), Ittner and Larcker (1996) defined organisational performance as the ability of the organisation to achieve its goals and objectives. From the above it is obvious that organisational performance has suffered not only from a definition problem but also from a conceptual problem (Nayla & Ridzuan, 2014).

Firms are increasingly implementing new performance management strategy to evaluate managerial performance and to track non-financial metrics such as customer and employee satisfaction, product and service quality, market share, productivity, and innovation. Nayla and Ridzuan (2014) argued that non-financial performance measures are more future-oriented than traditional financial measures, thus managers rely heavily on them in making decisions that will benefit their organisations in future. The simple way to describe non-financial performance measures is to explain what they aren't. Non-financial key performance indicator (KPIs) are not expressed as monetary values—in other words, they aren't directly associated with money signs. They focus on other aspects of the business and are often leading (forward looking) measures, whereas financial KPIs are lagging measures (Pierre, 2020).

2.5 THEORETICAL FRAMEWORK

2.5.1 Resource-Based Theory or View (RBV)

This theory was developed by Birge Wenefeldt in 1984. Resource-Base theory is an interdisciplinary approach that represents a substantial shift in thinking (Smithee, 1999). It is interdisciplinary in nature because it was developed within the disciplines of management, ethics, marketing, supply chain management, general business, law and economics. (Hunt, 2013). It focuses on organisations internal resources as means of organising processes and obtaining a competitive. RBV provides opportunity for an organisation to develop competitive advantages over its rivals. The competitive advantage in turn will help the organisation to enjoy strong profit. RBV proposes that organisation can have different strategies because they have different resource mixes, it then focuses on managerial attention on the firm's internal resources in an effort to identify those assets, capabilities and competencies with the potential to deliver superior competitive advantage. The theory argued that business organisation should look inward to locate resources of competitive advantage instead of looking at competitive environment. (Ovidijus, 2013). This theory advocates that enterprises engage the available resources (tangible, intangible and organizational capabilities) in order to produce products that meet customer needs (Bharradwaj, Clark & Kulviwat, 2005; Peteraf & Barney, 2003; Pearce & Robinson, 2005). This theory also sees the resources and capabilities as key factors in business performance.

This approach focuses on the rents accruing to the owners of scarce firm-specific resources rather than the economic profits from product market positioning. Competitive advantage lies 'upstream' of products market and rests on the firm's idiosyncratic and difficult-to imitate resources. Thus, what a firm can do is not just a function of the opportunities it confronts; it's also depends on what resources the

organisation can master. Learned, Edmund, Christansen, Roland, Andrews, Kanneth, Guth and Williaam, (1969) proposed that the real key to a company's success or even to its future development lies in its ability to find or create a competence.

2.6 EMPIRICAL FRAMEWORK

Afriyie, Du and Musah (2019) examined innovation and marketing performance of SMEs in an emerging economy; the moderating effect of transformational leadership. draw on the resource-based view (RBV) to examine the effect of transformational leadership. The study aims to (TL) on innovation and marketing performance in SME service firms. Cross-sectional survey data were collected from 437 SME service firms of an emerging economy with a fast-growing service sector. The quantitative methodologies were used in which partial least squares structural equation modeling (PLS-SEM) with bootstrap procedures was adopted to test the hypotheses. The findings posited that innovation has a positive effect on marketing performance; transformational leadership has a moderating effect on the relationship between innovation and marketing performance. Therefore, the study concluded that it would be useful to study the effects of TL and other variables that can be manipulated by team level dynamics (or groups) such as trust in the team, team creativity, and team innovative performance in the future. and managers/owners should consider the vital role of transformational leadership as a predictor of the relationship between innovation types and marketing performance.

Also, Cross (2018) explored the effects of marketing strategies on organisational performance. The study aims to examine the degree at which product strategy improves the level of profit of Nigeria Bottling company in Kaduna State and to determine the extent at which promotional strategy influences the sales volume of Nigeria Bottling company in Kaduna State. Secondary data were obtained through books, journals, and internet. Empirical works of other scholars were consulted. A sample size of 245 was obtained from the population of 635 at 5% error tolerance and 95% degree of freedom. Pearson moment product correlations coefficient was used to test the hypotheses. The findings revealed that there is no significant relationship between product strategy and level of profit in Nigeria Bottling company Kaduna and also there is no significant relationship between promotional strategy and sales volume in Nigerian Bottling company, Kaduna. The study therefore concluded that promotional medial such as the of television, radio, newspaper and magazines facilitate an increase in sales volume in Nigeria Bottling company.

Gbolagade. Adesola and Oyewale (2013) examined the impact of marketing strategy on business performance with special reference to the selected SMEs in Oluyole local government area Ibadan. The study aims to investigate Small and medium

enterprises (SMEs) operators if they provide a quality product with good packaging that satisfies customer needs, offering affordable price and engaging in wider distribution and back it up with effective promotion strategy in order to survive the pressure from global market competitive environment. The survey research design method was used in this study which involves using a self-design questionnaire in collecting data from one hundred and three (103) respondents. The instrument used in this study is a close-ended questionnaire that was designed by the researchers. Correlation coefficient and multiple regression analysis were used to analyze the data with the aid of statistical package for social sciences (SPSS) version 20. Findings from Gbolagade, Adesola and Oyewale 2013 revealed that product consideration has impact on business performance in term of profitability, market share, return on investment, expansion etc. The study therefore concluded that SMEs operators should produce quality product: charge competitive prices, position appropriately, use attractive package for the product.

Masood, Sadia, Muhammad and Saman (2013) investigated effects of innovation types on firm performance: an empirical study on Pakistan's manufacturing sector. The main purpose of this study is to explore the effects of innovation types including product, process, marketing and organisational innovation on different aspects of firm performance such as innovative, production, marketing and financial performance in Pakistani manufacturing companies. The survey research design method was used in this study which involves using a self-design questionnaire in collecting data from 150 respondents mainly from production, R&D and marketing departments of manufacturing companies. With the help of statistical package for social sciences, (SPSS) data were analysed by factor, reliability, correlation and regression analysis. The findings of the study revealed that there are positive effects of innovation types on firm performance. The study therefore concluded that business leaders of the manufacturing firms should give additional importance to different types of innovations for attaining high organisational performance.

Gunday, Ulusoy, Kilic and Alpkan (2011) studied effects of innovation types on firm performance. In order to explore empirically what the main innovation drivers are and what the impact of innovation is on the performance of manufacturing firms, the study used survey design and the population of the study covered 184 manufacturing firms in Turkey. A theoretical framework is empirically tested identifying the relationships amid innovations and firm performance through an integrated innovation-performance analysis. The sample consists of manufacturing firms drawn from six main manufacturing sectors in Northern Marmara region within Turkey. The finding revealed that innovations performed in manufacturing firms have positive and significant impacts on firm performance. The study therefore concluded that managers should recognise and manage the innovations in order to boost their operational performance.

3.0 METHODOLOGY

The study utilized descriptive research design, which build relationship on innovative marketing strategic and non-financial performance of selected manufacturing companies in Lagos State. The population of the study consisted the entire manufacturing companies in Lagos State. It was estimated that, over 56 manufacturing companies in Lagos State, are in operations as at the time of this investigation (source: finelib.com/cities/lagos/business/manufacturing industries, 2016) out of which five (5) top food and beverages manufacturing companies which have reputation for making products of good quality and are largest in Lagos and Nigeria as far as food and beverages is concern. Each of the five (5) companies selected, average of twenty (20) staff that has information's to provide in respect of the innovative marketing strategy and its influence on non-financial performance of manufacturing companies were selected except Unilever Nigeria Plc that has total numbers of twenty-one (21) staff in strategic position giving the total number of one hundred and one (101). The selection involves, Director Human Resources, Director Quality Control, Director Production, Director Research & Development, Director Finance, Director Marketing, General Manager Manufacturing (Staff responsibility or Personnel), Manager Personnel (Works), Personnel Officers (Supervisors) and Personnel assistants (Workers) of the five (5) sampled manufacturing companies and all their assistances was used, which include: Nestle Nigeria Plc, Unilever Nigeria Plc, Cadbury Nigeria Plc, Promasidor Quality Food Products and UAC Foods.

Purposive sampling technique was used in this study because of the respondent's level of understanding of subject matter to research. Data was sourced from both the primary and secondary. The primary source includes administering of questionnaires which comprises of embodied structured questions which were hand delivered with a cover letter to elicit sample responses. Data collected was analyzed using descriptive statistics, Pearson Correlation and multiple regression.

4.0 RESULTS AND DISCUSSION

The table 1 reflects the demographic information of the respondents used in this study.

Table 1: Demographic Profile of the Respondents

Gender	Frequency	Percentage (%)
Male	71	70.3
Female	30	29.7
Total	101	100.0
Age of the Respondents	Frequency	Percentage (%)
20-29 years	13	12.9
30-39 years	41	40.6
40-49 years	44	43.6
50-59 years	3	3.0
Total	101	100.0
Marital Status of the Respondents	Frequency	Percentage (%)
Single	12	11.9
Married	84	83.2
Divorced/Separated	5	5.0
Total	101	100.0
Education Qualification of the Respondents	Frequency	Percentage (%)
HND	28	27.7
Bachelor's Degree	44	43.6
Master's Degree	29	28.7
Total	101	100.0
Department / Unit of the Respondents	Frequency	Percentage (%)
Corporate planning	23	22.8
Commercial department	34	33.7
Marketing department	44	43.6
Total	101	100.0

Source: Researchers computation, (2020).

Table 1 depicts demographic profile of the respondents. 71 (70.3%) represent male and 30 (29.7%) were female. 13 (12.9%) age of the respondent fell within 20-29 years, 41 (40.6%) age of the respondents fell between 30-39 years, 44 (43.3%) of the respondents age fell within 40-49 years and 3 (3.0%) of the respondents ages between 50-59 years. This infers that the survey covered respondents between the ages of 40 – 49 years and 30 – 39 years. The majority 84 (83.2%) of the respondents were married, 12 (11.9%) were single and 5 (5.0%) were separated or divorced. This implies that most of the respondents covered in this study were married. 28 (27.7%) had HND certificate, about 44 (43.6%) attained B.Sc., degree and 29 (28.7%) of the respondents attained Master's degree. This implies that the respondents were educated in which they attained either of the educational certificates. Finally, about

23 (22.8%) of the respondents were corporate planning unit. 34 (33.7%) of the respondents were in commercial department and 44 (43.6%) of the respondents were in marketing department. It shows that most of the respondents covered in this study were marketing department unit.

4.2 Test of Hypothesis

HYPOTHESIS ONE: There is no significant relationship between innovation marketing strategies and business expansion

Table 2: A Summary of the Multiple Regression Analysis

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.833 ^a	.693	.631	.397

*p<0.05 a. Predictors: (Constant), Innovative marketing strategies

The model summary Table 2 gives R² value = (0.693). This shows that Innovative marketing strategies has positive impact on Business expansion. Thus, this model is predicting 69.3% of the variance in innovative marketing strategies pooling all motivating factors together simultaneously; meaning that 69% of the variance in business expansion can be predicted from the various marketing strategy captured in the model from the selected area.

Table 3: Model Summary of Multiple Regression Analysis

Model	Sum of Square	df	Mean Square	F	Sig
Regression	100.036	5	20.307	128.102	.000 ^b
Residual	14.954	95	.157		
Total	114.990	100			

*p<0.05 a. Dependent Variable: (Business Expansion).

Table 3 shows that Marketing strategies variables used is significantly predicted the level of business expansion, $F(5, 100) = 128.102$, $p < 0.05$ F – statistical indicates that the overall regression model is highly statistically significant in terms of its goodness of fit since the value of $F_{\text{tab}}(5, 100) > F_{\text{cal}}(127.102)$. Therefore, null hypothesis is rejected. The study concluded that there is significant positive impact of innovative marketing strategy on business expansion.

Table 4: Contribution of each Predictor on Business Expansion variables.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	-.616	.333		-1.846	.068
INNO MRKTV1	.228	.073	.215	3.132	.002
INNO MRKTV2	.008	.077	.005	.110	.013
INNO MRKTV3	.599	.084	.538	7.172	.000
INNO MRKTV4	.122	.069	.081	1.765	.051
INNO MRKTV5	.241	.054	.225	4.489	.000

Source: Authors' Computation using SPSS 20.0, (2020).

The Table 4 shows the contribution of the predictors. In this case, innovation marketing strategies has influence on the effectiveness of business expansion (INNO MRKTV3) contributed with Beta = .538, $p < .05$ and t-value = 7.172. The contribution is statistically significant to business expansion. **Existence of Significant** relationship between innovation marketing strategies and business expansion (INNO MRKTV5) contributed with Beta = .225, $p < .05$ and t-value = 4.489. The contribution is statistically significant to business expansion. Potential of organisation can be attributed to general impact of innovation marketing strategies (INNO MRKTV1) contributed with Beta = .215, $p < .05$ and t-value = 3.132. The contribution is statistically significant to business expansion. Value and satisfaction are delivered to the customer (INNO MRKTV4) contributed with Beta = .081, $p > .05$ and t-value = 1.765. The contribution is not statistically significant to business expansion. Product achieve superior performance and competitive advantage over competitors (INNO MRKTV3) contributed with Beta = .005, $p > .05$ and t-value = .110. The contribution is not statistically significant to business expansion. Hence, the null hypothesis is rejected and the study concludes that innovative marketing strategies has effects on business expansion in the selected company.

Hypothesis two: There is no relationship between product innovation strategy and business expansion

Table 5: Correlations Analysis measuring the relationship between product innovation strategy and business expansion

		business's expansion	pis1	pis2	pis3	pis4	pis5
Bes	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	385					
pis1	Pearson Correlation	-.066	1				
	Sig. (2-tailed)	.193					
	N	385	385				
pis2	Pearson Correlation	-.257**	.221**	1			
	Sig. (2-tailed)	.000	.000				
	N	385	385	385			
pis3	Pearson Correlation	.036	.072	.185**	1		
	Sig. (2-tailed)	.481	.158	.000			
	N	385	385	385	385		
pis4	Pearson Correlation	.607**	.430**	-.192**	-.265**	1	
	Sig. (2-tailed)	.000	.000	.000	.000		
	N	385	385	385	385	385	
pis5	Pearson Correlation	-.025	.157**	-.297**	-.345**	.274**	1
	Sig. (2-tailed)	.620	.002	.000	.000	.000	
	N	385	385	385	385	385	385

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

Source: Authors' Computation using SPSS 20.0, (2020)

Table 5, shows significant positive relationship between product innovative strategy and business expansion. PIS1 has the correlation value of -.066 with business expansion. PIS2 has the correlation value of .221. PIS3 has the correlation value of .185. PIS4 has the correlation value of -.265. And, PIS5 has the correlation value of .274. The above Table 5 revealed the variables measured product innovative strategy has positive relationship with business expansion of manufacturing companies in Lagos state. The variables were statistically significant at 95% confident limit and sig 0.000.

Meaning that there is significant correlation between the product innovation strategy and business expansion of manufacturing companies in Lagos state, (about 6.6 PIS1,

22.1% PIS2, 18.5% PIS3, 26.5% PIS4 and 27.4% PIS5) this means that there is positive correlation between product innovation strategy and business expansion. The results were statistically significant at sig = 0.05 and 0.01. Null hypothesis is rejected. Therefore, the study concludes that there is significant relationship between product innovation strategy and business expansion of manufacturing companies in Lagos state.

4.3 Discussion of Findings

The main objective of this study is to examine the influence of innovative marketing strategy on non-financial performance of manufacturing companies in Lagos State. As part of the move toward the realization of this objective, some analysis was conducted based on the data collected in line with the hypotheses of the study.

The finding reveals that innovative marketing strategies has influence on the effectiveness of business expansion. This means that the innovation marketing strategy adopt by manufacturing companies makes their product achieve superior performance and competitive advantage over their competitors. Nevertheless, values and satisfaction are delivered to the customer.

Also, the finding on whether product innovation strategy does not have significant relationship on business expansion of manufacturing companies in Lagos State. The study revealed that there is significant correlation between product innovation strategy and business expansion. Meaning that organisation grow or changes following new products innovation.

5.0 CONCLUSION AND RECOMMENDATIONS.

Thus, having empirically examined innovative marketing strategy and its influence on non-financial performance of selected manufacturing companies in Lagos state and in line with the findings of this study, the study therefore, concluded that innovative marketing strategy has significant impact on non-financial performance of selected manufacturing companies in Lagos state. The study further concluded that there is sufficient evidence to show that business expansion potential of an organisation can be attributed to general impact of innovation marketing strategies. In addition, business expansion of manufacturing companies in Lagos state is determined not only by quality or relationship of such organisation to the customer but by introducing a new or significantly improve product into the market before competitors. And organisation grow or changes following new products innovation. This conclusion supports studies like; Gbolagade. Adesola & Oyewale (2013), Masood, Sadia, Muhammad & Saman (2013) and Gunday, Ulusoy, Kilic & Alpkan (2011).

Based on the conclusion and findings, it was recommended that:

- (i) manufacturing companies should pay adequate attention to their strategic marketing activities, particularly innovating or modifying their products, this will help to stimulate demand and achieve deeper market penetration.
- (ii) business organisation should possess a comprehension of the required nature of innovations, it will help firms to design their market, production and technology strategies to be followed by suitable future action plan.
- (iii) due to high competition in the market, it was advised that firms that are endowed with resources should improve their innovative potential in order to expect more significant improvement of their products and organisation performance.
- (iv) Technological opportunity is the most influential component of product innovations, this means that manufacturing companies should include research and development department because knowledge helped firms to generate and adopt product innovation.

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