

## Perceived Performance of wood furniture Small Medium Enterprises on Innovative Marketing Strategies in Nigeria

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**Abstract:** *Lack of innovative marketing strategy is one of the most common issues faced by small and medium-sized companies. Marketing strategy, tools, and tactics have been identified to be among the vulnerabilities of small and medium-sized businesses around the world. The study was conducted by introducing innovative marketing strategies to assess the perceived success of furniture owners as well as their adoption rate. In particular, the study examined the contribution of each elements, product, pricing promotion and distribution innovative strategies towards improving perceived output of furniture enterprises. 203 furniture makers were selected as a sample for the. 198 usable questionnaires were analysed. SPSS was employed as tools of analysis in determining the influence of each innovative marketing strategies and perceived performance. Outcomes indicate that furniture owners moderately adopted marketing innovation strategies and their performance is improving significantly. The paper concluded that since marketing innovation has been recognised as one of the basic ingredient of successful businesses, SMEs should aspire to incorporate this as part of their business lines. At the same time, further research will explore certain areas of innovative marketing to provide in-depth knowledge of new marketing strategies and tactics that could lead to better results for the small medium-sized company.*

**Keywords:** *product innovative; pricing innovative; promotion innovative; distribution innovative.*

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### 1. Introduction

Innovation has been recognized as the most important components in the globalized and competitive setting of today (Ismail et al., 2010). This is also seen as a requirement for small businesses to survive and succeed in the market environment (Rhee, Park, and Hyung, 2010). It has been identified as the most important elements of today's globalized and competitive environment Ismail et al (2010). By changing product-innovative methods with a high fresh product concentration, businesses can increase their performance (Osei, Yunfei, Appienti, and Forkuoh, 2016). Innovative marketing strategies is essential if market performance is to be improved Aksoy, (2017). Marketing innovation has been described as a fresh marketing technique involving important modifications in design, positioning, packaging, merchandise promotion and price tactic (Ndesaulwa and Kikula, 2016). It is also viewed as re-designing the

existing industry model to generate new market value in order to efficiently educate customers, weaken rivals and generate new benefits for all stakeholders (Musso, 2012). Thus, it is believed that marketing innovation is an advantage over competitive benefits by giving consumers greater value by lowering prices and providing products and services that merit a higher price.

In that context, this study's aim to explore whether small and medium furniture businesses adopt marketing innovation. And if they adopt at what rate do they adopt? As studies established that their performance has been affected by import substitution due to the absence of innovative marketing strategies. Hence, by adopting marketing innovative strategies it is expected that their performance will be improved much and might serve as competitive advantage over the rivals. Previous studies have confirmed that companies adopting innovative marketing strategies have shown to have gained improved performance and a leader in the industry over their competitors. This has been reported by (Maldonado-Guzmán, Garza-Reyes, Pinzón-Castro, and Kumar, 2018; Osei et al., 2016). Therefore, the study investigated innovative marketing strategies in relation to (product, pricing, promotion and distribution) and SMEs' perceived efficiency in the wood furniture industry.

Competence Based theory and Resource Based View (RBV) model was also screened. Unlike numerous prior research illustrating how marketing innovation increases the efficiency of companies, this research provides a clearer perspective on the impact of each innovative marketing strategy (product, pricing, promotion and distribution) on the perceived performance of SMEs (annual revenue). SMEs' efficiency can be determined by many factors such as customer satisfaction, fixed asset etc. (Gerba and Viswanadham, 2016). In this study SMEs' performance was measured based on owners' perception of their annual revenue that is (subjective) not (objective) from income statement. The specific objective of the study highlights the perceived performance of furniture owners over innovative marketing strategies.

In a dynamic market environment firms are generally striving to come up with a new product concept that can meet the needs of their target customers in order to meet their objectives and maintain themselves over time. Innovation in Product has been one of the key tools for developing strategies for entering new markets, entering the current profit-enhancing market and giving SMEs a competitive edge (Osei et al., 2016). Despite the fact that research has been done on marketing innovation many have focused only on big companies instead of SMEs. Even when they discussed on marketing innovation they only talked about product innovation, technological, process but not combining the four innovative elements referred to as innovative marketing strategies in relation to product, pricing, promotion and distribution on wood furniture SMEs' perceived performance.

Pricing innovation has been regarded as one of the strongest sources of competitive advantage for a company. Introducing new approaches to pricing policies such as pricing schemes, and pricing methods with a goal of enhancing customer satisfaction and business revenues to the sector (Hinterhuber and Liozu, 2017).

Theoretically the study follows the circumstance that Resource Based View (RBV) gives a significant part in responding to research queries involved in the study. Such questions are: What is the adoption rate of marketing innovative strategies (product, pricing, promotion and distribution) of furniture SMEs' owners in Yobe, Nigeria? Do innovative strategies influence furniture SMEs' performance in Yobe, Nigeria? Which of the innovative strategies is mostly preferred among?

Firstly, the study begins by discussing the relevant literature related to the study which gave the background and the context theoretical of the study then narrowed by describing the method used in conducting the study as well as examined the measures for the study. The final session presents the findings and critical review as well as the avenue for future study.

## **2.1 Review literature**

### **2.2 Small Medium Enterprises**

In Europe, small and medium-sized companies are defined as those which can hire no more than 250 people and which have a total asset not exceeding 50 million Euros (Moeuf, Pellerin, Lamouri, Tamayo-Giraldo, and Barbaray, 2018). SMEs are known in Singapore as businesses with annual sales turnover of less than \$100 million with no more than 200 employees (Gupta, Seetharaman, and Raj, 2013).

However, SMEs in Malaysia are delineated on the basis of SME Corp Malaysia, full-time manufacturing employees must not exceed 200 with a maximum sales turnover of RM50 million, while full-time service workers must not surpass 75 with sales income of RM20 million. SMEs in Ethiopia are described in terms of their paid-up assets ranging from Birr 20,000 to Birr 500,000 (Auzzir, Haigh, and Amaratunga, 2018). In Nigeria, SMEs are described as those able of hiring ten to forty nine people with an asset equal to N49 million, with the exception of land and construction. (National Policy on MSMEs report 2010).

A clear definition of SMEs is therefore difficult to achieve Due to price changes, technological advances or other factors of improvement; it changes over a period of time. Even in the same country, different institutions may use definitions depending on their policy focus.

### **2.3 Small Medium Enterprises performance**

Small and medium enterprises performance can be measured by many concepts. According to Gerba and Viswanadham (2016) SMEs efficiency can be measured by concepts like fixed asset, client satisfaction or any attribute attached to a product in order to increase profit margin by an organisation. Therefore, SMEs performance has been described by many authors. Ibrahim and Shariff, (2016) defined performance as how companies value their stakeholders like clients, society and even government. Kennerley and Neely, (2003) viewed SMEs performance as the process of quantifying the behaviour of company firms as to how they meet their objectives. Objectives of the company can only be achieved when firm meets customers' needs and wants more than competitors. In the same vein Sani Abdullahi et al., (2015) defined performance of SMEs as how companies value their stakeholders like customer, society and even government. A firm performance is linked to the company's opportunity to generate income and growth overall goals (Haghighinasab, Sattari, Ebrahimi, a Roghanian, 2015). A strong goal can only be achieved if companies succeed in meeting customer requirements more than rivals.

Research has shown that small and medium-sized companies are the backbone of many nations and continents. They account for more than 99% of EU firms in Europe, contribute nearly 60% of GDP and nearly 70% of the total workforce (Nowotarski and Paslawski, 2017). Similarly, SMEs in Singapore account for around 99.3 percent, add about 46 percent of Singapore's GDP and nearly 63 percent of workers (Curado, Muñoz-Pascual, and Galende, 2018). In Africa, they represent more than 90 percent of all African businesses (Osei et al.,

2016). The contribution of SMEs to Nigeria's Gross Domestic Product (GDP) indicates that SMEs account for 20 per cent of Nigeria's overall GDP (*Nigerian Gross Domestic Product Report, 2017*).

Given the reality that SMEs ' innovation and efficiency work has been carried out; many have put emphasis on big business rather than SMEs. Only a few discussed on product, pricing, promotion and distribution. Therefore, this current study investigated the extent by which furniture SMEs adopt innovative strategies in relation to (product, pricing, promotion and distribution). The research further explores the innovative strategies that mostly contributed to furniture SMEs performance in Nigeria. Nigeria. Why the research focused on wood furniture is because previous researches have shown that their performances have been affected by import substitution due to their lack of innovativeness. So the study was carried out to further reveal the factors hindering the adoption of marketing innovation in the study area.

Christy Twaliwi and Michael Isaac, (2017) Viewed innovation process as thought-producing, evolving intervention and eventually introducing a fresh product, method or service to the market. Innovation here relates to the process of conceptualizing, implementation and introducing an innovative product, services and system for the organization. Drunker,(1993) Considers the innovation as a basic instrument employed by businessmen to leverage change as an incentive for the different enterprises and services. Larenwaju Nassar and Olaleye Faloye (2015) agreed that creativity is a method of leveraging and turning possibilities into new ideas and putting them into action. In a research conducted by Afriyie, Du, and Musah, (2019) declares that innovation positively influence firm performance.

Marketing innovation from a theoretical point of view offers massive advantages and opportunities for all the companies adopt it, including SMEs. Some of the past studies that established this are discussed below.

Aksoy (2017) undertakes the research to find out on how innovation in culture, affect firm performance. Data was gathered by using the online survey. The sample comprises of SME executives, owners, marketing and R&D executives, all of whom had responsibility for the company's execution policies. Findings from the study discovered that improvement constructs support SMEs market performance.

Similarly, Maldonado et al, (2018) undertake a study To examine the consequence of technology capabilities on the quality of small businesses (SMEs) in Mexico's regional development and emerging economy. The methodology used was quantitative and hypotheses were tested by Structural Equation Model (SEM). Data were collected using a surveying questionnaires from 308 firms situated across Mexico State of Aguascalientes. The outcomes from the study confirmed that product, marketing development and leadership innovation affect a favourable and substantial impact on Mexican SMEs ' company return. In an attempt to assess the effect of marketing innovation on the efficiency of hotel firms by Mohammed and Abimiku (2015) data was gathered from a survey conducted in companies that operate hotel establishments and was examined using structural equation modelling (SEM). Conclusions from the analyses revealed that, marketing innovation favoured the financial efficiency of hotel firms. In the same light, Ndesaulwa and Kikula,(2016) determine the link between innovative marketing strategies and business efficiency, observed indication from metal sector in Turkey. The investigation was carried out on high ranking officers. Data from the questionnaire were analysed with the SPSS. The hypotheses were verified through regression analyses. Outcomes

indicated that, technological innovation (such as product and process innovation) improve their efficiency. This implies means, the technological improvement impact on the efficiency of Turkish automotive supplier industry.

The significant effect of innovative marketing strategies can be seen from the reviewed literature across the study presented. Most studies therefore employed the Resource Based View framework. Many authors probably claim that this is the most appropriate frame work for gaining competitive advantage and improving performance due to its ability to conceptualize the resources of the business to gain competitive advantage and enhance performance. Several studies often combine theories to get a detailed understanding of the subject matter. This could have a better explanatory effect than just using one only theory. Taherdoost, (2018) supports this view that more than one theoretical approach is indispensable for a thorough understanding of the issues involved and for clarity.

### **2.2.1 Product innovative strategy and SMEs performance**

Extensive evidence from past research has shown that product creativity affected firm effectiveness. Firms with a competitive advantage over their competitors based, for example, on products in terms of innovation, product quality, new product packaging, new product design have reported to achieve better performance (Gimenez, 2000; Kaleka and Morgan, 2019). Therefore, businesses in a vibrant organization typically seek on a continuous basis to develop a new product idea capable of meeting the demands of their target customers in order to meet their goals and sustain themselves over time. Without the standard and improved commodity, SMEs will not survive. Improvement in product quality is one of the key elements that help businesses to take competitive edge. SME performance is linked to the ability of small and medium-sized enterprises to invent innovative products that meet the customer specifications and want. Some of the previous studies related to innovative product strategy are discussed below.

Karabulut, (2015) observe the relationship between innovation and efficiency of SMEs in Malaysia. Results established that, innovation in product substantially influences company performance. Also, Geldes and Felzensztein (2013) confirmed that marketing innovations increase revenues by raising the consumption of products and generating extra profit for companies.

Osei et al., (2016) Asserted that new products implementation positively impact on SMEs efficiency. Innovative products have higher yield levels because its new goods create fresh markets and provide such specific advantages in established markets over current products that can demand a price premium, resulting in higher-margin sales growth. This view was confirmed by Osei et al.,(2016) that Innovation is a key element for developing fresh market entry strategies, entering the current profit-enhancing market and giving SMEs a competitive advantage.

One effect of this recent focus on innovation is that innovative products are assumed to produce positive, measurable business results. AlBatainey Mohammed (2018) determine the influence of innovation on SMEs efficiency where 142 firms were selected as a case study in Hassan industrial city. Results confirmed that product innovation positively impact on firm' performance. In another recent study by Kaleka and Morgan, (2019) established that innovative product has a direct correlation with firm efficiency.

A lot of empirical evidences from past studies have shown that product transformation approach has a substantial effect on firm efficiency and have resulted in improving their performance. Therefore, most of the preceding studies concentrated on large companies in the media, agribusiness, automobile, banking, and hotel. Accordingly, this current study focused on perceived performance innovative marketing strategies in relation to product, pricing, promotion and distribution among some selected wood furniture SMEs in Yobe State, Nigeria.

### **2.2.2 Pricing innovative strategy and SMEs performance**

Being one of the most important elements that determine whether the firm is to sell its product or not, it happens that it has not given much attention by many academics and industry players (De Toni, Milan, Saciloto, and Larentis, 2017). Innovative pricing practices which can increase the performance of the company on the market should be attractive Nimer and Smith, (2012). Hinterhuber and Liozu, (2017) claimed that pricing innovation is the strongest source of competitive advantage for a company. Therefore, profitability shows how effectively companies can make profit from using their available resources by defining innovative pricing strategies and an efficient way to do so can assist small and medium-sized enterprises to attract and maintain present and potential clients, which can lead to a rise in sales volume, thus making them perform better and remain productive in order to safeguard their market position in the sector. This view was supported by (Kohli and Suri, 2011). They further stressed that lack of proper planning in pricing is a major draw backs in revenue generation.

Chenvaz (2012) carried out a research and the findings revealed that innovative pricing positively affect company's results when its product quality is enhanced; the company can improve its profit markup by raising the cost of the product. Initially, when firms improve their product quality, the price of such improved product will manifest on such companies' performance. This was further confirmed by (Hinterhuber and Liozu, 2017). Innovative pricing strategy is an essential element of firm decision because it affects the whole company effectiveness and competitiveness (De Toni et al., 2017). Therefore, this study tested the hypotheses in the theoretical model to govern the significance effect of innovative pricing strategy on perceived performance of furniture SMEs in Yobe State, Nigeria.

### **2.2.3 Promotion innovation strategy and SMEs performance**

Innovative promotion strategies play an important role in the market when fresh (Sikdar and Vel, 2010). In a study conducted by Bloch and Bhattacharya (2016) confirmed that promotion innovative approach shows a major role in improving the firm' efficiency. Innovative promotion strategy plays a role in creating brand image on the market; it can affect the positioning of a product in the mind of the buyer (Sikdar and Vel, 2010). A well-designed promotion is halfway to the achievement of the company's results and customer acquisition (Novak David, 2011). Each contemporary and successful business must pay attention to advertising operations, as this is the only way to achieve the desired goal of the company. This was further supported by ( Novak David 2011). Another studies by Lischka, Kienzler, and Mellmann,(2014) discovered that, total advertising expenditure has a beneficial effect on market entry.

Promoting innovation thus played an important role in educating the customer about the latest product on the market as well as in creating high brand awareness and screening rates in

anticipation of future profits. Sufficient proof had been reported by many scholars that innovative promotion activities positively impact on firm performance.

#### **2.2.4 Distribution innovation strategy and SMEs performance**

A good distribution network has to be set for commodities that are to be sold in a market place. Warehousing can generate a time utility for target clients, the absence of warehouse accessibility implies something is incorrect that can trigger extra transaction costs. Modern techniques can be used to prevent this scenario. Such innovative techniques could enhance distribution as a key role for companies in this competitive worldwide market. A study by Susanto,(2017) affirmed that a strong relationship between distribution and firm performance exist. Similarly, Karabulut (2015) stated that innovation in distribution network improve firm efficiency significantly. Distribution is essential if a fresh product is to be accepted and sold on the market, since it governs the accessibility of the fresh product to clients (Sikdar and Vel, 2010).

Kuswanto, Rosli, Abdul, and Ghrbani, (2012) asserted that innovation in distribution channel enhances firm's performance. It is obvious that innovative distribution positively impact on firm performance as reported by many researchers. Similarly, bad allocation of the logistics system would result in greater expenses, longer shipping times, heavy losses and damage in the transportation process, which could lead to customer discontent (Lee, Padmanabhan, and Whang, 2004).

Therefore, the more strongly a product can be delivered in a very short time and in good condition, the better consumers display their level of loyalty towards that particular company. Having sufficient loyal customers' means that a company is better able to receive higher revenue, increase its markets and is willing to face any competition in the industry as its available resources develop. This opinion was supported by Osei et al.,(2016) that innovativeness is one of the important tools of growth strategies to enter new markets, enter current market to increase profit and provide the SMEs with a competitive advantage over the others. Based on the most previous studies, firms that engaged in innovative distribution have reported to have gained improvement in their performance hence, a leader in the industries.

### **3.0 Material and Method Used**

#### **3.1 Data Collection and Sample**

A descriptive research design has been adopted for this study. The aim of the research paper was to determine the perceived performance of furniture SMEs as well as their adoption rate in relation to (product, pricing, promotion and distribution). Questionnaire was used as the research instrument. The population of the study consist of 412 registered furniture SMEs, out of which sample size of 203 was picked using Yamane (1965) formula. Simple random sampling technique was used in selecting the respondents. Hypotheses were tested using regression analysis.

Reliability of instrument was tested to assess its question items that were used over time to test consistency. The estimated value of alpha in the study is ( $\geq 0.60$ ) as shown on table 3.1, which suggested consistency between the component items and the measurements are appropriate for the study. Hence there are considered reliable.

**Table 3:1 Reliability Test**

Items	No of sub items	Cronbach's Alpha
		(198)
Product inn	7	.968
Pricing inn	8	.977
Promotion inn	7	.982
Distribution inn	5	.965
SMEs Performance	5	.982

### 3.2 Measures and measurement model test

The four constructs of the study measured comprise product, pricing, promotion and distribution innovation strategies and perceived SMEs performance. Most of the concepts measured were adopted from earlier studies. Product innovation strategy was adopted from Otero and Aksoy (2009, 2017). Pricing innovation constructs were adopted from Otero, Aksoy, Rhee, ( 2009, 2017, 2010, 2000). Promotion innovation were obtained using the scale measures from Opeyemi, Aksoy, Rhee, Faiz, ( 2016, 2017, 2010, 2008). Distribution innovation items were adopted from otero, Aksoy, Faiz, Rhee ( 2009, 2017, 2008, 2010). SMEs performance measurement scales were assessed from Kuo, Aroso, Jayeola, Naftaly ( 2016, 2016, 2015, 2016). Similarly, most of these measurement scale constructs were designed inform of a five point Likert scale ranging from 1= Srtongly Disagree to 5= Strongly Agree to elicit information from the respondents.

Exploratory Factor Analysis (EFA) was conducted to determine the dimensionality of items for each construct, i.e. to determine whether all items fall into one dimension or fall into different dimensions. The value of factor loading indicates the strength of the correlation between the item and the factor. The lowest factor loading value requirements are 0.3; and as per Sharma (1996) factor loading above 0.4, while those above 0.5 are considered significant (Sharma, 1996). In this study, the EFA was conducted; the factor analysis results indicate that the least factor loading is 0.520 which is higher than a requirement.as shown in table 3.2.

**Table 3:2 Pattern Matrix<sup>a</sup>**

	Components			
	1	2	3	4
Product1	.814			
Product2	.863			
Product3	.907			
Product4	.906			
Product5	.890			
Product6	.824			
Product7	.892			
Pricing1		.879		
Pricing2		.917		
Pricing3		.900		
Pricing4		.829		
Pricing5		.898		
Pricing6		.921		
Pricing7		.925		
Pricing8		.520		
Promotion1			.748	
Promotion3			.767	
Promotion6			.645	
Promotion7			.853	
Distribution1				
Distribution2				.731
Distribution3				.715
Distribution4				.894
Distribution5				.743
				.892

Extraction Method: Principal Component Analysis.

Rotation Method: Promax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

## 4.0 Summary of the findings

### 4.1 Demographic characteristics of respondents

For this study descriptive analysis shows the distribution of the respondent's gender. The male respondents from the study constitutes; 181 (91.4%), and the female respondents were 17 (8.6%). The age range of the respondents was classified as from 18 - 25 years, 26 - 35 years, 36 - 45 and above 45 years. The results revealed that 26 (i.e. 13.1%) fell age group 18 - 25 years, 91 (i.e. 46.0%) the age group fell between (26-35 years), 64 (i.e. 32.3%) fell in the Class for age 36 - 45, and respondents represented the age group above 45 years representing 8.6%. In terms of marital status, the analysis revealed that out of the 198 respondents, 134 (67.7%) were married, and 61 (30.8%) were single, and 1(0.5%) were divorced, while 2 (1.0%) were widowed.

In addition, the analysis further indicates level of education of the respondents 2 (1.0%) were respondents with Ph.D., also 2 (1.0%) were respondents with Master's degree, and 50 (25.3%) were those respondents with B.Sc./HND, the analysis further revealed that those having NCE/Diploma comprised 96 (48.5%), while the remaining which is 48 (24.2%) are those respondents having other qualifications. The study also showed that 187 (94.4%) of the respondents were operating sole proprietorship type of business, while 5(2.5%) were operating partnership type of business, while those that operate other types of business were 6 (3.0%). Finally, the analysis indicates that 1(0.5%) were in the business for about 3 years, and 37 (18.7) were in business for 4 - 6 years, 75 (37.9%) were in the business for 7 - 9 years, 40 (20.2%) were in the business for 10 -12 years, while 45 (22.7%) were in the business for more than 12 years.

### 4.2 Factors that Influence SMEs perceived Performance in the Study Area

The regression analysis of the research was conducted that determined the significant influence of product, pricing, promotion and distribution innovative strategy which influences the wood furniture SMEs perceived performance. The data presented on table 4.1 indicated that pricing innovation strategy has the highest Beta value 0.553, which means that furniture owners are innovative in their pricing strategy that leads to influence their performance. Similarly, the second highest is distribution with a Beta value of 0.199, then product with Beta value of 0.182, and lastly, promotion with the lowest Beta value of 0.139 these higher values indicated positive significance on the wood furniture SMEs perceived performance. Thus, the prediction/regression equation is described below.

$$\hat{Y}_i = b_0 + b_1X_{1t} + b_2X_{2t} + b_3X_{3t} + b_4X_{4t} + \epsilon_t.$$

Where:

$Y_i$  = SMEs perceived performance;  $b$  = Constant;  $X_1$  = product inn;  $X_2$  = pricing inn;  $X_3$  = promotion inn;  $X_4$  = distribution inn;  $\epsilon_t$  = Error

**Table 4.2 Estimate Coefficient for SMEs Perceived Performance Model**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.267	.180		1.481	.140
Product inn	.182	.072	.138	2.523	.012
Price inn	.553	.064	.527	8.640	.000
Promotion inn	.139	.068	.125	2.033	.043
Distribution inn	.199	.067	.164	2.948	.004

The results reported on the above table showed that SMEs owner’s response on variables such as pricing, distribution, product and promotion innovative strategies and were shown to have strong significant positive correlation with wood furniture SMEs perceived performance which signified that owners of wood furniture SMEs in Yobe State Nigeria have understood that marketing innovation strategies in terms of (product, pricing, promotion and distribution) can effectively and efficiently enhance their performance.

**Table 4.3: Adoption rate of Innovative Marketing Strategies and SMEs Perceived Performance by furniture owners**

Constructs	Adoption Rate	Freq.	%	Mean	SD
Product Inn.	Low (1.00-2.339)	20	10.1	2.9780	0.60421
	High (3.68-5.00)	178	89.9		
	Total	198			
Pricing Inn.	Low (1.00-2.339)	17	8.6	2.8131	0.57036
	Moderate (2.34-3.67)	03	1.5		
	High (3.68-5.00)	178	89.9		
	Total	198			
Promotion Inn.	Low (1.00-2.339)	2	1.0	2.9747	0.21224
	Moderate (2.34-3.67)	1	0.5		
	High (3.68-5.00)	195	98.5		
	Total	198			
Distribution Inn.	Low (1.00-2.339)	5	2.5	2.9495	0.31458
	High (3.68-5.00)	193	97.5		
	Total	198			
SMEs Perceived Performance	Low (1.00-2.339)	2	1	2.9798	0.20050
	High (3.68-5.00)	196	99		
	Total	198			

The table above presents the descriptive data analysis in determining the mean for the adoption pattern of innovative marketing strategies and perceived SMEs performance among wood

furniture SMEs owners in Yobe State, Nigeria. The study determined whether the mean for innovative strategies is high, low or moderate. A total of 198 respondents participated in the study. The mean for the innovative strategies showed that, furniture owners were moderately adopted innovative marketing strategies considering the Mean that shows moderate adoption for all the Innovative strategies in relation to (product, pricing, promotion and distribution). Furniture owners are moderately using modern tools in designing new product; adding new features to the existing one, they were frequently reviewing their pricing methods by changing their credit policies just to attract new potential buyers, setting the price below cost of production in certain seasons like end of the year sales or when they want to sell out old stocks, creating new advertising forms like mobile apps, face book page, instagram, offering free services to customers, paying personal visit to customers occasionally, giving them birth day cards, responding to their complaints on time as well as modern mechanized handling services and protective packaging, free shipping offered, meeting customers' request on time without keeping them waiting for a longer period of time. Thus, it could be stated that adoptions of innovative marketing strategies in terms of (product, pricing, promotion and distribution) have a significant influence on SMEs perceived performance in Yobe State, Nigeria.

#### **4.3 Discussion of the result and conclusion**

The object of the research was to determining the perceived performance of furniture SMEs by adopting innovative strategies (product, pricing, promotion and distribution). Furniture SMEs were reported to have perceived innovative marketing strategies in relation to (product, pricing, promotion and distribution) and that led to perceived higher performance (annual revenue). The findings demonstrated that there is a significant correlation with marketing innovation strategy and wood furniture perceived performance in Yobe state, Nigeria. The findings further revealed that pricing innovative strategies was found to be the most preferred strategies by furniture owners followed by distribution, product and finally promotion as shown in table 4.2. Innovative product strategies such as technological newness, use of modern tools, and developing new product features were among the most commonly adopted by the wood furniture SMEs in Yobe State Nigeria. Pricing innovation strategies that are innovative such as attractive credit policy, setting pricing below cost of production in certain seasons and adding percentage mark-up to remain profitable were found to be significant to wood furniture SMEs performance. Similarly, innovative promotion strategies like reaching customers through social network such as (instagram, face book, wastup etc.) were also found to be significant towards SMEs perceived performance (annual revenue). Innovative distribution strategies such as short time delivery, modern mechanized handling services, and free distribution system offered, found to have significant influence on wood furniture SMEs performance in Yobe State, Nigeria.

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