



IMPACT OF INNOVATION STRATEGIES ON INDUSTRY GROWTH: A STUDY OF KAM INDUSTRIES IN KWARA STATE

KUDIRAT ALIYU-KAMALDEEN¹, FATAI KAYODE WAHAB², JIBRIN SAHBAN IBRAHIM³,
FLORENCE AJOKI OLANIYAN⁴ & OWOLABI SIDIKAT OLABISI⁵

¹Department of Business and Entrepreneurship, Kwara State University, Malete: kudirat.aliyu-kamaldeen@kwasu.edu.ng

²Centre for General Studies, Federal University of Medicine and Medical Sciences, Abeokuta: kayode.wahab@fummsa.edu.ng

³Department of Business and Entrepreneurship, Kwara State University, Malete: ibrahim.jibril@kwasu.edu.ng

⁴Department of Business and Entrepreneurship, Kwara State University, Malete: florence.olaniyan@kwasu.edu.ng

⁵Department of Liberal Studies, Kwara State Polytechnic Ilorin: seediqoh@gmail.com

Corresponding Author Email: kudirat.aliyu-kamaldeen@kwasu.edu.ng

<https://doi.org/10.70118/aijbfd.02012026034>

KEYWORDS

Customers retention,
Innovation strategies,
Kam industries, Market
share, Marketing
retention, Product
strategies.

ABSTRACT

In the competitive Nigerian economy, Small and Medium Enterprises (SMEs) face a number of challenges, necessitating empirical evidence on specific strategies for sustainable growth; this study investigated the impact of innovation strategies conceptualised as product innovation and marketing innovation on business growth, measured by market share and customer retention. The study adopted a quantitative survey design, data was collected via a structured questionnaire from a sample of 280 staff, selected through simple random sampling from a population of 1,000, and analyzed using simple linear regression analysis. The results revealed that product innovation has a significant positive effect on market share and marketing innovation significantly influences customer retention. The study concludes that innovation strategies are critical drivers of competitive advantage for Kam Industries, and recommends the institutionalization of R&D, investment in data-driven marketing tools, the development of an integrated innovation strategy, and continuous capability building to ensure sustainable growth.

ARTICLE HISTORY

Received: 29/07/2026

Revised form: 28/08/2026

Accepted: 07/09/2026

Available online: 28/09/2026

1.0 Introduction

In the global economy, characterised by technological advancement and shifting consumer demands, innovation has emerged as a paramount driver of sustainable competitive advantage. Firms are compelled to move beyond traditional operational efficiencies and embrace strategic innovation to remain relevant. According to the Organisation for Economic Co-operation and Development [OECD] (2018), innovation is defined as the implementation of a new or improved product, process and techniques.

Marketing or organisational method is a critical determinant of productivity and market expansion for business enterprises. This is particularly evident in developed economies, where a strong correlation exists between research and development (R&D) expenditure, patent activity, and firm performance (Corvello et al., 2023). The ability to innovate is no longer a luxury but a strategic imperative for survival and prosperity in the global marketplace.

The narrative is more urgent in the African context where small and medium-sized enterprises (SMEs) are acknowledged as the backbone of economic development (Wahab et al., 2023). However, enterprises in the Global South face a multitude of challenges, including limited access to finance, inadequate infrastructure, and intense competition. Innovation serves as a critical strategic mechanism enabling resource-constrained small and medium-sized enterprises (SMEs) to navigate operational limitations and achieve sustainable scale (Rosenbusch, Brinckmann, & Bausch, 2022).

Studies across the continent indicate that SMEs that engage in product and marketing innovation report higher growth rates and resilience against economic shocks (Abimbola et al., 2022; Mensah & Acquah, 2023). These innovation

strategies enable firms to differentiate their offerings, access new market segments, and build customer loyalty.

In Nigeria, SMEs contribute nearly 50% of the national GDP and account for over 80% of employment (SMEDAN, 2025). Despite this significance, their mortality rate remains high, with a large percentage failing before fifth anniversary of their existence. The Nigerian business environment demands that SMEs adopt robust and adaptive strategies to thrive. Previous research has established that Nigerian SMEs that prioritise innovation tend to navigate these challenges more effectively (Okechi & Kelechi, 2022).

In Kwara State, the industrial sector, small and medium-size enterprises play vital role in the economic diversification agenda beyond civil service and agriculture. The state government has initiated policies to promote entrepreneurship and industrial development. However, SMEs in Kwara State operate within a unique microcosm of the broader national challenges, including limited access to customer base and competition from larger firms in adjacent states.

KAM Holding was established in 1997 by indigenous industrialist Dr. Kamoru Yusuf (MON) and has grown into a major manufacturing conglomerate headquartered in Ilorin, Kwara State (KAM Holding, 2026). Its subsidiary, KAM Wire and Steel Industry Limited (formally incorporated under the Companies and Allied Matters Act as RC 509958), anchors a substantial portion of heavy metal and steel production within the region (NG-Check, 2024), producing structural items such as wire nails, binding wires, and roofing sheets (Adexen, 2025).

It operates multiple massive factory complexes primarily stationed within the industrial zones of Ilorin, Kwara State, alongside a vast distribution

footprint spanning West Africa. While initially recognized for wire and nail production "Kam Wire", the enterprise expanded aggressively into manufacturing binding wires, wire mesh, cold-rolled steel coils, roofing sheets, stone-coated tiles, and packaging materials, alongside investments in mining and haulage services.

KAM Wire and Steel Industry Limited was purposefully selected as a study because it represents a prime model of industrial growth driven by local adaptability and process innovation in North-Central Nigeria (Adexen, 2025). Operating within an environment characterized by infrastructure deficits, the firm's historical evolution from a small trading outfit to an integrated manufacturing plant provides rich empirical data on how industrial strategies impact regional economic output (KAM Holding, 2026).

Therefore, to study the impact of innovation on industry growth, organization that treats innovation not just as a buzzword, but as an operational survival strategy is required and KAM Wire provides a textbook example of process and technological innovation in an environment plagued by macro-economic challenges (e.g., foreign exchange scarcity, erratic power supply, and infrastructure deficits in Nigeria). Their history of reverse-engineering and local machine fabrication demonstrates breakthrough adaptability. It is against this backdrop that this study is conceived. While the importance of innovation is acknowledged globally, there are limited empirical studies on the impact of innovation on business growth indicators within the industrial sector of Kwara State. This study seeks to investigate the impact of innovation strategies on the growth of Kam Industries in Kwara State.

1.1 Statement of the Problem

The first critical problem underpinning this study is the persistent high failure rate and stunted growth of Small and Medium-sized Enterprises (SMEs) in Nigeria's industrial sector, despite their recognized role in economic development. Contemporary strategic management and entrepreneurship research extensively highlights innovation as a core engine for Small and Medium-sized Enterprises (SMEs) seeking survival, growth, and sustainable competitive advantage. Secondly, the volatile and highly competitive nature of the Nigerian market has made customer acquisition increasingly costly, elevating the strategic importance of customer retention. However, many SMEs continue to rely on traditional approaches, failing to leverage marketing innovation to build lasting customer relationships.

Global investigations, such as the work by Corvello et al. (2023) on SMEs in Southern Italy, demonstrate that proactive innovation and digital strategies function as vital catalysts for organizational antifragility, allowing firms to convert severe market shocks into opportunities rather than mere threats. Furthermore, Mensah and Acquah (2023) revealed that marketing innovation significantly affects sustainable competitive advantage, but this relationship is strongly mediated by a firm's market-sensing capability proving that creative marketing is ineffective without real-time intelligence loops. Regionally, Okechi and Kelechi (2022) established a positive connection between product innovation and market performance in Nigeria, while Abimbola et al. (2022) identified organizational agility as a crucial mediator through which innovation successfully boosts overall business performance. Existing studies tend to examine product innovation (Ugwuodoh

et al., 2026; Okechi & Kelechi, 2022) and marketing innovation (Mensah & Acquah, 2023) in isolation. There is a lack of comprehensive empirical focus addressing how distinct operational vectors specifically marketing innovation targeting customer retention and product innovation driving market share operate concurrently within heavy manufacturing environments like Kam Industries. The lack of context-specific knowledge creates a strategic blind spot for managers, leading to misallocated resources and missed growth opportunities (Okechi & Kelechi, 2022; SMEDAN, 2021).

This gap leaves SME operators without a clear blueprint for how modern marketing strategies can mitigate customer churn and enhance lifetime value, which is essential for sustainable profitability (Mensah & Acquah, 2023; Abimbola et al., 2022). Therefore, it is critical to determine the extent to which marketing innovation influences a firm's ability to retain its existing customer base.

Objectives of the Study

The objective of this study is to examine the impact of innovation strategies on SMEs growth using KAM Industries in Kwara State as a case study. Other specific objectives are:

- 5 To assess the influence of marketing innovation on customer retention at Kam Industries in Kwara State.
- 6 To examine the effect of product innovation on the market share Kam Industries in Kwara State.

Research Questions

This study answered the following research questions:

1. What is the impact of product innovation on the market share of Kam Industries in Kwara State?

2. To what extent does marketing innovation influence customer retention at Kam Industries in Kwara State?

Research Hypotheses

The following hypotheses were proposed:

Ho¹: Product innovation has no significant effect on the market share of Kam Industries in Kwara State.

Ho²: Marketing innovation has no significant influence on customer retention at Kam Industries in Kwara State.

2.0 Review of Related Literature

2.1 Conceptual Review

2.1.1 Innovation Strategies

At its core, an innovation strategy is best understood as a deliberate and coherent set of choices that guides a firm's investment in innovation activities and shapes the commercialization of their outputs. It is the bridge between abstract innovative potential and concrete market outcomes. This definition moves beyond the simplistic view of innovation as mere invention or R&D spending. Earlier frameworks, like Porter's (1996) generic strategies, implied innovation was a means to achieve cost leadership or differentiation.

However, contemporary thought positions innovation strategy as a paradigm in its own right. For instance, it is defined as a “commitment to a coherent set of policies and behaviors aimed at achieving a competitive advantage through innovation” (Gans, 2016, p. 3). This highlights its role as a central pillar of overall business strategy, not just a supporting tactic.

A more recent definition frames it as “the deliberate direction of resources toward the development and introduction of new products, processes, or business models to achieve

strategic goals” (Tidd & Bessant, 2020, p. 57). The critical similarities across definitions are the emphasis on deliberate choice, resource allocation, and the ultimate aim of competitive advantage.

Some scholars adopt a broad, holistic view akin to "strategic orientation," encompassing the entire organization's posture toward change and renewal (Trischler et al., 2023). Others argue for a more focused, functional definition that pertains specifically to the portfolio of innovation projects the choice between radical vs. incremental or product vs. process innovations (Kahn, 2018).

For the purpose of this research, the study navigate this conceptual framework by focusing on the tangible manifestations of an innovation strategy, the specific choices a firm makes in its product and marketing domains. These variables are not the entirety of the strategy, but they are two of its most critical and observable elements. Product innovation that is the introduction of new or improved goods or services is a direct execution of a strategy aimed at competing on novelty, functionality, and performance (OECD, 2018).

Concurrently, marketing innovation which is also the implementation of new methods involving significant changes in product design, packaging, placement, promotion, or pricing is the strategic choice of how to create and capture value from the market, ensuring that novel products successfully reach and resonate with customers (Mensah & Acquah, 2023).

2.1.2 Product Innovation

According to Oslo Manual (in OECD, 2018), product innovation is defined as the introduction of a good or service that is new or significantly improved with respect to its characteristics or intended uses (p. 20). Corvello et al. (2023) argue that in the digital age, product innovation

increasingly involves the integration of digital components into physical goods (e.g., smart features), transforming them into platforms for ongoing service delivery. Furthermore, a purely output-based definition ignores the strategic intent behind the innovation. Is it to enter a new market, defend an existing one, or simply utilize excess capacity? The "why" is as important as the "what". Therefore, for our purposes, we adopt a synthesized view: Product innovation is the strategic process of developing and commercialising new or enhanced goods or services that offer differentiated value to customers.

2.1.3 Marketing Innovation

If product innovation is about creating value, marketing innovation is about capturing and communicating it. Again, the Oslo Manual (OECD, 2018) provides a foundational definition: "the implementation of a new marketing method involving significant changes in product design or packaging, placement, promotion, or pricing" (p. 82).

The critical nuance here is that this must be a new-to-the-firm method. For Kam Industries, adopting social media marketing for the first time would constitute a marketing innovation, even if it's standard practice for larger firms in Lagos. Modern marketing innovation is inextricably linked to digital transformation. It's less about a single change to one "P" and more about integrated, data-driven approaches.

Mensah and Acquah (2023), in their study of Ghanaian SMEs, effectively frame it as "the implementation of new ways to engage with the market, often leveraging digital tools and data analytics to enhance customer relationships and brand positioning" (p. 82).

Marketing innovation today is about creating new customer experiences. For a company like Kam Industries, this could mean implementing

a new, seamless online ordering system or a customer loyalty app innovation that reside in the marketing function but are experiential in nature.

2.1.4 Business Growth

At its most fundamental level, business growth signifies the positive development and expansion of an enterprise. This view posits growth as an increase in key financial indicators such as sales revenue, profit margins, and assets (Davidsson et al., 2010). The appeal is obvious: these measures are objective, comparable, and readily available. Yet, this perspective is narrow. It can encourage short-termism, overlook strategic positioning, and fail to capture the health of a business that is investing for future gains. It's a rear-view mirror approach to a forward-facing process.

In reaction to this, a more nuanced school of thought champions' organisational and strategic metrics. Here, growth is framed as an increase in market share, enhanced competitive advantage, geographic expansion, or growth in employee count. This view, often associated with Penrose's (1959) theory of the growth of the firm, sees growth as a process of building capabilities and leveraging resources. It's less about the financial output of a single period and more about strengthening the firm's engine for long-term value creation.

Contemporary research, especially in the context of SMEs and developing economies, argues for a multi-dimensional approach that synthesizes these views. As argued by McMahon (2022), "a holistic understanding of SME growth must encompass both financial viability and market development to avoid myopic conclusions" (p. 15).

For this research, we navigate this definitional landscape by focusing on two critical and complementary elements of SME growth. First,

market share is adopted as a core strategic growth metric. For an SME like Kam Industries, gaining market share is a direct indicator of competitive success, demonstrating an ability to attract customers away from rivals and solidify its position within the regional market (Okechi & Kelechi, 2022).

It is a powerful leading indicator of future financial performance. Second, customer retention is employed as a key measure of sustainable growth. In today's competitive environment, growth is not just about acquisition but about preservation. High retention rates signify strong customer relationships, brand loyalty, and product-market fit all of which reduce the cost of sales and create a stable platform for expansion (Mensah & Acquah, 2023).

2.1.5 Market Share

Market share is defined as a firm's portion of the total sales revenue or unit sales within a specific industry or market over a defined period. It's a straightforward calculation: $(\text{Firm's Sales} / \text{Total Market Sales}) \times 100$. Its enduring appeal lies in its tangibility and its strong correlation with competitive advantage and profitability, concepts famously articulated in the PIMS (Profit Impact of Market Strategy) studies decades ago.

However, this definition is critically flawed in its practical application, especially for SMEs. The first problem is the boundary problem. How do you define the "total market" for a company like Kam Industries in Kwara State? Is it the entire Nigerian wire and cable market? The construction materials market in North-Central Nigeria? Or the market within a 50km radius of Ilorin? Each boundary yields a radically different percentage, making the metric highly subjective and often meaningless without precise contextualization. Secondly, an

obsessive focus on share can lead to destructive strategies, such as competing solely on price to gain volume, which can erode profitability known as the "growth trap."

Modern scholarship has therefore reframed market share not as an end in itself, but as an outcome of deeper strategic strengths. As Okechi and Kelechi (2022) imply in their study of Nigerian SMEs, market share is a valuable indicator of market acceptance and competitive positioning.

2.1.6 Customer Retention

If market share is about conquest, customer retention is about governance. It is most commonly defined as the ability of a company to retain its customers over a period of time. It is often quantified as the retention rate: the percentage of customers at the beginning of a period that remain at the end of it. The strategic power of this metric has been propelled by the well-documented finding that acquiring a new customer can be five to twenty-five times more expensive than retaining an existing one.

The critical nuance in defining retention moves beyond the mere absence of defection. True retention implies an ongoing, profitable relationship. A customer who hasn't left but has stopped purchasing is not retained in any meaningful sense. Therefore, contemporary definitions often link retention to customer loyalty and engagement. Mensah and Acquah (2023), in their work on Ghanaian SMEs, tie marketing innovation directly to retention by focusing on how new methods "enhance customer relationships" and build a "sustainable competitive advantage." This moves the concept from a passive outcome to an active, managed process.

The most significant advancement in this domain is the shift from retrospective measurement to predictive analytics. Firms now

use data to calculate Customer Lifetime Value (CLV) the total net profit a company can expect to earn from a customer throughout their relationship. Retention is the primary driver of CLV. A high retention rate means extending the customer's lifetime, thereby dramatically increasing their value.

2.2 Theoretical Framework

This study is anchored on Resource-Based View (RBV) and Dynamic Capabilities Theory.

2.2.1 Resource-Based View (RBV)

The Resource-Based View (RBV), was principally advanced by Barney (1991), the theory fundamentally shifted strategic management's focus from the external industry structure (Porter, 1980) to the internal resources and capabilities of the firm as the primary source of sustainable competitive advantage and superior performance. The theory posits that for a resource to confer sustainable advantage, it must be Valuable (exploit opportunities / neutralize threats), Rare (not widely possessed), Inimitable (costly to copy), and Non-substitutable (cannot be replaced by a different resource) the VRIN framework. Its core assumptions are that firms within an industry are heterogeneous in their resource endowments and that these resources are imperfectly mobile, meaning they cannot be easily acquired or replicated by competitors, thus creating the potential for sustained performance differentials.

Despite its influence, the RBV faces significant criticisms, primarily that its core tenets can be tautological (advantage is defined by valuable resources, which are defined by their ability to create advantage) and that it is often static, struggling to explain how advantage is maintained in rapidly changing environments a

gap that led to the development of Dynamic Capabilities theory (Teece et al., 1997). Furthermore, its abstract nature can make it difficult to operationalize and empirically test, as identifying truly VRIN resources ex-ante is a formidable challenge for researchers (Kraaijenbrink et al., 2010).

However, the RBV remains profoundly relevant to this study on Kam Industries. It provides the essential theoretical lens to conceptualize product innovation and marketing innovation not as mere activities, but as strategic capabilities and potential VRIN resources.

2.2.2 Dynamic Capabilities Theory

Dynamic Capabilities Theory was formally introduced by Teece, Pisano, and Shuen (1997) to address a weakness of the Resource-Based View: owning valuable resources does not by itself sustain advantage when markets change quickly. The theory defines dynamic capabilities as a firm's capacity to integrate, build, and reconfigure internal and external competences in response to changing environments. Advantage therefore depends less on the resources a firm holds at one point and more on how skilfully it renews them over time.

Teece (2007) later broke these capabilities into three linked activities. The first is sensing, which means identifying and assessing opportunities and threats in the market. The second is seizing, which means mobilising resources to act on those opportunities through new products, processes, or business models. The third is transforming, which means continually renewing the organisation so that it does not become locked into outdated routines. The theory assumes that environments are turbulent, that routines and competences can be

deliberately changed, and that long-run performance comes from this ability to change.

The theory has been criticised as well. Eisenhardt and Martin (2000) argue that dynamic capabilities are better seen as identifiable processes that can look similar across firms, rather than as unique sources of advantage. Winter (2003) distinguishes them from ordinary operating routines and warns that the concept can become circular. The theory is also hard to measure in practice, since capabilities are usually inferred from their outcomes.

The theory is nonetheless highly relevant to this study. Product innovation corresponds to seizing, because it turns identified opportunities into new or improved goods that can win market share. Marketing innovation corresponds to sensing and transforming, because it depends on reading customer needs and reshaping how the firm engages with customers in order to retain them. This is consistent with the evidence that marketing innovation works only when supported by market-sensing capability (Mensah & Acquah, 2023) and that innovation improves performance through organisational agility (Abimbola et al., 2022). KAM Industries operates amid foreign exchange scarcity, unreliable power supply, and infrastructure deficits, and its history of reverse-engineering and local machine fabrication is an example of reconfiguring resources under pressure. Dynamic Capabilities Theory therefore explains how innovation strategies can be converted into growth in market share and customer retention.

2.3 Empirical Review

Corvello et al. (2023) carried out a research on SMEs operating in Southern Italy titled the role

of digital technology-driven innovation strategies in fostering organizational antifragility and adaptive growth among SMEs during severe market disruptions. The study reveals that SMEs adopting proactive innovation and digital strategies do not merely survive market crises.

The study conducted by Ugwuodoh et al. (2026) investigated the direct empirical relationship between product innovation and the competitive advantage of SMEs in Lagos State. It utilized a survey of 396 SME owners and managers, the findings revealed a statistically significant positive relationship ($\beta = 0.398$, $p < 0.001$) between product innovation and enhanced market competitive advantages.

Agboola & Babarinde (2024) carried out a research on the influence of product innovation strategies on the financial viability, market adaptability, and profitability of Small and Medium-scale Enterprises (Agri-SMEs) grounded in the Resource-Based View (RBV). The study established that successful execution of product innovation strategies significantly enhances the financial performance and sustainable growth of SMEs facing volatile market conditions.

A study conducted by Girei et al. (2024) examined the structural linkage between creativity, innovation strategies, and overall SME performance outcomes across developing business landscapes in Nigeria. The findings highlighted that systematic alignment toward innovative behaviors directly mitigates high SME failure rates by cultivating superior product quality and enhanced service differentiation to outpace market rivals (Girei et al., 2024).

Mensah and Acquah (2023) state that marketing innovation has a significant positive effect on sustainable competitive advantage and that this relationship is strongly mediated by the firm's market-sensing capability. The study concluded that marketing innovation is ineffective without the capability to sense and interpret market information, recommending that Ghanaian SMEs invest in building market intelligence systems.

In Nigeria, Okechi and Kelechi (2022) showed a significant positive relationship between product innovation (measured by new product launches and improvements) and market performance (measured by sales growth and market share). Abimbola et al. (2022) found that innovation enhances SME performance and that organisational agility acts as a crucial mediating variable, meaning innovation leads to agility, which in turn boosts performance.

These studies emphasise innovation as a universal driver of SME competitiveness, yet they highlight critical contextual nuances. The foreign study emphasizes structured processes, while the African and Nigerian research identifies specific mediating capabilities market-sensing and organizational agility as essential for converting innovation into performance, suggesting that for Kam Industries in Kwara State, innovation strategies must be coupled with these dynamic capabilities to effectively impact market share and customer retention.

3.0 Methodology

This study adopted a quantitative research approach and a survey research design to empirically investigate the relationship between innovation strategies and business growth at Kam Industries. The design was selected for its ability to collect data from a large sample in a

highly economical manner, facilitating the generalisation of findings from the sample to the entire population (Saunders et al., 2019). The study population is approximately 1,000 staff of Kam Industries located in Ilorin, Kwara State. (Human Resources Department, Kam Industries, personal communication, [9, 2026]) A sample size of 280 respondents was determined using the Raosoft online sample size calculator, which incorporates a confidence level of 95% and a margin of error of 5%. A simple random sampling technique was then employed to select participants, ensuring that every member of the population had an equal chance of being selected, thereby minimizing selection bias and enhancing the representativeness of the sample. Data was collected using a structured questionnaire designed to measure the constructs of innovation strategies (product and marketing innovation) and business growth (market share and customer retention). The

instrument was subjected to validity test to ensure its accuracy and appropriateness. Face and content validity were established by presenting the questionnaire to experts in the field for assessment, confirming that the items appeared to measure the intended constructs and comprehensively covered the research domain. The reliability of the instrument was confirmed using Cronbach's alpha method, which yielded a coefficient of 0.78, indicating a good level of internal consistency and reliability for the scales used (Taber 2018). The quantitative data collected were analyzed using simple linear regression analysis. This statistical technique was chosen for its ability to model and examine the nature and strength of the relationship between the independent variables (product and marketing innovation) and the dependent variables (market share and customer retention), thereby testing the study's hypotheses.

4.0 Results and Discussion

4.1 Results of Findings

H0¹: Product innovation has no significant effect on the market share of Kam Industries, Ilorin.

Table 1: Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.577 ^a	.333	.331	1.27082

a. Predictors: (Constant), Product Innovation

Table 1: Model Summary

The Model Summary table indicates that product innovation explains a substantial portion of the variance in market share for Kam Industries. The R value of 0.577 signifies a strong positive correlation between the two variables. The R Square value of 0.333 reveals that approximately 33.3% of the changes observed in Kam Industries' market share can be

directly attributed to variations in its product innovation strategies. This leaves 66.7% of the variance to be explained by other factors not included in this model. The Adjusted R Square value of 0.331, which is very close to the R Square, confirms that the model is robust and generalizable to the population, not just the sample.

Table 3: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	214.892	1	214.892	133.061	.000 ^b
	Residual	429.586	266	1.615		
	Total	644.478	267			

a. Dependent Variable: Market Share

b. Predictors: (Constant), Product Innovation

The ANOVA (Analysis of Variance) table tests the overall significance of the regression model. The key indicator here is the Sig. value of .000, which is less than the standard alpha level of 0.05. This statistically significant F-statistic (F = 133.061) allows us to reject the null hypothesis that the model with product innovation is no better at predicting market share than a model with no independent variables.

Table 3: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.904	.585		11.793	.000
	Product Innovation	.488	.042	.577	11.535	.000

a. Dependent Variable: Market Share

Table 3: Coefficients

The Coefficients table provides the specific details of the regression equation and tests the significance of the predictor. The unstandardised coefficient (B) for Product Innovation is 0.488. This means that for every one-unit increase in product innovation, the market share of Kam Industries is predicted to increase by 0.488 units, holding all else constant. The standardized coefficient (Beta) of 0.577 confirms the strong positive effect and allows for comparison of the relative strength of predictors (though there is only one here). Most critically, the Sig. value of .000 for product innovation (which is less than 0.05) leads us to reject the null hypothesis (H_0). We conclude that product innovation has a statistically significant and positive effect on the market share of Kam Industries, Ilorin.

Implication for the Study

The analysis provides empirical evidence to support the study's theoretical foundation. The positive and significant relationship validates the Resource-Based View, positioning product innovation as a valuable strategic capability that directly enhances Kam Industries' competitive position by driving market share growth. For management, this implies that continued investment in developing and launching new or significantly improved products is a viable and critical strategy for outperforming competitors and capturing a larger portion of the market in Kwara State.

H0₂: Marketing innovation has no significant influence on customer retention at Kam Industries, Ilorin.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.486 ^a	.236	.233	1.68337

a. Predictors: (Constant), Marketing Innovation

Table 4: Model Summary

The R value of 0.486 indicates a moderate positive correlation between a firm's marketing innovation and its ability to retain customers. The R Square value of 0.236 shows that approximately 23.6% of the variance in customer retention at Kam Industries is explained by its marketing innovation initiatives. This means that while marketing innovation is an important factor, a larger proportion (76.4%) of what influences customer retention is accounted for by other variables not included in this model, such as product quality, customer service, or pricing.

Table 5: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	233.044	1	233.044	82.239	.000 ^b
	Residual	753.773	266	2.834		
	Total	986.817	267			

a. Dependent Variable: Customer Retention

b. Predictors: (Constant), Marketing Innovation

Table 5: ANOVA

The ANOVA table tests the overall significance of the regression model for hypothesis two. The Sig. value of .000, which is far below the conventional threshold of 0.05, is the key finding. This, coupled with a strong F-statistic (F = 82.239), leads to the rejection of the null hypothesis that the regression model fails to predict customer retention.

Table 6: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.869	.900		6.525	.000
	Marketing Innovation	.580	.064	.486	9.069	.000

a. Dependent Variable: Customer Retention

The unstandardised coefficient (B) for Marketing Innovation is 0.580. This means that for every one-unit increase in a firm's marketing innovation efforts, its customer retention is

predicted to increase by 0.580 units. The standardized coefficient (Beta) of 0.486 allows for an understanding of the effect size, confirming a moderate positive impact. Crucially, the Sig. value of .000 for marketing

innovation is less than 0.05. Therefore, we reject the null hypothesis (H_{02}). We conclude that marketing innovation has a significant and positive influence on customer retention at Kam Industries, Ilorin.

4.2 Discussion of Findings

The findings of this study provide robust empirical evidence that both product and marketing innovation are significant drivers of business growth for Kam Industries, Ilorin, thereby strongly supporting the theoretical framework of the Resource-Based View (RBV). The rejection of the first null hypothesis (H_{01}) is confirmed by a significant regression coefficient ($B = 0.488$, $p < 0.001$), indicating that a unit increase in product innovation leads to a substantial increase in market share. This finding aligns with the RBV, which posits that unique internal capabilities are sources of competitive advantage (Barney, 1991). Specifically, it corroborates the work of Okechi and Kelechi (2022), who found that product innovation, enabled Nigerian SMEs to enhance their market performance by differentiating their offerings and capturing a larger customer base. For Kam Industries, this implies that continuous investment in developing new and improved building materials is not merely an operational activity but a core strategic imperative for gaining a larger portion of the local and regional market.

Similarly, the rejection of the second null hypothesis (H_{02}) is demonstrated by a significant positive relationship ($B = 0.580$, $p < 0.001$) between marketing innovation and customer retention. This result underscores that innovative marketing methods such as digital engagement, new branding initiatives, or customer loyalty programs are critical for maintaining a loyal customer base. This finding resonates with recent research by Mensah and

Acquah (2023) in Ghana, which identified marketing innovation as a key driver of sustainable competitive advantage through enhanced customer relationships.

5.0 Conclusion and Recommendations

This study conclusively demonstrates that innovation strategies, specifically product and marketing innovation, are critical determinants of growth for Kam Industries, Ilorin, as evidenced by the significant positive relationships revealed through regression analysis (Product Innovation $\rightarrow$ Market Share, Marketing Innovation $\rightarrow$ Customer Retention). These findings provide empirical justification for anchoring the study on the Resource-Based View, confirming that these innovative capabilities are valuable, rare, and inimitable resources that generate a sustainable competitive advantage by enabling the firm to both capture and maintain its market position. Therefore, it is concluded that a deliberate and sustained investment in building and renewing these specific innovation capabilities is not optional but fundamental for the continued growth and resilience of Kam Industries in the competitive building materials sector.

Based on the findings, the following recommendations are proposed:

- i. Management should dedicated Customer Relationship Management (CRM) platform and a B2B digital ordering portal. This will allows major distributors and construction contractors to track orders, check product availability, and log queries in real-time, significantly enhancing post-purchase satisfaction and retention.
- ii. The company should move beyond traditional transactional selling by

- introducing interactive marketing approaches, such as hosting technical workshops or site-safety education for structural engineers and builders on how to maximize materials like Elephant TMT Iron Rods
- iii. Management should expand product variations in response to shifting architectural trends (e.g., diversifying sizes, specialized corrosion-resistant coatings, or lightweight roofing solutions).
- iv. Strengthen Quality Assurance Certifications in Promotional Branding: Management should actively market international and national quality benchmarks (such as global manufacturing standards) directly on product packaging and promotional campaigns.
- v. Management should invest in advanced material technology and eco-friendly Production by leveraging state-of-the-art technologies (such as their Electric Arc Furnace capabilities) to continuously refine product specifications ensuring higher seismic resistance, superior flexibility, and precise structural tolerances in steel reinforcement bars.

References

- Abimbola, O. M., Ogunyemi, A. I., & Ogbari, M. E. (2022). Innovation and SME performance in Nigeria: The mediating role of organizational agility. *Journal of Innovation and Entrepreneurship*, 11(1), 45.
- Adexen Corporate Profiling. (2025). *KAM Holding: Company Overview and Manufacturing Footprint in Ilorin, Kwara State*. Adexen Business Directory.
- Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.
- Corvello, V., Verteramo, S., Nocella, I., & Ammirato, S. (2023). Thrive during a crisis: The role of digital technologies in fostering antifragility in small and medium-sized enterprises. *Journal of Ambient Intelligence and Humanized Computing*, 14(11), 14681–14693.
- Davidsson, P., Achtenhagen, L., & Naldi, L. (2010). Small firm growth. *Foundations and Trends in Entrepreneurship*, 6(2), 69-166.
- Eisenhardt, K. M., & Martin, J. A. (2000). Dynamic capabilities: What are they? *Strategic Management Journal*, 21(10-11), 1105-1121. [https://doi.org/10.1002/1097-0266\(200010/11\)21:10/11<1105::AID-SMJ133>3.0.CO;2-E](https://doi.org/10.1002/1097-0266(200010/11)21:10/11<1105::AID-SMJ133>3.0.CO;2-E)
- Gans, J. (2016). *The disruption dilemma*. The MIT Press.
- Girei, A. A., Digil, R. A., & Duhu, H. A. (2024). Creativity, innovation, small and medium scale enterprises performance: A proposed mediating framework in North East Nigeria. *International Journal of Research and Innovation in Social Science (IJRISS)*, 8(9), 387–393. <https://rsisinternational.org/journals/ijris/articles/creativity-innovation-small-and-medium-scale-enterprises-performance-a-proposed-mediating-framework-in-north-east-nigeria/>
- Kahn, K. B. (2018). *Understanding innovation*. Business Expert Press.
- KAM Holding Limited. (2026). *About Us: History and Corporate Profile*. KAM Holding. <https://www.kamholding.net/about>
- Kraaijenbrink, J., Spender, J. C., & Groen, A. J. (2010). The resource-based view: A review and assessment of its critiques. *Journal of Management*, 36(1), 349-372.

- McMahon, R. G. P. (2022). The measurement and interpretation of small enterprise growth: A critical review. *Journal of Small Business Management*. Advance online publication. <https://doi.org/10.1080/00472778.2022.2045521>
- Mensah, C., & Acquah, I. S. K. (2023). Marketing innovation and sustainable competitive advantage of small and medium enterprises in Ghana: The role of market-sensing capability. *Africa Journal of Management*, 9(1), 78-100. <https://doi.org/10.1080/23322373.2022.2159935>
- Okechi, O., & Kelechi, E. (2022). Product innovation and market performance of small and medium enterprises in South-East Nigeria. *International Journal of Research and Innovation in Social Science*, 6(5), 454-467. <https://www.rsisinternational.org/journals/ijriss/Digital-Library/volume-6-issue-5/454-467.pdf>
- Organisation for Economic Co-operation and Development (OECD). (2018). *Oslo Manual 2018: Guidelines for Collecting, Reporting and Using Data on Innovation* (4th ed.). OECD Publishing. <https://doi.org/10.1787/9789264304604-en>
- Penrose, E. T. (1959). *The theory of the growth of the firm*. Oxford University Press.
- Porter, M. E. (1980). *Competitive strategy: Techniques for analyzing industries and competitors*. Free Press.
- Porter, M. E. (1996). What is strategy? *Harvard Business Review*, 74(6), 61-78.
- Rosenbusch, N., Brinckmann, J., & Bausch, A. (2022). The role of innovation in small and medium-sized enterprises: A meta-analysis. *Journal of Business Venturing*, 26(4), 441-457.
- Small and Medium Enterprises Development Agency of Nigeria (SMEDAN). (2021). *2021 MSME Survey Report*. SMEDAN. <https://smedan.gov.ng/images/PDF/2021-MSME-Survey-Report.pdf>
- Taber, K. S. (2018). The use of Cronbach's alpha when developing and reporting research instruments in science education. *Research in Science Education*, 48(6), 1273-1296. <https://doi.org/10.1007/s11165-016-9602-2>
- Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, 18(7), 509-533.
- Tidd, J., & Bessant, J. (2020). *Managing innovation: Integrating technological, market and organizational change* (7th ed.). Wiley.
- Trischler, M. F. G., Li-Ying, J., & Christiansen, J. K. (2023). The evolution of strategic innovation management: A conceptual framework and future research directions. *Review of Managerial Science*, 17(2), 407-435. <https://doi.org/10.1007/s11846-022-00537-5>
- Ugwuodoh, C., Ejiofor, S. A., & Olumodupe, R. A. (2026). Product innovation and competitive advantage of SMEs in Lagos State: A survey of owners and managers. *Impact International Journals of Sciences, Education and Arts*, 2(3), 1133-1147.
- Wahab, F. K., Yusuf, A. A., & Umar, S. B. (2023). Proper Record Keeping: An Effective Tool for Measuring SMEs Performance. *Journal of Management and Business Sciences*, 1(2), 22-43. <http://www.journals.iuiu.ac.ug/index.php/jombs/article/view/463>
- Winter, S. G. (2003). Understanding dynamic capabilities. *Strategic Management Journal*, 24(10), 991-995. <https://doi.org/10.1002/smj.318>