

STRATEGIC PROCESS INNOVATION PRACTICES ON CUSTOMER SATISFACTION AND MARKET SHARE

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The business environment has become more complex due to the increase in new technologies, globalization. This paper seeks to examine if Strategic process innovative practices can permit companies to gain a higher market share, customer satisfaction, employee satisfaction and competitive advantage. Data was collected from forty small and medium size manufacturing companies in Cameroon. Variables used were innovative product process, customer relationship management process innovation and distribution innovation practices for market share, employee satisfaction. Dependent Variables were measured by Customer base, customer satisfaction and employee satisfaction. Our results show that even small innovative practices can enable companies to delight and satisfy customer.

INTRODUCTION

The business environment is changing more rapidly than before due to the increase in new technologies that are used in production or incorporated into products, service, and in the distribution channels of companies. Innovative strategies can permit companies to overcome challenges that prevent them from realizing their full potentials. Many authors have advanced several definitions of innovation. Schumpeter (1934) qualifies innovation as new product, new services, new production techniques or new organisational structures while Kamien and Schwartz (1982) acknowledge that innovation occurs as a result of organisation's activities for creating new products or services. Becker and Whisler (1967) defines innovation as the early use of a creative idea by an organizations and innovation can also be considered as new ideas for new "products and services", new use of existing products, new markets for existing products or new marketing methods. From these definitions of innovation, one can consider that

integrating innovation in the business permits a company to create value for its customers. The concept of strategic innovation can be considered as the use of innovation and strategy to realise output. Strategic innovation also results in the creation of growth strategies that permit the enterprise to realise additional value for customers. According to Krinsky and Jenkins (1997), strategic innovation is a combination of enterprise strategy and innovation that can permit the enterprise growth. Strategic innovation requires that the enterprise should craft new strategies to compete and even outperform the competitors in the marketplace according to Markides (1997), while Hamel (1998) looks at strategic innovation from the standpoint of the enterprise's capacity to master the changes taking place and industry which would enable the company to produce more value added and create wealth for its shareholders. It therefore permits the company to master the market, create new value for customers and help the company develop innovative business models (Sniukas, 2010). Strategic innovation requires that the enterprise and its employees should be ready and willing to unlearn the traditional unproductive strategies and create or adopt improved strategies at the levels of poorly defined sectors. In this environment, organizations must recognize that in order to remain competitive, they must produce products and render services that attract customers, increases demands and provides a platform to better relate with customers. Companies have to build on strategies to reflect the tendency of the firm, appreciate and acquire new ideas, novelty, experimentation and creative processes. This therefore results in the combination of strategy and innovation which we consider as strategic innovation.

DeWit and Meyer (2004) had described strategic innovation in three stages. These stages included strategic formulation, strategic change as well as strategic thinking. Managers must be ready to properly define their market sectors and initiate new products and services before their competitors. These strategies would permit the company to expand the market share by producing new products that are affordable due to the integration of innovative strategies that can help reduce production and distribution costs, the company is also able to reduce environmental degradation and exploit resources in a sustainable manner.

In the current business climate, companies are facing enormous challenges in processing and channeling their products to the final consumers. These difficulties are more evident in developing countries like Cameroon where some companies still believe that investing in innovative processing and distribution strategies would not add any value or permit the company to gain any competitive advantage. Most small and medium size enterprises are also characterized by limited resources, low operational scale and environmental shocks. They often lack funds, lack expertise, have uncertain demand, lack infrastructure which can impede strategic innovation in their organisations. These firms lack the sufficient resources for research and development and less adequate budgetary control that permit them to implement change and enterprise foresight in the company. They often struggle to sell their products in markets that already have the presence of large companies with well recognized brands. In addition to these characteristics, the owners of these companies often prefer less formal processes and employ more of low skilled workers who become less experienced especially in designing strategies which can permit the company to attain long-term goals.

Many scholars such as (CRETES, 1994 & Kombou, 1998) find that Cameroonian SMEs are characterised by inadequate finances, unqualified labour force, a low marketing force, a lack of research & development capacity and lack of innovative spirit and those considered to be efficient can only be compared to their home counterparts having the same behaviour and using the same old-fashioned technologies (Kombou, 1998). Given strategic innovation, it would be critical to examine whether strategic innovation practices can permit companies to gain a competitive advantage because even after the benefits of strategic innovation has been established the effects of strategic innovation on performance of companies to gain a competitive advantage has remained unexploited and misunderstood especially by small and medium size companies in developing countries like the case in Cameroon. These companies can still implement strategic innovation with the available resources. By answering the question of whether strategic innovation can permit companies to gain a competitive advantage, It would examining the strategic innovation practices that can be implemented at the levels of company processes, products, management and distribution.

THEORETICAL FRAMEWORK

SMEs constitute a major player in business around the globe (Nagai, 2007, Yhee, 2001, Mukhamad & Kiminami, 2011). The sectors in which these companies are found, they contribute immensely to gross domestic product (GDP), employment and poverty alleviation (Salleh, 1991 & Vandenberg, 2006). It is also important to mention that more SMEs are currently involved in export activities which have made them a key player in global business. The growth that these companies enjoy, benefits the global economy especially when they can increase value that is offered to customer. A method to increase value is to adopt innovative strategies that would permit them to produce products that delight customers. We shall be examining the diffusion of innovation, competitive advantage and the personality based approaches in innovational matters. With reference to the work of Rogers (2003) we can distinguish five stages as examined in the diffusion theory below.

Competitive Advantage

Companies would be competitive if they are able to deliver products that delight customers and provide value added to customers. Being Competitive also requires that the companies should be able to know the customers, the needs of the customers as well as the competitors of the company. In this case, the firm would be to incorporate innovative strategies or advancements in technology. Porter enumerated five forces that according to him can influence competition but that, the forces vary from one company to the next and not all enterprises can witness the same kind or level of competition in their industries. These competitive forces are of five categories that range from the threats that come from firms of other markets that have the potential to reduce prices, rivalry due to competition that exist between the competitors in the market, the strength that suppliers have to bargain that has the capability to influence the cost of input, the strength that demanders or customer to permit them bargain which influences even the price of the products and also the threat that come from products that are substitutes. Firms must innovate to be successful and better satisfy the demands expressed. To be innovative, companies must not only change the product features and product processes but organizations must start with the reformulation of their structures (Hult, Hurley & Knight, 2004). According to Hurt, the success of organizations would thus depend on their ability to continuously seek innovative ideas and find fresh opportunities which would delight customers and add shareholder value. Most companies have now shifted from their less efficient system of production, processing and delivery to the more technology based systems that depend on new ideas and innovation (Szirmai, Naude & Goedhuys, 2011). Small and medium size companies are in a unique position to quickly identify the needs of customers, create relationships with the customers and produce products that can delight customers.

The Theory of Diffusion of Innovation

According to Rogers, all companies are open to all sorts of innovation and must decide to accept or reject the innovation. For some companies, the decision to adopt an innovation is instant, but for others, it is a long process and requires further investigation on the expected outcomes of innovation. According to him, it is the process by which the individual is moved by the knowledge he has about the innovation to make a choice to accept or reject. In 2003, he proposed the Diffusion Innovations model to better explain this process. This process consists of five stages which include amongst others, the knowledge stage. According to Rogers, people can only start to adopt the technology if they have had an idea about the innovation. Here the firms acquires the idea about the innovation existing. These ideas may be from employees, competitors etc.

The second is that of the persuasion stage which consists of the stage of gathering information about the type of innovation that permits firms to arrive at a concrete decision or prepares them for the innovation decision process is learned or acquired. Individuals in this stage, continue to seek for information that allows them to not just know about the technology, but become well inform. Before the end of this stage, the individual uses the information gathered to see if he can become a potential adopter of the information. After the persuasion stage, the next stage is that of making the decision. In this stage

the company decides to adopt the innovation or not to adopt the innovation. This stage is a critical stage not just because it would influence the customer demand but also because it would influence the stream of cash flows.

As Rogers's points out, the procedure to decide occurs silently and it is often difficult to determine when decision was actually made. Before adopting the innovation or new idea, the organization, persons or firms ensure that they have information about the technology and the advantages are more than the disadvantages. In this case, he can thus decide to fully adopt the innovation.

Before adopting the innovation or new idea, the organization, persons or firms ensure that they have information about the technology and the advantages are more than the disadvantages and he thus decides to fully adopt the information. But most individuals would prefer to go in for a trial especially in the context of Cameroon which can eventually speed up the adoption process. After the decision stage, the next stage is implementing the decision made. In this stage, the organization implements the new idea or innovation but may also decide to change some aspects of the innovation to suit or be in compatibility with the company. These changes may also involve using the technology for a task different from that originally intended. When the innovation or technology is judged to be useful, the company confirms and adopts the innovation. Adoption means that the company starts using the innovation. Such innovation is intended to increase value that is offered by the company until when it needs repairs, modifications or replacement. In the case of Small and medium size manufacturing companies in Cameroon, when information about the innovation is gotten, the duration between the stages of persuasion, decision and implementation is quite long. This is so because, these innovation often require additional financial resources that are not readily available. Though they have a financial constraint, the decision making structure in most of these companies is quite simple and less complex. In most small and medium size companies, when another innovative strategy is available, the company would try to adapt the old innovation to deliver the results of the new innovation. If it fails after several trials, then a decision can be taken to review and possibly adopt the other innovative strategy.

Personality-based Approach

Personality-based approach is a model for appreciating small firms' growth. It looks at the entrepreneur as fundamental to the growth process that links the success the firm to its owner or the manager's competences and characteristics. It takes into considerations aspects such as those that seek to link the individual character of an entrepreneur with the performance of firm (McClelland and Winter 1969). In most cases, the small and medium size companies are owned by individuals who may not have a roadmap for the company but they often have some expectations about the business like the case of cameroon.

REVIEW OF EMPIRICAL LITERATURE

Employee Satisfaction and Enterprise Performance

Successful organisations depend on the high performance of their employees to meet their objectives. In order to achieve their strategic aims and keep their competitive advantage, their employees must perform at high levels (Lado and Wilson, 1994, Dessler, 2011). Organisational behaviour philosophers believe that it is also crucial to have the right employees for the right jobs (Kristof-Brown et al., 2005). The person-job fit is important because it determines whether or not the employee is well-suited for the job (Zheng et al., 2010) and whether the employee will be committed and productive to the organisation (Rousseau and McLean Parks, 1992).

The Business Management Approach

The business management approach is based on business management, where growth can be considered as being from the marketplace and can be envisaged as being financial as well as diversification, profitability and product/ market development. Storey (1994) suggests that resources for a growing firm can be categorized into the following components including the starting resources of the

entrepreneur (e.g. motivation, age, education, management experience, family history and training); the firm (e.g. age, sector, location, size and ownership). The resource based theory argues that competitive advantages lie in the heterogeneous firm-specific resources possessed by the firm (umelt, 1984, montgomery and wernerfelt, 1988). Distinctive organisational capabilities are needed to drive sustainability. Here, distinctive organisational capabilities can be considered as the organisation's capacity to perform a range of organisational routines for purposes of delivering products and services to the market in a way that outperforms competitors. Distinctive capabilities are information based knowledge systems.

METHODOLOGY AND DATA

As concerns this study, the principal hypothesis concerned strategic process and distribution innovation practices for competitive advantage for small and medium size manufacturing companies. Questionnaires were used to collect data from employees working in some forty manufacturing firms. Four hundred questionnaires were received out of 500 questionnaire sent to employees working in strategic process and distribution innovation practices. Companies in the manufacturing sectors that were surveyed were mainly those in Beverages and Nutrition. The responses of the respondents were scaled followed a Likert scale ranging from 1 to 5 categorized as 5 for strongly agree; 4 for agree; 3 for undecided; 2 for disagree and 1 standing for disagree and the statistical package for social sciences served as the tool for analysing the responses.

The model used in this study is the multiple linear regression that links competitive variables to Strategic process and distribution process and is of the form

$$Y = \beta_{ij}X_{ij} + \beta_0 + \mu_{ij}$$

where Y represents the dependent variable of competitive advantage, X represents a vector of Strategic process innovation practices, β_s are parameters, β_0 is the constant term, and μ_{ij} represents the error term. Competitive advantage was measured by High customer base-Market share (CBMS) customer satisfaction (CS) and Employee Satisfaction (ES). The independent variables of process innovation practices were innovative production process (INPP), customer relationship management process innovation (CRMPI) and distribution innovation practices (DIP).

Model one (1)

High customer base-Market share (Y_{CBMS}) with strategic process innovation practices

$$Y_{CBMS(1t)} = \beta_0 + \beta_{11}X_{INPP(1t)} + \beta_{12}X_{CRMPI(2t)} + \beta_{13}X_{DIP(3t)} + \mu_{1t}$$

Model Two (2)

Customer satisfaction and (Y_{CS}) with strategic process innovation practices

$$Y_{CS(2t)} = \beta_0 + \beta_{21}X_{INPP(1t)} + \beta_{22}X_{CRMPI(2t)} + \beta_{23}X_{DIP(3t)} + \mu_{2t}$$

Model Two (3)

Employee satisfaction (Y_{ES}) with strategic process innovation practices

$$Y_{ES(3t)} = \beta_0 + \beta_{31}X_{INPP(1t)} + \beta_{32}X_{CRMPI(2t)} + \beta_{33}X_{DIP(3t)} + \mu_{3t}$$

REPRESENTING THE DEPENDENT VARIABLES OF THE STUDY

CBMS : The first independent variable - High Customer Base-Market Share

ES : The second independent variable - Employeesatisfaction

REPRESENTING THE REGRESSION COEFFICIENTS OF THE MODELS

Model One: Strategic Innovation Practices and Customer Base Market Share

β_{11} : Regression coefficient of innovative production process

β_{11} : Is the effect of innovative production process on customer base market share

β_{12} : Regression coefficient of customer relationship management process innovation

β_{12} : Is the effect of strategic customer relationship management innovative process on customer base market share

β_{13} : Regression coefficient of strategic distribution innovation practices

β_{13} : Is the effect of strategic distribution innovation practices on customer base market share

Model Two: Strategic Innovation Practices and Customer satisfaction

β_{21} : Regression coefficient of innovative production process

β_{21} : Is the effect of innovative production process on customer on satisfaction

β_{22} : Regression coefficient of customer relationship management process innovation

β_{22} : Is the effect of strategic customer relationship management process innovation on customer satisfaction

β_{23} : Regression coefficient of strategic distribution innovation practices

β_{23} : Is the effect of strategic distribution innovation practices on customer satisfaction

Model Three: Strategic Innovation Practices and Employee Satisfaction

β_{31} : Regression coefficient of innovative production process

β_{31} : Is the effect of innovative production process on employee satisfaction

β_{32} : Regression coefficient of customer relationship management process innovation

β_{32} : Is the effect of strategic customer relationship management process innovation on employee satisfaction

β_{33} : Regression coefficient of strategic distribution innovation practices

β_{33} : Is the effect of strategic distribution innovation practices on employee satisfaction

THE RESULTS AND FINDINGS

The tables below provide descriptive statistics and correlations for the independent and dependent variables.

TABLE 1
RELIABILITY STATISTICS FOR THE INDEPENDENT VARIABLE

Cronbach's Alpha	N of Items
.740	3

Table one (1), Gives the Cronbach's alpha value with the factor loadings of 0.740 thresholds. This showed that all independent variables had acceptable reliabilities.

TABLE 2
RELIABILITY STATISTICS FOR THE DEPENDENT VARIABLE

Cronbach's Alpha	N of Items
.819	3

Table two (2), gives the Cronbach's alpha value with factor loadings of 0.819 thresholds. This showed that all dependent variables had acceptable reliabilities.

Analysis of the Models

Model One (1)

High customer base-Market share (Y_{CBMS}) with strategic process innovation practices

$$Y_{CBMS(1t)} = \beta_0 + \beta_{11}X_{INPP(1t)} + \beta_{12}X_{CRMPI(2t)} + \beta_{13}X_{DIP(3t)} + \mu_{1t}$$

TABLE 3
MODEL SUMMARY FOR MODEL 1

Model 1	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.828^a	.686	.684	2.03390	1.592

a. Predictors: (Constant), DISTRIBUTIONINNP, INNOVATIVEPROCESS, CUSTOMERSRMP

b. Dependent Variable: CUSTOMER BASE MARKET SHARE

TABLE 4
ANOVA FOR TABLE 4

Model 1	Sum of Squares	df	Mean Square	F	Sig.
Regression	3581.687	3	1193.896	288.607	.000^b
1 Residual	1638.153	396	4.137		
Total	5219.840	399			

a. Dependent Variable: CUSTOMER BASE MARKET SHARE

b. Predictors: (Constant), DISTRIBUTIONINNP, INNOVATIVEPROCESS, CUSTOMERSRMP

TABLE 5
COEFFICIENTS FOR MODEL 1

Model 1	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
	(Constant)	1.197	.604	1.983	.048	
1	INNOVATIVEPROCESSES	.031	.014	.070	2.146	.032
	CUSTOMERSRMP	.147	.019	.272	7.535	.000
	DISTRIBUTIONINNP	.337	.017	.635	19.738	.000

a. Dependent Variable: CUSTOMER BASE MARKET SHARE

From the Table five (5) above, the equation becomes;

$$Y_{CBMS(1t)} = 1.197 + 0.031X_{EPPP(1t)} + 0.147X_{CRMPI(2t)} + 0.337X_{DIP(3t)}$$

Innovative process innovation, Customer relationship innovation management process and Distribution innovation practices are all positively correlated to customer base market share. This research implies that implementation of strategic innovation practices can enable companies to increase their market share which contributes enormously to its profitability. We can confidently say that the management quality as well as other non-firm specific indicators influences competitive advantage of firms. As such when companies engage in effective new processing methods, customer relationship management process and distribution innovation practices then the customer's base would increase leading to higher returns. It is true that some manufacturing companies have implemented innovative strategies in the production processes such as process timers, automatic regulators, detector and filters. Some manufacturing companies however, have not yet considered innovative practices as an important means to gain a competitive position in the market.

Companies that do not implement innovative strategies may not realise their full potentials; they may witness reduction in their demand as a result of increased cost. It can be said that having a larger customer base is a determining factor, but the quality of those who constitute the market customer base determines the performance. Having a larger market share can permit companies to retain higher profits but they should always attempt to sustain a good liaison vis-a-vis their customers.

Model Two (2)

TABLE 6
MODEL SUMMARY FOR MODEL 2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
2	.909 ^a	.827	.825	1.58154	1.416

a. Predictors: (Constant), DISTRIBUTIONINNP, INNOVATIVEPROCESS, CUSTOMERSRMP

b. Dependent Variable: EMPLOYEEPROFORMANCE

**TABLE 7
ANOVA FOR MODEL 2**

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	4722.934	3	1574.311	629.403	.000^b
	Residual	990.506	396	2.501		
	Total	5713.440	399			

a. Dependent Variable: EMPLOYEEPROFORMANCE

b. Predictors: (Constant), DISTRIBUTIONINNP, INNOVATIVEPROCESS, CUSTOMERSRMP

**TABLE 8
COEFFICIENTS FOR MODEL 2**

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
2	(Constant)	.332	.469		.707	.480
	INNOVATIVEPROCE SS	.072	.011	.155	6.448	.000
	CUSTOMERSRMP	.406	.015	.719	26.785	.000
	DISTRIBUTIONINNP	.103	.013	.185	7.734	.000

a. Dependent Variable: EMPLOYEEPROFORMANCE

Model Two (2)

Customer satisfaction and (Y_{CS}) with strategic process innovation practices

$$Y_{CS(2t)} = 0.332 + 0.072X_{INPP(1t)} + 0.406X_{CRMPI(2t)} + 0.103X_{DIP(3t)}$$

In model two, it can be concluded that innovative process innovation, Customer relationship management process and distribution innovation practices are all positively correlated to employee satisfaction. As such when manufacturing companies use innovative processes, engage in effective customer relationship management process and distribution innovation practices, it would delight more customers and customer's base would increase leading to higher returns. It is important that companies engage employees in the process of design and development of innovation products and services and also implement better innovation product production processes that would be inclusive and desirable by customers.

From the model, Customer Engagement is key and requires an understanding of the deep aspirations of customers using those insights to develop meaningful connections between the company and customer. Great Customer Engagement innovations provide broad avenues for exploration, and help people find ways to make parts of their lives more memorable, fulfilling and delightful. Enhancing customer satisfaction, innovative companies were using organisational innovation strategies like employee involvement, employee commitment and transparent communication as tools in total quality management is critical for employee engagement and employees trust in management. Strategic human resource management should review communication as a key medium to keep employees updated. Employee engagement program must connect business goals to employee performance. This is done by getting qualified workers and making the environment positive.

**TABLE 9
MODEL SUMMARY FOR MODEL 3**

Model 3	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
	.909 ^a	.825	.824	4.11906	1.441

a. Predictors: (Constant), DISTRIBUTIONINNP, INNOVATIVEPROCESS, CUSTOMERSRMP

b. Dependent Variable: CUSTOMER SATISFACTION

**TABLE 10
ANOVA FOR MODEL 3**

Model 3	Sum of Squares	df	Mean Square	F	Sig.
Regression	31768.248	3	10589.416	624.131	.000 ^b
Residual	6718.792	396	16.967		
Total	38487.040	399			

a. Dependent Variable: CUSTOMER SATISFACTION

b. Predictors: (Constant), DISTRIBUTIONINNP, INNOVATIVEPROCESS, CUSTOMERSRMP

**TABLE 11
COEFFICIENTS FOR MODEL 3**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.879	1.222		1.537	.125
1 INNOVATIVEPROCE SS	.453	.029	.374	15.479	.000
CUSTOMERSRMP	.693	.039	.473	17.553	.000
DISTRIBUTIONINNP	.446	.035	.309	12.900	.000

a. Dependent Variable: CUSTOMER SATISFACTION

Employee satisfaction (Y_{ES}) with strategic process innovation practices

$$Y_{ES(3t)} = 1.879 + 0.453X_{INPP(1t)} + 0.693X_{CRMPI(2t)} + 0.446X_{DIP(3t)}$$

Innovation process and customer relationship management process are all positively correlated to customer satisfaction. The respondents agreed that when manufacturing companies engage innovation process and customer relationship management process then the companies can achieve a competitive advantage with output and environment which serves as a source for resources and marketing tool for companies.

Companies can improve the process of customer relationship management by tailoring products and service agreements (PSA) to meet the needs of key accounts and segments of customers. It is critical that the teams should work with key accounts to improve processes and eliminate demand variability and non-

value-added activities. Customer relationship management process can be achieved through the strategic process and the operational processes such as the review of corporate strategies, identifying customers, developing guidelines for differentiation purposes, develop the framework of matrices, developing the guidelines for benefits with parties as well as Differentiating customers, reviewing accounts internally, identifying opportunities with the Accounts, developing the Product and Service Agreements (PSA), measure performance and Generate profitability Reports and implement the Product Service Agreements (PSA).

Strategic Options for Innovative Distribution

Innovative distribution practices are a set of activities concerned with efficient movement of finished goods from production operation to the consumer. It is paramount in this current intense competitive pressure to reach customers at the right time and through the right channels so as to maintain a competitive position in the market. In this case the manner of distribution is paramount. To get products to the final consumers from suppliers or from manufacturers or suppliers from manufacturer to retailers, three important decisions are worth making;

1. Shall product go through an intermediary?
2. Shall product move directly to final consumers without the need for intermediation?

The researcher can effectively encourage companies to use any one or a combination of any of the following methods.

Customer relationship management is center with this method and there is a desired need for a database of customer's information. It can be conclude that this type of sales is suitable for large products which are sold in bits but of high value items in which customers can accept partial deliveries. It is very common in developing economies like that of Cameroon to notice that most large companies concentrate their efforts in production activities and invest less in the proper and efficient delivery of goods to the final consumers. Even though this method is not highly used by manufacturers in Cameroon, the method can easily permit companies to identify customer's complaints and reduce other costs that results from intermediary.

CONCLUSION

Small and medium companies are not small versions of large firms. This means that they have unique characteristics. They can benefit from their unique characteristics. If Small and medium size companies want to survive, then they are obliged to create or adopt innovative ideas to produce products that would delight the customers. It is relatively easier for small and medium size to make decisions because they often do not require the long and stressful consultations that are needed in large companies which require relatively more consultations because of their complex structures.

The implementation of strategic process and distribution innovation practices permits companies to satisfy customers and attract more customers for a high market share. When a company is able to have customer that are loyalty, the company can make more sales. This increase in sales also permits the company to better reward its employees. Employees that use the innovative strategic process can better relate with customer. Companies can implement innovative strategies from the process of product conception to production as well as distribution to satisfy their customers, employees and achieve growth. It is time for companies to recognise the need for strategic innovation practices in their business processes. These practices are useful to improve on products fitness, maintainability, and ease products distribution. We can also conclude from analysis that innovation is the driving force for growth. Customers prefer products that are innovative. It time for companies to integrate social and environmental concerns into business practices, products, and services because this serves as way sustain resources, protect the environment and outperform competitor. Companies need to properly allocate resources for each stage of the strategic innovation process as well as distribution and ensure that the necessary infrastructure, skills, and expertise are made available, either within the organisation or through collaboration with external bodies.

Customer engagement and management provides a means to identify concerns and enable the companies to integrate these concerns into their strategic management plan. Some companies need expert advice on the way forward and how these strategies can be implemented to help companies realise growth and a competitive advantage.

FUTURE RESEARCH

Creating a competitive advantage is directly aimed at organisational financial performance. Strategic innovation creates competitive advantage by creating value disregarding the question of existing markets or new markets. However, creating competitive advantage through strategic innovation requires substantial organisational resources. Future research should focus on organizational resources and competitive advantage.

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