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VALUE CREATION STRATEGY AND SALES PERFORMANCE OF SMALL AND MEDIUM SIZE EXPORTING FIRMS IN SOUTH- NIGERIA

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ABSTRACT

The study investigated the relationship between value creation strategy and sales performance of food and beverage exporting Small and Medium Enterprises (SMEs) in the South-South geopolitical zone in Nigeria. The study adopted a descriptive survey research design. The questionnaire was the main instrument for data collection from a population consisting of 160 firms involved in exporting food and beverages. The sample was made up of managers and owners of the firms. The questionnaire was validated by experts drawn from the marketing department of the University of Nigeria, Nsukka. The reliability test result using Cronbach Alpha produced a value of 0.842. Both descriptive and inferential statistical tools were employed to analyze the data with Statistical Package for Social Science (SPSS) (version 21.0). The statistical results showed that customer-centricity strategy was critical in determining the outcome of sales performance of food and beverage exporting SMEs in South-South, Nigeria. The study concluded that customer-centricity as a value-creating strategy had a significant statistical influence on sales performance by food and beverage exporting SMEs in South-South Nigeria. Precisely, 70.0%, changes in sales performance were significantly predicted by customer-centricity. Therefore, this study recommended that food and beverage exporting firms should adopt customer-centricity as a marketing strategy instead of being product-centric.

KEYWORDS

Customer-Centricity. Sales Turnover. Repeat Purchase. Exporting SMEs. South-South Nigeria.



Introduction

Value creation is regarded as the basis for all marketing efforts in organisations as well as a necessary and effective way to gain competitive advantage in the marketplace (Turnois, 2004; Jobber, 2007). It is believed that a focus on value creation will help organizations to develop meaningful marketing orientations which will give rise to better competitive advantage in the market (Kotler, 2003). This implies that to a great extent, organizational success can be attained by meeting customers' needs and wants better than competitors (Jobber, 2007; Kotler, 2003). To this end, the issue of value creation has become a dominant theme for business operators as a dependable tool for survival in our present unstable and dynamic business world, especially in foreign markets.

It is common knowledge that from the firms' perspective, the core objective of business organizations is to create and deliver products/services that have value to customers or stakeholders at large. For companies to provide higher value for their customers, they need to carry out a process of creating value and ensuring that the value is delivered to customers (Kotler, 2003).

Therefore, value creation can be recognized as a process through which a firm increases a customer's well – being by meeting expectations of the customer (Gronroos, 2008). Value created is subjective depending on the perceiver (Gronroos, 2011). In this sense, customer value is an assessment of the trade-off between benefits derived from a product or service and sacrifices in terms of cost, time, etc (Woodall, 2003). It relates to the attendant benefits customers experience from products or services which contribute to customers' well-being and make them to become better off and offer competitive edge to organizations that create value (Gronroos, 2008).

However, Okpara and Koumbiadis (2009) observed that many SMEs including those in export operations find it quite challenging to offer high quality products with good packaging at competitive prices that are convenient to the target market. This will likely results in low sales turnover and decline in profit margin. Besides, the position of prior studies by Okpara and Koumbiadis (2009); Tesfom and Lutz (2006); Ibeh(2004), reveal that research efforts on sales performance, particularly export related sales performance have been directed at large organizations and in developed nations with very little emphasis on SMEs in developing nations. As a result of the foregoing, the objective of the current study was to examine how customer-centricity relates with sales performance of food and beverages exporting SMEs in Nigeria.

Literature Review

Conceptual Review

Concept of Value Creation Strategy

Value creation simply means making something (products/services) that people (target market) want. It involves finding out what people (customers) value and creating such value for them. Agbor-Ndakaw (2010) defines value creation as the provision of goods and services that customers will find consistently useful. Shanker (2012) described customer value creation as the process undertaken by business operator to evaluate current market offerings and discover possible gaps in what customers want, and then come up with unique offering that will meet the identified market needs and wants.

Every successful business creates something of value for its target market. It involves conscious efforts directed at identifying market needs and wants, and then finds a way to provide them profitably (Kaufman, 2012). Recall that marketing is predicated on need identification and its essence is the creation and capturing of value. Therefore, companies must first understand what customers value before they can create the said value (Sullivan, Peterson, & Krishnan, 2012). In this sense, value creation can be said to be based on the core ideas of understanding customers' needs and adapting product-service expertise to satisfy those needs. Sullivan, et al (2012) further define value creation as a firm's ability to understand and translate customer needs into solutions. Turnois (2004) submitted that value creation relates to a company's ability to offer customers their expectations better than competitors do. Firms that win the battle for customers' patronage are those that deliver "best value" to customers.

Value creation methodologies concentrate on the different measurements along which customer see value (Shanker, 2012). Ulaga (2003) distinguished eight (8) measures of value creation in a business-to-business setting. Specifically, he identified product quality, service support, delivery performance, supplier know-how, time-to-market, personal interaction, price, and process cost. For this current study, customer centricity is chosen as the dimension for used in determining the relationship between value creation and sales performance. This is because the chosen dimension has a strong ground for creating value for customers in the marketplace especially in foreign markets.

Customer-centricity

This concept relates to customer centricity that is, being customer focus which emerged when organizations changed their culture of doing business by rebuilding their business activities around their customers so as to encourage managers and employees to think and act in ways that guarantee customer satisfaction (Marsh, Sparrow & Hird, 2010). However, it was in the year 2000 that the concept of customer centricity became popular sequel to a paper on the subject "customer centric marketing" which Sheth, Sisodia, and Sharma in (as cited in Marsh, et al, 2010) described as "efforts directed at understanding and satisfying the needs and wants of individual customers."

Recall that customers are the lifeblood of any organization. Without customers, a firm has no revenues, no profits and therefore no market value. Customer centricity relates to the orientation of an organization toward serving its clients' needs. Having a customer focus is usually a strong contribution to the overall success of a business and involves ensuring that all aspects of the company put its customers' satisfaction first (Chernatony, 2000). Customers increasingly expect companies to have a much better understanding of them as individuals, as well as more timely appreciation of their specific needs. To satisfy the new breed of demanding and empowered customers, companies must have the right processes and information available to deliver customized and targeted product and service offerings that keep them engaged and loyal.

Customized product offering is a business approach which requires companies to do what customers care about. It entails understanding individual customer needs and improving the customer experience (Bii, 2014). Once a company is able to understand and do only those things that customers care about, it will create a positive perception in the minds of customers that the company is competent and reliable to do business with (Toyese, 2014). In line with this, Bii (2014), submitted that "if firms understand their customers better than competitors do, and if they can inspire their

employees to have richer interactions with customers, then they can more effectively compete in the market." This implies that when a company has a proper understanding of what customers desire, it will stand a better chance of providing those needs better than competitors.

Customized product offering refers to the capacity of an organization to understand, predict and respond to customer, market and competitor dynamics (Brown, 2016). It describes an organization that is operated from a customer's point of view, rather than developing new products and attempting to convince consumers to purchase them (Scott in Marsh, et al 2010). A customer centric firm develops products and services that customers need (Marsh et al, 2010). Such a firm designs a customer centric structure which allows each division of the firm to focus on a unique customer segment, to increase knowledge of and commitment to each customer group throughout the firm.

Customer centricity offers numerous benefits to business organizations. According to Lee, et al (2014), a customer-centric structure generates a shared within unit focus on customers, increases customer insight, provides a single customer contact point, and creates more. It helps an organization to learn more about their current and prospective customers, know their personal tastes and deliver the experiences their customers want. Alfieri (2015) agreed with this view when he maintained that customer centricity enables companies to learn about customers buying habits, brand preference and purchase frequencies.

Day in Bii (2014) believes that customer centricity provides the best means to develop close and profitable relationships with customers - an advantage that is hard for rivals to understand, copy, or displace. A good customer relationship management can help a company understand their individual customer needs and delivers those needs better than their competitors (Toyese, 2014). A firm can increase its customer knowledge and responsiveness by adopting a customer-centric structure and gain a relative advantage (Lee, et al, 2014). However, building a strong customer centric culture can only happen when activities are rooted in the underlying belief system (Brown, 2016). According to Esse (2016), organizations cannot become customer centric by merely paying lip service to it. He stated that everyone from the leadership team downwards needs to play their part. Marsh, et al (2010) agreed with Esse's opinion as they maintained that every department, including HR, needs to become customer centric. Every department, engineering, product developing unit, designing unit etc must put the customer at the heart of all their innovation efforts (Future lab, 2015). Much effort should be placed on the employees because they are the ones who will deliver the levels of experience (Klimontowicz, 2014). Their actions and behaviour help to build trust and loyalty, without their engagement, productivity and performance suffer (Esse, 2016).

Sales Performance

Generally, performance is behaviour evaluated with respect to its contributions to the overall goals and objectives of an organization (Mc Lellan, 2013). Sales performance has to do with the outcome of sales activities of firms (Servais & Jensen, 2012). This outcome manifests in the firm's sales growth, market share and profits (Okpara & Kumbiadis 2009). Sales performance can as well be considered as a measure of contributions of a company's sales activities to its objectives. A sale is the act of selling a product or service in return for money or other compensations (Kotler & Armstrong, 2004). Sales may also be seen as the process of transferring ownership of goods to consumers in exchange for money (Servais & Jensen, 2012).

Sales performance in a nut shell is the measurement of the number of sales in monetary terms that a firm makes in a given period of time. This implies that sales performance involves the evaluation of the amount of goods sold in a given period of time as compared to the expected or budgeted figure set out by a firm. Increasing sales performance can at the same time improve firm growth in terms of revenue generation. Every firm sets its sales target for a specific period of time, monthly, quarterly or yearly. When a firm meets its monthly, quarterly or yearly sales quotas, it implies that the firm has a good sales performance. On the contrary, if the actual sales figure falls short of the expected or budgeted sales quotas, it implies that the firm has had a poor sales performance for the said period. In many firms, if the sales figure for the month or year is greater than the estimated sales figure set by management, the sales department and sales personnel are acknowledged and appreciated for their good performance. Many entrepreneurs tend to motivate their sales force to put in a good performance in order to increase the sales volume of the firm and maximize profit (Mc Lellan 2013).

Measures of Sales Performance

There are so many controversies in literature regarding what criteria is most appropriate for measuring the sales performance of an organization. Hence there is no generally accepted variable (s) in literature to measure the sales performance of an organization as business and marketing scholars come up with different criteria depending on the organization studied. However, most marketing scholars used variables such as sales volume, sales turnover and sales growth to measure the sales performance of manufacturing organizations. This implies that sales performance could be measured using various criteria. However, the criteria used in one study may be deemed inadequate for another study. Hence different authors use variables that suit their analysis. In this current study, the authors used sales turnover and repeat purchase to measure sales performance.

Sales Turnover: Sales turnover refers to how often a company sells its entire inventory. Companies try to measure their sales turnover rate periodically usually through monthly or annually approach. This is why most accountants describe sales turnover as the total amount of goods sold within a specific period of time, usually annually.

Repeat purchase: Sales turnover relates to a customer's decision to buy a firm's product again based on his or her positive past experiences of using the product (Ehrenberg, 2008). Similarly, Vargo and Lusch (2010) defined repeat purchase as a decision to buy and also buy again and again from a particular product or service provider even in the future. Repeat purchase occurs when customers are satisfied with the product earlier purchased. According to Servais and Jensen, (2012), satisfaction increases a customer's likelihood of repeat purchase and/or decreases customer switching intentions. Servais and Jensen (2012) posited that satisfied customers are inclined toward repeat purchase. This satisfaction is determined based on his or her past experiences with the products. Increasing repeat purchase is very important to business organizations all over the world because it helps to boost sales and profit margin. Repeat purchase can make an organization to achieve increase in its sales revenue (Sharp & Sharp, 2008). Every firm including SMEs makes great efforts to increase repeat purchase so as to increase their sales and profit margin (Ehrenberg, 2008). In the international market where numerous firms from all over the world come to compete for international customers' income, retaining customers becomes a difficult task for exporting SMEs in Nigeria. Nigerian SMEs have to come up with various marketing strategies to retain their international customers and ensure repeat purchase.

Theoretical Foundations

Dynamic Capabilities Theory: Ambrosini, Bowman and Collier (2009) submitted that Teece's (1997) working paper is most likely the first work that popularized the thought on dynamic capability. They contended that it is fundamental for business managers to consider the changing nature of its surroundings, particularly the outside environment and develop techniques to adjust, coordinate and evolve strategies to adapt, integrate and reconfigure the entire organizational skills, resources etc toward the changing environment, keeping in mind the set goal and to attain better competitive position.

One of the ways by which organizational managers demonstrate their dynamic capabilities rests in the area of meeting consumer needs profitably. This helps them to achieve competitive advantage. Teece et al, (1997, 2007) opined that attaining competitive edge in turbulent situations depends on developing unique capabilities. Dynamic abilities of firms may represent the development of distinction in the way firms undertake their operations within an industry (Zollo & Winter, 2002). Dynamic capability is about focus on survival.

Empirical Review and Hypothesis Development

The concept of value creation has generated some research interest and it has emerged as the defining business issue since the 1990s till date. This explains why Ulaga (2001) describes creating value as the fundamental basis for marketing Strategy and as the primary motivation for customer patronage. Global competition and dynamic nature of business environment is encouraging organizations to think in direction of creating and delivering superior offerings to their customers.

In another study carried out in the Carbonated Soft Drink Industry in Chicago, United States of America, Dube (2000) it was reported that product value creation enhances sales performance. Dube sampled 120 marketers of carbonated soft drink and analyzed the data collected using SPSS. The result of the analysis revealed that product quality is positively and significantly correlated to sales volume, and that packaging has a positive and significant relationship with sales growth. Ulaga(2001) in his study, "creating customer value", observed that a good number of firms that succeed, dwell more on creating value for their customers.

McNaughton, Osborne and Imrie (2002) conducted a study on "understanding customer value concept", and discovered that providing customers with superior value than competitors will help business operators to achieve sustainable competitive advantage in foreign markets which manifests in terms of market share growth, shorter sales cycle, high sales turnover etc. This implies that creation of value for customers will likely provide competitive advantage and help organizations to gain customer patronage which translates to better sales performance. Value creation has been identified as a key strategy to improve sales performance of SMEs globally. Many people talk about the significance of providing something unique to customers since it is verifiably the fundamental reason to encourage customers to patronize the business. The essential target of each business effort is to provide incentive in terms of creating value for customers. Arguably, value creation is an effective strategy for improving the sales performance of firms.

In another study by Taifi (2013), it was found that creating value for customers will help to sell products and services faster. The study went further to reveal that the first step in implementing the

concept of value creation with a view to improving sales performance is to understand what creates value in the marketplace. In a related development, the study by Sullivan, et al (2012) revealed that business operators can create value for their customers if they have good understanding of customers' needs, and their markets. Therefore business managers must ensure the existence of enabling environment that can create a robust understanding of a customer's needs. It is believed that entrepreneurs with proper understanding of the customer's needs and market dynamics will be in a position to create and offer better value for their customers. A study by Fortune Group (2016) investigated the relationship between value creation and purchase intentions revealed that value creation had a significantly positive effect on overall customer satisfaction and purchase intentions. It therefore added that when companies create value, it does not only give rise to improvement in sales, rather, it also goes ahead to create a shield from price pressure and minimize the attendant possibility of customer defection. In other words, when a firm creates value for its customers, it helps the customers to stick to doing business with such firm and tend to pay less attention to pressures from competitors. In this regard, customers become loyal to the firm and demonstrate willingness to pay price premium for the product/service so long as the firm is able to provide solution to their problem.

From the foregoing, it was hypothesized that;

H1: There is significant relationship between customer-centricity and sales performance of food and beverages exporting SMEs in Nigeria.

RESEARCH METHODOLOGY.

Research Design: This study adopted survey research design in order to establish whether value creation can influence sales performance of food and beverages exporting SMEs in South-South Nigeria. Sullivan (2001) asserts that a survey research design "is a data collection technique in which information is gathered from individuals by having them respond to questions or statements".

Area of the Study: In every research work, the area of the study must be clearly stated. The focus here is the geographical area coverage of the research effort. The area of this study is the South-South geopolitical zone of Nigeria. At the moment this zone is made up of six (6) states which include Rivers, Bayelsa, Akwa-Ibom, Cross River, Edo and Delta states. The zone is often referred to as the Niger Delta region because the bulk of the states in the Niger Delta region are from the South-South zone. In fact, out of the nine(9) states that make up the Niger Delta region, six(6) are from the South-South while the remaining three (3) which include Imo, Abia and Ondo states are from South-East and South- West respectively. The South-South zone covers about 70,000 square kilometers, 5000 communities, 50 ethnic groups with the Ijaws in majority and 250 dialects (NDDC Report, 2014).

Sources of Data: This study gathered information through primary source. The researcher employed the field survey method of gathering information through the use of questionnaire.

Pilot Survey: This study undertook a pilot survey in order to pretest the questionnaire. This was carried out so as to detect weakness in the design of the instrument and address issue of ambiguity in order to restructure the instrument in line with observations before executing full scale study. In the pilot survey, the researcher randomly administered twenty (20) copies of the research instrument (questionnaire) to selected respondents.

Study Population: A research population is an identifiable group or aggregation of elements (e.g. people, products, organizations, physical entities etc) that are of interest to the researcher (Hair, Bush & Ortinau, 2000). Asika (2000) noted that a population is made up of all conceivable elements, subjects or observations relating to a particular phenomenon of interest to the researcher. To this end, the population of this study consisted of Food and Beverages manufacturing/exporting SMEs in South-South Nigeria, registered with Nigerian Export Promotions Council (NEPC). The study focuses on SMEs that manufacture and also export food and beverages and are based in South-South Nigeria. A contact with Nigerian Export Promotion Council reveals that the Council has three offices in South-South. Port Harcourt office covers Rivers and Bayelsa States, Uyo office covers Akwa Ibom and Cross River States while Benin office covers Edo and Delta States respectively. From the three offices, a list of performing food and beverages exporting SMEs which constituted the study population (160) were obtained. See Table 1 below.

Table 1: Registered Exporting SMEs

S/N	STATES	REGISTERED EXPORTERS
1	RIVERS & BAYELSA	92
2	AKWA-IBOM & CROSS RIVER	17
3	EDO & DELTA	51
TOTAL POPULATION		160

Source: Nigerian Export Promotion Council (2016)

Considering that the researcher can reach the entire population, it is preferable to undertake a census study of the total population of 160 as shown in Table 1 above. Therefore, the entire population of 160 was considered in this study.

In reaching the entire population, we followed the operational structure of Nigerian Export Promotions Council (NEPC) in South- South in which the states making up the zone are grouped into three clusters of two states each. The clusters are denoted as cluster A comprising Rivers and Bayelsa states, cluster B comprising Akwa –Ibom and Cross River states and cluster C comprising Edo and Delta states respectively as shown below:

Cluster A (RIVERS &BAYELSA)	= 92
Cluster B (AKWA IBOM & CROSS RIVER)	= 17
Cluster C (EDO &DELTA)	= 51
TOTAL	=160

Research Instruments: This study adopted questionnaire as its research instrument. It is a technique or instrument for data collection in which each respondent responds to the same set of questions structured to address the research questions and assist in achieving the study objective. The questionnaire for this study is arranged in sections A and B. Section A dealt with the demographics of the respondents, while section B dealt with the study variables. The questions were designed in a simple format to ease response. The questions in section B were structured using five-point rating

scale (Strongly Disagree, Disagree, Undecided, Agree, and Strongly Agree) which was rated 1 to 5 respectively.

Validity of the Research Instrument: In order to ascertain the validity of the research instrument, empirical approach was applied by carrying out a pilot survey to pre-test the questionnaire items raised. This measure was intended to find out the extent to which the target respondents understood the questions raised. Feedback from the pilot survey informed amendments on some grey areas to ensure clarity. In this study, to ascertain the validity, the instrument was subjected to scrutiny by the supervisor, colleagues in academia, and other informed persons. Specifically, three (3) experts in marketing and the research supervisor greatly contributed to ensuring the validity of the research instrument.

Reliability of the Research Instrument: A Cronbach’s Alpha test was conducted on the measurement items to determine the reliability of the study instrument. The SPSS output shows that the instruments used in this study were reliable since the coefficient level (0.842) surpass Nunnally’s (1978) benchmark of 0.7

RESULTS AND FINDINGS

Descriptive Statistics

Here, we carried out the demographic data presentation and analysis using tables.

Table 2 Questionnaire Administration and Responses

	Number Involved	Percentage (%)
Distribution	160	100
Useful Copies Returned	143	89.37%
Discarded Responses	5	3.13%
Lost in Transit	12	7.50%

Table 2 shows that 160 copies of the questionnaire were distributed amongst owners/managers of food and beverages manufacturing/exporting SMEs in South-South Nigeria, registered with Nigerian Export Promotions Council (NEPC). One (1) questionnaire was administered to a representative (owner or manager) of each firm studied for administration convenience. Out of the 160 copies of questionnaire administered, only 143 copies returned were considered useful. This accounted for 89.37% response rate. Due to obvious mistakes and incomplete responses, 5 copies accounting for 3.13% were dropped, while 12 copies representing 7.50% could not be retrieved due to misplacement and other reasons given by the respondents. Therefore, the total response rate that formed the basis of our analysis was 143 representing 89.37%.

Table 3 Summary of Demographic Analysis

S/N	Variables	Frequency	Percentage (%)
1.	Years in export operation		
	Less than 1year	49	34.3
	1-3 years	38	26.6
	4- 6 years	30	21.0
	More than 6 years	26	18.2

	Total	143	100
2.	Categories of Personnel		
	Owner	102	71.3
	Manager	27	18.9
	Others	14	9.8
	Total	143	100
3.	Years in South-South		
	1- 5 years	86	60.1
	6 –10 years	24	16.8
	11–15 years	17	11.9
	16 years and above	16	11.2
	Total	143	100
4.	Employee Strength		
	1-10 Employees	80	55.9
	11-20 Employees	26	18.2
	21-30 Employees	13	9.1
	31 Employees and above	24	16.8
	Total	143	100
5.	Manufacturing/Exporting		
	Yes	79	55.2
	No	64	44.8
	Total	143	100
6.	Export Countries		
	0 – 3	82	57.3
	4-7	43	30.1
	8-11	14	9.8
	12-15	4	2.8
	Total	143	100

The analysis in Table 3 above reveals how long the respondents have been involved in export operation. Specifically, 49(34.3%) of the respondents affirmed that they have been in export operation for less than one year. It also shows that 38(26.6%) of the respondents have been in export operation for 1-3 years. 30(21.0%) have been in export operation for 4-6 years while 26(18.2%) have been in export operation for more than 6 years.

The second section in Table 3 reports on the category/designation of the respondents. The analysis reveals that 102(71.3%) of the respondents are owners. Also, 27(18.9%) of them are managers while 14(9.8%) include others.

The analysis in the third section of Table 3 reports on how long each of the respondents believes their companies have operated in South-South. It shows that 86(60.1%) of the respondents confirmed that their firms have been in South-South between 1-5 years. 24(16.8%) said they have been in South-South between 6-10 years. 17 (11.9%) disclosed that their companies have been in South-South between 11-15 years while 16(11.2%) confirmed that their companies have operated in South-South for 16 years and above.

The fourth section of Table 3 reports further on the analysis of the number of employees in the companies studied. The analysis reveals that 80(55.9%) respondents disclosed that their companies employed between 1-10 employees. 26(18.2%) affirmed that their companies employed between 11-20 employees. 13(9.1%) revealed that their companies employed between 21-30 employees while the remaining 24(16.8%) indicated that their firms employed 31 and above employees.

The fifth section of Table 3 above also represents the respondents' responses concerning manufacturing and exporting of food and beverages. From the outcome of their responses 79 (55.2%) of respondents indicated "Yes", while 64 (44.8%) indicated "No".

Finally, the sixth section in Table 3 above represents the respondents' responses concerning the countries export their products to. From the outcome 82 (57.3%) of respondents indicated 0-3 countries, 43 (30.1%) indicated 4-7 countries, 14 (9.8%) indicated 8-11 countries, while 4 (2.8%) of the respondents exports to 12-15 countries.

Inferential Statistics

This section dealt with inferential statistical analysis which includes bivariate and multivariate analyses. This section adopted Pearson's product moment correlation analysis and to undertake quantitative analysis of the relationships between the study variables. The quantitative analysis was facilitated through the use of Statistical Package for Social Science (SPSS) version 21.0.

Correlation Analysis

In this section, bivariate and multivariate analyses were carried out to determine the relationship between the dimensions of the predictor variable (value creation strategies) and the measures of the criterion variable (Sales performance) using the Pearson's Product Moment Correlation Coefficient.

Research Hypothesis One

H1: There is significant relationship between customer centricity and sales performance of food and beverages exporting SMEs in Nigeria.

Table 3 Statistical Analysis for Hypothesis One

		Cuscen	Salesper
Cuscen	Pearson Correlation	1	.837**
	Sig. (2-tailed)		.000
	N	143	143
Salesper	Pearson Correlation	.837**	1
	Sig. (2-tailed)	.000	
	N	143	143

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

From the result of the above Table, the correlation coefficient ($r = 0.837$) between customer centricity and sales performance is very strong and positive. The coefficient of determination ($r^2 = 0.70$) indicates that 70% of variation in sales performance can be explained by customer centricity. The significant value of 0.000 ($p < 0.01$) reveals a statistical significant relationship. Based on the result, the

hypothesis was supported. Therefore, we affirm that there is a significant relationship between customer centricity and sales performance of food and beverages exporting SMEs in Nigeria.

Discussion of Findings

In this study, it was discovered that there is a significant relationship between customer centricity and sales performance of food and beverage exporting SMEs in Nigeria. This finding was deduced from the result of the correlation analysis carried out on the first hypothesis. The result of the correlation analysis indicated that customer centricity has a positive relationship with sales performance and that this relationship is significant at 5% levels of significance ($r = 0.837$; $0.000 < 0.01$). The implication of this finding is that when food and beverage exporting SMEs implement the concept of customer-centricity in their export marketing efforts, it will help to increase their sales level. This finding is supported by Marsh, et al (2010) when they noted that the implementation of customer centric approach in an organization will increase the sales performance of the firm. According to the authors, when an organization puts the customer needs at the centre of its marketing efforts, it will boost sales. Tseng and Piller (2003) also supported this finding when they stated that customer centric approach drives sales faster than a product-centric approach. According to them, when an organization implements a customer centric philosophy, it will make the customer happy and a happy customer will buy more of the products that respond to their needs.

Lee et al (2014) equally agreed with this finding as they reported that in a highly competitive market, customer centricity is the most suitable and survival strategy because it helps to increase sales. This implies that if food products exporters put their customers at the centre of their business and marketing plans, it will help to increase patronage level from their international customers. Thus, a Nigerian food products exporter that has been experiencing a decline in sales can use the customer centric ideology to reverse the situation. Shah et al (2006) supported this when they stated that companies can use the customer centric approach to positively influence patronage and increase sales level.

Conclusion

Our study focused on the influence of value creation strategy on sales performance. The dimension of value creation adopted for this study is customer centricity, while the adopted measures of sales performance include: sales turnover and repeat patronage. From the study findings, it was revealed that customer centricity has strong influence on sales performance (0.837 , $P > 0.01$).

From the foregoing analysis, it is evident that customer centricity influences sales performance of food and beverage exporting SMEs. The results succinctly demonstrated that within the Nigerian context, customer-centricity was found to have a positive significant relationship with sales performance of food and beverage exporting SMEs. Based on the results, we hereby conclude that customer centricity has a positive and significant influence on sales performance of food and beverage exporters in Nigeria.

Recommendation

Based on the findings and the attendant conclusion, the study recommended that Nigerian food and beverage exporters particularly those who are experiencing low sales should adopt and implement the concept of customer centricity instead of product-centric approach as it would help to increase their sales turnover and repeat patronage thereby enhancing their overall sales performance.

Suggestions for Further Studies

It should be kept in mind that the findings of this study are limited to food and beverages exporting SMEs operating in South-South Nigeria. Therefore, there is need for further research in related area to be conducted in other sectors in order to confirm or contradict our findings.