

INNOVATION AND MARKETING PERFORMANCE IN INDIAN ENTERPRISES

A STUDY OF INDUSTRIAL ORGANISATIONS IN NAGPUR CITY

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Abstract :

This paper aimed at determining the relation between the innovation marketing and the marketing performance. In reality, the problem represents in the lack of care in the innovation marketing by the industrial organizations and their care towards producing typical product, performing the routine daily practices and achieving profits thought the increase of sales. In addition, it gushes from the limited understanding of the relation between the innovation marketing and the marketing performance, which, in turn, has a vital role in providing the competitive features needed. The research identified the limit to which the sample organization recognizes the concept of the innovation marketing and its significant aspects. The study concludes that there is a strong relation between the correlative marketing and the marketing performance.

Keywords: The Innovation marketing, Marketing performance, Business organizations.

Introduction:

Developing new ideas differently and getting them into practice within marketing practices is considered an innovation. It is known that the origin of all products is ideas that have been born, refined, classified and evaluated in terms of suitability for application to be tested. The creative process is continuous and sustainable in organizations that want to survive in the market and continue in work and growth. Further, this process is valid in all organizations, possessing a certain marketing status in the consumer's mind. Existing organizations, or rather the contemporary ones, are not measured by size or magnitude of the buildings, but by the success of these organizations in the market and by internationalizing their products.

Research Objectives

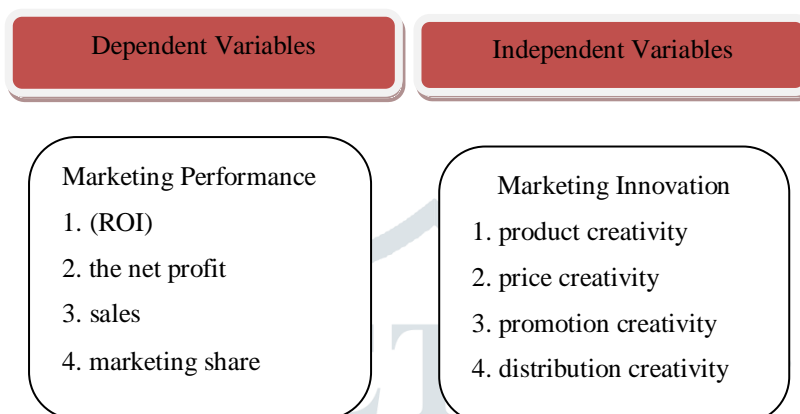
This study aims at:

- Identifying the extent to which the organizations investigated realize the concept of marketing Innovation, importance, scope, impact and reflection on the marketing performance of those organizations.
- Identifying the reality of marketing Innovation and its impact on marketing performance in the study sample organizations.
- Identifying the correlation between marketing Innovation and marketing performance.

Significance of Research

The research is significant because it represents a contribution to shed light on this vital subject, which is generally considered as a key element of the success of the organizations investigated. In addition, it would develop new products and innovative marketing methods which are compatible with the nature of the products of the study sample organizations. Besides, the research also shows the lack of studies and research in the areas of marketing Innovation and its reflection on the marketing performance of business organizations.

The Model



Review Of Related Literature

There are a number of foreign studies addressing this topic with practical difference in terms of place, which does not affect the essence of the study. In detail, Han and Srivestava (1998) clarified the nature of the relationship between marketing innovation orientation and performance by testing a set of hypotheses. The study found out that the impact of innovation is regarded as a mediator of the relationship between market orientation and marketing performance. In addition, it indicated that there was a positive impact to focus on innovation especially in areas of marketing. The study also showed that this kind of marketing innovation is related to the administrative and technical aspects.

Matsuno and Mentzer (2000) aimed at determining the impact of type strategy to adopt the concept marketing and its relationship to performance. The study selected a random sample from the American community of industrial projects, taking into consideration that they represent the unit of study, which, in turn, do not go in harmony with the current study. Concerning the secondary variable, they relied on growth sales and market share which is in line with the current study.

Baringer and Bluedorn (2000) identified the characteristics of innovation of industrial small projects and market strategy in addition to its impact of the project performance. The study found out that business organizations characterized by leadership, Innovation and initiative are successful in developing creative marketing strategies, based on the collection of accurate information about the total environment and its role in participating with all the activities within the project. This is considered as one of market orientation components, confirming the relationship with marketing innovation.

Research Hypotheses

The research is based on the following assumptions:

- H1: There is no significant correlation between product innovation and marketing performance at the significant level 5%
- H2: There is no significant correlation between the pricing innovation and marketing performance at the significant level 5%.
- H3: There is no significant correlation between distribution innovation and marketing performance at the significant level 5%.
- H4: There is no significant correlation between promotion innovation and marketing communications and marketing performance at the significant level 5%.

Methodology

The descriptive analytical method was adopted to test the hypotheses through examining the relationship between the primary and secondary variables and dependent variables and through collecting data related to the study sample and organizations investigated. Obtaining the data and information needed to complete the search and accessing to the desired results and the objectives, the researchers adopted the following methods.

Theoretical Framework (Secondary data)

The researcher relied on many of the secondary data of scientific references such as books, journals, studies, theses, online data in order access to the data required to cover the theoretical side.

Field Framework (Primary data)

The researcher used a questionnaire as a study tool in addition to personal interviews and objective data in collecting the needed information as a primary data.

Personal Interviews

A member of the study sample including managers and the members of the Board of Directors were, when necessary, interviewed in order to clarify the questionnaire items in order to ensure the correct answer and to identify the extent to which marketing Innovation is applied and contributed to enhance the marketing performance of business organizations under investigation.

Sample Of The Study

The study community represents all the companies of business organizations registered in the Nagpur city either the small, medium or large ones regardless of the type of economic conduct. A randomly simple sample of managers and department heads was selected. Those people have adequate information about the company duties and decisions. 100 questionnaires were distributed. The managers have been given the chance to identify individuals who have a role in the marketing Innovation process. The researcher interviewed all study samples to clarify the wording of questionnaire.

Reliability And Validity

Pretests

- (1) Testing Face Validity to make sure of the tool validity. The questionnaire was reviewed by a group of reviewers in the field of marketing and business so as to make sure the validity of questionnaire items and their suitability for research hypotheses and objectives. Accordingly, some items were either deleted or amended.
- (2) Testing reliability: reliability of the questionnaire was tested by asking the reviewers certain questions related to reliability of its direction and factors. Accordingly, some items were either deleted or amended.

Posttests

- (1) Objectivity: the researcher have tried to retrieve all questionnaires distributed to achieve objectivity concerning the responses of the members of the research sample. Every director has been given the suitable chance to fill the questionnaire.
- (2) Internal consistency: In order to verify the authenticity of the questionnaire content, the researcher test the internal consistency between the items, representing the dimensions of research variables.

Results

Despite the significant value of pricing Innovation, the availability of the spirit of Innovation in product-based organizations involved in this study have a direct impact and prerequisites, resulting by ideas and creative skills from technological development and some improvements by $R = 0.28$. This is referred to by previous studies, stating that the increase in the expenses of scientific research by 1% would bring an increase in production by 30%. So that, Industrial Corporation pay attention to scientific research, lading to producing new products with certain specifications in response to future requests and finding new outlets and distribution methods to sell the products.

Marketing performance, supported by Innovation, is considered one of the elements of marketing promotion, which is intended to develop change and get new unconventional ideas into practice in the marketing practices of the marketing elements combined together. The pricing Innovation showed a high rate of change in the statistical analysis to construct marketing activity. Hence, old competitors were replaced.

The marketing performance in the study sample in creative elements can be accounted for by the availability of spirit of technological development and the interaction between these organizations and target markets, especially in promotions and marketing contact as shown by the values of (beta), in addition to financial strength and the presence of mechanisms to support professionally to enhance marketing status as well as the interaction with the problems of distributional channel accurately and soberly.

Marketing Innovation is represented in the nature of production as a basis for Innovation, and this is represented by introducing new industrial goods having a relationship with the composition of product, and other related to the impact on the composition of technological product itself.

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