



Product Innovation and Growth of Small-Scale Businesses in Warri South and Uvwie Local Government Areas, Delta State

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ABSTRACT

This study examined the product innovation and growth of Small-Scale Businesses in Warri South and Uvwie Local Government Areas, Delta State. A descriptive research survey design was carried out in this study, The study encompasses a population of 520 Small Scale Business workers situated in Warri South and Uvwie Local Government Areas, Delta State. Additionally, the population includes 152 male staff and 368 female staff associated with the Small-Scale Business in Warri South and Uvwie Local Government Areas, Delta State. The sample size is composed of 380 individuals selected from the pool of 520 officials affiliated with small and medium-scale enterprises (SMEs). The sample size includes 111 male staff and 269 female staff associated with the Small Scale Business in Warri South and Uvwie Local Government Areas, Delta State. The sampling technique involves the method employed to select a sample for the research study. The researcher utilized the simple random sampling method for this purpose. Simple balloting was applied in the process of selecting the respondents. Data collection employed a questionnaire administered to business owners in Warri South and Uvwie Local Government Areas, Delta State, for a test-retest reliability assessment. The reliability of the instrument was established using Pearson's product-moment correlation coefficient method, validated through face validation by course lecturers and three Business management department lecturers. Data analysis involved the use of percentages and Analysis of Variance (ANOVA). The statistical analysis was carried out via Microsoft Statistical software

version 28.0. The study findings unveiled that The new product development has a great impact on growth of Small Scale Business and that product improvement can influence the growth of Small scale business. There is positive significant relationship between cost innovation and growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State. This study identifies the effects of new product development on growth of Small Scale Business. The findings collectively suggest that companies must recalculate the opportunity cost of innovation, given that both previous experience in innovation and a continued effort in Research and development can reduce the negative effects of contractionary macroeconomic periods on innovation. This study contributed through the provision of empirical proof showing product innovation and growth of Small Scale Business in Warri South and Uvwie Local Government Areas, Delta State.

Keywords- *Product innovation, growth of Small Scale Businesses, New Product Development, Product Improvement and Cost Innovation*

I. Introduction

Innovation is defined as the introduction of novel or enhanced procedures, goods, or services based on fresh scientific or technological insights and/or organizational expertise. While an invention represents the initial conception of an idea for a new product or process, innovation entails its practical implementation. Various forms of innovation in business exist, spanning from novel products or services to innovative production methods,



marketing strategies, and organizational structures. The correlation between the development of new products and firm growth (and productivity) has been extensively examined over many years, both on a macroeconomic and microeconomic scale (Romer, 2018). There is substantial evidence supporting the notion that innovation (which fosters technological advancement) stands as a primary driver of economic growth, with firms playing a central role in introducing these innovations to society and markets. However, analyses of the relationship between innovation and firm growth typically occur within the context of periods of macroeconomic expansion (Aghion et al., 2022).

New product development often encompasses technology, intellectual property, business strategies, and physical operations. Most research focuses on product innovation and process innovation, all of which are crucial for development at both national and organizational levels. Product enhancement involves introducing a new or substantially improved good or service, including noteworthy advancements in technical specifications, components, software integration, user experience, or other functional attributes. Generally, product improvement denotes an organization's approach to introducing new concepts, products, technologies, workflows, manufacturing methods, services, and distribution channels.

It is commonly argued that the development of new products plays a crucial role in driving structural changes within an economy by altering its composition of products, industries, and employment. On the other hand, process innovation involves introducing new methods, policies, organizational structures, and knowledge that are manifested in distribution channels, products, applications, as well as aligning with customer expectations, preferences, and needs. This also entails the adoption of new or substantially improved methods of production or delivery, incorporating significant changes in techniques, equipment, and/or software. Such innovations can lead to reduced per-unit costs of production or delivery, enhanced quality, or the ability to produce or deliver new or significantly improved products.

It is emphasized that while new product introductions are widely believed to positively impact income growth and employment, the effects of process innovation, with its focus on reducing costs, can be less clear on overall performance. A critical question that emerges at this point concerns

the primary drivers of innovation within the business sector. Research suggests that product innovations and business process innovations—or a combination of both—are influenced by factors such as industry maturity, customer needs and expectations, technological opportunities, the attractiveness of investment, the intensity of competition, and the size and ownership origins of the company. This study investigates the link between product innovation and the growth of Small Scale Businesses in Warri South and Uvwie Local Government Areas of Delta State.

Research Problem

Currently, a significant number of small-scale businesses recognize the urgent need for enhancements in their product offerings, which can be addressed by developing new products to satisfy the constantly evolving demands of consumers. However, many of these businesses have struggled to achieve their goals and objectives due to their inability to effectively pursue new product development. Research over the past decade has indicated a notable decline in the number of innovative small-scale businesses and in investments towards innovation, particularly during periods of economic downturn and food crises in Nigeria and other developing nations (Crepon, Duguet, and Mairesse, 2018; Van Leeuwen and Klomp, 2016).

This study endeavors to delve deeper and explore the relationship between product innovation and the growth of Small Scale Businesses in Warri South and Uvwie Local Government Areas, Delta State. It aims to address questions such as the impact of new product development on the growth of small-scale businesses in these areas, the effect of product improvement on their growth, and how cost innovation influences their growth. The economic challenges and food crises in Nigeria have underscored the need to examine the link between innovation and firm growth, particularly in light of these challenges (Teece, 2019). Developing successful innovations is complex and depends on various factors, including firm and market characteristics, the timing, and the macroeconomic environment. Bayus, Erickson, and Jacobson (2023) have shown that the success of innovation is largely influenced by environmental factors and institutional support.

Therefore, it is anticipated that during economic downturns, the challenge of innovating and reaping benefits from these innovations becomes even more significant due to uncertainties



in demand, declining revenues, and financial limitations. This research aims to investigate the connection between product innovation and the growth of Small Scale Businesses in Warri South and Uvwie Local Government Areas, Delta State. The findings of this study could offer valuable insights to owners of Small and Medium Scale Enterprises, providing a clearer understanding of how new product development, product improvement, and cost innovation contribute to the growth of small-scale businesses in these areas.

Objective of the study

- (1) to ascertain the effect of new product development on growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.
- (2) to examine the effect of product improvement on growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.
- (3) to evaluate the relationship between cost innovation and growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

Research Hypotheses

The hypotheses were stated in the null form;

H1: New product development is not positively related to the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

H2: Product improvement is not positively related to the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

H3: There is no relationship between cost innovation and the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

II. Review of Related Literature

Forms of Product Innovation

Successful product innovation requires a combination of creativity, market research, customer insights, technological expertise, and effective project management. Here are the product innovation forms that create sustainable business growth.

iNew product development is not positively related to the growth of Small scale business:This process entails developing completely new products that address unfulfilled demands or provide distinct advantages. It can include investigating consumer preferences, performing market studies, and leveraging technological advancements to conceive and produce groundbreaking products.

iiProduct improvement is not positively related to the growth of Small scale business:This form of innovation concentrates on upgrading current products through the addition of new features, enhancing functionality, boosting efficiency, or responding to consumer feedback. Its objective is to achieve gradual improvements to the product to sustain its competitive edge and align with changing customer demands.

iiiLine extensions refer to the expansion of an existing product lineup by adding variations or extensions to the original offering. This might encompass introducing different flavors, sizes, colors, or models designed to appeal to particular customer segments or target niche markets.

iv Process innovation: Process innovation involves enhancing the methodologies, techniques, or systems employed in product production or delivery. Its objective is to optimize operations, boost productivity, minimize waste, and improve overall efficiency. Process innovation can greatly influence product quality, time-to-market, and cost-efficiency.

vRelationship between cost innovation and the growth of Small scale business:Cost innovation targets the reduction of production expenses while preserving or enhancing the product's quality and functionality. It entails discovering more efficient production methods, procuring less expensive materials, or streamlining supply chain activities to realize cost reductions.

viBusiness model innovation entails rethinking how products are developed, distributed, marketed, or sold. This could include embracing new revenue streams, experimenting with novel distribution methods, or utilizing new technologies to alter customer engagement with the product (Bessler and Bittelmeyer, 2018).

Innovation output and the growth of Small Scale Business

Small-scale businesses pursue innovation in hopes of achieving outcomes that can confer a competitive edge. Introducing new products or services can open up fresh markets, potentially boosting sales. Innovation output can also enhance productivity and facilitate growth by leveraging the company's assets more effectively and catalyzing technological advancements. Furthermore, innovations refine and update routines, fostering adaptability and optimizing the utilization of company resources. These routines facilitate the dissemination of new knowledge across various company functions, thereby enhancing economies of scale. However, innovating new products, services, or processes may displace old offerings and



manufacturing methods, potentially dampening productivity and growth. Nevertheless, innovation serves as an evolutionary mechanism that engenders sustainable competitive advantages against competitors and cultivates market power through increased sales and reduced costs.

Prior research has established a positive correlation between innovation output and firm growth, manifested in both sales and employment. There is also extensive literature supporting a positive relationship between innovation output and productivity. Both Schumpeterian and evolutionary theories advocate for innovation as a means to navigate through economic crises. According to Bessler and Bittelmeyer (2018), radical innovations propel companies forward, triggering qualitative leaps that spur new demand, cost reductions, additional profits, and investments. These radical innovations not only benefit individual firms but also contribute positively to macroeconomic conditions, helping to mitigate constraints during economic downturns. Similarly, proponents of evolutionary theory argue that innovations enable the continual updating of technologies, routines, and processes, ultimately enhancing a company's profitability. Only the most adaptable companies survive and drive economic evolution, enabling societies to overcome economic crises.

In addition to internal factors, the external environment can moderate the impact of innovation output on firm growth. During periods of crisis, organizations often contend with heightened levels of uncertainty, limited access to financing, and reduced demand, all of which can disrupt the typically positive relationship between innovation performance and growth. From a supply standpoint, economic downturns may result in inefficient investment in innovation due to resource constraints or lack of information, hampering the ability to introduce radical innovations both within the company and in the market. If these innovations fail to sufficiently differentiate themselves, their potential performance may be diminished, directly impacting the sales of the corresponding goods or services. On the demand side, economic crises often lead to reduced consumer disposable income, causing preferences to shift towards fulfilling basic needs at the lowest possible cost. This can adversely affect the sales of innovative products, which typically incur higher manufacturing costs, particularly in the early stages of product development. Overall, the benefits of product innovation may be compromised during times of crisis. As previously discussed, investing in

innovation during crises does not guarantee innovation output, and conversely, achieving innovation output may not necessarily translate into increased sales, employment, or productivity for the firm given the prevailing macroeconomic conditions.

Empirical Review

Rudi and Deden (2019) conducted a study investigating the impact of innovation on the performance of micro, small, and medium enterprises (MSMEs). This paper aims to assess the extent of innovation's influence on the performance of MSMEs in Bandung Regency. The research employed a descriptive method to gather comprehensive data, aiming to provide a detailed understanding of the influence of innovation on performance. Quantitative research methods were utilized, including descriptive tests, the Kolmogorov-Smirnov One-Sample normality test, and hypothesis testing through analysis of the lissle path.

Validity tests were conducted to ensure the accuracy of the measurement instrument, with a focus on linking statement items' scores with their total scores. This was achieved using the Pearson Product Moment coefficient or correlation. The research instrument consisted of a questionnaire distributed to MSMEs in Bandung Regency.

The findings indicate that innovation significantly enhances the performance of micro and small businesses. The study concludes that innovation plays a crucial role in the performance of MSMEs. It is recommended that MSMEs focus on enhancing innovation in both product development and production processes. By doing so, MSMEs can better adapt to market demands and improve their chances of survival in the competitive landscape.

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Pablo, Desiderio, and Maria (2018) investigated the influence of product innovation on firm growth using a multi-stage model during a period of economic crisis. The onset of the economic downturn in late 2008 brought about environmental changes, leading to a decrease in the number of innovative companies and investment in innovation. An adverse macroeconomic climate can also shape the outcomes of innovation and its impact on firm growth. Thus, the article aims to (i) analyze the factors determining innovation output and (ii) explore how these outputs affect firm growth amidst an economic crisis.



To achieve this objective, the study utilized a panel of Spanish firms spanning from 2005 to 2013, employing a sequential multi-stage approach consisting of four phases: the decision to innovate, the extent of innovation, innovation outputs, and ultimately, the effect of these innovations on firm growth. The findings reveal that during economic crises, investment in innovation remains crucial for generating innovation outputs, albeit with a somewhat diminished effect. In periods of contraction, both past experience and ongoing intramural R&D activities emerge as pivotal factors in producing outputs from innovations. However, the positive impact of innovation outputs on firm growth is halved during times of crisis.

These results suggest that companies need to reassess the opportunity cost of innovation, as previous experience in innovation and sustained efforts in R&D can mitigate the adverse effects of economic downturns on innovation. In light of these findings, it is recommended that various forms of product innovation be pursued by small-scale businesses to achieve favorable performance outcomes.

Theoretical Review

Self-Efficacy Theory

According to Bandura (1977), self-efficacy is intertwined with human functioning, as it pertains to individuals' beliefs, knowledge, and confidence in their abilities to influence the environment and achieve success through their actions. Alfred Bandura's theory posits that self-efficacy involves individuals' evaluations of their capabilities to overcome challenges and maintain confidence in their ability to succeed in various activities and tasks (Bandura, 1986, as cited in Choi and Williams, 2014). Entrepreneurs with high self-efficacy play a crucial role in enhancing business productivity through their entrepreneurial competencies, skills, and knowledge. Bandura suggests that individuals' anticipated outcomes are shaped by their perceptions of what they can achieve, and those who perceive themselves as capable of entrepreneurial success are more likely to engage in behaviors conducive to business accomplishment.

Building upon Bandura's Social Cognitive theory (1991, cited in Fitzsimmons and Douglas, 2005), self-efficacy encompasses an individual's belief in their ability to reach specific goals. Within entrepreneurial research, entrepreneurial self-efficacy (ESE) applies this concept, representing an entrepreneur's confidence in their capacity to

perform various tasks (Wei et al., 2020, cited in Choi and Williams, 2014). ESE is regarded as an inherent trait of entrepreneurs, reflecting their ability to overcome challenges and succeed in business ventures. Additionally, the evaluation of performance has evolved beyond financial measures to include social and environmental indicators, as delineated by the Triple Bottom Line (TBL) or Sustainable Performance (SP) Approach.

Furthermore, successful product innovation necessitates a blend of creativity, market research, customer insights, technological expertise, and effective project management. It is imperative to assess the impact of new product development, product improvement, and cost innovation on the growth of small-scale businesses.

III. METHODOLOGY

Descriptive designs were employed to utilize means, frequencies, standard deviation, and percentages for elucidating and deriving meaningful interpretations of the study variables, namely new product development and the growth of Small and Medium Enterprises (SMEs). Correlational designs were utilized to gather data on these variables to ascertain their relationship, followed by ANOVA analysis for hypothesis testing. Additionally, survey design was employed to gather data from a substantial number of respondents at a specific point in time, thereby constituting a descriptive survey design. The research involves a population of 520 employees working in Small Scale Businesses located in Warri South and Uvwie Local Government Areas, Delta State. Within this population, there are 152 male employees and 368 female employees engaged in Small Scale Businesses within Warri South and Uvwie Local Government Areas, Delta State. The sample comprises 380 individuals drawn from the pool of 520 personnel affiliated with small and medium-scale enterprises (SMEs). The sample size was determined through a random selection process, specifically using balloting. This represents the portion of the population chosen to participate in the study. The sample consists of 380 employees working in small and medium-scale enterprises in Warri. Among them, there are 111 male employees and 269 female employees associated with Small Scale Businesses in Warri South and Uvwie Local Government Areas, Delta State. The sampling technique used is the simple random sampling method to select 111 male employees and 269 female employees from a total of 40 small and medium-scale enterprises in Warri South and Uvwie



Local Government Areas, Delta State. The data collection tool utilized in this study is the questionnaire. Data analyzed using frequency tables, percentages, and Analysis of Variance (ANOVA). The data analysis process utilized SPSS version 28.

Administration and Retrieval of Questionnaire

Three hundred and eighty (380) questionnaires were administered to 111 male staff and 269 female staff of the small and Medium-Scale Enterprises in Warri South and Uvwie Local Government Areas, Delta State. All the three hundred and eighty (380) questionnaires were retrieved since the staff of the small and Medium-Scale Enterprises in Warri South and Uvwie Local Government Areas, Delta State were very much accessible, They were very much willing to return their questionnaire after completion.

Table 1: Gender Distribution of Respondents

Sex	No. of Respondent	Percentage (%)
Male	111	29
Female	269	71
Total	380	100

Source: field survey 2025

The table above indicates that among the selected respondents for the research, 111 individuals were male operators of small and medium-scale enterprises, constituting 29% of the sample population. The remaining 269 respondents, representing 71% of the sample population, were also male operators of small and medium-scale enterprises.

Table 2: Age Distribution of Respondents

Age	No. of Respondent	Percentage (%)
18-31	162	43
32-45	125	33
46-59	93	24
Total	380	100

Source: field survey 2025

The table above illustrates that among the selected respondents for the research, 162 individuals, accounting for 43% of the sample population, are within the age range of 18-31. Additionally, 33% of respondents fall within the age range of 32-45, and 24% fall within the age range of 46-59.

IV. Data Analysis

Table 4:(1) What are the effects of new product development on growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State?

S/N	ITEMS	\bar{x} (mean)	Standard deviation	Decision
1	New product development is positively related to the growth of Small Scale Business	3.82	1.22	Agreed
2	New product development allow Small Scale Businesses to further improve their market share	3.76	0.82	Agreed
3	Developing new products provides a means to target new markets	3.96	1.85	Agreed
4	New product development keep up with the latest technological advances and trends.	3.64	1.70	Agreed
5	New product development allow Small Scale Businesses to sell more and increase revenue streams	3.70	1.83	Agreed
			3.74	Agree

Source: field survey 2025

Key to options: SA= Strongly Agreed, A= Agreed, D= Disagreed and SD= Strongly Disagreed Respectively.

The findings from research question one revealed that the mean scores for items 1, 2, 3, 4, and 5 were all higher than 2.5. This suggests that respondents acknowledged to a significant extent that new

product development has tremendous impacts on the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State. The overall mean score of 3.74 indicates a general consensus that that new product development has tremendous impacts on the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.



Table 5: (2) What are the effect of product improvement on growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State?.

S/N	ITEMS	\bar{x} (mean)	Standard deviation	Decision
6	Product improvement allows Small Scale Business to Stay ahead of the competition through innovative solutions.	3.02	1.33	Agreed
7	Product improvement is positively related to the growth of Small scale business.	3.84	0.74	Agreed
8	Product improvement allows Small Scale Business to Keep their employees engaged and motivated.	3.53	1.52	Agreed
9	Product improvement allows Small Scale Businesses to Provide New Value For Customers	3.70	1.66	Agreed
10	Product improvement are essential for Small Scale Businesses for survival and long term growth	3.82	1.83	Agreed
			3.92	Agree

Source: field survey 2025

Key to options: SA= Strongly Agreed, A= Agreed, D= Disagreed and SD = Strongly Disagreed Respectively.

The findings from research question two indicate that the mean scores for items 6, 7, 8, 9, and 10 were all higher than 2.5. This suggests that respondents acknowledged, to a significant extent, that product

improvement has a great impact on the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State. The overall mean score of 3.92 reflects a general consensus that product improvement has a great impact on the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

Table 6:(3) What are the relationship between cost innovation and growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State?.

S/N	ITEMS	\bar{x} (mean)	Standard deviation	Decision
11	Cost innovation is positively related to the growth of Small scale business	3.85	0.35	Agreed
12	Cost innovation presents new ideas to Small Scale Businesses operators to increase their efficiency with minimum resources.	3.39	0.73	Agreed
13	Cost innovation allows Small Scale Businesses to reducing business and other risks.	3.44	1.22	Agreed
14	Cost innovation allows Small Scale Businesses to attract new customers and deepen relationships with existing ones.	3.69	0.59	Agreed
15	Cost innovation drives growth by opening new opportunities and diversifying revenue streams.	3.78	1.85	Agreed
16	Cost innovation focuses on reducing production	2.85	1.66	Agreed
17	Cost innovation helps in optimizing supply chain	3.39	1.22	Agreed
18	Cost innovation involves finding more efficient manufacturing processes.	3.44	0.57	Agreed
			3.67	Agree

Source: field survey 2025



The outcomes of research question three revealed that the mean scores for items 11, 12, 13, 14, 15, 16, 17, and 18 were all above 2.5. This suggests that respondents acknowledged, to a significant degree, that there is a relationship between cost innovation and growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State. The overall mean score of 3.67 indicates a collective agreement that there is a relationship between cost innovation and growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State. This implies that cost innovation helps in reducing production costs while maintaining or improving the

quality and functionality of the product. It helps in finding more efficient manufacturing processes, sourcing cheaper materials, or optimizing supply chain operations to achieve cost savings.

TEST OF HYPOTHESES

Test of hypothesis 1

Ho₁: New product development is not positively related to the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

Item 1 in research question 1 was used to test hypothesis 1

Gender	SA	A	D	SD
Female staff	100	79	35	55
Male staff	31	30	20	30

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance
Column 1	2	131	65.5	2380.5
Column 2	2	109	54.5	1200.5
Column 3	2	55	27.5	112.5
Column 4	2	85	42.5	312.5

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	1596	3	532	0.531203	0.684818	6.591382
Within Groups	4006	4	1001.5			
Total	5602	7				

The decision criterion is to reject the null hypothesis if the probability of the p-value statistics > 0.05, otherwise accept the null hypothesis while rejecting the alternate accordingly. The study shows the probability of the p-value statistics of

00.684818 > 0.05. Thus, The researcher therefore reject the null hypothesis and conclude that New product development is positively related to the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State..

Test of hypothesis 2

Ho₂: Product improvement is not positively related to the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State. Item 7 in research question 2 was used to test hypothesis 2

Gender	SA	A	D	SD
Female staff	100	52	73	22



Male staff	53	30	20	30
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Anova: Single Factor

SUMMARY

<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>
Column 1	2	153	76.5	1104.5
Column 2	2	82	41	242
Column 3	2	93	46.5	1404.5
Column 4	2	52	26	32

ANOVA

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	2693	3	897.6667	1.290214	0.392221	6.591382
Within Groups	2783	4	695.75			
Total	5476	7				

The study shows the probability of the p-value statistics of $0.392221 > 0.05$. Thus, The researcher therefore rejects the null hypothesis and conclude that Product improvement is positively related to the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

Test of hypothesis 3

Ho₃: There is no relationship between cost innovation and the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

Item 11 in research question 3 was used to test hypothesis 3

Gender	SA	A	D	SD
Female staff	100	72	55	65
Male staff	18	30	20	30

Anova: Single Factor

SUMMARY

<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>
Column 1	2	118	59	3362
Column 2	2	102	51	882
Column 3	2	75	37.5	612.5
Column 4	2	95	47.5	612.5



ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	476.5	3	158.8333	0.11617	0.946006	6.591382
Within Groups	5469	4	1367.25			
Total	5945.5	7				

The study shows the probability of the p-value statistics of $0.946006 > 0.05$. Thus, The researcher therefore reject the null hypothesis and conclude that there is a relationship between cost innovation and the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

V. Summary of findings

The following are the major findings of the study:

- 1) The study showed that new product development is positively related to the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.
- 2) The study also showed that Product improvement is positively related to the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.
- 3) The study further showed that there is a relationship between cost innovation and the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

VI. Conclusion

It can be concluded that product innovation can influence the growth of Small Scale Businesses in Warri South and Uvwie Local Government Areas, Delta State. Innovation affects the performance improvement of micro small and medium enterprises. All variables such as product development, product improvement and cost innovation do influence the performance of Small Scale Businesses.

The results of the study confirmed that new product development is positively related to the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State. The study has also shown that product improvement is positively related to the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State. The study has equally shown that there is a relationship between

cost innovation and the growth of Small scale business in Warri South and Uvwie Local Government Areas, Delta State.

Since it was revealed from this study that new product development practices are significantly correlated to the growth of small and medium enterprises, Small scale business owners should adopt new product development practices, for example by having a pool of ideas about products to be produced, screening of all ideas concerning products ensure feasibility, regularly bringing new products to the market,

Small scale business owners should encourage new ideas on new product development, regularly getting feedback from customers, using feedback to develop and improve products,

Small scale business owners should have a special team in charge of developing new products, allocating funds for developing new products,

Small scale business owners should support the production unit to develop new products and encourage clients to always ask about new markets from the firm.

Recommendations

- 1) Based on the results of this study, it is therefore recommended that all the forms of product innovation are important to achieve desirable performance outcomes by Small scale business.
- 2) Having the ability to determine what the business will look like. Building an innovative environment. Have the ability to create a working environment that lets people be more their own boss.
- 3) Small scale business operators should learn how to develop new product and market opportunities necessary for small and medium scale enterprises survival.
- 4) Small scale business operators should train their staff on how to see new market opportunities for new products and services.

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