BRAND INNOVATION AND CUSTOMER SATISFACTION IN NIGERIAN MANUFACTURING SECTOR: IMPLICATION FOR SMEs IN THE FOOD AND BEVERAGE SUB-SECTOR

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ABSTRACT

This paper is designed to explore the relationship between brand innovation and customer satisfaction in the food and beverage manufacturing sector in Nigeria. Data were obtained from 295 entrepreneurs and marketers in the food and beverage industry using a structured questionnaire. The questionnaire was validated by some research experts and its reliability was ascertained using the Cronbach Alpha method. The data collected were analyzed statistically using Pearson Product Moment Correlation. A computer software program known as SPSS version 21.0 was employed to aid the computation using Pearson Product Moment Correlation Coefficient. The findings revealed that there is significant relationship between new brand introduction and customer satisfaction. The study also found a significant relationship between brand replacement and customer satisfaction. From the above findings, it was therefore concluded that brand innovation has a positive and statistically significant relationship with customer satisfaction. Based on the findings and conclusion, it was recommended that Nigerian SMEs in the manufacturing sector, particularly those in the food and beverage industry should embrace brand innovation as it would enhance customer satisfaction.

Keywords: Brand innovation, new brand introduction, brand replacement, customer satisfaction

INTRODUCTION

In any organization, whether manufacturing or non-manufacturing organization, management is primarily concerned with satisfying their customers by offering products and services that meet customers' needs and expectations. It has been argued that customer satisfaction is the primary focus of any business enterprise irrespective of the sector it belongs (Linnell, 2015). This is based on the fact that a satisfied customer is a loyal customer and loyal customers are assets to the company as they help to increase sales and profit margin. In a competitive industry like the manufacturing sector where there are many companies offering different brands of products, it becomes imperative for SMEs in this sector to make adequate efforts to satisfy their customers by offering products with unique features and improving on their existing brands in the market. As Shahroudi and Naimi (2014) stated, any company that fails to satisfy its customers either by introducing new brand with distinct features or improving on their existing ones in the market is prone to fail in business. Hence companies need to ensure that customers are highly satisfied with their brands. Customers who are highly satisfied with a company's brand patronize the brand repeatedly without placing emphasis of price. They promote and recommend the company's brand to their friends and relatives; resist other brands offered by competitors; and remain loyal to the brand. Considering the benefits derived from customer satisfaction, many SMEs in the manufacturing sector are seeking ways to achieve customer satisfaction. However, in order to achieve customer satisfaction and remain in business, SMEs must embrace brand innovation.

Brand innovation is the process of adding new ingredients to a brand or improving on the existing brand to make it stand out among other competing brands in the market. The aim of brand innovation is to give customers a new and positive experience through continuous improvement on the brand value. Brand innovation has become the most important issue in brand management (Chien, 2013). This is based on the belief that only continuous innovation will sustain the value of a brand and make it more competitive in the market. To achieve sustainable competitive advantage in the market, a brand must be well innovated. A well innovated brand must provide some additional benefits which will influence customer's choice and preference. Kourovskaia (2013) stated that a brand that is well innovated stands out among the crowd, sets the trends for their category and performs differently. It must offer something that the consumers needs, something that competitors cannot imitate. However, an innovation effort will do little to create brand value if the innovated brand does not resonate with customers' needs. Hence, a well innovative brand must meet customers' needs or surpass their expectations to give them high level of satisfaction.

It is important for companies to innovate their brands in order to satisfy their customer needs. Hakimi, Triki and Hammami in Shriedeh and Ghani (2016) stated that innovation is one of the most effective strategies of satisfying customers' needs and sustaining the competitive advantage, particularly in an era characterized by continuous change in customer needs. Given the intense competition in the manufacturing sector and the accelerating rate of change and development occasioned by globalization and technological advancement, brand innovation seems to be the only way to satisfy customers and increase their loyalty. Manufacturing SMEs need to continuously innovate their brands in order to respond to the changing tastes and preferences of consumers. When SMEs innovate their brands continuously, it will give customers some added benefits and this will in turn increase their level of satisfaction. Kourovskaia (2013) believed that brands need to continually renew themselves to remain in contention over a number of years, adapting to changing times and giving customers a positive experience. This can be done by changing the way the brand performs without deviating from customer expectations. A brand that is well innovated does not only creates satisfied customers but also strike an emotional chord with the customers.

A close observation shows that some customers are not satisfied with the brands offered by some Nigerian SMEs. These consumers believe that the brands offered by SMEs are of low quality compared to those offered by their larger rivals. Research has shown that most of the SMEs in Nigeria fail to satisfy their customers' needs due to their inability to innovate their brands (Ebiringa, 2011). Many entrepreneurs do not have a sound knowledge on how brand innovation can help them to satisfy their customers and gain customer trust and loyalty. These entrepreneurs often give little or no consideration to innovative issues and devote much effort in promoting their outdated brands. It is believed that brand innovation can help SMEs to achieve customer satisfaction. Although there are substantial empirical studies on brand innovation (Chien, 2013; Chang, 2011; Sutton, 2017), however, most of the empirical studies on brand innovation do not link the concept to customer satisfaction; hence a gap was established in literature particularly within the Nigerian context. Hence, this paper is designed to fill this gap in literature by investigating the relationship between brand innovation and customer satisfaction in Nigerian manufacturing sector with a particular focus on SMEs in the food and beverage sub-sector.

LITERATURE REVIEW

Concept of Brand Innovation

Brand innovation is a marketing concept which has been defined in different ways by marketing scholars and writers. For instance, Chang (2011) defined brand innovation as the process of introducing new brand into the market or improving on the existing brand with a view to make it stand out among other competing brands in the market. Lin (2009) defined brand innovation as the process of introducing new ideas and ingredients into an existing brand or introducing a completely new brand to replace the old ones in the market. Chien (2013) described brand innovation as a research and scientific process of improving an existing brand in the market with a view to reposition the brand and make it more competitive in the market.

Sutton (2017) conceptualized brand innovation as the process of transforming a brand by adding some new ingredients or elements to it with the intention to differentiate it from other competing brands and make it to stand out among the crowd. Yu and Hong (2002) posited that brand innovation is primarily concerned with creating a better performing brands or products that will be acceptable in the marketplace. It involves the development of new brand or an improved version of the previous brand in the market (Yu & Hong, 2002). Brand innovation could also take the form of changing the design of the previous brands, or using a new technology or materials in refurbishing the previous brands (Pappu & Quester, 2016).

Brand innovation has become an indispensible tool for sustaining competitive advantage. According to Zain and Saidu (2016), brand innovation is the key weapon used by marketing strategists to sustain their competitive advantage. Considering the accelerating rate of change and development, it is imperative for companies to renew their brands through the process of innovation. Innovation requires companies to redesign their brands to create an incredible and positive customer experience. Daragahi (2017) stated that innovation does not only create a positive customer experience but also provide something which consumers may not realize that they need.

Successful innovation efforts demands that brands needs to adapt to change in the environment and provide new opportunities while at the same time maintaining a strong customer focus. Chang (2011) posited that brand innovation helps companies to keep pace with the changing needs and preference of consumers. It helps companies to respond to the dynamic nature of the business environment which is brought about by globalization and technological advancement. An innovative brand provides consumers with various clues about the company including the company's culture, quality of the workforce, work process and the trademark. Once the brand is recognized by customers as superior quality, marketing efforts becomes much easier. Gundy et al (2011) stated that customers usually value innovated brand which provide them with additional benefits. Volvo, an automobile brand, for example, created an image and reputation for itself as being an innovator of automobile safety, a message which is reiterated in their slogan and marketing campaign for years.

The ability of a company to innovate its brand creates an opportunity to adapt to new technologies and consumer changing needs and preferences. Lin (2009) posited that a company that is able to successfully innovate its brand will entice customers from rival brands to purchase its brand (brand switching). A good example of brand innovation that has resulted to brand switching can be found in the mobile phone industry. The introduction of iPhone to the mobile phone industry has caused mobile phone users to switch from Motorola, Sony Ericsson, etc to Apple iPhone.

Chien (2013) stated that a company that is able to continuously innovate its brands to keep pace with the changing business environment will not only grow and expand its operation but will also gain competitive advantage and reap profit. While innovation has been recognized as an indispensible tool for sustaining competitive advantage, many companies especially SMEs are yet to innovate their brands. Martisiutes, Vilutyte and Grundey (2010) however urged small businesses to innovate their brands in order to compete favourably with their larger counterpart.

They further stated that SMEs that are able to innovate their brands in respond to the changing consumer needs and preference will expand and grow into larger businesses, while at the same time gaining a competitive advantage over their rivals. This is because competitive battles are won by offering innovative brands that reduce consumers' costs and risks.

Dimensions of Brand Innovation

Brand innovation is a multi-dimensional construct which implies that the concept can take different forms. Available literature shows that brand innovation could take the form of new brand introduction, brand improvement, brand replacement and brand repositioning (Jibril & Odua, 2013; Cho, 2008; Yu & Hong, 2002; Chang, 2011; Janiszewska & Insch, 2012). In this study, we shall adopt new brand introduction and brand replacement as the dimensions of brand innovation and they are discussed in details below.

New Brand Introduction

The introduction of new brand into the market is a crucial aspect of brand innovation and a significant business achievement. New brand provides more sources of revenue to the company. It enables a company to enter new markets, sell more to its existing customers and attract new customers (Jibril & Odua, 2013). The introduction of a new brand into the market provides an opportunity for growth and as such the process needs to be approached carefully.

Launching a new brand into the market involves understanding how the market will respond to it, how customers will learn about its usage, and the criteria which the target customers will use to make their choices. Cho (2008) stated that as companies come up with their plans to launch a new brand into the market, they need to consider several factors including knowing whether the new brand resonate with customer needs. For a new brand to succeed, it must meet customer needs which other existing competing brands cannot satisfy.

Normally, customers will assess the new brand in terms of its inherent features, its uniqueness, usefulness and functionality (Martisiutes, Vilutyte & Grundey, 2010). The added value that emanate from the innovation is determined by comparing the new brand with the existing brands in the market regardless of whether they are produced by the same manufacturer or another competitor. For instance, the performance of the newly introduced brand can increase as a result of its innovative feature and other added value.

Launching a new brand into the market is an exciting prospect. It is an integral part for business growth (Khan & Kongar, 2014). Some companies in the food and beverage industry have been successful in launching a new brand into the beverage market. Chi Nigeria limited is a good example of beverage companies that have launched a new brand into the beverage market which has gain huge acceptance by Nigerian consumers. The company recently launched a new brand of “Happy Hour” known as “Chapman Happy Hour” by Chivita into the juice market. The company’s new brand joins others of its juice brands stable such as Groovy Kiwi Mint Lime, Guava Cheer, Splashing Apple Peach Peer, Totally Tropical and Peach Pop to offer customers more options for refreshment. The new brand “Chapman Happy Hour” contains a blend of fruits and is expected to gain huge acceptance by Nigerian consumers because of our lifestyle in refreshing mix (Chi Limited Official website, 2017). Coca Cola Nigeria is another good example of beverage companies that has launched a new brand into the market. The company recently announced the launch of its new 50cL Eva Twist Bottled Water as it seeks to bolster its presence in the market. The new brand of bottled water uses less than 18% plastic which indicates its commitment to secure a friendly environment as well as to serve its customers better. Before the introduction of 50cL Eva Twist Bottled Water, Coca-Cola Eva bottled water only came in 75cl plastic bottles.

However, developing new brand can be very costly and time consuming. It carries a huge risks as well as providing opportunity for growth (Haasbroek, 2007; Nemati, Khan & Iftikhar, 2010). Nemati et al (2010) stated that a new brand constitutes a risk when it does not resonate with customers needs, and it also provides an opportunity for growth when it resonates with customers’ needs. A large number of new brands fail when they get to the market because they do not resonate with customer needs (Martisiutes, Vilutyte & Grundey, 2010). Therefore, to succeed, companies must ensure that their new brands resonate with customer needs. Some companies in the automobile industry have been successful in introducing new brands into the market. For instance, Toyota, an automobile brand, has been successful in introducing its new luxury brand into the market.

When the company develops the vision to move up to produce luxurious car, the management of the company came up with the belief that their existing customers may need Toyota brand as they move up to luxurious car brand segment. When Toyota luxury brand was finally launched into the market, it became one of the leading luxurious brands across the globe. In 2005, Toyota Lexus brand was reported as being the best selling luxury automobile brand in the US (Haasbroek, 2007).

Considering the huge investment required for launching new brand into the market, companies need to determine the sustainability of the new brand in the market (Lin, 2009). Before introducing a new brand into the market, companies need gather information on consumer current and future needs to give a greater chance of success. It is important for companies to monitor the early days of introduction to determine if the sales rates are meeting expectations, and more importantly, if consumer attitudes towards the new brand are favourable.

The company also needs to find out if there are any issues that need to be addressed to improve the performance of the new brand (Zain & Saidu, 2016). In other words, a new brand must provide something that the consumers cannot do without. It needs to serve consumer's purpose and that purpose depends on the new brand functionality. Linton (2016) succinctly stated that introducing a new brand with exciting new technical features but meeting no real customer need, can lead to total failure in the marketplace.

Brand Replacement

Brand replacement is a form of innovation where an existing brand in the market is rendered obsolete and replaced with a new and improved version of the previous brand (Cho, 2008). Chang (2011) defined brand replacement as an innovative effort aimed at replacing the old and outdated brand with a new version which performs better functions as the old brand. A significant number of companies have replaced the existing brands in the market with newly improved version (Hussain, Munir & Siddiqui, 2012).

Lin (2009) argued that companies that are able to continuously innovate their brand and replace them with a new and improved version of the previous brand will entice and attract customers from their rivals to buy the new and improved version. Some brands in the market have been rendered obsolete and replaced with new version of the previous brand. For instance, a major electrical retailer, Dixons which based in the UK announced in November 2004 that they will no longer stock Video Cassette Recorders (VCRs) because this brand of video player has been rendered obsolete and replaced with Digital Versatile Disks (DVDs). The well-known but bulky Cathode–Ray Tube (CRT) televisions and Personal Computer (PC) monitor have also been rendered obsolete and replaced with a new improved version of flat-screen television and PC monitor.

Brand replacement facilitates brand switching (Chien, 2013). For instance, consumers who use to buy the old brand of video player like VCRs have switched to DVDs player. In the same vein, consumers who are used to buying bulky CRT television/PC monitor have switched to flat-screen television and PC monitor. Brand replacement has some significant rewards to companies that successfully engaged in it. According to Linton (2016), brand replacement has the potentials of capturing large portion of the market, boost sales, increase brand loyalty which consequently impact positively on company' profit margin.

Pappu & Quester (2016) added that brand replacement gives a company an edge over its competitors, increase sales volume and market share and enhance the overall marketing performance of the firm. Considering the importance of brand replacement to firms' marketing performance, it becomes imperative for SMEs to embrace brand innovation by developing a new and improved version (brand) that will replace the existing brands in the market.

Martisiutes, Vilutyte and Grundey (2010) stated that a firm that successfully create a new and improve version of the existing brands in the market will gain a competitive advantage over rivals and stand out among the crowd. This implies that if SMEs in Nigeria are able to successfully develop a newly improved version of the existing brands in the market, they will successfully render the existing brands in the market obsolete and replace them with their newly improved version. This will subsequently gives the (SMEs) a competitive advantage over their larger rivals and grow to become larger firms.

Concept of Customer Satisfaction

Customer satisfaction can be defined as the degree to which customers are pleased or satisfied with the quality of goods or services purchased (Nazir, Ali & Jamil, 2016). It is a business philosophy where companies anticipate and identify customers' needs and expectations and demonstrate ability to satisfy these needs and expectations (Pishgar et al, 2013). The degree of satisfaction varies among customers depending on how each customer perceives the value of the goods or services purchased in relation to his needs and expectations. When the goods or services offered by a company meet customer's needs and expectation, the customer is said to be satisfied with the quality of that company's products or services; but when the goods or services rendered to the customer does not meet his needs and expectations, the customer is said to be dissatisfied with the quality of the products or services rendered to him by that company (Shahroudi & Naimi, 2014).

In reality, customer satisfaction varies in degree depending on how the products or services rendered by a company meet or surpass customer expectations (Linnell, 2015). When the products or services offered by a company meets customer's expectation, the customer is said to be satisfy with the quality of the products or services of that company, and when the products or services rendered by a company surpass customer's expectation, the customer is said to be highly satisfied with the products or services rendered by that company.

In a nut shell, customer satisfaction is the judgment of customer's evaluation and perception of the value received in a transaction in relation to their needs and expectations. Where the value received meet or equal customer's expectation, the customer is said to be satisfied (Doostdar, Rad & Alizadeh, 2013).

Customer satisfaction is one of the main objectives of establishing a business. Every business firm whether small or large, wants to satisfy their customers because they believe that it is the only way to retain them and maximize profit. However, for businesses to satisfy their customers, they must anticipate and identify customers' needs and create products or services that will satisfactorily meet such needs and even surpass their expectations (Ali, Nazira & Shamsuddin, 2015).

Shahroudi and Naimi (2014) stated that companies that are able to identify and satisfy customers needs make more profit than those that fail to identify and satisfy customers' needs. Hence it is important for SMEs to anticipate and identify customers' needs and create products and services that will satisfy those needs better than their larger rivals. Pishgar et al (2013) stated that a small enterprise that is able to identify and satisfy customers needs better than their competitors make more profit and grow to become a larger enterprise.

Delivering high quality products and services is the key for achieving customer satisfaction and sustaining competitive advantage. Doostdar, Rad and Alizadeh (2013) stated that when customers are satisfied with the quality of products or services purchased, they are more likely to make repeat purchases and remain loyal to the company's products and services. Nazir, Ali and Jamil (2016) stated that a small business firm that has a high level of loyal customers will experience massive sales growth, enjoy more profits and ensure stability in the flow of revenue. In reality, customers who are highly satisfied with the quality of products/services offered by a small firm will demonstrate greater commitment to the company by making repeat purchases in the future and even recommend the firm's products/services to friends and relatives (Linnell, 2015). In a nut shell, customer satisfaction will improve the overall image and reputation of a company irrespective of its size.

New Brand Introduction and Customer Satisfaction

Theoretical documentations have supported the fact that new brand introduction contributes greatly in increasing the level of customer satisfaction (Lin, 2009). Some empirical studies have also backed the above arguments. For instance, Khan and Kongar (2014) carried out an empirical study on innovation and development of new product for customer satisfaction. Their study focused on smart phone industry where some smart phone users in US were studied. The study employed a descriptive survey design where 250 smart phone users were selected from a population of 750 using purposive random sampling method. After analyzing the data collected in the questionnaires using Pearson product moment correlation, the study found out that users of newly introduced smart phone are highly satisfied with new brand. The study however concluded that there is a positive and significant relationship between new brand introduction and customer satisfaction in the smart phone industry.

In another study conducted on the effects of brand innovativeness on perceived quality, satisfaction and loyalty, it was reported that new brand introduction has a significant effect on customer satisfaction (Pappu & Quester, 2016). The study also revealed that product quality significantly moderates the relationship between new brand introduction and customer satisfaction. The study conducted by Martisiutes, Vilutyte and Grundey (2010) also revealed that the introduction of new brand into the market entice customers and significantly increase their satisfaction level. Jibril and Odua (2013) carried out an empirical study on how new product development and marketing strategies relate to customer satisfaction. Their study was conducted among six key marketing executives in Dangote Zonal Office in Maiduguri, Borno State. The researchers used structured questionnaires as their instrument for data collection while descriptive statistics such as frequencies and percentage tables were used for data analysis. The findings revealed that Dangote has introduced some new brands into the markets including salts, sugar and flour. The study also revealed that these new brand introductions have significantly increased customer satisfaction.

Based on the results of the empirical literature, we formulate our first hypothesis thus:

Ho_1: There is no positive and significant relationship between SMEs new brand introduction and customer satisfaction.

Brand Replacement and Customer Satisfaction

There are empirical evidences that support the relationship between brand replacement and customer satisfaction. For instance, Daragahi (2017) empirically examined the impact of innovation on customer satisfaction. The study focused on cosmetics producer in Tehran. The researcher adopted a descriptive survey design where data were collected from a sample of 387 cosmetics customers of ten (10) companies in Iran.

The data which was collected with the use of structured questionnaires were analyzed statistically using the descriptive statistics such as mean and standard deviation and inferential statistic like the regression analysis. The result showed that innovation is positively and significantly related to customer satisfaction. The study also revealed that brand replacement has a positive and significant relationship with customer satisfaction. Nemati, Khan and Iftikhar (2010) investigated the impact of innovation on customer satisfaction and brand loyalty.

Their study focused on how new brand introduction and brand improvement impact on the satisfaction of Mobile Phones users in Pakistan. The study adopted the descriptive research survey where data were collected from 300 mobile phone users living in Rawalpindi and Islamabad using questionnaires. After analyzing the data collected using regression analysis with the aid of SPSS, the study found out that innovation which takes the form of brand replacement has a significant relationship with customer satisfaction. In another study on brand innovation and customer satisfaction, it was reported that brand replacement contributes significantly in increasing the level of customer satisfaction (Chang, 2011).

Hussain, Munir and Siddiqui (2012) empirically examined impact of innovation in FMCG products on customer loyalty and satisfaction. Their study was carried out among some confectionary producer (English Biscuit Manufacturers) in Pakistan. The study adopted a descriptive survey and quantitative research approach where questionnaires were used for data collection. The Z-test analysis was used for data analysis. The findings showed that brand innovation is significantly related to customer satisfaction, customer loyalty and customer retention. The study further revealed that brand replacement has a significant positive relationship with customer satisfaction and loyalty. The study conducted by Chien (2013) also reported that brand replacement as a key dimension of brand innovation has a positive and significant effect on customer satisfaction. Based on these empirical results, we developed our third hypothesis thus:

Ho$_{2}$: There is no positive and significant relationship between brand replacement and customer satisfaction.

Based on the formulated hypotheses, we develop our conceptual framework as shown in figure 1 below:

Fig.1: Conceptual Framework

Source: Author's Conceptualization

METHODOLOGY

The study adopted the descriptive survey and quantitative research approach where data were collected from the sample of the study population. The population of the study consisted of small and medium sized entrepreneurs in the manufacturing sector in Nigeria. A sample of 320 entrepreneurs and marketers was drawn from the food and beverage sub-sector whose businesses are situated in the South-South Geopolitical Zone of Nigeria. Specifically, the 320 entrepreneurs and marketers were drawn from six states in the south-south region namely, Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers State. The stratified random sampling technique was used in the selection process of the sample from the six states in the region.

The instrument used for data collection was a structured questionnaire which was designed to elicit data on the study variables. The questionnaire was structured on a four (4) points Likert scale type such as Strongly Agree, Agree, Disagree and Strongly Disagree. Numerical values were used to rate each of the scales. The questionnaire which incorporated the study variables was validated by some research experts while the reliability of the instrument was determined using the test-retest method. A reliability index of 0.91 was obtained which implies that the instrument is very reliable. Three hundred and twenty (320) copies of questionnaire were administered to the respondents across the six states in the south-south geopolitical zone with the aid of six trained research assistants. Out of the 320 questionnaires distributed, 295 copies were retrieved which represents 92%. The data collected were analyzed statistically using inferential statistics such as the Pearson Product Moment Correlation. The Pearson Product Moment Coefficient of Correlation was computed with the aid of a computer software program known as SPSS windows 21.0 version. The result of the SPSS analysis was used to provide answers to the hypotheses.

RESULTS AND DISCUSSION

Results

The results of this study were generated from the SPSS output. The SPSS window 21.0 version was used to correlate each dimension of brand innovation (new brand introduction, brand improvement, brand replacement, brand repositioning) to customer satisfaction. This program was used to find out if there is any relationship between the dimensions of brand innovation and customer satisfaction. The results of the correlation are presented in the tables below:

Table 1: Correlation between New Brand Introduction and Customer Satisfaction

			New Brand Introduction	Customer Satisfaction
Pearson's (r)	New Brand Introduction	Correlation Coefficient	1.000	.746*
		Sig. (2 tailed)	.	.001
		N	295	295
	Customer Satisfaction	Correlation Coefficient	.746*	1.000
		Sig. (2 tailed)	.001	.

		N	295	295

****Correlation is significant at 0.01 levels (2 tailed)**
***Correlation is significant at 0.05 levels (2 tailed)**
Source: SPSS Generated Output

Table 1 presents the result of the correlation between new brand introduction and customer satisfaction. The result shows that new brand introduction is positively correlated to customer satisfaction (r = .746*) and the symbol * indicates that the relationship between the two variables is significant at 0.05 level. As a result of this, we then reject the null hypothesis and accept the alternate hypothesis which states that there is positive and significant relationship between SMEs new brand introduction and customer satisfaction.

Table 2: Correlation between Brand Replacement and Customer Satisfaction

			Brand Replacement	Customer Satisfaction
Pearson's (r)	Brand Replacement	Correlation Coefficient Sig. (2 tailed) N	1.000 . 295	.853* .003 295
	Customer Satisfaction	Correlation Coefficient Sig. (2 tailed) N	.853* .003 295	1.000 . 295

****Correlation is significant at 0.01 levels (2 tailed)**
***Correlation is significant at 0.05 levels (2 tailed)**
Source: SPSS Generated Output

Table 3 contains the result of the SPSS correlation analysis between brand replacement and customer satisfaction. The result signifies that brand replacement and customer satisfaction have a positive relationship (r = .853*) and the symbol * indicates that the relationship between the two variables is significant at 0.05 level. As a result of this, the null hypothesis is rejected and the alternate hypothesis is accepted. This implies that there is positive and significant relationship between brand replacement and customer satisfaction.

Discussion of Findings

Based on the result of the analysis carried out, it was discovered that new brand introduction has a positive and significant relationship with customer satisfaction. This finding was derived from the result of the SPSS correlation analysis carried out on the first hypothesis. The result indicates that new brand introduction is positively correlated to customer satisfaction (r = .746*) and that this relationship is significant at 0.05 level. Consequently, the null hypothesis was rejected and the alternate hypothesis was accepted. This means that there is positive and significant relationship between new brand introduction and customer satisfaction.

This finding is supported by Martisiutes, Vilutyte and Grundey (2010), Jibril and Odua (2013), Khan and Kongar (2014) and Pappu and Quester (2016) as their studies found a significant positive relationship between new brand introduction and customer satisfaction. The implication of this finding for small and medium scale enterprises is that if these firms introduce or launch a new brand with unique attributes and functionality into the food and beverage market, it will excite customers and increase their level of satisfaction. This will constitutes a threat to the brands of their competitors.

This study equally found a significant relationship between brand replacement and customer satisfaction. This finding emerged from the result of the SPSS analysis carried out on the third hypothesis. The result of the SPSS analysis shows that brand replacement is positively related to customer satisfaction (r = .853*) and that this relationship is significant at 0.05 level. As a result of this, the null hypothesis was rejected and the alternate hypothesis was accepted. This implies that there is positive and significant relationship between brand replacement and customer satisfaction.

This finding is supported by Hussain, Munir & Siddiqui (2012), Nemati, Khan & Iftikhar (2010) and Daragahi (2017) as they all found a significant positive relationship between brand replacement and customer satisfaction. This signifies that there is general consensus that brand replacement has a positive impact on customer satisfaction. The implication of this finding for small and medium scale enterprises is that if these enterprises develop a new and innovative brand to replace the existing brands in the market, they will satisfy the needs of customers better than their larger rivals since the new brand will provide some additional value to customers as a result of its unique features and functionality. In other words, if SMEs in the food and beverage industry launched a new and innovative brand into the market, it will render the brands of their larger rivals obsolete and their new brand will replace the existing brands of their larger rivals which will entice customers and increase their level of satisfaction.

CONCLUSION AND RECOMMENDATIONS

Based on the results of analysis carried out, it is evident that brand innovation has a positive relationship with customer satisfaction. The empirical results indicated that new brand introduction has a positive and significant relationship with customer satisfaction. A significant relationship was also found between brand replacement and customer satisfaction. Based on these findings, it was concluded that brand innovation is positively and significantly related to customer satisfaction. The implication of these findings for small and medium scale enterprises in the food and beverage sector is that as long as these firms continue to innovate their brands in line with consumers' changing needs and preferences, they will be able to successfully satisfy the needs of their customers and compete favourably with the brands of their rivals. In line with this belief, the following recommendations are made:

- That, manufacturing SMEs in Nigeria particularly those in the food and beverage industry should embrace brand innovation as it would help to achieve customer satisfaction.
- That, Nigerian SMEs in the food and beverage industry should come up with new brand with unique features and functionality as this will entice customers and increase their level of satisfaction.

- That, manufacturing SMEs in the food and beverage industry should continuously improve their brand in line with the changing needs and preferences of consumers as this would enhance satisfy customers needs better than their larger rivals.
- That, SMEs in the food and beverage industry should introduce new and innovative brand that will replace the existing brands of their larger rivals as this would excite customers and increase their level of satisfaction.
- Finally, it is recommended that manufacturing SMEs in the food and beverage sector particularly those whose brands have lost its place in the market should make adequate innovative efforts to reposition their brand as this would enhance customer satisfaction.

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