AALBORG UNIVERSITY

Master Thesis Topic:

Evaluating the Effect of Innovation Strategies on the Growth of Multinational Corporation in a Sub-Saharan African Region – Ghana

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CHAPTER ONE
INTRODUCTION

1.1 Background of the study

In the current business environment, innovation is regarded as a vital source of competitive advantage. In the opinion of Karabulut, (2015), although innovation is a risky choice, businesses that succeed in the long term take such risks to achieve high growth. firms that demonstrate proactivity quickly identify existing and emerging market opportunities and innovate. This grants them a competitive advantage and allows them to remain the leaders of their respective markets. According to Osuga (2016), innovation reflects how businesses execute their production processes, adopt new business processes and novel supply chains, and explore and exploit new markets. Per Hajar (2015), a firm's ability to gain and maintain a competitive advantage is dependent on its ability to innovate. For Maier, (2018b), Costin (2010), and Curtean (2013) innovation represents being open to ideas that inform the production of products and product improvement, as against being seen as a business strategy.

As an important aspect of business growth strategy, innovation has a sizeable impact on the financial performance of firms. Primarily innovation can be categorized into four strategic categories. These are process innovation, organizational innovation, product innovation, and marketing innovation (OECD, 2017). These categorizations of strategic innovation play a major role in the long-term success of firms and make firms that rely on the concept more successful than those that do not. Whilst it allows Multinational corporations to create sustainable value, innovation also poses a challenge for them. This is because most MNCs fail to articulate innovation strategies specific to the region, develop policies that enhances innovation activities and create a welcoming business environment suitable to the region (Maher et al., 2021). For such corporations, innovation is responsible for determining and meeting customer needs, customer engagements, marketing channels, and the rules of engagement of the market (OECD, 2017).

In an attempt to improve their innovation activities, globally, multinational corporations have invested in adopting new technology, research activities, and various technical and non-technical innovation factors to ensure the growth and sustainability of their business. In the view of Jin &

Choi (2019) and Ferdausy & Rahman (2009), the fourth industrial revolution has seen the introduction of diverse technologies to assist the business operations of MNCs. Particularly for those in Africa, since the 1970's their ability to innovate has received a mixed reaction from professionals and academics (Cantwell et al., 2010).

International firms operating in the region are realizing that whilst their business operations are growing, they are faced with the challenge of their brands dominating the African market. For example, Nölke (2014) indicates that the dominance of local players and their ability to be effective at securing business coupled with their established positions in indigenous homes in the African markets makes it difficult for MNCs to compete and take market share. MNCs are compelled to focus on emerging markets and invest their resources into meeting the needs of such markets through the use of tailor-made products. Based on this, this study intends to assess the innovation strategies of MNCs in Africa.

The subject of innovation has been the focus of many business studies all over several parts of the world. Yet still, findings on the innovative strategies of MNCs in the Sub-Sahara Africa Region are inadequately represented in such texts. Suppositions made on the subject of the aforementioned location have to be verified empirically given research results may appear contradictory when examined from other empirical viewpoints despite prior research findings purporting a particular conclusion. Previous studies on the subject have demonstrated that innovation improves the performance of firms (Hadiyati, 2011; Atalay et al. 2013; Rosenbusch, 2011; Price, 2013; Welsch et al., 2013; Rosli & Sidek). For researchers like Ardyan & Putri(2015) and Loof et al. (2003) product innovation in particular has no impact on the performance of a business, whilst marketing, process, and organizational innovation do. Hamali, & Hidayat (2017) also indicate that process innovation, organizational innovation, and marketing innovation positively impact firm performance. Considering this, research must be conducted on the discrepancies in the nexus between the dimensions of innovation and business growth. it is also essential that an acceptable understanding of the relationship between the various innovation strategies and business growth is established for the case of both small and large businesses. This study seeks to examine how innovation strategies impact the business growth of MNCs in Ghana (a Sub-Saharan African country).

1.2 Problem formulation and research questions

Short product life cycles as a result of changes in the business environment make it challenging for businesses to sustain a competitive advantage. However, since a number of empirical studies have discovered a positive relationship between innovation and business growth (Curado et al., 2018; Bloch & Bhattacharya, 2016; Geldes & Felzensztein, 2013), companies that are constantly innovating have a higher likelihood of surviving. According to the literature, innovations have a revolutionary impact on operational effectiveness, which boosts business growth. Nevertheless, despite all the advantages, innovations have presented businesses with numerous difficulties. Innovation projects frequently fail, and innovators who are successful struggle to maintain their performance. Additionally, numerous studies have discovered that innovations negatively impact performance indicators (Guisado-González et al., 2013). While other researchers (Fernando & Dharmastuti, 2021; Karabulut, 2015) contend that the influence is industry-specific. This study's inconsistent findings and differing opinions from authors in various nations are primarily attributable to the lack of a thorough examination of the relationship between the various innovations and the performance indicators they affect. These discrepancies, however, have not been addressed by earlier research. As a result, the current research has determined that there is a gap in the evidence supporting the findings of the earlier studies. First, the current study provides a thorough analysis of numerous variables related to innovations strategies and resolves contradictions by using MNCs from Ghana (a region of Sub-Saharan Africa).

Taken for granted that innovation leads to good business performance is problematic. This notion is very misleading when it comes to MNCs in sub-Saharan countries. The reasons are that multinational corporations (MNCs) do not develop regionally specific innovation strategies, policies that support innovation activities in Africa, or adaptable business environments (Maher et al., 2021). The lack of infrastructure, cultural barriers, and the inability to act on signals that are critical to the future of the business continue to be obstacles to innovation in Africa. The culture of big businesses is typically built on a foundation of operational excellence and predictable growth, which explains why (Guisado-González et al., 2013). Changemakers adopting environmental business changes are mostly close to impossible in MNCs. At times, changing the culture at established MNCs or organizations can feel like trying to enter an art gallery and make a few minor adjustments to the marble statues: no one wants you to do it, and almost anything you do will elicit a strong response.

Businesses frequently fail to match their internal beliefs with their external market. Acting on those signals is the issue. Too many businesses put off dealing with their market's changing dynamics until the annual strategic off-site (Karabulut, 2015). If businesses want to create new innovation processes or even new categories of products, they must adopt new technologies. Knowing what problems the company currently solves and anticipating what problems you might be solving in the future can help MNCs stay innovative as consumer preferences and market trends change. MNCs need to see change and innovation as opportunities rather than threats if they want to continue to be innovative. After all, the majority of consumers prefer it when businesses introduce new products, according to OECD (2017). One of the worst innovation mistakes MNCs can make is failing to understand a market. And most MNCs don't even acknowledge failure until after the product has hit the market. Hence, the questions, "what is the effect of product/service innovation strategies on the growth of multinational companies in Ghana?" "what is the effect of technological innovation strategies on the growth of multinational companies in Ghana and "what is the effect of market innovation strategies on the growth of multinational companies in Ghana?".

The study aims to evaluate the effect of innovation strategies on the growth of certain multinational companies in Ghana (A Sub-Saharan African Region). The study measures innovation strategies using marketing, technological, and product/ service strategies as the dimensions. The primary focus of the study is to examine the effect of innovation strategies on the growth of selected MNCs in Ghana. Marketing, technological, and product and service strategies were used as the dimensions for measuring innovation. The reason for selecting Ghana is because its economy experiencing fast growth as per IMF (2019). MNCs operating in the country make a significant contribution to the growth of the national economy, with various regional businesses having developed into global corporations. Also, most of these MNCs have originated in Europe and America. These make Ghana a suitable scope for the study.

Hence, there appears to exists an empirical gap in the existing literature on the subject innovation and business growth, particularly concerning Sub-Saharan Africa. This empirical gap is worth investigating in the context of innovation strategies for firm performance and growth literature. The relevance of such an investigation is due to its ability to suggest empirical findings to support the advancement of innovation strategies in Africa. In addition, the absence of extensive literature on innovation in MNCs in literature supposes a population gap. Further, other unexplored

dimensions of innovation strategies have attracted research attention in other disciplines. The purpose of this study, therefore, is to assess the effect of the dimensions of innovation strategies on the growth of selected MNCs in Ghana. The ability of this study to expand knowledge on the topic, and present new perspectives and ideas that can usher scholarly interests and endeavors in the area of innovation strategies are the primary benefits. The final output of this report will serve as an important reference for academics interested in the subject. By including multiple dimensions of innovation strategies in the study, the various contradictions in the literature on innovation and innovation strategies and business growth. by testing the nexus between variables, significant insights can be obtained and added to existing literature to advance knowledge on the subject area. Also, the study will contribute to the exiting discussion on innovations and growth of multinational corporations. Growth is necessary for a business to survive over the long term. It makes it easier to find talent, finance investments, and acquire assets. It also fuels business performance and profit. Business expansion is essential because it ensures a company's sustainability.

1.3 Thesis Structure

There are five chapters in this research project. The study's background, the problem statement outlining the topics to be covered, the research objectives and questions, and the study's significance are all covered in the first chapter, which is the introduction. The second chapter details a review of relevant literature concerned with the study. this chapter is subdivided into two subsections; the conceptual review where the relevant concepts to the study are discussed, and the theoretical review where the relevant theories to be applied to the study are discussed. The third chapter discusses the research methodology to be applied to the study. under this section, the research design, research approach, research method, study population, sample size, sampling technique, data collection, and analysis techniques, and the ethical considerations for the study are discussed in this section. In the fourth chapter, the findings of the study are presented and discussed in detail to validate the set objectives of the study. The fifth chapter presents a summary of the findings of the study in relation to the objectives of the study, the conclusion of the study, and recommendations for the study.

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CHAPTER TWO
LITERATURE REVIEW

The literature review chapter is divided into five sections, each of which is described below. The first section examines the various dimensions of innovation strategies through a conceptual review. Section 2.2 discusses business growth and its indicators based on a review of the literature. The theoretical review of the study is presented in Section 2.3, which discusses the Resource-based view theory and its relevance to the study. Section 2.4 establishes the relationships between the study variables and provides empirical support from the literature. Finally, Section 2.5 outlines the conceptual framework and hypotheses development.

2.1 Multinational Corporations' (MNCs)

MNCs do not have an accepted definition that applies to all people, like most concepts in the humanities and social sciences. Some people define it specifically as the ownership and operational control given by any company that has significant investments abroad and actively manages such foreign companies (Amusan, 2018). An MNC is a coordinated system or network of cross-border activities, some of which are carried out through informal social ties or contractual relationships and others of which are carried out within the firm's organisational hierarchy, according to the definitions of Amusan (2018) and Cantwell et al. (2010). Thus, the totality of all of an MNC's value-creating activities that it has significant control over, rather than just the size of its foreign production facilities, defines an MNC. These activities could include production, marketing, and distribution tasks as well as the sourcing of a variety of intermediate inputs from abroad, such as knowledge (Coetzee et al., 2020).

Mac-Dermott & Mornah (2015), who define an MNC as a company that engages in foreign direct investment (FDI) and owns or otherwise has control over value-added holdings in more than one country, share the same point of view. Hennart (2013) claims that an MNC is a privately-owned organisation built to manage employment contracts between people living in various countries. Multinational corporations are described by Kogut and Zander (2003) as economic entities that branch out from their national roots to cross international borders. According to a report by the International Labour Organisation (ILO) from 2010, "The essential nature of a multinational

company lies in the fact that its managerial headquarter is located in one country while the company also conducts operations in a number of other countries."

There are two main positions that can be taken in response to these differences of opinion: the positive and the negative. Some proponents have developed arguments that highlight the advantages of foreign direct investment (FDI) by MNCs. They are willing to accept some of the advantages of FDI (Coetzee et al., 2020). However, some people will never accept that multinational capital can play a positive role. MNCs have different functions in various nations. In some countries, it is comparatively unimportant, whereas it is essential in others. The case for FDI is made by emphasising its overall benefits (Amusan, 2018). The negative case that emerged from the radical and dependency analyses focuses on the negative effects of foreign firms (Coetzee et a., 2020). Economic growth, industrialization based on exports, capital formation, technology/R&D, job creation, and increased competence and skill are listed as the positive effects. Those who contend that MNC investment has a net negative impact on host countries can contest this assertion about the positive role of MNCs. Multinational corporations' detractors have refuted this positive interpretation of their role. The following are discussions of the detrimental effects of MNCs: They undermine autonomous development, result in a loss of capital, abuse workers, damage the environment, support tax evasion and organised crime, and endanger people's health and safety (Humphreys et al., 2018).

2.2 Motives of outward foreign direct investment (OFDI)

In the developing world, foreign direct investment (FDI) is a crucial component of national development strategies. A greater and more deliberate use of outbound FDI is being made today to access markets and resources abroad, whereas historically strategies have only concentrated on the role of inward flows (UNCTAD, 2020). An extensive framework for analysing OFDI from emerging economies is proposed in this introduction. It shows how the role of FDI in development has changed over time and gives an overview of the conceptual and institutional frameworks within which the current wave of OFDI operates. Three distinct development paradigms with various FDI roles have emerged as a result of interactions between theories of development and FDI, the role of government, and the environment of trade policy (Buckley et al., 2018).

Direct investment is the process by which a resident entity of one economy (the direct investor) seeks to acquire a long-term interest in a business based in another economy (the direct investment enterprise), according to definitions provided by the IMF (2017) and OECD (2015). "Lasting interest" refers to a long-term relationship between the direct investor and the business, as well as substantial management influence. All subsequent capital transactions between them and among affiliated enterprises, both incorporated and unincorporated, as well as the initial transaction that establishes the connection between the investor and the enterprise are all regarded as direct investments (Luo et al., 2020). It should be noted that no-settlement capital transactions ought to be avoided.

Depending on the specific objectives and business strategies of the investing companies, the reasons for outward foreign direct investment (OFDI) can change (Buckley et al., 2018). Gaining access to Ghana's plentiful natural resources or raw materials is one of the main drivers of OFDI. To support their production processes or to take advantage of lucrative opportunities in the resource sector, businesses may invest in Ghana to ensure a consistent supply of resources like oil, gold, cocoa, timber, or minerals. The importance of resource-seeking motivations for OFDI in Ghana is highlighted by research. Natural resources like oil, gold, cocoa, and timber are abundant in Ghana. To gain access to these resources, guarantee a steady supply, and take advantage of the lucrative opportunities in the resource sector, many foreign businesses invest in Ghana (Amankwah-Amoah, 2018; Osei et al., 2020).

One of the main motives behind OFDI is market-seeking. In order to increase their customer base, gain access to new markets with greater growth potential, and benefit from opportune market conditions, businesses invest in foreign markets (Dunning, 1993; UNCTAD, 2020). Foreign investors looking for market opportunities have been drawn to Ghana because of its expanding middle class and growing population. Studies highlight the significance of profit-seeking motivations as businesses invest in Ghana to reach the domestic market and capitalise on rising consumer demand for a range of goods and services (Asiedu, 2019; Owusu-Ansah et al., 2020). Resource-seeking motivations are a major factor in OFDI, especially in sectors that depend on natural resources. To ensure access to the raw materials, energy, or other inputs required for production, businesses make investments in nations with abundant natural resources (Dunning, 1993; Buckley et al., 2018).

The importance of resource-seeking motivations for OFDI in Ghana is highlighted by research. Natural resources like oil, gold, cocoa, and timber are abundant in Ghana. To access these resources, ensure a steady supply, and take advantage of the lucrative opportunities in the resource sector, many foreign businesses invest in Ghana (Amankwah-Amoah, 2018; Osei et al., 2020). Companies investing in foreign markets do so for the purpose of acquiring strategic assets, like technology, brands, intellectual property, or distribution networks. Access to or control over vital resources that boost competitiveness is achieved through OFDI (Dunning & Lundan, 2008; Luo et al., 2020). OFDI is frequently motivated by the desire to spread out the risks connected to doing business in a single market. Businesses make investments across borders to lessen their exposure to market-specific risks like economic volatility, regulatory changes, or political unrest (Dunning & Lundan, 2008; Meyer et al., 2009).

As businesses invest in Ghana to lower the risks associated with operating in a single market, diversification and risk mitigation goals are highlighted. Companies can reduce risks associated with economic downturns, political unrest, or regulatory changes by expanding operations to Ghana (Amoako-Gyampah & Acquaah, 2018; Asiedu, 2019). Companies invest in nations with advanced research and development (R&D) capabilities or thriving innovation ecosystems for knowledge-seeking reasons. Companies look for opportunities to access knowledge spillovers, work with regional research institutions, or access local knowledge (Cantwell & Mudambi, 2011; Gammeltoft & Filatotchev, 2018). Motives for technology transfer and knowledge acquisition: According to research, foreign businesses invest in Ghana to gain access to local knowledge, expertise, and technology. Foreign businesses can acquire specialised knowledge or technologies that strengthen their competitive advantage by working with local partners or investing in research and development facilities (Owusu-Ansah et al., 2020; Osei et al., 2021).

2.3 Definition of Innovation

According to Love & Roper (2015), innovation involves applying a new organizational strategy to work procedures, workplace structure, or external relations. On the other hand, Zhang et al. (2013) define innovation as the process of converting an idea or discovery into a product or service that adds value and satisfies customers' needs and expectations. Similarly, Gunday et al. (2011) describe innovation as the development, application, and utilization of novel, value-added ideas in

the business and manufacturing sectors, as well as the renewal and expansion of products and services. While there is no universally accepted definition of innovation, Love & Roper (2015), Zhang et al., (2013) and Gunday et al. (2011) offer different interpretations that relate to the application of new organizational strategies, meeting and exceeding customer needs and expectations, and developing and utilizing novel ideas.

In accordance with Lumpkin and Dess (1996), innovation refers to the tendency for experimentation and imaginative thinking that can result in the creation of novel goods, services, or technological advancements. Despite its widespread usage, innovation remains a challenging concept to define. Several crucial aspects must be considered when discussing innovation. Innovation has been defined differently by various scholars over time. According to Schumpeter (1939), it is the development of a new production function. Initially, the focus of innovation was centered on improving production through the transfer of innovative capabilities. However, Thwaites and Wynarczyk (1996) contend that innovation should be considered as a significant technological advancement within a particular industrial context. Tidd et al. (2001), on the other hand, contend that innovation has two dimensions, namely degree and change. Innovation was defined by Schumpeter (1939) as the invention of a new production function. The transfer of innovative capabilities to enhance production was at the core of the definition of innovation. On the other hand, Thwaites and Wynarczyk (1996) redefined innovation as a significant technological advance within a specific industrial context. Additionally, Tidd et al. (2001) proposed a two-dimensional framework for innovation that encompasses change and degree.

In the analysis of innovation, there are numerous conflicting definitions, depending on the typology or dimension being considered. According to Škerlavaj et al. (2010), innovation can be categorized as technical (product and service) or administrative (process) innovation. Meanwhile, the primary dichotomy in organizational innovation typology, it is between radical and incremental innovation (Ettlie et al. 1984), while Abernathy and Utterback (1978) categorized innovation as either product or process innovation. According to Damanpour (1991), innovation is the adoption of a newly developed or acquired device, system, policy, programme, process, product, or service that is novel to the adopting organisation. The term novelty or newness is frequently used to define innovation across many disciplines. A person, project team, organisational unit, organisation, industry, or a larger social system may be the unit of adoption, depending on the level of analysis.

The relative unit of adoption explains the distinctions between innovation and ideas like creativity, invention, organisational change, and technological advancement. Innovation is defined in the current study as the introduction of a new good, service, or method to the outside market or the introduction of a new tool, system, procedure, or methodology in one or more internal units (Walker et al., 2011).

Innovation is an organization's response to external or internal changes that arise from competitive or institutional factors. In this regard, organizations may either generate or adopt innovation. Innovation is a process that leads to the creation of a new product, service, technology, or practice, which an organization may either use internally or supply to the market. In contrast, the adoption of innovation involves acquiring and utilizing new products, policies, or practices within an organization. Assimilation of the new programme into the organization's activities and operations is the result of the adoption process (Wolfe, 1994; Damanpour & Wischnevsky, 2006; Walker, 2008). Adopting and generating innovation can lead to favorable performance outcomes. According to Hurley and Hult (1998), innovation is a vital aspect of an organization's culture and its willingness to embrace new ideas. They suggest that the ability to innovate refers to an organization's capacity to successfully implement new products, processes, or ideas. According to Lundvall (1985), innovation results from the accumulation of knowledge and experience and can take the form of a technological change that is more gradual or a rise in technological opportunities. Innovativeness, as a whole, encompasses all types of innovation activities that an organization implements, including both radical and incremental changes from all typologies (Utterback 1996; Tidd et al. 2005). Overall, innovation is a dynamic and complex concept that organizations need to consider from multiple dimensions and typologies.

According to Miller (2001), many firms seek technological innovation as a means of gaining a competitive advantage in their market. Therefore, the success of such efforts requires support from both marketing and organizational measures. However, organizational and marketing innovations are often overlooked by researchers, even though they are equally important for a firm's growth and effective operation. Although there aren't many studies that specifically address organisational and marketing innovations' capacity for innovation, those that have been done have demonstrated that firms that prioritise management techniques (Baldwin and Johnson, 1996) perform better over the long term (Han et al., 1998; Ravichandran, 2000; Hult and Ketchen, 2001; Guan and Ma,

2003). According to studies by Wolff and Pett (2004) and Walker (2004), the influence of product and process innovations on firm performance has been examined, revealing that particular product advancements are connected to firm expansion. Gopalakrishnan (2000) extends the discussion by emphasizing that innovation speed and magnitude are also critical components of innovativeness that have a positive impact on firm performance.

Innovation refers to the generation, development, and execution of new ideas that add value to goods, services, processes, marketing, delivery systems, and policies, not only for the organization but also for stakeholders. Its aim is to improve the internal business structure and processes, and create goods and services demanded by the market. It encompasses new product and method development that leads to a significant change from the previous state. Innovation is a multidimensional and multi-sourced process that results from the interaction between individuals and organizations. Some scholars measure innovation performance by evaluating how far a new product achieves its financial and sales target. In this study, innovation strategy refers to the act of implementing creative ideas to make a specific and tangible difference in the domain in which the innovation occurs. (Gupta et al. 2007; Anderson et al. 2014; Schumpeter 1934; Müller et al. 2009; du Plessis 2007; Yuan et al. 2013; OECD 2005; Suroso and Azis 2015; Rijsdijk et al. 2011; Ngugi & Karina, 2013)

2.4 Types of Innovations

2.4.1 Technological innovation

Innovation involving technology refers to the introduction of new products, services, and processes that are related to technology, in order to combine new inputs to produce new or improved products or services (Rogers, 1998). Technological innovation can be defined as the process of developing and commercializing new ideas, and it involves manufacturing essential organizational technology products and services (Jin & Choi, 2019). The term "technological innovation" in the current study refers to the creation of new things and/or new ways of doing things that can be turned into functional tools and applications to help organisations and/or adopters take advantage of significant opportunities and address issues or environmental threats (Coccia, 2021).

According to Rogers (1995), the terms "innovation" and "technology" are often used interchangeably. Rogers views technology as a tool for achieving a desired outcome by reducing

uncertainty in cause-and-effect relationships. According to Panda and Ramanathan (1996), technologies are made up of a hardware aspect, which is the physical embodiment of the technology, and a software aspect, which comprises the information base required to operate the tool. Technological capabilities, which are functional abilities that contribute to firm performance through various technological activities, aim to develop hard-to-copy organizational capabilities to manage firm-level value. Technological innovation, as Rothwell (1977) argues, is a complex process that involves technical, social, and economic aspects and interactions within and outside the organization. Understanding these multiple dimensions of innovation is essential for identifying different management strategies.

Recently, Burgelman et al. (2004) proposed a more comprehensive definition of Technological Innovation Capabilities (TICs) as a complete set of organizational characteristics that support and encourage an organization's technological innovation strategies. According to Yam et al. (2004), successful technological innovation depends on a variety of essential skills in addition to technical know-how, including manufacturing, marketing, organisation, strategic planning, learning, and resource allocation. An examination of technological innovation management procedures could aid businesses in strengthening their procedures and give management useful data regarding the present and desired levels of TICs, which are essential for gaining and maintaining a competitive advantage.

2.4.2 Marketing innovation

In addition to influencing the development of industries in a market economy, marketing innovations also have a big impact. These innovations entail the creation of new marketing tools and techniques that enable businesses to gather consumer data and implement pricing strategies that were previously impractical. Contrary to product or process innovation, marketing innovation has not received the attention it merits in the economics literature. Marketing innovation is defined by Sandvik (2003), Achrol (2003), Zhao (2007), and Laforet (2011) as significant changes to product design and packaging, product distribution and promotion, branding, selling strategies, pricing considerations, and presentation techniques, as well as the creation of new markets.

Marketing innovation, according to the Oslo Manual (OECD, 2017), is the use of fresh marketing strategies that involve substantial adjustments to product placement, pricing, promotion, or design.

The implementation of marketing innovation can lead to expansion of markets, meeting customer needs, and repositioning products to boost sales.

Marketing innovation, as defined by Ungerman et al. (2018), includes new sales and marketing strategies, while Gupta et al. (2016) suggest that it encompasses new services, production methods, and product performance. Marketing methods such as product pricing techniques and promotional activities are crucial to revenue and profit, as they reflect market reality and communicate the benefits of a product to the target markets. According to Ungerman et al. (2018), marketing innovation is a non-technological innovation that firms adopt to increase efficiency, while Chen et al. (2018) suggest that marketing innovation involves the development of new methods, techniques, and tools for marketing. Such innovations have a significant role in organizational success, as they aim to increase marketing efficiency and effectiveness, gain competitive advantage, and increase the value of actions (Tavassoli & Karlsson, 2015). Marketing innovations are crucial to the evolution of industries and can lead to expanded markets, meeting customer needs, and repositioning products to boost sales. While marketing innovation has received less attention in the economics literature than product or process innovation, it is just as important to firms seeking to achieve and sustain competitive advantage.

2.4.3 Product/ service innovation

Innovation is crucial for organizational growth and success. Hill and Jones (2013) describe process innovation as the development of new methods for producing and delivering products to customers. Bstieler et al. (2018) define product innovation as the creation of new or significantly altered products with respect to their characteristics or intended uses, which are made available to potential users. It is significant to note the connection between innovations in products and processes. Production or delivery innovation can result from the adoption of a new or significantly altered production or delivery process that requires significant changes in inputs, infrastructure, and techniques (Hill & Jones, 2013).

In contemporary business, the introduction of new products or the enhancement of existing ones is an essential component of product innovation (Chang et al., 2012). The central objective of product innovation is to improve the value delivered by a product, often through modifications to the product's design or features, leading to enhanced efficiency (OECD, 2005; Polder et al., 2010).

The application of new technologies and knowledge or a combination of existing technologies and knowledge is typically necessary to achieve product innovation (Gunday et al., 2011). The achievement of product innovation, however, is often challenging, as it is influenced by changes in customer needs, advancements in technology, increased international competition, and shorter product life cycles (Gunday et al., 2011). Therefore, product innovation is an ongoing cross-functional process that requires capabilities both within and outside the organization (Ottenbacher & Harrington, 2009). Implementing product innovation helps manufacturers maintain a competitive product portfolio and achieve a competitive advantage. However, product innovation is a costly and risky undertaking with low success rates, leading to many projects being terminated midway during the development cycle (Cormican & O'Sullivan, 2004).

Product innovation must involve substantial interactions with the organisation as a whole as well as with customers and suppliers in order to achieve organisational goals (Gunday et al., 2011). Bstieler et al. (2018) offer a definition of product innovation as a significant alteration to a product's characteristics or intended uses, made available to potential users. The author also highlights the connection that naturally exists between product and process innovations, referring to production or delivery innovation resulting from the adoption of a new or significantly altered production or delivery process, including significant alterations to inputs, institutional unit infrastructure, and techniques.

Dentchev et al. (2016) posit that the innovation process includes various phases of a product's life cycle, ranging from its inception and development to its market introduction and eventual diffusion. The creative phase is distinct from the invention and development of a product that is ready for sale and involves the emergence and combination of ideas. Innovations can follow linear processes, be planned, take place in open or closed environments, and interact with the environment depending on factors like decision-making processes and relationships with the environment. Currently, there is a trend towards enhancing the social and economic value of products by applying innovative concepts, which is the central idea behind businesses' "value proposition." This interactive process involves various actors and settings, including firms, public spin-offs, social enterprises, and social start-ups (Dodgson, 2018).

The contribution of services to employment and output in economic growth is widely recognized, however, research into innovation in service sectors has not been given the same level of attention

as innovation in manufacturing (Farhang et al., 2018). Innovation in service sectors may be less formally organized, more incremental, and less technological than in manufacturing (Hullova et al., 2016). In general, the provision of services involves devising a solution to a problem, such as providing treatment or performing an operation, rather than supplying a tangible product. Services are usually intangible combinations of procedures, skills, and materials (Jafari, 2014). Services innovation covers a diverse range of activities, such as education, healthcare, information, transport and logistics, food among others.

2.5 Business Growth

Companies with innovative activities must ultimately lead to better business growth than companies without innovative strategies. Measuring MNCs growth involves various concepts, including an increase in size or quality resulting from a development process that leads to changes in the characteristics of the growing object (Penrose, 1959). Several indicators that can be divided into four groups—business outcomes, business outputs, capacity, and qualitative indicators—can be used to gauge the growth of MNCs. Sales per employee, export per employee, sales growth rates, total assets, total employment, operation profit ratio, and return on investment are some of the growth indicators listed above (Sirilli, 2001).

The objective of this research is to evaluate MNCs growth by examining market effectiveness, profitability, and innovation performance. Accounting measures of profit, specifically return on assets, have traditionally been utilized by researchers, including Staw and Epstein (2000) and Wan and Hoskisson (2003). Return on assets is calculated by dividing the annual profit or net income by the average assets over the year, with interest expenses and tax savings deducted from the numerator. This measure assesses an organization's long-term financial strength and operational efficiency, as noted by Van Dyck, Frese, Baer, and Sonnentag (2005). However, return on assets is not always the best measure since it favors specific industries. For instance, the banking and insurance sectors have substantial reserves that tend to understate the profitability of these organizations. Alternative measures such as total sales growth and market share are frequently used, as reported by Gong et al. (2009). Gong et al. (2009) also observed that productivity-related human resource systems, such as comprehensive training, performance-based pay, career planning, performance appraisal, and participation in decision-making, could enhance performance, as measured by similar indicators.

The present study examines the notion of MNCs growth, which is commonly understood to encompass market performance, innovation performance, and profitability. Several studies have offered their own definitions of innovation performance. In recent years, scholars have proposed various assessments to measure the innovative performance of firms. For example, Khalili et al. (2013) suggested an evaluation framework that considers new product or service development, innovations in work processes and methods, patented innovations, organizational adaptation to changing environments, early marketing of new products, and the percentage of new products in total production. On the one hand, Bajenescu (2017) defined innovative performance as the achievements of companies in generating new devices, products, processes, and systems through the creation of ideas, sketches, and models. On the other hand, Khalili et al. (2013) proposed that innovative performance is a combination of radical and incremental innovations, representing the two extremes of novelty in a product. Moreover, Gunday et al. (2011) posited that innovative performance comprises all of an organization's innovative accomplishments in various domains such as processes, products, and structure. In essence, innovative performance is a multifaceted concept that encompasses the creative outputs of companies in terms of products, processes, and systems, with novelty at the forefront of innovation.

A range of factors has been shown to influence innovative performance positively, according to various studies. To measure a firm's overall performance, it is essential to consider financial performance, which is the degree to which a firm can increase its sales, profits, and return on equity, all of which collectively reflect the well-being of the firm (Barnett & Salomon, 2006). For accounting purposes, it is essential to measure financial performance accurately, and most organisations place a high priority on doing so. The creation of strategic plans, monitoring the achievement of organisational goals, and paying managers are all based on performance measurement systems (Ittner and Larcker, 1998).

In highly competitive and uncertain environments, financial performance is essential to a company's survival. Indicators of a company's financial performance and general well-being include how well it grows its sales, profits, and return on equity (Barnett & Salomon, 2006). In the past, risk and return metrics as well as conventional accounting metrics were used to evaluate financial performance. Additionally, various methodologies, such as financial ratio analysis, benchmarking, and measuring performance against budget, have been employed to analyze

financial performance (Westphal, 2006; Wilkinson, 2003). Financial statements typically contain a range of financial ratios aimed at providing insights into the institution’s performance. These ratios help investors and other stakeholders assess the company's financial health and performance (Westphal, 2006; Wilkinson, 2003).

Market performance refers to the ultimate outcomes of a company's policies, including the relationship between selling prices and costs, production efficiency, output size, and innovative techniques and products. The performance of a firm is commonly measured by metrics such as sales revenue, profitability, market share, competitive advantage, customer satisfaction, and loyalty. Market performance, similar to financial performance, is a significant indicator that reflects a company's overall performance. For example, an increase in market share can demonstrate improved market performance, as it reflects a company's effectiveness and responsiveness to customers. Bosupeng (2018) confirmed that guanxi has a positive effect on market channels, which can lead to a company's market share growth by enhancing its effectiveness and responsiveness. Cooperative and coordinated behaviors in guanxi networks can also enhance financial performance and market share by sharing market information and benefits control (Chang, 2017).

Expanding market share can lead to increased profitability and operational scale for MNCs. This can be achieved through several strategies such as reducing prices, utilizing advertising, introducing new or different products, or targeting other audiences or demographics (Lopo et al., 2013). In mature or cyclical industries where growth is limited, changes in market share have a more significant impact on a company's performance. Conversely, changes in market share have less of an impact on companies in growth industries (Hermann et al., 2006). In these industries, total market size is expanding, allowing companies to increase sales even if they are losing market share. As such, sales growth and margins have a more significant effect on stock performance than other factors for companies in growth industries (Etale, 2016).

2.6 Effect of Innovation Strategies on Business Growth

In the present research, it is argued that innovation strategies have a positive impact on the growth of multinational corporations (MNCs) in Sub-Saharan Africa. The use of innovation strategies can help firms create new products and services, which are important for high performance and

profitability (Camisón & Villar-López, 2014). Innovation is an effective tool that any company can employ to achieve sustainable development, maintain its competitive advantage, and expand into new markets (Becheikh et al., 2006).

The study finds that both technology push and market pull innovation strategies are useful in enhancing innovation performance through the development of organizational competence from a strategic management perspective. Previous studies have also established a strong correlation between innovative practices and firm performance (Psomas et al., 2018). There is ample research on how innovation affects business expansion and performance. It is assumed that promoting innovation in businesses will lead to better economic performance, growth, job creation, and higher wages. Therefore, innovation strategy is considered a significant driver of business growth (Hervas-Oliver et al., 2018).

In the current business climate, innovation plays a crucial role in enabling firms to generate value and maintain a competitive edge in the ever-evolving landscape (Bilton & Cummings, 2009; Subramaniam & Youndt, 2005). Innovation increases potential value and introduces new intangible assets into the organisation by maximising the use of currently available resources and enhancing efficiency. According to Calantone, Cavusgil, and Zhao (2002) and Sadikoglu & Zehir (2010), businesses with a higher level of innovation are better at meeting customer needs and creating new capabilities that boost performance and profitability. Additionally, achieving operational efficiency and enhancing service quality depend on innovation (Hsueh & Tu, 2004; Parasuraman, 2010). As a result, academics have given the effect of innovation on firm performance a lot of attention (Clifton, Keast, Pickernell, & Senior, 2010; Jenny, 2005; Liao, Wang, Chuang, Shih, & Liu, 2010; Vaccaro et al., 2010).

Time-based competition has become a major concern in contemporary business organizations, as companies recognize the competitive threat posed by their competitors' quick response to new product development. As a result, firms are striving to introduce new products, services, or processes more rapidly (Boyd & Bresser, 2008; Smith, 2011). Robinson (1990) highlighted that companies that prioritize the speed of innovation can increase their market share in various industries. By developing, producing, and selling new products faster than competitors, a firm can create market segments associated with superior service quality and operational efficiency. This is because competitors do not have access to the knowledge contained in these innovations (Liao et

al., 2010). Therefore, innovation speed is crucial in launching new products with lower costs and times, ultimately improving performance (Tidd, Bessant, & Pavitt, 2005).

The relationship between innovation and business performance in service firms is different and more complicated compared to the manufacturing sector, as stated by Lin (2011). This is due to the nature of services which are intangible, perishable, inseparable, and variable. Scholars have attempted to analyze business performance using various financial and non-financial indicators, which may be subjective or objective. Over the last few decades, researchers have dedicated themselves to discovering the correlation between innovation and firm performance. Yıldız et al. (2014) argued that innovation has a favorable effect on business performance. According to Oke (2007), radical or incremental innovations have made a noteworthy contribution to firm performance. Regardless of the market upheaval in which the firm operates, innovation acts as a crucial determinant of business performance (Hurley et al., 2005). The innovation process is viewed as an efficient driver for enhancing the innovation and trade performance of the organization, according to Lendel & Varmus (2014).

2.6.1 Effect of Marketing innovation on Business Growth

In the realm of business, market innovation is a significant driver of companies' economic and financial success. This is due to the fact that it leads to increased customer satisfaction, loyalty, and perceived quality, which in turn results in higher sales and market shares in the short term. (Rubera & Kirca, 2012) In the long term, market innovation has an indirect impact on economic, marketing, and financial outcomes. Market innovation is essential in promoting companies' economic and financial performance. It is a means of generating new products, services, or processes that satisfy customers' needs and demands. This results in higher customer satisfaction and loyalty, which translates into increased sales and market shares for the company. (Rubera & Kirca, 2012) Through market innovation, companies can differentiate themselves from their competitors and improve their perceived quality.

Additionally, market innovation is essential to increasing business profits and improving competitiveness, especially in uncertain environments where markets and customer needs change rapidly (Campo et al., 2014). To remain competitive and increase performance, firms need to adopt market innovative strategies. Marketing innovation is an essential aspect of marketing as it is

directly related to firm performance. Researchers have shown an interest in the ability of marketing innovation to enhance firm performance (Pansera & Owen, 2018). Numerous scholars have established a positive relationship between marketing innovation and performance, arguing that marketing innovation is an indispensable element of a company's success (Manzini et al., 2017). Moreover, small and medium-sized enterprises (SMEs) consider marketing innovation as the cornerstone of competitiveness. For organizations to overcome any potential disadvantages, innovation is crucial (Lopes et al., 2017). By focusing on the development of current products and services to meet customers' needs and improve market performance, firms engage in market-based innovation. Thus, to enhance their performance, firms should introduce marketing innovation strategies (Krause & Schutte, 2016). Thus, the study proposes that:

H1: Marketing innovation strategies has a positive and significant influence on the growth of multinational companies in Ghana.

2.6.2 Effect of Product/ service innovation on Business Growth

Small and medium-sized businesses (SMEs) must innovate to remain competitive because it allows them to create products that specifically address the needs of their target markets. Due to their smaller size and greater tenacity compared to large companies, SMEs greatly profit from filling desirable niches with innovative products (Rosenbusch et al., 2011). Small businesses can avoid price competition and generate new demand, which can result in firm growth, by offering highly innovative products. Additionally, an organization's ability to meet budgeted costs, cut unnecessary expenses, and collaborate with other departments is made easier when it has strong and robust product development processes that achieve efficiency in their development. This improves the organization's performance as a whole (Guisado-González et al., 2013).

A study by Mohammed (2018) conducted on 142 firms in Hassan industrial city confirms that product innovation positively impacts a firm's performance. Similarly, Foroudi et al. (2016) reported that innovation significantly adds value to firm performance. Studies by Gunday et al. (2011) in Turkey also revealed that innovation has a positive impact on firms' performance, particularly in the areas of process, marketing, organization, and product innovation. Moreover, Osei et al. (2016) assert that innovation is the key mechanism for SMEs to develop strategies for entering new markets, enhancing current profit margins, and gaining a competitive advantage.

Product innovation leads to continuous profit, which improves the performance measures of an organization. Innovative surroundings foster the utilization of advanced manufacturing technology, which includes computer-aided design, computer-integrated manufacturing, and just-in-time systems. The application of these state-of-the-art technologies not only results in improved quality but also contributes to customer satisfaction, leading to enhanced efficiency and increased profits for organizations. Based on these observations, it is safe to infer that introducing product innovation has a favorable impact on business expansion. (Browning, Zabriskie, & Dibrell, 2009). Thus, the study proposes that:

H2: Product/service innovation strategies has a positive and significant influence on the growth of multinational companies in Ghana

2.7 Conceptual framework

2.7.1 Conceptual Framework

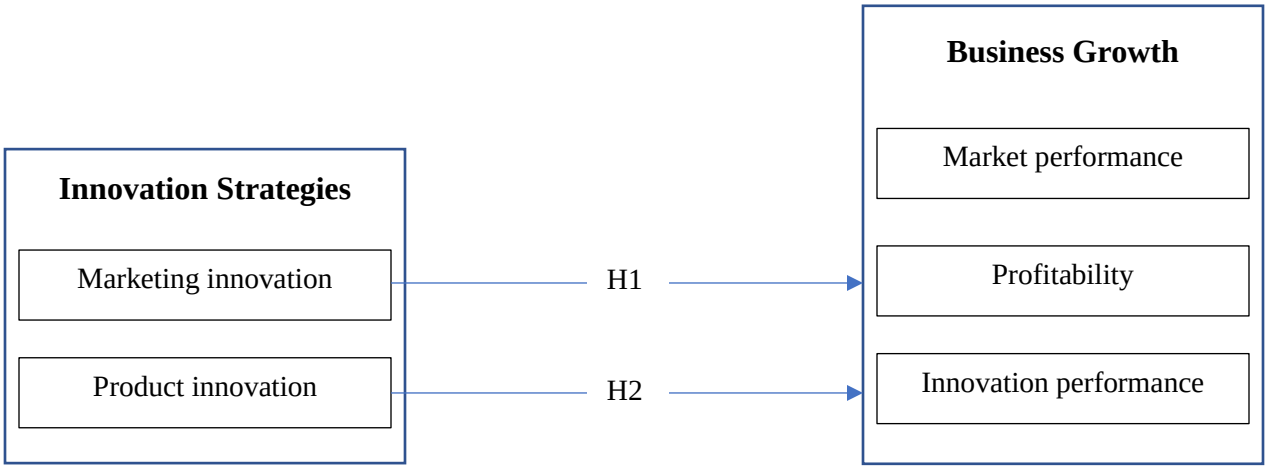

Figure 1 Conceptual Framework

The figure above illustrates the model of the study derived from the objectives and research questions. In the objectives, the study seeks to evaluate the relationship between marketing innovation and business growth and hence also proposes a positive link within the variables (thus,

H1). Lastly, a positive effect is proposed for the variable's product innovation and business growth (thus, H2), intending to fulfil the third objective of the study.

CHAPTER THREE
METHODOLOGY

In the previous chapter, the relevant concepts and theories pertaining to innovation and innovation strategies were reviewed in order to provide context for further research endeavors. The third chapter of the study will focus on the methodologies to be used in determining the study population, collecting data from them and how data would be analyzed. Under this section, the research design, the research approach, the research method, study population, sample size determination and sampling technique will be discussed. Also, the data collection instruments and methods, and ethical considerations will be elaborated on in this section of the report.

3.1 Research design

The research will use a descriptive-survey methodology. According to Abutabenjeh and Jaradat (2018), a descriptive study design is an approach to non-experimental research that is used in a variety of disciplines to gather a lot of survey data from a representative sample of the study population. For this study, the descriptive research design will be employed. This type of research design has been described by Abutabenjeh & Jaradat (2018) as a non-experimental research design that has been applied across various disciplines to collect and analyze large datasets. The descriptive research design will be applied to this study because it will allow the researcher to have a full appreciation of the situation, limit the degree of data collection bias from the research population, and can be used for both qualitative and qualitative studies (Berman & Elizabeth, 2017).

In the view of Kothari, (2003), the descriptive research design utilizes research questions and a clear structure to conduct investigations. Also, Mugenda and Mugenda (2003) indicate that descriptive research design allows for acquiring data on the existing state of a phenomenon and providing an explanation of the variables in the said situation using the opinions, attitudes, perceptions, and behaviors of individuals concerned with the phenomenon under investigation. In addition, the descriptive research design was selected because it will give the researcher the chance to obtain the opinions of managers of a multinational corporation in Ghana concerning their innovation strategies and how it influences their business growth. This will help the researcher to also understand the existing relationships amongst variables and the outcomes of the analysis used

for generalization for the entire study population. In the case of this study, technological innovation, product and service innovation, and marketing innovation are the independent variables whilst their various effects on the business growth of MNCs are the dependent variables.

3.2 Research method

Many researchers have found that categorising business research as quantitative or qualitative is very helpful (Bryman, 2012). While qualitative research gives a sense of process, quantitative research gives an account of social life's structures (Bryman, 2008). When collecting and analysing data, qualitative research frequently emphasises words over quantification, which can be seen as a research strategy (Bryman, 2012). Bryman (2012) categorizes research methods into qualitative, quantitative, and mixed research methods. Quantitative research methods utilize quantifications to collect and analyze data for the purpose of identifying patterns in datasets and making predictions.

The qualitative method entails collecting and analyzing non-numerical data for the purpose of highlighting the perceptions, experiences, and opinions of a research population. For this study, the quantitative method in the form of survey will be used. This is because, it will allow for the collection and analysis of a large amount of data within a limited time period from multiple sample responses (Bryman, 2012). By implication, this could allow for generalizations to be made about the study phenomenon and across similar industries. Also, it will allow for measuring the 'effects' of the independent variable on the dependent variable using various mathematical models.

3.3 Population

A research population is defined by Wolf et al., (2013) as a group of study elements consisting of all subjects of interest to research or study. In the case of this study, all multinational companies operating in Ghana comprise the population of the study (most of such companies are located in Accra, the capital city of Ghana). In this regard, data will be collected form managers (respondents of the study) MNCs operating in the Greater Accra region and Ashanti region of Ghana. This because most of the MNCs in Ghana have their Head quarter located in these regions.

3.4 Sample size and Sampling Technique

3.4.1 Sample size

Depending on the analyses you conduct and the statistics you concentrate on, a particular sample size may be required. Sample sizes may need to be adjusted based on different statistics from the same research implementation. Typically, when using statistical analysis, researchers consider 100 participants to be the minimum sample size. The selection of sample size is dependent on the type of analysis to be made and the statistics under consideration. A different sample size may be required for different statistics from the same research implementation. Typically, 100 participants are regarded by researchers as the minimum sample size suitable for statistical analysis. On the other hand, most studies use two factors; the nature of the proposed data analysis, and the estimated response rate to determine the sample size. In the case of this study, 150 participants would be used as the minimum sample size. Roscoe's (1975) formula would be used to determine the sample size from the entire population. This method is used to calculate the sample size when the total number of a research population is unknown. The application of the formula is given below:

$$N*5=n$$

Where n= sample size

N= is the number of questions in the research instrument

For this study, the research instrument consists of 30 questions, thus (30 * 5 = 150).

3.4.2 Sampling Technique

For this study, the simple random-convenience sampling method would be used for this study to select the study participants. The reason for selecting the sampling technique is that, according to Berman & Elizabeth (2017), the simple random sampling is to clear sample error and bias. Also, Berman & Elizabeth (2017) suggest that this sampling technique is appropriate for supporting the selection participants for a quantitative study. This research will rely on this sampling technique to obtain the required number of participants who can be easily and conveniently accessed. Given probability sampling utilizes a randomized selection process, all participants were given an equal chance of being selected to participate in the study. By combining convenience and probability sampling together, Kelly et al. (2002) argue that researchers are more likely to draw accurate conclusions as bias rates are reduced.

3.5 Data Collection

Both primary and secondary data were used in the study. With the help of a self-administered structured questionnaire, primary data was gathered. The questionnaire was created using a 7-point Likert type scale, with 1 denoting strong disagreement and 7 denoting strong agreement. Self-administered surveys allow for privacy in response, which results in a high response rate. A structured questionnaire with three sections was used to collect data in this manner.

For this study, primary data would be used. In the case of primary data, it will be collected via the use of self-administered questionnaires. The questionnaire will be designed to collect vital data from respondents using a 7-point Likert scale. The 7-point Likert Scale will range from 1 representing strongly disagree to 7 representing strongly agree. In addition, the questionnaire will consist of three main sections. The first section will seek to obtain demographic information from the respective respondent and the organization they work with. The second section will solicit for information on the innovation strategies utilized by the respective organizations participating in the study. the third section will solicit for information on business growth.

With respect to its application, the questionnaire will be administered to the general managers of the shortlisted multinational corporations using a digital platform (Google forms). Particularly for questions bordering around innovation strategies, they will be adopted from Walker et al. (2010) and Gunday et al. (2005). Respondents will be required to choose the degree to which they agree with the various statements which are posed as questions. Such responses will be based on respondents indicating the extent to which they agree with the questions based on the range provided in the Likert Scale. For the business growth, items were adopted and adapted from Karabulut (2015) and Maletič et al. (2015). Specifically, the measurement of the performance of the various firms will be based of the perceptions of managers who will respond to the business growth questions. Respondents will be required to indicate the growth situation of their firm using indicators such as profitability, innovation and market performance.

3.6 Data Analysis

With respect to the data analysis, all the questionnaires would be aggregated and edited to ensure that responses are accurate, complete and consistent. The data will also be cleaned to ensure that all discrepancies are eliminated. This was done by imputing missing values where neccessary. The

Cronbach alpha test would be used to ensure the reliability of the collected data. Descriptive statistics would also be used to analyze the data by determining the central tendency and degree of variance. Particularly, the mean score, standard deviation, frequencies and percentages will be used to demonstrate a summary of the responses and how similar or different these responses are. The Statistical Package for Social Science would be used as the tool for analyzing the collected data and generating results. In order to appreciate the strength of the relationship between the study variables, the 2-tailed Pearson correlation analysis would be employed in this study. Regression analysis would also be used for examining the relationship between two or more variables of the study. Specifically, the Ordinary Least Square regression analysis would be used to examine the effect of innovation strategy on business growth.

3.7 Ethical Considerations

Ethical considerations have to deal with complying with legal, social, professional obligations when conducting research. Polit & Beck (2008) explain ethical considerations of research as an aspect of philosophy that discusses the moral aspect of research. With respect to this study, strict ethical standards and procedures will be followed. The research will seek the approval from the ethical committee of Alburg University. Also, the consent of the University's administration will be sought to gain permission to administer questionnaires to the research population. The data collection will be guided by the principles of consent, anonymity and confidentiality. The purpose of the study will be explained to all participants for them to gain a thorough understanding and to solicit for their participation. All the various risks and discomforts associated with the data collection exercise will be communicated to the participants. In addition, participants will be informed of the duration of the interview and the fact that no benefit would be provided for.

CHAPTER FOUR
ANALYSIS AND FINDINGS

The current chapter presents analysis of data gathered from survey along with the discussion of findings. The presentation of the study results is presented into six sections along with the discussion of the findings. First, the chapter presents demographic information of both the respondents and the firms surveyed in Section 4.1 this entails simple frequency distribution tables. Section 4.2 presents results from Cronbach Alpha coefficient measuring the reliability of data, thus, the internal consistency of the data set. In Section 4.3, the chapter presents results for One-Sample Test this was to determine if a sample mean is significantly different from a hypothesized mean. In Section 4.4 the study presents the Correlation results of the study variables. In Section 4.5, the study presents Regression analysis to test for the study hypotheses. And lastly in Section 4.6, the discusses the findings.

4.1 Demographic Information

The frequency and percentage distribution of various industry sectors in a sample population of 150 managers are shown in the table. Manufacturing is the most prevalent industry sector in the population, with a frequency of 16 and a percentage of 10.6%.

Table 4.1 Industry Information

Variables	Frequency	Percent
Mining and Resources	4	2.6
Oil and Gas	3	2.0
Telecommunications	8	5.3
Banking and Finance	10	6.6
Retail and Consumer Goods	11	7.3
Logistics and Transportation	8	5.3
Technology	7	4.6
Construction and Engineering	6	4.0
Hospitality and Tourism	8	5.3
Agriculture and Agribusiness	8	5.5
Manufacturing	16	10.6
Healthcare and Pharmaceuticals	15	10.0
Media and Entertainment	12	8.0
Real Estate	15	10.0
Professional Services	13	8.7
Beauty and Cosmetics	6	4.0
Total	150	100

Source: Researcher's Own Construction (2023)

The frequency and percentage distribution of various industry sectors in a sample population of 150 managers are shown in the table. Manufacturing is the most prevalent industry sector in the population, with a frequency of 16 and a percentage of 10.6%. Real Estate, healthcare, and pharmaceuticals follow, with a frequency of 15, representing 10.0% for each. Oil and Gas and Mining and Resources are the least frequent industry sectors, with frequencies of 3 and 4, and percentages of 2.0% and 2.6%, respectively. The majority of industry sectors represent between 4% and 8.7% of the total population. The data in the table can be used to determine which industry sectors are most and least prevalent in a given population, which can be useful for businesses that operate in those industries when making strategic decisions.

4.2 Reliability (Cronbach's alpha) Results

Cronbach Alpha test is a statistical tool used to measure the internal consistency of data. It is used to evaluate how well a questionnaire's items capture the same dimension or construct in a study. Higher coefficient values denote higher levels of internal consistency or reliability. Cronbach's alpha values range from 0 to 1. Table 4.3 provides the Cronbach's alpha values for the three constructs, used in the study, thus, business growth, innovation strategies, and OFDI motivations.

Table 4.2 Reliability (Cronbach's alpha) Results

Construct	Number of items	Cronbach's alpha
Motives of OFDI	**10**	**.733**
Innovation strategies	**10**	**.888**
Business growth	**12**	**.911**

Source: Researcher's Own Construction (2023)

The ten items used to measure the Motives of OFDI construct have a moderate level of internal consistency or reliability, according to the Cronbach's alpha value of.733 for this construct. Although the alpha value is not very high, it indicates that the items are still reasonably measuring the same underlying construct.

The ten items used to measure this construct have a high level of internal consistency or reliability, as indicated by the Cronbach's alpha value of.888 for innovation strategies. The items may be accurately measuring the same underlying construct or dimension if the alpha value is high.

The twelve items used to measure the "Business growth construct" have a very high level of internal consistency or reliability, as indicated by the Cronbach's alpha value of.911 for this construct. This alpha value indicates that the items are precisely measuring the same underlying construct or dimension, and the construct can be thought of as having a high degree of reliability.

The Cronbach's alpha values, taken collectively, offer information on the dependability of the survey items used to measure the constructs. Innovation strategies and business growth have high alpha values, which suggests that the items are measuring the constructs accurately. Motives of

OFDI's moderate alpha value suggests that the items may need to be further refined in order to increase the construct's internal consistency or reliability.

4.3 One-Sample Test

A one-sample test is used to determine whether a sample mean differs significantly from a known or hypothesized mean. It is used to determine whether a sample accurately represents a larger population or deviates materially from the population. The test calculates the likelihood that the observed difference could be the result of probability by comparing the sample's mean score to the population's mean. Table 4.3 presents the results for a one-sample test relating to the construct Motives of OFDI. The construct had multiple variables (MS1-3, ES1-3, NS, SAS1-3). The table provides information on the t-value, degrees of freedom (df), significance level (Sig.), mean difference, and confidence intervals for each variable.

The standard error of the sample mean is used to calculate the t-value, which compares the sample mean to the null hypothesis mean. The difference between the sample mean and the null hypothesis mean is more significant the larger the t-value. The t-values in this table are all quite high, ranging from 29.414 to 47.484, demonstrating the high significance of the differences between the sample means and the null hypothesis means.

The number of independent observations used to calculate the t-value is indicated by the degrees of freedom (df). Each variable in this situation has 150 degrees of freedom. The probability of obtaining a result as extreme as the one observed is indicated by the significance level (Sig.), assuming that the null hypothesis is correct. This table's entire Sig. value is 0.000, indicating that there is virtually no chance that the results were obtained by accident.

The sample mean and the null hypothesis mean for each variable are contrasted in the mean difference column. Positive mean differences across all variables show that the sample means are higher than the null hypothesis means.

The confidence intervals offer a range of numbers within which it is reasonably expected that the true population mean will fall. The conclusion that the sample means differ significantly from the null hypothesis means is further supported by the fact that none of the variables' 95% confidence intervals in this table include zero.

Table 4.3 One-Sample test (Motives of OFDI)

Variables	t	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
MS1	29.414	.000	4.13333	3.8557	4.4110
MS2	32.092	.000	4.36876	4.0998	4.6378
MS3	34.656	.000	4.36667	4.1177	4.6156
ES1	40.410	.000	4.62213	4.3961	4.8482
ES2	39.274	.000	4.83421	4.5910	5.0774
ES3	44.545	.000	4.83253	4.6182	5.0469
NS	37.259	.000	4.69860	4.4494	4.9478
SAS1	47.370	.000	5.08000	4.8681	5.2919
SAS2	47.484	.000	5.05543	4.8451	5.2658
SAS3	43.181	.000	4.84707	4.6253	5.0689

Source: Researcher's Own Construction (2023)

The variable MS1 measures investing in Ghana to increase market share in the local market. The average difference is 4.13333, which suggests that investing in Ghana will have a positive impact on growing market share. The true mean difference is highly likely to fall within the range of 3.8557 and 4.4110, according to the 95% confidence interval, which is between these two numbers. The result is statistically significant, meaning it is unlikely to have happened by chance, according to the significance level of 0.000. The variable MS2 measures the importance of investing in Ghana to increase market share internationally. The average difference is 4.36876, which indicates that investing in Ghana has a favourable impact on growing the country's share of the global market. The true mean difference is likely to be between these two numbers with a high degree of confidence because the 95% confidence interval is between 4.0998 and 4.6378. The result is statistically significant, meaning it is unlikely to have happened by chance, according to the significance level of 0.000. In order to avoid competition in the home country/domestic market, investors may choose to invest in Ghana. The variable MS3 measures the mean difference, confidence interval, and significance level of this choice. The average difference, which is

4.36667, indicates that investing in Ghana can help businesses avoid competition in their home markets. The true mean difference is highly likely to fall within the range of 4.1177 and 4.6156, according to the 95% confidence interval, which is between these two values. The result is statistically significant, meaning it is unlikely to have happened by chance, according to the significance level of 0.000.

When compared to other sub-Saharan African nations, the investment motive variable ES1 measures the significance level of investing in Ghana to benefit from skilled and affordable labour forces that increase business efficiency. The average difference between Ghana and other sub-Saharan African nations is 4.62213, which suggests that investing in Ghana can increase business efficiency by providing access to skilled and less expensive labour forces. The true mean difference is likely to be between these two numbers with a high degree of confidence, according to the 95% confidence interval, which is between 4.3961 and 4.8482. The result is statistically significant because the significance level is 0.000, which denotes that it is unlikely to have happened by chance. When compared to other sub-Saharan African nations, the ES2 investment motive variable measures the mean difference, confidence interval, and significance level of investing in Ghana to benefit from its superior infrastructure and increase business efficiency. The average difference between Ghana and other sub-Saharan African nations is 4.83421, which suggests that investing in Ghana has a positive impact on increasing business efficiency through better infrastructure. The true mean difference is likely to be between these two numbers with a high degree of confidence, according to the 95% confidence interval, which is between 4.5910 and 5.0774. The result is statistically significant because the significance level is 0.000, which denotes that it is unlikely to have happened by chance. The mean score for ES3 is 4.83253, which indicates that the respondents, on average, agreed with this statement. The 95% confidence interval for the mean difference ranges from 4.6182 to 5.0469, which suggests that we can be fairly confident that the true population mean falls within this range. The significance level for ES3 is 0.000, which indicates that the difference in mean score between ES3 and a hypothetical mean of 0 (i.e., no agreement with the statement) is statistically significant. This suggests that the respondents generally believe that Ghana provides better institutional support compared to other sub-Saharan African countries, and that this support is beneficial for their business efficiency.

According to the interpretation of NS in the table, the respondents make investments in Ghana in order to acquire the natural resources required for their products. The confidence interval for the mean difference for NS is in the range of 4.4494 and 4.9478. There is a significant difference between the null hypothesis' mean score and the t-value, which is 37.259 with 150 degrees of freedom and a p-value less than 0.001. This indicates that a majority of respondents strongly concur with the statement that they invest in Ghana in order to acquire natural resources.

The 95% Confidence Interval (CI) for the difference in means between SAS1 and a hypothetical population mean centered at zero is (4.8681, 5.2919), and the mean score for SAS1 is 5.080. This suggests that, generally speaking, the sample's participants experience a high level of stress as a result of MNC investments in Ghana to acquire advanced technology. The idea that multinational corporations (MNCs) invest in Ghana to acquire high-quality brands is represented by SAS2. Accordingly, the analysis's findings imply that the stress experienced by MNCs investing in Ghana to acquire quality brands is not significantly different from the stress experienced by MNCs investing in Ghana to acquire advanced technology or skilled human resources. Additionally, the 95% Confidence Interval (CI) for the difference in means between SAS2 and a fictitious population mean centred at zero is (4.8451, 5.2658). The mean score for SAS2 is 5.055. This suggests that, generally, the sample's participants experience a high level of stress as a result of MNC investments in Ghana to acquire quality brands.

According to SAS3, multinational corporations (MNCs) invest in Ghana to acquire skilled human resources. The analysis's findings thus imply that the perceived level of stress related to MNC investments in Ghana to acquire expensive human resources is not materially different from that related to MNC investments in Ghana to acquire advanced technologies or quality brands. The findings suggest that, on average, the sample's participants perceive a lower level of stress associated with MNC investments in Ghana to acquire skilled human resources than they do with investments in advanced technologies or high-quality products.

Table 4.4 One-sample test (Innovation strategies)

Variables	t	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
PRD1	35.795	.000	4.53033	4.2802	4.7804
PRD2	35.034	.000	4.59333	4.3343	4.8524
PRD3	36.959	.000	4.47167	4.2326	4.7108
PRD4	33.575	.000	4.67308	4.3981	4.9481
PRD5	35.124	.000	4.61333	4.3538	4.8729
MRK1	29.915	.000	4.14000	3.8665	4.4135
MRK2	33.143	.000	4.42667	4.1627	4.6906
MRK3	35.102	.000	4.34000	4.0957	4.5843
MRK4	31.025	.000	4.28667	4.0136	4.5597
MRK5	32.667	.000	4.36440	4.1004	4.6284

Source: Researcher's Own Construction (2023)

The critical value of a t-distribution with 150 degrees of freedom is approximately 1.98 for a significance level of 0.05, and this is true for all ten variables. This indicates that there is a high degree of confidence that the sample means differ significantly from the hypothesised means. There is strong evidence against the null hypothesis that there is no difference between the sample mean and the hypothesised mean because the p-values for all variables are very small. This suggests that the differences are not the result of chance and are statistically likely to be significant.

The "Mean Difference" column demonstrates that all of the sample means are higher than the estimated means. This may indicate that the samples are performing better than anticipated or that the product or market under investigation is having a positive impact.The true population mean difference is likely to be within a specific range with 95% confidence, as indicated by the "95% Confidence Interval of the Difference" column. The absence of zero in the intervals for all variables suggests that the observed differences are statistically significant and not the result of chance. Overall, the results indicate that all ten variables have statistically significant differences between the sample means and the hypothesized means.

Table 4.5 One-sample test (Business growth)

Variables	t	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
BUSGRW1	30.816	.000	4.24837	3.9759	4.5208
BUSGRW2	32.195	.000	4.59595	4.3139	4.8780
BUSGRW3	34.988	.000	4.43333	4.1830	4.6837
BUSGRW4	35.121	.000	4.69819	4.4339	4.9625
BUSGRW5	35.202	.000	4.66000	4.3984	4.9216
BUSGRW6	39.073	.000	4.76569	4.5247	5.0067
BUSGRW7	37.389	.000	4.54369	4.3036	4.7838
BUSGRW8	37.207	.000	4.76667	4.5135	5.0198
BUSGRW9	37.433	.000	4.88000	4.6224	5.1376
BUSGRW10	35.193	.000	4.42000	4.1718	4.6682
BUSGRW11	40.121	.000	4.65564	4.4263	4.8849
BUSGRW12	37.946	.000	4.67333	4.4300	4.9167

Source: Researcher's Own Construction (2023)

This table shows the results of a one-sample t-test for twelve different variables, all related to the growth of a business. The t-values for each variable are significantly higher than the 150-degree critical value of a t-distribution, indicating that the sample means differ significantly from the hypothesized means. There is strong evidence against the null hypothesis that there is no difference between the sample mean and the hypothesized mean because the p-values for all variables are very small. The "Mean Difference" column displays the variance for each variable between the sample mean and the hypothesized mean. The sample mean is higher than the hypothesized mean for each of the twelve variables, showing that the company is expanding faster than anticipated. The "95% Confidence Interval of the Difference" column shows the range of values within which the true population mean difference is likely to fall with 95% confidence. The intervals for all variables do not contain 0, indicating that the observed differences are statistically significant. Overall, the results suggest that the businesses are experiencing significant growth across all twelve measurement in the construct " business growth".

4.4 Correlation results

The strength and direction of the linear relationship between two continuous variables are determined using the statistical method known as the Pearson correlation analysis. The Pearson correlation coefficient, commonly abbreviated "r," lies between -1 and 1. The magnitude and axis of the relationship between the variables are indicated by the value of r. A value between -1 to 0 shows a negative correlation and values between 0 to 1 shows positive correlation. However, 0 values mean no significant correlation. Therefore, 4.6 below presents the results obtained for a correlation analysis for the study variables.

Table 4.6 Descriptive statistics and correlation results

Variables	1	2	3	4	5	6	7
1. Market-seeking	1						
2. Efficiency-seeking	.326**	1					
3. Natural resource-seeking	.073	-.042	1				
4. Strategic asset seeking	.224**	.213**	.010	1			
5. Product Innovation	.375**	.430**	.254**	.299**	1		
6. Marketing Innovation	.472**	.286**	.088	.345**	.464**	1	
7. Business growth	.400**	.246**	.111	.195**	.412**	.356**	1

*p<.05 (2-tailed), **p<.01 (2-tailed)

Source: Researcher's Own Construction (2023)

The findings of a Pearson correlation analysis between seven variables—market seeking, efficiency seeking, resource seeking, strategic asset seeking, product seeking, marketing asset seeking, and business growth are shown in the table below. The correlation coefficient between any two variables is displayed in each cell of the table. The diagonal values represent the correlation between each variable and itself, which is always 1.

The analysis reveals significant positive correlations between market seeking, efficiency seeking, asset seeking, asset seeking for strategic assets, product seeking, marketing seeking, and business growth at the 0.01 level (two-tailed). The correlation coefficients are in the range of.224 to.472,

indicating positive correlations that are between moderate and strong. A weak positive correlation exists between the desire for natural resources and the desire for strategic assets (r =.010, p .05), but this correlation is not statistically significant. In general, the findings point to the interdependence and substantial influence of the study's variables on one another. For instance, higher levels of business growth are frequently linked to higher levels of market, efficiency, strategic asset, product, and marketing innovation. Natural resource-seeking, however, has a weak correlation with the other variables, indicating that it may not have a significant impact on the other variables in the model.

4.5 Regression Analysis

Regression analysis is employed in many academic disciplines to facilitate understanding of the relationship between changes in the independent variables and changes in the dependent variable. Consequently, the regression model employed in the current study is used to test the study's hypotheses. The result is presented in Table 4.7 below.

Table 4.7 Regression Analysis

MODEL SUMMARY				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
	.456	.208	.197	1.00417
a. Predictors: (Constant), Marketing Innovation, Product innovation				

ANOVA					
Model	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Regression	38.914	2	19.457	19.296	.000
Residual	148.227	147	1.008		
Total	187.142	149			
a. Dependent Variable: Business Growth b. Predictors: (Constant), Marketing Innovation, Product innovation					

COEFFICIENTS					
Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
	B	**Std. Error**	**Beta**		
(Constant)	2.616	.332		7.879	.000
Product Innovation	.261	.070	.309	3.732	.000
Market Innovation	.186	.070	.221	2.668	.008
a. Dependent Variable: Business Growth					

Source: Researcher's Own Construction (2023)

According to Table 4.7 R measures, the correlation coefficient between the independent variables (marketing innovation and product innovation) and the dependent variable (business growth) is 0.456. This suggests that the variables have a moderately positive relationship. R Square shows that the variation in marketing and product innovations accounts for 20.8% of the variance in business growth, according to the coefficient of determination (R Square), which is 0.208. The

adjusted R Square value, which considers the number of predictors in the model, is 0.197. The fact that the adjusted R Square in this instance is marginally lower than the R Square suggests that the additional predictor (marketing innovation) doesn't significantly increase the model's capacity for explanation. The average difference between the observed and predicted values is shown by the standard error of the estimate (1.00417). In this instance, there is an average difference of 1.00417 between the model's predicted values and the actual business growth values.

Additionally, the regression analysis shows that the model is statistically significant in predicting the business growth of MNCs (F = 19.296, p.001), which is supported by the ANOVA results. The dependent variable (business growth)'s variance is explained by the model to the tune of 20.8%, according to the R square value of.208.

For each predictor in the model, the standardized and unstandardized coefficients, t-values, and p-values are shown in the coefficients table. The expected value of the dependent variable when both predictors are equal to zero is represented by the intercept (constant) value of 2.616. Market innovation has a smaller impact on business growth than product innovation, according to the standardized coefficients (beta =.309 versus beta =.221). Statistics show that both predictors are significant (p .01). In summary, this analysis suggests that both Product and Market innovation are positively associated with Business Growth for MNCs, where Product innovation has a stronger relationship with Business Growth. Hence, both hypotheses are supported.

CHAPTER FIVE
DISCUSSION

5.1 Motives of outward foreign direct investment (OFDI) in Ghana

A primary motive for MNCs investing in Ghana is market seeking, according to the results of the study, which looked into the motives of OFDI in Ghana. Market-seeking motives have been identified in several studies as a key factor driving OFDI in Ghana (eg. Asiedu, 2019; Owusu-Ansah et al., 2020). This finding suggests that businesses invest in Ghana primarily in order to increase their customer base and gain access to new markets with greater room for growth. Ghana's expanding middle class and rising population are two important factors making it a desirable market for OFDI. Due to rising disposable income and shifting consumption habits, this offers foreign businesses the chance to enter a consumer market. Companies can take advantage of the potential for higher sales and revenue by investing in Ghana and positioning themselves to meet the growing demand for a range of goods and services. Furthermore, access to a larger market outside of Ghana's borders is made possible by the country's advantageous location within the West African region. Businesses investing in Ghana can take advantage of the nation's efforts to integrate regionally, such as its participation in trade blocs like the Economic Community of West African States (ECOWAS), to expand their operations and more effectively serve neighbouring nations.

A research finding suggests that efficiency-seeking motives play a significant role in driving OFDI (Dunning & Lundan, 2008; Meyer et al., 2009). This shows that businesses invest in Ghana primarily to increase operational effectiveness and benefit from cost-related advantages. Many things contribute to Ghana's appeal as a destination for efficiency-seekers. The nation's relatively lower production costs when compared to developed economies is a significant factor. Foreign businesses that invest in Ghana can benefit from lower labour costs, easy access to affordable raw materials, and advantageous tax incentives. The research finding that OFDI in Ghana is driven by efficiency-seeking factors highlights how crucial it is for businesses to optimise their supply chains, cost structures, and production processes. By investing in Ghana, companies can streamline their operations, reduce costs, and improve overall efficiency, thereby gaining a competitive advantage.

A research finding suggests that natural resource-seeking motives play a significant role in driving OFDI in Ghana (eg. Amankwah-Amoah, 2018; Osei et al., 2020; Dunning & Lundan, 2008; Luo et al., 2020). This suggests that businesses invest in Ghana primarily with the intention of accessing and using the nation's abundant natural resources for their commercial activities. Ghana is renowned for the abundance of natural resources it has at its disposal, including gold, oil, cocoa, timber, and minerals. For foreign businesses looking to gain access to the raw materials, energy, or other inputs necessary for their production processes, these resources offer appealing investment opportunities. Foreign businesses can benefit from a number of advantages by investing in Ghana's natural resources. For instance, mining companies can access Ghana's abundant mineral and gold reserves, which rank among the largest in Africa. This enables them to extract and refine priceless resources for use abroad or at home, earning money from the resources' sales. Significant foreign investment has also been attracted by Ghana's recently discovered oil reserves. To take advantage of Ghana's hydrocarbon resources, companies in the oil and gas industry invest in exploration, extraction, and production activities. This gives them access to a fresh energy source and lets them trade on the world oil market. Additionally, businesses looking for natural resource inputs for their products can invest in Ghana's agricultural sector, particularly its cocoa production. To benefit from Ghana's status as one of the top cocoa producers in the world, foreign businesses invest in cocoa processing facilities and related industries. The study's conclusion that Ghana's abundant natural resources are a major factor in attracting foreign investment emphasizes the significance of this fact.

According to research, OFDI in Ghana is largely driven by strategic asset-seeking motives (eg. Owusu-Ansah et al., 2020; Osei et al., 2021; Cantwell & Mudambi, 2011; Gammeltoft & Filatotchev, 2018). According to this, businesses invest in Ghana primarily with the intention of acquiring strategic assets, such as brands, technology, intellectual property, or distribution networks, that improve their value proposition and competitiveness. Foreign businesses have access to and opportunities to acquire valuable strategic assets, thanks to Ghana's expanding economy and business environment. Businesses can access technology, knowledge, and expertise that are essential for their day-to-day operations and long-term growth by investing in Ghana. Technology transfer and knowledge spillovers are one area where strategic asset-seeking motivations are apparent. To take advantage of Ghana's technological advancements, capacities for research, and innovation ecosystems, foreign businesses invest in Ghana. As a result, they can

collaborate with research institutions, access local expertise, and gain from knowledge spillovers, ultimately strengthening their competitive advantage.

5.2 Effect of Innovation Strategies on Business Growth

The study aimed to investigate the relationship between product innovation and the business growth of MNCs in Ghana. In order to determine the effect of product innovation on business growth, data were gathered from a sample of MNCs operating in Ghana. The study's conclusions show a strong correlation between product innovation and business growth for MNCs in Ghana. This is consistent with the research question and hypothesis, which proposed that a positive impact on business growth would result from product innovation. According to the findings, MNCs in Ghana that innovate their products see higher rates of business growth. This suggests that bringing new or improved products to market has a positive impact on the operation and growth of MNCs in Ghana. The statistical analysis shows that there is statistically significant correlation between product innovation and company growth. This shows that the observed effects are unlikely to be the result of chance and offers strong evidence for the beneficial effect of product innovation on the expansion of MNCs in Ghana.

These findings align with previous studies (Guisado-González et al., 2013; Mohammed, 2018; Foroudi et al., 2016; Gunday et al., 2011; Osei et al. 2016) conducted in different countries and industries, which consistently highlights the positive relationship between product innovation and business growth. This study, which focuses specifically on MNCs in Ghana, adds to the body of knowledge and offers insightful information about the regional setting. The results of this study have significant ramifications for the academic community as well as professionals working in the fields of international business and innovation management. The findings highlight the importance of investing in product innovation as a strategy for helping MNCs operating in Ghana grow their businesses. This knowledge can direct resource allocation and decision-making within MNCs, ultimately boosting their competitiveness and long-term success.

The study's objective was to investigate the relationship between marketing innovation and MNCs' growth in Ghana. According to the study's findings, marketing innovation and business growth among MNCs in Ghana are significantly positively correlated. The research question and hypothesis, which proposed that marketing innovation would have a significant effect on business

growth, are consistent with this. According to the findings, marketing innovation is associated with higher levels of business growth for MNCs operating in Ghana. The size of the effect suggests that, in the context of MNCs operating in Ghana, marketing innovation contributes significantly to business growth. These results are consistent with earlier studies in the area. Numerous studies have demonstrated the beneficial connection between marketing innovation and business growth across a range of industries and nations (eg. Rubera & Kirca, 2012; Campo et al., 2014; Pansera & Owen, 2018; Manzini et al., 2017; Lopes et al., 2017; Krause & Schutte, 2016). By concentrating specifically on MNCs in Ghana, the current study contributes to the body of existing literature and advances our understanding of the subject. The study's conclusions have a number of ramifications for academics and professionals working in the fields of marketing and global business.

5.3 Practical Implications

The study's key finding that strategic asset-seeking is a driving force behind OFDI in Ghana emphasizes the value of that country's strategic assets and the potential for foreign businesses to use them to their advantage across the globe. It highlights the nation's function as a hub for priceless resources, such as technology, brands, knowledge, and distribution networks. Companies can access technology, knowledge, brands, and distribution networks in Ghana that boost their competitiveness and help them succeed in the long run. The findings emphasise how crucial it is for MNCs doing business in Ghana to invest in marketing innovation as a strategy to promote business growth. This knowledge can help MNCs make better decisions and allocate resources, which will ultimately improve their overall performance and competitiveness.

CHAPTER SIX

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

6.1 Summary of Findings

6.1.1 Motives of OFDI

The study sought to investigate the motives of OFDI in Ghana and hence, found that, a primary motive for MNCs investing in Ghana is market seeking opportunities. This finding suggests that businesses invest in Ghana primarily in order to increase their customer base and gain access to new markets with greater room for growth. Furthermore, access to a larger market outside of Ghana's borders is made possible by the country's advantageous location within the West African region. Businesses investing in Ghana can take advantage of the nation's efforts to integrate regionally, such as its participation in trade blocs like the Economic Community of West African States (ECOWAS), to expand their operations and more effectively serve neighbouring nations.

The study also found that, efficiency-seeking motives play significant role in driving OFDI. This shows that businesses invest in Ghana primarily to increase operational effectiveness and benefit from cost-related advantages. The nation's relatively lower production costs when compared to developed economies is a significant factor. Foreign businesses that invest in Ghana can benefit from lower labour costs, easy access to affordable raw materials, and advantageous tax incentives.

The study also found that, natural resource-seeking motives are contributing factors in MNCs investing in Ghana. This suggests that businesses invest in Ghana primarily with the intention of accessing and using the nation's abundant natural resources for their commercial activities. Ghana is renowned for the abundance of natural resources it has at its disposal, including gold, oil, cocoa, timber, and minerals. For foreign businesses looking to gain access to the raw materials, energy, or other inputs necessary for their production processes, these resources offer appealing investment opportunities. Foreign businesses can benefit from a number of advantages by investing in Ghana's natural resources.

Lastly, the study found that, OFDI in Ghana is largely driven by strategic asset-seeking motives. According to this, businesses invest in Ghana primarily with the intention of acquiring strategic assets, such as brands, technology, intellectual property, or distribution networks, that improve

their value proposition and competitiveness. Foreign businesses have access to and opportunities to acquire valuable strategic assets thanks to Ghana's expanding economy and business environment.

6.1.2 Effect of Innovation Strategies on Business Growth

The study aimed to investigate the relationship between product innovation and the business growth of MNCs in Ghana. The study's conclusions show a strong correlation between product innovation and business growth for MNCs in Ghana. This is consistent with the research question and hypothesis, which proposed that a positive impact on business growth would result from product innovation.

The study's objective was to investigate the relationship between marketing innovation and MNCs' growth in Ghana. According to the study's findings, marketing innovation and business growth among MNCs in Ghana are significantly positively correlated. The research question and hypothesis, which proposed that marketing innovation would have a significant effect on business growth, are consistent with this. According to the findings, marketing innovation is associated with higher levels of business growth for MNCs operating in Ghana.

6.2 Conclusion

This study has demonstrated the important role that innovation strategies play in the expansion of multinational corporations (MNCs) in Ghana. The results show that the growth of MNCs in the Ghana is positively impacted by both marketing and product innovation. MNCs are better able to enter the Ghanaian market, reach a larger customer base, and grow their market share by implementing effective marketing strategies. Similar to how product innovation boosts MNCs' competitiveness and draws in more customers, it enables them to offer distinctive and improved products. Additionally, the research has shown that Ghana's foreign direct investment (FDI) has a variety of motives. MNCs invest in the nation in an effort to expand their markets and tap into the expanding consumer base in Ghana. MNCs invest in Ghana in order to take advantage of the country's cost advantages and operational efficiencies. Moreover, MNCs are drawn to Ghana's abundant natural resources by motives of resource-seeking. Last but not least, MNCs invest in or establish assets in Ghana for the purpose of gaining a competitive edge or strategic positioning. These results highlight the crucial part that innovation strategies play in encouraging the expansion

of MNCs in Ghana. MNCs can strengthen their market presence, increase their competitive edge, and support Ghana's overall economic development by continuously investing in marketing and product innovation. However, it is important to acknowledge the limitations of this study, such as the sample size and the specific context of Ghana, which should be considered in future research.

6.3 Limitation of the study

It is crucial to recognize the study's limitations. Data collection has the potential for self-reporting bias because respondents may exaggerate their level of business growth, marketing innovation, or product innovation. The findings may not be as generalizable to other nations or different business types due to the study's focus on MNCs in Ghana. The study's reliance on cross-sectional data is another drawback because it makes it more difficult to establish causality with certainty. The study was limited to MNCs in Ghana, so its conclusions might not apply to other nations or types of businesses. Lastly, the research does not include control variables or intervening variables in explaining the relationship between innovation strategies and business growth, this could have aided in better understaning the relationship.

6.4 Recommendations for future research

Although the study found a significant effect of innovation strategies on business growth, it is important to take other explanations for the relationship into account. Future research should examine additional factors that might also contribute to business growth, such as marketing strategies, operational effectiveness, or market conditions. Future studies could focus on particular facets of innovation, such as the types or qualities of novel products that have the biggest effects on the expansion of businesses in Ghana. To evaluate the relationship's temporal dynamics and shed light on the long-term effects of product innovation, longitudinal studies can also be carried out. Furthermore, comparative research across various nations or industries would support the generalizability of the results.

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AALBORG UNIVERSITY
DENMARK

The effect of innovation strategies on the growth of multinational companies in Ghana (A Sub-Saharan African Region)

AAU Business School

Mobile number: +233245247296

Dear Respondent,

I am Emmanuel Osei, a Master student at the Aalborg University. As part of the data collection process on the project titled "The effect of innovation strategies on the growth of certain multinational companies in Ghana ". I am writing kindly to request your participation in the survey by completing the questionnaire, which is purposely to sample views of managers in a number of companies that are operating Ghana.

The purpose of this study is “to evaluate the effect of innovation strategies on the growth of certain multinational companies in Ghana (A Sub-Saharan African Region)”

The findings of the study are expected to add knowledge to the existing academic literature, which would be used for academic purpose and would also be helpful in explaining managerial behaviour and business growth especially in multinational corporations (MNCs), which are also critical to the successful management of MNCs operating in Ghana.

No individual information will be disclosed and all results will be presented as an aggregate summary data for academic purpose. It would take a participant approximately 5 to 10 minutes to fill out the questionnaire.

Thank you for your cooperation.

Yours Sincerely

……..

Emmanuel Osei (Student) Yimei Hu (Supervisor)

Email: eosei21@student.aau.dk

CONSENT FORM

I acknowledge that, I understand the research and that the study has fully been explained to me. I am also aware that, any information I offer to the researcher would be used in the research report. I further concede that the researcher has assured me the following:

- That my participation in this research is voluntary.
- That my personal details or information will remain anonymous throughout the research study as well as in the research thesis.
- That I can decline to answer any question about which I feel uncomfortable without any compulsion.

I hereby consent to being a participant for the research study titled: The effect of innovation strategies on the growth of certain multinational companies in Ghana.

Signature ☐ **(Please Sign with an X)**

QUESTIONNAIRE

The effect of innovation strategies on the growth of certain multinational companies in Ghana.

Please answer the following questions by marking the appropriate answer(s) with an **X.** This questionnaire is strictly for research purpose only.

SECTION A: RESPONDENT'S CHARACTERISTICS

>> *Which of the following sectors does your company operate?*
☐ Mining industry ☐ Oil and Gas industry ☐ Manufacturing ☐ Telecommunication ☐ Pharmaceutical ☐ Hospitality ☐ Banking ☐ Other; please specify ……

>> *How many years (approximately) has your company been in existence in Ghana?* ☐ 1-5 years ☐ 6-10 years ☐ 11- 15 years ☐ 16 - 20 years ☐ 21+ years

>> *How many employees does your company have currently?* ☐ <50 ☐ 50-249 ☐ 250+

>> Does this firm have a research and development unit? ☐ Yes ☐ No

>> *What is your gender?* ☐ Male ☐ Female

>> *What is your age group?* ☐ under 20 ☐ 21 – 30 years ☐ 31- 40 years ☐ 41 – 50 years ☐ 51 and above

>> *Please, what is your education level?* ☐ PhD ☐ 2nd Degree ☐ 1st Degree ☐ Diploma/HND ☐ SHS/A'level/O'level ☐ Basic education ☐ No formal education

>> *What is your position in your company?* ☐ Owner manager ☐ General manager ☐ Head of department ☐ Other senior management position (*kindly indicate* _____)

SECTION A: MOTIVES OF OFDI IN GHANA

In Section A, please briefly discuss your motives of outward foreign direct investment in Ghana.

Please use a 7-point scale measuring from "1= Strongly disagree" to "7= Strongly agree" to provide responses to the ff. items:		**1**	**2**	**3**	**4**	**5**	**6**	**7**
Market-seeking								
1.	We invest in Ghana to increase our market share in local market							
2.	We invest in Ghana to increase our global market share							
3.	We invest in Ghana to avoid competition in our home country/domestic market							
Efficiency-seeking								
1.	Compared with other sub-Saharan African countries, Ghana provides qualified and lower-cost labor forces that improves our business efficiency							
2.	Compared with other sub-Saharan African countries, Ghana provides better infrastructure that improves our business efficiency							
3	Compared with other sub-Saharan African countries, Ghana provides better institutional support that improves our business efficiency							
Natural resource-seeking								
4.	We invest in Ghana to obtain natural resources needed for our product							
Strategic asset seeking								
5.	We invest in Ghana to obtain advanced technologies							
6.	We invest in Ghana to obtain high-quality brands							
7.	We invest in Ghana to obtain high-end human resources							

SECTION B: INNOVATION STRATEGIES

Innovation refers to the introduction of new or improved products, services, processes, market, etc. Please recall the innovation strategies of your company from 2022, and complete the following:

Please use a 7-point scale measuring from "1= Strongly disagree" to "7= Strongly agree" to provide responses to the ff. items:		**1**	**2**	**3**	**4**	**5**	**6**	**7**
Product Innovation								
8.	Developing new products with technical specifications and functionalities totally differing from the current ones							
9.	Developing newness for current products leading to improved ease of use for customers and to improved customer satisfaction							
10.	Developing new products with components and materials totally differing from the current ones							
11.	Decreasing manufacturing cost in components and materials of current products							
12.	Increasing manufacturing quality in components and materials of current products							
Marketing Innovation								
13.	Renewing the product promotion techniques employed for the promotion of the current and/or new products.							
14.	Renewing the distribution channels without changing the logistics processes related to the delivery of the product.							
15.	Renewing the product pricing techniques employed for the pricing of the current and/or new products.							
16.	Renewing the design of the current and/or new products through changes such as in appearance, packaging, shape and volume without changing their basic technical and functional features.							
17.	Renewing general marketing management activities.							

Source: Gunday et al., 2011

SECTION C: BUSINESS GROWTH

The term growth means increase in size, or an improvement in quality as a result of a process of development in which an interacting series of internal changes leads to increases in size accompanied by changes in the characteristics in the growing object. In this current study, business growth will be measured using market effectiveness, profitability and innovation performance. Please recall the growth of your company from 2022, and complete the following:

Please use a 7-point scale measuring from "1= Strongly disagree" to "7= Strongly agree" to provide responses to the ff. items:		**1**	**2**	**3**	**4**	**5**	**6**	**7**
Market Performance								
18.	We have increased ability to handle varied customer/market needs in the last three years							
19.	We have increased sales volume in the last three years							
20.	We have increased growth in market share in the last three years							
21.	We have increased consistency in meeting the needs of customers in the last three years							
Profitability								
22.	We have increased our business unit profitability in the last three years							
23.	We have reached our financial goals in the last three years							
24.	We have increased Return on investment (ROI) in the last three years							
25.	We have increased Return on sales (ROS) in the last three years							
26.	We have increased Sales revenues of new products in the last three years							
Innovation Performance								
27.	The organization has introduced more innovative products and services than our main competitors during the last 3 years							
28.	The number of innovations that provide the organization with a sustainable competitive advantage has increased during the last 3 years							

29.	The speed of adoption of new technology is faster than at our main competitors							

Source : Karabulut A. T. 2015 ; Maletič et al., 2015