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Strategic Alliances and Market Penetration of Food Manufacturing Firms in Rivers State, Nigeria

Enarukapo, Ejeneeha Edith Nkechi [1] and B. Chima Onuoha[2]

1. Doctoral Student, Department of Management, University of Port Harcourt.

2. Professor of Management, Department of Management, University of Port Harcourt.

ABSTRACT: *This study aimed to investigate the correlation between strategic partnerships and market penetration of food manufacturing companies in Rivers State, Nigeria. This research was driven by the ongoing issue of restricted market reach among food manufacturing companies in the state, resulting from insufficient cooperation frameworks that may improve pricing competitiveness, promotional efficacy, and overall market accessibility. The study aimed to solve this problem through one aim, four objectives, four research questions, and four hypotheses. Joint ventures and equity alliances were utilised as aspects of strategic alliances, while pricing and promotion strategies served as metrics for market penetration. The research employed a cross-sectional survey methodology including a sample of 58 managers selected from food manufacturing companies in Rivers State. A structured questionnaire functioned as the study instrument, and the Spearman Rank Order Correlation Coefficient was utilised to evaluate the hypotheses using SPSS. The findings indicated a positive and strong correlation between the dimensions of strategic alliances and the metrics of market penetration. Firms are advised to bolster joint ventures to promote pricing competitiveness and collaborative promotions, and to expand equity alliances to improve brand exposure and pricing flexibility.*

Keywords: Equity Alliance, Joint Venture, Market Penetration, Strategic Alliance.

Introduction

Forming strategic alliances and achieving market penetration are essential corporate strategies for sustained growth in challenging and ever-changing industries. Market penetration involves boosting sales of current products in established areas by employing strategies like extensive advertising, price adjustments, broader distribution networks, and enhanced product visibility (Kotler & Keller, 2016). Mills and Morris (2015) outline a market penetration strategy focused on increasing sales of current products within the existing customer base. The objective is to obtain a larger portion of the total market in comparison to rival organisations. In food manufacturing enterprises, effective market development significantly influences revenue generation, cost efficiency, and brand recognition. Enhanced access to local markets guarantees a consistent cash flow and facilitates future expansion in related sectors. In the food processing sector, marked by narrow profit margins, varied consumer preferences, and fierce competition, improving market development is crucial for strengthening adaptability, operational efficiency, and long-term sustainability. Strategic alliances act as a powerful tool for enabling market entry, enabling food manufacturing companies to utilise complementary strengths, mitigate potential risks, and tap into new distribution networks (Uko & Hamilton, 2020). Recognising that infrastructural challenges, supply chain issues, and disjointed retail frameworks can impede market entry, collaborations with transportation companies, established retail outlets, or related food production firms could unlock access to customer segments that were previously out of reach. A collaborative agreement between a local food producer and a well-established retail network has the potential to enhance product visibility and increase availability for urban consumers. In a similar vein, collaborations with packaging companies or component suppliers can improve product quality and lower expenses, thereby fostering more competitive pricing and a broader market presence. Strategic alliances serve as powerful enablers, allowing businesses to tackle systemic challenges, improve market access strategies, and showcase heightened responsiveness to consumer demands.

Prior investigations have explored the execution of market penetration strategies through collaborative partnerships across diverse contexts. Yan and Grey (2001) contend that partnerships enable organisations to leverage complementary strengths while mitigating vulnerabilities in uncertain or institutionally underdeveloped markets. Waheed and Son (2019) observed that partnerships with distribution entities in the food manufacturing sector resulted in a significant rise in product availability and sales in developing markets. Ojo (2018) demonstrated that food processing enterprises in Nigeria that partnered with agribusiness cooperatives achieved enhanced access to rural markets through improved sourcing efficiency and reduced operational costs. Aaker (2012) notes that broadening the scope of a company's existing markets is typically more economical than venturing into new ones, especially when backed by cooperative initiatives. These studies emphasise the interconnected nature of successful market penetration and strategic partnerships. Nonetheless, a significant portion of the current studies adopts a wide-ranging, cross-sector perspective or concentrates on national trends, potentially neglecting localised market dynamics.

Despite the growing recognition of strategic alliances as catalysts for market expansion, there remains a notable deficiency in empirical research investigating their effects on the market penetration outcomes of food manufacturing firms in Rivers State. The existing literature on food manufacturing in Nigeria mainly emphasises infrastructure, funding, and regulatory frameworks (Ezeoha

& Manyike, 2014), overlooking a thorough examination of how strategic alliances might address these challenges and enhance market penetration. Furthermore, studies on strategic alliances frequently highlight technological partnerships or multinational enterprises, potentially neglecting the operational dynamics of regional alliances in local markets. Consequently, decision-makers and industry participants lack adequate evidence-based insights into the particular types of partnerships that yield the greatest market growth advantages for food manufacturing in Rivers State. This investigation seeks to systematically assess the connection between strategic partnerships and market entry of food manufacturing companies in Rivers State.

Statement of the Problem

Although market penetration strategies are becoming increasingly important for gaining competitive advantage, many food manufacturers in Rivers State encounter difficulties in successfully improving their market share. Collaborative agreements play a crucial role in tackling distribution obstacles, improving product understanding, and speeding up market entry (Hoffmann & Schlosser, 2001; Kale & Singh, 2009). Nonetheless, the application of these strategies in the food processing sector of Rivers State has produced varied outcomes. Challenges stemming from diminished trust among collaborators, insufficient supply chain alignment, and infrastructural deficiencies have limited organisations' ability to successfully utilise partnerships for market entry (Okpara, 2011). Moreover, a lack of adequate administrative skills in managing alliances and knowledge-sharing systems prevents these companies from realising the synergistic advantages of these partnerships (Dyer et al., 2018). Amidst the rising competition in Nigeria's food production industry, driven by both local and global entities, companies in Rivers State are compelled to pursue strategic alliances to identify untapped market opportunities and leverage their competitive strengths. Prior investigations indicate that strategic partnerships can facilitate access to novel distribution channels, mitigate market entry risks, and enhance brand visibility (Bamford et al., 2016; Glaister, 2014). Empirical studies examining the effects of strategic alliances on market penetration results within the food manufacturing industry of Rivers State are notably scarce.

Aim and Objectives of the Study

This research seeks to explore the connection between strategic alliances and the market penetration of food manufacturing enterprises in Rivers State, Nigeria. The objectives outlined are specific and targeted;

i. Ascertain the relationship between joint venture and pricing strategy of food manufacturing firms in Rivers State, Nigeria.
ii. Determine the relationship between joint venture and promotion strategy of food manufacturing firms in Rivers State, Nigeria.
iii. Investigate the relationship between equity alliance and pricing strategy of food manufacturing firms in Rivers State, Nigeria.
iv. Examine the relationship between equity alliance and promotion strategy of food manufacturing firms in Rivers State, Nigeria.

Research Questions

Below are the research questions formulated to achieve the aim and objectives of this research:

I. What is the nature of the relationship between joint venture and pricing strategy of food manufacturing firms in Rivers State, Nigeria?
II. How does joint venture relate to promotion strategy of food manufacturing firms in Rivers State, Nigeria?
III. What is the relationship between equity alliance and pricing strategy of food manufacturing firms in Rivers State, Nigeria?
IV. How does non-equity alliance relate to promotion strategy of food manufacturing firms in Rivers State, Nigeria?

Research Hypotheses

Ho_1: There is no significant relationship between joint venture and pricing strategy of food manufacturing firms in Rivers State, Nigeria.

Ho_2: There is no significant relationship between joint venture and promotion strategy of food manufacturing firms in Rivers State, Nigeria.

Ho_3: There is no significant relationship between equity alliance and pricing strategy of food manufacturing firms in Rivers State, Nigeria.

Ho_4: There is no significant relationship between equity alliance and promotion strategy of food manufacturing firms in Rivers State, Nigeria.

LITERATURE REVIEW

Conceptual Review

Strategic Alliances

Zirulia (2015) articulates a strategic alliance as a formal arrangement in which multiple companies or partners engage in collaboration to attain a common goal through the amalgamation of resources and the synchronisation of their efforts. This commitment could be collectively affirmed by all parties concerned. Gari (2018) illustrates that an increasing number of enterprises are forming strategic alliances to achieve a competitive edge. Strategic alliances, particularly vertical alliances, have been demonstrated to markedly increase the probability of attaining enduring competitive advantages. Moreover, he articulated that the purpose of strategic alliances is to assist companies in navigating competition, mitigating uncertainty, and offering a competitive edge. Inkpen and Tsang (2005) elucidate the benefits inherent in strategic alliances, such as the opportunity to penetrate new markets, acquire materials and technology, and obtain vital proprietary resources. This methodology presents a viable alternative to mergers in the pursuit of economies of scale and scope.
A strategic alliance represents a sustained collaboration among two or more entities, characterised by the mutual exchange of knowledge, resources, and expertise aimed at improving the market standing of each participant (Kiprotich et al., 2015). Strategic alliances enable firms to gain access to essential assets, technologies, capabilities, information, and knowledge, consequently enhancing their market performance and competitive positioning. Emami et al. (2022) elucidated a noteworthy and affirmative correlation between strategic partnerships and the performance of the involved partners. The research demonstrates that this is apparent in the organisational, financial, and operational achievements of small enterprises within the telecommunications sector. This corroborates the conclusions drawn by Nwokocha and Madu (2020), suggesting that strategic alliances significantly influence the performance of small and medium-sized enterprises. A comprehensive examination has been undertaken regarding the notion and importance of networking within the realm of entrepreneurship. The importance of social, business, and inter-organizational strategic networks in the realm of entrepreneurship is now widely acknowledged (Slotte-Kock & Coviello, 2010).

Ladki and Shatila (2017) contend that the traits and magnitude of the participating organisation influence the qualities of partnerships. It is posited that the requirements, capabilities, and aims of partner organisations play a significant role in the diversity of strategic alliances. Wangui et al. (2019) assert that strategic alliances serve as a means to address capacity constraints, secure essential resources for achieving competitive parity or advantage, develop distribution networks, manage regulatory complexities, consolidate assets, mitigate risks, attain competitive edges, and foster innovation in domains that are otherwise inaccessible independently. Collaborations can encompass areas such as technological innovation, operational efficiency, logistics management, marketing strategies, sales initiatives, and service delivery. These collaborations can take on multiple forms, such as activity-based, contractual, and equity-based arrangements (Porter & Fuller, 1986; Zamir et al., 2014).

Joint Venture

A joint venture (JV) represents a collaborative economic arrangement wherein multiple independent entities amalgamate their resources, expertise, and capital towards a defined commercial objective, all while preserving their distinct legal identities (Harrigan, 1988). Unlike acquisitions or mergers, joint ventures enable the involved enterprises to distribute profits and absorb losses while preserving their organisational independence (Contractor & Lorange, 2002). These initiatives can be structured as a separate legal entity, such as a limited company, or through contractual arrangements without the need to form a new corporation (Geringer & Hebert, 1991). Joint ventures are typically established to penetrate new markets, leverage technological knowledge, utilise complementary resources, or realise cost efficiencies (Beamish & Lupton, 2009). Such arrangements are prevalent in sectors characterised by substantial entry obstacles, as collaborations diminish expenses and expedite market entry (Das & Teng, 2000). Through the amalgamation of complementary strengths, collaborators can foster innovation, bolster competitiveness, and adeptly address intricate market demands more effectively than if they were to function in isolation. While joint ventures offer numerous advantages, they also present considerable challenges, including disparities in organisational culture, divergent objectives, and intricate governance issues (Inkpen & Currall, 2004).

The successful execution hinges on a comprehensive understanding, reciprocal trust, efficient communication, and precisely delineated roles and responsibilities. In the lack of robust alignment, conflicts can detrimentally impact performance and lead to termination. A collaborative endeavour, organised as a strategic partnership, emerges when several entities establish a distinct, legally autonomous organisation. This enables the aggregation of shared expertise and assets to secure competitive benefits in the marketplace. Collaborative enterprises cultivate lasting alliances and facilitate the transfer of tacit understanding. The assimilation of this tacit knowledge transpires through experiential learning (Berman et al., 2002), particularly through collaborative endeavours within the joint venture, as this form of knowledge tends to elude formal expression. The gathering of specialised knowledge and insight can result in a lasting advantage in competition. Tiessen and Linton (2000) contend that implicit knowledge significantly contributes to the competitive success of numerous organisations.

Equity Alliances

An equity strategic alliance represents a collaborative arrangement distinguished by varying ownership stakes among the participating entities. In this scenario, multiple enterprises possess equity in a newly established company, grounded in their contributions of resources and capabilities, with the objective of cultivating a competitive advantage (Mwai, 2010). Strategic alliances underscore the intricate relationships that exist between management competencies and operational functions across diverse organisations. Consequently, when equity strategic alliances are formed, two or more distinct corporate cultures are typically integrated into a unified objective. A significant number of foreign direct investments, particularly from firms in developed economies such as Japan and the United States, are executed via equity strategic alliances (Harzing, 2002). In contrast, coalitions composed of minority equity exhibit a limited degree of structural integration. When a firm possesses a significant equity stake in another, the two entities experience a degree of integration through ownership. The ownership interests within an equity strategic alliance are not distributed equally.
A multitude of firms possess ownership stakes in a recently established company, reflecting their diverse contributions in resources and expertise, with the primary objective of cultivating competitive advantages. The global expansion of strategic alliances underscores the intricate connection between managerial expertise and the operational dynamics of various distinct organisations. The equity arrangement is inadequate, as it includes merely a limited portion of equity. Minority equity alliances involve the acquisition of equity shares by one or multiple partner enterprises. Equity arrangements are thought to align the interests of partner enterprises (Gulati, 1995). In the context of shared equity, partner enterprises recognise the interdependence of their interests, thus discouraging opportunistic behaviour.

Market Penetration

Uko and Ayatse (2014) indicate that an essential component strategic decision for growth made by Ansoff is market penetration. This decision is made to enhance the current market share. Hutzschenreuter et al. (2014) indicate that the approach focusses on attaining market competitiveness through the establishment of a sustainable market share. Market penetration involves a strategic approach where a company adjusts its tactics to enhance its commercial performance. This is achieved by maintaining sales to current customers while simultaneously exploring potential clients to enhance sales volume. This is achieved while maintaining the integrity of the company's core market and product strategy. When the strategic emphasis is strongly placed on market penetration, business organisations can effectively foster growth in this area. This holds particularly true when the growth strategy is aligned with a competitive strategy, enabling consumers to access a diverse range of options. (Washington, 2014). Green, Barclay, and Ryans (2015) describe market penetration strategy as an institutional arrangement utilised by a company to market its product. Onimbo (2014) defines market penetration strategy as the method of broadening a company's ownership to include new markets, additional resource sources, and new phases within the manufacturing process.
Furthermore, Sije and Oloko (2013) viewed market penetration strategy as an effort designed to enhance corporate sales while remaining aligned with the original product-market strategy established by the company. Luoma (2015) defines "market penetration strategy" as a growth approach where a company concentrates on selling its current products in established markets. Market penetration is a strategy aimed at increasing a company's share in current markets by leveraging its existing products and services (Kotler & Keller, 2016). This approach focusses on attracting customers from rival companies, motivating current clients to increase their usage, or converting potential users within the defined market (Ansoff, 1957). Strategies for market penetration include competitive pricing, promotional communications, enhanced distribution networks, and incremental product improvements, all designed to bolster the organization's position in the market (Hollensen, 2015). The objective is to enhance the utilisation of existing company resources while mitigating the risks associated with entering new markets or developing new products (Grant, 2019). This approach proves to be particularly successful in expanding markets where demand can be enhanced with limited innovation (Kotler & Keller, 2016). Typical strategies employed to achieve penetration goals include sales incentives, customer retention initiatives, and promotional messaging (Aaker, 2011). The assessment of market penetration effectiveness involves evaluating metrics like market share growth, sales volume, and customer retention rates (Hollensen, 2015). However, an overreliance on penetration strategies can lead to price competition, diminished returns, and market saturation (Grant, 2019). Despite these possible drawbacks, it remains a frequently employed approach in competitive settings.

Pricing Strategy

Kotler (2011) explains price as the total costs associated with the production, distribution, and promotion of a product, along with the charges imposed by the company. The concept of price can be interpreted as the perceived value assigned to a product within the context of a transaction. A study conducted by Wainaina & Oloko (2016) revealed a significant relationship between a price penetration strategy and market share. Their argument posits that the price set for a product or service plays a crucial role in determining its success in the market. Companies that utilise a penetration pricing strategy set the value of a product or service lower than its usual long-term market value to accelerate market acceptance or increase their existing market share. Uchegbulam et al. (2015) observed that this strategy can occasionally discourage potential competitors from entering a particular market segment if they mistakenly perceive the penetration price as the typical long-term price. A pricing strategy serves as a vital component of a company's comprehensive marketing plan, influencing its revenue, market penetration, and competitive stance. This strategy outlines the method employed by a company to determine the worth of its products, considering elements like production expenses, intended market, competitive landscape, and organisational goals. Well-crafted pricing strategies aim to meet particular goals, including maximising revenue, expanding market reach, or defining a brand's unique selling proposition. Creating a pricing strategy necessitates a comprehensive grasp of market trends, consumer behaviour, and the competitive environment (Kotler & Keller, 2016).

An essential method for formulating a pricing strategy is cost-oriented pricing, which involves setting prices by applying a markup to the production cost of the product. This approach guarantees comprehensive coverage of all expenses while achieving a profit margin. Cost-oriented pricing is simple and easy to apply; however, it may not consistently align with the actual value perceived by consumers. Furthermore, it could produce values that do not align with market conditions, which may lead to reduced sales or a decline in competitiveness (Nagle, Hogan, & Zale, 2016). Recent findings indicate that while cost-oriented pricing offers a strong basis, it should be enhanced with diverse strategies to effectively capitalise on market opportunities (Ingenbleek, 2014). The approach to pricing is a crucial element of both marketing and competitive strategy, playing a vital role in determining the market share of a company's product. Price acts as a key factor for industrial and commercial customers to evaluate the worth of a product, playing a crucial role in brand choice among various alternatives (Manketelove, 2014). The determination of pricing is vital for the success of any organisation, significantly influencing the ability to attract and capture demand. Pricing plays a crucial role in maximising the product's true value within the actual marketplace (Yeoman & McMahon, 2010).

Promotion Strategy

As noted by Njogu (2014), a promotional strategy includes all communicative efforts aimed at enhancing offerings (products, concepts, or services) via the distribution network, ultimately connecting with the end consumer. These promotional initiatives shape the understanding, emotions, and behaviours of the target audience. Effective promotion generally provides target demographics with the requisite and accurate information to enable informed decision-making. This information must be accurate and up-to-date, steering clear of any misrepresentation, to guarantee customer satisfaction and foster a positive organisational reputation. The promotion strategy constitutes a fundamental component of the marketing mix, involving the meticulous strategies and actions utilised by a firm to connect with its target audience and influence their decision to purchase its products or services. The primary aim of a promotional strategy is to create awareness, foster interest, incite demand, and ultimately boost sales. Promotional strategies that yield effectiveness are multifaceted, employing a variety of channels and techniques to captivate consumers. These encompass advertising, sales promotions, public relations, personal selling, and digital marketing (Kotler & Keller, 2016). Advertising constitutes an essential element of promotional strategy. It involves the strategic use of paid media to communicate a company's message to a broad audience. Advertising can be conducted through a variety of mediums, encompassing television, radio, print (such as newspapers and magazines), outdoor formats (including billboards and transit advertisements), and, more prominently, digital platforms like social media, search engines, and online videos. The effectiveness of advertising lies in its ability to captivate a significant audience of potential consumers while enhancing brand recognition and memory retention.

Recent studies indicate that digital advertising, particularly through social media and programmatic ad purchasing, has grown increasingly vital owing to its precise targeting capabilities and measurable impact on consumer behaviour (De Vries, Gensler, & Leeflang, 2017). Ongonga (2014) illustrated that promotion plays a crucial role in the market exchange process, enabling effective communication with both existing and potential participants, in addition to the broader public. Osuagwu (2012) posited that promotional techniques hold paramount importance for the efficacy and triumph of a company's marketing endeavours, as they exert a substantial impact on the sales volume of the company's products or services. He further argued that the elements of marketing promotion undertake various roles in achieving corporate marketing goals and objectives. David and David (2012) posited that promotions have become a crucial component in the product marketing mix, which includes the distinct amalgamation of advertising, personal selling, sales promotion, public relations, and direct marketing strategies utilised by the organisation to fulfil its advertising and marketing goal of increasing sales volume.

Strategic Alliances and Market Penetration

The correlation between strategic alliances and market penetration is intricately linked in the realm of business expansion, as partnerships are essential for attaining broader market access. Strategic partnering represents a collaborative arrangement among autonomous entities aiming for shared beneficial goals while preserving their organisational independence (Hitt, Ireland & Hoskisson, 2017). This methodology augments market infiltration. Market penetration represents a strategic approach focused on augmenting an organization's market share within established markets by boosting the sales volume of existing products or services (Kotler & Keller, 2016). The ideas align in that partnerships can bolster competitive advantages, thus aiding in market entry. Collaborations enable organisations to merge resources, distribution channels, brand value, and market knowledge, thereby enhancing their reach to a wider clientele in a financially efficient way (Chen & Chen, 2002). Strategic alliances enable the amalgamation of complementary assets, such as technological capabilities, innovative potential, and operational efficiency, to forge enhanced value propositions that resonate with target demographics.

This value proposition has the potential to motivate current customers to increase their purchasing frequency while attracting clients from rival firms, ultimately leading to an expansion of market share (Varadarajan & Cunningham, 1995). Collaborations can engender synergies that enhance joint marketing endeavours, co-promotional activities, and co-branding strategies, consequently diminishing customer acquisition expenses and expanding market penetration. Collaborative approaches are anticipated to surpass solitary efforts by amalgamating resources for a more significant market influence (Gulati, 1998). The efficacy of strategic alliances in attaining market penetration is contingent upon the establishment of trust, the alignment of objectives, and the proficient coordination among partners. Conflicting aims or insufficient governance frameworks can undermine an alliance's ability to fulfil penetration objectives (Das & Teng, 2000). An overreliance on a partner within an alliance may diminish a company's independence in making market decisions, thereby limiting prospects for sustainable growth in the long term.

Empirical Review

Okeke and Ezenwa (2017) conducted an inquiry into the influence of strategic alliances on market penetration within manufacturing firms located in Anambra State, Nigeria. The research employed a survey methodology, focussing on a population that includes managers and marketing personnel from chosen manufacturing enterprises. The collection of data was executed through a meticulously designed questionnaire, which was administered to a cohort of 210 respondents, meticulously chosen via stratified random sampling techniques. The Pearson Product Moment Correlation Coefficient (PPMCC) served as the analytical tool for evaluating the hypotheses presented. The findings indicated that strategic alliances, especially through joint distribution agreements and co-branding, substantially enhanced the firms' capacity to enter new market segments. The research further demonstrated that collaborations with well-established distribution networks improved product availability and customer access, consequently augmenting market share. The researchers determined that strategic alliances serve as a pivotal mechanism for attaining enhanced market penetration and advised that manufacturing firms should intentionally pursue partnerships with entities possessing robust distribution and retail capabilities.

Ibrahim (2019) explored the dynamics between inter-firm collaborations and market penetration within the Nigerian food and beverage sector. A descriptive survey method was employed to gather data from 150 managers within food processing firms located in Lagos and Ogun States. The findings from the regression analysis indicated that collaborations in product development and the integration of supply chains markedly enhanced product visibility and expanded customer reach. The research findings indicated that collaborative efforts significantly bolstered market competitiveness through the reduction of operational expenses and the enhancement of distribution efficiency. It is advisable for food manufacturers to consider forming alliances as a strategic approach to enhance their market presence over the long term.

Ekanem and Samuel (2021) examined the influence of strategic alliances on the market penetration of small and medium-sized enterprises in Rivers State, Nigeria. The research cohort comprised proprietors and senior executives of small- to medium-scale food manufacturing enterprises. A total of 250 respondents engaged in the study, and the data were subjected to analysis through Spearman’s rank correlation. The findings indicated that partnerships characterised by collaborative marketing initiatives and integrated logistics frameworks markedly enhanced product availability in previously neglected regions of the state. The research findings indicated that strategic alliances equipped SMEs with essential resources and networks, enabling them to navigate infrastructural and financial obstacles to market entry. It is advisable for SMEs to concentrate on establishing trust-based alliances with compatible partners in order to maintain market growth.

Methodology

This research utilised a quasi-experimental design, specifically a cross-sectional survey, to examine the relationship between strategic alliances and performance outcomes. The research design outlined above was selected due to the lack of control over the variables involved. The focus of the analysis was on the organisational level of manufacturing firms operating in Rivers State. The study's population consisted of five food and beverage manufacturing firms listed in the Manufacturers Association of Nigeria (MAN) Directory, specifically within the Rivers State Branch, all of which operate in Rivers State, Nigeria. The research employed census sampling, thereby incorporating the complete population, which consisted of fifty-eight (58) strategic managers from the companies that formed the sampling elements. The roles encompass General Manager, Manager of Productions, Operations Manager for Packaging, Finance Manager, Manager of Market Development, Research and Development Manager, and Human Resource Manager. Data were generated using a questionnaire that was administered and subsequently retrieved. Each component was assessed using five distinct items. The reliability of the variables was evaluated using Cronbach's alpha. The questionnaire items were measured using a 4-point Likert scale, with the following scaling criteria: 1 - strongly disagreed, 2 - disagreed, 3 - agreed, and 4 - strongly agreed. The proposed hypotheses were analysed through the application of the Spearman rank order correlation coefficient.

Result and Discussion

Of the 58 copies questionnaire distributed, 51 were completed and returned. The hypothesis test is conducted using a 95% confidence interval, and the decision rule is outlined as follows.

Where $P < 0.05$ = Reject the null hypotheses

Where $P > 0.05$ = Accept the null hypotheses

Joint Venture and Market Penetration

Table 1: Correlation between joint venture and market penetration

			Joint Venture	Pricing Strategy	Promotion Strategy
Spearman's rho	Joint Venture	Correlation Coefficient	1.000	.634**	.666**
		Sig. (2-tailed)	.	.000	.000
		N	51	51	51
	Pricing Strategy	Correlation Coefficient	.634**	1.000	.607**
		Sig. (2-tailed)	.000	.	.000
		N	51	51	51
	Promotion Strategy	Correlation Coefficient	.666**	.607**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	51	51	51

**. Correlation is significant at the 0.01 level (2-tailed).
Source: SPSS Data, (2025)

Ho1: There is no significant correlation between joint venture and the pricing strategy employed by food manufacturing firms in Rivers State, Nigeria.

The analysis of the joint venture and pricing strategy indicates a significant result, with $p < 0.05$ ($0.000 < 0.05$) and rho = 0.634**. This indicates a notable correlation between joint ventures and pricing strategies. The null hypothesis, Ho_1, is consequently dismissed, and the alternative is embraced.
Ho2: A significant relationship does not exist between joint venture and the promotion strategy of food manufacturing firms in Rivers State, Nigeria.

The analysis of the data indicates a significant finding, with $p < 0.05$ ($0.000 < 0.05$) and rho = 0.666**. This indicates a notable correlation between joint ventures and promotional strategies. The null hypothesis, Ho_2, has been rejected, leading to the acceptance of the alternative hypothesis.

Equity Alliance and Market Penetration

Table 2: Correlation between equity alliance and market penetration

			Equity Alliances	Pricing Strategy	Promotion Strategy
Spearman's rho	Equity Alliances	Correlation Coefficient	1.000	.589**	.673**
		Sig. (2-tailed)	.	.000	.000
		N	51	51	51
	Pricing Strategy	Correlation Coefficient	.589**	1.000	.607**
		Sig. (2-tailed)	.000	.	.000
		N	51	51	51
	Promotion Strategy	Correlation Coefficient	.673**	.607**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	51	51	51

**. Correlation is significant at the 0.01 level (2-tailed).
Source: SPSS Data, (2025)

Table two indicates that equity alliances have an impact on the metrics of market penetration, specifically in terms of pricing strategy and promotion strategy.

Ho_3: A significant relationship does not exist between equity alliance and the pricing strategy of food manufacturing firms in Rivers State, Nigeria.

The analysis of the data indicates that there is a significant result at the $p < 0.05$ level ($0.000 < 0.05$), with a correlation coefficient of rho = 0.589**. This indicates a notable correlation between equity alliances and pricing strategies. The null hypothesis, Ho_3, is consequently rejected, leading to the acceptance of the alternative hypothesis.

Ho_4: A significant relationship does not exist between equity alliance and the promotion strategy of food manufacturing firms in Rivers State, Nigeria.

The analysis of the data indicates that at a significant level of $p < 0.05$ ($0.000 < 0.05$), the correlation coefficient is rho = 0.673**. This indicates a notable correlation between equity alliances and promotional strategies. The null hypothesis, Ho4, has been rejected, leading to the acceptance of the alternative hypothesis.

Discussion of Findings

The findings of the study reveal that strategic alliances, which include joint ventures and equity alliances, play a crucial role in affecting the market penetration of food manufacturing firms located in Rivers State, Nigeria. This suggests that companies with robust strategic partnerships have optimised their pricing and promotional strategies, leading to an improved capacity to gain market share and cultivate customer loyalty. Equity joint ventures enable the integration of resources, capital, and expertise, thereby positioning entities to attain cost leadership within the market (Dyer & Singh, 1998). Through the integration of operational and financial strengths, partner firms can effectively reduce production and distribution costs. This strategic approach allows them to attain cost leadership while upholding quality standards. The cost advantage strengthens their pricing strategy and attractiveness to price-sensitive consumers, particularly in the competitive food production sector. Furthermore, equity alliances broaden distribution and marketing networks, improving marketing capabilities and enabling companies to reach previously unexplored customer segments (Hitt, Ireland, & Hoskisson, 2017). Joint ventures enhance the effectiveness of promotion extensions considerably. Food processing companies can improve the efficiency of their promotional campaigns by partnering with entities that have established brand recognition or marketing proficiency. The campaigns utilise shared marketing budgets, collaborative promotions between brands, and integrated advertising channels to improve consumer awareness and brand preference (Inkpen & Tsang, 2005). This marketing synergy enables faster market penetration, as customers tend to trust and accept products that are endorsed or supported by reputable brands. Data suggests that the benefits of strategic alliances go beyond mere operational efficiency, encompassing the strategic positioning of companies within the market. Leveraging the local market knowledge of alliance partners allows companies to better tailor their pricing strategies to match local purchasing power. This approach also aids in promoting products in a way that is culturally sensitive and contextually appropriate, thereby enhancing consumer engagement (Gulati, 1998). Localised pricing and promotion not only boost immediate sales but also contribute to the development of enduring customer relationships.

Conclusion

This study aimed to explore the connection between strategic alliances and market penetration among food manufacturing firms in Rivers State, Nigeria. Forming strategic alliances through joint ventures and equity partnerships is essential for food manufacturing companies aiming to penetrate the market in Rivers State, Nigeria. The results highlight that strategic alliances act as an essential tool for achieving improved market penetration in the competitive food manufacturing industry. Joint ventures enable companies to pool resources, share risks, and leverage complementary strengths to improve pricing strategies and extend competitive pricing to a wider customer audience. Equity alliances strengthen partner dedication, enabling synchronised promotional efforts, boosting brand exposure, and enhancing consumer access. The results demonstrate that both types of strategic alliances hold significant value for market penetration, enabling access to broader distribution channels, enhancing product positioning innovation, and fostering customer trust. Strategic partnerships create synergies that allow companies to adapt swiftly to market fluctuations, customise pricing approaches for targeted segments, and execute impactful promotional initiatives. This reinforces earlier findings that emphasise the significance of partnerships in enhancing market presence and sustaining a competitive edge in fluctuating markets.

Recommendation

Based on the findings and conclusion, the following recommendations are proposed:

i. Managers of food manufacturing firms should consider joint ventures to reduce production and distribution costs through resource sharing, which will facilitate competitive and value-based pricing.

ii. Managers in food manufacturing companies ought to unify their promotional assets and specialised expertise through collaborative efforts to execute impactful marketing strategies.
iii. Strategic equity alliances should be designed to encourage shared investment in technological advancements, innovation processes, and large-scale procurement. This reduces operational expenses, allowing organisations to improve their adaptability in implementing competitive pricing strategies.
iv. Collaborations centred on equity should incorporate marketing strategies to create a unified market identity. Collaborative ownership encourages investment in brand advancement; therefore, stakeholders should engage in collective advertising strategies, shared promotional endeavours, and initiatives focused on corporate social responsibility.

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