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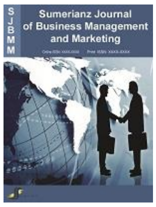

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Strategic Competitiveness and Corporate Performance of Paints Manufacturing Companies Quoted in Nigerian Stock Exchange

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Abstract

Corporate organizations all over the world are continually faced with volatile business conditions, competitive market environments and rapid technological change. Most organizations focus on survive and also find better ways to improve their performance. This study examined the effects of strategic competitiveness on the performance of quoted paints manufacturing companies in Nigerian stock exchange. The research used the descriptive research design method. The study investigated the relationship between cost-leadership strategy, differentiation strategy, focus strategy and performance of companies. This research applied the theory of dynamic capability. The data was collected from one hundred and eighty-seven (187) respondents, these includes directors, management staff and senior staff of the six paint companies quoted in Nigeria. The results showed that a strategic competitiveness (cost leadership strategy, diversification strategy and focus strategy) have a significant impact on corporate performance. These findings reinforce the need for paint manufacturing companies to adopt strategic planning in capitalizing on differentiation strategy, train their staff to gain competitive advantage knowledge and ensure their competitive survival.

Keywords: Cost leadership; Differentiation; Focus; Performance; Competitiveness; Competitors.

1. Introduction

Inorder to address the risks at the global competitiveness among companies, management executives and policymakers are collectively, facing difficulties in developing strategies to outsmart their competitors (Kharub *et al.*, 2017). Paying attention to strategic competitiveness has increased the importance of competency, strategic knowledge-based training and strategic management, and their value has been well understood by various disciplines which include economics, industries, finance, market, military and tactics (Teece, 2000). Strategic competitiveness helps organizations to accelerate their operations and market share (Hossain *et al.*, 2017). Globalization has intensified business competition (Gaster, 2016). This has improved the reduction of international trade barriers, which has resulted in the spread of technological advances, lower transportation and telecommunications costs and the development of digital marketing (Bang and Markeset, 2012). Strategic competitiveness embodies all that Nigeria paint companies will do to attract consumers, resist competitive pressure and improve their market position (Thompson and Strickland, 2007). Globalization has led to intense competition within and outside of many organizations. Given the intense competition and ever-changing market conditions, corporate performance has become an important issue among management practitioners and scholars. The main focus of the strategic competitiveness is a company's relative position in an industry, indicating that its profits are above or below the industry average (Adimo, 2018). As a result, both management practitioners and scholars became interested in the enhancement of corporate performance of organizations. The vision, mission, environmental scanning and strategic planning of a business are part of the acknowledged factors in literature as predictors of corporate performance (Bart and Hupfer, 2004; Forbes and Seena, 2006). These factors are therefore regarded as factors of success in achieving competitive advantage (Bart and Hupfer, 2004; Kantabutra and Avery, 2010). Organizations are expected to have a mission statement and vision to provide business direction and to have a strategic plan that guides the implementation strategic competitiveness process.

1.1. Statement of the Problem

Porter's generic strategies have long been used as a tool to transform and revitalize business organizations. Paint companies in Nigeria operate under a local and international complex business environment. When choosing a competitive business strategy, an organization should carefully monitor strategies to avoid negligence in

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implementing the chosen strategy. However the use of appropriate competitive strategies is still a concern for some paint companies in Nigeria, and some of these companies have made little effort to understand how conventional strategies can give them a more competitive advantage than their competitors.

An organization that uses cost competitive leadership strategy is more likely to have competitive edge over its competitors. But in most cases it is at the expense of the organization profitability at the short run. Companies now face the challenges of competing with differentiation strategy without altering the selling price of the product, and there may be a need to hire skilled workers and train existing staff which leads to higher overhead cost. The adoption of a focused strategy sometimes reduces the company's product reputation in the market where they are not available, this can limit the demand for a product when they are few or none at all in a non-niche market, which can lead to difficulties in future market expansion. However, there have been difficulties in translating the competitive strategy into tactical, operational and performance standards improvement and this has led to the use of ineffective strategies by the paint companies. It is based on the above challenges that the researcher decided to investigate the effect of strategic competitiveness on the performance of listed paint companies in Nigerian stock exchange.

1.2. Objectives of the Study

The overall purpose of this study is to examine the relationship between strategic competitiveness and corporate performance. The specific objectives of this study were;

- To determine the relationship between cost leadership strategy and corporate performance of paints manufacturing companies in Nigeria.
- To evaluate the relationship between differentiation strategy and corporate performance of paints manufacturing companies in Nigeria.
- To assess the relationship between focus strategy and corporate performance of paints manufacturing companies in Nigeria

2. Review of Related Literature

2.1. Concept of Strategic Competitiveness

Organizational strategic competitiveness is about how companies compete in the business environment where it operates. In other words, a competitive strategy means defining how an organization plans to create and maintain a competitive edge to outsmart its competitors. Competitive strategy represents the direction of business strategies that focuses on the external business environment which relates to competitors and customers (Dadzie *et al.*, 2012; Hitt *et al.*, 2015). Strategic competitiveness is a company's long-term action plan aim at gaining competitive advantage over competitors after assessing their weaknesses, strengths, opportunities and threats in the same industry and comparing them to once company (Farooq, 2018). Strategic competitiveness is defined as a long-term plan for a particular company to gain more competitive advantage than its competitors in the industry. It aims is to create a safe haven in the industry and make a high Return on Investment (Farooq, 2018). Strategic competitiveness indicates how a company can earn more profit than competitors in similar markets (Hossain *et al.*, 2017). A business having competitive edge over its competitors means to be more profitable than its competitors in the long run. Porter (1980) argued that strategic competitiveness is aimed at using cost leadership, differentiation and focus strategies of organizations to create competitive advantages to outsmart competitors in ensuring high corporate performance**.**

2.2. Cost Leadership Strategy

Here, the company's goal is to be the lowest cost producer in the industry and it is achieved by producing at a large scale that enables a company to achieve economies of scale (Davidson, 2008). Hossain *et al.* (2017), noted that an organization can produce high quality goods with unique features that they can sell at higher prices. The use of high capacity utilization, good negotiation skills, technological implementation are some of the things needed to achieve cost leadership. An organization is considered a low-cost producer if it sells its products at a competitive price in the industry but earns a higher profit than its competitors, or it sell at a lower price to increase its market share (Porter, 2008).

2.3. Differentiation Strategy

A company's differentiation strategy focuses on its efforts to provide a unique product or service to its existing customers and potential clients (Bauer and Colgan, 2001). Differentiation a strategy in which companies try to gain competitive advantage by enhancing the perceived value of their products or services in relation to the perceived value of other companies' product or services (Adimo, 2018). The differentiation strategy involves the production of products or services that are different from that of competitors' products by making it more attractive than that of competitors (Fathali, 2016). Dirisu *et al.* (2013), argued that there are many ways to differentiate a product, identifying meaningful product driven differentiators that can be used to in gain and sustain a competitive edge. It is the ability to sell a company's product at a price that exceeds what was spent in outperforming the organization competitors and also earn more profits.

2.4. Focus Strategy

Porter (2008), argued that an effective focus strategy depends on the industrial sector when it is large enough to have the potential for positive growth when it is not of key importance to other major competitors. Market development or penetration can be an important focus strategy. Arasa and Gathinji (2014), have opined that the focus strategy is based on adopting a narrow competitive scope within a business industry. They also added that focus strategy aims is to increase market share through operating a niche market either not attractive to, or ignored by large competitors. Organizations that use focus strategies concentrate on a specific market niche, by understanding the potential of the market and the unique needs of its customers, as well as creating a unique cost or well-defined products in the market (Fathali, 2016). This is possible because they serve several customers in the markets exceptionally well, and these organizations often build strong product loyalty among their customers.

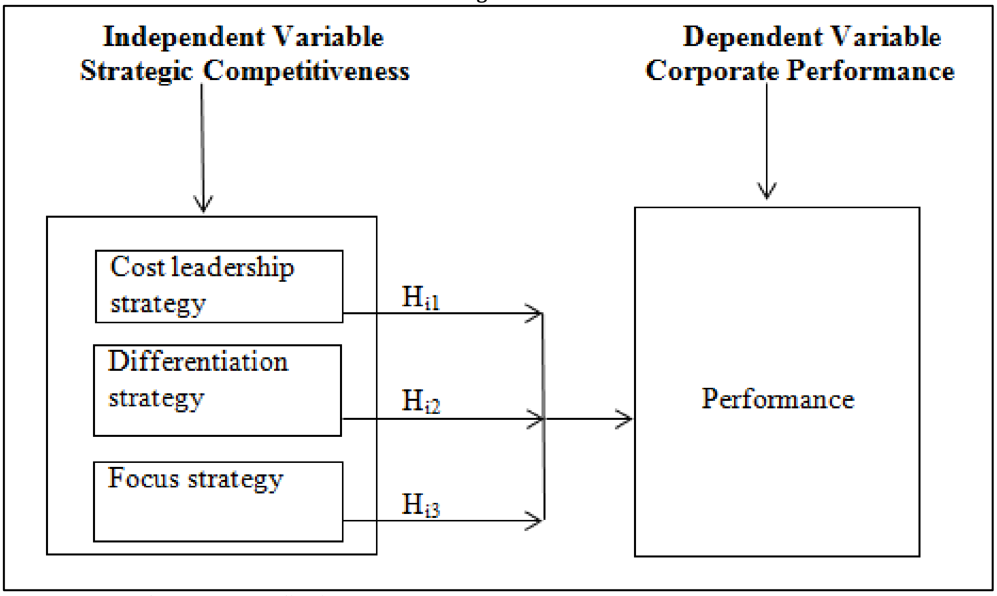
2.5. Corporate Performance

The concept of corporate performance has played a leading role in corporate governance and in the field of organizational management and management research. Corporate performance is the combination of strategic capabilities and its deployment to achieve definite goals. The results of business operations are due to the success or achievement of its market position (Hooley *et al.*, 2005). Corporate performance refers to how an organization achieves its specific market oriented objectives and its financial goals. Business performance means achieving the ultimate goals of an organization as set out in their strategic plan. Corporate performance can be determined in a variety of ways. It can represent financial performance, market performance, customer performance or overall performance depending on the context of a researcher view. Corporate performance is the outcome of the application of all activities relating to the business operations.

2.6. Researcher's Conceptual Model

The conceptual model represents the researcher's diagrammatic relationships of the variables of the companies' strategic competitiveness and performance. It reveals the relationship and sense of direction between dependent and independent variables; where the cost leadership strategy, the differentiation strategy and the focus strategy represent independent variables, while the performance of the business is the dependent variable.

Figure-1.



Source: Researcher's conceptualization

3. Theoretical Framework

3.1. Dynamic Capability Theory

This study is anchored on the dynamic capability theory. Dynamic capability is a theory of competitive advantage in a rapidly changing business environment. Dynamic capabilities, which are underpinned by organizational routines and managerial skills, are the organization's ability to integrate, build, and reconfigure internal competences to address or bring about changes in the business environment (Teece, 2016; Teece *et al.*, 2016). The strength of a company's dynamic capabilities is vital in several ways to its ability to sustain and enhance profitability in the long run, including the ability to design and modify business models. This view is relevant to this study, because the management of all the paint companies quoted in Nigerian stock exchange must ensure that their organization has the capacity to enforce their chosen strategy to bring about the desire outcome of these companies. This theory was used to create the attention of management in the efficient and effective allocation of internal resources in an effort to acquire those assets, skills and competencies to deliver high competitive advantages.

3.2. Empirical Review

Islami *et al.* (2020), conducted a research about the effects of Porter's generic strategies (low cost strategy, differentiation strategy, and focus strategy) on organizations' performance. The questionnaire was used to obtain answers from participants, and an economic model was developed to measure these relationships. The findings were based on data from 113 firms operating in the Republic of Kosovo. t test, Pearson regression analysis, and multivariate regression analysis were used to test the hypotheses. Econometric results suggest that the pursuit of a differentiation strategy offers higher performance compared to Porter's other two generic strategies (low cost strategy and focus strategy) which also indicates a positive impact.

Hossain *et al.* (2017), conducted a research on the different competitive strategies and identified how the strategies influence organizational performance with focus on the food industry in Bangladesh. A simple size of 1025 from the 15 different food manufacturing company was used. It was noted that the competitive strategy strengthened the organization's performance in the food industry and it was also noted that the cost leadership strategy helps companies to consolidate on its market share and accelerate its market growth.

Khaled (2017), investigated the relationship between differentiation strategy and organizational performance. To investigate this relationship, 33 industrial companies listed on the Amman Stock Exchange in early 2010 were surveyed. The industrial companies listed on the Amman Stock Exchange were survey. The result of multiple regression analysis shows that the differentiation strategy has no significant influence on organizational performance of these companies.

Fathali (2016), conducted an empirical study on the impact of competitive strategies on corporate innovation in the automobile industry of Iran. The study was a questionnaire based survey of management staff from two major automobile manufacturing companies (SAIPA and Iran Khodro) in Iran. 286 questionnaires were administered. Correlational and regression analyses were employed. The results show that Porter's competitive strategies have had a positive and significant impact on the company's innovations. With strong statistical significance, the three competitive strategies (cost leadership, differentiation, and focus strategy) provide an explanation for the variations in corporate innovation dimensions which includes new product innovation, new processes innovation, and administrative innovation.

Arasa and Gathinji (2014), examined the relationship between competition strategies and organizational performance among telecommunications industry in Kenya. The study identified the competitive strategies adopted by companies in Kenya, and also examined the relationship between the strategies and company's performance. The study used a descriptive study design, and collected data from 63 respondents. Research has shown that competition is high in the industry and product differentiation and low cost leadership are the most widely used strategies. Other strategies include strategic alliance and specific market focus strategies. The study concludes that the adopted strategies improve company's performance. Key performance indicators influenced by these strategies comprise of customer retention, market share, profitability and innovation.

Kinyuira (2014), studied the effects of Porter's generic competitive strategy adopted by Saccos in the Murang'a region on their performance. The explanatory design was adopted for the study. 384 employees of all the 8 Saccos registered with the Ministry of Cooperative Development. A simple randomized testing procedure was used to select a sample of 116 employees. Data were collected using questionnaires and then analyzed using correlation and regression analysis. The study found a positive effect of cost leadership, differentiation and focus strategies on performance and concluded that Saccos should pursue generic strategies for achieving higher performance compared to those that do not.

Acquaah and Agyapong (2015), investigated the role of management and marketing capabilities to moderate the relationship between competitive strategy and corporate performance using data from 581 small and medium enterprises (MSBs) in Ghana. Multiple regression analysis was used to test the hypotheses. The findings show that differentiation strategy is related to performance, the cost leadership strategy does not affect performance. The findings further indicate that managerial capability and marketing capability moderate the relationship between the competitive strategy (cost leadership and differentiation) and performance of MSBs in Ghana.

Teeratansirikool *et al.* (2013), studied the impact of competitive strategies and firm performance. The study conducted a mail survey of companies listed in Thai in 2009. A total of 101 executives of all the companies formed the sample size. Path-analytical model was adopted for analyzing the research data obtained. The research revealed that all competitive strategies significantly improve organizational performance. Specifically, differentiation strategy does not only have a direct and significant impact on the non-financial performance of organizations but also has a direct and significant impact on the company's financial performance. Cost leadership strategy that organizations pursue does not directly affect corporate performance.

3.3. Measurement of Variables

The study concepts were defined in order to measure and be understood in terms of empirical observations as shown in the researcher conceptualization. Operationalization of variables also facilitated easy construction of questionnaire based on the conceptual framework (Shields and Hassan, 2008). To further interrogate these findings from literature, this study has been framed on the hypotheses:

1. H_o: There is no significant relationship between cost leadership strategy and corporate performance of paints manufacturing companies in Nigeria.
2. H_o: There is no significant relationship between differentiation strategy and corporate performance of paints manufacturing companies in Nigeria.
3. H_o: There is no significant relationship between focus strategy and corporate performance of paints manufacturing companies in Nigeria.

3.4. Methodology

The descriptive research design was adopted to examine the relationship between the independent and the dependent variables of this research work. It is a scientific method that involves observing and describing the behaviour of a subject matter without influencing it in any way (Hossain *et al.*, 2017).

3.5. Population of the Study

The population for this study was 362 employees, made up of the chairmen, directors, management and senior staff of the paint companies quoted in Nigerian Stock Exchange.

Table-1. Distribution of Respondent Population

S/ No	Name of Companies	Population of Senior executives	Sample size using Taro Yamane formula ($n = N/(1 + N (e)^2)$)	Bowley's Proportionate Allocation formula - Nh = n(nh) / N
1	**Lafarge Africa Plc** 27B, Gerrard Road, Ikoyi, Lagos State	115	n = Sample size N = Population e = margin of error Therefore; $n = 362/(1+362(0.05)^2)$ = 362/(1=362(0.0025)) = 362 / (1+0.905) = 352 / 1.905 = 190.03 = **<u>190</u>**	60
2	**Berger Paints Plc** 102, Oba Akan Avenue, Ikeja, Lagos	38		20
3	**Chemical & Allied Product Plc** 2, Adeniyi Jones Avenue, Ikeja. Lagos	93		49
4	**Meyer Plc** Plot 34, Mobolaji Johnson Avenue, Oregun Industrial Estate, Ikeja, Lagos	55		29
5	**Portland Paints & Products Nigeria Plc** 105A, Adeniyi Jones Avenue, Ikeja, Lagos.	36		19
6	**Premier Paints Plc** KM 2, IFO Ibogun Road, IFO, Ogun State.	25		13
	Total	**362**	**190**	**190**

Sources: Human Resource Department 2021

3.6. Sample Size

The Taro Yamane formula was used to determine the sample size of 187 respondents from a population of 362 individuals. Bowley's Proportionate Allocation formula was used to determine the number of questionnaires to be allocated to each company.

3.7. Sample and Sampling Technique

The Random evaluation technique was used to select 190 respondents from the companies listed above using the random number table in the administration of questionnaire. However, only 187 questionnaires (98.42 percent) were returned and completed correctly. Mugenda and Mugenda (2003), reported that an average of 50 percent or more of the returned questionnaires were acceptable for any data analysis.

3.8. Method of Data Collection

The primary and secondary data were used for this study. Primary data was collected using questionnaire on a five liket scale through the six companies' secretaries by adopting the drop and pick later techniques. Secondary data was obtained from the websites..

3.9. Method of Data Analysis

In the analysis of quantitative data, the study used descriptive statistics. Pearson's product moment correlation variable and multiple regression analysis were used to determine the impact of the independent variable on the corporate performance of paint manufacturing companies. The specification of the multiple regression model was as follows:

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$

Here, Y= Corporate performance, X_1 = Cost leadership strategy, X_2 = Differentiation strategy, X_3 = Focus strategy, ε= Error terms.

In this study the dependent variable was the corporate performance and on the other hand the independent variables were the cost leadership strategy, differentiation strategy and focus strategy.

4. Data Analyses and Findings

4.1. Validity and Reliability of Instruments

Validity of instruments was gotten using the Content Validity Index (CVI). It was performed on the constructs to ensure that the scale items relevant to the sample and also noted the measured issues. The reliability of the instruments was obtained using the test-retest method on 15 questionnaire item re-administered to test the internal consistency of the scales used to measure the variables at 0.89, 0.867, 0.879 and .814 cost leadership strategy, differentiation strategy, focus strategy and corporate performance respectively.

4.2. Statistical Summary of the Various Variables

At this stage, the study sought to determine whether the 6 paint companies had used competitive strategies that had an impact on the performance of their companies. The respondents were asked to select a rating that was most perceived by their work environment in relation to their performance in companies. Likert scale was used to measure their responses on a 5-point scale ranging from 5 = Strongly Agreed to 1 = Strongly Disagreed.

Table-2. Statistics table on corporate performance

S/N	Corporate Performance	Strongly Disagreed	Disagreed	Neutral	Agreed	Strongly Agreed	Mean	Std. Deviation
6	Competitive strategy improves customer loyalty.	36 (19.3%)	25 (13.4%)	8 (4.3%)	61 (32.5%)	57 (30.5%)	3.42	1.512
7	Competitive strategy improves profitability.	38 (20.3%)	25 (13.4%)	21 (11.2%)	46 (24.6%)	57 (30.5%)	3.32	1.525
8	Competitive strategy improves market share.	43 (23.0%)	35 (18.7%)	17 (9.1%)	40 (21.4%)	52 (27.8%)	3.12	1.559
9	Competitive strategy improves customers satisfaction	38 (20.3%)	38 (20.3%)	18 (9.6%)	44 (23.5%)	49 (26.3%)	3.15	1.513
10	Competitive strategy improves customers' retention.	37 (19.8%)	26 (13.9%)	13 (7.0%)	54 (28.8%)	57 (30.5%)	3.36	1.523
	Average	**38.4 (20.54%)**	**29.8 (15.94%)**	**15.4 (8.24%)**	**49 (26.16%)**	**54.4 (29.12%)**	**3.27**	**1.526**

Source: Field Survey, 2021

The second table above measured the extent to which the participants agreed that business performance in the paint industry has improved. The average mean score of the variable measuring corporate performance was 3.27 with a standard deviation of 1.526. It also shows that 68.2 (36.48%) of the average participants strongly disagreed or strongly disagreed that the performance of the companies has improved, 103.4 (55.28%) of the participants agreed or strongly agreed that the business performance improved, while 15.4 (8.24%) of the average participants were neutral in their response. The average mean value of 3.27 was high and the average deviation value of 1.526 indicating the level of variance between the participants was high.

Table-3. Statistics table on cost leadership strategy

S/N	Cost Leadership Strategy	Strongly Disagreed	Disagreed	Neutral	Agreed	Strongly Agreed	Mean	Std. Deviation
11	Organizations always look for ways of reducing operational costs by to adopting cost leadership strategy.	40 (21.4%)	28 (15.0%)	21 (11.2%)	39 (20.8%)	59 (31.6%)	3.26	1.412
12	Organization repeatedly uses low prices for its products so as to remain competitive in the market.	38 (20.3%)	32 (17.2%)	17 (9.1%)	44 (23.5%)	56 (29.9%)	3.26	1.556
13	Buildup of knowledge assists the company to decrease its production cost	28 (15.0%)	35 (18.7%)	20 (10.7%)	58 (31.0%)	46 (24.6%)	3.32	1.537
14	Cost leadership strategy protects the company from its competitors	30 (16.0%)	15 (8.0%)	7 (3.7%)	65 (34.9%)	70 (37.4%)	3.70	1.411
15	Organization improves its market share by charging lower price	32 (17.1%)	24 (12.8%)	21 (11.2%)	47 (25.1%)	63 (33.8%)	3.45	1.447
	Average	**33.6 (17.96%)**	**26.8 (14.34%)**	**17.2 (9.18%)**	**50.6 (27.06%)**	**58.8 (31.46%)**	**3.40**	**1.473**

Source: Field Survey, 2021

From the third table above, strategic competitiveness was measured at the level at which the leadership strategy influences the performance of companies. This was measured by the sub-variables in the table above. An estimated

109.4 (58.52%) strongly agreed or agreed that the cost leadership strategy had an impact on corporate performance, with 17.2 (9.18%) of participants been neutral, while between 60.4 (32.3%) participants disagreed or disagreed with that cost leadership strategy influence corporate performance. The mean average was 3.40 with an average standard deviation of 1.473. The mean value was high, and it indicates that cost- leadership strategy impacts on the performance of Nigerian paint companies that could deviate from mean to both sides by 1.473.

Table-4. Statistics table on differentiation strategy

S/N	Differentiation strategy	Strongly Disagreed	Disagreed	Neutral	Agreed	Strongly Agreed	Mean	Std. Deviation
16	Differentiation strategy leads to introduction of unique products	39 (20.9%)	35 (18.7%)	15 (8.0%)	44 (23.5%)	54 (28.9%)	3.21	1.543
17	Differentiation strategy enhances continuous improvement.	28 (15.0%)	35 (18.7%)	20 (10.7%)	58 (31.0%)	46 (24.6%)	3.32	1.411
18	Differentiation strategy focuses on value added services.	34 (18.2%)	20 (10.7%)	10 (5.3%)	60 (32.1%)	63 (33.7%)	3.52	1.497
19	The organization engages highly trained employees	27 (14.5%)	26 (13.9%)	21 (11.2%)	53 (28.3%)	60 (32.1%)	3.50	1.431
20	There is high level of innovative adoption in the organization.	32 (17.1%)	35 (18.7%)	15 (8.0%)	51 (27.3%)	54 (28.9%)	3.32	1.486
	Average	**32 (17.14%)**	**30.2 (16.14%)**	**16.2 (8.64%)**	**53.2 (28.44%)**	**55.4 (29.64%)**	**3.37**	**1.474**

Source: Field Survey, 2021

From the fourth table above, strategic competitiveness was measured to the extent at which the differentiation strategy had impacted on corporate performance. An average of 108.6 (58.08%) participants strongly agreed or agreed that the differentiation strategy had an impact on corporate performance, 16.2 (8.64%) of the participants were neutral, while 62.2 (33.28%) of participants disagreed or disagreed that the differentiation strategy had impacted on their companies performance. The average mean was 3.37 and an average standard deviation was 1.474. The mean value was high, and it indicates that the differentiation strategy had an impact on the performance of Nigerian paint companies that could deviate from both sides in 1.474.

Table-5. Summary statistics table on focus strategy

S/N	Focus Strategy	Strongly Disagreed	Disagreed	Neutral	Agreed	Strongly Agreed	Mean	Std. Deviation
21	The organization focuses on innovations to compete effectively.	23 (12.3%)	35 (18.7%)	16 (8.6%)	59 (31.5%)	54 (28.9%)	3.46	1.396
22	The organization focuses on competitive pricing strategy to stay competitive	30 (16.0%)	16 (8.6%)	7 (3.7%)	64 (34.3%)	70 (37.4%)	3.68	1.452
23	The organization focuses on differentiating its products from those of competitors.	28 (15.0%)	20 (10.7%)	20 (10.7%)	58 (31.0%)	61 (32.6%)	3.56	1.422
24	Competitive strategy improves customers satisfaction	31 (16.6%)	31 (16.6%)	16 (8.6%)	53 (28.3%)	56 (29.9%)	3.39	1.474
25	Competitive strategy improves customers' retention.	32 (17.1%)	32 (17.1%)	14 (7.5%)	54 (28.9%)	55 (29.4%)	3.36	1.483
	Average	**28.8 (15.4%)**	**26.8 (14.34%)**	**14.6 (7.82%)**	**57.6 (30.8%)**	**59.2 (39.55%)**	**3.49**	**1.445**

Source: Field Survey, 2021

From the fifth table above, strategic competitiveness was measured at the rate at which the focus strategy influences the performance of companies. An average number of 55.6 (29.74%) participants strongly disagreed or disagreed that the focus strategy had an impact on corporate performance, with 14.6 (7.82%) of the average participants were neutral, while an average participants of 116.8 (70.35%) Strongly agreed or agreed that the focus strategy impact on companies' performance. The mean average was 3.49 and the standard deviation was 1.445. The mean value was high, and this indicates that the focus strategy impacts on the performance of Nigerian paint companies, which may deviate from the meant to both sides with 1.445.

4.3. Hypotheses Testing

Decision Rule: Accept P value when P < 0.05 level of significance. Reject P value when P > 0.05 level of significance.

Table-6. Correlation between Strategic Competitiveness and Corporate Performance

Correlations					
		PERF	CLS	DS	FS
PERF	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	187			
CLS	Pearson Correlation	.769**	1		
	Sig. (2-tailed)	.000			
	N	187	187		
DS	Pearson Correlation	.560**	.750**	1	
	Sig. (2-tailed)	.000	.000		
	N	187	187	187	
FS	Pearson Correlation	.409**	.474**	.582**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	187	187	187	187

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Field Survey, 2021

Where; PERF = Performance, CLS = Cost Leadership Strategy, DS = Differentiation strategy and FS = Focus Strategy

From the sixth table above, it was noted that there was a positive correlation between performance and competitive strategy (cost leadership strategy, differentiation strategy and focus strategy) at a of magnitude 0.796 ** with cost leadership strategy, 0.560 * with differentiation strategy and 0.409 * * with focus strategy. The correlation result is consistent with Fathali (2016) findings which show a positive correlation between competitive strategy and organizational performance.

Table-7. Model Summary between Strategic Competitiveness and Corporate Performance

Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.873[a]	.697	.690	.49129

a. Predictors: (Constant), FS, CLS, S

From the sixth table above summarizes the model between cost leadership strategy, differentiation strategy and focus strategy, and dependent variable corporate performance. The value of R was 0.873[a]; the value of the R square was 0.697 and the value of the adjusted R square was 0.690. The positivity and significance of all R values indicate that the model summary was significant and therefore it provides reasonable support to the study model. The model summary agrees with Kinyuira (2014) findings which stated a positive relationship.

Table-8. Multiple regression analysis

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.750	.188		3.999	.000
	CLS	.765	.069	.791	1.130	.000
	DS	.084	.080	.080	1.045	.028
	FS	.077	.055	.081	1.399	.014

a. Dependent Variable: PERF

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

$$Y = 3.750_0 + 0.765X_1 + 0.084X_2 + 077X_3 + \varepsilon$$

From the regression analysis equation findings revealed that if all variables (cost leadership strategy, differentiation strategy and focus strategy) were held consistent, corporate performance was at 3.750. An increase in cost leadership strategy will lead to a corporate growth rate of 0.765. An increase in the differentiation strategy will lead to an upsurge in the corporate performance of 0.084. An increase in the focus strategy will lead to a growth in the company's performance by 0.077. All variables were significant as the P-values were at statistical significance of 0.000, 0.028 and 0.014 respectively. It infers that focus strategy, cost leadership strategy and differentiation strategy can positively predict the outcome of the performance of paint companies in Nigeria. The result of the multiple regression analysis supports the findings of Kinyuira (2014), Fathali (2016), Teeratansirikool *et al.* (2013) and Hossain *et al.* (2017) that competitive strategies improve organizational performance.

5. Findings

The findings are presented below in terms of the relationship between dependent variables (corporate performance) and independent variables (cost leadership strategy, differentiation strategy and focus strategy).

1. The cost leadership strategy was positively linked to the performance of paint companies in Nigeria.
2. The differentiation strategy had a positive connection with corporate performance of paints companies in Nigeria.
3. The focus strategy positively improved corporate performance of paints companies in Nigeria

6. Conclusion

The study examined strategic competitiveness on the performance of paint companies in Nigeria. Competitive strategies have been seemed to influence the performance of companies either positively or negative from the empirical review. In this research work it was shown that cost leadership strategy is one of the most effective ways to improve corporate performance. Due to the rapid competition between companies, more than one competitive strategy should be used to outsmart competitors. This work also recognized that the combination of a differentiation strategy and a cost leadership strategy is the most appropriate approach in outsmarting competitors of a company. The separation strategy and cost-effectiveness strategy have been used extensively in comparison to the focus strategy.

Recommendations

Based on the finding of this study, the researcher made the following recommendations that;

1. The various paints manufacturing companies need to strategically continue to use well-articulated competitive strategies to enhance corporate performance.
2. Organizations should enhance their focus strategy as much attention were not given to it on like cost leadership strategy to improve corporate performance of companies.
3. Employees should be trained to apply strategic competitiveness implementation in their companies to maximize profits.

Areas for Further Research

The study was based on paint companies in Nigeria. Therefore future researchers should interogate other sectors of the economy to see how strategic competitiveness in other industries affects the performance of their in companies.

Future researchers should increase the scope of the study by increasing the number of strategic competitiveness proxies, rather than limiting their study to same used in this study.

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