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The procedures for strategic management of new products for small, medium and large firms in Cameroon: An exploratory study

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The aim of this study is to contribute to the understanding of the relationships between the activities of product innovation and business performance. In those relationships, the importance given to forms of action necessary for the new product strategic management for small, medium and large enterprises were particularly highlighted. A survey was administered to collect data from a representative sample of sixty five (65) innovative firms in Douala and Yaounde cities, Cameroon. The findings indicate that significant differences exist between the perceived importance of cross-functional team composition and firm size. However, no significant differences exist between the perceived importance of customer orientation decision and firm size. The risk of inherent failure in the activities of product innovation is still actual in debates in marketing research; this research helps to illuminate certain aspects of the management of these activities at the level of strategic. The strategic importance of the new product development decisions by Cameroonians firms is highly recommended.

Key words: New product, cross-functional teams, customer orientation, strategic management, innovative firms.

INTRODUCTION

In an environment of accelerating technology and short product life cycles, one in which a plethora of product concepts and features proliferates, new product development (NPD) is use to achieve set goals in terms of profitability, high sales volumes, and large market shares. Companies in industrialized countries and developing countries have not remained indifferent against this strategic impact of new products. While there is considerable experience accumulated in the field of NPD in developed countries, much of this is not directly applicable to developing countries (World Bank, 2004). In developing economies, NPD is usually about working out how to produce existing goods profitably rather than developing entirely new goods (Acemoglu et al., 2006; Carlin et al., 2004; Hausmann and Rodrik, 2003). New products marketed by companies in developing countries result from the improvements (adaptation, imitation, positioning) made to the existing and therefore incremental innovation (Nwokah et al., 2009; Tsapi and Gouanlong, 2009). Those incremental innovations can enhance firm’s normal profits (Pauwels et al., 2004), especially in less developed countries technologically located in sub-Saharan Africa including Cameroon as one of them (Nwokah et al., 2009). Guinness Smooth launched in 2004 by the Guinness brewery company Cameroon SA is an example of suitable product. Indeed, this drink, intermediate between the dark beers and lagers, would aim to meet the expectations of consumers who used to drink their classic Guinness by mixing it with cola. Similarly, the introduction of prepaid credit cards 500 CFA of Orange Cameroon, although temporary at that time, was a copy (me-too product) very subtle transfer service credit (minimum: 500 f CFA) telephone called “me 2 U”, launched in September 2004 by its challenger MTN Cameroon (Tsapi and Gouanlong, 2009). NPD is one of the critical processes by which companies sustain or even increase their competitive strength. In fact, it is the means by which members of organizations diversify, adapt, and even reinvent their

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LITERATURE REVIEW

When new products are placed at the heart of the issues of competitiveness and survival, large, medium and even small innovating firms are flocking to be able to grab a piece of the "cake", especially if they can earn a price premium and higher margins (Carlin et al., 2004; Hansson and Klefsjo, 2003; Weerawardena and McCall- Kennedy, 2002). This conquest of market share is littered with pitfalls that can lead to risk for the firm in some cases. As for any decision to adverse effects on growth opportunities, it is therefore necessary to ensure compliance of saying and do strategic in terms of product innovation at all levels of the firm as shown in "to whom should we entrust the control of NPD activities in firms?".

The product innovation as a strategic decision involves the mobilization of policy instruments to achieve certain agreed targets. Therefore, it is interesting to consider those objectives pursued by the Cameroonian firms by launching new products in a competitive environment as shown in "customer orientation: The base business win model of innovative firms".

To whom should we entrust the control of NPD activities in firms?

Once the decision of NPD is adopted (at the strategic),
companies need to launch new products faster than their competitors in order to maintain a competitive edge (Debruyne et al., 2002; Harmsen et al., 2000; Li and Atuahene-Gima, 2001; Sorescu and Spanjol, 2008). This is why senior managers perceive NPD process as a key competence (Harmsen et al., 2000). For example, market analysis in Nigeria has shown that many breweries have introduced many innovations in their product development strategy (Etuk, 2003). As result, products are packaged in big and small bottles, cans with many lines and depth. To develop this key competence, it is crucial to keep information from different functional departments (Song and Xie, 2000; McDonough, 2000). Of course, this raised the question of the repartition (division) of responsibilities between (different actors) members teams across different stages along the NPD process. More applied researchers have examined numerous factors that influence the success/ failure rate of new products including pre-development activities, resource allocation, new idea generation and screening, the presence or absence of team leaders and champions, interfunctional coordination, the R and D and marketing interface, marketing and manufacturing interface, prototype design, test marketing activities, and strategic partnering (Song and Swink, 2002). Among these factors, the creation of cross-functional teams around key value adding processes is an increasingly common organizational response to the aforementioned pressures (McDonough, 2000). Competition is increasingly fought on the basis of intangible organizational competencies. Such competencies are embedded within the structure, processes and culture of the organization. Since product development is typically executed in a project-management approach, the organizational nucleus is the product development team or the cross-functional team. Cross-functional new product teams are thought to facilitate the product development and marketing process because they solve an information-processing problem (Brettel et al., 2011; Sherman et al., 2005). That is, they bring together people from different disciplines and functions that have pertinent expertise about the proposed innovation problem (Lynn et al., 2000).

The team consists of a core team of people whose primary focus is the specific product under consideration and an extended team that supports several products but does not need to be as directly involved in this development. The key functions of marketing (Design Engineering/ Development, Manufacturing, Procurement and/or Materials, Quality) and service or customer support should be represented on the core team. The project team leader can be from any function. This person must have the support of the team and management, knowledge of the business and market, technical knowledge of the products, leadership, and management skills, and the commitment and ownership for success of the project. Such teams have high absorptive capacities, as their members’ differing expertise allows them to tap a broad array of external information and new knowledge (Lynn et al., 2000; Schmidt et al., 2009). The combination of individuals with different expertise can also facilitate creativity (Troy et al., 2001). And including marketing and manufacturing representatives in new product teams can facilitate product transfer, or the handoff of the newly developed innovation to manufacturing for its production and sales for its distribution (Griffin, 1997). Therefore, it is necessary to add the diffusion of information relating to NPD across the firm (Sherman et al., 2000). Thus, responsibility of NPD activities could not be entrusted to one person but to people of various functions that constitute cross-functional teams (De Jong and Vermeulen, 2003; Mosey, 2005; Sarin and McDermott, 2003). The cross-functional teams consist of inside and outside the firm members and are united under the leadership of a manager in order to develop a new product (Millson and Wilemon, 2002). From internal point of view, the formation of cross-functional teams appealed to those directly attached to the NPD project and those belonging to other departments such as design, marketing and manufacturing. These people have a role to facilitate the collection, use and dissemination of information available within the firm (Song and Xie, 2000). Because of their functional origin, these members should limit the divergence of related opinions (McDonough, 2000). Once these teams formed, proximity and fluid communication between members are major assets for the success of the development process, launch activities and future of new product (Brettel et al., 2011; Clark and Fujimoto, 1991). It turns out that many firms in all sectors have already been used for NPD (McDonough, 2000). Indeed, meeting people with different profiles in a study committee would promote the production of richer information generating significant time savings (Griffin, 1997). This synergy of information would lead to increased performance of new products (Cooper and Kleinschmidt, 1994).

In a competitive environment in which domestic and imported products are engaged in fierce battles, do not take the risk of investing and jump into the water before the other turns out to be a fatal error (Salomo et al., 2010). Under these conditions, an effective response, cost and especially in the short time required. In this regard, the use of cross-functional teams as defined earlier would have an impact on the proven performance of new products and thus the survival of innovative firms (Olson et al., 2001; Troy et al., 2008). From the company’s classification base on the employees, number were conducted in developing countries (Falkena et al., 2001; Teal, 2002), it appears that the economic base is primarily composed of very small, small and medium size businesses. Alongside these, the presence of sole proprietorships (one employee) was observed. Cross-functional teams with at least four members of different departments (McDonough, 2000), so, it is hypothesized that:
H₁: There are significant differences between the perceived importance of cross-functional team composition and the size of the enterprise.

Customer orientation: The base business win model of innovative firms

After the development phase, managers are faced with another type of decision: the question of how to launch the new bore to meet the agreed targets. These goals can be qualitative or quantitative. In this regard, a firm can, for example set a target to win new customers, increase sales volume or even increase its market share of χ% by launching a new product. Briefly presented, these objectives reflect some indicators to measure the sales performance of new products (Wren et al., 2000). In its various variants (market share for example), the determination of the sales performance of new products gives prominence to sales returns and consequently to customer purchases. Firms anxious to ensure their development through the launch of new products should create a climate conducive to a smooth and intense interaction with customers (Angot et al., 2010; Perks et al., 2009). This is not a simple interaction, but listens carefully to the wishes and needs of clients in order to match an appropriate offer and attractive products (Crawford and Benedetto, 2008; Swan et al., 2005).

The profound economic observed in recent years have encouraged the move towards a hyper-competitive world, customers are more easily seduced. In other words, it becomes imperative for any business to offer new characteristics superior to those of competitors (Montoya-Weiss and Calantone, 1994; Henard and Szymanski, 2001). This was the case for example in the Cameroon brewing sector with the development of dietary beer segment. In September 2005, the ex-Siack Isenbeck presented his lager Isenbeck as the less heat and less equipped sugar market in Cameroon, so indicated for diabetics. In January 2006, the young company Jmt and Co launches Holsten Pils Diat. This is a beer brewed in Germany and diet recommended for persons liable to a diet or wants to lose weight. Through these two sales and marketing positions, a new group of consumers emerged. The discovery of this new segment of consumers did not let the industry leaders indifferent. Thus, in their desire to diversify their offer, the South African Broadcasting Corporation (SABC) did not hesitate to introduce the Beaufort Light in July 2006.

It should be noted that the launching of the Beaufort Light did not involve the loss of traditional Beaufort Lager, hence the campaign slogan “Beaufort light: the range expands, decreasing the calories.” In the same context, Guinness Cameroon SA began to provide consumers, the Malta Guinness Quench in February 2007. This variant of the Malta Guinness is a premium soft drink, made with natural ingredients from the finest and contains less sugar than traditional soft drinks. After reading this scenario, it is clear that these firms have concentrated their efforts in understanding the needs and expectations of targeted customers (McEachern and Warnaby, 2005; Noble et al., 2002). According to Narver et al. (2004), such firms are customer oriented. In this case, having a customer-oriented corporate culture is to adopt these three behaviours, putting customers and their needs at the heart of its concerns and its business (Harrison, 2001; Matsuno et al., 2003). According to Homburg et al. (2000), the emergence of customer orientation requires a supportive environment rich, open and able to communicate as well as the implementation of appropriate management practices. Customer orientation is designated as an organizational learning process that results in data processing, customer information and knowledge leading to the implementation of coherent strategies (Jaworski et al., 2002).

In the literature, customer orientation is characterized by three organizational behavior characteristics including the production, diffusion and use of information and knowledge on current and future needs of customers to be reactive with respect to customers and even to anticipate these needs (Jaworski et al., 2000; Day, 1994). A number of researchers have examined the link between customer orientation and performance. Although several studies have supported association between customer orientation and profitability, most of these studies were conducted in develop countries (Slater and Narver, 2000; Pieryc et al., 2002; Liu et al., 2003). Most of these studies have been conducted on large enterprises, small and medium enterprises have been neglected, yet they have significant economic importance in most countries (World Bank, 2001; Ayyagari et al., 2003).

The implementation of customer orientation requires organizational behaviours requiring dedicated resources (for example, a monitoring system to collect relevant information), a large structure would therefore be more likely to have a real direction or a small and medium size enterprise.

In addition, the productive entities that have been mostly affected by problems related to technology transfer are the small and medium enterprises (Kawai and Urata, 2002; Ramanathan, 2008). Another evident limitation of this line is that considering the precarious situation of small and medium scale businesses in a developing economy (Ekpenyong and Nyong, 1992), coupled with the fact that there is need for definite marketing competence that would facilitate the customer oriented culture in such a firm to move into positive performance (Hooley et al., 2005), this looks almost impossible (Asiklia, 2010). Thus, it is hypothesized that:

H₂: There are significant differences between the perceived importance of customer orientation decision and the size of the enterprise.
Table 1. Geographical distribution of firms in the sampling frame.

<table>
<thead>
<tr>
<th>Cities</th>
<th>Industries</th>
<th>Service</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percent (%)</td>
<td>Frequency</td>
</tr>
<tr>
<td>Yaounde</td>
<td>19</td>
<td>11.7</td>
<td>34</td>
</tr>
<tr>
<td>Douala</td>
<td>52</td>
<td>32.1</td>
<td>-</td>
</tr>
<tr>
<td>Bafoussam</td>
<td>1</td>
<td>0.6</td>
<td>-</td>
</tr>
<tr>
<td>Ngaoundere</td>
<td>1</td>
<td>0.6</td>
<td>-</td>
</tr>
<tr>
<td>Garoua</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>73</td>
<td>45.1</td>
<td>89</td>
</tr>
</tbody>
</table>

SPSS output version 12.0.

METHODOLOGY

Sampling

New products regularly introduced in the markets by companies in developing countries are based on improvements of existing products and are therefore perceived by customers as new and different from the old version (Roehrich, 1987). In this study, it is considered innovative, all Cameroonian law firms that manufactured and/or introduced at least one product/service in the five years prior to our collection of data. Most of these studies have been conducted on large, small and medium enterprises have been neglected, they have yet significant importance in the economy of most countries (World Bank, 2001; Ayyagari et al., 2003). The implementation of customer orientation requiring dedicated resources (for example, a monitoring system to collect information) would more likely have a real gold towards a small medium enterprise. With the exception of sole proprietorships, the target population for this study consisted of all firms in the sectors of food products and services based on assets in Cameroon. Indeed, the policy of economic liberalization, begun in the late 80s, has intensified private sector investment in food production. According to the summary of the Economic Mission (2007), the contribution of the food industry to gross domestic product (GDP) manufacturing in Cameroon amounted to 30% with a preponderance of the beverage segment, which accounted for 53% of the turnover of the sector. The remaining activity was shared between the industries of processing agricultural products (31% of turnover in the sector), other food industries (7%), the segment of cereals, flour and tobacco (5%) and finally bakeries (1%). Thus, agribusiness companies covered in this study were specialized in breweries, wines and spirits, dairy products, cocoa and coffee preparations, sugar and sugar preparations, preparations of cereals, the vegetable oils and fats.

In Cameroon, as in most African countries, the services sector has changed dramatically over the past decade due to the rise of information technology and communication (Economic Mission, 2008). In this industry, telecommunications companies, banks, microfinance and insurance were particularly sought. According to Sethi et al. (2001), one person per firm has chosen for interview. The respondent was not only participating in a recent NPD project and launch of a product/service, but also be able to characterize it (Cini et al., 1993). It is in this way that product managers were chosen for question in large firms, marketing managers in mediumsized enterprises and the general managers in small businesses. The development team for new products consisting of members from different departments. In lack of an updated list of the study population, the compilation of various sources (Department of Statistics and National Accounts of Cameroon, flyers and advertising supports), led to the establishment of a directory in place of the frame. To ensure greater external validity of results, we have ensured that they belong to the branch 030 of the "industries" and the branches from 033 to 036 of the "services" as specified by the nomenclature of economic activities of the National Institute of Statistics (NIS) of Cameroon. This approach allowed us to establish a theoretical sample of 162 companies manufacturing and/or introducing new products on the Cameroonian market in the industrial and services. The criterion of geographical location is not a key variable in determining the introduction of new products on the market by companies; we nevertheless achieved a sort flat on the data from our (Table 1).

Table 1 shows that firms that constitute our frame are highly concentrated in the cities of Douala (65.4%) and Yaounde (32.7%). This high concentration of innovative companies that justified the choice of the administration of our questionnaire in these two cities. By limiting the administration of our questionnaire to these two cities, three companies were released from the initial theoretical sample (including an industrial company located in Bafoussam, one other company in Ngaoundere and a service company in Garoua). The removal of these three companies reduced our sampling frame of 162 companies (162 - 3 = 159) 159 companies. These are distributed as follows: 71 industrial enterprises (73 - 3 = 71) and 88 service firms (89 - 1 = 88). Thus, it is with this theoretical sampling of 159 companies that questionnaires were administered with the face-to-face method called "rational choice". This method involves answering a question when his company had the characteristics of innovative companies mentioned earlier (Evrard et al., 2003). To this end, a filter question was introduced: For about five years, how many new products have you launched? The response categories were: None, One, Two, Three and Three More. Following the field visit, seventy-two questionnaires distributed equitably between the two sectors were recovered. Seven questionnaires incomplete (lack of response to questions apprehending the formation of cross-functional teams and customer views on the direction) were eliminated, which were four industries and three service companies. This analysis answers to questions showed a response rate of 90.28% [72 / 72 = 0.9028], which argues for reducing the risk of non-response. Finally, the study sample was 65 companies (72 - 7 = 65) with 33 (36 - 3 = 33) and 32 service firms (36 - 4 = 32) industrial enterprises.

Measures

The theoretical solutions were made in the first part of this article highlighted the relationship between the variables. These are: the size of the enterprise (independent variable in the assumptions made), the cross-functional team composition (dependent variable) and the customer orientation decision (dependent variable). Today,
Table 2. Principal component analysis of cross-functional team and customer orientation.

<table>
<thead>
<tr>
<th>Scale items</th>
<th>Factor loading</th>
<th>Item to total correlation</th>
<th>Cronbach</th>
<th>% of variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cross-functional team</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teams integrate well the talents and technologies available in different departments of our organization</td>
<td>0.739</td>
<td>0.547</td>
<td>0.762</td>
<td>58.414</td>
</tr>
<tr>
<td>Teams reflect the nature of our business - that is, members have knowledge of markets in different regions</td>
<td>0.809</td>
<td>0.655</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teams are truly &quot;multidisciplinary&quot; - that is, actually include members from different departments</td>
<td>0.787</td>
<td>0.619</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teams actively involve frontline personnel from different regions</td>
<td>0.718</td>
<td>0.516</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Customer orientation</strong></td>
<td></td>
<td></td>
<td>0.867</td>
<td>60.263</td>
</tr>
<tr>
<td>Our business objectives are driven primarily by customer satisfaction</td>
<td>0.769</td>
<td>0.591</td>
<td></td>
<td></td>
</tr>
<tr>
<td>We constantly monitor our level of commitment and orientation to serving customer needs</td>
<td>0.804</td>
<td>0.647</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our strategy for competitive advantage is based on our understanding of customers' needs</td>
<td>0.746</td>
<td>0.556</td>
<td></td>
<td></td>
</tr>
<tr>
<td>We measure customer satisfaction systematically and frequently</td>
<td>0.744</td>
<td>0.553</td>
<td></td>
<td></td>
</tr>
<tr>
<td>We have routine or regular measures of customer service</td>
<td>0.857</td>
<td>0.734</td>
<td></td>
<td></td>
</tr>
<tr>
<td>We regularly data from the market on the identification of unmet needs expressed by customers at all levels of the marketing department</td>
<td>0.732</td>
<td>0.535</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SPSS output version 12.0.

the contribution of small and medium enterprises or small and medium-sized enterprises (SMEs) to growth and economic development is no longer subject to doubt (World Bank, 2001; Ayozie and Latinwo, 2010). However, if the idea underlying the definition of small and medium enterprises remains the same, the classification criteria used vary depending on the context, authors and countries (Ayyagari et al., 2003). This diversity is explained by the nature of indicators such as sales, the amount of capital or the number of employees. In other words, when the number of employees is an indicator of classification, the number of employees required differs from one country to another (Abor and Quartey, 2010). In Ghana, the figure of employees for micro, small and medium enterprises is between 1 and 99 (Teal, 2002; Mensah, 2004). In South Africa, fewer than 5 people are called micro business, while 10 to 20 are referred to very small enterprises, fewer than 50 are small enterprises and fewer than 100 to 200 depending on industry are called medium enterprises (Falkena et al., 2001). In Cameroon, by law No. 2010/001 of 13 April 2010 on the promotion of small businesses and medium sized businesses of up to five employees are very small businesses, those from 6 to 20 are small businesses and those from 21 to 100 are medium-sized companies. However, studies in Central Africa, including Cameroon (Tchankam, 2000) and Congo (Makunza, 2006) admit the possibility of business growth and lead to a classification of enterprises by number of employees similar to that proposed in South Africa.

One objective of this study is to understand the importance that companies attach to the composition of cross-functional teams in developing new products, sole proprietorships were excluded. In addition, these small and medium sized fight in the same competitive environment that companies large sizes or national subsidiaries of international groups. Finally, the business structure used in this study results from the combination of data from the National Institute of Statistics (NIS, 2006) on the distribution of firms by number of employees (Fewer than 20 employed, employed 20 to 49, 50 to 149 employed, employed 150 to 299, 300 to 499 employed and more than 500 employees) and business classification used in most studies on product innovation (Spanjol et al., 2011): very small businesses (1 to 9 employed), SME/SMI (10 to 499 employees) and large enterprises (more than 500 employees). Compared to the variable size of the business, items were used to measure the other variables. Appendix and Table 2 detail the scales used and the usual evidence of validation for estimate of reliability. Studies had been interested in the cross-functional team composition, four measurement indicators (Henke et al., 1993; McDonough, 2000). These measurement indicators are related to the integration of technology and talent available in the various teams, to reflect the nature of the business by the teams, multidisciplinary teams and the active involvement of leaders of agency teams in different regions. To measure the perceived importance of customer orientation decision, the six items of the scale of Narver et al. (2004) were selected. These measurement indicators are related to constant verification by the company’s level of orientation towards the needs of customers, to the extent of a frequent customer satisfaction, the concentration of the company on its customers compared to its competitors, looking for competitive advantages based on understanding the needs expressed by customers, the continuous search of some answers to customer expectations and regular dissemination at all levels of marketing data from the market on the identification of unmet needs expressed by customers.
RESULTS

Sample profile

From sixty five firms in our sample, 16.9% are large firms, 53.8% are medium-sized firms and 29.2% are small firms. Respondents were marketing managers (49.2%), operations managers (33.8%) and general managers (17.0%). The majority of those general managers (63.63%) were in small firms. Respondents had been in their current positions for a period of between 4 years and 16 years, with a mean of 6.02 years. Participants also indicated that their companies have marketed 1 to 6 new products for about five years, with an average of 2.91 new products.

An analysis of variance (ANOVA) test was performed to determine whether significant differences existed between the means of three groups of firms studied (SPSS, 2003). The main finding is that the mean number of new products launched by the small, medium and large enterprise studied, does not differ significantly (Table 3).

The emphasis on the composition of cross-functional teams in innovative firms of different sizes

An ANOVA was performed to determine whether significant differences exist between the mean scores of the three groups (small, medium and large) of firms, and the importance they attribute to the composition of cross-functional teams in NPD activities (SPSS, 2003). The results are presented in Table 3.

A five point unlabelled Likert scale was used to measure the level of importance (where 1 is "not important" and 5 is "very important") respondents attribute to each aspect of cross-functional teams composition. The p-value associated with differences between the overall means for the importance attributed by different sized enterprises to factor associated with the cross-functional teams composition is less than 0.05. The main finding is that the overall means indicating the importance attributed to cross-functional teams composition by the different size of enterprise are significantly different (Hypothesis 1).

Different sized firms’ perceptions of the customer orientation importance

A significance test was conducted to determine whether or not the mean of the emphasis on customer orientation is significantly different for the different enterprise sizes. An ANOVA was performed (SPSS, 2003). The results are presented in Table 2.

The results of significance testing indicate that the p-value associated with differences between the mean of the emphasis on customer orientation at small, medium and large enterprises is above 0.05. The main finding here is that the mean of the emphasis on customer orientation at small, medium and large enterprises do not differ significantly (Hypothesis 2).

In summary, the results of the hypothesis testing are as follows:

H1: Stating that there are significant differences between the perceived importance of cross-functional team composition and the size of the enterprise was supported.

H2: Stating that there are significant differences between the perceived importance of customer orientation decision and the size of the enterprise was not supported.

DISCUSSION

The present research aims to contribute to the understanding of the relationships between the activities of product innovation and business performance. The objective was to highlight the methods of action necessary for the strategic management of new products in firms in Cameroon. With regards to the assumptions made in this study, there were significant differences between the cross-functional team composition and business size (Hypothesis 1) and no significant differences could be found between the perceived importance of customer orientation decision and the size of the enterprise (Hypothesis 2).

Companies involved in the present research were small, medium and large companies. In the terms of quantitative point of view, the number of small firms is

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Table 3. Significant testing of the overall means of different sized enterprise’ perceptions of the importance of cross-functional teams composition and customer orientation.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Small enterprises</th>
<th>Medium enterprises</th>
<th>Large enterprises</th>
<th>ANOVA (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N  Mean</td>
<td>N  Mean</td>
<td>N  Mean</td>
<td></td>
</tr>
<tr>
<td>Cross-functional teams</td>
<td>19  1.68</td>
<td>35  2.71</td>
<td>11  3.00</td>
<td>0.004</td>
</tr>
<tr>
<td>Customer orientation</td>
<td>19  2.31</td>
<td>35  2.88</td>
<td>11  2.54</td>
<td>0.223</td>
</tr>
</tbody>
</table>

SPSS output version 12.0.
less than 9 employees. Thus, in this category between business and an employee classified as sole proprietorships. In some developing countries like Ghana, for example, small businesses do not have a marketing plan (Hinson and Mahmoud, 2011). It is certainly this would explain the predominance of CEOs among respondents of small businesses in the study sample (63.63%). Moreover, if a simplified organizational structure was considered (with a general manager, an assistant general manager, a sales manager, accountant, production manager, a financial and 4 or 5 operational managers), it is clear that each person establishes contacts with customers, the market in different ways. The meeting information generated by these contacts, the composition of cross-functional teams, generates synergy benefits in informational development activities for new products. More than the meeting information from various sources, the members should have professional experience. Diversity is necessary but not sufficient; a climate of friendliness must be ensuring between members conducive to teamwork. This highlights the adage that "unity is strength". Therefore, cross-functional teams consisting primarily representatives of different departments can not be made by such person businesses or very small or micro businesses expanding in developing countries. But, for medium and large enterprises, their size is not a handicap to the formation of cross-functional teams. Indeed, these companies have headquarters in addition to one or more agencies, in a city or across the country. However, most large companies in developing countries are subsidiaries of multinationals. As such, it is not surprising that international experts involved in development activities for new products. This policy option is part of internationalization strategies and one of the variants is adapting products to local conditions. As for medium and large enterprises, their size is not a handicap to the formation of cross-functional teams. Indeed, these companies have headquarters in addition to one or more agencies, in a city or across the country. However, most large companies in developing countries are subsidiaries of multinationals. As such, it is not surprising when international experts are involved in development activities of new products. This policy option is part of internationalization strategies and one of the variants is adapting products to local conditions.

It is recommended that small firms have to use outsourcing of NPD activities, identifying real opportunities, either by appealing to marketing experts and more specifically to specialists in development activities for new products, either by using outsourcing. Cameroonians firms of industrial sector and services consider all activities associated with the management of customer orientation as important. There is no significant difference between the mean firm size and emphasis on customer orientation. The product innovation is an activity subject to a high risk and, innovative firms must focalize their efforts on the search for sustainable competitive advantages. This interest highlights the adage that the customer is king. Thus, whether small, medium or large, they are located in developed or developing; the customer is at the heart of the strategic concerns of firms (Zhou et al., 2007). This refers to the consideration of the needs and expectations of consumers throughout the development process of new products. In developing countries, this attitude is the source of constant launch of new products to meet the needs expressed by consumers. It is in this vein that firms in developing countries are embarking on extensions of product lines (Nwokah et al., 2009), spy on each other and engage in pitched competitive battles with shots of copies (Tsapi and Gouanlong, 2009). The current economic environment is increasingly fierce; businesses must satisfy their customers at risk of losing them and in the short time. It is understandable why small, medium, large companies or even micro enterprises in developing countries give a prominent place in customer orientation (Asikhia, 2010). It is recommended to get as close as possible to current and potential customers, to invest in identifying latent needs and poorly met by existing products or services, to foster the emergence of ideas of new products or services by consumers to dock permanently changing design processes for new products and demonstrate their difference and specificity by adjusting its marketing policy.

**LIMITATIONS AND FUTURE RESEARCH**

In Cameroon, as in most Central Africa countries, researchers lament the lack of databases of firms reliable and regularly updated. This study was limited to innovative firms located in the chief towns of the two regions with high economic concentration in the Cameroon (Douala and Yaounde). Innovative firms which the location is dictated by the availability of natural resources, and do not have sales offices in the regions of investigation, were not considered. It would be interesting to conduct a new study using the same methodology and the investigation will be extended to all parts of the country. It would also be interesting in a larger scale of study to conduct a comparative analysis between firms in Cameroon and other African firms (especially those of Central African sub-region) to identify similarities and differences that may exist.

**Conclusion**

Faced with the challenges that represent the success of new products for companies, they have long sought to maximize the performance factors, while ascending the earliest possible stage of the development process. Located in the initial stage of any development process of
new products, the composition of teams has been the subject of much attention. If the customer orientation has generated interest in developing countries, this is not the case of inter-functional development teams that have not yet been the subject of study, to our knowledge. Yet these elements are frequently viewed by innovative firms as key success factors. This consideration is confirmed by the results of this study. Indeed, one of the requirements of the customer focus is the dissemination of data from the market at all levels of the marketing department. Cross-functional teams are made up of representatives from each department in the strict sense; they take care to ensure the inclusion of the needs and expectations of consumers in the specifications of new products. In other words, the combination of customer focus in cross-functional teams would favor the rapid marketing of new products by companies in developing countries. In this context, our study provides two main contributions to the collection of new products as strategic decision by firms in developing countries: (i) Confirmation of the strategic emphasis on customer focus by companies of small, medium and large in developing countries and (ii) the identification of a significant difference in the perception of cross-functional teams in developing new products according to company size.

From a managerial point of view, the results highlight the virtual absence of cross-functional team formation by micro, small and very small businesses, the majority components of the economic fabric of developing countries. To obtain the size needed, the leaders of these companies and those that are sole proprietorships in particular, should consider opportunities to grow their workforce. These opportunities are made possible by government incentives, including financial set up. In Cameroon, these government incentives take the form of the simplification of administrative procedures (tax, registration of trade and industry); ease of access to financing through the ministries (agriculture, livestock) and even the national fund of employment (FNE) is the structure responsible for training, integration and monitoring of young managers. In addition to these governmental measures, there are also international agencies (NGOs, EU ...) that offer funding opportunities in the micro, small and very small businesses. Otherwise, they may opt for partnerships, contracts, subcontracting or use of marketing consultants developing new products.

Despite the theoretical interest of this approach, in the absence of a history of difficulties encountered by firms in Cameroon in launching new products and innovative companies in other developing countries, we chose the dimensions that we felt were most relevant to the management charge of these activities a strategic point of view. This research does raise many questions and provide many answers. The risk inherent in the activities of product innovation remains a complex concept that still drives the debates in marketing research. Through these debates, we hope that this research has contributed relatively to some aspects of their strategic management.

REFERENCES


### Appendix.

Construct measurement: Scale items, item means, standard deviations, weights and loadings.

<table>
<thead>
<tr>
<th>Cross-functional team</th>
<th>(Adapted from Henke and et al. (1993), McDonough (2000); 1 = strongly disagree, 5 = strongly agree).</th>
<th>M = 2.46, SD = 1.27, W = 0.547, L= 0.739</th>
</tr>
</thead>
<tbody>
<tr>
<td>When organizing our NSD/ NPD project teams, we ensure that . . .</td>
<td>CFT 1: Teams integrate well the talents and technologies available in different departments of our organization.</td>
<td>M = 2.60, SD = 1.33, W = 0.655, L= 0.809</td>
</tr>
<tr>
<td></td>
<td>CFT 2: Teams reflect the nature of our business - that is, members have knowledge of markets in different regions.</td>
<td>M = 2.43, SD = 1.24, W = 0.619, L= 0.787</td>
</tr>
<tr>
<td></td>
<td>CFT 3: Teams are truly “multidisciplinary”- that is actually include members from different departments.</td>
<td>M = 2.37, SD = 1.15, W = 0.516, L= 0.718</td>
</tr>
<tr>
<td></td>
<td>CFT 4: Teams actively involve frontline personnel form different regions.</td>
<td>M = 2.43, SD = 1.24, W = 0.619, L= 0.787</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Customer orientation</th>
<th>(Adapted from Narver et al., 2004 ; 1 = strongly disagree, 5 = strongly agree)</th>
<th>M = 2.66, SD = 1.17, W = 0.591, L= 0.769</th>
</tr>
</thead>
<tbody>
<tr>
<td>CUO 1: Our business objectives are driven primarily by customer satisfaction.</td>
<td>M = 2.68, SD = 1.16, W = 0.647, L= 0.804</td>
<td></td>
</tr>
<tr>
<td>CUO 2: We constantly monitor our level of commitment and orientation to serving customer needs.</td>
<td>M = 2.57, SD = 1.20, W = 0.556, L= 0.746</td>
<td></td>
</tr>
<tr>
<td>CUO 3: Our strategy for competitive advantage is based on our understanding of customers’ needs.</td>
<td>M = 2.46, SD = 1.16, W = 0.553, L= 0.744</td>
<td></td>
</tr>
<tr>
<td>CUO 4: We measure customer satisfaction systematically and frequently.</td>
<td>M = 2.62, SD = 1.21, W = 0.734, L= 0.857</td>
<td></td>
</tr>
<tr>
<td>CUO 5: We have routine or regular measures of customer service.</td>
<td>M = 2.71, SD = 1.21, W = 0.535, L= 0.732</td>
<td></td>
</tr>
<tr>
<td>CUO 6: We regularly data from the market on the identification of unmet needs expressed by customers at all levels of the marketing department.</td>
<td>M = 2.57, SD = 1.20, W = 0.556, L= 0.746</td>
<td></td>
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</tbody>
</table>

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<thead>
<tr>
<th>Firm size</th>
<th>(Mark one)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size: Please indicate the size of your business unit in terms of number of employees, by marking one of the following: 1 = less than 10, 2 = 10-499, 3 = 500 or more.</td>
<td>M = 1.88 , SD = 0.67</td>
</tr>
</tbody>
</table>