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Implication of customer behaviour on business growth in UGEP cross river state Nigeria

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Abstract
The impact of consumer behaviour on business expansion in Ugep, Cross River State, Nigeria, was the main focus of the study. The study specifically looks at how market innovation, customer centricity, and market engagement affect corporate growth. The study was based on theories of planned behaviour and consumer satisfaction. The study used a descriptive research survey design. The population consisted of owners of sixty-eight (68) registered enterprises in Ugep. Since the population is small, no sample size was established; instead, simple sampling techniques were used, and the entire population was included in the study. The data was produced using a structured questionnaire. Cronbach Alpha and content validity were employed to assess the study instrument's dependability. While Pearson Moment Correlation analysis was performed for hypothesis testing, simple percentages and means were employed for research question analysis. The results revealed that customer centricity had a significant and positive relationship with business growth in Ugep ($r = .380$, $P < 0.05$); market innovation had a high, positive, and significant relationship with business growth in Ugep, Cross River State, Nigeria ($r = .860$, $P < 0.05$); and market engagement had a moderate, positive, and significant relationship with business growth in Ugep, Cross River State, Nigeria ($r = .284$, $P < 0.05$). The study concluded that by adopting effective market engagement approach through feedback loops, community involvement will enhance customer loyalty. Moreso, businesses that adopt a customer centric approach can tailor their products and services to enhance customer satisfaction. Furthermore, businesses that embrace innovative practices are more likely to capture new market segments and enhance their competitive edge. Therefore, the study recommended that the studied business enterprises are encouraged to establish channels for customer feedback to understand needs and preference through collaboration with local organization, schools, and community leaders to enhance visibility and build trust. Furthermore, they should stay updated on customer preferences and market trends through ongoing research.

Keywords: Customer behavior, Business growth, Customer certainty, Market innovation

Introduction

Understanding consumer behaviour has become a key factor in corporate growth in today's competitive and fast-paced industry. Organisations must actively engage with their customers in meaningful ways in addition to acknowledging their value in light of the changing landscape, such as through personalised marketing strategies and feedback mechanisms that foster a deeper connection with their target audience. In an increasingly competitive world, firms seeking to achieve sustainable corporate success must comprehend consumer behaviour. According to Bauerova (2023), customer behaviour is the study of how individuals and groups choose, buy, use, and discard goods, services, experiences, or concepts. Conversely, a company's sales, revenue, and market share increasing over time is commonly referred to as business growth (Vijayakumar, 2023). It illustrates a company's capacity to grow, penetrate new markets, and increase profitability.

The combination of market participation, customer centricity, and market innovation creates a challenging environment for businesses. Effective engagement strategies can guide innovations and customer-focused processes, resulting in a holistic plan that promotes growth. On the other hand, stagnation and lost opportunities may result from a misalignment of these components. Additionally, Ugep's purchasing behaviour is frequently influenced by outside factors, including promotions, advertising, and peer recommendations. In this close-knit society, word-of-mouth communication is still a strong weapon. Companies may increase client retention and cultivate brand loyalty by utilising the power of referrals and interacting with customers personally.

Despite the town's rich cultural legacy and community-focused market dynamics, many businesses find it difficult to interact with their clients in an efficient manner, which results in lost chances for repeat business and loyalty. Inadequate market engagement tactics make it difficult for companies to establish deeper connections with their clients, leading to fleeting exchanges that don't build lasting bonds

The incapacity to completely comprehend and react to consumer behaviour in a way that promotes growth is the main issue businesses in Ugep faced. Local firms face a difficult environment due to ineffective market involvement tactics, a lack of client centricity, and opposition to market innovation. Resolving these problems is crucial for both the success of individual companies and Ugep's general economic growth. To help businesses traverse the intricacies of consumer behaviour and eventually promote sustainable growth and boost the community's economic vitality, this study attempts to clarify these issues and provide practical insights.

Objective of the study

The fundamental goal of this study is to determine the impact of consumer behaviour on business growth in Ugep, Cross River State, Nigeria. Specifically, the study sought the following:

1) To examine the influence of market engagement on business growth in Ugep, Cross River State Nigeria.
2) To determine the effect of customer centricity on business growth in Ugep, Cross River State Nigeria.
3) To ascertain the influence of market innovation on business growth in Ugep, Cross River State Nigeria.

Literature review

Customer behaviour

Consumer behaviour is the study of how consumers decide which goods to buy. Preferences, buying habits, and the thought processes that influence these decisions are all included. Kotler and Keller (2016) define consumer behaviour as "the study of how individuals, groups, and organisations choose, purchase, use, and dispose of goods, services, ideas, or experiences to satisfy their needs and desires." This covers both individual and group consumer behaviour that affects market dynamics.

Market engagement

The goal of market engagement, a complex process, is to establish good relationships with a target audience in order to promote communication and propel corporate expansion. According to Nkegbe and Abor (2023), it's "a process of connecting with your target audience, building relationships, and fostering meaningful interactions that drive business growth." It explains that preliminary market involvement is the process of gathering information from the supply base prior to starting a procurement process, with an emphasis on preliminary actions (Block, 2023).

Customer centricity

Customer centricity is a business approach that puts the demands and experience of the customer first in every facet of the company (Ceesay, 2020). To provide outstanding value and create enduring partnerships, it entails coordinating organisational culture, procedures, and technological advancements. According to Fader (2020), customer centricity is "the ability of people in an organisation to understand customers' situations, perceptions, and expectations." To anticipate client demands and provide pertinent solutions, this highlights the significance of empathy and insight.

Market innovation

According to Sprong et al. (2021), market innovation is the process of developing new markets or redefining current ones through distinctive offerings. It involves launching new goods, services, or corporate strategies that drastically alter demand trends or alter the way a sector functions. According to Kumar and Srivastava (2020), market innovation is defined as the introduction of new goods, services, procedures, or business models that provide value for clients in ways that were not previously possible. It entails offering creative answers to current issues or unfulfilled demands in a certain market niche.

Business growth

According to Zhou and Park (2020), business growth is the enlargement and expansion of a company's operations, usually quantified by revenue, earnings, market share, and the number of employees. This highlights growth's quantitative components and the observable results of strategic activities. According to Aaker and Moorman (2023), business expansion is the phase in which a company looks for new ways to make more money. This viewpoint emphasises how growth is proactive and deliberate, motivated by the goal to increase profitability and equity value.

Theoretical framework

The study anchored on theory of planned behaviour.

Theory of Planned Behaviour (TPB)

The earlier Theory of Reasoned Action is expanded upon by Icek Ajzen's 1985 introduction of the Theory of Planned Behaviour (TPB). It implies that attitudes, perceived behavioural control, and subjective norms all have an impact on an individual's intention to engage in behaviour. According to this paradigm, consumers are more likely to stick with a brand if they feel capable of making the purchases, have a positive attitude toward the company, and perceive social support for their choices (Handarkho, 2020).

This idea is especially pertinent to comprehending how marketing tactics can mould consumer intentions, which in turn affects company expansion. These hypotheses continue to be quite pertinent in the context of recent studies. Understanding customer happiness is essential for creating strategies that boost loyalty and promote word-of-mouth, as companies depend on consumer feedback and data analytics.

Empirical review

A thorough study of the literature on customer experience, loyalty, and product and customer centricity was carried out by Sobrinho et al. in 2025. A systematic literature review (SLR) on customer experience, customer loyalty, customer centricity, and product centricity was conducted. The review's findings identify key authors and trends in publications and citations during the preceding 125 years. Noting a significant increase in citations related to customer experience and customer loyalty, it offers implications and recommendations for additional research in the field. The data study provided significant insights into the relationship between market involvement, customer orientation, staff independence, market innovation, and consumer responsiveness. Thus, the study came to the conclusion that understanding the importance of employee empowerment, market engagement, and innovation enables coffee businesses to outperform rivals and create long-term sustainability.

Gonu et al. (2022) looked into how Nestlé Ghana Limited customers' purchasing decisions were affected by marketing tactics. The study included a quantitative approach, a descriptive design, and a structured questionnaire to examine how marketing strategies—more especially, sales promotion and perceived product quality—affect customers' decisions to buy Maggi products in Ghana's Tamale metropolitan area. Valid data sets were collected from 162 Tamale Metropolis food vendors. IBM SPSS Statistics version 26 was used to handle the data, and both descriptive and inferential analyses were subsequently performed. The study, which concentrated on food vendors in Tamale, Ghana, found that perceived product quality and sales promotions have a significant influence on Maggi product buyers' purchasing decisions. According to the study's findings, sales promotions and consumers' perceptions of product quality play a significant part in motivating them to choose better products.

Aksoy et al. (2021) investigated the existing methods for comprehending consumers and their involvement. 397 articles were analysed for content and bibliometrics. The review's findings demonstrate that application areas—particularly social media and online brand communities—are commonly the focus of consumer engagement research. Theoretically, service-dominant logic is commonly employed. Experience, advantages, motivations, and trust are important antecedents of consumer engagement, and commitment, social presence, and customer loyalty are typical outcomes.

Consumer participation was examined in a systematic review, synthesis, and research plan by Bilro and Loureiro (2020). Text mining analysis of forty-one papers and a systematic examination of the literature were used. The study's findings recommend five research streams: consumer engagement, media engagement, consumer-brand engagement, consumer engagement behaviours, and online brand community engagement. It offers the field's research aim, a conceptual framework, and a definition of a consumer engagement typology.

Osakwe (2020) investigated Nigerian micro-sized businesses' customer-centricity. Micro-sized businesses in Nigeria provided survey data. The results show that technical turbulence and industry competitiveness have a favourable effect on customer centricity adoption. Furthermore, it illustrates the significant influence that customer centricity has on marketing innovation, which indirectly affects financial performance.

Gap in literature

The majority of research tends to extrapolate findings from different industries. There isn't enough research on how consumer behaviour affects particular Ugep industries, including retail, services, or agriculture, which could provide diverse insights. Longitudinal studies that monitor shifts in consumer behaviour over time and how these shifts relate to business expansion are necessary, especially in a market as dynamic as Ugep.

Future studies could close these gaps and offer more specialised insights that would help local companies and advance our knowledge of Ugep's consumer behaviour.

Methodology

The research study used a survey design. Since a wide range of commercial enterprises are involved and their opinions of discourse are required for the generation of research data, the survey design is highly appropriate. The owners of sixty-eight (68) Ugep-registered businesses are included in the study. Simple random sampling was the sampling strategy employed in the investigation. Simple sampling techniques and the total population constituted the size as the population is small, therefore no sample size was determined. Test-retests and the Cronbach's alpha method option were used to evaluate the instrument's dependability. The coefficient of the construct ranged from .929 to .959, as shown in table 3.1 below, indicating that the instrument is fit and has a strong internal consistency.

Table 1: Cronbach Alpha Reliability Coefficients

Variables	Market engagement	Customer centricity	Market innovation	Business growth
A	.959	.938	.929	.932

Source: SPSS Output, 2026

Data analysis, and discussion of findings

A total of six-eight (68) copies of the questionnaire were administered to the respondents. Fifty-five (55) copies representing 85 percent were correctly filed and returned, while 13 copies of the questionnaire representing 15 percent were not returned.

Table 2: Evaluation of market engagement

S/n	Items	Strongly Agreed	Agreed	Undecided	Disagree	Strongly Disagreed
1.	I proactively research brands before making a purchase.	30 (54.5)	13 (23.6)	4 (7.3)	8 (14.6)	0 (0)
2.	I believe that my contacts with brands have an impact on their products and product development.	12 (21.8)	28 (50.9)	4 (7.3)	8 (14.6)	3 (5.4)
3.	I am more inclined to stick with a company that actively interacts with its clients.	16 (29.1)	26 (47.2)	5 (9.1)	8 (14.6)	0 (0)
4.	I think the companies I interact with take consumer feedback seriously.	22 (40.0)	14 (25.5)	1 (1.8)	18 (32.7)	0 (0)

Source: Field Survey, 2026

Table 3: Evaluation of customer centricity

S/n	Items	Strongly Agreed	Agreed	Undecided	Disagree	Strongly Disagreed
1.	I believe that the customer's experience is considered when designing our products and services.	30 (54.5)	13 (23.6)	4 (7.3)	8 (14.6)	0 (0)
2.	In my business, customer feedback is actively sought after and appreciated.	12 (21.8)	28 (50.9)	4 (7.3)	8 (14.6)	3 (5.4)
3.	To improve clients' entire experience, my company constantly connects with them.	16 (29.1)	26 (47.2)	5 (9.1)	8 (14.6)	0 (0)
4.	Understanding client wants and preferences is a top priority for my organisation's decision-making procedures.	22 (40.0)	14 (25.5)	1 (1.8)	18 (32.7)	0 (0)

Source: Field Survey, 2026

Table 4: Evaluation of market innovation

S/n	Items	Strongly Agreed	Agreed	Undecided	Disagree	Strongly Disagreed
1.	Within my business, I am inspired to contribute creative ideas.	8 (14.6)	28 (50.9)	6 (10.9)	12 (21.8)	1 (1.8)
2.	Customer input is a powerful tool that my company uses to innovate its products.	11 (20.0)	30 (54.5)	2 (3.6)	8 (14.6)	4 (7.3)
3.	I think we are not as innovative as our rivals.	24 (43.6)	16 (29.1)	2 (3.6)	10 (18.2)	3 (5.4)
4.	My organisation's strategic planning places a high premium on innovation.	8 (14.6)	36 (65.4)	0 (0)	8 (14.6)	3 (5.4)

Source: Field Survey, 2026

Test of hypothesis

Table 5: Correlation Analysis showing the relationship between market engagement and business growth

	Pearson correlation	Market engagement	Business growth
Market engagement	Pearson correlation	1	0.284**
	Sig 2 (tailed)		0.001
	N	55	55
Business growth	Pearson correlation	0.284**	1
	sig (2 tailed)	0.001	
	N	55	55

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

Source: SPSS Output, 2026

Interpretation

According to the first hypothesis' study, market engagement and business growth have a correlation of .284 when the P-value is 0.00 < 0.01. This suggests that the link is moderate. As a result, we reject the null hypothesis and come to the conclusion that, in the Nigerian state of Ugep, Cross River, market engagement and business growth have a modest, positive, and significant association.

Hypothesis 2

Table 6: Correlation analysis showing the between customer centricity and business growth

	Pearson correlation	Customer centricity	Business growth
Customer centricity	Pearson correlation	1	0.380**
	Sig 2 (tailed)		0.001
	N	55	55
Business growth	Pearson correlation	0.380**	1
	sig (2 tailed)	0.001	
	N	55	55

**Correlation is significant at the 0.01 level (2-talied)
Source: SPSS Output, 2026

Interpretation

Business growth and customer centricity have a correlation of 0.380 when the P value is 0.000 < 0.01. This meant that the connection was moderate. Therefore, we reject the null hypothesis and acknowledge that, in the Nigerian state of Ugep, Cross River, customer centricity has a substantial and favourable association with business growth.

Hypothesis 3

Table 7: Correlation analysis showing the between market innovation and business growth

	Pearson correlation	**Market innovation**	**Business growth**
Market innovation	Pearson correlation	1	0.860**
	Sig 2 (tailed)		0.001
	N	55	55
Business growth	Pearson correlation sig	0.860**	1
	(2 tailed)	0.001	
	N	55	55

**Correlation is significant at the 0.01 level (2-talied)
Source: SPSS Output, 2026

Interpretation

Business growth and market innovation have a correlation of .860 when the p-value is 0.000 < 0.01. A high correlation was indicated. As a result, we reject the null hypothesis and acknowledge that market innovation and business growth in Nigeria's Ugep, Cross River State, are significantly and favourably correlated.

Discussion of findings

According to the results of hypothesis one, there is a correlation between market participation and business growth. 284 when the p-value is 0.000 < 0.01. The results of investigations by Montajula (2024), Aksoy et al. (2021), and Bilro and Loureiro (2020), which discovered a positive association, corroborate this conclusion.

Customer centricity and business growth have a correlation of 0.380, when the p-value is 0.000 < 0.01, according to the results of hypothesis two. This result is consistent with research by Sobrinho et al. (2025), Montajula (2024), and Osakwe (2020), which found a favourable correlation between customer centricity and business expansion.

The third hypothesis's result showed that, at a p-value of 0.000 < 0.01, market innovation and firm growth have a correlation of .860. This result is consistent with Gonu et al. (2022), who assert that sales promotion and perceived product quality have a major impact on Maggi product buyers' purchasing decisions, with an emphasis on food sellers in the Ghanaian city of Tamale.

Conclusion

This study's primary goal is to evaluate the relationship between Ugep business growth and customer behaviour. To improve business growth in Ugep, the study aimed to determine the most crucial elements of a customer behaviour plan that might be utilised to evaluate or modify the existing business and customer connection. A substantial and favourable association was found in all of the investigated hypotheses. According to the study's findings, community involvement will increase customer loyalty by using feedback loops as a successful market engagement strategy. Furthermore, companies that take a customer-centric strategy can customise their goods and services to improve client happiness. Additionally, companies that adopt innovative techniques have a greater chance of expanding their market share and strengthening their competitive advantage.

Recommendations

Arising from the study findings and conclusion, the study recommends the following:

1) To increase visibility and foster confidence, studied businesses are urged to set up channels for client feedback to comprehend demands and preferences through cooperation with neighbourhood organisations, educational institutions, and community leaders.
2) In addition to implementing loyalty programmes that offer customised rewards to devoted customers, studied businesses should carry out ongoing research to stay up to date on consumer preferences and market developments.
3) To explore new technologies that can enhance productivity and customer service, the businesses under study should encourage their employees to collaborate on new projects and exchange ideas.

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