# Concentration Strategy and Organizational Performance: A study of Beloxxi industries limited, Ogun State, Nigerian

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***Abstract***

*Purpose: This study examines the effect of Concentration Strategy on the organizational performance of Beloxxi Industries Limited in Ogun State, Nigeria. Methodology: A survey was conducted with 161 respondents and data were analyzed using multiple regression. Findings: findings revealed that Product Concentration (p = 0.000), Market Concentration (p = 0.013), Resource Concentration (p = 0.026), and Strategic Alliances (p = 0.000) all had p-values below the 0.05 significance level, indicating that each factor significantly and positively affects organizational performance. Originality/Value: This revealed that, a balanced concentration strategy is essential for enhancing performance, as evidenced by Beloxxi Industries. It was recommends that firms should focus on developing and promoting core products that align with consumer demand to optimize resources and improve market penetration. Additionally, investing in market research to target high-growth segments, adopting lean management practices for efficient resource use, and nurturing strategic alliances to boost competitive advantage are advised. These strategies collectively enhance organizational performance, demonstrating their importance in manufacturing firms like Beloxxi Industries.*

***Key Words:*** *Concentration Strategy, Organizational performance, Resource concentration, Strategic Alliance, Product concentration and Marketing concentration.*

## 1. INTRODUCTION

Globalization has made the world small and turned it into a single interdependent market. This has immensely influenced the increase in the level of competition in virtually all businesses around the world, necessitating firms to outperform their competitors, including those in the manufacturing industry (Akingbade, 2024). With a growing business, there came a disenchantment period characterized by dissatisfaction planning due to increased environmental turbulence, reduced business opportunities, and heightened competition (Milad et al., 2024).

Resource concentration strategy, also known as a focus strategy, involves a company directing its resources and efforts toward serving a specific market segment or niche effectively. This involves targeting a specific segment of the overall market based on factors such as demographics, psychographics, behavior, or needs. By understanding the unique preferences and demands of this target segment, the company can tailor its products, services, and marketing strategies to effectively cater to their specific requirements (Chourasis & Bahuguna, 2024).

Strategic Alliance: In this approach, the company focuses on offering a unique or specialized product or service that meets the distinct needs of a particular group of customers. This may involve emphasizing quality, innovation, customization, or other unique features to create a competitive advantage within the chosen market segment (Efi, 2023).

In the contemporary competitive market, firms that build distinctive and inimitable products develop a competitive advantage, which positions such firms for enhanced performance compared to their rivals (Fabrizio et al., 2021). This indicates that a firm's strategy to optimize performance can be achieved through differentiation of products or services from similar ones offered by competitors, or by ensuring cost-efficient manufacturing (Kharub et al., 2022). Firms implementing differentiation strategies aim to provide customers with distinct products and value that set them apart from competitors. The core idea behind this strategy is that customers are willing to pay a premium for the perceived uniqueness and added value of the product compared to competing offerings. (Udom & Ekpouk, 2024).

Competitive positioning is concerned with how a business as a whole distinguishes itself in a valuable way from its competitors and delivers value to specific customer segments. Performance within an organization can be evaluated as the process of assessing the organization's progress in achieving its goals and objectives. The assessment can be in financial or non-financial measures like profitability growth, brand relationship, and corporate image. The idea of measuring performance is not only to identify the current performance of the business but also how the business can perform better in the future in line with its strategic objectives (Mohamed, 2021).

In the dynamic and competitive business environment, many organizations struggle to maintain a competitive edge and sustain growth, especially in highly competitive and dynamic industries. Despite the potential benefits of employing a concentration strategy—focusing on a narrow market segment or specific products to gain market dominance—many firms in Nigeria continue to experience inconsistent performance levels. This inconsistency raises questions about the effectiveness of concentration strategies in achieving desired organizational outcomes, such as increased profitability, market share, and overall efficiency. While a concentration strategy can lead to a strong market position by allowing companies to better understand customer needs and streamline their operations, it may also pose significant risks. For instance, overreliance on a single market segment or product line can make firms vulnerable to changes in market demand, economic fluctuations, or competitive actions. Many Nigerian organizations lack empirical data and insights on how such strategies influence their performance metrics in the local context, which differs from those in more developed economies due to unique market dynamics and infrastructural challenges.

The main objective of the study was to examine the effect of Concentration Strategy on organizational performance of Beloxxi industries limited, Ogun State, Nigerian. However, the specific objectives were to: Examine the effect of Product Concentration, Evaluate the effect of Market Concentration, Access the effect of Resource concentration and identify the effect of Strategic alliances on Organizational performanceof Beloxxi industries limited, Ogun State, Nigerian.

## 2. LITERATURE REVIEW

### Concentration Strategy

Concentration strategy, also known as a focus strategy, involves a company directing its resources and efforts toward serving a specific market segment or niche effectively rather than attempting to appeal to the entire marketplace. There are two main types of concentration strategies: Resource Concentration targets specific market segments based on demographics, psychographics, behavior, or needs, allowing companies to tailor products, services, and marketing strategies to meet specific requirements (Argyres et al., 2024).
The conceptual relationships among the variables are depicted in figure 2.1 below;

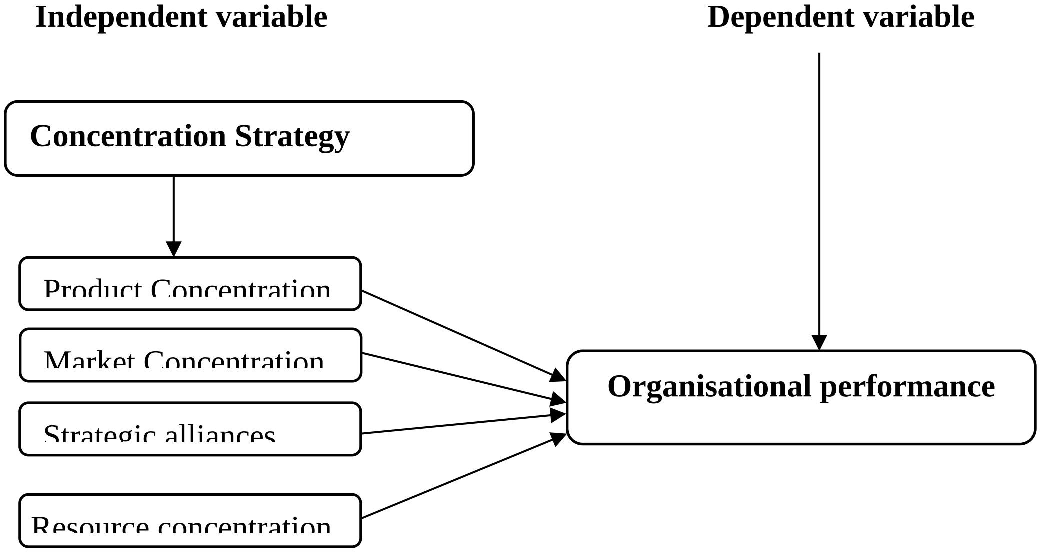


**Fig 1: Model of Concentration Strategy and organisational performance**

Strategic Alliances involve forming partnerships or alliances with other organizations to achieve synergistic benefits through joint ventures, collaborations, or strategic partnerships aimed at leveraging complementary strengths and resources to enhance competitive advantage and market position (Salama et al., 2022). These strategies are crucial for organizations seeking differentiation in competitive markets by focusing on specialized segments or utilizing strategic alliances for mutual growth and operational efficiency.

### Dimensions of Concentration Strategy and organisational performance

a. **Product Concentration:** Product differentiation can be achieved through image building, distinctive products, high quality, superior product availability, product reliability, and convenience in payment. This concept entails measures taken to distinguish a product from other competing products or from other products offered by the same firm, which involves distinguishing the quality of such products in terms of their physical features, functions, or durability for an identified market segment (Wang, 2024).
b. **Market Concentration:** Market concentration refers to the extent to which a small number of firms dominate the total sales, production, or activities within a particular

industry or market. It serves as a crucial indicator of the competitive landscape, influencing how businesses formulate their strategies, including concentration strategies, to achieve competitive advantages. Higher market concentration indicates that a few large firms control a significant portion of the market, while lower concentration suggests a more fragmented market with numerous smaller competitors (Peleckis, 2022).

c. **Resource Concentration:** Resource concentration refers to the strategic allocation of resources to core competencies and activities that create competitive advantage. This concept is rooted in the idea that companies cannot excel in all areas and must focus on what they do best to achieve success. By concentrating resources on key areas, businesses can develop expertise, reduce costs, and improve efficiency. Resource concentration involves identifying and prioritizing core competencies, which are unique skills or abilities that provide a competitive edge (Dorozhkina, 2024).

d. **Strategic Alliances:** A strategic alliance is a cooperative agreement between two or more independent companies to achieve a mutually beneficial goal while retaining their autonomy. This type of partnership allows businesses to share resources, expertise, and risk to create a competitive advantage and generate value that would be difficult to achieve alone. Strategic alliances can take various forms, including joint ventures, equity strategic alliances, and non-equity strategic alliances, each with different levels of financial investment and collaboration (Depamphilis, 2019). However, successful strategic alliances require careful planning, effective communication, and a high degree of trust and collaboration between partners (Salwan et al., 2024).

**Organizational Performance**

Performance is defined in business dictionary as the accomplishment of a given task measured against pre-set known standards of accuracy, completeness, cost, and speed. Organizational performance is the outcome of both individual and collective efforts of human elements in the work environment. Performance is the measure of firm's capability to increase its annual revenues over a defined period of time. The growth performance can be measured by internal expansion such as growth in number of employees, revenues and number of branches. Other indicators include turnover, pre-tax profit, return on net assets, return on capital employed, capital investment / turnover (Fekete, 2021).

Organizational performance generally refers to the degree to which companies achieve their business objectives, measured in terms of organizational learning, profitability, or other financial benefits. Without measurable success, the passion of employees and managers will wane. It is no surprise that researchers and organizational leaders have shown a long-standing interest in organizational performance. Bejaoui, (2021) argued that "the performance of organizational participants, both individually and collectively, has been an overriding concern of corporate and national leaders for decades, and for good reason." Individual marketing strategies, according to Bejaoui (2021), consist of selecting a target market and developing a marketing mix to satisfy market needs. A target market is a defined group of consumers or organizations with whom a firm aims to create marketing exchanges. The marketing mix comprises decisions in four basic areas: production (development of a product, service, or idea for exchange), pricing (determining what to charge for the exchange), and distribution (how to deliver the product, service, or idea to the target market to complete the exchange).

### i. Product Concentration and Organizational performance

Nigeria's manufacturing firms often face challenges related to resource constraints, market demand, and competitive dynamics, which influence their approach to product development and portfolio management. As a result, many firms adopt a strategy of concentrating on a smaller number of products to streamline their operations and allocate resources effectively. This focus on a limited range of products can have significant implications for the overall operational processes and efficiency of these firms (Adeleye et al., 2023).The effect of product concentration on organizational performance is complex and multifaceted. While concentrating on a specific set of products may allow manufacturing firms to achieve economies of scale and optimize production processes, it also poses potential risks related to over-reliance on a narrow product range and vulnerability to market fluctuations. Organizational performance, encompassing areas such as production processes, inventory management, and supply chain operations, is influenced by strategic decisions regarding product concentration (Olurankinse, 2019).

### ii. Market concentration and organizational performance

The effect of market concentration on the organizational performance of manufacturing firms in Nigeria is a complex and multifaceted issue that warrants careful consideration. Market concentration, characterized by a small number of dominant firms exerting significant control over a particular industry, can have both positive and negative effects on the organizational performance of manufacturing firms (Ibojo & Owoeye 2024). High levels of market concentration may lead to increased organizational performance for dominant firms due to economies of scale. Larger firms can benefit from lower average costs of production, enhanced bargaining power with suppliers, and greater access to capital, thereby improving their overall organizational performance (Olawale & Obinna., 2022). Conversely, market concentration can also stifle competition and innovation, resulting in reduced organizational performance for smaller firms. Limited competition may lead to complacency among dominant firms, potentially hindering their incentive to invest in technological advancements and process improvements. This, in turn, could limit overall organizational performance within the manufacturing sector (Adeoye et al., 2023).

### iii. Resource concentration and organizational performance

The resource concentration and organizational performance has been extensively studied in the field of strategic management. Resource concentration refers to the strategic allocation of resources to core competencies and activities that create competitive advantage. This concept is rooted in the idea that companies cannot excel in all areas and must focus on what they do best to achieve success. By concentrating resources on key areas, businesses can develop expertise, reduce costs, and improve efficiency (Chen, 2023). However, resource concentration also involves risks and challenges. Companies may become overly specialized and vulnerable to changes in market conditions. Moreover, resource concentration requires significant investment in core competencies, which can be costly and time-consuming. Therefore, businesses must carefully evaluate their resource allocation decisions and balance the need for focus with the need for adaptability and flexibility (Dorozhkina, 2024)

### iv. Strategic alliances and organizational performance

The relationship between strategic alliances and organizational performance has been a topic of interest for researchers and practitioners alike. Studies have consistently shown that strategic alliances can have a positive impact on organizational performance. By partnering with other companies, organizations can access new markets, technologies, and customers, improve efficiency and innovation, and reduce costs and risks (Salwan et al., 2024). Recent studies have also highlighted the importance of trust, communication, and collaboration in successful strategic alliances. When partners share a high level of trust and engage in open and effective communication, they are better able to leverage each other's strengths and achieve common goals (Depamphilis 2019). However, not all strategic alliances are successful, and failures can have negative consequences for organizational performance. Common reasons for failure include lack of trust and communication, mismatched goals and expectations, and inadequate partner selection. Therefore, it is crucial for organizations to carefully consider the motivations, capabilities, and compatibility of potential partners before entering into an alliance (Salwan et al., 2024).

## Empirical Review

Adekola, (2021) sought to assess the effect of place and price on performance of manufacturing firms in North Central Nigeria. The study adopted the survey research design to test a sample of 398 respondents from a population of 74,219 management staff of manufacturing firms in North Central Nigeria. Primary data was used for the study and collected through the use of structured five-point Likert scale questionnaire instrument. Multiple regression technique was used to test the research hypotheses. The study found a negative and significant effect of place on performance of the firms as well as a positive and significant effect of price on performance of the manufacturing firms in North Central Nigeria. The study then recommended that the firms make all effort to improve their place (distribution) strategy through re-evaluation and modification of their place strategies. The study also recommends that the firms need continue with their pricing strategy since the effect is positive and significant.

Joshua et al., (2025) assessed crisis management strategies in manufacturing firms in Akwa Ibom State, Nigeria. The researchers employed a mixed-methods approach, gathering data through interviews and questionnaires. The findings indicated that firms with well-developed crisis response strategies were more resilient during disruptions, showing improved recovery times and financial stability. The authors recommended that organizations invest in crisis preparedness training and develop comprehensive contingency plans to enhance resilience against future crises.

Udom and Ekpouko, (2021) analyzed the impact of market concentration on competitive advantage in Nigeria's retail sector. A descriptive research design was employed, surveying 200 retail firms. The findings highlighted that retailers focusing on high-demand products achieved better market penetration and customer loyalty compared to those with a broader focus. The authors recommended that retailers conduct market analysis to identify high-potential product lines for concentration.

Abodunde, (2020) investigated the role of strategic focus on the performance of SMEs in Lagos, Nigeria. The study utilized a descriptive survey method, collecting data from 150 SMEs through structured questionnaires. The findings indicated that firms concentrating on core business areas rather than diversifying unnecessarily achieved higher profitability and market share. The authors suggested that SMEs should regularly review and refine their business strategies to focus on their strengths and unique value propositions.

Okon (2024) determined the effect of strategic alliances on the performance of pharmaceutical companies in Nairobi City County. A descriptive research design was used, targeting 20 pharmaceutical companies and utilizing stratified random sampling to gather data from 60 respondents. The study found that strategic alliances significantly affected operational efficiency and market competitiveness. The authors recommended that pharmaceutical firms actively pursue collaborative arrangements with stakeholders to leverage shared resources and expertise.

## 3. METHODOLOGY

This study adopted the survey design. The population of this study comprised of Top management, middle management and lower level management staff of Beloxxi industries limited, Ogun State, Nigerian. Accordingly, and with facts from the firm's Human Resource Department, there is 269 management staff. This however formed the population for the study.

**Table 1: Population Table**

| S/N | Staff Level | Number |
|---|---|---|
| **1** | Top management | **29** |
| **2** | Middle management | **95** |
| **3** | lower level management | **145** |
| | Total | **269** |

**Source:** Data from Field Survey, 2024

For the purpose of this study, the Taro Yamane sample size determination function was used to determine the sample size. The formula is shown below:

$n = N/(1+N(e)^2)$

where, n = sample size

N = Population

e = error limit or level of significance

1 = unit which is constant

Since the population is made up of 269 staff and employees, the sample size was calculated as follows:

Given: e = 0.05 level of significance

$n = 269/1+(269(0.05)^2)$

$n = 269/1.6725$

$n = 161$

Stratified sampling techniques was used. For copies of questionnaire to be proportionally allotted to respondents in the study organisation, Bowley'sformular for proportionate representation was used which as follows:

$$nh = \frac{nNH}{N}$$

Where: n = sample size

NH = population of a strata

N = population

Therefore;

$$nh = \frac{161 \times 29}{269} = \frac{4,669}{269} = 17$$

$$nh = \frac{161 \times 95}{269} = \frac{15{,}295}{269} = 57$$

$$nh = \frac{161 \times 145}{269} = \frac{23{,}345}{269} = 87$$

$$nh = 17 + 57 + 87 = 161$$

**Table 2: Sample size Table**

| S/N | Staff Level | Number of Staff | Sample size |
|---|---|---|---|
| **1** | Top management | 29 | 17 |
| **2** | Middle management | 95 | 57 |
| **3** | lower level management | 145 | 87 |
| | Total | 269 | 161 |

**Source: Data from Field Survey, 2024**

Using strata sampling, the sample size of the study still stands 16, primary source of data was adopted and the instrument for data collection was structured questionnaire. The questionnaire used for the study was divided into two sections A & B, Section A was made up of questions on the personal information (also called bio-data) of the respondents. Section B contains 15 questions bothering on the subject of the study, using the likert-scale options as follows; Strongly agreed, Agree, Strongly disagree, Disagree, Undecided.

The reliability of the instrument was ascertained using the internal consistency method and test re-test method. The questionnaire was given to the respondents, and after two weeks of interval, another questionnaire was issued out to the same respondents to check consistency and reliability. In this case, the multiple regression analysis was used in measuring the effect of Concentration Strategy on Organisational Performance of Beloxxi industries limited, Ogun State, Nigerian.

**Model specification and Operationalization of variables**

The broad model for this study was modified as; $OP=\beta_0 + \beta_1PC + \beta_2MC + \beta_3RC + \beta_4SA + \mu$**…………….(2)**

*Where*; OP = Organizational performance, PC = Product Concentration, MC = Market Concentration, RC = Resource concentration, SA = Strategic alliances, $\beta_0$ = Intercept or regression constant, $\beta_1$ $\beta_2$ $\beta_3\beta_4$ = Regression coefficients, $\mu$ = Stochastic error term.$\beta_0$ = Intercept or regression constant. The standard decision rule states that the null hypothesis (HO) is accepted when the P-value exceeds the 5% significance level. Conversely, if the P-value falls below 5%, the null hypothesis is rejected, leading to the acceptance of the alternative hypothesis.

## 4. DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

### Data Presentation

Table 3 below shows that a total of 161 questionnaires were administered to the respondents. Out of the administered questionnaire, 155(96.27%) were correctly completed and returned, 4(2.48%) were not completed and returned while 2(1.25%) were not correctly completed, hence, were rejected.

**Table 3: Summary of questionnaire administered**

| Questionnaire | Number of questionnaires | Percentage (%) |
|---|---|---|
| Administered | 161 | 100.00 |
| Completed and returned | 155 | 96.27 |
| Not completed and returned | 4 | 2.48 |
| Rejected | 2 | 1.25 |
| Total | **161** | **100.00** |

**Source:** Field survey (2024)

**Analysis of respondents' responses**

**Table 4: Percentage analysis of respondents' responses regarding product concentration and organizational performance**

| Questions | Strongly agreed | Agreed | Neutral | Disagreed | Strongly disagreed | Total |
|---|---|---|---|---|---|---|
| The company's product concentration strategy aligns with its goals for streamlined operations | 111 (71.6%) | 21 (13.5%) | 5 (3.2%) | 11 (7.1%) | 7 (4.5%) | 155 (100%) |
| Higher levels of product concentration positively impact operational productivity | 87 (56.1%) | 31 (20.0%) | 12 (7.7%) | 16 (10.3%) | 9 (5.8%) | 155 (100%) |
| The company's narrow product focus contributes to improved operational performance | 98 (63.2%) | 28 (18.1%) | 15 (9.7%) | 14 (9.0%) | 0 (0%) | 155 (100%) |
| Achieving optimal productivity is linked to the company's product concentration efforts | 83 (53.5%) | 32 (20.6%) | 20 (12.9%) | 15 (9.7%) | 5 (3.2%) | 155 (100%) |

**Source:** Field survey (2024)

Table 4 above shows that; 111 (71.6%) of the respondents strongly agreed that the company's product concentration strategy aligns with its goals for streamlined operations, 21 (13.5%) agreed, 5(3.2%) were neutral, 11(7.1%) disagreed while 7(4.5%) strongly disagreed. Similarly, 87(56.1%) of them also strongly agreed to the assertion that higher levels of product concentration positively impact operational productivity, 31(20.0%) agreed, 12(7.7%) were neutral, 16(10.3%) disagreed while 9(5.8%) strongly disagreed.

Equally, 98(63.2%) of them also strongly agreed that the company's narrow product focus contributes to improved operational performance, 28(18.1%) agreed, 15(9.7%) were neutral, 14(9.0%) disagreed while none of them (0%) strongly disagreed. In addition, 83(53.5%) of the respondents also strongly agreed that achieving optimal productivity is linked to the company's product concentration efforts, 32(20.6%) agreed, 20(12.9%) were neutral, 15(9.7%) agreed while 5(3.2%) strongly disagreed.

**Table 5: Percentage analysis of respondents' responses regarding market concentration and organizational performance**

| Questions | Strongly agreed | Agreed | Neutral | Disagreed | Strongly disagreed | Total |
|---|---|---|---|---|---|---|
| The company primarily serves a few key markets or industries to improve efficiency | 91 (58.7%) | 32 (20.6%) | 18 (11.6%) | 11 (7.1%) | 3 (1.9%) | 155 (100%) |
| The company's market concentration strategy positively affects operational effectiveness | 88 (56.8%) | 13 (8.4%) | 19 (12.3%) | 21 (13.5%) | 14 (9.0%) | 155 (100%) |
| Streamlined operations are closely tied to the company's market concentration pursuits | 101 (65.2%) | 20 (12.9%) | 15 (9.7%) | 17 (11.0%) | 2 (1.3%) | 155 (100%) |
| The company recognizes the relevance of market concentration in ensuring optimal productivity | 87 (56.1%) | 26 (16.8%) | 24 (15.5%) | 11 (7.1%) | 7 (4.5%) | 155 (100%) |

***Source:*** *Field survey (2024)*

Table 5 above shows that; 91(58.7%) of the respondents strongly agreed that the company primarily serves a few key markets or industries to improve efficiency, 32(20.6%) agreed, 18(11.6%) were neutral, 11(7.1%) disagreed while 3(1.9%) of them strongly disagreed. In the same vein, 88(56.8%) of them also strongly agreed that the company's market concentration strategy positively affects operational effectiveness, 13(8.4%) agreed, 19(12.3%) were neutral, 21(13.5%) disagreed while 14(9.0%) of them strongly disagreed.

Furthermore, 101(65.2%) of them strongly agreed that streamlined operations are closely tied to the company's market concentration pursuits, 20(12.9%) agreed, 15(9.7%) were neutral, 17(11.0%) disagreed while 2(1.3%) of them strongly disagreed. In addition, 87(56.1%) of them strongly agreed that the company recognizes the relevance of market concentration in ensuring optimal productivity, 26(16.8%) agreed, 24(15.5%) were neutral, 11(7.1%) disagreed while 7(4.5%) of them strongly disagreed.

**Table 6: Percentage analysis of respondents' responses regarding resource concentration and organizational performance**

| Questions | Strongly agreed | Agreed | Neutral | Disagreed | Strongly disagreed | Total |
|---|---|---|---|---|---|---|
| The company allocatesits resources to core competencies to achieve competitive advantage | 96 (61.9%) | 21 (13.5%) | 11 (7.1%) | 16 (10.3%) | 11 (7.1%) | 155 (100%) |
| The company's strong resource concentration strategy enhances efficiency within the organization | 88 (56.8%) | 21 (13.5%) | 14 (9.0%) | 21 (13.5%) | 11 (7.1%) | 155 (100%) |
| The company has implemented strategies to set itself apart and improve operational productivity | 97 (62.6%) | 32 (20.6%) | 15 (9.7%) | 11 (7.1%) | 0 (0%) | 155 (100%) |
| The company understands the relationship between resource concentration and organizational performance | 92 (59.4%) | 20 (12.9%) | 23 (14.8%) | 20 (12.9%) | 0 (0%) | 155 (100%) |

***Source:*** *Data fromField survey (2024)*

The percentage analysis of respondents' responses regarding resource concentration and organizational performance as shown in table 4.2i above shows that; 96(61.9%) of the respondents strongly agreed that the company allocates its resources to core competencies to achieve competitive advantage, 21(13.5%) agreed, 11(7.1%) were neutral, 16(10.3%) disagreed while 11(7.1%) of them strongly disagreed. Equally, 88(56.8%) of them strongly agreed that the company's strong resource concentration strategy enhances efficiency within the organization, 21(13.5%) agreed, 14(9.0%) were neutral, 21(13.5%) disagreed while 11(7.1%) of them strongly disagreed.

Similarly, 97(62.6%) of them strongly agreed that the company has implemented strategies to set itself apart and improve operational productivity, 32(20.6%) agreed, 15(9.7%) were neutral, 11(7.1%) disagreed while none of them (0%) strongly disagreed. In addition, 92(59.4%) of them strongly agreed that the company understands the relationship between resource concentration and organizational performance, 20(12.9%) agreed, 23(14.8%) were neutral, 20(12.9%) disagreed while none of them (0%) strongly disagreed.

**Table 7: Percentage analysis of respondents' responses regarding strategic alliances and organizational performance**

| Questions | Strongly agreed | Agreed | Neutral | Disagreed | Strongly disagreed | Total |
|---|---|---|---|---|---|---|
| The company forms strategic alliances or partnerships with other organizations for synergistic benefits | 90 (58.1%) | 28 (18.1%) | 11 (7.1%) | 12 (7.7%) | 14 (9.0%) | 155 (100%) |
| Higher levels of strategic alliances positively influence organizational performance | 59 (38.1%) | 34 (21.9%) | 18 (11.6%) | 19 (12.3%) | 25 (16.1%) | 155 (100%) |
| The company's strategic alliances initiatives contribute to enhanced efficiency within the organization | 55 (35.5%) | 44 (28.4%) | 30 (19.4%) | 12 (7.7%) | 14 (9.0%) | 155 (100%) |
| Operational optimization is closely connected to the company's strategic alliance efforts | 63 (40.6%) | 40 (25.8%) | 31 (20.0%) | 19 (12.3%) | 2 (1.3%) | 155 (100%) |

***Source:*** *Data from Field survey (2024)*

Table 7 above shows that; 90(58.1%) of the respondents strongly agreed that the company forms strategic alliances or partnerships with other organizations for synergistic benefits, 28(18.1%) agreed, 11(7.1%) were neutral, 12(7.7%) disagreed while 14(9.0%) strongly disagreed. In the same vein, 59(38.1%) of them also strongly agreed that higher levels of strategic partnerships positively influence operational productivity, 34(21.9%) agreed, 18(11.6%) were neutral, 19(12.3%) disagreed while 25(16.1%) disagreed.

Similarly, 55(35.5%) of them strongly agreed that the company's strategic partnership initiatives contribute to enhanced efficiency within the organization, 44(28.4%) agreed, 30(19.4%) were neutral, 12(7.7%) disagreed while 14(9.0%) of them strongly disagreed. In addition, 63(40.6%) of them also strongly agreed that operational optimization is closely connected to the company's strategic alliance efforts, 40(25.8%) agreed, 31(20.0%) were neutral, 19(12.3%) disagreed while 2(1.3%) of them strongly disagreed.

**Descriptive statistics of variables**

The descriptive statistics analysis was conducted on each of the dependent and independent variables in the study. The descriptive statistics result is as presented in table 8 below;

**Table 8: Descriptive Statistics of variables**

| Variables | N | Mean | Std. Deviation | Skewness | Kurtosis |
|---|---|---|---|---|---|
| Organizational_Performance | 155 | 3.6742 | 1.15495 | -.429 | -.843 |
| Product Concentration | 155 | 4.2452 | .86013 | -.919 | -.059 |
| Market Concentration | 155 | 4.1500 | .88347 | -.888 | -.323 |
| Resource Concentration | 155 | 4.1742 | .91894 | -.652 | -.977 |
| Strategic_Alliances | 155 | 3.9581 | .83444 | -.197 | -1.201 |

***Source:*** *Researcher's computation (2024)*

Table 8 shows that for the independent variables- product concentration, market concentration, resource concentration andStrategic alliances, the mean values obtained for all the responses were 4.2452, 4.2500, 4.1742 and 3.9581 respectively. This shows the average scores of all the responses regarding these variables. Furthermore, variability of the distribution, these variables were obtained from the standard deviation values of 0.86013, 0.88347, 0.91894 and 0.83444 respectively. This indicates high variability in the scores of the responses regarding these variables.

Furthermore, the distribution for these variables- product concentration, market concentration, resource concentration andStrategic alliances were shown to be negatively skewed to the left with a skewness value of -0.919, -0.888, -0.652 and -0.197 respectively. The kurtosis values were also obtained for product concentration, market concentration, resource concentration andStrategic alliances as -0.059, -0.323, -0.977 and -1.201 indicating that these variables were platykurtic.

For organizational performance, the dependent variable, the mean value obtained for all the responses was 3.6742. This shows the average score of all the responses regarding this variable. Furthermore, variability of the distribution for the variable- was obtained from the standard deviation value of 1.15495. This indicates a high level of variability in the scores of the responses for this variable. Also, organizational performance was shown to be negatively skewed with a skewness value of -0.429 and kurtosis value was also obtained as -0.843 indicating a platykurtic distribution.

**Model evaluation**

**Table 9: Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | .910[a] | .829 | .823 | .48606 | .341 |

a. Predictors: (Constant), MARKET_CONCENTRATION, PRODUCT_CONCENTRATION, RESOURCE_CONCENTRATION, STRATEGIC_ALLIANCE

b. Dependent Variable: ORGANIZATIONAL_PERFORMANCE

***Source:*** *Researcher's computation (2023)*

The results in table 9 above reveals an Adjusted R-squared of 0.823. This implies that the independent variables-product concentration, market concentration, resource concentration and Strategic alliancesjointly accounts for approximately 82.3% of the variations in the dependent variable- organizational performance of Beloxxi industries limited, Ogun State, Nigerian. While other variables not included in the model accounts for approximately 17.7% of the variations.

**Analysis of variance**

**Table 10: ANOVA[a]**

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 170.220 | 5 | 34.044 | 144.098 | .000[b] |
| | Residual | 35.202 | 149 | .236 | | |
| | Total | 205.422 | 154 | | | |
| a. Dependent Variable: ORGANIZATIONAL_PERFORMANCE | | | | | | |
| b. Predictors: (Constant), Market_Concentration, Product_Concentration, Resource_Concentration, Strategic_Alliance | | | | | | |

***Source:*** *Researcher's computation (2024)*

The results in table 10 shows F-statistic and probability values of 144.098 and 0.000 respectively. This indicates that the independent variables- product concentration, market concentration, resource concentration andStrategic alliances have a combined significant effect on organizational performance of Beloxxi industries limited, Ogun State, Nigerian at 5% significance level.

**Test of Hypotheses**

This analysis was conducted to test the effect of the dependent variables on the independent variable in this study. In line with this, each hypothesis was tested based on the regression results obtained.

**Table 11: Coefficients[a]**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -.760 | .269 | | -2.821 | .005 |
| | Product Concentration | .372 | .038 | .519 | 9.881 | .000 |
| | Market Concentration | .0.42 | .043 | .460 | 2.687 | .013 |
| | Resource Concentration | .158 | .070 | .126 | 2.246 | .026 |
| | Strategic Alliances | .366 | .066 | .264 | 5.504 | .000 |
| a. Dependent Variable: Organizational Performance | | | | | | |

***Source:*** *Researchers computation (2024)*

The T-statistics and p-values as revealed in table 11 above were employed in the test of hypotheses stated in the previous section at 5% significance level.

**Hypothesis one**

**Ho1: Product Concentrationhas no significant effect on the organizational performance of Beloxxi industries limited, Ogun State, Nigerian.**

Based on the analysis results, the p-value for Product Concentration was 0.000, which was less than the significance level of 0.05 ($p < 0.05$). Therefore, the null hypothesis was rejected, and the alternative hypothesis, which states that Product Concentration has a significant positive effect on organizational performance, was accepted.

**Hypothesis two**

**Ho1: Market Concentrationhas no significant effect on the organizational performance of Beloxxi industries limited, Ogun State, Nigerian.**
Based on the analysis results, the p-value for Market Concentration was 0.013, which was less than the significance level of 0.05 ($p < 0.05$). Therefore, the null hypothesis was rejected, and the alternative hypothesis, which states that Market Concentration has a significant positive effect on organizational performance, was accepted.

**Hypothesis three**

**$Ho_1$: Resource concentration has no significant effect on the organizational performance of Beloxxi industries limited, Ogun State, Nigerian.**

Based on the analysis results, the p-value for resource concentration is 0.026, which was less than the significance level of 0.05 ($p < 0.05$). Therefore, the null hypothesis was rejected, and the alternative hypothesis, which states that resource concentration has a significant positive effect on organizational performance, was accepted.

**Hypothesis four**

**Ho2: Strategic alliances have no significant effect on the organizational performance of Beloxxi industries limited, Ogun State, Nigerian.**

Based on the analysis results, the p-value for strategic alliances was 0.000, which was less than the significance level of 0.05 ($p < 0.05$). Therefore, the null hypothesis was rejected, and the alternative hypothesis, which states that strategic alliances have a significant positive effect on organizational performance, was accepted.

**Discussion of Findings**

**a. Product concentration and organizational performance**

The analysis indicates a significant positive effect of resource concentration on organizational performance, with a standardized coefficient (Beta) of 0.519 and a t-value of 9.881 ($p < 0.05$). This finding suggests that when Beloxxi Industries Limited focuses its resources, it can significantly enhance its performance. The regression coefficient (r) of 0.327 indicates a very weak positive relationship between product concentration and organizational performance. This implies that diversifying or focusing on a single product significantly influences the organizational performance of manufacturing firms. This is in line with the findings of Phina (2020) who investigated the effect of strategic management on organizational performance with particular reference to some manufacturing firms in South-East Nigeria.

**b. Market concentration and organizational performance**

The study revealed that market concentration has a significant positive effect ($r=0.042\{p=0.013<0.05\}$) on organizational performance of manufacturing firms as evidenced in Beloxxi industries limited, Ogun State, Nigerian. The regression coefficient (r) of 0.042 indicates a weak positive relationship, but it is statistically significant. This finding implies that, other factors such as internal processes, cost management, or innovation, might play a more critical role in achieving organizational performance. This is in line with the position of Udom and Ekpouko (2024). They stressed that firms that pursue related market diversification strategy outperform and grow faster than those that attempt to pursue unrelated diversification strategy. The study concluded that the financial performance and growth of firms in Nigeria are significantly affected by the mode of diversification used and recommends that Nigerian firms that are seeking a sustainable fast growth and superior performance should pursue either a related product-market diversification strategy or a specialization strategy.

**c. Resource Concentration and Organizational Performance**

The analysis indicates a significant positive effect of resource concentration on organizational performance, with a standardized coefficient (Beta) of 0.158and a t-value of 2.246 ($p < 0.05$). This finding suggests that when Beloxxi Industries Limited focuses its resources, it can significantly enhance its performance. Other studies corroborate these results. For instance, a study by Joshua et al., (2025) highlighted the beneficial effects of strategic resource allocation on performance metrics in Nigerian manufacturing firms. However, this study's findings differ from some perspectives that argue for the benefits of resource diversification to mitigate risks and adapt to market changes.

**e. Strategic Alliances and Organizational Performance**

The analysis also demonstrates a significant positive effect of strategic alliances on organizational performance, with a standardized coefficient (Beta) of 0.366 and a t-value of 5.504 ($p < 0.05$). This finding indicates that forming strategic alliances is a crucial driver of organizational performance for Beloxxi Industries Limited. This finding is supported by Okon et al (2024), who noted that firms engaging in strategic alliances tend to outperform those that do not, due to the benefits of shared resources and collaborative innovation.

## 5 CONCLUSION

This study examined the relationship between concentration strategy and organizational performance of manufacturing firms. Beloxxi industries limited, Ogun State, Nigerian was however adopted as a case study. The independent variable (concentration strategy) was proxied by product concentration and market concentration while the dependent variable (organizational performance) was not further decomposed. Based on the results of the data analysis, the following findings were drawn:

Product Concentration: The analysis revealed that product concentration has a significant positive impact on organizational performance, with a standardized coefficient ($\beta$) of 0.519 and a p-value of 0.000, indicating strong statistical significance. Market concentration also significantly influences organizational performance, albeit with a slightly lower impact compared to product concentration. The standardized coefficient ($\beta$) was 0.460, with a p-value of 0.013, demonstrating that focusing on specific market segments can enhance performance. The findings showed that resource concentration has a positive effect on organizational performance, with a standardized coefficient ($\beta$) of 0.126 and a p-value of 0.026. This suggests that efficiently utilizing resources contributes to better organizational outcomes. Strategic

Alliances: Strategic alliances emerged as a critical factor, significantly impacting organizational performance. The standardized coefficient (β) was 0.264, with a p-value of 0.000, highlighting the importance of partnerships and collaborations in enhancing competitiveness and performance.

The study concludes that product concentration, market concentration, resource concentration, and strategic alliances are significant determinants of organizational performance in the Beloxxi industries limited, Ogun State, Nigerian. Among these, product concentration and strategic alliances were found to have the most substantial positive impact. The findings suggest that firms in the Nigeria should focus on these areas to improve their performance and gain a competitive edge in the market.

Based on the findings, the following recommendations are made: Firms should concentrate on developing and promoting core products that align with consumer demand. Companies should invest in market research to identify and target specific segments that offer the most significant growth potential. This approach will enable better alignment with consumer needs and preferences. Firms should adopt strategies that ensure efficient use of resources, including human capital, technology, and finances. Firms should actively seek and nurture strategic alliances with other firms, suppliers, and distributors to enhance their competitive advantage and market reach.

This study contributes to the existing body of knowledge by: This study provides valuable empirical evidence on the significance of product concentration, market concentration, resource concentration, and strategic alliances in driving organizational performance within the firms in Nigeria. It offers strategic insights into how firms can optimize their operations and strategies to enhance both performance and competitiveness. The findings are particularly relevant to the firms in Nigeria, offering a contextual understanding that can inform both academic research and industry practices. Additionally, the study identifies gaps and suggests directions for future research, contributing to the ongoing discourse on business model innovation and sustainability in the Manufacturing Firms in Nigeria.

Future research could explore the following areas: Investigate the long-term effects of product concentration, market concentration, resource concentration, and strategic alliances on organizational performance. Compare the impact of these factors across different sectors within the manufacturing firms to identify sector-specific drivers of performance. Examine the role of technology in enhancing the effectiveness of strategic alliances and resource concentration in the Manufacturing firms in Nigeria. Assess how changes in regulatory environments affect the relationship between these factors and organizational performance.

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