BLUE OCEAN STRATEGY: A RISING IMPERATIVE FOR FIRMS IN THE FUTURE; EVIDENCE FROM NIGERIA TELECOMMUNICATION INDUSTRY

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ABSTRACT

Organizations today are confronted with varying challenges ranging from the need to increase profitability, improve customer satisfaction to attracting more customers. The broad objective of the study is to assess the blue ocean strategy, a rising imperative for firms in the future; evidence from Nigerian telecommunication industry. The specific objectives of the study were to; ascertain the effect of blue ocean strategy implementation on organizational profitability in the Nigerian telecommunication industry; examine the effect of blue ocean strategy implementation on market share of the Nigerian telecommunication industry and identify the impact of blue ocean strategy implementation on customer satisfaction in the Nigerian telecommunication industry. The study adopted cross-sectional survey research design. Data was obtained from 225 respondents working in telecommunication firms in South East Region of Nigeria through the use of questionnaire. The data collected for the study were presented in tables using frequency distribution, percentages; mean score; and standard deviation, while the hypotheses were tested using simple linear regression analysis with the aid of statistical package for social sciences (IBM, SPSS version 23). The findings revealed that blue ocean strategy had significant positive effect on organizational profitability in the Nigerian telecommunication industry (r = .801[a;] F = 466.878; T = 21.607; p - .000); blue ocean strategy had significant positive effect on market share of Nigerian telecommunication industry (r = .680[a;] F = 223.971; T = 14.966; p - .000) and that blue ocean strategy had significant positive effect on customer satisfaction in Nigerian telecommunication industry (r = 727[a;] F = 292.079; T = 17.090; p - .000). The study concluded that blue ocean strategy implementation had a significant positive effect on Nigeria Telecommunication Industry. It is evident that the blue ocean strategy in today's business world is a critical component of all strategy. It was therefore recommended amongst others that management of various telecommunication firms should strive to develop new products and services that are beyond the conventional products and services in order to improve their profitability and create competitive advantage that can eliminate competition and attract more customers to them.

Keywords: Blue Ocean Strategy, Organizational Profitability, Customer Satisfaction, Telecommunication

INTRODUCTION

The rapid pace of innovation and change in recent years has led scholars and executives to search for a strategy that is more dynamic than Harvard Professor, Michael Porter's classic "five forces". There are quite a few researchers concerned with the idea of creating or developing new markets. Other researchers offer solutions in their paper on how organizations could create new market space, some use also integrated theoretical frameworks (Navis & Glynn, 2005 in Kabukin, 2014). Blue ocean strategy as opined by Kim and Mauborgn (2004) denote all the industries that are not in existence today-the unknown market spaces, untainted by competition.

In blue oceans, demand is created rather than fought over. There is an ample opportunity for growth that is both profitable and rapid. Brady (2005) notes that blue ocean strategy is presumably based on the use of value innovations. These are actions which drive costs down while simultaneously driving value up for buyers. It is how a leap in value for both the company and its buyers is achieved. As the scale of business increases, the company can reduce costs. Other features of the blue ocean strategy are: creating uncontested market space, making the competition irrelevant, creating and capturing new demand, and breaking the value-cost tradeoff.

Globally, the use of blue ocean strategy by organization in enforcing success has experienced a surge in the recent years due in part to disruptive technologies been deployed daily. Information Communication Technology (ICT) has proved to be a catalyst to fundamental changes in the world's economies and societies. It creates more avenues to earn income, allows access to useful information, enhances the world of work and makes the world a global village (Aderemi, 2008). These developments show that in order to gain competitive advantage and growth, organizations have to create new products/services, which means they have to be innovative to survive (Ogbo, Okechukwu and Ukpere, 2012).

Previously, organization utilizes red ocean strategy. In red ocean strategy, industry boundaries are defined and accepted, and the competitive rules of the game are well known; companies try to outperform their rivals in order to grab a greater share of existing demand. As space gets more and more crowded, prospects for profits and growth are reduced. Products turn into commodities, and increasing competition turns the water bloody (Kim & Mauborgn, 2004). Historically, the birth of blue ocean dates back to landmark achievement made by Cirque du Soleil, a Candian firm of the circus industry. Cirque du Soleil development of blue ocean strategy followed demands for alternative forms of entertainment-ranging from various kinds of urban live entertainment to sporting events to home entertainment-cast an increasingly long shadow. Kim and Mauborgne, (2005) reveal that children demand for play stations rather than a visit to the traveling circus resulted in Cirque du Soleil steady decline in audiences and, in turn, declining revenue and profits brought about Cirque du Soleil remarkable achievement.

What makes the growth remarkable is that it was achieved in a declining industry in which traditional strategic analysis pointed to limited potential for growth. Another compelling aspect of Cirque du Soleil's success is that it did not win by taking customers from the already shrinking circus industry, which historically catered to children. It did not compete with Ringling Bros. and Barnum & Bailey. Instead, it created uncontested new market space that made the competition irrelevant.

It appealed to a whole new group of customers-adults, and corporate clients prepared to pay a price several times as great as traditional circuses for an unprecedented entertainment experience. The implication of these is that using the Blue Ocean Strategy, each company is able to find unique ways to discover new market space. It is also important to note that what all companies have in common is that they need to focus on non-customers, and also need to be aware that most blue markets are often created within the existing red oceans (Kim & Mauborgne, 2004 cited in Kabukin, 2014).

No doubt, the country is thriving in the production of functional telecommunication services especially with the deregulation in the industry and the participation of private players. In the light that telecommunication activities continue to play a leading role as a central component of the information and communication technology (ICT) sector in Nigeria, one can say that the industry is competitive with a mix of service providers from both private and public sectors in their respective domains (Aderemi, 2008). With intense competition emanating within the telecommunication industry and increasingly demand for better and innovative services, a question on the viability of blue ocean strategy as an imperative for growth for firms in the telecommunication sector becomes a subject to be investigated. It is in light of these that this work examined the role of blue ocean strategy as an imperative for the growth of telecommunication firms in Nigeria.

Statement of the Problem

The telecommunications belong to a group of network services, which are dependent on information technology networks. The development of information technology (IT) has resulted in the complexity, precision, and quality of services offered by these service providers. However, there have been rapid economic and structural changes happening all over the world in the past decade. This has led to an agreement, especially in the developing economies, in support of a market oriented (private sector-led) approach to growth, and recognition that competitive markets and entrepreneurial activities facilitate a more well-organized resource allocation. These developments show that in order to gain competitive advantage and growth, organizations have to create new products/services, which means they have to be innovative to survive.

Organizations today are confronted with varying challenges ranging from the need to increase profitability, improve customer satisfaction to attracting more customers. The state of innovative competitiveness in the business world in recent time has experienced unprecedented increment, which seemly alters the desire of the customers, hence creating a new set of customers with a unique need. This need when adequately met by innovative product and services has the tendency to increase customer satisfaction. However, in telecommunication industries, global competition tends to increase customers desire and want, which the current facilities might be inadequate to satisfy. The organisations resolutely strive to maintain desired profit level.

However, available evidence indicates a consistent decline in organizational profitability despite varying strategies been deployed by the organizations, and this might be due to lack of innovative strategies. Customers are often seen lamenting of poor network, high data cost, unsolicited small message services and as such low market share. Considering the strategic role of this industry in the social and economic development of a nation, any lag in the development of effective strategy in the industry can lead to different groups or strata of unsatisfied customers. Non satisfaction of these customers can itself bring about poor market performance and low profitability in the industry. It is therefore of paramount importance to examine the strategy being adopted by the organizations that make up telecommunication industry in Nigeria. This study assesses the blue ocean strategy, a rising imperative for firms in the future; evidence from Nigerian telecommunication industry.

Objective of the Study

The broad objective of the study is to assess the blue ocean strategy a rising imperative for firms in the future; evidence from Nigeria Telecommunication Industry. The specific objectives were to;

I. ascertain the effect of blue ocean strategy implementation on organizational profitability of Nigeria telecommunication industry.
II. examine the effect of blue ocean strategy implementation on market share of the Nigeria telecommunication industry.
III. identify the impact of blue ocean strategy implementation on customer satisfaction in the Nigerian telecommunication industry.

Research Questions

This work seeks answers to the following research questions:

I. To what extent does the application of blue ocean strategy affect the profit margin of telecommunication industry in Nigeria?
II. What effect does the application of blue ocean strategy have in the market share of telecommunication industry in Nigeria?
III. To what extent does the application of blue ocean strategy influence customer satisfaction in the telecommunication industry in Nigeria?

Statement of Hypotheses

The following null hypotheses were formulated to guide this work:

I. Blue ocean strategy has no significant positive effect on the profitability of the Nigerian telecommunication industry.

II. Blue ocean strategy has no significant positive effect on market share of the Nigerian telecommunication industry.

III. Blue ocean strategy has no significant positive effect on customer satisfaction in the Nigerian telecommunication industry.

REVIEW OF RELATED LITERATURE

Conceptual Review

The Concept of Blue Ocean Strategy

Blue ocean strategy generally refers to the creation by a company of a new, uncontested market space that makes competitors irrelevant and that creates new consumer value often while decreasing costs (Chan-Kim and Renée-Mauborgne, 1997). Blue Ocean in the words of Chan-Kim, et. al. (1997) is about creating new farm land and not dividing the existing ones. It utilizes disruptive innovation in creating a new market. A disruptive innovation is an innovation that creates a new market and value network and eventually disrupts an existing market and value network, displacing established market leaders and alliances (Bower and Christensen, 1995)

Chan-Kim, et.al. (1997) create a comprehensive set of analytic tools and frameworks any organization can apply to create new market spaces and make the competition irrelevant. This tool regarded as blue ocean tools, methodology and framework bring structure to what has historically been as an unstructured problem in strategy, informing organizations' ability to create new market spaces systematically. With blue ocean strategy tools and analytics, companies can now pursue and create blue oceans of uncontested market space in an opportunity-maximizing, risk-minimizing way. Blue ocean strategy tools according to Chan-Kim, et.al. (2005) include; value innovation, visualizing strategy and strategy canvas.

Value Innovation

Value innovation is the simultaneous pursuit of differentiation and low cost, creating a leap in value for both buyers and the company as value to buyers comes from the offering's utility minus its price, and value to the company is generated from the offering's price minus its cost, value innovation is achieved only when the whole system of utility, price, and cost is aligned. Dillon, Lee and Matheson (2002) define value innovation as generating outstanding value for customers and suggest that technology need not be a feature of this type of innovation as it can occur in any organization and at any time in a sustainable way. In addition, value innovation is plausible only when companies align innovation with utility, price and cost positions.

Innovation is a concept that appears in literature on competitive strategy as well as value innovation (Baregheh et al., 2009; Chan-Kim, et.al., 2004, 2005; Zahra and Covin, 1994). Schumpeter argued that in order for organizations to refurbish their asset endowments, they had to innovate. Previous to this contention, processes associated with innovation were deemed important (Baregheh et al., 2009). Corporate survival and growth is dependent on innovation and recognizably plays a role in value creation and creating a sustained competitive advantage (Zahra and Covin, 1994). Innovation is built on the idea of gaining competitive advantage suggested by Michael Porter in 1980 using the five forces of competition (Shaughnessy, 1996; Porter, 1980). Chan-Kim, et.al. (2005) state that **v**alue-cost trade-off can be broken by answering the following questions: Which of the factors that the industry takes for granted should be eliminated? Which factors should be reduced well below the industry's standard? What factors should be raised well above the industry's standard? And what factors should be created that the industry has never offered?

Visualizing Strategy

At the center of blue ocean strategy, the four-step process that involves visual exploration is formulation structure which unlocks people's creativity for pushing a company's strategy towards a blue ocean. Visualizing strategy can also greatly inform the dialogue among individual business units and the corporate center in transforming a company from a red ocean to a blue ocean player. Chan-Kim, et.al. (2007), submit that **w**hen business units present their strategy canvases to one another, they deepen their understanding of the other businesses in the corporate portfolio. Moreover, the process also fosters the transfer of strategic best practices across units. The four major steps for visualizing strategy as revealed by Chan-Kim, et.al. are;

Visual Awakening

Chan-Kim, et.al.(n.d.) opine that organizations should compare their businesses with their competitors' by drawing their "asis" strategy canvas. Then, they should see where their strategy canvas needs to change.

Visual Exploration

The authors require firms to go into the field to explore the six paths to creating blue oceans. Firms should observe the distinctive advantages of alternative products and services. See which factors you should eliminate, reduce raise, create, or change.

Visual Strategy Fair

Firms should draw their "to be" strategy canvas based on insights from field observations. They should get feedback on alternative strategy canvases from customers, competitors' customers, and noncustomers. Use the feedback to build the best "to be" future strategy.

Visual Communication

Industries should distribute their before-and-after strategic profiles on one page for easy comparison. Support only those projects and operational moves that allow their company to close the gaps to actualize the new strategy.

Strategy Canvas

The strategy canvas is a central diagnostic tool and an action framework developed by Chan-Kim, et.al. (2005) for building a compelling blue ocean strategy. It graphically captures, in one simple picture, the current strategic landscape and the future prospects for a company. The strategy canvas serves two purposes:

- To capture the current state of play in the known market space, which allows users to clearly see the factors that the industry competes on and where the competition currently invests
- To propel users to action by reorienting their focus from competitors to alternatives and from customers to noncustomers of the industry

The horizontal axis on the strategy canvas captures the range of factors that an industry competes on and invests in, while the vertical axis captures the offering level that buyers receive across all of these key competing factors.

The value curve or strategic profile is the basic component of the strategy canvas. It is a graphic depiction of a company's relative performance across its industry's factors of competition. A strong value curve has focus, divergence as well as a compelling tagline.

Sequence of Blue Ocean Strategy

Chan-Kim, et.al. (2017) reason that Companies needed to build their blue ocean strategy in the sequence of buyer utility, price, cost, and adoption. This will allow them to build a viable business model and ensure that a company profits from the blue ocean it is creating. They further argued that with an understanding of the right strategic sequence and of how to assess Blue Ocean ideas against the key criteria in that sequence, companies can dramatically reduce business model risk and ensure that both the company and its customers win as it creates new business terrain.

The starting point is buyer utility. Does your offering unlock exceptional utility? Is there a compelling reason for the mass of people to buy it? In absence of this, there is no blue ocean potential to begin with. Here there are only two options. The company should park the idea, or rethink it until they reach an affirmative answer.

The second step is setting the right strategic price. The key question here is this: Is the firms' offering priced to attract the mass of target buyers, so that they have a compelling ability to pay the firms offering? If it is not, they cannot buy it. Nor will the offering create irresistible market.

These first two steps address the revenue side of a company's business model. They ensure that companies create a leap in net buyer value. To secure the profit side, companies need to assess the third element which is cost. The cost side of a company's business model ensures that it creates a leap in value for itself in the form of profit-that is, the price of the offering minus the cost of production. The key question here is: Can companies produce their offering at the target cost and still earn a healthy profit margin? Companies should not let costs drive prices. They should not scale down utility because high costs block the ability to profit at the strategic price. When the target cost cannot be met, companies must either forgo the idea because the blue ocean won't be profitable, or they must innovate your business model to hit the target cost.

The last step in the sequence is to address adoption hurdles. What are the adoption hurdles in rolling out your idea? Have you addressed these up fronts? The formulation of blue ocean strategy is complete only when you can address adoption hurdles in the beginning to ensure the successful actualization of your idea.

Customer Satisfaction and Blue Ocean

Customer satisfaction is a concept that relates to how products or services supplied by a company meet or surpass a customer'**s** expectation. Customer satisfaction is important because it provides marketers and business owners with a metric that they can use to manage and improve their businesses. In creating customer satisfaction, the place of new product remains (Value innovation) remains paramount. Colman and Buckley (2005) suggest that value innovation is the base on which blue ocean are built which brings about customers satisfaction is built. Sheehan and Vaidyanathan (2009) demonstrate that "blue ocean strategy enables managers to capture unique value for consumers". Kim, In and Baik (2008) prove that blue ocean strategy helps to satisfy existing customers but also reach previous non-customers.

Market share and Blue Ocean

In effort to acquire greater market share, blue have been identified to be the best way to make competition irreverent. Abraham (2006), "Correctly defines the market space of companies as a strategy that help companies to find an industry they can monopolize". Madden (2009), opines that blue ocean strategy has an advantage in identifying more clearly market since simply better approach is lack of thinking of impacts from consumers' demands. Chan-Kim, et.al. (2005) demonstrate that blue ocean strategy help organizations to innovate and bring new products to market thereby acquiring more market share

Theoretical Review

The study shall adopt the Theory of Disruptive Innovation and the Beach Theory to explain the concept of blue ocean strategy.

The Theory of Disruptive Innovation

The theory of disruptive innovation helps explain how complicated, expensive products and services are eventually converted into simpler, affordable ones (Christensen, 1997). It is an innovation that creates a new market and value network and eventually disrupts an existing market and value network by displacing established market leading firms, products and alliances (Bower and Christensen, 1995). The term was defined and analyzed by Clayton M. Christensen in 1995

Disruptive innovations disrupt the existing sustaining innovations in the market place. Sustaining innovations sustain the existing trajectory of performance improvement. It results in better products that could be sold for higher profits to the best customer- a prevailing mantra of the business world that can offer prudent guidance for businesses and entire industries for many years. The innovations in sustained innovations could be small and incremental or dramatic breakthroughs (Christensen, 1997)

In contrast with sustaining innovations, a disruptive product is actually not as good as what existing customers are already using, hence it does not appeal to many customers in the existing market. However, because the new product is usually simpler, more convenient, and more affordable, it enables the participation of a new set of customers who were previously ignored by the market or shut out completely. This type of innovation take place in a portion of the market that is least demanding or not consuming at all, as well as target customers who are the least attractive to the market leaders. Successful incumbent firms will always choose to focus on offering sustaining products to their higher-paying, performance-hungry tiers of customers (Hwang and Christensen, 2008). Disruptive innovations are developed by outsiders and entrepreneurs, rather than existing market - leading companies. This is because the business environment of market leaders does not allow them to pursue disruptive innovations when they first arise, because they are not profitable enough at first and because their development can take scarce resources away from sustaining innovations (which are needed to compete against current competition) (Hwang and Christensen, 2008). A disruptive process can take longer to develop than by the conventional approach and the risk associated to it is higher than the other more incremental or evolutionary forms of innovations, but once it is deployed in the market, it achieves a much faster penetration and higher degree of impact on the established markets (Assink, 2006).

The theory explains how new companies, in an effort to deliver more affordable and accessible solutions, are able to displace once market leaders with an unimaginable speed, often before the incumbents and their leaders realize that their days are up. Hwang & Christensen (2008) further illustrated the process using Canon and Xerox, Toyota and General Motor and etc. Canon did it to Xerox by bringing slower but less costly tabletop photocopiers to the market. Toyota did it to General Motors by introducing less stylish but cheaper models, and now Korean, Chinese, and Indian automobile manufacturers are disrupting Toyota by doing the same thing (Hwang and Christensen (2008).

With the stiff competition in the Nigerian telecommunication industry. Firms have developed a robust mechanism for the introduction of product, process, marketing and organizational innovations in order to win both existing and entirely new customers.

The Beach Theory

Beach theory is a common theoretical framework that can be used to explain or compare competitive strategy and blue ocean strategy. The core features of beach theory can easily accommodate the central assumptions of both strategic schools of thought (Burke, Stel and Thurik, 2009). In explaining the blue ocean strategy using the beach theory, it would be necessary to first explain competitive strategy using the beach theory for easy clarifications.

Burke, Stel and Thurik (2009) note that the essence of beach theory is depicted by ice cream vendors (firms) which are identical in products and services as well as have their locations along a beach. Therefore, the only feature which differentiates one firm from another from a beach goer's perspective is the convenience of the firm's location: consumers buy ice cream from the stand which is the shortest distance away. The location of these firms along the beach represent the optimal differentiation strategies of three firms selling ice cream on a beach where consumer density is distributed equally along the beach. Porter's competitive strategy will apply for their competitive process. Firstly, all firms maximize their profits by trying to differentiate themselves from one another while still competing for customers. Furthermore, if a fourth firm enters the market it will cause existing firms to differentiate themselves by relocating along the beach. With one extra firm competing for customers on the same beach, each firm faces tougher competition and ultimately lower profits. Therefore, in line with Porter (1980, 1985) more firms mean more competition and lower profits.

In blue ocean strategy, the situation is different. From the analysis above, if two new beaches are created away from the first beach, the new beaches may not be apparent to others until a new firm starts selling ice cream on them (Audretsch and Feldman, 1996). The strip of sand may not even be considered a beach without the ice cream stand. If one firm relocates from the first beach to one of the new beaches and simultaneously a new firm enters the other new beach. The number of firms in the beach ice cream industry has increased and the average profit has increased. This is because; the firms have found an untapped market. They achieve these by entering a new market place (innovating) in order to align their offerings with the needs of these untapped markets. Considering the distance of their locations, they now have a larger consumer bases and profits than before.

Different telecommunication firms in Nigeria have been competing for new market outlets by investing and deploying their technologies in remote areas of the country where there is absence of competitors. The customer base acquired in these areas contributes to increased profits for the firms.

Empirical Review

In a study conducted by Burke, Stel and Thurik (2009) on blue ocean strategy versus competitive strategy using data compiled from 655 retail shops across 41 shop types within the Dutch retailing industry between the period 1982-2000. A methodological synthesis of the theories was used by the authors to bring statistical evidence to the debate. The authors found that average firm profits were positively related to the number of firms in more than half the shop types, whereas profitability and the number of vendors rose and fell together across all shop types over the period spanning indicating that blue ocean strategy was at play over the long term.

Similar study was carried out by Ngaruiya (2013) on application of value innovation as the basis for blue ocean strategy at Safaricom Limited. The study was conducted among 24 senior managers in Safaricom Limited, Kenya. Content analysis technique was used to analyze the data. The study shows that the company applied new solutions in its' operations to meet the customer's needs, the unparalleled quality service they provided increased their coverage in their niche which was their main focus. It further revealed that Safaricom Limited management has clearly defined its product concept as an objective in customer's terms in order to deliver the expected value by strive to ensure product range extension, product replacement, product improvement, product repositioning and new product introduction to enable the company be more productive, grow faster, invest more and also perform better.

Ndung (2014) conducted a study on the effects of blue ocean strategy on organization performance: a case of liaison group insurance brokers. The study population comprised of a total of 180 employees working at Liaison Group Insurance Brokers offices situated in Nairobi. Questionnaires were used as the major data collection instruments and they were self-administered to the respondents in the sample size. The result of the study shows that absence of strategic leadership amongst the top management staff hampered implementation of blue ocean strategy in the organization and this negatively affected realization of increased organization performance.

In a series of studies conducted by Kim and Mauborgnes (2015) on business launches in 108 companies. The researchers found that 86% of the launches were line extensions, i.e., incremental improvements to existing industry offerings within red oceans, while a mere 14% were aimed at creating new markets or blue oceans. While line extensions in red oceans did account for 62% of the total revenues, they only delivered 39% of the total profits. By contrast, the 14% invested in creating blue oceans delivered 38% of total revenues and a startling 61% of total profits. Given that business launches included the total investments made for creating red and blue oceans (regardless of their subsequent revenue and profit consequences, including failures), the performance benefits of creating blue oceans are evident.

Similarly, Abdullah and Khali (2016) conducted a study on Blue Ocean Strategy in Saudi Arabia Telecommunication Companies and Its Impact on the Competitive Advantage. The result of the study shows that the main important results are: The application of the principles of blue ocean strategy will contribute significantly to achieve a competitive advantage to the company over its competitors in the market, It was also found that there is a strong positive relationship between the competitive advantage variable and every principle of blue ocean strategy principles, and the most powerful relationship came to (Reconstruct market boundaries, Reach beyond existing demand) principles, and the least came to the principle of (Build execution into strategy)

Samsul and Mohammad (2017) in a related study examined the impact of blue ocean strategy on organizational performance: a literature review toward implementation logic. The main objective of the study is to show the overall scenario of BOS and its impact on organizational performance. The study includes the history of BOS, comparison with Red Ocean Strategy (ROS), relevance of applying BOS, Applications, and Critics. The study adopted the concept of review. BOS positively affects the organization performance if applied in organizations hence the need to effectively decide the adoption of BOS within the organization. The recommendation for the organization is to do an in-depth analysis on BOS before implementation to see the suitability considering the company size, industry condition, and adaptability.

Summary of Literature Review

The debate regarding blue ocean strategy has remained a prominent one within modern management. Blue is seen as the creation of a new, uncontested market space by organization in view of creating more customer satisfaction and increasing profitability via market share. In adoption blue ocean strategy, various tools required were outlined in the study; these tools include value innovation, visualizing strategy and strategy canvassing. Empirical evidence within the scope of Blue Ocean shows the relevance of Blue Ocean to organization. In particular, organizations with Blue Ocean were seen to have introduced new solutions in their operations to meet the customer’s needs, increase profitability. It is however worth of note to mention that, despite this studies result, there continued to be paucity of study on Blue Ocean especially in the area of the present study. Similarly, previous study methodology was more of reviews and utilization of content, however, the present adopt regression method in ascertaining the role of blue ocean strategy as an imperative for organizational performance.

Methodology

Cross sectional descriptive research design was adopted in carrying out this study. This is due to the nature of the study and the relatively large population of the study from which the information was collected. The population of the study comprised all the staff of telecommunication companies in South East Nigeria. The companies include MTN, Etisalate, Globalcom and Airtel. This gives a total population of 245. The choice of the selected telecommunication firms was due to their physical office presence in five states of the South-East Nigeria.

Due to the nature of this study and the population of the organization under study, the researcher adopted the entire population of the study; therefore the sample size of the study is 245 staff of the selected telecommunication firms. Structured questionnaire was used as the primary instrument for obtaining data used for the study. The researcher adopted face and content validity for the instrument. The content of the questionnaire was first sent to the researcher supervisor as a validator to determine the appropriateness of the instrument and see if the instrument covers all the aspect of the subject matter.

The reliability of the instrument was determined by engaging in a test—retest administration. This involves the administration of the 53 questionnaire to a pilot group from the population at different period. The reliability coefficient of .783 was obtained using Cronbach's alpha coefficient. The data collected for the study were presented in tables, while the hypotheses were tested using simple linear regression and Pearson correlation at 5% level of significant. All analysis was done using statistical package for social sciences (IBM, SPSS version 23) software.

DATA PRESENTATION, DATA ANALYSES AND DISCUSSION OF FINDINGS, SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

Companies	Number Administered	Number Returned	Number not return	Percentage turned	Total
MTN	76	73	4	30.3	76
Globalcom	61	58	2	24.1	61
Etisalat	56	51	7	21.2	56
Airtel	48	43	3	17.8	48
Total	241	225	16	98.4	241

Table 1 shows the summary of administered. Out of 76 questionnaire administered to MTN staff, only 73 were returned. Meanwhile, 61 questionnaire was administered to globalcom while only 58 were returned and 56 was administered to etisalate staff and only 51 were returned. Airtel staff were administered 48 questionnaire, only 43 were returned.

Descriptive Analysis

This section deals with the presentation of results obtained from the field study. The results were presented based

Table 1.1: Effect of Blue Ocean Strategy on profitability in the Nigerian telecommunication industry

Items	SA Freq(%)	A Freq(%)	U Freq(%)	D Freq(%)	SD Freq(%)	Mean	StDv
When a company have exclusive access to a market, more sales are made	186(82.7)	30(13.3)	5(2.2)	3(1.3)	1(0.4)	1.2356	.59954
When there is monopoly in a market more profit are made	175(77.8)	38(16.9)	9(4.0)	1(0.4)	2(0.9)	1.2978	.65140

When there is no competition on price of services, more profit are made	178(79.1)	29(12.9)	10(4.4)	5(2.2)	3(1.3)	1.3378	.78014
Development of new product brings about more profit	137(60.9)	73(32.4)	10(4.4)	5(2.2)	-	1.4800	.68842

Table 1.1 shows the participants responses towards the level of sales when a company have exclusive access to a market. The result revealed that 186(82.7%) of the participants strongly agreed that When a company have exclusive access to a market, more sales are made. 30(13.3%) agreed and 5(2.2%) are undecided, while an insignificant 3(1.3%) and 1(0.4%) of the respondents disagree and strongly disagree respectively. Therefore, more sales are made when a company have exclusive access to a market is accepted with a mean and std score of 1.2356 and .59954. Also 175(77.8%) strongly agreed that more profit is made when there is monopoly in a market and 38(16.9%) agreed and 9(4.0%) of the participants were undecided. Meanwhile few 1(0.4%) and 2(0.9%) of the respondents disagreed and strongly disagreed respectively. More sales are made when a company have exclusive access to a market is accepted with a mean and std score of 1.2978 and .65140. Similarly, 178(79.1%) of the participants and 29(12.9%) strongly agreed and agreed respectively that more profit is made when there is no competition on price of services, 10(4.4%) of the respondents were undecided, while 5(2.2%) and 3(1.3%) of the respondents disagreed and strongly disagreed respectively that When there is no competition on price of services, more profit are made. With a mean and Std score of 1.3378 and .78014 the assertion that when there is no competition on price of services, more profit are made is accepted, thus When there is no competition on price of services, more profit are made. Also 137(60.9%) of the respondents strongly agreed that development of new product brings about more profit, 73(32.4%) agreed, while 10(4.4%) of the respondents were undecided. Meanwhile an insignificant 5(2.2%) of the respondents disagreed that development of new product brings about more profit. Therefore, development of new product brings about more profit is accepted with a mean and Std of 1.48 and .68842. That is to say, development of new product brings about more profit.

Table 1.2: Effect of Blue Ocean Strategy on market share in the Nigerian telecommunication industry

Items	SA Freq(%)	A Freq(%)	U Freq(%)	D Freq(%)	SD Freq(%)	Mean	StDv
Quality improvement leads to greater market share	184(81.8)	28(12.4)	13(5.8)	-	-	1.2400	.54707
Product discovery leads to more sales	176(78.2)	38(16.9)	5(2.2)	4(1.8)	2(0.9)	1.3022	.68612
Rebranding of product leads to increased market share	188(83.6)	26(11.6)	8(3.6)	2(0.9)	1(0.4)	1.2311	.59755
Price innovation leads to	136(60.4)	78(34.7)	6(2.7)	3(1.3)	2(0.9)	1.4756	.70113

increase in sales

Table 1.2 shows the participants responses on pricing to attract compel more people to buy. The result revealed that 184(81.8%) of the participants strongly agreed that quality improvement leads to greater market share. 28(12.4%) agreed while 13(5.8%) were undecided. Quality improvement leads to greater market share is therefore accepted with a mean and std score of 1.24 and .547. Also 176(78.2%) strongly agreed that product discovery leads to more sales and 38(16.9%) agreed, while 5(2.2%) of the participants were undecided, meanwhile 4(1.8%) and 2(0.9%) of the respondents disagreed and strongly disagreed respectively that product discovery leads to more sales. Product discovery leads to more sales is accepted with a mean and Std score of 1.3022±.68612. Similarly, 188(83.6%) of the participants and 26(11.6%) strongly agreed and agreed respectively that Rebranding of product leads to increased market share, 8(3.6%) were undecided while 2(0.9%) and 1(0.4%) of the respondents disagreed and strongly disagreed respectively. Thus, the assertion that rebranding of product leads to increased market share is accepted with a mean and Std score of 1.2311 and .59755. Then, 136(60.4%) of the respondents strongly agreed that price innovation leads to increase in sales, 78(34.7%) agreed, and 6(2.7%) were undecided while an insignificant number 3(1.3%) and 2(0.9%) of the respondents disagreed and strongly disagreed that price innovation leads to increase in sales. Therefore, with a mean and Std score of 1.4756 and .70113, price innovation leads to increase in sales is accepted. That is to say, price innovation leads to increase in sales.

Table 3: Effect of Blue Ocean Strategy on customer satisfaction in the Nigerian telecommunication industry

Items	SA Freq(%)	A Freq(%)	U Freq(%)	D Freq(%)	SD Freq(%)	Mean	Stdv
Customers are happy when companies offer what they have been looking for	174(77.3)	51(22.7)	-	-	-	1.22	.41
Customers are happy when companies offers what they have been looking for at a comparatively cheaper price	182(80.9)	43(19.1)	-	-	-	1.19	.39
Customers are happy when a firm introduces a more quality service	183(81.3)	42(18.7)	-	-	-	1.18	.39
Quality addition increases customer patronage	141(62.7)	75(33.3)	5(2.2)	3(1.3)	1(0.4)	1.43	.65

Table 1.3 shows the participants responses on Customers are happy when companies offers what they have been looking for. The result revealed that 174(77.3%) and 51(22.7%) of the participants strongly agreed and agreed respectively that Customers are happy when companies offers what they have been looking for. On this note, Customers are happy when companies offers what they have been looking for is therefore accepted with a mean and std score of 1.2267and .41961. Also 182(80.9%) and 43(19.1%) strongly agreed and agreed respectively that Customers are happy when companies offer what they have been looking for at a comparatively cheaper price. Customers are happy when companies offer what they have been looking for at a comparatively cheaper price is accepted with a mean and Std score of 1.1911 and .39405. Similarly, 183(81.3%) and 42(18.7%) of the participants strongly agreed and agreed respectively that Customers are happy when a firm introduces a more quality service. With a mean and Std score of 1.1867 and .39051, the assertion customers are happy when a firm introduces a more quality service is accepted, thus customers are happy when a firm introduces a more quality service. Also, 141(62.7%) of the respondents strongly agreed that quality addition increases customer patronage, 75(33.3) agreed and 5(2.2%) were undecided, while a minor 3(1.3%) and 1(0.4%) 0f the respondents disagreed and strongly disagreed that quality addition increases customer patronage. Thus, quality addition increases customer patronage is accepted with a mean and Std score of 1.4356 and .65232. This means that quality addition increases customer patronage.

Hypothesis One

H_o: Blue Ocean Strategy has no significant positive effect on profitability in the Nigerian telecommunication industry.

Table 4: Summary of t-test analysis of mean ratings of Blue Ocean Strategy and profitability in the Nigerian telecommunication industry.

Test value = 0.05					
			(95%) confidence interval of the difference		
t	df	Sig.(2-tailed)	Mean Difference	Lower	Upper
77. 416	16	0.000	4.01	4.23	4.13

Source: Field Survey 2021; SPSS 23.0 Output

This is a two tailed test with d.f = 16. From the statistical value for 0.05 at 16 degree of freedom is 1.99. Since the calculated value t = 77.416 is greater than the computed value of 1.99, we reject the null hypothesis (Ho) and accept the alternative hypothesis (Hi). This implies that Blue Ocean Strategy has a significant positive effect on profitability in the Nigerian telecommunication industry.

Hypothesis Two

H_o: Blue Ocean strategy has no significant positive effect on market share in the Nigerian telecommunication industry

Table 5: Summary of t-test analysis of mean ratings of blue ocean strategy and market share in the Nigerian telecommunication industry

Test value = 0.05					
			(95%) confidence interval of the difference		
t	df	Sig.(2-tailed)	Mean Difference	Lower	Upper
66.441	16	0.000	4.42	4.46	4.11

Source: Field Survey 2021; SPSS 23.0 Output

This is a two tailed test with d.f = 16. From the statistical value for 0.05 at 16 degree of freedom is 1.99. Since the calculated value t = 66.441 is greater than the computed value of 1.99, we reject the null hypothesis (Ho) and accept the alternative hypothesis (Hi). This implies that that Blue ocean strategy has a significant positive effect on market share in the Nigerian telecommunication industry.

Hypothesis Three

H_o: Blue ocean strategy has no significant positive effect on customer satisfaction in the Nigerian telecommunication industry

Table 6: Summary of t-test analysis of mean ratings of Blue ocean strategy and customer satisfaction in the Nigerian telecommunication industry

Test value = 0.05					
			(95%) confidence interval of the difference		
t	df	Sig.(2-tailed)	Mean Difference	Lower	Upper
58.443	16	0.000	4.40	4.14	4.10

Source: Field Survey 2021; SPSS 23.0 Output

This is a two tailed test with d.f = 16. From the statistical value for 0.05 at 16 degree of freedom is 1.99. Since the calculated value t = 58.443 is greater than the computed value of 1.99, we reject the null hypothesis (Ho) and accept the alternative hypothesis (Hi). This implies that Blue ocean strategy has no significant positive effect on customer satisfaction in the Nigerian telecommunication industry

Discussion of the Results

The result of the study well demonstrated the relevance of blue ocean strategy in the contemporary society. Blue ocean strategy remains a sine quan non to the success of any business organization. Today many organizations are faced with global competition and advancement in technology. Conventional approach to marketing no longer holds any relevance today. Organizations now capitalize on the power of invention and innovations to provide valuable products and services to customers. The study identified that blue ocean strategy affects the profitability of telecommunication industry in Nigeria ($t = 77.416$, D.F=16, $p =.000$). This result agreed with previous study conducted elsewhere on blue ocean strategy. In a study by Samsul and Mohammad (2017), it was revealed that BOS positively affects organizational performance when it is applied in the organizations. The similarity of the studies is a further demonstration of the relevance of blue ocean strategy.

Despite the difference in geographical locations of the studies, it went on to show a close similarity. Hence, the adoption and application of blue ocean strategy know no boundaries. The organizational leaders as asserted by Schumpeter should therefore be innovative in order to stabilize the growth and expansion of their organizations. The result of the study was further re-enforced by Burke, Stel and Thurik (2009) study on blue ocean strategy versus competitive strategy, using data compiled from 655 retail shops across 41 shop types within the Dutch retailing industry, between the period 1982-2000 which reported that average firm profits were positively related to the number of firms in more than half the shop types, whereas profitability and the number of vendors rose and fell together across all shop types over the period spanning indicating that blue ocean strategy was at play over the long term

Also, the study revealed that blue ocean strategy had a significant effect on market share in the Nigerian telecommunication industry ($t = 66.441$; D.F=16, $p = .000$). The result of the study agreed closely to a study by Fatemeh Mohammad and Kambiz (2013) which reported that there is a relationship between Blue Ocean strategy indexes and marketing function. The report reveals that Blue Ocean Strategy significantly affects the performance of marketing. In view of the global competition currently facing telecommunication industries in Nigeria, innovation and creativity are of paramount importance in market development, and in increasing market shares of firms. As revealed by Dillon, Lee and Matheson (2002), revealed, innovation generates outstanding value for customer.

Organizations are driven by the value they generate for customers. This increase organizational market share. But value innovation or creation need a fact to rely on. Hence, organizations could enhance their chances by simultaneous introduction of innovative products and services that can add value as well as drafting new strategic means of creating a unique customer satisfaction. The study also shows that blue ocean strategy has a significant effect on customer satisfaction in Nigerian telecommunication industry ($t = 58.443$; $p = .000$). This finding coincided with a study by Ngaruiya (2013) which reported that a company applied for new solutions in its' operations to meet the customer's needs. The unparalleled quality service they provided increased their coverage in their niche which was their main focus.

Conclusion

The study concluded that blue ocean strategy implementation had a significant positive effect on Nigeria Telecommunication Industry. It is evident that the blue ocean strategy in today's business world is a critical component of all strategy. It is the backbone of organizational growth and sustainability; it forces the company to destroy bloody compete of red ocean strategy by creating uncompetitive market space.

Recommendations

Based on the findings of this study, the following recommendations were made;

I. The management of various telecommunication firms should strive to develop new products and services that are beyond the conventional products and services in order to improve their profitability and create competitive advantage that can eliminate competition and attract more customers to them.

II. The management should also see to it as a matter of urgency to innovatively deliver a cutting edge services that outstand their competitors hence encourage acquisition of more customers

III. Satisfaction of customers should be at the forefront of telecommunication industry, as such, the management should develop mechanisms that will enable them be in constant touch with their clients, such mechanisms could be development of self-service channels and prompt response rate to issues relating to customers which ensure customer satisfaction

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