

Strategic marketing innovations and organizational performance of commercial banks in South-South, Nigeria

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Abstract

With the new dynamic and competitive banking environment, commercial banks now have to think in term of marketing innovations to develop its performance in order to remain profitable. This study examined the relationship between strategic marketing innovations and commercial banks' performance in South-South, Nigeria with the moderating effect of environment dynamism. This study was conducted using the theories of resource-based view theory, dynamic capabilities theory and the contingency theory. The research design adopted was the cross-sectional survey research and positivist approach. The population of respondents were the employees of selected commercial banks in the country who were sampled using Taro Yamane formula to obtain the size of 370 respondents, the sampling technique was proportionate stratified and simple random sampling technique. The data for the primary data were taken by using structured questionnaires. Descriptive data, Spearman Rank Correlation Coefficient and Partial Correlation Coefficient were used to analyse the data at 0.05 level of significance. There was a positive and significant relationship between operational efficiency and price innovation ($r = 0.216$, $p < 0.01$), product innovation ($r = 0.484$, $p < 0.01$), promotion innovation ($r = 0.396$, $p < 0.01$) and distribution innovation ($r = 0.451$, $p < 0.01$). The study also found that strategic marketing innovations were positively and significantly correlated to the organization performance and the positive relationship between strategic marketing innovations and the organization performance was mediated by the environmental dynamism. Results showed that the strategic marketing innovations play an important role to improve the operation's efficiency concerning with environment. The study recommended that commercial banks need to reinforce the marketing strategy based on innovation and closely watch environmental changes. The study yielded empirical findings on the moderating effect of environmental dynamism in the strategic marketing innovation – organizational performance relationship in the banking sector of the Nigerian economy which added to knowledge.

Keywords: Marketing Innovation; Product; Price; Promotion; Distribution; Operational Efficiency

1. Introduction

The banking industry is faced with intense level of competition, technology development and high expectations from customers. The level of performance of commercial banks within the industry is geared on it implementations of strategic marketing innovations. Hence, right from the inception, banks have been in search of innovative ideas to efficiently deliver topnotch services to their customers, as a way of attracting and retaining them. This will aid in the increase of their operational efficiencies. Strategic marketing innovation is about developing a new product, price, promotion and distribution to provide the organisations with a superior value and competitive advantage (Ogunnaike et al., 2018; Chaffey & Ellis-Chadwick, 2019). In this era of financial institutions vying for customers in a more dynamic landscape, strategic marketing innovation can be used as a tool to boost efficiency and organization's performance (Teece, 2018; Ekwueme et al., 2023).

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Product innovation includes new financial products and improving banking products to suit the customers' needs. Therefore, Nigeria's commercial banks are beginning to understand that they can leverage on digital technologies to make banking better and enhance customer satisfaction. Likewise, in the area of pricing models, pricing innovation will enable banks to be more flexible in their pricing models and service fees which in turn will lead to increased customer retention and profitability for banks. Promotion innovation is connected with communication (digital marketing, social media) innovation which can improve the consumer recognition and involvement. Distribution innovation is the evolution of the use of multiple ways of providing service including agency banking, ATM, and internet banking that makes banking more accessible and convenient (Olanike & Oladipupo, 2024; Agu & Obi, 2024). When used together, these innovations can enhance the operations of the company, making them more efficient, responsive, and cost-effective, leading to better customer experiences (Agboola & Babarinde, 2024; Zeithaml et al., 2018).

However, strategic marketing innovativeness may be affected by environmental dynamism. Environmental dynamism is the extent to which the environment of an organization (technology, regulations, economics, competition, etc.) is rapid and/or uncertain. In very dynamic environment, strategies need to be explored, updated with performance and competitiveness (Seo, 2020, Li et al., 2020). However, in South-South Nigeria, commercial banks are operating in a digital platform, consumers are evolving in their tastes and regulation is evolving. Thus, the role of environmental dynamism in the link between strategic marketing innovations and the firms' performance can be positive or negative (Kumar, 2021; Wang, 2022).

Previous studies have examined the relationship between strategic marketing innovation and organizational performance. For example, Ogunnaike et al. (2018) examined the effect of marketing innovation and organizational competitiveness. Ekwueme et al. (2023) investigated the impact of on innovative marketing practices on firm performance in Nigeria. Agu and Obi (2024) and Olanike and Oladipupo (2024) examined the extent to which innovations influence organizational performance in the service sector. However, most of these studies were on manufacturing companies, small to medium size enterprises and general enterprises/service organisations; thus, commercial banks in South-South Nigeria were not included. Moreover, profitability and market shares have been the usual yardsticks in the assessment of the performance of organizations while operational efficiency has not been getting much attention in empirical studies (Ekwueme et al., 2023; Agu & Obi, 2024). Furthermore, the interaction of four dimensions of innovation—product innovation, price innovation, promotion innovation, and distribution innovation—in the previous studies is rarely studied (Ekwueme et al., 2023; Agu & Obi, 2024). Further, environmental dynamism is only perceived as context variable and not as a moderator variable which can impact upon the effectiveness of marketing innovations. According to Seo (2020) and Wang (2022), evaluating the environmental dynamism is a significant aspect that affect the performance of firms since the activities of these are affected by the environmental factors. Thus, it becomes pertinent to evaluate how changes in the environment can mediate the relationship between strategic marketing and organizational performance in South-South, Nigeria.

2. Literature Review

2.1. Conceptual Framework

2.1.1. Strategic Marketing Innovations

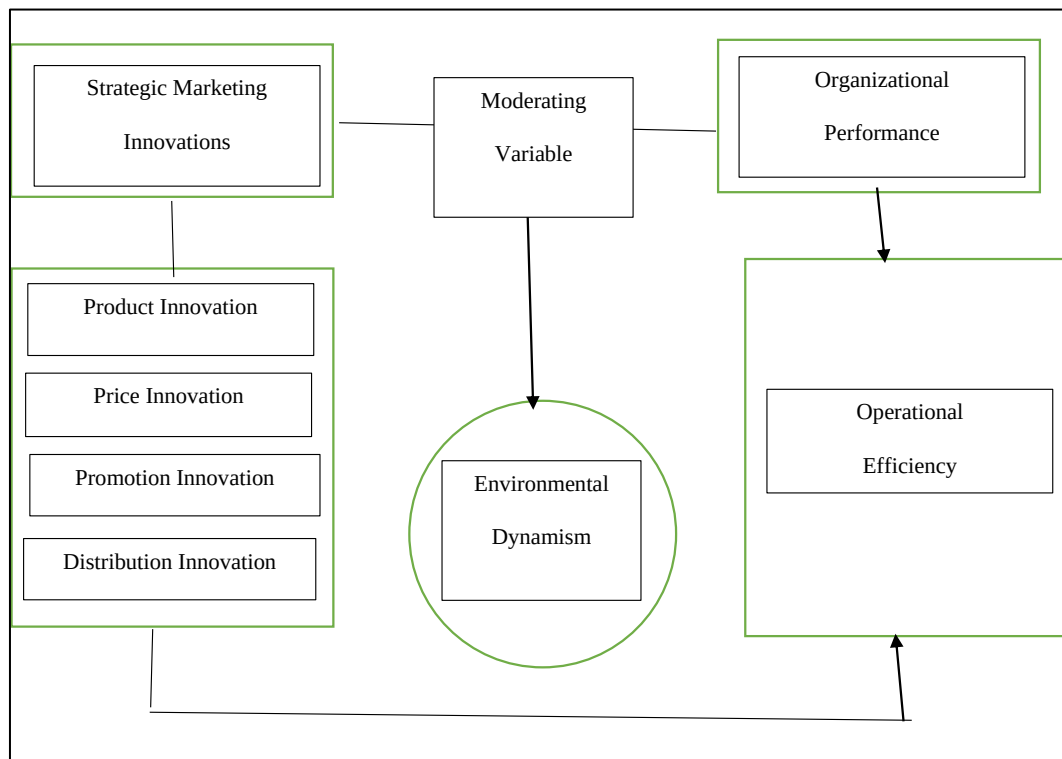
Strategic marketing innovation is an idea, process, technology or practice that is new to the organization and provides a customer benefit, a competitive advantage and can help the organization reach its sustainable marketing goals. It involves incorporation of new concepts in the new product design, pricing, promotion and distribution in view of changing market situation and customer needs (Chaffey & Ellis-Chadwick, 2019; Varadarajan, 2020). Marketing is not just the little better, it's the new product and service, and the new experience that make an organization different than its rivals – it is innovation. In the business arena of technological disruptions and highly competitive pressures, one of the most important organization's strategic skills to survive and grow is strategic marketing innovation (Chaffey & Ellis-Chadwick, 2019; Varadarajan, 2020). There are a number of aspects to the idea. Product innovation is to make new product or change the product to meet the customers' needs. Price innovation is a new approach of price which will enhance the value creation and market penetration. Promotion innovation is a fresh media and digital marketing instruments and integrated marketing communication to the customers. Distribution innovation is associated with improving service delivery channels through technological means and solutions like digital platforms, online systems and others that make the process more accessible and convenient as posited by Ogunnaike et al., (2018) and Olanike & Oladipupo (2024). Examples of strategic marketing innovations in a bank include Internet banking, mobile banking applications, customized financial products, agency banking, and digital banking customer engagement platform.

2.1.2. Organizational Performance

Organizational Performance is the organization's effectiveness and efficiency in implementing their strategy. Organizational performance is the result of the whole work of the organisation and is generally evaluated based on a single or multiple financial and non-financial criteria like profitability, productivity, market shares, customer satisfaction, innovation, operational efficiency etc. (Teece, 2018; Richard et al., 2009). The literature of contemporary performance of organizations proposes that, along with financial measures it is important to consider multidimensional measuring techniques so as to grasp the overall effectiveness. Thus, effectiveness of the operational efficiency, service level, customer retention, ability to innovate and adaptability in the organism are considered important indicators of effectiveness. The use of the resources by an organization to produce its products or services at a lesser cost and at a greater productivity is one of the most important measures of efficiency of an organization. Within the banking industry, the efficiency is seen as the speed of the process, the provision of service, the response of customers, automation and cost reduction (Chaffey & Ellis-Chadwick, 2019; Zeithaml et al., 2018).

2.1.3. Environmental Dynamism

Environmental dynamism is the extent of instability, uncertainty, complexity and unpredictability of the environment of an organization. It reflects the speed and frequency of change in technological or economic, political, regulatory and competitive factors and how this influences the way in which an organization operates and makes decisions. In a highly dynamic environment, there are many technological advancements and shifts in customer preferences, intense competition, and regular changes of regulations, making it challenging for organizations to anticipate what might lie ahead (Seo, 2020; Wang, 2022). In today's context of business, the dynamic environment factor has become more relevant especially in a globalized, digital and volatile environment. In dynamic situation, organisations are required to constantly change their strategy, structure and operations to ensure their competitiveness. Inability to make effective response to the environment could result in a decline in performance and competitive advantage. So, environmental dynamism can be thought of as one of the context variables that could impact the effectiveness of organizational capacities and strategies (Li et al., 2020 and Kumar, 2021).



Source: Researcher's Conceptualization **Adapted from:** Strategic Marketing Innovations: Product innovation, price innovation, promotion innovation, and distribution innovation (Ogunnaike et al. 2018; Ekwueme et al., 2023; Olanike & Oladipupo, 2024; Agu & Obi, 2024; Agboola & Babarinde, 2024). Organizational Performance: Operational efficiency (Chaffey & Ellis-Chadwick, 2019; Zeithaml et al., 2018; Teece, 2018). Environmental dynamism (Seo, 2020; Wang, 2022; Kumar, 2021; Li et al., 2020).

Figure 1 Conceptual framework on the relationship between strategic marketing innovations and organizational performance of commercial banks in South-South, Nigeria, given environmental dynamism as the moderating variable

2.2. Theoretical Framework

This study adopted the theories of resource-based view, contingency theory and dynamic capabilities theory.

Barney (1991) followed the study of Wernerfelt, who studied firm resources and came up with the resource-based view (RBV). According to RBV, firms will perform better, if the firm has valuable, rare, hard to imitate and non-substitutable resources and capabilities. Product innovation, price innovation, promotion innovation and distribution innovation are the strategic marketing innovations identified in this study and can be utilized by the commercial banks for enhancing banks operational efficiency. Banks with customer-oriented products and flexible pricing and distribution platforms, and digital promotional platforms can deliver a quicker speed of service, greater customer responsiveness and cost savings to their competitors. RBV is suitable as it suggests that the internal marketing competences can become a competitive advantage and improve the performance of the organization in the short and long-term (Barney, 1991; Teece, 2018).

The concept of dynamic capabilities has been developed by Teece, Pisano and Shuen (1997). The theory is how the firms merge, build and reconfigure internal and external capabilities to adjust to the rapidly changing environment. The Theory is relevant because of the various turbulent business environment of commercial banks in South-South Nigeria that include Competition of Fintech, Digital Banking, Regulatory environment, Inflationary pressure and customer's preference. In these situations, banks need to not only have marketing resources, they need to constantly update and adjust their marketing resources. By combining product, promotion, price and distribution innovations, banks can create new financial services, build a stronger online footprint, provide a more competitive price for their services and make banking more convenient and accessible via mobile banking, agency banking and online banking. Therefore, dynamic capabilities theory can be utilized to derive implications for the banks to develop strategic marketing innovation, ensuring their effectiveness in the dynamic environment (Teece et al., 1997; Teece, 2018).

The contingency theory shares similarities with the Lawrence and Lorsch (1967) and other theories that maintained that there is no best way in which an organisation could be managed. Rather, it is congruence of strategy, structure and environment that is correlated with effectiveness. This study's moderating effect of the environment dynamism is directly related to the theory. It suggests that Strategic marketing innovations effects on the performance of the organisation could vary in different business environment (stable or unstable). In such a dynamic marketing environment, banks' reactions to the evolution of the technologies, competitors, regulations and to the customers' expectations and marketing innovations will be even more significant. However, in a relatively stable environment, this kind of innovation doesn't always bring about a performance improvement. Thus, the introduction of the dynamism of the environment as a modifying factor between strategic marketing innovation and operational efficiency is a part of contingency theory (Lawrence & Lorsch, 1967; Donaldson, 2001).

2.3. Empirical Review

Ajoke and Olumuyiwa (2026) examined the impact of product marketing strategy on the performance of Deposit Money Banks in Nigeria with special reference to First Bank Nigeria Plc. The research design was quantitative research design; whereby structured questionnaires were used to administer the questionnaires to the sampled bank employees. Regression techniques were used to analyze data to determine the effect of product marketing strategy on the bank performance indicators, including profitability, customer satisfaction, and market share. The results indicate that product marketing strategy has a strong impact on the performance of banks.

Mwangi and Kihui (2025) investigated the impact of innovation practices on the organizational performance of SMEs in Nairobi City County, Kenya. The results of the reviewed literature suggest that the positive impact of innovation practices on organizational performance is significant and positive. Product innovation enhances customer value and market share, process innovation enhances operational efficiency and cost reduction, marketing innovation strengthens customer engagement and market expansion, and organizational innovation enhances adaptability and strategic alignment.

Adani (2025) investigated the degree to which innovation affect competitive advantage of chosen manufacturing companies in the South-East, Nigeria. The research paper took descriptive survey research design. The population of interest in the research was two thousand and two (2002) employees in the sampled manufacturing companies in Southeast, Nigeria. Random sampling was used to obtain a sample size of 322 respondents. Structured questionnaire was used to collect primary data. To test the hypothesis, Pearson Product-moment Correlation was used which found out that: innovation has a moderate statistical effect on competitive advantage in selected manufacturing firms in Southeast, Nigeria.

3. Methodology

The study adopted a cross-sectional survey research design. The design was considered appropriate because it enabled the collection of data from respondents at a single point in time and facilitated the examination of the relationship between strategic marketing innovations and organizational performance, with environmental dynamism serving as a moderating variable. Cross-sectional surveys are widely used in management studies because they permit the investigation of relationships among variables within a defined population (Creswell & Creswell, 2018; Saunders et al., 2019).

The study was anchored on the positivist philosophy, which assumes that reality is objective and measurable through empirical observation. Positivism supported the use of quantitative methods, structured questionnaires, and statistical analyses in testing the study hypotheses (Bell et al., 2022; Creswell & Creswell, 2018).

The population comprised employees of twenty selected commercial banks operating in South-South Nigeria. Respondents were drawn from the Operations, Marketing, Customer Service, Treasury, Internal Control, Compliance, and Human Resources departments. The accessible population consisted of 4,986 employees as obtained from the Human Resource Departments of the selected banks. The sample size was determined using the Taro Yamane (1967) formula at a 5% level of precision, resulting in a sample size of 370 respondents. A proportionate stratified sampling technique was used to distribute the sample across the selected banks and departments, while simple random sampling was employed in selecting respondents within each stratum (Sekaran & Bougie, 2016; Saunders et al., 2019).

The study utilized primary data obtained through a structured questionnaire. Responses were measured using a five-point Likert scale ranging from Strongly Disagree (1) to Strongly Agree (5). Primary data were considered suitable because they provided direct information on the variables under investigation (Sekaran & Bougie, 2016; Bell et al., 2022). Strategic marketing innovations were measured using product innovation, price innovation, promotion innovation, and distribution innovation. Organizational performance was measured through operational efficiency, while environmental dynamism was assessed using indicators relating to technological change, market uncertainty, competition, and regulatory changes (Ogunnaike et al., 2018; Chaffey & Ellis-Chadwick, 2019). Face and content validity were established through expert review. Reliability was assessed using Cronbach's Alpha, with a minimum threshold of 0.70 accepted as evidence of internal consistency. A pilot study was conducted to improve the quality and clarity of the instrument (Hair et al., 2019; Pallant, 2020).

Data were analyzed using the Statistical Package for Social Sciences (SPSS). Descriptive statistics such as frequencies, percentages, means, and standard deviations were used to summarize data. The hypotheses were tested using the Spearman Rank Correlation Coefficient, while the moderating effect of environmental dynamism was examined using the Partial Correlation Coefficient. Statistical decisions were made at the 0.05 level of significance (Field, 2018; Pallant, 2020).

4. Results

Table 1 Questionnaire Distribution and Number Retrieval

S/No	Descriptions	Frequency	Percent
1	Questionnaires Distributed	444	100.0
2	Questionnaires Retrieved	433	97.5
3	Valid Questionnaires	426	95.9

Source: Field Survey, 2026

The questionnaire distribution and retrieval rate presented in Table 1 indicated a high level of respondent participation in the study. Out of the 444 questionnaires distributed to employees of selected commercial banks in South-South Nigeria, 433 were retrieved, representing a retrieval rate of 97.5%. After data screening and validation, 426 questionnaires were found suitable for analysis, yielding a valid response rate of 95.9%. This high response rate suggested that the respondents demonstrated considerable interest in the study and provided sufficient data for statistical analysis. According to Saunders et al. (2019), a response rate above 70% is generally considered adequate for minimizing non-response bias and enhancing the reliability of survey findings. Consequently, the 95.9% valid response rate strengthened the credibility and generalizability of the study findings.

Table 2 Demographic Results

		Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Female	188	44.1	44.1	44.1
	Male	238	55.9	55.9	100.0
	Total	426	100.0	100.0	
Age	20-35	72	16.9	16.9	16.9
	36-50	307	72.1	72.1	89.0
	51 and above	47	11.0	11.0	100.0
	Total	426	100.0	100.0	
Marital Status	Married	333	78.2	78.2	78.2
	Separated	9	2.1	2.1	80.3
	Single	84	19.7	19.7	100.0
	Total	426	100.0	100.0	
Educational Attainment	HND/Bachelor	336	78.9	78.9	78.9
	Master and above	71	16.7	16.7	95.5
	WAEC/OND	38	5.9	5.9	100.0
	Total	426	100.0	100.0	

Source: SPSS 28.0 Output

The demographic characteristics of the respondents presented in Table 2 revealed that 238 respondents, representing 55.9%, were male, while 188 respondents, representing 44.1%, were female. This distribution suggested a relatively balanced gender composition within the sampled banks, although males constituted the majority. Regarding age distribution, 307 respondents (72.1%) were between 36 and 50 years, 72 respondents (16.9%) were between 20 and 35 years, while 47 respondents (11.0%) were aged 51 years and above. This implied that the majority of respondents were experienced and actively involved in managerial and operational activities within the banking sector. In terms of marital status, 333 respondents (78.2%) were married, 84 respondents (19.7%) were single, and 9 respondents (2.1%) were separated. Furthermore, educational attainment results showed that 336 respondents (78.9%) possessed HND or Bachelor's degrees, 71 respondents (16.7%) had Master's degrees and above, while only 38 respondents (5.9%) possessed WAEC or OND qualifications. These findings indicated that the respondents were sufficiently educated to provide informed responses regarding strategic marketing innovations and organizational performance.

Table 3 Spearman Correlation Results

Correlations							
			Operational Efficiency	Price Innovation	Product Innovation	Promotion Innovation	Distribution Innovation
Spearman's rho	Operational Efficiency	Correlation Coefficient	1.000	0.216**	0.484**	0.396**	0.451**
		Sig. (2-tailed)	.	0.000	0.000	0.000	0.000
		N	426	426	426	426	426
	Price Innovation	Correlation Coefficient	.216**	1.000	.576"	.461"	.422"
		Sig. (2-tailed)	0.000	0.	0.000	0.000	0.000

	N	426	426	426	426	426
Product Innovation	Correlation Coefficient	0.484**	0.576"	10.000	0.324"	0.248"
	Sig. (2-tailed)	0.000	0.000	0.	0.000	0.000
	N	426	426	426	426	426
Promotion Innovation	Correlation Coefficient	0.396**	0.461"	0.324"	1.000	0.311"
	Sig. (2-tailed)	0.000	0.000	0.000	0.	0.000
	N	426	426	426	426	426
Distribution Innovation	Correlation Coefficient	0.451**	0.422"	0.248"	0.311"	1.000
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	.
	N	426	426	426	426	426

** . Correlation is significant at the 0.01 level (2-tailed). Source: SPSS Output 25

The Spearman correlation results presented in Table 3 showed significant positive relationships between the dimensions of strategic marketing innovation and operational efficiency. Price innovation exhibited a weak but significant positive relationship with operational efficiency ($r = 0.216$, $p < 0.01$), indicating that improvements in pricing strategies were associated with increases in operational efficiency. Product innovation demonstrated a moderate positive relationship with operational efficiency ($r = 0.484$, $p < 0.01$), suggesting that innovative banking products contributed substantially to efficient organizational operations. Promotion innovation also showed a moderate positive relationship with operational efficiency ($r = 0.396$, $p < 0.01$), while distribution innovation recorded a moderate positive relationship ($r = 0.451$, $p < 0.01$). The significance values of 0.000 for all relationships indicated that the observed associations were statistically significant at the 1% level. These findings implied that strategic marketing innovations contributed positively to the operational efficiency of commercial banks in South-South Nigeria.

Table 4 Partial Correlation Results

Correlations					
Control Variables			Organizational Performance	Strategic Marketing Innovations	Environmental Dynamism
-none ^a	Organizational Performance	Correlation	1.000	.506	.361
		Significance (2-tailed)	.	.000	.000
		df	0	424	424
	Strategic Marketing Innovations	Correlation	0.506	10.000	0.499
		Significance (2-tailed)	0.000	0.	0.000
		df	424	0	424
	Environmental Dynamism	Correlation	0.361	0.499	10.000
		Significance (2-tailed)	0.000	0.000	0.
		df	424	424	0

Environmental Dynamism	Organizational Performance	Correlation	1.000	0.403	
		Significance (2-tailed)	.	.000	
		df	0	423	
	Strategic Marketing Innovations	Correlation	0.403	1.000	
		Significance (2-tailed)	.000	.	
		df	423	0	
a. Cells contain zero-order (Pearson) correlations.					

Source: SPSS Output 25

The partial correlation results in Table 4 provided evidence regarding the moderating influence of environmental dynamism. The zero-order correlation between strategic marketing innovations and organizational performance was 0.506 ($p < 0.001$), indicating a moderate positive relationship. However, when environmental dynamism was controlled, the correlation coefficient reduced to 0.403 ($p < 0.001$). Although the relationship remained positive and statistically significant, the reduction in the coefficient suggested that environmental dynamism influenced the strength of the relationship between strategic marketing innovations and organizational performance. This finding indicated that changes in technological conditions, competitive intensity, customer preferences, and regulatory requirements affected how effectively strategic marketing innovations translated into improved organizational performance. Therefore, environmental dynamism exerted a moderating effect on the relationship between strategic marketing innovations and organizational performance among commercial banks in South-South Nigeria.

5. Discussion of Findings

The findings from the Spearman Rank Correlation analysis revealed that strategic marketing innovation dimensions significantly influenced organizational performance, measured by operational efficiency, among commercial banks in South-South Nigeria. Specifically, price innovation exhibited a positive and significant relationship with operational efficiency ($r = 0.216$, $p < 0.01$). This finding implies that innovative pricing strategies, including flexible service charges, competitive interest rates, and customized pricing packages, enhanced the operational effectiveness of commercial banks. The result supports the argument of Ogunnaike et al. (2018) that innovative pricing mechanisms improve customer retention and organizational competitiveness. The finding is also consistent with the Resource-Based View (RBV) Theory, which posits that unique organizational capabilities serve as valuable resources that contribute to superior performance (Barney, 1991). Through innovative pricing approaches, banks were able to improve resource utilization and service efficiency.

The study further revealed that product innovation had a moderate positive and significant relationship with operational efficiency ($r = 0.484$, $p < 0.01$). This result indicates that the introduction of innovative banking products, digital financial services, and customer-oriented solutions contributed significantly to improved operational performance. The finding corroborates the empirical study of Olanike and Oladipupo (2024), who reported that product innovation positively influences organizational sustainability and competitiveness. Similarly, Agu and Obi (2024) found that organizations that consistently develop innovative products achieve higher levels of performance than those relying on traditional offerings. The result aligns with Dynamic Capabilities Theory, which emphasizes the ability of organizations to renew and reconfigure resources in response to environmental changes (Teece et al., 1997). Commercial banks that introduced innovative products demonstrated superior adaptability and operational effectiveness.

Promotion innovation also exhibited a significant positive relationship with operational efficiency ($r = 0.396$, $p < 0.01$). This finding suggests that innovative promotional activities such as digital advertising, social media marketing, customer engagement campaigns, and integrated communication strategies enhanced organizational performance. The result supports Chaffey and Ellis-Chadwick (2019), who argued that digital promotional strategies improve customer acquisition, service utilization, and operational outcomes. Furthermore, Ekwueme et al. (2023) reported that innovative marketing communication significantly contributes to organizational performance in service-oriented organizations. From the perspective of RBV Theory, promotion innovation represents an intangible organizational capability that is difficult for competitors to imitate, thereby contributing to sustained performance advantages.

The findings also showed that distribution innovation had a positive and significant relationship with operational efficiency ($r = 0.451$, $p < 0.01$). This indicates that innovative service delivery channels such as mobile banking, internet banking, agency banking, and automated banking systems improved accessibility, reduced transaction costs, and enhanced operational efficiency. The finding agrees with Zeithaml et al. (2018), who emphasized that efficient service delivery systems improve organizational effectiveness and customer satisfaction. It also supports the findings of Agu and Obi (2024), who observed that innovative distribution systems positively influence organizational outcomes. The result reinforces Dynamic Capabilities Theory because banks that continuously adapted their distribution channels to changing customer needs achieved superior operational performance.

The partial correlation analysis provided further insight into the moderating role of environmental dynamism. The zero-order correlation revealed a significant positive relationship between strategic marketing innovations and organizational performance ($r = 0.506$, $p < 0.001$). However, after controlling for environmental dynamism, the correlation coefficient decreased to 0.403 ($p < 0.001$). The reduction in the coefficient indicates that environmental dynamism influenced the strength of the relationship between strategic marketing innovations and organizational performance. This suggests that changes in technology, customer preferences, competition, and regulatory requirements affected how effectively marketing innovations translated into improved operational efficiency. The finding supports the study of Seo (2020), who found that environmental dynamism significantly influences the effectiveness of organizational strategies. Similarly, Li et al. (2020) reported that environmental uncertainty affects the relationship between organizational capabilities and performance outcomes. Wang (2022) further argued that organizations operating in highly dynamic environments must continuously adapt their innovation strategies to sustain performance. The present finding demonstrates that while strategic marketing innovations positively influence operational efficiency, their effectiveness is partly dependent on prevailing environmental conditions.

The moderating role of environmental dynamism is strongly explained by Contingency Theory. The theory posits that organizational effectiveness depends on the degree of fit between organizational strategies and environmental conditions (Lawrence & Lorsch, 1967; Donaldson, 2001). Accordingly, strategic marketing innovations produced stronger performance outcomes when they were aligned with environmental realities. Dynamic Capabilities Theory also provides support by suggesting that organizations must continuously sense opportunities, seize market changes, and reconfigure resources to maintain competitiveness (Teece, 2018). Therefore, the findings collectively indicate that strategic marketing innovations significantly enhance operational efficiency, while environmental dynamism shapes the magnitude of that influence within commercial banks operating in South-South Nigeria.

6. Conclusion

The study concluded that strategic marketing innovations significantly enhanced organizational performance among commercial banks in South-South Nigeria. Specifically, price innovation, product innovation, promotion innovation, and distribution innovation exhibited positive and significant relationships with operational efficiency. The findings demonstrated that banks that continuously introduced innovative products, competitive pricing mechanisms, effective promotional strategies, and efficient distribution channels achieved superior operational outcomes. The study further established that environmental dynamism significantly moderated the relationship between strategic marketing innovations and organizational performance, indicating that external environmental conditions influenced the effectiveness of marketing innovation initiatives. Consequently, commercial banks seeking sustainable performance improvement should continuously adapt their marketing innovations to changing technological, competitive, and regulatory conditions in order to maintain operational efficiency and long-term competitiveness.

Limitations of the Study

The study was limited to selected commercial banks operating in South-South Nigeria; therefore, the findings may not be fully generalized to other regions or sectors. The use of a cross-sectional research design restricted the investigation to a single period, making it difficult to capture changes in strategic marketing innovations and organizational performance over time. Additionally, the study relied on self-reported questionnaire responses, which may have been influenced by respondent bias and subjective perceptions. The focus on operational efficiency as the sole measure of organizational performance also limited the examination of other important performance dimensions such as profitability and market share.

Recommendations

- i. Commercial banks should continuously invest in product innovation by developing customer-focused digital financial services, mobile banking solutions, and customized banking products that address emerging customer

- needs. Management should establish innovation units responsible for monitoring market trends and introducing new products capable of improving operational efficiency and competitiveness.
- ii. Banks should strengthen their pricing strategies by adopting flexible and technology-driven pricing models that reflect customer preferences and market realities. Management should periodically review service charges, transaction fees, and lending rates to ensure competitiveness while maintaining operational efficiency and customer satisfaction.
 - iii. Commercial banks should expand their digital promotion initiatives through data-driven marketing, social media engagement, personalized communication, and customer relationship management systems. These promotional efforts should be integrated with organizational objectives to improve customer acquisition, retention, and service utilization.
 - iv. Bank executives should enhance distribution innovation by investing in advanced digital platforms, agency banking networks, internet banking infrastructure, and automated service delivery channels. Continuous upgrades of service delivery systems will improve accessibility, reduce operational costs, and increase transaction efficiency.
 - v. Management should establish environmental scanning and strategic intelligence units to monitor technological changes, regulatory developments, competitive activities, and evolving customer preferences. Information generated from these units should guide the adaptation of marketing innovations to environmental conditions, thereby maximizing organizational performance and sustaining competitive advantage in a dynamic business environment.

Compliance with ethical standards

Disclosure of conflict of interest

No conflict of interest to be disclosed.

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