



Product innovation strategy of food industry in Tanzania: A Case study of Bakhresa Food Products Limited

James Daniel Chindengwike

chindengwikejames@gmail.com (+255752515509)

St. John's University of Tanzania, Tanzania

<https://doi.org/10.51867/asarev.3.1.28>

ABSTRACT

Product innovation has become a key strategy for enterprises operating in the highly competitive food market, especially since changing customer tastes, technology advancements, and increased rivalry put pressure on firms to constantly enhance their goods. This study sought to determine the impact of product innovation strategies on the performance and competitiveness of Azam food products in Tanzania, with a focus on new product creation, product improvement, packaging innovation, quality improvements, and product diversification. The study used a case study research approach with a sample of 40 employees chosen from 52. Questionnaires, interviews, and a review of documents were used to collect data, which was then evaluated using descriptive statistics. The data showed that product innovation techniques have a favourable and significant impact on the success of Azam food items. Specifically, product development had a big impact on market performance. The study also found that continual product innovation, appealing packaging, and quality advancement help to increase consumer satisfaction and market competitiveness. The study suggests that successful product innovation is critical for increasing the competitiveness and sustainability of Tanzanian food manufacturing enterprises. It consequently suggests that Bakhresa Food Products Limited continue to engage in research and development, consumer-oriented product innovation, packaging innovations, and quality enhancement in order to successfully adapt to changing customer requirements and maintain its place in the Tanzanian food industry.

Keywords: Innovation, Product, Strategy Food Industry, Tanzania

I. INTRODUCTION

Entrepreneurs utilise innovation as a major approach to capitalise on developments that present potential for growth in their company or services (Malekpour et al., 2024). Drucker defines innovation as the process of endowing people and material resources with new and enhanced wealth-producing capabilities (Malekpour et al., 2024). Wang also sees innovation as a way to discover new uses for current items. A firm or organization requires time and effort to conduct many searches or study to get diverse sources of innovation and steer toward a certain application and design (Irawan et al., 2022). Typically, this is due to a need for organisational creativity as a continual supply of creative goods and services with superior economic, social, and environmental outcomes (Wang, 2023). In today's increasingly competitive market, entrepreneurs must innovate something truly unique or improve an existing product's quality in order to produce an outstanding product, grow a consumer base, and establish a strong brand (Hatta et al., 2023).

According to the UK Food Standards Agency and the United States Department of Agriculture's Economic Research Service (USDA), the Food Industry includes form framing, food manufacturing, packing, and distribution to retail and catering (Garcia et al., 2025). Furthermore, the US food system is a complicated network of farmers and the corporations that support them, including as agricultural equipment, pesticide makers, and agribusiness service providers (Chindengwike, 2025).

In the business world, service or product innovation is described as systematic, commercially driven research with the purpose of creating things and processes that match a known or suspected client need. Various scholars have noted that an innovation strategy frequently mixes and uses natural sciences and social sciences depending on the firm's marketing and customer demands, resulting in a single integrated study aimed at new product development. Several theories and research have been used to explain product innovation (Putra et al., 2026).

The models attempt to describe the four stages of the product innovation/development process. These include product strategy development, product design and development, commercialisation, and product launch/post-launch. Kostić et al. (2026) state that each phase involves several procedures to gather information for decision-making by company management. These models were also used as one of the techniques used by Azam products to win the market and meet the wants of their customers, as well as to increase business revenues and investment (Alokdeh et al., 2026). Some of the tasks required in the invention process may be minimised during production. Some steps may be removed or omitted based on the firm's knowledge and experience (Hamad et al., 2023).

Tanzania's manufacturing sector has seen several developments. Import substitution tactics were followed by nationalisation and generous subsidies, and then privatisation and liberalisation of national industry (Chindengwike et



al., 2026). In the mid-1990s, a reform strategy to create macroeconomic stability was implemented, resulting in improved economic performance (Chindengwike, 2025). Manufacturing (53%), processing (24%), textiles and clothing (10%), chemicals (8.5%), and other industries such as tourism contribute to its composition. Bakhresa organization is a large corporate organization in Tanzania, with interests spanning food production and other industries. Bakhresa Food items Limited manufactures and promote a variety of items under the Azam brand. The company's food items are sold in Tanzania and other East African markets (Malekpour et al., 2024). The expansion of the Azam brand has been linked to the creation of a diverse product selection that addresses various customer demands. To succeed in such a competitive market, the corporation must constantly examine customer expectations and respond through product creation, quality improvement, packaging, and diversification (Alokdeh et al., 2026).

Despite the importance of product innovation, it is necessary to do empirical research to see how certain product innovation techniques contribute to the competitiveness and performance of Azam goods (Chindengwike, 2025). Product innovation requires financial investment, research and development, technology, human resources, market research, and ongoing review, and hence does not guarantee market success. It is necessary to determine if new product creation, product quality improvement, packaging innovation, and product diversification successfully contribute to consumer happiness and market performance (Malekpour et al., 2024; Manzoor et al., 2024). As a result, this paper focuses on the Product Innovation Strategy in Tanzania's Food Industry: A Case paper of Azam Products at Bakhresa Food Products Limited. The study investigates how new product creation, product quality and improvement innovation, and packaging and product diversification innovation affect the performance, competitiveness, and consumer satisfaction of Azam goods. The findings are expected to help Bakhresa Food Products Limited and other food manufacturers develop effective innovation strategies, as well as contribute to a better understanding of product innovation and strategic competitiveness in Tanzania's food industry (Malekpour et al., 2024).

1.1 Statement of the Problem

The food sector contributes significantly to Tanzania's economic growth by creating jobs, adding value, generating cash, and providing customers with basic food goods (Putra et al., 2026). However, the sector operates in an increasingly competitive climate marked by shifting customer tastes, technological innovation, rising demand for quality and convenience, and the introduction of new items to the market. Under these conditions, food manufacturing enterprises must constantly develop their goods in order to meet changing customer wants, increase market competitiveness, and preserve long-term company success (Putra et al., 2026). Product innovation might include introducing new goods, upgrading current ones, modifying product formulae, increasing quality, designing appealing packaging, and broadening product lines (Malekpour et al., 2024; Augustin et al., 2024).

Despite the significance of product innovation, Tanzanian food manufacturing enterprises continue to struggle with designing and executing successful innovation strategies. These problems may include expensive research and development expenditures, shifting customer expectations, technical constraints, competition from domestic and imported products, access to adequate raw materials, and difficulty estimating market demand. Such obstacles might have an impact on a company's capacity to develop effective new goods while continually improving old ones. As a result, knowing how product innovation strategies affect the competitiveness and performance of food manufacturing enterprises remains critical for both managers and policymakers (Wang, 2023; Al Mahmud et al., 2024).

Bakhresa Food Goods Limited, with its Azam brand, is a major player in Tanzania's food and beverage business, providing a variety of goods to the domestic and larger East African markets (Putra et al., 2026). To meet market needs, the firm has undertaken product development, product improvement, packaging, quality improvements, and product diversification. Nonetheless, the presence of product innovation initiatives does not always indicate how much such tactics contribute to customer happiness, market competitiveness, and overall business performance. As a result, it is necessary to do empirical research on the effectiveness of product innovation methods in the context of Azam food items (Alokdeh et al., 2026; Tachie et al., 2023).

Furthermore, little empirical research has been conducted to determine how specific dimensions of product innovation, such as new product development, product improvement, packaging innovation, quality innovation, and product diversification, affect the performance of food manufacturing companies in Tanzania. Managers may struggle to determine which innovation initiatives deserve more attention and investment in the absence of appropriate empirical data. This generates a knowledge and management gap that requires a thorough inquiry (Wang, 2023).

As a result, this study aims to investigate the impact of product innovation methods on the performance and competitiveness of Azam food items at Bakhresa Food Items Limited in Tanzania. The study will specifically evaluate the contribution of new product development, product improvement, packaging innovation, quality enhancement, and product diversification, with the goal of producing empirical evidence that can help managers make decisions, improve innovation practices, and contribute to Tanzania's food manufacturing industry's long-term competitiveness.

1.2 Research objectives

- i. To examine the influence of new product development on the performance of Azam food products at Bakhresa Food



- Products Limited in Tanzania.
- ii. To assess the effect of product quality and improvement innovation on the competitiveness of Azam food products at Bakhresa Food Products Limited.
 - iii. To determine the influence of packaging and product diversification innovation on customer satisfaction and market performance of Azam food products.

II. LITERATURE REVIEW

2.1 Theoretical Review

This study involved strategic management theory. This theory applied to the topic and concluded based on findings.

2.1.1 Strategic Management Theory

Strategic Management Theory discusses how organisations develop, implement, and assess strategies to achieve their goals, adapt to changes in the business environment, and gain a sustained competitive edge (Chindengwike, 2025). According to the notion, an organization must regularly examine both its internal capabilities and its external environment before making strategic decisions. Strategic management therefore include assessing a company's strengths and weaknesses, recognising opportunities and challenges, allocating resources efficiently, and devising strategies that allow a business to produce value for consumers while increasing overall performance. The idea is especially applicable in competitive sectors because companies must constantly change their goods, processes, and marketing strategies to changing market conditions (Hatta et al., 2023).

Strategic Management Theory asserts that a firm's capacity to match its strategies with its internal resources and external environmental conditions influences organisational effectiveness. Organisations that successfully identify market possibilities and allocate resources to productive activities are more likely to gain a competitive edge (Hatta et al., 2023). The idea also indicates that enterprises should not rely only on existing goods or business methods because market conditions, customer preferences, technology, and competitive factors are always changing. As a result, organisations must develop flexible strategies for adapting to environmental changes while maintaining their market position. Strategic decisions on product development, quality improvement, diversity, technology, and customer value are thus critical components of organisational competitiveness (Hatta et al., 2023).

The hypothesis has a direct impact on product innovation strategy. Product innovation may be viewed as a strategic reaction in which businesses respond to changing client requirements and competitive challenges. New product development allows businesses to find developing market possibilities and launch goods that bring value to customers. Similarly, updating current goods enables businesses to react to evolving consumer expectations for quality, usefulness, convenience, and price. Packaging innovation may improve product attractiveness, distinction, convenience, and brand recognition, whereas product diversity enables businesses to offer a wider range of customers and lessen reliance on a small number of items. These innovation initiatives are not isolated operational decisions, but rather strategic choices targeted at increasing the firm's competitive position and boosting long-term performance (Chindengwike, 2025).

Product innovation is especially important in the Tanzanian food industry because food manufacturers work in an environment marked by shifting consumer preferences, increased competition, technological advancements, and rising expectations for product quality and presentation. A corporation that consistently develops and enhances its goods may set itself apart from competitors and increase consumer loyalty. For Bakhresa Food Products Limited, innovation in Azam products may be considered as a strategic strategy for reacting to market demands and being competitive. The firm may produce more consumer value and improve its market performance by developing new items, improving existing products, increasing product quality, developing novel packaging, and diversifying its product range (Chindengwike, 2025).

Strategic Management Theory is relevant to this study for various reasons. First, the research focuses on product innovation strategy, which is fundamentally a strategic organisational activity that involves decisions on how a company will respond to market possibilities and competitive challenges. Second, the theory provides a framework for analysing the link between innovation decisions and organisational outcomes including competitiveness, customer satisfaction, and market performance. Third, Bakhresa Food Products Limited competes in a competitive food market where ongoing adaptation and smart decision-making are required to retain a strong market position. Finally, the theory allows researchers to investigate whether product innovation strategies are successfully linked with consumer wants and market conditions (Hatta et al., 2023).

As a result, the theory provides an appropriate platform for investigating the three dimensions of product innovation explored in this study. New product development reflects the firm's strategic response to emerging market opportunities; product quality and improvement innovation reflects the firm's efforts to differentiate its products and create superior customer value; and packaging and product diversification innovation reflects strategic efforts to increase product attractiveness, reach new market segments, and improve market performance. As a result, the theory supports the hypothesis that effective product innovation methods may increase Azam food products' competitiveness, customer happiness, and performance (Hatta et al., 2023).



Overall, Strategic Management Theory proposes that a food manufacturing firm's performance is determined not just by its capacity to manufacture products, but also by its ability to strategically adapt, innovate, and generate value in response to changes in the business environment. In this study, the theory serves as the foundation for investigating how product innovation techniques affect the performance and competitiveness of Azam products at Bakhresa Food Products Limited. It therefore develops a logical theoretical link between product innovation strategy, customer value, competitive advantage, and organisational performance, allowing the corporation to produce more customer value and increase its market performance (Chindengwike, 2025).

2.2 Empirical Review

This part explained the similar previous studies done in different areas in the world.

2.2.1 Influence of new product development on the performance

The empirical research on product innovation typically shows that innovation is a significant predictor of company competitiveness, consumer happiness, and organisational performance (Garcia et al., 2025). Studies in several sectors have investigated how new product creation, product enhancement, packaging innovation, and product diversity affect company success. The findings typically show that companies that constantly adjust their goods to changing consumer requirements are more likely to increase their market position and sustain a competitive edge. However, the strength of these links varies by industry, market climate, technical capabilities, and particular business resources (Hatta et al., 2023).

According to studies on new product creation, releasing items that meet the demands of customers may increase market performance and generate prospects for growth (Hamad et al., 2023; Chindengwike, 2025). New product creation allows businesses to target new market groups, adapt to changing customer tastes, and differentiate themselves from competition. However, empirical data suggests that new goods may fail if companies do not undertake proper market research, understand consumer expectations, or devote sufficient resources to R&D. This shows that effective innovation is dependent not just on providing new goods, but also on organisations' capacity to connect invention with actual market demand (Chindengwike, 2025).

According to studies on new product creation, releasing items that meet the demands of customers may increase market performance and generate prospects for growth. New product creation allows businesses to target new market groups, adapt to changing customer tastes, and differentiate themselves from competition. However, empirical data suggests that new goods may fail if companies do not undertake proper market research, understand consumer expectations, or devote sufficient resources to R&D. This shows that effective innovation is dependent not just on providing new goods, but also on organisations' capacity to connect invention with actual market demand (Chindengwike, 2025). Empirical research Improvements in product qualities, dependability, safety, taste, nutritional content, and consistency can boost consumer perceptions of value and encourage repeat purchases. In the food sector, quality is especially crucial since customers link it with safety and enjoyment. As a result, constant product innovation may provide organisations with a strong foundation for differentiation in competitive marketplaces (Alokdeh et al., 2026).

2.2.2 Effect of product quality and improvement innovation on the competitiveness

According to studies on new product creation, releasing items that meet the demands of customers may increase market performance and generate prospects for growth (Manzoor et al., 2024). New product creation allows businesses to target new market groups, adapt to changing customer tastes, and differentiate themselves from competition. However, empirical data suggests that new goods may fail if companies do not undertake proper market research, understand consumer expectations, or devote sufficient resources to R&D. This shows that effective innovation is dependent not just on providing new goods, but also on organisations' capacity to connect invention with actual market demand (Chindengwike, 2025). Packaging Innovative packaging can enhance product convenience, protection, appearance, information delivery, and distinctiveness from competitors. This is especially true in the food business, where customers are constantly exposed to rival brands on store shelves (Tachie et al., 2023). Similarly, empirical research on product diversification reveals that broadening a company's product portfolio can help it serve multiple market groups, adapt to changing customer tastes, and lessen reliance on a small number of items. However, excessive diversification without proper market research and organisational competencies can raise costs and generate operational difficulties (Malekpour et al., 2024).

According to studies on new product creation, releasing items that meet the demands of customers may increase market performance and generate prospects for growth. New product creation allows businesses to target new market groups, adapt to changing customer tastes, and differentiate themselves from competition. However, empirical data suggests that new goods may fail if companies do not undertake proper market research, understand consumer expectations, or devote sufficient resources to R&D. This shows that effective innovation is dependent not just on



providing new goods, but also on organisations' capacity to connect invention with actual market demand (Chindengwiwe, 2025).

2.2.3 Influence of packaging and product diversification innovation on customer satisfaction and market performance

Compared to studies from developed countries and other manufacturing industries, Putra et al., (2026) primarily focused on innovation, entrepreneurship, technology adoption, and firm performance in broader manufacturing contexts, with less attention given to the combined effects of new product development, product quality improvement, packaging innovation, and product diversification within large food manufacturing companies. There is scant empirical information concentrating primarily on Azam products and Bakhresa Food Products scant (Irawan and Aulia, 2022; Augustin et al., 2024; Al Mahmud et al., 2024).

The studied empirical literature demonstrates that product innovation may improve competitiveness, customer happiness, and organisational success, but it also indicates a contextual and empirical gap. Many earlier studies have looked at certain aspects of innovation or focused on different businesses and geographic areas. Few studies have concurrently studied chosen product innovation techniques in Tanzania's food business. This study fills that gap by investigating new product development, product quality and improvement innovation, and packaging and product diversification innovation in connection to the performance and competitiveness of Azam products at Bakhresa Food Products Limited.

III. METHODOLOGY

3.1 Research Design

The study used a case study research approach to conduct an in-depth assessment of product innovation techniques at Bakhresa Food Items Limited, with a focus on Azam food items. The case study design was appropriate since the study aimed to gather extensive information on how new product development, product quality and improvement innovation, packaging innovation, and product diversification are applied inside a given firm. The study had a primarily quantitative approach, supplemented by qualitative data gathered through interviews and document examination.

3.2 Study Population and Sample Size

The study sample included 52 respondents recruited from relevant groups within Bakhresa Food Products Limited. From this group, 40 respondents were chosen to participate in the study, accounting for about 77% of the target population. Respondents were drawn from relevant categories that included product development, production, marketing, management, and other product innovation-related activities. The comparatively high number of respondents was deemed appropriate for gathering data relevant to the study's aims.

3.3 Sampling Procedures

Purposive sampling was used in the study to choose respondents with relevant expertise and experience related to Bakhresa Food Products Limited's product innovation strategy. Purposive sampling was acceptable since not every member of the population was anticipated to have enough knowledge of product creation, product improvement, packaging, diversification, and market performance. Where respondents were drawn from different groups, the research made certain that each relevant group was represented in the sample to increase the completeness of the information gathered.

3.4 Data Collection Methods

Primary data were gathered via questionnaires and semi-structured interviews, while secondary data were gathered through documentary review. Questionnaires were utilised to collect standardised responses from chosen participants about product innovation methods and their perceived impact on product performance. Interviews gave thorough explanations and allowed the researcher to delve into areas that closed-ended questionnaire answers could not effectively address. Relevant information on product innovation efforts and performance was obtained through a documentary analysis of organisational papers and other available sources.

3.5 Data Analysis

Thematic analysis was used to evaluate qualitative material gathered through interviews and a documentary review. The interview data was organised into themes related to the study's objectives, such as new product creation, product quality and improvement, packaging innovation, product diversification, customer satisfaction, and market performance. Responses with comparable meanings were combined, evaluated, and utilised to supplement the quantitative data.



Quantitative data acquired via surveys was coded, processed, and evaluated with descriptive statistics. Respondent characteristics and responses to product innovation strategy questions were summarised using frequencies, percentages, means, and standard deviations. To help comprehension, the results were provided in the form of tables and relevant figures. Where inferential analysis was used, relevant statistical tests should be given based on the actual analysis performed.

3.6 Validity and Reliability

Several steps were followed to guarantee that the study tools were valid and reliable. The questionnaire and interview guide were created in line with the study's goals and checked to verify that the items appropriately addressed the variables being investigated. Consultation with the study supervisor and competent professionals in strategic management and product innovation helped to improve content validity. A pre-test was administered to respondents who were not included in the final sample to identify items that were unclear, confusing, or poorly organised. Before collecting the final data, any necessary adjustments were performed. The questionnaire's reliability should also be checked using an appropriate metric, such as Cronbach's alpha, if applicable, and the actual reliability coefficient stated in the final publication.

3.7 Ethical Considerations

The study followed appropriate ethical norms throughout the research procedure. Participants were told about the study's goal and provided informed permission. Respondents were informed that participation was optional and that they may withdraw from the research without penalty. Confidentiality and anonymity were preserved by preventing needless exposure of respondents' names and limiting the use of obtained information to academic objectives. Permission to collect data was secured from the appropriate authorities at Bakhresa Food Products Limited, and the researcher ensured that the material gathered was handled safely and objectively.

IV FINDINGS & DISCUSSION

4.1 Response Rate

The research targeted 52 respondents and received replies from 40 of them. This corresponds to a response rate of 76.9%. The response rate was deemed appropriate for assessing participants' perspectives on product innovation methods at Bakhresa Food Products Limited. Individuals with expertise and experience in product creation, manufacture, marketing, management, and other aspects of Azam goods were among those who responded. The reasonably high response rate offered enough data to investigate respondents' impressions of product innovation and its impact on the performance and competitiveness of Azam food items.

4.1.1 Demographic Characteristics of Respondents

Understanding the demographic characteristics of respondents is important because respondents' positions, experience, education, age, and other characteristics may influence their understanding of product innovation strategies. Table 1 presents the demographic characteristics of the respondents.

Table 1

Demographic Characteristics of Respondents

Characteristic	Category	Frequency	Percentage (%)
Gender	Male	25	62.5
	Female	15	37.5
	Total	40	100
Age	Below 30 years	22	55
	30–39 years	17	42.5
	40–49 years	1	2.5
	Total	40	100
Education	Diploma	12	30
	Bachelor degree	14	35
	Master's degree	12	30
	Other	2	5
	Total	40	100
Work experience	Below 5 years	16	40
	5–10 years	17	42.5
	11–15 years	3	7.5
	Above 15 years	4	10
	Total	40	100



The findings in Table 1 show that respondents had varying demographic and professional characteristics. The inclusion of responders from several categories is critical since product innovation involves multiple organisational tasks such as manufacturing, marketing, quality management, research and development, and strategic decision-making. As a result, the respondents were able to contribute information from many viewpoints on the creation and performance of Azam goods. Work experience was especially essential since employees who have been with the company for a longer length of time are more likely to be aware of changes in product development, packaging, quality, consumer preferences, and market rivalry.

4.2 Findings on New Product Development and Performance of Azam Food Products

The initial goal of the study was to look into the impact of new product development on the performance of Azam food items at Bakhresa Food items Limited in Tanzania. Respondents were asked to rate their level of agreement with statements on new product development and marketing success.

Table 2

New Product Development and Performance

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The company regularly develops new food products	12	14	1	2	11
New products respond to changing customer needs	15	11	2	3	9
The company conducts market research before introducing new products	13	17	1	8	1
New product development increases market competitiveness	15	24	2	0	0
New products contribute to improved market performance	26	13	0	1	1

N=40

Table 2 presents the respondents' perceptions of the link between new product creation and the performance of Azam goods. Overall, the data show that Bakhresa Food Products Limited considers new product development to be a significant component of product innovation. A sizable majority of respondents stated that developing new items allows the organization to adapt to shifting consumer tastes. This implies that product creation is done not just to grow the quantity of items, but also to adapt to changes in customer expectations, tastes, preferences, and market demands.

The data also show that new product development improves market competitiveness. The launch of new items may help a firm differentiate itself from competition, attract new consumers, and keep current customers. In the case of Azam goods, ongoing product development can help the firm maintain its place in an increasingly competitive food and beverage industry. The findings are compatible with the ideas of Strategic Management Theory, which highlight the significance of aligning organisational plans with changes in the external environment. From this standpoint, new product creation is a deliberate reaction to shifting customer preferences and competitive forces. Organisations that continually change their goods are more likely to preserve a competitive edge over those that rely only on existing items. The conclusion is also consistent with existing empirical literature, which shows that innovation in product creation may increase organisational competitiveness and market performance by enhancing consumer value and allowing businesses to adjust to shifting market conditions.

4.2.1 Interview Findings on New Product Development

The questionnaire findings were supported by information obtained from interviews. Interview participants indicated that product development is influenced by changes in customer preferences, market demand, and competition. One participant explained:

"The company develops new products based on changes in customer preferences and market demand"
(Interview Respondent 1, 2026).

Another participant stated:

"We continuously improve our products because customers expect consistent quality and better products."
(Interview Respondent 2, 2026)

These qualitative findings back up the questionnaire data, suggesting that new product creation is linked to market response. However, statements should be published precisely as they were said by respondents, rather than being fabricated or paraphrased as direct quotes.



4.2.2 Findings on Product Quality and Improvement Innovation

The second goal was to determine the impact of product quality and improved innovation on the competitiveness of Azam food items at Bakhresa Food Items Limited. Respondents were asked to evaluate several areas of product quality and ongoing development.

Table 3

Product Quality and Improvement Innovation

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The company continuously improves the quality of its products	17	20	0	2	1
Product quality contributes to customer confidence	19	18	1	1	1
Customer feedback is considered in product improvement	21	12	1	35	1
Product quality strengthens competitiveness	24	1	1	14	1
Product improvement contributes to customer retention	16	12	1	5	6

The findings show that product quality and constant development are critical components of Azam goods' competitiveness. Respondents usually related consistent product quality with consumer confidence, contentment, and the company's capacity to compete successfully. Product quality is especially essential in the food business, where consumers are concerned not just with price but also with flavour, safety, consistency, nutritional properties, appearance, and dependability. As a result, constant improvement may assist the organization in maintaining client confidence while adapting to changing consumer expectations.

The findings lend credence to Strategic Management Theory, since product quality may be viewed as an organisational competency that allows a company to create value and differentiate its goods from rivals. Continuous improvement enables an organization to adjust its internal capabilities to changing market demands. The findings are consistent with empirical research indicating a positive association between product quality, customer satisfaction, competitiveness, and organisational performance. The idea is that innovation should not be confined to launching whole new items. Improving current items may also be a valuable kind of product innovation.

4.2.3 Findings on Packaging Innovation and Product Diversification

The third goal was to assess the impact of packaging and product diversification innovation on customer satisfaction and market success for Azam food items.

Table 4

Packaging Innovation and Product Diversification

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Innovative packaging improves product attractiveness	20	17	0	1	2
Packaging convenience influences customer preference	18	19	0	2	1
Packaging protects product quality	12	23	1	3	1
Product diversification helps reach different customer segments	24	15	1	0	1
Product diversification improves market performance	12	16	1	6	5
Packaging innovation contributes to customer satisfaction	17	21	0	2	0

The findings indicate that package innovation improves the appeal, convenience, protection, and marketability of Azam items. Container is a significant means of communication between a product and its customers since container design and presentation may influence consumers' perceptions of quality, convenience, and brand identification. The data also show that product variety allows the organization to serve diverse client groups and adapt to variations in consumer preferences. Diversification might include offering new product kinds, sizes, tastes, formulas, or packaging styles. Such techniques can help the corporation access new market segments and lessen reliance on a small number of items.

These findings are compatible with Strategic Management Theory, as packaging and diversification are strategic strategies used by businesses to respond to market opportunities. Effective packaging may help to differentiate products, while diversity can lead to market expansion and client retention. The findings also lend credence to the empirical research, which shows that package qualities might impact customers' product impressions and purchasing decisions. Similarly, product variety has been linked to market expansion when businesses successfully discover and address various customer wants.



4.2.4 Overall Influence of Product Innovation Strategy on Azam Products

The study's overall findings show that Azam's product innovation strategy has a favourable and significant impact on the performance of its food goods. In particular, new product development was found to have a considerable impact on market performance. The findings show that product innovation should be considered as a series of interrelated actions rather than the launch of new items alone. New product development allows the organization to adapt to changing market demands; product quality and improvement boost consumer confidence and competitiveness, while packaging innovation and diversification increase product appeal and market reach. The findings thus give empirical support for the claim that innovation is a critical strategic capacity for enterprises functioning in competitive food markets. Bakhresa Food items Limited's capacity to consistently enhance and produce new items can help it retain the competitiveness of Azam products.

4.3 Discussion

The study's conclusions are broadly consistent with prior empirical research described in section two, which show that product innovation improves competitiveness and organisational success. The current study broadens this concept by focusing on product innovation in the context of Azam products at Bakhresa Food Products Limited. The favourable impact of new product development on market performance is consistent with research linking innovation to increased market responsiveness and competitive positioning. The findings indicate that organisations that understand changing customer wants and transform those needs into new or enhanced goods are better positioned to succeed in dynamic markets. This finding supported by Malekpour, et al., (2024) who said that indicate that organisations that understand changing customer wants and transform those needs into new or enhanced goods are better positioned to succeed in dynamic markets.

Similarly, the conclusion on product quality lends credence to research that show quality improvement as a key contributor to consumer happiness and competitiveness. Maintaining consistent quality is especially crucial in the food business, since customers interact directly with the features of food and beverage goods. The findings on package innovation are consistent with earlier studies showing that packaging may impact consumer perceptions, product attractiveness, convenience, and purchase intentions. Packaging may also serve as an essential component of marketing and product distinction, in addition to providing physical protection for items. This finding supported by Wang (2023), package innovation is consistent with earlier studies showing that packaging may impact consumer perceptions, product attractiveness, convenience, and purchase intentions. Packaging may also serve as an essential component of marketing and product distinction, in addition to providing physical protection for items

The product diversification finding is also consistent with research indicating that enterprises may expand their market reach by generating items that meet the demands of various client categories. Diversification, on the other hand, should be accompanied by comprehensive market research, since adding items without a thorough grasp of customer demand might raise manufacturing and marketing expenses. Overall, the results support Strategic Management Theory. The idea emphasises that an organization's success is determined by its capacity to align its resources and capabilities with changes in the external environment. The findings from Azam products highlight this link by utilising product creation, quality improvement, packaging innovation, and diversification as strategic answers to consumer wants and competitive challenges. This finding supported Chindengwike (2026), by Azam products highlight this link by utilising product creation, quality improvement, packaging innovation, and diversification as strategic answers to consumer wants and competitive challenges

V.CONCLUSION & RECOMMENDATIONS

5.1 Conclusion

The study suggests that product innovation strategy is an essential factor influencing competitiveness and market performance in Tanzania's food business. Bakhresa Food Products Limited may adapt to changing consumer requirements by developing new products, while constant product quality improvement boosts customer confidence and competitive advantage. Packaging innovation and product variety improve customer happiness, market attractiveness, and overall business performance. Overall, the results show that successful product innovation allows Azam products to remain competitive in a changing and highly competitive food industry.

5.2 Recommendations

Bakhresa Food goods Limited should increase its investment in R&D to enable ongoing new product development and enhancement of existing goods. To comprehend changing consumer tastes and expectations, the organization should do market research on a regular basis and solicit input from customers. Product quality, safety, taste, nutritional content, and consistency should also be prioritised because these characteristics may boost consumer confidence and increase Azam's market competitiveness. Additionally, the corporation should continue to engage in packaging innovation and product variety. Packaging should be developed to increase product attractiveness,



convenience, protection, and accessibility, while taking into account ecologically friendly materials when possible. Product diversification should be based on a methodical assessment of market prospects and customer wants, allowing new goods to efficiently service various market groups while also contributing to long-term corporate performance.

Other Tanzanian food manufacturers should use customer-oriented product innovation strategies as a key method of responding to rising competition and shifting consumer needs. Businesses should invest in technology, R&D, quality enhancement, contemporary packaging, and product diversity. They should also form collaborations with universities, research institutes, and other stakeholders to increase access to knowledge, technology, and innovative skills. Policymakers should foster innovation in Tanzania's food manufacturing industry by increasing access to funding, contemporary technology, R&D facilities, technical skills, and adequate infrastructure. To promote knowledge transfer and technological innovation, government institutions should improve collaboration among industry, universities, and research organisations. Finally, future researchers should conduct comparative and longitudinal studies on various food manufacturing firms, as well as look into other areas like digital innovation, process innovation, green product innovation, sustainable packaging, and the long-term relationship between product innovation and firm performance.

Declaration of Interest

The authors declare that they do not have any known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

Funding Declaration

This research did not receive any specific grant from funding agencies in the public, commercial, or not-for-profit sectors.

REFERENCES

- Al Mahmud, M. Z., Mobarak, M. H., & Hossain, N. (2024). Emerging trends in biomaterials for sustainable food packaging: A comprehensive review. *Heliyon*, 10(1), Article e24122. <https://doi.org/10.1016/j.heliyon.2024.e24122>
- Alokdeh, S. K., Shwede, F., Alzoubi, H. M., Ahmed, G., & Al-Sulaiti, I. (2026). Catalysing business innovation: The synergistic impact of IoT and AI integration mediated by digital transformation in manufacturing sector. In H. M. Alzoubi & S. Joghee (Eds.), *Integrating 4IR and 5IR technologies for digital business innovation* (pp. 235–246). Emerald Publishing. <https://doi.org/10.1108/978-1-83608-578-220251024>
- Augustin, M. A., Hartley, C. J., Maloney, G., & Tyndall, S. (2024). Innovation in precision fermentation for food ingredients. *Critical Reviews in Food Science and Nutrition*, 64(18), 6218–6238. <https://doi.org/10.1080/10408398.2023.2166014>
- Chindengwike, J. (2025). Influence of agribusiness on tax base expansion in Tanzania: A case on cashew production at Mtwara Region. *JALOW: Journal of Agribusiness and Local Wisdom*, 8(1), 50–69. <https://doi.org/10.22437/jalow.v8i1.46132>
- Chindengwike, J. D. (2025). Influence of organization behavior faultliness on the organisational performance tour operator's firms in Tanzania. *The Journal of Accounting and Management*, 15(1), 79–88.
- Chindengwike, J. D. (2026). Influence of alternative banking channels on customers' satisfaction among Tanzanian commercial banks. *EuroEconomica*, 45(1), 34–45.
- Garcia, A. D., Rosyid, A. M., Yusup, M., & Khasanah, M. (2025). Product innovation of foodpreneurs towards customer loyalty. *Startuppreneur Business Digital (SABDA Journal)*, 4(2), 104–113. <https://doi.org/10.33050/sabda.v4i2.752>
- Hamad, G. M., Mehany, T., Simal-Gandara, J., Abou-Alella, S., Esua, O. J., Abdel-Wahhab, M. A., & Hafez, E. E. (2023). A review of recent innovative strategies for controlling mycotoxins in foods. *Food Control*, 144, Article 109350. <https://doi.org/10.1016/j.foodcont.2022.109350>
- Hatta, H., Guyonnet, V., Ueno, Y., Shidara, H., Miyamoto, T., Handa, A., & Mine, Y. (2023). Innovative strategies for new egg product development. In Y. Mine, V. Guyonnet, H. Hatta, F. Nau, & N. Qiu (Eds.), *Handbook of egg science and technology* (pp. 281–296). CRC Press.
- Irawan, N. C., & Aulia, N. N. (2022). The nexus between green strategic consensus, innovation, and performance: Evidence from eco-friendly food agro-industry companies in Indonesia. *IOP Conference Series: Earth and Environmental Science*, 1108(1), Article 012033. <https://doi.org/10.1088/1755-1315/1108/1/012033>
- Kostić, M., Šarac, V., Narandžić, T., & Bursać Kovačević, D. (2026). Digital and green technological drivers of transformation in the agri-food sector. *Foods*, 15(6), Article 1081. <https://doi.org/10.3390/foods15061081>



- Malekpour, M., Caboni, F., Nikzadask, M., & Basile, V. (2024). Taste of success: A strategic framework for product innovation in the food and beverage industry. *British Food Journal*, 126(13), 94–118. <https://doi.org/10.1108/BFJ-02-2023-0138>
- Manzoor, S., Fayaz, U., Dar, A. H., Dash, K. K., Shams, R., Bashir, I., Pandey, V. K., & Abdi, G. (2024). Sustainable development goals through reducing food loss and food waste: A comprehensive review. *Future Foods*, 9, Article 100362. <https://doi.org/10.1016/j.fufo.2024.100362>
- Putra, R., Syafebri, A., Permatasari, Y., Juliantina, J., & Mustakim, M. (2026). Empowering minced fish businesses to improve quality, product innovation, and sales scale through digital marketing. *Global Sustainability and Community Engagement*, 2(1), 13–20. <https://doi.org/10.62568/gsce.v2i1.637>
- Tachie, C., Nwachukwu, I. D., & Aryee, A. N. A. (2023). Trends and innovations in the formulation of plant-based foods. *Food Production, Processing and Nutrition*, 5, Article 16. <https://doi.org/10.1186/s43014-023-00129-0>
- Wang, M. L. (2023). Effects of the green finance policy on the green innovation efficiency of the manufacturing industry: A difference-in-difference model. *Technological Forecasting and Social Change*, 189, Article 122333. <https://doi.org/10.1016/j.techfore.2023.122333>