

CITY UNIVERSITY OF HONG KONG
香港城市大學

Chinese Product Innovativeness:
Decomposing Its Dimensions and Their Relation
with New Product Performance

中國產品創新：
解構創新力的要素以及新產品的表現

Submitted to
College of Business
商學院
in Partial Fulfilment of the Requirements
for the Degree of Doctor of Business Administration
工商管理學博士學位

by
Tang Wing Kin Jacky
鄧永堅

August 2015
二零一五年八月

Abstract

Are the dimensions of Chinese product innovativeness and their relation with new product performance same as western countries' new product development (NPD) experiences? By building from the firm's perspective, this research aims to examine the dimensions of Chinese product innovativeness and their relation with new product performance, along with investigating the influences of product radicalness. It further explores the moderating effects of Chinese network ties embedded in the NPD process: political ties and business ties. The research adopts quantitative research approach through an in-depth survey on Chinese technology companies from three most representable regions which are more likely to be pursuing product innovation. A total of 178 firms participated in this study in which 58 firms completed the paper-based survey and 120 firms responded to the online survey.

Through adopting the moderated regression models in the analyses, this research, first, finds that for Chinese incremental new products, technological dimensions have comparatively-strong relation with new product performance, whereas marketing dimensions are just positive-slightly related to product performance. However, the results are different for radical new products; marketing components have stronger relation with product performance. Second, with regards to the relation of familiarity with new product performance, it suggests that for both incremental and radical new products, market familiarity has no association with product performance. It also indicates that technology familiarity is significant-positively associated with product performance for incremental products, but there is no association for radical products. Nevertheless, regarding the relation of fitness with new product performance, this study finds that in China, both marketing fitness and technology fitness have significant positive relationships with product performance. The findings echo with studies in western countries which verify that new products fitting with marketing and technology competences tend to be successful. Contrarily, this research's results reveal for Chinese incremental new products, the effects of technology fitness are significantly higher than those of marketing fitness. In turn for radical new products, the effects of marketing fitness are much higher than those of technology fitness.

Third, although the results confirm that fitness-performance relation is much significant

than familiarity-performance relation in the NPD process, it indicates that the degrees of influences are variant along incremental and radical new products which indicate that the incremental and radical innovations have been playing differential roles across different product types.

At last, against expectations, this study's findings reveal that there is no significant interaction between dimensional factors and political ties found for both Chinese incremental and radical new products. Moreover, for incremental products, only one interaction between dimensional factors and business ties is validated to be significant but in an opposite direction than that predicted; there is negative interaction instead of positive interaction. For radical products, there is no significant interaction concluded. The findings disrupt the previous research claims and challengingly make invitations to foster the arguments on the capability function of management ties.