

Identification of the Elements Affecting the Dealer's Business Performance in Relation to Falcon Products

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Abstract

Manufacturing companies must pay close attention to developing and maintaining relationships with their dealers and distribution network in order to boost their trust and satisfaction. When market shares and the stability of the dealer network are threatened by high levels of competition, the value of such initiatives is deceiving. This empirical study demonstrates that various factors such as product attributes, service satisfaction, promotional activities, dealer benefits, and business performance are important assets for the adoption of technological interfaces and result in significant savings for the manufacturer and dealer. The survey was done in manufacturing-related business units. The sample for the study included 154 dealers and distributors. The measuring device was developed after a thorough classification of methodological techniques. Regression, correlation, and hypotheses were used to validate the measurements. The research also identifies and discusses the influence of channel function performance on other characteristics of relationship quality - satisfaction, trust, commitment, and conflict - under different dependent arrangements. The findings indicated that elements such as product features, satisfaction with services, promotional efforts, and dealer advantages had a beneficial impact on distributors' business success.

Keywords: *Business Performance, Product Attributes Service Satisfaction, Promotional Activities and Dealer Benefits*

INTRODUCTION

The study's goal is to understand dealer and distributor satisfaction with the company's products and to recommend massive contribution of Online marketing as a part of Integrated Marketing Communication and to know its splendid efforts toward promotion in practise, as well as to identify some challenges in using online marketing as a tool of integrated marketing communication. The findings of this study may be utilised to develop an effective Marketing Communication plan in which organisations can prioritise internet marketing alongside other traditional techniques.

REVIEW OF LITERATURE

a) Business Performance:

According to Mc Bain, performance and its relevance are pervasive in all aspects of modern life. People have all become sensitive to the effect of performance in their methods of seeing things and people, as well as in their behaviours. The notion of performance has become critical for their comprehension of their activities, self-perception and self-worth, and knowledge of the world.

According to Brum brach, performance includes both behaviours and outcomes.

Behaviors are outcomes in their own right, the result of mental and physical effort devoted to activities, and may be referred to independently of results. Behaviours emerge from the performer and help to transform performance from abstraction to action.

b) Product Attributes:

D. Michael Johnson Consumer researchers have evolved to see product features as relatively concrete, objective properties, while labelling a product's more intellectual aspects with a variety of ill-defined and overlapping names.

Shawn Grimsley describes a product attribute as a feature that characterises a certain product and influences a consumer's purchasing choice. Product characteristics can be either tangible (or physical in nature) or immaterial (or not physical in nature).

Product features such as size, colour, weight, volume, smell, taste, touch, number, or material composition are examples of tangible attributes. Price, quality, dependability, beauty or aesthetics, and je ne sais quoi are examples of intangible traits (an indefinable, subtle attractive quality).

c) Satisfaction towards Services:

The definition proposed by Oliver (1981) and Hunt (1977) is "the overall psychological state generated when the emotion surrounding unconfirmed expectations is joined with the customers' past sentiments about the consuming experience."

The definition supplied by Engel and Blackwell (1982) is "a judgment delivered that the (consumer) experience was at least as nice as it was expected to be".

Berry & Parasuraman (1991) describe as, "the consumer's reaction to the evaluation of the perceived disparity between earlier anticipations (or some other standard of performance) and the actual performance of the product/service as experienced after its consumption".

d) Promotional Activities:

Oliver (1981) and Hunt (1977) defined it as "the overall psychological state generated when the emotion surrounding unconfirmed expectations is joined with the customers' past sentiments about the consuming experience."

e) Dealer Benefits:

According to Sherrie Scott, workplace awards and incentives help both

employees and companies. Employee morale, work happiness, and engagement in organisational functions have increased when they are acknowledged for seller performance and productivity. As a consequence, employers benefit from increased productivity as well as increased sales and productivity. Employers and employees benefit from a happy and productive work environment thanks to workplace awards and incentives.

Employees anticipate financial and non-financial benefits for their services and efforts, according to Saira Yousaf, Madiha Latif, Sumaira Aslam, and Anam Saddiqui. Employees become disgruntled and underperform when there is a lack of appropriate compensation, training and development opportunities, and recognition. Employee turnover and poor performance are common outcomes of unhappiness induced by the lack of financial and non-financial rewards.

RESEARCH METHODOLOGY

a. Research Question:

Do the various factors identified affect the business performance of the dealers with respect to Falcon Products?

b. Research Objective:

To determine the factors influencing the dealer and distributor performance with reference to the Falcon products.

c. Research Design:

The research design is exploratory, descriptive, and/or experimental. It assists the investigator in answering numerous types of social/economic problems. Following data collection and analysis, the researcher must complete the work of making inferences. The researcher used descriptive research in this study. Descriptive research is typically used to identify facts by generalising a cross-

sectional examination of the current environment. The primary purpose of descriptive research is to characterise events, phenomena, and conditions using observation and other sources. Refer to Table 1.

ANALYSIS AND INTERPRETATION

The alpha value for the overall items listed in the instrument is 0.75. The reliability test was also carried out for each construct individually. The value obtained for Product Attributes is 0.65, Product Attributes is 0.80, Promotional Activities is 0.75, Dealer Benefits is 0.80 and Business Performance is 0.75.

Table: 1 Reliability Analysis

S.No	Cronbach's Alpha	Items
1	0.65	30 Items of Product Attributes
2	0.80	25 Items of Service Satisfaction
3	0.75	30 Items of Promotional Activities
4	0.80	30 Items of Dealer Benefits
5	0.75	25 Items of Business Performance

Table: 2 Demographic Analyses

S.No	Items	Mean	Implication
1	Turnover	2.300752	Most of the dealers have a turnover between 1L and 3L
2	Distributorship	2.496241	Most of the dealers are distributors of falcon products when compared to its competitors
3	Area	2.533835	The dealers are more in number in the south

			region of Coimbatore
4	Period	2.428571	The dealers have distributorship with Falcon mostly for about 1-2 years
5	Whole Range of Products	3.240602	An average number of dealers distribute the whole range of Falcon products
6	Importance to feedback for product pricing	3.037594	Average importance is given to the feedback given by dealers in case of product pricing
7	Importance to feedback for product improvement	3.345865	Average importance is given to the feedback given by dealers in case of product improvement
8	Importance to feedback for product promotion	2.75188	Less than average importance is given to the feedback given by dealers in case of product promotion

Regression:

NULL HYPOTHESIS: The business performance of the company is independent of the variables like product attributes, service satisfaction, promotional activities and dealer benefits.

ALTERNATE HYPOTHESIS:

The company's business success is influenced by elements such as product qualities, service satisfaction, promotional efforts, and dealer advantages. Look at Table 3.

In this test, the significant value for product qualities, promotional activities, satisfaction with services, and dealer perks is less than 0.05. As a result, the null hypothesis is rejected, whereas the alternative hypothesis is accepted. As a

result, the business performance is understood as being dependent on the many elements described above.

Thus the regression equations can be formulated as:

Product Attributes: Business performance = $0.060 + 0.074 * (0.072)$

Service Satisfaction: Business performance = $0.018 + 0.092 * (0.017)$

Promotional Activities: Business performance = $0.030 + 0.077 * (0.034)$

Dealer Benefits: Business performance = $0.138 + 0.077 * (0.156)$

Table: 3

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.851	.469		6.079	.000
	Product Attributes	.060	.074	.072	-.815	.047
	Service Satisfaction	.018	.092	.017	.195	.045
	Promotional Activity	.030	.077	.034	-.387	.039
	Dealer Benefits	.138	.077	.156	1.788	.036
a. Dependent Variable: Business Performance						

Table: 4 Correlations

	Business Performance	Product Attributes
Business Performance	1	.073
Product Attributes	.073	1
	Business Performance	Service Satisfaction
Business Performance	1	.012
Service Satisfaction	.012	1
	Business Performance	Promotional Activities
Business Performance	1	.052
Promotional Activities	.052	1
	Business Performance	Dealer Benefits
Business Performance	1	.156
Dealer Benefits	.156	1

The Pearson correlation values found in each example are 0.073, 0.012, 0.052, and 0.156, respectively. This demonstrates that there is a positive relationship between the

company's dealers' commercial success and different criteria such as product qualities, service satisfaction, promotional efforts, and dealer benefits.

FINDINGS, SUGESSTIONS AND CONCLUSION

Findings:

Demographic:

- The turnover of the dealers and distributors from the existing sample size is mostly between 1 lakh to 3 lakh. The next highest turnover range lies between 3 lakh to 5 lakh.
- It has been identified that Falcon Toolings holds the highest number of dealer and distribution network.
- The area covered by the distributors of Falcon Toolings are mostly concentrated towards the south and then in the north. The distributor network is not evenly distributed among the various areas of the Coimbatore City.
- Nearly 45% of the dealers and distributors have agreed that they distribute the whole range of Falcon Toolings' products to their customers.
- The feedback from the dealers and distributors has a great importance as they are the intermediaries between the customers and the company. When Falcon is considered the

importance given to them is on a very average scale.

Product Attributes

- The price of the holding tools is dependent on the durability of the product and the technical performance of the product. This is in accordance with the vision statement of Falcon Toolings.
- The price of the product has a significant difference based on the technical performance of the product.

Satisfaction with Services:

- The reliability on the services offered by the company is dependent on the promise that is delivered to the customers.

Promotional Activities:

- When satisfaction with services is considered, Falcon Toolings, along with another competitor Company 3 stands last in rank and the rest of the competitors are better than Falcon when promotional activities are considered.
- The dealer and distributor satisfaction towards the promotional activities is

dependent on the credit policy offered by the company.

- There exists a positive correlation between the sales efforts by the company and the satisfaction towards the promotional activities.

Dealer Benefits:

- The dealer and distributor satisfaction towards the profit margin is independent of the awards and recognition provided by the company. Thus the regression equations can be formulated as:

Business Performance:

- The satisfaction towards the overall sales of the company's product is dependent of the brand image of the company.
- There exists a positive correlation between the overall sales of the company and the level of the qualified sales team of the company.
- There exists a positive correlation between the business performance of the dealers of the company and the various factors like product attributes, service satisfaction, promotional activities and dealer benefits.

Suggestions

- Falcon Toolings holds the highest number of dealer and distribution network. Although Company 1 stands after Falcon in the factor, Company 1 is still the market leader. Thus Falcon could cut down the number of distributors and thus reduce the cost incurred to the company.
- The distributor network is not evenly distributed among the various areas of the Coimbatore City. It is mostly concentrated only in the south based on the location of the dealers. This should be redefined and even distribution of dealers should be implemented.
- When Falcon is considered the importance given to the feedback from the dealers is on a very average scale. Since they are the medium of communication between the company and the customers, their suggestions should be given more importance to improve the various aspects of the product.
- When product attributes is considered Falcon stands third in comparison with the competitors,

thus the various attributes of the product should be improved in order to satisfy the customers in terms of product attributes.

- The dealers and distributors have stated that the price does not matter for products with good technical performance and durability. Thus the company should concentrate on these factors in order to improve their profit margin and also improve their market share.
- When satisfaction with services is concerned the company is performing very poorly when compared to their competitors. Satisfying the end users is one of the most important factors and thus the company should continue to improve in the field of satisfying the customers with their services.
- When it comes to promotional efforts, the firm performs on a fairly ordinary scale when compared to their competitors. They should participate in diverse activities such as trade exhibits and public speaking. Keeping the dealers updated about the new product line on a regular basis so that they may advertise it will also provide the firm an advantage.
- In order to keep improving the field of promotional activities, the dealers and distributors prefer that the company works on the credit policy and also the sales efforts of the sales personnel in the company.
- The dealers and distributors are not that satisfied with the various benefits they gain from the company.
- The main factor the dealers are not that satisfied with is the awards and recognition provided by the company. Thus the company should regularly monitor the performance of the dealers and distributors and recognise those who are performing well when compared to the others. This will motivate to improve the performance of the dealers.
- In terms of business performance, the company is not the market leader in the holding tolls category. In this arena, the other rivals are doing well. This is determined by the sales staff, the company's overall sales, the company's brand image, and so on.

- Even though the competitors stand behind Falcon when other factors are concerned, they are well focussed in building a good brand image in the minds of the customers. Thus the company should improve the brand image of the company.

CONCLUSION

The organisation performs well when only a few factors are considered. Because the company is only a hair's breadth behind one of its competitors in terms of market share, improving in one area would assure that the company becomes the market leader in the holding tools arena. If the recommendations are implemented in accordance with the dealers' and distributors' expectations, the project will deliver better results with more tenure stability. Based on the current study's findings, several constructive, practical, and plausible proposals have been offered.

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