

Impact of Sales Training On the Profitability of Confectionary Sector:

A Case Study of Leading Confectionary Industry in Pakistan

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Abstract

The study examined the effect of sales' training on the profitability of leading confectionary manufacturers of Pakistan. Quantitative and qualitative mixed method approach has been selected as the research design. Secondary data from annual reports has been gathered, whereas, primary data is taken using survey method. Five-point Likert scale questionnaire has been used in the study, whereas, the qualitative interview from the managers of confectionary sector have been conducted. The results revealed that there is a significant and positive effect of sales training on the profitability of confectionary sector.

Keywords: Training and Development, Profitability, Confectionary Sector, Mixed Method, Pakistan.

Introduction

A direct sales firm needs sales training to enhance the productivity of its sales team. Sales seminars can be held internally inside a business or outside at workshops. Both strategies work well for giving the sales force the information they need as well as respect and values (Bonney et al., 2022). Salespeople must develop new and enhanced abilities as a result of these developments, which

may be learned through training. Additionally, the finest product of service can be produced, but that does not mean it will sell itself. The training of a company's sales team is extremely important if it wants to thrive. The performance and profitability of a company may grow with effective training. Employees who have received training tend to be more productive than those who have not (Serpeninova et al., 2022).

Furthermore, a firm's success both financially and non-financially benefits from training in a number of ways. By offering training programs to skilled and unskilled personnel, middle managers, and directors, business net profit has risen by as much as 5%. It demonstrates that successful training does affect an organization's ability to succeed (Davoodi & Ataabadi). Similarly, the beginning and continued growth of the sales representative depend heavily on training to attained profit.

Even though the confectionery industry in Pakistan has recently experienced growth, due to a lack of sales training in businesses, its size and growth pattern have been quite minor when compared to other countries. When training doesn't go as planned, it might be discouraging straight immediately, or it can be discouraging months later when results don't show. However, sales training frequently fails (Brodie-Mends, 2022). Furthermore, the inability to develop sales knowledge that salespeople know what they sell and sell what they know would be the greatest barrier to sales training, unfortunately. Building sales abilities is the main emphasis of most sales training therefore, salespeople for companies must be knowledgeable about their goods and services, the problems that customers seek to have solved, the market as a whole, their business, their rivals, and more. However, the majority of sales training overlooks sales knowledge and just emphasizes sales techniques (Ali et al., 2022a). Additionally, a strategy and approach that salespeople may use to methodically move prospects through the funnel are frequently left out of

sales training sessions. Without a process or technique, salesmen repeatedly reinvent the wheel because training get forgotten (Tiwari et al., 2023). Moreover, few companies truly assess the success of their sales training and performance enhancement programmed. The reason why sales training can fail could be because industries seem to be unsure of its effectiveness. Additionally, without review, it would be extremely difficult to hold salespeople responsible for altering and improving their conduct or for taking initiatives and producing outcomes (Usmani et al., 2022). However, if the business can stay away from these blunders, it will be in a better position to launch a training programs that is effective and yields large profits and improved sales performance.

Review of the Literature

Employee performance may noticeably different as a result of sales training. Medved et al. (2023) found that salespeople with high performance levels were more likely than those with low performance levels to have received sales training. Moreover, businesses that undertake regular sales training have seen considerable improvements in employee happiness, profitability, and creativity (Sunarto & Setiadi, 2023). The effectiveness of the firm and sales are significantly impacted by training. Also, a company's income increases when its personnel receive intensive sales training. Greater sales are the outcome of efficient and successful sales strategies, and higher sales equal better profitability (Muhammad et al., 2023). Sales representatives need to be aware of the most effective ways to market the company's goods and services in order to increase sales. More sales can be closed more quickly by a trained salesman than by an inexperienced representative (Escobar Zurita et al., 2023).

In addition, due to these advances, salespeople must acquire new and improved skills, which may be acquired through training (Li et al., 2023). Furthermore, even the best service or product cannot

guarantee its own success on the market. If a firm wants to succeed, its sales team's training is crucial. Effective training may boost a company's productivity and profitability. Training recipients are often more productive than non-recipients (Hill, 2023).

Similarly, Customized sales training is very crucial for the profitability of the company. It doesn't necessarily follow that a salesperson is prepared to sell their particular item or service just because they've previously made a similar transaction (Miah et al., 2023). By educating company sales force on the product, the buyer's journey, and the best sales approaches, training may help close that gap. New salespeople may be guided through each phase of the transaction until they grasp it with the help of sales process training (Okphiabhele et al., 2022). Likewise, Productivity training should always be a part of sales training. Any salesperson's work requires effective time management, and the correct training programme may teach company staff how to complete more transactions faster to increase profitability (Rogić et al., 2022).

Methodology

Sample and population

The current study has collected the data from the confectionary sector of Karachi-Pakistan. The Confectionery category will generate \$10.46 billion in sale. The market is anticipated to increase by 5.83% yearly, bringing profitability to the nation. Moreover, increasing health consciousness a fast involving indulgence seeking attitude of the Pakistani consumers along with snacking/eating on-the-go are a few of the key trends shaping the Pakistani confectionary market. As a result, the study considered the sale people of Pakistan's confectionery industry as its study population.

Data collection

The data collection tool for the current study was created using a 5-point Likert scale. The current study utilized easy-to-use online and in-person questionnaires that participants themselves could administer (González-Alzaga et al., 2022). Qualitative data refers to the descriptive and conceptual information obtained through surveys, interviews, or observation. By examining qualitative data, researchers can explore ideas and better explain quantitative results. The phrase self-administered refers to a data collection technique in which the researcher is completely cut off from the survey-taking process. In other words, respondents receive the survey and instructions on how to complete it, and the researcher then waits for their replies (Schneider & Harknett, 2022). The vast majority of the questions in a self-administered survey are closed-ended. In the past, mail-in surveys were one of the most popular self-administered survey formats. Currently, self-administered surveys consist of an online questionnaire that is delivered to participants via email platforms (Meinck et al., 2022).

Data analysis

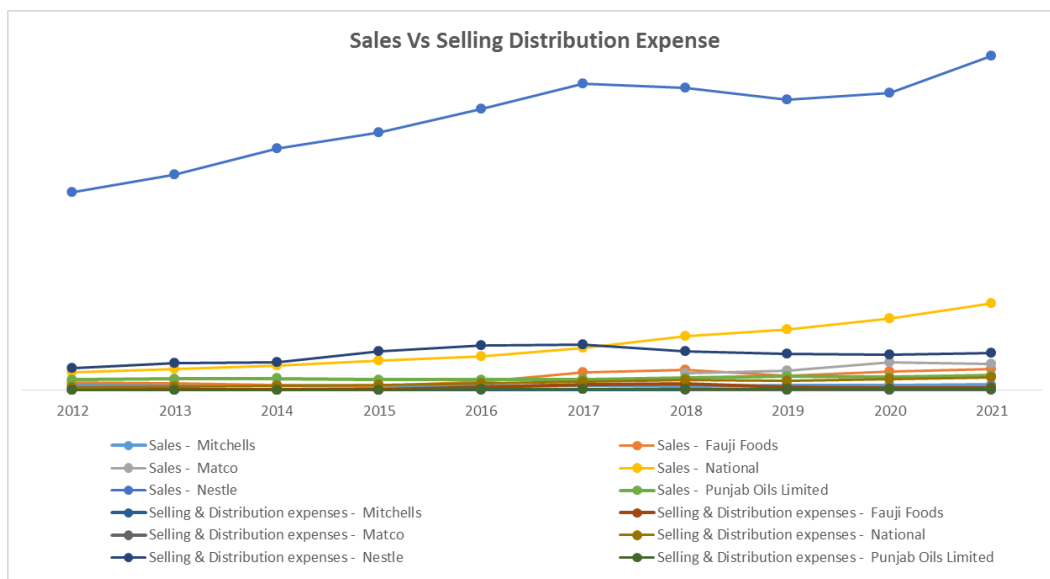
Descriptive analysis and thematic analysis have both been employed in the current study. One of the most often used methods of analysis in qualitative research is thematic analysis. It is a method for summarizing data, but it also involves interpretation when picking codes and developing themes (Ningi, 2022). Additionally, descriptive statistics are a technique employed in quantitative research. They are quick informative coefficients that sum up a collection of data, which may be a representation of a population as a whole or a sample of a population (Ali et al., 2022b). Similarly, measurements of central tendency and measures of variability make up descriptive statistics (spread). The research is also influenced by themes. It is a method for summarizing data, but it also includes interpretation when selecting codes and developing themes (Jain et al., 2022). By utilizing several factors, the usefulness of the content and its other qualities are assessed,

as well as other problems. Then, based on semi-structured interviews, market analysis and competitiveness were determined using a theme and descriptive statistical analyses. Transcripts of interviews were also utilized by researchers to give useful information for study design, research models, and business plans.

Results and Findings

Secondary analysis

Figure 1 below shows the graphical representation of the selling and distribution expenditure towards sales performance of the confectionary companies in Pakistan.



As it is clear from the graph that the highest sale is of Nestle Company from the years 2012-2021, whereas, selling and distribution expenses in Nestle remained constant from the years 2012-2014, but increased slightly from the years 2014-2018, from 2018, the sales went down and remained constant till the year 2021. The sales of the National Company increased a little in the year 2017, and afterwards the company maintained its sales higher than before till the year 2021. The sales as well as selling and distribution expenses of Punjab Oils Limited remained constant throughout

the years of 2012 till 2021, but selling and distribution expenses slightly increased from 2018-2021. Moving onwards, talking about the sales of Fauji Foods, the sales from the years 2012 – 2016, and increased from 2016- 2021. The sales as well as selling and distribution expenses of Mitchells remained constant from the years 2012-2021. Matco Company succeeded to increase its sales in the year 2018, and maintained the performance until 2021.

Primary analysis

Table 1 below shows the respondents' profile.

Table 1: Respondents' Profile (n = 100)

		N	%
Your Company	Mitchells	14	14.0
	Matco	17	17.0
	National	13	13.0
	Nestle	21	21.0
	Fauji Foods	12	12.0
	Punjab Oils Limited	23	23.0
Working Experience	Less than 1 year	25	25.0
	1 to 3 years	25	25.0
	3 to 5 years	26	26.0
	More than 5 years	24	24.0

The numbers of respondents taken from Mitchells are 14 (14%). As well as the number of respondents taken from Matco are 17 (17%). 13 respondents are taken from National (13%) and 21 are taken from Nestle (21%). Additionally, the respondents taken from Fauji Foods are 12 (12%), and the respondents from Punjab Oils Limited are 23 (23%). However, the respondents who have less than one year work experience are 25 (25%), and the respondents who have one to three years of working experience are 25 (25%). Three to five years of working experience respondents are 26 (26%), and those who have more than five years of working experience are 24 (24%).

Table 2 below shows the quantitative descriptive analysis of the employees' perspective towards the role of sales' training on their company profitability.

Table 2: Descriptive Analysis of the Employees' Perspective

Questions/Factors	Mean	Std. Dev.
Sales training helped them produce a high market share for my company.	2.580	1.130
Sales training helped them generate a high level of sales.	2.850	1.306
Sales training helped them generate sales of new company products.	2.810	1.433
Sales training helped them produce sales with long-term profitability.	2.910	1.401
Sales training helped me to control cost by reducing travel spending and lodging money.	2.890	1.197
Sales training provided me input on how company operations and procedures can be improved.	2.970	1.259
Sales training assisted me to operate within the budgets set by the company.	2.720	1.311
Sales training helped increased our productivity by submitting required reports on time.	2.790	1.192
Sales training help them know the design and specification of company products.	2.740	1.338
Sales training helped them know the applications and functions of company products.	2.750	1.290

Sales training that helped them produce a high market share has the mean of 2.580 and the standard deviation of 1.130. Sales training that helped generates high level of sales has the mean of 2.850 and the standard deviation of 1.306. Meanwhile, those sales training that helped generate sales has the mean of 2.810 and the standard deviation 1.433. Sales training that helped produce sales has 2.910 mean and 1.401is standard deviation. Sales training that helped to control cost has the mean of 2.890 and the standard deviation 1.197. Moreover, sales training that provide input has mean of 2.970 and the standard deviation of 1.259. Those sales training that helped in operating within the budget has the mean of 2.720 and the standard deviation of 1.311. Sales training helped increasing

the productivity has the mean of 2.790 and the standard deviation of 1.192. Those sales training help to know the design has the mean of 2.740 and the standard deviation of 1.338. Sales training that helped to know the applications has the mean of 2.750 and the standard deviation of 1.290.

Qualitative analysis

The results revealed that there is a significant and positive effect of sales training on the profitability of confectionary sector. Employers may rely on properly trained personnel to provide high-caliber performance and boost sales. That being stated, putting professional development training tactics first while maintaining an entrepreneurial mindset will lead to improvements in company profit margin over the long run. One of the most important resources a company may have to keep one step ahead of the competition is a strong sales team. The quality of the salesperson is the most important element influencing prospects' purchase decisions in a B2B setting. It has been demonstrated that sales training improves salespeople's motivation and effectiveness. Additionally, because all markets are by nature dynamic, training is crucial to keep the salespeople up to speed. Salespeople are a crucial link between the customer and the confectionary shop, relaying changes to the business.

Conclusion and recommendations

Conclusion

The research examined at how sales training affected the profitability of Pakistan's leading confectionery manufacturers. This study develops the concept that relates employee motivation with product innovation and stimulates the development of corporate policies to retain talented individuals and acquire a competitive edge by providing responses to those issues pertaining to the understanding and attitude of companies. The study's target demographic would be the salespeople

of, confectionary industry of Karachi-Pakistan, and the study used a mixed methodology. Additionally, the questionnaire used in the survey approach with the five likert scale may be used to collect both primary and secondary data for the current study, allowing the researcher to get a large amount of information rapidly. Lastly, the research also made use of descriptive and thematic statistical analysis.

Moreover, sale training also helps a company succeed both financially and non-financially in a variety of ways. Businesses have seen a 5% increase in net profit by providing middle management, directors, and both skilled and unskilled employees with training opportunities. It proves that effective training has an impact on an organization's capacity for success. The starting and ongoing development of the sales representative similarly rely substantially on training to achieve profit.

Practical recommendations

The findings of this study have some favorable policy implications. The finding outcomes showed that sales' training has a significant effect on profitability. As a result, several factors must be taken into account. Thus, sales training will help the company's sales team and sales process, which will result in significant gains for the firm overall. Firstly, Organizational teams might be inspired to operate more effectively by effective training. By prioritizing responsibilities and making better use of their time, for instance, sales training may provide talent with the skills necessary to take on greater responsibilities and more tasks. The investment in this area of training will pay off in the long run since higher productivity will boost the company's profitability so stating clearly what the firm expects of each salesperson is an essential component of basic sales training. The best method to accomplish this is to arrange a one-on-one meeting with each rep throughout the training process and discuss what the organisation expects of them. Give them a paper with these

expectations written out or send them an email with these expectations so that they may refer to it at any moment to help them keep focused on the goal that has been established for them.

In addition, company should making training relevant to a salesperson's specific product or service is the greatest approach to ensure that they remember it. The firm wants its training curriculum to be as precise as possible, even if certain training components may necessarily be generic. Their sales staff will be able to quickly implement what they have learned into the sales process in this way. Similarly, it may be very intimidating for a new member to join a sales team. There are new team members, new goals, new assignments, and a massive amount of new things to learn. All of this is daunting as well as overwhelming. By combining a more seasoned sales team member with a new one, firm management may alleviate some of the new employee's worries. Additionally, this buddy system will provide a means for the company's new salesman to ask questions without taking up all of your time. Additionally, since company have requested the seasoned sales representative to act as a mentor, this will increase their confidence.

Limitations and future research

The current study has certain limitations. Firstly, a questionnaire based on specific, closed-ended research-related questions was used to conduct the study. Furthermore, the data should be gathered from various economical settings such as developed and under developed economies as well. Other industries and service sectors could also be involved to gather data from, in future studies. The findings from a single city are insufficient because the subject necessitates a thorough investigation. Changes in national characteristics, such as institutional and cultural components, may result in variations in the correlations studied, even if the study method ensures that the findings are generalizable. As a result, the study's conclusions cannot be generalized to the complete population that could be taken into consideration in the future. Additionally, the target

demographics need to be expanded in future studies. Additionally, as the study was carried out in Pakistan, its conclusions and suggestions are exclusive to Pakistan and do not apply to other nations. Furthermore, because the study only collected data at one point in time, researchers lacked access to longitudinal data needed to examine causality over a longer period of time. Lastly, even though the well-known five-point Likert scale was mostly employed in this study to collect data, the seven-point scale might reveal more significant methodological concerns in future studies.

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