

## **Factors Affecting Sale of Branded Cell Phones in a Market Flooded with Unbranded Chinese Cell Phones**

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### **Abstract**

*The purpose of this study is to shed light on factors which will directly and indirectly affect the sales of branded Chinese cell phones in Karachi. However, the study will even highlight the challenges faced by branded phones in a situation of heavy influx of unbranded Chinese cell phones. In support with secondary data, the study even included opinions and discussions of various previous research. The research is Karachi based with a sample size of 291 university level students. Loyalty, Marketing, Channel of Distribution, Advertising and Performance shows positive relationship with Sales while Price and Communication did not show any positive impact on sales. The study clearly describes that Chinese Smartphones have a great potential in Pakistan- as the branded phones are working above \$1100- price band believing they cannot fight with the Chinese players. The consumers are still behind the pace from shifting to smartphones from featurephones. Thus, price and features parity will create a traction and room to build business, but 4P's should be smartly executed. The surveys clearly stipulate that smartphone is still hovering around 40% plus - Feature phones are still in demand because of aggressive marketing in order to generate consumer demand and preferences,*

**Keywords:** *Loyalty, Marketing, Channel of Distribution, Advertising, Performance, Price, Communication.*

## **Introduction**

Under this research, we will not only highlight the factors which directly or indirectly affect the sales of branded Chinese cellphones in Karachi, we will also discuss the difference of branded Chinese cellphone v/s unbranded Chinese cellphone challenges which will share insights of the research study.

### **Unbranded Cellphones**

The market research reveals that the unbranded cellphone has grown high in the recent past. There are multiple reasons that led the situation so elastic. Firstly, Pak-China relationship and treaty agreement giving especial duty rebate to more than 2000 products and which included the mobile phones as well. Hence this has created a good opportunity to build the business volumes and the potential growth of population density / internet penetration exciting the mobile phone operators as well to build the demand. Secondly, the Chinese manufactures also realized instead of depending on the mobile phone operators they also came to Pakistan to separately drive the business with heavy investments in demand generation – where low end Chinese phones also enjoyed the fiesta of demand. Even must understand in China there is almost a cottage industry for Cellphones and they can replicate/produce products at the lowest prices to entice the e-users. It will be great if we review the particular unbranded products in country which has later become a proper local brand – and few have become a largest entity. Q-Mobile which entered Pakistan as a sub-brand of Micromax (India) manufactured in China in today's time is the largest brand whether it is feature phone, or a smartphone category. They were smart enough to initially cater the smaller towns/cities by offering feature phones and later with heavy marketing investment graduated the user to smartphone – and challenging Samsung, Nokia etc. It may be a surprise to many that this brand is importing at an average of 1.5 million sets per month and making \$20 million in year to pull the consumer attention/gain trust and develop the purchase preference. In the same manner Vigotel is another player which was initially an unbranded product but played smart with lesser volumes for few years and keep penetrating the lower town to seek confidence and when the right time they managed to surface as a proper brand. But there are few sad stories in Pakistan where we have seen Rivo/Voice doing all same and unable to drive the business and falling for the stiff actions by the formal brands – not to let lose the new entrants.

## **Branded Cellphones**

It is very clear from the research carried out by Gesellschaft für Konsumforschung (GfK) defining the opportunities in feature/smartphone categories. They have done extensive survey in Pakistan almost covering top 13 cities to understand the business dynamics, these cities included Karachi, Hyderabad, Sukkur, R Y Khan, Quetta, Lahore, Gujranwala, Faisalabad, Sargodha, Multan, Rawalpindi, Islamabad & Peshawar. The interesting findings were that consumers are now shifting to smartphone from feature and consumers who are using smartphones they want a good experience in social media applications. 92% of 18- to 29-year-olds say they own a smartphone, compared with 42% of those who are ages 65 and older. (Rainie, Perrin, 2017).

Now a days What's app/Twitter/Face book and Skype have turned out to be a tool which is commonly used even in smaller Towns/cities and consumers are keen to be connected with their families living abroad. Hence, this has again given a booster to the brands as it is opportunity which they actively started perusing. In the global markets there were few brands which lost the business spirit including Sony, Ericsson, Nokia, Motorola and allowing great opportunity to others where Samsung came extremely strong and establishing as a global leader in smartphone category, which new entrants like Oppo, Vivo, Xiaomi, Lenovo also tried best to create a difference and enjoy the business opportunities. In case of Pakistan Samsung stood strongest and they made heavy investments with creative products to entice the consumer and bring them on board – whereas Oppo is another brand which came twice in country failed and third time and started to give counter resistance to even Samsung. Nokia comeback has also given hopes to the consumer and company itself that they can create a lost space in Pakistan market. Q-Mobile is no more an unbranded phone as it has created a history and legacy of becoming the leader. So, the game plan in market works in this way, that Q-Mobile with feature phone category carries almost 54% market and Nokia feature phone with them smart move of bringing Nokia 3310 back in the main stream excited the markets/ and off-course the die-hard fans of the brand. One thing that defines the brand existence is investments in TV / channel to excite the trade and in-store branding to convert the consumers who are there to make a purchase decision with money in hand/or pocket. In this fight Q-Mobile has the magical investments and followed by Oppo/Vivo to win at point-of-purchase.

## **Scope of the Study**

The scope of the study is not extensive in nature compared to the population which is the younger generation as cell phone users. However, as we want to determine the factors that

affect sales of branded Chinese cellphones and for that we need to know the preferences of general youth.

### **Research Questions**

1. What is the impact of Loyalty on Sales?
2. What is the impact of Marketing on Sales?
3. What is the impact of Promotion on Sales?
4. To study the impact of advertising on sales
5. What is the impact of Pricing on Sales?
6. What is the impact of Channels of Distribution on Sales?
7. What is the impact of Communication on Sales?

### **Hypotheses of the Study**

- H1. There is a positive relationship between Loyalty and Sales
- H2. There is a positive relationship between Marketing and Sales
- H3. There is a positive relationship between Pricing and Sales
- H4. There is a positive relationship between Channels of Distribution and Sales.
- H5. There is a positive relationship between communication and sales.
- H6. There is a positive relationship between advertising and sales.
- H7. There is a positive relationship between performance and sales

### **Review of Literature**

#### **Sale**

Nowadays, organizations face a lot of problems where training sales force has always been the fore most objective. The study highlights the contribution of sales training which deals with the state of art and contemporary review through this study in the last 30 years mentioned as (1985-2014). However, the main purpose of this study is that it sheds light on the sequential trends of structural distribution of sales training which may include like research type, focus, methods, themes and other concerns such as methodology, analytical techniques, geographical region etc. Moreover, all the related articles of sales Training are properly analyzed, and future guidelines are given in the articles which were published three decades ago (Singh, Manrai, Manrai, 2015)

#### **Loyalty**

The word Loyalty in article states that the study was concluded to see the difference between Branding Dimensions and Brand Rating. However, the stats that were gained showed a positive result of the population which included 325 consumers from Tamil Nādu who were using branded milk and questionnaires were also circulated among above mentioned consumers. As

a result, 325 questionnaires were received out of 500 which depicted fair and required data. Moreover, participants were asked to fill two questionnaires including background characteristics and variables from which the study measured the influence of branded milk which are Salience, Performance, Imagery, Judgement, Feelings and Resonance. The data that was collected used to analyze multiple regressions. In the end, conclusion and implication were also obtained. The core essence of Making the products and then associating them with certain brands is the only way out to Build brand positioning in the minds of the customers. However, brands also keep into consideration by providing products which best suit them. The definition of brand seems to be very easy but very few people know that it is not a name, symbol, logo or the combination of all but it is very much important to know that brand is more than this which means that it is a promise, commitment, pledge, recognition etc. According to different personalities, Pradip Kumar (2010) says that branding is held responsible for consumer viewpoints and purchasing power as they are always looking for the best suitable option between consumer recognition and brand recognition. It is very beautifully illustrated by Chaitanya Prasad (2009) that branding normally differentiates below mentioned areas like company, the products or services, implementation and execution of the ideas generated from its competitors to build a strong and long-lasting image in the minds of customers. One of the most prominent strategy thinkers in Marketing named as Jack Trout says that people want to exhibit themselves via brand likewise brand association is also created by personalities/nature of different people bringing a conclusion that which person likes which brand the most. Later on, demand of a brand is maintained. Hence, it is not simple to sell a product individually because brands persuade customers to buy specific product and inspire true-hearted customers. (John, Christopher, 2012). In marketing, the most prominent feature is selling because it is next to impossible to run an organization without customers and when there will be no customers then it means there will be no boost in sales. Selling has been always considered a two-way method where gaining cost-effective benefit and receiving cash in return is not the only solution but it is more than that which means attract more and more customers and make them your regular Customers. The whole purpose of highlighting the importance of selling in today's market is to gather different views on different researchers who share their ideology in context to selling in general and direct selling as well. However, the explanation mentioned will further clear the understanding of a software stating that will it be easy for European Union to contrast the direct selling with Romanian direct selling techniques. Furthermore, since the subject is not only restricted to loyalty so mentioning some extra material on selling will eventually enhance the understanding of the reader. Sales teams are

always in queue to find the qualified new talent of the marketing industry to build up the strong relationship with the customers throughout the entire chain of sales. It is commonly seen that sales and marketing work as different units in most of the organizations but the communication between the two divisions will always bring some improvements in the overall Productivity of an organization in respect to generating profits (Brutu, Mihai, 2012).

### **Performance Evaluation**

It is undoubtedly the most prominent phase in the salespersons performance management system. Not only other phases of the system will gain benefit from it but performance evaluation is the only phase where salespersons can properly give feedbacks and suggestions to the company and therefore increase the job satisfaction and motivation of salespersons. Increasing the quality of the evaluation process will eventually increase the performance management, thus increasing the salespersons performance. Sygma Daya Insani (SDI) is a direct book selling unit that was established in 2005, in Bandung. As a crucial element of direct book selling business model is its Salespersons performance. According to the final data in 2010 and 2011 shows that an Average, only 10% of the salespersons made transactions each month. Additionally, 1/3% salespersons of total productive salespersons made transactions each month throughout the year for the last two years and as a result, it is concluded to be outlined as low quality of salespersons' performance. For this reason, SDI should improve the salespersons performance. However, in order to solve this problem firstly SDI must analyze its corporate performance management. Secondly, write literature review on salespersons performance evaluation management system. Thirdly, formulate a new salesperson performance evaluation management system which is divided into 4 phases, a) company objectives identification, b) salespersons' behavior identification, c) formulation of new system, and d) assessment of the new system. The final step is to formulate the final recommendation of the new salespersons performance evaluation system and its implementation. In distinction to the problem findings and the conclusion of questionnaire involving both management and the salespersons, it is seen that the present salespersons performance evaluation system has the subsequent conditions; a) there is no direct relationship between performance and reward except sales unit, b) lack of formal discussion of performance objectives and goals between salespersons and their supervisors, c) lack of formal performance evaluation session, d) performance standards and methods of evaluation were not properly described, e) no accepted criteria to be promoted as a sale Supervisor, f) no anticipated time of the evaluation session, and g) no evidence of the performance evaluation that had been already directed. The planned method is a combination between Management by Objectives (MBO)

and Quantitative and Qualitative measures. The procedure is that the organizational purposes are recognized and met by joining the sales of supervisor and the commonly agreed upon goals and objectives of Salesperson and connected an action plan and then monitoring the appraisal sessions along with measuring goals. The approach is expected to be an organized, applicable, positive and extensive system which must consider all the elements and phases of performance. Evaluation management system in order to expedite the continuous improvement process of the salesperson. (Micheal,Rochford,R. Wotruba, 2003).

### **Marketing**

This text through empirical observation investigates varied aspects of thought-world variations and their effects on disparate outcomes. It confirms that, in general, variations hamper the collaboration between promoting and sales, that ends up in a lower market accomplishment of the business unit. However, some aspects of thought-world differences complement the market performance of the business unit through an on-the-spot result that exceed the adverse result mediated by the standard of cooperation between promoting and sales. Market performance is increased if one aspect plays the customers' advocate whereas the opposite plays the products' advocate. Market performance is additionally increased if one aspect plays the advocate of short concerns whereas the opposite plays the advocate of long-run considerations. In distinction, variations between promoting and sales in respect to product data and interpersonal skills square measure injurious to plug performance. Thus, the sort of distinction makes a distinction. (Homburg & Jensen, 2007). The literature is split on whether or not variations between the thought worlds of selling and Sales square measure are injurious or helpful. This text through empirical observation investigates varied aspects of thought-world variations and their effects on disparate outcomes. It confirms that, in General, variations hamper the collaboration between promoting and sales, that ends up in a lower market accomplishment of the business unit. However, some aspects of thought-world differences complement the market performance of the business unit through an on-the-spot result that exceed the adverse result mediated by the standard of cooperation between promoting and sales. Market performance is increased if one aspect plays the customers' advocate whereas the opposite plays the products' advocate. Market performance is additionally increased if one aspect plays the advocate of short concerns whereas the opposite plays the advocate of long-run considerations. In distinction, variations between promoting and sales in respect to product data and interpersonal skills square measure injurious to plug performance. Thus, the sort of distinction makes a distinction. (Homburg, Jensen, 2007).

### **Marketing**

Marketing has been consolidated with other business purposes which have attracted the importance of research. However, further studies have centralized with the perimeters of marketing with the help of research and development department such as (Gupta, Raj, and Wilemon 1986; Rekert and Walker 1987) and manufacturing researchers such as (Griffin and Hauser 1992; Kahn & Mentzer 1998). Hence, other researchers are regarded as investigators of quality management like (Morgan and Piercy 1998), in the field of Engineering (Fisher, Maltz, & Jaworski 1997), Human Resource (Chimhanzi, 2004), information technology (Glazer 1997), and Finance field (De Ruyter & Wetzels 2000; Zinkhan & Verbrugge 2000). In the end, some combined tasks has been compared with other consolidations like of (Maltz & Kohli 1996, 2000; Ruekert & Walker 1987). (Homburg, Jensen, 2007).

The word promotion mix is a very commonly used word to define that how businesses Communicate effectively the advantages of the products and services to the customers. The essence of promotion is to target respective consumers and convince them to buy the products. Hence, promotion means that the connection of all seller-initiated hard work to build channels of information and persuasion to promote the idea or sell goods and services. For example, sales promotion is prominent aspect of promotion mix. The whole objective of the study is to ponder upon the circumstances of sales promotion on the decision-making process of buyer. Thus, on the other hand, the general perspective of this study is to see the results of other elements on buying behaviors of customers. Interestingly, marketing activities which are linked to sales promotion drastically increased the purchases of consumers and indirectly obtain profit for the company. Sales promotion has become one of the most important tools in marketing and its significance has grown over the years. The broad reason of sales promotion is to see proportionate impact on the purchasing power of the consumers of firm. Firms have to think again and again for the relationship between consumers attitudes and their behaviors. The particular study will show the impact of sales promotion on consumer purchasing power. (Familmaleki, Aghighi, Hamidi, 2015).

Contemporary marketing is beyond producing products, reasonable pricing and easy access to them. Today, customer attraction is considered to be the most important factor in present retailing to remain loyal to them, however, the cost of keeping current consumers is less than the cost of building new customers. The present time is followed by utilitarian perspective. Firms have to think twice for the relationship of their consumers behavior and their attitudes. The primary job of all businesses is to properly communicate to their consumers about what they offer. Promotion acts as a motivator for consumers to buy the product. Promotion is cited as any communication which is used to inform, persuade and remind people about an

organization's goods, services, images, ideas, community participation or effect on society. And promotion is also entitled to as Integrated Marketing Communication which contains messages and associated media that is used to interface with the market. IMC means that it is a marketing communication procedure which involves a company to affect the strategies that are interlinked with various promotional components and these promotional undertakings are unsegregated with other marketing strategies that communicate with customers. The foundations of promotional policies are to include the communication message related to delivery from producer to the consumer.

The focus of the message is to convince the audiences to buy the product or service. Therefore, consumers must react to the message in a way that purchase zeal is automatically built with themselves. Companies must communicate with their current customers, as well as internal employees which marks as an important point in marketing process. A well-known company governs a complicated marketing communication structure. (Familmaleki, Aghighi, Hamidi, 2015). This particular study targeted at categorizing the themes of marketing which were published in the top three journals of marketing dated yearly from 2010 till 2014 and the study even pointed out interest of different researchers' in above mentioned theme. The results contained showed that Marketing Research has got the highest share of 39% of the total three articles as compared to Marketing Science Journal which has 35% and Journal of Marketing which has 26% share. According to research themes, more in-depth interest has been shown towards consumer behavior with 22% of share, e-marketing with 10% of Share, advertising with 7% of share, promotion and pricing with 7% each share, product and development with 5% of share and marketing management with 4% of share. On the Same hand, there were few avoidances made by the researchers for prominent themes which included ethics of marketing, international marketing, welfare responsibility, marketing of services, competitive examination and last but not the least, customer relationship management. The journal of Marketing Science published few articles such as e-marketing, channels of distribution, competitive marketing ethics etc. The Journal of Marketing published articles on branding, sales management, value creation, service quality, customer relationship management, international marketing, social responsibility and customer loyalty. Moreover, the same journal of marketing even published some articles like on consumer behavior, branding, pricing, retailing and customer satisfaction. The course of research in marketing is changing with the immense change in the business environment so it is now more important to have ongoing flow of published articles in the journals of marketing so that it becomes easy to know what is going on in the business world. This type of development marks a positive point in the marketing theories and practices with

the correlation between them. This array of non-segregation and observation of marketing theory and factual research, considering present and past are the building sections for Marketing Science (Bass & Wind, 1995). The factual observations in different kinds of themes are fundamentals to reach the laws of marketing (Burgess and Steenkamp, 2006) and for forthcoming developments also. According to Weidmann et al. (2011) says that the more difficult the world of marketer's get, the more we have to comprehend the prime trends which leads to the future respective directed developments. (Saleh, 2016) (Akanbi, Paul A., Adeyeye, Tolulope C., 2011).

### **Advertising**

The study directs by dividing the themes of articles under the category of Marketing that was published from 2010-2014 in most reputable journals. Simultaneously, the study also focuses in recognizing the interest of researchers in every theme. Moreover, the conclusion that was drawn from study says that the Journal of Marketing Research got the highest proportion of 30% among all the reputable journals, in comparison to Marketing Science Journal which contributed 35%, and only 26% was contributed by Marketing Journal. With reference to research themes, major interest has been shared by consumer behavior with 22%, e-marketing with 10%, advertising with 7%, promotion and pricing with 7% each, product development with 5%, and marketing management with 4%. Similarly, the study even showed the denial of researcher's interest in some fields like marketing ethics, international marketing, social responsibility, service marketing, competitive analysis, and customer relationship management. On contrast, Marketing Journal has published articles which included e-marketing, channels of distribution, competitive analysis, and marketing ethics whereas Journal of Marketing include the articles on branding, sales and sales management, services and service quality, customer relationship management, international marketing, social responsibility, customer loyalty, consumer behavior, pricing, retailing, and customer satisfaction. (Hamid Saleh, 2016).

Based on the outcome of all our learning's about advertising we can confidently concluded that advertising is a blend mixture of art and science. Art in the sense that. Advertising needs thoroughly study of human behavior against given advertisement, respond, when respond, where respond etc. and again based on the category respondents further brain hammering is designed and science in the sense that it needs. Study of Neuro Consumer Behavior i.e. how your message can be made talk of the town. And how it can be registered in mind of potential customers, here I can quote the example. Of the telephone # of an organization by the name of "Tele fun" i: e 0900 786091, though people have listened this number on radio

only for a very short period but due to its arithmetic tone it is remembered yet, besides this arithmetic tone development of insignia, mixture of coloring and design can be used as mind registration tool. Though academic definition of advertising is “Advertising is a paid form of non-personal presentation” but if we go deeper and study the ways and means of reducing cost of doing business advertising can play vital role by confining its campaigns before their target market only instead of showing it to entire population, though “Cost per view” will be low but probability of responding will also be low, whereas confining before target market only enhance “Cost per view” but probability of response will also be high, as such I feel advertisements for target markets can prove to be the best source of reducing advertising. Budget, for example advertisements of motor cycles in front of Girls College can give no result and advertisement of cosmetic products in front of stadium or Boys College can give no results and vice versa can give extremely good response. (Akanbi, Paul A., Adeyeye, Tolulope C., 2011).

### **Pricing**

The debatable question leaves the impression by mentioning that should manufacturers of products like automobiles and household appliances provide cash rebates to consumers at the purchase time, or provide trade deals to retailers? Correspondingly, writers supervised an analytical inquiry which showed that viewing the reaction of consumers when these two types of price promotion is considered, consumer sensitivity to both regular and promotional pricing is highly dependable. When consumers are more (less) sensitive to promotions as compared to regular prices, manufacturers are better (worse) off in giving trade deals relatively to consumer rebates. As a matter of fact, if consumers don't distinguish between promotional offers and regular-price deductions then any one of the two promotions can be given without giving a second thought. The Enlistment of theoretical and managerial implications is also defined. (Martín-Herrán, Sigué, Zaccour, 2010).

The disapproving concern that sales-promotion planners must distinguish whether they want to target the trade partners or final consumers. Trade partners targeting the promotions are also called as push promotions where they propose additional value of partners or give incentives to the employees in order to increase retail sales by doing some regional marketing activities. The pull promotions provide more value to consumers where the foremost agenda is to attract more consumers for boosting up the sales in retailing outlets. Interestingly, pull and push promotions go side by side to enhance the selling process and give rise to the sales in the short run, however, their interests are even different and checks the effect of members in race where profits generated also varies (see, e.g., Bruce, Desai, and Staelin 2005; Quelch, Neslin, and

Olson 1987). The research conducted by NSERC Canada and Athabasca University says. That push-price promotions start to generate controversial problems of retailers which are passing the information to the consumers. The job of retailers is to give rates on number of reasons like price elasticity, market structure and product category where. The range of difference is between 0% to 558% (Besanko, Dube and Gupta 2005; Chevalier and Curhan 1976; Moorthy 2005; Tyagi 1999). Hence, manufacturers are. Totally unaware of the fact that how will the trade deals will impact the retailers' promotional activities, which will of course somehow meet the expectations and might not even fulfill the requirement. On the contrary, pull price promotions take over the value which is additionally provided to the customers, but retailers can always stop the efficiency of regular retail prices (Gerstner and Hess 1995). (Martín-Herrán, Sigué, Zaccour, 2010).

### **Distribution Channels**

The focal point of this article is on the sales of a product which has entered into different channels chronologically. Using more than one channel model, the writers use maximum time to move into second channel and then reach to a desirable solution for the distributors of movie concerning theatre attendance and future sales of video stores. The data depicts from 35 movies that the writers use exponential sales curves for both theatre attendance and rent of the video shop to denote how knowledgeable sales people are when their parameters are considered in the first channel which acts as a backbone for the next channel. Now, from the distributor's viewpoint, the writers sum up the maximum release time which again falls under budgeted parameters. The profits will rise on the condition if the movies are to be released sooner rather than following same current procedures. (Lehmann, Weinburg, 2000).

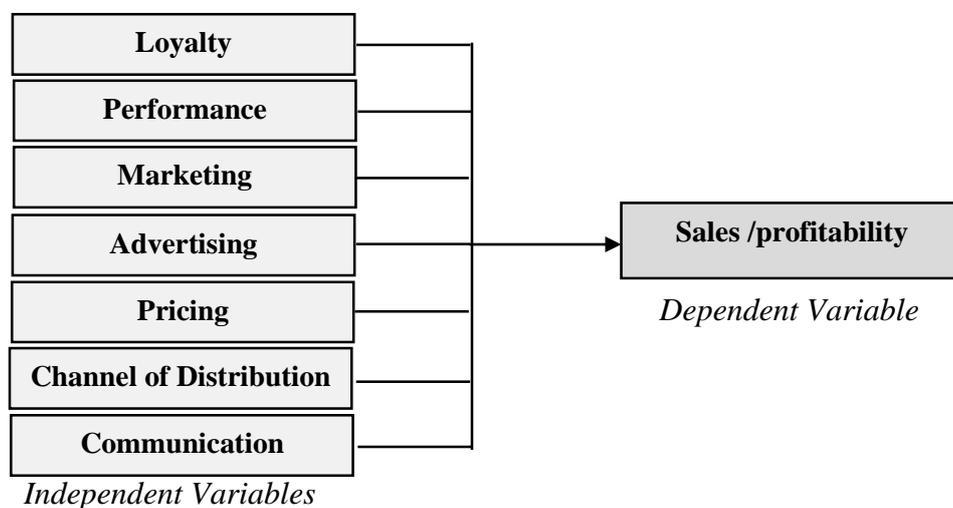
### **Communication**

Promotion mix plays a vital role for a business to communicate fruitfully and make consumers aware of the benefits of its products and services. The whole reason behind promotion mix is to convince consumers to buy. The sellers hard work is initiated to start the channels of information and try to sell goods and services or carry out an idea. Sales promotion is the important part of promotional mix. The study will tell us what is the impact of sales promotion on buying decision of consumers. Marketing activities which are linked to sales promotion boosts up consumer purchases and bring profit to the company so eventually it will help consumers buy the products. Sales promotion is one of the most prominent tool of sales promotion which has been constantly increasing over years. Purchasing behavior of consumers of firms are directly proportional to the impact of sales promotion. Organizations much think

again between the relationship of consumer attitudes and their behavior. The study will even bring into notice the objective of sales promotion on consumer purchasing behavior. (Familmaleki, Aghighi, Hamidi, 2015).

### **Conceptual Framework / Research Model**

The research model shows independent and dependent variables based on the hypotheses established above



### **Research Methodology**

This study is based upon convenient sampling. The sample would be of 291 young students of university level. Random sampling has been selected for this quantitative study.

### **Research Design**

There are sure strides in research outline. To start with, gathering of Information regarding our research topic was the first step. The data is gathered to accomplish the outcome for the reason, extension and speculation of this review. For the gathering of information, primary survey was carried out and convenience sampling was practiced. The methods for conducting primary data of the impact of loyalty, satisfaction, performance, training, marketing, quality, advertising, promotion, pricing, channel of distribution and communication on the sales was done through convenient sampling

## Data Analysis and Results

### Respondents Demography

The respondents of the research are the young students at university level.

#### Gender

	Frequency	Percent	Valid Percent	Cumulative
Valid	Female	140	50.0	50.4
	Male	138	49.3	49.6
	Total	278	99.3	100.0
Missing	System	2	.7	
Total	280	100.0		

They are varying in their demographic characteristics, gender, education level, experiences and age. These factors are known as personal or individual factors also affect the relationship of sales.

The respondents are 138 males and 140 are females. The survey involves both the gender so that equal responses gain from both perspective and consideration who contribute more in sales of branded Chinese phones.

#### Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Intermediate	188	67.1	67.1	67.1
	Graduate	80	28.6	28.6	95.7
	Post-Graduate	12	4.3	4.3	100.0
	Total	280	100.0	100.0	

The respondents vary in terms of their education, as the education level to be considered is graduation and post-graduation but based on lower grades the intermediate also included. The 80 are graduates and 12 are post graduate and 188 are intermediate who taken the opportunity to attended the courses.

#### Profession

		Frequency	Percent	Valid	Cumulative Percent
Valid	Student	252	90.0	90.0	90.0
	Job (Private /	16	5.7	5.7	95.7
	Business Person	12	4.3	4.3	100.0
	Total	280	100.0	100.0	

The respondents have different level of professional some who are taken as new intern are

involved to know the reasons how they will contribute and what are barriers they think they are facing, students are 252 respondents, employees who are in job are 16 and business person are 12, who are included in this survey,

Age

		Frequency	Percent	Valid Percent	Cumulative
Valid	16-23 Years	244	87.1	87.1	87.1
	24-30	16	5.7	5.7	92.9
	30-40	20	7.1	7.1	100.0
	Total	280	100.0	100.0	

The respondents have different ages. 16-23 are 244, 23-30 are 16 and 30-40 are 20 who perform this survey.

**Correlation**

Correlation

		Sales	Loyalty	Advertising	Distribution Channel	Pricing	Communication	Mktg.	Performance
Sales	Pearson Correlation	1	.313**	.030	.057	.062	.113	.195**	.340**
	Sig. (2-tailed)		.000	.614	.350	.300	.059	.001	.000
Loyalty	Pearson Correlation	.313**	1	.346**	.183**	.152*	.169**	.183**	.058
	Sig. (2-tailed)	.000		.000	.002	.011	.004	.002	.336
Advertising	Pearson Correlation	.030	.346**	1	.327**	.356**	.395**	.667**	.184**
	Sig. (2-tailed)	.614	.000		.000	.000	.000	.000	.002
Distr. Channel	Pearson Correlation	.057	.183**	.327**	1	.374**	.619**	.253**	.236**
	Sig. (2-tailed)	.350	.002	.000		.000	.000	.000	.000
Pricing	Pearson Correlation	.062	.152*	.356**	.374**	1	.670**	.470**	.407**
	Sig. (2-tailed)	.300	.011	.000	.000		.000	.000	.000
Communication	Pearson Correlation	.113	.169**	.395**	.619**	.670**	1	.435**	.344**
	Sig. (2-tailed)	.059	.004	.000	.000	.000		.000	.000
Marketing	Pearson Correlation	.195**	.183**	.667**	.253**	.470**	.435**	1	.323**
	Sig. (2-tailed)	.001	.002	.000	.000	.000	.000		.000
Performance	Pearson Correlation	.340**	.058	.184**	.236**	.407**	.344**	.323**	1
	Sig. (2-tailed)	.000	.336	.002	.000	.000	.000	.000	

\*\**. Correlation is significant at the 0.01 level (2-tailed).*  
 \**. Correlation is significant at the 0.05 level (2-tailed).*

### Regression Analysis

The regression analysis forecast and describes the relationship between the independent and dependent variable. In this research researcher selects four independent variables and one dependent variable to predict the relationship of loyalty, advertising, and channel of distribution, pricing, communication, marketing and performance towards the sales as dependent variable. The multiple regression model research reports the r square value as model determination and F-Statistic for model accuracy and determination.

Model		Unstandardized		Standardized	t	Sig.
		Coefficients		Coefficients		
		B	Std.	Beta		
1	(Constant)	.989	.142		6.942	.000
	Loyalty	.337	.053	.358	6.400	.000
	Advertising	-.175	.047	-.285	-3.753	.000
	Distr.	-.028	.040	-.048	-.715	.475
	Pricing	-.141	.047	-.229	-2.977	.003
	Communicati	.067	.051	.113	1.311	.191
	Marketing	.198	.057	.270	3.509	.001
	Performance	.305	.051	.353	6.010	.000

*a: Dependent variable*

### Model Summary

Model	R	R Square	Adjusted R	Std. Error of
1	.522 <sup>a</sup>	.272	.253	.39868

*Predictors: (Constant), Performance, Loyalty, Channel of Distribution, Marketing, Pricing, Adverting, Communication*

The R square shows .522, that shows the model is significant and can predict the 52% change in the dependent variable with change in independent variable. T. The standard error of an estimate as .398 shows the variability in the unexplained part shows significance change with market factors and consumer behavior.

ANOVA

Model		Sum of	df	Mean Square	F	Sig
1	Regression	15.883	7	2.269	14.275	.000 <sup>b</sup>
	Residual	42.438	267	.159		
	Total	58.321	274			

a. Dependent Variable: Sales

b. Predictors: (Constant), Performance, Loyalty, Channel of Distribution, Marketing, Pricing, Advertising, Communication

The Summary of above table shows the significance of model, as with 7 independent variables and with degree of freedom 7 the model with residual value about 42 % which the independent variables unable to explain the model are significant. The all seven independent variables are significant as t statistics shows the value of above 2 at 95% confidence interval. The F-Statistics is strongly significant shows the 14.275 which is very high and at 0.00 means all the variables are the significant predictor of the sales for branded cell phones

**Hypotheses Testing**

Alternative Hypothesis	Accepted / Rejected	T Statistics	Significant level
H1: There is a positive relationship between Loyalty and Sales	Accepted	6.400	.000
H2: There is a positive relationship between Marketing and Sales	Accepted	-3.753	.000
H3: There is a positive relationship between Pricing and Sales	Rejected	-.715	.475
H4: There is a positive relationship between Channel of Distribution and	Accepted	-2.977	.003
H5: There is a positive relationship between communication and sales.	Rejected	1.311	.191
H6: There is a positive relationship between advertising and sales.	Accepted	3.509	.001
H7: There is a positive relationship between performance and sales	Accepted	6.010	.000

**H<sub>1</sub>:** There is a Positive relationship between the Loyalty and Sales towards the Chinese phones. The hypothesis accepted at .000 with t value 6.400 as the loyalty Influx of Unbranded Chinese Cellphones and its Impact on Sales of Branded Chinese Cellphones in Karachi.

**H<sub>2</sub>:** There is a Negative relationship between the Marketing and the Sales towards the Chinese phones. The hypothesis accepted at 0.00 with t value -3.753 as the marketing impacts the sales of Chinese phones.

**H<sub>3</sub>:** There is a positive relationship between the Pricing and Sales. The hypothesis rejected at 0.475 with t value -.715 as the pricing impacts the sales of Chinese phones.

**H<sub>4</sub>:** There is a Positive relationship between the Channel of Distribution and the Sales towards the Chinese phones. The hypothesis accepted at 0.003 with t value -2.977 as the marketing impacts the sales of Chinese phones.

**H<sub>5</sub>:** There is a Positive relationship between the Communication and the Sales towards the Chinese phones. The hypothesis is rejected at 0.191 with t value 1.311 as the marketing impacts the sales of Chinese phones.

**H<sub>6</sub>:** There is a Positive relationship between the Advertising and the Sales towards the Chinese phones. The hypothesis accepted at 0.001 with t value 3.509 as the marketing impacts the sales of Chinese phones.

**H<sub>7</sub>:** There is a Positive relationship between the Performance and the Sales towards the Chinese phones. The hypothesis accepted at 0.000 with t value 6.010 as the marketing impacts the sales of Chinese phones.

### **Conclusion, Recommendation, and Implication of Study**

The market research reveals that the unbranded cellphone has grown high in the recent past. There are multiple reasons that led the situation so elastic. Firstly, Pak-China relationship and treaty agreement giving especial duty rebate to more than 2000 products and which included the mobile phones as well. Secondly, the Chinese manufactures also realized instead of depending on the mobile phone operators they also came to Pakistan to separately drive the business with heavy investments in demand generation – where low end Chinese phones also enjoyed the fiesta of demand. Branded Cellphones: It is very clear from the research's, especially the GFK (which is the key researcher for this trade) defining the opportunities in feature/smartphone categories.

They have done extensive survey in Pakistan almost covering top 13 cities to understand the business dynamics, these cities included Karachi, Hyderabad, Sukkur, R Y Khan, Quetta, Lahore, Gujranwala, Faisalabad, Sargodha, Multan, Rawalpindi, Islamabad Peshawar. The interesting findings were that consumers are now shifting to smartphone from feature and consumers who are using smartphones they want a good experience social media application.

### **Sales**

Nowadays, organizations face a lot of problems where training sales force has always been the fore most objective. (Singh, Manrai, Manrai, 2015). The word Loyalty in article states that the study was concluded to see the difference between Branding Dimensions and Brand Rating. However, the stats that were gained showed a positive result of the population which included

325 consumers from Tamilnadu who were using branded milk and questionnaires were also circulated among above mentioned consumers. (John, 2012). Performance evaluation is undoubtedly the most prominent phase in the salespersons performance management system. Not only other phases of the system will gain benefit from it but performance evaluation is the only phase where salespersons can properly give feedbacks and suggestions to the company and therefore increase the job satisfaction and motivation of salespersons. (Michael, Rochford, & R.Wotruba, 2003). The target population of this study is students of Greenwich University.

### **Discussion of the Findings**

The answerers are 138 males and 140 are females. The survey requires both the gender so that Uniform responses achieve from both point of view and deliberation who provide more in sales of branded Chinese phones. The regression analysis predicts and explains the connection between the independent and dependent variables. In this research researcher selects the four independent variables and one dependent variable to predict the relationship of loyalty, advertising, and channel of distribution, pricing, communication, marketing and performance towards the sales as dependent variable. The R square shows .522, that shows the model is significant and can predict the 52% change in the dependent variable with change in independent variable. T. The standard error of an estimate as .398 shows the variability in the unexplained part shows significance change with market factors and consumer behavior. This study shows the significance of model, as with 7 independent variables and with degree of freedom 7 the model with residual value about 42 % which the independent variables unable to explain the model are significant. The all seven independent variables are significant as t statistics shows the value of above 2 at 95% confidence interval. The F-Statistics is strongly significant shows the 14.275 which is very high and at 0.00 means all the variables are the significant predictor of the sales for branded cell phones.

### **Implication and Conclusion**

This study could be helpful for marketer, who wanted to be on a new path in the business, finding out the opportunities to explore. It could be used to determine the areas for the workers to work. So, this study is useful for regional connectivity around the world to explore the international relations. The study clearly describes that Chinese Smartphones have a great potential in Pakistan- as the branded phones are working above \$1100- price band believing they cannot fight with the Chinese players (they also call them Shenzan Boys). The consumers are still behind the pace from shifting to smartphones from featurephones. Thus, price and

features parity will create a traction and room to build business, but 4P's should be smartly executed.

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