

REVITALIZING SALES STRATEGIES: A CASE STUDY ON TECNO MOBILE PHONES

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ABSTARCT

In Pakistan 2023, Tecno Mobile grappled with import restrictions, stirring challenges in customer satisfaction, price control, and sales optimization. Amid stock shortages and allocation woes, Mr. Ali emerged as the unsung hero. Skillfully navigating the storm, he safeguarded the company's success, ensuring smooth operations and customer contentment. His strategic prowess and decisive actions became pivotal, illustrating resilience in the face of adversity. Mr. Ali's leadership shone brightly as Tecno Mobile weathered the challenges, securing its position in the fast-paced mobile industry.

BACKGROUND

Founded in 2006 as Tecno Telecom Limited, the company later underwent a transformation, adopting the name Transsion Holdings with Tecno Mobile as one of its key subsidiaries. A significant move in 2007 saw Tecno exclusively catering to the African market. Motivated by comprehensive market research, Tecno redirected its focus entirely to Africa in early 2008. The strategic shift proved fruitful, propelling Tecno Mobile to secure a spot among the top three mobile phone brands in Africa by 2010.

The year 2016 marked Tecno's foray into the competitive Middle East mobile phone market, a testament to its global expansion ambitions. Expanding its footprint further, Tecno Mobile entered the Indian market in 2017, unveiling a series of 'Made for India' smartphones under the 'i' series banner, including i5, i5 Pro, i3, i3 Pro, and i7. Commencing operations in Rajasthan, Gujarat, and Punjab, the company swiftly expanded its reach nationwide, achieving significant market presence in India by December 2017.

Keen on exploring additional emerging markets with sizable populations and untapped potential, Tecno Mobile identified Bangladesh and Nepal as new frontiers in 2017, making significant strides in establishing a foothold. Concurrently, the company initiated trial sales in Pakistan, a market brimming with opportunities. Despite being a global player, Tecno Mobile faced hurdles penetrating the competitive Pakistani market. In response, the company adopted a digital-first approach, initiating online sales through various e-commerce channels, including its proprietary website.

As of 2022, Tecno Mobile continues to diversify its market presence, navigating challenges and identifying growth opportunities beyond its strongholds in Africa and India. The company's global trajectory underscores its commitment to reaching new markets while adapting to the evolving dynamics of the smartphone industry. This case study delves into the nuanced challenges encountered by Tecno Mobile's sales department and the innovative strategies deployed to overcome these obstacles, shedding light on the brand's resilience and adaptability in the ever-evolving smartphone landscape.

Key success factors

Tecno Mobile has strategically positioned itself as a cost-effective brand, making affordability a key cornerstone of its success. By consistently aligning with customer perceptions and preferences, the company has cultivated a strong rapport with its target

audience. A pivotal element in Tecno's success lies in its expansive product portfolio, showcasing a wide range of mobile devices that cater to diverse consumer needs. This diverse offering not only provides options for various segments of the market but also ensures that Tecno remains a relevant and accessible choice for a broad spectrum of consumers.

Central to Tecno's brand ethos is the commitment to delivering the best quality at the best price, a philosophy that resonates with cost-conscious consumers without compromising on product standards. Additionally, Tecno's dedication to customer satisfaction is evident through its robust after-sales services, exemplified by the extensive network of Carl Care centers. These service centers play a crucial role in providing support and assistance to customers, fostering a sense of reliability and trust in the brand.

In essence, Tecno Mobile's success is underpinned by its ability to balance cost-effectiveness with quality, offering a diverse product range that caters to a broad audience. The brand's unwavering commitment to customer satisfaction through exemplary after-sales services further solidifies its position as a customer-centric and forward-thinking player in the competitive mobile phone industry.

Challenges Confronted

Stock Allocation Problem

The challenges faced by Tecno Mobile in Pakistan extended beyond import restrictions, delving into the intricacies of stock allocation and distribution. A notable issue arose as major retailers took a disproportionately larger share of available stocks, leaving consumers in other regions grappling with persistent shortages. This imbalance not only created an unfavorable image of the company but also underscored concerns about the adequacy of coverage in these underserved areas. During a period of widespread mobile phone shortages in Pakistan, exacerbated by import restrictions, Tecno Mobile found itself confronting a dual challenge. Firstly, the apparent preference given to big retailers resulted in an uneven distribution of stocks. While certain regions enjoyed ample supplies, others faced conspicuous shortfalls, fostering a negative perception of the company's commitment to equitable market coverage. (Annexure 1, Table 1) Digging into the statistics further accentuates the severity of the issue. Out of a total stock of 1040 mobile phones, a mere 490 reached the hands of final consumers. This stark contrast between the available stock and the actual reach to end-users revealed a critical bottleneck in the distribution process. The ramifications of this inefficiency were felt keenly by consumers in various areas, compounding the negative image formed due to inconsistent stock availability.

Price differences and Market Saturation

In certain regions, Tecno Mobile encountered a multifaceted challenge stemming from the confluence of high local prices, supply-demand disparities, and inadequate stock availability. The market dynamics in these specific areas created a scenario where demand outpaced supply, resulting in elevated local prices. This, in turn, contributed to customer dissatisfaction as affordability became a key concern for consumers seeking Tecno Mobile products. The localized high prices were exacerbated by the insufficient availability of Tecno Mobile stocks in these regions. The imbalance between demand and supply not only led to pricing challenges but also hindered the company's ability to meet the needs of its customer base effectively. As a consequence, customer satisfaction levels plummeted, adversely impacting the company's reputation in these areas. Adding another layer to the complexity of the situation, specific districts presented heightened competition and market saturation for Tecno Mobile. The increased rivalry made it challenging for the brand to differentiate its products and capture the attention of potential customers. In such a fiercely contested

landscape, establishing a unique value proposition and effectively reaching new clients became a formidable task.

Ineffective Distribution Channels and Lack of Product Diversification

The inefficiencies in Tecno Mobile's distribution network emerged as a critical bottleneck, significantly hampering the timely availability of products and adversely impacting market coverage. Delays in product availability not only impeded the company's ability to meet customer demands promptly but also resulted in inadequate market coverage, especially in regions where these delays were more pronounced. Consequently, the brand faced challenges in effectively reaching and serving its target audience, directly affecting sales and customer satisfaction. Moreover, the impact of these distribution challenges rippled through various facets of Tecno Mobile's operations. Sales were notably affected as the inability to ensure a consistent and timely supply of products hindered the brand's revenue generation potential. This not only created financial implications but also exacerbated customer dissatisfaction, as consumers faced difficulties in accessing Tecno Mobile products in a timely manner. Another contributing factor to these challenges was the limited diversity in Tecno Mobile's product portfolio. The lack of a varied product range restricted the brand's appeal to a broader customer base. In an ever-evolving market, catering to diverse consumer preferences is pivotal for sustained success. The absence of product diversity hindered Tecno Mobile's ability to capture different market segments effectively, resulting in missed opportunities for expanding its market share. To address these intertwined challenges, Tecno Mobile needed a holistic strategy. Enhancing the efficiency of the distribution network, streamlining processes, and mitigating delays were crucial for improving market coverage and meeting customer expectations. Simultaneously, diversifying the product portfolio would enable the brand to tap into new customer demographics, fostering greater market penetration and resilience against fluctuations in consumer preferences. By addressing these key aspects, Tecno Mobile could pave the way for a more robust and adaptable approach to the dynamic demands of the mobile phone industry.

Customer Perception

The negative perceptions surrounding product coverage and pricing have become significant challenges for Tecno Mobile, casting a shadow over its reputation and eroding customer trust and loyalty. The apparent disparity in product coverage, stemming from distribution inefficiencies and delays, has created a narrative of inconsistency in the brand's market presence. Customers, faced with difficulties in accessing Tecno Mobile products in certain areas, have developed reservations about the brand's commitment to providing comprehensive and accessible offerings. Moreover, pricing concerns have added another layer to the challenges faced by Tecno Mobile. In regions where local prices have surged due to demand-supply imbalances and limited stock availability, customers perceive the brand as less affordable, impacting its standing among price-conscious consumers. This pricing narrative not only affects immediate purchasing decisions but also contributes to a broader negative perception about the brand's accessibility and inclusivity. As a consequence, the decline in customer trust and loyalty becomes evident. When customers perceive a lack of consistency in product availability and affordability, their confidence in the brand wavers. The erosion of trust can result in customers seeking alternatives, exploring competitor offerings, and, in the long run, hinder the establishment of a loyal customer base for Tecno Mobile.

Strategies Implemented by the Mr. Ali

Data-Driven Decision Making

Under Mr. Ali's leadership, Tecno Mobile embraced data analytics to derive actionable insights into consumer behavior and market trends. This data-driven approach empowered the

company to make informed decisions across product development, marketing campaigns, and sales strategies. Leveraging the previous actual sales data area-wise, Tecno Mobile implemented a strategic stock allocation, ensuring a more targeted and efficient distribution process. (Annexure 2, Table 2) stands as a testament to Tecno Mobile's commitment to transparency and strategic decision-making. By intertwining technology and data analytics, Mr. Ali positioned Tecno Mobile at the forefront of industry innovation, enhancing its adaptability in a dynamic market. This data-centric strategy not only strengthened operational prowess but also reaffirmed Tecno Mobile's dedication to customer satisfaction and market excellence.

Market Research and Segmentation

In a strategic move, Mr. Ali spearheaded extensive market research to discern emerging trends and customer preferences. His focus extended to identifying the most suitable mobile phone models for specific areas, aligning products with local demands. Implementing a refined market segmentation strategy, Mr. Ali personalized products and marketing approaches to cater to distinct demographics. This targeted approach allowed Tecno Mobile to navigate diverse consumer needs, enhancing resonance and relevance. The precision in understanding regional preferences showcased Mr. Ali's commitment to adaptability and customer-centric strategies, fostering stronger connections with local audiences. Through this market segmentation, Tecno Mobile not only demonstrated agility in addressing evolving trends but also positioned itself as a brand attuned to the nuances of diverse markets

Wholesaler & retailer Network Optimization

Under Mr. Ali's leadership, Tecno Mobile underwent a transformative overhaul of its wholesaler and retailer channels, forging partnerships with dependable entities to enhance efficiency and broaden product availability. This strategic move aimed to create a more robust and widespread distribution network. In tandem, Tecno Mobile invested in cutting-edge technology to streamline inventory management, fostering better control and accuracy in stock levels. This technological integration not only optimized internal processes but also contributed to reducing delivery times, ensuring a more responsive and timely supply chain. Mr. Ali's proactive measures in redefining distribution channels underscored Tecno Mobile's commitment to adaptability and operational excellence in meeting the demands of a dynamic market. The strategic partnerships and technological investments positioned Tecno Mobile for enhanced market reach and operational efficiency.

Brand Reputation Management

Under Mr. Ali's guidance, Tecno Mobile underwent a significant customer service transformation, as he implemented a comprehensive improvement program. This initiative was designed to address customer issues promptly and elevate overall satisfaction levels. Simultaneously, Tecno Mobile's marketing campaigns took a customer-centric approach, emphasizing the company's commitment to quality, innovation, and quantity. These campaigns sought to reinforce Tecno Mobile's values and resonate with consumers, fostering a positive brand image. Mr. Ali's strategic focus on customer service and aligned marketing efforts underscored Tecno Mobile's dedication to a holistic customer experience. This integrated approach not only addressed immediate concerns but also contributed to building long-term brand loyalty and trust among consumers.

Strategic Partnerships and Strategic Allocation

Tecno Mobile's ascent in specific markets was bolstered by strategic collaborations with local businesses and service providers. These partnerships served as key drivers in enhancing the brand's presence and resonance within these targeted regions. By aligning with

local entities, Tecno Mobile not only demonstrated a commitment to community engagement but also gained valuable insights into the unique dynamics of these markets. Allocation of products played a crucial role in Tecno Mobile's success, and the company deployed a meticulous data-driven strategy to ensure precision in this aspect. Utilizing SKU-wise data from previous sales, Tecno Mobile meticulously analyzed the historical performance of each product. This granular approach allowed for a more nuanced understanding of consumer preferences, enabling the company to optimize the allocation process and expedite the journey of products to end-users. In conclusion, Tecno Mobile's strategic collaborations, coupled with a data-driven allocation strategy, showcase a comprehensive and adaptive business approach. By combining local insights with analytical precision, Tecno Mobile not only strengthened its position in specific markets but also set a precedent for

Impacts

Tecno Mobile witnessed a significant enhancement in its actual market share within targeted regions, as indicated in (Annexure 3, Table 3). This positive outcome was attributed to the successful optimization of the distribution network and the introduction of a diversified product portfolio. The implementation of strategic pricing tactics ensured automated control, contributing to improved sales performance. Customer perception and trust experienced a positive upswing, fostering heightened brand loyalty among consumers. Notably, strategic partnerships played a pivotal role in elevating Tecno Mobile's brand visibility and customer engagement, amplifying its presence in the competitive market. This holistic approach, spanning distribution, pricing, customer relations, and partnerships, underscored Tecno Mobile's adeptness in navigating the complexities of the mobile industry and fortifying its position for sustained success.

Continued Success and Future Considerations

Digital Transformation

Embracing the era of digital transformation, Tecno Mobile strategically invested in e-commerce platforms and mobile applications. This forward-thinking move allowed the company to expand its reach by tapping into the vast online marketplace. Tecno Mobile leveraged these digital channels not only to showcase its diverse product range but also to provide a seamless and user-friendly purchasing experience for customers. The integration of e-commerce platforms and mobile apps enabled the brand to connect with a wider audience, breaking geographical barriers and enhancing accessibility. Through these digital avenues, Tecno Mobile not only showcased its commitment to innovation but also capitalized on the growing trend of online shopping. This strategic adoption of digital tools positioned Tecno Mobile at the forefront of technological advancements, ensuring a dynamic and engaging interaction with its diverse customer base.

Employee Training and Development

Tecno Mobile, cognizant of the pivotal role played by its sales team, made strategic investments in continuous training programs. The company ensured that sales representatives were equipped with updated knowledge and refined skills, aligning with the dynamic mobile phone industry. Through ongoing training initiatives, Tecno Mobile aimed to keep its salesforce well-versed in the intricacies of the product portfolio. This proactive approach empowered sales representatives to effectively communicate product features and benefits to customers, enhancing the overall customer experience. By prioritizing ongoing education, Tecno Mobile not only bolstered the expertise of its sales team but also strengthened its competitive edge in a rapidly evolving market. The commitment to skill development underscored the company's dedication to providing customers with informed and compelling insights, fostering trust and loyalty. This investment in human capital positioned Tecno

Mobile's salesforce as knowledgeable brand ambassadors, capable of navigating the complexities of the mobile phone industry with confidence and competence.

Customer Feedback Loop

In a strategic move to foster an even more customer-centric approach, Tecno Mobile implemented a robust feedback loop as part of its operational framework. This initiative aimed at actively engaging with customers, transcending traditional boundaries by soliciting opinions and insights through various channels, including surveys and social media platforms. This deliberate effort to tap into the collective voice of the customer exemplifies Tecno Mobile's commitment to staying attuned to market preferences and continuously evolving its strategies to meet and exceed customer expectations. The introduction of systematic surveys played a pivotal role in this customer-centric paradigm. Structuring surveys to capture nuanced feedback on product experiences, preferences, and expectations, Tecno Mobile gained invaluable insights directly from its customer base. This two-way communication not only strengthened the bond between the company and its customers but also provided a wealth of data that could inform decision-making processes across product development, marketing initiatives, and overall business strategies. In conclusion, Tecno Mobile's establishment of a robust feedback loop signifies a proactive and customer-centric stance that extends beyond mere transactional relationships. By actively seeking and leveraging customer opinions through surveys and social media, Tecno Mobile not only demonstrates its commitment to customer satisfaction but also positions itself as an industry leader that prioritizes continuous improvement and adaptation in response to the ever-evolving landscape of consumer preferences.

Crisis Preparedness

In response to the valuable lessons gleaned from past challenges, Tecno Mobile exhibited a proactive commitment to organizational resilience by instituting a comprehensive crisis management plan. Recognizing the unpredictable nature of the business landscape, the company took deliberate steps to fortify its operations against unforeseen disruptions. Under the insightful leadership of Mr. Ali, Tecno Mobile not only learned from historical setbacks but also leveraged these experiences to develop a forward-looking strategy that could effectively navigate crises. The establishment of a crisis management plan reflects Tecno Mobile's dedication to a proactive and systematic approach in the face of potential disruptions. This plan encompasses a spectrum of measures designed to address diverse challenges that could arise in the dynamic mobile phone industry. By identifying potential risks with precision, Tecno Mobile positioned itself to respond swiftly and decisively, minimizing the impact on both sales and operational continuity during periods of crisis. Mr. Ali's hands-on leadership played a crucial role in this initiative, as he took the helm in proactively identifying potential risks. His foresight allowed for the formulation of detailed contingency plans, ensuring that the organization was well-prepared to navigate the complexities of unforeseen challenges. This proactive stance not only instills a sense of confidence within the company but also underscores Tecno Mobile's commitment to maintaining a resilient and adaptable business framework. As Tecno Mobile continues to evolve, the implementation of a robust crisis management plan serves as a testament to the organization's commitment to learning, adapting, and proactively steering the course of its future. By integrating these practices into its operational DNA, Tecno Mobile not only safeguards its present standing but also lays a solid foundation for sustained success in the ever-changing landscape of the mobile phone industry.

Way forward

Tecno Mobile's resounding success in overcoming immediate challenges goes beyond mere problem-solving; it reflects a robust commitment to adaptability, innovation, and customer satisfaction, setting the stage for sustained growth and prosperity. This strategic

evolution unfolded through a multifaceted approach that not only addressed existing hurdles but also positioned the company as a trailblazer in the dynamic and competitive mobile phone industry. One key element of Tecno Mobile's triumph lies in its enthusiastic embrace of digital transformation. Recognizing the transformative power of technology, the company strategically integrated digital solutions into its operational framework. This not only streamlined internal processes but also enhanced the overall customer experience. By leveraging digital tools, Tecno Mobile not only tackled the immediate challenges but also established a foundation for continued innovation and efficiency in an ever-evolving technological landscape. Sustainability emerged as another cornerstone of Tecno Mobile's forward-thinking strategy. In an era where environmental consciousness is paramount, the company proactively embraced sustainable practices. This commitment not only aligns with global environmental goals but also resonates with an increasingly eco-conscious consumer base. By incorporating sustainability into its business model, Tecno Mobile not only ensures a positive impact on the planet but also reinforces its brand image as a socially responsible entity, garnering favor among environmentally conscious consumers. As the mobile industry continues its rapid evolution, Tecno Mobile's strategies stand as a beacon of guidance for companies facing similar challenges. The emphasis on digital transformation, sustainability, and market agility provides valuable insights for enterprises seeking not only to survive but to thrive in the competitive global market. Tecno Mobile's journey is a testament to the enduring power of strategic vision, adaptability, and a customer-centric approach in shaping the trajectory of success in a rapidly changing business landscape.

ANNEXURES

Annexure 1

Areas Names	Areas Allocation	B To B	Sales to Final Users	Difference
City 1	800	800	250	550
City 2	200	200	200	0
City 3	40	40	40	0
Grand Total	1040	1040	490	50

Annexure 2

Areas Names	Areas Allocation	B To B	Sales to Final Users	Difference
City 1	215	215	200	15
City 2	370	370	350	20
City 3	455	455	440	15
Grand Total	1040	1040	990	50

Annexure 3

Total sell through	Total sell out (to final users)	Difference
1040	990	50

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