



## Product knowledge and firm performance: A study of Dangote Group

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### Abstract

Knowledge, according to researchers, is significant for competitive advantage. This study aimed to investigate the impact of product knowledge on firm performance in Nigeria. This study employed a survey research design. Primary data was employed for this study and 532 copies of the questionnaire were administered to the respondents of the study. Regression analysis was employed to verify the hypotheses formulated for this study. Results revealed that product experience knowledge is the most significant measure of product knowledge driving firm performance. The study concluded that the relationship between product knowledge and how efficient the salesperson will be in driving the firm's revenue reveals the process by which salesperson knowledge influences firm performance. The study, therefore, recommends that to increase their performance, firms should improve the salespersons' knowledge of their product and motivate them to seek creative ways to drive revenue.

**Keywords:** Firm Performance; Objective Product Knowledge; Subjected Product Knowledge.

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## **1. Introduction**

Knowledge, according to researchers, is significant for competitive advantage (Spender & Grant, 2016). This perception, founded on a knowledge-based view of the organization, has inspired research in strategy (Menon & Pfeffer, 2003) and brand management (De Luca & Atuahene-Gima, 2017). Customers are constantly looking for value-added options and sensitivity from sales representatives, so a marketing firm's use of specialized knowledge and skill is fundamental (Sheth & Sharma, 2008). It is projected that salespeople's cognitive process can describe 50% of sales performance variability (Sharma et al., 2007).

Although it is widely acknowledged that salespeople's knowledge is an important determinant of performance, previous research has not sufficiently tapped the domain of the finer-grained conceptualization of salespeople's product knowledge, and empirical evidence of its effect on overall sales is somewhat sparse. A noteworthy exception is the attempt to investigate how salespeople's product knowledge interacts with marketing automation and process automation (Mariadoss et al., 2014).

Many studies have endeavored to uncover the underlying characteristics of knowledge creation and the origin of this functionality in this comprehensive approach to a firm's competitive advantage. Leigh, Decarlo, Allbright, and Lollar, (2014) stated that product knowledge management is one of the central product offerings, whereas Zahra and George (2002) and Zhou and Li (2012) stated that human capital is the most important component of a firm's knowledge creation. Similarly, several studies have identified organizational and individual knowledge resources as the most important core competencies in today's volatile and competitive business environment.

A salesperson must consistently and competently use the sum of product knowledge at their disposal to convert those inventories of intellectual capital into a competitive edge (Baumgarth & Schmidt, 2010). Individuals of value-creating organizations exist simultaneously in competitive industries in a state of intensive and innovative pressure with others, each adding value to economic growth from distinctive perspectives (Leigh et al., 2014). In such markets, salespeople are frequently the final bearers of each firm's value proposition. Due to the intense competition among competing companies, salespeople must make logical sense of varying ways and sources of information and meet the customer demands and organizations.

What would be the most significant element of product knowledge in ensuring a company's primary operational efficiency? In a highly volatile and uncertain economic environment, a firm's knowledge management to discover and encapsulate new product-market opportunities tends to be more effective than characteristics such as population, socioeconomic scope, organization culture, and economic infrastructure (Teece et al., 1997). The above discussions have triggered the need to investigate what product knowledge is and the specific dimensions used in driving firm performance.

### **1.1. Purpose of study**

This study aims to add conceptual richness to the conceptualization of salespeople's product knowledge by classifying and interpreting its various domains' unique impact on performance. Expand empirical research in the firm's KBV (Spender & Grant, 2016). According to Rapp et al. (2011), salesperson product knowledge is individual-level knowledge about a firm's products and other competing products and the challenging market that can be used strategically to help improve salesperson efficiency. This study focuses on salesperson knowledge management behavioral patterns, and salesperson product knowledge is defined as the salesperson's collection, organization, and usage of competitive intelligence. There is a scarcity of information on how

salesperson product knowledge influences sales performance in an emerging economy such as Nigeria.

This study seeks to address the influence of product knowledge on firm performance in Nigeria. In achieving the main research objectives, the following specific questions were raised;

- i. What is the product knowledge dimensions prevalent in existing literature?
- ii. How do the dimensions of product knowledge drive firm performance?

## **1.2. Literature Review**

### **1.2.1. Concept of Product Knowledge and Dimensions**

Product knowledge relates to how much a person knows about a product or service (Leigh et al., 2014; Mariadoss, et al., 2014; Beatty & Smith, 1998). Product knowledge can be defined as the entire context of correct information that is stored in people's memories that can be used to persuade a team to make purchasing decisions (Elysa & Indriyani, 2020). Product knowledge, according to Lubis (2015), is an accumulation of product information. Brand portfolio, product line, product terminology, features or value propositions, product prices, and product strength are all examples of this knowledge. Consumers' knowledge of each product varies; some catch up by going directly to the source, while others gather information from their surroundings.

According to Bysella et al., (2019), product knowledge is transcribed in customers' experiences as different types of knowledge, interpretation, and perception. More knowledgeable customers will be more reasonable in selecting products and services that meet their needs. The greater the product knowledge in buying intention, the greater the customer's power to make decisions. Product knowledge refers to the complete availability of reliable information in customers' memories and their preconceptions of product knowledge (Ruslim & Andrew, 2012). According to Lin and Zhen (2005), product knowledge is determined by public awareness, customer understanding of the brand, and consumer confidence. According to Tamboto and Pangemanan (2019) and Hanzaae and Khosrozadeh (2011), product knowledge indicators include subjective knowledge, objective knowledge, and experience knowledge.

Subjective knowledge relates to customers' quantification of their product knowledge or how they are associated with ideas or self-evaluation of their product knowledge, suggesting customers' esteem in their product knowledge. Subjective knowledge is the level of understanding (Lubis, 2015). It is categorized depending on the existing knowledge. The level of knowledge that customers have about a product is referred to as subjective knowledge. Objective knowledge: refers to the quantity, category, and composition of knowledge an individual stores in his/her long-term memory or the extent to which a customer could relate to a product offered by a salesperson. The amount of information stored in consumer memory about a product's brand, attributes, situation of use, type, and class is referred to as objective knowledge.

Experience-based knowledge refers to the product experience that a person gradually builds up as his or her technical experience through the acquisition or use of a product (Ibrahim, 2016). Because product knowledge acquisition depends on the context and is difficult to assess, scholars frequently used objective and subjective product knowledge as the benchmark for measuring consumers' product knowledge (Agnihotri & Rapp, 2011). Furthermore, experience knowledge is additional information gained on a product after it has been purchased. In evaluating alternatives, consumers' product analysis plays a vital role in customers' information seeking and processing (Hofacker et al.,

2020). Hence, in this study, the dimensions of product knowledge adopted are subjective, objective, and experienced-based knowledge.

### 1.2.2. Firm Performance

According to studies, researchers typically use either financial indicators, such as profit margins, revenue growth, return on capital (ROE), return on assets (ROA) or return on investment (ROI) return on assets (ROS), return on capital (ROE), and/or ROI, or financial sector indicators, such as earnings per share (EPI), Tobin's Q and price earning (P/E) ratio, to evaluate the economic aspects of firm competitiveness (Sag et al., 2016; Likar et al., 2014; Nawaz, Hassan & Shaukat 2014; Tsao & Lien 2013). In the 1980s, researchers predominantly used accounting-based financial indicators (Sener, et al., 2015). Nevertheless, with the rise of ownership structure in the mid-1980s, organizations began to use shareholder value maximization as a financial performance metric (Sag et al., 2016). This shift in thinking encouraged the use of market-based key metrics in business management. Notwithstanding its constraints, profit maximization is still one of the most important firm competitiveness measures (Shin et al., 2015). Several studies use growth as the sole indicator of competitiveness, whereas others mix growth and profitability (Likar et al., 2014).

Conversely, most researchers prefer to incorporate return on capital, return on equity, return on investment, and return on assets because they enhance one another. The use of a single ratio generally does not provide sufficient information to allow investors to judge the firm's overall Firm performance (Miller & Kim, 2016). For example, return on assets aids analysts to evaluate SMEs' employees and management efficiency and effectiveness in profit generation through asset productive use (Lisowska & Stanislawski, 2015). On the other hand, sales return aids in evaluating SMEs' efficiency and effectiveness in optimizing sales to generate better profit (Karanja, 2011).

Financial indicators are effective because they can provide unbiased financial efficiency indicators (Likar et al., 2014). Numerous studies (Fernandez 2019; Miller & Kim, 2016; Hoopes et al., 2003) opine that financial indicator only mirror the past, both in terms of income declarations, which address the situation in a given year, and balance sheets, which convey the firm's assets and debts at a given point in time. As a result, accounting-based indicators cannot evaluate value creation. The difficulty in determining the true economic value of innovation stems from activities such as international financial reporting standards (IFRS) that do not easily accommodate innovation investment (Sag et al., 2016). Because of the time delay between innovation spending and its impact on financial results, IFRS requires recording the direct investment expenditure, which creates a dilemma. As a result, researchers will have to associate initial investment with an item that will only be available a few years later (Huang et al., 2012). Despite the need to assess the impact of innovation

Miller and Kim (2016) comprehensively contend that tracking innovation is a major issue in and of itself because innovation encompasses delving into the unproven. As a result, if one attempts to put down these uncertainties too easily, they could become more difficult to identify. Furthermore, when evaluating the effects of innovation, the innovation's life expectancy should be considered (Ahmedova, 2015). Sustaining innovative ideas, for example, is proactive, with no starting and no final act to the process of innovation. Furthermore, distinct types of innovation will have varying lifecycles. Some inventions, for instance, would last a very long time, whereas others could have a low survival rate.

### 1.2.3. *Non-Financial Measures of SMEs' Competitiveness*

Non-financial indicators must be evaluated to determine actual competitiveness for various mechanisms (Ndregjoni & Elmazi, 2012). To begin with, several vested interests are involved in the business, each having a set of expectations for the organization. Second, strategic business is not always material to the financial statements. As a direct consequence, there are multiple techniques for non-financial metrics such as customer satisfaction and loyalty, customer base, efficiency, operations, and maintenance efficiency and effectiveness, public image, brand recognition, and reliability (Sag et al., 2016, Miller & Kim, 2016; Sener et al., 2015).

After reviewing the relevant literature on new service key metrics, Alam (2003) suggests three performance indicators for evaluating new product performance: opportunity indicator, customers metric, and financial criteria. Financial criteria for new products include financial indicators such as return on investment, market shares, sales, and profitability. Customers metric is concerned with how well customers are satisfied by an enterprise and how new initiatives and business processes attract new customers and open up opportunities for new various businesses and markets. Opportunity criteria are deeper and more complex in scope because they deal with the aggregate opportunity that new products can create, which include, among other things, expanding the market for current products, offering a framework for the design of other innovative products, and gaining expertise and capabilities as a result of new product development.

Miller and Kim (2016) conducted a systematic literature review on how firm performance contributes to the discussion over suitable firm competitiveness measures. They indicated that using both financial and non-financial methods to evaluate firm performance is the most suitable and sound strategy. However, the authors claim that using financial dimensions as a sole measure is weak and might not reflect the true nature of competitiveness. Therefore, this study adopts the non-financial performance of firms in revealing the extent to which product knowledge could interact and show the true nature of firm performance

### 1.2.4. *Nexus between Product Knowledge and Firm Performance*

Chang and Ahn (2005) investigated the extent to which product knowledge contributed significantly to explicit business process improvements and served as a central tenet for efficacious training programs. The study establishes a link between knowledge and performance using a Cobb-Douglas form linear model. The knowledge elasticity of profitability is then estimated using statistical analysis. Finally, the entire process is demonstrated using experimental research. A performance-oriented strategy for knowledge management was established. It is demonstrated by evaluating a knowledge-intensive production system that the knowledge elasticity of efficiency for each knowledge entity (Product and process knowledge) can be predicted and used with critical management ramifications. The authors suggested that extensive empirical evaluations in the practical setting would help validate and generalize this methodology. The study demonstrates how to estimate the influence of knowledge on performance and provides a central tenet for successful knowledge management processes. The knowledge elasticity of performance could be estimated using the production function approach.

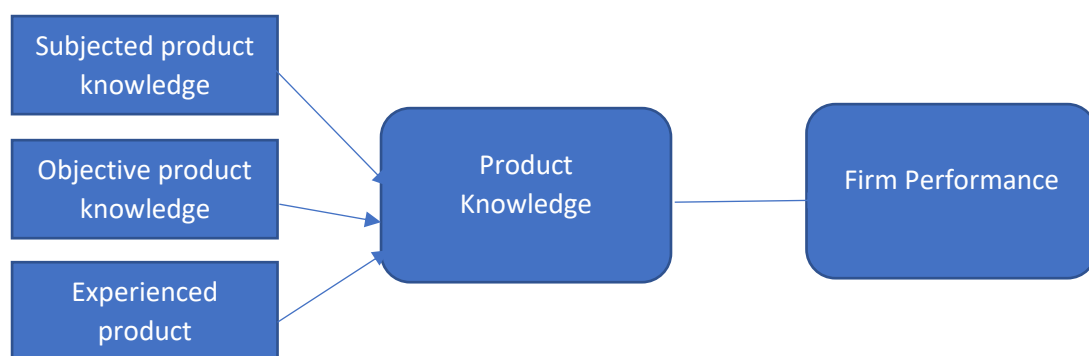
Braunsberger et al., (2008), In a dynamic customer service environment, evaluated indicators of subjective and objective knowledge, and consumption metrics, for two different samples, namely undergraduates and non-student adults. Responses were extracted using self-administered survey questions from two independent groups and evaluated utilizing cause and effect relationship and robustness evaluations, confirmatory factor, analysis of variance, and one-way ANOVA. The

university population results show that, while indicators of subjective product knowledge, objective product knowledge, and consumer preferences are all closely linked, each symbolizes a distinct element of total product knowledge. According to the undergraduate sample findings, subjective and objective knowledge intersects into one element: product usage is a key element, and momentary product knowledge is a core element. One limitation of the study is that its findings are rooted in health facilities' settings and may thus be most appropriate to this specific type of service. In terms of possible consequences, the study's discovery of a "momentary" component of total product knowledge for non-students is a growing development for future research because it is recognized as one of the variables of total knowledge for non-student customers with a relatively low level of objectivity and direct product experience.

#### 1.2.5. Conceptual Framework: Product Knowledge and Firm Performance

**Figure 1**

*The interaction between product knowledge and firm performance*



#### 1.2.6. Dynamic Capability Theory

The theory of dynamic capabilities underpins the research. This is based on the belief that dynamic capabilities facilitate knowledge sharing in the manner that an interactively equipped organization will be able to efficiently adapt, assess, and modify new or amended marketing strategies. Staff's structural integrity, inventory improvisation, and learning functions, which are core dynamic capabilities, are needed for optimal integration. At the same time, dynamic capabilities are influenced by the organizational versatility required or denied by creating, sharing, and transforming information, which aids in deciding whether to outsource the manufacturing and distribution of a new product or build a factory (Teece, 2007). To continue to grow and develop, three main capabilities are required.

Organizations and their employees must be good at communication and improve marketing assets. Appropriate marketing assets such as functionality, innovations, and marketing efforts must be incorporated into the organization. Existing strategic assets must be redesigned or retooled. Teece's dynamic capabilities notion essentially states that what matters in business is corporate agility: the perception process and influence of external analysis; taking advantage of opportunities; and maintaining a competitive advantage by optimizing, connecting, preventing, and, when appropriate, modifying the business enterprise's functional and emotional assets. Internal coordination of convergence of strategic assets that are effective and efficient may also determine a firm's performance.

According to Garvin (1988), distinctive reporting relationships for gathering and processing information, connecting customer interactions with engineering design options, and coordinating



factories and service providers drive quality performance. Increasingly, core competency necessitates incorporating company stakeholders and technologies, such as alliances and the digital corporation. According to Zahra and Nielsen (2002), internal and external human resources and technological resources are related to the firm or its employees communicating the nature of their product and services to the customers. In this study, it is proposed that salesperson knowledge of their firm product is a resource that is unique to them and can influence organizational performance.

Shirin and Kambiz (2011) analyzed the effect of the country-of-origin reputation, product knowledge, and value consciousness on consumer buying behavior. A questionnaire was used to collect information from undergraduates. Regression analysis was used in testing three hypotheses from data collected from 379 people surveyed. According to the findings, the country-of-origin image, product knowledge, and value consciousness significantly influence consumer purchase decisions. The authors recommended that further studies should be carried out to investigate the multidimensional nature of engagement and product knowledge on consumer buying behavior.

Cowley and Andrew (2013) look at how variations in the organization of product information and knowledge between varying information customers influence which products are extracted when presented with a usage situation. An experience propagating stimulation network model is used to anticipate the experiments' results in which the utilization conditions at encryption and repetitive retrieval meetings were differentiated. As a result, notwithstanding the utilization circumstances at the time of collection, lower knowledge customers appear to fetch a certain product set. On the other hand, greater cognitive customers understand brand information applicable to various usage situations and coordinate this knowledge by product subtypes. This enables higher-knowledge customers to collect the products that are suitable for the utilization situation at the moment of extraction and to transform the array of recovered products as the user situation changes.

Marriados et al., (2014) reveal the interaction between a seller's product knowledge, social analytics behavior patterns, and performance is modeled and tested in this study. Furthermore, the study investigates how the use of a sales team technology model by a salesperson affects the social analytics behavior patterns and performance relationship. According to our framework and statistical findings, a seller's product knowledge affects productivity indirectly through social analytics behavior patterns, and that salesperson SFA use moderates these independent effects. The findings show that the unexpected causal effect of salesperson product knowledge on sales performance via SCIB diminishes as SFA use increases and increases as SFA use decreases.

Sangtani and Murshed (2017) provided insight and evaluated a contingency-based model that explains how salespeople's product knowledge: brand and product attributes (PBK) and rival firms' product and brand knowledge (CPBK) and enthusiasm affect salesperson effectiveness. The hypotheses are tested using data collected from 185 car dealers in the Southeast United States. The findings highlight the general effects of PBK, CPBK, and their combined effects. Besides this, the positive effect of CPBK on salesperson performance is diminished when enthusiasm is high. The enthusiasm for PBK interplay, on the other hand, was not supported. There is a scarcity of research on the impact of salespeople's product knowledge. By disaggregating salespeople's product knowledge and the connection of product knowledge enthusiasm, this research identifies the complex nature of product knowledge, whose complicated ripple effects cannot be revealed by a global level conceived conceptualization. This study separates salespeople's domain-specific product knowledge from the more theoretical theory of salespeople's information. The emphasis on how PBK and CPBK work together to improve performance is novel.

At the Meikarta Project, Bysella, Lopian, and Tumbuan (2018) investigated the impact of product knowledge, promotional activities, and price on customers buying behavior, either sequentially or indirectly. A multiple linear regression model was used in the study. The population of the study consisted of 60 respondents from the city of Manado. The findings indicate that product knowledge, promotional activities, and price all have a combined and partial effect on consumer buying decisions. To incentivize customers buying decisions, Meikarta Group Management should raise the value of product characteristics by achieving better knowledge, promotional activities, and price.

Chang and Huang (2019) examined how customers' nutritional supplement knowledge and risk perceptions influence their behavioral patterns for word-of-mouth in nutritional supplement purchasing decisions. 370 questionnaires were administered to shoppers of retail outlets selling Ganoderma dietary supplements using a selected cluster methodological approach, with 314 questionnaires scientifically justified for regression techniques. The causative structural relationship between customers' product knowledge, perceived risk, and subsequent word-of-mouth behavior was investigated using linear structural equation modeling (SEM). According to the findings, customers' subjective product knowledge has a higher overall effect on the relative of word-of-mouth search.

Elysa and Indriyani (2020) conducted a study to determine the impact of product knowledge on brand loyalty and the influence of purchase behavior on Tupperware products' brand loyalty for the Surabaya market. The study is using a quantitative method and collects a dataset of Surabaya housewives. Questionnaires were administered to 150 people to gather information. There are only 102 valid surveys. The data were processed using SPSS. The results indicate that product knowledge influences brand loyalty and product involvement influences Tupperware products' brand loyalty among Surabaya, Indonesian homemakers.

The empirical literature reviewed shows that there is a need to further investigate how salespersons' product knowledge affects firm performance in the manufacturing industry. The manufacturing sector's choice was influenced by the fact that most of the study on product knowledge has been conducted in the services industry (Elysa & Indriyani, 2020; Chang & Huang, 2019; Bysella et al., 2018; Sangtani & Murshed, 2017). Based on the above discussions, the following hypotheses were formulated;

**H01:** Subjected product knowledge does not significantly affect firm performance

**H02:** Objective product knowledge does not significantly affect firm performance

**H03:** Experienced product knowledge does not significantly affect firm performance

## **2. Materials and Methods**

### **2.1. Data collection instrument**

The study employs both descriptive and census designs. The descriptive survey research design was chosen mainly because it comprises a cross-sectional design in relation to which data are collected predominantly by questionnaire. According to Yin (2014), the census design comprises all of the study population that would provide insight into a particular situation and often stresses the experiences and interpretations of those involved. The questionnaire research instrument was used in the study. The seven-scale Likert questionnaire that takes its value from 1= least agreed to 7=mostly agreed was employed in the study.



## **2.2. Participants**

Dangote group of companies would be used as our theatre of study. According to the company 2020 report, the Dangote group is the most capitalized and biggest manufacturing group in Nigeria with branches across. According to their 2019 socioeconomic impact assessment study, the group has 54,005 employees, and it is the highest employer of labor in Nigeria, outside the Federal Government (Dangote cement sustains 54,000 jobs in four African countries, 2020). However, the market department of the group was sampled. The total number of marketers in the firm is 532 direct marketers. The research instrument was distributed through emails from staff members who are part of the marketing department. A total of 311 questionnaires were filled out and considered adequate for analysis.

## **2.3. Analysis**

The test-retest reliability method was employed in the study, and the reliability coefficients of 0.771, 0.824, 0.818, and 0.742 were obtained for product subjected, objective, experienced product knowledge, and firm performance, respectively.

## **2.4. Model Specification**

Predicated on the dynamic capability theory and the assertion of Sangtani and Murshed (2017), the following composite model was proposed;

$$\text{FIRMPERF} = \beta_0 + \beta_1(\text{SUKN}) + \beta_2(\text{OBKN}) + \beta_3(\text{EXKN}) + \mu$$

Where:

FIRMPERF= Employees Efficiency

SUKN= Subjective Knowledge

OBKN: OBKN

EXKN= EXKN

$\beta_0$ = constant term

$\beta_1, \beta_2, \beta_3$ , = Coefficients

$\mu$ = Error term

A' Priori Expectation.

Hinged on the study of Arasa &Githinji, (2014), it is expected that all the dimensions of product knowledge are expected to exhibit a positive relationship with firms' performance.

## **3. Results**

### **3.1. Regression Analysis**

The study sought to find out the effect of specific product knowledge management on firm performance. In table 1, the analysis results model shows the goodness of fit as indicated by the coefficient of determination  $R^2$  with the value of .605. This implies that the independent variables, subjective knowledge, objective knowledge, and experience knowledge, account for 60.5% of the firm's performance variations. 39.5% of variations are brought about by other factors not captured in the objectives. The R (correlation) shows that there is a significant positive relationship between product knowledge and firm performance.

**Table 1**  
*Organizational Performance*

Variable	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	F-Stat	P
Product Knowledge	0.7780	60.5	0.455	46..788	0.003
Durbin Waston		1.79			

The F-statistics result shows reveal the value  $F = 46.777^{**}$ ,  $p = 0.000$ . This reveals that competitive strategy life is a significant and reliable model for explaining organizational performance. The result supports the findings of Arasa and Githinji, (2014), who established that product knowledge has a significant effect on organizational performance.

**Table 2**  
*Dimensions of product knowledge*

	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	B		
Constant	1.442	.512		2.922	0.02
Subjective Knowledge	.322	.102	.316	3.098	0.004
Objective Knowledge	.461	.033	.455	13.788	0.003
Experience Knowledge	.559	.016	.554	34.625	0.000

\* $p < 0.05$

According to the analysis established in table 2, taking all the dimensions of product knowledge (subjective knowledge, objective knowledge, and experienced knowledge) constant at zero, the firm's performance resulting from these dimensions will be  $B=1.458$ . that is, a unit increase in the combination of these dimensions will bring about an increase of 1.458 in firm performance. The results reveal that a unit increase in subjective knowledge will lead to a .322 increase in firm performance while the  $\beta = .316$  shows the direction of the relationship between subjective knowledge and firm performance to be positive and directly proportional. The subjective knowledge t-stat ( $t=3.098$ ,  $p=0.000$ ) reveals that subjective knowledge is a significant predictor of firm performance.

The findings also indicate that a unit increase in objective knowledge will lead to a .461 increase in firm performance while the  $\beta = .455$  shows the direction of the relationship between objective knowledge and firm performance to be positive and directly proportional. The objective knowledge t-stat ( $t=13.788$ ,  $p=0.000$ ) reveals that objective knowledge is a significant driver of firm performance. The result indicates that a unit increase in experience knowledge will lead to a .559 increase in firm performance while the  $\beta = .554$  shows the direction of the relationship between experience knowledge and firm performance to be positive and directly proportional. The experience knowledge t-stat ( $t=34.625$ ,  $p=0.000$ ) reveals that experience knowledge is a significant driver of firm performance.

The t-statistics value reveals that subjective knowledge ( $\beta=.316$   $t=3.098$ ,  $p=0.004$ ), objective knowledge ( $\beta=.455$   $t=13.788$ ,  $p=0.003$ ), and experienced knowledge ( $\beta=.554$   $t=34.625$ ,  $p=0.000$ ), have a significant effect on firms' performance. Therefore, the null hypotheses are rejected.

#### 4. Discussion

The study's specific objectives were to assess the extent to which each of the dimensions of product knowledge affects firm performance. The results reveal that each of these dimensions has a significant effect on firms' performance. The further reveals that experience knowledge is the most significant measure of strategy ( $\beta=.554$   $t=34.625$ ,  $p=0.000$ ) is the most significant dimension of product knowledge affecting firms' performance. It can be inferred that in pursuing better firm

performance, firms should aggressively employ the cost leadership strategy. The findings of this study are consistent with the study of Alkasim and Hilman (2018) who investigated product knowledge of the salesperson should be improved to capture more customers and remain competitive.

According to the findings of this study, product knowledge will drive the salespersons' performance and the firm's revenue. Salespeople's product knowledge is critical for increasing sales drive and performance in FMCG. The findings of this study are in line with those of Mariadoss et al. (2014) who argue that product knowledge has a significant impact on repurchase intent. The presence of positive stimuli received by customers on purchased products will increase their desire to make additional purchases. Sales managers hiring salespeople must understand that salespeople learn from a variety of sources, so salespeople with previous knowledge of the company's products and even the environment in which it operates should be actively sought out for the future benefits of their behavioral patterns. For example, such employees may be able to draw on their prior knowledge and introduce new and creative ways to share it with other members of the sales team. Management teams must inspire creativity that distinguishes salespeople predicated on their levels of market knowledge when it comes to the salesperson onboarding process.

## 5. Conclusion

This study establishes that product knowledge has an impact on firm performance. This reveals the need to examine how the product knowledge of a salesperson could influence the firm's competitiveness and how best the firm should react and behave in a dynamic environment. Furthermore, the study discovers that the relationship between product knowledge and how efficient the salesperson will be in driving the firm's revenue reveals the process by which salesperson knowledge influences firm performance.

The research contributes to a theoretical framework by changing the existing dependent variable and hypothesizing interactions between product knowledge and firm performance; the dynamic capability theory is used. All the dimensions of product knowledge, subject, objective, and experience were significant in firm performance. Therefore, the study recommends that to increase their performance, firms should improve the salespersons' knowledge of their product and motivate them to seek creative ways to drive revenue. It is also pivotal for such firms to employ people with vast experience in promoting their products

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