

Business Performance Measurement: Case of Oriba Rice

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Abstract - In this way, businesses must prepare for change and adapt to new market economy data on the quality of products and services. In this context, they must adapt to the changing environment. The sustainability of the company is often partly ensured by the sales function. The purpose is to sell products or services purchased by the company. Commercial measures must be implemented within the previously defined objectives in accordance with our sales policies. Nowadays, there is a significant development of the commercial function, especially the sales function. It is therefore imperative to give special importance to the sales force in order to promote its efficiency. The sales function is seen as a coordinator between the company and its customers and plays an important role in achieving business performance. To assess the quality of decisions, managers must monitor, measure and manage the business performance of the organization which takes on a critical dimension in all organizations, and its existence depends on efficiency. Any company which wishes to obtain a minimum of results that can guarantee its sustainability and gain market share and at the same time satisfy its customers, must continuously evaluate its commercial performance, and as we have seen throughout this work, evaluation indicators can be an effective tool for measuring business performance.

Keywords - Measurement, Performance, Business Performance, Company, ORIBA.

I. INTRODUCTION

In recent years, we have entered a hypercompetitive world marking the end of captive markets. This requires companies to prepare for changes and adapt to new data from the market economy to the quality of products and services. In this context, the company must adapt to its environment, it must continually listen to its market to achieve the ultimate objective which is the optimization of profit, with significant market shares. The sustainability of the company is often ensured in part by the commercial function. Its objective is to sell products or services purchased by the company. It also allows the goods manufactured by the production apparatus to be sold regularly. Sales action is carried out within the framework of previously defined objectives in accordance with the company's sales policy.

The sales function is also responsible for reporting any information useful for developing the marketing strategy. Currently, we are seeing a major evolution in the commercial function, more particularly the sales function, hence the importance for companies to carry out very precise management of their sales force in order to increase its efficiency. The sales function is considered as a coordinator between a company and its customers, it plays a vital role in achieving commercial performance.

Indeed, in today's competitive environment, the survival of a company necessarily involves improving its performance. The evaluation and monitoring of the commercial performance of companies are activities that have gained a lot of importance in recent years, and have become necessary given the significantly reduced room for maneuver that managers have. The new world economic order increasingly forces companies to make more resources and with fewer jobs. To assess the quality of their decisions, managers must monitor, measure and manage the business performance of their organization. Furthermore, measuring business performance takes on an essential dimension within any organization whose existence depends on efficiency. This work is structured in three parts, namely:

- The first part is devoted to the theoretical and methodological framework: chapter one (1) corresponding to the theoretical framework and chapter two (2) corresponding to the methodological framework.
- The second part of this thesis is dedicated to the analytical framework: chapter three (3) addresses the interpretation of the data collected during our research.

II. THEORETICAL FRAMEWORK

The theoretical framework covers the problem, the research objectives, the hypotheses, the interest of the study, the relevance of the subject and the literature review.

A. Problem

Marketing dictates to companies the paths to follow to reach the final consumer, an often informed, demanding consumer who has a wide choice and who goes through intermediaries to buy the products of companies. The axes of the discipline revolve around the points to which the consumer reacts significantly when it comes to a purchasing decision. That said, the company must provide quality efforts in terms of sales in order to improve its commercial returns, and therefore win more markets. In a context of strong competition, the most effective companies over the long term are those which, beyond defining a clear vision, know how to translate their strategy into an operational action plan, based both on the management of the levers of commercial efficiency and on the measurement of their impact by clear and shared performance indicators.

Beyond the effectiveness of sales forces, reconciling the interests of the company's various interlocutors in terms of commercial efficiency is now a major challenge. Today, it is less about selling a product at any price, regardless of the customer, than about offering a global solution and a personalized offer. At the origin of this change, the commoditization of products and an offer greater than demand, which forces companies to reflect on their competitive added value and to define complex strategies to retain an increasingly well-informed, and therefore more demanding and more "volatile" clientele.

The search for performance in this case, places the measurement of commercial efficiency at the center of the company's interest, to the extent that this practice guarantees the company a follow-up of the achievement of objectives, but above all a better allocation of resources in this direction. This measurement process involves a certain number of tools; performance indicators represent a solution which allows the company to create a dashboard enabling managers to steer via decision-making on a logical and non-arbitrary basis. To assess their performance, managers can use measurement indicators. Indeed, these indicators will undoubtedly allow for an effective assessment and a relevant analysis of commercial performance. However, poor use of these indicators could lead to inappropriate decisions and would have an impact on commercial performance. In this regard, our work focuses on the evaluation of the commercial performance of a company, focusing on the analysis of commercial performance evaluation indicators. The problem of our research is structured around the following question: What is the ORIBA RICE business performance measurement? And how is it interpreted at ORIBA RICE level. From this main question arise the following sub-questions:

- what are the different indicators for evaluating a company's commercial performance?
- How is the sales function organized and managed within ORIBA RICE? And what is its sales performance?

B. Objectives of the Study

The objectives of the study are structured around a general objective and two specific objectives.

a. General Objective

The general objective of this study is to contribute to the improvement of the commercial performance of ORIBA RICE.

b. Specific Objectives

- Evaluate the commercial performance of ORIBA RICE with a view to highlighting its strengths and weaknesses.
- Propose solutions for better consideration of commercial performance in the company.

C. Research Hypotheses

Our hypothesis is split into two: a general hypothesis and specific hypotheses.

a. Main Hypothesis

ORIBA uses a commercial dashboard as a management control tool for its commercial performance

b. Specific Hypotheses

- **Specific hypothesis 1:**the implementation of a marketing strategy improves the level of commercial performance of ORIBA RICE
- **Specific hypothesis 2:**To measure its commercial performance, ORIBA first determines the quantitative and qualitative indicators

III. METHODOLOGICAL FRAMEWORK

At this level of our analysis, we aim to present the approach that we will adopt in order to meet the information needs. Such as the framework of the study, the delimitation of the study, description of the investigation techniques and data collection to end with the difficulties encountered.

A. Framework of the Study

Any research question defines a universe of objects to which the results of the study must be applicable. This universe can be more or less restricted or more or less well defined by the question asked. However, the first operation consists of specifying as best as possible the restricted universe of objects on which the research is based, that is, the target population. The target population, also called the study population, is composed of distinct elements with a certain number of common characteristics. These elements are the units of analysis on which the information will be collected. The unit of analysis can be constituted by aggregates of different sizes as in our case. According to the research, the units of analysis could also be constituted by families, countries, industries, social facts, etc. Thus, the definition of the target population has a direct influence on the generalization of the results. Our field of study therefore focuses on an agro-food society

B. Delimitation of the Study

From a spatial point of view, our work focuses on ORIBA RICE. In time, our research spans a period of three months, i.e. from April 1 to June 30, 2024.

C. Data collection Techniques

Technique is an approach followed by a researcher to express the results of his research.

a. Documentary Technique

It is one of the key steps in starting a research project. According to this technique, the researcher consults documents from which he extracts factual information or opinions that will serve to support his argument. Also, to carry out this work we consulted official documents, memoirs and specialized works on commercial performance. We also consulted websites providing information on business performance.

b. Interview Technique

Interviewing as an investigative process using a verbal or written communication process to gather information related to the but fixed. Given the confidential nature of company documents, the difficulty of accessing information through documentary techniques motivated our choice of the interview technique. These are the interviews that we will have to carry out with the managers of ORIBA RICE. To collect the information, our interview was conducted by ourselves. It consisted entirely of open-ended questions.

D. Data Processing Instrument

As a data processing tool, we used the synthesis of the information collected.

IV. CONCEPTUAL FRAMEWORK

In this chapter we will define the words and groups of words related to our theme.

A. Measurement

Action of evaluating a quantity according to its relationship with a quantity of the same type, taken as a unit and as a reference: The measurement of time, of lengths.

B. Performance

A performance is a remarkable feat, result or achievement achieved in a particular field, by a person, team, group, animal or machine. A company or an employee is said to be efficient if it is effective, by achieving all its objectives, and efficient, by operating with the appropriate means, at the lowest costs.

C. Commercial

- Relating to trade, who deals with it, who relates to it: Commercial policy. Commercial department of a company.
- Which is executed for an essentially lucrative purpose, to please the widest possible audience: Commercial film.
- Employee belonging to a company providing commercial services.

D. Commercial Performance

The commercial performance of a company, a sales team or a salesperson is measured by evaluating the results obtained in relation to the objectives set, during a given period, whether monthly, quarterly or annually. It is important to distinguish between 2 types of performance: effectiveness and efficiency. The first measures a ratio achieved in relation to an objective while the second, a ratio of the achieved on the means mobilized. In terms of sales, it is generally a question of commercial efficiency. As with other functions, the performance measurement commercial allows to evaluate the performance of the commercial actions undertaken in relation to the objectives set for:

- Identify levers, resources made available, employee involvement, etc.
- Learn to better choose your actions. Know how to calibrate them according to the objectives and the environment (customer, competition, etc.).
- Know how to set SMART objectives that are above all realistic and achievable

Commercial performance is closely linked to commercial efficiency. When we talk about performance, we are talking about doing better, achieving better performance that includes the act of purchasing. It can be defined as the ability of a company to sell more and better its products/services. It can be evaluated through the following KPIs:

a. Turnover

Turnover represents all sales made during a given period. It is an essential indicator for evaluating commercial performance, because it allows us to estimate the income generated by the company's activity. The higher the turnover, the better the commercial performance.

b. Gross Margin

Gross margin is the difference between the selling price of products or services and their cost price (manufacturing costs, purchasing costs, etc.). It is therefore a question of measuring the overall profitability of the company. A high gross margin indicates good commercial performance, because it means that the company makes a significant profit when selling its products or services.

c. Market Share

Market share is used to assess a company's position in its sector of activity. It is calculated by comparing the company's sales volume to that of its sector. A significant market share is often synonymous with good commercial performance, because it demonstrates the company's ability to attract and retain customers in the face of competition.

d. The Conversion Rate

The conversion rate or transformation rate is an indicator that measures the proportion of purchases made in relation to the number of visitors or prospects who have been in contact with the company. It therefore indicates the ability to transform a prospect into a customer, which is a crucial element for commercial performance.

The higher the conversion rate, the more the company has a strong sales process power, the higher its conversion rate.

e. The Average Basket

The average basket represents the average amount spent by a buyer during a purchase. This indicator is essential for evaluating commercial performance, because it allows to measure the value of the transactions carried out by the company. A high average basket means that customers are ready to invest a significant amount during their purchases, which can be linked to the quality of the products/services offered or to the effectiveness of the marketing teams to do cross-selling.

f. Customer Acquisition Costs

Customer acquisition costs include all the expenses required to attract new customers to the company. These include budgets allocated to marketing and advertising. Low acquisition costs imply better business performance, as it means that the company is able to acquire new customers without having to invest large sums in its marketing actions.

g. The Loyalty Rate

The customer loyalty or retention rate measures a company's ability to retain its customers over time. A high loyalty rate is evidence of good business performance! It also highlights the interest that users have in the product offered and the relevance with which a company meets the needs of its customers in the long term.

h. Customer Satisfaction

Customer satisfaction is a key element in judging business performance. It is a measure of the level of customer satisfaction with the products or services they have purchased. High customer satisfaction indicates good business performance because it demonstrates that the company meets the expectations of its customers and manages to convince them to return to it.

i. Branding

Brand image is the perception buyers have of a company and its products. A strong brand image is a sign of a company's good performance. The more positive the brand image is perceived, the more likely the buyer is to make a purchasing decision toward that brand.

j. Innovation

Finally, innovation is an important aspect in assessing a company's business performance, even if it does not directly concern turnover or margins. It shows the company's ability to renew itself and breathe new life into its offerings, which can make a difference in a competitive market.

E. Company

The journey of a business creator is generally marked by an important step: the choice of a structure to carry out his activity. Whether alone or accompanied, he must find a legal status. This is when he will probably hear about the company. A Company is a structure within which several people come together to operate an activity and share profits and/or make savings. They thus pool resources for an economic purpose. This association is materialized by the drafting of a contract. In some cases, however, a company may have only one partner. The civil code gives a definition of the company. Here it is (article 1832): The company is established by two or more persons who agree by contract to allocate to a joint enterprise property or their industry with a view to sharing the profit or benefiting from the economy which may result therefrom. It may be established, in the cases provided for by law, by the act of will of a single person.

The partners undertake to contribute to the losses. To have legal personality, that is to say to exist and be recognized as a person in its own right, a company must request its registration in the trade and companies register (RCS). From then on, it has its own assets. It can therefore own property, get into debt, open a bank account, give commitments, hire employees, sign contracts, incur liability, etc. A company is different from a sole proprietorship. In the latter, the assets of the company and those of the entrepreneur are merged: they are one and the same. The risk of committing one's personal assets is greater within a sole proprietorship, even if the Law has restricted the extent of this liability (primary residence not subject to seizure, declaration of allocation, etc.).

V. ANALYSIS AND INTERPRETATION OF RESULTS, VERIFICATION OF HYPOTHESES

In this chapter, we will present the results from our survey: analyze and interpret them in order to verify our hypotheses.

A. Interpretation of Results

In our empirical case, we opted for a case study on an agri-food company ORIBA RICE. The latter is mainly specialized in the marketing of agri-food products. We will try to illustrate the commercial function of this company, we will also try to evaluate the commercial performance of this company over a period from 2023 to 2024 through the commercial performance evaluation indicators.

B. Evaluation of Customer Satisfaction of the Commercial Function of ORIBA RICE

a. Evaluation of the Company's Commercial Performance

We will present our topic by evaluating the commercial performance of the company ORIBA RICE through quantitative indicators, as well as analyzing the results obtained.

i). Quantitative Indicators

Sales related indicators

They provide numerical values of the dealers' achievements. They come in two forms: sales volume and turnover.

- **Sales volume:** This is the quantity of products sold at a given price, during a given period. In this case, performance is evaluated through the gap between actuals and forecasts. For the year 2013:

Table 1. Comparative Statement of the Volume of Sales Achieved Compared to Forecasts

Designation	Sales 2013		Sales 2014		Sales 2015		Sales 2016	
	Achievements	Forecasts	Achievements	Forecasts	Achievements	Forecasts	Achievements	Forecasts
Rice	9,496	11,254	10,759	13,751	12,482	13,494	10,989	15,264
Tea	4 117	5,215	2,206	5 115	6,294	6,893	2,419	5,043
Total sales	13,613	16,469	12,965	18,866	18,776	20,378	13,408	20 307

Source: Prepared by us from internal company documents.

(P) = Realisations-Previsions

- Year 2013: $13,613 - 16,469 = -2856$
- Year 2014: $12965 - 20378 = -5901$
- Year 2015: $1318, 776 - 20378 = -19059,224$
- Year 2016: $14408 - 20307 = -6899$

From the previous performance indicator we notice that there is an unfavorable gap between the volume of sales achieved and the volume of sales planned from 2013 to 2016, which means that the objective of the unit is not achieved and the sales are insufficient and it is a bad commercial performance.

- **Turnover :** It indicates all the company's revenues through finished products and services made by the company itself and measured by the sales price of a given period. It is determined by the comparison between the turnover achieved and the forecast turnover.

Table 2. Comparative Statement of Sales Achieved in Value Compared to Forecasts (KDA)

Designation	Sales 2013		Sales 2014		Sales 2015		Sales 2016	
	Achievements	Forecasts	Achievements	Forecasts	Achievements	Forecasts	Achievements	Forecasts

Rice	279 415	376 732	286,045	409 239	308 182	380 015	275,970	395 278
Tea	2,799,445	3,095, 111	1,392,876	3,213,6 00	3,673,652	3,918,4 49	1,559,13 4	2,862,0 48
Resales as is	590	0	0	0	0	0	0	0
Services provided	16,903	15,000	16,903	15,000	8,774	25,000	12,388	6,700
Total sales	3,096,35 3	3,486,8 43	1,695,82 4	3,637, 839	3,990,60 8	4,323, 464	1,847,49 2	3,264, 026

Source: Prepared by us from internal company documents.

(P) = Realisations–Previsions

- Year 2013: 3096353 – 3486843 = -390490
- Year 2014: 1695824 - 3637839 = -1942015
- Year 2015: 3990608 - 4323464 = -332856
- Year 2016: 1847492 – 3264026 = -1416534

Through the result of this indicator, we see that the gap between the turnover achieved and the forecast turnover is negative from 2013 to 2016, we deduce that the company has achieved a turnover less than what it has planned. The company has achieved a bad performance.

Trade Margin

- **Market Share:** The market share of a company is a percentage, which is represented by the total sales of the company's products in the entire market, in which it operates. In this case we focus on the market share of the transformer unit since the range of motor products is very wide and since the company ORIBA RICE relies more on rice which generates 70% of the turnover, in addition to that a difficulty in having data on the tea market. It is noted that the company ORIBA RICE occupies the position of leader in the national market of processors with market shares of 74.35% followed by operators import-export and distribution of food products which occupies a challenger position with market shares of 10.73%. It is noted that ORIBA RICE still occupies the leading position in the national processors market in 2016 with a market share of 49.78%, followed by the food products company which occupies a challenger position with a market share of 25.13%. ORIBA RICE's market share has declined compared to 2015 due to the installation of a new direct competitor.

Profitability Indicator

The Profit is the difference between total revenue and total expenditure

- Year 2013: 3610738 - 3182313 = 428425
- Year 2014: 2855831 - 2634844 = 220987
- Year 2015: 3016094 - 2721355 = 294739
- Year 2016: 2795004 - 2647217 = 147787

ii). Control and Evaluation of the ORIBA RICE Sales Force

The sales force is controlled by ORIBA RICE supervisors. In fact, every morning they check whether all sales teams are visiting customers (wholesalers, retailers, supermarkets, etc.) ORIBA RICE sales force control is assessed in two forms:

- **Quality Control :** It focuses on the seller's communication and negotiation characteristics with his customers (his dynamism, the way he presents his product to his customers and defends it against the competition, the sales techniques he uses, etc.)
- **Quantitative Control :** It covers the quantitative results achieved by sellers concerning:

- The number of deliveries compared to the number of orders;
- The number of new customers acquired per month;
- Actual turnover compared with forecast turnover.

These results are compared to the work with other sellers or to the results of the previous year taking into account the economic situation and the efforts of the competition. For this, the company ORIBA RICE has implemented the following methods to facilitate the control of its sales force:

- **The Accompaniment:** The company uses support as a means of control, the sales director or regional directors accompany their salespeople in the field to assess their communication and negotiation skills.
- **The Annual Performance Review:** The company's sales manager organizes a meeting every year-end to evaluate and monitor the work of his salespeople.
- **The Seller Dashboard:** The company ORIBA RICE has used a dashboard that determines the performance and efficiency of each of its salespeople at any time.

C. Verification of Hypotheses

- **Specific Hypothesis 1:** The implementation of a marketing strategy improves the level of commercial performance of ORIBA RICE. Indicators provide numerical values of the dealers' achievements. They come in two forms: sales volume and turnover. Performance is assessed through the gap between the achievements and the forecasts of the sales volume. The turnover noted all the company's revenues through finished products and services made by the company itself and measured by the sales price of a given period. It is determined by the comparison between the turnover achieved and the forecast turnover. Specific hypothesis 1 is verified and therefore validated.
- **Specific hypothesis 2:** To measure its commercial performance, ORIBA first determines the quantitative and qualitative indicators. Through the result we see that the gap between the turnover achieved and the forecast turnover is negative from 2013 to 2016, we deduce that the company has achieved a turnover less than what it has planned. The sales force is controlled by ORIBA RICE supervisors. In fact, every morning they check whether all sales teams are visiting customers (wholesalers, retailers, supermarkets, etc.) ORIBA RICE sales force control evaluated in two forms: Qualitative control focuses on the seller's communication and negotiation characteristics with his customers (his dynamism, the way he presents his product to his customers and defends it against the competition, the sales techniques he uses, etc.). Quantitative control focuses on the quantitative results achieved by the sellers. These results are compared to work with other sellers or to the results of the previous financial year, taking into account the economic situation and the efforts of the competition. Specific hypothesis 2 is verified and therefore validated.
- **Main hypothesis:** ORIBA uses a commercial dashboard as a management control tool for its commercial performance. Validating both hypotheses verifies and validates the main hypothesis.

VI. CONCLUSION

The concept of performance in a company and its evaluation are not as easy to grasp as they seem at first glance. Any reflection on the evaluation of the performance of ORIBA RICE. This work to which we have devoted time through these two complementary parts (theoretical and practical), allowed us to get a clear and global idea with regard to the aspects affecting commercial performance in general, as well as that of ORIBA RICE in particular. The theoretical contribution has taught us that the commercial function allows direct contact between the sphere of production and that of consumption, taking charge of the mission of transporting the product as it was required and desired by the market. The sustainability of the company can be ensured by achieving good commercial performance, hence its evaluation is essential because it allows the company to direct its actions and above all reactivate the process in the event of a problem. Performance indicators are measures that represent and identify the progress and weaknesses of a company. It is therefore essential to correctly choose the indicators that will allow us to correct the current situation and plan for the future.

To properly assess the success of a business, one must determine which measures really matter and rank them in order of importance, because using the wrong measures risks providing an incomplete picture, and more

importantly, choosing the wrong key indicators risks giving an unwarranted sense of confidence in the correctness of the direction chosen by the business. Through the practical part, we tried to study the commercial success of the company. For this we established an approach which consists in studying the commercial function of the company ORIBA RICE as well as evaluating its commercial performance, by consulting some internal documents of the company, and some questions addressed to the different managers. For this purpose, the questionnaire developed allowed us to deduce that a significant part of its internal and external clientele is satisfied but it must always be listened to in order to know the motivations and their real needs. We have carried out the analysis of the quantitative indicators of the commercial performance of the company ORIBA RICE and we have reached the following conclusions:

- The company ORIBA RICE is not performing well in terms of achieving objectives related to sales volume and turnover;
- The company ORIBA RICE is efficient in terms of profit realization, commercial margin, so we have noted that it is a leader in its sector of activity at the national level.

In conclusion, any company wishing to obtain a minimum of results guaranteeing its survival and gaining market share, while satisfying its customers, must continually evaluate its commercial performance, and as we have seen throughout this work, evaluation indicators can be a too effective for measuring business performance.

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