

# Application of Marketing Strategies in the Mining Sector for Continuous Growth

**M. M. Manyuchi**

Department of Operations and Quality Management, Faculty of Engineering and the Built  
Environment, University of Johannesburg, South Africa

[mercy.manyuchi@gmail.com](mailto:mercy.manyuchi@gmail.com)

**N. Sukdeo**

Department of Operations and Quality Management, Faculty of Engineering and the Built  
Environment, University of Johannesburg, South Africa

[nsukdeo@uj.ac.za](mailto:nsukdeo@uj.ac.za)

## Abstract

Mining is one of the key sectors that drive the Zimbabwean economy. For mining companies to stay on top of the business it is important that it continuously meet the customer needs and wants through strategic marketing. Several considerations such as evolutions in the marketing era, the 7Ps of the marketing mix, the 4Cs of the consumer mix, the micro and macro environment as well as the PEST analysis must be put into consideration. Successful application of these marketing concepts will result in enriched customer satisfaction in the sector.

**Keywords:** 4Cs, 7Ps, mining sector, PEST Analysis

## 1. Introduction

Marketing is the management process that identifies, anticipates and satisfies customer requirements profitably (Ferrell and Hartline, 2006). In other words it can be defined as 'The right product, in the right place, at the right time, and at the right price' (Wilkie and Moore, 2012). The mining sector is one of the major key contributors to foreign currency in Zimbabwe and it ascertains that it satisfies and meets the customer demands profitably. In the mining business, marketing can be described as: 'Marketing is a social and managerial process by which individuals and groups obtain what they want and need through creating, offering and exchanging products of value with others' (Kotler, 1991).

## 2. Mining as the Industry of Choice

The producers and service providers in the mining sector can stay in business on condition that there is exchange occurring between the customer and the supplier. Each party must feel there is something that might be of value to the other party, each party must be capable of communication and delivery. The mining sector has various aspects which include mining, equipment services as well as training. At the same time the customer who is the user must be able to pay for them to access the service. As the Marketing Executive it is critical that there is clear communication on the benefits of these products and their constant availability when required. It is also important for the user to know that the products are available as per need basis and that the users are allowed to reject them. As the Marketing Executive, it's also important to have a working relationship when both parties are agreeable to it. The Marketing Executive must ensure that the mining sector market, its goods, services, events, experiences, persons and places are up to date. This ensures that the mining sector's brand visibility continues to grow and that users use it as the industry of choice.

#### 4. Key Mining Markets

The mining sector’s key markets selection will be based on modern marketing (Kotler, 2005). The key markets for the mining sector must continually grow so as to realize value from the business. These markets include: Consumer markets, Business markets, International Markets/Global markets and Nonprofit/Government markets.

#### 5. Evolution of the Mining Sector Marketing Era

The evolutions of the mining sector marketing strategies will result in having a trajectory growth resulting in customer satisfaction (Kotler and Keller, 2009). The mining sector marketing strategy will be based on various marketing philosophies which include: production, sales, marketing and societal. A summary of the marketing philosophies to be adopted are shown in Table 1.

Table 1: Summary of the mining sector adopted marketing philosophies

| Orientation             | Key Ideas  | Examples   |
|-------------------------|--|--|
| Production              | Focus on efficiency of internal operations – if we make it, they will buy it                                 | Increased mineral production for exports solar lamps.  |
| Sales                   | Focus on aggressive sales techniques and believe that high sales result in high profits                      | Increased sales/exports of value added Minerals  |
| Marketing               | Focus on satisfying customer needs and wants while meeting objectives - if they will buy it, we will make it | Increased marketing minerals locally and internationally   |
| Societal (Relationship) | Focus on satisfying customer needs and wants while enhancing individual and societal well-being              | Enhanced production<br>Increased enrolment of needy students<br>Increased corporate social responsibility in country |

#### 6. The Mining Sector Marketing Mix

In the modern day marketing, the marketing mix is based on the seven principles which are product, price, packaging, people, price, place and promotion (Modiariesis, 2006). These are the principles that will be adopted to drive the mining sector strategy. The mining sector’s increased strategic marketing will be dependent on the seven principles (7Ps) which are explained in Table 2.

Table 2: The Mining Sector adopted 7Ps market mix

| Principle   | Explanation   |
|-------------|---|
| Product     | The item or service you offer   |
| Place       | Distribution channels where a consumer can get access                         |
| Price       | Enough to make a profit and not too much for the market to bear               |
| Promotion   | How you communicate the existence of your product or service and its benefits |
| People      | Staff and customers   |
| Positioning | Brand or corporate identity   |
| Packaging   | Brand packaging   |

#### 7. Mining Sector Customer Mix

The increased strategic marketing strategy for the mining sector will also depend on the 4Cs consideration for the customer which is customer solution, customer cost, convenience and communication (Gabrielli and Balboni, 2010). The application of these 4Cs for the strategic marketing of the mining sector as illustrated in Figure 1.



Figure 1: The 4Cs applicable in the mining marketing mix (Smalley, 2017)

## 8. Mining Sector Marketing Core Concepts

The mining sector strategic marketing will be based the core marketing concepts which include the needs, wants and demands of the user, value satisfaction and market planning. The core concepts are summarized in Table 3.

Table 3: Strategic core marketing concepts for the mining sector

| Core Concept                              | Explanation  |
|---|--|
| Needs, wants, and demands                 | Full understanding of the customer and can be achieved through a market study  |
| Target markets, positioning, segmentation | Market segmentation will continually indicate the various points of entry  |
| Offerings and brands                      | Continuous improvement and marketing of the mining sector and its unique value proposition   |
| Value and satisfaction                    | Continuous product and service improvement to enhance customer satisfaction  |
| Marketing channels                        | Continuous markets expansions and distribution throughout the country and international partnerships   |
| Supply chain                              | Continuous supply and ensure adoption of the mining sector products and services by the mining sector customers worldwide  |
| Competition                               | Continuous product and service improvement taking consideration of local and international competition that may arise from other telecommunications industry players |
| Marketing environment                     | Continuous scanning of both the micro and macro environment for adoption of efficient marketing strategies   |

|                    |   |
|--------------------|---|
| Marketing planning | Develop short term and long term strategic marketing strategies so as to continually improve the quality of services and products |
|--------------------|---|

## 9. Factors Affecting Mining Sector Marketing Decisions

### 9.1 Marketing strategy factors for consideration

The mining sector marketing decisions is based on the social, natural, economic, technologic, political and legal, competitive and external environmental factors (Julian, 2014). A summary of the factors affecting the mining sector strategic marketing are indicated in Figure 2.

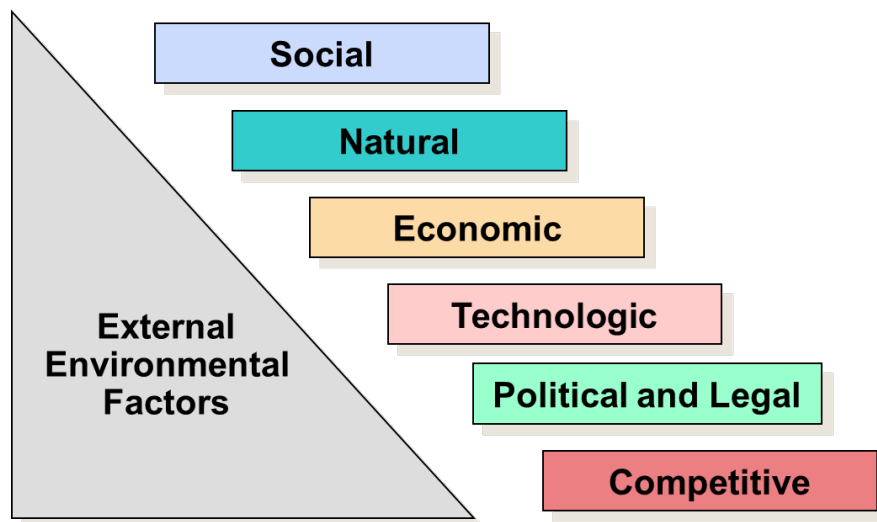


Figure 2: Factors affecting the Mining sector marketing considerations

### 9.2 Mining sector marketing environment

The strategic marketing of mining sector's goods and services will depend on the micro environment and the macro environment. The microenvironment forces close to the company that affect its ability to serve its customers. This includes the mining sector's company internal environment, customers, competitors and the public. The macro environment refers to the large societal forces that affect the whole microenvironment and these include demographics, economic, natural resources.

## 10. Mining Sector Pest Analysis

The PEST analysis is an acronym that refers to the political, economic, social and technological (PEST) that can affect the organization's external performance (Sammut-Bonnici and Galea, 2015). Political factors that can affect the performance of the mining sector include: monopolies legislation, environment protection laws, taxation policy, employment laws, government policy and legislation. The economic factors that affect the mining sector strategic marketing include inflation, employment, disposable income, business cycles and energy costs. In addition, socio-cultural factors also have an impact on the mining sector performance and these include: demographics, distribution of income, social mobility, life changes, consumerism and levels of education. Lastly, technological factors such as new discoveries and innovations, speedy of technology transfer, rate of obsolescence, internet and information technology have a huge impact on the mining sector growth.

## 11. Development of a 5-Year Marketing Plan

An overall 5-year marketing plan will then need to be developed for the trajectory growth of the mining sector in the long term. During the development of the marketing plan the following factors must be put into consideration: Market Analysis, Company Analysis, Determining the Goals, Determining the Strategies, Determining the Tactics and Control.

Under market analysis, the customer, competition and structural analysis are of utmost importance. This is then followed by the SWOT analysis: Strengths (internal), Weaknesses (internal), Opportunities (external) and Threats (external) so as to identify ways that the mining sector can grow and be the best service provider in Zimbabwe.

## 12. Conclusion

The mining sector is one of the major contributors to the economy. Continuous implementation and improvement of the strategy marketing for the various units in the mining sector will result in enhanced customer satisfaction and service delivery.

## Acknowledgements

University of Johannesburg is acknowledged for funding this work.

## References

- Ferrell, O. C., and Hartline, M. D., *Marketing Strategy*. Mexico, D. F.: Cengage Learning, 2006.
- Julian, C., *Research Handbook on Export Marketing*. Edward Elgar Publishing, 2014.
- Gabrielli, V., and Balboni, B., SME Practice towards Integrated Marketing Communications. *Marketing Intelligence and Planning*, vol. 28 (3), pp. 275-90, 2010. <http://dx.doi.org/10.1108/02634501011041426>
- Kotler, P. and Keller, K. L., *Marketing Management*, Pearson Education International, London, 2009
- Kotler, P., *Management Marketing*, Editor Teora, Bucuresti, 2005.
- Kotler, P., *Marketing Management*, 7th Edition, Prentice-Hall, Englewood Cliffs, 1991.
- Modiaresis, K., The Marketing Mix Revisited: Towards 21st Century Marketing. *Journal of Marketing Management*, April 2006, 22, vol. 3-4, pp. 439-450, 2006.
- Sammut-Bonnici, T., and Galea, D., *PEST Analysis*. 10.1002/9781118785317.weom120113, 2015.
- Smalley, T., *What are the 4CS of Marketing*, Aug 21, 2017 | [Marketing](#), [Product Marketing](#), 2017.
- Wilkie, W. L., and Moore, E. S., Expanding our Understanding of Marketing in Society. *Journal of the Academy of Marketing Science*, vol. 40 (1), pp. 53-73, 2012.

## Biographies

**Mercy Manyuchi** is a Professor in Chemical and Metallurgical Engineering at the University of Johannesburg in South Africa. She holds a Doctorate Degree from Cape Peninsula University of South Africa, a Master of Science Degree from Stellenbosch University and a Bachelor of Engineering Honours Degree from Zimbabwe. Her research interests are in waste to energy technologies, value addition of waste biomass and mining waste, engineering management and renewable energy technologies.

**Nita Sukdeo** is the Head of Department for the Department of Operations and Quality Management, in the Faculty of Engineering and the Built Environment at the University of Johannesburg.