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*Dedicated to the never-ending love of my parents.....*

# Acknowledgments

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Special thanks to Mr. Sadiq Sultan, CEO Chinar Mineral Processing Mills, who assisted me at his best, whenever I sought help.

**DEVISING MARKETING STRATEGY**

**OF**

**CHINAR MINERALS**

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## CHINAR MINERAL PROCESSING MILLS

Chinar Mineral Processing Mills is a business to business manufacturing concern using the cutting edge technology for grinding micro powders. Our goal is to achieve customer satisfaction through excellence in highest quality manufacturing, supply chain management, vertical integration, providing end to end solutions to our channel partners and valued clients. Through our culture, drive and the expertise of each individual employee, we are uniquely positioned to provide best-in-class micro powders to a global customer base.

We understand the needs of our clients and recommend one window solutions. We are committed to highest quality manufacturing of micro powders by exceeding customers' expectations through quality innovation, supply chain management and value creation.

We aim to be the market leader, become the industry recipe of micro powders and strive for continuous quality improvements to provide all our stakeholders with highest returns. We endeavor to achieve, sustain and enhance customer's satisfaction by continually improving the quality of manufacturing through TQM (Total Quality Management) and team work of all channel partners.

### **TIERS:**

We have got four tiers depending upon the consumption patterns of our clients.

- *Bronze Tier* ( >50 Tons / Month)
- *Silver Tier* (50-100 Tons / Month)
- *Gold Tier* (100-200 Tons/ Month)
- *Diamond Tier* (200+ Tons / Month)

Our company *Credit Policy* and *Pricing Strategy* are determined by looking into the consumption patterns of our valued clients. Promotional discounts are also offered when our customers shift from a lower tier to an upper tier.

We have established a whole production chain, the products cover micro powder grinding mill, high pressure grinding mill, European version coarse grinding mill, hammer crusher, jaw crusher, screw conveyor, bucket elevator and so on. They are widely used in the industry of mining, construction materials, chemicals, metallurgy, transportation and hydraulic engineering. We independently use HGM micro powder grinding mills, which are renowned widely in Eastern Europe, Middle East, Africa, South Asia, Southeast Asia, Oceania, and America.



**PRODUCTS:**

**Calcium Carbonate & Chalk**

<b><u>Product Name</u></b>	<b><u>Mesh Size</u></b>
<b><u>CM-04</u></b>	<b><u>400 Mesh</u></b>
<b><u>CM-06</u></b>	<b><u>600 Mesh</u></b>
<b><u>CM-08</u></b>	<b><u>800 Mesh</u></b>
<b><u>CM-10</u></b>	<b><u>1000 Mesh</u></b>
<b><u>CM-15</u></b>	<b><u>1500 Mesh</u></b>
<b><u>CM-20</u></b>	<b><u>2000 Mesh</u></b>
<b><u>CM-25</u></b>	<b><u>2500 Mesh</u></b>
<b><u>CM-30</u></b>	<b><u>3000 Mesh</u></b>

**Talcum**

<b><u>Product Name</u></b>
<b><u>Talc-Fine</u></b>
<b><u>Talc-Super</u></b>
<b><u>Talc-Super fine</u></b>

## **Technology In Use**

### **HGM-80 Mill**

1. Grinding machine for mining, ore, chemical and construction, etc.
2. High fineness. Ultrafine grinding 325-2500mesh(47-5um) adjusted.
3. Long lifecycle of spare parts. The ring and roller are forged by special material with high utilization.
4. High safety and reliability. As no rolling bearings or screws in grinding cavity, there are no problem caused by bolts shedding or rapid wear of bearings and seal components.
5. Environment-friendly. Application of pulse bag filter & muffler greatly alleviates dust pollution and noise.
6. Advanced intelligent speed control device. Convenient adjusting, uniform particle size.
7. Capable of producing 1-2 Tons/hour of desired product.

### **HGM-100 L Mill**

1. The latest addition in our grinding mill technology which will increase the production capacity of the business.
2. HGM-100 L is capable of producing 6-9 tons/hour of desired product.
3. High fineness. Ultrafine grinding 400-3000mesh adjusted.
4. Advanced intelligent speed control device. Convenient adjusting, uniform particle size.

### **Coating Machine**

1. Another addition in the business which will enable us to increase the number of products produced.
2. This Machine is capable of producing 2-4 tons/hour of desired product.
3. It is mainly used to give coating to a product which makes it ultra fine.

# SWOT ANALYSIS

## STRENGTHS:

### 1. Distribution

Distribution of products is one of the biggest strengths that Chinar Mineral Processing Mills has achieved. It is achieved through directly sending the required products to the customer's door & providing them with the solution of transportation of products.

This practice enables the business to attract more customers & help business to retain its customers.

### 2. Warehouses

Chinar Mineral Processing Mills is working with three major warehouses across Pakistan located at Hattar, Lahore and Karachi.

This step is taken to provide the customers

- the option of quick delivery
- have a look at our products range
- reduced transportation costs

#### **A. Hattar Warehouse**

This warehouse has the capacity to store from 1-2000 Metric Tons & is accessible 24x7.

#### **B. Lahore Warehouse**

This warehouse has the capacity to store from 1000-100,000 Metric Tons & is accessible 24x7.

#### **C. Karachi Warehouse**

This warehouse has the capacity to store from 1000-150,000 Metric Tons & is accessible 24x7.

### 3. Manufacturing Strategies

#### ***Just In Time (JIT)***

- Shipping products such that they arrive at customer's location exactly when needed
- Reduced inventory costs

#### ***Concurrent Manufacturing***

Suppliers schedule their own manufacturing based on shipment needs of the customer

- Reduced inventory costs of the supplier
- Suppliers can engage its own suppliers into JIT system

### 4. Electronic Data Interchange (EDI)

Electronic transmission of data when between buyer and seller to order and maintain product inventory

- Reduced cost of acquiring supplies

### 5. Quality of products

Quality control has helped the business to minimize the rejected products from customers. This Quality control test is conducted thrice a day by getting a sample from the production plant and testing it for

- Mesh size
- Whiteness
- Mineral test

Apart from Internal lab tests, business is required to conduct outsourced tests, which helps business to compare these tests individually for each product to control & enhance the quality.

Our aim is to achieve, sustain and enhance customers' satisfaction by continually improving the effectiveness of quality manufacturing through team work and all channel partners.

CHINAR'S management approach towards our organization is centered on quality, based on the participation of all its members and aiming at long-term success through customer satisfaction.

#### **6. SUPPLY CHAIN STRATEGY:**

- We determine the nature of material procurement, transportation of materials, manufacturing and distribution of product.
- The processes within company are focused to improve efficiency and effectiveness in the supply chain.
- Supply chain strategy includes the collection of the product development, marketing, operations, distributions and services.
- We follow consistency and support between supply chain strategy, competitive strategy, and other functional strategies

#### **7. RELATIONSHIPS:**

As our slogan represents the importance of relationships with our clients. "WE BELIEVE IN RELATIONSHIP". The Business recognize the efforts of whole management team, who have developed relationships not only with our clients but also our vendors.

These relationships helps the business in

- Producing high quality products
- Increase in sales
- Recommendation to new clients
- Cash flows with the clients

## **Weaknesses:**

### **1. Lack of Production Capacity**

Production Capacity plays an important role in meeting the demands of the big clients.

Chinar Mineral Processing Mills has recognized this weakness & is under the process of installation of new additional machinery which will increase the production capacity by 250%.

The New Machinery being installed includes

- HGM-100L
- Coating Machine
- 3 X Auto-Packing Machines

### **2. Customer Support**

Customer support executives for each client has a great impact on building the relationship strong & also causes an increase in the sales.

The company is currently under the process of hiring customer support executives which will help Chinar Mineral Processing Mills in

- Keeping track of special production requests
- Scheduling of demand
- Special production's test results
- Timely communication with the clients
- Cash flow of each client
- Increase in sales from existing customers (Target Oriented)

## Opportunities

### 1. International Market

CHINAR MINERAL PROCESSING MILLS is currently working within the national market & intends to capture the international customers for the improvement of our business. We believe that mining sector of Pakistan has immense potential and Chinar Mineral Processing Mills aims to build image of Pakistan in the international market. As a growing company we have identified a huge potential in exporting Talc/Soap stone in the international market, as the demand for Pakistan's Talc is increasing day by day.

Since the inception of this business Chinar Minerals has developed a brand name nationally and we feel now is the time Chinar Minerals should start looking outwards for exports with the increased installed capacity of (HGM 100 L) Mill and Coating Machines. We need to focus onto international market now. Adding onto it a few foreign companies intends to do joint venture with our company specifically in exporting Talc from Pakistan. We strongly believe in bringing Foreign Direct Investments in Pakistan in the mining sector.

### 2. National Market

Our products are being used by different kinds of manufacturing industries, some of which are as under

- Paints / Coating Industry
- PVC / Plastic Industry
- Artificial Leather Industry
- Paper Industry
- Cable Industry
- Rubber Industry
- Detergent Industry

**VALUABLE CLIENTS:**

- BRIGHTO PAINTS
- HAPPILAC PAINTS
- JAWA PAINTS AND CHEMICALS
- KING FISHER PAINTS
- SIVER SAND PAINTS
- ROYALE PAINTS
- SASSI PAINTS
- ANDREW PAINTS
- NELSON PAINTS
- RAINBOW PAINTS
- NIPPON PAINTS
- OLYMPIC PAINTS
- FEDRAL PAINTS
- PAK ARAB
- JEDDAH PVC & POLYMERS
- SS PLASTICS AND POLYMERS
- GULF PLASTICS
- SERVIS SHOES
- ROADDEX
- PLASCO PVC



## **THREATS:**

### **1. Lack of local machinery**

The business faces lack of local machinery which convinces the business to use of imported machinery. These machineries are highly technical & are imported from china. Usually the machinery is maintained easily but in case of some accidents the machinery needs some parts for repairing purpose which is not easily available within the country.

### **2. Uncontrolled power shortage**

The uncontrolled power shortage causes a great loss in the production capacity and is one of the major problems that most of the industries are facing.

## 7 P's of Marketing



## 1. Product

Chinar Mineral Processing Mills is currently offering the following products

- Calcium Carbonate
- Chalk
- Talcum
- Coated Calcium Carbonate

These products are available in different mesh sizes depending upon the customer's request.

Chinar Mineral Processing Mills has the ability to provide its customers from 200-3000 Mesh sizes. The list of the products are as follows

### Calcium Carbonate & Chalk

<u>Product Name</u>	<u>Mesh Size</u>
<u>CM-04</u>	<u>400 Mesh</u>
<u>CM-06</u>	<u>600 Mesh</u>
<u>CM-08</u>	<u>800 Mesh</u>
<u>CM-10</u>	<u>1000 Mesh</u>
<u>CM-15</u>	<u>1500 Mesh</u>
<u>CM-20</u>	<u>2000 Mesh</u>
<u>CM-25</u>	<u>2500 Mesh</u>
<u>CM-30</u>	<u>3000 Mesh</u>

### Talcum

<u>Product Name</u>
<u>Talc-Fine</u>
<u>Talc-Super</u>
<u>Talc-Super fine</u>

## 2. Price

We have got four tiers depending upon the consumption patterns of our clients.

- *Bronze Tier* ( >50 Tons / Month)
- *Silver Tier* (50-100 Tons / Month)
- *Gold Tier* (100-200 Tons/ Month)
- *Diamond Tier* (200+ Tons / Month)

Our company *Credit Policy* and *Pricing Strategy* are determined by looking into the consumption patterns of our valued clients. Promotional discounts are also offered when our customers shift from a lower tier to an upper tier.

## 3. Place

Chinar Mineral Processing Mills is located in Hattar Industrial Estate, Haripur Pakistan. All the production & business is run from the head office located at the same location.

### ***Head Office:***

Chinar Mineral Processing Mills, Plot No 66, Phase 3, Hattar Industrial Estate, Haripur

Tel: +92-995-617504

### ***Lahore Office:***

Chinar Mineral Processing Mills, Office No 1101, Al-Hafeez Heights, Gulberg 3, Lahore

Tel: +92-42-36400922

### ***Karachi Office:***

Chinar Mineral Processing Mills, A/2, Gohar Chambers, C.C Area, Block 7/8, K.E.C.H.S, Near Duty Free Shop,

Shahra-e-Faisal, Karachi

Tel: +92-21-34540038

UAN: 021-111-000-061

#### 4. Promotion

Chinar Mineral Processing Mills understands the importance of the promotion of the organization and its products. Keeping under consideration the organization has always participated in provincial and national exhibitions and will be able to participate in Asia exhibition and worldwide exhibition shortly. Some of the exhibitions, organization has participated in are

#### MADE IN KPK PAK CHINA CENTER ISLAMABAD



**PAKISTAN COATING SHOW 2017 LAHORE**



**ALL PAKISTAN BUILDERS AND DEVELOPERS EXPO KARACHI**





**COATING SHOW KARACHI EXPO CENTER**





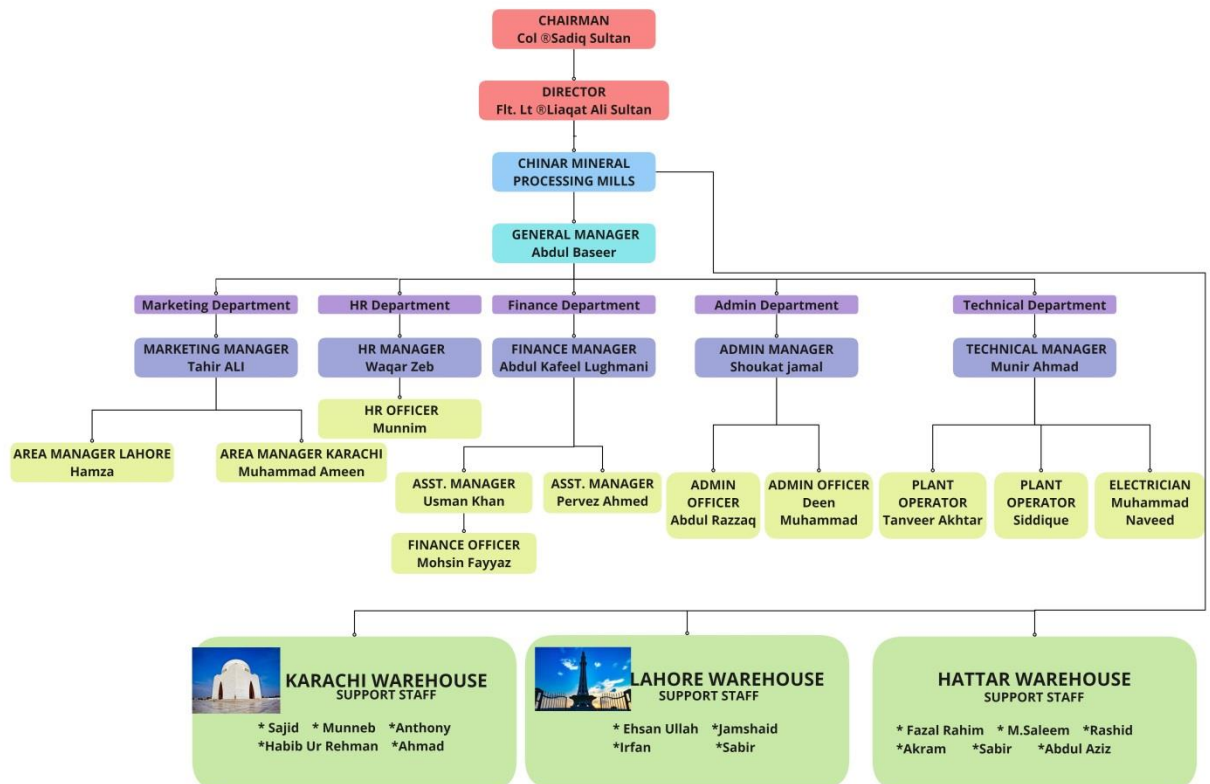
**MINES AND MINERALS EXPO KARACH**



## 5. People

Chinar Mineral Processing Mills has always considered its members as assets instead of workers. The organization focuses on empowering the people and expects them to make work related decisions in such a way that maximizes the production.

To help control the use of power each department manager is responsible to control the decisions and are time-to-time trained to minimize misuse of empowerment.



## 6. Processes

Chinar Mineral Processing Mills has implemented departmental processes & SOP's for each department to follow. Departmental Managers are supposed to provide weekly and monthly reports about how well their team is following the processes & how successful has these processes been in their work. Monthly managers meetings are conducted to discuss any loopholes, their consequences & the action required to overcome those loopholes.

## **7. Physical Evidence**

Chinar Mineral Processing Mills is providing physical goods to its customers in the form of packed goods. The product is sent directly to the customer and is confirmed after receiving the physical packed goods & transactions are completed later.

## **Relationship Marketing**

Chinar Mineral Processing Mills believes on relationship marketing instead of sales. We value the long-term relationship instead of sales.

This long-term relationship has helped us & will continue to help in future in retaining the customers. We are focused about how each customer/organization is treated in the transactions, what benefits we can provide to the customer directly & how smoothly the transactions can take place.

Relationship marketing differs from other forms of marketing in that it recognizes the long term value of customer relationships and extends communication beyond intrusive advertising and sales promotional messages.

With the growth of the internet and mobile platforms, relationship marketing has continued to evolve as technology opens more collaborative and social communication channels. This includes tools for managing relationships with customers that goes beyond demographic and customer service data. Relationship marketing extends to include inbound marketing efforts, (a combination of search optimization and strategic content), PR, social media and application development.

Relationship marketing mainly involves the improvement of internal operations. Many customers leave a company not because they didn't like the product, but because they were frustrated with the customer service. If a business streamlines its internal operations to satisfy all service needs of their customers, customers will be happier even in the face of product problems.

### **Approaches**

#### ***Satisfaction***

Relationship marketing relies upon the communication and acquisition of consumer requirements solely from existing customers in a mutually beneficial exchange usually involving permission for contact by the customer through an "opt-in" system. With particular relevance to customer satisfaction the relative price and quality of goods and services produced or sold through a company alongside customer service generally

determine the amount of sales relative to that of competing companies. Although groups targeted through relationship marketing may be large, accuracy of communication and overall relevancy to the customer remains higher than that of direct marketing, but has less potential for generating new leads than direct marketing and is limited to Viral marketing for the acquisition of further customers.

### ***Retention***

A principle of relationship marketing is the retention of customers through varying means to ensure repeated trade from preexisting customers by satisfying requirements above those of competing companies through a mutually beneficial relationship. This technique is counterbalancing new customers and opportunities with current and existing customers as a means of maximizing profit and counteracting the "leaky bucket theory of business" in which new customers gained in older direct marketing oriented businesses were at the expense of or coincided with the loss of older customers. This process of "churning" is less economically viable than retaining all or the majority of customers using both direct and relationship management as lead generation via new customers requires more investment.

## **Direct Marketing**

Chinar Mineral Processing Mills uses its direct marketing strategy to attract new customers. Our business development executives & officers approaches different national organizations and represent them our products with the best prices offered according to their required tiers.

This step is followed by free sampling of requested product alongside lab reports. Our direct marketing approach has helped the organization in gaining a great name in the market.

Direct marketing is attractive to many marketers because its results, positive or otherwise, can be measured directly. For example, if a marketer sends out 1,000 solicitations by mail and 100 respond to the promotion, the marketer can say with confidence that campaign led directly to a 10% conversion. This metric is known as the 'response rate', and it is one of many clearly quantifiable success metrics employed by direct marketers. In contrast, general advertising uses indirect measurements, such as awareness or engagement, since there is no direct response from a consumer. Measurement of results is a fundamental element in successful direct marketing.

One of the other significant benefits of direct marketing is that it enables promoting products or services that might not be known to consumers. Products or service with a sound value proposition, matched with an attractive offer, supported with effective communication, delivered through a suitable direct marketing channel and targeting the relevant customer segment can result in a very effective cost of acquisition. Relative to other channels of distribution (say retailing) direct marketing as a practice principally relies on the proposition, offer, communication, choice of channel and the target customer and so less dependent on the brand strength.

## **Customers Gained Through Direct Marketing**

- BRIGHTO PAINTS
- HAPPILAC PAINTS
- JAWA PAINTS AND CHEMICALS
- KING FISHER PAINTS
- SIVER SAND PAINTS
- ROYALE PAINTS
- SASSI PAINTS
- ANDREW PAINTS
- NELSON PAINTS

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## **Community Marketing**

Chinar Mineral Processing Mills recognizes the efforts required to make its name in the community. For this purpose, Chinar Mineral Processing Mills has actively participated in the national & International expos.

Alongside these expos Chinar Mineral Processing Mills has registered memberships with

### **Memberships with Business Councils**

- a) Pakistan-USA Business Council
- b) Pakistan-Russia Business Council
- c) Pakistan-China Business Council
- d) Pakistan-Iran Business Council
- e) Pakistan-japan Business Council
- f) Pakistan-USA Business Council
- g) Pakistan-Germany Business Council
- h) Pakistan-USA Business Council
- i) Pakistan-Saudi Arabia Business Council
- j) Pakistan-UK Business Council
- k) Pakistan- Business Council

- l) Pakistan-Afghanistan joint Chamber of Commerce
- m) Hazara Chamber of Commerce
- n) Karachi Chamber of Commerce
- o) Pakistan Grinding Mills Association

These memberships have helped us in representing Chinar Mineral Processing Mills in the international market and helped us in making relationship with international organizations for future business.

Community marketing is a strategy to engage an audience in an active, non-intrusive prospect and customer conversation. Whereas marketing communication strategies such as advertising, promotion, PR, and sales all focus on attaining customers, Community Marketing focuses on the perceived needs of existing customers. This accomplishes four things for a business:

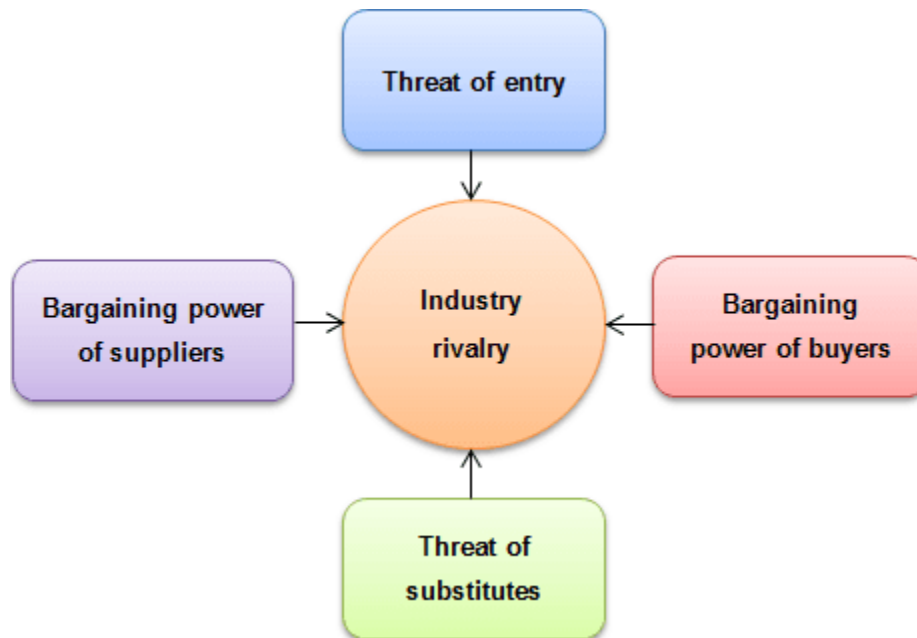
- Connects existing customers with prospects
- Connects prospects with each other
- Connects a company with customers/prospects to solidify loyalty
- Connects customers with customers to improve product adoption, satisfaction, etc.

There are two types of community marketing:

- Organic or natural marketing occurs without the assistance of the company. Organic marketing is word-of-mouth marketing and is one of the most effective marketing methods
- Sponsored community marketing is promoted by company through activities like investments in the local community improvement initiatives or corporate social responsibility.



## Porter's Five Forces Model



### 1. The threat of entry:

There are a few number of competitors who are currently stepping into the mining business and are under the process of installation of machinery. This threat can be taken care by the pricing strategy of our product.

New entry competitors mostly are unable to convince the big companies for their product as the big name companies do not compensate on the quality of product nor can risk it on a new entrant.

New Entrants can enter from any industry, channel, function, form or marketing activity

### 2. Supplier power:

Suppliers although have a very important role but in mining business as Pakistan holds huge amount natural resources at different locations of Pakistan suppliers have very less power to become a threat or to have an impact on the production of the organization.

Chinar Mineral Processing Mills has always kept a back-up plan for its suppliers so that it cannot disturb the production process & to get the best price available in the market.

### **3. Buyer power:**

Our products are used in different industries due to which the buyer has a little power. They need our product on regular basis for non-stop production. Following are the industries in which our products are currently used;

- Paints / Coating Industry
- PVC / Plastic Industry
- Artificial Leather Industry
- Paper Industry
- Cable Industry
- Rubber Industry
- Detergent Industry

Even though there are a number of suppliers who are providing calcium carbonate, chalk, talcum and coated calcium carbonate, the buyers mostly do not change their supplier as they cannot risk in changing their formula & quantities of components.

### **4. Threat of substitutes:**

So far technology has been unable to provide a substitute of calcium carbonate, chalk & talcum for the mentioned industries.

### **5. Competitive rivalry:**

All the four forces may come together to produce this force. All the resources at a company's disposal may be put in to maintain market shares and sales.

## "SURVEY QUESTIONNAIRE"

Good day!

Thank you for letting us to communicate with you. This is a general survey questionnaire about your company and its consumption pattern of **Calcium Carbonate, Chalk** and **Barite** which shall help **Chinar Mineral Processing Mills**, better identify your **need** and understand utilization of the product and its specifications in the industry in general.

**NAME:** \_\_\_\_\_ **COMPANY** \_\_\_\_\_

1) What kind of calcium carbonate is used in your company?

- Coated                       Non-coated / Grounded GCC                       Precipitated

2) What Micron / Mesh size of calcium carbonate is used by your company?

- 400     600     800     1000     1500     2000     2500     2500+

3) What is the total monthly consumption of calcium carbonate of your company (Tons)?

- 0-30     30 - 60     60-100     100-120     150     200+     N/A

4) What micron size of Chalk is used by your company?

- 400                               600                               N/A

5) What is the monthly consumption of Chalk in your company (Tons)?

- 0-30     30 - 60     60-100     100-120     150     200+     N/A

6) What is the monthly consumption of Talc of your company (Tons)?

- 0-30     30 - 60     60 - 100     100 - 120     150     N/A

7) Have you ever used Chinar Mineral Processing Mills Products?

- Yes                               No

Do you wish to take leverage of Chinar Mineral Exploration's vast mining experience?

- Yes                               No

If yes please provide your official email address \_\_\_\_\_.

Do you wish to get calcium carbonate / chalk samples delivered to you?

- Yes                               No

If yes please mention

Product Name \_\_\_\_\_ Micron / Mesh size \_\_\_\_\_