

Analyzing the Problems and Improvement Strategies Existing in Coal Sales

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Abstract: In the wave of profound changes in the energy industry, this paper discusses in depth the reasons for the weakness of the coal market and the current status quo, pointing out that coal enterprises are faced with the core problems of single sales channel, high sales costs and lagging sales concepts. Aiming at these challenges, the paper proposes a multi-dimensional improvement strategy that includes market expansion, setting up advanced sales concepts, strengthening internal control, optimizing market layout and establishing a comprehensive performance appraisal system. The aim is to enhance the market competitiveness of coal enterprises and promote the healthy and sustainable development of coal sales industry through comprehensive measures.

Keywords: Coal sales; Problems; Improvement strategies

Introduction

Under the background of global energy transformation and increasingly tightened environmental protection policies, the coal market is experiencing profound changes. The weak market demand, the intensification of price fluctuations and the competitive pressure of emerging energy sources make coal enterprises face unprecedented challenges in the sales process. This paper will start from the current situation of the coal market, deeply analyze the main problems existing in the sales process of current coal enterprises, and explore effective solution paths. Through in-depth analysis, it aims to provide practical and feasible strategic recommendations for coal enterprises to help them make progress in the complex and changing market

environment and realize sustainable development.

1. Reasons for the Weak Coal Market and the Current Situation

In recent years, the coal market has encountered unprecedented challenges, mainly stemming from the severe situation of supply and demand imbalance. On the one hand, the continuous overcapacity of the coal industry, coupled with the impact of new energy in some areas and the large number of purchases of imported coal, has intensified the pressure of market supply; on the other hand, the slowdown of the global economic growth rate and the adjustment of the domestic industrial structure have led to changes in the structure of energy consumption, with a significant decline in the demand for coal, in particular, the lack



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of start-ups in the traditional coal-consuming industries such as iron and steel, electricity, etc., which has further compressed the space of the coal market. This status quo not only exacerbated the intensity of competition within the coal industry, but also forced enterprises to compete for market share through price wars, resource scrambling and capacity constraints have become the norm, and the operating costs of enterprises continue to rise, while profit margins have been seriously squeezed. What is more serious is that the change of the general environment has become a common problem for coal enterprises. The adjustment of the global economic structure, the transformation of the energy consumption pattern and the increasingly stringent environmental protection regulations have not only restricted the development and utilization of coal resources, but also exacerbated the intensity of market competition. Coal enterprises need to face multiple pressures such as declining market demand, rising production costs and increasing environmental protection inputs, which are intertwined with each other, making the survival and development space of the enterprises severely squeezed, and urgently need to find new growth points and development paths. In such a complex background, coal enterprises also need to cope with the problem of increased pressure on capital liquidity, restricted financing channels, tight capital chain. At the same time, the urgency of technological innovation and transformation and upgrading is highlighted, and the traditional business model is unsustainable, requiring enterprises to accelerate the pace of intelligent and green transformation.

2. Problems of the Current Sales Work of Coal Enterprises

2.1 Single Sales Channel

Chinese coal enterprises, especially state-owned coal enterprises, have long been highly dependent on the sales model of direct sales to large customers. Although this single sales channel simplifies the price management process, its potential risks should not be ignored. Under the direct sales model, coal enterprises sell directly to a few large customers, with limited market coverage and a high degree of customer concentration^[1]. This highly concentrated customer structure makes coal enterprises significantly increase the dependence on large customers, once

these large customers due to changes in the market environment, policy adjustments or changes in their own business strategy to adjust the procurement plan or cooperation intention, the coal enterprise's sales plan will be directly affected, and may even trigger the chain reaction of the production chain, affecting the overall stability of the enterprise's operations. Therefore, broadening sales channels and realizing sales diversification have become an urgent problem for coal enterprises.

2.2 High Cost of Sales

China's coal industry has long been trapped in the high cost of sales, which mainly stems from the complexity of underground mining, the tediousness of the ground operation structure and the heavy burden carried by enterprises. These factors are intertwined and together constitute a heavy yoke on the development of coal enterprises. As the coal market enters a downward cycle, the already high cost problem becomes even more acute. In the fierce market competition, especially the "price war" intensified environment, high cost has become a large number of coal enterprises can not overcome the chasm. It not only seriously compressed the enterprise's profit margin but also greatly limited the flexibility of the enterprise in the price strategy adjustment space, making it difficult for enterprises to quickly make effective response to market changes. The high cost not only weakens the market competitiveness of coal enterprises, but also poses a serious threat to their long-term development. In the pursuit of sustainable development, coal enterprises must face up to and try to solve this stubborn problem, through technological innovation, management optimization, cost control and other aspects of efforts to reduce the cost of goods sold, improve profitability, and move into the future at a more steady pace.

2.3 Inflexible Sales Concept

At present, many of Chinese coal enterprises are still trapped in the "production and sales" of the traditional mindset, this concept ignores the essence of the modern market sales philosophy, that is, market-oriented, flexible response to changes in market demand. Enterprises focus too much on safety, production, cost control and short-term profit maximization, but ignored the cultivation and maintenance of long-term market value. This kind of short-sighted behavior may bring

some market response and profit growth in the short term, but in the long term, it sows the hidden danger of market supply and demand imbalance. As the supply of the coal market gradually exceeds the demand, the competition among enterprises becomes more and more intense, the market penetration gradually weakens, the market order suffers from the impact, and ultimately poses a threat to the healthy development of the entire coal market. Therefore, updating the sales concept and realizing the profound change from “production and sales” to “market-oriented” has become an urgent task for coal enterprises. This means that enterprises need to pay more attention to market dynamics, deeply understand customer needs, and flexibly adjust sales strategies to better adapt to market changes.

3. Improvement Strategies for Coal Sales

3.1 Strengthen Market Expansion and Enhance Brand Influence

Against the background of steady growth of the national economy and accelerated conversion of old and new kinetic energy, the coal industry is facing unprecedented challenges, with limited space for demand growth and a clear downward trend in sales. In order to cope with this severe situation, coal enterprises need to implement market expansion strategy to open up new market growth points. Brand building and market service are the key to market expansion. Coal enterprises should first ensure the quality of coal products, establish brand awareness, and enhance market competitiveness by improving product quality and service level. Construct a new sales model centered on user satisfaction, not only focusing on product delivery, but also paying more attention to the whole chain experience such as pre-sale consultation and after-sale service, to create an all-round and integrated sales service system^[2]. In addition, the construction of an integrated sales system that closely links production, sales, transportation and service will effectively improve operational efficiency, reduce logistics costs and accelerate market response. By deepening the regional market layout and enhancing brand influence, coal enterprises can further expand their market share and enhance the competitiveness of the regional market. Facing the international market, coal enterprises should increase the regulation of high-quality coal exports, optimize the export structure, and

ease the pressure on domestic sales channels. Actively seek international cooperation opportunities, expand overseas markets, realize sales diversification, and inject new momentum for the sustainable and healthy development of enterprises.

3.2 Establish Advanced Concepts and Perfect Market Research

In the face of profound changes in the coal industry, the coal sales management department urgently needs to change its thinking and establish a proactive and flexible market concept. The department should clarify the division of responsibilities and elevate market research to a strategic level as the core basis for leading sales decisions. In-depth market front line, through questionnaires, interviews, data analysis and other methods, to fully grasp the market dynamics, including changes in customer demand, competitors' strategies, policy guidance and other key information. Consolidate cooperation with existing customers and actively explore new markets, tap potential customers, broaden sales channels, and form a diversified customer structure. Strengthen interaction with customers, establish a regular communication mechanism to ensure the smooth flow of information. Through listening to customer feedback, accurately grasp the market demand for product optimization and service upgrades to provide direction. Pay close attention to industry dynamics, enhance sensitivity to market trends, and provide forward-looking guidance for the adjustment of sales strategies. On this basis, combined with the actual situation of the enterprise, we formulate scientific and reasonable sales strategies to ensure that we can meet the market demand and maximize profits at the same time. Through continuous optimization of sales strategy, improve the execution and innovation of the sales team, ensure that the enterprise maintains its leading position in the fierce market competition, and promote the enterprise to achieve sustainable, healthy and stable development.

3.3 Focus on Internal Control and Enhance Market Competitiveness

In the fierce market competition in the coal industry, refined management is not only the key to the external strategic deployment of enterprises, but also the core of internal control. Coal enterprises need to start from multiple dimensions to comprehensively improve

the level of internal management in order to enhance market competitiveness. (1) Focus on corporate image construction. Good corporate image is an important cornerstone to attract customers and win market trust. Coal enterprises should actively shape a positive corporate culture, improve the company's service image and sales team staff image, show corporate vitality and development potential, lay a solid foundation for deepening cooperation. (2) Improve system construction and implementation. Coal enterprises should comprehensively review and optimize various internal management systems, such as the performance appraisal system for sales staff, safety production system, business time limit system, personnel transfer system and after-sales protection system, etc., to ensure that the system is scientific, reasonable and effective. Through the strict implementation of the system, to promote the standardization of enterprise management, process, improve operational efficiency and quality. (3) Promote industrial upgrading and transformation. Coal enterprises should follow the changes in market demand, constantly adjust and optimize the product structure, and improve the quality and variety of coal products to meet the diversified needs of different customers. Strengthen technological innovation and R&D investment, promote the development of the industry in the direction of high-end, intelligent and green, and enhance the core competitiveness of enterprises. (4) Establish a risk warning mechanism. Coal enterprises should attach great importance to risk management, especially financial risk management. Through the establishment of a sound risk early warning system, the potential risks in the process of enterprise operation are monitored and evaluated in real time to ensure that the risks are preventable and controllable. Adhere to the principles of standardized and refined financial management, strengthen internal control and audit supervision, effectively prevent and resolve all kinds of risks, and ensure the sound development of the enterprise.

3.4 Improve the Market Layout and Enhance the Efficiency of Various Links

Led by the refined marketing strategy, the sales work of coal enterprises has ushered in unprecedented changes. The core of this strategy is to realize the scientific layout and efficient operation of the sales

market, completely abandoning the traditional crude production and sales model. Coal enterprises have begun to deeply segment the market, and through accurate analysis of the purchasing power of different customer groups and meticulous prediction of the market demand for coal products, they have formulated a sales strategy that is more in line with the market reality. In this process, the enterprises not only focus on the enhancement of production capacity, but also pay more attention to the optimization of logistics and transportation, cost control and other aspects, and strive to achieve the maximization of overall operational efficiency. In order to realize scientific market deployment, coal enterprises take the key market as the strategic high ground, and concentrate advantageous resources to make key breakthroughs. By strengthening market research, deepening customer communication, optimizing product structure and other measures, the competitiveness of key markets is continuously enhanced, laying a solid foundation for achieving better sales performance. For markets with obvious differences in demand but still with room for profitability, coal enterprises also adopted flexible and diverse marketing strategies, tailored their products and formulated personalized plans to meet market demand. These programs not only take into account the actual needs of customers, but also take into full consideration of the enterprise's production costs, transportation costs and other factors, and strive to protect the interests of the enterprise to achieve maximum customer satisfaction.

3.5 Construct Comprehensive Performance Appraisal to Drive the Sustainable Development of Enterprises

In coal sales enterprises, building a comprehensive performance appraisal system is the key to promoting the effective implementation of internal control. This system should not only comprehensively assess the sales performance of the sales staff, but also incorporate the indicators of internal control into the scope of assessment, such as accounts receivable management, sales volume, coal sales price, payback rate, etc., to ensure that the assessment is scientific and comprehensive. By integrating internal control into performance appraisal, the enterprise can more accurately measure the comprehensive performance of sales personnel, and directly link the evaluation

results with the remuneration of sales personnel, thus stimulating the enthusiasm and innovative spirit of sales personnel. This incentive mechanism prompts the sales staff to be flexible and adaptable in the face of market challenges, and to explore new sales strategies, further enriching the coal sales market and injecting vitality into the sustainable development of the enterprise^[3]. In order to ensure the seriousness and effectiveness of internal control, enterprises should also establish corresponding reward and punishment mechanisms. For the strict compliance with the provisions of the internal control, outstanding performance of the sales staff, should be given recognition and rewards; and for the violation of the provisions of the provisions of the law, damage to the interests of the enterprise, should be resolutely punished, in order to achieve the effect of warning and deterrence, to further standardize the behavior of the sales staff, and to maintain the good order of the enterprise. Constructing a perfect performance appraisal system and strengthening the application of internal control in coal sales enterprises are the key measures to enhance the competitiveness of enterprises and promote benign development.

Conclusion

To summarize, the coal sales industry is in a critical period of transformation, in the face of market

weakness and multiple challenges, coal enterprises need to actively respond to innovation. Through the implementation of market expansion, concept updating, internal control strengthening, market layout optimization and performance appraisal system improvement and other strategies, coal enterprises can not only effectively deal with the current difficulties, but also lay a solid foundation for future market competition. Looking ahead, with the continuous optimization of the energy structure and the continuous promotion of environmental protection policies, coal enterprises need to keep pace with the times and constantly explore new development paths in order to achieve greener, more efficient and sustainable development.

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