

Tlemcen University
Faculty of Economics, Management and Business Sciences

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2nd Year Master Marketing

1. General Introduction to the Industrial Sector

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Introduction to the Industrial Sector

Did you ever wonder, where your smartphone came from? You purchased it from a shop sure, but the shopkeeper purchased it from distributor, the distributor purchased it from the manufacturer. And, the manufacturer produced a final product (your smartphone) from the raw materials. Thus, the manufacturer is the origin of your smartphone.

An industry is a group of organizations involved in producing/manufacturing or handling the same type of product and service.

So, a group of Smartphone manufacturers is known as an industry.



Industry : An Introduction



Industry refers to economic activities concerned with the production of goods, extraction of services and provision of services. Hence we can say that Industries are concerned with:

- * **Production of good** (production of automobiles, electronic equipment, household appliances)
- * **Extraction of minerals** (gold, platinum, iron, steel, coal)
- * **Provision for services** (transport, logistics, health, education...)

There are also **Emerging Industries** (Renewable Energy and Green Technologies, Biotechnologies, Electric Cars..)

Classification of Industries



The classification of industries is made according to the three criteria

1. Raw material

2. Size

3. Ownership

Classification of Industries



1. Raw material

Agro-based industries: These industries use plants and animal-based products as their raw materials. Examples, food processing, vegetable oil, cotton textile, dairy products, and leather industries.

Mineral based industries: Mineral-based industries are based on mining and use 'mineral ore' as raw material. These industries also provide to other industries. They are used for heavy machinery and building materials.

Marine-based industries: Marine-based industries use raw materials from sea or ocean. Examples, fish oil.

Forest-based industries: These industries use raw materials from the forest like wood. The industries connected with forest are paper, pharmaceutical, and furniture.

Classification of Industries



2. Size

Size of industries are measured by how much money is invested, employee count and goods produced.

Small-scale industries: Small-scale industries have less capital and technology invested in them. There is often manual labour noticed here. : Pottery and handicrafts.

Large-scale industries: Large-scale industries are the exact opposite of small-scale industries. Here the capital invested is large and advanced technology is in use here. Ex: Automobiles and Heavy Machinery.

Classification of Industries

3. Ownership



Private sector: Private industries are businesses that are owned and operated by an individual or group of individuals. Ex: Hasnaoui group

Public sector: Public industries are owned and managed by the government. Ex: Saidal

Joint sector industries: These industries are jointly operated by the state and individuals. Ex: Tahlyat Myah Magtaa (TMM)

Cooperative sector industries: Cooperative industries are operated by the suppliers, producers or workers of raw material. Ex: Chak Traditional Oil Mills Artisanal Cooperative