

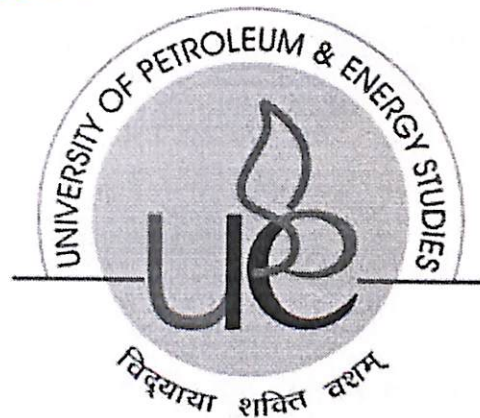
# STUDY OF IMPROVING LUBE SALES THROUGH SERVICE MARKETING AT RETAIL OUTLETS

An Internship report submitted in partial fulfillment of requirements for Intt. BBA  
(Oil & Gas Marketing) + MBA (Oil & Gas Management)

REFERENCE COPY



**IndianOil**

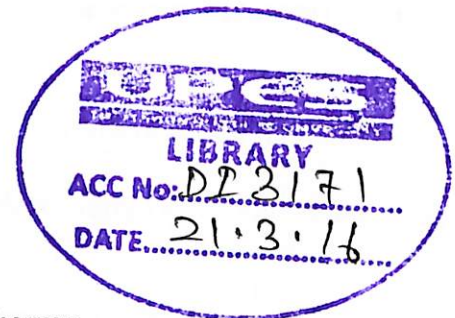


**Submitted To:**

Shri R. C. Tripathi

SRSM(L)

M.P. State Office, Indian Oil Bhawan  
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**Submitted By:**

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Intt. BBA (Oil & Gas Marketing) + MBA (Oil & Gas Management)

**UNIVERSITY OF PETROLEUM & ENERGY STUDIES**

**DEHRADUN**

**July, 2013**

# इंडियन ऑयल कॉर्पोरेशन लिमिटेड

मध्य प्रदेश राज्य कार्यालय

इंडियनऑयल भवन, 16 अरेरा हिल्स, जेल रोड, भोपाल - 462 011

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**Indian Oil Corporation Limited**

**Madhya Pradesh State Office**

IndianOil Bhavan, 16 Arera Hills, Jail Road, Bhopal -462 011

EPABX No. : 0755-2524800, Fax : 0755-2554350



**IndianOil**

**A Maharatna  
Company**

विपणन विभाग

Marketing Division

Ref: MPSO/Lube – R/8

Date: 29.07.2013

## TO WHOMSOEVER IT MAY CONCERN

This is to certify that the following students of University of Petroleum & Energy Studies, Dehradun, have successfully completed eight weeks training under this office as per the details given below on "**Study of improving Lube sales through service marketing at ROs**".

1. **Shri Kushal Singhania** (Integrated BBA Oil & Gas Marketing + MBA Oil & Gas Management) – 28<sup>th</sup> May'13 to 26<sup>th</sup> July'13.
2. **Shri Devanshu Khandelwal** (MBA Oil & Gas Management) - 28<sup>th</sup> May'13 to 26<sup>th</sup> July'13.

The training included product knowledge, channel management, data analysis and visit to Retail Outlets & Garages. Their zeal to learn and dedication to the job assigned have been exemplary.

I wish them all the best for their all future endeavors.

(R. C. Tripathi)  
SRSM(Lubes), MPSO

# MAA DHUMAVATI OIL COMPANY

SOLE & EXCLUSIVE SERVO STOCKIST (AUTO) FOR GWALIOR & CHAMBAL REGION

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Indian Oil

## Letter of Appreciation

We wish to put on record the effort taken by Shri Kushal Singhania recommended by IOC, State Office for interacting with the Retail chain at Gwalior and giving us valuable feedback. The interaction was a part of their Project Work – Study for the increase of the Lube Sales at ROs. The data collected by him was shared with us and we are pleased that we have been given additional pointers for taking care during our future transactions with our Retail Chain. Some more suggestions given by him are of value and are concerning our other departments which shall be brought to their notice for review. The mannerism shown by him during the entire project and based on the feedback received from the ROs we are sure that he shall find success in whatever he undertakes becoming an asset to the organization and employers.

We wish him all the luck and success in his endeavor and life.

For Maa Dhumavati Oil Company

Dated: 26<sup>th</sup> July, 2013**CERTIFICATE**

This is to certify that Mr. Kushal Singhania & Mr. Devanshu Khandelwal, students of University of Petroleum and Energy Studies, Dehradun, pursuing Integrated BBA (Oil and Gas Marketing) + MBA (Oil and Gas Management) & MBA (Oil & Gas Management), have successfully completed Summer Training at Indian Oil Corporation Ltd. MPSO Bhopal, from 28<sup>th</sup> May till 26<sup>th</sup> July, 2013. As part of their curriculum, the project report entitled, '**Study of improving lubes sale through service marketing at RO**', submitted by the students to the undersigned is an authentic record of their original work, which they have carried out under my supervision and guidance.

I wish them all the best.

Shri R. C. Tripathi

SRSM(Lubes)

Indian Oil Corporation Ltd.

16, Arera Hills, Jail Road, Bhopal, M.P. 462011



### ACKNOWLEDGEMENT

This is to acknowledge with sincere thanks for the assistance, guidance and support that I have received during the summer training. I place on record our deep sense of gratitude to the management of **INDIAN OIL CORPORATION LTD.** for giving an opportunity to pursue my summer training. A very special thanks to **Shri R. C. Tripathi**, SRSM(L), M.P. State Office, Indian Oil Bhawan, for his constant advice and support.

I would also like to thank **Mr. V. C. Pal**, Chief Div. Retail Sales Manager. **Mr. Manu Agarwal**, Manager (Lubes Sales). **Mr. Shailesh R. Joshiara**, Dy. Manager, RLS, Bhopal, for their valuable support.

In the end, a sincere thanks to everyone else professionally involved in our internship. I believe our two months tenure at IOCL was a very vivid experience.

Kushal Singhania

Intt. BBA (Oil & Gas Marketing) + MBA (Oil & Gas Management)

University Of Petroleum & Energy Studies

Dehradun.

## EXECUTIVE SUMMARY

This report is the compilation of work done at Indian Oil Corporation Limited as an Intern Trainee wherein I undertook a project which is regarding the study of the potential market of SERVO lubricants, a brand of Indian Oil by introducing new service stations at RO. I studied the costing that will be incurred by introduction of these service stations. Apart from this what effect will it have on the sales of SERVO and customers' agreement on such an idea.

The study based project was completed using primary data, secondary data, and B2B interviews. A complete analysis of findings is compiled and classified into appropriate sub-modules. Various interesting findings from the survey of different RO's, Service stations and vehicle owners are found. Few of them are-

- The RO owners does not put in efforts to increase the sales of lube oil, almost all the ROs have oil changing machine but they do not use it.
- The RO owners do not consider the idea of service station at their RO to be effective as the customers prefer the service stations near their homes.
- The RO owners complained that the commission they earned on a pack of lube oil is less as compared to bazaar shops, thus they can't sell lube at a lower price.
- There was no proper display of lube oil at RO this results in less customer awareness.
- The RO owners were worried about the gentry which includes drunkards and thieves, as they can steal the lube or may fight with the RO staff.
- The service station owners said that it will be very difficult to provide servicing at RO as the machines used require lot of space.
- The machines used are costly and they are not willing to invest in new machines for a service station at RO.
- The service station owners said that they would like to use their own SERVO oil and RO owner would not like it, hence the idea is not feasible.

- The customers said that they will consider to get minor repairs done, but no major repairs from service stations at ROs
- Customers rely more on the OEM or authorized service stations for new cars and slowly as the car turns older they prefer private, multi-brand service stations.
- The current scenario for RO selling lubes is not very satisfactory and various measures can be taken to improve the sales of lube oil. Few of these measures which can be followed by all RO owners are:
  - To greet the customers and make them feel valued.
  - The customers shall be given some gifts like free petrol on a liter of SERVO.
  - The RO should provide free oil checkup and oil changing machine should be used to change oil.
  - No service charge should be levied on customers who gets there oil change done from the RO.
  - The boxes of SERVO should be made available for display.
  - Company can come up with promotional camps of at least 3-4 weeks at RO.
  - Company should arrange a small format service station at selected RO as people are willing for such stations at RO.

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# INTRODUCTION

**IndianOil**

IndianOil is India's largest and flagship national oil marketing company, with business interests that spread throughout the entire hydrocarbon value chain which ranges from refining of crude, pipeline and transportation of oil and marketing of finished products to exploration & production of oil as well as gas, marketing of natural gas and petrochemicals. IOCL stands 86th in the "Global fortune 500 companies", which is the best among Indian companies.

With a strong team of skilled employees, IndianOil has been supporting to meet India's energy demands for 50 years now. At IndianOil, the operations are strategically defined, Refineries, Pipelines and Transportation, Marketing, Research and Development Centre and Business development.

10 refineries in India are owned by IndianOil and its subsidiaries and its network across the country of crude oil, product and gas pipelines which is the largest in India.

IndianOil has a network of offices to keep in touch with its customers and other associates in rural as well as urban India. The Corporation connects to the rural market through its special Kisan Seva Kendra retail outlets. With a strong network backed by bulk storage terminals, aviation fuel stations and LPG bottling facilities, IndianOil services every corner of the country 24x7. Indane which is LPG is present throughout the country via vast network of distributors.

The Corporation has a portfolio of very popular and reliable brands that include Indane LPGas, SERVO the lubricants consisting of 2T, 4T ,etc, XtraPremium petrol, XtraMile diesel, PROPEL, etc. IndianOil's ISO-9002 certified Aviation fuels serve variety of airplanes of defense, transportation and public transport. The Corporation also serves the energy requirements of bulk users like industries and agriculture.

With its presence in Sri Lanka, Mauritius and UAE IndianOil is looking forward for new business opportunities across Asia. IndianOil has been pursuing E&P activities in partnership with consortium companies. In India IndianOil have 13 blocks. In two blocks out of 13 IndianOil has 100% participating interest as an operator. In overseas the Company has 9 blocks in Libya, Iran, Gabon, Nigeria, Yemen & Venezuela.

IndianOil markets upto 30% of LNG procured by Petronet LNG via Dahej terminal and the upcoming Kochi terminal along with this IndianOil is coming up with a 5 MMTPA LNG re-gasification terminal of its own at Ennore. The Corporation is investing in Gas transportation

Pipelines in JV and also has spread its business in City Gas Distribution through its JV company, Green Gas Ltd. The Corporation has started to invest into alternative energy options such as wind, solar, bio-fuels and nuclear power. A wind power project is functional in Gujarat and will be soon operational in Andhra Pradesh and the solar power is being worked upon a pilot basis in Jodhpur, Rajasthan. IndianOil has a CSR programme to support society for health and medical requirements, family welfare, educational support, environmental and cultural heritage protection.

### Corporate Overview

IndianOil is emblematic of the national oil company of India with commercial interests to horse between the entire value of hydrocarbons - the refining, transportation by pipelines and commercialization of products derived from petroleum exploration and production of gas and crude oil, natural gas and petrochemical products marketing. It is the main Indian company in 'Global 500' from the list of Fortune, ranked 83 th position in 2012.

With more than 34,233 strong workforces IndianOil has been helping to meet the energy demands of the India for more than half a century. With a vision of the company as the power of the India, IndianOil closed the 2011-12 financial year with a turnover of Rs. 4,09,957 crore (\$ 85.550 billion) and profits of Rs. 3,955 billion rupiah (825 million dollars).

At IndianOil, operations are structured strategically along vertical business - refineries, pipelines, marketing, I + D and Enterprise - E & P, petrochemical and Natural Gas Development Center. To reach the next level of growth, IndianOil is moving forward on a well-designed map, road through vertical integration upstream in the oil exploration and production (E & P) and downstream into petrochemicals - and the diversification in the marketing of natural gas and alternative energy, as well as the globalization of their operations downstream. Having established subsidiaries in Sri Lanka, Mauritius and the United Arab Emirates (UAE), IndianOil is

at the same time exploring new business opportunities in the energy markets of Asia and Africa.

### Reach and Network

IndianOil and its subsidiary (CPCL) account for more than 49% of a petroleum products market share, 31% of national refining capacity and 71% the capacity of the pipes downstream of the sector in the India.

The IndianOil group of companies owns and operates 10 of 22 refineries in India with a capacity of refining combined 65.7 million metric tonnes per annum (MMTPA, i.e., 1.30. Million barrels per day aprox.). Network of cross-country IndianOil of crude oil and oil products pipelines covers 11,163 kilometers with a capacity of 77.258 MMTPA of crude oil and products petroleum and the 10 MMSCMD of gas. This network is the largest in the country and meets the vital energy needs

of consumers in an efficient, economical and ecological way.

Has a portfolio of powerful energy marks and much-loved that includes LPGas indan, lubricants servo, XtraPremium XtraMile gasoline, diesel, Propel and petrochemicals, etc the 66.8 million households, Indane trust validation has won the coveted status of "Superbrands ' in 2009."

IndianOil has an orientation to the enthusiastic customer and a formidable network of points of contact customers who dot the landscape across urban and rural areas of the India. It has 20.575 stations of gasoline and diesel, including 4.225 Kisan Seva Kendra (ksks) in rural markets. With a national network of more than 38,000 points of sale, with the backing of supplies by 139 of bulk storage terminals and depots, 3,960 SKO / LDO distributors (60% of the industry), 96 89 LPGas and aviation fuel stations bottling, IndianOil services plants across the country. Indane is present in almost 2 764 markets through a network of distributors 5.934 (51.6% of the industry). About 7780 bulk consumer pumps are in operation for the convenience of large consumers, ensuring that products and inventory at your door.

ISO-9002 service of Aviation of IndianOil certified commands a market share of enviable 63% in the business of aviation, maintenance successfully fuels the Indian flag companies national and international, private airlines and defense services demands. The Corporation also has a 65% share of consumer, industrial, agricultural, and marine sectors in bulk.

With a constant goal of maintaining its position as the market leader and offer the best products and quality services, IndianOil is investing Rs. 47 billion rupees in a series of projects for increasing refining and pipeline capacities, expansion of the infrastructure of marketing and updating and the quality of the product.



### **Innovation is key**

IndianOil has an extensive world class center of I + D that Asia is perhaps the finest. Pioneer takes place a work in the formulation of lubricants, process of refining, transportation by pipelines and alternative fuels, and is also the coordinating body of the hydrocarbon sector india by inaugurating the fuel economy of hydrogen in the country. The Center has 212 active patents, with more than 100 international patents.

Some of the technologies of the House and the catalysts developed by IndianOil include technology DHDT, light naphtha isomerization technology, technology INDMAX (to maximize performance LPGas), Oilivorous-S technology of bioremediation (expanded marine applications also), Diesel Hydro 5esulphurization (DHDS) catalyst, a catalyst for Bharat Stage – compatible IV indicating Diesel, IndVi catalyst for improving the performance of distillates and FCC, and adsorbent based on current gasoline and diesel deep desulfurization process.

### **Redefining the horizon**

Petrochemical, IndianOil provides a complete list of products including alkyl benzene linear (LAB), purified Terephthalic acid (PTA) and a wide range of polymers. IndianOil has a significant market share of LAB in the India and exports to 19 countries. It's the biggest suppliers of spinnerettes of ethylene (MEG) in the domestic market. Implementation of a State-of-the-art 120,000 tonnes of styrene butadiene (SBR) unit is underway at Panipat. It hopes that the unity of SBR to further strengthen the presence of IndianOil in the petrochemical sector specialty.

In exploration and production, IndianOil national portfolio includes 11 blocks of oil and gas as 2 blocks of CBM in the India, including 2 blocks as part of a consortium under NELP-VIII (GK-OSN-2009/1 and GK-OSN-2009/2 blocks). Overseas portfolio includes ten blocks in Libya, Iran, Gabon, Nigeria, Timor-Leste and Yemen. Exploration activities are at different stages of progress. In addition, as part of the Consortium, IndianOil was awarded project - 1 in crude Venezuela Carabobo region. To promote the activities of E & P, IndianOil has incorporated Ind-OIL Overseas Ltd.-a holding company for the acquisition of the assets of exploration and production overseas - in association with Oil India Ltd.

Natural Gas marketing is another area of thrust for IndianOil with special attention to the city's

IndianOil has dabbled in alternatives like wind, solar, biofuels and nuclear energy options. A 21 MW wind power project is running in the District of Kutch in Gujarat. Solar energy initiative is being led in experimental form in Orissa, Karnataka and the Northeast and a gradual Pan commissioning is underway. Solar products, such as solar lamps and torches are sold through the outlets in rural and urban areas. In order to invest in the sector of nuclear energy in the country, IndianOil has signed an agreement with the Nuclear Power Corporation of India Ltd.

### **IndianOil. The Energy of India :-**

With facilities in various places and expanding market opportunities, IndianOil is about to become an integrated energy company. As the flagship of the company in the public sector of the India, IndianOil has also combined successfully its programme of social responsibility of the companies with their business offer and meet the energy needs of millions of people every day, throughout the country.

### **Board of Directors**

- **R S Butola** (Chairman)
- **Dr. R K Malhotra** Director ( Research & Development)
- **Sudhir Bhalla** Director (Human Resources)
- **A M K Sinha** Director (Planning & Business Development)
- **P K Goyal** Director (Finance)
- **R K Ghosh** Director (Refineries)
- **Makrand Nene** Director (Marketing)
- **V S Okhde** Director (Pipelines)
- **Dr S C Khuntia** Additional Secretary and Financial Adviser Ministry of Petroleum & Natural Gas
- **Sudhakar Rao** Former Chief Secretary, Karnataka
- **V K Bhalla** Former Dean of Faculty of Management Studies, New Delhi
- **Ms. Shyamala Gopinath** Former Deputy Governor of Reserve Bank of India
- **Shyam Saran** Former Foreign Secretary Govt. of India
- **Prof. Devang Khakhar** Director, Indian Institute of Technology, Bombay

## Major Projects

IndianOil continues to put emphasis on the development of infrastructure. To this end, a series of programmes have been initiated with an increased emphasis on projects lists compressed as points of reference global standards by. Plans for improvement and increase of profitability through decongestion / modifications / introduction of value-added products are taking in addition to basic services. Systems of the project have been simplified in line with ISO standards.

### INTEGRATED CRUDE OIL HANDLING FACILITIES AT PARADIP

**Project cost:** Rs. 1,492,33 million rupees

**Expected commissioning:** both the SPM have responsible for the receipt of crude oil in tanks onshore 31.12.2012 and 22.01.2013. Realization of activities on land scheduled for March 2013.

**Benefit:** Proposed facilities would increase the crude handling capacity in the port of Paradip.

**Brief description:** the proposal is for the installation of the second SPM to Paradip refinery and third SPM and pipe's transfer of underwater oil with associated facilities as part of crude oil offshore handling facilities integrated in Paradip.

### CONSTRUCTION OF TANKS AND BLENDING FACILITY AT VADINAR (5 X 85000 KL)

**Project cost:** Rs. 267,00 million rupees

**Awaiting implementation in service:** project is completed mechanically and integrates with the existing system. However, the start-up will be taken after the completion of the work of sealing the edge of fire protection progressively from March 2013.

**Benefit:** The proposed scheme would ensure the reduction of the stay is payable at Vadinar terminal from receipt of raw.

**Brief description:** project consists in the construction of 5 tanks of 85,000 KL capacity each to store crude H heavy, along with the mix of crude oil at Vadinar facilities.

**STYRENE BUTADIENE RUBBER (SBR) AT PANIPAT**

**Project cost:** Rs. 890 million rupees

**Commissioning planned:** Q1 2013

**Benefit:** The added value of the naphtha / butadiene through forward integration with SBR.

**Brief description:** As part of the integration of the petrochemical value chain and increase the value of Panipat naphtha cracker, this project involves the production of styrene-butadiene rubber raw material available in the naphtha-cracking butadiene. This project is run as a joint venture - Indian Synthetic Rubber Ltd. (ISRL) - between IndianOil; Marubeni, Japan, and TSRC, Taiwan.

**BUTADIENE EXTRACTION UNIT AT PANIPAT**

**Project cost:** Rs. 341.50 million rupees

**Start-up scheduled:** April 2013

**Benefits:** This project would provide raw materials for the next project of styrene butadiene rubber in Panipat.

**Brief description:** As part of the integration of the value chain of the petrochemical industry and the improvement of the added value of Panipat project Cracker naphtha (PNCP), production of styrene from butadiene butadiene raw material available from project Cracker naphtha Panipat is expected.

**REVAMP OF FCC UNIT AT MATHURA**

**Project cost:** Rs. 1,000.00 million rupees

**Commissioning planned:** August 2013 (completion is tied to the availability of likely in July off unit - Aug'13 depending on the demand for the product and the situation of availability)

**Benefits:** The project would improve the reliability of the unit, increase LPG production accordingly, maximizing propylene value-added should recover LPG flow through PRU renew.

**Brief description:** project comprises renovation of Reactor - section of regeneration, third stage (TSS) separator for the reduction of the emission of particles, the modification of the section of Gas-with and OSBL (outside battery limit), renewal of the unit for recovery of propylene existing (PRU) and other related services.

**GRASSROOTS REFINERY PROJECT AT PARADIP (ORISSA)**

**Project cost:** Rs. 29,777.00 million rupees

**Commissioning planned:** November 2013

**Benefits:** The project will help to partially satisfy the deficit of distillates to know. LPG, naphtha, MS Jet / Kero and diesel and other products, in the eastern part of the country. The complex will generate intermediate petrochemical raw.

**Brief description:** to 15 MMTPA refinery is being built in Paradip, Orissa. The refinery will have, in addition to a unit of oil and vacuum distillation, a hydrocracking unit, a delayed coking unit and other secondary processing facilities. This will be the most modern refinery of India with a zero waste production, and products comply with the strict specifications. IndianOil has taken charge of 3.344 acres of land for the project and necessary jobs in infrastructure before starting development of the main refinery are underway.

**PARADIP-RAIPUR-RANCHI PIPELINE**

**Project cost:** Rs. 1.793,60 million rupees

**Awaiting implementation in service:** project has been delayed due to the delay in receipt of the felling of forests. First stage of forest clearance for the project in Odisha received 22/02/2013 to begin work on non-forest land. Expected completion of the project was developed upon receipt of the second stage of the felling of forests for Odisha and Jharkhand.

**Benefit:** The proposed pipeline would ensure the evacuation of Paradip refinery products and the main parts of Orissa, Chhattisgarh and Jharkhand uninterrupted supplies.

**Brief description:** project involves the laying of 1.108 km of pipes of long products with intermediate pumping stations at the stations of supply Jatni, Jharsuguda, Ranchi, Raipur and Korba Jatni and new Sambalpur and. The pipeline will have a telescopic diameter of 18 "/ 14" / 12 "/ 10" OD.

**DE-BOTTLENECKING OF SALAYA-MATHURA CRUDE PIPELINE**

**Project cost:** Rs. 1.584,00 million rupees

**Commissioning planned:** 30 months after the receipt of the legal authorizations

**Benefits:** With the proposal bottlenecking/augmentation of SMPL, refineries would be able to process more crude.



**Brief description:** the proposal is to increase the capacity of the section 21 MMTPA to 25.0 MMTPA Salaya-Viramgam, section [Viramgam-Koyali MMTPA of 8.5 to 9.0 MMTPA, section Viramgam-Chaksu from 13.5 to 16.5 MMTPA MMTPA, section Chaksu - Mathura 9.2 to 7.5 MMTPA MMTPA and section 6 MMTPA to 7.3 MMTPA Chaksu-Panipat].

#### **Paradip-Haldia-Durgapur LPG Pipeline**

**Project cost:** Rs. 913.00 million rupees

**Commissioning planned:** 30 months after the receipt of the legal authorizations

**Benefit:** The pipeline will facilitate cost-effective transport of LPG of Haldia and Paradip plants bottling of LPG in Balasore, Budge Budge, Kalyani and Durgapur.

**Brief description:** the proposal contemplates the placement of a pipeline for the transport of LPG of Haldia and Paradip to LPG bottling plants in Balasore, Budge Budge, Kalyani and Durgapur. The total length of the pipeline is estimated at about 700 km.

#### **Augmentation of Paradip-Haldia-Barauni Crude Oil Pipeline**

**Project cost:** Rs. 586.00 million rupees

**Commissioning planned:** 30 months after the receipt of the legal authorizations

**Benefits:** The project will improve the existing capacity of 11.0 to 15.2 MMTPA MMTPA

**Brief description:** the proposal provides for 65 KM Loopline laying and construction of 5 us. of 60,000 tanks KL in Paradip and 1 tank of 40,000 capacity KL in Barauni. The project also includes the construction of an additional pumping station and provide additional pumping units to 3 places

**Objectives of Company**

- To serve the country and its people in oil and related sectors according to Government policies.
- To make petroleum products available by way of crude refining, transportation and marketing activities and also by providing support to customers by helping them in proper storage and efficient use of fuel.
- To improve the country's self-sufficiency in refining of crude oil and build expertise in transportation via pipelines of petroleum products.
- To further enhance marketing infrastructure and reseller network for providing uninterrupted service to customers throughout the country.
- To create a strong r&d base in refinery operations, product formulations, pipeline transportation and alternative fuels with a view to reduce imports and to have next generation products.
- To optimize utilization of refining capacity and maximize distillate product and gross refining margin.
- To maximize utilization of the existing facilities for increasing efficiency and increasing productivity.
- To minimize fuel usage and hydrocarbon loss in refining operation and stock loss in marketing operations to effect energy conservation.
- To earn a handsome rate of return on investment, thus increasing profits.
- To avail all viable opportunities, both nationally and internationally, arising out of the Government's policy of liberalization and reforms.
- To achieve better growth through mergers and acquisitions, integration and diversification by providing new business opportunities in oil exploration & production, petrochemicals, natural gas and downstream business overseas.
- To impart strong 'core values' among the employees and constantly updating skill sets for full exploitation of any new business opportunities.
- To maintain operational synergies with subsidiaries and joint ventures and continuously engage across the value chain for the benefit of society and ultimately national benefit.



## Indian Lubricant Industry

### Global Scenario

World demand for lubricants in the world is estimated at about 41 million KL (mn).

Automotive lubricants account for around 54%, industrial lubricants around 41% and Marine lubricants for the balance.

Global lubricants industry has grown at 2.0 to 2.5% a year in the past five years year. In developed countries, automobile lubricants have been growing at a slower pace of the 1.0% per year because of the saturation of the vehicle population, improved engine technology and best quality of oil.

Asia is the third largest market of lubricants in the world and it is expected that in the future it will grow to a faster pace in comparison with other developed markets. Asia's share in the world oil market has increased from 22 per cent in 1993 to 25% in 1998. Per capita consumption of lubricants of different countries are shown below:

| Country | Per Capita Consumption (Kg) |
|---------|-----------------------------|
| America | 31.0                        |
| Europe  | 14.0                        |
| China   | 2.0                         |
| India   | 1.0                         |

### International Consolidation

Global lubricants industry formed by more than 1,700 players of which less than a 2 % control around 70 percent of global sales. The years 1998 and 1999 have witnessed a series of mergers in the oil industry. These including the three largest oil industry mergers in recent years. At the end of 1998 British Petroleum Plc, United Kingdom merged with Amoco Corporation, USA, Followed by the merger of Total SA, France, with Petrofina, Belgium. The last merger was the Exxon Corporation, EE.UU. with Mobil Corporation, USA.UU., which created petroleum, the world's largest publicly traded company. Despite large merged institutions are mainly oil companies or energy, they also large players in the lubricants industry. Exxon was the largest base in the world

oil manufacturer, while BP, Amoco and Mobil also had strong lubrication operations. These mergers the structure of the industry have changed significantly. The last specific consolidation to the lubricants industry has been the acquisition of Burmah Castrol Plc, United Kingdom, world greater player in the segment of lubricants of consumption (retail) by BP Amoco Plc, United Kingdom. Mergers have focused, in addition, a large part of the market of lubricants world in less hands. In addition, most of the merged entities are also major suppliers of base oils all over the world. Therefore, mergers have focused more on this market, with specialties such as Exxon, Mobil, control of the base oil market. This increases volatility in base oil the offer and, therefore, the price. Expected further consolidation in the global lubricants industry, especially as independent manufacturers of lubricants would be affected by the sharp rise of the base oil prices, after the rising prices of crude oil.

### **Technology Developments**

Automotive engineering technology has improved significantly in recent years, with a corresponding impact on the improvement of the quality of the lubricant. Improvement of engine and lubricant technology has resulted in the decrease of lubrication to feed ratio<sup>1</sup>. In addition, there are It has been one demand both original equipment manufacturers and customers of best quality with longer oil life, best properties of deposits and minor, fulfilling the stringent emission standards required. A fundamental requirement for the manufacture of high quality lubricants is the quality of base oil used. Limitations in the physical properties of the base oils of Group I in various products is expected to result in an increase in the demand of II / III oil base group. Group III base oils they can be manufactured only by newer technologies such as hydrocracking combined with other stages of processing such as hydro-isomerization, iso - and Catalytic dewaxing dewaxing, which would require additional investments of the refineries of lubrication. Group III base oils In addition to facilitating the compliance of emission API P 9 scheduled for 2002. ES considers that for 2005, 40% of the worldwide base oils are hydrocracked. New plants

they require high investment costs, but it can make the stock base from a wider range of raw, including the crudes with high sulphur content. Oil base lubricants of Group II / III would cost more than group I base oils. Therefore a change from Group I oils base Group II / III would put more pressure on the margins of lubricant manufacturers.

### Indian Scenario

India is the sixth largest market of lubricants in the world with a consumption of about 1.12 KL million in 1998-99 (a size of effective market of Rs 55-60 bn), front installation capacity of 1.6 million KL and has grown at an annual compound rate of about 7.0 percent during the period of 1993 to 1998. However, with the industrial crisis and also more slow growth in the automotive industry, the growth of the industry has declined to 4.0% in recent years. Until 1993, the Indian oil industry was fully controlled by the Government, with the Committee of coordination of oil (OCC) that controls all aspects of the industry. Therefore, the industry was dominated by the units of the public sector of petroleum (PSU) - Indian Oil Corporation Limited (IOCL), Hindustan Petroleum Corporation Limited (HPLC) and Bharat Petroleum Corporation Limited (BPCL). Castrol was the only important player of the private sector in the industry. The industry of lubricants in the India can be classified into two segments – automotive The lubricants and industrial lubricants, automotive represents lubricants for more than 60% of the total market of lubricant. Automotive lubricants market grew around 4% 1993-94 to 1998-99, with the commercial accounting segment of vehicles by about 70% of the total consumption of Automotive lubricants. In India, the per capita consumption of automotive lubricants is low around 1 Kg per year because of the low penetration of cars in the country. India has the second largest railway network, the fifth largest mining industry and it is the twelfth most industrialized nation in the world. Therefore, industrial lubricants account for approximately 40% of the the total lubricant in the India market and has grown at a compound annual rate of 13% since 1993 to 94 of 1998 - 99.

### Recent trends

The increase in competition in the sector

In 1993, the Government liberalized the lubricants sector, and announced a series of changes in the regulation. These included

- The entry of foreign companies in the Indian market.
- Decanalisation imports of base oil.
- Lack of control of the base oil prices.
- The reduction of customs duties on the base oils (gradually reduced from a maximum of 85% of the current level of 25%).

Lubricants industry deregulation has had a strong impact on the structure of the Indian lubricants market. Lubricants have the highest margin between the refined oil products. The companies earn between 20 to 30 times the sale of lubricants than others the petroleum products. This lucrative business encouraged more foreign as Shell, Exxon, Mobil, Caltex, Elf, etc., to enter the Indian market. Currently, the industry is highly fragmented with over thirty players compared to five in 1993. The participation of public the companies in the sector has declined 90% in 1991 to less than 70% in 1999. The change in the the market share has been largely due to the rapid evolution of technology, marketing and distribution of business strategies.

### **The slowdown in growth Automotive demand**

A critical feature of a lubricant is the time required before it it needs to be changed. This feature called the life of drainage is a function of the quality of the oil, the amount of contact between the two surfaces and the duration of use of the machine or the automobile. Improving technology of lubricants increased progressively the life of drainage of lubricants. In addition, significant improvements in the design of automobile engine has also had an impact in the life of drainage of lubricants. In the medium term, with the improvement of the quality of lubricant and engine, the life of drainage design for He is expected to progressively increase Indian car lubricants.

It hopes that the improvement in the life of drainage to contribute to a lower growth of replacement the demand in the future.

### **The increase in imports of high-quality base oil dependence**

Availability of the required base oil quality is a critical factor in the growth of the India the lubricants industry. Until 1993, due to the channelling of imports of base oil, growth of the private actors was limited. However, since then, with imports decanalisation, private players (especially Castrol) have been able to grow at a significant pace, since have been imported base oil needs. Currently, domestic production of base oil is of three refineries - Haldia refinery of IOCL, Manali refinery of MRLs and the HPLC Mumbai refinery with a combined of about capacity of 0.8 MMTPA. While IOCL and HPCL used base oil produced in their refineries for both its mixture of House and for external sales, LMR plants sold all production of its refinery.

However, as the base oil produced by national refineries do not comply with the quality manufactureres lubricants requirements, most of the multinational players prefer to import your

requirements. Secondly, private agents are able to obtain the supply of these parents companies or global providers. Globally, since the product is controlled by a select group of major companies in the world such as Exxon, Mobil, Chevron, any interruption in production could have a serious impact on the availability and the base oil Therefore the prices. In addition, given that the refineries determine their profiles of products based on the refining netbacks a certain raw, it is possible that there may be a shortage of base oil, especially in the summer months, when more light crudes are processed to meet demand2 gasoline. Currently, due to the lack of availability of quality oil, prices for the most popular SN 500 degrees has increased from us \$187.UU. per tonne in March 1999 for us.UU. \$345 per tonne in February 2000. The recent increase in prices has put pressure on the manufacturers of lubricants in the India. Therefore, with the internal refineries may not provide required quality base oil has been a trend to the increased imports. This impacts on the margins of the players, since the players are capable of transmitting the increased costs to customers in this highly competitive market.

### **Change of Marketing strategies**

A change occurred in the preferences of the customers in the purchase of lubricants. Brand, price, accessibility and services offered are increasingly decisive factors to choose between brands. Therefore, the Indian strategy in the automotive segment gradually has been moving Impulse sales, marketing strategy for commodity type to a pull of the brand, in fast-moving consumer (FMCG) type of marketing strategy product good. This is especially in the case of the

Trade Bazaar, which currently accounts for about 40% of the sales of the automotive industry lubricants in the India. With the definition of the product of a lubricant it is experiencing a shift from a commodity to a fast Move a good brand image well consumer (FMCG), a wide distribution network and are the most important success factors in the automotive lubricants industry. In the medium term, it is expected that the players in the industry to increase advertising expenditures with much emphasis on the development of brand image and improve the brand equity. Higher dealer discounts, longer credits and higher inventories are becoming the norm in the day. The margins are declining due to increased costs of promoting products, discounts and incentives and money locked in accounts receivable. Big oil PSU, limited by its profitability in its main lines of business are increasing aggression in lubricant marketing through ties with the international oil majors to increase penetration in the Bazaar trade. IOC has captured a market share of 10% in the segment of Bazaar.



## **Challenges in the Indian Lubricants Industry**

### **Indian Automotive Lubricants Industry**

The scenario of Indian lubricant (Lube, for short), the industry has changed the effective liberalization of the Indian economy at the beginning of 1990. Before 1992, the lubricants industry Indian was dominated by four major companies in the public sector, including Indian Oil Corporation (IOC), Hindustan Petroleum Corporation Limited (HPCL), Bharat Petroleum Corporation Limited (BPCL), Indians and British Petroleum (IBP). There were also private sector companies: as Castrol, Tidewater, Gulf, etc. Around 90% of the Indian lubricants market was controlled by the public sector (PSU) companies, while the remaining 10% was in the hands of agents of the private sector. During 1992-1993, as part of the policy of liberalization and deregulation, the Government decided to open up the market, and allows foreign players to enter in the lubricants industry Indian. After that, there were companies aussi substantial reduction in import duties of base oil lubricant from 85% to 25% that accelerated growth in the market. Diet administered prices was subsequently removed, and the free price is permitted in lubricants. Deregulation encouraged all large multinational (NSC): such as Shell, Mobil, Exxon, Caltex, Esso, Elf, Pennzoil, Gulf Oil, BP among others, for its operations of the country with its foreign brand risk. The entry of MNC caused players greater competition, and a considerable reduction in the market share of power supplies, all of which dropped from around 55% in 1997-98 to 48% in 1999-2000.

### **Growth Opportunities**

The automotive lubricant industry has been a difficult period for several previous years in terms of growth slow consumer demand, low profitability, and advances in automotive technology. Falling car sales and the rising prices of crude oil on the base caused imbalances of the serious offer in the country. Due to the shortage of raw materials, many players have been forced to make several price increases.

However, factors: as the growth of the disposable income of individuals and dual income households, demographic change, the change of life, improvement of road infrastructure, the increase in the use of transport, of automotive rural demand, and the support of the Government should stimulate demand for cars and two-wheelers in the future. Being the second largest producer of motorcycles, and the fourth in terms of market of commercial vehicles around the world, the Indian car market is one of at CAGR of 9.5% until 2010. Also provides that the sector automotive migration of customers from two to four-wheeled vehicles, additional Quebec will be powering the growth in demand. In addition, the introduction of the Tata Nano car will stimulate further the future of automotive lubricants in the country market.



It was intended that the application of lubricant world increase by 2.3% per year to reach 41.7 million tonnes by 2010, while the India is likely to see growth of more than 3% during the same period (annex I). The application of automotive lubricants in India has also planned to increase to 1.92 MMT in 2014 – 15.

The growing demand for motorcycles stroke, tie-up with builders, and tighter pollution standards are the main drivers of demand in the sector of engine in India. Oil brake oil and cooling are another important segment of the segment. Introduction of new technologies, the growth of heavy-duty cooling system and educating clients have stimulated demand for oil cooling liquids. Brake oil segment has increased due to the introduction of new systems of braking, the consumption of vehicles to commercial passengers, and changing consumer mentality. Similarly, advanced gear system technology, and the automatic transmission system have stimulated demand for transmission oil. The entire market is growing and there is enormous potential for growth in export markets and unexploited rural markets.

### **Future Challenges**

It was expected to become it would be Indian market highly competitive, major international actors given revealed that India as a developed market, and several new businesses have been the establishment of their operations in the country. Prices of petroleum products were related to all prizes have been protected, although some products through cross-subsidies in Quebec would be dismantled in the coming years. PSUS have been placed in a competitive position compared since they lived integrated operations (their own refineries) which allowed them to depend less on buying oil from other businesses, and could also resort to cross-subsidisation between the various petroleum products, if the need arose. In addition, they have experienced larger budgets, greater resources and support from the Government the most need. All these posed major challenges for actors private. To add to the difficulties with the developments in R & D of new lubricants production with periods of garbage had eaten in replacement demand, market significantly Impacting volume growth. Mr. Naveen Kshatriya, CEO and Managing Director of Castrol India, said: "" it ten years ago, a necessary truck about 200 litres of lubricants every year, but today, it is down to 75-80 litres ACERCA. ". The customer preferences, the differentiation of quality and price, the basket of products, NQF approval OEM expansion, and OEM product specification have been crucial factors for the future growth of the industry (annex III). Then, low awareness of the product and participation, especially in the rural areas also market poses a great challenge for lubricant companies Indian. To survive in the market, the continuous innovation of its products would be

necessary for players in terms of new products, brands, quality, service, performance and price to reward the value for money for customers. It is essential for businesses to focus on consumption, Channel partners and OEM relationships with brands such as the key drivers of their business. In this game, players are required to market maintain good relations with their stakeholders, in particular trading partners and customers.

### **Market Size**

The Indian lubricants market is the fifth largest market in the world in terms of volume after United States, China, the Russia and the Japan, with a value of Rs.17000 crores [1 crore = 10 million euros] in 2009. The Indian market contributes 3-4% of the world demand of 38.5 million tonnes per year in growth of nearly 6% per year. Overall it has been divided into three broad categories, including automotive, industrial and Marine & Energy (annex IV). Among them, automotive segment composed of 67% (950 million litres) of the total market of lubricant, or 8%-10% of overall production lubricant. Other automotive lubricants are classified under diesel (classified as ignition engines) engine and engine lubricants lubricants (classified as engines if) gasoline, with 70% and the market share of 30%, respectively. ACERCA representing 70% of market share, the engine oil is a key segment in the Indian market of automotive lubricants, playing a key role in determining the market share of the industry players. Other automotive lubricants include oil for gears, transmission, liquid coolant and hydraulic brake fluids.

The industry is in a phase fragmented over the years with more than 22 large and small manufacturers with more than 30 brands of lubricants. However, the sector is dominated by four major players - IOC, Castrol, HPCL and BPCL - Commander more than 70% of the market, and the remaining 30% is shared by several players, including multinationals, and unorganized sectors. This leads to a situation of very competitive market (V annexation). It accounts for about 50% of the market, public sector companies continue to dominate the market of lubricants. IOC has been the leader in terms of profitability, with its brand Servo (annexation VI). In the private sector, Castrol has been the biggest player, which accounts for about 20% of the national market share. Other multinational competitors such as Tidewater Oil, Elf, Shell, Mobil, Exxon, Pennzoil, Caltex, Gulf, among others have participation in the marginal market. Too many players in the market have created a chaotic situation that leaves little room to differentiate between the various brands. Experts in the sector believe that consolidation will continue to have a major impact on share market, positioning, business classification, manufacturing and in the competitive environment. Industry analysts have predicted that the companies that own the refineries of oil, the research and the development of sound (I + D) facilities, innovative business, wide

distribution network plan, a strong brand, extensive infrastructure and professional technical services would continue to survive in the market.

In recent times, the scenario has changed, and competition is based more on the identification of the brand with respect to performance rather than price. This has led to price wars, and increase trade promotions and consumer with important influence factors, further diluting the brand image, and they contribute little to enhance the value of the relationship with consumers.

### **Consumer Buying Behavior**

In the market of Indian automotive lubricants, in general, there are two types of clients, quality-conscious customer, and price-conscious customer. However, various factors, such as lubricating oil habits of consumers, the brand and awareness of prices, sensitivity to prices of purchase, location, policy makers and key influencers changing play a critical role in determining their behaviors of purchase and patterns.

In general, the India consumers have little knowledge about the competitiveness of prices, the performance or quality of different brands of lubricants. Unlike developed markets, which are characterized by the high level of participation and the "Do-It-Yourself" markets, Indian consumers have very low participation in oil consumption." Changing oil in the engines of cars is a job best left to service stations or even disorganized mechanical road, due to the nature of the dirty work, high perceived experience of these oil changers, and relationships sometimes old with these intermediaries. Many clients also send your drivers / drivers / or local hired mechanics to change lubricants in their vehicles. In such cases, it is more likely than drivers or mechanics are influenced by any monetary gain. The mechanics of self service are the factors of influence on the decision of the owner of the vehicle to buy a brand of lubricant. However, for the sale of lubricant to corporate clients (OEM tie-up), specification of product based on technology, quality, price competitiveness, brand recall, and negotiation ability are much more important.

In rural areas, consumers usually make decisions based on the availability of brands of lubricants and the suggestion of the owner / retailer, decision makers and local mechanics of decisions in the family. For example Bhim Rao, tractor driver, said: "I have been using Castrol for the past 10 to 15 years, I use it because it was suggested by my mechanic and is of good quality." I'll change the trademark if another company offers a lower price or when Castrol will no longer offer promotions and discounts. Good oil is one that is long-lasting and provides a powerful sound "automotive lubricants companies tried to raise awareness of consumers about the quality of the product, price and performance of lubricants using various media advertising. And promotion

strategies such as fairs, discounts, gifts, and gifts. Sachin, tempo driver said: "I just bought this rhythm and I don't know what oil has been used. I plan to buy Servo in the future because passenger cars use. I remember Dravid Rahul in the Servo notice but that is not the reason of purchase. I hope that the companies offer promotions and discounts and lower prices. A good oil is what gives good engine power. "Consumers are looking for" value for money "in the lubricant have been buying in the market. They have also been migrate to better quality vehicles, leading to the use of top grade lubricants. Consumers make the decision to buy a brand of lubricant based on their past also experience.

The distributors or retailers were more interested in profit margins, and try to convince consumers to buy the brand that gave them more leeway. However, some consumers are aware of the brands and were very loyal to the brand, a segment that is a fortress of Castrol. The other segments were more aware of the value that the price and the mouth of the factors of influence (especially mechanical) played a key role in the decision-making process.

### **Branding Strategies**

In the price of market sensitive lubricant automotive india, manufactures strategies adopted to create awareness of brand among consumers through various means of advertising, approval of brand, marketing campaigns and trade, and consumer promotions. Many companies named celebrities, such as the brand Ambassador for attracting more targeted towards their brands of lubricants. for example, Indian cricketer Rahul Dravid, and the Bollywood actor John Abraham are Castrol brand ambassadors. MS Dhoni Indian cricket player, is the brand of BPCL MAK brand Ambassador and tennis player Sania Mirza will engage with HPCL as an Ambassador for your brand Turbo brand. The major players in the market issued a series of flashy ads, promotional campaigns and sponsorships to strengthen their proposals brand. Castrol has spent around Rs. 100 million rupees in advertising each year to encourage customers who were willing to pay a premium for world class lubricants. Giriraj Bagri, Vice President of Marketing, Castrol India, mentions: "when the automobile industry was still in a nascent stage in the India, Castrol assumed the role of educating consumers about the need to use good quality oil and the role played in the maintenance of vehicles. Over the years, the company has created a series of advertising campaigns for open road, like Castrol Powerl Passion Hunt and Castrol gold key mechanic to increase brand loyalty and long-term relationships with consumers. "Castrol also became a sponsor of the host of many international sport, football and racing car game to enhance their image of brand in the market. These efforts have led to become Castrol among the most recognized brands in the India and leader in their market



segments. The company differentiates its brand through continuous innovation and strong relationships with customers, shareholders of the company, the communities and their own staff. BPCL with their MAK lubricants has also adopted different campaigns, such as "JEET KI KHUSHI", "GADI MEIN Dhamak HASI MEIN chamak", and "kismat KI BALTI Kholo". Other companies, including TATA BP, Shell, HPLC, Mobil, Elf and Gulf Oil have also adopted various promotional campaigns to gather a greater market share.

### **Distribution and Retailing**

Automotive lubricant market India mainly has two main channels of distribution and sale to the retail segment of original equipment that makes up approximately 70% of the market of automotive lubricants, as well as the segment accounting (annex I) remaining retailer.

Original Equipment segment - Faced with growing competition, automotive lubricants manufacturers have sought collaboration with the manufacturers of original equipment (OEM) to strengthen the value proposition of a brand in particular. Many companies, like Castrol have strong association with the leading manufacturers of original equipment world like Tata Motors, Mahindra and Mahindra, Volvo, Audi, Ford and Indian to participate in its workshops of high quality lubricants. MAK lubricants BPCL also tied in with Chevron, Hero Honda Motors, GM and TVS for the supply of its automotive lubricants.

Retail segment – In the segment retail, service stations or points of sale to the retail and retailers (also known as "Bazaar trade") are the two main channels of distribution. In recent years, sales of lubricants through trade Bazaar has become more popular in the market of lubricants and positioned as a consumer goods of high participation, the transformation of lubricant products of non-durable consumer goods (FMCG) products. Trade Bazaar consists at present about the market share of 12% of the total sales of lubricants for automotive in India. Accounting by the market share of around 18%, service stations is still the main channel of distribution in the trade retail. Another marketing channel includes authorized stations of service, distributors, garages, oils lubricants, automobile parts, supermarkets, rural areas and agricultural dealers' stores.

A new retail concept to the retail is called 'Outlet user has also been developed by many multinational corporations, such as Castrol, where consumers choose their own brand of lubricant after keeping their vehicles on the same points of sale. Servo lubricants range has been perceived by customers as a one stop shop for car

care fast, easy and convenient with a refreshing experience in different aspects of the care of cars, like the change of engine oil, and both four and two maintenance check-ups wheels. Road shops and convenience stores have also been developed to selling lubricants.

To increase the number of players in the market, it is very important for companies to capture segments broader consumer, through the construction of a solid network of distribution throughout the country. Public (being integrated oil companies) companies manufacture their own oil base and followed different strategies of distribution in comparison with the private sector companies which were dependent on the import of base oil (strictly regulated by the Government, until recently). Power supplies have the advantage of their own widespread network of petrol pumps to sell their brands of automotive lubricants, out of the companies in the private sector with no option but to distributed through distributors and points of sale in the Bazaar trade. Although some operators multinationals like Shell, Mobil, among others made strike companies joint with older PSU that were more strategic and regulatory requirements that guide the market entry in India, of a concerted distribution strategy.

The creation of a network of distribution is not an easy task, and this work has made it difficult for the private actors with the entry of power in the Bazaar trade supplies. Manish Bagla, Gerente Senior de PriceWaterhouseCoopers mentions that "lubricant in the India market has been largely a business of oligopoly with a large part controlled by (OMCs) State-owned oil marketing companies. One must have lubricant base oil, which is produced by refineries, which in turn belong to a large extent by the WTO ' . " To access ready-made distribution centers, multinational corporations have taken initiatives to make strategic alliance with OMCs selling their brands of lubricants. Sometimes multinationals leave read the cultural background (or cultural differences) while moving from one country to sell their products. They feel that the strategy that had been successful in other countries is replicated in the majority of countries.





## SERVO

### Market

The Indian lubricants market is one of the most highly competitive markets in the world and was the first sector of the deregulation in oil industry. Today, the lubricants of the India segment is estimated at Rs. 2500 crore (US\$ 2.60 billion) with an annual sales volume of around of 1.2 million of metric tons. The growth rate is 3%, Perhaps, among the highest in the world. In the context of stagnant and negative growth in much of the developed countries, this is a good achievement. Automotive lubricating constitute 65% of the Indian market with high volume lubricant commercial vehicle segment comprising the largest group of users. In this market, two wheels understand 10% of the volume consumed while the highly visible segment of passenger vehicles It is a mere 4%. The balance is consumed by a large number of fragmented user that segments. They range from the General direction of captivity (diesel engine) establishes that farm equipment. With growing industrialization and the expansion of the relentless market of the automotive industry in the past five years, the It hopes that the rate of growth in the oil sector be held in the next decade.

### Achievements

Today, all the major car manufacturers in India approves SERVO as their preferred brand. This recognition has led to unique technocommercial the ties with the original main equipment manufacturers (OEMs such as Maruti) Suzuki, Hyundai Motors, TAFE, Mitsubishi Lancer, Kinetic, Elgi, Ashok Leyland and Eicher Motors, Mahindra and Mahindra and force Motors, Tata Motors, truck Man Force, Punjab Tractors, HMT tractors, VST Milling machines and tractors, Gabriel and Timken India. In the niche segment for mariners SERVO motor oils was the first brand It must be approved by the major names such as MAN B & W and Wartsila Sulzer in the Asia-Pacific region. Degrees SERVO and developed custom formulations for IndianOil has also been accepted by the likes of Swaraj engines manufacturers Mazda, Suzuki Maruti, Ashok Leyland, L & T- Komatsu and the research designs and standards organisation (RDSO) of the railways of India. In the industrial segment, lubrication applications they are diverse and the classification is in general machines or sectoral. Research and Development (I + D) and logistics are the two vital drivers in this segment from formulations and the notes have to be developed according the specifications of the customer. SERVO backed by Research of

world class of Indian Oil Corporation and facilities in Faridabad is a key player in this segment and has more of 1500 formulations. With the support of a team of highly qualified service engineers that provision of services in the place of value added for customers, SERVO is widely regarded as a reference mark. Unanimous support and support of technologists, scientists and basic industries of the sector engineers such as steel, energy, mining, hydroelectric and textile. SERVO is distributed through an extensive production and distribution network consisting six units of mixture of ISO accredited lubricants, a fat, in addition to a large manufacturing plant complex of small can-llenado and warehouse facilities. These advantages, along with the high-end quality continuous and innovation have made SERVO the preferred choice for a wide range of lubrication applications.

### **History**

SERVO is the largest brand of lubricants for sale in the country today. SERVO, launched by IndianOil in 1972, has been both a catalyst and witness to the technological transformation of the in the India automotive and industrial sectors. Over the years, SERVO has maintained its leadership position of lubricant current weather the brands that have periodically entered the The India market. The success of SERVO is also an integral part the efforts of India to achieve self-reliance in the lubrication technology. The country, once completely dependent on imported motor oils and lubricants for your needs, is today home to a rich new generation tank or Tribology Science of lubrication. With the backing of IndianOil, the Senior Business Indian (in the position 105), in the prestigious Fortune Global 500 list of the the world's largest companies, has SERVO played a role of pioneer in the development of an indigenous technological culture of the search exclusively indigenous solutions to global lubrication needs. D from the center of I + is IndianOil in Faridabad widely recognized as a main reference center in lubrication technology. Command SERVO per share around 40% of the market and is sold to the retail on the national network of points of sale IndianOil, In addition to an exclusive network of industrial and SERVO stockists automotive, pipes of spare parts and points of sale in the Bazaar segment. IndianOil follow up new and revolutionary Servo products that adapt to the ever more the most discerning in the automotive industry and industrial sector in the country. Globally, SERVO It is a brand that is respected in the highly competitive the markets of the United Arab Emirates, Oman, Nepal, Sri Lanka, Bangladesh and Mauritius.

### **Product**

Servo products are backed by the most Advanced internal facilities of I + D in the India industry. Around 500 degrees enable servo and more than 1500 formulations are marketed to all segments of users. RR 606 MG

SERVO is the first truth, multigrade the railway engine oil introduced in the India. To use regular, after extensive field testing, engine oil consumption has been reduced and is help the railways make a great saving in the fuel costs. For the SERVO industrial segment provides more than 260 lubricants and greases and offers 43 for the marine sector. The offerings also cover of hydraulic compression, turbine systems and as well as special textiles, industrial gear oils axles and marine engines. Its formidable range of 80 degrees of oil of the specialty sector include cutting fluids, oil cooling, heat transfer fluids, rust condoms, rubber process oils, in addition agricultural spray oils. Formulations of servo motor gas, energy efficient lubricants, biodegradable through the increased use of groups II and III base for the manufacture of lubricating oils have It has also started.

### **Recent events**

To preserve their insurmountable advantage in the market SERVO has stepped up the promotion of SERVO Zoom, an engine developed exclusively oil 4t for the growth of the fleet of the India 4-stroke snowmobiles. SERVO zoom 4T not only complies with the strict needs of the new and powerful generation bikes go to market, but also coincides with rigorous global emission norms emphasizing. The protecting the environment has given rise to the introduction of the Euro 3 standards. Several segments specialized as granite and the jute industry has also benefited from SERVO. The custom range of SERVO Special oils has resulted in a direct reduction in operating costs and safer working conditions. In the urban market, the deployment of a network point of sale SERVOPRESS has captured the imagination of the market. Outputs SERVOPRESS will allow the luxury of getting customers in shopping centres small repairs on your vehicle, even While they make their purchases. SERVOPRESS IndianOil point-of-sale stations offer quick oil changes, as well as a series of self-service facilities.

### **Promotion**

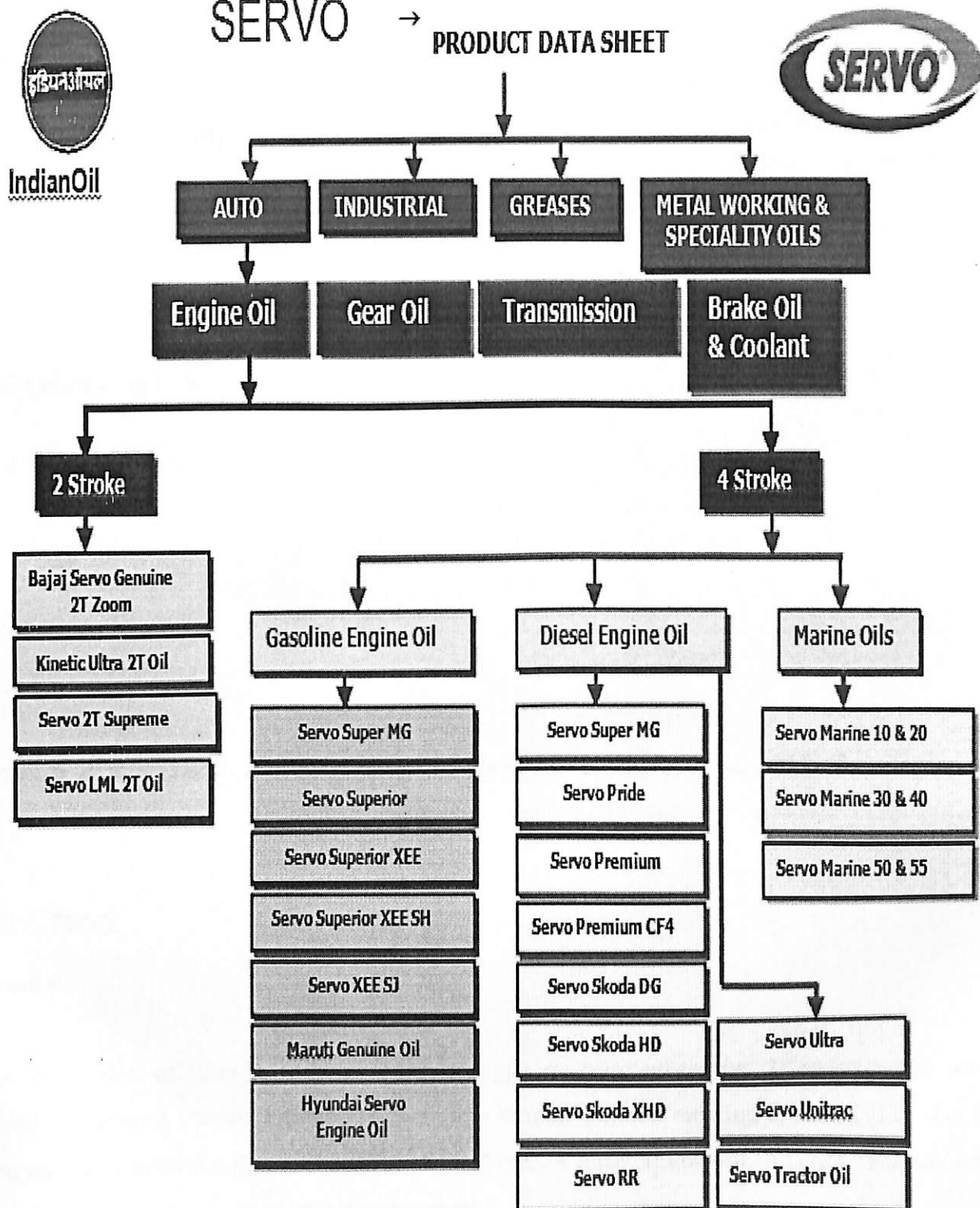
The first steps to promote SERVO through an exercise of integration were taken only in the mid-1990s. The sustained promotion of the brand supported by the personalization of products to adapt to different segments and technology ties with the equipment manufacturers had an effect clearly above the market. Prominence of the brands and the top of the mind memory and consciousness increased from 7% in 1994 32% in 1999. The more prominent strategic positioning exercise for the brand SERVO was initiated with the memorable "SERVO gives life" online rewards. amazing variety of disorder breaking campaigns captured the imagination of the market. The SERVO brand, for the first time, broke through advertising of conventional lubricant when you food promised and new value generation cars. Later, a shift to the more forceful statement - add SERVO, give life - helped to consolidate the position of the mark. By 1998 a large amount of new and expensive cars He had

launched in the India market. To reach the new generation of customers to more relevant "would love to your car? Nurture with SERVO ' Is introduced. Today the position is moved 100% of performance. Everytime ".

Brand values SERVO is a brand that has earned the trust and the support of millions of people through the use technology and sustained research and development efforts. It has positioned itself as a one-stop solution of lubrication which offers a wide range of qualities and formulations that cater to almost all the you need Lube. The brand has come to It symbolizes innovation, the new generation technology, customization and value. The payment of performance ' 100% brand line. Everytime. "It is the promise that is inherent to the" the philosophy of the brand.



Figure 1: Servo product data sheet





### Lubes under Servo Lubricant's & Greases

- ☐ Agricultural Spray Oils
- ☐ Automotive Greases
- ☐ Automotive Lubricating Oils
- ☐ Automotive Speciality Oils
- ☐ Industrial Greases
- ☐ Industrial Lubricating Oils
- ☐ Industrial Speciality Oils
- ☐ Metal Working Oils
- ☐ Railroad Greases
- ☐ Railroad Oils

As our project is on retail sales of lubes in market of Bhopal & Gwalior, so, we will be focusing on Automotive sector only.

### Automotive Greases

#### **Servo Grease c**

SERVO Grease C is a calcium-base grease with extreme pressure properties. It resists water washout. It is recommended for general chassis lubrication including suspension and steering systems. It is also suitable for certain open and semi enclosed gears as well as chain drives of farm equipment. It is not recommended for high temperature applications due to its moderate drop point.

**SERVO Grease WB**

SERVO Grease WB is a sodium base grease which gives excellent performance even when subjected to extremely heavy shear. This grease maintains its structural stability over long service and withstands excessive churning effectively. It is recommended for wheel bearings and various other automotive grease applications which are not exposed to moisture. It meets IS:10647:1983.

**SERVO Grease MP**

SERVO Grease MP is a premium quality lithium base grease having a high drop point and good thermal and structural stability. It has high degree of resistance to oxidation and provides protection against rusting and corrosion. It is an excellent multipurpose grease suitable for all automotive grease applications. It meets IS:12203:1987.

**SERVO Grease Molex**

SERVO Grease Molex is a multipurpose lithium base grease, compounded with finely dispersed MoS<sub>2</sub>, which is a very effective solid lubricant with extremely good anti-scuffing characteristics. It provides protection to moving parts under very severe shock load conditions, resists water washout and gives long service life. It is recommended for chassis fittings, wheel bearings, grease cups, grease lubricated universal joints and other lubrication points in passenger cars, trucks, buses, farm tractors mobile construction as well as earth moving machinery. It is also suitable for industrial applications where Lithium based grease with molybdenum is required. It meets IS:12203:1987.

**SERVO Grease Cvj**

SERVO Grease CVJ is a lithium base grease containing specialised extreme pressure additives. The product has excellent roll stability, shear stability, resistance to water washout and excellent anti-frictional properties. SERVO Grease CVJ has been specifically developed for Constant Velocity Joints and provides Superior wear protection to the various parts of the joint such as the axis pin, ball hub, balls and ball casing.

**Automotive Lubricating Oils****2 - Stroke Engine Oils**

- ☐ KINETIC ULTRA 2T OIL
- ☐ SERVO 2W GEAR OIL
- ☐ SERVO 2T SUPREME
- ☐ SERVO LML 2T OIL

**4 - Stroke Engine Oils**

- ☐ SERVO 4T SYNTH 10W-30
- ☐ SERVO 4T ZOOM
- ☐ SERVO 4T

**Diesel Engine Oils**

- ☐ SERVO PRIDE SUPER 15W-40, 20W-50
- ☐ SERVO PRIDE TC 15W-40
- ☐ SERVO PRIDE XL 15W-40
- ☐ SERVO PRIDE, 10W, 20, 30, 40, 50, MG 10W-30, MG 20W-40
- ☐ SERVO CKD (SKODA) GENUINE DG SET OIL
- ☐ SERVO SKODA GENUINE OIL HD
- ☐ SERVO SKODA GENUINE OIL XHD
- ☐ SERVO SUPER PLUS 20W-40
- ☐ SERVO ULTRA 40 RR
- ☐ SERVO ULTRA KB 10W, 30
- ☐ HYUNDAI SERVO CRDi PREMIUM ENGINE OIL
- ☐ SERVO PREMIUM (N) 15W-40
- ☐ SERVO PREMIUM CF-4 15W-40
- ☐ SERVO PREMIUM CG-4 15W-40
- ☐ SERVO PREMIUM XHP 15W-40
- ☐ SERVO PREMIUM 20W-40

**Some Oils in Detail:****KINETIC ULTRA 2T OIL****GRADES AVAILABLE – KINETIC ULTRA 2T OIL****DESCRIPTION**

Kinetic Ultra 2T Oil is low smoke semi- synthetic two stroke engine oil developed to meet the critical requirements of high performance two stroke engines manufactured by M/s. Kinetic Motors Ltd and Kinetic Engineering Ltd. It is blended from selected base stocks and additives to minimise spark plug fouling and preignition, prevent rusting, minimise deposit formation and provide protection against seizure, scuffing and wear. It contains a diluent for easy mixing with gasoline.

**APPLICATION**

Kinetic Ultra 2T Oil is recommended for lubrication of Kinetic Pride, DX, ZX, Safari and Luna Mopeds. The recommended dosage of Kinetic Ultra 2T Oil is 20 ml of oil per litre of petrol.

**PERFORMANCE BENEFITS**

- ☐ Low exhaust smoke
- ☐ Maintains engine cleanliness
- ☐ Minimises spark plug fouling
- ☐ Reduces port deposits and ring sticking
- ☐ Prevents seizure and scuffing

**PERFORMANCE STANDARDS**

Meets

- ☐ JASO FC specifications.

**MANUFACTURERS APPROVAL**

- ☐ M/s. Kinetic Motors Ltd., and Kinetic Engineering Ltd. have approved Kinetic Ultra 2T Oil for their two stroke scooters and mopeds respectively.

**SERVO 2W GEAR OIL****GRADES AVAILABLE - SERVO 2W GEAR OIL****DESCRIPTION**

Servo 2W Gear Oil oils are used as gear lubricants. These oils are blended from selected base stocks and contain specific additive package to provide anti-wear, anti-rust and anti-corrosion characteristics.

**APPLICATION**

Servo 2W Gear oils are recommended for Gear Lubrication of 2 wheelers.

**PERFORMANCE BENEFITS**

- ☐ Satisfy the lubrication requirements of gears in 2 stroke 2 wheelers
- ☐ Provide protection against wear.
- ☐ Give long service life even under high temperature operation since it has excellent oxidation stability.
- ☐ Provide good protection against corrosion.

**APPROVAL**

Approved for the following Moped Gear Boxes by M/s. TVS Motor Company Ltd.

- ☐ TVS XL Super
- ☐ TVS XL Super (Heavy Duty)



**SERVO 2T SUPREME****GRADES AVAILABLE – SERVO 2T SUPREME****DESCRIPTION**

Servo 2T Supreme is low smoke semi-synthetic two stroke engine oil developed to meet the critical requirements of high performance two stroke engines manufactured by leading auto makers. It is blended from selected base stocks and additives to minimise spark plug fouling and preignition, prevent rusting, minimise deposit formation and provide protection against seizure, scuffing and wear. It contains a diluent for easy mixing with gasoline. Servo 2T Supreme is green dyed product.

**APPLICATION**

Servo 2T Supreme is recommended for lubrication of scooters, autorickshaws, motorcycles and mopeds operating on two stroke engines. The recommended dosage of Servo 2T Supreme is 20 ml of oil per litre of petrol.

**PERFORMANCE BENEFITS**

- ☐ Low exhaust smoke
- ☐ Maintains engine cleanliness
- ☐ Minimises spark plug fouling
- ☐ Reduces port deposits and ring sticking
- ☐ Prevents seizure and scuffing
- ☐ Is easily pumpable by oil injection system

**PERFORMANCE STANDARDS**

- ☐ JASO FC specifications.
- ☐ API TC Specification

**SERVO LML 2T OIL****GRADES AVAILABLE – SERVO LML 2T OIL****DESCRIPTION**

Servo LML 2T Oil is low smoke semi-synthetic two stroke engine oil developed to meet the critical requirements of high performance two stroke engines manufactured by M/s. LML Ltd. It is blended from selected base stocks and additives to minimise spark plug fouling and preignition, prevent rusting, minimise deposit formation and provide protection against seizure, scuffing and wear. It contains a diluent for easy mixing with gasoline.

**APPLICATION**

Servo LML 2T Oil is recommended for lubrication of two stroke 2 wheelers manufactured by LML Ltd. Kanpur. The recommended dosage is 20 ml of oil per litre of petrol.

**PERFORMANCE BENEFITS**

- ☐ Low exhaust smoke
- ☐ Maintains engine cleanliness
- ☐ Minimises spark plug fouling
- ☐ Reduces port deposits and ring sticking
- ☐ Prevents seizure and scuffing
- ☐ Is easily pumpable by oil injection system
- ☐ Ensures reduced oil consumption

**PERFORMANCE STANDARDS**

Meets

- ☐ Latest JASO FC specifications.

**MANUFACTURERS APPROVAL**

- ☐ M/s. LML Ltd. Kanpur has approved LML Servo 2T Oil for two stroke scooters.

**SERVO 4T SYNTH 10W-30****DESCRIPTION**

Servo 4T Synth 10W-30 is blended with structurally modified base stock blended with synergistic additive system for outstanding detergency, dispersancy characteristics, anti-wear and antioxidant properties, high viscosity index and low temperature flow properties. This delicately balanced composition provides and exceeds tough industry performance standards thus ensuring reliability, emission control, economy and endurance.

**APPLICATION**

Servo 4T Synth 10W-30 is recommended for on road high performance 4 Stroke Motor Cycle and Scooters particularly operating with wet clutch system.

**PERFORMANCE BENEFITS**

- ☐ Selected synthetic base stocks impart inherent low temperature pumpability and excellent evaporation control in high speed, high temperature operation.
- ☐ Formulated with highly shear stable viscosity index modifiers which ensure viscosity control over extreme temperatures.
- ☐ Enhanced lubrication to help maintain maximum power and acceleration over the life of the engine.
- ☐ Optimized wet-clutch performance.
- ☐ Excellent low temperature flow characteristics to help minimize engine wear during start up.
- ☐ Potential improvement in fuel economy.

Enhanced oil life and longer drain period

**SPECIFICATIONS**

Servo 4T Synth 10W-30 meets the performance requirement of API SM /JASO MA 2 specifications.

**SERVO 4T ZOOM****GRADES AVAILABLE - SERVO 4T ZOOM****DESCRIPTION**

Servo 4T Zoom is high performance engine oil for 4 stroke 2/3 wheelers. This oil is a high viscosity index, 4 stroke engine oil.

**APPLICATION**

Servo 4T Zoom is recommended for new generation 4 stroke motorcycles, scooters and auto rickshaws.

**PERFORMANCE BENEFITS**

- ☐ Maximum power output.
- ☐ Superior performance in terms of oxidation stability.
- ☐ Excellent wear protection at high temperatures and severe operating conditions.
- ☐ Outstanding overall engine cleanliness.
- ☐ Enhanced engine & gear life.
- ☐ Higher fuel efficiency.
- ☐ Potential oil drain period of more than 5000 Kms.

**PERFORMANCE STANDARDS**

- ☐ JASO T 903 : API SJ / JASO MA 2

**SERVO 4T****GRADES AVAILABLE - SERVO 4T****DESCRIPTION**

Servo 4T is high performance engine oil for 4 stroke 2/3 wheelers. This oil is blended from high viscosity index base stocks and contains additives to meet the stated performance standards.

**APPLICATION**

Servo 4T is recommended for new generation 4 stroke motorcycles, scooters and auto rickshaws.

**PERFORMANCE BENEFITS**

- ☐ Maximum power output.
- ☐ Superior performance in terms of oxidation stability.
- ☐ Excellent wear protection at high temperatures and severe operating conditions.
- ☐ Outstanding overall engine cleanliness.
- ☐ Enhanced engine life.
- ☐ Higher fuel efficiency.
- ☐ Potential oil drain period of 5000 Kms.

**PERFORMANCE STANDARDS**

oJASO T903 : API SG / JASO MA 2

**MANUFACTURERS APPROVAL**

- ☐ M/s Bajaj Auto Ltd.
- ☐ M/s TVS Motor Co. Ltd.
- ☐ M/s LML Limited.



**SERVO PRIDE SUPER****GRADES AVAILABLE – SERVO PRIDE SUPER 15W-40, 20W-50****DESCRIPTION**

Servo Pride Super 15W-40 is a premium quality “Super High Performance Diesel Engine Oil” (SHPDO). It is blended with high quality base stocks and carefully selected additives to meet the stringent requirements of various OEMs.

**APPLICATION**

Servo Pride Super 15W-40 is recommended for all types of diesel powered vehicles ranging from light commercial vehicles to heavy duty turbo charged diesel engines and also suitable for off-highway equipment and power generation sets operating on high speed diesel.

**PERFORMANCE BENEFITS**

- ☐ Increased oil drain period with potential of 45,000 kms under ideal operating conditions.
- ☐ Enhanced engine life
- ☐ Ensures increased engine cleanliness
- ☐ Reduced wear
- ☐ All weather oil
- ☐ Low oil top up

**PERFORMANCE STANDARDS**

- ☐ ACEA - E5 - 02
- ☐ E-DL 4 OF IS:13656-1993
- ☐ MB 228.3

**SERVO PRIDE TC 15W-40****GRADES AVAILABLE - SERVO PRIDE TC 15W-40****DESCRIPTION**

Servo Pride TC 15W-40 is a premium quality, commercial multipurpose diesel engine oil. The oil is designed for the most severe performance requirements of modern, highly rated turbo charged diesel engines for the road transport fleet applications. It assures outstanding protection against high temperature engine deposits, oil degradation, oil thickening and corrosion resistance. The oil is having excellent shear stability to maintain viscosity under severe, high temperature operations.

**APPLICATION**

Servo Pride TC 15W-40 is recommended for commercial diesel vehicles for both National and International Heavy duty highway equipments. This oil meets API CG-4 / SG service classification for modern and low emission diesel engines. This oil is also recommended for Gasolene Engines allowing to be used in mixed fleet operations.

**PERFORMANCE BENEFITS**

- oReduced engine scuffing & bore polishing.
- oHigh engine cleanliness.
- oMaximum protections from wear and deposits.
- oSuitable for mixed fleet operation.
- oImproved control of oil consumption.
- oEasier cold starting.
- oExcellent all weather performance due to improved cold weather properties.
- oCatalytic Converter compatible.

**PERFORMANCE STANDARDS**

- \* API CF-4 / SG
- \* MB 228.1

**SERVO PRIDE XL 15W-40****GRADES AVAILABLE - SERVO PRIDE XL 15W-40****DESCRIPTION**

Servo Pride XL 15W-40 is **API certified**, premium commercial multipurpose diesel engine oil. The oil is designed for the most severe performance requirements of new generation diesel engines for on and off highway operations. It assures outstanding protection against high temperature engine deposits, oil degradation, oil thickening and corrosion resistance. The oil is having excellent shear stability to maintain viscosity under severe, high temperature operations. It exhibits outstanding control on soot induced thickening and soot induced wear.

**APPLICATION**

Servo Pride XL 15W-40 is recommended for new generation commercial diesel vehicles of both American and European design such as Caterpillar and Cummins operating on Heavy duty on-highway and off-highway equipments. It is tailored to the lubrication requirements of engines complying to EURO III. It is especially compounded for use with diesel fuel ranging in sulphur content upto 0.5% by wt.

**PERFORMANCE BENEFITS**

- # Reduced engine scuffing and bore polishing.
- # High engine cleanliness.
- # Maximum protection from wear and deposits.
- # Suitable for mixed fleet operation.
- # Improved control of oil consumption.
- # Easier cold starting.

**PERFORMANCE STANDARDS**

- \* API CH-4
- \* MB 228.3
- \* MACK EO-M Plus
- \* MAN 3275
- \* VOLVO VDS-2
- \* Cummins CES 20076

**SERVO PRIDE****GRADES AVAILABLE – SERVO PRIDE, 10W, 20, 30, 40, 50, MG 10W-30, MG 20W-40****DESCRIPTION**

Servo Pride oils are heavy duty engine oils for diesel service. These oils are red in colour and blended from selected highly refined, high viscosity index base stocks and contain well balanced group of additives, to provide high detergency, dispersancy and anti oxidation characteristics to meet the stated performance standards.

**APPLICATION**

Servo Pride oils are recommended for:

- ☐ Naturally aspirated, supercharged and turbocharged diesel engines.
- ☐ High powered gasoline engines
- ☐ Mixed fleet operation

**PERFORMANCE BENEFITS**

Servo Pride oils

- ☐ Provide excellent resistance against wear and deposits in automotive supercharged diesel engines
- ☐ Have exceptional thermal and oxidation stability to resist decomposition in supercharged engines operating with high ring zone temperature.
- ☐ Provide absolute control of corrosive wear that may result from use of high sulphur fuels because of good built-in alkaline reserves.
- ☐ Maintain a high order of engine cleanliness

**PERFORMANCE STANDARDS**

Servo Pride oils meet the following specifications:

- ☐ US MIL-L 2104C
- ☐ API CF/CD
- ☐ E-DL 3 of IS:13656-2002
- ☐ Caterpillar Series 3

**Hyundai Servo CRDi Premium Engine Oil****GRADES AVAILABLE Hyundai Servo CRDi Premium Engine oil****DESCRIPTION**

Hyundai Servo CRDi Premium Engine oil is a premium diesel engine oil specially designed for Hyundai Diesel cars fitted with CRDi injection system. The oil is designed for the most severe performance requirements of new generation diesel cars retrofitted with features like PCV, EGR, etc. It assures outstanding protection against high temperature engine deposits, oil degradation, oil thickening and corrosion resistance. The oil is having excellent shear stability to maintain viscosity under severe, high temperature operations. It exhibits outstanding control on soot induced oil thickening and soot

**APPLICATION**

Hyundai Servo CRDi Premium Engine oil is recommended for new generation Hyundai Diesel vehicles. It is tailored to the lubrication requirements of engines complying to Euro III. Recommended for use with Diesel fuel, sulphur content upto 0.5% by wt.

**PERFORMANCE BENEFITS**

- # Reduced engine scuffing and bore polishing.
- # High engine cleanliness.
- # Maximum protection from wear and deposits.
- # Improved control of oil consumption.

**PERFORMANCE STANDARDS**

- \* API CH-4 / SL\*
- \* ACEA A3/B3 – 04



**SERVO ULTRA****GRADES AVAILABLE – SERVO ULTRA 10W, 20, 30, 40, 50****DESCRIPTION**

Servo Ultra oils are heavy duty diesel engine oils, and are blended from highly refined, high viscosity index base stocks and contain appropriate dosages of detergent-dispersant and antioxidant additives to meet the stated performance standards.

**APPLICATION**

Servo Ultra oils are recommended for all classes of supercharged diesel engines of high speed, high output such as those in:

- ☐ Heavy duty diesel vehicles / Tractors
- ☐ Earth moving / Off-highway equipment
- ☐ Transmission systems of Caterpillar equipment
- ☐ Large generating sets

**PERFORMANCE BENEFITS**

Servo Ultra oils

- ☐ Effectively combat the deleterious products of combustion associated with high sulphur fuels, thus minimising deposits and wear.
- ☐ Maintain excellent engine cleanliness.
- ☐ Minimise deposits resulting from high output, low speed, low temperature operations.
- ☐ Provide excellent control of cold sludge and corrosive wear.
- ☐ Possess excellent oxidation stability ensuring long service life especially in transmission systems.

**PERFORMANCE STANDARDS**

Servo Ultra oils meet the following specifications:

- ☐ API CD
- ☐ US MIL-L-45199B

**MARUTI GENUINE OIL****GRADES AVAILABLE – MARUTI GENUINE OIL****DESCRIPTION**

Maruti Genuine Oil is high performance engine oil for new generation petrol vehicles. These oils are blended from high viscosity index base stocks and contain additives to meet the stated performance standards. This oil has been extensively evaluated under tough field driving

**APPLICATION**

Maruti Genuine Oil is recommended for entire Maruti range of petrol vehicles. It is also suitable for other Indian cars.

**PERFORMANCE BENEFITS**

- ☐ Superior performance in terms of oxidation stability, dispersancy characteristics and energy efficiency.
- ☐ Excellent sludge control and extra wear protection at high temperatures and severe operating conditions.
- ☐ Outstanding overall engine cleanliness and also provide long engine life.
- ☐ Fuel savings and low oil top up.
- ☐ Catalytic Convertor Compatible.

**PERFORMANCE STANDARDS**

- ☐ API SF in gasoline and CD in diesel service.
- ☐ US Military MIL-L-46152 B
- ☐ E-PL 2 / E-DL 2 of IS: 13656- 2002.

**APPROVAL**

- ☐ Maruti Udyog Ltd for all petrol vehicles i.e. Maruti 800/ Van / Gypsy/ Esteem/ Wagon R / Zen / Alto / Swift, etc.

**SERVO SUPER MG****GRADES AVAILABLE - SERVO SUPER MG 5W-30/10W-30/10W-40/20W-40/20W-50****DESCRIPTION**

Servo Super Multigrade Oils are blended from highly refined base stocks and balanced additive package containing shear stable VI improver, metallic detergent dispersant and anti-oxidant. These oils are formulated to meet lubrication requirements of both gasoline and diesel engines. Servo Super Multigrade Oils are red in colour and suitable for all seasons.

**APPLICATION**

Servo Super MG oils are recommended for

- ☐ Modern passenger cars
- ☐ Naturally aspirated diesel engines operating under severe conditions.
- ☐ Supercharged diesel engines
- ☐ Vehicles encountering continuous start-stop operation.

**PERFORMANCE BENEFITS**

Servo Super Multigrade Oils

- ☐ Enable easy low temperature starting
- ☐ Minimise fuel and oil consumption
- ☐ Give longer battery life
- ☐ Provide maximum protection to engine parts against rust and corrosion
- ☐ Give good high and low temperature performance in the engine
- ☐ Minimise wear of engine parts
- ☐ Ensure system cleanliness by holding contaminants in finely dispersed state

**PERFORMANCE STANDARDS**

Meets the following specifications:

API SC/CC

US MIL-L-2104B

E-PL 1/E-DL 1 of IS:13656-2002

**HYUNDAI SERVO PREMIUM ENGINE OIL****GRADES AVAILABLE – HYUNDAI SERVO PREMIUM ENGINE OIL****DESCRIPTION**

Hyundai Servo Premium Engine Oil is high performance gasoline engine oil for top-end Hyundai vehicles. These oils are blended from high viscosity index base stocks and contain proven additive system to meet the stated performance standards

**APPLICATION**

Hyundai Servo Premium Engine Oil is recommended for Hyundai top-end petrol vehicles. It is also suitable for new generation. It is tailored to the lubrication requirement.

**PERFORMANCE BENEFITS**

- ☐ Superior performance in terms of oxidation stability, piston deposit control.
- ☐ Extra wear protection at high temperatures and severe operating conditions.
- ☐ Superior valve train wear control.
- ☐ Outstanding overall engine cleanliness and also provide long engine life.
- ☐ Excellent rust and corrosion protection.
- ☐ Catalytic Convertor Compatible.

**PERFORMANCE STANDARDS**

- ☐ API SJ.
- ☐ ACEA A3/B3 – 2004.

**APPROVAL**

- ☐ M/s. Hyundai Motors India Ltd for Hyundai vehicles.

**HYUNDAI SERVO COOLANT****GRADES AVAILABLE - HYUNDAI SERVO COOLANT****DESCRIPTION**

Hyundai Servo Coolant is a triple action long life radiator coolant prepared from selected ingredients to meet the highest Japanese standard and is free from Amines, Borates, Nitrates and Silicates.

**APPLICATION**

Hyundai Servo Coolant is recommended for Hyundai vehicles like Santro, Accent, etc. For desired performance 30 parts of the fluid is to be diluted with 70 parts of distilled water.

**PERFORMANCE BENEFITS**

- ☐ Does not boil and vaporise in the hottest summer or freeze in severe winter.
- ☐ Prevents corrosion of radiator coolant and other parts.
- ☐ Increases cooling efficiency.
- ☐ Reduces maintenance costs and increases radiator life.

**APPROVAL**

- ☐ Hyundai Servo Coolant is approved by M/s. Hyundai Motors India Ltd. for all Hyundai vehicles.

**SERVOKOOL PLUS****GRADES AVAILABLE - SERVOKOOL PLUS****DESCRIPTION**

Servokool Plus is a triple action long life radiator coolant prepared from selected ingredients to meet the highest Japanese standard and is free from Amines, Borates, Nitrates and Silicates.

**APPLICATION**

Servokool Plus is recommended for passenger cars, light commercial vehicles, heavy vehicles and heavy earth moving equipment as a radiator coolant. For desired performance 30 parts of the fluid is to be diluted with 70 parts of distilled water in most of the vehicles.

**PERFORMANCE BENEFITS**

- ☐ Does not boil and vaporise in the hottest summer or freeze in severe winter.
- ☐ Prevents corrosion of radiator coolant and other parts.
- ☐ Increases cooling efficiency.
- ☐ Reduces maintenance costs and increases radiator life.

**PERFORMANCE STANDARDS**

- ☐ JIS K 2234-1994 specification.
- ☐ IS : 5759-1994
- ☐ MUL/Suzuki 17011M-50F 10F/1992

**APPROVAL**

- ☐ Servokool Plus is approved by major automobile manufacturers.



**SERVO FORCE BRAKE FLUID****GRADES AVAILABLE - SERVO FORCE BRAKE FLUID****DESCRIPTION**

Servo Force Brake Fluid is developed for brake system of vehicles manufactured by M/s. Force Motors Ltd .It is heavy duty hydraulic brake fluid which ensures long service life of the brake fluid and components of brake mechanism. It remains clear and uniform fluid under extreme cold climatic conditions, enabling satisfactory operation of brake systems.

The fluid causes the natural rubber and styrene butadiene rubber parts of the brake system to slightly swell and make them leak proof. It also lubricates the moving parts of the brake system very effectively.

**APPLICATION**

Servo Force Brake Fluid is designed for use in modern brake system of automotive vehicles manufactured by M/s Force Motors Limited . The higher boiling point of this product provides greater safety factor while driving at high speed with heavy load or in hilly areas where frequent braking generates higher temperatures in the brake system.

**PERFORMANCE BENEFITS**

Servo Force Brake Fluid

- ☐ Provides very high safety factor during driving at high speed in city and under heavy load in hilly regions
- ☐ Provides excellent protection against corrosion to iron, non-ferrous metals and zinc alloys
- ☐ Has longer service life, due to excellent oxidation stability

**PERFORMANCE STANDARDS**

Servo Force Brake Fluid meets the following specification:

- ☐ SAE J 1703
- ☐ FMVSS 116.3
- ☐ IS:8654-1986

**HYUNDAI SERVO BRAKE OIL****GRADES AVAILABLE – HYUNDAI SERVO BRAKE OIL****DESCRIPTION**

Hyundai Servo Brake Oil is heavy duty hydraulic brake fluid which ensures long service life of the brake fluid and components of brake mechanism. It remains clear and uniform fluid under extreme cold climatic conditions, enabling satisfactory operation of brake systems. It also lubricates the moving parts of the brake system very effectively.

**APPLICATION**

Hyundai Servo Brake Oil is recommended for hydraulic brake systems of Hyundai vehicles.

The higher boiling point of this product provided greater safety factor while driving at high speed with heavy load or in hilly areas where frequent braking generates higher temperatures in the brake system.

**PERFORMANCE BENEFITS**

Hyundai Servo Brake Oil

- ☐ Provides very high safety factor during driving at high speed in city and under heavy load in hilly regions
- ☐ Provides excellent protection against corrosion to iron, non-ferrous metals and zinc alloys
- ☐ Has longer service life, due to excellent oxidation stability

**MANUFACTURERS APPROVAL**

Hyundai Servo Brake Oil is approved by Hyundai Motors India Ltd., for exclusive use in Hyundai vehicles like Santro cars, etc.

**SERVO BRAKE FLUID DOT 4****GRADES AVAILABLE - SERVO BRAKE FLUID DOT 4****DESCRIPTION**

Servo Brake Fluid DOT 4 is a heavy duty hydraulic brake fluid processed from carefully selected ingredients and incorporates a balanced combination of anti-oxidants, metal deactivator and corrosion inhibitor.

**APPLICATION**

Servo Brake Fluid DOT 4 is recommended for various hydraulic brake systems including disc type operating in various new generation automobiles.

**PERFORMANCE BENEFITS**

- ☐ Prevents vapour lock problems in high temperature operating conditions.
- ☐ Has improved low temperature characteristics and can be safely used in cold climate.
- ☐ Provides excellent protection against corrosion to iron, non-ferrous metals and zinc alloys.
- ☐ Ensures long service life of Brake Fluid and components of brake mechanism.

**PERFORMANCE STANDARDS**

- ☐ SAE J 1703 for Hydraulic Brake Fluid, Heavy Duty
- ☐ FM VSS No. 116 DOT 4.

# RESEARCH

### **Research Objectives**

Study of increasing lubes sale through service marketing at ROs. The study includes research of various Retail outlets and the sales pattern of Servo oil in these Retail Outlets. The research involves one to one conversation with RO owner or Manager and also involves a day long surveillance of customer-RO worker behavior at all the ROs visited i.e. 10 in Bhopal and 4 in Gwalior. We also studied the types of services and promotional activities at RO. The study was conducted in Bhopal as well as Gwalior and the report consists of all the details generated after this six weeks long internship.

### **Sub Objectives-**

- Study of Global Lube Market
- Study of Indian Lube Market
- Study of market potential for service stations at RO
- Study of the marketing strategy followed by IOCL
- Study of increasing lube sales at ROs
- Study of competitors strategy to improve sales and revenue generation through other means.
- Study the customer reaction and perceptions towards the idea of service stations at ROs
- Study the service station owners' agreement on the idea of service station at RO which includes private service stations and authorized service stations
- Increase the customer as well as RO owners knowledge towards importance of lubes for vehicle and use of oil changing machine to change the oil.
- Study of the problems faced by several channel partners in the lube sales:-
  1. Retail Outlets
  2. Baazar Shops
  3. Private Service stations
  4. OEM service stations

### **Need for Research**

Indian Oil Corporation is marketing its lube oil under the brand name "SERVO" throughout the country. Servo has various types of automotive lubricant oil like 2-stroke engine oil named as SERVO 2T, 4-stroke engine oil SERVO 4T for both diesel and petrol engines used in motor cars, transportation vehicles like trucks, tractors and public transportation like buses. Servo has a market share of 40% in India, IOCL strives for even more.

The Indian lube market is filled with competition and company should bring in changes to attract customer and remain ahead in the market. Castrol, Shell, Valvoline, Idemitsu, Vedol, etc are tough competitors which have attracted customers by attractive pricing and market penetration.. The study is to boost the IOCL lube sales and give suggestions to let IOCL win a greater market share and attain happy and satisfied customers.

The study also is done to see the prospects of a service station at RO and to understand the customer's reaction to this idea. The service station will be a private owned or an OEM service station so it also is essential to understand the reaction and thoughts of service station owners to this idea. What will be the effect of this idea on sales of lube oil, as the vehicles will be serviced at the service station in RO and will buy lube from the petrol pump itself.

### **Scope of Research**

The research is totally concentrated in the state of Madhya Pradesh. This research covers all the channel partners of IOC those who are involved in automotive lubes like CFA, SSA, RO's, Bazaar shops, OEMs, Mechanics, Service stations, etc. those who buy and sell lubricants.

### **Research Methodology**

This research work is first done to survey the buying decision of lubricating oil and on that basis of survey analysis recommendations have been made to improve the sales of servo lubricants. The survey helps us to figure out the customers inclination to get his/her vehicle serviced at a service station located at any IOCL RO.

### **Type of Research**

The research conducted was analytical and descriptive in nature. Survey was done in RO's, vehicle owners and service stations which were OEM as well as road side service stations. The survey conducted was designed such that to give us a proper idea of customers' decision of buying lubes from ROs as well as their will to get their vehicles serviced at RO. The survey done at RO was focused on the services and efforts they put in to enhance the sale of lubes of various types. The survey conducted at service stations was focused on the tools and machines required and the potential of opening a service station at RO, its pricing and effects.



**SOURCES OF DATA:-**

- Primary data
- Secondary data

**PRIMARY DATA-**

Primary data is first-hand information that the researcher collects. It helps in collecting useful and most accurate information that is needed for the researcher to do his research.

Sources of primary data –

- Questionnaires
- Interviews

The primary data was collected by questionnaires designed for the vehicle owners which consisted of various objective type as well as descriptive type questions. An objective type questionnaire was also prepared for service station owners. The data collected by RO owners was done with the help of interviews where the RO owners or managers answered the questions asked to them.

**SECONDARY DATA:-**

Secondary data is what the researcher collects from different sources. It also helps the researcher to get elaborate information needed to complete the research.

Sources of secondary data:-

- Internet
- Journals

The source of secondary data was largely the articles published on the Servo products. The market conditions and Pricing of setting up a service station at any location was all we found on the internet.

**Sampling Techniques**

Random sampling techniques has been used in the Area of Study (BHOPAL & GWALIOR), as the respondents are scattered all over the above mentioned cities.

Simple random sampling involves selecting sample at random from the sampling frame using either random number. I have used random selection of respondent. It is most accurate and easily accessible form of sampling method.

### **Sample Size**

The sample size of vehicle owners involved in the research is 100. That means 100 vehicle owners have filled the survey questionnaire. The ROs covered in the survey is 14 and 7 service stations/garages have been included in the study.

# DATA ANALYSIS

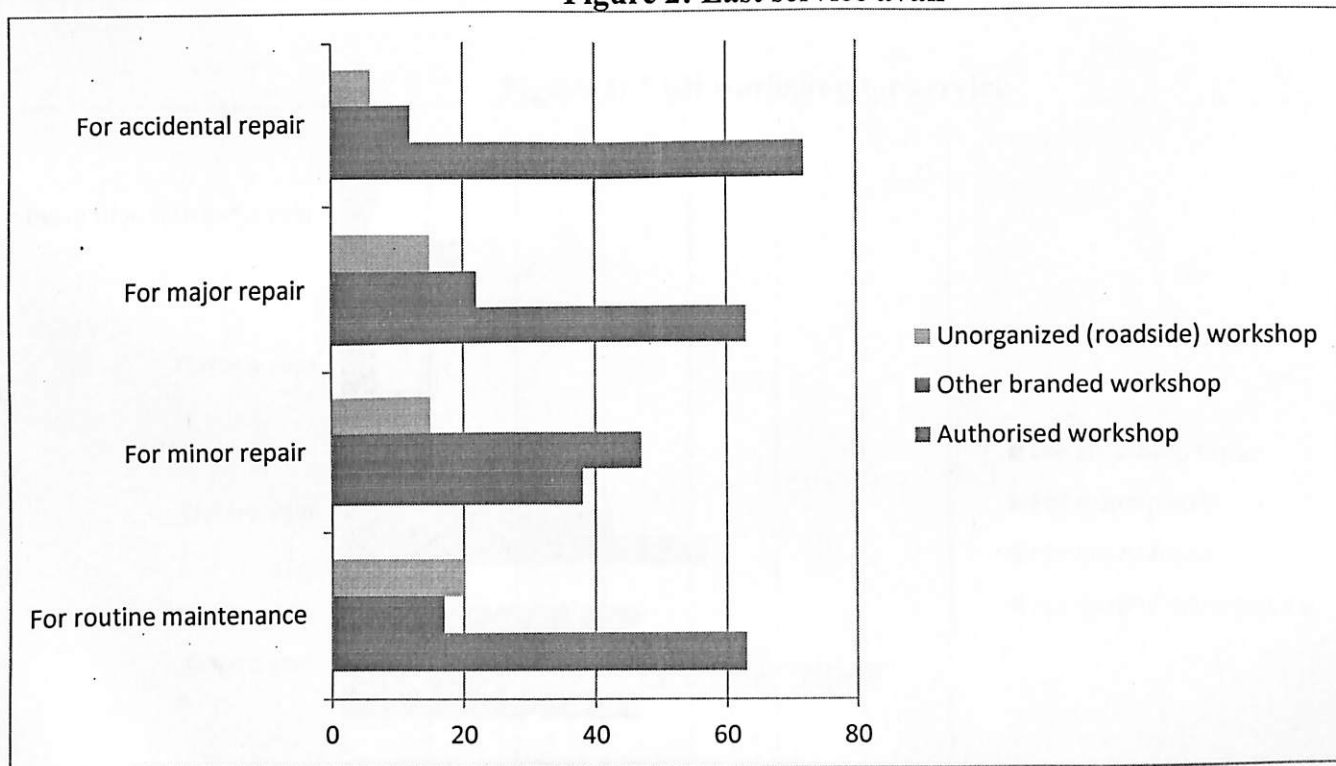
## Survey of Vehicle Owners

### Findings from Questionnaire:

**Table 1: Last service avail**

| Where did you avail service last? | Authorised workshop | Other branded workshop | Unorganized (roadside) workshop |
|-----------------------------------|---------------------|------------------------|---------------------------------|
| For routine maintenance           | 63                  | 17                     | 20                              |
| For minor repair                  | 38                  | 47                     | 15                              |
| For major repair                  | 63                  | 22                     | 15                              |
| For accidental repair             | 72                  | 12                     | 6                               |

**Figure 2: Last service avail**



From the survey of 100 customers at RO, we found out the details where this customer avails their vehicle last service.

We found that for routine maintenance 63% of the customer goes to authorized workshop, 17% goes to other branded workshop and 20% goes to roadside workshop. Similarly we got figures for their minor repairs, for major repair and for accidental repair.

From this we can say that most of the customer goes to authorized workshop for the repair.

**Table 2: Visit workshop for service****How frequently did you have to visit workshops for the following services in recent times?**

|                         | Nil | Once a year | Twice a year | Thrice a year | more than thrice in a year |
|-------------------------|-----|-------------|--------------|---------------|----------------------------|
| For routine maintenance | 0   | 34          | 42           | 10            | 14                         |
| For minor repair        | 0   | 62          | 31           | 4             | 3                          |
| For major repair        | 21  | 49          | 21           | 4             | 4                          |
| For accidental repair   | 53  | 34          | 10           | 3             | 0                          |

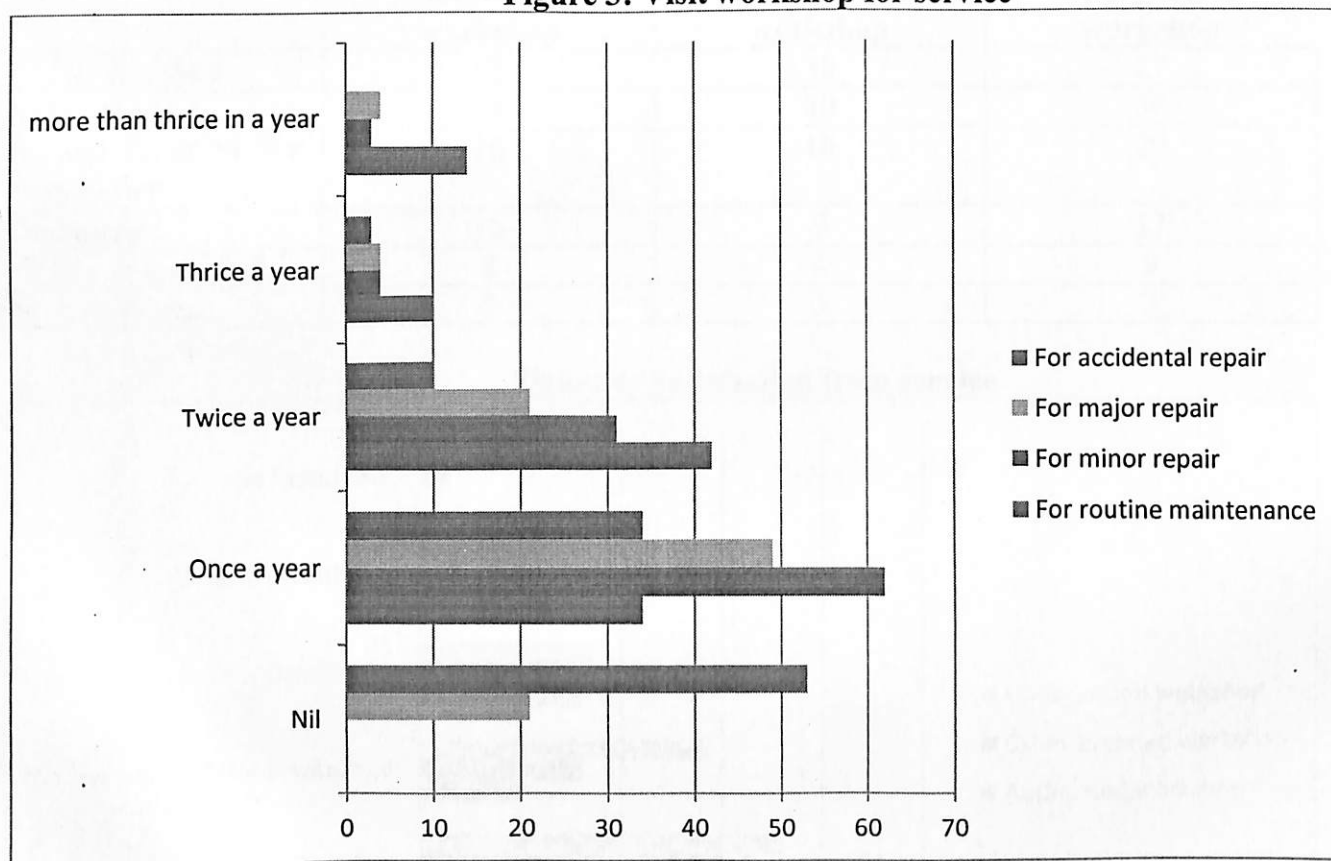
**Figure 3: Visit workshop for service**

Table 3: Satisfaction from service

How satisfied are you on services if availed by you ever at these workshops ?

(5-highly satisfied, 4-satisfied, 3-neither satisfied nor dissatisfied, 2-dissatisfied, 1-highly dissatisfied, 0-no experience)

|                         | Authorised workshop | Other branded workshop | Unorganized workshop |
|-------------------------|---------------------|------------------------|----------------------|
| For routine maintenance |                     |                        |                      |
| For minor repair        |                     |                        |                      |
| For major repair        |                     |                        |                      |
| For accidental repair   |                     |                        |                      |

|                                    | Authorised workshop | Other branded workshop | Unorganized workshop |
|------------------------------------|---------------------|------------------------|----------------------|
| Highly Satisfied                   | 42                  | 38                     | 27                   |
| Satisfied                          | 24                  | 30                     | 36                   |
| Neither Satisfied Nor Dissatisfied | 10                  | 16                     | 29                   |
| Dissatisfied                       | 16                  | 9                      | 17                   |
| Highly Dissatisfied                | 8                   | 4                      | 9                    |
| No Experience                      | 0                   | 3                      | 2                    |

Figure 4: Satisfaction from service

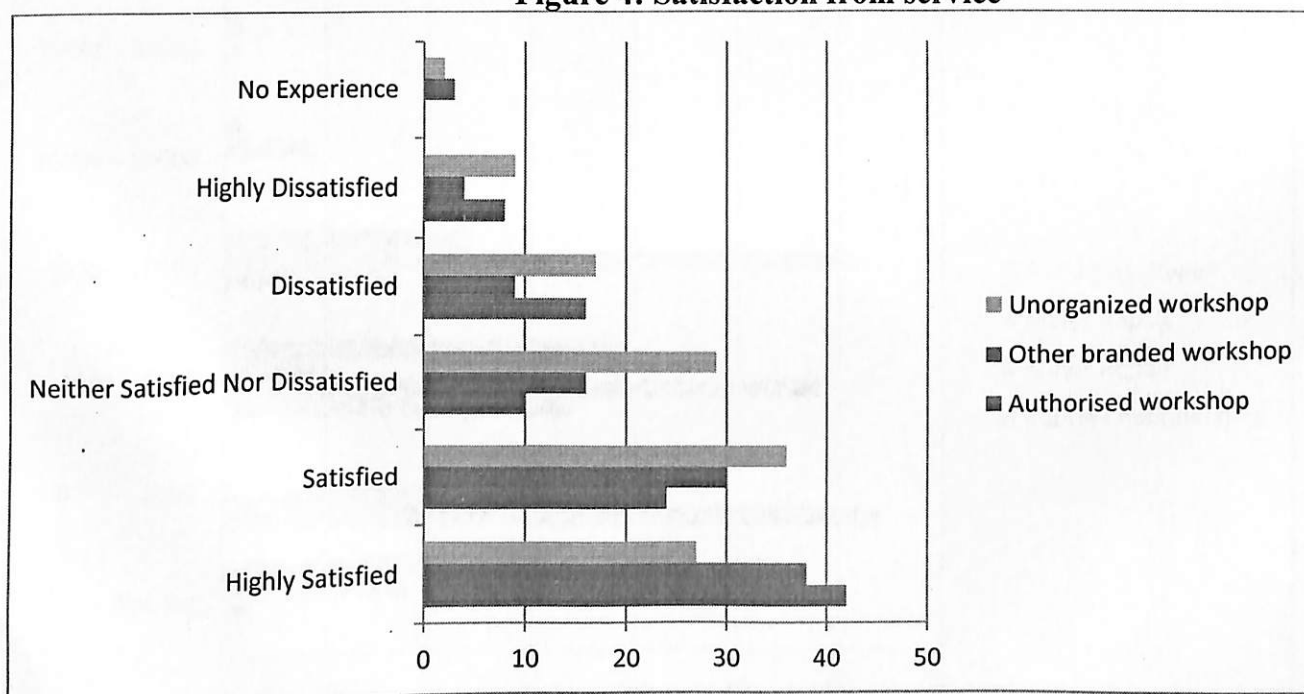




Table 4: Approx. expenditure for service

What was your approx. expenditure (Rs. per year) in the recent times?

|                     |         |            |             |             |             |             |             |
|---------------------|---------|------------|-------------|-------------|-------------|-------------|-------------|
| Routine maintenance | Not yet | Upto 1000  | 1001-3000   | 3001-5000   | 5001-7000   | 7001-10000  | Above 10000 |
| Minor repair        | Not yet | Upto 1000  | 1001-3000   | 3001-5000   | 5001-7000   | 7001-10000  | Above 10000 |
| Major repair        | Not yet | Upto 5000  | 5001-10000  | 10001-15000 | 15001-20000 | 20001-25000 | Above 25000 |
| Accidental repair   | Not yet | Upto 10000 | 10001-20000 | 20001-30000 | 30001-40000 | 40001-50000 | Above 50000 |

|               | Routine maintenance | Minor Repair | Major Repair | Accidental Repair |
|---------------|---------------------|--------------|--------------|-------------------|
| Not yet       | 2                   | 3            | 18           | 34                |
| 0 - 1000      | 64                  | 22           | 0            | 0                 |
| 1000 - 5000   | 34                  | 58           | 9            | 39                |
| 5000 - 10000  | 0                   | 17           | 62           | 24                |
| 10000 - 25000 | 0                   | 0            | 9            | 2                 |
| 25000 - 50000 | 0                   | 0            | 2            | 2                 |

Figure 5: Approx. expenditure for service

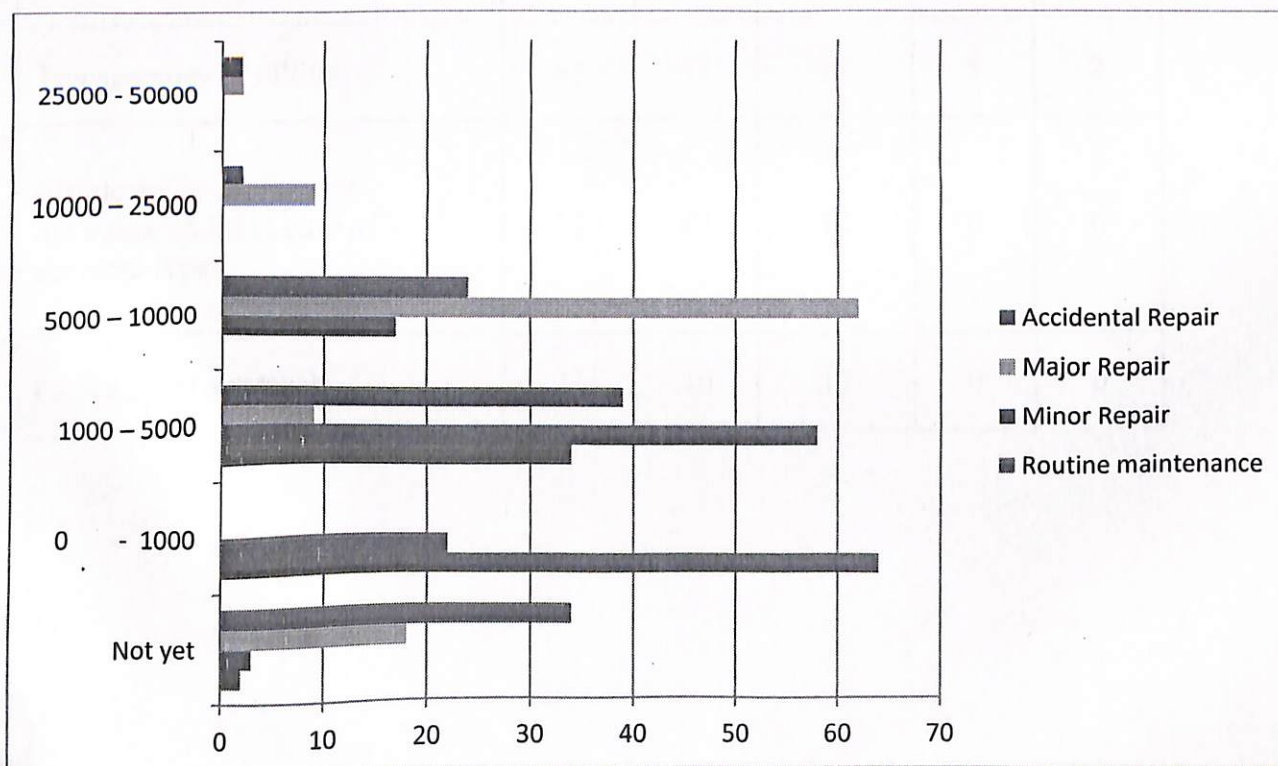


**Table 5: Important factors for service****How important are the following factors to you?**

|                                                                      | Very High | High | Moderate | Low | Very Low |
|----------------------------------------------------------------------|-----------|------|----------|-----|----------|
| Cost of service                                                      | 54        | 36   | 20       | 0   | 0        |
| Genuinity of spares                                                  | 44        | 40   | 16       | 0   | 0        |
| Quality of repair                                                    | 40        | 41   | 19       | 0   | 0        |
| Service time                                                         | 35        | 47   | 18       | 0   | 0        |
| Timeliness in delivery                                               | 30        | 50   | 20       | 0   | 0        |
| Access to oversee repair works at the workshop                       | 50        | 39   | 11       | 0   | 0        |
| Equality in treatment regardless class of vehicle                    | 40        | 46   | 14       | 0   | 0        |
| Attention given for minor works                                      | 37        | 48   | 15       | 0   | 0        |
| Transparency in billing                                              | 43        | 37   | 13       | 5   | 2        |
| Efficiency in dealing for insurance claim in case of accident repair | 39        | 43   | 18       | 0   | 0        |
| Professional approach                                                | 43        | 40   | 17       | 0   | 0        |

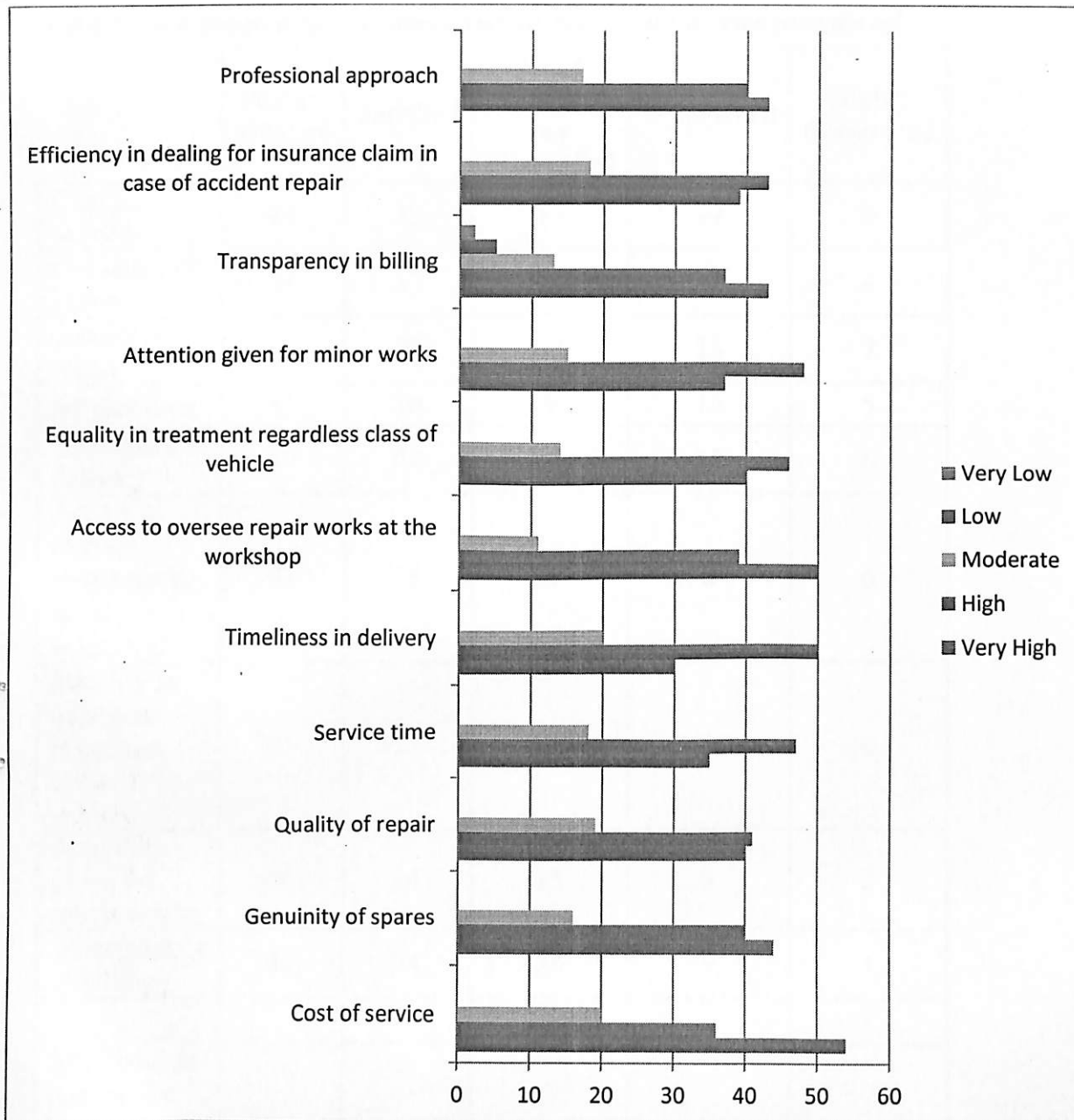
**Figure 6: Important factors for service**

**Table 6: Satisfaction factors from service****How satisfied are you on the above factors with your service providers?**

|                                                                      | Highly satisfied | Satisfied | Neither satisfied nor dissatisfied | Dissatisfied | Highly dissatisfied |
|----------------------------------------------------------------------|------------------|-----------|------------------------------------|--------------|---------------------|
| Cost of service                                                      | 41               | 23        | 17                                 | 19           | 0                   |
| Genuinity of spares                                                  | 34               | 17        | 14                                 | 21           | 4                   |
| Quality of repair                                                    | 41               | 22        | 12                                 | 18           | 7                   |
| Service time                                                         | 52               | 18        | 9                                  | 16           | 5                   |
| Timeliness in delivery                                               | 37               | 24        | 18                                 | 15           | 6                   |
| Access to oversee repair works at the workshop                       | 62               | 26        | 6                                  | 0            | 6                   |
| Equality in treatment regardless class of vehicle                    | 71               | 22        | 7                                  | 0            | 0                   |
| Attention given for minor works                                      | 66               | 24        | 15                                 | 3            | 2                   |
| Transparency in billing                                              | 48               | 24        | 18                                 | 9            | 1                   |
|                                                                      |                  |           |                                    |              |                     |
| Efficiency in dealing for insurance claim in case of accident repair | 32               | 23        | 20                                 | 7            | 18                  |
| Professional approach                                                | 72               | 14        | 9                                  | 5            | 0                   |

Figure 7: Satisfaction factors from service

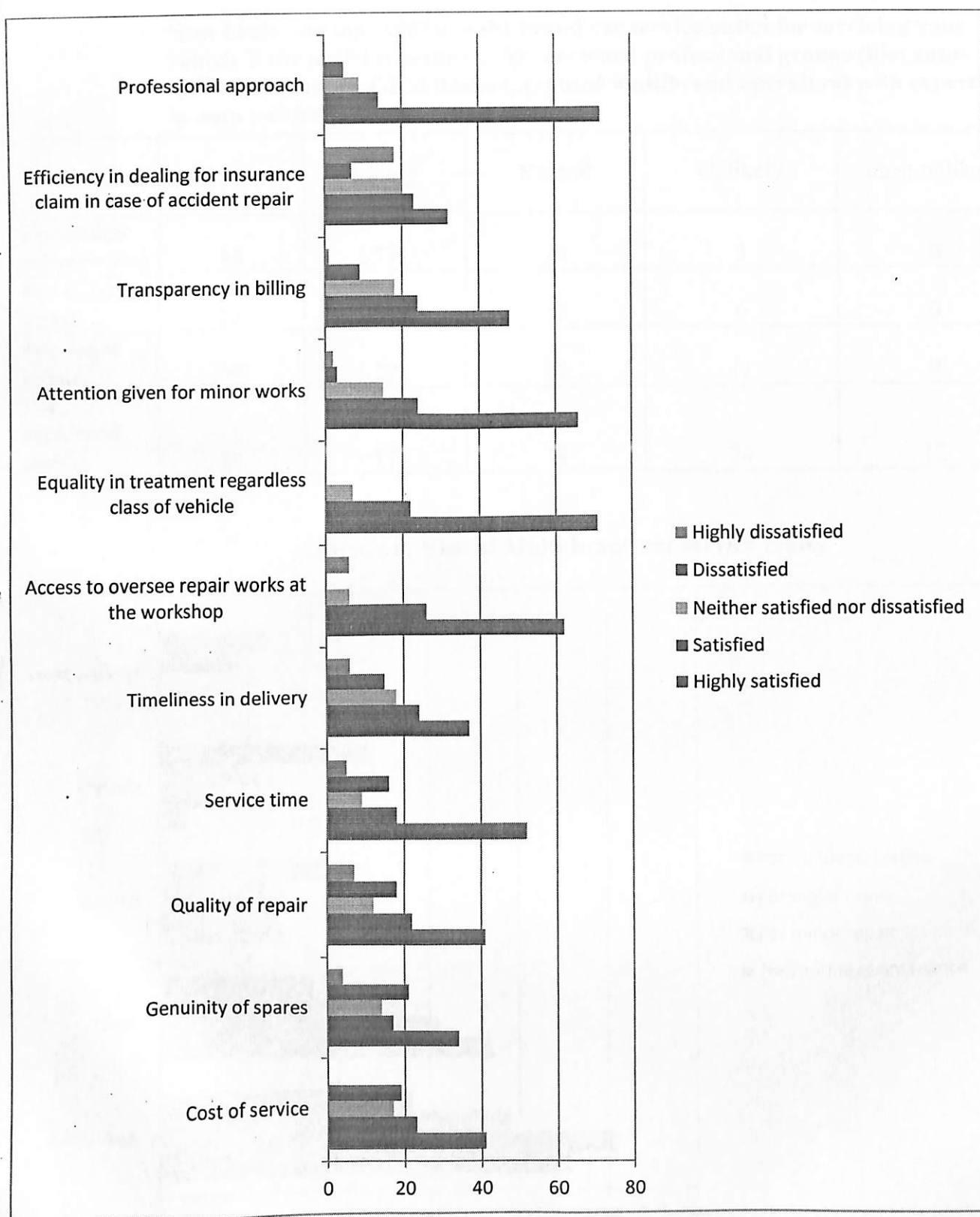




**Table 7: Visit at Multi-brand car service center**

**How likely you may visit a multi-brand car service outlet for servicing your vehicle if the outlet is managed by renowned professional groups (like auto-OEMs, authorised OEM dealers, reputed multibrand operators) with expertise in auto service?**

|                         | Most likely | Likely | Neutral | Unlikely | most unlikely |
|-------------------------|-------------|--------|---------|----------|---------------|
| For routine maintenance | 46          | 37     | 14      | 3        | 0             |
| For minor repair        | 51          | 31     | 13      | 6        | 0             |
| For major repair        | 39          | 27     | 14      | 11       | 9             |
| For accidental repair   | 28          | 17     | 19      | 24       | 12            |

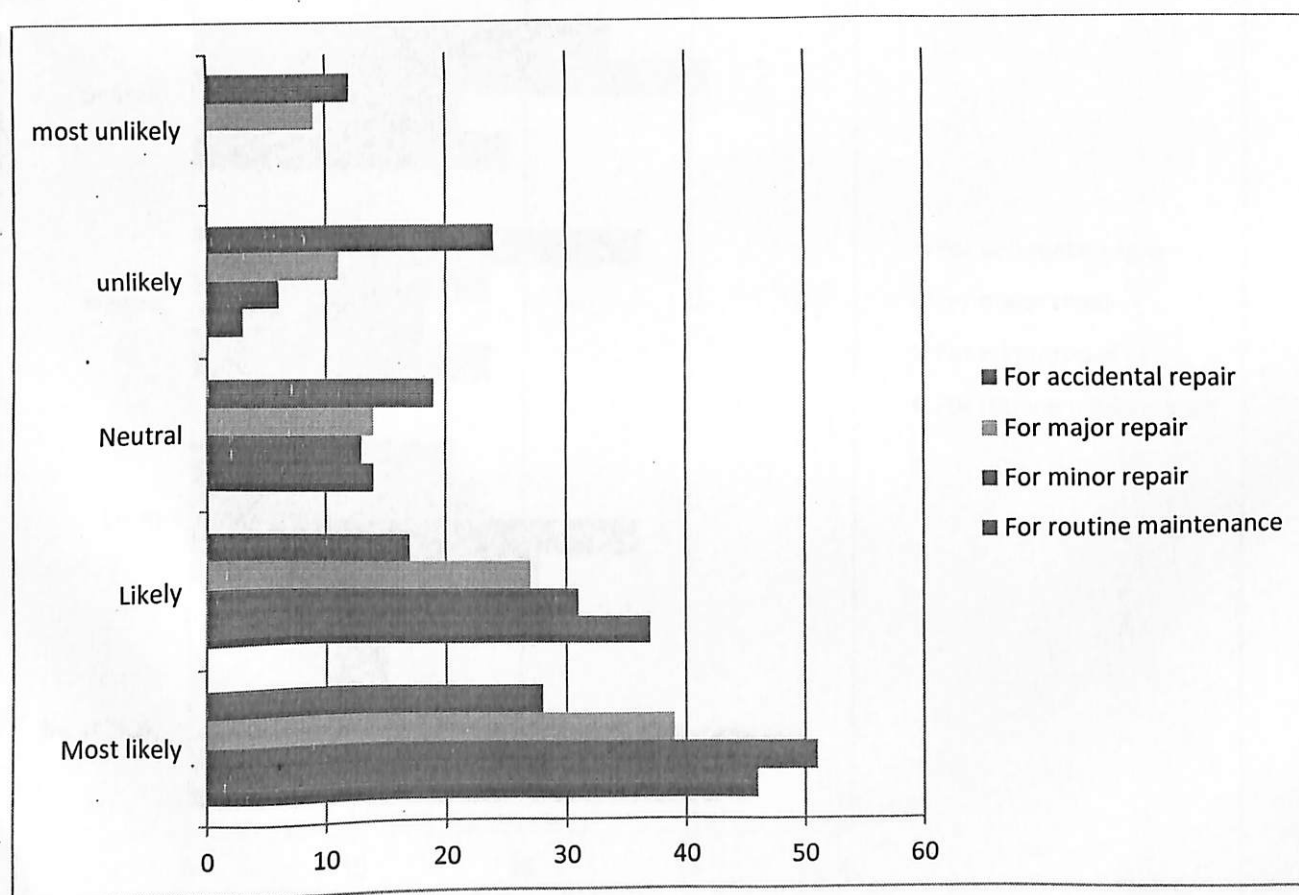
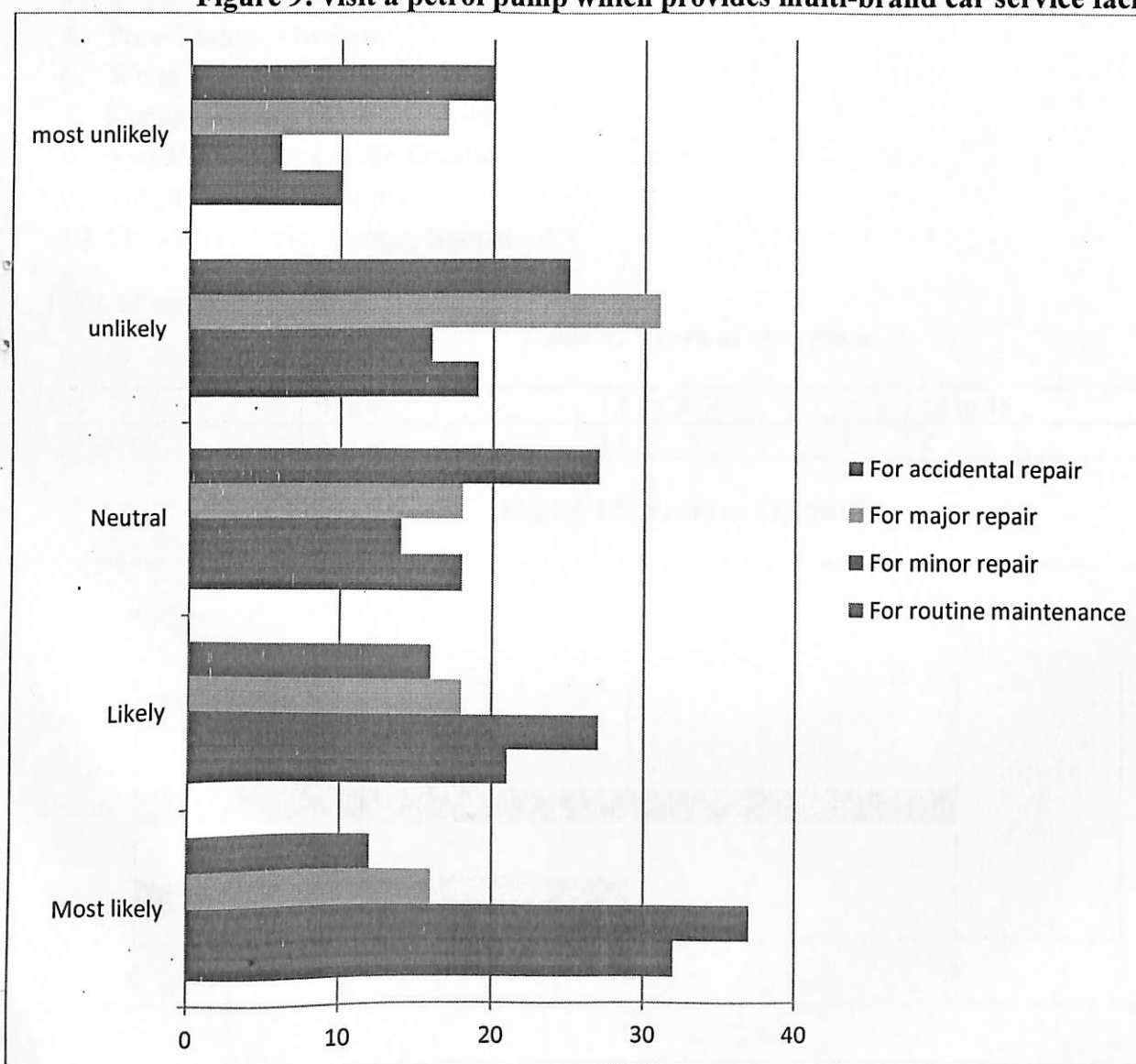
**Figure 8: Visit at Multi-brand car service center**



**Table 8: visit a petrol pump which provides multi-brand car service facilities**

**How likely you may visit a petrol pump which provides multi-brand car service facilities managed by renowned auto service providers (like auto-OEMs, authorised OEM dealers, reputed multibrand operators) for the following services?**

|                         | Most likely | Likely | Neutral | unlikely | most unlikely |
|-------------------------|-------------|--------|---------|----------|---------------|
| For routine maintenance | 32          | 21     | 18      | 19       | 10            |
| For minor repair        | 37          | 27     | 14      | 16       | 6             |
| For major repair        | 16          | 18     | 18      | 31       | 17            |
| For accidental repair   | 12          | 16     | 27      | 25       | 20            |

**Figure 9: visit a petrol pump which provides multi-brand car service facilities**

**Survey of Garage****Findings::**

Sample size : 10

Location : Bhopal, Gwalior

Type : OEM, Road Side, Multi Brand

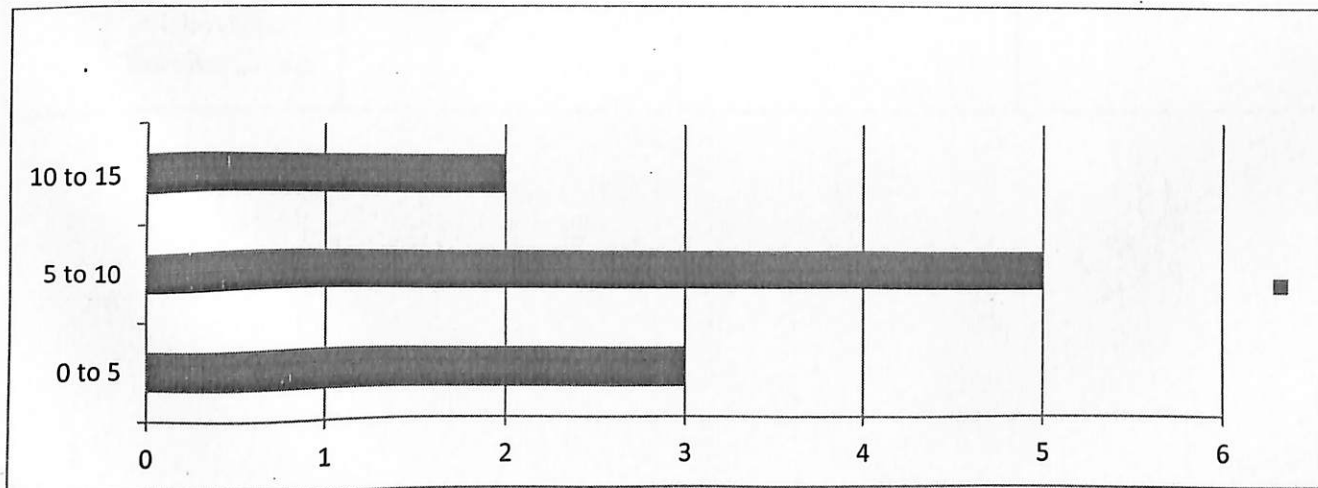
**Name of Garage:**

1. Taurus Automobiles, Bhopal
2. Landmark Automobiles, Bhopal
3. Ranjit Automobiles, Bhopal
4. Vidhya Automobiles, Bhopal
5. Prem Motors, Gwalior
6. Walia Auto Service, Gwalior
7. Kundan Service Center, Gwalior
8. Yamaha Service Center, Gwalior
9. Tirupati Bajaj, Gwalior
10. Chevrolet Service Center, Bhopal

Q 1. No of years of operation:

**Table 9: Years of operation**

| YEARS         | 0 to 5 | 5 to 10 | 10 to 15 |
|---------------|--------|---------|----------|
| No. of garage | 3      | 5       | 2        |

**Figure 10: Years of Operation**

Q 2. Average no of vehicles serviced per day: ...

Table 10: Average number of vehicles serviced per day

| Name / No. of vehicles   | 0 to 10 | 10 to 15 | 15 to 20 |
|--------------------------|---------|----------|----------|
| Taurus Automobiles       | ✓       |          |          |
| Landmark Automobiles     | ✓       |          |          |
| Ranjit Automobiles       |         | ✓        |          |
| Vidhya Automobiles       | ✓       |          |          |
| Prem Motors              |         | ✓        |          |
| Walia Auto Service       |         |          | ✓        |
| Kundan Service Center    |         | ✓        |          |
| Yamaha Service Center    | ✓       |          |          |
| Tirupati Bajaj           |         |          | ✓        |
| Chevrolet Service Center | ✓       |          |          |

Q 3. Average lube & greases oils sold/ changed per month .....lit/kg

**Table 11: Average lube & greases oils sold/ changed per month**

| Name/Oil (Lt)            | 0 to 100 | 100 to 250 | 250 to 500 | Oil Used                         |
|--------------------------|----------|------------|------------|----------------------------------|
| Taurus Automobiles       |          |            | ✓          | Shell, Servo                     |
| Landmark Automobiles     | ✓        |            |            | Veedol, Valvoline                |
| Ranjit Automobiles       |          | ✓          |            | Servo, Boss                      |
| Vidhya Automobiles       | ✓        |            |            | Gulf, Castrol                    |
| Prem Motors              |          | ✓          |            | Shell, Servo, Mak                |
| Walia Auto Service       |          |            | ✓          | Castrol, Veedol, Valvoline       |
| Kundan Service Center    |          | ✓          |            | All but Castrol & Gulf preferred |
| Yamaha Service Center    | ✓        |            |            | Yamalube                         |
| Tirupati Bajaj           |          |            | ✓          | Bajaj Genuine Oil                |
| Chevrolet Service Center |          | ✓          |            | TOTAL elf                        |

Q 4. What are the approximate areas for different facilities in the workshop. Mention nil is not available.

| Service area | Customer lounge | Office area | Stores | Others. Pl specify |
|--------------|-----------------|-------------|--------|--------------------|
|              |                 |             |        |                    |

**Table 12: the approximate areas for different facilities in the workshop**

| Name/ Area               | Service area (approx.)Sqft. | Customer lounge | Office area | Stores | Others. Pl specify |
|--------------------------|-----------------------------|-----------------|-------------|--------|--------------------|
| Taurus Automobiles       | 1200                        | 50              | 80          | 50     | Nil                |
| Landmark Automobiles     | 1000                        | 60              | 80          | 40     | Nil                |
| Ranjit Automobiles       | 700                         | Nil             | 500         | 500    | Nil                |
| Vidhya Automobiles       | 1000                        | 70              | 800         | 100    | Nil                |
| Prem Motors              | 1500                        | 100             | 100         | 150    | Nil                |
| Walia Auto Service       | 600                         | Nil             | 50          | 50     | Nil                |
| Kundan Service Center    | 50                          | Nil             | Nil         | 100    | Nil                |
| Yamaha Service Center    | 500                         | 50              | 50          | 400    | Nil                |
| Tirupati Bajaj           | 700                         | 100             | 100         | 200    | Nil                |
| Chevrolet Service Center | 1000                        | 100             | 150         | 150    | Nil                |

**Reasons for not using SERVO:**

The sale of SERVO can only be improved only when the service stations use this brand in cars or bikes when they come for repairs or regular maintenance. This does not happen, the service stations prefer oils from private players like GULF, CASTROL, etc. This is because of following reasons:-

1. The marketing and advertising strategy of SERVO is very weak when compared with other brands.
2. The price of SERVO is high.
3. Customer is not aware of advantages or quality that SERVO oil provides hence they ask the worker to use Castrol.
4. The price of SERVO varies a lot, at retail outlets the pack of SERVO costs more than Rs. 200, while at bazaar shops it is available in less than Rs. 200.
5. The commission earned by sale of SERVO is less than that of other brands, so SERVO should look forward to improve its bond with bazaar shops and road side service stations.
6. Duplicate SERVO oils are easily available and are hard to differentiate whether the pack is genuine or not, so use of SERVO is avoided.

**What can be done:**

IOCL should take some steps to improve the sale, and to build the relationship stronger. These can be:

1. The marketing should be heavy, more TV advertisements should go on air, this will educate the customer and attract them.
2. The commission given should be at par with other brands.
3. Steps to catch duplicate oil should be taken, raids or random inspection in the areas where Bazaar shops are in plenty.
4. Company should provide special schemes for customers and for Bazar shops which sell in huge quantity.



# **RETAIL OUTLETS**

Number of RO's visited : Bhopal – 10 Gwalior – 4

Name of RO's.

1. Police Welfare Petrol Pump
2. Durga Petrol Pump
3. Arera Petrol Pump
4. Sajjad Hussain Automotive Services
5. Capital Petrol Pump
6. Pragati Petrol Pump
7. Sataya Vijay
8. Tatpar Petrol Pump
9. Tatpar Adhoc Petrol Pump
10. Ayodhya Sales & Services
11. Morden Automiles
12. Sharda Auto Fuel
13. Mishra Filling Center
14. Soldier Filling Center

**What happens at ROs.****1. Police Welfare Petrol Pump**

|                                                                                                                                                                                                                                                                                                                                                             |                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Oil Display                                                                                                                                                                                                                                                                                                                                                 | :: No Oil display, Not Willing to keep oil in display                   |
| Oil Changing Machine                                                                                                                                                                                                                                                                                                                                        | :: Yes, Not functional from last 8 years                                |
| Service Center                                                                                                                                                                                                                                                                                                                                              | :: No, but enough space for service center                              |
| Private Mechanic                                                                                                                                                                                                                                                                                                                                            | :: Yes, only for puncture repair                                        |
| Promotional Offers                                                                                                                                                                                                                                                                                                                                          | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers                                                                                                                                                                                                                                                                                                                                                     | :: Approx. 13                                                           |
| Dispensers                                                                                                                                                                                                                                                                                                                                                  | :: 5                                                                    |
| Cleanliness                                                                                                                                                                                                                                                                                                                                                 | :: Yes                                                                  |
| Lubes in Stock                                                                                                                                                                                                                                                                                                                                              | :: Yes                                                                  |
| Behavior of owner                                                                                                                                                                                                                                                                                                                                           | :: Neutral                                                              |
| Average Lube Sales                                                                                                                                                                                                                                                                                                                                          | :: 2 KL to 2.5 KL                                                       |
| Areas of Improvement                                                                                                                                                                                                                                                                                                                                        | ::                                                                      |
| <ul style="list-style-type: none"> <li>✓ Should keep oil on display</li> <li>✓ Should utilize space for Service Center/ATM/Retail Store, etc.</li> <li>✓ Too much of credit sales, which must be avoided</li> <li>✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc..</li> </ul> |                                                                         |

## 2. Durga Petrol Pump

|                                                                                                                                |                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Oil Display                                                                                                                    | :: Yes                                                                  |
| Oil Changing Machine                                                                                                           | :: Yes, Not functional from last 8 years                                |
| Service Center                                                                                                                 | :: Yes                                                                  |
| Private Mechanic                                                                                                               | :: No                                                                   |
| Promotional Offers                                                                                                             | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers                                                                                                                        | :: Approx. 17                                                           |
| Dispensers                                                                                                                     | :: 7                                                                    |
| Cleanliness                                                                                                                    | :: Yes                                                                  |
| Lubes in Stock                                                                                                                 | :: Yes                                                                  |
| Behavior of owner                                                                                                              | :: Good                                                                 |
| Average Lube Sales                                                                                                             | :: 2 KL to 2.5 KL                                                       |
| Areas of Improvement                                                                                                           | ::                                                                      |
| ✓ Should keep oil on display more effectively                                                                                  |                                                                         |
| ✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc.. |                                                                         |
| ✓ Worker should not ask money for air filling                                                                                  |                                                                         |

### 3. Arera Petrol Pump

|                      |                                                                                                                                                                                                                                                                           |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Oil Display          | :: Yes                                                                                                                                                                                                                                                                    |
| Oil Changing Machine | :: Yes, Not functional from last 8 years                                                                                                                                                                                                                                  |
| Service Center       | :: Yes                                                                                                                                                                                                                                                                    |
| Private Mechanic     | :: Yes                                                                                                                                                                                                                                                                    |
| Promotional Offers   | :: No, Schemes like "cap ke niche cash" provided by company are offered                                                                                                                                                                                                   |
| Workers              | :: Approx. 17                                                                                                                                                                                                                                                             |
| Dispensers           | :: 7                                                                                                                                                                                                                                                                      |
| Cleanliness          | :: Yes                                                                                                                                                                                                                                                                    |
| Lubes in Stock       | :: Yes                                                                                                                                                                                                                                                                    |
| Behavior of owner    | :: Bad                                                                                                                                                                                                                                                                    |
| Average Lube Sales   | :: 2 KL to 2.5 KL                                                                                                                                                                                                                                                         |
| Areas of Improvement | :: <ul style="list-style-type: none"><li>✓ Should keep oil on display more effectively</li><li>✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc..</li><li>✓ Improvement in behavior</li></ul> |

**4. Sajjad Hussain Automotive Services**

|                      |                              |
|----------------------|------------------------------|
| Oil Display          | :: No                        |
| Oil Changing Machine | :: No                        |
| Service Center       | :: No                        |
| Private Mechanic     | :: Yes                       |
| Promotional Offers   | :: No,                       |
| Workers              | :: 1                         |
| Dispensers           | :: 1/2                       |
| Cleanliness          | :: No                        |
| Lubes in Stock       | :: No                        |
| Behavior of owner    | :: Manager was not available |
| Average Lube Sales   | :: No information provided   |
| Areas of Improvement | ::                           |

- ✓ Should keep oil on display more effectively
- ✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc..
- ✓ Number of dispensers can be increased
- ✓ Owner should focus on overall improvement of the RO
- ✓ RO was being used by vehicle owners for there personal use



**5. Capital Petrol Pump**

|                      |                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Oil Display          | :: Yes                                                                                                                                                                                                                                                                                                                                                             |
| Oil Changing Machine | :: Yes, Not functional from last 8 years                                                                                                                                                                                                                                                                                                                           |
| Service Center       | :: No                                                                                                                                                                                                                                                                                                                                                              |
| Private Mechanic     | :: Yes                                                                                                                                                                                                                                                                                                                                                             |
| Promotional Offers   | :: No, Schemes like "cap ke niche cash" provided by company are offered                                                                                                                                                                                                                                                                                            |
| Workers              | :: Approx. 10                                                                                                                                                                                                                                                                                                                                                      |
| Dispensers           | :: 4                                                                                                                                                                                                                                                                                                                                                               |
| Cleanliness          | :: Yes                                                                                                                                                                                                                                                                                                                                                             |
| Lubes in Stock       | :: Yes                                                                                                                                                                                                                                                                                                                                                             |
| Behavior of owner    | :: Good                                                                                                                                                                                                                                                                                                                                                            |
| Average Lube Sales   | :: Approx. 150 lt.                                                                                                                                                                                                                                                                                                                                                 |
| Areas of Improvement | :: <ul style="list-style-type: none"><li>✓ Should keep oil on display more effectively</li><li>✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc..</li><li>✓ Enough space, which can be utilize for service center</li><li>✓ Owner should make efforts to improve lubes sales</li></ul> |

**6. Pragati Petrol Pump**

|                      |                                                                         |
|----------------------|-------------------------------------------------------------------------|
| Oil Display          | :: Yes                                                                  |
| Oil Changing Machine | :: Yes, Not functional from last 8 years                                |
| Service Center       | :: No                                                                   |
| Private Mechanic     | :: Yes                                                                  |
| Promotional Offers   | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers              | :: Approx. 9                                                            |
| Dispensers           | :: 3                                                                    |
| Cleanliness          | :: No                                                                   |
| Lubes in Stock       | :: Yes                                                                  |
| Behavior of owner    | :: Good                                                                 |
| Average Lube Sales   | :: Approx. 150 lt.                                                      |
| Areas of Improvement | ::                                                                      |

- ✓ Should keep oil on display more effectively
- ✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc..
- ✓ Owner should make efforts to improve lubes sales
- ✓ Should keep the RO clean
- ✓ Try to improve the rapport with customers
- ✓ The pump should be well managed to avoid chaos

7. Sataya Vijay filling center

|                      |                                                                         |
|----------------------|-------------------------------------------------------------------------|
| Oil Display          | :: Yes                                                                  |
| Oil Changing Machine | :: No                                                                   |
| Service Center       | :: yes                                                                  |
| Private Mechanic     | :: Yes                                                                  |
| Promotional Offers   | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers              | :: Approx. 22                                                           |
| Dispensers           | :: 9                                                                    |
| Cleanliness          | :: Yes                                                                  |
| Lubes in Stock       | :: Yes                                                                  |
| Behavior of owner    | :: Good                                                                 |
| Average Lube Sales   | :: Approx. 1.2 KL                                                       |
| Areas of Improvement | ::                                                                      |

- ✓ Should keep oil on display more effectively
- ✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc..
- ✓ Enough space, which can be utilize for other costumer services
- ✓ Owner should make efforts to improve lubes sales
- ✓ Should improve behavior of workers

**8. Tatpar Petrol Pump**

|                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Oil Display                                                                                                                                                                                                                                                                                                                                                                                                                                   | :: Yes                                                                  |
| Oil Changing Machine                                                                                                                                                                                                                                                                                                                                                                                                                          | :: Yes, Not functional from last 8 years                                |
| Service Center                                                                                                                                                                                                                                                                                                                                                                                                                                | :: No                                                                   |
| Private Mechanic                                                                                                                                                                                                                                                                                                                                                                                                                              | :: No                                                                   |
| Promotional Offers                                                                                                                                                                                                                                                                                                                                                                                                                            | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers                                                                                                                                                                                                                                                                                                                                                                                                                                       | :: Approx. 12                                                           |
| Dispensers                                                                                                                                                                                                                                                                                                                                                                                                                                    | :: 5                                                                    |
| Cleanliness                                                                                                                                                                                                                                                                                                                                                                                                                                   | :: Yes                                                                  |
| Lubes in Stock                                                                                                                                                                                                                                                                                                                                                                                                                                | :: Yes                                                                  |
| Behavior of owner                                                                                                                                                                                                                                                                                                                                                                                                                             | :: BAD                                                                  |
| Average Lube Sales                                                                                                                                                                                                                                                                                                                                                                                                                            | :: Approx. 150 lt.                                                      |
| Areas of Improvement                                                                                                                                                                                                                                                                                                                                                                                                                          | ::                                                                      |
| <ul style="list-style-type: none"><li>✓ Should keep oil on display more effectively</li><li>✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc..</li><li>✓ Enough space, which can be utilize for service center</li><li>✓ Owner should make efforts to improve lubes sales</li><li>✓ Should improve behavior of workers</li><li>✓ Complaints about theft</li></ul> |                                                                         |

**9. Tatpar Adhoc Petrol Pump**

|                                                                                                                                |                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Oil Display                                                                                                                    | :: Yes                                                                  |
| Oil Changing Machine                                                                                                           | :: No                                                                   |
| Service Center                                                                                                                 | :: No                                                                   |
| Private Mechanic                                                                                                               | :: No                                                                   |
| Promotional Offers                                                                                                             | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers                                                                                                                        | :: Approx. 10                                                           |
| Dispensers                                                                                                                     | :: 4                                                                    |
| Cleanliness                                                                                                                    | :: Yes                                                                  |
| Lubes in Stock                                                                                                                 | :: Yes                                                                  |
| Behavior of owner                                                                                                              | :: Good                                                                 |
| Average Lube Sales                                                                                                             | :: Approx. 350 lt.                                                      |
| Areas of Improvement                                                                                                           | ::                                                                      |
| ✓ Should keep oil on display more effectively                                                                                  |                                                                         |
| ✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc.. |                                                                         |
| ✓ Enough space, which can be utilize for service center                                                                        |                                                                         |

**10. Ayodhya Sales & Services**

|                                                                                                                                |                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Oil Display                                                                                                                    | :: Yes                                                                  |
| Oil Changing Machine                                                                                                           | :: Yes, Not functional from last 8 years                                |
| Service Center                                                                                                                 | :: No                                                                   |
| Private Mechanic                                                                                                               | :: Yes                                                                  |
| Promotional Offers                                                                                                             | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers                                                                                                                        | :: Approx. 10                                                           |
| Dispensers                                                                                                                     | :: 4                                                                    |
| Cleanliness                                                                                                                    | :: Yes                                                                  |
| Lubes in Stock                                                                                                                 | :: Yes                                                                  |
| Behavior of owner                                                                                                              | :: Good                                                                 |
| Average Lube Sales                                                                                                             | :: Approx. 200 lt.                                                      |
| Areas of Improvement                                                                                                           | ::                                                                      |
| ✓ Should keep oil on display more effectively                                                                                  |                                                                         |
| ✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc.. |                                                                         |
| ✓ Enough space, which can be utilize for service center                                                                        |                                                                         |
| ✓ Owner should make efforts to improve lubes sales                                                                             |                                                                         |



**11. Morden Automiles**

|                                                                                                                                |                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Oil Display                                                                                                                    | :: Yes                                                                  |
| Oil Changing Machine                                                                                                           | :: No                                                                   |
| Service Center                                                                                                                 | :: Yes                                                                  |
| Private Mechanic                                                                                                               | :: Yes                                                                  |
| Promotional Offers                                                                                                             | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers                                                                                                                        | :: Approx. 10                                                           |
| Dispensers                                                                                                                     | :: 2                                                                    |
| Cleanliness                                                                                                                    | :: No                                                                   |
| Lubes in Stock                                                                                                                 | :: Yes                                                                  |
| Behavior of owner                                                                                                              | :: Good                                                                 |
| Average Lube Sales                                                                                                             | :: Approx. 500 lt.                                                      |
| Areas of Improvement                                                                                                           | ::                                                                      |
| ✓ Should keep oil on display more effectively                                                                                  |                                                                         |
| ✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc.. |                                                                         |
| ✓ Enough space, which can be utilize for service center                                                                        |                                                                         |
| ✓ Owner should make efforts to improve lubes sales                                                                             |                                                                         |

**12. Sharda Auto Fuel**

|                                                                                                                                |                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Oil Display                                                                                                                    | :: Yes                                                                  |
| Oil Changing Machine                                                                                                           | :: No                                                                   |
| Service Center                                                                                                                 | :: No                                                                   |
| Private Mechanic                                                                                                               | :: Yes                                                                  |
| Promotional Offers                                                                                                             | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers                                                                                                                        | :: Approx. 10                                                           |
| Dispensers                                                                                                                     | :: 4                                                                    |
| Cleanliness                                                                                                                    | :: Yes                                                                  |
| Lubes in Stock                                                                                                                 | :: Yes                                                                  |
| Behavior of owner                                                                                                              | :: Neutral                                                              |
| Average Lube Sales                                                                                                             | :: Approx. 250 lt.                                                      |
| Areas of Improvement                                                                                                           | ::                                                                      |
| ✓ Should keep oil on display more effectively                                                                                  |                                                                         |
| ✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc.. |                                                                         |
| ✓ Enough space, which can be utilize for service center                                                                        |                                                                         |
| ✓ Owner should make efforts to improve lubes sales                                                                             |                                                                         |

**13. Mishra Filling Center**

|                                                                                                                                |                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Oil Display                                                                                                                    | :: Yes                                                                  |
| Oil Changing Machine                                                                                                           | :: No                                                                   |
| Service Center                                                                                                                 | :: No                                                                   |
| Private Mechanic                                                                                                               | :: Yes                                                                  |
| Promotional Offers                                                                                                             | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers                                                                                                                        | :: Approx. 14                                                           |
| Dispensers                                                                                                                     | :: 5                                                                    |
| Cleanliness                                                                                                                    | :: Yes                                                                  |
| Lubes in Stock                                                                                                                 | :: Yes                                                                  |
| Behavior of owner                                                                                                              | :: Bad                                                                  |
| Average Lube Sales                                                                                                             | :: Approx. 200 lt.                                                      |
| Areas of Improvement                                                                                                           | ::                                                                      |
| ✓ Should keep oil on display more effectively                                                                                  |                                                                         |
| ✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc.. |                                                                         |
| ✓ Enough space, which can be utilize for service center                                                                        |                                                                         |
| ✓ Owner should make efforts to improve lubes sales                                                                             |                                                                         |

**14. Soldier Filling Center**

|                                                                                                                                |                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Oil Display                                                                                                                    | :: Yes                                                                  |
| Oil Changing Machine                                                                                                           | :: No                                                                   |
| Service Center                                                                                                                 | :: No                                                                   |
| Private Mechanic                                                                                                               | :: Yes                                                                  |
| Promotional Offers                                                                                                             | :: No, Schemes like "cap ke niche cash" provided by company are offered |
| Workers                                                                                                                        | :: Approx. 18                                                           |
| Dispensers                                                                                                                     | :: 6                                                                    |
| Cleanliness                                                                                                                    | :: Yes                                                                  |
| Lubes in Stock                                                                                                                 | :: Yes                                                                  |
| Behavior of owner                                                                                                              | :: Good                                                                 |
| Average Lube Sales                                                                                                             | :: Approx. 400 lt.                                                      |
| Areas of Improvement                                                                                                           | ::                                                                      |
| ✓ Should keep oil on display more effectively                                                                                  |                                                                         |
| ✓ Owner should also implement promotional offers from his side, as discounts on lubes, promotion through banner display, etc.. |                                                                         |
| ✓ Enough space, which can be utilize for service center                                                                        |                                                                         |
| ✓ Owner should make efforts to improve lubes sales                                                                             |                                                                         |

# **Recommendation**

**&**

# **Conclusion**

### **Recommendations**

After the surveys conducted and conversation with RO owners and customers, we analyzed the situation and have some recommendations to increase the sale of lubes at retail outlets. The recommendations are as follows:-

- If any customer buys oil for their vehicle, the worker or manager at RO should collect some details about the customer and his/her vehicle, as it will help further to inform the customer about the changing the oil in the vehicle. The information which should be collected is:
  - Name of the customer
  - Type of vehicle
  - Average running per day (will help to determine the time period in which the oil should be changed)
  - Date of purchase of oil
  - Contact information of the customer
- ◆ Oil should be displayed near the dispenser so that the customer will be attracted towards the oil required.
- ◆ Setting up of oil checking/changing machine, and oil change service should be free for the customer.
- ◆ Promotional offers like free gifts on oil packs, advertisement through banners, advertisements through FM, Free petrol/diesel on bulk purchase of oil, etc should be implemented.
- ◆ Customer waiting area in the form of a cafeteria should be set up so that the customer can wait and relax till his/her vehicle gets serviced.
- ◆ Skilled mechanic should be at RO for the oil changing and minor repairs in the vehicle.
- ◆ A person dedicated to lubes only should be present at RO.
- ◆ The behavior of workers at RO should be such that the customer feels valued and would like to visit RO again.
- ◆ We have seen the petrol pumps with service stations are way ahead than other petrol pumps without any service station in sales of lube oil, so all the ROs with sufficient space for a service station should come up with it.
- ◆ An agreement with OEMs and private mechanics should be made for selling oil of brand SERVO, as many OEMs have their specific oil and they will not agree to sell SERVO.



## Conclusion

The overall period of this internship was good and fruitful for us as we have learned many things in the lube segment. The distribution channel of lubes, the market size and its potential, how competitors are working to gain a competitive edge over other players and the major challenges to improve the sales of lube oil.

The lube market has become very challenging because of tough competition and customer preferences. The lube oil of a player is cheaper than that of other player and customer does not know about the specifications and qualities of a good lube oil. This makes the customer to buy a lube which is cheaper and he/she compromises with the quality of oil. So we need to educate the customer about the good and the not so good oil for their vehicle.

The idea of opening a service station at RO is also very confusing for most of the RO owners as they say that the customer prefer to visit an OEM service station or the service station where he/she has been going earlier as they are near their residence and it is easier for them to collect the vehicle after it is serviced. The service station owners said that it will be hardly possible to make a customer buy the brand SERVO as they have not seen the advertisements and the good qualities in the oil from SERVO, whereas the competitors like Castrol, Shell, Gulf, etc. have been doing heavy marketing of their oils and customers prefer these brands because of the advertising strategy.

Therefore SERVO should advertise more heavily and the relationship between the brand and service stations between brand and customers should be made stronger and more reliable. The idea of setting up of service station at RO can do miracles in improving the sales of lube oil if and only if the issues discussed earlier are resolved, and SERVO can be the best selling lube oil in the market and can be known as the market leader in its respective area of operation.

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**Appendix 1****Survey of Vehicle Owners****Questionnaire**

A survey is being conducted on the need for organized auto service of passenger vehicle segment. Your feedback in the following questionnaire will be very useful in this survey. You are requested to kindly give a few minutes of your valuable time in this regard. Please tick the appropriate boxes and give your information at other places, as required.

|                                              |                        |                               |                               |                                 |                             |                         |          |              |
|----------------------------------------------|------------------------|-------------------------------|-------------------------------|---------------------------------|-----------------------------|-------------------------|----------|--------------|
| <b>Category of your vehicle (by length):</b> | Mini (A1)<br>upto 3.4M | Compact (A2)<br>>3.4M to 4.0M | Midsize (A3)<br>>4.0M to 4.5M | Executive (A4)<br>>4.5M to 4.7M | Premium (A5)<br>>4.7M to 5M | Luxury (A6)<br>above 5M | Van (B1) | MPV/SUV (B2) |
|----------------------------------------------|------------------------|-------------------------------|-------------------------------|---------------------------------|-----------------------------|-------------------------|----------|--------------|

**Make of the vehicle:**  **Model:**

**Your link with the vehicle?**

|                           |                     |                      |
|---------------------------|---------------------|----------------------|
| Owner but chauffer driven | Owner & self driven | Driver but not owner |
|---------------------------|---------------------|----------------------|

**Status of ownership?**

|           |           |            |
|-----------|-----------|------------|
| 1st owner | 2nd owner | 3rd & more |
|-----------|-----------|------------|

**Purchase price of the vehicle (Rs/lakhs)?**

|        |                      |                      |                       |              |
|--------|----------------------|----------------------|-----------------------|--------------|
| Upto 3 | More than 3 & upto 5 | More than 5 & upto 7 | More than 7 & upto 10 | More than 10 |
|--------|----------------------|----------------------|-----------------------|--------------|

**Use of the vehicle?**

|         |            |
|---------|------------|
| Private | Commercial |
|---------|------------|

**Age of your vehicle (in years)?**

|        |                      |                      |                      |                       |              |
|--------|----------------------|----------------------|----------------------|-----------------------|--------------|
| upto 2 | More than 2 & upto 4 | More than 4 & upto 6 | More than 6 & upto 8 | More than 8 & upto 10 | More than 10 |
|--------|----------------------|----------------------|----------------------|-----------------------|--------------|

**Annual income slab of the owner (Rs in lakhs)?**

|         |                        |                        |                        |           |
|---------|------------------------|------------------------|------------------------|-----------|
| upto 10 | More than 10 & upto 20 | More than 20 & upto 30 | More than 30 & upto 40 | beyond 40 |
|---------|------------------------|------------------------|------------------------|-----------|

Category of your place of residence?

|                        |                                |                          |               |
|------------------------|--------------------------------|--------------------------|---------------|
| Metro city<br>(Tier-I) | Big city/<br>town<br>(Tier-II) | small town<br>(Tier-III) | Rural<br>area |
|------------------------|--------------------------------|--------------------------|---------------|

Name  
of  
State:

Where did you avail service last?

|                         | Authorised workshop | Other branded workshop | Unorganized (roadside) workshop |
|-------------------------|---------------------|------------------------|---------------------------------|
| For routine maintenance |                     |                        |                                 |
| For minor repair        |                     |                        |                                 |
| For major repair        |                     |                        |                                 |
| For accidental repair   |                     |                        |                                 |

How frequently did you have to visit workshops for the following services in recent times?

|                         | Nil | Once a year | Twice a year | Thrice a year | more than thrice in a year |
|-------------------------|-----|-------------|--------------|---------------|----------------------------|
| For routine maintenance |     |             |              |               |                            |
| For minor repair        |     |             |              |               |                            |
| For major repair        |     |             |              |               |                            |
| For accidental repair   |     |             |              |               |                            |

How satisfied are you on services if availed by you ever at these workshops ?

(5-highly satisfied, 4-satisfied, 3-neither satisfied nor dissatisfied, 2-dissatisfied, 1-highly dissatisfied, 0-no experience)

|                         | Authorised workshop | Other branded workshop | Unorganized workshop |
|-------------------------|---------------------|------------------------|----------------------|
| For routine maintenance |                     |                        |                      |
| For minor repair        |                     |                        |                      |
| For major repair        |                     |                        |                      |
| For accidental repair   |                     |                        |                      |

**What was your approx. expenditure (Rs. per year) in the recent times?**

|                     |         |            |             |             |             |             |             |
|---------------------|---------|------------|-------------|-------------|-------------|-------------|-------------|
| Routine maintenance | Not yet | Upto 1000  | 1001-3000   | 3001-5000   | 5001-7000   | 7001-10000  | Above 10000 |
| Minor repair        | Not yet | Upto 1000  | 1001-3000   | 3001-5000   | 5001-7000   | 7001-10000  | Above 10000 |
| Major repair        | Not yet | Upto 5000  | 5001-10000  | 10001-15000 | 15001-20000 | 20001-25000 | Above 25000 |
| Accidental repair   | Not yet | Upto 10000 | 10001-20000 | 20001-30000 | 30001-40000 | 40001-50000 | Above 50000 |

**How important are the following factors to you?**

|                                                                      | Very High | High | Moderate | Low | Very Low |
|----------------------------------------------------------------------|-----------|------|----------|-----|----------|
| Cost of service                                                      |           |      |          |     |          |
| Genuinity of spares                                                  |           |      |          |     |          |
| Quality of repair                                                    |           |      |          |     |          |
| Service time                                                         |           |      |          |     |          |
| Timeliness in delivery                                               |           |      |          |     |          |
| Access to oversee repair works at the workshop                       |           |      |          |     |          |
| Equality in treatment regardless class of vehicle                    |           |      |          |     |          |
| Attention given for minor works                                      |           |      |          |     |          |
| Transparency in billing                                              |           |      |          |     |          |
| Efficiency in dealing for insurance claim in case of accident repair |           |      |          |     |          |
| Professional approach                                                |           |      |          |     |          |

**How satisfied are you on the above factors with your service providers?**

|                                                                      | Highly satisfied | Satisfied | Neither satisfied nor dissatisfied | Dissatisfied | Highly dissatisfied |
|----------------------------------------------------------------------|------------------|-----------|------------------------------------|--------------|---------------------|
| Cost of service                                                      |                  |           |                                    |              |                     |
| Genuinity of spares                                                  |                  |           |                                    |              |                     |
| Quality of repair                                                    |                  |           |                                    |              |                     |
| Service time                                                         |                  |           |                                    |              |                     |
| Timeliness in delivery                                               |                  |           |                                    |              |                     |
| Access to oversee repair works at the workshop                       |                  |           |                                    |              |                     |
| Equality in treatment regardless class of vehicle                    |                  |           |                                    |              |                     |
| Attention given for minor works                                      |                  |           |                                    |              |                     |
| Transparency in billing                                              |                  |           |                                    |              |                     |
| Efficiency in dealing for insurance claim in case of accident repair |                  |           |                                    |              |                     |
| Professional approach                                                |                  |           |                                    |              |                     |

**How likely you may visit a multi-brand car service outlet for servicing your vehicle if the outlet is managed by renowned professional groups (like auto-OEMs, authorised OEM dealers, reputed multibrand operators) with expertise in auto service?**

|                         | Most likely | Likely | Neutral | unlikely | most unlikely |
|-------------------------|-------------|--------|---------|----------|---------------|
| For routine maintenance |             |        |         |          |               |
| For minor repair        |             |        |         |          |               |
| For major repair        |             |        |         |          |               |
| For accidental repair   |             |        |         |          |               |

**How likely you may visit a petrol pump which provides multi-brand car service facilities managed by renowned auto service providers (like auto-OEMs, authorised OEM dealers, reputed multibrand operators) for the following services?**

|                         | Most likely | Likely | Neutral | unlikely | most unlikely |
|-------------------------|-------------|--------|---------|----------|---------------|
| For routine maintenance |             |        |         |          |               |
| For minor repair        |             |        |         |          |               |
| For major repair        |             |        |         |          |               |
| For accidental repair   |             |        |         |          |               |



**Appendix 2****Survey of Garage****Questionnaire**

Name of workshop:

.....  
.....Place: ..... District: ..... State:  
.....

Type of workshop: 1. OEM Authorized (name the OEM.....)  
 (please tick) 2. Other organized (name of the brand, if any .....)  
 3. Unorganized (local garage)

Name of Owner/ Head Mechanic:

.....

No of years of operation: .....

Average no of vehicles serviced per day: .....  
 (Approx number serviced in month divided by no of days of operation)

Average lube &amp; greases oils sold/ changed per month .....lit/kg

No of vehicles that can be serviced at a time/ no of service bays available:

.....

What are the approximate areas for different facilities in the workshop. Mention nil is not available.

| Service area | Customer lounge | Office area | Stores | Others. Pl specify |
|--------------|-----------------|-------------|--------|--------------------|
|              |                 |             |        |                    |

What are the equipments/ Tools positioned:

| Name of equipments/ tools                                                                   | Number (qty) | Approx cost per equipment/set |
|---------------------------------------------------------------------------------------------|--------------|-------------------------------|
|                                                                                             |              |                               |
|                                                                                             |              |                               |
|                                                                                             |              |                               |
|                                                                                             |              |                               |
| Other equipments that may be necessary for better customer service (feedback from mechanic) |              |                               |
|                                                                                             |              |                               |

|  |  |  |
|--|--|--|
|  |  |  |
|  |  |  |

Other facilities including branding provided at the workshop to be noted. Approximate cost of such facilities to be assessed.

| Other facilities provided | Approx. cost | How relevant to the workshop operation |
|---------------------------|--------------|----------------------------------------|
|                           |              |                                        |
|                           |              |                                        |
|                           |              |                                        |

Services provided (if required write overleaf or on separate sheet)

| Services available | Rate per such service | Approx income per month from these services |
|--------------------|-----------------------|---------------------------------------------|
|                    |                       |                                             |
|                    |                       |                                             |
|                    |                       |                                             |
|                    |                       |                                             |

Manpower cost

| Type                | Number | Total cost per month |
|---------------------|--------|----------------------|
| Mechanic            |        |                      |
| Helper              |        |                      |
| Others (pl specify) |        |                      |

Other expenditure incurred by the workshop (please specify):