

SUMMER INTERNSHIP PROJECT REPORT
ON
EFFECTIVENESS IN CUSTOMER ENGAGEMENT & CUSTOMER
EXPERIENCE

Submitted in partial fulfillment of the requirements for the award of the degree

Of

Master of Business Administration

Submitted to

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(Dy. Regional Manager)

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TO WHOMSOEVER IT MAY CONCERN

This is to certify that **Aditya Mehta** student of **MBA** from **JK Lakshmipat University** was engaged as Project Trainee at **HPCL Regional office (Kota)** during the period 2 months From **6th May To 30th June 2018**.

He has successfully completed the project **HP Refuel Card- Effectiveness in Customer Engagement & Customer Experience**

We wish him /her success in all future endeavor.


Sumit Gupta

(हिन्दी में पत्राचार किये जाने पर हम आपके आभारी होंगे)

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Customer Relationship Management

Customer Relationship Management (CRM) refers to the principles, practices and guidelines that an organization follows when interacting with its customers. From the organization's point of view, this entire relationship encompasses direct interactions with customers, such as sales and service-related processes, and forecasting and analysis of customer trends and behaviours. Ultimately, CRM serves to enhance the customer's overall experience.

Elements of CRM range from a company's website and emails to mass mailings and telephone calls. Social media represents one of the ways companies adapt to trends that benefit their bottom line. The entire point of CRM is to build positive experiences with customers to keep them coming back so that a company can create a growing base of returning customers.

Increasingly, the term CRM is being used to refer to the technology systems that companies can engage to manage their external interactions with customers at all points during the customer lifecycle, from discovery to education, purchase and post-purchase. With an estimated global market value of over \$40 billion in 2018, CRM technology is widely cited as the fastest-growing enterprise-software category, which largely encompasses the broader software-as-a-service (SaaS) market. IT research and advisory firm Gartner predicted in a 2017 report that CRM will be the largest revenue driver of enterprise software spending by 2021.

CRM Software

Special CRM software aggregates customer information in one place to give businesses easy access to data, such as contact data, purchase history and any previous contact with customer service representatives. This data helps employees interact with clients, anticipate customer needs, recognize customer updates and track performance goals when it comes to sales. CRM software's main purpose is to make interactions more efficient and productive. Automated procedures within a CRM module include sending a sales team marketing material based on a customer's selection of a product or service. Programs also assess a customer's needs to reduce the time it takes to fulfil a request.

Loyalty Program

2.1 Introduction

Loyalty programs encourage shoppers to return to stores where they frequently make purchases. Some of the incentives may include advanced access to new products, additional discounts or sometimes free merchandise. Customers typically register their personal information with the company and are given a unique identifier, such as a numerical ID or membership card that they use while making a purchase.

According to a study only 12-15% of customers are loyal to a single retailer, but they represent between 55-70% of total sales (Center for Retail Management, Northwestern University). Important point in the premise of revenue is that running loyalty programs to gain sales is much cheaper than the expense which is associated with the TV or billboard commercials for the same purpose of sales. The reason behind this is that a company has a deep knowledge of its loyal customers. The customer's habits and whereabouts are known to the company. It becomes much simpler and cost effective to create a mode of communication with them. Besides, it simply makes marketing efforts much more targeted and relevant.

2.2 Loyalty programs of influential industries

Airlines and Hotel industry enjoy the benefit of being the influential industries when it comes to loyalty programs. Loyalty programs in airlines influence 84% customers to engage with a particular brand while hotel programs have a 67% influence on the customers. The level of influence that loyalty programs have in retail sector is very less, being only 27%. However, trade loyalty programs are successful in achieving the ultimate aim of the loyalty program, which is to acquire customers and to ensure that they are loyal to the brand over a long period of time.

1. Airline Industry- Frequent flier program

For the airlines, their ideal customer is the business traveller. The business traveller feels rewarded when they get their free drink or complimentary upgrade, and the airline retains more of that person's business travel. These customers might even be willing to spend more on a ticket in order to fly with the airline they perceive to offer the best benefits.

With that premise as the foundation, airline loyalty programs have expanded dramatically over the years. It's important to keep in mind that the frequent flyer programs themselves are profit centres for the airlines, independently of airline operations. After all, around 85% of travellers redeem their miles for domestic economy tickets, which aren't that expensive for the airline.

The banks and credit card companies purchase billions of miles from the airlines and offer those miles to their customers as a rebate on their purchases. This provides the airline with better cash flow, so they're able to expand their route networks, or undertake fleet refurbishments, or even just engage in a costly media campaign. The bank profits as well, because they receive a fee from the merchant every time their credit card is swiped.

2. Retail industry

Retailers spend 5 to 10 times more to capture a new customer than to retain a current one that means engaging the existing customers could cost less and reap more benefits in the long run. As 66% of consumers report that they modify spending amounts in order to maximize points, effective programs can increase customer lifetime value and ROI. Thus, program members are likely to spend more during each visit.

Petroleum product is also an essential retail product that a customer purchases on a regular basis and with the rapidly growing use of mobile phones in India, there lies an opportunity for companies like HPCL to influence customers with appropriate loyalty programs. Although there remains a challenge in the oil and gas sector as petroleum is an undifferentiated product and there is a limit to the monetary benefits company can provide, there lies opportunities in terms of providing better facilities and more convenience to the users that may create customer delight and make customers loyal to HP brand.

2.3 Exceptional Reward programs

Providing customers with reward points has now become a norm in every industry and most of the companies are providing reward points to their customers. But customer loyalty programs of some companies are made with custom perks which make the customers feel like a VIP and are a great way to show how much the company cares about them and are dedicated to giving them a positive experience.

Here are the 2 brands with truly great customer loyalty programs:

1. Beauty Insider (Sephora)

Sephora's loyalty program, Beauty Insider, offers everything a cosmetics addict could want in a beauty membership. The loyalty program has three reward tiers, and the perks increase in value as the consumer spends more on Sephora products.

- Customers in the lowest tier aren't required to purchase anything from Sephora but still receive a free birthday gift and free beauty classes.
- Beauty Insiders who spend \$350 or more on Sephora products in a calendar year become a VIB or Very Important Beauty Insider. In addition to a free birthday gift and free beauty classes, VIBs receive seasonal savings, personalized gifts and a free custom makeover.

- Consumers who spend over \$1,000 on Sephora products are part of the elite VIB Rouge group and receive the same perks the VIBs do but also have access to a private concierge hotline, unlimited custom makeovers and invitations to exclusive events.

Beauty Insider is focused on exclusivity and plays on the need of consumers to feel as if they're part of an elite group to which not everyone has access. The site makes sure shoppers in lower tiers can see what benefits they could be receive if they just spent a little more.

2. Co-op Membership (REI)

Because REI is a co-op organization, it takes a slightly different approach to its customer loyalty. In addition to offering relatively standard benefits, REI also offers those enrolled in the co-op membership program a voice in company-wide decisions by attending the annual member meeting and voting for the co-op's board of directors. Additionally, each spring, members of the co-op receive a 10 percent member refund that represents their share of annual profits. The more each member spends, the more everybody wins.

REI is not just offering its customers the opportunity to spend money and earn redeemable points but for \$20, members become a part of a group.

Hindustan Petroleum Corporation Limited (HPCL)

3.1 About the company

HPCL is a Government of India Enterprise with a Navratna Status, and a Forbes 2000 and Global Fortune 500 company. It is listed on the Bombay Stock exchange (BSE) and National Stock Exchange (NSE), India.

HPCL owns & operates 2 major refineries producing a wide variety of petroleum fuels & specialties, one in Mumbai and the other in Visakhapatnam. HPCL also owns and operates the largest Lube Refinery in the country producing Lube Base Oils of international standards, with a capacity of 428 TMT. This Lube Refinery accounts for over 40% of the India's total Lube Base Oil production. HPCL in collaboration with M/s Mittal Energy Investments Pte. Ltd. is operating a 9 MMTPA capacity Refinery at Bathinda with 49% equity and also holds an equity of about 16.95% in the 15 MMTPA Mangalore Refinery and Petrochemicals Ltd. (MRPL).

HPCL has the second largest share of product pipelines in India with a pipeline network of more than 3370 kms for transportation of petroleum products and a vast marketing network consisting of 21 Zonal offices in major cities and 128 Regional Offices facilitated by a Supply & Distribution infrastructure comprising Terminals, Pipeline networks, Aviation Service Stations, LPG Bottling Plants, Inland Relay Depots & Retail Outlets, Lube and LPG Distributorships.

3.2 Loyalty programs at HPCL

HPCL runs loyalty programs through its Retail outlets for its customers. HPCL has specifically designed segment specific loyalty program to cater to various categories of its customers.

1. Drive Track Plus

DriveTrack Plus is a powerful prepaid card that provides complete fleet management solution to fleet owners and operators in the form of an unbeatable combination of control, convenience, security and attractive reward points. This innovative payment mechanism is designed for efficient management of fleet, through greater control over fuel consumption and operating costs, thereby adding value to business.

Benefits of Drive-Track Plus

1. Better Control

- The payment done for any vehicle can be monitored easily

- Working capital can be better managed by allocating funds to each card from a central pool of funds (CCMS account)
- MIS reports can be obtained vehicle wise or for entire fleet on a consolidated basis

2. Greater Convenience

- With cashless transactions through the card, the need to carry cash is eliminated
- Allocating funds to different user accounts from CCMS balance is quite easy with Drive-Track Plus web account
- Various options are available to recharge CCMS balance

3. Enhanced Security

PIN based security is employed with separate PIN for each of the user cards and Control PIN for Control card transactions. There is added level of security with control card provided for some important transactions.

- Threat of theft reduces considerably as cash need not be carried by drivers
- Accidental insurance cover is provided with the program
- Facility of SMS alerts on transactions is available
- Card based CCMS transaction limits can be set
- Online option to block/unblock card is available

4. Rewards

- Reward points on fuel purchase are provided in the form of Drivestars which can be redeemed for free fuel or lubes at participating HPCL outlets
- Multiple redemption option in the form of Electronic Gift Vouchers and various gift item are available

2. Re-Fuel program

HP Refuel is a powerful Loyalty and Payment program that provides complete fuel management solution to its retail customers and operators in the form of an unbeatable combination of control, convenience, security and attractive reward points. This innovative payment mechanism is designed for efficient management through greater control over fuel consumption and operating costs, thereby adding value to individuals.

As a member, a person can earn HP Re-Fuel card points on purchases at participating HPCL petrol pumps. The HP Re-Fuel Cardpoints earned can instantly be redeemed for fuel and lubes at participating HPCL petrol pumps. Customer can also redeem the points against items given in the Rewards Catalogue.

Benefits of Re-Fuel Program

1. Convenience

- Cash need not be carried for fuel payment and payment can be made via Re-Fuel app
- Several options are available for payment like payment through the pay merchant option on the app or through registered mobile no. with OTP or scanning the QR code

2. Rewards

HP Re-Fuel card points can be tracked either on app or website or through the terminal at the participating petrol pump. The customer can use these points for fuel or gift coupon options available at redemption.

Market Research on Re-Fuel

4.1 Purpose of the study

There has been quite sometime since the launch of Re-Fuel, a payment solution of HPCL aimed at making retail customers loyal to HP brand by providing benefits to the customer in the form of cashback and reward points. Initially the program was launched on the Drivetrack plus platform but as the traffic on Drivetrack plus began increasing, Re-Fuel was separated from Drivetrack plus. But despite providing promotional schemes and encouraging dealers to register new customers for Re-Fuel, overall response towards the program has not been able to meet the expectations. In spite of the fact that Drivetrack plus has proved quite successful for the company, Re-Fuel has not been able to make its impact. Even after around 2 years of its launch, most of the customers are unaware of the existence of Re-Fuel and the dealers don't have the full knowledge of payment through this app. To connect new customers with this app, a drive was started by the company in which target was given to every dealer to connect new customers. The dealers accordingly registered a large number of customers but the proportion of people actually using the app after registration is still quite low. The reason of such a low turnout of customers is not clear and there was a need to take the feedback from customer. So it was decided to conduct market research for collecting customer feedback regarding their experience with Re-Fuel.

Market research is a tool to determine the needs and preferences of people and know the experiences of customer regarding any particular program.

4.2 Market Research steps

Following are the steps involved in carrying out any market research process:

Step 1: Problem Definition and Identification

Step 2: Research Objective

Step 3: Research Design Formulation

Step 4: Data Collection

Step 5: Data Preparation and Analysis

Step 6: Report Preparation and Presentation

After stating the purpose of the study, market research process was started as per the above given procedure. The stepwise detailed structure of this research and the outcomes after every step is provided below.

4.2.1 Problem Definition/Identification

Based on the purpose of study, a single line problem statement is prepared. For this project, the statement developed to define the problem is as follows:

“People using Re-Fuel app and the people who have registered for Re-Fuel is quite low”.

4.2.2 Research objective

After defining the problem statement, the second step is to determine the research objective. It involves finding the possible factors behind the problem based on the literature review, observation and discussion with decision makers, that is, the customer and the dealer. This is a part of qualitative method used just to find out a list of all possible factors behind the problem. Later stages of this research will involve quantitative methods to narrow down the exact reasons responsible for low customer involvement with refuel.

For carrying out qualitative research and identifying the possible factors behind the problem, different retail outlets were visited discussing with the dealers, customers and observing the mode of payment of different kinds of customers. Accordingly following list of factors was prepared based on the initial observation:

- a) Benefit provided by the company in the form of reward points and cashback is perceived insufficient by the customers
- b) The information provided on the refuel website is inadequate
- c) Loyalty programs of competitors are better than Re-Fuel
- d) Some technical issues were faced by the customers in using the app
- e) The use of app is not considered user friendly by the customer
- f) Salesmen are unable to carry out transactions satisfactorily through the Re-Fuel app
- g) Customer care is unable to resolve the queries of the customers

4.2.3 Research method

After listing down the possible factors for the research problem, the next step is to design the research method to be used. The research method is based on the purpose of the study and the type of customer base. This step involves defining the nature of study, calculating the sample size from the population size and preparing the data collection instrument. This step is the most important step as if this step is not performed carefully, the whole market research process would not yield desired result.

Primary Research

Primary research is designed to meet the unique and specific needs of the researcher contrary to secondary research, where the already available work done by others is applied to the business problem. Primary research aims to answer questions relevant solely to the concerned problem and provides more specific results. The research can include focus group interviews, surveys, individual interviews, and observations.

As Re-Fuel app is a program specific to HPCL and no previous data was available on the customer experience with Re-Fuel, fresh data from the existing customers of Re-Fuel app was required for which primary research was conducted.

Quantitative Research method

The data produced by quantitative research methods are always numerical, and they are analysed using mathematical and statistical methods contrary to the qualitative research methods which often involve words or language rather than numbers but may use pictures or photographs and observations.

To be able to analyze our customer feedback using statistical tools, survey was used as a quantitative research method to collect the opinion of the customers.

Conclusive research

Descriptive research is a part of conclusive research study which is concerned with describing the characteristics of a particular individual or group. The descriptive research aims at obtaining complete and accurate information for the study and so the method adopted must be carefully planned. It is contrary to the exploratory research that tries to explore a problem to provide insights into and comprehension for more precise investigation. Exploratory research focuses on the discovery of ideas and thoughts. Exploratory research was carried out initially while preparing the research objectives.

As the survey on the Re-Fuel app required precise and complete information for a specific purpose, Descriptive research method was used which is a part of conclusive research.

Data collection instrument

A questionnaire was prepared for the study which consisted questions on the dependable variable asking the customers to rate their experience with Re-Fuel app. The data regarding the demographics of the customers like age, monthly fuel consumption and type of vehicle were also requested for the study. Likert scale of range 1-5 was used to take responses from the customers with "1 meaning strongly agree" and "5 meaning strongly disagree" as per below:

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

Following are the questions for which customers were asked to provide their responses:

- The Salesman in the Petrol Pump provided complete information on the usage and benefits of HP Re-Fuel Card i.e., benefit of 1.05% while using HP Re-Fuel Card (0.30% as Loyalty Benefit & 0.75% as Cashless Incentive)
- The HP Re-Fuel Website "www.hprefuel.com" has provided me complete information and it is very easy to navigate the site
- As per my study the benefits and usage of HP Re-Fuel Card much better than other Oil Company Retail Cards
- While enrolling for HP Re-Fuel Card on the Mobile App / the HP Re-Fuel Website and I have not faced any problem during the entire process and it was a smooth experience
- Re-charging (CCMS Re-charge) the HP Re-Fuel Card through Mobile App / Website is very easy and the entire process is very smooth
- It is very easy to choose the Merchant on the Mobile App, and paying for the merchant on HP Re-Fuel Mobile App is very easy
- The Outlet Salesman knows how to do Transaction on HP Re-Fuel Card and I am fully satisfied with his ability to Complete Sales Transaction process smoothly
- The Call Center "18001039811" was very helpful while resolving any issue faced while using HP Re-Fuel Card
- The Outlet Dealer/ HPCL Officers helped me when I faced an issue during the Enrolment / Transaction process
- My overall experience while using HP Re-Fuel Card Mobile App is very pleasant and flawless

The complete survey is given at Exhibit-1.

Scope of study and sample size calculation

Area of research: kota

Duration of research: 2 months

Population size: 10 lakh

Sample size: 260

4.2.4. Data collection or fieldwork

The data collection process involves going to the field for collecting the data from the customers. So regular visits to different retail outlets was made to collect data from the existing users of Re-Fuel. Responses from some customers were also collected via telephonic conversation with them. As the area of research was a Hindi speaking belt, the questionnaire was also translated to Hindi to make it easier for the people to respond.

4.2.5 Analysis of customer survey using SPSS software

The next step involves analyzing the collected data using some mathematical tool or software. Accordingly, SPSS software was used to analyze the collected data. **Factor Analysis** and **Regression Analysis** were performed in the SPSS for analysis.

Factor Analysis

Factor analysis is a general name denoting a class of procedures primarily used for data reduction and summarization. In marketing research, there may be a large number of variables, most of which are correlated and which must be reduced to a manageable level for smooth operations. Relationships among sets of many interrelated variables are examined and represented in terms of a few underlying factors. Based on the variables that are combined under each factor, a name is given to each factor that represents the characteristics of the variables under it. These factors thus obtained are the factors that actually influence the purchase behavior of the customers.

For the analysis of the data collected regarding Re-Fuel, all the 10 questions in the questionnaire were taken as variables and factor analysis was performed on them. After performing the factor analysis in SPSS, the procedure in which the obtained results were analyzed and conclusion were made are explained below:

1. Factor analysis assumption check

First of all, we have to check 2 assumptions that must hold true for factor analysis to be performed. These are:

- i) KMO value must be ≥ 0.5
- ii) Sig value must be ≤ 0.05 (Confidence level- 95%)

Following is the screenshot of the KMO and Bartlett's test that was performed to check the above 2 assumptions.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.747
Bartlett's Test of Sphericity	Approx. Chi-Square	1836.770
	df	45
	Sig.	.000

Here both the assumptions of Factor analysis are satisfied as the KMO value is more than 0.5 (0.747 in this case), and the significance value is less than 0.05 (0.000 in this case).

So factor analysis can be performed in this case.

2. Determination of no. of factors

Secondly, in the "Total Variance Explained" table, Eigenvalues of components are checked to see how many of these components have eigenvalues greater than 1. The no. of components having eigen values greater than 1 determine the no. of factors.

Component	Total Variance Explained								
	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.201	42.011	42.011	4.201	42.011	42.011	3.139	31.388	31.388
2	1.433	14.326	56.337	1.433	14.326	56.337	1.837	18.374	49.763
3	1.052	10.515	66.852	1.052	10.515	66.852	1.709	17.089	66.852
4	.818	8.185	75.037						
5	.801	8.013	83.050						

From the above table, we can see that there are 3 components for which the eigen values are greater than 1. So there are 3 factors that have been formed out of the 10 variables.

3. Interpretation of factors

The third step involves determining the variables that fall under each factor. For this, "Rotated Component Matrix" is used in which any variable having factor score > 0.6 is included under that factor. Accordingly, the variables falling under each factor are noted and the factor is named on the basis of the characteristics of the variables combined under it.

Rotated Component Matrix^a

	Component		
	1	2	3
Q1	.564	.259	
Q2	.483	.149	.713
Q3	.395	.378	
Q4	.837	.186	
Q5	.865		.382
Q6	.845		.259
Q7	.432	.330	.354
Q8			.916
Q9		.870	.137
Q10	.282	.838	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

Based on the above rotated component matrix, the variables are clubbed under each of the 3 factors and names to these factors are provided.

The below table summarizes the factors along with their names, the variables under them and the factor scores of these variables:

Factors	Variables	Factor Score
F1 (Ease of transaction)	Q4 (Registration for refuel program)	0.837
	Q5 (Loading money in refuel wallet)	0.865
	Q6 (Payment through mobile app)	0.845
F2 (Support of HPCL)	Q9 (Support received from dealer/ HPCL officers)	0.870
	Q10 (Overall experience of using refuel mobile app)	0.838
F3 (Availability of information)	Q2 (Experience with refuel website)	0.713
	Q8 (Experience with customer care)	0.916

Based on the factor analysis study, following are the major factors obtained that have an impact on the customer experience with Re-Fuel app:

- Factor 1: Ease of transaction
- Factor 2: Support of HPCL
- Factor3: Availability of information regarding Re-Fuel

Regression Analysis

In dependence techniques such as regression, one variable is considered as dependent and the others as independents. Then analysis is performed to check the impact of Independent Variable(s) on a Dependent Variable.

In our regression analysis, Q10 is considered as a dependent variable that is dependent on questions Q1 to Q9 because Q10 is regarding the overall experience of Re-Fuel app and it depends on the independent questions asked from the customers on the Re-Fuel app.

Following are the steps that were performed after the regression analysis was conducted.

1. Correlation between variables

Correlation is a necessary condition of regression. If two variables are correlated, then only one can regress another. To establish a correlation between the dependent and independent variables, the value of "Adjusted R square" must be greater than zero.

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Q9, Q6, Q8, Q3, Q1, Q7, Q4, Q2, Q5 ^b		Enter

a. Dependent Variable: Q10

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.719 ^a	.518	.506	.675

a. Predictors: (Constant), Q9, Q6, Q8, Q3, Q1, Q7, Q4, Q2, Q5

As the "Adjusted R square" value given in the above figure is significantly greater than zero, there is a correlation between variables and regression analysis can be used for these variables.

2. Impact of independent variables on dependent variable

Now to find out the impact of these independent variables on the dependent variable, the significance value in the below coefficients table must be lower than 0.05.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.402	.339		-1.186	.236
	Q1	.099	.025	.161	3.907	.000
	Q2	.062	.082	.046	.764	.445
	Q3	.085	.101	.034	.843	.400
	Q4	.362	.059	.340	6.102	.000
	Q5	-.210	.092	-.224	-2.287	.023
	Q6	-.029	.068	-.031	-.427	.669
	Q7	.246	.040	.269	6.140	.000
	Q8	-.091	.069	-.059	-1.323	.187
	Q9	.515	.042	.461	12.123	.000

a. Dependent Variable: Q10

In the above table, the Sig values for Q1, Q4, Q5, Q7 and Q9 are less than the significance level of 0.05 or a confidence interval of 95% and thus, these variables have an impact on the independent variable.

Based on these 5 questions stated above that are supposed to have an impact on the overall experience of customer with Re-Fuel app, these questions can be described in the form of following variables:

- Awareness of the benefits received via Re-Fuel
- Issues faced during registration of Re-Fuel app
- Convenience in adding money in the Re-Fuel app
- Ability of FSM to complete the transaction satisfactorily at the outlet
- Support received from the HPCL officers/ dealers during transaction/enrolment process

Deficiencies of Re-Fuel

As a part of the second step of research process (that is, research objective), the website of Re-Fuel was visited and some transactions were done at the retail outlet with the Re-Fuel app. This helped in getting the first hand experience as a new customer and understanding some of the problems customers might be facing in payment through the Re-Fuel app. Some of the issues were also reported by the customers during the data collection process. Following are some of the shortcomings that have been found at various stages of the research process that might be preventing the customers from connecting with the program:

1. Lack of availability of Information on Re-Fuel website

A new customer who is not aware of Re-Fuel and is visiting the refuel website for the first time, is unable to get the complete information on the website. The website appears to be incomplete in comparison to the Drivetrack plus website that is more user friendly and explains about the DriveTrack plus clearly.

There are several instances in the website that creates confusion for a new person like using the term 'card' at some places and 'app' at other places without explaining anywhere that both of these are available modes of payment and customer can use any one or both of them for payment.

Following are some more issues related to the lack of information on the website:

- a) Sufficient information is not available regarding the use of app and the benefits provided by it
- b) The information regarding Re-Fuel is distributed over 2 websites- Drive track plus and HP Re-Fuel
- c) FAQs provided are not detailed and do not clear relevant doubts
- d) It is claimed on the website that reward points can be earned on cash payments also which is actually not an option now
- e) There is no mention of HP Re-Fuel on the main website of Hindustan Petroleum

2. Issues faced in using Re-Fuel app as a customer

During registration for the Re-Fuel app and using app as a customer for transaction at some of the retail outlets, following issues were observed which might be the reasons new customers are reluctant to join Re-Fuel:

- a) The customer ID and password were received after 4 days of registration
- b) Most of the FSM were not aware of the payment through Re-Fuel
- c) Reward points and CCMS balance were updated after 2 days of transaction

- d) Option of adding money in the app through *Paytm wallet is not available although other wallet options are there
- e) While adding money through HDFC payment gateway, option of saving debit/credit card detail is not available although this option is there in ICICI gateway
- f) Option of adding money in wallet through UPI payment is available in HDFC gateway but not in ICICI gateway

*Paytm wallet is considered here because Paytm is the most popular among online wallets and it is also accepted at most of the HP retail outlets.

3. Issues faced by actual customers in using Re-Fuel app

While providing their responses for the questionnaire, some of the customers went an extra mile in explaining the problems faced by them in using the app. Some of these problems related to issues in carrying out transaction and some related to receiving reward points and their redemption. A list of the major issues faced by many customers are as follows:

- a) Difficulty in maintaining separate wallets and remembering different login IDs and passwords
- b) Most of the customers pay by cash as they do not wish to spend time in digital transaction on petrol pump
- c) Many people are not comfortable in digital transactions but do have a bank account and can be targeted using physical Re-Fuel card
- d) Some people reported the inability to add money in Re-Fuel app through Rupay debit card
- e) Many a times, OTP is not received immediately and takes upto half an hour
- f) Customer has to go inside the office for Re-Fuel payment as some outlets do not have Wi-Fi enabled DriveTrack Plus POS terminal which is a pain point to the customer

Recommendations

Considering the analysis of the survey, self-experience with the Re-Fuel and the suggestions from the customers, some recommendations are proposed. These recommendations have been divided into 2 parts- minor and major modifications. Minor modifications are those that are relatively easier to implement and are mostly related to small changes in the app. Major modifications require more involvement.

All these suggestions are focussed on increasing the convenience of the user because one of the observations in the survey was that the customers value convenience more than the discount and also there is a limit to discount that can be provided to the customers considering the very narrow margins in this sector.

Following is the list of minor and major recommendations with the major recommendations further described in detail:

6.1 Minor Modifications

1. Allow the customer to set his password during registration stage
2. Provide an option in the app for requesting physical card
3. Encourage the use of Wi-Fi enabled DriveTrack Plus terminal
4. Include an option of adding money through Paytm wallet
5. Separate refuel website from DriveTrack Plus website and provide all the relevant details on Re-Fuel website

6.2 Major Modifications

Following are the major modification recommendations described in brief:

1. Provide sufficient training to FSM on the payment through refuel program
 - Most of the people quoted this problem that many dealers are not accepting payment through Re-Fuel or there is only a single FSM on the outlet who is able to carry out a transaction
 - So proper training of all FSM should be conducted on the payment options via app and card before further promotion of Re-Fuel

2. Increase customer engagement through reward points
 - The customer should receive a message immediately after transaction about the reward points credited in his account and the final reward points balance
 - Upon accumulation of minimum points that can be redeemed, the customer should receive a notification via message or call informing them about the various methods by which points can be redeemed and the options available for redemption
 - There should also be an option to redeem Drivestar balance in the form of credit card reward points
 - There should be an auto redeem option available in the app that automatically redeems the loyalty points of customers into CCMS balance
3. Following are some of the proposals for modifying the current payment solution into new loyalty solution or another payment solution. These solutions should be considered in the same order in which these are presented:

a) Loyalty Solution 1

- An option to enter debit/credit card details should be provided during registration in the app
- Whenever payment is done by registered debit/credit card, reward points should automatically be added in the Re-Fuel account of customer

b) Loyalty Solution 2

- **For debit/credit card user:** Person should be allowed to pay using his debit/credit card and enter the transaction details in the app or scan his slip of payment through the Re-Fuel app
- **For cash customer paying >1000:** POS terminal or a tablet can be used by the petrol pump operator to send the details of the fuel purchased with the mobile no. of the customer
- Accordingly, cashback and reward points should be credited to customer's CCMS account

c) Payment Solution

- Direct payment from the customer's bank account (UPI payment) should be allowed instead of a separate wallet
- Cashback and reward points can be provided in the Re-Fuel account

Using these solutions, we might be able to attract more customers towards refuel app due to the following reasons:

- The customer won't need to block his money in the online wallet
- The role of FSM at retail outlets is minimal in these cases

With these minor as well as major recommendations, convenience can be increased for the customer that would encourage the existing customer to more often use Re-Fuel app. The purpose of the loyalty program is achieved only when it is able to create customer delight with the help of increased convenience and existing monetary benefits. These delighted customers benefit the company in the long run as they not only bring regular revenues themselves but also share their experiences with others and help in the word of mouth publicity for the company.

Conclusion

Re-Fuel is a good initiative of HPCL to attract retail customers but there are several factors preventing the program to reach its full potential. The IT infrastructure required for catering to such a large set of customer base has proved out to be insufficient in the recent past which is evident from the delays customers face in receiving customer ID and password during registration and cashback and reward points after every transaction.

Also inadequate training of FSM at dealer end has proved out to be fatal for Re-Fuel as many dealers are unable to carry out the transaction using Re-Fuel app and this acts as a hurdle that prevents the customer to use Re-Fuel app again for payment. Even at places where any FSM has the capability of completing the payment to the satisfaction of the customer, the unavailability of that particular person at any point in time creates a negative impression in the mind of customer. So adequate training of FSM is of utmost importance to make the program successful.

One of the other important observation from the survey is that customers value convenience more than the discount especially when the percentage of discount/benefit is very less. To provide convenience of payment to the customer, changes should be made in the app to make it a loyalty solution rather than a payment solution or payment should be made UPI enabled so that customer can pay directly from his account.

Summarizing these points, it is concluded that IT infrastructure, training of FSM and providing more convenience to the customers remain the 3 main focus areas that should be considered for improvement in the app.

One more important point to note is that as the Re-Fuel is still in its nascent stage with limited regular users, it is easier to make changes now than later. Also it would be quite detrimental to keep promoting the app through limited period offers without working on the base of the program. This would create more dissuaded customers who will instead of becoming loyal to the brand, will spread negative word for the company.

Exhibits

Exhibit 1

Survey on HP Refuel Card - Customer Experience					
Name of the Customer:					
Mobile Number & e-mail address					
Vehicle Number:					
Type of Vehicle:	2 Wheeler	Car	SUV	Auto Rickshaw	Pickup Van
I was Born during (Select relevant Period)	Before 1946	1946 to 1959	1960 to 1979	1980 to 2000	2001 to 2020
Monthly Fuel Consumption Rs:	Below Rs 1000	Rs1000 to 3000	Rs3000 to 8000	Rs8000 to 15000	Above Rs 15000
How did you come to know about HP Refuel Card?	Hoarding/Standee at the Petrol Pump	Salesman at the Pump	Web Search	SMS/e-mail/Social Media	Friends

Please Share your Experience with HP Refuel Card by Checking / Ticking in the appropriate box:

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

No.	Stage & Touch point	My Personal Experience				
		1	2	3	4	5
1	The Salesman in the Petrol Pump provided complete information on the usage and benefits of HP Refuel Card i.e., benefit of 1.05% while using HP Refuel Card (0.30% as Loyalty Benefit & 0.75% as Cashless Incentive)					
2	The HP Refuel Website "www.hprefuel.com" has provided me complete information and it is very easy to navigate the site					
3	As per my study the benefits and usage of HP Refuel Card much better than other Oil Company Retail Cards					
4	While enrolling for HP Refuel Card on the Mobile App / the HP Refuel Website and I have not faced any problem during the entire process and it was a smooth experience					
5	Re-charging (CCMS Re-charge) the HP Refuel Card through Mobile App / Website is very easy and the entire process is very smooth					
6	It is very easy to choose the Merchant on the Mobile App, and paying for the merchant on HP Refuel Mobile App is very easy					
7	The Outlet Salesman knows how to do Transaction on HP Refuel Card and I am fully satisfied with his ability to Complete Sales Transaction process smoothly					
8	The Call Center "18001039811" was very helpful while resolving any issue faced while using HP Refuel Card					
9	The Outlet Dealer / HPCL Officers helped me when I faced an issue during the Enrolment / Transaction process					
10	My overall experience while using HP Refuel Card Mobile App is very pleasant and flawless					

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