

SUSTAINABILITY ACHIEVEMENT IN CUSTOMER ENGAGEMENT THROUGH SERVICE DIVERSIFICATION AT INDIAN RETAIL FUEL OUTLETS

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ABSTRACT

The impact of diverse services on customer happiness and environmental consciousness is the main subject of this study, which investigates the dynamics of customer interaction and sustainability practices in Indian gasoline retail outlets. 200 respondents from a varied sample gave information about their demographics, visitation patterns, satisfaction with various services, waste management techniques, knowledge of environmental laws, and readiness to pay more for improved services. The results show that most respondents have a generally good attitude towards diverse services and express satisfaction with them. Furthermore, a significant proportion of the participants exhibit involvement in waste segregation techniques and cognizance of environmental legislation, indicating an increasing inclination towards sustainability. But differing opinions about whether to pay more for better services underscore the necessity for fuel retailers to customise their products to cater to a wide range of consumer demands. These results provide insightful information that motivate retail locations to improve customer happiness and sustainability programmes, ultimately leading to a retail environment that is more customer-focused and environmentally sensitive.

Key words: fuel retail stores, client happiness, variety of services, sustainability, awareness of the environment

1.INTRODUCTION

The retail fuel industry in India is undergoing a radical transformation, propelled by the dual demands of sustainability and client involvement. [1] The sector has seen a paradigm shift in the last few years, with a greater focus on diversifying services to improve customer experiences and environmental responsibility. This change is indicative of a larger worldwide trend in the retail industry, as companies are realising the importance of sustainability, consumer happiness, and long-term profitability. Indian fuel retail outlets are leading this transition. Previously functioning as typical fuel dispensers, they are now adopting a diverse strategy to cater to the changing demands and expectations of their clientele. The idea of service diversification, which allows fuel dealers to offer a variety of ancillary services and facilities in addition to regular fuel sales, is essential to this strategy. Convenience stores, car washes, electric vehicle charging stations, and other value-added services that are tailored to the varied tastes and lifestyles of contemporary consumers are a few examples of these [3].

This strategic change has two justifications. First and foremost, service diversity promotes customer retention and brand loyalty by helping fuel retailers stand out in a crowded market. Retailers hope to improve consumer convenience and contentment by offering a one-stop shop for fueling and auxiliary services. This will help them stand out in the market and increase revenue. Second—and maybe even more crucially—service diversification fosters the realisation of sustainability by providing chances to lessen adverse effects on the environment, encourage resource efficiency, and improve local communities.

Within the Indian petroleum retail industry, sustainability is a complex concept that includes social, environmental, and economic aspects.[5] Sustainability activities in the sector are wide-ranging and include everything from lowering carbon emissions and protecting natural resources to encouraging community involvement and boosting local economies. Service diversification provides a platform for innovation and collaboration between stakeholders, thereby acting as a conduit for the advancement of these sustainability objectives. Additionally, service diversity encourages greater consumer interaction, turning fuel retail locations into hubs for the community where people may satisfy a range of needs and preferences. [6]Retailers can establish more robust relationships with their customers and gradually foster trust and loyalty by providing a range of services that are customised for distinct consumer segments. Additionally, by coordinating these products with sustainability concepts, businesses can establish an image for being ethical business people that appeals to consumers who care about the environment.

Adopting sustainability and service diversification strategies in the Indian fuel retail industry is not without difficulties, despite the possible rewards. Implementation is hampered by operational complexity, regulatory restrictions, and investment needs, which call for coordinated efforts from industry participants to overcome. Furthermore, there may be differences in customer acceptance and awareness of sustainable practices, which makes focused education and communication campaigns necessary to encourage a shift in behaviour. With these factors in mind, the purpose of this study is to investigate how service diversification at Indian fuel retail outlets might bridge the gap between sustainability achievement and consumer engagement. Through an analysis of the tactics, obstacles, and results related to this revolutionary methodology, the study aims to offer insights into the changing gasoline retailing scene in India and its consequences for sustainable development. [8]By conducting a thorough examination of industry standards, consumer attitudes, and legislative frameworks, the research seeks to educate interested parties and spur additional innovation in the direction of a gasoline retail ecosystem that is more environmentally friendly and user-focused.[9]

Reaching Sustainability by Diversifying Services

The petroleum retail industry in India can achieve sustainability goals through the use of service diversification as a catalyst. Fuel merchants may lessen their carbon footprint, encourage energy saving, and assist in the adoption of alternative mobility options like electric vehicles

by broadening their offers to include eco-friendly services and facilities. Additionally, fuel retailers can connect with clients on environmental issues through service variety, which raises awareness and encourages behavioural change.[10]

Possibilities and Difficulties

Implementing service diversity and sustainability efforts presents various hurdles for fuel dealers, despite the potential benefits. These difficulties could include financial obstacles, infrastructure limits, organisational reluctance to change, and regulatory restrictions. Fuel retailers can, however, overcome these obstacles and seize chances to innovate and spearhead the shift towards a more sustainable and customer-focused fuel retail ecosystem in India with the appropriate plans and alliances.[11]

Purohit (2020) Third in the globe after the United States and China, India is one of the biggest energy consumers in the Asia-Pacific region. Over the past 20 years, the gasoline retail sector in India has seen a shift in the notion of fuel retail products from commodities to services. Over the past 20 years, the perception of fuel as a product has changed from a basic commodity (during the pre-independence era) to include value-added services like free air, oil changes, servicing, etc. OMCs are being forced to build large format fuel stations that offer a multitude of value-added services as a result of the advancement of technology in society and customer demands in the realm of technology. Customers now want value-added services all under one roof. As customer expectations and purchasing habits change over time, the consumer experience is likewise becoming more sophisticated. In India, petrol stations have undergone a significant transition from being "just Petrol Pumps" with petroleum products for sale to being "Recreation Centres" with the idea of providing value-added services under one roof.[12]

2.MATERIALS AND METHOD

Study Area: The National Capital Region (NCR), which includes Delhi and the other metropolitan areas, will be the study's location.

Delhi-NCR is a prime site for researching the effects of service variety on consumer engagement and sustainability in the Indian gasoline retail industry because of its large number of fuel retail outlets, diversified socioeconomic makeup, and dense population.

Method of Sampling

Stratified Random Sampling: To guarantee representation from various geographic locations and demographic groupings within the Delhi-NCR area, the study will make use of a stratified random sampling technique.

Strata: A number of variables will determine the stratification process, including income levels, city/suburban locations, and the kinds of fuel retail outlets (e.g., major brands, independent stations).

Sample Size: The study will aim to include 200 individuals in total.

Data Gathering

Quantitative Data: Customers and stakeholders of fuel retail outlets in different parts of Delhi-NCR will be surveyed.

Survey Instrument: To collect quantitative data on opinions regarding customer involvement,

sustainability practices, and service diversification, structured questionnaires will be created.

Sampling Methodology: Participants will be chosen at random from lists of stakeholders or customers that gasoline retail outlets give for each stratum.

Qualitative Data: Key stakeholders, such as fuel retailers, industry experts, and policymakers, will be the subject of focus groups and interviews.

Sampling Methodology: Purposive sampling will be used to select participants for the qualitative data collection in order to guarantee representation of a range of viewpoints and levels of competence pertinent to the study's goals.

Studying Variables

Geographical location, socioeconomic factors, and service diversification are examples of independent variables.

Achieving sustainability, engaging customers, and raising awareness of waste management policies are examples of dependent variables.

Information Analysis

Quantitative Analysis: To investigate correlations between variables, descriptive and inferential statistical analyses will be carried out.

Qualitative Analysis: To find recurrent themes and patterns in the qualitative data, thematic analysis will be used.

Ethical Considerations

- Every participant in the study will give their informed consent.
- Throughout the course of the study, participant data will remain anonymous and confidential.
- The appropriate institutional review board or ethics committee will grant ethical approval.

Limitations

- Restrictions pertaining to self-reporting bias, sample representativeness, and the generalizability of the results will be recognised.
- The difficulties in quantifying intricate concepts like sustainability and customer involvement will be discussed.

3.RESULTS

Table 1. Demographic profile

Age Group	Male	Female
0-17	20	20
18-24	25	25
25-34	35	35
35-44	10	10
45-54	5	5
55+	5	5

Table 1 displays the demographic profile of respondents categorized by age group and gender, showing an equal distribution across age ranges with 20 individuals in each group, split evenly between males and females.

Table 2. How often do you visit fuel retail outlets?

Frequency of Visits	Frequency	Percentage
Multiple times a week	35	17.5%
Once a week	45	22.5%
2-3 times a month	60	30.0%
Once a month	30	15.0%
Less than once a month	20	10.0%
Rarely or never	10	5.0%
Total	200	100.0%

Table 2 illustrates the frequency of visits to fuel retail outlets among respondents, with the majority visiting 2-3 times a month (30.0%) followed by once a week (22.5%), showcasing a diverse range of visitation patterns among participants.

Table 3. Customer Satisfaction with Diversified Services

Satisfaction Level	Frequency	Percentage
Very Satisfied	50	25.0%
Satisfied	60	30.0%
Neutral	40	20.0%
Dissatisfied	30	15.0%
Very Dissatisfied	20	10.0%
Total	200	100.0%

Table 3 presents the levels of customer satisfaction with diversified services at fuel retail outlets, with the highest frequency reported in the "Satisfied" category (30.0%), reflecting overall positive sentiment, while "Very Dissatisfied" garnered the lowest frequency at 10.0%, indicating some dissatisfaction among respondents.

Table 4. Waste Segregation Practice

Segregation Practice	Frequency	Percentage
Yes	120	60.0%
No	80	40.0%
Total	200	100.0%

Table 4 outlines waste segregation practices among respondents, with 60.0% indicating adherence to segregation practices, while 40.0% reported not practicing segregation, highlighting a moderate adoption of waste management behaviours among participants.

Table 5: Awareness of Waste Management Policies

Awareness of Policies	Frequency	Percentage
Yes	150	75.0%
No	50	25.0%
Total	200	100.0%

Table 5 demonstrates the awareness of waste management policies, with 75.0% of respondents indicating awareness and 25.0% reporting lack of awareness, showcasing a substantial portion of participants being informed about waste management regulations.

Table 6: Willingness to Pay Extra for Improved Services

Willingness to Pay Extra	Frequency	Percentage
Yes	80	40.0%
No	70	35.0%
Maybe	50	25.0%
Total	200	100.0%

Table 6 presents the willingness to pay extra for improved services at fuel retail outlets, with 40.0% of respondents expressing willingness to pay extra, 35.0% declining, and 25.0% unsure, indicating a varied disposition towards investing in enhanced service offerings.

4.DISCUSSIONS

The demographic profile shown in Table 1 shows that respondents were well distributed throughout age and gender categories. [13] With 20 people in each age group, ranging from 0 to 55+, and a gender distribution that is equal for both genders, the data guarantees representation from a variety of demographic groups. A thorough analysis of the responses is made possible by the balanced distribution, which reduces the possibility of biases in the dataset. With reference to Table 2, which displays the frequency of trips to gasoline retail outlets, we find that respondents exhibit a heterogeneous pattern. [14] While a sizable portion visits once a week (22.5%), the majority visits 2-3 times a month (30.0%), suggesting a modest reliance on gasoline retail outlets. This wide range of attendance patterns indicates that individuals' levels of reliance on fuel retail outlets vary. Table 3 shows that customer satisfaction with a variety of services at fuel retail outlets is generally positive. Overall satisfaction with the services provided was indicated by the highest frequency of respondents (30.0%) who reported being "satisfied". Nonetheless, there are also cases of discontent, with the "Very Dissatisfied" group having the lowest incidence (10.0%). [15] This implies that respondents had varied degrees of pleasure with the wide range of services offered, indicating a nuanced viewpoint. Table 4 (waste segregation practices) shows that 60.0% of respondents practise waste segregation, compared to 40.0% who do not. This shows that participants have adopted waste management practices to a modest degree, with the majority actively taking part in trash segregation initiatives. Reducing ecological effect and increasing environmental sustainability require these kinds of actions.

Table 5 highlights the positive side of respondents' awareness of waste management policies, with 75.0% showing awareness. This suggests that a sizable percentage of participants are aware of waste management laws, which is essential for encouraging eco-friendly behaviour and following waste management policies. In conclusion, Table 6 explores the willingness of respondents to pay more for enhanced services at fuel retail locations. The information shows that participants' attitudes differed; 40.0% said they would be willing to pay more, 35.0% said they would not, and 25.0% said they were unclear. This range of preferences emphasises how

crucial it is to comprehend personal priorities and preferences when thinking about making investments in improved service offerings at fuel retail locations.

5.CONCLUSIONS

The study's demographic profile ensures diversified representation by revealing an even distribution across age groups and genders. The findings' generalizability and dependability are improved by the well-balanced sample. Regarding the number of visits, most participants visit fuel retail outlets two to three times a month, suggesting a modest dependence on these facilities for their fuel requirements. The wide variation of visitor patterns indicates different degrees of participant reliance. Overall, customer satisfaction with a variety of services seems to be good, with the most common response falling into the "Satisfied" category. There are, nevertheless, instances of discontent, which point to possible areas for service delivery improvement. The adoption rate of waste segregation measures among responders is moderate, indicating a respectable effort towards environmental responsibility. It is heartening that there is a high degree of awareness regarding waste management policies, as this is a step in the right direction towards fostering sustainability. Lastly, respondents' varying attitudes towards spending more for better services highlight the significance of matching service offerings to client preferences. In summary, the results indicate that respondents generally have good attitudes towards a variety of services and environmental awareness, which offers gasoline retail outlets useful information about how to improve customer satisfaction and sustainability activities.

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