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CUSTOMER SATISFACTION LEVEL IN LPG AMONG DOMESTIC & NON-DOMESTIC CONSUMERS

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ABSTRACT

LP Gas is a clean and portable fuel. It provides heat and power in remote areas as well as in densely populated urban areas. Because of its portability, it is not dependent on transmission lines or pipeline grids. Its most popular use is for cooking and heating in the residential and commercial segments. The agriculture market uses LP Gas for crop and animal production, and powering farm equipment such as irrigation pump engines. Industry relies on LP Gas for heating, drying, and powering industrial trucks etc. In response to growing concerns of urban air pollution and greenhouse gas formation, the use of LP Gas as an automotive fuel (Auto Gas) is becoming increasingly popular.

Modern LPG was first launched by Union Carbide as "PYROFAX" brand in the year 1920. LPG marketing started in India in fifties by Burmah Shell &Stanvac in towns around the Refineries. The marketing of LPG was entrusted to private concessionaires of Esso & Caltex such as erstwhile Kosan Gas, DGPL & JK Gas. HPCL commenced marketing of LPG under the brand name "HP GAS" in 1979 with takeover of these concessionaires and merger with HPCL with a customer holding of 7.8 lakhs.

KEYWORDS: LP Gas, Modern LPG, Marketing Management

INTRODUCTION

Liquefied Petroleum Gas is a vital source of energy for millions of people around the world. LP Gas consists mainly of propane and butane, which are gases at atmospheric temperature and pressure. When subjected to modest pressure or refrigeration, these gases liquefy making it possible to transport and store LP Gas as a liquid, yet use it as a gas. This requires pressurized cylinders and containers, which must be safely and carefully handled.

LP Gas is a clean and portable fuel. It provides heat and power in remote areas as well as in densely populated urban areas. Because of its portability, it is not dependent on transmission lines or pipeline grids. Its most popular use is for cooking and heating in the residential and commercial segments. The agriculture market uses LP Gas for crop and animal production, and powering farm equipment such as irrigation pump engines.

Industry relies on LP Gas for heating, drying, and powering industrial trucks etc. In response to growing concerns of urban air pollution and greenhouse gas formation, the use of LP Gas as an automotive fuel (Auto Gas) is becoming increasingly popular.

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33 million domestic LPG consumers catered through a network of over 2630 distributors. HP Gas, the HPCL brand of LPG, is what keeps the fire burning in millions of indian homes. Bottled at 44 LPG Bottling Plants throughout the country with a total capacity of nearly 3550 TMTPA (thousand metric tons per annum), HP Gas reaches you after through checking at every stage right from bottling to distribution. That is what makes HP Gas synonymous with Safety.

The field marketing set up consists of 32 exclusive LPG Regional Managers. There are sales areas in each region with an exclusive Sales Officer looking after the various aspects of LPG marketing of a particular geographical area including control on the HP Gas distributorships.

- Liquefied Petroleum Gas i.e. LPG is the vital fuel for most of the households in India.
- Here, we will briefly deal with the present scenario of Indian LPG market and will have a statistical analysis of its marketing steps.
- We will also try to find ways for sustainability of foreign and private sector firms in this market.

Types of LPG

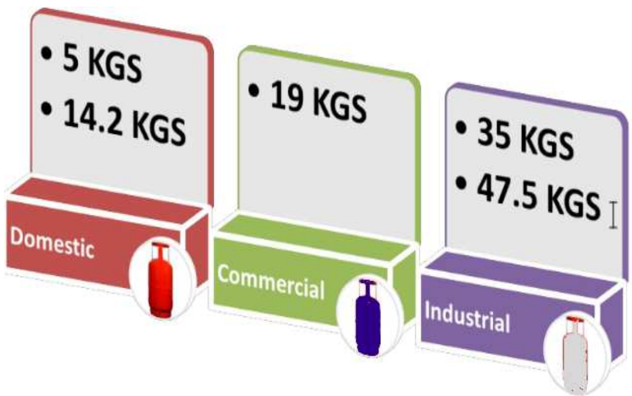

Figure 1

Present LPG Market

- At present, Indian LPG market is government dominated and degree of competition is quite low.
- Cost of domestic LPG is subsidized while for commercial & Industrial, its market determined.
- The ratio of customers of domestic and non-domestic LPG is 9:1.
- Demand for LPG is growing at a rate of 6% per annum whereas supply is not constant and gap is filled by imports.

Approach

- The presentation will go on via three cases-
  - First, on Marketing Aspects.
  - Second, on Level of Data.
  - Third, on sampling and survey.
- LPG market in India is not at all versatile or competitive.
- It’s a part of Indian economy, which is still nearly untouched by Privatization.

- After 1991, Many companies jumped in LPG market but could not survive against govt. shared OMCs like IOCL, HPCL, BPCL etc.
- Reason behind their failure is the heavy subsidy given by government in Domestic LPG.
- While the commercial and industrial LPG is unsubsidized. As a result companies like RIL and Essar are giving tough fight to PSUs in this section.

OBJECTIVES OF THE STUDY

- To study the perception of consumers towards HP LPG in both Domestic and Non domestic sectors, and service in pre sale and post sale.
- To identify the influencing factors on individuals choice among the alternatives.
- To know whether Safety & Fuel saving guidance provided to the consumers
- To know the real awareness level of LPG in consumers in Visakhapatnam.
- To identify customer expectation and complaints

Boosting Service to Customers and Vendors by HPCL

In keeping with HPCL’s aim of enhancing customer satisfaction, the company designed portals that draw on information gathered by its ERP system to provide clients with dispatch details, account statements, and a history of sales transactions completed over the past three years. Customers log in to the portal using a secure user ID and password. Separate portals for aviation, direct sales, LPG, and retail customers were established.

HPCL also developed an electronic payment system to promote smoother and faster payments to its vendors, contractors, transporters, and other service providers. The system is integrated with the company’s banking institution, enabling payment information to be seamlessly transmitted between the two organizations and ensuring timely payment to suppliers.

As HPCL strategic marketing initiative it is offering a range of services like delivery of refills within 24 hours, delivery from 8 am to 9 pm on all seven days a week, efficient and expert services, new connection within 24 hours and a single point contact for refill booking HP Gas is committed to give quality customer service with a smile, by 24 hours refill delivery on all days and necessary assistance to customers through customer’s service centres across the country. Safety of customers has also been a prime concern to us and therefore believes in promoting safety education to all customers using HP Gas.

Table 1: Timely Refill of Domestic Respondents Domestic

Particulars	No of Respondents	Percentage
Always	36	24%
Mostly	67	44.2%
Sometimes	34	22.66%
Never	13	8.666%

From the above table it is revealed that 24% of domestic respondents are always getting timely refill supply from there distributor 44.2% of domestic respondents are mostly getting timely refill supply from there distributor 22.66% of domestic respondents are sometimes getting timely refill supply from there distributor 8.666% of domestic respondents are never getting timely refill supply from there distributor.

Table 2: Timely Refills of Non-Domestic Respondents Non-Domestic

Particulars	No of Respondents	Percentage
Always	32	64%
Mostly	18	36%
Sometimes	0	0%
Never	0	0%

From the above table it is revealed that-64% of non-domestic respondents are always getting timely refill supply from there distributor.36% of non-domestic respondents are mostly getting timely refill supply from there distributor

Table 3: Home Delivery of Domestic Respondents Domestic

Particulars	No of Respondents	Percentage
Always	**82**	**54.66%**
Mostly	**43**	**28.66%**
Sometimes	**11**	**7.333%**
Never	**14**	**9.333%**

From the above table it is revealed that 54.66% of domestic respondents are always getting home delivery 28.66% of domestic respondents are mostly getting home delivery 7.333% of domestic respondents are sometimes getting home delivery 9.333% of domestic respondents are never getting home delivery

Table 4: Home Delivery of Non-Domestic Respondents Non-Domestic

Particulars	No of respondents	Percentage
Always	45	90%
Mostly	3	6%
Sometimes	0	0
Never	2	4%

From the above table it is revealed that-90% of non-domestic respondents are always getting home delivery 6% of non-domestic respondents are mostly getting home delivery 4% of non-domestic respondents are never getting home delivery.

Table 5: Does the Delivery Man Demand Extra Charge Domestic

Particulars	No of Respondents	Percentage
Always	38	25.33%
Mostly	5	3.33%
Sometimes	53	35.33%
Never	54	36%

From the above table it is revealed that 25.33% of domestic respondents say always delivery man demands extra charge 3.33% of domestic respondents say mostly delivery man demands extra charge 35.33% of domestic respondents say sometimes delivery man demands extra charge 36% of domestic respondents say never delivery man demands extra charge.

Table 6: Does the Delivery Man Demand Extra Charge Non-Domestic

Particulars	No of Respondents	Percentage
Always	0	0%
Mostly	0	0%
Sometimes	10	20%
Never	40	80%

From the above table it is revealed that 20% of non-domestic respondents say sometimes delivery man demands extra charge 80% of non-domestic respondents say never delivery man demands extra charge.

Table 7: Find Any Difficulty in Booking Refill over Phone Domestic

Particulars	No of respondents	Percentage
Always	27	18%
Mostly	27	18%
Sometimes	41	29.333%
Never	55	36.667%

From the above table it is revealed that 18% of domestic respondents always find difficulty in booking refill over phone18% of domestic respondents mostly find difficulty in booking refill over phone 29.333% of domestic respondents sometimes find difficulty in booking refill over phone 36.667% of domestic respondents never find difficulty in booking refill over phone.

Table 8: Find Any Difficulty in Booking Refill over Phone Non-Domestic

Particulars	No of Respondents	Percentage
Always	0	0%
Mostly	2	4%
Sometimes	15	30%
Never	33	66%

From the above table it is revealed that 4% of non-domestic respondents mostly find difficulty in booking refill over phone 30% of non-domestic respondents sometimes find difficulty in booking refill over phonen66% of non-domestic respondents never find difficulty in booking refill over phone

CHI SQUARE TEST

Table 9

Details	Always	Sometimes	Never	Total
Timely refill supply	36	34	13	83
Difficulty in phone booking	27	41	55	123
Total	63	75	68	206

Ho: No significant difference in getting Timely refill and Difficulty in phone booking
H1: Significant difference in getting Timely refill and Difficulty in phone booking

Table 10

O	E	(O-E)^2	(O-E)^2/E
36	25.38	112.78	4.44
27	37.61	112.57	2.99
34	30.21	14.36	0.47
41	44.78	14.28	0.31
13	27.39	207.07	7.56
55	40.60	207.36	5.10
		[(O-E)^2/E]=20.87	

Chi-Square (or) Calculated value=20.87

v=(r-1) (c-1) = (2-1) (3-1) = 2

For v=2 Chi-Square 0.05 =5.49(table value)

The calculated value is greater than the table value .The hypothesis Ho is rejected. Hence there is significant difference in getting Timely refill and Difficulty in phone booking .There is significant difference in getting Timely refill and Difficulty in phone booking

FINDINGS

- In Domestic, Non-domestic& Bulk HP GAS has highest market share and is market leader in South central region

- Firewood is the ‘Most Frequently Used’ alternate fuel among Commercial LPG users
- 44.2% of domestic customers are mostly getting timely refill supply from there distributor & 13 out of 150 of domestic respondents are never getting timely refill supply from there distributor that is 8.666%
- 64% of non-domestic respondents are always getting timely refill supply from there distributor, 36% of non-domestic respondents are mostly getting timely refill supply from there distributor
- More than half 54.66% of domestic respondents are always getting home delivery & 9.333% of domestic respondents are never getting home delivery
- **45** out of 50 non-domestic respondents are always getting home delivery that is 90%
- 25.33% of domestic customers say always delivery man demands extra charge that is 38 out of 150
- 40 out of 50 non-domestic customers say never delivery man demands extra charge
- **18%** of domestic **& 64%** of non-domestic respondents said always they are getting timely response in having there complaints redressed
- **40.666%** of domestic respondents feel distributor/staff are always courteous over phone and when they visit showroom
- **47 out of 50** non-domestic customers feel distributor/staff are always
- courteous over phone and when they visit showroom that is 94%
- **84%** of domestic & **94%** of non-domestic respondents say that cylinders always have seal and security cap

SUGGESTIONS

- The company should concentrate to reduce its price on Commercial cylinders
- **DISTRIBUTION** for the good supply distribution channel should be effecting, good transport facility
- **NEW CONNECTION**: New connection or reconnection process must be easy. Company should provide installment facility for lower profile family.
- **INTRODUCE CYLINDER**: At present, company should providing 5kg, 10kg bottle who have not afford to pay more.
- **UNDER GROUND CONNECTION**: Company should provide pipe line LPG underground facility. It will save a lot of money, time

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