

Executive Summary

This field study project aimed to reduce the significant number of customer complaints. The statistics shown that over 60% of the complaints have originated at Omanoil fuel stations, which generate over 85% of the company's profit. The fuel marketing industry in Oman consist of three equally sized players where the retail fuel prices are regulated. This portrays a classical oligopolistic market structure where the rival fuel marketers complete by differentiating themselves on superior customer care and innovative service offerings. The industry has been shrinking due to weak crude oil prices since 2014, which had led to intense rivalry. Therefore, the significant level of customer complaints can threaten the overall market competitiveness and future profitability of Omanoil.

The key problem was analysed through Pareto diagram. SWOT, IFE and EFE were carried out and validated through various discussions and brainstorming sessions. These analyses had revealed three problem areas; a) Contract employees placed at fuel stations and customer service department, b) Legacy call centre system used to trace complaints, and c) Traditional decentralised approach used for scheduling contract staff at fuel stations. These areas were examined through literature review focusing on customer care and superior service delivery. Accordingly, a study framework was developed with three variables; a) Customer Relationship Management, b) Staff Planning and Scheduling, and c) Training and Development to reduce customer complaints.

The project was developed with four components; the current situation analysis and the three variables included in the said study framework. The root causes of the complaints were discovered through cause and effect analysis in accordance with the study framework. Theoretical background with respect to the key problem and root causes were examined to develop appropriate solutions. The specific project objectives were; a) To reduce customer complaints at petrol stations to 20%, b) To achieve a 10% saving in overtime costs of contract staffs at fuel stations, and c) To reduce contract staff turnover to 10%.

The key solutions developed to achieve the set objectives were to implement a comprehensive CRM application, roll out a staff scheduling software, develop a web based eLearning application and roll out an annual training plan. The resource requirements together with the roles and responsibilities were proposed to enable successful implementation of the solutions.

The budgeted cost of the project activities spread over four years, which has been discounted at a cost of capital of 11%. Accordingly, the project will cost an amount of \$1.2Mn. However, the improvement in retail sales volume of 2.5% and 10% savings from the overtime costs of contract staff working at fuel stations are expected to generate a gross benefit of \$4.1Mn. Thereby, the project is expected to generate a NPV of \$2.9Mn.

The author has recommended that the management shall provide the required funding, logistical support, selected human resources, and be present in regular progress meeting in order implement the suggested solutions successfully. Further, the long term solutions suggested were to inculcate positive customer centric culture among the staff, develop a comprehensive mobile application to improve customer connectivity, develop survey platforms to obtain valuable feedback, and to enhance the business analytic capability to capitalize on valuable customer insights.