

A STUDY ON SERVO LUBRICANTS AND ANALYSIS OF BRAND ATTITUDE

S. Rajkamal
Assistant Professor

Faculty of Science and Humanities, SRM Institute of Science and Technology,
Ramapuram, Chennai- 600 089.

ABSTRACT

Servo, a product of Indian oil, was launched as a lubricating product in 1972 in the Indian market. Now, Servo is a super brand and is the leading lubricant brand in the country and maintains a share of about 30% of the market. It also has footprints across the globe and is increasing its presence rapidly. The paper analyzes brand attitude of Servo through Elliot and Percy model of brand equity synthesis. The model is used to study the objective and subjective characteristics of the brand which affect the functional and emotional realm of brand attitude. The objective characteristic of the product is that it is a superior lubricant with cutting-edge technology and high-quality products; and has been able to reposition from its original position of “World-Class Engine Oils” to “World-Class Lubricants”. The subjective characteristic of the Servo brand communicates its ‘energizing’ power. The creative – ‘Add Servo Add Life’. highlights the thought – ‘Everything that Servo touches, comes to life’.

Introduction

Lubrication is the art of reducing friction between rubbing or rolling surfaces. There are two important scientific terminologies related to lubrication – tribology and rheology. Tribology is the science of rubbing and rheology is the study of stream or flow. The history of lubrication goes back to grease lubricated chariot wheels excavated in archeological ruins. Most lubricants are liquid and semi liquid. Water is a natural lubricant; but due to its very low viscosity and very low boiling point, it has extremely limited application. Water also contributes to rust and corrosion. Similarly, vegetable oils have excellent lubrication properties, but have demerits due to very poor oxidation stability, high pour point, rapid thickening and the generation of foul odor over time. Therefore, petroleum based minerals oils are mostly used all over the world.

Servo Lubricant

Indian Oil Corporation Ltd. (Indian Oil) launched Servo as a lubricating product in 1972 and was marketing it through Mobil, another petroleum company, till July 1974. Indian oil began marketing Servo through its own retail outlets across India after the

collaboration with Mobil ended in 1974. Till the 1980s, India was a small, under developed market for lubricants and oils. The country was largely dependent upon imports to meet the needs of the industry. Now, India is home to tribology or the science of lubrication. Backed by the Government of India, Indian oil has played a leading role in the development of exclusively Indian solutions to global lubrication needs. Indian Oil's R&D center set up at Faridabad is widely acknowledged as a leading referral center in lubrication technology across the globe.

Servo was conferred the 'superbrand' status in 2016 by Superbrands India Pvt. Ltd., which is the Indian subsidiary of a global consumer survey organization. Servo, with a score of 6.43 on a scale of 10, was ranked among the top 20% of all brands in India, across all categories. It was also designated as a 'consumer superbrand' by the Superbrands Council of India for a number of times during 2003 to 2012.

Recognized for its brand leadership by the World Brand Congress, Servo has carved a significant niche in over 20 countries across the globe. Servo is a respected brand in the highly competitive markets of the UAE, Oman, Nepal, Sri Lanka, Bangladesh and Mauritius.

Lubricants Market in India

The nearest competitor of Servo is HPCL. Though the lubricants market is mainly dominated by the 'big four' namely, IOCL's Servo, HP lube, Castrol and BPCL's lubricants, there are also other competitors in the market, viz., valvoline, gulf, Elf, Total, etc. Servo controls nearly 20% of the retail lubricants market in the country which is dominated by Castrol. However, in the industrial lube segment, Servo holds a market share of nearly 38%.

Castrol is the second largest player in the Indian auto lubricants industry and enjoys over 20% share in the market. The company's business consists of three segments automotive, industrial and marine lubricants, wherein the auto segment accounts for around 86% of its sales.

Brand provided competitive advantage for a product or service. It justifies a higher price and also offers protection against switch over of consumers to competing products. Brand equity is the value which the brand adds to products and services (Kotler and Keller, 2012, p.243). Consumers associate branded products and services with higher value added and are willing to pay more. For this reason, marketers focus primarily on developing strong brands.

Over the years, Servo has retained its leadership position, although various lubricant brands have entered the Indian market. The success of Servo is also an integral part of India's efforts in achieving self-sufficiency in lubrication technology and therefore, prompts an in-depth study of the brand attitude of Servo leading towards its growth. The objective of this paper is to study the brand attitude of Servo using the model of brand equity synthesis, which would provide a basis for further research.

Methodology

A number of approaches are used for studying brand attitude. In this study, In this study, the model of brand equity synthesis by Elliot and Percy (2007) has been used for analysis of the brand. The model of brand equity synthesis has been used to investigate into the four dimensions of brand equity of Servo in the lubricants sector. The information required for the study has been collected from various secondary sources.

Model of Brand Equity Synthesis

Brand attitude is well described by Richard Elliot and Larry Percy in their model of brand equity synthesis. This model illustrates the importance of brand attitude which is displayed in the model as an umbrella. Under the umbrella of brand attitude are two parts, viz., the upper part and the lower part. The most important characteristics are covered in the upper part.

The upper part shows the difference between the objective and subjective characteristics, which again affect the functional and emotional realm of brand attitude. The lower part relates to brand equity. The four dimensions of brand equity are: brand awareness, emotional association, financial value and brand loyalty.

Objective and Subjective Characteristics of the Servo Brand

With its technology and continuous research and development efforts, Servo as a brand has won the trust and support of millions of people. It has been positioned as a one-stop lubrication solution, which offers a wide range of grades and formulations for every lubrication need. The brand has come to symbolize innovation, new generation technology, customization and value. The brand's tag line '100% performance everything' is the promise inherent in the philosophy of the brand.

The objective characteristics are product and non-product related attributes. Servo is a world class lubricant developed under one of the Asia's finest Indian oil's R&D facilities, recognized for cutting-edge technology and high-quality products. The products have graduated from its original position of 'World-Class Engine oils' to 'World-Class Lubricants'.

To maintain its position as a one-stop shop for lubricants, Servo offers a complete range of lubrication solutions in all the segments, viz., automotive, industrial and marine. Besides having over 1,000 commercial grades and 2,000 formulations, it also has over 160 synthetic grades. Servo Futura Synth and Servo 4T Synth are the most popular 100% synthetic premium lubricants. These products, developed on a differentiated synthetic platform, have made Servo to stand unique on innovation, technology, reliability and value. Thus, it has been a trusted brand for over four decades.

The red color of Servo is predominant, which indicated high energy. The subjective characteristic of the Servo brand is to communicate to the users- 'Add Servo Add Life'. There is a TVC which shows a child waking up in his bed clutching on to his cricket bat, which slips out of his hands and sets off a chain reaction – a red wicket falls down which hits a toy car that comes to life and moves ahead to touch a toy bike that in turn shoots ahead to bump into a truck that revs up. The various toy vehicles which come to life are energized by the touch of Servo that creates the magic. Servo highlights the brand thought that 'Everything that Servo touches, comes to life'.

The core of the campaign is the energy which tries to touch the heart of each customer and the promise to 'energize' power in the vehicles. It focuses on emotional dimensions by building upon the basic consumer benefits, and etches the brand permanently in memory,, through its product attributes as well as product quality.

Knowledge and assumptions about the Servo brand are organized through various brand associations which are arrived at through functional and emotional domains.

Functional and Emotional Features of the Brand

According to Aaker (2009), brands are not just products; they move beyond the functional benefits. They are considered as signs of individuality and uniqueness, and also as symbols of affiliation and social identification of the customers. Functional

benefits are the fundamental and classical features to communicate with customers. However, successful brands always go beyond the purely functional relationship.

Servo has been successful in positioning its brand to evoke strong rational and emotional responses in those who come into contact with it. This translates as a powerful brand among the customers. The brand is successful in creating relationship with customers on both functional and emotional expectations at all points of interaction. Indian oil redesigned the visual identity of Servo's range of lubricants for the Indian as well as global markets. The objective was to communicate the brand's promise of '100% performance every time'. Other benefits are price, imagery and feelings.

One important functional feature is that it protects the engine, which the brand successfully communicates to the customers through the ad 'Protection for the engine'. This is something like engine ka doctor (Engine's Doctor) and thus a superior product.

As there are many spurious products available in the market, another functional feature added is packaging with tamper proof caps. Luring by '100% Performance Now with 100% Protection and aesthetic aspiration value, Servo could indeed win the 'minds' and 'hearts' of its customers over spurious products.

Functional benefits are sometimes found to be ineffective and have their limits. Firstly, because of very similar counterclaims by competitors, customers may not believe in the functional advantage claimed in the product. Secondly, functional benefits can be easily copied by competitors. It is therefore required to move beyond functional benefits and focus on emotional benefits (Heywood, 2008).

There are many lubricant brands in the market, viz., Castrol, Mak, HO lube, valvoline, Elf, Total, Etc. Customers have plenty of choice and therefore, it becomes difficult to recollect a specific brand from memory. Therefore, where functional benefits cannot easily identify or differentiate, brands often rely on 'emotional benefits'. Servo has created trust among customers and is emotionally associated in their memory as "India's No.1". Customers feel better to buy a recognized and proven number one brand of lubricants. These are the self-expressive benefits of the customers and are closely linked to the emotional benefits.

Brand Awareness

Brand awareness is the first and a very crucial stage of consumer's mind (Aaker, 1996). Servo has been successful in building brand awareness. The 'World-Class Lubricants' tag line has been appearing everywhere, on every creative of the brand.

To build brand awareness, the first step to promote Servo was an integrated branding campaign taken up in the mid-1990s. Customization of products to suit different segments, and technology tie-ups with Original Equipment Manufacturers (OEMs) had unique effect on the market. With continuous promotion of the brand, top-of-mind recall and awareness level of the brand had increased from 7% in 1994 to cover 30%. In addition, sponsorships and aggressive advertising has also been enhancing the brand image and awareness of servo.

The most prominent strategic positioning exercise for the Servo brand was initiated with the memorable 'Servo Adds Life' payoff line. The Servo brand broke the conventional advertisement theme when it promised nourishment and value to new generation cars. Later, a shift to the more energetic statement – 'Add Servo Add Life' – helped to cement the position of the brand.

To reach the new breed of customers with new and expensive automobiles, a more relevant creative 'love your car? Nourish it with Servo' was also introduced.

Servo Xpress has been opened in convenient locations like malls, petrol pumps or as stand-alone units, as a one-stop shop for quick, easy and convenient auto care, offering refreshing experience to monitors. Facilities available in these centers are engine oil change, tyre and battery checkup, air-conditioner service, vacuum cleaning, perfuming, upholstery cleaning, polishing, lamination installation, etc., besides replacement of minor parts for two and four wheeler vehicles.

To spread brand awareness further, Servo has also expanded its presence by entering into co-branding with leading automakers. Co-branding ensures captive customers for Servo in the highly competitive domestic lubricants market. Further, co-branding also assures quality and meets the specific needs of individual automobile manufacturers.

Global Expansion of Servo Business

Servo, which is the India's largest selling lubricants brand, has transnational footprint covering Africa, South East and West Asia. It has set an ambitious target to increase its presence from 27 countries currently to about 50 countries in the next decade. With its launch in Saudi Arabia, Servo is now ready to gain customer mind share in the entire West Asian region. In the Kingdom of Saudi Arabia, Servo has partnered with the Mohammed Yousuf Naghi group, one of the foremost and dynamic conglomerates of that country.

Indian oil also looks to explore and establish markets in the North America and Canada region over the next two to three years. The company exports nearly 3%, and aims at increasing the share of exports to 10% in the next five years from its lubricant production capacity of over 400,000 tons per annum.

Conclusion

The study has considered various aspects of brand attitude as detailed out in the Elliot and Percy model of brand equity synthesis, and has come out with an understanding of the brand attitude of the Servo brand. Servo is a leading lubricant brand in India with a 30% market share and has been conferred the consumer superbrand status. Indian oil has successfully positioned Servo as a producer of world-class lubricants. It has also been positioned to evoke strong rational and emotional responses, which make it a very popular brand among customers with the promise of '100% performance every time'. Its tamper proof caps have won the trust of its customers by ensuring that they receive the right and genuine products. Indian oil pushes for co-branding with several leading automobile companies to expand the presence of Servo, and thus spread brand awareness and build loyalty. To build emotional associations with the customers, Servo has taken several steps to educate the customers on maintenance and upkeep of vehicles.