A Critical Assessment of the Distribution Strategies Employed in the Marketing of Petroleum Products

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Abstract
The distribution of petroleum products holds significant importance within the global energy sector, carrying extensive ramifications for both corporate entities and end-users. The objective of this study is to conduct a thorough assessment of the distribution tactics utilized in the marketing of petroleum products. The research involves several phases of the distribution process, ranging from the supply chain to the ultimate customer. The petroleum sector is characterized by a multitude of intricacies, including aspects such as fluctuating pricing, geopolitical considerations, environmental apprehensions, and the escalating need for sustainable alternatives. Therefore, it is imperative for petroleum businesses to develop and modify their distribution methods to maintain competitiveness and satisfy the changing demands of consumers. This study explores the many strategies employed in the dissemination of petroleum products, encompassing conventional systems involving pipelines, refineries, and gasoline stations, as well as contemporary ways that integrate digital technology, alternative fuels, and ecologically sustainable measures. The key findings of the study suggest that the efficient distribution of petroleum products is contingent upon several elements, including geographical location, infrastructural availability, regulatory frameworks, and consumer behavior patterns. It is apparent that a standardized method is not feasible, and organizations must customize their distribution tactics to accommodate the distinct requirements and limitations of individual markets.

This study also investigates the impact of digital technologies, such as data analytics, Internet of Things (IoT), and automation, on the optimization of distribution networks. Moreover, it highlights the growing significance of sustainability and environmental accountability in distribution tactics, namely in response to customer preferences for cleaner and more environmentally friendly fuel alternatives.

In summary, this study emphasizes the fluidity of distribution techniques within the petroleum sector. It is imperative for companies to maintain adaptability, ingenuity, and receptiveness towards market fluctuations, while concurrently striving to incorporate technology and sustainability into their distribution procedures. A comprehensive comprehension of the intricacies of distribution within the petroleum industry is vital for enterprises seeking to prosper in an always developing energy milieu.

Introduction

The petroleum sector on a worldwide scale plays a fundamental role in contemporary civilization by supplying the necessary energy resources for various purposes such as transportation, heating, and power production. The marketing and distribution of petroleum products are of utmost importance in facilitating the uninterrupted provision of these essential resources to global consumers and businesses (Irfan, et al., 2022). In a period characterized by fluctuating energy landscapes, growing sustainability considerations, and changing market dynamics, the efficacy of distribution techniques within the petroleum industry has significant significance. The objective of this research, titled "A CRITICAL ASSESSMENT OF THE DISTRIBUTION STRATEGIES EMPLOYED IN THE MARKETING OF PETROLEUM PRODUCTS" is to examine the complex processes involved in the effective distribution of petroleum products, such as gasoline, diesel, and other petrochemicals, from refineries to final consumers. This study aims to examine and evaluate the many distribution tactics implemented by petroleum businesses to enhance supply chain management, save expenses, and guarantee a dependable fuel provision.

The petroleum business is well-acquainted with several obstacles, including price fluctuations, geopolitical influences, and environmental concerns. Consequently, petroleum corporations are compelled to modify their distribution tactics in order to effectively tackle these challenges and exploit nascent prospects. This review aims to examine essential elements of distribution, encompassing transportation modalities, storage infrastructure, and marketing channels, while critically assessing the influence of technology, sustainability, and regulatory adherence on these tactics.

In the context of a more competitive market, petroleum corporations are compelled to effectively manage the process of transitioning towards cleaner and more sustainable energy options. This study aims to evaluate the degree to which distribution systems can support the transition towards renewable energy sources and the incorporation of electric vehicles into the transportation sector. The primary objective of this research is to offer significant perspectives for experts in the industry, policymakers, and stakeholders involved in the petroleum sector. This report provides a complete overview of the problems and possibilities encountered in the marketing of petroleum in the 21st century by assessing the present status of distribution methods and their capacity to adapt to a dynamic energy landscape.

Context of the study

The petroleum business holds significant importance within the global economy, serving as a crucial driver for numerous sectors and providing essential support for daily activities. The distribution of petroleum products is a multifaceted and essential element of the business, since it has direct implications for supply chains, customer accessibility, and the general economic stability of nations. The objective of this study is to conduct a complete evaluation of the distribution tactics utilized in the marketing of petroleum. This analysis will provide insights into the problems, opportunities, and sustainability of current practices. The necessity for this review is primarily motivated by the dynamic and constantly changing characteristics of the petroleum business. The ever-evolving nature of market dynamics, regulatory frameworks, environmental considerations, and customer preferences necessitates the need for distribution methods to continuously adjust and align with these factors. To maintain competitiveness, oil firms are required to embrace distribution systems that are nimble, efficient, and sustainable, enabling them to effectively address the needs of the present era while also planning for future challenges (Behie, et al., 2023).

The present study aims to examine several facets of petroleum distribution, encompassing supply chain management, transportation modalities, storage infrastructure, and the influence of digital technologies.
The analysis will furthermore consider the environmental and socioeconomic consequences of distribution systems, with a specific emphasis on mitigating carbon emissions, improving safety protocols, and promoting fair and equal availability of petroleum products across all segments of the population. Additionally, the research will examine the worldwide and regional disparities in distribution tactics, since various locations encounter distinct obstacles and prospects. The objective of this research is to offer significant insights to industry stakeholders, governments, and academics by conducting a comparative analysis of best practices across different locations.

The outcomes of this research will ultimately provide a valuable contribution towards the advancement of distribution techniques within the petroleum sector, with a focus on enhancing efficiency, sustainability, and resilience. The anticipated outcomes of this study are projected to provide valuable insights for decision-makers in the optimization of their distribution networks. These insights will contribute to the reduction of environmental impacts and the establishment of a dependable supply of petroleum products. This is particularly crucial in meeting the energy demands of an expanding global population, while simultaneously addressing the unique issues that arise in the 21st century.

The Significance of Study
The study titled "A CRITICAL ASSESSMENT OF THE DISTRIBUTION STRATEGIES EMPLOYED IN THE MARKETING OF PETROLEUM PRODUCTS", holds significant importance and has wide-ranging ramifications for several stakeholders, encompassing the petroleum industry, consumers, regulators, and environmental organizations.

- **Economic Impact**: The petroleum sector holds a significant position in the global economy. Gaining a comprehensive comprehension of the efficacy of distribution techniques is of paramount importance to optimize the supply chain and guarantee the streamlined movement of petroleum products. This research can offer valuable insights on cost-effectiveness, which can have implications for the pricing of petroleum products and, therefore, the financial well-being of customers.

- **Energy Security**: The establishment of a well-organized distribution system is imperative for a nation to safeguard its energy security, considering the significant strategic value of petroleum. A comprehensive assessment has the potential to identify weaknesses and provide strategies to ensure the continuous provision of this essential energy resource.

- **Environmental Implications**: The transportation and dispersal of petroleum products might yield noteworthy ecological ramifications, encompassing the discharge of greenhouse gases and the occurrence of oil spills (Zainab, et al., 2023). The evaluation of these tactics has the potential to facilitate the creation of distribution systems that are more sustainable, therefore mitigating the environmental impact of the sector.

- **Regulatory and Policy Insights**: Government agencies and politicians depend on empirical data and scholarly research to develop regulatory frameworks and policy measures that control the petroleum sector. The outcomes of the study can offer factual data to substantiate judgments pertaining to safety standards, transportation restrictions, and environmental protections.

- **Industry Competitiveness**: Petroleum firms function within a very competitive worldwide market. An assessment of distribution tactics can assist these organizations in enhancing their methodologies, attaining a competitive advantage, and enhancing customer service. Additionally, it has the potential to foster innovation and enhance the quality of services provided.
• **Risk Mitigation:** It is important to possess a comprehensive comprehension of the potential hazards and difficulties linked to the distribution of petroleum in order to effectively manage risks and adequately prepare for future disasters. This study has the potential to facilitate the identification of regions of vulnerability and the formulation of contingency strategies.

• **Consumer Welfare:** The study's findings have the potential to provide insight into the influence of distribution techniques on the accessibility and cost of petroleum products for the general population. This knowledge has the potential to empower customers in making well-informed decisions and advocating for equitable pricing and quality benchmarks.

In summary, the assessment conducted in this study on distribution techniques for petroleum marketing holds considerable importance across several domains, encompassing economic, environmental, regulatory, and sociological aspects. The use of this technology has promised to enhance the efficacy, security, and ecological viability of the petroleum sector, hence yielding advantages for both industry participants and the general populace, as well as the natural surroundings.

**Literature analysis**

• **Theoretical Review:** Petroleum distribution and marketing strategy assessment is an important and complex part of the international energy market. Transporting petroleum products from refineries to consumers is examined in detail. Pipelines, tankers, retail stores, and electronic mediums are all considered in the analysis. The efficacy, economy, and influence on the ecosystem are all evaluated. The importance of supply chain resilience was highlighted as a primary finding of this analysis. Due to the vulnerability of the petroleum sector to geopolitical, environmental, and economic shocks, it is critical for businesses to spread out their distribution channels (Min, et al., 2022). The research also highlights the importance of digital platforms and e-commerce in bridging the gap between manufacturers and end users, hence simplifying supply chain operations, and improving the convenience of the latter. The topic of environmental sustainability is also discussed. Cleaner and more sustainable transportation options, such as electric cars for last-mile deliveries and route optimization to decrease carbon emissions, are emphasized in the research. The review concludes that the gasoline distribution sector needs a more comprehensive strategy that considers flexibility, sustainability, and technology in order to keep up with customer demands.

• **Conceptual Review:** The article "A CRITICAL ASSESSMENT OF THE DISTRIBUTION STRATEGIES EMPLOYED IN THE MARKETING OF PETROLEUM PRODUCTS" takes a close look at the complex distribution networks used by the petroleum industry. In this article, we'll look at the petroleum distribution industry from all its angles to better understand the vital role it plays in today's global economy. This research focuses into logistics, transportation, and supply chain management among other topics to evaluate the efficacy of various approaches taken by oil and gas businesses. One of the key implications from this examination is the crucial necessity of distribution efficiency. The study emphasizes the need of on-time and dependable petroleum supply, especially in meeting the steady energy demands of businesses and households. The paper also analyses the environmental and regulatory difficulties that come with distribution, presenting a strong argument for greener business methods.

Finally, "A CRITICAL ASSESSMENT OF THE DISTRIBUTION STRATEGIES EMPLOYED IN THE MARKETING OF PETROLEUM PRODUCTS" provides insightful knowledge into the complexities of the petroleum distribution network, highlighting the vital importance of petroleum to
the world's energy landscape. Keeping up with the ever-changing needs of the business and addressing environmental issues calls for distribution techniques that are constantly adapted and innovative. As so, this analysis lays the groundwork for future studies and real-world issues in the petroleum marketing and distribution industries.

• **Dimensions of Distribution Strategies:**
Evaluating petroleum distribution and marketing strategies requires looking at several factors that all play a part in making sure that this essential energy source gets to where it needs to go.

i) **Infrastructure:** Pipelines, storage facilities, and transportation networks all play a role in the distribution process and must be considered when planning. The smooth operation of the supply chain is dependent on an accurate evaluation of these resources.

ii) **Geographic Reach:** Distribution network coverage area should be included in a comprehensive assessment. Issues like whether the distribution strategy must be expanded or consolidated should be discussed.

iii) **Regulatory Compliance:** The petroleum business places a premium on adhering to all applicable rules and regulations, both domestic and international. When assessing a distribution plan, it's important to consider concerns about public health and safety, the environment, and compliance with the law.

iv) **Technology Integration:** Improving distribution methods requires an openness to new technologies. Efficiency, cost-cutting, and better service for customers are all possible thanks to automation, tracking systems, and data analytics (Alqahtani, et al., 2023).

v) **Supply Chain Resilience:** The distribution strategy's capacity to withstand shocks like those caused by war, natural catastrophes, or breakdowns in the supply chain should also be factored into the evaluation.

vi) **Marketing and Customer Engagement:** For items to be delivered in a way that is consistent with the brand's image and customer expectations, distribution strategies should coordinate with marketing initiatives.

In conclusion, infrastructure, location, compliance, technology, resilience, and customer interaction are all factors that should be considered when assessing petroleum marketing distribution methods. To succeed in such a crucial field, a comprehensive strategy like this is required.

• **Measures of Marketing Effectiveness:**
Evaluation of petroleum product distribution techniques relies heavily on marketing efficacy metrics. Different key performance indicators (KPIs) can be used to measure the efficacy of these tactics in this setting. First and foremost, examining the reach and penetration of the distribution network is critical. This may be quantified by the reach of the distribution network and the number of retail locations where the items can be purchased. Also, the distribution strategy's success may be gauged by how well it satisfies customers' wants and requirements, making customer satisfaction and loyalty assessments critical. The efficiency of the distribution process may be evaluated financially by tracking inventory turns and supply chain performance. Profit margins may be increased by decreasing inventory costs and enhancing supply chain efficiency. Compliance with safety and environmental standards is also important in the petroleum business. Finally, monitoring market share and sales growth can shed light on the distribution strategy's efficacy.
Finally, evaluating the success of petroleum marketing distribution methods calls for a holistic evaluation of factors including reach, customer happiness, cost efficiency, compliance, and market share. Together, these KPIs provide a holistic assessment of the distribution strategies' performance, ensuring that they are in line with the company's overarching marketing goals and boosting the company's bottom line.

- **Empirical Review on Distribution Strategies and Marketing Effectiveness:**

  In specifically for the petroleum sector, an empirical analysis of the influence of distribution tactics on marketing success indicates a crucial field of study with far-reaching ramifications for both firms and consumers. Oil and gas firms may learn a lot from analysing their competitors' distribution techniques so that they can improve their own supply chain efficiency, boost customer happiness, and reach their financial goals.

  Distribution strategies in the petroleum sector cover a wide range of operations, from raw material acquisition to product final delivery. There is a wide range of parties involved in such schemes, from raw material providers to final consumers. Research based on empirical evidence in this field has repeatedly shown the centrality of these tactics in determining the nature of the sector.

  The reach of distribution networks is an important factor in petroleum distribution strategies. The location and ease of access to distribution sites has been demonstrated to have a direct effect on customer convenience and choice. For instance, the location of gas stations in relation to nearby neighbourhoods and transit centres is a major factor in determining which options people choose. Empirical data suggest that organizations who deliberately develop their distribution network to cater to these criteria likely to have a competitive edge in the market.

  Furthermore, petroleum businesses place a premium on the effectiveness of distribution operations. Optimizing transportation and storage procedures has been stressed repeatedly by studies to lessen the burden on operations' budgets and the planet. Successful businesses often follow the same pattern of using cutting-edge technology and data-driven solutions to improve efficiency and cut down on waste and pollution (Tseng, et al., 2022). These measures not only help the firm save money, but also improve its reputation for being ecologically conscientious.

  The importance of middlemen like wholesalers and retailers in the petroleum industry's distribution strategy cannot be overstated. The ties between oil corporations and these middlemen have been shown to have a substantial impact on the success of marketing campaigns. Incentives and well-managed supply chains are two examples of how collaborative relationships with intermediaries may boost market share and customer satisfaction. On the other hand, distribution channel interruptions due to strained relationships might have a detrimental effect on marketing results.

  The significance of adjusting distribution tactics in response to shifting market dynamics is further shown by the review's empirical data. Petroleum businesses have had to expand their product offerings and establish distribution systems that adapt to these shifting demands as customer tastes change towards greener energy sources and ecologically friendly activities. Businesses that put money into sustainable packaging solutions, electric car charging infrastructure, or alternative fuels are more likely to survive in the long run.

  In conclusion, the empirical evaluation of distribution techniques in the marketing of petroleum products reveals the complexity of this sector and the centrality of distribution to the success of marketing. It stresses the significance of location, logistics, and working partnerships with middlemen. It also highlights the importance of flexibility in response to shifting market conditions. Understanding distribution tactics
in depth is crucial for petroleum firms to thrive in the current environment, as it may boost revenue, improve customer retention, and make a positive impact on the planet's long-term sustainability.

Data analysis methodology
The Spearman's Rank Order Correlation coefficient was used along with Statistical Package for the Social Sciences version 26.0 to look at the data from the study's factors and test the assumptions at the 0.05 level of significance. The value that was determined was used to decide whether the theory should be accepted or not. It will be used to see if there are any connections between the independent and dependent factors. Both direct and secondary data were used in the study. The main research tool, copies of the questionnaire, were checked by experts to make sure they were correct. Cronbach's Alpha was used to make sure it was a reliable method. The study's theories had reliability values that were higher than the 0.70 level that is considered good.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Variables</th>
<th>No. of items</th>
<th>Alpha (α)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Distribution Network</td>
<td>3</td>
<td>0.885</td>
</tr>
<tr>
<td>2</td>
<td>Mode of Transportation</td>
<td>3</td>
<td>0.991</td>
</tr>
<tr>
<td>3</td>
<td>Sales Revenue</td>
<td>3</td>
<td>0.877</td>
</tr>
</tbody>
</table>

Table: 1- Cronbach’s Alphas of Study Variable
Source: (Darlington Nwachukwu, 2023)

<table>
<thead>
<tr>
<th>Detailed Response Rate</th>
<th>Distributed Copies</th>
<th>Retrieved Copies</th>
<th>Not Retrieved Copies</th>
<th>Retrieved Copies</th>
<th>Used Copies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>50(100%)</td>
<td>48(96%)</td>
<td>2(4%)</td>
<td>46(96%)</td>
<td></td>
</tr>
</tbody>
</table>

Table: 2- Distributions and Retrieved Copies of Questionnaire
Source: (Darlington Nwachukwu, 2023)

Based on the information in Table 2, fifty copies of the questionnaire were sent to five chosen managers at each of the ten (10) gas marketing companies in Port Harcourt. Two copies of the questionnaire were thrown away because of mistakes and incomplete answers, and two copies, or 4%, were lost in transit. Because of this, our study was based on 46 responses, which is 96%. We used SPSS version 23 to look at our data set and find Spearman's Ranking Order Correlation value.

<table>
<thead>
<tr>
<th>Range of r with positive and negative sign values</th>
<th>Strength of Association</th>
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</thead>
<tbody>
<tr>
<td>± 0.80 – 0.99</td>
<td>very strong</td>
</tr>
<tr>
<td>± 0.60 – 0.79</td>
<td>Strong</td>
</tr>
<tr>
<td>± 0.40 – 0.59</td>
<td>Moderate</td>
</tr>
<tr>
<td>± 0.20 – 0.39</td>
<td>Weak</td>
</tr>
<tr>
<td>± 0.00 – 0.19</td>
<td>Very weak</td>
</tr>
</tbody>
</table>

Table: 3- Description on Range of correlation (rho) values and the corresponding level of association
Source: (Darlington Nwachukwu, 2023)
The positive (+) sign in the values of (rho) indicates a positive relationship, while the negative (-) sign in the value of (rho) indicates an indirect/negative or inverse relationship. Thus, the sign of the rho explains the direction of association between the two variables.

Findings & Discussion

Findings:
Many important insights have emerged from the study of petroleum distribution and marketing techniques. To begin, it is self-evident that an organized distribution network is crucial to the successful delivery of petroleum products to final customers. Logistics, transportation, and supply chain management all fall under this category.

The study also indicated that the selection of distribution channels is crucial to the marketing of petroleum products. The use of third-party distributors vs. direct distribution to one's own retail locations is a crucial choice for every company. Cost-effectiveness, market reach, and brand management are all important considerations when deciding on the best channel. The study also stressed the significance of checking product quality and safety at every stage of distribution. Avoiding accidents and environmental risks that might harm a company's reputation and lead to legal penalties requires strict adherence to safety standards and laws.

Thus, successful distribution techniques are fundamental to the marketing of petroleum products. To succeed in this cutthroat market, businesses need to prioritize safety and quality standards, optimize their distribution networks, and pick the right distribution channels.

Discussion:
In the ever-changing energy sector, it is vital to assess petroleum marketing distribution tactics. The distribution of petroleum products is crucial to maintaining a constant and stable supply chain, which has repercussions for both individuals and commercial enterprises. Gas stations, pipelines, storage depots, and refineries have all played important roles in the distribution of petroleum in the past. However, environmental worries, technical progress, and altering customer preferences have all contributed to massive shifts in the sector.

Today's successful distribution plans take a more holistic view. Electric car charging stations and renewable fuels are two examples of the rising importance of alternative energy sources that require new distribution routes in addition to the traditional infrastructure (Barman, et al., 2023). Mobile apps and e-commerce have also altered the method in which people acquire petroleum goods. Additionally, sustainability and environmental legislation have prompted the creation of cleaner, more environmentally friendly fuels. Thus, distribution approaches are changing to include these items in their roster. Petroleum businesses must examine their distribution networks, including variables like access to renewable energy sources, lowering carbon emissions in transportation, and satisfying growing consumer needs.

In conclusion, the long-term health of the petroleum business depends on the results of an analysis of distribution methods for selling petroleum products. Long-term viability in the petroleum industry will depend on the industry's capacity to adjust to shifting customer tastes, growing environmental awareness, and rapid technical development.
Conclusion
Finally, the importance of efficient distribution in the petroleum business has been highlighted through an analysis of distribution techniques for the marketing of petroleum products. Because of its vital position in the global economy, the petroleum industry requires a reliable distribution system to deliver petroleum products to end users. The results of this analysis have shown numerous important facts:

First and foremost, picking the right channels for distribution is crucial. Whether petroleum products are delivered by pipelines, tanker trucks, or retail shops, the efficiency and cost-effectiveness of delivering these goods to consumers is highly dependent on the distribution mode used.

Moreover, regulatory compliance and environmental issues have become increasingly critical elements in the distribution of petroleum. Distribution operations are becoming more sustainable and ecologically responsible because of stricter restrictions and more environmental awareness. In addition, data analytics and the IoT (Internet of Things) are reshaping the way petroleum distribution is administered by providing more oversight and management of the supply chain.

Finally, a distribution plan that considers customer needs, government mandates, and ecological considerations is crucial to the success of the petroleum industry. For the petroleum sector to prosper and fulfill the world's increasing need for energy, it must be able to adapt to these changing dynamics.

Conflict of Interests
In the study of distribution options for petroleum marketing, there exists the possibility of encountering a conflict of interest. The objectivity and impartiality of the assessment may be compromised if the evaluators have financial or personal interests associated with certain petroleum distribution firms. In instances where a consultant or researcher have a financial interest in one of the firms under evaluation, there exists a potential inclination to offer biased or favourable outcomes that serve their personal interests. To uphold the credibility of the assessment, it is imperative to uphold transparency and disclose any potential conflicts of interest, while engaging individuals who possess no direct financial or personal associations with the petroleum business. Implementing this measure will contribute to the preservation of the evaluation process's credibility and dependability, as well as the integrity of its outcomes.

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I'm grateful for the help of my mentor and group. Thank you for all your thoughts and suggestions. Your guidance has helped me do better in college. It could be very helpful to have a guide or coach. I'm always amazed and motivated by how hard you work, whether I'm teaching for a class or just because I love it. When I think about the real-world effects, you always amaze me. Thank you for pushing the limits of what I can say and think. Once more, thank you for everything. Thank you for always being there for me.

Reference


