Techno-Commercial Considerations

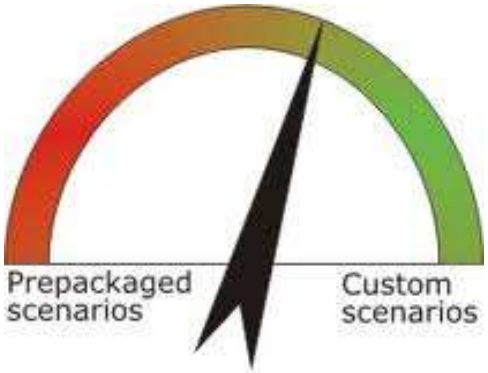
Lubricants Development

Lubricants are Developed to meet the demands of the market & to provide us with the marketing advantage over our competitors.

Major Lubricants Applications

Product Development

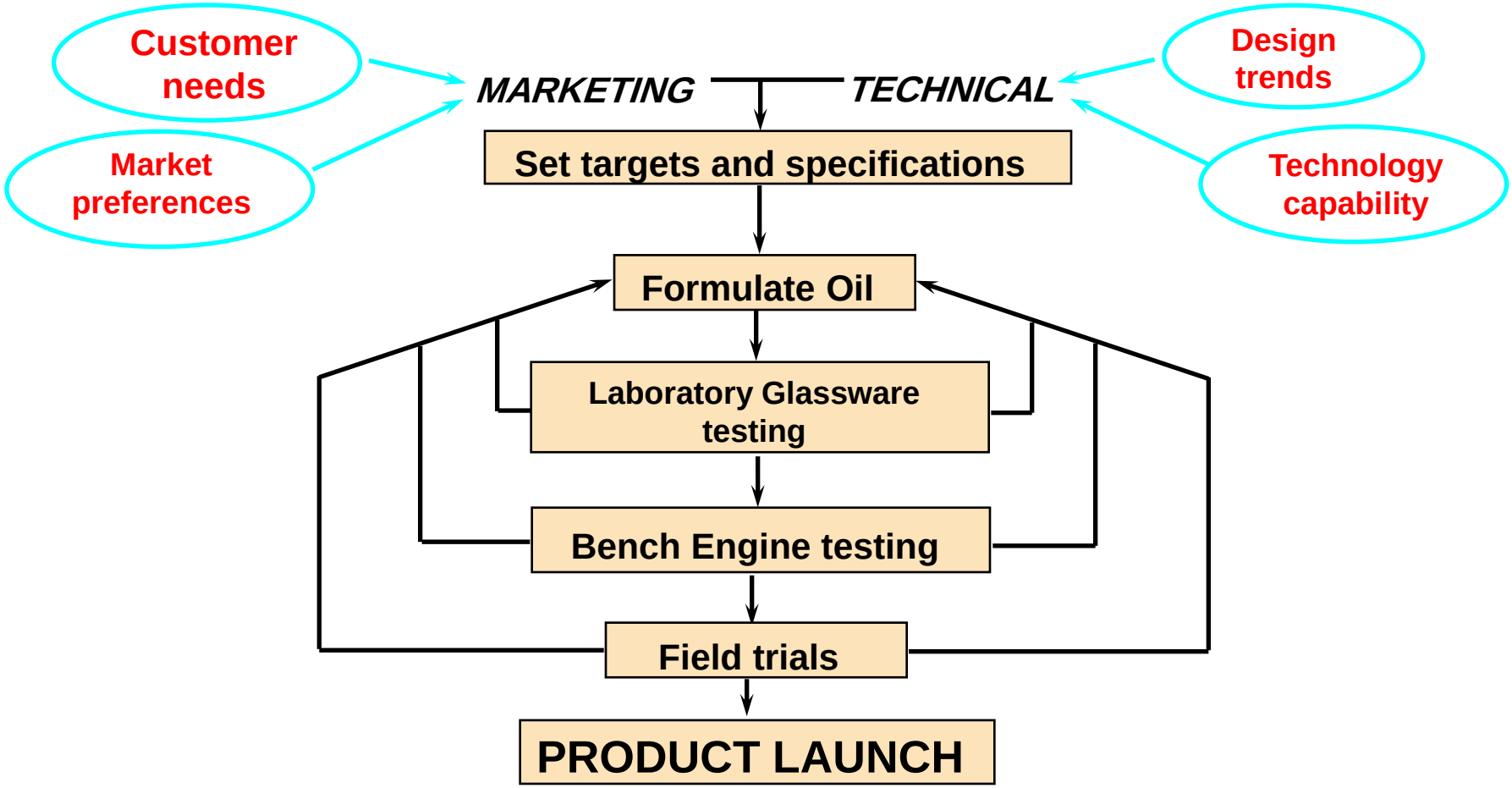
- ***New product development is a complex process.***
- ***It needs careful control at all stages to ensure that the finished product meets the required customer needs.***



Product Development

- ***In order to develop a top tier product meeting all major global specifications and OEM approvals, a significant engine test programme must be carried out.***
- ***A series of engine tests are required to meet common industry standards.***
- ***Additionally, many OEMs specify demanding in-house tests to satisfy their own customers.***

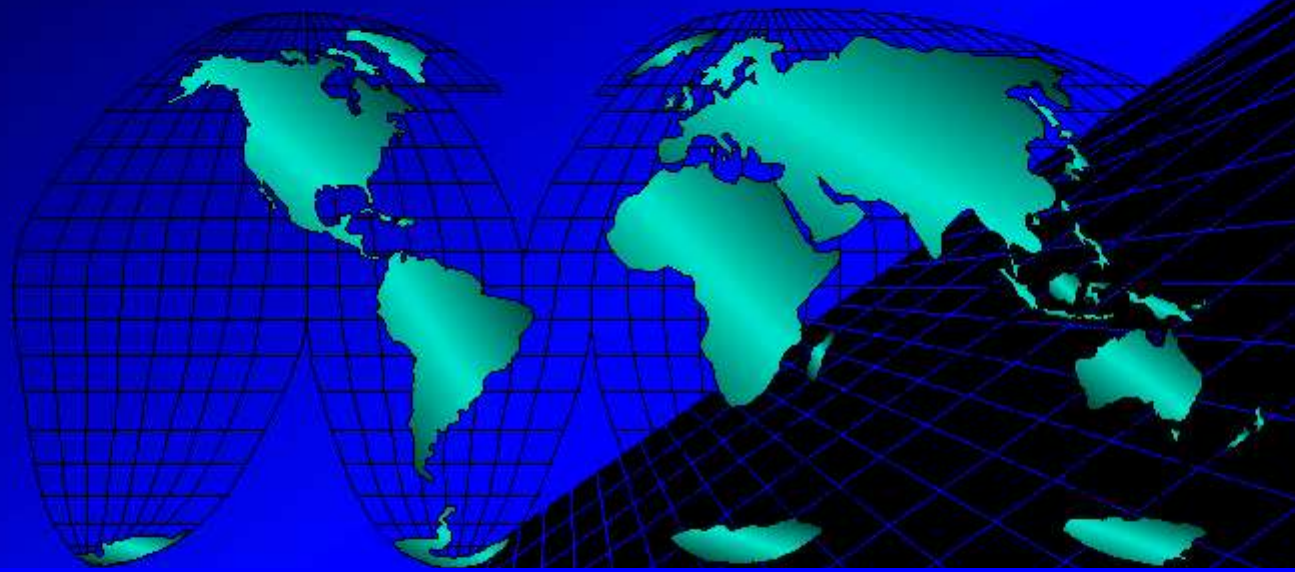
Outline - Product Development Process



Formulation - Some Questions to be Answered

- ***Performance:***
  - How good is good enough?
  - Is this a product for general use?
  - Are there any special requirements?
  - What compromises can be made?
- ***Compatibility:***
  - Do the properties of any additives:
  - augment each other?
  - cancel each other out?
  - Is the formulation stable in use? in storage?
- ***Cost:***
  - How much will the formulation cost to develop? to test? to Make?
  - How much will the customer pay for an adequate product? for a premium product?

Consistently High Quality Products Produced & Market in Different Regions



- ✓Consistently High Quality Products Produced & Market in Different Regions
- ✓Machinery oils can move around the world
- ✓Customers increasingly purchasing locally

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Achieved By Specifying Centrally the Blending Process

- Base Fluid Specifications
- Additive Specifications
- Storage Instructions
- Blending Instructions
- Filling Instructions

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Lubricant Manufacturing Specifications

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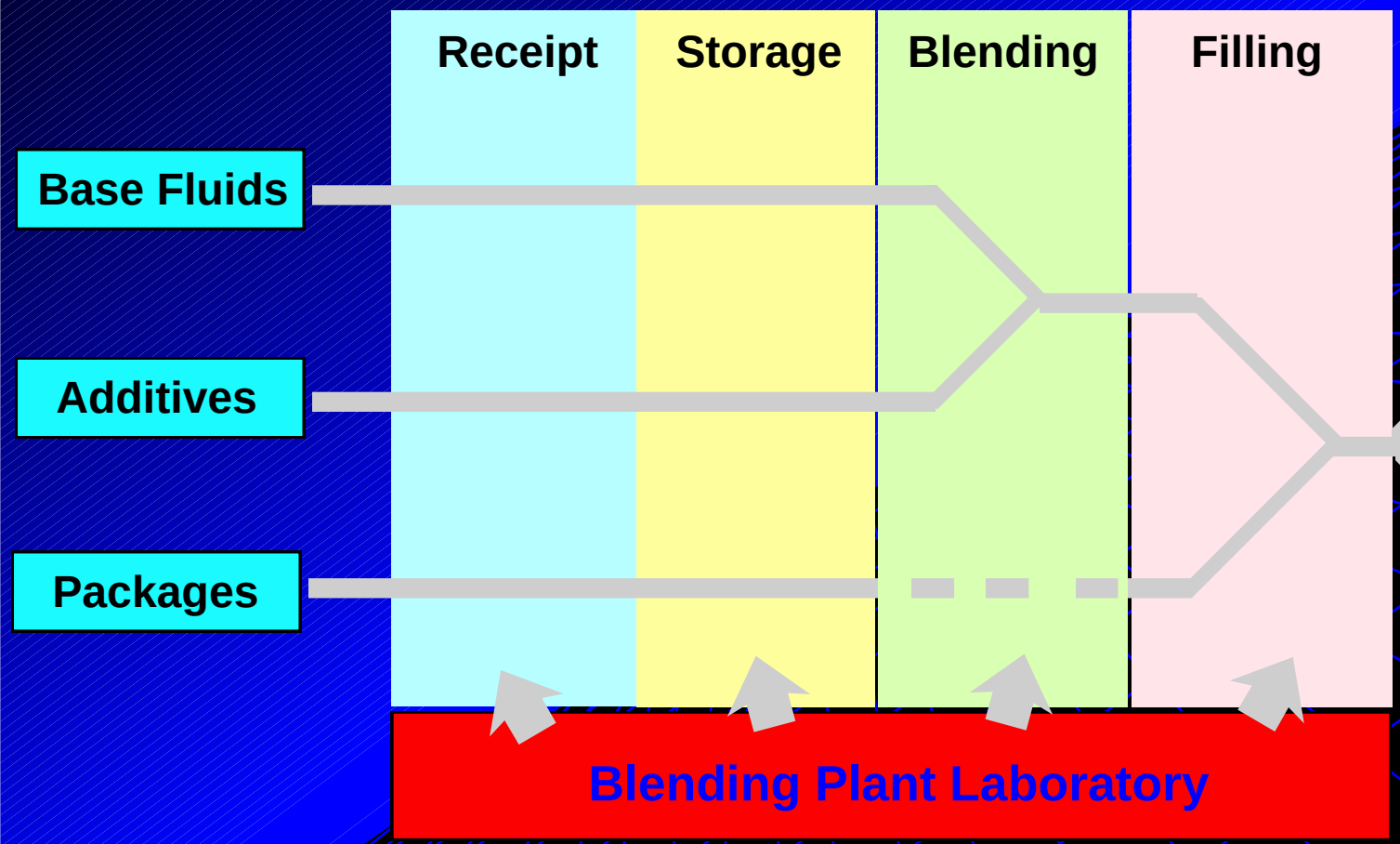
... Quality Management System



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...Audits

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Lubricants Design
Field Trials

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Lubricants
Manufacturing
Specifications

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Quality
Audits

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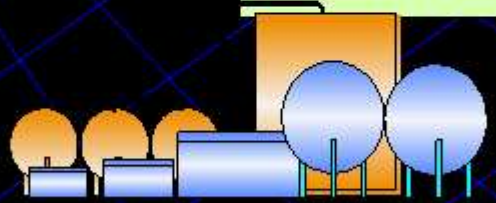
Lubricants Plants
Worldwide



CORPORATION PETROMIN

CORPORATION PETROMIN

Major Lubricants Applications

What are the major products in the Petromin Range?

GEO Range

- Synthomix 4X4 (SM)
- Safari 5W/30 (SM)
- Ultra 7 20w/40, 15w/40 (SL)
- Extra Super 20W/40 (SJ)
- PMO-40 (SJ)

DEO Range

- Turbo Master LD 10w/40 (CI-4); EGR systems
- Fleet Master Plus 15w/40 (CI)
- Fleet Master LD 15w/40 (CH4)
- Super Fleet LD 15w/40 (CG4)
- Turbo Diesel C 15w/40 (CF-4)
- HD & SDEO HD 3-40 (CF)

Specialty

- AFC Coolant 400/500/1000
- Brake Fluids
- ATF II, ATF-III

GBO

- GBO HD 90, 140, 80w/90, 85w/140 (GI-4)
- GBO HDC 90, 140, 80w/90, 85w/140 (GL-5)

What are the major products in the Petromin Range?

Hydraulic Oils

- Hydraulic AW oils
- Hydraulic VH series
- Hydraulic NZ series

Turbine Oils / Circulating oils

- Turbine T oils
- Turbine HF oils
- Turbine GE oils
- Turbine C oils
- Process oils / Petrocirc Oils

Refrigeration oils/Compressors Fluids

- Refrigeration compressor oils
- Compressor oils
- Turbo compressor oils

What are the major products in the Petromin Range?

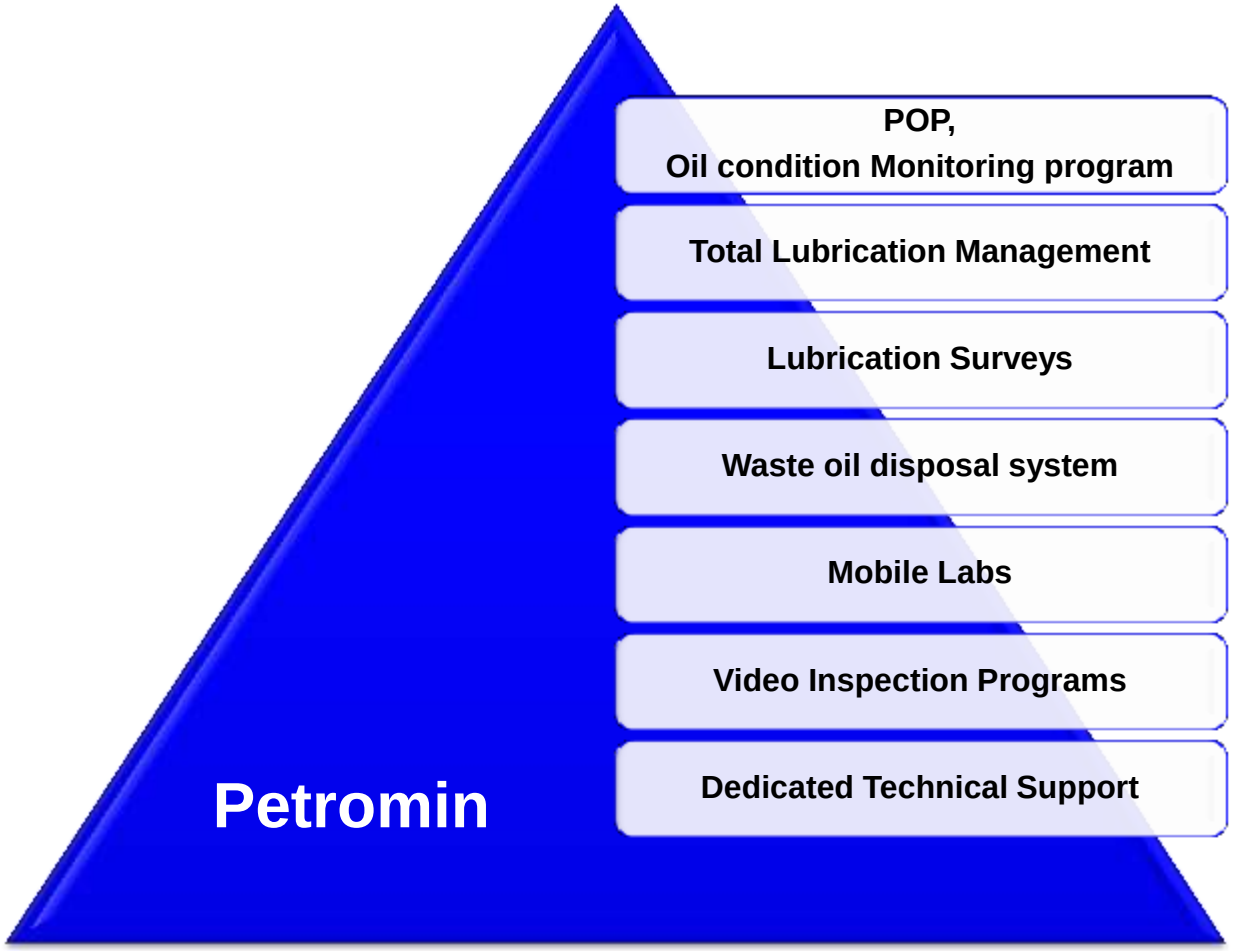
- MP & GP products
- Hi-Temp greases
- Moly Greases

- Food grade lubes
- Purity FG lubes

- EP Greases

- Transformer oil, Hyvolt-1

Petromin Lubrication Services



Sources of Lubricants Information

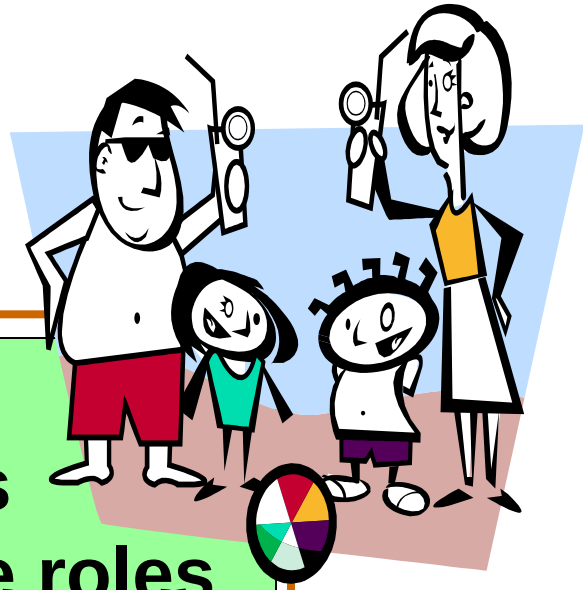
- Product data guide
- Product data sheets
- Lubes Quality Systems
- Slick data base
- Brand Manuals
- Product sector support manuals
- Training focal point
- Other courses
- General product range
- Marketing and Technical experts

The Customer

The Customer

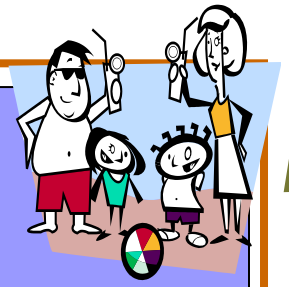
The Customer

Family as Buyer



- Groups of individuals
- Identifiable roles
- Budget

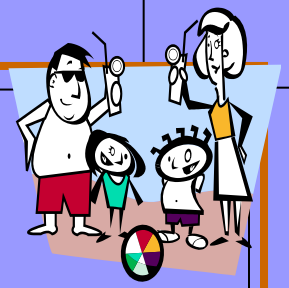
Organizations as Buyers



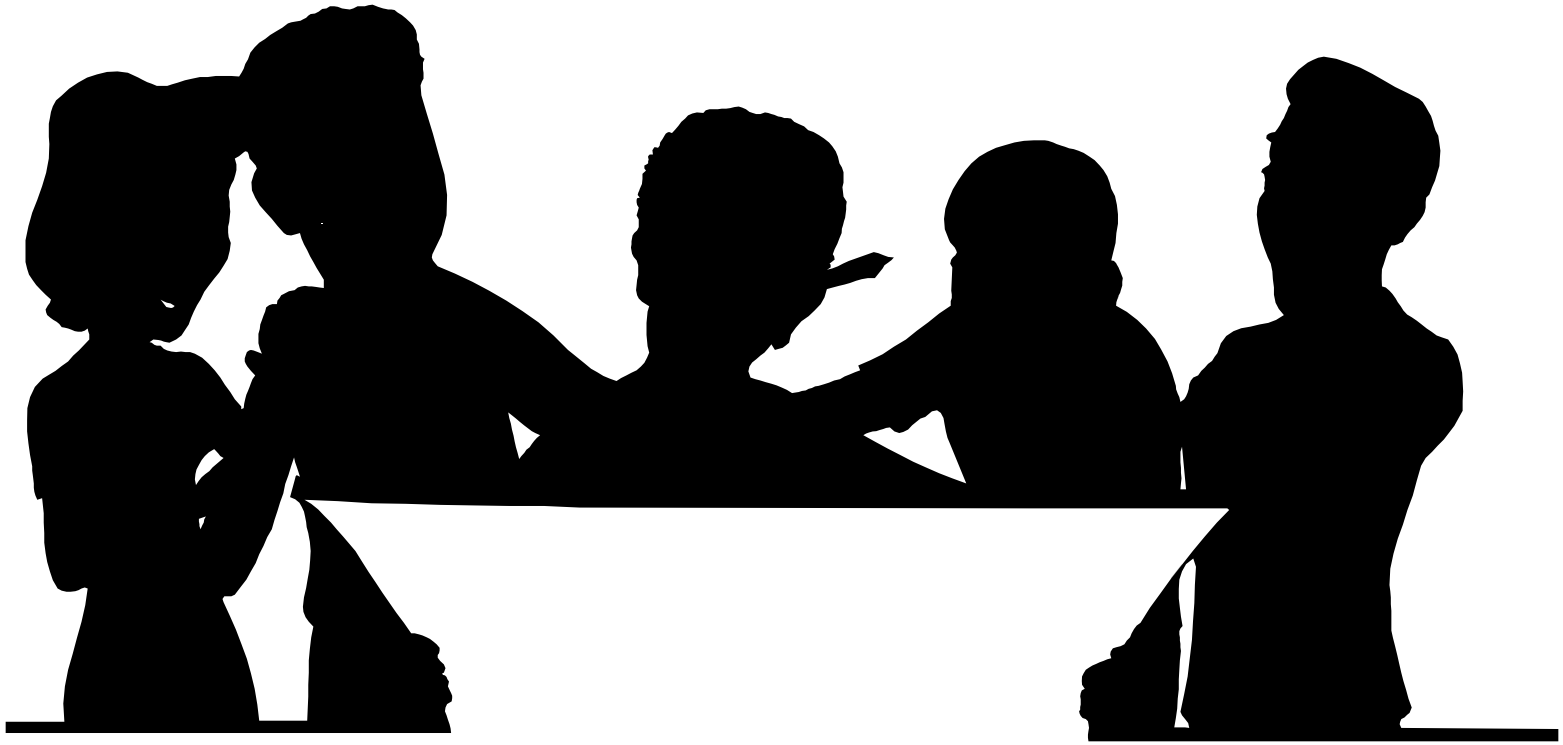
- Groups of individuals
- Identifiable roles
- Budget

Organizations as Buyers

Some have enormous power	Few buyers	Specialists sometimes used
Use of definite criteria to judge "good value"	• Groups of individuals • Identifiable roles • Budget	Still Personal Need has factored in
Most purchases based on history and tradition		



The Decision Making Unit



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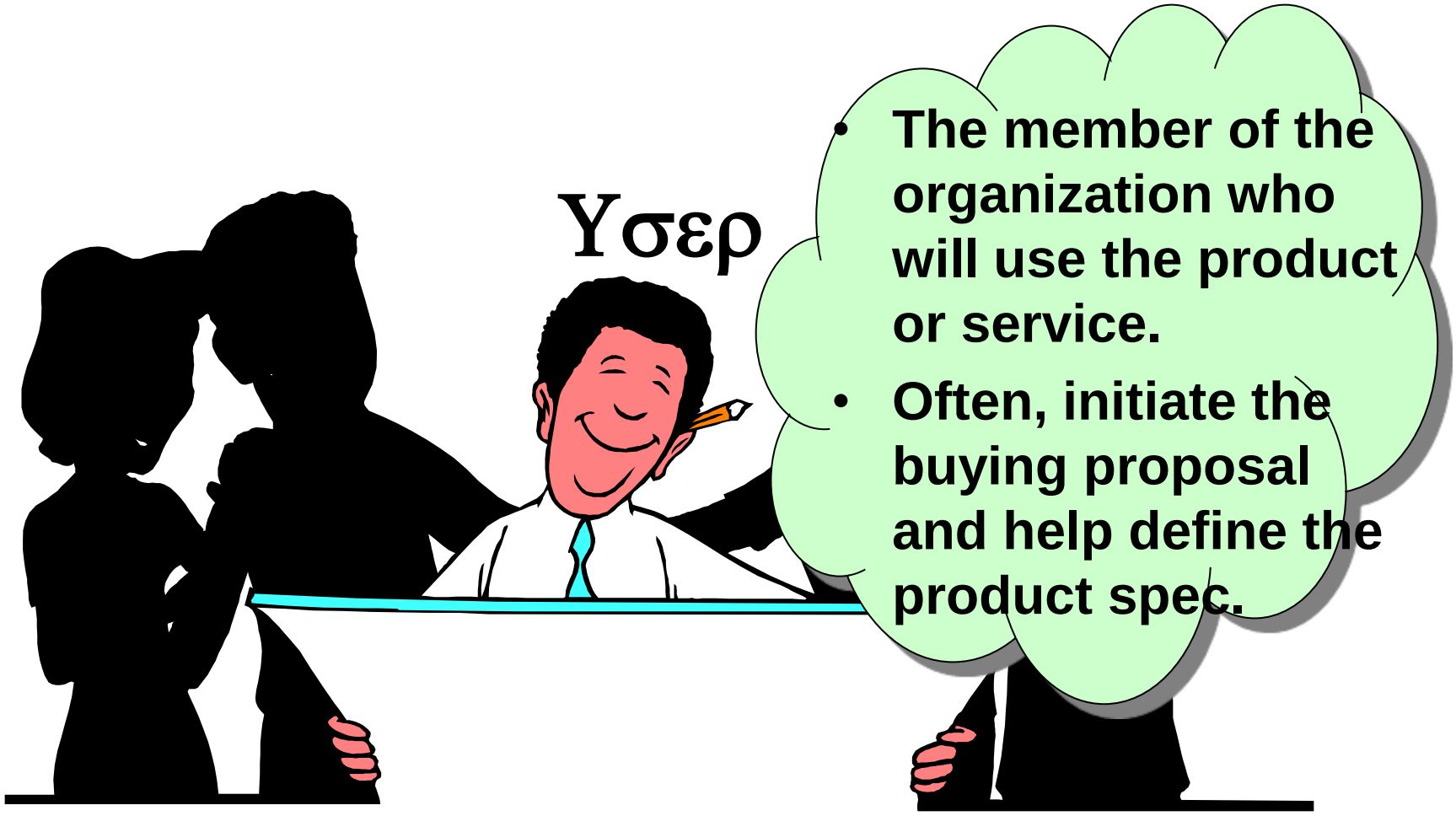
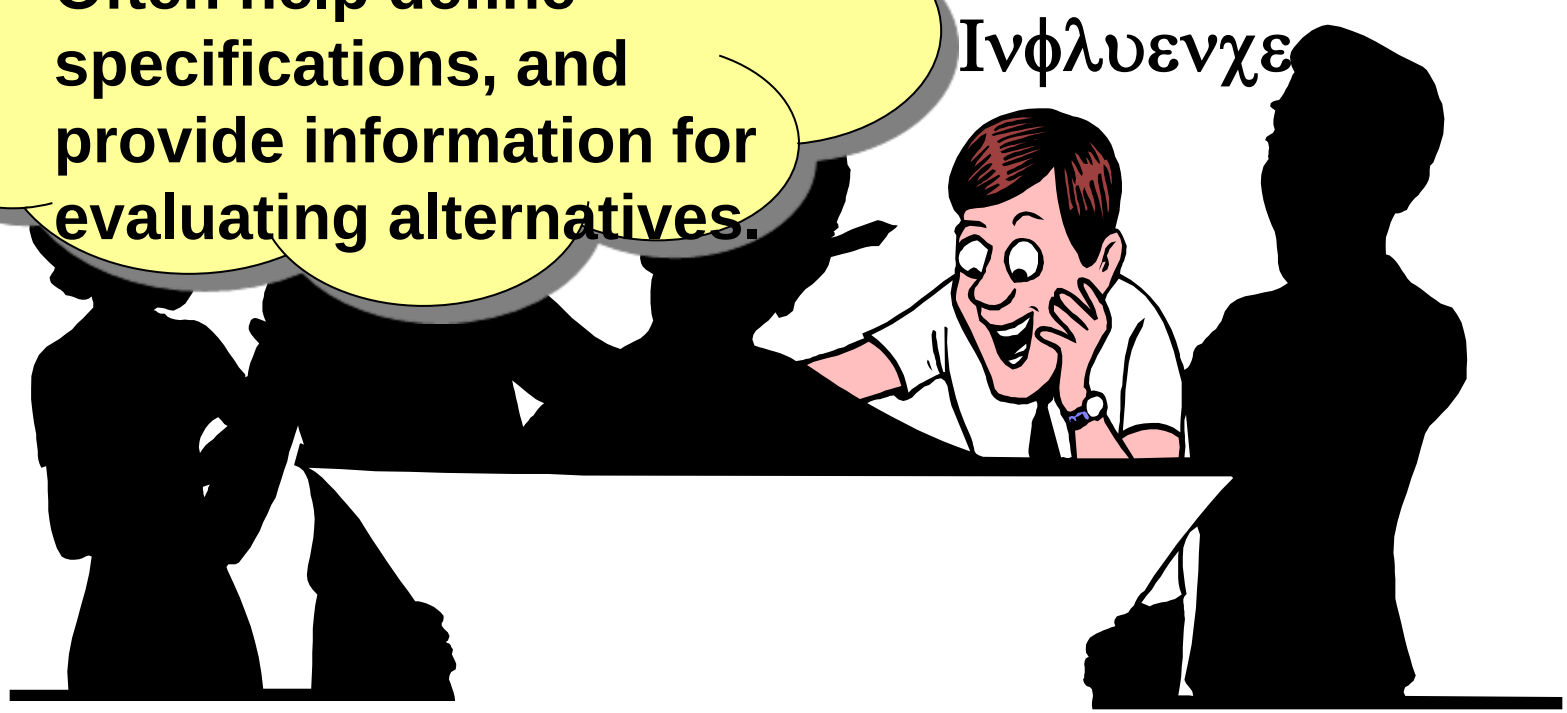


The Decision Making Unit

- **Influence the decision.**
- **Often help define specifications, and provide information for evaluating alternatives.**

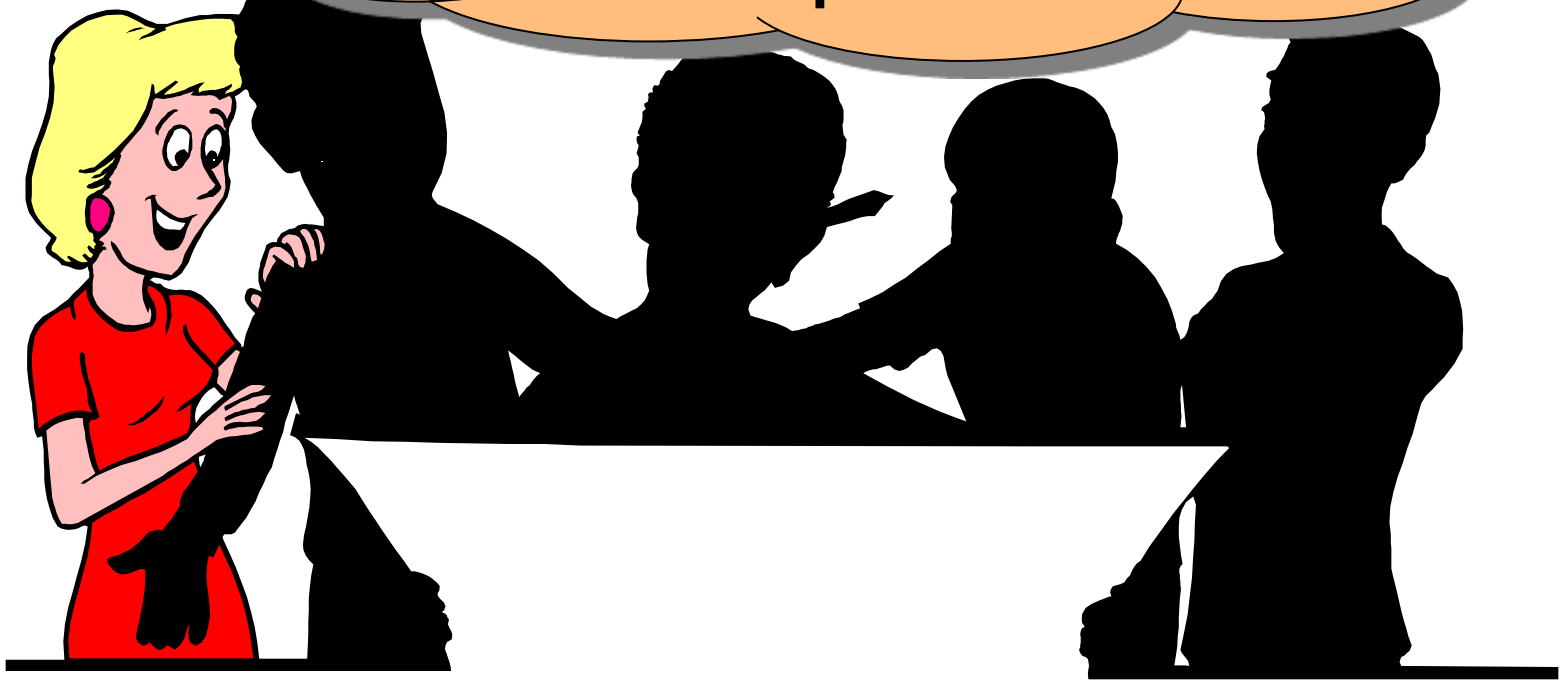


The Decision Making Unit

The Decision Making Unit

Βυψερ

- **Has formal authority to select the supplier and negotiate the terms of purchase.**



The Decision Making Unit

Γατεκεεπερ

- **Has power to prevent sellers or information from reaching members of the buying center.**

The Decision Making Unit

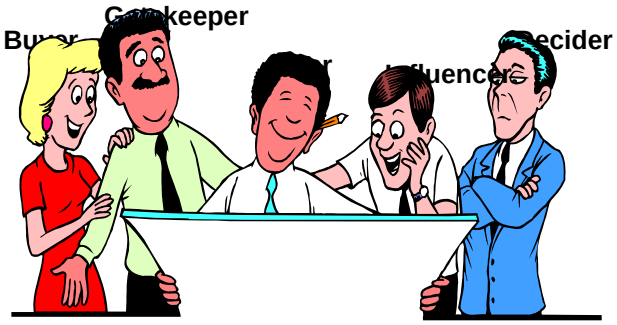
DMU in Action!

1. Answer “Who is my most important lube customer?”
2. Individually, spend 3 min. to draw the Customer Organisation
3. Individually, spend 5 min. to write down
   (a) name(s)
   (b) title/function
   (c) evidences to support your analysis
   (d) write down the % of time you spend with each DMU
   (e) rate your relationship level (+ none, ++ can improve, +++ only you or Petrolube/Gulf)
4. As a group, spend 5 min. to write down 3 key learning points that you may apply in your real work
5. Sharing your key learning points

Importance of the DMU

- An effective campaign to inform and persuade can only be made if

- able to correctly identify the roles in the DMU of people in the customer's organization.



Buying Process

- Recognition of Needs
- Purchase Specification
- Search for Alternatives
- Evaluate Proposals
- Choice of Suppliers
- Agree on Terms & Conditions
- Order Placed
- Post Purchase Evaluation

Buying Process & DMU

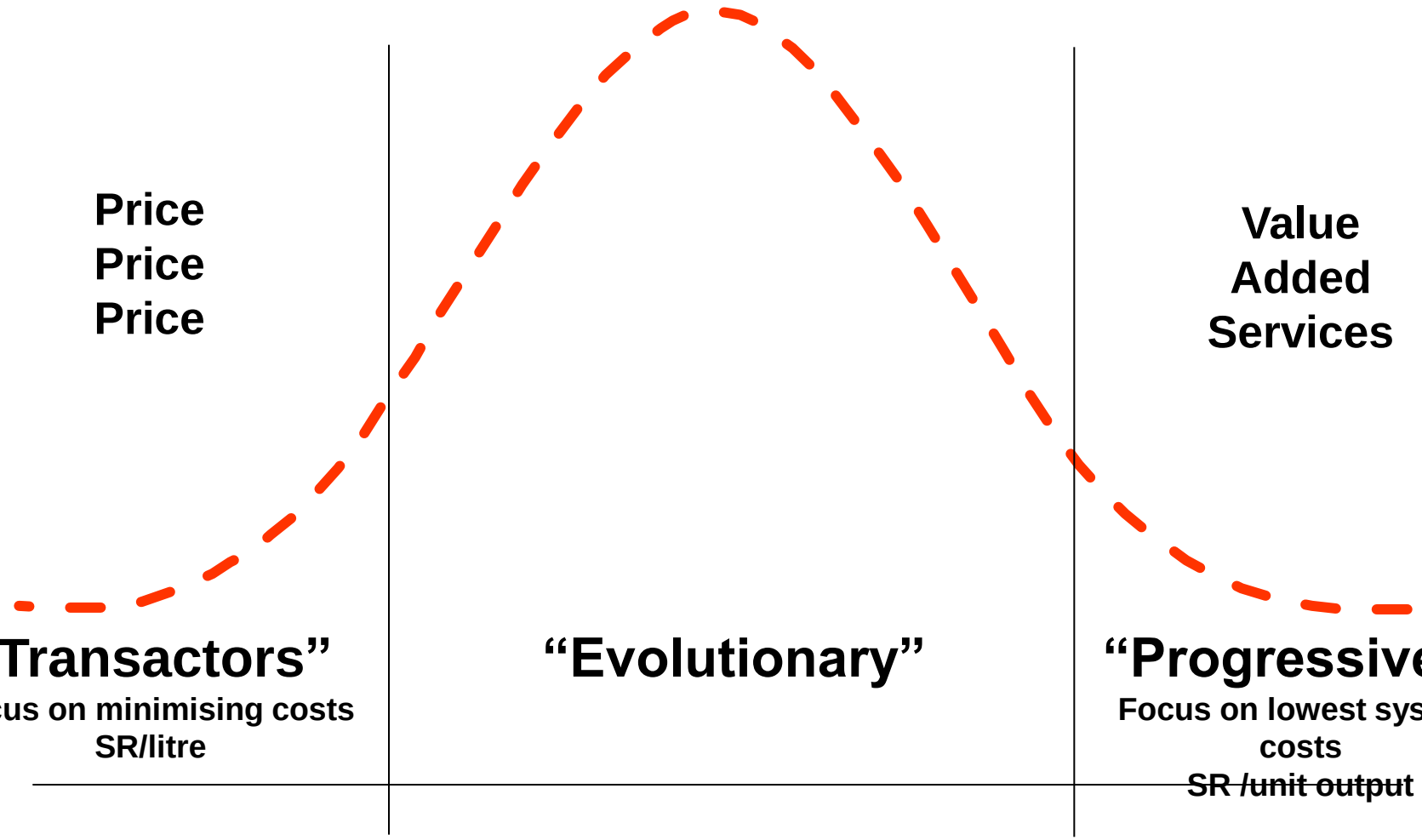
- Who are involved and How?
- Is Short-cut or By-pass possible ?
- What will be your campaign strategy to each member of the DMU ?

Value = Benefits - Cost

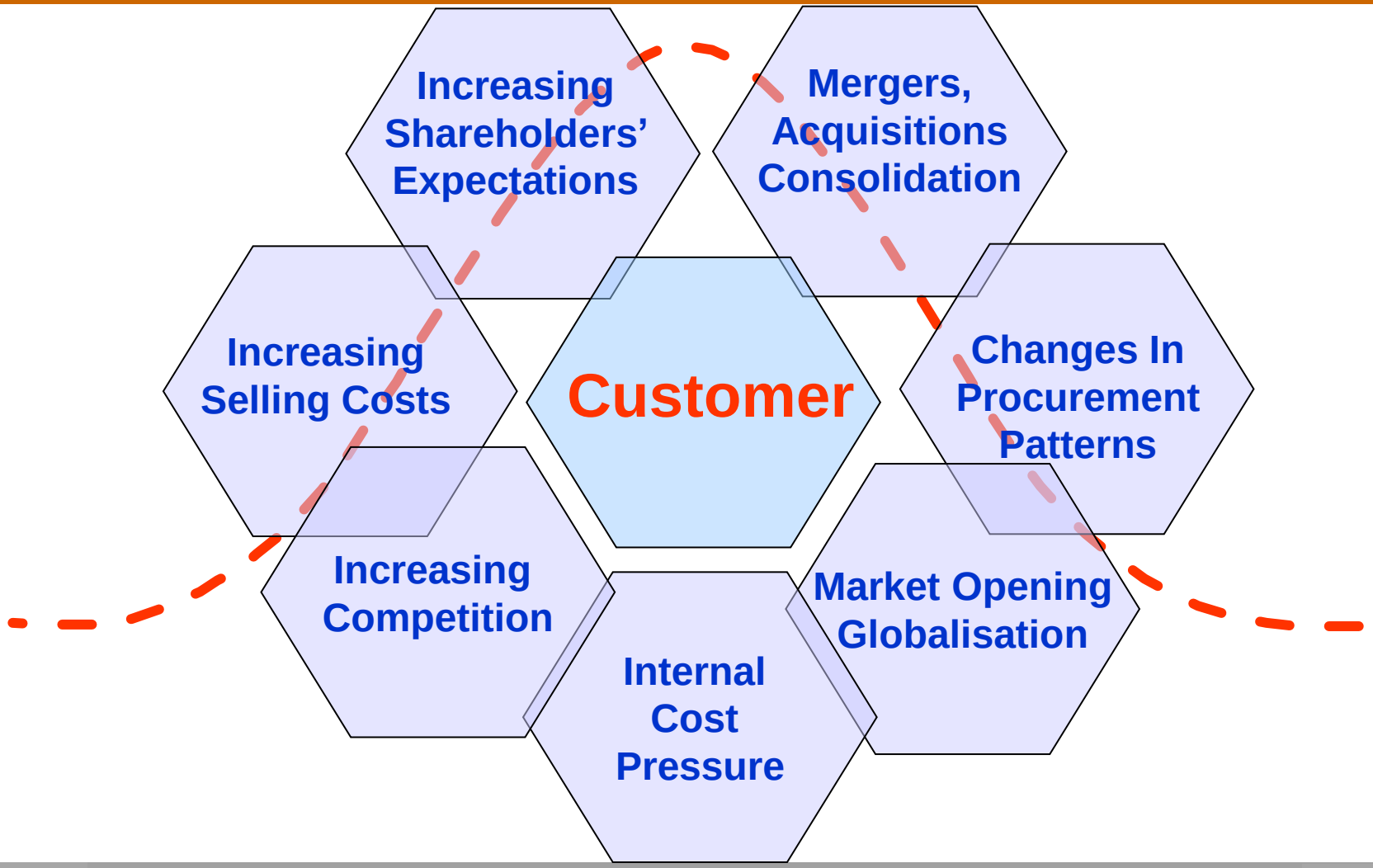
Which is which?

It depends on the Customer Type.

Customer Types & the population distribution



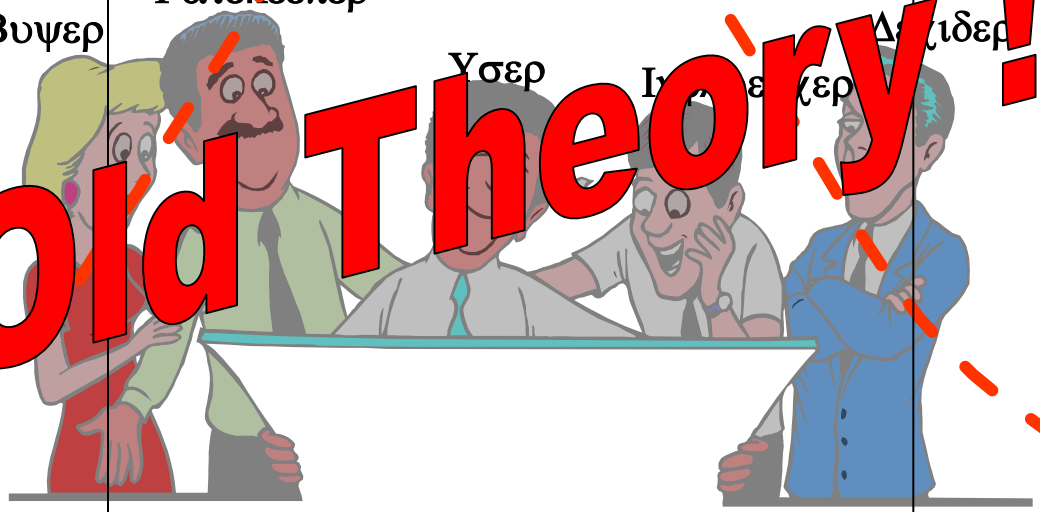
The Challenges Facing our Customer



The Customer has been forced to choose!

Price
Price
Price

Value Added Services



“Transactors”
Focus on minimising costs
SR/litre

“Evolutionary”

“Progressives”
Focus on lowest system costs
~~SR/unit output~~

The collapse of the middle

Price
Price
Price

Value
Added
Services

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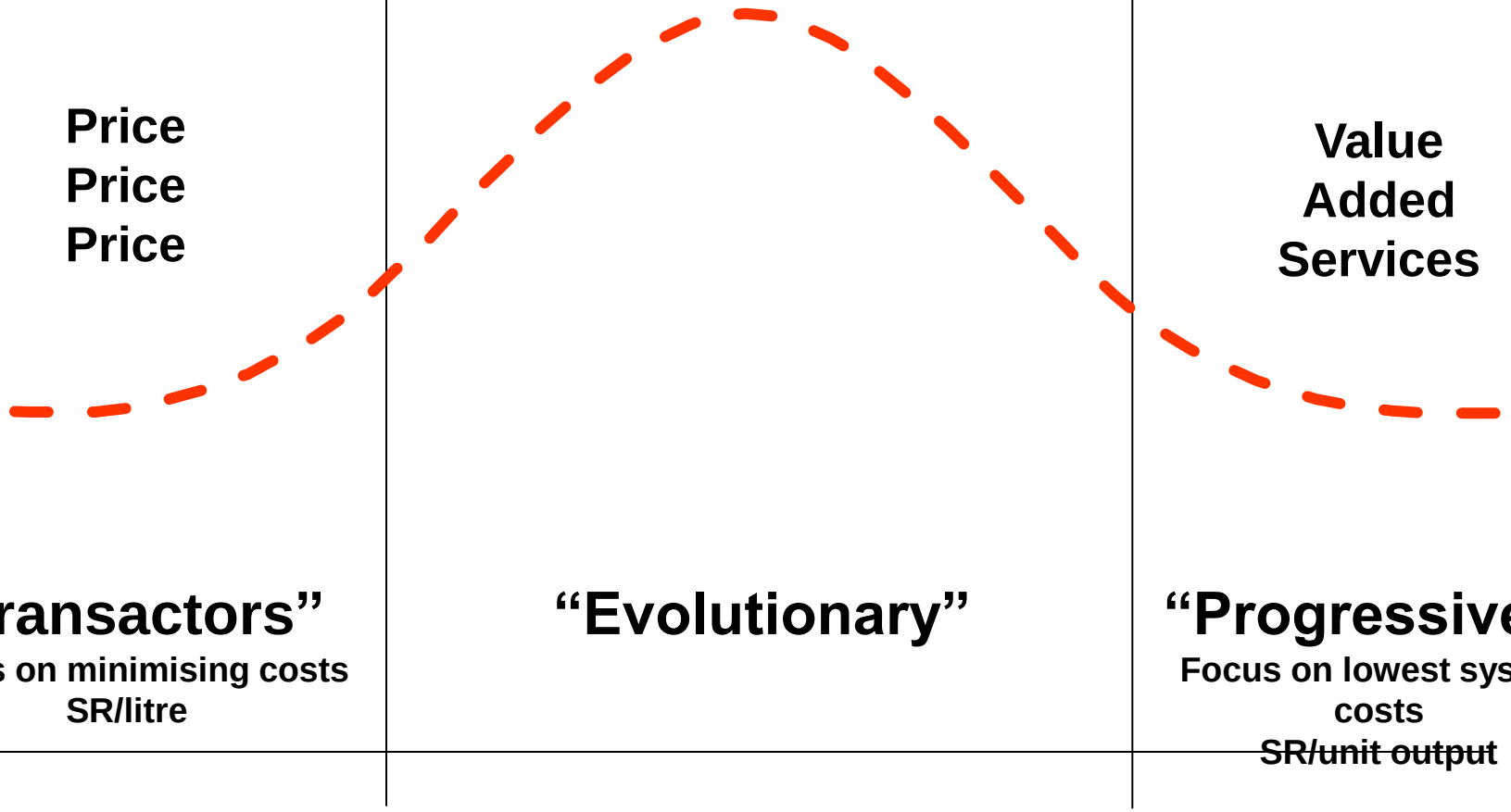
The collapse of the middle