

## CHAPTER VI

### NATURE OF COMMUNICATIONS

One aspect of communications among dealers is taken care of by the meetings of the advisory boards at various sales levels. The personal exchange of information among dealers, their chances to talk to Dealer-Salesmen, District Managers<sup>23</sup> and Area Management people<sup>24</sup> all provide channels of communications. In a more formal sense, so do the minutes of the meetings which supply a record of topics raised and which are distributed widely among dealers and company personnel.

This aspect of dealer communication is an important one, but needs to be reinforced by other channels. It also needs to be expanded in ways that will include all dealers who are not members of

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<sup>23</sup> These managers control comparatively broad areas. They frequently report back to headquarters. Area Management personnel come under their span of control.

<sup>24</sup> These are usually the man in the field. They are usually bulk plant superintendents, supervisors, sales representatives and senior salesmen.

boards and whose sense of being informed about happenings of interest to dealers is perhaps a more important consideration than that of the dealers who are members of advisory boards.

Several points have proven valuable in connection with communications to and among dealers:

- 1) Keep the communications brief and lively, dealers are flooded with all sorts of printed materials from the company and other suppliers.
- 2) Report on items of as much local interest to dealers as possible, they are more interested in what is going on in their area or district than in nation wide happenings.
- 3) Establish communications on a general basis, so that dealers look forward to a periodic flow of information and news.
- 4) Help maintain dealer interest in communications media by reporting specific items of help to his business operations and by setting up such publications as the "Esso Dealer Newsletter" to maintain interest and to report news.

With these points in view Esso publications office publishes numerous booklets and magazines for circulation among its staff and dealers. Of these, "The Esso Dealer" is of great interest and in it

are pictorial presentations, news and other numerous topics of interest. The aim here is to establish direct contact between top management and the dealer organisation, provide an easily readable and regular message and to demonstrate top management's personal interest in the dealer organisation.

The newsletter is the forerunner of communications and it is written in a friendly vein. It gives clear and valuable information, either about company policy or about how dealers can be better businessmen. It gives dealers in the Sales District a direct line of communication with their respective managers, thus strengthening the District and Sales Territory bonds with dealers.

Besides this, Esso also publishes a dealer newspaper weekly. It contains photographs of dealers engaged in dealer relations as well as in public relations, accounts of meetings of District Dealer Advisory Boards,<sup>25</sup> news items of specific interest to company dealer operations and a monthly "Dealer Idea Trading Post" in which entries of successful dealers are announced. Prizes of various kinds are

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<sup>25</sup> See Esso, Esso Dealer, Volume V - No.1, Esso Standard Malaya Ltd., January 31, 1961.

given but very often cash is the main incentive. On occasions watches or motor scooters are presented. Only items of real dealer news are printed, not exhortations to "get out and sell" or purely merchandising information. The news are written with the dealers' interest always in the foremost, and from the angle of dealer talking to dealer. Thus every aspect of the newspaper reflects the fact that it is a publication about and for dealers, even though it is prepared and distributed by the company.

The job of putting out the dealer "Newspaper" and "The Esso Dealer" is done by the Printing Department of the company and materials used come from field reports, from minutes of Area and District Dealer Advisory board meetings, from company's plans affecting dealers, and from the area staff review group which passes on dealer suggestions. The newspaper is called "Esso News" and though it is mainly produced for Esso staff, it is also easily accessible to company dealers. Every month about nine hundred copies of "Esso News" and about one thousand three hundred copies of "Esso Dealer" are published.

The "Esso Dealer" which is a monthly issue has produced very good results. It serves as a tangible link for every dealer and it gives the dealer an idea of what other Esso dealers are doing. It

too provides a steady stream of useful "non-sales pressure" information and, because it is written in terms of the dealer's interest, helps build a reservoir of dealer goodwill for the company.

Another advantage of the established communication channels with dealers is that they make available and acceptable certain special mailings<sup>26</sup> by the company to the dealers. These mailings generally take the form of reprints of articles which directly or indirectly, affect the dealer because of his position in the oil industry. These reprints of articles might be extracts of newsletters or any programme concerning sales promotion to be followed by dealers. They are sent out as background information to dealers for their use in talking to customers about the issues concerned. There is also the need to establish the premise that when the dealer does receive a special mailing it is of real importance to him. These reprints are sent out under a short flyer<sup>27</sup> from the Area or District Manager, explaining

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<sup>26</sup> These mailings are usually in the form of despatches from the company to dealers. They usually contain instructions about a new advertising campaign or major changes in policies.

<sup>27</sup> This is a loose sheet that contains two pages. This sheet often accompanies a company magazine.

why the company feels the information is important and how the dealer's interest is involved.

Experience has shown that dealers appreciate this type of information when they receive it at appropriate times. Certain key dealers have made good use of the information to the benefit of themselves and the company. Other means of communication to and among dealers are also in use, however, but these are beyond the scope of the brief topic of discussion here. To mention a few of them briefly, they are dealer bulletins, normal sales contacts between company representatives and dealers and formal courses for dealers in company training stations. These courses train dealers how to run their service stations affectively, providing them with the latest techniques of service and sales promotions. Dealers who have undergone the training are expected to instil of what they have been taught into their employees so that they will be able to render more effective and better service.

#### Using the Dealer Network and Communications for Public Relations Purposes:

This is to utilize the organisation and establish the communication channels which have been set up to gain public commendation for the dealers and the company through planned public relations

projects. These projects fall into two main categories:

- 1) These projects which the company has already set in motion through its regular public relations programme, and with which dealers can be associated.
- 2) Special public relations projects which are particularly adapted to dealer action at the community level. Both categories will, of course, vary by area and region, depending upon their locations and public relations objectives. Certain general observations, however, deserve consideration.

The easiest way to begin a dealer public relations programme is to get dealers involved themselves in projects which are already in existence. Here objectives are set and the inclusion of dealer activity adds an extra momentum and makes additional customers available for exposure to the project. The objectives may be to increase sales for the year or to introduce a new method of service like the "Five-point Service System." In brief this system has five steps:

- 1) As soon as a motorist drives into a station an attendant goes to the driver's side to solicit sales.
- 2) He puts petrol into the tank.



Then he checks the tyres.

4) At the same time another attendant wipes the wind screen, and finally,

5) the first attendant will solicit sales of accessories like a new type of polish, wiping cloth, wipers, etc.

However, in introducing a new programme, care should be taken to modify the existing one so that the one to replace the old can be introduced slowly and effectively so that it can readily respond to the efforts of dealers. This is usually a relatively simple proposition. If a public relations project, like the Highway Code campaign Esso sometimes participates in, contains elements which will be of interest to people at the national level, the same elements will usually work at the community level.

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Corporate aid to education which Esso currently gives especially to the children of its staff, highway safety which Esso provides in the form of booklets, these and similar existing public relations programmes can be adapted so that dealers can take an important part in them. Actually, experience has shown that such projects may be carried on by the dealer in his

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This is a term used by the company to describe the help it gives to staff's children. Recipients must be in form six classes and the award is given on merit.



community with much greater effectiveness and at less expense to the company, than through the means by which they have been traditionally conducted.

It is wise, therefore, to plan how dealers may best fit into established company's public relations projects; then to take all steps necessary to see that their association with the projects is both natural and potentially productive. One of the company's main responsibilities in a dealer public relations programme is to help the dealer obtain external publicity for his activities, and to teach him how he can continue to get this publicity through his own efforts. It must be borne in mind that good relations alone between company and dealers are not enough. For the company and dealers to be successful good public relations too must be maintained. Therefore, after good relations have been established between the company and dealers, the company then tries to extend these relations further so that through dealers the company can acquire good will from the public too. Without good company-dealer relations, this objective will be quite impossible. Thus, the company uses basic techniques of public relations communication like press releases, radio coverage and other standard forms to help dealers reach the public more easily. Teaching dealers to use these techniques

themselves is a step made easier by the aptitude shown by dealers in this field. The help and the teaching always start at the very beginning of the dealer advisory network organisation and very good results have come from these efforts in the different sales areas in Malaya.

A first step is to help publicize the dealer's activities with the advisory organisation set up by the company. Standard press releases and accompanying pictures are prepared by the company's Public Relations office, and sent to the Districts for local distribution and as guides for the preparation of future releases. A little publicity obtained for a dealer has a highly galvanic effect with all dealers and among District staffs as a token of what effort in this direction can produce.

#### The Dealer Conventions and their Communication Aspects

Esso Standard Malaya Ltd. holds Dealer Conventions annually to foster good relations with its dealers. Through these the company gets into direct contact with its retailers and hence a better understanding between the company and its dealers can be gradually developed. Such a huge organisation as Esso naturally has a lot of dealer changes in the course of a year and these conventions give

dealers an opportunity to get to know one another and to exchange business ideas.

The Dealer Conventions are planned for attendance by all dealers who wish to attend in the different sales Districts in the country. Dealers' wives are also encouraged to attend and part of the programme is specially designed for their interests. Usually a luncheon is held in conjunction with it but the main part is the afternoon session for the dealers, during which company experts will discuss new developments in automobiles, gasoline marketing, company plans and the like.

Dealers enter into preliminary arrangements for the convention, it is often noted, with enthusiasm and in Districts members of dealer boards undertake on their own initiative to call on fellow dealers to encourage them to attend the convention. The important point, however, is that this period proves useful as a time for communication with dealers and as an opportunity to encourage communication about dealers. This can be used to secure even greater interest from dealers and more public interest in their activities.

#### Setting up Special Public Relations Projects for Dealers

In many cases, the dealer public relations

organisation will have opportunities to participate in company programmes which have hitherto been carried out with very small sections of the public. In other cases, there will be opportunities for dealers to take public relations actions which are unique and, though of interest to the company, concern areas which have rarely or never received company attention. These areas have only begun to be explored by dealer public relations activities to date. What has been found, however, shows good promise for public relations results.

Experience has been gained, for example, in the areas of public affairs, public service, social service, conservation and station house-keeping. In addition to the details of these special dealer public relations projects, what has been most interesting about them is the facility demonstrated by the dealer organisation in quickly entering upon projects of great national interest like disturbing highway code booklets and travel maps and giving corporate aid to education. Highway safety activities carried out from service stations have direct beneficial marketing results which are not apparent in their broad, corporate aspects. Actually, experience has shown that such projects may be carried out by the dealer in his community with much greater effectiveness, and at less or no more

expense to the company, than through the means by which they have been traditionally conducted.

### Programming the Expansion of Dealer Public Relations

To get the most effectiveness for dealers from projects such as nation wide advertising campaigns, it is helpful to keep every dealer informed about them during their testing period. Dealers and district personnel are usually told through the established channels of communication. District managers and key district personnel are kept informed periodically through letters which also stress the importance of and appreciation for their interest in the projects. Usually the spreading of programmes from one area to another, is carefully planned by the company in advance with all dealers and company personnel in the other sections kept abreast of plans and time tables.

Such advanced involvement in projects also helps train District personnel in handling the simple details of dealer-company relations and public relations; something which they will be increasingly called upon to do, and in doing it, they will be increasing the company's own public relations effectiveness in the field.

### Planning Future Dealer Participation

It has also proven useful to plan and let

dealers know about future projects which will strengthen the dealer-company relations and give the dealer expanding opportunities for community advancement. The thought in the dealer's mind that this is a continuing programme, that it is not a one or two-shot affair designed to pep up his morale for the moment; that the company considers its relationship with him as fundamental and permanent, will help the progress of any dealer and improve the dealers' attitude towards the company in all respects.

Another area which shows great promise for improved company-dealer relations lies in the field of helping dealers become owners of the company. The recently established Esso Standard Malaya Ltd. is a step towards this objective. This sort of undertaking is only prevalent in Malaya; for in Borneo and Singapore, Esso owns 100% of its assets. In Malaya 35% of its shares are sold to the public. Esso staff and dealers are given preferential treatment. At the time of issue, Esso staff members were automatically offered one hundred shares each whereas dealers, depending upon length of service, demonstrated sales ability and other factors, were offered from four hundred to a thousand shares each. The company too makes many liberal offers of merchandise to dealers in various sales or merchandising campaigns. There

seems no valid reason why shares should not be made available to dealers who have displayed initiative, loyalty and who have ably represented the company for years. Ownership of company stock should develop a new sense of closeness among dealers, and provide a persuasive basis for continued service.

