



Remaking the service station experience with data-driven customer engagement

MOL builds a digital marketing platform to fuel revenue growth and customer loyalty

by Dave Fawcett

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For big oil and gas companies, retail divisions — gas stations — have always played a very specific role in their complex, vertically integrated operations. As the tail end of their downstream businesses, a company's retail stations are not just the outlet for selling their core refined fuel products, but also the primary point of interaction between the customer and the brand. That's why the quality of the experience at a retail outlet is so important, and increasingly so.



For years, major energy companies have gradually broadened the range of products offered through their stations to include coffee, snacks and even groceries. In addition to enhancing revenue, a richer retail experience represents a way for energy companies to both attract and retain customers, which in turn helps them sell more

gas. For the industry, this durable model remains the foundation of their retail operations.

But today, with both society and the industry at an environmental crossroads, some oil and gas companies see the opportunity to reinvent, and in some ways redefine,

their retail operations. While selling fuel remains a central goal, many companies are embracing an expanded vision of the value — and the experience — their retail operations can deliver to customers.

MOL Group, one of Eastern Europe's largest integrated oil and gas companies with over 1,900 service stations across nine countries, exemplifies this new way of looking at gas retail. The stage was set for MOL's transformation back in late 2016, when the company — as part of its 2030 strategic plan — made the bold decision to relocate its retail activities from Downstream Operations to a new division focused on service innovation.

Behind the scenes, top management had recognized that the digital and mobile technology were fundamentally changing consumer behavior and, in the process, creating strategic opportunities in retail. On the organizational level, the rationale for the move from Downstream

was largely cultural: retail innovation needed the right kind of climate.

It also needed the right kind of people, and that's where István Mag came in. With the retail transition underway, Mag joined MOL as a strategic advisor to Péter Ratatics, Executive VP of Consumer Services, as the retail unit is known, and was soon appointed Head of Digital Consumer Services. As they worked together closely to refine the contours of MOL's retail transformation plan, the need for a dedicated resource team — an agent of digital innovation, melding business and IT expertise — became increasingly clear. That led to the creation of the Digital Factory within Consumer Services, and Mag was tapped to lead it.

The crux of MOL's retail vision was about expanding digital offerings from the core — gas, food and conveniences — out into entirely new turf, such as

car sharing, fleet management, parcel services and more. "Our aim is to become a true consumer goods retailer and an integrated, complex mobility services provider in the Central Eastern European region," Mag explains. "To accomplish this, we knew we needed a comprehensive set of digital marketing capabilities that would enable [the Digital Factory] to roll out a common set of services, and customer experiences, across all of our operating areas." The plan was to deploy first in Croatia, Slovenia and Hungary and then extend the platform to Slovakia, Czech Republic and the rest of the countries in the region.

Having conducted an extensive review of their options, Mag and his team saw the Salesforce suite of marketing solutions as the best fit for their needs and soon resolved to deploy it. So the big remaining choice, Mag says, was a systems integration partner to pull all

the components together. “We were focused on demonstrable expertise with the Salesforce platform,” he explains. “Especially in delivering the kind of comprehensive, large-scale solution we were planning.”

For the companies MOL invited to participate in the RFP process, meeting this test ultimately came down to a 36-hour hackathon challenge designed to demonstrate technical delivery capability. At the hackathon’s close, a team from **IBM Consulting™** — comprised of local members from across the region — was the only participant to create a working prototype using the full suite of Salesforce components. “It proved to us that IBM has a really capable technical team for Salesforce,” says Mag. “And it gave us the trust we needed that they can deliver.”

Drove an average revenue uplift of

15% – 30%

through enhanced digital engagement

Achieved customer satisfaction levels

> 20%

higher than competitors

How to drive deeper engagement with data-centric marketing

In the engagement that followed, co-creation was the rule, in style and substance. To Laszlo Stekl, Head of Digital IT and one of the founding visionaries of the Digital Factory, IBM's collaborative approach gave his small but growing team the support they needed to develop. "IBM really helped build a foundation for us, as a new organization, to succeed and thrive going forward," says Stekl. "It's been a rewarding experience for both our teams, and it's been immensely useful because we are learning a lot."

The product of this co-creation effort is an integrated omnichannel marketing solution employing the full portfolio of



Salesforce components. It's integrated because it relies on a core of real customer behavioral data to orchestrate every facet of MOL's interaction with its customers. That same data-centric quality enables MOL's marketers to offer highly targeted campaigns based on each customer's specific journey.

The cornerstone of MOL's solution is the Salesforce Marketing Cloud, which serves as an integration hub to distribute messaging to its customers. The company's CRM functions are performed by Salesforce Service Cloud. MOL uses the Salesforce Experience Cloud as the foundation for its

customer portal. The MOL solution also employs MuleSoft to integrate and orchestrate all these components across multiple countries.

In building the solution, MOL and IBM were cognizant of the need to balance scale-based efficiency with the specific needs of MOL's local marketing teams. Their response, says Mag, was to follow a "group template" approach that provided a common framework, while giving local team lots of flexibility to design their own campaigns. "Each country has its own

marketing and loyalty department," he explains. "Because we built flexibility into the templates, local teams can tailor and execute their own campaigns and loyalty programs."

To help jumpstart these local capabilities, Mag notes, an IBM team also worked closely with the Digital Factory to help them establish new marketing and loyalty practices. "As we set up new rewards marketing teams in our local markets, IBM — through its Hyper Care support — has played a key role in educating

these teams on how to manage the new platform on their own," says Mag. "This exemplifies the 'bridge' of support we were looking for as the Digital Factory grows and develops."

Even earlier in the engagement, when Mag's team was just starting out, [IBM® Application Management Services](#) had played a similar as-needed support role at a formative and pivotal time. Today, as by design, his larger and more experienced team handles those functions in-house.

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Revenue uplift shows customer buy-in

Mag points out that while MOL conceived its expanded digital commerce strategy with an eye on 2030, the results are already becoming apparent. “Fundamentally, the focus of our digital innovation — whether it’s data-driven segmentation, more flexible loyalty programs or more targeted campaigns — are about recognizing and changing customer behavior,” says Mag. “And more broadly, they’re about redefining the way we engage with our customers.”

The metrics tell the story. Within two years of the new app’s introduction, customer downloads are on course to exceed 1.4 million, and are expected



to double in the following year.

But here's the real payoff: "Among customers using the app, MOL has experienced an average revenue uplift of 15% – 30%," says Mag. "That's powerful evidence that smarter and more convenient digital engagement is increasing loyalty and driving more consumption."

It's also strengthening the MOL brand in two important ways. On the customer side, satisfaction levels related to digital solutions and loyalty programs are more than 20% higher for MOL versus its closest competitors. But as Mag points out, the sophistication of what MOL is doing with the Salesforce solution

also sends a powerful signal to IT professionals who are also potential employees. "We're burnishing our reputation as the real innovator in the gas retail space," he explains. "We're getting much better candidates, and what they see is a company using great technology to deliver a great customer experience."

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Laszlo Stekl, Head of Digital IT, Digital Factory, MOL Group



About MOL Group

Based in Budapest, Hungary, [MOL](#) (external link) is an international oil and gas company with 26,000 employees and operations across more than 30 countries. With 1,900 service stations across nine Central Eastern European countries, MOL's retail business serves 10 million customers and it processes more than a million transactions every day.

Solution components

- IBM Consulting™
- IBM® Application Management Services
- IBM iX
- Salesforce

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