

MINISTRY SAYS YES TO GAS STATIONS

The 'FREEBIES' WAR rages on. Despite having a 'gentleman's agreement' to ward off the free gifts war among the big oily boys over the sale of petrol and diesel, the officers and gentlemen in these companies do not seem to be settled yet with the idea of ceasefire. Each one is looking to the other to make the first move. To date (Press time), no one has shown any signs of retreat and the hostility is getting to even the most gentle of men.

The Trade and Industry Ministry has also adopted the hands-off policy on the whole fight. Its minister, Datuk Seri Rafidah Aziz, in a recent press statement, said the oil companies are at liberty to embark on promotions relating to free gifts as long as they do not affect the retail price of petrol and diesel. Now that the green light has been given by the ministry, the retail petroleum market will witness companies scrambling for ideas to lure customers.

Crowd-pulling promotional gimmicks, once solely aimed at keeping the cash register busy, are being used currently by petroleum companies in Malaysia to maintain their respective market shares and positions. This exercise, said to be initiated by British Petroleum (BP), has resulted in a 'copy cat' chain reaction in the industry. Now even Petronas, Malaysia's own national oil giant, after seemingly sleeping through the whole freebies episode while the other petroleum companies were heartily giving away gifts, has 'awaken' to enter the race, offering a litre of petrol/diesel free with a chance to win a condominium. It had to join in because its dealers had fallen victims in the battle.

BP's scratch-and-win contest in its 'Drive-In Celebration' has gifts ranging from a can of 7-Up to a Proton Saga car. Shell joined in the fray with its 'Have a drink on us' campaign – you get a Pepsi and a go at a slogan contest that dangles a house as first prize. Mobil and Caltex both offer free soaps for the purchase of a certain ringgit worth of petrol or diesel. In addition, Caltex also had the 'Your Way to the World Cup 1990' contest where a contestant could qualify to buy a 1990 World Cup commemorative medal collection. Esso gives away free coupons for food items at McDonald's besides a chance to win cash prizes.

The Petroleum Dealers' Association of Malaysia (PDAM) had recently asked the Trade and Industry Ministry to include in the retail license of every dealer a clause forbidding the license holder from being involved in any promotion of free gifts, directly or indirectly, at service stations dealing in controlled-petroleum products. But it looks like the ministry is not too keen on PDAM's proposal, and decided that competition will be more exciting.

With no hike in pump prices, the consumers stand to gain from the war. One motorist has this to say: 'I went to a BP station as usual to buy petrol and was given a leaflet about the competition and a free gift without being asked to pay extra. What's wrong with that?'