

ENERGY MARKET DRIVERS

Energy markets are more complex now than at any previous time. However, electricity may be the single most important commodity in civilization today. There are significant opportunities in all aspects of the energy sector in developed and developing regions of the world but the first step is for companies to develop a clear strategy about what is to be achieved in the sector.

Energy markets are becoming more complex areas to operate in effectively. Deregulation has changed basic rules in some markets, even creating unintentional oligopolies and require participants to adjust ways of operating. Some markets remain regulated but offer potential investment options as deregulation is being widely considered.

At Energy Edge, we believe the key to success is to develop a process that has defined goals and a set of steps to achieve them. We believe the most successful strategies need to be flexible and capable of adjusting to changes in the operating environment. To do that effectively, it is essential to identify the market drivers and understand how changes in them affect your business and the path to success in the strategic process.

To aid our clients we offer a comprehensive service tailored to meet individual needs. The major topics covered are;

- Identification of primary and secondary drivers for your industry – examples include power prices, freight rates, exchange rates, competing fuel prices or emission costs.
- The real drivers – what really causes freight rates to increase significantly, for example, why have exchange rates moved against the dollar and what does the future hold? Only by identifying real drivers can reliable strategic decisions be made
- Implications of the behaviour of such drivers for the clients business
- Identification of opportunities created by changes in the drivers
- Definition of the drivers to be monitored – not just those pertaining to your industry but those that have a direct impact on your business
- Assessment of the competitor activity and likely response to strategic moves
- A comprehensive strategy devised on the goals of the company and the industry driver behaviour that will create a long-standing strategic advantage

To date, many companies have found the diversity issue too complex to tackle. We have the skill and resources to do this through our business model that provides the client with access to real-life industry experts.

Energy Edge's breadth of knowledge contacts throughout the energy sector can be a key element in your new business' success. Contact us to discuss how Energy Edge can help you create a competitive advantage through a greater understanding of your industry driver.