

## MARKETING PLAN OF



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# **INDEX**

<b><u>1. EXECUTIVE SUMMARY</u></b> .....	<b>3</b>
<b><u>2. INTRODUCTION</u></b> .....	<b>4</b>
<b><u>3. SITUATION ANALYSIS</u></b> .....	<b>5</b>
<b><u>3.1. Internal Analysis</u></b> .....	<b>5</b>
<b><u>3.1.1. Company's presentation</u></b> .....	<b>5</b>
<b><u>3.1.2. Mission</u></b> .....	<b>7</b>
<b><u>3.1.3. View</u></b> .....	<b>8</b>
<b><u>3.1.4. Values</u></b> .....	<b>8</b>
<b><u>3.1.5. Resources and capabilities of the company</u></b> .....	<b>8</b>
<b><u>3.2. External Analysis</u></b> .....	<b>12</b>
<b><u>3.2.1. Macroenvironment</u></b> .....	<b>13</b>
<b><u>3.2.1.1. Political Factors</u></b> .....	<b>13</b>
<b><u>3.2.1.2. Economic Factors</u></b> .....	<b>15</b>
<b><u>3.2.1.3. Sociocultural Factors</u></b> .....	<b>19</b>
<b><u>3.2.1.4. Technological factors</u></b> .....	<b>21</b>
<b><u>3.2.1.5. Ecological Factors</u></b> .....	<b>22</b>
<b><u>3.2.1.6. Legal Factors</u></b> .....	<b>26</b>
<b><u>3.2.2. Microenvironment</u></b> .....	<b>30</b>
<b><u>3.2.3. Analysis of the competition</u></b> .....	<b>32</b>
<b><u>3.3. Market and demand analysis of ESC'S</u></b> .....	<b>37</b>
<b><u>4. SITUATION DIAGNOSIS (SWOT)</u></b> .....	<b>41</b>
<b><u>5. DEFINITION OF THE PRODUCT MARKET</u></b> .....	<b>44</b>
<b><u>5.1. Segmentation</u></b> .....	<b>44</b>
<b><u>5.2. Target Audience</u></b> .....	<b>45</b>
<b><u>5.3. Positioning</u></b> .....	<b>46</b>
<b><u>5.4. Company's strategy</u></b> .....	<b>46</b>
<b><u>6. SETTING OF OBJECTIVES</u></b> .....	<b>47</b>
<b><u>7. ACTION PROGRAMMES</u></b> .....	<b>47</b>
<b><u>8. MARKETING MIX</u></b> .....	<b>48</b>
<b><u>8.1. Product decisions</u></b> .....	<b>48</b>

<b>8.2. Price decisions</b> .....	<b>51</b>
<b>8.3. Distribution decisions</b> .....	<b>53</b>
<b>8.4. Communication decisions</b> .....	<b>55</b>
<b>9. TEMPORARY PLANNING, BUDGET AND CONTROL</b> .....	<b>62</b>
<b>9.1. Temporary planning</b> .....	<b>62</b>
<b>9.2. Budget</b> .....	<b>63</b>
<b>9.3. Control</b> .....	<b>64</b>
<b>10. INDEX WITH FIGURES, TABLES AND GRAPHS</b> .....	<b>65</b>
<b>12. BIBLIOGRAPHY</b> .....	<b>67</b>

## **1. EXECUTIVE SUMMARY**

Exclusivas Energéticas is an energy consultancy that has a technology, a great name of services offered, and professionals who have a close relationship with their clients, the sum of which makes Exclusives a reference in their area of action. The company gets its customers to save significant amounts of money, both by getting the most competitive energy contracts and by helping their customers consume less amounts of light and gas in their companies.

This type of company has begun to be born during the last century, as a result of the liberation of the energy market and the need of many companies to save on their energy bills. Many companies are unaware of the strategies to follow to find a good contract and, faced with the need to reduce their energy costs, they have to resort to energy services companies.

In this marketing plan, we have carried out an internal analysis to study the resources of Exclusivas Energéticas and an external analysis to study the situation of the environment and competitors, as well as to analyze the market of energy services companies. Finally, we have established several objectives to achieve with this marketing plan, where we can highlight the increase in retention of current customers, the recovery of lost customers or increase the satisfaction of all of them.

To achieve the objectives, we have proposed a total of 10 actions (adapted to the needs of the company). Because Exclusivas Energéticas is an experienced company in the sector and that carries out its services effectively, we have focused on improving the elements of communication, and we have made more actions aimed at our current customers and our potential customers, can know the quality of exclusive services.

Finally, these actions have been assigned a budget and a schedule, indicating the start and duration of the actions. In addition, we have established control guidelines to ensure the achievement of the objectives of this marketing plan.

## **2. INTRODUCTION**

Exclusivas Energéticas, S.L. It was created on September 30, 2014 with the aim of becoming the leading company in Castellón in the sector of energy services companies. The general director, Marc Crespí, and the manager, Iván Forcada, are responsible for ensuring that this objective is being met, in an exponential manner, now almost 6 years after the company was founded.

These two partners started in the energy sector with the company Evolutia Activos S.L., about 10 years ago. While Iván focused on the part of energy efficiency, and performed energy audits to the clients' companies; Marc took care of the part of the energy supply, but as he also has very good commercial skills, he was also attracting many customers to form a large customer base. However, a few years later, they had to leave when they saw that their work in that company was not being adequately rewarded. Marc returned to repeat the same experience in another company with similar characteristics in Barcelona, and again, he left the job again.

Later, Marc and Iván contacted each other and decided to create their own company within the energy sector, since they had extensive experience and knowledge in the sector. Then they created Exclusivas Energéticas, where at the beginning it was they two alone, and a little later joined the staff Toni Estruch. Ivan carried out the functions that involved the technical side, that Marc was in charge of the commercial part and Toni gave them a hand to manage the business a little better. The biggest change when performing the functions within the company was to move from using Excel to create a computer system that greatly reduced the time of completion of tasks, which increased efficiency significantly.

As for the portfolio of clients, when they began to capture the first ones, they could quickly appreciate the quality of the services offered, which made them continue trusting in Exclusivas Energéticas, to the point of managing several hundred clients today. In terms of the number of workers in the workforce, has gone from the two founding partners to have a staff of more than fifteen employees, while the company has become a leading company in the province of Castellón.

### **3. SITUATION ANALYSIS**

#### **3.1. Internal analysis**

##### **3.1.1. Company's presentation**

Exclusivas Energéticas is an Energy Services company, which uses technology at the service of energy management. This management is based both on reducing the price of energy contracts, on an advisory/consulting service, and on reducing consumption, thus increasing energy efficiency. The company has 2 service lines: gas supply and electricity supply.

In spite of the liberalization of the energy market, the marketers and the energy distributors that coexist in the market still have a lot of power. It is for this reason that Exclusivas Energéticas was born, not to let companies that consume large amounts of energy, without knowing exactly what conditions they are hiring; since in energy contracts there are a series of concepts invoiced, that many of those who are not in energy businesses are not able to understand.

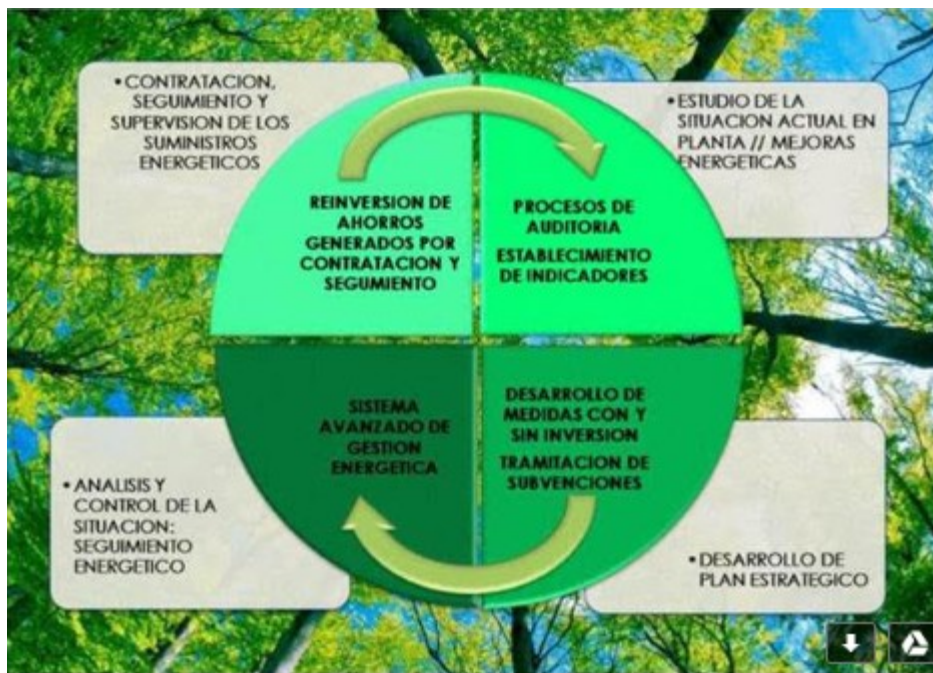
The company offers our clients a contracting service in which, depending on the level of electricity and/or gas consumption, they advise them which would be the best offer, taking into account both the price and the conditions of the contract, as well as the time at which to do it. When the client or potential client contacts them, and explains which is the consumption of electricity and/or gas in their factory or company; they contact a large number of managers, who send them the corresponding offers, and from there, they study which is the most appropriate for their client. Once they have consulted the best offers, they transmit to the client which are the best contracting alternatives, taking into account the savings provided by them. At this moment, the client thinks which is the best option for him and, when he decides for one, Exclusivas processes the contract with the corresponding marketer.

Once the clients have an energetic contract in force, Exclusivas also provide them with other types of services, if they require them. Among these services are the monitoring of billing, where employees see if the invoices that are sent are correct or there are deviations, which, if they are

against their client, it may be convenient to claim the monetary difference of such deviations, which occur by some concept in which they have been billed more than they should; power optimization or QD, where they look at whether the powers (in electricity) or the QD contracted (in gas) are appropriate for the level of energy consumption carried out in the customers' company to, if not the case, advise on the best adjustment to carry out for greater savings; or pre-invoicing, where a few days before the marketer sends the customers the invoice, they make a calculation to notify them of what will be approximately the final amount they will have to pay.

Finally, if they see that, according to the data provided by the customers, they intuit that their facilities are not working according to adequate performance, as the customers have a significant energy cost overrun, Exclusivas propose audits, where they study everything that influences the consumption of electricity and gas, and they recommend how to restructure the facilities so that the customers consume the optimum to have the best performance at the lowest possible cost.

**Figure 1. Services offered**



*Source: Website Exclusivas Energéticas*



In summary, the activities carried out by Exclusivas Energéticas are the following:

- Contracting of energy services.
- Optimization of energy consumption and billing.
- Service control and monitoring of billing and energy supplies.
- Monitoring of energy markets to predict the evolution of them.
- Energy audit services.
- Service of improvement of contracts with the commercialization companies.
- Advice to the clients before any problem that could arise.

Currently Exclusivas Energéticas is a reference at provincial level, however, wants to continue growing, and for this is looking not only to make contacts with Spanish companies, but from other countries. Recently, the company has started a collaboration with a Mexican company, as it markets a very useful device to control electricity and gas consumption. This company is interested in marketing the device exclusively with Exclusivas, in addition to providing them with contacts of companies in Mexico that require energy services, in exchange for feedback on their product and provide them some of their energy services. In addition, the company are waiting to develop their system in order to be able to carry out studies of rate optimization for small consumers, something that will be very useful to them, and that will allow Exclusivas to capture more clients.

In addition to the consulting business, The company collaborate with Jaume I University, with job placement programs, in fact most of the workers who have been hired during the last 2 years, come from UJI students who did their internships in the company; they are also developing an algorithm to predict prices, which is the most difficult thing in this business; and are also carrying out a professorship on the fourth industrial revolution.

### **3.1.2. Mission**

"We want to increase the competitiveness of our customers, while contributing to reduce their environmental impact, acting mainly in two areas: management of energy purchasing and the

management of energy efficiency. To achieve this we offer a comprehensive and automated process that reduces energy consumption, and we rely on the knowledge and experience of our team of specialists. We work to offer an exceptional service and a personal treatment to our employees, being the attention to the needs of our clients our fundamental axis. " (Web Exclusivas Energéticas, 2019)

### **3.1.3. View**

"We want to promote fair trade and support the interests of consumers against the energy oligopoly, we also want to contribute to the reduction of energy demand through its rational and efficient use that favors the competitiveness of industry and intensive consumption companies, consumption-intensive companies, being leaders in our field and keeping intact the values of our company. Our goal is to reach any corner of the world and contribute our knowledge and solidarity consciousness in development and sustainability projects to companies that share our values, to the most disadvantaged and to the planet itself. To achieve this our intention is to expand the business internationally and bet on technological innovation as the engine of our development." (Web Exclusivas Energéticas, 2019)

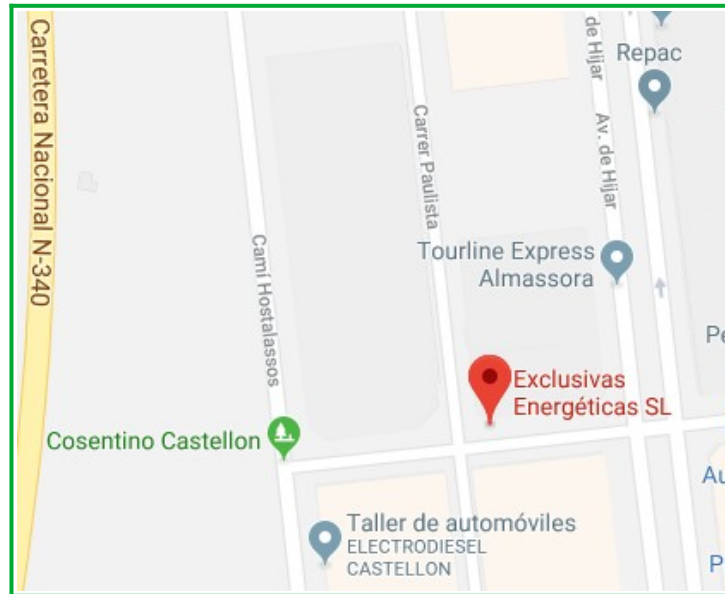
### **3.1.4. Values**

"We believe in a sustainable world and society, where respect and conscience are the pillars in our relations with society and the environment. We want above all the well-being of all living beings in the world, including ourselves. " (Web Exclusivas Energéticas, 2019)

### **3.1.5. Resources and capabilities of the company**

Exclusivas Energéticas has an office located in Almazora (Castellon), in the street of "Els Almogàvers", nº 11 (Figure 2).

**Figure 2. Location**



**Source: Google Maps**

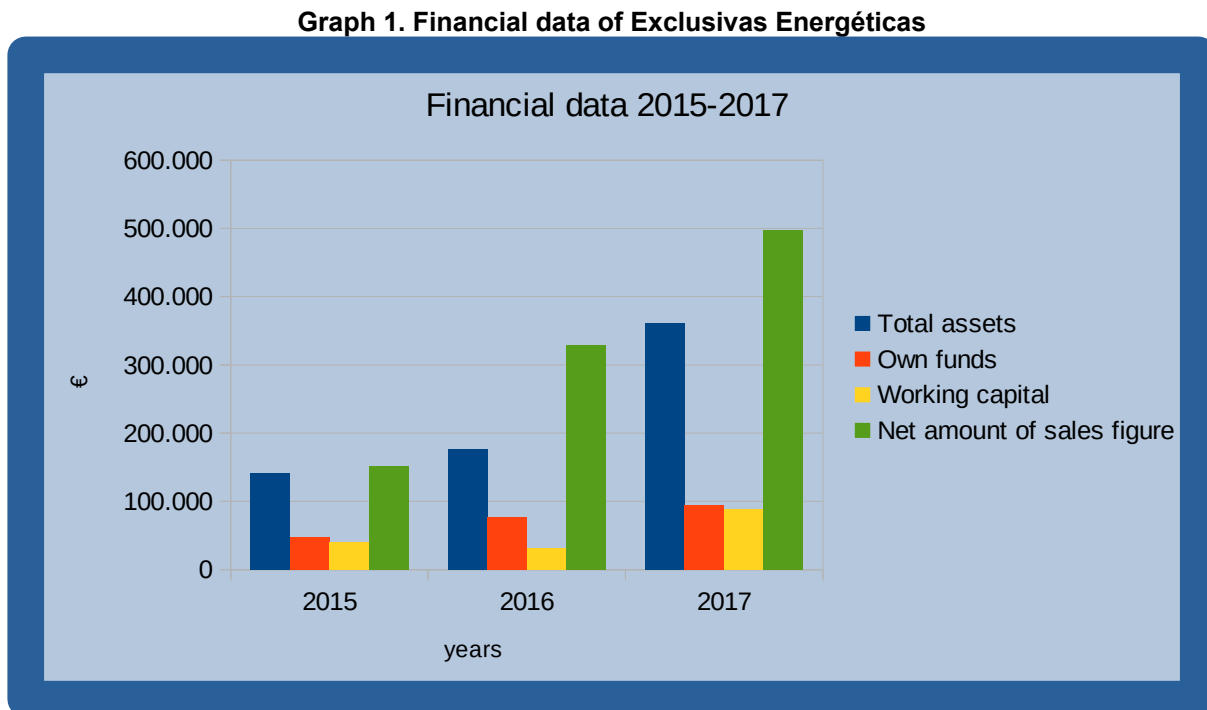
Exclusivas Energéticas offers the client a team of professional engineers and financial experts with extensive knowledge of the most efficient technologies and in the energy markets in both gas and electricity. It has a department specialised in energy use management made up of engineers specialised in energy efficiency in the most complex sectors, where the energy cycle is constantly transformed and different technologies and processes are applied.

The technological base that allows them to carry out all the services is a complex but quite intuitive computer software, in continuous development, created by its two computer experts, who have parameterized all types of contracts, to simulate the invoicing of each of the commercialization companies. In order to carry out all kinds of studies on these systems, their clients must provide them with the current contract, invoices and access to the meter in order to collect the consumption carried out and be able to transfer the information to this system, and the system must be able to analyse which is the correct invoicing and whether there are deviations. Consumption data can be obtained directly from the meter or the distributor.

Regarding social networks, Exclusivas Energéticas has a Facebook page with weekly publications, and has an account on LinkedIn. It also has a recently created blog, which is still not very active.

In terms of material resources, Exclusivas Energéticas has a net worth of € 94,011 and a total assets of € 360,758 at the beginning of 2018. (SABI, 2019) Among the assets, it has a property used as an office, about 25 computers and a device that is able to receive the daily, hourly and / or quarter-hour consumption of their customers and send it to the computers, where there is already the rest of the information to meet the needs of all customers.

The following Graph shows the evolution of certain financial data from 2015 to 2017:



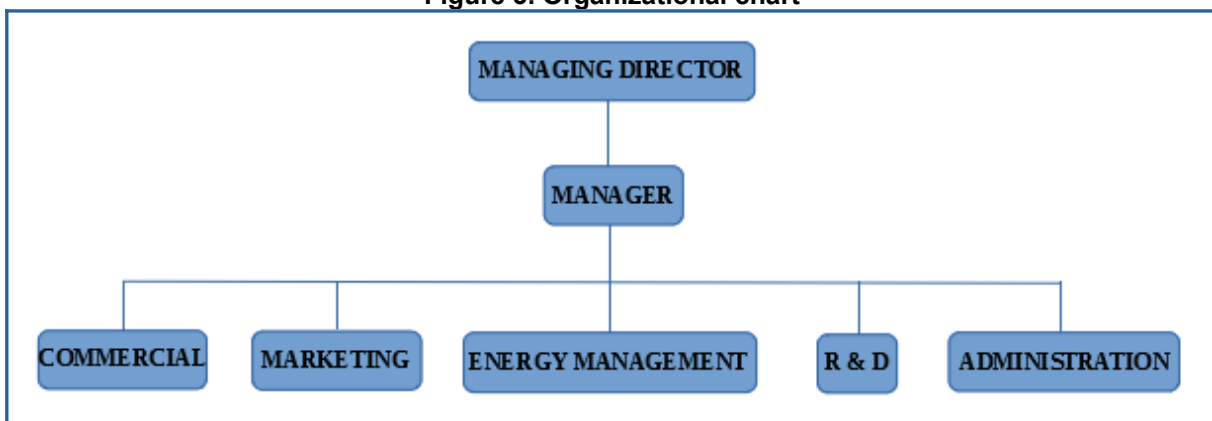
*Source: Own elaboration. Data: SABI, 2019*

It is more than remarkable the exponential positive evolution of the value of both the net sales figure and the assets, since the former has increased by 230% since 2015, in just 2 years (from

150,948€ to 498,219€), while the latter has increased by 155% (from 141,729€ to 360,758€) (SABI, 2019).

In terms of human resources, its 10 technicians in the energy management department (including myself), we are the ones who have direct contact with customers, who carry out the appropriate studies, and we address them through e-mails and also through phone calls. There is a person in charge of the marketing department; 5 workers in the R&D department, who are in charge of improving the software and correcting the small errors detected by the technicians who work with it. There are 3 salespeople in charge of getting new clients, and for this they travel all over Spain to have personal meetings with companies that are interested in our services. In addition, in the company there is an administrator, in charge of managing the most bureaucratic part of the company; the general director, who also does commercial work; and the manager, who has meetings with clients within the company and also outside it, but most of the time is in the office and is constantly informing himself of the state of the energy market to decide the best strategy for our clients, which can change from one moment to another. In addition, it tells us which are the most important issues that we, the other workers, have to do to prioritize, and also motivates us to be better.

**Figure 3. Organizational chart**



*Source: Own elaboration*

Within the work environment, the most important thing for us to do our job well is the way we work together, helping each other, and the existence of fluid communication between workers at the same level, as well as with each other, so that coordination is the best possible. Also, as we

are different people, we have different skills and technical knowledge, but when one of the workers learns something different, he explains it to the others, because the goal is to grow together in the same direction.

We are all united by an overflowing enthusiasm for this common project and we adapt ourselves in an unlimited and creative way, putting all the passion since we got up every morning. In the company we work in a professional way in everything we do, and there is a companionship between all workers and a familiar treatment both between us and in each of our clients, to make them feel at home. The workforce is formed by a team of highly talented professionals, proactive, dynamic and agile, which offers a premium service to customers. We are a group of people who give confidence, bet on creativity and enthusiasm, and above all, on people.

### **3.2. External analysis**

We are going to analyze the environment of the Energy Services Companies. ESC's are a type of companies that have emerged over the last decade and are becoming one of the key players in the energy efficiency and savings sector, since they act as the most important intermediaries between the consumer and the company that provides the energy, advising them on how to obtain the greatest savings on the energy bill. However, although the Administration is providing initiatives to promote this type of services, the level of development of the energy services market in Spain is currently well below the level in other countries within the same European Union or the United States. If we want a satisfactory development of the market for energy services, each of the services carried out by this type of company must be incentivised. The ESC's must become the essential intermediaries between energy consumers, financing and technology, which will allow the total maturation of the sector.

First we will analyze the macroenvironment of the company, and then the microenvironment.

### **3.2.1. Macroenvironment**

The macro-environment is composed of all those demographic, economic, technological, political, legal, social, cultural and environmental factors that affect the company's environment. All these factors refer to all external forces, which are not controllable by the company. In order to carry out all the influencing factors, we will base ourselves on the PESTEL analysis of the energy sector.

#### **3.2.1.1. Political factors**

For a long time, our country's electricity market was structured as an oligopoly in which the price of electricity depended on a very small number of companies. Spain was fragmented into five geographical areas, and the supplies that were within a certain area were awarded to one of these large companies, which had under its control the management of the four supply phases of its scope of action.

However, in 1997, thanks to the first law liberalising the Spanish energy sector, competition within the electricity sector was fostered. This law corresponds to Law 54/1997, which was later replaced by Law 24/2013 on the Electricity Sector. Thus began a profound change within the functioning of the sector, producing a division between its different phases: production, transport, distribution and marketing. Simultaneously a liberalization of the last stage began: the commercialization, giving rise to a market of sale of the liberated electricity. At this stage is when the trading companies come into play, which sell the energy to the final consumer at different prices and characteristics.

However, as a result of the political decisions taken in the energy sector and the evolution of markets and the economy, we reached a significant deficit figure in 2013 rate. In the years 2012 to 2016 we managed to reduce the deficit and adjust budgets. However, this has had a very high cost in the items of Distribution and Commercialization, Premiums to the special regime or to the current Remuneration, Transport, Acquisition to the special regime, Deficit and FADE annuity (item to adjust the differences between the peninsular and extrapeninsular territory, Costs of

Transition to competition (investment costs not paid before the liberalization of the sector), costs of the system (adjustment mechanisms such as interruptibility or Capacity Payments), subsidies to the Coal sector that we paid until 2009 or the Nuclear Moratorium.

In 2013, the biggest cut in the energy sector was approved. The government had to make million-dollar cuts and also create a series of taxes to increase the system's revenues. Among the measures taken are the following:

- A retroactive reduction of the premium system for renewable energies is carried out and a new remuneration system is established based on the concept of "reasonable profitability" (7%).
- Increase in revenues as a result of the revision of tolls with Order IET 843/2012.
- Reduction of system costs through cuts in transport and distribution.
- Tax of 7% on the remuneration for electricity generation in the production market.
- Taxes on consumption of fossil fuels (Natural Gas, Coal, Diesel, Fuel oil)
- Taxes on radioactive waste.
- New measures related to the Fund for securitization of the Electricity System Deficit are implemented.
- Hydraulic Canon: 22% on the retribution of the hydroelectric energy produced, due to the use of the continental waters for the production of electrical energy.
- Modification of the admission regime of the social bonus cost.
- Creation of the Registry of Autoconsumption.
- Creation of the National Commission of Markets and Competition (CNMC).
- Deletion of Efficiency Supplements and Reactive Bonus.

All these measures have had a rather high cost which can be summarised in the following points:

- Increase in regulated costs for consumers.
- Taxes and rates on generators moved to the wholesale market and, as a consequence, the final consumer had to increase the market component of the invoice.



- The retroactive cut of the premium system caused many investors to suffer a severe blow.
- The loss of premiums on the part of renewable technology meant that renewable generation compensated for the lack of remuneration for premiums.
- The marketers appealed the measure on the assumption of the social bond.

In the gas sector, Spanish regulations have emphasised the objective of guaranteeing gas supply. Due to the great dependence of the Spanish gas sector on foreign supplies and also due to the consideration of the gas service as a service of general interest, with the publication of the Law on the Hydrocarbons Sector (Law 34/1998 [57]), the obligation is established for agents to maintain minimum security stocks and diversity of supplies.

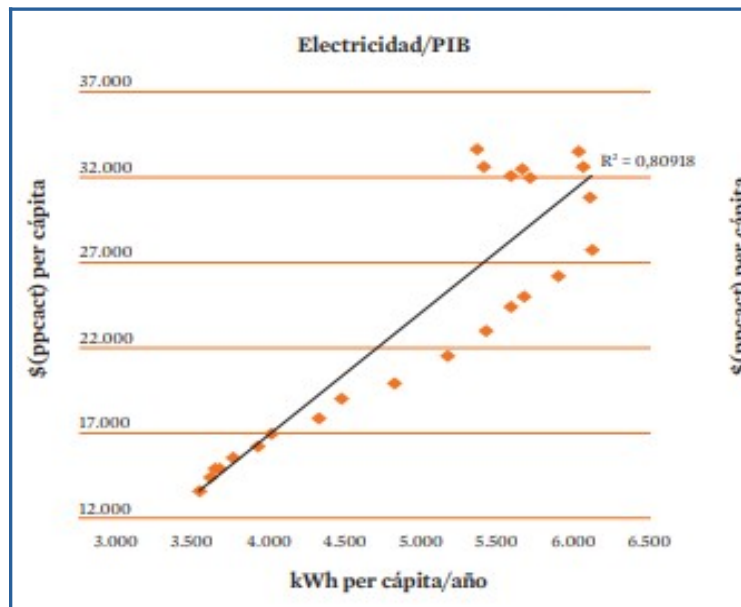
#### 3.2.1.2. Economic factors

The electricity and gas sectors in Spain are relevant sectors within their economy due to their contribution to the Gross Domestic Product (GDP), investment, employment, the multiplier effect it has on other economic sectors and the fact that it is a basic input for other sectors that also create wealth. This sector is very important in industrial sectors, because the cost of electricity is a significant factor for the competitiveness of companies, both nationally and above all internationally.

As for the economic factors that may influence the energy sector, among them may be business cycles, GDP trends, interest rates, changes in the monetary supply, inflation, unemployment, etc. However, if we focus on the Spanish electricity sector, we can see that one of the economic factors that have most influenced is the crisis that began in 2008. This led to families having less purchasing power and reduced electricity consumption. When it was created, the electricity sector was designed for a system of expansion, but as a consequence of the period of economic crisis, an important disinvestment was foreseen in the following years, which would come from Spanish and foreign companies.

The electricity sector is fundamental for the economic development of society, apart from being a factor that helps us know the economic situation of a country, as the increase in electricity demand is one of the first consequences of economic recovery and vice versa. To support these ideas it is enough to look at the relationship between electricity consumption and economic growth in the last 25 years in Spain (Graph 2):

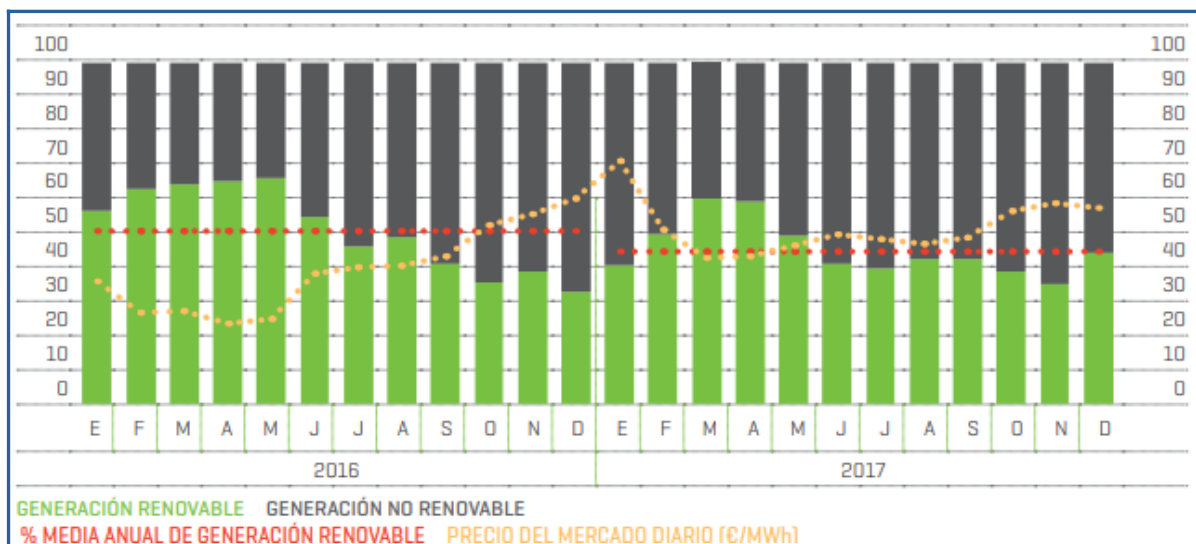
**Graph 2. Evolution of electricity consumption together with GDP per inhabitant in Spain between 1990 and 2016**



*Source: Economic and Social Council Spain. Data: World Bank, 2017*

As for the price of electricity, in the last 10 years it has been on an upward trend, despite the period of economic crisis and, therefore, a decrease in consumer demand. This upward trend, together with the high volatility of these prices, is very worrying, due to the fact that electricity is a first necessity and an essential input for productive activity. The following graph shows how, normally, there is an inverse correlation between the price of the daily electricity market and the share of renewable energies, in such a way that a lower share of renewable energies translates into an increase in the price of electricity.

**Graph 3. Joint representation of the price of electricity and the percentage of generation between renewable and non-renewable energy**



Source: REE, 2018

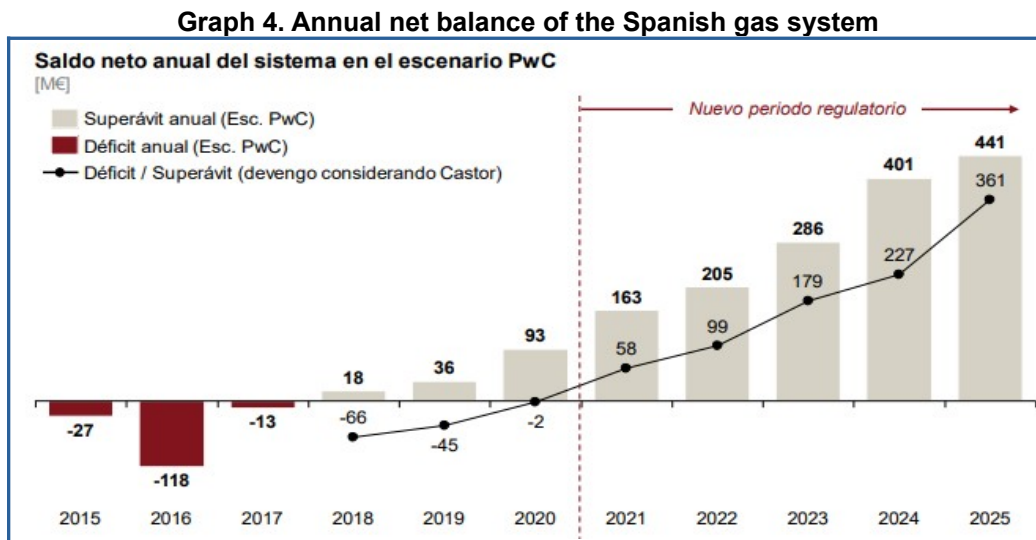
As far as the gas sector is concerned, we have that the industries that are more energy intensive have a high energy dependence on natural gas, besides being the gas the key to the competitiveness of these industries. The industries that use gas the most are those that require large amounts of heat, such as the chemical industry, metallurgy, mining or construction industry.

Spain is fundamentally a gas importer, as it produces a tiny proportion of the gas consumed in industry and homes. Since 2002, around 15,400 million euros have been invested cumulatively, which has allowed the construction of infrastructures that have the capacity to absorb increases in future demand. (INE 2018). In addition, the conditions of the sector have attracted a large number of international investors, who have opted for the sector in the long term, forming a rational and sustainable investment model. Thus, the last few years, distribution companies have invested in Spain, which have led to the consolidation of first-rate infrastructure and pension funds. The motives of these companies to enter the shareholding are, among others:

- Spain's growing macroeconomic trend.
- The growth potential of the natural gas sector in Spain in the medium term.

- A stable and predictable long-term regulatory framework.
- The vision of natural gas as an energy source that will be important in the energy transition.

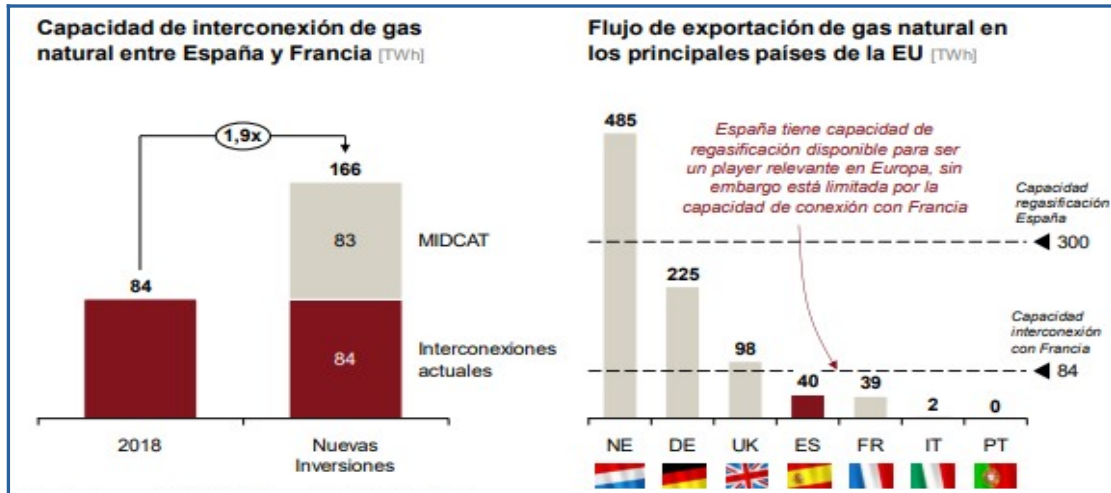
On the other hand, the continuous surplus that is expected to occur from last year will allow an acceleration in the repayment of the pending historical deficit (Graph 4), estimating that it will end up paying off in 2023. This forecast represents an advance of 8 years with respect to the term foreseen in the regulatory framework, which had 2031 as the year in the limit to repay the deficit 15 years after its start in 2014.



Source: CNMC, 2018

In spite of this, there is a very important aspect that, in the short and medium term, should be improved in order to guarantee the competitiveness of gas in Spanish industries, since there are some market distortions that do not allow the gas system to play a key role in the energy transition. This aspect to improve is the interconnection with the North of Europe, since this would facilitate that the prices of the Spanish market will lower somewhat more. In our country, the net flow of natural gas exports is 40TWh, well below the 98 TWh of export flow from the United Kingdom and 485 TWh from the Netherlands (Graph 5).

**Graph 5. Export flow of natural gas in the main countries of the EU (Twh)**



Source: Enegas; MINETAD; Eurostat, 2018

### Sociocultural factors

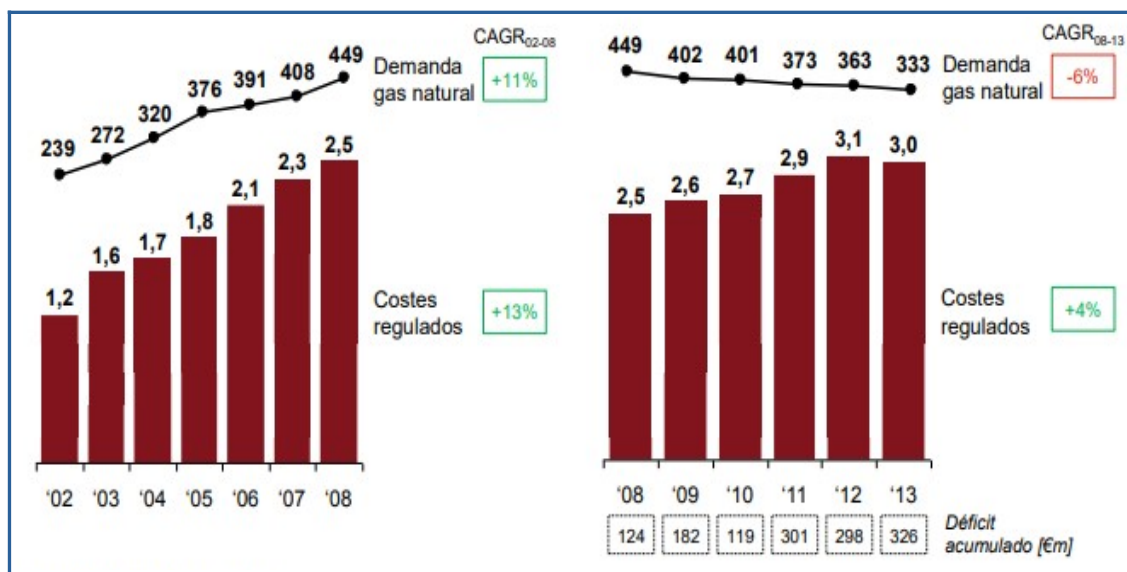
Access to energy is a good indicator of well-being and is a key element in the fight against poverty, since energy poverty affects underdeveloped countries, but also affects developed countries in times of crisis. Recent years have seen increased market tensions, legal uncertainty and price volatility. These factors affect both energy-consuming industries, as well as domestic users, with the most vulnerable groups being the most disadvantaged, due to the connotation of a good of primary need. It also makes the market less attractive to investors, as there is little security in forecasting future cash flows and profitability.

As for the gas system, it has been distinguished since its inception by a stable regulation, protected by the Hydrocarbons Sector Law of 1998, which was only affected by the rate deficit from 2008 to 2013 that I have commented previously.

This stability allowed the sector to develop, and increased the use of natural gas in all consumer groups in the period 2002-2008 (from a demand of 243 TWh to 449 Twh). This is distributed as follows, according to CNMC data (Graph 6):

- In the domestic segment, the number of supply points rose from 4.9 million to 6.9 million, with demand at 60 TWh.
- In the industrial segment, natural gas reached 194 TWh, replacing other more inefficient and less sustainable energy sources, such as in the chemical or construction sectors.
- In the electricity sector, the construction of about 20 GW of Combined Cycle Power Plants (CCGTs) boosted demand for natural gas to 188 Twh.

**Graph 6. Evolution of gas demand and regulated costs of the gas system**



Source: CNMC, 2018

This growth in demand for natural gas was accompanied by a great development of the supporting gas infrastructure and, consequently, also by a continuous increase in the regulated costs of the associated activities (from 1,200 M€ in 2002 to 2,500 M€ in 2008): Thus, during the period of growth between 2000 and 2008, important transport and regasification infrastructures were built. Among these works are the Al-Ándalus, Eje Levante and Huelva-Alcázar-Madrid gas pipelines, and the regasification plants of Sagunto, BBG and Reganosa, as well as the development of the distribution network to supply the increase in domestic-commercial supply points, and also to the industrial segment in medium and low pressure. (CNMC, 2017)

#### 3.2.1.4. Technological factors

Electricity is essential for the functioning of the industrial sector, commerce, telecommunications, basic services such as hospitals and even for households. Electricity has fostered technological and social development over the last century.

Some of the technological factors that describe a market may be public spending on research, new discoveries, or the speed of transformation of technologies. If we focus on the sector in question, the energy sector, both on the supply side (that of energy generation) and on the demand side (that of energy consumption), a great deal of knowledge and technology is needed for proper operation to take place within the installations. This is why it is essential to invest in R&D&I, since companies that are in continuous technological development can achieve advantages over their competitors. Despite the risk that such an investment may entail, in the medium and long term it may mean a greater likelihood of success. Not only must manufacturers and consumers invest in R&D&I, but all the agents involved, including the government and universities, must also be involved.

The liberalization of the electricity market, together with environmental conditions, predict a future in which energy diversification will increase through the ever-increasing use of renewable energies. There will also be greater decentralization, as the trend towards the implementation of decentralized electrical systems will change the generation module of the distribution network that we have today. This will reduce the investments needed for new power lines and allow the use of autoproduction systems. Together with renewable energies, cogeneration systems based on the use of heat produced in combustion to simultaneously generate electricity and another useful form of thermal energy, steam or hot water, will significantly increase the efficiency of processes in the industrial or tertiary sector.

In the industrial sector, one of the solutions to reduce energy consumption is to increase cogeneration systems, which allows heat and electricity to be generated as part of a distributed generation process. In addition, environmental criteria must be adopted regarding the incorporation of new products into industry, which allow for the establishment of a global energy

management system that ranges from supply depending on the prices that cover their needs to achieving maximum use of the waste generated.

Finally, it is essential to talk about technological improvements linked to energy efficiency. Energy efficiency as the optimum use of energy resources is a decisive element in reducing consumption through the establishment of more rational consumption habits, the introduction of improvements in management systems and the improvement of equipment performance. In the residential and tertiary sectors, energy consumption can be significantly reduced by using lighting systems with low-consumption lamps and sensors that allow the desired lighting environment to be defined, and also by implementing more efficient and self-regulating air-conditioning systems. Bioclimatic architecture incorporates new products into buildings, which is an essential aspect of energy saving, to which is added that which can be achieved by using low-consumption domestic appliances and introducing good use practices.

#### 3.2.1.5. Ecological factors

Climate change is one of the main environmental problems of our planet, as it is causing very relevant social and economic consequences. This is why, over the last few decades, measures have been taken to combat this fact (the Kyoto protocol in 1997 was the first binding agreement at world level with emission reduction targets), strengthening international agreements in recent years. Thus, in 2015, the XXI International Conference on Climate Change was held and the Paris agreement was adopted. This agreement sets the objective of keeping the world average temperature below 2°C with respect to pre-industrial levels.

In order to achieve the climate objectives discussed at the International Conference for 2030 and 2050, at the end of 2016 the European Commission presented a set of energy proposals. The objectives established for the year 2030 are the reduction of 40% of polluting emissions with respect to 1990, a share of renewable energies of 27% of total energy, and a 30% increase in energy efficiency.



The energy sector, which is responsible for 80% of greenhouse gas emissions (IDAE, 2018), must play a decisive role in the fight against climate change. This is why an intense transformation of the energy mix will have to be carried out in all segments, trying not to make companies lose competitiveness or condition economic growth. For this to be the case, the energy model must take into account three key aspects:

- Security of supply: to ensure a continuous and sufficient supply of the necessary resources. In order to do so, it is necessary to consolidate a source of supply of resources that is certain, independent of external factors, either using the country's own resources or through the development of contractual relations that reduce the vulnerability of the energy supply; and to consolidate a flexible supply, fundamentally through the development of the necessary infrastructures.
- Environmental sustainability: Policies must be implemented to help minimise the impact of greenhouse gas emissions and pollutant gas emissions.
- Economic efficiency: a key aspect of a country's economic competitiveness is the ability to access sources of energy supply at reasonable cost. In a scenario of globalization and high competitiveness, the search for efficient solutions that help the country grow becomes more important. This is achieved through access to cheap raw materials, as well as through the development of technologies that minimise the costs of energy transformation.

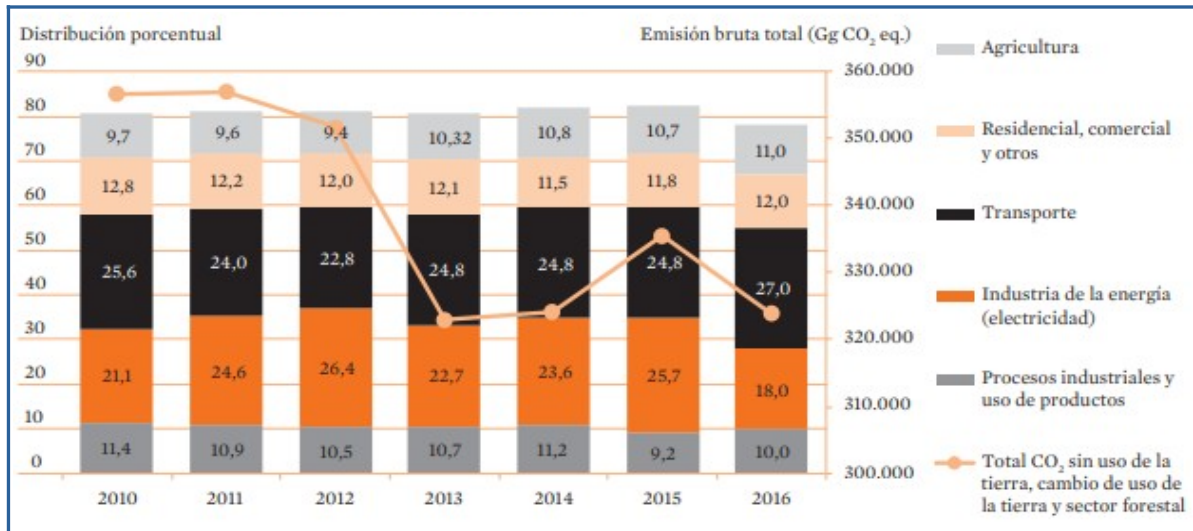
In this sense, the foreseen Law on Climate Change and Energy Transition must be the regulatory framework that establishes the most appropriate channels to achieve the objectives committed at European level. To this end, in July 2017 it was agreed to create a Commission of Experts. The Commission report presents a de-carbonisation scenario based on an increase in renewable penetration, progressive electrification of the economy, mainly in sectors with high emissions such as transport, and increased energy efficiency. This report highlights the importance of natural gas as a key energy source for the energy transition in Spain, especially for meeting the 2030 objectives. In fact, it estimates for natural gas the highest growth in final energy consumption (doubling from 150TWh in 2015 to over 300TWh in 2030), becoming the main consumption in 2030 ahead of both electricity (+250TWh) and other petroleum products (+200TWh).

Another European target is to reduce GHG emissions in the European Union by at least 80% by 2050. In this sense, the electricity sector is vital, since it is not only responsible for a large part of the emissions of these gases, but it is also a sector that is moving towards the use of renewable sources that do not produce GHG emissions. In addition, this fact is reaffirmed by the fact that innovations from other sectors (such as the automotive sector and, in general, the transport sector), which have to form part of this emission reduction target, are weighing up the use of electrical equipment.

There are also more short-term targets, in relation to the Kyoto Protocol, which sets out in the European Energy and Climate Change Package a series of targets to be achieved by 2020 in terms of renewable energy, energy efficiency and reduction of GHG emissions. One of these objectives, which is linked to the electricity sector, speaks of achieving a 21% reduction in electricity production with respect to that generated in 2005.

By 2030, according to the Paris Agreement, the European Union's Energy and Climate Change Policy Framework 2021-2030, it is predicted for that decade that levels of greenhouse gas emissions will have been reduced to at least 40% below 1990 levels; with reference to the electricity sector, moreover, its internal market will require electricity interconnections to rise to 15%, with a special focus on the Baltic States and the Iberian Peninsula. You can see the evolution of GHG emissions in the following graph:

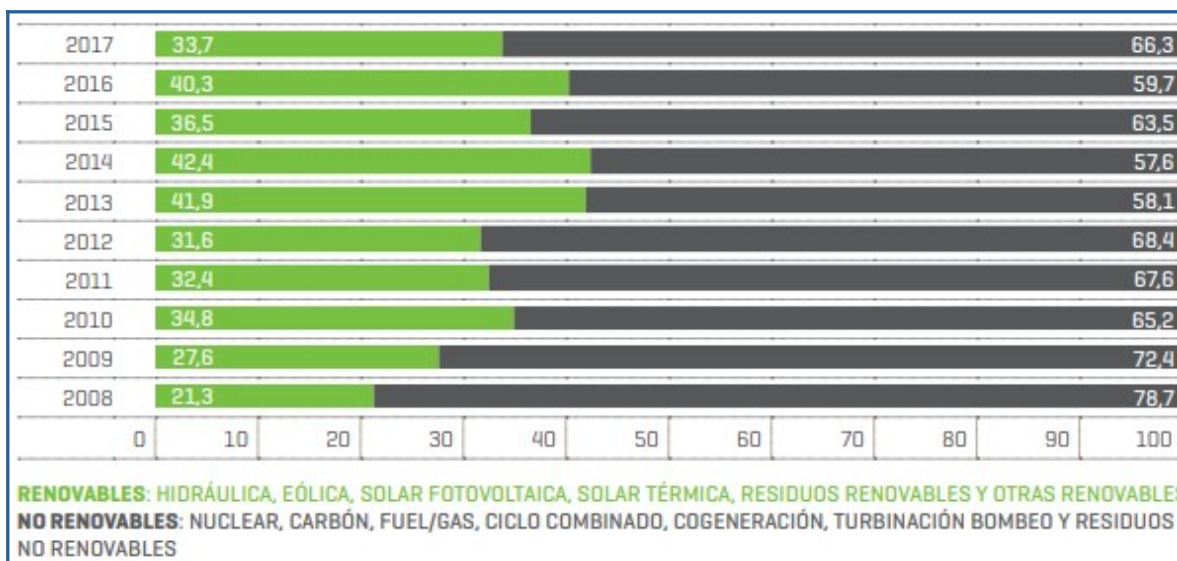
**Graph 7. GHG emissions by sectors in Spain**



Source: Ministry of Agriculture and Fisheries, Food and Environment, Spanish Office of Climate Change, 2017

In 2016, the European Commission established the so-called "Clean Energy for All Europeans", a proposal, also known as the Winter Package. The package includes specific targets, such as achieving 27% renewable energy in relation to the total energy used, reducing CO<sub>2</sub> emissions by 40% and increasing energy efficiency by 30% by 2030. There are also certain measures that favour innovation in clean energy, promote public and private investment, and the competitiveness of European industry, while reducing the social impact of the energy transition. The following graph shows the combined evolution of renewable and non-renewable energy generation:

**Graph 8. Evolution of renewable and non-renewable electricity generation in the peninsula**



Source: REE, 2018

### 3.2.1.6. Legal Factors

In Spain, at the end of 1994, LOSEN<sup>8</sup> was approved, a package of measures aimed at "introducing elements of competition and competitiveness in the installation of new electrical installations" and ordered the separation of sectors, with the aim of being able to regulate differently "those that constitute a natural monopoly and those that can be exercised under competitive conditions, as well as to establish the most appropriate remuneration for each of them". In this way, the so-called integrated system was established for conventional companies, and the independent system for renewables, co-generation and auto-production, which would operate in an open market. However, it soon became apparent that, following the adoption of Directive 96/92/EC, a new regulatory change in the sector was needed.

When the electricity market is liberalised in 1998, consumers are expected to be able to choose the rate conditions that best suit them. The opening of the networks to third parties, the establishment of an organised energy negotiation market and a reduction in public intervention in the management of the system are beginning at this moment. A law was passed to regulate

the structure and functioning of the sector, which draws a distinction between regulated and unregulated activities and boosts competition in the sector, through measures that promote competition from marketers, improving the consumer's position regarding available information and facilitating supplier switching processes.

Marketing companies are companies that access distribution networks to buy energy and then sell it to consumers. This activity is regulated by Law 24/2013 and Royal Decree 1955/2000. The obligations of the trading companies are to comply with the requirements of legal, technical and economic capacity in relation to the supply of electricity; to acquire and pay the energy necessary for the development of their activity; to contract and pay the toll for access to the distribution networks to the corresponding distribution company and to provide the guarantees established in the regulations. The payment of the fixed retribution of the payments for interruptibility to the generation activity, concept to be paid by those companies that require large amounts of energy (iron and steel, cement, chemical...), in exchange for their commitment to stop production at times when there are problems to satisfy demand, in addition to the payments for availability.

Last October, a series of measures were published in the BOE with the aim of reducing the impact of structural elements that affect the rise in the price of energy bills. These measures were published in RDL 15/2018 of urgent measures for the energy transition and consumer protection, and are articulated around four axes:

- **Consumer protection**

- Measures to reduce energy poverty: social bonus of electricity and thermal bonus for vulnerable consumers.
- Measures to protect all domestic consumers: optimisation of contracting to reduce electricity bills, while increasing quality information.
- Access toll 6.1B is eliminated, and supplies with a voltage greater than 30 kV are added to toll 6.2.

**Table 1. Current electricity rates according to voltage**

Voltage Level	Rate
>= 1 kV y < 30 Kv.....	6.1A
>= 30 Kv y < 72.5 kV.....	6.2
>= 72.5 kV y < 145 kV.....	6.3
>= 145 kV.....	6.4
International connections.....	6.5

Source: Own elaboration

- **Implementation of renewable self-consumption**

- The "consumption by one or more consumers of electrical energy coming from *production installations close to and associated with those of consumption*" shall be considered *self-consumption*.
- The modes of self-consumption are reduced to "without surpluses" (those that do not allow to inject to the network) and "with surpluses" (the installations that allow to inject to the network).
- *Nearby production installations* shall be considered to be "those which are connected in the internal network of the associated consumers, are connected to them through direct lines or are connected to the low-voltage network derived from the same transformation centre".
- The Administrative Registry of self-consumption is created.
- The right to self-consume electric energy produced from renewable sources without charge or toll is accepted.
- The right to shared self-consumption is admitted.
- Administrative and technical procedures are simplified for small power plants (< 100 kW).
- The ultimate goal is for consumers to have a greater number of cheaper options for their electricity supply.

- **Accelerating the transition to a decarbonized economy**
  - Measures to achieve the objectives of penetration of renewable sources in the electricity generation mix. Legal barriers that hinder the transition are removed.
  - Measures to facilitate sustainable mobility, encouraging the development of charging infrastructures.
  
- **Moderation of price developments in the wholesale electricity market**
  - Generation and cogeneration of electricity through natural gas: Exemption from the Special Tax on Hydrocarbons for energy used for electricity generation in co-generators and combined cycles.
  - The implementation of a rating that makes it possible to extend the useful life of high-efficiency cogeneration using renewable fuels, natural gas or low emissions.

As in the Spanish electricity sector, the bases for its liberalisation were established in Law 34/1998 on the Hydrocarbons Sector. This law transposed Directive 98/30/EC (Gas Directive) into Spanish law, defining the axes of a liberalised gas system and in line with the principles of the most developed European energy markets. This law identified the parties involved in the gas system (transporters, distributors, traders, etc.), set up an infrastructure planning system and established the figure of an independent technical manager of the system. In addition, the Law established a date to progressively introduce the freedom of choice of marketer for all users.

Another of the laws that represented an important evolution of the Spanish gas system was Royal Decree 949/2001, which implemented the economic regime of regulated activities through a system of tolls, fees and regulated rates for access to networks and use of infrastructures (transport and distribution gas pipelines, regasification plants and underground storage facilities).

Between the years 2002-2004 a series of laws were passed that were in line with the first law of liberalization of the gas market. One of these laws was Royal Decree 1434/2002, which established the necessary requirements for carrying out the different activities (transport, distribution and marketing), regulated aspects connected with supply (e.g. connections, quality

of service, etc.) and developed an authorisation procedure for gas installations. Another law, Royal Decree 1716/2004, led to a change in regasification and transport and distribution tolls, reducing operational storage in the tanks of regasification plants and in transport pipelines. At this point, after these 2 years, 80% of the gas consumed was already marketed on the free market, in which 11 trading companies were now offering. (IDAE, 2017)

And we came to July 2014, which is the time when the reform of the gas sector is taking place, and there was a net decrease of millions of euros in the retribution of activities, the elimination of indexations, and the implementation of other measures that allowed the gas sector to return to being economically sustainable. It is at this time that Royal Decree Lay 8/2014 is published, which includes a set of regulatory measures to reduce the rate deficit. All the measures were aimed at eliminating the structural nature of the deficit by reducing the regulated costs and aligning them to the new demand curve, while at the same time introducing variables in the remuneration model to guarantee adequate alignment at times when demand changes.

### **3.2.2. Microenvironment**

The microenvironment is formed by the forces close to the company that influence its ability to satisfy customers, ie: its competitors, customers, regulation, etc.. Next, we are going to carry out an analysis of the microenvironment corresponding to the energy sector:

**Barriers to entry and exit** in a given sector have an impact on the level of competition in that sector, since, depending on their intensity, they tend to increase or reduce its attractiveness.

**Entry barriers** have a medium-high intensity in energy service companies. A first barrier is the initial investment in technology, in offices, in qualified personnel and in the training of these personnel to understand the energy sector and its constant evolution. Another of the barriers is to know how these types of companies operate, the measures necessary to carry out and the form of contracts to be made with customers. However, the main barrier is that, in order to enter the energy sector, one has to know very well how the sector works, since one has to know how the sales and distribution companies operate, to be up to date with the information that appears



in the BOEs where the changes that take place in the market appear (which are often difficult to decipher), know which aspects influence price rises and falls in order to anticipate when making energy contracts, as well as having a powerful system in which to perfectly parameterize those data help to predict the future, once you have a fairly clear idea of the functioning of all market agents. Another of the entry barriers is the lack of knowledge on the part of companies of the services provided by companies in the energy sector, as well as the establishment of large ESE companies that make it difficult for others to join the cake.

As for **exit barriers**, they have a medium-high intensity, as there are numerous contractual commitments with customers that does not make it easy to exit the market.

The identification of **substitute products** means for the customer the possibility of satisfying the same need from the choice of products that fulfill the same function. If a substitute product appears for a product that was already on the market, and this new product performs the same functions at a more competitive price, part of the demand will shift to this substitute product. The contract models offered by energy service companies are an alternative to the traditional way in which the current client of these companies was who self-managed the entire process of improving the energy efficiency of their facilities. Currently, ESE's are able to satisfy this same need, allowing their clients to have greater availability of their time to perform other tasks, and managing more effectively the management of energy efficiency improvement. This type of services can only be carried out through energy consultancies, so there is currently no other type of company that has the capacity to offer such an integrated service of energy efficiency. However, it could be identified as substitute products those that are beginning to lend some construction companies, which have diversified their business and offer their customers an energy efficiency service from selling them a construction where they are included in a contract for energy services.

**Suppliers** are able to exercise their bargaining power over companies that require their products. This power is exercised by raising prices or lowering the quality of products or services, which has a negative impact on the quality you offer your customers. The suppliers of this type of energy service companies are those products that allow these companies to have

greater control over the level of energy efficiency of their customers. Therefore, ESE suppliers are mainly suppliers and manufacturers of consumer and transformer equipment, metering and control equipment, insulating materials and renewable energy systems and equipment. Since a wide variety of measures can be taken to implement in order to carry out their activities, we can say that there are a great variety of suppliers from different sectors and, therefore, their negotiating power is not low.

Finally, **customers** may force them to lower prices or offer other services that are useful to them, or they may ask for an improvement in the quality of existing services. Energy service companies enter into two types of contracts in terms of revenue to be earned by customers: they can offer customers an annual cost for energy advice; or they can agree that customers pay a percentage of the monetary savings they make annually through our services. Therefore, it is most often the case that the power of customers resides in those whose facilities consume the largest amounts of electricity and gas, as they tend to have more money to allocate to this type of service, while there are options for obtaining higher amounts of savings. This type of clients where they tend to exert their strength is in the amount of services they can ask to be performed and, as long as they are profitable clients, they try to make an effort to be satisfied. Customers with lower energy consumption, or who are not economically very solvent, can look for cheaper alternatives in the market and, if they are profitable, try to adjust the economic conditions of their contract. However, since all energy service companies offer the same type of services, what the client will value most is the degree of contact they have with their advisors, the competence of the workers in informing them of their situation, and the speed with which their actions are resolved. It can therefore be said that its bargaining power is medium-high.

### **3.2.3. Analysis of the competition**

As for the competition from Energy Exclusives, being an energy services company, with more than 90% of its customers within the Valencian Community, I have compared the services offered by Energy Exclusives together with the services of four of the most important energy services companies that exist in the Valencian Community. These companies are:

- Quality consultancy JL Serra SL (Castellón)

The company Asesoria En Calidad JI Serra SL is a company that has been operating for 21 years. The company operates under CNAE 7112 - Technical engineering services and other activities related to technical advice. It is a company that is defined as a Limited Company.

Among the activities they carry out in the company are the following:

- Internal Audit
- Third party audits
- Implementation of control techniques in production processes
- Quality Engineering
- Quality planning
- Establishment of quality cost control systems
- Measurement of customer satisfaction
- Logistics and Warehouse Management
- Production Organization
- Energy Advice
  - optimisation of energy contracting processes
  - energy efficiency

- Implica-T sustainable development SL (Castellón)

The company Implica-t Desarrollo Sostenible SL is 12 years old. Its social object is the use of resources in favour of sustainable development, training and consultancy on environmental issues and the installation of renewable energy. You can also find it on LinkedIn, and it has a Facebook page with two weekly publications. The company is modeled on a limited company.

It is a company that is dedicated to advise its customers on their energy consumption, on the options for self-consumption, and between the different options of consuming through renewable energy, at the same time that it has installation service of the same:

- Self-consumption
  - industrial
  - residential

- shared
- Renewable energies
  - solar pumping
  - electric vehicle recharging
  - aerothermy with solar energy
  - efficient air conditioning
  - biomass
  - solar thermal energy
  - facility maintenance
  - stand-alone photovoltaics
- Smart energy data: Monitoring of energy consumption, such as electricity, gas, diesel, water. For control, total energy expenditure of the company or large buildings.
- Evolutia Activos SL (Castellón)

Evolutia Activos S.L. has 11 years behind it. The company's corporate purpose is the service and management of energy consultancy. Your website is very attractive, with a full menu giving detailed corporate information and also services. It has a blog, where it is published on average once a month, and the possibility of subscribing to the newsletter. He also has a Twitter account and a LinkedIn profile. Evolutia Activos S.L. is a limited company with an annual turnover of between 0.6 and 1.5 million euros.

Among the activities carried out by the company are the following:

- Regulation and engineering development of the MAE (Energy Saving Measures) obtained in the audit.
- Subsidies.
- Creation and monitoring of energy indicators.
- Advice on cogeneration and feasibility studies.
- ECRAS, an in-house technological development platform for Energy Visualisation and Monitoring.
- PRE-VISION is a pre-invoicing service.

- Optimizaciones Energéticas SL (Valencia)

Optimizaciones Energeticas SL is a company that has been operating for 15 years. Its activity is carried out under the corporate purpose of carrying out all kinds of activities in the field of marketing of appliances, products and systems related to energy, in addition to the calling, management and processing of energy tenders for public companies. The company is registered as a limited company.

Among the activities carried out by the company are the following:

- Analysis
  - Evaluation of contractual conditions
  - Recruitment audits
  - Product-specific design: temporary profiling
- Management
  - Procurement Auctions
  - Electricity Billing Review
  - Design of the optimal multisupply benchmark
- Legal
  - Public procurement (specifications)
  - Defence of consumer interests
  - Regulatory framework applied to the market situation

Finally, these are the tables where the previous companies are compared together with Energy Exclusivas Energéticas. The tables compare concepts corresponding to financial data that are decisive for the proper functioning of these companies, which correspond to the years 2017, 2016 and 2015, respectively:

**Table 2. Comparison of the financial data of Exclusivas Energéticas with those of its main competitors in the years 2017, 2016 and 2015**

Name	Year	Ordinary results before Tax Euro thousand		Result of the exercise Euro thousand		Financial profit (%) %		Economic profitability (%) %		Indebtedness (%) %		Net amount Sales figure Euro thousand		Profit margin (%) %	
<b>2017</b>															
ASESORÍA EN CALIDAD JL SERRA SL	2017	50	1	38	1	29,27	1	12,62	1	56,88	4	295	3	17,08	1
EXCLUSIVAS ENERGÉTICAS SOCIEDAD LIMITADA.	2017	25	2	17	2	26,80	2	6,98	2	73,94	1	498	2	5,06	2
IMPLICA-T DESARROLLO SOSTENIBLE SL	2017	7	3	5	3	14,33	3	5,46	3	61,91	2	251	4	2,85	3
EVOLUTIA ACTIVOS S.L.	2017	1	4	1	4	0,18	4	0,16	4	10,97	5	1.005	1	0,15	4
OPTIMIZACIONES ENERGÉTICAS SL	2017	-4	5	-3	5	-7,47	5	-3,04	5	59,26	3	118	5	-3,04	5

Name	Year	Ordinary results before Tax Euro thousand		Result of the exercise Euro thousand		Financial profit (%) %		Economic profitability (%) %		Indebtedness (%) %		Net amount Sales figure Euro thousand		Profit margin (%) %	
<b>2016</b>															
ASESORÍA EN CALIDAD JL SERRA SL	2016	308	1	228	1	33,98	2	28,05	1	17,47	5	1.122	1	27,47	1
EXCLUSIVAS ENERGÉTICAS SOCIEDAD LIMITADA.	2016	31	2	23	2	22,92	3	8,83	4	61,47	1	228	3	13,33	2
IMPLICA-T DESARROLLO SOSTENIBLE SL	2016	29	3	19	3	38,17	1	16,52	2	56,72	2	329	2	8,87	3
EVOLUTIA ACTIVOS S.L.	2016	9	4	7	4	19,54	4	10,05	3	48,54	4	183	4	4,73	4
OPTIMIZACIONES ENERGÉTICAS SL	2016	-23	5	-17	5	-46,04	5	-22,47	5	51,19	3	130	5	-17,90	5

Name	Year	Ordinary results before Tax Euro thousand		Result of the exercise Euro thousand		Financial profit (%) %		Economic profitability (%) %		Indebtedness (%) %		Net amount Sales figure Euro thousand		Profit margin (%) %	
<b>2015</b>															
ASESORÍA EN CALIDAD JL SERRA SL	2015	83	1	64	1	11,65	4	9,93	4	14,79	5	860	1	9,68	4
EXCLUSIVAS ENERGÉTICAS SOCIEDAD LIMITADA.	2015	73	2	55	2	65,89	1	20,22	2	69,31	1	268	2	26,83	1
IMPLICA-T DESARROLLO SOSTENIBLE SL	2015	30	3	23	3	44,07	2	28,69	1	34,90	4	216	3	13,90	2
EVOLUTIA ACTIVOS S.L.	2015	20	4	18	4	42,53	3	14,34	3	66,28	2	151	4	13,14	3
OPTIMIZACIONES ENERGÉTICAS SL	2015	1	5	1	5	3,16	5	1,98	5	37,57	3	83	5	1,45	5

Source: Own elaboration. Data: SABI, 2018

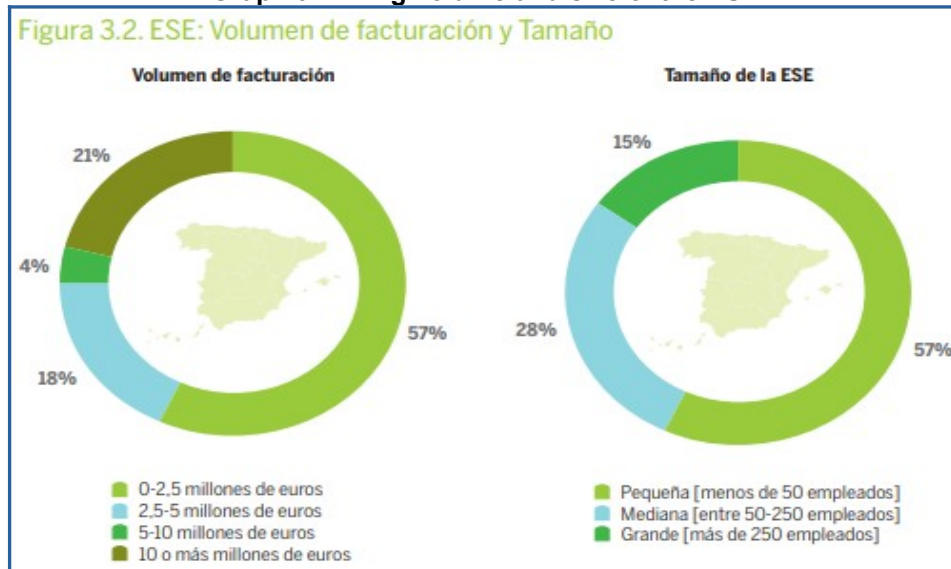
As we can see in the tables above, the comparison of the financial performance of Exclusivas Energéticas with respect to four of its main competitors is very good, as each year it is better positioned than the previous year, and has been rising year after year since its creation. It should

be noted that in little more than 4 years since its launch, Exclusivas Energéticas is better positioned than its main competitor, Evolutia, which is the most direct competitor, as it performs functions similar to those of Exclusivas, bearing in mind that Evolutia has been active for twice as many years as Exclusivas, as we remember that one of the founders of Exclusivas worked previously 4 years in Evolutia Activos.

### **3.3. Market and demand analysis of ESC'S**

According to the analysis made by ANESE (Association of Energy Services Companies) carried out in 2016, 85% of the Energy Service Companies (ESC's) contacted are SMEs. Even so, 25% of the ESCs in the sample acknowledge a turnover of 5 million euros or more. This corroborates that the ESCs market is a young market because the vast majority of ESCs are still SMEs.

**Graph 9. Billing volume and size of the ESC**



Source: ANESE, 2017

In Spain, the energy efficiency sector represents 1.8% of GDP and 1.4% of direct and indirect employment (IDAE, 2011). The data currently consulted do not reveal accurate figures on the sector, as it is difficult to distinguish between what is energy efficiency and what is not and what is or is not part of the sector's value chain. The energy efficiency sector does not have a single indicator in the National Statistics Institute, so the data presented point to approximate figures.

As is the case in the energy efficiency sector, the energy service companies sector does not have a single indicator in the National Statistics Institute, so ANESE did some research in order to present the most representative and rigorous figures. For this purpose, the data collected in the questionnaire and the knowledge of the sector itself were used. Thus, it is estimated that the energy services sector has turnover levels of more than one billion euros and generates a direct employment of around 20,000 jobs.

In addition, when analysing the savings achieved, the data presented below refer to energy savings, as this is the category of savings in which the greatest number of responses have been obtained. The first step is to look for some relationship between energy savings and the type of contract used by an ESCO. The types of contracts with the greatest impact in terms of energy savings achieved are those of 5 Ps and shared savings (Table 3). The Integral Energy Contract or 5Ps is a model that integrates five features: energy management, maintenance, total guarantee of equipment, improvement works and improvement of energy efficiency. On the other hand, the Performance contract of Shared Savings is a model with the following characteristics:

- The client does not have to take out any loans.
- The ESC finances the project: it bears the financial risk.
- If there are losses, these are shared.
- Main advantage for the client: he does not get into debt.

**Table 3. Savings depending on the type of contract**

Tipo de Contrato	Ahorro Energético	% sobre empresas encuestadas
Ahorros Garantizados	37,75%	46%
Ahorros Compartidos	38,94%	27%
Ahorros Garantizados + Compartidos	36,64%	24%
ESC	31,87%	25%
5Ps	39,33%	24%
Propio	36,00%	8%

Source: ANESE, 2017

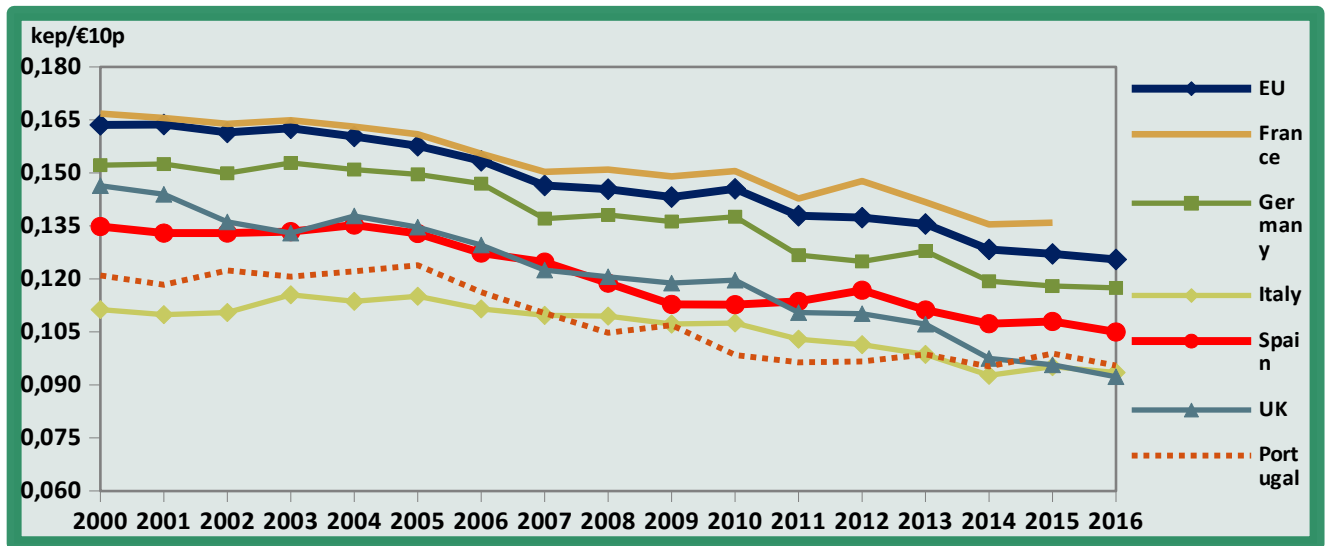
Energy intensity is one of the main indicators to show the level of energy efficiency of a country. This indicator is calculated as the coefficient between energy consumption and the country's



gross domestic product. This depends on various factors such as the characteristics of the electricity system, the industrial structure of the country, economic evolution, as well as energy resources, among others.

The following figure shows the evolution of energy intensity in Spain. Unlike the trend of the European average, which is always downwards, energy intensity in Spain has suffered some increase due to the country's macroeconomic situation. Its energy intensity values demonstrate an acceptable level of development compared to the European average, but it is still far from levels such as those of the United Kingdom or Italy.

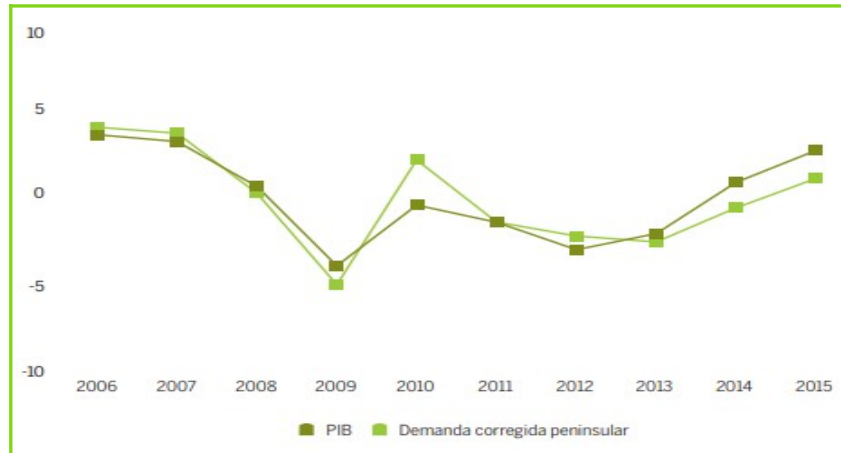
**Graph 10. European comparison of global energy intensity**



Source: IDAE, 2017

Observing the relationship between demand and economic activity, as shown in the figure below, the Gross Domestic Product (GDP) grew by 3.2% in 2015 as compared with the previous year. On the other hand, peninsular electricity demand grew by 1.6% with respect to 2014 (REE, 2016). Although the increase in economic activity is not exactly the same as the increase in demand for electricity, it can be seen how the evolution of GDP and demand have a close relationship and these values have not yet been completely decoupled.

**Graph 11: Annual change in peninsular demand and GDP**



Source: ANESE, 2017

According to the International Energy Agency, the main cause of the reduction in energy intensity in Spain is the worsening of the economy and not the energy efficiency policy that has been developed. There are good reasons to bet on energy efficiency. An increase in energy efficiency leads to a decrease in global energy consumption. This reduction in consumption would mean a reduction in the import of the raw materials needed to generate energy in Spain (oil, natural gas, coal, etc.). In turn, this fact would provide savings in the energy bill and as a consequence an increase in the competitiveness of our products and services that would result in our GDP.

Achieving a successful impact of energy efficiency translates into improved energy intensity in Spain. Currently, this value is below that of the most advanced European economies, thus compromising our competitiveness. If we add this situation to the European Union's proposal to set a binding target of reducing energy consumption by 30% by 2030, we can say that Spain is facing a challenge whose outcome will bring competitiveness and decarbonization of our economy.

#### 4. SITUATION DIAGNOSIS (SWOT)

At this point, let's move on to a SWOT analysis of Energy Exclusives:

Table 4. SWOT

<p><b>Weaknesses:</b></p> <ul style="list-style-type: none"> <li>• Double authority</li> <li>• Newly created company</li> <li>• Difficulty of adaptation due to growth</li> </ul>	<p><b>Threats:</b></p> <ul style="list-style-type: none"> <li>• Competitors</li> <li>• Know-how by customers</li> <li>• Market evolution</li> </ul>
<p><b>Strengths:</b></p> <ul style="list-style-type: none"> <li>• Extensive experience in the management sector</li> <li>• Huge client portfolio</li> <li>• Highly qualified staff</li> <li>• Communication and coordination capacity</li> <li>• Unique work tools</li> <li>• New online customer interface</li> <li>• Wide range of services</li> <li>• Quality and differentiated service</li> </ul>	<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• Technological advance</li> <li>• Internationalization</li> <li>• Become a marketer</li> <li>• Attracting new customers.</li> <li>• Advice on renewable energy</li> </ul>

Source: Own elaboration

- Weaknesses:
  - **Double authority:** Due to having two partners in the management department, it can happen that there are contradictory orders from the management, since Marc Crespi is normally outside the company visiting clients and potential clients, and sometimes there is no perfect coordination between the two partners.
  - **Newly created company:** Being a newly formed company (approximately six years), there are processes that are not fully automated or are still being improved. It takes time for everything that is planned to take place.

- **Difficulty of adaptation due to growth:** Exclusivas Energéticas has experienced great growth in recent months, to the point that they have had to look for three new workers, including me, because the workers were overwhelmed with work. This great growth caught the partners by surprise and they had to start hiring processes. In the second year there was already a significant increase in staff, which forced the company to move its offices to a larger hall.
  
- Threats:
  - **Competitors:** Exclusivas Energéticas has become a leading energy consultancy in the province of Castellón, so competing companies are looking closely at each of their movements and actions.
  - **Know-how by customers:** Some clients have a minimal knowledge of how the energy market works, and it is possible that after a time in which they are advised by us, they will find out certain market mechanisms that allow them to achieve savings without depending on our services.
  - **Market Evolution:** Market evolution is unpredictable, as it varies every second depending on the infinity of variables on which it depends. At a time when the market is on the rise, competitive offers cannot be achieved for our clients, and it is important to find the right moment to contract, which is very difficult to predict.
  
- Strengths:
  - **Extensive experience in the management sector:** Although Exclusivas Energéticas is a relatively young company, its employees have been working in the energy sector for more than 15 years, so they have a great deal of experience and know how to deal with situations that arise.
  - **Huge client portfolio:** Currently Exclusivas Energéticas has more than 500 supplies under study, so the company is in a privileged position in the province of Castellón. Marc managed to take to Exclusivas a large part of the clients he got for the company Evolutia and, year after year, the client portfolio has grown considerably.

- **Highly qualified staff:** The majority of Energy Exclusives employees are engineers, with extensive experience in the energy sector.
  - **Communication and coordination capacity:** In large part this quality lies in the fact that all workers are in the same space, with no separations of any kind, and information flows smoothly both vertically and horizontally.
  - **Unique work tools:** Exclusivas Energéticas has its own computer system, being the most complete in the market today, and this knew an important competitive advantage of the company over the competition.
  - **New online customer interface:** Our customers have a password to access our system, and can navigate very intuitively to consult their consumption, invoices, reports, etc..
  - **Wide range of services:** Exclusivas Energéticas offers a large number of first class services, something that our clients value very positively.
  - **Quality and differentiated service:** Thanks to the experience of the engineers and the powerful working tools available to the company, it offers a very complete service that is practically unattainable by competitors.
- Opportunities:
    - **Technological advance:** Technology advances by leaps and bounds, and that is why companies can take advantage of the advances that arise in this field to automate more and more processes and become more efficient.
    - **Internationalization:** In addition to expanding our client portfolio in Spain, there are possibilities of reaching energy markets in countries which have the least developed sector of energy service companies, such as Mexico, with which there are already contacts.
    - **Become a marketer:** Due to the consolidation of Exclusivas Energéticas throughout its 5 years in business, it has sufficient resources to consider going a step further and buy energy to sell it directly to the end customer.

- **Attracting new clients:** Exclusivas Energéticas has directed its services towards companies, mostly SMEs; however, the possibility of attracting smaller customers is foreseen, there are already flats that need to know in which rate to contract electricity, since there is the possibility of saving enough money just by being in the most convenient rate.
- **Advice on renewable energy:** The energy market is constantly changing, and the so-called "green energies" are currently gaining importance. That is why it is important to keep up to date with this type of energy, which will be even more in demand in the future, in order to continue growing in the energy sector.

## **5. DEFINITION OF THE PRODUCT MARKET**

### **5.1. Segmentation**

Exclusivas Energéticas currently focuses on advising on energy contracts mainly for SMEs, and some large companies. Once it has consolidated its client portfolio at provincial level, where Exclusivas is a benchmark, the company intends to make its way among the smallest supplies, where it sees a very good opportunity.

SMEs and large companies, which consume large quantities of electricity and gas (they can consume an annual range of 5 GW and 15 GW between electricity and gas), are particularly interested in our advisory service when negotiating energy contracts, as they can save between 10,000 and 100,000 in the price of energy, in annual bills of between 100,000 and 1,000,000 euros. They are also very interested in the optimization of powers, since having contracted some oversized or undersized powers can mean an extra cost of between 2 and 10% over the annual cost of having the optimized powers.

As for small supplies, they value weekly/monthly advice more, as they tend to have less energy knowledge and need support to know if they are being billed correctly or are being overcharged by marketers on some of the billing terms. This is why the most important service for this type of clients, and the one they value the most, is billing follow-up, along with power optimization, since

many of them do not have an exact idea of the powers to contract, and distributors usually take advantage of this lack of knowledge to recommend powers that suppose an unnecessary extra cost for the client.

Recently a market opportunity has been seen in small electrical supplies which would be to be able to provide them with an advisory service to optimise rates, as there are very narrow limits between belonging to a 2.0, 2.1 or 3.0 rate, and there are significant savings in finding the most suitable rate for each of our supplies with the lowest energy consumption.

## **5.2. Target Audience**

Therefore, once the segmentation has been carried out, we can see that the target audience of Exclusivas Energéticas, which until now has only covered the Spanish market, can be divided into two categories, depending on the size of the companies:

- SMEs: companies with a medium-high annual energy consumption, which need help to find the cheapest moment in the market to carry out the negotiation of energy contracts for their supplies, in addition to reviewing the contracted powers.
- Customers with small supplies: Customers with low-to-very low annual energy consumption, who value more assiduous contact advice, due to the lack of knowledge on energy issues of most of them, and who are more interested in the service of monitoring billing, and optimization of power and rates.

Between both segments, the most profitable customers for the company are SMEs, however, until the capture of a larger number of such customers, we are also betting on the second group, to a lesser extent, carrying out a process of automation of the services offered, allowing workers not to have to spend too much time in these smaller customers.

### **5.3. Positioning**

With respect to competing companies, we have a positioning based on the quality of our services, as we offer the largest portfolio of energy services, these being of higher quality than the rest, due to having the best computer system and professionals who are up to satisfy virtually all of our customers, who after some time with us, appreciated our work so much that they recommend our services to other companies.

The attributes that all our clients value positively about our services are: closeness of treatment, our willingness to help them, speed in solving problems, proactivity in advising them on aspects to improve their energy efficiency, the savings produced in their energy bills, and the freedom to leave our services at any time without any problem as they do not have a permanent contract.

### **5.4. Company's strategy**

So far, the company has followed a penetration strategy, as it has been providing the same type of services for the same type of companies. Over the next few months, the market development strategy will be added, as Exclusivas will adapt its system to meet the needs of electricity supplies with a lower annual consumption volume.

In terms of the competitive strategy carried out, the one that has allowed it to gain the trust of its clients has been the strategy of specialisation in the typology of its services. Exclusivas has the widest range of services related to energy contracts, as well as having a weekly and personalised contact with all its clients, who are constantly informed of the evolution of the energy market and of any anomaly detected in their electricity and/or gas supplies.

Once we capture customers and they are satisfied with our energy advisory services, we take the opportunity to cross-sell, introducing some of the following services: energy efficiency, energy diagnosis, energy audit, investment management (ESC), energy certifications, subsidy management, emissions rights management, management of co-generation operations or investments in self-consumption (Photovoltaic).



## **6. SETTING OF OBJECTIVES**

- Increase customers by 10% in the next 12 months.
- Increase annual benefits by 10% after 12 months.
- Retain 95% of current customers over the next 12 months.
- Capture 5% of lost customers in the next 12 months.
- Achieve 100% customer satisfaction after 12 months.
- Achieve 20% spontaneous brand recognition after 12 months.
- Get advise about 50 floors of flats within 3 months.

## **7. ACTION PROGRAMMES**

- **Action 1:** Develop the system for rate optimizations. (for the achievement of Objectives 1, 2, 4, 5 and 7)
- **Action 2:** Become an electric trading company. (for the achievement of objective 2, 5 and 6)
- **Action 3:** Attend training courses on energy issues. (for the achievement of objectives 1, 2, 3, 4, 5 and 6)
- **Action 4:** Purchase and sale of electricity. (for the achievement of objective 2)
- **Action 5:** Place monthly bets on the price of OMIP. (For the achievement of objective 3, 5 and 6)
- **Action 6:** Increase the activity of the company's blog to a weekly post, and get into specialized press and magazines. (for the achievement of objectives 1, 2, 3, 4, 5 and 6)

- **Action 7:** Carry out customer acquisition campaigns on facebook. (for the achievement of objectives 1, 2 and 4)
- **Action 8:** Successfully transmit the sales strategies to be followed to the entire workforce. (for the achievement of objectives 1, 2, 3, 4, 5 and 6)
- **Action 9:** Implement a series of measures to improve customer service. (for the achievement of objectives 2, 3, 5 and 6)
- **Action 10:** Attendance at fairs and conferences held by associations and companies. (for the achievement of objective 1, 4 and 6)
- **Action 11:** Create an app of our system for Android and IOS. (for the achievement of objectives 1, 2, 3, 5 and 6)

## **8. MARKETING MIX**

### **8.1 Product decisions**

Exclusivas Energéticas has a range of energy advisory services with which it has achieved a leading position in its area of action, thanks both to technological innovation to develop the best technological system to parameterize all types of contracts, and to the professionalism of its workers, who have a close relationship with customers, and are able to solve any problem they have. This has allowed Exclusivas to have a very positive assessment from their customers, since according to a survey we sent to our customers a few months ago, the 93 who responded, answered that they would recommend the services of Exclusivas Energéticas.

Even so, we must continue working not only not to lose market share, but to grow even more and become an energy consultancy with a level of services unattainable by the competition. To this end, the following actions are proposed:

## Action 1: Develop the system for rate optimizations.

Exclusivas Energéticas commercials have spoken with the owners of flats, and are very interested in being able to have the service of rate optimization. To this end, computer scientists must develop the system so that reports can be made to determine the optimum rate to be contracted depending on consumption and the powers contracted. It is anticipated that this new function will be available within 3 months, in which 50 farms could enter as customers.

This type of customer consumes very little energy and, at first glance, might not seem to compensate for the work we can do with the income that can be earned. However, since their supplies are on the boundary between electricity rates 2.0, 2.1 and 3.0, they can easily move between them, and if the optimum rate is right, significant savings are produced. In addition, our system is being developed so that this type of optimizations are made and sent automatically to customers when an alarm is triggered, which will not involve an extra effort on the part of workers, beyond the resolution of possible doubts that may arise to customers.

**Table 5. Access rates for electrical supplies**

Existing access rates	
Low voltage rates	High voltage rates
Rate 2.0 A: simple rate (1 or 2 time periods and contracted power $\leq 10$ kW)	Rate 3.1 A: specific rate (3 time periods and contracted power $\leq 450$ kW)
Rate 2.1 A: simple rate (1 or 2 time periods and contracted power $> 10$ kW and $\leq 15$ kW)	Rates 6: general rates for high voltage (6 time periods and 5 voltage steps)
Rate 3.0 A: general rate (3 time periods)	

Source: Own elaboration

## Action 2: Become an electric trading company.

Once Exclusivas Energéticas has achieved an economic mattress due to the benefits obtained in its short life, it plans to become an electric marketer at the end of the year.

The company has achieved a great knowledge of the electrical market through the direct contact it has had with the sales companies with which it has developed the work of intermediary between client and sales company. That is why it wants to integrate vertically upwards and become an energy buyer to negotiate directly with customers. In this way we would become direct suppliers of the energy of our customers, so we could have some profit margin in this purchase and sale of energy.

This decision is taken because, once we have gained the confidence of our customers, who have been able to see the amounts they have saved thanks to our high quality advisory services, will take into account this aspect to hire also the services of electrical marketing. In addition, to the clients that contract these new services, we will continue providing all the other services of control of their consumptions and invoicing, with what, to part of the quality of the service, to be able to have contracted both types of services through only one company, will do that the managements of our clients diminish and that they feel more comfortable.

### **Action 3: Attend training courses on energy issues.**

Despite the fact that Exclusivas Energéticas has high quality services carried out by great professionals, the energy market is in constant movement and could leave us behind at any time. It is for this reason that it is important to continue training in energy issues that give rise to offer services of even higher quality.

Therefore, it is proposed to attend training courses on key aspects of the future of the energy market, among which are topics such as co-generation or CO2 emissions. Throughout the year there are several courses of this kind and we have to be attentive so that at least one employee of the company can attend, to then be able to transmit the knowledge learned to the rest of the staff, and thus be able to continue growing as now.

## **8.2. Price decisions**

Currently, the prices of our services are set according to 3 modalities:

- Percentage of savings on the invoice: This is usually the modality of the clients who have just entered, as they are usually captured through the drawing up of reports where we indicate the savings they would have if they advised us. With these clients we negotiate the payment of a percentage of the savings during the first few years.
  
- Fixed annual fee for advice: This is an annual payment for energy advice. This is usually done for clients who have been with us for more than a year, since once their contracts have been optimised, it is difficult to improve them even more, and the strategy is to keep them at a good price in exchange for this fixed fee. This fixed fee also depends on the services contracted. From lowest to highest price you will find the following 2 packs:
  - Negotiation of energy services + power and QD optimization
  - Negotiation of energy services + optimization of power and QD + monitoring of invoicing
  
- Mix between the two previous modalities: With some clients, a fixed part is negotiated, and another variable part that depends on the savings.

Apart from this, once Exclusivas Energéticas becomes a marketer, there will be another payment method:

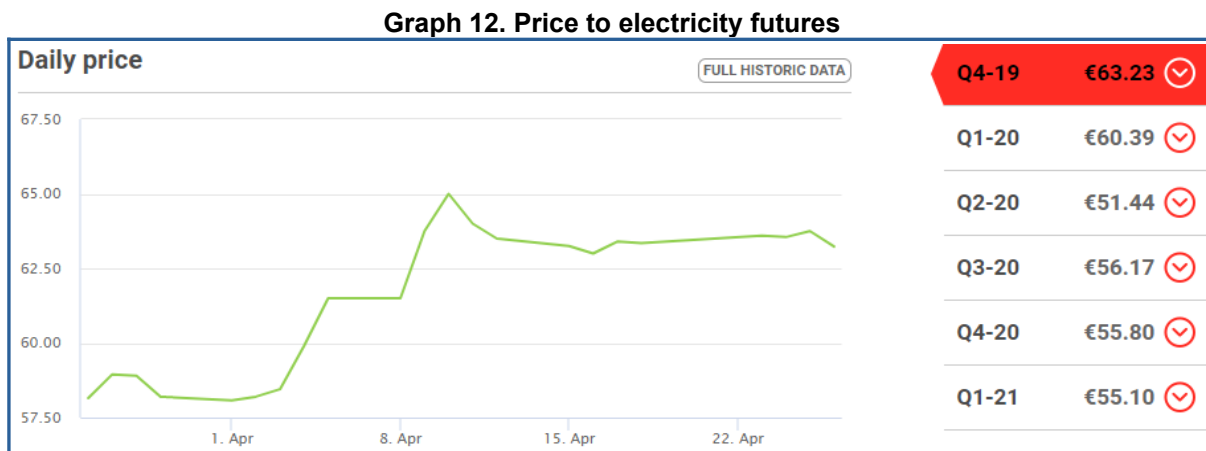
- Invoicing of energy with commercial margin: Exclusive will have to decide the margin to apply to customers who require this new service, normally this margin is between 1.5 and 2% of the purchase price of energy.

Having said this, the following price actions are proposed:

#### Action 4: Purchase and sale of electricity.

Once Exclusivas Energéticas is established as an electricity marketer, it will have to make two types of decisions, about buying and selling electricity. As for the purchase, you will have to decide in which market to buy the energy, and when is the best time to optimize the purchase cost of it. As far as the sale is concerned, Exclusivas will have to decide what is the appropriate margin to introduce in electricity contracts.

In order to decide when to buy, there is a very useful website: [www.omip.pt](http://www.omip.pt). In it you can consult the forecasts of the future price of the Megawatt/hour of electrical power:



Source: OMIP, 2019

For example, on April 29, 2019 we had a price of 58.78 €/Mwh, while in Q4-19 (fourth quarter of 2019), we had a price forecast of 63.23 €/Mwh. Therefore, it would not be profitable to buy energy today to sell it in the third quarter of the most expensive year. The second quarter of the year is the cheapest in the energy market, since it is the time when the cold of winter has passed and also, are months of much rain, which makes the reservoirs are filled and takes advantage of hydropower to make electricity, which makes prices fall.

That said, if Exclusivas becomes an electricity marketer before April 2020, that month could be a good time to buy electricity. In the next 12 months you will see if you are able to benefit from this initial energy investment. To this end, as I said earlier, Exclusives must apply a margin to the

formulas of the electricity contracts it intends to make. As it will be a next commercialization, which will be of recent incorporation to the energy market, in order to obtain its first clients as commercialization, it will not have to put an excessive margin. The margin that usually put the sales companies settled in the market is 1.5-2% of the total invoice. Therefore, it is proposed to set a margin of 1%, which with the confidence that our current customers have in us, it is likely to be able to capture some of them for this new business.

### **Action 5: Place monthly bets on the price of OMIP.**

It is proposed to hold monthly contests based on free bets. At the beginning of each month our customers will be encouraged to participate in this contest, in which they will have to say the price at which they believe the electricity market will open on the 1st of next month. A customer who gets that value right with an accuracy of up to cents will be rewarded by not charging for the cheapest week of the right month.

For example, let's suppose a company matches the value of electricity on July 1, and in July has energy costs per week, in chronological order of: 100, 150, 80, and 90 €. This client would be paid the amount of 80 € as a prize to be the winner of the contest of the month of July.

### **8.3. Distribution decisions**

As far as energy distribution is concerned, as it is the responsibility of the distributors, this will be an expense that will not have to be assumed by Exclusivas Energéticas. The distributors are in charge of bringing the energy to the user, reading the meter, making the installation and maintenance and resolving incidents in the supply. In most contracts, the distributor's share is also billed directly from the seller, which pays the distributor's share. Therefore, Exclusivas Energéticas, as a future marketer, will only be responsible for the sale of electricity.

Distributors are not selectable and are assigned to both electrical and gas supplies, depending on the area in which these supplies are located. In electricity there are 5 distributors that occupy

the entire national territory: Iberdrola, Endesa, Gas Natural Fenosa, EDP and Viesgo, which are distributed according to the following geographical map:

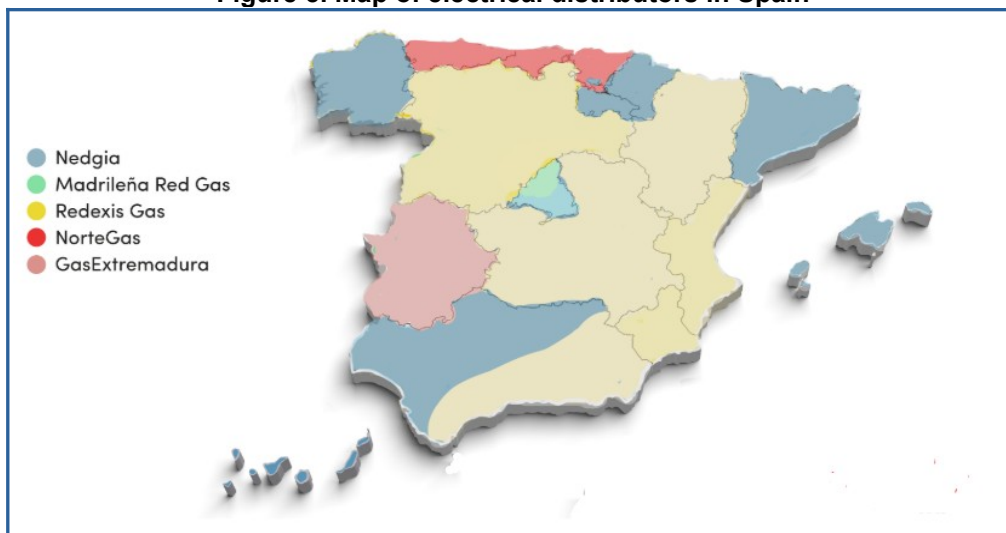
**Figure 4. Map of electrical distributors in Spain**



Source: <https://alcanzia.es/blog/distribuidoras-electricas-en-espana-por-zonas/>

In gas, the main distributors are: Nedgia, Nortegas, Redexis gas, Red de gas madrileña and Gas Extremadura; which are distributed according to the following map:

**Figure 5. Map of electrical distributors in Spain**



Source: <https://www.mipodo.com/blog/ahorro-electricidad/distribuidora-gas-segun-zona/>



#### **8.4. Communication decisions**

As for the communication part, we see that it is the part that has more room for improvement, and the one that is already beginning to work thanks to the creation of the marketing department, the last department to be added to the organization chart of the company. This department has been doing a good job for more than a year, and the following actions are proposed to continue on that good path:

#### **Action 6: Increase the activity of the company's blog to a weekly post, and get into specialized press and magazines.**

The company, among its social networks, has a blog in which interesting information about the energy market is uploaded, such as the reasons why the price of electricity or gas goes up or down, curiosities about energy or the irruption of new marketers. In addition, there are also reports of actions carried out by the company, such as collaborations with research carried out by Jaume I University.

However, the activity of the blog is not being very intense, and to neglect this tool would be a mistake. Therefore, it is proposed to upload a weekly post, so that customers, or potential customers, are well informed. The energy market is very volatile and constantly changing, and customers not only value getting good prices, but know what lies behind our management, among which a key part is in the daily search for information on everything that happens in the electricity and gas market.

In addition to updating the blog, it would be important to generate notes/news in the press and magazines of the energy sector, for the dissemination of important topics on energy, technology and sustainability, such as: energy management / energy consultancy, energy efficiency, high energy costs / reactive energy, energy prices with aggregated consumption grouping, regulated market / free market, innovation / Big Data/ IA / R&D / neural networks in the energy management sector, reduction of CO2 / green energy / sustainability, etc.

## **Action 7: Carry out customer acquisition campaigns on facebook.**

The social network "Facebook" has a potential that many users may be unaware of. In addition to serving to raise things of interest, and have informed the followers of a particular company, you can also use this tool to conduct advertising campaigns.

It is important to reach many people, and through Facebook you can reach advertising campaigns to many of its users. It is for this reason that it is proposed to carry out advertising campaigns, especially at times when energy tends to be more expensive, such as winter. In this way, companies that are paying very high bills throughout the winter months can be informed of the amount of high quality services that Exclusivas Energéticas has and that can make the situation of these companies revert.

Within facebook, there is a platform called "Facebook ads", which allows you to make a forecast of the people to whom information can reach from the budget you are willing to invest. Through this platform I have simulated a possible advertising campaign that could carry out our company. In this case, I simulated a budget of 10 €/day for the period from 01/12/2019 to 28/02/2020. An announcement of these characteristics would mean for Exclusivas Energéticas a reach of some 5,300-27,000 people. The expenses of these 89 days in which the ad would be active would cost Exclusives only about 900 €, something that is affordable, and that can be a very good investment in attracting new customers (Figure 6).

**Figure 6. Simulation of an advertising campaign**

Source: Own elaboration. Data: Facebook ads

**Action 8: Successfully transmit the sales strategies to be followed to the entire workforce.**

Hire a person to talk about topics such as: sales/ marketing/ administrative management/ team motivation, to convey a message to the team and help us focus sales for 2020, help us in the commercial approach, as new sales strategies, and to advise us to understand if we are on the right track, and also to improve some attitudes such as communication problems, etc. I think it's essential to improve the team's performance. To do this, having an expert transmit a motivational message would be a "plus" to help achieve the company's objectives.

An organization projects its image, both to the outside and to the people who are part of it, in the way it communicates. Style, formal coherence and constancy in a company's communications ultimately define its personality, the corporate identity that makes a company identifiable between the business world and market services. Among the tools that I consider essential to be able to achieve a coherent and effective message are the following:

- Create a Corporate Identity/ Trademark Manual: Brand, brand usage rules, typography, colour, corporate stationery, documents, forms and printed matter, internal and security signage.
- Internal communication on sales objectives and goals to be achieved: congratulate the team's successes, goals and objectives achieved.
- Communication/ Birthday Celebrations: monthly celebration of the birthdays of all workers. Important also of the main clients.
- Establish two-way communication channels: where each employee can give their opinion on company issues and receive a response.
- Motivational communication/ awareness: messages that help professional/personal growth.
- Press releases: Send all workers news about energy, gas, technology and sustainability, etc.
- Report "facing our public": Generate monthly reports on the steps, news and news of our customers (new plants, collaborations, actions, etc.) and target audience, to help in the commercial strategy. That generates curiosity to all the commercial to look for information/ opportunities according to the news that are in the market.
- Periodic meetings (to be defined) between the whole team: to align and improve the process of services and internal communication, to discuss issues such as customer complaints, improvement of services and new ideas.
- Meetings between the commercial sector and marketing: to align actions and priorities, if possible fortnightly.

### **Action 9: Implement a series of measures to improve customer service.**

In spite of having a fluent communication with our clients, it is necessary to continue improving this aspect in order to have it better and better attended. This is why a number of measures are proposed:

- Personalized post-sale mail: Programming the sending of an email with a design days after the customer's acquisition, thanking him for his trust and offering him support. In

addition, after a time of use of the service/product, ask for opinion, suggestions, resolve possible doubts, etc..

- Periodic visits: Program of action of visits to the clients that will be made by the team of technicians and salesmen for approximation and/or commercial aims and improvements of our services.
- Exclusive newsletter for customers: create content with the resolution of real problems of our customers.
- Invitation of clients to Events: Invite our clients to the events/ conferences/ conferences in which we participate.

### **Action 10: Attendance at fairs and conferences held by associations and companies.**

Exclusivas Energéticas needs to have greater visibility, and what better way than through participation in fairs and events of the energy sector and sectors (target-public). It is proposed to investigate the main and important fairs and events and to associate with energy and gas institutions and organisations.

Among the most important trade fairs in the energy sector are the following:

- International Energy and Environment Fair. (year 2021)
- National Reform and Rehabilitation Fair and Energy Saving Exhibition. (27 to 29 September 2019).
- Energy Fair. Renewable and efficient. (26 February 2020)
- CEVISAMA (3 to 7 February 2020)
- Galicia 2020 Energy Fair. (26 to 28 March 2020)

## **Action 11: Create an app of our system for Android and IOS.**

As soon as a potential client becomes a client, they are provided with a user name and password to access our system so that they can see the services they are receiving: pre-invoices, daily and monthly consumption, reports, etc. Customers value positively the ability to navigate through our system, as it is very visual, and allows them to be informed of everything that involves the supplies they have contracted.

However, there are times when our clients, who are entrepreneurs, have to leave their jobs to perform other tasks, or simply because they are on holiday. When this happens, there are times when you don't have a computer at your disposal, and it would be very useful for you to be able to navigate our system quickly through your mobile. It is for this reason that we propose the development of an app for Android and IOS, which would make our customers would be properly informed at all times.

Through the "Mobincube" platform, I have made a beta version of what could be a possible android app for Energy Exclusives, which can be downloaded through this: <http://mobincube.mobi/55WMAZ> or the following QR code:



I show some screenshots of the app:

Figure 7. App beta version of Exclusivas Energéticas



Source: Own elaboration

## **9. TEMPORARY PLANNING, BUDGET AND CONTROL**

### **9.1. Temporary planning**

Once we have explained the proposed actions, we will show the calendar showing the start and duration of the actions:

<b>Actions</b>	<b>07/19</b>	<b>08/19</b>	<b>09/19</b>	<b>10/19</b>	<b>11/19</b>	<b>12/19</b>	<b>01/20</b>	<b>02/20</b>	<b>03/20</b>	<b>04/20</b>	<b>05/20</b>	<b>06/20</b>
<b>Action 1</b>												
<b>Action 2</b>												
<b>Action 3</b>												
<b>Action 4</b>												
<b>Action 5</b>												
<b>Action 6</b>												
<b>Action 7</b>												
<b>Action 8</b>												
<b>Action 9</b>												
<b>Action 10</b>												
<b>Action 11</b>												



## 9.2. Budget

Actions	Budget
Action 1	-
Action 2	3.000 €
Action 3	1.000 €
Action 4	Buy about 3.000 Mwh at 51.44 €/Mwh = 154.320 €
Action 5	1.000 €
Action 6	1.500 €
Action 7	890 €
Action 8	2.000 €
Action 9	-
Action 10	3.000 €
Action 11	1.000 €

- **Final budget:** 3.000€ + 1.000€ + 154.320€ + 1.500€ + 890€ + 1.000€ + 2.000€ + 3.000€ + 1.000€ = **167.710€**

### **9.3. Control**

In order to ensure the achievement of the objectives of this marketing plan, we have established the following control guidelines:

<b>Goals</b>	<b>Control periodicity</b>	<b>Control method</b>
<b>1. Increase customers by 10% in the next 12 months.</b>	Quarterly	Count made by the administration department.
<b>2. Increase annual benefits by 10% after 12 months.</b>	Quarterly	Review of income and expense accounts made by management.
<b>3. Retain 95% of current customers over the next 12 months.</b>	End of the year	Retention of retained customers, made by the administration department at the end of the year.
<b>4. Capture 5% of lost customers in the next 12 months.</b>	End of the year	Count obtained by the administration department at the end of the year.
<b>5. Achieve 100% customer satisfaction after 12 months.</b>	End of the year	A questionnaire will be passed the first month and at the end of the year, and the administration department will make a report.
<b>6. Achieve 20% spontaneous brand recognition after 12 months.</b>	End of the year	The marketing department will conduct a questionnaire and segment the market to send it to a significant sample of companies.
<b>7. Get advise about 50 floors of flats within 3 months.</b>	Monthly	Follow-up through the department of energy efficiency.

## **10. INDEX WITH FIGURES, TABLES AND GRAPHS**

### **Figures**

Figure 1. Services offered.....	6
Figure 2. Location.....	9
Figure 3. Organizational chart.....	11
Figure 4. Map of electrical distributors in Spain.....	54
Figure 5. Map of electrical distributors in Spain.....	54
Figure 6. Simulation of an advertising campaign.....	57
Figure 7. App beta version of Exclusivas Energéticas.....	61

### **Tables**

Table 1. Current electricity rates according to voltage.....	28
Table 2. Comparison of the financial data of Exclusivas Energéticas with those of its main competitors in the years 2017, 2016 and 2015.....	36
Table 3. Savings depending on the type of contract.....	38
Table 4. SWOT.....	41
Table 5. Access rates for electrical supplies.....	49

### **Graphs**

Graph 1. Financial data of Exclusivas Energéticas.....	10
Graph 2. Evolution of electricity consumption together with GDP per inhabitant in Spain between 1990 and 2016.....	16
Graph 3. Joint representation of the price of electricity and the percentage of generation between renewable and non-renewable energy.....	17
Graph 4. Annual net balance of the Spanish gas system.....	18
Graph 5. Export flow of natural gas in the main countries of the EU (Twh).....	19
Graph 6. Evolution of gas demand and regulated costs of the gas system.....	20

Graph 7. GHG emissions by sectors in Spain.....	25
Graph 8. Evolution of renewable and non-renewable electricity generation in the peninsula.....	26
Graph 9. Billing volume and size of the ESC.....	37
Graph 10. European comparison of global energy intensity.....	39
Graph 11: Annual change in peninsular demand and GDP.....	40
Graph 12. Price to electricity futures.....	52

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