## Deloitte.



# Preparing Oil and Gas Companies for the Future

How can oil and gas organizations respond, recover, and eventually thrive in the aftermath of the COVID-19 pandemic? The first step is to understand the industry trends—pulled from data from Deloitte and Coupa—that are set to reshape the market.



### **COVID** has caused extreme swings in demand

The International Air Transport Association estimates a slow travel rebound, with travel down 30 to 40 percent.



### Many forced to curtail production to maximize profits

US oil and gas companies reacted swiftly to the drop in oil prices, with more than 1.4 million barrels per day of production shut-ins announced and refinery utilization dropping below 70 percent—levels not seen since the 2008 financial crisis or following Hurricane Katrina.

### An uncertain future means that business agility is more important than ever

In March, power demand fell almost 20 percent in several European countries, and despite the recent economic thaw across the continent, for many, demand remains 5 to 10 percent below expected levels. While the largest driver of the current price collapse may be COVID-19, fuel switching could dictate the recovery.

Fall in power demand

5% to 10%

Below expected levels

# Coupa is helping Oil & Gas companies across the globe remain agile in these uncertain times

## **Empowering the field to drive savings**



**Every employee is** a steward for cost containment, not just procurement



The right data and accessibility even in remote locations



## Gaining visibility into project costs



#### to control A comprehensive business spend

Project costs are difficult

platform is key to understanding all labor, goods, services, and capital spend



#### opportunities Running sourcing events, negotiating

Identifying future savings

contractual rates, and even by optimizing working capital through early pay discounts are all levers to drive savings

Having visibility across our expenditure at a group level and a site level will help us optimize our efficiency and add value into the business, not just take out cost.

CPO, Beach Energy

— Henrik Snyman

### **Enabling zero-cost supplier network collaboration** In 2020, most companies shifted their supply base



alike can now easily digitize their invoices

Suppliers can use invoicing

Small businesses and large



and sharing data with suppliers to make smarter decisions

Companies are now collaborating



methods they're most comfortable with: email, cloud-based, etc.



fees again

Never charge supplier

# Make it easy for non-digital savvy

**Accelerating adoption** 



at work

Intuitive buying capabilities require

users to use technology at home and



the most resistant to Coupa initially....now they are the biggest supporters. — Melissa Villamarin

**66**Our platform workers were

**Talos Energy** 

## Enable fast and agile innovation

Facilitating the path to innovation

minimal training



the supply chains for up-stream, midstream, and downstream companies alike Co-source events to create shared

value within specific sub-industries

through the Coupa community into



Choose supplier that support your corporate vision and commitment to

diversity and inclusion

technology more often — our stakeholders are saying that they can now use Amazon because they know how to use Coupa. — Melissa Villamarin

**66**Coupa has inspired us to use

Talos Energy

Read Coupa's report, "10 Steps for Oil & Gas Companies to Reduce Costs" Deloitte. Read Deloitte's report, "2020 Oil and Gas Industry Outlook: A midyear update"



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