### Deloitte.



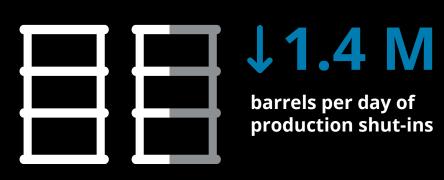
# Preparing Oil and Gas Companies for the Future

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.

20%

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





#### 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



#### opportunitiesRunning 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

#### In 2020, most companies shifted their supply base

**Enabling zero-cost supplier network collaboration** 

Small businesses and large



alike can now easily digitize their invoices

Suppliers can use invoicing



make smarter decisions

Companies are now collaborating

and sharing data with suppliers to



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



Never charge supplier

fees again

#### Make it easy for non-digital savvy

minimal training

**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.

66 Our platform workers were

Talos Energy

### Enable fast and agile innovation through the Coupa community into

Facilitating the path to innovation



midstream, and downstream companies alike

Co-source events to create shared value within specific sub-industries

the supply chains for up-stream,



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.

**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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