

‘New Energy’ business models

The race to reinvent: six types of business models are shaping the future

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The energy system is transforming

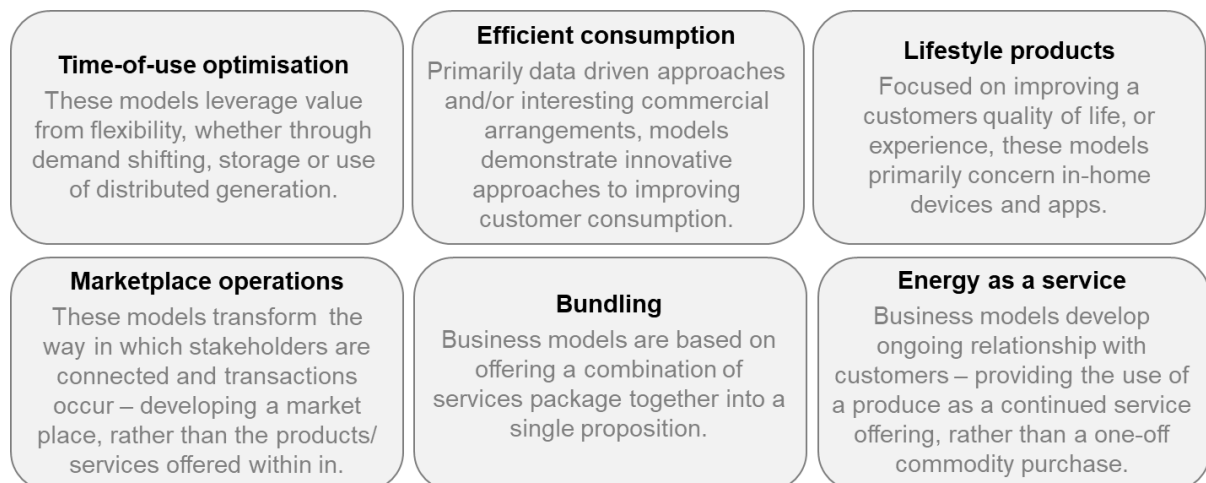
Every aspect of the energy supply chain is being challenged, re-evaluated, re-invented and redeployed. This includes the way in which:

- ▶ energy is generated;
- ▶ energy is traded;
- ▶ supply and demand are balanced;
- ▶ customers interact with energy,

To respond to these transformative changes, new and innovative business models are required right across the supply chain. The race is on to reinvent.

Cutting through the hype: six key business model types

Our 2016 Energy Services Innovation Multi-Client Study identified 10 Commandments of Innovation (see over) which has helped guide the thinking of our clients. Since completing this study, Delta-ee have continued to develop and extend our research, delving deeper and broader into the topic, analysing the plethora of seemingly endless business models entering the space.



This has led us to identify six key types of business model that are shaping the future:

These six types of business model provide a core part of the framework for our **Business Model Research Service**, which enables our clients to:

- ▶ quickly identify which business models are gaining traction, and why
- ▶ evaluate possible entry points, based on an understanding of comparative advantage and the ability to leverage core competencies
- ▶ make strategic decisions on which are the best options for their business
- ▶ understand how the 'new energy' business models will evolve.

The 10 Commandments of Innovation

Our Energy Services Innovation Multi-Client Study scanned and analysed innovative business models across the global energy services market. The 10 Commandments we identified remain valid today, and we can see them being reflected in many of the 'new energy' business models that are emerging into the market.

 Tailored data analysis and insight are a sweet spot	 Many innovations are as much threats as opportunities - sometimes it may be a case of "if you can't beat them, join them!"
 Owning platforms and marketplaces - they hardwire relevance and ensure retention of pricing power	 Look far afield for both friends and foes
 Leave room for evolution – don't feel pressure to plan everything up front	 Embrace the distributed energy world and become a key enabler of it
 Forget the idea there is a secure & familiar core of profitable utility functions that can be retreated into. There isn't.	 Don't endlessly daydream and strategise about the future – it is happening now
 Empower customers and give them positive surprises to (re-) build trust	 Tailored, customer-facing software has a central role to play. The energy company of the future is a software company as much as it is anything else.

The pace of change is only set to accelerate

The market is moving forward extremely quickly. Our ever growing **"long list" of interesting and innovative business models has already reached over 150** – and forms a core part of the evidence base we are building.

Our ongoing and most recent research is now available in the **Business Model Research Service** – providing deep insight and a 'finger on the pulse' of what's working and what isn't.

From micro start-ups, to energy sector incumbents, to new entrants from entirely outside of the energy sector – **a multitude of players are racing to reinvent themselves** – to deliver more customer-centric, service orientated offerings, that adhere to a connected, digital and distributed energy ecosystem. The Business Model Research Service is designed to provide subscribers with the evidence they need to make the right choices, and to turn strategy into action.

[Want to learn more, get more details?](#)

Download more details on the Business Model Research Service from our website www.delta-ee.com

Listen to our podcast, which discusses this whitepaper via www.soundcloud.com/delta-ee

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