

Competitive advantages with the merger of exxon and mobil

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HERE HERE YOUR HERE HERE The Competitive Advantages of the Exxon-Mobil Merger The main competitive advantage of the Exxon-Mobil merger is its current position as a cash and revenue leader. In 2007, this company surpassed Wal-Mart as the number one, largest corporation as related to revenues of 347.3 billion dollars. This high volume of capital allows the company to expand its operations faster than its competitors and devote much more capital into the research and development process to enhance further profitability.

With the merger of these two companies, the business also maintains double the expertise in relation to labor, providing new professional and technical knowledge in technology, petroleum, research and development, and even innovation for new energy development. Unlike other companies in this industry, such as Shell, Exxon-Mobil now has a new knowledge base of talented professionals that supersedes other industries.

The revenues earned by Exxon-Mobil have also provided the firm with new opportunities for further acquisitions, including its 2010 purchase of XTO Energy (Miller, 1). This acquisition has given the business much higher competitive edge due to its capital purchase as XTO is a leader in providing new innovations in unconventional energy resources, including natural gas and fossils fuels that burn cleaner than competitive products. This is a competitive advantage since regulations for clean air emissions are targeting firms and Exxon-Mobil is already geared for compliance and will be able to avoid non-compliance fees and taxation like some of its gas industry competitors. It is clear that the company's largest competitive advantage comes in the form of high profitability.

Works Cited

Miller, Don. “Exxon Deal for XTO Energy May Set Off Wave of Energy Mergers and Acquisitions”. Money Morning Magazine Online. Accessed October 8, 2011 at <http://moneymorning.com/2009/12/14/exxon-xto-energy-deal/>