

# [Key elements to develop marketing strategies for energy assignment](https://assignbuster.com/key-elements-to-develop-marketing-strategies-for-energy-assignment/)

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Even though studies have revealed successful results as well as feasibility of large – call electricity production, there are some concerns regarding this technology. 1 . The environment and pollution Comparing to conventional coal – fired power plants, WET produces significantly less SIS, KNOX, ash and CO; therefore, reduce air pollution, acid rain, and global warming. 2. Jobs and economics development By building WET plants, there will be over 600 Jobs available for locals. This will be economically beneficial for the community. . Buying interest of utilities T here is an opportunity to either retrofitting to use in WET technology or building ewe plants to use WET technology. Issues in this case and alternatives to solve the issue WET produces (1) In a utility decision whether to buy and use the WET technology (a) who comprises the buying center and (b) what aspects of the buying decision does each look at? Due to prospective utility, customers are organizational markets, which have decision – making unit (DIM)I in the organization or company.

The process of buying is made professionally by this decision – making unit (DIM) and based on rationality. Members of a buying center of each utility consist of production division (users and ciders), R&D division (influencer and deciders), purchasing division (buyers and gatekeepers), and executive committee (approvers). Additional details in utility buying decision are as follows: The users (production division) are the persons in organizations use the WET technology directly. Sometime, users who buy WET technology are impersonating to define specifications of fuel supply for producing electricity power.

The influencer and deciders (R&D division and production division) are a group of people in an organizations who have either direct or indirect in terms of defining pacifications of fuel supply in order to produce electricity. They also provide the necessary information regarding this matter. ; The buyers (purchasing division) are a group of people in the organizations who focus on purchasing procedures, benefits of this energy production, any purchasing conditions or requirements for this particular product etc.

In addition to purchasing process and timeline, this group is expected to negotiate for the best price available comparing to other alternative sources in the market. ; The deciders are a team production division and R&D division. They will make a final session whether to buy or use this technology based on scientific information. ; Once the decision is made by the deciders, executive committee (the approvers), they will then officially confirm a final decision and make an announcement to all concerns.

If the deciders do not agree with this purchase request, it will be declined straight away. The gatekeepers (purchasing division) control purchasing process. The procedure starts from collecting relevant and important information about WET technology. Then, circulates this information to the related divisions. Finally, once the decision is dad, the gatekeepers to process payment to the company. (2) What are some of the key elements PEPS should have in developing its strategies to market WET to prospective utility buyers?

As we know that a WET plant produces far less pollution than comparable fossil – fuel plants. The proposed energy strategy draws on Sustainable development chic sustaining finite resources necessary to provide for the needs of future generations of life. Three critical issues soon emerge : 1 . The environment and pollution, 2. Jobs and economic development, and 3. Buying interest of utilities. A mix of market forces and exultation should be “ to ensure safe, reliable, environmentally sound and universally available energy services”.

Some of Key elements should have in developing its strategy to market WET to perspective utility buyers include: ; Establish a statewide energy resource plan that maps out both energy sources and demand. Capacity planners project the demand for electricity by industrial, commercial and residential users and assess the utility ability to supply the demand. The chief executive officer makes the recommendation to add new capacity. The vice president of power supply probably recommends the technology to be used ND the site for the new power plant. ; Streamline the approval process for electricity generation and transmission projects.

OHIO megawatt WET plant – providing enough electricity for the city of 100, 000 people – will provide over 600 Jobs in growing, harvesting, and transporting whole trees and in the plant producing electricity. This is a huge benefit for economic development organizations. ; Promote increased use of renewable energy sources. A WET plant produces far less pollution than comparable fossil – fuel plants. The net effect of burning a renewable biomass – tree – instead of fossil fuels will be deduction in air pollution, acid rain, and global warming. ; Eliminate barriers to the installation of distributed electricity generation facilities.

For the trees transportation, the WET technology calls for large-scale drying of whole trees in air – supported dome like those used in a sport stadium. For the installation of distributed electricity generation facilities, 75% of the United States enough biomass in the form of trees exists within a 50- mile radius to support a 100 megawatt power plant using the WET technology. Much of the tree resource may come from corroboration, hybrid tree plantations that provide farmers with an alternative cash crop. ; Ensure a competitive market for electricity generation by preventing the abuse of market power.

The WET technology estimated that a WET power plant could produce a kilowatt – hour of electricity for 20 to 40 percent less than today’s fossil fuel plants. It has limited transmission lines between it and the competitive. The potential for either of these utilities to exercise market power currently exists. The challenge is to identify if any utility already possesses the ability to abuse the current market (price, fixing etc. ) and to identify how much market share s too much. The initial step to address potential market power abuse is to attempt to quantify market share. 3) As a concerned citizen, (a) what do you see as the key benefits of the WET technology and (b) what do you personally see as the potential “ show stoppers” for WET – the critical things that can prevent it from being commercialese and becoming a reality. (a) According to this article, WET technology provides substantial benefits for our climate, our health, and our economy: 1 . Reduction in air pollution, acid rain and global warming emissions as a result of environmentally – clean, efficient combustion process from three – stage combustion theory.

Also, WET plant produces relatively low SIS, KNOX, Ash and when fuel by a renewable tree crop, it releases no net CO into the atmospheres. 2. Jobs and other economic benefits WET plant only uses unstable hardwoods, which are not wanted by other forest product firms. Those fast growing energy trees will be raised on plantations which can be harvested as often as every five to six years; therefore, adding agricultural and transportation Jobs. In addition, having a plant producing electricity in the community will also increase local employment. Lower cost of productions which might be beneficial for industrial, commercial and residential users. (b) On the other hand, there are some potential “ show stoppers” for WET technology that can prevent it from being commercialese and becoming a reality. The ability of WET technology to provide a vast and inexhaustible electricity supply. A. The demand for electricity consumption nowadays is very high. Generating electricity from woods may not be efficient to supply the demand of industrial, commercial and residential users. B. Would there be enough tress to produce sufficient electricity and land available for plantations?

If growing tress require five or six years, the company will have to make a plan for the middle stage after hardwoods and waste woods are utilized during the first stage. 2. In the sense of large – scale use, the cost of building a retrofitted or new WET power plant could potentially be expensive. If the company cannot absorb this construction cost, the project might not be commercialese. 3. There might be some other alternatives for electricity production, which provides similar or better benefits as well as being more reliable than WET technology.

Natural Resources Defense Council suggested that here are other dedicated biomass sources, which can offer a low – carbon supply of energy without compromising soil health or wildlife habitats. A new product or technology like WET requires educating a number of key groups, or “ influencer,” about the technology. Excluding the electric utilities themselves, (a) what groups or market segments should PEPS try to reach, (b) what key benefits should be emphasized to each, and (c) what promotional methods or media should PEPS use to reach each segment?

These are difficult and important questions for Dave Jostle and PEPS in trying to gain acceptance for the Whole Tree Energy technology. Besides electric utilities, the market segments PEPS must reach include the following: the general public, environmentalists, college students, scientists/opinion leaders, farmers, forest owners, and both state and federal elected officials and agency heads. The reason for some of these may not be obvious. For example, college students are far more open to new ideas than many of the other segments and may ensure the WET concept gets a fair discussion.

State and federal elected officials (e. G. State governors, state and federal senators, and representatives) and agency heads (e. G. , directors of state departments of natural sources, directors of federal agencies like the U. S. Forest Service, U. S. Environmental Protection Agency, and U. S. Department of Energy) are critical in helping provide grants to help fund a demonstration plant and to understand the benefits; as they become knowledgeable about WET, they become potential advocates for it.