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Marketing plan making for EXXONMOBIL

DOI: 10.29180/9786156342386_2

Abstract

Low oil prices have an impact throughout the whole business for ExxonMobil. Oil costs straightforwardly affect the second large issue confronting Exxon keeping up with saves. It is well established that represents the good marketing concepts for all the competitive markets. ExxonMobil is focused on giving solid and reasonable energy to help human advancement while carrying out and progressing compelling answers for moderate natural dangers. The study on ExxonMobil aims to determine a well-known marketing plan for existing businesses on the international level. This study will introduce the new marketing plans implementations in this pandemic situation. I will introduce internal analysis, external analysis, STEP analysis, Porter's five forces model, key internal forces, internal SWOT analysis, BCG Matrix, and QSPM model. These all types of research will show the progressive information and will show the real marketing information which should be applied according to research and methods. ExxonMobil is committed to providing constantly good quality and affordable energy to support human progress while implementing and advancing effective solutions to decrease environmental risks. ExxonMobil claims that it contributes to social welfare worldwide by efficient production of energy and chemicals, community outreach programmers, and high performance on HES. The company has not changed this arrangement, yet it has as of late added human rights to its arrangement of corporate obligations. While this new component has not prompted any critical changes in corporate standards and systems, ExxonMobil's association with the World Bank in the Chad-Cameroon pipeline project shows a change in how to foster undertakings in amazingly poor nations. Then again, that venture is seen as very extraordinary and may not enlighten us much concerning any conventional changes.

Keywords: SWOT analysis, BCG Matrix, QSPM model, Chad-Cameroon pipeline project.

Introduction

Exxon Mobil is one of the world's most powerful oil firms. They operate oil rigs and refineries in several nations. Exxon sells to a variety of gas and petroleum companies. They also create a variety of things on their own. Exxon marketing is a challenging and time-consuming procedure.

Exxon has a variety of target markets at various levels. With the raw oil they're pumping from the rigs, they're going after gas and petroleum firms. This market's targeted characteristics and methods are difficult to come by. In this case, it appears that the target market comes to Exxon. The next step is to target specific markets for their own products. Exxon is a company that manufactures both petroleum (gas) and oil products. Consumers who drive any form of vehicle would be the target market for these products.

Exxon divides them into target groups through market segmentation. They are primarily targeting diesel and gas customers as petroleum consumers. There are two markets to target within the diesel consumer segment. There are two types of diesels: farm grade and over-the-road grade. The agricultural business's consumers and the commercial trucking industry are, of course, the target markets for these. It gets a little trickier in the petroleum industry. Oil is also utilized in gasoline and diesel engines. Exxon will again target the diesel and gas user industries, but this time it will segment the market by engine size and life cycle stage.

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When it comes to promoting their product to consumers, Exxon, like any other company, has a position that they adhere to. Their positioning strategy is like that of any other company in their field. Exxon claims that their product is the most environmentally friendly while also being the best for your engine.

When it bought Enco and Esso in 1972, it got the moniker Exxon. After then, they joined with Standard Oil Inc. to form Exxon Mobil. Exxon was formed by the merger of Enco and Esso, while Mobil was formed by the merger of petroleum products, keeping you Mobil. It's a memorable brand name that also describes where it came from. The two x's make it easy to recognize. It's also pretty simple to say.

For more than 30 years, Exxon Mobil's products have been in the growth and maturity stage. The petroleum and gas industries aren't going away anytime soon. In fact, it will continue that way until we find a better and more stable alternative energy source for transportation. The only time the lifetime stage can be lowered is during a recession or economic downturn.

Exxon's pricing philosophy is based on the principle of "you get what you pay for." Exxon is confident in its product and stands behind it. They are aware that they are not the cheapest, and they do not expect to be, but you will receive excellent value for your money. This is particularly true with their synthetic vehicle oil. They cost a dollar more per quart than another brand, but they still sell more than their competition. They clearly know what they're doing when it comes to pricing because their product is still at the top of the market.

Technical literature review

Exxon set up as the new bound together brand name for all previous Enco and Esso outlets. The Esso name was a brand name of Standard Oil Company of New Jersey and drawn in fights from other Standard Oil side projects due to its phonetic likeness to the abbreviation of the name of the parent organization, Standard Oil. Exxon Mobil is the world's biggest public oil and gas organization. The Irving, Texas-put together organization works with respect to six landmasses and in many nations. Exxon Mobil is likewise one of the world's biggest compound makers, making items like engineered rubbers, modern alcohols, and solvents. Exxon Mobil was established on November 30, 1999, and till now it is included in world best organizations. On February 2, 2018, the proposition cost of ExxonMobil fell by 5.1 percent, its most recognizably horrendous single day fall starting around 2011. The drop in share cost was set off by the appearance of the association's 2017 last quarter benefit. The association missed the benefit suspicion, at this point what's more reported a rot of 3.2 percent in oil creation. Creation in the US tumbled to 244,000 barrels every day. In the last quarter of 2017, ExxonMobil reported a net addition of $8.4 billion diverged from $1.7 billion in a comparable quarter in 2016 - an augmentation of $6.7 billion. While various agents were worried about ExxonMobil's future improvement potential thinking of it is not extraordinary financials and declining share esteem, some were of the view that the association had the option to find and encourage immense energy stores gainfully. The overall interest for oil extended by 1.6 million barrels every day in 2017 to show up at 98 million barrels all year long. Throughout the span of the ten years, the typical extension in consistently overall interest for oil was 1,000,000 barrels. ExxonMobil had broadened that by 2040, the overall oil solicitation would augment by 20% to contact 118 million barrels every day. In March 2019, ExxonMobil declared that it would refresh its development plans. It anticipated that its yearly profit potential should increment by more than 140% by 2025 from the 2017 changed income, on assumptions for an oil cost of $60 per barrel and in view of 2017 edges.

ExxonMobil Chemical spotlights on feasible arrangements in light of tried-and-true strategic approaches. The center components of its business technique include:

- Predictable spotlight on conveying functional greatness
- Expanding on innovation initiative
- Exploiting benefits from the ExxonMobil incorporated model
- Contributing with knowledge and discipline

ExxonMobil's undertakings were truly impacted by the COVID-19 pandemic in 2020 as the resulting overall monetary withdrawal incited a breakdown in energy utilization. The association posted a yearly all out deficiency of $23.3 billion stood out from absolute pay of $14.8 billion in the previous year. Those figures join results for the association's non-controlling interests. Income for the year fell 31.5% to $181.5

billion. The U.S. delivered 35% of full-scale bargains and other working pay, while countries in the rest of the world made 65% of the total, drove by Canada, the U.K., and Singapore. On February 1, 2021, ExxonMobil proclaimed that it had made another business, named ExxonMobil Low Carbon Solutions, to promote its expansive low-carbon development portfolio. ExxonMobil plans to contribute $3 billion through 2025 on lower-outpouring energy courses of action. The new business will at first focus on carbon catch and limit (CCS), an essential advancement expected to achieve net-zero transmissions, one of the huge targets of the Paris Agreement on ecological change. CCS advancement gets CO_2 from current development and injects it into significant geological improvements for enduring storing. On February 24, 2021, ExxonMobil announced that it had assented to a course of action to sell a large portion of its U.K. besides North Sea non-worked upstream assets for Norway-based private-esteem save Hitec Vision AS for more than $1 billion. ExxonMobil said it means to focus in on its advantaged projects. The game plan is depended upon to local the focal point of 2021.

Materials and methods

SWOT Analysis:

SWOT analysis is a framework for identifying and analyzing an organization's strengths, weaknesses, opportunities and threats. These words make up the SWOT acronym.

I choose the SWOT analysis because it is the most basic situation analysis method. That the cause I used it.

The primary goal of SWOT analysis is to increase awareness of the factors that go into making a business decision or establishing a business strategy. To do this, SWOT analyzes the internal and external environment and the factors that can impact the viability of a decision.(Fine, 2010)

TOWS Analysis:

A TOWS analysis is a variant of a SWOT analysis and is an acronym for Threats, Opportunities, Weaknesses and Strengths.(*TOWS Analysis: A Step by Step Guide - Oxford College of Marketing Blog*, n.d.)

A TOWS analysis, like a SWOT, will involve identifying an organization's strengths, weaknesses, opportunities, and threats; however, one of the most common criticisms of a SWOT analysis is that it fails to highlight the links between the various aspects and categories. A specific threat, for example, could amplify the impact of a flaw. A TOWS study, on the other hand, will try to match internal and external characteristics in order to uncover relevant strategic choices for an organization to pursue. It can assist a company in identifying opportunities, reducing threats, overcoming weaknesses, and maximizing strengths.

Internal Factor Evaluation (IFE) matrix:

Internal Factor Evaluation (IFE) Matrix is a strategy tool used to evaluate firm's internal environment and to reveal its strengths as well as weaknesses in the functional areas of a business.(Jurevicius, n.d.)

It also serves as a foundation for recognizing and assessing connections between those domains. The development of an IFE Matrix necessitates intuitive judgments, thus the appearance of a scientific approach should not be taken to imply that this is an all-powerful strategy. More important than the exact figures is a detailed knowledge of the issues involved.

External Factor Evaluation (EFE) matrix:

External Factor Evaluation (EFE) Matrix is a strategy tool used to examine company's external environment and to identify the available opportunities and threats.(Jurevicius, n.d.)

Marketing planners can use an External Factor Evaluation (EFE) Matrix to summarize and assess economic, social, cultural, demographic, environmental, political, governmental, legal, technological, and competitive data. The EFE Matrix shows whether a company can effectively exploit current possibilities while limiting external dangers. It will also assist strategists in developing new strategies and policies based on the company's current situation.

The Internal Factor Evaluation (IFE) Matrix together with the External Factor Evaluation (EFE) Matrix is a strategy-formulation tool that can be utilized to evaluate how a company is performing in regard to identified internal strengths and weaknesses of a company.

IE matrix:

The internal external matrix positions an organization's various divisions in a nine-cell display.(*Internal External Matrix - Hmhub*, n.d.)

The IE Matrix and the BCG Matrix are similar in that they both entail plotting a firm's divisions in a schematic diagram; therefore, they are both referred to be portfolio matrices. In addition, the size of each circle in both the BCG and IE Matrices represents the proportion of sales contribution of each division, whereas pie slices disclose the percentage of profit contribution of each division, but there are some variances. (*The Internal-External (IE) Matrix – HKT Consultant*, n.d.)

BCG matrix:

The Boston Consulting Group Matrix (BCG Matrix), also referred to as the product portfolio matrix, is a business planning tool used to evaluate the strategic position of a firm's brand portfolio. The BCG Matrix is one of the most popular portfolio analysis methods. It classifies a firm's product and/or services into a two-by-two matrix. Each quadrant is classified as low or high performance, depending on the relative market share and market growth rate. (*BCG Matrix - Overview, Four Quadrants and Diagram*, n.d.)

Space matrix:

SPACE Analysis is an analytical technique used in strategic management and planning. SPACE is an acronym of Strategic Position and Action Evaluation. The analysis allows to create an idea of the appropriate business strategy for the enterprise. The analysis assesses the internal and external environment and allows designing an appropriate strategy.(*SPACE Analysis - ManagementMania.Com*, n.d.)

The analysis describes the external environment using two criteria:

1. Environmental Stability (ES)
2. Industry Attractiveness (IA)

The inside environment is also described by two criteria:

1. Competitive advantage (CA)
2. Financial Strength (FS)

QSPM matrix:

Decision stage is the last stage of strategy formulation in which a tool is used called Quantitative Strategic Planning Matrix or QSPM Matrix. Hence there are a number of alternative strategies and the Quantitative Strategic Planning Matrix (QSPM). (*QSPM Matrix - Quantitative Strategic Planning Matrix*, n.d.)

It may be used to objectively assess the most appropriate method from a list of all the alternatives. As a result, data is gathered, and a matrix is created for strategic planning utilizing quantitative approaches. As a result, the QSPM Matrix is based on identifying the external and internal critical success factors. Only the carefully devised technique of QSPM Matrix can determine the relative attractiveness of plausible alternative actions.

Vision Statement:

"To safely and responsibly meet the world's growing needs for energy and high-quality chemical products." While this is not the official vision statement, it represents what the corporation considers critical for maintaining the value of its business operations.

ExxonMobil Vision Statement Analysis:

ExxonMobil is extremely specific to where it needs its future to make a beeline for, and it needs the workers and the investors of the organization to know something similar. They expect to impart a brilliant future to individuals who buy their items and are continuously meaning to get the job done their investors' requirements by making an honest effort to remain in the market pattern. Along these lines they are extremely specific in their endeavors to lead the economy and ensure the organization streams in the best bearings.

The vision explanation is inferred as" to securely and mindfully meet the world's developing requirements for energy and excellent compound items." There are two primary components we will be breaking down in this vision proclamation. Those components will let us know what the organization focuses on its future and what it will give as far as advantages to its customers. The components are: -

- To meet the world’s growing needs safely and responsibly.
- Energy and high-quality chemical products.

The principal explanation discusses the organization is truly outstanding in paying attention to the necessities of their country while likewise ensuring their administrations arrive at the world's economies and make them benefit. Gas and oil are extremely unpredictable and delicate things to deal with. A basic blunder to a great extent can prompt holes and blasts, as has occurred with many organizations. ExxonMobil focuses on dependably taking care of those unstable wellsprings of energy and dependably transport them all over the world with lesser harm than most organizations. Along these lines, making it one the most capable oil transporting organizations universally, getting them overall acknowledgment and huge loads of benefit in their shipments. They have attempted to have an effect both ecologically and financially in their undertakings. The consecutive component discusses providing the organizations with energy, in addition to any energy sources, superior grade and reliable sources that will assist the headway of their organizations and help with driving their future and ensure they have a decent run utilizing their items. The comparison between most energy-delivering organizations and ExxonMobil is that they are submitted completely to give excellent energy sources.

This present organization's aim occupation is to give organizations and economies the best quality items regarding energy and gas. Their entire standing depends on the way that they give great raw petroleum and a skill for being the most incredible in managing energy items. Regardless of whether they give the best, they need to keep up with their notoriety because of the economies depending on their inclination to be predictable with their items. They keep away from numerous things, one of which isn't making false responsibilities and ensuring they don't withdraw on the responsibilities they made. This has consistently assisted them with making guarantees and be safe with regards to their showcasing and business choices while additionally giving them a decent standing.

Mission Statement:

The mission is to provide quality chemical products and services in the most efficient and responsible manner to generate outstanding customer and shareholder value while remaining committed to the principles of sustainable development. [1]

ExxonMobil Mission Statement Analysis:

ExxonMobil Mission Statement has not founded legitimately yet given its accurately of encounters and the information formed on its site, we can figure out a mission statement. Their mission statement will rotate around making the world capable and practical using crude petrol and their oil things. Their focal objective will similarly focus in on using energy sensibly and growing the lifestyle by giving sensible energy sources. Their statement of purpose will seem like this," Providing energy to the world's economies at a reasonable rate. Dealing with every one of the difficulties for giving energy, and taking care of those issues in a functional, protected, dependable, social and earth satisfactory way." There are 3 components we want to examine in this assertion.

- Giving energy to the world's economies at a reasonable rate.

- Figuring out every one of the difficulties.
- Tackling issues in a useful, protected, dependable, social, and harmless to the ecosystem way.

The essential part is giving energy to the world at a monetary rate. Oil and Gas are the principal factors required for any economy to finish its regular limits. Additionally, assuming the expenses for those are at an unparalleled high, people can't tolerate evening the barest necessities. Therefore, this association should target providing clients with the best idea of oil and gas at sensible rates.

The central thing for any energy-giving business is getting customers and giving gas and oil at a sensible rate. Getting customers ends up being basic in the event that the things are sold for a minimal price.

Meeting troubles and handling them for the association and its laborers is one of the association staff and the owners' most critical parts. It grants them to talk with each other and ask how is to be dealt with how the issue is to be handled. Assuming correspondence is missing, the association will successfully break down away. Miscommunication and nonappearance of correspondence is an outrageous test that every association ought to go up against. There are various challenges the gathering ought to face. Considering everything, they connect with monetary circumstances, material availability, moving issues, monetary instabilities, design change, pay stream, and an augmentation being used. Thus, the utilizing models for ExxonMobil are amazing and require gigantic data accessible and the things the association sells. Dealing with the issues of the association and meeting the troubles go inseparable. Nevertheless, handling issues in the way referred to above requires an enormous proportion of resilience and commitment towards the association. Being practical means considering reasonable courses of action without harming the delegate and their plan and completing faster work. Prosperity and reliability go together and ensures the security and continuation of the association name after exercises. On the other hand, innocuous to the biological system exercises are incredible for the prosperity and persistence of the environment. Thus, most associations need to guarantee their organizations are according to the customers' prosperity and trustworthiness. This does a consistent proportion of business for the associations and ensures the affiliation's livelihoods without any obstructions.

External analysis

External analysis is carried out by the organization in order to discover external risks and opportunities. External risks are those that are unknown, difficult to identify, and that the company does not control. External risks offer a significant danger to businesses, particularly strategists, because they make long-term planning difficult. Most industries are confronting rising uncertainty because of the external environment's rapid changes and complexity.

The goal of the company's external audit is to compile a list of potential opportunities and hazards to avoid. External audits are designed to assess only the critical aspects that require the firm to take real countermeasures so that the company can know how to respond best and whether to pursue an offensive or defensive strategy, as the term "limited" implies. When undertaking an external audit, the company needs collect enormous amounts of data, which necessitates employee and senior management involvement.

STEP Analysis:

Beyond a competitive advantage, the pestle analysis provides extensive information about the operational issues ExxonMobil will face in a general macro environment. For example, an industry may make a lot of money with a strong growth trajectory, but it will not help Exxon Mobil if the political situation is uncertain. Repsol, the Spanish oil company, is in a similar dilemma. It began operations in Argentina with above-average profitability and attained success. In 5-7 years, you might expect to make a lot of money. The enterprise, however, was later seized by the left-wing government. As a result, the ten-year profit was not realized in the end.

Social factors

The culture of society and the style of doing things have an impact on the culture of environmental groups. ExxonMobil's marketers use shared beliefs and attitudes to better understand customers in specific markets and create marketing messages for key oil and gas consumers. The skill level and demography of the target group that the organization wishes to attract are the first significant social factors to consider. In society, the hierarchy, class structure, and power structure are all essential social variables to examine. The education level of the company and the education level of the employees.

Technological Factors:

The subculture of society and the style of doing things has an impact on the subculture of environmental agencies. People's common views and attitudes play a critical role in how ExxonMobil's executives identify clients in certain markets and construct advertising messages for key customers in the oil and gas business. The first social component to consider is the level of talent and demography of the target population that the agency must reach. In addition to hierarchy, type structure, and electricity shape in society, there are other important social variables to consider. The company's education and training degrees.

Economic Factors:

The combination demand and mixture investment of an economy are determined by macro environmental factors such as inflation rate, financial savings rate, activity rate, international trade rate, and financial cycle. While micro environmental factors such as opposing norms have an impact on the firm's aggressive advantage. Exxon Mobil Corporation can forecast the boom trajectory of not only the sole zone but also the organization by using country financial elements such as growth rate, inflation, and industry financial warning signs such as major integrated oil & gas enterprise boom rate, patron spending, and many others. Aside from that, the exchange rates and balance of the countries in which the business works are other important financial factors to consider. ExxonMobil must decide whether it wants to raise cash in the local market or not, and the efficiency of financial markets is one of the monetary factors to be considered. In the huge integrated oil and gas business, the infrastructure is extraordinary.

Political factors:

Political factors have a significant role in determining the factors that can affect Exxon Mobil Corporation's long-term profitability in a specific United States or market. Exxon Mobil Corporation operates in large integrated oil and gas in more than a dozen countries, exposing it to a variety of political environments and political gadget risks. The key to success in such a dynamic major integrated oil and gas firm operating in numerous foreign locations is to diversify the political environment's systematic threats. Political stability and the economic importance of the country's key integrated oil and gas region.

Anti-trust legislative standards for huge integrated oil and gas companies are also an important political consideration for the organization. Every other political issue that may influence the organization, particularly corruption in the law levels in the basic materials industry, is the risk of navy invasion corruption. Interference and bureaucracy by the government in the huge integrated oil and gas enterprise is a political issue that the company should handle.

PORTER'S Five Forces Model:

Michael e. Porter developed the five-a-side competition framework in 1980, and it has since become a significant aspect of the strategic planning process. This model establishes each industry's competitiveness and explains why different industries can achieve and maintain varying levels of profitability.[2]

Competition in the Industry:

The number of competitors in a certain industry determines the level of competition in a given business. When there is many competitors in a given industry offering similar products and services, a company's power to determine the terms of deals that will allow it to earn more money is greatly diminished. When there is a lot of competition in a market, it usually means that competitors are concentrating on each other's market share by aggressively pricing their items. This results in possible charges for all competitors in that industry. When competitors are about equal in size and power, the depth of competition is at its peak, and an increase in leads market to compete for market share, the enterprise is slow, or the enterprise's exit barriers are too high.

Potential of new entrants in the industry:

The potential for new entrants has a significant impact on the nature of industry competitiveness. The ease with which new enterprises can enter the industry is determined by entry barriers. Because there are numerous rivals in a market with few or no barriers to entry, the degree of competition will be high. Government policies, access to distribution channels, and entry expenses are all examples of entry barriers. Companies will be attracted to a sector with many barriers to entry because it has a greater competitive edge and the ability to demand higher prices and negotiate better conditions.

Power of Suppliers:

The number and concentration of suppliers in relation to industry players, as well as the degree of disparity in the input given, are the major focus of supplier power analysis. This section examines the amount to which a supplier may influence the input price, the cost of switching suppliers, the number of suppliers that dominate the sector, and so on. When the number of suppliers in a certain industry is small, their bargaining power increases, allowing them to pursue a superior trade advantage.

Power of Customers:

This section investigates the number of purchasers in the sector, their scope, and the costs of switching from one product to another. When a corporation has a lot of bargaining power, it tries to gain customer loyalty, which is usually the case when the consumer base is limited. When customers in an industry have a lot of bargaining power, they frequently influence the quality and price of goods and services against the company's interests.

Threat of Substitute Products:

Substitutes can be utilized to replace a company's products or services, posing a risk to the organization. Customers can choose not to buy the firm's products if close replacements are available, weakening the firm's power. When the risk of replacement merchandise is large and the buyer's switching charge is low, an alliance becomes considerably less advantageous. Strategists must pay attention to various businesses because these industries may undergo changes that will make them interesting replacements.

Matrix’s introduction

Experts in the strategy formulation process employ matrix as a key analysis approach. It is extremely useful when trying to figure out what the optimal plan for a company is. There are three steps to developing a strategy:

The input stages:

- The matching stage
- The decision stage

EFE and CPM matrices are included in the input stage. The organization evaluates its surroundings (both internal and external) at this stage by gathering data that will aid them in the matching and decision-making stages.

External Factor Evaluation Matrix (EFE):

At this stage, the company analyzes external factors by collecting data, which will help them in the matching, and decision-making stages. External Factor Evaluation (EFE) Matrix is a strategy tool used to examine company’s external environment and to identify the available opportunities and threats.(Jurevicius, n.d.).

Organizations can use the following steps for external evaluation.

- Make a list of all the important external elements. List opportunities first, then threats, using a combination of ratios and percentages.
- Each factor should be given a weight. The weight should be in the range of 0.0 to 1.0 each factor's relative importance to the company's success is represented by the weight distribution. Opportunities are normally placed higher than dangers in terms of weight; however, the situation is different when the variables that harm the organization are considerable. It is crucial to remember that the overall weight must be 1.0.
- Then, for each factor, assign a score between 1 and 4. Each level denotes the degree to which each component is compatible with the company's current strategy implementation. 1=Major weakness, 2=minor weakness, 3=minor strength, 4= major strength are all possible interpretations of the rating score.
- To get their weighted score, multiply each factor's weight by its rating.
- To calculate the overall weights for the organization, add the weighted scores together.

Regardless of how many external elements are included in this matrix, the greatest weighted score must be 4.0 and the lowest must be 1.0. A score of 4.0 indicates that the company is effectively responding to its external environment by seizing opportunities and reducing dangers. When the score is 1.0, however, the situation is reversed.

Competitive Profile Matrix (CPM):

Organizations utilize a competitive profile matrix to assess their relative advantages and weaknesses in comparison to competitors. It is a regularly utilized tool in strategy formulation since it can assist a firm in identifying its main industry competitors by utilizing key success characteristics. The important areas on which an organization should focus to succeed in its industry are referred to as critical success factors. Weights range from 0.0 (low relevance) to 1.0 (great importance) while generating the competition profile matrix. These factors should be ranked on a scale of 1 to 4 after the weights have been assigned. Then multiply the weight by the rank to get each weighted score.

External Factor Evaluation Matrix:

Table 1

EFE matrix for ExxonMobil			
Opportunities	**Weight**	**Rating**	**Weighted scores**
The rise in the information about the use of energy	**0.12**	**3**	**0.36**
Growth in the value of energy	**0.13**	**2**	**0.26**
Increase in the tendency of individuals to spend	**0.06**	**2**	**0.12**
The rise in the mobility of labor capital and technology	**0.08**	**2**	**0.16**
Request for the change in renewable energy	**0.05**	**3**	**0.15**
Threats			
Regulations restricted undue emission of co2	**0.08**	**4**	**0.32**
Depletion of natural energy resources	**0.12**	**3**	**0.36**
Competition in the industry	**0.09**	**1**	**0.09**

The credit crisis and volatile raw material prices in	**0.10**	**1**	**0.10**
The hurricane effect on us gulf coast region	**0.07**	**1**	**0.07**
Disruption in gas supply	**0.10**	**1**	**0.10**
Total EFE score	**1.00**		**2.09**

Source: Authors' own calculation, 2022

COMPETITIVE PROFIT MATRIX (CPM)

ExxonMobil has the best market share, product quality, and production capacity, whereas BP has the best management, according to the table. ExxonMobil has the greatest weighted score of 3.48, followed by Shell with a weighted score of 3.10, and BP with a weighted score of 2.92.

Table 2.

ExxonMobil competitive profile matrix							
Critical success factor	Weight	Rating	Weighted score	Rating	Weighted score	Rating	Weighted score
Advertising	0.20	3	0.60	3	0.60	3	0.60
Product quality	0.10	4	0.40	3	0.30	2	0.20
Management	0.07	3	0.21	3	0.21	4	0.28
Financial position	0.10	3	0.30	2	0.20	3	0.30
Customer loyalty	0.05	4	0.20	3	0.15	2	0.10
Global expansion	0.20	4	0.80	4	0.80	3	0.60
Market share	0.09	4	0.36	3	0.27	3	0.27

Logistic	0.15	3	0.45	3	0.45	3	0.45
Production capacity	0.04	4	0.16	3	0.12	3	0.12
Totals	1.00		3.48		3.10		2.92

Source: Authors' own calculation, 2022

Internal analysis

Exxon Mobile is one of the world's leading oil and energy companies. But what makes them so successful? A comprehensive internal study can be beneficial in establishing what characteristics of this organization make it an industry leader to answer this issue. The company's resources and capabilities are two parts of this internal Exxon Mobile examination.

Resource Based View (RBV) Approach:

The firm's capabilities are derived from its resources. Organizational capabilities are created by combining resources. A company's resources are both tangible and intangible. Visible and quantifiable resources are assets that can be seen and measured. Intangible assets are assets that are typically deeply rooted in a company's history and have accumulated through time. Competitors have a hard time analyzing and replicating intangible assets.

Exxon Mobil has got a varied number of plants all over the world. This has been strategically placed all around the world to keep a grasp on the global market. Their locations make them favorable for lower cost in transportation which in turn is also a sustainable practice with de regard to that place. Potential reserves, according to ExxonMobil, are one of the key drivers of intrinsic value in an integrated oil and natural gas company's upstream operations over the long term. ExxonMobil's proven reserves were estimated to be at 15 billion oil-equivalent barrels at the end of 2020.

Exxon has been known to have one the highlighting R&D arenas that helps in technological advances and make less carbon footprint globally which is a persistent problem with many companies. How ExxonMobil does this is a continuous state of thorough successful exploration, acquisitions, divestments, and ongoing development planning and appraisal activities.

Exxon's success is largely due to its unique resources and capabilities, as well as how it uses them to generate long-term competitive advantage. ExxonMobil has a wide and diverse portfolio of undeveloped resources, which gives the company a lot of leeway in developing new supplies to meet future energy demand and replenish its proven reserves.

ExxonMobil has a wide portfolio of high-quality projects and prospects across their Upstream, Downstream, and Chemical sectors, as one of the world's largest publicly held international oil and gas corporations. ExxonMobil's strategies are carried out through global function businesses, which give the company a competitive advantage by ranking opportunities globally and deploying people and other resources in ever-changing economic conditions.

Key Internal Forces:

Analyzing key internal factors for an ExxonMobil contains factors as a management, organizing, motivating, staffing and controlling. Considering the strategic forces held by the company in most parts of the world is appreciable because of their responsible and sustainable. When I say sustainable practice, I will mention one of their most successful projects "the LNG project in Papua New Guinea" in which “gas flows through a 400-mile pipeline down some very rugged terrain to the LNG plant, which is located on the coastal area, so it's at sea level. So, you move from 9,000 feet to sea level about 400 miles away”.

This venture's successful launch highlights their distinctive capabilities and resource development, particularly in difficult environments. And it's only possible because of their incredibly brilliant and committed employees and contractors. This is ExxonMobil and this is exactly what they do.

Management:

Planning:

Exxon Mobil's management style is based on three uncompromising goals: exceptional technology, rigorous standards and an unwavering commitment to best-practice safety procedures. When the Exxon Valdez, an oil ship owned by the Exxon Shipping Company, spilled 11 million gallons of crude oil into Alaska, it was a turning moment for FORECAST OPERATIONS AND STRATEGIES that guide their everyday work, which is called OIMS (Operations Integrity Management System). OIMS delivers a systematic, organized, and disciplined way to measuring progress and tracking accountability for safety, security, health, and environmental performance across business lines, facilities, and projects through a systematic, structured, and disciplined manner.

This aided the organization in establishing broad objectives for their management style. It is made up of 11 main aspects that assess and reduce risks to people, the environment, and the communities in which they operate. Assessing the risk associated in their operations — from offshore platforms to their offices — and making plans to minimize and manage that risk over the course of the operation is fundamental to OIMS.

Organizing:

Managers convey authority to job holders in this function." The organizational structure of Exxon Mobil is based on a collection of segments from units, sections, divisions, and departments that work together to achieve organizational goals. Exxon's management team consists of the chairman and chief executive officer, as well as four senior vice presidents, one of whom serves as the company's treasurer. There are eleven members of the board of directors, 10 of whom are "independent as defined by New York Stock Exchange criteria,"

"Nearly 80,000 people, of which around 37 percent were situated within the United States and 63 percent were located globally," according to the global workforce that makes up the organization's leadership and staff positions. More than 3,600 people, from various nations across the world, work together to form the management and professional group.

Motivating:

ExxonMobil launched the Core Strengths: Results through Relationships training to assist employees and managers get a better understanding of their own and their team members' motivations, improve communication, and better prevent and manage conflict within teams and among colleagues. With the help of Core Strengths' relationship intelligence, project teams were able to transform previously ineffective dialogues into interactions that resulted in increased innovation and efficiency.

“It really gets down to the internal core of what drives and motivates people, and that’s really the complexity that I think that’s hidden whenever we’re trying to solve these big business challenges”

ExxonMobil has swiftly extended the program, certifying over 100 internal facilitators to present the Results through Relationships session to the company's global workforce. The support tools have been praised for their ease of use and flexibility to allow facilitators with varying levels of experience, from 6 months on the job to 20 years with ExxonMobil, to teach the course to a diverse employee base.

Staffing:

Exxon's human resource strategy is to expand the number of national personnel over the course of a project's life cycle and train them in the technical and professional skills required for working on current and future projects and operations. The approach applies to the functions of recruiting, selection, training, maintenance, and development of staff in human resources. As previously stated, the strategy's long-term goal is to hone the talents of talented employees who are deemed competent and highly equipped to fulfill worldwide expectations of the organization's future needs.

Controlling:

The System of Management Control Basic Standards at ExxonMobil establish the fundamental principles and concepts that guide their corporate controls. The Integrity Management System for Financial Controls is meant to identify and measure financial control risks, as well as methods for minimizing concerns, monitoring compliance with standards, and reporting results to ExxonMobil's appropriate operations and management groups. The Sarbanes-Oxley Act and NYSE listing standards are met or exceeded by these company-wide financial controls. An independent examination by PricewaterhouseCoopers LLP confirmed that their internal controls system is effective for financial reporting. Regular self-assessments and audits help verify that all operating units follow our controls and requirements consistently.

Marketing:

With the advent of newer big data analysis technology, Customer analysis has become one of the key factors in modern marketing. Population and income growth, as well as an unprecedented expansion of the global middle class, are predicted to drive increased demand for energy over the coming few decades, and this is where Exxon's **customer analysis** one cloud service aims to collect the critical data, they need to expand this industry. ExxonMobil is responding to the increased demand for its products by providing solutions that help customers cut emissions and enhance energy efficiency.

Exxon Mobil's core businesses include crude oil and natural gas exploration and production, as well as the manufacture, trade, transportation, and sale of crude oil, natural gas, petroleum products, petrochemicals, and a wide range of specialty products. It also makes a variety of petrochemical products, which are utilized as raw materials in a variety of industries.

The company's business operations are separated into three primary segments: upstream, downstream, and chemical.

Exxon Mobil's **upstream** business is divided into five divisions. Unconventional, Deep-water, heavy oil liquefied natural gas (LNG), and conventional. The upstream global value chain of Exxon Mobil encompasses exploration, development, production, and marketing.

Exxon Mobil's **downstream** sector mostly consists of fuels and lubricants. The company is one of the largest producers and marketers of fuels and lubricants in the world.

Petroleum products are sold at a rate of over 5 million barrels per day. Its entire fuel value chain includes crude procurement, manufacture, distribution, and retail, commercial, and supply-chain sales of gasoline products.

The firm is one of the world's largest refiners, with 21 refineries and a distillation capacity of almost 5 million barrels per day. The development, production, and marketing of base stocks and finished lubricant products are all part of Exxon Mobil's lubricants **value chain**.

Exxon Mobil is also among the top chemical makers in the world. It sells more than 25 million tons of chemicals each year. Exxon Mobil is either the world's number one or number wo chemical producer for more than 80% of its chemical product portfolio.

Apart from basic chemicals such as olefins, aromatics, and glycols, the company also manufactures performance items for a variety of consumer uses such as food packaging and automobiles.

Consumer demographics, production costs, marketing, and distribution, as well as competition and demand, are all factors that influence product **pricing**. Before deciding on a pricing for a product, business executives analyze all these considerations.

Apart from production costs, additional elements that affect pricing strategies in the case of ExxonMobil include government policies, taxation, demand, competition, and several other considerations. As a result, petrochemical companies don't have a consistent pricing strategy. Exxon Mobil pricing their products based on these parameters as well. The corporation, on the other hand, sells a wide range of items that are priced differently depending on market dynamics, demand, and production costs.

In the petrochemical business, Exxon Mobil is a well-known brand with a large global presence. A strong brand image has also been successfully handled by the corporation. To maintain a solid social image and increase brand awareness, the brand works on several facets of marketing mix.

It engages in CSR in addition to sustainable business operations to preserve a positive social image. However, this is the digital marketing era, and the use of digital media for marketing and promotions has increased across industries, including the petrochemical industry.

Exxon Mobil, for example, uses digital channels such as a collection of company-owned websites, social media, and personalized internet advertising to increase brand awareness and sales around the world aligning with the shifting global thoughts about energy consumption.

Exxon Mobil is now aggressively embracing social media platforms such as Facebook and YouTube to increase brand recognition and engage customers.

Finance and Accounting:

The recording and analysis of company activities are referred to as accounting and finance. Understanding your incoming and outgoing cashflow will help you prevent failure by allowing you to make better decisions in the future.

As of 2020, ExxonMobil had total assets of 332.8 billion USD. ExxonMobil's total assets declined by around $30 billion from 2019 to 2020.

The debt-to-equity ratio of ExxonMobil was 0.93 on 2020 which was the peak in recent years. Looking back, it's evident that it increased over the last two decades. Borrowing this extra capital could be a strategy to invest in their long-term goal which may have a potential big return in the upcoming years. The debt to asset ratio being 0.5 is still promising for the investors.

ExxonMobil's activity ratio wise, the inventory turnover ratio is 0.95.

ExxonMobil's financial report 2020 indicates, the Gross Profit Margin was 18.04% with Gross income being 321.45 billion USD. With an operating margin 4.18%, shows a substantial decline from past few years which indicates the impact of COVID-19 on the energy sector. The net profit margin was -12.59% in 2020.

ROA (return on total assets) of 4.07% and reported an EPS (earnings per share) of -5.25$ for their 2020 fiscal year. And a net loss of 224.40 billion dollars in 2020, which the year before was a positive 143.40 billion dollars, again indicating the impact of COVID-19 on the company's business. But the company showed enormous resilience in that crisis which is reflected on their earlier and later accounts.

Production and Operation:

Its production model is an integrated oil and gas corporation that uses a disciplined approach and long-term planning to meet long-term global energy and petrochemical demand. The integrated value chain runs from resource discovery to commodities product commercialization. ExxonMobil has several divisions.

- Upstream:
  - Exploration is the process of discovering new oil and gas deposits.
  - Development: plans and constructs large-scale oil and gas extraction projects
  - Production: operates and oversees the oil and gas extraction

- Downstream: refines crude oil and natural gas into fuels and other goods.
- Chemicals: manufactures chemical products

To combine the capital-intensive industry with long-term wealth development, ExxonMobil employs disciplined investing, a well-balanced portfolio, and strong management processes. Regardless of market conditions, it invests methodically in Upstream, Downstream, and Chemicals to assure long-term wealth generation. ExxonMobil can capture value at cyclical times when other companies can't, thanks to its decades-long time horizon.

Diversification in each of the three business units makes up the balanced portfolio. For the past 21 years, it has successfully replaced the reserves it has depleted; without new resources, the corporation will not be able to sustain itself in the long run. It invests more than $20 billion per year in new capital to facilitate the production of these resources. It maintains and upgrades midstream and downstream activities to convert raw materials into marketable products like gasoline, lubricants, polymers, and chemicals. It has a lot of equilibrium even inside the business units. Economies of scale and flexibility are enabled by the size, location, and kind of resources, projects, and assets.

ExxonMobil's robust operations, guided by a core business strategy, continually deliver value to the company and, ultimately, to its shareholders. It is a pioneer in finding and producing usable energy through rigorous management systems, disciplined investing, and a well-balanced portfolio. ExxonMobil will continue to advocate goods that fulfill global energy needs, whether it's oil, gas, nuclear, solar, or a new energy source.

Research and Development

R&D has always been a part of ExxonMobil's DNA, dating back over 135 years. From the clean, efficient fuels that power today's transportation to the natural gas that gives light and heat to homes and businesses, their advances have helped deliver the energy essential to modern living. ExxonMobil has spent $16.5 billion on research and development across all their business lines since 2000.

Our world now faces a dual challenge: satisfying rising energy demand while simultaneously lowering environmental impacts, including climate change threats. ExxonMobil has pledged to do its part.

Meeting the dual challenge is a worldwide problem that will require cooperation from governments, businesses, consumers, and other stakeholders. ExxonMobil has been a strong advocate for a price on CO_2 emissions that applies to the entire economy.

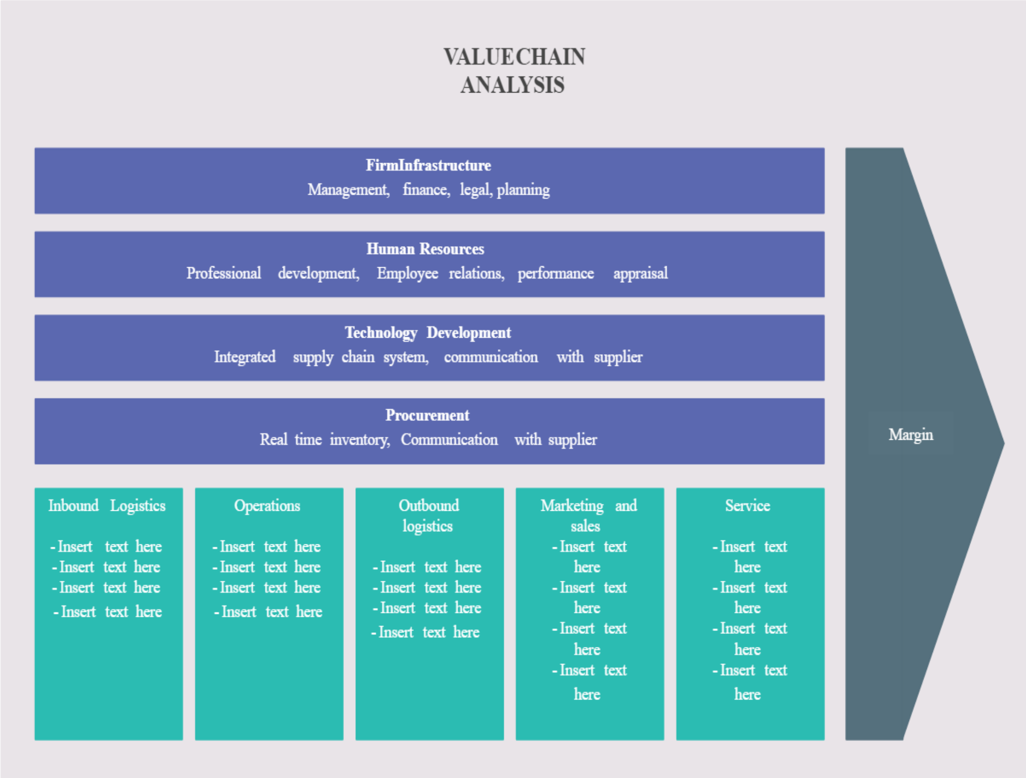
They joined the Oil and Gas Climate Project in 2018, a voluntary initiative that brings together more than a dozen of the world's largest oil and gas companies to work on solutions to alleviate climate change concerns. They are committed to the Paris Agreement as a critical framework for mitigating climate change concerns.

1- Management Information System:

ExxonMobil is committed to conducting business in a way that is compatible with the environmental and economic demands of the communities in which it operates, while also maintaining the safety, security, and health of its workers, those involved in operations, customers, and the public. These commitments are outlined in its policies on safety, security, health, the environment, and product safety. The Operations Integrity Management System, a disciplined management system, is used to put these policies into action (OIMS).

ExxonMobil's OIMS Framework creates a set of global expectations for dealing with the risks that come with our operations. ExxonMobil uses the term Operations Integrity (OI) to refer to all parts of its operations that may have an impact on personnel and process safety, security, health, or environmental performance.

Figure 1. Value Chain Analysis:



The value chain analysis is a framework that companies use to understand their cost position and to identify the many methods that could be utilized to make a business-level strategy easier to implement. The value chain of a company is divided into primary and support activities.

Primary Activities:

- **Supply Chain Management:**
  - A business-to-business approach that ensures a consistent number of sales.
  - Both direct and indirect methods are used for distribution.
  - Partnerships with local vehicle dealers, garages, fuel wholesalers, and other businesses that provide marketing and other services in areas where Exxon is not present.
- **Operations:** Around 40 producing oil and gas fields in the North Sea are owned by ExxonMobil. Shell U.K. Exploration and Production manages many of these fields as part of a joint venture. They are responsible for about 5% of the UK's oil and gas production.
- **Distribution**: Around 60% of the refinery's petroleum product output is exported, making it one of mainland Norway's top exporters.
- **Sales and Marketing**:
  - Exxon, Mobil, and Esso are three fuel brands that are distributed all over the world.
  - As a matter of necessity, more focus should be put on sustainable energy.
  - In the marketing of petroleum products, the corporation is the market leader.

Support Activities:

- **Product R&D, Technology and Systems development**
  - Advance motor technology
  - Hydrogen fuel cells
  - Carbon Capture and Storage
  - Controlled freeze zone
- **Human Resource Management**:

ExxonMobil's Human Resources mission is to use people to gain a competitive edge. HR plays a critical role in helping to design strategies and people-related initiatives, policies, and programs to guarantee our employees see ExxonMobil as an employer of choice, which helps to secure our company's long-term success.
  - New intensive training to broaden their knowledge's depth and breadth
  - Nearly 80,000 employees work for a corporation.

- **General Administration**:
  - Operation safety
  - Environmental performance
  - Workplace

- **Firm Infrastructure:** They are one of the most geographically well-balanced big oil firms, with roughly 40% of their refining capacity in North America, 30% in Europe, and the rest in Asia Pacific. This regional diversity allows them a lot of options when it comes to selling refined products to big markets.

Internal SWOT Analysis:

Strength:

- **A well-known brand with a solid reputation:** Exxon Mobil's massive scope of operations is one of its greatest assets. It is now engaged in exploratory activities on six continents worldwide. Because the corporation has been in the energy and petrochemical business for almost a century, it now has significant scale and scope in the space. In its peer group, it has the largest crude capacity and the most refineries. Exxon Mobil has been able to carve out a strong brand image for itself in the competitive energy and petrochemicals sector because of all these elements, providing a sense of stability to its stakeholders.
- **Diversified operations across geographies:** Exxon Mobil's large scope of varied operations across geographies is one of the company's primary assets. Although the United States is the company's primary source of revenue, non-US territories such as France, Belgium, Germany, Singapore, Japan, Italy, and many other countries also contribute significantly. The company's varied regional presence allows it to manage its global revenues in accordance with changing economic and political conditions across multiple locations, reducing risk in its operations. It also has operations in many non-OECD nations, which is a benefit because these countries are likely to see significant demand increase soon. Exxon has a competitive advantage because of its large scale of operations across geographies, which gives it more flexibility and capacity to increase revenues by utilizing its global presence.
- **Robust Research and Development:** Exxon Mobil has significant R&D skills thanks to its broad experience in the energy and petrochemicals industries. The company is concentrating on gaining a strong competitive edge by continuing to invest in R&D and exploring more efficient drilling and resource exploration techniques. The company searches for chances in new product development, improving existing products, and improving customer service by optimizing existing manufacturing and production capacities through a strong focus on R&D activities. As a result, Exxon has an advantage in positioning itself at the forefront of radical advances in the industry in which it works.
- **Vertically integrated operations**: Exxon has the expertise to focus on all parts of the value chain of the business rather than a single segmented operation like as refining or production because it is an integrated oil and gas firm. The organization can optimize the whole value chain to minimize costs and maximize process efficiency by exerting operational discretion and control in each and every step of the oil and gas process.
- **Strong dealer community:** It has created a culture among distributors and dealers in which dealers not only market the company's products but also spend in educating salespeople to explain to customers how they may get the most out of the products.
- **Strong Brand Portfolio:** Exxon Mobil has spent a lot of time and effort developing a strong brand portfolio. Exxon Mobil's SWOT analysis clearly emphasizes this viewpoint. If the company wants to branch out into new product categories, this brand portfolio might be highly valuable.
- **Mergers and acquisitions have a proven track record of successfully integrating complementary businesses:** In recent years, it has effectively integrated several technology businesses to streamline operations and develop a trustworthy supply chain.

Weaknesses:

- **Lawsuits and Contingencies:** Exxon's commercial practices have resulted in a slew of lawsuits and other legal actions involving environmental deterioration, which have resulted in damages, penalties, and fines. In January 2014, the corporation reached an agreement with the Louisiana Department of Environmental Quality for its facility in Louisiana, which included a $300,000 fine and a $1 million in on-site repair work. The firm was also required to execute $1.029 million in positive environmental initiatives, as well as pay a stipulated penalty to address future environmental non-compliances, as part of the settlement. Such litigation, penalties, and losses incurred because of environmental deterioration would be detrimental to Exxon's excellent brand name among its stakeholders**.**
- **Health and Safety:** Exxon's employees are one of the company's most important stakeholders. Given the physically demanding and perilous nature of the job they are doing, it is the company's primary obligation to safeguard their health and safety. However, several safety incidents involving personnel have been reported across locations and sites, indicating that Exxon's employees' health and safety are still a concern. Failure to achieve these requirements could be costly to the firm in a variety of ways, the most serious of which being the employees' loss of faith in it.
- **Decline in Financial Performance:** Exxon reported it lost $22.4 billion in 2020, its poorest year in four decades, compared to a profit of $14.3 billion in 2019. The business lost $19.3 billion in the last three months of the year as it wrote down the value of U.S. natural gas properties acquired when gas prices were much higher before tracking swamped the market a decade ago, accounting for a large portion of its losses.
  Because of the epidemic, Exxon curtailed its exploration and production spending by $21.4 billion, or 35 percent, last year.
- **Declining Oil Reserves**: Exxon's diminishing oil reserves are one of the company's major problems. The problem is exacerbated by Exxon's low replacement rate for oil reserves. Its downstream industry contributes about 12% of revenues, which could be jeopardized due to the issue of dwindling oil reserves. Exxon must secure the availability of appropriate reserves to supply the requisite demand in the natural gas industry, where reserves depletion occurs at a considerably faster rate than in the oil industry. Exxon's margins are further squeezed by low prices caused by many companies in the natural gas business.
- **Need more investment in new technologies:** Exxon Mobil needs to invest more in technology to integrate operations across the board, given the magnitude of its expansion and the various geographies it plans to enter. Currently, technology investment is not keeping pace with the company's objectives**.**
- **Integration of enterprises with distinct work cultures has not been very successful:** Exxon Mobil, despite its success in integrating small businesses, has had several failures when it comes to merging businesses with distinct work cultures.
- **Financial planning is not really done correctly or efficiently enough:** The current asset ratio and liquid asset ratios indicate that the corporation can make better use of its cash than it is now.

Internal Factor Evaluation Matrix (IFE Matrix):

Table 3.

Key Internal Factors	**Weight**	**Rating**	**Wtd. Score**
STRENGTHS			
In the oil industry, they have a dominant market position and a strong brand reputation.	0.10	4	0.40
Operational diversification across geographies	0.07	3	0.21
Robust research & development capabilities	0.09	4	0.36
Vertically integrated operations	0.06	4	0.24
Strong dealer community	0.05	3	0.15

Strong Brand Portfolio	0.08	4	0.32
Mergers and acquisitions have a proven track record of successfully integrating complementary businesses	0.05	3	0.15

Source: Own Calculation.2022

Table 4.

WEAKNESSES			
Lawsuits & Litigations	0.8	1	0.8
Declining financial performance	0.09	2	0.18
Decline in Oil reserves	0.10	1	0.10
Health & safety issues of employees	0.07	2	0.14
Need more investment in new technologies	0.08	2	0.16
Integration of enterprises with distinct work cultures has not been very successful	0.05	1	0.05
Financial planning is not really done correctly or efficiently enough	0.05	2	0.10
Total	1.00	37	3.36

Source: Authors' own calculation, 2022

IE Matrix:

ExxonMobil has above-average internal strengths in the internal factors matrix. The company's strengths dominate its weaknesses, as evidenced by the SWOT analysis. ExxonMobil, on the other hand, does not adapt well to external factors, as evidenced by its positions on environmental issues, social responsibility, and diversity. Their response to external challenges is average. As a conclusion, ExxonMobil should focus on maintaining its internal strengths while improving its outward reaction.

Table 5.

<table>
<tr><td rowspan="5">EFE total weight</td><td colspan="4">IFE total weight</td></tr>
<tr><td></td><td>Strong
(3.0-4.0)</td><td>Average
(2.0-2.99)</td><td>Weak
(1.0-1.99)</td></tr>
<tr><td>High (3.0-4.0)</td><td>Grow</td><td>And</td><td>Build</td></tr>
<tr><td>Medium (2.0-2.99)</td><td>hold</td><td>And</td><td>Maintain</td></tr>
<tr><td>Low (1.0-1.99)</td><td>Harvest</td><td>And</td><td>divest</td></tr>
</table>

Source: Authors' own calculation, 2022

EFE Score: 2.09 = Medium

IFE Score: 3.36 = Strong

According to above scores ExxonMobil should follow Hold Strategy.

Alternatives to Action:

Hold current strategies

Pros	**Cons**

• Already at the top of the competition • Industry expertise • Large asset base • Have a significant market share	• Poor public relations and lack of diversity. • It would have been more efficient. • They have recorded low asset returns. • If they do not address environmental challenges, they may lose this.

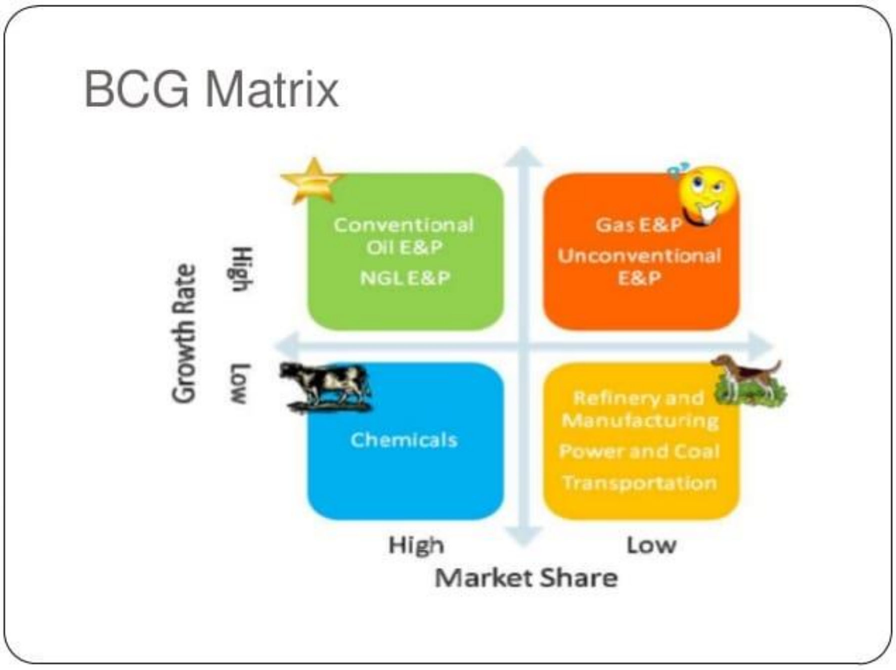
Accept external pressure and make necessary changes

Pros	Cons
• Produce environmentally friendly goods. • Increase your client base by becoming more socially conscious. • Improve relations with clients, public officials, and other stakeholders. • Increase revenue through improving efficiency.	• It's likely that they'll have to change their manufacturing procedures. • More research and development on how to do this without jeopardizing their asset base is needed. • It takes a long time to rehabilitate a tarnished reputation.

BCG Matrix:

The Boston Consulting Group Matrix (BCG Matrix), also referred to as the product portfolio matrix, is a business planning tool used to evaluate the strategic position of a firm's brand portfolio. The BCG Matrix is one of the most popular portfolio analysis methods. It classifies a firm's product and/or services into a two-by-two matrix. Each quadrant is classified as low or high performance, depending on the relative market share and market growth rate. (BCG Matrix - Overview, Four Quadrants and Diagram, n.d.)

Figure 2.



BCG-Star (Exploration and production (E&P) business):

- It is the most profitable company category and produces a lot of cash.
- It also uses a huge amount of cash. More specifically, conventional oil exploration and production has been a "star," while its growth rate has slowed in comparison to natural gas.

BCG - Cash cow - (Chemical operation)

- ExxonMobil's Chemical division has been a "cash cow" for the company, delivering a high profit margin with a comparatively little investment.
- The chemical industry has been expanding at a steady rate.

BCG - Dog (Refinery and manufacturing business):

- The refinery and manufacturing industry is, at its core, a low-margin company. When you consider the poor growth rate, this section is a "dog." The coal mining and oil transportation industries are not as appealing as the rest of the industry.

BCG - Question Mark (E&P):

- E&P (for example, shale oil and gas E&P) is capital-intensive and time-consuming, with several technological hazards.
- Due to reduced natural gas prices, gas exploration and production is not profitable as oil exploration and production.
- In the coming decades, advances in E&P technology will make unconventional oil and gas production more economical, but it is currently not cost effective.
- Non-conventional E&P and gas E&P are therefore characterized as "question marks."

SPACE Matrix:

Figure 3.

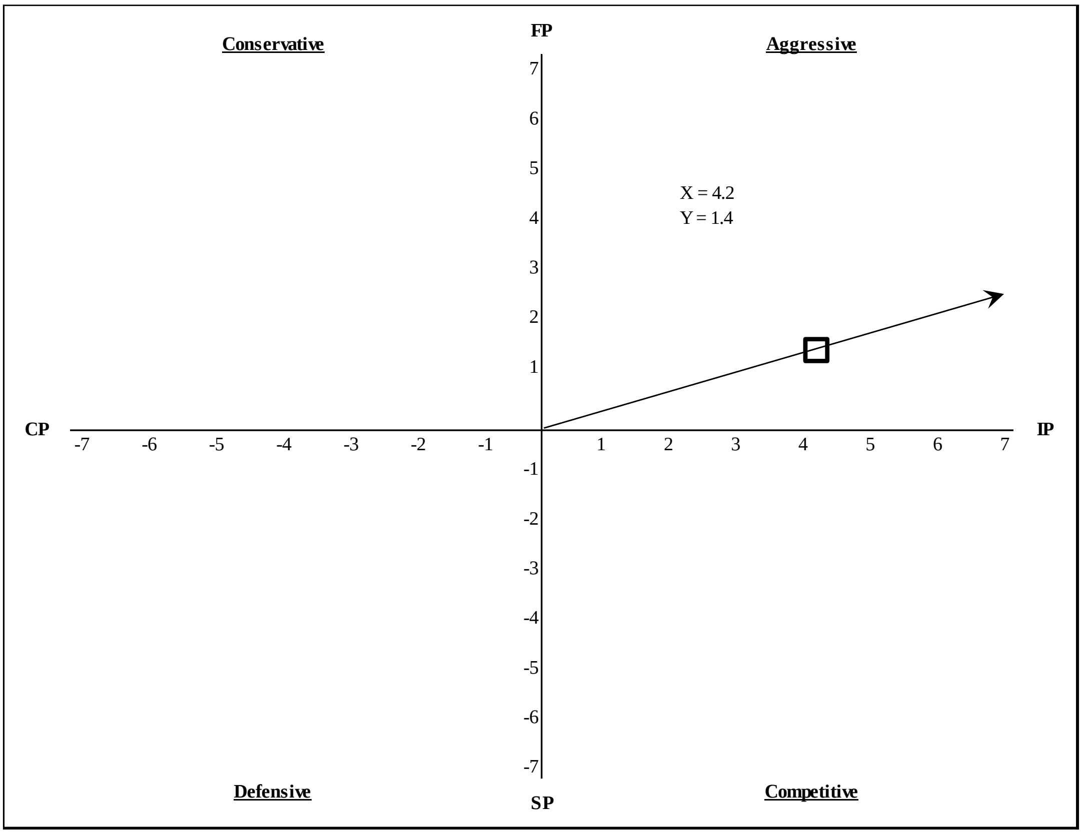


Figure 4.

Internal Analysis:		*External Analysis:*	
Competitive Position (CP)		**Industry Position (IP)**	
Market Share	-1	Growth Potential	7
Access to Oil Fields	-1	Financial Stability	7
Number of Tankers	-1	Ease of Entry into Market	3
Technological know-how	-1	Government Regulations	3
Control over Suppliers and Distributors	-1	Profit Potential	6
Competitive Position (CP) Average	**-1.0**	**Industry Position (IP) Average**	**5.2**

Figure 5.

Internal Analysis:		*External Analysis:*	
Financial Position (FP)		**Stability Position (SP)**	
ROA	6	OPEC Issues	-5
Quick Ratio	3	Technological Changes	-4
Net Income	7	Governmental Regulations	-6
Revenues	7	Competitive Pressure	-7
Company Worth	7	Dependence on Oil	-1
Financial Position (FP) Average	**6.0**	**Stability Position (SP) Average**	**-4.6**

Exxon is clearly in the Aggressive Quadrant, but this is largely due to its upstream operations. Chemical and downstream components are not nearly as efficient or powerful. Exxon scored a perfect -1 for CP when all criteria were considered.

Strategies for Long term Objectives using TOWS Analysis:

A TOWS analysis is a variant of SWOT analysis that translates for Threats, Opportunities, Weaknesses, and Strengths.

It is a valuable method for identifying ExxonMobil's existing market environment's Threats (T), Opportunities (O), Weaknesses (W) and Strengths (S).

Exxon Mobil is one of the industry's top companies, and it needs to keep it that way. Exxon Mobil is doing a thorough evaluation of its TOWS analysis to make strategic conclusions. A TOWS analysis of the organization requires an active approach including coordination among all the company's divisions, including finance, marketing, management, human resource, logistics, strategic planning, management information systems, and so on.

ExxonMobil, like its opponents, has several aspects to consider when developing or modifying its short- and long-term strategies, including a significant focus on environmental problems. If ExxonMobil wants to develop a stable business strategy and maintain its brand reputation among the increased competition in its industry, it must handle evolving energy requirements and increased corporate responsibility.

The Threats and Opportunities are external strategic factors, and the Strengths and Weaknesses are considered as internal strategic factors which we can identify using TOWS Analysis.

It results in a 2X2 matrix, which we call as TOWS Matrix.

The long-term objectives of ExxonMobil are mentioned in TOWS matrix below:

Table 6. TOWS Matrix:

	Threats:	**Opportunities:**
	1) Environmental rules are in place. 2) Competition within country is expanding. 3) The currency has been depreciated.	1) Global LNG demand is on the rise. 2) The number of people using social media is growing all around the world.

	4) There are increasingly more replacement products accessible. 5) In recent years, the cost of fuel has increased, making inputs more costly. 6) Challenging Environment in the downstream market 7) Entry barriers posing a danger to the market.	3) Ecologically responsible products and services are becoming more popular. The government is providing subsidies on these. 4) The number of people using the internet is growing all around the world. With the rise in internet usage, e-commerce is also on the rise. 5) Worldwide energy consumption is increasing so the demand is also increasing. 6) Consumer expenditure is rising in tandem with household expenditure. Inflation is predicted to remain low throughout the economy. 7) Interest rates are low, which makes major enterprises an attractive proposition.
Strengths: 1) Geographically diverse revenue stream. 2) A significant social media influence. 3) Low-cost system which gives it an edge over the competition. 4) An extremely competent, creative, and diverse labor force. 5) In recent years, the company has generated benefits and opportunities, indicating a good financial condition. 6) High number of outlets and wide distribution network. 7) A stable asset foundation.	**ST:** • To reach new customers and combat new entries into the industry, establish a comprehensive distribution network. (S6, T7) • Invest in intellectual property rights using the firm's strong financial position. This would make it easier to participate in a market that is becoming increasingly competitive. (S7,T2) • Use its creative teams to come up with less expensive energy alternatives that can be used to save cost. (S4, T5).	**SO:** • Increase the brand awareness in order to entice customers to spend money. (S5, S6,06) • Make use of its social media presence for promotion and to drive traffic to its website. (S2,O3) • Focus on lowering cost and develop eco-friendly items through innovation in order to sell them cheaply. (S3,S4,O3,O5) • Discounts are used to advertise at affordable rate. Due to low inflation and costs, this would assist improve sales and profits. (S3,06)

Weaknesses:	**WT:**	**WO:**
1) In comparison to the competitors, the company spends less on research and innovation. 2) Financial performance is deteriorating. 3) It has a high staff turnover rate, as well as low employee motivation and satisfaction. 4) Exxon Mobil leases a large amount of its property, which necessitates the payment of rental fees.	• Exxon Mobil should increase its research and development investment to keep up with the competition (W1, T2). • To keep talent, offer incentives, enhance learning, or create a better working atmosphere. This will keep staff from switching sides to competition. (W3,T2)	• To stimulate the growth of owned vs rented property, low-interest financing can be used to facilitate property ownership. (W4,O7) • Offer incentive and compensation packages and Increase payrolls to prevent turnover and boost employee morale and satisfaction. (W3,O6)

Source: Own Analysis, 2022

SWOT Analysis of Exxon Mobil:

Table 7: SWOT Analysis

	STRENGTHS	**WEAKNESSES**
Internal	➢ Leading market position. ➢ Approximately 75000 employees worldwide. ➢ Largest exploration and production (upstream) company.	➢ Cost of environmental hazards ➢ Pending Litigations. ➢ Declining oil reserves and production.
	OPPORTUNITIES	**THREATS**
External	➢ Increasing demand for refined products in China. ➢ Increasing demand for liquefied natural gas (LNG). ➢ Capital Investment.	➢ Economic slowdown in the US and the European Union. ➢ Risks associated with conducting business outside US. ➢ Environmental Regulations.

Source: Own Analysis, 2022

Figure 6. TOWS Matrix:

IFE Matrix	***Threats*** • Economic slowdown in the US and the European Union • Risks associated with conducting business outside the US • Environmental regulations	***Opportunities*** • Increasing demand for refined products in China • Increasing demand for liquefied natural gas (LNG) • Capital investments
CPM Matrix	***Weaknesses*** • Legal proceedings • Pending Litigations • Employee unrest • Continued weak upstream performance in the US	***Strengths*** • Leading market position • Improvement in Financial Performance • Extensive Research &Development Activities • Geographical Diversification

Table 8: QSPM Matrix

QSPM MATRIX OF EXXONMOBIL							
SERIAL NO	**EXTERNAL STRATEGIC FACTORS**	**ALTRNATIVE 1**			**ALTERNATIVE 2**		
		Exploration in Canada			**Exploration in Singapore**		
		WEIGHT	**RATING**	**WEIGHTED SCORE**	**WEIGHT**	**RATING**	**WEIGHTED SCORE**
	Strengths						
1	Strong market position & Big brand name	0.15	4	0.60	0.12	3	0.36
2	Diverse operations in chemicals, coal, powr generation	0.13	3	0.39	0.19	3	0.57

3	Talented work force	0.11	4	0.44	0.13	2	0.26
4	Excellent global research	0.12	3	0.36	0.11	2	0 .22
	Weaknesses						
1	Legal issues	0.17	3	0 .51	0.15	3	0 .45
2	Employee management	0.11	1	0.11	0.10	3	0.30
3	Oil spill controversies	0.12	2	0.24	0.12	4	0.36
4	Fraudulent investments and bribery cases	0.09	1	0.09	0.08	2	0.16
	TOTAL	**100%**			**100%**		
	Opportunities						
1	Increasing fuel/oil prices	0.12	4	0.48	0.14	3	0.42
2	Increasing natural gas	0.19	3	0.57	0.13	3	0.39
3	More oil well discoveries	0.13	2	0.26	0.11	2	0.22
4	Increasing demand for gas and refined products	0.11	3	0.33	0.12	2	0.24
	Threats						

1	Government regulations	0.15	3	0.45	0.17	3	0.51
2	Pollution guidelines	0.10	1	0.10	0.11	2	0.22
3	High labor cost	0.12	4	0.48	0.12	3	0.36
4	Hybrid cars not using Fuel	0.08	2	0.16	0.10	2	0.20
	TOTAL	**100%**		**2.83**	**100%**		**2.56**
	GRAND TOTAL			**5.48**	**>**		**5.24**

Alternative 1: Exploration in North America

Alternative2: Exploration in Asia

Attractiveness Score:

- **1 = not acceptable.**
- **2 = possibly acceptable.**
- **3 = probably acceptable.**
- **4 = most acceptable.**
- **0 = not relevant)**

Conclusion and recommendation

Despite recent economic difficulties, worldwide energy demand is expected to rise by nearly 35% between 2005 and 2030. Developing countries will account for nearly all of the increase in energy consumption, with demand rising by more than 70%. Natural gas will be the fastest-growing major energy source, showing increasing demand for clean-burning fuels to satisfy rising power generation demands. Natural gas will overtake coal as the world's second most important energy source by 2030. Despite the enormous scope of the world's energy needs, ExxonMobil must continue to find new ways to meet not only today's but also future demands while minimizing the impact of energy on the environment. The continuous development of new energy technology to increase the availability of old fuels, produce new energy sources, and allow us to use energy more efficiently is vital to meeting the world's energy needs. ExxonMobil has stated that it will continue to innovate and develop many of these innovative technologies. While meeting the world's energy demands will necessitate ongoing innovation, it will also necessitate tremendous investment. ExxonMobil's financial strength allows it to invest for the long term, regardless of economic conditions from year to year. In 2010, they spent a record $32.2 billion on capital and exploration. They will continue to invest significantly – more than $165 billion over the next five years – in new technology and projects to provide energy to the world efficiently. They are fully aware that developing and supplying energy implies risks, such as safety and environmental concerns, as well as financial, geopolitical, and technological risks. ExxonMobil will continue to refine and perfect its risk assessment and management strategy.

- Consumers and the general public rely on ExxonMobil to supply safe, affordable energy that allows them to live better lives while reducing risks to people, communities, and the environment.

- Appropriate slot should continue the current process while progressing in terms of paying attention, such as,
- Identify and pursue any attractive perforations possibilities, including as R&D, government ownership of 90% of oil reserves, and upstream operations in more than 40 countries.
- Capital spending should be focused on maximizing profitability. 1) Requirements for future product quality 2) Minimize Negative Effects on the Environment 3) Safety Devices 4) Reduced Operating Costs 5) Create products with a higher perceived value. 6) Less Expensive Raw Materials.
- Maintain best-in-class operations in all areas, such as global supply chain integration and strategic alliances.
- ExxonMobil is known for providing high-quality, value-added goods and services to its customers.
- ExxonMobil's alternatives and tactics have had to be improved on a regular basis.

Summary

These discoveries make ExxonMobil a priority. It assesses the company's market function by looking at its products, competitors, internal and external environments in order to produce practical technology at the commercial enterprise and department level. It also introduces the company's records and history while establishing the main theme. Technical literature review covers all relevant themes for the mentioned topics, such as tasks and vision statements, resource-based perspectives, internal audits, cost chains, pestle analysis, porter 5 force analysis, and technologies that can be explored by certain types of businesses. The technical and structural sectors encompass the various ranges of the method formula system as well as the most commonly utilized substrates. These elements are described in the elements to ensure that they comprehend the significance of the method process. IFE, EFE, CPM, SWOT, BCG, GS, and QSPM are the matrices discussed. The consequence and conversation portion makes use of the matrix added in the strategy and material section to create a variety of possibilities for the organization. Two good strategies were chosen, with the QSPM matrix being used to decide which was the most enjoyable. The elemental analysis of the selected technology is then performed in the conclusion and recommendation stage of this case study. The case's investigative findings strongly suggest that ExxonMobil has fared well in the oil industry and that the company needs to diversify its technology in order to develop. They recognize that continued growth and power transfer will bring with it security, environmental, economic, geopolitical, and technological dangers. ExxonMobil will continue to develop and improve its risk identification and management strategy. ExxonMobil is trusted by consumers and the general public to offer reliable, low-cost energy so that they can live better lives while minimizing harm to people, communities, and the environment.

Acknowledgement

This bachelor's degree Business Administration and Management has been a genuinely life-changing experience for me, and I would not have been able to complete it without the help and direction of so many individuals.

First and foremost, I'd want to express my gratitude to Prof. Vida Viktoria, my thesis supervisor, for her excellent guidance, unwavering support, and patience throughout my research. Her vast expertise and wealth of experience have been a source of inspiration for me during my academic research.

I'd like to express my gratitude in particular to my father**,** Naeem Chohan, who, despite his demise, continues to inspire me his dedication and example. He deserves a lot of credit for everything I've accomplished.

I'd really like to dedicate this thesis to my father, who always believed in my capacity to succeed academically. You're no longer with us, but your faith in me has allowed me to make this journey possible.

I want to thank my mother for standing up for me and for my studies. Thank you for not only supporting me, but also for instilling in me strong principles and the ability to remain humble, which has led me to this achievement.

I'd also like to extend my gratitude to my brother, Bilal Naeem Chohan, for his wise guidance and sympathetic ear, since these years would not have been as easy for me without his support.

Thank you to Mudassir Iqbal and Adeel Ahmed who are not just friends but more like brothers to me, who have always supported me and helped me to face my academic as well as life challenges.

I want to say thanks as well to my best friend Sunaina Amiri who helped in every challenging moment, in every step of my degree. This would have been a much more difficult feat without you. Thank you all for your unwavering support and for reminding me to take breaks and have fun when I have been stressed out.

Last but not least, I want to say my sincere thanks to my friends for always being there for me and carrying me through all of my trials and tribulations; you are more than friends; you are family.

Without everyone's help, it would be practically impossible for me to finish my studies.

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