

THE STATE OF ENERGY INNOVATION 2017



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Introduction

Welcome to our second annual energy efficiency trends and innovation survey.

I might be biased, but I think this year's report is one for the books. Let me tell you why:

Over the last 10 years, we've spoken to thousands of energy professionals around the world about their challenges, priorities, and strategies in delivering energy services.

The result is a testament to the trends and growth of our dynamic industry - and it's our hope that this helps you better understand your energy innovation challenges and encourages you to explore new opportunities to make your work as an energy manager easier and simpler.

The majority of our nearly 300 respondents are energy professionals hailing from energy services companies (ESCOs), utilities, hardware vendors, research firms, consultancies and other organisations interested in energy efficiency. With data collected from all corners of the map, this document represents over 140 countries. A truly global community.

But where is that community headed? What's not only on the horizon, but also beyond it? We used last year's survey report as a barometer for current trends. This year, we're taking it one step further. We've taken these insights to provide the current state -- and then predict the future -- of energy innovation.

So along with the benchmark data you've come to expect, this year, we've also looked at new trends and innovative energy technologies. We may not have a crystal ball, but the 2017 State (and Future) of Energy Innovation holds some of the most informed predictions for the future of energy management you're likely to find. The world is becoming more efficient. Energy is growing more sustainable, accessible and decentralised. And with the findings of this year's report, I think it's safe to say that over the next ten years we're going to see an even more energy efficient world.



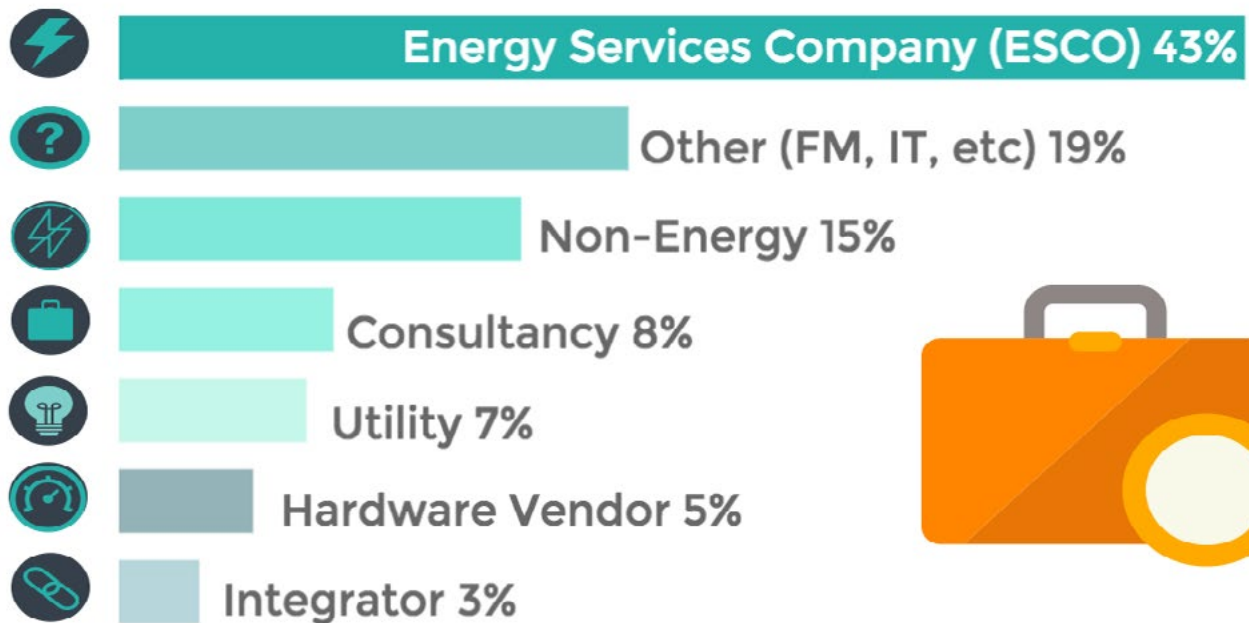
Joan Pinyol
DEXMA's CEO & Co-founder





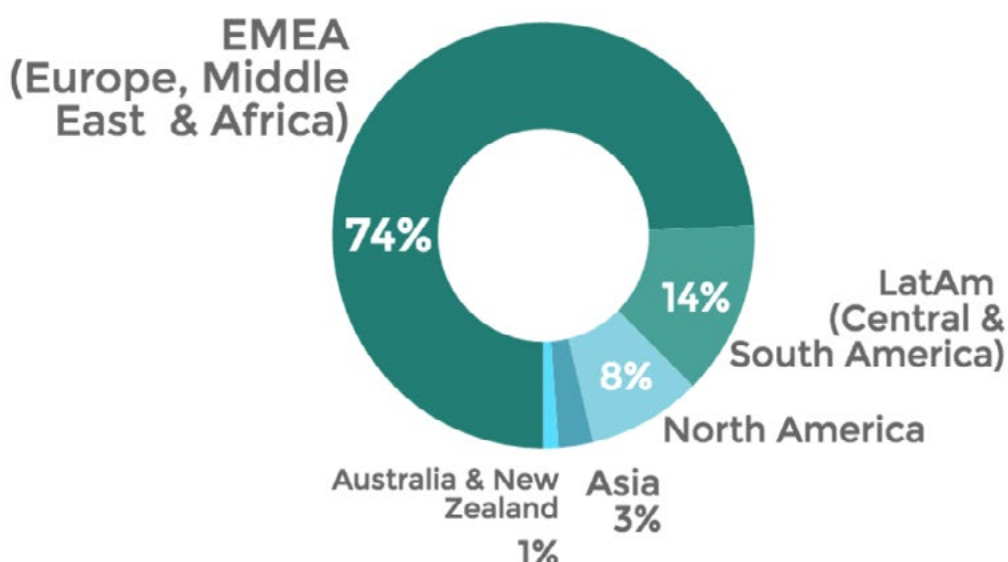
CHAPTER 1: ABOUT YOU

Which of the following best describes your organisation?



Most survey respondents were from **energy services companies** (sometimes known as energy savings companies), which are commercial or non-profit businesses providing a range of energy solutions, including: design and implementation of energy savings projects, retrofitting, energy conservation, energy infrastructure outsourcing, power generation and energy supply, and risk management.

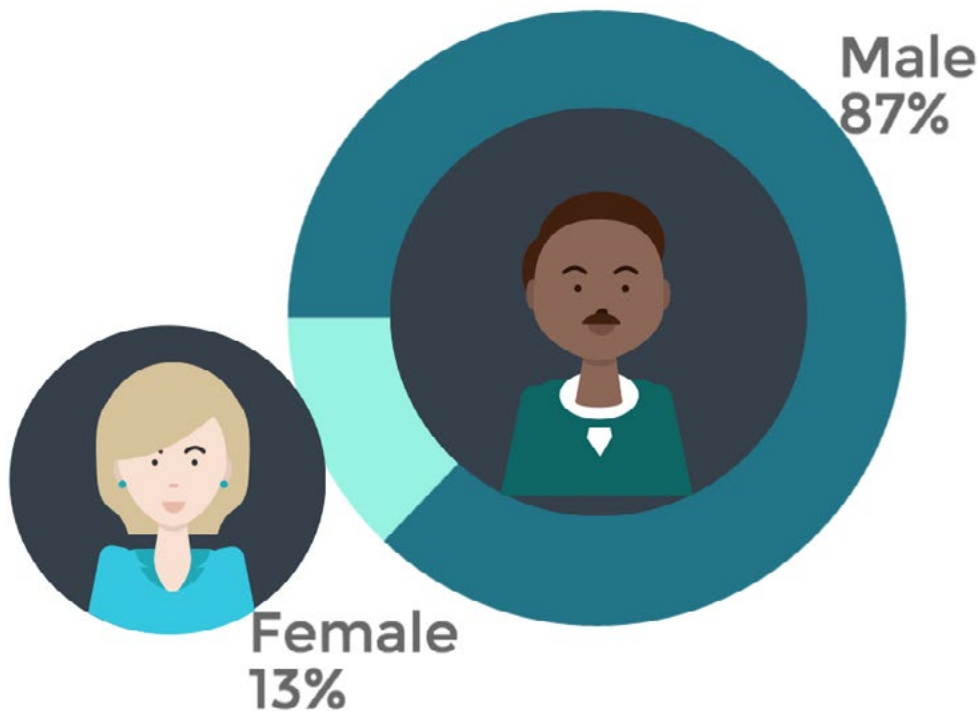
Where are you based?



Surprise, surprise: like the most STEM fields, females are significantly underrepresented in the energy sector. Dorothy Thompson, CEO of the UK's largest power station told the Guardian that **only two female candidates applied to the Drax apprenticeship scheme this year, compared to 76 men.**

The proportion of **women on boards of energy companies was just 9%** in 2014. Two years later, that number did not budge. *"We as an industry need to be more proactive in explaining how interesting an opportunity we are [to young women],"* says Thompson.

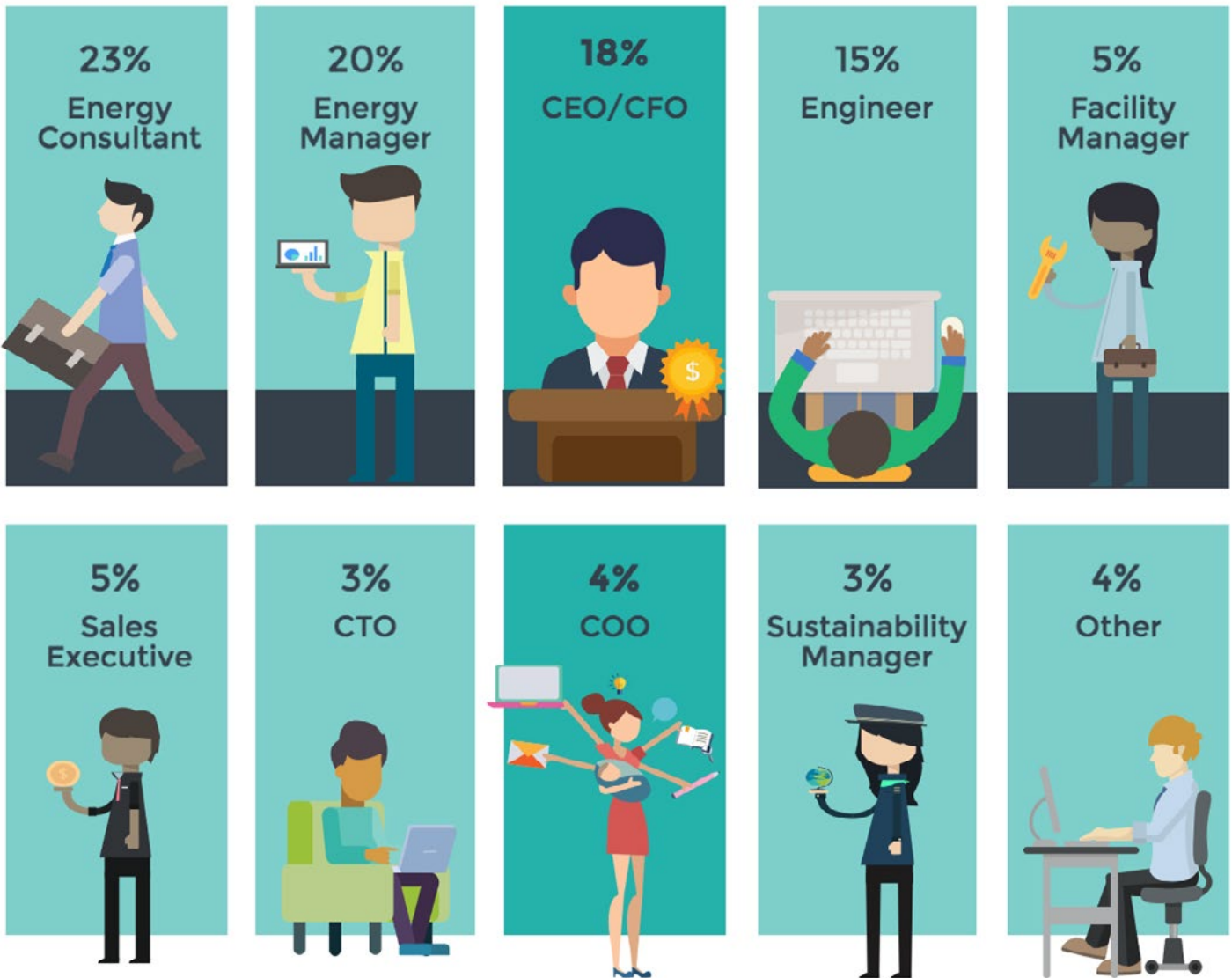
What is your gender?



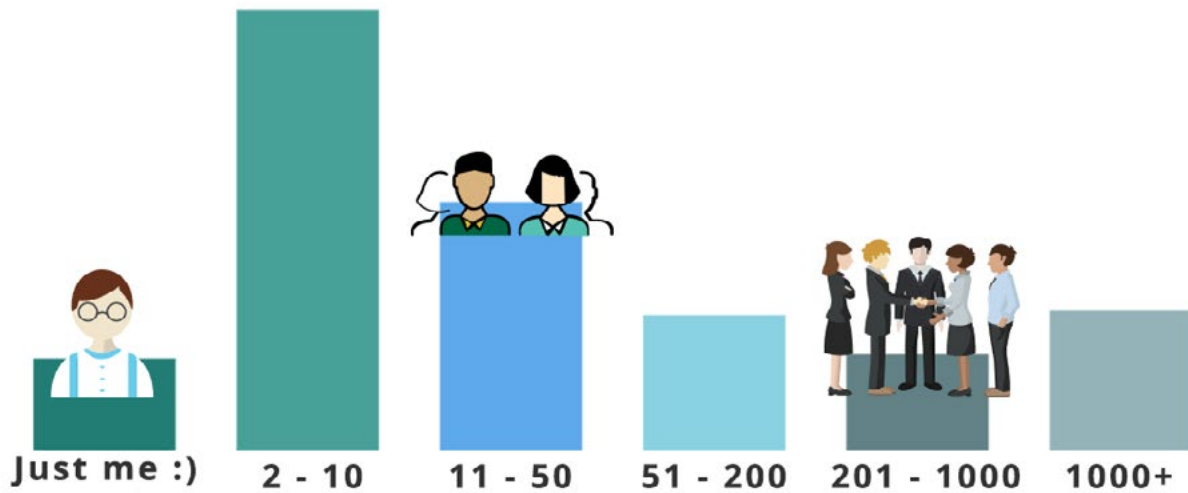
"Even energy companies that like to think of themselves as progressive have a problem," says Joan MacNaughton, Energy Academy Europe board member. Among the solutions discussed have been getting more role models, exposing more women to the sector at a younger age, and better transparency on promotions inside companies.

"Everyone should have to monitor the [gender] figures, the intake and promotion figures into middle management, and from middle management into board," insists MacNaughton. *"When you get the transparency, then people start to see the problem and fix it. There will never be a single bullet for such a complex problem."*

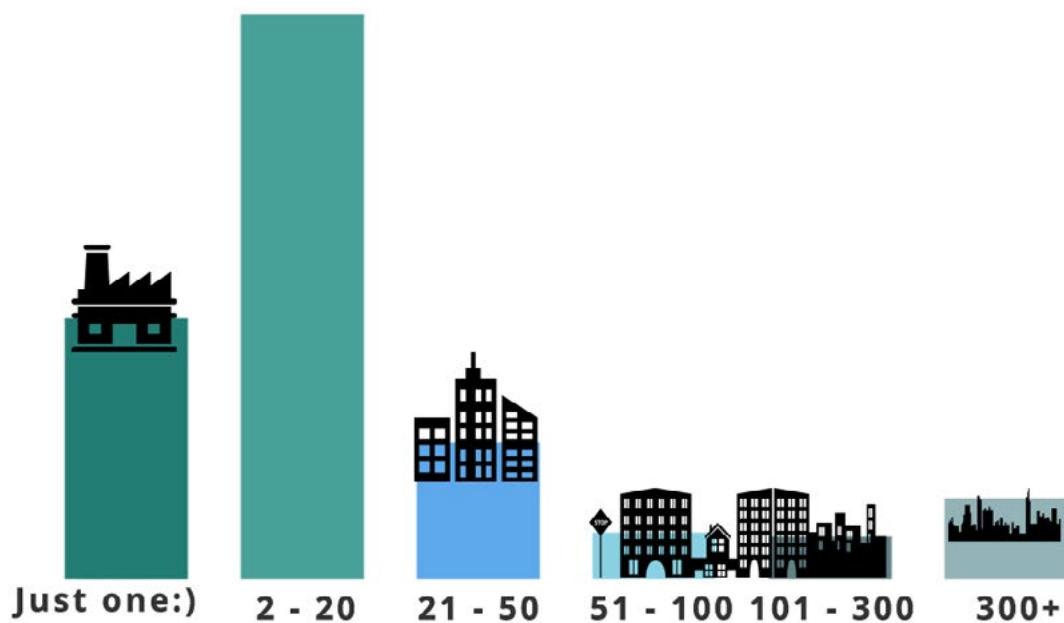
How would you define your professional role?



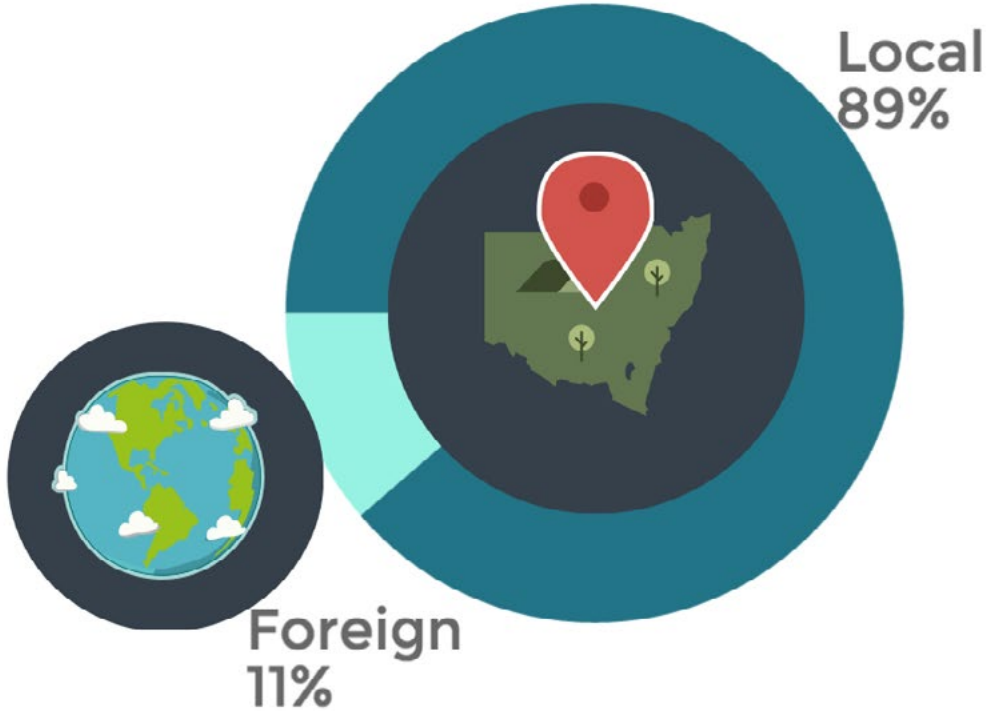
How many employees does your company have?



For how many sites are you managing energy?



Do more of your projects come from local or foreign customers?

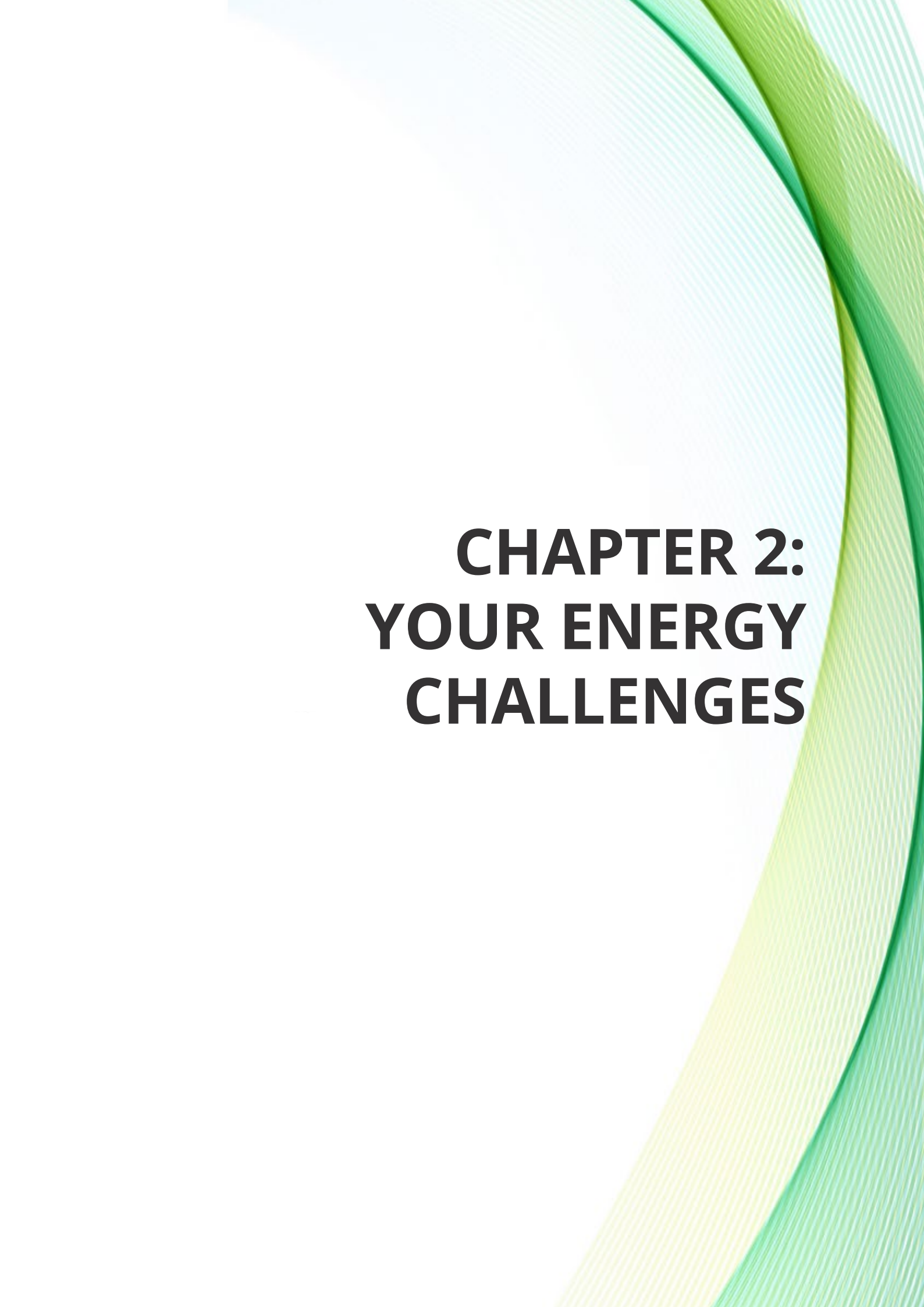


How do you interact with your clients?



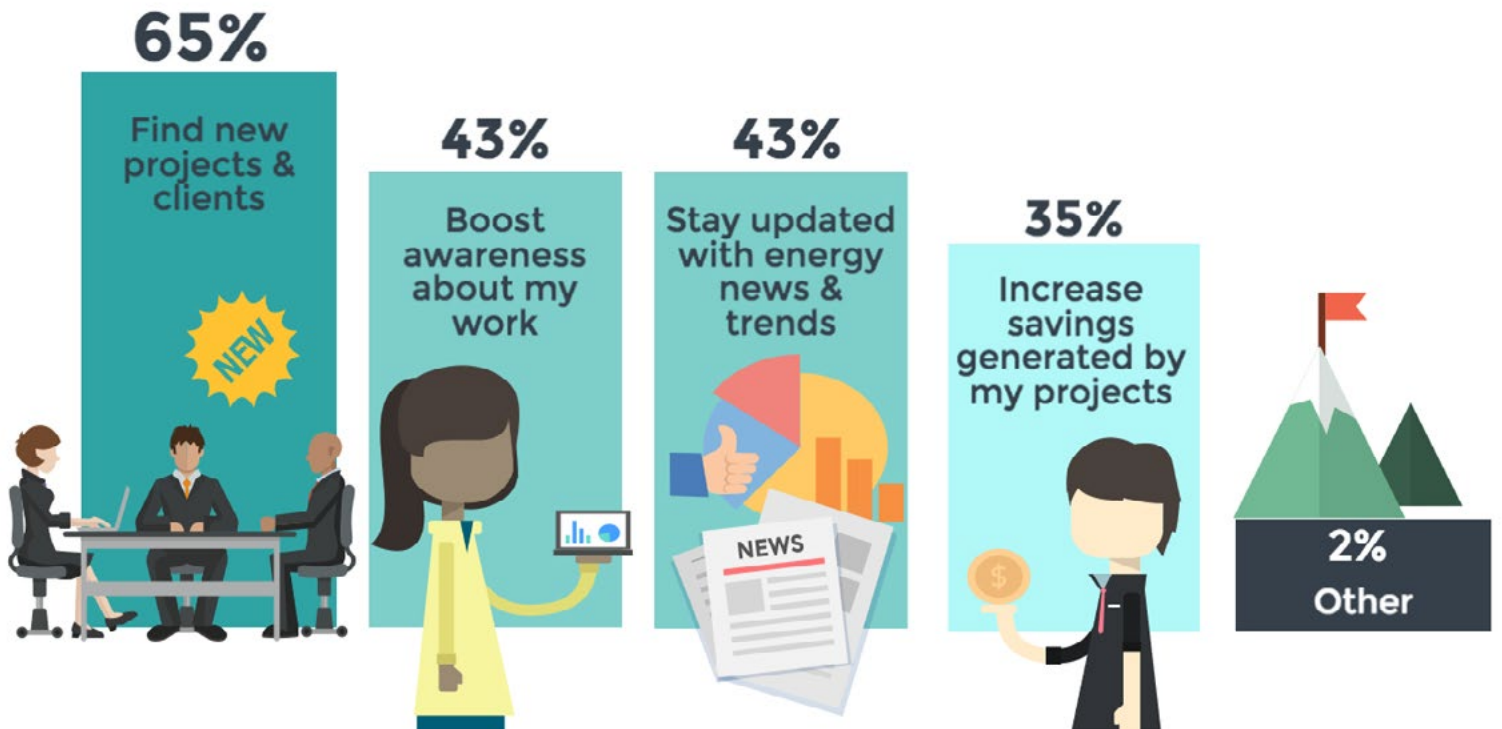
Does your company have an energy management plan?



The background features a series of overlapping, wavy bands in shades of light blue, green, and yellow-green, creating a sense of movement and energy. The bands curve from the top right towards the bottom right, leaving the left side of the page mostly white.

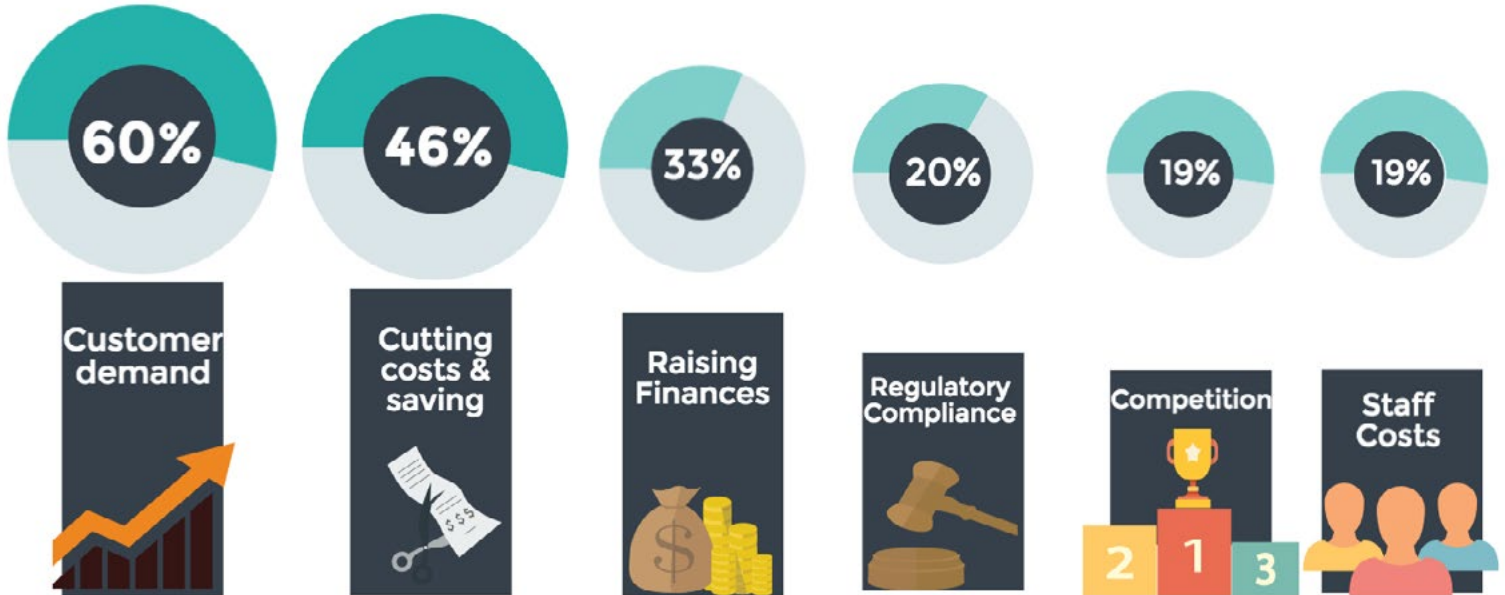
CHAPTER 2: YOUR ENERGY CHALLENGES

What will be your biggest professional challenges in 2017?



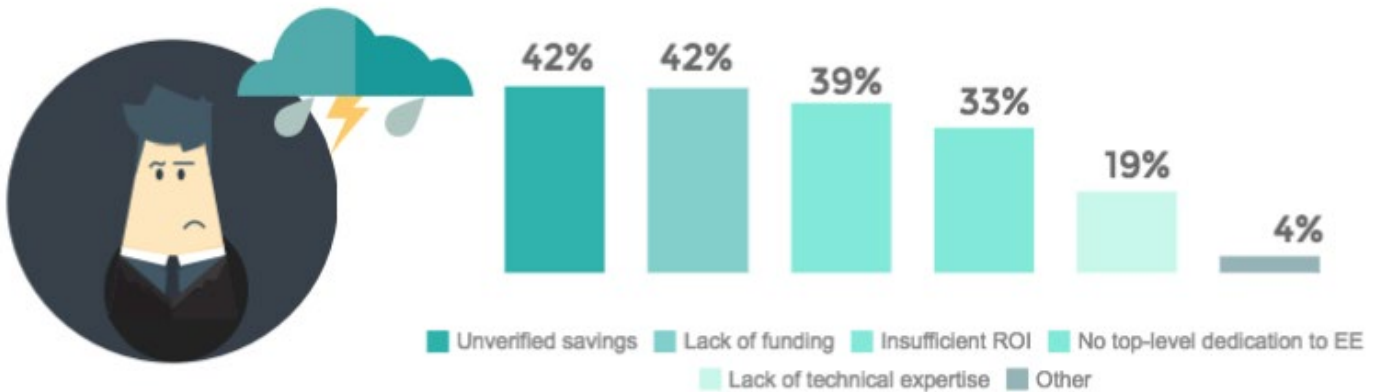
Despite the fact that the energy world is undergoing a radical transformation right now, the energy professional's main goal is still the same: Sell more efficiency projects, better, faster. Sixty-five percent of respondents are dead set on closing new deals this year.

Which of these challenges does your company struggle with most?



Demand- driven challenges (results generated and proving ROI) are the big challenges facing energy services companies -- they still lack access to tools that can help them cut costs and see savings results for their projects.

What do you feel is the most common reason to lose a project?



Verifying savings is the part of the project energy professionals struggle with most. Equally difficult is finding the necessary budget to take on a new energy project. Proving ROI is also a consistent challenge for energy managers, since it has such a significant impact on company performance and future budgets.

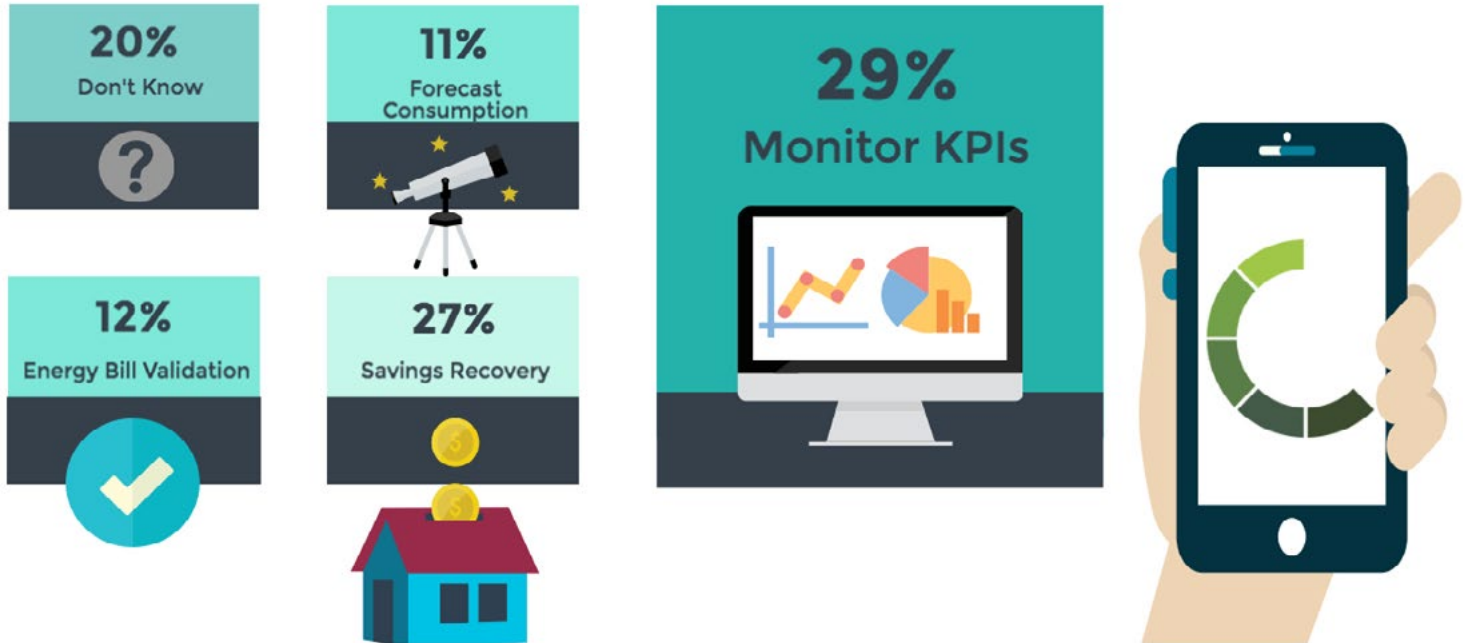
Other noteworthy reasons:

“Our solution requires high-level political decisions.”
“Lack of business development resources.”
“Lack of competitive pricing - other solutions undercutting us.”
“Lack of execution time”
“Legislation is too slow, not ready for our solution.”
“Clients are not convinced.”
“Lack of opportunities due to poor incentives, regulatory barriers.”

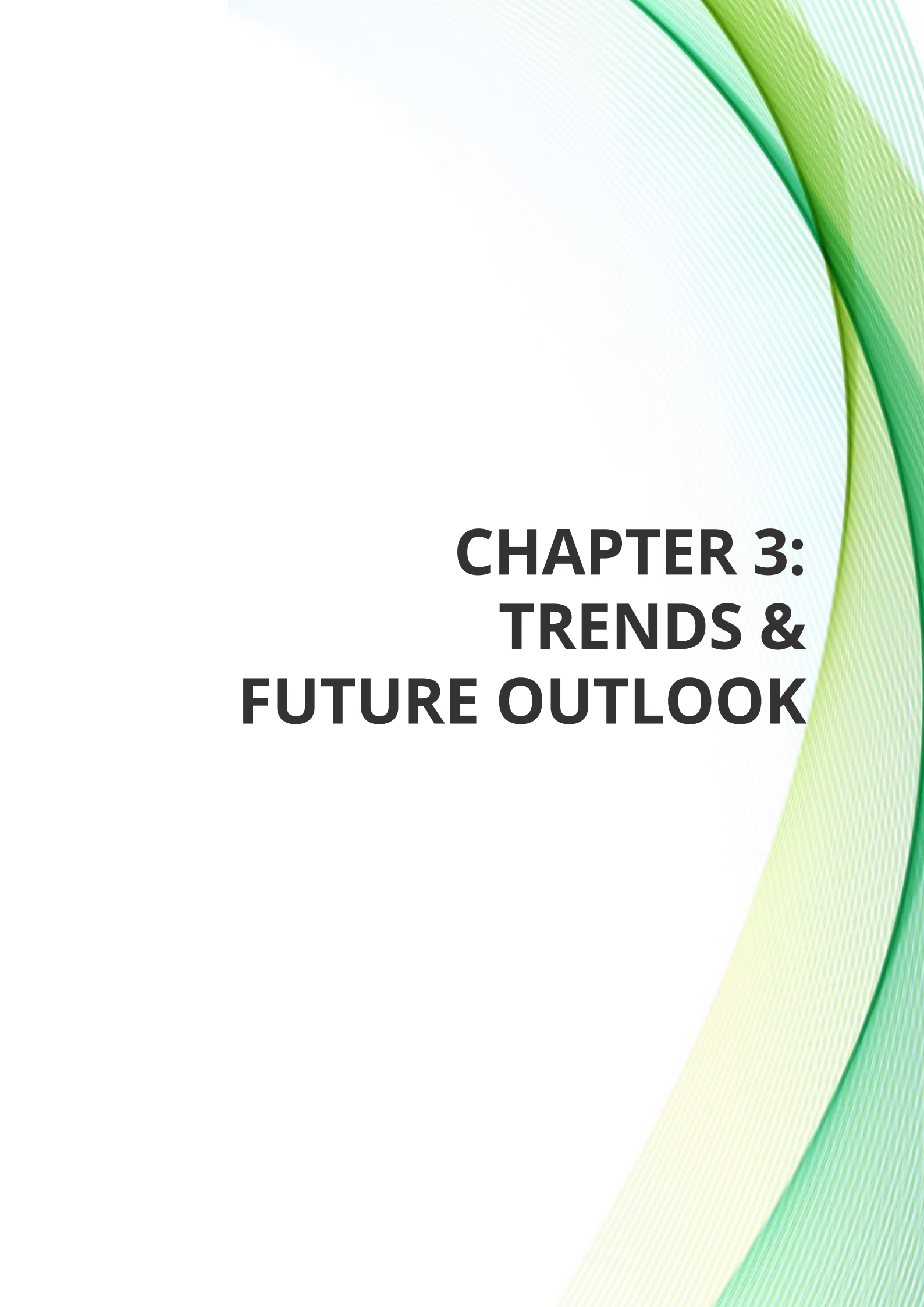
How well does your organisation keep pace with the overall rate of innovation in the energy industry?



What is the biggest driver of your clients' decision to use energy management software?

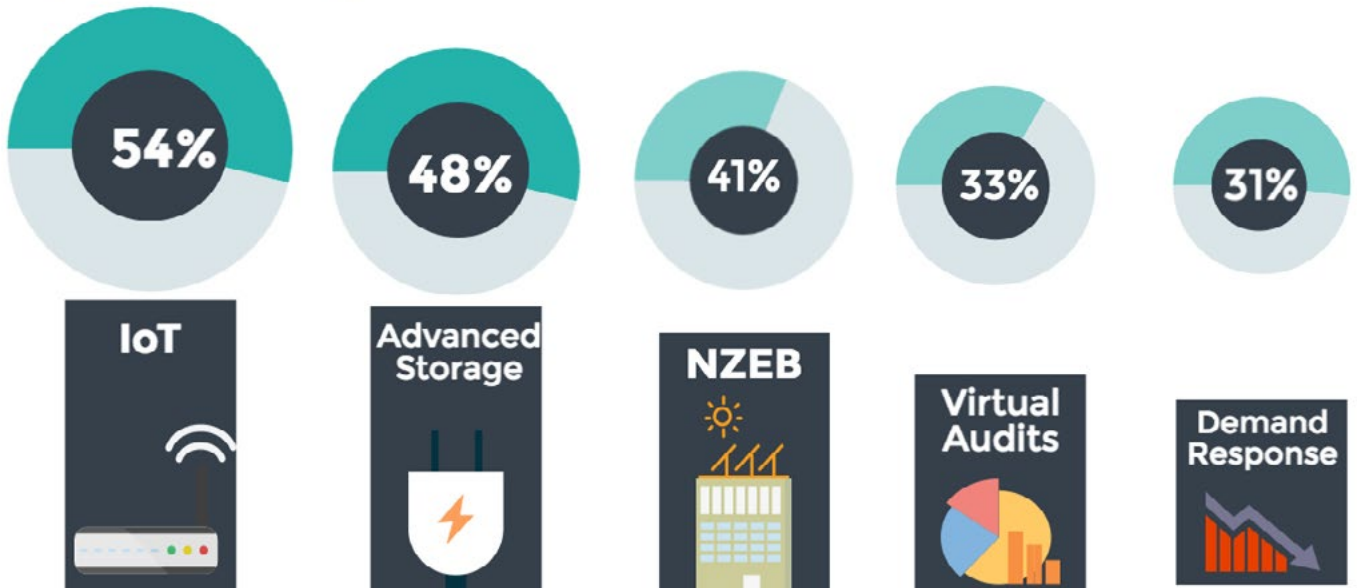


Most respondents said that the need to **monitor key performance indicators** is the biggest driver for their clients to implement an energy management platform, closely followed by **the desire to recover savings** from energy efficiency investments.



CHAPTER 3: TRENDS & FUTURE OUTLOOK

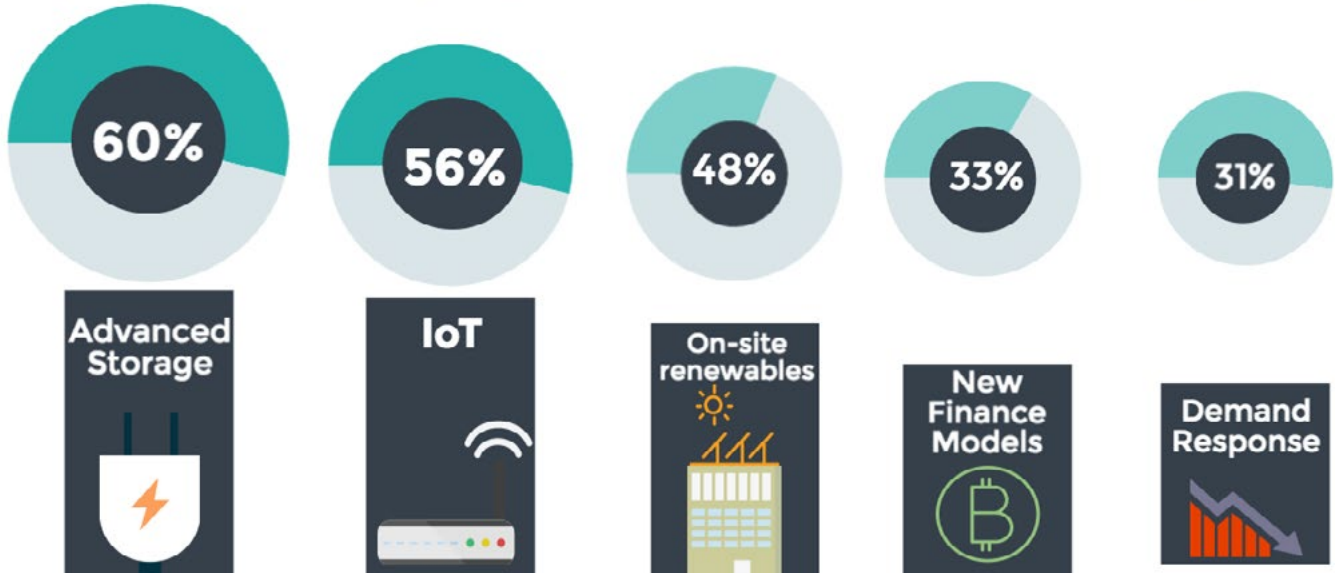
Which of these industry trends will you personally follow in 2017?



Other noteworthy mentions:

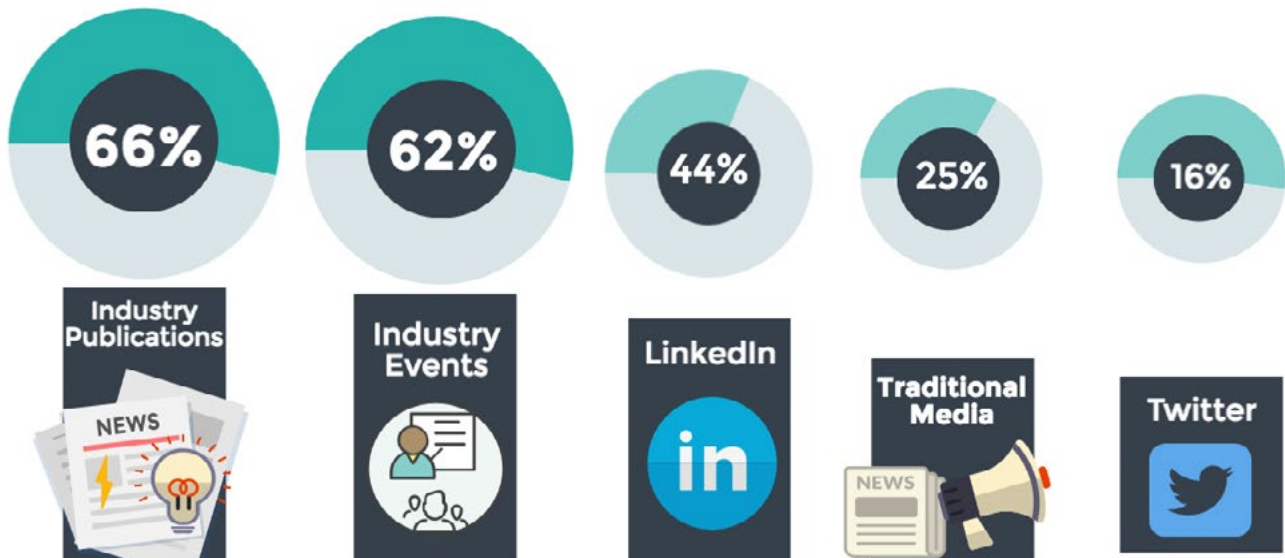
EVs/electromobility,
efficient cooling,
codes and standards,
solar energy

Which of these trends have the most game-changing potential in the next years?



Growth in remote monitoring, control and data analytics are enabling new business models and service solutions, all of which contribute to the growth of the energy efficiency market as a whole, according to the IEA 2016 Energy Efficiency Market Report.

What's your go-to source for the latest energy trends and insights?



Although 2 out of 3 adults use social media to keep up with the news, the same trend does not apply to energy professionals!

When it comes to staying updated with the latest industry trends, our respondents tend to **trust traditional industry publications**, media and offline events the most. Social media as information channels both have a surprisingly low showing among energy professionals. Only slightly less than half of survey respondents use LinkedIn as a way to stay in the know, while Twitter trails even further behind at 16%.

How evolved are energy efficiency & clean tech markets?

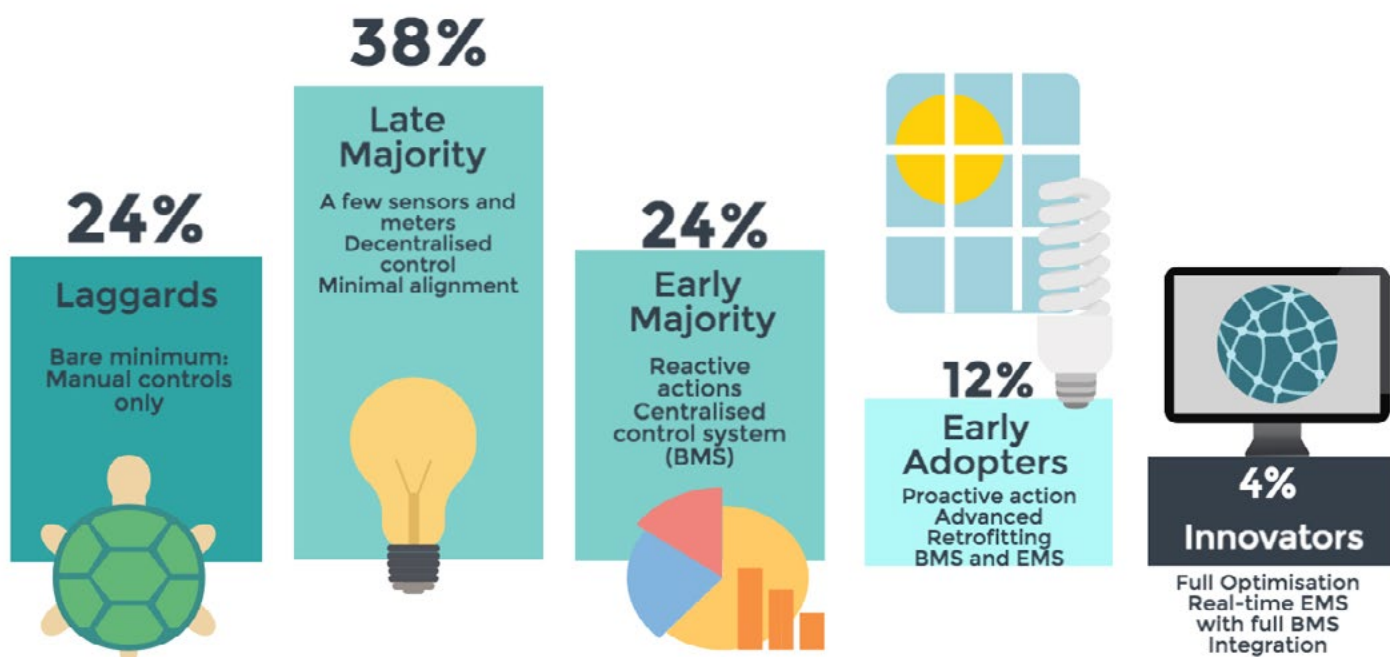


Good news: most of you are confident that the energy efficiency and clean tech sector is still in the healthy growth stage. This lines up with market analysts like Bloomberg NEF and the IEA, who both saw an **improvement in global energy efficiency levels** over the past decade and predict that such trends will continue. **Investment in energy efficiency is also on the rise**, an increase of 6% from 2014 with buildings sector seeing the strongest investment growth.

According to the IEA, energy efficiency services are now a distinct and significant market sector all on their own. **ESCOs had a total turnover of 24 billion USD** in 2015, with China being the largest market in the world.

Further evidence demonstrates that **the energy efficiency market will grow in the coming years**. Mergers and acquisitions of energy efficiency services firms have been increasing, with utilities, technology providers and hardware manufacturers all stepping into the market.

Where do the majority of your customers fall on the market maturity model?



The majority of survey respondents feel like their customers are **only scratching the surface** of possible energy efficiency projects as part of the “late majority” category. How can we help our clients open up to the benefits that more holistic and advanced energy management tools bring?

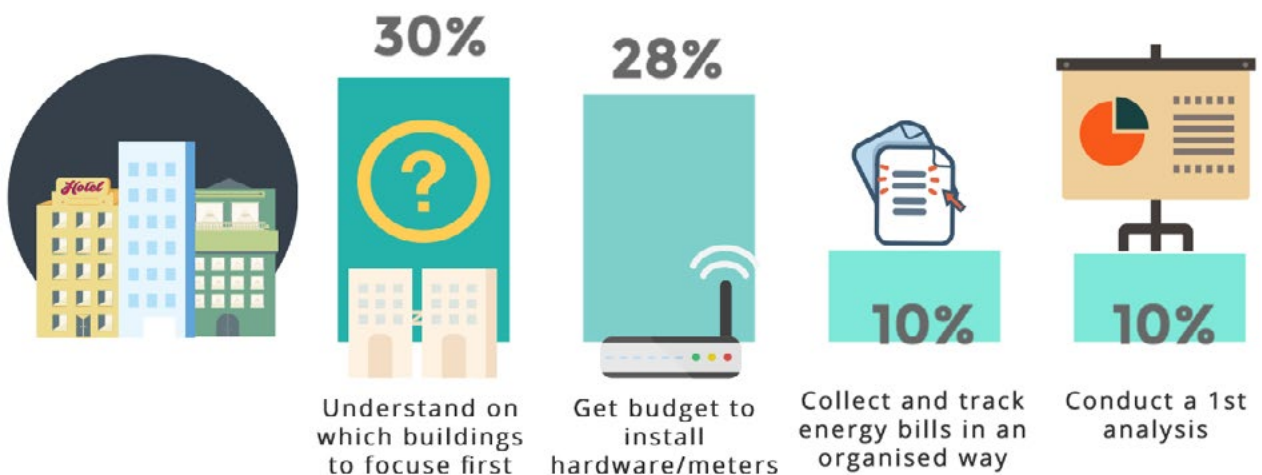
One way is to help them understand how much energy management will cost their company. [Use this template](#) to get an approximate idea in minutes. We’re willing to bet that your clients will be more amenable to move up the innovation ladder in no time once they see how the payback period isn’t as big as they thought!

How do you feel about the level of financing for energy efficiency services?

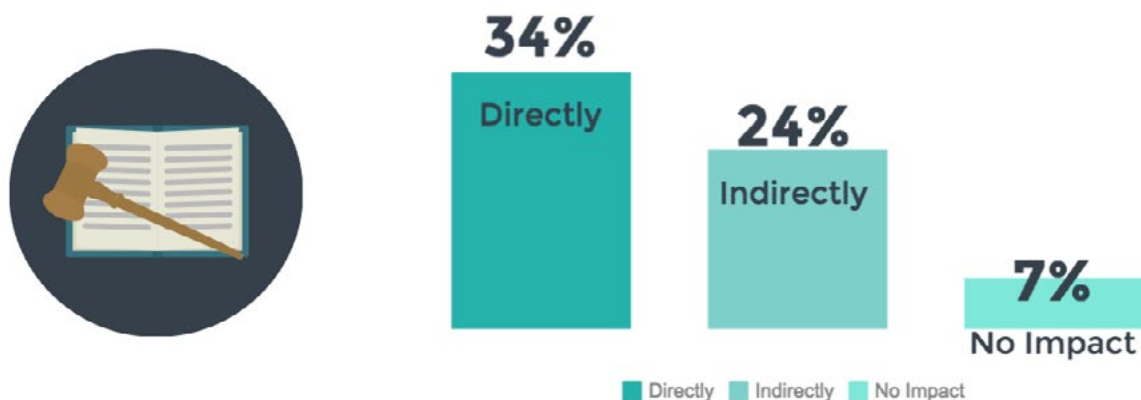


Most of you are feeling optimistic about the level of financing available for your energy projects, which is great news! For those of you feeling just “ok” or pessimistic, we put together [a handy guide](#) to help you secure the funding you need to deliver your projects.

In multi-site projects, what is your main challenge in detecting energy savings?



How does policy/legislation/regulation impact your work?



According to the IEA, the past 15 years have seen some solid progress when it comes to energy policy, with a steady expansion of regulations focused on improving energy efficiency. In 2015, **30% of final energy demand worldwide was covered by mandatory efficiency policies**, up from 11% in 2000. The average performance levels mandated by policies have increased by 23% over the last decade, delivering greater savings.

Most survey respondents feel that energy policy **has a direct impact on their work**, which is in line with IEA analysis showing that policies to increase energy efficiency and decarbonise energy supply will be the major drivers of global reduction in emissions between now and 2040.

ABOUT DEXMA

DEXMA provides an energy analysis platform to companies who need to measure, analyse, understand and reduce their energy consumption. The platform DEXCell Energy Manager is a powerful set of tools in the cloud that companies can use to reduce their energy consumption without affecting their productivity or business.

DEXMA was founded in 2007 in Barcelona and already works with more than 1,000 clients in 33 countries, having consolidated its expansion thanks to a comprehensive network of partners. After over nine years of working in the energy sector, DEXMA is leading its own initiative for the sharing of knowledge about energy efficiency, to promote the best practices and to train professionals in energy usage.

Consult our free learning resources [here](#).

CREDITS

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