

DI CHEM ANALYTICS FOR CHEMICAL MANUFACTURERS

How to Identify Opportunities and Expand into the
Oilfield Chemicals Market



Case Study

DI Chem Analytics was designed specifically for the oilfield chemicals market.



Customer Challenge

Most raw material/base chemical manufacturers supply some portion of their products to the rapidly growing oilfield chemicals business. There are many others that are trying to identify the potential of their products in this industry. With limited visibility into what happens to these chemicals once they end up with the blenders, manufacturers have difficulty expanding their business and penetrating new markets.

Most companies deal with this by relying on word-of-mouth information, hiring a team of consultants for a onetime report, or recruiting a large team of data analysts and engineers to mine the data, spending time and resources on developing algorithms and workflows to analyze the results.



Drillinginfo Solution

DI Chem Analytics from Drillinginfo was designed specifically for the oilfield chemicals market to provide deeper technical insights into the chemicals value chain to understand who is supplying different types of chemicals and where.

Key Features:

- Run multiple analyses with the most up-to-date data via the integrated platform and gain key insights into the oilfield chemicals value chain.
- Combine data transparency with the value chain to perform confident decisions.
- Quickly identify key opportunities and threats to your business and formulate a plan of action.
- Empower companies new to the industry to explore the potential of expanding their business and developing a sales and marketing plan.

Use Case

A methanol manufacturer is looking to identify opportunities in the oilfield chemicals market with the potential to expand an existing small-business vertical.

With the objectives clear, the user starts the analysis by looking at the areas of interest. **Figure 1** shows the coverage of DI Chem Analytics across the U.S.

The user is interested in analyzing Texas basins to get a quick overview of the chemicals and their usage in the area. With the Dashboard (**Figure 2**), he can quickly identify the players in the business, including the key operators, frac providers, and chemical suppliers of these products. The user can also analyze usage trends over time to develop an estimate of current and projected demand for their product. This can be especially beneficial for smaller companies, as they can quickly identify their potential operational landscape without the need for consultants or additional analytical staff.

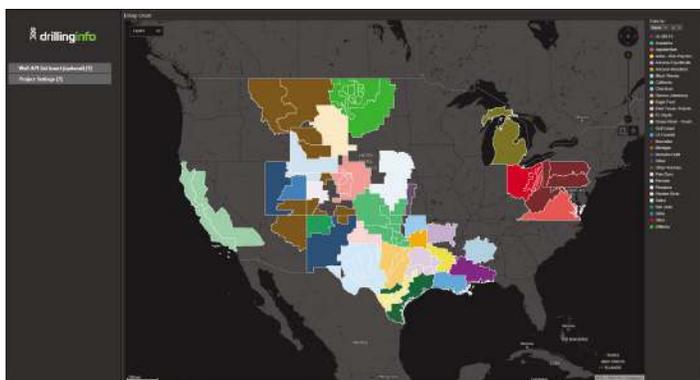


FIGURE 1: Basin coverage map

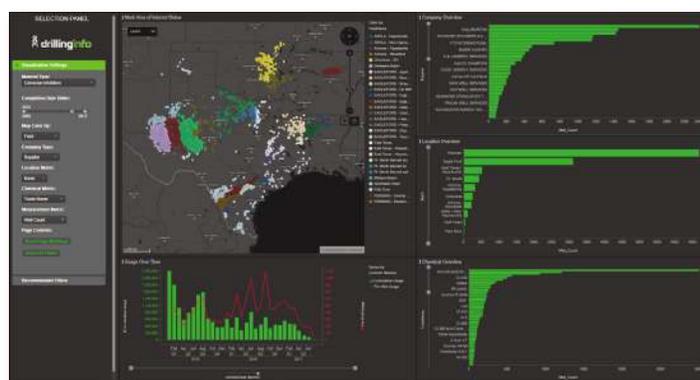


FIGURE 2: Dashboard view for area of interest

Once a brief overview is established, the user can dive into identifying the entire value chain for their product. In this use case, the user searches by a specific CAS number for methanol (CAS number: 67-56-1), to add reliability to the results (**Figure 3**).

With the search parameters finalized, the visualizations adjust to show a couple of key data points. The KPI Chart (**Figure 4**) allows the user to quickly look at the number of wells in which methanol was an active ingredient in the frac chemistry. This feature is especially useful when analyzing a group of chemicals to look at relative usage among the group of products being analyzed.

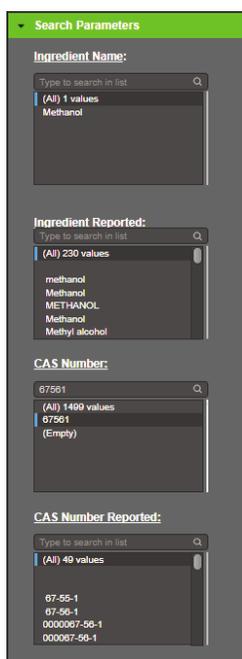


FIGURE 3: Searching by CAS number



FIGURE 4: KPI chart depicts the CAS number and well count in which methanol was used as a chemical ingredient

The histogram plot allows the user to look at the different Frac Additive groups in which methanol is being used. The trend shows a consistent usage in surfactants, biocides, clay control, and corrosion inhibitors, etc. With this information, the user can evaluate the various sub-markets that may exist within the oilfield stimulation chemicals space.

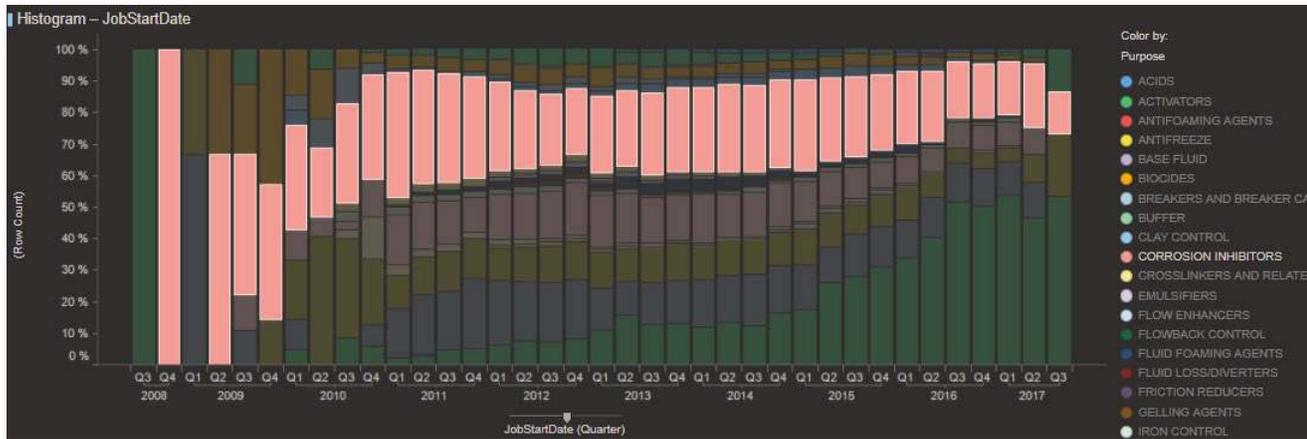


FIGURE 5: Trends of methanol usage over time with usage in corrosion inhibitors highlighted

For this workflow, we select the Corrosion Inhibitors Category (Figure 5) to drill down into the value chain to glean as much information as possible. DI Chem Analytics provides the flexibility to select from numerous variables in order to analyze the data from multiple viewpoints. Once the appropriate selection has been made, the workflow can be further explored.

Figure 6 shows the distribution of chemical suppliers who use methanol as part of their corrosion inhibitor blend deliverables. This visualization allows the user to identify the breadth of the market and potential customers his company can supply. Since these are all companies that use his product (i.e., methanol), it is of value to understand the exact products that have methanol in them.

Having selected Economy Polymers and Chemicals, **Figure 7** shows the breakdown of its products that contain methanol.

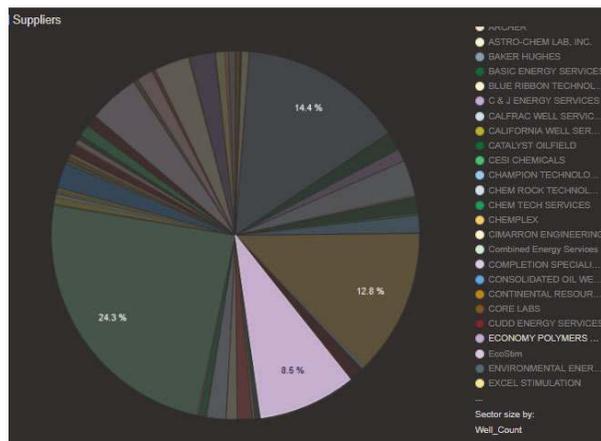


FIGURE 6: Distribution of chemical suppliers

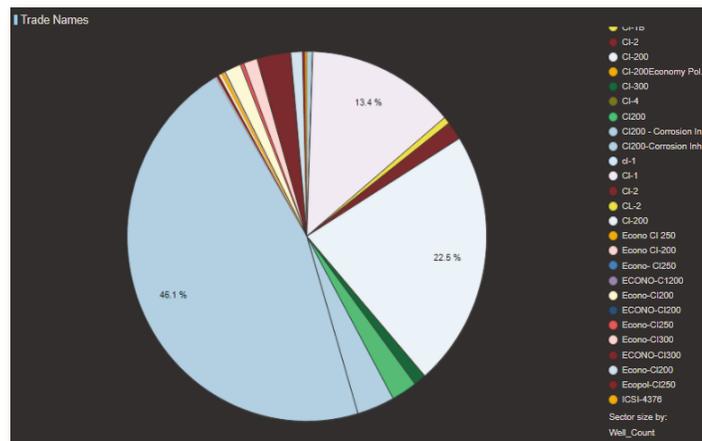


FIGURE 7: Distributions of brands by selected supplier that contain methanol

Summary

With DI Chem Analytics, raw materials manufacturers can easily gain deeper insight into the chemicals value chain to accomplish a variety of critical tasks, including:

- Get a quick overview of the stimulation chemicals business in a defined area of interest.
- Discover the complete value chain to carefully detect potential conflicts.
- Explore business trends by looking at key market participants and brands.
- Begin development of a marketing and sales plan to capture newly identified business opportunities.
- Identify potential clients and new business opportunities.



PROACTIVE



EFFICIENT



COMPETITIVE

By monitoring the market, Drillinginfo continuously delivers innovative oil & gas solutions that enable our customers to sustain a competitive advantage in any environment.

Drillinginfo customers constantly perform above their competitors because they are more efficient and more proactive than the competition.

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Updated Q3 2017

