

Easier said than done

A deep dive into Americans' attitudes and beliefs about energy efficiency — and how that drives willingness to participate in utility EE programs.

Michigan EO Collaborative
November 18, 2014

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Gain a sustainable advantage

Our Vision: Every home & building in America is energy responsible and sustainability is ordinary



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We create **a market advantage** for companies who create a sustainable, energy-responsible future.



Our proprietary research

energypulse™

ecopulse™

b2bpulse™

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Our clients

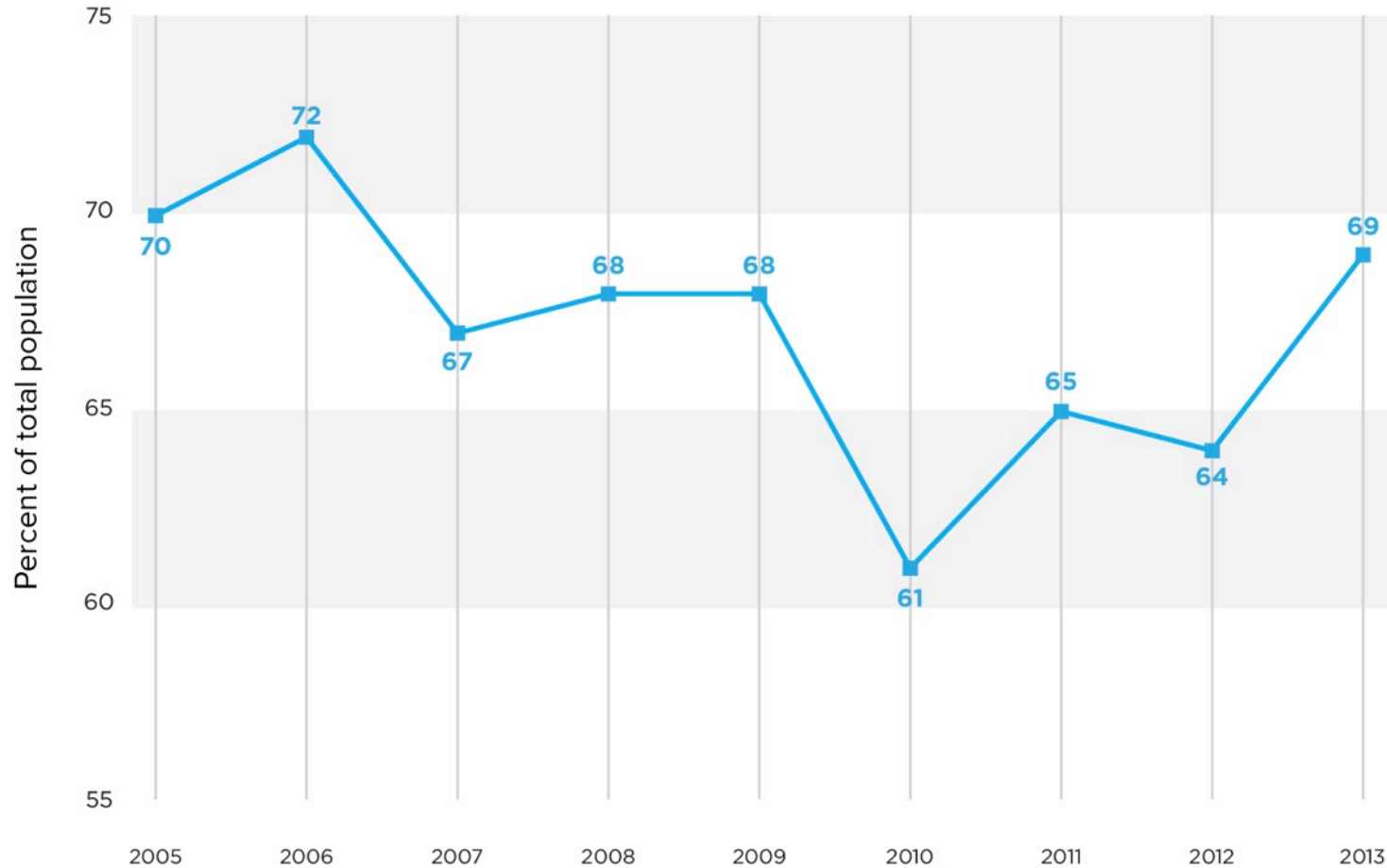


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The challenge with marketing energy efficiency

They say energy conservation is important.



N=1,008

How important would you say energy conservation is in the way it affects your daily purchase choices and activities? (Percent rating important or very important)

energypulse™
2013

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81%

Say higher energy efficiency would cause them
to choose one new home over another

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Perceptions

80%

of Americans think they use less energy than they did 5 years ago

49%

think their homes are already energy efficient

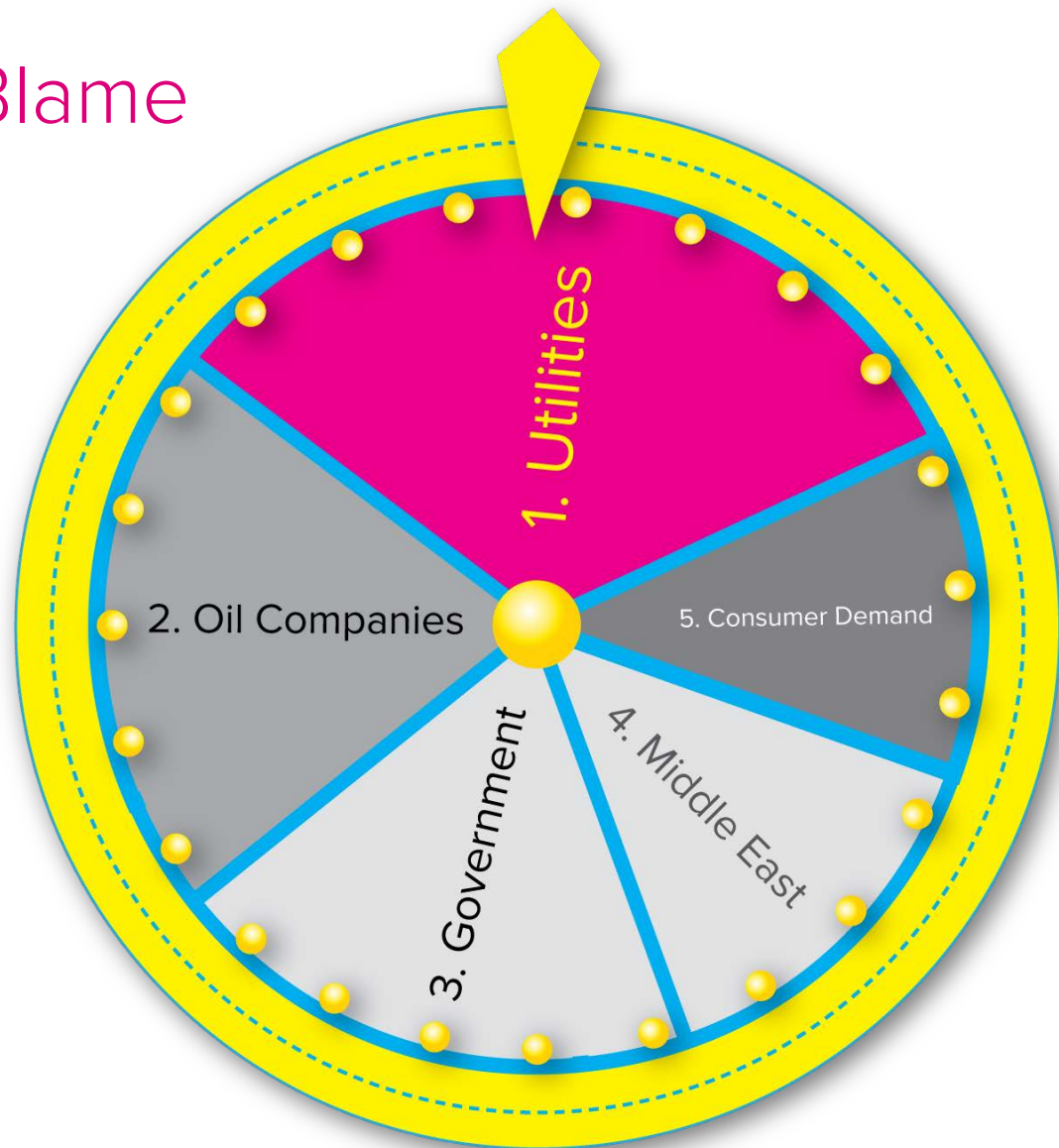
50%

claim to have made 1-3 efficiency improvements to their homes



The Wheel of Blame

Utilities are now at the top of the “blame” list for high energy costs – ahead of oil companies, the government, unrest in the Middle East and consumer demand.



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85%

How much they expect to save if they spend \$4,000 on EE home improvements

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\$142

2013

\$107

2011

\$92

2009

\$71

2007

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Likelihood of doing every single EE
home improvement we track is
down across the board

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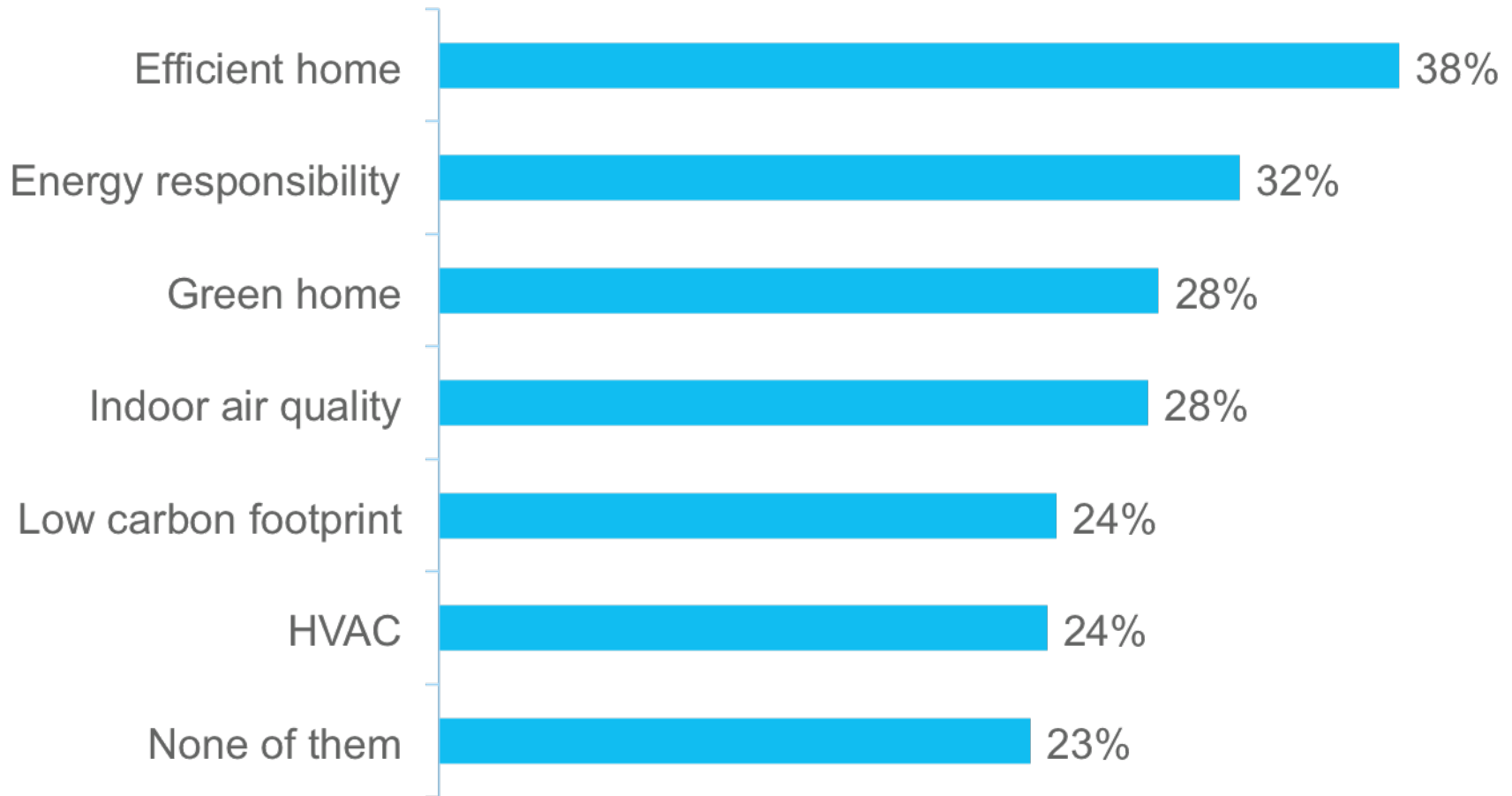
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They don't know what the
heck we're talking about
most of the time

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Terms or phrases you know you could confidently and correctly explain to a friend

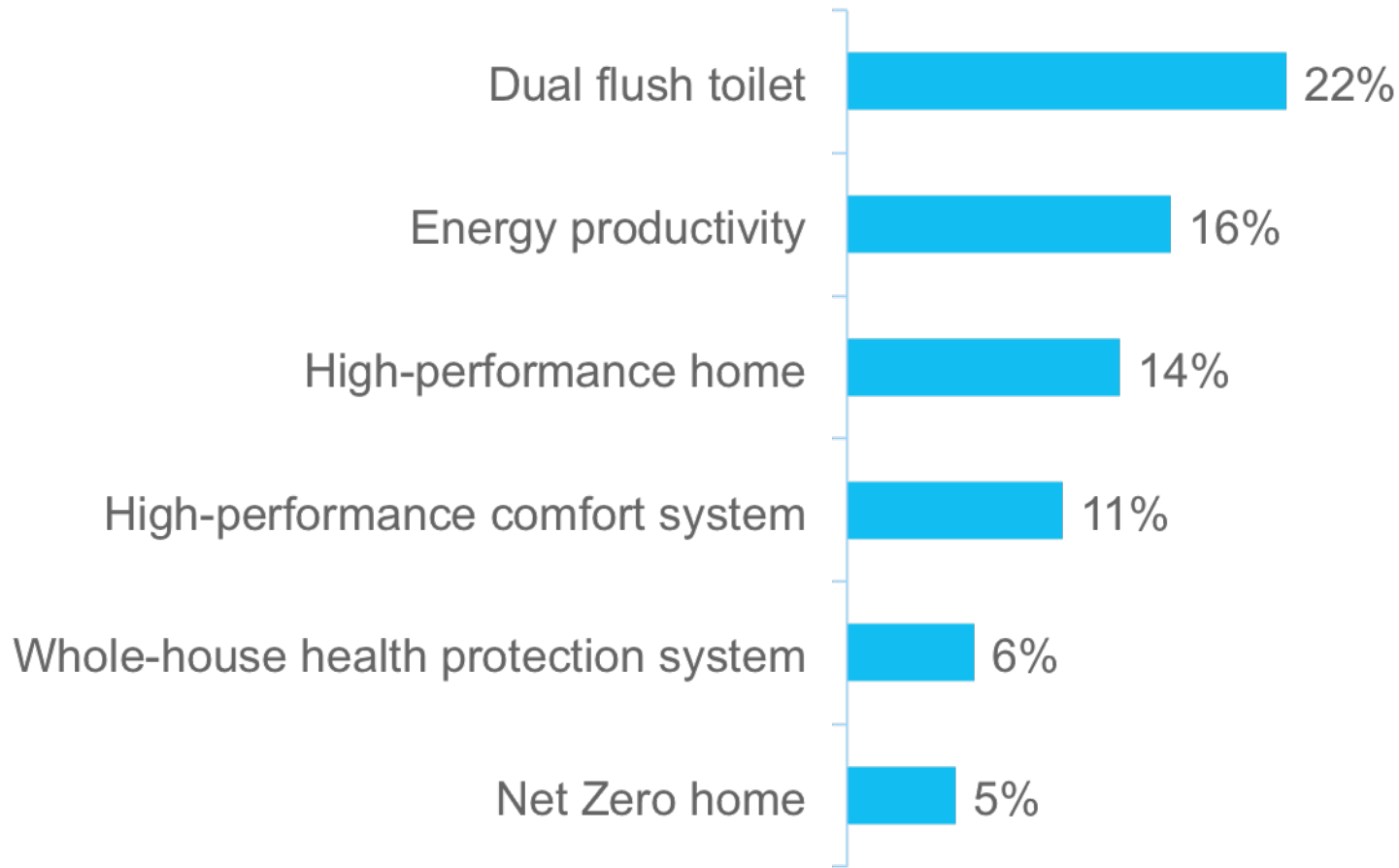


N=2,009

Source: Energy Pulse 2014

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Source: Energy Pulse 2014

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N=2,009



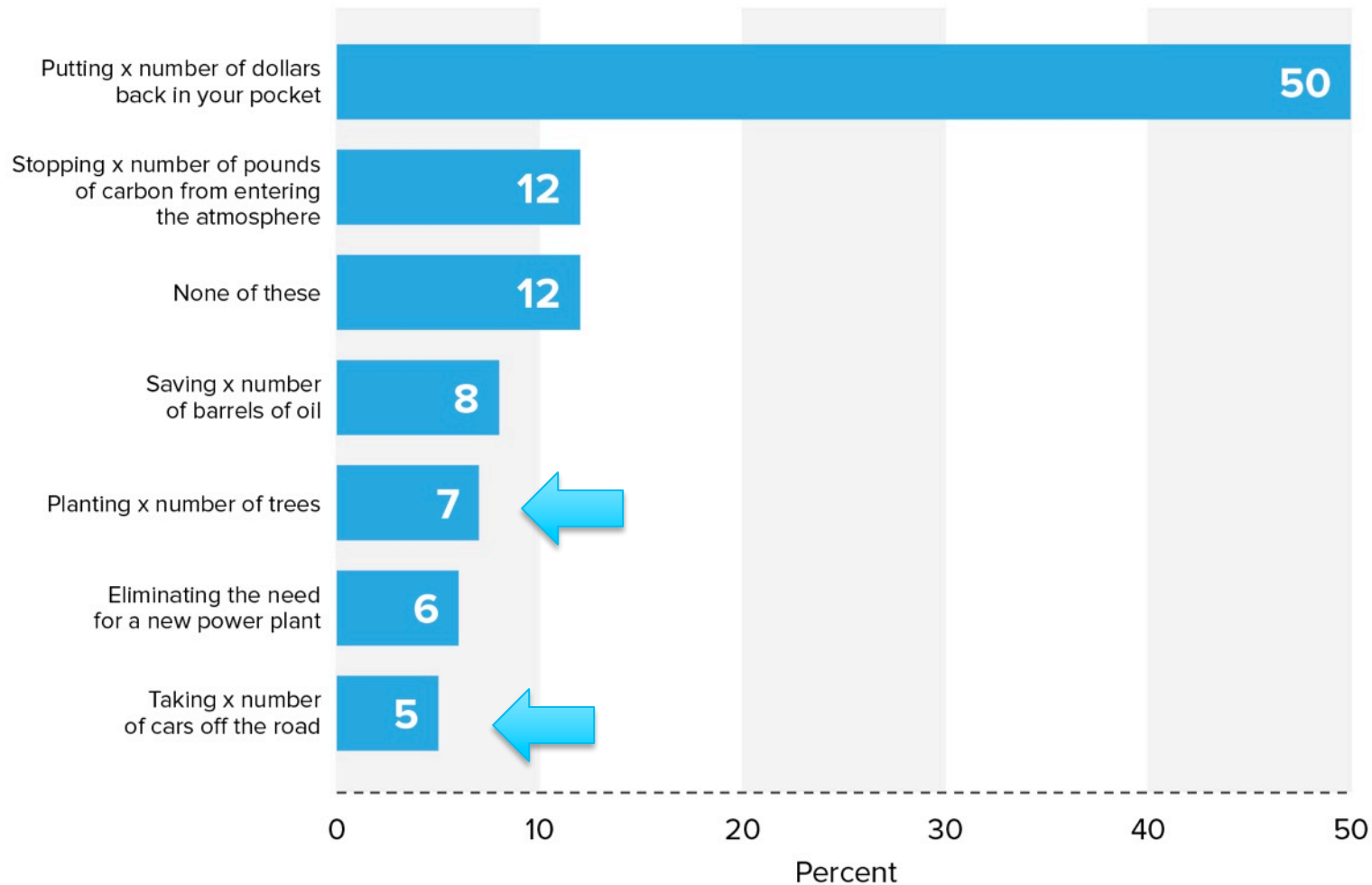
When we say “energy efficiency” 30% think we mean “install solar panels.”

Source: Energy Pulse 2014

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Popular analogies don't work.



Thinking in terms of energy efficiency, which of the following comparison items would motivate you to make an energy-efficient improvement to your home? If you make an energy-efficient home improvement, it's like ...

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2014

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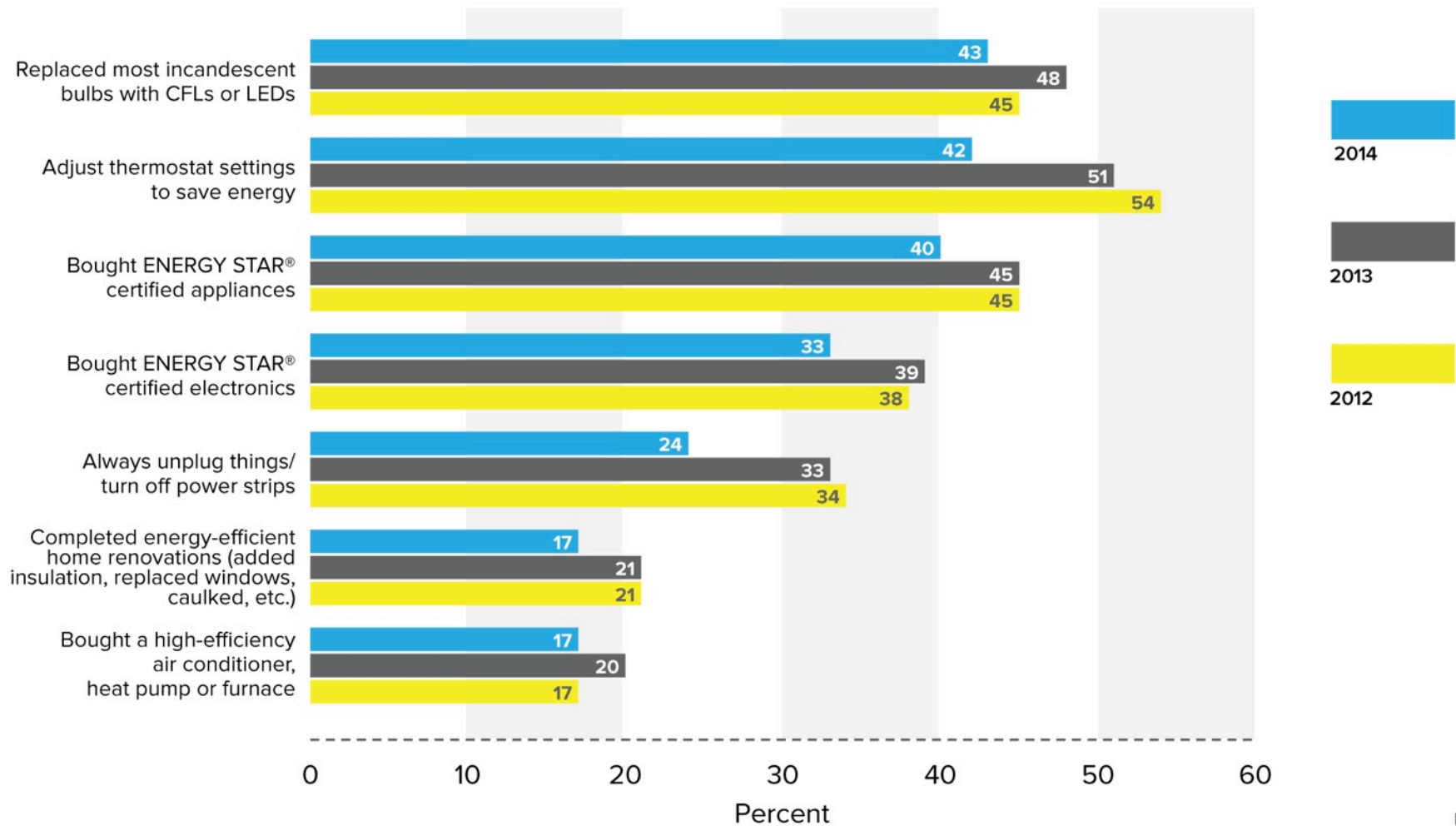
67%

Are unaware of/unfamiliar with utility rebate programs

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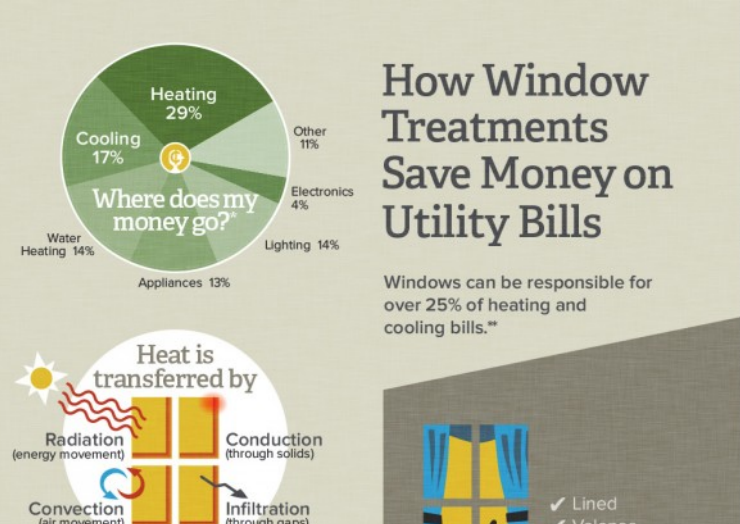
Energy conservation activities have declined



Home Energy Activities

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2014

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We keep trying to “educate” the market,
presuming they’ll do the right things if we just
tell them what to do

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And we keep trying to sell the
drill bit, when what people want
to buy is the ¾" hole



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Other challenges

- Siloed marketing efforts; very little cross-marketing or follow-up
- Too many recommendations

What can we do?



Connect them to the real, underlying benefits of energy efficiency that they actually care about

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When you communicate, use a one-two punch

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The one-two punch:

1. Wake Americans up to the fact that they have an efficiency problem
2. Drive them to prescriptive solutions

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<http://www.avoidenergydrama.com>

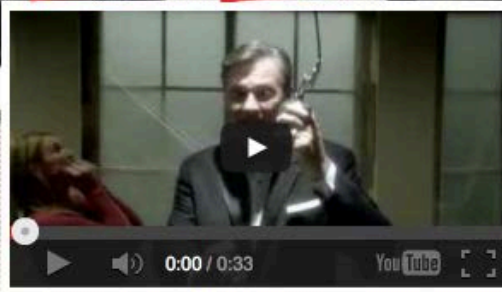
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AVOID ENERGY DRAMA



DO IT RIGHT VS. DO IT YOURSELF



- Home
- Savings Tips
- About
- Contact Us



WHAT'S YOUR ENERGY DRAMA?



"MY HOME IS ALWAYS TOO HOT OR TOO COLD!"

Let's get comfortable, shall we? >



"ENERGY UPGRADES COST TOO MUCH!"

Have we got some affordable ideas for you. >



"WHERE DO I EVEN BEGIN?"

Good question. Here are some good answers. >

ENERGY SAVINGS TIP

Power to the strip

You can save up to \$100 a year just by plugging your electronic devices into a power strip and turning off the strip when you're not using them.

See more tips >

WITH SUPPORT FROM



Results ten months in

- Reached 29,717,234 TV & radio media impressions beyond an annual goal of 15 million
 - **\$830,294 in free media towards goal of \$3-600,000**
- Reached 2,389,398 additional media impressions (Pandora & Yahoo)
- Exceeded unique visitor goals at 11,416 (goal – 2,500)
 - 21.5% conversion rate
- **1,098 people have completed a form to sign up for a \$99 energy audit**
- **19% unaided recall**, 28% total recall (unaided and aided)
 - 1.44 million MI residents 18+ unaided
 - 2.13 million MI residents 18+ aided

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Do5 things

Making energy efficiency
marketing more efficient via
segmentation, personalization,
and marketing automation

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Cautious Conservatives



Working Class Realists



Concerned Parents



True Believers



Consumers Energy Advisor

October 21, 2013 10:38 AM

To: Casey Skinner

[Hide Details](#)

Reply-To: Consumers Energy Advisor

Pay us less. Seriously. And get a \$10 gift card to do it!

That's right. We want you to pay us less by using less energy.

We're excited to tell you about **Energy Advisor** – Consumers Energy's new service that shows you the best ways to shrink your energy bills. That means you pay us less and we reduce our operating costs, so everybody's happy.

We know what works, and we can help you get results. With Energy Advisor, you'll get a customized plan that's packed with cash incentives, helpful tips and expert advice, all of which will lead to measurable savings on your bill.

Enroll now and here's what you'll get:

- A plan that's personalized for you and your home – and designed to get results
- Cash rewards and rebates to keep you moving
- The satisfaction of making energy changes that actually reduce your monthly bill!

ANSWER A FEW EASY QUESTIONS AND GET A FREE \$10 VISA® GIFT CARD!

Take the first step on the path to savings and claim your \$10 GIFT CARD! It's only the beginning of what you'll earn and save.

GET STARTED NOW

(Hurry, time and space are limited!)

[LEARN MORE](#)

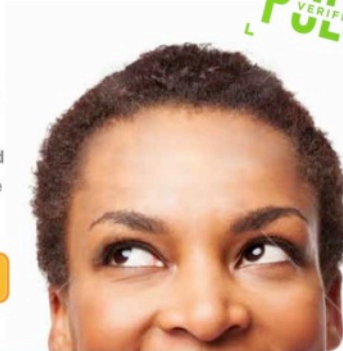
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Pay us less. Seriously.

Consumers Energy Advisor is here to help you shrink your bill. Answer a few simple questions, and we'll give you an easy-to-follow plan to reduce your energy use. **Would a \$10 gift card get you going? It's yours.** And you'll get more cash along the way.

[CLICK TO START PAYING LESS!](#)



We're not kidding.

When you use less energy, it actually saves us money. **(Here's why.)** So we've designed a service that's totally different from others you've seen. It isn't a laundry list of pie-in-the-sky stuff – it's a manageable plan that's personalized for you and lets you know what kind of savings to expect.



We'll even give you a \$10 Visa® gift card just to get started!

\$75 < \$350

Pick one? No, have both!

- Do two things from your plan by 12/31/2013, and you'll qualify for \$75 cash.
- Do all five things from your plan by 9/30/2014, and you'll qualify for \$350 cash.

[CLICK TO Start Paying Less](#)





Have you made any of these improvements in your current home already? (Please check all that apply)

- Installed extra insulation
- Installed an ENERGY STAR® qualified furnace, boiler, or heat pump
- Installed an ENERGY STAR® qualified central AC unit
- Installed a high-efficiency or tankless water heater
- Purchased an ENERGY STAR® qualified appliance
- None of the above

◀ Go back **Next question** ▶



How important is energy conservation in the way it affects your daily purchases and activities?

- Very unimportant
- Unimportant
- Neither unimportant nor important
- Important
- Very Important

◀ Go back **Next question** ▶

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Do5 things

Dashboard **Your Plan** Up Next Your Savings

You personalized savings plan: Five steps to a smaller footprint

CHECK WHEN DONE	MAX REBATES	POTENTIAL SAVINGS*	
<input checked="" type="checkbox"/> Schedule a heating system tune-up this fall - we'll give you \$50 towards the \$130 average cost.	\$50.00	\$60.00	Endorse
<input type="checkbox"/> Install a super high-efficiency water heater and get a rebate from Consumers Energy.	\$75.00	\$28.00	
<input type="checkbox"/> Install a tankless hot water system and get a rebate from Consumers Energy.	\$100.00	\$0.00**	
<input type="checkbox"/> If you have a crawl space, install insulation in walls and get a rebate from Consumers Energy.	\$50.00	\$36.00	
<input type="checkbox"/> If you have a basement, install basement wall insulation and get a rebate from Consumers Energy.	\$50.00	\$50.00	
Total rebates and savings	\$325.00	\$174.00	

Contact an Advisor

With Consumers Energy Advisor, You're never alone! Our advisors are here to help answer questions about your plan. Fill out and submit this form if you have questions.

Ask an Advisor

Cross the Finish Line and get another \$350!

Doing the right thing never felt so good.

- Complete a total of five qualifying improvements
- Earn another \$350 in cash plus rebates, Ka-ching!

Must be completed by: Sep 15, '14

Do5 things

Dashboard **Your Plan** Up Next Your Savings

You personalized savings plan: Five steps to take control of your bill

CHECK WHEN DONE	MAX REBATES	POTENTIAL SAVINGS*	
<input checked="" type="checkbox"/> If you have a crawl space, install insulation in walls and get a rebate from Consumers Energy.	\$50.00	\$36.00	Endorse
<input type="checkbox"/> If you have a basement, install basement wall insulation and get a rebate from Consumers Energy.	\$50.00	\$50.00	
<input type="checkbox"/> If you have a basement, install rim joist insulation and get a rebate from Consumers Energy.	\$50.00	\$37.00	
<input type="checkbox"/> Replace your windows with new high-efficiency models - and get a \$15 rebate on every one.	\$15.00	\$115.00	
<input type="checkbox"/> Install above-grade wall insulation and get a rebate from Consumers Energy.	\$125.00	\$60.00	
Total rebates and savings	\$290.00	\$298.00	

Contact an Advisor

With Consumers Energy Advisor, You're never alone! Our advisors are here to help answer questions about your plan. Fill out and submit this form if you have questions.

Ask an Advisor

Cross the Finish Line and get another \$350!

Get your maximum return on investment.

- Complete a total of five qualifying improvements
- Earn another \$350 in cash plus rebates, Ka-ching!

Must be completed by: Sep 15, '14

Do5 things

Dashboard **Your Plan** Up Next Your Savings

You personalized savings plan: Five steps to a comfier home

CHECK WHEN DONE	MAX REBATES	POTENTIAL SAVINGS*	
<input type="checkbox"/> Schedule a cooling system tune-up this summer - we'll give you \$50 towards the \$150 average cost.	\$50.00	\$10.00	
<input type="checkbox"/> Schedule a heating system tune-up this fall - we'll give you \$50 towards the \$130 average cost.	\$50.00	\$60.00	
<input type="checkbox"/> Schedule an in-home energy analysis - use promo code EA101 and we'll waive the \$25 fee!	\$75.00	\$66.00	
<input type="checkbox"/> Purchase a furnace with an ECM and get a rebate from Consumers Energy.	\$100.00	\$176.00	
<input type="checkbox"/> Install roof (attic) insulation and get a rebate from Consumers Energy.	\$125.00	\$68.00	
Total rebates and savings	\$400.00	\$380.00	

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With Consumers Energy Advisor, You're never alone! Our advisors are here to help answer questions about your plan. Fill out and submit this form if you have questions.

Ask an Advisor

Cross the Finish Line and get another \$350!

Here's a to-do list worth finishing!

- Complete a total of five qualifying improvements
- Earn another \$350 in cash plus rebates, Ka-ching!

Must be completed by: Sep 15, '14

Do5 things

Dashboard **Your Plan** Up Next Your Savings

You personalized savings plan: Five steps to a fatter wallet

CHECK WHEN DONE	MAX REBATES	POTENTIAL SAVINGS*	
<input type="checkbox"/> Schedule a cooling system tune-up this summer - we'll give you \$50 towards the \$150 average cost.	\$50.00	\$10.00	
<input type="checkbox"/> Schedule a heating system tune-up this fall - we'll give you \$50 towards the \$130 average cost.	\$50.00	\$60.00	
<input checked="" type="checkbox"/> Schedule an in-home energy analysis - use promo code EA101 and we'll waive the \$25 fee!	\$75.00	\$66.00	Endorse
<input type="checkbox"/> Purchase a furnace with an ECM and get a rebate from Consumers Energy.	\$100.00	\$176.00	
<input type="checkbox"/> Let Consumers Energy recycle your old refrigerator - and get a \$50 rebate.	\$50.00	\$150.00	
Total rebates and savings	\$325.00	\$482.00	

Contact an Advisor

With Consumers Energy Advisor, You're never alone! Our advisors are here to help answer questions about your plan. Fill out and submit this form if you have questions.

Ask an Advisor

Cross the Finish Line and get another \$350!

It's better than playing the lottery!

- Complete a total of five qualifying improvements
- Earn another \$350 in cash plus rebates, Ka-ching!

Must be completed by: Sep 15, '14

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Dashboard **Your Plan** Up Next Your Savings

Your personalized savings plan: five steps to a smaller footprint.

CHECK WHEN DONE		MAXIMUM REWARDS	ANNUAL SAVINGS*	
<input checked="" type="checkbox"/>	Purchase and install CFL light bulbs	\$15	\$40	143 Endorsements
<input checked="" type="checkbox"/>	Call to sign up for free energy savings products and installation	\$40	\$150	Endorse
UP NEXT!	<input type="checkbox"/> Recycle an old refrigerator	\$80	\$135	
	<input type="text" value="Enter your zip code"/> <input type="button" value="Schedule your free pickup"/>			
	Learn more...			
<input checked="" type="checkbox"/>	Install a new natural gas furnace	\$850	\$270	Claim Your Reward
<input type="checkbox"/>	Insulate and seal your attic	\$300	\$270	
Total rewards and savings		\$1,605	\$865	

Contact an Advisor

With your Energy Advisor, you're never alone! Our advisors are here to help answer questions about your plan.

Ask an Advisor ▾

Take the first step and earn \$10 cash!

Do the right thing for the planet and your wallet!

- Complete one qualifying improvement
- Receive a free \$10 gift card on top of all your rebates

Must be completed by Aug 31, 2014

Then multiply by 5 for another \$50!

Complete all 5 items on your list and qualify for another \$50 cash, just in time to help offset your holiday expenses!

Must be completed by Dec 31, 2014

More ways to save: make saving energy a habit!

Set your water heater temperature to 120°F

Are you still sticking with 120°F on your water heater? We hope so!

Mark as Done

Use Window Treatments to Save Energy

Did you know that curtains and blinds can be energy-saving devices? It's as simple as keeping window treatments open on sunny winter days and closed at night.

Mark as Done

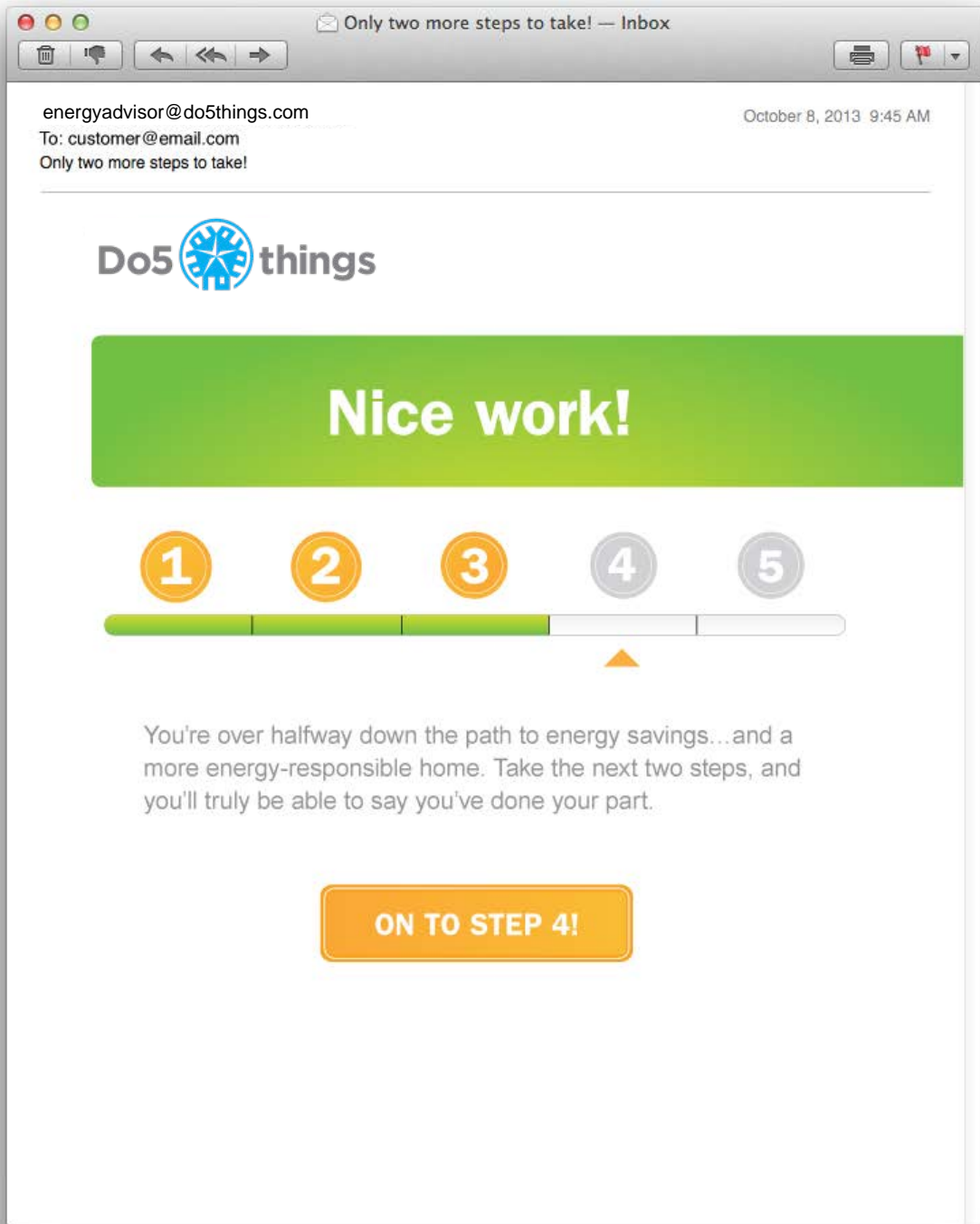
Use Energy-Saving Computer Settings

Did you know that turning down the brightness on your computer monitor and using shorter automatic sleep mode settings can cut your energy consumption?


Mark as Done

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energyadvisor@do5things.com October 8, 2013 9:51 AM
To: customer@email.com
Get back on the path! Energy Advisor awaits.

Do5  **things**

Take the path to energy responsibility.



1 2 3 4 5

It's been a while since you visited your Energy Advisor, and we miss you! Come on back, pick up where you left off, and let's lighten your energy bills – and your impact on the environment.

[LET'S CONTINUE](#)

Results

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Highly targeted email marketing drives engagement

35%

OPENS

7%

CLICK-
THROUGHS

Industry Averages

15%

3.5%

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Overall program opt-in rates through the roof

7%

Pilots 1-2

15%

Pilot 3

Industry Averages

2%

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Self-reported Measure Completion

Pilots 1-2

Heating System Tune-up	33%
Attic Insulation	26%
In-home Analysis	24%
CFLs and LEDs	16%
Crawl Space Insulation	9%
Refrigerator Recycling	9%

12% of all participants self-report

Pilot 3

Free Products & Install	64%
Refrigerator Recycling	47%
Attic Insulation	39%
CFLs	18%
In-home Assessment	18%
Energy Monitoring	13%

14% of all participants self-report

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A Behavioral Framing Experiment

Test four different behavioral framing principles in email campaign effectiveness

ENDOWMENT

SOCIAL PROOF

LOSS AVERSION

POWER OF FREE

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Behavioral Experiment Results

Behavior Principle	Opens	Clicks
Loss Aversion	64%	27%
Social Proof	60%	21%
Endowment	54%	17%
Power of Free	55%	7%

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Let's not forget after-the-fact behavior
modification

Over half of potential buyers admit they would likely use energy-efficient products more.

53%



Source: Energy Pulse 2013

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Source: Energy Pulse 2013

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Source: Energy Pulse 2013

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Source: Energy Pulse 2013

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Takeaways

Takeaways

- Understand that people are now skeptical of energy efficiency/save money claims
- Don't try to educate, scare or spin them into buying
- Talk in normal, human terms; avoid industry jargon
- Wake them up to the fact that they have a problem
- Push increased comfort for the family, healthier for everyone in the home, controlling energy bills, less waste and better resale value
- Deliver the right message to the right segment
- Push behaviors, not just products
- Create specific, logical action steps forward for folks

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Discussion

Thank you!

Suzanne Shelton

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