

Best Practices in Community Energy Efficiency Programs Marketing Strategies

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Introduction and Contents

This paper discusses strategies for effective marketing of community-based energy-efficiency programming, from the point of view of the Local Energy Alliance (LEA) that administers the program and is responsible for targets and goals. We discuss messaging, partnerships, and strategies that are especially effective in the LEA context. We intentionally do not discuss better-studied marketing techniques — bill stuffers, traditional media, direct mail, etc — because these topics are well discussed in other publications.

Objectives of Marketing

An energy-efficiency marketing campaign should span from initial consumer contact, to service request, to implementation of measures, to feedback and reward. When designing a campaign, consider the following:

1. How will the campaign **inform** customers of the services and programs available?
2. How will the campaign **motivate** customers to sign up and follow through with recommended actions?
3. How can the marketing campaign generate a sense of **commitment** and buy-in?
4. How will the outreach strategy provide **feedback** to customers on their progress compared to peers and the progress of the program as a whole?
5. How will the outreach campaign **reward** customers for their actions/ investments?
6. How can the campaign be **iterative**, so that it reconnects with customers to provide second and third opportunities for service?
7. And how can the campaign leverage existing customers to **motivate** their peers?

Messaging is Critical

Messaging should be customized for different groups of end users, since each customer group faces unique challenges in achieving energy efficiency. Make use of focus groups before launching an outreach program to understand these issues and conduct follow-up surveys to assess the quality of your programs and services. Across the board, saving money is a much more attractive message than reducing GHG or other environmental impacts, and specific steps or programs are more motivating than providing general information. Specifically, we have found that:

1. In the residential sector, competition or “keeping up with your neighbors” is effective.
2. In the commercial sector, testimonials from similar building owners are very motivating.
3. Larger customers require more direct and customized outreach strategies.

Powerful Partnerships

There are three critical partnerships to consider when developing a LEA.

1. **Community Partners.** Partner with organizations that can assist with marketing, technical upgrade work, and workforce development. These organizations include contractors and trade groups, big box retailers, universities and community colleges, neighborhood organizations, affinity nonprofit groups, economic development organizations, and business organizations such as the Chamber of Commerce or Rotary.
2. **Utilities.** Partnership with the local electric, gas, and water utilities can assist with joint marketing efforts, outreach to high usage customers, bill stuffers, on-bill financing, and co-branding.
3. **Local Government.** Use local government to generate trust and co-branding. Also, the local government may help with financing, web presence, staffing, and demonstration projects.

Effective marketing requires constant assessment of progress towards goals and re-evaluation. Make sure to perform customer surveys, seek feedback, and adapt your marketing campaign over time to meet the changing needs of your community and to maximize the effectiveness of your campaign.

Strategies for Effective Marketing

Neighborhood Canvassing

Make use of traditional community organizing tools, such as barn-raising and social marketing through neighborhood networks. In the residential and small commercial sector, door-to-door canvassing is an incredibly effective recruitment and educational tool. Canvassing can be accomplished through a variety of groups including home performance contractors and other building tradesmen, local volunteers, and school or community groups. The canvassing should be one of the entry points into the pipeline for energy efficiency work. While canvassing in and of itself can raise awareness about energy efficiency issues, it is most effective when there is an existing program into which to feed interested property owners. Canvassing too early in the program design phase can lead to disappointment and a loss of credibility in the program if there is not a next step to move for the property owner to take action or the process is confusing.

A well-designed neighborhood campaign should train its canvassers to speak knowledgeably about existing programs and answer basic questions about building science. If the canvassers are not energy performance professionals, they should be clear that they are not experts and provide the contact information for groups that can do deeper energy auditing of the home. To further encourage buy-in of the program, the canvassers should distribute simple, low cost, do-it-yourself materials like CFLs, weather stripping, and educational collateral material. The volunteers should be clear about specific follow-up actions and use the opportunity at the door to get residents to sign up for an energy assessment and/or connect to a newsletter. Basic information about the building can also be collected during the visit.

Example of Residential Canvass

Greater Cincinnati Energy Alliance (Cincinnati, OH)

<http://greatercea.org/press/>

The Greater Cincinnati Energy Alliance has employed a neighborhood blitz approach to canvassing. On each of two Saturdays this summer GCEA has organized over 30 volunteers to go door-to-door in two communities. Volunteers knocked on over 1,000 doors, handed out free fluorescent light bulbs and signed up homeowners for \$50 energy audits.

Example Small Business Canvass

Cambridge Energy Alliance (Cambridge, MA)

<http://cambridgeenergyalliance.org/>

In partnership with the local utility, NSTAR, the Cambridge Energy Alliance worked with six summer interns and the city's mayor's youth summer employment program to canvass small businesses in Cambridge. Over the course of three weeks, the interns reached out to over 400 small businesses. During the canvass, the interns provided information to enable the building owners to participate in the NSTAR Direct Install Small Business Program, conducted a survey to assess barriers to participate in the program, and signed up businesses to NSTAR's Small Business Direct Install program. In response, nearly 100 business owners signed up for the program and the leads are being followed up with Prism Energy Services, the ESCO serving the Cambridge community.

Example Volunteer Energy Assessments

WeatherizeDC (Washington, D.C.)

<http://www.weatherizedc.org/whyweatherize>

In partnership with a local home performance contractor, WeatherizeDC trains volunteers to conduct simple home evaluations as a stepping stone to getting residential owners to participate in a full energy audit. These volunteers meet interested homeowners by tabling at local community events like farmers markets in their own neighborhood. These field representatives establish a relationship with the interested homeowner by explaining the benefits of energy efficiency for the property owner and the community. A specific emphasis is placed on the fact that WeatherizeDC tries to hire within the local community. Using this sales pitch, the field representative can then schedule a visit to the home for an energy auditor or invite the home owner to an energy community meeting to learn more about the benefits of the WeatherizeDC program.

Social Media and Community Engagement

One way to engage community members is to create a site for your LEA that is “sticky”—that is, the website provides frequent updates of compelling and relevant content. This content can include updates on ongoing community projects, tips on do-it-yourself projects that can increase home efficiency, posts explaining different incentive programs with examples of successful

implementation, links to interesting articles on renewable energy and energy efficiency from around the web, a community calendar with links to upcoming events, informational videos, and photos of projects in process.

For example, the Cambridge Energy Alliance has created a blog called [Energy 2.0](#) that provides comprehensive information on energy efficiency and renewable energy harnessing social media tools. The site provides articles on local and national issues, highlights recent local events, and lists upcoming events. The blog is linked to from CEA's main site, which includes an email newsletter, a calendar of local events, detailed product information, and access to the [Smarter Cambridge Network](#). The Smarter Cambridge Network highlights the energy and cost savings that have been achieved in the area and gives users access to a personalized dashboard, the ability to create a profile and view other people's profiles, to calculate energy savings, and to join groups. An example of one of the energy saving calculators is below.

The screenshot shows the 'Smarter Cambridge' website interface. At the top, there are logos for 'Smarter Cambridge' and 'Brought to you by Cambridge Energy Alliance'. A user profile for 'Jennifer McFadden' is visible in the top right corner. The main navigation bar includes 'Dashboard', 'Profile', 'People', 'Groups', 'Events', 'My Energy Use', 'My Savings Plan', and 'My Neighborhood'. The 'My Savings Plan' section is active, displaying a calculator for 'Install a programmable thermostat to reduce your home heating use.' The calculator shows a current CO2 reduction of 1,452 lbs/yr and a total savings of \$168/yr. It includes a form to input temperature settings (e.g., 68 to 60 degrees for 7 hours during the day and 5 hours during the night) and buttons for 'commit to it!', 'I already do this', and 'cancel'. A sidebar on the right shows 'Dollar Savings' at \$0 and 'Energy Savings' at 0 hours. The footer contains 'Terms & Conditions', 'Privacy Policy', 'Have a question? Let us help.', and '© 2010 Smarter Cambridge'.

There are many tools that can be used to engage with the community and provide opportunities for dialogue between community members. LEAs serve to connect various community members, and, therefore, have a responsibility to facilitate these conversations. There are multiple levels of conversation that can occur between the LEA and consumers, contractors, and financing organizations; between consumers and consumers; between consumers and contractors; between contractors and contractors; and between consumers and financing organizations. The LEA's

social media strategy and BPM IT Tool should be flexible enough to easily facilitate and track all of these conversations.

There are several key social media tools that can be harnessed to expand outreach and inform community members, including:

Blogs

Blogs are an excellent way for LEAs to communicate new legislative updates, describe emerging energy efficiency technologies, highlight community members who are achieving their energy savings goals, and talk about the environmental and financial impact of taking on certain energy efficient projects.

It is incredibly simple to set up a blog using any number of free (WordPress, Moveable Type, Typepress, Blogger), paid (SquareSpace), or micro-blogging (Tumblr, Posterous) platforms. All of these platforms provide free templates and the ability to brand your blog by uploading your logo and customizing your layout. Although SquareSpace charges a nominal monthly fee, it has the most intuitive user-interface for a novice user who is trying to build a unique, customized site without having to have advanced knowledge of web design.

Services like Kapost, which is a WordPress plug-in, enable community members to upload posts and provide an additional social level. This can be a useful way for LEAs to engage with their community members and crowdsource content for their site. For instance, the LEA might ask a community member to chronicle the progress of their retrofit project and upload it to the site. When these stories are shared, they provide real examples of how energy efficiency upgrades can benefit consumers and the community. This can be a compelling way to incentivize action.

Social Networks

LEAs can create new social network sites using services like Ning or use Facebook tools to tap into existing networks. Although Ning provides the opportunity to create a branded network, Facebook allows LEA's to tap into existing networks more easily and efficiently.

For instance, the Greater Cincinnati Energy Alliance has an active [Facebook page](#) where they upload photos of recent canvassing activities, integrate their Twitter feed, post events, provide a forum for discussion, and provide a call to action that prompts users to sign up for their Twitter feed or to receive their email newsletter.

A customizable Facebook widget can be added to your site's home page to provide a live stream of updates from members of the community.

Meetups

Meetups are an effective way for LEAs to get out into the community and educate constituents on their relevant programs. In order to publicize the event, the LEA can contact the local newspaper to get coverage and include a link to the Meetup's site in the article. [Meetup's](#)

[software](#) provides a forum for meet-up members to talk with one another and makes it easy for LEAs to invite new members and communicate to the group once members have joined.

Photo Sharing

Photo sharing sites like [Picassa](#) and [Flickr](#) allow consumers to upload and share photos with others in the community. This can include photos of projects that are in progress, new products that have been introduced into the market, recent events, or community members who have won recent contests. Twitter photo services like Twitpic, Twitpix, and SnapTweet allow LEAs to upload these and other photos to Twitter and share them with followers.

Videos

Uploading and embedding videos into your site can be easy using tools like YouTube or other video hosting [sites](#). You can create how-to videos, document ongoing projects, and post videos of recent local newscasts.

Widgets

In order to provide additional content on your site, you can embed energy efficiency-related widgets in your existing content management system (CMS). A list of popular energy efficiency widgets can be found at [WidgetBox](#). Additionally, most major news sites provide topic-specific widgets that provide live feeds of relevant articles. These can be great sources for articles relevant to consumers.

<http://www.eere.energy.gov/socialmedia/#widgets>
<http://www.widgetbox.com/widget/energy-efficiency-and-renewable-energy-news>
<http://www.nytimes.com/services/timeswidgets/>
<http://www.google.com/ig/directory?synd=open&hl=en&gl=&q=renewable+energy>

Peer-to-Peer Comparisons and Incentive Structures

Many software companies are building products that use group social behavior to incentivize users to commit to, and follow through with, actions that reduce energy consumption. For instance, Efficiency 2.0 has built out a product that focuses on the neighborhood level and enables users to befriend (via Facebook-style requests) those people in their immediate area who are participating in the program. Users can then compare their energy consumption with others in the group. Their sophisticated point system gives users social status based on energy and carbon reductions. Performance can then translated into rewards and rebates by the LEAs.

Contests and Games are other ways that LEAs can reach out to the community. Efficiency 2.0 also has a suite of games that have been developed in order to increase retention and engagement.

Email Lists

Develop lists to target various customer groups, such as businesses, residents, nonprofit groups, etc. These lists can be used to advertise workshops, events, utility incentives, local or national legislative alerts, and other marketing opportunities.

Traditional Media

Use media to market your programs and services by generating newsworthy events such as the launch of your organization, special offerings to the community, major events like community canvasses, and other noteworthy activities. It is important to build credibility with local and regional news outlets by setting up editorial meetings and getting to know news reporting staff. Earned media in particular is a great low-cost way to generate interest. A local news story on the Greater Cincinnati Energy Alliance (featured on their website: <http://greatercea.org/>) generated over 500 audit requests over one weekend. For other examples of earned media see: <http://cambridgeenergyalliance.org/news>

Partnering with Affinity Groups

In the case of the Cambridge Energy Alliance, CEA works with local environmental organizations, green business groups, and the municipality to cross promote its program at events, organize collaborative workshops and tying existing programs together. For instance, the city's Façade Improvement Program, which provides substantial grants for exterior upgrades, now includes CEA as a prerequisite to participate, having businesses get an energy assessment where feasible as part of the program. For its small commercial marketing activities, CEA has partnered with the Sustainable Business Leader Program to co-organize and advertise events that promote energy efficiency programs and sustainable business services. CEA's residential program targets both low-income and moderate to high income customers using various partners to access customers where they are such as through houses of worship, community centers, neighborhood groups, and other community service organizations.

Partnering with Contractors

The City of Durham, NC has partnered with Advanced Energy, a local energy-efficiency training provider, to create a workforce dedicated to the city's residential energy efficiency retrofit goals. Advanced Energy and the City hope to adopt a "train the trainer" approach to train enough contractors to serve all of Durham's energy efficiency retrofit demand. Durham has partnered with other workforce development organizations such as BPI and community colleges, and also has a very narrow scope of training and retrofits targeted (duct sealing, air sealing, programmable thermostats, and insulation), to maintain tight quality control.

Marketing around the Split Incentive

Residential rental units pose a particular challenge to energy service programs. Typically the tenant pays the utility bills, so the savings from an energy-efficient retrofit do not accrue to the property owner. The tenant, on the other hand is not empowered to make capital improvements

to the property, and they do not have a long-term time horizon that would make the investment worthwhile because their tenancy is not permanent. This principle-agent problem makes it very difficult to penetrate the small residential rental market. Similar issues arise for tenants of commercial space as well. The “green lease” concept should be promoted as a solution to the split incentive, when marketing to this sector.

Residential Green Lease

An option for overcoming the split incentive is encouraging property owners to adopt a green lease model (or a green lease rider or amendment). The green lease allows for the landlord to increase rent on the property if any upgrades are done that lead to measurable energy saving on the tenant’s utility bills. These contracts are structured so that there is a cost share between the owner and tenant, and so that the tenant’s rent does not increase more than the projected savings on energy bills. The rent increase and lease are executed for new tenants post-installation or upon lease renewal. The projected savings need to be established by a credible third party. In addition, the lease can specify the tenant’s responsibility to attend a resident efficiency training session to learn about behaviors that will maintain the energy efficiency captured through the upgrade. This seminar should be conducted by a verified expert in the field of energy conservation. This program can be provided by a local energy conservation program to encourage landlord buy-in of the green lease program. A municipality can encourage the adoption of green leases by certifying rental properties that participate in energy conservation programs. This creates a market for renters looking for efficient properties.

Green Renter

<http://www.greenrenter.com/>

Green Renter is attempting to become the Craigslist of energy efficient properties. Potential tenants can use the site to identify properties with landlords committed to maintaining the efficiency of the property

Further Information and Examples

- Project Porchlight. Online at <http://www.projectporchlight.com/>.
- Philip Kotler and Eduardo Roberto, Social Marketing: Changing Public Behavior.
- Doug McKenzie-Mohr and William Smith, Fostering Sustainable Behavior: An Introduction to Community-Based Social Marketing.
- Bonneville Power Authority, Strategic Marketing Plan. Online at http://www.bpa.gov/Energy/N/reports/Strategic_Marketing/pdf/SMReport.pdf
- Northwest Energy Efficiency Taskforce, The Role of Marketing and Public Awareness in Energy Efficiency. Online at http://www.nwcouncil.org/energy/neet/workgroups/4/NEET%20WG4_Final%20Recommendations.doc
- PG&E, Energy Watch Partners, online at <http://www.pge.com/mybusiness/energysavingsrebates/partnersandtradepros/tradeprofessionals/energywatchpartnerships.shtml>
- Cambridge Energy Alliance, online at <http://cambridgeenergyalliance.org/>

Pay for Performance

Existing programs for marketing and outreach of energy efficiency programs – utility bill stuffers, media ads, telemarketing, outreach, etc. – have typically constituted 25% -30% of total program costs and have achieved low audit-to-retrofit conversion and low overall audit participation. The top down method's failure has led to recent considerations for using the marketing budget for bottom-up organizing of the customer base. What if the budget for marketing and outreach were used to engage community groups to convince their members to complete energy efficient retrofits and change their energy use behavior patterns? While pay-for-performance is a concept being proposed in several states now, it is not yet in play.

Concept

In a pay-for-performance model, the energy efficiency program offers payment to community groups, contractors, non-profits and entrepreneurs for measured energy savings from customers that the group signs up for the program. The payment is structured so the group receives a small initial payment per customer signed up and then receives on-going payments for measured kWh savings by the customers. The on-going payments (semiannually) create the incentives for the community groups to make sure their members complete ECM and continue to practice energy efficient behaviors. Participating neighborhoods can also compete with one another for recognition and cash awards, as an additional level of reinforcement for ECM adoption and behavior change. There is no need to document the specific behaviors or ECM that are completed as payment is based on the measured savings of the participants at the utility meter. Various literature reviews and recent on bill customer usage feedback and advice pilots inspire the conclusion that behavior change alone can render 5-10% savings among participants. Utility payments can be set as high as their avoided costs, as approved by PUCs. The issue of persistence of savings can be addressed by continuing the program over 2-4 years.

As this concept is still in the development phase, there are not yet best practices available for advising implementation, but as with all organizing programs for Energy Efficiency, the community groups and their contractor partners will be most effective if they can use utility and other incentives on the projects. Their success will also be considerably enhanced with an accessible, affordable financing program.

The energy services community has struggled to reach beyond early adopters of green actions and clients with a need for immediate repairs. Using community groups as outreach and providing funding for these community groups to follow up on commitment and performance pushes energy efficiency programs into networks beyond the usual suspects of early adopters and home repair aficionados. In addition to environmental and financial benefits to the property owner, participating in the program becomes a way to

raise money for their local community group. This program can also dovetail nicely with aggregation of projects as community groups can participate in the program together as part of a drive. City governments or their third party program managers in an RRU community, for example, might also propose this arrangement to their local utilities.

The bottom-up model could overcome perceived barriers in ECM adoption:

Lack of Trust: Top down models often rely on contracts with a few firms to complete audits and prescribe retrofits. Customers often do not know of these firms prior to the marketing and outreach process and have no reason to trust the contractor. Using community groups as outreach emissaries in the community overcomes this lack of trust by using a familiar, credible face for program marketing.

Transparency: Individuals can be confused on how to access ECM incentives and financing programs. While the recent federal commitment to energy efficiency has raised property owner awareness about the issue, it is not always clear how the owner signs up for the program. Using community groups provides a local network to address questions and guide property owners through the process.

- To overcome this barrier it is important that the community groups are educated to speak about ECM and behavior change so that the promise that are made by the community group are achievable. In order to allow some funding for outreach before measured savings is achieved, it is recommended the utility or municipality funding the program provides upfront payment for initial outreach, education for community group leaders in energy advising, and a tool kit including best practices in canvassing and outreach. From there, it is up to the community group to convince its members of the importance of energy savings. If the group can effectively access this network, the reward continues to flow.

Long-term commitment: By tying the community groups' payment to the long-term savings from their community participants, there is incentive for the group to continue to encourage energy saving behavior and maintenance of ECM.

Pay-for Performance and Energy Use Behavior Change

There is doubt about the industry's ability to quantify energy savings achieved through behavior change, and for this reason programs that target behavior are often under funded or excluded. There is no way to prove the cost effectiveness under the current utility-based efficiency program model. By using marketing funding to incentivize community groups to do this outreach, the question about effectiveness is nullified. If there is measurable utility savings from program participants, the community group tied to those properties receives compensation. If there is not savings, the incentive is not paid. This tool could provide the innovation needed to change behavior patterns by creating a community goal around energy savings that creates long-term funding for community programs.