



Marketing, Education & Outreach Strategy in Energy Efficiency

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ME&O Program Landscape



palm desert california

Palm Desert and partners have committed to reduce energy use city-wide by 30%.



This project is expanding the boundaries of traditional city-utility consumer collaboration. Could your city do the same?

[Read more...](#)

The complex block has a blue background. It features a photograph of a large, weathered rock with "PALM DESERT" carved into it. The text is in white and blue.

Generating Savings with ME&O Programs

- ME&O programs have the potential to generate energy savings by motivating behavior change
- Different analysis techniques have been used to get to net savings depending on efforts:
 - Self-report NTG
 - Quasi-experimental design
 - Experimental design
- Savings potential is too large to ignore
 - CA SWM&O Savings Estimates:
 - 175 GWh of attributable annual savings*
 - 10% of gross savings from PY2006-2008 Upstream Lighting Programs*
 - OPower: Approximately 4% reduction in usage**

Agenda

- Challenge for ME&O Programs
- Energy Efficiency: A Complex “Ask”
- ME&O Program Challenges: The Flex Your Power Example
- ME&O Program Development: Guiding Principles for Success

ENERGY EFFICIENCY: A COMPLEX “ASK”

The New Challenge for ME&O

- Energy-saving behaviors are varied and their benefits are intangible
- Customers are generally “on board” and motivated to take action
 - But most are “doing everything they can”



- ME&O efforts need to find the tools to make energy-saving actions easy

In-Home Ethnographic Research

- 136 in-depth interviews in homes across the IOU territories by trained ethnographers
 - ~110 in English, and 26 in Spanish
 - ~1.5 hour discussions
 - General discussion
 - Walk through kitchen and primary living space
 - Fill out brief survey of actions taken in home
 - Discussion of motivations and barriers
- Ethnographic research not representative of the state, but insightful
 - Interspersed with findings from quantitative survey efforts to ground some of our qualitative research

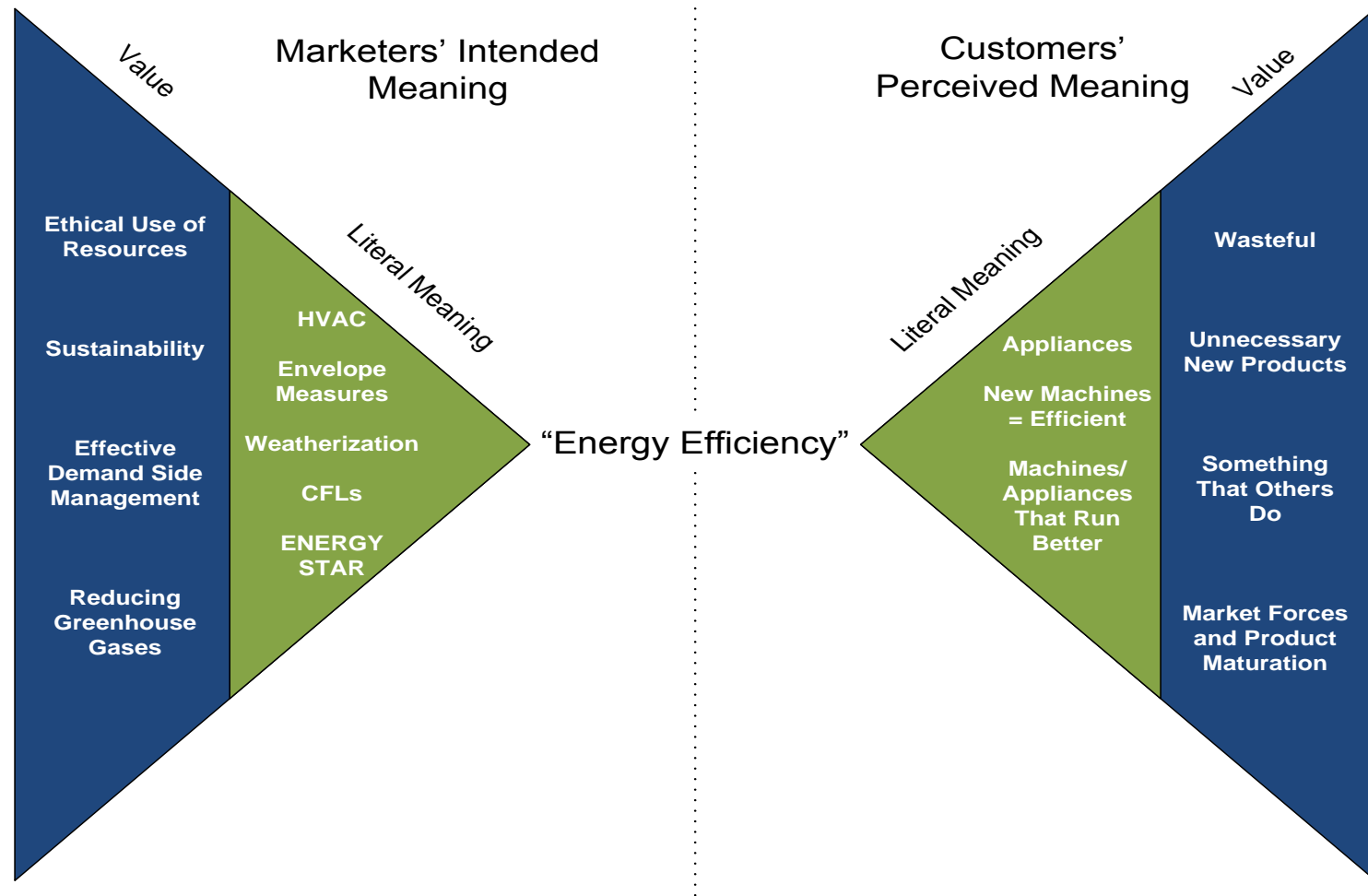
Overview of 5 Key Take-Aways

- **Semantics matter**
 - *When designing a marketing strategy and campaign, need to really think through the language that we use to communicate to individuals*
- **Energy Efficiency Lacks Visibility**
 - *Marketing strategy needs to develop more visual cues for energy efficiency*
- **Energy Efficiency is “competing” with other pro-social behaviors**
 - *Marketing strategy needs to elevate the importance of energy efficiency and energy conservation*
- **The majority of households that we talked to felt that they were “doing everything they can” within the realm of their control**
 - *Marketing strategy needs to find ways to overcome the feeling that “I am doing everything I can”*
- **Barriers matter more than motivations when moving households to action**
 - *Marketing must take on barriers directly to increase the relevance of energy efficiency and energy conservation in the household*

Semantics Matter!

- Language must be carefully considered when communicating with the public
- Frequently, communicators are saying one thing, but Californians are “hearing” something different
- Communicators need to be careful not to use terms that contradict one another
 - Efficiency requires consuming, not saving

“Efficiency” is Lost in Translation



Energy efficiency versus energy conservation

- A snapshot of definitions among those who were able to give a definition...

To me, Energy Efficiency is. . .	To me, Energy Conservation is. . .
“doing something better”	“not doing that at all”
“an inherent property of the equipment”	“behavioral”
“like a Prius”	“like...walking”
a mechanical attribute	a human behavior
something the appliance/machine does	consciously not using unnecessary energy
“building a product that uses less energy”	“more of an awareness; it’s a personal action to use less energy”
“more mechanical”	“more human”
“making it work for better purpose without spending too much”	“using the energy in the right way/ in the same desirable amount”
the appliance using less energy	using less (behavior)

Personalization of conservation...

- Energy conservation:
 - Is an action that *I can do*, because I can *choose* to reduce my energy use
 - Is more important and saves more than EE, because I can do it myself; it requires no extra equipment
 - Has limits, because there's only so much energy use I can cut back on

Less control over energy efficiency...

- Energy efficiency:
 - Is the property of an object, not something humans or Californians have control over day to day
 - Is viewed as wasteful if it requires replacing a product before the end of its life cycle
 - Cannot contribute to “saving” if it also requires consuming

Energy Efficiency Lacks a Strong Environmental “Signal”

And then as we delve deeper... active, visual

- “Water”
- “Resources”
- “Recycling”
- “Solar”



Efficiency?

Common Associations are Driven by Visual Cues, Mostly Lighting

- Key associations
 - “Turn off lights”
 - Number one association with energy
 - Other energy saving behaviors in the home
- Association with light stronger for Spanish-speaking populations
 - “luz” ... “ahorrar luz” [save], “dar luz” [give] to the neighbor, and certain appliances “gastan menos luz” [waste less] or “toma mucha luz” [use a lot]. “Luz” is possessed, and has the capacity to be shared.



Energy Efficiency is not a status-driven action

- EE and EC are not “visible” contributions to identity
- EE and EC lack the social capital of other lifestyle choices



Saving Energy is Competing with Other Pro-social Behaviors

- Need to move energy efficiency higher on the list

Current List

- Unplug or Turn Off Appliances
- Donate to Sierra Club
- Bike to Work
- Open Blinds for Light
- Take Shorter Showers
- Only Wash Full Loads

Potential List

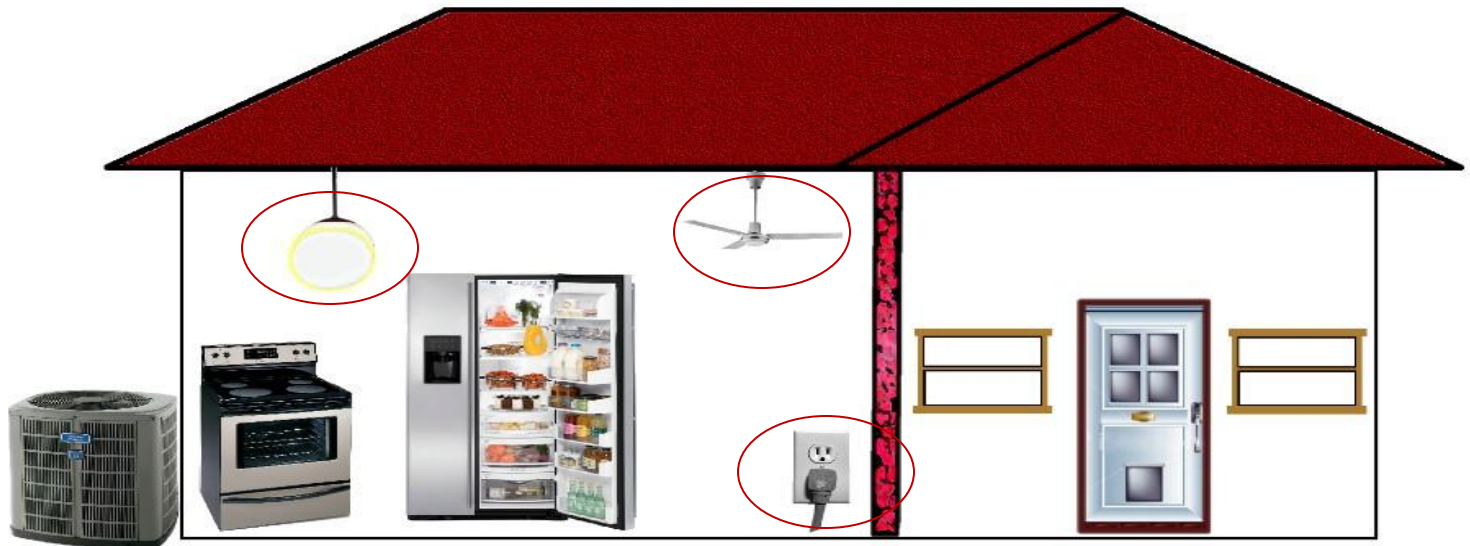
- | | |
|---|---|
| <input checked="" type="checkbox"/> Weather-strip Doors & Windows | <input type="checkbox"/> Install Solar Panels |
| <input checked="" type="checkbox"/> Recycle | <input type="checkbox"/> Purchase EE Appliances |
| <input checked="" type="checkbox"/> Install Drapes on Windows | <input type="checkbox"/> Install Double-Paned Windows |
| <input checked="" type="checkbox"/> Take Public Transportation | <input type="checkbox"/> Clean Refrigerator Coils |
| <input type="checkbox"/> Install CFLs | <input type="checkbox"/> Use Low-Flow Shower Heads |

Overcoming the Belief that...

“I am doing all I can do”

Most Feel They Are Doing “Everything They Can”

- #1 - Most associations are with “active” sources and tend to be behavior based



Energy Use in the Home...

What “Uses” Energy

- Reason #2 energy efficiency is assumed or unnecessary
- Approximately 80% of purchasers assume that they have bought energy efficient appliances
 - “New” is efficient
 - Many respondents confused about what constitutes an energy efficient appliance



Energy Efficiency is Assumed...

- “I’ve got a new refrigerator. I’m sure it must be saving energy... because I just bought it. I had an old one, and I’m sure that wasn’t saving anything. I’ve got a fairly new stove, and that’s electric, so that must be saving electricity... you see advertisements all the time saying that the newer appliances are made to save energy, so I’m hoping that mine are.”

...or Unnecessary

- For those not purchasing, energy efficient appliances are actually thought of as wasteful because they are unnecessary
 - “I conserve by not having surplus things”
 - “You don’t replace them until they die, and they aren’t dead yet”
 - “I think it’s better just to not have a microwave if you don’t need one. To me, buying an energy-efficient thing is part of the problem.”
- This is a particularly strong sentiment among Spanish-speaking respondents

#3 - Customers are Taking Many Actions, Most of Which Don't "Count"

Standard EE Behaviors

- Installing double-paned windows
- Installing weather stripping/caulking
- Insulating hot water tank
- Buying EE appliances

Non-Standard Behaviors

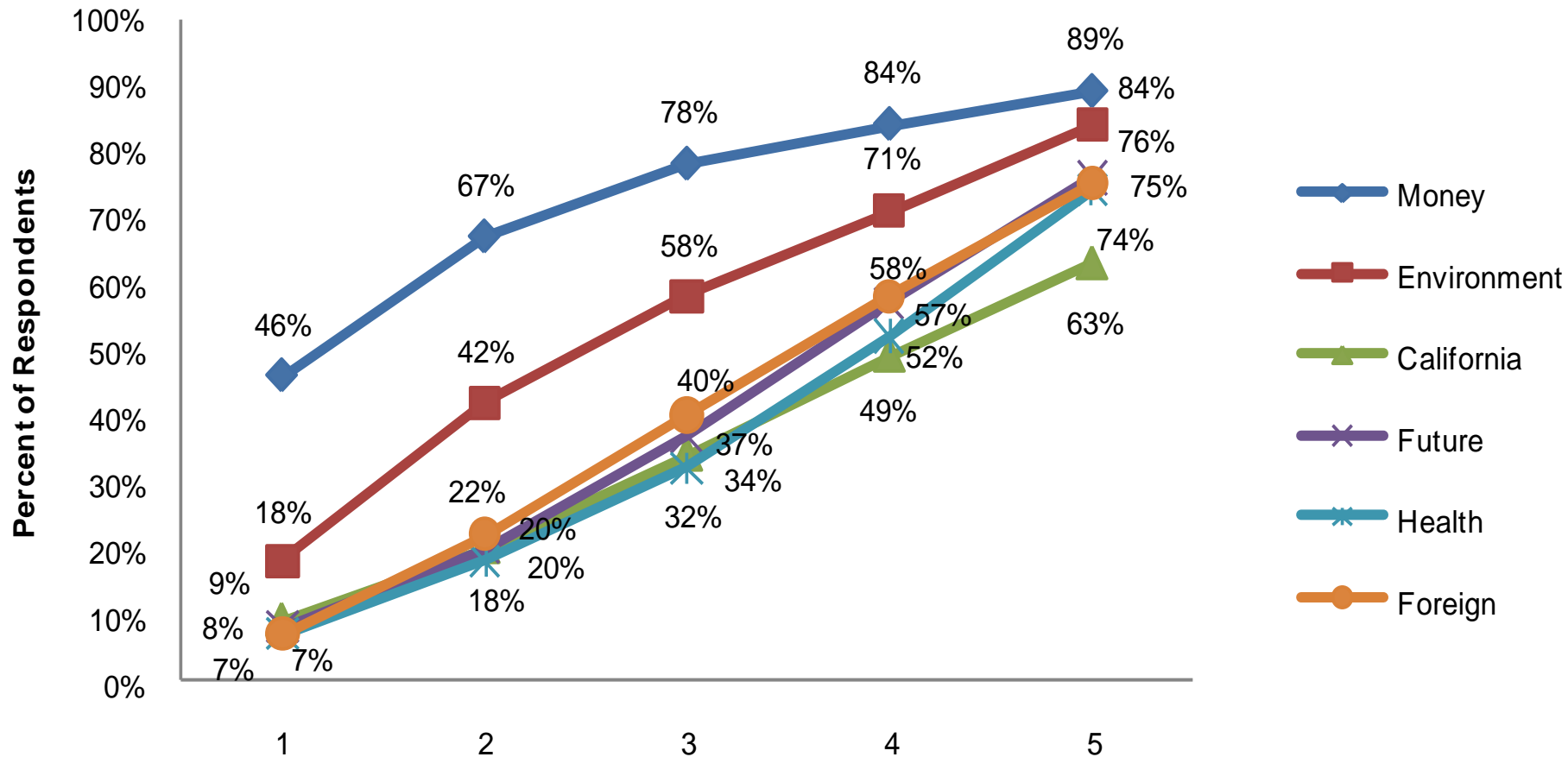
- Reusing water to wash fruit
- Unscrewing light bulbs
- Cooking food in microwave or on outside grill instead of using stove or oven
- Going to bed early
- Doing things manually instead of using an appliance

Standard EC Behaviors

- Taking short showers
- Unplugging adapters or appliances
- Opening blinds for light
- Using dishwasher or washing machine only when full

Customers are Motivated

- But barriers are stronger
 - Despite high self report, saving money, energy, and the environment cannot overcome barriers



EE and EC Have Different Barriers to Action and Should be Treated as Different “Asks”

- Energy Efficiency
 - Money: Households are generally unwilling to spend outside of POP or more at POP
 - Feel they have “done enough” to save
 - Product barriers: Wide range of energy efficiency products and services have unique barriers associated with the products



EE and EC Have Different Barriers to Action and Should be Treated as Different “Asks”

- Energy Conservation
 - Inconvenience: Conservation actions are often viewed as inconvenient if simple solutions are not obvious
 - Want a “switch” solution
 - Material gain (e.g. savings) is not immediately evident, like turning off the lights
 - Household dynamics dictate the frequency and consistency of behavior adoption



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ME&O PROGRAM CHALLENGES: THE FLEX YOUR POWER EXAMPLE

The Flex Your Power Example

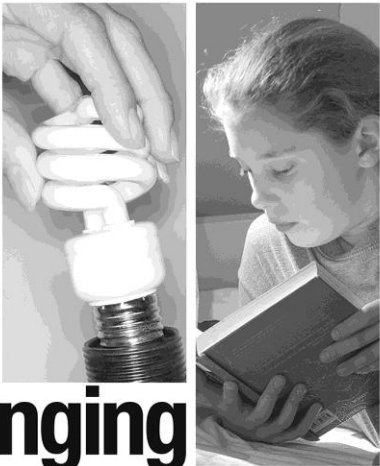
FYP History

- First launched in 2003
- Three components:
 - **FYP – General:** Mass media campaign, implemented by Efficiency Partnership
 - **FYP – Rural:** Outreach through community-based organizations, implemented by Runyon, Salzman, and Einhorn
 - **FYP – Spanish:** Spanish-language TV campaign, implemented by Staples Marketing

FYP 2006-2008 Budget

- Total budget estimated \$61.5 million over three-year period
- Largest percent of funds devoted to mass media buys

Examples of FYP Advertisements



**Can
changing
a light bulb be incredibly illuminating?**

Can changing the kind of light bulbs you use around the house, change the climate around the world? If every California household replaced five regular light bulbs with compact fluorescent light bulbs, it would eliminate 2 million tons of CO2 from the air. That's the equivalent of taking 400,000 cars off the road. The truth is, minor changes like these can have a major impact on global warming for generations to come. To learn more, visit our web site or call today.

Call 1-866-431-FLEX or visit www.fypower.org

**Flex
your
POWER**

Funded by California ratepayers and administered by California investor owned utilities under the auspices of the California Public Utilities Commission.



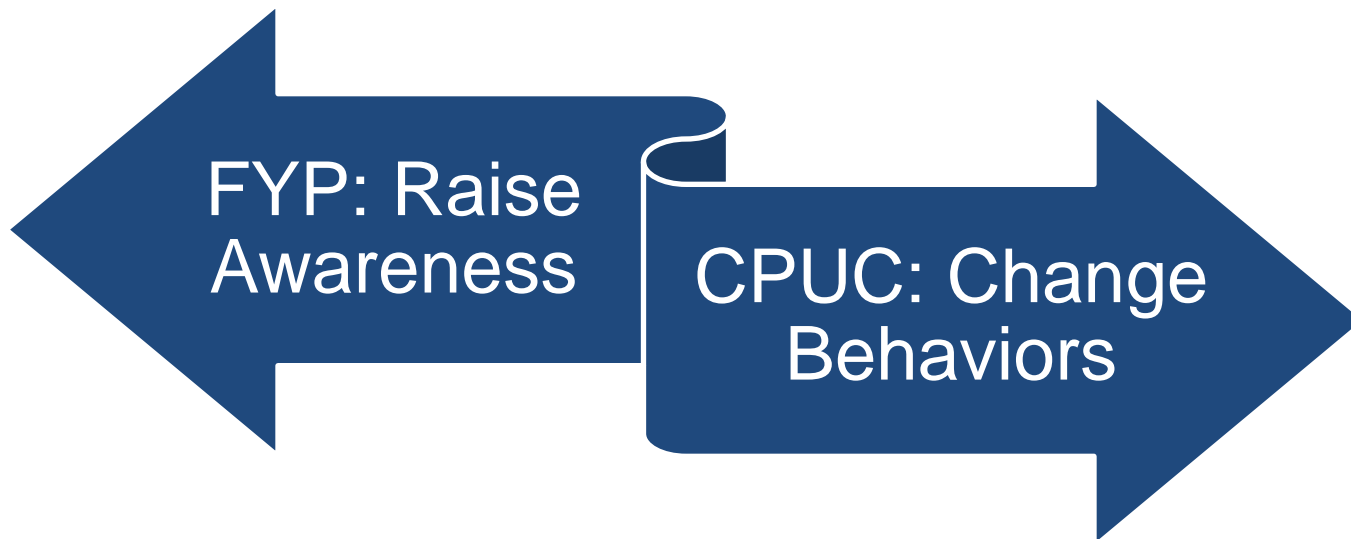
**REEMPLAZANDO
5 BOMBILLAS
INCANDESCENTES**



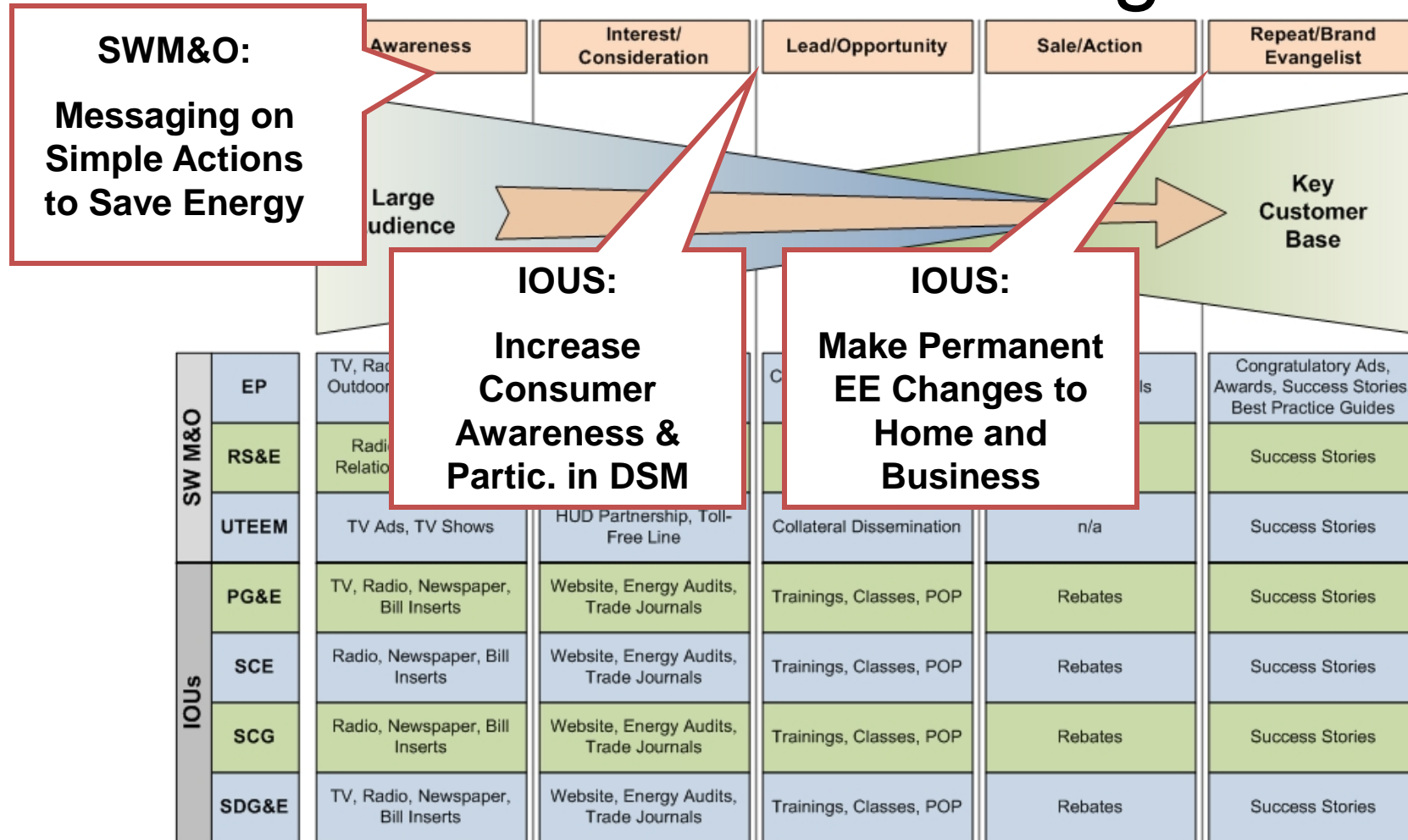
**POR
5 BOMBILLAS
FLUORESCENTES**

Guillermo Quiroz
METEOROLOGO, UNIVISION

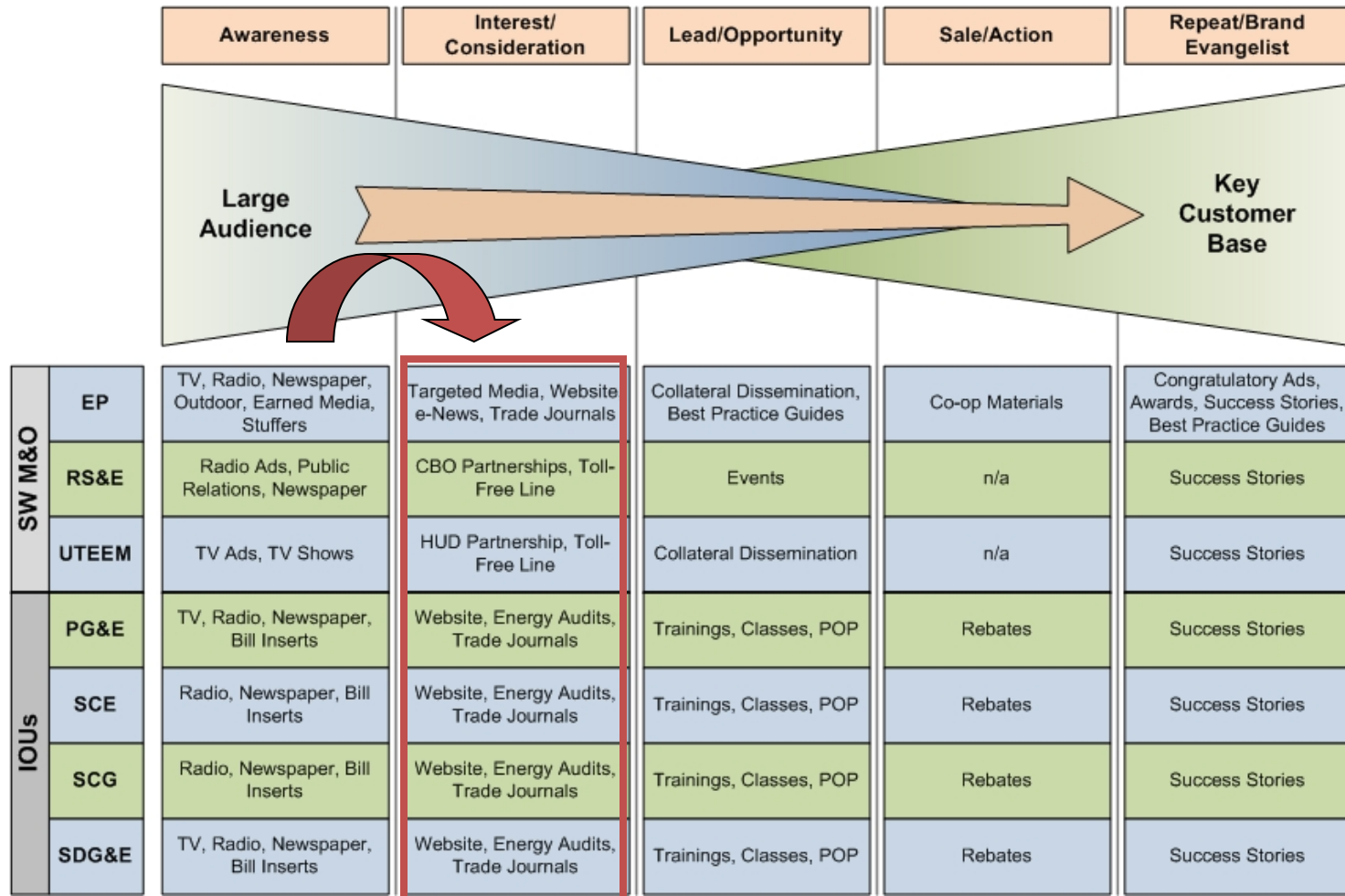
Design Pitfall: Undocumented Goals



Design Pitfall: Failed to Provide a “Link” to Action and IOU Programs



Design Pitfall: Failed to Provide a “Link” to Action and IOU Programs



Design Pitfall: Mixed Messages

Primary Target: Homeowners Ages 35-55



Raise Awareness on Global Warming



Generate Concern for Energy Efficiency



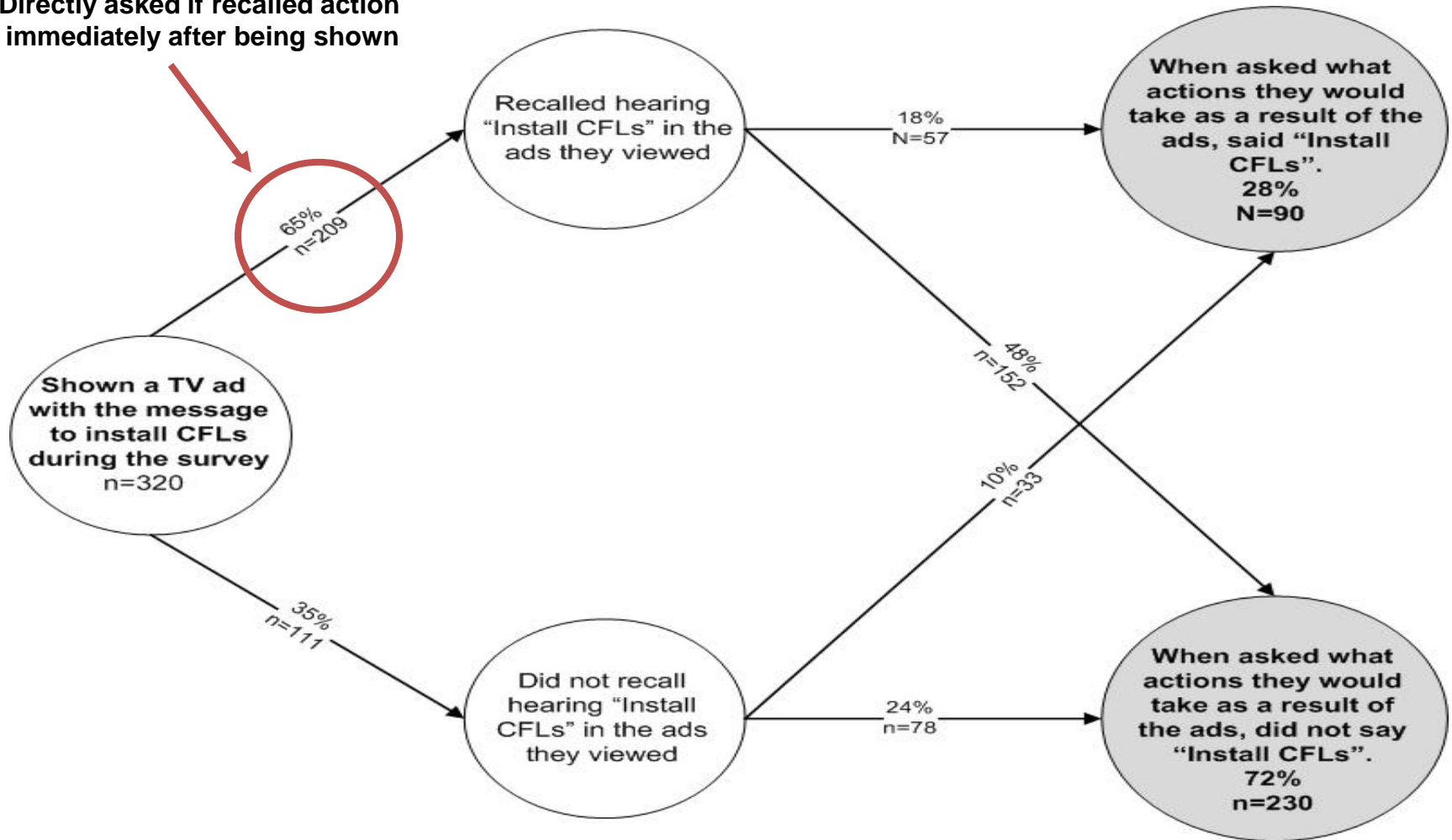
Increase Propensity to Take Energy Efficiency Action



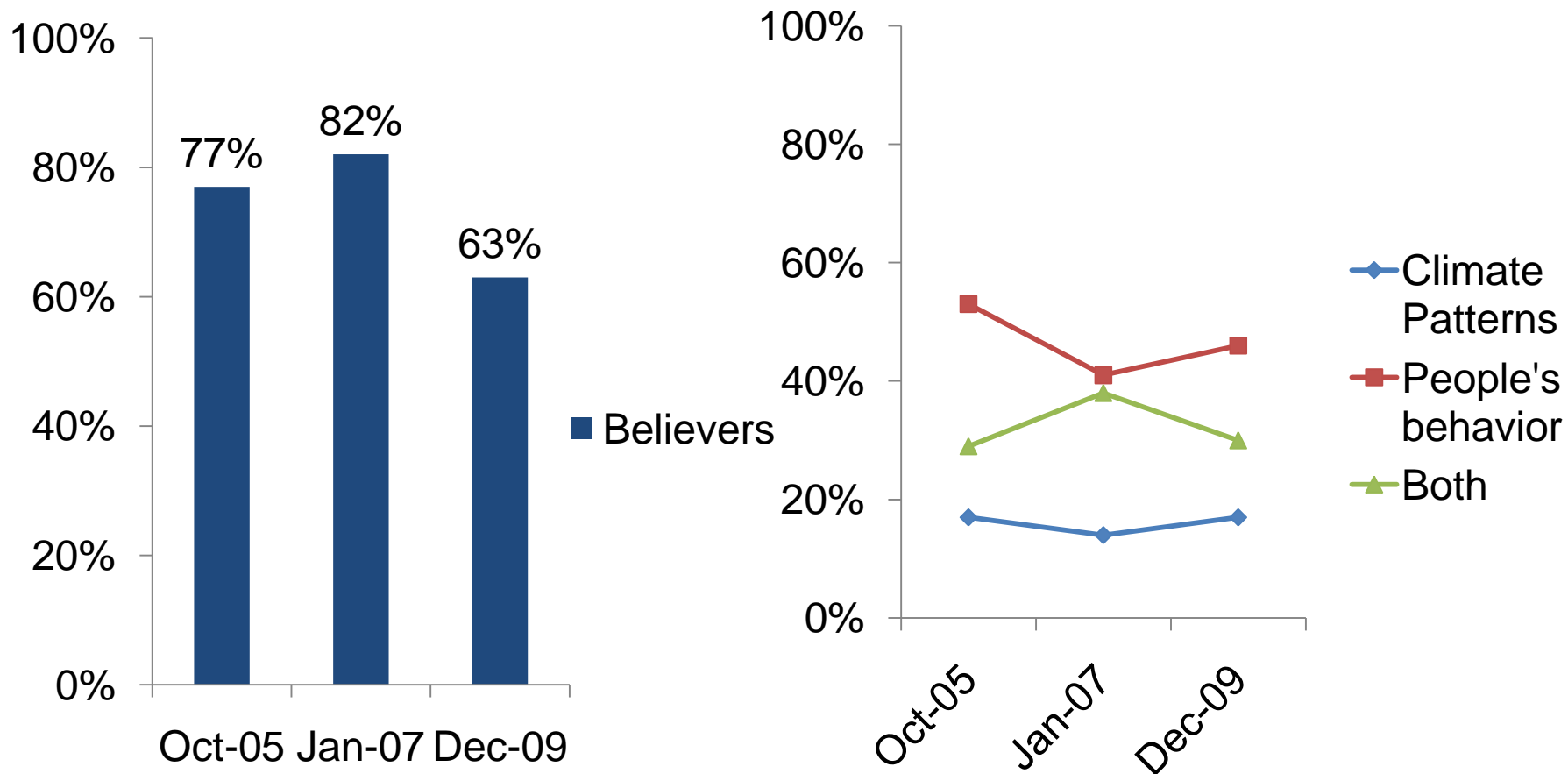
Install CFLs, HVAC, Water Heaters

Behavioral “Ask” is Lost in Messaging

Directly asked if recalled action immediately after being shown



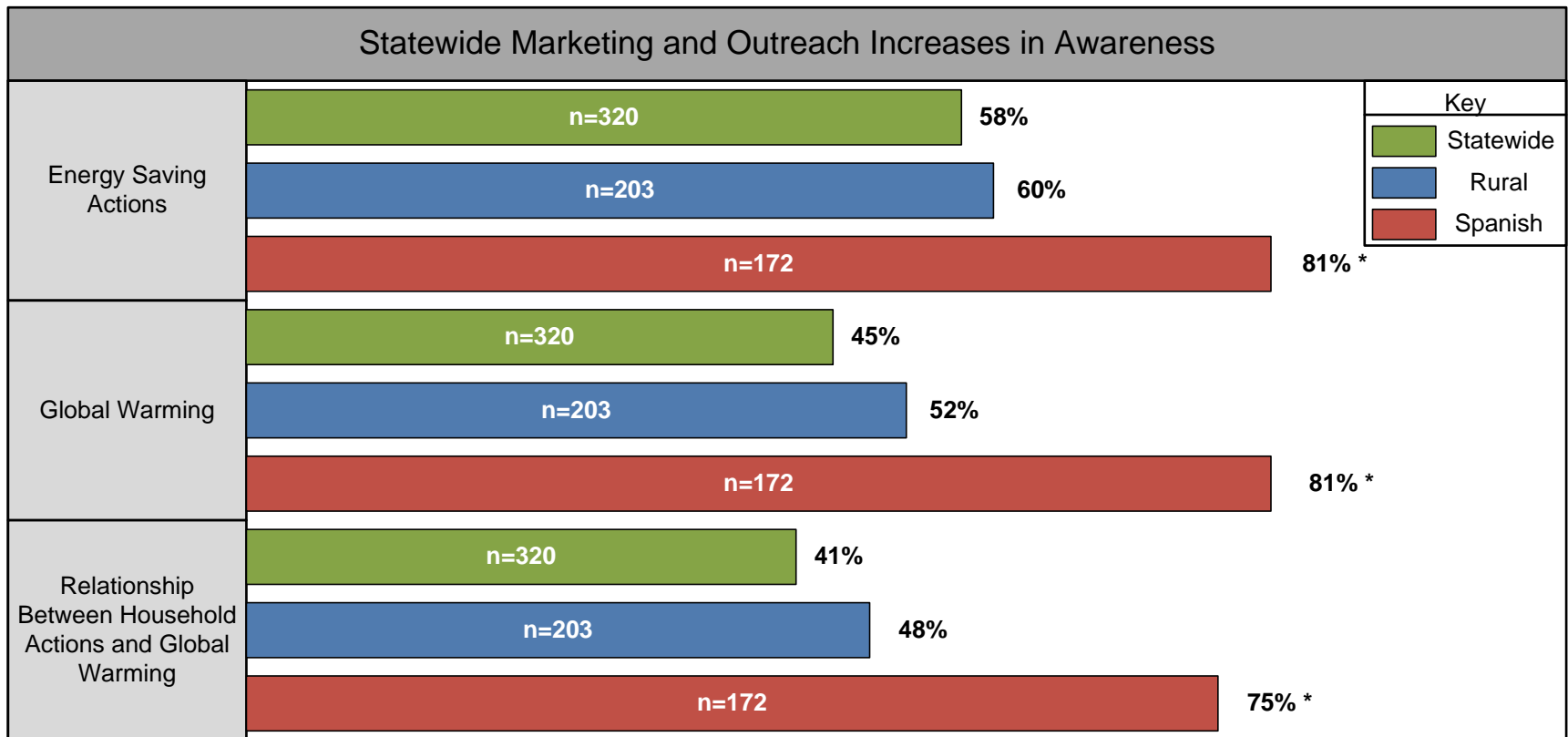
Motivational Appeal Missed Many Customers



Opinion Dynamics Tracking Study
Q35: Do you believe global warming exists?

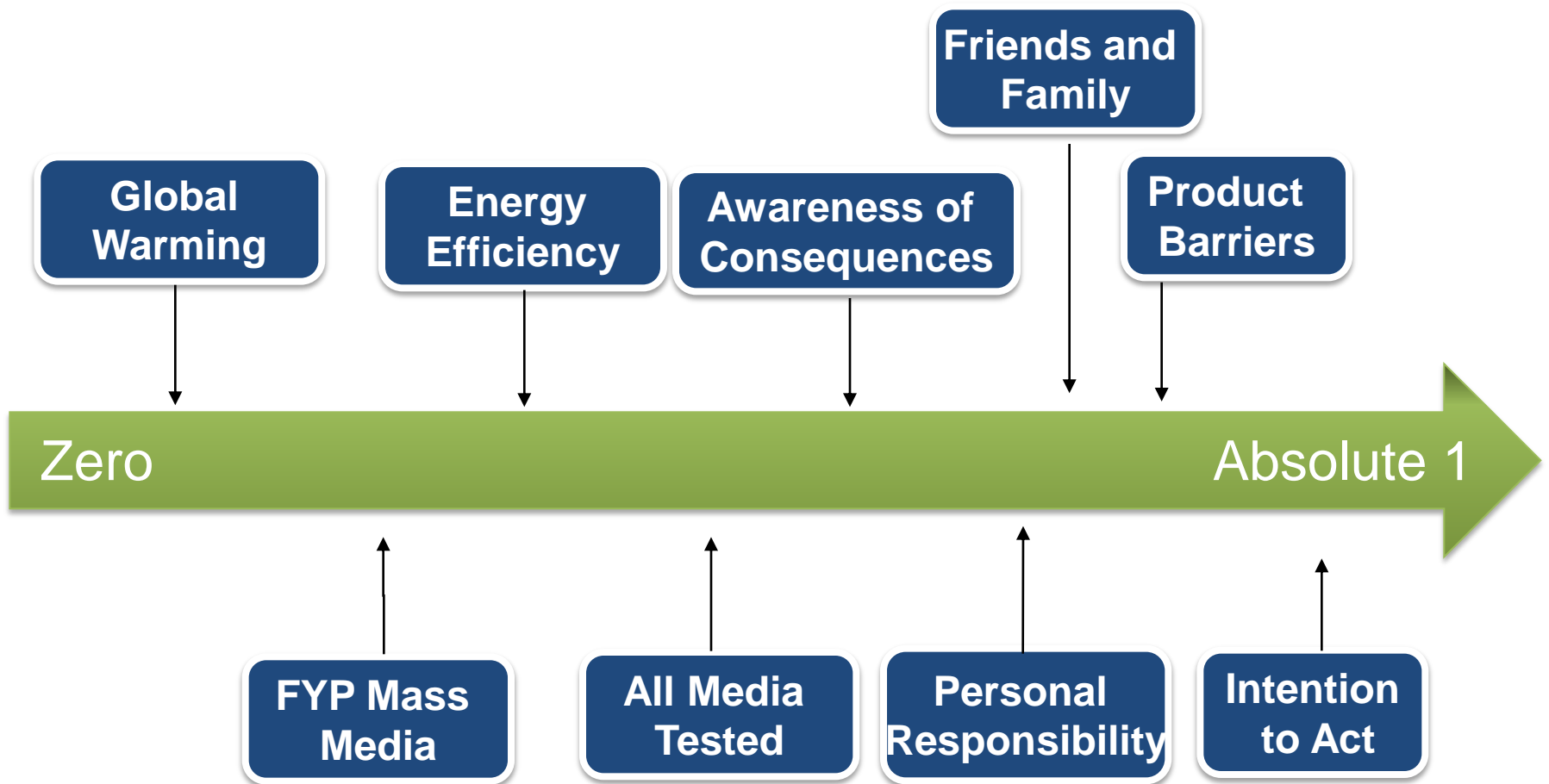
Q36: Do you believe global warming is caused by normal climate patterns or by people's behavior, such as driving and burning such fossil fuel like coal and oil?

Design Pitfall: Assumed Awareness Results in Action

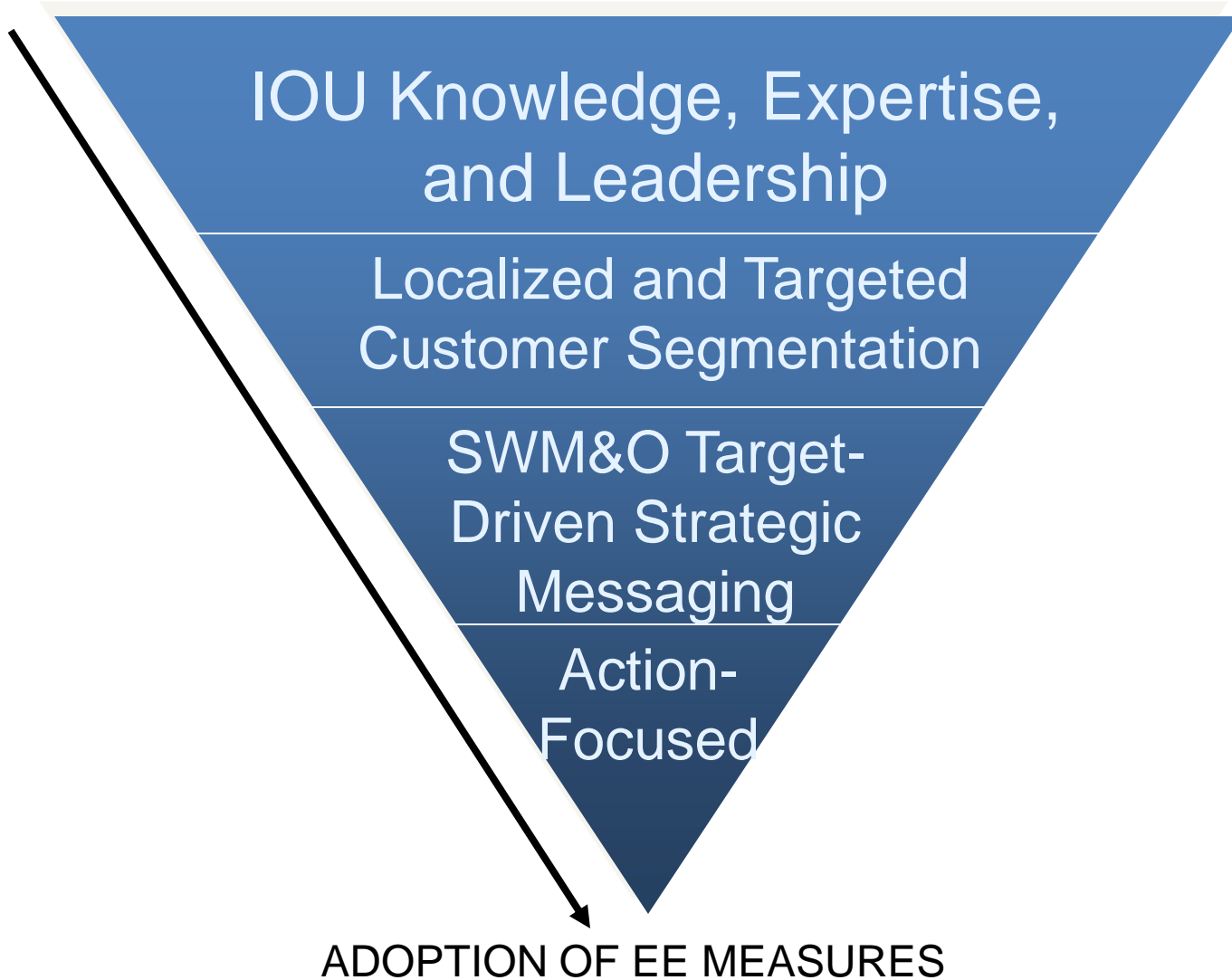


* Indicates a statistically significant difference from statewide at the 90% level.

Awareness has a Distant Effect



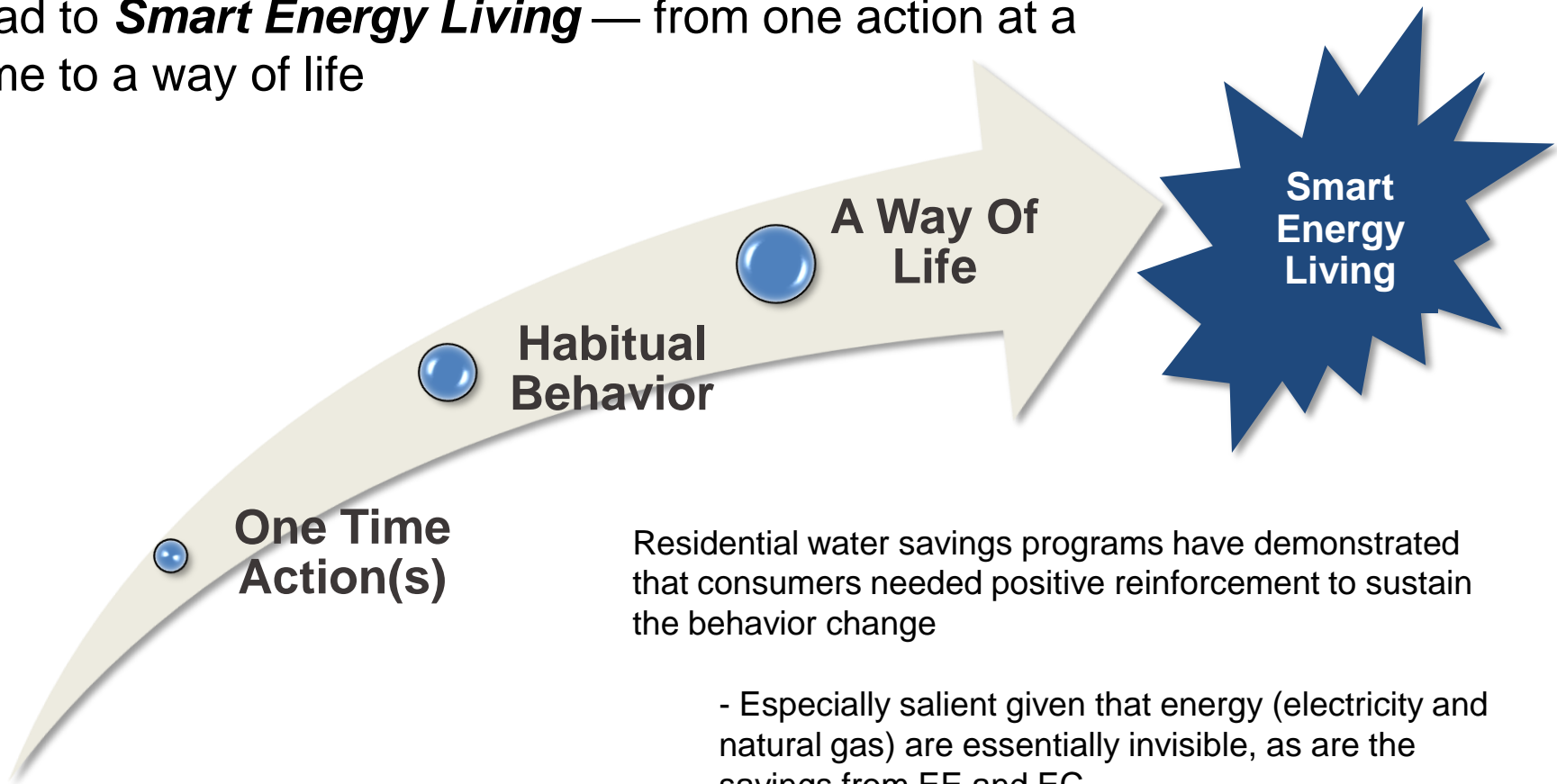
Recommendations for Moving Forward: Drawing on IOU Strengths



ME&O PROGRAM DEVELOPMENT: GUIDING PRINCIPLES FOR SUCCESS

California's New Vision: The Transformation to Smart Energy Living

- Motivation, education and positive reinforcement will lead to **Smart Energy Living** — from one action at a time to a way of life

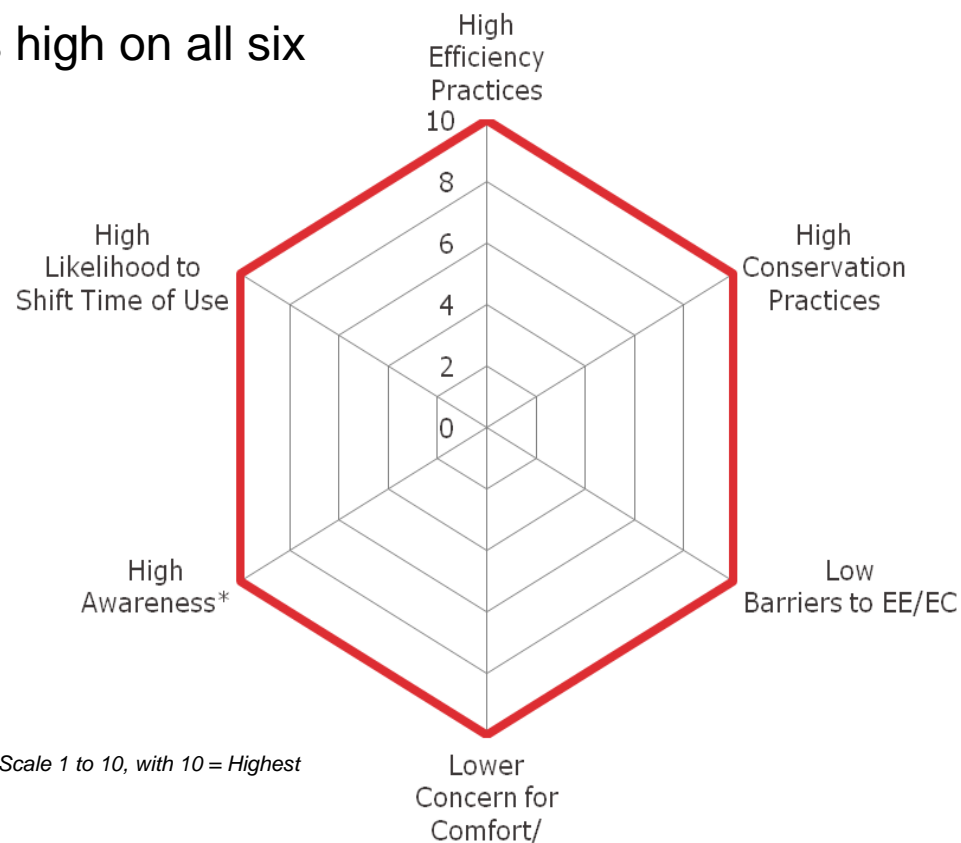


Residential water savings programs have demonstrated that consumers needed positive reinforcement to sustain the behavior change

- Especially salient given that energy (electricity and natural gas) are essentially invisible, as are the savings from EE and EC

Smart Energy Living Means Being A Smart Energy User

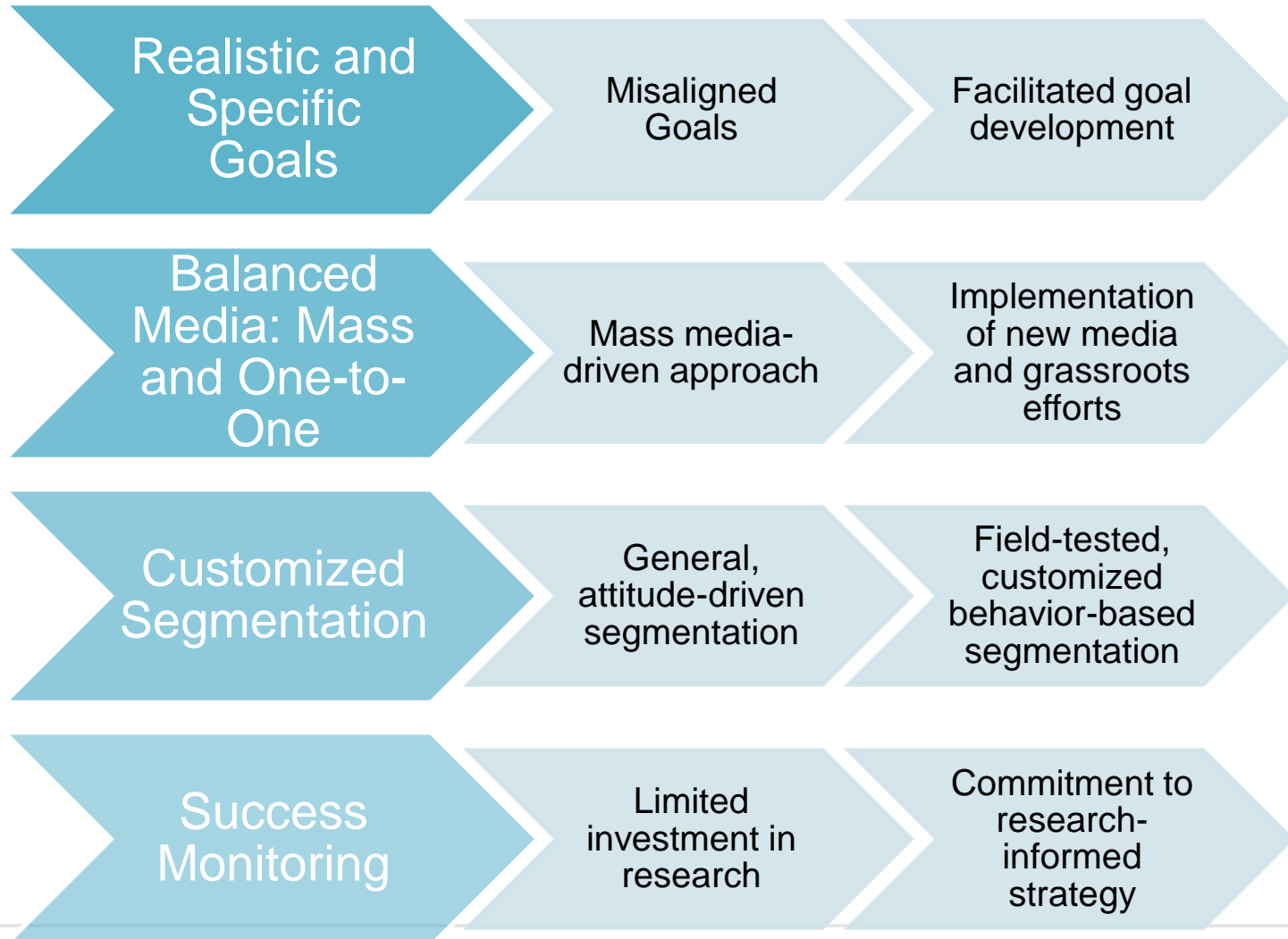
The ideal Smart Energy User scores high on all six key characteristics/dimensions



* Note: "High Awareness" = High level of awareness that EE is important, plus high awareness of EE/conservation messages

Slide is drawn from the SWMEO Marketing Plan with permission from the CPUC-ED

Turning Lessons Learned into Best Practices



Drilling-down to Specific and Attainable Goals

Program Vision

- Determine the over-arching objective and vision for the campaign

Determine the 'Ask'

- Narrow and define the program's "ask." What do you want customers to do?
 - Change behaviors? Which?
 - Changes in awareness? Awareness of what?

Performance Metrics

- Identify specific changes that will occur from baseline in annual increments
- Determine mechanisms to monitor and track movement

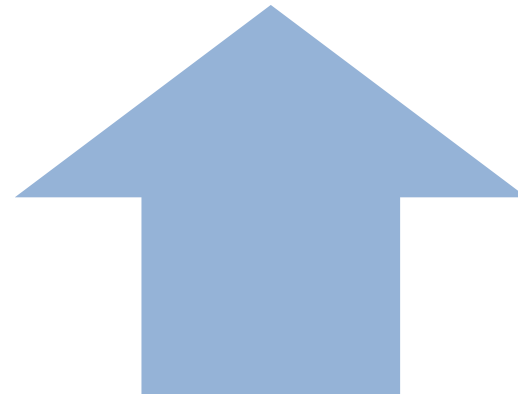
Draw on Mass Media and Targeted Techniques



Mass media provides market presence but cannot speak directly to customers' unique needs



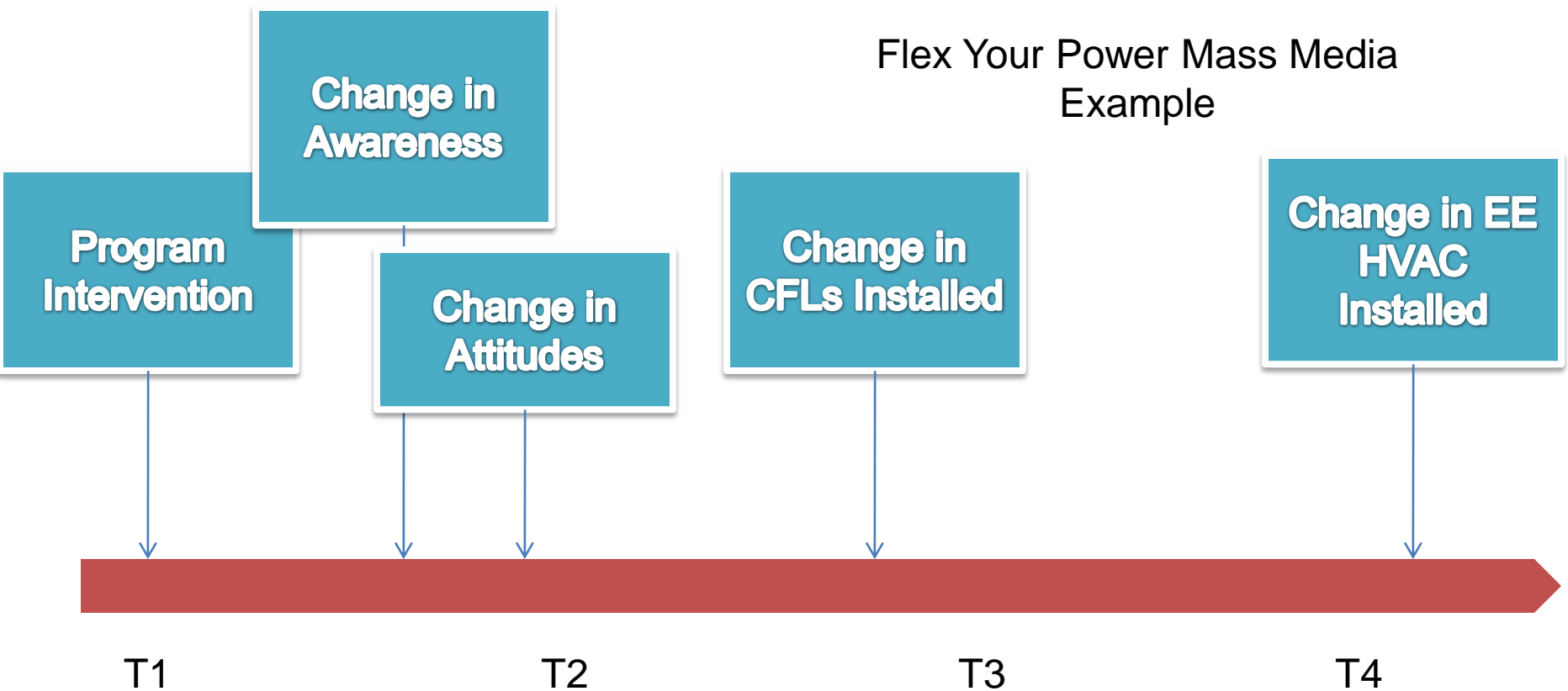
Targeted grass-roots or new media can speak one-to-one but cannot generate a market presence



Think One-to-One, Not One-Size-Fits-All

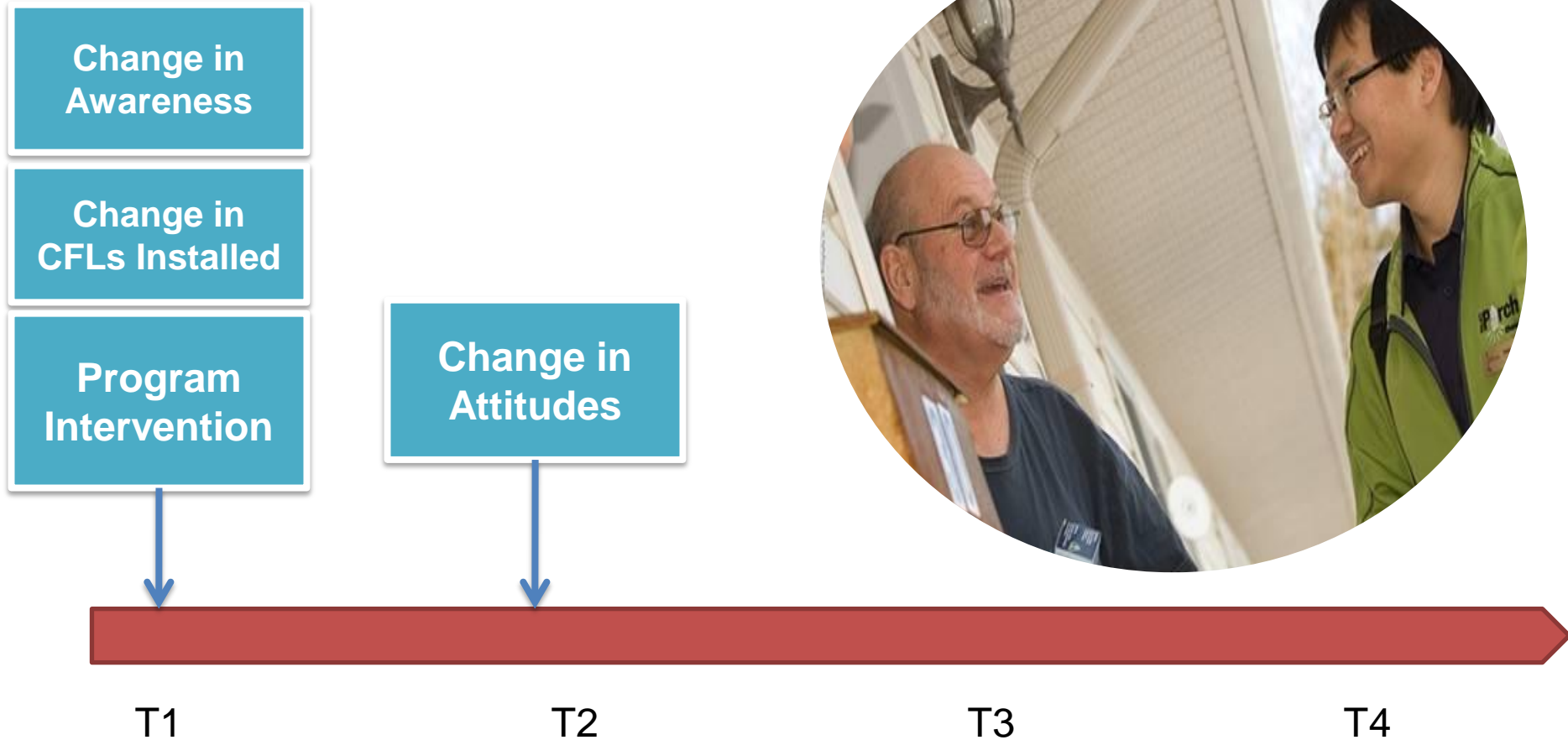
- Blanket marketing, education, and outreach tactics are increasingly ineffective in the new media marketplace
- Marketers are being challenged to develop program-like ME&O strategies
- Marketing and outreach toolbox needs to be stocked to speak directly to customers

Mass Media Provides “Cover” but Limited Effects



Illustrative

Grassroots Efforts, like PorchLight, Provide a Different Path to Change



Illustrative

Segmentation Should Align with Goals

- People, cultures, and social spheres differ dramatically across regions
- Any segmentation can describe customers
 - but few provide insight
- Segmentation should be customized and designed to meet program goals
 - Behavior change?
 - Changes in awareness?
 - Loyalty?

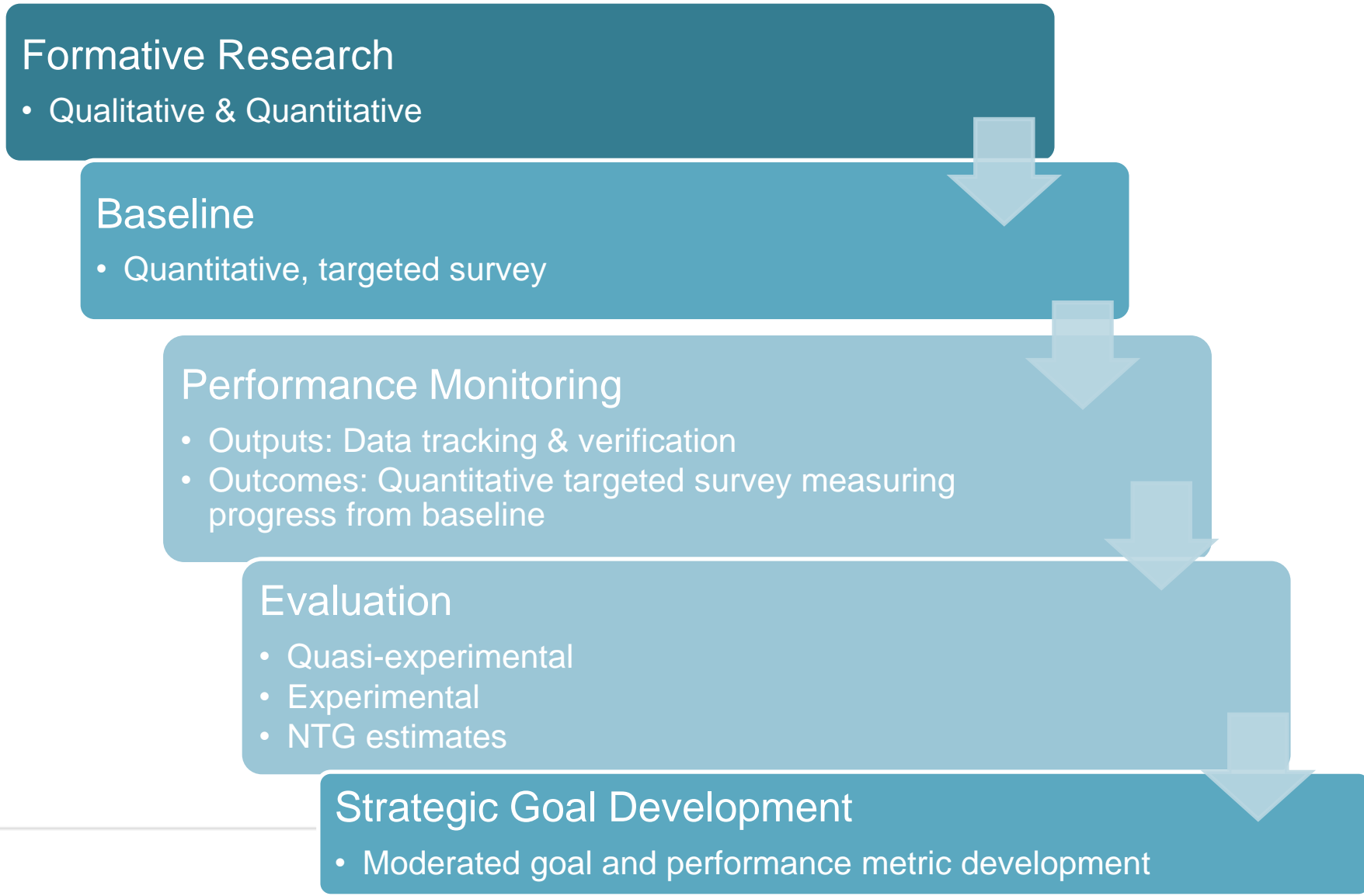
Customized Segmentation: CA Takes on Behaviors to Move Each Segment Further

- Represent the state's diversity
- Provides detail about motivations and barriers to taking action
- Incorporates behaviors, not just attitudes
- Distinguishes EE and EC behaviors by cost and convenience levels
- Provides demographic distinction

CA SWM&O Segmentation

Key Attitudes/ Barriers	<i>I feel I'm already doing everything I can</i>	<i>I feel I already do more than others for the environment; I'm too busy; As a renter, I'm not empowered to go big on EE</i>	<i>I feel that saving energy is really not my personal responsibility; I'm about comfort and convenience I'm turned off by environmental messages</i>	<i>I feel my actions will have little impact and not make a big difference; I feel that saving energy is not my personal responsibility; I'm financially limited; I'm not willing to sacrifice my comfort, convenience and appearance</i>	<i>I'm financially limited; I feel saving energy is a hassle; It's not my personal responsibility—It's the government's</i>
Primary Non-Monetary Motivations	Protecting The Environment -GHG	Protecting The Environment -GHG	Energy Independence -Foreign Oil	Protecting The Environment -GHG	Protecting The Environment -Animal & Plant
Meet...	Alex The Leading Achiever	Betty The Striving Believer	Carlos The Practical Spender	Donna The Thrifty Conservator	Eric The Disconnected

Embedding Research into the Process





Questions?

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