

August 26, 2010 - Marketing 101, Lessons Learned Webinar (text version)

Erin Jackson:

Hi everyone. Welcome to today's webinar. We are talking about marketing, communications, and outreach, lessons learned in and outside the energy efficiency space. My name is Erin Jackson if I haven't met you before. Welcome to Better Buildings. I know there's a lot of new staff that's been hired across this grant program, so we welcome you and we're excited that you're on the line.

Today we have a really great presentation for you with a lot of expert speakers from various places. We have Merrian Fuller from Lawrence Berkeley National Lab, Katrina Tavanlar from Booz Allen Hamilton, Steve Morgan from Clean Energy Solutions, and Cynthia Adams from Local Energy Alliance Program.

I'm just gonna go through a quick agenda for today's call and then we will get right into the meat of it all. So today we are obviously talking about marketing and communication outreach and that's important in your grant program and so critical especially because a lot of folks have already been going through the financing piece of your program, beginning discussions around workforce development, there's been a lot of back and forth discussion about data and evaluation and measurement and we now have this great webinar to talk to you about marketing and communication outreach, but what I wanna caveat is that this is only the very beginning and we are going to do a lot more detailed conversations moving forward especially at the workshop in September, so we really encourage you to register and book your hotel room if you haven't done so already.

With that we will continue on. Just so you know you can ask questions with the go to webinar toolbar on your screen at any time. If you have a question you can type in the question to the toolbar or you can virtually raise your hand and as we move through the presentation we'll be passing the speaker rights over to various speakers, but you can ask a question and we will have various moments where we'll stop. Un-mute your line so that you can ask a question yourself and then we'll have a discussion openly about the answer.

So with that, I want to quickly go over a couple quick things that we've been talking about a lot in the hallway here at DOE. This Better Buildings program is so important and we've been feverishly trying to come up with a vision statement and an identity and some of the themes that we've been discussing are listed here: partnership, leverage, collaboration, learning, community, behavior change, energy savings, job creation, and you may have heard through the grapevine that we have started the very beginning phases of putting together a Better Buildings brand or an identity.

As such we have come up with a couple thoughts. Obviously an identity senses some psychological triggers, thoughts, feelings, perceptions, images, experiences, belief systems, attitudes, to help us speak with one voice and provide a credible message in the marketplace and over time it will really help achieve our long-term vision. As many of you know we were originally named Retrofit Ramp-Up and because of all these discussions we've had around identity we've changed the name to Better Buildings, and with that we also have a new logo.

This is the new Better Buildings logo. The assistant secretary Kathy Zoi launched it last week at ACEEE and we're excited to show you today what the logo looks like. It was strategically designed. It's very strong, clean, and modern looking. There's opportunities available to you in your grant program to co-grant and we have an example here. If

you're interested in co-granting you can email us and we'll work with you on exactly how you'd like to use it moving forward.

The house/building symbol is abstract. A representative of a house or home or commercial building, so it caters to multiple audiences. It also looks like Building Blocks, which we liked, so it ties to the theme of learning. We will have guidelines for usage available on the Google group, so stay tuned for that, and for now we'd like to request that only grantees and sub-grantees use the logo so that we can really be sure that the brand is credible moving forward and we evolve as we grow, but with that said, please if you have a partner that you're working with that would like to use the logo just email us and we'll work with you to figure out the best way to do so.

So back to the topic and I just wanted to touch really quickly on terminology. We throw around a lot of words: marketing, communications, outreach, and I wanted to just let everyone know that we all mean the same thing. Marketing is the activity, set of institutions, processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. You'll hear from Katrina Tavanlar, from Booz Allen Hamilton, definition of strategic communications is very similar with proactive and targeted development and delivery of key messages and engagement of key stakeholders at the right time and the right manner and the right responsiveness. Same sort of thing with outreach, so as we move forward I just wanna align ourselves.

With that, in a minute we are going to move all the way across the country to San Francisco and allow Merrian Fuller, a principle research associate at Lawrence Berkeley National Labs to discuss the latest and greatest in research around driving demand for home energy improvement. She has been researching consumer insight for the past eight months and has been working feverishly behind the scenes in putting this report together, which will be made available in mid-September, but I believe you as the Better Building grantee partners can get the first sneak peak into the findings of this report and then of course we'll go into a more detailed presentation at the September workshop and there will be a full blown webinar on September 29th I believe. So Merrian will have more information for you on that.

I wanna give you a little background about Merrian 'cause she's so smart and has done so much in this industry, so for those of you who haven't met her and you are going to the workshop make sure you pull her aside – she'll kind of kill me for this, but make sure you pull her aside and get a chance to talk to her in person. Her work focuses on financing and deployment of energy efficiency and renewable energy and workforce development opportunities in these sectors. She is a member of the Department of Energy's financial technical assistance team, which many of you are familiar with, providing assistance to cities and states deploying stimulus funds. Her current research also includes interaction of stimulus funds with ratepayer funds and methods for increasing the demand for building retrofits.

Prior to joining LBNL Merrian partnered on clean energy projects with Renewable and Appropriate Energy Laboratory, the Vermont Energy Investment Corporation, the Public Utilities Commission, SunPower Corporation and others. She is the past co-president of the Berkeley Energy and Resources Collaborative and founding chair of the UC Berkeley Energy Symposium. Merrian was previously the director of the Sustainable Business Network of greater Philadelphia and the managing director of the Business Alliance for Local Living Economies. She currently serves on the boards of Bali and Gojyo Family Foundation and is an advisor to the New Economics Institute. That is quite a bio and we're really thrilled she could be on the phone with us today, so with that we're just

going to hand over the panelist rights so that she can begin her own presentation.
Merrian, are you there?

Merrian Fuller:
Yeah. Can you hear me?

Erin Jackson:
Yes we can hear you.

Merrian Fuller:
Great. Do I have control for the presentation?

Erin Jackson:
You should in a second. Hold on one second.

Merrian Fuller:
I'm not seeing the screen now. Are you guys able to?

Erin Jackson:
Not quite yet. We're actually having a technical difficulty, but we will – we're figuring it out and it'll just be one moment.

Merrian Fuller:
Do I need to push a button? It did change my control panel.

Erin Jackson:
Merrian, do you see an "OK" button on your screen to allow your PowerPoint to show up?

Merrian Fuller:
Oh, okay. I'm sorry. So it's just going to go straight to my screen, is that right? Oh, I'm sorry. One moment. I just have to show my screen.

Erin Jackson:
Oh, no worries.

Merrian Fuller:
Sorry about that. Okay. Show my screen. Can you see it?

Erin Jackson:
Yes.

Merrian Fuller:
Great, and is it now full screen?

Erin Jackson:
Yep. You're good to go.

Merrian Fuller:
Okay. Cool. Sorry about that delay. I'm really happy to be with you guys and I would be more than happy to talk to anyone at the September meeting or any other time. I'll have my contact information at the end, so feel free to give me a call or email me. I am one of the TA providers for the DOE and so we're happy to work with you guys any time.

So this is a sneak preview. The report won't be available officially until mid-September, so by Chicago hopefully I can send everyone a PDF of the full report. The basics of what we did, we looked at case studies of 14 residential energy efficiency programs. We

reviewed a ton of the relevant reports including social science and psychology research as well as a bunch of presentations and other marketing reports put out by utilities and other folks that are running efficiency and other programs that are relevant. We did a phone survey of 30 home performance contractors that are members of the Trade Association Efficiency First, and we did a bunch of interviews with key experts.

What we were really trying to figure out is what can we learn from past programs and what actually works to get people to sign up for the types of programs that you guys are launching? I have a longer background in financing for efficiency, and what I found a lot when looking at financing programs is that a ton of financing programs exist, and I found about 150 in the Desire USA database, but most of them or many of them are quite undersubscribed, and part of that is that folks don't want the product that financing is offered for already, and so the question about how do you actually get people interested, ready to sign up for the program is a really big question and what we tried to explore was this report.

So the kind of bottom line in terms of lessons from past programs is that there are not any programs to date that look a lot like the existing programs that are being created, that have succeeded at scale. So in a sense the folks on this call and other folks in the U.S. who are trying these programs are really experimenting with new models for what might work. The programs that are out there often as I said have small participation rates, and they also have pretty low energy savings. One example of that, the residential conservation service is a program launched in the late 70's.

They wanted to kind of touch every household in the United States. They ended up reaching just about 6 percent of eligible households who had an evaluator come to assess their home. In general the actions that were taken as a result of this got 50 percent of people took actions. The actions that were taken were usually inexpensive, didn't involve a contractor, and most households saved around 2-3 percent of their home energy use. So we're looking for much bigger savings than we've seen in the past.

A lot of other programs that have been pretty successful in getting volume in the past have also provided a level of subsidy and incentives that most programs today just aren't able to provide. To give you an example, I would say probably one of the more successful, maybe the most successful program that we looked at was the Bonneville power administration program in the Pacific Northwest that ran from 1980 for about 15 years. They reached almost a million people, a little over half of the eligible homes in their region. They saved at least in the first year after the program about 10-15 percent of electricity use in those homes on average, which is pretty great, however they did provide free energy assessments and they provided rebates that covered up to 85 percent of the costs.

Another example is PG&E's program that was run in the early 80's. They weatherized almost a quarter of a million homes in California. They also provided free energy assessment and zero interest loans. Just one other example, Hood River Conservation Project, which was one of the longer cases that we looked at for this paper, they ended up reaching over 85 percent of all participants, which is a huge number. They did a ton of research on it so we can really learn from the details of their program, however it was largely free to participants.

So the programs that we're looking at today are often looking at smaller subsidies of a percentage of the total cost and usually market rate or just slightly subsidized financing. So it's a little bit daunting to think in some ways about what we might be able to do given the past experience, however I think we do know a lot both from these past programs and from other research that can really help us step this up, get to scale in the residential market.

Two major lessons in terms of where to start. One is that it's clear that kind of marketing via utility bill stuffer is over, which is what a lot of these utility- run programs did in the past. I think that if home improvements were difficult to sell when 85 percent of the cost was covered, we do have significant hurdles and we're offering smaller rebates. Second, which is kind of a more hopeful point, is that past programs do provide evidence at how programs are marketed and who promoted them really matters.

In the Bonneville Power Administration experience, they're a wholesale provider and they actually marketed the program through almost 100 utilities and they found a 10 percent difference in participation rates between utilities that offer the exact same financial incentives. So how the program is marketed and who promotes them really matters. So what doesn't work?

This is pretty clear from the research and from the literature, especially from the social psychology literature. The idea that if people are informed they will make different choices is a huge misnomer. It's shown again and again in the research that attitude and knowledge does not necessarily translate into action, so it's not enough to just tell someone oh, they'll save energy, this is a great opportunity. They probably will tell you, "Oh we know that", but why do they actually not do it? Why do they not actually follow through? There's a lot of reasons for that. We cover a lot of them in the paper and I'll go through a few of them.

The second big myth I think is that if people have access to capital they will make energy improvements. As I mentioned up front, there's a ton of poorly utilized energy efficiency financing programs. We believe that people are in fact rational, but maybe not in a narrow economic sense. We think it's rational to decline the opportunity to pay thousands of dollars for something someone doesn't yet want, and so how do we actually get them to want it?

So here are three points to start with, and of course as Erin mentioned there will be more information at the Chicago workshop and another webinar later on, and I'm happy to talk to you about this one-on-one. So point one is don't serve everyone. This can be a little controversial depending on what entity is actually running this organization. The idea of leaving people out is not always popular, but if you talk to folks who are professional marketers, they will tell you that the idea that you're going to hit everyone, that you should try to reach everyone, is completely against everything that we've learned in professional marketing for years and years and years.

Just one example that I think is interesting, many of you guys have heard of O power and giving people information about their energy use compared to their neighbors. Well folks respond very differently to the same information. Just one example of that was from a Chicago study that looked at getting that sort of information, comparing your energy use to your neighbor's. They did an analysis where they divided people into "conservative" and "progressive" ideologies based on a number of demographic factors that they looked at. They actually found that the "progressives" decreased their energy use by 3 percent, but the conservatives actually increased their energy use slightly. So if you assume that the same message will mean the same thing or will have people respond the same way in every situation, you're not gonna have a very effective program.

The graph that you see on the page is from Everett Rogers who did a lot of research on innovation and how innovative technologies diffuse through a market. The major finding from that is that early adopters, about 15 percent of the population who are usually the opinion leaders in a community, you have to get those folks on board and they need to have a really good experience with what you're offering before the more conservative folks who are not willing to take risks. The early majority, the late majority are willing to

get on board, and getting over that first hump is really, really important to successfully diffusing innovation in a community.

So one way to do this, and a number of programs have done this, is to try to figure out how to target, how to segment your market. There's some traditional ways of doing it. Doing it by demographics is probably the most common and this is research that correlates various factors such as age, sex, do you own your home, different characteristics, and I'll show you an example of that in a moment. They correlate it with whether or not they might be interested in home energy improvements. This usually requires pretty large-scale surveys, a lot of analysis by marketing firms who have experience doing this over and over again. A lot of utilities, perhaps some in your area, have done a lot of these studies, so that's one way to go.

Another way to go is by value, so target those who've expressed interest in community economic development, environmental stewardship, figuring out what values might most resonate with what you're selling and making sure you reach those particular people first so that you actually have some folks that have experience with this and can talk about their experience with others. Another way that you might target your information is on hot issues. One contractor based in California found that a certain percentage of their customers are primarily motivated by health issues such as mold allergies or having a child with asthma, and that's a huge way to quickly get a job sold. People really care about those sorts of things more than just saving a few bucks.

Another way to look at it is likelihood of having a significant energy savings in the home. Not every building is gonna have the same opportunity for savings. There was a really interesting study out of Wisconsin that we cite in the report that found that older homes with certain characteristics account for 70 percent of the savings opportunity in Wisconsin, so you may wanna start with the folks who are gonna save the most money, have the best experience. There may be people in your community who really are not gonna benefit in the same way, in fact there probably are people in your community who will not benefit in the same way from what you're offering.

Entry point, looking at where folks might be targeted is another way to segment a market, for example folks who plan to replace their furnace this year. How can you up-sell them to a more efficient furnace and how can you take them from a more efficient furnace to much more comprehensive improvements? It's also been talked about looking at folks who are already doing remodeling. What sort of insulation and other sort of energy features can you get into a sale that's already going on?

Just some examples of some of the cases that we looked at that do some of these things I just talked about. One is Weatherize DC run by the DC Project. They use demographic data to target based on income, neighborhood, age of home, so they know kind of the people more likely to say yes and they target those folks first. Looking at early adopters and actually creating early adopters was an interesting part of the Hood River project. They actually ran pre-program studies where they got 10 percent of the population to engage in some way with various studies that were trying to figure out what sort of improvement point works best, etc., got them really excited about it, and then that 10 percent of the population basically became ambassadors for the program and they had a huge early adoption where over half the folks had heard about it through word of mouth as opposed from any other marketing channel.

Another thing that Long Island Green Homes out of Babylon, New York has done is pre-screening to make sure that the folks who are gonna participate in the program will have significant energy savings. They also further weed out applicants by charging \$250.00 for the energy assessment to make sure that they're serious, and folks from that program

really say that that separates serious candidates from the tire kickers, and you do get a lot of tire kickers in some of these programs.

So this is just an example from California of a market segmentation that went on. They identified that the "leading achiever" and the practical spender were the segments that they would go after first just based on their likelihood to be receptive to home energy improvements. This graph linked to this report is in this study, but there's a number of reports like these that are certainly worth looking over and seeing how much they might apply to your neck of the woods.

The second point I'm gonna bring up is selling people something they want. Few people spend their days wondering how to save \$50.00 a month on their utility bill. Saving energy and lowering utility bills is something people value, but it's unlikely in my opinion and I think we see this in the research, it's unlikely to be the primary driver that motivates the masses to make home energy improvements. One recent study in California found that energy – kind of confirmed the fact that energy is a small portion of overall spending. They also found that folks felt like they are "doing everything they can" within the realms of their control.

So saving energy is not a problem for most people. I was talking to one of the more successful contractors in the U.S. and he said that their strategy is to identify the problem that a customer actually has that they're consciously aware of, use that as a touch point. So for example your daughter's bedroom is too cold. She's cold at night. It's really uncomfortable. He would say to the customer, "Great. We can address that and we can save you a tremendous amount of energy doing all these other things." So starting with a problem that folks actually have is a key theme that I've heard from a number of people.

To give some examples of different things you might "sell" people, comfort has been a really big factor, so increasing the comfort and well being of your family and your home environment. Another one is making a practical investment. This is the largest asset that most people have. Make that investment. Make sure you have a sound and safe home. Self-reliance, reducing your energy dependence. Social norms, kind of this theme of all your neighbors are doing it. Why aren't you doing it? We've spent a lot in a number of the more successful programs. Health, to protect the health of your family from mold and allergies and other intrusions into your house, and community, so join your neighbors in supporting local prosperity, reducing energy waste, and protecting the environment for future generations.

This is definitely – a lot of these things are definitely echoed in the case studies we looked at. Just as an example, the Take Charge Challenge in Kansas, they did include energy savings, money savings, and competition between towns in its messaging, but the director of the program said that the contest and community pride and community spirit is really what drove it, not the saving money and saving energy messages.

Same thing in the Marshfield Energy Challenge. Their key message was it's all about where we live, work, and play, so while they didn't ignore environmental messaging or saving money, they basically said, "If you live here this is the biggest investment you have. You wanna help improve this return on your investment", and then energy efficiency and greener tomorrow were kind of additional perks, but they weren't the primary focus of the program.

Another interesting thing that came out from the case studies is that people don't always say what really motivates them. Weatherize DC did a number of focus groups that seem to suggest the top messages that people respond to were saving energy, benefits the environment, and local job creation, however when they actually went to sell these jobs

to people they found that the number one reason that people were choosing to weatherize their homes was actually increased comfort, which didn't even show up in the original focus group testing.

The other thing to think about in terms of selling something people want is how we use incentives that we give folks. So a lot of programs or at least some programs are thinking about doing things like interest rate buy-downs. You might spend \$1,000.00 on an interest rate buy-down depending on the size of the loan and the term and I often wonder, and this hasn't been tried that I know of, but I often wonder if you spend that \$1,000.00 on something else that's a lot more appealing, kind of the energy nerd example would be shiny, brand new Energy Star refrigerator, something that they can point to, something that they see every day, something that they can talk to their neighbors about, would that motivate people more than like a 4 percent interest rate reduction?

I tend to think so. Again from the Long Island program, Sammy Chu from that program had the great idea. He basically said if we were able to offer a free trip to Disneyland, now that would actually get people talking about this program. I don't think you would use our dollars to do that, but thinking more creatively about what people actually want, what they respond to, what they can talk to their friends about, I think we can use a lot of the incentive money much more creatively.

So the last point I'll make today is that enlisting trusted messengers is probably the number one thing to think about. You wanna make sure that the folks who are delivering the program, the idea of the program, the opportunity of the program to the folks you're targeting, ideally they're folks that are already trusted and known to your target audience, not some random volunteer who's not in their neighborhood, not the utility, and maybe not even the city. It's ideally someone that's a peer or already known to that individual. Some of the themes that we took away from the case studies is that local opinion leaders are amazing resources for promoting the program.

A number of the cases we looked at identified local leaders, and they might be business people, representatives of local religious communities, school representatives, etc. and they got them on board. They had them do retrofits first or do home energy improvements first and have them then be the spokespeople for the program. Peer-to-peer conversations to get the buzz going also seems to be quite important and there's a number of ways to structure that.

The support of local organizations, community centers, as I mentioned churches and other religious organizations, local non-profits that maybe serve the community in other capacities may be able to be engaged here, and then allowing the local community to have some ownership and say over how the program is shaped seems to be really important from our cases.

Another really important feature of a program is how you engage contractors. I would say if there was like one thing you could do it's to make sure you have well-trained contractors who are engaged in your program and who are used as primary salespeople. Some folks think oh, contractors aren't trusted, people worry about them. You do have to have quality insurance and some checks in place. If they behave badly they should be kicked off the list of contractors for example that are allowed to participate in the program.

But the programs that have been most successful and that get a high volume almost always have contractors as a main sales force and really make sure that contractors are engaged all through the process, to they like the financing product you're offering. They understand the incentives that go along with it. They're participating in some of the

marketing and messaging going around about the program. So that is a really, really important piece that I can't emphasize enough.

So upcoming webinars. This first one is definitely confirmed. The second two are still pending, but I think they will be on these dates and times. I'll make sure that Erin has information about them. We will be focusing in these webinars on the actual case studies, so hearing from folks from the field who have actually run a lot of these case studies that I mentioned, they'll be featured on these webinars, so I really hope you guys will attend some of those. This is my contact information if you have questions, comments, want some help thinking through some of these ideas I'd be happy to talk further. Thanks a lot.

Erin Jackson:

Great. Thanks so much, Merrian. We actually had a couple questions that look like they came through on the go to webinar toolbar, so if other folks have a question too please just go ahead and either write it into the go to webinar toolbar or you can raise your hand virtually. So the first question comes from Peter. We're gonna un-mute his line and he can ask the questions himself. Peter, make sure you have your audio PIN entered in and – hold on one second. We're just gonna grab Peter and let him ask his question. Peter, through there it looks like you still need to put in your audio PIN and then we can un-mute your line and you can ask a question directly to Merrian, but while you're doing that I can just ask it for you.

Basically what he was asking us is if there was any thought given to whether or not it's worthwhile to target some unconventional key influencers to help drive demand with homeowners such as realtors or financial planners who engage regularly with and who are trusted by empty nesters thinking about retirement, etc. So I think yes, definitely. I know a lot of programs within the Better Buildings program are looking at testing some unconventional outreach methods, but Merrian, is there anything in your research that showcases that too?

Merrian Fuller:

Yeah. That is an excellent idea. In fact, one of the themes I came across is it's not always the mayor that you want as the spokesperson. I mean they may be a great person, but it might be like the fire chief who people actually respect and turn to and see as kind of the opinion leader for a community. Folks who are regularly interacting with your target audience like realtors and financial experts that's a great idea.

One thing about realtors is they tend to not want anything that slows down the sales process, but they may be able to encourage new homeowners kind of after the sale is done to kind of make improvements, which a lot of people do right after they buy a home. Financial advisors, I mean if you can get financial advisors to say, "This type of investment is way better than anything that's available on the market right now in terms of return investment" at least on average, that would be a pretty big deal. I would say that we are in a time when we really need experimentation about who's gonna be a great messenger. We don't know all the answers, so I would definitely encourage folks to try unconventional sources.

Erin Jackson:

And I'm actually going to speak to that a little bit later too, but we have another question that's coming up from Jacob. Jacob, you're actually un-muted already. Are you there?

Jason:

Yep. I'm here. Can you hear me?

Erin Jackson:

Yeah. What grant program are you in?

Jason:

Better Buildings for Michigan.

Erin Jackson:

Great. Welcome. You can go ahead and ask us your question.

Jason:

Great. Thanks. First off, thanks Merrian. This is great fodder for a lot of the marketing stuff that we've been working on already and syncs well, so it's exciting to see. I'm looking forward to the report. I'm wondering in terms of this issue of targeting messages to the specific existing values of the customer, so in things we're looking at, and I'm wondering if you've got any data or have run across any data that might break that down further as far as more successful strategies or messages that have worked among different populations, for example low income neighborhoods versus middle class neighborhoods, that sort of thing.

Merrian Fuller:

There's not any good research on specific messages for specific audiences for home energy improvements I would say. Some of the market segmentation studies like that graph that I showed you in California, it does kind of – it's California, it's not Michigan, so it may be quite different, but it does try to figure out what those folks' values are.

Jason:

Sure.

Merrian Fuller:

So if you start with a study like that or if you even just look at the results of some of these other market segmentation studies you should be able to pull out what messages might work, but I haven't seen anything really good that tries different messages and says, "This works better than that" for sure. I think we have a lot of – there's a lot of evidence that those sorts of market segmentation studies though can be used for that ultimately. So you might wanna look at that, figure out the age groups, the different way they break those down, and think about does it actually apply in Michigan in the communities you're working in?

And it's also really, really important to test it in focus groups in advance, so you should be able to get if you've done a bunch of research on the messages that have appealed broadly in the U.S. and then you can try out, so that list of different messages you might start with that that I showed, and then do a few focus groups to figure out do the audiences you are targeting actually respond.

Jason:

Great. Can I ask you a follow up on that?

Merrian Fuller:

Yeah. Sure.

Jason:

Which is the other thing we're looking at is we have certain financial demographics we're trying to focus for for our program but in some cases are looking at places where we have a strong focus on looking at where we have strong existing community organizations exactly so we can tap existing trusted sources sort of thing. In some cases where we have a really strong values match with an existing organization we're looking at possibly prioritizing that over precise financial matches with our ideal demographics for

where we're gonna run our program, and it's probably running on instinct that social marketing will trump finances to a certain degree but maybe not past another point and I'm wondering, again this may be a little nuanced, but if you've seen any data that might back that up.

Merrian Fuller:

And those financial groups that you're targeting, are those like moderate to low income customers or who?

Jason:

Right. We've got some different demographics for different neighborhoods, and we're looking for mixed income neighborhoods, but specifically one example when we're hitting Detroit neighborhoods we're expecting a relatively high mod to low percentage of homes.

Merrian Fuller:

Yeah. I mean what I would start with is in the income groups that you're looking at, what really motivates them. So just one example kind of maybe somewhat relevant, a program in Baltimore has found that kind of the health of the kids in the household has really motivated some of the low and moderate income households that they're targeting, so you may just wanna start with a different message for that particular group and if you have the resources, sure, also go for the kind of mission aligned organizations who may target higher income groups.

Jason:

Right, and that's sort of the tact that we've been working with in the past as well. I guess specifically I'm wondering if you've seen things where for example you noted the example where someone put in \$250.00 to sort of make sure they had skin in the game for insuring things go along and obviously when you start hitting more low income neighborhoods that starts to get more and more challenging if you've seen certain break-off points at which – no matter your messaging you're gonna start running into bigger problems.

Merrian Fuller:

Yeah. I don't think there's a generalizable lesson in that. I think the skin in the game is really important. You just may have to reduce the skin, so maybe it's \$50.00, you know?

Jason:

Right. Thank you very much.

Merrian Fuller:

Yeah. Sure.

Erin Jackson:

Okay, so looks like we have one other quick question and then we need to move on to the next speaker, but Tamara Jones from the Southeast Energy Alliance is on the line and we've un-muted you, Tamara. We know you have a question about what research is available within the South.

Tamara Jones:

Yeah. Just very quickly and thank you. It's all very good data. So many of the examples seem to come out of the Northeast and the West Coast when you talk about the importance of values, and although I'm hesitant to make those kind of broad cultural claims, I do wonder if the data shows that there are particular factors that seem to be more relevant in the South versus other parts of the country.

Merrian Fuller:

Yeah. That's a really good question. None of the cases we looked at were from the South. We have a number from the Midwest, but we just weren't able to find any kind of large scale programs or programs that had some volume in the South, and maybe that's just because we didn't hear of any. I would guess that the values are probably really unique to each community, so I would definitely not suggest just taking any of these messages and using them where you are. You've got to do the focus groups. I'd probably start by identifying the key opinion leaders in whatever city that you're working in or community that you're working in and see what they think in terms of what will actually motivate people. That's definitely the larger message is there's not like a cookie-cutter sort of formula that you can apply anywhere, so sorry I can't be more explicit, but that's my general feeling.

Tamara Jones:

Thank you.

Erin Jackson:

Great. Thanks so much, Merrian for being on the line and again she's gonna be at the workshop in September so if you haven't already please make sure that you can attend. We'd love to see you there. With that, we're going to move the panel's rights back over to us and I have the pleasure of introducing our next speaker. Katrina Tavanlar is an associate at Booz Allen Hamilton and she's with us here in Washington DC. She's an expert in communication outreach strategies, change management, and program development. She's a season expert working on issues such as sustainability, environmental cleanup, land use planning, and environmental justice, so with that, making sure everyone sees my screen, and then I'm actually going to dial out of this presentation and open up hers and she will take the floor.

Katrina Tavanlar:

Great. Welcome, everyone. Happy afternoon. My name is Katrina Tavanlar and again I'm with Booz Allen Hamilton. Today I'll be talking about how to develop a communications and outreach plan. I have a lot of slides for you here today, but it's really meant for you to be able to take it back and use it, and there's some templates embedded in this presentation as well to serve as a marker for you and sort of a worksheet so as you continue your planning sessions that you have something to reference.

So what are we talking about today? I know Erin mentioned various definitions. Today I'm going to talk about strategic communications, which we really define as the proactive and targeted development and delivery of key messages and engagement of key stakeholders at the right time in the right manner with the right responsiveness. This really piggybacks a lot on what Merrian had to say about her research and the reason why we really focus on strategic communication is because we want to be targeted about everything that we do.

So a lot of the questions have been brought up so far about whether it works in this region or this community. It's really up to you guys to really understand that and granted there's been some best practices that are out there, Merrian's papers as being one of them, but it really depends on the situation that you're in. Your success in delivering a successful program is being strategic and targeted about your efforts and really making sure that you understand the audience that you're trying to reach.

As we mentioned before, a critical piece to our planning efforts in terms of communication is developing a plan, and in developing that plan we'll hopefully be able to answer several key questions, things related to the objectives of your communications efforts, the audience, who are you trying to reach, what matters to these groups. What's your key message? What are the things that you want to deliver to these different entities or audiences or whoever your target focus is? Some of the tools and tactics that

you're gonna use for sure, again tailored to the audience that you're trying to reach, and lastly how are you gonna solicit feedback? What kind of metrics are you gonna use in order to understand the success of your efforts?

One process that we do at Booz Allen Hamilton is we use a five-step process to develop a strategic communications outreach plan that drives awareness and understanding. Really there's lots of different processes out there in the marketplace that we really tried to highlight something simple that everyone in the program can use, and it's really about identifying your objectives, conducting stakeholder analyses to understand your audience, developing key messages to provide a consistent voice regarding your project or your efforts, identifying the communication tools and tactics that are appropriate to your goals, determining a rollout strategy so that you can implement your program in an efficient way, and establishing mechanisms so that you can monitor your performance and measure your progress and then also make some course adjustments along the way. Not everything you're gonna do is successful, but if you have a lot of these key pieces in place you'll be able to know when you can make these course adjustments.

So in stage one of our planning process we wanna determine our communication objectives. Many of these objectives are really at the foundational level based on your overall goals of your project, and it can be also aligned to the mission of your organization. Many of the objectives in the communication and outreach strategy could be focused around creating awareness, promoting understanding, motivating behaviors, supporting a larger vision, building trust, really facilitate innovation. These could all be different objectives associated with your communication efforts.

So for example if you want to – your group is focused on streamlining the contractor process, maybe your communication effort is focused around building that understanding around how to do that. Maybe it's focused around providing best practices to those organizations. So it's really understanding what you really wanna do and what you want to accomplish based on the goals of your project as well as the overall mission of your organization. You'll have more concentrated efforts around the things that you really need to do.

So with that being said, the benefits of having clear objectives is it really maximizes your resources and it helps you be targeted in the approach you wanna take. In stage two, (the focus is) developing a stakeholder analysis to help inform your communication outreach efforts. Our definition of stakeholders is anyone impacted by a project and/or has an interest in the outcome of your efforts.

So in the slide in front of you we have a sort of notional stakeholder grouping and as you can see we've said if they're external stakeholders, they're internal stakeholders, there's lots of different orientations you can have regarding who are your stakeholders. In the normal, typical setting that most of the grantees have your internal stakeholders may be your local government organization, so it's maybe your mayor, your city council, your department head or specifically your community economic development organization as well as your partner organization.

Externally it could be the Home Depot's of the world, the Citibank or Bank of America, as well as the Department of Energy. Why are stakeholders important? Well they're important because they really play a critical role in ensuring our success. Unless you understand their needs, their values, and again as Merrian said, what their preferences are, it's really hard to target and reach them and help them help you be successful.

In order to do your stakeholder analysis one of the things that is typical is we group stakeholders are on similar demographics, again to identify each other's unique characteristics, their issues, their concerns and needs, and by grouping them you begin

to understand what their relevance is to your project and how you wanna address them. So one devotional example might be homeowners. Homeowners in your setting, they might be really excited about venturing into this new, exciting home renovation process, but they might be really nervous about what they have to do. So they need to understand how to navigate that process.

Someone that is maybe a business has different motivations and drivers. They're maybe reluctant, but they might be interested in a potential opportunity, but they don't really understand how they can play a role in this whole process. So understanding what these different stakeholders want and need is really critical to ensure that you really address them. Grouping them by specific characteristics will help you begin to organize that.

Work to understand how each group is affected by the project both positively and negatively and to understand the current attitudes towards that effort, and there's many ways that you can collect that information. You can collect them through interviews, focus groups, internal documents that you have that have been used by others in your organization. There could be a housing study that's already been done or a market research study done by another group in your organization and you can also use different people. Other grantees in this network can be also leveraged. Merrian's paper is another good source. By really capturing this data and really developing this foundation for your analysis of what your stakeholders look like, you will have a closer understanding of what they need in order to target them.

[Next Slide]

In the slide in front of you this is just a sample of stakeholder analysis matrix. One way we've done it is divide it by stakeholder group. Again that could be homeowners, it could be by minority group, it could be by income level. It could also be described with the relevance to your project, why are they important to your efforts. Start to outline some of the benefits of what you're proposing to these stakeholder groups. Maybe start to outline what are some of their issues and concerns and also highlight what are their preferred communications and again these are all based on your analysis of the different data sources in your organization.

There could be other columns that you develop again based on your needs for your organization. It could be influence within a particular effort. It could be relationships to other organizations. There's so many different (options) that you have, but really the point is so you have an organized way to understand how these stakeholder groups, what they're thinking, what they need, and how they should be communicated to.

Now by looking at your stakeholder analysis matrix you begin to see what a specific issue and some of the potential causes for those issues. So one of the things that you find through your stakeholder analysis is that they don't understand what they're being asked to do. So let's say the homeowner, what you find through your focus group is they don't understand the process by which they're supposed to get a rebate. So that right there should tell you that there should be increased communication and education around that rebate program, and again by asking them what their preferred communication is then you can understand how to reach them.

So maybe it isn't the mail stuffers. Maybe it's something more of a one-on-one discussion. I think of the grantees talk about having a concierge program. So it's really looking at the different mechanisms that work best in your community, that work best for the people that you're targeting, and again hearing a listing of some of the potential issues that we've seen over and over again and some of the possible causes for those issues.

In the third stage, developing key messages is critical to insuring consistency and promoting your objectives. There's so many different efforts out there in the marketplace and there's numerous distractions in everybody's lives. I mean we are such a media rich society at this point. I mean everybody gets something from somewhere. So what's really important is how do you make your message known to the targeted audience that you have and that you're trying to reach, and you wanna really be specific about that. Some of the best practices around key messaging is really expressing what's in it for that person. Describe exactly what are the key things they're asking for. Address some of their needs in a really positive way, and maybe incorporating some call to action.

What we have in front of you on the slide is really a listing of different things you should think about in order to develop your key message and again by having key messages you can filter these key messages throughout your organization, so not just to folks in your particular department that's maybe implementing your grant but maybe also to the realtors that you're trying to reach or to the contractors so that everyone has the same script by which to talk about the program. Again that ensures consistency in your messaging, and what we mean by that is making sure that people aren't saying the wrong things about your program so that they know that you're focusing only on this and not that, meaning your mission is to promote home energy efficiency and maybe not about asthma and health. Again it varies on the community, but it's really to make sure that everyone is speaking from the same sheet of paper.

[Next Slide]

Here's one example of key messages that addresses stakeholder information needs. Again it's good to have sort of a core message. What are you trying to say? I put a funny example here if anyone ever watched *Buffy* but transforming Sunnydale into an energy efficient community. That's really the core theme or the core message that we're trying to promote out there, and then we have supporting key messages that go along that core theme. So building a future that will be shaped by a knowledgeable team. In this setting it's because maybe people have doubts about what that theme looked like. It's respecting the environment. Maybe this is an organization in the Bay Area that has a strong environmental ethic.

It could be focusing on jobs because maybe there's a greater need for job creation in that community, and lastly maybe there's some concerns about how this is gonna impact other programs in the community. So there's a key message number four about being a good neighbor, making sure there's transparency, that it's sort of an open government. So I think you again need to understand what your stakeholder concerns are and develop messages that target that concern in each of these areas that you see as vital and important and critical.

[Next Slide]

In stage four we ask that you identify the best methods for reaching stakeholder groups based on your preferences and the message to distribute. I know I keep saying this over and over again. I think what we find in our profession is that in the various government settings that I've sat in I've had lots of clients who ask me, "Katrina, can you get me a fact sheet 'cause this is really the best way to reach this audience." The first question I ask, "Well why a fact sheet?" and they don't really have a response. It's just something that they're accustomed to delivering.

So I guess the message I wanna share here is that why use a fact sheet? Why use a door-to-door campaign? Why use Facebook? It's really important to understand what tools you're using and if that's something that resonates with your target audience. So maybe you're trying to reach single mothers. Maybe it's not the door-to-door campaign because maybe they're scared to open the door. Maybe there's a feeling of safety and concern. So maybe what's better is to reach the mother organizations or the local yoga

health studio, whatever it is that makes sense. I'm just raising some different examples here, but really the point is to make sure that you really understand the communication vehicle that you're using in order to make sure that it's targeting the audience that you have.

So in this slide we have lots of different examples that maybe you wanna reference, think about. In one of my projects we use breakfasts. We did a lot of breakfasts because people are always hungry and they like to eat and they were always busy throughout the day, but they were always open during morning, so we would have a lot of these meetings like these public meetings around breakfasts. So it's just really understanding again the demographic that you're hitting, the audience, and what they want.

[Next Slide]

Again there's always advantages and disadvantages of the tool based on the goals and the group that you're trying to reach. I get a lot of questions around social media. Everyone always says, "Can we just put a Facebook page up?" Again that varies. Maybe your target audience are retirees. Again there's a growing demographic of retirees on Facebook, but that's still a growing number. There's still a large percentage that's not using Facebook, so if you're not going to – if that's the demographic you're reaching, maybe again using another model might be helpful and not Facebook. Some folks feel that they don't wanna mix business with pleasure so they don't wanna have their sort of business dealings on Facebook, so again you have to see what makes sense.

[Next Slide]

And again we've put here on the slide in front of you a matrix to begin sort of organizing thinking. Again, who's your stakeholder group? What's the message that you want to send and what is the most appropriate communication tool? Again if you're new homeowners the key message might be that it enriches the value of your home, and the communication tools may be face-to-face interactions during some sort of new homeowner buyer orientation. So again, really thinking about your message using a much more strategic way of comparing and contrasting these groups and aligning your key message around a communication tool.

[Next Slide]

Stage five is about establishing feedback mechanisms and monitoring progress and conducting course corrections. There's lots of different feedback approaches. If you decide that you're going to do a website to distill all your information, maybe it's important to do interviews of the different folks you're reaching to see how effective that website is. Maybe the content isn't well organized. Maybe it's hard to navigate. Understanding that will help make that tool effective, and maybe you need a different course structure. Maybe people don't ever use the website that you've created and they would prefer meetings and face-to-face interactions. So in that way maybe you can then start having group meetings in the evening that is more targeted to their needs.

So making sure that whatever you do, again there's sometimes a – well not sometimes, actually all the time, communication is an art form and many ways you have to just put it out there and try it out, but having the mechanisms in place to provide feedback allows you to understand whether that was successful or not and make the necessary changes so that if it does work you can continue the same process, or if it doesn't work you can make adjustments.

[Next Slide]

So in conclusion there's again lots of different ways that you can develop a communications plan. We've hopefully outlined for you a very simple process that can help you with that process. In this September workshop there's gonna be more detail around some of these areas, so feel free to continue to raise questions during that

timeframe as well as let us know if there's particular pieces of this presentation today that you would like to learn more about, whether it's stakeholder analysis or choosing a particular tool. Maybe it's understanding social media more. So there's definitely room for greater discussion around these areas.

In short, make sure that your communication plan is simple. It's easy to understand, it has simple messages, it's clear and concise. There's a lot of vivid uses of examples and analogies, things that people can relate to that you use lots of different channels of communication, that you're not just sticking to one. As we all know we all learn differently. Some folks are visual, some folks are about experiencing, so you need to provide people different ways to learn and to understand, and make sure it's repetitive.

Again there's such a deluge of information every day, and if we don't hear it from one source we sort of forget about it. So if you can target your messages in multiple ways, people are more apt to understand and hear what you're trying to say. This reinforces what Merrian has to say. We say leadership participation and communication improves message credibility. You can also interchange that with trusted people. So when we say leadership is really trusted folks, people that have some authority of some sort that people can respect and understand, again being clear and consistent about what you're saying, what you're doing so that it avoids confusion, and making sure that any of the approaches that you have in terms of your plans provide a lot of interaction. People can get bored really easy.

Again people have very short attention spans, so making sure that you continue to provide interaction, there's lots of mechanisms for their involvement to write feedback, so then again you can make course direction. I know this has been very quick, but we will have more information in the future. We again wanted to give you an overview and I'm happy to address any questions you may have. Thank you.

Erin Jackson:

Great. Thanks so much. Yes, just to piggyback what Katrina was saying, we know we're moving really fast through this presentation. We're giving you a lot of information, but the goal here is to interest you in all the content that we're providing and get your feedback in terms of what you want to go into a deeper, more detailed conversation on. So if it's a conversation about door-to-door campaigns versus online marketing versus traditional advertising we can schedule more webinars, we can hold interactive sessions during the workshop, which is already planned, and continue to work with you on your program development. So thank you, Katrina for giving us a high level presentation on putting together your communication outreach plan, which I know many people are starting to think about or are already in the crux doing.

We are about 20 minutes away from the end of this webinar, so I want to be cognizant of your time, and we're gonna move on to the next presentation so that we can make sure we get through our next two speakers, but if you do have a question please just ask it to us on the go to webinar. We'll either type the answer to you or if we have time at the end of the call we will of course open the lines again and give you the ability to ask us more questions. So with that, I'm just going to open up our next presentation. Give me one minute if you don't mind.

We have two additional speakers on the line. Now we're moving a little bit west across the river to Virginia and Cincinnati. We have Steve Morgan on the line and Cynthia Adams. Steve Morgan is the president of Clean Energy Solutions, Inc. Since joining Clean Energy Solutions in the spring of 2007 he has been working to launch the Cambridge Energy Alliance, an unprecedented energy efficiency and renewables campaign serving all customer sectors. He has been instrumental in devising the overall program design, determining a marketing plan, overseeing technical contractors, and assisting the

financing arranging of the new venture, a partnership between the city of Cambridge and the Candle Foundation.

He is now managing community-based analysis, program design, and implementation efforts with clients in New York, Cincinnati, the Southeast Energy Alliance, and the Virgin Islands, some of which are part of the Better Buildings grant program. So we've asked him to speak today to give you some examples of some of the work that's gone on in his company and his partnerships with some of the Better Buildings program grants. He has been working with like I said Cincinnati and the Southeast Energy Efficiency Alliance and the 12 cities that they are partnered with as sub-grantees. So Steve, are you on the line?

Steve Morgan:

Yes I am. Thanks very much, Erin. We've got 18 minutes left and 20 minutes to talk, so I'm gonna talk real fast and I wanna leave plenty of time for Cynthia because she's the one speaker here who's most appropriate to all of you because she's one of you and she's got the second half of this, so I'm gonna talk real fast so we can get to Cynthia and to say that what I'm about to say is based on what we have done with communities that got started doing retrofit ramp-up for Better Buildings programs a little bit earlier than the rest of us because we started in Cambridge in 2007, Kresge Foundation helped to fund by the way the work that we're doing now, and then we moved to Cincinnati and then to Charlottesville among other places.

So let's keep going as fast as we can so we can get to Cynthia. I'm not controlling these slides. You are, Erin, right? Okay.

Erin Jackson:

Yep. I've moved on for you, so let me know if you want me to advance it.

Steve Morgan:

I want – we've got to go real fast. Basically because we have pretty robust goals in terms of penetration rates what we discovered, the same things that you heard from the previous two speakers, you gotta target the marketing to particular audiences. It's very hard to sell this stuff. That's why Merrian went into the details she did about what it takes from programs that she's looked at. It's complicated, it's multi-faceted, so our take on this is that organization, program design, and financing is all necessary but insufficient. The marketing is that missing ingredient. Keep going.

[Next Slide]

So we talk about, and Merrian in particular talked about how you had to target particular messages to particular audiences. It's also true of the program design and the financing. Each particular market segment that you're trying to reach requires a different set of financing programs as well as different messaging to reach them. You all on the phone are primarily residential. I know there's some small business. I'm gonna mention a little bit about the commercial and the mush markets in this marketing because all of it at the end of three years also have to have a revenue model so that we can sustain ourselves over time when the DOE dollars run out.

[Next Slide]

So you also heard from Merrian and Katrina about the fact that you have different objectives in messaging and marketing, and one of the things we discovered from Merrian earlier is informing and motivating is not committing, and we've got to go through a whole series of things including providing feedback, rewarding people, providing more opportunities for service. One of the things we've discovered is that the RPS example that Merrian used earlier, one point of entry that requires a \$200.00 audit is not sufficient. You need to give customers multiple entry opportunities to access your incentives and your programs.

[Next Slide]

So we also need multiple messaging distribution channels to reach whichever of the audiences and whichever segments we're trying to reach. We need the branding that Better Building Erin started out talking about that is equivalent or better than what Energy Star has done. We have to have multiple distribution channels from using the web to using the free media and TV and radio newspapers. In Cincinnati where I am now, Andy Holzhauser the executive director was most successful when he got the local TV station to do a news report that turned out more to be like an infomercial because he briefed very well the reporters to do a job and follow him on an audit and follow a contractor on an audit sufficient that they got 750 audit requests the next three days in a city, which had a total of about 100 audits done over the previous three years.

So now his problem is just trying to keep up with all those requests and stopping all other marketing, but door-to-door canvassing is important. A lot of the communities have done and are doing that. Merrian talked about the importance of using contractors and their trustworthiness. Contractors are vital particularly to residential programming, telemarketing, postering, direct mail. Direct mail is what the utilities have often used and they target to high users. That works in 1-2 percent response rates, but if you're trying to get high users and it's been affected by utilities.

[Next Slide]

So the social marketing strategy that we think communities need to use to be successful to get high penetration rates is akin to a sustained political campaign. It's like what the Obama campaign did. It's like what the Dean campaign did where you use multiple distribution channels, you rely heavily on community partners. That's another point that Merrian particularly emphasized earlier. The messaging is critical. We think saving money is the most important, but it's many messages again and different messaging for different audiences work, and knowing your audiences is vital to this as both previous speakers mentioned.

[Next Slide]

There's a lot of steps involved in a sustained political campaign from getting commitments from people, creating deadlines. One of the things we're doing in Cincinnati is saying to the non-profit agencies we're trying to reach for a short time only you can get these incentives where up to 25 percent of the total investment, but you've got to apply by x date and you have to apply to us and you have to make some commitments in order to get that money. You have to agree to do walkthroughs. You have to agree to commit resources. You have to agree to give volunteers, and then the entry date closes two months from now so it's a way to create a deadline, create a buzz, get people to make commitments that otherwise could take years and years to create. There's several other points on that that we don't have time to go through.

[Next Slide]

So the community partners that we wanna use; who is it that we want to go to? We find that universities and community colleges are really important. The local utility is the most important of them. Again echoing what Merrian said, contractors and trade allies are important. The big box outlets, the chamber of commerce particularly if you're doing businesses, and the importance of local government cannot be overstated. Again another point Merrian made, local nonprofits in the religious community and homeowners associations are three of the most effective marketers that you can have.

[Next Slide]

The messaging is critical and we talk about testimonials from neighbors, different market segments. A restaurant doesn't want a case study from a Laundromat. They want another restaurant and so on. Enough said.

[Next Slide]

Knowing your audience. I think I'm repeating something that has been said so let's keep going.

[Next Slide]

This is about the point where I turn it over to Cynthia I think when we start with creating recognition programs. Cynthia?

Erin Jackson:

Cynthia, are you on the line?

Cynthia Adams:

Yes. Can you hear me okay?

Erin Jackson:

Yep. We can hear you. Welcome.

Cynthia Adams:

Okay. Great. Thank you. You know in the interest of time somewhat we can keep moving through the slides, but I've been blown away by what I've seen so far by a number of the other presenters and with the setup that Steve had given to you in the first part of these slides, and I'm wondering if it would be useful for me to just sort of cut to the chase and talk a little bit about some particular marketing strategies that we've done and why we've done them.

Erin Jackson:

Sure. Do you want me to advance to a certain slide or you want to just speak?

Cynthia Adams:

I'm just going to speak I think if that's okay with everyone.

Erin Jackson:

Okay. Go right ahead. I am on board.

Cynthia Adams:

Okay. One of the things that we've done, we were trying to consider how are we going to launch our program? How do we introduce ourselves to the community? This is a critical question that everyone will ask as we all get going. So what we decided to do was a home energy makeover contest and the reason that we decided to do this is because we think everybody loves a contest. It's also a marketing initiative that you can engage your contractors on, you can engage your retail partners on, your utilities, local government and a number of others, and the advantages to this is that since each of them has sort of a vested interest in the marketing that comes out on the back end and the stories of the winners that play out over the next year, you're able oftentimes to get cash and services and products donated. So it's a huge marketing initiative that can pay for itself, and that's a big deal for cash strapped programs.

Additionally because you are having this big contest you then are able to set up media partnerships. So we had a print, radio, and a television media partnership and not only did this establish relationships on this one initiative but it begins to establish relationships with these partners that were going to need to work with on into the future, and I think that's an added bonus. Having a contest at all, what I think raises a question in people's minds like, what's the big deal about energy efficiency that we should have a home energy makeover contest? I mean you just sort of start out with this basic question that allows you to start talking to homeowners and all of your media partners about the

importance of energy efficiency, why the government is behind it, why you're partnering with your utility companies, all these added benefits of comfort and health and safety and durability and things like that.

So it sort of opens up that conversation and it creates buzz and interest in the community. So our contest entries closed on the 20th of August and we had 1,100 entrants in just looking at our smaller city and county and feel like we did pretty good with that. I know in Northern Virginia they had a much larger per capita and a much smaller ratio of entrants, so I think actually it was to our advantage to be very present and in the community as a local non-profit kind of bringing this contest to the people.

One of the interesting things that we did in this contest too is sort of a relationship building into the commercial sector and a relationship building for marketing channels down the road, was we incorporated non-profit challenge where basically we had three different tiers of budgets from non-profits and we said whoever brings the most entrants to our contest wins an additional cash donation unrestricted straight out to your non-profits. What we found was that as the media kind of became saturated somewhat, like people had already seen our ads in various places, that the non-profit challenge brought a lot of entries to our programs kind of on the back end of our enrollment period.

Actually we asked on our enrollment page online how people heard about the contest and a good number of them, almost as many as anywhere else was through habitat for humanity. I mean they just had a really great email list and a lot of active people who signed up as a result of their email blasts. So that was an interesting component to that contest too. Underscoring the importance of focus groups just the other day we had 15 people who had enrolled in the contest who signed up to participate in a focus group and we went over with them all of the various kinds of advertisements that we had done to gauge their reactions to different messages that we tried out along the contest.

One of the really interesting things that came out on the back end was that these people who had self-selected, they had gone to the website, they had enrolled in the contest, still didn't know who we were. They were like, "Well Local Energy Reliance Program, are you really local? Where'd you start? Where'd you come from?"

Granted we have been doing press events and we had just started doing some of our big marketing around this contest, it really underscored for us the importance of our own brand again and making sure that we put a strong effort out there to explain who we are and what we're doing because the focus group also told us that they thought the credibility that was provided by being a non-profit was huge for them, that we weren't pushing a particular product or a particular kind of methodology for installation or any of that, that we were just out there as an organization to help them get the most cost effective retrofit possible was really important for them. So that again made us take a step back, pause, and go okay, clearly we need to go out and get this message across better to our local community.

So again kind of underscoring the importance of focus groups, we had pulled some Energy Star, home performance Energy Star, type advertising where you're targeting this 55 and older community of homeowners that probably have a good amount of equity in their homes that have – maybe they're empty nesters and they're looking for ways to save some money on their bills and the like. Some of our contestants told us that the advertisements look like Cialis commercials or something. I mean they didn't ring true for them with the demographic, and so it's important to talk to your local people. It's important to find out what works for them and I think focus groups are really good for that.

So I can kind of stop there for a moment. I will say one or two other things actually. Do I still have time or am I out?

Erin Jackson:

No. Go ahead. We have about five minutes left and what we will do is allow those folks to have extra time to stay on the line. We'll go over the time and if you want you can ask any questions to speakers, but yeah, go ahead and finish up that thought and I have a couple other things before we hit 4:30.

Cynthia Adams:

Okay. Well this will be short. I just wanna say that when developing a marketing plan it's important to think about your capacity. We have a lot of really good ideas I think for trying to aggregate consumers. Those are reaching of those consumers and then pulling them together so that we're doing a number of retrofits at one time, but if you don't have a contracting community that can respond to that and do it successfully and well then you're creating an additional problem for yourself. I just would like to say as a point of caution that to go out and firing on all cylinders doing the marketing is really important, but just again a word of caution to be sure that you have the capacity to live up to the promises that your marketing campaigns are delivering, and I'll stop for now. Thank you.

Erin Jackson:

Thank you, and I think you bring up a really good point, which I reiterate, yes, we wanna make sure we're hitting all elements of the program and not just marketing communication outreach but especially the supply side and do you have your contractor network ready to go out and deliver on this demand that's knocking on your door. Yes it's a good problem to have but we wanna make sure we can follow it with a strong workforce. So thank you, everyone for being on the line, especially to our speakers for giving such great content on putting together your plan.

Just a couple quick other notes. My background is more in the commercial side of marketing and consumer product marketing and while I completely agree with Katrina and Merrian's talks about making sure that you're hitting the right audience and that is so key and your marketing efforts, I do wanna encourage folks to be creative in developing their communication outreach strategies and to think about some other things that are really popular in today's professional marketing space in terms of viral marketing and using the tools that are available to us on the Internet to be really creative and share stories and give information and content to people so that you can build a community of believers.

So things that could work obviously are You Tube and Facebook and having something to viral. There's a whole art and science behind this and it's a topic we can continue to discuss as you develop your program, so if you have an interest please let us know and we can put together another presentation for you and invite experts in this space. Again just to piggyback some other things, recognition marketing in the professional marketing space is huge. Talking about ...(some) folks who believe in what you're selling and then giving them the recognition that they deserve in terms of awards and contests and such.

Another thing that I just wanted to bring up, and you'll notice that this advertisement is kind of funny, the traditional marketing these days, and we all realize this but just to reiterate it again, radio advertisements, print advertising, TV advertising, I guess they work but you have to understand how they work. Very expensive, needs to be incredibly repetitive, check and test your content. Again this little advertisement is a good testimonial of something that went wrong in terms of one business trying to create a good message. Always have a call to action so that people are encouraged to pick up the phone or go to your website or whatever it may be.

It's also harder to track performance in terms of print advertising and radio advertising and those traditional mechanisms. Obviously in this day and age it's not as trusted by the general consumer public. Just a couple other quick points and again take a deep breath, we can talk about this more as we move forward. This is just to get you excited about this topic. Now the big question that a lot of you have been asking us on this go to webinar is what support is DOE giving you and where can you get this information since we've given you a lot. We can provide templates for building your marketing communication outreach plan. The one that Katrina went over today is a great starting point.

This webinar, the PowerPoints, the recording will all be available to you on a Google group, so if you're not a member of the group please email your account manager or you can email me and we'll make sure you're on the group. We're also looking at potentially providing some consumer insight research. This is something that's been discussed a lot on the Google group lately and there's a need on the grantee side to understand consumer insight more and see what available research reports are out there. Obviously I've been talking a lot about the September workshop, but really quickly again there will be a lot of interaction time, peer discussions.

We'll all be there in person to talk to you about your implementation plans and help you through this whole process. We're also launching topical collaboratives including one on this subject matter, so if you're interested in joining before the workshop you can email me and we'll get you on the list. Please remember to register for the workshop by Monday, which is the following Monday August 30th, and then as always your account manager is available here to answer questions or you can email me as well about this subject and I will get back to you as soon as we can. With that, it is exactly 4:30 but we do wanna stay on the line. All of our panelists are here and available to answer any questions that you have if you do have them now and have a few extra moments to stay on this webinar.

So if you do have a question please just virtually raise your hand or you can go ahead and ask, otherwise those who have to leave thank you for joining us and we look forward to speaking with you again soon. I'm just gonna give a moment for those who do have a question and we'll un-mute the line. Okay, so it looks like we have a question from Mary Lamson. We're gonna un-mute you and you can talk to us. Hold on one second. Oh, Mary, it looks like you need to put in your audio PIN if you're still there and you'd like to ask a question you can go right ahead. Another question that keeps popping up is, "Will the presentation be made available?" and yes it will be via the Google group, so again if you don't have access to the Google group please let me know and we can get you on as a member.

Looks like a lot of folks are signing off, but if you do have a question then please feel free to ask us and we can open up your line as long as you have your audio PIN entered. If you do have a question make sure that you put in your audio PIN because that's the only way that we can un-mute you. I see there's some questions coming through, but we can't open up your line unless you've inputted your audio PIN. Is someone on the line? We actually un-muted you. Who is there? Hi. We actually do hear you whoever was saying you need your audio PIN, so I think you put it in.

Mary Lamson:

Oh, okay. Well you actually already answered my question. I was just wondering if the information presented would be available later.

Erin Jackson:

Yep. We're putting it on the Google group. What's your name and where are you from?

Mary Lamson:

Mary Lamson from Rutland West Neighborhood Housing Services.

Erin Jackson:

Hi Mary. Do you have any other questions you wanted to ask since you are now unmuted?

Mary Lamson:

No. That was it.

Erin Jackson:

Okay. Great. Thank you.

Katrina Tavanlar:

Can I ask a question?

Erin Jackson:

Oh, we actually have questions for you, putting you on the spot.

Katrina Tavanlar:

What did you find helpful in this presentation today?

Mary Lamson:

Wow. There were a lot of things that I found helpful. I would say on the marketing side the first presentation I found extremely helpful, the different ways of – the trusted messenger is really important, how important the contractors are in carrying the message, and basically what works and what doesn't. It was all really, really useful.

Erin Jackson:

Great. We're glad you found Merrian as useful as we do. She's fabulous. We call her all the time. She's probably sick of it. *[Laughs]*

Katrina Tavanlar:

I'm sorry to put you on the spot. What other things do you think you'd like in the future?

Mary Lamson:

I guess just more in-depth, more in the door-to-door, the neighbor-to-neighbor outreach and the social marketing, the science behind the social marketing.

Katrina Tavanlar:

Okay.

Female:

Can I just add something? I just walked in. We're still looking for some of the gimmick, the slogan, the thing that drips off your tongue that expresses what you're doing in seven words or less or three words or less. I'm just curious if you all have run across anything like that. Somebody brought up this morning the no littering campaign in Texas is "Don't mess with Texas" and that caught on in a way that "Don't litter" never did. I'd love to know if anybody has the perfect slogan or the perfect expression.

Erin Jackson:

Well I think that from my experience anyway those sort of taglines if you will and elevator pitches take a lot of time and testing to understand how they work in the marketplace. For me they come best when I'm sleeping at night. *[Laughs]* If there are other folks on the line who have their grant programs and their communication plans

already in the works we'd love to hear if you have some catchy taglines or some creative ideas around how you're putting your brand together.

This is something that from a global perspective on the Better Buildings program we are talking about all the time, so we have a lot of work in place right now that we're putting together for this program in terms of the brand and the identity and our message and imagery that goes along with it and understanding exactly what the benefits are, what the huge initiative we're undertaking. It's so exciting but yet is a really important thing to think about in understanding what kind of story are you painting and how are you gonna get people's attention.

Female:

I think the Better Buildings is a wonderful start. It's certainly an improvement over Rutland Retrofit Wrap-Up.

Erin Jackson:

Well you know what? That gives you the motivation to potentially look at some other options. You can be as creative as you want and take advantage of what we're already putting together here for the program overall, so yeah.

Female:

Thanks.

Erin Jackson:

You're welcome. Is there anyone else on the line who would like to open up their line and talk to us about what they thought about today's webinar or if you have a question you can ask us? If you're talking to Katrina she might start asking you about your questions. *[Laughs]* You can either virtually raise your hand on the go to webinar or you can ask us a question by typing it into the comment box. Okay, we're gonna figure out who's raising their hand. All right, we have Tamara Jones on the line from Sia. Tamara, did you have a question or a comment?

Tamara Jones:

Yeah. I loved it. It was great. Thank you all. My question is, is there like a standard set of data or tool that allows you to make better decisions about what mix of media tools to use? So if I've got a limited budget and I know my target audience, how do I figure out how much to put into a website versus a door-to-door campaign versus social media given standard data on rate of return, how effective each tool is?

Erin Jackson:

Yeah. That's a great question. I actually saw you asked it in terms of web marketing as well, like if you spend \$1.00 what kind of ROI are you getting for that, and in terms of metrics we'll have to do some research on what kind of data is available in that space if it's something that everyone is looking for. What I will say though is to again get creative. I know that we're all working with really lean budgets, but if you have a believer already in what you're doing, Tamara I know that you're so passionate about this cause and have already made a lot of progress in your own program.

If you have other folks that are lynchpins if you will in your organization that could provide a voice in telling a story and potentially even just create their own video or blog or some content that you could send out via email, those types of things are very inexpensive to put together. There's a lot of free software on the web that you can use, so that's kind of how I'd like to answer that question, but I'll open it up to Katrina and Merrian and some other folks here.

Katrina Tavanlar:

I could ask our team to see if there is a tool. I don't know of one off my mind that does it sort of scientifically. I think particularly in these situations we look at the priorities in terms of again based on some of our stakeholder analysis what they see as their priorities and what we find over and over again is the mediums that they prefer. So we really target it towards the organizations or the tools that the organizations use so that again it's the best bang for the buck. Hopefully you'll be sort of a trend. Again if you put in place some feedback mechanism even with maybe your first website you can start seeing the number of hits or sort of the quality of the conversations in your site. That's a good indicator for you whether that's moving well for you moving forward or if you need to focus on something else.

Steve Morgan:

Erin, can I take a shot at that?

Erin Jackson:

Sure. Go ahead.

Steve Morgan:

Tamara's question was how do you try to allocate dollars on distribution channels when you have scarce resources, and it really depends on who your market is, what your program design is, what contractor infrastructure you have and what your incentives are. Let me give two examples. In Cambridge probably the most effective dollar we spend on marketing is organizing neighborhood canvasses. One of the reason it was so effective was not only can you get to everybody and you can get to a lot of people for very few dollars per person reach but also because the program design was that the audit was free, the goal was to generate audit, and the audit itself included the installation of free measures. Because we didn't have a good loan program and the incentive structures were pretty robust from the utilities, that was enough.

Now let's move it to Cincinnati. If you're in Cincinnati and you try to get all of your customers doing a neighborhood audit, the neighborhood canvass I should say is not the most effective probably use of marketing dollars in part because there are not three audits, the audits aren't that robust, we don't have a utility platform that's robust so that we have to spend a lot more time in our marketing to also pre-qualify the customer, and that is not best done on a door-to-door approach with volunteers.

That's better done by reaching customers through the social media, through websites, through telemarketing, through direct mail, a combination of those things as well as volunteer canvassing but then pre-qualifying the customer before you try to make an appointment for the audit when the audit is gonna cost money and when the utility centers aren't robust and in the case of Cincinnati they have generated so many audit requests from free media that they can't keep up, so you don't wanna do any marketing right now. So it really depends on that combination of program design, incentives, contractor infrastructure as to how you wanna spend your marketing dollars.

Merrian Fuller:

I think Steve is right on and the size of the community is also another factor that we saw that matters. In really small communities it's easier to generate buzz quickly and cheaply. In a large city like Oakland where I'm from a lot more difficult to do that. I would definitely shy away from spending large amounts of money on the more traditional print and billboard and radio type media as much as possible, and a lot of programs have been able to do this, get earned media, create events like the home energy makeover that Cynthia was talking about or whatever it is that can generate excitement that deserves media attention without having to pay for it the better.

I'd spend money really educating and engaging contractors, and I'd also spend money developing really substantial partnerships with local groups that will offer you support. You don't wanna have 100 nonprofits that you vaguely reached out to that might send one email to their members. Ideally you really get folks on board, get them engaged, give them a reason to promote your program actively. I think that will turn in a lot more results than some kind of billboard campaign, especially for dollars spent.

Tamara Jones:

Thank you.

Erin Jackson:

You know what too, Tamara, we can look into answering that question in more detail if you want in terms of helping putting together your budget and how to leverage your dollars more wisely and that sort of thing, so ... you can contact... I don't wanna put anyone on the spot here, but I do see because I have the power of go to webinar to understand who's on the line, Andy Holzhauser is on the line from Cincinnati and if you're there since Steve was talking about your program I think it would be great for you to be able to share some of the success stories that you have with this earned media that you've gotten in your past experience with these types of programs before.

We did just send you an audio PIN so if you'd like to join us we can un-mute the line and you can tell us a little bit about it, but also if other people have questions or comments we'd love to open up your line. You can raise your hand. There are no hands raised at this point, so if anyone wants to within the next minute or so we will let you ask a question or comment to the panel of speakers, otherwise we will finish today's call and look forward to the next one.

Male:

You still looking for Andy?

Erin Jackson:

I was thinking maybe he would like to chat if he's sitting by you by chance.

Male:

Yeah. I just got him. He wasn't there when you called, but he's here now. You asked a question about how he got the free media, right?

Erin Jackson:

Yeah. I thought he could share a little bit of his experience in putting that together. I know he's also been working with a branding company and a marketing firm and has had a lot of headway already in his Better Buildings program, so maybe he could shed a little light from that perspective to other grantees on the line.

Male:

Sure.

Andy Holltower:

This is Andy. Hey guys. Looking forward to seeing everyone in a few weeks in Chicago. You know the (free) media was something far beyond anything that we thought it would be. With a little bit of hesitation we moved forward with an offer that our contractor actually lined up for us with a relationship he had with the local CBS affiliate news station. My concern was, well if we get 100 audit requests out of it will we be able to handle it? We sort of looked internally and determined that we would be able to handle 100 audit requests if we got that many audits out of it.

It was about a 3.5-minute segment. It's on the front page of our website if anyone wants to take a look at it, greatercea.org, but essentially what it was, was the reporter interviewed myself, the reporter interviewed the homeowner. The homeowner was well versed in this. She lives in a neighborhood in a community that's well versed in this, so I think that helped provide an even more compelling news story, and then the reporter interviewed the contractor and then showed some of the work the contractor and his team was performing in the home, and talked through the payback with the homeowner, talked through the motivation that she had to engage in it, and certainly highlighted the fact that we are providing market rate residents with a direct investment.

In this forum right now we're providing them a direct subsidy that ranges 30-35 percent of the cost of the project, and we know that's not a sustainable model but it is one that we feel we need to do initially to grease the market and we're doing it with some initial Formula A block grant funds that we received, hopefully getting the market ready for a more complex and long-term in nature Better Buildings funded program in version 2.0. But it was essentially a 3.5-minute segment that they ran on the 11:00 news. They reran a shortened version of it on the 6:00 a.m. news and then they actually ran it again a week later. The reason they ran it again a week later is because they had so many phone calls come into the newsroom asking questions about the program and where to sign up.

So I think it exceeded their expectations. It certainly exceeded our expectations. Our website crashed temporarily. We had to bring in some volunteers to help us out with the phone lines and we learned a great deal about what motivates people. The general characterization of it was that this is free money, and I kind of hesitate to use that term, but they use that term and it certainly compels people. This was free money for the average homeowner to invest in, and it certainly made an impact on a lot of people. So that was kind of the essence of that experience.

We are also fortunate to be working with a branding agency here locally that does an incredible amount of work with Proctor & Gamble and others and that agency is called LPK and they're an international branding agency, but they're the largest employee owned branding agency with their headquarters right here in Cincinnati. They have done all sorts of consumer behavioral related work to understand what drives people to buy laundry detergent and buy diapers and certainly we're understanding from them the process that we need to go through to compel the consumers here to buy energy efficiency. So they have been very, very generous with their time and their expertise.

They actually sought us out and have offered us several meetings leading up to what we had about a month ago was a pretty broad workshop where we invited some of our government stakeholders and Erin was on the phone to kick us off on that day and we had our contractors there and our entire team, several stakeholders that are all engaged in various aspects of our organization all there to provide what was about four or five hours of feedback on what is energy efficiency, what do we think compels different markets within our customer base, so we sliced and diced it like we've seen today down to multi-family and commercial and small business and residential. So out of that four or five-hour session they just put together in a meeting we had with them yesterday a brand equity pyramid, trying to really help us carve out what messaging looks like into those different customer segments.

We have drafted with them a vision and a mission statement. We're going to develop from this kind of infrastructure of branding our taglines and different ways in which we're gonna reach out to the different customer segments. We just got that information back from them yesterday. We're gonna look at perhaps a logo redesign, perhaps even a tweak to our naming potentially. We're not gonna be closed off to it because we're gonna really step back and say what does our community need to drive energy efficiency here? So they've been just a great support arm for us in moving that discussion along.

Erin Jackson:

Thanks so much for sharing that. I think it's really helpful. We have a lot of folks still on the line listening. You're going to the meeting in September, right?

Andy Holltower:

You bet.

Erin Jackson:

Yep. Great. So you can all tap him as well for his experience thus far in this realm of your program. With that, it is 4:52 East Coast time and we will let this be the end of the webinar, but like we said earlier, it was supposed to be very high level even though it was a lot of information. We want to provide you with more as you need it and your program grows, so please just let us know any time you think of a topic that you'd like more information on and we can see across the grant program overall what the 35 grantees who also would be interested in that topic. With that I will say thank you very much for joining us again and have a wonderful evening. We look forward to seeing you in Chicago. Thanks. Bye.

[End of Audio]