https://rpsc.energy.gov/handbooks/program-design-customer-experience-%E2%80%93-deliver-program

Program Design & Customer Experience – Deliver Program

Description

This handbook will guide you through the process of delivering your program, from pre-launch preparation through start-up to the ongoing operations of your program. All of the planning work you have done up to this point—including **assessing the market**, **designing your program**, and **developing your implementation plan**—has been preparation for this.

Launching and managing your program will involve many tasks, both small and large, that together will lead to home energy upgrades for local households. You'll have several critical functions to perform:

- **Prioritize**—make sure that the project team focuses on critical tasks.
- **Coordinate**—make sure that activities are accomplished across all major elements of your implementation plan.
- **Track progress**—record accomplishments so that you know what has been completed and what still needs to be done.
- **Adjust**—recognize that launching your program will include both good and bad surprises and a few wrong turns; you will need to make course corrections.
- **Communicate**—it is critical for everyone who is working on your program launch and ongoing operations to understand what the rest of your team is doing.

The following steps will guide you in executing your implementation plan:

- Ensure that all resources and processes are in place.
- Consider a soft launch to test systems, workflows, and processes.
- Deliver the program.
- Manage the program effectively over time.

The "Deliver Program" handbooks from the **Marketing and Outreach**, **Financing**, **Contractor Engagement & Workforce Development**, and **Evaluation & Data Collection** components will provide valuable information as you pull all of your program elements together.

Program Design & Customer Experience

Stages:

Overview
1. Assess the Market
2. Set Goals & Objectives
3. Identify Partners
4. Make Design Decisions
5. Develop Implementation Plans
6. Develop Evaluation Plans
7. Develop Resources
8. **Deliver Program**
9. Assess & Improve Processes
10. Communicate Impacts

Find related information across other program components:

- **Marketing & Outreach – Deliver Program**
  Implement marketing and outreach activities in coordination with other program components to generate demand for your program's services.

- **Financing – Deliver Program**
  Launch your financing activities in coordination with other program components.

- **Contractor Engagement & Workforce Development – Deliver Program**
  Implement contractor coordination and workforce recruitment and training in concert with other program components

- **Evaluation & Data Collection – Conduct Evaluation**
  Manage third-party impact and process evaluation activities by coordinating with evaluators, transferring data, and overseeing evaluation deliverables.

Step-by-Step

Preparing to launch (for new programs) and delivering your program (for both new and existing programs) involves the following steps.

Ensure that all resources and processes are in place

Your program's **implementation plan** describes how you will make residential energy efficiency services available to customers. As you launch the program, you need to make sure that you are ready to fulfill the program's promise. This step describes a process of reviewing your implementation plan, holding a kick-off meeting with all project staff, and ensuring that all of your key processes, resources, and partnerships are in place.

Review Your Implementation Plan

In your implementation plan, you identified tasks that need to be done before the program is made available to the public. You should revisit those tasks and the schedule for completing them to make sure that they are complete and realistic. To engage program staff in reviewing the implementation plan, preparing for program delivery, and ensuring that everyone knows his or her roles and responsibilities, the program manager should initiate launch preparations with a kickoff meeting. It is critical to a successful program delivery for everyone to understand what they need to do and when they need to do it.

Hold a Kick-off Meeting with All Project Staff

The project kickoff meeting is the program manager's opportunity to set the tone and expectations for the entire project. For the project team, it is an opportunity to have questions answered early in the project to avoid missteps. Project kickoff meetings should cover the following topics:

- **Program goals and objectives**—what are we trying to accomplish?
- **Program implementation plan, timeline, milestones, and deliverables**—how and when will we get this work done? What are the critical aspects of the program?
- **Roles and responsibilities**—who will work on which aspects of the program?
- **Critical success factors and quality expectations**—how do we define success, and what are the standards and expectations for program delivery and coordination?
- **Tracking and reporting progress**?how will progress be tracked and communicated?
- **Risk management**—how will we adjust if the program is not on track to meet goals and objectives?
- **Internal communications strategy**—how will program staff members communicate (e.g., weekly meetings, email)?
- **Change management**—what is the process for adjusting the program design and implementation strategy if needed?

Ensure Key Processes, Resources, and Partnerships Are in Place for Launch

Before and during your program delivery, check all of your key program processes, resources, and partnerships to make sure they are ready. Among other things, you will likely need to have the following ready to successfully deliver program services:

- **Project flows for customers**—you need a specific understanding of the process that customers must follow in order to participate in your program, and you need an approach to convey that information clearly and succinctly to them; you also need to communicate the project flow process to internal staff, contractors, and partners so that everyone understands the key steps and customer contact points.
- **Contractors**—you need to have enough qualified contractors available to respond to customers who want home energy assessments or upgrades.
- **Processes for rebates and/or financing**—you need to be ready to communicate financial incentives and financing opportunities to customers and process customer applications.
- **Interoperable software platforms**—if you will be using multiple platforms (e.g., contractors will collect data on tablets that needs to be uploaded to your tracking system), you will need to make sure that all systems are interoperable.
- **Payment systems**—if you will make any payments to customers or contractors, you need to be ready to make those payments in a timely manner; you need a system for keeping track of the amount of payments and when they are made.
- **Tracking system**—you need to know the metrics that you will track for each project, and you need a functioning information system for collecting, managing, and summarizing and reporting data that can be used for program evaluation and ongoing program assessment.
- **Staffing plan and staff to do the work**—you must have staff in place and trained to do the day-to-day work of your program.
- **Program roles and processes for staff**—each staff person needs to understand his or her area of responsibility and level of authority and must have training and a specific understanding of the processes that he or she—and customers—will follow for all aspects of that area.
- **Program materials**—you should ensure that the resources you developed have consistent branding and messaging.
- **Quality assurance**—you must have a consistent, documented system for making sure that customers are satisfied and that contractors meet customer expectations and program standards.

Better Buildings Residential Network

As part of this process, you may want to talk with managers of other residential energy efficiency programs to see if you have forgotten anything important. The **Better Buildings Residential Network** provides program administrators with opportunities to connect with other programs, share best practices, and learn from one another.

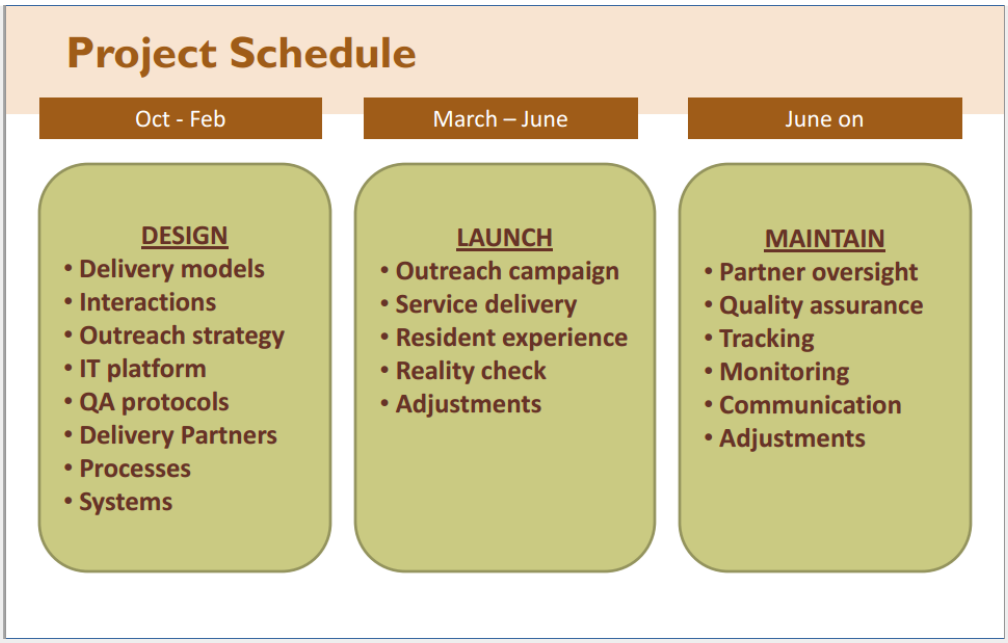
For more information and to join, email **bbresidentialnetwork@ee.doe.gov**.

You are ready to launch when the pre-launch milestones in your implementation plan have been met and when all of the processes, resources, and partnerships—such as those described above—are ready to become operational.

Seattle Identifies the Key Focus Areas of Its Design, Launch, and Program Maintenance Phases

As part of its initial program design process, Seattle's **Community Power Works** program identified the key focus areas of its design, launch, and program maintenance phases, as illustrated in the project schedule below. This allowed the program to focus on the most critical areas of activity for each of these phases, know when it was ready to launch the program, and learn from the launch experience to refine ongoing program operations.

Community Power Works Project Schedule



Source: **Community Power Works of Seattle Planning Presentation**, Community Power Works, 2010.

Consider a soft launch to test systems, workflows, and processes

Given all of the interrelated activities that you have planned and are working on right now, can you picture what it might be like to try to launch your program to your full customer base, all at once? Many programs have taken an alternative approach—the "soft launch." This step describes the value of a soft launch (and how it is different than a pilot project) and the systems that a soft launch should be designed to test.

If you are starting with new staff, new processes, and new contractors, many things may happen differently than planned—the unexpected is inevitable. When 50 people are waiting for services instead of one or two, unexpected events - however trivial - can become significant.

- For example, one fledgling residential energy efficiency program was profiled on a local news station before it was ready to launch and before program staff had tested their phone systems. The program wound up with thousands of calls from interested homeowners before it was ready. Incoming calls overwhelmed the phone system and staff, while delays frustrated some potential customers.

As this program learned, it is much easier to test systems and solve small problems when you aren't under a great deal of pressure, than it is to solve large problems while facing many customers and contractors.

Soft Launch vs. Pilot Program

Not sure what the difference is? A pilot program is designed to test a concept or approach. It is experimental—an effort to gather information from implementing a program or strategy on a small scale (e.g., with a small set of homeowners and contractor partners) to determine whether a more significant investment in the approach is justified.

- For example, **Enhabit** (formerly Clean Energy Works Oregon) conducted a one-year **pilot project** in Portland to learn as much as possible before extending the program to other parts of the state.

In contrast, a soft launch is the quiet startup of a fully operational program. Doing a soft launch means initially making your program available without a large splash. It means not telling everyone that your program is available right away, or perhaps not doing any outreach at all. For example, you might work with a few select contractors before recruiting 50 or 100 more to ramp up services. Or you might have eligible program staff or early supporters who are likely provide constructive feedback. A soft launch is a chance to polish systems and processes so that everything is ready for planned growth.

- For example, the **Neighborworks H.E.A.T Squad** in Rutland, Vermont, held a **soft launch**, initially making direct phone calls to residents focusing only on the town of Shrewsbury, Vermont.

- Similarly, **Michigan Saves** (formerly Better Buildings for Michigan) started with a **soft launch in Ferndale, Michigan** to test its approach for marketing the program through neighborhood "sweeps" that sought to interest residents in energy efficiency through door-to-door outreach.

A soft launch lets you test the systems you have developed, and it lets your staff execute processes and procedures at a modest pace while they become familiar with and fine-tune them. During this process, it is important to assess how well key aspects of the program are working, such as:

- **Your customer interactions**—is your program efficiently moving customers through the assessment and upgrade process? Are customers satisfied with the support they are getting?
- **Your coordination with contractors**—are referrals and information sharing with contractors efficient? Are you avoiding unnecessarily delays for contractors and customers?
- **Your internal project management systems**—are project tracking, customer intake, financing application processing, customer care, and other **resources** developed for your program working as planned?
- **Your internal staff interactions**—does everyone know what he or she should be doing, and is the team communicating appropriately?

A soft launch leaves time and space to make the process improvements that you will inevitably identify once you start working with customers and contractors. When you do the full launch, weeks or months after your soft launch, your program will be ready for smoother operation, and you will earn and retain the all-important goodwill of your customers and contractors.

Deliver the program

Transitioning from preparations to actual launch is simply a matter of opening your doors for business. If a customer calls looking for program services, rather than saying that the program isn't available, your program staff will steer the customer to the first step in getting a home energy upgrade. By saying that your program is open for business, you are making a commitment to the customer to ensure that systems work, that contractors are trained and available, and that the services you have committed to provide are available. In this step, your goal is to ensure coordination among program components. You should be ready to make quick adjustments to program operations based on what you are learning from your staff, customers, and partners.

Launch the Program and Ensure Coordination among Program Components

As you implement the program, you should be particularly focused on coordinating all of your program components and interactions among them, including **marketing and outreach**, **financing**, **contractor engagement & workforce development**, and **evaluation & data collection**. Continue working from your implementation plan and use the same management skills that were mentioned at the outset of this handbook:

- Prioritize
- Coordinate
- Track progress
- Adjust
- Communicate

Make Measured Adjustments to Program Operations

During implementation, watch closely to see what is happening. Talk with staff, vendors, customers, and contractors to get their perspectives. Make **adjustments** as needed to keep on track. Let everyone know what *you* are doing, and tell them what you want them to focus on.

Whether you start with a scaled-down soft launch or a full-blown, highly visible launch, you will be constantly changing focus from one system that hasn't been fully developed, to another process that doesn't work quite as planned, to making plans to increase visibility when you aren't getting enough customer interest, to trying to find more contractors when you have too much customer interest.

- You should not assume that everything will work the way it was designed in your implementation plan. For example, the City of Durham, North Carolina **identified several challenges** associated with launching its residential energy efficiency program. These included program and project delays, declines in the morale of volunteers conducting outreach, and unanticipated requests from homeowners wanting to know the status of their assessments and upgrades.

You need to encourage people, fix problems, and adjust systems in real time. Launching a program is a constantly changing process of assessing the most urgent needs and getting all of the systems and processes moving at more or less the same speed, in more or less the same direction.

Manage the program effectively over time

The experience of launching your program will cause you to shift your understanding of how it will work once it is fully operational. An important responsibility of program management is adjusting processes, roles, and responsibilities as you learn what is needed to run your program. You will want to **assess and improve** over time.

In addition to the aspects of program management related to assessing and improving processes, the following three management approaches are well worth considering as your program reaches its operational phase.

Don't manage from a distance. Talk to customers, contractors, partners, and stakeholders to understand their experience of the program and ensure that they are getting what they need out of it. Your formal **quality assurance** processes and strategies for gauging **customer satisfaction** are important, but it is also important to take advantage of opportunities for informal, personal conversations with people who have had contact with your program. Many people don't need much more than a willing listener to share perspectives and experiences that they might not write down in a customer satisfaction survey. Contractors who are reluctant to speak up in a feedback meeting might be far more forthcoming one-on-one over a friendly cup of coffee. Even when you know that your inbox is filling up with emails, it is sometimes worth letting them sit just a little while longer so that you can take the time to hear what people have to say, building trust and rapport in the process.

Remember that even when your systems are 100% operational, it may take time before you start to see results. You may reach a point when you feel that everything is running smoothly, but the upgrade completions just aren't rolling in the way you think they should be. Remember that customers and contractors need time to schedule and complete an assessment, make decisions about whether and what upgrades to pursue, potentially arrange for financing, and complete upgrade work in the home. All of these steps take time. Better Buildings Neighborhood Program partners have seen an average of 80-90 days between assessment date and upgrade completion date.

Don't overreact and assume that your program design is not working, when results take longer than you want them to. Investigate but also pay attention to successes along the way, not just the number of projects that complete upgrades.

Don't over-focus on near-term objectives at the expense of building long-term success. A great deal has been written about the importance of focusing on objectives; considerably less has been written about problems caused by managers who over-focus on them.

- For example, if your objectives emphasize getting savings at the lowest possible cost, you may ignore a dissatisfied customer rather than spend the time and resources to come up with a reasonable solution and make the customer happy. That dissatisfied customer will speak poorly of your program—and maybe even write a letter to the local paper or call his or her local representative—and you will find yourself investing more in rebuilding your reputation among customers than you would have invested in simply addressing the problem in the beginning.

Managing a residential energy efficiency program is really no different than managing any other venture. Using the tools and resources available through these handbooks will help you, but applying good judgment and using common sense are the keys to your success.

Tips for Success

In recent years, hundreds of communities have been working to promote home energy upgrades through programs such as the Better Buildings Neighborhood Program, Home Performance with ENERGY STAR, utility-sponsored programs, and others. The following tips present the top lessons these programs want to share related to this handbook. This list is not exhaustive.

Keep the program simple for your customers

Given all of the other things that compete for your audience's attention, it is critical that program participation steps are straightforward and easy to understand. Many programs have found that complexity makes it harder for interested homeowners to complete upgrade projects. These programs have focused on streamlining services, requiring as few steps as possible for customers, and keeping the message about the upgrade process simple.

- **Enhabit**, formerly Clean Energy Works Oregon, provided a **"One-Stop Shop" Home Energy Remodel** process to guide customers through a four-step process: apply, assess, finance, and transform. This simple process gave customers access to a comprehensive package of services that included low-interest financing and rebates, free energy assessments, assistance from an independent energy advisor, and the option to repay monthly loan obligations through their heating utility bills. To keep the process simple for customers and, in the process, improve program administration efficiency, Enhabit focused on process automation through its internal project tracking system.
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The **EnergySmart** program in Boulder County, Colorado, found that having an **energy advisor** assigned to each program participant throughout the home upgrade process was a key to keeping the program simple for customers and for overall program success. Energy advisors offered easily accessible subject-matter expertise, project management support, and encouragement to help customers make decisions and complete their upgrades. They installed low-cost energy savings measures and helped homeowners review assessment reports, determine which home improvements to pursue, select contractors, and apply for rebates and financial incentives. EnergySmart enjoyed a robust conversion ratio; nearly 70 percent of enrolled homeowners completed a home energy upgrade. For more on energy advisors, see **Energy Advisors: Improving Customer Experience and Efficiency Program Outcomes**.
- Recognizing that many different types of energy efficiency financing and rebates were available to its customers—but that it could be overwhelming to sort through them all— **RePower Bainbridge** helped customers access aggregated information by creating a consumer-friendly guide to all utility and non-utility incentives in its service area. The local utility benefited from the guide as well—it made the guide available to all of its customers.

Provide customers with a single point of contact to help them through the upgrade process

While homeowners may be interested in the benefits of an energy upgrade, many are deterred from completing an upgrade project because of the complex and unknown process. Often, a significant portion of homeowners who receive energy assessments do not continue with the upgrades. As part of the Better Buildings Neighborhood Program, multiple programs across the country tested a range of customer service strategies through a single point of contact to guide homeowners through the entire upgrade process. These program staff members are often called energy advisors or energy coaches and can provide a combination of services to help customers overcome barriers to home energy upgrades.

This approach – identifying barriers and providing targeted services through dedicated energy advisors to overcome them – has produced higher conversion rates and more satisfied customers; however, these services can also be time-intensive and increase the cost of program delivery. For more information on utilizing energy advising services to minimize informational, decision-making, and transactional barriers faced by homeowners, see **Energy Advisors: Improving Customer Experience and Efficiency Program Outcomes**.

- **EnergySmart** in Boulder County, Colorado, found that having an energy advisor assigned to each program participant through the home energy upgrade process was a key to program success. Energy advisors built trust with the customer during an initial home visit and maintained a one-on-one relationship with homeowners throughout the process. Energy advisor services included installing low-cost measures, reviewing the assessment report and work scope, assisting with contractor selection, and helping with program paperwork. The relationship endured after the upgrade: after they completed their first upgrade, program participants frequently continued to stay in communication with energy advisors about additional projects and questions. Through customer surveys, Boulder found that 97% of customers rated their energy advisor as professional, knowledgeable, and timely. These customers agreed that "working with my Energy Advisor has been worth my time and effort." In Boulder, around 60-70% of homeowners enrolled in the program took actions to upgrade their homes.
- Energy advisors for **Enhabit**, formerly Clean Energy Works Oregon, provided education, objective advice on the assessment report and work scope, and quality control to customers across nearly half of the state. Program staff helped customers initiate the process by scheduling a home energy assessment, and they provided a quality control review following upgrades. Advisors also monitored the progress of each project through internal project pipeline status reports, which helped reduce bottlenecks and minimize customer frustration. The energy advisor strategy helped Enhabit achieve a 94% customer satisfaction rating during the program pilot. Enhabit found that in some cases—such as having energy advisors present at assessments conducted by high performing contractors—the program could reduce energy advisor services without impacting customer satisfaction or reducing the number of upgrades completed. This knowledge allowed the program to reallocate their resources.
- The **Denver Energy Challenge** provided customers with free energy advisor services starting with an initial phone call. The energy advisors helped customers by identifying available rebates and financing options, finding qualified home improvement contractors, reviewing bids, providing education on energy improvements, and even connecting qualified residents with other free or subsidized energy improvement services outside of the Denver Energy Challenge. As a result of this support, nearly 75% of customers who worked with an energy advisor went on to complete a home energy upgrade.
- **NeighborWorks of Western Vermont** staff scheduled all contractor visits for its customers residing in small towns across Rutland County. Once contractors completed home energy assessments, energy advisors reviewed assessment reports with customers. This review helped customers understand the content of the reports and prioritize improvements to be undertaken based on their needs and budgets. Energy advisors helped customers apply for financing (as needed) – a common point in the upgrade process where projects stall – and move on to the next steps. The energy advisor acted as the customer's primary point of contact for information about the assessment and upgrade process. This approach contributed to the program's success in completing over 600 upgrades from 2010 through 2013.
- **Greater Cincinnati Energy Alliance** (GCEA) energy advisors helped homeowners through every aspect of the upgrade process, from requesting an assessment to hiring a contractor. The program found that offering energy advising services through one individual person – the energy advisor – made potential customers more comfortable with the program, even if many customers did not actually contact the advisor. This hands-on customer service increased the number of completed upgrades and ensured that a high standard of quality was maintained throughout the process.

Make upgrade options clear and concise for customers

Programs in many regions of the U.S. find that the concept of home performance is new to homeowners. Homeowners may not know how energy efficiency measures compare (e.g., energy savings benefits of insulation versus new windows) or have not heard about some effective measures, such as air sealing. Programs can help customers overcome decision paralysis with a prioritized list of upgrade recommendations and help deciding which measures to undertake. Several programs have devised simple approaches to help customers understand the energy savings, cost savings, and other benefits from various types of measures, so homeowners can choose what is best for them. Recognize that customers may have other priorities when considering an assessment's proposed measures (e.g., improving the look of their home with new windows or replacing an aging furnace before winter weather sets in).

- **Austin Energy** developed a form to estimate energy savings using a point system that contractors could use with residents during a home assessment. The form helped contractors and customers quickly determine which measures would achieve 15% energy savings in the home. Texas A&M's Energy Systems Laboratory validated the point system for the program to ensure its accuracy and integrity. The program found that this streamlined approach was appealing to customers and contractors.
- **Los Angeles County's Energy Upgrade California** implemented the **Flex Path program** that used a point system to show the energy savings from a menu of energy upgrade measures. To be eligible for program rebates, residents then selected which measures they would like to undertake that would total over 100 points and achieve 15% energy savings.

- **Michigan Saves**, formerly BetterBuildings for Michigan, provided customers with a “base package” that included an energy assessment, direct installs of compact fluorescent light bulbs and water saving devices, and basic measures like air and duct sealing. Customers could then choose to undertake additional measures (e.g., insulation, furnace replacement) in addition to the base package. The program found that the clear and concise base package was a good way to get people into the program, but it wasn’t sufficient to reach the program’s goal of 15% energy savings in upgraded homes. Getting homeowners to achieve higher energy savings through additional measures required incentives, such as rebates and low interest financing. For more information, see the case study **Experiment to Find the Right Mix of Incentives**.

Keep program participation simple for your contractors

Successful residential energy efficiency programs strive to set requirements for high-quality home energy upgrades and streamline processes to facilitate contractor participation. Balancing these two essential elements can minimize the burden on contractors and help the program maintain a consistent pool of qualified professionals. Satisfied contractors are a key to satisfied customers and successful programs.

To reduce contractors’ reporting costs and enable timely and complete reporting, programs have streamlined contractor reporting forms while still collecting the necessary information for program operations. Most programs also avoid making contractors meet locally-specific certification requirements, instead requiring certification from nationally recognized programs. Many have found that soliciting ongoing feedback from contractors and communicating early about new offerings and potential changes allows for contractors to have a voice in the program’s design, and therefore a greater investment in its outcome. For more on working effectively with contractors, see the **Contractor Engagement and Workforce Development handbooks**.

- **Long Island Green Homes** began consulting with contractors during program design and continued to do so as the program launched. The program made it a priority to engage with a core group of trusted contractors when rolling out program changes, asking them about their needs, concerns, and current state of business. In this way, the program ensured that program offerings were adding value for the home performance industry and that program requirements were manageable for contractors.
- **NeighborWorks of Western Vermont** focused on listening to the needs, wants, and issues of contractors, so the program could help them serve customers most effectively. The NeighborWorks program held individual monthly meetings with each contractor to review client status, as well as bi-weekly group contractor meetings to review program issues, alert contractors to any changes in the program, and provide learning opportunities.
- **Enhabit**, formerly Clean Energy Works Oregon, has been very successful in engaging contractors in regular, ongoing communication and making adjustments to the program in response to contractor feedback. For example, when Enhabit engaged a new financing partner, the program asked contractors to examine the loan product and approval process. Leadership of the **Home Performance Contractors Guild of Oregon**, an organization that provided a unified voice and formal role for program contractors, identified that the timing of loan signings came too late in the contractor sales process. The guild said the financing product would not be of much use to contractors because contractors would have to expend considerable effort in a project before knowing if their customer could get a loan to pay for it. As a result, Enhabit renegotiated with the financing partner to put the loan signing earlier in the sales process. For more information, see the case study **Making the Program Work for Contractors**.

Incentivize the action you want your customer to take

Successful programs know that it is not enough to get customers interested in their services. They know that homeowners that receive assessments but don’t undertake upgrades don’t receive the benefits of energy efficiency—and programs don’t get credit for energy savings. Instead of emphasizing interim steps, these programs make sure their messages and incentives encourage customers to take actions that save energy—whether it is a home energy upgrade, updating heating system, or purchasing energy efficient appliances.

- Early in the **Michigan Saves** program, canvassers going door-to-door started their conversations with homeowners by emphasizing the “free stuff” that customers could get if they participated in the program (e.g., compact fluorescent light bulbs, sink aerators, and showerheads). When the canvassers passed leads on to contractors who then tried to market, other measures that customers would have to pay for (e.g., insulation, air sealing, duct work, furnace replacement), these customers felt like they had been signed up for something they didn't agree to. After that, the program modified its messages and incentive structure to reflect the ultimate goal—an energy upgrade. For more information on how Michigan modified the incentive structure of its program, see the case study **Experiment to Find the Right Mix of Incentives**.

- Recognizing that the concept of home performance was relatively new in Cincinnati, the **Greater Cincinnati Energy Alliance** (GCEA) promoted low cost energy assessments through its contractors to generate interest for the program. GCEA found that a high percentage of homeowners took advantage of the low-cost assessments with no intention of proceeding to a home energy upgrade. This resulted in a lower-than-expected conversion rate of assessments to completed upgrade projects. In response, GCEA increased the cost of assessments, which excluded homeowners that were merely curious. As a result, the program's conversion rate increased. At the same time, the program realized that homeowners in the region were not prepared to pay the full market cost for an assessment. GCEA suggests that programs establish a price for home energy assessments that is high enough to reduce the number of homeowners pursuing assessments out of curiosity with little intention to upgrade their homes, but low enough to generate a demand sufficient enough to support a home performance industry. Multiple programs across the country have settled on an assessment price around $100.
- The goal of **Enhabit**, formerly Clean Energy Works Oregon, was to achieve at least 15% energy savings in each home, but it designed its rebates to reward even greater energy savings. For example, when rebates for 15% energy savings were $500, rebates were $1,000 for 25% energy savings, and $1,500 for 30% energy savings. These incentive levels contributed to the fact that 85% of those participating in Enhabit's program reduced their energy use by more than 30%. Enhabit's Executive Director reported that "our incentive structure gets customers excited about aiming high and gives contractors a lever to encourage a more comprehensive scope of work." To learn more about Enhabit's experience, see the case study **Use Incentives to Get Attention and Encourage Deep Savings**. **Austin Energy** offered a similar tiered rebate system.

Recognize customers who make improvements

Some programs provide customers with a "certificate of completion" to recognize and reward homeowners' accomplishment in completing an upgrade. Visible awards or affirmation, such as yard signs, window stickers, or favorable comparisons to neighbors can motivate homeowners to undertake upgrades.

- **Energy Impact Illinois**, in partnership with **Illinois Home Performance with ENERGY STAR**, provides a **certificate** to all homeowners who complete a qualifying home energy upgrade and achieve at least 15% energy savings. The certificate includes information on upgrade measures performed and expected energy savings. The Chicago Multiple Listing Service (MLS), which provides information for residential real estate transactions, added a field in 2012 that provides information about the certificate in home sales listings. Program outreach teams talk to residents about the potential for energy upgrades to increase home value at the time of sale. Feedback from homeowners suggests that the certificate, and its visibility in home transactions, was a factor (although not necessarily a primary one) motivating them to pursue upgrades. Some homeowners told the program that they decided to upgrade their homes because they planned to move and felt the upgrade would increase their home's marketability. Residents **clearly valued the certificate**; several contacted the program to inquire about it when it would arrive following their upgrade.
- **Eversource**, a utility serving New Hampshire, Connecticut, and Massachusetts, undertook a pilot study to examine whether comparing homeowners' energy use to neighbors or rewarding them for energy savings were better ways to motivate residential energy upgrades. The utility divided its New Hampshire customers into groups: some received information about their energy usage in comparison to their neighbors and some received rewards based on their energy savings; the rewards could be redeemed for gift cards or charitable gifts. Eversource found that comparing people to their neighbors resulted in greater overall energy savings; however, the rewards group showed more engagement with the program's website, with many more of them creating online accounts. A 2015 Better Buildings Residential Network **Peer Exchange call** discussed the program in more detail.

Aim for early wins that give the program experience and showcase upgrades as a way to attract customers

Several residential energy efficiency programs have successfully launched their efforts by focusing on completing early upgrades that build visibility for their program, create momentum, and allow programs to learn how to reach homeowners effectively. This early success provides results that the program can showcase to future customers. Significant program investments and efforts are required to launch any new initiative. In addition to building the internal capacity and infrastructure needed to operate the program, focus early investments on getting the attention of customers, kick-starting the market for contractors, and learning what strategies work to drive demand.

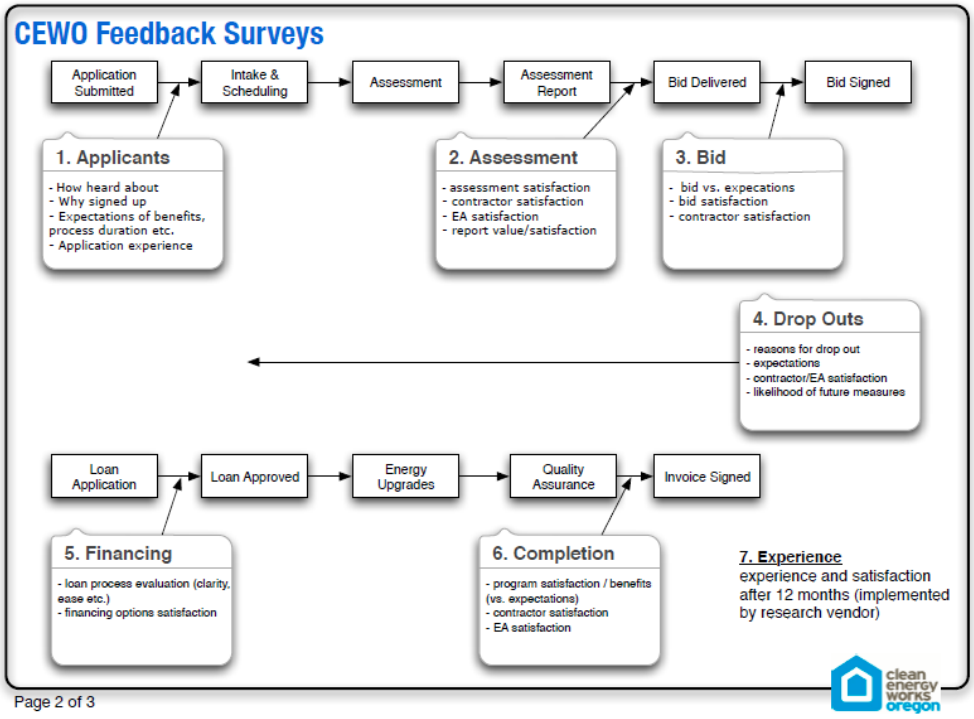
- Early on, **NeighborWorks of Western Vermont** conducted a one-night phone-a-thon that offered residents in the town of Shrewsbury, Vermont, a low-cost home energy assessment as a quick way to engage one community. The program was flooded with demand. Sixty-nine assessments and 35 upgrades were undertaken by the 192 households contacted during the phone-a-thon, creating an "early win" for the program. Program staff—describing the process as "go, set, ready"—said this effort helped them learn how to communicate effectively about the program without investing in a comprehensive marketing plan. Getting people talking about the program as a result of community engagement proved to be an effective marketing strategy. A formal evaluation of the program's first three years found that word-of-mouth was the second most reported way that homeowners heard about the program after media articles. For more information, see the case study **"Spotlight on Rutland County, Vermont: How Local Ties Lead to Local Wins."**

- **Efficiency Maine** offered limited-time incentives to accelerate customer interest and acquisition early in the program and was able to lower the level of incentives as it increased the opportunities for customers to access favorable financing. The program initially offered customers a rebate for 30% of project costs, which could total up to $1,500 for comprehensive projects that were projected to achieve at least 25% energy savings. The maximum incentive level was $3,000 for deeper projects that achieved at least 50% savings. To respond to low demand—even with these high initial incentive levels—Efficiency Maine launched an additional, limited-time $1,000 bonus incentive in the summer of 2010. The offer, available for four months, generated significant customer and contractor interest. When the offer period was over, contractors were able to sustain the level of activity generated by the limited-time offer because the offer had raised the visibility of the program. For more information about the time-limited incentives, see **"Spotlight on Maine: Transition to a Sustainable Level of Incentives"**.

Measure and evaluate performance at key points in the process

Measuring performance at key points in the upgrade process (e.g., assessments, conversion rates, and financing applications) has helped programs understand where their processes are working smoothly and where they are not. This information has helped them continuously improve their program design and implementation. To monitor progress, successful programs have combined information from their project tracking systems with customer surveys, information from call centers, and feedback from contractors and lenders to understand the customer experience. Make data accessible for program staff to track progress, identify successful strategies, and detect points of failure.

- **Enhabit**, formerly Clean Energy Works Oregon, established an extensive process for getting customer feedback at key points in the program delivery process to evaluate customer satisfaction and better understand why some homeowners chose to undertake upgrades while others did not. The program identified seven points in the program delivery process to gather information through feedback surveys and phone interviews: application, assessment, bid, drop-out, financing, completion, and experience after 12 months. The program credited this kind of customer communication and feedback as one of the keys to its ongoing success.



Source: Clean Energy Works Research Planning, Will Villota, CEWO, 2012 (Presented during January 19, 2012 Better Buildings Residential Neighborhood Program peer exchange call).

- Boulder County's **EnergySmart** program sent an online customer **feedback survey** to homeowners who had completed upgrades. Among other things, the customer surveys affirmed customer satisfaction and identified the opportunity for word-of-mouth marketing. Surveys found that the vast majority of the respondents would recommend the EnergySmart service to a friend or neighbor. The surveys also surfaced some weaknesses that the program resolved. For example, some respondents noted contractor's lack of response and professionalism as an issue, which led the program to develop **guidelines for professionalism and customer contact**. Surveys also noted that the assessment report was long and confusing, leading the program to develop a new, customized report that was easier to follow and clearer about next steps.

- Connecticut's **Neighbor to Neighbor Energy Challenge** used qualitative contractor and customer feedback combined with quantitative data to **evaluate how well its outreach efforts led to home energy assessments**. When informal contractor feedback alerted program managers that relatively few interested customers were following through to have assessments conducted on their homes, the program analyzed project data and found that only around a quarter of customers who expressed interest in an assessment had completed one. To diagnose the problem, the program analyzed data to see how customers were acquired, how long it took to send leads to contractors, and how long it took contractors to follow up with customers to arrange for an assessment. Through qualitative analysis, the program found, among other things, that customers didn't understand what they were signing up for and may have been unwilling to say "no" to young and enthusiastic outreach staff. The program also found that its staff wasn't following up quickly enough with people that wanted more information. In response, the program improved its process for distributing leads to contractors (e.g., linking contractors to homeowners in 1-2 days), created a "receipt" for interested customers outlining next steps, and set up a system to call non-responsive leads after two weeks. With these and other steps, the program increased its close rate 35% in one month after changes were implemented.

Directly install measures during the assessment

Programs that enabled contractors to install energy saving measures during the home energy assessment were more successful than those that did not. Based on a comprehensive **analysis** of over 140 programs across the United States, programs that provided direct installation of some low-cost measures and had relatively larger pools of eligible upgrade contractors were more successful than other programs. Common low-cost measures, usually installed during an assessment, included LEDs, low-flow showerheads, and faucet aerators. These small upgrades served as both sources of energy savings as well as "sweeteners" to encourage participation in the assessment and encourage homeowners to explore future, larger upgrade projects. These measures also enabled programs to claim energy savings before a lengthy upgrade process. Direct installation measures have a high customer satisfaction rate, and as such could motivate homeowners to participate in the program. More information about the program examples below can be found in the evaluation report, **Spotlight on Key Program Strategies from the Better Buildings Neighborhood Program (Final Evaluation Volume 6)**.

- Boulder County, Colorado's **EnergySmart Program** enabled contractors to directly install low-cost measures, such as compact fluorescent lights, showerhead and faucet aerators, and water heat pipe insulators. These low-cost direct install measures contributed to the 75 percent of households that enrolled in the program that made one or more energy efficiency improvements through the program.
- **Efficiency Maine** offered a statewide **Residential Direct Install (RDI) incentive** that **encouraged homeowners** to conduct an assessment as well as energy efficiency upgrades by providing a $600 rebate for at least six hours of air sealing and insulation work. The RDI incentive was launched in order to provide immediate savings by identifying and addressing the most urgent issues in the home. During the RDI incentive period, contractors were able to reduce home air leakage by an average of 17 percent in as little as six to ten hours.

Examples

The following resources are examples from individual residential energy efficiency programs, which include case studies, program presentations and reports, and program materials. The U.S. Department of Energy does not endorse these materials.

Case Studies

Spotlight on Austin, Texas: Best Offer Ever Produces Upgrades in Record Time
Author: U.S. Department of Energy
Publication Date: 2011
This case study describes Austin Energy's short-term, comprehensive rebate/financing offer to jump-start participation and valuable lessons learned along the way.

Spotlight on Austin, Texas: Let Your Contractor Be Your Guide for Big Rewards
Author: U.S. Department of Energy
Publication Date: 2011
This case study discusses strategies that Austin Energy, a municipally owned utility, used to collaborate closely with building contractors to launch a new Best Offer Ever promotion quickly and effectively.

Spotlight on Michigan: Sweeping the State for Ultimate Success
Author: U.S. Department of Energy
Publication Date: 2011
This case study describes an innovative program design used by BetterBuildings for Michigan to "sweep" neighborhoods in order to effectively reach its residential audience and achieve an 80% participation rate among those canvassed.

Spotlight on Rutland County, Vermont: How Local Ties Lead to Local Wins
Author: U.S. Department of Energy
Publication Date: 2011
Building on its understanding of homeowners in Rutland County, Vermont, NeighborWorks of Western Vermont (NWWVT) enlisted respected local citizens and organizations to spread the word about home energy efficiency upgrade opportunities, an effort that helped drive demand for nearly 200 home upgrades in just six months

Program Presentations & Reports

City of Durham's Neighborhood Energy Retrofit Program
Author: Aaron Milano, City of Durham, North Carolina
Publication Date: 2011
Presentation explaining how Durham, North Carolina, implemented a neighborhood home energy upgrade program that achieved significant energy savings.

Community Power Works of Seattle Planning Presentation
Author: Community Power Works
Publication Date: 2010
This planning document from Community Power Works of Seattle, Washington, includes flow charts and tables designed to help guide both the initial launch of the program, which includes setting goals, and its ongoing development.

Going Deep Green: A Whole House Approach: Lessons Learned
Author: Kellie Stickney, SustainableWorks
Publication Date: 2012
Presentation on the SustainableWorks non-profit general contractor model for supporting energy upgrades in Washington state and lessons learned for implementing a whole house approach.

Pilot Process Evaluation Report **(802 KB)**
Author: Research Into Action, Inc.
Publication Date: 2010
This report describes the process evaluation of a pilot project in Portland Oregon that informed the refinement and expansion of the program statewide into Clean Energy Works Oregon (now Enhabit).

Program Materials

None available at this time.

Toolbox

The following resources are available to help design, implement, and evaluate possible activities related to this handbook. These resources include templates and forms, as well as tools and calculators. The U.S. Department of Energy does not endorse these materials.

Templates & Forms

None available at this time.

Tools & Calculators

None available at this time.

Topical Resources

The following resources provide additional topical information related to this handbook, which include presentations, publications, and webcasts. Visit **Examples** for materials from and about individual programs.

Topical Presentations

None available at this time.

Publications

Accelerating the Delivery of Home Performance Upgrades through a Synergistic Business Model
Author: U.S. Department of Energy
Publication Date: 2016

The NorthernSTAR and U.S. Department of Energy Building America Program partnership investigated a new model to deploy building science-guided performance solutions to homeowners. This research explored three aspects to market delivery: 1. Understand the homeowner's motivations regarding investing in building science-based performance upgrades. 2. Determine a rapidly scalable approach to engage large numbers of homeowners directly through existing customer networks. 3. Access a business model that will manage all aspects of the contractor-homeowner performance professional interface to ensure good upgrade decisions throughout time.

Rapid Deployment Energy Efficiency Planning Guide
Author: U.S. Department of Energy; U.S. Environmental Protection Agency
Publication Date: 2009

This guide helps state and local authorities and energy efficiency program administrators choose successful programs in response to energy efficiency program funding opportunities through the American Recovery and Reinvestment Act of 2009. It provides information and lessons learned about ten different types of programs--such as Home Performance with ENERGY STAR--across the residential, commercial, and industrial sectors.

Residential Retrofit Program Design Guide
Author: Oak Ridge National Laboratory
Publication Date: 2011

The Residential Retrofit Program Design Guide focuses on the key elements and design characteristics of building and maintaining a successful residential energy upgrade program. The material is presented as a guide for program design and planning from start to finish, laid out in chronological order of program development.

Webcasts

Residential Retrofit Program Design Guide Overview
Author: Richard Faesy, Energy Futures Group; Andy Meyer, Efficiency Maine; Nikki Kuhn, Vermont Energy Investment Corporation
Publication Date: 2011
Presentation, **Media**, **Transcript**

Webcast on the DOE Residential Retrofit Program Design Guide, which focuses on the key elements and design characteristics of building and maintaining a successful residential upgrade program.

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Links

[1] https://rpsc.energy.gov/handbooks/program-design-customer-experience-%E2%80%93-assess-market
[2] https://rpsc.energy.gov/handbooks/program-design-customer-experience-%E2%80%93-make-design-decisions
[3] https://rpsc.energy.gov/handbooks/program-design-customer-experience-%E2%80%93-develop-implementation-plans
[4] https://rpsc.energy.gov/handbooks/marketing-outreach-%E2%80%93-deliver-program
[5] https://rpsc.energy.gov/handbooks/financing-%E2%80%93-deliver-program
[6] https://rpsc.energy.gov/handbooks/contractor-engagement-workforce-development-%E2%80%93-deliver-program
[7] https://rpsc.energy.gov/handbooks/evaluation-data-collection-%E2%80%93-conduct-evaluation
[8] https://rpsc.energy.gov/field-collection/field-section2/457
[9] https://rpsc.energy.gov/field-collection/field-section2/458
[10] https://rpsc.energy.gov/field-collection/field-section2/459
[11] https://rpsc.energy.gov/field-collection/field-section2/460