

Marketing & Outreach – Assess the Market

Description

Before planning marketing and outreach strategies, frame your efforts by understanding your local market and how it operates. Many program administrators start marketing and outreach as soon as they can in an effort to create demand for their programs. While the desire to get started right away is understandable, your program stands to benefit from first doing the necessary research to shape your strategies for success. The [market assessment](#) and [program goal setting](#) you perform to begin program design will be critical in helping to assess the market for your program's marketing and outreach efforts.

A market assessment will support your marketing and outreach efforts by allowing you to:

- Categorize target audiences to engage as customers of your program
- Understand what drives these audiences to action
- Identify what changes in behavior will help you achieve your program goals.

Target audiences are individuals or groups of community members that your program needs to influence. Your [program design](#) might note that your target audiences are single-family or multifamily homeowners or renters in a specific geographic area. That is an important place to start in identifying whom you will try to influence to achieve the goals of the program, but more demographic or psychographic information about your audience might be needed to effectively target marketing and outreach efforts.

This handbook describes the following key steps to assess the market for your program's marketing and outreach:

- Develop a market research plan to guide audience research
- Conduct audience research to determine who should be the focus of your marketing and outreach
- Categorize your target audiences to narrow the focus of your marketing and outreach efforts.

Marketing & Outreach

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:

- **Market Position & Business Model – Assess the Market**
Survey existing and potential demand for energy efficiency products and services based on an understanding of policies, housing and energy characteristics, demographics, related initiatives and other market actors.
- **Program Design & Customer Experience – Assess the Market**
Research and analyze the specific barriers, needs, and opportunities for a residential energy efficiency program in your community.
- **Financing – Assess the Market**
Determine how your target audience currently funds energy efficiency services, to what extent upfront cost is a barrier, and whether improvements to their financing options would increase the uptake of energy efficiency measures.
- **Contractor Engagement & Workforce Development – Assess the Market**
Learn about the capabilities and services of existing contractors and training providers working in your market.

Step-by-Step

By researching who comprises your program's target audiences, what their needs are, what motivates them to change their behavior, and what prevents them from undertaking home energy upgrades, you will be able to [craft relevant messages](#) and delivery approaches that will inspire them to take action.

The following steps can help your program assess the market for home energy upgrades.

Develop a market research plan based on available resources and research techniques

Before diving into audience research, take stock of available resources and research then outline your approach for conducting research.

[In Their Own Words: Understanding Your Market Through Research and Testing](#)



Source: U.S. Department of Energy, 2012.

While market research approaches can vary, understanding your program's target audiences involves research on potential consumers and their communities to determine:

- **Consumer values.** What is most important to your target audience (e.g., saving money, comfortable home)? Note that values may differ by neighborhood.

- **Consumer demographics.** What are the characteristics of your target audience (e.g., profession, age, nationality, income structure)?
- **Psychographics.** Psychographics include personality traits, values, opinions, attitudes, interests, and lifestyles of consumers. Beyond the basic demographics that describe target audiences, psychographics aim to dig deeper into what makes people do what they do. For example, what does your target audience value most (family, free time, saving money)? What will motivate your potential customers to action (e.g., will they participate in your program if they know their neighbors are participating)?
- **Housing stock features, age, and commonalities.** Do the homes in the neighborhoods you are targeting have common characteristics (e.g., all old, all newly built, serviced by the same utility)? Consider energy sources as well (e.g., oil-heated homes).
- **Available communications channels and networks.** Is there a community newsletter, social media, or a well-respected organization that reaches homeowners in the neighborhoods you are targeting?
- **Potential community and other outreach partners.** Are there opportunities to [form partnerships](#) with individuals and organizations within the community?

A market research plan will help kick off your market assessment to understand your program's target audiences. When developing a market research plan, you will want to define available resources, select research techniques, and draft your research plan.

Define Available Resources

Determine [how much money, time, and staff you have to devote to audience research for marketing and outreach](#) so that you can effectively allocate resources to collect useful audience information.

- Not all research will require significant funding. If possible, use existing research from colleges and universities, research institutions, foundations, and other local sources, including city departments, state agencies, utility partners, and nonprofit organizations.
- Because they have done research on their readership, viewers, etc., local media often have good data on target audiences as well. If you plan to advertise in any type of media, ask for their audience demographics and any surveys they may have conducted.
- If staff resources are limited, consider soliciting university research partners, which might be able to offer students to support research efforts as part of their academic pursuits.

Has Some Research Already Been Done For You?

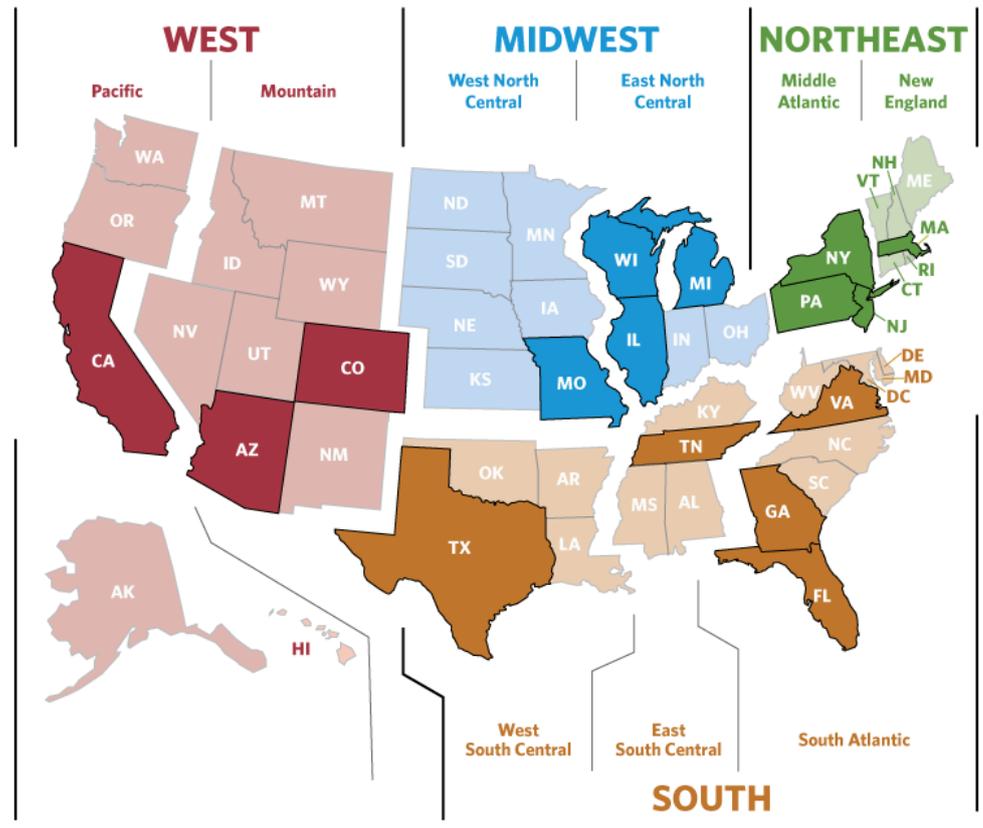
Market research can provide great insights into your potential customer base, but it can also become costly, cutting into the funds available for marketing and outreach tactics. Before taking the time and spending the money to conduct new research, see what information is already available about your local market and target audiences from [partners](#) and other sources.

You can start with the following resources, but keep in mind, what works for a market in California might not be relevant for homeowners in other parts of the country:

- [The University of Texas at Austin Energy Poll](#) provides insights on U.S. consumer opinions and attitudes toward energy efficiency, climate change, energy consumption, pricing, development, and regulation.
- [Motivating Home Energy Improvements - Focus Groups for the U.S. Department of Energy](#) shares the results of focus groups that were convened to identify what motivates people to undertake home energy upgrades.
- [California Public Utilities Commission Market Segmentation Findings and Ethnographic Research Findings](#), by Opinion Dynamics Corporation, offers research findings on the customer base for energy efficiency improvements developed by the California Public Utilities Commission.
- [U.S. Energy Information Agency Residential Energy Consumption Survey](#) collects information related to energy characteristics of homes, energy usage patterns, and household demographics. EIA profiled residential energy consumption, including the type and amount of energy used, as well as various characteristics about residents' homes and appliances, across 16 states.

EIA Energy Profiles for 16 Selected States

Energy profiles for 16 selected states



Source: [U.S. Energy Information Agency](#), 2009.

Select Research Techniques

To better understand your target audience, you might decide to undertake both quantitative and qualitative research (see below). Based on available resources (e.g., money, time, staff), you can consider undertaking a variety of research techniques.

Quantitative research includes numerical data from a large number of people, such as demographic information, opinion trends, or quantifiable responses to questions posed to your target audiences. Quantitative data sources can include census surveys; county and city tax records; or online, mail, or phone surveys.

- Census data includes income levels and ages of residents.
- Tax records have data on the households that have taken advantage of energy efficiency tax breaks.
- Surveys can reveal trends of how respondents feel about the importance of energy efficiency and what might motivate them to pursue home energy upgrades.
- Programs can review findings of previously conducted surveys, add questions to a quantitative survey a partner might be conducting, or conduct new quantitative research as needed to ensure specific questions about target audience are answered.

Qualitative research involves the collection of information that is not quantifiable or data-driven, but can offer insights into your target audiences' beliefs and motivations. Sources of this information typically include in-person, phone, or online focus groups and one-on-one interviews.

- Email or phone surveys, targeted interviews, or online forums can be cost-effective ways to collect qualitative information, in comparison to in-person focus groups. Although, the latter allow you to observe people discussing your questions in a group setting.
- Survey and focus group costs will vary based on the number of questions and participants.

Quantitative vs. Qualitative Research

QUANTITATIVE RESEARCH

- ▶ Structured data
- ▶ Statistical analysis
- ▶ Objective conclusions
- ▶ Surveys, experiments

QUALITATIVE RESEARCH

- ▶ Unstructured data
- ▶ Summary
- ▶ Subjective conclusions
- ▶ Interviews, focus groups, observations

Source: U.S. Department of Energy, 2014

Qualitative research can be used to guide development of specific strategies and messages; however, it should not be used to predict the behavior of your target audience. Sample sizes for this type of research are generally too small to extrapolate widely. If you want to validate whether the messaging, strategies, or materials you are planning will work with target audiences, and you have the budget to do so, a more extensive survey might be better for predicting audience attitudes and reactions to marketing efforts.

The Market Research Considerations table below outlines various qualitative and quantitative research options, tips, and cost considerations. While many factors will contribute to the cost of each research type (e.g., number of respondents, number of interviewers, depth of analysis) they are listed in order of types that tend to be the least costly to the more expensive options.

Market Research Considerations

RESEARCH TYPE	SUGGESTIONS	COST CONSIDERATIONS
Surveys (online or mail)	<ul style="list-style-type: none"> • Can be good for asking opinion questions and narrowing them down based on previous answers. • Caller ID and cell phones are making it harder for many researchers to get enough participants from telephone surveys. Do not expect to reach the most respondents with phone calls. • Use online or mail surveys to show visual items. • Online surveys favor people who are more comfortable with computers. 	<ul style="list-style-type: none"> • Surveys are generally an inexpensive way to collect a large amount of responses. • Keep questions simple and easy to understand to allow for consistent responses which make compiling results easier and less expensive. • University partners might be able to enlist students on your behalf to conduct surveys as part of their coursework, instead of being paid by your program
Online forum	<ul style="list-style-type: none"> • A more cost-effective approach than in-person focus groups that still provides information similar to that gathered during an in-person group. • Will need to recruit participants, potentially by offering them incentives. 	<ul style="list-style-type: none"> • Because people are easily distracted during online interactions, collect the information you need as quickly as possible by developing a list of questions ahead of time and virtually facilitating the discussion to stay on point. • Less expensive than in-person surveys but still requires a facilitator, programming, constant monitoring, and coordination.
One-on-one surveys (e.g., at malls, parks, farmers markets)	<ul style="list-style-type: none"> • Good for gathering simple opinions/responses; need to be short (e.g., no longer than 5 to 10 minutes). • Go to locations where your target audience gathers. • Determine the questions that are most important since you only have a short time with interviewees. 	<ul style="list-style-type: none"> • Cost depends on number of interviewees and locations. • University partners might be able to enlist students on your behalf to conduct interviews as part of their coursework.
Focus groups	<ul style="list-style-type: none"> • Good for gathering detailed, honest feedback and probing consumer attitudes or reactions to messages and materials. • Offer incentives for participation. The bigger the incentive, the less time you will need to spend on recruitment. • Avoid having one vocal participant dominate the group by asking participants to write down their initial reactions before group discussion. • Be thorough with planning your focus group since this is a good opportunity to get a lot of feedback all at once. 	<ul style="list-style-type: none"> • More costly than collecting information via phone or Internet due to incentives, time for recruitment, facilitation, and facility rental. • Focus group facilities make good locations because they have two-way mirrors.
Omnibus surveys	<ul style="list-style-type: none"> • Usually conducted by phone via an opinion research firm that knows how to reach consumers, they help validate initial decisions about marketing assumptions and messages. • Consider partnering with other organizations that have similar audiences or survey needs. 	<ul style="list-style-type: none"> • Costs vary depending on the sample size, but validation of this sort usually costs more than qualitative approaches. • You can add questions to an existing consumer research poll to save costs.

Source: U.S. Department of Energy, 2014.

Chicago Employs Various Approaches to Market Research

Research was helpful for [Energy Impact Illinois](#) (EI2) to focus its efforts among its large geographic region and population.

To gauge attitudes toward home improvements and energy upgrades, EI2 conducted quantitative research using 1,600 phone surveys completed by mid- to high-income Chicago households. The surveys provided a number of insights into the target audience's decision process:

- While most homeowners viewed energy efficiency improvements positively, they did not necessarily believe improvements were urgent or a priority.
- When considering a home improvement, recommendations from personal sources such as family and friends were viewed to be very persuasive.
- After hearing about potential financial incentive programs, 8% more respondents said that they would be very likely to make an improvement.

EI2 used this audience information to inform the program's marketing and outreach approach. This presentation provides a [full summary of the research findings](#).

To develop its communications and community outreach strategies, EI2 also used innovative ethnographic research conducted in diverse neighborhoods throughout Chicago by anthropologists from The Field Museum. The research was commissioned by the Chicago Department of Environment to recommend strategies for engaging communities in the Chicago Climate Action Plan. The research consisted of results from nine rapid ethnographic inventories which were used to identify community concerns and assets that could serve as springboards for climate action. Key takeaways from this research include:

- While the majority of residents are aware of and care about global climate change, many do not connect it to their everyday lives in Chicago.
- The cultural and social backgrounds of residents play large roles in shaping their attitudes and beliefs about climate change, nature, and the environment.
- Most residents already engage in a range of green practices in their daily lives, from the mainstream to the creative and community-specific.
- Climate action programs will likely be most successful if they are designed and implemented with networks of trusted community organizations and leaders, build on cultural values, and identify and scale up existing positive behaviors.
- Most communities are interested in adopting climate action programs that provide recognizable, community-level co-benefits, including but also beyond cost savings.

Learn more on [The Field Museum's website](#).

Draft Your Research Plan

Once decisions about the type(s) of research to pursue have been made, you are ready to draft your research plan. If you plan to hire an organization to conduct research, this information will serve as the basis of your request for proposals. To develop a plan:

- **Document the types of research you plan to undertake.** For example, will you perform online surveys, in-person interviews, or a combination?
- **Write down who will be targeted.** Make a list of the types of people who you would like to target, and be specific (e.g., single-family homeowners with young children living in houses more than 20 years old).
- **Determine how and when you will conduct research.** For example, will you have a team of researchers or just one researcher? Will you call people at home before, during, or after work, or approach them in person at an event during the weekend? If you plan to make calls, do you have the appropriate phone numbers? Do you need to reserve space for an in-person focus group?
- **Document the questions you will ask.** To help you start to develop a list, questions about your audiences' motivations and barriers generate the most useful feedback. Also aim to:
-

- Ask open-ended questions
- Avoid leading questions
- Remember that the results of qualitative research should not be treated as quantitative research (e.g., do not extrapolate a focus group's responses to an entire population)
- Remain aware of self-reporting biases (e.g., when respondents give an answer that they think you want to hear or that they themselves want to believe).

Do Not Reinvent the Research Wheel

Check out the [Toolbox tab](#) to access resources Better Buildings Neighborhood Program partners used to conduct their audience research, including sample surveys.

Conduct audience research to determine who should be the focus of your marketing and outreach

With a research plan in hand, you are now ready to conduct audience research. Research will help you understand what motivates your program's target audiences and what barriers prevent them from taking action.

The table below shows some examples of motivations and barriers for typical target audiences of residential energy efficiency programs.

Examples of Motivations and Barriers for Residential Energy Efficiency Program Target Audiences

MOTIVATIONS	BARRIERS
Want a comfortable home that is free of drafts.	Do not know that their comfort problems are solvable through home energy upgrades. Are not sure whom to call.
Neighbors, family, or friends are getting energy upgrades.	Are worried about financial and time investments needed.
Want to save money on energy bills.	Are worried about financial and time investments needed.

Source: U.S. Department of Energy, 2014.

Your audience research will help determine the specific motivations and barriers of your target audiences. When audience research is complete, you will be ready to categorize your target audiences.

The Survey Says...

Taking advantage of potential customers gathered at workshops hosted by Connecticut's [Neighbor to Neighbor Energy Challenge](#), the program distributed surveys to workshop attendees to learn more about the audience, including their local affiliations, energy efficiency areas of interest, and the type of home heating system installed in their homes. The program used the information collected through the surveys to better understand the target audience and create marketing materials that were geared to their needs. View the survey template used by the Neighbor to Neighbor Energy Challenge as well as other program audience surveys in the [Toolbox tab](#).

Focus Groups Help Guide Marketing for Efficiency Maine

[Efficiency Maine](#) conducted both qualitative and quantitative research to learn about its target audiences. Initial research consisted of focus groups involving residential decision makers of various ages, genders, and incomes to help the program:

- Guide the development of a marketing campaign
- Aid the strategic direction of Efficiency Maine with respect to identity, programs, and future initiatives
- Gauge the level of awareness of Efficiency Maine
- Probe their energy conservation behavior and intentions
- Understand barriers to making energy efficient changes
- Evaluate potential marketing messages.

The focus groups helped Efficiency Maine receive quick turn-around feedback that the program could use to craft additional audience research surveys and inform initial marketing program development. Learn more about Efficiency Maine's audience research in the webinar presentation, [Keeping Up With Your Audience So They Keep Up With Your Program](#).

Categorize your target audiences to narrow the focus of your marketing and outreach efforts

To ensure your marketing and outreach is relevant and effective, each marketing or outreach campaign effort you undertake should have a strategy to reach the customers most likely to respond. Simply targeting a broad audience (e.g., all of the homeowners in your city) is not a strategic approach. Define your target audience by determining your primary audience.

A primary audience consists of those whom you want to quickly act on messages and participate in your program. Within your primary audience, you will need to define priority audience(s) that will be the focus of various marketing and outreach campaigns, program offers, and delivery tactics. The process of identifying priority audiences is often referred to as market segmentation and is covered in more detail in [Make Design Decisions](#).

Identifying Your Primary Audience

Based on your audience research, you should be able to group homeowners into categories. A comprehensive [evaluation](#) of over 140 programs across the United States found that the more successful residential energy efficiency programs had greater success when they identified specific target populations within their larger target area, then tailored their outreach to the target populations. Depending on the type of research you conducted, these groupings could be related to:

- Attitudes/beliefs
- Motivations
- Income
- Age of home
- Other data you collected.

It's worth noting that location is not on the list; many of the residential energy efficiency programs evaluated found that restricting program outreach to a defined geographic area unnecessarily limited their program participation. To help identify your priority audience, you will want to consider the following steps:

- Outline what you know about your target audience
- Categorize your target audience based on common characteristics
- Prioritize your target audience based on who would be most receptive to your message
- Determine the appropriate communication channels to reach your target audience
- Account for your target audience's social connections (e.g., homeowner associations, churches, etc.) in order to identify credible messengers to engage them
- Specify the primary audience, influencers, and gatekeepers for each audience category.

Get To Know Your Audience Terms

Target audiences are individuals or groups of community members that your program needs to reach.

Primary audiences are those whom you will want to quickly act on messages and participate in your program.

- Categorize your primary audience narrowly (e.g., recent single-family homebuyers with young children, retirees), and further define them by their likely motivation for wanting to take action (e.g., health, cost).
- This is the group you will want to start with when determining where to focus your marketing efforts.

Priority audiences are subsections of your primary audiences that will be the focus of your various marketing campaigns, program offers, and delivery tactics.

Influencers are those leaders or groups who can influence the primary audience.

- You will ultimately want to engage these groups to use their power of influence for your program.

Gatekeepers are leaders or groups who can facilitate or prevent access to the primary audience.

- Get to know your primary audience's gatekeepers and utilize them to access your audience. If gatekeepers are preventing access to your target audience, find out why and work around them or find ways to get them to open up access.

The table below shows examples of primary audiences, their influencers, and gatekeepers.

Examples of Residential Energy Efficiency Program Audiences

PRIMARY AUDIENCE	INFLUENCERS	GATEKEEPERS
Single-family homeowners with young children (Motivation: health, cost)	<ul style="list-style-type: none"> • Trusted neighbors • Utilities • Community organizations (e.g., neighborhood associations, service organizations) • Environmental groups • Coworkers or colleagues • Employers • Real estate agents • Elected officials • Local celebrities 	<ul style="list-style-type: none"> • Local media • Community leaders • Elected officials • Bloggers • Home improvement websites • Consumer review websites (e.g., Angie's List, Yelp)
Retirees (Motivation: comfort; predictable energy bills)	<ul style="list-style-type: none"> • Trusted neighbors • Utilities • Community organizations (e.g., churches) • Elected officials • Local celebrities 	<ul style="list-style-type: none"> • Local media • Community leaders • Elected officials

Source: U.S. Department of Energy, 2014.

Identifying Your Priority Audience

Within your primary audiences, you will also need to define priority audience(s) that will be the focus of various marketing campaigns, program offers, and delivery tactics. The process of identifying priority audiences is often referred to as market segmentation.

[In Their Own Words: Benefits of Market Segmentation](#)



Source: U.S. Department of Energy, 2012.

Market segmentation seeks to identify groups of consumers who have similar attributes or attitudes in order to make it easier for programs to determine how to effectively compel them to take an action. It typically makes sense to focus your marketing efforts on priority audiences who show the most potential for the behavior change that will help your program achieve its goals. Some programs start customers off with a simple online energy screening, while others begin with a full in-home assessment. Others might focus on specific energy efficiency improvements (e.g., insulation and air sealing, HVAC replacements, fuel switching).

Community Power Works Selects Specific Market for Upgrades

In Seattle, Washington, approximately 17% of homes are oil-heated, but owners of oil-heated homes are ineligible for city-sponsored electric and gas utility rebates. This did not stop [Community Power Works](#) (CPW) from using housing data to break through to this untapped market. Given the lower efficiency and high cost of heating oil, the program recognized the energy and cost savings potential for these Seattle homeowners and encouraged them to undertake home energy upgrades.

Community Power Works purchased a mailing list of oil-heated Seattle homes and, based on customer feedback from the program's other campaigns, determined that direct mail letters were the best way to communicate with this audience. The first letter was sent in April 2012. More than 700 CPW customers who signed up for upgrades from April to August reported mailings as the way they heard about the program. Additionally, in the 11 months prior to the first mailing, only 20% of CPW's upgrade projects involved oil-heated homes. However, during the six months following the mailing, 50% of the homes that started the upgrade process were oil-heated. Among those homes, nearly 75% switched from oil heating to high-efficiency electric heating or high-efficiency electric heat pumps by mid-December 2012.

Source: [Data-Driven Mailing Helps Heat Up Untapped Seattle Market](#), U.S. Department of Energy, 2013.

Use the [Audience Brainstorm and Categorization worksheet](#) developed by the U.S. Department of Energy to identify and prioritize your primary and priority audiences. Note that you will finalize your priority audience in the [Make Design Decisions handbook](#).

With this market research and audience definition in hand, you will have the information needed to tailor marketing and outreach strategies to audiences that will be more receptive to the benefits and services your program offers. The research conducted to inform your marketing and outreach approaches can be combined with research you conduct in other program components to [inform overall program design](#).

Strategic Segmenting in Oregon

In 2009, Energy Trust of Oregon, in partnership with [Enhabit](#) (formerly Clean Energy Works Oregon), conducted audience research to improve the effectiveness of residential marketing activities. They divided their residential audiences into six segments:

- Main Street Oregonians: Non-urban residents who are receptive to green living.
- Willing and Able: Financially capable, higher energy consumers with greener attitudes.
- Hands Full: Large families with lower incomes and lower perception of the efficacy of energy efficiency.
- Show Me: Eastern Oregonians who are less receptive to energy efficiency.
- Strugglers: Renters in survival mode.

- Maybe Later: Young renters with green attitudes.

The program determined that two of these segments were more likely to participate - "Willing and Able" and "Main Street Oregonians" - and chose them as priority audiences. Recognizing that different market segments have different motivations, the program tailored marketing strategies to each segment's motivations.

This research contributed to a successful pilot program conducted in Portland, Oregon, and subsequently served as the basis for the larger Enhabit program, which achieved more than 3,400 home energy upgrades as a Better Buildings Neighborhood Program partner.

Learn more about [Enhabit's market segmentation](#).

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.

Adapt messages to your primary target audience's needs

Many programs found that market research can help identify, segment, and characterize audiences to understand how to prioritize them. A comprehensive [evaluation](#) of over 140 programs across the United States found that programs had greater success when they identified specific target populations within their larger target area, then tailored their outreach to the size of the target populations. Consider prioritizing audiences based on parameters such as demographics, values, housing type, fuel source, potential for savings, common problems with homes, property ownership structure, or program entry point (e.g., remodeling opportunities). For a starting point in your targeting efforts, look online for existing market segmentation data (e.g., municipal records, Zillow, a Nielsen segmentation system called PRIZM, U.S. Census Bureau).

[In Their Own Words: Benefits of Market Segmentation](#)

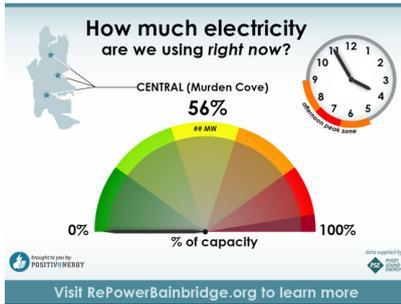


Source: U.S. Department of Energy, 2012.

- The ShopSmart with JEA program in Jacksonville, Florida, purchased Neilson PRIZM lifestyle segmentation data, which included demographic, consumer behavior, and geographic information, to identify, understand, and reach potential home energy upgrade customers. The data divided consumers into 66 demographically and behaviorally distinct segments. Through this market analysis, ShopSmart with JEA discovered that out of those segments, one of the most promising demographics to market its program offerings was older people without children. ShopSmart was able to use this information to market the program specifically to this demographic, as well as identify and target new demographics that had not been active in the program previously.
- In Seattle, Washington, [owners of oil-heated homes](#) are ineligible for city-sponsored electric and gas utility rebates. [Community Power Works](#) purchased a mailing list from Data Marketing, Inc., that identified all owners of oil-heated homes in the city so the program could reach this previously untapped market. Given the lower efficiency and high cost of heating oil, the program recognized the energy and cost savings potential for these Seattle homeowners and engaged them in undertaking home energy upgrades by focusing outreach on the potential dollar savings that could be achieved by replacing old oil heaters. More than 700 Community Power Works customers who received the mailing then signed up for upgrades between April and August 2012. In the 11 months prior to the first mailing, only 20% of Community Power Works' upgrade projects involved oil-heated homes, and during the six months following the mailing, 50% of the homes were oil-heated. Among those homes, nearly 75% switched from oil heating to high-efficiency electric heating or high-efficiency electric heat pumps, as of mid-December 2012.
- California utilities provided several examples of market segmentation that targeted energy efficiency programs. The report [“Market Segmentation and Energy Efficiency Program Design”](#) by the California Institute for Energy and Environment (CIEE) provides an overview of market segmentation purposes, examples, and methodologies. Another CIEE report, [“Behavior Assumptions Underlying California Residential Sector Energy Efficiency Programs,”](#) examines how to influence customer behavior and choice.

Target program messages to what customers want, not what the program does. Although residential energy efficiency programs deliver energy efficiency services, customers are more likely to respond to offers of comfort, cost savings, increased home value, health, community pride, or something else they need and value.

Island Energy Dashboard



- The RePower program in Washington state customized its marketing and outreach strategies to reach the environmentally conscious residents of Bainbridge Island, Washington, and Bremerton, Washington, a neighboring community with a lower income demographic. In Bainbridge, messaging focused on environmental stewardship, and an Island Energy Dashboard displayed real-time energy use in public spaces, such as local businesses and commuter ferries. Messaging geared toward Bremerton residents, meanwhile, emphasized job creation and reduced utility bills. Each location had its own community-specific website, color scheme, print advertising, online promotions, and case studies highlighting local energy champions to drive demand for residential energy upgrades.

In Their Own Words: Messaging to Motivate



Source: U.S. Department of Energy, 2012.

- In Florida, solar energy is in high demand, so the [Solar and Energy Loan Fund](#) (SELF) used this as a gateway to reach homeowners. Through SELF, homeowners could receive a loan for solar energy upgrades after meeting certain energy efficiency thresholds. For example, if a home energy assessment showed that the home's envelope was already sealed (or would be sealed as part of the work), a homeowner could qualify for a loan for solar panels offered by the program.

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 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

[Understanding Your Market Through Research and Testing](#)

Author: U.S. Department of Energy

Publication Date: 2012

In this video interview segment, Emily Levin of Vermont Energy Investment Corporation shares the importance of market research.

Program Presentations & Reports

[California Public Utilities Commission Five-Year Marketing, Education and Outreach \(ME&O\) Strategic Roadmap](#)

Author: California Public Utilities Commission

Publication Date: 2017

The goal of the Marketing Education & Outreach (ME&O) Program is to motivate consumers to take action on energy efficiency/conservation measures and change their behavior. The program strives to both increase consumer awareness and facilitate the ability to act and incorporate technological advances or behavior change using all available resources to reduce energy and choose clean energy options. This Five-Year ME&O Strategic Roadmap includes two main sections: (1) the objectives, strategies, and metrics for customer engagement and how these strategies will lead greenhouse gas reduction and energy efficiency goals of the California Public Utilities Commission.

[Northwest Energy Efficiency Alliance Energy Forward Consumer Messaging Study](#)

Author: Opinion Dynamics Corporation

Publication Date: 2014

This report presents findings from the Energy Forward Consumer Messaging Study. The purpose of this study is to assess whether Northwest Energy Efficiency Alliance can deploy the Energy Forward mark as a platform or parent brand for all of its initiatives.

[Oregon Residential Energy Awareness and Perception Study](#)

Author: Research Into Action, Inc.

Publication Date: 2014

Energy Trust of Oregon analyzes customer perceptions about energy efficiency.

[Listening to Consumer Behavior \(3 MB\)](#)

Author: Kat Donnelly, Connecticut Neighbor to Neighbor Energy Challenge

Publication Date: 2010

This presentation outlines the steps Connecticut's Neighbor to Neighbor Energy Challenge program took to obtain and sort useful feedback from surveys and volunteer observations.

[Los Angeles County Energy Program Energy Issues Survey Results Presentation \(257 KB\)](#)

Author: Fairbank, Maslin, Maullin, Metz & Associates

Publication Date: 2010

This presentation describes California property owners' specific interest, awareness, and perceptions regarding energy use, energy efficiency, home energy upgrades, and related topics.

[Los Angeles County Energy Program, Home Energy Retrofits Research Report](#) (8 MB)

Author: Los Angeles County, California

Publication Date: 2010

This report describes California property owners' specific interest, awareness, and perceptions regarding energy use, energy efficiency, home energy upgrades, and related topics. The study results were used for program design and to design and support marketing and outreach campaigns that encouraged energy upgrades

[Marketing & Outreach Strategy Research](#) (2 MB)

Author: U.S. Department of Energy

Publication Date: 2010

This presentation summarizes the market research that was performed by various Better Buildings Neighborhood Program partners.

[Information on Consumer Segmentation](#) (4 MB)

Author: Clean Energy Works Oregon (now Enhabit)

Publication Date: 2010

Clean Energy Works Oregon (now Enhabit) developed consumer profiles based on research the program conducted on its target audience.

[Keep It Simple: Learning How to Think Like the Customer](#)

Author: Frank Rapley, Tennessee Valley Authority

Publication Date: 2012

This presentation describes the Kentucky Home Performance program and lessons learned on testing innovative approaches to engaging consumers.

[Sustainable Home Initiative in a New Economy \(SHINE\) Marketing Project Final Report](#) (1 MB)

Author: Sustainable Home Initiative in a New Economy

Publication Date: 2010

This market research study identifies key stakeholders; builds and executes a survey to help determine the appropriate segmentation, targeting, and positioning (STP) strategy; and develops marketing tactics as part of an integrated marketing communications plan to help launch the program.

[Chicago Metropolitan Agency for Planning CRIBB Communications](#)

Author: Booz and Company

Publication Date: 2011

This presentation provides the results of a 1,600-person survey of mid- to high-income households conducted by Energy Impact Illinois (EI2) to gauge attitudes toward home improvements and energy efficiency upgrades.

[Using Community-Based Social Marketing to Drive Demand for Energy Efficiency](#)

Author: RePower Bainbridge

Publication Date: 2011

This presentation explores the community-based social marketing aspects of RePower Bainbridge and includes insights on knowing your audience, market barriers, and leverage opportunities.

Program Materials

[EnergySmart 2014 Marketing Plan and Implementation Guide](#)

Author: EnergySmart

Publication Date: 2014

This marketing plan describes a social mobilization approach that leverages social networking, including social media, and word-of-mouth marketing to raise awareness and drive customers to program services. It provides strategies and tactics to target audiences most likely to participate, building on market research and audience segmentation to develop a message platform specifically designed to address their key motivating factors and barriers.

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

[Connecticut Workshop Survey \(76 KB\)](#)

Author: Connecticut Neighbor to Neighbor Energy Challenge

Publication Date: 2011

Short survey for Connecticut's Neighbor to Neighbor Energy Challenge workshop participants. The workshop allowed the program to share its energy efficiency offerings with homeowners.

[PG&E Whole House Survey \(95 KB\)](#)

Author: Pacific Gas & Electric (PG&E)

Publication Date: 2012

Homeowner survey created by the utility to inform their whole home upgrade program.

[Los Angeles County Energy Issues Phone Survey \(194 KB\)](#)

Author: Los Angeles County, California

Publication Date: 2010

Sample script Los Angeles County used to survey homeowners about energy issues.

Tools & Calculators

[State Energy Data System](#)

Author: U.S. Energy Information Administration

Publication Date: 2014

The State Energy Data System (SEDS) is the source of the U.S. Energy Information Administration's (EIA) comprehensive state energy statistics. EIA's goal in maintaining SEDS is to create historical time series of energy production, consumption, prices, and expenditures by state that are defined as consistently as possible over time and across sectors for analysis and forecasting purposes.

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

[Comfort and Safety: Family-Oriented Marketing](#)

Author: U.S. Department of Energy

Publication Date: 2017

This summary from a Better Buildings Residential Network peer exchange call focused on using tailored messaging and approaches to meet the unique needs of families. Building Doctors is the featured speaker.

[Insights from UT Austin Energy Poll on U.S. Consumer Attitudes](#)

Author: The University of Texas at Austin

Publication Date: 2013

This presentation shares the results of the Austin Energy Poll, including insights on U.S. consumer opinions and attitudes toward energy efficiency, climate change, energy consumption, pricing, development, and regulation.

[Stakeholder Mapping: Learn How to Identify Leaders, Target Audiences, and Gaps in Your Outreach](#)

Author: U.S. Department of Energy

Publication Date: 2014

This summary from a Better Buildings Residential Network peer exchange call focused on how to identify stakeholders and map them to determine the best engagement strategy.

Publications

[Southeast Multifamily Market Assessment](#)

Author: Southeast Energy Efficiency Alliance

Publication Date: 2016

The Southeast Energy Efficiency Alliance (SEEA) has prepared this assessment of the Southeast's multifamily sector to better understand the current stock of multifamily units; regional and state multifamily construction trends; utility multifamily energy efficiency programs; and state and local policies and programs focused on the multifamily sector.

[Motivating Home Energy Improvements - Focus Group for the U.S. Department of Energy](#)

Author: U.S. Department of Energy

Publication Date: 2010

This report shares the results of focus groups that were convened by the U.S. Department of Energy to identify what motivates people to undertake home energy improvements.

[Market Segmentation and Energy Efficiency Program Design](#)

Author: California Institute for Energy and Environment

Publication Date: 2008

This report provides an overview of market segmentation purpose, examples and methodologies.

[State Fact Sheets on Household Energy Use](#)

Author: U.S. Energy Information Administration

Publication Date: 2013

These 16 state-specific fact sheets report on the results of the Residential Energy Consumption Survey. The fact sheets highlight: overall energy use, electricity use, and expenditures; residential consumption by end use (air conditioning, heating, appliances); main heating fuel; use of cooling equipment; housing types and year of construction; and numbers of televisions and refrigerators.

[Trusted Partners: Everyday Energy Efficiency Across the South](#)

Author: American Council for an Energy-Efficient Economy

Publication Date: 2013

This report describes ACEEE's Deep South Ethnographic Project, which aimed to answer an overarching question: are end-users of energy in the Southeastern states interested in energy efficiency? This report includes the demographics of ACEEE's informants and responses to a set of questions about energy usage, bills, and money. The report also includes individual case studies from five different sites.

[Gauging "Readiness" Helps Make a Clean Sweep in Michigan Communities](#)

Author: Danielle Sass Byrnett, U.S. Department of Energy

Publication Date: 2014

This blog summarizes how BetterBuildings for Michigan, a U.S. Department of Energy (DOE) Better Buildings Neighborhood Program partner, developed a "readiness scale" to help target communities by determining the factors that indicate whether homeowners in a particular area are really ready to commit to energy efficiency upgrades.

Webcasts

How to Design and Market Energy Efficiency Programs to Specific Neighborhoods

Author: Michelle Leigh, County of Volusia, Florida; Andrea Petzel, City of Seattle, Washington; Lilah Glick, Greater Cincinnati Energy Alliance

Publication Date: 2011

[Presentation, Media, Transcript](#)

This webcast offers information on successful marketing strategies, as well as design considerations and market research insights for creating and marketing successful projects in specific neighborhoods.

Keeping Up With Your Audience, So They Keep Up With Your Program

Author: U.S. Department of Energy

Publication Date: 2012

[Presentation](#)

This webcast discussed how market research can help spur demand for home energy efficiency programs.

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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-set-goals-objectives>
- [3] <https://rpsc.energy.gov/handbooks/program-design-customer-experience-%E2%80%93-make-design-decisions>
- [4] https://rpsc.energy.gov/handbooks/driving-demand-%E2%80%93-overview#block-views-handbook_static_blocks-block_2
- [5] <https://rpsc.energy.gov/handbooks/marketing-outreach-%E2%80%93-make-design-decisions>
- [6] <https://rpsc.energy.gov/field-collection/field-section2/96>
- [7] <https://rpsc.energy.gov/field-collection/field-section2/97>
- [8] <https://rpsc.energy.gov/field-collection/field-section2/98>
- [9] https://rpsc.energy.gov/handbooks/driving-demand-%E2%80%93-assess-market#block-views-handbook_static_blocks-block_5