

New Hampshire Office of Energy and Planning Communications Plan

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August 2011



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I. INTRODUCTION

A. Background/Overview

The New Hampshire Office of Energy and Planning (NH OEP) is looking to help its partner organizations better promote their energy-saving programs to business and residential audiences, in order to meet the following objectives:

1. To increase the adoption of energy efficiency, energy conservation and renewable energy measures.
2. To encourage participation in partner organizations' specific outreach, communication, and educational activities.
3. To focus on reducing the use of electricity and heating fuels in the built environment, with secondary emphasis on increasing the acceptance and use of renewable energy, and reducing the use of transportation fuels.

Since New Hampshire does not currently have a single comprehensive, centralized program for promoting energy efficiency to all audiences, it is dependent on the outreach efforts of a variety of state government offices, non-profit organizations, utility programs and advocacy groups. To maximize the effectiveness of the myriad programs coming from dozens of different organizations, NH OEP recognizes that it will need to create a working relationship with partner organizations currently providing energy efficiency outreach programs targeting the following end-user audiences:

- Residential (homeowners, renters, landlords)
- Commercial and industrial businesses
- Communities and institutions (municipal governments, schools, churches, etc.)
- Energy Providers (utilities across all fuels)

NH OEP hired Burgess Advertising & Marketing to develop an approach to bring partner organizations together and improve the overall success of energy-efficiency programming statewide through:

- better targeting the various audiences in the state;
- better understanding of what motivates the various audience segments to act; and
- more consistent and effective messaging based on this understanding.

This document provides:

- A review of existing research around efforts to spur energy-saving (through efficiency, conservation and use of renewables);

- Information from interviews with representatives of key partner organizations;
- Highlights of communication strategies available to affect perception and behavior change;
- Messaging around energy efficiency that has proven to work in other markets;
- Recommendations for primary research (qualitative and quantitative) among residents and businesses in New Hampshire;
- Recommendations on how to work with the partner organizations currently operating in the state to improve the consistency and effectiveness of energy-efficiency messaging and programming; and
- Recommendations on developing a statewide marketing plan under which all partner organizations could work cooperatively at some point in the future.

B. Scope of Report

We have focused on the different major energy-consuming sectors in the following order of priority, based on the direction of the NH OEP RFP:

1. Residential energy use, accounting for about 30% of NH's total consumption (2005, per the US Energy Information Agency), is our top focus because a) it is identified as the top priority in the EESE Board's mandate, and b) it offers the greatest total potential for savings (albeit at a higher cost per kWh saved than commercial/industrial), per the January, 2009 report by GDS Associates to the NH PUC, Additional Opportunities for Energy Efficiency in New Hampshire.

One of the key questions over the past decades of work on saving energy is why consumers don't always respond to financial incentives or price signals. A major focus of our efforts will be on these counter-intuitive behaviors and approaches— while noting the need for all efforts to take into account the realities of household finances and budgets.

2. Businesses/Nonprofits (Commercial & Industrial plus municipal buildings) account for the greatest consumption of energy in the state (38%), and represent the most cost-effective source of savings, according to GDS. We place them second only because we believe the challenges of changing consumer behavior are greater.

Businesses tend to make decisions about energy use more rationally than homeowners and other consumers, using the same criteria as they apply to other expenses and investments: ROI and payback are paramount. (To take the simplest and most cost-effective efficiency measure as an example, CFL lamps are installed in nearly 75% of sockets in businesses nationally, but less than 15% of residential sockets.)

3. Personal Transportation, while a major sector (32% of NH energy use), is our third priority because a) the RFP identified it as peripheral to the EESE Board's mandate; and b) we believe that saving energy on transportation will largely depend on several factors that are beyond our ability to affect: gasoline prices; energy-efficiency in vehicles; and mass transit availability. We have included messaging strategies to encourage individuals to consume less gasoline. (Commercial and other transport (e.g., school buses) are, we believe, beyond our purview.)

We believe most drivers today are aware of the inefficiency of solo driving as a regular practice, but find alternatives scarce or impractical because of schedules and other factors. Rising gas prices are bringing some pressure to seek alternatives such as car-pooling, while automakers are responding with more 4-cylinder engines, hybrids and all-electric models. Genuinely "mass" public transit in NH, however, as in all but a few large US cities, faces tremendous structural barriers.

C. Key Sources

In addition to the widely published sources listed in our Bibliography, we have relied heavily on the following major documents about energy savings in New Hampshire over the past three years:

- The 2009 GDS report, Additional Opportunities for Energy Efficiency in New Hampshire, which provided detailed estimates of potential and realistically achievable savings by audience/user type, as well as valuable discussion of the barriers to further savings.
- The August 2010 NH Electric Utilities 2011-2012 CORE New Hampshire Energy Efficiency Programs, and the January 2011 CORE and Gas Utilities Marketing Plan, which together provided good background on the utilities' programs and marketing plans.
- The Findings Report to the EESE Board from the September 2010 Strategic Communication Planning Summit, which made a good start on identifying the key audiences, and the objectives, major barriers and priority strategies for each group.
- The June 30, 2011 Draft of VEIC's Independent Study of Energy Policy Issues for the NH PUC, which exhaustively assesses the full range of programs and policies that have an impact on energy savings in the state.

We have not attempted to duplicate these efforts; rather, we have used many of their findings as background for the document that follows. Instead we have focused on our areas of expertise:

- evaluating existing marketing efforts, and discussing opportunities and challenges that enhanced communications can address;

- creating preliminary messaging strategies; and
- outlining a communications plan, including marketing research, local and regional partner outreach, and a broad-based marketing campaign.

D. Nomenclature

Finally, we have tried to avoid relying on two terms that we judge to be ill-defined or the subject of significant controversy in the field:

1. Behavior—We have tried to avoid specialized use of this word beyond its straightforward dictionary definition: “the way in which a person acts in response to a particular situation or stimulus.” This has become a fraught term, perhaps owing to its use in “behavioral science.” One egregious example is the article, “Residential Energy Efficiency: It’s the Behavior, Stupid,” by Andy Frank of Efficiency 2.0. Despite the condescending title, the author never defines the word except in the negative:

...what is behavior exactly? First, let’s start with what it is not. The opposite of behavior is generally referred to as Physical-Technical-Economic Models (PTEM for short)...etc.

2. Market Transformation - While this concept has been applied to energy markets since 1992, its meaning remains unclear. As Dan York noted in the Energy Center of Wisconsin’s 1999 study, *A Discussion and Critique of Market Transformation: Challenges and Perspectives*:

- Market transformation is poorly defined. The definitions are vague.
- It still is not clear if market transformation is a strategy or policy objective.
- It has not been important to-date to define market transformation more precisely. The focus has been on using MT [Market Transformation] to carry on the momentum and experience of DSM [Demand-Side Management].
- Market transformation is not an economic concept.
- Market transformation is essentially marketing strategy as used in the private business world. Both seek to change markets. The difference may be the degree of change sought and the motivations for the change.
- Market barriers and imperfections are routine features of any market, which marketing attempts to overcome.
- Defining a transformed market is much easier than defining market transformation.

We note that VEIC (beginning on page 1-4) appears to favor the term, “market development.” Fortunately, we do not believe anything is lost by replacing “market transformation” with more specific goals and measurements of progress towards them.

II. MARKETING ENERGY SAVINGS IN NEW HAMPSHIRE: CHALLENGES AND OPPORTUNITIES

For several decades, governments, utilities and nonprofit organizations have been working to encourage energy efficiency among the residential and commercial sectors. The first major impetus for such efforts was the oil price shocks of the 1970s. Subsequently, however, many years of declining fuel prices (in inflation-adjusted terms) fostered complacency about the use of fossil fuels in the developed world—and especially the U.S.

A combination of sharply rising prices and the emergent science of climate change have spurred a new emphasis on energy savings.

Over the past decade, there have been significant investments in awareness-building efforts and incentives to encourage businesses and individuals to adopt energy-efficiency and renewable-energy technologies at home and at work.

A few have been national, such as ENERGY STAR; some regional, such as RGGI; but the most effective broad-based ones have been at the state level.

In some ways, great progress has been made. Businesses and households that take advantage of energy-efficient building materials, appliances and lighting save billions of dollars each year. Over the long term, energy consumption per dollar of GNP has fallen significantly in the U.S.

In New Hampshire, the utilities have for nearly a decade coordinated the development and promotion of their CORE energy efficiency programs, which have provided consistent statewide incentives to help residents and businesses save millions of dollars.

However, as GDS and VEIC have concluded in their respective studies, many households and businesses have “left money on the table,” that is, have failed to implement all the available savings measures, and collectively we continue to use far more energy than is truly necessary or sustainable. This is often referred to as the energy-efficiency “gap.”

A. Macro Factors

- 1. Energy is still relatively inexpensive and a small part of the budget for most households (HHs) and businesses.** Further, energy use in the typical household is spread among a multitude of activities, fuel sources and technologies. Each individual use may account for a relatively small portion of the household budget, while mitigating them significantly can involve substantial outlays, e.g., for a new, more efficient car, or installing insulation or new windows.

Households and businesses have “left money on the table,” that is, have failed to implement all the available savings measures, and collectively we continue to use far more energy than is truly necessary or sustainable.

Over time, consistently rising prices would likely lead to greater adoption of energy-efficient behaviors and technology. Some other countries have achieved this consistency by raising taxes on energy sources—which have, e.g., yielded gasoline prices in Europe that are about double those in the U.S.—but political realities have kept this from happening here. The result is that European countries use about half the energy per capita of the U.S.

OPPORTUNITIES: There is a growing recognition that cheap oil is a thing of the past. In response, automakers are finally introducing a variety of more energy-efficient vehicles. At the same time, the cost of solar PV, the renewable electricity source with perhaps the greatest growth potential, is steadily falling. (Mark Little, global research director at General Electric, believes that solar power could become cheaper than power from fossil fuels or nuclear within three to five years. [Bloomberg.com, 5/26/11]) Combined, these trends will almost certainly help foster greater adoption of energy-efficient behaviors and renewables technology. Other non-financial factors, however, should also be taken into account to effectively market energy-saving measures (see C. Social-Psychological Factors, below).

- 2. Much of the existing housing stock in New Hampshire was not built for efficient heating and cooling.** The average US house size exploded from about 1400 SF in 1970 to over 2700 SF in 2009, although recent census data show a modest reversal of this trend. Some very old New Hampshire houses are still uninsulated, according to NH OEP, while approximately 4% still use primarily electric resistance heating (GDS, NH Technical Potential Study).

In addition, settlement and development patterns were based on cheap energy. Most residents are at a distance from their work or shopping centers that demands motorized travel, and public transportation alternatives to private cars are scarce. Even in situations where public transportation might be a viable way to get to work, for example, residents have established complex webs of dependence on their cars, based on the multi-purpose, multi-stop nature of many trips (e.g., stopping from work to pick up children, shop, mail a package); the ease of loading large items into a car vs. onto a bus; and psychological factors such as the oasis of privacy and sense of control cars may provide—no matter how illusory or unreliable these may be.

OPPORTUNITIES: Local communities are taking the lead in establishing development guidelines and building codes that favor energy efficiency and conservation.

- 3. Concern about the environment and, in particular, a belief that climate change is a man-made problem, are increasingly polarizing beliefs.** Even as scientific consensus has strengthened, acceptance of climate change as a legitimate cause for concern actually declined in 2010 vs. 2008,

according to the study, “Climate Change in the American Mind: Americans’ Global Warming Beliefs and Attitudes in January 2010,” conducted by the Yale Project on Climate Change and the George Mason University Center for Climate Change Communication. Here is the key question asked:

Do you think that global warming is happening?

	2010	2008
Yes	57%	71%
No	20	10
Don’t Know	23	19

There is, however, good news: regardless of “belief” in global warming, a desire to save energy is found among all segments. For example, all scored about the same on expressed willingness to make energy improvements, as well as the number of projects actually undertaken; and their levels of interest in buying a high-MPG car were nearly the same.

The shifting political landscape has also affected adoption of energy-efficiency behaviors with priorities shifting with an election cycle as seen nationally and in New Hampshire, resulting in uncertainty about long-term support for energy efficiency services that residents and consumers can count on.

4. **The economic downturn and stagnation since 2008 has almost certainly had an effect on adoption of some technologies.** When asked why respondents might not take a given action to save energy, the most common answer was, “I can’t afford to.” The findings report of the Strategic Planning Summit echoes this with New Hampshire residents’ perception that change is expensive. As the above-cited report goes on to say, however:

“Cost-constraints (i.e., not being able to afford to do everything one would like to do) and thrift (i.e., aversion to the idea of getting something new when the old one still works), however, are not the only barriers. Many people say they simply don’t know how to take some actions or don’t have the time to research the options or do the work. For two actions—insulating one’s attic and caulking and weather-stripping one’s home—approximately 20 percent of people say they don’t know how, and 20 to 26% say they haven’t taken these actions because it would take too much effort or they were too busy.”

In particular, programs to stimulate the building of more efficient new homes can have little impact until new homes are actually being built.

Regardless of “belief” in global warming, a desire to save energy is found among all segments.

B. Fragmentation and Lack of Coordination Among EE/SE Groups

1. As one of our Partner Organization interview subjects noted, “Confusion on the customer end is a big challenge...Local government officials are getting too much information from too many sources in an uncoordinated fashion: ETAP, MEAP, TRC, RPCs EECGB (OEP), Jordan, EPA Community Challenge.”

There remains no single entity to provide information on the broad range of energy efficiency/renewable energy measures and incentives, such as exists in many other states (e.g., in the Northeast, Efficiency Maine and Vermont, NY SERDA, and Mass Saves). Not only does this fragmentation create confusion; it also means that none of the organizations has the budget to adequately establish and maintain a presence in the market.

OPPORTUNITY: New Hampshire has a number of strong local, grassroots organizations, with committed leaders, e.g., PAREI and the other -REIs, and 150+ LECs.

2. Recent new funding (ARRA, RGGI, grants) was not well integrated with existing programs, and there does not appear to have been an over-arching strategic plan to guide allocation of funds. For example, a substantial grant went to create myenergyplan.net without any pre-evaluation of the concept that we are aware of. (Nor was money allocated to promote it commensurate with the investment in setting it up.) Our experience with a similar carbon calculator website devised by Efficiency Maine, carbonfreehomes.com, indicated very limited appeal to consumers, even after two major statewide promotional efforts (a direct mailing in 2008, and a television ad campaign in 2009).

C. Social-psychological Factors

1. Many researchers have identified possible reasons why energy consumers, especially in the residential market, don't make apparently rational decisions about energy use. For example, Wilson & Dowlatabadi, in “Models of Decision-Making in Residential Energy Use,” cite a variety of barriers, beginning with those rooted in traditional or rational economics:

“Explanations for the energy efficiency gap include a lack of relevant information on available technologies, limited access to capital, misaligned incentives [e.g., “split incentives,” such as in rental properties, where, for example, landlords can receive incentives for reduced electricity use via energy-efficient lightbulbs, but tenants must bear the cost of buying the bulbs], imperfect markets for energy efficiency, and organizational barriers.”

There remains no single entity to provide information on the broad range of energy efficiency/renewable energy measures and incentives, such as exists in many other states.

They go on to cite underlying factors that are not generally part of traditional economic models:

“Many of these market and nonmarket failures relate to individual decision making and indeed are pervasive facets of human behavior. These include a) aversion to risk, uncertainty and irreversibility; b) use of high short-term discount rates; c) heterogeneity of preferences within a population; d) transaction costs of searching for and processing information; e) sensitivity to changes in the attributes of energy services; and f) the relative unimportance of energy costs as a proportion of total expenditures.”

Another major study, the Lawrence Berkeley National Laboratory’s Driving Demand for Home Energy Improvements, explicitly states (p. 5) that “providing information and financing is insufficient to incentivize widespread energy improvements.” LBL goes on to say, “Social norms, competition [i.e., to achieve the greatest reduction in energy use among communities], public commitment and feedback may be useful tools to guide program design.” LBL (p. 29) highlight the following insights from behavioral research:

Behavioral economics and social psychology research provide a number of explanations for why people may not respond to information or take action when it is in their economic self-interest to do so. For example:

- People are more sensitive to losses than to gains, and hence more concerned about what they may lose from a decision (e.g. upfront cost) than by what they might gain (e.g. future reductions in energy bills) (Stern 1986, Kahneman and Tversky 1981, McNeil et al. 1982).
- People tend to be biased towards maintaining the status quo (Thaler and Sunstein 2008, McCalley 2006, Madrian and Shea 2001) and they tend to discount future benefits of taking action (Thaler 1981, Loewenstein and Thaler 1992). Some programs are moving towards an “opt-out” policy to address these issues, where the default is participation in the “optimal” choice.
- People often feel overloaded by having too many choices; thus, presenting homeowners with a long list of recommended energy efficiency measures may result in them being less likely to implement any of them (Iyengar and Lepper 2000; Simon 1991; Schwartz 2004; Madrian and Shea 2001). Recognizing that too many recommendations can be overwhelming to homeowners, Twin Cities’ One Stop Program gives just three suggestions for high impact energy efficiency improvements.

People often feel overloaded by having too many choices; thus, presenting homeowners with a long list of recommended energy efficiency measures may result in them being less likely to implement any of them.

- People are simply not used to making conscious decisions about energy. Most daily decisions about energy use are governed by unconscious habit, implying that people are relatively unaware of their practices that may waste a lot of energy (Lutzenhiser 1993). Household energy consumption is based on “non-decisions”; people do not decide to consume a certain amount of energy, but rather they engage in behaviors and activities for other ends that have the side effect of consuming energy (Sovacool 2009).
- In addition, many people often assume they are performing better than the average person (Hoorens 1993) or that they are already doing all that they can (Opinion Dynamic 2009).

We note that while LBL’s orientation from the start is toward “behavioral” factors, nevertheless the report concludes (p. 3):

“Rebates, financing and other incentives do matter—Program experience shows that incentives do motivate the choice to do home upgrades, and can be extremely important to get a program off the ground.”

In fact, virtually all of the 14 programs that LBL studies do include significant economic components (pp. 15-17), e.g. free energy assessments, rebates up to 85% of weatherization costs, subsidized financing, and free CFLs, pipe insulation, etc. As the authors acknowledge (p. 8):

Although not part of this report’s scope, there are other program elements that are critical to effectively creating a market for home energy improvements—such as incentives, financing, workforce development, industry standards, public policies, and market transformation initiatives.

Both of these studies end up concluding that success requires a “holistic” (LBL) or “integrative” (Wilson) approach, creatively mixing financial incentives with other motivating strategies.

2. Major, single-decision commitments can affect energy use more strongly than a series of daily actions, as noted in the chapter, “Saving Energy Is a Value Shared by All Americans” in the ACEEE e-book, *People-Centered Initiatives for Increasing Energy Savings*, p. 111:

...Gardner and Stern (2008) found that energy efficiency improvements—which must only be performed one time—save more energy and reduce more emissions than conservation habits, which must be performed repeatedly. For example, installing attic insulation and ventilation can save up to 5% in home heating energy and 2% in cooling energy compared to 2.8% and 0.6% savings gained via thermostat adjustments in winter, and summer, respectively. Buying a fuel-efficient car similarly results in fuel savings of 13.5% on average, compared to carpooling (up to 4.2%) or combining errands to reduce mileage traveled (up to 2.7 percent).

D. Structure of Energy Industry/Delivery System

1. While the utilities have fulfilled their mandate to stimulate energy efficiency, their efforts are constrained by their mandates as for-profit businesses under strict regulatory control. Their programs are geared toward electricity and, in some cases, natural gas, only, and efficiency is not their primary “product.”
2. One potential tool to foster increased consumer awareness of energy use and conservation is “smart metering” (known as Advanced Meter Infrastructure, or AMI; see VEIC, Section 11). Deployment of AMI in the state is in its infancy and patchy, and smart meters alone do not necessarily enhance energy savings. (In Maine, for example, the largest utility, CMP, has begun installing smart meters, but only with one-way data transfer from the meter to the utility, so far; no communication of information to the customer is yet planned.)

OPPORTUNITIES: Programs using smart meters, such as OPower’s “Customer Engagement Platform” (opower.com) and Efficiency 2.0’s “Personal Energy Efficiency Rewards (PEER) program,” have helped utilities in other states use AMI to generate savings by time of day and overall by using peer pressure and frequent communication between customers and utilities.

Some of these techniques used could be implemented in New Hampshire without smart meters, e.g., showing households their usage vs. neighbors with homes of comparable size, and dramatizing the amount of money the target household is throwing away by not adopting efficiency measures.

3. VEIC notes the uneven success of existing CORE programs, which is relatively weak among the small business sector, as well as other smaller ones (including agriculture, multifamily buildings, schools, etc.). As they note on p. B-7, “Opportunities exist for implementing more proactive outreach, to stimulate interest among small C&I customers. A marketing campaign targeted towards specific customer types...can be effective.” They cite examples from Efficiency Vermont, and we employed similar marketing activities for Efficiency Maine, using business-oriented radio spots, ads in business magazines, and even TV spots featuring testimonials by small business owners who realized substantial benefits from the Business Program.

In their June 10, 2011 Preview of our Findings, VEIC identifies two key ways to improve participation:

- better outreach to small businesses (the largest 1,200 of 36,000 NH businesses account for more than 50% of business incentives).
- foregoing selected pre-installation inspection and approvals (as an example, Efficiency Maine requires no pre-approval of applications for certain measures if the desired incentive is less than \$2,500.)

E. Marketing Effectiveness

1. There appears to be little advertising or formal public relations outreach by utilities/nhsaves or the major nonprofits to make consumers or businesses aware of energy savings programs. (Some of the utilities do corporate image advertising, such as PSNH's TV and print campaign, "the power is in our people," viewable via <http://www.psnh.com/CompanyInformation/Corporate-Advertising.aspx>. However, this is clearly designed to humanize the company by featuring heart-warming stories of a few employees, rather than promoting energy-efficiency programs.)

Most organizations appear to rely entirely on direct mail, personal contact and varying degrees of web presence—which, of course, does little good if not promoted.

Two examples:

- a. Despite its substantial funding by RGGI (in the amount of more than \$800,000), myenergyplan.net does not appear to have an ongoing promotional plan to attract users to its web presence.
- b. In this era of online shopping and focus on core competencies, we were surprised to learn of the heavy reliance by nhsaves on an old-fashioned printed catalog of lighting fixtures and lamps. (Efficiency Maine, in contrast, abandoned its printed lighting catalog before 2007, and decided a few years later to stop selling products via its website as well, recognizing that lighting manufacturers and retailers are eminently capable of handling this function.)

We recognize that NH has traditionally been a difficult media market to buy because it is not a discrete market. There is substantial TV "spill-in," i.e., viewership of TV stations in Boston, Portland and Burlington; while radio station WHOM, has massive spill-out, i.e., a major portion of their audience is outside the market. However, there are still many options in traditional media, such as cable TV, as well as online ads, which can be highly targeted. (See nysesda banner ad at right, for example.)

OPPORTUNITY: We believe that, given the huge investment of public and ratepayer funds in some of the efficiency programs, an advertising plan could be effective in building awareness and spurring action.

2. Some of the marketing materials are judged to lack strategic focus, i.e., a clear and meaningful benefit to the intended audience based on sound market analysis or research. A few examples:



Relating actual business cases is more effective than touting program benefits in the abstract.

a. We note the lack of a meaningful promise on the main cover of the PSNH renewables information package (a 6.5" by 9.5" pocket folder with 7 inserts): it reads in its entirety, "Renewable Energy Information for New Hampshire homeowners and businesses." Inside, the first insert represents another missed opportunity to offer a strong benefit, with the headline, "Thinking about going renewable? You're not alone." This "most people are doing it" approach is judged one of the weakest appeals possible.

By way of contrast, another PSNH piece, a sell sheet for "nhsaves@work/large business energy solutions," does a good job of offering a benefit immediately with the headline, "Improve Energy Efficiency, Save Money and Enhance Your Bottom Line." However, the insert does not tell much of a story, and the main body copy is essentially repeated in the sidebar.

OPPORTUNITY: In our experience, relating actual business cases is more effective than touting program benefits in the abstract. On the following page are two examples we produced for Efficiency Maine, a) a testimonial print ad featuring New Balance that ran in business publications; and b) a case study on Hancock Lumber we produced for Efficiency Maine's field staff to give prospective Business Program customers (also one in a series featuring a variety of industries).

b. Two of the programs geared towards making buildings more efficient manifest naming issues that proper consumer research might have avoided: "Home Performance with ENERGY STAR," which of course is not particular to NH, is simply baffling to anyone who doesn't know its etymology; while "Better Buildings/A Beacon Communities Project" gives no clue that it is an energy-related program. Further, both programs bury their key benefits in their website introductions:

- HPWES saves its key message, "you could receive an incentive of 50% up to \$4,000* of the installed costs of the recommended energy efficiency improvements," for the fourth paragraph.
- Better Buildings says it "is a program to help make homes and businesses more comfortable and cost less through energy improvements. To participate in BetterBuildings NH, you must own a home or operate a business in one of the three following cities: Nashua, Plymouth, or Berlin." Of course, it doesn't actually make home "cost less," but helps the owner save on heating bills. More fundamentally, it fails to explain upfront why it's only available in three communities.

New approaches that use financial leverage points while acknowledging social-psychological factors appear to be emerging as the best hope for increased adoption of energy-saving behaviors.

F. Diagnosis: Split Personality

As VEIC notes (p. 14-1), “there is a deep ambivalence in New Hampshire about whether it is appropriate—or just how it is appropriate—for government to provide leadership in these markets (for energy efficiency and sustainable energy).” VEIC lists as consequences of this lack of “adequate, sustained” funding to develop these markets. (We have seen the same skepticism emerge in Maine over the past year, unfortunately, despite the well-documented positive benefit-to-cost ratio of ratepayers’ investment in Efficiency Maine’s programs since 2004.)

We interpret this to refer to the skepticism of free-marketeers about such investment. We would add we also see signs from the other end of the political spectrum of bias against financial and market-oriented actions; among this contingent, there may be unrealistic expectations of social marketing approaches.

OPPORTUNITY: New approaches that use financial leverage points while acknowledging social-psychological factors appear to be emerging as the best hope for increased adoption of energy-saving behaviors.

For example, through our discussion with NH OEP and its stakeholders, we have learned of a program that bundles EE and SE measures with financing that can reliably offer customers a guaranteed ten-year ROI.

“Energy efficiency has helped us save \$250,000, tons of CO₂, and hundreds of good Maine jobs.”
 —Peter Martell, Facilities Supervisor, New Balance, with Kristin McAlpine, Field Consultant for Efficiency Maine



Over the past four years, New Balance has leveraged more than \$50,000 in incentives from Efficiency Maine to help reduce costs at its three Maine manufacturing facilities, in Skowhegan, Norway and Norridgewood.

Efficiency Maine’s experts worked with New Balance to help select and install high-efficiency lighting systems, and variable-frequency-drive air compressors and controls to power the plant’s equipment as efficiently as possible.

The result? A reduction of millions of pounds of CO₂ emissions and nearly 33% in electric bills, which helps keep the Maine plants competitive in the demanding footwear industry.

Incentives from Efficiency Maine have helped New Balance keep its Maine manufacturing facilities running strong.

Find out how Efficiency Maine can help your business save energy, too: visit efficiencymaine.com. Or call 866-376-2463.



Leading the Way to a Brighter Future



Variable Frequency Drive Motors

CASE STUDY BETTER LIGHTING, LOWER ELECTRIC BILLS & REDUCED EMISSIONS



Hancock Lumber: pulling energy savings out of thin air

Hancock Lumber uses compressed air throughout its Bethel sawmill—to saw, dry and mill lumber, as well as for clean-up and maintenance—so it accounts for a major portion of the company’s electricity use. To mitigate the impact of a near doubling of its electrical rates, Hancock embraced the superior efficiency of Variable Frequency Drives (VFD) for its air compressor, as well as fans and water pumps.

Combined with more efficient lighting and new production strategies, the VFDs helped Hancock reduce electricity use at the Bethel sawmill by 25%. Factoring in \$45,874 worth of incentives from Efficiency Maine and a \$32,960 USDA grant, the project paid back in less than four months.

“The use of variable frequency drives, more efficient lighting and other measures helped us save money, protect jobs and further our company’s overall trust towards energy efficiency and sustainability.”
 —Mike Ryan, General Manager, Hancock Lumber’s Bethel Sawmill

Estimated Annual Savings
 Electricity.....\$338,772*
 Labor.....\$3,250
 *As with all measures.

Objectives:
 Hancock Lumber wanted to reduce electricity use in order to:
 • Maintain competitive manufacturing costs despite a projected electricity rate hike
 • Reduce pollution at its Bethel sawmill
 • Meet corporate goals for environmental sustainability and efficiency

Strategies:
 Hancock worked closely with Ingersoll-Rand, manufacturer of air compressors; Progressive Solutions and the electrical engineers at Task-Dorow, an Efficiency Maine Qualified Partner, to identify the following sources of cost-effective electricity savings: switching to VFD-controlled motors; installing more efficient lighting; and implementing new production strategies.



Maine Public Utilities Commissioners, Chair Deborah B. and Governor Jeffrey D. King Governor John Baldacci presenting Efficiency Maine’s 2009 Energy C. Leadership Award for Energy Leadership to John Cofa, Maintenance Supervisor, and Mike Ryan, General Manager of Hancock Lumber.



Leading the Way to a Brighter Future
 efficiencymaine.com
 866-376-2463



Variable Frequency Drive

Task-Dorow implemented the necessary air compressor with VFD motors and more efficient lighting. New production strategies offset the cost of the VFD motors, resulting in a 50% reduction in electricity costs (\$0.009).

Before: 2007 electricity cost: \$290,000

After: 2007 electricity cost: \$190,000

Project Benefits

- Saved more than \$300,000 in annual electricity costs
- Reduced maintenance costs
- Increased productivity
- Helped fulfil the company’s trust towards greater energy efficiency and sustainability

Financial Analysis

Project costs\$192,021
Incentives from Efficiency Maine\$45,874
Annual reduction in electricity costs\$338,772*
Estimated annual labor savings\$3,250
Simple payback4.8 months

*Based on 2007 electricity rates. Actual savings may vary. This is based on the 2007 Efficiency Maine incentive. When the USDA grant is \$32,960 in incentives, the payback period drops to 3.7 months.

Project Team

- Hancock Lumber
- Efficiency Maine
- Ingersoll-Rand, Manufacturer
- Progressive Solutions
- Task-Dorow, Qualified Partner

Efficiency Maine is a publicly traded company that provides the most efficient and effective energy efficiency and sustainability solutions to reduce energy costs, and improve Maine’s environment.



Leading the Way to a Brighter Future

III. MESSAGING STRATEGIES BY AUDIENCE SEGMENT

We take a broad view of delivering “messages” about energy efficiency, to include not only the results of our marketing efforts, but also the messages people get from friends and family, local organizations, and others. We believe an effective communications plan will require a multi-faceted approach, integrating a variety of messages and persuasion strategies to appeal to the wide range of relevant audiences.

Following are our thoughts on messaging for the three main audiences we identify as most crucial, A. Consumer/Residential “Built Environment”; B. Commercial/Industrial Buildings/Facilities; and C. Personal Transportation.

We have concentrated on these based on the priorities set by the original RFP, while recognizing that messaging strategies will also be needed to address municipalities, schools and other institutions, and possibly the energy industry, which were addressed by the EESE Board’s September ’10 Summit Report. Many of our thoughts are informed by the EESE Board Report; major differences are highlighted.

Please note that these are initial thoughts on messaging; proposed research (see Communications Plan, p. 26) will play a significant role in defining final messaging strategies.

Finally, we urge that the final messaging strategies be developed within the disciplined framework of the creative strategy process we use for all our marketing and advertising messaging. This approach demands that each communication identify a key promise or benefit to the intended audience, ideally with some type of support, that is, a “reason why” or other way of making the benefit believable to the audience. As mentioned earlier, one of the weaknesses we perceive in past print and web communications efforts by nhsaves and others is a lack of strategic focus.

A. Consumer/Residential “Built Environment”

1. Defining the Audiences

Messages can vary widely in their appeal to different segments based on where they fall on the following dimensions:

- home ownership vs. renting, as well as tenure in residence (past and projected future)
- financial resources (disposable income and assets)

This approach demands that each communication identify a key promise or benefit to the intended audience, ideally with some type of support, that is, a “reason why” or other way of making the benefit believable to the audience.

- interest in environmental issues
- interest in/comfort with technology (e.g., early adopters vs. technophobes)
- local pride/sense of connection
- psychographics (e.g., social-norm messages may work best among so-called “belongers,” while “leaders” might be turned off by the argument that “everyone else is doing it”)
- gender (e.g., men may view some energy-saving messages as “girly,” per Ogilvy study; but men also get more excited about the technology of renewables, per solar-store owners’ anecdotal evidence).
- age (e.g., comfort and health may be more important messages to older residents; younger homeowners may be willing to look at a longer payback period than empty-nesters who are planning to downsize their living situation).
- DIY interest and capabilities

Ideally, a savings message should be coupled with reassurance that the quality of the outcome or end result will not be compromised.

2. Messaging Strategies

a. Motivating Factors

- Saving money, the most important message to the greatest number of consumers, can be framed in ways that make it more or less motivating. Opportunity-cost is one proven approach, i.e., talk about money lost by not adopting simple savings strategies. Ideally, a savings message should be coupled with reassurance that the quality of the outcome or end result will not be compromised.
- Other broadly motivating messages, depending on the segment targeted, may include:
 - “normative behavior” (e.g., “no one wastes money on old-fashioned light bulbs anymore”)
 - social good (“if we all use less oil/gas, it will last longer and cost less”)
 - patriotism or energy-independence (“let’s stop sending money to OPEC/ keep money in NH”)
 - comfort (for weatherization measures)
 - health (fewer emissions mean better air quality)
 - resale value (for home improvement products, although high RE taxes complicate issue)

The most successful messages at motivating people are personal, positive and plausible.

- Environmental messages are motivating to most consumers, if framed properly (e.g., “you can help leave a healthier world for our children”) and coupled with reassurance about cost.
- Among a small segment strongly committed to environmental action, overt messages about avoiding climate change and other environmental issues (e.g., mercury, particulates, “fracking,” mountaintop removal, peak oil) are very powerful. While these “innovators” or “early-adopters” are typically very passionate about the changes they make, they still only represent a small percentage of the target audience and, therefore, should not be the sole focus of NH OEP’s efforts.
- Finally, we see signs that there is emerging interest in “cool” energy-saving technologies, especially renewables, among certain early-adopters.

b. Crafting Messages

- Communicate from the mind set of the audience instead of your own, that is, try to identify with their belief system and tastes. As identified in the findings report from the Strategic Communications Planning Summit, many residential customers believe energy efficiency to be cost prohibitive and lack the appropriate knowledge and information to take energy efficiency actions so it is critical that messages meet the audience where they are in their decision-making process—not where we think they should be or where the partners are (who are much more knowledgeable about the subject matter). This sentiment is echoed in the Mainstream Green report by Ogilvy and Mather, which found that 82% of Americans don’t have a clue how to calculate their carbon footprint. The report notes the most successful messages at motivating people are personal, positive and plausible.
- The choice of words for program names and communication materials is very important. Choose carefully for clarity, concision and connotations. Particular violations rampant in the field include:
 - use of overly technical terms, such as “retrofit,” “carbon offset,” “renewables” and, yes, even “efficiency” and “sustainability” (which most people cannot clearly define)
 - use of words with unintended negative connotations, e.g., “audits” (associated with the IRS)
 - creation of compound terms, the meaning of which is obscure to all but insiders, e.g., “Home Performance with ENERGY STAR” or “Property-Assessed Clean Energy”

- names that are too long and hard to remember, e.g.,
Resource Conservation and Development Area Councils or
New Hampshire Sustainable Energy Association

c. Message Delivery

- Use multiple communications approaches based on the available resources in a given area at a given time, including the following (in increasing order of reach):
 - personal one-to-one or group contact (local, grass roots efforts), such as a table or booth staffed by volunteers at regularly scheduled events (farmers' markets, e.g., provide an excellent, targeted venue)
 - piggy-backing on existing communications, e.g., a message in a quarterly association newsletter
 - targeted mailings, email, bill stuffers, etc.
 - mass-media campaigns (traditional and online paid advertising, PSAs, public social media)
 - maximizing existing community resources, and leverage existing credible relationships as identified during the Strategic Communications Planning Summit.
- When possible, coordinate messaging among different groups to avoid information overload and confusion. To the extent possible, all energy-savings messages in NH should point consumers to one main source for further information (ideally a website with a memorable URL). This aggregate site of partner resources will appeal to today's savvy consumer who can now easily "shop-around" for the best information and advice all in one place via a portal.
- Repetition of focused messages is essential to retention (e.g., in any given communication, provide a few simple ideas for savings rather than a laundry list of every possible energy-efficiency measure.
- Communication approaches need to engage as well as inform in order to get the attention of busy consumers. Exaggerated claims are counter-productive, unless used in a humorous fashion. In fact, humor can often disarm skeptical audiences, and can engage them in subjects that would otherwise be too dry.
- Promotional incentives can help speed response and establish new habits.

It is important to evaluate the response to various outreach vehicles, and allocate resources to those that prove successful, while seeking to improve those that under-perform. As discussed earlier, there is little useful evaluative information readily accessible to the public.

Coordinate messaging among different groups to avoid information overload and confusion.

d. Spokespeople/Influencers

In addition to direct messages to homeowners and other consumers, it is also important to communicate via trusted messengers, such as the following:

- Community leaders can play a large role in establishing energy-saving behaviors locally, including business leaders, civic leaders, and “thought leaders,” such as academics and news people. Those with strong political ties should be used with caution since their appeal can be polarizing.
- Civic, religious and other groups can be a powerful forum for building awareness of energy issues and stimulating action.
- For home-improvement measures, local retailers and contractors are indispensable allies to any program. Many positive decisions are made at the point-of-sale if good information is available; conversely, some potential energy-saving behaviors are forgone because of a lack of appropriate products or clear information. In addition, retailer workshops can help spread messages about renewables, insulating, etc.
- Just as children helped “sell” recycling to their distracted parents, so can they provide a nudge to save energy, especially with behavioral and other non-financial messages (e.g., turning down thermostats, hanging laundry to dry, etc.). Following are possible venues:
 - add an energy-savings component to the utilities’ existing safety and energy courses in schools;
 - extend the utilities’ “Cut the Carbon” kits (now available through public libraries) into school libraries;
 - build on existing courses, such as Watt Watchers, by making them more visually engaging;
 - introduce new courses/learning modules into schools, camps, YMCAs, Boys & Girls Clubs, etc. (possible models: the Vermont Energy Education Program, Green Schools, or Maine’s PowerSleuth energy-efficiency curriculum for middle schools); and
 - work with NH Boy Scout and Girl Scout troops on relating local energy-efficiency issues to Energy and Environmental Science merit badges.

Reaching out to kids today also helps create a foundation for more energy-conscious adults tomorrow.

Many positive decisions are made at the point-of-sale if good information is available.

- Realtors, architects, appraisers, planners, builders, engineers and contractors are important vehicles for communication about home energy savings to people buying or building a new home, and those who have recently moved. This is when weatherization and installation of renewable-energy systems are most likely to be undertaken.

B. Commercial/Industrial Buildings/Facilities

1. Defining the Audiences

Because of the varied types of energy use and other factors, effective communications need to be crafted separately for different types of businesses, based on the following characteristics:

a. Size

Large companies are most effectively targeted directly. Many have personnel specializing in engineering and energy-related issues, who may represent the primary direct target; C-level executives can also be important (e.g., financial managers for cost-savings appeals, and CEOs for messages about corporate responsibility and public service).

Small companies, which are the majority of businesses in NH, are numerous enough to justify targeted media, PR and other marketing campaigns. In most cases, the partners/owners are the best direct target. In addition, the many business organizations, from NH BSR to trade associations, represent an effective conduit for messages.

b. Industry Segment

Different industries have different energy usage profiles. E.g., food stores use a disproportionate amount of energy in refrigeration, while an office building consumes energy primarily for lighting, HVAC and office equipment.

Industrial companies can have very specialized energy uses, some of which demand detailed, technical messages, as detailed below. Farms have their own specialized energy needs, too.

c. Building Ownership

Among companies that rent space, building owners, realtors and (for new construction or renovations) architects and engineers are important target audiences.

d. Owner Profile

The business owner or another key player, e.g., CEO, can play a critical role as a “champion” to instigate changes to reduce energy use. It’s important to understand what factors might motivate this champion, e.g., saving money to improve the bottom line, leading the industry in adopting new

technology, or reducing the carbon footprint. As the EESE Board Planning Summit Report noted, the age of the business owner may also play a role. Young entrepreneurs may be more willing to invest more in energy-efficiency than a veteran business owner facing a retrofit that may not pay back for ten years—although there are plenty of counter examples, in our experience.

2. Messaging Strategies

a. Crafting Messages

- Emphasize cost savings and the ultimate benefits:
 - maintain profits
 - reduce debt
 - keep employees on payroll
 - stay competitive (e.g., “chances are, your competition is doing all they can to cut their energy costs”)
- Case studies involving actual businesses, ideally in the same industry, can help “break the ice” for companies unfamiliar with energy-saving behaviors. Whenever possible, include quantitative data on costs and savings, especially payback timeframe, which is critical to many businesses today. Long-term investments can be promoted selectively.
- Messages about carbon-footprint-reduction and other environmental issues should be used selectively, i.e., for targeted mailings and other communications to businesses identified as having a commitment to prevent climate change as part of their mission. For most companies, environmental messages are clearly secondary to cost-reduction; however, other companies (especially consumer-oriented retailers and others) make carbon reduction central to their mission and marketing strategy.
- All communications need to address the perception among businesses owners that energy efficiency measures are expensive, as the Strategic Communications Planning Summit notes.

b. Message Delivery

Networking is the primary way businesses will get messages about energy efficiency measures and programs. Representatives of energy-efficiency partner organizations should get involved with business organizations, such as local Chambers of Commerce, Rotary Clubs, trade associations, by attending events, meetings, conferences, etc., offering to speak and distributing materials. Partners might also consider serving on boards and committees.

Personal visits to businesses are much more effective than any other means of communication. It is also important to identify a “champion” within the organization, ideally someone who is passionate and knowledgeable about energy and environmental issues.

Case studies involving actual businesses, ideally in the same industry, can help “break the ice” for companies unfamiliar with energy-saving behaviors.

- The nheconomy.com website (the NH Business Resource Center) directs to several good sources of funding and assistance, from [nhsaves](http://nhsaves.com) to the Community Development Finance Authority (CDFA) and Department of Resources and Economic Development (DRED). However, businesses, like consumers, face a daunting alphabet soup of places to turn for help.
- Greater outreach to smaller businesses is needed to boost their participation in programs. Many small companies don't have the specialized expertise or time to avail themselves of the resources. Communicating via the many business groups in the state (e.g., Rotary, Chambers of Commerce, trade associations and others) is a cost-effective delivery mechanism.
- If funding becomes available, a media campaign can not only provide specific information about incentives and assistance, but also help broadly spread the word about the benefits of saving energy. For example, we have seen strong results from Efficiency Maine Business Program media campaigns (using ads and editorial/programming in business-oriented magazines, radio and TV outlets, as well as PR events).
- Special, technical messages need to be directed at businesses with specialized energy uses, such as:
 - Hot water: thermal solar panels and recapture of process-generated heat
 - Refrigeration: more efficient compressors, as well as using outside air in winter
 - HVAC, pumps, air compressors and other systems with a varying workload: variable-frequency drives.
- Incentives and rebates help companies achieve payback within an acceptable timeframe, and, if available for only a limited time, can spur immediate action. The current utility CORE programs are effective, but cost-effectiveness might be improved by testing incentives yielding longer paybacks to gauge the impact on participation.

C. Personal Transportation

While we recognize that personal transportation is not the major focus of the remit, it accounts for about a third of energy consumption in NH, and there is no coordinated, statewide effort to address it.

1. Defining the Audiences

- a. Private cars and trucks are by far the dominant mode of personal transportation, so the primary target is adults who drive their own cars.

Matter-of-fact presentations of the true costs per mile of driving can help change the framework people use to make driving decisions.

- b. Employers can also influence employees to drive less by encouraging carpooling, working from home, and tele- or video-conferencing instead of meeting in person. They can encourage more efficient driving by disseminating tips (e.g., avoid sudden stops and acceleration, observe speed limits), alerting staff when to leave for meetings in plenty of time, and providing incentives to investigate more energy-efficient vehicles (e.g., by offering free subscriptions to ACEEE's greencars.org vehicle ratings).
- c. Municipalities should be encouraged to: rewrite Master Plans to ensure that new development patterns enable residents to drive less; expand mass transit alternatives, especially buses; and convert buses and trucks to CNG, hybrid electric or other cleaner fuels.
- d. Finally, we might include lawn mower owners or operators in this section because they do not seem to be targeted anywhere else, and mowers create a disproportionate amount of carbon emissions (some estimate 5% or more). Old mowers can emit 11 times as much as an automobile per hour.

2. Messaging Strategies

- a. Savings messages break down into three main areas:
 - driving behaviors (drive fewer miles by car-pooling, combining trips, etc.; and drive more efficiently, e.g., by slowing down)
 - driving technology (switch to a more efficient vehicle)
 - seeking alternatives (mass transit, walking, bicycling)
- b. Messaging should take into account the fact that driving is a stressful fact of daily life; consumers don't appreciate the added pressure that a guilt-oriented strategy might impose. Instead, communicate the fact that any reduction in driving, no matter how small, is a sort of victory.
- c. While most drivers are probably aware of alternatives to solo driving at some level, they are not in the forefront of their consciousness. Repetition of messages about alternatives is important.
- d. Rising gas prices have made us all more aware of the cost of driving. But most consumers still fail to take into account all the costs. Matter-of-fact presentations of the true costs per mile of driving (including maintenance, depreciation, insurance, etc.), with examples by vehicle type and typical commuting patterns, can help change the framework people use to make driving decisions.
- e. Present positive messages about possible energy-saving tactics, e.g., car-pooling and mass transit can offer social interaction, a chance to relax while another person drives, etc.

- f. Specific messages about “cool” new technologies and carbon reduction can be effective among early adopters and strongly environmentalist consumers, respectively.

3. Key Action Messages

- a. For all drivers: You can save money on driving even with your busy lifestyle, by combining trips, car-pooling to events, taking advantage of school buses, keeping to the speed limit, and avoiding sudden stops or acceleration.
- b. For commuters: NH Rideshare (www.nh.gov/dot/programs/rideshare*) offers various options for car-pooling and local mass transit, directly or via links other organizations.
- c. For owners in the market for a new vehicle: You’ll find more energy-efficient vehicles than ever, from hybrids to all-electrics to natural gas-fueled to high-MPG gasoline models. Generous tax credits, other incentives, and strong resale values can make them a good investment, and the new technologies are cool as well as practical.
- d. For owners/operators of old lawn mowers: Trade in your old mower for a new model, and you’ll reduce your emissions dramatically—for the planet and your own backyard.

**Note: the URL, nhrideshare.com, appears to be available. It should be considered as a more user-friendly path to this website.*

IV. NH OEP COMMUNICATIONS PLAN

A. Objectives

We have developed this plan to meet the over-arching objectives NH OEP has set:

1. To increase the adoption of energy-efficiency, energy-conservation and renewable-energy measures, even as public subsidy for such measures fluctuates or decreases;
2. To encourage participation and buy-in from partner organizations for specific outreach, communication, and educational activities; and
3. To focus on the following in order of priority:
 - reducing the use of electricity and heating fuels in the built environment;
 - increasing the acceptance and use of renewable energy; and
 - reducing the use of transportation fuels.

B. Strategies

1. Work within the existing informal alliance of NH OEP partner organizations.
2. Focus on assisting partners with message development.
3. Divide work into three manageable phases as the state moves toward a more cohesive organizational structure for energy saving efforts within the state:

Phase I Conduct research among NH residents and businesses.

Phase II Develop materials and a training program for partners.

Phase III Develop and implement a full-scale marketing communications plan.

PHASE I Research

Nationally, individual organizations have conducted research pertinent to their particular focus, e.g., public perceptions of climate change, the effects of pricing on adoption of renewables, barriers to efficiency behaviors, etc. However, comprehensive, recent studies of consumer and business attitudes and practices around saving energy are lacking specifically in New Hampshire. Therefore, it is judged important to now undertake thorough research that is current, comprehensive and focused on developing effective communications strategies, specific to the citizens and businesses in this state.

Comprehensive, recent studies of consumer and business attitudes and practices around saving energy are lacking specifically in New Hampshire.

A. Objectives

To gain an up-to-date understanding of perceptions and attitudes about saving energy (via efficiency, renewables and conservation) among consumers, businesses and other stakeholders in New Hampshire.

B. Target Audiences

1. Consumers/Residential
2. Businesses/Institutions (municipal, nonprofits, educational)

C. Strategies

NH OEP will conduct proprietary quantitative research to gain statistically valid information among both target audiences, and qualitative research to gain insights into language and to probe social/psychological factors among consumers.

D. Tactics

1. Consumers/Homeowners

a. Statewide telephone survey (Quantitative)

NH OEP will conduct a 10-minute phone survey among a carefully designed sample of 800 New Hampshire residents (emphasizing homeowners) to determine:

- their awareness, adoption, and future interest in options available to save energy within their homes (energy-efficient lighting, appliances and heating systems; home weatherization, renewables);
- their awareness and attitudes towards various organizations/resources that encourage, fund or otherwise facilitate energy savings;
- barriers to adoption of those options they do not embrace;
- what potential campaign messages will resonate with them and motivate them to take action;
- similar (but briefer) probing on transportation.

TIMING: SEPTEMBER 2011

b. Focus Groups (Qualitative)

Based on information from the telephone survey and prior to partner training sessions, NH OEP will conduct qualitative research, as follows:

- Six, two-hour focus groups, two each in three geographically dispersed areas (e.g., Nashua, Plymouth and Berlin)
- Groups will include energy decision maker(s) for their household (mostly homeowners, with a sample of renters who are responsible for their utility payments).
- Sample messages and campaign materials will be presented for qualitative assessment.

Feedback from this research will refine the messaging and the methods to present in partner training sessions and in materials to assure that outreach projects and messaging being recommended will produce the intended results.

TIMING: OCTOBER 2011

Feedback from this research will refine the messaging and the methods to present in partner training sessions and in materials to assure that outreach projects and messaging being recommended will produce the intended results.

2. Businesses/Institutions: Telephone Survey (Quantitative)

A survey will be conducted among representatives of 200 businesses and institutions, including a mix of industrial, construction, agricultural, hospitality, tourism, retail and service companies, municipalities, etc., with a mix of sizes and profits/nonprofits. Quotas will be employed to ensure adequate representation of companies by size. Participants will be selected based on their decision-making responsibility for energy and lighting choices for the company.

TIMING: SEPTEMBER 2011

PHASE II Partner Marketing

A. Objective

To help partner organizations communicate more effectively and cohesively to NH businesses and consumers in ways that will stimulate energy-saving behaviors. A specific, measurable goal, e.g., 50% of partners participating in the marketing program, will be set based on Informational Interviews (see below.)

B. Audiences

All NH OEP partners and stakeholders involved in energy efficiency, with emphasis on the nonprofits and state entities.

C. Strategy

NH OEP will use a multi-pronged approach to encourage partner participation, including printed materials, group workshops/seminars, personalized consulting and ongoing webinars, to work with partners to develop messaging strategies that will be informed by the research described above.

D. Tactics

1. Partner Information Interviews

Before developing materials for the partners, NH OEP will conduct a series of input sessions with partner organizations to solicit their input on the materials that would be useful and standards to be met for inclusion in the program.

This will ensure that a partner program and future materials meet their needs and are packaged in a way they find useful. (An efficient way to accomplish this would be two or three two-hour sessions held in conjunction with the presentation of research results.)

TIMING: OCTOBER 2011

For those partner organizations that could use additional, one-on-one help with program/campaign development, NH OEP will set aside funding for additional consulting time.

2. Partner Communications Materials

Based on the PHASE I research and input from the Partner Information Interviews, NH OEP will develop a campaign identity and theme, materials, plans and trainings to enhance the marketing efforts of partner organizations to a range of end-user target audiences.

The core of the program will be an online “tool kit” to include:

- a variety of activities they can undertake in their local communities, such as events, contests or challenges;
- messages to be used with various audiences and on various energy efficiency topics (based on the research);
- a “how-to” section to support successful outreach and education programs, locally, regionally and statewide; and
- co-op ads and program identity (e.g., logos for various applications, and possibly a “seal of endorsement”)

TIMING: NOVEMBER /DECEMBER 2011

3. One-day Kick-Off Training Seminar

To ensure healthy participation and consistent use of proven messages to motivate change in energy-saving behaviors, NH OEP will conduct a one-day training program in two different locations for partner organizations.

During this training seminar, partner organizations will participate in team-building and role-playing activities; be guided through all the materials available to them in the online tool kit; and participate in small group discussions on how to use the materials.

Partner organizations will also have an opportunity to create their own marketing plan, using fill-in worksheets. By setting aside time during this seven-hour training day, the goal is to have every organization leave with a workable plan (in writing) to help guide their outreach activities for the coming year. The plan they leave with will also include estimated costs and a timeline for implementation.

TIMING: JANUARY 2012

4. Marketing Planning Mini-Grants

For those partner organizations that could use additional, one-on-one help with program/campaign development, NH OEP will set aside funding for additional consulting time, one-on-one, with any of the partner organizations that request it. These funds would only be disbursed if used.

Webinars will provide opportunities for partner organizations to stay connected.

The funds would not be given to the partner organization, but would be paid to the marketing contractor selected through NH OEP's RFP process, as used, in blocks of \$2,000 (the equivalent of one full day for two consultants, including all direct costs).

For example, a partner organization could use these services for the following:

- Development of a customized marketing plan with clear objectives, strategies, timelines and budgets;
- Development of logos, collateral materials (poster, brochure, e-news template, print ads, etc.);
- Development of web enhancements—review of and recommendations for improved navigation, content, SEO, inclusion of videos, blogs, use of social media, etc.;
- PR outreach plan—writing pitch letters, press releases, features stories, etc.

The funds would be used to purchase consulting time from the selected marketing contractor in any way that benefits the overall outreach effort of the organization.

TIMING: FEBRUARY/MARCH 2012

5. Quarterly Webinars

Webinars will provide opportunities for partner organizations to stay connected, without the time and travel burdens of day-long sessions.

NH OEP should create four two-hour webinars with the following goals:

- to enable organizations to learn from one another by sharing program activities, successes and challenges;
- to foster greater coordination of efforts;
- to provide a range of answers, from various sources, to any questions; and
- to promote energy savings in a consistent way statewide.

Partners will leave each session with good ideas to try in the future, as well as a greater sense that they are all working together for the common good of spreading messages about energy efficiency across the state.

TIMING: APRIL 2012 AND ONGOING

Research has shown that consumers and businesses want fast, easy access to energy-saving information, funding and other options.

PHASE III Statewide Outreach and Education Plan

In conjunction with the marketing agency selected and key stakeholders, NH OEP will develop, identify funding for, and execute a statewide outreach and education plan.

A. Objectives

The key objectives of the plan will be finalized based on what is learned from the research proposed as Phase I and the Partner Marketing in Phase II. They will fall into two categories:

1. Specific targets for reduction in energy consumption (kW, BTUs), spending, and emissions (in the absolute and per capita/as a percentage of GSP)
2. Awareness levels for campaign theme, website, key energy issues, and recommended actions, as measured by a post-campaign research wave.

B. Target Audiences

- Primary:
 - Businesses, with emphasis on small businesses
 - Residential/consumer audiences, with emphasis on homeowners
- Secondary:
 - schools, camps and other venues for educational outreach
 - architects, engineers, building contractors, real estate agents, solar installers, etc.

C. Strategies

1. Develop a disciplined list of key messages/leverage points to stimulate behaviors among the various target audiences
2. Identify a list of key spokespersons for the campaign's public relations efforts, including business leaders, thought leaders, educators, activists, scientists, etc.
3. Continue efforts described above to foster stakeholder collaboration and outreach, and additional efforts, such as co-operative advertising, etc.
4. Foster awareness of and interest in energy-saving behaviors via broad-based media advertising placement, public relations, etc.
5. Design research and other means to track the effectiveness of all plans

D. Tactics

Following are the key tactics to be employed, depending on the results of research among residents and businesses and the partner outreach efforts:

1. Statewide Energy Information Web Portal

Research has shown that consumers and businesses want fast, easy access to energy-saving information, funding and other options.

The broadest-reach media will be used to drive end-user traffic to the web portal, where visitors can easily connect with the appropriate partner organization.

So it is essential to create a single-source clearinghouse, a one-stop shop for information and connections to partner organizations. A web portal is judged the optimal vehicle.

This portal will also include an intranet for partner organizations to share best practices and other information via subject-specific forums and e-newsletters.

2. Outreach and Education Activities at the State Level

NH OEP will identify funding for an integrated mass-media awareness campaign using TV, radio, print, online, and social media to reach out to the audiences identified above.

The broadest-reach media will be used to drive end-user traffic to the web portal, where visitors can easily connect with the appropriate partner organization.

More targeted media would be used to promote specific programs for select audiences (e.g., radio spots on news stations to inform small business owners of special incentives available to them).

3. Outreach and Education Activities at the Local/PartnerLevel

This multimedia campaign will also support the partner organizations in their community-based efforts to energy users. For example, as a theme is established for the statewide mass media campaign, co-op ads can be developed for community activities/events, one-on-one touch-points, local advertising (print and radio), direct mail, e-news, etc., so partner organizations can easily tie-in to the overall campaign.

E. Evaluation Mechanisms

1. Energy Use

Ultimately, the plan needs to be evaluated based on success in reducing the amount of energy used in the state (relative to the prevailing usage trends, economic activity and population). Some results may occur quickly and should be tracked by the utilities, in the same way they already evaluate their CORE programs. However, this depends on enough resources being allocated to the energy-saving efforts, and funding of the analysis.

2. Research Among Consumers and Businesses

To provide preliminary indications of campaign effectiveness, a post-campaign research survey (similar to the pre-campaign survey) will measure changes in awareness, attitudes about and participation in various energy-saving programs. Some of these changes will precede the actual energy savings—and it must be kept in mind that some results of the surveys may be distorted by respondents' wishful thinking.

3. Process Measures

These will be used to gain earlier information about whether the statewide campaign is getting off the ground:

- a. Partner participation, i.e., the number of partners using the campaign materials, participating in the web portal, tying into at the state-level programs, etc.
- b. Visits to the web portal, and, of equal importance, visits from the web portal to partner sites, contests or other “entry” opportunities.
- d. For print advertising: circulation figures to determine overall reach; QR codes or special URLs, where appropriate, to track which ads generate the most visits to the portal website; and offers within ads could require readers to “mention XXXX to redeem the offer.”
- e. To measure public relations efforts: audience reach, via circulation and readership numbers; clip volume (by topic or campaign) and clip ratings (positive, negative or neutral) for individual stories.
- f. For online advertising and other vehicles directing readers/viewers to the portal website: Google Analytics capabilities will track campaign successes by setting up qualifying goals and tracking conversion rates.

It is important to note that NH OEP will need to secure funding to implement this plan from some combination of federal/state budgets, RGGI, the SBC, private-sector sponsorships, etc.—not just for one year, but ongoing.

TIMING: MAY 2012 AND ONGOING

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