

Effective Marketing and Outreach Strategies for Multifamily Energy Efficiency Programs May 2014

Marketing and Outreach Challenges for Multifamily Housing

As with any customer energy efficiency program, marketing and outreach to customers is critical to program participation and success. Multifamily housing programs face unique challenges compared to other types of customer programs. There is no single customer to be reached through program marketing due to the very nature of multifamily housing. There typically will be the building owner, the building occupants, and possibly a building operator or property manager. Some multifamily housing serves income-eligible (low-income), affordable housing, while other multifamily housing may be market-rate or luxury owner-occupied condominiums. Utilities providing electric and/or natural gas service may have a single account with a property owner in units that are master-metered or they may have separate accounts with each household in the building if there are individual meters (typical at least for electric service). Building owners may be large companies that own and operate hundreds of units or they may be individuals who own a single building with just a few units. In short, the “customer” to be served by a multifamily energy efficiency program may fall into several very different categories. Marketing and outreach strategies consequently need to be developed to reach and resonate with a specific target audience.

Effective Strategies and Approaches for Marketing and Outreach

In our research on best program practices, ACEEE has examined the experiences of recognized leading programs serving multifamily housing markets. This research has revealed numerous common strategies and approaches to marketing and outreach that have proven to be effective in reaching target audiences and most importantly, getting these customers to enroll in programs and make improvements to increase the energy efficiency of their buildings and spaces. Below are our recommendations based on this research.

Use direct outreach through existing associations of property owners and managers

In many areas there are associations of apartment owners and property managers. Marketing directly to these associations can be very effective in raising awareness of program opportunities and gaining participation. Examples:

- **Austin Energy** has had a longstanding partnership with the Austin Apartment Association, which has been a key driver of success for Austin Energy’s multifamily program. The strong network of property managers has helped build awareness and spread adoption of the program as managers move around to various properties and companies. Austin Energy also works with the Independent Renters and Owners Committee (IROC) that represents owners of

multiple smaller properties and that educates onsite managers and maintenance staff that can influence decision making on the ground.

- **Efficiency Vermont** developed its Building Performance and residential rental property rebate programs to provide owners incentives for whatever energy efficiency projects make sense for their buildings. Efficiency Vermont has developed a partnership with the Vermont Apartment Association in order to reach these owners directly through the Association’s newsletter and events.
- The **District of Columbia Sustainable Energy Utility (DCSEU)** targets developers at the point of redevelopment. DCSEU gets involved early in the project planning phase to provide technical assistance as well as financial incentives to offset the incremental cost of improving the project’s energy efficiency.
- **Puget Sound Energy (PSE)** joined multifamily organizations and attends association meetings as a way to reach its target population for its multifamily program. PSE actively engages in association events and opportunities, such as purchasing booth space, exhibiting at association events, and submitting articles to organization publications, which typically can be done at no cost.
- **Efficiency Maine** participates in trade shows targeting building owners and property managers. It also organizes and hosts informational breakfasts for these audiences. Direct mail and e-marketing are additional means to market Efficiency Maine’s multifamily program using tailored messages for these audiences and including such messages in association mailers and communications when possible.

Leverage networks of contractors and trade allies

Contractors and trade allies can play valuable roles in reaching potential customers and gaining their participation in multifamily programs. By working with contractors and trade allies, they can become well educated about program requirements and opportunities. They then can become a large source of participants by referring property owners and managers to programs; in some cases they may even bring participants into the program. Examples:

- **NYSERDA** relies on a network of contractors that it has created, called “Multifamily Performance Partners (MPP).” Owners are required to work through these partners to guide them through the program and provide the necessary technical services, which include an initial audit/assessment, development of a customized energy reduction plan, arranging necessary inspections and verifying savings after project completion.

NYSERDA helps generate leads for partners through its “Locate a Partner” tool, which enables interested building owners to send out requests for information to participating service providers through one easy web form. Partners, if they are interested in the project, can then follow up directly with the building owners. The tool helps owners find partners serving their area and narrows down the list based on the type of building and level of services they provide. The website also provides information describing the number and size of the MPP projects completed by the Partner. To make it even easier for owners to get started, NYSERDA is planning to add a feature that will allow owners to send service requests to Partners directly through the NYSERDA website -- cutting down on the time the owners would need to spend following up with Partners.

See: <http://www.nyserda.ny.gov/Contractors/Find-a-Contractor/MPP-Locator-Maps/Multifamily-Existing-Buildings-Partners.aspx>

- **Puget Sound Energy** offers contractors the opportunity to join its Contractor Alliance Network, which provides contractors with customer referrals and allows them to co-brand their services with PSE. The Network helps PSE to follow-up on audits by providing owners with contractor referrals helping them to coordinate bids. The three-way relationship between PSE, contractors, and owners has helped to encourage owners to undertake multiple projects. In this way contractors are both the program’s workforce and its sales force.
- **Efficiency Maine** has established and relies upon a program partner network as part of its multifamily program. This network is comprised of approved partners, who promote the program to grow their own business. The partners bring the majority of building owners into Efficiency Maine’s program. The network also is effective in providing state-wide representation.

Involve broader stakeholders to leverage relationships and resources

Many diverse organizations are involved in multifamily housing and may include community development authorities, housing finance agencies, and affordable housing organizations. These stakeholders can play valuable roles in identifying potential projects and leveraging resources to move projects to implementation. Housing development authorities will generally have numerous projects already identified for renovation or rehabilitation. By participating in multifamily energy efficiency programs, such projects can draw upon available program incentives and bundle them with other resources to meet critical project financial thresholds. Another way to engage with stakeholders is to establish program advisory committees that can help improve program design, coordination and delivery. Such engagement also helps raise awareness of program opportunities and thereby increase participation. Examples:

- **Elevate Energy’s** program, **Energy Savers**, has partnered extensively with the local housing community, including builders groups, housing authorities, and professional associations. Such relationships provide trusted messengers for program outreach. The program helps building owners who have completed projects share their stories via case studies, building tours, and features in publications. In addition to providing project financing, the Community Investment Corporation has helped the program identify potential participants through its multifamily lending activities.
- **Public Service Electric and Gas** has partnered with the New Jersey Housing and Mortgage Finance Agency to develop a program to address the unique needs of multifamily affordable housing. The partnership with NJHMFA and their portfolio of multifamily properties also provides PSE&G with direct access to interested building owners and projects. There are currently more than 42 projects with over 10,000 units in the program pipeline.
- **Efficiency Vermont** has maintained strong relationships with non-profit affordable housing providers in the state. As a result of these relationships and outreach to architects and designers, virtually all the multifamily housing that has been built or renovated in Vermont by the non-profit community over the last ten years has participated in Efficiency Vermont’s programs.

Segment the market

Multifamily housing spans a wide market spectrum, including affordable housing, market-rate, campus living, assisted living and condominiums. The types of owners and residents also vary widely. The needs and motivations of these different market actors are diverse. To be most effective, communications about multifamily programs need to be tailored to specific audiences. Examples:

- The **Energy Trust of Oregon** has program staff responsible for building relationships with specific sub-segments of the multifamily market: market-rate, campus living, assisted living, condos, and affordable. The Energy Trust uses business development leads who specialize in a particular segment of the multifamily market including market-rate and low-income.¹ They reach out directly to building owners to take a portfolio-wide approach to upgrading their properties. The business development leads guide owners throughout the process, including helping them complete applications, secure contractors, and complete any necessary inspections.

¹ For more information on the Energy Trust of Oregon’s multifamily program evaluation see, [2012 Existing Multifamily Process Evaluation](#).

Based on a process evaluation and market research, the Energy Trust is working to develop messaging and market materials that target the varying levels of decision makers as well as the different sectors of the multifamily market. The Energy Trust has learned that different language and information are needed to influence market-rate as opposed to low-income building owners. The Energy Trust also has learned that multifamily building owners, like their commercial counterparts, are motivated by earning a return on their investment and improving the value of their properties, rather than by saving energy for their tenants as a marketing and retention strategy. As a result, the Trust's business development leads are now working with owners to get energy efficiency upgrades included in budget and capital improvement planning cycles.

- **NYSERDA** has developed a Fast Track program that requires a less intensive energy audit and fewer inspections in order to minimize time and participation costs for smaller buildings (5-49 units). NYSERDA also has continuously sought to make it easier for owners to identify and connect with its Multifamily Performance Partners (described earlier). For example, benchmarking incentives provide opportunities for owners to learn more about their buildings current performance, connect them with a Multifamily Performance Partner, and provide information about low- and no-cost efficiency opportunities.
- **Puget Sound Energy** works to engage residents through such activities as multifamily open houses, direct installation of low cost measures, door hangers and brochure drop-offs that offer energy savings tips in two languages.
- **Efficiency Maine** draws upon tax records (property value assessments) to identify building owners; such records readily segment the market according to the number of units in a given building along with other key characteristics.

Work upstream for energy-efficient equipment replacements

While the focus of many multifamily efficiency programs are on comprehensive retrofits, it also is important to take advantage of equipment upgrades and replacements to improve the energy efficiency of the affected end-use, such as HVAC equipment and lighting. Example:

- The **Energy Trust of Oregon** works with upstream equipment distributors in order to capture opportunities for energy savings at the point at which equipment fails and is replaced. When equipment fails, onsite maintenance staff can often make replacement decisions and use their preferred contractors without going through an owner approval process. In order to reach the onsite staff making these decisions, the Energy Trust Provides incentives directly to the equipment distributors. The distributors then apply a discount to the sales price, eliminating the price premium for higher efficiency equipment and the need for building staff to apply for the incentive.

Make participation easy

Part of effective marketing is making sure that initial program contacts are positive experiences, which will make it more likely that interested customers will participate in a program. Having a single point of contact to enroll in a program and be an on-going resource throughout the program can greatly increase program participation. Examples:

- **Puget Sound Energy's** first step with interested customers is conducting a free walk-through energy audit to identify potential energy efficiency upgrades and ensuring that owners know the full range of opportunities. This initial customer contact also provides PSE with information on the building that PSE can use to market future program offerings. Owners can then choose to schedule direct installation of no-cost measures including lighting (LED & CFL), low-flow fixtures, and water pipe insulation. While the contractor is on-site for the installation they will evaluate whether the in-unit appliances are eligible for free replacement

A key driver of the PSE's program's success has been the relationships that PSE has built with both owners and contractors. In order to build relationships, and minimize the burden for owners, the program provides seamless services and a single point of contact, even when internal coordination for more complex projects requires review by PSE's engineering team. Contractors are both the program's workforce and its sales force.

- **Public Service Electric & Gas** has adapted its energy audit requirements to make it easier for smaller or newer properties to participate. Providing simpler, less costly audits where appropriate also saves the program money and allows program funding to be utilized by a greater number of participants.
- **Elevate Energy's** program, **Energy Savings**, uses a single point of contact for program participants. The program contact follows projects and works with the customer all the way through the project, from the initial contact to verification and reporting of project results.

Use case studies to highlight successful projects

Providing case studies is a tried and true method for attracting customers to programs and creating awareness of energy and cost savings opportunities from energy-efficient upgrades to multifamily buildings. To be most effective, case studies need to be very similar to other potential building projects. For multifamily programs serving a wide variety of building and ownership types, this means that program materials should include a corresponding wide variety of case studies. Examples:

- **NYSERDA** not only provides case studies, but offers an on-line tool that enables interested owners to create a [map of all completed projects](#) in a given area. The

map shows building owners how many buildings in their market are receiving upgrades. This comparison can help building owners think of program participation as a social norm and increase the likelihood that they will participate.

- **Efficiency Maine** provides case studies of successful projects. These profiles provide key project information, including objectives, strategies, benefits and results. Efficiency Maine also works through broader public relations to get coverage of successful projects in local news stories. Efficiency Maine's many cases studies are available [here](#).

