

# **Evaluating and Modeling the Impact of Market Transformation Programs**

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**Research 4 Results**

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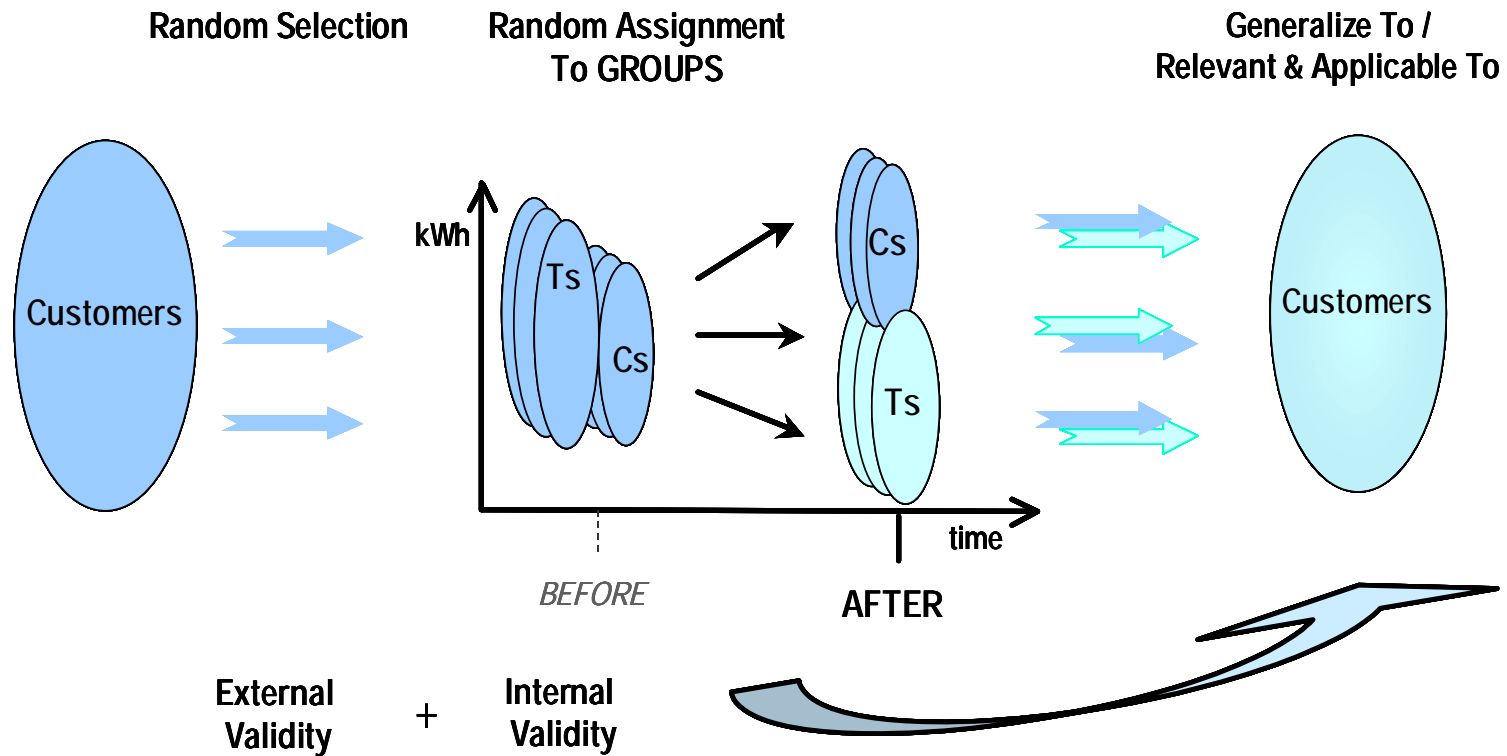
# Introduction

- Analysis of social policies typically relies on either experiments or structural equation models, and both of these are rigorous and transparent methods
- Analysis of market transformation, conversely, often relies on consumer and/or supplier self report surveys, expert judgment or case studies, which are sometimes less rigorous and transparent methods
- Purpose of this panel is to (i) present cases where rigorous methods have been applied to analyze market transformation and (ii) explore the further use of these methods

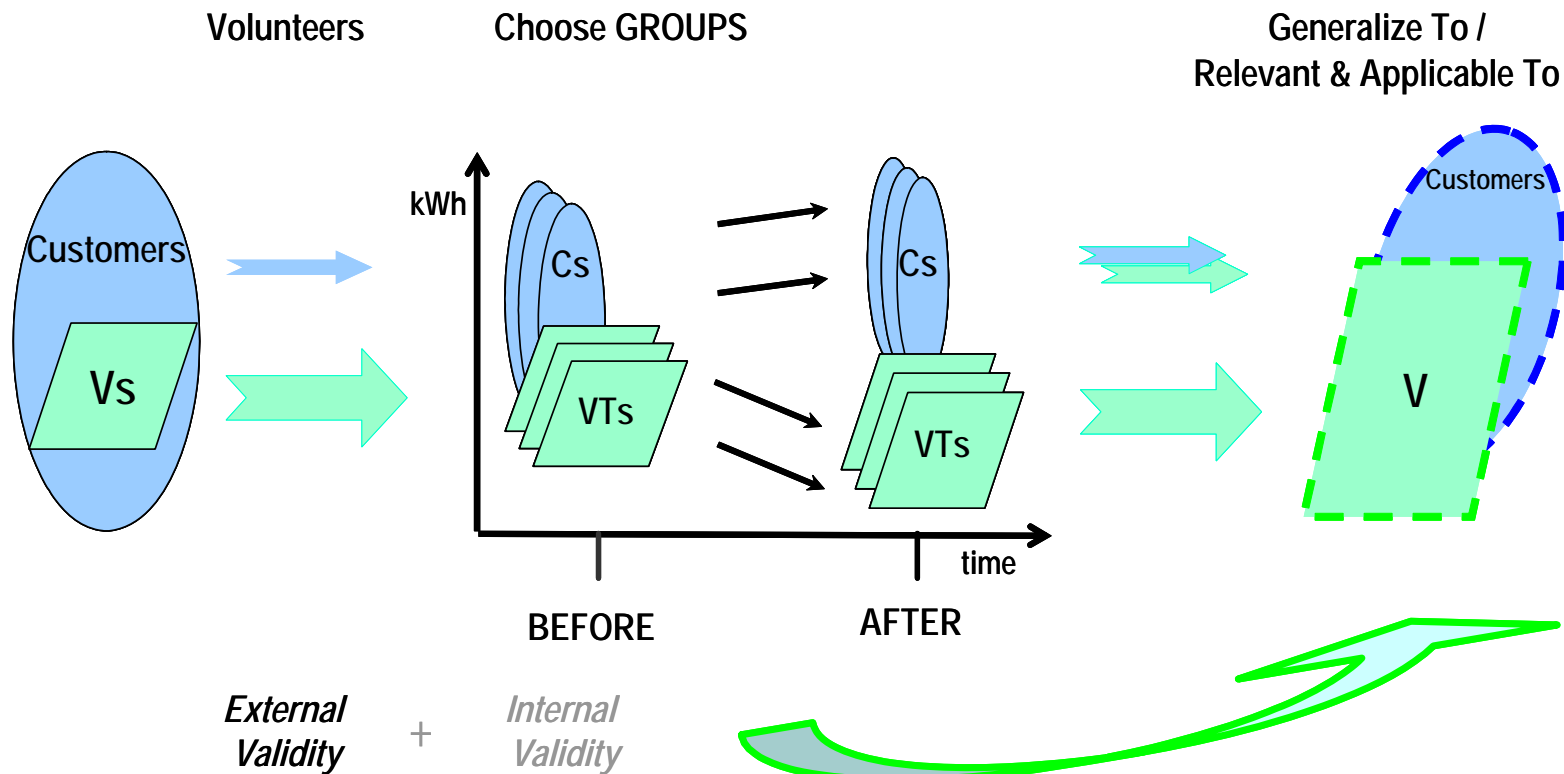
# Research Designs

- The examples rely on the use of research designs with relatively robust external validity and reasonable internal validity, including
- Bottom up quasi-experimental designs employing comparison groups over time, and
- Top down econometric models where consumption, product sales and the like are a function of economic output driver(s), time trend & programs/rates over time

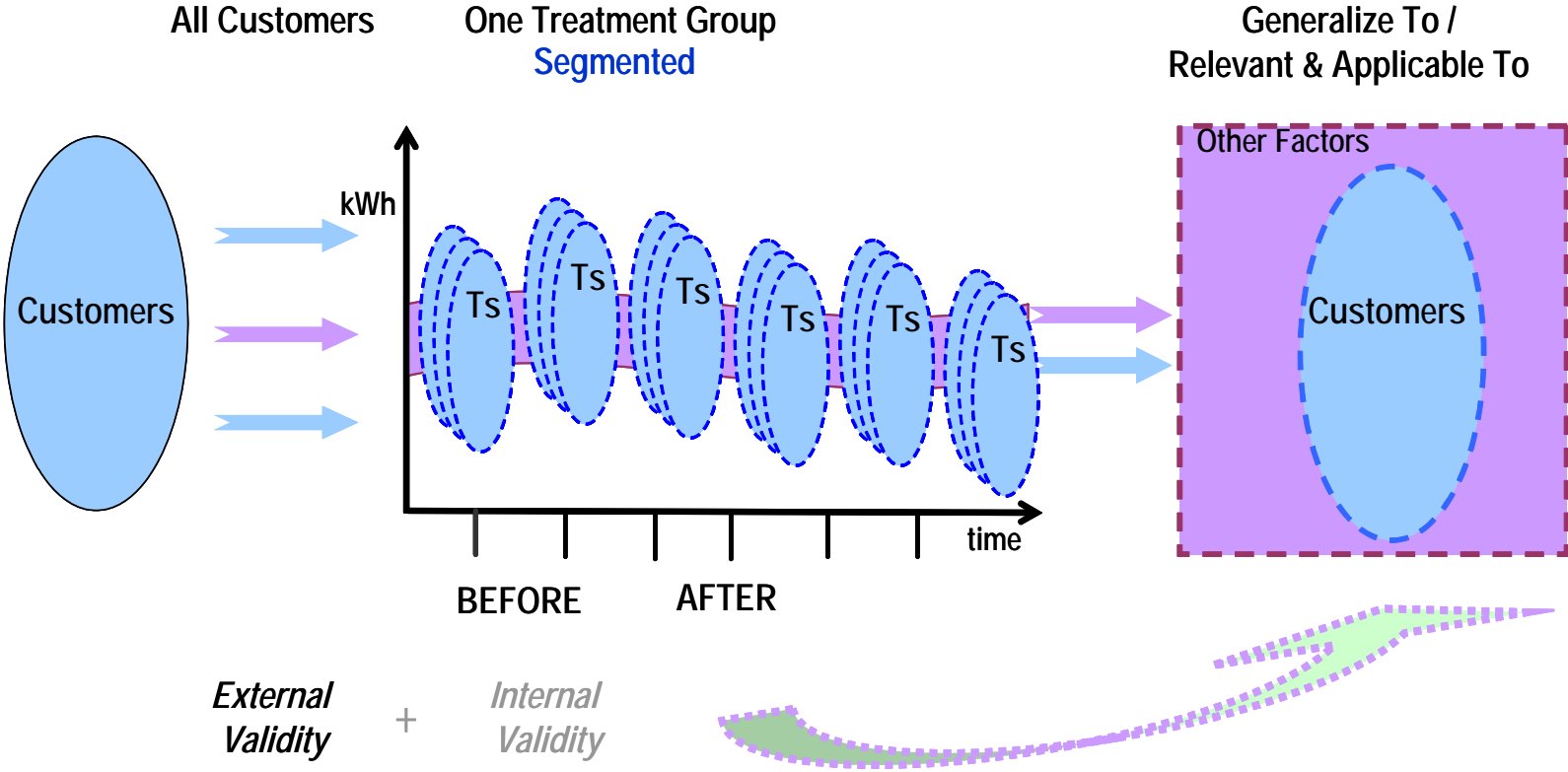
# Experiment: Random Selection & Assignment



# Quasi-Experiment with Comparison Group



# Top Down Econometric



## Panel Members

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- Marvin Horowitz, Demand Research
- Robert Russell, Navigant
- Ken Tiedemann, BC Hydro and Research4Results

## Some Discussion Questions

- Where have rigorous methods been used to evaluate market transformation (MT) programs?
- What are the strengths and weaknesses of these methods (internal validity, external validity, cost, time)?
- What are the barriers to the use of rigorous MT evaluation methods (internal to utility, lack of data, regulator protocols)?
- How can these barriers to the use of rigorous MT evaluation methods be overcome?



# Thank You

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**“There is no mechanical algorithm for producing a set of assumption free facts or causal estimates based on those facts.” Heckman (2000)**