



Large Scale Transformation

Customer Engagement and the Utility of the Future

524,160

© 2015 Brand Cool Marketing, Inc. All rights reserved.



This is the total number of minutes in a year.

0.001%

© 2015 Brand Cool Marketing, Inc. All rights reserved.



This is the percentage of them spend considering energy.
What percentage of *that* total time do we think they spend thinking
about saving it? OR the companies and brands that supply it?
We have a low engagement category. We KNOW this, but...



As an industry we appear to have some cognitive dissonance. We know it's low engagement, but if we examine carefully what we're doing, we see we make engagement hard. We have programs that haven't scaled as planned; programs that are simply hard to participate in; they frustrate business owners, homeowners, building owners, and they frustrate the businesses that are our channels in the market.



This is our approach. If we build it, they will come. ...But will they?
And are they coming fast enough? Are they telling their friends?
Why do they come?

Utility of the Future



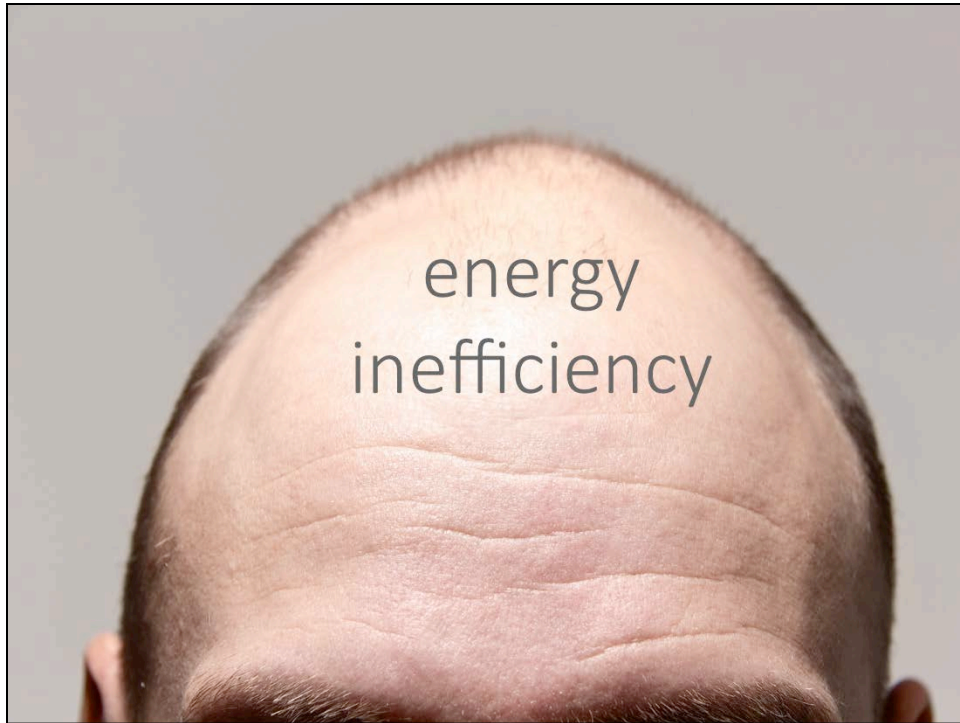
Have to put HUMANS at the center of our strategy

Brands | Business Models | Policy and Program Design



© 2015 BrandCoolMarketing, Inc. All rights reserved.

I don't have a silver bullet to increase engagement, but I am strongly suggesting we a) **QUESTION** all assumptions, and b) apply a **HUMAN** lens to everything we do. Brands. Business models. Program and Policy design.



The HUMAN lens tells us: People aren't experiencing Energy
"Inefficiency" which makes selling Energy Efficiency HARD!



We have research that tells us that when we use the phrase "Energy Efficiency" it creates feelings of **deprivation**, yet we continue to use it. In fact we use all kinds of language that creates defenses. I still see GREEN used often, and we know that's a term that alienates a whole segment of the audiences we serve.



Let's talk about our use and heavy reliance on incentives. I'd like to suggest we think about how and when we emphasize them in our outreach.

1- Industry research confirms, over and over, \$ is always a top of mind barrier. Let's question how we do our research. People don't spend money or buy products for fully rational reasons. Humans make decisions based on emotions. In fact, if the part of the brain that regulates emotion becomes damaged, we actually can't make a decision. I think it's important that we conduct our research in such a way that we uncover conscious and rational motivators as well as less conscious and often emotional motivators.

2- Research shows incentives can be effective as a door opener. However, we must be cautious as we market them because research also shows they create a subconscious feeling that what we're offering is so **untenable** we have to pay people to participate.

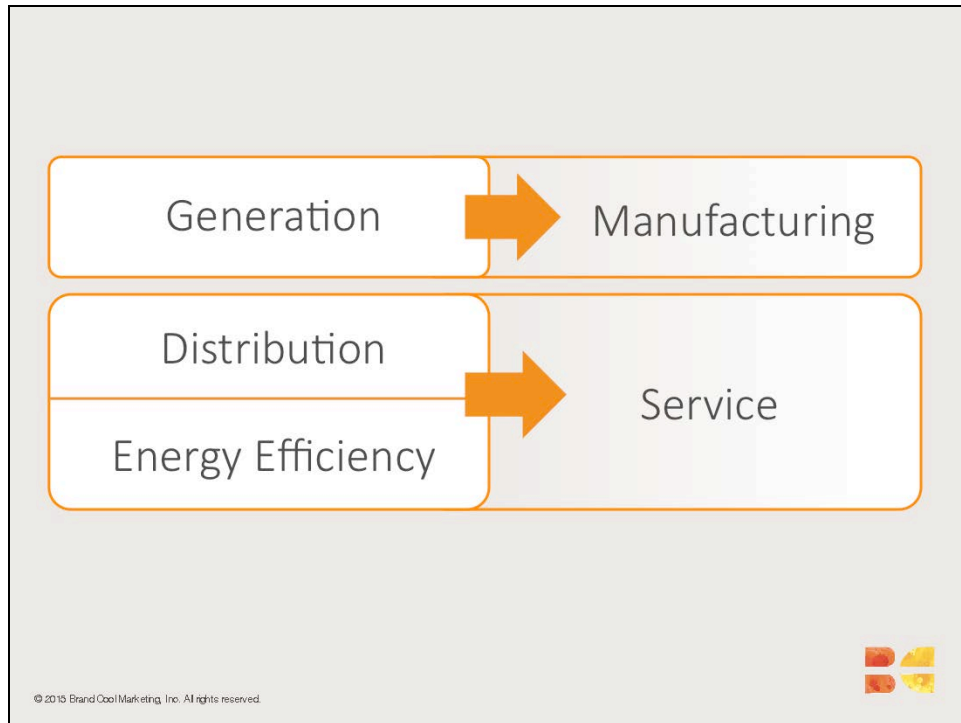
3- Utilities are increasingly concerned with brand favorability scores, and we know that offering "discounts" literally diminishes a brand's perceived value.

4- It's widely understood that business accepts sustainable practices = economic benefit and competitive advantage. Perhaps there are stronger connections to be made in C&I?

Service Design > Brand Loyalty > Engagement



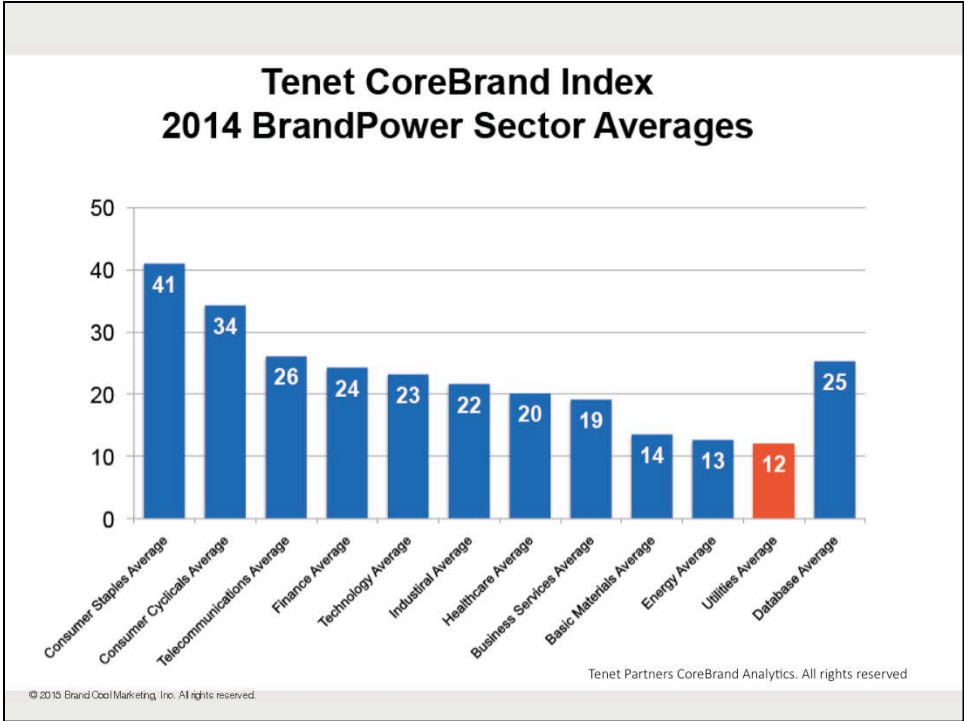
HUMAN LENS: Brand preference is strongly linked to service. This continues to be a huge area of opportunity for utilities of the future. How can we innovate service and its delivery to build engagement and brand preference?



Of course this is critical because the utility business is becoming a service business. We may be decoupling not just energy efficiency, but generation and distribution. Service is key to engagement and brand loyalty.



Utility brands are increasingly being defined by their response to customers in crisis as we experience more dramatic changes in weather.



I called my friends at Tenet and they shared with me their Core Brand Index. This measures brand strength by industry, looking at many factors including favorability and familiarity. You can see how Utilities compare to other industries. We can only improve!

“Great brands find ways to tap the emotional drivers that already reside deep within each of us.”

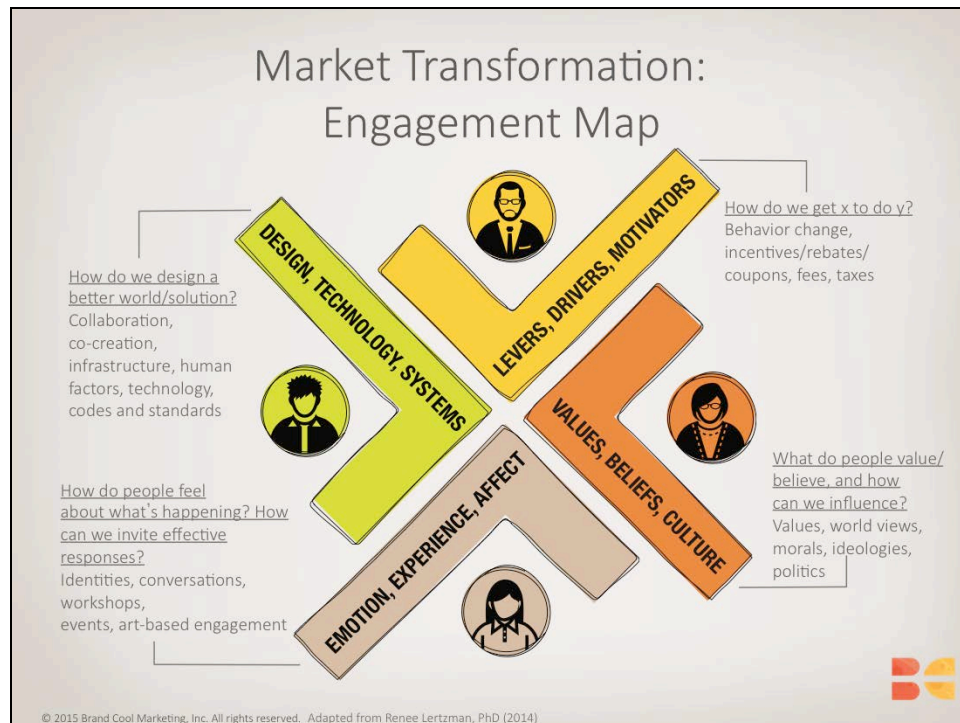
-Scott Bedbury

© 2015 Brand Cool Marketing, Inc. All rights reserved.



We build emotional connections, through our product design and experience design, not just through our marketing. My favorite definition of brand is “the sum of every interaction.”

“In the factory, we manufacture cosmetics; in the store, we sell hope.” – Charles Revlon



Behavioral, Cultural, Technological, and Emotional/Experiential.

These are the four domains our brands and programs operate in. We have big untapped opportunities in emotional and experiential dimensions. But the key here is to consciously bring all 4 dimensions into our work: new business model, stronger brands, programs with high levels of engagement.

To make energy matter,
we have to make energy human.



Appliance decals

© 2015 Brand Cool Marketing, Inc. All rights reserved.



ENERGY STAR appliance stickers, part of a larger POP and retail training program. During our research we heard people say “I love my xxx appliance.” So we decided to relate that to HUMAN long-term relationships and focus on total cost of ownership. ENERGY STAR appliances that LOVE YOU BACK!
Rational + emotional benefits.

**DON'T BUY
THIS JACKET**



THIS SEASON, SHARE SOME VALUES
Learn more about our Common Threads Initiative,
and take the pledge to reduce consumption

TAKE THE PLEDGE



patagonia



© 2015 Brand Cool Marketing, Inc. All rights reserved.

Acknowledgement is a powerful tool to HUMANIZE.
This bold Patagonia campaign tap the conscious and unconscious
within each person.



Why is buying the right bulb
so difficult?

© 2015 Brand Cool Marketing, Inc. All rights reserved.



Bulbs have changed

Choosing the right one shouldn't be rocket science

Get fast facts about bulbs at
NYSERDA.ny.gov/Bulb-Info

ENERGY STAR

NY WORKS
Energy, Innovation, Solutions.

nysesda
Energy, Innovation, Solutions.

Shopping cart ad

© 2015 Brand Cool Marketing, Inc. All rights reserved.

For ENERGY STAR bulbs our research, which included shopper simulation, showed that people actually get distressed and frustrated when they try to buy a light bulb. In fact they often bail on the whole thing. We know that when our psychological state is defended, it's not conducive to selling products! Again, we worked with ACKNOWLEDGEMENT. By simply naming what's really going on and making it a bit funny, defenses go down, buying goes up.



In fact it went up by 17% in stores using our POP. Participating retailers also went through our Bulbology certification program, because we learned they were just as confused as shoppers when it comes to buying a bulb.

Conversations convert



© 2015 Brand Cool Marketing, Inc. All rights reserved.



We have seen that when people engage 1:1 and in groups, in live conversations about energy use, we see a 50% conversion rate into our deep retrofit programs. This has been true in our Multifamily work and in our Residential work, particularly as we've trained community based organizations as a Home Performance channel for income qualified homeowners.

Simplify Brands, Campaigns, Customer Journeys



© 2015 Brand Cool Marketing, Inc. All rights reserved.

Top 3 ACEEE states all have some level of consolidated ACCESS making it easier for customers to learn about and engage in EE and CE programs. This is a customer centric approach! NICOR Gas has done some brilliant customer journey mapping work, by removing all the confusing (clever) program names, and making them EASY to understand with simple clear language and groupings. If you're not familiar with their work I strongly encourage you to review it.

#1 Mass: Mass Save

#2 CA: EUC

#3 Efficiency VT

#3 ETO

Impact + Social Good



Millennials will drive change as the most socially-conscious consumers to date.

© 2015 Brand Cool Marketing, Inc. All rights reserved.



=

Back to Home Page

Coca-Cola 2011/2012 Sustainability Report


SEARCH

GR Report
Performance Highlights

me · we · world

Global Challenges
Meet Our Partners
Stories of Hope

Water Stewardship



Inside every bottle of Coca-Cola is the story of a company that understands the priceless value of water, respects it as the most precious of shared global resources and works vigorously to conserve water worldwide. We can't imagine treating water any other way.

Report Tools
Global Reporting Initiative
Performance Highlights
Downloads

© 2015 Brand Cool Marketing, Inc. All rights reserved.

A final consideration, as we endeavor to build admired or loved “Utility of the Future” brands. Current customers and customers of the future are increasingly interested in supporting and choosing socially responsible brands.

Many brands, in many categories, have to stretch to be “good.” If soda can do this, don’t we have an opportunity? Our brands are in partnership to build a better world. We POWER life.

Capitalism with a conscience.

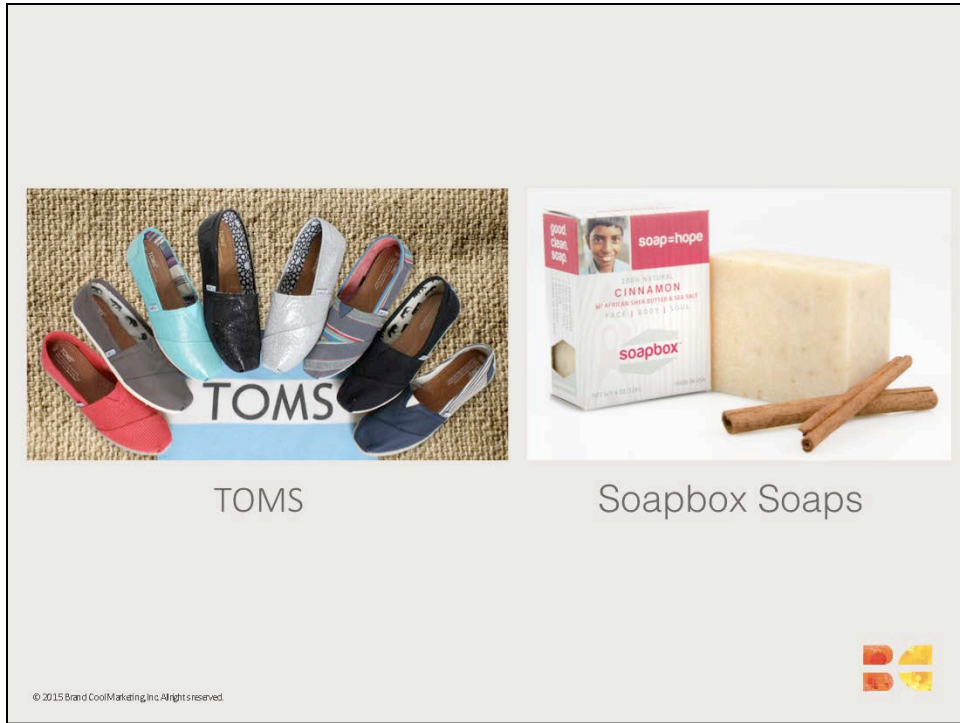
When companies support social and environmental issues, millennials respond with increased trust level of 91% and 89% loyalty as well as an 89% stronger likelihood to buy those companies' products and services.

-2013 Cone Communications Social Impact Study

A global average of 55% of consumers surveyed said they were willing to pay more for products and services from companies committed to positive social and environmental impact. This was a 10% increase since 2011.

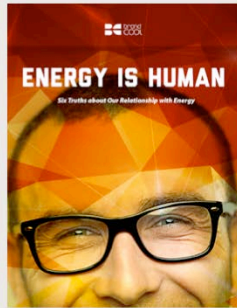
- 2014 Nielson study





Perhaps we could consider a “one-for-one” giving model. What if we connect giving to our Market Rate EE programs? Highlight the benefit to society. Elevate State and Utility brands. Could this drive loyalty and participation in EE + CE programs? We’ve simply got to look outside our industry as we seek to innovate and transform.

#EnergyIsHuman



+



BrandCoolCurrent.com
sue.kochan@brandcool.com



© 2015 Brand Cool Marketing, Inc. All rights reserved.

In closing. The stakes are high.
I want to encourage us all to question our assumptions.
Make Energy Human by connecting heads and hearts.
Build a kind of multidisciplinary collaboration like we've never seen before in this industry.
Because none of us can succeed on a planet that fails, so I feel making Energy HUMAN is enlightened self interest and could be the backbone of Market Transformation and the Utility of the Future.
You're all invited to download, from our blog, our Energy Is Human ebook and share it with your colleagues!