

Strategies for Marketing Your ENERGY STAR Financing Product

To ensure the success for your ENERGY STAR product, you should consider several marketing elements to attract both contractors and consumers.

Contractor Strategies

Contractors are critical to the success of the product. They provide the face-to-face interaction with the customers and act as the sales force behind the product. It is important that there are a sufficient number of contractors offering the product across the product territory and that the participating contractors are able to communicate the benefits of the product to consumers. Therefore, marketing elements should address both contractor recruitment and sales training.

Contractor Identification: To identify qualified contractors within the product area, it may be necessary to obtain list of contractors from trade associations, licensing boards and previous utility program participants.

Informational Meetings: Breakfast or lunch meetings can be held, preferably during the off-season, to:

1. Explain the product elements to the contractor,
2. Provide them with the sign-up materials,
3. Give an overview of the product mechanics,
4. Present the consumer marketing campaign, and
5. Provide some general information as to how to sell the product to consumers.

To promote the breakfast/lunch informational sessions, it may be helpful to use a blast fax service. Contractors may be more likely to read and respond to a faxed invitation and attendance responses can be faxed back, which may improve the response rate. After the meetings have been held, informational materials can be sent to those that did not attend.

Sales Training: During the informational meetings, contractors can be polled to determine their interest in attending a more in-depth sales training. By offering the sales training to participating contractors only, the training is seen as an added benefit to participating contractors. ENERGY STAR can help the lender and loan sponsor to provide the sales training and/or training materials. Furthermore, the existence of other sponsor provided installation or technical training can be communicated.

Marketing Materials: A variety of materials can be developed to both recruit and educate contractors. The pieces to consider include:

- Sign-up Materials. This would include any items that the contractor needs to complete and return as part of the sign-up process. For example, forms requiring

- the contractor to provide contact, licensing, bonding and insurance information, training completed, services provided, and geographic coverage.
- Consumer Marketing Campaign Overview. This would cover what the sponsor and lender are doing to promote the program. It may be helpful to include any brochures, bill inserts, or press releases that will be developed for consumers. This information will help to demonstrate to contractors the marketing benefits provided through their association with the product.
 - Contractor Brochure. A contractor brochure could be developed to explain the financing product to potential contractors. Information on the benefits of the product, measures financed and where to sign-up should be incorporated. The brochure can be provided in the overall contractor package but also be designed as a stand-alone piece that could be given to potential contractors.
 - Sales Training Materials. Brochures and videos targeted at training contractors on how to sell energy efficiency and the financing to consumers could be developed. In addition to offering classroom sales training seminars, it will be beneficial to offer contractors printed or video sales training pieces. Often only one representative will be able to attend the sales training classes or sales personnel turnover makes it difficult to maintain a trained staff. Available printed or video materials will ensure that a larger portion of the contractor staff is equipped to sell the product to consumers.
 - Customer “leave behinds”. It is also helpful to provide the contractor with materials that can be used when talking to the consumer about the energy efficiency benefits of ENERGY STAR equipment and the features of the financing product. Materials that the contractor can leave with the consumer will assist the contractor in selling and provide the consumer with additional information. It may also be useful to provide a sample of frequently asked questions for the contractor to give to consumers.
 - Procedure Manual. Information to provide includes: information on customer, contractor, property and measure eligibility and program mechanics; any technical specifications on the measures to be installed; and consumer documents such as the financing application, retail installment contract, notice of Right to Cancel and the Completion Certificate.

Field Sales Representatives: It can also be beneficial in recruiting efforts to have a lender or sponsor representative contact the contractors directly. Although it may be more cost effective to work with a group of contractors, often it is difficult to persuade contractors to attend a meeting and individual contact may prove more successful in gaining their participation. Often contractors are not interested in participating since they have no experience providing financing and may believe that including financing in their sales presentation will complicate their selling. Individual meetings may be more successful in explaining to these contractors the benefits of financing and how to use it in their sales presentation. Furthermore, it is advantageous to have a lender representative assigned to each contractor to assist with the financing process and trouble shoot any problems that occur.

Other Contractor Recruitment Strategies: Other methods of recruitment to consider include: direct mail pieces and advertisements, press releases in trade publications, attendance at local trade association meetings, and staffing of booths at trade show events.

Informational Meeting Updates: It will also be important to hold breakfast/lunch meetings on a yearly basis. This will enable participating contractors the opportunity to hear product changes as well as provide an opportunity for further contractor recruitment.

Contractor Surveys: It is also recommended that contractor surveys be conducted to determine areas of improvement in both the lending process and program materials. Contractors are the direct link to the customers and can provide valuable feedback as to what customers are thinking. Non-participating contractors should also be surveyed to determine what is preventing them from participating.

Consumer Strategies

It is important to convey to consumers the benefits from ENERGY STAR labeled products and the existence of a financing product that will help them to purchase efficient products.

Consumer marketing strategies to consider include:

- **Consumer Information:** Brochures, fact sheets and videos can be developed that explain the features of the financing product, the benefits of choosing the more efficient product for each measure offered through the financing, how to choose a contractor, and the meaning of the ENERGY STAR label.
- **Call Center:** Offer a toll-free information hotline where customer receives the consumer information developed and a list of contractors to contact in their area. If desired by the sponsor and lender, the customer leads can be given to the contractors.
- **Marketing & Advertising:** Utility bill inserts are a very powerful and cost effective way to generate interest in the financing program. One utility sponsor found that bill inserts generated 62% of the consumer calls. Other effective advertising mechanisms include: internet web sites, press releases, newspaper and magazine placements, video news releases, television and radio advertisements are all effective mechanisms. Cost will be a consideration when choosing the media, however, it will be important to focus the advertising effort to generating a “call to action”. Included in the advertisement should be the toll-free number where consumers can request more information on the product and get a list of contractors in their area. Consumers must be motivated to take that next step in the purchase process. It is also important to remember that the advertising effort does not have to exclusively focus on the financing product. Sponsors are mainly focused on influencing customers to purchase the most energy efficient equipment they can afford and the financing is a tool to help them to achieve that goal.

- **Distributed Information:** The consumer information developed can also be available to consumers at key locations or events such as utility bill payment centers and booths at home and garden shows and county fairs.
- **Direct Mail:** In addition to targeting utility bill inserts, a more targeted direct mail piece can also be developed. Targeted mailing efforts can be developed using utility lists of 1) previous energy efficiency program participants, 2) consumers calling the utility with high bill complaints, and 3) previous energy audit participants that have been given recommendations to upgrade items included in the financing product. The direct mail piece can be generated with the option of calling the 1-800 for more information or sending in a pre-paid response card for more information.

It will also be important to survey both participating and non-participating customers to determine:

- General awareness of the financing product
- How helpful the materials were and where they can be improved
- How quickly the information was received from the call center
- What action was taken after receiving the kit
- How helpful the contractors were
- How effective was the lending process

The evaluation will be helpful in not only determining the effectiveness of the product, but also what changes need to be made to improve consumer acceptance.