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IN LOS ANGELES COUNTY

marketing and
communications plan



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summary overview

The Statewide Challenge

The California Public Utilities Commission's (CPUC) Energy Efficiency Strategic Plan calls for retrofitting 130,000 housing units statewide by 2012, to increase energy efficiency and reduce greenhouse gas emissions statewide. The CPUC has provided \$111 million for utility companies to provide substantial customer rebates for whole house energy efficiency upgrades. **Energy Upgrade California™** is an unprecedented, statewide collaborative response to assist the utilities and local governments in meeting that daunting challenge. Energy Upgrade will create a new industry and transform the market for energy efficiency upgrades to existing buildings.

The overarching goal is to create a sustainable market for a whole house energy-efficiency performance approach that will lead to long-term jobs, funded through the American Recovery and Reinvestment Act that was allocated to cities and counties throughout the nation.

Energy Upgrade California in Los Angeles County is an alliance among the County of Los Angeles, the Cities within the County, Southern California Edison, Southern California Gas Company and the municipally owned utilities in the County. The goal is a “one-stop shop” for property owners to easily find clear, consolidated information about the Program elements, certified contractors, and all the rebates, incentives and financing options available.

Most of the approximately 3.4 million housing units in Los Angeles County were built before state energy efficiency standards (Title 24) were implemented, beginning in the early 1980s. A property owner investment of \$5,000 to \$15,000 to implement a single-family home energy retrofit can often achieve an average of 20% or more energy savings.

The County and its partners are collaborating on a website, community outreach and countywide advertising to leverage efforts and funding, and to maximize participation in the Program—with a goal of property owners completing 30,000 energy efficiency upgrades by summer 2013. The “Media and Advertising Flights” matrix provides an overview of schedule and timing.

Marketing Strategy

The strategy is entirely research-driven, focusing on those property owners most likely to undertake a home energy upgrade. Marketing and outreach efforts will be multi-layered and multi-faceted, targeting audiences by who they are, where they live, and the events going on in their lives. Efforts include:

- 1. Countywide Marketing (and Media Relations)**
- 2. Pilot Marketing Areas**
- 3. Trigger-Event Marketing**

- 4. City Outreach
- 5. Contractor Marketing
- 6. Realtor Marketing
- 7. Retail Partner Marketing
- 8. Multi-Family Marketing
- 9. Whole Neighborhood Marketing

1. Countywide Marketing and Outreach

Outreach will be aimed at target audiences through both mainstream and multicultural media. The advertising will also spill over onto audiences in specific geographic areas. An overarching layer of mainstream marketing and advertising will be aimed at three audiences:

COUNTYWIDE MARKETING/OUTREACH TACTICS



- **“Early Adopters”:** Those who are strong environmentalists, already poised to “do the right thing” for the environment and who just need to hear about a program and rebates.
- **“Retrofit-Ready”:** Those who are already planning home improvements and just need a little more information about what steps to take to save money and “do the right thing” for the environment.
- **“Retrofit-Persuadable”:** Those who are thinking about their utility bills, home comfort, and the environment or our dependence on fossil fuels/foreign oil (especially in light of the recent Gulf oil spill), and who need information about what types of improvements they could make and what steps to take to save energy, money and reduce fossil fuel consumption.

Marketing will focus on each target audience, providing impressions close to their homes and reaching out to mass audiences, as shown in the “target.” Property owners who are not eligible for or interested in Energy Upgrade California will find information about opportunities for weatherization programs, low-income rate subsidies, green jobs training and other initiatives available to qualified lower income households.

Marketing and outreach countywide will include:

- **Direct Mail.** Utilities will place messages on outer bill envelopes sent to customers. They intend to send direct mail about Energy Upgrade to “target areas” based on a combination of energy usage, age of home and household income.
- **County Events.** Utilities will attend large events such as the September 2010 and 2011 LA County Fairs, with a whole house

theme that includes a mini model house that visitors can “tour.” There are additional proposed events that utilities, the County or cities will attend.

- **Social Media.** The Program will heavily use social media to reach target audiences while minimizing cost, beginning at launch and continuing throughout the Program.
- **Countywide Incentives.** Several concepts are being developed, including incentives for energy assessments and contractors.
- **Countywide Media Buys.** With a September 1, 2010 launch date, media buys will be spread to avoid the election month of October 2010. Buys can include mainstream broadcast television, as well as Univision and NPR stations. Social media buys include Google AdWords (in English and Spanish) and blog ads. Print buys include in-language publications.
- **Home Energy Makeover Contest.** Home Energy Makeover Contests generate a tremendous amount of publicity and have been successfully conducted in many other states and cities. The concept is to model the behavior the Program is trying to encourage by showing the “whole house approach,” how easy upgrades can be, how much the rebates can reduce overall project cost, and how much difference upgrades can make to a home. Two contests each with 5 winners will be conducted, one at Program launch and one in Spring 2011.
- **Media Relations.** The Program will coordinate County, utility, and California Energy Commission California Public Utilities Commission efforts. Media relations will be in three phases: pre-launch, launch and milestones.

Identifying Locations of Target Audiences

The geographic location of target audiences will be identified through two market analysis efforts:

- **Parcel-Based Market Analysis.** A detailed market analysis to support specific pieces of the outreach and communications strategy will be conducted, which will start by identifying the location of audiences that are receptive to specific outreach strategies. The market analysis is being conducted using consumer market research combined with demographic data and property characteristics data from the County assessor. The main product for the analysis will be a separate analysis report (expected August 2010). This report will include countywide “heat maps” that identify areas with a high proportion of target properties, and are therefore ideal areas for targeted marketing. These maps can be used for Energy Upgrade or contractor marketing strategies.
- **Pilot Marketing Areas.** The County will intensify marketing efforts in specific pilot marketing areas where high percentages of the Early Adopter and Retrofit Ready audiences live (see below).

2. Pilot Area Marketing

The County intends to stimulate the market and generate positive word-of-mouth by intensifying marketing efforts in specific pilot marketing areas where, based on extensive consumer research, a high percentage of target audiences live. Pilot marketing programs in those areas will test the extent community-based marketing positively impacts participation rates.

To determine where to create the intense marketing pilot programs, we used characteristics based on the statistically significant market research—identifying those who showed the highest interest in participating in an energy upgrade. We then analyzed neighborhoods throughout the county to determine areas where high percentages of those audiences live. Characteristics include:

- High percentage of houses built before 1978
- High percentage of homeownership
- High energy usage
- Demographics:
 - Income \$60,000-\$120,000
 - High percentage of college-educated
 - High percentage of population age 35-50
 - High percentage of households with 4+ people

Additional considerations include:

- A cluster of 8,000-20,000 homes (small enough to enable us to reach the majority of residences and generate word-of-mouth, yet large enough to offer a good sized pool of people with a propensity to be interested in an energy upgrade)
- Has strong neighborhood and community organizations that we can engage as partners, as well as existing communication vehicles (municipal, mainstream and multicultural)
- Offers “spill over” opportunities to nearby neighborhoods that also have a high percentage of our target audiences

Based on the market research, five pilot marketing areas will be developed at launch and ten phased in during the following six months. One suggested pilot marketing area

outdoor (bus shelters and sides and street level signage) to increase impressions that drive people to the website.

- **Energy Champion Awards Program.** Several concepts are under consideration to develop a community incentive strategy to promote participation, in line with the Retrofit RampUp proposal for innovative incentive approaches.

3. Trigger Event Marketing

This suite of strategies will be aimed at capturing energy efficiency opportunities from multiple trigger events. Participants will mainly come through contractors, realtors and retail partners; property owners will have also seen countywide advertising. Trigger events include:

- Replacing old or non-functioning HVAC systems and water heaters.
- Remodeling for life-stage changes (growing family) or just to renew the house.
- Improvements made when purchasing or selling a house.
- Complaints about high energy bills or a cold/hot house.

4. City and COG Outreach

Outreach by Cities and COGs will be critical because of their existing relationships with local constituencies. Cities will be provided with a mini-marketing plan, talking points, video, customizable templates of fact sheets, articles for their newsletters and advertising materials so they can develop low-cost outreach to their residents. Cities with communities targeted in the Pilot Area Marketing plans will be informed and encouraged to do outreach to those areas. All Cities will be encouraged to:

- Run stories in print and online newsletters.
- Send information to neighborhood associations, homeowners associations, historic preservation districts, and other appropriate community organizations.
- Provide information in City permitting offices and City Hall lobbies.
- Provide information at strategically located Environmental Information Centers and at COG office locations.
- Provide information in “new homeowners” welcome kits (either directly from the city or through title companies/ mortgage brokers).

5. Contractor Marketing

BPI-certified general contractors will be listed on the Energy Upgrade consumer website, sending many leads directly to them. They also have access to the “heat maps” to use for developing their own advertising campaigns. Contractors will be attending orientation sessions to ensure they thoroughly understand the Program, rebates, financing options and can help guide their customers through the process. They will be provided with Contractor Marketing Kits to ensure they have key messages at hand that have been resonating with homeowners and have information to give to potential customers who may or may not have visited the website. Kits can be sent directly to contractors or distributed at the orientation sessions. Kits will contain:

- Talking points
- DVD of the video
- Printed fact sheets to leave with customers (with room for their contact info); more can be ordered

- Printed “slim jim” brochures about the whole house approach
- Printed in-depth brochure (branded by Scientific American Magazine)
- CD with “button” to link to Energy Upgrade from their own websites

Contractors will have access to a separate section of the website where they will be able to order additional customizable materials “on-demand,” find information about Program events, promotions and advertising, any changes to the Program, and a single trade contractor database for assembling teams for customers who would like solar panels or new windows, for example.

6. Realtor Marketing

Given that the national average length of home ownership is roughly six years, real estate agents will be in contact and advising a large percentage of the new and existing homeowners that Energy Upgrade is targeting home energy retrofits. This high level of influence makes realtors one of the largest partner groups. Realtor Kits will be similar to the Contractor Kits, and they will have access to the database of general and single trade contractors.

7. Retail Partner Marketing

Utilities will partner with retail outlets that can include Best Buy, Costco, Sears, Lowes and Home Depot. Participating retail outlets will be provided:

- Information centers
- Program collateral
- Table tents
- Window clings

8. Multi-Family Outreach

Activities and outreach strategies and schedules are still in planning phases and being developed through a statewide consortium.

9. Whole Neighborhood Marketing

Strategies and schedules are still in planning phases.

Incentives and Financing

Market research shows that rebates are primary motivators for homeowners to undertake an energy upgrade. Rebates will be available for consumers from various sources. Currently, utility rebates offer \$1,000 for the Basic Path and up to \$8,500 for those reaching 30% energy savings. The federal Home Star program is still pending—it could offer homeowners up to \$3,000 for elements in the Basic Path, up to \$7,000 for those reaching 20% energy savings and up to \$13,000 for those reaching 45% energy savings. Incentives from the County are also still pending.

Financing options are being analyzed and will be available at launch.

All rebates and financing will be coordinated on the website, with the ultimate goal of property owners filling out one form and populating all other required forms.

Proposed Implementation Plan

ENERGY UPGRADE California in LA COUNTY: MEDIA & ADVERTISING FLIGHT				OUTREACH PERIOD THROUGH SPRING 2011																							
TACTIC	Description	Funder	2010 Aug 2	9	16	23	30	Sept 6	13	20	27	Oct 4	11	18	25	Nov 1	8	15-30	Dec Jan	2011 Jan	Feb	Mar 7	14	21	28	Apr 4	
Radio-Countywide	NPR Sponsorship-KRCW KABC, KRCO Ethnic (KLVE, other)	County																									
Television-Countywide	KABC Time Warner Cable Univision	County																									
Video	6-8 min for City TV, in-person 2-minute web, :15/:30 spots also in Spanish IOLUs-:30/:60 spots	County IOU						X							X												
Online, Mobile, Social Media targeted by interest, geography	Google ads on websites, blogs targeted by area of interest and geography, facebook targeted by gender/age/geography	County																									
IOU Online (SCE home page banner, landing page, Edison news)	SCE Home page banner, landing page	IOU																									
Newspapers/Magazines (Print & Online)	LA Sentinel, Jewish Journal (Green Living), La Opinion, LA Weekly, HOY LA Edition, additional in-language	County																									
Newspapers/Magazines Pilot Areas	Pasadena, Whittier, Santa Monica, Hancock Park, Palmdale, Palos Verdes Peninsula, FBO newstexters	County																									
Outdoor/Transit-Pilot Areas	Street level posters, lamppost banners, bus shelters, bus Kings	County																									
Out of Home-Pilot Areas	Pilot Area Theaters, 30-	County																									
Retail Partners	Displays, table topper, window clings, brochures at select retailers	IOU																									
Direct Mail/Email	Outer envelope/brochure to targets Email blasts to interested grassroots, presentations, events, PR	IOU																									
Pilot Area Outreach	Grassroots, presentations, events, PR	County																									
Events-Countywide	Signage, table toppers, promotional items, mobile energy unit	IOU																									
Consumer Collateral	Program Brochure Add'l printed for all uses? Photo Novela, flyers, fact sheets	IOU County			X			X																			
Contractor Marketing Materials	Marketing Kit: Flyers, postcards Scientific American Publication Marketing Materials	County IOU			X			X																			
Media Relations	Local newspapers/TV, press events, service territory media	Coordinated																									
Home Energy Upgrade Contest	Two countywide contests; each with 20-25 finalists, 5 winners	County																									

introduction

The Statewide Challenge

California legislation (AB 32) requires Green House Gas (GHG) emission reduction to 1990 levels by 2020 and further reductions in GHG emissions to 80 percent below 1990 levels by 2050. These provisions have been incorporated into the Public Utilities Commission's (CPUC) 2009 Energy Efficiency Strategic Plan, which targets an average 40% reduction in purchased energy for the existing building stock by 2020 and an 80% reduction by 2050.

The CPUC's California Energy Efficiency Strategic Plan sets the following goals to be reached by 2020.

- 25% of existing homes exhibit a 70% decrease in purchased energy from 2008 levels
- 75% of existing homes exhibit a 30% decrease in purchased energy from 2008 levels
- 100% of existing multi-family homes exhibit a 40% decrease in purchased energy from 2008 levels

The CPUC's statewide goal is to retrofit 130,000 housing units by 2010.

Additional legislation (AB 758) required the California Energy Commission (CEC) to develop and implement a comprehensive energy efficiency program for existing residential and nonresidential buildings to reduce their GHG emissions in keeping with climate change mitigation. **Energy Upgrade California** is a partnership between the CEC and the CPUC to promote energy efficiency improvements to homes and commercial buildings, funded in part through the American Recovery and Reinvestment Act.

Market Opportunity

Along with other cities across the state, Los Angeles County will also be required to create a Climate Action Plan, and Energy Upgrade California in Los Angeles County will be a central GHG emission reduction implementation strategy. **Energy Upgrade California in Los Angeles County** is an alliance among the County of Los Angeles, the Cities within the County, Southern California Edison, Southern California Gas Company and the municipally owned utilities in the County. The

goal is a “one-stop shop” for property owners to easily find clear, consolidated information about the Program elements, certified contractors, and all the rebates, incentives and financing options available.

Most of the approximately 3.4 million housing units in Los Angeles County were built before state energy efficiency standards (Title 24) were implemented, beginning in the early 1980s. More recent vintage residential buildings also offer great potential for energy savings due to deficiencies in construction specification and field work quality.

Energy efficiency measures include improvements to insulation, space heating and air conditioning, water heating, lighting, windows and doors, solar hot water systems, and other fixed items.

A property owner investment of \$5,000 to \$15,000 for single-family building to implement a building energy retrofit can often achieve an average of 20% or more energy savings, reduce utility bills, improve building comfort, enhance indoor air quality, and increase building value.

The County and its partners are collaborating on a website, community outreach and countywide advertising to leverage efforts and funding, and to maximize participation in the Program—with a goal of property owners completing 30,000 energy efficiency upgrades by summer 2013. The “Media and Advertising Flights” matrix provides an overview of schedule and timing.

programs goals and objectives

The goals of Energy Upgrade California in LA County are to promote job creation and reduce aggregate greenhouse gas emissions through energy and resource-saving retrofits of existing building stock through three funding sources:

1. American Reinvestment and Recovery Act Energy Efficiency and Conservation Block Grant (EECBG)
2. US Department of Energy Retrofit Ramp Up (RRU) funding
3. California Energy Commission Discretionary grant

Objectives thus focus on specific target numbers for completed retrofits:

- Retrofit about 27,000 single-family homes with an average 20% energy reduction Countywide (1,605,850 single-family residential homes in LA County), plus 2,600 multi-family homes;
- Reduce annual purchased energy consumption in those homes by an aggregate 300 billion BTUs per year and associated energy costs by \$4 million per year;
- Create 3,200 jobs; and
- Reduce the County’s annual greenhouse gas emissions attributable to energy consumption in its existing building stock by 36,287 metric tons CO₂e.

RETROFIT OBJECTIVES BY FUNDING SOURCE

	EECBG	RRU	CEC	TOTAL
Single-Family Homes	15,000	4,200	8,060	27,260
Multi-Family Homes	0	1,400	1,240	2,640
				29,900

marketing and outreach program goals and structure

1. Goals

Marketing and outreach for Energy Upgrade California in LA County will engage property owners through effective strategies, provide clear and compelling information about the benefits of an energy efficiency retrofit, list the rebates and tax credits available (through this Program and through utility programs), explain financing options, list certified contractors and describe the Program process and options. The marketing and outreach plan has five major goals:

- 1. Build broad, positive awareness of the Program**
- 2. Educate property owners to overcome barriers to participation**
- 3. Target marketing efforts to drive participation by key audiences, identified in surveys**
- 4. Align and coordinate other marketing efforts by utilities and other partners**
- 5. Create a sustained market for a whole-house performance approach, leading to long-term behavioral change**

2. Objectives

The Plan is designed to achieve these major objectives:

1. Program goals met:

- **Marketing:** 35-40% of Program participants enter the Program as a result of marketing and outreach efforts
- **Contractors:** 45-50% of Program participants enter the Program as a result of marketing by contractors (using messaging and materials developed through this Plan)
- **Partners:** 10-15% of Program participants enter the Program as a result of marketing by other methods such as realtors, retail partners, architects, designers, and City efforts (using messaging and materials developed through this Plan)

2. 300,000 unique hits on a robust website (or calls to the call center)

3. Virtual “word-of-mouth” buzz created through social media, resulting in click throughs to the website

4. **Communications kits available for county, COG, cities, community leaders and environmental groups**
5. **Marketing kits available for partners (contractors, realtors)**
6. **Informational materials placed with retailers, cities, county offices**
7. **50,000,000 media/advertising/in-person impressions through:**
 - Mainstream media (television, radio, print) stories placed
 - Multicultural media (television, radio, print) stories placed
 - Radio/TV PSAs placed
 - City TV programs placed
 - Paid radio, TV promos, ads
 - Paid print ads
 - Community meetings
 - Targeted direct mail

8. Consolidated information in a “one-stop shop” approach

3. Incentives and Financing

Market research shows that rebates are primary motivators for homeowners to undertake an energy upgrade. Rebates will be available for consumers from various sources. Currently, utility rebates offer \$1,000 for the Basic Path and up to \$3,500 for those reaching 30% energy savings. The federal Home Star program is still pending—it could offer homeowners up to \$3,000 for elements in the Basic Path, \$3,000 for those reaching 20% energy savings and up to \$13,000 for those reaching 45% energy savings. Incentives from the County are also still pending. (See Rebate Structure table.)

Financing options are being analyzed and will be available at launch.

All rebates and financing will be coordinated on the website, with the ultimate goal of property owners filling out one form and populating all other required forms.

REBATE STRUCTURE

ELEMENT	COUNTY FUNDED	FED. TAX CREDIT	HOME STAR	UTILITIES
Basic Path	TBD	30% of eligible improvements, up to \$1,500 (expires Dec. 31)		\$1,000
Advanced Path	TBD			\$2,500 for 20%
Silver Star			TBD	+\$500 for 5%
Gold Star			TBD	+\$500 for 5%

4. Coordination Between Local Government and Utilities

Consumers will be best served by a unified brand and consumer marketing campaign, consistent messaging and a statewide website portal with one website address. The County of Los Angeles, Southern California Edison and Southern California Gas Company have been working together to develop a strong, coordinated program. In fact, the Los Angeles County Program has become a model for the state.

Coordination will also leverage resources and increase the marketing effectiveness of local governments and the local utilities. All materials will be developed collaboratively and costs will be shared according to the division of responsibility. The following chart outlines the key deliverables and responsibilities (next page).

MARKETING/OUTREACH COORDINATION

PROGRAM ELEMENT	LEAD			COMMENTS
	COUNTY	UTILITIES	JOINT	
Market Research	X			Telephone surveys, focus groups and market analysis
Marketing/ Communications Plan			X	This document will direct all marketing activities
Program Name/Logo			X	CEC will own the brand and has final vote on statewide name; tagline can be customized for LA County
Website Portal			X	Statewide portal linked to utility pages or sites—main info and materials on this one site
Advertising Campaign/ Principles Development			X	
Marketing Templates	X			Print and online, available for cities to customize as needed
Service Territory Media Buys (Regional)		X		Mainstream and ethnic media buys
Local Media Buys (LA County)	X			Both mainstream and ethnic media in hotspots and LA County
Call Center		X		One phone number managed by Utilities; County to help produce script
Retail Outlet Materials		X		May include kiosks, short videos
Contractor Marketing Toolkit	X	TBD		County will develop marketing materials for contractors
Direct Mail (e.g., bill inserts, other mailers)		X		
County Assessor Materials	X			Materials included in water bills, property tax bills
Community-Based Outreach	X			Targeted grassroots marketing (includes local events)
Community Events	X	X		Utilities attend countywide events; County attends local events
Public Relations	X	X		Utilities take lead for service territory; County for local or supervisor-initiated PR
Home Energy Makeover Contest	X			

strategy

The Program will use a multi-layered, multi-faceted marketing and outreach strategy that targets audiences by identifying who they are, where they live, and the events going on in their lives. Marketing efforts include:

1. **Countywide Marketing (and Media Relations)**
2. **Pilot Area Marketing**
3. **Trigger-Event Marketing**
4. **City Outreach**
5. **Contractor Marketing**
6. **Realtor Marketing**
7. **Retail Partner Marketing**
8. **Multi-Family Marketing**
9. **Whole Neighborhood Marketing**

1. Countywide Marketing

The strategy is entirely research-driven, focusing on those property owners most likely to undertake a home energy upgrade. An overarching layer of mainstream marketing and advertising will be aimed at three audiences:

1. **Early Adopters:** Those who are strong environmentalists, already poised to “do the right thing” for the environment and who just need to hear about a program and rebates.
2. **“Retrofit-Ready”:** Those who are already planning home improvements and just need a little more information about what steps to take to save money and “do the right thing” for the environment.
3. **“Retrofit-Persuadable”:** Those who are thinking about their utility bills, home comfort, the environment, or our dependence on fossil fuels/foreign oil (especially in light of the recent Gulf oil spill) and who need information about what types of improvements they could make and what steps to take to save energy, save money and reduce fossil fuel consumption.

Outreach will be aimed at target audiences through both mainstream and multicultural media. The advertising will also spill over onto audiences in specific geographic areas, providing additional impressions to those who are also targeted in the Pilot Marketing Areas. This will also add to the cities’ efforts to promote the Program, as their residents will also see the countywide marketing efforts.

Marketing will focus on each target audience, providing impressions close to their home and reaching out to more mass audiences. County-wide marketing and outreach will include tactics in the table below.

The One-Stop Shop

All information will be consolidated in a one-stop shop approach, either in a “brick and mortar” location, through the website or call center, or at community events. Property owners will have easy access to information

about eligible energy efficiency measures and retrofit options, eligibility for County-administered financial vehicles and incentives, eligibility for utility-sponsored rebates and incentives, federal rebate and tax credit information, and access to lists of qualified energy retrofit contractors.

Property owners who are not eligible for or interested in Energy Upgrade California, would also be able to find out about opportunities for weatherization programs, low-income rate

COUNTYWIDE MARKETING/OUTREACH TACTICS



subsidies, green jobs training and other initiatives available to qualified households.

Identifying Locations of Target Audiences

The geographic location of target audiences will be identified through two market analysis efforts:

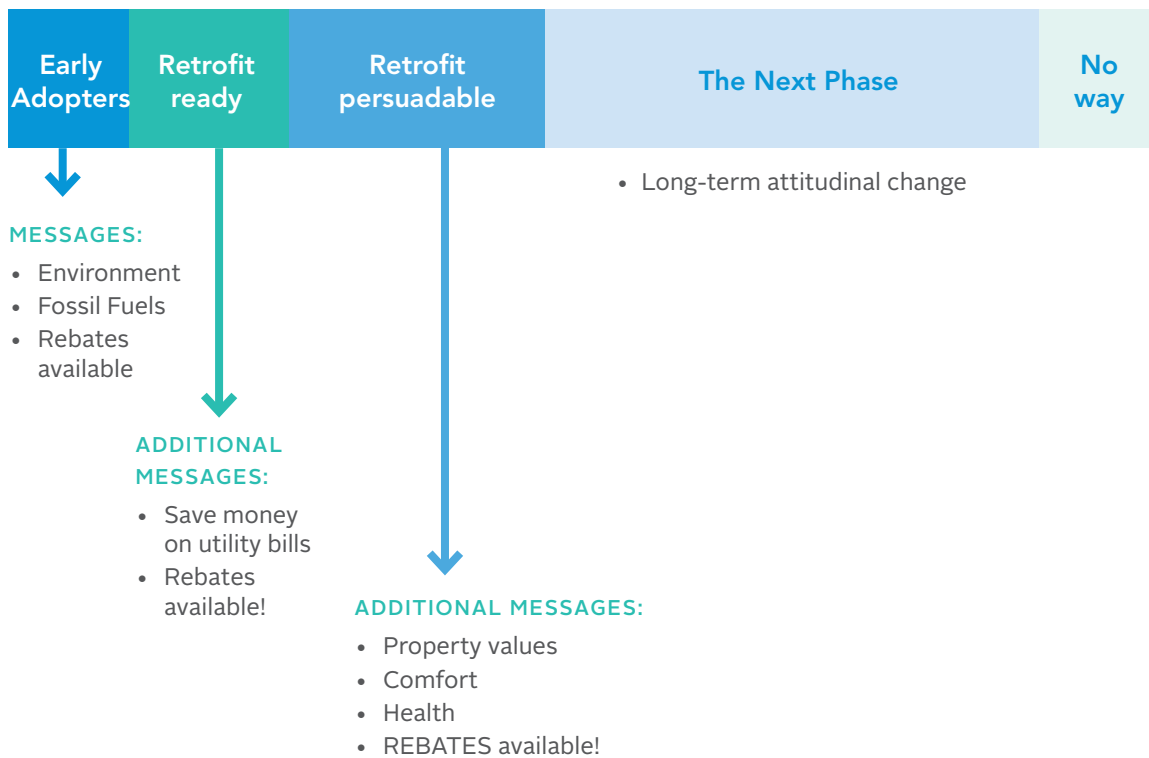
Pilot Marketing Areas

The County will intensify marketing efforts in specific pilot marketing areas where high percentages of the Early Adopter and Retrofit Ready audiences live. These pilot market areas will be identified through demographic analysis based upon extensive market research, as well as a detailed analysis of key community resources, such as strong community networks and community-based organizations, influential local media, “community feel,” etc. (For more information on the pilot market areas approach and engagement strategies, see page 23.)

Parcel-Based Market Analysis

A detailed market analysis is being conducted to support specific pieces of the outreach and communications strategy by identifying the location of audiences that are receptive to specific outreach strategies. The table on the next page demonstrates the market analysis audiences (scenarios) and market strategies that are being analyzed to identify the location of target audiences. The market analysis is being conducted using consumer market research combined with demographic data and property characteristics data from the County assessor. The main product for the analysis will be a separate analysis report (expected August 2010). This report will include countywide “heat maps” that identify the areas that have a high proportion of target properties, and are therefore ideal areas for targeted marketing. These maps can be used for Energy Upgrade California or contractor marketing strategies.

COUNTYWIDE MARKET CAPTURE CASCADE



MARKET ANALYSIS SCENARIOS

MARKET ANALYSIS SCENARIO	AUDIENCE IDENTIFIED	DATA ANALYZED	RELATED MARKETING STRATEGY
1-Early Adopters/ Retrofit Ready	Environmentalists, ready to take action now with information about rebates	Demographic Criteria, Property Characteristics	Pilot Marketing Areas
2-Retrofit Persuadable	Those who need information about types of improvements, with emphasis on rebates and cost savings	Demographic Criteria, Property Characteristics	Pilot Marketing Areas
3a-Built Environment Heating and Cooling	Middle-aged to newer homes located inland that are larger and often have high A/C, heating bills	Property Characteristics, Location of Home	Trigger Event Marketing: Utility Bills, Pilot Area Marketing
3b-Built Environment-Heating	Smaller, older coastal homes that may have comfort issues in winter	Property Characteristics, Location of Home	Trigger Event Marketing: Comfort, Pilot Marketing Areas
4-Multi-Family	Multi-family homeowners	Demographic Criteria, Property Characteristics	Multi-family Marketing, Pilot Marketing Areas
5-Whole Neighborhood	Tracts of similarly-aged and built homes	Property Characteristics, Location of Home	Whole Neighborhood Marketing, Pilot Marketing Areas

Link between Pilot Market Areas and Parcel-Based Market Analysis

The audiences being examined in the pilot marketing areas overlap with, but are not the same as, those in the market analysis. The market analysis therefore supports the pilot market area identification in two ways.

1. It adds property characteristics gleaned from consumer research to the pilot market area analysis. In this way, Scenarios 1 and 2 (Retrofit Ready and Retrofit Persuadable) provide further detail to the pilot market areas and allow for general marketing to

be directed to specific properties (when appropriate).

2. It also identifies other key audiences (Scenarios 3a, 3b, 4, and 5) that correlate to other marketing strategies, as shown in table above. The results of these scenarios will be overlaid on top of the pilot market areas, to identify specific parcels that may respond to specific marketing strategies. For example, when overlaying the properties identified in Scenario 5 (Whole-Neighborhood Scenario) with the pilot marketing areas, the County can identify properties within the pilot

marketing area that would respond to a whole-neighborhood marketing approach (bulk purchasing, model homes, a single contractor, etc.).

Home Energy Makeover Contest

Home Energy Makeover Contests generate a tremendous amount of publicity and have been successfully conducted in many other states and cities. They attract thousands of entrants. The concept is to both garner free publicity and model the behavior the Program is trying to encourage by showing the “whole house approach,” how easy upgrades can be, how much the rebates can reduce the project cost, and how much difference they make to a home.

The contest will also demonstrate the market acceptance for the home performance approach to traditional single-measure contractors. Those contractors will see how many people enter the contest to win a home performance makeover based on the whole house approach. All those who entered are leads, who may be interested in a whole house approach rather than single measures.

Entrants must be over 18, live in Los Angeles County and own the home in which they reside; the contest can be limited to those who receive service from Southern California Edison and/or Southern California Gas (in other words, it can include or exclude residents served by municipal utilities). Entrants submit information about their home and their energy consumption, and give permission for the Program judges to view their energy consumption during the previous year. Finalists are based on the highest energy consumption per square foot of a median-sized home. About 20 finalists receive free energy audits for their homes. Based on the audit (and additional criteria we will determine) five winning homes receive up to \$15,000 in home

energy improvements (which can be supplemented by rebates and additional funding from the property owner). The winner agrees to media coverage, an open house and to blog and/or Tweet during and after the retrofit. We will work with contractors to get sponsorships, as well as donated audits and upgrade elements.

One contest will be held in Fall 2010 (with five winners) and a second contest held during Spring of 2011 (with five winners).

A separate contest could be held for multi-family buildings, with a higher winning amount.

Countywide Incentives

The Program will establish a list of non-profit organizations that are active in promoting green homes, sustainability and other environmental or community projects. Everyone in the County who completes an energy audit may designate a non-profit organization to receive a donation from the Program. Information about the eligible organizations will be on the website. This will encourage those non-profits to promote the Program to their members. <Note: this concept is still being developed>

Direct Mail

Utilities will place messages on outer bill envelopes sent to customers. They will also send direct mail about Energy Upgrade to “target areas” based on a combination of energy usage, age of home and household income. Direct mail is scheduled for October 2010.

County Events

Utilities will be attending large events such as the September 2010 and 2011 LA County Fairs, with a whole house theme that includes a mini model house that visitors can “tour.” Additional proposed events include:

- League of Cities Annual Conference workshop (September 2010)
- Pomona Home Improvement Show (October 2010)
- Remodeling Show at the LA County Fair (October 2010)
- California Association of Realtors (October 2010)
- Building Industry Show (November 2010)
- Southern California Home Improvement Show (November 2010)
- Neighbor Works America (February 2011)

Online and Social Media

The Program will use social media to inexpensively reach target audiences, beginning at launch and continuing throughout the Program, with brief pauses for refining. This will be accomplished through optimizing search words for search engines such as Google and Bing, reaching appropriate independent blogs, a YouTube video contest (run by a media partner) and encouraging blog posts and Tweets by early adopters and the Program itself (see Descriptions of Marketing/Communications Tools and Descriptions of Target Audiences for more details). In addition, utilities will devote space for information and a link on their landing pages.

Countywide Media Buys

With a late summer/fall launch date, media buys need to be spread to avoid the election month of October 2010. Energy Upgrade California in Los Angeles can sponsor a weather broadcast—live, online and mobile—as well as :15 and :30 spots during other broadcasts. We will also purchase live and online spots with Univision, the Spanish-language station. Radio buys will include :15 National Public Radio (KPCC and KCRW) sponsorships and various drive-time spots on English and in-

language AM and FM stations. Social media buys include Google Words and blog ads (see Descriptions of Marketing/Communications Tools). Print media buys will be in multicultural papers.

(A full media buy plan and schedule will be available in August.)

Countywide Media Relations

The Program will coordinate County and utility efforts and with the California Energy Commission / California Public Utilities Commission efforts. Media relations will be in three phases: pre-launch, launch and milestones.

Pre-Launch (August – September)

- Develop and provide a Speaker’s Kit with talking points
- Organize County media launch event (potentially enlist a willing homeowner whose house might serve as a launching pad for media tours)
- Respond to requests from cities
- Provide pre-written articles for city/community newsletters
- Issue press kits and press release (in English and Spanish) announcing launch

Launch (October)

- Media event to announce launch and Home Energy Makeover Contest, potentially on-site at a house to demonstrate upgrades
- Send out radio PSAs

Milestones (through 2013)

- Media event to announce winners of the Home Energy Makeover contest (could be conducted on-site, surprising the winners)

- “Re-launch” press release and media event in March 2011 for a second Home Energy Makeover Contest, with a strong “get ready for summer” theme
- Press release when 10,000th person receives a rebate
- Press release when other appropriate milestones are reached or the funding for incentives is close to being depleted

2. Pilot Marketing Areas

It will be critical for the long-term success of marketing efforts to have a significant number of early successes that generate positive publicity and word-of-mouth, encouraging others to also participate. The County intends to stimulate the market for these early adopters by intensifying marketing efforts in specific pilot marketing areas (with zip code boundaries) where, based on extensive consumer

COUNTYWIDE MARKETING/OUTREACH TACTICS

TACTIC	DESCRIPTION	PAID/EARNED	LEAD
Television			
	Ad buys on Broadcast TV, Univision, Google TV	Paid	County
	“This Old House” segment on whole house performance and rebates while renovating house (filming in LA this summer)	Earned	County
	Coverage on mainstream and multicultural stations	Earned	Utilities/ County
	“Infomercial” and promos on City TV	Placed	County
Radio			
	NPR sponsorship	Paid	County
	Commute time spots	Paid	County
	Coverage on California Report	Earned	Utilities/ County
	PSAs on mainstream stations	Placed	Utilities/ County
	Spots on multicultural stations	Paid	County
Print			
	Coverage in mainstream and multicultural papers	Earned	Utilities/ County
	Sunset Magazine Green Home section	Earned	County
	Ads in LA Times and Daily News real estate sections	Paid	Utilities/ County
	Ads in multicultural papers	Paid	County
	Direct Mail to targets	Paid	Utilities

COUNTYWIDE MARKETING/OUTREACH TACTICS (CON'T)

TACTIC	DESCRIPTION	PAID/EARNED	LEAD
Social Media			
	Blogs (about homes, environment, bargains)	Earned	County
	Facebook page	Placed	County
	Ads targeted to interest in environment and/or home improvements (This Old House, etc.)	Paid	County
	Google AdWords targeted to interest in environment and/or home improvements	Paid	County
	Twitter, both by the Program and by individual early adopters (with incentives)	Placed	County
	YouTube, early adopters make a video about their experience and results (with incentives)	Placed	County
Out of Home			
	Retail kiosks, banners, flyers, links on retail websites	Placed	Utilities
Community/ Organizations			
	Environmental groups and others, newsletters, websites, email blasts	Earned	County
	Home Improvement Shows booths	Paid	County
	Countywide events	Paid	Utilities
	Blogger/subject matter events	Paid	County

research, high percentages of target audiences live. Pilot marketing programs in those areas will test the extent community-based marketing positively impacts participation rates, an effort related to Retrofit Ramp Up proposal requirements.

Demographic data provided by the market research will be overlaid with energy usage data. Additionally, GIS-based market analysis at the parcel level (described above) will allow for pinpointing of specific neighborhoods within the pilot areas for outreach that can include

door-to-door, direct mail and marketing by contractors as part of a “whole neighborhood” approach. Focusing on pilot areas will also meet the Retrofit Ramp Up requirements of the Department of Energy. Following is a summary of planned marketing and outreach efforts.

Market research-based criteria for choosing about 15 pilot areas will include:

- **Clusters of houses built before 1978.**
Those living in older homes, especially

built before California's Energy Efficiency Standards, are more likely to believe that their house might be energy inefficient and could benefit from energy efficiency improvements—and be responsive to an energy upgrade.

- **High percentage of homeownership.** These marketing efforts focus on single-family residential home owners, so areas with high rental rates will not provide a large enough number of eligible units.
- **Income over \$60,000.** Those with incomes under \$60,000 did not believe they would have sufficient income to make improvements, even with rebates. They were not interested in loans (many with low incomes also find themselves “underwater” on their loans and thus not eligible for some financing). In addition, we found some push-back in focus groups about “government offering loans to people who can't afford them, after the sub-prime loan debacle.”
- **Population with a high percentage of college-educated.** Those with a college degree are much more likely to indicate a preference to make energy efficiency upgrades. Those who had completed some college education are also more likely to indicate a preference for energy efficiency upgrades than those who had not completed any.
- **Population with a high percentage of those age 35-54.** Those with children and/or expanding families are more likely to make improvements than those under 30 (there are very few homeowners under 30) and those over 54.
- **High percentage of households with 4+ people.** Households with more people have higher energy bills. Research shows that those in homes with more than 4

people believe energy upgrades can make a big impact on their bills.

- **High energy usage.** The higher energy usage (and bills), the more likely people are to believe that energy efficiency improvements will make a difference in their bills.

After layering this information to come up with a list of potential areas, we further considered:

- **Clusters of 8,000-20,000 homes.** The area should be large enough to provide substantial numbers of eligible units but small enough to enable reaching majority of residents and generating word-of-mouth.
- **Has a diverse multicultural community.** Areas should have strong community identities and sense of place so community members are proud of where they live and are encouraged to improve their community.
- **Has strong neighborhood and community organizations.** We need to engage these organizations as partners to help spread the word.
- **Has existing communications such as newsletters, blogs.** We need to reach members through existing, credible sources that residents already use and trust.
- **“Spill over” opportunities to nearby neighborhoods.** Since marketing and media efforts will potentially also be seen by neighbors, areas should be near other areas that may also meet the primary criteria.
- **Climate/time of year.** In determining when to roll out the pilots, we can target interior areas in spring and coastal areas in cold weather.

Based on the market research criteria, five pilot marketing areas are scheduled for intense marketing at launch, with an additional 10 areas scheduled for intense marketing in Spring 2011.

The pilot market strategy is supported by the parcel-based market analysis, which will identify which neighborhoods/properties will be the best to target using this approach. The market analysis will allow limited marketing funding to be leveraged by focusing on those that are most likely to respond to the marketing efforts.

We will create messages and visuals specifically tailored to each target community's cultural and linguistic preferences. Images, symbols and icons, typography, color and overall design carry different meanings in different cultures. A message is typically most effective if it is created with careful attention to these idiosyncrasies and within the "cultural mindset" of the recipients. Creating headlines and taglines directly in the target language rather than simply translating English advertising copy, ensures that copy has the correct rhythm and rhyme, and is, therefore, much more attention-grabbing and memorable.

Community Incentives: Energy Champion Program

Several concepts are under consideration to develop a community incentive strategy to promote participation, in line with the Retrofit RampUp proposal for innovative incentive approaches. Incentives may be directed at energy audits, community-based organizations, those willing to provide testimonials or blog/tweet, and public recognition efforts.

Grassroots Community Organizing- Trained organizers will present information at the meetings of 12-15 influential community leaders and community-based organizations in

each pilot area, capture their contact data, and help spread the information to their members through their newsletters, events and websites. The Program will provide pre-written, customizable articles, presentations or video, and website "buttons" to link to the Program site. Each group will be offered an incentive of a donation to their organization for every member who completes a home energy upgrade. This will encourage CBO volunteers to increase their marketing efforts. Friendly rivalries will be encouraged. Community groups will report names of participants, checked for job completion by the Program. (under development)

Community Events

One-on-one face time with homeowners is an ideal way to engage potential participants. Well-trained organizers will attend five events in each target area, providing homeowners with information (pocket size multilingual handouts) and capturing their contact information for follow up. They can have homeowners sign up on the website onsite if appropriate, and perhaps even have them provide us with a video commitment, "I took the Pledge," with permission to post on the website. As a lure to the booth, homeowners will be offered free items such as light bulbs, magnets and reusable cups with cold water (imprinted with the website), manufactured in the US.

Print, Radio, Outdoor and Out-of-Home Advertising

Local media will cover the launch of the Program and we will strategically place ads in local media and community newsletters. Outdoor advertising (small street-level biodegradable eco-posters, bus shelters/bus sides) strategically placed in high-traffic areas will reinforce the message over a one-month period.

Pilot Area Example: Altadena

Altadena was identified as a community that fits our target criteria. It is a diverse, unincorporated community with six neighborhoods and an approximate population of 40,000. The average household income is about \$94,000. More than 50% of adult residents are married with children and commute an average of 62 miles per day to white-collar jobs. Fully 40% of the adults in this community have a bachelors

degree or higher and are involved in many community events and organizations. There are approximately 12,000 homes in this community and 10,000 of those homes are owner-occupied. The graphic shows how outreach would be concentrated in this area.

PILOT AREA OUTREACH/MARKETING TACTICS

TACTIC	DESCRIPTION	PAID/EARNED	LEAD
Radio			
	PSAs on multicultural stations	Earned	County
Print			
	Coverage in local papers	Earned	County
	Ads in local and multicultural papers	Paid	County
Outdoor			
	Bus shelters in area	Paid	County
	On-street lamppost signage	Paid	County
	Billboards	Paid	County
Social Media			
	Blogs (relevant to the area)	Earned	County
	Online ads targeted by location	Paid	County
	Listserve of neighborhood associations (through cities)	Earned	County
Out of Home			
	Movie theater ads in area	Paid	County
	Lawn signs on homes in area (through contractors)	Paid	County
Community/ Organizations			
	Community meetings with incentives to organizations for participation	Earned/Paid	County
	Community events	Paid	County
	Door hangers	Paid	County

ALTADENA MARKETING TARGET



3. Trigger-Event Marketing

This suite of strategies will be aimed at capturing energy efficiency opportunities from multiple trigger events. Participants will mainly come through contractors, realtors and retail partners; property owners will have also seen countywide advertising.

4. City and COG Outreach

Outreach by Cities and COGs will be critical because of their existing relationships with local constituencies. Cities will be provided with a mini-marketing plan, talking points, video, customizable templates of fact sheets, articles for their newsletters and advertising

TRIGGER EVENT MARKETING

EVENT	DESCRIPTION	LEAD	AGENT	COLLATERAL/ TACTIC
1. Replace on burnout (heating, air conditioners, water heaters)	Homeowners either in process of replacing an item or have already done some efficiency projects	County	<ul style="list-style-type: none"> Retail partners HVAC installers General contractors 	<ul style="list-style-type: none"> Materials for contractors/installers Retail displays
2. Life-stage changes (growing family)	Homeowners working with a contractor	County	<ul style="list-style-type: none"> General contractors 	<ul style="list-style-type: none"> Materials for contractors Ads in media for home remodels
3. Home remodel	Homeowners working with an architect, contractor	County	<ul style="list-style-type: none"> Contractors Architects 	<ul style="list-style-type: none"> Materials for contractors Ads in media for home remodels
3. Improvements at time of purchase	Homeowners interested are preparing a new home for move-in (research shows more interest at purchase than at sale)	Shared	<ul style="list-style-type: none"> Contractors Realtors Home inspectors City permit offices City welcome kits Retail 	<ul style="list-style-type: none"> Brochures for Cities Ads in weekend homes for sale sections Presentations to realtor groups Retail displays
4. Improvements at sale	House owners preparing for sale	County	<ul style="list-style-type: none"> Contractors Realtors 	<ul style="list-style-type: none"> Materials for contractors
5. Complaints: high utility bills, cold/hot house	Homeowners aware of energy-saving improvements but not whole house approach	County	<ul style="list-style-type: none"> Contractors HERS raters 	<ul style="list-style-type: none"> Materials for contractors

CITY & COG OUTREACH

TACTIC	DESCRIPTION	PAID/ EARNED	LEAD
PIO Coordination	Contact all participating cities' PIOs	NA	County
Letters	Key messages for letters from mayors, etc. to constituents. Provide to PIOs or city managers	NA	County
Website links	Button for cities to place on their website to link to Program site	NA	County
City TV	Informational videos and spot promos	Placed	County
Welcome brochure	Brochure aimed at new homeowners before they move in	NA	County
Articles	Pre-written customizable newsletter articles	Earned	County
Email blasts	Pre-written customizable info spots for community/neighborhood listserves	Earned	County

materials so they can develop low-cost outreach to their residents. Cities with communities targeted in the Pilot Area Marketing plans will be informed and encouraged to do outreach to those areas. All Cities will be encouraged to do the following:

- **Run stories in print and online newsletters**
- **Send information to neighborhood associations, homeowners associations, historic preservation districts, and other appropriate community organizations**
- **Provide information in City permitting offices and City Hall lobbies**
- **Provide information at strategically located Environmental Information Centers and at COG office locations**
- **Provide information in “new homeowners” welcome kits (either directly from the city or through title compa-**

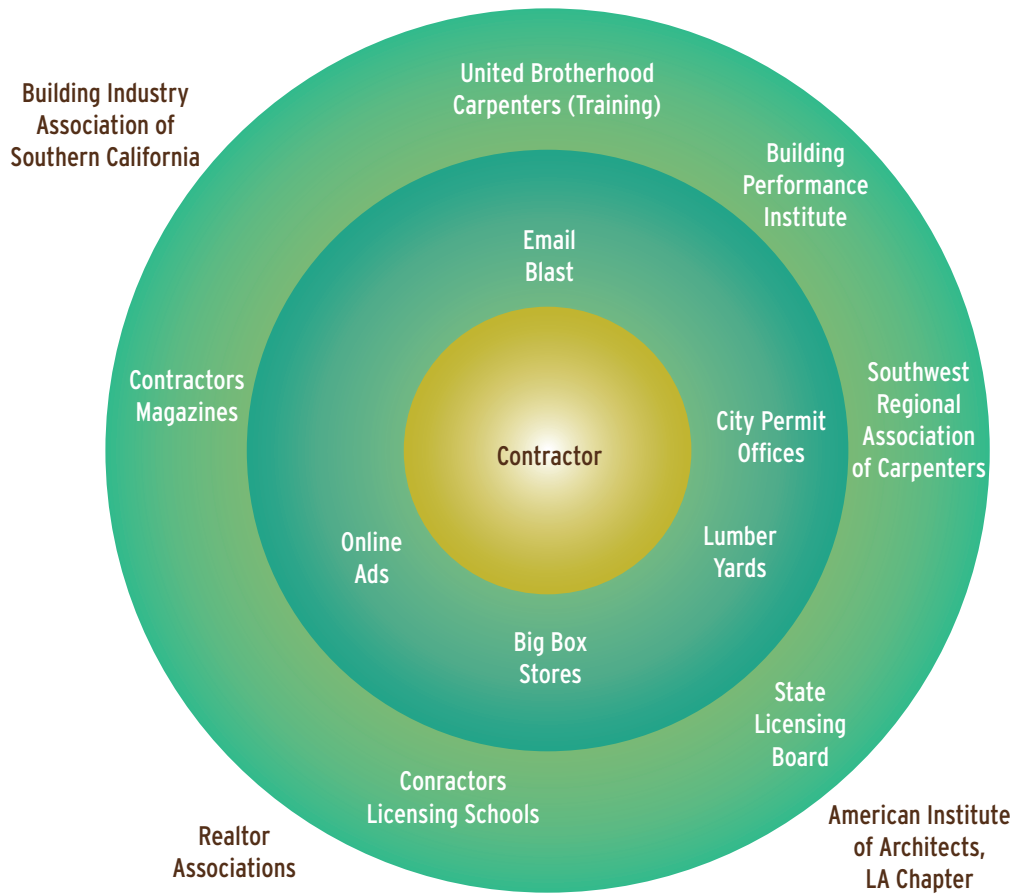
nies/mortgage brokers)

- **Run videos and spots on City TV stations**

5. Contractor Marketing

Local contractors are critical to the success of Energy Upgrade California in Los Angeles County. They provide the services that comprise the Program, and they can help market the Program to property owners. In fact, we estimate that up to 50% of Program participants will enter the Program through a relationship with a contractor (they may have also seen media coverage and advertising, which spurred them to take action). This unique role requires that the Program take a two-tiered approach of engaging the contractor—motivating local building professionals to undergo the training and certification process, and also providing them with the tools to effectively promote the program to existing and new clients. The following section describes specific

CONTRACTOR TARGET



strategies associated with both approaches.

For the purposes of the program, contractors are divided into particular segments based on the type of service provided. An initial analysis of the industry revealed the following likely categories:

- Home Performance (HP) Contractors
- Production Builders
- HVAC System/Specialty Trades (windows, etc.)
- Remodeling Contractors
- Solar Contractors

Outreach to Contractors

The Program will coordinate with contractor groups and other building professional trade organizations to schedule brief presentations about the Program and the contractor training process. For larger organizations, the Program may work directly with the company to arrange on-site presentations. These presentations are informal in nature and will be used to promote the certification orientations required for contractor participation in the program.

Key Messages to Contractors:

- \$30 million in American Recovery and Reinvestment Act money is working in LA County to create construction industry jobs

- Energy Upgrade California: Offers big rebates and financing options for homeowners doing home energy efficiency retrofits
- There will be marketing and advertising statewide and locally to promote the Program
- There will be marketing materials for you to use to market your business
- You must be licensed and Building Performance Institute-certified to be part of the Program
- Homeowners must work with BPI-certified contractors; they'll choose from a contractor database on the website
- City permitting office
- Lumber yards
- American Institute of Architects, LA Chapter (to educate them as well)
- Articles/information in Contractor trade publications (magazines, newsletters, etc.) magazines
- Carpenters Union Locals
- Contractors License Schools (and online)
- Big Box Home Improvement stores (depending on IOU relationships)
- www.cslb.ca.gov
- Email blast to all licensed contractors

Key Outreach Methods:

- Building Industry Association of Southern California
- Southwest Regional Council of Carpenters
- Realtors Association
- United Brotherhood-Carpenters (Training Program)

Contractor Outreach to Consumers

Different opportunities exist for different contractors depending on the probable work scope. The following table outlines a few potential pathways for how contractors can participate in the Program.

CONTRACTORS OUTREACH TO CUSTOMERS

CONTRACTOR TYPE	TRIGGER EVENT	VALUE TO CONTRACTOR	BUSINESS MODEL
Home Performance	Upgrade	Lead Generation	Scale for high volume
Production Builder		New Business Development	Create new division
HVAC	Replacement	Lead Generation; Value-Add	Expand services
Specialty Trade		Lead Generation	Partner with certified GC
Remodeler	Remodel, life-stage transition	Value-Add	Sub work to HP contractor
Solar	Renewables	Lead Generation	Partner with certified GC

BPI-certified general contractors will be listed on the Energy Upgrade consumer website, sending many leads directly to them. They also have access to the “heat maps” to use for developing their own advertising campaigns.

Contractors will be attending orientation sessions to ensure they thoroughly understand the Program, rebates, financing options and can help guide their customers through the process. They will be provided with Contractor Marketing Kits to ensure they have at hand the key messages that have been resonating with homeowners and have information to give to potential customers who might or might not have been to the website. Kits can be sent directly to contractors or distributed at the orientation sessions. Kits will contain:

- Talking points
- DVD of the video
- Printed fact sheets to leave with customers (with room for their contact info); more can be ordered
- Printed “slim jim” program brochure
- Printed lengthier brochures about the whole house approach (branded by *Scientific American Magazine*)
- CD with “button” to link to Energy Upgrade from their own websites and PDFs of site signage for printing

Contractors will have access to a separate section of the website where they will find information about Program events, promotions and advertising, an on-demand print section for additional copies of brochures, any changes to the Program, and a single trade contractor database for assembling teams for customers who would like solar panels or new windows, for example.

6. Realtor Marketing

Given that the national average length of home ownership is roughly six years, real estate agents will be in contact and advising a large percentage of the new and existing homeowners that Energy Upgrade is targeting for home energy retrofits. This high level of influence makes realtors one of the largest partner groups.

Real estate agents will be engaged on three levels:

- 1) Outreach**
- 2) Training**
- 3) Support**

Outreach

Outreach will be conducted through a variety of venues that will include California Association of Realtors® (CAR) regional conferences held in Southern California, partnership with the many realtor associations located in Los Angeles County and direct visits to real estate agents’ offices for short presentations. Partnerships with the 15-20 local Realtors Associations will be achieved through one or more Realtor Advisory Boards, which include the Government Affairs Directors from each of these organizations. A select few of these organizations will be used as pilots for targeted outreach during early stages of the Program. Once the strategy has been tested and revised, it will be rolled out to all of the Realtors Associations in Los Angeles County.

The fall CAR Realtor Expo will be the main kickoff event for outreach to individual realtors and realtor offices. Energy Upgrade plans to have a 30-minute talk embedded in the Speakers Program and a booth set up on the Expo floor to inform realtors about the Program, available trainings, and the support

tools that have been developed. This event will reach the majority of realtors in the Los Angeles area, but will not include the large population of real estate agents that are not members of CAR. To reach this population, email, social media, and targeted office visits will be conducted.

Training

Energy Upgrade will provide training for real estate agents in two forms. The real estate agent training module currently under development by Build It Green will be used as the main training forum. This training module is expected to take two full days to complete and will cover property assessed clean energy financing, energy efficient mortgages, rebate programs, building science, energy efficiency, and green building practices appropriate to California.

Additional web-based training will be provided to introduce real estate agents to the Program and to drive them to get in-person training through the Build It Green training module.

Support

Cultivating and closing tools will be generated to assist realtors in using Energy Upgrade California™ to expand their business while driving higher levels of program participation. Realtor Kits will be similar to the Contractor Kits, and they will have access to the database of general and single trade contractors.

7. Retail Partner Marketing

Utilities will partner with retail outlets that can include Best Buy, Costco, Sears, Lowes and Home Depot. Participating retail outlets will be provided:

- **Information centers:** End-displays detailing the Energy Upgrade Program, with a diagram illustrating the house as a system concept (multiple components that act together to maximize savings) and actions customers can take to capture those savings and rebates. In-store customer education can shift customer perception of energy upgrades, and motivate them to participate in multiple energy-efficient measures instead of just one. An additional benefit for the retailer is association with the statewide program.
- **Program collateral:** One-sheet takeaways for customers to reference and share.
- **Video:** The short videos can be played on a loop.
- **Table tent cards:** Placed throughout store sections that correlate with the Energy Upgrade Program (CFLs, appliances, ceiling fans, insulation, windows). Again, this will encourage customers to perform multiple energy upgrades instead of just one. Cross-promotion helps educate customers and encourage participation in multiple measures, thus increasing product purchase.
- **Window clings:** “Official Energy Upgrade California Information Center” tagline banners placed at store front. This will position the retailer as an active participant in the statewide program and builds retailer credibility as a green advocate.

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8. Multi-Family Outreach

Activities and outreach strategies and schedules are still in planning phases and being developed through a statewide consortium.

9. Whole Neighborhood Marketing

Activities and outreach strategies are being developed.

evaluation

The primary goals of the marketing plan are to build positive awareness of the Energy Upgrade California Program and create a sustained market for a whole house approach (see page 8). Objectives are specific to those achieving those goals. Los Angeles County residents will see multiple iterations of media coverage, paid advertising, in-store displays, contractor marketing and in-person presentations (in the pilot marketing areas). For example, a resident in Altadena might see the more intensive marketing and outreach efforts. That may spur them to action—but if they already had plans to remodel or had previously worked with a contractor, they might call their contractor and thus actually come to the program through the contractor. Therefore it will not be easy to determine precisely what has motivated each person to participate in Energy Upgrade. Objectives to meet include:

- About 35-45% of Program participants come to the Program through the marketing and outreach efforts. To monitor, we will include a short survey as part of the rebate application process, asking participants what drew them to the website and to the Program. The website can monitor click throughs to contractors sites from the Program website, providing an indication of potential participants who came to the site before having a contractor. Once a property owner inputs an address, the website will be able to specifically monitor if that participant asks for multiple estimates from contractors, another indicator of finding a contractor through the site.
- About 45-50% of Program participants come to the Program through contractors. We will ask contractors to provide information about their marketing efforts and success rates. They will be able to identify participants gained through their own marketing efforts.
- 300,000 unique hits on the website, which will be monitored by the website. Further, the website will analyze where visitors came from (e.g., a click through from an online ad, from a contractor’s website, or during the specific timeframe of an ad campaign).
- Virtual and actual “word-of-mouth” reported by monitoring social media.
- Communications kits and marketing kits available, both physically and through an on-demand print site, monitored by client.
- Informational materials for cities, monitored by South Bay Cities Council of Governments.
- 50,000,000 media/advertising/in-person impressions, monitored by broadcast, print, online statistics, and reports from grassroots marketing efforts.
- Consolidated information in one-stop-shop approach will be delivered through the website.

description of marketing/ communication tools

Placed/Earned Social Media

The Plan calls for social media to push information to our target audiences, increase perceptions of the Program as community-based, reach those who will help generate additional buzz/independent marketing efforts about the Program, and provide a mechanism for listening to what people are saying about Energy Upgrade—and responding when necessary.

Online Paid Advertising

Online advertising campaigns can be very cost-effective and highly targeted by demographics, areas of interest, and geographics. Ads appear on topic-related blogs, on search engine pages (e.g. Google) and on content pages (e.g., when you search for information about a related topic and select a website to view):

- **Types of Users:** Target ads by age, gender, income, language preference, zip code, or hot spots
- **Types of Searches:** Target ads by type of search conducted, based on key words

Ads are usually sold per “click”—the viewer has clicked on the ad and been sent to the Energy Upgrade CA website. We will make four types of online ad purchases:

1. Google ads that place ads both on its search pages and on hundreds of websites, targeted by the above
2. Networks that target specific sites and blogs that match our target audiences (e.g., Hive Blogs Los Angeles that offers 350 LA blogs to choose from)
3. Directly through select publishers (e.g., Curbed LA, Green Girl LA, local papers online)
4. Online editions of local papers in pilot marketing areas

Twitter

Twitter users are mostly college graduates, have attended graduate school and live in households making over \$50,000 a year (nationally). Users are three times more likely to follow brands and companies on Twitter than other users of social networks, with 40% specifically using Twitter to learn about and provide opinions on brands.

Twitter can push the latest developments and news to people who have expressed an interest in the Program (they must sign up to receive our Tweets or have searched for tag words included in our Tweets.) It’s also an easy way for those who follow Energy Upgrade on Twitter to share Tweets with their friends,

thereby generating buzz and helping market the Program. Twitter can share Program news in real time; drive people to the website, facilitate early adopters/buzz makers, reach younger homeowners and increase marketing efforts at a low cost. Twitter can be effectively used to communicate the Program and its milestones in a variety of ways:

- Tweet about press releases, major announcements, new items on website or blogs, media stories, and articles; especially about those that are time sensitive and tell our audience what is happening with the Program and encourages them to participate or find out more.
- Put a Tweet icon on the main website, allowing visitors to the website to begin to follow Energy Upgrade California in Los Angeles County on Twitter with one click.
- Follow others who Tweet about the Program, as well as those who Tweet about related topics. This will provide an opportunity to directly respond to a person who has a question about the Program, and point them to a link to the website.

Tweet Examples

- “100 LA homeowners have signed up for the Program at www.EnergyUpgradeCA.gov”
- “Read about LA’s new energy efficiency rebate Program in the LA times: <http://www.latimesgreenblog.com>”
- “Want to save on your utility bills? Check out www.EnergyUpgradeCA.gov”
- “Sign up for the Home Energy Upgrade contest for a chance to win a free home energy efficiency retrofit at [EnergyUpgradeCA.gov](http://www.EnergyUpgradeCA.gov)”

Cost and Budget

Setting up a Twitter account is free, as is using an application such as TweetDeck that helps follow others who are Tweeting about Energy Upgrade California. The only significant cost is staff time, which can be limited to a few hours a week.

Facebook

Facebook is a low-cost and easy way of both marketing the Program and supporting an online community of people interested in the Program. It will reach audiences who are more likely to spend time on Facebook versus a website, and who may prefer to receive short, real time Program news via Facebook rather than emails or websites. It is ideal for posting links to videos and photos related to the project. It complements the website; a place where fans of the Program can find information, ask questions and share ideas and excitement. These fans will generate buzz by telling their friends about the Program through Facebook.

A Facebook page will contain information about the Program, a link to the website, Program news, videos, photographs, and other information. When the page is updated, fans will receive links in email alerting them to the new posts.

Facebook is also ideal for sharing the story of an early adopter (who will also Tweet) through updates, photographs and videos. It lends itself much more naturally to this people-focused approach than a website, which is more formal.

Additional points:

- Encourage and perhaps reward Program adopters to share their experiences, ask questions, etc.
- Set up controls to determine what content Fans can post to the wall

- Monitor updates to the wall and take down inappropriate content
- Respond to issues, questions, and take part in the conversation
- A designated staff person should monitor the site; it is also ideal if several staff members post content, and if partners are active participants, although the overall strategy should be centralized

Facebook Examples

Here are some examples of the types of postings for a Facebook page:

- “The LA Times describes Energy Upgrade CA as a perfect opportunity to be green and save money—in the Friday money section!”
- “Why did you decide to participate in Energy Upgrade CA? Tell us how your energy efficiency retrofit is going and we’ll enter you for a chance to win a \$50 Home Depot gift card.”
- “Wondering whether Energy Upgrade California is right for you? Check out this video of the Smiths installing new insulation and windows-- and receiving a \$3,500 rebate!”

Cost and Budget

Relatively few direct costs; staff time will fluctuate during busy/calm periods, with high activity at the beginning as the Program kicks off and a fan base is established. Ongoing staff time needed to keep page fresh with 3-4 posts/week, daily maintenance required to monitor postings from fans.

Blogs

Blogs reach target audiences who are already interested in related topics and who have high potential to participate in the Program.

There are many existing blogs that can be used to further marketing efforts.

- Identify bloggers who will likely write positively about the Program. Send press release, fact sheets, and Program information to bloggers who write about topics such as the environment, energy efficiency, home improvement/remodeling, real estate/housing, bargains/saving money, as well as to companies that sell solar panels, contractors, etc.
- Bloggers are looking for topical stories to write about, and we will make their next blog post easy. Because Energy Upgrade is a high reward/optional Program, bloggers will write favorably and help tell the story in a friendly, accessible and easy-to-understand way (although we don’t have control over what they write). People who are dissatisfied will write negative comments, but we will monitor blogs and actively correct misperceptions.
- To monitor what others are writing about Energy Upgrade on their blogs, we will use free programs like Technorati or Google Reader to scan all blogs and websites that mention the Program.

Blogs to Reach

- **Green Girl LA Blog** (<http://greenlagirl.com>). This independent blog is focused on environmental happenings in Los Angeles. A recent post was about a green networking event featuring The Building Doctors, presenting ways to make your house more energy efficient. Previously a reporter/blogger for the LA Times, the writer is active and covers a wide variety of environmental/green topics happening in Los Angeles.

- **LA Times Home Blog**
(www.latimesblogs.latimes.com/home_blog) focuses on topics related to houses, and has had several recent posts about green remodeling. One advantage of a major newspaper is that the reporting is accurate and the readership is larger. They recently wrote about auditions for This Old House, which is featuring a Los Angeles area house for a summer remodel.
- **Bargain Babe**
(www.bargainbabela.townluxe.com) features Los Angeles bargains. You can search for bargains by area of LA (Westside, etc.) or by topic. This blogger recently wrote about appliance rebates.
- **LA Times Green Remodeling**
(www.latimesblogs.latimes.com/pardonourdust/green_remodeling) writes about all topics related to remodeling in Southern California, with several recent posts on green topics. A recent post reviewed the different advantages of installing various tankless water heaters. Pitch that the blogger follow a home energy retrofit and help tell their story, as well as announce basic Program information.
- **LA Times Personal Finance:**
www.latimes.com/business/personal-finance
- **Home Remodeling:**
www.kathysremodelingblog.com
- **Energy Efficiency:**
www.lowimpactliving.com/blog/
- **LA CreekFreak**
- **LA Observed**
- **LAist**

YouTube

Post all videos related to the project on YouTube. We will work with our media partners to develop a contest for early adopters to film their experience and let website visitors vote on the best. Winner receives a prize to be determined.

ListServes

Listserve reach groups of people who are interested in a similar topic or who live in a specific neighborhood. Send email blasts to listserve such as neighborhood associations, home remodelers, and environmental groups with an energy focus. City staff has information/addresses of neighborhood and homeowner associations lists.

Multimedia for Presentations, Website

Develop an engaging, informative 6-8 minute video, focusing on contractors and homeowners that can be used during presentations and presented on City TV. The video will be shot both in English and in Spanish and cover:

- How the rebates work to create a sense of urgency about doing the energy upgrades sooner rather putting it off, to take advantage of the rebates.
- The “seal then enhance” whole house concept
- What the Program elements actually look like and how they are installed, to overcome barriers such as that one might have to move out of the house or the energy upgrades are “ugly”
- Working with a contractor, what being licensed and certified means, getting multiple bids
- Financing options
- Doing the paperwork

From that video, develop:

- Three individual 2-minute videos for use online, each focusing on a specific topic—again in both English and Spanish
- A :15 and a :30 spot, each in English and Spanish, for use on City TV and broadcast stations
- Articles and photos they can run in their online or printed city newsletters
- CD with templates for quick printing and website button to link from their website to Energy Upgrade California.

Print Collateral

- **Customizable fact sheets.** Information sheets (one page, front and back) in English, Spanish and Chinese that can also be posted on the website as PDFs.
- **Program brochure.** More highly designed for placement in municipal offices and events.
- **Customizable Brochure.** Branded with Sunset Magazine or National Geographic for contractors and realtors to hand to customers.
- **Signage.** Banners for events and street lampposts, posters for municipal offices and small events, and potentially signage for bus sides/transit shelters.

Speakers Kits

County and city staff will receive kits to ensure everyone is familiar with key messages and has information to give to constituents. These can be sent directly to cities or distributed through COGs. Kits will contain:

- Talking points
- DVD of the video
- PPT presentation for public meetings
- Printed brochures for permit offices, to include with welcome packets for new homeowners

description of key messages

The following messages had the highest resonance in polling and focus groups both in Los Angeles County and the Bay Area.

Primary Motivators

The following two messages about saving money are key to motivating all target audiences. They should be part of every piece of advertising or collateral produced.

- 1. Rebates.** Homeowners who make energy-saving home improvements can qualify for a \$1,500 federal tax credit and rebates of up to \$3,500 depending on how much they reduce energy consumption. Additional motivator: Tax credits only available until December 31, 2010. (Rebates are preferred over tax credits because it's cash now rather than later and, depending on income, not everyone can get the credit.)
- 2. Save on Utility Bills.** Upgrading a home to use less energy and water can reduce utility bills by 20% or more—saving you money over time.

Secondary Motivators

The following messages are then layered, depending on which audience is being targeted.

- **Help the Environment/Climate Change.** We all need to do our part to help the environment and slow climate change. Making our homes more green and energy efficient is an important step we should all take.
- **Reduce Foreign Oil/Fossil Fuels.** At a time when we are trying to reduce our dependence on foreign oil and other fossil fuels, upgrading the energy efficiency of our homes is an important step we can all take. (In focus groups the concept of energy independence further resonated as independence from utility companies; getting off the grid).
- **Certified Contractors Save Money.** Specially trained and certified contractors know how to find improvements that the average homeowner would not. Their assessments will ensure that you find more energy savings and, therefore, save more money on your utility bills. Additional motivator: Contractors are certified by the Building Performance Institute, working with the Department of Energy and Environmental Protection Agency.

- **Increase Property Values.** Homes that are energy-efficient and environmentally friendly are more appealing to homebuyers. These upgrades can increase your property value.
- **Comfort.** Upgrading your home’s energy efficiency—in particular upgrading insulation—can make it a more comfortable place to live. No more drafty, cold rooms in the winter or hot, stuffy rooms in the summer.
- **Indoor Air Quality.** Insulation and ventilation can reduce allergy and asthma-causing mold and mildew, improving indoor air quality, especially for infants and those with health conditions.

Messengers

Homeowners prefer to receive information from impartial, trusted sources. These messengers received the highest scores in polling.

- Neighbors and other homeowners
- Contractor the homeowner is already working with or referred by friend/neighbor
- Architects/design professionals
- Gas and electric utilities
- Environmental organizations
- Home improvement store staff (when equipped with flyers)

