



*NATIONAL ENERGY EFFICIENCY BEST PRACTICES STUDY*

*VOLUME 01 – CROSSCUTTING – ADVERTISING BEST  
PRACTICES REPORT*

*Submitted to*

*California Best Practices Project Advisory Committee  
Kenneth James  
Contract Manager  
Pacific Gas and Electric Company  
P.O. Box 770000, N6G  
San Francisco, CA 94177*

*Submitted by*

*PRIME CONTRACTOR  
QUANTUM CONSULTING INC.  
2001 Addison St, Suite 300  
Berkeley, CA 94704*

*Volume 01 Report Contractor – Megdal & Associates*

*December 2004*

*©2004 Quantum Consulting Inc. All Rights Reserved.*

## TABLE OF CONTENTS

SECTION	PAGE
ES. EXECUTIVE SUMMARY	O1-1
ES.1 Introduction	O1-1
ES.2 Key Category Themes	O1-1
ES.3 Best Practices Summary	O1-2
1. OVERVIEW OF REVIEWED PROGRAMS	O1-15
2. CONTEXT	O1-19
2.1 Policy Environment	O1-19
2.2 Program Strategy and Goals	O1-20
3. COMPARISON OF PROGRAM COMPONENTS	O1-23
3.1 Program Theory and Design	O1-23
3.2 Program Management: Project Management	O1-31
3.3 Program Management: Reporting and Tracking	O1-34
3.4 Program Management: Quality Control and Verification	O1-38
3.5 Program Implementation: Marketing and Outreach	O1-41
3.6 Program Evaluation and Outcomes	O1-48
4. SOURCES	O1-54
APPENDIX O1A – BRIEF INTRODUCTION TO THE NATIONAL ENERGY EFFICIENCY BEST PRACTICES STUDY	O1-59

## **ACKNOWLEDGEMENTS**

The Best Practices Study team would like to gratefully acknowledge the participation of the following individuals and their organizations in this report:

- Susan Andrews, New York State Energy Research and Development Authority
- Samantha Crowley, United Illuminating Company
- Dave Hewitt, Northwest Energy Efficiency Alliance
- Wally McGuire, McGuire Company (d.b.a. Efficiency Partnership, California Flex Your Power Program)
- Nicole Nasser, McGuire Company (d.b.a. Efficiency Partnership, California Flex Your Power Program)
- Barbara Samuel, Wisconsin Department of Administration

These individuals participated in lengthy interviews in which they generously shared their expertise and lessons learned in program design, management, implementation, and evaluation. Several of these individuals also contributed significant time in reviewing and editing summary documents and draft versions of this chapter. Without their participation and the support of their organizations this report would not have been possible.

In addition, we thank the many individuals that participated in the user needs focus groups conducted at the outset of the project.

We also thank the members of the Best Practices Study's Project Advisory Committee for their inspiration, insights, tireless review and thoughtful direction throughout the project:

- Kenneth James – Pacific Gas and Electric Company
- Sylvia Bender – California Energy Commission
- Pierre Landry – Southern California Edison Company
- Rob Rubin – Sempra Utilities
- Jay Luboff – California Public Utilities Commission, Energy Division
- Eli Kollman – California Public Utilities Commission, Energy Division

(Additional recognition is made to Sylvia Bender for her additional review, edits, and supply of reports to aid in refining this chapter and its Flex Your Power reference documents.)

Finally, these reports benefited greatly from the diligent technical editing of Betsy Wilkins and the tireless production efforts of Alex Kang.

## **CONTACT INFORMATION**

Kenneth James  
Best Practices Study Contract Manager  
Pacific Gas & Electric Company  
P.O. Box 770000,N6G  
San Francisco, CA 94177  
415-973-0246  
[klj1@pge.com](mailto:klj1@pge.com)

Michael W. Rufo  
Best Practices Study Prime Contractor Lead  
Quantum Consulting Inc.  
2001 Addison Street, Suite 300  
Berkeley, California 94704  
510-540-7200, ext. 2037  
[mrufu@qcworld.com](mailto:mrufu@qcworld.com)

Lori Megdal, Ph.D.  
Crosscutting/Advertising Chapter Lead  
Megdal & Associates  
198 High Street  
Acton, MA 01720-4218  
978-461-3978  
[megdal@verizon.net](mailto:megdal@verizon.net)

## ***ES. EXECUTIVE SUMMARY FOR CROSS-CUTTING ADVERTISING PROGRAM AREA (O1)***

### ***ES.1 INTRODUCTION***

This volume presents results of a comparative analysis of advertising programs included in the National Energy Efficiency Best Practices Study (“Best Practices Study”). The overall Best Practices Study objectives, scope, and methodology are briefly outlined in Appendix O1A of this report. More details on methods and findings are provided in separate report volumes.

The Best Practices Study team (“Best Practices Team”) reviewed five advertising programs for this program area study (“O1 Programs” and “O1 Study,” respectively), which varied in scope, target market and goals. The O1 Study investigated a variety of programs because advertising within the energy efficiency field has seldom received much systematic review or evaluation. The breadth of the O1 Programs allowed for a broad view of the field and for general best practices across a range of advertising types to be culled and made available for use in planning future efforts. The O1 Programs include a general branding campaign targeted to both residential and commercial customers, programs promoting residential load-shifting and efficiency actions, and programs advertising business efficiency actions. Advertising for energy efficiency, conservation and peak load reduction is generally referred to in the O1 Study as “energy efficiency advertising” for the sake of brevity. The O1 Programs are listed in Exhibit O1-E1 below and represented in the body of this report.

### ***ES.2 KEY CATEGORY THEMES***

Advertising is a unique and vast field, with a variety of specialized areas and experts within it. Effective advertising is both science and art. It is a field quite different than other energy efficiency program activities. This contributes to making energy efficiency advertising programs fairly unique among the program categories examined in the Best Practices Study. There are also differences between energy efficiency advertising and other product or service advertising. This range of differences drives the following key themes for this report.

**Energy efficiency advertising usually includes aspects of a specialized field called social marketing. An understanding of social marketing’s basic principles and best practices is essential to maximizing results and program success.** Social marketing applies the tools and concepts of commercial marketing to influence individuals’ behavior to solve social problems or improve the well-being of individuals and society at large. Energy efficiency advertising faces many of the same challenges as the broader social marketing field, which differentiates it from general product and service advertising. These challenges include negative demand (asking people to do things they don’t want to or are unaccustomed to), invisible benefits, benefits to third parties, intangibles that are difficult to portray, culture conflict, public scrutiny, limited budgets, multiple publics, and the absence of a marketing mindset.

**The social marketing challenges, when combined with the oversight requirements typical for energy efficiency programs, result in the need for strong planning, design, tracking, and evaluation.** The complexity and technical nature of educational messages require expertise and testing to ensure they are properly conveyed and understood so they will drive the desired

behavior change. These elements must be properly incorporated in the planning and design of the message and its delivery must resonate with the target audience. At the same time, the regulatory environment of the energy industry requires advertising programs to meet evidence and evaluation requirements before resources are invested. These requirements are sometimes seen in other areas of social marketing (e.g., education and health care) but are generally greater than most advertisers are used to.

**Efficiency advertising programs also require strong cross-functional and cross-organizational coordination. A well-functioning team comprised of diverse professionals is critical to program success in this area.** Team members should represent expertise in various areas of advertising, marketing management, social marketing, the targeted energy efficiency issues, and efficiency program evaluation. Effective program management of such a group requires balancing the empowerment of the distinct roles and specialists with the need for integration and teamwork.

**Finally, carrying out an effective efficiency advertising campaign takes time.** Energy efficiency advertising is often hindered by the fact that programs tend to be created to respond to short-term crises. As such, they sometimes lack the time needed to properly research and rollout a fully effective and cost-efficient campaign. In addition, funding levels and associated effects are subject to boom and bust cycles tied to these perceived short-term crises. As a result, there is little experience available to assess the relative benefits of long-term efficiency marketing campaigns.

The O1 Programs and their predecessors have also learned hard program management lessons. Some of these have already been applied to correct mistakes, while others have only recently been recognized. A list of potential pitfalls is provided here as a resource for future planning.

### ***ES.3 BEST PRACTICES SUMMARY***

Best practices are identified in the O1 Study for each of the four major program components. These program components are Program Design (including program theory), Program Management (including project management, reporting and tracking, and quality control and verification), Program Implementation (marketing and outreach) and Program Evaluation. Best practices were developed by analyzing information across programs developed from detailed interviews of program managers and thorough review of all relevant secondary sources, such as program filings, evaluations and social marketing literature. Exhibit O1-E2 presents the list of best practices developed from the analysis of O1 Programs. Pitfalls associated with these programs are summarized in Exhibit O1-E3. Exhibit O1-E4 provides the rationales associated with each best practice. Exhibit O1-E5 offers a glossary of marketing terms used in the O1 Study. The remainder of this report provides detailed analysis and discussion of program features and best practice rationales.

**Exhibit O1-E1**  
**O1 Programs: Advertising Programs Reviewed For O1 Study**

<b>Program Name</b>	<b>Implementer/s</b>	<b>Abbreviation for O1 Report</b>
2003 California Statewide Flex Your Power Program	McGuire and Company (doing business as (dba) Efficiency Partnership) in partnership with utilities and thousands of companies, local governments, water agencies and non-profits organizations.	Flex Your Power
2002 NYSERDA Keep Cool Campaign	New York State Energy Research and Development Authority (NYSERDA)	NYSERDA Keep Cool
2002-2003 Northwest Energy Efficiency Alliance BetterBricks Program Advertising Campaign	Northwest Energy Efficiency Alliance (NW Alliance)	NW Alliance BetterBricks Advertising
2002-2003 Wisconsin Focus on Energy Umbrella Advertising Campaign	Focus on Energy™/ Wisconsin Department of Administration (DOA)	Focus on Energy Advertising
2003 United Illuminating Wait 'Til 8 Campaign	The United Illuminating Company (UI)	UI Wait 'Til 8

**Exhibit O1-E2**  
**Summary List of Best Practices for Advertising Programs**

<b>Program Theory and Design</b>
<ul style="list-style-type: none"> <li>• Conduct sufficient upfront market research</li> <li>• Develop a program theory and logic model</li> <li>• Map and apply the theory of change to message design, segmentation and media planning</li> <li>• Utilize a structured and comprehensive market feedback system</li> <li>• Pre-test as a normal practice</li> </ul>
<b>Program Management: Project Management</b>
<ul style="list-style-type: none"> <li>• Build and utilize a strong cross-functional and cross-organizational team that includes advertising specialists</li> <li>• Utilize a social marketing expert and an expert on the targeted energy efficiency issues on the team</li> <li>• Balance the empowerment of the distinct roles and specialists against the need for integration and teamwork</li> <li>• Get an early start</li> </ul>
<b>Program Management: Reporting and Tracking</b>
<ul style="list-style-type: none"> <li>• Become familiar with and use standard advertising industry measurements as one tool in the reporting, quality control, and evaluation processes</li> <li>• Track these measurements for media plan assessment and for comparison against other outcome and effects measurements</li> <li>• Work with demand-side management (DSM) advertising peers to develop and implement a set of standard tracking and evaluation metrics</li> </ul>
<b>Program Management: Quality Control and Verification</b>
<ul style="list-style-type: none"> <li>• Ensure quality control is part of the comprehensive market feedback system</li> <li>• Obtain post-buy reports and evaluate post-buy analysis</li> <li>• Follow through on any discrepancies uncovered in post-buy analysis</li> </ul>
<b>Program Implementation: Marketing and Outreach</b>
<ul style="list-style-type: none"> <li>• Use a broad array of marketing tactics and strategies</li> <li>• Develop a strong media plan to ensure that the appropriate message reaches the target audience at the best time and in the best manner to motivate desired changes</li> <li>• Utilize ad development best practices from the marketing industry</li> <li>• Use market segmentation to identify the appropriate target markets and messages</li> <li>• Create and select the ad according to its ability to communicate the intended message, be recognized and remembered, and stimulate key behavior changes</li> </ul>
<b>Program Evaluation</b>
<ul style="list-style-type: none"> <li>• Use an evaluation team that includes both efficiency program evaluators and advertising specialists</li> <li>• Use standard advertising evaluation methods combined with periodic effects evaluations</li> <li>• Periodically conduct process evaluations</li> <li>• Involve program staff in the evaluation process and create a culture whereby evaluation findings are valued and integrated into program management</li> </ul>



***Exhibit O1-E3***  
***Summary of Pitfalls Associated with Efficiency Advertising Programs***

<b>Efficiency Advertising Program Pitfalls</b>
<ul style="list-style-type: none"><li>• Advertising created to brand or be memorable without an adequate focus on whether or not the target audience is actually taking away the knowledge and motivation necessary to change their behavior</li><li>• Lack of recognition that this is a form of social marketing with all its inherent and well-documented challenges</li><li>• Micromanaging such that the producers of the advertising no longer feel responsible for their product</li><li>• Inability of advertising personnel to effectively handle education and communication issues around peak load, load-shifting, efficiency versus conservation, and the more difficult concepts being promoted by efficient building design and construction</li><li>• Technical pieces produced without proper advertising expertise on how to break through the audience's clutter, grab interest or get recall from the target market</li><li>• Relying solely on program management approval of ads without pre-testing to ensure that the proper message is being communicated to the target audience</li><li>• Failure to understand the value of advertising effectiveness evaluation methods</li></ul>

**Exhibit O1-E4**  
**Summary of Advertising Program Best Practices Rationales**

Best Practice	Rationale
<b>Program Theory and Design</b>	
Conduct sufficient upfront market research	Advertising must move the consumer through several decision-making related stages to achieve its desired outcome of changing behavior. By definition, this can be exceedingly difficult to achieve, particularly in social marketing. It is critical that effective research be conducted early in the design process to improve understanding of baseline awareness, attitudes, preferences, and other factors necessary to develop an effective model of behavior and the ad campaign to influence it.
Develop a program theory and logic model	A program theory or story that clearly describes the program target, program timing and strategic approach can reveal gaps in program focus or effort and ensure that everyone involved knows what the program seeks to accomplish and why. Having a stated program theory facilitates adaptive management by providing a basis for assessing progress and identifying when tactics need to be revised or adjusted in response to market changes.
Map and apply the theory of change to message design, segmentation and media planning	In order to develop a message to change behavior, the barriers, attitudes and logic behind the current behavior choice needs to be known. The key elements that need to be changed can then be identified. Using this knowledge, an intervention can be developed that is likely to influence the factors that will lead to the desired behavior change.
Utilize a structured and comprehensive market feedback system	Using a sound theory of change for individuals, firms, or communities is required in order to obtain significant desired effects from advertising. This theory must be based in the context of the market and environment within which targeted behavior decisions are made. The market, stages and environment can vary over target markets and over time. It is, therefore, essential that a feedback system, along with the vigilance for making needed adjustments, be in place. Lessons learned from the social marketing literature emphasize inclusion of initial market research, baseline data, extensive pre-testing, and on-going evaluation as cornerstones of the market feedback system.

<b>Best Practice</b>	<b>Rationale</b>
Pre-test as a normal practice	Although a part of the comprehensive market feedback system emphasized above, pre-testing deserves special emphasis. The ultimate authority of whether the material will likely accomplish its goals is the target customer. Market research alone does not ensure that the message will not be “lost in the clutter,” understood, memorable, or able to gain the movement desired. Pre-testing with appropriate focus groups is a cost-effective method for determining if advertising needs to be revised or refined. The time and budget costs of pre-testing are small compared to the cost of an ineffective campaign.
<b>Program Management: Project Management</b>	
Build and utilize a strong cross-functional and cross-organizational team including advertising specialists	There is a science and an art to advertising and a variety of specialists within it. The advertising component of the program team will often include the marketing or brand manager, communications or project manager, account manager, copywriter, art director, technical consultant and media buyer. Each of these roles requires a specific set of skills and experience. In the private sector, it is widely acknowledged that the value these specialists and their expertise bring to a project is worth the budget investment.
Utilize a social marketing expert and an expert on the targeted energy efficiency issues on the team	Both social marketing and efficiency industry experts are best positioned to address the unique challenges associated with efficiency, conservation and peak load-shifting advertising. Energy efficiency advertising faces most of the significant challenges common to the broader social marketing area, which differentiates it from general product and service advertising. These challenges include negative demand (asking people to do things they don't want to or are unaccustomed to), invisible benefits, benefits to third parties, intangibles that are difficult to portray (e.g., the concept of load shifting), culture conflict (conservation in a consumer culture), public scrutiny, limited budgets, multiple publics, and the absence of a marketing mindset.
Balance the empowerment of the distinct roles and specialists with the need for integration and teamwork	A comprehensive market feedback system needs input reflecting many different perspectives, disciplines, and professional experiences in order to ensure the best advertising program. This requires a difficult balancing of clearly defined roles and responsibilities within an environment that encourages cross-functional collaboration. Additionally, effective program management must also ensure that accountability, timeliness, cost and creativity are not hampered by micromanagement of these roles.

<b>Best Practice</b>	<b>Rationale</b>
Get an early start	Effective management of the many elements that must be developed for an advertising program is critical. These elements include market research, message development, development of the creative, production of materials for pre-test (storyboards, a rough, or near final for print ads), pre-testing, the media plan, collateral material design, point-of-purchase design and production, and media buys. A great amount of advance planning and attention to detail is required to ensure that all of these elements work towards the objective and that quality control is maintained.
<b>Program Management: Reporting and Tracking</b>	
Become familiar with and use standard advertising industry measurements as one tool in the reporting, quality control and evaluation processes	Advertising efforts in any industry or area, including energy efficiency, should be tracked using common advertising measurements. Efficiency professionals and their regulators are unlikely to be familiar with these measurements at the outset of their first major campaigns. Familiarizing oneself with these metrics is important as there are a large number of standard industry measurements. Care should be taken to ensure that the right metrics for campaign and media plan are tracked (see Quality Control section).
Track these measurements for media plan assessment and for comparison against other outcome and effects measurements	The breadth and commonality of standard advertising industry measurements provide an asset for evaluation and quality control that should be fully leveraged. Analyzing these measurements can improve future media buys and provide explanatory factors in outcomes analysis. They also serve as documentation for regulatory purposes.
Work with Demand Side Management (DSM) advertising peers to develop and implement a set of standard tracking and evaluation metrics	Having advertising measurements in the same metrics or convertible to the same metrics would facilitate more useful comparisons of advertising program output. Working with DSM advertising peers could help to improve comparability and increase cross-program learning.
<b>Program Management: Quality Control and Verification</b>	
Ensure quality control is part of the comprehensive market feedback system	Introducing quality control to the planning component helps ensure that an effective campaign is produced. This can be achieved through review of consistency between the market research and the theory of change mapping, through review by marketing managers with advertising experience to ensure that the principles of effective advertising for that media were applied in the development of the creative, through proper pre-testing, and through post-buy analysis.

<b>Best Practice</b>	<b>Rationale</b>
Obtain post-buy reports and evaluate post-buy analysis	Quality control and verification in the advertising industry is often conducted using post-buy reports and evaluating post-buy analysis from the media buyer. The many elements that should be monitored and reviewed vary by the media used but offer measurements of cost-efficiency and effectiveness, as well as determination that the media buy matches the media plan (i.e., that you got what you paid for).
Follow through on any discrepancies uncovered in post-buy analysis	Certain types of advertising can be very expensive. With a large, complex advertising campaign, it can be difficult to find discrepancies without a serious post-buy analysis. Conducting the analysis is not enough however, buyers must ensure that discrepancies from the contractual plan are addressed through “make good”, credit, or other arrangements.
<b>Program Implementation: Marketing and Outreach</b>	
Use a broad array of marketing tactics and strategies	Influencing energy-related behavior typically requires advertising approaches that are multi-pronged. Although this report focuses on mass marketing, effective advertising programs often combine mass media advertising with other interventions such as point-of-purchase advertising with retailers, participation in community-based events, and targeted advertising to specific segments or industries.
Develop a strong media plan to ensure that the appropriate message reaches the target audience at the best time and in the best manner to motivate desired changes	The media plan identifies the target markets and the media mix selection, based upon cost efficiency, target-ability, reach potential, tactics, context and creative considerations, and competitive media utilization. A number of resources are available to help develop a strong media plan, including the American Marketing Association, as well as sources cited in this report (e.g., Langbecker and Chiodi 2001).
Utilize ad development best practices from the marketing industry	There is a wealth of information in the advertising and marketing literature that focuses on effective ad development (e.g., Blom 2001). Even when hiring experts for ad development, being familiar with the different perspectives on what works, what doesn't, and why will contribute to effective and collaborative management of the ad specialists.
Use market segmentation to identify the appropriate target markets and messages	Behavior change is usually difficult to achieve with mass messages. Market segmentation is an important tool that helps target messages to increase the likelihood of driving the desired behavior with specific groups. It is recognized as an effective design strategy used to gain the greatest impacts with limited resources.

Best Practice	Rationale
Create and select the ad according to its ability to communicate the intended message, be recognized and remembered, and stimulate key behavior changes	Communicating the intended message, being recognized and remembered, and stimulating key behavioral changes are the success metrics for social marketing-based advertising messages. Designing, pre-testing and evaluating the ad based on these metrics helps ensure success. An entertaining ad is not necessarily an effective one.
<b>Program Evaluation</b>	
Use an evaluation team that includes both efficiency program evaluators and advertising specialists	Valuing and utilizing the variety of expertise that can be obtained from a team with expertise from advertising, marketing, efficiency programs, and efficiency evaluation is likely to enhance evaluation success. Each of these perspectives adds value to the evaluation process and neither alone is adequate for these types of programs.
Use standard advertising evaluation methods combined with periodic effects evaluations	The standard media evaluation techniques provide the necessary feedback to refine program messages and media plans. However, efficiency investments are largely dependent in the long-run on the ability of the evaluations to provide evidence for the effects of the expenditures on behavior with methods acceptable to regulatory authorities. This necessitates periodic market effects evaluations. There are significant differences between advertising and other efficiency program efforts and these need to be addressed through appropriate evaluation techniques (see TecMarket Works, 2004 for specifics on evaluating information and advertising programs). In some cases, where longer term behavioral changes are not expected to occur immediately, evaluation techniques may need to focus on short-term, proximate indicators of program effects that are hypothesized as part of the program theory and theory of change analysis.
Periodically conduct process evaluations	Advertising programs in this field have generally not had process evaluations; however, these programs could benefit from such efforts. The process of executing an efficiency advertising campaign using the type of comprehensive market feedback system discussed in this report can be difficult in practice and, therefore, could potentially benefit significantly from process evaluation.

Best Practice	Rationale
<p>Involve program staff in the evaluation process and create a culture whereby evaluation findings are valued and integrated into program management</p>	<p>Evaluations are designed to provide information important to improve program implementation. Program staff reported that evaluations had been very helpful in improving their programs. Especially since significant effects evaluation of energy efficiency advertising is still relatively new, including program staff in the evaluation process can increase the evaluation's quality and its likelihood of being used and useful. Following a comprehensive market feedback system for social marketing, like the <i>Montana</i> model discussed in the program design section of this report, requires that the evaluation and market research functions be closely integrated with the program process and relied upon to drive any needed changes.</p>

**Exhibit O1-E5**  
**Marketing Terms Used in O1 Study**

<b>Term</b>	<b>Definition</b>
Audience	The total number of people or households potentially exposed to an advertisement. For print media this is calculated by multiplying circulation by the number of readers per copy.
Branding	The creation and exposure of a distinct defining or “brand” image of a company, organization, product or service designed to attract, keep and motivate customers. The best examples use clear, concise messaging that projects credibility and touches the emotions.
Click Through	The process of clicking through an online advertisement to the advertiser's destination.
Click Through Rate (CTR)	The average number of click-throughs per hundred ad impressions, expressed as a percentage. Used as an Internet advertising metric.
Clutter	Used to describe the vast number of messages consumers receive, or the amount of material the message is carried within, with the focus being upon whether the message is received by the potential consumer “through the clutter”.
Composition	The measurement of the percentage of a publication audience that is within a specific demographic group.
Composition/Coverage Ratio	The composition/coverage ratio is often used as and is equivalent to a rating figure for print publications.
Cost/Click or Cost Per Click (CPC)	The cost or cost-equivalent paid per click-through.
Coverage	The percentage of a specific demographic group that is reached by a publication.
CPL	Cost Per Lead for direct advertising campaigns.
CPM	Cost Per Thousand households reached.
CPP	Cost Per Rating point.
CPU	Cost per unit for a single advertising spot which is calculated as rating times the cost per rating point (CPP).
Creative, The	The material used to communicate the message. This is the actual ad material, storyboards for TV, layouts, design, and scripts prior to production. The Production Team produces and then the produced material is normally reviewed/approved by the Creative Team.
Dayparts	Specific periods of time during a day specified for the ad purchase; used to constrain ad delivery to a pre-determined time of day.
Duplication	Used by media planners to select the mix of publications needed to get the maximum reach for a target audience most cost-effectively. The formula is: $[(\text{Combined GRPs} - \text{Combined Reach}) / \text{Total GRPs}] = \% \text{ Duplication}$ .



Term	Definition
Earned Media	Unpaid (or “Earned”) media coverage like TV news coverage (as opposed to advertising, which is paid for).
Effective Reach	The percent of an audience that has been exposed enough times to cause a change in behavior (on average).
Frequency	The average number of times an audience is exposed to a media vehicle.
GRP	Gross Rating Points. Reach times Frequency equals GRP. Broadcast media (TV and radio) often report GRP to include the number of times a commercial runs during a program and reflects exposure.
HUT	Households using television (a subset of the universe of all homes with TV sets). The HUT is often calculated by time of day and season of year.
Impression	A single instance of an advertisement being displayed.
Make-good	A free repeat of a purchased ad at a mutually agreeable time and place; negotiated by the media buyer when the post-buy report does not correspond to the media buy.
Media Buy	The purchase of ad space/time to implement the media plan.
Media Planning	The process of selecting time and space in various media for advertising in order to accomplish marketing objectives.
Movement	The term move or movement of customers generally refers to actions taken that get the customer to progress along the continuum of stages in a behavioral change or adoption model. One such model of these stages is cited in Andreasen in the section on Program Theory and Design.
Paid & Non-paid Circulation (print media)	The number of copies for a particular issue of print media that are sold or distributed.
Pay Per Lead (PPL)	Advertising payment model in which payment is solely based on qualifying leads. Used more frequently for online advertising.
Performance Factor	Compares TV viewership in one part of the country to another or to the national audience through use of the ratio of the ratings, e.g., a performance factor of 91 or 104 for a location.
Post-buy Report	The report provided by the sales representative on the media buy, which offers measurements of cost-efficiency and effectiveness, as well as determination that the media buy matches the media plan.
Rate	(1) The amount charged by a communications medium to an advertiser based on per unit of space or time purchased. The rate may vary from national to local campaigns, or may be a fixed rate. (2) To estimate a particular media’s audience size based on a research sample.
Rate Base	Circulation number that a magazine or newspaper guarantees to deliver.
Rating/Rating Points	Ratio of TV program audience to the total TV universe (whether the television is on or not). Rating Points are based on this ratio (e.g., a ratio of 0.10 in the market , 10 percent = 10 rating points).

<b>Term</b>	<b>Definition</b>
Reach	Percent of households exposed to a specific media vehicle at least once.
Share	Percentage of the households using television (HUT) that are tuned to a particular channel.
Tear-Sheet	The actual newspaper page on which an ad ran.
Universe	In marketing research, the total group that a researcher wishes to study, the set of all the units from which a sample is drawn; also called the Population.

## 1. OVERVIEW OF REVIEWED PROGRAMS

The five Advertising Programs reviewed for this O1 Study varied in scope, target market and goals. The O1 Study investigated such a variety of programs because advertising within the energy efficiency field has seldom received much systematic review or evaluation. The breadth of the O1 Programs allowed for a broad view of the field and for general best practices to be culled from a range of advertising types and made available for use in planning future efforts. The O1 Programs include a general branding campaign targeted to both residential and commercial customers, advertising focusing on residential load-shifting and efficiency actions, and advertising focusing on business efficiency actions. Some were defined as “programs,” some were not. Some were efforts within or closely aligned to other energy efficiency programs. In these cases, the advertising, marketing, and outreach effort was isolated for this report. Advertising for energy efficiency, conservation and peak load reduction are generally referred to in the O1 Study as “energy efficiency advertising” for the sake of brevity. The following briefly introduces each program.

The **2003 California Statewide Flex Your Power Program (Flex Your Power)** was operated by McGuire and Company (dba Efficiency Partnership) in partnership with the four investor-owned utilities in California - Pacific Gas and Electric Company (PG&E), Southern California Edison (SCE), Southern California Gas Company (SCG), and San Diego Gas & Electric Company (SDG&E) – and other partnerships statewide. Flex Your Power included an \$11.4 million mass media campaign, which was coordinated with municipal utilities and the Staples/Univision Spanish language energy efficiency marketing campaign, as well as outreach efforts that targeted all sectors in the state. The 2003 campaign followed the unprecedented 2001-2002 Flex Your Power effort, which was a central part of California’s response to the energy crisis of 2001/02 and the largest electricity conservation campaign ever conducted in any state. In 2001-2, the California legislature set aside a total of \$949 million to fund a crisis response effort that included utilities, state agencies and local programs, funding over 200 programs. The crisis response also included the Flex Your Power advertising and outreach funded from a different source at almost \$100 million over the two years. The Flex Your Power mass media advertising effort was about half of this funding at \$50-\$60 million. The campaign relied on mass marketing and 13 separate outreach initiatives that targeted all sectors of the state to encourage behavior change and reduce electricity use at peak. The 2003 Flex Your Power campaign continued and expanded on these early efforts but shifted the focus almost entirely to locking in the behavior change and promoting energy efficiency.

The **2002 Keep Cool Campaign implemented by the New York State Energy and Research Development Authority (NYSERDA Keep Cool)** was part of NYSERDA’s portfolio of residential programs. This \$2.5 million media effort was designed for peak load reduction and to contribute to market transformation through advertising of ENERGY STAR® products. It was a multi-media marketing campaign that encouraged consumers to follow three specific energy tips during the summer months: (1) buy ENERGY STAR products, (2) shift appliance use to non-peak periods and (3) use timers/programmable thermostats for air conditioning. The 2002 evaluation estimated that 94.1 mW of load were shifted due to the campaign. A bounty for old room air-conditioners (it’s sister Keep Cool Program) was also advertised within this campaign. (The Keep Cool Program offered a bounty for the turn-in of a working room air-

conditioner, or through-the-wall units, with a receipt for the purchase of an ENERGY STAR room air-conditioner. This program is in the Best Practices chapter with similar residential programs.)

The **2003 Wait 'Til 8 Campaign implemented by UI (UI Wait 'Til 8)** was a \$350,000 media effort which used local newspaper, radio and television advertising and public service announcements (PSA) to make consumers aware that their behavior makes a difference in reducing energy needs for Connecticut's summer peak. Consumers were urged to wait until after 8:00 pm to do their clothes and dish washing and use pool pumps.

The **April 2002 to May 2003 Focus on Energy Umbrella Advertising Campaign implemented by the Wisconsin Department of Administration (Focus on Energy Advertising)** was part of the Wisconsin Focus on Energy systems benefit charge effort. Television advertising for umbrella marketing was a primary tool for branding ENERGY STAR and Focus on Energy. The planned media budget was originally \$2 million but was reduced to \$690,000 as part of the overall reductions in the Focus on Energy program prompted by Wisconsin's state financial crisis.

The **2002-2003 BetterBricks Advertising Campaign implemented by the NW Energy Efficiency Alliance (NW Alliance BetterBricks Advertising)** was a redesigned effort of targeted print media. A \$350,000 budget was used for the design and placement of six print advertisements targeted to specific business decision-maker audiences. This occurred following evaluation of the Regional Public Information Program (RPIP) that included an advertising effort costing over \$3 million from 1998 through 2001. RPIP budget was primarily used in 1999 and 2000 for television advertising.

O1 Program summary characteristics are provided in Exhibit O1-1. The O1 Study aimed to obtain data for a consistent target program year, selected in consultation with each program manager as the most recent year for which the most complete and representative data were available. Detailed interviews were conducted with program managers representing each of the O1 Programs. However, not all of the requested data were available or received by the time of this writing. While ex-post data on actual program expenditures and accomplishments were sought, in some cases only budgeted and planned accomplishments were available. As a result, not all data fields in Exhibit O1-1 are complete. Issues, limitations, and recommendations associated with data availability and inconsistencies are discussed in detail in other volumes of the Best Practices Study.

**Exhibit O1-1**  
**Advertising Programs Overview**

<b>Item</b>	<b>Flex Your Power</b>	<b>NYSERDA Keep Cool</b>	<b>UI Wait 'Til 8</b>	<b>Focus on Energy Advertising</b>	<b>NW Alliance BetterBricks Advertising</b>
<b>Period Reviewed</b>	2003	May - August 2002	Summer 2003	April 2002 – May 2003	2002
<b>Primary Goal</b>	Energy efficiency awareness; promotion of California's Public Goods Charge (PGC)-funded efficiency programs and ENERGY STAR products	Get energy consumers to follow three specific tips to use energy wisely during the summer months: Buy ENERGY STAR products  Shift clothes and dish washing to off-peak (7pm – 7am) hours and  Use a programmable thermostat or timer to control air conditioning	Get residential consumers, particularly those working 9-5, to shift energy usage to after 8 pm	Brand Focus on Energy for greater awareness and program participation; promote ENERGY STAR generally (products, lighting, homes, but not product-specific advertising)	Change decision-maker beliefs and habits related to high performance = lease renewals; Early integrated design; High performance = higher ROI; Daylighting = productivity
<b>Context</b>	Post 2001 Energy Crisis, followed massive \$100 million advertising and outreach campaign during 2001-02 crisis	3 <sup>rd</sup> year of summer campaigns	1 <sup>st</sup> year summer campaign in response to severe transmission constraints in southwestern CT and summer peak load concerns	Visibility of television advertising was problematic due to political controversy over FOE funding. The high profile and expensive TV advertising was eliminated	Re-design of ineffective predecessor effort that used mass marketing advertising. The 2002 effort targeted decision-makers via trade publications
<b>Average retail price /kWh</b>	\$.135	\$.08 - \$.15	\$.127	\$.085	\$.06
<b>Program/ Effort Budget</b>	\$15 million	\$4.5 million	NA (Housed in company marketing dept.)	NA (Within larger advertising management by DOA.)	\$370,000
<b>Media Budget</b>	\$11.4 million (mass media budget only)	\$2.5 million	\$350,000	Originally planned at \$2 million, reduced to \$690,000	\$350,000

Item	Flex Your Power	NYSERDA Keep Cool	UI Wait 'Til 8	Focus on Energy Advertising	NW Alliance BetterBricks Advertising
<b>Primary Target</b>	The mass media effort targeted homeowners likely to buy appliances within two years (other efforts targeted all the other sectors)	All New York State residential energy consumers	Residents in CT's 16 "critical towns"	All Wisconsin energy consumers	Commercial decision-makers: architects, and building owners and managers
<b>Secondary Targets</b>	All energy consumers (commercial, industrial, government, residential and agricultural sectors)	Shoppers for room air conditioners and other appliances	All residents in 52-town region in CT	Energy equipment product purchasers	Other commercial building contractors and tenants

## 2. CONTEXT

### 2.1 POLICY ENVIRONMENT

Most energy efficiency advertising has traditionally been a supporting component of a larger market transformation or resource acquisition program, rather than a program unto itself. Significant advertising programs are not as common in this field as in most product, service, and social marketing fields. One possible reason is the lack of rigorous evaluation evidence needed to support current regulatory investment decisions. As emphasized in Engel et al. 2003, “Advertising campaigns can have significant impacts on energy efficiency and load shifting activities. However, few studies have taken the necessary steps to quantify the impacts of marketing campaigns. Without the detail needed to quantify the impacts of advertising, advertising is often under-invested in energy efficiency programs.”

Doubt about the benefits of efficiency advertising and political sensitivities to spending money on it appears to be an issue potentially thwarting investment in advertising throughout the United States. “Because the decision to finance consumer awareness campaigns is often viewed as more risky, only a few of the regional efficiency programs have moved to strategies that seek to change consumers’ purchasing behavior and drive them to the store to purchase energy-efficient alternatives to traditional home appliances and lighting” (Sanders et al. 2002). Doubts and tensions surrounding methods to measure and evaluate advertising programs are a core issue throughout this O1 Study and their effects can be seen on efficiency advertising expenditures even in the small sample of O1 Programs.

The dearth of mass marketing efforts aimed at general energy efficiency and conservation messages points to the effects of this pervasive notion of a low cost/benefit ratio for efficiency advertising. Sanders et al. suggest that once a market has the manufacturing, distribution and stocking issues addressed, the next step is direct appeals via mass marketing to consumers to drive awareness and demand. Yet, due to the perceived risk of investment, many have not undertaken the major broadcast advertising this step requires.

Focus on Energy Advertising’s television ad campaign ended largely because of political sensitivities given its relatively large budget and high visibility in a time of state fiscal crisis. This occurrence may be an unfortunate confirmation of the statements above on the perceived risks and political vulnerabilities in using mass marketing for energy efficiency programs.

A change of these perceptions could allow efficiency advertising efforts to more fully reach their potential. Designing, implementing and evaluating advertising programs in a more systematic way using best practices could work to shift attitudes, which may prompt a larger investment in these efforts, thereby improving their effects and significantly affecting their overall use within energy efficiency efforts.

Three of the O1 Programs began in response to a peak load constraint and need for relatively quick action. The largest of these was Flex Your Power, which promoted conservation to avoid black-outs and reduce sky-rocketing wholesale power prices in California in 2001/2002. The level of the crisis pushed California to expand investments in energy efficiency and in energy efficiency advertising, even without the latter having a support from a significant body of evaluation studies. Yet, the need was fertile ground for taking on risk and being creative. A

large investment was made in efficiency advertising and outreach in response to the California energy crisis of 2001/2002. These efforts were designed to quickly change consumer behavior in order to avoid black-outs.

The other two advertising efforts in response to a peak load constraint were NYSERDA's Keep Cool and UI's Wait 'Til 8 campaigns. NYSERDA Keep Cool (along with the associated room air-conditioner bounty program) was first initiated as a pilot effort in downstate New York in 2000 to address transmission constraints and summer peak load issues. It was then expanded statewide to address peak load and support market transformation efforts. UI Wait 'Til 8 was also a load-shifting program, created in direct response to a transmission constraint and summer peak load issue in southwestern Connecticut.

Certainly, mass marketing can be done poorly and be ineffectual or the wrong tool for the problem being addressed. It must always be well targeted, designed, implemented and evaluated like any other program. This O1 Study aims to contribute to this process.

## **2.2 PROGRAM STRATEGY AND GOALS**

Advertising, whether to a mass market or finely targeted segment, can be a key component in a market transformation (MT) program or portfolio design. Advertising within a resource acquisition program is typically more narrowly focused upon advertising the program. Advertising to support a market transformation effort or the concept of umbrella marketing for market transformation can be a more complicated task involving education, social marketing to change behavior, and differentiated messaging depending upon the stage of MT, the actor targeted, and the stage where the message is intersecting with the consumer.

This section provides an overview of the advertising goals for the O1 Programs. Further detail on the programs' strategies and tactics is provided in the later section on marketing and outreach.

**2003 Flex Your Power's** predecessor program was a major part of California's response to the black-outs forecasted for the summer of 2001 and the following eighteen months. This initial effort was supported with a small (\$10 million) portion of the \$949 million of government funding to reduce megawatts at peak largely through conservation and with support from efficiency purchases and additional "emergency declaration funding" of approximately \$100 million over two years. The nature of the crisis and the short lead time led to the assessment that conservation needed to be an important part of creating a viable solution for the predicted black-outs and out-of-control wholesale electricity prices. This effort, along with hundreds of other programs to include the 20/20 Program and other utility efforts, was successful in meeting an unprecedented goal. "When decision-makers, under Governor Davis' direction, were developing plans to reduce energy use in California to meet the challenges of summer 2001, they anticipated reducing demand by 5,000 megawatts. This, in itself, represented a monumental statewide multi-agency undertaking. The impacts of all these efforts were far greater than expectations. As of October 1, 2001, the impact of all efforts was 6,359 megawatts. The combined savings of demand responsive and rebate/incentive programs was 3,743 megawatts and voluntary conservation savings added another 2,616 megawatts." (California Energy Commission, 2002, pg. 12.)



This success led to the use of the Flex Your Power brand for the 2003 statewide efficiency advertising effort which was supported by public goods charge (PGC) funding and is an OI Program. The 2003 Flex Your Power effort supported energy efficiency, helped advertise the other PGC-funded efficiency efforts, and promoted the purchase of ENERGY STAR lighting, products, and homes. One of its focuses was the continuation of the statewide, umbrella efficiency and conservation outreach and marketing campaign coordinated with the state's investor-owned and municipal utilities and other PGC-funded programs. Another effort of the campaign was to leverage its media and outreach efforts to encourage private sector investment in the promotion of energy efficiency. For example, the campaign provided sales brochures, point-of-purchase (POP) displays in multiple languages, and sales training (including materials) to appliance and lighting retailers in exchange for their commitment to stock and promote ENERGY STAR products and lighting. Local newspaper advertising including participating retailers was also offered. Similar efforts were run with builders of ENERGY STAR new homes. The campaign relied on a large network of businesses, institutions, government agencies, new home builders, nonprofit organizations and others, built over the past three years, to help spread the energy efficiency message. Additionally, Flex Your Power utilized the Internet through a multi-sector website and electronic newsletter to promote energy efficiency, programs and ENERGY STAR products and new homes.

**NYSERDA Keep Cool** was a summer advertising campaign used to promote NYSERDA's Keep Cool Program, which provided "bounties" for the turn-in of old working room air-conditioners (RAC) with the documentation of the purchase of an ENERGY STAR RAC or a high efficiency through-the-wall (TTW) unit. It was also designed to promote three summer energy saving tips: buy ENERGY STAR products; shift clothes and dish washing to off-peak (7pm – 7am) hours; and use a programmable thermostat or timer to control air conditioning. The campaign was designed through an effort by the contractor (DDB) to evaluate the audience, and included focus groups throughout the multi-year campaigns.

During Connecticut's summer peak, **UI Wait 'Til 8** used local newspaper, radio, and television advertising and PSAs to educate consumers on the effect their behavior had on energy demands. The amount of power needed at peak in southwestern Connecticut (52-town region) exceeds the capacity of existing 115 kV lines. This region remains listed as one of the FERC's top ten energy reliability risk areas in the nation. The load shifting campaign encouraged consumers to shift load to after peak hours in the summer. This was seen as a "stop-gap" measure given the long-term need for more transmission capacity and the time it takes to get the lines accepted and in place. Consumers were urged to wait until after 8:00 pm to do their clothes and dishwashing, and to use pool pumps.

The Wisconsin Department of Administration (DOA) managed **Focus on Energy Advertising** as well as related product and sector-specific campaigns. The statewide umbrella approach used by **Focus on Energy Advertising** was intended to overcome barriers of customer awareness and motivation to participate in energy efficiency activities. Program goals were to increase public awareness of the other Focus on Energy programs, stimulate interest in obtaining additional information about energy-efficiency opportunities, benefits, and actions; and encourage participation in actions to increase energy efficiency. Advertisements included promotion of the ENERGY STAR brand, and in the latter half of the campaign, also promoted the Midwest Change a Light, Change the World Campaign designed to increase sales of compact fluorescent lamps.

**NW Alliance BetterBricks Advertising** had the following four main goals: Attract targeted decision makers in the commercial process to the idea of sustainable, high performance buildings; Educate the target audience(s) about the benefits of sustainable, high performance buildings in relevant terms; Build the “business case” for sustainable high performance buildings in a credible and meaningful manner; and Influence key target audience members to take action to increase their sustainable, high performance building practices by engaging in products, services, training, and education sponsored by BetterBricks or other organizations. The program theory was neutral concerning how building professionals accessed tools to increase their sustainable, high performance building practices. Accordingly, BetterBricks partnered with like organizations (e.g., United States Green Buildings Council (USGBC), utility programs, and New Building Institute (NBI)), which offered different services and products.

### **3. COMPARISON OF PROGRAM COMPONENTS**

This section compares the O1 Programs across the four major program components used to organize data collection and analysis. These program components are Program Design (including program theory), Program Management (including project management, reporting and tracking, and quality control and verification), Program Implementation (including marketing and outreach) and Program Evaluation.

Unlike the other Best Practices Study volumes, the Program Implementation participation process subcomponent is not applicable to advertising programs and is, therefore, not discussed in this volume.

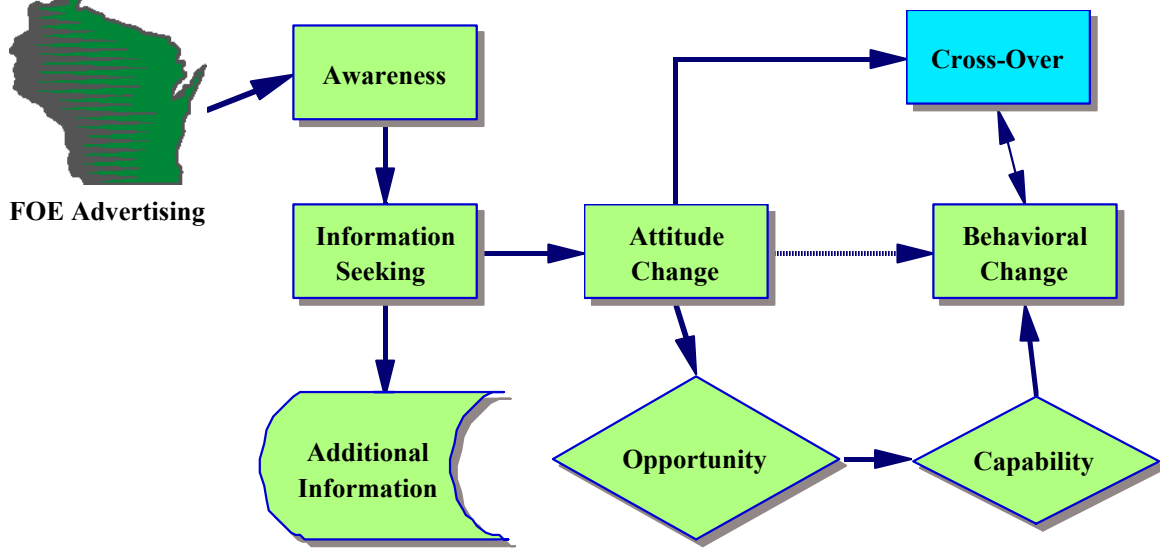
#### **3.1 PROGRAM THEORY AND DESIGN**

Two of the O1 Programs based their program design on formal program theory efforts and a third recently incorporated significant program theory and logic work to inform the current program and advertising message. The experiences of those using a program theory reinforce the importance of developing and using one based on market knowledge and research as part of program design and refinement.

Focus on Energy Advertising used a program logic model based upon the sequence of cognitive and behavioral events suggested by Ajzen (Ajzen 1988). Program administrators and their marketing coordinator developed the hypothesis that increasing awareness of the need for greater energy efficiency leads to information seeking, and additional information leads to intensified intentions to act on the problem. The program logic indicated that awareness among customers of Focus on Energy programs and the needs they addressed should grow more quickly than interest in additional information about energy efficiency, and that interest in additional information should grow more quickly than intentions to engage in actions to improve energy efficiency (Feldman and Rambo 2003). (Evaluation results of these hypotheses are discussed in the section on evaluation.) The simplified Focus on Energy (FOE) logic model is presented in Exhibit O1-2 below.

The process used by Focus on Energy Advertising in developing the program theory and metrics may have been one of the most beneficial in helping to define the objectives of the advertising effort. Refinement of the objectives of an advertising effort often can help to focus the advertising message and approach.

*Exhibit O1-2  
Simplified Focus on Energy Program Logic of Ads and Behavioral Change\**



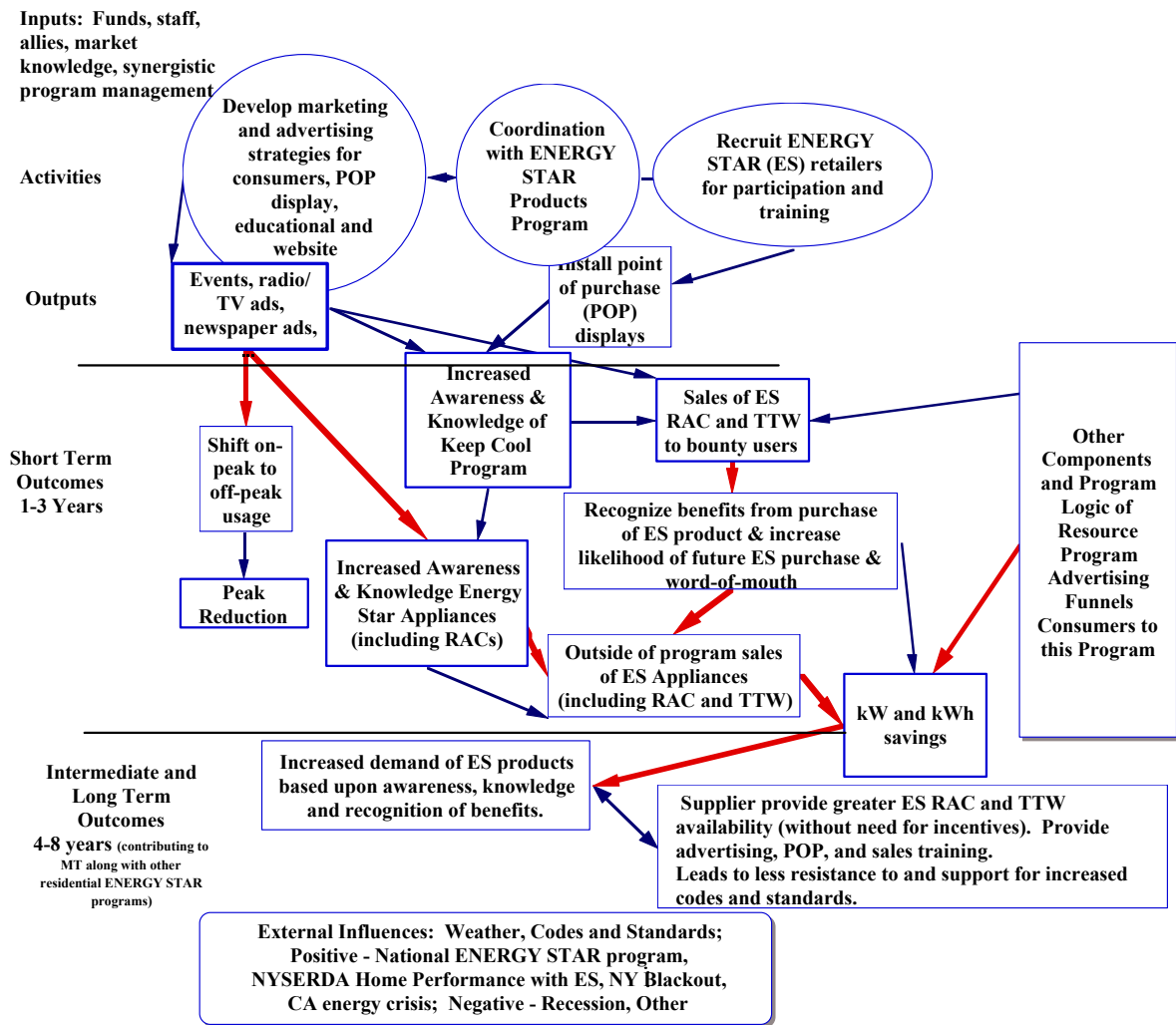
Feldman and Rambo, 2003b, slide 3.

\*Cross-over refers to the interaction between attitude change and behavioral change that occurs both in the short-term and the long-term. This is dependent on a number of other factors such as relevance to the situation of the recipients, costs of actions, etc. The reverse arrow on behavioral change represents the confirmation of the change and its effects to create lasting attitudinal changes towards similar future behavior.

NW Alliance BetterBricks Advertising was designed to work within and with the overall BetterBricks program theory. Lessons learned from earlier efforts were incorporated to create a more thorough planning and program design process. NW Alliance BetterBricks Advertising strategy guided implementation planning and incorporated the following four main elements. 1) Develop and communicate a working market theory for increasing the energy efficiency in the commercial sector by studying the market and the perceptions, motivations, and values of the people that work in that market. 2) Use that theory and the knowledge of the target audiences to allocate resources, prioritize activities, and analyze opportunities. 3) Craft an effective marketing plan based on that theory, the target audience, and the designated target markets that balance five functional areas of advertising, public relations, media relations, collateral, and events. 4) And, finally, while BetterBricks will always be bringing the latest ideas to the forefront, its mission is grounded in providing real-world, useable information and resources to building professionals – equipping them with a clear path to energy effectiveness.

NYSERDA Keep Cool recently completed program analysis along with program theory and logic modeling in conjunction with the associated Keep Cool Program. This logic model is provided as Exhibit O1-3 below.

**Exhibit O1-3  
Keep Cool Program Logic Model**



Flex Your Power did not have a formal program theory or logic model. It operated from a basic social marketing model and used media to leverage private sector resources. The campaign focused on creating brand equity so that the logo and tagline would serve as a shorthand “call-to-action” message to Californians to use less energy. Based on consumer research, Flex Your Power created specific messages and tones. The message emphasized empowerment and self-efficacy as the primary component to obtain behavioral change in response to the crisis. (These concepts and their use by FYP are further described in the section on Program Implementation.) The campaign also evolved the message with the changing California energy crisis situation and the education of consumers.

Several interviewees noted being influenced by the literature on social marketing. As a result, we present throughout this report some examples of key aspects of this literature relevant to energy efficiency mass marketing.

Program theory and design should be informed by the desired program goals. Advertising in the energy efficiency field is often for a product or service, focuses on direct energy savings, or emphasizes non-energy benefits to the purchaser. There are many cases, however, for which the advertising goal is to influence individuals' behavior to improve the well-being of those individuals or society at large. Advertising to facilitate behavior change may be based upon social marketing, which applies the tools of commercial marketing to the solution of social problems through behavior change.

Andreasen (1995) cites several pieces of research indicating that social marketing often faces a series of challenges that are qualitatively different from ones faced by the private sector. Energy efficiency advertising programs face nine of these 12 challenges, including negative demand (e.g., asking people to do things they don't want to or are unaccustomed to), invisible benefits, benefits to third parties, intangibles that are difficult to portray, culture conflict (e.g., promoting efficiency and conservation in a heavily consumption-oriented culture), public scrutiny, limited budgets, multiple publics, and the absence of a marketing mindset.

Recognizing these challenges and their applicability to energy efficiency facilitates the application of its best practices. One of the best ways to begin planning an advertising campaign is to think about the desired changes targeted by the campaign and how these could map into a program theory or logic model. An outline of theory of change mapping for a social marketing campaign is provided in Exhibit O1-4 below.

Theory of change mapping should also be the first step in the program, message, and media planning design effort. As with all advertising and marketing efforts, effective design requires knowledge of the market and the target customers. This requires market research and a system of feedback during planning, pre-test, and monitoring and evaluation. Andreasen refers to this as the strategic social marketing stages. An adaptation of this system is portrayed in Exhibit O1-5.


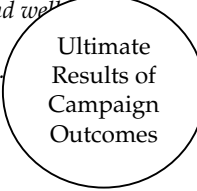


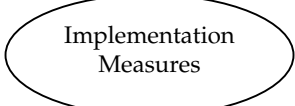
The *Montana Model* was developed by Linkenbach and D'Atri to structure the planning, implementation, and evaluation process for social marketing and has been used most frequently in the context of social norms marketing. This model proposes a cycle of seven steps, including:

1. Planning and Environmental Advocacy
2. Development of Baseline Data
3. Message Development
4. Creation of the Market Plan
5. Pilot Testing & Refining Materials
6. Implementation of the Campaign
7. Evaluation

Although none of the O1 Programs reported using the *Montana Model* specifically, it is quite applicable and should be considered for efficiency advertising campaign processes. Representations of the *Montana Model* are presented in Exhibits O1-6 and O1-7.

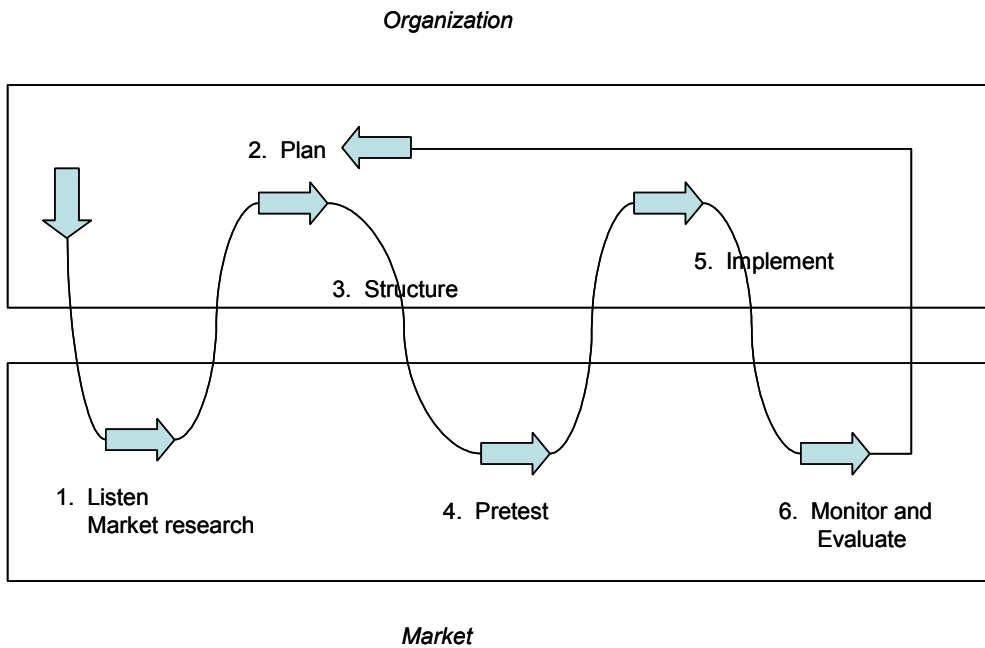
**Exhibit O1-4**

**Example of Theory-of-Change Mapping for a Social Marketing Campaign**  
*(this example is from the community health program social marketing literature)*

CAMPAIGN STRATEGY		EVALUATION
<p><b>GOALS/DESIRED RESULTS</b></p> <p>The overall long-term vision for children, adults, families, or communities. A campaign <i>alone</i> usually cannot accomplish the results, but should contribute.</p>		<p><b>IMPACT</b> Measures or indicators to quantify and track the ultimate aggregate results of campaign outcomes.</p> <p><b>COMMUNITY WELL-BEING</b></p> <ul style="list-style-type: none"> <li>• <i>Indicators of community health and well-being</i></li> <li>• <i>Rates of recidivism, morbidity, etc.</i></li> </ul> <p><b>SYSTEMS-LEVEL</b></p> <ul style="list-style-type: none"> <li>• <i>Codification/institutionalization</i></li> <li>• <i>Training</i></li> <li>• <i>Quality and distribution of services</i></li> </ul> 
<p><b>MOTIVATING CONDITIONS</b></p> <p>The attitudes, conditions, circumstances, factors, issues, etc. that need to change in order to achieve the desired campaign results.</p>		
<p><b>TARGET AUDIENCE</b></p> <p>Who the campaign is trying to reach, segmenting the population and being as specific as needed.</p>		
<p><b>DESIRED ACTIONS/BEHAVIORS</b></p> <p>What the campaign asks the target audience to do.</p>		
<p><b>STRATEGIES</b></p> <p>The campaign's broad approaches or general action plan. The strategies tackle a <i>subset</i> of the above motivating conditions and causes.</p>		
<p><b>MESSAGES</b></p> <p>The campaign's primary selling propositions, or why it is worth the audience's while to adopt or engage in the desired actions or behaviors.</p>		<p><b>PROCESS/MEASURES OF EFFORT</b> Direct outputs of campaigns—what and how much was accomplished—campaign distribution and reach.</p> <ul style="list-style-type: none"> <li>• <i>Media time bought and earned</i></li> <li>• <i>Estimated # of viewers</i></li> <li>• <i>Message and materials distribution</i></li> <li>• <i>Message exposure in media channels</i></li> <li>• <i># media impressions</i></li> <li>• <i># response inquiries</i></li> <li>• <i>Ad recall</i></li> </ul> 
<p><b>COMMUNICATION VEHICLES</b></p> <p>The media used or how messages get delivered (media plan).</p>		

Adapted from Coffman, Julia. 2002. *Public Communication Campaign Evaluation: An Environmental Scan of Challenges, Criticisms, Practice, and Opportunities*. Prepared for the Communications Consortium Media Center, Harvard Family Research Project. Boston, Mass.: Harvard University.

**Exhibit O1-5**  
**Example of Strategic Social Marketing Stages**



**Exhibit O1-6**  
**Systematic Coordination for Social Marketing**

Linkenbach and D'Atri, 1998



**Exhibit O1-7**  
**Montana Model for Social Marketing**

Linkenbach and D'Atri, 1998



Source: Kotler et al. 2002. p. 164.



Pre-testing is a proven important part of all these models for advertising development processes, and is essential to program success. It is well worth the investment of time and money. As a result of using focus groups, one of the O1 Programs opted not to use tag lines that had been developed for its campaign. In this case, advertisements had been designed that were thought “cute” by the advertising agency and “quite good” by management, both positive endorsements. However, the message did not work as planned with the target audience. Customers did find the ads cute and memorable, but they did not convey the message and provided no meaningful take away. This leads to a topic of interest and debate with social marketing advertising. Is entertaining advertising necessarily effective advertising?

Entertaining, or in the case above, “cute” advertising can contribute to making an ad memorable, one of the primary goals of a branding campaign. However, most efficiency campaigns must convey a rather complex message, which is not easy to make understandable, particularly in a “sound byte” or tag line. Customers may remember an ad without finding it understandable or being able to use it to contemplate a change in purchasing behavior or energy usage behavior. Management review alone does not provide the type of target audience review needed, as managers generally already understand the difficult aspects of energy efficiency or peak load messages that must be communicated. Pre-testing with a focus group of the target audience is therefore critical.

NW Alliance BetterBricks also offered an example of the importance of pre-testing. Its predecessor was a mass marketing campaign called the Regional Public Information Program (RPIP). A television advertising campaign ran from May through September 2000 to develop brand awareness of the betterbricks.com Web site in order to increase demand for high performance buildings. The evaluation found that “embarking on a major mass media and marketing campaign without testing the advertising approaches with the target audiences likely resulted in a less effective campaign” (Research Into Action, 2001). The second BetterBricks Market Progress report provided the evaluation findings that led to the redesign of the campaign into NW Alliance BetterBricks.

Additional discussion about message development and media planning will be covered in the section on Outreach and Marketing. Monitoring and evaluation are important components of the structured and comprehensive market feedback system and are covered in the sections below on Quality Control and Evaluation, respectively.

**Best Practices**

<b>Program Theory and Design</b>
<ul style="list-style-type: none"> <li>• Conduct sufficient upfront market research.</li> <li>• Develop a program theory and logic model.</li> <li>• Map and apply the theory of change to message design, segmentation and media planning.</li> <li>• Utilize a structured and comprehensive market feedback system.</li> <li>• Pre-test as a normal practice.</li> </ul>

- **Conduct sufficient upfront market research.** Advertising must move the consumer through several decision-making related stages to achieve its desired outcome of changing behavior. By definition, this can be exceedingly difficult to achieve, particularly in social marketing. It is critical that effective research be conducted early in the design process to improve understanding of baseline awareness, attitudes, preferences, and other factors necessary to develop an effective model of behavior and the ad campaign to influence it.
- **Develop a program theory and logic model.** A program theory or story that clearly states the target for the program, program timing and the strategic approach can reveal gaps in program focus or effort and ensure that everyone involved knows what the program seeks to accomplish and why. Having a stated program theory facilitates adaptive management by providing a basis for assessing progress and identifying when tactics need to be revised or adjusted in response to market changes.
- **Map and apply the theory of change to message design, segmentation and media planning.** In order to develop a message to change behavior, the barriers, attitudes and logic behind the current behavior choice needs to be known. The key elements that need to be changed can then be identified. Using this identification, an intervention can be developed that is likely to influence the factors that will lead to the desired behavior change.
- **Utilize a structured and comprehensive market feedback system.** Using a sound theory of change for individuals, firms, or communities is required in order to obtain significant desired effects from advertising. This theory must be based in the context of the market and environment within which related behavior decisions are made. The market, stages and environment can vary over target markets and over time. It is, therefore, essential that a feedback system, along with the vigilance for making necessary adjustments when needed, be in place. Lessons learned from the social marketing literature emphasize inclusion of initial market research, baseline data, extensive pre-testing, and on-going evaluation as cornerstones of the market feedback system.
- **Pre-test as a normal practice.** Although a part of the comprehensive market feedback system emphasized above, pre-testing deserves special emphasis. The ultimate authority of whether the material will likely accomplish its goals is the target customer. A design based solely on market research does not ensure that the message will not be “lost in the clutter,” understood, memorable, or able to gain the movement desired. Pre-testing with appropriate focus groups is ultimately a cost-effective method for determining if advertising needs to be revised or refined. The time and budget costs of pre-testing are small compared to the cost of an ineffective campaign.

### 3.2 PROGRAM MANAGEMENT: PROJECT MANAGEMENT

For the Best Practices Study, the Program Management component includes the sub-components of project management, reporting and tracking, and quality and verification, which are discussed in this section. Program Implementation, including its sub-component of marketing and outreach, is discussed more thoroughly in the Program Implementation section below. Exhibit O1-8 shows the variety of approaches for combined program management and implementation components used for the O1 Programs.

*Exhibit O1-8  
O1 Program Management/Implementation Approaches*

Program	Program Management/Implementation Approaches
Flex Your Power	Operated by McGuire and Company (a social marketing firm dba Efficiency Partnership) in coordination with the four investor-owned utilities in California - PG&E, SCE, SCG, and SDG&E - municipal utilities and the Staples/Univision Spanish language energy efficiency marketing campaign. Funded with PGC funds. Three subcontractors were employed: one for advertising placement, one for tracking studies, and one for evaluation. A 3rd-party computerized program is used to calculate reach and frequency statistics.
NYSERDA Keep Cool	Managed in-house by a marketing manager within the energy efficiency program area with one primary contract with an advertising firm that conducted similar advertising for the related national effort. Also used team consisting of program partners from other authorities (NYPA and LIPA), implementation contractors and in-house communications and evaluation staff.
UI Wait 'Til 8	Managed in-house by the utility marketing manager (outside the efficiency department) with a contract with an advertising agency that has worked for over 7 years with the utility on a variety of utility issues.
Focus On Energy Advertising	Managed by Wisconsin DOA marketing manager for all Focus on Energy marketing efforts with a contract with a regional marketing firm for marketing coordination. A review committee included Focus on Energy program managers and other DOA staff.
NW Alliance BetterBricks Advertising	Managed in-house by 2 program manager as a part of a 4-part market support services team. Program marketing and communications staff support the advertising contractor. There was also 1 contractor for marketing and PR work.

Key project management issues center on the need for a well-functioning collaborative team of program, evaluation and advertising industry experts. The handling of these issues drives whether the message, the creative, the media plan, and the market feedback system work well

and lead to program success. Best practices in these areas form the foundation for an effective and cost-efficient campaign.

Advertising is a unique and vast field with a long history and body of lessons learned. There is a great science and art to advertising and a variety of specialists within it. Valuing the expertise of these specialists and including them as integral members of the program team is critical to the success of an energy efficiency advertising campaign.

One of the most important aspects of social marketing is the level of teamwork and mutual respect needed among the different players (e.g., program manager, advertising manager, and evaluation manager) to achieve success. Due to the challenges outlined in the previous section on Program Theory and Design, social marketing is generally more difficult than private sector product or service marketing. Advertising efforts in energy efficiency are not just branding campaigns, but often involve complicated or foreign concepts that can be difficult to impart via advertising. Examples include the benefits of whole building design and the reasons for load shifting. The difficulty of the task makes it even more important to use the expertise of a variety of professionals in a team-oriented approach, drawing upon the best experiences and lessons learned in advertising, social marketing, energy efficiency education and energy efficiency planning and evaluation.

There is a body of marketing literature on managing the relationship with an advertising agency. In particular, Salz (2000) identifies the collaborative team from an advertising agency to include the marketing or brand manager (which includes market research), the communications or project manager, the account manager, the copywriter, the art director, and the technical consultant. All of these roles and personnel may come into play in an efficiency advertising campaign, along with program staff, technical efficiency staff, and evaluation personnel. Creating and managing a strong collaborative team is a major challenge that must include an effective process for respectful feedback and exchange among the team members.

Salz goes on to offer six elements that make a collaborative advertising team work well and also discusses some of the potential problems. The primary best practice that Salz promotes is to maintain a focus on the common goals, along with an understanding of the underlying difficulties faced, while ensuring mutual respect and constructive interchange among team members. She emphasized two common detrimental attitudes “[first, when] a team member places a personal goal—whether it be power, appeasement, or creativity for its own sake—ahead of the common goal; second, feeling superior to the other team members”.

The O1 Programs offer three good examples of advertising management practices that work well. In a literally graphic example of effective teaming, NW Alliance BetterBricks successfully used collaboration of advertising and efficiency experts to create two-sided print advertising inserts. One side provided color advertising to grab the attention of customers in order to create recall. This side included the advertising tag or catch lines. The other side was broken into manageable blocks of information to impart the more difficult aspects of the message, provide enough technical information for specific targeted audiences to take action directly, and offer resources for those who needed more information. The educational information, in particular, effectively blended creative advertising with technical efficiency expertise. These inserts appear to have worked well given feedback and interaction levels that correspond to the timing of the advertising. A more complete effects evaluation is being conducted.

UI Wait 'Til 8 recognized the unique advertising needs of a regulated utility, and that efficiency, conservation and load-shifting messages and concepts can be difficult to explain and understand. UI, therefore, developed a relationship with an advertising agency with experience with these issues. This relationship was managed at the utility by a marketing professional who was able to successfully balance three elements frequently at odds: the need for the agency to lead the creative effort; the requirements and interests of the utility, in cooperation with its regulators; and the need for program monitoring with standard media evaluation tools. This facilitated the development of a simple communication message with easy to understand and memorable visuals and text. From it, residential customers understood that they could make a difference for everyone on UI's electric system by waiting until after 8 p.m. to operate their discretionary energy equipment like clothes and dishwashers. The ads included non-technical text on the importance of peak load shifting and a series of images of a person in front of a specific appliance with their arms held out at the position of eight o'clock. Though no effects evaluation was undertaken, informal feedback and the recall evaluation indicate that it was an effective campaign.

Flex Your Power was also able to effectively manage a collaborative effort. Program managers spent several days at the beginning of the effort educating and training the advertising agency on energy efficiency, utility issues, the market research findings, and program goals. They then allowed the contracted ad agency to develop the creative, but used a professional with many years of social marketing experience to edit and review it.

Planning, quality checks, approvals, creative development and pre-testing take time. There is no substitute for experience with all of these elements and in managing them to ensure they are planned appropriately for the next project. One O1 Study interviewee emphasized this point explaining the chronology for a summer campaign: the creative needs to be developed and storyboards produced in the fall, therefore, the market research and message development needs to occur before this. Development of the draft materials (storyboards, a rough, or near final for print ads), pre-tests, media plan development, collateral material design, point-of-purchase design and production, and media buys should be done one to two quarters in advance of the campaign launch. Advance planning and attention to detail is required to ensure that all of these elements work towards the objective and that quality control is maintained throughout the process.

**Best Practices**

<b>Program Management: Project Management</b>
<ul style="list-style-type: none"> <li>• Build and utilize a strong cross-functional and cross-organizational team including advertising specialists.</li> <li>• Utilize a social marketing expert and an expert on the targeted energy efficiency issues on the team.</li> <li>• Balance the empowerment of the distinct roles and specialists with the need for integration and teamwork.</li> <li>• Get an early start.</li> </ul>

- **Build and utilize a strong cross-functional and cross-organizational team including advertising specialists.** There is a great science and art to advertising and a variety of specialists within it. The advertising component of the program team alone will often include the marketing or brand manager (to include market research), communications or project manager, account manager, copywriter, art director, technical consultant and media buyer. Each of these roles requires a specific set of skills and experience. In the private sector, it is widely acknowledged that the value these specialists and their expertise bring to a project is worth the budget investment.
- **Utilize a social marketing expert and an expert on the targeted energy efficiency issues on the team.** Both social marketing and efficiency industry experts are best positioned to address the unique challenges associated with efficiency, conservation and peak load-shifting advertising. Energy efficiency advertising programs face most of the significant challenges common to the broader social marketing area, which differentiate it from the general product and service advertising field. These challenges include negative demand (asking people to do things they don't want to or are unaccustomed to), invisible benefits, benefits to third parties, intangibles that are difficult to portray (e.g., the concept of load shifting), culture conflict (conservation in a consumer culture), public scrutiny, limited budgets, multiple publics, and the absence of a marketing mindset.
- **Balance the empowerment of the distinct roles and specialists with the need for integration and teamwork.** A comprehensive market feedback system needs input reflecting many different perspectives, disciplines, and professional experiences in order to ensure the best advertising program. This requires a difficult balancing of clearly defined roles and responsibilities within an environment that encourages cross-functional collaboration. Additionally, effective program management must also ensure that accountability, timeliness, cost and creativity are not hampered by micromanagement of these roles.
- **Get an early start.** Effective management of the many elements that must be developed for an advertising program is critical. These elements include market research, message development, development of the creative, production of materials for pre-test (storyboards, a rough, or near final for print ads), pre-testing, the media plan, collateral material design, point-of-purchase design and production, and media buys. A great amount of advance planning and attention to detail is required to ensure that all of these elements work towards the objective and that quality control is maintained.

### 3.3 **PROGRAM MANAGEMENT: REPORTING AND TRACKING**

All of the O1 Programs had some process for reporting and tracking the progress of program activities. In general, the most relevant reporting and tracking was based on standard advertising industry metrics. The use and interpretation of these are relatively common for experienced advertising professionals, but not for most efficiency program staff or evaluators.

Media measurements vary by medium, such as television, radio and print advertising. The broadcast media (television and radio) have several measurements that overlap. The design of

pre-test and post-evaluation focus groups is also treated similarly for these outlets. Yet, there are also distinguishing factors. A listing of some of the standard media measurements is provided in Exhibit O1-E5 in the Executive Summary above, and in the text discussion below.

For television, measurement is based on households using television (**HUT**) as a ratio to the universe of all homes with television sets. The HUT is often calculated by time of day and season of year. The **share** is the percentage of the HUT tuned to a particular channel. The **rating**, a comparison of the program audience to the total universe (whether the television is on or not), is another common measure. The **audience** is the total number of people or households exposed to an advertisement. The **performance factor** compares viewership in one part of the country to another or to the national audience through use of the ratio of the ratings.

Broadcast media (TV and radio) often report gross rating points (**GRP**) to reflect exposure by including the number of times a commercial runs during a program. **Reach** is the percent of households exposed to an advertisement through a specific media vehicle (e.g., radio station or TV channel) at least once and yet is the unduplicated audience. The reach is the same or lower than the GRP as the GRP includes how many times a household is exposed. The **frequency** is the average number of times an audience is exposed to a media vehicle. This means that reach times frequency equals GRP. **Effective reach** is the percent of an audience that has been exposed enough times to cause a change in behavior (on average). Often the minimum number of exposures assumed necessary to make reach effective in standard advertising is three. However, this number varies widely by product, service, action, target market, stage of contemplation, and effectiveness of advertising.

For print publications the base measure is **paid and non-paid circulation**, or the number of copies of a particular issue that are sold or distributed. The **audience** number is determined by multiplying circulation by readers per copy. It is more difficult to get an accurate estimate of audience than circulation, but it gives a much better measure of how many people are exposed to an ad. The **rate base** is the circulation number that a magazine or newspaper guarantees to deliver. **Composition** is the measurement of the percentage of a publication audience within a specific demographic group. A related concept is **coverage**, the percentage of a specific demographic group that is reached by a publication. The composition/coverage ratio is often used and is equivalent to a rating figure for print publications. Media planners use **duplication** to select the appropriate mix of publications that most cost-effectively achieve the maximum reach for a target audience. The formula is:  $[(\text{Combined GRPs} - \text{Combined Reach}) / \text{Total GRPs}] = \% \text{ Duplication}$ . A lower duplication with a second print vehicle is preferable to a high one since one would achieve greater reach.

Universe base, audience, GRPs, gross impressions, and many of the cost measurements are used across various media to measure effectiveness and to develop media plans. **Gross impressions** are the number of potential times an ad has been exposed to a particular audience without taking duplication into account. These are GRPs times 100 (because GRPs are in percentage terms) times the universe base. Cost is often looked at as cost per thousand households reached (**CPM**), cost per rating point (**CPP**), cost per lead (**CPL**) for direct advertising campaigns, and cost per unit for a single advertising spot (**CPU**), which is calculated as rating times the CPP.

In interviews, most of the O1 Program staff discussed standard advertising metrics for reporting and tracking. Exhibit O1-9 shows the different reporting and tracking methods used by each of the programs.

**Exhibit O1-9**  
**Reporting and Tracking Methods**

<b>Program</b>	<b>Method</b>
Flex Your Power	Reach and frequency were primary measures; also tracked media buys, ads in newspapers and by general versus ethnic group and languages, participating retailers, stores requesting materials in languages other than English, cable channel advertisements (at no cost to program), cooperative marketing/outreach ventures, list for electronic newsletter (eNewswire), leveraged value of negotiated broadcast efficiencies and spots, and public service announcements (PSAs). Focus groups were also used to test message effectiveness.
NYSERDA Keep Cool	Tracked number and attendance at events; number of print, radio and TV stories [media relations] by Designated Market Area (DMA); dollar value of stories; impressions of stories by DMA; number and cost of paid advertising by type (e.g., TV, radio, print, Web); number of impressions from paid ads; leveraged dollars and impressions; comparative evaluation analysis of effects examined by differential activity by DMA
UI Wait 'Til 8	Tracked media plan, record impressions, PR hits, column inches and advertising schedule equivalent.
Focus On Energy Advertising	Evaluation baseline and development of 3-month moving averages and monthly measurement on awareness, and information seeking. Tracking was interrupted when umbrella advertising was discontinued (except for Web site effort and overall consistency coordination for program advertising).
NW Alliance BetterBricks Advertising	Tracked column inches of public relations media with a dollar value assigned; Web site hits; and call-ins/Web site activity level changes correlated with marketing changes

O1 Program media and advertising measurement statistics are provided in Exhibit O1-10. As can be seen from this exhibit, Flex Your Power and NYSERDA Keep Cool both tracked all of their outputs including number of ads, newspapers, languages used in advertising, radio spots, and PSAs. Flex Your Power and UI Wait 'Til 8 calculated reach and frequency statistics. NYSERDA Keep Cool and UI Wait 'Til 8 campaigns tracked impressions. UI Wait 'Til 8 also tracked the value of PSAs.



**Exhibit O1-10**  
**Media Statistics and Advertising Measurement Statistics for O1 Programs**

<b>Item</b>	<b>Flex Your Power</b>	<b>NYSERDA Keep Cool</b>	<b>UI Wait 'Til 8</b>	<b>Focus on Energy Advertising</b>	<b>NW Alliance BetterBricks Advertising</b>
<b>Media Statistics</b>	3 waves of promotions; 6 newspaper ads in more than 40 general market papers and 105 in ethnic newspapers covering 16 ethnic communities and 14 languages; 3,500 cable channel advertisements in a partnership at no cost to the program; Numerous cooperative marketing efforts; Electronic newsletter (bi-weekly) to 4,300; 1,544 participating retailers	Earned Media: Developed 141 print stories, 27 television stories, 24 radio stories  Paid Advertising: 540 television ads; 4,797 radio ads; 119 newspaper ads; over 6.6 million online ads; Numerous special promotions and events, including 13 radio remotes	Specific statistics NAV  Radio, local newspaper, PSAs	Specific statistics NAV  TV, radio, newspaper, brochures, utility bill inserts; newsletter for trade allies and partners	Specific statistics NAV  Ads in trade publications appropriate to target: architects, building owners and managers,  E-mail list then constructed for regular communication by profession and then periodic communication with opt-out possibility
<b>Advertising Measurement Statistics</b>	Reach of 95% of the primary targeted market for an average frequency of 29.4 across the three flights for appliances, ceiling fans, and lighting (with a reach of 90% and frequency of 10.3 in each). The reach of five or more impressions is 60% for each of three and 83% with at least one of these	Earned media stories resulted in over 13 million impressions. Paid advertising provided over 271 million impressions. Special events in addition	Achieved over 11 million impressions and 1,775 rating points in the 16 "critical towns"; PSA impressions 805,954, valued at \$74,373  Estimated that 75% of targeted consumers saw or heard the advertising three times (given impressions and reach)	NA	NA

## Best Practices

Program Management: Reporting and Tracking
<ul style="list-style-type: none"><li>• Become familiar with and use standard advertising industry measurements as one tool in the reporting, quality control and evaluation processes.</li><li>• Track these measurements for media plan assessment and for comparison against other outcome and effects measurements.</li><li>• Work with Demand Side Management (DSM) advertising peers to develop and implement a set of standard tracking and evaluation metrics.</li></ul>

- **Become familiar with and use standard advertising industry measurements as one tool in the reporting, quality control, and evaluation processes.** Advertising efforts in any industry or area, including energy efficiency, should be tracked using common advertising measurements. Efficiency professionals and their regulators are unlikely to be familiar with these measurements at the outset of their first major campaigns. Familiarizing oneself with these metrics is important as there are a large number of standard industry measurements and care should be taken to ensure that the right metrics for campaign and media plan are tracked (see Quality Control section).
- **Track these measurements for media plan assessment and for comparison against other outcome and effects measurements.** The breadth and commonality of standard advertising industry measurements provide an asset for evaluation and quality control that should be fully leveraged. Analysis of these measurements can be used to improve future media buys and as explanatory factors in outcomes analysis. They also serve as documentation for regulatory purposes.
- **Work with Demand Side Management (DSM) advertising peers to develop and implement a set of standard tracking and evaluation metrics.** Having advertising measurements in the same metrics or convertible to the same metrics would facilitate more useful comparisons of advertising program output. Working with DSM advertising peers could help to improve comparability and increase cross-program learning.

### 3.4 PROGRAM MANAGEMENT: QUALITY CONTROL AND VERIFICATION

The advertising industry has a particular set of quality control (QC) and verification practices which is different than those used for other types of energy efficiency programs and program components. QC in advertising is at least partially dependent upon using the comprehensive market feedback system described in the program theory and design section. Within the planning component, quality control can be introduced by review of consistency between the market research and the theory of change mapping, by reviewing the creative against the principles of effective advertising for that media, and through proper pre-testing. (An overview

of the principles of effective advertising will be presented in the section on outreach and marketing below.)

Verification and post placement elements of quality control for advertising can be found in the media buy, post-buy reports, and evaluation of the post-buy analysis. Although the advertising industry does not refer to these as QC and verification, that is what they accomplish.

Typically, a media buyer purchases the media based upon a media plan. The media buy, or purchase of ad space or time to implement the media plan, outlines specific pricing for the various types of media vehicles, as well as where, when and how frequently the purchased ad will run. In other words, it is a form of verification of what one is scheduled to get for what one paid. The post-buy report (the report provided by the sales representative on the media buy, also referred to simply as the post-buy) verifies that one actually got what one paid for and should provide the number of commercials that actually ran and the corresponding day-parts (the pre-determined time of day the ad is purchased to run) and rating points. There are several occurrences that may cause changes to the original media buy. For example, significant news events can sometimes alter or cancel normal TV or radio programming and radically change what ads and shows actually air. For print advertising, the post-buy includes the actual newspaper page on which the ad ran (known as the "tear-sheet") or a copy of the magazine publication in which the ad was featured. This tear-sheet or copy is then checked for quality control on such things as the reproduction quality, how cluttered the page was, the section in which the ad ran and the actual page position the ad received. Outdoor advertising post-buys (e.g., billboards) should include pictures of each ad space or board purchased verifying visibility from various distances and at night for the purchase of an illuminated board, as well as traffic figures for that location to confirm actual exposure versus expected level of exposure purchased.

If the post-buy does not show adequate correspondence to what was intended in the media buy, a "make-good" or credit is normally negotiated by the media buyer. A make-good is a free repeat of the ad at a mutually agreeable time and place. A make-good is done within the same ad campaign and in accordance with the principles of the media plan for that campaign. If the ad schedule is over, a credit against the buy is issued to be used by the purchaser in future media buys.

Advertising quality control can be thought of as stewardship of the monitoring of execution, quality of reproduction, acceptability of positioning, and accuracy of rates applied. This includes assessing "cleanliness" to ensure that commercials run: a) in their entirety and b) do not have beginning or endings clipped, and are positioned correctly so as not to run next to competitor ads or next to programming, news, or editorial content that could adversely affect the message being received. Appropriate pricing and invoicing should also be verified, as should audience calculations. Accurate audience calculations are particularly important for TV media buys for which audience delivery projections can be as much art as science.

The O1 Programs all used some form of verification and quality control. The UI Wait 'Til 8 team met regularly for review of various items including all tear-sheets and media plans. The team also noted the importance of using team members with advertising experience to conduct the reviews, as they knew how to recognize issues that needed to be addressed. Flex Your Power incorporated all the standard best practices in this area to include review of creative

development, ad development, tear-sheets, media plan, post-buy analysis and “make-good” issues.

Flex Your Power also included a significant outreach effort that called for retailer participation agreements, which were maintained and tracked. The participation agreements required participating retailers to conduct sales training, display POP materials, and stock and promote ENERGY STAR appliances and lighting (as appropriate to the appliances and lighting product categories they carry). In exchange retailers received sales training materials, POP display materials and free listing as a participating retailer in local newspaper advertisements. The required retailer actions were verified.

### **Best Practices**

<b>Program Management: Quality Control and Verification</b>
<ul style="list-style-type: none"><li>• Ensure quality control is part of the comprehensive market feedback system.</li><li>• Obtain post-buy reports and evaluate post-buy analysis.</li><li>• Follow through on any discrepancies uncovered in post-buy analysis.</li></ul>

- **Ensure quality control is part of the comprehensive market feedback system.** Introducing quality control to the planning component helps ensure that an effective campaign is produced. This can be achieved through review of consistency between the market research and the theory of change mapping, through review by marketing managers with advertising experience to ensure that the principles of effective advertising for that media were applied in the development of the creative, through proper pre-testing, and through post-buy analysis.
- **Obtain post-buy reports and evaluate post-buy analysis.** Quality control and verification in the advertising industry is often conducted using post-buy reports and evaluating post-buy analysis from the media buyer. The many elements that should be monitored and reviewed vary by the media used but offer measurements of cost-efficiency and effectiveness, as well as determination that the media buy matches the media plan (i.e., that you got what you paid for).
- **Follow through on any discrepancies uncovered in post-buy analysis.** Certain types of advertising can be very expensive. With a large, complex advertising campaign, it can be difficult to find discrepancies without a serious post-buy analysis. Conducting the analysis is not enough, however, buyers must ensure that discrepancies from the contractual plan are addressed through “make good”, credit, or other arrangements.

### 3.5 PROGRAM IMPLEMENTATION: MARKETING AND OUTREACH

This section leverages the vast literature on social marketing, which provides significant depth on best practices for marketing and outreach as related to advertising programs. The O1 Programs used many of these best practices to varying degrees. Where appropriate, specific examples from the O1 Programs are given to provide insight to and additional concrete support for the best practices suggested by the literature.

It should be noted that marketing and outreach are not actually components of an advertising program. In fact, advertising programs are often marketing programs for which advertising is a key component but often other marketing tools are also employed.<sup>1</sup> William Smith, Executive Director of the Academy for Educational Development, advises that “[t]he problem is how to make sure we are really using marketing to the fullest extent and not dropping into advertising alone, or product development alone, or ignoring the consumer because we think we know more than they do” (Kotler et al. 2002). Successful campaigns use a broad array of marketing tactics and strategies to create ads that communicate the intended message or copy strategy, are recognized and remembered, and stimulate key motivational elements (McBride 2001).

Marketing programs for which the primary tactic is advertising, or a public information campaign, are frequently strategic social marketing efforts. Critical to program success is understanding and applying the larger concept of social marketing. Andreasen (1995) argues that using social marketing can help develop an effective customer-centered marketing approach for five reasons:

1. Social marketing forces the manager to be market driven.
2. A customer focus makes it much less likely that the organization will lose its way or will miss trends.
3. Social marketing forces the organization and its program managers to focus firmly on the critical bottom line - behavior change.
4. Social marketing forces the organization to think about all the tools that can be used to achieve behavior change.
5. Because social marketers are alert to competition, they are compelled to be much faster on their feet.

In these types of programs advertising is created within the framework of various marketing techniques, which should be based on assessing the target market, selecting or working with the various models of behavior change to design marketing strategies, creating the promotional message, selecting media channels using a strong cost-effective media plan, and developing monitoring and evaluation plans.

The theory of change model should be hypothesized and tested for any marketing effort. There are several **models of behavior change** that can be used to develop these. Some of these models are Knowledge, Attitude, Practice, and Beliefs (KAPB), Rogers’ and Shoemaker’s innovation diffusion model, social cognitive theory (Bandura), the Transtheoretical Model, and

---

<sup>1</sup> There are entire books on many of the subjects covered in this section. The O1 Study intends to present an overview and sets of overarching best practice principles.

social norms.<sup>2</sup> Thinking through the various theories of behavior change and how they may apply to the problem being addressed can be helpful. At the same time, using these theories of behavior change is but one tool, and a strong theoretical foundation alone does not guarantee any particular degree of success.

Mapping the theory of change should lead to discussions of the appropriate messages and designating the target audience, which will drive marketing strategies. Market segmentation is considered a best practice to ensure that the marketing plan, message and media plan match the target audience and vary by market segment. Market segmentation is often thought of as a way to effectively design a campaign to gain the greatest impacts with limited resources by better targeting messages to drive behavior changes.

The evaluation of NW Alliance BetterBricks Advertising concluded that good market segmentation was important to the program (Gordon et al. 2001). The interview with program staff for the O1 Study underscored the need to fully understand what a particular market actor does in order to properly target the message. For NW Alliance BetterBricks Advertising, developing this understanding drove an increase in market research used for message development.

In addition to targeting more traditional consumer audiences, another current marketing strategy is based on identifying and reaching influencers. Influencers can be thought of as the “bees” that manage or harness “buzz” around a product, service or social marketing message. The “alphas” create the buzz. For mass marketing activities identifying and targeting these individuals can be quite difficult. For other marketing areas this can prove fruitful.

In targeting architects NW Alliance BetterBricks recognized the importance of reaching and appealing to opinion leaders (rather than just innovators as seen in the diffusion of innovation model). The program included this tactic in its refinement effort. Flex Your Power contracted with private sector and government sector entities in order to ensure that these entities undertook the actions desired of them which, in turn, re-enforced the campaign’s goal of driving consumers to the behavior desired of them.

Once the market has been assessed, the audience targeted, and theory of change mapped, the **message development** usually begins. Although Peters and Feldman’s recent research found very few effective promotional messages for the related topic of renewable energy, advertising efficiency, conservation, and, in particular, load-shifting seem to show evidence of effectiveness. The researchers found that the limited effectiveness of renewable energy advertising messages

---

<sup>2</sup> Knowledge, Attitude, Practice, and Beliefs (KAPB) posits that behavioral change follows this sequence of changes where each step can then be addressed by advertising messages; Rogers’ and Shoemaker’s innovation diffusion model proposes looks at how innovations diffuse through a culture and the different adopter segments (innovator, early adopter, early majority, late majority, and laggard) and how these may be target sectors for marketing efforts ; social cognitive theory (Bandura) posits that two major factors influence the likelihood that one will take action: a person believes that the benefits of performing the behavior outweigh the costs, and the person believes that he or she has the skills and abilities necessary for performing the behavior; the Transtheoretical Model conceptualizes stages of precontemplation, contemplation, preparation, action, and confirmation; and social norms by which perceptions of behavior are significantly different than actual behavior which drives it in the direction of the perceptions. Social norm marketing can market the actuality to push behavior in the opposite direction of the perceptions.

may have been due in part to low awareness of program advertising caused by limited media reach and frequency.

One of the points Peters and Feldman make on message development is quite relevant throughout the energy field and for most forms of social marketing. "It is crucial that proponents of advertising programs find, understand and use themes that can break through the clutter and cause customers to process the relevant information at a level that will lead to behavior change" (Peters and Feldman 2001). The research concluded that renewable energy marketing messages need to embrace themes to engage and motivate customers through providing a sense of self-efficacy (a belief that one has the skills and abilities necessary for performing a specific behavior) and targeting those segments where self-efficacy is already high.

Flex Your Power's large 2001 - 2002 predecessor campaign established the Flex Your Power brand. As the program name suggests, the development of self-efficacy played a significant role in the branding and early progressing educational themes of Flex Your Power. These were the foundation for the continuing efforts of the 2003 campaign reviewed here. The tone encouraged consumer empowerment and a positive call to action, as is evidenced in both the first phase tag line of "We can do it (prevent black-outs) – And it's not even hard" and that of phase two, "Together we can do this."

Flex Your Power also followed the simple and consistent message rule. Bender et al. (2002) assessed Flex Your Power's predecessor campaign against the Weiss and Tschirhart (1994) criteria for a successful public information campaign. These criteria are targeting the right audience; delivering a credible, understandable message; delivering a message that influences audience beliefs; and creating a social context that leads to the desired outcome. Weiss and Tschirhart also state that a message must provide new information, trigger norms and direct attention to effectively influence audience beliefs. The 2002 analysis found that Flex Your Power supported the self-efficacy perspective suggested in Ajzen (1991) and provided reward feedback to consumers in Flex Your Power's evolving message that let them know that what they were doing was working (and they were avoiding black-outs). The manager of UI Wait 'Til 8 also emphasized the importance of message simplicity and consistency.

As mentioned earlier, NW Alliance BetterBricks used an innovative combination of simple, punchy messages and more technical information in ads targeted to the industry professionals. Six double-sided insert flyers were created for commercial trade publications, which used color pictures and tag lines on one side to grab attention. They then used the second level tag line as the header on the flip side technical page and used its message to start the text discussion.<sup>3</sup> This technical side contained two sub-boxes mid-way down with graphics designed to appeal to technical personnel and summed up with a set of concrete next step actions to be taken next (including resources for more information). The sets of succeeding messages were:

---

<sup>3</sup> This is the last sentence is each of the tag line groups presented below.

## NW Alliance BetterBricks – Excerpts from Six Double-Sided Trade Flyers

1. Ignore the Effects of the Sun? Your client Gets Burned.  
How daylighting can benefit your building and client.  
We'd like to shed some light on daylight.
2. The Risk in High Performance Buildings? Not building them.  
How to reap the financial rewards of better buildings.  
Penny-wise but Pound-foolish never made anyone rich.
3. You never hear the words "Would've. Could've. Should've."  
Why early-stage integrated design yields a better building.  
Talk your way into a better building.
4. There are many things you don't want broken in your building. Like a Lease, for example.  
The allure of sustainable, high performance buildings.  
You attract more tenants with honey than with vinegar.
5. A funny thing happens when people aren't Complaining about the temperature. They Work.  
How an improved human environment can benefit your bottom line.  
Give the people what they want.
6. Invest in the Right Component. Your Building Operator.  
How to squeeze more efficiency from your building.  
Use people to cut energy costs.

Sponsorship by a utility or government entity is another factor to consider in message development as it can influence the importance of different elements within the message and also limit the range of approaches possible. For example, Focus on Energy Advertising staff felt that since its messages would be viewed as the voice of the state government proper grammar was required. There are some messages that may "sell" a concept, call to action or behavior change but that can be viewed as too political, risky or otherwise inappropriate for a utility or state government. As a state agency, NYSERDA could not support all of the messages proposed by its ad agency, such as those that referred to New York's high cost of electricity, global warming, or potential for black-outs. While using fear to motivate consumers may be a proven effective sales tool, this technique was considered inappropriate.

It should be noted that even a strong message is only fully effective as part of a **strong media plan**. Interviews with O1 Program staff confirmed that being involved in developing and reviewing the media plan is important to both advertising planning and quality control.

As "the roadmap to ensure that an advertisement reaches the right audience at the right time" (Langbecker and Chiodi 2001), the media plan must address issues related to the target audience such as preferred media, accessibility and availability of medium, standard and vernacular language, literacy level, and peak listening/watching times (broadcast media), as well as ad content, layout (color, illustration, culturally relevance), and the context/environment of message presentation.



A strong media plan will include the identification of the target markets; a media mix based upon cost-effectiveness, target-ability, reach potential, tactics, context and creative considerations; and competitive media utilization. According to Langbecker and Chiodi (2001), best practices for a media plan include asking the following questions when comparing media plan options:

- Are the selected media vehicles the most effective for reaching this target?
- Are the weight levels high enough in each medium to be effective (reach/frequency, number of spots)?
- Are the hiatus periods too long?
- Have you diluted the effort by using too many media vehicles?
- What are the limitations and strengths of each plan developed?
- Is the budget sufficient to attain the awareness or response goals?

It is important to recognize that there is no medium that is either right or wrong in and of itself. Rather, the effectiveness of a particular medium depends on how it is used, the market targeted, and the message content. Choosing the appropriate **marketing channels** and using them correctly is, then, critical to success.

Steve Blom (2001) offers the following quick list of best practice principles for print media:

- Establish the objective;
- Present one central proposition;
- Support the basic proposition with all elements of the ad;
- Sell to the objective with the merits of the product or service;
- Emphasize benefits, not facts;
- Design the overall ad for easy reading;
- Illustrate your product in use;
- Avoid humor and shock value;
- Repeat a successful ad and drop an unsuccessful ad; and
- Don't blame ad placement for poor performance.

The Internet is a relatively new marketing medium and there is still much to be learned about how best to use it effectively. Multitudes of Web sites have been developed for energy efficiency programs and advertising over the last several years. Yet, Web sites alone have not

proven to be tremendously effective at sales and promotion. Sites themselves often have to be marketed and too many may be worse than too few as they add to competing clutter.

NW Alliance BetterBricks Advertising's 2000 predecessor effort advertised and promoted the [www.betterbricks.com](http://www.betterbricks.com) Web site. The campaign increased overall awareness by 4%. However, a much smaller targeted print campaign, combined with use of the Web site, resulted in an improved marketing approach.

Alternatively, NYSERDA Keep Cool's Web site and online advertising campaign appears to have been very effective and cost-efficient. The campaign purchased online banner, superstitials, and ad space on Weather.com and Ask Jeeves with geo-targeting for New York. Measurement of click through rates (which is a more focused measurement than impressions) and cost/click were obtained and tracked. Visitors to the site could opt-in to receive targeted e-mail messages related to the program, which also allowed for cross-marketing. Additionally, Internet marketing works well with younger audiences, a typically hard market to reach for efficiency programs. However, program staff recognized the limitations of a campaign based solely on the Internet. They pointed out that it was important to think in layers and a well-done online advertising campaign can be a cost-effective layer.

Different types of marketing channels can vary messages in the same campaign depending upon a variety of issues related to the target segment including the consumer decision stage. Point-of-purchase (POP) material is not directly covered in the O1 Study, yet, it can be an important part of a marketing effort. Given its physical and "emotional" proximity to a potential purchase, and it affords the opportunity to use slightly different messaging. The point-of-purchase is an appropriate time to emphasize comparison elements.

In his work on the science of shopping, Paco Underhill points out the difficulty in doing comparative shopping for air-conditioning (Underhill 1999). The primary reason for buying an air-conditioner is its ability to cool. Yet, most stores are already cool making it difficult to differentiate the cooling effectiveness of one air-conditioner from another. Two things that can be used to distinguish air-conditioners in this environment are sound tone and noise levels. Based on this notion, it has been proposed that a combination of operating ENERGY STAR room air-conditioner (RAC) units themselves and promotional materials be used to distinguish the equipment as quiet, peaceful and cooling.

Social proof (on which "bandwagon" marketing approaches are based) is also an important influence mechanism for efficiency programs. (Cialdini 2001). NYSERDA Keep Cool proved very successful in ENERGY STAR RACs sales suggesting that related POP materials could announce the large numbers of ENERGY STAR RACs being sold at that store. This will help store marketing and provide social proof marketing for undecided purchasers at the point of purchase.

Earned media, or unpaid press coverage, should also be considered as a marketing channel tactic. Successfully attaining it frequently depends on a strong press release. The American Marketing Association offers the following quick list of best practices on press releases:

- Let the news do the talking, refrain from using buzzwords like revolutionary, unique, ground-breaking, and innovative.

- Keep the writing clear and active.
- Where’s the news in the news release? Ensure that you are not flooding press rooms with un-news worthy items. Targeted news submissions are more likely to be noticed, have credibility and make a news splash.
- Calm down those “excited” CEOs. Anyone can be “pleased” or “excited”, the quote should be meaningful.
- The devil is in the grammar.

Special promotions and events offer another marketing channel for efficiency programs. NYSERDA Keep Cool used them successfully as alternative avenues to promote its messages. One example involved the 4,000 spectators at a Hudson Valley Renegades softball game. The announcer broadcast energy tips over the loud speaker and attendees received paddle fans showing the three energy tips that made up the target messages.

**Best Practices**

<b>Program Implementation: Marketing and Outreach</b>
<ul style="list-style-type: none"> <li>• Use a broad array of marketing tactics and strategies.</li> <li>• Develop a strong media plan to ensure that the appropriate message reaches the target audience at the best time and in the best manner to motivate desired changes.</li> <li>• Utilize ad development best practices from the marketing industry.</li> <li>• Use market segmentation to identify the appropriate target markets and messages.</li> <li>• Create and select the ad according to its ability to communicate the intended message, be recognized and remembered, and stimulate key behavior changes.</li> </ul>

- **Use a broad array of marketing tactics and strategies.** Influencing energy-related behavior typically requires advertising approaches that are multi-pronged. Although this report focuses on mass marketing, effective advertising programs often combine mass media advertising with other interventions such as point-of-purchase advertising with retailers, participation in community-based events, and targeted advertising to specific segments or industries.
- **Develop a strong media plan to ensure that the appropriate message reaches the target audience at the best time and in the best manner to motivate desired changes.** The media plan identifies the target markets and the media mix selection, based upon cost efficiency, target-ability, reach potential, tactics, context and creative considerations, and competitive media utilization. A number of resources are available to help develop a

strong media plan, including the American Marketing Association, as well as sources cited in this report (e.g., Langbecker and Chiodi 2001).

- **Utilize ad development best practices from the marketing industry.** There is a wealth of information in the advertising and marketing literature that focuses on effective ad development (e.g., Blom 2001). Even when hiring experts for ad development, being familiar with the different perspectives on what works, what doesn't, and why will contribute to the effective and collaborative management of the ad specialists.
- **Use market segmentation to identify the appropriate target markets and messages.** Behavior change is usually difficult to achieve with mass messages. Market segmentation is an important tool that helps target messages to increase the likelihood of driving the desired behavior with specific groups. It is recognized as an effective design strategy used to gain the greatest impacts with limited resources.
- **Create and select the ad according to its ability to communicate the intended message, be recognized and remembered, and stimulate key behavior changes.** Communicating the intended message, being recognized and remembered, and stimulating key behavioral changes are the success metrics for social marketing-based advertising messages. Designing, pre-testing and evaluating the ad based on these metrics helps ensure success. An entertaining ad is not necessarily an effective one.

### 3.6 PROGRAM EVALUATION AND OUTCOMES

As information programs, efficiency advertising programs have often received less evaluation attention than other types of energy efficiency programs. The evaluations conducted for the O1 Programs vary considerably from recall statistics gathered on another utility survey for the smallest program (UI Wait 'Til 8) to a pre- and post-advertising survey that obtained effects evaluation and information that was used to estimate load-shifting impacts (for NYSERDA Keep Cool). A summary of evaluation information available for O1 Programs is provided in Exhibit O1-11.

As energy efficiency advertising evaluation is still rather new, using the experience of a variety of program team members including both efficiency program evaluators and advertising specialists is useful to creating a full evaluation framework and plan. The evaluation needs to meld two very different perspectives on evaluating advertising and can only do this well through an approach of true teamwork between advertising evaluators and efficiency evaluators. Additionally, since evaluations should help improve program implementation, including program staff in the evaluation process can increase the evaluation's quality and its likelihood of being used and useful. O1 Program staff reported that evaluations had been very helpful in improving their programs.

O1 Program evaluations demonstrated a combination of more standard media evaluation, theory-based evaluation, market progress studies, and efficiency effects and impact evaluation. All are valid evaluation approaches. Performing periodic evaluations using both standard media evaluation techniques and efficiency effects evaluation is a best practice. Standard media evaluation techniques provide the necessary feedback to refine program messages, media mix

and media plans. However, efficiency investments depend largely on the ability of the evaluations to provide evidence for the effects of the expenditures with methods acceptable to regulatory authorities. This necessitates periodic effects evaluations.<sup>4</sup>

The most common measurements of general advertising effectiveness are of recall, recognition (or aided recall), narrative playback (respondents are asked to recall the narrative or storyline), attitudes toward the ad, and persuasion (respondents reporting of how persuasive they think the ad is) and intentions given the ad (what actions they intend to undertake because of the ad). Flex Your Power used these measurements both qualitatively and quantitatively. These were combined with reach and frequency statistics, as is also commonly done with advertising evaluations.

Measuring effectiveness, reach and frequency for brochures, collateral material, and their various distribution venues (such as home shows versus point-of-purchase) should also be considered for evaluations.

Media tracking surveys for Flex Your Power's 2001 predecessor campaign found 35 percent of those aware (247 of the 411 sampled were aware, 60 percent) of any conservation advertising could correctly provide unaided descriptions of the Flex Your Power images or messages. This rose to 53 percent by November 2001 (with awareness of conservation advertising at 272 of 406, or 67 percent).

The third-party evaluation of Flex Your Power had three components: consumer focus groups, advertising reach and frequency verification, and retailer participation verification. The consumer focus groups used a "hybrid" research method that included qualitative and quantitative components. There were eight focus groups that had in-depth discussion of each communication piece and a numerical scoring (from one to five) for 12 criteria on each piece. The evaluation concluded that Flex Your Power was successful in meeting its objectives to convey energy efficiency messages and information to mass markets and motivate consumers to include energy efficiency considerations into their purchase decisions. Feedback also indicated that consumers felt it critical that current and future generations of consumers continue to be educated and reminded about these issues. The evaluation also showed that consumers were better able to focus on specific actions, had a need for specific information, and were able to name individual products rather than only recall a general message on efficiency. The broadcast and print campaigns had complementary roles with the broadcast campaign primarily raising awareness and interest, and the print advertising providing details on rebates and savings from the purchase of a specific product promoted (Pigram 2004).

No formal effects evaluation was conducted on Flex Your Power, either the 2001-2002 effort or the 2003 effort discussed here. As discussed in the California Summary Study of the 2001 programs, this was due to its sweeping nature and "inherent difficulty in trying to assess the participation in and impact of a comprehensive public information campaign". The CEC Summer 2001 Conservation Report provides combined estimates of demand responsive and

---

<sup>4</sup> The new California Evaluation Framework (TecMarket Works et al. 2004) provides a chapter on conducting effects evaluations on information and educational programs and can be accessed via the CALMAC Web site at [www.calmac.org/publications/California\\_Evaluation\\_Framework\\_June\\_2004.pdf](http://www.calmac.org/publications/California_Evaluation_Framework_June_2004.pdf).

rebate incentive programs of 3,743 megawatts and voluntary conservation savings of 2,616 megawatts. Flex Your Power promoted participation in all the other programs and voluntary conservation. The Summary Study stated that “Although it was not possible to quantify Flex Your Power’s individual contribution to this overall reduction in demand, we acknowledge the program’s unquestioned role as a prime catalyst and contributor to the state’s successful peak demand reduction in 2001.”

The evaluation of the UI Wait ‘Til 8 effort (the O1 Program with the smallest budget) consisted of adding a question on campaign recall within a more general utility survey. This non-random survey (customers had some previous contact with utility) found one-third recall of the campaign. This was supplemented by informal and unprompted consumer feedback gathered sporadically at events.

The evaluation of Focus on Energy Advertising was designed in concert with development of a program logic model. Baseline and on-going measurement was taken from monthly residential telephone surveys. Baseline measurements were 20 percent awareness of Focus on Energy, 33 percent favorable attitude of Focus on Energy if aware, and 49 percent awareness of ENERGY STAR. A three-month moving average was examined. Three months after the fall/December advertising campaign, awareness of Focus on Energy had risen to 25 percent, with a 50 percent favorable attitude, and ENERGY STAR awareness had risen to 51 percent. The evaluation also examined the program theory related to consumers’ information-seeking behavior versus their intention to take actions in more detail. At least half of consumers reported they will not seek information prior to taking actions. This could be due to different styles of information processing. The evaluation concluded that a better understanding of the precursors to taking action is needed, and suggested that more information on styles of information processing could help design better informational and promotional campaigns.

NW Alliance BetterBricks resulted from a significant redesign of its predecessor program at least partially based on evaluation findings. The evaluation findings concluded that productivity was a powerful idea, but that target audiences did not link it easily to energy efficiency. The indirect nature of the ads did not appeal to the audiences. Generally, commercial employees are unlikely to influence the building space, therefore targeting the decision-makers more directly should prove more cost-effective. Overall, four percent were aware of the campaign. More depth was desired in available Web site material directed to the specialist. The new BetterBricks program was designed based upon these findings. Then the baseline for NW Alliance BetterBricks was conducted in 2003/2004. Though subsequent evaluation were still to be undertaken as this was being written, early indications show the redesign is likely to be successful.

Evaluation of NYSERDA Keep Cool measured load shifting impacts pre- and post- campaign, as well as awareness of the ENERGY STAR label, NYSERDA’s Keep Cool program, and of the energy tips promoted by the campaign (see Exhibit O1-11 for results). Residential air conditioner bounties, though another component of the Keep Cool program, were also tracked and related to campaign impacts.

**Exhibit O1-11**  
**Effects Evaluation of O1 Programs**

Item	Flex Your Power	NYSERDA Keep Cool	UI Wait 'Til 8	Focus on Energy Advertising	NW Alliance BetterBricks Advertising
<b>Measured Effects/ Impact</b>	3 months into the initial 2001 FYP campaign the # of consumers that thought conservation could solve the energy crisis had risen from 53% to 62% and there was a positive correlation between conservation behavior and campaign awareness. (There are also overall savings estimates but these include price effects and many other efficiency programs.)	94.1 mW load shifted Pre-post May vs. Sept  Survey surrounding summer used for effects analysis & load shifting impacts  Awareness of the ENERGY STAR label rose from 56% to 72%  Aware of energy tips advertised from 64% to 74%; Awareness of Keep Cool Program (bounty program on RAC) increased from 25% to 45%	1/3 recall of campaign (from general utility survey with customers interacted with in last year, i.e., non-random sample); No "effects" measured	On-going residential survey provided 3-month moving average showed awareness of Focus on Energy rise from 20% to 25%, favorable attitude of Focus on Energy from 33% to 50% if aware, and ENERGY STAR awareness from 49% to 51%	On-going evaluation  Secondary effect seen from large increase in requests after ads. Example: 8-9 fold increase in daylighting inquiries  Earned media/Press generated tracked

There are other important areas still to be pursued in the arena of evaluating efficiency advertising. The research did not find efficiency advertising evaluations that addressed message retention and sustainability of subsequent behavior change. The need for re-enforcing messages and the final assessment of cost-effectiveness of advertising should include both short-term and long-term needs and effects. This vast area of evaluation research would appear to be quite useful for advertising planning and determining appropriate advertising investment levels and strategy.

**Best Practices**

Program Evaluation
<ul style="list-style-type: none"> <li>• Use an evaluation team that includes both efficiency program evaluators and advertising specialists.</li> <li>• Use standard advertising evaluation methods combined with periodic effects evaluations.</li> <li>• Periodically conduct process evaluations.</li> <li>• Involve program staff in the evaluation process and create a culture whereby evaluation findings are valued and integrated into program management.</li> </ul>

- **Use an evaluation team that includes both efficiency program evaluators and advertising specialists.** Valuing and utilizing the variety of expertise found in advertising, marketing, efficiency programs, and efficiency evaluation is likely to enhance evaluation success. Each of these perspectives adds value to the evaluation process and neither alone is adequate for these types of programs.
- **Use standard advertising evaluation methods combined with periodic effects evaluations.** The standard media evaluation techniques provide the necessary feedback to refine program messages and media plans. Future financial investments in advertising energy efficiency depend on evaluative evidence acceptable to regulatory authorities. This necessitates periodic effects evaluations. There are significant differences between advertising and other efficiency program efforts and these need to be addressed through appropriate evaluation techniques (see TecMarket Works, 2004 for specifics on evaluating effects of information-type programs). In some cases, where longer term behavioral changes are not expected to occur immediately, evaluation techniques may need to focus on short-term, proximate indicators of program effects that are hypothesized as part of the program theory and theory of change analysis.
- **Periodically conduct process evaluations.** Advertising programs in this field have generally not had process evaluations; however, these programs could benefit from such efforts. The process of executing an efficiency advertising campaign using the type of comprehensive market feedback system discussed in this report can be difficult in practice and, therefore, could potentially benefit significantly from process evaluation.



- **Involve program staff in the evaluation process and create a culture whereby evaluation findings are valued and integrated into program management.** Evaluations are designed to provide information important to improve program implementation. Program staff reported that evaluations had been very helpful in improving their programs. Especially since evaluation of energy efficiency advertising effects is still relatively new, including program staff in the evaluation process can increase the evaluation's quality and its likelihood of being used and useful. Following a comprehensive market feedback system for social marketing, like the *Montana* model discussed in the program design section of this report, requires that the evaluation and market research functions be closely integrated with the program design process and relied upon to drive any needed changes.

#### 4. SOURCES

- Ajzen, Icek. 1988. *Attitudes, personality, and behavior*. Milton Keynes, UK: Open University Press.
- . 1991. "The Theory of Planned Behavior." In *Organizational Behavior and Human Decision Processes*. Vol. 50, No. 2.
- Andreasen, Alan R. 1995. *Marketing Social Change: Changing Behavior to Promote Health, Social Development, and the Environment*. San Francisco, CA: Jossey-Bass.
- Bandura, Albert. 1977. "Self-efficacy: Toward a Unifying Theory of Behavioral Change." In *Psychological Review*, Vol. 84. Washington, D.C.: American Psychological Association.
- Bender, Sylvia, Mithra Moezzi, Marcia Hill Gossard, and Loren Lutzenhiser. 2004. "Using Mass Media to Influence Energy Consumption Behavior: California's 2001 Flex Your Power Campaign as a Case Study." In *2004 ACEEE Summer Study on Buildings*. Washington, D.C.: American Council for an Energy Efficient Economy.
- Blom, Steve. 2001. "Principles of Effective Print Advertising." In *Best Practices, Advertising*. On [www.marketingpower.com](http://www.marketingpower.com). American Marketing Association.
- California Energy Commission. 2002. *The Summer 2001 Conservation Report*. February. San Francisco, CA: California Energy Commission.
- Chiodi, Enza V. and Jill Newman. 2001. "Understanding Media Math." In *Best Practices, Media*. On [www.marketingpower.com](http://www.marketingpower.com). American Marketing Association.
- Cialdini, Robert B. 2001. *Influence: Science and Practice*. 4<sup>th</sup> Edition. Boston, MA: Allyn and Bacon.
- Crowley, Samantha (United Illuminating Company). 2004. Best Practices In-Depth Interview, Wait 'Til 8 Campaign. April 30.
- Efficiency Partnership. 2002. *Joint Proposal for 2003 Coordinated Statewide Marketing and Outreach Program for Rulemaking 01-08-028*. Prepared for the California Public Utilities Commission.
- . 2003. *Efficiency Partnership 2003 Coordinated Statewide Marketing and Outreach Program Implementation Plan*. Prepared for the California Public Utilities Commission.
- . 2003. *2003 Flex Your Power Budget*. Available at [www.mcguireco.com](http://www.mcguireco.com).
- . 2004. *Flex Your Power Web site*. [www.fypower.com](http://www.fypower.com).
- Engel, Victoria S, Lori Megdal, Tom Rooney, Lawrence Pakenas, and Susan Soweck. 2003. "Quantifying Load-Shifting Benefits from an Advertising Campaign." In *Proceedings of the 2002 International Energy Program Evaluation*. Madison, WI: International Energy Program Evaluation Conference.

- Feldman, Shel and Eric Rambo. 2003. "How'm I Doing? Tracking the Effectiveness of Advertising an Energy efficiency Program." In *Proceedings from the 2003 International Program Evaluation Conference*. Madison, WI: International Energy Program Evaluation Conference.
- . 2003. Presentation Materials for "How'm I Doing? Tracking the Effectiveness of Advertising an Energy efficiency Program." In *Proceedings from the 2003 International Program Evaluation Conference*. Madison, WI: International Energy Program Evaluation Conference.
- Flex Your Power. 2002. *Flex Your Power Energy Conservation and Efficiency Campaign 2001-2002, Final Report*. Prepared for the California Public Utilities Commission.
- . 2004. *Energy Efficiency Final Report Narrative, Efficiency Partnership*. Prepared for the California Public Utilities Commission.
- Gladwell, Malcolm. 2000. *The Tipping Point: How Little Things Can Make a Big Difference*. Boston, MA: Little, Brown, and Company.
- Global Energy Partners. 2003. *California Summary Study of 2001 Energy Efficiency Programs*. Submitted to Southern California Edison and the California Measurement Advisory Council. Lafayette, Ca.: CALMAC Report ID# 02-1099.
- Gordon, Jane, Jane S. Peters, and Linda Dethman. 2001. "Evaluating a Campaign to Increase Demand for Energy Efficient Commercial Buildings." In *Proceedings of the 2001 International Energy Program Evaluation Conference*. Madison, WI: International Energy Program Evaluation Conference.
- Hewitt, Dave (Northwest Energy Efficiency Alliance). 2003. Best Practices In-Depth Interview, BetterBricks Program – Advertising component. November 26.
- Janda, Kathryn, Christopher Payne, Rick Kunkle, and Loren Lutzenhiser. 2002. "What Organizations Did (and Didn't) Do: Three Factors that Shaped Conservation Responses to California's 2001 'Crisis'." In *2004 ACEEE Summer Study on Buildings*. Washington, D.C.: American Council for an Energy Efficiency Economy.
- Jennings, Christina, Susan McNicoll, Patricia Lawrence, Duane Larson, and Norm Stone. 2002) "Conservation Motivations and Behavior During California's Energy Crisis." In *2004 ACEEE Summer Study on Buildings*. Washington, D.C.: American Council for an Energy Efficiency Economy.
- Kotler, Philip, Ned Roberto, and Nancy Lee. 2002. *Social Marketing: Improving the Quality of Life*. Thousand Oaks, CA: Sage Publications, Inc.
- Langbecker, Barbara and Enza V. Chiodi. 2001. "Principles of Media Planning." In *Best Practices, Media*. On [www.marketingpower.com](http://www.marketingpower.com). American Marketing Association.
- Lange, Jonathan. 2001. "How Advertising Agencies Operate." In *Best Practices, Advertising*. On [www.marketingpower.com](http://www.marketingpower.com). American Marketing Association.

- Linkenbach, Jeffrey and G. D'Atri. 1998. *The Montana Model*. Unpublished training manual developed for the Montana Social Norms Project.
- Lutzenhiser, Loren, Marcia Hill Gossard, and Sylvia Bender. 2004. "Crisis in Paradise: Understanding the Household Conservation Response to California's 2001 Energy Crisis." In *2004 ACEEE Summer Study on Buildings*. Washington, D.C.: American Council for an Energy Efficiency Economy.
- , Rick Kunkle, Sylvia Bender, and Susan Lutzenhiser. 2003. "Changes in Household Energy Use as a Result of the California Energy Crisis." In *2003 International Energy Program Evaluation Conference*. Madison, WI: International Energy Program Evaluation Conference..
- McBride, Bill. 2001. "Measuring Print Advertising." In *Best Practices, Advertising*. On [www.marketingpower.com](http://www.marketingpower.com). American Marketing Association.
- McGuire, Walley (McGuire & Company, Inc.; Efficiency Partnership). 2004. Best Practices In-Depth Interview, Flex Your Power Program. January 6 and August 12.
- Northwest Energy Efficiency Alliance. 2002. BetterBricks Program Market Support Services material.
- Northwest Energy Efficiency Alliance. 2002. BetterBricks Program Advertising inserts.
- New York State Energy Research and Development Authority. 2003. *New York ENERGY \$MART<sup>SM</sup> Program Evaluation and Status Report*. Prepared for the System Benefits Charge Advisory Group.
- , 2004. *New York ENERGY \$MART<sup>SM</sup> Program Evaluation and Status Report, Final Report*. Prepared for the System Benefits Charge Advisory Group.
- Olson, David. 2001. "Principles of Measuring Advertising Effectiveness." In *Best Practices, Advertising*. On [www.marketingpower.com](http://www.marketingpower.com). American Marketing Association.
- Olson, John and Ross Currie. 2001. "Evaluating a Post-Buy Analysis." In *Best Practices, Media*. On [www.marketingpower.com](http://www.marketingpower.com). American Marketing Association.
- Peters, Jane S. and Shel Feldman. 2001. "I Can Do It! The Role of Self-Efficacy in Motivating Changes in Attitudes and Behavior Relating to Energy Efficiency and Renewables." In *Proceedings of the 2001 International Energy Program Evaluation Conference*. Madison, WI: International Energy Program Evaluation Conference.
- Peters, Jane S., Ken Seiden, Sharon Baggett, and Lyn Morander. 1998. "Changing Consumer Attitudes to Energy Efficiency: Midterm Results from an Advertising Campaign." In *Proceedings from the 1998 ACEEE Summer Study on Buildings*. Washington, D.C.: American Council for an Energy Efficient Economy.
- Pigram, John. 2004. *Evaluation of the 2003 Flex Your Power Statewide Marketing and Outreach Program Report*. Prepared for the California Public Utilities Commission.

- Rambo, Eric. 2003. *Cross-cutting Marketing (Research Evaluation Report): Residential Marketing Tracking Survey*. Madison, Wis.: Wisconsin Department of Administration.
- and Shel Feldman. 2003. "What is it I need to know? The Relationship Between Information Seeking and Intended Action Relating to Energy Efficiency." In *Proceedings from the 2003 International Program Evaluation Conference*. Madison, WI: International Energy Program Evaluation Conference.
- Rand, Paul M. 2001. "Identifying and Reaching Influencers." In *Best Practices, Public Relations*. . On [www.marketingpower.com](http://www.marketingpower.com). American Marketing Association.
- Rasmussen, Tami, Kathleen Gaffney, and Rob Rubin. 2003. "Addressing Program Attribution in the Wake of the California Energy Crisis." In *2003 International Energy Program Evaluation Conference*. Madison, WI: International Energy Program Evaluation Conference.
- Research Into Action and Dethman & Tangora. 2001. *Market Progress Evaluation Report, Efficient Building Practices Initiative, No. 2*. Prepared for the Northwest Energy Efficiency Alliance.
- Rogers, Everett M. 1995. *Diffusion of Innovations*, 4<sup>th</sup> Edition. New York, N.Y.: The Free Press.
- Rosen, Emanuel. 2000. *The Anatomy of Buzz: How to Create Word-of-Mouth Marketing*. New York, N.Y.: Doubleday.
- Salz, Nancy L. 2000. *How to Get the Best From Your Agency: Advertising, Interactive and Other Marketing Communications*. New York, NY: McGraw-Hill Companies.
- Samuel, Barbara (Wisconsin Department of Administration). 2003. Best Practices In-Depth Interview, Focus on Energy Umbrella Advertising Program. October 28.
- Sanders, Marci, Sue Sowek, Glenn Reed, Wally McGuire, and Maureen McNamara. 2002. "Reaching the Consumer: Different Approaches to Common Themes." In *Proceedings of the 2002 ACEEE Summer Study*. Washington, D.C.: American Council for an Energy Efficient Economy.
- Schwartz, Gerald S. 2001. "Effective Press Release Writing." In *Best Practices, Public Relations*. On [www.marketingpower.com](http://www.marketingpower.com). American Marketing Association.
- Social Marketing Institute. 2004. *Social Marketing Institute Web site*. <http://www.social-marketing.org/sm.html>
- Sowek, Sue (New York State Energy Research and Development Authority). 2003. Best Practices In-Depth Interview, Keep Cool Campaign. November 21.
- TecMarket Works, Megdal & Associates, Architectural Energy Corporation, RLW Analytics, Resource Insight, B & B Resources, Ken Keating and Associates, Ed Vine and Associates, Ralph Prah and Associates, and Innovologie. 2004. *The California Evaluation Framework*. Prepared for the California Public Utilities Commission and the Project Advisory Group.

Underhill, Paco. 1999. *Why We Buy: The Science of Shopping*. New York, N.Y.: Touchstone, Simon & Schuster.

United Illuminating, Inc., 2003. *Radio and Print Public Service Announcements for Wait 'Til 8 Campaign*.

-----, 2004. *United Illuminating Web site*. [www.uinet.com](http://www.uinet.com).

Weiss, J.A. and M. Tschirhart. 1994. "Public Information Campaigns as Policy Instruments." In *Journal of Policy Analysis and Management*. Vol. 13.

Zyman, Sergio with Armin Brott. 2002. *The End of Advertising As We Know It*. Hoboken, N.J.: John Wiley & Sons, Inc.

## ***APPENDIX O1A – BRIEF INTRODUCTION TO THE NATIONAL ENERGY EFFICIENCY BEST PRACTICES STUDY***

### ***INTRODUCTION***

This report presents results of a comparative analysis of advertising programs included in the National Energy Efficiency Best Practices Study (“Best Practices Study”). The overall Best Practices Study objectives, scope, and methodology are briefly outlined in this Appendix. More details on methods and cross-program findings are provided in separate report volumes.

### ***OBJECTIVE AND SCOPE***

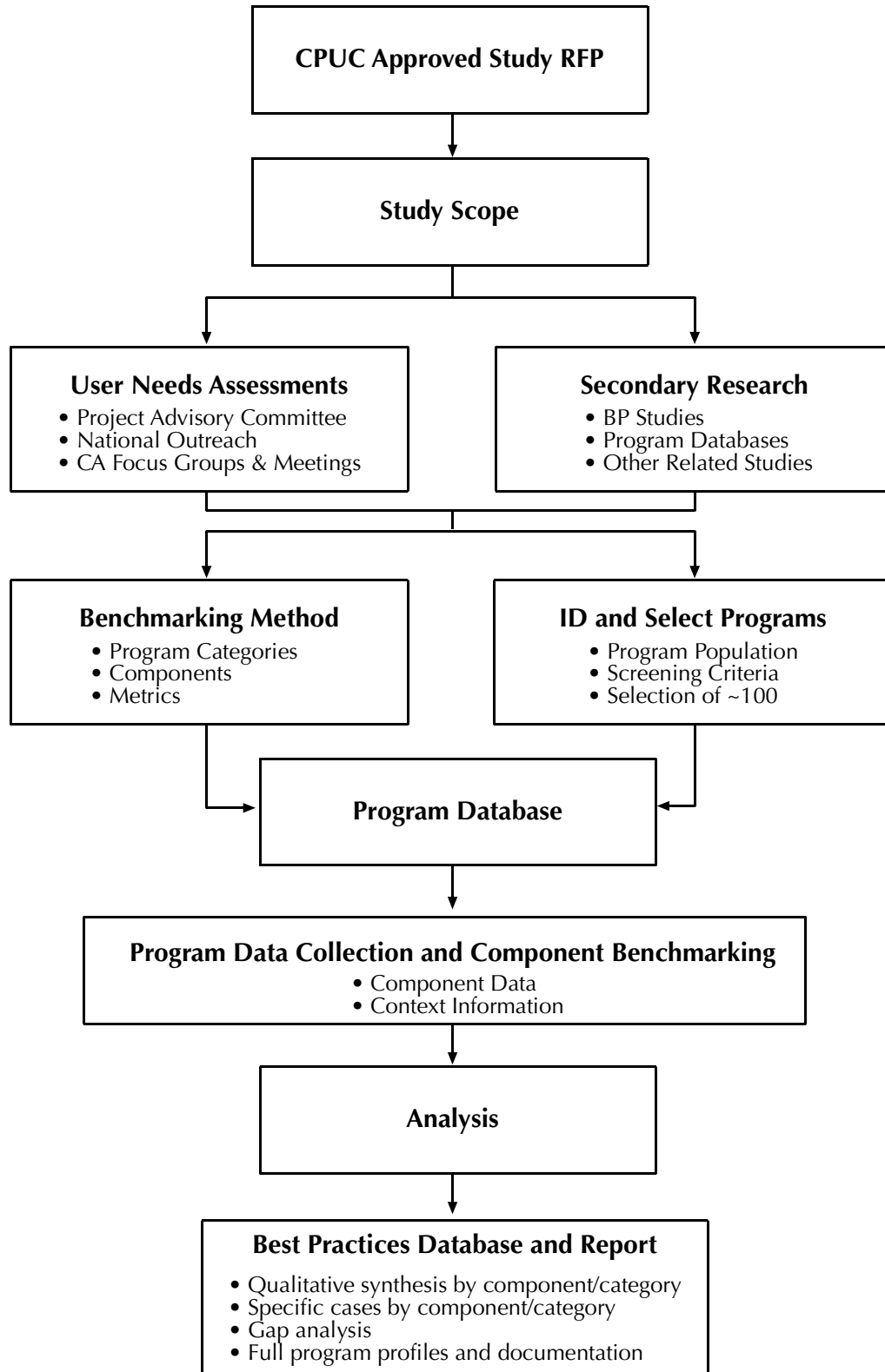
The overall goal of the Best Practices Study is to develop and implement a method to identify and communicate excellent energy efficiency program practices nationwide in order to enhance the design of such programs in California. In particular, program implementers supported through public goods funds are encouraged to use the Best Practices Study’s products, along with other resources and their own knowledge and experience, to develop and refine energy efficiency programs.

The Best Practices Study is intended as a first-order effort to identify successful program approaches through systematic cross-program data collection and comparative analyses. It is not intended to produce a census of best practices across all types of programs. Such an approach would be neither practical nor useful given the number of programs that exist; the many differences in policies, goals, and market conditions around the country; the unique needs and market conditions in California; and the importance of encouraging innovation, which by its nature sometimes requires attempting approaches that are not yet proven. If the framework and results of the Best Practices Study prove useful, future phases of the work can expand the number and types of programs covered.

### ***METHODOLOGY***

Key aspects of the Best Practices Study include a user needs assessment, secondary research, development of the benchmarking methods, identification and selection of programs to benchmark, development of the program database, data collection and program benchmarking, analysis, and preparation of the best practices report and final database. In addition, outcome metrics will be tracked. An overview of the Best Practices Study key activities is shown in Exhibit O1-12 below.

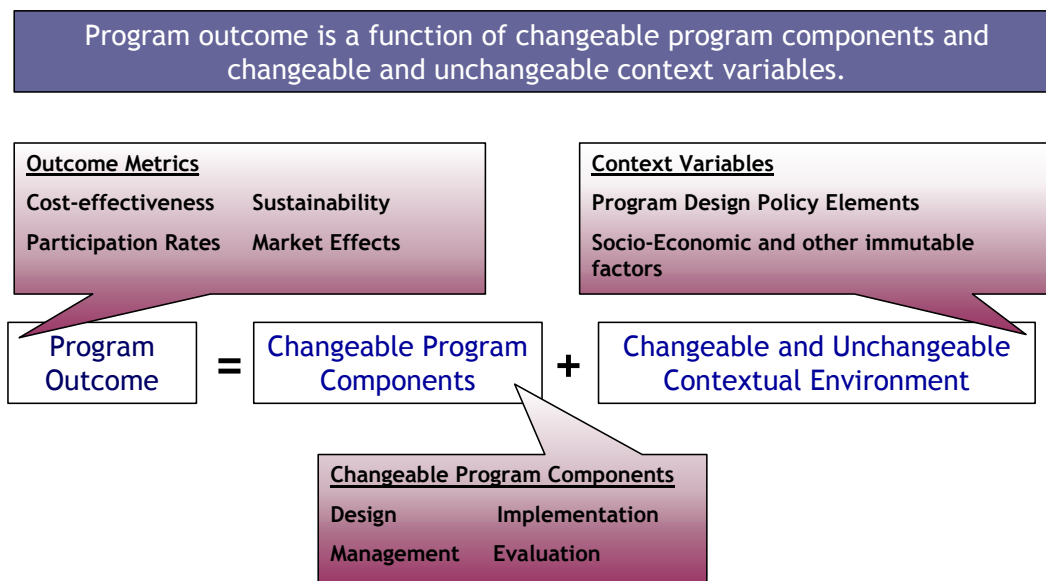
*Exhibit O1-12*  
*Overview of Energy Efficiency Best Practices Study*





As shown below in Exhibit O1-13, the outcome of a program – as measured by \$ per kWh saved, market penetration or sustainability – can be thought to be a function of changeable program elements, changeable portfolio-level design and programmatic policy decisions, and unchangeable social, economic, demographic, climate, and other factors. All of these factors can influence the ultimate success of an energy efficiency program. Some program elements (such as marketing, tracking or customer service) are directly controllable at the program level and can be modified to affect the success of the program. Other elements (such as the program policy objectives and whether the program has a single- or multi-year funding commitment) may not be changeable at the program level but may be changeable at a policy level. Other elements (such as the physical climate or density of the customer base) are not changeable and cannot be affected by program managers, implementers, or policy-makers.

**Exhibit O1-13**  
**Relationship Among Program Outcomes, Components, and Context**



**PROGRAM CATEGORIES**

A program category is defined for the Best Practices Study as the basis for grouping “like” programs to compare across components and sub-components. Program categories may be defined in any number of ways, for example, as a function of target market (e.g., sector, vintage, segment, end use, value chain, urban/rural); approach (e.g., information-focused, incentive-focused [prescriptive; custom/performance based]); objective (e.g., resource acquisition, market transformation, equity), and geographic scope (e.g., local, utility service territory, state, region, nation); among other possible dimensions.)

A number of criteria a good program categorization strategy should address were identified and include user accessibility, benchmarking compatibility, potential, compatibility with policy guidelines, and compatibility with scope directives. The number of program categories was limited to approximately 17 to conform to resource constraints. These are shown in Exhibit O1-14 below. The final scheme separates residential from non-residential programs, and distinguishes between incentive programs, information and training programs and new construction programs. Programs are also segregated based on targeted end-use and customer type. A Crosscutting section is included to address comprehensive programs that do not cleanly fall within the other 16 categories. Each program category has an associated code, which is used throughout the Best Practices Study for identification purposes (e.g., O1 Programs = Crosscutting Advertising Programs reviewed for the Best Practices Study).

**Exhibit O1-14**  
**Program Categories & Related Codes**

PROGRAM CATEGORY			CODE
<b>RESIDENTIAL</b>	Incentives	Lighting	R1
		Air Conditioning	R2
		Appliance and Plug Load	R3
		Single-Family Comprehensive	R4
		Multi-Family Comprehensive	R5
	Information & Training	Whole House Audit with no/minimal incentive	R6
		General & Other Comprehensive	R7
	New Construction Information & Incentives		R8
<b>NON-RESIDENTIAL</b>	Incentives	Lighting	NR1
		HVAC	NR2
		Refrigeration, Motors, Compressed Air, Process	NR3
		Small Comprehensive	NR4
		Large Comprehensive	NR5
	Information & Training	End-Users	NR6
		Trade Allies	NR7
	New Construction Information & Incentives		NR8
<b>Other</b>	Crosscutting		O1

**PROGRAM SELECTION**

Programs reviewed for each of the program categories in the Best Practices Study were selected through a three-step process. First, programs were nominated using recent best practice studies, team member recommendations. Next programs were randomly selected from published data on energy programs to complete the roster. The third step involved conducting outreach interviews with the staff of nominated programs to determine if sufficient information was available to conduct the research. With the final set of programs determined, in-depth interviews were conducted.

## **PROGRAM COMPONENTS**

The Best Practices Study approach focuses on analyzing programs primarily from the perspective of their changeable program characteristics. The Best Practices Team developed a method for breaking programs down into components and sub-components in order to systematically identify and compare specific program features of importance to overall program success. The four primary program components are program design, program management, program implementation, and program evaluation. These components and their associated sub-components are briefly summarized below.

- **Program Design** provides the initial foundation for a successful program. The program design category has two sub-components: **program theory** and **program structure** (which includes policies and procedures). Good program design begins with good program theory and a complete understanding of the marketplace. Good program structure, policies and procedures are necessary to translate program design theories and goals into practical and effective management and implementation actions.
- **Program Management** is the command and control center that drives the implementation process, and may be broken down into the sub-components of **project management, reporting and tracking, and quality control and verification**. Project management includes the structure and relationship among responsible parties. Reporting and tracking focuses on approaches to identifying and tracking useful and appropriate metrics that can be translated efficiently into reporting effective information. Quality control and verification includes accountability and improvement processes that are typically carried out through implementation and evaluation activities.
- **Program Implementation** is defined by the actual activities carried out in the marketplace to increase adoption of energy efficiency products and practices. Its sub-components include **outreach, marketing, and advertising, the participation process, and installation and incentive** mechanisms. Good outreach, marketing and advertising efforts should result in relatively high program awareness, knowledge of program specifics, and participation levels. The participation process is a critically important element of a program's ultimate success. Standard measures of market penetration and customer satisfaction provide one indication of a program's effectiveness at enrolling customers and processing their applications. Installation and incentives should demonstrate evidence of installation and delivery follow-through on marketing and outreach efforts.
- **Evaluation and Adaptability** of programs should also be analyzed. The Best Practices Study assesses the adequacy of evaluation efforts and how programs use evaluation results or other feedback mechanisms to improve over time.

## **DATA COLLECTION**

Program information was gathered using primary and secondary sources. Primary data was collected largely through surveys of program managers and review of regulatory filings, annual reports, and program evaluations. The Best Practices Team conducted extensive interviews

with program managers using a detailed survey instrument to guide the conversations. The survey instrument collected information on three main areas: policy context and environment, outcome metrics, and information about program components. The first set of questions elicited responses on how the program might have been affected by the broader context in which it operates. Next, respondents provided information on outcome metrics, such as program impacts and costs. The remainder of the instrument was devoted to collecting detailed program information for each program component. For each component, respondents were asked to provide factual information on how the program addressed each issue and qualitative judgments about what practices they felt contributed to the success of this program and what practices should have been avoided or could be improved.

### ***STRUCTURE OF REPORTING***

Complete project results are provided in project reports and a Web site that allows users to access information at varying levels of depth, including top-line summaries by program type or component, stand-alone chapters on best practices by program area, documentation of project methods, and individual program profiles.