

# Designing for Success

*How integrating proven consumer science and behavior change best practices can stack the odds for a successful program design.*

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## IN HOME ENERGY EVALUATION PILOT



**85,000**

IN-HOME AUDITS  
2009-2014



**71%**

CONVERSION  
RATE



**\$0.032**

kWh



**#2**

IN CUSTOMER  
SATISFACTION  
TVA Customer Survey



**100%**

INSPECTION  
RATE



**EXCEEDED**

ENERGY SAVING  
GOALS



**MARKET  
RESEARCH**



**CONCEPT  
DESIGN**



**STRATEGIC  
COMMUNICATIONS**



**BRAND  
DEVELOPMENT**



- History of efficiency
- Innovative leadership
- 7 state region

- Expert product development
- Fool proof process
- Consumer based marketing

- Utility expertise
- Communications strategy
- Stakeholder engagement
- Project management

KEY PARTNERS:



Energy  
Datametrics





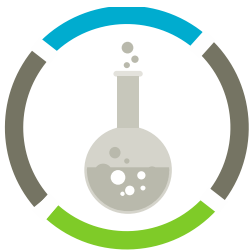
**LANDSCAPE ASSESSMENT**

Determine which targets & options will meet our objectives



**CONCEPT DEVELOPMENT**

Develop a concept that is pre-accepted by the market



**PROGRAM DEVELOPMENT**

Develop a design that delivers on the concept



**LAUNCH SUPPORT**

Support the launch through stakeholder engagement & communications



## OUR EXPERTISE

- Market Research
- Concept Development
- Product Development
- Shopper Solutions

## WHO WE WORK WITH



## POSITIONING STATEMENT FORMAT

To [Target Audience], [Company], is the [Frame of Reference] that gives them [Benefit]. That's because [Reason-Why].



## EXAMPLE STATEMENT

To people who sometimes get hungry in between meals, Snicker's is the snack that not only tastes good, but really fills them up so they can concentrate. Snicker's satisfies them because it has lots of peanuts.



# LANDSCAPE ASSESSMENT



## 1 FOUR C'S ANALYSIS

- Customer(s)
- Competition
- Channels
- Capabilities

## 2 SWOT ANALYSIS

- Strengths
- Weaknesses
- Opportunities
- Threats

## 3 BUSINESS DEFINITION

- Market Segments
- Customer Groups
- Financial Targets



### PURPOSE

Identifies the best possible market for your offer.



### KEY FINDINGS

A “Turnkey” program run by TVA “certified” contractors would provide the greatest confidence thru quality assurance.

1. Local Power Companies believe they do not have the **capacity** to absorb new programs
2. Contractors need **branding** support
3. Contractors want to stand above **competition**
4. Homeowners **trust** TVA more than contractors





# CONCEPT DEVELOPMENT



## 1 UNCOVER CUSTOMER NEEDS

- Insights
- Benefits
- Barriers

## 2 DEVELOP VALUE PROPOSITION

- Concept Ideation
- Determine Cost & Savings Opportunities
- Iterative Concept Lab

## 3 TEST VALUE PROPOSITION

- Concept Planning & Testing
- Test Multiple Concepts
- Concept Selection



### PURPOSE

Reduce risk by developing a concept that is pre-accepted by the market



### KEY FINDINGS

Lower incentives were equally effective at driving participation.

1. **\$500 incentive** just as effective at the \$1000 incentive
2. **Inspection** after installation seen as an added value
3. **Personal benefits** were more motivating than helping the planet.

An illustration of two hands, one from the left and one from the right, holding a small, white, cylindrical object between them. The hands are rendered in a simple, greyish-brown style.

IHEE WAS SO SUCCESSFUL

- Customer demand exceeded budget
- One and done
- Administrative costs were high
- Not sustainable long term

A REDESIGN WAS NEEDED

- Serve more for same budget
- Add a Scorecard component
- Increase measure uptake
- Streamline processes
- Develop a single offer
- Expand the customer relationship

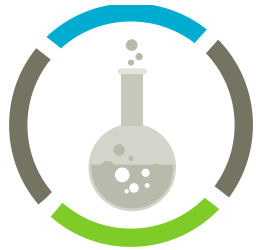


## OUR EXPERTISE

- Customer Engagement
- Program Design
- Communications Support
- Strategic Planning
- Inter-organizational Management
- Better Energy Management

## WHO WE WORK WITH





## PROGRAM DEVELOPMENT



### 1 MAP THE CUSTOMER EXPERIENCE

- Data review
- Process maps
- Customer touch-point assessment

### 2 DRAFT DESIGN

- Compare existing offer to concept
- Identify leverage points
- Draft design, messaging and collateral for testing

### 3 TEST & FINALIZE

- Focus groups
- Internal & external customers
- Implement changes



#### PURPOSE

Design and test an offer that leverages what is currently working to meet the objectives of the new concept



#### KEY FINDINGS

Energy and dollar savings were not as motivating as wanting to be a 10.

1. The eScore scorecard provided a simple, **visual** answer to “how to make my home more energy efficient”
2. **Removing a cap** on incentives encouraged more measures
3. A continual **feedback loop** on progress supported continued engagement with customers
4. **Contractors were empowered** to “sell” the program



## SUPPORT LAUNCH



### 1 TRAIN PARTICIPANTS

- How it works
- What to say
- Alignment around answers

### 2 SUPPORT COMMUNICATIONS

- Talking points
- Stakeholder updates
- Brand guidelines

### 3 EXTRA ARMS & LEGS

- Project management
- Content development
- Team development



#### PURPOSE

Provide neutral 3<sup>rd</sup> party support during launch and expansion of offer



#### KEY FINDINGS

Launch is stressful and providing additional support to staff and the implementation team allowed for smoother transition

1. Support allowed staff to effectively support LPC **training**
2. Implementation team was **allowed to focus** on launch logistics, internal and contractor training
3. TVA leadership was **continually updated** on progress and messaging



eScore™

PILOT IN MEMPHIS



FIRST YEAR



**1501**

EVALUATIONS & INSPECTIONS

Completed and in process



**1229**

UPGRADES COMPLETED

By the Quality Contractor Network



**\$246,650**

REBATES PAID

To homeowners



**\$5,400,000**

CUSTOMER SPENDING

On upgrades

CUSTOMER SURVEYS



**4.68**

Advisor average

**4.16**

Contractor average



eScore™

VALLEY WIDE



WEEK ONE

IN THE PIPELINE



266

EVALUATIONS & INSPECTIONS

Completed and in process



105

JOBS SUBMITTED

By the Quality Contractor Network



263

REQUESTS



118

SCHEDULED

CUSTOMER SURVEYS



111

IN PROCESS



4.7

4.3

Advisor average

Contractor average

## KEY TAKEAWAYS

- Employ the **consumer product development** process
- **Behavior** change best practices, **customer driven design** and **consistent communications** support can take a solid concept and turn it into a solid program that has been pre-accepted by the market
- Having a **visionary** champion is best case scenario – Frank!
- You can't do it all – Include **partners** who are the best at what they do
- **Follow the vision** – the path to get there may change but make the course correction and keep going





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