STAYING ON TARGET: OPTIMAL COMMUNITY SELECTION TECHNIQUES FOR COMMUNITY-BASED PROGRAMS

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Efficient Neighborhods+ Initiative Objectives

- Increase participation in Mass Save® Home Energy Services (HES) program among lower to moderate income customers

- Design a program that effectively targets these customers and addresses their unique barriers to participation

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Barriers to Participation

No point of contact

41% of Massachusetts housing stock is multi-unit structures

Split Incentives

Higher Job Costs

Income verification screening

Pre-Weatherization Barriers

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Initiative Design

- Based on existing HES program

- To address barriers, provided increased incentives and other support (landlord, pre-weatherization, etc.)

- Identify target communities/neighborhoods for inclusion in the initiative

  - High concentration of target customers

    - 60% - 120% of state median income

    - 1-4 unit buildings

- Open to nearly all members of the community

  - Low-income customers and customers in 5+ unit structures do not qualify and are referred to other programs

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Big Questions

How do we select the communities that have high concentrations of target customers?

How do we avoid customers who do not qualify for the program or who already participated in the program?

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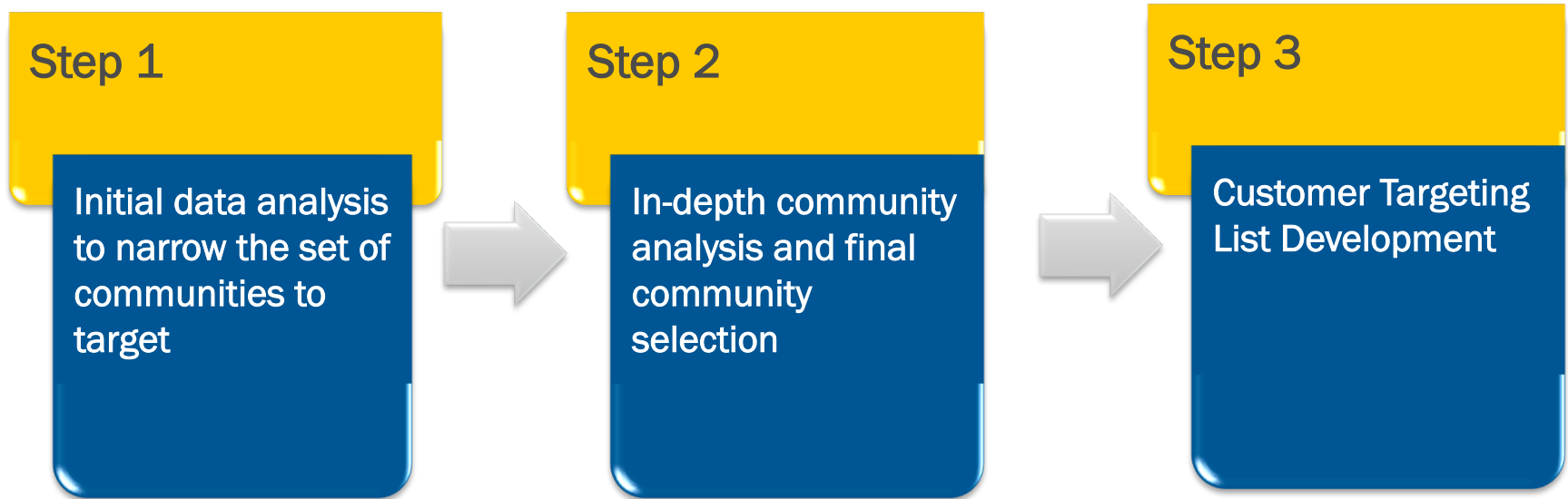# Answer: Microtargeting

Microtargeting = Data + Mapping

Multiple sources of data:

- ◆ Census

- ◆ Past program participation

- ◆ Utility customer

- ◆ Other (secondary segmentation data, GIS shapefiles)

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Targeting Process

Three-step approach

Step 1

Initial data analysis to narrow the set of communities to target

Step 2

In-depth community analysis and final community selection

Step 3

Customer Targeting List Development

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Targeting Process: Step 1

Step 1 - Initial data analysis to narrow the set of communities to target
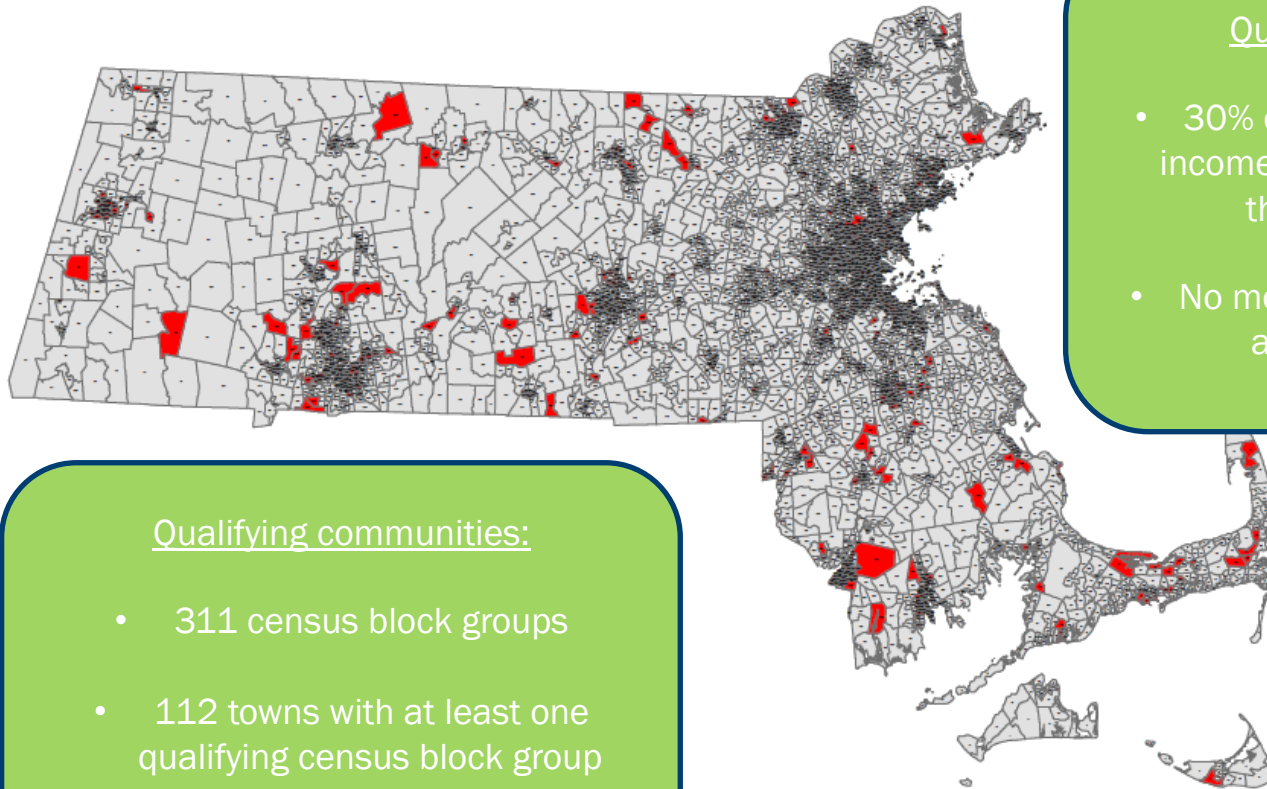
Qualifying communities:

- 30% of households or more have incomes between 61% and 100% of the state median income

- No more than 30% of households are in 5+ unit structures

Qualifying communities:

- 311 census block groups

- 112 towns with at least one qualifying census block group

- 43,253 households

Targeting Process: Step 2

Step 2 - In-depth community analysis and final community selection

➢ In-depth analysis of qualified communities

- ◆ Prior participation in PA-administered energy efficiency programs

- ◆ Percentage of renters vs. owners

- ◆ Building stock and characteristics (age, size, etc.)

- ◆ Other characteristics

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Targeting Process: Step 2 Results

West Springfield
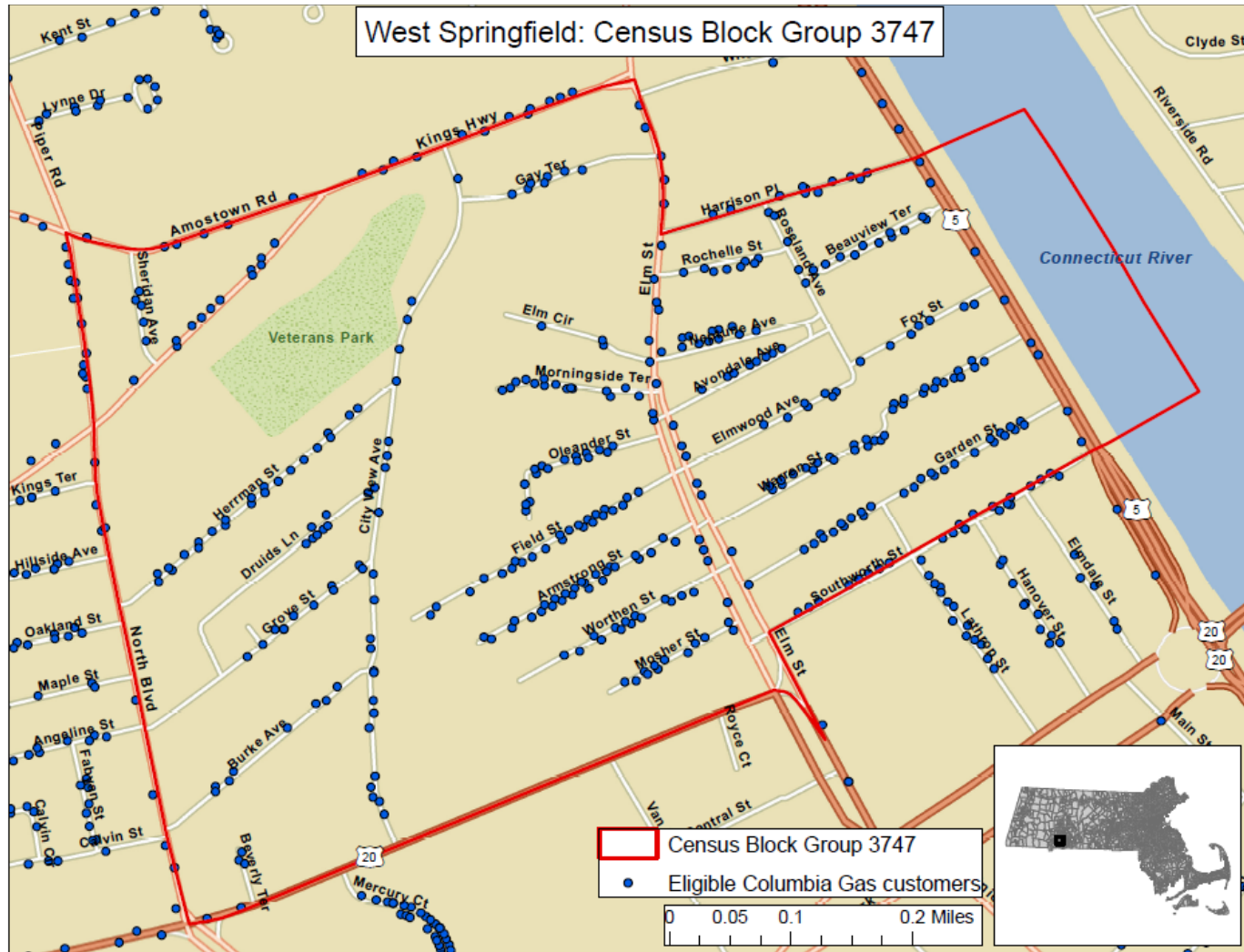WMECO Low-Income
Customer Distribution
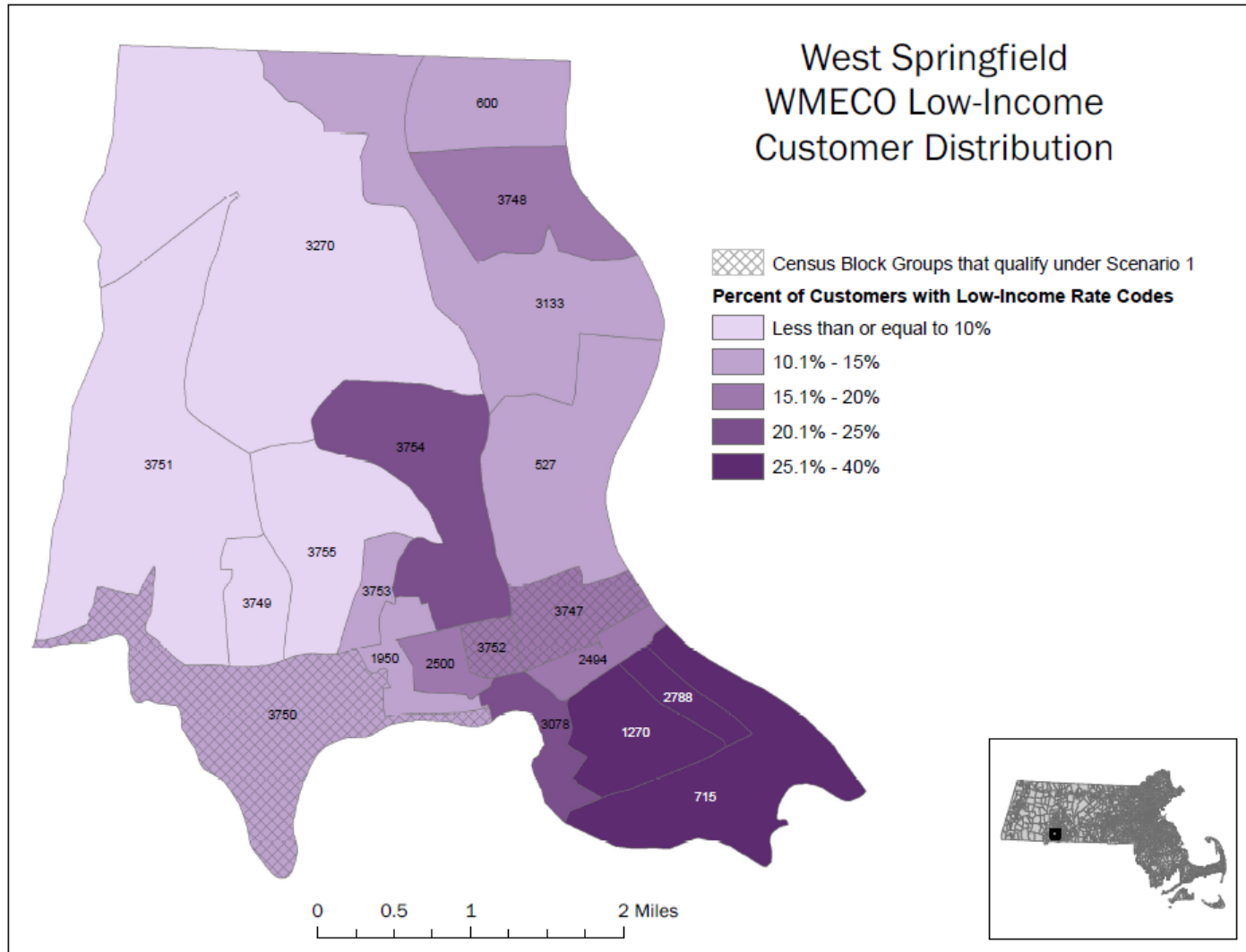
Targeting Process: Step 3

Step 3 – Development of Customer Targeting Lists

➢ For selected communities, mapped customer addresses and rate codes to support custom marketing and targeting

  ◆ Identification and removal of the low-income rate codes, past participants, customers in multi-family structures

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Targeting Process: Step 3 Results

West Springfield: Census Block Group 3747

Census Block Group 3747
Eligible Columbia Gas customers

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Key Takeaways

➢ Customized program designs and delivery can be used to target underserved communities

➢ Community selection is one of the critical design components

➢ Targeting can be done efficiently and cost-effectively

➢ A wealth of data are available at our fingertips

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Thank You

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