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Poster Title: Leveraging the Value of the ENERGY STAR Brand Through Deeper Customer Segmentation

Abstract: Authors: Jill Vohr and Alex Bradley In 2018, ENERGY STAR set out to better define and understand key customer segments for energy-efficient products and to quantify the value of the ENERGY STAR brand on their purchase decision. Using Claritas Consumer Profiles and PRIZM Premier Lifestyle Segments, ENERGY STAR developed a customer segmentation model that characterized customers according to their propensity to purchase energy saving products. This existing data was analyzed in new ways to first create demographically cohesive consumer groups and then to rank these consumer groups based on energy-saving behaviors and attributes. The results identified two custom segments of consumers: "Energy Savers", customers that have already purchased energy saving appliances, and "Energy Intenders", customers who intend to purchase energy saving appliances. "Energy Savers" are made up of two subsegments: Sustaining Seniors and Established Environmentalists, while "Energy Intenders" are made up of three subsegments: Striving Conservationists, Aspiring Energy Savers and Conscious Conservers. For each sub-segment, ENERGY STAR analyzed the data to identify geographic penetration, cost effective customer acquisition strategies, market insights, recommended messaging, and media approaches. With these profiles in hand, ENERGY STAR has planned a second phase of the research, using paid media to measure relative impact of energy-saving messaging and ENERGY STAR branding with our two core audience segments. The goal of this test is to confirm which messages and tactics best resonate with each segment and subsegment and develop strategic media recommendations that facilitate energy-saving behavior change. Data from this second phase of research has not yet been publicly shared, and the BECC presentation will provide the first glimpse at these national-level results. The findings will help utilities to better target their customers with program messages to increase the effectiveness of their efficiency marketing programs.