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**Presentation Title:** The Problem with FREE: How Free Energy Efficiency Services Can Backfire

**Abstract:** How people respond to free items and services is well researched in fields such as the automobile or healthcare industry but lacking around energy efficiency services, particularly in the small commercial sector. In the summer of 2019, we were working to increase clientele, but when we began offering our energy assessments for free, we saw surprisingly limited success. Small commercial businesses typically undervalue and poorly understand energy assessments. Initial offerings showed that offering free services seems to further reduce the value a client places on this service. We conducted an experiment through our company marketing three pricing structures to chambers of commerce in various cities in both Tennessee and California to determine how pricing impacted how many businesses 1) agreed to an assessment, 2) followed through with the assessment, 3) reviewed the report, and 4) continued with implementation of any suggested energy efficiency measures. This paper describes the study, empirical results, presents interpretations of the results, and offers recommendations for pricing.