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Presentation Title: Can the Content of Information Campaigns Influence the Persistence of Treatment Effects?

Abstract: Water and power utilities are increasingly implementing customer information campaigns as a low-cost way to promote conservation. The previous literature has established that such campaigns can lead to reductions in consumption that persist after treatment ends but has not examined how the content of messages influences treatment persistence. This question is important, because utilities may wish to tailor the content of nudges to increase or reduce treatment persistence depending on management objectives. Moreover, previous studies have attributed treatment persistence to homeowner investment in physical capital, suggesting that customer response may be the result of customers making individually welfare-improving investments. This article considers how the content of nudges influences treatment persistence using evidence from a field experiment on residential customers of Truckee Meadows Water Authority in Reno, Nevada. Customers received one of five treatments, including two treatments with social comparisons and a novel nudge that informed customers about their potential monetary savings from water conservation and information about the rate structure, with approximately 4,300 households included in each treatment group and 21,552 controls. We investigate differences in treatment persistence between the five treatments immediately after treatment during summer 2015, as well as summers of 2016 through 2019. Four of five treatments generate statistically significant treatment effects of 1.5% in 2015, but only the money-focused nudge leads to persistent treatment effects during subsequent summers. We investigate whether treatment persistence can be explained by customer investment in physical capital using responses from a utility-sponsored survey conducted in December 2015 and several strategies from the literature, including whether treatment effects persist after the original treated customer moves out of the residence. Although we do not find evidence that treatment effects persist after changes in home ownership, the survey reveals that customers who received the money-focused nudge were more likely to invest in physical capital.