

Statewide Plug-Load & Appliance Program

MARKETING PLAN

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Executive Summary

The marketing objective is to build awareness and drive participation in the Program. The Implementer will accomplish this objective with targeted value propositions and cross-promotions delivered through multi-channel communications intended to reach end use customers with a propensity to engage and act on energy-efficient upgrades.

The Implementer must gain needed insights into the diverse customer base across California, and will accomplish this by immediately performing a target audience analysis that leverages existing research with public and third-party data to create a knowledge database of customer types. This analysis process utilizes Experian Mosaic Segments and other available data about customers and their homes with Census Data, Utility Shape files, climate zones, disadvantaged communities, and other available secondary research. This research drives the development of a comprehensive set of California residential customer personas. The personas determine which customers we should prioritize and address, how we communicate with them, where we reach them, and when is the best time to reach them for highest levels of engagement. The personas are necessary for the Implementer to develop strategies and tactics for brand development, advertising creation, content and messaging, other creative approaches, and delivery tactics, and enables tracking effectiveness of different strategies.

The Implementer will concurrently develop a single, statewide program name and brand while gathering end-customer insights from the target audience analysis. This is accomplished by dedicating analytics, creative, production, and account management staff to the start-up and pre-launch activities. The new Program brand will have a new name and look-and-feel separate from the four funding IOUs. The brand will stand independently but will be visually and tonally compatible with each IOU brand to support potential cases where we may showcase both brands in the same materials.

Upon approval of the brand architecture by the lead IOU, SDG&E, the Implementer will create a full suite of brand assets including a brand statement (aka a “manifesto”), logo and logo type, color palette, fonts, images, illustrations/icons, and usage/implementation guidelines. The Implementer will apply the new brand (name, look and feel) to the first tactics and assets needed for launch deployment to meet first year goals. Additional materials will continue to be developed during and after the launch period, and for the duration of the program as part of the iterative marketing strategy needed to ensure highest levels of engagement and performance.

The Implementer will seek permission to use each IOU logos when relevant, and will seek IOU approval for materials on which their logo appears and will build this into the project timelines.

The Program will connect with end use customers for their first step in their energy-efficient journey in the following ways:

- Directly reaching out to utility end use customers through email and/or paid media campaigns, the Program will drive customers to the Program’s Instant Rebate Portal where their energy efficient journey will begin. Once a customer has engaged with portal content, the Program will strategically and selectively re-engage and cross-promote other program measures to these end use customers throughout the life of the program through customized and personalized one-to-one direct customer communications. Follow-up communications will be managed and deployed through integrated marketing automation enabling a scalable, timely, and relevant communications strategy.
- Support distributors and contractors with marketing and sales support tools enabling them to effectively position and sell the benefits of qualified energy efficient products to their customers.

- Install point-of-purchase (POP) materials in retail locations to draw attention to discounts on qualified products. Types of POP might include aisle violators, shelf tags, low tack clings, and beam signs. Style and sizing depend on the equipment, and specific POP types will be determined based on retailer requirements and approvals. POP will be regularly checked and maintained by Program Field Representatives and updated based on program/incentive changes and/or according to timeframes outlined in Program Policy and Procedures. POP resets and/or refreshes will depend on retail store requirements, qualitative retailer feedback, customer traffic, sales, and condition of POP. On an annual basis, the Implementer will complete a comprehensive POP assessment and use this to inform any changes needed in subsequent years.
- As needed, the Implementer will provide end-use customer materials used during events.

Strategies and Tactics

Assumed general marketing strategies, tactics and deliverables are described below. The final Strategic and Tactical Marketing Plan, to be delivered during the Program's startup period, will provide further definition, details, and a comprehensive development/implementation schedule.

Higher up-front costs and relatively low awareness of benefits contribute to the perception that energy efficient products are not worth the investment. The following strategy for increasing customer prioritization of energy efficiency includes:

- Equip each level of the supply chain to promote products' comprehensive benefits and lifetime savings to inspire value-driven (vs. cost-driven) purchases.
- With a focus on optimal user experience, create a single website destination for customers to learn more about the value of energy efficiency products and how and where to purchase.
- Target each channel, messaging, and the timing (seasonality) to capture initial interest.
- Program will work to cross-promote relevant IOU DR opportunities to customers in Program marketing communications where appropriate, and will work with the funding IOUs and/or other program implementers to identify other areas for collaboration and cross-referral.
- Educating and raising awareness among customers and other stakeholders regarding California's decarbonization priorities are key components of the Program's overarching marketing strategy. At key opportunities, our communications will educate stakeholders and end use customers on the benefits of decarbonization and fuel substitution.
 - Program will coordinate with other implementers promoting fuel substitution measures to simultaneously promote their offerings.
 - Program will integrate promotion of fuel substitution for HPWH into marketing tactics targeting water heater installers and distributors.
- At the critical moment of sale, prominently feature instant discounts that address out-of-pocket cost concerns.
- Through email nurture and trigger campaigns to end-use customers, the Implementer will communicate timely and compelling offers that speak to their needs and interests. The Program will strategically and specifically re-engage these customers on their energy efficient journey,

serving up additional customized communications based on their initial purchase as well as their persona characteristics and seasonality.

- As more customers participate in the Program, the Implementer will continually acquire and analyze the participation data, which, in turn, will inform and refine additional communications strategies and tactics toward continuous improvement and increased performance.

On an annual basis, the Implementer will review marketing plans and tactics for other California Statewide programs such as SW Water Heating, SW HVAC and SW ME&O. In cases where another implementer or administrator (SW ME&O) is managing a certain program, the Implementer will coordinate with the respective Implementer/Administrator to review other California Statewide program marketing plans to identify overlap or conflict as well as where opportunities might exist. The Program will communicate a mitigation plan to aid in the assistance of overlap to SDG&E in writing.

Deliverables

The following are considered base-level deliverables. Additional tactics might be defined and included when the final Strategic and Tactical Marketing Plan is developed.

Start-Up Deliverables

Start-up deliverables are defined as those needed to communicate to and engage with end use customers and supply chain partners beginning with the Program launch date. The Program will start work on Start Up deliverables upon contract execution.

- **Target Audience Analysis** resulting in customer personas. This analysis is conducted using secondary market research such as Experian Mosaic Segments. End use customers are not contacted directly as a part of this audience analysis.
- **Strategic and Tactical Marketing Plan** including a development/delivery schedule for each tactic. The initial plan will include the following content:
 - Executive Summary
 - Strengths, Weaknesses, Opportunities, Threats
 - Key Audience Targets
 - Marketing Strategy
 - Marketing Tactics
 - Success Metrics
 - Implementation
 - Detailed Budget
 - Expected increase in participation rates

- **Program Brand Architecture** including a Program name, logo, messaging platform, fonts, imagery, color palette, and usage guidelines.
- **Email Integration and Automation Plan** including strategies, workflows, and platform business rules for customer communications once a customer has either reserved or redeemed an instant rebate.
- **Email Campaigns to defined customer segments and targets;** pending receipt of IOU customer email addresses (utility customer email addresses are required for this tactic).
- **Media Plan** including specific details for all paid advertising placements such as reach/frequency, impressions, schedules, and spending levels for some, or all, of the following:
 - Digital display
 - Paid search
 - Print
 - Broadcast
 - Outdoor/transit
 - Paid Social Media
- **Point of Purchase Materials** – branded retailer-compliant materials for use in retail and, as needed, at distributor locations, including shelf tags, stickers, signage, and collateral.
- **Web Landing Page** that serves as a single destination for customers who want to learn more about the Program, products and available incentives.
- **Collateral** to recruit and educate the supply chain in the successful sales of Program qualified products.
- **Implementer will coordinate with community-based organizations (CBOs)** serving HTR customers and DACs to provide collateral or other communications on energy efficient technologies and their benefits.

Launch and Ongoing Deliverables

When start-up deliverables are fully developed, approved, and deployed, the Implementer will develop additional deliverables defined in the Strategic and Tactical Marketing Plan to communicate the Program to customers. Ongoing deliverables include the following:

- **An annual Strategic & Tactical Marketing Plan**
- **Additional Advertising Campaign Assets** - developed and delivered as defined by the Media Plan.
- Additional and/or revised **Email and Direct Mail Materials** identified as needed when marketing results are compiled and evaluated.
- Additional **Point of Purchase** materials as identified in the Strategic and Tactical Marketing Plan
- Additional **Collateral** as identified in the Strategic and Tactical Marketing Plan

- Other additional deliverables as opportunities arise.

Metrics and Reporting

The Program Implementer will regularly quantify engagement, conversion (where possible), and qualitatively assess the effectiveness of our marketing strategies and tactics. This data and feedback will be applied to hone and refine the marketing delivery.

The Program will report on the following metrics on an agreed frequency with SDG&E (monthly, quarterly, annually):

- Materials distributed.
- Media results including (as applicable) impressions, reach/frequency, click rates, cost per click, cost per impression, cost per acquisition.
- Email results, e.g., total sends, deliverability, open rates, click rates.
- Website landing page and Instant Rebate website analytics
- Leads to conversion ratios.
- Anecdotal channel feedback.

In addition to the reporting above, the Implementer will provide strategic insights and recommendations for continuous improvement. Where and when possible, the Implementer will evaluate marketing results to program savings results.

Dependencies

In order for the Implementer to deliver on the Marketing Plan, SDG&E will meet the following dependencies:

- For each round of creative review, the Implementer will submit creative assets to SDG&E for review and SDG&E will review materials within four (4) business days from receipt. SDG&E's feedback or approval will represent feedback from all IOUs.
- SDG&E will facilitate introductions between the Implementer and the proper contacts at each IOU marketing department.
- The Implementer will work directly with each IOU with support from SDG&E to secure any of the following that are available: customer email addresses, marketing plans, prior marketing campaigns and results.
- SDG&E will provide a single point of contact for consolidated review and approval of creative assets as they are produced and delivered
- The Implementer will develop project schedules based on a maximum of two rounds of SDG&E review to include feedback plus one final sign-off review, or as otherwise described in the Strategic and Tactical Marketing Plan.

Schedule and Timeline

The Implementer will include a detailed schedule identifying both startup, launch and post-launch development phases, and delivery dates in the Strategic and Tactical Marketing Plan.