



Key Lessons for Program Designers

“Retrofits” are a Tough Sell

- Programs must make an appealing case to potential customers, many of whom are not currently interested in upgrading their homes.
- Demands on homeowners, particularly around time and effort, must be minimized. Try to consolidate the number of steps required. Participants drop out with each additional step and with each time delay.

Success Requires a Holistic Approach

- A comprehensive approach to energy efficiency market development is required. This will require the long-term commitment of funding and effort by program funders and implementers.

Lessons from Behavioral Research

- Behavioral science research and practical application confirm that simply providing information and financing is insufficient to incentivize widespread energy improvements.
- Social norms, competition, public commitment and feedback may all be useful tools to guide program design.
- Programs that opt for a small concessions approach need to make sure that the participant understands upfront that this is just the first step – and the fewer steps the better.

Identify the Target Audience

- Use focus groups and market segmentation research to identify the target audience; understand the specific barriers and effective messages to reach this audience.
- Focus on the early adopters in the beginning stages of a program.
- Identify and recruit the opinion leaders in the community to model the program’s benefits.

Sell Something People Want

- Selling something the customer wants is vital to program success. Messages about home comfort, cost and energy savings, health, and community pride may be effective in engaging potential customers.
- Programs should consider creative uses of incentive funds – what will get the target audience’s attention?



Language Matters

- Words have power – programs should choose the language they use carefully. The terms “audit” and “retrofit” are not effective.
- Communication style matters, and this can require training to get right. Programs should consider using vivid examples, personalizing information, using statements of loss rather than gain, and inducing a commitment from the homeowners.

Engage Trusted Messengers

- Encourage peer-to-peer conversations to generate “buzz” going within the community
- Ask for the support of local organizations, especially nonprofits
- Allow the local community to have ownership of the program

Work Closely With Contractors

- Contractors need to buy into the program – they are often the primary sales force for home energy improvements, and should be prepared to sustain the market if public support ramps down.
- Leveraging contractors’ existing relationships to deliver program messages can be a cost-effective way to increase demand for comprehensive energy upgrades.
- Quality assurance is vital – customers are likely to view private contractors as extensions of the program, and the quality of the contractors’ work will significantly impact program success.

One Touch Is Not Enough

- Outreach campaigns need to repeatedly “touch” potential participants.
- Programs should take steps to ensure residents are receiving consistent messages, especially if there are multiple program messengers.

Design and Evaluate Programs to Learn What Works

- Collect data on the effectiveness of different marketing and outreach approaches. Incorporate processes for evaluating these metrics into program design, and use this information to adjust program delivery.
- Look at the **all in** costs of the program – including all direct and indirect staff time, incentives, marketing materials, etc – and come up with a cost per home upgraded. How does this return on investment compare to other strategies available?