



# Residential Electrification Messaging & Campaign

Citizens Advisory Committee

July 14, 2022

KJ Janowski, Director of Marketing and Community Relations

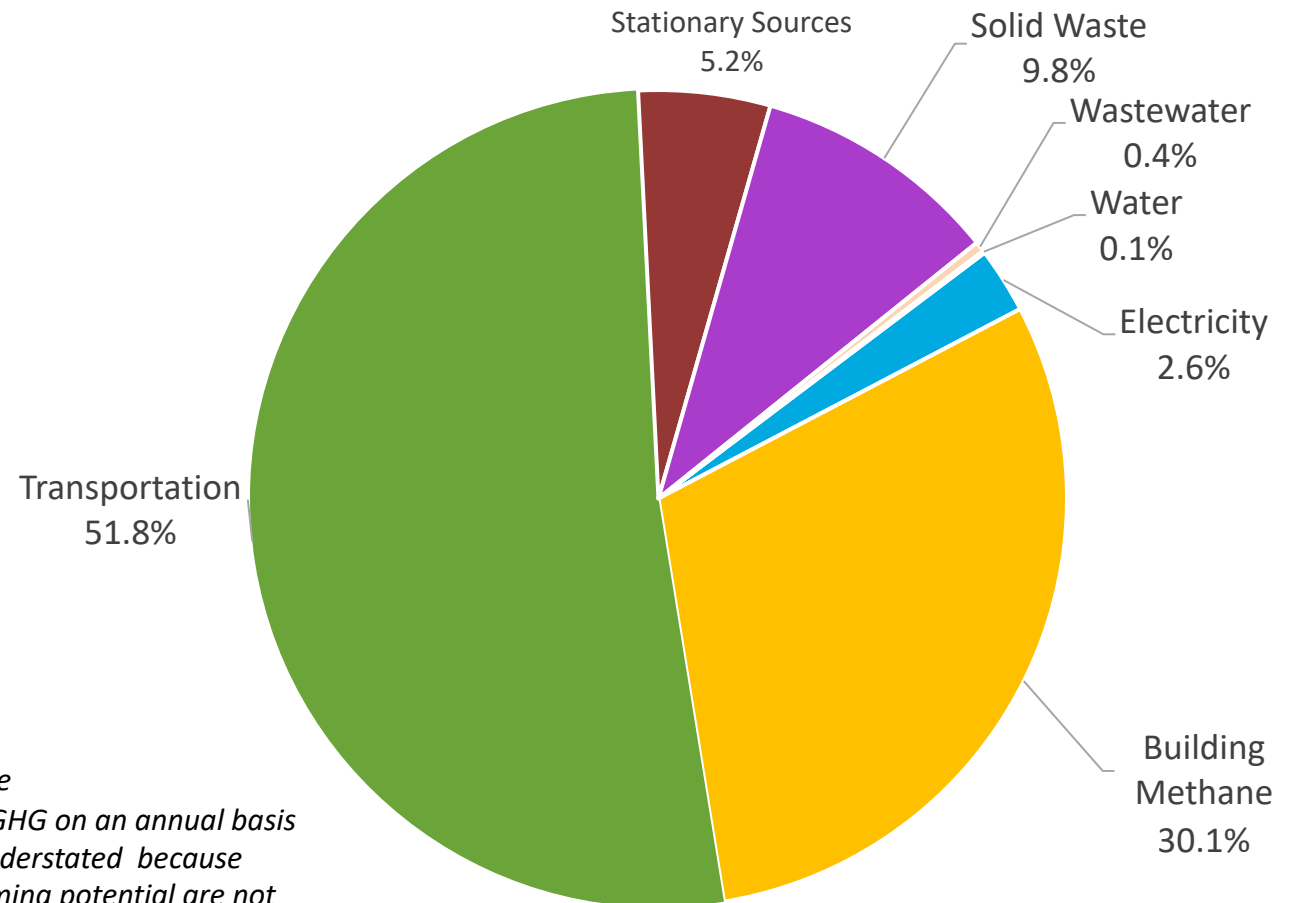
Jerry Gottheil, Sr. Manager of Marketing Communications

# Context: Mission & Priorities

Mission: To reduce greenhouse gas emissions by expanding access to sustainable and affordable energy solutions

Organizational Priority: Contribute to Peninsula Clean Energy territory reaching the state's goal to be 100% greenhouse gas-free by 2035

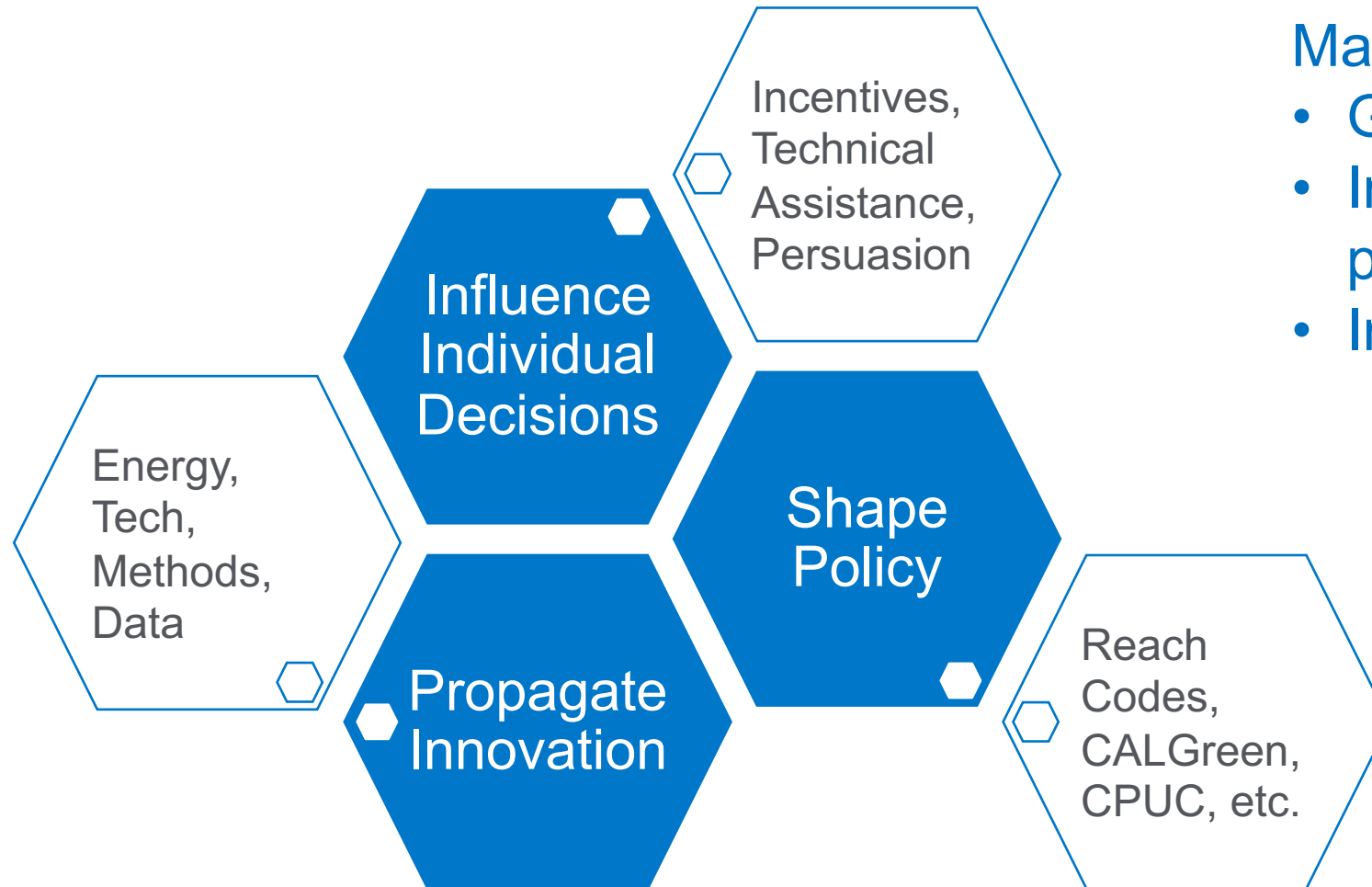
Total San Mateo County- Wide Emissions: ~4 Million MT CO<sub>2</sub>e



- *Data for Los Banos not yet available*
- *Peninsula Clean Energy electricity GHG on an annual basis*
- *Building Methane emissions are understated because leakage and near-term global warming potential are not accounted for*
- *Air travel and embedded carbon of products not included*

# Context: How We Effect Change

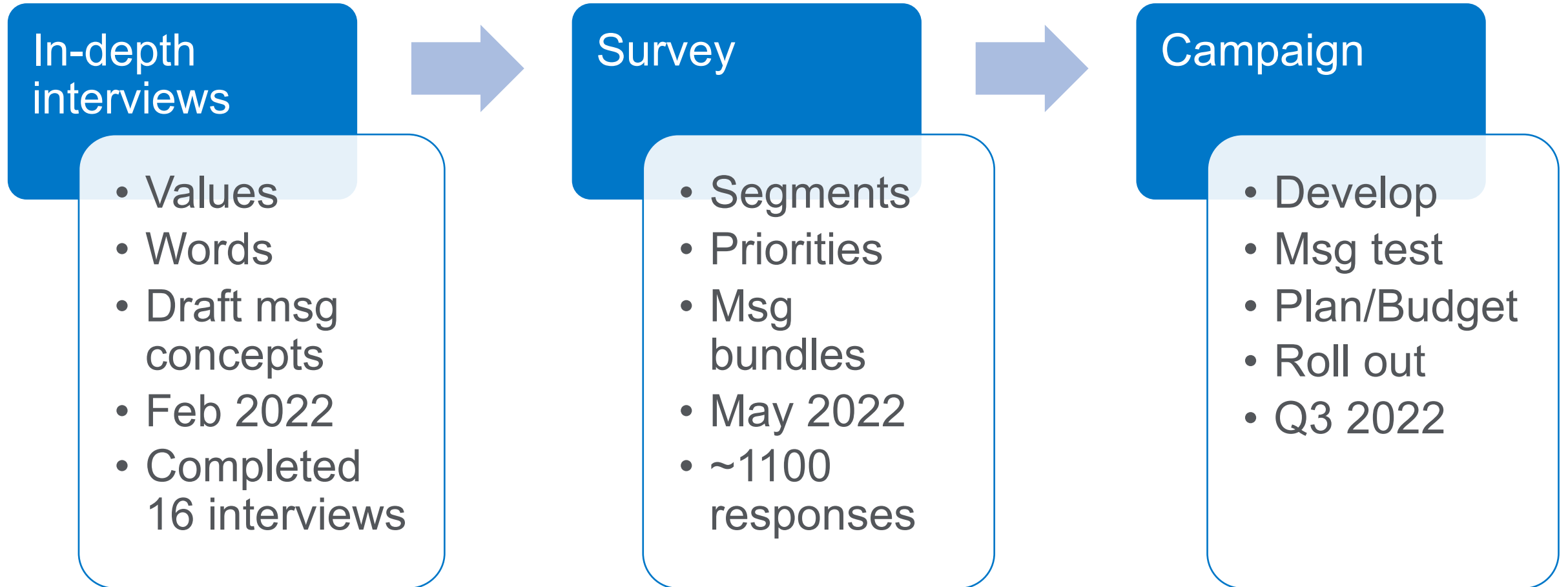
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## Marketing's role:

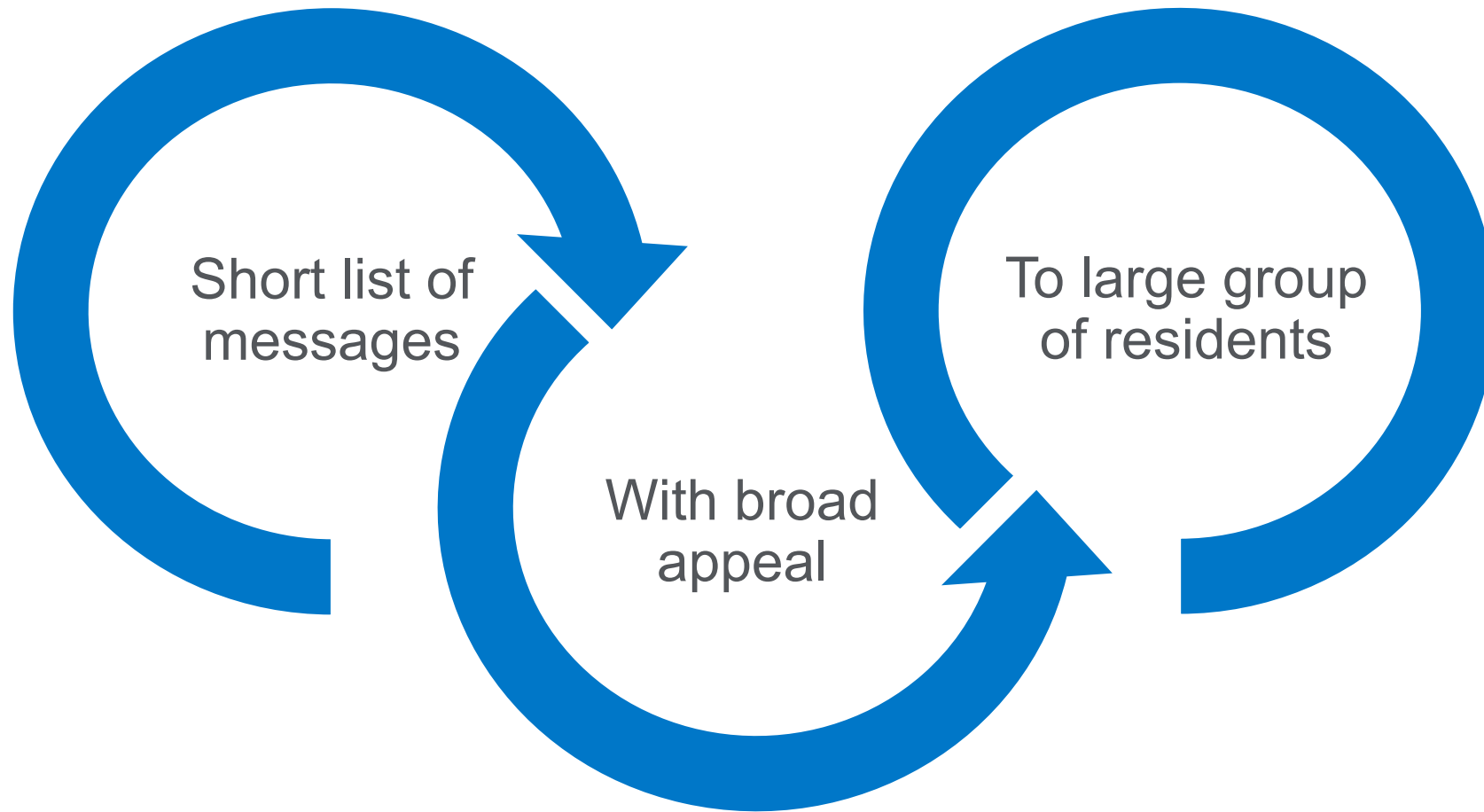
- Grow awareness
- Increase favorable perceptions
- Inspire adoption

# Steps in our Message Development Process

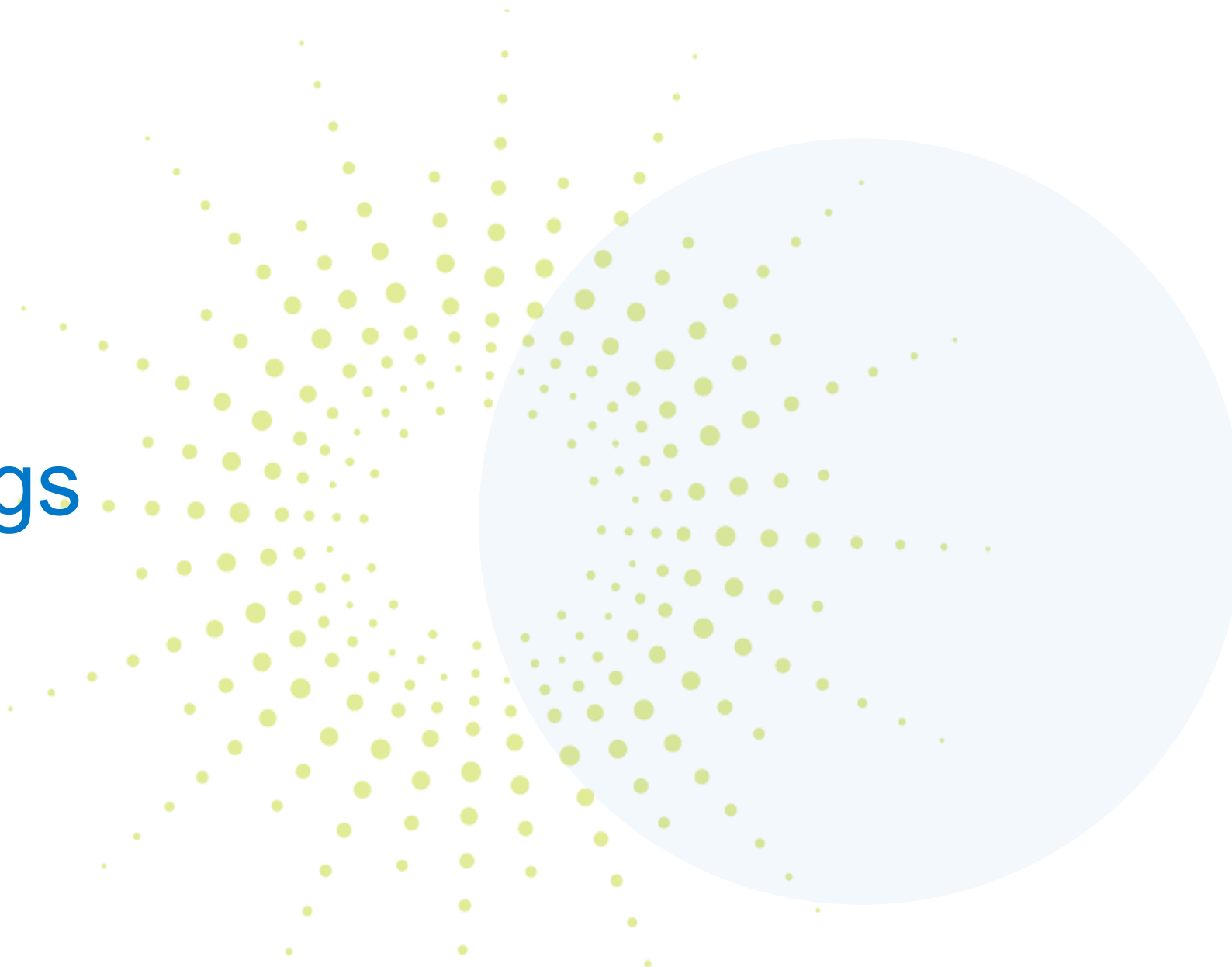


# Our aim

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# Research Findings



# Appliance selection factors (examples)

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## **CLIMATE FRIENDLY**

- Help me act to protect the environment for future generations
- Have no emissions that contribute to climate change

## **ALL ELECTRIC/NO METHANE**

- Do not use natural gas (also known as methane gas) to operate
- Preserve or move my home toward being an all-electric home

## **COSTS LESS**

- Cost less to run for a typical year
- Use a lower cost power source

## **HEALTH/SAFETY**

- Are safer/ no risk of explosions or leaks
- Do not risk the release of unsafe emissions into my home
- Are healthier / protects my home's indoor air quality

## **PRIDE/UNIQUE**

- I would enjoy showing to my guests
- I might be among the first to own/is a bit unique

## **PROTECT AND ADD VALUE**

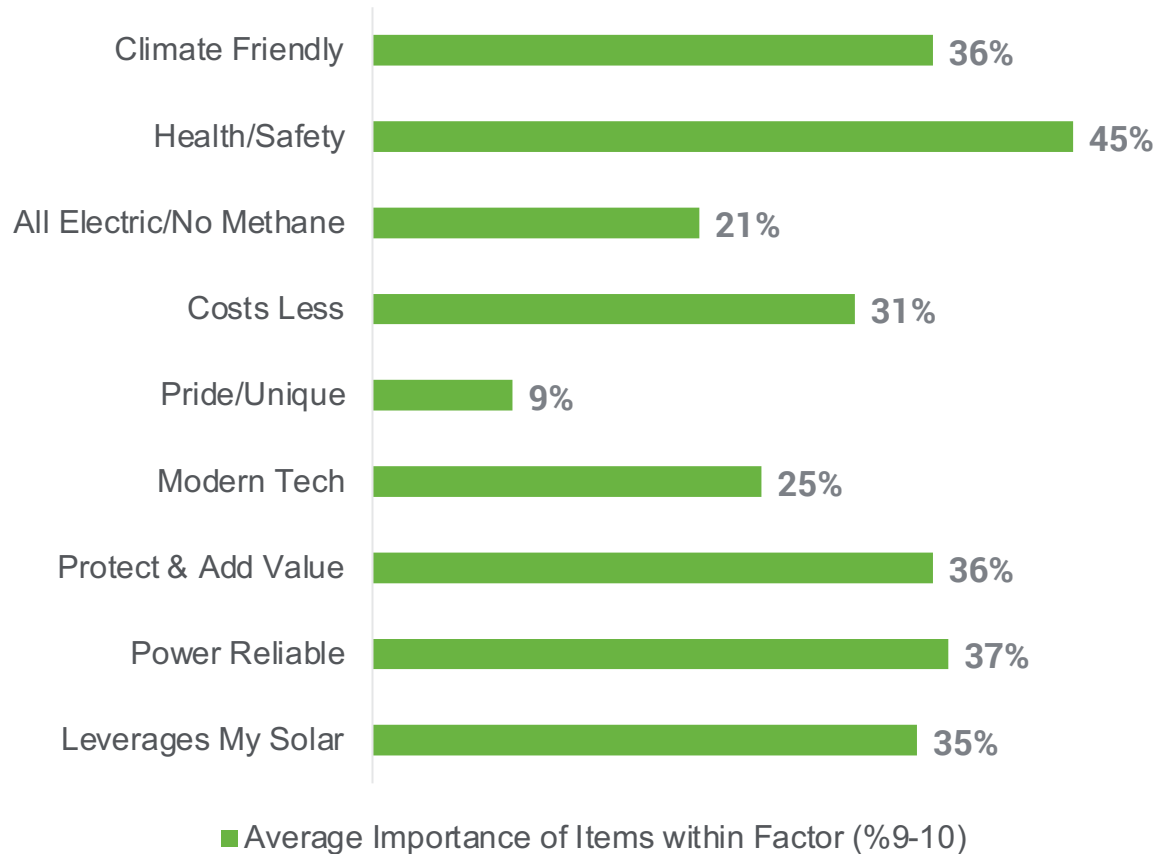
- Protect the value of my home
- Add to the value of my home in the long run

## **POWER RELIABLE**

- Can continue to operate during a power outage

# Appliance selection factors – importance

Appliance Selection Factors – Total Sample



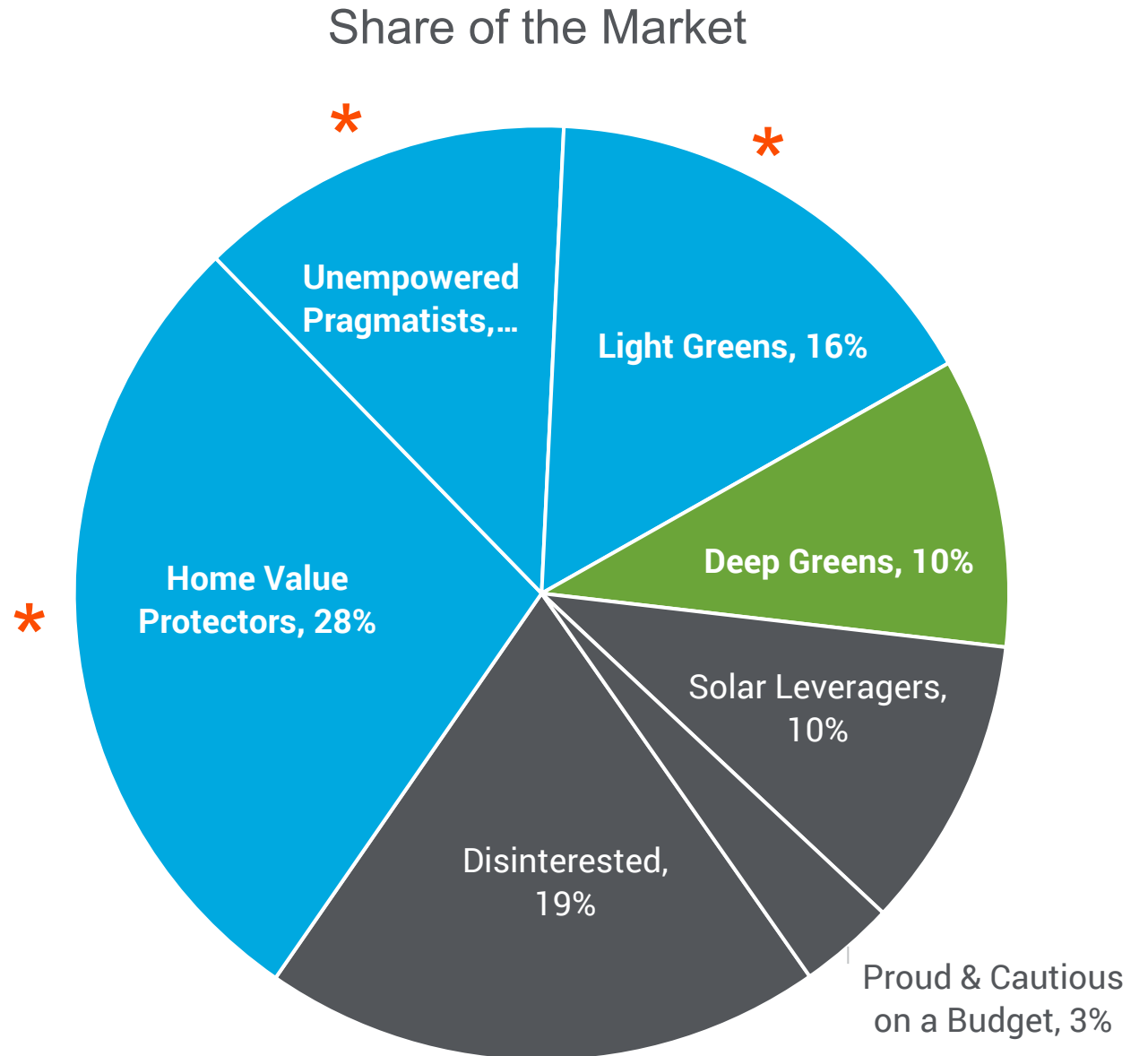
- Depicts importance ratings across total sample
- Different segments have distinctive patterns of importance ratings



# Segments

For broad-based messaging, we grouped target segments (\*) based on:

- Sufficient commonality of perceived benefits
- Persuadable segments
- Combined size (57% of market)



# Home Value Protectors (28%)

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## Values

- Safety, indoor air quality
- Operating cost
- Protect value of my home
- Add to value of home in long run
- Protect environment for future generations

## Environmental Attitudes

- 75% think climate will have a substantial or extreme impact on lifestyle of next generation
- 60% believe the actions they take in their home can have a meaningful impact
- 40%+ willing to pay 10% more for product or replace products before end of life to mitigate climate change

# Unempowered Pragmatists (13%)

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## Values

- Safety, indoor air quality
- Operating cost

## Environmental Attitudes

- 25% think climate will have little or no impact on lifestyle of next generation
- But 44% think climate will have a substantial or extreme impact
- Only 24% believe the actions they take in their home can have a meaningful impact
- Very few are willing to pay 10% more for product or replace products before end of life to mitigate climate change

# Light Greens (16%)

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## Values

- Safety, indoor air quality
- Operating cost
- Protect environment for future generations

## Environmental Attitudes

- 74% think climate will have a substantial or extreme impact on lifestyle of next generation
- 56% believe the actions they take in their home can have a meaningful impact
- Half are willing to pay 10% more for product to mitigate climate change
- One-third are willing to replace products before end of life

# Deep Greens (10%)

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## Values

- Protect environment for future generations
- Safety, indoor air quality

## Environmental Attitudes

- Nearly 90% think climate will have a substantial or extreme impact on lifestyle of next generation
- 75% believe the actions they take in their home can have a meaningful impact
- Over 80% are willing to pay 10% more for product to mitigate climate change
- Two-thirds are willing to replace products before end of life

# Demographics of target segments

	Home Value Protectors	Unempowered Pragmatists	Light Greens	Deep Greens
Rent	30%	20%	25%	15%
Own	70%	80%	75%	85%
<b>Age</b>	<b>(45.8)</b>	<b>(46.0)</b>	<b>(47.9)</b>	<b>(54.1)</b>
44 or less	32%	39%	25%	21%
45-64	38%	30%	40%	34%
65+	27%	28%	33%	42%
<b>Income</b>				
\$75k or less	14%	12%	16%	10%
\$75k to \$150k	32%	22%	21%	18%
\$150k+	37%	35%	42%	57%
<b>Ethnicity</b>				
White	42%	44%	54%	74%
Asian/Pac Islander	36%	26%	20%	8%
Prefer not to say	8%	18%	12%	4%

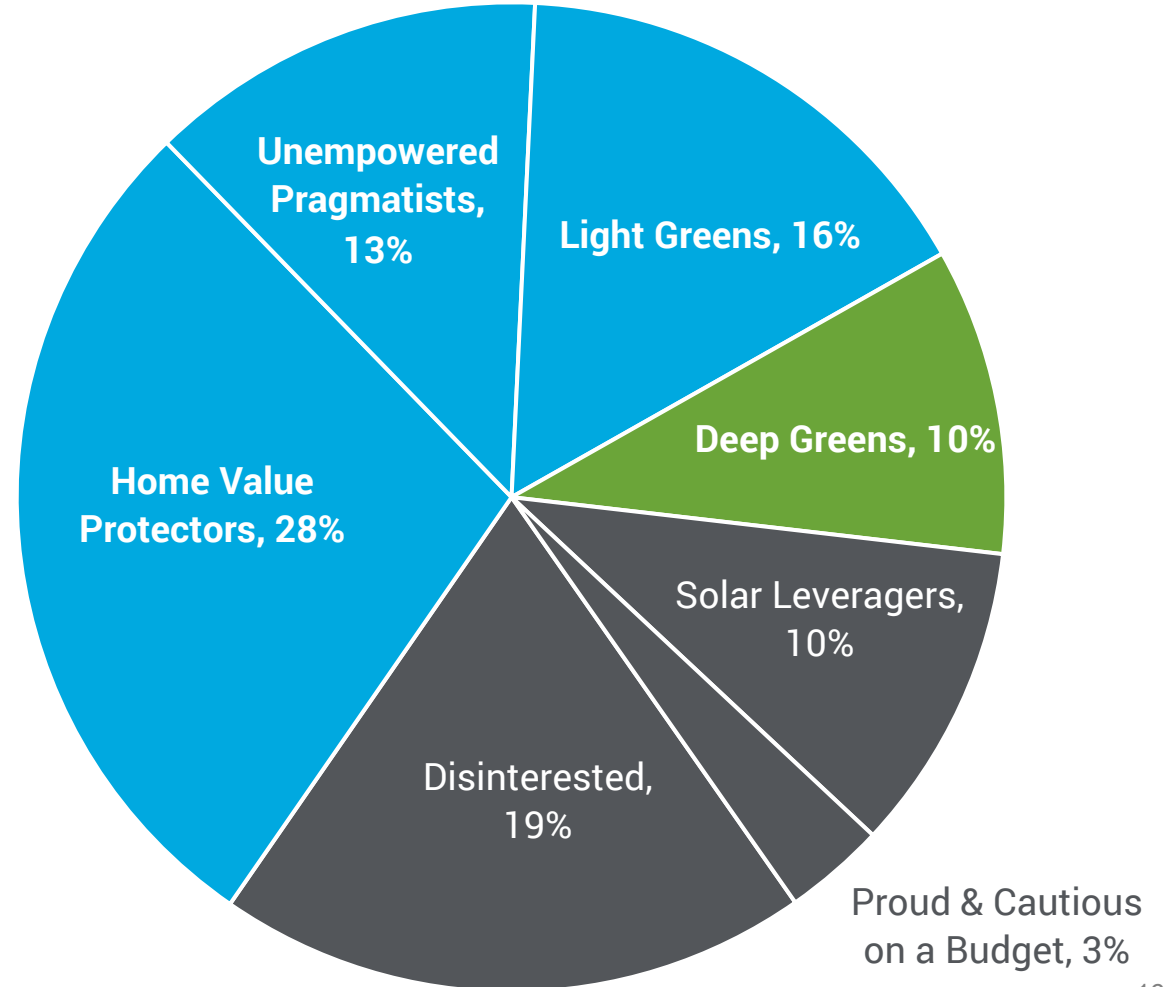
Highlight indicates notable difference vs. other segments

# Message Development



# Message development: target audience

- For broad messaging that is not segment-specific, the blue segments are considered together
- It may be possible to reach the Deep Greens with more targeted messaging that leads with climate-friendliness
- Decision-makers re: appliances and equipment





# Message development

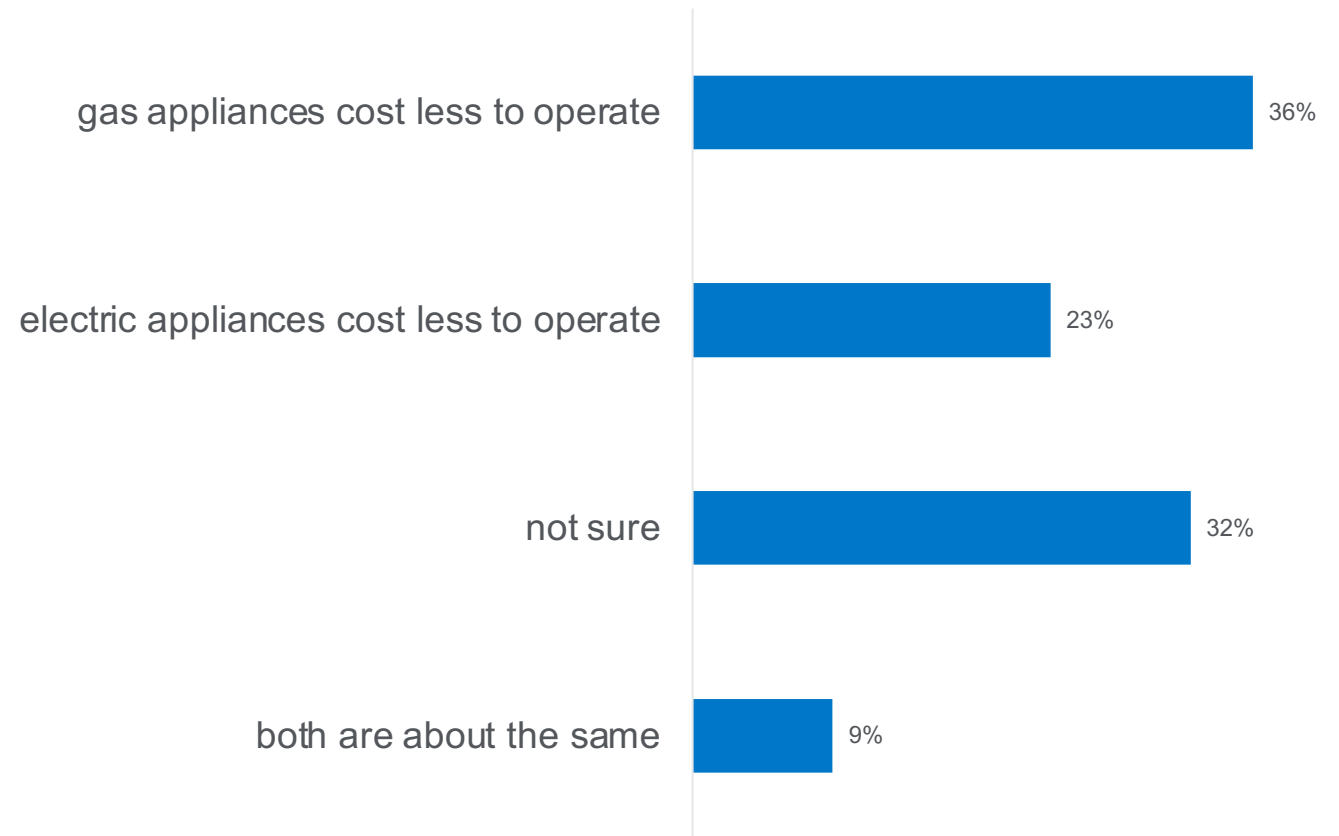
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- Health and safety benefit must be emphasized
- Cost issue must be addressed but a claim of cost savings (existing buildings) is not as straightforward as it is with EVs. Instead:
  - Messaging can address “efficiency”
  - Case studies and appliance-specific examples
- Climate friendly messaging resonates for our target segments, except for the Unempowered Pragmatists
  - BUT even that segment may be persuaded to consider climate when making appliance decisions – a “free with purchase” attribute

# Challenges for message development

- General energy literacy is likely quite low
- Low awareness of effects of methane gas
- Need to increase favorable perception and consideration of electric appliances
- Perception of gas vs. electricity cost does not favor electricity

Cost to operate gas vs. electric appliance\*



\* Based on 2020 Awareness/Perception Monitoring study (N=2261)

# Marketing Campaign



# Campaign scope

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- General campaign – increase favorability and consideration
  - Home Value Protectors, Unempowered Pragmatists, Light Greens
- Target campaigns – inspire action
  - Support energy programs
  - Segments: Home Value Protectors, Light Greens, Unempowered Pragmatists, Deep Greens
  - Situation: homeowners, remodels, high gas use, aging equipment, want A/C
  - Applications: HVAC, HPWH, induction cooking, EVs, solar

# Value proposition examples

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- Choosing electric products, appliances and equipment is the **safe, healthy** choice for you, your **family** and the **environment**.
- Going electric is the **smart** and healthy choice for you, your family and the environment **for generations to come**.
- Going electric improves the **air quality inside your home** by **protecting** your family from gas leaks and the **hazards of combustion**.
- While **EVs reduce toxins on the road**, **electric** products, appliances and equipment **reduce** harmful **toxins inside your home**.
- Switching to electric products, appliances and equipment that feature the most up-to-date and energy-efficient technology is a **smart investment** that **adds long-term value to your home**.

# Supporting creative examples

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- Clean living is electric
- Switch off emissions—inside and outside your home.
- Gas homes are exhausting.
- Clear the air. Go electric.
- A healthy climate starts at home.
- Don't let your home run on fumes.
- Clean homes run electric.
- Keep it safe, keep it electric.
- Climate action starts at home.

# Campaign tactics

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- Start fast, flexible and low cost
  - Web site, standard presentation, newsletter
  - Social media
  - Collateral and program marketing
  - Search ads
  - Email (especially for targeted campaigns)
- Engage outreach partners, SMC OOS, BayREN, Building Depts.
- Monitor and refine as needed
- Based upon success, expand to support our goals for 2035

# Next steps

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June 30	Messaging framework (draft)
July 15	General campaign plan (for review)
July 30	1 <sup>st</sup> set of target campaign plans (for review)
Aug 15	General campaign start
Aug 30	Target campaigns start
Sept -	Results monitoring



Thank you!

