



Claiming Energy Savings Using a Market Share Approach

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The Panel

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Agenda

- What is a Market Lift program?
- What is the Market Lift pilot?
- What have we learned from the pilot?
- Discussion – What are the challenges you see in participating in a market lift program?



Market Lift

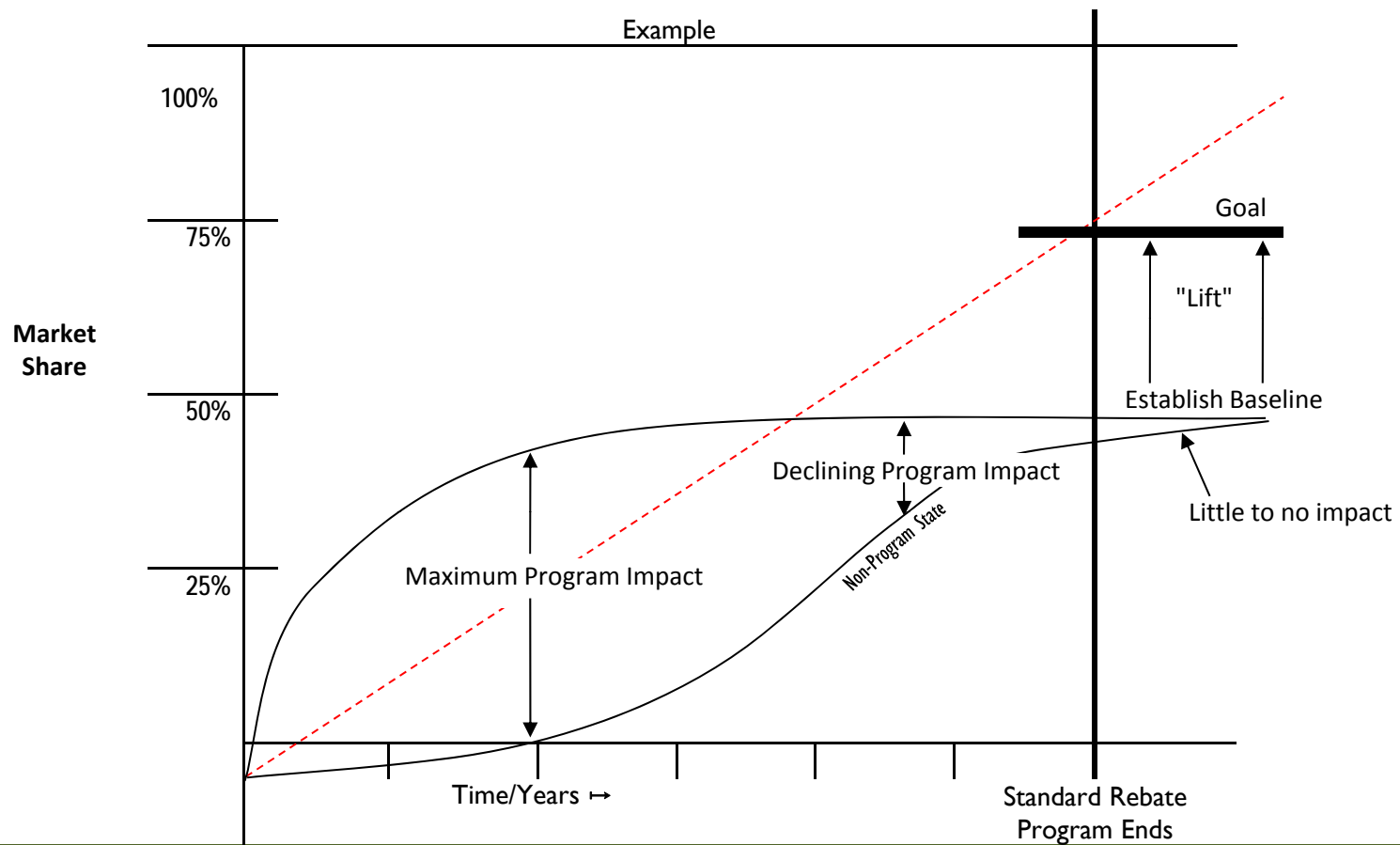


Pay for Performance program approach.

- Rewards retailers for increasing category market share for energy efficient alternative.



When to Move to Market Lift



Market Lift Process

- Establish existing market share for program area.
- Establish existing market share for comparison area.
- Establish a Pay for Performance system.



Focus on Energy® Market Lift Pilot

- Partnered with Lowes in WI
- 3 month pilot (July-Sept 2011)
- 20%-50% lift targets
- CFL & LEDs bulbs
- Support
 - Point-of-purchase (POP)
 - Merchandising
 - Store events



Market Factors

- Industry-wide increase in incandescent sales of
- CFL price increase due to rare earth metal shortages.
- Lowes executed a large planogram re-set in July.



Results

- Messaging around the smart choice, retail price not discounted.
- Stronger sales results in stores with pallets & end caps.
- Market lift targets not met in pilot time frame.



Program Learnings

- Paradigm shift in utility-retailer relationship.
- Role of retail sponsor, buyer and store management and manufacturer.
- Program support needed.
- Program time frame needed.



Retailer Learnings

- Customer purchase behavior.
- Current economic and political climate.
- CFL vs. incandescent replacement cycles.
- Lighting reset may have impacted results.



Data Management Learnings

- Full category sales data can be obtained.
- Need a robust system to manage the amount of data required.
- Managing the product catalog takes time.
- With enough data, you can get a clear picture of the lighting market.



Questions for the Team?

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