What a Year: Marketing change in Massachusetts and Rhode Island.

ENERGY STAR® Partner Meeting
October 22, 2012
2012 was **the year** for change in lighting.

<table>
<thead>
<tr>
<th>What happened</th>
<th>What it meant</th>
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<tbody>
<tr>
<td>Implementation of EISA standards</td>
<td>Educate about new lighting options</td>
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<td>Lighting Facts Label appears on all packaging</td>
<td>Introduce lumens as the basis for determining how much light you need</td>
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<td>Emergence of good quality LEDs at retail</td>
<td>Explain a new technology, and how to find the best quality products</td>
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Our Approach in MA & RI

• Understand customer perceptions of lighting changes through focus groups

• Be in market with tactics that inform and educate during transitional periods
  – Q1: EISA & lumens education
  – Q4: LED education
  – Ongoing: Lighting Catalog

• Continue to leverage partnerships with manufacturers and retailers to reach customers

• Make it easy for the customer
Value ENERGY STAR brings

- Identifiable symbol for quality and superior product performance at retail
  - All messaging and marketing materials includes the ENERGY STAR logo
  - Important for new lighting technologies such as LED replacement bulbs

- Consumers know it means – and purchase qualified products
  - 85% of households understand the meaning and purpose of the ENERGY STAR logo
  - 78% of households knowingly purchased an ENERGY STAR qualified product

1Source: National Awareness of ENERGY STAR® for 2011: Analysis of CEE household survey
Consumer Focus Groups

• Conducted ten focus groups in 2011

• Two groups: Experienced Users & Novices

• Key findings included:
  – Not aware of, or clearly understand, EISA legislation
  – Lack of awareness in the variety of bulbs that will be available in stores
  – Significant support for educating on watts to lumens transition is needed

• 2012 marketing strategies were developed to address findings from the focus groups
Q1: EISA & Lumens education

- Launched EISA & Lumens consumer education advertising campaign:
  - Radio Ads 🎧
  - Print
  - Blast E-mails

- Developed in-store and online tactics such as:
  - YouTube video, loaded to a QR code, explaining lumens and CCT
  - GE retail promotion
  - Facebook Sweepstakes & posts
Q1: EISA & Lumens education
Q1: EISA & Lumens education
Q4: LED education

- Launched LED awareness campaign:
  - Online banners
  - Retail POP
  - Philips/Lutron Promotion at The Home Depot

- Increased LED promotion via social media:
  - Mass Saver Deal Tip promotion
  - Frequent Facebook posts on LEDs, their benefits, and ongoing retail promotions
Q4: LED education

- Getting to know the LED market
  - Message Testing: targeting four customer segments through online ads to determine which message points resonate
  - Customer Demographics: Implementing in-store survey to understand who is purchasing LEDs

- Goal: Better understand LED market to refine strategies for future advertising campaigns
Ongoing: Lighting Catalog

- Opportunity to educate customers
  - ENERGY STAR
  - Lumens vs. Watts
  - CCT
  - Lighting Facts label

- Mailed over 160,000 copies
- Distributed over 50,000 copies in offices, at events, etc.
Industry Partnerships
Upcoming Challenges

• 2012 was a challenging year, but the challenge has only begun!
  – **Still an overwhelming need for education**: LEDs, CFLs, lumens, CCT, debunking old and new myths, dimming compatibility, etc.
  – **Finding new ways to reach consumers**: How do you reach consumers with a lot of noise in the market?
  – **CFLs vs. LEDs**: How do market LEDs without cannibalizing CFL sales?

• **Solution**: Continue to embrace partnerships and new customer engagement strategies
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