New York ENERGY STAR®
Products Program

Allowing Differentiation of Promotions in the Market Through Co-operative Marketing
Focus

- Background
- Incentives
- Future
Why Co-Op Marketing?

- Rationale: *Why Not!*
  - *No Bias*
  - *Encourages Collaboration*
  - *Cost Efficient*
  - *Effective*
Program Design

Components:

- Manufacturer Partners
- Gold Retail and Retail Partners
Manufacturer Partners: Eligibility

- Manufacture one or more ENERGY STAR qualified or energy-efficient product lines
- Sign the Manufacturers Participation Agreement
- Distribute product to retailers in the New York Energy $martSM territory
Manufacturer Partners: Benefits

- Participation in State and selected National campaigns and media events
- Opportunities to create joint promotions with retailers with whom they already enjoy an existing relationship
- Co-operative advertising opportunities up to $25,000 per Wave
- Assistance from a designated ENERGY STAR Representative in forging relationships with new retailers in New York State
Retail Partners: Eligibility

- Be located in the New York Energy $mart℠ territory
  (For a Gold Account: Have at least 15 retailer storefronts)

- Sign the Retailers Participation Agreement or Gold Retailers Participation Agreement (if applicable)

- Stock, prominently display, and sell at least 4 models of qualified ENERGY STAR products

- Submit an accurate monthly Sales Reporting Form by the 15th of each month and continue to report monthly
Retail Partners: Benefits

- Assistance with product labeling and placement of program provided Point-of-Purchase (POP) material
- Co-op funds for traditional advertising, special promotions and select National Campaigns up to $15,000 for Gold Retailers and $6,000 per county for Retailers
- Increased consumer visibility with showroom listings on [www.GetEnergySmart.org](http://www.GetEnergySmart.org)
- In-store sales training
- Media recognition via additional NYSERDA sponsored TV, radio and print campaigns
- Designated, experienced Field Representatives
Field Representatives

Responsibilities:

- Provide training
- Deliver promotional materials and program information
- Facilitate relationships between the partners and manufacturers or distributors
Incentives

- **Option 1 (Print Ads):**
  - *Up to 50% cost share*

- **Option 2 (Radio/TV/Billboard/Special Promotion):**
  - *Up to 50% cost share*

- **Market Share**
  - *Performance based*
Option 2’s

- Popularity
  - Lighting Manufacturers
  - Retailers

- Educational Component
  - Increases consumer’s willingness to buy
  - Adds value
The Manufacturer Option 2

- Educational Material
- Outfitting of ENERGY STAR® Labeled Homes
- Buy-downs
Manufacturer Option 2’s

Example:
Manufacturer Option 2’s

You, us and energy star... we can make a difference.

PROTECTING OUR ENVIRONMENT STARTS AT HOME...

...and you can help!

CHANGE 5 LIGHTS!

To cut one million pounds of greenhouse gases from our atmosphere all we have to do is replace 5 light bulbs in every household in America with 5 ENERGY STAR qualified light bulbs. It seems daunting, but it’s really easy to get started. All we have to do is change one household at a time.

Choose your five most used household light bulbs or light fixture and replace them with ENERGY STAR qualified ones. You’ll save energy, you’ll cut down on pollution and you’ll be taking the first step towards saving our planet from one million pounds of greenhouse gases.

SELECT THE RIGHT BULB!

Uses less energy.

Using a Maxwell ENERGY STAR qualified bulb means you are using 70% less energy. That not only saves energy, but it means you are protecting the environment by using less resources and by putting less carbon into the atmosphere. That’s a very good thing to do.

Lasts longer.

A Maxwell ENERGY STAR qualified bulb will run up to 10,000 hours. That means that if you only swap them out once every other year, you’ll save 10% on your electric bill.

Saves money.

A Maxwell ENERGY STAR qualified bulb or fixture will save you money. If you use 70% less energy, you’ll save 10% on your electric bill.

Choose from the following chart to find the Maxwell ENERGY STAR qualified bulb or fixture light for your application...

Our company has teamed up as a partner with the US Environmental Protection Agency’s ENERGY STAR program. Together we are supporting a new public education campaign showing how we can all help to protect the environment by using energy-efficient appliances and products. For every light bulb you switch to an energy-efficient one, you’ll make a big difference.
The Retailer Option 2

- Billboards
- Logos on transportation
- Staff T-shirts & Sweatshirts
- Customer T-shirt Giveaway
- Reduced/free installation costs
- In-store displays
- Web sites
Retailer Option 2’s

Example:
Retailer Option 2’s

- Example:
Wave 11 – Room AC

- **Market Share Incentive**
  - Offering an incentive if our partners maintain a specific market share of room air conditioners for the 6 month period

- **So far (as of 9/23):**
  - 72.19% of sales are ENERGY STAR for the Wave
  - $131,600 has been disbursed in incentives
Wave 12 – Clothes Washers

- Market Share Incentive
  - Offering an incentive if our partners maintain a specific market share of clothes washers for the 6 month period
  - Incentive levels are based on reported sales data from partners
  - If partners don’t reach the level, they will miss out on the dollar incentive
Evaluation

- Retailers
  - Mystery shopping
  - Sales Data
  - In-store Survey
  - Option 2 Evaluation

- Program
  - NYSERDA’s Energy Analysis Team and Contractors
  - Other national and regional evaluation efforts
Program Outlook

- **Strengths**
  - Cost effective
  - Complementary to retailers’ business strategy
  - Allows EEPS to influence at point of sale

- **Weaknesses**
  - Obtaining sales data
  - National retailers backing away from signing formal agreement
The Future Looks Bright

- Increasing Consumer Understanding
- Increasing Partner Support
- Home Electronics Program
- Strong Partnerships = Strong Future