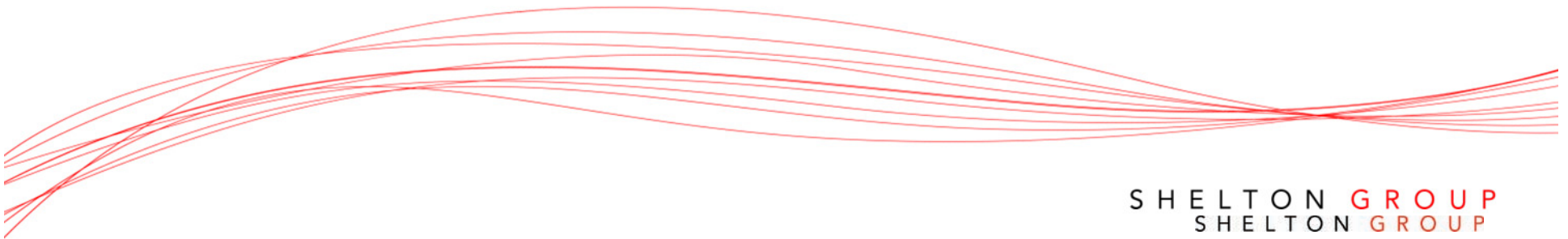


What are they thinking?

Effectively marketing energy efficiency by  
understanding the consumer mindset

October 5, 2010



We are a consumer engagement agency  
that exists for one purpose:  
motivating mainstream consumers  
to make sustainable choices

S H E L T O N   G R O U P

## What we do:

1. Develop smart marketing strategies
2. Invent fresh creative
3. Propel our clients' businesses forward

S H E L T O N   G R O U P

## How we do it:

We extract meaningful insights  
from the market on a quarterly basis  
and apply these insights via our *Listen Speak*  
process

S H E L T O N   G R O U P





The Fiskars logo is displayed in a black rectangular box with the word "FISKARS" in white, bold, sans-serif capital letters.

[Our Rain Barrels](#) | [Grow More](#) | [Join the Community](#) | [Weather Forecast](#)

## Welcome.

Nulla et feugiat sem. Vestibulum vestibulum consequat magna, id faucibus  
dui rutrum at. Mauris urna turpis, sodales eu congue ac, gravida sed  
mauris. Integer dolor urna, imperdiet id rutrum eu, molestie a erat. Mauris  
vulputate ultricies libero ac porttitor urna turpis congue.

Join the  
growing community.

Andea Krekadil  
Austin, TX









# ENERGYFIT<sup>SM</sup>

## BE A WATT WATCHER

Watch your home max out on energy savings with rebates and incentives from EnergyFit<sup>SM</sup>. Take the first step toward eliminating wasteful wattage.



EMI  
CALCULATOR

GET STARTED

ENERGYFIT

TURN  
IT UP

BUSINESS  
PROGRAMS

Your company's energy use has changed, and if you don't change with it, you'll be pretty sore.

ENERGYFIT

HOMES

SHRINK  
YOUR  
WASTE  
LINE

Your energy use has changed, and if you don't change with it, you'll end up feeling pretty sore when it's time to pay those bills. That's why Dominion has created EnergyFit<sup>SM</sup>—a suite of programs to help improve your energy efficiency while you shed unwanted wattage and expenses.

Find out which EnergyFit program is right for you.

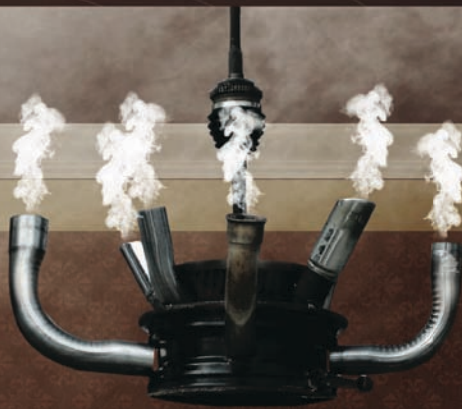






DIRTY MOVIES

HOMES POLLUTE MORE THAN CARS  
LEARN MORE AT ASE.ORG



HOUSE WARMING



THE AVERAGE U.S. HOME IS RESPONSIBLE FOR TWICE AS MUCH GREENHOUSE  
GAS POLLUTION AS THE AVERAGE CAR. LEARN MORE AT ASE.ORG/HOMES.



FREEZER BURN

HOMES POLLUTE MORE THAN CARS  
LEARN MORE AT ASE.ORG





Stop sacrificing aesthetic quality for energy efficiency. LED lighting is here, clear and beautiful! Delivering light more effectively than fluorescent technology, Cree LED lighting produces the high-quality, beautiful light you expect, provides the long life you want and eliminates toxic mercury. Lighting for homes, offices and life.

Stand up for your environment and join the revolution! Visit Cree at Lightfair booth #1463 and at [creeledlighting.com](http://creeledlighting.com).



It's time to rise up against energy-wasting and unattractive lighting. LED lighting is here, energy-efficient and beautiful! Cree LED lighting produces the high-quality, beautiful light you expect, delivers the energy savings you need, provides the long life you want and eliminates toxic mercury.

Cree TrueWhite™ technology creates quality light that displays colors beautifully and produces less heat than traditional lighting. Designed to last 50,000 hours, these lights can reduce maintenance costs and waste.

Stand up for your environment and join the LED revolution! Visit [creeLEDlighting.com](http://creeLEDlighting.com) to learn more about these products.



[creeLEDrevolution.com](http://creeLEDrevolution.com)

## Proprietary research

- Energy Pulse™
- Eco Pulse™
- Utility Pulse™
- Green Living Pulse™

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# Six Insights

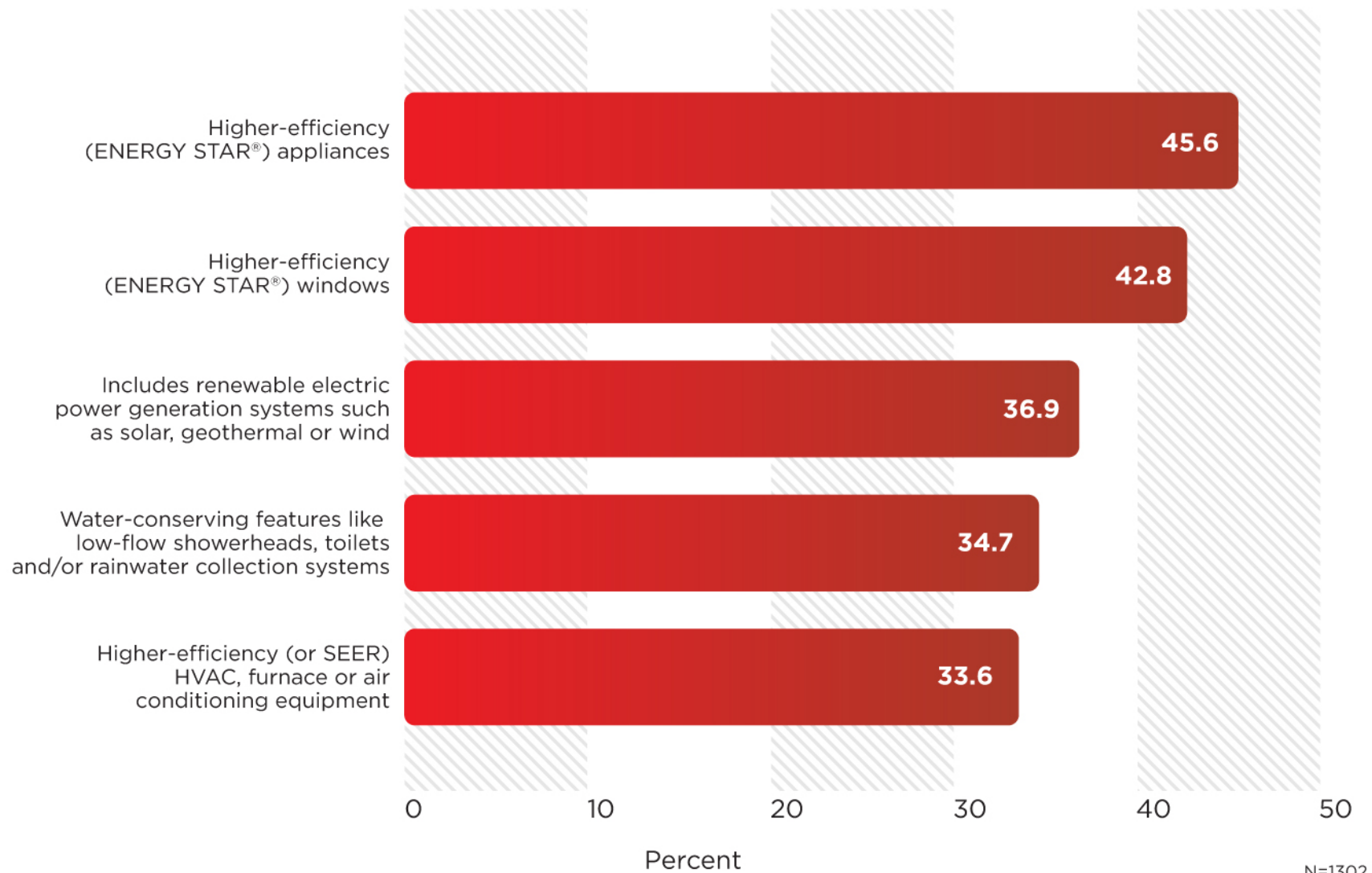
S H E L T O N   G R O U P

## Insight One:

Consumers are interested in energy efficiency  
(more so than green in many cases)

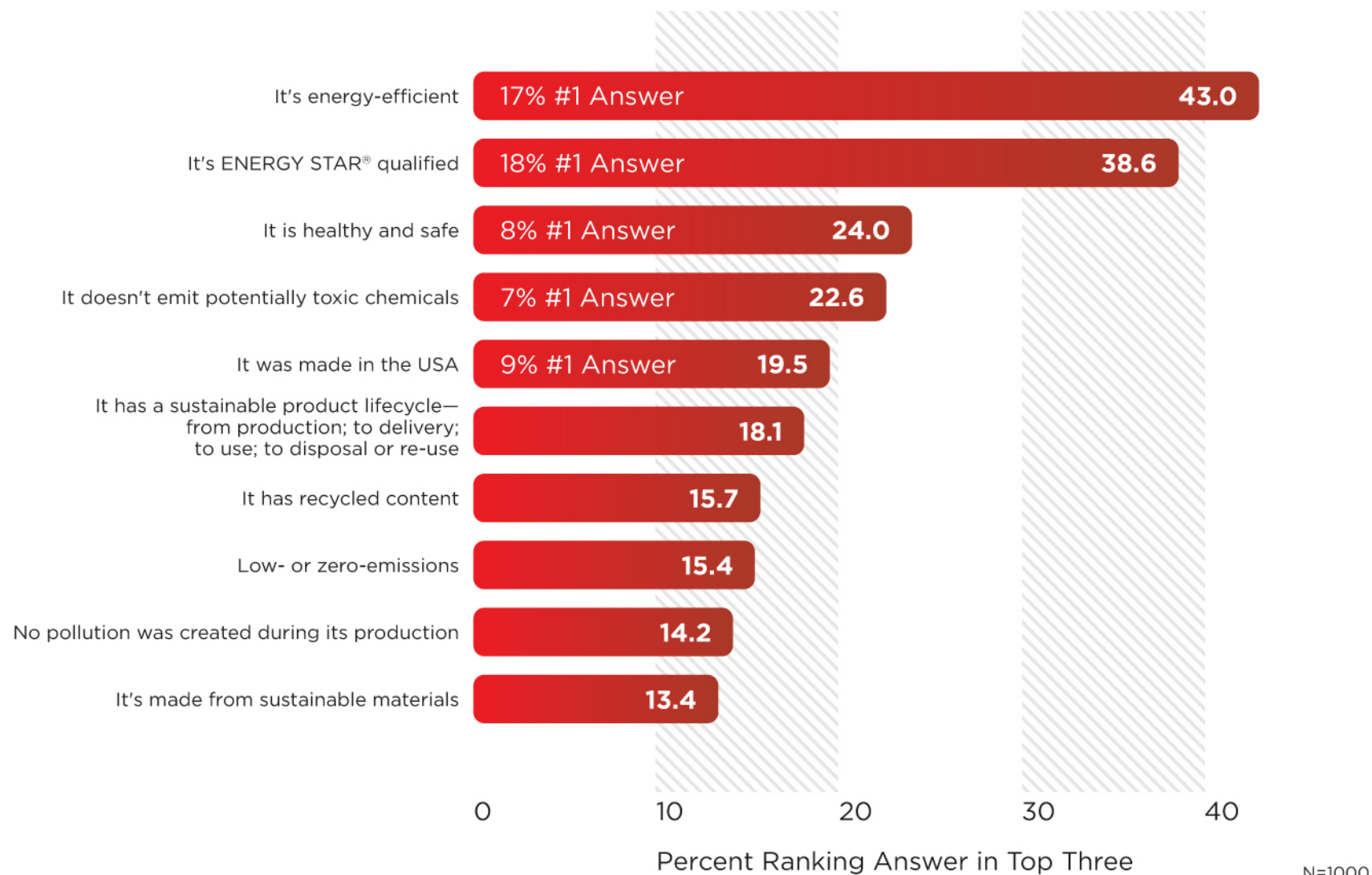
S H E L T O N   G R O U P





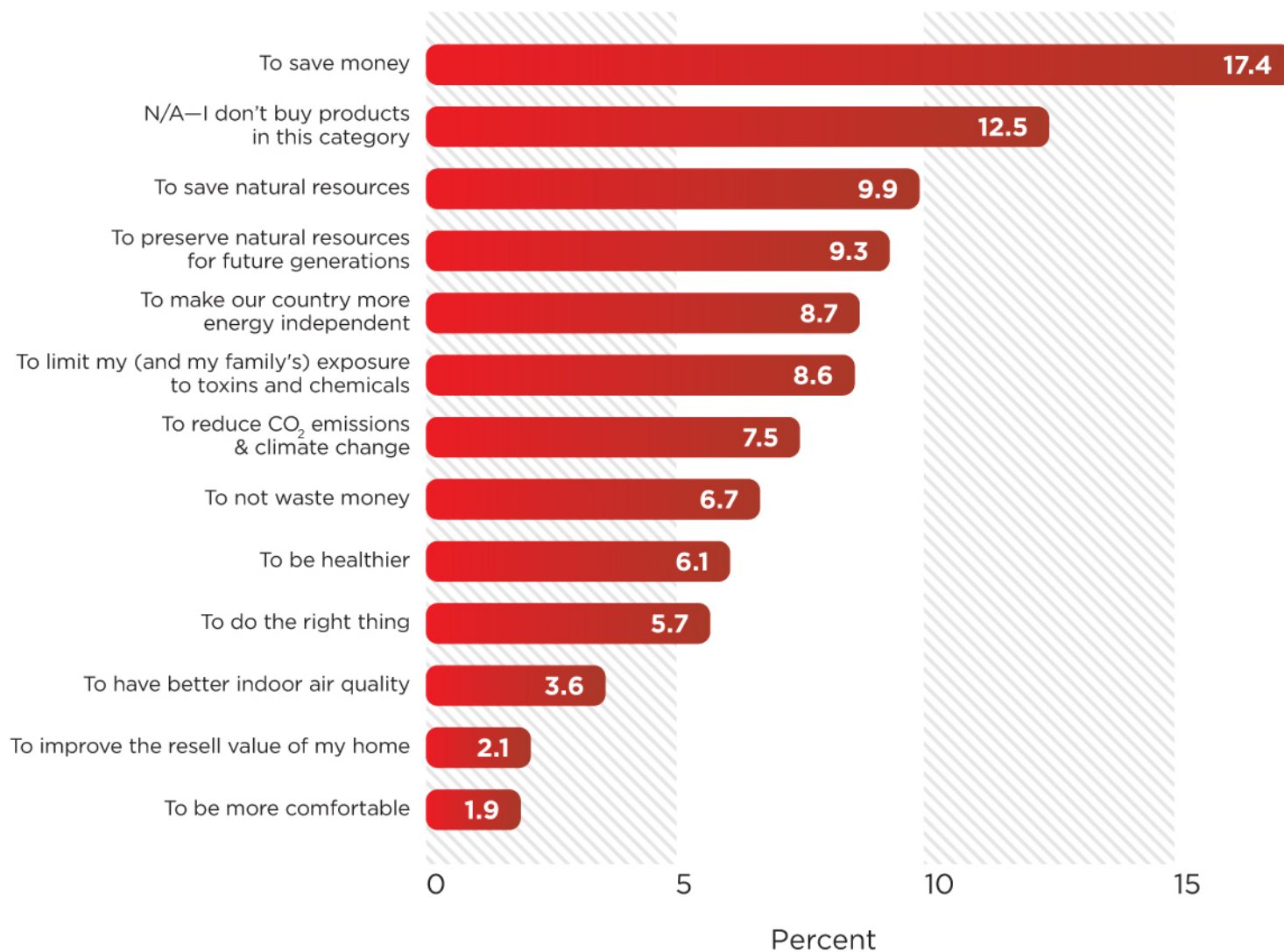
**Pick three features a green home MUST have.**

greenlivingpulse  
2010



Please rank in order the top three criteria in deciding if a home improvement product is green.

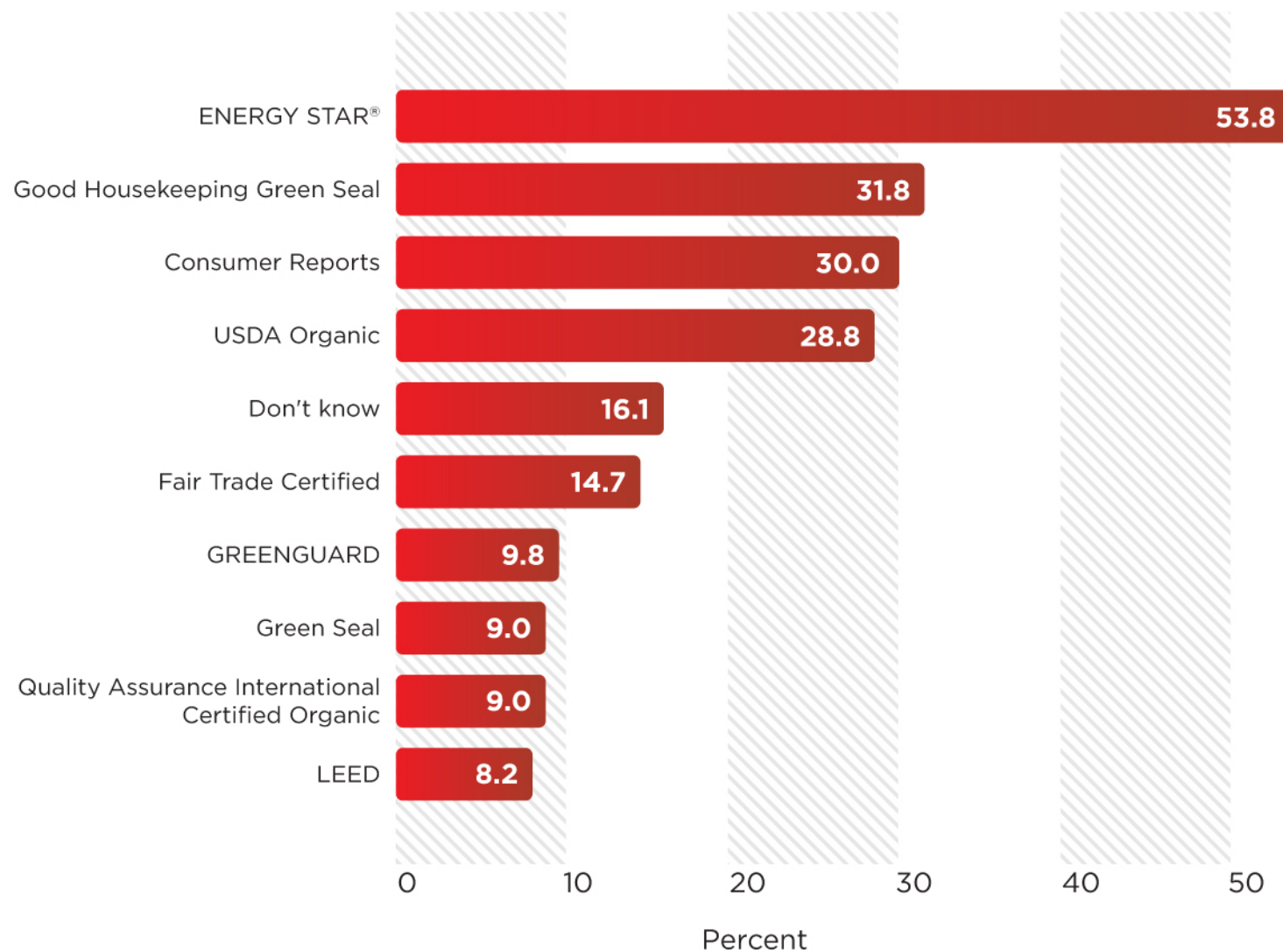
ecopulse  
2010



N=1000

**Please choose the best reason to buy a greener home improvement product.**

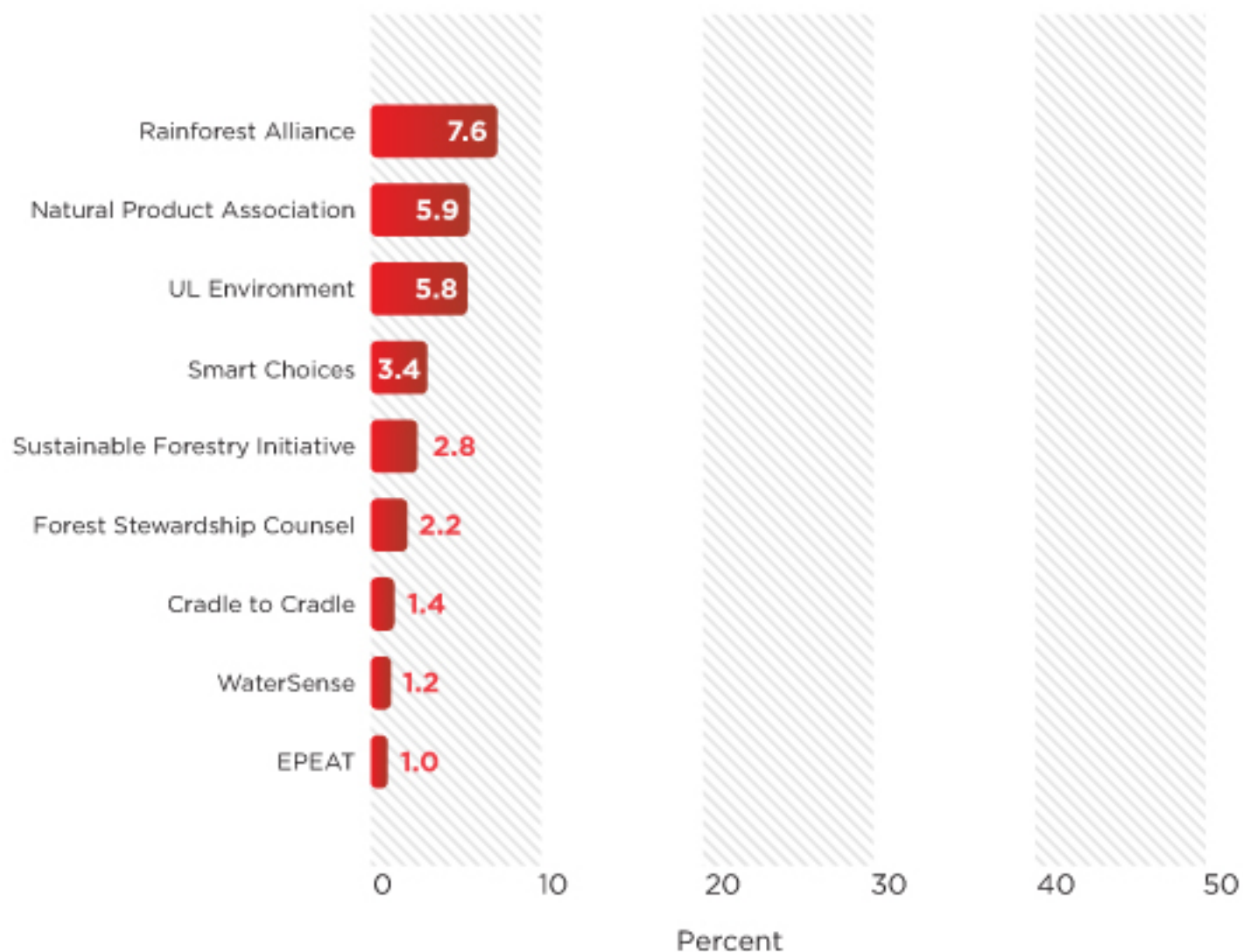
ecopulse  
2010



N=207

**Which of the following are the best third-party certifiers?**

ecopulse  
2010

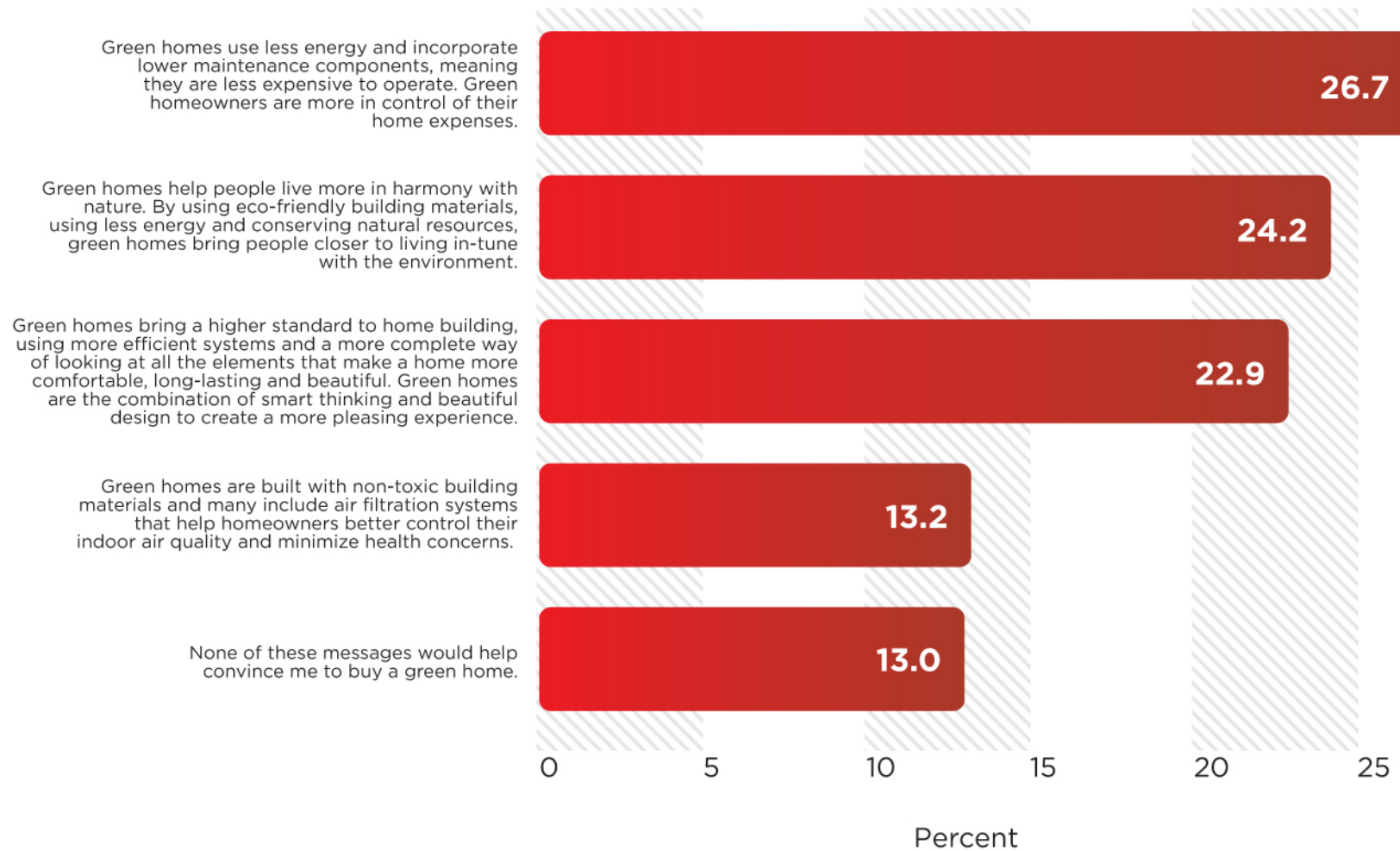


N=207

**Which of the following are the best third-party certifiers?**  
**— Continued**

ecopulse  
2010



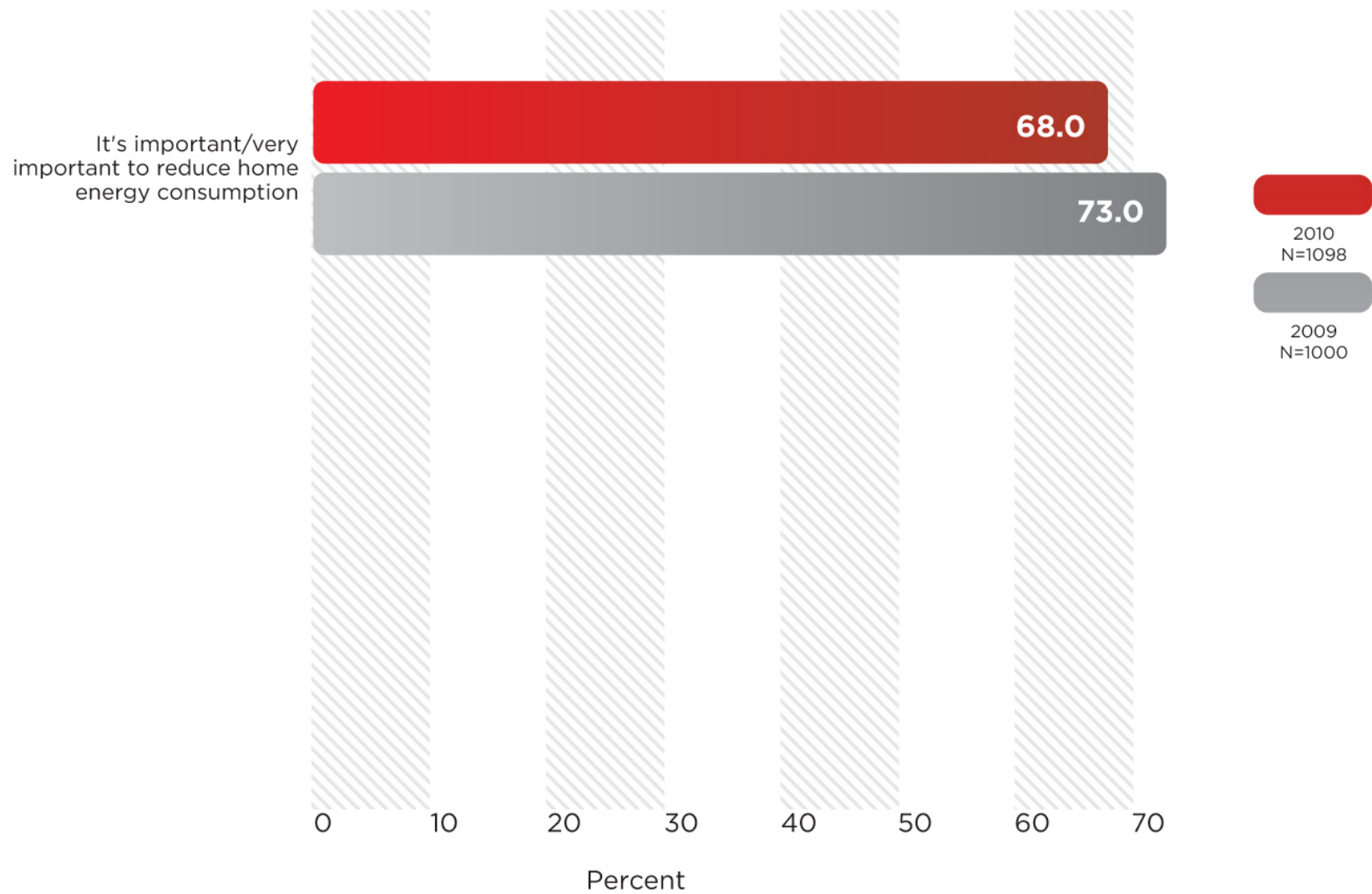


N=1007

**Which message would best convince you to buy a green home?**



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## Energy Conservation Reported Importance Compared to Behavior

greenlivingpulse  
2010

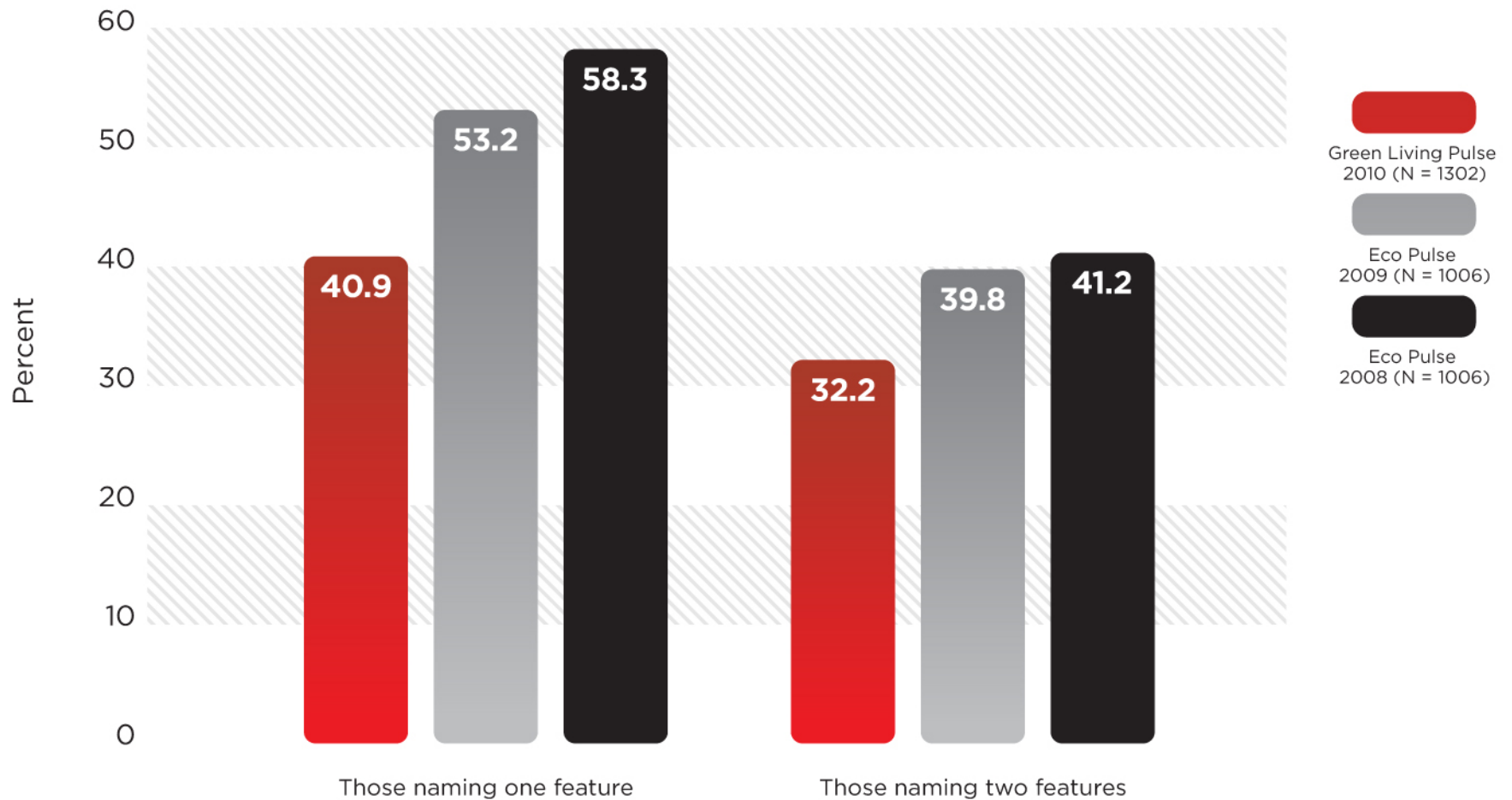
Insight Two:  
Most consumers know less than you  
might think they do

S H E L T O N   G R O U P



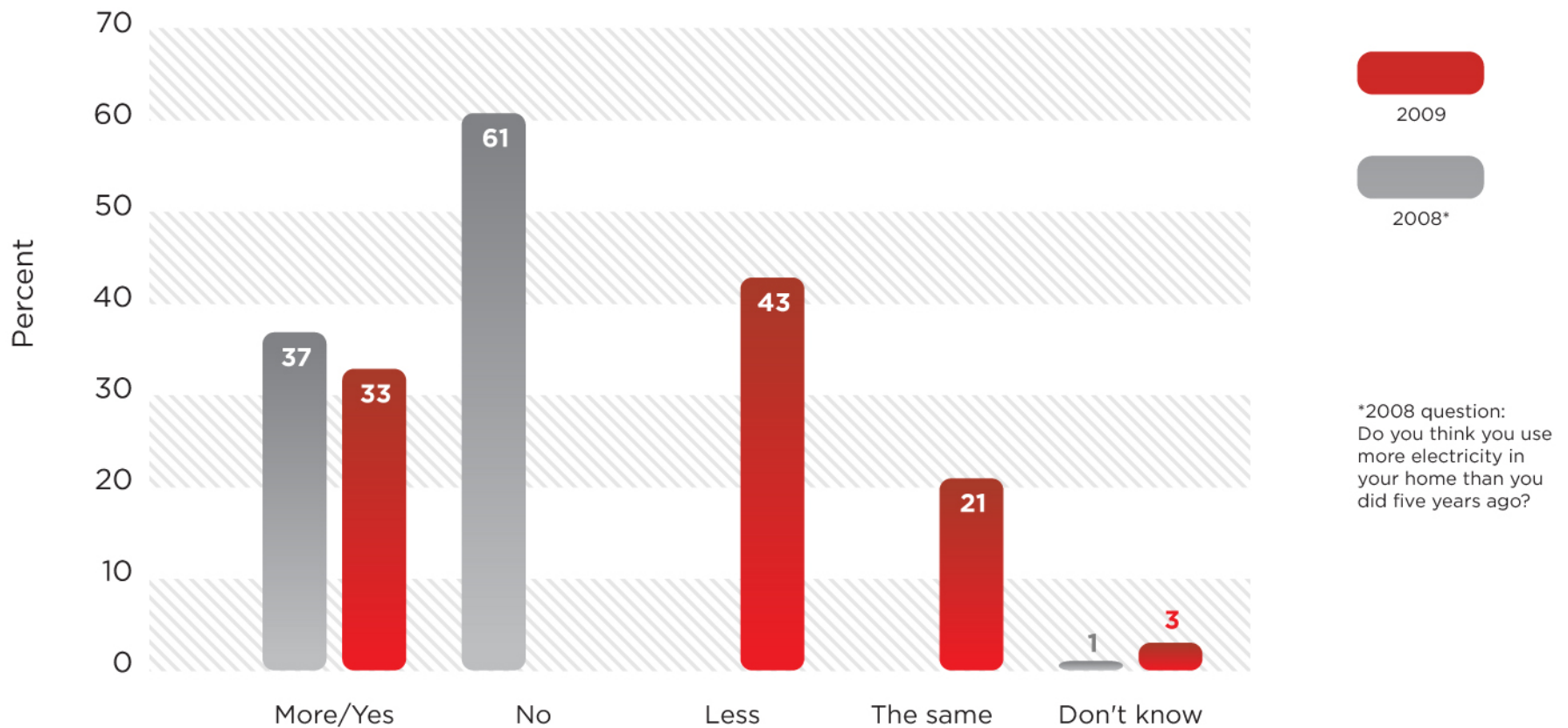
S H E L T O N   G R O U P

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## Percent Naming Green Home Features

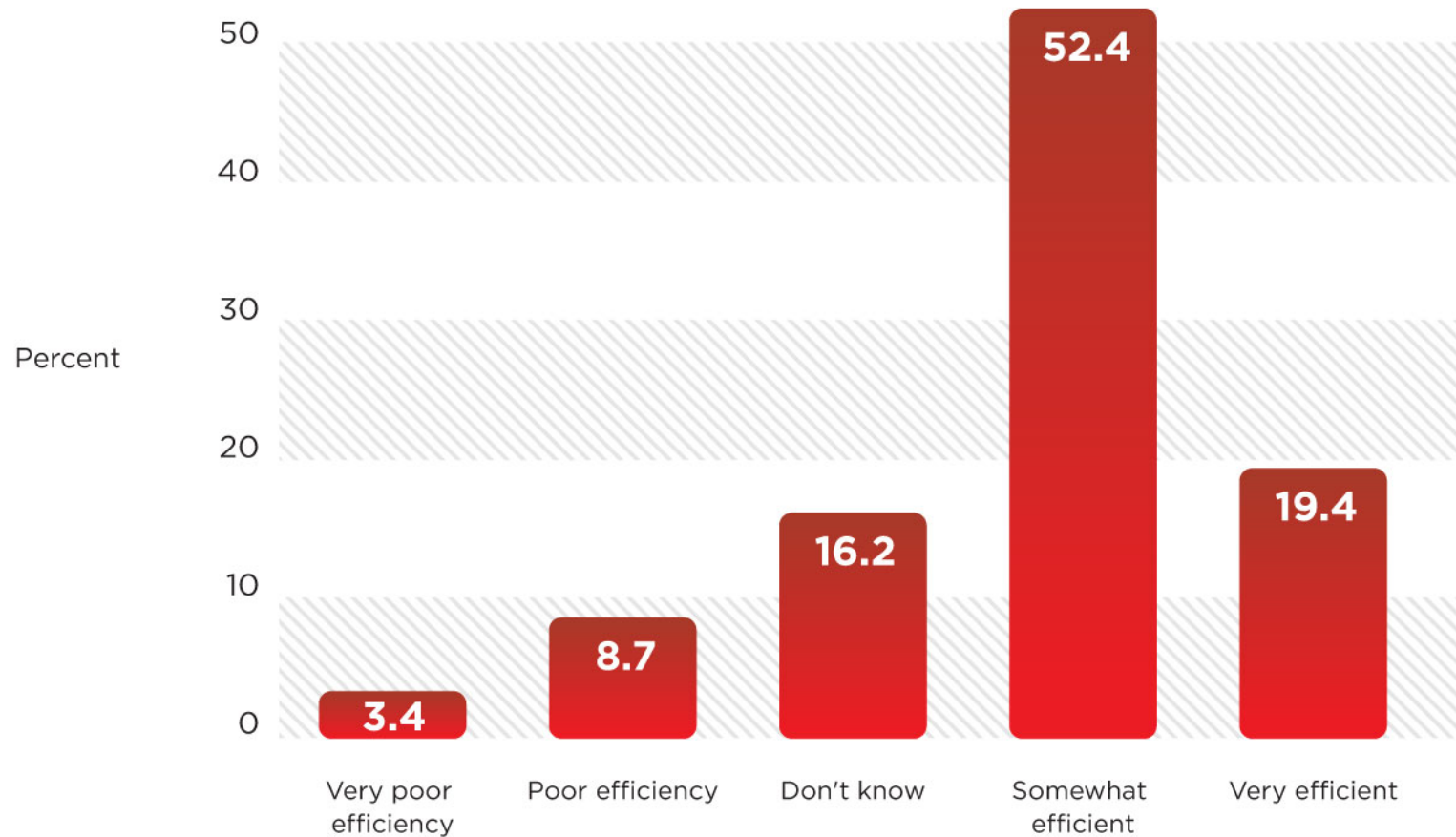
greenlivingpulse  
2010



N=505

**Do you think you now use less, more, or the same amount of electricity in your home compared to five years ago?**





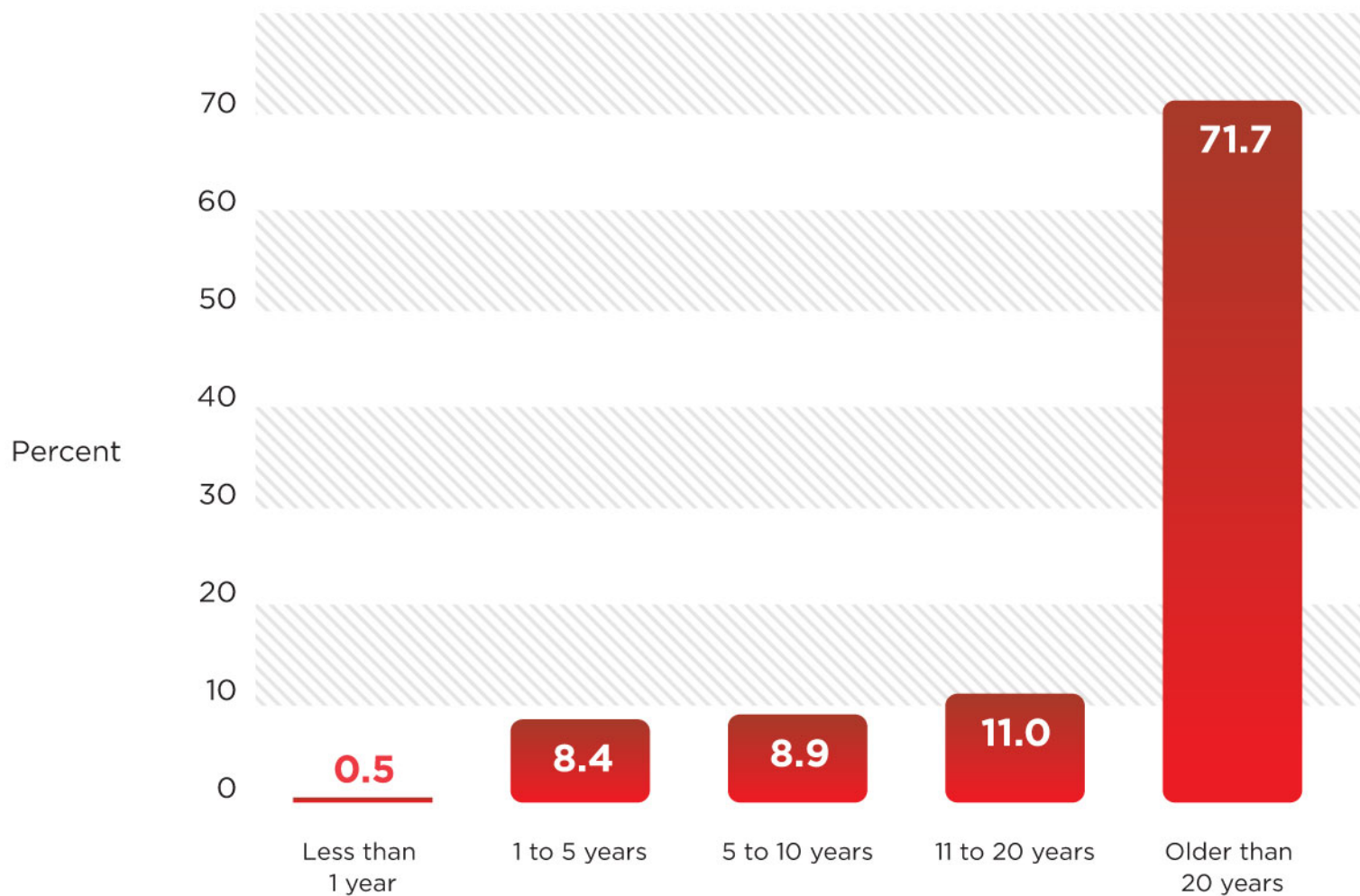
Top Box = 71.7%

## How energy-efficient is your home?



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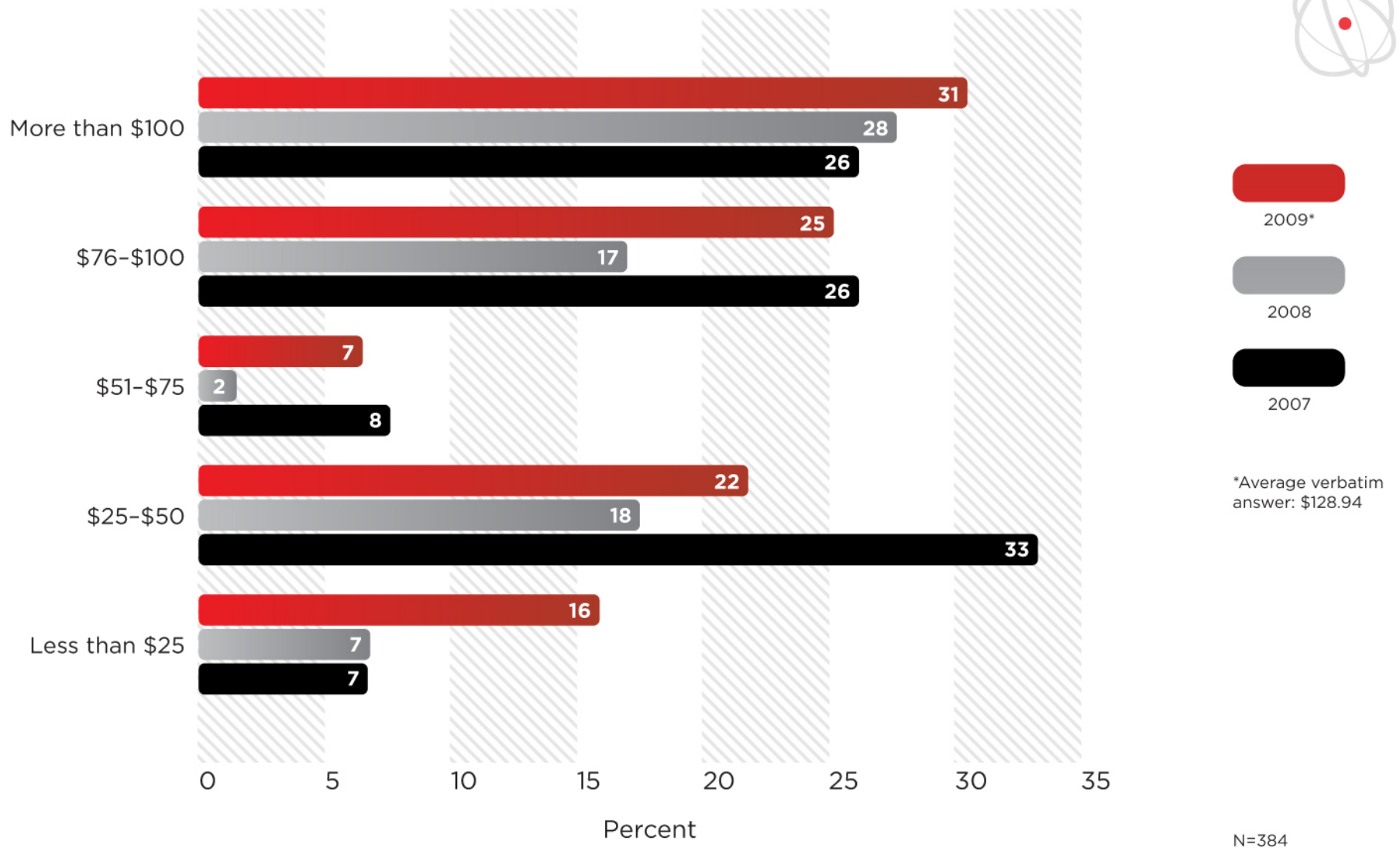


## Age of home



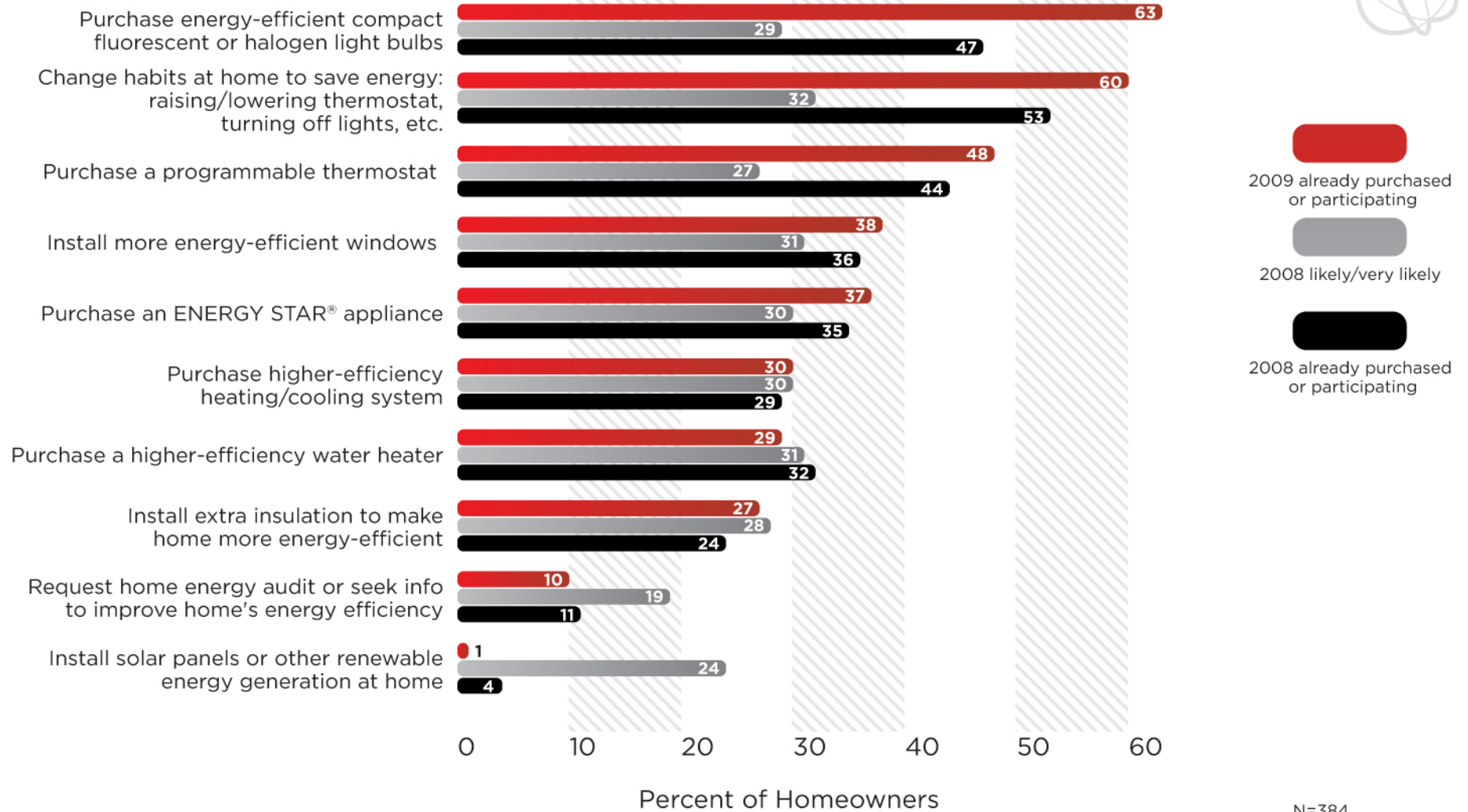
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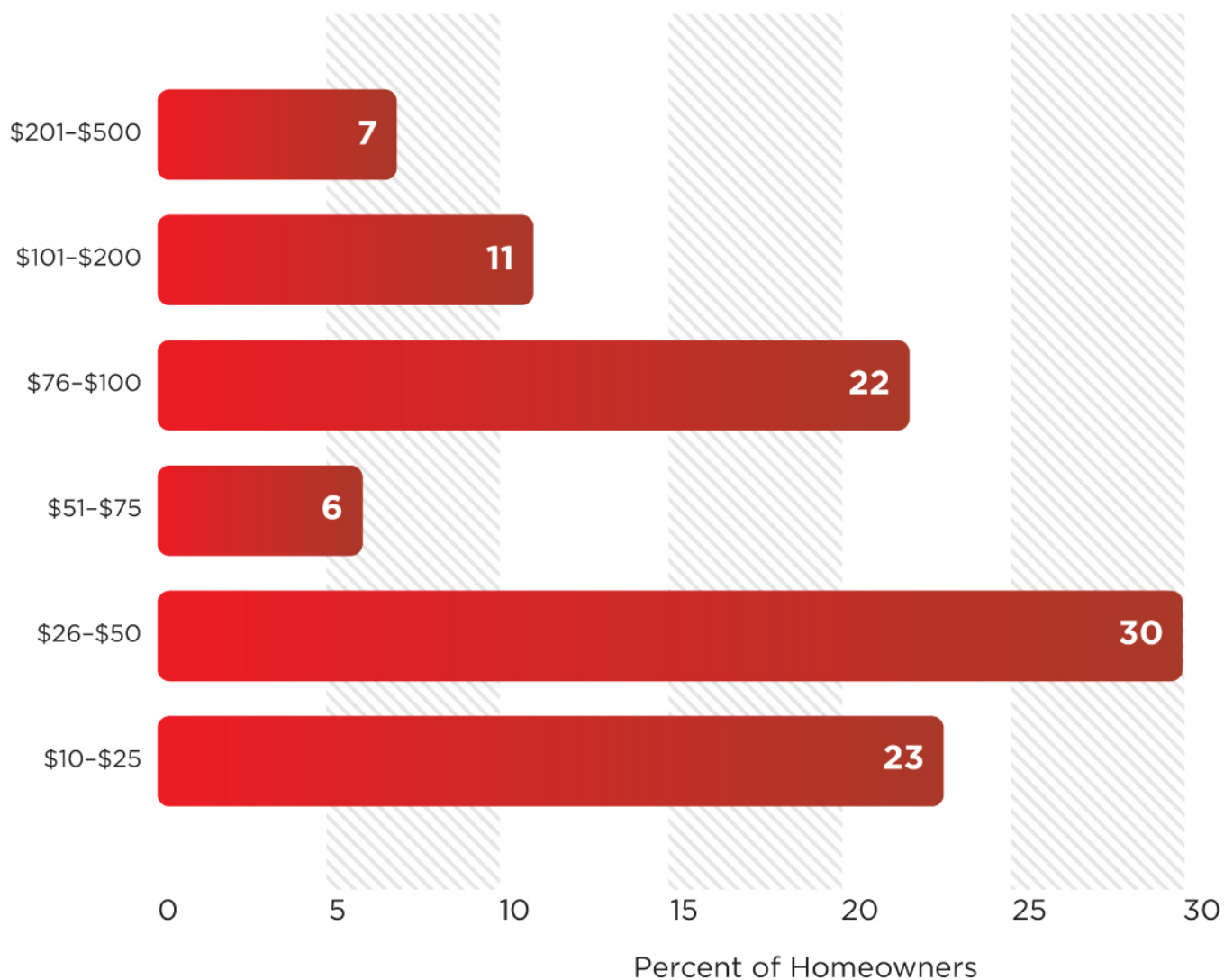
How much would your monthly bill have to go up to push you to spend money on energy-efficient renovations? (Categorized verbatims)





## Activity Propensity Compared to Actual



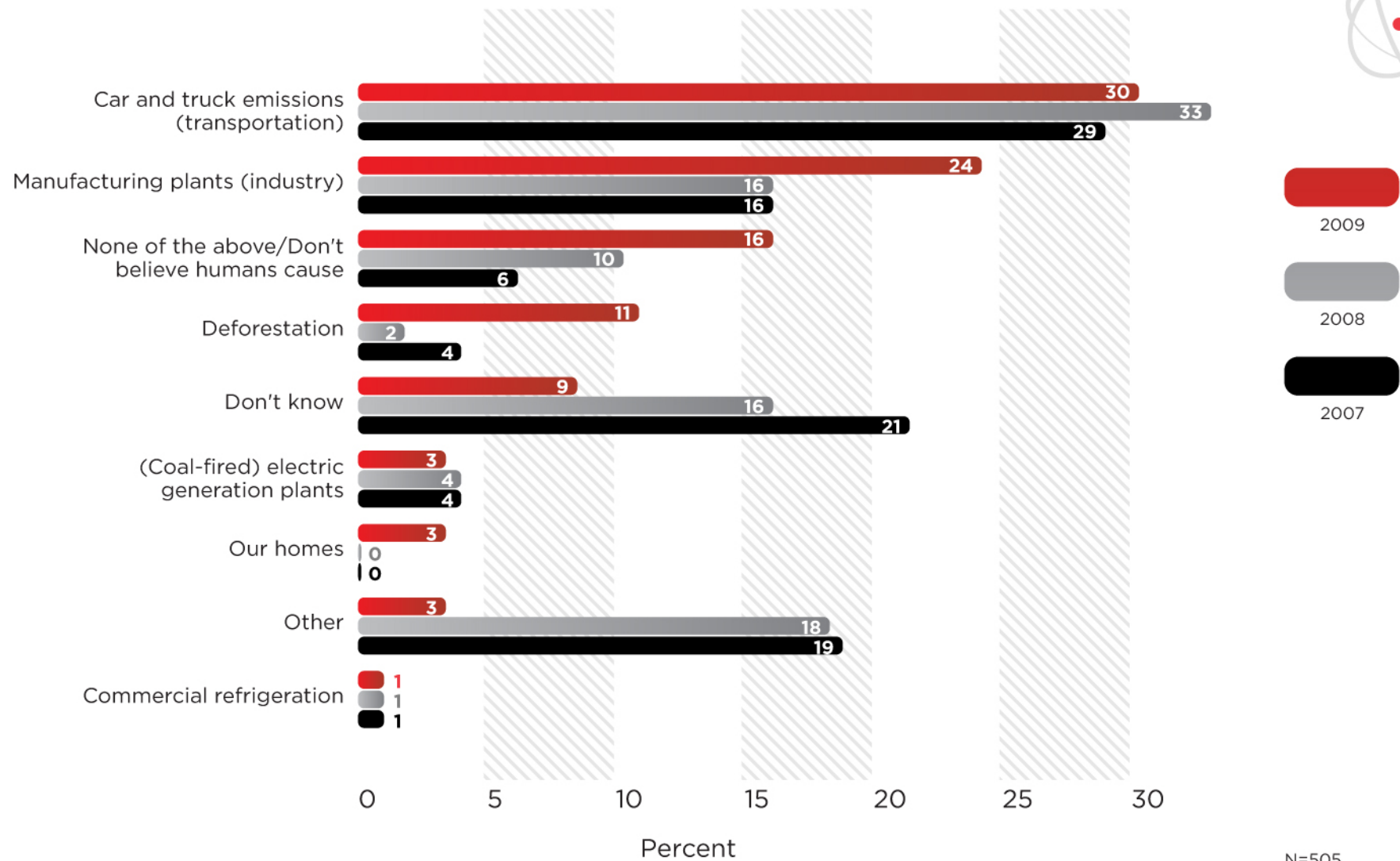


N=325

**How much would you expect to save on your monthly utility bill if you spent \$4,000 on energy-efficient home improvements?**



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**What do you think is the number-one man-made cause of global warming or climate change?**

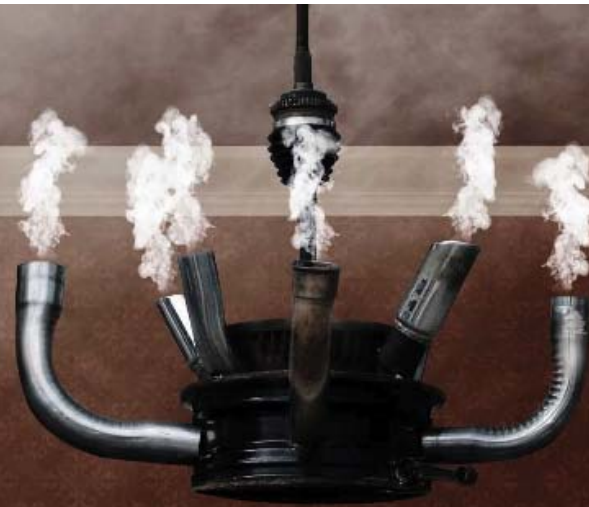


Consumers are misinformed and confused. That  
stops them from making more energy efficient  
choices.

You must wake them up.

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## HOUSE WARMING



POWERING THE AVERAGE U.S. HOME PRODUCES TWICE AS MUCH GREENHOUSE GAS POLLUTION AS THE AVERAGE CAR.

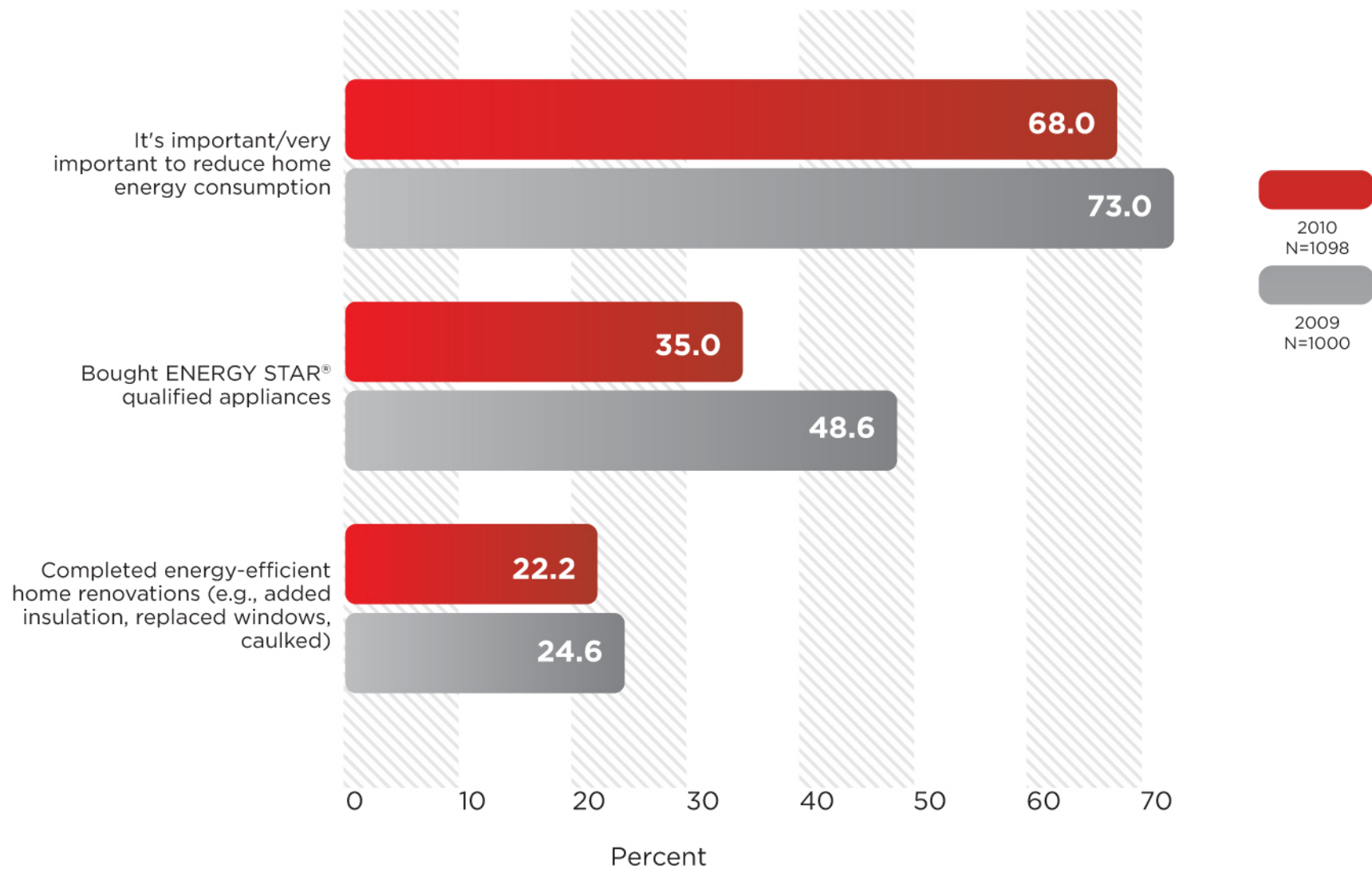
LEARN MORE AT [ASE.ORG/HOMES](http://ASE.ORG/HOMES).



HELTON GROUP

Insight Three:  
Importance doesn't always  
equal action

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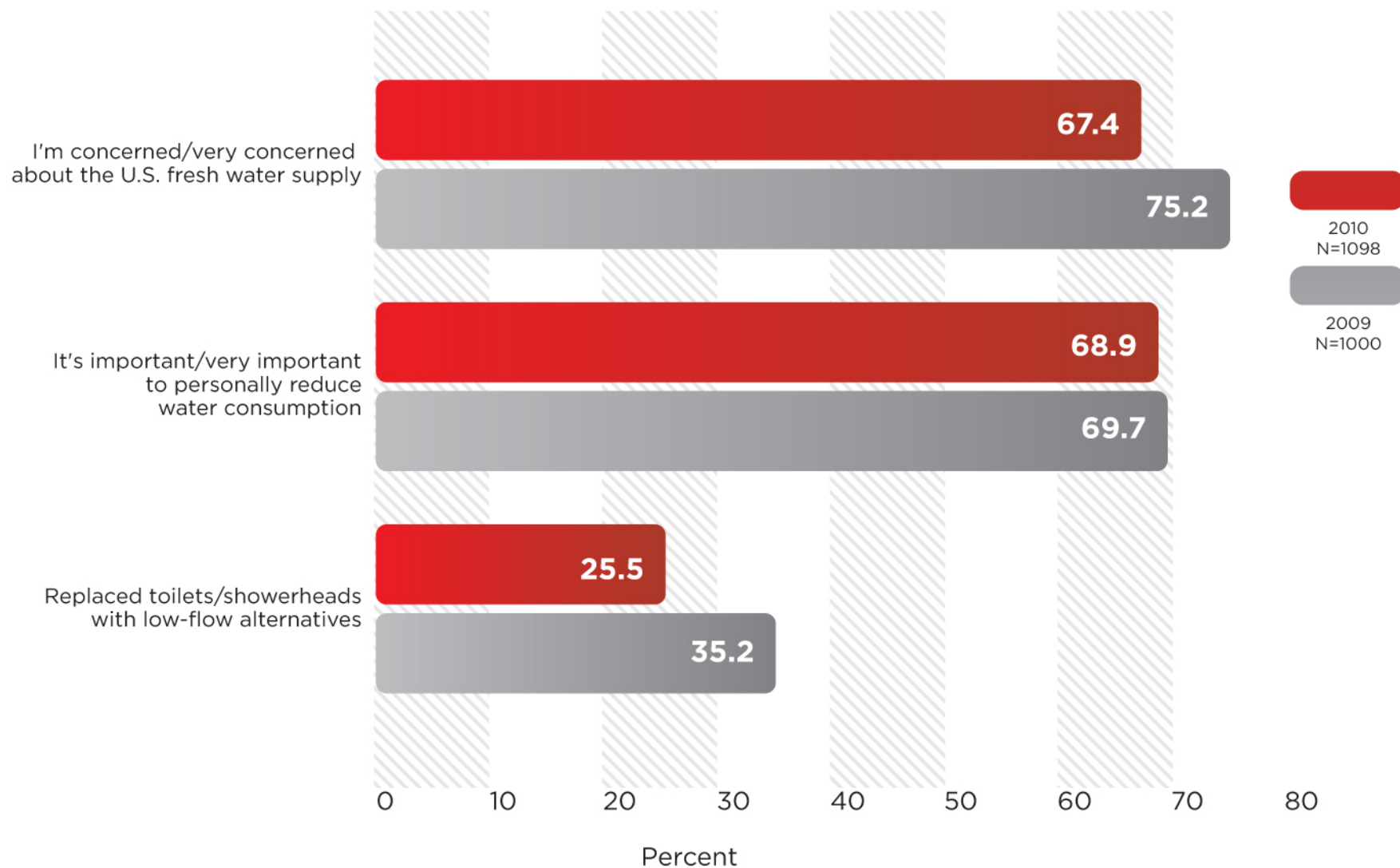


## Energy Conservation Reported Importance Compared to Behavior

greenlivingpulse  
2010

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## Reported Importance of Water Conservation Compared to Behavior

greenlivingpulse  
2010

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## Insight Four:

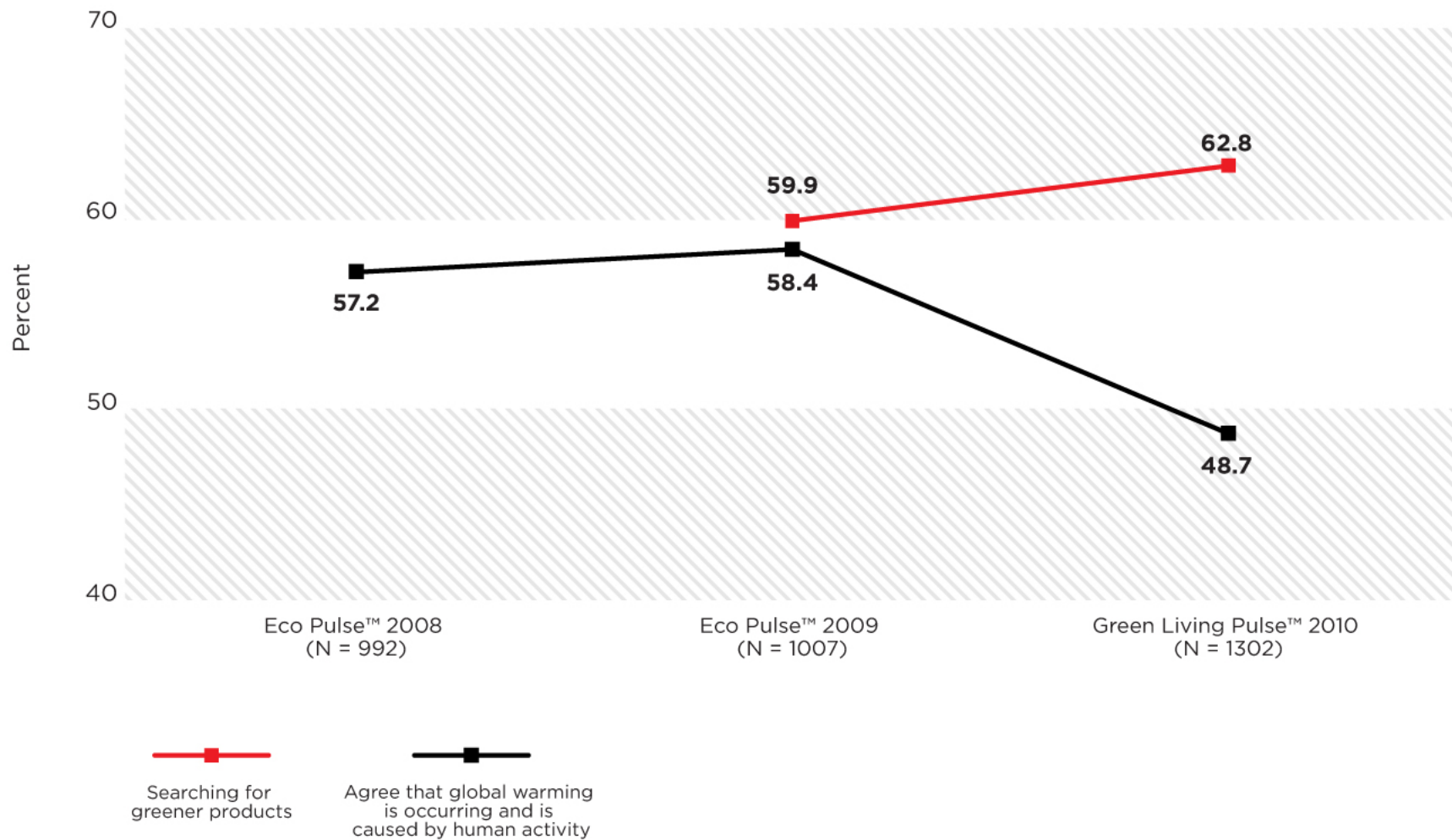
Most people don't go green to save the planet  
and they don't buy energy efficient products just  
to save money

S H E L T O N   G R O U P



S H E L T O N   G R O U P

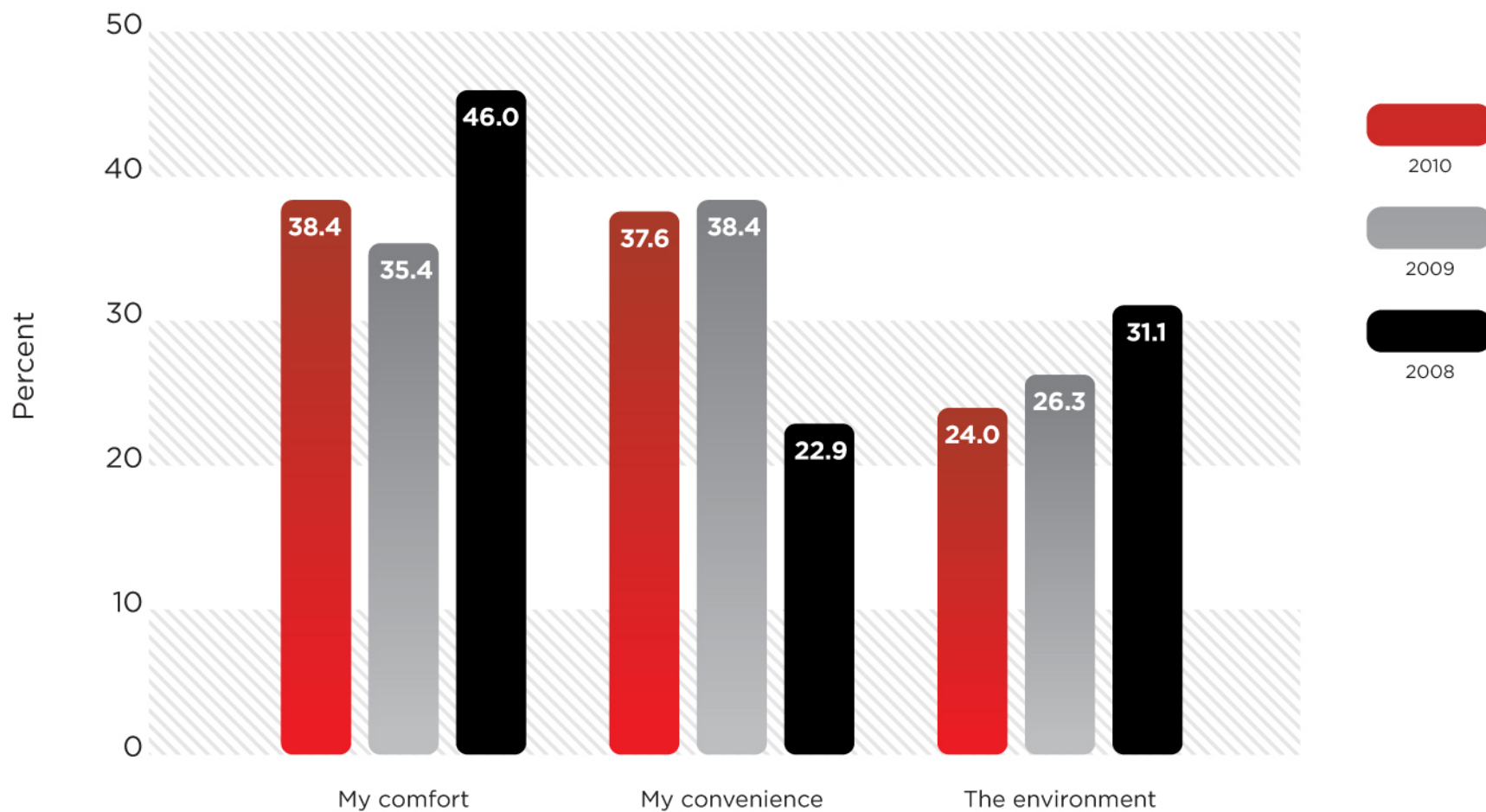
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**Belief in global warming is decreasing, yet more people are searching for greener products.**

greenlivingpulse  
2010

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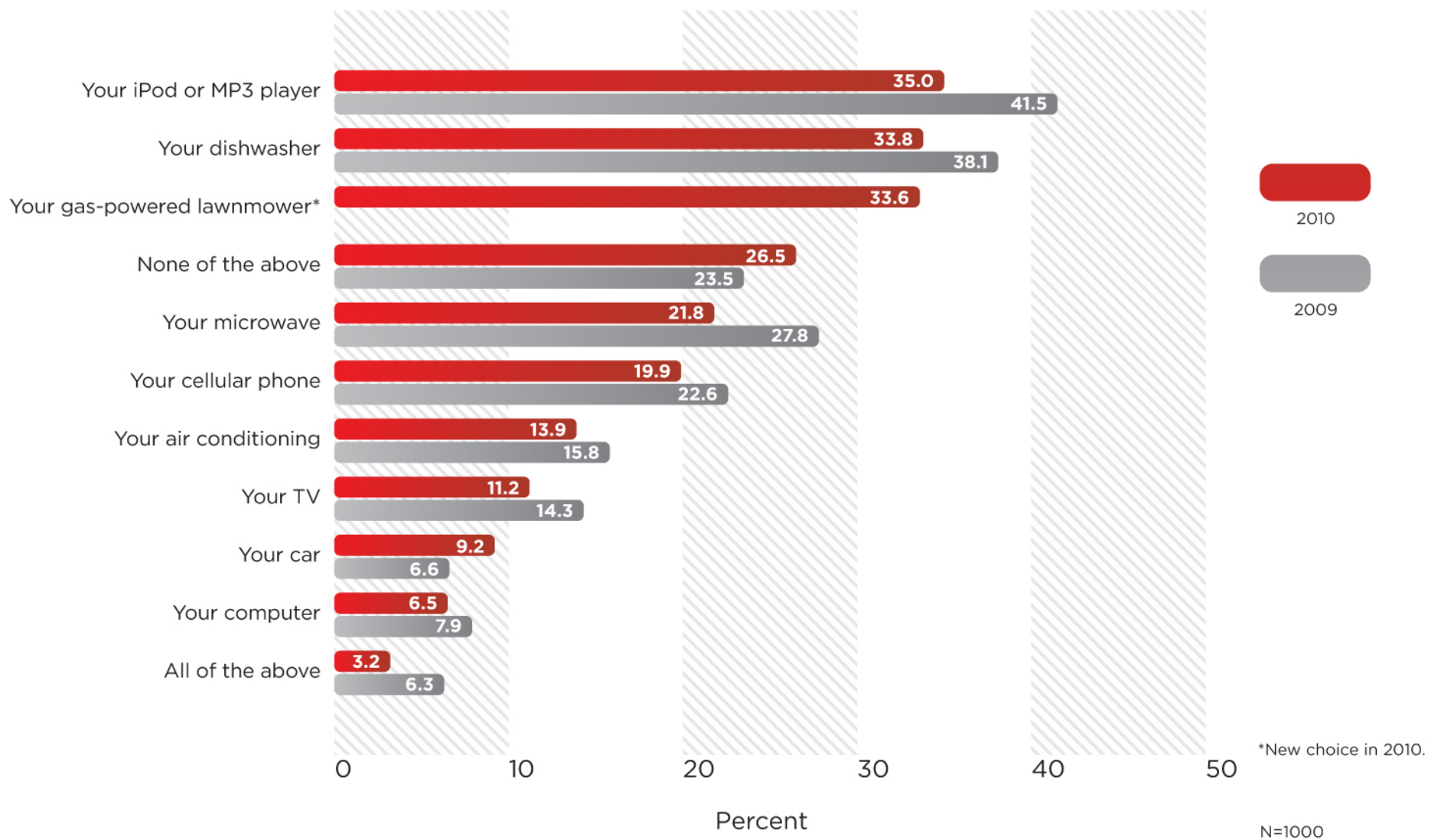


N=1000

**Given a choice between your comfort, your convenience and the environment, which do you most often choose?**

ecopulse  
2010

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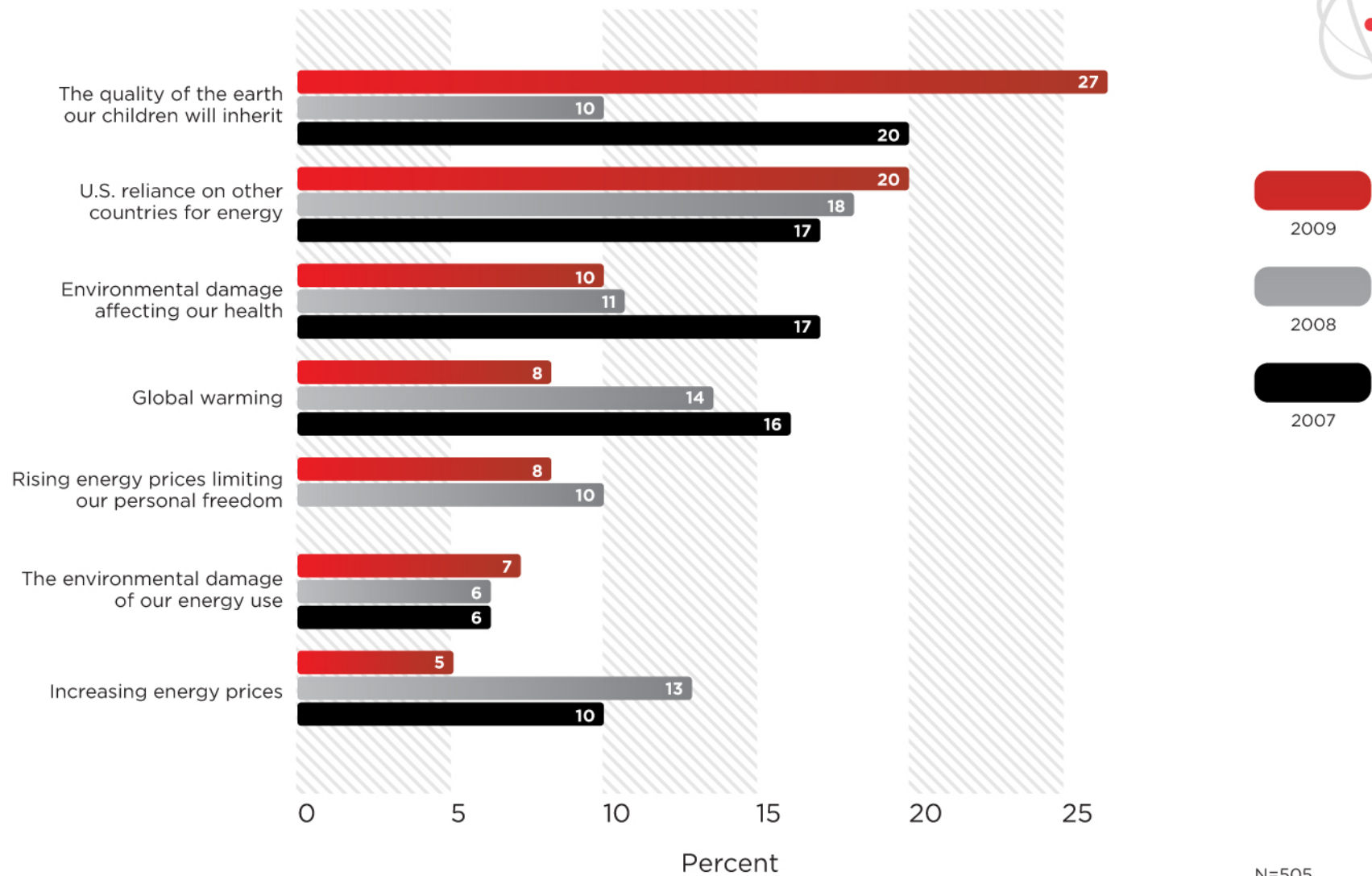


**If you thought it was harming the environment, which of the following (that you currently own) would you give up?**

ecopulse  
2010

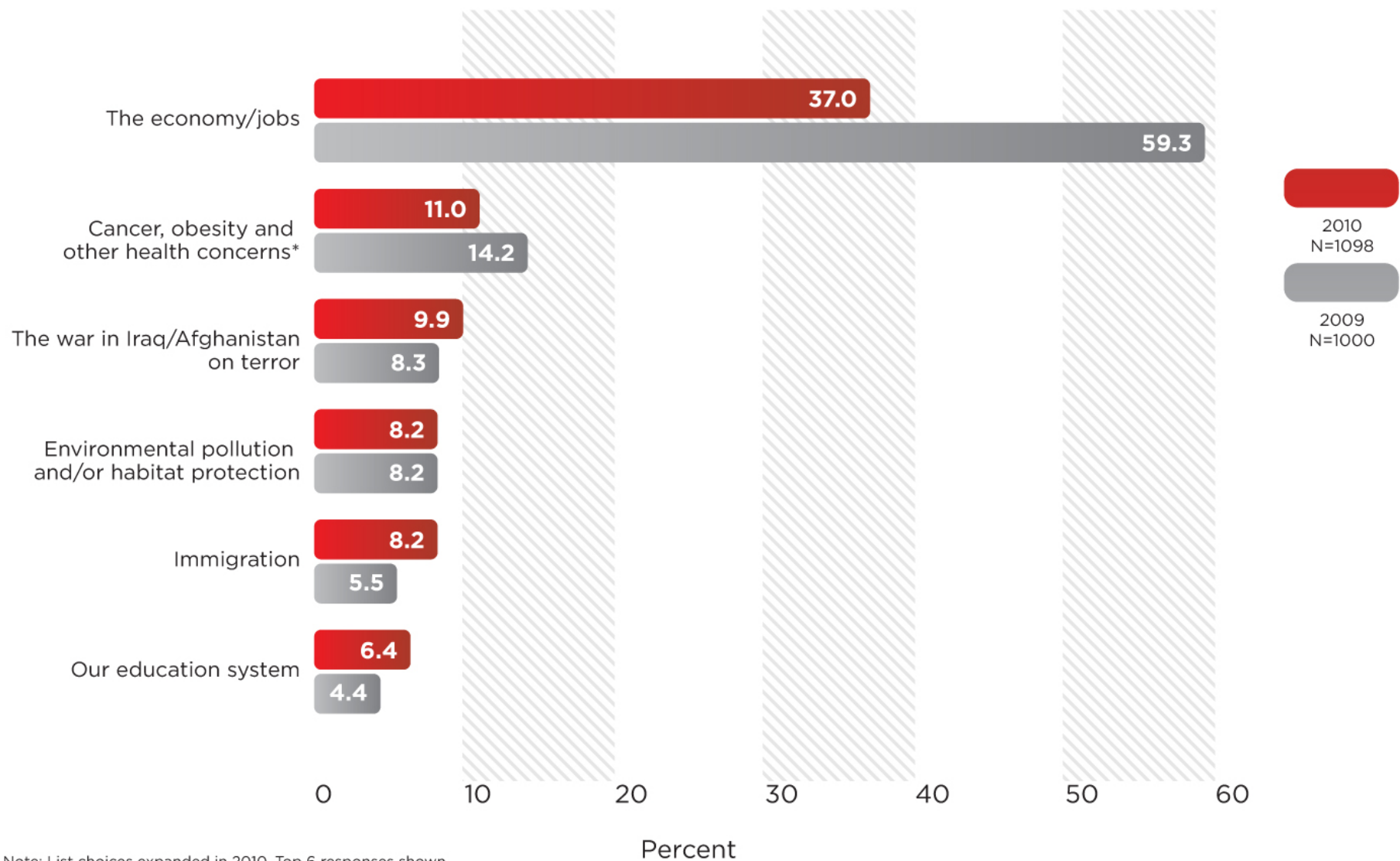
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**Which of the following would be your top concern?**





Note: List choices expanded in 2010. Top 6 responses shown.  
 \* 2009 listed as "Healthcare" in ranking top concerns.

## Top Concerns Sorted by Percent Ranking #1

greenlivingpulse  
2010



You want to appeal to deeper drivers:

Comfort

Convenience

Peace of mind

Control

Fear of wasting

Aesthetics

S H E L T O N   G R O U P





# “DOES THIS BULB MAKE MY BILL LOOK FAT?”

- Julie Moore

Vestibulum eget massa. Cum sociis natoque penatibus  
et magnis dis parturient montes, nascetur ridiculus  
mus. Aenean malesuada. Nulla elementum pede. Cum  
sociis natoque penatibus et magnis dis parturient  
montes, nascetur ridiculus mus.



## ENERGYFIT



# SHRINK YOUR WASTE LINE.

Vestibulum eget massa. Cum sociis natoque penatibus  
et magnis dis parturient montes, nascetur ridiculus  
mus. Aenean malesuada. Nulla elementum pede. Cum  
sociis natoque penatibus et magnis dis parturient  
montes, nascetur ridiculus mus.



## ENERGYFIT



S H E L T O N   G R O U P



# AVOID BAD BILL REACTION



With Vectren's help, you can combat winter's chill and high energy prices. Set your thermostat back five degrees for eight hours a day and save up to 5% on your heating bills.

**Manage your energy use wisely to offset rising costs!**

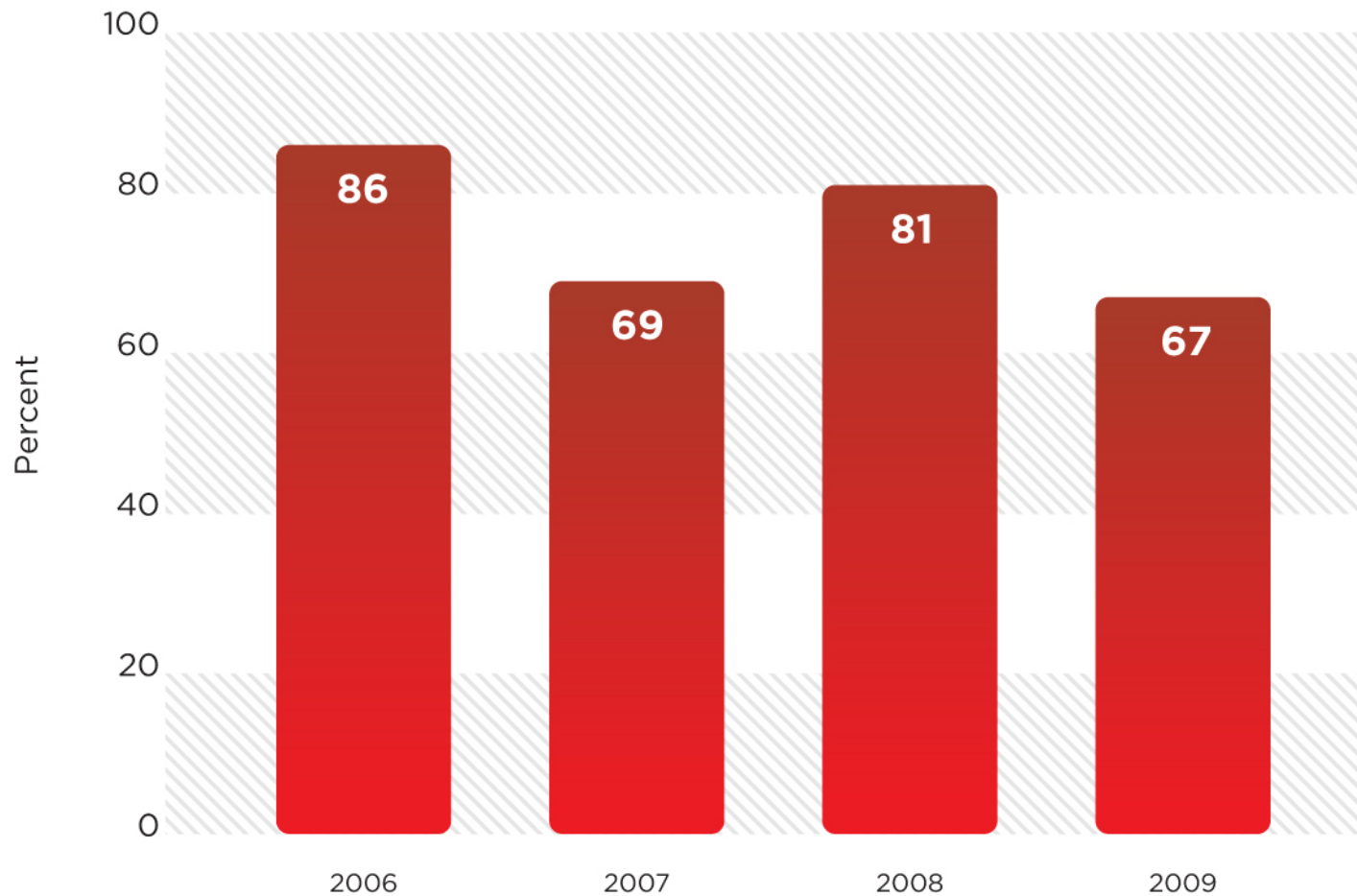


**VECTREN**  
Live Smart

For more information visit [VectrenLiveSmart.com](http://VectrenLiveSmart.com).

Insight Five:  
There's a lot of power in the ENERGY STAR brand

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N=505

**In comparing two homes for purchase, how much would an ENERGY STAR® certification impact your selection decision, assuming other features like price, size, location and major amenities were comparable? (Percentage responding “somewhat” or “very much”)**

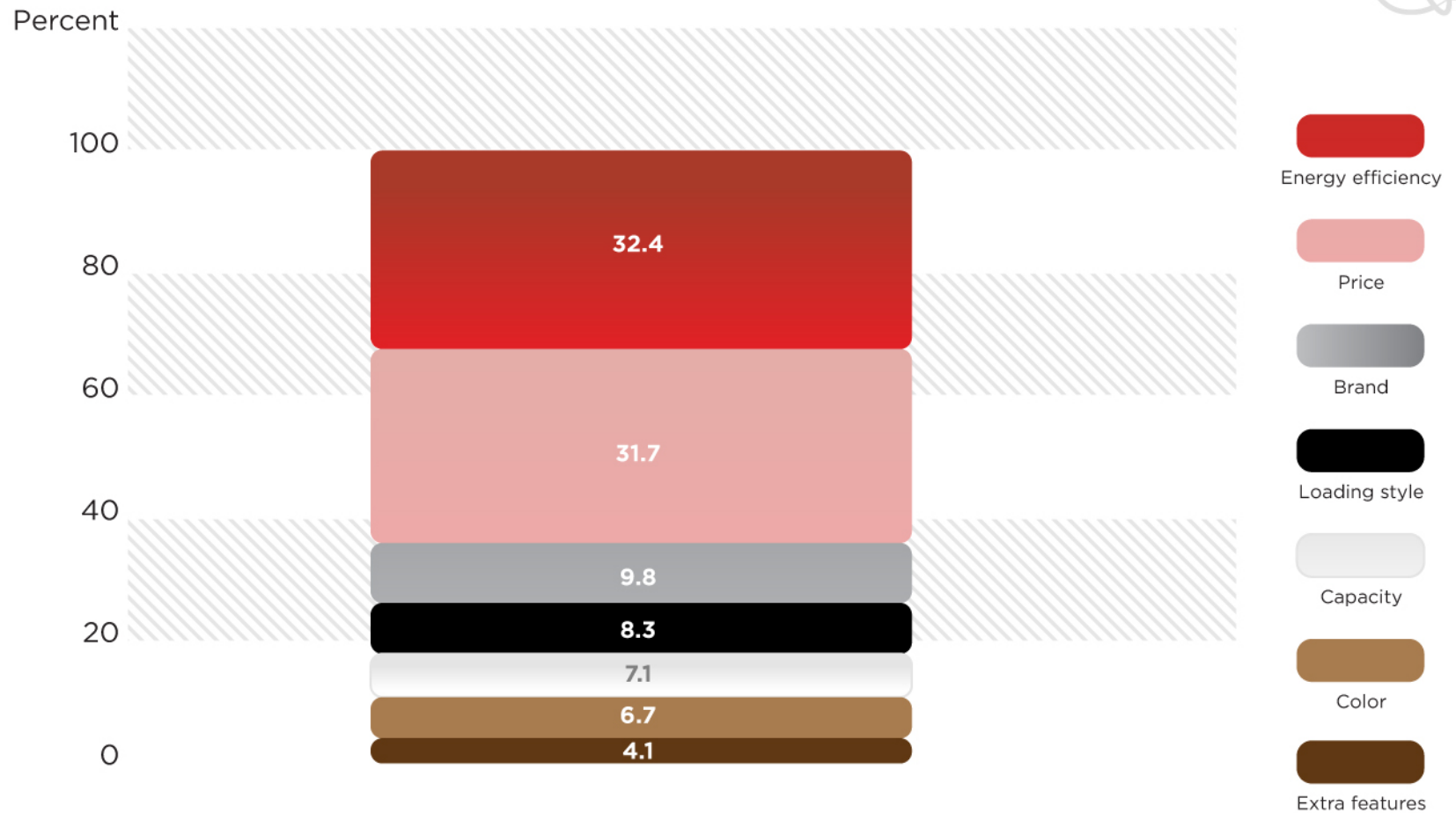


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## Washing Machine Conjoint Analysis

- Capacity: standard capacity and extra-large capacity
- Color: white, silver and black
- Energy efficiency: with and without ENERGY STAR
- Loading style: top-load and front-load
- Extra features: ultra-quiet motor and hand wash cycle
- Brand: Whirlpool®, GE and Maytag
- Price: \$399, \$699 and \$899

S H E L T O N   G R O U P



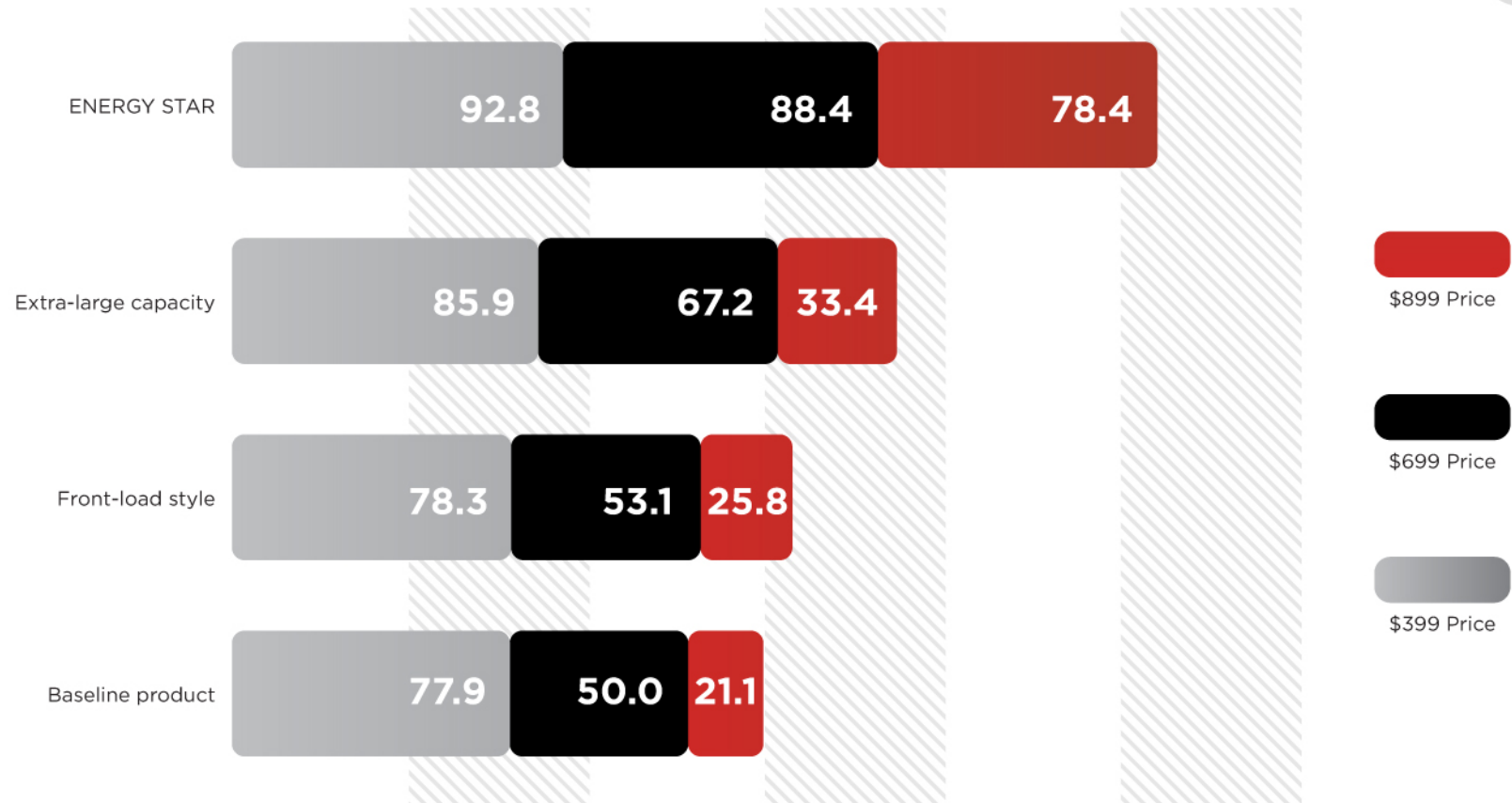
N=879

## Washing Machine Average Feature Importance



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N=879

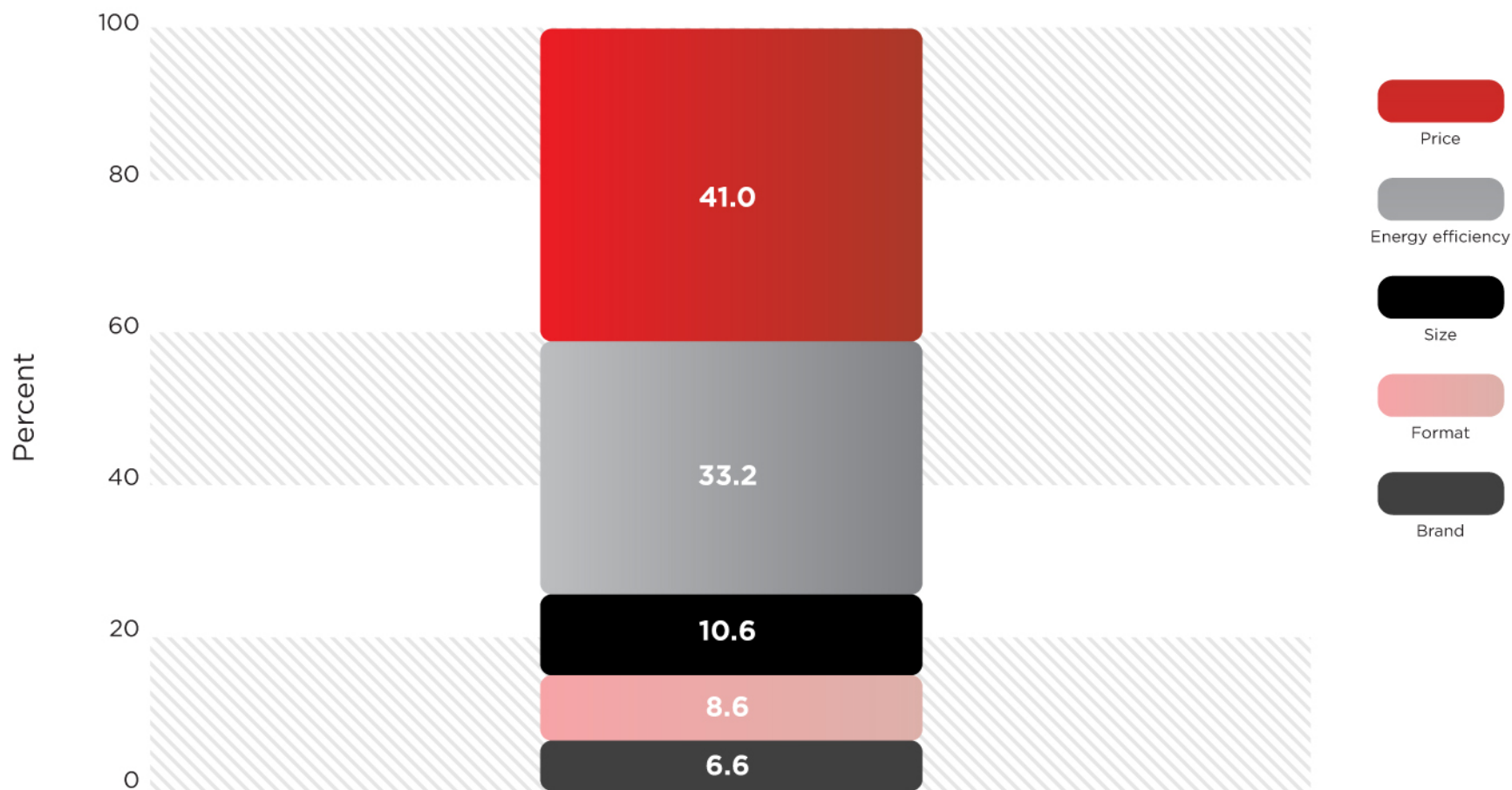
## Washing Machine Simulated Share of Preference at Price Points



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## Television Conjoint Analysis

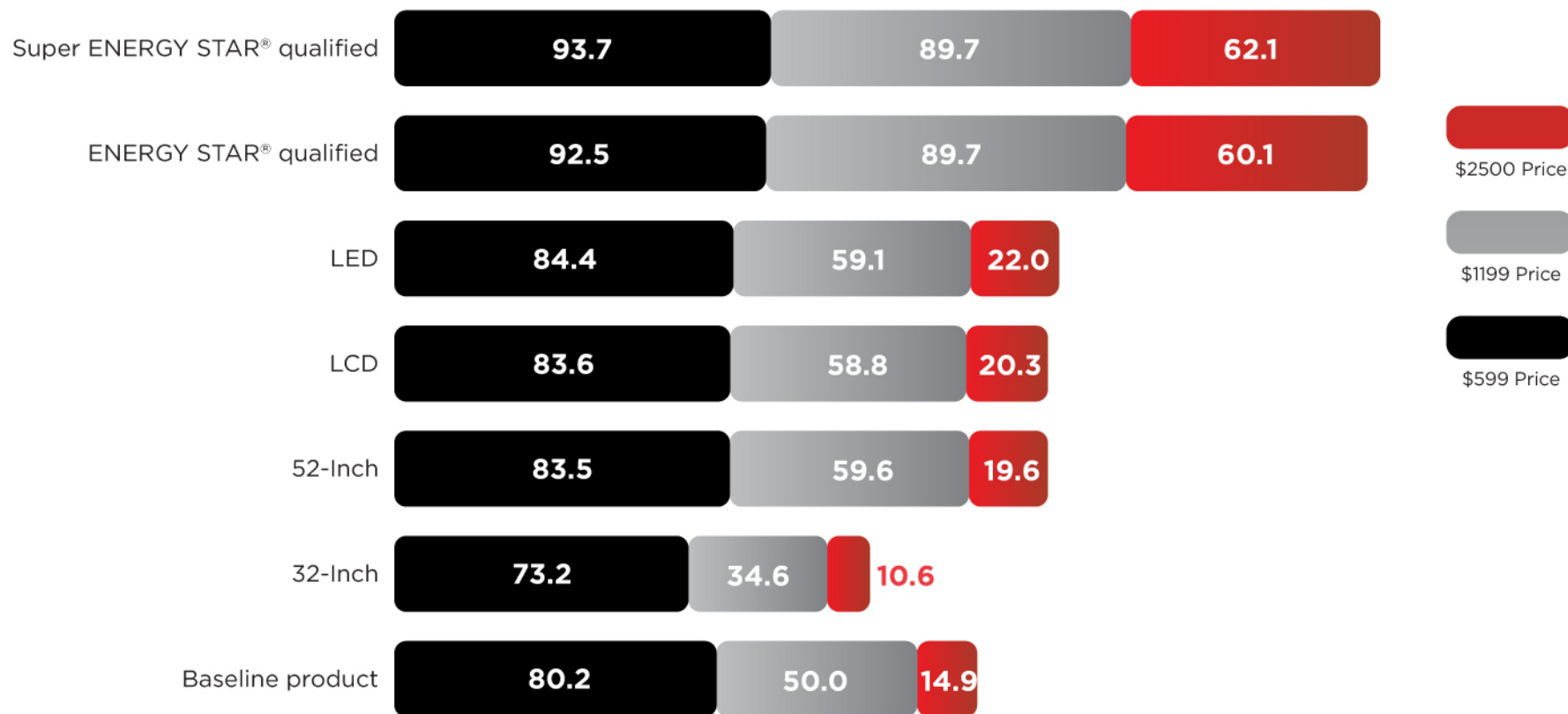
- Size: 52", 42", 32"
- Price: \$599, \$1,199, \$2,500
- Energy efficiency: "Super" ENERGY STAR, ENERGY STAR and no ENERGY STAR
- Format: LED, LCD, Plasma
- Brand: Sony, Samsung, Vizio



N=1000

## Television Average Feature Importance

ecopulse  
2010

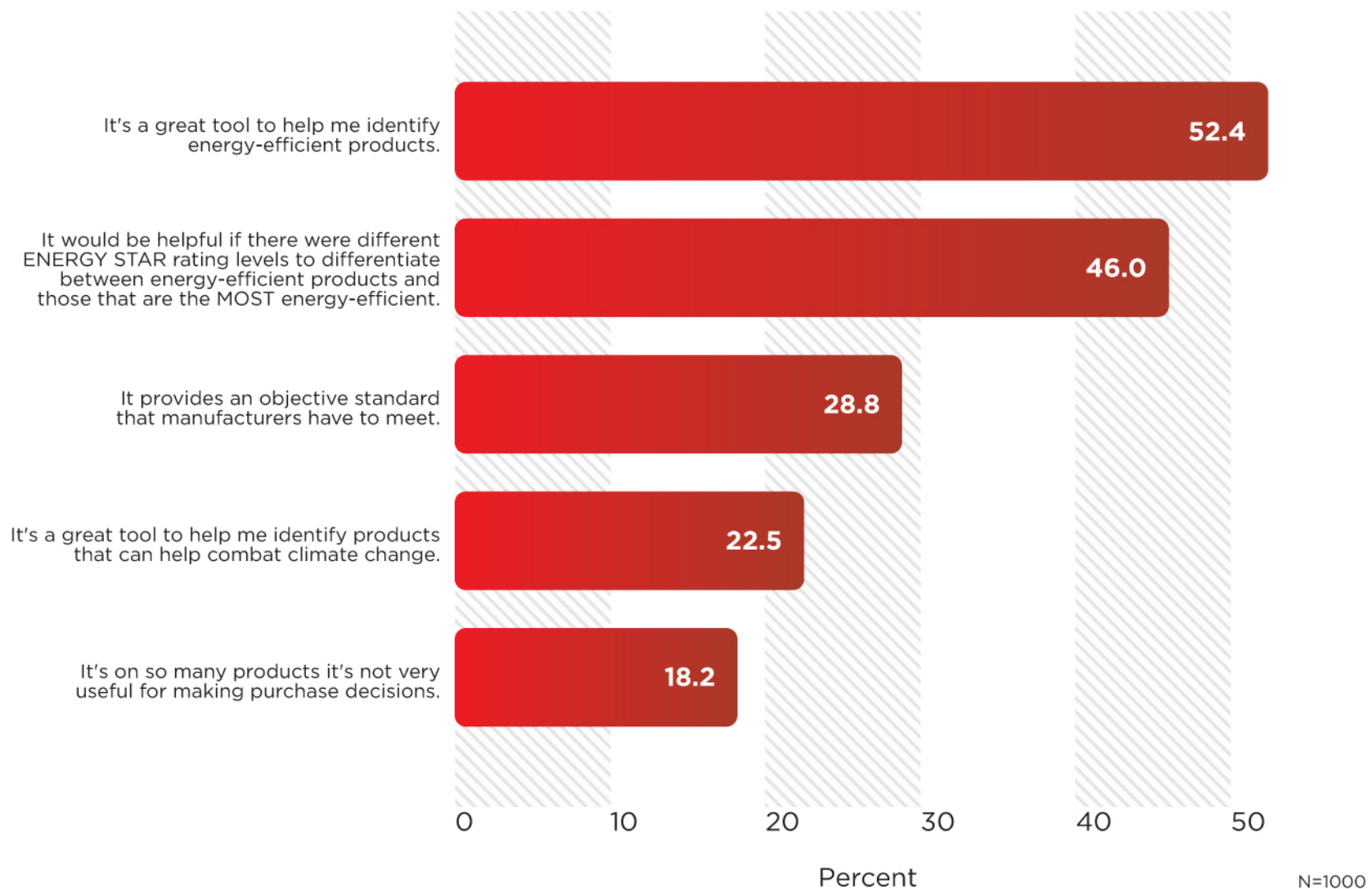


N=1000

## Television Simulated Share of Preference at Price Points

ecopulse  
2010

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**What do you think about ENERGY STAR®?**

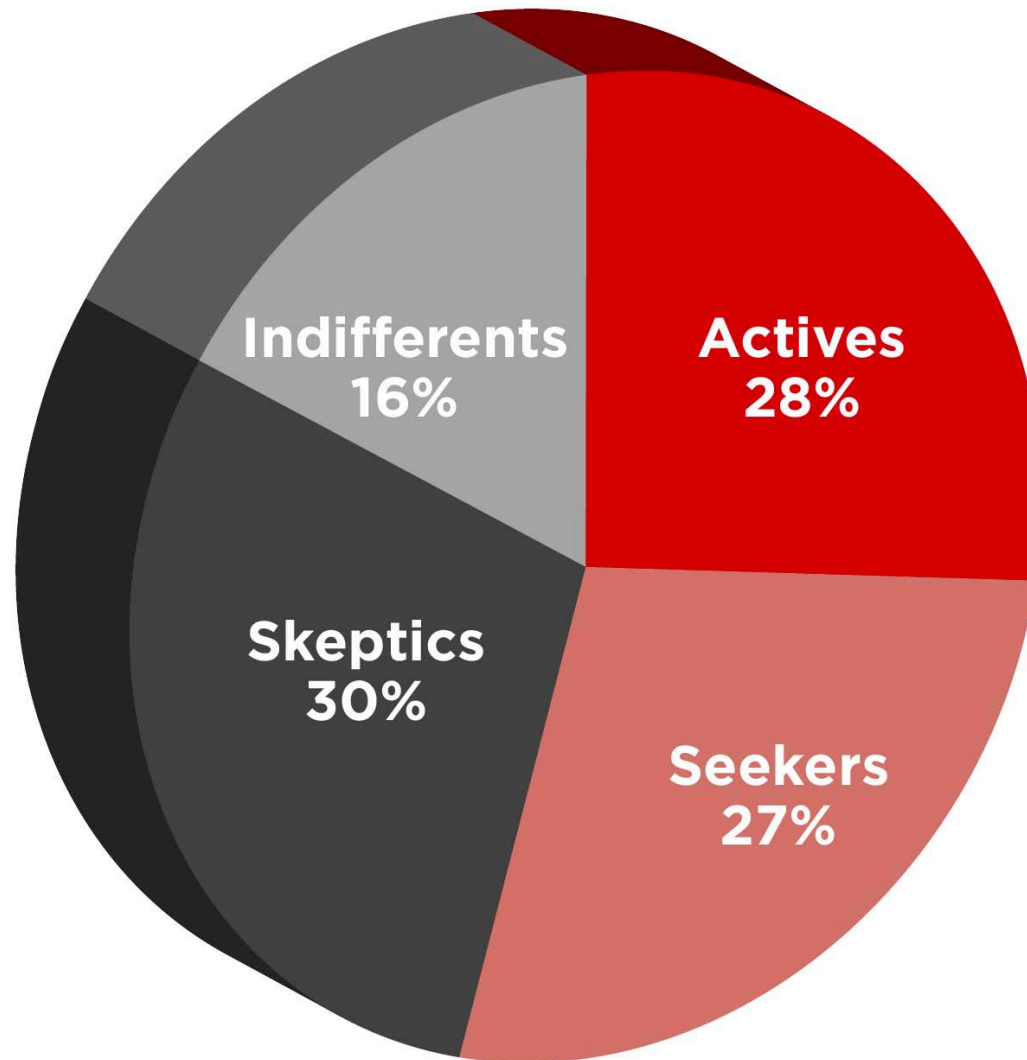
ecopulse  
2010

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## Insight Six:

There's a very specific target audience to focus on

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Green Living Pulse™ 2010 Consumer Segments

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2010

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**Actives: 28% of Americans**

ACTIVES

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2010

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- Somewhat more likely to be female
- Most are age 45–54
- Well educated
- High-income
- Ethnically diverse  
(significant Hispanic population)
- Children living at home

---

ACTIVES

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2010

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**Seekers: 27% of Americans**

SEEKERS

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2010

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- Equally likely to be male or female
- Slightly younger than Actives
- Average education level
- White collar and middle- to upper-income
- Homeowners
- Married with kids at home

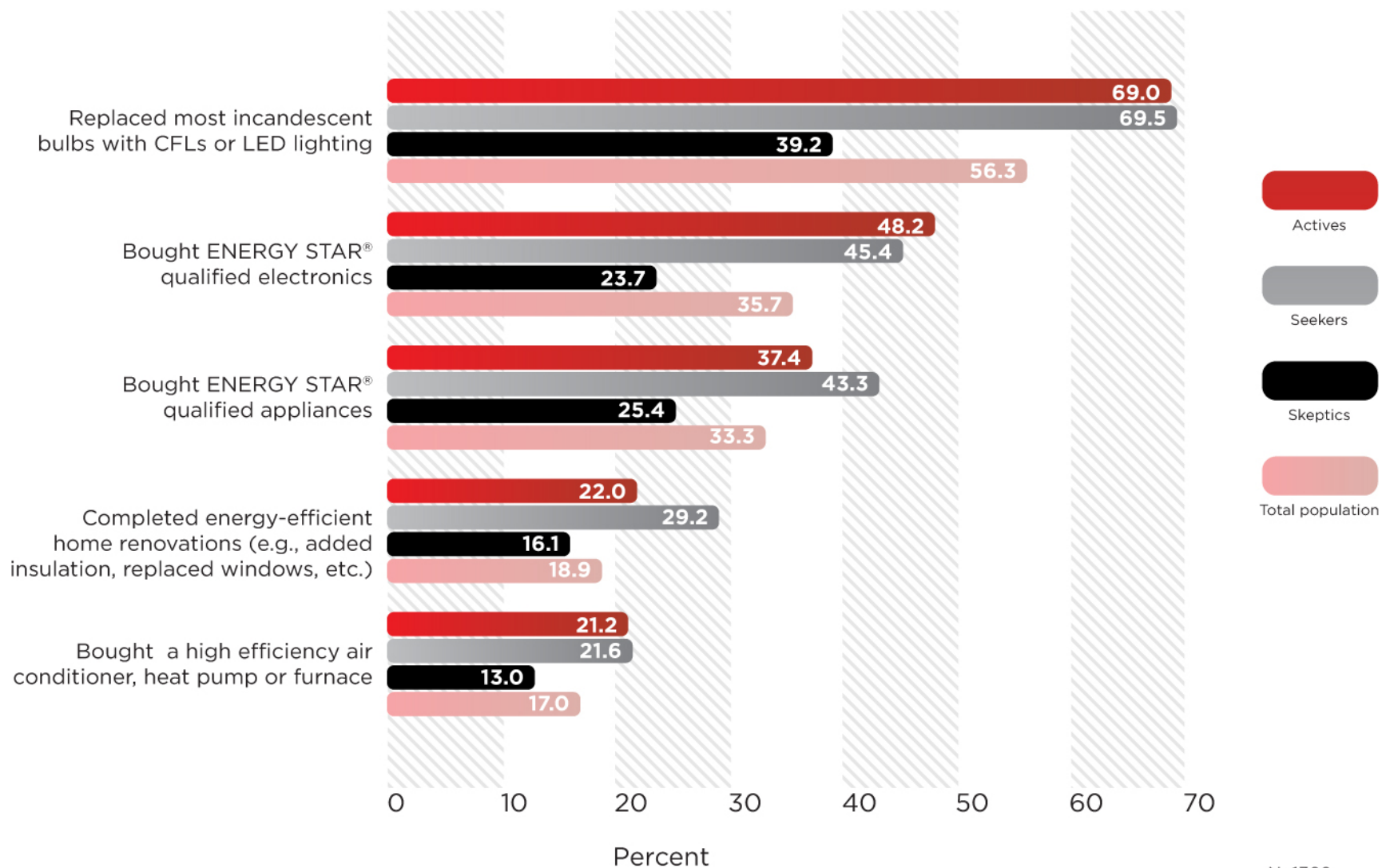
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SEEKERS

greenlivingpulse  
2010

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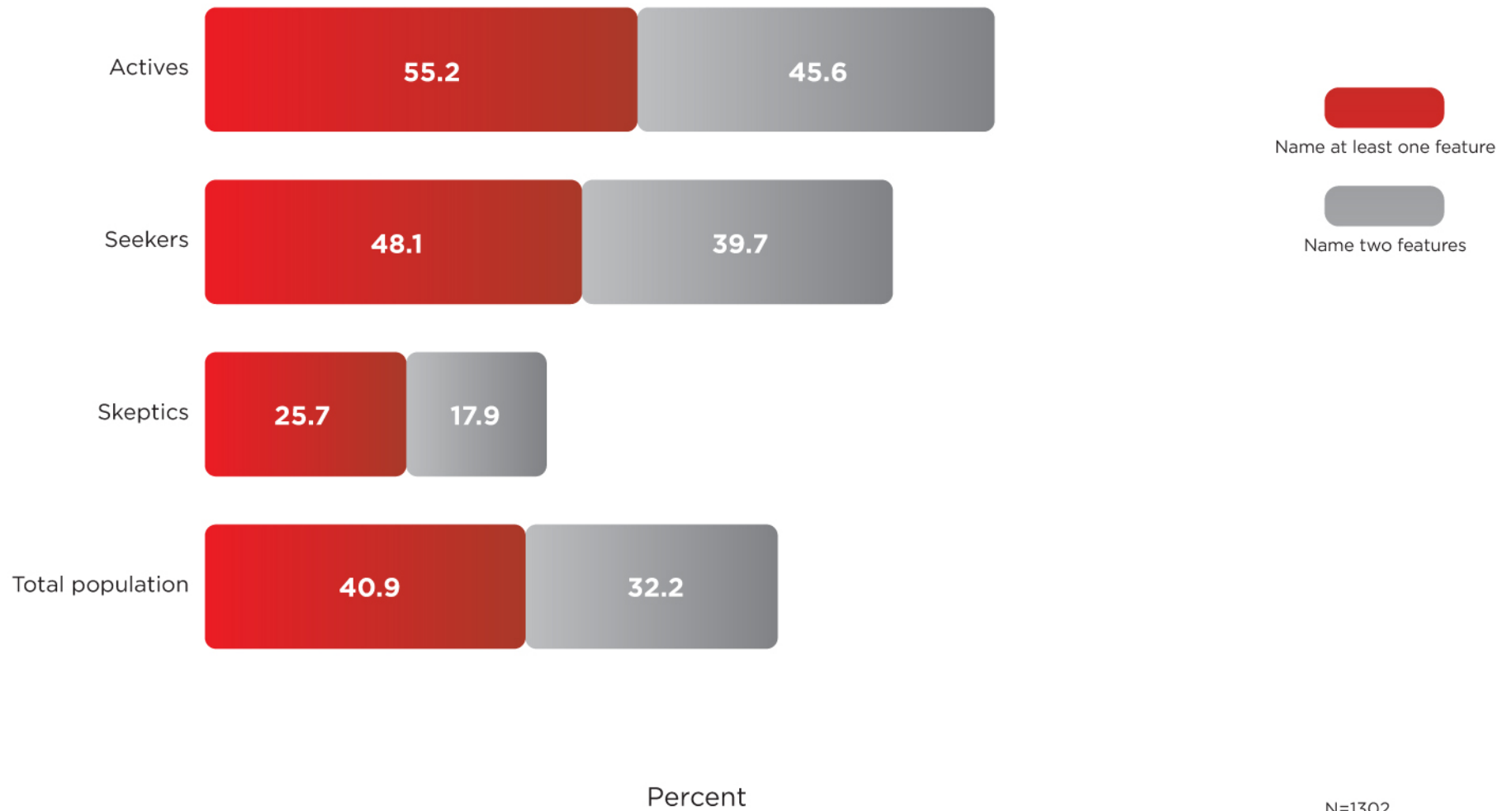


N=1302

**How green is your lifestyle? (Energy conservation home products purchased or improvements made)**

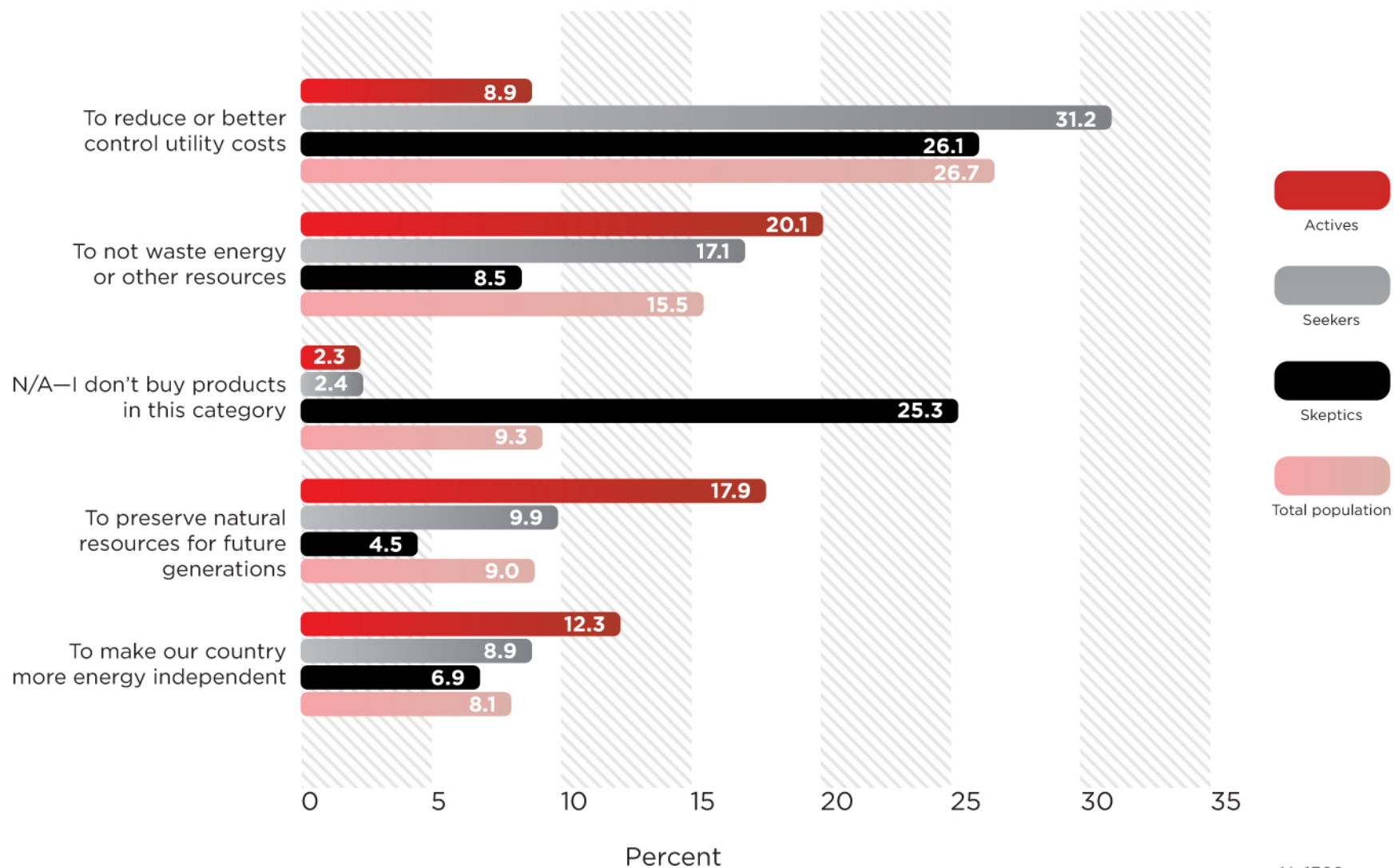
greenlivingpulse  
2010

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Can you name a specific feature a green home would have?

greenlivingpulse  
2010



N=1302

**Please choose the best reason to buy a greener home improvement product.**

greenlivingpulse  
2010

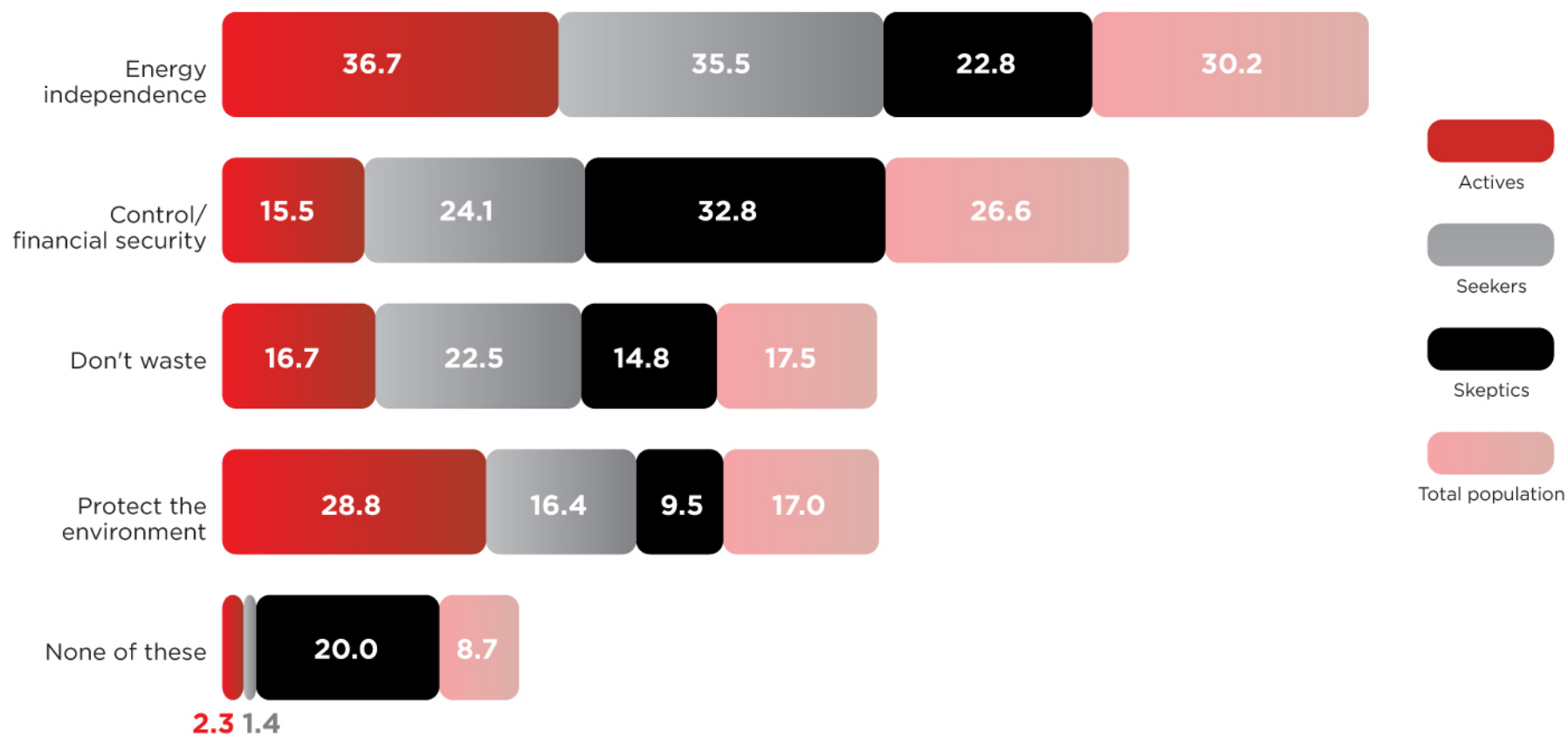
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## Which message would best convince you to reduce your energy use? List of test messages:

- **Control/financial security:** When you make changes to use less energy, you can feel more financially secure since you're better controlling your energy consumption and expenses.
- **Don't waste:** We're living in a time when using less energy is growing in importance. It feels right to be responsible—to do your part and not be wasteful.
- **Protect the environment:** Reducing your energy consumption is one of the most important things you can do to help protect the environment. When you use less energy, you're helping to slow the impact of the climate crisis and conserve natural resources.
- **Energy independence:** Conserving energy is one of the most cost-effective ways to make our nation more energy independent. If we reduce our energy consumption, we reduce our need for foreign oil and more expensive alternative energy sources.
- **None:** None of these messages would help convince me to reduce my energy use.

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Percent

N=1302

**Which message would best convince you to reduce your energy use?**

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2010

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## Conclusions

- On the surface, consumer interest in energy efficiency is strong
- But they know less than you think they do
- It's not enough to get them to think EE is important; importance and action are two different things
- In fact, rational explanations aren't enough to move them -- you must also have an emotional play
- There is a lot of power in the ENERGY STAR® brand
- There's a specific target audience to focus in on and specific messaging they respond to

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# Questions

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Thank you!

Suzanne Shelton  
865-524-8385  
sshelton@sheltongroupinc.com

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