

# Marketing, education and outreach for time-based rates

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Powering forward. Together.



# What we'll cover

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- Marketing and research
- Recruitment strategy, channels and collateral
- Retention efforts
- Lessons learned
- Looking ahead

# Marketing objective

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Encourage SMUD customers to participate in a SmartPricing Options plan by educating them on

- (1) the rate and time-variant pricing and
- (2) the benefits of reducing their energy use during the summer's critical peak periods.

# Recruitment strategy

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Marketing activities included a mix of channels and tactics and a phased approach:

- Phase 1: Pre-recruitment education
- Phase 2: Recruitment
- Phase 3: Retention & notification

# What customers want

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- Industry terms explained clearly (e.g., kWh, peak hours) and examples that help them understand the possible savings involved.
- Specific information about peak hours, examples of ways to conserve electricity.
- Low-cost or no-cost measures that are easy to implement.
- Messages that have a friendly tone and easily connect conservation with saving energy and money, and helping the environment.
- Realistic situations and images in materials. Locations that appear to be in or around Sacramento.

# Language examples

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- **What's a kWh?** A kilowatt-hour (kWh) is the term used to measure the amount of electrical power used in one hour. Kilowatt-hours are what the electric meter on the side of your house measures. This is the basis for calculating your monthly electric bill.
- **Off-Peak Hours:** Off-peak hours are Monday through Friday before 4:00 p.m. and after 7:00 p.m., all day on weekends, July 4th and Labor Day. That means that 90% of the time, you get a discount.
- **Energy saving tip:** Use less electricity during peak hours by shifting when you use (like doing laundry after 7:00 p.m.) or by reducing your overall usage (powering off your TV when you're not watching).

# Mass media campaign

## Web ad

Would you like to save money on next summer's electricity bills?



[Learn More](#)

You may be able to save if you can reduce your electricity use between 4 p.m. and 7 p.m.



## Print ad

Would you like to save money on next summer's electricity bills?

You may be able to save if you can reduce your electricity use between 4 p.m. and 7 p.m.

SmartPricing Options are being offered to a small group of randomly selected SMUD customers for a limited time. If your home is selected to be part of this pilot, you'll be among the first to take advantage of new pricing and tools that will let you take control of next summer's electricity bills. You'll also reduce the impact of electricity use during peak hours.

To find out if your home was randomly selected to participate in this pilot, visit [smud.org/smartpricing](http://smud.org/smartpricing) or call 1-855-736-7655.



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## Landing page

SMUD Home Page Log in to SMUD Account



Would you like to save money on next summer's electricity bills?

**Why Saving Electricity During Peak Hours Is Important**

All energy is not created equally. During the summer months, and especially during weekday late afternoon and early evening hours, the demand for electricity soars.

To meet this higher demand, we often have to buy energy from very expensive and less environmentally friendly sources. The high costs are absorbed by all of us, but the environmental costs affect the entire planet. By reducing electricity use during peak periods, we can avoid purchasing less desirable forms of energy.



[See if You Were Selected](#)

You may be able to save if you can reduce your electricity use between 4 p.m. and 7 p.m. during the summer.

SmartPricing Options are being offered to a small group of randomly selected SMUD customers for a limited time. If your home is selected to be part of the initial pilot, you'll be among the first to take advantage of new pricing and tools that will let you take control of next summer's electricity bills.

Half of the customers whose homes were randomly selected will be eligible to participate the summer of 2012. The other half will be eligible for the plan the summer of 2014.

To find out if your home is randomly selected to participate in SMUD's SmartPricing Options, click the button below. You'll need to complete the enrollment information to get your participation date.

Questions? Call us toll-free at 1-855-736-7655.

# Recruitment results

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- 16% -18.8% enrollment rate for opt-in pricing plans (goal was 15%)
- 94%-98% for opt-out (default) pricing plans (goal was 50%)
- 107- 120% of our enrollment goals!

# Customer Communication

Letter mailed 60 days  
before rate is effective



Follow up postcard mailed 30  
days before rate is effective



Educational website



Welcome letter and magnet mailed month that rate is effective



# Welcome packet

## SmartPricing Options Welcome Packet

Everything you need to keep cool  
and save money this summer!



SMUD

### Electricity Use Display

### Peak Hours and Conservation Days

### SMUD SmartPricing Options Discount Card

### Energy-Saving Tips

### Messages by Text

### Welcome

Welcome to the **Optimum Off-Peak Plan!** Your new electricity pricing plan is effective this summer – June 1 through September 30, 2013. This welcome packet is full of tools and tips to help you – and everyone in your home – better manage your electricity usage and save money on your energy bills all summer long.

#### These tools include:

- A magnet for your washer or dryer that reminds you to do laundry during off-peak hours
- A refrigerator cling with energy-saving tips
- Recipe cards – scan the code to link to kitchen tips videos!
- A discount card for local businesses



As a participant in SMUD's SmartPricing Options, we'll contact you periodically for surveys. These surveys may be by phone or email.

If you have any questions, you can speak to a SmartPricing Options representative at 1-855-735-7655 or send an email to [smartpricing@smud.org](mailto:smartpricing@smud.org). You can also visit [smud.org/optimumoption](http://smud.org/optimumoption).

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## SmartPricing Options Discount Card



Businesses located in the Blackberry Balsamic Salmon area have been making food so good for dinner for over 20 years. With a dinner chef for evening hours, you can find the best in the California-Mexico-Aztec Blend. Chef's Choice: Beef, National Honey-Baked, Battered, Grilled, Dishes and More. Discover our recipes and how to prepare or how to cook the best dishes. Since 2008, we have been the Food Editor for King's Quest magazine. Something here. They have partnered with us to provide you with great and easy meal ideas that use fresh ingredients. Enjoy!



Take the heat out of your kitchen and put your grill to work or serve cool dishes that can be prepared in advance. Enjoy dinner outside with friends and family. The recipes included in this package can help save energy, money and time – especially between the peak hours of 4:00 p.m. and 7:00 p.m.



For more energy-saving ideas, tips and tricks, scan this code with your smartphone.



Blackberry Balsamic Salmon

SMUD



Curried Bean and Eggplant Stew

SMUD



Grilled Chicken with Florentine Mashed Potatoes

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Mexican Beef Salad with Mini Jalapeño Corn Muffins

SMUD

## Remember!

Start your laundry  
before 4 p.m. or after 7 p.m.



For more ways to save, visit  
[smud.org/optimumoption](http://smud.org/optimumoption)

SMUD

## Energy Saving Tips

Little Things. Big Potential.

- ❄️ **Set your air conditioner thermostat to pre-cool your home before 4:00 p.m. and use fans to help cool your home. Also program your thermostat a few degrees higher from 4:00 p.m. to 7:00 p.m.**
- 🪟 **Close curtains and blinds on windows that get direct sun.**
- 🧺 **Do laundry, ironing, vacuuming, dishwashing before 4:00 p.m. or after 7:00 p.m.**
- 🔥 **Use your grill or serve cool dishes prepared in advance. Enjoy dinner outside with friends and family.**
- 🎲 **Do activities that don't use energy, such as board games or playing with water toys outside, to save energy during peak hours.**
- 💻 **Shut off all electronic devices not completely in use. Even a sleeping computer or TV set uses energy.**

For more ways to save,  
visit [smud.org/optimumoption](http://smud.org/optimumoption)

SMUD



# Retention goals (first summer)

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- At over 100% of our retention goals in all but one treatment group.
- Most drops are due to customer moves.
- Attrition is at 8% for opt-in groups and 10% for opt-out groups.
- Load shed
- Not much difference between opt-in and opt-out

# Lessons learned

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- Communication
  - Focus on benefits, e.g., off-peak rather than peak when describing the rates
  - Robust marketing packets with complete program details, “call to action” and easy enrollment tools
  - Use a mix of channels: Mail, web, social media, phone, text.
- Ongoing education is key to retention and behavior change.
- Research is critical before launch, and on an ongoing basis for continual improvement.

# Lessons learned (Yes, there's more!)

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- On Facebook, customers are more responsive to simple Q&A type contests.
- When customers understand goals, it increases satisfaction.
- Focus on the benefit to the customer.
- Eliminate the Welcome Back letter and just send the Welcome Back Kit. The letter generated drops from the program.
- Boost website traffic by starting the summer with a big promotion, like The Home Depot Grill Sweepstakes.
- Poll customers to find out what's meaningful to them.

# Looking ahead

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Our RTOU efforts are utilizing findings from SPO pre/post recruitment research and marketing strategy

- Define recruitment strategy – default vs. opt-in
- Highlight positives of rate plan, ability to potentially save \$\$, better understanding and control of electricity usage
- Help customers make the connection between reducing electricity use during peak, and the community/environment
- The importance of regular communication and ongoing education for our customers

# Research is a key component

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- Measure customer/employee **comprehension** of rate plans based on simple plan descriptions/graphics.
- Identify their **initial preference** among rate plan alternatives and their reasoning.
- Explore customer understanding of **behavior changes** and their ability/willingness to engage in these behaviors.
- Gauge customer/employee understanding and reaction to **information, graphics and naming conventions**.
- Identify customers' /employees' **informed preference** among rate plan alternatives and their reasoning.

# Discussion

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- Are there any unique challenges your utility is facing?
- What creative approaches are you taking to reach your customers?
- What hurdles are you facing in educating and communication with your customers?

# Additional resources

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- SmartPricing Options reports
  - [Interim evaluation](#)
  - [Final evaluation](#)
- SmartPricing Options website example
  - [smud.org/smartvalue](http://smud.org/smartvalue)

# Contact information

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