Building the ENERGY STAR Brand

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Early Background

- In the late 1980’s EPA was looking for ways to reduce greenhouse gas emissions
- EPA focused on energy use because it was a large contributor to emissions and a lot was being wasted
- Utilities across the country were creating their own rebate programs with inconsistent standards
- Solution: EPA decided to create a national program, ENERGY STAR, to help manufacturers market and consumers identify energy-efficient products
• GOAL: Reduce greenhouse gas (GHG) emissions through large win-win-win opportunities with today’s energy efficient technologies and practices.
• Achieve 30% savings possible in many buildings, homes, and facilities
• Provide credible information to buyers
• Work with the marketplace to capitalize on motivations of individual actors

Builds Upon Intersection of Interests

- Cost-effective
- No Sacrifice in Performance
- Govt backed

Consumer is Key
Launch: 1997-2000

Money Isn't All You're Saving

Branding Continuum

- Awareness
- Understanding
- Relevance
- Differentiation
- Satisfaction
- Loyalty
Launch: Goals and Objectives

• What are the communications goals/objectives?
  – Create consumer awareness of the ENERGY STAR label
  – Create consumer understanding of the link between energy consumption and air pollution

Launch: Target Audiences

• Who is the target audience?
  – Environmentally receptive adults
  – Female skew
  – Age 25-54
  – College education
  – HHI 50K+
  – Reside in one of 28 target markets
Females continue to outpace males in actions to help the environment.

### Launch Target Audiences: Gender

- **Make effort to buy energy-efficient products**: 44% (Male), 56% (Female)
- **Strong effort to recycle**: 42% (Male), 58% (Female)
- **Try to use recycled packaging**: 38% (Male), 62% (Female)
- **Contributed to environmental cause**: 43% (Male), 57% (Female)

American adults are more likely to be involved in some sort of environmental activity* at ages 35 and above than the population at large.

### Launch Target Audiences: Age

- **18-24**: 75, 80
- **25-34**: 100
- **35-44**: 111
- **45-54**: 108
- **55-64**: 116
- **65+**: 116

*American adults who said they look for energy-efficient products, recycle regularly, look for products with recycled packaging, or contributed to an environmental organization.
Adults who attended college or above are more likely to participate in some sort of environmental activity* than the population at large.

*Average index against: All adults who look for energy-efficient products, show a strong effort to recycle, use products with recycled packaging and contribute to environmental organizations.

Launch Target Markets

Markets Chosen By:
- Environmental receptivity
- Population density
- Fuel consumption
- Utility rates
- Air pollution
Launch: Main Message

- What is the campaign’s main message?
  Home energy use causes air pollution. By selecting the ENERGY STAR label you can save money and help protect the environment.

- What is the personality of the brand?
  - Smart
  - Credible
  - Easy
  - Important
  - Approachable

Launch: Partners

- Are there any partners that can help leverage campaign resources and/or carry campaign message?
  - PSA directors at media outlets
  - Private Companies with large consumer reach
  - NGOs in target markets
  - Local Utilities
  - ENERGY STAR product manufacturers
  - Retailers
Launch: Marketing Mix

- What combination of communications will impart the greatest impact to our target?
  - PSA advertising
  - Editorial marketing
  - Corporate partnerships
  - Specialized story placement
  - Fulfillment

Launch: PSA Advertising

- TV, radio and print
- Locally important and relevant
- Sponsoring agency is a non-profit or government agency
- Sponsoring agency has never paid for advertising in the past
- High quality creative
- Variety of lengths/sizes
Launch PSA Campaign: Print


Launched in the United States, the ENERGY STAR program helps businesses and individuals save money and protect the environment by promoting energy efficient products and practices. The program aims to reduce greenhouse gas emissions, improve public health, and enhance the quality of life for future generations.

Launch PSA Campaign: Print


Refrigerators that carry the ENERGY STAR label come with a unique build to enhance energy efficiency. By using this vital option on refrigerators, we can also save the environment. If you want more details, call 1-800-426-7349.
Launch TV PSA

- “Outdoors”

Launch Media Relations

- Factoid: Did you know that the average home pollutes more than the average car?
- Launch media tours to 28 target cities
- National news media outreach
- Glossy/long lead time publication outreach
- EPA/DOE spokespeople
- Ongoing pitching
Launch Corporate Partnerships

• Research up-front
• Customized pitches
• Flexibility to integrate with corporations’ existing plans

Launch Partnerships: McDonald’s

Results: 80 million cups and 75 million bags carried the ENERGY STAR story during the month of April
Launch Story Placement

Specialized story placement with:
• Home Again with Bob Vila
• Beach Boys
• Yahoo!

ENERGY STAR Launch Results

Campaign Results:
• National label recognition grew from almost zero to 27% in just 18 months. By 2000, national recognition exceeded 41%.
• Equivalent ad value of $46 Million
• More than 2.4 billion impressions
• 500 news stories
• TV PSA has aired 33,000 times
• Partnerships with McDonald’s, Kinko’s, Blockbuster, Safeway and the Beach Boys
Recent History: 2000-2011

Expanded ENERGY STAR Strategies

Residential

Labeled Products
-- 60+ products / 2000 manufacturers
-- 10-60% more efficient

Labeled New Homes
-- 20-30% more efficient

Home Improvement Services
-- beyond products
-- ducts / home sealing
-- whole home retrofits

Commercial / Industrial

Corporate energy management
-- benchmarking, goals, upgrades
(mgmt & systems --not widgets)
-- whole building labeling for excellence
--technical assistance

Labeled Products
-- for plug load, not system components

Industrial
Small business initiative

International partnerships – Canada, EU, Japan, etc
Branding Continuum

- Program achieves long-term loyalty
- Target is satisfied experience, driving long-term loyalty
- Target purchases an ENERGY STAR product
- Target becomes aware of ENERGY STAR
- Comes to understand the importance of using energy efficiently
- Develops personal connection with ENERGY STAR

Updated Target Audience

- Campaign Launch focused on low-hanging fruit
- Move to focus on influencers (LOHAS Consumers)
- Mainstream consumers
- Consumers defined by product category (e.g. appliances, home electronics etc.)
Updated Marketing Mix

• What combination of communications will impart the greatest impact to our target?
  – National Media Relations
  – Social Media
  – PSA advertising
  – Retailer Partnerships
  – Corporate Partnerships
  – On-line Marketing & Tools
  – National Campaigns
  – Youth Partnerships

Media Coverage
Media Coverage


Social Media

• Blogathon
• Video Competitions
• Facebook
• Twitter
TV PSA

- “Mark & Suzanne”

Print PSAs

“Profiles” Campaign
Corporate Partnerships

Intel ad (ran in Wall Street Journal, USA Today, InfoWeek, PC Week)

Starbucks cup sleeve (In all stores April, 2004 for Earth Day)

On-line Content Placement
On-line Tools

• ENERGY STAR @ Home

• Podcasts

• Earth Day Giving Tree

National Campaigns: CFLs

• CFLs market share increasing – approaching 10% in some regions of the U.S.

• More than 1 million people have pledged to change a light

• 21 day coast to coast bus tour – launched at Disneyland and ended on Today show

• 12 partner-sponsored consumer events; 4 media events
National Campaign: Buildings

- Pitted 14 commercial buildings against one another in an energy-saving competition to “work off the waste”
- Video podcasts featuring Biggest Loser’s Bob Harper provided tips and announced the winner
- Contestants each talked about progress/challenges on campaign microsite and Twitter
- Results:
  - 44 million Btu saved
  - $950,000 reduction on energy bills
  - 150 media hits, 6 million impressions
  - MSNBC, WSJ, Marketplace, NYT, USA Today
- Launched year 2 on Earth Day 2011

Youth Partnerships

Why Youth?
- Able to understand concepts of climate change
- Receptive to empowering messages
- Developing personal set of purchase and behavior criteria
- Still deeply engaged with family, able to spur broader dialogue/influence behavior change
Youth Partnerships for 2009-11

Boys and Girls Clubs – Service Learning energy efficiency projects.
More than 100 clubs participating

PTO Today doing “Go Green Nights” at elementary schools across the nation: Thousands of schools in all 50 states participating

Youth Partnerships for 2009-11

Partnership with Dr. Seuss Foundation: Lorax and Horton speak on behalf of ENERGY STAR

Teen action organization Do Something worked with ENERGY STAR to launch eMission: a Facebook game about energy efficiency. 50,000 teens playing for scholarship dollars
ENERGY STAR Results

• In 2009 alone:
  – 200 billion kWh saved. 5% of U.S. electricity demand
  – Reduced carbon equivalent to taking 31 million cars off the road
  – Saved Americans more than $17 Billion on their utility bills
• Label awareness at 77%
• 81% high understanding of label, only about 12% understand environmental benefits
• 63% say the label influenced a purchase decision
• 80% likely to recommend to a friend
• More than 15,000 partners
  – National retailers and manufacturer partners actively promoting ENERGY STAR (e.g. Sears, Home Depot, Whirlpool)
• More than 3 Billion ENERGY STAR products sold
• Second most trusted label in the U.S.

Brand Influences Product Purchases

Source: Fairfield Research, Summer 2007
Future: Building Loyalty Through Engagement

- Continue to evolve the brand to be the trusted resource for information about energy efficiency
- Further build a base of loyal advocates that help carry the ENERGY STAR brand and program messages to their friends and families
- Change message strategy to focus on environmental attributes of the brand – let partners carry energy efficient and cost saving messages
- Create an emotional connection to energy efficiency – right now efficiency is a rationale decision for most
- Reinforce EPA as the source of the ENERGY STAR brand – government provides credibility

Brand Evolution