

ENERGY STAR® 2018 Annual Product Promotions









Today's Agenda

- What are Product Promotions?
 - 2018 Calendar
 - Benefits of participating
 - How to participate
- Updates: Spring Promotions
 - Flip Your Fridge
 - The Cool Choice
 - Laundry Made Better
- Overview: Fall Promotions 2017 Results and 2018 Plans
 - Water Heater
 - Smart Thermostats
 - LED Lighting





Product Promotions

What Are the Annual Product Promotions?

- Bring together regional energy-efficiency program efforts across the country into united, product-focused, co-branded campaigns timed with product seasonality.
- Reward ENERGY STAR partners by promoting their programs among our key audiences to drive mutual customer engagement and loyalty.

Co-Marketing Opportunities

- Facilitate and leverage promotional support from manufacturing and retail partners.
 - ✓ Media partnerships and other paid efforts, POS marketing, vast reach from earned and owned channels (including contractor outreach, where relevant), and more.

Resource Leveraging and Co-branding Opportunities

- Provide promotional materials and tools with compelling look and feel for effective consumer engagement and, ultimately, adoption.
 - √ Resources to support multiple media channels from retail and community events to digital
 (online and social).

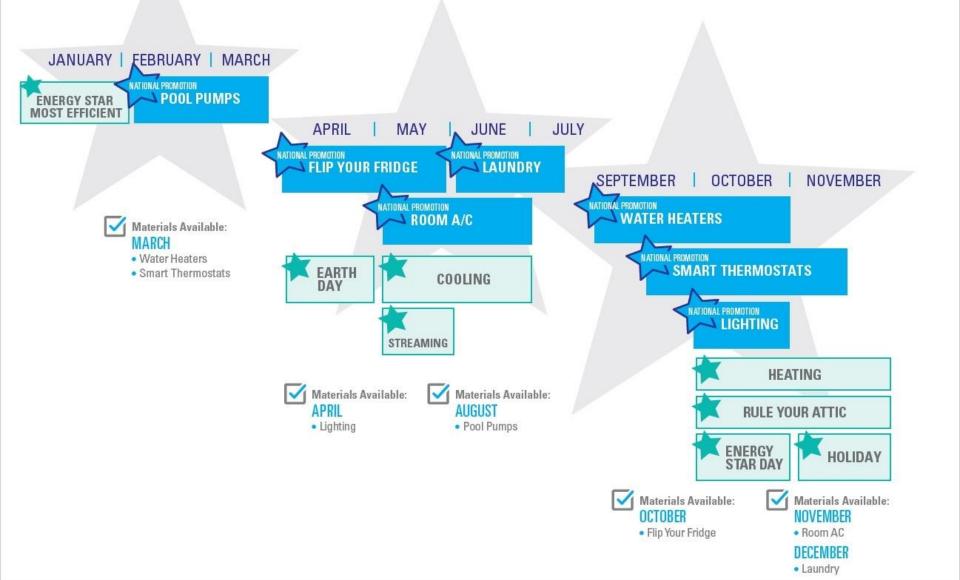
What EPA Will Be Doing in the Market

- Push out through a variety of media channels that drive impressions and traffic to promotional ENERGY STAR webpage hub featuring partner programs.
 - ✓ POS, online advertising, media partnerships, owned channels, and more!



2018 Outreach Plan: ENERGY STAR® PRODUCTS







Benefits of Participating

- Leverage ENERGY STAR's trusted brand, reputation, popularity – as well as strong network of supporting manufacturers and retailers.
- Take advantage of national campaign positioning, tactics, and marketing materials (messaging and graphics) – all developed by an expert marketing, PR, and advertising team.
- Benefit from a strategic, effective mix of targeted earned, owned, and paid media that will drive exposure for your program among EPA ENERGY STAR's broad consumer base.
 - Geo-targeted to your market when you participate.
 - Driving clicks to promotional pages where your programs are featured.
 - Combined results from 2017 promotions nearly 700,000,000 impressions and 200,000 hits to the promotions pages.







How to Participate

- Integrate ENERGY STAR promotional messaging and graphics into your materials and leverage your existing outreach channels – and you will reap the benefits of 1) a united outreach umbrella effort, and 2) increased consumer engagement.
 - 1. Use the ENERGY STAR name and logo throughout all your materials (like you already do!).
 - 2. Integrate the promotion tagline, imagery, messaging and other "building blocks" into your materials; for example:
 - If you have a retail program, integrate at least the logo lock-up from the promotion into your retail-facing materials.
 - Leverage social media graphics and messages through your social channels.
 - Use the web graphics in your relevant web pages.
 - Integrate promotion messaging and graphics through newsletters, direct mail (electronic or hard copy), consumer events, etc.
 - 3. Let us know how you plan to participate / share your co-branded tactics and we will include your logo and link to your program on the energystar.gov promotional page.
 - https://www.energystar.gov/products/marketing_materials





UPDATESSpring Promotions







There is still time to get involved!





Refrigerators

Flip Your Fridge: Media Mix

- Working with influencer partner, I Like Weylie, to create video promoting Flip Your Fridge and Earth Day targeting new home buyer audiences.
 - Weylie just bought a new home and is stocking it with many ENERGY STAR products including a new refrigerator.
- New for 2018: Supplementing existing outreach to new home buyers and empty nesters with outreach to both cost-conscious and Spanish speaking audiences as well as ENERGY STAR Most Efficient audiences.
 - Developing 30-second video ads in English and Spanish focused on money-saving benefits, including rebates.
 - Promote via Google Display Networks and YouTube pre-roll.



Google Display Network







Refrigerators

Flip Your Fridge: Media Mix

- New for 2018 cont'd: ENERGY STAR Most Efficient:
 - Targeting green-leaning audiences via Facebook with carousel ads promoting ENERGY STAR Most Efficient refrigerators.
 - Promote via Google Display Networks and YouTube pre-roll.
- Develop set of supporting materials in Spanish, as well as materials highlighting ENERGY STAR Most Efficient.
- Feature Best Value and ENERGY STAR
 Most Efficient Product Finders on
 promotional landing page that integrates
 geo-customized rebate information.















Room AC

The Cool Choice: Media Mix

- Geo-targeted Google Display
 Network video ads targeting low-income and Spanish speaking audiences in regions with high RAC sales.
 - Proactively coordinate with relevant utilities.
 - Time placements with heat waves for maximum impact.
- Supplement RAC outreach with general cooling outreach.
 - Brandpoint, NAPS











Laundry

Laundry Made Better: Media Mix

- Exploring media partnership with influencer vlogger to extend reach.
 - Examples include The Action Movie Kid (877k), Reality Changers (632k), La Guardia Cross (174k).
- Article placement and potential partnersponsored giveaway with BobVila.com.
- Placement of humorous digital ad featuring before / after ENERGY STAR Dad through Facebook / GDN.
- New for 2018: Supplementing existing laundry outreach with focus on educating consumers about heat-pump dryers.
 - 30-second video promoted via Google Display Networks and YouTube pre-roll.
 - NAPS educational article
 - Coordinated ESME heat-pump dryer outreach with partners that have downstream programs.

Google Display Network

















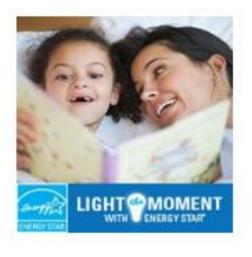




OVERVIEWFall Promotions











Water Heater 2017: Results

- Posted HPWH infographic through Brandpoint as syndicated release, online only.
 Infographic is available to editors for 4 months.
 - 513 online placements with a potential site audience of 143 million.
 - Sites include: Latimes.com (LA, CA), chron.com (Houston, TX), sfgate.com (San Francisco, CA), Chicagotribune.com (Chicago, IL), Baltimoresun.com (Baltimore, MD).
- NAPS article When It's Time to Replace Your Water Heater drafted by EPA for syndicated NAPS release. Article is available to editors for 6+ months.
 - 3,512 placements with an estimated readership of 12.9 million and potential online site audiences of 75 million.
- Paid search focused on keyword "electric water heater", targeted to states with utility rebates.
 - 219,703 impressions
- Boosted ENERGY STAR Facebook post.
 - 113,202 impressions







Water Heaters: 2018 Market Snapshot

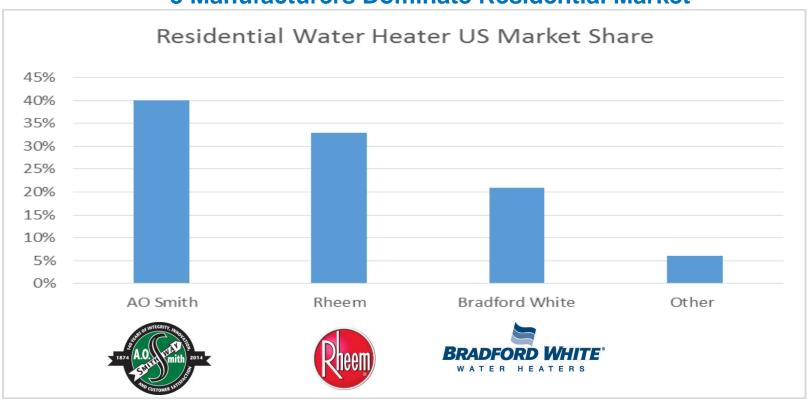


- 83% of water heater sales are emergency replacements.
- 37% of water heaters in the U.S. are 10 years old and on the verge of failure.
- Partners are implementing instant rebates to address emergency replacement and beginning to encourage early replacement of water heaters.
- Manufacturers sell 50% at retail and 50% wholesale/distributors – "the midstream market".
- Anticipated growth in heat pump water heater market coupled with electrification trends and huge savings make HPWH a strong opportunity for electric utilities.
 - The ENERGY STAR Water Heater Market is relatively stagnant for Gas, but the HPWH market is anticipated to grow for 2018 and beyond.
 - HPWH savings so strong that they are being promoted in states with mostly gas water heating.
- Gas still dominant in several states, like CA.





3 Manufacturers Dominate Residential Market



- Bradford White only sells through wholesalers.
- Rheem sells at Home Depot.
- A. O. Smith sell at Lowes.
- **ŞEPA**

A.O. Smith includes Kenmore brand which is sold at Sears



2018 Water Heater Promotion

Tagline / Call-to-Action

Upgrade Now and Warm Up to Savings

Objective

- Raise awareness of the energy-savings potential of ENERGY STAR water heaters.
- Encourage consumers to replace their old (>10 years) water heaters with ENERGY STAR.
 - Encourage early replacement, but also provide helpful guidance for emergency replacement (particularly with heat-pump technology).
- On a parallel track, building up program to support midstream outreach.
 - Currently working with Lowe's.
 - If interested in midstream; contact your account manager.
- Timing: September/October.







Water Heaters: Promotional Opportunities

- Retail POP building blocks and factsheets
 - Separate sets focused on electric or gas.
 - Product brand imagery available, if needed.
- Digital media:
 - Online / Social (also separate sets focused on electric or gas).
 - Web buttons, digital graphics, educational content.
 - Ask the Expert video.
- Water Heater Replacement Guide
 - Mobile-based step-by-step guide to water heater replacement, focused on electric heat-pump water heaters.
 - COMING SOON: Installer Finder providing access to regional installers of heat-pump water heaters.
- **Notification of Participation:** Due 2 weeks prior to launch date (mid-September).



Heat pump water heaters use advanced technology to do the job with significantly less energy. In most homes they can be installed right where your current water heater sits. Take a moment to go through 4 simple installation consideration terheater is right for your home.

GET STARTED

Why Choose an ENERGY STAR certified heater?

- Save more than 50% on water heating energy costs a family of four.
- Take advantage of utility rebates that may be availa
- Products with the ENERGY STAR label are independ savings and help protect the environment.





Water Heaters: Proposed Media Mix

- Develop 30-second video to promote heat-pump water heaters and the new Water Heater Replacement Guide.
 - Promote via GDN video advertising and YouTube pre-roll targeting consumers most likely to have an old water heater in areas with rebates available.
- Exploring a mainstream influencer in this space to provide a testimonial on the benefits of heat pump water heaters and dispel the common barriers of cost and replacement challenges (incompatibility and hard to find an installer).
- Promote ENERGY STAR water heaters generally through Facebook.



Google Display Network You III 18







WATER HEATERS ARE THE 2°

certified to save energy and protect



CHOOSE YOUR HOT SAVINGS WITH ENERGY STAR

An ENERGY STAR certified electric with a highly efficient heat pump (an air conditioner run in reverse).

An ENERGY STAR certified gas heat traps and more efficient burners

An ENERGY STAR certified tankless on gas bills compared to a standard gas storage model by heating water only when you need it.

sold in the U.S. were ENERGY STAR certified, the energy cost savings would grow to nearly \$13.4 billion annually, preventing more than 155 billion lbs of greenhouse gas emissions equal to the emissions from









Smart Thermostats 2017 Results

- Posted Smart Thermostat infographic through Brandpoint (online).
 - 509 online placements with a potential site audience of 134 million.
 - Sites include: Latimes.com (LA, CA), chron.com (Houston, TX), sfgate.com (San Francisco, CA), Chicagotribune.com (Chicago, IL), Baltimoresun.com (Baltimore, MD).
- NAPS article A Smart Thermostat Can Be A Smart Investment with infographic.
 - 3,852 placements with an estimated readership of 10.6 million and potential online site audiences of 72 million.
- Google Display Network ads targeted to states with utility rebates.
 - GDN: 581,000 impressions; 5,300 clicks
- Boosted ENERGY STAR Facebook post.
 - 283,500 impressions; 2,738 clicks
- Paid search focused on three keywords, targeted to states with utility rebates (Wifi, Smart, Connected).
 - 164,374 impressions; 3,786 clicks

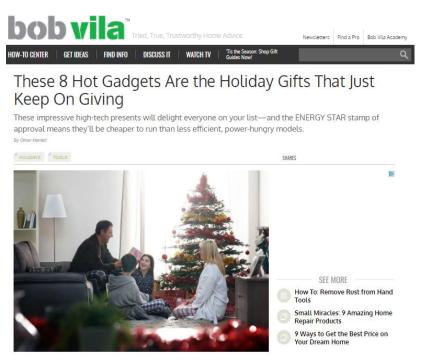




Smart Thermostats 2017 Results

- Sponsored article featuring ENERGY STAR Smart Thermostats as a "best gift that does great things" on BobVila.com to reach homeowner audience.
 - More than 1.5 million impressions on bobyila.com and social media.
 - 10,400 pageviews
 - 145,026 emails delivered, 22.97% open
 rate = 33,311 opens.





It's no surprise that everyone's holiday wish list includes the latest tech, from big-ticket items to stocking stuffers. What is news, however, is the fact that so many of these amazing electronic goods and gadgets actually receive ENERGY STAR certification.

That's right: The Environmental Protection Agency program that you rely on when choosing highly efficient appliances that help you lower your household energy consumption applies to an even broader array of tech than you may have realized. And why not, when virtually every gadget we use day today requires some sort of energy source? Loads of cool products, from TVs and computers to wireless speakers and sound bars, are now also designed to conserve energy, and the blue ENERGY STAR label helps you identify the hot tech that should be at the top of your shopping list. After all, your giftees will be able to use their cool high-tech presents confident that they're not racking up outsize utility bills. (How thoughtful of you!) Plus, each one is like a gift to the earth, too, by letting users enjoy the newest gadgets the market has to offer while keeping emissions to a minimum and helping to forestall climate change.

So, as you shop for the season, keep these seven great gift ideas in mind—and let the blue ENERGY STAR label guide your choices. You can save money and the planet with every present you purchase!

1. Smart thermostats

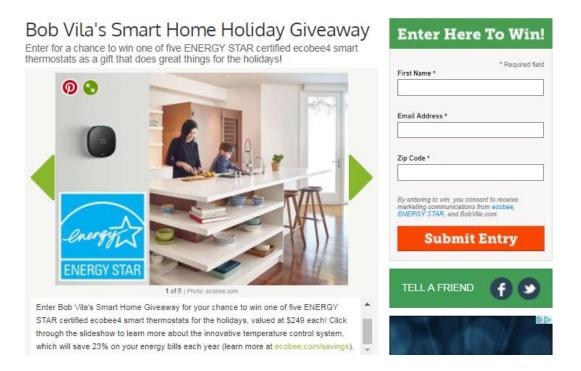
Keeping things toasty this holiday season—and ensuring an ideal temperature all year long, for years to come—is easy with a smart thermostat. These Wi-Fi enabled devices automatically adjust heating and cooling settings for optimal performance, passing the savings on to the lucky homeowner on your holiday list. The best news? This season, smart thermostats joined the prestigious ranks of ENERGY STAR certified products for the first time, so insist on the blue label when you shop.





Smart Thermostats 2017 Results

- Ecobee partnered with BobVila.com to sponsor their Smart Thermostat give-away. Their sweeps page featured holiday messaging with the ENERGY STAR mark.
 - 60,450 contest entrants.
 - 111,205 emails delivered; 36.45% clickthrough rate = 27,970 clicks.







Smart Thermostats: 2018 Market Snapshot



- Approximately 50% of all new thermostat sales are smart.
- 108 million households are without a smart thermostat.*
- 40% of households want smart thermostats; only 11% own one.**
- Consumers want smart thermostats but are waiting for a lower initial price.
 - Well-designed incentive programs are key to reduce the price point for ENERGY STAR smart thermostats.
- ~75% of all smart thermostats are sold through retail.
 - High percentage sold online.
 - High consumer enthusiasm is likely to sustain interest in these products among key retail partners.
- Most consumers research products online before purchase through research sites and reviews.



^{* -} Statista - https://www.statista.com/statistics/625868/homes-with-smart-thermostats-in-north-america/

^{** -} Parks Associates Research



2018 Smart Thermostats Promotion

- Tagline / Call-to-Action
 - The Smart Choice Made Simple
- Objectives
 - Continue to raise awareness about the new specification and what differentiates ENERGY STAR smart thermostats from non-ENERGY STAR.
 - Encourages consumers most likely to seek smart thermostats for their homes to choose ENERGY STAR smart thermostats.
- Timing: September November (includes holiday season).







Smart Thermostats: Promotional Opportunities

- Retail POP building blocks and factsheet.
 - Featuring customized temperatures.
 - Product brand imagery available, as needed.
- Digital media:
 - Web buttons, digital graphics, educational content.
 - Expand offerings to include banner ads and other online advertising to leverage among relevant sites.
 - New for 2018: shareable video featuring the benefits of ENERGY STAR smart thermostats over traditional smart thermostats.
- Notification of Participation: Due 2 weeks prior to launch date (late August).



ENERGY STAR® Certified Smart Thermostats Deliver:

- ☑ Demonstrated Energy Savings
- ✓ Reliable Performance
- ☑ Environmental Benefits
- Convenience, Insight, and Control





Smart Thermostats: Proposed Media Mix

- Work with e-tailers and online research / review sites to include educational content and ads featuring ENERGY STAR smart thermostats.
 - Amazon, The Home Depot, Sears, Lowe's
 - CNET, The Wire Cutter, The Verge, Engadget, etc.
 - Leverage new video.
- Google Display Networks video advertising and YouTube pre-roll targeting new home buyer and renovators most likely to be in the market for a new thermostat.
- Work with a strong tech influencer in this space (Carly Knobloch, etc.) to highlight the benefits of certified smart thermostats throughout relevant channels.
- Continue to feature ENERGY STAR Smart Thermostats as part of Holiday Promotion.











Light the Moment: 2017 Results

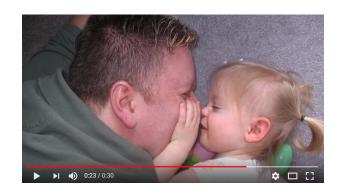
- Brandpoint article Shedding new light: 8 surprising facts that will have you rethinking your lighting for syndicated MAT release (Based on EPA's Light Bulb Revolution Report and included link to website. Article is available to editors for 4 months.) Results to date:
 - 35 print placements with a circulation of 1.07 million.
 - Print placements include: Dallas Morning News, Mercury News (San Jose, CA), Times (Trenton, NJ), Tulsa World (Tulsa, OK), Maine Sunday Telegram (Portland, ME).
 - 1,019 online placements with a potential site audience of 142 million.
 - Latimes.com (LA, CA), chron.com (Houston, TX), sfgate.com (San Francisco, CA),
 Chicagotribune.com (Chicago, IL), Baltimoresun.com (Baltimore, MD).
- NAPS article *Don't be Left in the Dark: The Light Bulb Revolution is Here* drafted by EPA for syndicated NAPS release. (Based on EPA's Light Bulb Revolution Report and included link to website. Article is available to editors for 6+ months.) Results to date:
 - 2,684 placements with an estimated readership of 2.4 million and potential online site audiences of 66 million.





Light the Moment: 2017 Results

- Paid video promotion of Light the Moment compilation on YouTube and broader GDN network. Video ads were shown as pre-roll and optimized toward video views (more than 30 seconds).
 - Combined results: 1.6 million impressions; 2,900 clicks.
- Engaged social media influencers, including all ENERGY STAR partners, to share the video and ENERGY STAR Day message:
 - Ingrid Michaelson, Katie Herzig (singer and cosongwriters of Light Me Up).
 - Ilikeweylie, MommyShorts, Engineer Your Space, Mommy Shorts, Big Green Purse.
 - 584,600 potential impressions on Facebook and Twitter with more than 72,200 video views.











Light the Moment: 2018 Market Snapshot



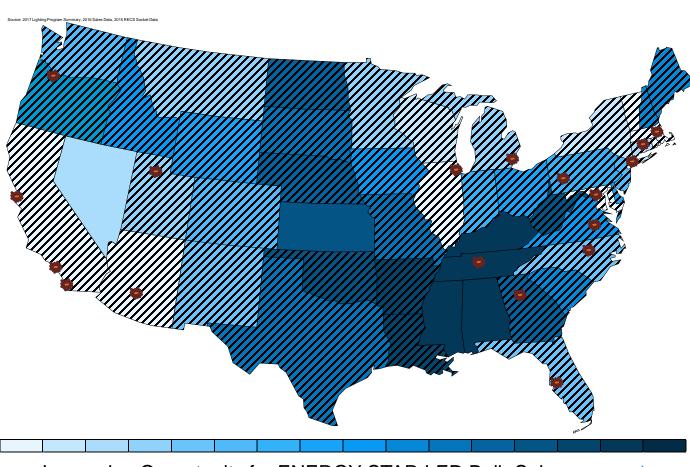
- Despite strong programs, adoption of energy-efficient bulbs is still lagging.
- The good news: more opportunities for ENERGY STAR LED bulbs!
- Opportunities for increased adoption exist mainly among lower income households.
- Manufacturing partners are increasingly coordinating with program sponsors to implement buy-downs at retail that result in rock-bottom prices on ENERGY STAR certified LEDs.
 - L'Image / Dollar Tree
 - GE / Walmart
 - More to come.
- All these factors together = opportunities to grow ENERGY STAR LED sales through connecting lower-income consumers with lower cost bulbs.





INEFFICIENT Bulb Sales per Million Household Sockets





Increasing Opportunity for ENERGY STAR LED Bulb Sales







Market Factors: Low Income = Higher Likelihood of Incandescent Bulbs

Household Income	than	to	to	to	\$80,000 to \$99,000	to	\$120,000 to \$139,999	\$140,000 or more
Most or All Incandescent (number of housing units, millions)	7.7	9.1	5.9	4.8	2.5	2.2	1.2	3.1
Most or All Incandescent (percent of "Most or All Incandescent" answers)	21%	25%	16%	13%	7%	6%	3%	9%

Takeaway: 46% of all households with 'Most or All Incandescent' lighting earn \$39,999 or below.

National average household income is approximately \$53,000. – 2015 RECS





2018 Light The Moment Promotion

Tagline / Call-to-Action

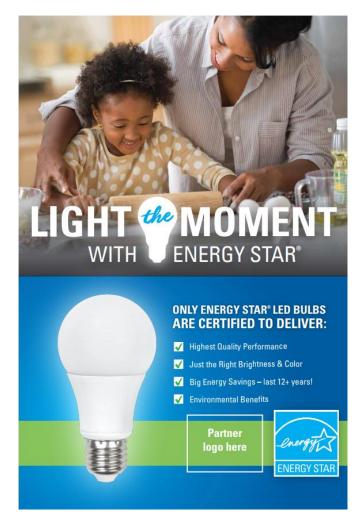
Light the Moment with ENERGY STAR

Objective

- Broadly encourage all consumers to replace inefficient light bulbs with ENERGY STAR certified LED lighting.
 - Make an emotional, personal connection to incent behavior change.
 - Educate on what makes ENERGY STAR certified lighting the best choice.
- Supplement broad outreach with more targeted outreach to lower-income consumers.
 - Focus messaging on money savings (low-cost, energy savings & high quality – all in one).

Timing

 Focus outreach in October to leverage lighting seasonality, ENERGY STAR Day (October 30), and the end of daylight savings (November 4).







LIGHT the MOMENT

LED Lighting

Light the Moment: Promotional Opportunities

- Retail POP (building blocks) and Factsheet.
- Light the Moment Video.
- New this year: 30-second ad targeting low-income / Spanish speaking consumers leveraging light the moment altruism; but featuring practical cost savings.
- Digital media:
 - Seasonal "moments" graphics and messaging.
 - Choose a Light tool.
- Retail events toolkit.
- Notification of Participation: Due 2 weeks prior to launch date (Mid-October).









Light the Moment: Proposed Media Mix

- Continue to leverage Light The Moment video for broad consumer engagement.
 - Explore more channels / tactics including media placements and influencer outreach.
 - Couple outreach with ENERGY STAR Day activities to include a Facebook advocacy campaign and/or leveraging consumer engagement services, such as Twibbon.
- Promote new 30-second ad via Google Display Networks and YouTube pre-roll.
 - Geo-target regions where low-cost ES LED bulbs available.
 - Drive traffic to relevant manufacturers / retailers through Best Value Finder.









Way to Save Tips Web Service

- Ways to Save Tips is a web service that provides an ongoing stream of ENERGY STAR® branded, energy-saving tips to external websites that adopt the service.
- Tips include:
 - All ENERGY STAR vetted, energy-saving tips for certified consumer products, including content from all annual product promotions.
- Tips are customizable for your web feed based on specific product categories relevant to your program. The tips in the feed will automatically refresh with each visit to your site.



Join EPA and light your moments with ENERGY STAR

Make a commitment to change out an old light bulb to an ENERGY STAR certified LED bulb, and join EPA in the national effort to change out 300 million bulbs to ENERGY STAR. Together we can save about \$15 billion in annual energy costs and prevent 17 billion pounds of greenhouse gas emissions. Your moments. Your world. Both deserve the Best.

Find savings and rebates in my area

Use the <u>ENERGY STAR Rebate Finder</u> to look for special offers or utility rebates on ENERGY STAR certified products. These offers are sponsored by ENERGY STAR partners or local utilities. Partners also occasionally sponsor recycling incentives for the proper disposal of old products.

Choose an ENERGY STAR certified electric heat pump water heater

Water heating can account for 12 percent of a home's energy use. When replacing your water heater, look for models that have earned the ENERGY STAR. A certified heat pump water heater can save a household of 4 about \$330 annually on electric bills.





Thank You!

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