



## Power Smart Residential Behavioural Program Aka Team Power Smart

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## BC Hydro and Power Smart



### BChydro


FOR GENERATIONS

- Crown Corporation
- Servicing ~1.7 million residential customers
- Near-monopoly (servicing ~95% of territory)
- Mainly hydro electricity (~95%)

### BChydro powersmart

- Power Smart is BC Hydro's conservation brand
- Successful portfolio of residential DSM programs, incl. Fridge Buy-Back, Lighting, Appliances, etc. (mostly product focused)

## BC Hydro's behavioural approach



**Conservation Potential Review 2007:**

- Identified opportunities for 'behavioural' savings
- Residential: 25 behaviours in 8 categories

**Behavioural approach:**

- Conservation rates (Residential Inclinng Block) (introduced Oct. 2008)
- Smart Meters and In-Home Feedback (F13)
- Power Smart Residential Behavioural Program (launched Oct. 2008):
  - Designed as a loyalty program
  - Marketed under the Team Power Smart banner

## Behavioural Program development



**Theory:**

- Behaviour change
- Habit formation
- Social Marketing

**Best practices:**

- From utility industry (California 20/20, small-scale short term pilots)
- Other programs (incl. Weight Watchers, AA, loyalty programs)

**Market test:**

- Year-long market test with ~500 participants

**Segmentation:**


- Geodemographic
- Psychographic

**Barriers research:**

- Behaviours broken down into behavioural actions
- Barriers for each behaviour assessed




## A few comments on barriers




**Barrier levels:**


- Need for energy conservation (incl. consumer indifference)
- Fulfill need (take action, join program)
- Barriers to each specific behavioural action




**Entertainment**




**Coffee**

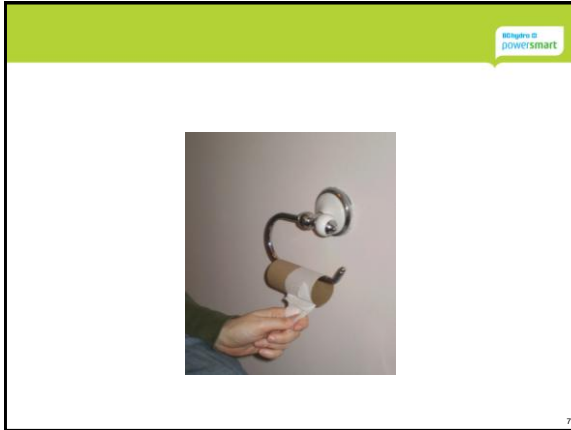


**Convenience**



**Comfort**





## Behavioural Program concept

- Barrier levels:
  - Buying into need for energy conservation (incl. consumer indifference)
  - Doing something about it (join program)
  - Barriers to each specific behavioural action

## Behavioural Program development

### Basic understanding:

- Behaviour change is a long-term and ongoing process with various stages (Transtheoretical or Stages of Change model)

Pre	Unaware, not considering
Contemplation	Ambivalent, 1-6 months away
Preparation	Within a month, preparation
Action	Practicing under 6 months
Maintenance	Continue
Relapse	To any of the previous stages
Termination	Not tempted to stop / totally confident in continuing

According to Stages of Change Theory, one can move participants to the final stage (termination), at which time the behaviour has become persistent and can be maintained without the need for further engagement.

- Behaviour change evolves around learning new responses and thus adjust behaviour
- Key elements of learning process include:
  - Instructions – Feedback – Motivation – Repetition
- Relational (not transactional)
- Connect low involvement topic of energy conservation to the things that people care about

## Behavioural Program concept

- Behavioural Program designed as a loyalty program; allows for:
  - Long-term approach
  - Permissive marketing opportunities
  - Increasing participant engagement levels over time
  - Make emotional connection between low involvement topic (energy conservation) to the things that people care about (storytelling, co-creation and other tools)
- Marketing mix based on 'Principle of exchange'
  - P for Price:** What participants must give up or overcome to get the product's benefits (non-monetary 'costs' and barriers)
  - P for Product:**
    - Intangible product features (norm appeal, group appeal, 'hidden' motives)
    - Tangible product features (member perks)
  - P for Place:** online and offline (education, motivation, prompting, reminding, etc.)
  - P for Promotion:** multi-channel mass and direct (make use of co-creation)

## Product Mix

### Tangible product features:

- Behavioural Program goes to market under the **Team Power Smart** banner
- Participants join online to become a **member**
- Member perks include:
  - Access to online Members' Tool Box
  - Online tools, incl. consumption/tracking graphs, Compare Your Home, Analyze Your Home
  - Special offers
  - Members-only contests
  - Invitations to member events
  - Opportunity to participate in a 12-month reduction challenge and earn a \$75 reward
  - Regular communications by email and mail, incl. monthly eNewsletter, challenge updates and a member magazine



### Program performance

**Impact Evaluation F10:**

- Concept review by independent 3<sup>rd</sup> party (AED)
- Billing analysis/statistical analysis (double deflation)
- Participant/non-participant survey

**Impact Evaluation F11 + F12:**

- Preparations have started
- Need to learn about persistency

### Program performance

**Monitoring KPI's:**

- Participation
- Transition between categories
- Psychographic participant profiling
- Engagement
- Challenge performance
- Member satisfaction
- Energy savings
- Behavioural impact

### Program performance

**Participation:**

Date	Pro	Pledge	Household members	Total Ticker	% Pro	% Pledge
Sept 30, 2008	22,908	0	0	22,908	100%	0%
March 31, 2009	30,118	10,611	29,585	70,314	74%	26%
March 31, 2010	44,471	42,997	129,823	217,291	51%	49%
March 31, 2011	67,214	52,895	176,811	296,620	56%	44%
Oct 31, 2011	80,298	53,090	195,942	329,330	60%	40%

**Transition between categories:**

- 'Hot lead' > acquisition: ~60%

### Program performance

**Psychographic breakdown:**

**April 2008:**

- Central Conservatives: 59%
- Quitting Progressives: 14%
- Can-Connector (Humble) Pragmatists: 9%
- Can-Connector (Humble) Workers: 8%
- Enriched Libertarians: 6%
- Torn-Out & Castles: 2%
- Unconnected:

**November 2011:**

- Central Conservatives: 49%
- Quitting Progressives: 19%
- Can-Connector (Humble) Pragmatists: 22%
- Can-Connector (Humble) Workers: 11%
- Enriched Libertarians: 6%
- Torn-Out & Castles: 2%
- Unconnected: 2%

### Program performance

**Engagement:**

- Quantitative: use of Members' Tool Box, redemption of special offers, participation in members-only contests, etc.
- Rating (of value proposition elements)

**Overall rating Members' Tool Box (Nov 2011)**

Rating	Percentage
Great	57%
Good	23%
Fair	13%
Poor	3%
Very poor	2%
Excellent	1%

### Program performance

**Engagement:**

- Qualitative: Affiliation, Enjoyment, Resonance

**Elements of Engagement**

- Affiliation:** Feeling related to community, shared identification, loyalty or membership, closeness, trust, belonging. *"This is who I am"*
- Enjoyment:** Feeling great satisfaction, hedonistic pleasure, hedonistic structure. *"I like this"*
- Resonance:** Feeling attracted to, involvement, intellectual, sharing values, wanting to learn about. *"This is right for me"*

### Program performance

Challenge performance:

**Savings by Month Finished Challenge**

Table 3.3: Avg. savings breakdown for completed challenges from Oct. 2008 – June 2011

Period	Pass	Save	Fail	Total				
Savings breakdown on final results released on challenges Oct. 2008 through Jun. 2011 (33 months)	8,539	32.2%	7,713	29.1%	10,271	38.7%	26,523	100%

### Program performance

Member satisfaction:

Figure 3.3: Overall member satisfaction as per Nov. 2011

Member satisfaction:

- Impact Evaluation: 5.15 GWh/yr in F10

Behavioural impact:

- Program participants consistently outperform non-participants on all behavioural dimensions measured



### A few tactical examples

Member magazines

### A few tactical examples

Member event

### A few tactical examples

Member event

How was your experience at the Team Power Smart Member's day at Science World?

Very favourable	76.7%
Favourable	23.3%

How likely are you to encourage a friend or family member to Join Team Power Smart?

Very likely	66.7%
Somewhat likely	30.0%
Not likely	1.7%
Not at all likely	1.7%



Please indicate the extent to which you agree or disagree with the following statement: "I feel more valued as a member of Team Power Smart being invited to these exclusive events."

Strongly agree	78.3%
Somewhat agree	20.0%
Neither agree nor disagree	1.7%

### A few tactical examples

Annual members-only photo contest

- Sponsored by London Drugs
- Celebrity judging panel
- Top 10 in Royal BC Museum, on billboards, in newspaper ads

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### A few tactical examples


Board game




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### A few tactical examples


Recycling box sticker project



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### A few tactical examples


Team Power Smart branded clothes pegs (active prompt and reminder)



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### A few tactical examples

Testimonial campaign



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### A few last comments

Energy savings

- Still moderate, but cost-effective
- Expected to ramp up

Flexible program design

Coming: improved feedback through Smart Meters and In-Home Feedback


Long-term program strategy

- Need to commit

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Questions?

Thank you!



**BC Hydro**  
FOR GENERATIONS

**BC Hydro**  
power smart

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