Consumer Focus
Campaigning for a fair deal

# What's in it for us?

## Learning from our Marketing Energy Efficiency and Behaviour Change workshops

# About Consumer Focus

Consumer Focus is the statutory consumer champion for England, Wales, Scotland and (for postal consumers) Northern Ireland.

We operate across the whole of the economy, persuading businesses, public services and policy-makers to put consumers at the heart of what they do. We tackle the issues that matter to consumers, and give people a stronger voice. We don't just draw attention to problems – we work with consumers and with a range of organisations to champion creative solutions that make a difference to consumers' lives.

Following the recent consumer and competition reforms, the Government has asked Consumer Focus to establish a new Regulated Industries Unit by April 2013 to represent consumers' interests in complex, regulated markets sectors. The Citizens Advice service will take on our role in other markets from April 2013.

Our Annual Plan for 2012/13 is available online, **consumerfocus.org.uk**

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## About Cause Action

Cause Action works with organisations in all sectors to make it attractive, normal and easy for their audiences to take positive action. It works with clients concerned with health and sustainability to design, implement and evaluate effective behaviour change projects. It also provides tailored training to build skills and capacity so clients can design and implement successful behaviour change projects in house.

This project was led by Richard Donaldson, Director of Cause Action.
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CauseAction

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# Introduction

In June 2012, Consumer Focus published *What's in it for me?*[1]; a report researched by, and co-written with, Cause Action Ltd.

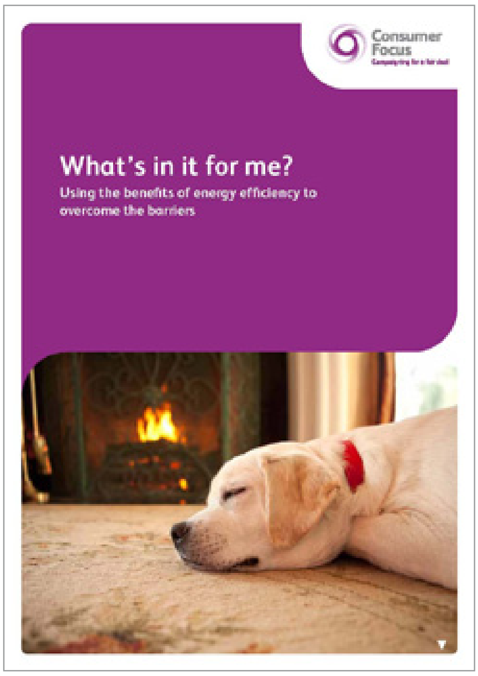
The report explored how a range of projects had motivated people to adopt energy-efficiency measures in their homes. It made recommendations for how energy-efficiency projects could be made more effective by adopting an audience-focused behaviour change approach. At the core of this approach is delivering a more favourable 'exchange' for the target audience (ie making the perceived benefits of change outweigh the perceived barriers to change). Practical support to adopt this approach was provided through a *Behaviour Change Planning Checklist*[2] for energy efficiency projects.

The learning and recommendations from the report were developed by Cause Action into an interactive, day-long workshop for energy efficiency practitioners, including those managing or working on energy efficiency projects from local authorities, community groups, energy suppliers and energy efficiency installers. The workshop, *Marketing Energy Efficiency and Behaviour Change*, was delivered in three locations (York, Birmingham and London) during September 2012. It was designed to be small and interactive with the opportunity for participants to reflect on lessons from and for their projects.

The workshops tapped into a latent need and were oversubscribed. Of the 42 practitioners who participated in them:

- 93 per cent agreed with the statement 'The workshop will help me make improvements to my project' (with 53 per cent strongly agreeing)
- 100 per cent agreed with the statement 'I would recommend the workshop to others working to promote energy efficiency' (with 57 per cent strongly agreeing).

This paper reflects on the learning from the workshops and how they build on the recommendations in the *What's in it for me?* report.




[1] **http://bit.ly/T0b3VJ**
[2] **http://bit.ly/XIm4jf**

# Key learning from the workshops

## 1 Projects often do not spend enough time and effort considering the benefits that might motivate their audience to change

As described in *What's in it for me?*, exchange theory provides a useful framework for understanding how customers' decision making and behaviour can be influenced. It asserts that consumers will take action if the perceived benefits that derive from that action outweigh the perceived costs of, or barriers to, taking that action. Therefore an energy efficiency project should be designed to *both* maximise the benefits and minimise the barriers.

The workshops revealed that projects generally focus on one side of this equation – barrier reduction. Energy efficiency practitioners are well aware of barriers to change and take steps to ensure their project reduces them (for example, reducing financial cost, providing loft clearance schemes to reduce inconvenience, and working with trusted intermediaries to reduce mistrust). However, identifying the benefits valued by the audience is often not given as much attention in project planning. As a result, the benefits are not as well understood and can't be emphasised by projects to effect change. This has a number of consequences:

- Projects, sometimes unquestioningly, default to money saving as the main benefit. *What's in it for me?* showed this benefit to be problematic for a number of reasons, something supported by participants' experience. Many considered that money saving is not valued highly by some audiences (compared with other benefits such as comfort, avoiding loss or environmental concern)
- Projects may not promote any clear benefit – they just promote barrier reduction, so the audience are given no compelling reason to act, in other words, the question *'What's in it for me?'* is not answered for the audience
- Projects often promote a range of benefits at once, presenting a confusing message and losing the opportunity to focus on the one that matters to their audience the most

On the whole, participants acknowledged and appreciated the need to build an understanding of the benefits that matter to their audience, and thought planning effort was often focused on reducing barriers rather than maximising benefits, while both were necessary.

## 2 The advantages of audience segmentation are appreciated but rarely applied

Participants agreed that, when marketing energy efficiency projects, 'one size doesn't fit all' and that tailored interventions will be more relevant to, and effective at meeting the needs of a particular audience. The principles of audience segmentation to define and prioritise audience groups were also recognised.

However, participants admitted that in practice the projects too often adopt the 'spray and pray' approach – communicating the same message to everyone in the hope that enough people will be motivated to act. Several organisational barriers prevent practitioners from focusing their efforts on particular groups. Some of these objections to targeted (or segmented) projects were explored in the sessions and summarised below:

### 'We need to hit our targets and get as many people acting as possible – our intervention can't focus on just one segment'

Participants recognised this objection but also recognised that, if it prevailed, it led to untargeted projects that were not relevant to enough people and, consequently, wasted resources. A way of countering this objection was to highlight the lower 'cost per response' that could be achieved through a more tailored approach. While short-term project targets (such as installations) were important, they need to be completed within a target budget.

### 'Our organisation is here for everybody – we can't give one group special treatment'

As above this objection was recognised by participants as a reason why projects often took a universal, 'spray and pray', approach. Possible counters to this argument were to highlight that current activity may be universal but was likely to be inequitable as it would only be appealing to and reaching certain groups of people. A project can be developed that is reactively available to all (ie people wouldn't be turned away) but proactively targeted at a certain group, so the benefits of a targeted approach can be realised without excluding any group.

### 'We don't have all the data'

Some organisations wanted to take a tailored approach but did not feel they had enough information to enable them to distinguish between audience groups. Some also had concerns about the quality of their data, and the budget and expertise required in collecting and analysing additional data. However, participants felt that, on the whole, organisations *underestimated* how much information and insight about the audience they, or their partners and stakeholders, held. For instance, it was considered that people working directly with target groups can effectively describe the consumer 'segments' they work with, which, even though this may not initially seen as 'data', can help when developing a target approach. Often organisations working in different areas will need to identify and target the same segments, for instance, different public health interventions may be targeting similar segments, and could benefit from data-sharing and a combined approach.

Participants also accepted that *any* move towards a more precise definition of the target audience was beneficial to designing effective projects – whether or not all the data needed to segment fully and precisely was available.

## 3 When there isn't enough time to plan projects as effectively as one would like, formative evaluation becomes key

Many practitioners felt that, because of organisational and funding pressures, they did not have sufficient time to plan their project effectively. Projects were in many cases devised and implemented quickly and, as a result, opportunities to be more focused and to understand the audience better were not always taken.

In these cases formative evaluation (assessing the effectiveness of a project as it is being devised and delivered) is vital. Even in the most compressed of planning timetables there should be an opportunity to 'pre-test' the project's viability with, and attractiveness to, the target audience.

Once a project has been implemented, many participants described the importance of clear 'feedback loops' to learn 'on the job' about what is working and what is not, both from the audience themselves and from contractors, enabling projects to take any necessary remedial action at the earliest possible opportunity.

## 4 Isolating individual actions is difficult when promoting energy efficiency measures

*What's in it for me?* described how, because no two actions have the same set of benefits and barriers, effective behaviour change campaigns often focus on a single action. For example, what might stop people installing solid wall insulation is different to what might stop them installing loft insulation, so a different solution is needed to encourage each action. In practice, however, this can be problematic.

Many energy efficiency measures require more than one measure to be installed or more than one action to be taken at one time (ie a heat pump will only work effectively in a property that is well insulated). Also installing measures together can reduce the important barrier of inconvenience.

Practitioners had dealt with this challenge by focusing on the one measure that is most appealing to the target group 'to get through the door'. For instance, some schemes found that heating replacement was a draw, and it was provided with insulation attached. Nevertheless, a project still needs to address the specific barriers to each measure being provided.

## 5 The method of communication can be an important barrier to action

*What's in it for me?* describes various barriers to installing energy efficiency measures (such as lack of interest, inconvenience and lack of trust). Workshop participants identified an additional barrier that did not concern energy efficiency measures per se, but how they are promoted.

Several participants felt that some audiences were automatically put off by anything promoted through door-to-door knocking, regardless of the benefits of the particular action. Some participants from projects targeting older people felt using door-to-door canvassing was ineffective due to advice given to the audience about personal safety in the home.

Therefore it is important for projects to understand which channel of communication would be most appropriate to their audience – this should be information that is gathered during the planning process, or through formative evaluation (pre-testing).

## 6 The importance of social proof

The workshop covered several practical tips for how to improve the effectiveness of energy efficiency projects. Participants felt that the one that represented the greatest opportunity was to harness the potential of people who had had energy efficiency measures installed in their homes to promote the benefits to others.

The benefits of action can be described 'first hand' by someone who is already enjoying them. Providing this 'social proof' lowers some important barriers to action (lack of trust, lack of interest). Various ways of enabling this were discussed including: developing case studies, recruiting local energy champions who were prepared to show others their home, and an incentivised 'refer a friend' approach.

Those who had already had measures installed were also identified as a useful group to research to find out what aspect of the project had prompted them to take action and solicit feedback on where improvements could be made.

## 7 The need for more evaluation and a more robust evidence base

Just as there is often limited time to plan a project, most workshop participants felt there was even less time to evaluate a project beyond basic short-term outputs (numbers of referrals, installations etc).

The paucity of project evaluations that encompass longer-term outcomes (such as energy use), review the process (what the project did well or less well), and assess the economic and social return on investment, has created a *catch-22* situation.

Practitioners generally accept the need to try a new approach to promoting energy-efficiency and the behaviour change approach, effectively deployed in other sectors such as public health, represents a useful addition to current methods. However, as projects are not effectively evaluated, there is no body of evidence for practitioners to use to justify using a different approach within their organisations. This means the incumbent approach – where projects are quickly planned, often poorly targeted, wasteful and not properly evaluated – remains unchallenged.

The experience of compiling the *What's in it for me?* report and facilitating the workshops has highlighted a need within the energy efficiency sector for project evaluations to be properly planned and budgeted for at the outset of the project, to be comparable between projects, and to be wide enough to include an analysis of project outcomes, return on investment and the process itself.

The learning generated needs to be effectively disseminated to enable practitioners to both make the case for a new, audience-focused behavioural planning approach and design more effective energy efficiency projects.

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