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Final Report

# Process Evaluation of the 2013 Products Program

April 22, 2014



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Funded By:  
Energy Trust of Oregon

Prepared By:  
Research Into Action, Inc.

Marti Frank, Ph.D.  
Jun Suzuki  
Carole Wiedmeyer  
Doré Mangan  
Joe Van Clock



[www.researchintoaction.com](http://www.researchintoaction.com)

PO Box 12312  
Portland, OR 97212

3934 NE Martin Luther King Jr. Blvd., Suite 300  
Portland, OR 97212

Phone: 503.287.9136  
Fax: 503.281.7375

Contact:  
Jane S. Peters, President  
[Jane.Peters@researchintoaction.com](mailto:Jane.Peters@researchintoaction.com)

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# Executive Summary

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In this report, Research Into Action, Inc. presents findings from its process evaluation of Energy Trust of Oregon's (Energy Trust) Products program ("the program"). Since the program's inception in 2004, this is the first process evaluation focused on the program as a whole.

This evaluation relied on a review of program documents and primary data Research Into Action collected through interviews with 8 program staff (Energy Trust staff, the program management contractor, and its subcontractors), and 11 retailers' and manufacturers' corporate contacts; mystery shopper visits at 14 participating stores (6 retailers); ride alongs with 4 appliance and lighting field service staff at 21 stores; and analysis of the program's refrigerator incentive data.

Below, we present a summary of key findings drawn from multiple data sources, and our conclusions and recommendations.

## Key Findings

### **Key Finding #1: Sales of low-cost qualifying refrigerators dropped in 2012 and 2013.**

The number of incented refrigerator models at the lowest price points dropped sharply in 2012 and 2013, likely because low-cost qualified models were no longer available to consumers. In the refrigerator incentive data, we found qualified units priced under \$1,000 made up 68% of units in the highest efficiency tier in 2011, but in 2013, this dropped to 27%. Mystery shoppers also found retailers' assortment of qualified refrigerators at all price points was considerably smaller than for other appliances.

### **Key Finding #2: There are important differences between lighting and appliances in the retail environment and customers' purchase decision process that the program is not sufficiently addressing.**

Customers rarely buy appliances without speaking to a sales associate, but typically buy lighting products without that assistance. Nevertheless, assistance of sales associates is influential to customers in their appliances and lighting purchases. Mystery shoppers found appliance sales associates were considerably more trained and knowledgeable about the program and qualified products than were the lighting sales associates.

### **Key Finding #3: An abundance of new lighting technologies will require consumers to change the way they make lighting purchase decisions.**

Customers face questions about lighting levels, light quality, mercury in CFLs, cost, and new technologies, but they do not always find sufficient answers from sales associates or point-of-purchase materials. In the absence of information, customers often make decisions based solely on price or habit, and they continue to have doubts about efficient lighting technologies.

**Key Finding #4: There are benefits and challenges to regional collaboration in the Simple Steps, Smart Savings program.**

Benefits: The regional collaboration has generated cost-effective and satisfactory savings, and has the potential to provide efficiency programs with enough consistency and leverage in the market to motivate retailers to increase their utility program engagement at the corporate level. Challenges: The regional collaboration constrains the ability of the Products program to design its own promotions and can create communication and reporting challenges.

**Key Finding #5: Sales associates promote their store's appliance pick-up service more than Energy Trust's.**

Mystery shoppers found sales associates promote their store's appliance pick-up service to customers more often than they do Energy Trust's recycling program. Changes to the refrigerator recycling component in 2014 to emphasize the collection of older refrigerators likely will accelerate this trend.

## Conclusions and Recommendations

**Conclusion #1:** The cause of the decrease in availability of low-priced efficient refrigerators likely lies upstream in the supply chain. Additional research to locate the barrier to efficiency at a more precise point in the supply chain is required to help Energy Trust design a targeted program intervention.

Recommendations:

- › Conduct follow-on research of retailers' and manufacturers' assortment data to identify the barriers to efficiency upstream in the supply chain.
- › Implement a pilot to test the impact of an increased incentive amount for low-price refrigerators.
- › Consider adding an incentive tier slightly less stringent than the 30% or better tier, for example, "25-29% better."

**Conclusion #2:** Promotion strategies for lighting and appliances should reflect their very different conditions within the retail environment. Training for sales associates about lighting technologies must reflect the reality that many stores typically do not have dedicated lighting staff. Point-of-purchase (POP) materials must target the appropriate audience – while customers are the primary audience for lighting POP, both sales associates and customers are equally important audiences for appliance POP.

Recommendations:

- › Increase the number of sales associates trained on lighting.
- › Design trainings to support information retention.
- › Design lighting POP to be used by customers, without the assistance of sales associates.
- › Design appliance POP to inform both customers and sales associates.

**Conclusion #3:** Consumers need better information at the point of purchase to support increasingly complicated efficient lighting purchase decisions. With the explosion of new energy efficient lighting technologies, and the phase-out/elimination of incandescent options, current POP and sales associate assistance are insufficient to meet customers' need for information.

Recommendations:

- › Expand placement of the Bulb Finder POP signage in stores, and develop other, smaller materials that provide the same level of detailed information.
- › Make lighting product information available to shoppers through a smartphone app or mobile website.
- › Expand efforts with retailers, manufacturers, and regional workgroups to roll out special price reductions and displays that coincide with the retail marketing calendar—particularly Earth Day and Daylight Savings Time.
- › Integrate special displays that show actual working bulbs side-by-side, potentially alongside CFL recycling depots.
- › Anticipate that consumers will make repeat purchases of products they like, and make them easy to find.
- › Conduct in-store intercept research with shoppers to better understand price sensitivity, information needs, barriers to purchase, and reaction to proposed messaging.

**Conclusion #4:** Despite its challenges, regional collaboration continues to offer greater benefits to lighting retailers than lighting programs run by individual organizations. The regional model emphasizes consistency and ease of use for retailers and manufacturers, and has obtained satisfactory savings despite the challenges of EISA. The current regional model also yields important benefits associated with stronger retailer participation, leverage in negotiations with retail partners, and higher program cost-effectiveness.

Recommendations:

- › Work with BPA and regional partners to identify and promote improvements to the implementation of Simple Steps, Smart Savings, including training of sales associates as well as improvements to the POP and other marketing materials.

**Conclusion #5:** Many appliance retailers offer their own appliance pick-up services, making it more convenient for the customer to dispose of a refrigerator or freezer that way than by using Energy Trust's recycling service. Retailers, especially those with their own pick-up service, have little incentive to promote Energy Trust's refrigerator recycling offering, especially with the decrease in Energy Trust incentive amounts and the more complicated incentive structure Energy Trust launched in 2014. In addition, retail stores' haul-away service may be more convenient to customers since it is coordinated with the delivery of a new refrigerator.

Recommendation:

- › Consider adding an element to the recycling program targeted at gaining retailers as participants.

# MEMO



**Date:** 8 September 2014  
**To:** Board of Directors  
**From:** Erika Kociolek, Evaluation Project Manager  
Matt Braman, Sr. Program Manager, New Homes and Products  
**Subject:** Staff Response to the 2013 Products Process Evaluation

Energy Trust undertook a process evaluation of the Products program in 2013. Although evaluations of select program initiatives, such as refrigerator recycling, were conducted previously, this was the first process evaluation of the program as a whole. The goal of the process evaluation was to obtain feedback and market intelligence to improve the program.

The evaluator analyzed a wide range of program data, and performed a detailed analysis on incented new refrigerators. Evaluator staff participated in ride-alongs with field staff and conducted mystery shopper visits to gain intelligence about retail sales associates' knowledge of energy efficiency and the program, and program field staff interaction with associates. Interviews with corporate retailers, manufacturers, and program staff provided information into how the program operates.

These activities helped create a snapshot of the current program design and structure, which is helpful as the program is in the midst of a variety of changes, including a transition to a new implementer (Ecova). The results of these activities provide insight into opportunities for the program moving forward, which may be less focused on consumer rebates as savings decline, and more focused on working with retailers and upstream actors to influence price and product availability.

The key take-aways from the evaluation are:

- The marked decline in incented refrigerator models is likely due to the loss of incentives for relatively less efficient refrigerators (20-29% or better than ENERGY STAR), and a decrease in units at lower price points in the higher (30% or better) tier. More research is needed to determine where in the supply chain this problem lies; additional information could help the program develop a midstream or upstream incentive to encourage retailers to stock or boost sales of high efficiency refrigerators, or encourage manufacturers to design qualified units. The program is reaching out to distributors and manufacturers to learn more about the reasons for the decrease in low-cost, high efficiency models in the market, and possibly develop a strategy for increasing the share of low-cost, high efficiency models in the program.

- Regional collaboration in the Simple Steps, Smart Savings program for lighting and showerheads has benefits and challenges, and the evaluator concluded that the regional model offers greater benefits compared to programs run by individual organizations due to consistency and ease of use for retailers. Although the program is moving away from Simple Steps by having the PMC deliver field services to retailers in Energy Trust's territory beginning January 1, 2015, the program will continue to coordinate closely with Simple Steps. The move away from Simple Steps will allow the program to increase Energy Trust branding to promote lighting and showerheads, and vary incentive amounts by retailer, enabling the program to drive increased participation for harder-to-reach populations. Energy Trust will also continue to participate in the regional stakeholder collaboration groups Western Regional Utility Network and Northwest Regional Retail Collaborative, which are engaging with retailers on promotions and working to identify solutions to common barriers in working with retailers to drive energy efficient products at retail.
- There are key differences in the way retailers staff lighting and appliance departments that present challenges for efficiency programs. Staff in appliance departments were primarily responsible for assisting customers with appliance purchases, whereas associates in lighting often had other responsibilities. The evaluator found that associates in the lighting department lacked awareness of the Simple Steps program and the point-of-purchase (POP) materials identifying qualified products. There exist further opportunities to train and educate sales associates, especially in the lighting section where the majority of the savings are expected to continue to come from. In 2015, the PMC will enhance POP and training materials to more clearly communicate the value of energy-efficient products to both customers and retail staff.
- Field representatives have deep knowledge of the program and of efficient appliance and lighting technologies. They serve an important role as the face of the program to retail staff, and are available to answer questions and provide information. Corporate retailer staff reported they highly value the support provided by energy efficiency programs, especially local visits by field staff.

# 1. Introduction

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This report presents findings from a process evaluation of Energy Trust of Oregon's (Energy Trust) residential efficient products program, known as the Products program ("the program").

Although Energy Trust previously conducted evaluations of selected initiatives, such as refrigerator recycling, this is the first process evaluation of the program as a whole. Research Into Action conducted the evaluation from July 2013 to February 2014.

## 1.1. Program Overview

The program promotes awareness and purchase of energy-efficient home products through the provision of incentives to residential customers for qualified high-efficiency ENERGY STAR<sup>®</sup> appliances and mark-downs of efficient lighting and showerheads at retail stores.<sup>1</sup>

The program is addressing several challenges, including a consumer lighting market in flux due to shifting federal standards, increasing cost of capturing savings as baselines and federal standards increase, declining savings for some measures, and coordinating standardized approaches across a bevy of diverse customers, retailers, distributors, and manufacturers. To find new sources of savings, the program has begun to test alternative approaches to working with retailers and is exploring new strategies for delivering cost-effective savings.

## 1.2. Evaluation Objectives

The process evaluation focused on the following overarching goals:

- › Documenting program implementation details, current and projected challenges and concerns, and emerging plans and initiatives.
- › Identifying opportunities for improving Energy Trust's current approaches and future initiatives.
- › Understanding how retailers engage with customers, including the roles of the point-of-purchase materials (POP) and trainings Energy Trust provides to identify the support store managers and sales staff need.

The ultimate goals of this process evaluation are to obtain market intelligence and feedback from various program staff and retailer staff, and to provide integrated findings and actionable recommendations on program design and implementation that can be used to improve the program.

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<sup>1</sup> Although the program is designed to target residential customers, some small commercial customers may be taking advantage of the program's offerings.

## 1.3. Methodologies

To ensure that the process evaluation reflects unbiased voices of key stakeholders, the evaluation team conducted in-depth telephone interviews with, or performed onsite observations of, all of the key individuals involved with the program, including Energy Trust program staff, the program management contractor (PMC) and its subcontractors, corporate staff from various retailers, and sales associates at a sample of retail stores in Energy Trust’s service territory (Table 1). Specifics about the data collection methods are described below.

**Table 1: Summary of Data Collection Activities**

AUDIENCE	SAMPLE	DATA COLLECTION ACTIVITY	TIMING
Program staff	8	Phone in-depth Interview	Sept. - Oct. 2013
Retailer corporate contacts	11	Phone in-depth Interview	Nov. - Dec. 2013
Retailer stores	14	Mystery shopping	Oct. 2013
Field service staff	4	Ride along	Jan. 2014

### 1.3.1. Program Staff Interviews

Research Into Action completed in-depth telephone interviews with eight Energy Trust program staff and PMC staff (including its subcontractors) during September and October 2013. Energy Trust’s Evaluation Project Manager selected the interviews based on recommendations from Energy Trust’s Senior Program Manager for New Homes and Products and an interest in getting feedback from a range of program staff. Program staff included senior-level managers who are responsible for program management and marketing (Table 2).

**Table 2: Program Staff Interview Contacts**

ORGANIZATIONS	TITLE
Energy Trust of Oregon	Senior Program Manager for New Homes and Products
Energy Trust of Oregon	Residential Marketing Manager
PMC (PECI)	Program Manager, New Homes and Products
PMC (PECI)	Associate Director of Residential Program
PMC (PECI)	Marketing Manager
PMC (PECI)	Senior Marketing Specialist
PMC (Applied Proactive Technologies)	Senior Manager of Northwest Programs
PMC (CLEAResult)	Senior Manager

Research Into Action used structured interview guides (Appendix F) to ask a series of applicable questions about the three main components of the program: 1) appliance rebates, 2) refrigerator recycling, and 3) lighting and showerhead mark-downs. Interviews lasted between 45 and 90 minutes.



With each contact person’s permission, we recorded all conversations in order to ensure the accuracy of our notes. When appropriate, in this report, we have used direct quotes from staff as examples or to highlight a specific topic.

### 1.3.2. Retail Corporate Contacts Interviews

Research Into Action completed telephone interviews with 11 retail managers and manufacturer utility program managers during November and December 2013. Interviews lasted 30 minutes on average.

Energy Trust’s Evaluation Project Manager provided a list of 18 retailer and manufacturer contacts to Research Into Action after discussions with program staff. This list was developed to allow us to talk with a diverse mix of retailers, including those that currently deliver a large portion of program savings, and those that provide opportunities to increase savings. Based on feedback from retailers, we also interviewed manufacturer representatives, given their role in implementing the program on behalf of retailers.

Among the 11 interviews, eight were with retailer representatives and three were with manufacturer representatives who had direct involvement with the program on behalf of their retailer clients (Table 3). Of the eight retailer interviews, half were with large national retailers, two were with regional retailers, and two were with nonprofit retailers.

**Table 3: Interviews by Retailer Type**

RETAILER TYPE	NUMBER OF INTERVIEWS
Retailers	8
<i>National retailers</i>	4
<i>Regional retailers</i>	2
<i>Nonprofit retailers</i>	2
Manufacturers	3
<b>Total</b>	<b>11</b>

Among the 11 respondents, three were responsible for appliances, and eight handled lighting (Table 4). Two respondents were responsible for both lighting and showerhead sales, but both of these interviews focused on lighting because of the emphasis on this growing product category.

Retailer contacts included two corporate sustainability managers, three corporate buyers, one store manager, and two nonprofit store program managers. The lighting manufacturer contacts were utility program managers for large national retailers.

**Table 4: Interviews by Respondent and Product Type**

RESPONDENT TYPE	PRODUCT AREA EXPERTISE			TOTAL INTERVIEWS
	APPLIANCES	LIGHTING	SHOWERHEADS*	
Retailer corporate sustainability manager	2			2
Retail store manager	1			1
Retailer corporate buyer		3	1	3
Retailer nonprofit program manager		2	1	2
Manufacturer utility program manager		3		3
<b>Total</b>	<b>3</b>	<b>8</b>	<b>2</b>	<b>11</b>

\* Both respondents responsible for showerheads also fell into the lighting product category.

Research Into Action used structured interview guides (Appendix G). We recorded all conversations, with permission, in order to ensure the accuracy of our notes.

### 1.3.3. Mystery Shopping at Retail Stores

Research Into Action conducted in-store mystery shopping visits at 14 participating appliance and lighting stores representing six retail chains in Energy Trust territory. In collaboration with Energy Trust’s Evaluation Project Manager, we selected retailers that represented a large portion of program savings. In choosing the specific stores to visit, we strove to select stores in Portland Metro and non-Metro locations that represented a range of counties and a varied range of field staff visits.<sup>2</sup> We visited between one and three store locations per retailer.

The mystery shoppers completed three tasks during the in-store visits: 1) conducted the mystery shop, 2) debriefed the sales associate, and 3) gathered data about energy efficiency-related POP marketing materials. Store visits lasted approximately 30 minutes for lighting and 45 minutes for appliances. We collected lighting data from 12 store locations, and appliance data from 7 store locations (Table 5). We approached a total of 21 sales associates: 14 in lighting and 7 in appliances.<sup>3</sup>

<sup>2</sup> The Portland Metro area was defined as within Clackamas, Columbia, Multnomah, Washington, and Yamhill counties. Any store located in Energy Trust’s service territory that was not in these counties was considered non-Metro. The number of field staff visits ranged from 2 visits to 13 visits between April and September 2013, including both appliance and lighting field staff.

<sup>3</sup> In two of the 12 stores where lighting data were collected, two employees per store were debriefed, bringing the total number of lighting employees approached to 14.

**Table 5: Number of Store Visits by Area and Products**

	LIGHTING ONLY	LIGHTING AND APPLIANCES	APPLIANCES ONLY	TOTAL
Portland Metro	5	4	1	10
Non-Metro	2*	1	1*	4
<b>Total</b>	7	5	2	14

\* Due to the proximity of the lighting and appliance sections in one location, it was not possible to collect lighting data from the same store without sales associates knowing the true purpose of the mystery shopper's visit. Therefore, we obtained only appliance data from that location, and only lighting data from an alternate location.

The mystery shopper conversation guide (Appendix H) provided detailed directions for mystery shoppers to ensure consistency across all visits. This included how to identify sales associates, how to ask particular questions about the products the shoppers were “looking for,” and the debriefing process. The data collection form guided mystery shopper in how to enter information about POP and other marketing materials (Appendix H).

#### 1.3.4. Ride Alongs with Field Service Staff

A Research Into Action project team member rode with four members of the program’s field staff during their regularly-scheduled visits to a total of 21 stores between January 13 and January 30, 2014.<sup>4</sup> The ride alongs were evenly split between lighting and appliances field staff. Ten of the observed store visits were in the Portland Metro area and the remaining 11 visits were in Salem.

During each store visit, the project team member recorded observations about the field staff’s interaction with store staff and the field staff’s verification and placement of POP materials. When possible, the project team member took photos to illustrate issues the field staff encountered in their work. The project team member also asked questions of each field staff member directly; these questions included both specific items about each store visit and more general questions about their experience. These questions are listed in the Ride Along Observation Guide, included in Appendix I.

#### 1.3.5. Analysis of Refrigerator Incentive Data

Research Into Action analyzed the program’s refrigerator incentive data to characterize trends in the program’s incented refrigerator models and to identify potential explanations for the decline in incented units in 2012 and 2013.

The refrigerator dataset contained data on 62,135 units incented between 2008 and 2013. The unit variables included manufacturer, model, configuration, efficiency level, price paid, incentive amount, and installation date. We analyzed the data using *SPSS*. The syntax file, which is available upon request, documents all procedures employed for data cleaning, data transformation, and statistical analyses.

<sup>4</sup> Store visits took place on January 13, January 23, January 27, and January 30, 2014.

## 1.4. Report Structure

The report includes four sections and several appendices. Section 1 is the introduction. Section 2 contains detailed descriptions for each of the program's distinct components. The detailed findings from each data collection activity, as well as data collection instruments, can be found in the appendices. Section 3 summarizes key findings overall from these tasks, and Section 4 provides conclusions and recommendations based on these key findings.

## 2. Program Description

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The overall goal of the Products program is to promote awareness of and drive interest in energy-efficient home products through 1) incentives to residential customers for qualified high-efficiency ENERGY STAR clothes washers, refrigerators, and freezers; 2) incentives for refrigerator and freezer recycling; and 3) customer mark-downs of the initial cost on ENERGY STAR specialty CFLs, LEDs, and efficient showerheads.

The program's activities are designed to create long-term viability for high-efficiency ENERGY STAR branded home products by implementing on-the-ground, retailer-focused marketing, education, sales training, and tools that promote energy efficiency among customers and market actors. The program also provides incentive processing and support to customers who buy ENERGY STAR products. PECI, a Portland-based nonprofit energy program implementation firm implementing the program on behalf of Energy Trust, has been the program's PMC since its inception in 2004. PECI staff provide support for program delivery across several program elements, including budget management, incentive application processing, marketing, reporting, engineering analysis, and research into new measures and savings.

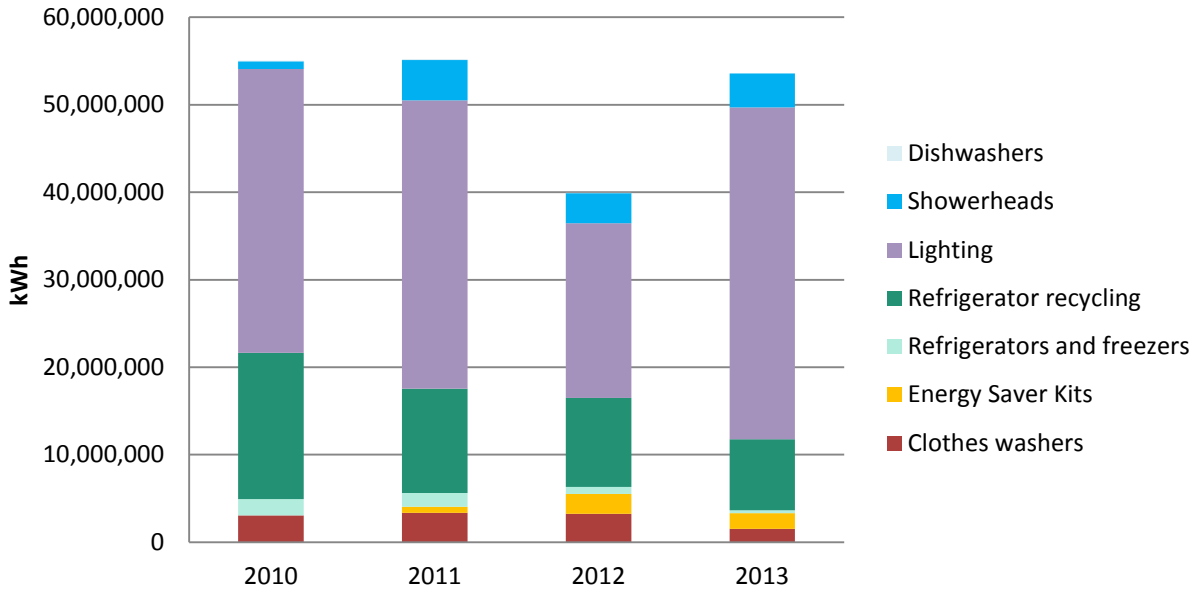
Residential-sector trend data<sup>5</sup> show lighting products accounted for the majority of overall program savings since 2010. Savings from refrigerator recycling were the second largest source of kWh savings, followed by much smaller savings from showerheads, clothes washers, refrigerators and freezers, and Energy Saver Kits. Showerheads, Energy Saver Kits, clothes washers, and dishwashers also contributed to therm savings.

Figure 1 shows actual kWh savings by measure category since 2010 to 2013. kWh savings peaked in 2010 and then dropped significantly by more than 20% in 2012 compared with 2010-2011 levels. In 2013, overall kWh savings recovered to the 2011 level by capturing a large amount of savings from lighting.

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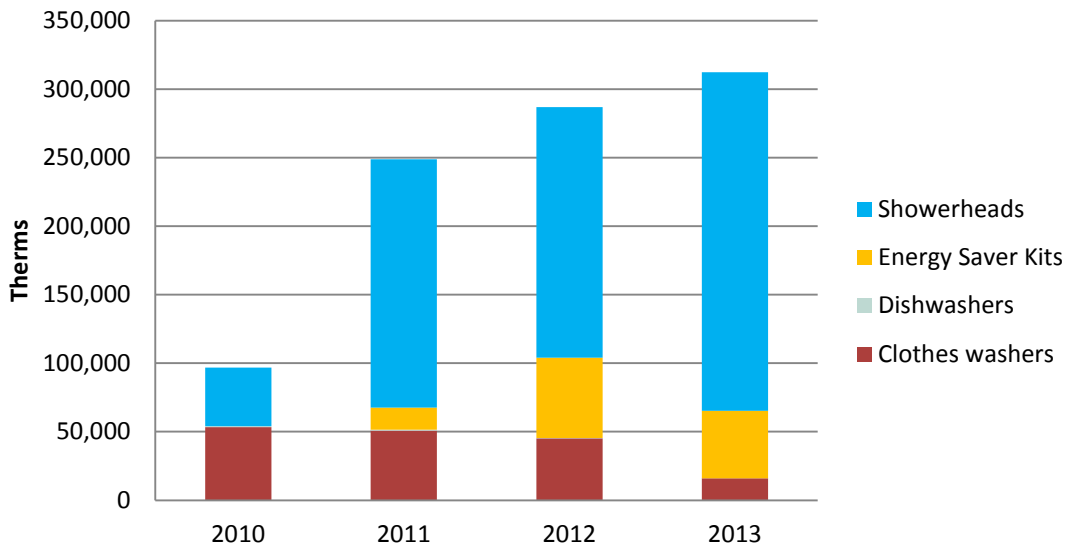
<sup>5</sup> Energy Trust of Oregon. Request for Proposal: 2013 Products Program Process Evaluation. May 29, 2013.

Figure 1: Actual kWh Savings by Year by Measure



As shown in Figure 2, actual overall therm savings have steadily increased year by year. In 2013, therm savings from showerheads accounted for nearly 80%, followed by Energy Saver Kits and clothes washers.

Figure 2: Actual Therm Savings by Year by Measure



Below, we describe detailed program design characteristics, implementation, and program activities of each of the three program components: 1) appliance rebates; 2) refrigerator recycling; and 3) lighting and showerhead mark-downs.

## 2.1. Appliance Rebates

### 2.1.1. Design

The appliance rebate component offers cash incentives to customers who purchase a qualifying ENERGY STAR clothes washer, refrigerator, or freezer. The overall goal of the appliance component is to increase the market share of the most energy efficient models by incentivizing customers to purchase the highest efficiency models within their categories.

Applicants for appliance incentives submit an application after they buy a qualified appliance. Customers may complete a hardcopy application and submit it by mail, fax, or email, or they can apply for their incentive online.

The amount of the financial incentive customers are eligible for is intended to reflect the minimum amount needed for customers to overcome incremental cost barriers in the market. The program sets aggressive tiers – as high as the market permits – based on available data such as free ridership, ENERGY STAR penetration, and sales forecasts. The current tiers are matched with tiers established by the Consortium for Energy Efficiency (CEE). Tables 6 to 8 show incentive tiers for appliance measures since 2010.<sup>6</sup>

**Table 6: Clothes Washers Incentive Tiers**

EFFECTIVE DATE	TIER	INCENTIVE
2010 (One Tier)	MEF 2.2 or higher	\$75
2011 (Two Tiers)	MEF 2.46 or higher	\$100
	MEF 2.2-2.45	\$50
2012 (One Tier)	MEF 2.46 or higher	\$100
2013 (Two Tiers)	MEF 2.6 or higher	\$70
	MEF 2.4 – 2.59	\$50

**Table 7: Refrigerators Incentive Tiers**

EFFECTIVE DATE	TIER	INCENTIVE
2010 (One Tier)	ENERGY STAR refrigerator (20% more efficient than federal standards)	\$50
2011 (Two Tiers)	ENERGY STAR refrigerator (30% more efficient than federal standards)	\$100
	ENERGY STAR refrigerator (20-29% more efficient than federal standards)	\$50
2012 (One Tier)	ENERGY STAR refrigerator (30% more efficient than federal standards)	\$100
2013 (One Tier)	ENERGY STAR refrigerator (30% more efficient than federal standards)	\$75

<sup>6</sup> Program Implementation Manual: Energy Trust New Homes & Products. June 2013.

**Table 8: Freezers Incentive Tiers**

EFFECTIVE DATE	TIER	INCENTIVE
2010 (One Tier)	ENERGY STAR freezer (10% more efficient than federal standards)	\$50
2011 (One Tier)	ENERGY STAR freezer (10% more efficient than federal standards)	\$50
2012 (One Tier)	ENERGY STAR freezer (10% more efficient than federal standards)	\$50
2013 (One Tier)	ENERGY STAR freezer (10% more efficient than federal standards)	\$35

Savings from the appliances component of the program peaked in 2011; redemption of refrigerators and clothes washers has been decreasing since 2012 and the decrease has been particularly noticeable for refrigerators. Program staff speculated on a number of reasons for this situation, including the program’s increased efficiency tiers in 2012 as a result of increasing federal standards and baseline; the lack of available models that met the new tier requirements; expiration of the Oregon Residential State Tax Credit at the end of 2011; and a slow housing market.

### 2.1.2. Activities

The appliance component is implemented by PECI who works closely with Energy Trust program management and marketing staff. PECI staff create and maintain marketing materials, including a dedicated section of Energy Trust’s website for retailers, clothes washer and refrigerator/freezer clings, appliance flyers, and appliance tent cards.

In order to enhance customer service and expedite delivery of incentive information to consumers, PECI works with Energy Trust’s main call center to provide as many direct answers to callers’ questions as possible. Call center representatives log customer feedback in Energy Trust’s CRM (Customer Relationship Management) system, and follow case escalation procedures for customer complaints.

Applied Proactive Technologies (APT) is a subcontractor that supports PECI by conducting field visits focusing on merchandizing for the program’s appliance and showerhead measures and ensuring that qualifying models carry the proper, updated POP materials. APT field service staff visit retailer locations on a four- to six-week rotation, and visit some of the busier stores more frequently. During these visits, field staff relay program communications, train sales staff on program incentives, review qualifying product criteria, and place new POP.

Retailers also receive communications from the program throughout the year, mainly through the INSIDER newsletter (for trade and program allies) and yearly mailings. All retailers also receive a packet at the beginning of the calendar year that includes the year’s incentive and eligibility requirements, qualified models list, incentive applications, and samples of POP materials.



## 2.2. Refrigerator Recycling

### 2.2.1. Design

The refrigerator recycling component offers incentives for refrigerator and freezer recycling. The overall goal is to decommission old, energy-wasting refrigerators and freezers, and to prevent replaced units from being put back in the secondary market.

Applicants for refrigerator recycling incentives schedule a pick-up of their appliance online or by phone. Some retailers integrate pick-up service with the delivery of a newly purchased appliance.

To be eligible, an applicant must be an Oregon customer of Pacific Power or Portland General Electric. The refrigerator and freezer units to be recycled must be between 10 and 30 cubic feet and operational. As shown in Table 9, the program has maintained the same eligibility requirements, but adjusted the incentive amount in 2010 and in 2012.<sup>7</sup>

**Table 9: Refrigerator Recycling Incentive Tier**

EFFECTIVE DATE	TIER	INCENTIVE
2009 and prior	10 and 30 cubic feet in size and must run	\$30
2010 (One Tier)	10 and 30 cubic feet in size and must run	\$50
2011 (One Tier)	10 and 30 cubic feet in size and must run	\$50
2012 (One Tier)	10 and 30 cubic feet in size and must run	\$40
2013 (One Tier)	10 and 30 cubic feet in size and must run	\$40

Program staff mentioned that savings from the refrigerator recycling component also have been shrinking, and cost-effectiveness is becoming an issue partly due to the program’s own success.

### 2.2.2. Activities

The refrigerator recycling component is administered by PECI on behalf of Energy Trust, and PECI works closely with Energy Trust’s program management and marketing team. As PMC, PECI provides support for marketing activities, training, incentive processing, and reporting. PECI staff create and maintain marketing collateral, including a website and tear card. PECI marketing staff also support special promotions or recycling marketing campaigns such as *Fill a Fridge* campaign. During field visits, APT field service staff relay any program communications, train sales staff on program incentives, and distribute program materials. JACO’s call center staff schedule appliance pick-ups and answers callers’ questions.

<sup>7</sup> At the beginning of 2014, the program began offering a \$20 incentive for units manufactured before 1993. Units manufactured prior to 1993 are still eligible for a \$40 incentive.

JACO Environmental is a subcontractor that supports PECI by providing call center operation, scheduling, and pick-up services; verifies incentive applicants' information, including contact information, electric utility, and the recycled unit; and recycles the appliances.

## 2.3. Lighting and Showerhead Mark-Downs

### 2.3.1. Design

The lighting and showerheads component is designed to make ENERGY STAR CFLs, LEDs, and efficient showerheads more accessible to customers by buying down or marking down the initial cost and through prominent placement in a variety of Oregon retailers. Energy Trust opted into Bonneville Power Administration's (BPA) regional effort, marketed to consumers under the brand name "Simple Steps, Smart Savings." CLEAResult (formerly Fluid Market Strategies), which implements the Simple Steps, Smart Savings program on behalf of BPA, supports activities as a subcontractor to PECI.<sup>8</sup>

CLEAResult provides Energy Trust with the portfolio of lighting and showerhead measures and their incentive levels that are aligned with those offered by Simple Steps, Smart Savings. PECI staff then work with CLEAResult to determine which products and incentives are appropriate for Energy Trust's program. Incentives are calculated based on unit and savings projections, and the incremental cost barriers in the market. The offering reflects the minimum amount needed to overcome barriers for customers.

While lighting remains the main contributor to total program savings, program staff reported the Energy Independence and Security Act (EISA) has brought challenges to the lighting component of the program. In 2012, EISA regulations, which included prohibition on the manufacture and import of traditional incandescent bulbs, are increasing the efficiency of the lighting baseline and resulting in decreased average savings per bulb and a drop in overall savings.<sup>9</sup> This impact of EISA is expected to last in the coming years. In addition, according to program staff, EISA unexpectedly led to a sudden upsurge in sales of incandescent and some halogen products as retailers attempted to sell their remaining stock before the legislation took effect.

### 2.3.2. Activities

CLEAResult provides marketing support, field services and training, forecasting, and data tracking. PECI verifies sales data and processes incentive payments.

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<sup>8</sup> CLEAResult also serves as a PMC for Energy Trust's Existing Homes program, but these contracts are independent.

<sup>9</sup> EISA of 2007 mandates common household light bulbs that traditionally use between 40 and 100 watts will use at least 27% less energy by January 2014. Source: [http://www.energystar.gov/ia/products/lighting/cfls/downloads/EISA\\_Backgrounder\\_FINAL\\_4-11\\_EPA.pdf](http://www.energystar.gov/ia/products/lighting/cfls/downloads/EISA_Backgrounder_FINAL_4-11_EPA.pdf)

PECI staff maintains program information on the Energy Trust website and the Simple Steps, Smart Savings website managed by CLEAResult. Web postings include program descriptions highlighting promoted products, lists of participating retailers, information about how to choose the proper bulbs, CFL recycling tips, and other information to help customers save energy and water. PEGI also supports the program's community outreach activities through the Change a Light fundraisers, Carry Home Savings promotions, Water Bureau giveaways, and other community events.

During field visits at participating stores, CLEAResult field service staff relay any program communications, train sales staff on program incentives, and place and distribute program materials.

A random selection of stores is audited by CLEAResult once a month to ensure that the promotion is being marketed accurately and successfully. The results of these audits are provided in the monthly report summarizing Simple Steps activity.

## 3. Key Findings

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This process evaluation yielded five key findings drawn from multiple primary data sources. Below we discuss each key finding.

### 3.1. Key Finding #1:

The number of incented refrigerator models at the lowest price points dropped sharply in 2012 and 2013, likely because low-cost qualified models were no longer available to consumers.

Energy Trust program staff noted that the total number of incented refrigerators declined sharply starting in 2011. Program staff hypothesized that one of the causes was a lack of available qualified models, which was investigated by analyzing program data. Evidence from this evaluation supports this hypothesis and provides additional detail about the characteristics of the models with reduced availability.

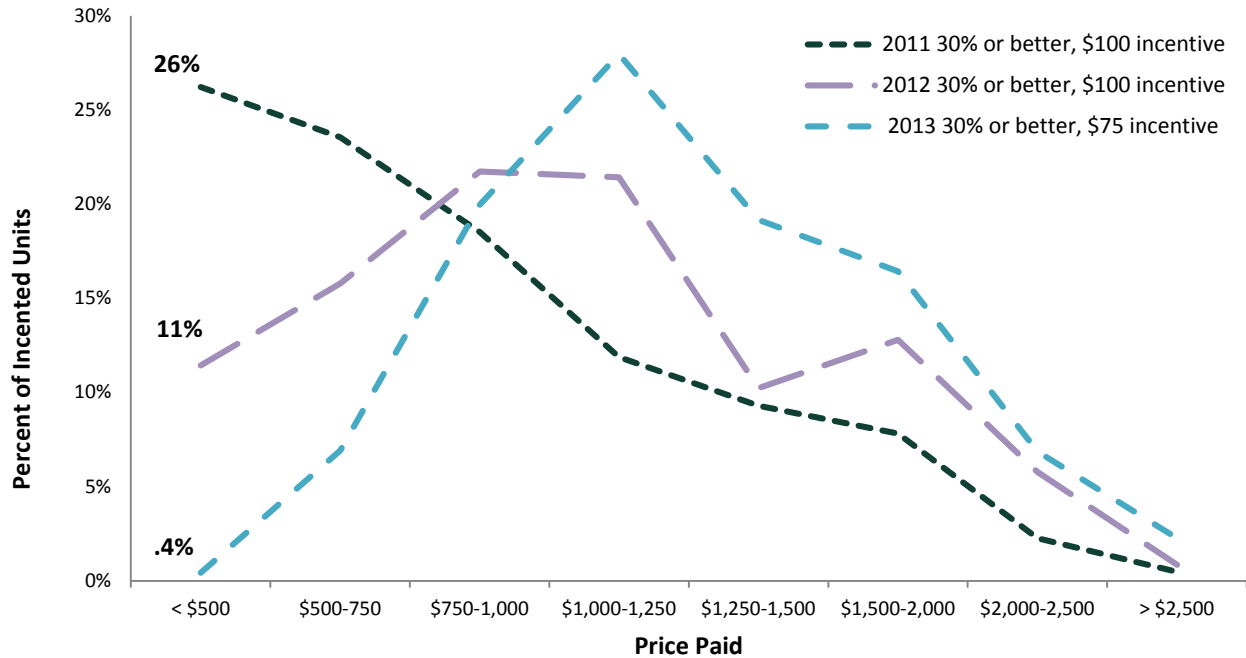
The overall decline in incented units was primarily accounted for by the decline in one particular unit type: lower cost, top-freezer models.

From 2011 to 2012 and continuing into 2013, there was a significant drop in redemption among qualified units priced under \$1,000 (Figure 3).<sup>10</sup> In 2011, qualified units priced under \$1,000 made up 68% of units in the highest efficiency “tier” (30% or better than Federal standards). This proportion dropped to 49% in 2012 and 27% in 2013. Conversely, the proportion of qualified units priced at \$1,000 and over within this tier was 32% in 2011 and increased to 51% in 2012 and 73% in 2013.

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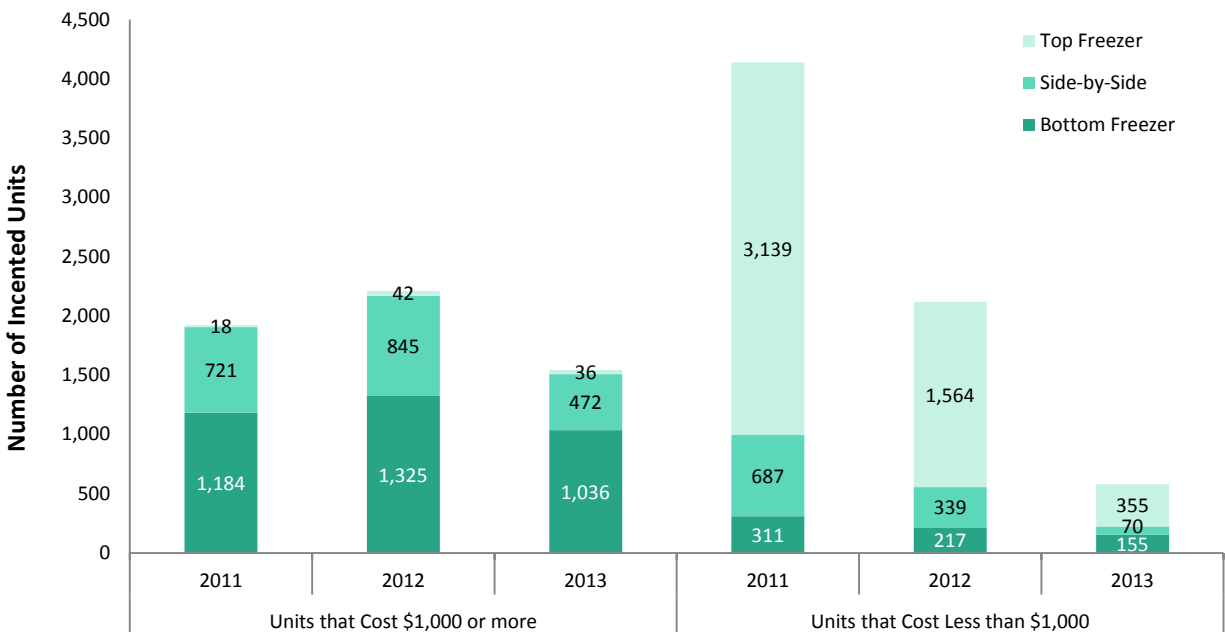
<sup>10</sup> In 2011, the 20-29% better tier accounted for a majority of incented units (68%), but this tier was eliminated starting in 2012, accounting for a “loss” of about 13,000 units. Because this 20-29% better tier no longer exists and does not provide a meaningful comparison with 30% better tier, we excluded this category from Figure 3.

Figure 3: Percentage of 30% or Better Units, by Year and Price Point



As Figure 4 illustrates, almost all incented top-freezers cost less than \$1,000, and that the overall decline in incented units since 2011 was primarily accounted for by the decline of these lower cost, top-freezer models.

Figure 4: Number of 30% or Better Incented Units, by Year and Price and Configuration



The retail assortment of qualified refrigerators *at all price points* is smaller compared to other appliances.

Not only are low-priced qualified refrigerators scarce, qualified refrigerators overall appear at retail in smaller proportions than other appliances. Mystery shopper visits found merely 28% of refrigerator models shown to be qualified, compared to 44% of clothes washer models.

Retailer interviews suggest that refrigerator models that retailers find desirable often do not meet Energy Trust's program requirements. For example, retailers expressed interest in assorting more French door refrigerators but said they had difficulty finding enough models that qualified for incentives. Retailers also noted that the most efficient products tend to be more expensive, making them less likely to put these models on the retail floor and more likely to limit their availability to online.<sup>11</sup>

### 3.2. Key Finding #2:

**There are important differences between lighting and appliances in the retail environment and customers' purchase decision process that the program is not sufficiently addressing.**

Retailers and customers treat lighting and appliances differently in the way they are presented on the sales floor and in the nature of the purchase decision process. Below we discuss these differences and how they may influence Energy Trust's future program design.

**Retailers take a more active approach to appliance sales than lighting sales, and staffing in the lighting and appliance departments reflects this difference.**

Most retailers staff lighting and appliances departments differently, which results in a different customer experience when shopping for lighting or appliance products.

Customers typically interact with a sales associate as part of an appliance purchase. In most stores, one or more associates are available to help customers in the appliance department, and these associates proactively approach customers and offer assistance. In contrast, customers typically purchase lighting products without the assistance of a sales associate. Many stores do not assign sales associates to the lighting department specifically and sales associates may only help customers with lighting purchases if the customer approaches the sales associate with a question. This difference may stem from the fact that retailers in general focus their staffing and training more on products with higher price points.

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<sup>11</sup> Retailers reported demand for higher-priced models can be insufficient to warrant stocking those models. Retailers also reported the current program's rebate levels are too low to drive purchase decisions for specific models, especially for the more expensive units. As a result, one regional retailer said, it is difficult to predict which models customers will want. In the past, higher incentives did make it easier to predict models that would sell, which made stocking decisions easier.

Mystery shopping visits revealed differences in the characteristics of lighting and appliance sales associates that are consistent with retailers’ distinct sales approaches to the two product categories (Table 10). Selling appliances was the primary responsibility of most appliance associates; these associates typically worked in the appliance department and did not have managerial responsibilities. In contrast, assisting customers with lighting purchases was typically only part of a lighting associate’s responsibilities. Lighting associates more often reported that they did not regularly work in the lighting department and more often had supervisory responsibilities. In addition, while the median tenure in their department was the same for lighting associates and appliance associates, appliance associates had often worked in the store longer. Lighting associates were less likely to report having received training on the program than appliance associates. And no lighting sales associates could explain the meaning of the Simple Steps, Smart Savings POP, while almost all appliance sales associates could explain the program’s incentives and ENERGY STAR.

**Table 10: Comparison of Key Characteristics between Sales Associates in Lighting and Appliance Departments**

CHARACTERISTICS	ASSOCIATES MYSTERY SHOPPER INTERACTED WITH	
	LIGHTING	APPLIANCES
Assignment in the department is primary responsibility?	43%	71%
Have supervisory responsibility?	43%	0%
Received training on the program?	0%	43%
Average tenure in the store	2.5 years	5 years
Average tenure in the department	2 years	2 years
Knowledge of the program’s brand	0%	86%

### 3.3. Key Finding #3:

#### An abundance of new lighting technologies will require consumers to change the way they make lighting purchase decisions.

Retailers and manufacturers reported increases in sales of energy efficient lighting in the last few years. They expect the trend to continue into 2014 as prices fall, particularly for LEDs. As a result, retailers said they plan to expand both the efficient lighting products in their assortments (both LEDs and CFLs) and the number of stores that carry them. Two manufacturers mentioned that their national retail clients will continue to focus on ENERGY STAR certified bulbs in particular.

Despite the supply-side trend of increasing variety in lighting product technologies, customers do not appear to be adjusting their purchase decision-making accordingly. Though retail stores have begun adopting these changes by presenting customers with a variety of new lighting technologies and education opportunities, customers still do little or no advance research to inform their lighting purchases, according to retailers and manufacturers. When faced with the

array of new (energy efficient) options, most of which are more expensive than incandescent or standard CFL bulbs, customers face more complex decision-making process than in the past.<sup>12</sup>

**There is an information gap when it comes to new, energy efficient lighting technologies: customers have many questions but can find few answers.**

While some customers may bring experience and opinions about energy efficient lighting into the store, many do not, according to retailers and manufacturers. Retailer, manufacturer, and lighting field staff contacts all reported that once in the store, customers have questions about light levels, light quality, mercury in CFLs, bulb cost, and how newer products compare to the alternatives. As a result, customers seek answers from sales associates, signage, and displays, but they do not always find the information they are looking for, according to retailers, lighting field staff, and program staff.

Retailers said their stores conduct little (if any) advertising for energy efficient lighting. POP signage and other more detailed program materials can be effective in answering consumers' questions, according to program staff, retailer, manufacturer, and sales associate contacts. But they reported that POP materials may not always provide desired detail, including typical applications in the home, expected energy savings, and life of operation for specific bulb types. During ride alongs, lighting field staff reported they are limited in where they can place the large Bulb Finder POP signs that guide shoppers through the process of choosing the right bulb for their needs, further contributing to the difficulty of finding information (see Appendix E for more information).

Special store displays comparing various energy efficient bulbs to each other, and to incandescent lighting, can be effective ways to help shoppers envision how the newer bulbs would work in their own home. However, these are not yet widely used. One manufacturer has found success using "light bars," which compare working incandescent and energy efficient lighting, making it easy to see color and start-up time. Another manufacturer noted that a formerly reluctant retailer is increasingly open to these kinds of special store demos for lighting. A program staff member expressed skepticism about the helpfulness of current signage, and noted that educational displays such as "light bars" could be worth emulating as an alternative.

As evidenced by the results of mystery shops, sales personnel—though helpful—are often unavailable. When they are available, they have limited knowledge about energy efficiency and/or the program, said lighting field staff, program staff, and retailer contacts. Mystery shops confirmed that sales associates know little about the Simple Steps, Smart Savings program. During mystery shops, sales associates also hesitated to recommend a specific lighting product or a product with an ENERGY STAR logo, leaving consumers to do more work to sort through the options.

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<sup>12</sup> Although the most recent Lighting Shelf Survey conducted by Energy Trust indicates that the actual model varieties shrunk in 2012, retailer and manufacturer contacts were making comparisons of customer experiences of wider time span rather than changes in specific recent years.



In the absence of information, customers make purchase decisions based on price or habit.

Retailers reported increased LED bulb sales are strongly correlated with declining prices over the past year. Lighting field staff supported that observation, stating that the high price of LED bulbs has been the primary barrier to their adoption in the past. As one field staff member said, “Lots of people are receptive to energy savings, but some people will never spend seven dollars for a light bulb.”

Other shoppers simply select products that appear similar to items they are familiar with (such as A-line halogens), retailer and manufacturer contacts reported. During mystery shops, sales associates indicated that fewer than half of customers they encounter ask about energy efficiency, with one noting that “most people just want to replace the bulb that burnt out with the same type of bulb.”

Consumers harbor more doubts about the application and function of efficient lighting technologies than they do about efficient appliances.

The common questions received by field service staff from sales associates and customers suggest greater uncertainty around efficient lighting products than appliances. Typical lighting questions addressed the appropriate applications for particular products, lumen measurements and the quality of light output, and concerns about mercury. These questions suggest uncertainty on the part of sales associates and end-users that efficient lighting products will perform as well as the more familiar incandescent lamps. In contrast, the most frequent questions appliance field staff received about appliances focused on the program and its offerings and processes. They did not report receiving any technology questions about efficient appliances from sales associates during store visits.

### 3.4. Key Finding #4

There are benefits and challenges to regional collaboration in the Simple Steps, Smart Savings program.

Program staff interviewees and retailer and manufacturer contacts pointed to a number of benefits as well as challenges of regional collaboration through the Simple Steps, Smart Savings program.

### 3.4.1. Benefits

Program staff perspective: Savings from the regional collaboration has been cost-effective and satisfactory; regional collaboration eases retailer participation by creating consistency across a larger geographic area.

Despite the challenges posed by the Energy Independence and Security Act (EISA), all staff interviewed agreed the mark-down nature of the Simple Steps program has generated satisfactory levels of cost-effective savings.

Program staff reported regional collaboration enhances retailer participation and creates leverage in negotiations with retail partners. Program staff mentioned that the Simple Steps program has developed close working relationships with retailers and manufacturers, and these relationships permitted the program to obtain valuable shelf space and to develop promotions that are more aligned with retailers' and manufacturers' marketing strategies.

According to program staff, regional collaboration benefits retailers by creating consistency across a larger geographic area (and thus more of a retailer's stores) while a lack of consistency among utilities' program offerings can confuse retailers and make them less willing to work with utility programs. Staff identified a number of regional initiatives, such as the Western Region Utility Network (WRUN) and the Northwest Regional Retail Collaborative, led by the Northwest Energy Efficiency Alliance (NEEA), that coordinate activities to align programs, making it easier to engage retailers.

Retailer and manufacturer perspective: Regional collaboration has the potential to provide efficiency programs with enough consistency and leverage in the market to motivate retailers to increase their utility program engagement at the corporate level.

Retailers and manufacturers reported the Simple Steps program had increased their overall sales and helped them expand the number of lighting product SKUs (stock keeping units, or product models) carried.<sup>13</sup>

Many retail and manufacturer contacts described a strong preference of working with regional or national initiatives rather than local utility programs. Large national retailer contacts reported difficulty working effectively with individual utility programs because of local program differences and requirements. Retailers' advertising campaigns and in-store merchandising are typically standardized nationally and rolled out across all stores. The myriad utility programs with potential to affect stores in different areas limit national retailers' ability to customize program-related efforts by region. As one retailer said, "I can't do anything nationally with so many different programs. Everyone is on their own wavelength." Referring to efficiency programs, another said, "I can't manage 600 of you all."

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<sup>13</sup> Retailers and manufacturer contacts provided this account in general terms, not specific to any particular time frame. The interviewer generally asked questions about their 2012-2013 activities.

As a result, national retailers tend to avoid or severely limit local utility appliance and lighting program involvement at the corporate level, or in the case of lighting, they prefer to participate indirectly through product manufacturers who interact with the programs on their behalf. One retailer even said that local utility programs have caused them to curtail advertising of energy efficient products: “I used to be able to advertise a \$10 bulb reduced to \$7, but now with different prices with different utilities, we just don’t do any advertising.” In addition, some national retailers reported they are working with utilities or public purpose fund administrators, including Energy Trust, to find ways to make standardized incentives across utility programs workable.

### Regional collaboration allows for greater program cost-effectiveness by reducing the effect of leakage.

In addition to the primary data collected during this process evaluation, we reviewed industry literature on lighting mark-down programs. Although mark-down programs can alleviate many barriers associated with downstream consumer rebate programs, there are disadvantages, including costs associated with “leakage” of discounted product.<sup>14</sup> Because participating retail stores offer a reduced price product to all customers, energy savings from discounted products may not benefit the program administrator’s service area when customers who live outside the service area purchase discounted products and install them in their homes. Program attribution must be adjusted to account for this leakage.

Regional programs are better able to absorb the savings that accrue from leakage because all sales in stores near service territory boundaries are able to be counted. Products purchased in Portland but installed in Vancouver and vice versa are all counted. The Simple Steps, Smart Savings program can acquire savings that might be lost by independent programs. These savings help the regional program maintain its cost-effectiveness, and provide for a larger pool of savings the program can allocate to its funders.

### 3.4.2. Challenges

#### Regional collaboration constrains the ability of the Products program to design its own promotions and can create communication and reporting challenges.

A key challenge for regional collaboration programs like Simple Steps, Smart Savings stems from the number of funders and implementation contractors involved. Program staff interviewees reported that regional collaboration does not provide Energy Trust sufficient control over practical details of the program implementation including selection of optimal lighting measures, training of sales associates, and messaging and POP designs.

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<sup>14</sup> Several sources reviewed included: The Cadmus Group (2013), Residential Efficiency Crossroads: Opportunities for the Future. Zentai, Baker, Hines (2009), Just Map It!: Using GIS to Show Diffusion, Leakage and Market Potential, 2009 International Energy Program Evaluation Conference. Kates, Mitchell-Jackson, Megdal, Bonano (2005), Measuring the Success of CFL Energy Efficiency Programs; It’s the Saturation, Stupid, 2005 International Energy Program Evaluation Conference.

Regional collaboration also brings communication and reporting challenges. Program staff reported that implementation contractors are required to work together, yet each may be working to meet different goals and requirements when it comes to reporting or data sharing. Further, energy efficiency program implementation is a competitive field. Contractors who work together on Simple Steps, Smart Savings or other collaborative efforts know they may be bidding against one another for the same contract in the future. Contractors may thus be reticent to share information about their internal operations or market intelligence that they believe gives them a competitive advantage.

### Program staff suggest Energy Trust's brand would yield higher savings.

The consistency of the Simple Steps, Smart Savings regional branding creates a disadvantage to Energy Trust branding elsewhere. While customers and sales associates may see the same Simple Steps brand in lighting departments throughout the region, they will encounter the Energy Trust brand in appliance departments, reducing the leverage of Energy Trust branding.

Mystery shopping found little understanding among sales associates of what the Simple Steps, Smart Savings POP meant. None of the sales associates interviewed could provide an explanation of Simple Steps. It is not clear whether this knowledge gap resulted from inadequacies in the Simple Steps POP, predominance of Energy Trust's brand, or some other causes. Program staff suggested Energy Trust could benefit from the consistent use of Energy Trust's brand across the entire retail space, simplifying consumer decisions and yielding additional energy savings.

## 3.5. Key Finding #5:

### Sales associates promote their store's appliance pick-up service more than Energy Trust's.

During mystery shopping visits, sales associates promoted their store's appliance pick-up service to customers more often than Energy Trust's refrigerator recycling program. None of the seven appliance sales associates mentioned Energy Trust's refrigerator recycling program unprompted. When mystery shoppers asked sales associates what to do with an old refrigerator, two sales associates mentioned Energy Trust's refrigerator recycling program, compared to the five sales associates who mentioned their store's free haul-away service. Only one sales associate recommended using Energy Trust over their store for refrigerator removal.

### Appliance field staff anticipated that changes to the refrigerator recycling component in 2014 will decrease the extent to which retail staff promote the program even further.

Starting in 2014, the refrigerator recycling component will provide tiered incentives based on the age of the refrigerator. Decreasing incentive amounts and more complicated incentive structures may deter promotion of the program in retail stores. During ride alongs, one field staff member stated that recycling program uptake had decreased in previous years, and this coincided with the time the program reduced the incentive from \$50 to \$40. Further, the field staff member noted

that with a further reduction to the incentive, participants may not find it worthwhile to schedule a separate pick-up appointment with Energy Trust when the retailer will haul away their old refrigerator at the same time their new refrigerator is delivered.

Sales associates concurred with field staff predictions of a decline in uptake. A staff member at one independent appliance retailer stated his preference for his own store's pick-up service, noting that if customers used his service rather than Energy Trust he "wouldn't have to worry about" explaining the new tiered incentive structure.

## 4. Conclusions and Recommendations

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The process evaluation yielded five conclusions. Each conclusion is followed by a series of recommendations.

### 4.1. Conclusion #1:

**The cause of the decrease in availability of low-priced efficient refrigerators likely lies upstream in the supply chain.**

Data from this evaluation do not allow us to determine the extent to which the limited availability of qualified refrigerators, in particular, those at low price points, is the result of supply constrictions among manufacturers, retailers, or both. Additional research to locate the barrier to efficiency at a more precise point in the supply chain is required to help Energy Trust design a targeted program intervention. For example, if low-priced qualifying models are available from manufacturers but not being stocked by some or all retailers, Energy Trust could target those retailers with a midstream incentive designed to encourage them to bring more low-priced qualified models to the sales floor. If, however, low-priced qualifying products are no longer being manufactured, this points to a very different program design and Energy Trust may need to work with other efficiency program funders to convince these upstream players to design and manufacture more low-priced qualified units.

### Recommendation:

- › **Conduct follow-on research of retailers' and manufacturers' assortment data to identify the barriers to efficiency upstream in the supply chain.** An approach that begins with an analysis of retailer and manufacturer assortment data would yield findings regarding the extent to which retailer assortment is responsible for the lack of available qualified models. If this analysis suggests the problem lies more upstream, obtaining more qualitative data from manufacturers will help understand specific intervention opportunities.
- › **Implement a pilot to test the impact of an increased incentive amount for low-price refrigerators.** A limited pilot to test the impact of increasing the incentive amount would provide Energy Trust several useful pieces of information. The results of this “experiment” would reveal: 1) Whether, and to what extent, an increase in the incentive amount results in an increase in incented unit sales; 2) How any change in unit sales resulting from an increase in incentive amount varies by price point, configuration, brand, and retailer; 3) Whether the decline in incented units from 2012 to 2013 may be attributable to the decrease in incentive amount versus an availability barrier.

- › **Consider adding an incentive tier slightly less stringent than the 30% or better tier, for example, “25-29% better.”** This approach would likely allow Energy Trust to increase the number of incented units while still obtaining higher per-unit savings than a 20-29% better tier.

## 4.2. Conclusion #2:

### Promotion strategies for lighting and appliances should reflect their very different conditions within the retail environment.

The differences between lighting and appliances in the retail environment suggest the need for training and POP that differs in a few specific ways.

Training for sales associates on lighting technologies needs to address the challenges in training sales associates resulting from the fact that lighting departments typically do not have dedicated staff. POP materials need to be designed to suit the relevant audience. While customers are the primary audience for lighting POP, both sales associates *and* customers are equally important audiences for appliance POP. The POP materials for each department should reflect this difference.

### Recommendations:

- › **Increase the number of sales associates trained on lighting.** Because sales associates who assist customers with lighting purchases may work in any area of the store or even have managerial responsibilities, the total number of sales associates who provide customer service in lighting is likely larger than the number of associates who assist customers with appliance purchases. As a result, the program may need to train more total associates in lighting than in appliances, in order to ensure that a customer will receive help from a trained associate. This may be achieved more effectively using online training modules than relying on field service staff. Research conducted recently by the Northwest Energy Efficiency Alliance (NEEA) found nearly all sales associates engage in online trainings on a daily or weekly basis. Online training would allow the program to reach a larger number of sales associates more cost-effectively than is possible using field staff. Energy Trust may also benefit from incentivizing sales associate to take trainings.
- › **Design trainings to support information retention.** Sales associates likely work with lighting products less consistently than do sales associates who specialize in appliances. Lighting trainings should thus be designed to support retention, in consideration of the fact that trainees may only have the opportunity to use the information inconsistently. This could include providing written information, easy “rules of thumb,” memory-assisting devices like acronyms, or repeated short trainings instead of longer less frequent trainings.

- › **Design lighting POP to be used by customers, without the assistance of sales associates.** Many end-users make lighting purchases without assistance from a sales associate. POP in the lighting department may be these customers' only source of information about the program and efficient lighting while inside the store. As a result, it is important that lighting POP appeal to, and inform, lighting customers.
- › **Design appliance POP to inform both customers and sales associates.** Customers rarely make appliance purchases without speaking to a sales associate. While there is no harm in designing appliance POP to address customers' needs, its more important function is to help sales associates identify qualified models. Thus while it is a benefit for appliance POP to be instructive to customers, it is critical to provide information that helps sales associates explain the benefits and close sales of efficient products.

### 4.3. Conclusion #3:

#### Consumers need better information at the point of purchase to support increasingly complicated lighting purchase decisions.

Today's lighting customers need more information than in the past. With the explosion of new energy efficient lighting technologies, current POP and sales associate assistance are insufficient to meet customers' need for information. Energy Trust has many options for improving the information available to customers, including improved marketing campaigns and POP materials.

#### Recommendations:

- › **Expand placement of the Bulb Finder POP signage in stores, and develop other, smaller materials that provide the same level of detailed information.** Currently, the signs are hard to place because they need a large, flat surface (see Appendix E). When placed on a post, the blank side of the sign wastes valuable real estate. A wallet-sized brochure or tear-away sheet could supplement the signage, especially in settings where the sign is not feasible.
- › **Make lighting product information available to shoppers through a smartphone app or mobile website.** Scannable QR codes and/or website addresses on signage (including the Bulb Finder sign) could bring shoppers to a program website that includes links to useful information, such as the Simple Steps, Smart Savings "How to Choose" page (<http://www.simplestepsnw.com/how-to-choose>). The site should be optimized for viewing on a mobile device, and potentially augmented with an interactive feature that walks users through the process of finding a bulb in a step-by-step fashion.
- › **Expand efforts with retailers, manufacturers and regional workgroups to roll out special price reductions and displays that coincide with the retail marketing calendar—particularly Earth Day and Daylight Savings Time.** Some retailers expressed interest in featuring special deals on energy efficient lighting in the coming year. Special price mark-downs can encourage some consumers to go for the lowest-price



bulbs, without sifting through the options, manufacturer and retailer contacts reported. For example, one lighting manufacturer worked on a truckload event where specially priced CFL four-packs were displayed on pallets at store entrances. The manufacturer reported the event went extremely well, with “huge” increases in sales and awareness, as customers simply grabbed the product upon entering the store. Another manufacturer said a national retailer would approve permanent pallets of qualifying bulbs if the rebate is high enough to meet their requirements, since the retailer expects the lower prices to drive sufficient demand.

- › **Integrate special displays that show actual working bulbs side-by-side (“light bars”), potentially alongside CFL recycling depots.**
- › **Anticipate that consumers will make repeat purchases of products they like, and make them easy to find.** People use many light bulbs in their homes. With new technologies like LEDs, they may buy just one bulb to try it out, then decide to buy more if they like it. A limited-time offer coupon given at the register during that first purchase could promote repeat purchase behavior and encourage shoppers to make those extra purchases sooner rather than later.
- › **Conduct in-store intercept research with shoppers to better understand price sensitivity, information needs, barriers to purchase, and reaction to proposed messaging.** Currently, information about the consumer experience has been provided by third parties: program staff and representatives from retailers and manufacturers. In-store intercept research with shoppers can provide more detailed insights to inform future program planning efforts, including products to target, incentive levels needed to drive demand, and marketing and messaging campaign elements. For example, shoppers could evaluate potential designs for online sites designed for mobile devices.

#### 4.4. Conclusion #4

**Despite the challenges, regional collaboration continues to offer greater benefits to lighting retailers than local lighting programs.**

While there are challenges to Energy Trust operating a program within the constraints of the regional effort, it is unclear that the benefits of a local lighting program outweigh these challenges. The regional model emphasizes consistency and ease of use for retailers and manufacturers, and has obtained satisfactory savings despite the challenges of EISA. The current regional model also yields important benefits associated with stronger retailer participation, leverage in negotiations with retail partners, and higher program cost-effectiveness.

To improve the current program, Energy Trust, the PMC, and the Simple Steps, Smart Savings implementer could address the operational and communication challenges identified through this evaluation.

## Recommendations

- › **Work with BPA and regional partners to identify and promote improvements to the implementation of Simple Steps, Smart Savings.** Improvements should focus on training of sales associates, who were found to be unaware of the program, as well as improvements to POP and other marketing materials.

### 4.5. Conclusion #5:

Many appliance retailers visited offer their own appliance pick up services, making it more convenient for the customer to dispose of a refrigerator or freezer that way than by using Energy Trust's recycling service.

Retailers, especially those with their own pick-up service, have little incentive to promote Energy Trust's refrigerator recycling offering, especially with the decrease in incentive amounts and the more complicated incentive structure starting in 2014. In addition, retail stores' haul-away service may be more convenient to customers since it is coordinated with the delivery of a new refrigerator.

Additionally, some retailers may be profiting by selling refrigerators acquired through their pick up programs on the secondary market. One way to prevent this is to incentivize the retailer to participate in the recycling program.

### Recommendation:

- › **Consider adding an element to the recycling offering targeted at gaining retailers as participants.** It is unclear what retailers do with the old refrigerators they haul away for customers. By paying retailers an incentive to recycle the refrigerators, or turn them over to Energy Trust, the program could prevent the refrigerators collected by retailers from entering the secondary market. Energy Trust may want to first conduct a literature review or, if needed, primary research, to understand how retailers handle the collected refrigerators. By incorporating retailers as participants in the program's recycling component, Energy Trust would increase convenience for customers, add value to retailers, and potentially reduce program costs and increase cost-effectiveness.

## Appendices

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Appendix A: Refrigerator Incentive Data Analysis Findings Memo

Appendix B: Program Staff Interviews Findings Memo

Appendix C: Retail Corporate Contact Interviews Findings Memo

Appendix D: Mystery Shopper Visits Findings Memo

Appendix E: Ride Along Findings Memo

Appendix F: Program Staff Interview Guides

Appendix G: Retail Corporate Interview Guide

Appendix H: Mystery Shopper Visits Conversation Guide and  
Data Collection Form

Appendix I: Ride Along Observation Guide

# A. Refrigerator Incentive Data Analysis Findings Memo

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## A.1. Memorandum

To: Erika Kociolek, Evaluation Project Manager, Energy Trust of Oregon

From: Jun Suzuki and Doré Mangan, Research Into Action, Inc.

Date: February 7, 2014

Re: Analysis of Refrigerator Data

Energy Trust of Oregon's Products program provides customers in its service territory incentives for the purchase of qualified high-efficiency refrigerators. From 2008 to 2011, the number of incented units grew steadily but in 2012, the number of incented units declined 77%, a trend which has continued into 2013.

This memo describes analysis conducted on Energy Trust's refrigerator data, with the goal of identifying potential reasons for the decline in incented measures. The following are the key findings:

- › From 2008 to 2013, the program successfully incented units at all price points.
- › The declining volume of incented units resulted from the elimination of the 20-29% more efficient tier and a decline in units that are 30% or better than federal standards and cost less than \$1,000.
- › The proportion of incented units under \$500 and at the most efficient tier declined sharply from 2011 to 2012, and was nearly zero in 2013.
- › Top-freezer refrigerators were the least expensive, bottom-freezers were the most expensive, and side-by-side configurations spanned most price points.
- › A lower proportion of incented bottom-freezer units were in the 30% or better tier as compared to top-freezer configurations.
- › Top-freezer incented units in the 30% or better tier are decreasing overall, but still account for the majority of units in this category under \$1,000.

### A.1.1. Method

Energy Trust provided data on all incented refrigerators that were sold between 2008 and 2013. In 2011, Energy Trust had a 20-29% more efficient than federal standards incentive tier (20-29% better) and a 30% or more efficient than federal standards incentive tier (30% or better). Due to this two-tiered approach, we could not simply compare across the year installed. Therefore, we

compared incented units at various price points by “tier.” We determined the tier using the following three criteria: 1) the year in which the product was installed, 2) the percentage by which it exceeded federal standards, and 3) the Energy Trust incentive amount received. Table A.1 shows the criteria for units included in each tier.

**Table A.1: Incentive Tier Criteria**

INSTALLATION DATE	EFFICIENCY STANDARD	INCENTIVE
2008-2010	20% more efficient than federal standards	\$50
2011	20-29% more efficient than federal standards	\$50
2011	30% more efficient than federal standards	\$100
2012	30% more efficient than federal standards	\$100
2013	30% more efficient than federal standards	\$75

The original data set contained 62,135 units. Approximately 5% of cases were excluded from the analysis, resulting in a final data set containing 59,072 units. Reasons that cases were excluded included:

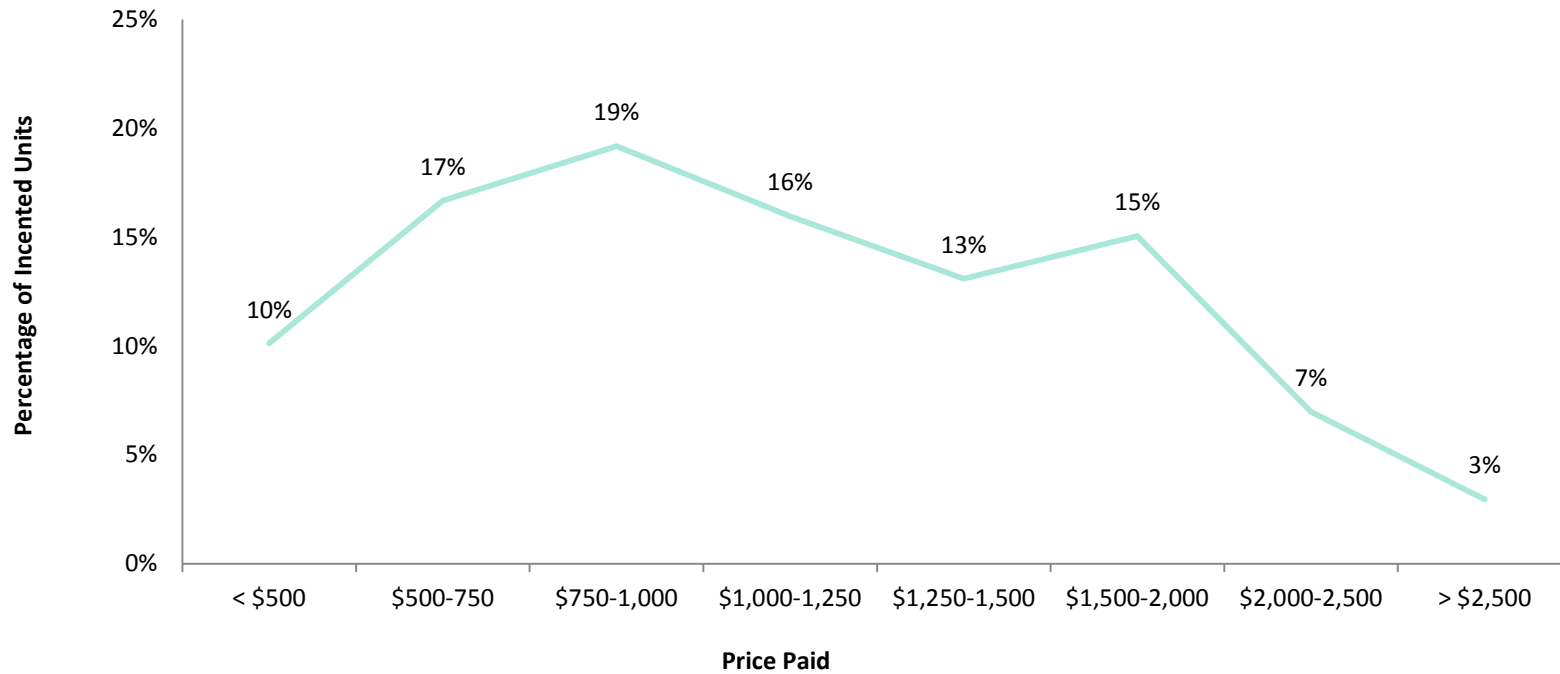
- › Freezers, because they have a different retail price structure than refrigerators.
- › Refrigerators with undetermined or undefined configurations, single-door refrigerators, and single-door refrigerator/freezers.
- › Incented units that did not match the qualification criteria listed above in Table A.1. For example, a small number of units had incentive amounts that did not align with the installation date and/or efficiency standard.

## A.1.2. Findings

### A.1.2.1. From 2008 to 2013, the program successfully incented units at all price points.

Figure A.1 shows the percentage of all refrigerator units that received an Energy Trust incentive from 2008 through 2013, by price point. Over the entire period, Energy Trust's Products program has successfully incented energy-efficient units at all price points, including low-cost units.

**Figure A.1: Percentage of All Incented Refrigerators by Price Point (2008 - 2013)**

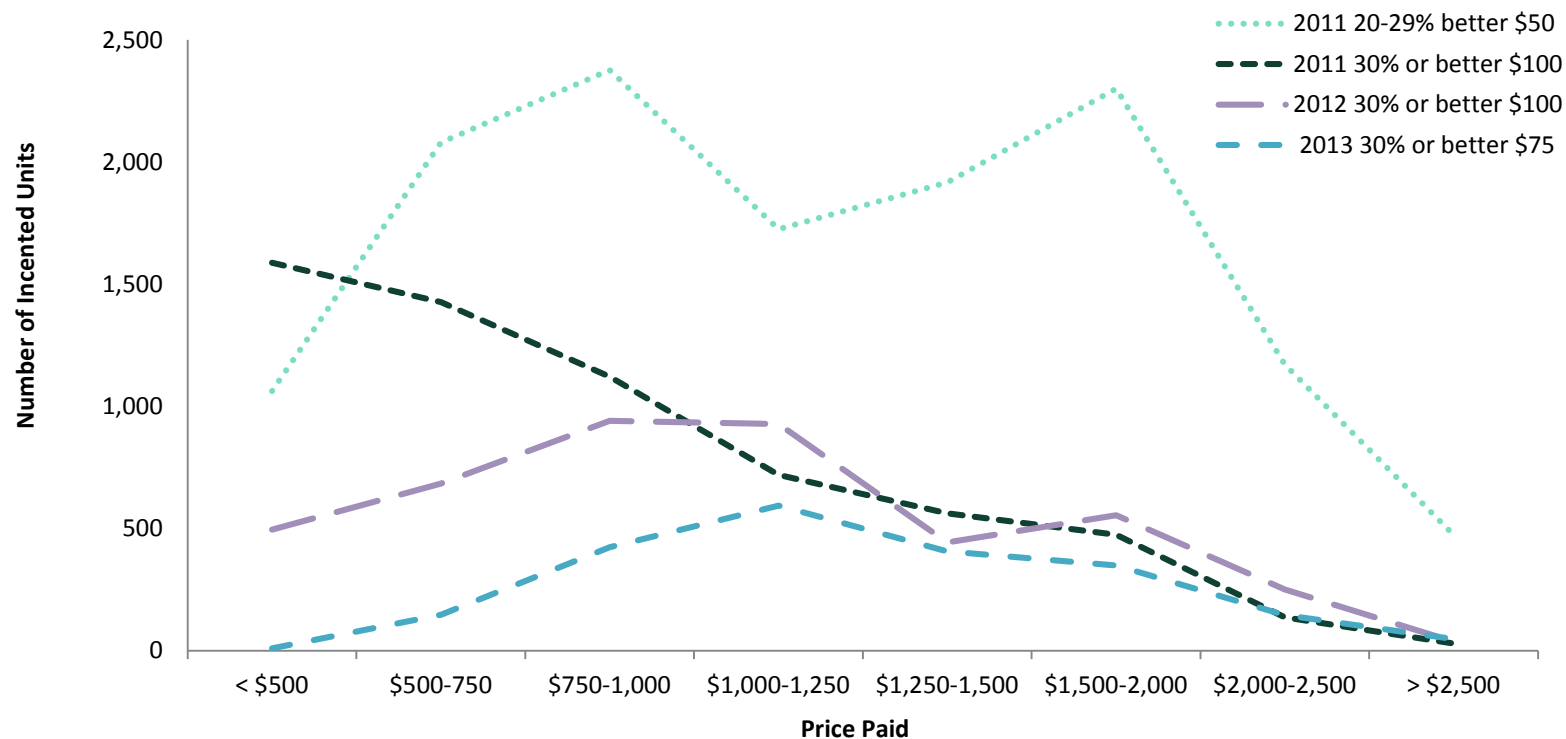


## Process Evaluation of 2013 Products Program

A.1.2.2. The declining volume of incented units resulted from the elimination of the 20-29% more efficient tier and a decline in units that are 30% or better than federal standards and cost less than \$1,000.

Figure A.2 shows the volume of units incented by price point for all tiers between 2011 and 2013. The overall number of incented units decreased significantly during that period. In 2011, the 20-29% better tier accounted for a majority of incented units (68%) and was eliminated starting in 2012, accounting for a “loss” of about 13,000 units. In addition, a decline in incented units in the 30% or better tier under \$1,000 accounted for a “loss” of 2,017 units from 2011 to 2012, and 1,540 units from 2012 to 2013.

Figure A.2: Number of Incented Units by Price Point by Tier (2011- 2013)

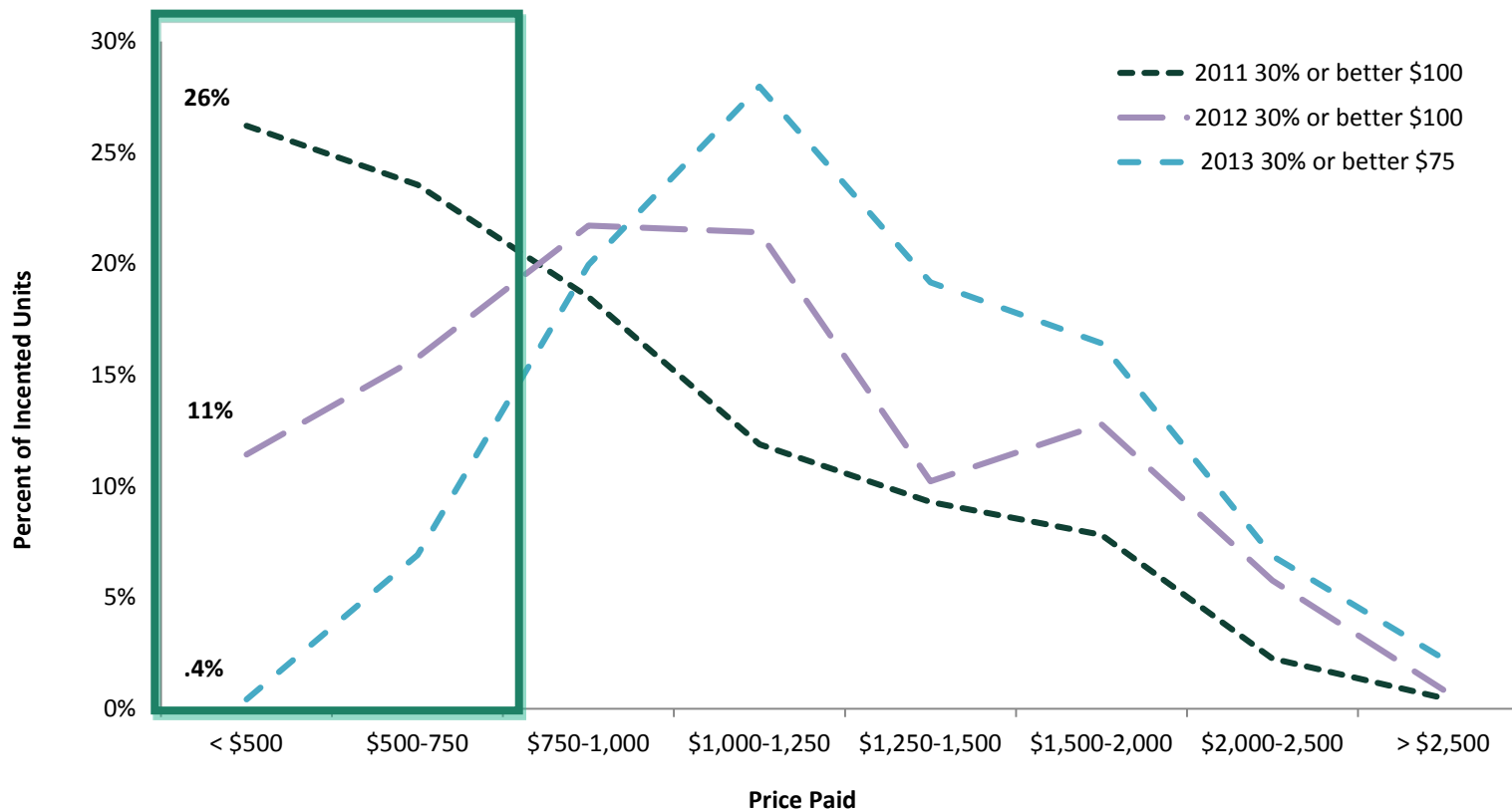


## Process Evaluation of 2013 Products Program

A.1.2.3. The proportion of incented units under \$500 and at the most efficient tier declined sharply from 2011 to 2012, and was nearly zero in 2013.

Figure A.3 further illustrates the decline in incented refrigerators in the 30% or better tier that cost less than \$1,000. The proportion of incented units under \$1,000 declined sharply from 2011 to 2012, a trend which continued into 2013. In 2011, about one-quarter of incented units in the 30% or better tier were sold for less than \$500 (68% of incented units were under \$1,000). In 2012 that proportion dropped to 11% (49% of incented units were under \$1,000), and in 2013 it was 0.4%, nearly zero (27% of incented units were under \$1,000). The proportion of incented units in 2013 peaked at the \$1,000-\$1,250 price range, at 28%.

**Figure A.3: Percentage of 30% or Better Units, by Year and Price Point (2011- 2013)**

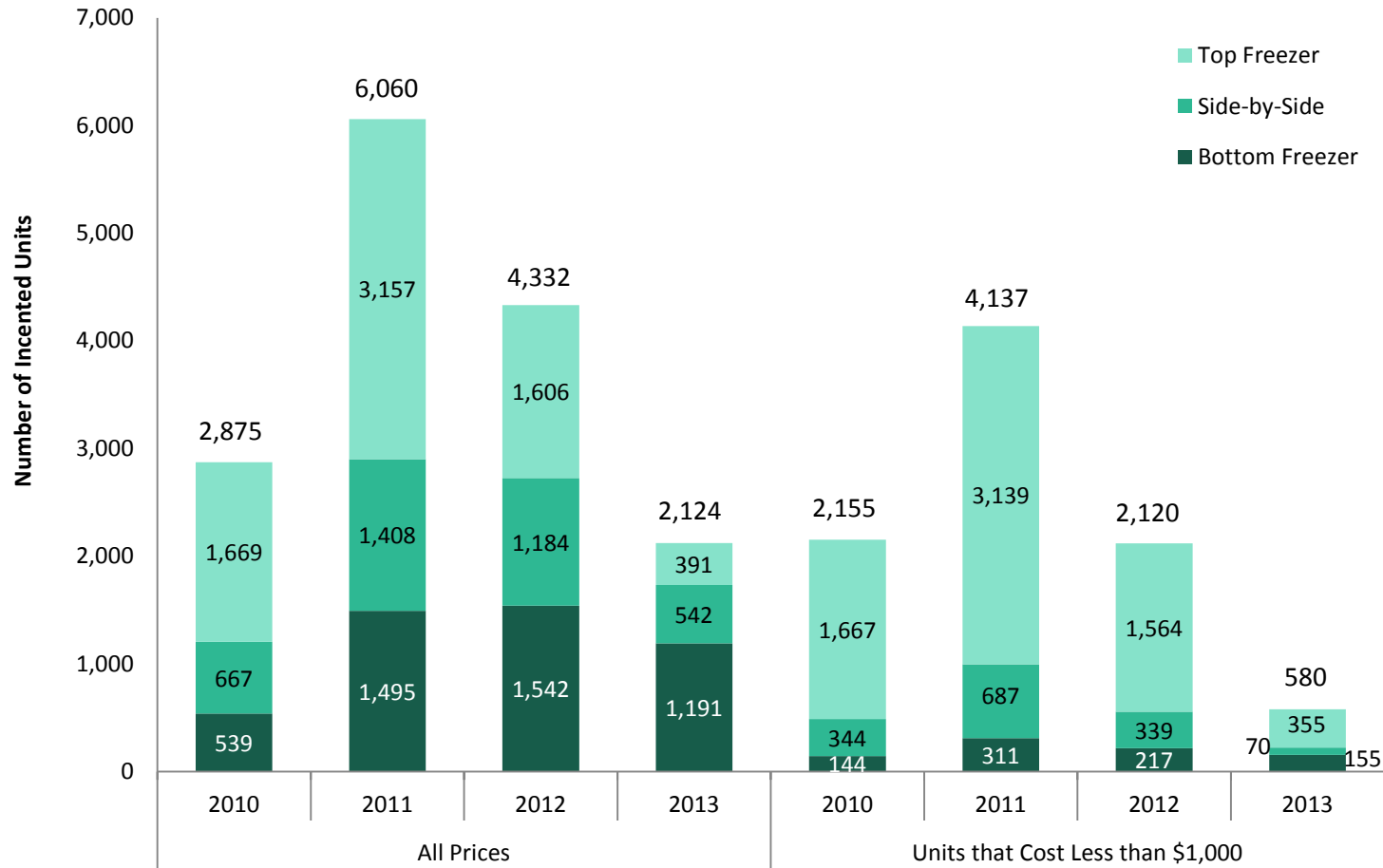




## Process Evaluation of 2013 Products Program

Figure A.4 illustrates the decline in the volume of incented units by configuration. The majority of the decline in efficient units under \$1,000 between 2011 and 2012 can be attributed to top-freezer models (78% of the decline). Similarly, across all prices, the drop in top-freezer models accounts for the majority of the loss from 2011 to 2012 (90% of the decline) and the number of more efficient bottom-freezer refrigerators incented actually increased from 2011 to 2012.

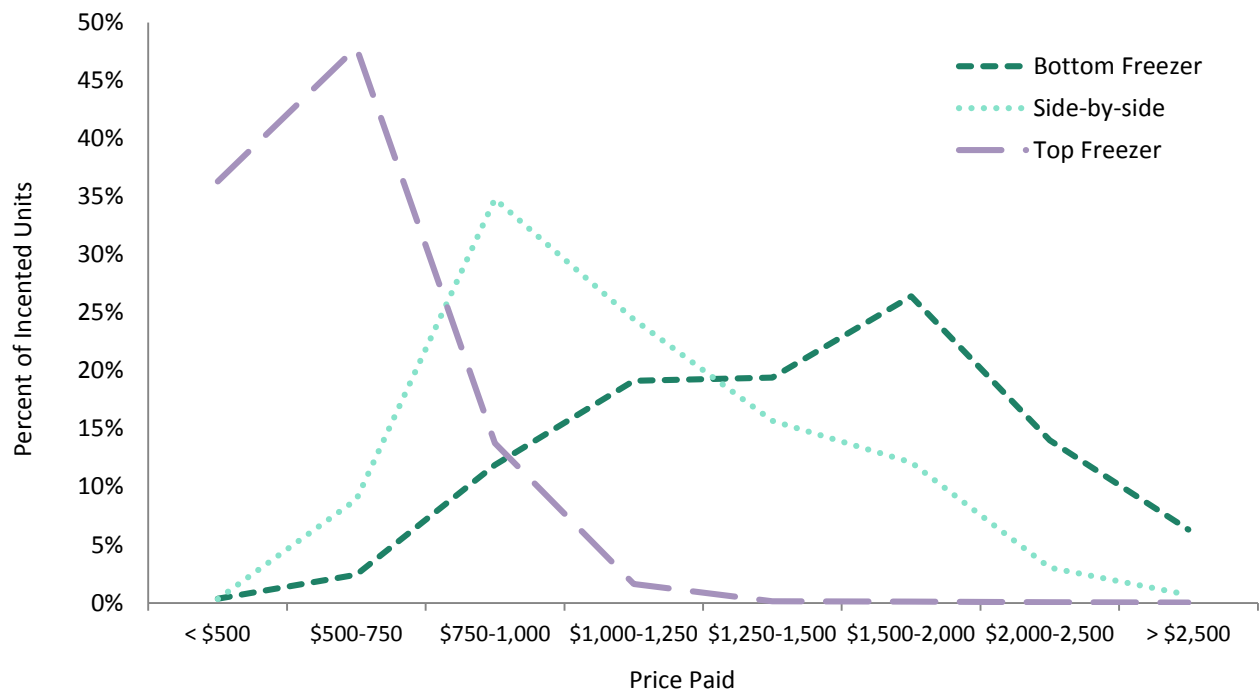
**Figure A.4: Number of Incented Units that were 30% or Better, by Year and Price (2010- 2013)**



**A.1.2.4. Top-freezer refrigerators were the least expensive, bottom-freezers were the most expensive, and side-by-side configurations spanned most price points.**

The retail sale price of a refrigerator was highly correlated with configuration. The top-freezer type was the least expensive configuration. Nearly all (98%) top-freezer units sold for less than \$1,000. Side-by-side and bottom-freezer types showed a more normal distribution. Bottom-freezer types skewed toward the higher price points. Only 15% of bottom-freezer units sold for less than \$1,000, compared to 44% of side-by-side units.

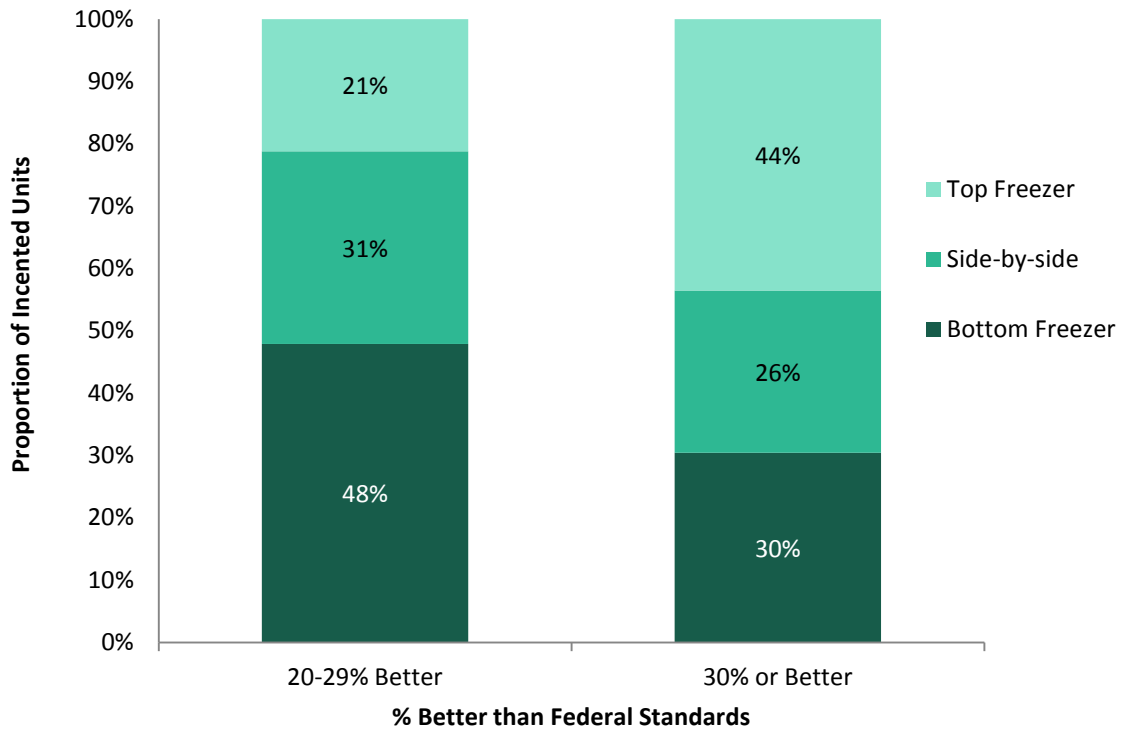
**Figure A.5: Percentage of Incented Units by Price Point by Configuration Type (2008 - 2013)**



**A.1.2.5. A lower proportion of incented bottom-freezer units were in the 30% or better tier as compared to top-freezer configurations.**

Conversely, a higher proportion of incented bottom-freezer units were in the 20-29% or better tier (Figure A.6). This could account for the higher sales volume in the 20-29% better tier. Despite the differences in cost and efficiency, bottom-freezer units were the most popular configuration, comprising 43% of all incented units from 2008- 2013. Bottom-freezer and side-by-side units tend to have more technology features (such as filtered ice and water dispensers) than top-freezer models which could account for their higher representation in the less efficient tiers. However, this cannot be confirmed using this dataset.

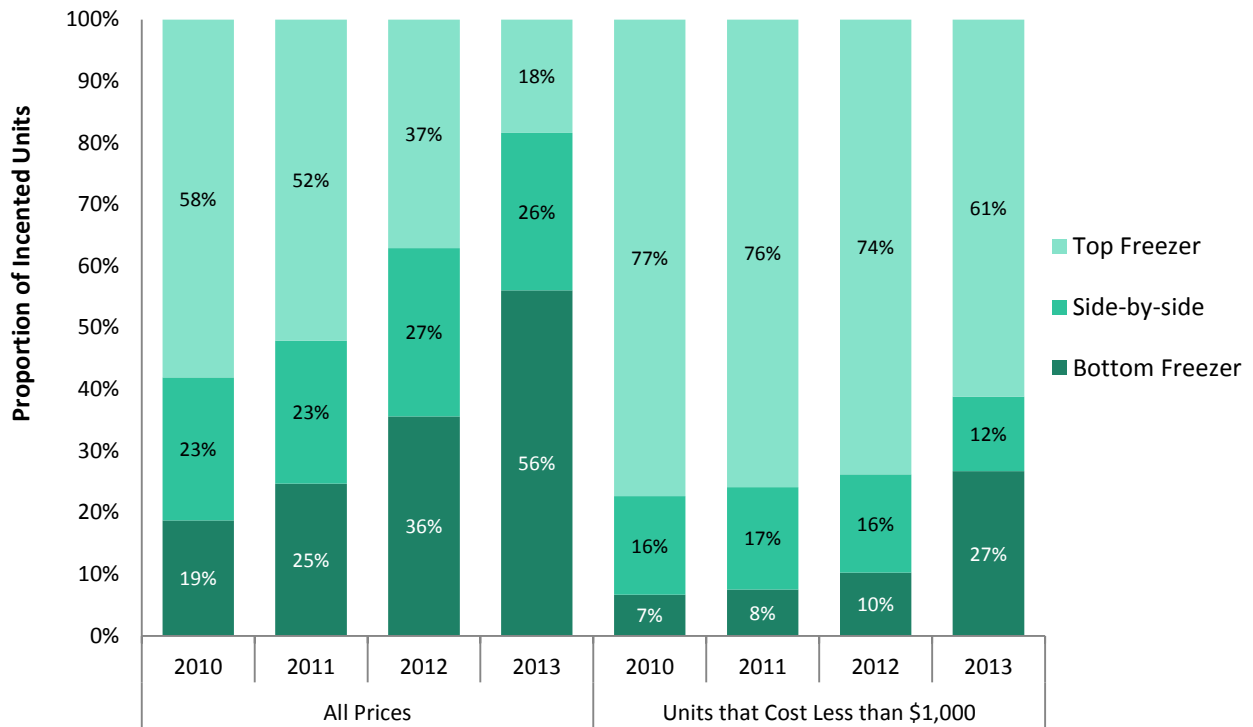
Figure A.6: Proportion of Top-Freezer, Side-by-Side, and Bottom-Freezer Configurations by % Better than Federal Standards (2008 – 2013)



A.1.2.6. Top-freezer incented units in the 30% or better tier are decreasing overall, but still account for the majority of units in this category under \$1,000.

In the 30% or better tier, top-freezer units made up about half of all units in 2010 and 2011 but three-quarters of units under \$1,000. In 2012, when the volume of incented units in the 30% or better tier declined, top-freezer units dropped to only one-third of these units, but continued to represent three-quarters of these units under \$1,000. Although Energy Trust’s incentive amount and qualification level remained the same in 2012 as in 2011, the proportion (and number) of incented top-freezer units declined sharply. As a result, bottom-freezer units accounted for a larger proportion of total incented units and units under \$1,000 (Figure A.7).

Figure A.7: Proportion of 30% or Better Units, by Year of Sale, Configuration, and Price (2010-2013)



### A.1.3. Conclusions and Recommendations

There are two likely causes of the decline in incented unit volume from 2011 to 2012:

**Cause #1: The discontinuation of incentives for units in the 20-29% better tier.** In 2011, 68% of all incented units were in the 20-29% better tier. Over half of these units (52%) were bottom-freezer models. The higher volume in 2011 may be a result of the greater representation of 20-29% better units (and the smaller representation of 30% or better units) in retailers' assortments, a question that cannot be answered using Energy Trust's current data set.

**Cause #2: A decrease in 30% or better incented units priced below \$1,000.** The number of incented units in the 30% or better tier that sold for less than \$1,000 dropped 50% from 2011 to 2012, from about 4,000 units to about 2,000 units. One potential cause that can be ruled out is the incentive amount: in 2011 and 2012 the incentive amount remained constant at \$100. However, there are many other possible explanations for the decline:

- › Some or all retailers stopped carrying these models and/or others like them.
- › Manufacturers stopped producing these models, and did not replace them with similar qualified units.
- › The price of the units increased.
- › Similar, less expensive, but *non-qualified* units became available, and customers shifted their purchases to these models.
- › Customers shifted their purchases to units priced over \$1,000, potentially to obtain configurations unavailable at lower price points.

#### A.1.3.1. Recommendation #1: Implement a pilot to test the impact of an increased incentive amount for low-price refrigerators.

The continued decline in incented units under \$1,000 (580 incented units) in 2013 suggests the causes of the drop in 2012 have not been addressed and have worsened. A limited pilot to test the impact of increasing the incentive amount would provide Energy Trust several useful pieces of information. The results of this "experiment" would reveal:

- › Whether, and to what extent, an increase in the incentive amount results in an increase in incented unit sales.
- › How any change in unit sales resulting from an increase in incentive amount varies by price point, configuration, brand, and retailer.
- › Whether the decline in incented units from 2012 to 2013 may be attributable to the decrease in incentive amount versus an availability barrier (which would be suggested if an increased incentive amount does *not* impact the number of incented units, or those with specific characteristics).

*Next steps:* Design an “experiment” to create control and treatment groups that will support statistical analysis. Implement pilot and assess results.

### A.1.3.2. Recommendation #2: Conduct research with retailers and manufacturers to assess whether and to what extent retail assortment and manufacturer availability may be causing the decline in incented unit sales.

This work would include answering the following research questions:

- › **Do retailers carry a smaller assortment of 30% or better refrigerators than 20-29% better refrigerators?** If some or all retailers are found to carry a small selection of 30% or better refrigerators, Energy Trust could use this information as the basis of a midstream program design, with the goal of increasing the number or proportion of 30% or better refrigerators in retailers’ assortments.
- › **Did availability decline midstream (at retailers) and/or upstream (at manufacturers)?** Locating the barrier to efficiency at more precise points in the supply chain will allow Energy Trust to design a targeted program. For example, if qualifying models are available but not being stocked by some or all retailers, Energy Trust can target those retailers with a midstream incentive designed to encourage them to put more models on the sales floor. Energy Trust could then target the top retailers to incentivize them to carry more energy efficient, low-end units. If, however, qualifying products are no longer being manufactured, Energy Trust may need to work with other efficiency program funders to convince these upstream players to begin designing and manufacturing qualified units.

*Next steps:* Obtain retailer assortment data, either directly from retailers (for prior years) and/or retailer websites and interview retailers to assess qualitative factors. If retailer analysis suggests problem lies upstream, obtain similar quantitative and qualitative data from manufacturers.

### A.1.3.3. Recommendation #3: Consider adding an incentive tier slightly less stringent than the 30% or better tier, for example, “25-29% better.”

This approach would likely allow Energy Trust to increase the number of incented units while still obtaining higher per-unit savings than a 20-29% better tier.

*Next steps:* Energy Trust would want to base the design of the qualification criteria on an assessment of retail availability to ensure that the criteria captured a sufficient number of models currently available at retail.

## B. Program Staff Interviews Findings Memo

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### B.1. Memorandum

To: Erika Kociolek, Evaluation Project Manager, Energy Trust of Oregon

From: Carole Wiedmeyer and Jun Suzuki, Research Into Action, Inc.

Date: February 28, 2014

Re: Findings from program staff interviews

#### B.1.1. Introduction

This memo presents findings from our analysis of data gathered during September and October 2013 from interviews with program staff. This analysis will contribute to our assessment of Energy Trust of Oregon's Products program.

The questions we sought to answer through this task were:

- › How does the program work?
- › To what extent has the program achieved its goals?
- › What are the key market barriers for the program?
- › What are the program's strengths?
- › What are the program's weaknesses? What are the potential changes that could help address these weaknesses?
- › What changes has the program made and is the program planning to make?

#### B.1.2. Key Findings

##### **Program Successes and Strengths**

- › The appliances component has established local retailer relationships and good visibility to consumers.
- › The refrigerator recycling and lighting and showerhead components have yielded cost-effective savings while strengthening relationships with retailers and consumers.
- › Marketing staff cite point-of-purchase materials for appliances as a key strength of the program.

- › Program staff generally are satisfied with the collaboration between Energy Trust and implementers.

### **Program Weaknesses, Challenges, and Market Barriers**

- › Program goals are increasingly difficult to attain as market transformation continues and the program matures.
- › Obstacles at the retail level include a dynamic sales environment and corporate policies that limit in-store signage and data sharing.
- › The regional model for lighting and showerheads limits program control and affects Energy Trust brand recognition.
- › Overcoming consumers' lack of engagement in energy efficiency and lighting continues to be challenging.
- › Staff find it difficult to measure the effectiveness of some marketing efforts.
- › The program has experienced issues with the JACO call center, which supports the refrigerator recycling component.

### **Opportunities and Planned Changes**

- › Staff are interested in alternative payment mechanisms, including a midstream pay-for-performance approach, and instant rebates.
- › Staff want to use more creative messaging, marketing, and new media to deepen consumer and retailer engagement.
- › Staff plan to better leverage Energy Trust branding across product areas storewide.
- › Regional collaboration could increase retailer willingness to work with utility programs.
- › Program staff plans to add account managers who are dedicated to developing direct relationships with retailers besides the merchandise team.
- › Program staff plans changes to the refrigerator recycling incentive to emphasize the collection of older refrigerators.

### **B.1.3. Methodology**

Research Into Action completed eight in-depth telephone interviews with Energy Trust program staff and program management contractor (PMC) staff during September and October 2013. Energy Trust's Evaluation Project Manager selected the contacts to interview based on recommendations from Energy Trust's Senior Program Manager and an interest in feedback from a range of program staff. Program staff included senior-level managers who are responsible for program operations and marketing (Table B.1).



**Table B.1: Program Staff Interview Contacts**

ORGANIZATIONS	TITLE
Energy Trust of Oregon	Senior Program Manager for New Homes and Products
Energy Trust of Oregon	Residential Marketing Manager
PECI	Program Manager, New Homes and Products
PECI	Associate Director of Residential Program
PECI	Marketing Manager
PECI	Senior Marketing Specialist
Applied Proactive Technologies (APT)	Senior Manager of Northwest Programs
CLEARResult	Senior Manager

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Research Into Action used structured interview guides (see Appendix F) to ask a series of applicable questions about the three main components of the program: 1) appliances, 2) refrigerator recycling, and 3) lighting and showerheads. Interviews lasted between 45 and 90 minutes.

## B.1.4. Findings

### B.1.4.1. Program Successes and Strengths

The staff we interviewed said that the program has been successful overall. Notable program strengths mentioned by staff are discussed below.

**The appliances component has established local retailer relationships and good visibility to consumers.**

For the appliances component, the program has established local retailer relationships and generally has good visibility in the retail space. As one program staff member said, the Energy Trust Products program has become a “standard touch point” when consumers make major appliance purchases. Program field representatives are dedicated to being in the stores as much as possible and interacting with sales associates and other store staff. This in-person aspect of the program has been important to foster trusted relationships with retailers.

**The refrigerator recycling and lighting and showerhead components have yielded cost-effective savings while strengthening relationships with retailers and consumers.**

Most program staff said the refrigerator recycling component had generated cost-effective savings and effectively engaged participants in the program. Energy Trust conducted a number of successful media campaigns to promote refrigerator recycling; staff said consumers responded to it favorably and that the refrigerator recycling component had increased awareness of Energy Trust. In addition, some staff reported that incentive processing for these components was very efficient.

Regarding the lighting and showerheads component, most program staff expressed that the buy-down model has worked well, and generates a large amount of savings. Several contacts said that the program developed close working relationships with retailers and manufacturers. These relationships permitted the program to obtain shelf space in advance and to run promotions that are more aligned with retailers’ and manufacturers’ marketing strategies. Marketing staff noted that the Carry-Home Savings kits, which contain showerheads and faucet aerators and are targeted at low-income households, have also been successful.

**Marketing staff cite point-of-purchase materials for appliances as a key strength of the program.**

Marketing staff said they viewed point-of-purchase (POP) materials for appliances, including clings, hang tags, tent cards, signs, and flyers, as the most effective marketing effort in terms of educating sales staff and consumers about program incentives. They said that displaying these materials near or on products on the sales floor directly influences consumers’ purchase decisions. These materials also have helped sales associates identify program-supported products to customers, and answer their questions.

During 2013, marketing staff improved a takeaway flyer to make it more informational, appealing, and portable. The previous version was a half-page handout focusing on refrigerators, washers, and clothes dryers. The new version (Appendix B.2) is a folded, wallet-sized flyer and

covers water heaters in addition to the other products. Sales associates apparently told program staff they found it easy to carry the flyer in a pocket or their badge holder for quick reference. According to program marketing staff, retailers have found the flyer to be very useful as a sales tool, and some have decided to give it to customers proactively with their receipt to generate interest in future purchases.

### **Program staff generally are satisfied with the collaboration between Energy Trust, PECI and other implementers.**

Both Energy Trust and PECI staff said they generally were satisfied with their working relationship and with field subcontractors. They cited a collaborative, open working environment, and clear processes for working together to execute the work.

The year's activities begin with an annual planning effort, through which Energy Trust and PECI staff determine how to meet program goals. PECI implements the agreed-upon approach with Energy Trust's oversight. Staff formally review progress to goals and changes to the plan during quarterly check-in meetings. Staff also reported that they frequently communicate on an ad-hoc basis as needed. As one staff member said, "We're half a mile away from one another. We see them all the time. The lines of communication are very open."

PECI staff also reported that their working relationships with subcontractors Applied Proactive Technologies (APT) and JACO Environmental (JACO) are good overall, and in particular, that staff from both organizations have been very helpful and responsive. Efforts to keep field and call center staff up-to-date on program activities, including trainings, talking points, and ride alongs, help to surface and resolve any issues.

### **B.1.4.2. Program Weaknesses, Challenges, and Market Barriers**

#### **Program goals are increasingly difficult to attain as market transformation continues and the program matures.**

The most consistently reported challenge is that it has become increasingly more difficult to attain program savings goals given the structure of the current appliance program. Savings from the appliances component of the program peaked in 2011; redemption of refrigerators and clothes washers has been decreasing since 2012 and the decrease has been particularly noticeable for refrigerators. Program staff speculated on a number of reasons for this situation, including the program's increased efficiency tiers in 2012 and the lack of available models that meet the new tier requirements; expiration of the Oregon Residential State Tax Credit at the end of 2011; and a slow housing market. Technology improvements also resulted in a decrease in per-unit savings – products incented by the program are using less and less energy and federal standards and ENERGY STAR specifications are increasing.

Program marketing staff reported that consumer confusion about which products the program supports further reduced rebate applications, particularly since shoppers expected that all products with the ENERGY STAR label would qualify for a rebate.

The program has adjusted its offerings and rebate amounts to account for these market transformations. According to program staff, the program has continued to set aggressive tiers, as high as the market permits, based on available data such as free ridership, ENERGY STAR penetration, and sales forecasts. In some program years, Energy Trust established two tiers, with varied levels of incentive amounts for clothes washers and refrigerators. There are no tiers for refrigerator and freezer recycling, and the program reduced the incentive from \$50 to \$40 since 2012.<sup>15</sup> According to program staff, the current tiers are set at the highest level for all appliances.<sup>16</sup>

However, program staff reported there are few qualified appliances that meet high-efficiency specifications on the sales floor and they are expensive. In addition, consumers are not responding to Energy Trust's mail-in (or online) rebate offerings as well as before. Given these factors, some program staff said that the role for appliance efficiency programs through downstream incentives is diminishing as the market transforms and the program matures.

Program staff mentioned that savings from the refrigerator recycling component have also been shrinking, and cost-effectiveness is becoming an issue partly due to the program's own success. The harvest rate has been coming down in the last two years, which led program staff to believe there are fewer old refrigerators left in the market. In addition, marketing staff said news organizations are becoming less interested in covering refrigerator recycling because there is nothing new to report about the program. To boost attention, staff designed the *Fill a Fridge* campaign, which allows consumers to donate their recycling incentive to the Oregon Food Bank, a nonprofit agency. The campaign started in May 2013, and ran through the entire year. Though it did not result in a desired boost in recycling activity, the campaign seemed to help keep the recycling rate from dropping.

One marketing staff member also said that contests for the "oldest fridge" can be counterproductive, as they are labor-intensive to implement, and do not achieve the desired media coverage or energy savings. Media outlets do not see a new angle to exploit on these contests, which have run in past years. When they do cover them, the focus tends to be on the prizes, rather than the message that the program encourages appliance recycling. And because the winners get to choose their own appliance as a prize, this staff member said that savings can be less than the program is aiming for.

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<sup>15</sup> In 2012, there was a small refrigerator and freezer recycling promotion by providing \$50 in a limited window of time.

<sup>16</sup> Energy Trust incentive qualification for clothes washers is set at MEF 2.4 or higher (71% of ENERGY STAR models – MEF 2.0 or higher). Energy Trust incentive qualification for refrigerators is set at 30% or more efficient than the federal standard (13% of ENERGY STAR models – 20% more efficient than the federal standard). Energy Trust incentive qualification for freezers is set at 10% more efficient than the federal standard (100% of ENERGY STAR models – 10% more efficient than the federal standard). Percentages of ENERGY STAR models meeting Energy Trust qualifications are based on ENERGY STAR Specifications Report: [www.energystar.gov/specifications](http://www.energystar.gov/specifications).

Finally, staff reported that the Energy Independence and Security Act (EISA) has added challenges to the lighting component of the program. In 2012, EISA changes increased the baseline<sup>17</sup>, which resulted in decreased average savings per bulb and a drop in overall savings. In addition, EISA unexpectedly led to a sudden upsurge in sales of incandescent and some halogen products because retailers attempted to sell their remaining stock before the legislation, which prohibits sales of these products, goes into full effect. Though one staff member mentioned the program should increase retailer education, no other solutions were offered.

**Obstacles at the retail level include a dynamic sales environment and corporate policies that limit in-store signage and data sharing.**

Some program staff also reported that human resource challenges in the retail world are affecting the program. Most retailers cope with a high rate of turnover among sales associates, plus staff shortages and transfers. Additionally, stores are moving towards having “floating” sales staff who are not dedicated to a particular section or product area. These factors result in limited knowledge among sales associates generally, and limited transfer of knowledge between sales associates. Staff consistently reported that field service reinforcement or other retailer engagement techniques are required to overcome these barriers. Online training is one of the techniques they discussed, but have not attempted at large. One staff member expressed that the program must rely on face-to-face trainings because even large retailers do not have sophisticated IT systems and sales associates generally do not have ready access to the Internet while on the job.

Another challenge frequently mentioned was working with many retailers that have unique branding guidelines. Particularly with larger retailers, the placement of POP materials on qualified products in the ways that Energy Trust prefers often requires design modification and this must be consistent with each retailer’s guidelines. However, most large retailers require that these changes be implemented at least on a regional level; they are not store-level decisions. At the same time, the program often is too small to influence retailers’ decisions made at a regional or national level. Some program staff reported that, with some exceptions, it is challenging to gain corporate-level support for region-specific marketing efforts.

With respect to the refrigerator recycling component, some program staff were concerned that although some smaller retailers are aware of the program’s incentive, they do not consistently use the incentive because they want to resell the older refrigerators to the secondary market.

Most program staff interviewed touched on issues regarding the availability and quality of data. As one staff member noted, “Larger challenges of the program always come down to data.” The program struggles to obtain sales data from retailers to enable more accurate and timely forecasting, tracking success, and reporting. Staff reported that retailers are reluctant to share sales data that contain information on their business strategies and profitability, and when they do share data they expect tangible benefits, such increased sales volumes and overall traffic.

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<sup>17</sup> EISA of 2007 mandates common household light bulbs that traditionally use between 40 and 100 watts will use at least 27% less energy by January 2014. Source: [http://www.energystar.gov/ia/products/lighting/cfls/downloads/EISA\\_Backgrounder\\_FINAL\\_4-11\\_EPA.pdf](http://www.energystar.gov/ia/products/lighting/cfls/downloads/EISA_Backgrounder_FINAL_4-11_EPA.pdf)

Therefore, data that the program receives usually lack the level of detail to provide actionable information. Also, data sharing has been the fundamental barrier to enabling instant rebates and some midstream approaches, such as market lift approaches.

### **The regional model for lighting and showerheads limits program control, and affects Energy Trust brand recognition.**

Program staff repeatedly reported that opting into the regional Simple Steps, Smart Savings model for the lighting and showerhead component limits the program's effectiveness.

A key limitation is that the program focuses on all Bonneville Power Administration (BPA) utilities, with Energy Trust only one of many, which prevents Energy Trust from leveraging its branding with a consistent look across the entire retail space. Also, Energy Trust lacks control over practical details that affect the program's administration, such as how to forecast sales, manage the portfolio of SKUs, and track data. One staff member, however, provided a favorable opinion about the regional model, saying that it maintains a regional presence that can gain momentum with manufacturers and retailers, and that retailers value regional consistency.

Some program staff reported communication challenges among the implementers – PECE and CLEAResult. They perceived that these challenges stemmed primarily from 1) limitations of the current program structure, which utilizes the regional Simple Steps, Smart Savings program, and 2) that these implementers are competitors within the industry, though both support Energy Trust's program goals. As one PECE staff member said, "Fluid (CLEAResult) is one step removed from the nitty-gritty." This contact said that the level of customization the Simple Steps, Smart Savings program accommodates is insufficient to satisfy Energy Trust's need to build a unique portfolio of lighting products, messaging and POP designs; track data; and use consistent reporting methodologies. On the other hand, CLEAResult staff said fulfilling PECE's requests would require it to share the company's trade secrets and other business strategies with a competitor. In addition, this CLEAResult staff member said it often is unclear if the program is meeting its goals because program success is measured against the forecasts CLEAResult provides, not explicit goals Energy Trust defines.

An Energy Trust contact reported that the program was in the process of investigating the benefits of regional vs. in-house delivery methods.

### **Overcoming consumers' lack of engagement in energy efficiency and lighting continues to be challenging.**

Energy efficiency remains uninteresting to many consumers. As a result, program marketing staff struggle to find new ways to get consumers' attention and engage them in the topic.

This can be especially challenging for lighting, since consumers tend to view light bulbs as a commodity and base their purchase decisions primarily on price. Negative consumer perceptions about mercury in CFLs, plus the need to sort through a sometimes bewildering array of new lighting options, present additional barriers that lighting programs must overcome.

One marketing staff member said that in-store Simple Steps, Smart Savings signage alone is not enough to help shoppers select program-supported bulbs. This is because shoppers are sorting through a large number of options, and need more information about how the bulbs will perform. This contact pointed to demonstration displays as one possible way to address this need. In addition, because lighting is traditionally not a profit center, retailers tell program staff they simply do not want their store sales associates to invest the time to become “lighting experts.”

### **Staff find it difficult to measure the effectiveness of some marketing efforts.**

For the refrigerator recycling component, program staff can identify a direct link between marketing efforts and energy saved. This is because customers call into the call center to arrange for a pick-up (or request online<sup>18</sup>), and call center staff ask customers how they heard about the program. However, no such mechanism exists for the appliance and lighting and showerhead components.

Moving from traditional mass media advertising (TV, print, and radio) to online advertising is expected to help staff better understand the effectiveness of their marketing efforts. But challenges remain. For example, the program’s online display ads (like those used on Oregonlive.com and the Pandora app) use a custom URL that allows click-through tracking, but it is not possible to differentiate between retailer and consumer visits. The most staff can do is observe whether incentive applications increased while a particular ad was running.

Program marketing staff are looking for ways to better understand the effectiveness of their marketing efforts at both the individual tactic level and the campaign level. They want to know how best to combine multiple methods—including email, social media, website content, plus traditional mass media advertising and events—into a single, unified campaign. They also want to better understand how to optimize the balance of earned and purchased media. This information will be very helpful as they transition resources away from refrigerator recycling and into appliances and lighting in the coming year.

### **The program has experienced issues with the JACO call center, which supports the refrigerator recycling component.**

PECI staff reported having a good working relationship with JACO overall. However, they were surprised to learn about issues with the level of service provided by the call center for refrigerator recycling during the *Fill a Fridge* campaign. Energy Trust staff discovered the issue while monitoring calls during the summer of 2013. The call center was supposed to read a special script during the campaign, but this did not happen as planned. At times, hold times also were too long for people calling in to schedule pick-ups, and call center staff were not always reportedly “the friendliest.”

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<sup>18</sup> <https://www.jacoinc.net/weborder/rebatex.aspx?ProgramID=33>

### B.1.4.3. Opportunities and Planned Changes

**Staff are interested in alternative payment mechanisms, including a midstream pay-for-performance approach, and instant rebates.**

Program staff often cited midstream delivery models as an alternative that could more directly influence retailers to counteract declining redemption and cost-effectiveness of the appliances component. One alternative offered was a “market lift” or “pay-for-performance” approach that involves having the program pay retailers incentives for increases in average efficiency of units sold above a predetermined baseline on a retailer-by-retailer basis. The goal of such a midstream approach is to move away from the current downstream structure that depends on consumers’ mail-in rebates. However, program staff reported that retailers generally have been reluctant with this approach, primarily because they are uncertain of the financial benefits of promoting energy efficiency and they perceive that it shifts risks of free-ridership from the program to retailers. Program staff also mentioned that implementation of this approach can be hampered by retailers’ unwillingness to share their sales data that allow the program to develop accurate baselines.

Program staff reported a plan to begin transitioning from consumer rebates to more midstream alternative models starting in 2014. The current plan is to combine a smaller rebate (\$25 was suggested as a reference point) with some midstream incentives, and achieve greater savings than those offered by a \$75 or \$100 consumer rebate.

They also mentioned an instant rebate approach to reduce the administrative costs associated with processing consumer rebates. The instant rebate approach also provides an opportunity to enable redemptions through online purchases of appliances and lighting. However, implementation of this approach can be hampered by a lack of sophisticated IT systems that verify that incentives are provided only to Energy Trust customers, and that retailers’ online systems properly present incentive information to Energy Trust customers. Despite this challenge, a retailer has spearheaded a national initiative with EcoRebates to enable in-store and online instant rebates, and in 2014 this will be a standard Energy Trust program offering for all of this retailer’s stores for all products. One remaining issue is that this instant rebate approach does not provide serial numbers that could remove the risk of double incentive payments. One staff member mentioned that the program is currently working with Energy Trust’s finance department to resolve this issue. There is no plan to implement this instant rebate approach with other retailers due to IT system barriers.

**Staff want to use more creative messaging, marketing, and new media to deepen consumer and retailer engagement.**

To help overcome the lack of consumer interest in the topic of energy efficiency, marketing staff are considering moving away from energy-related mass market messaging to more emotional appeals tailored to the interests of specific consumer segments. For example, messaging aimed at “cautious conservatives” could focus on a sense of independence; for new home buyers, the focus could be pride of ownership.

Staff also reported they are looking for ways to leverage newer media and marketing tactics to cost-effectively drive awareness and harness word-of-mouth. They are working with a public relations consultant to generate more earned media, particularly for new LEDs. They also plan to



explore options for social media, online games, video, and “guerilla marketing.” Paid advertising also is under consideration, but because it is expensive, marketing staff were not certain it would be part of the mix for lighting in the coming year.

Staff anticipated that advertising for lighting incentives would increase in 2014, as ad spending on refrigerator recycling diminishes. Paid advertising would allow the program to engage shoppers directly, rather than relying on POP materials, which depend on retailer involvement. Staff said appliance ads would focus on digital media, as audiences are shrinking for traditional mass media (TV, radio, and especially print), and shoppers routinely conduct research online when they consider buying an appliance. At the time we conducted staff interviews, marketing staff were testing website banner ads and mobile device app ads for appliances, and initial results indicated program website hits increased substantially (roughly 50% increase over the preceding and following months) as a result of these efforts.

Staff also expressed interest in working more closely with retailers to increase their engagement with the program. Their ideas for lighting ranged from helping redesign lighting shelf space and creating interactive displays, to developing educational signage and flyers. For appliances, one staff member mentioned working with retailer-specific loyalty programs.

Other options for deepening retailer engagement were online training and videos that would be added to the online retailer web resource that was launched last fall (<http://energytrust.org/trade-ally/programs/retail>). One marketing staff member said a plan to communicate with all field staff more frequently (about every two weeks) is in the works, and will be in place during 2014. This will enable program staff to stay better informed about the retail sales environment for both appliances and lighting.

### **Staff plan to better leverage Energy Trust branding across product areas storewide.**

Program staff suggested leveraging Energy Trust branding across entire retail spaces and promoting cross-departmental selling. In fact, this was a goal in the 2013 program marketing plan. Currently, consumers see Energy Trust incentives in the appliances department, but they see Simple Steps, Smart Savings logos in the lighting department. As a result, messages get lost and consumers are confused. Program staff believe that by presenting a consistent look and feel across the entire store, the program will simplify consumers’ decision processes.

One staff member specifically mentioned missed opportunities related to showerheads. In the past, it has been challenging to engage showerhead manufacturers in Simple Steps, Smart Savings program, but this is changing. Some showerhead manufacturers recently started showing strong interest in mark-down programs. Effective relationships with those manufacturers will provide significant therm saving opportunities.

We learned that the plan for 2014 is to significantly increase volume of lighting products by continuing to advance sales of spiral CFLs and LEDs (including omnidirectional LEDs), and developing relationships with showerhead manufacturers to increase therm savings. In addition, the program will shift from using watts to lumens to capture and report savings. Accordingly, consumer education language needs to shift on the sales floor and in marketing materials.

**Regional collaboration could increase retailer willingness to work with utility programs.**

Some program staff reported that collaborations with other western region utilities offer other opportunities to increase the program's effectiveness. A lack of consistency among utilities' program offerings often confuses retailers and makes them unwilling to work with utility programs. A number of regional initiatives, such as the Western Region Utility Network (WRUN) and the Northwest Regional Retail Collaborative, led by the Northwest Energy Efficiency Alliance (NEEA), are coordinating activities to align common utilities' offerings, making it easier for retailers to engage with utility programs.

Program staff also mentioned that the program hopes to implement or make progress on a whole-store concept in the near future by coordinating with other regional utilities through WRUN. By taking a more holistic look at the retail products portfolio, this approach would coordinate closely with other utility programs so that these initiatives would be scoped similarly in terms of specifications and cover a wider range of products while reducing consumers' and retailers' confusion and optimizing savings. Refrigerators and clothes washers were mentioned as examples, but the contact did not provide other product types that might be covered in this concept.

**Program staff plans to add account managers who are dedicated to developing direct relationships with retailers besides the merchandise team.**

Program staff reported some plans to focus on strengthening partnerships with retailers. One of the planned changes in 2014 for the appliance component is adding two PECI account manager staff who would be dedicated to developing direct relationships with retailers at a higher level than the merchandise team. These account managers would act as retailers' trusted advisors by providing trainings to sale associates, as well as working with store managers to determine opportunities for promotions. APT will continue to play a merchandising role by assuring accurate displays of POP and other marketing materials.

**Program staff plans changes in the refrigerator recycling incentive to emphasize the collection of older refrigerators.**

For the refrigerator recycling component, program staff reported that in 2014, the program will implement a two-tier model for the first time, which will provide incentives more in line with a refrigerator's age. The current plan is to offer \$40 for models older than 1991, and \$20 for newer models.<sup>19</sup> Further, by 2015, the program plans to move to a one-tier system that would provide incentives only for 1991 or older refrigerators. One program staff member mentioned that the program might apply the refrigerator recycling model to other appliances such as clothes washers in the future. This contact suggested that low-income agencies might be appropriate partners for cost-effectively delivering such a model.

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<sup>19</sup> The program implemented a change in the refrigerator recycling incentive after these interviews by introducing a two-tier model. However, the cut-off year is 1993, not 1991 as stated during the interviews.

## B.2. Folded Flyer Image

Figure B.1: Folded Flyer Image One

### CASH IN ON APPLIANCE UPGRADES

ENERGY TRUST OF OREGON OFFERS CASH BACK ON NEW HIGH-EFFICIENCY APPLIANCES THAT SAVE ENERGY AND MONEY.

**\$75 CASH BACK**  
on ENERGY STAR® refrigerators that are at least 30 percent more energy efficient than federal standards.

**\$70 CASH BACK**  
on ENERGY STAR clothes washers with an MEF of 2.6 or higher.

**\$50 CASH BACK**  
on ENERGY STAR clothes washers with an MEF of 2.4-2.59.

**\$35 CASH BACK**  
on ENERGY STAR freezers.


**\$150 CASH BACK**  
on ENERGY STAR gas tank water heaters with an EF of 0.67 or higher.

**\$75 CASH BACK**  
on ENERGY STAR electric tank water heaters with an EF of 0.94 or higher and 20-year manufacturer's warranty.


**\$35 CASH BACK**  
on electric tank water heaters with an EF of 0.93 or higher.

**Self-installation:** Electric water heaters can be self-installed. Call Energy Trust at **1.866.368.7878** before beginning work to receive pre-approval. Energy Trust work quality verification is required to receive an incentive.

**+ APPLY ONLINE**  
Fast online processing is available for fridge, freezer and clothes washer incentives. Visit [www.energytrust.org/appliances](http://www.energytrust.org/appliances) to get started.  
Some restrictions apply, see applications for details.



### REFRIGERATOR AND FREEZER RECYCLING



**\$40 CASH BACK**

Give your old fridge or freezer a proper sendoff. Pickup is free and you'll get \$40 just for saying goodbye.

To schedule your free pickup, call **1.866.444.8907** or visit [www.energytrust.org/fridgerecycling](http://www.energytrust.org/fridgerecycling).

Recycling is available to customers of Portland General Electric and Pacific Power.

Units must be between 10 and 30 cubic feet and in working condition.

EFFICIENT APPLIANCE INCENTIVES




Figure B.2: Folded Flyer Image Two

### SIMPLE STEPS TOWARD SERIOUS SAVINGS



EFFICIENT SHOWERHEADS

Water heating is one of the biggest energy expenses in the home, and wasting hot water also wastes energy. The average home can waste up to 2,300 gallons of water in a year, but you can reduce your household water waste by switching to a WaterSense® showerhead.

**Install a WaterSense showerhead and save:**

- WaterSense showerheads are certified to be more water-efficient and perform as well or better than conventional models.
- Changing just one showerhead to a WaterSense model can save up to \$44 a year in energy and water costs.



FAUCET AERATOR

Did you know that sink faucets can account for more than 15 percent of a home's indoor water use annually? Use an efficient aerator on your bathroom or kitchen faucet and you can save your household money while saving more than 500 gallons of water per year.

**Install a WaterSense faucet aerator and save:**

- WaterSense aerators can reduce your sink's water flow by up to 30 percent without sacrificing water pressure.
- A WaterSense aerator helps you use less hot water, which means you can save energy and money on water heating.



COMPACT FLUORESCENT LIGHT BULBS

Changing standard incandescent light bulbs to ENERGY STAR® compact fluorescent light bulbs, or CFLs, is the easiest way to use less energy and reduce your electricity costs.

**Install a CFL and save:**

- CFLs use up to 75 percent less energy and last up to 10 times longer than a standard incandescent bulb.
- CFLs save up to \$30 per bulb in electricity costs over the life of the bulb.
- CFLs come in a variety of shapes and styles to fit in various lighting fixtures around your home.



More ways to save

**Wash your laundry in cold water and run full loads whenever possible.**

**Avoid over-drying your clothes. Use the moisture sensor, and clean the lint trap after every use.**

**Open drapes during daylight hours in winter for natural heat and close in the summer to keep your home cool.**

**Clean or replace filters before and after heating season to help your furnace or heat pump work at peak efficiency.**

**Install a programmable thermostat.**

Figure B.3: Folded Flyer Image Three



## C. Retail Corporate Contact Interviews Findings Memo

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### C.1. Memorandum

To: Erika Kociolek, Evaluation Project Manager, Energy Trust of Oregon

From: Jun Suzuki and Carole Wiedmeyer, Research Into Action, Inc.

Date: February 10, 2014

Re: Corporate Retailer In-depth Interviews Findings

#### C.1.1. Introduction

This memo presents findings from our analysis of data gathered during November and December 2013 from interviews with appliance, lighting and showerhead retail managers at the corporate level.

The main goal of the interviews was to identify retailers' needs in terms of product incentives, training, and marketing support, so the Products program can meet them more effectively. We conducted interviews with managers who make decisions about the product areas of focus listed below:

- › Appliances (ENERGY STAR clothes washers, refrigerators and freezers)
- › Lighting and showerheads

#### C.1.2. Key Findings

- › The program offers strong value to retailers through increased sales resulting from price reductions on supported products, and excellent service by program implementer staff.
- › Retailers want the program to do even more to help them keep prices low, such as increasing incentives, varying incentives by time of year, providing bundled offers, offering more equitable incentives across retailers, and making earlier payments.
- › Retailers and manufacturers want sales staff and customers to have quick and easy access to up-to-date information about program benefits while in the store.
- › Special promotions get customers engaged and spur sales; retailers and manufacturers would like to do more of them in the future.

- › The rebate process needs to be fast and painless for both retailers and customers—both in-store, and online. Despite significant obstacles, some retailers are working to implement online rebates.
- › When it comes to products, LEDs lead sales trends for lighting; mid-range price points are most appealing for appliances.
- › Large national retailers want consistency across utility programs, and are finding some success with efforts to get programs on board.
- › Larger retailers and manufacturers want to collaborate more closely with Energy Trust.

### C.1.3. Methods

Research Into Action completed 11 telephone interviews with retail managers and manufacturer utility program managers during November and December 2013. Interviews lasted about 30 minutes on average.

Energy Trust’s Evaluation Project Manager provided a list of 18 retailer and manufacturer contacts to Research Into Action after discussions with the program. This list was originally developed with a goal of talking to a diverse mix of retailers, including those that currently deliver a large portion of program savings, and those that the program views as an opportunity to increase savings. Based on feedback from retailers, we also pursued interviews with manufacturer representatives, given their role in implementing the program on behalf of retailers.

#### C.1.3.1. Respondent Characteristics

Among the 11 interviews, eight were with retailer representatives and three were with manufacturer representatives who had direct involvement with Energy Trust’s Products program on behalf of their retailer clients (see Table C.1). Of the eight retailer interviews, half were with large national retailers, two were with regional retailers, and two were with nonprofit retailers.

**Table C.1: Interviews by Retailer Type**

RETAILER TYPE	NUMBER OF INTERVIEWS
Retailers	8
<i>National retailers</i>	4
<i>Regional retailers</i>	2
<i>Nonprofit retailers</i>	2
Manufacturers	3
<b>Total</b>	<b>11</b>

Three of the respondents interviewed were responsible for appliances, and eight handled lighting (see Table C.2). Two respondents were responsible for both lighting and showerhead sales, but both of those interviews focused on lighting because of the emphasis on this growing product category.

Respondents from retailers included a mix of corporate sustainability managers, corporate buyers, a store manager, and two nonprofit store program managers. Respondents from lighting manufacturers were utility program managers for large national retailers.

**Table C.2: Interviews by Respondent and Product Type**

RESPONDENT TYPE	PRODUCT TYPE			TOTAL NUMBER OF INTERVIEWS
	APPLIANCES	LIGHTING	SHOWERHEADS*	
Retailer corporate sustainability manager	2			2
Retail store manager	1			1
Retailer corporate buyer		3	1	3
Retailer nonprofit program manager		2	1	2
Manufacturer utility program manager		3		3
<b>Total</b>	<b>3</b>	<b>8</b>	<b>2</b>	<b>11</b>

\* Both respondents responsible for showerheads also fell into the lighting product category.

## C.1.4. Findings

### C.1.4.1. The program offers strong value through increased sales resulting from price reductions on supported products, and excellent service by program implementer staff.

Both retailers and their manufacturer partners said the main way the program delivers value is by enabling them to pass along price reductions to their customers for quality energy efficient products. Lower prices give customers a reason to buy, and help retailers and manufacturers stay competitive (or raise funds, in the case of nonprofit stores). By stimulating demand through reduced prices, all manufacturers and nearly all retailers said the program has increased their overall sales and/or margin. Two lighting manufacturers also mentioned it has enabled them to expand the number of program-supported product SKUs (stock keeping units, or product models) carried.

Nonprofit retailers that are serving lower-income customers said the program also puts products within reach of their customers, who might not otherwise be exposed to, or be able to afford, these products.

Despite having a sense that the program is very valuable to their business, retailers may not have a way to quantify exactly how much value it delivers; their assessment is instead based more on a qualitative, intuitive sense.

Retail managers at the corporate level who reported having direct program staff contact, and all of the manufacturer representatives interviewed, also lauded program implementer staff from both CLEAResult (formerly Fluid Market Strategies) and PECI for doing an excellent job. They cited effective, frequent communication about progress toward goals, their interest in receiving regular feedback about the retail experience with the program, and willingness to collaborate on new ideas for promotions, such as in-store events and displays. Retail managers who are less directly engaged in the program (typically because they work through manufacturers) were pleased with field staff efforts to deliver in-store point-of-purchase materials (POP) and training.

**C.1.4.2. Retailers want the program to do even more to help them keep prices low, such as increasing incentives, varying incentives by time of year, providing bundled offers, offering more equitable incentives across retailers, and making earlier payments.**

Both retailers and manufacturers would like to see improvements in incentive levels and payment methods to enhance customer demand for energy efficient products.

**Larger incentives.** All three manufacturers interviewed, and four of eight retailers (including all but one national retailer), said that higher incentives are the best way to get customers to actually come into the store looking for specific supported products, and/or to motivate them to buy more energy efficient products. Current incentive levels for appliances in particular, at around \$50, are simply not large enough to factor strongly in customer decision-making processes—they suggest at least \$100. In the past, higher incentives made it easier for them to predict sales levels for specific supported products, aiding stocking decisions. As one retailer put it, customers no longer come into the store saying, “Energy Trust said there is a rebate.”

Retailers also see price as a main driver for lighting, attributing recent and projected LED sales increases to falling prices. As one manufacturer put it: “Price point is everything”—a sentiment echoed throughout all of the retailer and manufacturer interviews.

**Variable incentives.** One way to offer higher incentives without changing program funding is to vary incentive levels throughout the year. This year, a lighting manufacturer piloted a new promotional calendar approach across the country with other utility programs that raises and then lowers incentive levels every two months. For example, a bare spiral CFL incentive is set at 50 cents per bulb for two months, and then goes to \$1 for two months, and so on throughout the year. As a result, sales levels are dramatically higher during the price reduction promotions—as high as 500 percent higher. The manufacturer reports that this approach delivers higher overall annual sales to the retailer, while keeping program incentive costs stable on an annual basis. In Oregon however, incentive levels have been flat for years, providing no sense of urgency for customers to buy, according to this manufacturer. Another type of variable incentive program was suggested by a regional retailer, who would like to see the more expensive, higher efficiency appliances receive higher incentives.

**Bundled offers.** Another way to reduce prices for customers is to bundle program incentives with other markdowns by the retailer, manufacturer, or another organization. One national retailer mentioned plans for tying utility program rebates into its loyalty program in 2014 to deliver exclusive, customized offers to its customers. A regional retailer mentioned interest in



working with organizations like Groupon or NEEA (Northwest Energy Efficiency Alliance) to provide limited-time discount codes or coupons that could be redeemed on top of program appliance rebates. The contact indicated these bundled offers would be most appealing if they were exclusive to his organization.

**Equitable incentives.** A manufacturer representing the interests of a national discount retailer complained that the program provides higher incentive levels to traditional retailers on some lighting products. As a result, both traditional and discount retailers sell the exact same bulb for the same price, but the discounter receives less of a reimbursement from Energy Trust. This contact wants all retailers to be paid the same for a given product, so the discounter can in fact charge less for the product in the marketplace because of its lower markup.

**Earlier payments.** Manufacturers would like to see the program do more to help “mom and pop” hardware chains compete with big box stores. One manufacturer cited a program in Massachusetts where a utility program pays the manufacturer 75% of the incentive upon shipment to the retailer, and 25% upon sales. This early payment method reduces risk for the manufacturer, helping to guarantee lower prices for these smaller retailers, who can pass on savings to customers, thereby spurring sales. Without this approach, manufacturers will continue their practice of pricing products to smaller retailers at higher levels than for larger retailers.

Overall, without some increased effort to help keep prices low, two national retailers and two manufacturers indicated they may choose to focus their scarce resources on utility programs in regions with the highest incentives, to maximize the return on their efforts.

### C.1.4.3. Retailers and manufacturers want sales staff and customers to have quick and easy access to up-to-date information about program benefits while in the store.

Today’s retail store conditions make it challenging to maintain sales associates who are knowledgeable about particular products, much less about the utility incentive programs that support them. Big-box retailers may have few or no sales associates available to help customers. In stores that do have sales associates available (more commonly the case for appliances than for lighting and showerheads), the environment is dynamic. Stores typically have large numbers of part-time workers who cover multiple departments, and high turnover is common among the ranks.

All retailers we interviewed also have strict guidelines on the amount and types of signage and POP materials allowed. These rules are designed to ensure conformity with store branding requirements, keep materials looking fresh and neat (particularly items that customers may handle), reduce overall visual clutter, and promote foot traffic flow. Against this backdrop, customers are increasingly doing their own product research online, both at home and on their smartphones while they are in the store.

Therefore, national retailers and manufacturers said, information about incentives needs to be succinct and easy to access in the moment by both sales associates and customers on the sales floor. For appliances, national and regional retailers said POP materials (particularly clings) are

effective in this regard. For lighting, retailers said signage is effective—so much so, that corporate policies against signage may be waived for utility programs, but for no other vendors.

All respondents agreed that POP and signage need the incentive amount (or discount) and the final item purchase price after the rebate or discount. For bulbs, manufacturers and a regional retailer recognized that energy savings information also is helpful to shoppers. However, a national retailer was hesitant about including energy savings information for appliances, and said references to the “most efficient” products could add an undesirable level of complexity. As that contact put it: “We don’t want to have a mark where sales associates have to explain something they don’t know about.”

Both retailers and manufacturers also note that customers have special information needs when it comes to lighting. Customers typically buy bulbs on impulse with little or no advance research or knowledge. They may start out simply looking for something cheap, but once faced with the somewhat bewildering array of newer energy efficient bulb options they see in the store, they have concerns about sacrificing light levels or quality, as well as cost. They want to know how newer products compare to the familiar incandescents, and how they should compare the available options—including both program-supported products, and other products.

One manufacturer said that special lighting displays with working bulbs side-by-side do the best job of helping customers to understand the choices and make decisions that are right for them. The displays allow customers to easily compare color temperatures, start-up times, and wattages across incandescent, CFL, and LED bulbs.

In addition to signage and displays, several contacts (a manufacturer, a national retailer, and a regional retailer) said customers look to packaging as a key source of information.

A couple of retail managers also suggested the program provide a one-page handout with key FAQ-style information in bulleted format that could easily be referenced on the sales floor. Making this available as a tear-off pad handout could be helpful for both sales staff and customers.

Reaction was mixed to the idea of providing program information via mobile devices and tablets; most retailers interviewed do not have the need or the technical infrastructure in place, and do not anticipate that changing in the next one to two years. Appliance retailers expressed the most interest, particularly those with commissioned sales staff. For lighting, one manufacturer said it would be best to design for smartphone access rather than for tablets, as both sales staff and customers typically have phones with them in the store. This manufacturer also suggested integrating a smartphone app with social media functionality so customers could share their experience getting a rebate with others (for example, with an automated “I’m saving energy, are you?” posting on Facebook or Twitter).

Corporate-level retail managers tended to speak about POP materials in general, or about custom signage developed for their stores, rather than about specific POP supplied by Energy Trust’s Products program. Some also said they suspected program POP materials were installed by program field staff at the store level without corporate knowledge or approval, though they expressed little concern about this. A typical comment was: “I kind of let it go; the stores know what flies.”

Respondents also were generally not familiar with training provided by program staff to sales associates. National retailers said they were generally removed from this type of day-to-day activity in the stores. Only three contacts were aware of program training: a national retailer, a regional store manager, and a non-profit retailer. However, those with an opinion said that in general, for training to be effective, it should be held regularly (and during all shifts) to ensure current staff are up to speed on the latest information. And, training sessions should provide staff with the opportunity to share customer questions with program representatives.

**C.1.4.4. Special promotions get customers engaged and spur sales; retailers and manufacturers would like to do more of them in the future.**

Retailers and manufacturers said special promotions are effective at engaging customers and generating increased sales for program-supported products, and they are open to doing more of them in the future.

The types of promotional activities mentioned, and typical lead times for planning them, are shown in Table C.3.

**Table C.3: Promotional Activities and Lead Time Requirements**

ACTIVITY	LEAD TIME REQUIRED
National advertising campaign	12 months
In-store special promotion, may include special displays, end caps with temporary price reduction	1 to 6 months, depending on number of stores and SKUs, and length of time promotion will run
In-store event or product demonstration	6 to 8 weeks

**National advertising campaigns** are a major focus of corporate-level retail managers. Print, broadcast and online advertising provide the main ways for retailers to entice shoppers to come into their stores. However, because these advertising campaigns are standardized across all locations, they typically do not advertise special deals involving utility rebates or discounts, which vary by region. That said, some managers said they are open to working with programs that would be willing to standardize their incentive levels to conform to corporate guidelines on national advertising campaigns. Lead times for planning national advertising campaigns are typically a full 12 months out.

**In-store special promotions** using displays such as end caps or pallets are popular, especially in combination with limited-time price reductions. For example, one lighting manufacturer worked with a retailer on a truckload event in most of the retailer’s stores, where specially priced CFL four-packs were displayed on pallets at store entrances. The manufacturer reported the event went extremely well, with “huge” increases in sales and awareness, as customers simply grabbed the product upon entering the store. Another big-box store saw lighting sales increase substantially from end cap displays. These events can run for a brief period in a single store, or be rolled out across multiple locations and/or last for months at a time.

Some retailers said it can be difficult or impossible to implement end caps or special displays across multiple stores because of variations in programs by utility. Others, however, have worked out ways to accomplish this, albeit with limitations. For example, one retailer has figured out how to do in-store price reductions just in Energy Trust territory, but cannot do special displays or advertising in conjunction with these promotions.

**In-store events** that feature product displays and/or product demonstrations are desirable to some national and regional retailers, and to manufacturers. They said they serve to educate both customers and staff, generating excitement about the product category, and even driving traffic into stores. Earth Day (April) and the end of Daylight Savings time (October/November) provide natural opportunities to plan promotional events related to energy efficient products. One big-box retailer plans to pilot utility program in-store events in 2014 for the first time, overturning a previous corporate ban on regional events, given the momentum in energy efficient lighting sales.

Generally, retailers like the idea of program staff attending and supporting events, though they may note liability concerns about having non-employees working at store locations.

### C.1.4.5. The rebate process needs to be fast and painless for both retailers and customers—both in-store, and online. Despite significant obstacles, some retailers are working to implement online rebates.

Retailers want both their customers and their stores to receive incentive payments as soon as possible. That means retailers want their in-store customers to get the incentive at checkout if at all possible. One national retailer said their company will only support instant rebates because “customers have told us they hate mail-in rebates.” And, retailers want faster payment from utility programs. As that same retailer put it: “To get the money two to three months after we sell the product is not good; we have to show revenue sooner.”

Some retailers, however, have major concerns about implementing the necessary software updates to process in-store instant rebates. The sticking point is the need to instantly validate whether a customer qualifies under one specific program among a patchwork of programs nationwide. Others find incentive processing goes smoothly if the rebate information is embedded in the product barcode (or a coupon barcode) that is scanned at the register. Even if eligibility is not always accurately determined, one retailer said other utility programs find the small number of non-qualified customers who end up receiving online instant rebates is acceptable given strong program participation rates.

Retailers are also generally interested in offering online instant rebates, but are concerned about the cost of making the needed software updates to tie the related utility program to the “ship to” address. As one major national retailer said, “We have no idea how to manage that...I don’t think (Energy Trust) has enough money to update the software to do that.” That retailer said as a result, it would only implement instant rebates for products that customers order online if they pick up and pay for the product in a local store.

A national retailer also reported it does not allow utility program branding on its store websites, which directly conflicts with utility program requirements. As that contact said, “I haven’t seen a utility yet that would do anything for online sales if they couldn’t put their branding next to the product (on our website).” Another national retailer said it does not allow its retail logo to be displayed on utility program websites, though it does allow use of the store name without the logo.

Despite significant obstacles, retailers said ecommerce is a rapidly growing category, so they are either open to the idea of online rebates or discounts, or are actively investigating the options. One manufacturer reports that a national retailer is planning to roll out utility program instant rebates nationwide for lighting in early 2014, with plans to expand into showerheads. This was made possible in part because the retailer’s online branding requirements are more flexible than in-store requirements. Third-party online retailers also present an opportunity for manufacturers to pursue.

### C.1.4.6. When it comes to products, LEDs lead sales trends for lighting; mid-range price points are most appealing for appliances.

Retailers and manufacturers have clearly seen increases in sales for energy efficient lighting in the past year. Both CFLs and LEDs have experienced increases—as have halogen bulbs. They expect the trend to continue into the coming year as prices continue to fall—particularly for LEDs—and as a result, they plan to expand both the products they carry, and the number of stores that carry them.

Bulb types with notable upward sales trends include exterior lighting for porches and garages (mentioned by one national retailer) and daylight bulbs (mentioned by one manufacturer). That manufacturer reported sales of daylight bulbs are reaching par with soft white bulbs, noting customers seem to appreciate the brighter light output without a corresponding increase in wattage. A couple of retailers note that halogens are appealing to customers who simply want to buy something that looks similar to the incandescent bulbs they are used to, particularly reflectors and A-line bulbs.

For appliances, sales trends are less related to energy efficiency, as customers perceive that most products are already highly rated. Retailers report interest in seeing future program support for mid-priced appliances, including dishwashers, French door refrigerators, air conditioners and heat pump water heaters. They said the most highly efficient products tend to be more expensive, making them harder to stock in stores. As a result, one national retailer limits availability of some products to online purchase. One retailer expressed concern that a lower number of the products they carry will be eligible for program support as ENERGY STAR standards get stricter.

Retailers stress that newly supported products should be in product categories they already carry; they are cautious about stocking entirely new product lines. They are open to program support for consumer electronics, including plug load solutions and home theater speaker accessories like sound bars.

#### C.1.4.7. Large national retailers want consistency across utility programs, and are finding some success with efforts to get programs on board.

Large national retailers clearly find it difficult—if not impossible—to work effectively with utility programs because of regional program differences and requirements. Their advertising campaigns and in-store merchandising are standardized and rolled out across all stores in all locations. The sheer number of utility programs and stores they manage means there simply is not enough time in the day to customize these efforts by region. As one retailer said, “I can’t do anything nationally with so many different programs. Everyone is on their own wavelength.” Said another: “I can’t manage 600 of you all.”

As a result, nearly all of the national retailers interviewed spoke about utility programs in general, rather than specifically about Energy Trust’s program with which they were only marginally familiar. They tend to avoid or severely limit utility appliance and lighting program involvement in general, or in the case of lighting, they prefer to participate indirectly through their product manufacturers who interact with the programs on their behalf. One retailer even said that utility programs have caused them to curtail advertising of energy efficient products: “I used to be able to advertise a \$10 bulb reduced to \$7, but now with different prices with different utilities, we just don’t do any advertising.”

To help address this situation, some national retailers are working with utilities to find ways to make standardized incentives workable. One lighting retailer notes that Energy Trust has declined to participate in such an initiative because program incentives are lower than what the retailer is seeking.

Familiarity with regional collaborative efforts like the Western Region Utility Network (WRUN) and the Northwest Regional Retail Collaborative is low. Most of the retailers and manufacturers interviewed have heard of these groups, but tend to not know much about them. Regardless of awareness levels, they generally think the idea of working together regionally is a step in the right direction to bringing about more consistency across programs. However, they are somewhat skeptical that the level of standardization desired is achievable, given regional differences in types of programs and customers.

#### C.1.4.8. Larger retailers and manufacturers want to collaborate more closely with Energy Trust.

While large national retailers want consistency across programs, they also recognize this is not the norm overall. Given this reality, they want to engage with Energy Trust at a strategic level so they can best take advantage of the program, and potentially shape the program to their interests in the future. For example, one national retailer would like the opportunity to make the case for standardizing lighting incentives, so they could be offered on the retailer’s website (which requires all utility incentives to be set at \$1 per bulb).

Nearly all of those working for larger national retailers—and all of the manufacturers interviewed—are highly motivated to engage as strategic partners with Energy Trust for the mutual benefit of all parties. Although they appreciate the extent to which they have invited to work together on program implementation to date, they are interested in developing an even better understanding of Energy Trust’s goals and future plans, so that they can more effectively plan their efforts to be in alignment.

Overall, they would like to better understand the reasons behind Energy Trust’s program design and goals, including reasons why some products are supported, but not others. A manufacturer representative who has only had contact with implementer staff thus far would also like to hear directly from Energy Trust staff, in addition to implementer staff.

They feel this higher level of engagement at all levels would make for improved give-and-take and open communication, thereby enabling them to be more creative in how they support program implementation. For example, manufacturers would be open to crafting training materials and programs for store employees on supported products, or supporting the program through pallets that they have control over in their clients’ store locations. Other ideas mentioned include an appliance recycling program and a social media marketing campaign.

A couple of retailers suggested having more frequent, regularly scheduled meetings with program staff to check in on program goals and activities; one suggested quarterly meetings. Another suggests more follow-through by Energy Trust on investigating the feasibility of new ideas after meetings take place, and quicker progress on implementing approved new ideas.

Overall, retailers and manufacturers are interested in seeing Energy Trust elevate the program above what they perceive as a focus on POP materials, putting more “skin in the game” (such as higher incentives, subsidized marketing collateral, co-op advertising, and other new, creative ideas) to help both the program and the retailers achieve their goals.

## D. Mystery Shopper Visits Findings Memo

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### D.1. Memorandum

To: Erika Kociolek, Evaluation Project Manager, Energy Trust of Oregon

From: Jun Suzuki and Doré Mangan, Research Into Action, Inc.

Date: February 7, 2014

Re: Analysis of Mystery Shopper Visits

This memo presents findings from our analysis of data gathered by mystery shoppers at appliance and lighting retailers in October 2013.

The questions we sought to answer through this task were:

- › **Sales associate knowledge and awareness.** Do sales associates mention energy efficiency, ENERGY STAR, or Energy Trust incentives as a selling point? How knowledgeable are they on these topics?
- › **Presence and accuracy of POP information.** What kind(s) of ENERGY STAR, Energy Trust, and other energy efficiency marketing materials are used? How useful are they?
- › **Training gaps and key market barriers.** What kind(s) of training have sales associates received? What is preventing customers from purchasing qualifying products from the perspective of the sales associates, and what can help associates sell more?

#### D.1.1. Key Findings

- › Lighting sales associates were hesitant to recommend a type of bulb or a specific bulb, instead relying on customers to tell them what they wanted.
- › In general, sales associates had only a vague concept of what ENERGY STAR means.
- › Most sales associates could not correctly explain what the Simple Steps, Smart Savings promotional material signified
- › Sales associates had a moderate level of knowledge regarding the definition of lumens and the impact of the Energy Independence and Security Act (EISA).
- › Sales associates often did not mention the Energy Trust refrigerator recycling program, even when prompted about what customers can do with their old refrigerators.
- › Despite sales associates' self-reported positive attitudes toward ENERGY STAR, and the importance of recommending ENERGY STAR products, no sales associates mentioned ENERGY STAR unprompted.



- › Few sales associates indicated they had received training regarding Energy Trust rebates for qualifying ENERGY STAR products.
- › All visited stores had Energy Trust of Oregon or Simple Steps, Smart Savings promotional materials on or near qualified products.

### D.1.2. Methodology

Research Into Action conducted in-store mystery shopping visits at 14 participating appliance and lighting stores representing 6 retailers in Energy Trust territory. Program staff were interested in retailers that represented a large portion of program savings, and visiting multiple store locations for a single retailer. In choosing specific store locations to visit, we strove to select stores in Portland Metro and non-Portland Metro locations<sup>20</sup> representing a range of counties and a varied range of field staff visits (see Table D.1). The 14 store locations consisted of six different retailers; between 1 and 3 store locations per retailer were visited.

**Table D.1: Number of Visits from Energy Trust (n=14); April – September 2013**

STORE	AREA	APPLIANCE FIELD VISITS	LIGHTING FIELD VISITS
Store 1	Portland Metro	9	4
Store 2	Portland Metro	8	0
Store 3	Non-Portland Metro	6	4
Store 4	Portland Metro	6	3
Store 5	Non-Portland Metro	5	2
Store 6	Portland Metro	5	1
Store 7	Portland Metro	5	1
Store 8	Non-Portland Metro	6	3
Store 9	Portland Metro	0	5
Store 10	Non-Portland Metro	0	5
Store 11	Portland Metro	0	4
Store 12	Portland Metro	0	4
Store 13	Portland Metro	0	2
Store 14	Portland Metro	0	2

The mystery shoppers completed three tasks during in-store visits: 1) conduct the mystery shop, 2) debrief the sales associate, and 3) gather data about energy efficiency-related point-of-purchase (POP) marketing materials. Store visits lasted approximately 30 minutes for light bulbs and 45 minutes for appliances; stores with both lighting and appliances therefore lasted

<sup>20</sup> Portland Metro area was defined as within Clackamas, Columbia, Multnomah, Washington, and Yamhill counties. Any store located in Energy Trust territory that was not in these counties was considered non-Portland Metro.

approximately 75 minutes. During the 14 mystery shops, sales associates showed the “shoppers” a total of 32 light bulbs, 25 refrigerators, and 21 clothes washers<sup>21</sup>; in this document, we refer to these as “shown” light bulbs or appliances. We collected lighting data from 12 store locations, and appliance data from 7 store locations (Table D.2). We approached a total of 21 sales associates: 14 in lighting<sup>22</sup> and 7 in appliances.

**Table D.2: Number of Store Visits by Metro Area and Products**

	LIGHTING ONLY	LIGHTING AND APPLIANCES	APPLIANCES ONLY	TOTAL
Portland Metro	5	4	1	<b>10</b>
Non-Portland Metro	2*	1	1*	<b>4</b>
Total	7	5	2	<b>14</b>

\* Due to the proximity of the lighting and appliance sections in one location, it was not possible to collect lighting data from the same store without sales associates knowing the true identity of the mystery shopper. Therefore, we obtained only appliance data from that location, and only lighting data from an alternate location.

The mystery shop conversation guide provided direction for mystery shoppers when sales associates asked particular questions about the products the shoppers were looking for. The guidance for each product is summarized below (for full descriptions see Appendix A).

› Light bulb shopper guidance

- Replacing 60-watt incandescent in a ceiling fixture with 3 sockets
- Something that is “reasonably priced, but something that’s a good value for the price and good quality”
- Standard soft white light; no globe, decorative, specialty or dimming type

› Clothes washer shopper guidance

- Price between \$500 and \$700 (and a “good value and quality”)
- A standard size, no configuration preference
- No preference on features, brand, or color

› Refrigerator shopper guidance

- Top-freezer configuration<sup>23</sup>
- Price between \$500 and \$700 (and a “good value for the price and of good quality”)

<sup>21</sup> Sales associates showed an average of 3.7 refrigerators per store, 3 clothes washers per store, and 2.75 light bulbs per store.

<sup>22</sup> In 2 of the 12 stores where lighting data were collected, 2 employees per store were debriefed, bringing the total number of lighting employees approached to 14.

<sup>23</sup> The research team chose to focus on top-freezer configurations because they are known to have a variety of models within the established price range and proportionate mix of qualifying and non-qualifying models.

- No preference on features or brand
- White color

Following the end of the mystery shopper segment of data collection, shoppers debriefed the sales associate, asking them questions about their position, engagement and knowledge of ENERGY STAR and Energy Trust, and about any training they have received on the Energy Trust and Simple Steps, Smart Savings programs. Following the debriefing portion of the visit, shoppers recorded the types of point-of-purchase (POP) materials related to energy efficiency that were present. For appliances, only materials that were on shown products were recorded. For lighting, all signage related to energy efficiency was recorded. Shoppers also recorded the model numbers of the products shown, and provided Energy Trust with this data as well as whether or not these models had Energy Trust labels so that accuracy of the Energy Trust POP material can be confirmed.

### D.1.3. Findings

#### D.1.3.1. Mystery Shopper Visit

##### *Characteristics of Shown Light Bulbs and Appliances*

Clothes washers had the highest percentage of shown units that were Energy Trust-qualifying models. In general, there were more qualifying models in the clothes washer section than in the refrigerator section (among top-freezer models).

The most common energy efficiency label on items the sales associates showed to the mystery shoppers was the ENERGY STAR label, although it was displayed on fewer than half of the shown refrigerators (Table D.3).

**Table D.3: Energy Efficiency Labeling on Items Shown; *Multiple Responses Allowed***

	LIGHT BULBS SHOWN (n=33)	CLOTHES WASHERS SHOWN (n=21)	REFRIGERATORS SHOWN (n=25)
Energy Trust cling	48%*	81%	28%
ENERGY STAR	58%	90%	44%
CEE tier	0%	29%	12%
Manufacturer	0%	0%	8%
Other energy efficiency label**	6%	52%	28%
None	36%	5%	40%

\* For light bulbs, this refers to the Simple Steps, Smart Savings “Save” tag.

\*\* Other energy efficiency labels included: Energy Guide, High Efficiency Washers, Econonitor, H2Low, Ecoboost, and Eco-options.

**Table D.4: Average Price of Items Shown**

ITEM	AVERAGE PRICE	PRICE RANGE
Light bulbs* (n=32)	\$ 6.53	\$0.25 – \$21.97
Clothes washers (n=21)	\$ 801.71	\$499 – \$1,199
Refrigerators (n=25)	\$ 679.00	\$400 – \$1,038

\* Cost per individual bulb. Table D.5 below has additional detail on price by bulb type.

### D.1.3.2. Lighting sales associates were hesitant to recommend a type of bulb or a specific bulb, instead relying on customers to tell them what they wanted.

All lighting sales associates began the conversation by asking what kind of bulb the customer was looking for. As indicated by the conversation guide, the shopper responded with “I am replacing 60-watt incandescent bulbs that were in a ceiling fixture with 3 sockets,” and “I’m looking for something that is reasonably priced, but something that’s a good value for the price and good quality.” Then sales associates would show the customer the different types of bulbs. The most common type of light bulb shown was a compact fluorescent (CFL), followed by light emitting diode (LED) and incandescent bulbs (Table D.5). Even though the sales associate would show the shopper CFLs, and generally point out all of other bulbs, it was difficult to get the associates to recommend a specific brand or bulb. Shoppers had to push to get the sales associates to highlight a specific bulb or brand. The associates generally did not necessarily recommend the bulb or brand, but they did say that it met all of the shopper’s stated specifications.

**Table D.5: Number and Average Price of Light Bulbs Shown by Type**

TYPE SHOWN	NUMBER SHOWN	AVERAGE PRICE*
CFL	19	\$ 4.81
LED	7	\$ 14.95
Incandescent	6	\$ 1.58

\* Cost per individual bulb

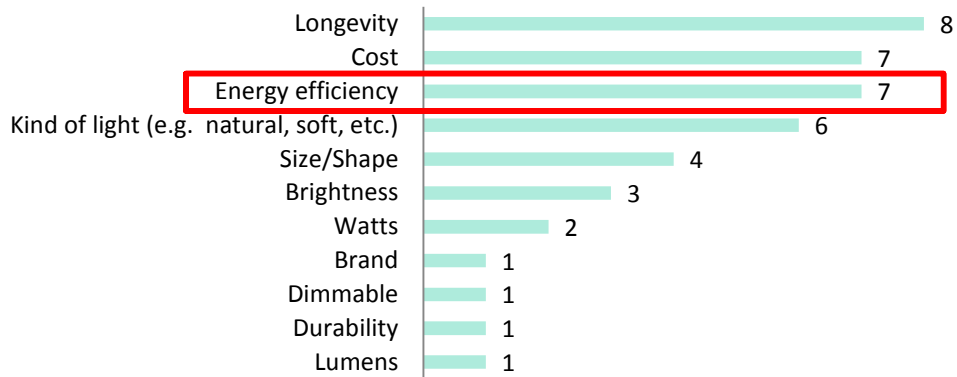
### D.1.3.3. Awareness and Knowledge of Energy Efficiency

In an attempt to evaluate how sales associates talk about products and energy efficiency when they interact with customers, shoppers recorded any features sales associates mentioned about the product. As discussed in the methodology section, shoppers provided the associate with some general information about what they were looking for (e.g., price range, configuration, and color for refrigerators). These are considered prompted elements. Therefore, the mentions below contain both prompted and unprompted features mentioned; however any mentions of energy efficiency were unprompted.

Sales associates were somewhat aware of energy-efficient product options, and energy efficiency was one selling point for clothes washers; but did not seem to be a selling point for light bulbs or refrigerators. The main selling points for light bulbs were cost and longevity, and configuration and features for refrigerators.

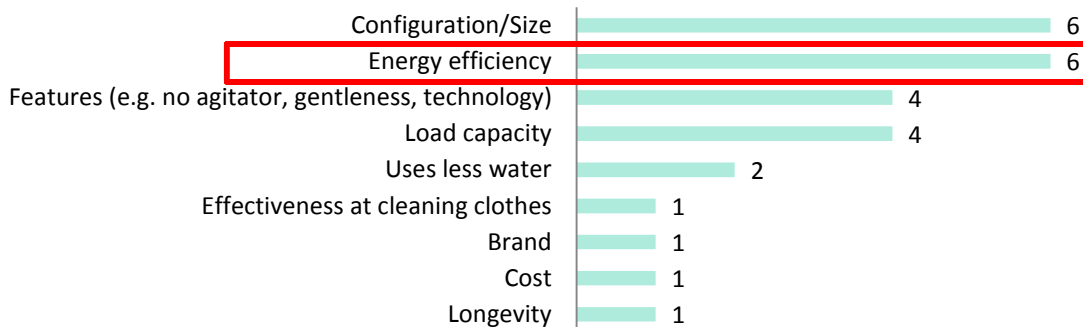
Half of light bulb sales associates (7 of 14) mentioned energy efficiency unprompted (Figure D.1).

**Figure D.1: Light Bulb Features Mentioned (Light Bulb Sales Associates, n=14); Multiple Responses Allowed**



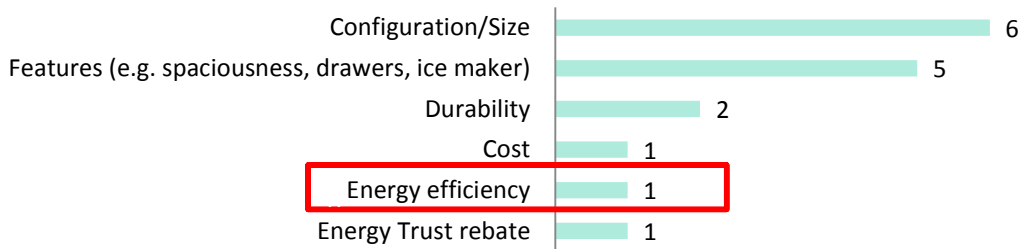
Most appliance associates (6 of 7) mentioned energy efficiency unprompted in regards to clothes washers (Figure D.2).

**Figure D.2: Clothes Washer Features Mentioned (Clothes Washer Sales Associates, n=7); Multiple Responses Allowed**



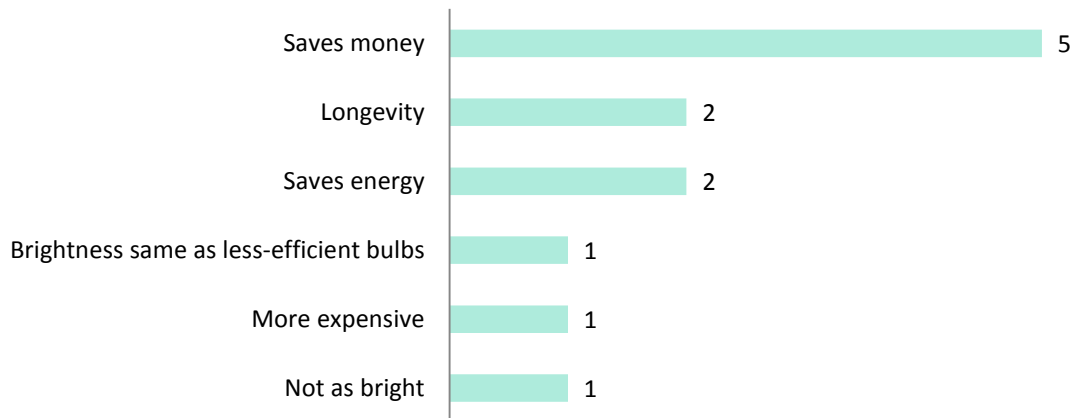
Despite the number of refrigerators shown that were ENERGY STAR (44%) or Energy Trust-qualifying (28%) models, only one of the seven appliance associates mentioned energy efficiency unprompted (Figure D.3).

**Figure D.3: Refrigerator Features Mentioned (Refrigerator Sales Associates, n=7); *Multiple Responses Allowed***

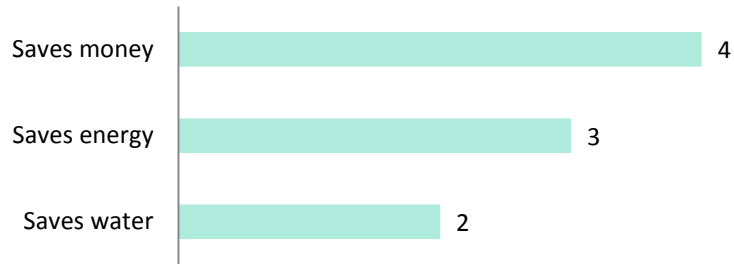


When sales associates did mention energy efficiency for light bulbs and clothes washers, they most often referred to positive aspects, and especially that energy efficient models save customers money (Figure D.4). Only one of seven of the lighting sales associates who mentioned energy efficiency when discussing light bulbs had a negative association with energy efficiency; this sales associate said that the energy efficient bulb cost more money and was not as bright as the less-efficient bulbs. When sales associated discussed energy efficiency regarding clothes washers, they most often mentioned that it would save customers money (4 of 6), save energy (3 of 6) or save water (2 of 6) (Figure D.5). The one refrigerator sales associate that mentioned energy efficiency unprompted did not provide additional information other than the model was an energy efficient model.

**Figure D.4: Elements Mentioned about Energy Efficiency for Light Bulbs, When Asked What Customers Should Look For in a Product (Lighting Sales Associates, n=7); *Multiple Responses Allowed***



**Figure D.5: Elements Mentioned about Energy Efficiency for Clothes Washers, When Asked What Customers Should Look For in a Product (Clothes Washer Sales Associates, n=6); *Multiple Responses Allowed***



#### D.1.3.4. Awareness and Knowledge of Energy Trust, ENERGY STAR and Simple Steps, Smart Savings

In addition to evaluating sales associates’ awareness and knowledge of energy efficiency, shoppers also recorded whether or not sales associates mentioned energy efficiency, ENERGY STAR or Energy Trust (or in the case of lighting, Simple Steps, Smart Savings) unprompted. Only one of twenty-one sales associates mentioned the Energy Trust incentive unprompted (Table D.6).

**Table D.6: Sales Associates Who...**

	REFRIGERATOR (n=7)	CLOTHES WASHER (n=7)	LIGHT BULB (n=14)
Mentioned energy efficiency unprompted	1	6	7
Mentioned ENERGY STAR unprompted	0	0	0
Mentioned Energy Trust unprompted	0	1	0*

\*Mentioned Simple Steps, Smart Savings unprompted

*In general, sales associates had only a vague concept of what ENERGY STAR means.*

The majority of sales associates said that the ENERGY STAR logo is basically a signal to the customer that the item is energy efficient. A few sales associates indicated that they thought all CFL and LED bulbs were ENERGY STAR. Overall, the sales associates provided unclear or incomplete information about the differences between “energy efficient,” ENERGY STAR, Energy Trust, and CEE tiers. Just under two-thirds of sales associates could provide a definition of ENERGY STAR, and only 17% provided a correct definition (Table D.8). Table D.7 provides some examples of definitions provided by sales associates to mystery shoppers.

**Table D.7: Actual Examples of ENERGY STAR Definitions from Sales Associates**

	CORRECT	PARTIALLY CORRECT	INCORRECT
<b>ENERGY STAR</b>	"It's an indication that it meets certain technical standards with regard to energy efficiency."	"Just means it's energy-efficient."	"ENERGY STAR and Energy Trust mean the same thing."

**Table D.8: Percentage of Correct ENERGY STAR Definitions (Sales Associates, n=21)**

ENERGY STAR DEFINITION		
Incorrect or no definition provided		37%
Definition provided		63%
	<i>Correct definition</i>	17%
	<i>Partially correct definition</i>	83%

*Most sales associates could not correctly explain what the Simple Steps, Smart Savings promotional material signified.*

Only two of the fourteen lighting sales associates could correctly define the Simple Steps, Smart Savings program. Six of the fourteen sales associates did not know what the Simple Steps POP tags meant, but presumed the following:

- › Just another signal that you save on electricity by purchasing energy-efficient bulbs (4 of 14)
- › It is related to Energy Trust Energy Saver kits (1 of 14)
- › Related to tax incentives by having ENERGY STAR products in your home (1 of 14)

The remaining lighting sales associates (6 of 14) did not know what the tag meant and did not guess at its meaning. All of the appliance associates (7) correctly identified the meaning of the Energy Trust clings.

*Sales associates had a moderate level of knowledge regarding the definition of lumens and the impact of the Energy Independence and Security Act (EISA).*

With regards to lighting terminology, the majority of lighting sales associates (10 of 14) gave at least a partially correct definition of lumen (measure of brightness). Two of the remaining lighting sales associates either did not provide a definition, or gave an incorrect definition.

When asked about certain kinds of bulbs that will be banned from sale in the market, over two-thirds of lighting sales associates (10 of 14) said only that incandescent bulbs were being phased out; the rest were either unaware of this change (2 of 14), or suggested buying more incandescent bulbs because they no longer will be available (2 of 14).



*Sales associates often did not mention the Energy Trust refrigerator recycling program, even when prompted about what customers can do with their old refrigerators.*

For the refrigerator recycling program, none of the appliance sales associates (out of 7) mentioned Energy Trust's program unprompted, and when the mystery shopper asked what they could do with an old refrigerator, few of the sales associates mentioned Energy Trust's program (2 of 7). The remaining sales associates said their store picks up and hauls away customers' old appliances for free when they deliver the new appliance.

#### D.1.4. Debriefing

Following the end of the mystery shopper segment of data collection, shoppers debriefed the sales associate, asking them questions about their position, engagement and knowledge of ENERGY STAR and Energy Trust, and about any training they have received on the Energy Trust and Simple Steps, Smart Savings programs.

##### D.1.4.1. Sales Associate Characteristics

› In the lighting department:

- Half of associates (7 of 14) in the lighting department had non-supervisory sales roles. Most of the other half (6 of 14) were in a supervisory role, but also assisted in sales on the floor. The remaining employee normally worked in freight.
- Almost half (6 of 14) of associates in the lighting department worked regularly within the department. Their median time at the store and median time in the lighting department was 1.5 years.

› In the appliances department:

- All sales associates in the appliance department (7) identified themselves as being in a non-supervisory sales role.
- The majority of associates (5 of 7) in the appliances department worked regularly within the department. Their median time at the store was 4 years and median time in appliances was 1.5 years.

##### D.1.4.2. Perception of Energy Star

*Despite sales associates' self-reported positive attitudes toward ENERGY STAR, and the importance of recommending ENERGY STAR products, no sales associates mentioned ENERGY STAR unprompted.*

As shown previously in Table D.6, no sales associates mentioned ENERGY STAR unprompted. Additionally, as Tables D.7 and D.8 indicate, sales associates only had a vague understanding of what ENERGY STAR means. Yet during the debriefing, when asked about their perceptions and attitudes regarding ENERGY STAR products, sales associates had a relatively positive attitude

towards ENERGY STAR and placed a high level of importance on recommending ENERGY STAR products (Table D.9). This was more evident in appliances than light bulbs.

**Table D.9: Attitudes Regarding ENERGY STAR Products (Sales Associates, n=21)**

	APPLIANCES (n=7)	LIGHT BULBS (n=14)
Degree of positive attitude toward ENERGY STAR*	4.7	3.8
Importance of recommending ENERGY STAR products*	4.6	3.9

\* Asked on a 5-point scale during debriefing. This table reports the same score for refrigerators and clothes washers, because the same sales associate merged their recommendations for all appliances.

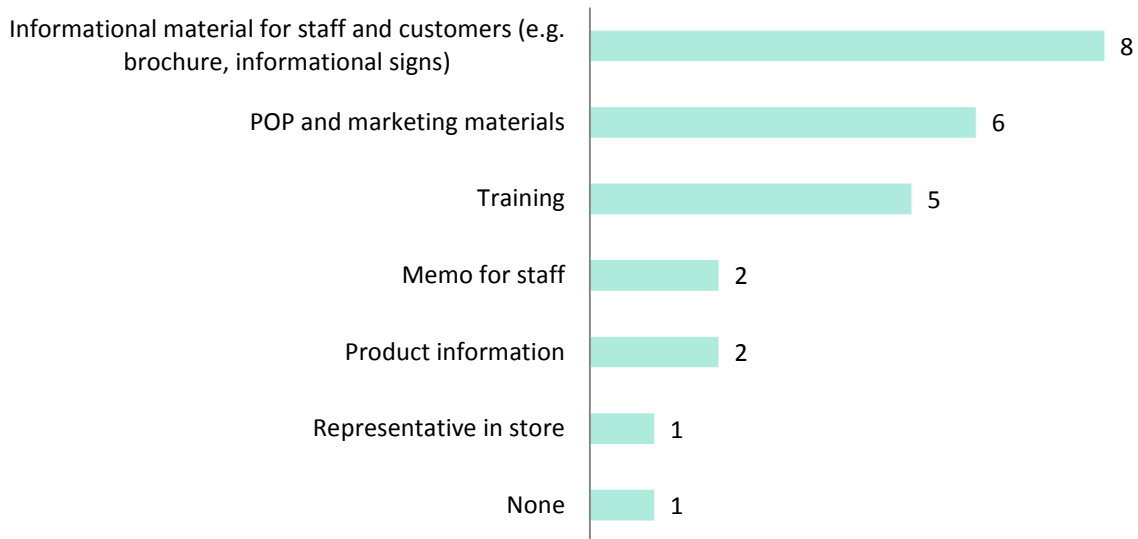
### D.1.4.3. Training Gaps

*Few sales associates indicated they had received training regarding Energy Trust rebates for qualifying ENERGY STAR products.*

One of the objectives of the mystery shopper visits was to identify any training received and training gaps. Only three of the seven appliance sales associates said they had received training regarding Energy Trust rebates for qualifying ENERGY STAR products. One associate indicated that the training had been useful because they had learned which models qualified for the incentives. Only one (of 14) lighting sales associate indicated that they received training regarding qualified products that are part of the Simple Steps, Smart Savings program (this individual was one of the few associates in a supervisory role).

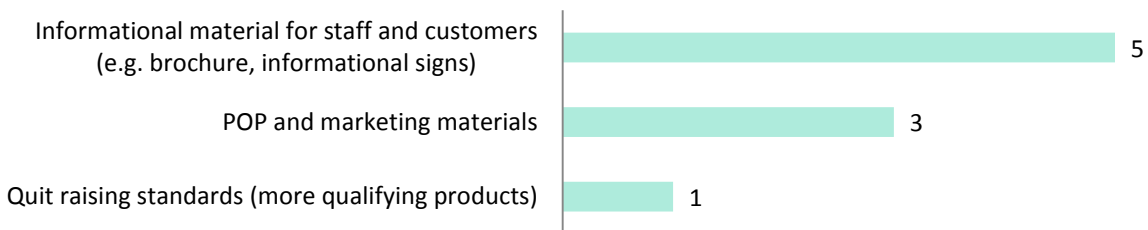
When lighting sales associates were asked what would help them sell more qualifying products, they indicated they would like more informational materials followed by more POP and marketing materials, and training (see Figures D.6 and D.7).

**Figure D.6: Suggestions for Things That Would Help Sales Associates Sell More Qualifying Lighting Products (Lighting Sales Associates, n=14); Multiple Responses Allowed**



Appliance sales associates did not mention training as something that would help them sell more qualifying products. This is not to say that training would not help, just that when prompted, appliance sales associates did not mention training. One of the seven appliance sales associates said that having more qualifying models would help, especially for top-freezer refrigerator configurations.

**Figure D.7: Suggestions for Things That Would Help Sales Associates Sell More Qualifying Appliance Products (Appliance Sales Associates, n=7); Multiple Responses Allowed**



Four of the fourteen lighting sales associates had strategies for selling more efficient light bulbs. Strategies included: explaining the products in terms customers understand, presenting the pros and cons of the various products, and mentioning that the “old style” bulbs (incandescent bulbs) are phasing out.

Four of the seven appliance associates had strategies for selling Energy Trust-qualifying models. They included: asking customers about their budget; pointing out the rebate; telling them they save on energy and get a rebate; and selling them on the machine first, and mention the rebate as a bonus.

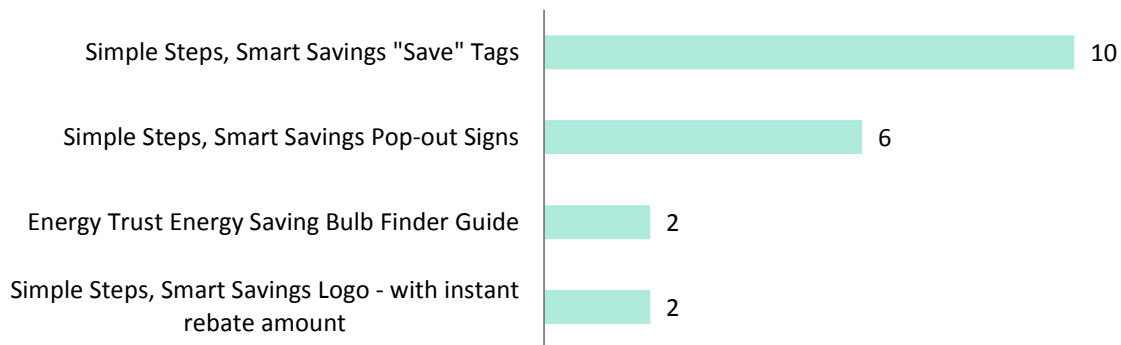
D.1.4.4. Point-of-Purchase Materials Assessment

Following the mystery shopping and debriefing portions of the visit, shoppers recorded the types of point-of-purchase (POP) materials related to energy efficiency that were present. For appliances, only materials that were on shown products were recorded. For lighting, all signage related to energy efficiency was recorded.

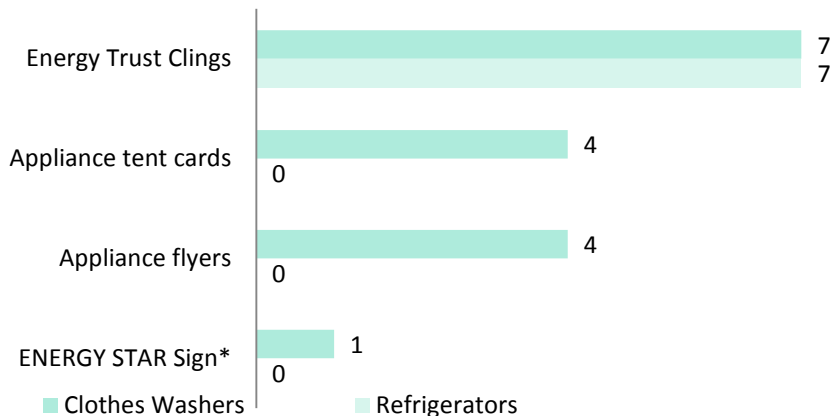
*All visited stores had Energy Trust of Oregon or Simple Steps, Smart Savings promotional materials on or near qualified products.*

Clings (or tags for lighting) were the most common promotional material overall (Figures D.8 and D.9). Lighting stores also frequently displayed pop-out signs, with slightly more information than the “Save” tags. Promotional materials with more detailed information (such as the Bulb Finder POP, and appliance flyers) were limited. These items were also often not visually prominent, and completely absent from the refrigerator sections of the store.

**Figure D.8: Energy Trust and Simple Steps, Smart Savings Promotional Materials at Visited Lighting Retailers (Lighting Stores, n=12); Multiple Responses Allowed**



**Figure D.9: Energy Trust Promotional Materials at Visited Appliance Retailers (Appliance Stores, n=7); Multiple Responses Allowed**



\* Signs say 'Save money huge in stock selection of energy star qualified appliances'

Other (non-Energy Trust or ENERGY STAR) energy efficiency-related promotional materials included:

- › Lighting: informative displays (both sponsored by retailer and manufacturers), and “bulk outs” for certain manufacturers’ LED bulbs
- › Appliances: CEE tier ratings, retailer-sponsored energy efficiency labels, manufacturer-sponsored signs and videos, and store-sponsored signs

Each retailer had its own combination of information and marketing materials about energy-efficient light bulbs and appliances.

- › For light bulbs, home improvement stores presented general information about efficient light bulbs, but in most cases the only information related to the Simple Steps, Smart Savings program were the “Save” tags and pop-out signs.
- › In contrast, although two lighting stores had no additional information about light bulbs, they did display the discounts customers would benefit from if they purchased a Simple Steps-qualifying light bulb. These stores also did not sell any incandescent light bulbs. As a shopper, this seemed to be the most effective method at relaying to customers the benefits of purchasing a Simple Steps-qualifying light bulb.
- › In the appliance department, the kind, location, and number of marketing materials presented were fairly consistent across appliance categories, although there was generally less material visible in the refrigerator section than in the clothes washer section. For example, the appliance tent cards and flyers were only present in the clothes washer sections. The only Energy Trust-related marketing material in the refrigerator section was the Energy Trust clings.

### D.1.5. Additional Observations

During the debriefing, mystery shoppers asked sales associates about their perception of the percentage of customers who ask about energy efficiency and Energy Trust. According to their statements, it appears that customers’ interest in energy efficiency has stayed the same, or has been increasing in the past two years.

- › In the lighting department, sales associates on average indicated that about two-fifths (41%) of customers ask about energy efficiency, while none ask about incentives.
- › Some associates (6 of 14) indicated that the amount of lighting customers asking about energy efficiency has been increasing over the past two years. Some indicated it has been about the same (5 of 14). Of these associates, a few (3 of 14) mentioned that customers do not, and have never really, asked them many questions about energy efficiency because the customers have been informing themselves or they already know what kind of bulb they want and are just replacing with the same type that burnt out. The remaining sales associates did not know (3 of 14).

- › In the appliance department, sales associates on average indicated that about 75% of customers ask about energy efficiency and 63% ask about incentives. Most sales associates (5 of 7) indicated that the amount of customers asking about energy efficiency has been increasing over the past two years. Two-thirds (4 of 7) also thought that the amount of customers that ask about incentives has been increasing over the past two years. The remaining sales associates thought it has been about the same over the past two years.

### D.1.5.1. Online versus In-Store Offerings

Sales associates' knowledge of online versus in-store offerings was limited. When asked about online versus in-store product offerings, all but one of the sales associates (20 of 21) said that most products sold in the store were also available online and that prices were comparable. However, mixed responses were given when sales associates were asked about the ability to obtain incentives if the customer were to purchase the item online.

### D.1.5.2. Geographic Differences

The percentage of units that were shown that were ENERGY STAR or Energy Trust-qualifying models was slightly higher in non-Portland Metro stores, except for in the light bulb section. However, with such few instances, especially in non-Portland Metro stores, it is not possible to determine any real differences.

### D.1.5.3. Data Collection Challenges

Unlike the appliance department, many stores do not have a resident lighting associate. Therefore, shoppers had difficulties finding a lighting sales associate in general, much less one that could answer questions about the features of light bulbs. In one store it took upwards of 20 minutes to track down anyone that could answer questions and when one was tracked down, it was difficult to keep them to answer all of the questions.

## E. Ride Along Findings Memo

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### E.1. Memorandum

**To:** Erika Kociolek, Evaluation Project Manager, Energy Trust of Oregon

**From:** Joe Van Clock and Jun Suzuki, Research Into Action

**Date:** February 28, 2014

**Re:** Field Services Ride Along Findings

This memo presents findings from ride along observations Research Into Action conducted with field services representatives (representatives) supporting the Energy Trust Products program (“the program”). The program uses representatives in two ways:

- › Lighting representatives, employed by CLEAResult (formerly Fluid Market Strategies), support the midstream buy-down for efficient lighting products and showerheads that the program operates in partnership with Bonneville Power Administration’s Simple Steps, Smart Savings program.<sup>24</sup>
- › Appliance representatives, employed by Applied Proactive Technologies (APT), support the program’s end-user incentives for efficient appliance purchases. Incentives are available to consumers for the purchase of new clothes washers and refrigerators that meet efficiency levels more stringent than ENERGY STAR qualifications and for ENERGY STAR freezers.

Both lighting representatives and appliance representatives visit participating retail stores on a regular schedule to ensure that program point-of-purchase materials (POP) are in place and on the correct products. During these visits, representatives also interact with retail staff members, informing them about the program and energy efficient lighting and appliance technologies.

Through ride along observations with representatives, Research Into Action sought to document how field visits are currently conducted and identify opportunities to improve field visits in the future.

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<sup>24</sup> While lighting representatives support both efficient lighting and water-saving showerheads, in the interest of brevity, this memo refers to them simply as “lighting representatives,” and to the visits they conduct as “lighting visits.”

## E.1.1. Key Findings

### E.1.1.1. General visit characteristics

- › Appliance visits were typically longer than lighting visits, with POP verification and placement accounting for the greatest difference in timing.

### E.1.1.2. Interaction with retail staff during typical store visits

- › Fewer retail staff members were typically available in a store's lighting departments than in the appliance department. As a result, representatives interacted with fewer retail staff members on lighting visits than on appliance visits and were more likely to interact with store and department managers, who were the only staff members available in some stores with authority over the lighting department.
- › Retail staff members were more familiar with appliance representatives than lighting representatives. Due to staffing changes at CLEAResult, both of the observed lighting representatives had made relatively few previous visits to the stores they visited during ride alongs.<sup>25</sup>
- › Representatives' interactions with appliance associates primarily focused on program policies, both in the information the representatives provided and the questions they received. In contrast, lighting representatives most often received questions from store staff about efficient lighting technologies.

### E.1.1.3. POP Verification and Placement

- › Unlike appliance representatives, lighting representatives did not typically check the model number of each assorted product against their qualified product list. When they did so, it significantly increased the time required for store visits.
- › There was relatively little error in POP placement for either product type. With the exception of three lighting store visits in which all POP had been removed from shelves, either because the store had reset the merchandise in that department or replaced price tags to which POP had been attached, representatives identified no more than six products with missing or incorrect POP.
- › Retail staff did not demonstrate resistance to field services activities. Appliance representatives primarily faced challenges from physical limitations, like needing to access model numbers printed on the backs of washing machines and chest freezers or competition with manufacturer POP for space in the top left corner of appliances.

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<sup>25</sup> A field representative had recently left his position. One of the observed field representatives filled this representative's position, and in the transition, the other representative's territory was expanded to include the stores visited during ride alongs.



Lighting representatives primarily faced challenges related to the need to coordinate their activities with store staff and store regulations.

- › Representatives are limited in where they can place the Bulb Finder POP, and the sign would be more versatile if it were printed on both sides. In its current design, the Bulb Finder POP must be posted on a flat surface. The sign can also be attached to the vertical edge of a shelf, although doing so exposes the blank, back side of the sign (see Figure E.4).

### E.1.1.4. Representatives' Perceptions of Program Utilization

- › Appliance representatives stated that retail staff members use program incentives as a selling point, and that program POP allows retail staff to quickly identify qualified products.
- › Store staff were appreciative of lighting representatives' activities, but rarely asked them questions about the program or lighting technology.

### E.1.2. Methodology

A Research Into Action project team member observed visits by two lighting representatives and two appliance representatives to a total of 21 stores between January 13 and January 30, 2014.<sup>26</sup> Ten of the observed store visits were in the Portland area and the remaining eleven visits were in Salem. During each store visit, the project team member recorded observations about the representative's interaction with store staff members and the representative's verification and placement of POP. When possible, the project team member took photos to illustrate issues the representatives encountered in their work. The project team member also asked questions of each representative directly; these questions included both specific items about each store visit and more general questions about the representative's experience overall. These questions are listed in the Ride Along Observation Guide, included in Appendix I.

The sections below summarize findings from the ride along observations. The first section presents general information about the typical structure of representatives' store visits. The subsequent sections go into additional detail about representatives' interactions with store staff and verification and placement of POP. This memo also lists findings related to retail staff members' and customers' reactions to the representatives and their activities, based on both the project team member's observations and information provided by the representatives. Finally, this memo presents representatives' suggestions for improvement.

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<sup>26</sup> Store visits took place on January 13, January 23, January 27, and January 30, 2014.

### E.1.3. General Visit Characteristics

During most of the observed store visits, the representatives both interacted with store staff and verified and placed POP. In this memo, we refer to visits in which both store staff member interaction and POP verification and placement occurred as typical visits.

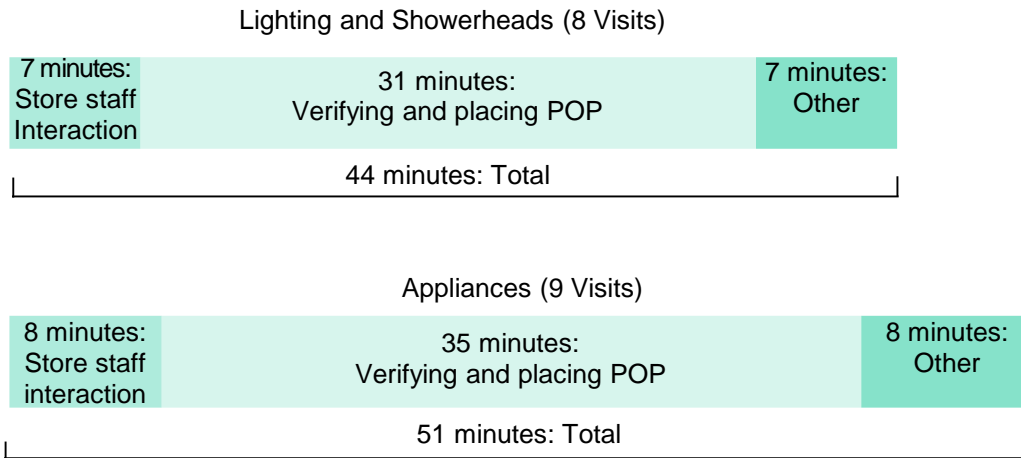
Four of the twenty-one visits, all focused on lighting and showerheads, deviated from this pattern. At three of the four stores, the representative did not verify or place POP. In one case, the representative did not place POP because the store did not carry any qualified products.<sup>27</sup> For the two other visits, the representative reported that the stores create their own POP, and does not allow program POP. Although they do not place or verify POP, representatives visit these stores to inform store staff about the program and answer any questions the store staff members have. In scheduling visits, the observed representative believed the stores visited during ride along observations would be participating in the program; however, neither had yet begun to apply the program discount to their qualified bulbs. At two stores, the representative did not interact with store staff. One of these stores was one of the store locations noted above, which had not yet begun to participate in the program.

Figure E.1 illustrates the average time spent interacting with retail staff and placing POP during the eight typical lighting visits and nine typical appliance visits observed. Representatives spent time labeled as “Other” walking to the appropriate department, waiting for store staff to become available, and, during appliance visits, updating the copies of the qualified product lists kept at the appliance sales desk and leaving incentive application pads.

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<sup>27</sup> The lighting assortment at this retailer’s stores changes over time. The stores participate in the program when they assort qualified bulbs, but those bulbs only remain in the store’s assortment while the stock lasts. This store had sold through the stock of qualified bulbs it received in November and had not yet received its next shipment, which is expected in February. The representative visited the store to verify that no qualified bulbs were in stock and to speak with the manager.

Figure E.1: Average Time Spent During Typical Store Visits



Note: These averages represent only the 17 observed store visits during which representatives both interacted with retail staff and verified and placed POP. The four observed visits during which the representatives did not conduct one or both of these activities are excluded from these figures.

**Appliance visits were typically longer than lighting and showerhead visits, with POP verification and placement accounting for the greatest difference in timing.** The smallest amount of time appliance representatives spent verifying and placing POP during the observed store visits was 22 minutes.<sup>28</sup> In contrast, lighting representatives spent 20 minutes or less verifying POP in all but two of the observed store visits. Two factors likely contribute to this difference. First, one of the appliance representatives was visiting the observed stores for the first time in 2014. This representative removed all of the existing appliance clings and replaced them with updated clings, a process that likely extended the time required to place and verify POP. Second, as described below, lighting representatives typically did not verify each qualified product by model number as appliance representatives did, instead using retailers’ sale tags and their experience to identify qualified products.

#### E.1.4. Interaction with Retail Staff

##### E.1.4.1. Interactions During Typical Store Visits

**The amount of interaction representatives had with retail staff reflects the staffing levels in the appliance and lighting and showerhead departments respectively.**<sup>29</sup> Representatives

<sup>28</sup> On the visit on which the appliance representative spent 22 minutes placing and verifying POP, he noted that he would return to the store the following week and conduct a more thorough check of the program’s POP.

<sup>29</sup> The interactions included in these analyses are conversations in which the representative discussed the program with retail staff members. Other, brief interactions between the representatives and retail staff not related to the program, for example interactions in which one retail staff member directed the representative to speak with another staff member, are not included.

interacted with more retail staff members during appliance visits than lighting visits (Table E.2). On a majority of appliance visits (7 of 9), the representative interacted with two or more retail staff members. In contrast, the representative interacted with more than one retail staff member on only one of the twelve lighting visits. This difference is consistent with retail staffing levels. While all of the stores visited had at least one staff member working in the appliance department, lighting representatives had to actively seek out retail staff members on four of the ten store visits during which they interacted with retail staff.

**Table E.10: Number of Store Staff with Whom Representatives Interacted During Store Visits**

NUMBER OF STORE STAFF MEMBERS WITH WHOM REPRESENTATIVES INTERACTED	NUMBER OF STORE VISITS		
	APPLIANCE VISITS	LIGHTING VISITS	TOTAL
0	0	2	2
1	2	9	11
2	5	1	6
3	1	0	1
5	1	0	1

**In part as a result of limited staffing in the lighting and showerhead departments, lighting representatives were more likely to speak with store and department managers, while appliance representatives were more likely to speak with sales staff.** Both lighting and appliance representatives asked about store and department managers during their store visits. However, if a manager was not available, appliance representatives spoke with the staff members on duty in the appliance department. Appliance representatives more often spoke with store management at smaller, independent retailers. Lighting representatives more often asked to speak with department or store managers by title. Because the lighting and showerhead departments in many stores did not have dedicated staff, in some cases these managers were the only available staff members with authority over the stores’ lighting and showerhead merchandise.

**Retail staff members were largely familiar with appliance representatives and the program.** All but two of the 20 retail staff members with whom appliance representatives interacted were familiar with the representative. Both of the observed appliance representatives had been visiting the observed stores for more than two years, and stated that they typically visit the observed stores monthly. One of the observed appliance representatives stated store staff typically start to recognize him after only a few visits.<sup>30</sup>

**Retail staff members were not familiar with lighting representatives.** The lighting representatives had not previously interacted with any of the 11 store staff members with whom they interacted during the observed visits. Because of staffing changes among lighting

<sup>30</sup> Three of the four observed representatives were male. In order to preserve the anonymity of the female representative, this memo uses male pronouns to refer to all of the observed representatives.

representatives that affected the observed stores, the extent to which this lack of previous interaction reflects staff turnover among lighting sales associates is unclear. One of the observed lighting representatives had recently been hired to fill the position of a representative who had left, and in that transition, the other observed representative's territory had been expanded to include the stores where observations took place. Both of the observed lighting representatives had begun visiting the stores they visited during ride along observations in the last few months of 2013, and neither had visited any of the observed stores more than three times.

**Although they provide only general information during most store visits, representatives have deep knowledge of energy efficient technologies, as well as program procedures.** In conversations with the Research Into Action project team member, appliance representatives explained the meaning of concepts like the Modified Energy Factor (MEF) of a washing machine, and lighting representatives explained concepts including the reasons CFLs do not work with dimmers and the technology behind LED lighting. In their observed interactions with retail staff, representatives rarely went to this level of detail, although one observed representative noted that he explains concepts like MEF to sales associates that lack prior knowledge of the program and energy efficiency.

**The information appliance representatives proactively provided to retail staff primarily focused on program policies, rather than characteristics of efficient products themselves.** Appliance representatives told retail staff about changes to the program for 2014, especially the shift in refrigerator recycling incentives.<sup>31</sup> In order to prevent retail staff from promising larger incentives than a customer would likely receive, representatives emphasized that sales staff should tell customers the incentive is *up to* \$40, and pointed out that few refrigerators manufactured before 1993 remain in operation. Appliance representatives also frequently recommended to sales staff that they encourage customers to fill out incentive applications online. In interactions with retail staff members who were less familiar with the program, appliance representatives also explained that customers must receive service from NW Natural, Cascade Natural Gas, Pacific Power, or Portland General Electric to qualify for incentives. Retail staff members were engaged with the information appliance representatives provided them, and most asked questions to clarify elements of what the representative said.

**Appliance representatives most often receive questions about program specifications and requirements.** Representatives reported receiving questions about why one model qualifies and another does not, as well as the requirements and incentives for refrigerator recycling. During the observed store visits, retail staff most often asked about the recycling incentive changes, and, specifically, how Energy Trust would determine when a customer's refrigerator had been manufactured. The representatives explained that JACO would be able to tell from the refrigerator's serial number. Appliance representatives reported that they rarely encounter questions about the appliance incentives that are difficult to answer, although one noted that, at times, he needs to conduct additional research to determine why a specific model does not qualify.

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<sup>31</sup> In 2014, the program shifted from a flat \$40 incentive for refrigerator recycling to a tiered incentive, in which participants receive \$40 for refrigerators manufactured prior to 1993 and \$20 for refrigerators manufactured in 1993 or later.

**The two lighting representatives observed differed in the amount and type of information they provided to retail staff.** One representative typically provided only general information about his role and the program, for example saying he was “from the Simple Steps, Smart Savings Program and will be implementing some efficient lighting.” In one case, a store manager asked for clarification on what this representative’s role entailed. The other representative typically went into greater detail about the program, explaining that the program promotes efficient lighting and showerheads and works with retailers and manufacturers to bring efficient products to consumers at a discount. On two visits, this representative also went into greater detail in discussions with retail staff members about energy efficient lighting technologies, in one case spending more than 20 minutes answering a retail staff member’s questions.

**Lighting representatives most often receive questions about efficient lighting technologies.** Lighting representatives stated that store staff and customers most often ask about the appropriate applications for efficient lighting, for example its use with dimmers, light output and lumen measurements, and how efficient lighting technologies work. Lighting representatives stated that customers and store staff also frequently raise concerns about the mercury in fluorescent lights, and, particularly in Southern Oregon, about federal lighting efficiency standards. According to one representative, people want to know “why is the government taking [incandescent bulbs] away?” In response to these types of questions, this representative noted that, in some cases, he points out that customers can benefit from purchasing incentivized bulbs before standards become more stringent and customers must purchase the bulbs without incentives. The representative also noted, however, that some end users are not receptive to efficient lighting. Retail staff members discussed each of the topics listed above with lighting representatives in at least one of the observed store visits.

### E.1.4.2. Other Types of Information Delivered

In addition to their interactions with retail staff during routine store visits, representatives deliver information about the program and efficient products in three ways:

- › **Addressing specific retail staff training needs:** When Energy Trust receives questions or complaints that indicate program participants received incorrect information about the program from retail staff, appliance representatives follow-up with the staff members involved. For example, in one of the observed visits an appliance representative sought out a retail staff member who had worked with a customer who complained to Energy Trust after receiving a smaller-than-expected incentive for purchasing a qualified washing machine. The representative ensured that the store staff member understood the difference between Energy Trust’s single family and multifamily incentives, which had been the cause of the participant’s misunderstanding. Another appliance representative reported addressing specific issues like this with retail staff members approximately six times over the past year.
- › **Attending in-store events:** Both lighting and appliance representatives reported attending in-store events. In some cases, representatives reported that they will set up a table and a banner stand in a store and promote efficient products to customers. In other cases, representatives reported presenting at store-organized home improvement

workshops. Representatives noted that, while these events typically take place on weekends, some stores also hold them on weeknights. The observed representatives reported that they typically work directly with store managers to arrange these events, although program staff also arrange some events with their retailer contacts. One lighting representative stated that store managers are typically willing to allow the representative to attend events, although an appliance representative stated that the frequency and quality of events is dependent on the character and motivation of store managers. Both lighting representatives stated that they believe in-store events increase sales of efficient products. According to one, while customers may buy a few efficient bulbs to try in the absence of an event, “when you talk about it, they put more in the cart.”

- › **Interacting with customers directly:** Both of the observed lighting representatives reported that they will offer to help customers they encounter in participating retailers’ lighting departments. One of the representatives noted that he offers this help because there are typically few, if any, retail staff members available to address customers’ questions in the lighting department. The other stated that he believes he can play a role in convincing customers to select efficient lighting through these interactions.

### E.1.5. POP Verification and Placement

**Unlike appliance representatives, in verifying POP, lighting representatives did not typically check the model number of each assorted product against their qualified product list.** Rather than checking model numbers, lighting representatives reported that they identified qualified products through a combination of the sale tags that some retailers use to highlight the program discount on qualified products and their past experience. Lighting representatives reported that there is typically little change in their qualified product list from month to month, and they have learned to recognize qualified products. Lighting representatives noted that the program discount on lighting and showerheads is typically considerably larger than store- and manufacturer-led discounts.

**Identifying qualified products by model number nearly doubled the time required to verify lighting and showerhead POP on one observed visit.** A lighting representative had to identify qualified products by model number on one observed visit in which the representative attached the retailer’s sale tags to displays of qualified products. On this visit, the representative spent 60 minutes placing POP in the store’s mid-size lighting department, nearly twice the 31-minute average for lighting and showerhead visits.

**There was relatively little error in POP placement for either product type.** In three lighting store visits, all of the POP had been removed from shelves, either because the store had re-set the merchandise in that department or because the POP had been attached to the store’s price tags,

which the store had replaced. In the remaining store visits, for both appliances and lighting, representatives identified no more than six products with missing or incorrect POP.<sup>32</sup>

**The challenges appliance representatives faced in placing POP came from physical limitations rather than retailer resistance.** Store staff were appreciative of the representatives' activities during the observed store visits; store staff did not demonstrate resistance to the representatives' activities. The challenges appliance representatives faced primarily resulted from characteristics of the display appliances themselves:

- › The model numbers are printed on the back of the unit on some models of clothes washers and chest freezers, making it **difficult for the representative to access the model number** to confirm that the product was qualified before placing POP.
- › In some cases, **program POP had to compete with manufacturer POP for space** on the top left corner of the appliance (see Figure E.2). In one case, a representative encountered a clothes washer on which the program POP had been moved from the top left corner to the bottom. This representative stated that he suspected a manufacturer's representative had moved the program POP to make room for the manufacturer's POP.

**Figure E.2: Manufacturer POP and Program POP Competing for Space on a Washing Machine**



**The challenges lighting representatives faced in placing POP were primarily related to the need to coordinate their activities with store staff and store regulations.** For example, during one observed visit, a lighting representative identified an in-aisle display of qualified bulbs in overhead storage. The representative had to ask store staff to use a forklift to bring the bulbs down and convince them to do so on short notice because the visit took place shortly before the cutoff time of 10:00 AM, when store policy prohibits the use of forklifts in aisles. On another

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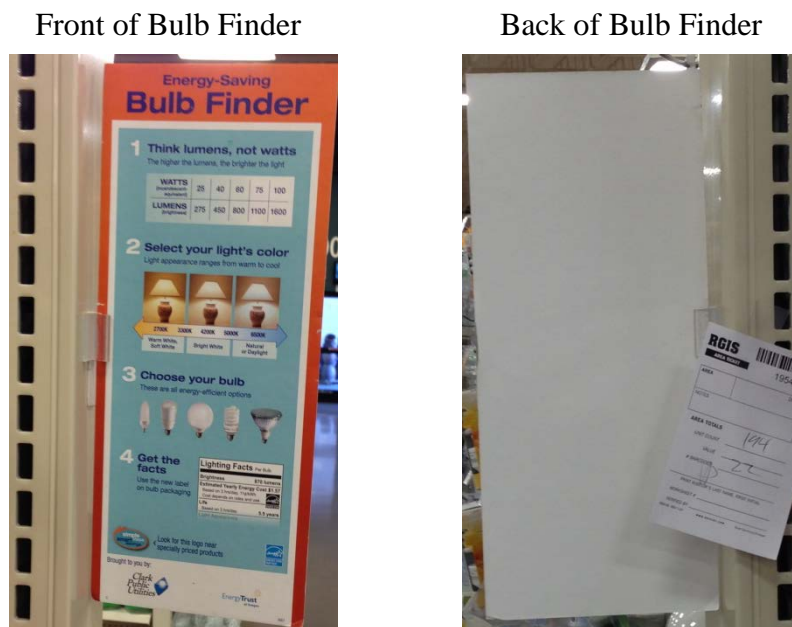
<sup>32</sup> For one appliance representative, the observed visits were the representative's first visit of the year to those stores. This representative conducted a complete refresh of the POP, taking down all of the program's 2013 POP and replacing it with 2014 POP on qualified models. As a result, this representative did not specifically identify models with missing or incorrect POP.



visit, the retailer's POP highlighting the program discount on qualified products was not in place. The representative asked store staff to print the tags, and placed them himself. Representative also noted that some retailers have declined some or all of the program's POP and instead use their own.

**Representatives are limited in where they can place the Bulb Finder POP, and the sign would be more versatile if it were printed on both sides.** Representatives noted that it can be difficult to place the Bulb Finder placard because it must be attached to a flat surface. In one store, the sign had been attached to the edge of a display, but this exposed the blank, back side of the sign (Figure E.4).

Figure E.3: Bulb Finder POP



## E.1.6. Representatives' Perceptions of Program Utilization

### E.1.6.1. Appliances

**The observed appliance representatives both stated that retail staff members use program incentives as a selling point for qualified products.** According to one representative, store staff use program incentives to motivate customers initially interested in lower-end models to consider higher-end products. The other appliance representative noted that, as the number of qualified refrigerator models has declined, the refrigerator recycling incentives has become more important to retail staff as a sales tool.

**Appliance representatives stated that program POP supports retail staff members in using the program as a sales tool by allowing them to quickly identify qualified models.** While appliance representatives left qualified product lists at the appliance department sales desks in

the stores they visited, representatives stated that retail staff members primarily use POP to identify qualified products. The observed interactions with retail staff members support this assertion. In two cases, retail staff members indicated that they typically use the program's POP to identify qualified products, rather than referencing the qualified product lists.

**Appliance representatives anticipate that changes to the refrigerator recycling program for 2014 could decrease the extent to which retail staff promote the program.** One representative stated that recycling program uptake had decreased in previous years when the program reduced the incentive from \$50 to \$40. This representative stated that now that the program has further reduced the incentive to \$20 for most refrigerators, participants may not see it as worthwhile to schedule a separate pickup appointment that may require them to be at home.<sup>33</sup> During store visits, retail staff members similarly predicted a decline in uptake. A staff member at one independent appliance retailer stated that if customers used the store's own appliance pick-up service rather than the program's refrigerator recycling offering, he "wouldn't have to worry about" explaining the new tiered incentive structure.

**Both representatives and retail staff identified misleading information about EcoRebate's incentive information on retailer websites as a problem.** Some of the services retailers use to identify efficiency incentives for specific products on their websites sort the incentives in descending order based on the incentive amount.<sup>34</sup> As a result, Energy Trust's multifamily incentive offerings frequently appear above single family incentive offerings in the listings presented to consumers. Figure E.5 provides an example of the incentive listings for a program-qualified washing machine on one retailer's website that demonstrate this issue. The evaluation team has confirmed this occurs on several retailer websites, and may also occur on other websites. On the website shown in Figure E.5, the visitor would have to scroll down to view Energy Trust's single family rebates. Both appliance representatives reported they had addressed the confusion this can cause with retail staff in response to participants' complaints to Energy Trust. Store staff also expressed frustration with the customer confusion this presentation of rebates can cause.

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<sup>33</sup> According to the Requirements for Participation listed on the JACO webpage participants reach after clicking the "schedule your pick-up online" link from Energy Trust's appliance recycling webpage: "An adult, 18 years of age or older, must be present to sign and release the unit at the time of pickup." However, Energy Trust staff explained that participants do not necessarily need to be present if the recycling unit is left on the curb with a sticker.

<sup>34</sup> EcoRebates is one service that provides this type of incentive information. One representative stated that the EcoRebates system displays Energy Trust's multifamily incentives above single family incentives, but the evaluation team was not able to confirm this.

Figure E.4: Listing of Available Incentives from Retailer Website

The screenshot shows a product page for a front-loading washer. The product is an LG - 4.0 Cu. Ft. 7-Cycle Ultralarge-Capacity High-Efficiency Front-Loading Washer - White, priced at \$799.99. The page includes navigation tabs for Overview, Specifications, Ratings & Reviews, Accessories, and Protection & Services. A sidebar on the right lists various offers: Product Availability (Delivery: Most Areas, Store Pickup), Special Offers (3), Cardholder Offers (2), and Local Rebates. A callout box highlights the Local Rebates section, which states: "Get \$150.00 from 6 rebates in: PORTLAND, OR. See Rebate Details. Not Your City?". A second callout box shows a detailed view of these rebates in a table format.

Download	Rebate Amount	Program	Valid Dates	Important Details
Get Form	\$150	Pacific Power (Multi Family) (Energy Trust) - OR	Purchase any time starting on Jan 1, 2013	<ul style="list-style-type: none"> <li>Cannot be combined with other utility rebates</li> <li>Must be a customer of participating utility.</li> <li>Must have an electric water heater to qualify for clothes washer rebate.</li> <li>Proof of purchase required.</li> <li>Qualifying models list available at program home.</li> </ul>
Get Form	\$150	Portland General Electric Company (Multi Family) (Energy Trust) - OR	Purchase any time starting on Jan 1, 2013	<ul style="list-style-type: none"> <li>Cannot be combined with other utility rebates</li> <li>Must be a customer of participating utility.</li> <li>Must have an electric water heater to qualify for clothes washer rebate.</li> <li>Proof of purchase required.</li> <li>Qualifying models list available at program home.</li> </ul>
Get Form	\$150	NW Natural Gas (Multi Family) (Energy Trust) - OR	Purchase any time starting on Jan 1, 2013	<ul style="list-style-type: none"> <li>Cannot be combined with other utility rebates</li> <li>Must be a customer of participating utility.</li> <li>Must have gas water heater to qualify for clothes washer rebate.</li> <li>Proof of purchase required.</li> </ul>

**Manufacturers' efforts to cut production costs as they bring the manufacturing process back to the United States may have reduced the number of qualified refrigerators at the low end of the market.** One appliance representative observed that several low-end refrigerators do not qualify for the program, even though they appear very similar to previous models that did qualify at the program's current specification level. This representative reported that field representatives employed by manufacturers had told him the reduced efficiency of these models may be a result of the manufacturers' efforts to cut materials costs to balance the higher labor costs of domestic manufacturing.

### E.1.6.2. Lighting

**Store staff were appreciative of lighting representatives' activities, but rarely asked questions about the program or lighting technology.** Retail staff members thanked the lighting representatives for checking in. In one representative interaction, the retail staff member said, "If you're going to re-cover the [lighting] department, that's great." Three of the 11 store staff members with whom the observed lighting representatives interacted expressed interest in promoting efficient bulbs or asked questions about lighting technology and the program. A retail staff member at one store was very engaged, asking multiple questions about efficient lighting products.

**Lighting representatives reported that past efficiency program efforts to promote efficient lighting have been successful, and predicted that LED lighting will continue to gain market share.** One representative observed that, since he began visiting stores in 2005 for a previous program, retailers have assorted an increasing proportion of efficient lighting products, and predicted that LEDs will become increasingly common. Both representatives noted that LED lighting has advantages over CFLs, but stated that the high price of LED bulbs remains the primary barrier to their adoption. According to one representative, "lots of people are receptive to energy savings, but some people will never spend seven dollars for a light bulb."

**Limited availability of efficient bulbs can pose a challenge to lighting representatives' efforts to promote qualified lighting products.** Both of the observed lighting representatives reported that retail staff had asked if they could arrange new shipments of efficient bulbs during the summer of 2013, when stores were selling bulbs faster than new supplies were arriving. While program representatives have no control over product shipments and stocking levels, most other field representatives visiting retail stores represent manufacturers, and thus may be able to address supply issues. One program representative suggested that, when qualified products are out of stock, retail staff members may be less responsive to his efforts to promote efficient lighting. According to this representative, retail staff have expressed frustration saying, "you want us to promote efficient products, but you are not restocking them."

### E.1.7. Representatives' Suggestions for Improvement

**In unprompted responses, both lighting representatives expressed a desire for more direct interaction with Energy Trust staff.** While lighting representatives stated that their direct supervisors are responsive to the issues they encounter, they noted that they do not have direct interaction with Energy Trust staff. The representatives stated that their experience in participating stores provides them with valuable feedback about the program, and they would like to work more closely with Energy Trust and PECI to contribute their perspective to program outreach and design decisions.

**Lighting and appliance representatives suggested that an opportunity may exist to present more information on program POP.** For example, one lighting representative said, "the 'Save' tags are good, but what am I saving?" This representative suggested that an estimate of the cost savings resulting from the products' reduced energy use might be more effective. An appliance representative noted that he frequently observes shoppers using smart phones to access product

information, and suggested that the program POP could include a QR code shoppers could scan to learn more about the program and energy efficiency.

Other suggestions individual representatives offered include:

- › Expanding the program's outreach beyond retail stores, for example giving presentations about efficiency and efficient products in schools.
- › Providing representatives with tablet computers they could use to identify qualified products and record products missing POP and with incorrect POP during store visits, eliminating the data entry that they currently conduct at the end of their workday.
- › Allowing representatives to inform store staff how their sales of qualified lighting products and showerheads compare to those of other stores in the area. One lighting representative stated that this type of information could demonstrate the benefits of various actions retailers have taken to promote efficient lighting and showerhead products. Additionally, this representative stated that retailers might be motivated to take additional action in order to stay ahead of their competitors.

## F. Program Staff Interview Guides

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### F.1. Energy Trust Program Manager

#### F.1.1. Introduction

Hi, my name is \_\_\_\_\_ with Research Into Action. We are conducting a process evaluation of Energy Trust's Products Program. The purpose of the interview today is to better understand 1) how the program is currently implemented, 2) how well the program is meeting its goals, and 3) identify areas for improvement. Your responses will also help us refine our subsequent interviews with retailer staff and mystery shopper visits.

##### F.1.1.1. Role

1. First, please describe your role in the Products program.

[IF NOT ADDRESSED]

- a. How long have you been working on this program and what are your main responsibilities?

This process evaluation focuses on the three pieces of the Products program – appliance incentives, fridge recycling, and lighting and showerheads. For each component, I have several questions.

##### F.1.1.2. Appliances

Let's start with the Appliances component.

##### F.1.1.3. Program Structure

I read through the program's implementation manual and other documents. I would like to make sure I understand the way the program operates and how your team is organized.

2. Can you briefly describe for me how the Appliances component of the program operates – including how you coordinate activities with PECI and APT, and how these implementers interact with retailers and customers.
3. What are the benefits of working with these implementation contractors?

4. What issues or concerns do you face in working with these contractors?

[IF NOT ADDRESSED]

- a. How is this arrangement working?

#### F.1.1.4. Program Progress

5. A summary of program activity outlined changes in the incentive amounts for clothes washers, refrigerators and freezers since 2010. Can you talk briefly about the reasons for these changes? [Provide the document if needed]
6. How well is the Appliances component of the program meeting your expectations in terms of savings, and retailer and customer participation?
7. What are the main challenges for this component? [PROBE: data tracking, reporting]
8. Do you foresee any circumstances or issues that could slow things down in the future?

[IF MENTIONS PROBLEM AREA]

- a. How do you anticipate responding?
9. What opportunities do you see to expand or improve the Appliances component in the future?

#### F.1.1.5. Strengths and Weaknesses

10. What aspects of the Appliances program design and implementation have been most effective?
11. Are there any aspects of the Appliances component that are not effective?

[IF MENTIONS WEAKNESS]

- a. What changes are you considering to address these?

#### F.1.1.6. Future Plans

12. Can you tell me about anything else that is going on in the market that may impact the Appliances component? [PROBE: tiers and incentive changes to appliances market]
13. Some documents we reviewed described some pilot approaches such as *Instant Incentive* and *Advanced Power Strips*. Are there plans to implement these approaches beyond pilot?
14. Will there be any changes or tweaks to the program in 2013? And what about 2014?

[IF NOT ADDRESSED]

- a. What spurred these changes?
15. What information would you like to have as a result of this process evaluation that will help you guide the Appliances component?

[IF NOT ADDRESSED]

- a. Are there any specific questions you would like us to ask of retailers (either national or regional contacts, or in-store staff)?
16. Where do you see this program component going in the future?

#### F.1.1.7. Fridge Recycling

Now, let's talk about Fridge Recycling component of the program.

#### F.1.1.8. Program Structure

17. Can you briefly describe for me how the Fridge Recycling component operates – including how you coordinate activities with JACO Environmental and PECEI, and how these implementation contractors interact with retailers and customers.



18. What are the benefits of working with these implementation contractors?

19. What issues or concerns do you face in working with these contractors?

[IF NOT ADDRESSED]

a. How is this arrangement working?

#### F.1.1.9. Program Progress

20. There was also a change in Fridge Recycling incentive amount since 2012. Can you talk briefly about the reasons for this change?

21. How well is the Fridge Recycling component of the program meeting your expectations in terms of kWh savings and customer participation?

22. What are the main challenges for this component? [PROBE: data tracking, reporting]

23. Do you foresee any circumstances or issues that could slow things down in the future?

[IF MENTIONS PROBLEM AREA]

a. How do you anticipate responding?

24. What opportunities do you see to expand or improve the Fridge Recycling component?

#### F.1.1.10. Strengths and Weaknesses

25. What aspects of the Fridge Recycling program design and implementation have been most effective?

26. Are there any aspects of the Fridge Recycling component that are not effective?

[IF MENTIONS WEAKNESS]

- a. What changes are you considering to address it?

#### F.1.1.11. Future Plans

27. Can you tell me about anything else that is going on in the market that may impact the Fridge Recycling component?

28. Will there be any changes or tweaks to Fridge Recycling in 2013? And what about 2014?

[IF NOT ADDRESSED]

- a. What spurred these changes?

29. What information would you like to have as a result of this process evaluation that will help you guide the Fridge Recycling component?

[IF NOT ADDRESSED]

- a. Are there any specific questions you would like us to ask of retailers (either national or regional contacts, or in-store staff)?

30. Where do you see this program component going in the future?

#### F.1.1.12. Lighting and Showerheads

Finally, let's talk about the Lighting and Showerheads program component.

#### F.1.1.13. Program Structure

31. Can you briefly describe for me how the Lighting and Showerheads component operates – including how you coordinate activities with Fluid Market Strategies, BPA, and PECCI, and how they interact with manufacturers, retailers, and customers.

32. What are the benefits of working with these implementation contractors?

33. What issues or concerns do you face in working with these contractors?

[IF NOT ADDRESSED]

- a. How is this implementation structure working?

#### F.1.1.14. Program Progress

34. How well is the Lighting and Showerheads component of the program meeting your expectations in terms of savings, retailer and customer participation?

35. What are the main challenges for this component? [PROBE: data tracking, reporting, decreased savings per bulb due to EISA, product changes, sales trends]

36. Do you foresee any circumstances or issues that could slow things down in the future?

[IF MENTIONS PROBLEM AREA]

- a. How do you anticipate responding?

37. What opportunities do you see to expand or improve Lighting and Showerheads component?

#### F.1.1.15. Strengths and Weaknesses

38. What aspects of the Lighting and Showerheads program design and implementation have been most effective?

39. Are there any other aspects of the Lighting and Showerheads component that are not effective?

[IF MENTIONS WEAKNESS]

- a. What changes are you considering to address it?

F.1.1.16. Future Plans

40. Can you tell me about anything else that is going on in the market that may impact the Lighting and Showerheads component? [PROBE: EISA changes to lighting market]
41. We reviewed some documents about the *Market Lift* pilot. Are there plans to implement this approach beyond pilot?
42. Will there be any changes or tweaks to Lighting and Showerheads in 2013? And what about 2014? [PROBE: new incentives for LEDs and twisty CFLs]

[IF NOT ADDRESSED]

- a. What spurred these changes?
43. What information would you like to have as a result of this process evaluation that will help you guide the Lighting and Showerheads component?

[IF NOT ADDRESSED]

- a. Are there any specific questions you would like us to ask of retailers (either national or regional contacts, or in-store staff)?
44. Where do you see this program component going in the future?

F.1.1.17. Products Program as a Whole

Now, I want you to think about the entire Products Program as a whole. There are many parties involved in the Products Program . . .

F.1.1.18. Communications

45. How satisfied are you with communications between Energy Trust and implementers such as PECCI, APT, JACO, and Fluid, as well as communications between these implementers where coordination is necessary? Why do you say that?

[IF NOT ADDRESSED]

- a. Could communications be improved in any way?

46. Before talking with retailers, we want to know how engaged each of the retailers are with the Energy Trust's program. For each one, can you briefly describe your relationship and their engagement level?

F.1.1.19. Closing

47. What are the main barriers to engaging with retailers?

48. How do you see the program's relationship with retailers evolving over time? With customers?

49. In closing, what are the main opportunities for the Products Program as a whole?

50. What are the main challenges for the Products Program as a whole?

51. Do you have anything else to say about the program that I did not cover?

- a. How has it been working with low-income agencies for Carry Home Savings, and what opportunities do you see for future collaboration?

Thank you very much for your time. These are all the questions I have today. Have a great day!

## F.2. Energy Trust Marketing Staff

### F.2.1. Introduction

Hi, my name is \_\_\_\_\_ with Research Into Action. We are conducting a process evaluation of Energy Trust's Products Program. The purpose of the interview today is to better understand 1) how the program is currently marketed, 2) how well the program is meeting its goals, and 3) identify areas for improvement. Your responses will also help us refine our subsequent interviews with retailer staff and mystery shopper visits.

#### F.2.1.1. Role

1. First, please describe your role in the Products program.

[IF NOT ADDRESSED]

- a. How long have you been working on this program and what are your main responsibilities?

This process evaluation focuses on the three components of the Products program – appliance rebates, fridge recycling, and lighting and showerheads. For each component's marketing activities, I have several questions.

#### F.2.1.2. Marketing Activities

#### F.2.1.3. Appliances

Let's start with the Appliances component.

2. Can you briefly describe for me how the Appliances component of the program is marketed?
  - a. How do you coordinate marketing activities with PECI and APT? Who is responsible for what?
  - b. How is the current structure working for you?

[IF NOT ADDRESSED]

- c. What marketing activities have occurred for the Appliances component in 2013?

3. Are certain products or offerings prioritized for marketing and why?
4. Which marketing methods are you prioritizing for the Appliances component (if any)? Are these for particular products or customer segments?
5. What methods have been most successful?

[IF NOT ADDRESSED]

- a. How do you define and measure success of marketing activities for Appliances?
6. What are the main challenges you face or areas for improvement in marketing the Appliances component?
  - a. What is being done to address this?
7. What would you say is the general awareness level of the Appliance rebate program among consumers? Among retailers?
  - a. Are there groups or areas that are more or less aware?
8. What future marketing activities are planned for this component in 2013 and 2014?

#### F.2.1.4. Fridge Recycling

Now, let's talk about Fridge Recycling component of the program.

9. Can you briefly describe for me how the Fridge Recycling component of the program is marketed?
  - a. How do you coordinate marketing activities with PECI and JACO? Who is responsible for what?

- b. How is the current structure working for you?

[IF NOT ADDRESSED]

- c. What marketing activities have occurred for the Fridge Recycling component in 2013? [PROBE: Ask about Fridge Engagement initiative]

10. Which marketing methods are you prioritizing for the Fridge Recycling component (if any)? Are these for particular customer segments?

11. What methods have been most successful?

[IF NOT ADDRESSED]

- a. How do you define and measure success of marketing activities for Fridge Recycling?

12. What are the main challenges you face or areas for improvement in marketing the Fridge Recycling component?

- a. What is being done to address this?

13. What would you say is the general awareness level of the Fridge Recycling program among consumers? Among retailers?

- a. Are there groups or areas that are more or less aware?

14. What future marketing activities are planned for this component in 2013 and 2014?

#### F.2.1.5. Lighting and Showerheads

Finally, let's talk about the Lighting and Showerheads program component.



15. Can you briefly describe for me how the Lighting and Showerheads component of the program is marketed?

- a. How are marketing activities coordinated between Fluid Market Strategies, BPA, PECE and APT? Who is responsible for what?
- b. How is the current structure working for you?

[IF NOT ADDRESSED]

- c. What marketing activities have occurred for the Lighting and Showerhead component?

16. Are certain product types prioritized for marketing? Why?

17. Which marketing methods are you prioritizing for Lighting and Showerheads component (if any)? Are these for particular products and customer segments?

18. What methods have been most successful?

[IF NOT ADDRESSED]

- a. How do you define and measure success of marketing activities?

19. What are the main challenges you face or areas for improvement in marketing the Lighting and Showerheads component?

- a. What is being done to address this?

20. What would you say is the general awareness level of the Lighting and Showerheads program among consumers? Among retailers?

- a. Are there groups or areas that are more or less aware?

21. What future marketing activities are planned for this component in 2013 and 2014?

#### F.2.1.6. Products Program as a Whole

Now, I want you to think about the entire Products Program as a whole. There are many parties involved in the Products Program . . .

#### F.2.1.7. Communications

22. How satisfied are you with communications between Energy Trust and implementers such as PECCI, APT, JACO, and Fluid, as well as communications between these implementers where coordination is necessary? Why do you say that?

[IF NOT ADDRESSED]

a. Could communications be improved in any way?

#### F.2.1.8. Closing

23. In closing what are the main marketing opportunities for the Products Program?

24. What are the main challenges with respect to marketing the Products Program?

25. What information would you like to have as a result of this process evaluation that will help you improve the marketing of the Products Program?

[IF NOT ADDRESSED]

a. Are there any specific questions you would like us to ask of retailers (either national or regional contacts, or in-store staff)?

26. Do you have anything else to say about the Program's marketing that I did not cover?

Thank you very much for your time. These are all the questions I have today. Have a great day!

## F.3. PECE Program Managers

### F.3.1. Introduction

Hi, my name is \_\_\_\_\_ with Research Into Action. We are conducting a process evaluation of the Energy Trust's Products Program. The purpose of the interview today is to better understand 1) how the program is currently implemented, 2) how well the program is meeting its goals, and 3) identify areas for improvement. Your responses will also help us refine our subsequent interviews with retailer staff and mystery shopper visits.

#### F.3.1.1. Role

1. First, please describe your role in the Products program.

[IF NOT ADDRESSED]

- a. How long have you been working on this program and what are your main responsibilities?

This process evaluation focuses on the three pieces of the Products program – appliance incentives, fridge recycling, and lighting and showerheads. For each component, I have a similar set of questions.

#### F.3.1.2. Appliances

Let's start with the Appliances component.

#### F.3.1.3. Program Structure

I read through the program's implementation manual and other documents. I would like to make sure I understand the way the program operates and how your team is organized.

2. Can you briefly describe for me how the Appliances component of the program operates – including how PECE coordinates activities with Energy Trust and APT, and how PECE and APT interact with retailers and customers.
3. What issues or concerns do you face in working with Energy Trust? How about with APT?

[IF NOT ADDRESSED]

- a. How is this implementation structure working?

4. How do you encourage retailers to work with the program?
  - a. What do you need them to do in order to increase customer participation?
  - b. What are the main barriers to engage retailers?
  - c. How do you see the relationship evolving over time?

#### F.3.1.4. Program Progress

5. The program has updated the incentive amount of clothes washers, refrigerators and freezers since 2010. Can you talk about what were the reasons for these changes?
6. How well is the Appliances component of the program meeting your expectations in terms of savings, and retailer and consumer participation?
7. What are the main challenges for this component?
8. Do you foresee any circumstances or issues that could slow things down in the future?  
  
[IF MENTIONS PROBLEM AREA]
  - b. How do you anticipate responding?
9. What opportunities do you see to expand or improve the Appliances component in the future?

#### F.3.1.5. Strengths and Weaknesses

10. What aspects of the Appliances program design and implementation have been most effective?

11. Are there any aspects of the Appliances component that are not effective?

[IF MENTIONS WEAKNESS]

- a. What changes are you considering to address these?

#### F.3.1.6. Future Plans

12. Can you tell me about anything else that is going on in the market that the Appliances component may be impacted by? [PROBE: tiers and incentive changes to appliances market]

13. Some documents we received described some pilot approaches such as *Instant Incentive* and *Advanced Power Strip*. Are there plans to implement these approaches beyond pilot?

14. Will there be any changes or tweaks to the program in 2013? And what about 2014?

[IF NOT ADDRESSED]

- a. What spurred these changes?

15. What information would you like to have as a result of this process evaluation that will help you guide the Appliances component?

[IF NOT ADDRESSED]

- a. Are there any specific questions you would like us to ask of retailers (either national or regional contacts, or in-store staff)?

16. Where do you see this program component going in the future?

#### F.3.1.7. Fridge Recycling

Now, let's talk about Fridge Recycling component of the program.

#### F.3.1.8. Program Structure

17. Can you briefly describe for me how Fridge Recycling component operates – including how PECCI coordinates activities with Energy Trust, APT, and JACO Environmental, and how these implementers interact with retailers and customers.

[IF NOT ADDRESSED]

- a. How is this implementation structure working?
18. How do you encourage retailers to work with the Fridge Recycling component of the program?
- a. What do you need or ask retailers to do in order to increase customer participation?
  - b. What are the main barriers to engaging with retailers?
  - c. How do you see the relationship with retailers evolving over time?

#### F.3.1.9. Program Progress

19. How well is the Fridge Recycling component of the program meeting your expectations in terms of kWh savings and retailer and customer participation?
20. From your perspective, what are the main challenges for the Fridge Recycling component? [PROBE: data tracking, reporting]
21. Do you foresee any circumstances or issues that could slow things down in the future?
22. What opportunities do you see to expand or improve the Fridge Recycling component?

#### F.3.1.10. Strengths and Weaknesses

23. What aspects of the Fridge Recycling program design and implementation have been most effective?

24. Are there any aspects of the Fridge Recycling component that are not effective?

[IF MENTIONS WEAKNESS]

- a. What changes do you think would address this?

#### F.3.1.11. Future Plans

25. Can you tell me about anything else that is going on in the market that may impact the Fridge Recycling component?

26. What information would you like to have as a result of this process evaluation that will help you with your work on the Fridge Recycling component?

[IF NOT ADDRESSED]

- a. Are there any specific questions you think we should ask of retailers (either national or regional contacts, or in-store staff)?

#### F.3.1.12. Lighting and Showerheads

Finally, let's talk about the Lighting and Showerheads program component.

#### F.3.1.13. Program Structure

27. Can you briefly describe for me how the Simple Steps / Lighting and Showerheads component operates – including how you coordinate activities with Fluid Market Strategies, Energy Trust and BPA, and how Fluid interacts with manufacturers, retailers, and customers.

28. What issues or concerns do you face in working with Energy Trust? How about with Fluid? [PROBE: data tracking, reporting]

[IF NOT ADDRESSED]

- a. How is this implementation structure working?

29. How do you encourage retailers to work with the program?
- a. What do you need or ask retailers to do in order to increase customer participation?
  - b. What are the main barriers to engaging with retailers?
  - c. How do you see the relationship with retailers evolving over time?

#### F.3.1.14. Program Progress

30. How well is the Lighting and Showerheads component meeting your expectations in terms of savings, retailer and consumer participation?
31. What are the main challenges for this component? [PROBE: decreased savings per bulb due to EISA, product changes, sales trends]
32. Do you foresee any circumstances or issues that could slow things down in the future?

[IF MENTIONS PROBLEM AREA]

- a. How do you anticipate responding?
33. What opportunities do you see to expand or improve the Lighting and Showerheads component?

#### F.3.1.15. Strengths and Weaknesses

34. What aspects of the Lighting and Showerheads program design and implementation have been most effective?
35. Are there any other aspects of the Lighting and Showerheads component that are not effective?



[IF MENTIONS WEAKNESS]

- a. What changes are you considering to address it?

#### F.3.1.16. Future Plans

36. Can you tell me about anything else that is going on in the market that may impact the Lighting and Showerheads component?

37. Will there be any changes or tweaks to Lighting and Showerheads in 2013? And what about 2014?

[IF NOT ADDRESSED]

- a. What spurred these changes?

38. What information would you like to have as a result of this process evaluation that will help you with the Lighting and Showerheads component?

[IF NOT ADDRESSED]

- a. Are there any specific questions you would like us to ask of retailers (either national or regional contacts, or in-store staff)?

39. Where do you see this program component going in the future?

#### F.3.1.17. Communications

40. How satisfied are you with communications between PECEI and Energy Trust, as well as communications between among other implementers where coordination is necessary? Why do you say that?

[IF NOT ADDRESSED]

- a. Could communications be improved in any way?

41. Before talking with retailers, we want to know how engaged each of the retailers are with the Energy Trust's program. For each one, can you briefly describe your relationship and their engagement level?

F.3.1.18. Closing

42. In closing, what are the main opportunities for the Products Program?
43. What are the main challenges for the Products Program?
44. Do you have anything else to say about the program that I did not cover?

Thank you very much for your time. These are all the questions I have today. Have a great day!

## F.4. PECE Marketing Managers

### F.4.1. Introduction

Hi, my name is \_\_\_\_\_ with Research Into Action. We are conducting a process evaluation of the Energy Trust's Products Program. The purpose of the interview today is to better understand 1) how the program is currently marketed, 2) how well the program is meeting its goals, and 3) identify areas for improvement. Your responses will also help us refine our subsequent interviews with retailer staff and mystery shopper visits.

#### F.4.1.1. Role

1. First, please describe your role in the Products program.

[IF NOT ADDRESSED]

- a. How long have you been working on this program and what are your main responsibilities?

This process evaluation focuses on the three components of the Products program – appliance rebates, fridge recycling, and lighting and showerheads. For each component's marketing activities, I have several questions.

#### F.4.1.2. Marketing Activities

#### F.4.1.3. Appliances

Let's start with the Appliances component.

2. Can you briefly describe for me how the Appliances component of the program is marketed?
  - a. How do you coordinate marketing activities with Energy Trust? Who is responsible for what?
  - b. How is the current structure working for you?

[IF NOT ADDRESSED]

- c. What marketing activities have occurred for the Appliances component in 2013?

3. Are certain products or offerings prioritized for marketing and why?
4. Which marketing methods are you prioritizing for the Appliances component (if any)? Are these for particular products or customer segments?
5. What methods have been most successful?

[IF NOT ADDRESSED]

- a. How do you define and measure success of marketing activities?
6. What are the main challenges you face or areas for improvement in marketing the Appliances component?
  - a. What is being done to address this?
7. What would you say is the general awareness level of the Appliance rebate program among consumers? Among retailers?
  - a. Are there groups or areas that are more or less aware?
8. What future marketing activities are planned for this component in 2013 and 2014?

#### F.4.1.4. Fridge Recycling

Now, let's talk about Fridge Recycling component of the program.

9. Can you briefly describe for me how the Fridge Recycling component of the program is marketed?
  - a. How do you coordinate marketing activities with Energy Trust and JACO? Who is responsible for what?

- b. How is the current structure working for you?

[IF NOT ADDRESSED]

- c. What marketing activities have occurred for the Fridge Recycling component in 2013? [PROBE: Ask about Fridge Engagement initiative]

10. Which marketing methods are you prioritizing for the Fridge Recycling component (if any)? Are these for particular customer segments?

11. What methods have been most successful?

[IF NOT ADDRESSED]

- a. How do you define and measure success of marketing activities?

12. What are the main challenges you face or areas for improvement in marketing the Fridge Recycling component?

- a. What is being done to address this?

13. What would you say is the general awareness level of the Fridge Recycling program among consumers? Among retailers?

- a. Are there groups or areas that are more or less aware?

14. What future marketing activities are planned for this component in 2013 and 2014?

#### F.4.1.5. Lighting and Showerhead

Finally, let's talk about the Lighting and Showerheads program component.

15. Can you briefly describe for me how the Lighting and Showerheads component of the program is marketed?

- a. How are marketing activities coordinated between Energy Trust, Fluid Market Strategies, BPA, and APT? Who is responsible for what?
- b. How is the current structure working for you?

[IF NOT ADDRESSED]

- c. What marketing activities have occurred for the Lighting and Showerhead component?

16. Are certain product types prioritized for marketing? Why?

17. Which marketing methods are you prioritizing for Lighting and Showerheads component (if any)? Are these for particular products and customer segments?

18. What methods have been most successful?

[IF NOT ADDRESSED]

- a. How do you define and measure success of marketing activities?

19. What are the main challenges you face or areas for improvement in marketing the Lighting and Showerheads component?

- a. What is being done to address this?

20. What would you say is the general awareness level of the Lighting and Showerheads program among consumers? Among retailers?

- a. Are there groups or areas that are more or less aware?

21. What future marketing activities are planned for this component in 2013 and 2014?

#### F.4.1.6. Products Program as a Whole

Now, I want you to think about the entire Products Program as a whole. There are many parties involved in the Products Program . . .

#### F.4.1.7. Communications

22. How satisfied are you with communications between PECI and Energy Trust, as well as communications between among other implementers where coordination is necessary? Why do you say that?

[IF NOT ADDRESSED]

a. Could communications be improved in any way?

#### F.4.1.8. Closing

23. In closing, what are the main marketing opportunities for the Products Program?

24. What are the main challenges with respect to marketing the Products Program?

25. What information would you like to have as a result of this process evaluation that will help you improve the marketing of the Products Program?

[IF NOT ADDRESSED]

a. Are there any specific questions you would like us to ask of retailers (either national or regional contacts, or in-store staff)?

26. Do you have anything else to say about the Program's marketing that I did not cover?

Thank you very much for your time. These are all the questions I have today. Have a great day!

## F.5. APT Manager

### F.5.1. Introduction

Hi, my name is \_\_\_\_\_ with Research Into Action. We are conducting a process evaluation of Energy Trust's Products Program. The purpose of the interview today is to better understand 1) how the program is currently implemented, 2) how well the program is meeting its goals, and 3) identify areas for improvement. Your responses will also help us refine our subsequent interviews with retailer staff and mystery shopper visits.

#### F.5.1.1. Role

1. First, please describe your role in the Products program.

[IF NOT ADDRESSED]

- a. How long have you been working on this program and what are your main responsibilities?

This process evaluation focuses on the three pieces of the Products program – appliance incentives, fridge recycling, and lighting and showerheads. My understanding is that APT touches Appliance incentive and fridge recycling components. For each component, I have similar set of questions.

#### F.5.1.2. Appliances

Let's start with the Appliances component.

#### F.5.1.3. Program Structure

I would like to make sure I understand the way the program operates.

2. Can you briefly describe for me how you coordinate Appliance activities with Energy Trust and PECEI, and how APT interacts with retailers and customers. How many APT staff are working on Energy Trust Appliance activities, and what is the typical schedule of retailer visits?
3. What issues or concerns do you face in working with Energy Trust? How about with PECEI?



[IF NOT ADDRESSED]

- a. How is this implementation structure working?
4. How do you encourage retailers to work with the Appliances component of the program?
    - a. What do you need or ask retailers to do in order to increase customer participation?
    - b. What are the main barriers to engaging with retailers?
    - c. How do you see the relationship with retailers evolving over time?

#### F.5.1.4. Program Progress

5. How well is the Appliances component of the program meeting your expectations in terms of savings, and retailer and customer participation?
6. From your perspective, what are the main challenges for the Appliances component?  
[PROBE: data tracking, reporting]
7. Do you foresee any circumstances or issues that could slow things down in the future?
8. What opportunities do you see to expand or improve the Appliances component in the future?

#### F.5.1.5. Strengths and Weaknesses

9. What aspects of the Appliances program design and implementation have been most effective?
10. Are there any aspects of the Appliances component that are not effective?

[IF MENTIONS WEAKNESS]

- a. What changes do you think would address this?

#### F.5.1.6. Future Plans

11. Can you tell me about anything else that is going on in the market that may impact the Appliances component?
12. What information would you like to have as a result of this process evaluation that will help you with your work on the Appliances component?

[IF NOT ADDRESSED]

- a. Are there any specific questions you think we should ask of retailers (either national or regional contacts, or in-store staff)?

#### F.5.1.7. Fridge Recycling

Now, let's talk about Fridge Recycling component of the program.

#### F.5.1.8. Program Structure

13. Can you briefly describe for me how you coordinate Fridge Recycling activities with PECL, and how APT interacts with retailers and customers. How many APT staff are working on Energy Trust Fridge Recycling activities, and what is the typical schedule of retailer visits?

[IF NOT ADDRESSED]

- a. How is this implementation structure working?
14. How do you encourage retailers to work with the Fridge Recycling component of the program?
  - a. What do you need or ask retailers to do in order to increase customer participation?
  - b. What are the main barriers to engaging with retailers?

- c. How do you see the relationship with retailers evolving over time?

#### F.5.1.9. Program Progress

- 15. How well is the Fridge Recycling component of the program meeting your expectations in terms of kWh savings and retailer and customer participation?
- 16. From your perspective, what are the main challenges for the Fridge Recycling component? [PROBE: data tracking, reporting]
- 17. Do you foresee any circumstances or issues that could slow things down in the future?
- 18. What opportunities do you see to expand or improve the Fridge Recycling component?

#### F.5.1.10. Strengths and Weaknesses

- 19. What aspects of the Fridge Recycling program design and implementation have been most effective?
- 20. Are there any aspects of the Fridge Recycling component that are not effective?

[IF MENTIONS WEAKNESS]

- a. What changes do you think would address this?

#### F.5.1.11. Future Plans

- 21. Can you tell me about anything else that is going on in the market that may impact the Fridge Recycling component?
- 22. What information would you like to have as a result of this process evaluation that will help you with your work on the Fridge Recycling component?

[IF NOT ADDRESSED]

- a. Are there any specific questions you think we should ask of retailers (either national or regional contacts, or in-store staff)?

**F.5.1.12. Communications**

23. How satisfied are you with communications between APT, Energy Trust, PEI, and any other stakeholders involved? Why do you say that?

[IF NOT ADDRESSED]

- a. Could communications be improved in any way?

**F.5.1.13. Closing**

24. In closing, thinking about Energy Trust's Appliance and Fridge Recycling programs, what are the main opportunities?

25. What are the main challenges?

26. Do you have anything else to say about the program that I did not cover?

Thank you very much for your time. These are all the questions I have today. Have a great day!

## F.6. Fluid Market Strategies Manager

### F.6.1. Introduction

Hi, my name is \_\_\_\_\_ with Research Into Action. We are conducting a process evaluation of Energy Trust's Products Program. The purpose of the interview today is to better understand 1) how the program is currently implemented, 2) how well the program is meeting its goals, and 3) identify areas for improvement. Your responses will also help us refine our subsequent interviews with retailer staff and mystery shopper visits.

#### F.6.1.1. Role

1. First, please describe your role in the Products program.

[IF NOT ADDRESSED]

- a. How long have you been working on activities for this program and what are your main responsibilities?

#### F.6.1.2. Program Structure

2. Can you briefly describe for me how the Simple Steps / Lighting and Showerheads component of Energy Trust's Products program, operates – including how you coordinate activities with BPA, Energy Trust and PECEI, and how Fluid interacts with manufacturers, retailers, and customers. How many Fluid staff are working on Energy Trust Lighting and Showerhead activities, and what is the typical schedule of retailer visits?
3. What issues or concerns do you face in working with Energy Trust? How about with PECEI? [PROBE: data tracking, reporting]

[IF NOT ADDRESSED]

- a. How is this implementation structure working?
4. How do you encourage retailers to work with the program?
  - a. What do you need or ask retailers to do in order to increase customer participation?

- b. What are the main barriers to engaging with retailers? [PROBE: barriers to secure point-of-sales rebates agreements]
- c. How do you see the relationship with retailers evolving over time?

#### F.6.1.3. Program Progress

- 5. How well is the Lighting and Showerheads component of the Energy Trust's Products program meeting your expectations in terms of savings, retailer and consumer participation?
- 6. What are the main challenges for this component? [PROBE: decreased savings per bulb due to EISA, product changes, sales trends]
- 7. Do you foresee any circumstances or issues that could slow things down in the future?

[IF MENTIONS PROBLEM AREA]

- a. How do you anticipate responding?
- 8. What opportunities do you see to expand or improve the Lighting and Showerheads component?

#### F.6.1.4. Strengths and Weaknesses

- 9. What aspects of the Lighting and Showerheads program design and implementation have been most effective?
- 10. Are there any other aspects of the Lighting and Showerheads component that are not effective?

[IF MENTIONS WEAKNESS]

- a. What changes are you considering to address it?

#### F.6.1.5. Future Plans

11. Can you tell me about anything else that is going on in the market that may impact the Lighting and Showerheads component?
  
12. Will there be any changes or tweaks to Lighting and Showerheads in 2013? And what about 2014?

[IF NOT ADDRESSED]

- a. What spurred these changes?
- 
13. What information would you like to have as a result of this process evaluation that will help you with the Lighting and Showerheads component?

[IF NOT ADDRESSED]

- a. Are there any specific questions you would like us to ask of retailers (either national or regional contacts, or in-store staff)?
- 
14. Where do you see this program component going in the future?

#### F.6.1.6. Communications

15. How satisfied are you with communications between Fluid, Energy Trust, PEI, and BPA? Why do you say that?

[IF NOT ADDRESSED]

- a. Could communications be improved in any way?

#### F.6.1.7. Closing

16. In closing, what are the main opportunities for the Lighting and Showerheads Program component?
  
17. What are the main challenges?

18. Do you have anything else to say about the program that I did not cover?

Thank you very much for your time. These are all the questions I have today. Have a great day!



## G. Retail Corporate Interview Guide

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**Interviewee Name:**

**Company Name:**

**Date:**

**Interviewer:**

### G.1. Scheduling Script

S1. [IF LIST HAS CONTACT INFORMATION] Hi, my name is \_\_\_\_\_, and I'm calling from Research Into Action on behalf of Energy Trust of Oregon. May I please speak to \_\_\_\_\_?

1. CONTACT AVAILABLE. SKIP TO S3.
2. CONTACT CURRENTLY UNAVAILABLE. SCHEDULE CALL BACK.

S2. [IF LIST HAS NO CONTACT INFORMATION] Hi, my name is \_\_\_\_\_, and I'm calling from Research Into Action on behalf of Energy Trust of Oregon. I'd like to speak with [CONTACT TYPE]. What is that person's name? \_\_\_\_\_

1. CONTACT AVAILABLE. CONTINUE TO S3.
2. CONTACT CURRENTLY UNAVAILABLE. SCHEDULE CALL BACK.

S3. [REPEAT S1 OR S2 IF NEEDED]

We're talking with retail managers whose companies participate in Energy Trust's Products Program. I have a couple of quick questions for you.

My records show that your company promotes [PRODUCT CATEGORIES] through Energy Trust's Program. Is that correct?

1. YES
2. NO; RECORD PRODUCT AREAS: \_\_\_\_\_
3. DON'T KNOW – GET REFERRAL

S4. We're looking to speak with people who are the most knowledgeable about how their company works with Energy Trust on [PRODUCT AREA(S)]. Would that be you, or someone else?

1. RESPONDENT; CONTINUE
2. SOMEONE ELSE; GET REFERRAL

S5. Just very briefly, what is your role in working with Energy Trust? RECORD RESPONSE: \_\_\_\_\_

S6. What is your job title? RECORD RESPONSE: \_\_\_\_\_

S7. I'd like to have a 30-minute call to talk more about Energy Trust. Your comments will help improve the program. Is this a good time, or would you prefer a different time?

1. CONTACT AVAILABLE. CONTINUE TO INTRODUCTION.
2. SCHEDULE ANOTHER TIME.

## G.2. Introduction

Thanks for taking the time to talk with me today.

We'll discuss your experience so far working with Energy Trust, and what changes you'd like to see in the future.

We don't plan to connect your responses with your name or your company in our report. But it's possible that Energy Trust could tell who made certain comments, depending on the topic. Please let me know if there is something you prefer we don't include in our report.

We've got a lot to cover, so let's get started.

## G.3. Overall Evaluation

- Q1. Overall, how has Energy Trust's program met your expectations in terms of the value to your business?
- a. Why do you say that?

## G.4. Training & Tools

Now let's talk briefly about the information and support you receive from Energy Trust to learn more about the program for [PRODUCT AREA(S)].

Q2. First, let's talk about the trainings that Energy Trust provides to retail staff about the Products Program. What could improve the quality of the trainings for your staff—if anything?

Q3. Do you, personally, have any other direct contact with Energy Trust staff, such as visits, phone calls, emails, and so forth?

[IF YES, HAS CONTACT WITH ENERGY TRUST STAFF]

- a. What do you find most useful about these interactions?
- b. How could Energy Trust make these interactions more effective for you?

[IF NO, DOES NOT HAVE CONTACT WITH ENERGY TRUST STAFF]

- c. Would you like to have regular communication with Energy Trust staff to learn more about the program? How?

## G.5. Marketing Support

Next I'd like to talk about how you market and promote energy efficient products.

- Q4. Does your company have a formal corporate strategy or approach for promoting energy efficient products?

[IF YES]

- a. Could you please give me a brief overview of your approach? We'll get more into the specifics next, but I'd like to start out with some context about your overall strategy, and how decisions are made.
- b. Does your approach specifically address how to promote the most highly efficient product models?

- Q5. [IF SELLS APPLIANCES] What kinds of Energy Trust point-of-purchase materials have you used for appliances—if any?

[READ LIST AS NEEDED; REFER TO .PDFS OF POP MATERIALS AS NEEDED.]

### Appliances

- Clings (appliances)
- Folded flyers (wallet size, includes all qualifying product categories)
- Hang tags (appliances)
- Tear cards (fridge recycling only)
- Tent cards 1
- Signage
- Anything else (Specify)\_\_\_\_\_
- Nothing / haven't used POP materials

- Q5a. [IF DOES NOT USE APPLIANCE POP, ASK] Who reviews POP marketing materials for appliances—is that you, or someone else?

- Respondent
- Someone else, specify name and contact info:\_\_\_\_\_

Q6. [IF SELLS LIGHTING/SHOWERHEADS] What kinds of point-of-purchase materials have you used for lighting and showerheads—if any? [AS NEEDED: The materials say “Simple Steps Smart Savings.” ]

[NOTE LIGHTING/SHOWERHEAD MATERIALS HAVE ENERGY TRUST LOGO, AND MAY ALSO HAVE PGE, Pacific Power OR CLARK PUD LOGO, DEPENDING ON LOCATION]

[READ LIST AS NEEDED; REFER TO .PDFS OF POP MATERIALS AS NEEDED.]

- Simple Steps Smart Savings **Showerheads** (“SAVE with Energy Efficient Showerheads” – in English and Spanish)
- Simple Steps Smart Savings **Showerheads** (“Get a great shower without draining your tank” – English only)
- Simple Steps Smart Savings **Lighting** (“1. Think lumens, not Watts...4. Get the facts”)
- Anything else (Specify)\_\_\_\_\_
- Nothing / haven’t used POP materials

Q6a. [IF DOES NOT USE LIGHTING/SHOWERHEAD POP, ASK] Who reviews POP marketing materials for lighting and showerheads—is that you, or someone else?

- Respondent
- Someone else, specify name and contact info:\_\_\_\_\_

Q7. [IF YES HAS USED POP MATERIALS] Generally speaking, which of Energy Trust’s POP [pronounced P-O-P] materials do you find work best—and why?

a. What POP materials are not useful to you, and why?

Q8. [IF HAS NOT USED POP MATERIALS]

Would you be open to using Energy Trust POP materials?

- a. [IF YES, OPEN TO POP] What kinds of POP materials would you find useful, and why those?
- b. [IF NOT OPEN TO POP] What prevents you from using them? What would need to change for you to consider using them?

Q9. What kinds of merchandising or promotions for Energy Trust-supported products have you done—if any? [FODDER: signage, displays, in-store events, end caps]

[FOR EACH PROMOTION TYPE MENTIONED]

- a. How effective was this? Why do you think that was?

- b. What else could Energy Trust do to support these kinds of activities?
  - c. How far in advance do you start planning this kind of activity?
- Q10. [IF DOES PROMOTIONS] Do you receive materials from Energy Trust in time for planning these activities?
- a. Are you open to doing more in-store special promotions in the future, or not? Why or why not?
- Q11. [IF NO, HAS NOT DONE PROMOTIONS] Are you open to doing any merchandising or special promotions in the future, or not? Why or why not?
- a. What could Energy Trust do to support these kinds of activities?
  - b. How much lead time would you need to plan these activities?
- Q12. What other kinds of marketing support or POP materials could Energy Trust provide that would be useful to you? [FODDER: online resources, video, apps, documents]
- a. [LIGHTING ONLY, IF NOT ALREADY ADDRESSED] What would be helpful in assisting customers with understanding lighting product changes as new products and technologies, as well as EISA, roll out?  
  
[AS NEEDED] Bulb efficiency standards set by EISA (the Energy Independence and Security Act) started rolling out in 2012. By 2014, most bulbs will need to be at least 30% more efficient than traditional incandescent bulbs.
  - b. What support would be especially useful to support your **online** sales in [PRODUCT AREA]?
  - c. [IF NOT ADDRESSED] What marketing support would you like for **online lighting** sales in particular?
  - d. Would you want your in-store sales associates to be able to access Energy Trust's information on mobile technologies like tablets or smart phones? Why or why not?
- Q13. Would it be worthwhile to you to implement **in-store** instant rebates, or not—and why?
- a. How about instant rebates for your **online** shoppers—would that be of interest, or not? Why?
  - b. What would you need to make instant rebates work for you?

## G.6. Product Mix

Now, I'd like to talk just briefly about trends you are seeing with the energy efficient products your store sells.

- Q14. Which products are experiencing upwards sales trends in your stores?
- What do you attribute the changes to?
  - What upward trends do you anticipate over the next one to two years, if any? Why?
- Q15. [LIGHTING RETAILERS ONLY; IF NOT ALREADY ADDRESSED] Are you aware of any changes in light bulb sales at your store over the past year or two?
- [IF CHANGED]
- Which types of bulbs have increased the most (regular and specialty CFLs, LEDs, and halogens, incandescents)? Decreased?
  - What do you attribute the changes to?  
[FODDER: EISA, technology changes, price drops]
- Q16. [LIGHTING RETAILERS ONLY; IF NOT ALREADY ADDRESSED] How do you expect your mix of efficient lighting will change over the next couple of years?
- For which kinds of bulbs? (regular and specialty CFLs, LEDs, and halogen).

## G.7. National Retailer Issues

[IF NOT NATIONAL RETAILER, SKIP TO CLOSE]

Next, I have a couple of questions about other kinds of program support.

- Q17. Energy Trust is coordinating with other agencies and utilities in the region to make the experience of working with multiple programs go more smoothly for retailers.
- Are you familiar with any of these groups? [IF NEEDED: Western Regional Utility Network (WRUN), and NW Regional Retail Strategy Work Group]
  - Do you think this approach is needed, or not?
  - What issues or activities should they focus on, from your perspective?
- Q18. Are you aware of programs offered by utilities or others that you'd like Energy Trust to emulate somehow? If so—what did you like about them? [Probe on POP materials, promotions, etc.]

## G.8. Closing

We're almost done. I have just a couple of final questions for you.

- Q19. In summary, what could Energy Trust do to strengthen their relationship with you? I'm interested in anything that would make working with Energy Trust easier or more valuable to you.
- Q20. If Energy Trust could do one thing that would help your store to sell more high efficient products, what would that be, and why?

Thank you very much for your time. These are all the questions I have today. Have a great day!

## H. Mystery Shopper Visits Conversation Guide and Data Collection Form

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### H.1. Mystery Shopper Guide

#### H.1.1. Appliances

##### H.1.1.1. About You:

You are a new homeowner who is trying to buy a new refrigerator and clothes washer.

##### H.1.1.2. Pre-Introduction:

1. *Review and memorize the conversation and questions.*
2. *Walk around appliance area and browse for up to 5 minutes until a Sales Associate approaches you.*
3. *If you are not approached within 5 minutes, seek assistance from someone in the appliances department.*

##### H.1.1.3. Introduction:

“Hi. I recently bought a house, and I’m looking for a new clothes washer and refrigerator. Are you the right person to ask a few questions?”

##### Clothes Washers

“So, I’m not really looking to buy anything today, I’m just doing some comparison shopping.”

If asked about **price range**: “Between \$500 and \$700, and I want a model that is of good value and quality.”

If asked about **size**: “A standard size.”

If asked about **top or front load**: “I haven’t decided on it yet.”

If asked about **features, brand, or color**: “No particular features or brand. I haven’t decided on color yet; I can pick color after I decide which machine.”

While the salesperson is showing you clothes washers, keep track of 1) washers shown, 2) the benefits mentioned about each, 3) whether energy efficiency, Energy Star and rebates as a feature are mentioned about each washer **unprompted**.



**If salesperson does not explain the benefits of the washers, ask:**

Q: What makes this a good washer?

Q: What features do you think are most important when picking out a new washer?

**After being shown at least 3 washing machines**

*IF energy efficiency is not mentioned:*

Q: What about energy use? Should energy use be a consideration when buying a washer? Why/why not?

*ALL*

Q: I've heard about Energy Star washers, what does that really mean? What is it exactly?

Q: Are any of the washers you showed me Energy Star?

**If rebates not mentioned:**

Q: I've heard about rebates for energy efficient washers. Do any of these washers qualify? What kinds of rebates are offered?

**If Energy Trust rebate was not mentioned:**

Q: [Pointing the Energy Trust POP] What does this mean?

Q: Do any of the washers you showed me qualify for it?

Q: How are the models for which Energy Trust provides rebates different from other models?

**All**

Q: Does the [store name]'s website carry the same washers as in-store? How do prices differ?

Q: Does the website offer Energy Trust rebate as well? How does it work?

“OK, can you tell me about refrigerators next?”

## Refrigerator

“Could you show me a couple of top-freezer type refrigerators?”

If asked about **price range**: “Between \$500 and \$700, but I do want a model that’s a good value for the price and is of good quality.”

If asked about **size**: “Typical or standard size fridge, about 5’8” height

If asked about **features, brand, or color**: “I’m not looking for any particular features or brand, just a standard fridge. I’m looking for a white fridge.”

While the salesperson is showing you refrigerators, using a small notepad, keep track of 1) fridge shown, 2) the benefits mentioned about each fridge, 3) whether energy efficiency, Energy Star, and rebates as features are mentioned about each fridge **unprompted**.

**If salesperson does not explain the benefits of the fridge, ask:**

Q: What makes this a good fridge?

Q: What features would you say are most important when picking out a new fridge?

**After being shown at least 3 fridges**

*If energy efficiency is not mentioned:*

Q: What about energy use? Should energy use be something I should consider? Why/why not?

**If rebates not mentioned:**

Q: I’ve heard about rebates for energy efficient fridges. Do any of these fridges qualify? What kinds of rebates are offered?

**If Energy Trust’s refrigerator recycling program or retailer’s program was not mentioned:**

Q: I have an old fridge in my home that previous owner left there and that I don’t want. Do you know if that can be removed?

Q: How does it work? Does it cost anything?

**All**

Q: Does [store name]'s website carry the same refrigerators as in-store? How do prices differ?

Q: Does the website offer the rebate as well? How does it work?

*Proceed to debriefing...*

## H.1.2. Lighting

### H.1.2.1. About You:

You are a homeowner who is trying to buy light bulbs because your incandescent bulbs burned out.

### H.1.2.2. Pre-Introduction:

1. *Review and memorize the conversation and questions.*
2. *Walk around lighting area and browse for up to 5 minutes until a Sales Associate approaches you.*
3. *If you are not approached within 5 minutes, seek assistance from someone in the lighting department.*

### H.1.2.3. Introduction:

“Hi. I’m looking for some light bulbs for a living room in my home, and I need your help. Are you the right person to ask a few questions? If not, Who should I ask?”

“Some of the bulbs in a ceiling fixture in the living room recently burned out, and I need to replace them. What replacement bulbs would you recommend?”

If asked about **technology type** (incandescent, CFL, LED, etc.): “I’m open to any kinds, but I want something that is of good value and quality.”

If asked about **color or features**: “Just a standard soft white light. No globe, decorative, specialty, or dimming type.”

If asked about **wattage or price**: “The ones that burned out are 60-Watt incandescent in a ceiling fixture with 3 sockets. I’m looking for something reasonably priced, but something that’s a good value for the price and is good quality.”

While the salesperson is showing you bulbs, keep track of 1) bulb shown, 2) the benefits mentioned about each bulb, 3) whether energy efficiency and rebates as a feature mentioned about each bulb **unprompted**.

**If salesperson does not explain the benefits of the bulb, ask:**

Q: What makes this a good light bulb?

Q: What features do you think are most important when picking out a light bulb?

**If lumen is not mentioned:**

Q: What does lumens mean? How do lumens compare to Watts?

**After being shown at least 3 bulbs**

*IF energy efficiency is mentioned:*

Q: You mentioned energy use – is that something I should consider when buying a light bulb? Why/why not?

*IF energy efficiency is not mentioned:*

Q: What about energy use? Should it be considered when buying a light bulb? Why/why not?

*ALL*

Q: I've heard about Energy Star light bulbs, what does that mean? What is it exactly?

Q: Are any of the bulbs you showed me Energy Star?

**If Energy Star was explained:**

Q: Do Energy Star models have any benefits other than consuming less energy?

Q: I've heard something about stores being prohibited from selling certain kinds of bulbs like incandescent bulbs. Do you know anything about it?

**If rebates not mentioned:**

Q: Are there any discounts or rebates for energy efficient light bulbs. Do any of these bulbs qualify? What kinds of incentives are offered?

**If “Simple Steps, Smart Savings” was not mentioned:**

Q: [Pointing to “Simple Steps, Smart Savings” POP] What is this about? How does it work?

Q: How are the Simple Steps bulbs different from other bulbs?

**All**

Q: If I bought bulbs on [store name]’s website, does it carry the same bulbs as in-store? How do prices differ?

**If they know Simple Step, Smart Saving:**

Q: Does the website offer the Simple Steps discount as well?

*Proceed to debriefing...*

#### H.1.2.4. Debriefing

*Thank the salesperson for talking with you.*

*Inform them that the actual reason for your visit to their store was to collection information about Energy Trust appliance incentives and efficient lighting, which their store is participating in.*

*Assure that the sales associate that you were not evaluating their performance, and that none of the information you are collecting will be provided to their manager.*

*Provide your business card.*

*Ask their permission to ask a few quick questions about them and their experiences on the sales floor. Let them know that their answers will be anonymous and confidential.*

Change to appropriate text in the [bracket].

#### *About the Salesperson*

1. What is your position?
2. How long have you worked for [store name]?
3. Do you normally work in this [appliances/lighting] area?
4. How long have you worked in this [appliances/lighting] area?

#### *Engagement*

[IF THEY KNOW ABOUT ENERGY STAR]

5. How do you rate the quality of Energy Star [refrigerators/clothes washers/lighting]? [With 5-point scale: 1="very poor" 3="fair" 5="excellent"] Describe why?

[IF THEY KNOW ABOUT ENERGY STAR]

6. How important is it for you to recommend Energy Star [refrigerators/clothes washers/lighting] over standard models to customers? [With 5-point scale: 1="not important at all" 3= "moderately important" 5="extremely important"] Describe why?

[IF THEY KNOW ABOUT ENERGY TRUST]

7. How influential are Energy Trust of Oregon rebates for customers when choosing [refrigerators/clothes washers] over models that don't have Energy Trust rebates? [With 5-point scale: 1="not at all influential" 3="moderately influential" 5="extremely influential"] Describe why [If lighting] How influential are discounts for qualified lighting products that are part of Simple Steps over products that are not discounted?

8. About what percent of the customers you help who are looking for [refrigerators/clothes washers/lighting] ask about energy efficiency of [refrigerators/clothes washers/lighting]? Is this frequency increasing, decreasing, or staying about the same in the last 2 years?

[IF THEY KNOW ABOUT ENERGY TRUST]

9. About what percent of the customers you help for [refrigerators/clothes washers] ask about Energy Trust incentives for [refrigerators/clothes washers]? Is this frequency increasing, decreasing, or staying about the same over time in the last 2 years?

### Training

10. Have you received any training on Energy Trust rebates for qualifying Energy Star [refrigerators or clothes washers]? [If lighting:] Have you received any training on qualified, efficient lighting products that are part of the Simple Steps, Smart Savings program? If yes, what do you remember?
11. Did you find the information useful? Why?
12. What would help you sell more Energy Star [refrigerators/clothes washers/] that qualify for Energy Trust rebates? [If lighting:] What would help you sell more qualified, efficient lighting products that are part of Simple Steps? [Probe: Training, POP Materials, anything else?]
13. Which marketing materials that Energy Trust provides are most effective and least effective? Why?
14. What are the main barriers you come across in selling Energy Trust rebate-qualifying Energy Star [refrigerators/clothes washers]? [If lighting:] What are the main barriers you come across in selling qualified, efficient lighting products that are part of Simple Steps?
15. What are some strategies that you have learned work to sell Energy Star [refrigerators/clothes washers] that qualify for Energy Trust rebates? [If lighting:] What are some strategies that you have learned work to sell qualified, efficient lighting products that are part of Simple Steps?

*Once debriefed, thank the salesperson again for their time, and tell them that, before you leave the store, you need to collect some additional information about the [appliances/lighting] products.*

*Collect information on all the products shown and POP according to the data collection form.*

*Exit the store, and immediately fill out the questionnaire.*

## H.2. Mystery Shop Data Collection Form

**Mystery Shop Data Collection Form**      **Staff Name:** \_\_\_\_\_

*Please complete this form immediately after the mystery shop session. If another sheet is needed please staple it to the form.*

**Store name:** [Store Name] \_\_\_\_\_ **Store address:** [Store Address] \_\_\_\_\_

**Store city/state/zip code:** [City],[State] [Zip code] \_\_\_\_\_

**Date of visit:** \_\_\_ / \_\_\_ / \_\_\_      **Time in:** \_\_\_\_\_      **Time out:** \_\_\_\_\_

Please fill out the form below for **EACH product** you were shown. (*Use another sheet if you were shown more than 6 products*)

### Refrigerators

	Brand	Configuration	Price	Model #	Energy Star	Energy Trust rebate	Energy-efficiency materials / POP (Energy Trust, Energy Star, store signage... list all that apply)
1					<input type="checkbox"/>	<input type="checkbox"/>	
2					<input type="checkbox"/>	<input type="checkbox"/>	
3					<input type="checkbox"/>	<input type="checkbox"/>	
4					<input type="checkbox"/>	<input type="checkbox"/>	
5					<input type="checkbox"/>	<input type="checkbox"/>	
6					<input type="checkbox"/>	<input type="checkbox"/>	



**Process Evaluation of 2013 Products Program**

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**Clothes Washers**

	<b>Brand</b>	<b>Configuration</b>	<b>Price</b>	<b>Model #</b>	<b>Energy Star</b>	<b>Energy Trust rebate</b>	<b>Energy-efficiency materials / POP (Energy Trust, Energy Star, store signage... list all that apply)</b>
<b>1</b>					<input type="checkbox"/>	<input type="checkbox"/>	
<b>2</b>					<input type="checkbox"/>	<input type="checkbox"/>	
<b>3</b>					<input type="checkbox"/>	<input type="checkbox"/>	
<b>4</b>					<input type="checkbox"/>	<input type="checkbox"/>	
<b>5</b>					<input type="checkbox"/>	<input type="checkbox"/>	
<b>6</b>					<input type="checkbox"/>	<input type="checkbox"/>	

**Lighting/Showerheads**

	<b>Brand</b>	<b>Bulb Type</b>	<b>Lumen</b>	<b>Price</b>	<b>Model #</b>	<b>Energy Star</b>	<b>Simple Step Smart Saving</b>	<b>Energy-efficiency materials / POP (Energy Trust, Energy Star, store signage... list all that apply)</b>
<b>1</b>						<input type="checkbox"/>	<input type="checkbox"/>	
<b>2</b>						<input type="checkbox"/>	<input type="checkbox"/>	
<b>3</b>						<input type="checkbox"/>	<input type="checkbox"/>	
<b>4</b>						<input type="checkbox"/>	<input type="checkbox"/>	
<b>5</b>						<input type="checkbox"/>	<input type="checkbox"/>	
<b>6</b>						<input type="checkbox"/>	<input type="checkbox"/>	

**Unprompted**

1. All the features the salesperson mentioned as an important feature in a good fridge/washer/lighting unprompted.

2. Was energy efficiency mentioned? Prompted or unprompted? If yes, what did they say about it? If no and when prompted, what did they say about energy use?
3. Was Energy Star mentioned? Prompted or unprompted? If yes, what did they say about Energy Star?
4. [APPLIANCE ONLY] Was Energy Trust's rebate mentioned? Prompted or unprompted? If yes, what did they say about it?
5. [REFRIGERATOR ONLY] Was Energy Trust's fridge recycling service mentioned? Prompted or unprompted? If yes, what did they say about it?
6. What did they say about online store vs. in-store?
7. [LIGHTING ONLY] How did they explain lumens?
8. [LIGHTING ONLY] What did they say about EISA or certain kinds of bulbs prohibited selling?
9. [LIGHTING ONLY] Were Simple Steps, Smart Savings discounts mentioned? Prompted or unprompted? If yes, what did they say about it?

**Debriefing (If multiple salespersons, repeat)**

**About the Salesperson**

1. What is your position?
2. How long have you worked for [store name]?
3. Do you normally work in this [appliances/lighting] area?
4. How long have you worked in this [appliances/lighting] area?

**Engagement**

[IF THEY KNOW ABOUT ENERGY STAR]

5. How do you rate the quality of Energy Star [refrigerators/clothes washers/lighting]? [With 5-point scale: 1="very poor" 3="fair" 5="excellent"] Describe why?

[IF THEY KNOW ABOUT ENERGY STAR]

6. How important is it for you to recommend Energy Star [refrigerators/clothes washers/lighting] over standard models to customers? [With 5-point scale: 1="not important at all" 3="moderately important" 5="extremely important"] Describe why?

[IF THEY KNOW ABOUT ENERGY TRUST]

7. How influential are Energy Trust of Oregon rebates for customers when choosing [refrigerators/clothes washers] over models that don't have Energy Trust rebates? [With 5-point scale: 1="not at all influential" 3="moderately influential" 5="extremely influential"] Describe why. [If Lighting] How influential are discounts for qualified lighting products that are part of Simple Steps over products that are not discounted?
8. About what percent of the customers you help who are looking for [refrigerators/clothes washers/lighting] ask about energy efficiency of [refrigerators/clothes washers/lighting]? Is this frequency increasing, decreasing, or staying about the same in the last 2 years?

[IF THEY KNOW ABOUT ENERGY TRUST]

9. About what percent of the customers you help for [refrigerators/clothes washers] ask about Energy Trust incentives for [refrigerators/clothes washers]? Is this frequency increasing, decreasing, or staying about the same over time in the last 2 years?

**Training**

10. Have you received any training on Energy Trust rebates for qualifying Energy Star [refrigerators or clothes washers]? [If lighting:] Have you received any training on qualified, efficient lighting products that are part of the Simple Steps, Smart Savings program? If yes, what do you remember?
11. Did you find the information useful? Why?
12. What would help you sell more Energy Star [refrigerators/clothes washers] that qualify for Energy Trust rebates? [If lighting:] What would help you sell more qualified, efficient lighting products that are part of Simple Steps? [Probe: Training, POP Materials, anything else?]
13. Which marketing materials that Energy Trust provides are most effective and least effective? Why?
14. What are the main barriers you come across in selling Energy Trust rebate-qualifying Energy Star [refrigerators/clothes washers]? [If lighting:] What are the main barriers you come across in selling qualified, efficient lighting products that are part of Simple Steps?
15. What are some strategies that you have learned work to sell Energy Star [refrigerators/clothes washers/] that qualify for Energy Trust rebates? [If lighting:] What are some strategies that you have learned work to sell qualified, efficient lighting products that are part of Simple Steps?

**POP Data Collection Form**

Based on your observation of the department in this store please fill out the following information:

***Energy Trust materials***

Describe the location and type of Energy Trust or Simple Steps POP / promotional material you saw in the store:

**Refrigerators**

<b>Material type (i.e., stickers, video, sign, brochure, etc.)</b>	<b>Location</b>

**Clothes Washers**

<b>Material type (i.e., stickers, video, sign, brochure, etc.)</b>	<b>Location</b>

**Lighting/Showerheads**

Material type ( <i>i.e., stickers, video, sign, brochure, etc.</i> )	Location

***Other energy-related signage***

Describe the location and type of any promotional materials related to energy efficiency you saw (*do not include Energy Guide, Energy Trust, or Simple Steps material*):

**Refrigerators**

Material type	Sponsoring organization ( <i>i.e., ENERGY STAR, manufacturer</i> )	Location

**Clothes Washers**

<b>Material type</b>	<b>Sponsoring organization (i.e., ENERGY STAR, manufacturer)</b>	<b>Location</b>

**Lighting/Showerheads**

<b>Material type</b>	<b>Sponsoring organization (i.e., ENERGY STAR, manufacturer)</b>	<b>Location</b>



# I. Ride Along Observation Guide

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## I.1. Store Visit Observation

*Research Into Action Staff will complete the questions in this section for each store visit.*

- S1. Date of visit:
- S2. Store Name:
- S3. Store Address:
- S4. Arrival Time:
- S5. Departure Time:

### I.1.1. Interaction with Retail Staff

*Research Into Action staff will complete this section for each interaction between the FS rep and retail staff observed – multiple interactions may occur during a single store visit.*

- Q1. Time interaction began:
- Q2. Retail staff member name:
- Q3. Retail staff member title:
- Q4. Department in which retail staff member primarily works:
- Q5. Did store staff demonstrate familiarity with the FS rep? If so, describe:
  
- Q6. What did the FS rep do to educate store staff about the program?
  
- Q7. Did store staff demonstrate prior knowledge of the program? If so, describe:
  
- Q8. What did FS rep do to educate store staff about energy efficiency generally?



- Q9. How, if at all, did store staff demonstrate engagement with the information the FS rep provided? Describe:
- Q10. What questions, if any, did store staff ask the FS rep?
- Q11. How did the FS rep respond to the store staff members' questions?
- Q12. Did store staff demonstrate resistance to FS rep activities? If so, describe:
- Q13. Other comments on interaction:
- Q14. Time interaction ended:

#### POP Verification and Placement

- Q15. Type(s) of POP:
- Q16. Time FS rep began verifying/placing POP:
- Q17. Number and type of products missing POP:
- Q18. Number and type of products with incorrect POP:

Q19. Other problems with POP encountered (e.g. damaged POP) – Note POP type:

Q20. Challenges encountered in placing/verifying POP – Note POP type:

Q21. Which, if any, qualified products were out of stock? [Photograph shelf tag or record brand and product type, e.g. Phillips 13 W twister CFL]

Q22. Time FS rep finished verifying/placing POP:

### Field Services Staff Questions: Ask After Each Visit

Q23. *How, if at all, was your experience in that store different from a typical store visit?*

Q24. *How, if at all, was that store different from others in the same chain?*

Q25. *[If not clear from interaction:] Had you interacted with those staff members before?*

Q26. *What changes did you notice in the [lighting/appliance] department since your last visit?*

Q27. *How has the [lighting/appliance] department changed since you first started visiting that store?*

*Field Services Staff Questions: Ask Once During the Course of the Day*

Q28. How long have you worked as a FS rep?

Q29. How long have you been placing POP for the [Simple Steps Smart Savings/Energy Trust Products Program]?

Q30. In the past year, how many times have you been to the stores we are visiting today? Do you typically visit the same stores?

[Probe for differences by store type – big box vs. smaller stores]

Q31. Have you been to all the stores we are visiting roughly the same number of times?

[If not, probe for number of visits to each store.]

Q32. Other than types of interactions you've had today, do you provide retail sales staff with any other type of training or information about the program and energy efficiency?

Q33. [If Q32=Yes] What do you do? Please describe the training and information you provide.

Q34. [If Q32=Yes, for each type of training described in Q33] How frequently do you conduct that type of training at a typical store?

[Probe for differences by store type – big box vs. smaller stores]

Q35. If Q35=Yes, for each type of training described in Q33] When you provide that type of training, how many retail staff members typically participate?

[Probe for differences by store type – big box vs. smaller stores]

Q36. If Q32=Yes, for each type of training described in Q33] How, if at all, do you coordinate those trainings in advance?

Q37. Do you get the sense from your interaction with store staff that they use the information you give them?

[PROBE: What gives you that impression?]

Q38. What are the most common questions store staff ask you about [Simple Steps Smart Savings/the Energy Trust Products Program]?

Q39. What questions have come up that were difficult for you to answer?

Q40. Of all the program's efforts to promote efficient [appliances/lighting products], which do you think are the most effective? [PROBE: Why do you say that?]

Q41. What feedback, if any, have you gotten from store staff about these visits and/or field services? Probe for suggestions, compliments, complaints, etc.

[Probe for differences by store type – big box vs. smaller stores]

Q42. If you could change anything to make your work more effective, what would it be?

[PROBE: Why do you say that?]

Q43. What other opportunities do you see for Energy Trust to work with retailers to promote efficient [appliances/lighting products]?