

Top Ways to Promote Web Self-Service Energy Efficiency Applications

Becky Williamson, Memphis Light, Gas and Water, Memphis, TN

Abstract

Simply placing energy tools on a utility website will not draw customers—particularly return users—unless tools are interfaced with more desirable features to drive customer adoption, as Memphis Light, Gas and Water (MLGW) discovered over the last six years. When the right combination of web applications are launched and aggressively promoted, customer usage can exceed all expectations. One year after the launch of a comprehensive My Account feature, 22% of MLGW’s residential customers have created UserIDs. Promotions have focused on residential customers at this point, to capitalize on the full variety of interactive features available to analyze household energy use. (All customer segments can access the electronic bill presentment and payment features; business bill analysis tools are slated to launch in mid-2009.) The marketing campaign focused heavily on low-cost and no-cost promotions: tailgate billboards on utility trucks, presentations to civic and neighborhood groups, posters at community offices, email footers and successful media relations. The most effective promotion is a partnership with the Tennessee Valley Authority (TVA), MLGW’s electric supplier, to maximize an existing residential energy efficiency campaign. TVA agreed to provide free energy efficiency kits to MLGW customers who completed specific portions of the My Account application, as well as those who qualified through TVA’s website or printed offers. This collaboration has driven not only new registration but also increased the depth of usage, as customers must complete a level two energy analysis (a basic energy audit) to qualify. In just 10 months, more than 2% of customers qualified.

Introduction

Utility web applications succeed when they are functional, informative—and adopted by the desired audiences. MLGW developed its website in the late-1990s, using a standard brochure-ware format common with utilities at that time. Customers accessing the website, www.mlgw.com, could find contact information, payment locations and generic energy efficiency information, but they could not interact with the utility through the website or obtain account-specific data. This began to change in 2002, when MLGW added numerous interactive tools, enabling residential and small- to mid-size business customers to access energy audits, calculators, libraries and benchmarking tools online. Also at this time, MLGW added self-service request forms that enabled users to enter details for service connection, transfer and disconnection via the website, although manual processes were still required for back-office functions.

First-time user traffic grew at a modest rate, but users failed to return (**Figure 1**). Web usage goals, even with low targets of 8,000 unique users (just 2% of the customer population), were consistently missed. Despite having strong energy applications and interactive resources, MLGW’s website did not have the functions customers desired most: specific account information, electronic billing, no-cost electronic payment options and more detailed energy information.

**Home Energy Center, Business Energy Center & Business Energy Advisor Web Users,
BEFORE MY ACCOUNT
Goal: 8,000 users annually**

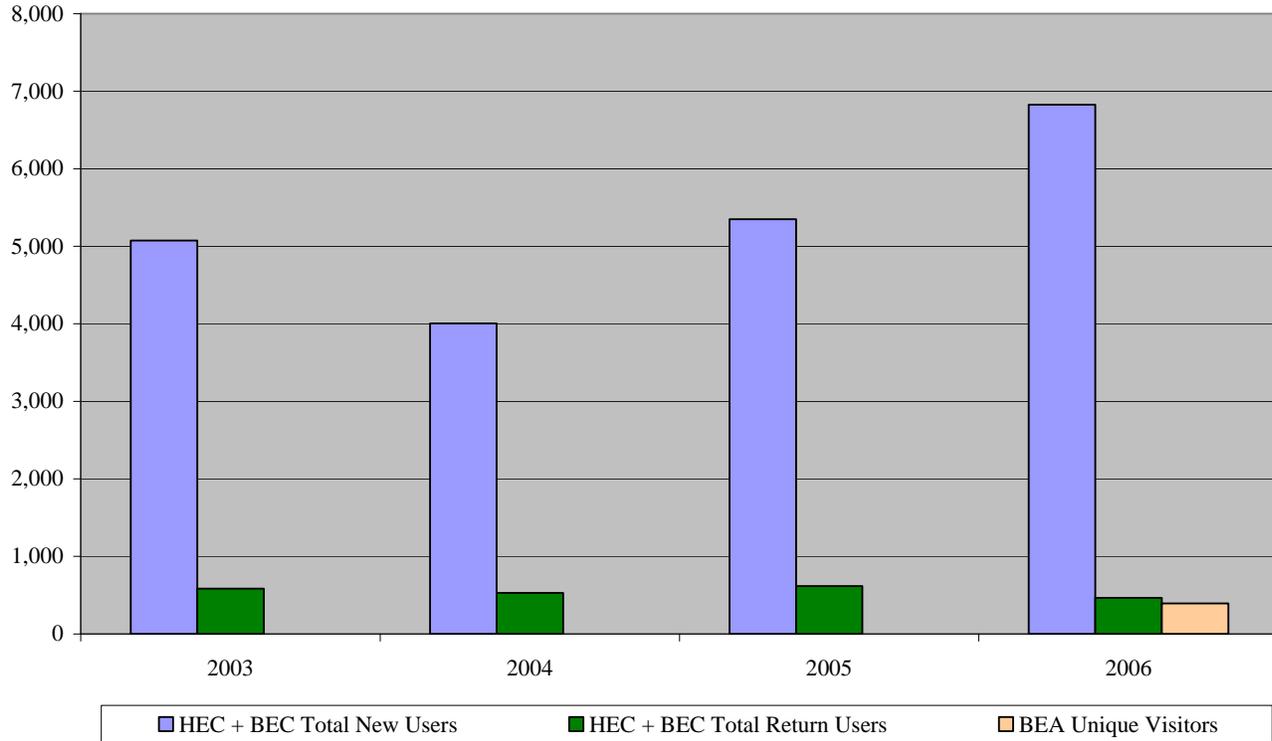


Figure 1. Annual new and return user statistics, prior to My Account launch

In 2003, the utility explored adding new interactive features to the website, only to face two years of denied budget requests as MLGW focused on operating cost control to delay a rate increase. (Most of MLGW’s web applications are hosted by application service providers.) In 2005, budget was approved, but the project stalled due to lack of a user authentication module for secured login. In 2006, representatives from marketing, customer service, information technology, billing, cashiering and communications united to explore electronic bill presentation and payment (EBPP) features that would interface with existing and expanded energy tools. Assembled under the My Account umbrella, these services enabled residential customers to login to access a “dashboard” that consolidated account details—how much was owed, when the bill was due, why the bill had changed, how the home used energy and how the home compared to others. From this comprehensive dashboard, customers could view and pay their bill, check past payments, answer basic questions about their home, conduct a more detailed energy audit and receive recommendations for energy-saving improvements. Through the login process, the customer’s account information was imported into the energy applications, eliminating the need to either find their old bills and enter data or use default data.

My Account launched in two phases—an August 2007 early launch of the interactive energy tools with billing data (to capitalize on summer high bill season) and a November launch with full EBPP capabilities.

It should be noted that MLGW took a unique approach by allowing every customer to utilize the My Account tools, whether or not they chose to enroll in paperless eBilling. Customers who enroll in eBilling, however, receive the added option of paying electronically from a bank account with no added fee and can establish payment reminders.

Creating Awareness to Drive Customer Adoption

People are bombarded with hundreds of messages each day, all competing to capture attention and drive some action desired by the messenger. Often, utility messages are lost in the noise, unless they offer compelling reasons for customers to act. My Account proved quite compelling, attracting more than 85,060 users in its first year, including 29,467 accounts enrolled in optional paperless eBilling. The web service launch included internal and external promotional channels to announce availability and encourage customer registration.

Internal employee awareness efforts

Employees play a vital role in educating customers about new services, but they can only succeed if they are educated themselves. Throughout the My Account development process, the project team updated affected workgroups to brainstorm, answer questions, fine-tune processes, customize web content and generate excitement. Employees were encouraged to register for My Account during the August launch, to become familiar with the tool so they could recommend it to customers. Prior to the November launch, with full EBPP functionality, MLGW conducted an internal soft launch to spur employee adoption. All employees who registered prior to the public launch were entered into drawings to win \$100 gift cards. Employee newsletters, internal television monitors and other channels were used to notify and encourage employee participation—although the results were less than expected.

Customer awareness campaign

A full-scale marketing and communications plan was developed to maximize customer registration. Like most municipal utilities, advertising dollars are scarce, so promotions relied almost exclusively on free opportunities.

Media coverage. MLGW hosted a demonstration of the My Account application for local print and broadcast media in August, inviting representatives to our office to learn about the tools and then login at laptop stations to see for themselves. In addition to providing an energy efficiency training opportunity for reporters, the event attracted every local news station and the daily newspaper, resulting in evening news coverage on all channels late-week and a front-page, above-the-fold article in the newspaper that weekend. A few months later, when EBPP was added to My Account, the newspaper again published a front-page article touting the new feature, with background details about the bill analysis tools. Daily tracking of registration volume proved this to be an extremely effective promotion, as initial numbers peaked in the days following media coverage.

Utility bill inserts. The staple of utility communications, MLGW's *Customer Connections* bill insert has been a key component of the customer awareness campaign. Initially used to announce the benefits of the new My Account service, the bill insert now provides frequent updates on customer adoption rates as a means to encourage other customers to participate, too.

Truck tailgate billboards. Realizing that MLGW vehicles are rolling billboards traveling every road and neighborhood in the service territory, MLGW designed tailgate-size stickers applied to the back of 200 high mileage pick-up trucks in the fleet (**Figure 2**). At a cost of \$24 per sticker, plus installation, the low-cost promotion enables MLGW to take the message to the street, every day.



Figure 2. Tailgate billboards promoting expanded web services, including the paperless eBilling option.

Community office posters and flyers. Thousands of customers visit MLGW’s five community offices each month to make payments, meet with credit counselors and conduct other business. Posters promoting My Account are prominently displayed at the community offices, where flyers also are distributed to remind customers to register.

Presentations to civic clubs and other groups. With rising utility costs on everyone’s mind, MLGW has seen an increase in requests for speakers, making My Account a timely topic. If the group’s interest is specific, such as green power or outdoor lighting, then the presentation will conclude with an advertisement slide at the end to promote My Account.

Community events and trade shows. MLGW shares information about the My Account web service to attendees at the annual homebuilder’s association trade show, festivals and other events that target residential customers. Special flyers and postcards are distributed and, when Internet access is available, live demonstrations are given.

Footers appended to outgoing emails. Every email sent from MLGW’s email system includes an automatically appended footer announcing the availability of My Account and eBilling. This simple text, directed to the target group of Internet accessible customers, is an easy, zero-cost promotion that can be updated with little effort.

Blog. MLGW launched a blog in early 2008, which has proven to be a great way to provide updates and teasers to web-connected customers who, by virtue of going to the blog, are either interested in energy issues or interested in monitoring the utility’s activities.

Personal referrals. There is nothing as simple and low-cost as positive word-of-mouth advertising. In analyzing new registrations, MLGW recognized the impact of word-of mouth advertising when we started noticing trends among customers providing email addresses within the same company or organization. In addition, surveys of My Account users revealed that 58% have recommended My Account to others.

Free energy kit collaboration with TVA

In addition to general internal and external promotions to generate awareness about My Account, MLGW partnered with TVA, its electric supplier, to offer free energy efficiency kits to qualified customers. Originally, the TVA promotion was available only to customers who completed an energy audit either at TVA's website or using a TVA printed audit form. Since this approach was counter-productive to MLGW's efforts to drive usage of the personalized My Account web service, the parties agreed that customers who completed a level two energy analysis within My Account would also qualify for the TVA kit. At the end of each month, MLGW's vendor scans the application's database to identify qualified customers and sends contact information on those customers to TVA, whose vendor mails the kits directly to customers. (The kits contain two compact fluorescent bulbs, electric outlet insulating gaskets, faucet aerators, room thermometer, hot water gauge and other items.) During the first 10 months of the promotion, more than 8,000 MLGW customers qualified through My Account and received their free kit, with another 2,000 or so qualifying through TVA's direct channels. MLGW expects to have more than 12,000 customers qualify in 2008, representing 3% of its residential customer base.

Since TVA's print and broadcast advertising refers customers to the TVA website or "your local power company," the ads prompted customers to contact MLGW to learn more or find details on the MLGW website. This triggered the need for MLGW to incorporate the free energy kit into its promotions, too. In addition to MLGW's ongoing My Account promotions, MLGW developed numerous channels to pitch the free energy kit offer, which has been so successful the campaign has been extended through December 2009.

Media coverage. Building on the goodwill already established, along with rising energy prices, television stations were receptive to coverage of the energy kit offer. In April, an MLGW communications representative made the rounds of morning news shows, kit in hand, to discuss the promotion and educate viewers about energy efficiency. Late August brought another news program opportunity, when the local library channel provided a one-hour interview with MLGW about energy efficiency, hosted by a member of the Memphis City Council. These proved effective low-cost promotions, as user qualification rose in the weeks following each broadcast.

Personal referrals. Word of mouth remains a highly effective promotional tool. Many customers have reported that they qualified for the free energy kit and then told family, neighbors, coworkers and church members about the opportunity.

Email content. An easy, nearly automatic channel incorporated text about the energy kit promotion into emails sent to My Account users. Information about the promotion is included in emails regarding forgotten UserIDs, new bill availability and registration confirmation.

Application content. Instructions about the energy kit promotion were integrated into the My Account application, including a paragraph that updates as customers complete each step and confirms when they have met the requirements.

Data mining for partial completes. When the vendor sends the monthly qualified customer list to TVA, a copy is sent to MLGW along with a list of customers who stopped after the first step. MLGW contacts these customers to congratulate them on their energy-saving efforts and inform them that one more step is required to receive the free kit. This approach minimizes the number of disappointed customers who await delivery of an energy kit for which they have not yet fully qualified.

Achieving Customer Adoption and Return Usage

MLGW’s first year goal for My Account was a lofty 50,000 UserIDs—a level that was surpassed within five months, on the way to achieving 85,000 registered during year one. This represents 22% of MLGW’s residential customers, a remarkable feat given the extremely low levels of customer usage in the early days of energy tools on the website.

Today, more than 30,000 return users login each month, landing on the dashboard page that highlights changes in their bills, illustrates the monthly breakdown of energy costs and benchmarks their home to similar homes (**Figure 3**). Even one-year after the launch, a minimum of 5,000 new users register each month, compared to the 5,300-user annual average achieved prior to integrating the energy tools into My Account. Figure 3 also illustrates customer response during the August-October 2007 period, when a portion of My Account features were available but before electronic payment and presentment debuted. This data reinforces the theory that EBPP is the driving factor for utility web traffic.

Impact of My Account on Energy Tool Usage

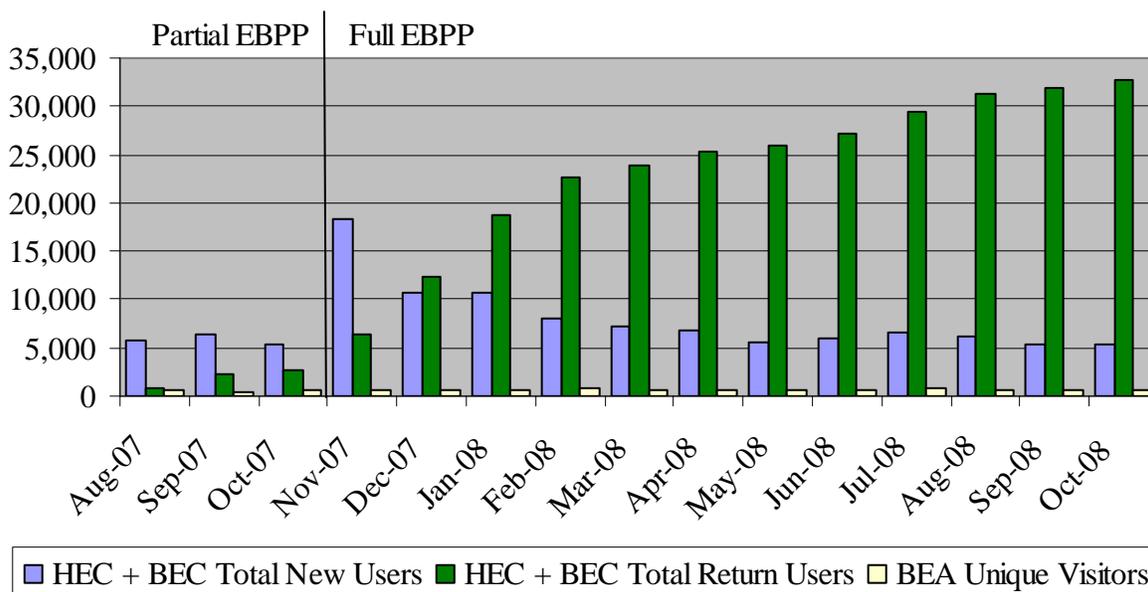


Figure 3. Compared to earlier usage statistics shown in Figure 1, the implementation of My Account indicates that users are registering at high rates, and returning frequently.

Another trend noticed among My Account users is the increased depth of analysis customers are completing. Through October 2008, more than 2% of customers had completed a level two energy audit (as required for the free kit), a 10-fold increase from previous years (**Table 1**).

Table 1. Percentage of Residential Customers Completing Audits, by Level and Year

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 (as of 10/31/08) |
|---------------|------|------|------|------|------|-----------------------|
| Level 1 audit | 0.6% | 0.4% | 0.6% | 0.5% | 0.3% | 4.0% |
| Level 2 audit | 0.3% | 0.2% | 0.3% | 0.2% | 0.2% | 2.3% |

| | | | | | | |
|---------------|------|-------|-------|-------|-------|------|
| Level 3 audit | 0.1% | 0.02% | 0.02% | 0.02% | 0.01% | 0.4% |
|---------------|------|-------|-------|-------|-------|------|

Measuring Customer Satisfaction and Energy Efficiency Actions

In September, MLGW and TVA collaborated on a customer survey to determine what energy-saving measures customers had undertaken since completing the web-based audit. A sample of 2,143 customers completing the level two audit between 1/1/2008 and 6/30/2008 was obtained. SRBI, a market research company, conducted the web-based survey completed by 494 users.

The findings indicated that 75% made changes based on the report provided online. Nearly all (98%) of these customers took at least one action related to heating and cooling, ranging from changing thermostat settings to clearing vent obstructions and using ceiling fans. Some 85% of respondents reported changes in water heater or water usage, including fixing leaks (59%) and turning down the water heater thermostat (45%). Ninety-eight percent also reported taking steps to reduce lighting use, including turning off unnecessary lights (96%) and installing compact fluorescent bulbs (84%).

Given the short time span between web-audit completion and the survey, these low-cost and no-cost actions were to be expected. As time passes and the survey is repeated, we anticipate more customers will have replaced furnaces, air conditioners, water heaters and appliances with energy-efficient models, improved insulation levels or performed other higher-cost energy measures.

More than half (56%) of respondents indicated they were very likely, with another 27% somewhat likely, to return to My Account to monitor energy usage. The web tools were perceived as very valuable by 54% of respondents, with another 37% answering moderately valuable.

Conclusion

MLGW assembled an effective mix of account-specific residential web services under the My Account umbrella, to the satisfaction of customers who not only register initially but also return to gain the most value. Multi-channel marketing efforts ensure that the MLGW My Account web service is promoted consistently to attract new users and encourage existing users to return.

References

Jackson, Carla. 2008. *MLGW Home eValuation Energy Audit Survey*, Fort Myers, Fla: SRBI.