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LEARN. CONNECT. EXPERIENCE.

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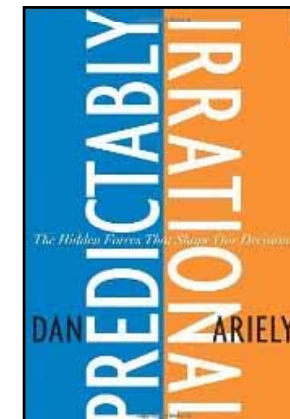
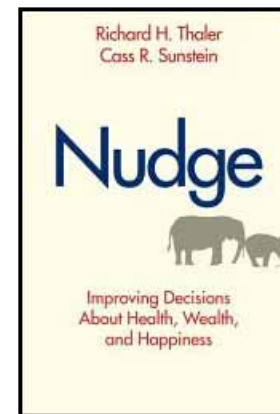
# **Nudging Homeowners to Action**

**Scott Case, VP Product Management  
EnergySavvy.com**

**October 2010**

# Social Psych Meets Online Marketing

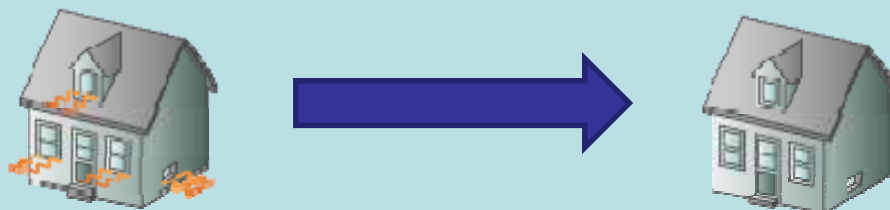
- Behavioral Economics
- Data-Driven Message Optimization



# ...Meets Home Energy Efficiency

## The Challenge

Drive demand for multi-measure, whole-home performance energy retrofits.



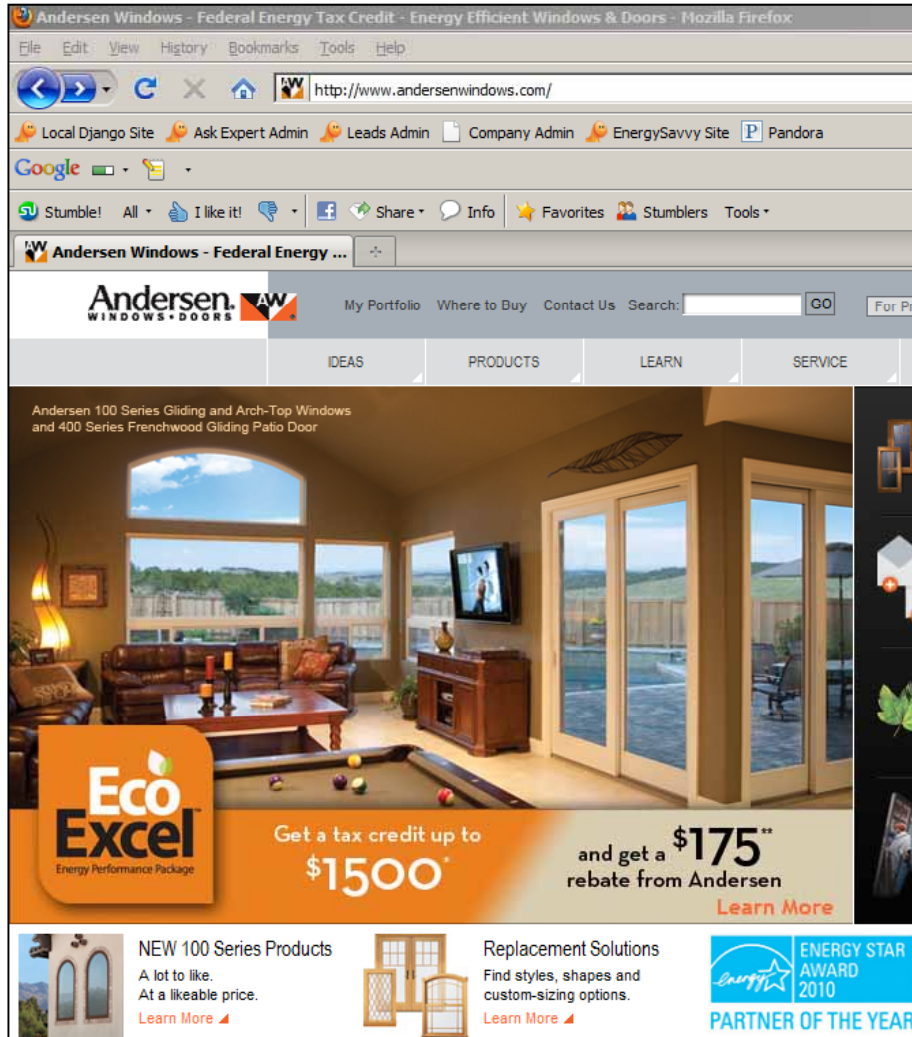
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## Sharing What We've Learned

1. People don't know what to ask for.
2. Choose your wording carefully.
3. Use irrational decision-making to your advantage.

**1. People don't know what to ask for.**

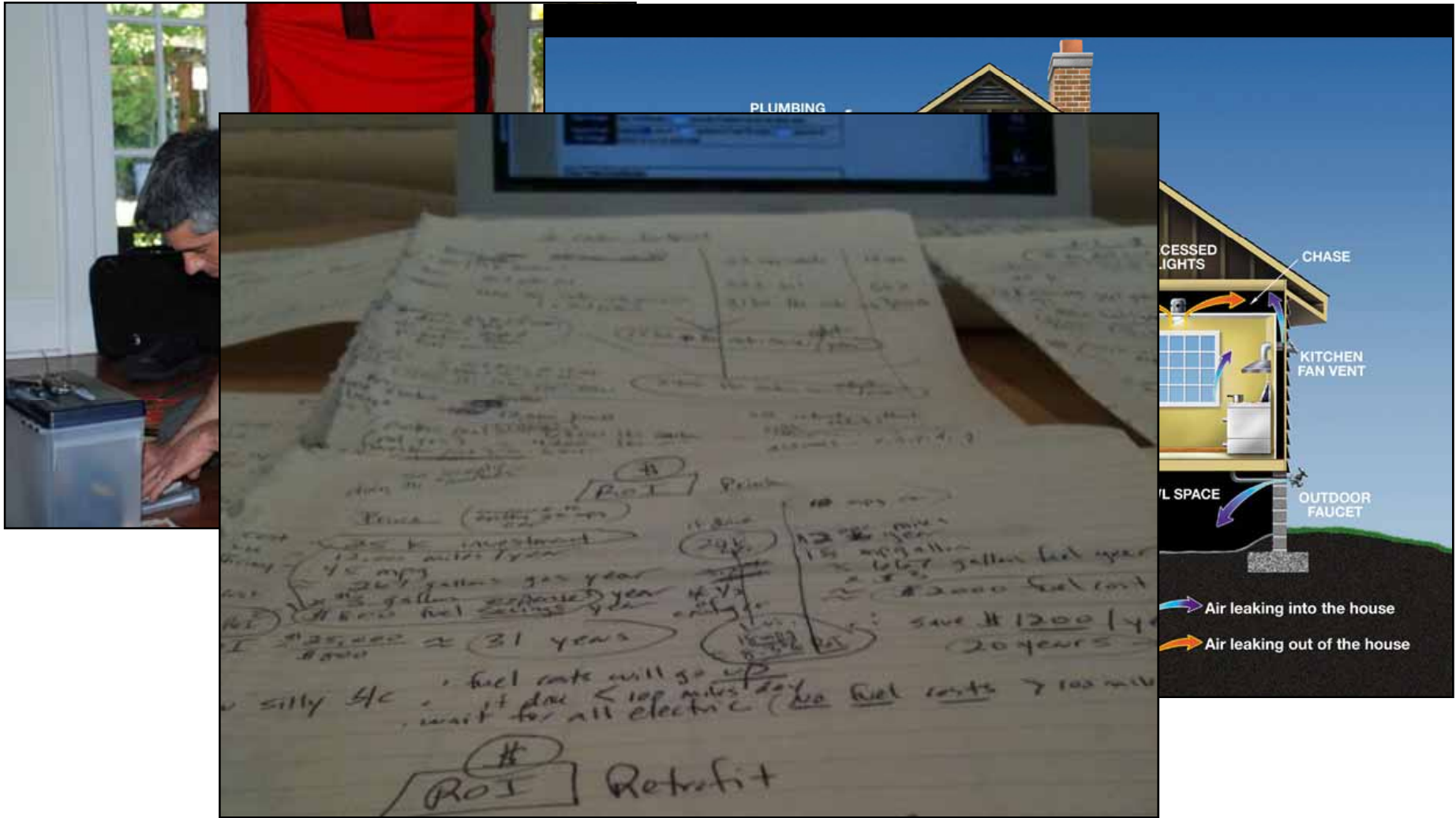
# What they're asking for.



The screenshot shows the Andersen Windows website in a Mozilla Firefox browser. The address bar displays <http://www.andersenwindows.com/>. The website header includes the Andersen Windows logo and navigation links: My Portfolio, Where to Buy, Contact Us, and a search bar. Below the header are tabs for IDEAS, PRODUCTS, LEARN, and SERVICE. The main content area features a large image of a living room with Andersen windows and doors. A prominent orange banner at the bottom of this image reads: "Eco Excel Energy Performance Package. Get a tax credit up to \$1500 and get a \$175\*\* rebate from Andersen. Learn More". Below the main image are three smaller promotional boxes: "NEW 100 Series Products", "Replacement Solutions", and "ENERGY STAR AWARD 2010 PARTNER OF THE YEAR".



# What we're talking about.





# Don't fight it. Instead...

- Bait and switch.



- Use choice architecture.

	A	B	A+B
Costs You	\$5,000	\$1,000	\$5,000
Saves You	\$100	\$200	\$300

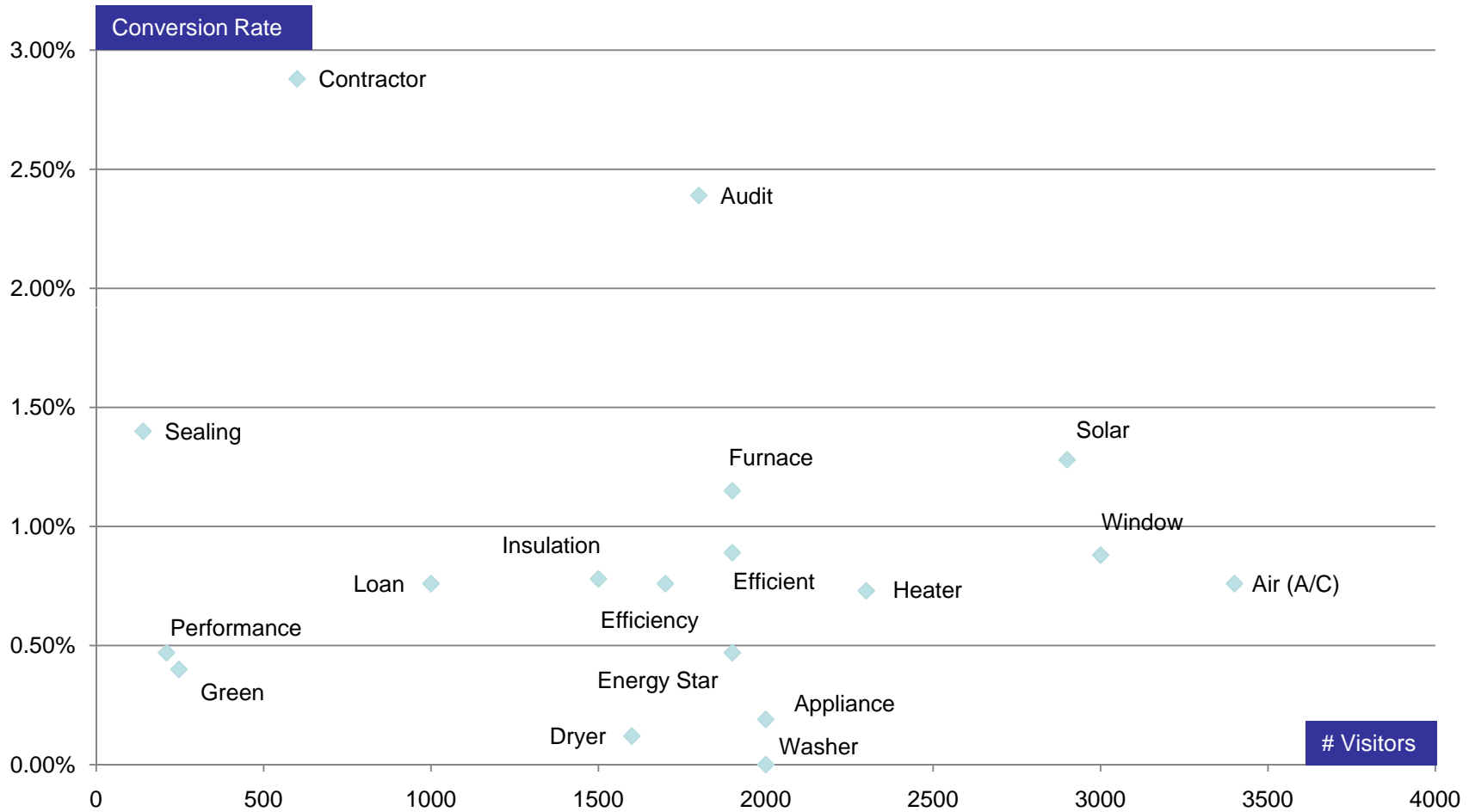
**2. Choose your wording carefully.**

# What People Say vs. What People Do

- Natural search
- EE site data
- Volume vs. follow-through



# Terms That Work and Don't Work



EnergySavvy.com - March to September - 50k sample - 37k keywords

# Data Analysis

<b>High Volume</b>	<b>No Action</b>	<b>Questionable Stats</b>
Solar Windows A/C Rebate - not shown Tax Credit - not shown	Green (Home) Performance (Air) Sealing Carbon - not shown	Contractor Audit

**3. Use irrational decision-making to your advantage.**

# A Grab Bag of Behavioral Economics

1. Waste vs. Savings (Endowment Effect)
2. Carbon Offsets vs. Taxes (Framing)
3. Taking Reservations

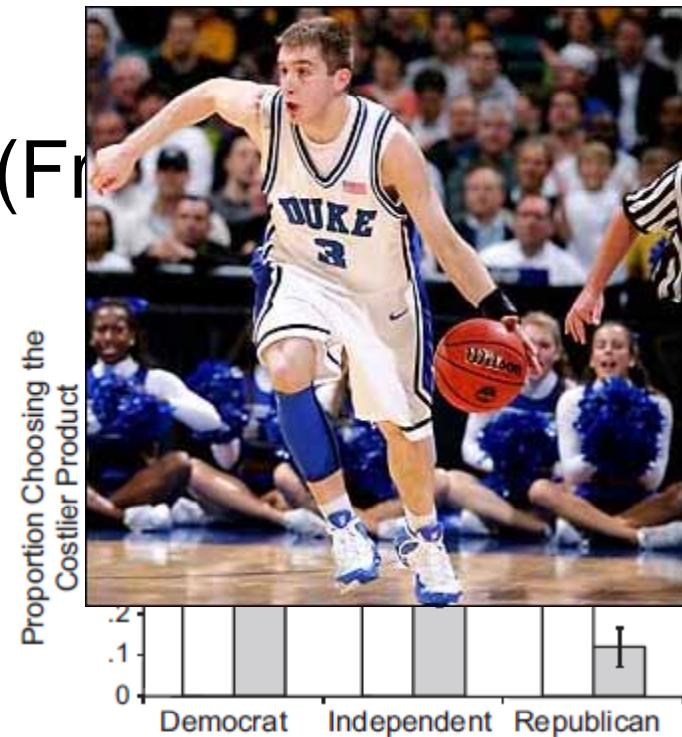


Fig. 1. Proportion of Democrats, Independents, and Republicans who chose the more expensive product, averaged across products, in the offset and tax attribute-framing conditions in Study 1. Error bars represent  $\pm 1$  SE.



**EnergySavvy.com**

**Scott Case, VP Product Management**  
**scott@energysavvy.com**





# **21st National Conference & Expo**

**January 17-20, 2011 • Hilton Walt Disney Resort**

