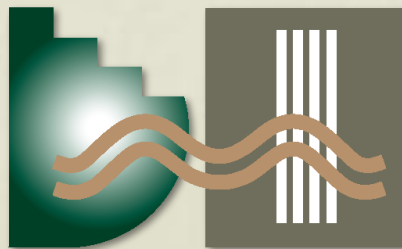


# Messaging for Utilities

Renewable Energy Markets Conference  
October 2010



DATA MARKETING INC.

# Data Marketing Inc.

- Founded in 1976
- Located in Silicon Valley
- Creates and administers direct market campaigns across US and Canada
- Verticals include green energy, government, financial, retail, and non-profit organizations



Data Marketing, Inc.  
160 East Virginia St #100  
San Jose, CA 95112  
408.275.8300  
[www.datamarketing.com](http://www.datamarketing.com)

# Our Approach to Direct Marketing



# Messaging for Utilities

- Knowing Your Customers
- Capturing Customer Information
- What We've Done
- What We've Learned
- Response Analysis



# Knowing your Customers

- Relationship Between the Utility and the Customer
  - Trust and Transparency



# Knowing your Customers

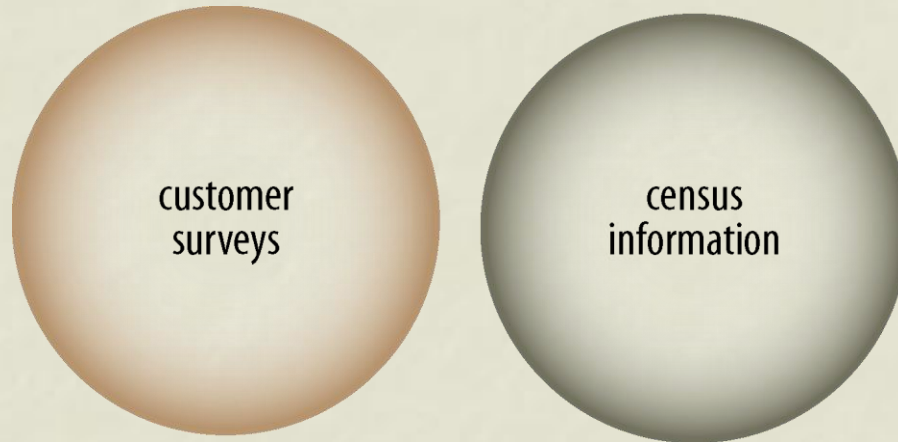
- Cost Sensitivity
  - Purchasing Power, Ability/Willingness to Pay Extra



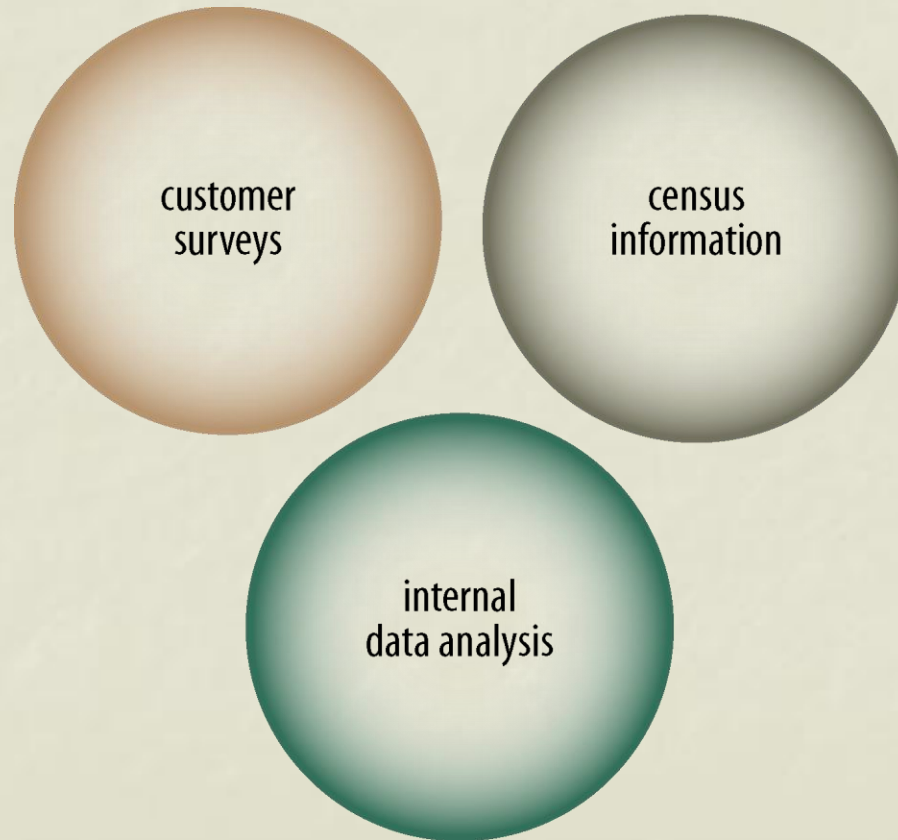
# Capturing Customer Information



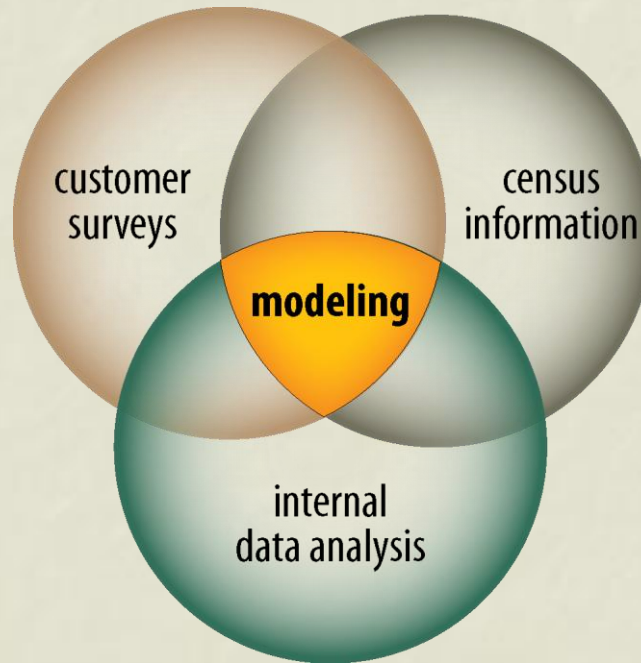
# Capturing Customer Information



# Capturing Customer Information



# Capturing Customer Information



*Modeling helps to identify best customer targets and identify displayed behaviors to craft a relevant message*

# What We've Done

- Generated 28 separate participation models across 6 states
- Applied to 23 separate direct mail campaigns
- Selected 1,000,000 of the most likely respondents
- **Result = 12,500+ new green energy buyers**
- Each of the 28 models are:
  - *generally unique to the utility*
  - *specifically unique to the campaign*

# What We've Learned

## *Similarities*

- Three main census variables:
  - Education
  - Age
  - Children



# What We've Learned

## *Similarities*

- Key selection variables for household-specific data
  - Home/Property ownership
  - Non-apartment residence



# What We've Learned

## *Differences*

- One small utility's model showed that smaller households were more likely participants
- A West Coast utility's model showed that participation was correlated with donations to a low income program
- A State-Wide Utility's model showed that lower usage indicated a higher likelihood of participation

# Response Analysis

- Measure Results
- Validate/Invalidate Methods
- Update and Enhance Modeling

	Total Mailed:	100,000	Device	Responses	DMI Match	Percent
			BRC	697	509	73.03%
	Prospects Mailed:	90,006	Bill Insert	430	134	31.16%
			Email	252	156	61.90%
	Total DMI Responses:	1,166	Incoming Call	983	501	50.97%
			Outbound	2	0	0.00%
	Total DMI Response Rate:	1.30%	Other/Unknown	1	0	0.00%
			<b>Total</b>	<b>2365</b>	<b>1300</b>	<b>54.97%</b>

# Aligning Your Message

- Recognize and incorporate similarities
- Direct your appeal to a specific modeled segment
- Be aware of your local issues, politics, weather
- Use response information to track results

*“... data driven marketing reduces cost, increases effectiveness, and has environmental benefits.”*

Jim Burke, SMUD