



**FAKTORY**

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CLIENT

Dominion Energy

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DATE

09.21.2022

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# **ThermWise Market Transformation Strategic Marketing Plan**



# Preface

## WHO IS FAKTORY?

Founded in 2005, Faktory is a 360-degree marketing, advertising, and public relations agency headquartered in Centerville, Utah. Since then, we have been helping some of the region's most respected organizations market and advertise. These organizations include Intermountain Healthcare, WCF Insurance, Cyprus Credit Union, Ken Garff Automotive, the Utah Jazz, RC Willey, and of course, the Dominion Energy ThermWise campaign.

Faktory employs industry best practices when it comes to marketing and advertising for ThermWise. These include utilizing all available data and analytics in our media planning, buying, measuring, and optimizing. They include producing emotionally compelling creative that is powerful and action-invoking while still delivering a clear, direct message. We partner with Lighthouse Research, a skilled and respected research firm, to benchmark and improve our campaigns each year. And, because we know rate payer dollars are sacred, we demand (and receive) an average of 30% real added value from our media partners.

The marketing plan reflects those best practices. It is our recommendation on how to help Dominion Energy consumers conserve natural gas and reap the benefits of doing so.



# Research Summary

## **THERM FOCUS GROUPS**

In 2022, the Energy Efficiency group and ThermWise advisory committee expressed a need to better understand sentiment surrounding its spokesperson, Therm, and explore characteristics to consider when looking for a new spokesperson.

Two focus groups were conducted in May/June 2022 with a general population audience. Participants were required to live in Utah and own their own home. There was a mix of participants who were long-time residents, and others who were new to Utah. Questions were developed to identify Therm as a spokesperson, explore thoughts on adding a new spokesperson to the campaign, and measure the consumer sentiment towards ThermWise having no spokesperson and its impact on the overall feel of the brand.

## **THERM FOCUS GROUP KEY LEARNINGS**

- Sentiment toward Therm was neutral to positive, with only one participant voting he should be kept and the remaining indicating it does not matter either way
- Having the same campaign for years can have a positive impact on the brand, but the impact is less from the spokesperson and more from the message
- Desired characteristics of a ThermWise spokesperson include: Humor, emotion, professional, homeowner age, and male
- Therm is recognized but ultimately not a contributing influence on consumer behavior

## **RECOMMENDATIONS**

In efforts to future-proof the campaign, it is Faktory's recommendation that considerations be made to phase out Therm as a spokesperson. For the 2023 campaign, he may be used as a media spokesperson but will not appear in mass marketing elements of the campaign. Moving forward, we may explore bringing on a new spokesperson. More discussion and research is needed to understand the campaign needs, and ensure investment in a new spokesperson is worth the return.



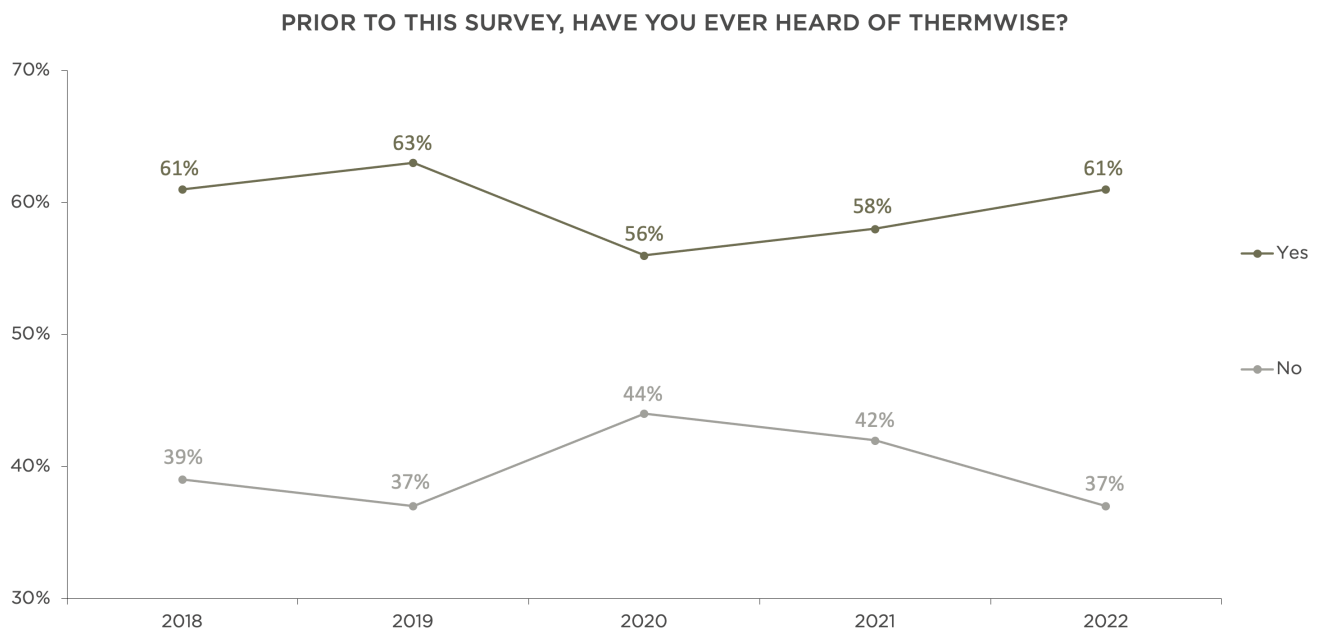
# Lighthouse Research

Every year, as is best practice for the marketing industry, a benchmarking survey is done by an independent firm, Lighthouse Research, to understand key metrics of performance. This survey is important for providing key insights that may inform each year's efforts and in ensuring ratepayer money is spent efficiently and effectively. This research can help us to shift strategy to address consumer thinking. It also helps us understand where our media is best placed, gauging attitudes and awareness of various audiences.

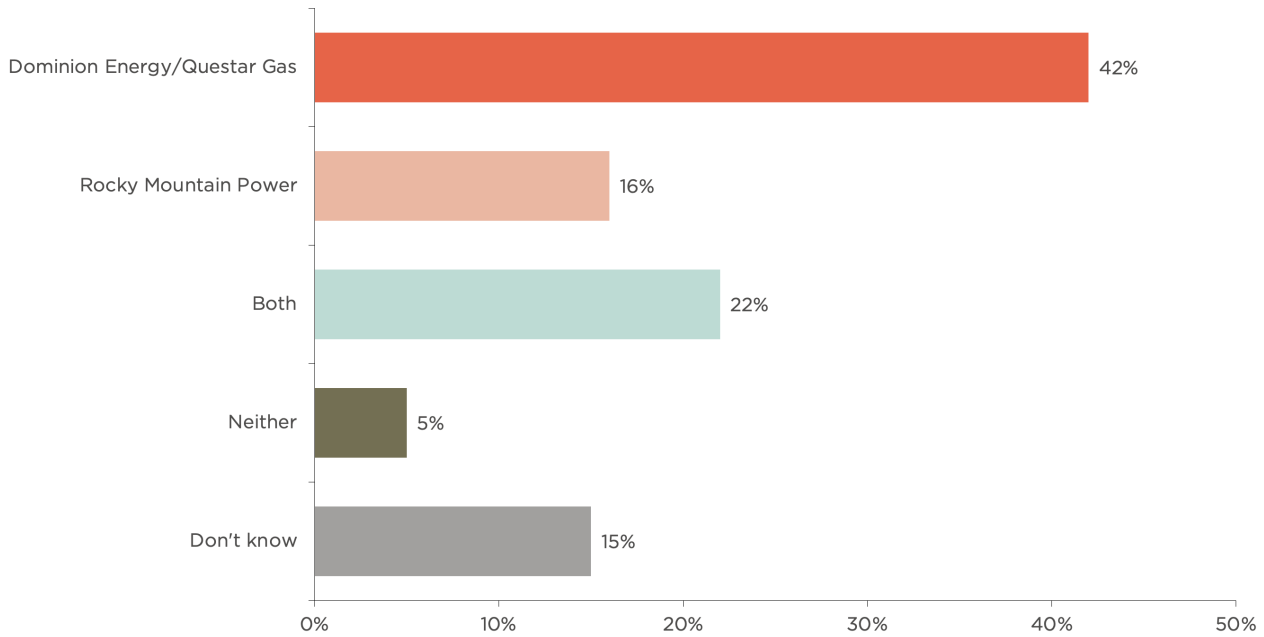
## KEY RESEARCH FINDINGS

- ThermWise continues to be highly recognized with 61% general public awareness. There is a growing trend of those who are not familiar with Dominion Energy's connection to ThermWise, particularly with younger demographics
- 67% of respondents indicated that saving money is top of mind when it comes to conserving energy
- 89% feel it is somewhat to very important for utilities to offer programs that help to conserve energy
- Following utility bills, TV, online advertising, and radio continue to lead in how people find out about ThermWise. The majority of respondents prefer to seek information online

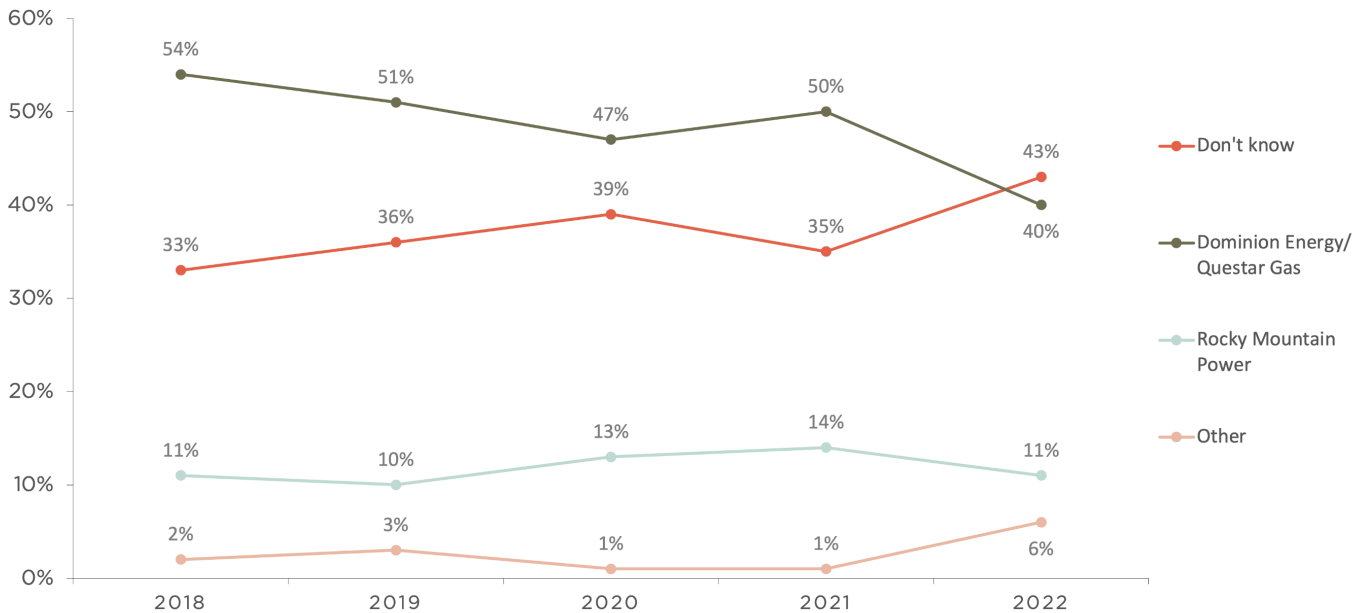
## THERMWISE AWARENESS



**WHO OFFERS THIS IN-HOME SERVICE?  
2022 Respondents**



**WHO IS THE SPONSOR OF THERMWISE?**



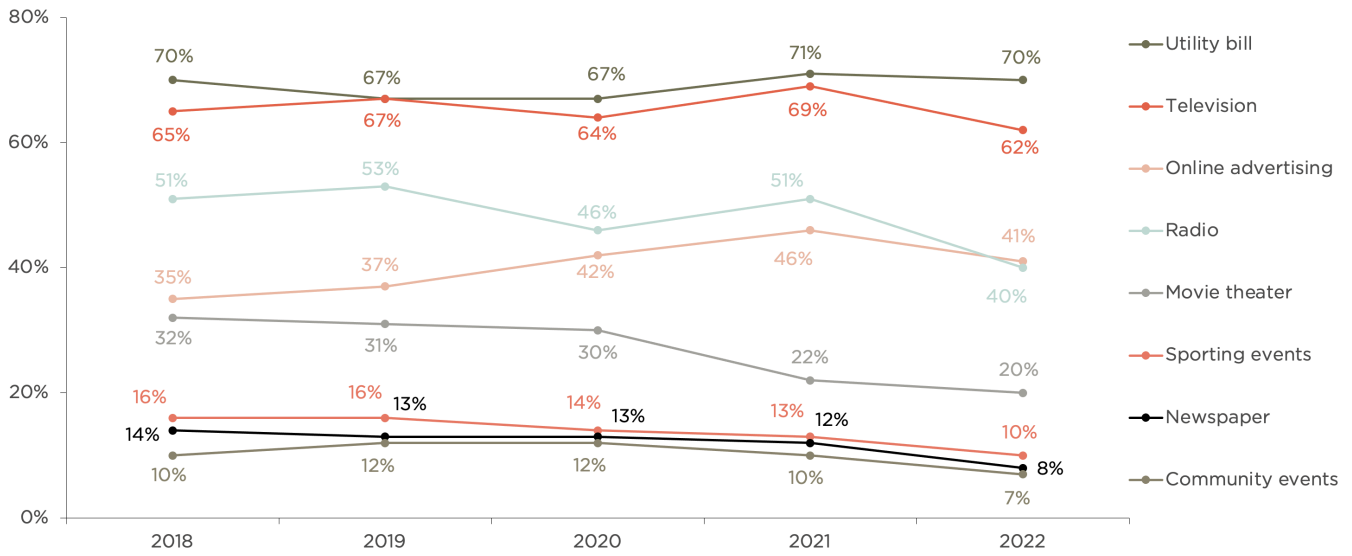
**Responses varied significantly overall by year.**  
 ↓ 2022 were less likely than 2018, 2019, and 2021 to identify "Dominion Energy/Questar Gas."  
 ↑ 2022 were more likely than 2018 to say "don't know."

Although general awareness of the program remains high, there is a growing trend of those not as familiar with ThermWise due to younger demographics moving into homeowner age and significant new growth in the Utah market. Strategies will be implemented to ensure new audiences can begin to build awareness of the program.



# THERMWISE ADVERTISING

TOTAL PERCENTAGE AWARE OF THERMWISE THROUGH VARIOUS METHODS  
Combined Aided And Unaided Awareness



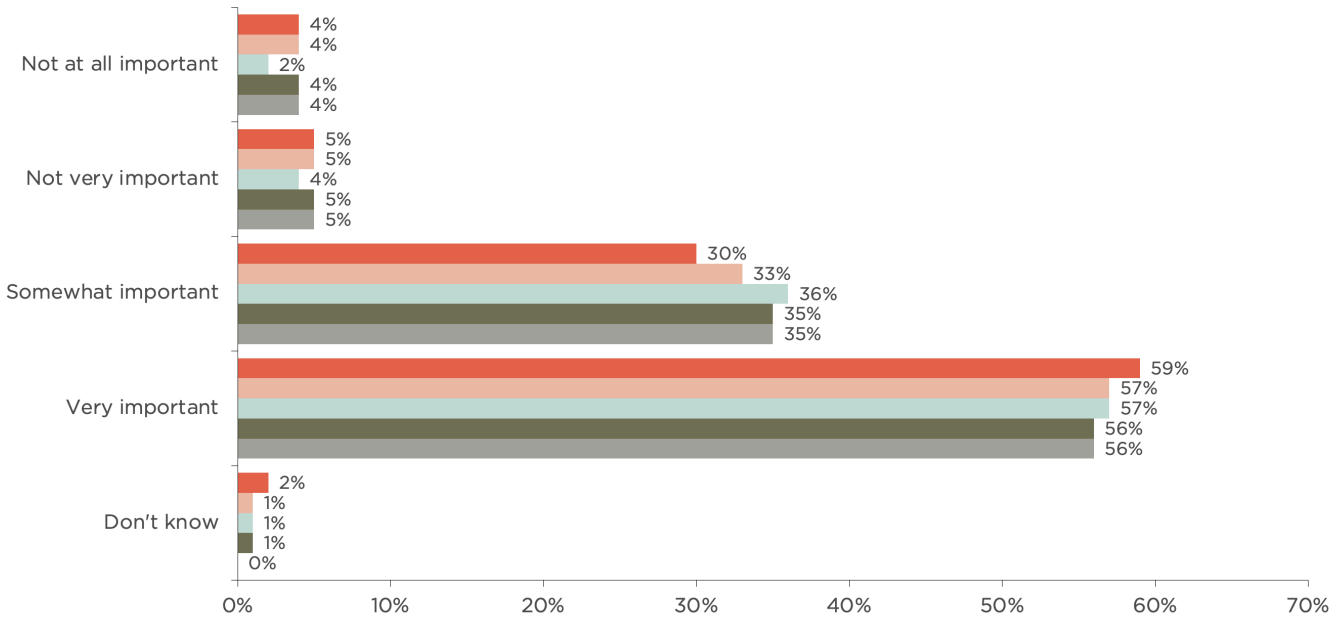
↓ 2022 were less likely than 2018, 2019, and 2021 to say “yes” to radio.  
 ↑ 2022 and 2021 were more likely than 2018-2020 to say “yes” to movie theaters.

We will continue to campaign using traditional media mediums, such as TV and radio, but we continue to see a need to connect with people online. We will continue to develop digital strategies in efforts to reach a broad audience and ensure the ThermWise website is optimized to address consumer needs.



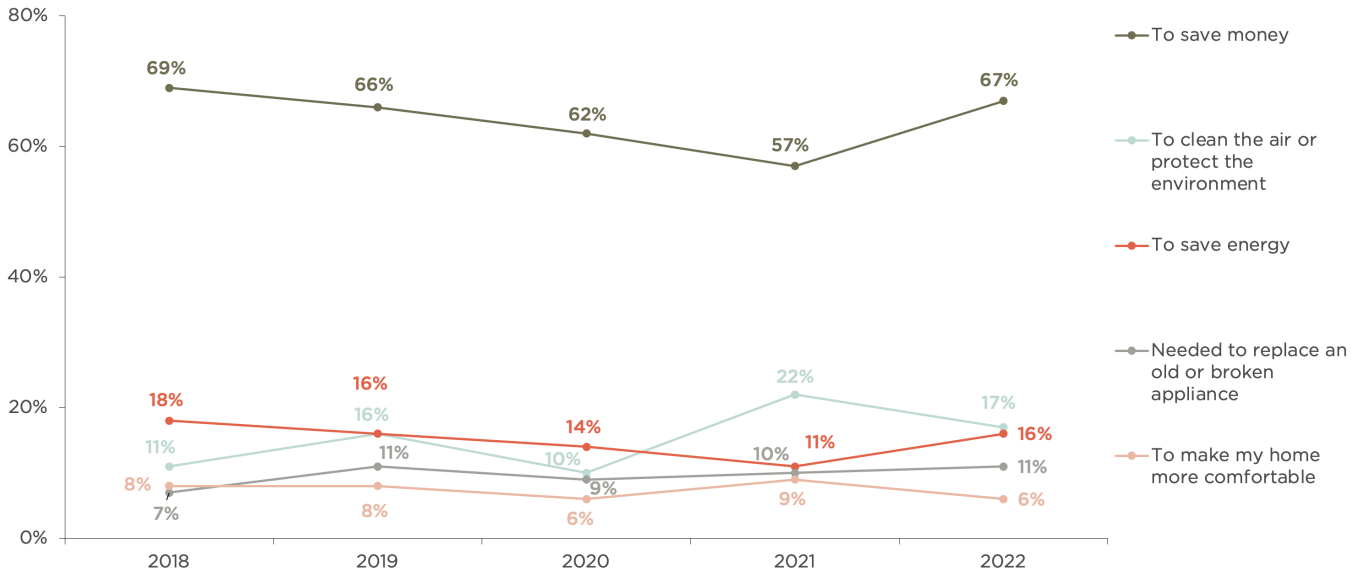
## ENERGY CONSERVATION PROGRAMS

HOW IMPORTANT IS IT FOR UTILITY COMPANIES TO OFFER CUSTOMERS PROGRAMS TO HELP CONSERVE ENERGY?



## ENERGY CONSERVATION ACTIONS

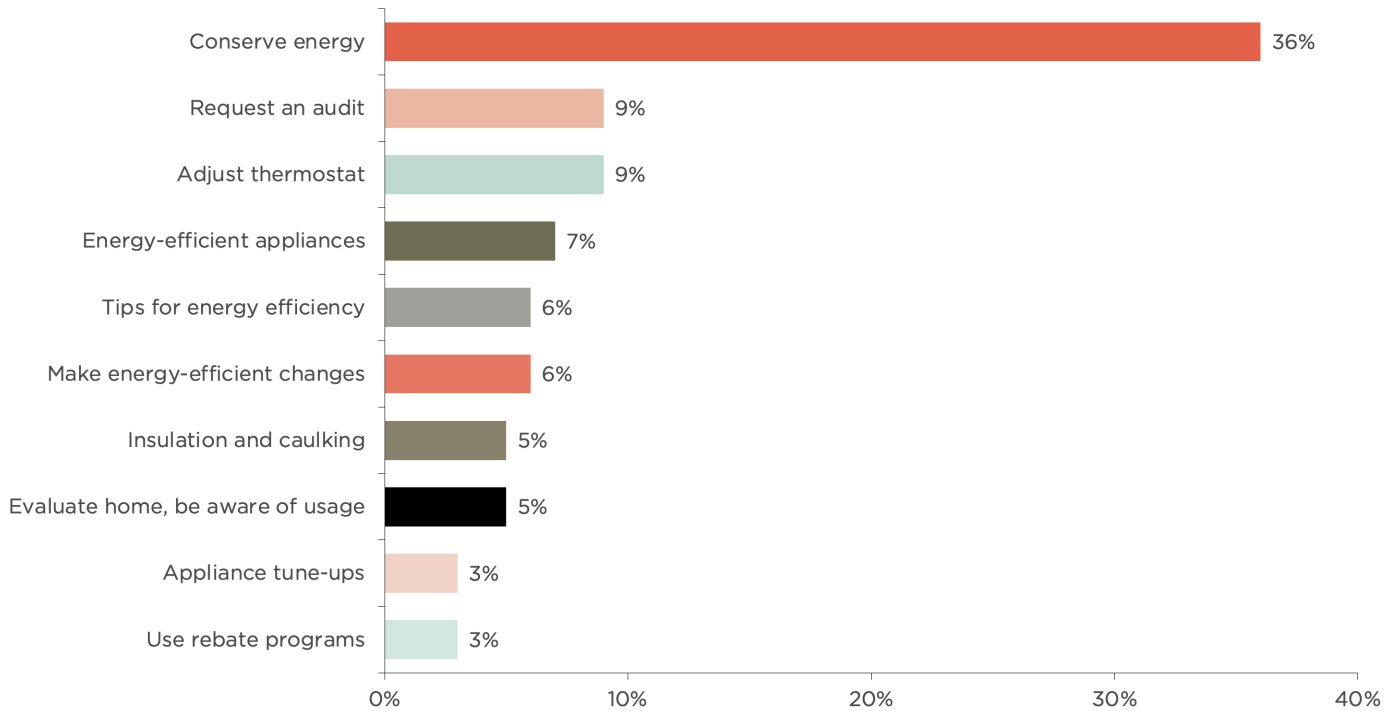
WHAT ARE THE MAIN REASONS YOU TOOK STEPS TO CONSERVE ENERGY IN YOUR HOME?  
Top Mentions



The last year has seen a significant increase in the number of respondents who are motivated by saving money when it comes to conserving energy. We believe saving money will continue to be vital for consumers due to the current state of inflation. This will continue to be the main benefit driver of our campaigning message moving forward.



## WHAT DO THE THERMWISE PROGRAMS ASK PEOPLE TO DO? 2022 Respondents, Top Mentions



### KEY TAKEAWAYS FOR 2022

This year's annual survey confirmed much of the ThermWise strategy. It continues to be important for utilities to offer programs like ThermWise. Awareness and participation in ThermWise continues to be strong, and saving money is still the main driver of conservation. There is opportunity to build awareness with younger demographics and those residents new to Utah.





# 2023 Strategies

There are a few considerations that have helped to inform the strategy for the 2023 campaign:

- Utilize a combination of mass, digital, social, and earned media for high reach and frequency to communicate to Dominion Energy customers and the general public how to conserve gas to save money.
- Develop a range of campaign assets and identify potential media channels to target homeowners and business owners.
- Focus on a direct, straightforward message and tone to deliver the campaign message and drive awareness of rebates and Home Energy Plans.
- Our consumer research is showing us that younger audiences are not as aware of ThermWise. Although younger demographics are not our only audiences, we want to consider how to capture this group as they shift to a typical homeowner age (25-35).
- The Utah market has also experienced significant growth in recent years, resulting in a demographic of new move-ins that may not be as familiar with ThermWise.
- We will be moving away from using Therm, the campaign's long-time spokesperson, in marketing materials. We are working to determine if Therm will be used in a media and event spokesperson role.
- Consumer research is continually showing the importance of the online user journey. The website will be refreshed to ensure content is up-to-date, useful, and easy to navigate.

## **CAMPAIGN OBJECTIVES**

- Build brand awareness of ThermWise
- Inform audiences of the ThermWise rebates that can help them save money
  - o Appliance and Weatherization
  - o Builders
  - o Business
- Encourage people to visit [Thermwise.com](https://thermwise.com) to learn how they can get started

## **CAMPAIGN KEY MESSAGE**

“We’re helping Utah companies and individuals save money on their gas bills by conserving energy – we can also help you.”

## **CALL TO ACTION**

If you don't know where to start, start with a Home Energy Plan at [ThermWise.com](https://thermwise.com)



# Media

## **MASS AND DIGITAL MEDIA: REMINDER FROM PAST FILINGS**

As has proven effective, the ThermWise campaign will reach the general public via mass media, utilizing TV, radio, and digital (web and social) platforms. We will also leverage earned media outside traditional paid advertising channels. The ThermWise campaign will also use limited print, strategically placed. The annual research bares out this approach, as does industry research for public service campaigns like ThermWise. Mass media, along with the awareness/desire to act that it creates, is a necessary part of any behavioral change initiative. The National Institutes of Health states the following on mass media used to change behaviors:

“Mass media campaigns can work through direct and indirect pathways to change the behavior of whole populations. Many campaigns aim to directly affect individual recipients by invoking cognitive or emotional responses. Such programmes are intended to affect decision-making processes at the individual level. Anticipated outcomes include the removal or lowering of obstacles to change, helping people to adopt healthy or recognise unhealthy social norms, and to associate valued emotions with achieving change. These changes strengthen intentions to alter and increase the likelihood of achieving new behaviours. For instance, an antismoking campaign might emphasize risks of smoking and benefits of quitting, provide a telephone number for a support line, remind smokers of positive social norms in relation to quitting, associate quitting with positive self-regard, or a combination of these features.

Behaviour change might also be achieved through indirect routes. First, mass media messages can set an agenda for and increase the frequency, depth, or both, of interpersonal discussion about a particular health issue within an individual’s social network, which, in combination with individual exposure to messages, might reinforce (or undermine) specific changes in behavior. Second, since mass media messages reach large audiences, changes in behavior that become norms within an individual’s social network might influence that person’s decisions without them having been directly exposed to or initially persuaded by the campaign. For example, after viewing televised antismoking campaign messages, several members of a social group might be prompted to form a support group to help them stop smoking. Another individual who has not seen the television campaign could decide to join the support group and change his or her own behavior.

Finally, mass media campaigns can prompt public discussion of health issues and lead to changes in public policy, resulting in constraints on individuals’ behaviour and thereby change. For example, a campaign discouraging smoking because of its second-hand effects on nonsmokers might not persuade smokers to quit, but it might increase public support for a new policy that restricts smoking in specific places, which might have the secondary effect of persuading smokers to quit.”

Source: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4248563/>



In other words, changes in behavior work on two levels via a mass campaign. First, the campaign directly affects people via emotional or cognitive messaging. Second, the campaign affects change through indirect means such as increasing discussion about a specific topic or changing social norms within a given group. This is why the market transformation dollars are so vital to the ThermWise campaign. They create awareness and a desire to make change.

A behavioral change initiative like ThermWise can't be effective if people aren't aware of it. It's a necessary component to ensure ThermWise is successful as a program.

## **SOCIAL MEDIA**

As consumer habits change, though, social media becomes a powerful way to reach consumers more engaged with digital mediums. In 2022, we saw impactful engagements through ads served on Facebook. In 2023, we will continue to explore effective messaging and targeting on social media, including LinkedIn opportunities for business messaging.

## **EARNED MEDIA**

Looking for ways to garner attention for the ThermWise campaign outside of paid advertising channels will be part of our 2023 strategy. These opportunities are meant to make a "splash" of publicity to get people talking and paying attention.

## **TRADE/CONSUMER SHOWS**

The Company will continue marketing the ThermWise programs through local events and promotions such as spring and fall home shows, local fairs, energy efficiency conferences, local business conferences, military related events, and other community events, as long as local and state guidelines permit safe participation. This allows Dominion Energy to have direct contact with its customers and local leaders, distribute marketing collateral, answer questions, and provide useful and accurate information in regards to its energy efficiency programs. In an effort to increase awareness of the programs outside the Wasatch Front, the Company has initiated involvement in more community events outside the Wasatch front, including county fairs and community events in more rural areas. In addition, many of these events allow Therm to interact with customers and further promote energy efficiency awareness and participation.

## **BETTER UTILIZE BILL EMAILS**

Mail utility bills lead in how people find out about the ThermWise program. That being said, more and more people are going to emailed bills. That being the case, we will infuse email bills with more ThermWise marketing messages that encourage program participation.



## **CONTINUED ENGAGEMENT WITH COMMUNITIES AND COMMUNITY LEADERS**

ThermWise wants to empower community leaders to better talk about joining Dominion Energy's ThermWise program in being good environmental stewards to help clean our air. Materials have been developed to allow our ThermWise team to help community leaders understand the need for conservation. Deeper partnerships with specific conservation-minded communities will also continue to be explored.

## **Research and Evaluation of Success**

Media engagement (impressions and website traffic) will be used as a tool to measure the campaign reach. The annual research survey will be performed to measure campaign awareness. As the current contract with Lighthouse Research comes to an end, we will use this opportunity to strategically review current methodology. Our goal is to refresh the research plan to ensure dollars are used to effectively determine campaign awareness and success.

