

It's Academic: BetterBuildings for Michigan Partners With University to Reach Employees

BetterBuildings for Michigan has conducted numerous neighborhood "sweeps" to promote energy efficiency upgrades to homeowners as part of its partnership with the U.S. Energy Department's Better Buildings Neighborhood Program. To expand its reach in the Grand Rapids, Michigan, area and maximize its marketing resources, the program initiated a semester-long, employer-assisted partnership with Grand Valley State University (GVSU). Following is an abridged transcript of an interview about that successful partnership with two BetterBuildings for Michigan leaders: Mary Templeton, Program Manager, and Selma Tucker, Grand Rapids Regional Coordinator.

Q. How did you come up with the idea to start an employee outreach partnership with GVSU?

Before approaching GVSU, we had completed neighborhood sweeps in Grand Rapids, as well as a number of additional sweeps in other parts of the state. We had educated a lot of people about the benefits of home energy upgrades, but these sweeps were a lot of work and the results were highly variable. We thought there might be another way to apply the community-based approach to outreach while reducing some of the engagement barriers we found in neighborhoods. We decided to try a new approach by reaching out through an employer to a community of employees. Our primary goals were to get more people interested per marketing dollar spent and to get them to undertake deeper retrofits.

Q. What results has this partnership achieved to date?

In total, 215 people (nearly 10% of total employees) signed up through GVSU. The percentage of GVSU employees that participated in the program was right around the average that we have seen elsewhere. Of the approximately 600 GVSU employees who live in Grand Rapids, 100 people participated in the program (17%). In addition 60% of the homeowners who participated in the GVSU program purchased additional upgrades. This uptake rate was high compared to other communities in the state with similar incentives, in which we experienced an average additional uptake rate of 44%.

Furthermore, the GVSU partnership was tremendously successful as an inexpensive lead generator. We spent one-fourth to one-third as much money per participant for marketing and communications compared to a typical neighborhood sweep. We were also excited to sign up such a high number of non-city residents—115—even though these customers were not eligible to receive additional incentives beyond contractor-funded assessments and utility rebates.

Q. What types of employees were targeted, and which were most likely to sign up?

After one year—and 15 different sweeps—a profile had started to form of the types of families undertaking upgrades: somewhat higher education levels; middle class; low unemployment; young families; multiple children; recent homeowners; and people who were familiar with concept of sustainability, but for whom energy efficiency was not yet a primary concern. This profile fit the GVSU community well.

Broadly speaking, GVSU employees were very receptive to the energy efficiency message. Certain departments at GVSU participated at higher rates than others. We found this was because certain individuals (e.g., College of Social Work faculty) were willing to attend informational sessions and spread the word about the program to their colleagues.

Q. Why Grand Valley State University?

First and foremost, sustainability is already ingrained in the school's culture, and many employees embrace this ethic. GVSU employees represent a variety of education levels, are computer-savvy, and have a reliable income. GVSU was a "controlled" environment—we knew exactly how many employees lived in Grand Rapids and would therefore be eligible for the program incentives. The school also allowed us to tap into its communication networks, which proved to be a very effective and low-cost way of reaching people.

Q. How were university leaders/champions engaged in helping to encourage upgrades?

Names and faces are so important. We first identified 10 to 15 recognizable, credible faces within the campus community and offered them a free home energy assessment in exchange for putting their photograph and a quote on a postcard. We distributed these testimonial postcards to faculty and staff via intercampus mail. These early adopters engaged their colleagues in conversation and spread the word about the BetterBuildings program, which helped us reach many more people. The feedback we received suggested that this approach lent credibility to the program: the fact that well-respected, intelligent folks within the GVSU community had participated in the program and were willing to advertise it affirmed for others that the program could be taken seriously.

We also had early buy-in from the sustainability staff at GVSU, and the senior management of the university's human resources (HR) department was very supportive. Using data that the HR department provided to us, we developed a sophisticated customer relations management (CRM) database to manage services to customers. This was key from a practical standpoint, as it allowed us to manage questions and concerns quickly and efficiently. Good customer service strengthened how our program was perceived by GVSU employees; we built trust with our audience even before entering their homes. The provost's office and the university president were on board as well, which added to our credibility. They were instrumental in writing letters to staff and making their participation in the program publicly known.

Q. What kinds of internal communications channels did you use to reach employees?

Intercampus mail was a cost-effective method. First, we saved money on postage. GVSU employees receive far less "junk" mail from intercampus mail and are a bit more likely to trust this information. GVSU also granted us access to the school newspaper, weekly newsletter, quarterly magazine, email system, and campus flyers. Plugging into GVSU's network of institutional communications was critical. Because of the university's credibility, communications channels, and early adopters who helped explain the program, the cost of this "sweep" was exponentially lower than a typical neighborhood sweep.

Q. What financial incentives were available to GVSU employees?

Our program subsidized the cost of home energy audits for residents of Grand Rapids. We offered a \$99 base package to these customers, which involved a complete assessment and direct installation of energy-saving equipment, such as new thermostats, light bulbs, and water-efficient showerheads. To facilitate the audit, BetterBuildings for Michigan offered delivery contractors up to \$150 plus the price of the direct installations. In addition, homeowners who chose to invest in energy efficiency measures beyond the base package could receive 20% off their investments, 0% APR financing on loans for up to 10 years, and utility rebates.

The delivery contractors could not receive incentives for work done in residences outside Grand Rapids. Because this partnership introduced a large pool of potential new customers, however, our delivery contractors were willing to subsidize the initial home energy assessments for GVSU faculty and staff that lived outside Grand Rapids. The contractors offered the same \$99 base package to these residents, which typically retails for \$300 to \$400. These homeowners were eligible for 7% APR financing and utility rebates, but not the additional discounts.

Q. What was the benefit to GVSU and the contractors involved in the partnership?

BetterBuildings served as a benefit to GVSU in several ways. Above all, BetterBuildings was an accessible, tested program that required little investment for GVSU compared to the services received. It was an opportunity for GVSU to provide incentives to the entire faculty and staff, not just those who are traditionally eligible for benefits. Participating also allowed the university to deepen its commitment to sustainability. Moreover, having access to an ideal audience for home energy efficiency upgrades emboldened the contractors to extend the same base package service to all employees, despite the fact that homes outside Grand Rapids were ineligible for a BetterBuildings subsidy.

Q. Has the program worked with any other employers?

We have initiated similar employer-assisted models elsewhere in Michigan, with mixed results. We are currently exploring opportunities at two other colleges and have an employer-assisted partnership with a healthcare organization that has a much larger pool of employees than GVSU. Given the success of the GVSU partnership, we thought we could replicate the results in other organizations simply by plugging into a larger employee network. So far, though, it appears that it is not quite so simple. Our initial observations suggest that choosing an organization with a predisposition to sustainability and a commitment to the program at the highest levels is critical to making this type of sweep-based approach successful.

Q. What were some of the lessons learned from the GVSU partnership?

- “Neighborhood” and “community” aren’t necessarily synonymous. The partnership with GVSU was our program’s first attempt to define “community” beyond the traditional neighborhood sense. Our results suggested that people might identify more strongly with the community where they work than in their physical neighborhoods. In places where geographic marketing might not work very well, an organizational-based approach can be a powerful solution.
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- The program benefited tremendously from having several high-level contacts at GVSU and early adopters that could stand behind the energy efficiency message and explain it to colleagues. The strong relationship between the City of Grand Rapids and GVSU was also important.
- A little personal touch can go a long way. In our experience, people are more likely to engage in home energy improvements by responding to a visceral message from someone they trust and respect rather than the more abstract appeal of saving energy or reducing utility bills.
- Get some overall program experience before trying an employer-assisted model. GVSU took a risk by trusting BetterBuildings for Michigan staff to deliver a high quality program. Our staff, in turn, trusted the contractors to deliver an excellent product. With a year of experience under our belt, we had the confidence to stand behind the program that we delivered to GVSU.

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