



Which Engagement Strategy Worked Best?

An energy company tried 3 different strategies to enroll residents in a conservation program. One approach far exceeded the others. Can you pick it?

Pretend that you work for Pacific Gas & Electric, an energy company serving thousands of homes in northern California. The hot summer months are coming, and if your customers use their air conditioners as much as they did last year, there's a strong likelihood your power grid will fail and blackouts will roll across the state.

To prevent this, PG&E has introduced an energy conservation program called "SmartAC." If a customer enrolls, PG&E will install a switch at their residence that allows the company to remotely control their air conditioner - and in times of peak demand, that means turning it down or off. The program is voluntary, and there's no cost to the customer for joining.



Marketing materials for PG&E's SmartAC program

Which brings us back to your new job at PG&E: head of enrollment

December 2013

Which Engagement Strategy Worked Best?

Three approaches, one clear winner. Can you pick it?

Wondrous Winter Webinars

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free-range thinking is written by Andy Goodman and edited by Celia Hoffman. To read back issues, download free publications, and to learn more about our work, please visit www.thegoodmancenter.com.

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for residential customers. Before you start printing up flyers or knocking on doors, though, I have to warn you that the company has already marketed this program in a few areas and customer interest has been low.

Sure, PG&E has told them that it costs nothing, and the company has touted significant public benefits. Not only would there be fewer (if any) interruptions in service, PG&E could also avoid spending billions of dollars to increase generating capacity - a massive investment which would undoubtedly raise rates. But so far that public good appears to be trumped by self-interest. After all, who really wants to cede control of their air conditioner on a hot day?

Fortunately, some very smart people have come to you with three different strategies to boost enrollment:

Strategy #1: offer a \$25 incentive for signing up. Nothing fancy here - just a good old fashioned bribe to help customers do the right thing.

Strategy #2: post a sign-up sheet in a public space (e.g., the lobby of an apartment building) to make the enrollment process more observable. Ask customers to write their names on the list so everyone can see exactly who's in and who's not.

Strategy #3: as above, post a sign-up sheet in a public space but assign each customer a code number to write on the sheet instead of their name. In this way, you're again making the process more observable but are also protecting the privacy of those who sign up (as well as those who don't.)

If you could only invest your marketing dollars in one of these strategies, which would you choose? The correct answer - based on an actual field study completed earlier this year - is #2. And by a wide margin.

The field [study](#) was conducted in Santa Clara County. While the SmartAC program had been marketed in other parts of California - with the lackluster results noted above - it had not been introduced in this county prior to the field test.

Materials advertising the program were slipped under doors, left on doorsteps, or sent via mail to 2,413 PG&E customers. For one group, the materials offered the \$25 incentive and no public sign-up sheets were involved; a second group received no cash offer but found sign-up sheets posted in common areas where they were asked to enter their names; and a third group also received no incentive but saw sign-up sheets where they could enter code numbers and remain anonymous.

All of the strategies increased enrollment compared to other regions in northern California, but not to the same degree. The anonymous sign-up sheets increased enrollments three times more than the cash incentives. And the sign-up sheets where customers entered their names were *seven* times as effective as the cash incentives, making Strategy #2 the clear winner.

Why? First, it was superior to Strategy #1 because it took a transaction that was happening out of the public eye and made it **observable** - residents could literally see their neighbors signing up

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for the SmartAC program. While Strategy #3 also made the process observable, Strategy #2 offered the additional incentive of boosting an individual's **reputation** for publicly signing on (and, conversely, imposed a cost for *not* participating). It also tapped the power of **indirect reciprocity**, a form of cooperation where individuals become more likely to help when they see others helping first. (In fact, the study makes it clear that for indirect reciprocity to really kick in, we need to know the *names* of the other helpers.)

And what does this mean for you (back in your real job)? Whether you're asking people to give blood or give money, drive a fuel-efficient car or drive down energy usage at home, bear this in mind: human beings are more inclined to do the right thing when they can see others doing it, and when they know others will see them doing it as well.

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Wondrous Winter Webinars

Improve your outreach, presentations, storytelling and webinars through our online courses in December and January.

Strategic Communications: Cutting Through the Clutter shows how three classic public interest campaigns engaged and motivated their target audiences and achieved remarkable results. In reviewing these success stories, we'll cover:

- The basics of framing
- Message creation and delivery
- An easy-to-use template for campaign design



Classes will be held on December 12th and 19th from 11a-12n PT (2-3p ET) each day. Tuition is \$250 per student and discounts are available for organizations that register 3 or more students. Learn more and register at [The Goodman Center](#).

Why Bad Presentations Happens to Good Causes is a two-hour online class designed to help presenters at all levels, from newbies to seasoned veterans. Curriculum in this webinar includes:

- The three most common characteristics of excellent presentations
- The five most frequent mistakes (and how to avoid them)
- How to structure presentations to ensure your audience learns more
- Why PowerPoint should never be used as a presentation *and* a handout
- Techniques to help you deliver talks with greater confidence



Classes will be held on December 17th and 18th from 11a-12n PT (2-3p Eastern) each day. Tuition is \$250 per student and discounts are available for organizations that register 3 or more students. Learn more and register online at [The Goodman Center](#).

Storytelling: Tapping the Power of Narrative is a four-hour webinar designed to help you tell more compelling stories about your organization's work. Each class runs one hour, and over four weeks we will cover:

- The fundamental structure of good stories
- The 7 qualities that make stories memorable
- The 9 most common mistakes in storytelling and how to avoid them
- The 6 kinds of stories you must tell, and how to tell them for advocacy, development, recruitment and more



Our next set of classes is scheduled for January 8, 15, 22 and 29 from 9-10a Pacific (12n-1p Eastern) each day. Tuition is \$500 per student and discounts are available to organizations registering 3 or more. To find out more and reserve your space, visit [The Goodman Center](#).

The Webinar on Webinars is designed for people who want their webinars to be more engaging. In this fast-moving and interactive one-hour class you'll learn:

- How to keep participants engaged from beginning to end
- The fine details of creating a good online experience
- How to use your two assets (voices and visuals) to maximum advantage
- What we learned from talk radio that makes webinars work



Tuition for "The Webinar on Webinars" is \$125 per student, and discounts are available when organizations register three or more. To learn more and to register online for our January 17th class (11a-12n PT, 2-3p ET), [click here](#).

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