

CRIBB Communications



Chicago Metropolitan
Agency for Planning

Agenda

- Quant research
- Ethnography
- Brand and communications development



Chicago Metropolitan
Agency for Planning

Quant Research

- 1600 Phone surveys of mid-high income households
 - Chose this group because they're the most likely users of single family home financial product
- Summary of results (next)
- Continue segmentation analysis based on attitudes and beliefs towards home improvements and energy efficiency improvements

Summary of Findings

Need Recognition / Problem Awareness

- While most homeowners view energy efficiency improvements positively, they don't necessarily believe it is urgent or a priority

Information Search

- Most homeowner believe their knowledge of energy efficiency is limited particularly on where to find information about financial incentive programs
- When considering a home improvement, recommendations from personal sources such as family and friends were viewed to be very important

Evaluation of Options

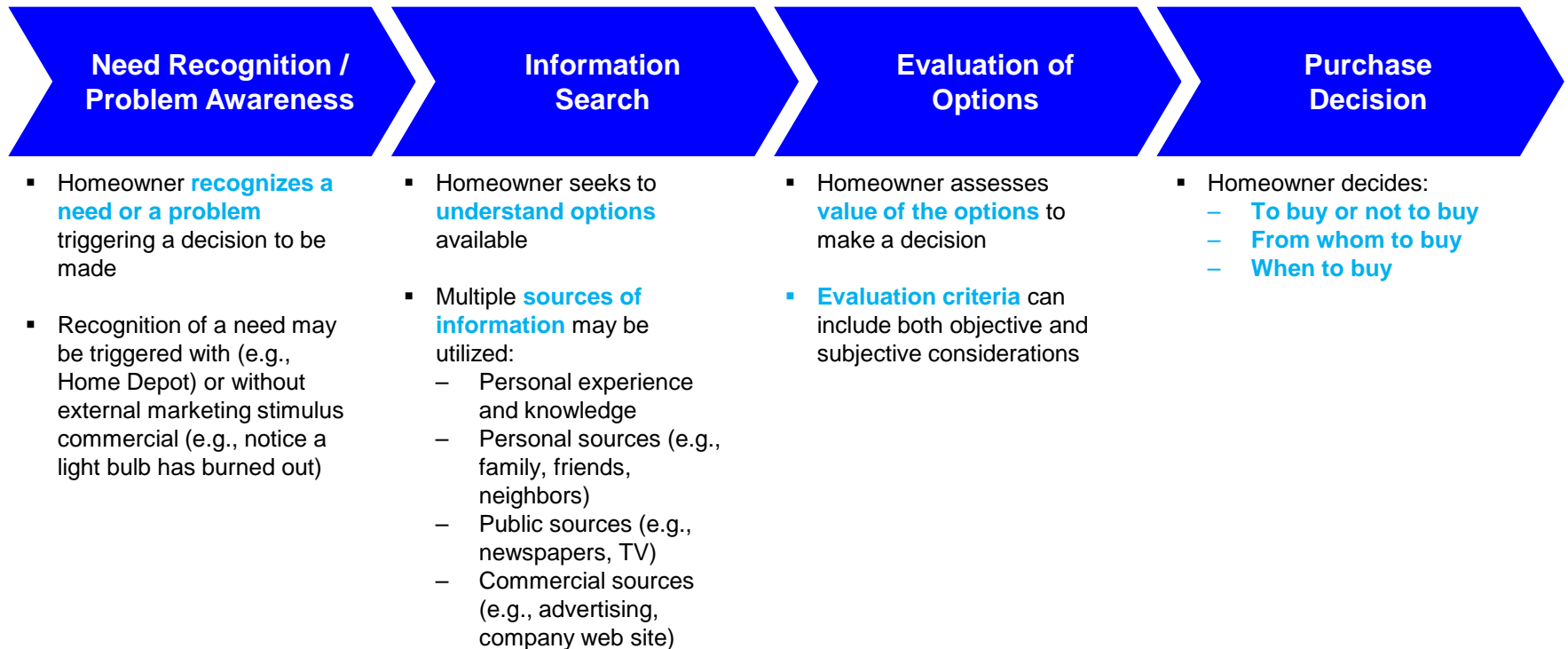
- When evaluating home improvement options, homeowners seem to be pragmatic and first consider replacement needs then functional benefits and financial impacts

Purchase Decision

- Homeowners who are very likely to make energy efficient improvements are thinking of making improvements in the shorter-term (within the next year)
- When asked about the types of improvements, owners expressed greater likelihood of making simpler improvements
- Costs were cited to be the top barrier to execution
- After hearing about potential financial incentive programs, 8% more respondents said that they will would be very likely to make an improvement
- Loan programs were the least attractive option - programs which subsidized cost of the improvements had higher appeal

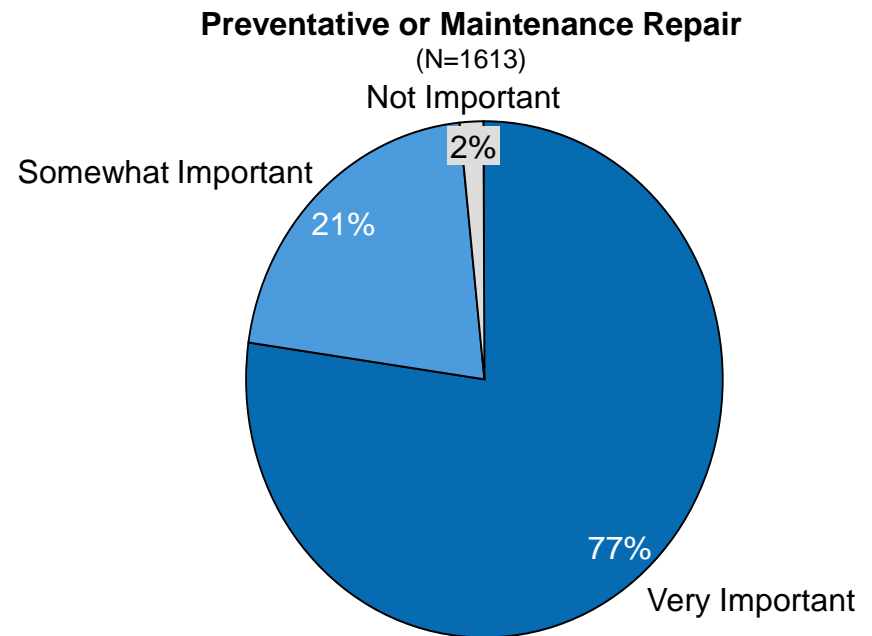
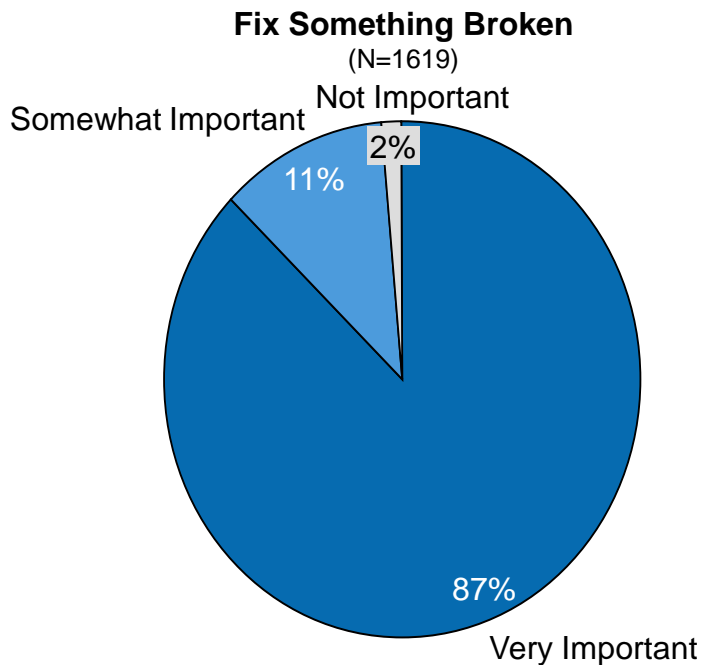
Market research provides insights as to how homeowners approach home improvement decisions

Home Improvement Decision Making Process



Pragmatically, homeowners perceive an improvement need when something is broken or in need of maintenance/repair

“When evaluating options for improving your home, how important is ...?”¹
(scale 1-6)

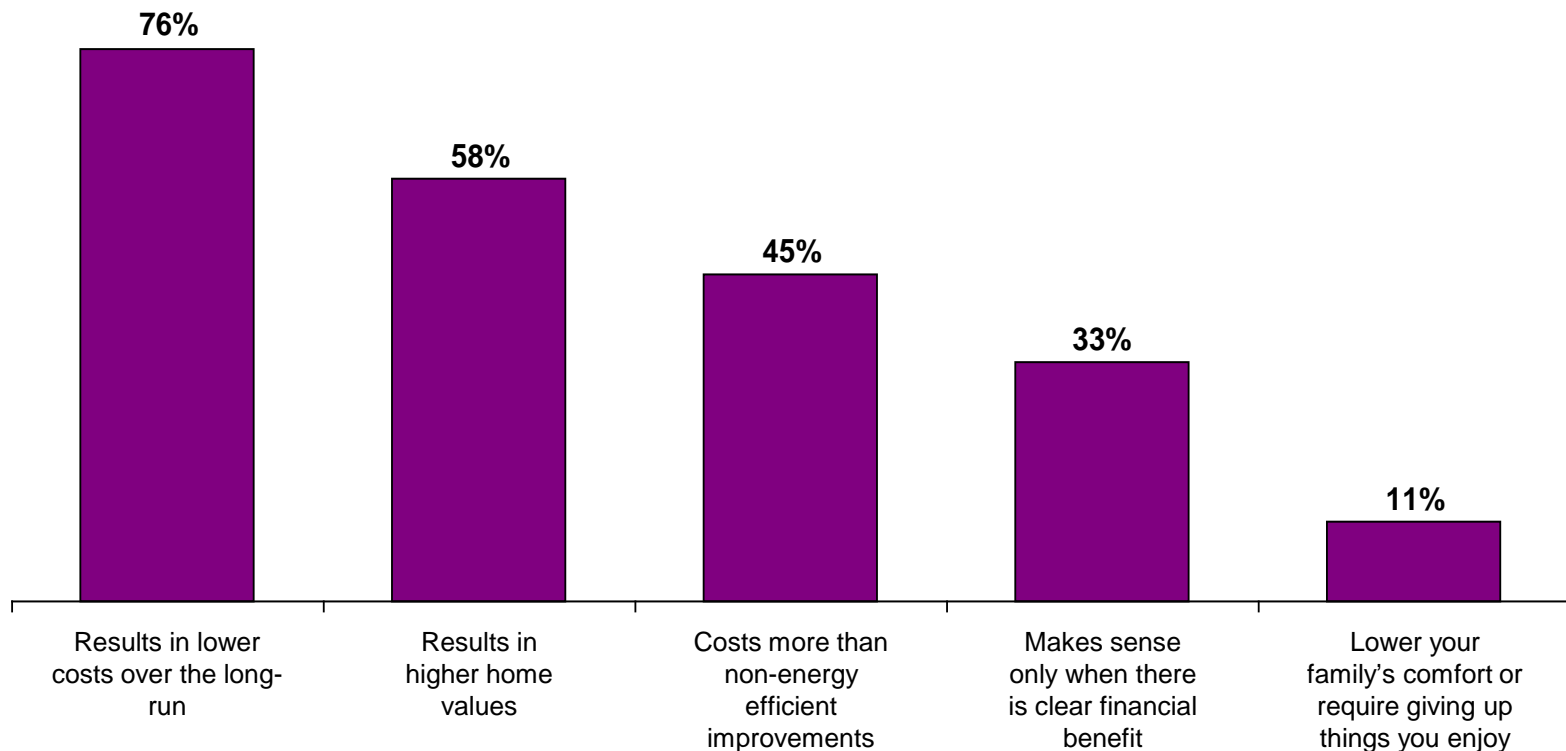


¹ Excludes respondents who didn't know or refused to answer
Source: Booz & Company analysis

While most homeowners view energy efficiency improvements positively....

“How strongly do you agree or disagree that energy efficient improvements ...?”

% Strongly Agree (Top 2 Box, scale 1-6)¹



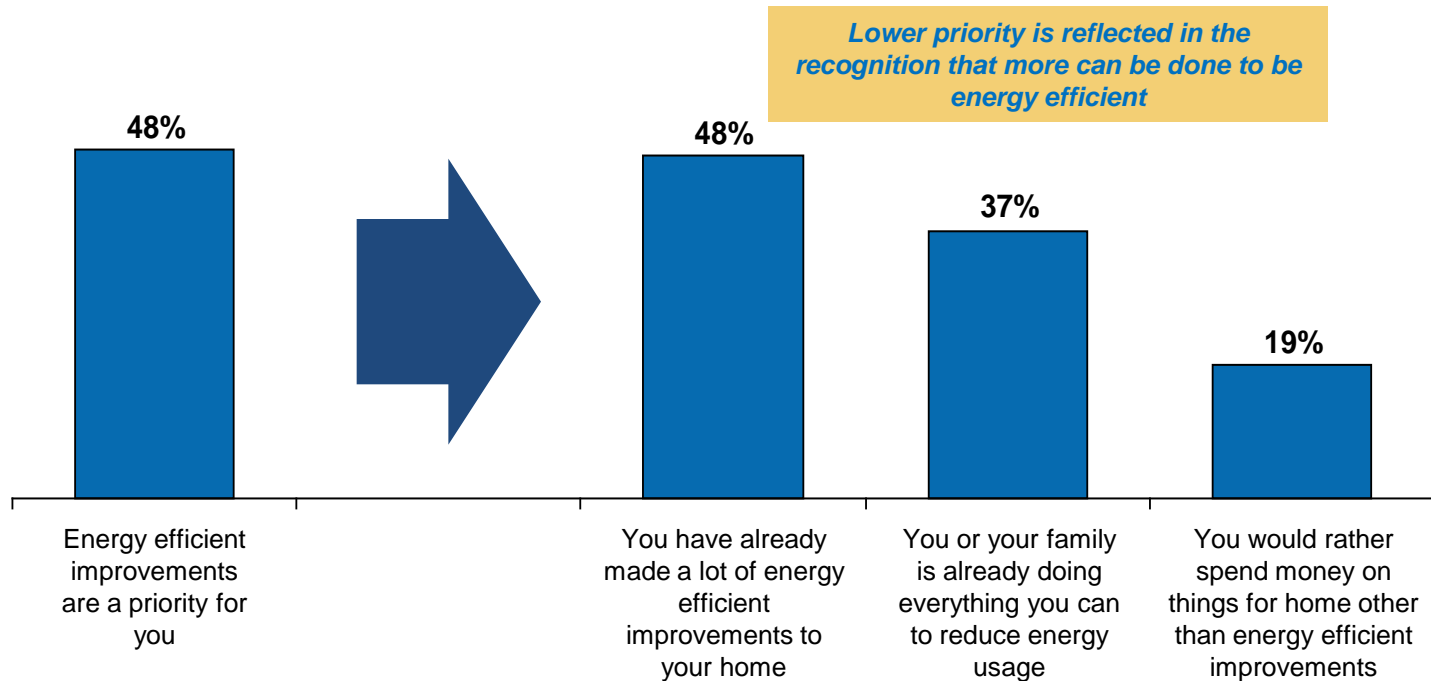
¹ Excludes respondents who didn't know or refused to answer

Source: Booz & Company analysis

...energy efficiency improvements are generally not viewed as urgent or a personal priority

“How strongly do you agree or disagree that ...?”

% Strongly Agree (Top 2 Box, scale 1-6)¹



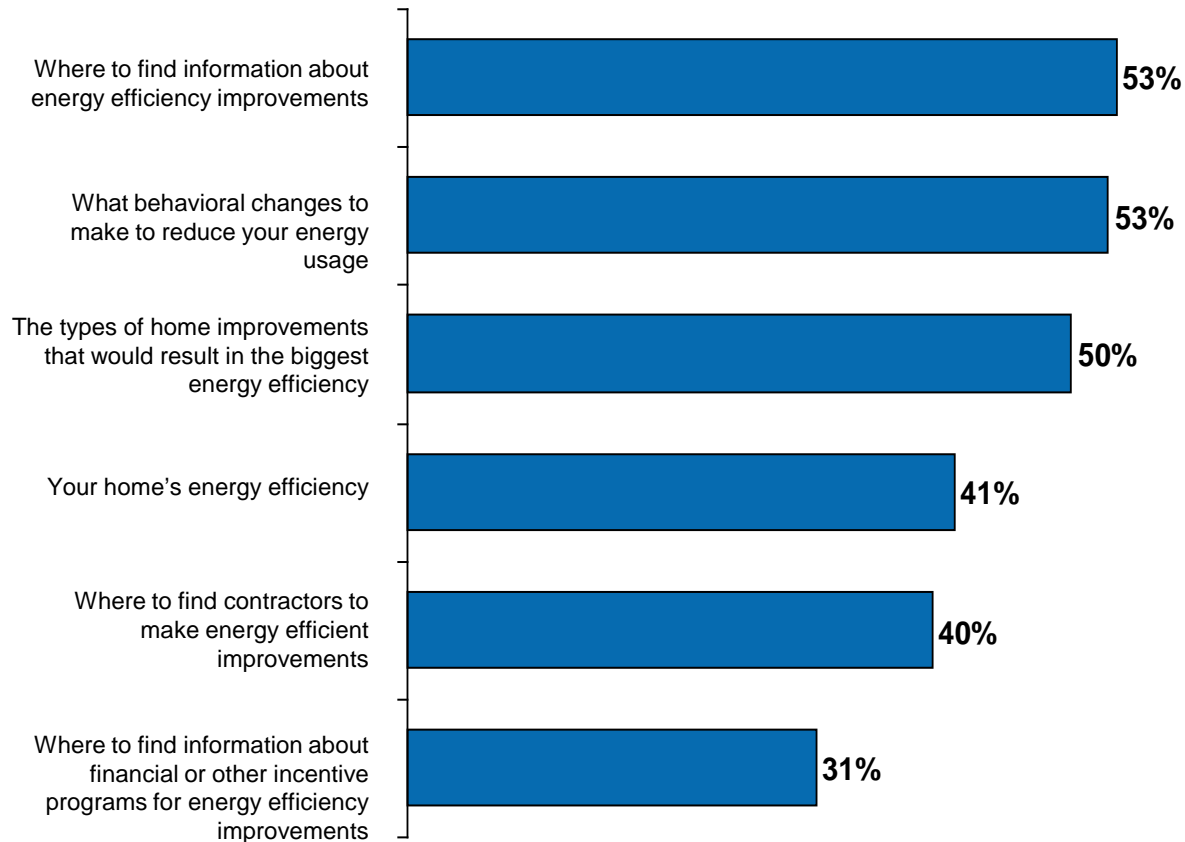
¹ Excludes respondents who didn't know or refused to answer

Source: Booz & Company analysis

Most homeowners do not feel they “know a lot” about energy efficiency improvements....

“How much do you feel you know about...”

% Know A Lot (Top 2 Box, Scale 1-6) ¹



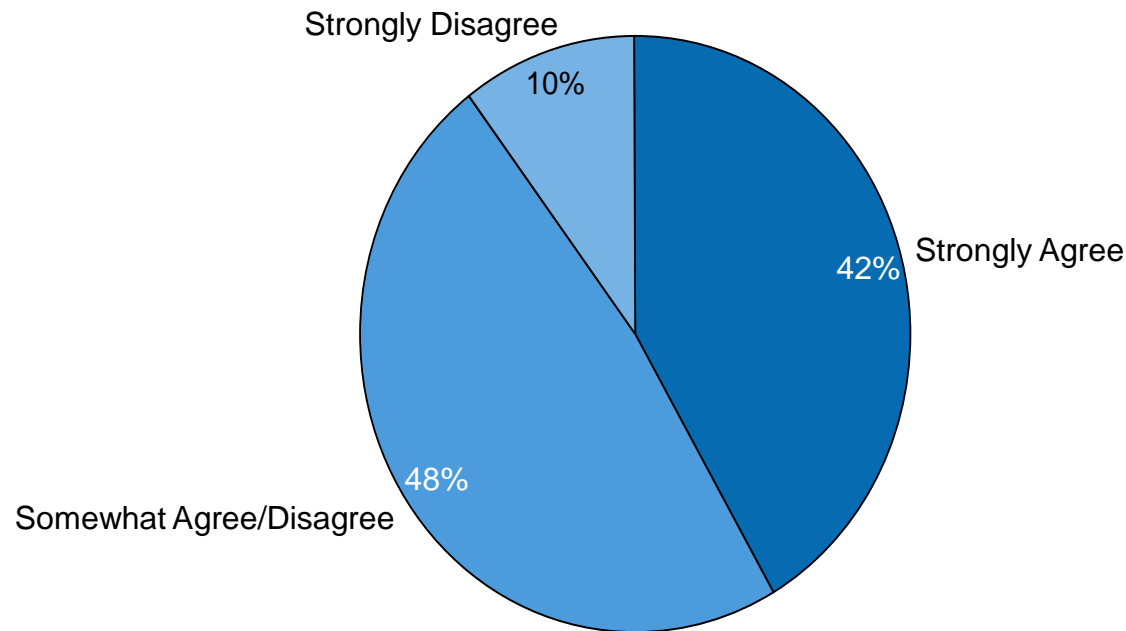
¹ Excludes respondents who didn't know or refused to answer

Source: Booz & Company analysis

...and almost half somewhat agree/disagree that it is easy to find energy efficient information

“How strongly do you agree or disagree that...It is easy or convenient to find energy efficient solutions”

Scale 1-6, N = 1618¹

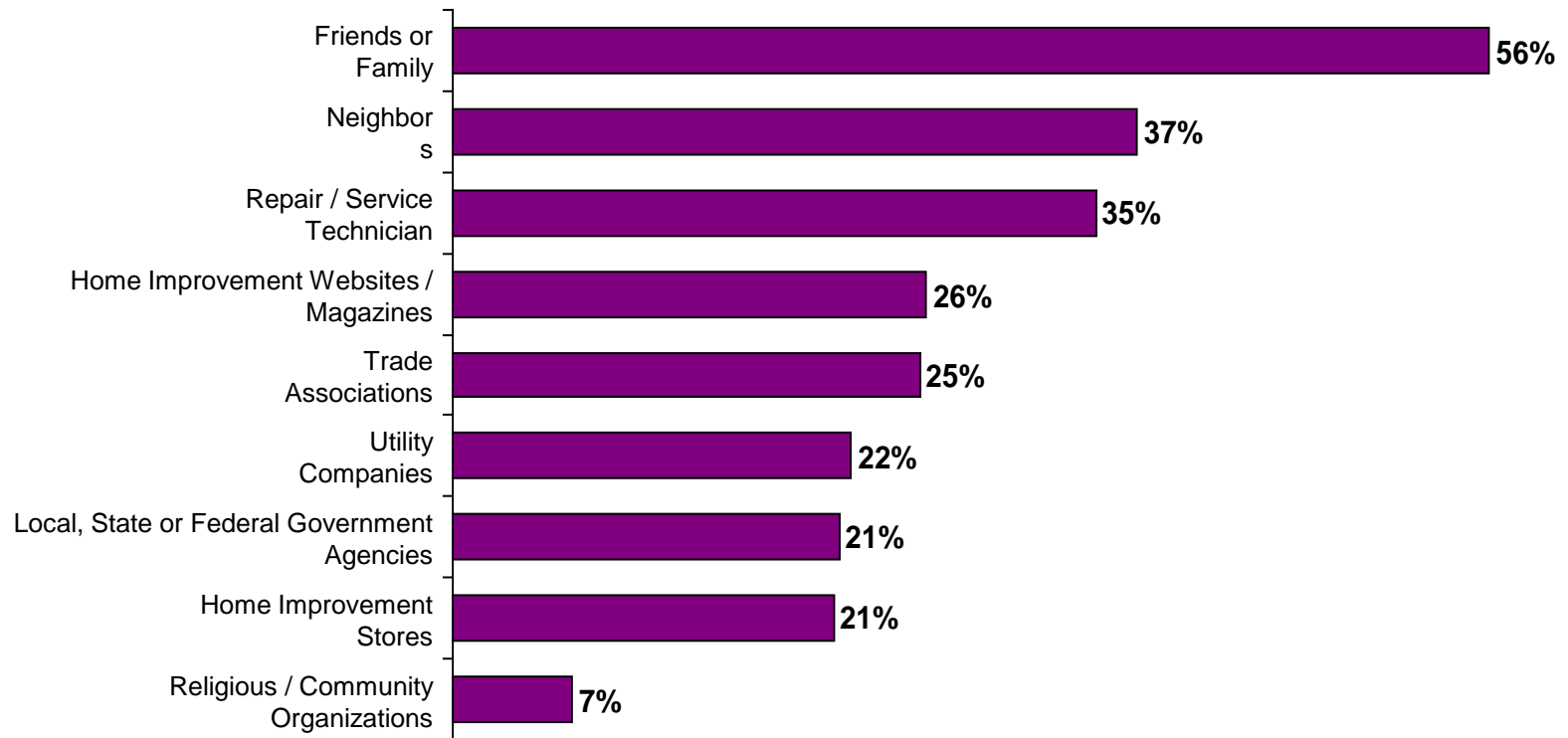


¹ Excludes respondents who didn't know or refused to answer
Source: Booz & Company analysis

When seeking information for purchase decisions, personal recommendations have the greatest influence

“When considering a home improvement or evaluating different options, how important are recommendations from...?”

% Very Important (Top 2 Box, scale 1-6)¹



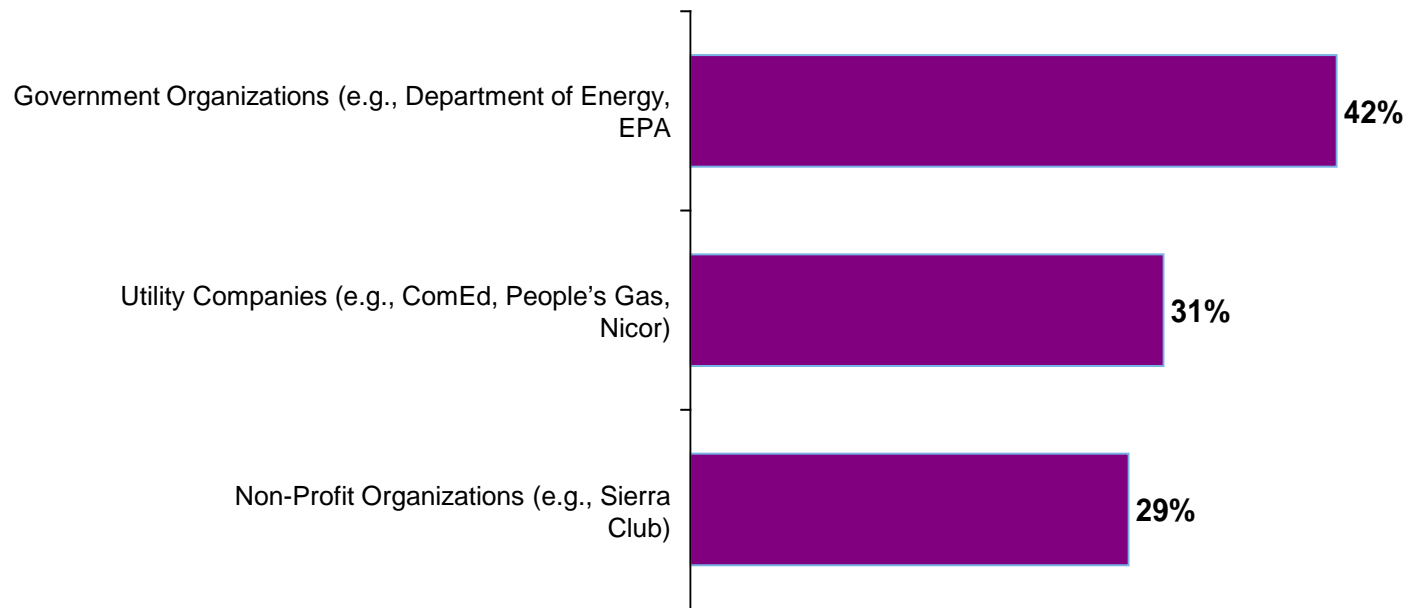
¹ Excludes respondents who didn't know or refused to answer

Source: Booz & Company analysis

Believability of information may be an issue as respondents don't perceive sources of information to be very reliable

“Regarding information about energy and energy-efficiency, how reliable is/are...?”

% Very Reliable (Top 2 Box, scale 1-6)¹

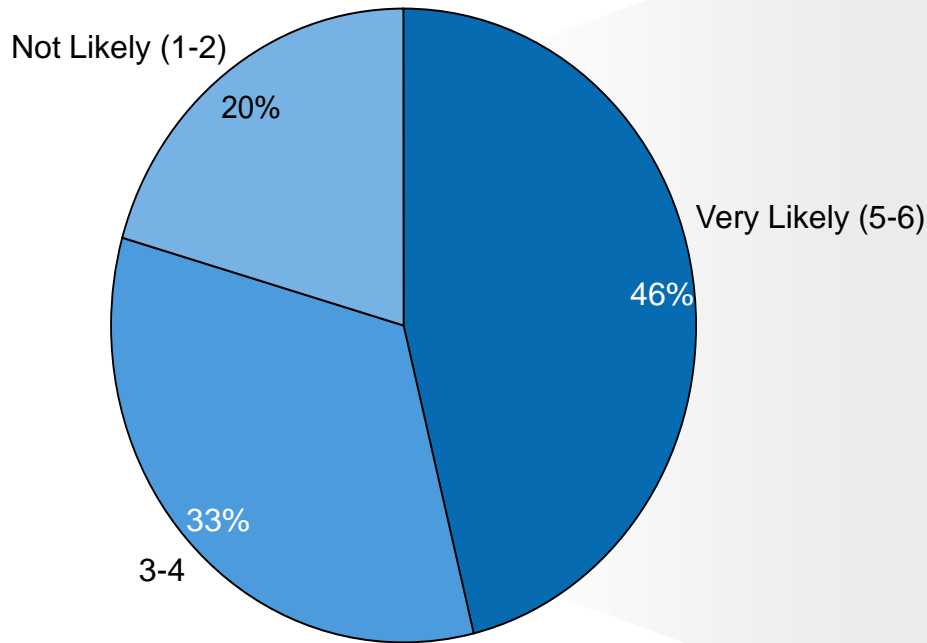


¹ Excludes respondents who didn't know or refused to answer

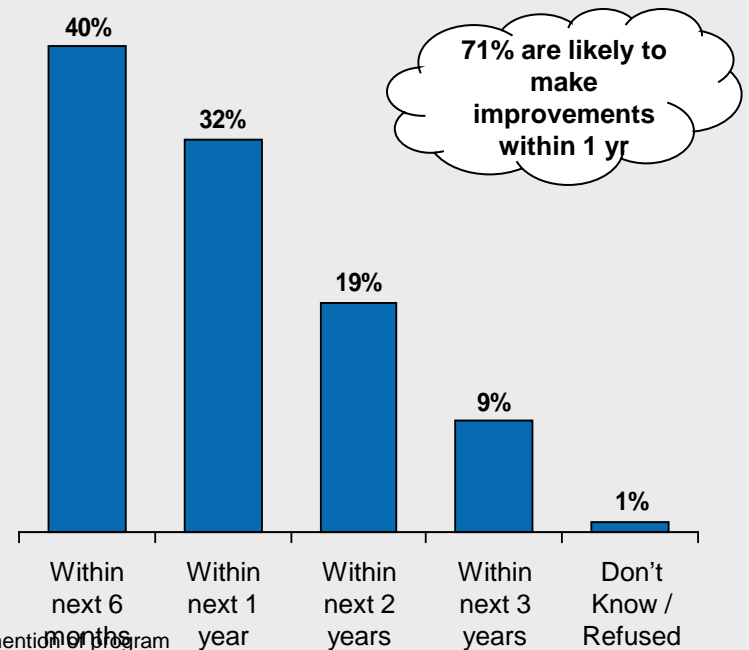
Source: Booz & Company analysis

When asked likelihood of making energy efficient improvements in the next 3 years, 71% of respondents said they are “very likely”

“How likely are you to make any type of energy efficient improvement to your home or property in the next 3 years?^{1,2,3}
Scale 1-6, N = 1588



Likely Timing of Energy Efficient Improvements
Base: Those who are “Very Likely” to Make Home Improvements
N = 714

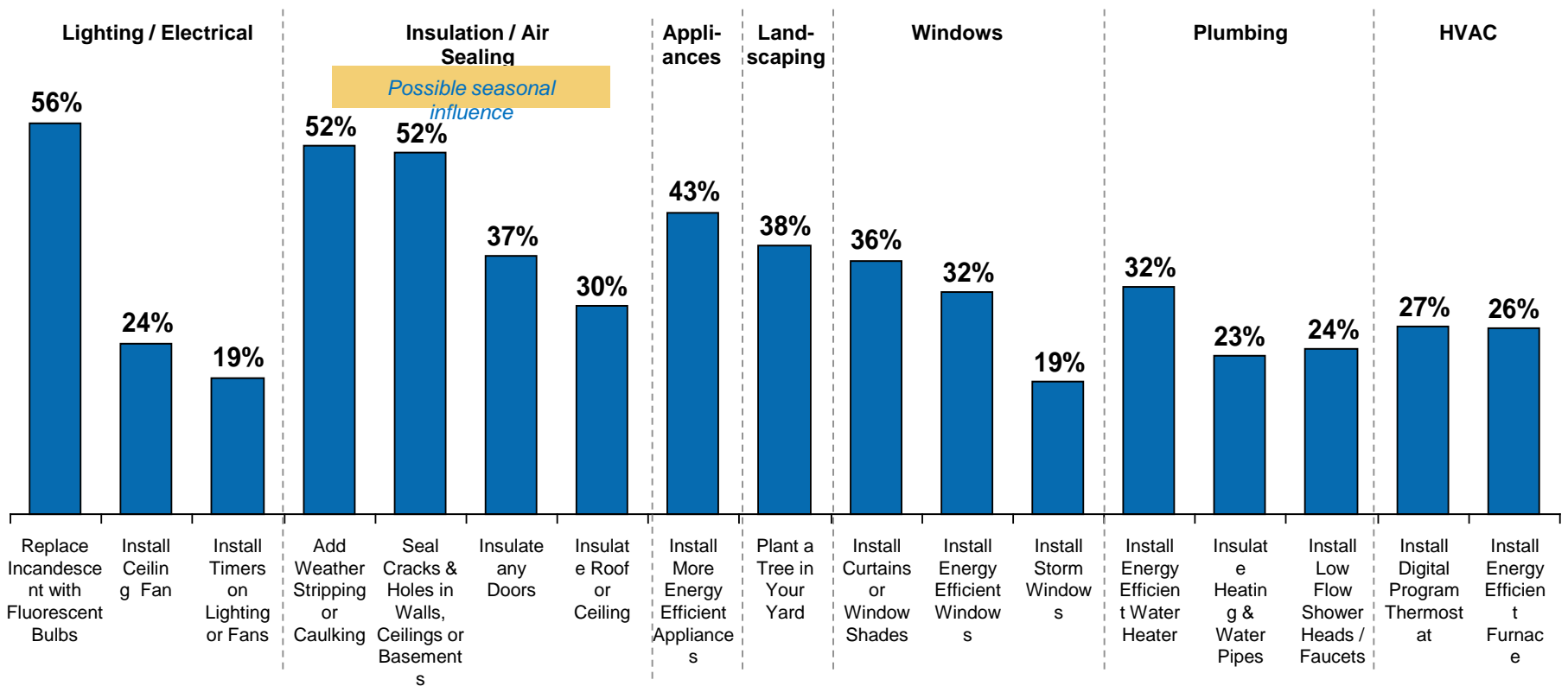


- 1 Includes only respondents who were asked likelihood of making and improvement prior to and after mention of program
- 2 Excludes respondents who didn't know or refused to answer
- 3 Responses prior to mention of purchase, rebate or loan programs
- 4 Source: Booz & Company analysis

Owners expressed greater likelihood of making simpler improvements

“How likely are you to...within the next 3 years?”

Base: Those more likely to make any type of energy efficient improvement
% Definitely Will (Top 2 Box, scale 1-6)¹

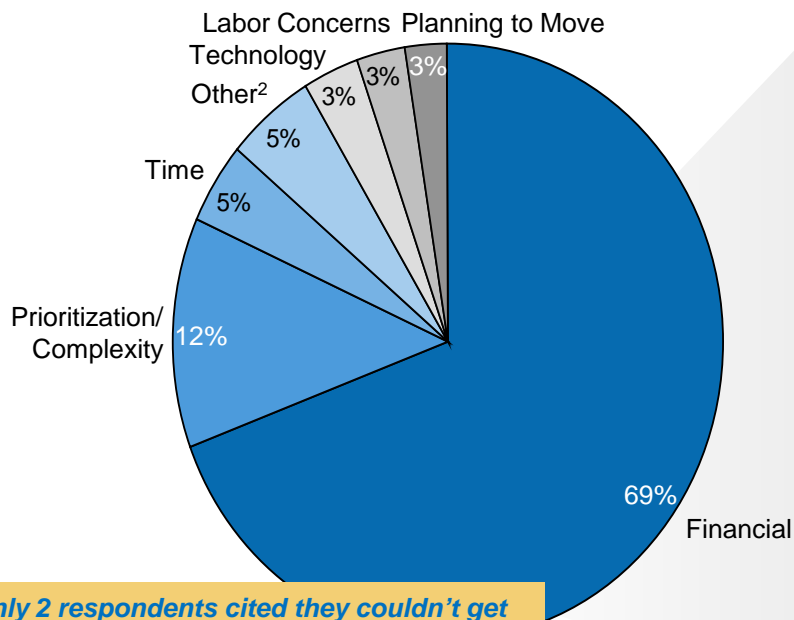


¹ Excludes respondents who didn't know or refused to answer
Source: Booz & Company analysis

Financial reasons were the most frequently cited reasons for deciding not to make a home improvement

“What were the reasons for deciding NOT to make the home improvement?”

Base: Those who considered home improvements but decided against
 % of reasons mentioned and not % of respondents
 N=767¹



Only 2 respondents cited they couldn't get financing to make the improvements

Sample Financial Verbatim

Cost of Improvement (87% of total financial responses)

- “Because of the price. No other reason”
- “The cost. It’s a question of priorities.”

Financial Payback (8% of total financial responses)

- “Not worth the cost for the value received”
- “Never would have received the pay back for the initial investment”
- “A 20-year payback and annual maintenance are needed”
- “The energy savings payback was too long”
- “The cost factor outweighed the resale value of what we would get back”
- “Not putting any more money in the house because the market is crap. Will I retain my value?”

Don't have the Money (5% of total financial responses)

- “No funds. We're in a recession. I live from payday to payday, and barely have enough money for the gas bill”
- “We can't afford it right now, my husband is laid off. I would have done it, but with him not working, we can't do it”
- “I don't have the money. If there is a program from the government it would be affordable”
- “We're saving to do it with money instead of with credit”

Other (2% of total financial responses)

- “I just didn't know if it would be a wise use of money, liquid cash”

¹ Excludes respondents who didn't know or refused to answer

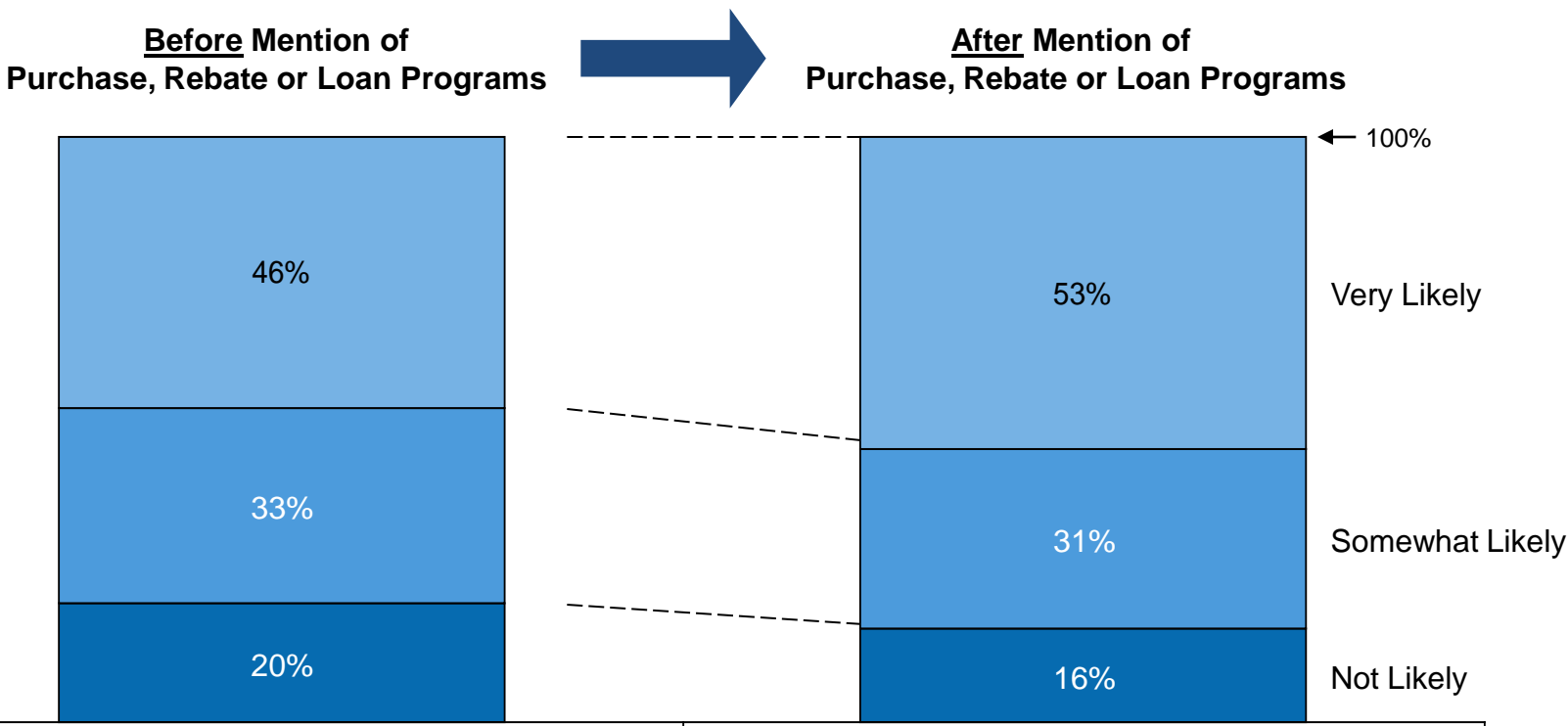
² Other includes information access, condition of house, life changes (such as pregnancy), permission denial, weather, found better option, energy costs already low, esthetics, and other

Source: Booz & Company analysis

Likelihood of making energy efficient improvements increased by 8% after respondents heard about potential incentive programs

“How likely are you to make any type of energy efficient improvement to your home or property in the next 3 years?”

Scale 1-6, N = 1580¹



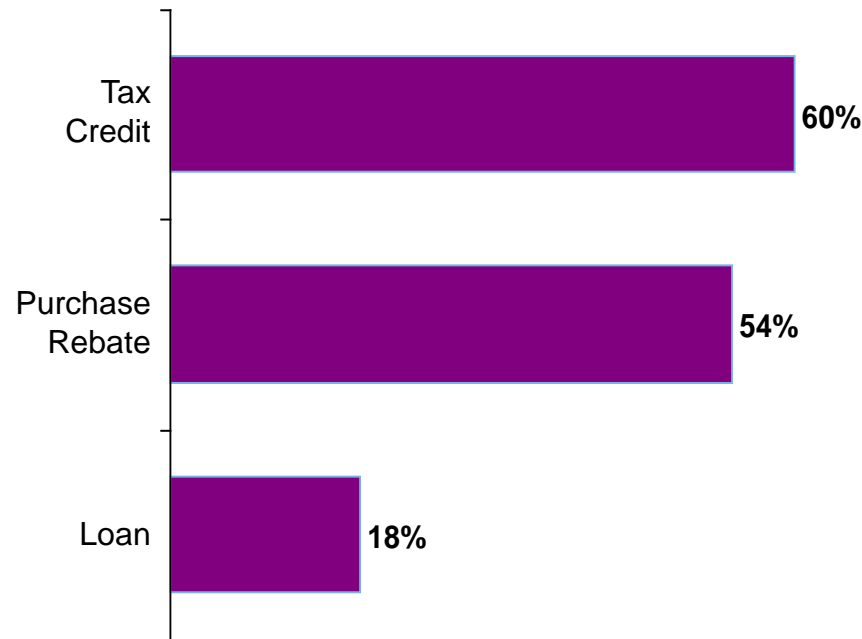
¹ Does not include respondents who refused to answer or don't know

Source: Booz & Company analysis

Homeowners are much more likely to make an energy efficient improvement if costs are subsidized

“How much more likely would you be to make an energy efficient home improvement if ... for energy efficient home improvements were made available?”

% Much More Likely (Top 2 Box, scale 1-6)¹



¹ Does not include respondents who refused to answer or don't know

Source: Booz & Company analysis

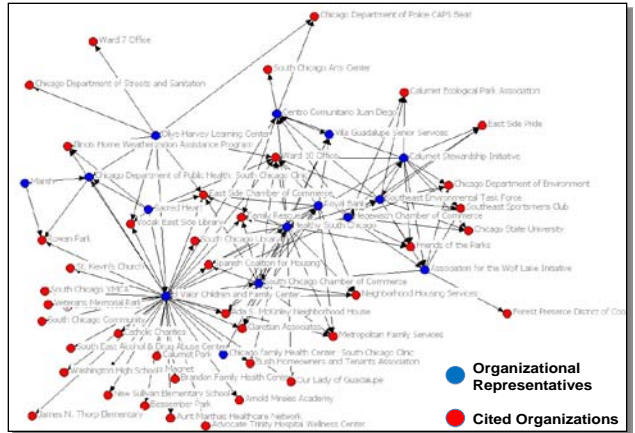
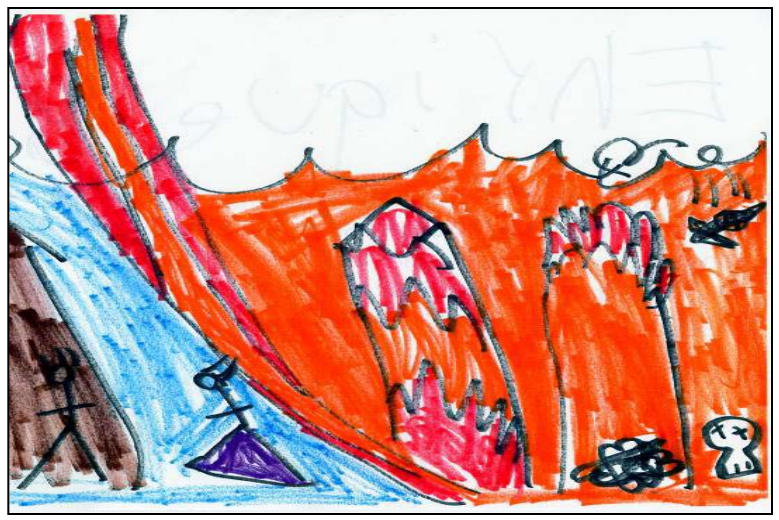
Ethnography Research



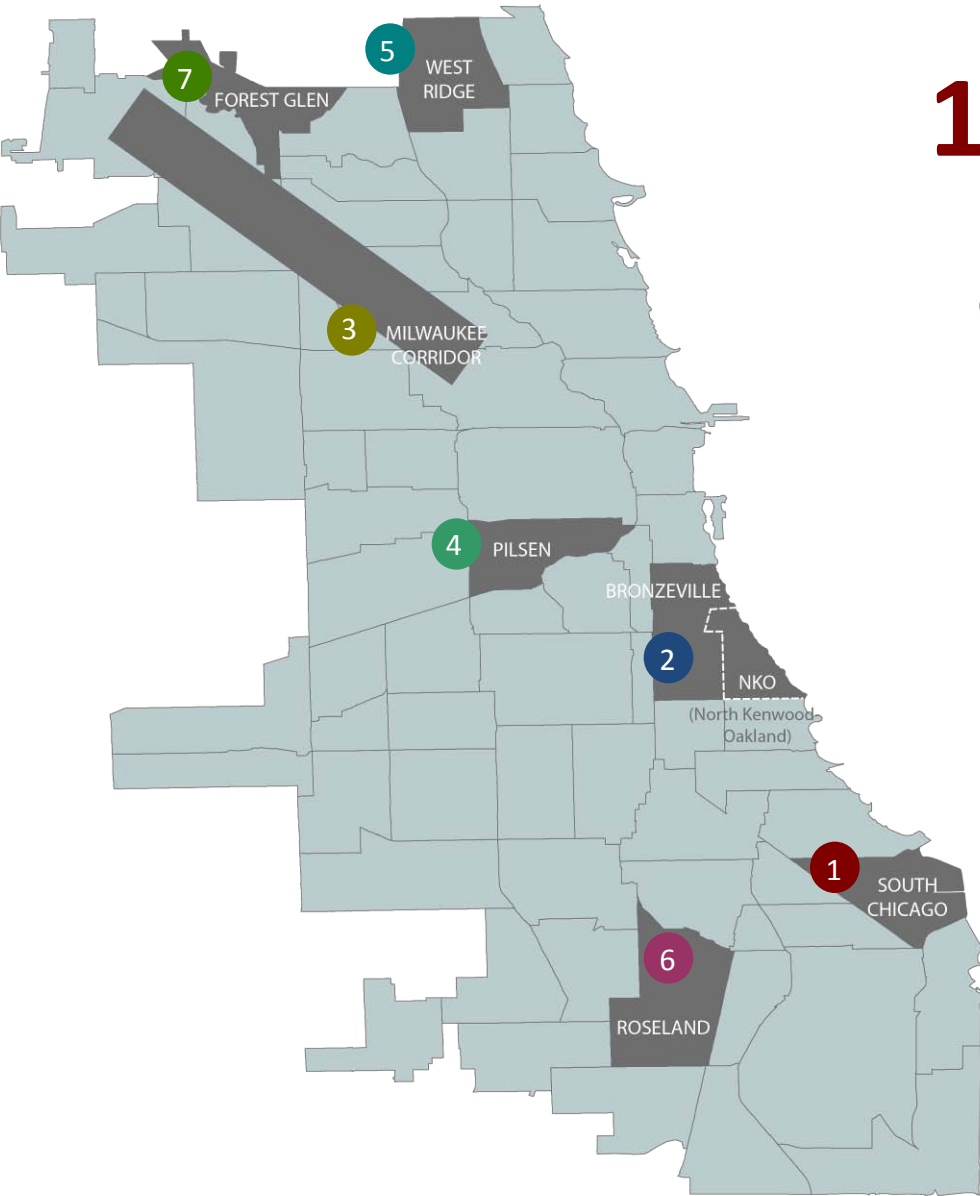
- Anthropologists from The Field Museum
- In-depth research and observation, interviews in 7 communities (2008-present)
- 5 additional communities (2011-2012)

Research Methods

- Participant observation
- Interviews
- Focus groups
- Visual activities
- Storytelling
- Social network surveys



Studies completed 2008 to present



1 SOUTH CHICAGO




2 NKO/
BRONZEVILLE



3 POLISH
COMMUNITY



4 PILSEN
MEXICAN COMMUNITY



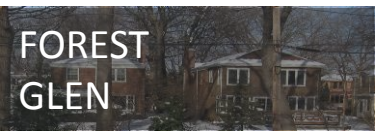
5 WEST RIDGE
SOUTH ASIAN COMMUNITY



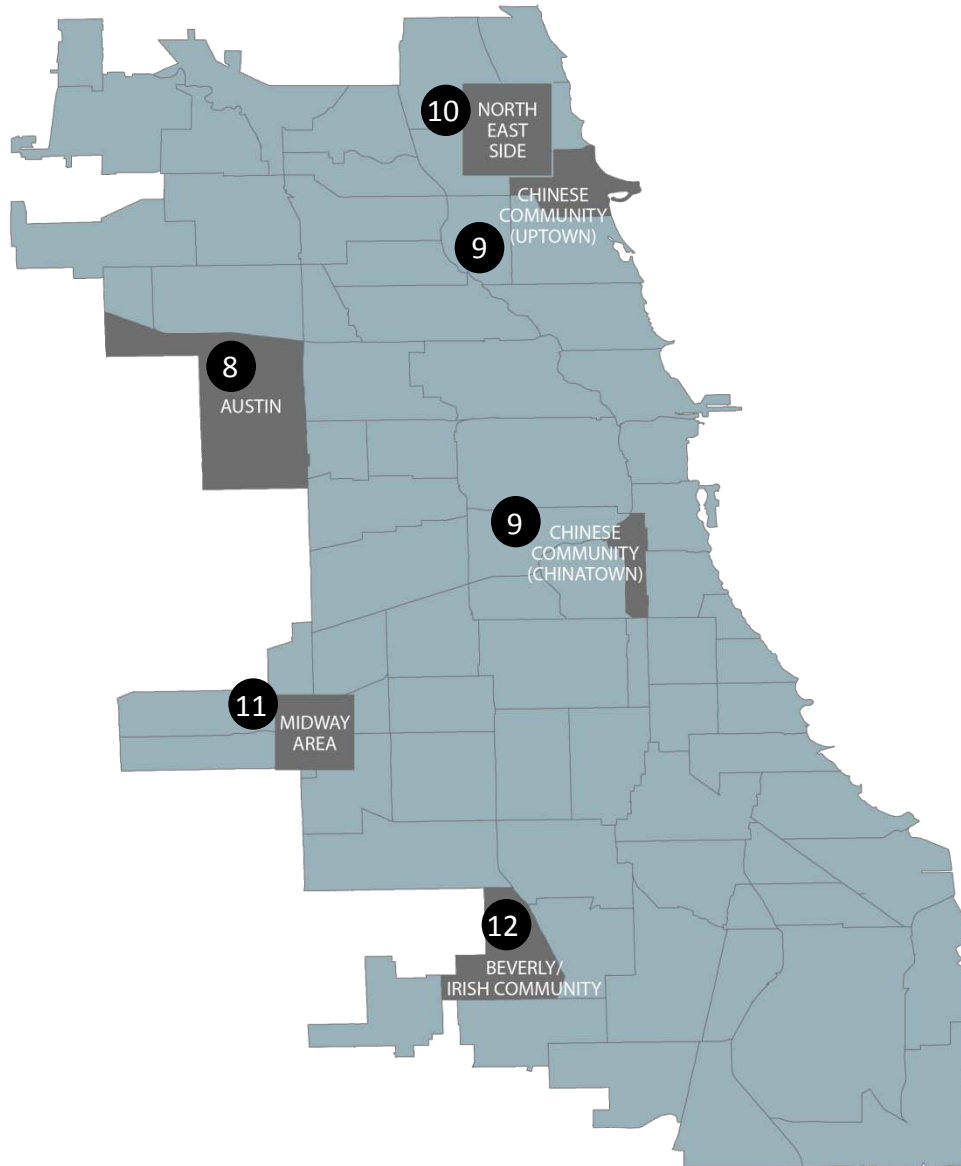
6 ROSELAND



7 FOREST
GLEN



Studies to be completed 2011 to 2012



8

AUSTIN

9

CHINESE
COMMUNITY*
CHINATOWN, UPTOWN

10

NORTHEAST SIDE*

11

MIDWAY AREA*

12

BEVERLY*
IRISH COMMUNITY

*Contract pending

Recommendations

- Make climate change feel local, personal, and actionable, in part by linking it to issues that residents care about.
- Identify and support culturally diverse environmentally-friendly traditions and values.
- Present climate change as an international/transnational issue, addressing ethnic communities' connections to their homeland cultures.



Beyond Environmental Action

Even if they are skeptical about climate change, residents already engage in green practices for a variety of reasons:

cost savings
sense of communal
responsibility
cultural traditions/heritage

community beautification
health
youth development
social pressure



Recommendations

- Start where people are at: showcase and reward the practical and creative ways communities are already engaged in climate-friendly practices.
- Create campaigns that address particular fears & concerns and that frame stigmatized practices in a positive light.
- Link DIY practices to larger, structural green solutions (e.g. retrofits).



Ranking Energy Practices

High Ranking
using CFLs

turning off lights & appliances

opening windows & using drapes

using energy-efficient devices



Low Ranking
retrofitting

using renewable energy

building green

installing green roofs



Barriers to Structural Change

- Practical barriers to making larger changes include upfront cost and renter-landlord arrangements.
- Many residents feel they lack the expertise to deal with contractors/inspectors and are wary of contractor scams and home energy 'inspections'.
- Aging or deteriorating housing stock precludes some residents from getting retrofits.
- Co-delivery programs become problematic when remediation resources have not been identified.

Barriers to Structural Change

- Some residents are taking actions based on marketing (e.g. windows) and on their own perceptions of their homes' needs instead of pursuing energy audits.
- A lack of centralized, actionable information on energy efficiency beyond mainstream measures leaves residents unsure of how to proceed.
- Many communities are beginning to organize around green building jobs but are concerned that they will be left out of the larger movement.

Retrofitting

Residents who retrofit do so for a variety of reasons:

- comfort
- beautification/pride
- noise abatement
- cost savings
- maintaining property value
- environmental impact



Recommendations

- Develop retrofit programs that use trusted local contractors and liaisons from trusted local organizations during energy audits and construction.
- Enlist a handful of influential and trusted homeowners to get energy audits and share their experiences with their communities.
- Provide comparative informational tools that allow residents to prioritize energy efficiency steps, locate qualified providers, and easily utilize rebate and credit programs.
- Create retrofit programs that connect energy efficiency to the other benefits people see in retrofitting.
- Find a way to make retrofitting a visible and talked about status symbol.

Word-of-Mouth

Word-of-mouth is an essential source of community information and provides credence to information that residents receive through other channels.



Recommendations

- Create word-of-mouth campaigns through informal communications networks.
- Educate local opinion leaders on climate change and deploy them as climate action ambassadors.
- Tap into suburban, trans-regional, and trans-national networks.
- Provide support for communities to develop green demonstration sites, including through public arts programming.



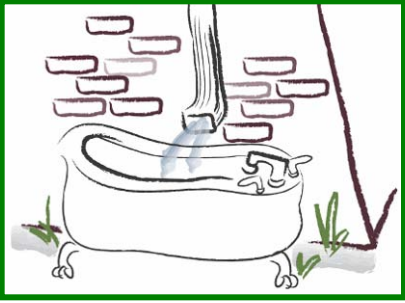
Recommendations

- Link climate action to topics that already receive significant coverage in local media, and pitch media stories about Chicago's climate action work to international media outlets.
- Work with CBOs to drive website usage and to provide community-specific information about climate action resources.



Findings VI: Models for Engagement

Green Demonstration Communities



**Gardening/
Urban Agriculture**



Art & Heritage



**Youth Development/
Education**



Communications Process

- Fleishman Hillard and Fathom
- Campaigns area developed for the RFP
- Campaign development currently on hold
 - Overall branding and brand strategy is priority and will inform the communications