

Joint Marketing Strategy

Vision Statement

The Hudson-Stow HeatSmart Team's mission is to educate our communities about the environmental and financial benefits of heat pumps and encourage the adoption of these technologies. The fuel cost comparison and quiet operation of these technologies present a strong value proposition while helping clean the environment.

Working with MassCEC and selected installers, the team will build on synergies with our municipalities and Hudson Light and Power (HL&P), the local municipal electric utility that services both towns. We will team with local organizations that have demonstrated interest in assisting our efforts: schools, churches, the Chamber of Commerce, other civic organizations, Scouts, and local green organizations.

Strengths, Weaknesses, Opportunities, Threats

Stow and Hudson are good candidates for the MassCEC HeatSmart program for the following reasons:

- Stow has a strong history of implementing environmentally responsible programs. Our HeatSmart marketing builds on our experience with the highly successful Stow Solar Challenge (2013-2014). The Stow Solar Challenge achieved twice the expected participation through the efforts of an active volunteer group, close coordination with the installation vendor (New England Clean Energy), and a persistent, multi-pronged communication effort focusing on the value and benefit of clean energy.
- The cost of electricity in Stow and Hudson is the lowest in Massachusetts, with over 80% coming from greenhouse-gas-free sources (hydro, nuclear, and solar). This makes for a faster ROI for consumers and a significantly higher reduction of greenhouse gasses than will be the case for communities with other electric utilities.
- The larger market base of the combined towns is an incentive for installers to work with us and opens up the potential for discounts.
- Both communities have the support of their boards of selectmen, and our shared municipal utility, as evidenced by their letters of support.
- Our state representative, Kate Hogan, is a Stow resident and strong environmental advocate. Representative Hogan supports our participation in the HeatSmart program.
- HL&P has agreed to assist with marketing by promoting free energy audits and including HeatSmart educational information in their monthly newsletter and on their website as well as participating in community forums. The utility currently offers customer rebates on air source heat pumps and ground source heat pumps, and they have indicated that they will consider increasing these rebates when planning their FY19 budget.
- Both towns have an active volunteer base through Sustainable Stow and Green Hudson.
- Our team has consulted with coaches from two of the HeatSmart pilot communities who have provided valuable "lessons learned" from their experience and will continue to provide support throughout the Hudson-Stow initiative (see attached letters of support from the Carlisle-Concord-Lincoln and Harvard-Bolton HeatSmart coaches).

We recognize the key role the selected installer plays in the success of the program. Not only must the installer be proficient in installing and maintaining heat pumps, the installer must also be an active partner in the community HeatSmart program. This includes:

- Participation in outreach events. "Meet the installer" community forums and additional events such as open houses.
- Knowledgeable and responsive sales and technical staff. Each home requires its own analysis to determine the most appropriate use of this technology and the estimate of financial payback. The installer should be able to provide information and answer questions promptly and clearly.
- Attractive pricing. Using an installer selected with the support of the MassCEC technical consultant provides homeowners "peace of mind" but pricing should also insure the homeowner will typically select the HeatSmart installer rather than a bid from a lower-priced competitor.
- Consideration of volume-based discounts. A volume goal that results in a discount for all participants could be part of the program provides an added incentive and motivation for the community. This was demonstrated during the Stow Solar Challenge.

Partnering provides opportunities for both towns to save costs by sharing marketing information. While Stow and Hudson share the same municipal electric utility and state and federal representatives, we represent the two distinct types of communities found in the Metrowest region: a small, rural town with a higher than average annual household income, and a former mill town with a thriving downtown where the average annual household income is near the state average. Using similar marketing techniques and providing

the same rebates across two towns allows us to target a more diverse population. This will also allow us and MassCEC to see how similar marketing techniques work in communities with different economic circumstances.

Opportunities include residents without air conditioning, those who are considering changing out their aging heating and cooling systems, homeowners with problematic living spaces, people who are looking to make their older homes more energy efficient, and new construction. Approximately 67% of Stow residents and 32% of Hudson residents currently use high cost heating fuels. Conversion to whole house heat pumps would save the average homeowner about \$600 in heating cost and 10,000 pounds of CO₂ per year as compared to fuel oil. Our low-cost electricity presents an incentive for residents to move from fluctuating, high-cost heating fuels to clean electric heat and air-conditioning.

Residents of Stow and Hudson cannot participate in Mass Save or MassCEC rebates and incentives because they are serviced by a municipal electric utility. Therefore, the team is exploring with HL&P the possibility of raising existing rebates for ASHP and GSHP. We are also investigating the feasibility of local banks providing no-or-low-interest loans for Low and Moderate Income Housing (LMIH) participants.

Proposed Program Goals

The table below summarizes our proposed goals for ASHP and GSHP installations. We derived these goals from data from the pilot programs and total number of statewide heat pump installations, adjusted for a six-month program.

Also, from discussions with the coaches of the Bolton-Harvard and Concord-Carlisle-Lincoln HeatSmart pilot programs, we understand that a significant number of residents, who installed heat pumps during the program, didn't select the HeatSmart installer - perhaps as many as half. We are not including an estimate of heat pump installations from other than the selected HeatSmart installer in our goal and believe we will benefit from the lessons learned in the pilot program in meeting our goal.

The two pilot programs we consulted had a total ratio of about two ASHP to one GSHP. However, we understand this was influenced by the high rebate available to these communities from Mass CEC at the start program. Therefore, we are using a ratio of four to one for our goals. Also, we weren't able to estimate the number of GSHP installations in each town (e.g. single family homes in Stow versus multi-unit buildings in Hudson) and so set a combined goal for both towns. Finally, the projected number of ASHP units in Stow and Hudson is not equivalent to the ratio of housing units in the towns. This is because Stow has a higher percentage of homes using "high cost" heating fuels. After selection, the estimates below will be reviewed with MassCEC and the Technical Consultant and revised as appropriate.

Metric	Stow	Hudson	Total
Number ASHP units	20	32	52
Number GSHP Units	12		12
Heating Capacity (kBtu/hr)	800	1100	1900

Marketing Strategy and Implementation Plan

Hudson and Stow will implement a marketing strategy that includes community outreach, a joint HeatSmart website, the inclusion of local municipal and social organizations in marketing activities, as well as traditional print and social media marketing channels.

Education sessions and marketing information will focus on the benefits of ASHP and GSHP over legacy heating systems: cost efficiency, year-round comfort in their homes, affordability for LMIH residents, the power of our communities to mitigate climate change through use of climate-friendly heating and cooling technology, and purchase incentives. Aside from technology, GSHPs will be differentiated from ASHPs by generally higher installation cost which is offset, in part, by a 30% federal tax credit and AECs (Alternative Energy Credits) as well as higher efficiency and lower sensitivity to ambient air temperatures.

Securing Volunteers

Volunteers have already been identified from Sustainable Stow and Green Hudson and a number of residents from both towns have expressed a desire to help with the program.

Program Kickoff: November and December

Immediately following the award, the team will focus on promoting and announcing the HeatSmart award and program, installer selection, piloting and refining our marketing strategy, building the volunteer team, developing marketing materials, and initiating

outreach. Hudson and Stow will conserve on marketing costs wherever possible by creating marketing and educational materials that can be shared by both towns.

Specifically, planned actions in the first two months post award include:

- Announce HeatSmart award and program via newspaper articles and editorials, our joint HeatSmart website, town and community websites (such as SustainableStow.org, Green Hudson facebook page, and Nextdoor.com), local organization Facebook pages, and posters in town buildings and local business establishments.
- Work with HL&P to promote home energy audits and the HeatSmart program through educational information in the HL&P newsletter and website. This will continue throughout the program.
- Refine the joint marketing plan in conjunction with MassCEC technical consultant, team coaches, HL&P, and selected installers.
- Identify residents most likely to benefit from ASHP and GSHP, including people concerned about fluctuating fuel prices, such as retired individuals on fixed incomes, and LMIH residents. We will solicit input from and reach out to these individuals through our Councils on Aging and towns' Housing Authority, and will do a direct mailing to the homeowners and landlords of residential buildings in Hudson's Blight Target Area.
- Other initial outreach will be to residents who have demonstrated concern for the environment and desire eco-friendly and cost-efficient heat sources for their homes (participants in the Stow Solar Challenge, those who have had recent home energy audits, owners of electric cars, and members of local conservation and environment groups). Residents who responded positively to the survey regarding having a HeatSmart program will be immediately contacted.
- Educate and engage volunteers already identified within Sustainable Stow and Green Hudson.
- Work with the MassCEC technical consultant to meet and select installers.
- Begin website design and implementation.

Educational Outreach

Educational outreach will begin in January and continue through the end of the program. See the timeline below for the timing of marketing activities.

- Educational Events: We will conduct a minimum of four Meet the Installer and HeatSmart Clean Heating community education forums (two in each town), communicating the HeatSmart program highlights, economic and environmental advantages of ASHP and GSHP, vendor qualifications, and the installation process. This will be done in partnership with selected installers. Educational handouts for both technologies will also include a decision tree to help residents decide which technology is best for their household. HeatSmart volunteers will also reach out to local organizations to attend their meetings and present the program, including Rotaries, churches, and conservation trusts.
- One-to-one community education: We will conduct open houses with the assistance of homes with ASHP and GSHP users. Volunteers will make follow-up calls to individuals demonstrating interest in the program. We will create Frequently Asked Questions materials for volunteers to use in one-on-one discussions.
- Teaming opportunities: We will work with Councils on Aging and Housing Authority to identify LMIH residents who might benefit from ASHPs. The team is exploring the possibility of a local bank offering a low or no interest loan for LMIHs for the duration of the program. Additional teaming opportunities include school educational projects and engaging local Scouts groups in the program.
- Educational Tabling: We will conduct tabling efforts in high traffic areas; these include annual town meetings, transfer stations, town events such as Stow SpringFest, as well as in front of local businesses and Minuteman Airport.
- Social Media and Digital Outreach: A HeatSmart website will be shared by both towns, containing educational information, upcoming events, links to installers' websites, and a decision-support tool. Town and local green community websites will link to this site. The team already has identified a technical consultant to manage the web site and contact list. Volunteers will use HeatSmart hashtags for Twitter and Instagram mentions, and place mentions in Facebook and nextdoor.com, and ads in WickedLocal online. A minimum of one direct email will be sent to existing lists and customers of recent energy audits, and a MailChimp bi-weekly information update will be sent out to residents who have shown interest in the program. Educational sessions on clean heating will be recorded and posted on local cable TV and YouTube. We will also investigate the possibility of paid social media advertising for searches on energy efficiency and other keywords from users in Hudson and Stow.
- High Visibility Promotional Signage: Lawn signs, progress meters at town centers, sandwich boards, and banners will promote name recognition and HeatSmart branding.
- Print Media: Monthly articles and/or editorials in local newspapers, as well as ads. Our local papers are open to promoting local environmental groups and ongoing projects. A recently printed article about Sustainable Stow activities has already stimulated interest in Air Source Heat Pumps.
- Print Materials: Posters, brochures, and flyers will be posted in libraries, municipal buildings, town community centers, and

local businesses and eateries, and distributed at educational forums and tabling opportunities.

- **Direct Mail:** Promotional material will be distributed through the HL&P newsletter, to provide information on HeatSmart, what it is, what the benefits are, and contact information. Targeted mailings will reach out to homeowners who have recently requested or implemented a home energy audit, demonstrated buying decisions that are influenced by environmental concerns, and homeowners and landlords in Hudson’s Blight Target Area.

Wrap Up: August

Once the program period ends, the team will seek feedback from customers, residents, and installers to identify successes and failures of the program. We will work with installers to ensure the success of ongoing installations.

HeatSmart Marketing Implementation Timeline

Stow and Hudson HeatSmart Marketing Plan 2018-2019	November	December	January	February	March	April	May	June	July	August
Program Kick-Off: Early Promotion of Award and Program	—————→									
Promote Energy Audits		—————→								
Identify Target Households and Refine Marketing Plan	—————→				-----→					
Develop Outreach Strategy with Installers and HL&P		—————→								
Train Volunteers		—————→								
Website Design and Ongoing Implementation & revision	—————→				-----→					
Ongoing Community Outreach to Educate and Recruit Customers			—————→							
Events: A Minimum of Four Meet the Installers Plus Open Houses			★ ★	★	★ ★	★	★	★		
One-to-One Communication				—————→						
Teaming			—————→							
Educational Tabling in High Traffic Areas			—————→							
Social Media and Digital Outreach			—————→							
High Visibility Promotional Signage to Promote Name Recognition and Build Branding			—————→							
Print Media		—————→								
Print Materials		—————→								
Direct Mail			—————→							
Video and Cable TV			—————→							
Wrap up								—————→		