

Prospectus



An E SOURCE Market Research Multi-Client Study

Using Channels, Associations, and Business Organizations to Reach Small and Midsize Businesses

Reaching small and midsize business customers is a challenge for today's electric utilities. The energy needs of these customers vary as widely as the types of businesses they run, ranging from bakeries to high-tech doctors' offices. In face of such diverse business interests and business needs, it's extremely difficult for utilities to effectively communicate to customers in this market how energy-related programs, products, and services could benefit them.

Communication options range from traditional approaches, such as bill inserts and direct mailings, to more novel methods, such as partnering with relevant business associations and sponsoring local events or seminars. Segmenting small and midsize business customers by the marketing channels that most effectively reach them is central to a successful marketing campaign. In this study, we'll test a wide variety of methods utilities can use to reach this elusive group of customers and highlight the best communication channels to use with each segment.

We'll begin by assessing the various ways utilities involve themselves in the community and evaluating the impact those actions have on small and midsize business customers' overall satisfaction with their utility. We'll then determine the effectiveness of these activities from a sales or marketing perspective. A significant portion of our research will be spent exploring the business, trade, and professional associations serving the small and midsize market and assessing the effectiveness of these organizations as a potential partner in utility outreach efforts. We'll also identify the information channels that small and midsize business customers are most likely to turn to, explain the underlying reasons for their preferences, and reveal who they trust as a source for energy-related information. We'll also look at traditional communication channels and identify the information these customers prefer to receive over the Internet, through direct mail or bill inserts, or by speaking with a utility representative either over the telephone or in person.

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Study Objectives

Our survey, which will focus on small and midsize business customers across Canada and the United States, will capture and quantify answers to questions like these:

- What impact does utility community involvement have on overall customer satisfaction? What's the marketing impact of those endeavors?

- What business or trade associations, such as chambers of commerce or industry-specific organizations, are small and midsize business customers most actively involved with?
- What professional organizations are energy decision-makers most actively involved with?
- How prevalent are ethnic or gender affinity organizations, such as the Hispanic Chamber of Commerce?
- How receptive are these customers to their energy provider partnering with business, trade, or professional associations to provide energy-related information? How should such collaborations be structured?
- Which associations are already providing energy-related information to customers in this market segment?
- What type of communication or information do small and midsize business customers prefer to receive over the Internet, through bill inserts or direct mail, via an automated phone system, or by speaking with a customer service representative over the telephone or in person?

Study Benefits

Through our analysis of primary market research data, we'll provide you with:

- Information on the types of business, trade, and professional organizations that small and midsize businesses and energy decision-makers are most actively involved with.
- The interactions that small and midsize business customers have most frequently with their professional or trade associations, such as reading newsletters, visiting association Web sites, or attending monthly meetings.
- Suggestions regarding the best partnerships for reaching these customers and the types of information they want most from energy service providers.
- Marketing channels these customer prefer for receiving information about products and services and other energy-related information.
- The overall perceptions these customers have of their utility's Web site, and the small and midsize business section of those sites in particular.
- A firmographic profile of respondents, including Standard Industrial Classification (SIC) codes, facility square footage, number of employees, energy expenditures, and other firmographics.

Survey Methodology

More than 900 decision-makers at small and midsize businesses in the United States and Canada will be randomly surveyed via 10-minute telephone interviews. We'll conduct the interviews in eight market sectors: Grocery, Restaurant, Education, Lodging, Industrial, Retail, Office Buildings, and Healthcare. To be included in this study,

a small business must have between 5 and 250 employees on site and a total of no more than 250 employees at all sites. We'll set quotas for survey participants by country and market sector to ensure balanced coverage across the U.S. and Canada.

Deliverables

The study results will be communicated to subscribers through a variety of media:

- Print and electronic copies of a comprehensive final report analyzing the data and presenting the most important findings in text, charts, and graphs.
- A data notebook including the survey questionnaire, sample plan, codebook, and a graphic presentation of topline results for each survey question. A CD-ROM comes with the notebook. It contains extensive data tables for each question as well as the raw survey data in Excel, SPSS, and ASCII formats, enabling subscribers to conduct their own analyses. The CD also contains the PowerPoint graphics showing the topline results.
- A private teleconference call with the project team to discuss findings and implications specific to the subscriber's company and business strategy.

Optional Oversampling Surveys

You can arrange to have us perform proprietary oversampling within a community, state, or region. This is a unique opportunity to gather in-depth information about your market and to develop comparisons with the broader U.S. and Canadian study sample across a common set of questions. We can also add custom questions to the survey for sponsoring subscribers. Oversampling results will

be furnished only to the sponsoring subscriber.

Contact a member of our business development team for more information on oversampling or to obtain a cost estimate.

For More Information

For more than 18 years, E source has provided information services focused on retail energy markets, services, and technologies. At our core is an exceptional team of research professionals whose technical and analytical skills and real-world experience have earned E source international acclaim. Our customers value their relationships with us

because we're always ready to provide prompt, friendly, expert advice and guidance. Clients include roughly 300 electric and gas utilities, other energy service providers, large energy users, government agencies, and other organizations from nearly two dozen countries worldwide.

E SOURCE

1965 North 57th Court
Boulder, CO 80301
Tel 303-444-7788