



How can utilities build trust with SMB customers?

An Ask E Source answer

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Q: How can utilities successfully engage and build trust with small and midsize business (SMB) customers?

A: Getting SMB customers to participate in energy-efficiency programs is difficult, and although there isn't a proven formula to engage these customers, we have information and examples to guide you in developing a cohesive and comprehensive strategy. We share some data insights into how these customers view energy-efficiency programs, offer some engagement tips, and give examples of how some utilities have used marketing campaigns.

Know your audience

Knowing your target audience—as well as its energy-efficiency goals and perceptions—is the starting point for developing an effective campaign that builds trust and encourages engagement among SMB customers. We'll dig into data from the [E Source Small and Midsize Business Customer Satisfaction Survey](#) to help you understand the energy-management needs and attitudes of SMB customers.

Who makes energy-related decisions? According to the [E Source E Design 2020](#) initiative, SMB owners generally make all the energy-related decisions for their business.

Who participates in energy-efficiency programs? Data from the [2020 E Source Small and Midsize Business Customer Satisfaction Survey](#) reveals that SMB customers have remained interested in energy-efficiency programs compared to previous years. In fact, interest has even increased for certain programs such as demand response or load curtailment, which saw a 22-percentage-point boost from 2019 to 2020.

However, despite interest levels, overall participation has dropped.

Who has energy-related goals? Almost half of SMBs (48%) have energy-saving goals currently in place, but 33% don't have any energy-related business goals in place.

What energy-efficiency programs are they interested in? SMB respondents are most interested in lighting (53%), energy data analytics (53%), demand response (50%), and space heating or cooling (50%).

Who do they trust as energy-efficiency advisers? SMB customers rank their utility highest as a trusted resource for energy-efficiency advice (51%), but they also rely on colleagues at similar businesses (31%).

Win SMBs' trust

You can't make headway with SMB customers if they don't trust you. We recommend some engagement strategies.

More SMB trust-building tips

See our report [Connect with your SMB customers to increase program participation](#) for a detailed engagement plan.

Collect testimonials. SMB customers view their utility and colleagues at similar businesses as their most trusted sources for energy-efficiency advice. Leverage this trust by including testimonials from efficiency program participants in your marketing campaigns. Testimonials that present a specific business challenge and describe a solution and its results are the most compelling stories. Testimonials are also a great way to reward your current program participants by providing them with good PR exposure.

Create customer advisory panels. A customer advisory panel allows you to hear firsthand the voice of your business customer. It also acts as a sounding board to test ideas, messages, and services directly with your customers. By getting in front of your target customers and incorporating them into the process, you can learn the unique needs and behaviors of your audience, all while establishing trust among the SMB panel participants.

Partner with community groups. Your customers already trust their local and state trade and business associations. Collaborate with them to increase outreach to business members. Connecting with well-known organizations and chambers of commerce within your service territory is a great way to show your interest in community involvement.

Recognize customers. Customers are proud of their energy-saving efforts and accomplishments, and acknowledging them gives SMB customers something to strive for in their energy-efficiency plan while promoting utility-offered programs and rebates. SRP rewards its commercial customers through its [Champions](#)

[of Energy Efficiency Awards](#). The utility chooses champions based on their adoption of new energy-efficient technologies, behavioral changes, and support of ongoing program initiatives. Here's what Darin Read, senior marketing analyst at SRP, had to say about the program:

SRP is now in the fifth year of our Champions of Energy Efficiency Awards and feedback from employees and customers alike is that it's one of the best events we do. Customers love to be recognized for their efforts and there's usually earned media from both the utility and business side, so it's a great PR event for all. The awards process also gives us an opportunity to engage with our SMB customers in a unique way. Customers value the visibility of the event and being recognized with their peers (as well as major brands) on the same stage.

Offer your expert guidance. SMBs rated the importance of their account rep being a proactive energy adviser 8.8 on a 10-point scale, where 1 was the lowest score and 10 was the highest. But their rating for how well their rep was performing on that attribute was 7.7. Knowing that SMBs trust their utility for energy advice, there's an opportunity for you to engage your SMB customers by giving them personalized, industry-specific guidance on which energy-efficiency measures make sense for them. Then, walk them through the enrollment and upgrade process.

Get inspiration from successful SMB marketing initiatives

Browse E Source Energy AdVision

[E Source Energy AdVision](#) is a database of nearly 6,000 user-submitted examples of utility marketing and advertising campaigns. Access to it is included with certain memberships.

Here are examples from three utilities—Alliant Energy, SRP, and BC Hydro—of how they've built trust with their SMB customers and are keeping them engaged.

Alliant Energy. We reached out to Alliant Energy to ask about its SMB marketing strategies. Below is the interview response from Anna Darling, senior product manager of energy efficiency at Alliant Energy:

Our ongoing SMB marketing efforts have been very successful and we continue to track participation conversions of 3% to 4%, which is above the industry average. Alliant Energy's strategy for SMB marketing is to be relatable to customers, and we credit hitting our

participation goals to our personalized approach and timely customer service.

E Source provided Alliant Energy customized data on the top customer segments for its Iowa service area: restaurants, religious organizations, banking or financial institutions, healthcare, automotive, and grocery or convenience stores. We marketed directly to these industry customers by providing actual case studies and testimonials from our customers who've participated in the SMB programs in those industries. For example, we met with one of our restaurant customers and developed content with video, pictures, and quotes to create a marketing suite of options—showing how that customer saved energy and money—that we sent to other restaurants via direct mail. We also placed the video on our website.

While we also use online ads, social media, and broadcast channels, we've seen the most success in participation and cost-effectiveness from direct-mail marketing. Our direct mail consists of a letter featuring an Iowa SMB customer testimonial, a call to action for an energy assessment, and a business reply card to make it easy for business customers to fill in their information and put it in the mail [**figure 1**]. From the initial assessment request, we are then able to follow up with targeted initiatives such as rebates or seasonal heating and cooling programs. Following up on our direct-mail initiatives is an important part of the process as well, with a plan to follow up at least six times via email and phone calls. We've also used geotargeted direct-mail campaigns to hit well-populated areas with the highest concentration of SMB customers in the industries we're targeting.

Building trust with our customers is accomplished by sending out surveys to get helpful feedback and assist with any issues a customer may have in a timely manner. Customer service is the key to connecting with our SMB customers. Our goal is to be on-site conducting the assessment in less than two weeks after we receive the customer's request. We're focused to be responsive to their needs. Our customer satisfaction has increased as a result of our personalized campaigns and due to our accessibility with a dedicated Business Resource Center hotline where a customer can reach their personal account representative.

Figure 1: Example of direct mail from Alliant Energy

In its letter, Alliant Energy includes a personal customer testimonial in addition to an easy-to-follow process for scheduling a free energy assessment.

Schedule your free assessment today

Simply return the enclosed postcard, call us at **1-888-267-7516** or visit alliantenergy.com/startsaving.

Ladies and gentlemen, start your savings

With so much power-hungry equipment under one roof, it's no surprise that auto shops and dealerships use more energy per square foot than most office buildings. Making sure you're using all that energy as efficiently as possible can have a powerful effect on your bottom line.

As an Alliant Energy customer, you're eligible for a free energy assessment. Schedule yours today and we'll provide recommendations and rebates that could help lower your energy costs and improve your business environment.

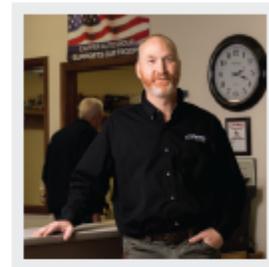
The process is simple:

1. Schedule a time for one of our trained energy assessors to visit your business.
2. During the assessment, we'll identify energy-saving opportunities and install free energy-efficient products.
3. After the assessment, you'll receive a customized report and recommendations connecting you to rebates and additional savings.

You may also be eligible for significant rebates to upgrade your:

- Heating and cooling equipment
- Lighting
- Insulation and air sealing
- And more! Visit alliantenergy.com/rebates for details.

Already had an energy assessment? Revisit your assessment report and contact Alliant Energy to get started on your energy efficiency recommendations.



Lighting is a big deal in car sales and the team noticed the improvement right away. Our energy costs came down a noticeable amount, too.

John Capper,
Co-owner
Capper Auto Group
Marengo, Iowa



SRP. We reached out to SRP to ask about its SMB marketing strategies. Below is the interview response from Read:

We've seen the biggest success to fill the gap in engagement with the launch of our self-assessment [Business Energy Manager](#) tool. Our business customers can go to the website,

fill in their address, business type, building specifications and square footage, and answer a series of questions regarding equipment they use, and the system generates a report with customized energy-efficiency recommendations, rebates available, and energy-saving tips. The tool is primarily targeted toward small to midsize businesses. The Business Energy Manager launched in October 2017, and even with light marketing (email and minimal advertising), we have already seen a high conversion rate for completing the online assessment.

Our SMB outreach has focused mainly on our lighting program, which is contractor driven. The program is designed so that it is highly beneficial for the customer. Our contractors are also an important part of our SMB program, as they help bridge the relationship between the customer and the utility. Our program administrator actively engages contractors in training sessions, including in-depth sales and technology training to ensure they are providing the best customer experience and representation of SRP. This has been very beneficial in developing trust with our business customers. Our contractors have access to cobranded marketing collateral and also wear branded SRP name badges on their appointments so customers can be assured they are authorized and endorsed by the utility [**figure 2**].

Figure 2: Example of an SRP-branded name tag for contractors

SRP's contractors have access to cobranded marketing collateral and also wear SRP-branded name tags to customer appointments, so customers can be sure they're authorized and endorsed by the utility.

SRP SMALL BUSINESS SOLUTIONS

Approved
Alliance
Participant

ID Number:

Name:

Company:

This contractor is an approved SRP Small Business Solutions Alliance Participant for the period of May 1, 2018, to April 30, 2019. Alliance Participants are not affiliates or agents of SRP. SRP assumes no liability for their products or services.

Call (602) 236-3055 to confirm status.



Delivering water and power™

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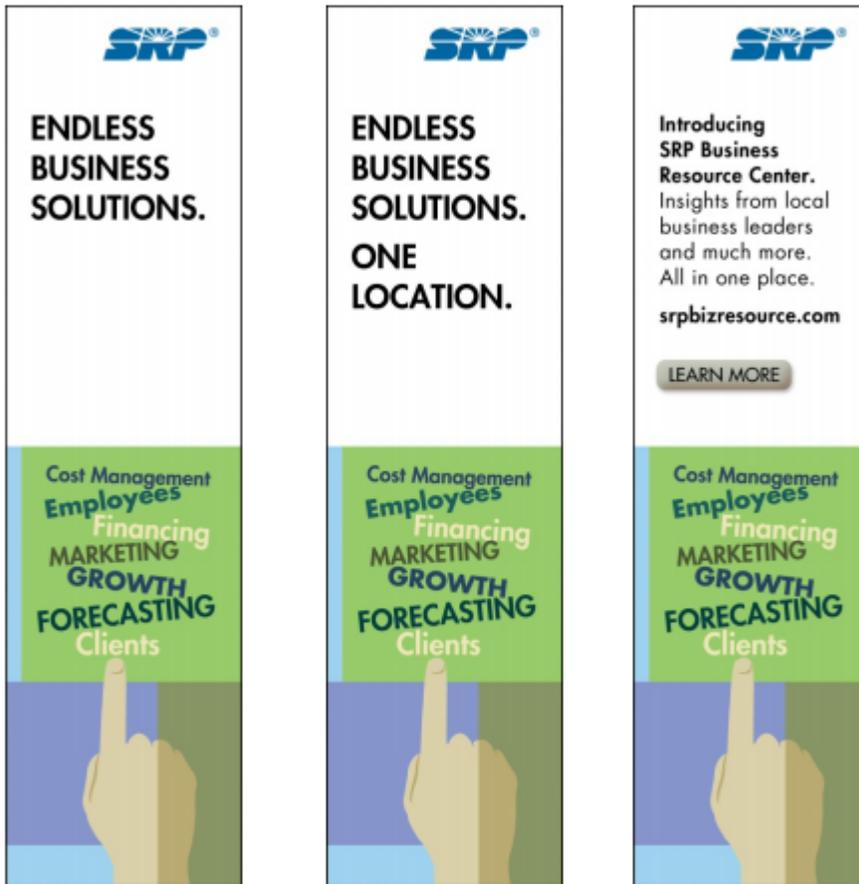
Courtesy: SRP

SRP also benefited from successful SMB marketing in 2011 after launching its Business Resource Center with the goal to help SMBs survive in tough economic times. The resource center offered customers non-energy-related information and advice. With a relatively small budget, SRP ran a six-month online ad campaign on multiple business-minded sites. SRP saw these results:

- Monthly visits to the Business Resource Center increased by 200%
- Online banners generated 1,300 visits (more than 40% of total visits) (**figure 3**)
- Banners also produced a 0.05% click-through rate

Figure 3: Example of SRP's Business Resource Center rotating banner ads

SRP attributes more than 40% of total resource center visits to its rotating banner ads. In each frame, the words on the fingers swayed as if they were balancing atop of it.



Courtesy: SRP

BC Hydro. BC Hydro launched its Business Energy-Saving Incentives ad campaign in 2019. In its [EnergyAdvison submission](#), the utility describes the strategy for the campaign:

The small/medium business customer segment is very focused on their bottom line. While energy-efficiency is low on their list of priorities, saving money is high. In order to motivate the customer to spend money on energy-efficiency upgrade projects, this campaign highlighted the impact the average savings could have on your bottom line when you upgrade to energy-efficient technology. Because participation requires a large upfront investment from these customers, we also provided support avenues on the landing page, like a call helpdesk number and access to Alliance professionals to guide them through the upgrade and incentive process.

The campaign attracted 300,000 visits to the Business Energy-Saving Incentives landing page and resulted in 281 approved projects, 114% of BC Hydro' target. **Figure 4** shows the sponsored email for the campaign.

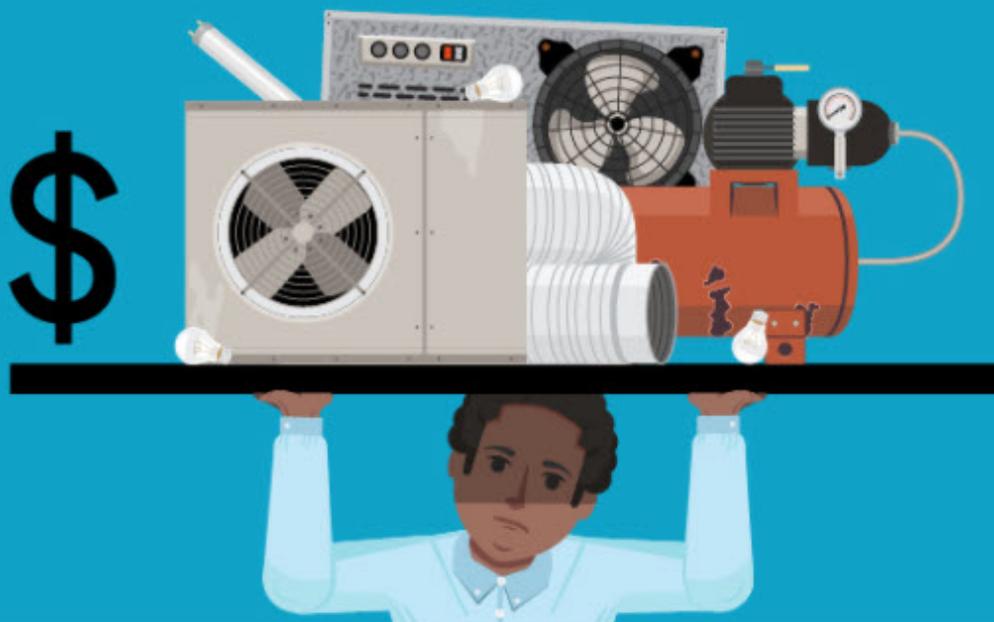
Figure 4: BC Hydro's Business Energy-Saving Incentives sponsored email, Gmail

BC Hydro focused on the key motivator to get SMBs to participate in energy-efficiency programs: return on investment.

Is your inefficient equipment putting pressure on your bottom line?

Upgrade now using BC Hydro's energy-saving incentives for business and you could save over \$3,000 a year on your bill.

[Learn More](#)



Source: BC Hydro

