

# Finding the best customers to deliver program performance

## Case study



### Key highlights

Using E Source OneInform, our client:

- Redesigned its peak-time rebate (PTR) program to focus on the best customers—two cohorts, representing 12% of customers and about 50% of the program market potential
- Reduced customer acquisition costs with a 2.3x improvement in personalized customer engagement over using predefined, static segments
- Increased program performance by 51%

### Challenges

As part of its clean energy plan, a utility in the Pacific Northwest added a PTR program to its demand-response portfolio. But getting reliable participation in the program proved to be challenging.

### Solution

To acquire customers, the utility was applying its customer personas and propensity models to static, predefined segments. While the effort delivered names, it didn't deliver results. Customers enrolled, but they didn't show up when the utility needed them to curtail energy use. Not only did program results suffer, but the utility also wasted marketing dollars on under- and nonperforming customers.

The utility needed to identify the ideal customers for the program—those with the most load to shed who would respond when called upon. Enter OneInform. It fuses

E Source data—650 attributes on every household—with utility customer and smart meter data to create a rich, artificial intelligence (AI)-ready dataset. The platform applies AI models to develop detailed weather-normalized load baselines for each customer and trains machine-learning algorithms to model the best customers for the PTR program. The models then evaluated all 1 million of the utility's customers and dynamically separated them into cohorts with common characteristics. Two of the cohorts represented the best customers for the PTR program.

### Outcomes

OneInform's two best customer cohorts represented 12% of the utility's customers and about 50% of the PTR load-reduction potential, a 2.3x improvement over the static, predefined segments originally used. OneInform also delivered micropersonas for the customers, which

the client used to personalize its messaging and reduce acquisition costs. The result was a 51% improvement in program performance and significant improvement in cost-effectiveness thanks to the power of OneInform's dynamic microprocessing.