



# **DON'T LEAVE CASH ON THE TABLE: WAYS TO TAKE ADVANTAGE OF CO-OP MARKETING PROGRAMS**

Peter Troast, Founder & CEO

Energy Circle Webinar Series

*September 9, 2020*

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Wednesday, 9/30, 5PM eastern

**The DOE Home Improvement Expert Program—Have You Taken Advantage Yet?**



# A Closer Look at Ventilation: Part 2 - COVID-19 and Your Office HVAC System



By Cory Allyn | August 26, 2020

***[In the first part of our series on ventilation, Energy Circle took a look at Google Trends and paid search data to better understand how public perception around indoor air quality terms and services has changed during the coronavirus pandemic.]***

Growing scientific consensus and media coverage indicate both that the coronavirus is transmitted much more easily via airborne particles than previously believed, and that meeting new health and safety protocols for schools, supermarkets, and office spaces will not only require continuing to follow safety measures like wearing masks and practicing social distancing, but taking a closer look at additional precautions that include building ventilation and air purification methods.

But what kind of commercial equipment is necessary to meet increased HVAC operating standards? To answer that question, Energy Circle is looking inward—to our own office space—as we join businesses and schools around the country who are wondering if it's safe to transition away from remote work and education.

## What's Being Said About Airborne Coronavirus Transmission?

In the early days of the coronavirus, most health and safety precautions regarding the spread of COVID-19 centered around larger droplets and surface transmission. It was only in early July that the WHO, responding in part to concern from a growing portion of the science community, **acknowledged that airborne transmission of much smaller particles of the coronavirus, often called aerosols, was a possibility.**

Since then, there has been increasing scientific consensus and mainstream media coverage examining the implications of airborne transmission. One particular article in The Atlantic, **We Need to Talk About Ventilation**, called the world's obsession with surface cleaning "hygiene theater" and suggested we were failing to focus enough on the real source of COVID transmission—indoor exposure in poorly ventilated



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# A Closer Look at Ventilation: Part 3 - Can Our Office HVAC System Meet COVID-19 Guidelines?



By Cory Allyn | September 3, 2020

Ventilation isn't the magic bullet that's going to solve the COVID-19 pandemic and instantly make any indoor space healthy and safe for its occupants. But it's increasingly being talked about as an important factor in reducing the risk of transmission for schools and office spaces that are looking to reopen this fall, alongside more familiar safety protocols like masks, social distancing, and personal hygiene practices.

In last week's installment of our ongoing series on ventilation, we took a look at the growing awareness of COVID-19 airborne transmission, as well as media coverage of ventilation and air purification in schools and commercial spaces. We also provided an overview of our own HVAC system, which includes an HRV ventilation unit, as an example of an existing system that goes above and beyond what's currently installed in the average office space.

This week we're diving into the specifics: Even if we have an advanced commercial HVAC system, how do we know if we're meeting coronavirus guidelines about ventilation, filtration, and air purification? Using the Energy Circle office as a case study, we try to answer some important questions about the health and safety risks of returning to work.

## What Are COVID-19 Ventilation Standards, and Are We Meeting Them?

COVID helped us realize that our state-of-the-art HVAC system has pretty much been in "set it and forget it" mode for most of its operating life. A Foobot monitor had been telling us our IAQ was mostly good, our energy bills are OK, and it feels like a quality environment—crisp and comfortable, even on the 5 dog days. But, as the attention on airborne transmission of the coronavirus has risen, we realized that we didn't fully

# What We'll Discuss

- 1 Co-op Marketing Basics**
- 2 Typical Program Formats in Efficiency & Solar**
- 3 Advantages of Co-op Marketing**
- 4 Overcoming the Hurdles & Challenges to Maximize Marketing Impact**



# **CO-OP MARKETING BASICS**

# Co-op Marketing in Efficiency & Solar

Cooperative marketing is a way that manufacturers, distributors, suppliers and programs support contractors by aligning marketing resources. The most common form of co-op marketing is by funding specific advertising campaigns or through matching co-op dollars.

*everyone is pushing value-added programs to differentiate their brands & products*

# Many Programs





# Co-op Marketing Tracker

Provider	Who's Eligible	\$ Summary	Maximum \$	Eligible Measures	Dates	Fiscal Period End	Notes
NJ Clean Energy	NJ Clean Energy HVAC & HPwES Contractors	50%	\$50,000 HVAC, \$75,000 HPwES	Print, Yellow Pages, Direct Mail, TV, Radio, Web Banner, Signage, Billboard, Social Media, Events	Campaign approvals	June 30	
Mitsubishi Electric	Mitsubishi Electric Diamond Contractors	Contractor receives 1/3 reimbursement		Specific references to Mitsubishi Electric Heating and Cooling; all content must be submitting for pre-approval	Monthly Submissions	Dec 31	
Nu-Wool	Nu-Wool Insulation Contractors	50%	Up to max. 2% of dealer's Nu-Wool insulation and accessories purchases per calendar year less discounts; up to 3% for Exclusive Dealers	Cannot be advertised with any other brand; contractor must be Nu-Wool exclusive	Annual deadline	Dec 31	
American Standard	American Standard Contractors	Up to 50% reimbursement		Specific T+C and brand standards must be adhered to	Rolling	Dec 31	
Trane	Trane Comfort Specialist Dealers	Contractor receives 1/3 reimbursement; Trane may roll off co-op funds of Dealers not utilizing their funds by July 1 and again by October 1,	Funds accrue on residential purchases. Buy < \$500k equipment, 2% in funds; 3% for up to \$1m; > \$1m is 4%	Very specific T+C; must submit through portal	Monthly Submissions	Dec 31	
Panasonic	Certified Panasonic solar dealers/installers	Unspecified				Dec 31	No marketing portal but they seem to offer to pay for marketing and websites. They do supply some standard marketing assets to the dealer/installer.
Owens Corning	Certified Energy Experts	No matching requirement. Funds can be used flexibly.	Funds accrue	Most marketing activities and agency fees along with myriad other eligible non marketing items		Dec 31	
National Energy Improvement Fund (NEIF)	NEIF Preferred Contractors	Marketing Portal w creative assets customized for contractor, Discounted services from partners	none	no restrictions	ongoing	Dec 31	



# **TYPICAL PROGRAM FORMATS IN EFFICIENCY & SOLAR**

# Co-op Program Types

- **Manufacturer Matching Fund Programs for Specific Marketing Tactics**

Typically 30-50% match (Mitsubishi, Trane, Nu-Wool)

Some split programs (manufacturer, distributor, contractor)

- **Dealer Incentive Programs with Marketing as Eligible Expense**

Formula based on purchase volume. (Owens Corning)

- **Efficiency Program Matching Funds**

Incentive program promotions. (NJ Clean Energy)

- **Dealer Network Benefit Packages**

Pre-developed marketing assets & discounts (National Energy Improvement Fund, NEIF)

- **Discretionary**

One off programs for specific initiatives

# Mitsubishi: Very Flexible

## Eligible Contractor Activities

Advertising options include but are not limited to:

### **Digital Advertising** (see details below)

- Paid Search Advertising (i.e. Google Adwords)
- Banner Display Advertising (i.e. Google Display Network)
- Social Media Advertising (i.e. Facebook Lead Gen Ads & Sponsored Posts)
- Targeted/Paid Email Campaigns
- Mitsubishi Electric branded website/landing page development (co-op available only for percentage of website devoted to Mitsubishi Electric)

### **Traditional Advertising**

- Newspaper & Magazine Ads
- Billboards and out-of-home advertising
- Direct Mail including list procurement and postage
- Broadcast Media - Radio & TV Commercials (if using MECH TV spots, please submit Consent Form found on Canto)

### **Branding**

- Branded Apparel – requires prior approval from Mitsubishi Electric’s Marketing Manager
- Home Shows, Displays, & Demo Units (must provide photo of whole booth with MECH products displayed). If additional non-competing brands are advertised on the wraps MECH will prorate the co-op amount.
- Truck wraps that are exclusive to Mitsubishi Electric. If additional non-competing brands are advertised on the wraps MECH will prorate the co-op amount.
- Yard Signs

# Programs: Still Somewhat Old School

## PRINT (NEWSPAPER, MAGAZINE, NEWSLETTER)

- Please refer to the “Requirements for All Ads” section.
- Minimum size eligible is one quarter page.
- The logo must be proportional (at least 1.5” for a quarter or half-page ad and at least 2” for a full-page ad).
- Please note that a multi-page piece, e.g. a newsletter, must include program messaging on all sides. The overall theme of the multi-page piece must include energy efficiency related topics.
- The details of all sponsorship ads and ad journal advertisements including description of event or sponsorship, location (if applicable), dates, audience (number and type), ad cost and placement type must be sent with the approval request notification and provided program approval before the ad is placed.

## YELLOW PAGES

- Please refer to the “Requirements for All Ads” section.
- Size is subject to contractor’s discretion.

## DIRECT MAIL

- Please refer to the “Requirements for All Ads” section.
- Eligible direct mail expenses include: third-party printing, fulfillment, postage, mailing list rentals or list purchases. Creative design or agency costs are not eligible. All costs should be itemized separately. Printing and postage requests must correlate with each other.
- The logo must be at least 1” for a 4.25” x 6” postcard and at least 1.5” for a 6” x 9” postcard or 8.5” x 11” letter.

## TELEVISION

- Please refer to the “Requirements for All Ads” section.
- Minimum 30-second spot. The NJCEP logo must be recognizable and prominent. The logo must appear for at least 5 seconds in a 30-second commercial; 8 seconds in a 45-second commercial; and 10 seconds in a 60-second commercial.
- The appearance of the logo must be prominent and accompanied by the following verbal tag: "Rebates are

available from the New Jersey Board of Public Utilities and its *Clean Energy Program*.”

- Please note TV scripts must be submitted and pre-approved before production.

## RADIO

- Please refer to the “Requirements for All Ads” section.
- Minimum 30-second spot.
- The following verbal tagline should be mentioned at the end of the spot: “Rebates are available from the New Jersey Board of Public Utilities and its *Clean Energy Program*.”
- Please note radio scripts must be submitted and pre-approved before production.

## WEB BANNER

- Please refer to the “Requirements for All Ads” section.
- Web banners are intended for external websites and not the contractor website.
- The NJCEP logo is optional, but preferred.
- The consumer benefit statement is not required, but language highlighting the program should be featured.
- Web banners will be reviewed on a case-by-case basis and requirements are subject to program approval.

## SIGNAGE

- Please refer to the “Requirements for All Ads” section.
- Signage includes lawn signs, banners, banner stands and door hangers.
- The NJCEP logo should be recognizable and prominent.
- The primary message should be about the program and its benefits.

## BILLBOARD REQUIREMENT

- Please refer to the “Requirements for All Ads” section.
- Billboards are required to include the NJCEP logo and the logo must be predominant (ideally 1/8 of the image).
- Billboards will be reviewed on a case-by-case basis and requirements are subject to program approval.
- The consumer benefit statement is optional, but preferred.

# Sometimes: Lots of Requirements

## REQUIREMENTS FOR ALL ADS

- The NJCEP logo is required and should be proportional to the size of the ad.
- This consumer benefit statement is required and must be of equal text size to that used in the body copy: “Look for heating and cooling equipment with high energy efficiency ratings to maximize your energy savings.”
- The following sponsorship statement is also required: “*New Jersey’s Clean Energy Program*™ is brought to you by the New Jersey Board of Public Utilities and does not endorse any one particular contractor. Information can be found at NJCleanEnergy.com.” There is no size requirement for the sponsorship statement (this may be noted in small print at the bottom), but it should be clearly legible.
- An explanation must be included in a footnote when combining rebates from various sources, e.g. “up to \$1,500 in rebates.\*” “\*Up to \$500 COOLAdvantage rebate and \$1,000 manufacturer rebate”.



# **ADVANTAGES OF CO-OP MARKETING**

# Other People's Money





# Advantages of Co-op Programs

- **Other People's Money**
- **Stretch your Marketing Dollars**  
Tactics you might not utilize on your own  
More marginal tactics (print, billboards, etc) that might not ROI at 100% cost
- **Use Large Company Creative Assets & Images**
- **Leverage Big Company Brand Recognition & Advertising Campaigns**

# Mitsubishi:

Photo assets  
Brand on  
landing page

Sponsored · 

Want to harness the energy source of the future?



**Embrace the all electric home**

[Learn More](#)

Discover the benefits of switching to an all electric home....

 Like

 Comment

 Share

# Mitsubishi:

Facebook Ad

Photo asset

Branded

Sponsored · 

Want to feel more comfortable at home and save money?



**Get a Mitsubishi Electric heat pump**

[Learn More](#)

A heat pump system by Mitsubishi Electric Heating &...

 Like

 Comment

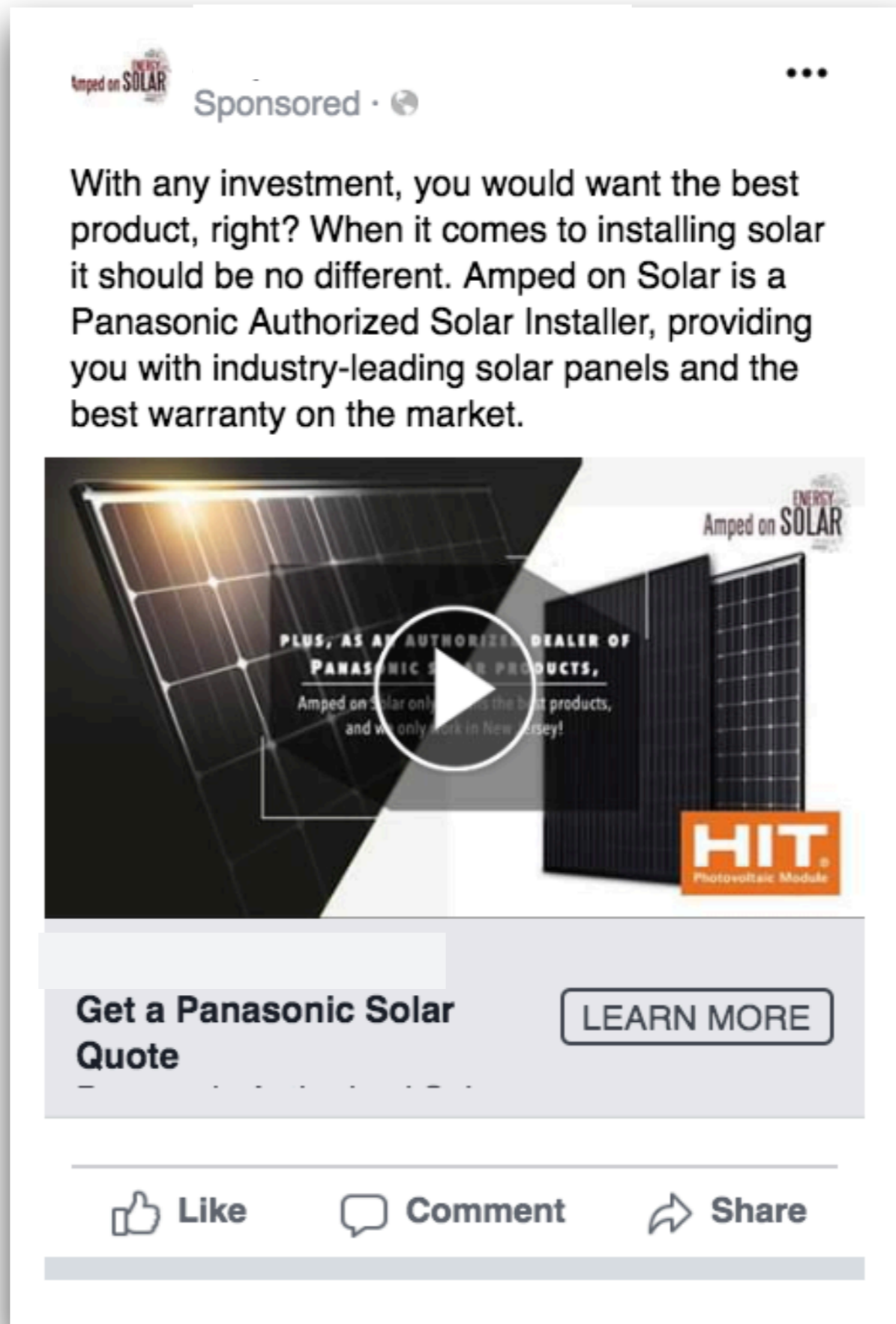
 Share

# Panasonic:

Facebook Ad

Photo asset

Branded



**Amped on SOLAR** Sponsored · 🌐

With any investment, you would want the best product, right? When it comes to installing solar it should be no different. Amped on Solar is a Panasonic Authorized Solar Installer, providing you with industry-leading solar panels and the best warranty on the market.

**PLUS, AS AN AUTHORIZED DEALER OF PANASONIC SOLAR PRODUCTS,**  
Amped on Solar only provides the best products, and we only work in New Jersey!

**Amped on SOLAR**

**HIT**  
Photovoltaic Module

**Get a Panasonic Solar Quote** [LEARN MORE](#)

👍 Like    💬 Comment    ➦ Share

# Mitsubishi:

Facebook Ad

Photo asset

Branded

 **Kearney HVAC, Inc**  
Sponsored · 

Did you know heat pumps both heat and cool? Find out more about Mitsubishi Electric Heating and Cooling heat pumps installed by Kearney HVAC!



KEARNEYHVAC.COM

**How Does a Heat Pump Work?** [Learn More](#)

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# **OVERCOMING CO-OP HURDLES TO MAXIMIZE MARKETING IMPACT**

# Free Money is Never Free



I am a bit suspicious... In my experience, there is no such thing as a "Free Lunch"...

- **Expectation of exclusivity**
- **Complicated processes & approvals**



# Overcoming Co-op's Major Challenges

- **Complicated Processes & Paperwork**

Embrace the system

Let us do it

- **Uncertain or Inconsistent Approval Processes**

Campaign approach: consistent monthly program

Use co-op for specific, recurring campaigns (seasonal)

- **Cash Flow Timing (Reimbursement)**

Spread campaigns evenly across the year

Avoid the year end rush

- **Creative Requirements**

Leverage big company creative assets

*the*  
LAST WORD

**DON'T WAIT UNTIL  
DECEMBER**





# QUESTIONS?

Peter Troast

[peter@energycircle.com](mailto:peter@energycircle.com)