



MARKETING TO LOW TO MODERATE INCOME HOMEOWNERS: LEVERAGING THE IRA

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Energy Circle Webinar Series

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What We'll Discuss Today

1

BRIEF REVIEW OF KEY IRA PROVISIONS AND LATEST INFO ON TIMING & STATE ALLOCATIONS

2

QUICK REMINDER: FOUNDATIONAL ELEMENTS OF AN IRA MARKETING EFFORT

3

RECOMMENDED ELEMENTS OF AN LMI-FOCUSED IRA MARKETING STRATEGY HEADING INTO 2023





THE IRA'S KEY PROVISIONS & THE LATEST ON TIMING

25C—Energy Efficient Home Improvements

- Credit revived and made retroactive for 2022 (at original 10%)
- Starting in 2023, credit increases to 30% of total installation costs through 2032
- Lifetime cap of \$500 will be replaced by cap of \$600 per measure, with \$1,200 annual total limit (exceptions listed below)
- Eligible services and home improvements include:
 - Heat pumps and heat pump water heaters (\$2,000 credit)
 - Insulation and air sealing
 - Energy audits (\$150 credit)
 - Energy-efficient HVAC systems (including furnaces, boilers, and central AC)
 - Electrical panel upgrades
 - Energy-efficient windows and doors (\$500 credit for doors)
- Roofs are no longer eligible



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Federal Solar Tax Credit

- **Increases 2022 credit to 30% and makes it retroactive for all installations this year**
- **Credit extended at 30% through 2032; will step down in 2033 and be eliminated for residential in 2035**
- **Starting in 2023, stand-alone battery storage qualifies for credit**



\$4.3 Billion in HOMES Rebates

- Rebates up to \$4,000 for home energy efficiency retrofits with modeled or measured energy savings of 35% or more (or \$2,000 for 20-34% energy savings)
- Services can include insulation, air sealing, heat pump/HVAC upgrades, and more
- Additional rebates up to \$8,000 available for low and moderate-income homeowners
- Rebates cannot be combined with other federal grants or rebates
- Depending on location, state/local rebates may stack
- Allocation by state is via DOE formula (1/3 evenly, 1/3 population, 1/3 energy use)



\$4.5 Billion High Efficiency Electric Home

- Rebates for low and moderate-income homeowners for electric system/appliance purchases and energy efficiency upgrades
- Maximum rebate of \$14,000; individual rebates are as follows:
 - Heat pump water heaters: \$1,750
 - Heat pump HVAC systems: \$8,000
 - Electric stoves: \$840
 - Heat pump clothes dryers: \$840
 - Electrical panel upgrades: \$4,000
 - Insulation, air sealing, and ventilation: \$1,600
 - Electric wiring: \$2,500
- Rebates cannot be combined with other federal grants or rebates



The Latest on Timing

- **State by state allocations are up on DOE website**
- **States expected to receive funds Spring '23**
- **Fastest states might have funds available Fall '23**
- **States have 2 years to apply before funds return**



Table 1. Inflation Reduction Act Rebate Allocations to States*

State/ Territory	Home Energy Performance-Based, Whole-House Rebate Allocations	High Efficiency Electric Home Rebate Allocations	Total Allocations Amount
Alaska	\$37,368,480	\$37,150,940	\$74,519,420
Alabama	\$73,032,210	\$72,607,220	\$145,639,430
Arkansas	\$52,739,720	\$52,433,010	\$105,172,730
American Samoa	\$25,069,710	\$24,923,740	\$49,993,450
Arizona	\$76,868,720	\$76,421,080	\$153,289,800
California	\$291,951,040	\$290,252,580	\$582,203,620
Colorado	\$70,395,350	\$69,985,890	\$140,381,240
Connecticut	\$49,830,560	\$49,541,390	\$99,371,950
District of Columbia	\$29,808,850	\$29,635,400	\$59,444,250
Delaware	\$33,029,650	\$32,837,400	\$65,867,050
Florida	\$173,668,720	\$172,657,670	\$346,326,390
Georgia	\$109,817,290	\$109,178,020	\$218,995,310
Guam	\$25,815,420	\$25,665,110	\$51,480,530
Hawaii	\$34,293,520	\$34,093,900	\$68,387,420
Iowa	\$60,827,450	\$60,473,810	\$121,301,260
Idaho	\$40,604,320	\$40,367,910	\$80,972,230

<https://www.energy.gov/articles/biden-harris-administration-announces-state-and-tribe-allocations-home-energy-rebate>



FOCUS FOR 2022: CORE ELEMENTS OF YOUR IRA MARKETING FOUNDATION

Lay the Foundation Now; Actively Market 2023

Brand & Digital FOUNDATION

Website
Content
Video
Google My Business
Reviews
Custom Audiences

Active LEAD GENERATION

Google & Bing Ads
Local Services Ads
Facebook Lead Ads
Video Advertising



One of the Workhorses of Your Website: Long Form Incentives & Financing Landing Page



Incentives/Financing Content Foundation

MASTER PAGE **Incentives & Financing Landing Page**

links

Eligible Measures

Heat Pumps
Insulation
Electric Panels
HP Water Heaters

Educational Pages

About the IRA
Project Examples
Why Electrify?

FAQ's

How it Works
Eligibility
Modeled Energy
Savings

Blog Posts

Maximizing the IRA
Electrify with the IRA
Why Heat Pumps
Integrating your EV



FAQ's You Can Steal

HEAT PUMP FUNCTION/BENEFIT

- How do heat pumps/mini splits work?
- Are heat pumps the same as mini splits?
- What is the lifespan of a heat pump?
- How is a heat pump different from an air conditioner?
- Do heat pumps provide ventilation?
- Do heat pumps work in the (GEO) climate?
- Are heat pumps quiet?
- What is a heat pump?
- How energy efficient are heat pumps?
- Do heat pumps need ductwork?
- What are the benefits of heat pumps?
- What size heat pump do I need?
- For ductless mini splits, how many heads do I need?
- Can I cool my house with a heat pump?
- Are new heat pumps more efficient?
- What are the best places in a home for mini splits?
- Do mini splits have to be mounted on the wall?
- Can I really eliminate the need for gas or oil?

INFLATION REDUCTION ACT UNDERSTANDING

- What measures have IRA rebates?
- How does energy modeling work?
- What happens if we don't hit the modeled savings?
- Can you combine rebates?
- Can you combine tax credits and rebates?
- Can tax credits be used over multiple years?
- What are the qualifications for High Efficiency Elect Home?

ELECTRIFICATION

- Why is an all electric home better for the climate?
- What if my grid still has fossil fuels?
- Is induction really better than gas?
- What will my energy bill be given high electric rates?

HEATING

- Do heat pumps provide heat at low outside temperatures?
- Do heat pumps work in cold weather?
- Can a heat pump replace your boiler or furnace?
- Why does a heat pump blow cool air while in heating mode?
- Can you prevent HP's from going in to strip heat mode?





RECOMMENDED MARKETING TACTICS & HOW TO TARGET LMI HOMEOWNERS

Target Personas

Rhonda and Roger

Moderate Income Homeowners

Lives in a single family home, townhome, duplex, mobile home, or small multifamily building

Key Characteristics:

- Generally not motivated by tax credits
- Unaware they qualify for highest IRA rebates, and probably can't afford market-rate upgrades
- More likely to be looking online for DIY solutions
- Low understanding of electrification/energy efficiency services actually entail and how they solve issues in their homes

Age: 50's

Profession: Mom, School Teacher



Staging Your Marketing Focus

Tax Credits Available January 1

Rebates Likely Available Q3 or Later

- Market tax credits now (focused on market rate)
- Build custom audiences interested in IRA
- Instill “planning mindset” amongst rebate focused clients

Make your plan now

Urgency message: be ready when funds arrive

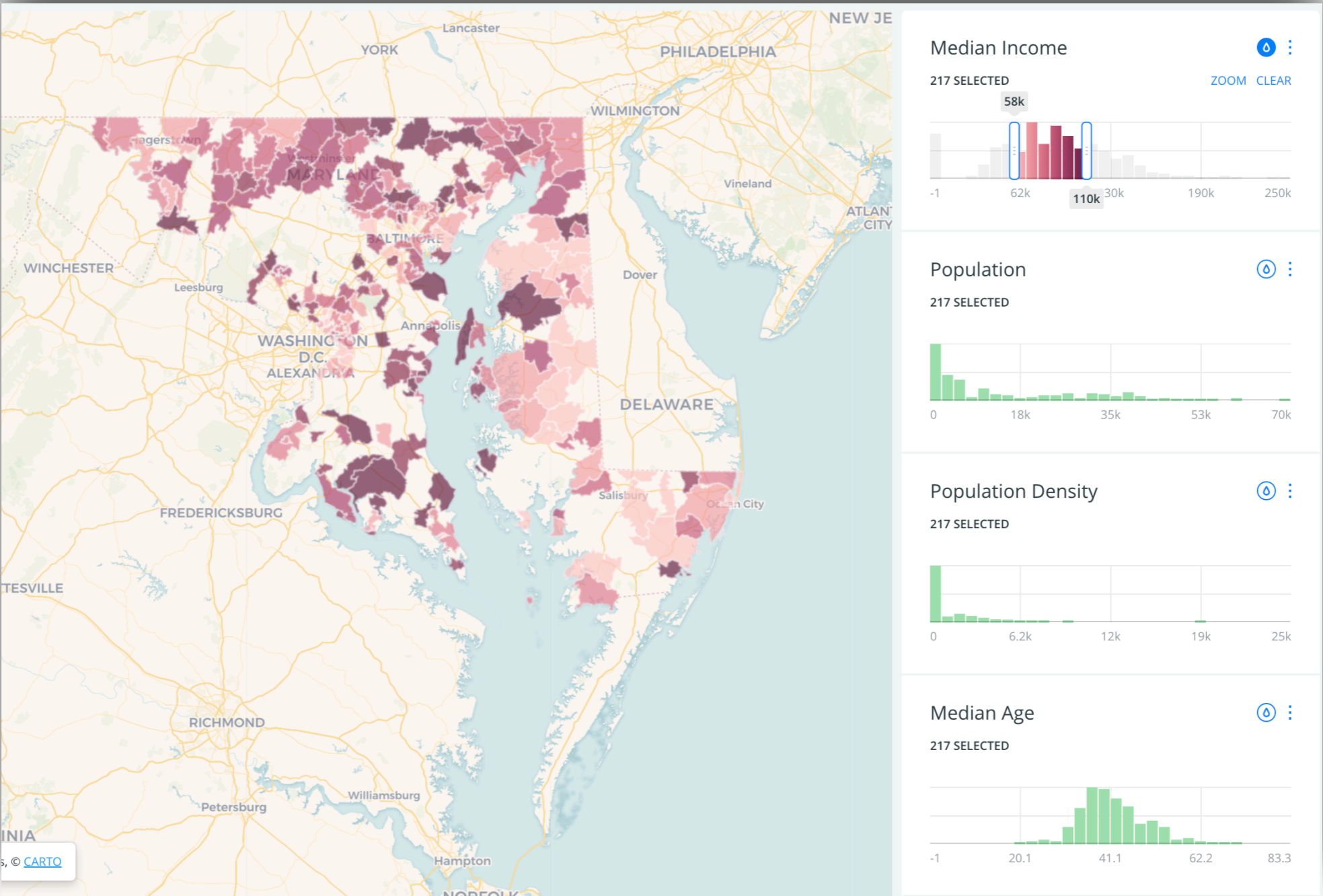
Scarcity is likely



Staging the Year



Establish Target Geos by Income/Zip Code



www.incomebyzipcode.com



Build Custom Audiences Now

How to Take Advantage of Inflation Reduction Act Rebates

</> Embed & Share



Custom Audience Building: Early Results

Audience Targeting by Zip Code	75,000 Reach
How to Take Advantage of the IRA Video	53,523 Watches @ \$.01
Our Custom IRA Plan Video	?
Lead Conversion: Sign Up for an IRA Plan	?



Worth Testing: Offer an IRA Plan

ELECTRIFY MY HOME

We Design and Install Heat Pumps The Right Way

Financing | FAQs | Contact Us | No-Visit Energy Assessment | 844.637.3733

HOME ELECTRIFICATION SERVICES | BENEFITS OF ELECTRIFICATION | **INSULATION SERVICES** | OUR UNIQUE PROCESS | THE STORY OF OUR COMPANY

Insulation

E-LEC-TRI-FI-CA-TION

/əˌlektɹəfəˈkɑːʃ(ə)n/
Electrification is the process of transitioning a home to using all electric appliances and doing away with fossil-fuel based energy.

[LEARN MORE](#)

GET STARTED ON THE PATH TO ELECTRIFICATION
With an expert by your side!

Name * Phone * Email *

I'm not a robot

reCAPTCHA
Privacy - Terms

[LET'S BEGIN](#)

OR CALL US AT **844-637-3733** TODAY




Local Search/Reviews & Google Business Profile

- Actively manage GBP with tracking, weekly posts, Q&A's and expanded Services/Categories
- Implement a concise strategy for review solicitation and response with IRA keywords
- Have an on website Testimonials page to display reviews
- Optimize On-Site Content to include cities/towns/counties where key demographics live and targeted IRA keywords throughout on-page content



Google My Business

Ask a question
Ideal Air Conditioning and Insulation

 **Ideal Air Conditioning and Insulation**
Posting publicly ?

Do your services qualify for the Inflation Reduction Act (IRA) tax credits and services?



Social Media Marketing

- Build audiences based on target persona demographics & interests.
- Integrate zip code/income lists for geo targeting of moderate income audiences.
- Use video assets to build up video view audiences to be used for remarketing.
- Mix of education, helpful tips, “DIY diversion”, and weatherization FAQ campaigns to hit on messaging types.
- Create Lookalike audiences from website visitors and potentially test out a lookalike audience based on previous program users (to match interest).


facebook Ads



Facebook Targeting Strategies

Estimated Audience Size:

2,200,000 - 2,600,000 ⓘ

 Estimates may vary significantly over time based on your targeting selections and available data.

Audience details:

- Location - living in:
 - United States: Maryland
- Age:
 - 25 - 65+
- People who match:
 - Interests: Efficient energy use, Saving, HVAC, Air filter, Air purifier, Coupons, Saving My Family Money, Air cooling, Home repair, Discount stores, Home improvement, Retrofitting, Electric heating, Money Saving Mom, MoneySavingExpert.com, Home Renovations, Do it yourself (DIY), Central heating, Coupons.com, Heating system, Air conditioning, Purchase discount or Home-improvement center

Detailed targeting

Include people who match ⓘ

🔍 household income

Suggestions Browse

Household income: top 25%-50% of ZIP codes (US)

Demographics

Household income: top 10%-25% of ZIP codes (US)

Demographics

Household income: top 10% of ZIP codes (US)

Demographics

Household income: top 5% of ZIP codes (US)

Demographics



Google Search & Display + YouTube

- Use Google Search Ads to target volume IRA & related service/problem keywords.
- Use radius targeting around zip code/income list for geo targeting of moderate income audiences.
- Review keyword & ad copy performance to optimize constantly.
- Utilize Google Display Ads to reach top-of-funnel audiences and spread brand awareness. Build Remarketing Audiences for further down the funnel.
- Utilize YouTube ads to spread brand awareness while educating the viewer. Target DIY/home improvement channels.



Paid Search Targeting Approaches

<input type="checkbox"/>	<input checked="" type="radio"/>	Household income ↓	Ad group	Status	Bid adj.
<input type="checkbox"/>	<input checked="" type="radio"/>	Top 10%			-90%
<input type="checkbox"/>	<input checked="" type="radio"/>	11 - 20%			-90%
<input type="checkbox"/>	<input checked="" type="radio"/>	21 - 30%			-
<input type="checkbox"/>	<input checked="" type="radio"/>	31 - 40%			+100%
<input type="checkbox"/>	<input checked="" type="radio"/>	41 - 50%			+100%
<input type="checkbox"/>	<input checked="" type="radio"/>	Lower 50%			-
<input type="checkbox"/>	<input checked="" type="radio"/>	Unknown			-

Audience segment

Shoppers
Bargain Hunters

Home & Garden
Home Improvement

Home & Garden > Home & Garden Services
Door & Window Installation

Home & Garden > Home & Garden Services
General Contracting & Remodeling Services

Home & Garden > Home & Garden Services
Home Inspection Services

Home & Garden > Home & Garden Services
Plumbing Services

Homeownership Status
Homeowners

Home & Garden > Home Appliances
Climate Control & Air Quality

Ad · www. /joe's_home_/hvac

Joe's Home Performance | Energy Efficient Home HVAC

Hear How Our Free Energy Audits Can Help You Reduce Your Home Energy Costs. Call Today And Speak With One Of Our Home Performance Experts & Learn How You Can Save.

Learn More About The IRA

See How The IRA Can Help You
Reduce Your Home Improvement Costs.



Summary

- **Get your foundation in place by year end**
- **Anticipate delays and timing challenges: offer planning**
- **Set your LMI strategy & targeting**
- **Start building custom audiences now**
- **Promote tax credits early***
- **Campaigns ready as funds get to market**





QUESTIONS?

Peter Troast