



**HOME PERFORMANCE
STAKEHOLDER COUNCIL**

Selling Energy Efficiency

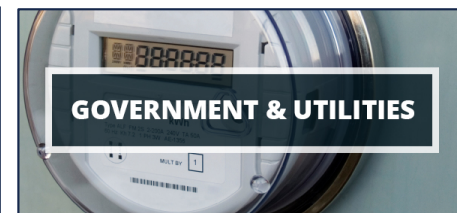
**Presented by:
Gord Cooke**

Sept.26, 2019

The Home Performance Stakeholder Council

Working together with BC's home improvement industry sectors to develop and grow the home performance industry into a sustainable and profitable market segment that delivers products and services to:

- **Lower** utility bills through reducing energy use
- **Improve** home comfort and building durability
- **Reduce** environmental impact
- **Improve** air quality, health and safety





HOME PERFORMANCE STAKEHOLDER COUNCIL

STEERING COMMITTEE

EXECUTIVE GROUP

SECTOR COUNCILS



RENOVATORS



HEATING & HVAC



INSULATION & AIR SEALING



FENESTRATION



ENERGY ADVISORS



UTILITIES & GOVERNMENT

COUNCIL PARTICIPANTS

CONTRACTORS & SUB TRADES

TRADE SUPPLIERS

MANUFACTURERS & SUPPLIERS

SECTOR LEADERS



HOME PERFORMANCE
STAKEHOLDER COUNCIL

DATE X, 2019 | PRESENTATION TITLE

Where does the HPSC focus efforts?

- The HPSC exists to help companies operating in home performance succeed and believe industry input is critical to developing effective long-term policies and programs that support home performance.
- HPSC acting as a facilitator for industry to provide an impactful voice on the unique needs of sectors operating in BC's home performance industry.

ADVOCACY



**MARKET
GROWTH**



**CAPACITY
BUILDING**



**QUALITY
WORKMANSHIP**



We gratefully acknowledge the financial support of BC Hydro, Fortis BC, and the Province of British Columbia.



Our Presenter

Gord Cooke is the President of Building Knowledge Canada and a highly regarded professional in the homebuilding industry. Gord is a professional engineer, trainer, author, and industry consultant. For over 25 years, Gord has helped builders and HVAC contractors implement innovative technologies and build better homes.



Agenda

- Effects energy efficiency and energy incentives have on sales and marketing plans
- Respecting industry changes and the opportunities they offer
- Tuning up your technical approach to match energy efficiency programs
- Refining your sales plan to meet new expectations
- Integrating energy efficiency and incentives into your sales plan



Opportunities & Challenges with Incentive Programs

Opportunities

- Marketing support
- New motivations
- Cooperating partners
- Association with experts
- Focus on premium equipment

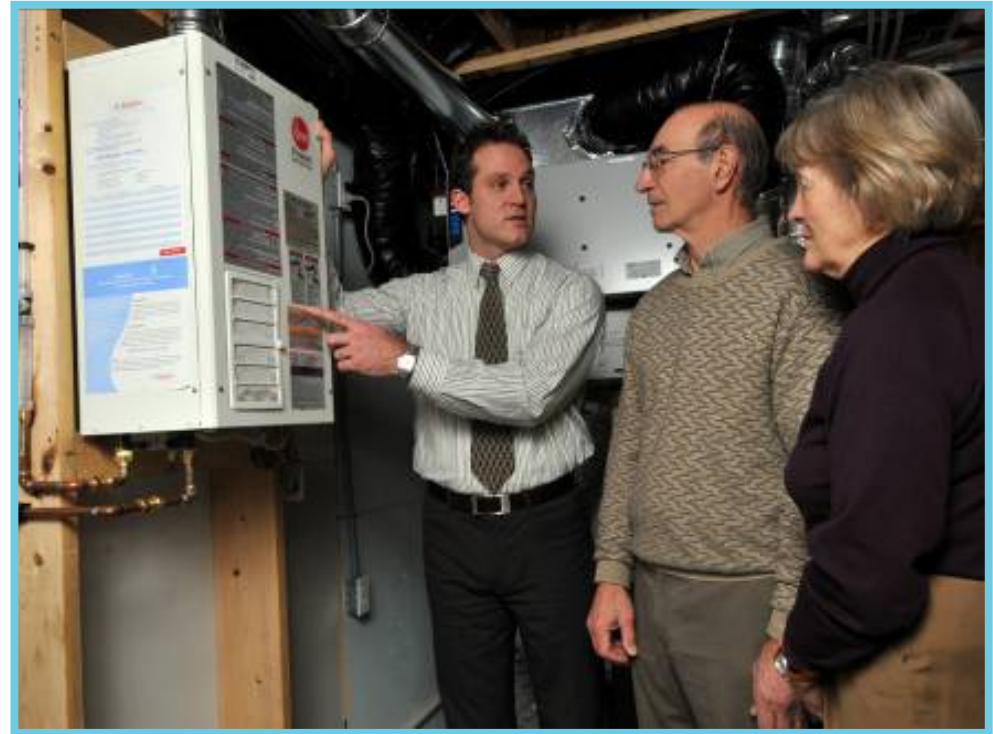
Challenges

- Less urgency
- Additional processes
- Cooperating with competing technologies
- Higher expectations
- New Influencers



Refine your Sales Plan

- A helpful meet and greet
- Understanding needs
- Demonstrating differences
- Addressing concerns
- Helping them make a decision



The current realities

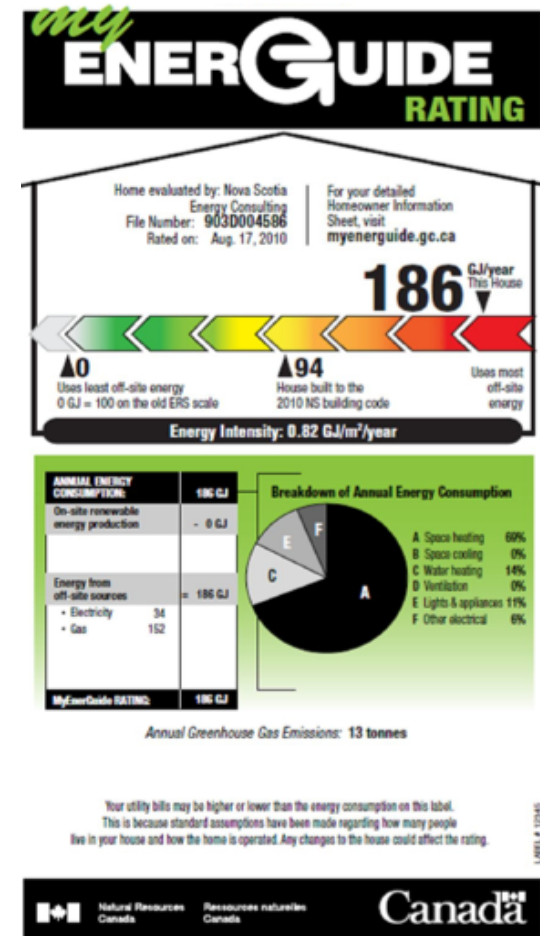
- Basements were never designed as living space
- Ducts leak at the rate of 25% to 30%.
- Taller buildings and more complex attic spaces.
- Windows that change from energy gain to energy loss in minutes.
- Enclosure air leakage accounts for 30% to 50% of winter heating bills
- Homeowners who expect +/- 1 °C, 3% RH



Respect the Changes

- Houses are more efficient

- Over 1 million houses have been rated
- Codes have changed
- Windows are better and bigger
- Furnaces are better
- Increased interest in air conditioning



Respect the Changes

– Houses have changed

- 50% is multi-family
- Houses are taller and thinner
- More glass
- More plumbing, lights & appliances



Respect the Changes

This impacts:

- Expectations
- Air tightness
- Ventilation
- The heating / cooling mix
- The sensible / latent mix



Changes - Expectations are higher

- Comfort expectations are higher
 - Moisture control
 - Temperature variance
 - Noise
 - Indoor air quality
- Service expectations are higher
- Knowledge expectations are higher



Changes - Expectations are higher

The human body transfers heat by:

- 15% humidity / perspiration
- 35% convection / conduction to the air
- 50% radiation to surrounding surfaces

Which ones do we measure and control?



An Example: Can we do better?

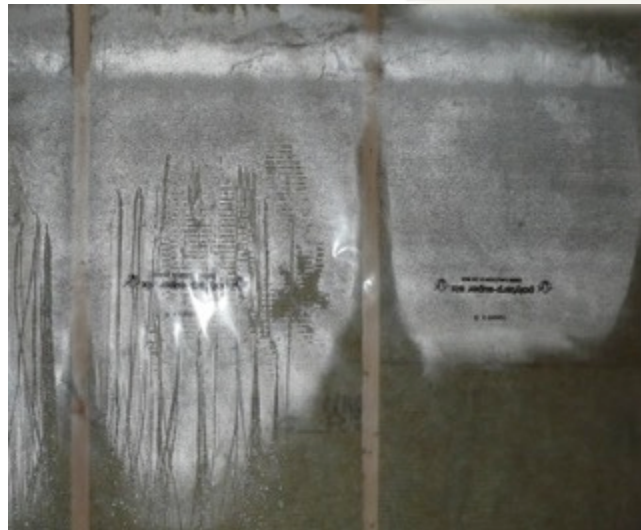
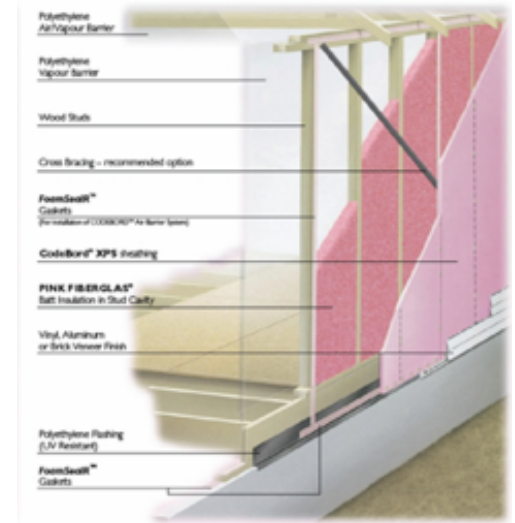
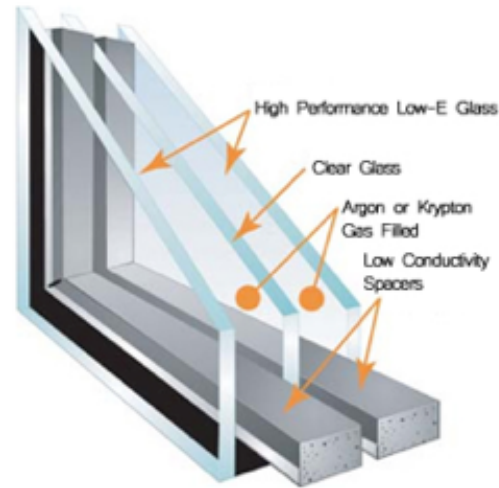


Four words that describe how basements feel?

- Cold
- Damp
- Dark
- Musty



What are the priorities and synergies?



Embrace the Science



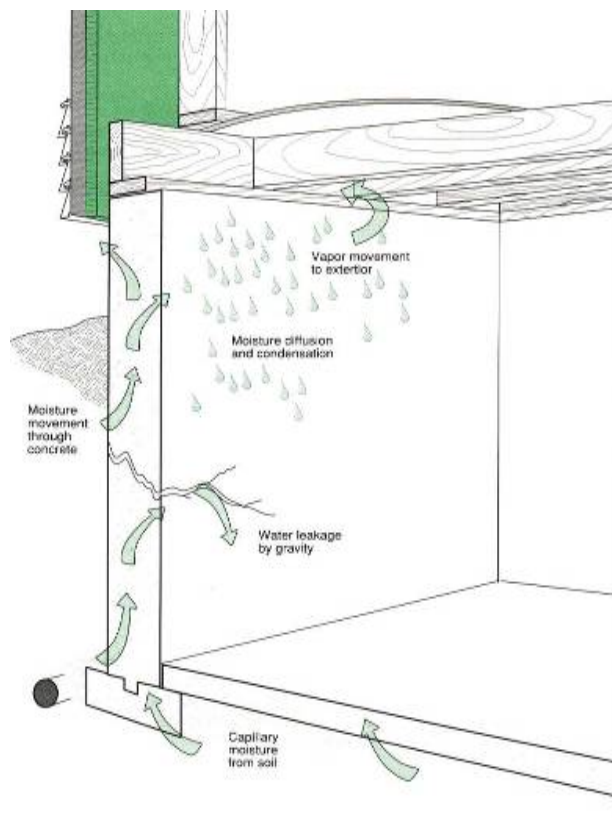
*Air, Heat & Moisture
Flow*



An Example of the Technical Challenges

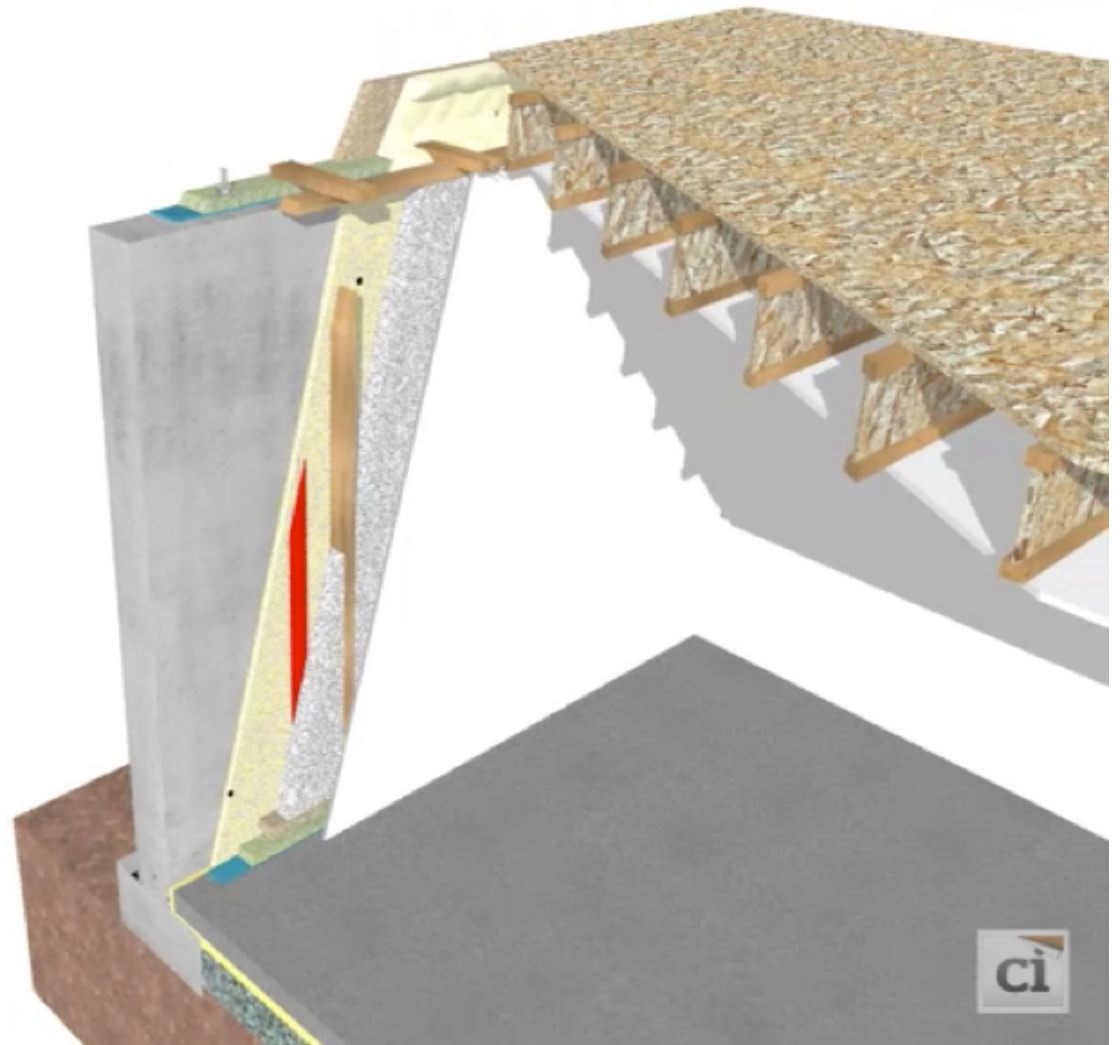
The moisture sources

- Soil dampness
- Rain water
- Construction moisture
- Water vapour
- Condensation related to cool basements

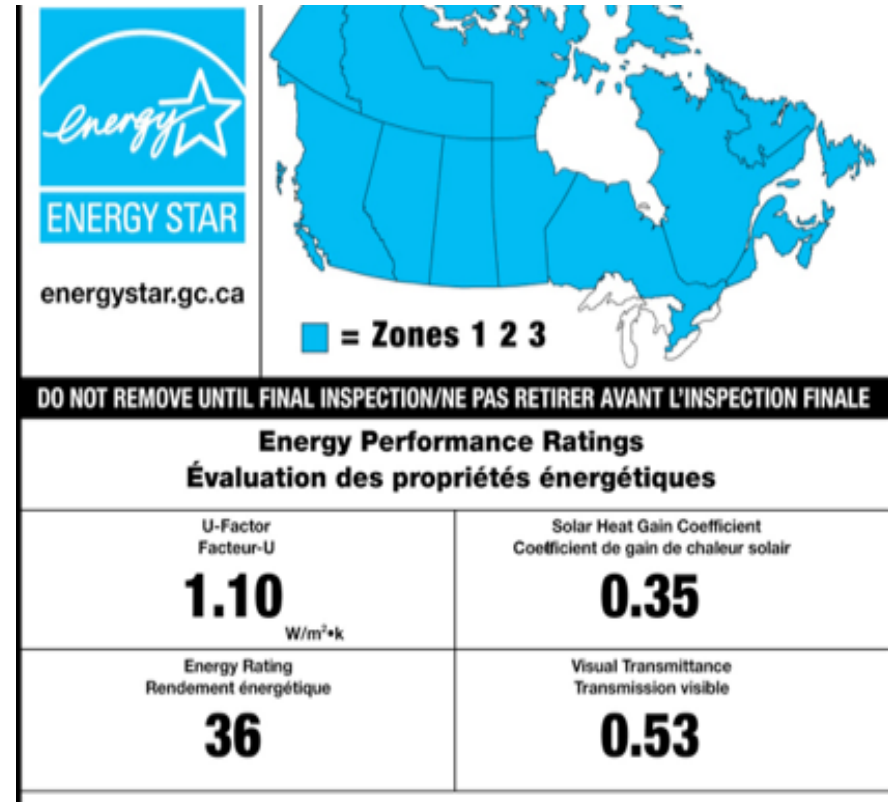


Finding the right solutions

- Address moisture issues first
- Choose appropriate insulation types
- Make the assemblies air tight
- Provide ventilation and dehumidification



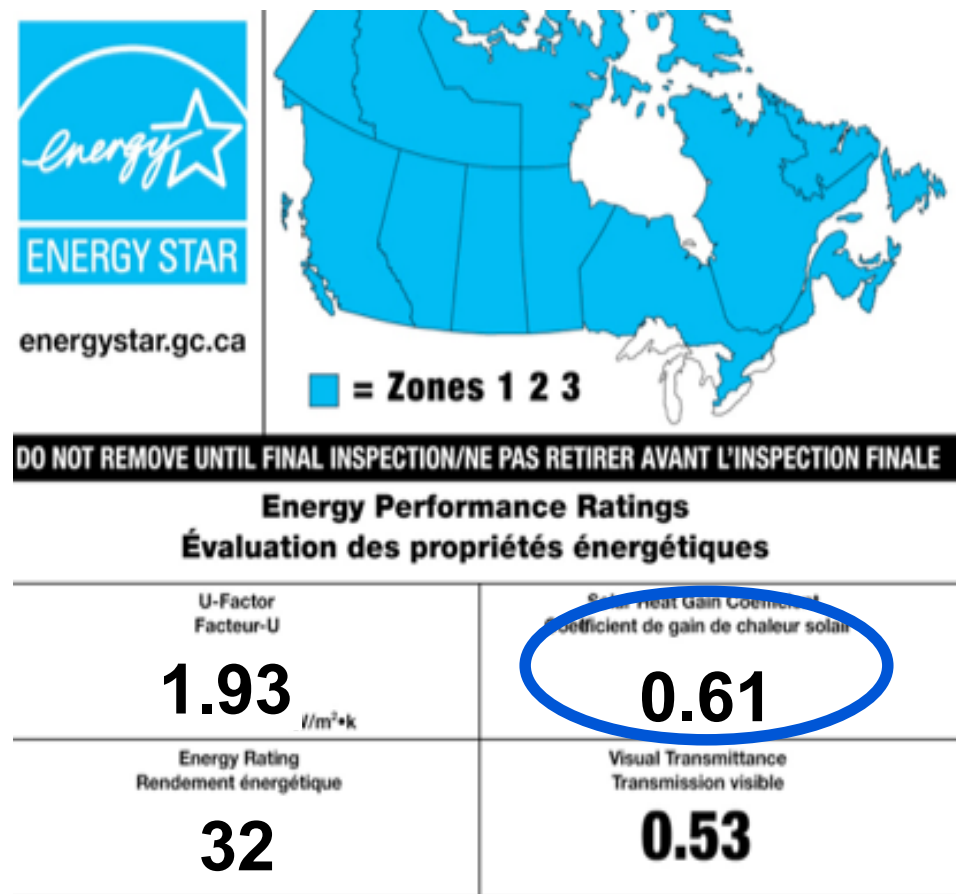
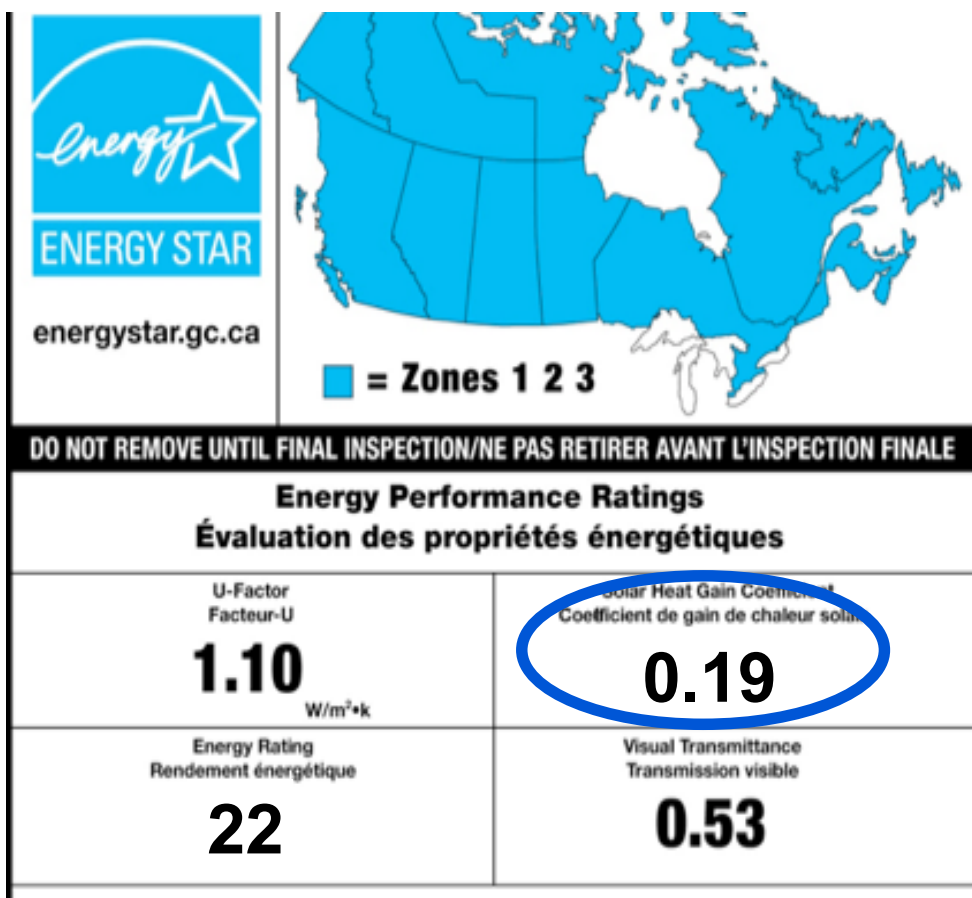
Balancing energy savings & comfort



Help your customers understand the opportunities and challenges of the choices they make



Are you ready for a deeper conversation?



The Expectations Challenge

59% say \$\$ savings is why they would buy energy efficient elements

BUT, they are seldom motivated to do so.

WHY?

- They think their house is already efficient
- They don't believe the savings' claims
- They don't know what you are talking about
- They are busy buying things that improve their lives



Remember those changes?

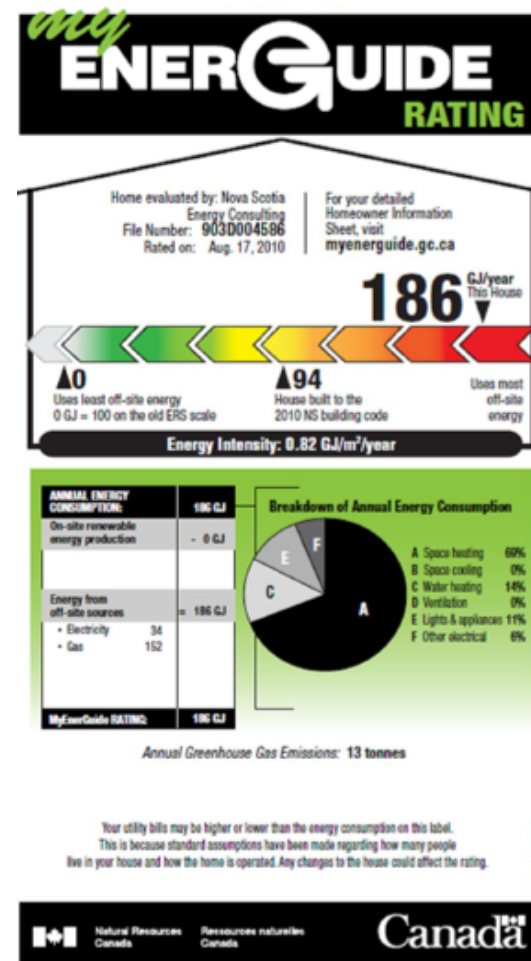
Over 1 million houses were rated

They think anything built after 1990 is “efficient enough”

They have:

- Changed their furnace and windows
- Changed light bulbs
- Bought new appliances

They don't even know how much they are spending on energy.



The challenge

– they don't know what we are talking about

- Few knew which products emit VOCs
- Only 21% said they understood the term
- 54% found this term *undesirable*



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no



no



no



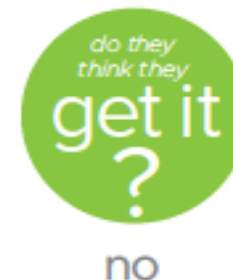
The challenge

– they don't know what it is

- 30% didn't expect energy savings and didn't know there were other benefits
- Only 30% said they understood the term
- 24% found this term *desirable* and 43% said it was *undesirable*



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The challenge ?

- They have access to a lot of information
- Yet they often don't know what they are spending now
- They don't know who to TRuST



Refine your sales plan

- To match the changing motivations
- To meet the new expectations
- To optimize the incentives opportunity
- To build TRUST



Refine your sales plan

- A helpful meet and greet
- Understanding needs
- Demonstrating differences
- Addressing concerns
- Helping them make a decision



The value of a plan

Building TRUST

- Ask genuine questions
- Associate with trusted partners / brands
- Show proof



The value of great questions

Ask Genuine Questions

- Find out needs & wants
- Build TRUST
- Do incentive programs help?
- *What's prompted ...*
- *Tell me about plans ...*
- *In your research so far ...*



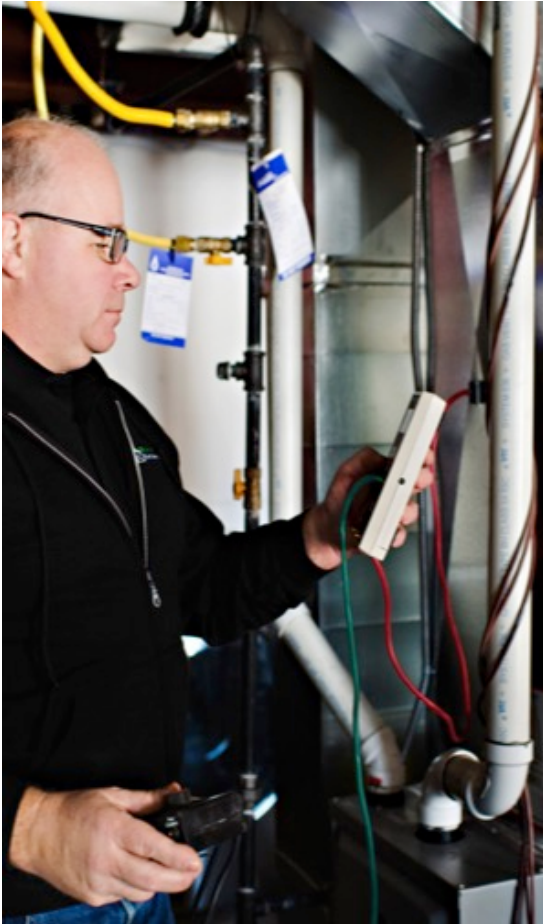
Association with “trusted partners”

- *Which brands have recognition and value?*
- *Who else can you associate with?*



Testing & measuring provides proof

- What tools & tests can diagnose what they are experiencing?



The elegance of energy efficiency

The same things that make houses more energy efficient also make them:

- More Durable
- Healthier
- Quieter
- Controllable & Comfortable

Dozens of valuable consumer benefits



Demonstrating the value

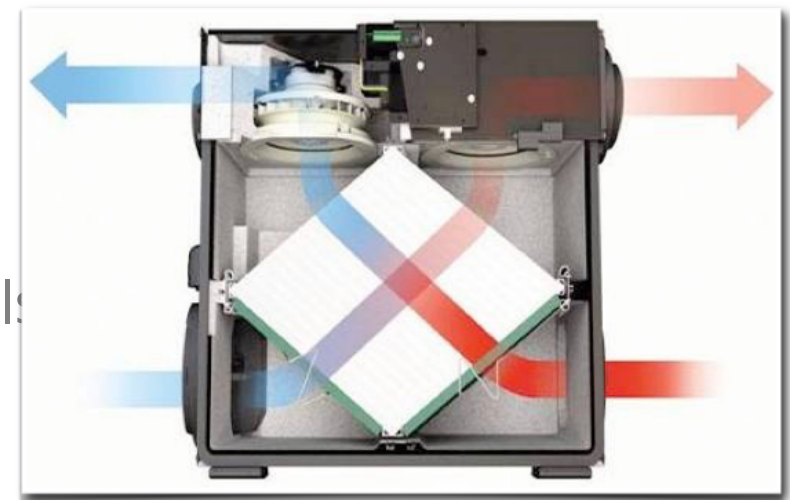
know better than anyone else the:

- Features – *what it is, the facts*
- Advantages – *what it does, how it works*
- Benefits – *how it improves their life*



An example: Ventilation

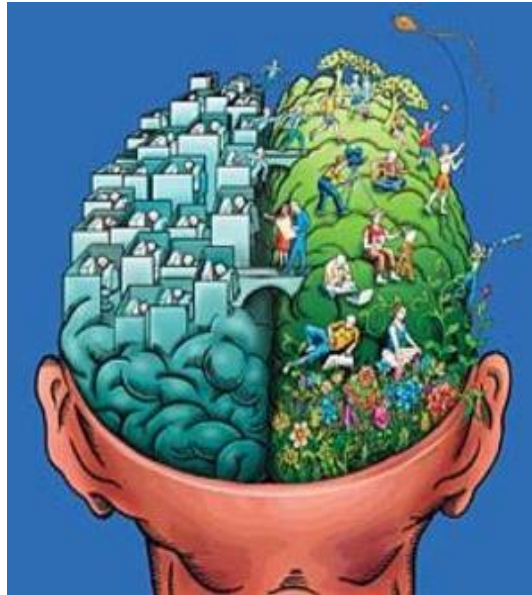
- Feature - an HRV
- Advantages:
 - Two quiet fan that exchange stale air for outside air
 - A heat exchanger that recovers 70% of the energy
- Benefits:
 - Fresh, filtered air for your family
 - Odours don't linger
 - No icky, black stuff on the window sills



Focus on the emotion

Logical Left

- Energy savings
- Incentives
- Size
- Efficiency



Emotional Right

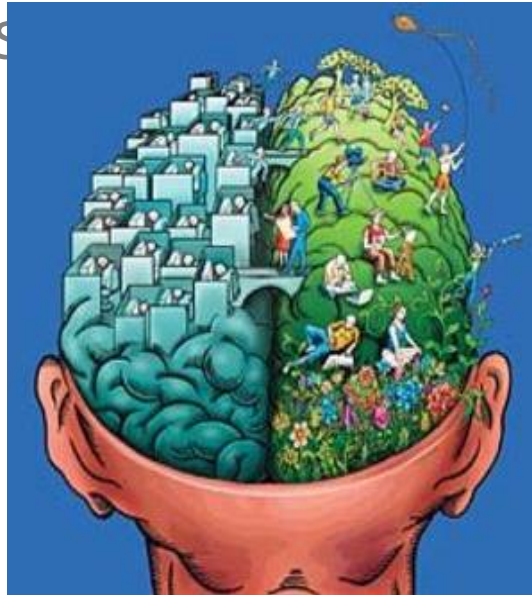
- No sweaty nights
- Breathe easy
- Cozy family rooms
- Don't have to turn up the TV when the furnace is on
- A safe basement playroom



Focus on the emotion

Marketing Words

- Quiet
- Comfortable
- Safe
- Durable
- Efficient



Life Improving Benefits

- Sleep in Saturday morning
- A truly livable basement
- Worry-free holidays
- Last windows you'll buy
- A smart investment



It's a Marketing & Sales challenge

They say they want energy efficiency, but it's not the prime motivator.

People buy on ***Emotion***,
and Justify on ***Facts***

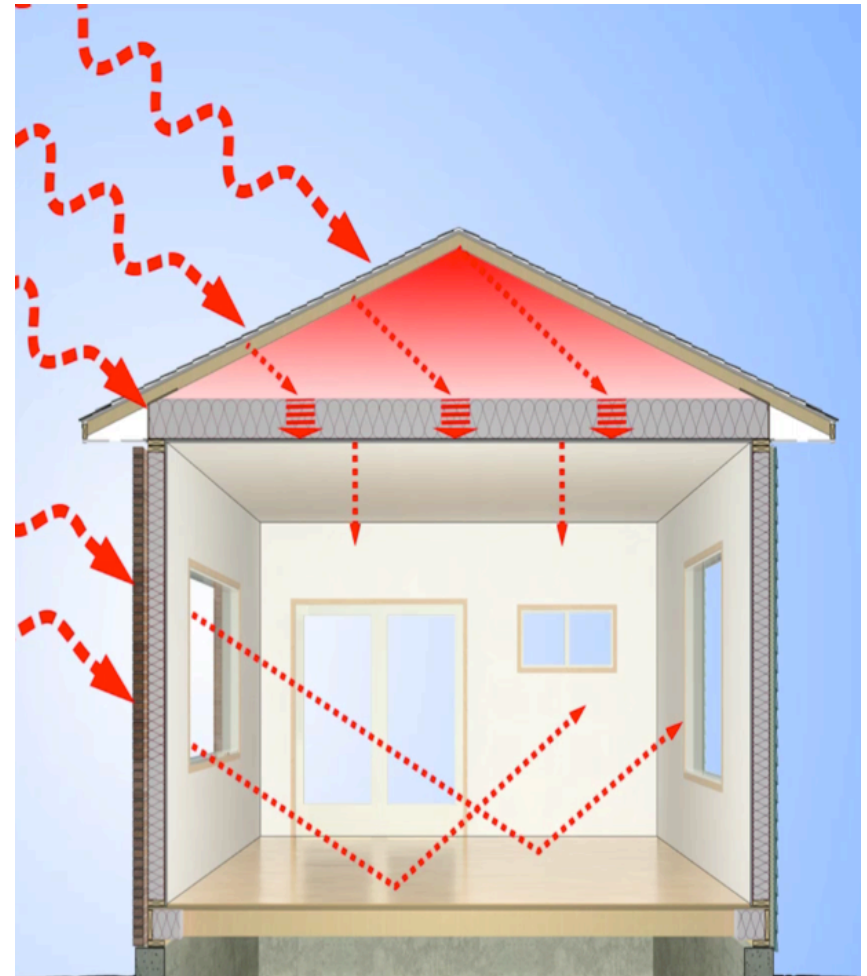
Energy Savings / Incentives are a logical reason to make an emotional decision



Emotion is always, always first



Restful, cozy
nights

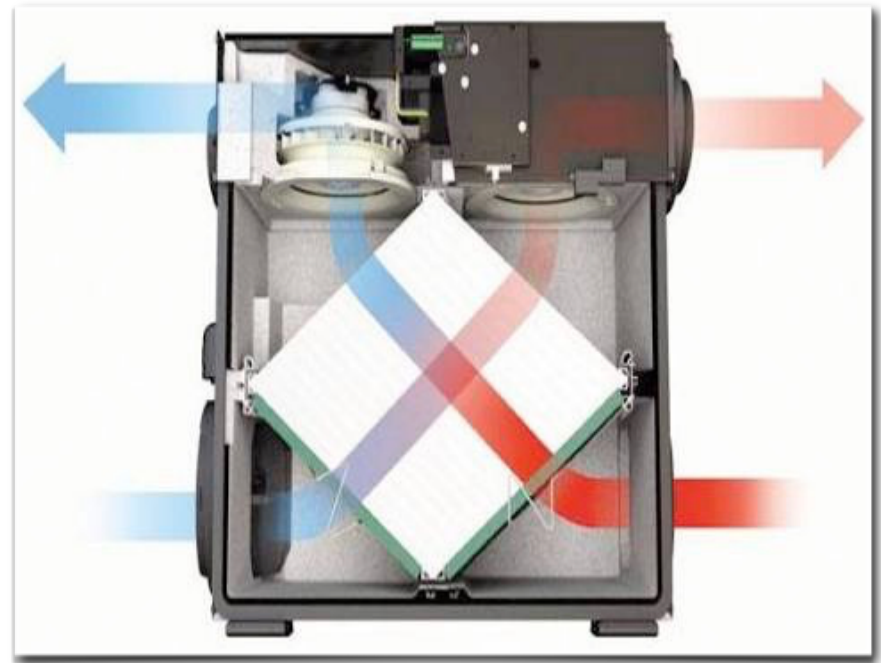


The Emotional Focus

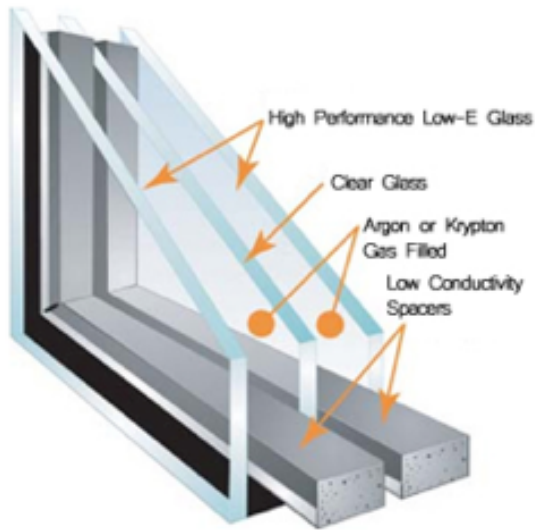
Logically - *this is an HRV*

Emotionally - *this is*

- An automatic window
- A fresh air machine
- Fresh, filtered air
- The healthiest possible air for your family to breathe
- The original “Febreze”



Lots of “Emotional” benefit opportunities



Can you match features to their emotional needs?



The same features may have different benefits to different people

No scalded fingers

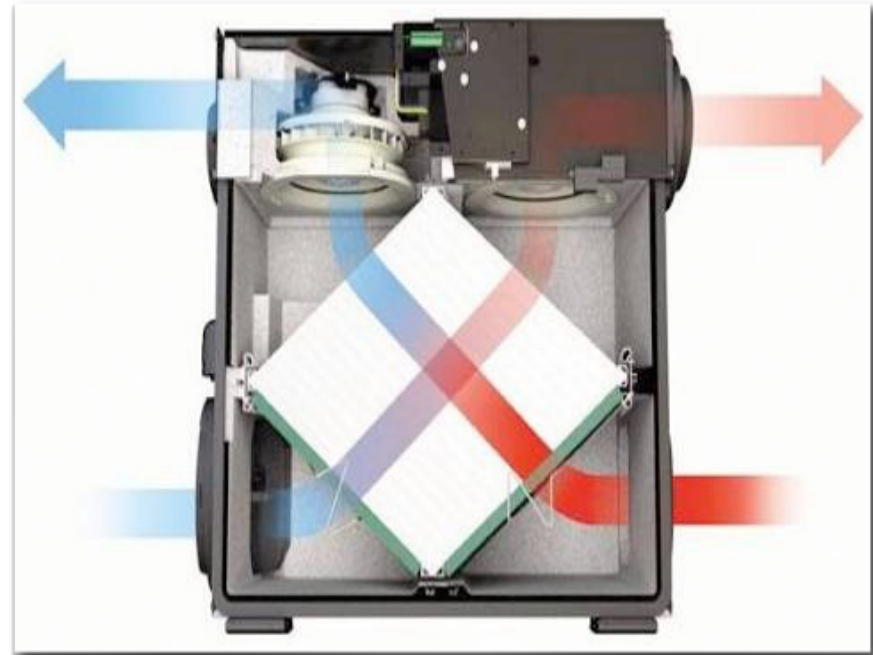
Worry free vacation



The Science helps meet expectations



*How many holes do they want
in their walls and attics?*



*When do they want fresh air in
their home?*



What about the money question?

DO THEY ALWAYS ASK ABOUT THE COST?
WHY?



The money always comes at the end

When they ask about the price, the savings,
the incentives,

Repeat after me:

- *Good question*
- *I have some great information to share*
- *But first, Lets find the right equipment for your family...*



Using energy & incentives in the Sales Plan

Demonstrate the value first

Then break down the price

- Focus on the investment quality
- Apply the incentives
- Show the energy savings



The Value of Incentive Programs in the Sales Plan

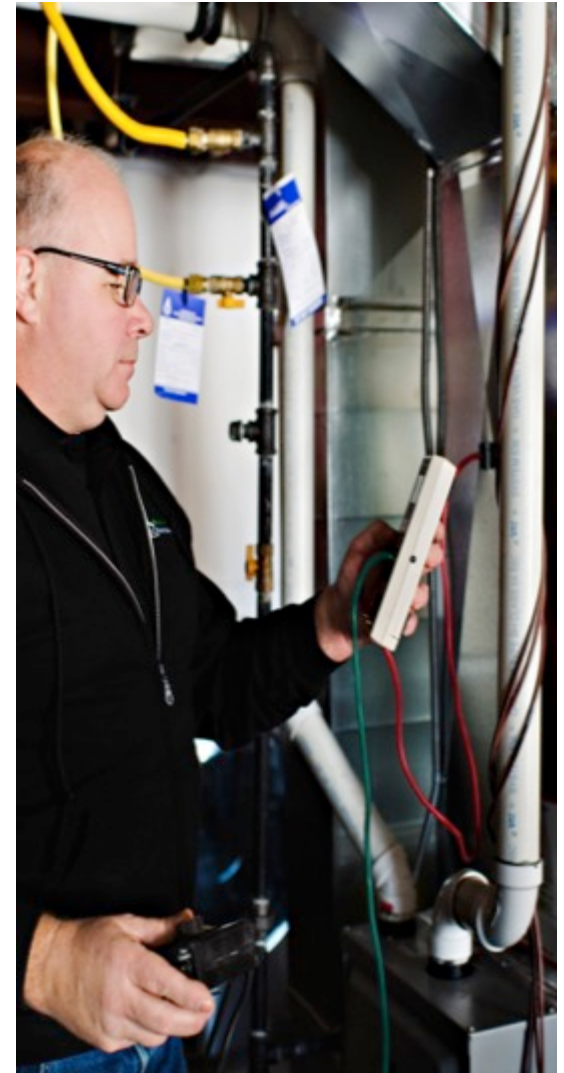
- Marketing support – it gets the phone to ring
- New motivations – it encourages more questions
- Cooperating partners – an association of TRUST
- 2 or 3 logical reasons to make an emotional decision



Concluding thoughts

Its our time

- The changes in expectations provide great opportunities – *ask more questions*
- Value the partnerships
- Focus on the emotional benefits
- Use incentive programs throughout your sales plan





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Thank you for investing you time today

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