



# RROIR Marketing, Education & Outreach

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LIOB

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# Topics for Discussion

1. How we are currently approaching ME&O generally and specifically for ME&O required by Decision 15-07-001;
2. How we use psychographic segmentation and other tools to customize ME&O;
3. The strengths and weaknesses of various efforts used to reach diverse customer segments who use different decision making frameworks;
4. The feasibility for applying these approaches to the Rate Reform ME&O – including the education and outreach for the TOU pilots

# The Road to Time of Use

Requires a fundamental shift for our customers & for SCE



1. Our largest transition yet, with 4.2M customers\*
2. Varying levels of understanding & engagement
3. Multi-year effort
  1. Tier flattening/SUE
  2. Opt-in TOU
  3. Default TOU

# Our ME&O Approach

## Research & messaging

Co-creating messages with our customers

## Bill / Usage Analysis Targeting

Layering in smart data (psychographic, predictive analytics, behavioral analysis)

## Rate Communications

Integrated offers (EE, DR, Income-Qualified)

## Channels & Tools

Partners and Technology + All Other Outreach Methods

## Beyond Enrollment

Ongoing education & reinforcement (e.g. alerts, rewards & recognition, etc.).

# Shifting to "Precision" Marketing

DEMOGRAPHICS/USAGE  
INFO

PYSCHOGRAPHIC/ ATTUDINAL  
(New Segmentation in '16)



ASPIRING  
CONSERVATIONISTS



SOCIAL  
TECHIES



WASTE NOTS/  
WANT NOTS



TRADITIONALISTS

BEHAVIOR – PROPENSITY  
MODELING (CURRENT)

Create decile groupings ranked by  
propensity through predictive analytics



WITH RIGHT  
MESSAGE



AT RIGHT  
TIME



THROUGH  
THE RIGHT  
CHANNEL

# Expanding our Offers, Channels, & Tools



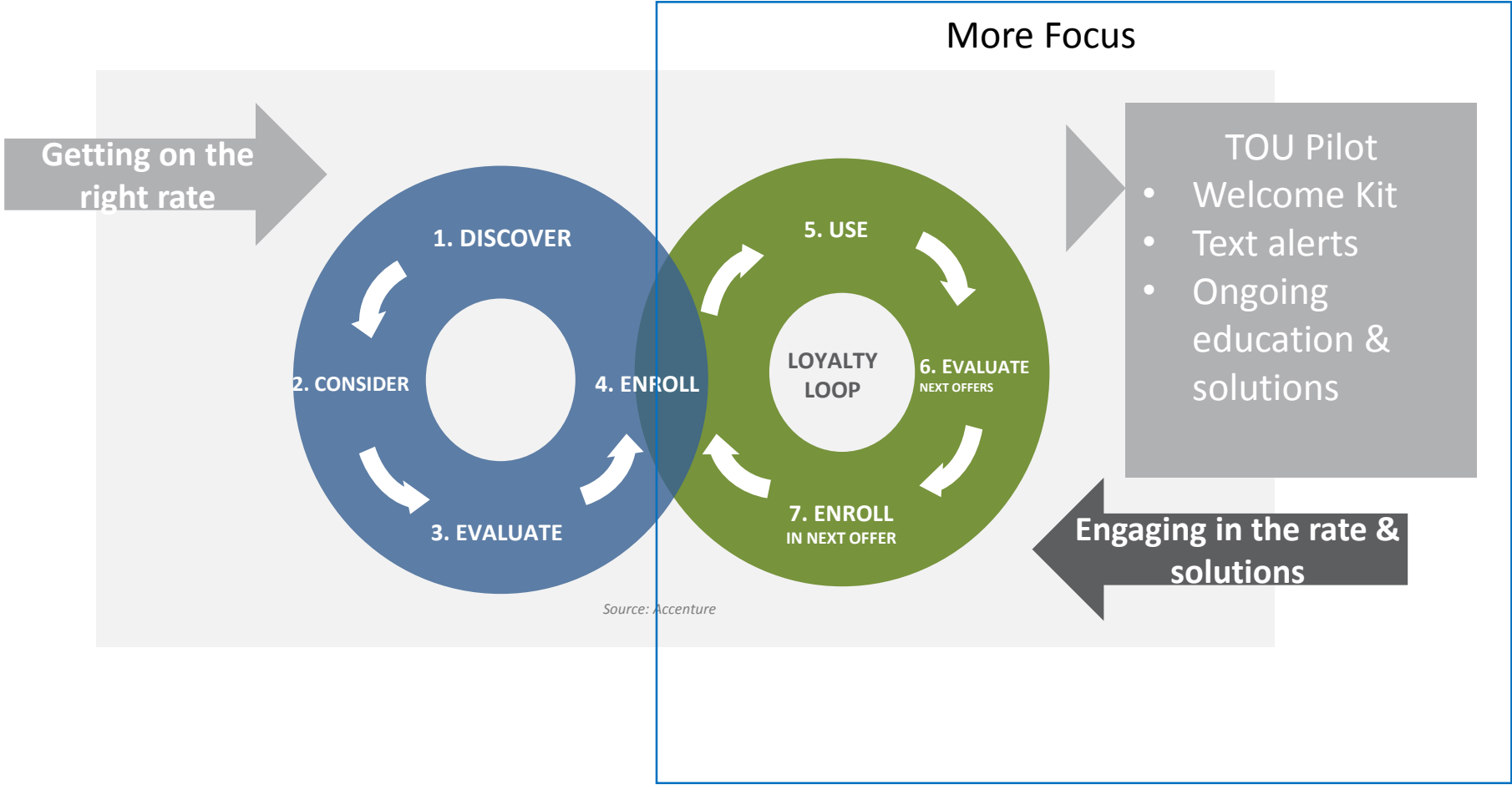
Bundle rate messages with EE, DR, and Income Qualified Solutions

Expand our channel reach with technology & partners

Expand our tools with rate analysis & educational videos

# Expanding our Customer Journey

## Ongoing dialogue with customers (education & reinforcement)



# Continued Commitment to our Hard To Reach



**RECIBIR UN DESCUENTO DE HASTA UN 30% EN SU RECIBO DE LUZ TODOS LOS MESES.**

**Ingreso máximo del hogar**  
Vigente a partir del 1 de junio de 2014

Cantidad de personas en el hogar	Total de ingresos anuales combinados* CARE
1 - 2	hasta \$31,460
3	hasta \$39,580
4	hasta \$47,700
5	hasta \$55,820
6	hasta \$63,940
7	hasta \$72,060
8	hasta \$80,180

Language	Population*
Spanish	1,893,791
Chinese	277,281
Vietnamese	144,042
Korean	97,179
Tagalog/Filipino	72,633

Source: 2009-2013 American Community Survey 5-Yr Estimates  
\*Age 5+ Who Don't Speak English "Very Well"

Other Customer Groups	No. of Customers
Seniors (65+)	870,559
Medical Baseline	85,789
CARE Customers	1,292,944



Source: SCE's Residential Customer Profile 2015



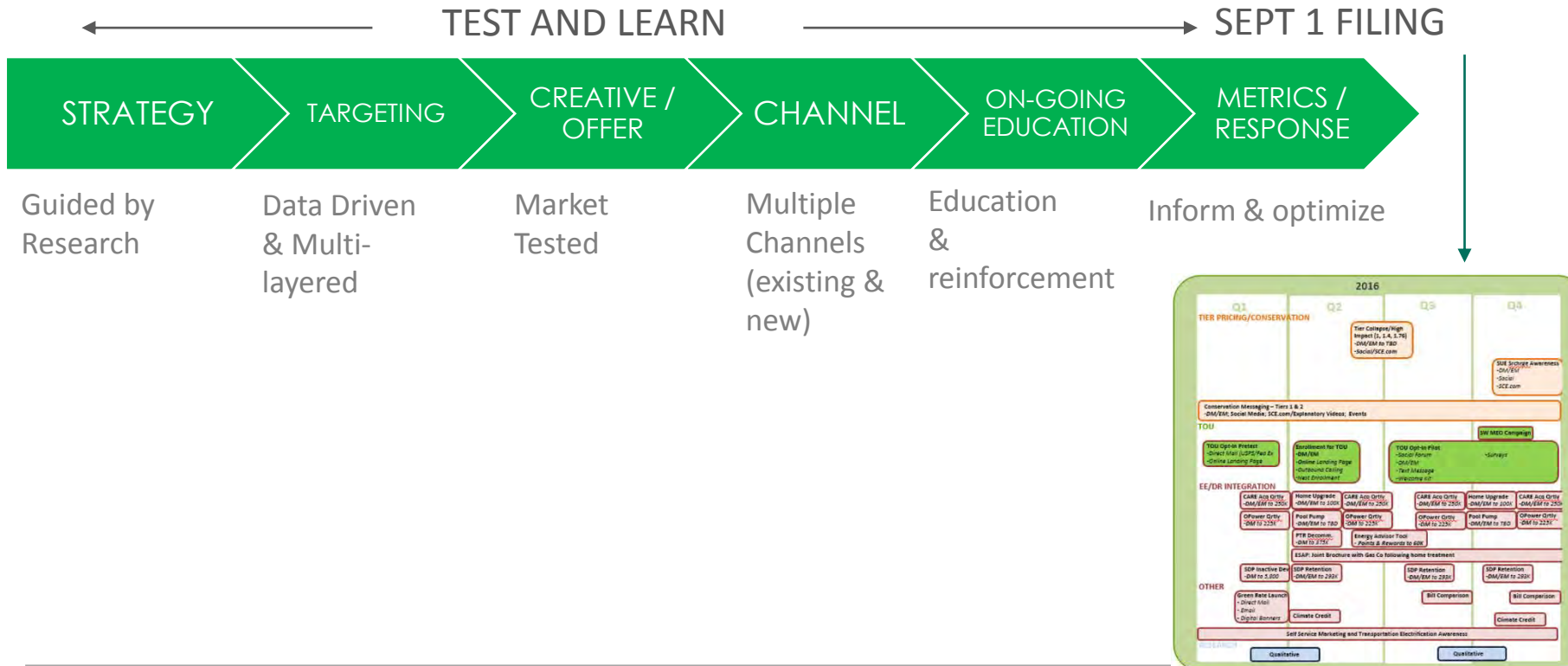
# PU Code Section 745 Protections

- The following groups of customers cannot legally be defaulted onto TOU rates
  - Residential customers receiving a medical baseline allowance
  - Customers requesting third party notification pursuant to Section 779.1(c) (customers 65 years or older who request the utility to notify a third party prior to disconnection for non-payment or who are dependent adults)
  - Customers who the Commission has ordered cannot be disconnected from service without an in-person visit
  - Other customers designated by the Commission in its discretion
- The Commission shall ensure that any TOU rate schedule does not cause unreasonable hardship for senior citizens or economically vulnerable customers in hot climate zones
  - Parties filed briefs on definitions of above terms (December 2015 – January 2016)
- The Commission shall not require default TOU pricing unless it has first explicitly considered evidence addressing the extent to which hardship will be caused on:
  - Customers located in hot, inland areas, assuming no changes in usage during peak periods
  - Customers living in areas with hot summer weather, as a result of seasonal bill volatility, assuming no change in summertime usage or in usage during peak periods
- Opt-In TOU pilots beginning June 2016 have been designed to gather required evidence for the Commission to *explicitly consider*.
  - Third party data will be examined with self reported customer survey data.
  - *Default* TOU pilot plans to be filed in December 2016.

# Going Forward... Progression of our Plan

## Test and learn approach → September Filing

- Continue & expand our approach and update our psychographics



# Appendix

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# Psychographic Segmentation Example

SCE's previous Psychographic Segmentation appears below to illustrate how segmentation can be applied moving forward to inform messaging, outreach channels and budget spend.



## COMFORTABLE SKEPTICS

- White Middle Class in mid 40s
- Bachelor Degree
- Likely English only
- Highest HH income
- **Heavy uses of all media**
- Believe in personal rights of consumption
- Not interested in energy issues

## SOCIAL TECHIES

- Youngest segment
- Highest level of full-time employed
- Slightly higher incidence of Hispanic
- Very busy; always connected; highly social
- **Heavy use of internet and like TV**
- Think energy efficiency is a good thing, want to do more as they are basically doing little

## GREEN ACTIVISTS

- Younger middle age and often with children at home
- Highest level of Asian
- Highest level of Master's Degrees
- High HH income
- Heavier use of internet
- **Pro-environment disposition**

## ASPIRING CONSERVATIONISTS

- Younger singles, younger families
- Highest presence of children under 18
- Highest level of Hispanics
- Mid-level HH income
- Have genuine interest in doing things but don't know how; too difficult
- **Seeks convenience and comfort**

## TRADITIONALISTS

- Highest level of African Americans
- Slightly older, middle-age and middle class
- Avg education
- Have done a lot of basics like switching out bulbs and getting efficiency appliances
- **Strong interest in saving money**

## WASTE NOTS/ WANT NOTS

- Highest level of single-family homes
- Mainly retired with fixed or lower income
- Own their home
- Not loud and proud but have done a lot by looking around the house for waste
- **Heavy use of TV, radio and newspaper**

# Residential Segmentation | Looking Forward

SCE will evaluate a new psychographic segmentation approach using Acxiom data and analytics for the launch of the new Green Rate.

