



# PEER DIFFUSION

A PROMISING WAY FOR SERVICE PROVIDERS TO UNLOCK  
INVESTMENTS IN HOME ENERGY UPGRADES

BY DOUGLAS MILLER AND LARRY ZARKER



PARTNER



# AUTHORS & ACKNOWLEDGMENTS

---

## AUTHORS

Douglas Miller, Larry Zarker (BPI)

*\* Authors listed alphabetically. All authors from Rocky Mountain Institute unless otherwise noted.*

## CONTACTS

Douglas Miller, [dmiller@rmi.org](mailto:dmiller@rmi.org)

Larry Zarker, [lzarker@bpi.org](mailto:lzarker@bpi.org)

## SUGGESTED CITATION

Miller, Douglas and Larry Zarker. Peer Diffusion: A Promising Way for Service Providers to Unlock Investments in Home Energy Upgrades. Rocky Mountain Institute and Building Performance Institute, 2016. [http://www.rmi.org/new\\_normal](http://www.rmi.org/new_normal)

## EDITORIAL/DESIGN

Editorial Director: Cindie Baker

Editor: Laurie Guevara-Stone

Art Director: Romy Purshouse

Graphic Designer: Marijke Jongbloed

*Images courtesy of iStock unless otherwise noted.*



# ABOUT US

---



## ABOUT ROCKY MOUNTAIN INSTITUTE

Rocky Mountain Institute (RMI)—an independent nonprofit founded in 1982—transforms global energy use to create a clean, prosperous, and secure low-carbon future. It engages businesses, communities, institutions, and entrepreneurs to accelerate the adoption of market-based solutions that cost-effectively shift from fossil fuels to efficiency and renewables. In 2014, RMI merged with Carbon War Room (CWR), whose business-led market interventions advance a low-carbon economy. The combined organization has offices in Basalt and Boulder, Colorado; New York City; Washington, D.C.; and Beijing.




## ABOUT BUILDING PERFORMANCE INSTITUTE, INC.

Building Performance Institute (BPI) develops standards for energy efficiency retrofit work using an open, transparent, consensus-based process built on sound building science. From these standards, BPI develops professional certifications for individuals, companywide credentials for BPI GoldStar Contractors, home energy rating systems, and quality assurance services that help raise the bar in home performance contracting.







*Peer Diffusion: a form of communication within and between networks of people that (1) occurs through varying forms of social comparison and social interaction around an innovation (i.e., a new behavior, idea, or technology) and (2) ultimately promotes the broader adoption of that innovation.*

# TABLE OF CONTENTS

---

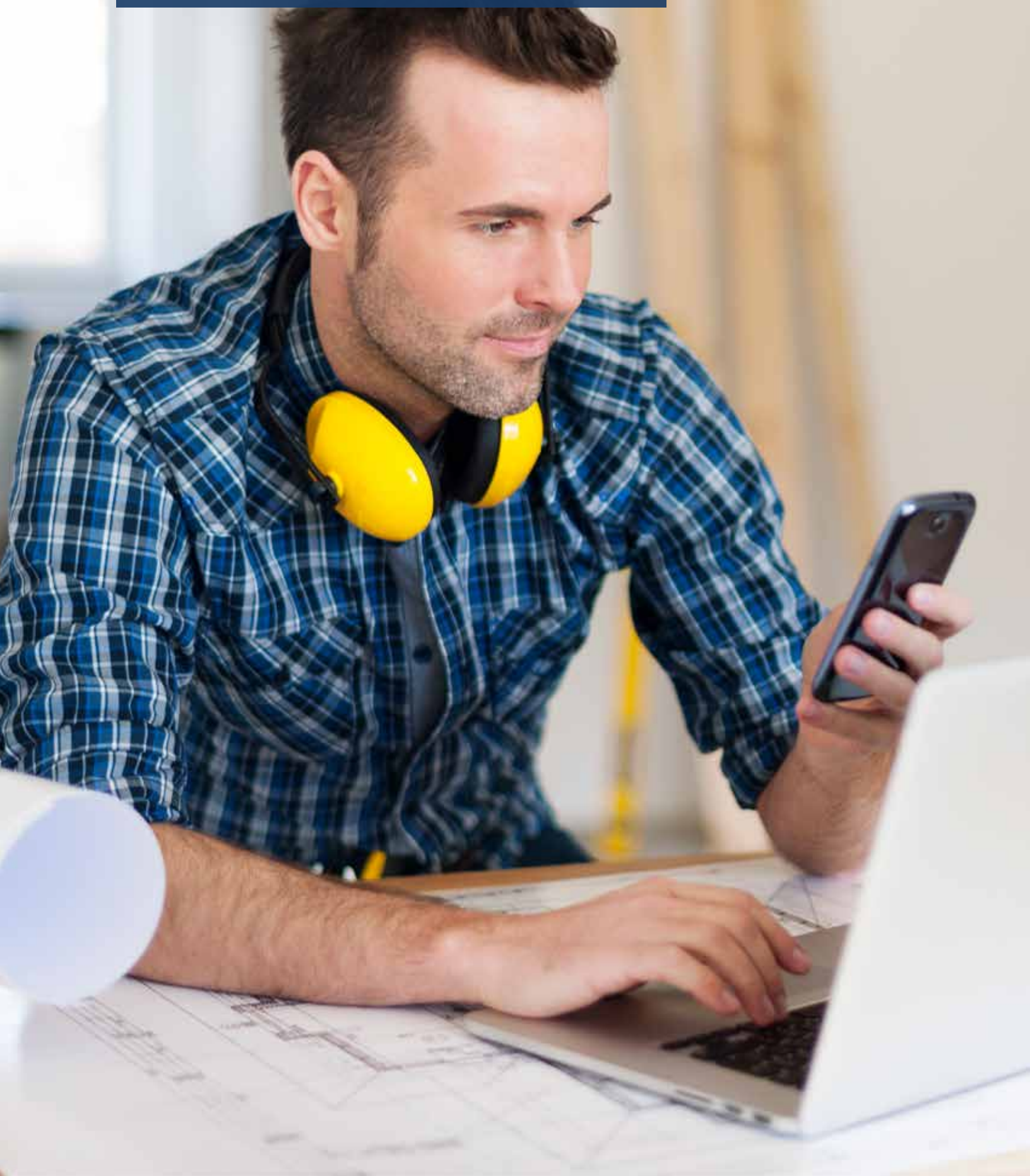
<i>Executive Summary .....</i>	<i>06</i>
<i>An Opportunity to Improve Promotion of Homeowner Investments in Energy Upgrades .....</i>	<i>08</i>
<i>Online Tactics to Enable Peer Diffusion .....</i>	<i>12</i>
<i>In-Person Tactics to Enable Peer Diffusion .....</i>	<i>16</i>
<i>Conclusion &amp; Next Steps .....</i>	<i>20</i>





EX

## EXECUTIVE SUMMARY



# EXECUTIVE SUMMARY

## HIGHLIGHTS

- Residential energy service providers and utility/third-party program administrators that help deliver whole-home performance improvements to homeowners through energy upgrades have an opportunity to **better engage with homeowners** to make energy upgrades a “must have” in homes.
- **Peer diffusion shows potential** as a homeowner engagement strategy to scale demand. It can increase social interaction and comparison (i.e., “keeping up with the Joneses”) around energy upgrades—making these improvements visible, conversational, and, thus, inspiring.
- Informed by leading research and real-world examples, **Rocky Mountain Institute (RMI) and Building Performance Institute (BPI) outline the key elements of a peer diffusion strategy** in this report. Service providers and program administrators can deploy these specific tactics online and in-person to motivate homeowners to invest in whole-home energy upgrades that provide homeowners multiple benefits, including increased property value and improved comfort, health, safety, and peace of mind.

## THE CHALLENGE

- American homeowners have a peculiar relationship with home energy performance: two-thirds of U.S. homeowners consider home energy performance a **top priority**, yet almost half have **done nothing** to improve it. Those who have done something **seldom invest in whole-home energy upgrades**. In sum, a large gap exists between intentions and actual investments and, as a result, overall U.S. residential energy use continues to increase.
- The residential energy industry **underapplies** many of the major factors that drive homeowner decisions on increased energy upgrade investments.
- Service providers and program administrators

may be unfamiliar with strategies to promote the diffusion of home energy upgrades among a given homeowner’s peers, or may underestimate the potential business impacts of deploying such strategies.

## THE SOLUTION

With the aim of transforming homeowner demand for energy upgrades, this report presents the opportunity for service providers and program administrators to engage with homeowners in ways that promote social interaction and comparison around these home improvements. The report offers the key elements of a peer diffusion strategy—highlighting various online and in-person tactics based on real-world examples—to support service providers and program administrators in unlocking homeowner investments in energy upgrades.

- There is an opportunity to learn from utility-run behavior programs, rooftop solar trends, and other examples to broaden the appeal and increase the prioritization of these improvements. Residential energy service providers and program administrators can **deploy a robust online and in-person strategy to enable peer diffusion before, during, and after projects** to drive increased homeowner demand for energy upgrades.
- Efforts to leverage peer diffusion can **empower participating residential customers to share and show off their own home energy upgrade projects** among their family, friends, and neighbors. Making these whole-home improvements and their multiple benefits more visible and conversational may inspire increased energy upgrade investments among their peers.
- Service providers and program administrators can **collaborate with Rocky Mountain Institute (RMI) and Building Performance Institute (BPI)** to showcase existing and planned peer diffusion strategies as well as develop new ones.



01

# AN OPPORTUNITY TO IMPROVE PROMOTION OF HOMEOWNER INVESTMENTS IN ENERGY UPGRADES





# AN OPPORTUNITY TO IMPROVE PROMOTION OF HOMEOWNER INVESTMENTS IN ENERGY UPGRADES

## U.S. HOME ENERGY PERFORMANCE IMPROVEMENTS HAVE WAVERED

### *Overall U.S. residential energy use is still increasing:*

Average U.S. household energy consumption decreased by 10 percent over the past 35 years, largely due to energy use intensity (EUI) reductions from appliance standards, utility demand-side management programs, and voluntary and educational programs. However, the pace of EUI improvement has slowed in recent years: EUI decreased by 21.4 percent between 1990 and 2001, but only by 7.2 percent between 2001 and 2009. Additionally, due to an increasing total number of households and average home size, total energy consumption in the residential sector increased overall by 37 percent from 1980 to 2014.

### *Homeowners want more energy-efficient homes:*

Juxtaposed against the trends of wavering energy performance improvements over recent years, homeowners are increasingly demanding more efficient homes. Energy upgrades and other sustainable home improvements are two of the fastest growing types of home improvement, accounting for about 30 percent of revenue at full-service remodeling firms. Demand for these improvements cuts across demographic groups. Yet, there is enormous room for growth: homeowners are more dissatisfied with their homes' energy efficiency than with any other home attribute.

### *Homeowners also want affordable, healthy,*

*and safe homes:* In addition to energy efficiency, homeowners increasingly demand affordable homes that provide healthy and safe environments for their families—something that quality whole-home energy improvements can help homeowners attain. For example, energy upgrades can, with proper ventilation and moisture management, improve indoor air quality (IAQ), which in turn reduces poor IAQ-induced health problems like asthma and accompanying health costs.

### *There is a gap between intent and action:*

One area for growth relates to closing the gaps between knowledge, desires, and actions in the home energy retrofit market. Americans report wanting energy-efficient homes, but 42 percent think their homes are already efficient and only 38 percent can confidently explain what an “efficient home” means.

Given this knowledge gap, it's not surprising that Americans have inaccurate expectations of what efficiency upgrades can accomplish. Expectations are so high that homeowners are becoming disillusioned with energy upgrades. For example, they believe that they will save 85 percent on energy bills if they spend \$4,000 on upgrades. Half of homeowners report having made one to three changes to make their homes more efficient, but—unimpressed with the limited utility bill savings due in part to unreasonable expectations—these Americans find energy efficiency is a fickle friend and possibly even a misleading concept.

### *Industry has an opportunity to enhance its*

### *homeowner engagement strategy:*

The relatively limited success of existing state and utility home retrofit programs, the slowing U.S. residential EUI improvements, and the intent-action gap indicate a need for service providers and program administrators to better engage with homeowners. Given research findings and industry leader recognition about the importance of increasing social and emotional appeals to spur homeowner investments in energy upgrades, it turns out that at the heart of the opportunity to unlock these investments is the “heart” of the homeowner.

Those wanting to improve how they engage with homeowners should thus complement their current efforts with additional tactics that pull homeowner heartstrings and make whole-home energy upgrades delivering multiple homeowner benefits a “must-have” rather than a “nice-to-have” characteristic in their homes.



## PEER DIFFUSION SHOWS POTENTIAL AS A STRATEGIC LEVER TO HELP UNLOCK THE U.S. HOME ENERGY UPGRADES MARKET

Service providers that deliver whole-home performance improvements to homeowners through energy upgrades are in a particularly strong business and logistical position to deploy innovative tactics that help unlock the energy upgrades market. They have a financial stake in more homeowners investing in energy upgrades and—because their work is “local” in nature and dependent upon trust, face-to-face interactions, and sound customer relationship management—can serve as the [boots on the ground](#) promoting social and emotional appeals for energy upgrades.

***Social factors affect decision making for home energy performance:*** [Numerous factors](#) with [varying influences](#) shape energy conservation behaviors. Social norms—a powerful force on decision making showing people what behaviors are approved, expected, and “normal”—provide a means to promote energy upgrade investments because they, for example, can have a larger impact on a homeowner’s decision to invest in an energy upgrade than [financial](#) or [moral](#) appeals. Market solutions that invoke existing or promote new norms show promise in catalyzing new energy-saving investments and habits. Consider, for example, how social interactions and comparisons can help make [rooftop solar contagious](#) and [energy bills a competition](#) among homeowners.

***Social interaction and comparison can foster peer diffusion:*** Research suggests that the strength and frequency of peer-to-peer communication determines the adoption or stickiness of any behavior, idea, or technology. For example, the [distinguishable white color of Apple’s iPod and iPhone ear buds](#) increase the visibility of how many people have purchased these products, contributing to faster and increased purchases among peers.

During the [process of peer diffusion](#), the combination of social interaction and comparison creates a phenomenon where this “communication” about an innovation leads to the spread of that innovation within and between networks of people.

***Peer diffusion offers a vehicle by which service providers and program administrators can inspire homeowner investments in energy upgrades*** and relies on two central elements: (1) social comparison and (2) social interaction.

1. Social comparison—where people observe and conform to what others are doing—is the “engine” of peer diffusion.
2. Social interaction—where people learn what others may expect of them—is the “wheel” of peer diffusion.

Together, these two elements amplify the adoption of a given innovation.

***Peer diffusion already supports some clean energy efforts in the residential sector:*** [Half of U.S. homeowners](#) report that their families and friends influenced their previous homebuying decisions. The following examples provide glimpses of ways that peer diffusion already motivates residential energy performance improvements:

- [Utility-run behavior programs](#) like Opower’s Home Energy Report programs deliver utilities [1.5–2.5 percent energy savings](#) by empowering homeowners to compare their energy use to their neighbors’ and encouraging friendly competition to conserve energy.
- The presence of previously installed rooftop solar photovoltaic systems [better predicts the placement of additional solar installations](#) than income or population density and creates a “clustering” of rooftop solar in neighborhoods nationwide. The presence of these neighborhood solar panel clusters is arguably making rooftop



solar contagious and—given findings that [one in three SolarCity customers](#) comes from customer referrals—inspiring customers to encourage their peers to also get solar for their homes.

- Renovate America’s HERO program—[a source of over \\$1.5 billion in financing](#) since 2011 for home energy upgrade projects (mainly in California to date)—certifies and deploys [high-quality contractors](#) with training in whole-home performance. These contractors sell energy upgrades through proactive customer engagement and trusted in-person advice on projects and then deliver streamlined, fully financed energy upgrade projects.

Service providers and program administrators developing their own peer diffusion strategies should combine [lessons from real-world examples](#) like those listed above to better engage their target customer base. Those that take a multifaceted approach to promote peer diffusion will increase their likelihood of connecting with homeowners about investing in whole-home energy upgrades.

**Energy service providers can use online and in-person tactics to better engage with homeowners and promote peer diffusion:** Service providers may find it helpful to use a framework that is organized

by project phase and platform along the lines of the figure provided below when they develop their own peer diffusion strategy.

As service providers assess which online and in-person tactics to deploy to promote peer diffusion and grow their business, there are strategic considerations they may want to make take into account for each tactic, including:

- Financial costs** to operationalize and maintain a given tactic;
- Ease of implementation** in terms of the logistics, existing staff capabilities, and any needed additional resources or training;
- Timing** in that some tactics may be best deployed before, during, or after projects;
- Depth of social interaction and social comparison** created in that each tactic likely creates varying levels of social interaction and comparison in both absolute and relative terms; and
- Expected effectiveness for business** development in that some tactics may seem better aligned with demographic, geographic, and affiliative factors than others for targeted customer groups.

EXAMPLES OF TACTICS SERVICE PROVIDERS CAN USE TO PROMOTE PEER DIFFUSION FOR HOME ENERGY UPGRADES, ORGANIZED BY PROJECT PHASE AND PLATFORM

PLATFORM	PROJECT PHASE		
	PRE-RETROFIT	DURING RETROFIT	POST-RETROFIT
ONLINE	Social media-promoted events, project idea and drawing board platforms, and referral platforms	Shareable photo timelines	Online referrals, side-by-side photo comparisons, and showcasing benefits
IN-PERSON	Group energy assessments and community leader engagement	Field trips, education programs, and “DIY” workshops	Celebratory events and home tours





## ONLINE TACTICS TO ENABLE PEER DIFFUSION



# ONLINE TACTICS TO ENABLE PEER DIFFUSION

## PRE-RETROFIT STRATEGIES CAN INSPIRE HOMEOWNERS TO FIND IDEAS AND INTERACT WITH OTHERS ABOUT OPTIONS FOR THEIR OWN ENERGY UPGRADE

**Create a drawing board with online image-sharing platforms:** Platforms like Pinterest and Houzz are online platforms where 39 percent of homeowners look for inspiration for their home improvements. Given that over one-third of Pinterest users and two-thirds of Houzz users are planning changes to their homes, these platforms present a powerful means by which energy service providers can encourage homeowners to find and share ideas for home energy upgrades.

Service providers can engage with homeowners on these websites. Service providers could create their own pages where they display their services, celebrate examples of healthy, energy-efficient homes, and promote content about energy upgrades and their benefits—all of which can also help homeowners see the appeal of quality energy upgrades over “do-it-yourself” (DIY) ones.

### SERVICE PROVIDER INSIGHT

Consider creating Pinterest and Houzz pages and promoting drawing boards for quality energy upgrades through platforms that homeowners already use to find inspiration for home improvements.

**Use social media to promote events, brand, and service offerings:** Service providers can use Facebook and other social media platforms to create traction among peers. These platforms suggest events, brands, and articles to users based on what their Facebook friends are attending, buying, or reading. If a Facebook user indicates that he or she is attending a group home energy assessment—an in-person tactic described later in this report—this

person’s friends on Facebook will be more aware of the event and likely more inclined to attend. Service providers can also engage homeowners to “like” and interact with them—increasing the visibility of their brand online—by promoting, for example, an event giveaway similar to Seventh Generation’s “healthy baby home party,” which resulted in 3,000 Facebook “likes” for the company. Furthermore, they can provide template posts that customers can share with their family and friends about the energy upgrades they are getting and their excitement about them.

### SERVICE PROVIDER INSIGHT

Consider using Facebook and other social media platforms to create traction for events like group home energy assessments as well as brand and service offerings. Service providers could also offer customers template social media posts to encourage them to share with their peers that they are getting an energy upgrade.

**Use online referral platforms to promote energy upgrade services:** Understanding that online reviews dictate whom 83 percent of homeowners hire for home improvements, service providers should join and promote their services on popular online referral platforms like HomeAdvisor, Contractors.com, and Angie’s List. Service providers can also use these referral platforms to showcase their expertise and promote content, such as the benefits to homeowners of investing in energy upgrades. They should consider highlighting their energy upgrade services under health-, comfort-, and safety-related service types listed on these platforms in addition to energy performance service types. Moreover, highlighting these services on popular referral platforms gives homeowners who are interested in the benefits of energy upgrades but don’t know whom to call greater ability to get the services they want.



### SERVICE PROVIDER INSIGHT

Consider joining and promoting energy upgrade services using popular online referral platforms under various service types—from energy performance improvements to health and safety improvements. Service providers should also consider directing potential customers to existing online reviews to demonstrate customer satisfaction with prior projects.

## MID-RETROFIT STRATEGIES CAN DEMYSTIFY AND CELEBRATE HOME ENERGY UPGRADES

**Help homeowners show off the evolution of their projects:** Some homeowners may want to share real-time progress of their energy upgrade project online with their family and friends. Service providers can encourage customers to use image-sharing platforms like Facebook, Instagram, and Twitter to update their peers and create interaction around these updates. Service providers may even post project updates (with customer permission) on [company social media pages](#) or assemble shareable photo galleries, such as Dropbox or Google Drive, that customers can send to select family members and friends. They should consider developing actual content with an understandable and accurate story that is easy for homeowners to share and crisply conveys the multiple benefits of such upgrades (e.g., getting rid of a mold problem, making an attic more functional, and eliminating cold drafts from leaky windows). Service providers can also promote new and/or use existing hashtags to spread the word about their work and help willing customers show off their projects to larger audiences. By helping homeowners display the evolution of their projects, service providers can improve how they tell stories and grab attention for energy upgrades to prospective customers.

### SERVICE PROVIDER INSIGHT

Consider offering support for and encouraging customers' use of image-sharing platforms to increase the visibility of energy upgrade projects and their benefits, cultivate conversations about them, and likely create new customer leads.

## POST-RETROFIT STRATEGIES CAN ENCOURAGE ONLINE REFERRALS AND CREATE BUZZ

**Help customers showcase their energy upgrades on property listings:** By showing homeowners how to highlight these improvements on property listings—potentially by showing the improvement between the before and after Home Energy Score—service providers can help homeowners capture increased resale value from their energy upgrades. This support on property listings could include, for example, updating relevant energy performance metrics after completing the energy upgrades, showing the impact of the upgrades on total cost of ownership estimates, and adding before and after photos (potentially using [thermal imaging](#)) to help potential buyers better “see” the improvements.

Service providers can also engage with real estate agents, appraisers, inspectors, and lenders to draw greater attention to the link between energy upgrades and their benefits that together can help boost property value. Those that help homeowners and real estate stakeholders integrate improved energy performance into property listings can help bring greater attention to the value of energy performance improvements and increase the appeal of making these improvements.





### SERVICE PROVIDER INSIGHT

Consider helping homeowners integrate energy performance improvements into property listings (via energy performance metrics, total cost of ownership estimates, and imagery) and engaging with key real estate stakeholders to promote the full value of energy upgrades.

**Ask customers to submit an online review on referral platforms:** Service providers should ask customers to provide reviews of their services on contractor referral platforms because [future customers will likely reference and prioritize these reviews](#) during the service provider selection process. Service providers can—when following up with customers about their satisfaction with the energy upgrade—also provide a reminder to the customer with simple instructions about submitting a review. Service providers that have more (positive) reviews will likely win more business.

### SERVICE PROVIDER INSIGHT

Consider being proactive in asking customers to submit a review on contractor referral platforms and, as appropriate, providing reminders to customers.

**Celebrate completed energy upgrades online:** Service providers can help homeowners celebrate completed energy upgrades by posting (with the homeowner's permission) photo-shoot pictures of completed projects to platforms like Instagram and using a project-specific hashtag—a tactic that Houzz uses on its [Instagram page](#)—as well as showcasing [before and after photos](#) of renovated homes. Service providers can also promote any post-retrofit parties or home tours they organize, in coordination with homeowners, using Facebook or Twitter. For example, the Clean Energy Coalition uses [Twitter to remind its followers](#) about attending home tours, and Fort Worth's historic district uses [Facebook posts](#) to sell tickets for home tours.

### SERVICE PROVIDER INSIGHT

Consider using multiple social media platforms to celebrate completed energy upgrades in coordination with participating homeowners to encourage both social interaction and comparison among peers.

**Get creative about promoting the “invisible” benefits of energy upgrades:** Although energy upgrades improve home energy performance and provide other benefits like improved comfort and health, these benefits are less visible to the eye. Service providers can call attention to these “invisible” benefits when showing the impact of the upgrades in order to make them more visible. For example, service providers could share side-by-side photos of before and after utility bills or even thermal camera images to demonstrate post-retrofit comfort. Regardless of how service providers decide to promote retrofits online, the important takeaway is to make the results of the retrofit stand out because these are not always immediately visible to the layperson.

### SERVICE PROVIDER INSIGHT

Consider bringing greater attention to the multiple benefits of home energy upgrades through creative photography and event planning that, for example, helps highlight the benefits that are most apparent during cold and warm weather months.

03

## IN-PERSON TACTICS TO ENABLE PEER DIFFUSION



# IN-PERSON TACTICS TO ENABLE PEER DIFFUSION

## PRE-RETROFIT STRATEGIES CAN ENCOURAGE MORE HOMEOWNERS TO GET AN ENERGY AUDIT AND INCREASE FOLLOW-THROUGH WITH RECOMMENDED INVESTMENTS

### *Make home energy assessments social events:*

Service providers can harness the power of peer diffusion before even completing a retrofit by turning home energy assessments into social occasions. Consider the example of Energy Impact Illinois (EI2), which organizes “[house parties](#)” (i.e., group energy assessments) where attendees watch contractors use thermal cameras and blower doors to pinpoint specific energy- and money-saving opportunities. After homeowners see the money and energy wasted in a house similar to and nearby their own, they become more likely to get an energy upgrade. EI2’s 652 parties for 3,000 people in one year alone inspired 2,000 people to sign up for their own assessments and motivated more than 900 people to get energy upgrades. There are also likely opportunities to integrate health and safety components into these group assessments.

### SERVICE PROVIDER INSIGHT

Consider registering with organizations like EI2 to develop group energy assessments or developing independent group energy assessments. In addition, consider making health and safety part of the assessment to highlight the multiple benefits of getting an energy upgrade.

*Engage with local community leaders:* Service providers can establish partnerships to capitalize on peer diffusion within local networks. For example, they can propose energy upgrades to local school leaders to deliver [cost savings, better learning spaces, and new educational opportunities](#). This could inspire interest among students, who may then ask their parents about getting similar upgrades. They could

even partner with school districts to stage energy-saving competitions where the district with the most families investing in energy upgrades receives a substantial benefit. Similarly, service providers have an opportunity to engage with religious congregations across the country that are [already mobilizing](#) around energy efficiency to [promote energy efficiency retrofits](#) in religious buildings and [inspire members](#) to make similar investments in their homes.

### SERVICE PROVIDER INSIGHT

Consider engaging with leaders of local community networks like schools and religious congregations to inspire those affiliated with these networks to invest in home energy upgrades.

## MID-RETROFIT STRATEGIES CAN INCREASE THE KNOW-HOW OF CURRENT AND FUTURE HOMEOWNERS AND BOLSTER INTEREST IN RESIDENTIAL ENERGY INDUSTRY EMPLOYMENT

### *Energize future homeowners using field trips:*

Exposing grade school, high school, college, and graduate students as well as professionals on the lookout for [volunteer outings](#) to educational programs and mid-retrofit field trips can help shape the ambitions of current and future homeowners. Furthermore, these efforts can help inspire participants to make whole-home performance a priority and ask others in their household about getting energy upgrades. Service providers can promote education programs like New York University’s [GreenTECH](#) program for high school students and integrate energy performance themes into field trips like Texas A&M’s [construction science field trips](#). They can also complement educational programs and field trips using scenario-based learning games like [Game of Homes](#) to promote additional interactions with energy upgrades.





## SERVICE PROVIDER INSIGHT

Consider coordinating energy upgrade site visits with schools, corporate teams, and other local groups in order to increase the visibility of what improved energy performance looks like and show that people are investing in energy upgrades.

**Lead DIY energy upgrade workshops:** Home improvement stores provide occasions to leverage peer diffusion by drawing members of nearby communities to DIY workshops. The Home Depot, for example, offers [free weekly workshops](#) on DIY home improvement projects like installing leak sensors. Service providers can find opportunities to get involved with these workshops in order to foster a broader culture around whole-home performance. Moreover, there may be opportunities for service providers to help lead these DIY workshops to demonstrate their expertise, where those attending may become interested in professional services for larger energy upgrade projects.

## SERVICE PROVIDER INSIGHT

Consider running DIY workshops to demonstrate expertise for business development purposes and, by increasing the number and types of interactions people have with energy upgrades, create broader interest in quality whole-home energy upgrades.



## POST-RETROFIT STRATEGIES CAN ENCOURAGE HOMEOWNERS TO SHOW OFF THEIR ENERGY UPGRADES AND PROVIDE WORD-OF-MOUTH REFERRALS

**Set aside marketing budget funds for post-renovation parties:** After a retrofit is finished, homeowners likely want to entertain friends and family in their new space. This presents an opportunity to promote social interaction and comparison among peers around energy performance. Consider how Anthony Wilder Design/Build (AWDB), a Maryland remodeling company, offers to plan and pay for a [post-renovation party](#) at each customer's house. Customers simply choose a theme (brunch, cocktail party, or dinner), create a guest list, and allow for the company's owners to attend. Hosts can then show off their remodeled homes with a "free" party, and AWDB can get business leads from friends and neighbors who want to make similar measures in their homes.

### SERVICE PROVIDER INSIGHT

Consider allocating funds to pay for post-renovation parties for customers in order to increase visibility around finished energy upgrade projects and generate new business leads.

**Offer badges to make completed projects visible within neighborhoods:** Service providers can showcase the uptake of energy upgrades across neighborhoods by providing homeowners with a badge that validates the completed upgrades and placing the badge in a visible location, such as on street-side mailboxes, recycling bins, and car bumpers. Neighbors who see these badges may be motivated to ask the homeowner about them to learn what they have to do to get a badge of their own.

### SERVICE PROVIDER INSIGHT

Consider offering badges to homeowners for completed projects that are placed in a visible location to help them be noticed.

**Use home tours to capture the attention of large audiences:** Service providers can help inspire interest in energy upgrades and discover potential customers by partnering with home tour organizations and possibly organizing their own home tour of completed projects.

Austin-based [Modern Home Tours](#) organizes Smarter Spaces Tours of homes focused on energy efficiency. Similarly, (annual) historic home tours like [Savannah Tour of Homes & Gardens](#) also provide an opportunity to demonstrate that improved whole-home performance is possible and attractive in existing homes. Although these tours may not necessarily focus entirely on energy upgrades, they present an opportunity to expose whole-home performance to the several hundred thousand people who attend home tours each year and make these improvements part of popular notions about what desirable homes look and feel like.

### SERVICE PROVIDER INSIGHT

Consider partnering with modern and historic home tour organizations to take advantage of home-focused events that already occur in cities nationwide. Explore organizing a home tour program of completed projects—potentially in partnership with junior leagues, which organize home tours in cities nationwide—to show potential customers the appeal of investing in an energy upgrade through a particular service provider.







# CONCLUSION & NEXT STEPS

***Deploy a peer diffusion strategy to make energy upgrades more appealing and a greater priority for homeowners:*** This report explored the key elements of a robust peer diffusion strategy based on practical, real-world examples that energy service providers and program administrators can use to promote dialogue around whole-home performance. Service providers and program administrators can deploy a peer diffusion strategy to make quality whole-home energy upgrades more social and their uptake more visible—increasing the appeal and prioritization of these improvements—and thereby help scale homeowner demand for these home improvements to unlock the U.S. residential energy market.

***Collaborate with RMI and BPI to showcase peer diffusion strategies:*** Service providers and program administrators can share their insights and collaborate with RMI and BPI. If you would like to show how you have used peer diffusion strategies, or if you would like to discuss and develop new strategies, please contact us at [newnormal@rmi.org](mailto:newnormal@rmi.org).





1820 Folsom Street  
Boulder, CO 80302 USA  
[www.rmi.org](http://www.rmi.org)

© October 2016 RMI. All rights reserved. Rocky Mountain Institute® and RMI® are registered trademarks.