

#### Marketing Research Collaboration to Save Water

#### Kristina Brecko & Wes Hartmann



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### **Questions of Interest**

- Measure Advertising Effects
  - How much of water reductions are due to ads, as opposed to background media etc.?

• Long-Run vs. Short-Run Change in Behavior?



# Approach

## Run an "actionable" campaign

- Our approach
  - Randomly withhold new digital communication from some customers to form control group
- Media
  - Focus on digital ads
    - Can track clicks to agency website or survey after exposure

#### Measurement

Observe whether households changed behavior (relative to control)



 Which ad content best leads to long-run change?

- Cost-Benefit of Action Alternatives
  - Decompose ad expenses, content and savings
  - Help determine marketing budget allocation



#### Team



# Kristina Brecko

- PhD student in Marketing
- Skills
  - Econometric analysis
  - Marketing
- Research Interests
  - Advertising
  - Product strategy
    - Software
    - Restaurants (In-N-Out)



- Wes Hartmann
  - Professor of Marketing
  - Utilities & Behavioral Change
    - Electricity
    - Technology & Pricing
  - Ad Effectiveness
    - Political Advertising
    - Super Bowl
    - TV vs. Digital Advertising









LAGUNA HILLS, CA



#### MNWD & UCR Research Partnership Project Timeline

To provide informed solutions for two critical demand management programs: optimize rebate funding level, and effective marketing approaches to maximize rebate customer participation. Project Purpose

Phase 1 Build an account level water demand model to look at how each customer's water usage behavior evolves over time in response to District policies and external forces like the economy.

Survey residential customers to evaluate how to maximize rebate program participation through both incentives and targeted marketing. Phase 2

Integrate Phase 1 & 2 to inform District rebate policies and aid in planning for rate refinements. Phase 3

Phase 1	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17
Project Kickoff																						
Data Collection and Merging	Print Print	and pages a sea of																				
Estimate 2 Water Demand Models				C.R.d.N.L.																		
Water Demand Models Summary Report						$\blacktriangle \star$																
Phase 2																						
Customer Survey Design								second														
Conduct Focus Groups																						
Conduct In-Depth Interviews																						
Pretest Survey																						
Design Sampling Strategy									*		*											
Staff Training to Field Survey Questions																						
Implement the Survey																						
Survey Diagnostics: Validate and Organize Data																						
Evaluate Survey Responses																						
Survey Summary Report and Presentation															*							
Phase 3																						
Phase 1 & 2 Data Merging																						
Water Demand Model with Survey Data																	<b>19</b> 84 25					
Summary Report of Results and Presentation																					al and a	*
	Meeting	/ Presenta	tion																		Julv	14, 2015

The Deliverable

July 14, 2015