



*FERC- DOE Demand Response Conference*

**Consumers Want Choices!**

**14 February 2002**



# Choices Consumers Love

Long Distance



Trucking, Postal Service, Air Carrier



TV Signals



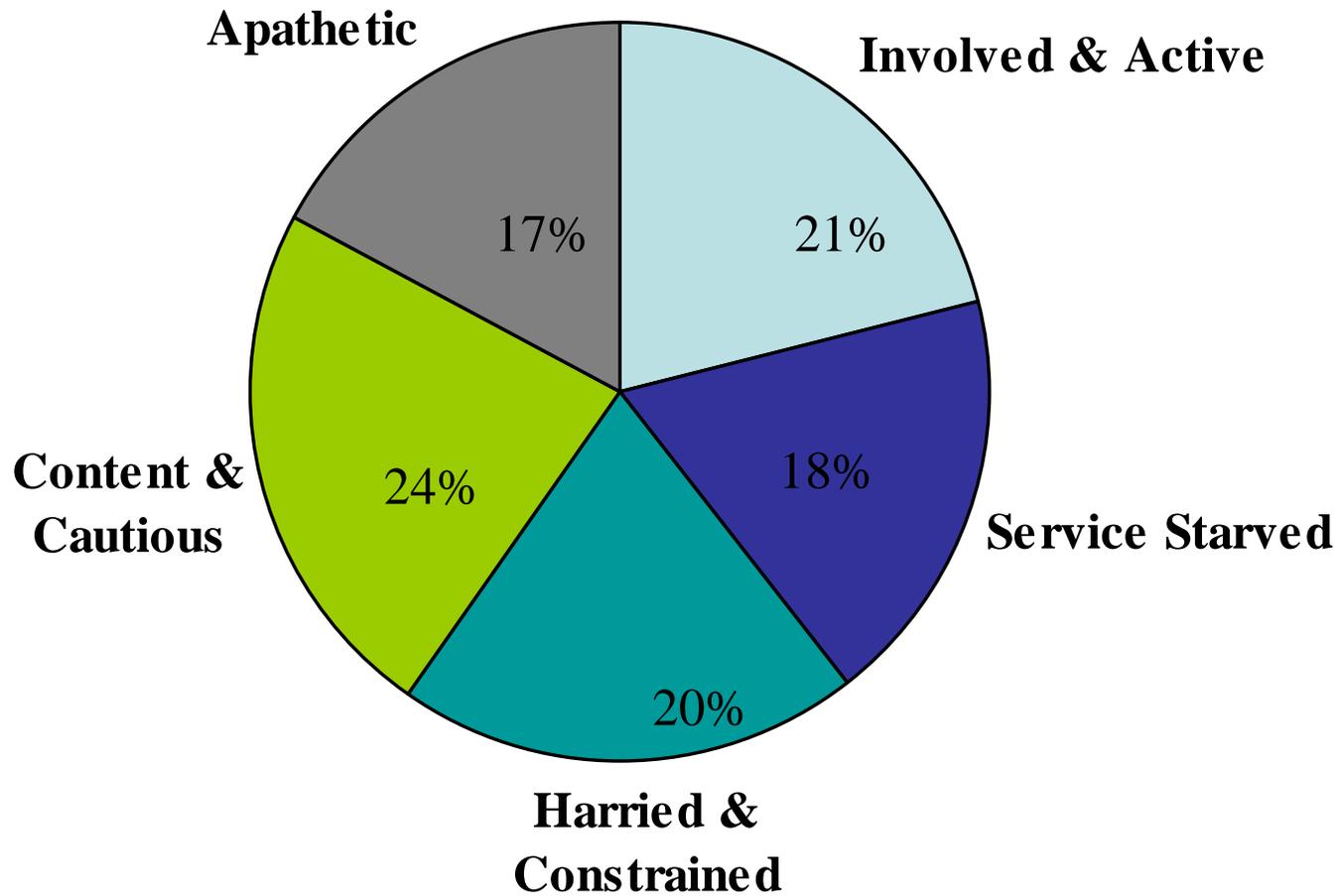
Local Phone Service



Banking



# Five Distinct Segments of Electricity Consumers



Source: Proprietary Research

# Involved and Active

## Key Criteria

- 21% of population
- 27% of electric power \$\$ (Avg. monthly bill \$144)

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## Attitudes

- Most open to new/cleaner power suppliers
- High concern for the environment and other issues
- Do not think power is a commodity; Willing to pay more for “green” products
- Least skeptical; least likely to grouse

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## Behaviors

- Most environmental behaviors
- Highest philanthropic efforts
- Highest social/recreational activities

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## Demographics

- 57% married; 51% have kids (above average); 52% female
- 42% have college degree (above average)
- Highest HH income (\$70K)

Source: Proprietary Research

# Service Starved

## Key Criteria

- 18% of population
- 18% of electric power \$\$ (avg. monthly bill \$111)

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## Attitudes

- Open to new power suppliers
- Least satisfied with current provider
- Average environmental concerns
- Sensitive to customer service; Don't think power is a commodity

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## Behaviors

- Above average environmental behaviors (e.g., dolphin-safe tuna; organic produce)
- Average philanthropic efforts

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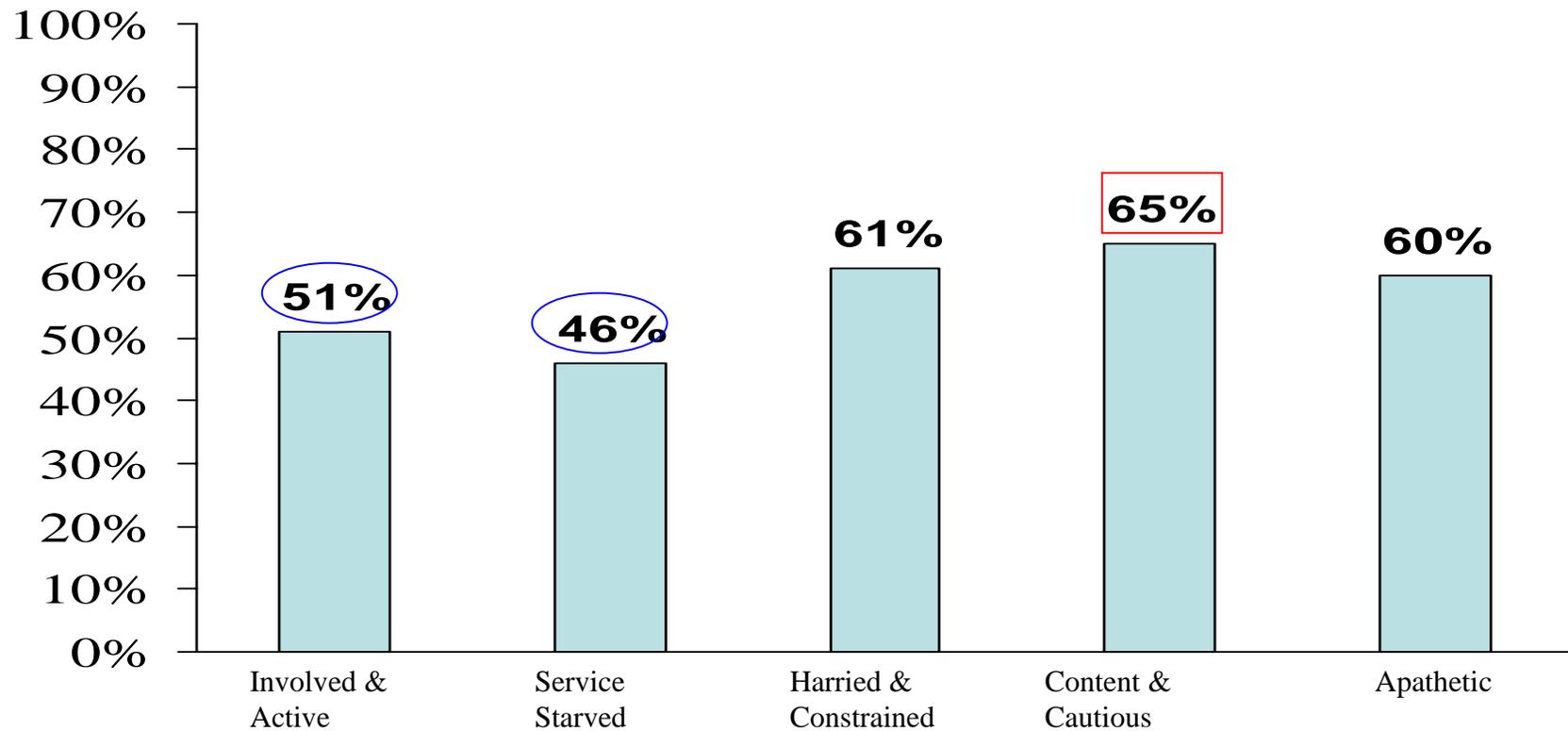
## Demographics

- 55% married; Only 38% have kids (below average); 46% female
- 45% college degree (above average)
- Average HH income (\$61K)

Source: Proprietary Research

# Segment Profiles : Mindset

## Satisfaction with Current Power Provider\*



Source: Proprietary Research

\* Indexed on a 0-100 scale where 0=unsatisfied; 33=somewhat satisfied; 66=very satisfied and 100=extremely satisfied.  
February 19, 2002

# Consumers respond to Good Marketing Programs

- > Product Development & Testing
  - Product Design (Bundle of Goods & Services)
  - Segmentation and Targeting
  - Positioning and Pricing
  - Branding
  - Test with consumers and modify
  
- > Awareness Building and Measurement
  - TV, Radio, Earned Media, Print, Outdoor, and Direct Marketing
  
- > Develop Multiple Sales Channels
  - Direct Mail, Telemarketing, Web, Event, Storefront, Affinity, Upsell
  
- > Fulfillment and Customer Care
  
- > Retention and Referral