

Energy Upgrade California Retail RFP Q&A

1. What are the top 3 things Energy Upgrade California brings to retailers that help them with their business initiatives? In other words, what is the benefit to the retailer to have this Education to Action on energy-related products?
 - a. Increased sales
 - b. Superior customer experience
 - c. Free/low cost marketing to drive traffic to stores
 - d. Partnership with a mission driven initiative

2. Which retailers have you had the best interactions with and would like to grow with? What are the reasons for this from a business and growth perspective?
 - a. Best interaction is a subjective term, but we have built great relationships with a few retailers like Fry's, Cole Hardware and Dixieline.
 - b. We'd like to grow our relationships with Lowe's, The Home Depot, Best Buy, Staples, Target and Wal-Mart, plus other retailers applicable to each topic. We would also like to build relationships with grocery/pharma.
 - c. To realize increased results statewide at a lower cost, plus increase the insight from the field to serve our program design.

3. What has been your biggest challenge in getting into stores?
 - a. Lack of understanding and awareness of Energy Upgrade California, plus confusion between our mission and the utility rebate programs in store.
 - b. Being a CA only initiative.
 - c. Understand how Energy Upgrade California is a value for the retailer.

4. What are the partnerships and cross merchandising efforts you have had the most success with?
 - a. Dixieline
 - b. This is one of the biggest areas of opportunity!

5. Which specific categories/aisles do you think consumers are more receptive to with the EUC message?
 - a. Product that closely fits our educational topic/message.

6. Are the retailers using any initiatives that we can piggyback onto? Can be brand/ product/ aisle.
 - a. Yes, but we have not taken full advantage of these opportunities.

7. How are you looking at the value proposition for the retailer and the shopper- making the smart choice/ making the right choice?
 - a. Retailer:
 - i. An educated customer will be more likely to buy “today” therefore increased sales.
 - ii. Better customer experience means this shopper is more likely to return to the stores and buy more products from this retailer.
 - iii. Being aligned with a statewide initiative like Energy Upgrade California is good PR for the retailer.
 - iv. Ability to leverage marketing to drive in-store traffic.
 - b. Shopper: More confident shopper will purchase products today, plus they will appreciate the additional usage information provided by Energy Upgrade California.

8. Understanding that the SOW includes creative deliverables of different kinds, are there any existing retail creative materials expected to be “picked up” and used as is? If so, what are they? What existing retail materials are expected not to be picked up – presumably would have to be recreated? In your answers, would you please address collateral, signage and digital/interactive elements?
 - a. Brochures, tables, table cloths, sign, banners, HOWEVER, approximately 50% of these materials will need to be revised based on new campaigns.
 - b. Campbell Ewald has created a wide variety of assets that will be repurposed. See the website to view many of the assets.

9. Are you requiring creative concepts in Section 2.C. for the RFP response?
 - a. No

10. In addition to the 80 stores you are already in, what is your goal for 2016?
 - a. Full coverage of our key retailers in CA.
 - i. The Home Depot, Lowe’s, Best Buy, Fry’s, Sears, Dixieline and other key retailers based on our topics.
 - ii. See updated store list on pages 6-7.

11. Section 1, C: What % of budget should be allocated to each of the (2) goals?
 - a. No allocation has been made.

12. Section 1, C, Goal 1 (source, secure, and build partnerships with retailers, manufacturers, & other stakeholders):
 - a. What is the expectation of CSE – in terms of FTE time allocation percentages – to: Sell in / secure approval from retailers?

- i. CSE has no expectation, except to ensure the agency is willing to collaborate and partner with our other agencies to achieve these sell-in goals. These will be defined with the winning agency and added to the contract as part of their performance review/metrics.
- b. Source, secure, build partnerships with manufacturers
 - i. No expectation as of 10/11/15, this will be defined with winning agency and added to the contract as part of the performance metrics.
- c. Collaborate with IOUs
 - i. No expectations as of 10/11/15, but again these will be defined with the winning agency.
- d. Source and secure partnership with (professional) organizations
 - i. No expectations as of 10/11/15, but again these will be defined with the winning agency and added to the contract.
- e. Is there a prioritization of each of the above stakeholders?
 - i. Yes
 - 1. Retailers
 - 2. Manufacturers
 - 3. IOU & Energy Star & RENs
 - 4. Other Partners
- f. How do you see the roles between CSE and the selected agency regarding communication with stakeholders?
 - i. CSE will lead the communication with stakeholders; however we are open to new protocols based on the IOUs' recommendations or directives to help facilitate more effective and efficient collaboration.
- g. How will achievement of this goal be quantifiably measured?
 - i. This will be based on the synergy between the topic and how it syncs up with the IOUs' initiatives.

13. Section 1, D: What does success look like for the retail channel?

- a. Increased retailer participation
- b. Increased collaboration with IOUs
- c. Increase metrics as a lower cost
- d. Increased partnerships with manufacturers
- e. Increased level of education that leads to action
- f. Increase new partnership with adjacent organizations, like Energy Star
- g. Increase communication between the field personnel and CSE that will drive value added insight and intelligence from the retailers, manufacturers and shoppers.

14. Section 1, D: Are there specific goals established for each of the listed KPIs?

- a. No, these will be worked on together with the winning agency, and then added to the contract/SOW.

15. Section 1, E: Will Energy Upgrade California campaigns / topics be approved and available for retailer sell-in 6-8 months in advance?
 - a. That is our goal for topics starting in June.

16. Section 1, E: "Expand coverage to more retailers" – is there target # of unique retailers? Doors?
 - a. Not yet, but also see question #10.

17. How important is the ability to sell in and secure approval of Retailers, Manufacturers, Associations, etc. for this project? Is this something that is already being done?
 - a. Yes, this is currently being done, however this is needs to be accelerated for 2016. This is very important.

18. What manufacturers does CSE have existing agreements with to help with this initiative?
 - a. CREE and we are working on Belkin

19. What is CSE's involvement after the launch of the program in coordinating on manufacturer and retailer relationships?
 - a. CSE will be heavily involved.

20. What other criteria for retail partners has been contemplated? Targeting just Home Improvement and CE stores? Are other retail formats/categories being considered?
 - a. We have discussed a wide range of "retailers", however we have not expanded to include the full "depth and breadth" of retailers this program could be hitting.
 - b. CSE is eager to see some fresh thinking on retailers from agencies.

21. For the retail locations listed (106 total), we assume that these "Approved" locations should be targeted for executions to begin as early as February 2016, correct?
 - a. Yes

22. Are these locations "Approved" at a headquarters level or at a local store level? We see that there are some listed for Walmart, Sears and Staples that would have significantly more locations in California than those listed. Please expand more on these existing relationships.

- a. We have been receiving a variety of “approvals” from store level to corporate level. As of today, here is where we stand:
 - i. Approval at Corporate
 - 1. Dixieline
 - 2. Fry’s
 - 3. Curacoa
 - 4. Cole Hardware
 - 5. Orchard Hardware & Supply
 - ii. Corporate officers are aware of Energy Upgrade California and approved Energy Upgrade California to present the program to individual store managers for their approval
 - 1. Best Buy
 - 2. The Home Depot
 - 3. Sears
 - 4. Lowe’s
 - iii. Not approved at corporate but our field team is approaching stores for approval
 - 1. Wal-mart
 - 2. Target
 - 3. Sam’s Club
 - 4. Batteries Plus Bulbs
 - 5. Ace Hardware
 - 6. Staples
 - 7. Office Depot/Office Max

23. There is mention of "interactive tools" to engage with consumers. Do these exist already or are they in development?

- a. We have tablets.
- b. CSE created a wide variety of video assets and tools not being utilized today. We envision the winning agency will be creatively provide ideas on how to leverage and used these professional and innovative assets.

24. Does the \$1 Million budget that is “all inclusive” include estimates for out of pocket expenses? Or are the out-of-pocket expenses billed “at cost” (e.g., marketing materials, tabletops and banners, etc.) to be billed and approved “at cost” above and beyond the \$1 Million cap?

- a. All inclusive, we know it is a lean and tight budget.

25. Re: “Create & Promote EUC’s value proposition” – has work already been done on this by a creative agency, or should this bid include creation of messaging from scratch?

- a. Messaging is developed by the ad agency, Campbell Ewald.

26. Is it safe to assume that we should build our proposal around coverage of the 106 stores provided in the RFP?

- a. Yes, if you believe these are the right retailers, in the right areas with the right customers for the right topic at the right time to yield the highest results.

27. Is it safe to assume that the store list, if different from the one provided in the RFP, will concentrate in the same markets and approximately the same number of stores as the RFP list?

- a. The store list, as of 10/6/15, of “approved stores” by region is as follows:

Retailers by Market	Quantity
Fresno	10
Home Depot	4
Lowe's	2
Orchard Supply Hardware	3
Walmart	1
Inland Empire	16
Home Depot	9
Lowe's	6
Sears Stores	1
North LA	16
Curacao	2
Fry's Electronics	2
Home Depot	7
Lowe's	1
Orchard Supply Hardware	2
Sears Stores	2
Northern California	23
Batteries + Bulbs	1
Bill's Ace Hardware	1
Cole Hardware	5
Fry's Electronics	3
Home Depot	9
Lowe's	1
Sears Stores	2
Sam's Club	1
Walmart	1
San Diego	33
Batteries + Bulbs	2
Dixieline	5
Fry's Electronics	2
Home Depot	17
Lowe's	2
Sears Stores	5

South LA	16
Curacao	4
Home Depot	9
Lowe's	2
Staples	1
Office Depot	1
Grand Total	116

28. If the expectation is to cover more than 106 stores, will additional budget be available?
- No, the budget is set.
29. Would the successful bidder be allowed to secure additional funding from brands and other partners? Would that require CSE approval or can we deploy additional brand-funded coverage at will (if secured)?
- This would need to be discussed prior to securing additional funding.
30. What is the definition of “out-of-pocket” expenses? Does this include T&E?
- Non-labor expenses.
 - Yes, it includes T&E.
31. The RFP mentions that the selected agency is expected to “source and secure” retail marketing materials for the project. Please explain what that entails.
- Depending on your recommendation or solution you will need to find vendors to produce materials, displays, new signage etc. However we have relationships with vendors that we could use depending on the need. For example, we work with a fabricator in San Diego that we could use if you need that service/expertise. CSE is also securing a “printing vendor” for the program that the agency will use.
32. Have the stores on the list provided approvals for in-store activities or does the agency need to secure this approval?
- According to our current vendor these are all approved.
33. Would the state provide inventory of marketing materials and premiums for this program?
- CSE will provide a complete list of all available materials and assets to the winning agency.
34. Are there any incentives the state provides in exchange for consumer pledges?
- No, but you can build this into your solution, if applicable.

35. Are there any incentives to the brands to participate in this program?
- Not currently
36. What does success look like at the end of the program?
- Increased Energy Upgrade California metrics as defined and approved by the CPUC
 - Increased retailer participation
 - Increased collaboration with IOUs
 - Increased metrics as a lower cost
 - Increase in number of partnerships with manufacturers
 - Increased level of education that leads to action
 - Increase in new partnerships with adjacent organizations, like Energy Star
 - Increase communication between the field personnel and CSE that will drive value added insight and intelligence from the retailers, manufacturers and shoppers
37. What are the Education and Awareness Metrics to which the results of the campaign will be measured against (Page 4, Objectives, and Bullet #2)?
- 2016 KPIs and metrics are pending final approval
38. Does EUC have a list of key associations and organizations with which it would like to be associated? (Page 4, Objectives, Bullet #5)?
- Here are the main organizations on CSEs list, however we expect the winning agency to provide their “best thinking” on others to add to this list as part of our collaboration.
 - Energy Star
 - Home Automation Associations/Alliances
 - Lighting Industry Associations
 - Appliance Industry Associations
 - Green Sports Alliance
39. What type of Data does EUC want to capture and report upon (Page 3, Bullet #5)?
- See KPIs and metrics.
 - We also need a system to provide daily, weekly and monthly qualitative insight and intel from the field for CSE and our stakeholders.
40. When referencing ‘interactive tools’ is this meant to be on-site or on-line or both? (Page 5, Retail Marketing Strategies & Tactics, Bullet #3)?
- Both, but primarily on-site. See our online energy tool on our website:
<http://myenergy.energyupgradeca.org/>
 - See previous questions.

41. What is EUC's value proposition at the store level?
 - a. See previous questions.
42. Will we as the agency be picking up on the existing marketing campaign to develop materials or are we expected to prepare new concepts?
 - a. Campaigns and messaging come from the ad agency, however I expect some fresh thinking and ideas on how to "activate" and bring these messages to market to increase results cost effectively.
43. Will we as the agency be expected to implement CRM with the databases collected or are we simply to forward the databases to EUCA for follow up?
 - a. Energy Upgrade California manages the CRM as part of new campaigns being created now. Yes, you will simply forward the database to us.
 - b. Retail used ZOHO as the channel's CRM to for store and vendor management.
44. Budget is \$1,000,000 all-inclusive; however out-of-pocket expenses are to be billed "at cost". Can we see additional specifics regarding what qualifies as "out of pocket" and what should be considered within budget?
 - a. All inclusive
45. Please clarify if any benchmarks already exist to measure performance of the new program against it and if this data would be shared with bidders or the winning agency.
 - a. We will share with the winning agency.
46. Do you provide access/contact to all partner decision-makers?
 - a. I don't understand how you are defining "partners", but we have retail, IOU, REN, CPUC, and manufacturer contacts that we will share with the winning agency.
47. Are the partnerships on the 'approved store list' relationships with independent stores or corporations?
 - a. See previous answers.
48. Are the stores on the 'approved store list' continuing the program in 2016, or is that for the new partner to negotiate?
 - a. They will continue in 2016
49. Are all advertising and communications for IOUs provided – not new ones created?
 - a. IOU will provide their messaging and advertising as they see fit. While we don't create messaging for the IOUs, we do want to collaborate better in 2016 to yield higher results for all stakeholders.

50. What marketing and display tools exist? If they do exist, are they dated?

- a. A complete list of assets will be shared with the winning agency, but in general we have tables, table cloths, tablets, banners, shirts, visors, brochures, and premiums.

51. Will selected partner be provided access to statistical data from state CSE studies to engage consumers if any have been conducted?

- a. We will share all research and information with the winning agency.

52. Do training manuals exist or do we need to create new ones?

- a. Assume you will need to create one from scratch.

53. Will we have access to all existing training materials and assets?

- a. The winning agency will have access to the online training modules.
- b. CSE will share any applicable materials with the winning agency.

54. What contract will be used for the winning agency?

- a. Please review the contract on the website as this is the version we will expect the winning agency to review and sign, along with a customized SOW.

55. Can we, as a prime contractor, partner with other agencies?

- a. Yes, see copy in the proposal.