



Smart Collaboration to Save Water

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Goals

- Advertising Effectiveness
 - How much of water reductions are due to ads alone?
 - Which messaging and sequencing is most effective?
- Long-Run vs. Short-Run Change in Behavior?
 - How successful have ads been at initiating permanent change?
- Explore the Value of Home Automation
 - Potentially more attractive to those attached to landscape
 - Demographic automating their homes likely consumes a lot.
 - Large potential water reductions.

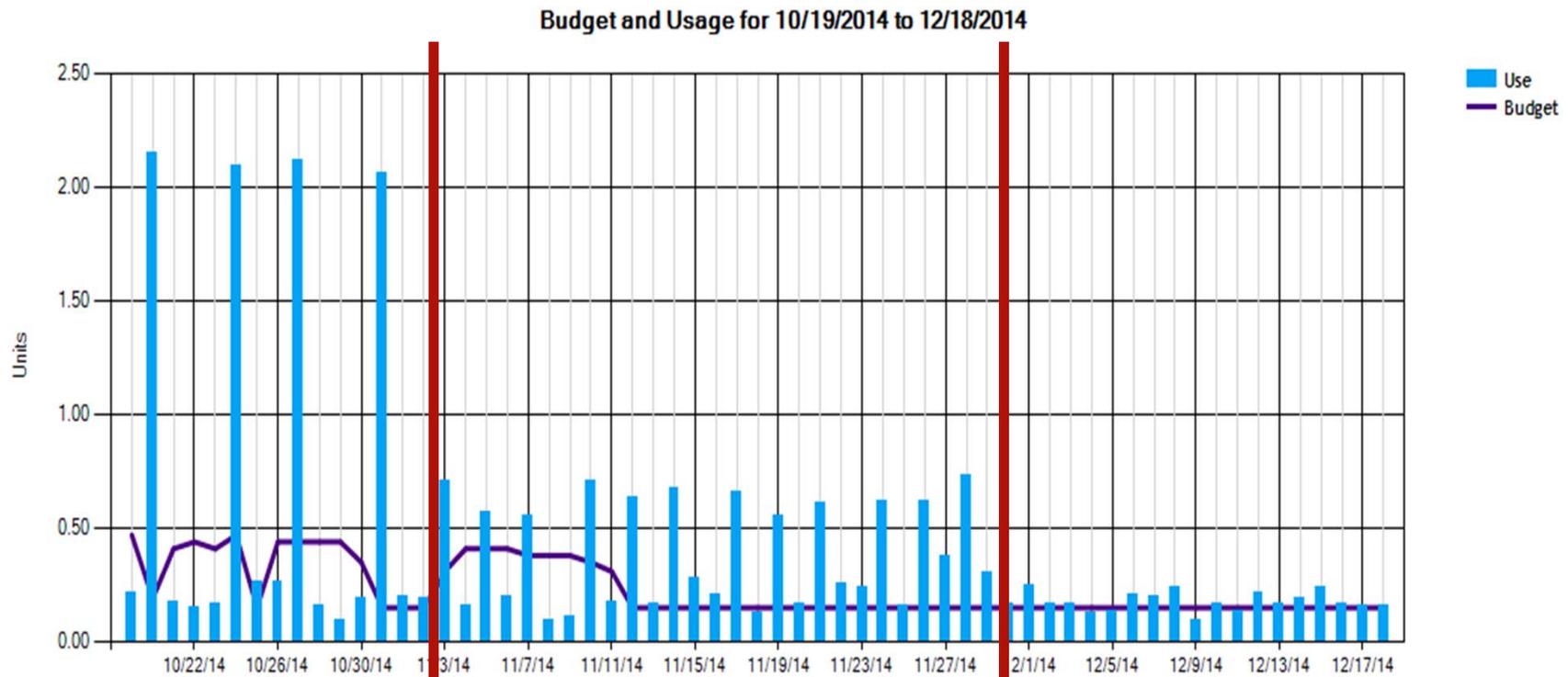


Partner Agencies & Progress

- Moulton Niguel
 - Identifying households with best opportunity for reduction
 - Jointly selecting ad creative
 - Media buy for targeted “test households”
 - Merge monthly water usage with ad exposure and compare to “control”
- Redwood City
 - Identifying households with best opportunity for reduction
 - Jointly selecting ad creative and smart controller
 - Test groups: smart meter install, smart controller install, advertising
 - Merge hourly or monthly water usage and compare to “control”
- Others interested but we are starting here



Assisted vs. Organic Behavioral Change



Consumption during growing season

Organic reduction in consumption

Optimal use suggested by controller

2/3 Reduction!



Detail on Steps

- Choose creative to:
 - Educate about drought being a long-run problem, or at least not resolved by new rain
 - Encourage action
- Identify target households
 - Have not reduced water yet
 - Did not redeem outdoor rebate or adopted other permanent outdoor change
 - Have adopted in-home rebate (means they are willing)
- Buy media
 - Focus on digital ads
 - Cheap (\$0.40 per 1k)
 - Targetable like direct mail
 - Can track clicks to agency website, survey after exposure and link to consumption
 - Ideally integrate measurement approach into existing media plans or campaigns



Benefits

- Which ad copy best leads to long-run change?
- Cost effectiveness of water reduction options
 - Cost and redemption rate of rebates
 - Ad cost and conversion rate



Team



- **Kristina Brecko**

- PhD student in Marketing
- Skills
 - Econometric analysis
 - Marketing
- Research Interests
 - Advertising
 - Product strategy



- **Wes Hartmann**

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

Hourly Water Usage and Minutes for Each Sprinkler Zone

