

An aerial photograph of a suburban neighborhood with various houses, green lawns, and trees. The image is used as a background for the report cover.

DRIVING REVENUE WITH ENERGY INTELLIGENCE

Opportunities For Lead Generation
In The Real Estate Space

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TENDRIL®

In the real estate industry, sustainable revenue growth rests on the twin pillars of client relationships and leads. *In Making the Case That Energy Matters*, Tendril explored the role that energy plays in developing and sustaining client relationships. We found that energy intelligence is a valuable way to stay top of mind with your customers. In this paper, we'll turn our attention to lead generation, to see how energy intelligence can be leveraged to generate revenue through customer acquisition.

Detailed information about energy consumption is valuable to American homeowners, no doubt. Our research shows that one out of three problems that people have in their homes is energy-related, and the majority of homeowners are explicitly thinking about energy on at least a weekly basis. However, customer engagement is difficult to quantify as a revenue generator. Is there a way to leverage energy intelligence to explicitly drive revenue? We believe that the answer lies with lead generation. For the purposes of this paper, we define lead generation as a potential client voluntarily providing identifiable contact information, typically in exchange for receiving something of value - in this case, a Home Energy Report.

To gauge the lead generation potential of energy information, we conducted a broad survey of US consumers using a modified version of the Home Energy Report (HER) that Tendril currently delivers to utility clients. We altered the HER to be more real estate focused, with personal agent messaging and market trends. The mockup included sections on neighbor comparisons, personalized tips, energy consumption over time, local real estate market information and personalized product upgrade recommendations.

CONSUMER INTEREST IN HOME ENERGY REPORTS

Participants in the survey were shown the modified HER (fig. 1) and asked a series of questions to determine how interested they would be in a version of the report personalized for their own home, which sections of the report they preferred, their preferred source for the report and what items of personal information they would give up in exchange for access to the report.

Overall, participants demonstrated a high propensity to become leads in exchange for the report. 47% of participants stated that they would provide their address (direct mail lead) and 50% were willing to provide their email (digital lead). More interesting, however, nearly a quarter of participants (23.75%) were willing to create an account on a real estate company website in order to gain access to the report, creating a very high quality sales lead in the process.

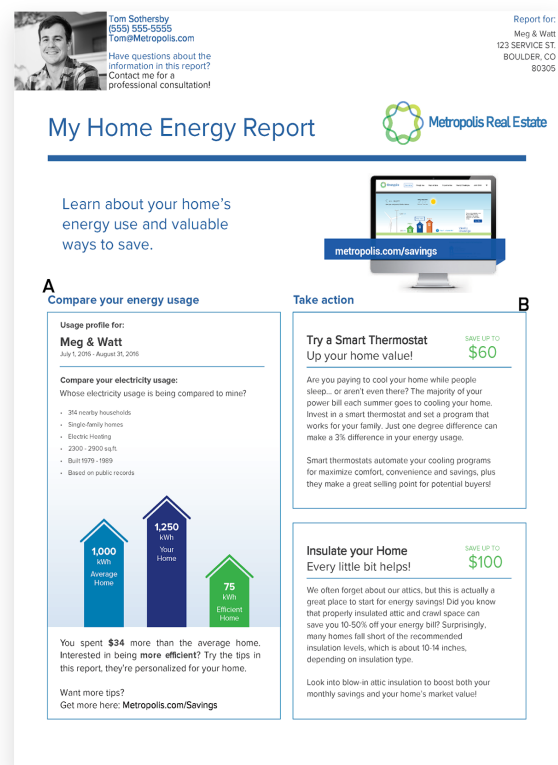


Figure 1, modified Home Energy Report (HER).

Age demographics proved to be a strong influence on willingness to provide information in exchange for the report (fig. 2). If the 60+ age demographic is excluded from the sample, willingness to provide information increases across the board: 50% are willing to provide address (direct mail lead), 52% are willing to provide email (digital lead), and 25.5% are willing to create an account. This may be related to how settled older age groups feel in their home - while they are more likely to be homeowners in comparison to younger age groups, they are also more likely to be settled instead of active in the housing market. Our research shows that energy information is most desired by individuals who are actively buying or at least looking to buy a home.

Additionally, we wanted to see what industry channels participants preferred to receive this information from (fig. 3). Prior research tells us that homeowners (quite rationally) typically associate energy information with their energy provider. In general, they are not opposed to receiving this information from other sources, just unaware of other options. Therefore, we expected utilities to be the preferred channel.

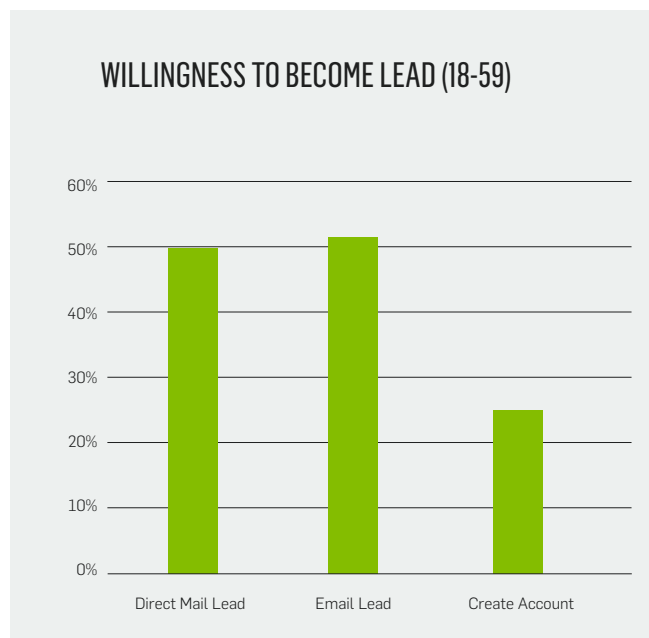


Figure 2, survey results for participants' willingness to become a lead.

As hypothesized, most participants listed their energy provider as their preferred source for the Home Energy Report, though with a significant minority of 17% preferring to get it from a real estate provider (fig. 4). However, we again see interesting age demographics at play. When restricting the sample to individuals under the age of 60, the number increases to 19.5% preferring a real estate channel. In general, we find that younger age groups prefer a much more diverse array of energy information sources, with utility and non-utility sources split almost 50-50. Older individuals, on the other hand, are more likely to rely on their utility exclusively.

TWO MAJOR LEARNINGS

Energy Intelligence Drives Sales Leads

Energy Intelligence, when presented in a coherent, high-value, personalized way, can be a major driver of sales leads. Consumers, particularly younger ones, are comfortable and even eager to provide lead-generating information in exchange for detailed home energy information.

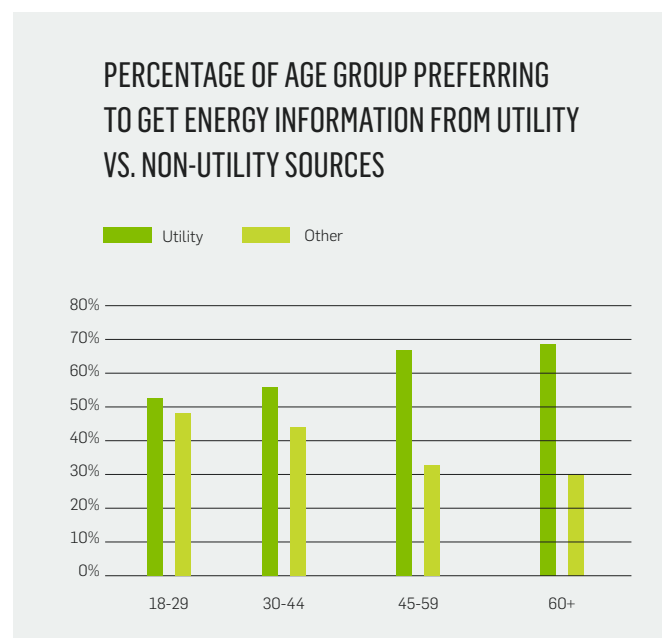


Figure 3, age demographic results of the percentage of participants preferring to get energy information from utility vs. non-utility sources.

For any industry that relies on client leads to grow and sustain business revenue, energy is an attractive prospect. Home Energy Reports show the potential to drive large quantities of basic direct mail and digital leads - even accepting the inherent acquiescence bias of the survey, we estimate at least one in three potential clients would give their mailing address or email in exchange for a report. More usefully for the real estate market, however, is the capability of a HER to deliver high quality leads - potential clients who are willing to fill out an account form that collects more than just standard lead data. We envision such an onboarding process collecting valuable data like an individual's current status in the home cycle (Rent, Buy, Live, Sell).

People are Open to Receiving Energy Information from Real Estate Professionals

The real estate industry is well-poised to take advantage of a demographic shift. Younger and future homeowners are looking for information about their energy use, with real estate professionals quickly joining traditional utilities as a go-to resource (fig. 4). We believe that companies in the real estate industry can capitalize on this demographic shift to also deliver value to the next major wave of homeowners.



WHAT ARE CONSUMERS PREFERRED SOURCES FOR ENERGY INFORMATION?

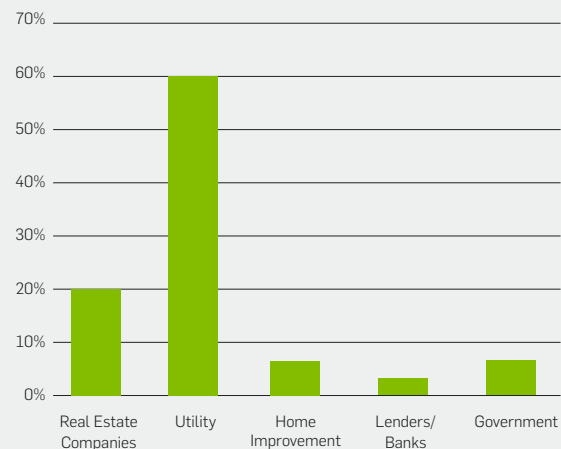


Figure 4, survey results, in percentage, of which industry consumers prefer to have as their source(s) for energy information.