



LOW & MODERATE INCOME HOMEOWNERS ARE BIG FOCUS OF IRA:

MARKETING STRATEGIES FOR A DIFFICULT
TO REACH AUDIENCE

Peter Troast, Founder & CEO

September 13, 2023

Ongoing Focus on the Implications of AI



THINKING ABOUT AI IN HVAC & HOME PERFORMANCE:

VIRTUAL ASSISTANTS
FOR COMPLETION

Peter Troast, Founder & CEO

March 29, 2023



WEB SEARCH IN A WORLD OF AI:

WHAT WILL CHANGE FOR CONTRACTORS AND THE CUSTOMER JOURNEY?

Peter Troast, Founder & CEO

May 10, 2023



VIDEO MARKETING IN A WORLD OF AI:

WHY THE HUMAN COMPONENT IS CRITICAL FOR SUCCESS

Peter Troast, Founder & CEO

Jake Van Paepeghem, Senior Media Producer

July 26, 2023



CONTENT IN THE AI AGE:

STRATEGIES FOR NAVIGATING A SEA OF ROBOT-DRIVEN WRITING

Peter Troast, Founder & CEO

Cory Allyn, Senior Content Strategist

July 11, 2023



What We'll Discuss

- 1 QUICK SUMMARY OF IRA REBATES, TAX CREDITS & GUIDELINES FOR LMI
- 2 UNIQUE CHARACTERISTICS OF THE LMI AUDIENCE
- 3 MARKETING & COMMUNICATIONS TACTICS FOR LMI HOMEOWNERS



VERY QUICK SUMMARY OF THE IRA'S KEY PROVISIONS



25C—Energy Efficient Home Improvement Tax Credit

- Credit revived and made retroactive for 2022 (at original 10%)
- Starting in 2023, credit increases to 30% of total installation costs through 2032
- Lifetime cap of \$500 will be replaced by cap of \$600 per measure, with \$1,200 annual total limit (exceptions listed below)
- Eligible services and home improvements include:
 - Heat pumps and heat pump water heaters (\$2,000 credit)
 - Insulation and air sealing
 - Energy audits (\$150 credit)
 - Energy-efficient HVAC systems (including furnaces, boilers, and central AC)
 - Electrical panel upgrades
 - Energy-efficient windows and doors (\$500 credit for doors)
- Roofs are no longer eligible

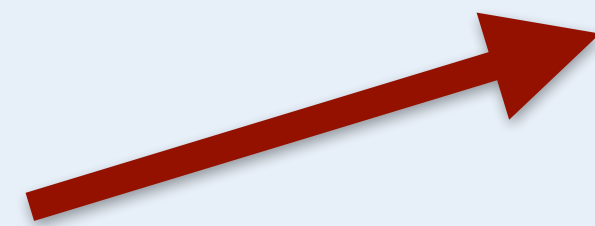


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\$4.3 Billion in HOMES Rebates



- Rebates up to **\$4,000** for home energy efficiency retrofits with modeled or measured energy savings of 35% or more (or **\$2,000** for 20-34% energy savings)
- Services can include insulation, air sealing, heat pump/HVAC upgrades, and more
- Additional rebates up to **\$8,000** available for low and moderate-income homeowners
- Rebates cannot be combined with other federal grants or rebates
- Depending on location, state/local rebates may stack



\$4.5 Billion High Efficiency Electric Homes Rebates

- Rebates for **low and moderate-income homeowners** for electric system/appliance purchases and energy efficiency upgrades
- Maximum rebate of **\$14,000**; individual rebates:
 - Heat pump water heaters: \$1,750
 - Heat pump HVAC systems: \$8,000
 - Electric stoves: \$840
 - Heat pump clothes dryers: \$840
 - Electrical panel upgrades: \$4,000
 - Insulation, air sealing, and ventilation: \$1,600
 - Electric wiring: \$2,500



Low Income Allocation Requirements (aka Carve Outs)

7.0 Appendix A: Required Allocations

Table 13. Home Energy Performance-Based, Whole-House Rebate Allocations (50121)

State/ Territory	Home Energy Performance-Based, Whole-House Rebate Allocations	Max 20% Ceiling for Program Administration for Efficiency Rebates	% of Low-Income Households (<80% AMI) in the State ⁶⁸	Min Allocations for Low-Income HHs	Min 10% Low-Income Multifamily Allocation	Max Open Efficiency Rebate Allocation
Alabama	\$73,032,210	\$14,606,442	41.0%	\$17,948,606	\$4,381,933	\$21,488,787
Alaska	\$37,368,480	\$7,473,696	39.1%	\$8,770,600	\$2,242,109	\$11,408,379
Arizona	\$76,868,720	\$15,373,744	39.7%	\$18,304,471	\$4,612,123	\$23,204,638
Arkansas	\$52,739,720	\$10,547,944	40.5%	\$12,818,025	\$3,164,383	\$15,661,424
California	\$291,951,040	\$58,390,208	40.7%	\$71,223,025	\$17,517,062	\$86,430,537
Colorado	\$70,395,350	\$14,079,070	39.6%	\$16,728,857	\$4,223,721	\$21,284,632
Connecticut	\$49,830,560	\$9,966,112	40.8%	\$12,212,612	\$2,989,834	\$14,695,890
Delaware	\$33,029,650	\$6,605,930	39.8%	\$7,879,555	\$1,981,779	\$9,956,456
District of Columbia	\$29,808,850	\$5,961,770	41.4%	\$7,408,229	\$1,788,531	\$8,688,550
Florida	\$173,668,720	\$34,733,744	40.2%	\$41,887,561	\$10,420,123	\$51,893,547
Georgia	\$109,817,290	\$21,963,458	40.5%	\$26,691,337	\$6,589,037	\$32,610,000
Hawaii	\$34,293,520	\$6,858,704	39.8%	\$8,198,017	\$2,057,611	\$10,320,484
Idaho	\$40,604,320	\$8,120,864	39.1%	\$9,519,075	\$2,436,259	\$12,407,258
Illinois	\$132,219,190	\$26,443,838	40.4%	\$32,088,694	\$7,933,151	\$39,309,669
Indiana	\$91,302,840	\$18,260,568	40.0%	\$21,920,629	\$5,478,170	\$27,382,905
Iowa	\$60,827,450	\$12,165,490	39.7%	\$14,475,261	\$3,649,647	\$18,371,562
Kansas	\$52,971,870	\$10,594,374	39.9%	\$12,680,332	\$3,178,312	\$15,924,478



UNIQUE ASPECTS OF THE LMI AUDIENCE



Low & Moderate Income Audience Assumptions



- Low Awareness of Opportunity
- Minimal Out of Pocket Capital
- DIY Oriented
- Less Likely to Have Established Contractor Relationships
- Needier Housing Stock



Area Median Income (AMI) Family of 4

Location	80% AMI	150% AMI
Columbus, OH	\$59,960	\$112,425
Provo, UT	\$79,300	\$148,687
Sacramento, CA	\$64,840	\$121,575
Mobile, AL	\$41,800	\$78,375
Erie, PA	\$48,000	\$90,000
Rochester, NY	\$57,400	\$107,625
Baker City, OR	\$41,200	\$77,250





Persona Name: Sarah and Mike Johnson (Married, No Kids, First House)

Demographics:

- Age: Sarah (32) and Mike (35)
- Location: Cleveland, Ohio
- Occupation: Sarah (administrative assistant), Mike (mechanic)
- Combined Annual Income: \$87,000

Home:

- Type: Single-family home
- Size: 1,400 square feet
- Age: 30 years old

Goals:

1. Reduce monthly energy bills to save money.
2. Improve the comfort of their home by addressing drafts, cold spots, and temperature inconsistencies.
3. Increase the overall value of their home.
4. Minimize their environmental impact.

Pain Points:

1. Limited budget for home improvements.
2. Lack of knowledge about energy-efficient upgrades and the available rebates.
3. Concerns about the time and effort required to navigate and apply for rebate programs.

Communication Preferences:

Sarah and Mike are most likely to respond to marketing efforts that are easily accessible, informative, and engaging. They prefer to receive information through social media, local newspapers, community events, and email newsletters. They are more likely to trust recommendations from friends, family members, and community influencers.





Name: The Martinez Family (Young Family)

Background:

- Location: Tucson, AZ
- Maria Martinez (34) is a school teacher
- Carlos Martinez (36) is a sales associate at a local hardware store
- Children: Sofia (4) and Daniel (7)
- Combined household income: \$79,000 annually

Home

- Own a single-family home built in the 1990s

Goals and Motivations:

- Improve the energy efficiency of their home to reduce utility bills and energy consumption
- Increase home comfort, especially during the hot summer months in Tucson
- Lower their carbon footprint to set a good example for their children and contribute to a more sustainable future
- Take advantage of the Inflation Reduction Act rebates to make energy efficiency upgrades more affordable

Pain Points and Concerns:

- High energy bills, especially during the summer months when air conditioning use is extensive
- The home has outdated insulation and HVAC systems, leading to drafts and temperature inconsistencies
- Limited budget for home improvements, making it difficult to invest in more expensive energy-efficient upgrades without financial assistance
- Lack of knowledge about the Inflation Reduction Act rebates and other available incentives for energy-efficient upgrades

Ideal Communication Channels:

- Local newspapers, community events, and school newsletters
- Social media, especially Facebook groups related to home improvement and parenting in their area
- Workshops or seminars on energy efficiency and rebate programs held at their children's school or community centers
- Direct mail or email campaigns targeting homeowners in their area
-





Name: The Thompsons. (Retirees)

Background:

- Location: Springfield, MA
- Linda Thompson (68) is a retired nurse
- Robert Thompson (70) is a retired postal worker
- Household size: 2 (2 retired adults)
- Combined household income: \$52,000 annually (from Social Security, pension, and savings)

Home

- Homeownership: Own a single-family home built in the 1980s

Goals and Motivations:

- Improve the energy efficiency of their home to reduce utility bills and energy consumption, particularly important as they live on a fixed income
- Increase home comfort, especially during the cold winter months in Springfield
- Upgrade their home to be more environmentally friendly

Pain Points and Concerns:

- High energy bills, especially during the winter months when heating use is extensive
- The home has outdated insulation, windows, and heating systems, leading to drafts and temperature inconsistencies
- Limited budget for home improvements, making it difficult to invest in more expensive energy-efficient upgrades without financial assistance
- Lack of knowledge about the Inflation Reduction Act rebates and other available incentives for energy-efficient upgrades

Ideal Communication Channels:

- Local newspapers, community events, and senior centers
- Targeted advertisements on television, radio, or in print
- Workshops or seminars on energy efficiency and rebate programs held at senior centers or community centers
- Direct mail or email campaigns targeting homeowners in their area
-



Low & Moderate Income Homeowner Messaging



- Reducing Energy Costs
- Fixing Comfort Problems
- Adding Home Value
- Getting Rebates
- *Climate/Environment*



RECOMMENDATIONS TO SEIZE THE OPPORTUNITY



Lots of Confusion
About the IRA;
LMI Homeowners
May Be **VERY**
Confused

"Rebates"

"Electrification"

"Heat Pumps"

"Tax Credits"

*"I Can't Afford a
Contractor"*



Staging the Year



Tax Credit Focus with Year-End Urgency

Foundation Work, Audience Building & Planning Support

Rebate Campaign Ramp Up; Concrete Information by State

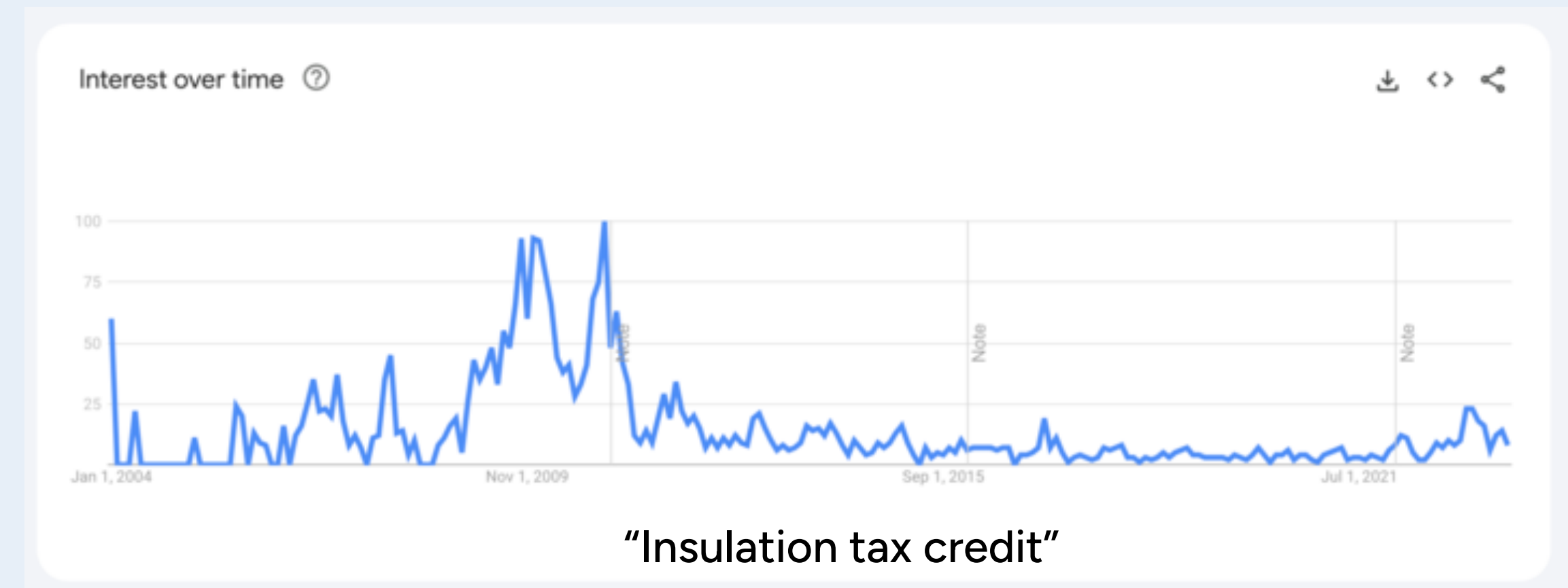
Campaigns in Full Swing



WE ARE NOT FOCUSING ENOUGH ON THE 25C TAX CREDIT

Table B-1. Residential Energy Credits Claimed and Average Amount, 2006-2015

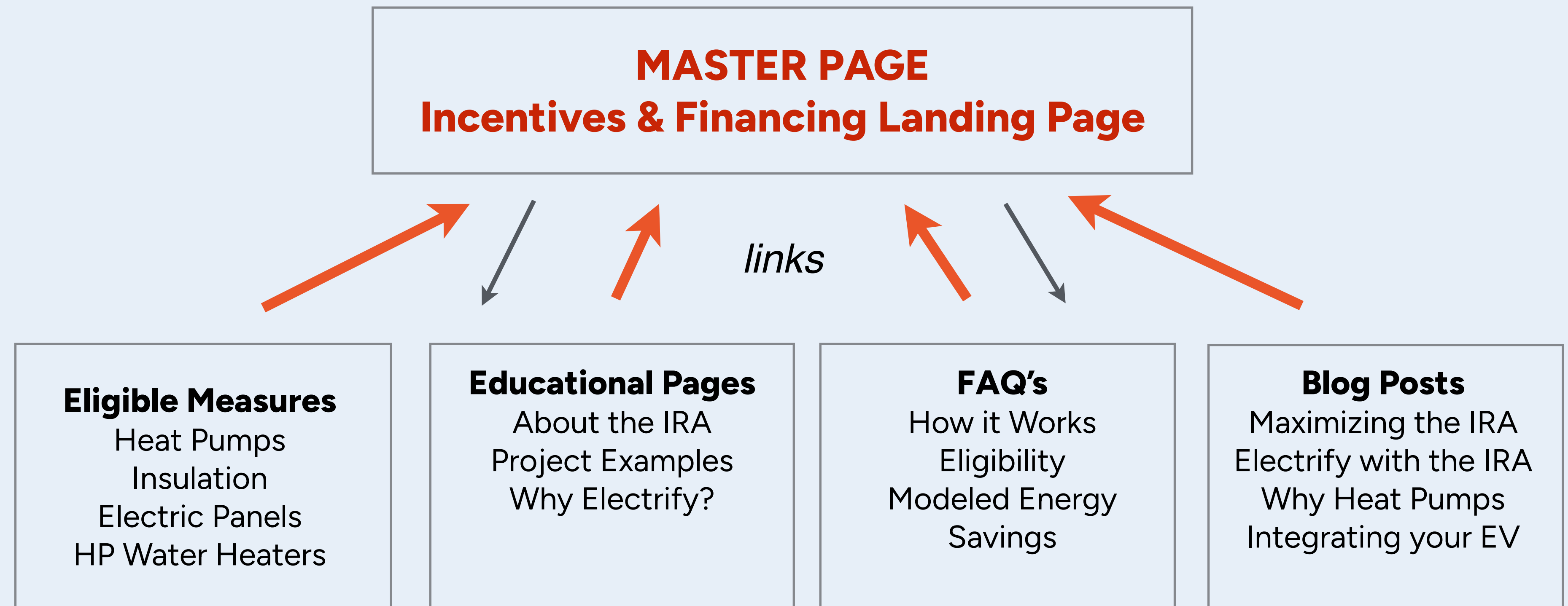
	Number of Tax Returns Which Include Claims for Residential Credits	Total Amount of Residential Credits Claimed (Millions)	Average Credit Amount
2006	4,344,189	\$1,000.15	\$230
2007	4,326,398	\$1,007.58	\$233
2008	225,733	\$216.69	\$960
2009	6,711,682	\$5,822.88	\$868
2010	7,155,889	\$6,173.49	\$863
2011	3,642,988	\$1,676.00	\$460
2012	2,225,307	\$1,266.56	\$569
2013	3,036,039	\$1,613.80	\$532
2014	2,663,702	\$1,638.35	\$615
2015	2,592,967	\$2,087.75	\$805



Incentives, Rebates & Financing Landing Page



Ideal Content Approach



Self Qualification Page

Do I Qualify and For How Much?

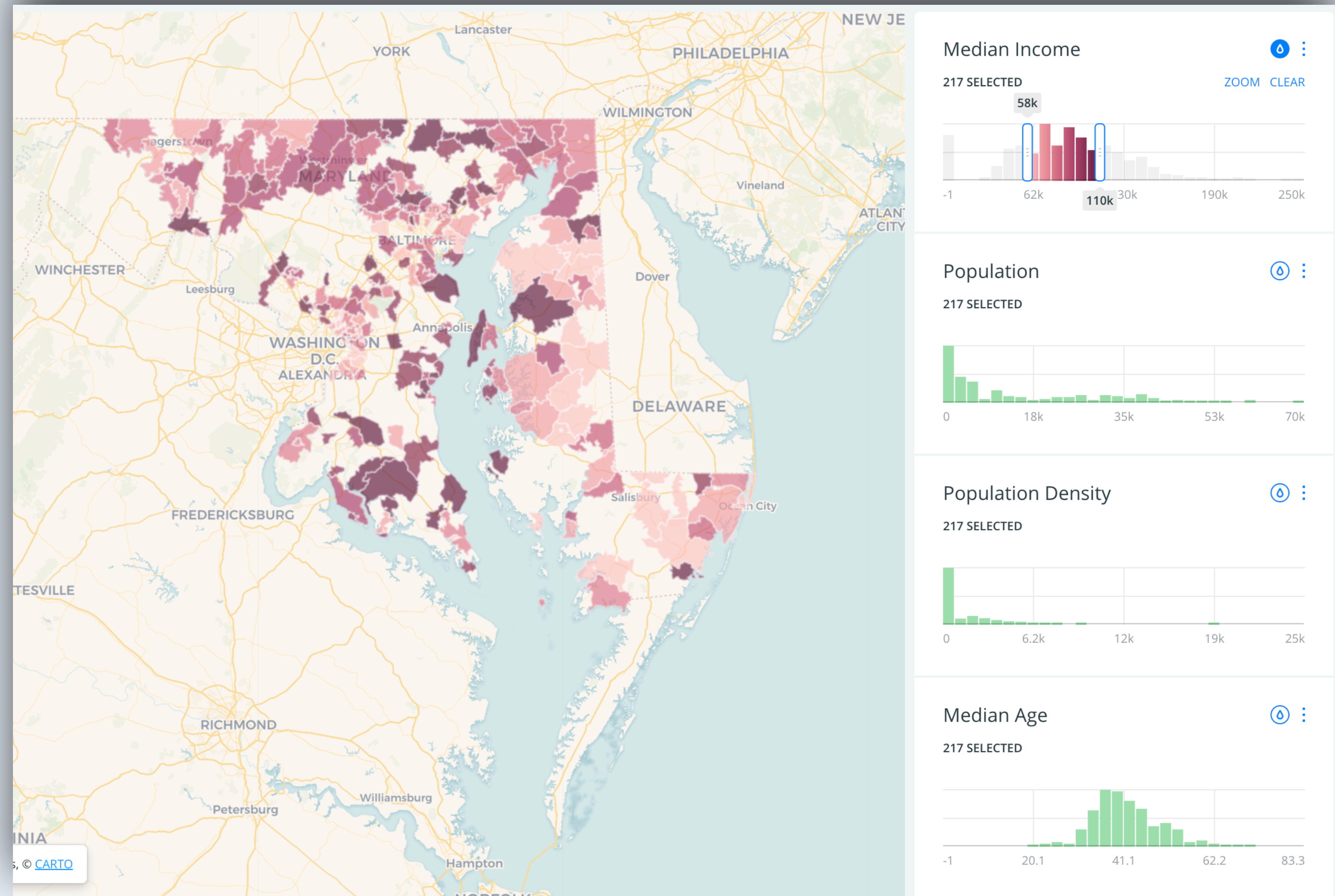
Area Median Income Levels for Your Service Area

Example Projects and Potential Rebate Amounts

Unique Call to Action Tailored to LMI Audience (We'll
Help You Create a Plan for Your Home)




Start with Income Targeting by Zip




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[Heater Installation Pros](#) [Free Add-On with Solar](#) [R](#)

 Call



Google Search & Display + YouTube

- Use Google Search Ads to target volume IRA & related service/problem keywords.
- Use radius targeting around zip code/income list for geo targeting of moderate income audiences.
- Utilize Google Display Ads to reach top-of-funnel audiences and spread brand awareness.
- Utilize YouTube ads to spread brand awareness and educate. Target DIY/home improvement channels.



Paid Search Targeting Approaches

<input type="checkbox"/>	<input checked="" type="radio"/>	Household income	↓	Ad group	Status	Bid adj.
<input type="checkbox"/>	<input checked="" type="radio"/>	Top 10%				-90%
<input type="checkbox"/>	<input checked="" type="radio"/>	11 - 20%				-90%
<input type="checkbox"/>	<input checked="" type="radio"/>	21 - 30%				-
<input type="checkbox"/>	<input checked="" type="radio"/>	31 - 40%				+100%
<input type="checkbox"/>	<input checked="" type="radio"/>	41 - 50%				+100%
<input type="checkbox"/>	<input checked="" type="radio"/>	Lower 50%				-
<input type="checkbox"/>	<input checked="" type="radio"/>	Unknown				-

Audience segment
Shoppers Bargain Hunters
Home & Garden Home Improvement
Home & Garden > Home & Garden Services Door & Window Installation
Home & Garden > Home & Garden Services General Contracting & Remodeling Services
Home & Garden > Home & Garden Services Home Inspection Services
Home & Garden > Home & Garden Services Plumbing Services
Homeownership Status Homeowners
Home & Garden > Home Appliances Climate Control & Air Quality

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Joe's Home Performance | Energy Efficient Home HVAC

Hear How Our Free Energy Audits Can Help You Reduce Your Home Energy Costs. Call Today And Speak With One Of Our Home Performance Experts & Learn How You Can Save.

[Learn More About The IRA](#)
See How The IRA Can Help You
Reduce Your Home Improvement Costs.



Keyword Focus:

Content

Education

Search Engine

Optimization

Products/Services First:

HEAT PUMPS

HEAT PUMP REBATES

INSULATION REBATES

ELECTRIFICATION REBATES

Program Names:

IRA REBATES

HOME ENERGY REBATES

EFFICIENCY VERMONT REBATES



Offer an IRA Planning Process

ELECTRIFY MY HOME We Design and Install Heat Pumps The Right Way Financing FAQs Contact Us No-Visit Energy Assessment 844.637.3733

HOME ELECTRIFICATION SERVICES BENEFITS OF ELECTRIFICATION INSULATION SERVICES OUR UNIQUE PROCESS THE STORY OF OUR COMPANY

Tell Us About You

Name Email

Phone

Address

Address 1

Address 2

City - State * - ZIP code

Tell Us About Your Home

How large is your home?

General square footage of your home

How many stories?

My house was built...

Number and Size of bedrooms



QUESTIONS?

Peter Troast
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