

Power of Marketing: One Size Doesn't Fit All

Stephanie Johnson

Public Service Company of Oklahoma

Public Service Company of Oklahoma (PSO)

1 of 7 Operating Companies of American Electric Power (AEP)



547,000
Customers



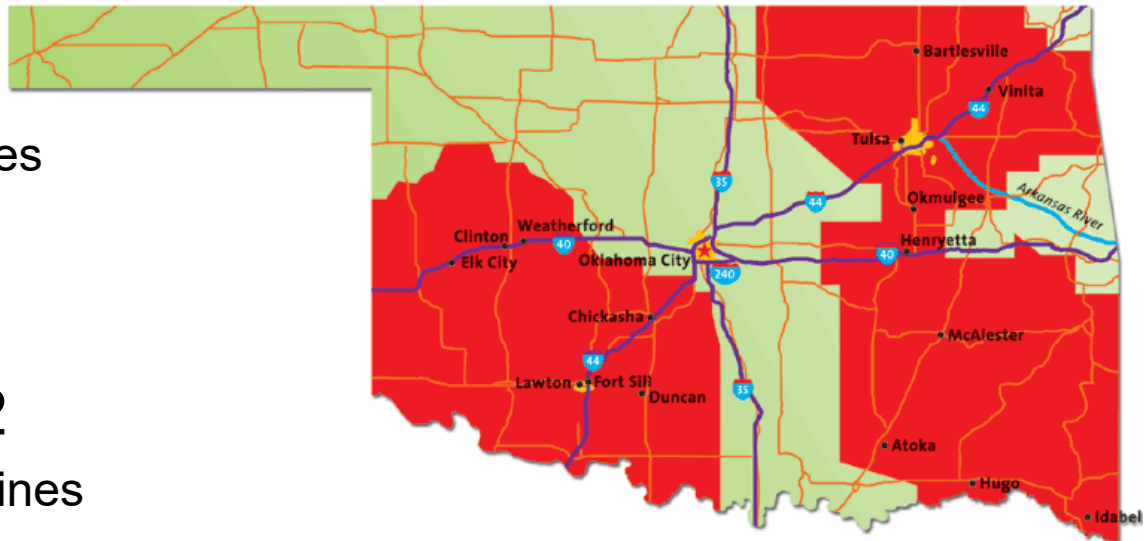
232
Communities



1,538
Employees



25,602
Miles of lines



2012 AMI Deployment Introduces New Programs

Installed
30,000
AMI meters

Recruit
1,000
customers

Pilot Program Offering

Time-differentiated tariff offerings

Direct Load Control offering

In-home displays

Home Area Management (HEM)

Wi-Fi Programmable Thermostats

Customer portal for energy monitoring

Pilot DR Program Lessons Learned

Lessons Learned

- ✓ Limit device offerings
- ✓ Turn key program
- ✓ Include Marketing & Call Management
- ✓ Offer choices
- ✓ Keep it simple for you & the customer

Enlist the Experts

- ✓ Thermostats
- ✓ Marketing is key to success

From Pilot to Program

2014 - 2016

Installed
525,000
AMI meters

Branded the DR Program *PowerHours*®

- Two Tier Time – differentiated tariff offerings
- Direct Load Control Offering
- Wi-Fi Programmable Thermostats

Customer Web Portal

- Near real time data

Turn-key Marketing & Program Management

- Partnered with Honeywell

Introducing *PowerHours*[®]



Program runs
June - October



Time of Day (TOD) Pricing –
2 tiered rate (peak hours 2-7 pm)



Direct Load Control (DLC) –
Temp off-set up to 4 degrees or
cycling



TOD & DLC



Variable Peak Pricing (VPP) –
3 tiered rate plan (peak hours 2-7 pm)

Benefits

- Instant \$150 Rebate – Up to two Honeywell Wi-Fi Thermostats
- DLC Bill Credit – \$2.50 per cooling unit (Up to \$40 per season per cooling unit)
- Mobile Access – Honeywell Total Connect Comfort App
- Maintain Control – Customer is able to opt out

Thermostat Choices



- Customers select a thermostat of their choice (BYOT)
- Online program store offers instant rebate
- Enroll in program through customer portal or Honeywell call center



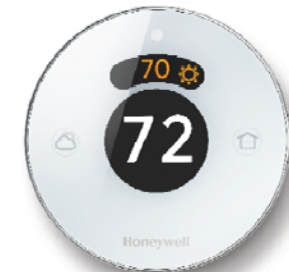
Wi-Fi 7-day Programmable
Touchscreen Thermostat

FREE after
instant rebate



Wi-Fi Smart Thermostat

\$49 after
instant rebate



The Lyric Thermostat

\$49 after
instant rebate

PowerHours® Year One

2015

Recruit
2000
Customers



- Website enrollment – real time enrollment & next day bill credits
- Thermostat registration website – validate the t-stat & customer



- Call Center
- Rebate management
- Local Community Events
- Mobile Exhibit Trailer

Marketing initiatives drove enrollments



Customer Communications



Retail POP



Find out if you're eligible. Visit PSDpowerhours.com or call (955) 227-2917.

GET STARTED TODAY. PSDpowerhours.com/ref

PSD PUBLIC SERVICE COMPANY OF OKLAHOMA
A subsidiary of AEP

*\$150 rebate per household. Rebate is original 22¢ rate and does not AEP meter. Visit PSDpowerhours.com/ref for full program details or call (955) 227-2917.

POWERHOURS

PUBLIC SERVICE COMPANY OF OKLAHOMA

An AEP Company

Year One Program Lessons Learned



Need for instant ordering – Lag time of 24 hours resulted in lost thermostat sales



Lack of thermostat registration – Customers were not completing the enrollment process for DLC program



Simplify Messaging – Complex program messaging resulted in customer confusion



Website Enrollment – Provide customers a one-stop process



Customer Survey – Feedback is key to improvements

Program Refinements for Year Two

2016

10,000
Additional
Customers

Program enhancements

Instant Thermostat Ordering

Improved Website Experience

Continue Marketing

Honeywell Call Center for
Enrollments & Support

Rebate Management

Targeted Customer Mailings/emails

Local Community Events

Mobile Exhibit Trailer

Additional Marketing

TV/Radio

Email Campaign

Digital Campaign: Paid
Search, Display &
Social Media



Results for Year Two Refinements



Website Enrollment – Enhanced & simplified message

96K unique visitors • 53% bounce rate



Instant Ordering – No waiting after enrollment launched 4/18

Nearly 7K thermostats sold via online store



Email Reminders – Convert customers into DLC enrollments

30% DLC customers enrolled after thermostat reminder emails



Recruitments – Goal achieved by October 2016

104% program enrollment goal

Lessons Learned in Year Two



Customer Focus Group – Important to inform messaging



TV/Radio – Creates program recognition



Social Media – Low cost, large audience & high enrollment



Digital – Ability to test in real time, optimize creative
80% improvement by optimizing creative



Email – Low cost, immediate response, high enrollment –
Achieved higher click-thru rates by targeting & testing

Year Three Program Refinements

2017

10,000
additional
customers

TV/Radio Ads – Real customer testimonials

Campaign Messaging – Include key benefits

Targeted Marketing – Outreach to customer based on their behavior

New Thermostats – Give customers more choice

Videos – Educate customers



Closing Recommendations

- ✓ **Pilot first** – Test equipment and refine processes
- ✓ **Solicit Customer feedback** – Helps inform messaging
- ✓ **Offer choices** – Increases participation
- ✓ **Test the marketing** – Determines top performing mediums and creative

Keep it simple for you and the customer



Questions

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