

# Are We There Yet? How to Measure Market Transformation

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**Cadmus' poster** describes an approach used to measure and attribute savings from a market transformation program to utility intervention activities over multiple years. This includes descriptions of the following key market drivers that influence the progression of a market in transformation:

- Pricing. The retail price of each product, accounting for information such as the price of competing products.
- Product Stocking. The availability of the product in stock and on the shelf.
- Product Placement and In-Store Marketing. The product's profile within the store (where it is placed on the shelf and what signs promote the product).
- Customer Education. Local or national efforts, whether in-person or via some other channel, to specifically educate consumers about the differences between efficient and standard products.
- Retailer Education. Efforts to educate store clerks and other store employees about different efficient products, to ensure that store employees are able to assist customers with their purchases.

Cadmus measured the influence of each of these market drivers at the corporate level through manufacturer and retailer interviews. We asked interviewees to confirm their understanding of the market drivers, then to estimate a percentage of **each driver's** influence on the market as a whole, independent of any program activity, such that the total influence for all market drivers was 100%. Cadmus then presented the interviewee with their **company's** program activity history—including per-unit discounts, marketing, and retailer and consumer training and education—across multiple program years. Based on this information, the interviewee assigned a percentage to **represent the program's influence on each market driver**. By multiplying the driver's influence on the market by the program's influence on each driver, and weighting each response by that retailer's program sales, we were able to attribute the portion of non-program discounted efficiency light bulb sales resulting from the program.

There are a couple approaches to estimating the number of non-program efficient light bulbs sold during the program year. We conducted intercept surveys in a sample of retail outlets and calculated the percentage of efficient bulbs sold to intercepted customers that were not discounted through the program. An alternative approach would be to gather that data from retailers, or by counting installed bulbs through home inventory audits at two different points in time, and subtracting the program bulbs sold over the same time period.