

### **Racold's Switch2Green Initiative wins ABBYs Award**

Racold 'Switch2Green' is an initiative among housing societies<sup>1</sup> to drive the message of 'energy efficiency and conservation'. It was a strategic initiative to strengthen Racold Thermo's (a water heating product leader) credentials as an organization striving for energy efficiency and conservation, in a category known for high power consumption.

The initiative, spread over six months, including an energy audit at participating housing societies and training of residents on electricity conservation, offered opportunity for 'direct engagement' with over 8,000 households in Pune (India). These households were spread across 50 participating housing societies in the city.

To encourage participation, the 'Switch2Green' initiative was held as a contest with prizes for housing societies that showed best conservation practices.

The 'Switch2Green' initiative exemplifies two important public relations campaign types, viz.,

- a) Behaviour change: Over 48,582 units of electricity were saved by the participating housing societies during the 3 months of the contest. Members of the housing societies drafted their own action plans to cut energy consumption in their complex
- b) Driving awareness: Housing societies were able to identify the electricity consumption pattern of their housing complex and equipment wise power consumption. Most importantly, each household realized the catalyst role it can play in environment conservation through its contributions.

Media visibility for the contest was spread across three stages and attracted over 50 media impressions in the city with an AVE value worth Rs 1.25 crore (\$ 212,600 USD). The three stages for media visibility were as follows:

- i) 'Switch2Green' launch announcement
- ii) At the end of energy audit and training of housing society members
- iii) Winner announcement and awards ceremony

It was not just a feel good campaign, but one driven for outcomes of behavior change.

### **The Situation**

Racold Thermo is the India subsidiary of Ariston Thermo Group - Italy, one of the world's largest water heating equipment company. Racold's product range includes both electrical and solar water heaters. The company enjoys leadership position in electrical water heaters in India and is a strong player in solar water heating systems. 'Energy efficiency' is a key focus and feature for the company's products.

Solar water heating systems is an emerging business for Racold and renewable/ solar energy is a priority area for the Government of India. The government offers subsidies to households/ housing societies for installing solar energy systems.

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<sup>1</sup> Housing society is a residential complex. For the purpose of Switch2Green, the participating housing societies were of size 100 residential apartments and above

In residential complexes/ housing societies, apart from household appliances, elevators, common lights, water pump, etc. are sources of energy use. Buildings consume over 40% of the world's primary energy and account for 24% of world's CO<sub>2</sub> emissions. This is significant for a country like India where over 60% of electricity is generated by coal-fired plants.

### **The Goal**

The goal for 'Switch2Green' was to drive the 'energy efficiency and conservation' behaviour among households/ housing societies and thereby society at large. Over the years Racold has been winning the BEE(Bureau of Energy Efficiency) Awards and this is a testimony of its commitment to this cause. It is also consistent with the Ariston Group's vision of having 80% of its business from high energy and renewable solutions by 2020. Through linkage with 'Switch2Green', Racold Thermo aimed for attaining three objectives:

1. Build connect with the brand 'Racold Thermo' and 'energy efficient products'
2. Taking centre-stage in conversations on energy – conservation, efficiency and management
3. Strengthening perceptions as a socially responsible company

### **The Strategy**

Water heater is a low-involvement category. Solar water heating systems are popular in B2B and domestic sales in certain geographies where government has made solar installations mandatory with added subsidies as well mandatory, while electric water heaters fall under both appliances and bathroom fittings. Unlike other bathroom accessories, the product lacks glamour. Advertising spends for the sector are low (while growing at a fast pace); even media coverage for the industry is restricted within the appliances segment, in the business media.

The PR strategy for Switch2Green was fivefold:

- 'Switch2Green', the cause, to be the highlight in all communication efforts
  - Develop 'Switch2Green' as an annual property
- Position Switch2Green as a 'first of its kind initiative for housing societies' for energy efficiency and conservation
- Add credibility to the initiative by associating with a neutral body/ organization
- Drive media visibility for Switch2Green to amplify the 'energy-efficiency and conservation' message among larger populace of Pune and support for enrolments
- Racold to gain visibility as the 'facilitator' for the initiative (in paid and earned media as well)

### **Execution**

- Partnered with Green Energy Foundation – a city-based NGO to drive the execution of the contest in housing societies
- Partner with a B-school/ architecture college as a knowledge partner (did not materialize)
- Switch2Green launch announcement made through a press conference in April 2013, involving Racold management and office-bearers of Green Energy Foundation

- Racold Thermo's website had a campaign link with updated campaign details for the convenience of participating housing societies
- Green Energy Foundation volunteers conducted audit and training at participating housing societies (June-August 2013)
  - Media activity at the end of this phase
    - Disseminated a press note on the update from the housing societies
    - Generated feature stories on the initiatives undertaken by housing societies
- Award ceremony (December 7, 2013)
  - Press conference to announce the winners of the Switch2Green contest
  - Event graced by Pune city's Mayor, thus strengthening the credentials of Switch2Green initiative

**Documented results**

Results for Switch2Green (Behavioural change):

- 48,582 units of electricity saved by the participating housing societies in 3 months
- 11% of average electricity saved, compared to the year's consumption of preceding year
- Direct engagement with 8187 households in 50 societies

Highlight

- Housing society members prepared an action plan for electricity conservation in their housing societies, at the end of training sessions

Results for Switch2Green (media coverage)

- The launch of Switch2Green contest garnered 21 media exposures
- Sustained media visibility through press release updates and one-on-one interactions during the course of the event
- The winner announcement press conference garnered 22 media exposures
- Total AVE value worth Rs 1.25 crore (\$ 212,600 USD)

Post-script

- Racold Thermo to launch 'Season II' of Switch2Green in 3 more cities in 2014

