

Speaking Their Language

The Case for Energy Efficiency Investments in the Building Sector

Buildings are the single largest contributor to climate-altering pollution. Given that by 2035, experts predict three quarters of the built environment will be new or renovated, what happens in the building industry in the next two decades will be critical to determining whether we slow or reverse climate disruption, or continue on an increasingly unsustainable path.

The good news is that with proven high-performance building techniques, new and existing buildings can become a major part of the solution to climate change by dramatically lowering energy use.



Unfortunately, for the building owners and managers in the best position to improve building efficiency, climate change rarely factors into their decision-making. But, as detailed in this guide, there are constructive ways to engage building owners and managers in conversations about energy efficiency improvements.

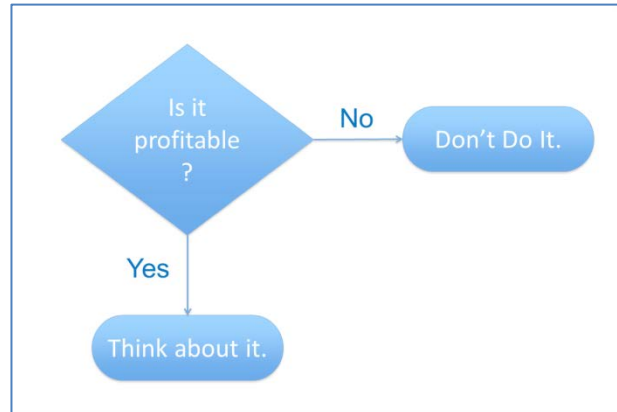
The following recommendations build on in-depth interviews and focus groups with more than 75 building owners, managers, engineers, and energy service providers in the Pacific Northwest, Midwest and Northeast United States. It is meant to be a resource for people and organizations working to promote building energy efficiency in the building sector.

You Say Sustainability, They Say Profits

Progressive advocates often make the mistake of talking first and foremost about why *they* care about an issue—and not about what matters most to their audience. In the case of energy efficiency, advocates often talk about sustainability goals and reducing carbon emissions, while their audiences worry more about pocketbook issues and the bottom line.

Within the building industry, research shows building owners and managers use a specific decision-making framework when it comes to their buildings: Investments likely to increase profits are considered. Those that won't are not.

Fortunately, energy efficiency investments can be framed as a way to stay ahead of market trends and maintain long-term profitability. And, key intervention points in the life of a building provide critical opportunities to make the best possible case for energy efficiency investments.



What's the Message?

A golden rule of effective communication is to meet people where they are. In other words, understand where people are coming from – what they care about most – then tailor your approach accordingly. Our research suggests that owners and managers already believe that reducing energy use is common sense because it can save them money. They also believe that the market is trending toward greater energy efficiency and sustainability.

Messages targeted to building owners and managers should therefore focus on how the market is trending toward more energy-efficient buildings. Emphasize that buildings (and the people that own and manage them) that embrace energy-efficiency will thus be more profitable and competitive in the long run. Messaging about growing interest in sustainability among tenants, investors and employees can help bolster the point that the market is trending toward higher efficiency – but

Rethink Your Target

We tend to assume that because building owners hold the purse strings, they are the most important audience when it comes to building improvements and investments. It turns out that property managers are even more important decision makers because they are the gatekeepers to owners and other financial decision makers. It is the manager who does the research, makes the pitch to the owner, and must prove beyond a shadow of a doubt that a project is worth the investment. If a project doesn't interest the building *manager*, it won't ever get to the building *owner*. One exception to this general principle: smaller buildings without dedicated management staff where owners are the primary decision maker.

Recommendations: Delivering the Message

1

Show examples of similar buildings saving energy

Building owners and managers want to see real evidence that energy efficiency works and can save them money. Case studies of different building types—like the one pictured here—are a good way to show building owners what is possible.

2

Facilitate networking opportunities

Owners and managers trust their peers, vendors and—to a lesser extent—local government and utilities for information on energy-saving opportunities. Owners and managers in the residential focus group were literally jumping out of their chairs to exchange cards and contact information. Energy efficiency advocates can help people make those connections.

For example:

- Start an email listserv for the residential market administered by a trusted third party.
- For commercial owners and managers, who are already bombarded with emails, create a calendar of events to promote opportunities where people can get together to talk about energy saving opportunities.
- Host networking events targeted at building professionals.

3

Make personal connections

Many research participants mentioned how instrumental certain individuals were to helping them take on energy-saving projects. It was clear that having trusted, personal relationships with knowledgeable and helpful energy efficiency advocates can go a long way toward getting projects done. Ideas to make and build personal connections include:

- Attend industry events
- Include individual contact names, phone numbers and email addresses of staff on building owner/manager outreach materials
- Make it a priority to return calls and answer emails

BENCHMARKING: HISTORIC BUILDING. REMARKABLE SAVINGS

Until the Mall of America was built in the 1990s, the historic Midtown Exchange building held the honor of being the largest building in the state of Minnesota. Built in 1928 as a Sears distribution center, the building lay vacant for close to 15 years until Ryan Companies developed the building into a mixed-use site in 2010. With 1.1 million square feet of commercial, condo, office and retail space and a global market occupying most of the first floor, it's now a thriving center of commerce and culture in Midtown - and a model of energy benchmarking success.

Benchmarking, or measuring energy use, allowed Ryan Companies to see how much energy the building was using and look for ways to save on energy costs. Dave Burrill, director of management at Ryan Companies, says benchmarking is an easy way to find savings opportunities. "The sooner you can benchmark your building, it's dollars in your pocket," Burrill said. "In some cases, you can see immediate payback with very little investment."

SAVINGS SPOTLIGHT:

- Updated air pressure controls - \$16,453
- Repair leaks in roof top unit - \$383
- Balanced fresh air flow throughout building - \$4,788

Midtown Exchange - Minneapolis Building Stats

Address	2929 Chicago Ave. S., Minneapolis
Year Built	1928
Size	1.1 million square feet of leasable space including 419,000 square feet of office space, 219 apartments, 88 condos and 1,900 parking stalls.
Type of Use	Office, condo and retail
Major Tenants	Allina Health
Building Manager	Ryan Companies

“The sooner you can benchmark your building, it's dollars in your pocket. In some cases, you can see immediate payback with very little investment.”

DAVE BURRILL
Director of Management
Ryan Companies

Energy savings continued on back >

Example of a case study on the energy and money saving improvements made at the Midtown Exchange in Minneapolis.

4

Personalized, reliable information is best

When asked what types of information are most helpful and motivating for them to take action, focus group participants overwhelmingly favored personalized information about their building, specific actions they could take, and information about applicable rebates. They were less interested in comparisons of their building to dissimilar properties, or in seeing sector-wide savings projections. The thousands of dollars an individual building owner could save will be more impressive than the millions of dollars that can be saved within a city. It's critical to provide owners with tailored information specific to their buildings about the energy and money they could save, and the money-saving actions taken in buildings similar to their own.



Sample Message

High-performance buildings and improved energy efficiency are where the market is heading. Market leaders know this, and are positioning their buildings as top performers. Driving improved efficiency is a way for cities to gain a competitive edge and meet growing market demand for high-performance buildings, while also reducing energy costs for businesses and consumers.

- Building industry professionals who keep up with this trend can showcase properties that are more competitive and profitable, and build a resume that demonstrates their relevance and value in a rapidly changing market.
- Cities with improved building performance offer a more attractive destination for businesses looking to set up shop and residents looking for a new place to call home.

Recommendations: Key Intervention Points

1

Rebates and incentives

Upfront costs were cited by most participants as a major barrier to undertaking energy projects. Financial incentives can help owners and managers pull the trigger on projects. Nearly all research participants said rebates and other financial assistance were necessary to make the case to building owners for energy efficiency investments.



Given the importance of incentives and rebates, it's critical to ensure they are well promoted via websites, social media networks, email, e-newsletters, mailers and help desks, and through trade publications and industry events.

2

Equipment replacement

Equipment failure is a trigger for making an investment in new equipment. Owners often default with replacing equipment with the same technology, even when newer and more efficient models exist. If managers better understand the best equipment options *before* there is a crisis, they can more readily make the case for new technologies.

One strategy for accomplishing this in the residential market is through reserve studies, which estimate when equipment or maintenance needs will occur, and the estimated costs and savings for various replacement scenarios. Multifamily condos are now required by law to have reserve studies done. Advocates could work with local certified reserve specialists and professional reserve analysts to help them factor energy savings into these studies, which could help move the condo market toward energy efficient solutions.

3

Pitching owners

For managers, having access to good data on building energy use trends and rate of return on investments is crucial for pitching owners on projects. This information needs to be on hand before the owners walk in the door. If the data don't back up the pitch and show the financial benefit, the project could be dead on arrival.

Simple steps to help managers develop a strong pitch include training them in how to use the U.S. EPA's free online tool, ENERGY STAR Portfolio Manager, to create graphs, charts and other compelling data visualizations on energy use trends. Savings estimates for different measures commonly undertaken in specific building types would also be helpful. For example: "Installing LED lights and motion sensors on refrigerated cases saves grocery stores an average of xx\$ per square foot each year."

Research Sources

“Talking about Energy Efficiency in Commercial Buildings”

Topos Partnership, January 2015

“What Inspires Action: Understanding Motivations for Improving Building Energy Efficiency”

Resource Media, April 2015

“Seattle Building Energy Benchmarking Ordinance: 2013 Technical Support Evaluation”

Resource Media, June 2014

For the full reports, please contact Amy Frykman at: amy@resource-media.org.

About Resource Media

Resource Media is a non-profit communications organization dedicated to providing expert strategy, message and outreach services to nonprofits, foundations and others who are working to protect communities, public health and the environment.

We help organizations large and small develop strategies aimed at advancing energy-saving initiatives for new and existing buildings, communities, utilities, government operations and much, much more.

For more resources to help you improve your [energy efficiency](#) communications efforts, you can find us at www.resource-media.org.