

Targeted marketing wins over mass media

[Catherine Early](#), Windpower Monthly Magazine, 28 October 2011, 12:00am

WORLDWIDE: As the wind industry comes of age and adapts to the current economic crisis, the way it sells itself to potential customers and the general public has had to evolve and become more sophisticated. Catherine Early looks at the strategies employed by manufacturers and developers.

The wind industry has almost come full circle when it comes to marketing. In the early days, publicity vehicles for new products and services were limited to a small number of respected trade publications and events. The wind boom at the end of the last decade has seen a surge in the number of magazines, websites and events as people scrambled to get involved in a growing market. As media coverage of wind power increased, some companies even began advertising in national newspapers. But once the global recession started to bite, many companies have reverted back to a much more targeted approach.

Inevitably, the large wind companies are at the forefront of this shift in strategy. For example, over the past year, Vestas has been working with media-services group Zenith Optimedia Worldwide, which acts as the turbine giant's communications adviser and buys its advertising space. Vestas has also used Saatchi and Saatchi for its "Wind. It means the world to us" campaign and works with creative agencies globally, such as Kunda in Copenhagen. This is a big change for the Danish manufacturer, which had previously handled all its marketing in-house.

Saren Hoegsberg, international vice-president of marketing at Vestas, says the company's marketing strategy has changed radically in recent years. Before the financial crisis, there was little need for marketing as the wind industry was booming. However, when the crisis hit, manufacturers suddenly found themselves with a glut of turbines and Vestas realised it needed to use its marketing to stand from the competition.

In the past year, the company has moved from advertising in national newspapers to focusing on very small stakeholder groups or one-to-one marketing.

"We want to link the marketing we do to the megawatts we sign," Hoegsberg says. "We are in an industry where we depend on 10-15,000 people globally who determine whether we will be successful or not, so we need to reflect that in our communications and marketing, and not go out in mass media."

Vestas' marketing campaign for its V112 3MW turbine used this strategy. The company identified 62 potential customers and placed advertising in very specific locations to target

these individuals near their company headquarters, Hoegsberg explains. It targeted pension funds in a similar way, with marketing aimed to convince them of the reliability of the V112.

Vestas is also experimenting with social networking sites such as Facebook and Twitter and is partnering with professional networking website LinkedIn for its next campaign to target potential customers on a one-to-one basis.

The growth spurt the wind industry has experienced in recent years has led to a proliferation of new magazines, websites and events, increasing the need for companies to be more strategic in their marketing. This is where marketing agencies come in.

Catherine Fitzgerald, international account director at Zenith Optimedia Worldwide, says: "There are so many players, particularly in the trade sector, that have sprung up in the past few years. You can have a kneejerk reaction that you should be in everything and that is a highly unwieldy and unstrategic way of operating."

Third parties such as Zenith work with a lot of other brands, which gives them expertise on what is happening in the wider media world, particularly in fast-moving digital media, she adds.

Specialist knowledge

Others believe that specialist agencies are where the future lies. Jonathan Collings has worked in marketing in the industry for the European Wind Energy Association and developer RES. Last month he launched marketing agency Collings and Monney specifically to advise the wind industry.

Collings realised there was a gap in the market after working with non-specialist agencies. "I've been in touch with a number of agencies before and realised they know nothing about our sector, so you have to pay them for upfront learning time," he says. "Even then, they can't learn in ten days what it has taken others years to learn."

Many companies are focused solely on wind rather than renewables in general and they are best served by people who know the marketing platforms well, he believes. "There are so many platforms out there that it becomes really hard for the marketing manager to tell a good opportunity from a bad opportunity," Collings says.

As well as winning new customers, the wind industry needs to win over the public, particularly when it comes to individual projects. There is nothing like a wind farm to polarise local opinion and turn people who claim to be pro-renewables into NIMBYs (Not in My Back Yard).

Steve Sawyer, secretary general of the Global Wind Energy Council (GWEC), believes the industry's track record is improving, although there is more work to be done. "We're no longer a niche industry of backyard tinkerers putting up little toys with some dream of a renewable future," he says. "It's a grown-up industry and it therefore is required to act like one."

In the UK, where opposition groups are often established long before a formal permit application and consultation process begins, developers have had to learn to be quicker off

the mark to get their message across. One common tactic is for developers to visit a community door to door and get their views on a proposed wind farm. A spokesman for trade body RenewableUK says that this was a change from the traditional practice of sending out information such as leaflets and just "hoping for the best".

"It's a much more progressive, more integrated approach of engaging the public, which I think is going to become more important as time goes on," he says. Changes in the permitting system in the UK that could result in local referenda on developments such as wind farms mean developers will be compelled to campaign for their projects, not just advertise them, he adds.

Commentators all agree that there is little point trying to persuade those opposed to wind farms to change their minds. As with elections, the difference can often be made by winning over those who have not yet formed strong opinions either way. "A lot of people will listen to arguments and respond positively if they see some flexibility on the part of the developer," Sawyer says.

Making friends

There are examples of developers encouraging the formation of groups to campaign in favour of a wind farm. Consultancy Pendragon has used this strategy in its work for developers. One of the projects it worked on was Infinergy's 17-turbine wind farm on the Lochluichart Estate in the Scottish Highlands. Several wind farms had been approved in the area, but there was growing opposition from well-organised groups campaigning on a local and national level.

Pendragon identified supporters of the wind farm at a consultation event and encouraged them to set up a group, which then spread and grew. It devised a simple way for them to express their support to the Scottish government through ready-drafted letters of consent. This proved successful: local councillors decided not to object against the recommendations of the planning officers responsible for assessing construction permit applications - and the Scottish government approved the project.

"There are often a lot of people who are undecided or don't really care either way, and they have the potential to be turned into supporters or opponents," says Richard Bowen, a consultant at Pendragon. Sending out accurate information to these people is important even if they do not become active supporters of the development, as it could prevent them becoming opponents, he adds.

The UK wind industry this year formalised its practice of offering financial benefits to communities that host wind farms. RenewableUK's community benefits protocol requires developers to put £1,000 (EUR1,150) per megawatt per year into a fund for the community. The government is supporting this approach and is taking forward legislation that will allow a community to keep business rates from a wind farm.

However, developers have been offering such benefits to communities for several years. There is no evidence that they have any positive impact on permitting. They do not necessarily help in terms of public relations as opponents often deride them as bribes.

One view is that developers could find it easier to get through the permitting process if the industry's general image improved. Many myths about wind power are recycled daily by

global media - for example concerning their efficiency and health impacts - which gives additional ammunition to those opposed to particular developments. "Has the industry communicated sufficiently with the general public and the world at large to absolutely nail a positive narrative for itself?" asks Ross Cathcart, a senior director at PR firm Ogilvy. "The jury is still out on wind power for far too many people."

Setting standards

Various efforts are under way to improve this. One is the WindMade standard, which was launched in January by GWEC and Vestas. Companies certified as WindMade will be allowed to use a logo informing consumers that either they or their product use wind energy.

The global standard aims to do for the wind industry what the Fairtrade label has done for workers in developing countries by both raising awareness of the issues and demand for products. The organisation has yet to announce the companies that have signed up to the standard, although Lego is one of its founding members. A WindMade spokeswoman says several "global consumer goods companies" are signing up and will be announced this month.

Those behind WindMade are determined to avoid any accusations of companies using the standard to "greenwash" their image. To attain certification, companies must commit to sourcing 25% of their electricity consumption from wind energy. There are only three ways they can achieve this.

The first is to invest directly in building wind turbines on their own land. They could also buy a long-term power purchase agreement (PPA) from a power operator. The wind farm should be less than two years away from commissioning when the PPA is signed and the contract needs to be for a minimum of five years to ensure that the deal has a tangible impact on the viability of the project.

The final way is for companies to cover their electricity needs with renewable energy certificates (RECs) from a WindMade-approved programme. These have been vetted for additionality, so, for example, a company cannot buy RECs from a hydro dam in Finland that has existed for 50 years.

Verification of the standard will be carried out by an independent third party. WindMade has extra clout as it is backed by the United Nations Global Compact - an initiative to encourage businesses to adopt sustainable and socially responsible policies, and to report on their implementation. Environmental campaign group WWF helped to draw up the standards.

Once the standards for certifying whether a company can use the WindMade logo are launched, work will begin on certification for individual products. This will be even more complicated, given the huge number of parts in a product. It could prove hard to convey the concept in a simple way to the general public.

WindMade is aware of the huge challenge it faces. "Whether we can change NIMBY attitudes with a label on a yoghurt pot, I'm not convinced, but at least what we can do is raise public awareness and get more of a discussion going," a spokeswoman says.

WindMade hopes it is pushing at an open door. A global Gallup poll carried out earlier this year questioned 31,000 consumers in 26 countries about their attitudes to renewable energy. Twenty per cent of respondents said that they would be more willing to buy products from a company that uses wind energy.

Cathcart says the WindMade initiative is to be applauded. Wind has it all to play for, since there is now a latent acceptance that alternatives to fossil fuels have to be found, he notes.

However, he warns that the industry will have to be prepared for a long-term battle for hearts and minds. First of all, it needs to have arguments in favour of wind ready to counter criticisms. Rational arguments are rarely the tipping point in changing people's mind, but they have to be there nonetheless, he says. Then it needs to recruit independent voices to endorse wind. If possible, it should find someone who would not be perceived as an obvious choice, in the way that the Chinese government used the Dalai Lama's support to help it win its bid to host the 2008 Olympics. "There isn't going to be any overnight Damascus experience for consumers and the detractors of wind - it's only when there's a critical mass of acceptance for something like this. It needs a 15-20 year gameplan," he says.

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