



WHITE PAPER

Instant Utility Rebate Platform for Omni-Channel Retail

Rebate Bus is committed to being an industry leader in developing integrated solutions that connect brick-and-mortar retailers, e-commerce vendors, and manufacturers with utility programs. This white paper has been formulated to reveal the market opportunity for verifiable instant rebates at the point of sale, in-store and online. The customer experience for each opportunity is designed with its own front-end application, and is made actionable via the Rebate Bus platform on the back-end. The platform developed by Rebate Bus provides an integrated approach that delights customers and increases program participation while providing evaluators with additional data points.

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Rebate Bus, Inc.

Market Dynamics Require Change

Progressive, forward thinking retailers are deploying an omni-channel strategy, engaging with customers through physical stores, e-commerce websites, mobile apps and even social media. Given this new and evolving sales approach, customers are expecting a simplified and instant experience wherever they shop.

Utilities running demand side management programs are seeking to adapt to this changing landscape by reducing the friction that many of their processes create. Mail-in rebate forms, technical program requirements and waiting for rebate checks are the most common frustrations cited by customers. Many customers are willing to forgo program benefits if the process is complicated and therefore may choose to select products which are less efficient because of a lower upfront cost.

This dynamic is challenging and requires an innovative approach. Historically, in an effort to protect program interests and rate payer funds, utilities have built processes that work to certify the customer and reduce free ridership, i.e. preventing someone from using the program benefits for an upgrade they would have performed otherwise or for a property outside of the service territory.

The utility model is also evolving and intelligent utility executives realize that they need to keep up with the changing landscape by providing their customers with a great experience, similar to that of a service provider. Adapting to these changes is no longer an option, it's a requirement. Customers will have more choices in the future and regulation will only be able to protect traditional utilities for so long. Evolving to meet the customer where they are headed is critical to their long term success.

This white paper seeks to outline the evolution of the retail experience and present the Rebate Bus vision for an integrated platform across all retail channels, enabling utilities to meet the customer where they are shopping today and providing them with an excellent experience upgrading to energy efficient equipment.

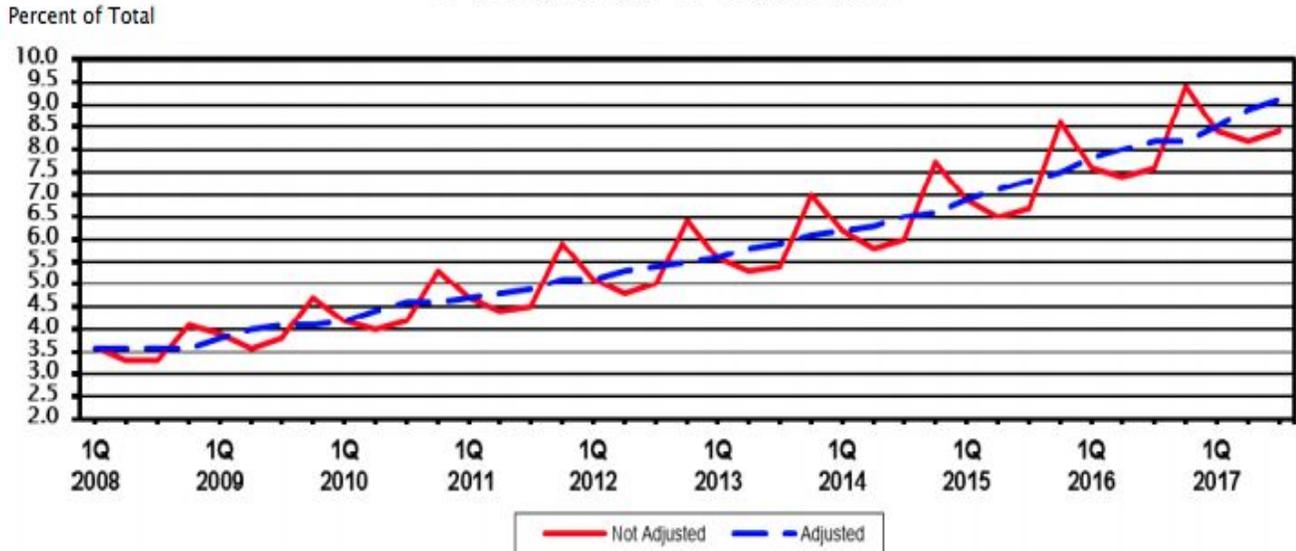
Industry Background

According to the 2016 State of the Efficiency Industry Report from the Consortium of Energy Efficiency the total spend on efficiency programs across all gas and electric utilities in 2016 was 8.7 Billion dollars.¹ From that same report it is estimated that 39% of the 8.7 Billion was spent on program implementation and administration. Traditional utility programs including mail-in rebate applications can be expensive to implement and manage, that cost is reflected in these numbers.

¹ <https://www.cee1.org/annual-industry-reports>

In addition, the e-commerce market is growing rapidly, nearing 10% of all commerce according to the US Department of Commerce.² Customer expectations are growing with it. Consumers are expecting easy online ordering, competitive pricing and quick delivery.

**Estimated Quarterly U.S. Retail E-commerce Sales as a Percent of Total Quarterly Retail Sales:
1st Quarter 2008 – 3rd Quarter 2017**



The demand side management industry has not kept up with this online trend. Traditional program approaches have included a brick-and-mortar program design with upstream incentives paid to the manufacturer or a midstream incentives paid to the distributor or retailer. In both cases these programs create a discount applied to the product on the shelf. This approach has worked extremely well for lighting products and has been a contributor to the growth in market share for LED lighting products.

This upstream and midstream approach has disadvantages though when applied to higher ticket items such as smart thermostats and appliances. The risk for program evaluation increases when larger rebates are applied up or midstream because there is more program funding at stake and a larger benefit to those who may try to take advantage of the system. Utilities historically have wanted to know who is receiving these larger rebate offers. Most up and midstream program designs do not capture customer data. However, technology is evolving and since the utility customer is now likely to have a smartphone in their pocket, they have the potential to receive targeted rebate offers, verify their eligibility and access utility rebates instantly wherever they choose to shop.

² <https://www2.census.gov/retail/releases/historical/ecommm/17q3.pdf>

Utility Rebates for Omni-Channel Retail

Advances in technology that disrupt traditional commerce are now being utilized by retailers to enhance customer engagement and experience. It is now vital that utility programs are being designed to enhance customer engagement as well. As retail shoppers gravitate towards making purchases via e-commerce, the process of mail-in rebates is rapidly becoming more outdated and inconsistent with today's economy. The awareness and engagement of utility rebate programs as they are presented today, in a PDF document or Excel spreadsheet, are inconsistent with the seamless experience of online shopping and are incapable of engaging potential customers at the point of sale.

The goal of omni-channel retail is to enable customers to convert on any channel, meaning the customer engagement strategy is the same for conversions made in-store or online. Omni-channel retail is the foundation for vendors operating online and brick-and-mortar stores - making them 'click-and-mortar' stores. These retailers are capable of capturing customers regardless of how they shop.

If utilities wasn't to enhance customer engagement and promote participation at the point of sale, the delivery of the program details and available rebates must be designed for omni-channel retail. This way progressive retailers will be more willing and able to utilize the promotional aspects of utility rebates and have them applied to their own marketing and sales processes.

In-Store Customer Experience

While an increasing amount of shoppers are beginning to purchase items online, survey results reveal that customers still spend more of their money in brick-and-mortar stores than through e-commerce. From those surveyed, 64% of their shopping budget was spent in-store, while only 36% was spent online³. Therefore, the bulk of what's being spent in dollars continues to take place in brick-and-mortar retail even if the amount of time spent online outnumbers the time spent in a store.

Brick-and-mortar stores have adapted to the evolving retail landscape by becoming 'click-and-mortar,' in which they operate their own online marketplace in conjunction with their traditional stores.

Utility program design has significant potential to accompany the in-store customer experience via an omni-channel marketing approach. The delivery of utility rebates via an online verification channel to

³ <https://grow.bigcommerce.com/rs/695-JJT-333/images/the-omni-channel-selling-guide.pdf>

be redeemed at the point of sale can operate in the same way a coupon or gift card is redeemed on purchases made in-store.

The first step in building this capability is to maintain what's required by the utility program for verification. This involves digitalizing the utility program application to enable instant verification of eligible customers. The questions presented can mimic the questions being asked on a mail-in rebate application, but should be simple and easy enough to answer for any customer visiting the store. The following figures will showcase the Rebate Bus platform for generating awareness and delivering utility rebates on items sold in-store within the traditional retail setting.

Figure 1: Property address and zip code are used as the initial eligibility check to match customers with their utility provider.

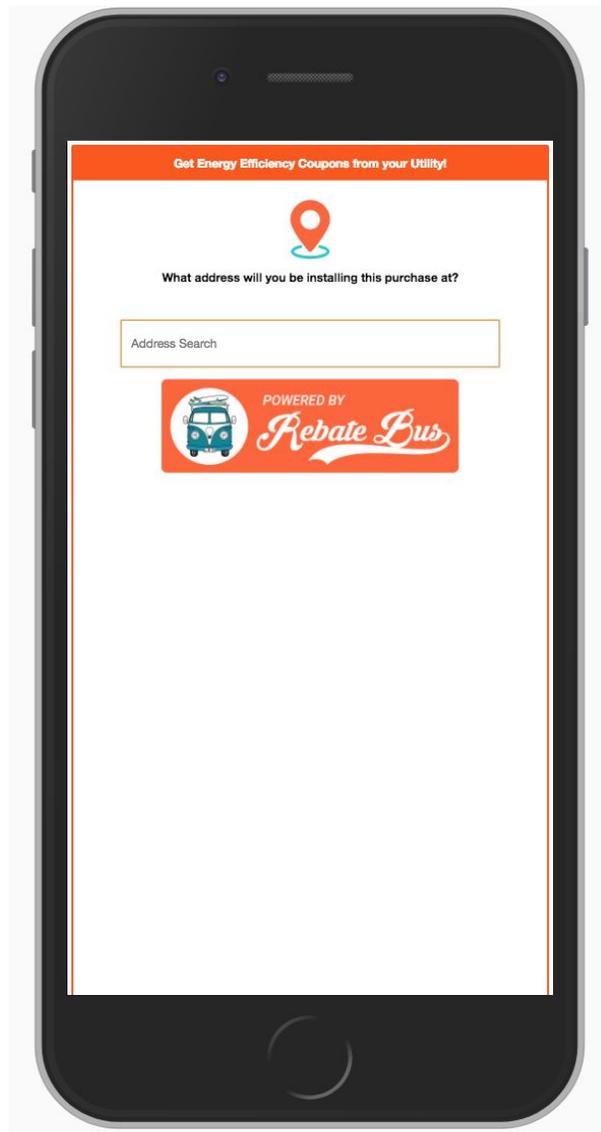


Figure 2: Once the property address is submitted, a drop down menu will display a list of relevant utility companies serving that location. Next, from the location and utility provider information, the customer will be prompted to select the retailer they'd like to use the coupons for.

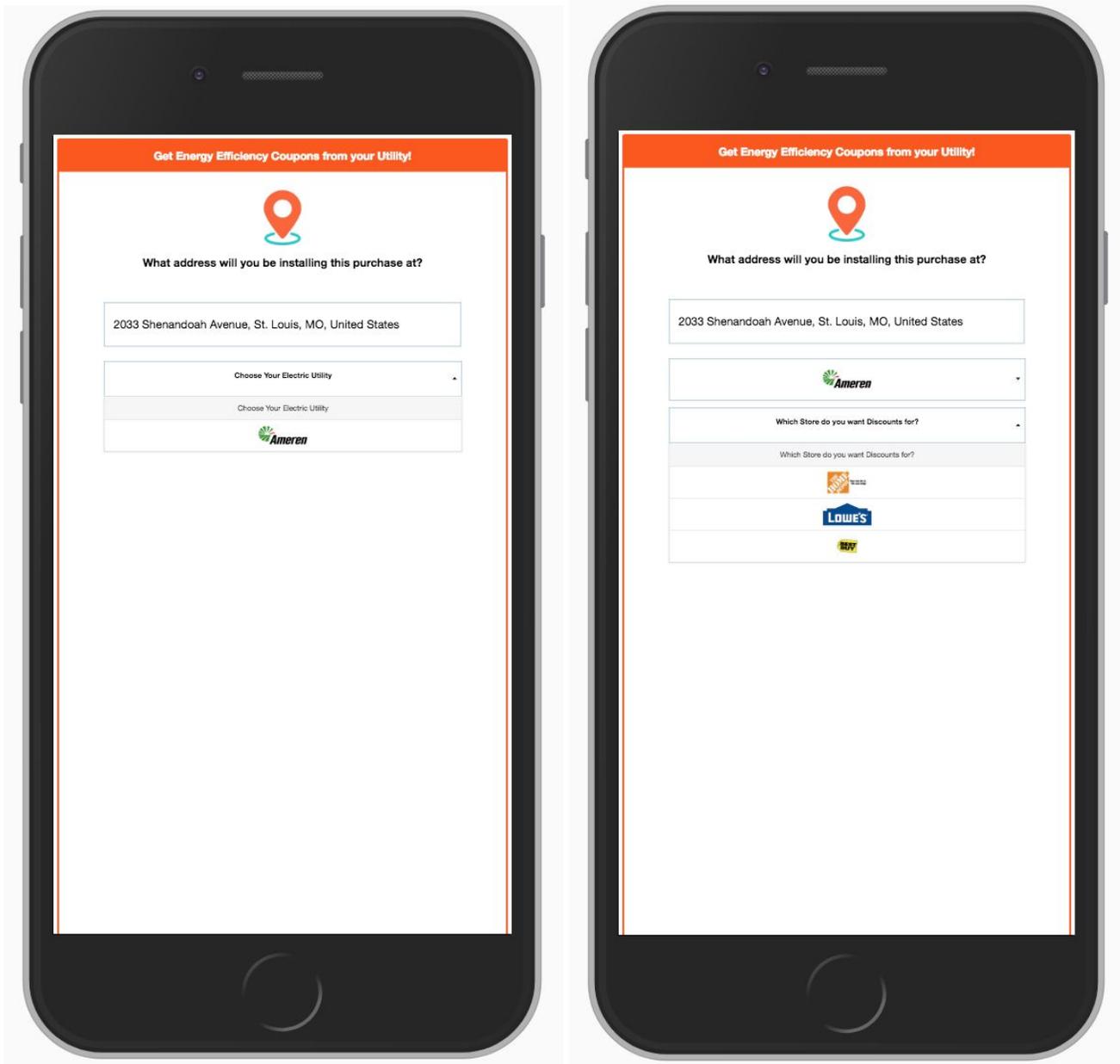


Figure 3: The customer is then asked to verify their utility account by submitting the name and account number found on their monthly utility bill. An email address is also needed to determine where to send the coupons. If any of the information is fraud or contains errors the customer will need to correct them before advancing to the next step. It is important to note that asking for utility account numbers will limit participation. Ideally a combination of customer name and address will suffice.

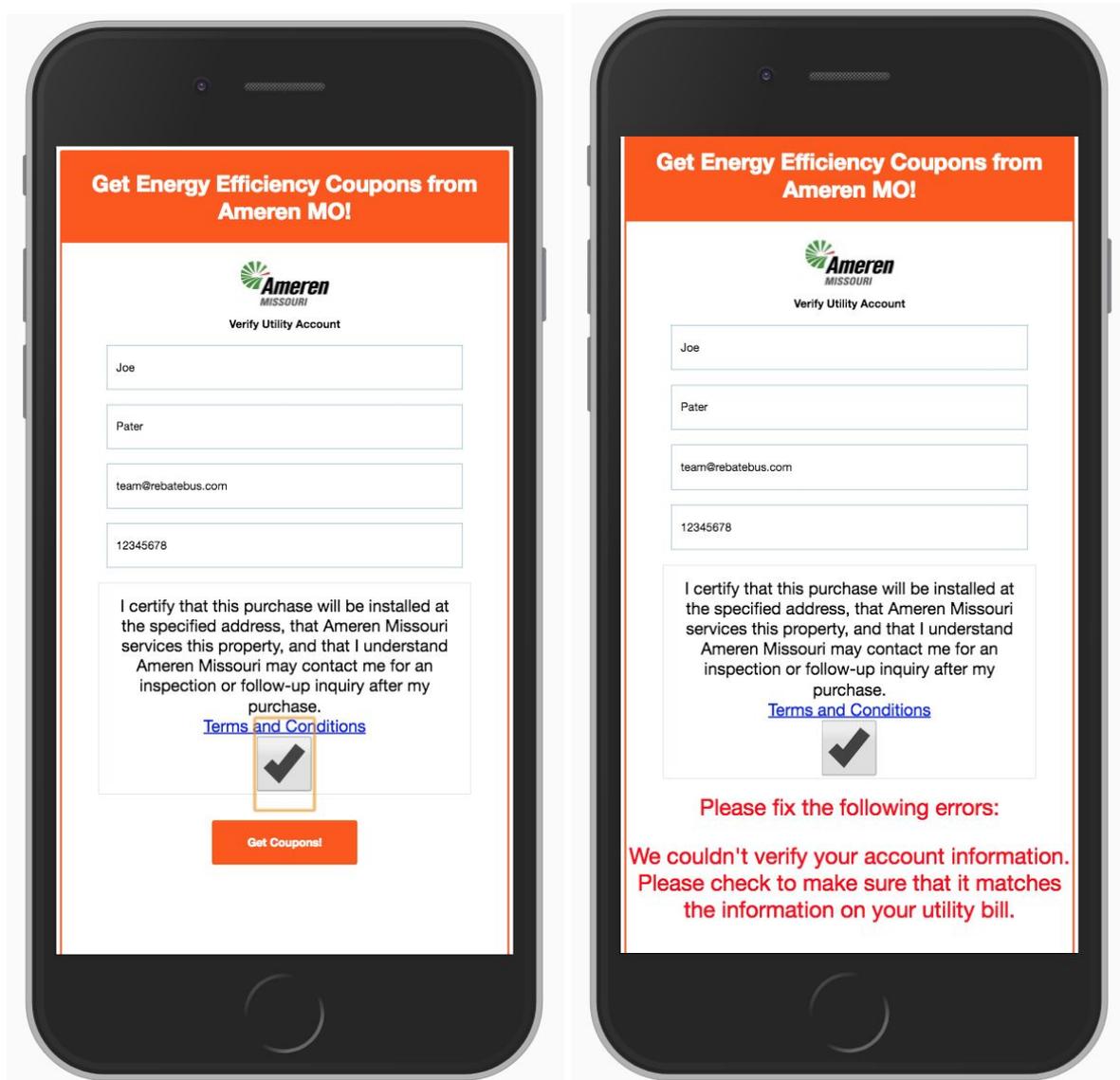


Figure 4: The next step guides the customer through a list of qualified energy-efficient products that are eligible for rebates under the customer's verified utility program. The customer adds the available coupons to their cart, similar to how an e-commerce cart functionality works, and is then prompted with purchase questions relevant to the intended use of the product.

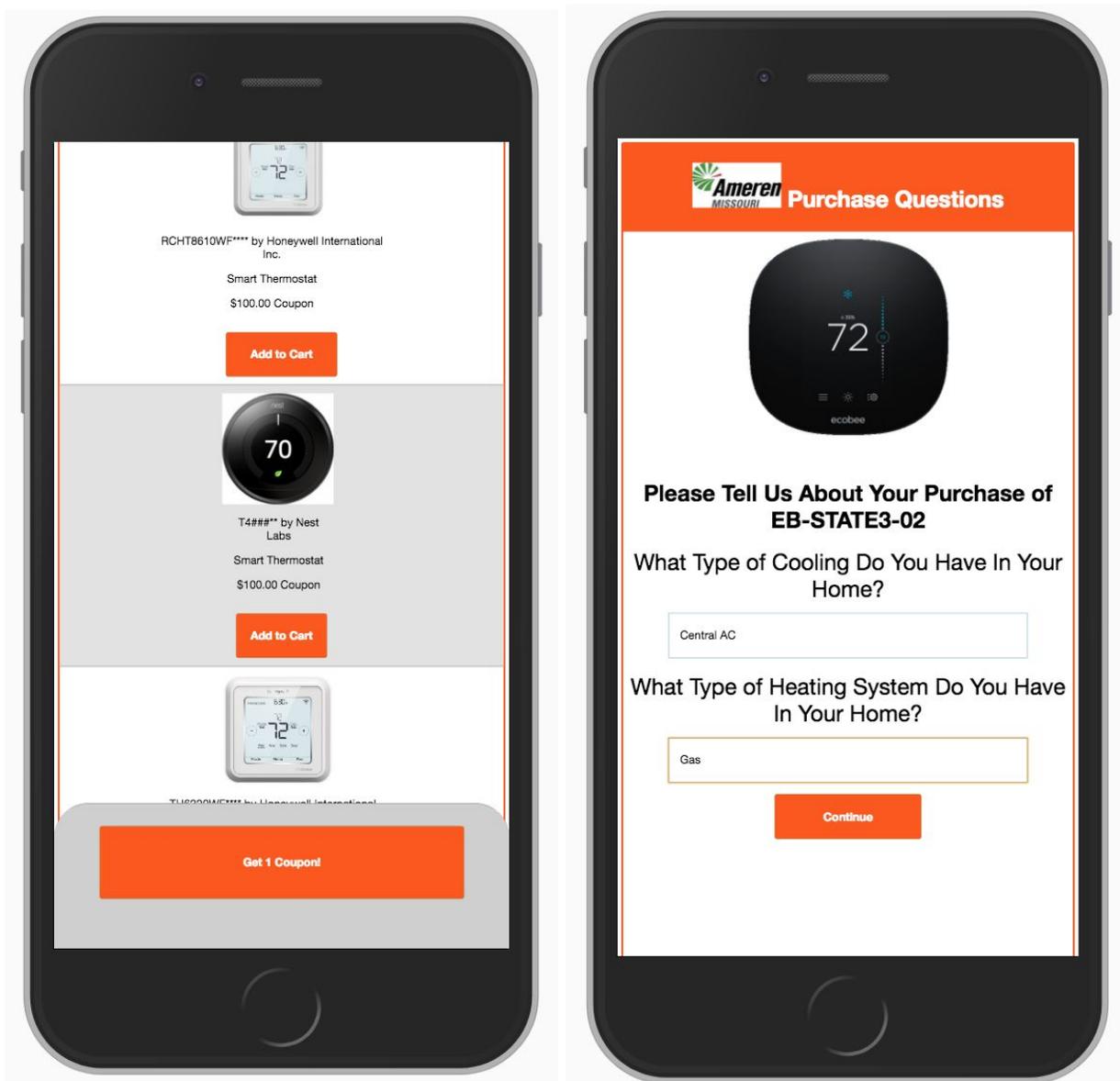
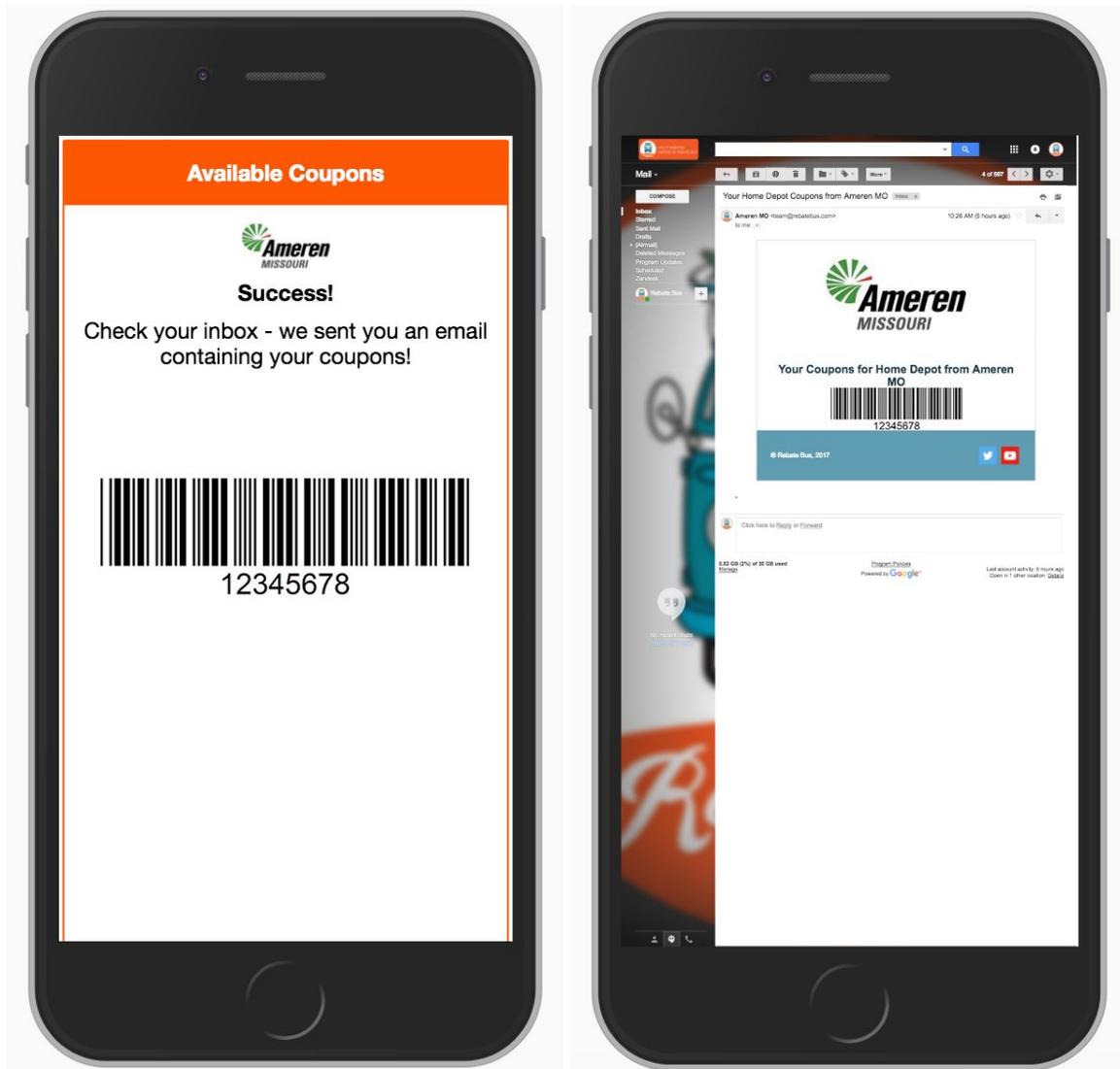


Figure 5: Finally, the coupons attributed to every product selected by the customer will be made into a one time use scannable barcode. The barcode will be presented at the final step, be emailed to the customer for safekeeping, and ultimately can be redeemed at an in-store check out.



Once the mobile web experience is built to meet the needs of the retailer, it will be up to them as to how they create in-store awareness. Notifiers such as hard copy signs placed on eligible products or in the stores themselves can be used to influence customers to access the mobile web experience. A simple URL can be used to pull customers into this experience on their mobile browser, or if the retailer

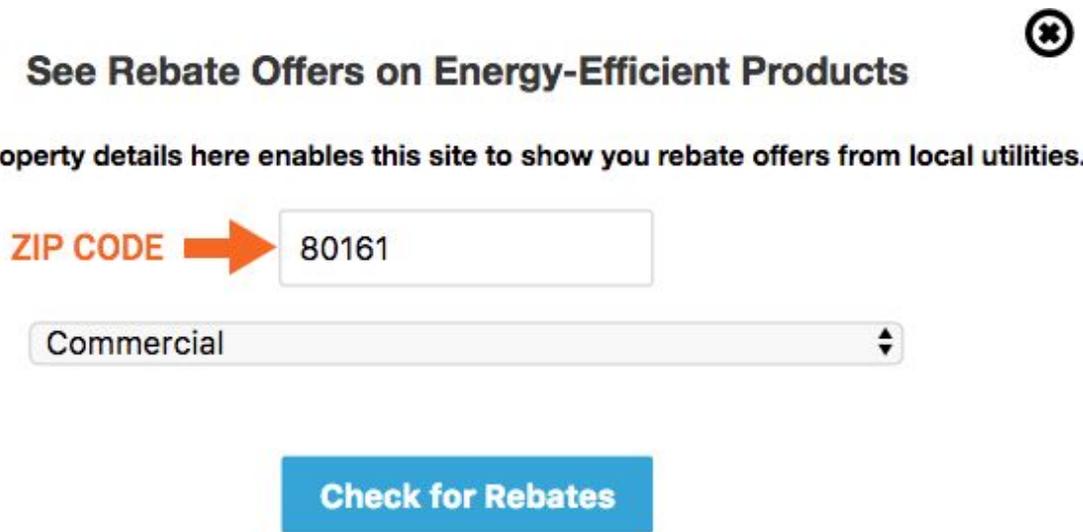
has their own mobile application developed, they could have this experience built within the mobile application.

Online Customer Experience

E-Commerce vendors are able to grow their customer base with targeted digital marketing campaigns on things like social media and search engines. Tracking a customer’s geographical data from an IP address can be used to match them with featured rebates from their local utility provider. This tracking method can also be utilized to automatically feature local utility rebates to customers on an e-commerce vendor’s own website.

The following figures are the Rebate Bus online experience for a customer visiting an e-commerce vendor’s website. These figures demonstrate how an e-commerce plugin can be built to allow customers to view what products are eligible for utility rebates based on their location. Additionally, the plugin demonstrates methods of online application, verification, and redemption for utility rebates at the point of sale.

Figure 1: The customer will initially be prompted to verify their their location and customer segment:



See Rebate Offers on Energy-Efficient Products 

Entering property details here enables this site to show you rebate offers from local utilities.

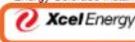
ZIP CODE 

Check for Rebates

Figure 2: Once the customer is connected to a segment and a zip code, the eligible products that the customer is shopping for will showcase an instant rebate offer with the utility logo:

Interior Downlight

Show: 15 per page Sort By: Name

				
CREE KR4 Round 4-Inch KR Series LED Downlight SKU: KR4 Brand: Cree	CREE KR6 Round 6-Inch KR Series LED Downlight SKU: KR6 Brand: Cree	CREE LR6-10L 6" LED Downlight - 1050 Lumens SKU: LR6-10L Brand: Cree	Maxlite 6" Residential Downlight Retrofit - 12W, 2700K, 80 CRI, White SKU: RR61227W Brand: MaxLite	Maxlite 6" Residential Downlight Retrofit - 12W, 2700K, 90 CRI, White SKU: RR61227WC Brand: MaxLite
Unit Price: \$117.65 SKU: KR4	Unit Price: \$100.00 SKU: KR6	Unit Price: \$65.88 \$6.00 incentive available from Xcel Energy Colorado Instant Rebate Test	Unit Price: \$14.52 \$6.00 incentive available from Xcel Energy Colorado Instant Rebate Test	Unit Price: \$16.67 SKU: RR61227WC
ADD TO CART	ADD TO CART	 ADD TO CART	 ADD TO CART	ADD TO CART

LOGO

Figure 3: Once a customer clicks onto an item they will also see the utility logo and rebate offer on the product page:

CREE LR6-10L 6" LED Downlight - 1050 Lumens



The LR6-10L LED downlight delivers 1000 lumens of exceptional 90+ CRI light while achieving 90 lumens per watt.

QUANTITY*

Unit Price: **\$65.88**
 \$8.00 incentive available from Xcel Energy Colorado Instant Rebate Test

SKU: LR6-10L

Availability: **In stock.**

BASE

COLOR TEMPERATURE

VOLTAGE

ADD TO CART

[★ Add to Wishlist](#)
[📄 Add to Compare](#)

Figure 4: After the customer adds the item to their cart they will be prompted to “Apply for Incentives”

Shopping Cart

CREE LR6-10L 6" LED Downlight - 1050 Lumens was added to your shopping cart.

UPDATE CART

Product Details	Qty	Unit Price	Subtotal
<p>RAB 12 Watt 6" LED Retrofit Downlight SKU: DLED6R12 Color Temp: 2700K Type: With Baffle</p> <p>Remove Edit</p>	<input type="text" value="2"/>	\$38.57	\$77.14
<p>CREE LR6-10L 6" LED Downlight - 1050 Lumens SKU: LR6-10L Base: None Color Temperature: 2700K Voltage: 120V</p> <p>Remove Edit</p>	<input type="text" value="2"/>	\$65.88	\$131.76

DISCOUNT CODES

Enter your coupon code if you have one.

[Apply Coupon](#)

UTILITY INCENTIVES

APPLY FOR INCENTIVES

ESTIMATE SHIPPING AND TAX

Estimate Shipping and Tax
 Enter your destination to get a shipping estimate.

Figure 5: The customer will then be asked to “Apply Now” to verify eligibility:



Check for Local Utility Offers

This purchase is eligible for an offer from your utility!

**Rebate Offer From Xcel Energy Colorado
Instant Rebate Test**

Apply Now

Rebate offer for DLED6R12 - \$6.00.

Rebate offer for LR6-10L - \$6.00.



Figure 6: The customer will then be prompted to fill out their answers to the pre-defined utility questions. A terms and conditions link can point the customer to a page dedicated to the program which offers confirmation to the customer that they are participating in a sponsored utility program.

The text within the terms and conditions section is also completely flexible and can include a phone number if the customer needs additional support.



Verify Instant Rebate Eligibility

Energy Efficiency Rebate from Xcel Energy Colorado Instant Rebate Test

At what address will this purchase be installed?

How did you hear about this program?

- Online advertisement Word of mouth
 From my Xcel Energy Rep

Did this instant rebate influence your decision to choose LED lighting?

- Yes No Not sure

What kind of commercial business are you upgrading?

What kind of commercial business are you upgrading? ▾

I'm not a robot 
reCAPTCHA
Privacy - Terms

I certify that this purchase will be installed at the specified address, that the specified address is of the specified type (Commercial or Residential) and that the selected utility services this property.

[Terms and Conditions](#)



Get Rebate

Once the customer completes the application and the customer eligibility is confirmed, the rebate will be added to the shopping cart. Limits pertaining to the utility program in terms of dollars and/or quantity limits will be applied, if they are pertinent.

Furthermore, if the customer attempts to get an approved application by using an address within the utility's service territory, but then submitting a different address to ship to, the rebate will be voided and removed from the cart automatically.

Rebate Bus Platform

The Rebate Bus customer experience applying for utility rebates at the point-of-sale in-store (Figures 1-4) and online (Figures 5-10) showcase front-end processes that can be made customizable to meet the needs of the retailer and utility programs offered. Logos and color themes can be appropriately rendered for the interface of the in-store experience to meet the needs of the retailer. As for the needs of utility programs, the Rebate Bus database of aggregated information operates on the back-end to verify program applications and offer accurate rebate data. This back-end database system for delivering utility rebates to omni-channel retailers is powered by the Rebate Bus platform.

The Rebate Bus platform is a web based system which defines the customer verification and evaluation questions for each program. Our technology stack enables utility program implementers to define rebate requirements and deploy them among multiple sales channels, meeting unique utility verification requirements consistently.

This platform gives retailers the ability to deliver instant rebates at the point of sale, via e-commerce and also in the traditional retail setting. Rebate Bus manages the release of retailer coupon codes which enable customers to take advantage of instant rebates in-stores and online upon customer verification using the Rebate Bus web interface.

Customers initially engage with the program by seeing a promotional sign in a store setting or an online advertisement in an online setting. The sign or advertisement will typically have a message such as: ***"Instant Rebate Available on this ENERGY STAR Appliance courtesy of Your Utility"*** with a short link URL specific to each retailer such as: retailer.rebatebus.com (for example)

This link will take the customer to a mobile friendly webpage that can be accessed universally across all mobile devices. The customer will then be prompted to answer a set of simple questions which will verify customer eligibility, capture important EM&V data and select the item(s) they are interested in purchasing.

Upon verification, the customer will be delivered a one time use promotional coupon code or barcode which can be utilized at checkout to activate the instant rebate on the qualified item. The customer will also receive this notification via email enabling them to use the code within a defined period of time.

After execution of the code in a verified transaction, the retailer provides reporting to Rebate Bus on which codes have been utilized. Combined with the customer answers to the questions delivered by Rebate Bus the data is aggregated and submitted back to the utility program implementer for payment. Rebate Bus handles all data submittals and the rebate payments to the retailer making their participation simple.

Rebate Bus Capabilities

The Rebate Bus platform simplifies the rebate experience for end customers while meeting (and exceeding in some cases) the rigorous requirements of utility program measurement and evaluation. The approach our team has taken is to re-think engagement from all channels and develop a model that scales across all utility programs.

Our team firmly believes in the power of energy efficiency upgrades and the vast potential benefits that can be extracted by putting the planet to work, facilitating efficiency upgrades across our businesses, homes, apartment buildings, industrial facilities, churches and schools.

The Rebate Bus team has expertise in measurement, evaluation and process requirements across a vast array of commercial and residential programs. Our analysts have reviewed thousands of rebate application forms across the entire Utility Demand Side Management (DSM) industry.

This experience and working knowledge is influencing our software development as we build the Rebate Bus Instant Rebate Platform. This platform is designed to enable the real time verification and delivery of utility rebates for efficient products, in-store and online.

Full Product Category Coverage

The Rebate Bus platform is connected with every ENERGY STAR, Design Lights Consortium and WaterSense Qualified Products List (QPL) and can offer the full spectrum of data via one API. This decreases the need for retailers to maintain parallel structures, and allows them to create one model which works for every QPL-listed product in their marketplace.

Rebate Bus also maintains a database of the mail-in rebates that are in market so a retailer can deliver detail regarding a mail-in rebate to their customer in a post purchase email.

Automatic QPL Synchronization

In order for products to be verified as meeting rigorous efficiency standards, many utility rebate programs require QPL certifications. Rebate Bus can offload this technical requirement for retailers by offering our direct automated integrations with all the major QPLs.

Standards-Based, Secure, Well-Documented REST API

It is vitally important that when large volumes of data are exchanged between retailer databases and those of third parties such as Rebate Bus, it is done in a secure and scalable way. Our Rebate Bus REST API has been proven to meet these criteria through a variety of applications. It has been used for over two years in production services by manufacturer and e-commerce IT teams. The API also serves the Rebate Bus Magento extension which has been implemented on multiple e-commerce sites, and has supported the complex needs of commercial lighting audit softwares including Retrolux. The API's specification can be reviewed at <https://app.swaggerhub.com/apis/RebateBus/RebateBus/2.0.1>.

Instant Rebate Platform

Rebate programs offered by utilities across the country vary dramatically in the structure of their rebates, the requirements for customer participation, and even the terminology which participating retailers and contractors are required to use. As an aggregator of this data, our platform is built using a model that understands these differences and delivers them in a format that simplifies things for the retailer by delivering only the information relevant to the customer.

Data Tracking and Reporting

Coupon execution from each retailer is transmitted to Rebate Bus on a weekly basis.

Rebate Bus will submit data regarding customer engagement and answers to questions on a bi-weekly basis to the utility implementer. In addition, Rebate Bus can work with the utility technical team to integrate our reporting API into your internal reporting tools so data can flow efficiently and accurately.

Conclusion

The energy transition from using fossil fuels in the past to using renewables in the future will undoubtedly take a long time. However, energy efficiency is being used by utilities to accelerate the transition, and utility rebates on energy-efficient products and equipment exist to make the transition

effective. In order to improve the effectiveness of utility rebates, they need to be showcased and applied for at the point-of-sale. As retailers evolve with the advances in technology, it is important that the utility program design for application and delivery of rebates evolves as well. Therefore, utility rebates have to be designed for omni-channel retail to engage the customer regardless of where they shop.

This white paper has depicted the online and in-store experience for how utility rebates are delivered using Rebate Bus. The Rebate Bus platform can be made actionable via its REST API to deliver instant customer verification and product qualification data. The platform has been built to operate the backend data portion necessary for these conceptual point-of-sale utility program designs to take effect. Applications built using the platform's REST API will have the ability to be customizable to fit any retailers so that they may offer rebates from the utility on their own products online or in-store.

Rebate Bus is a Channel Partner

Rebate Bus represents a channel partner, delivering the capability of online promotions and in-store instant rebate execution through one connection. Our platform is not meant to compete with our existing and prospective partners and we are not seeking direct relationships with individual utilities. We enable a one-to-one connection between the utility implementer and the retailer via our Rebate Bus API and seek to develop our expertise and partnerships through existing utility implementer partnerships.

