

## Philips Promotes Efficient Energy Management



### SITUATION ANALYSIS:

Rapid economic growth in Asia has spiked energy demands and prices. As a leading supplier of energy efficient lighting products, Philips Electronics believes new technologies in energy-saving light bulbs can save money while reducing the amount of energy consumed. By reducing demands on energy sources, broad adoption of Philips' energy efficient light bulbs creates opportunities for countries to de-couple economic growth from the constraints of energy supply. A close link between growth in national GDPs and growth in consumption of electricity can be observed, particularly in South East Asian countries where energy supply and demand issues are most acute.

To address the issue of rising energy demand and supply constraints in Asia, Philips tasked Text 100 Hong Kong to develop and manage a communications campaign to achieve the following objectives:

- Position Philips executives as thought leaders on energy management issues across the region
- Increase awareness of the savings and benefits of using energy-efficient light bulbs
- Raise Philips brand awareness and reinforce its profile as the leader in lighting solutions

### STRATEGY:

Text 100 developed "Discussions on Efficient Energy Management" -- a stakeholder campaign involving a series of public discussion forums in the Philippines, Malaysia, Vietnam and China. Sponsored by Philips in each market, these discussion forums engaged local stakeholders and opinion leaders to address ways to effectively manage energy demands and supply constraints within each country.

"Discussions on Efficient Energy Management" consisted of developing a panel of energy experts within each country to align Philips with existing local government energy programs. Influential leaders from government organizations were identified in advance and invited to participate in a local forum. Also invited were executives from prominent local companies, as well as customers of Philips Lighting, to highlight different approaches for reducing energy demands and saving money. Finally, senior executives from Philips Lighting with specialties in local business and consumer trends completed the expert panels.

Once the panel of local experts were created, representatives from top trade, business and general interest media outlets were invited to attend and report on the topics discussed. Localized press materials were developed and distributed, providing details on the local energy market and the economic benefits of using Philips energy management solutions. Following the local discussion forums, additional energy management programs were implemented by Philips to sustain local momentum.

### EXECUTION:

As costs increase whenever more electricity is used, the simplest way to reduce electricity cost is to use electricity more efficiently; in other words – to use less. Based on this premise, the PR campaign centered on delivering a message that proved a strong correlation between economic growth and energy cost savings. To do this, a unique Energy Management Calculation was developed as a methodology to illustrate the economic advantages of energy-saving lighting products. An example follows:

*At an individual level, a regular 60 watt light bulb produces 10 lumens (amount of light) per watt or electricity consumed. Per year, a normal light bulb consumes 110 kilowatt hours of electricity -- assuming a standard usage rate of 5 hours per day. An 11 watt energy-saving bulb produces the same amount of light, but uses only 20 % of the electricity used by a normal 60 watt bulb. Per year, an energy-saving bulb consumes only 20 kilowatt hours of electricity compared to 110 kilowatt hours used by regular bulbs. This saves 90 kilowatt hours per year, or 80 % in net energy savings.*

Applying this calculation at a national level, a large-scale switch to energy-saving light bulbs has enormous potential for a country. For instance, assume three regular light bulbs are replaced with energy-saving bulbs in three million households per country. This leads to annual savings of 423 megawatts of capacity, the equivalent electrical output of a medium-sized power station that costs at least US\$500 million to build. Therefore, if governments encourage users to switch to Philips energy-saving light bulbs, countries could save at least US\$500 million. Furthermore, switching light bulbs can be implemented in a matter of months instead of waiting for new power plants that could take decades to build.

This methodology was used consistently in each market and the results were successfully communicated throughout the campaign and in all program materials.

### EVALUATION:

Country	Media Event	Stories	Top Messages Reported	3rd Party Stakeholders Engaged
Malaysia	36 attended	16 placed	80 % energy cost savings Philips drives energy plan	Energy Conservation & Efficiency Dept, Malaysian Govt.
Vietnam	18 attended	16 placed	Govt distributes Philips lights 80% more efficient bulbs Local companies save money	Vietnam military company Vietnam electrical utility company Vietsov Petro, Philips customer Dalat Hasfarm, Philips customer
Philippines	20 attended	10 placed	Cheaper bills with Philips Philips plan saves money	Dept of Energy, Philippines Govt
<b>TOTAL</b>	<b>74 attendees</b>	<b>40 placed</b>		<b>5 local stakeholders engaged</b>