



Multi-state distributor network sees success with LED instant rebates



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Lighting distributors have a lot on their plates and that’s even truer for multi-state operations. Although distributors want to give their customers energy-efficient lighting at a great price—with the help of rebates and discounts—it can be challenging to coordinate programs and train staff on a new way to do business.

We depend on distributors to get energy-efficient products into the hands of our customers, and distributors can see an increased business, thanks to our rebates and incentives. A strong collaboration presents a formula for success.

Crossroads Services, Inc. (CSI)—the program administrator for national distributor HD Supply—has taken advantage of this very collaboration to present our Business LED Instant Rebate program to customers and increase sales.

The program provides our commercial customers in Minnesota with instant rebates on specific LED lighting products through distributor channels. These knowledgeable experts are the ‘eyes, ears and mouth’ of the program and offer the discounts to our customers at the point of sale.

Adam Parrish, vice president of utility programs for CSI, said he first learned about the program at a training event and assisted HD Supply with getting on board in early 2015. HD Supply has roughly 1,500 sales associates in the field, selling directly to the multifamily, hospitality, and healthcare verticals. After initial training sessions to educate the sales team on the features and benefits of LEDs, features of ENERGY STAR® bulbs versus non-ENERGY STAR, and how to upload sales data, HD Supply began offering the lighting discounts to customers.

“The sales impact was almost immediate,” said Parrish. “The program was a great tool in the field and we very quickly saw a 25 to 30 percent sales lift for ENERGY STAR certified LED bulbs in Minnesota.”



Parrish explained that the HD Supply field sales team leverages the discounts to approach customers with a simple offering: let's find your lighting 'pain points' and start there. "We knew that customers had an interest in LEDs wherever lighting was costing them the most, but they were having a hard time justifying the higher price in their budgets and sometimes had to go through a formal audit process to gain approval," he said. But now, the sales team is able to qualify properties in their database, then present customers with an efficient lighting plan that includes a program overview, list of applicable products and their energy benefits, and both pre- and post-rebate pricing. Armed with this information, customers are often able to bypass budget approval or audits by upgrading their properties throughout the year.

"This approach is great for customer engagement and getting our 'foot in the door,'" said Parrish. "It allows customers to try the discounted LEDs on a small scale, then they can either retrofit the entire facility over time without hitting their capital expenditure budget, or run a pilot which provides them with a case study for larger purchases.

"At the same time, it's allowing HD Supply to form more meaningful relationships with the properties by guiding them through the retrofit process bit by bit. It's a winning program for the customer, HD Supply, and of course Xcel Energy as well."

CSI is plenty familiar as well with the 'pain points' of utility programs, particularly sales uploads and data tracking that are necessary to confirm kWh savings and rebate processing. However, Parrish was very impressed with Xcel Energy's program, administered by Ecova "We know that each program has its nuances so there's always going to be a learning curve," he admits. "But support has been really fantastic—we always get a same-day (and sometimes same hour) response to our questions, and they are willing to jump in and catch any errors and take action to help correct them right away."

Adam has sound advice for other distributors looking to bring in new customers to LEDs: look at the pain points first, and don't try to convert every socket all at once.

The proof is in the aforementioned quantitative as well as qualitative results. When CSI held a large training event for the HD Supply field representatives in the Minnesota territory, most said they would not have met their sales numbers without the help of our Business LED Instant Rebate program. As an example, Parrish pointed to one rep in particular who had found it challenging to close lighting projects, but with the program as a sales tool, his sales had grown as much as 65 percent.

Parrish added, "The program is a valuable tool for HD Supply—it helps them engage the customer and makes HD Supply better experts on energy efficiency and energy-efficient lighting."



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To learn more about how to participate in our Business LED Instant Rebate program, please contact Scott Bizek at **612.323.6147** or **sbizek@ecova.com**. Visit **xcelenergy.com/LightingEfficiency** to view our full line of lighting rebates.

Ecova implements the Business LED Instant Rebate program on behalf of Xcel Energy.