



Memorandum

July 23, 2025

To: Board of Trustees

From: Peter Eglinton, Deputy Director
Sheldon Perkins, Website, Multimedia, and Marketing Manager

Re: Proposed Sole-Source Purchase of Digital Ads for Triennial Plan VI Period

Proposed Motion

Move to waive the requirement for competitive solicitation for the digital ad campaign to support implementation of Triennial Plan VI and authorize the Executive Director to purchase digital ads from Google, Facebook, and LinkedIn in FY2026, FY2027, and FY2028 at amounts not to exceed \$1,292,000 per year.

Background

Digital ads are a key element of Efficiency Maine's program marketing – they are more targeted, more measurable, and have a lower cost-per-conversion than many other marketing channels.

- **Targeted:** Digital ads can be targeted by geography (e.g., statewide or by any town or ZIP code), by demographics (e.g., ages 35+), by search term (e.g., "heat pumps"), and by interest (e.g., home improvement). This targeting allows us to customize campaigns and messages to the right audience – a feature that is especially important when Efficiency Maine's incentives differ by customer group or location. For example, natural gas ads can be targeted by location, offering a greater likelihood that they are seen by natural gas customers.
- **Measurable:** The Staff carefully monitors marketing and outreach expenses. The insights available for digital ads (number of views, number of clicks through to the website, number of visitors who then continued to explore our website) are far more detailed than what is available from traditional advertising channels. Newspaper and radio circulation numbers are knowable, but how many of those newspaper readers see a particular ad, and take action as a result, is not.
- **Lower Cost:** For roughly the equivalent price of one full-page ad in a special section of a major Maine daily newspaper, a digital ad for heat pump water heaters was seen by more than 25,000 Mainers while they were in the process of actively conducting online searches related to water heaters. Of those, 1,848 visited the Efficiency Maine website from the ad. In most campaigns, Efficiency Maine pays between \$1 and \$4 per engaged prospect (or "click"). While the Trust still relies on print ads, radio ads and other marketing channels, digital ads allow us to invest our marketing dollars to reach Mainers who are searching specifically for energy-efficiency products and services.
- **Impactful:** On average, between 40% and 60% of total website visits from inside Maine are driven by digital ads. In addition, folks who come to the website via paid ads spend more time on the site than average and they are the most engaged (more time on pages, click on more links, watch more videos, etc.).

All ad placements and budgets are carefully considered as part of individual program marketing efforts. It has been the Staff’s experience that more focused marketing to interested customers and/or a targeted customer group is the best first outreach strategy before investing in wider, broadcast or print advertising. Digital ad placements to date have been successful in driving qualified leads and interested customers to our website.

Section 4 of the Efficiency Maine Trust Procurement Policy indicates that competitive procurement may be waived when “goods and services are not conducive to competitive bidding.... Examples of covered goods or services that are presumptively not conducive to competitive bidding include but are not limited to... advertising for a particular media outlet.” The Trust’s policy further dictates that Staff will seek Board approval to procure sole-source digital ad “buys” for program campaigns if they exceed \$25,000.

Staff forecasts the following annual budgets for digital ads procured by the Trust in the Triennial Plan VI period (FY2026 – FY2028):

| Provider | Annual Spending |
|-----------------|------------------------|
| Google | \$1,242,000 |
| Facebook | \$12,000 |
| LinkedIn | \$38,000 |
| TOTAL | \$1,292,000 |

The total annual amount, \$1,292,000, would support marketing and outreach by the Trust for four measures (heat pumps, weatherization, heat pump water heaters, and electric vehicles and chargers), five programs (Home Energy Savings Program, Income-Eligible Home Programs, Retail and Distributor Initiatives, Electric Vehicle Initiatives, and Demand Management Program), and Trust-wide awareness and education campaigns. Google ads are the most valuable channel and would constitute the largest share of this budget, although we also plan to use smaller budget amounts for digital ads on LinkedIn for our commercial EV incentive promotions. Although Facebook ads promoting specific incentives (see example in Appendix B) have drawn negative and distracting comments in past years, Staff anticipates running them in FY2026 to support general education and awareness ads, which tend to attract less negative reaction. See Appendix A for more details on anticipated expenditures, which Staff may modify to meet programming needs and stay within the proposed budget of \$1,292,000. Appendix B includes examples of past digital advertising.

Appendix A – Forecast for Digital Advertising for Triennial Plan VI

| Category | Estimated Annual Spending | | |
|------------------------------------|---------------------------|----------|----------|
| | Google | Facebook | LinkedIn |
| Heat Pumps | \$130,000 | | |
| Weatherization Measures | \$240,000 | | |
| Heat Pump Water Heaters | \$800,000 | | |
| Electric Vehicles & Chargers | \$72,000 | | \$12,000 |
| Commercial and Industrial Measures | | | \$20,000 |
| Communications – General | | \$12,000 | \$6,000 |
| ESTIMATED TOTAL | \$1,242,000 | \$12,000 | \$38,000 |

Appendix B – Illustrations of Past Use of Digital Ads

Efficiency Maine programs have deployed Google and Facebook ads to market to potential customers for several years. In the past, these channels have been particularly helpful in advertising programs or measures available only to a select geographic region in Maine and advertising measures that are quickly replaced (e.g., a heat pump water heater ad appears when you search for “broken water heater” in Maine). Below are examples of digital ads for electric vehicles, heat pump water heaters, and high-performance heat pumps.

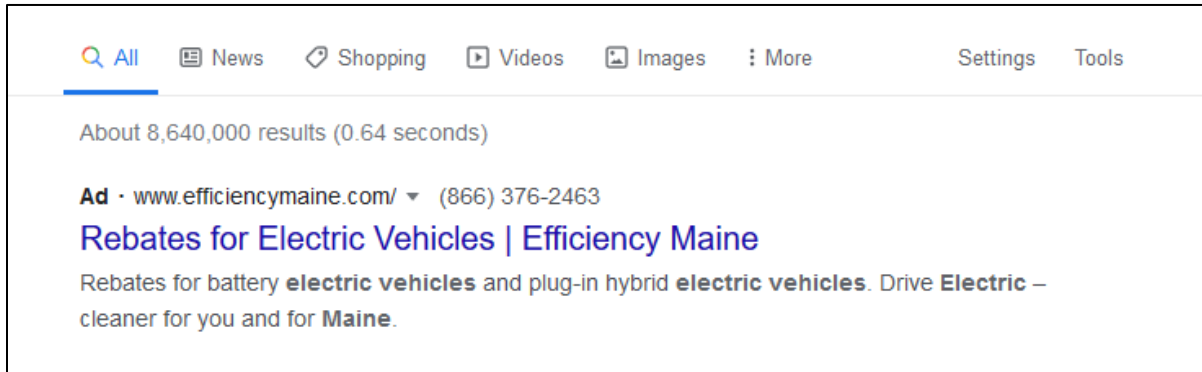


Figure 1: Google ad for EV Programs

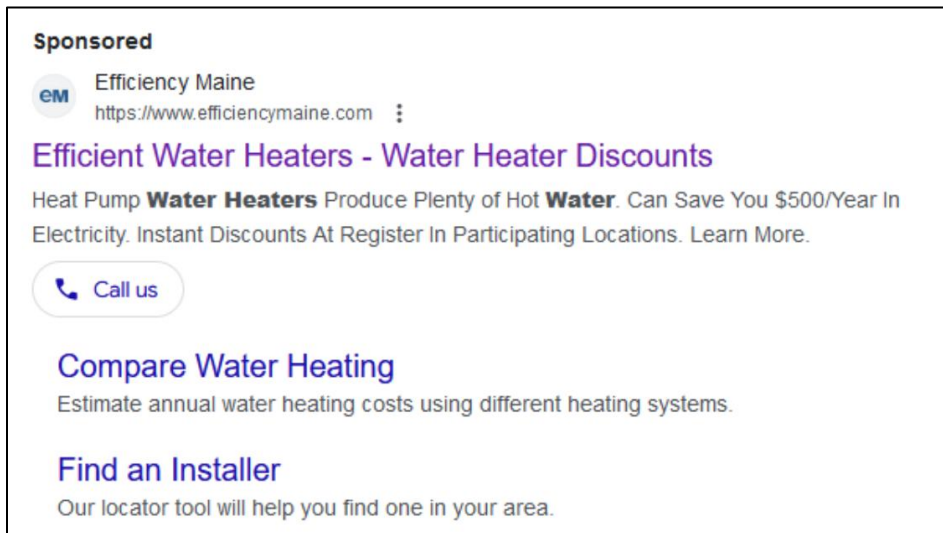


Figure 2: Google Ad for heat pump water heaters



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Figure 3: Facebook ad for high-performance heat pumps