New York State Clean Heat Campaign

Web Marketing Conversion Rate Analysis

Technical Report

New York State Energy Research and Development Authority

Albany, NY

Archie Kinnane, Technical Lead
Project Manager, NYSERDA

Cory Wydysh
Project Manager, NYSERDA

Brandon Ostiguy
Project Manager, NYSERDA

Joshua Clyburn, Project Lead
Program Manager, NYSERDA

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Background

The New York State Clean Heat Program launched in April of 2020 as a joint effort between NYSERDA and the six investor-owned electric utilities (IOU) to expand and accelerate the adoption of heat pump systems across the State. The program provides customers, contractors, and other heat pump solution providers with a consistent experience and business environment throughout New York State.

The program supports initiatives to advance the adoption of efficient electric heat pump systems for space and water heating applications throughout New York State. The IOUs provide incentives to support customer adoption of eligible heat pump technologies, including:

1. Cold climate air source heat pump (ccASHP)
2. Air-to-Water Heat Pump (AWHP)
3. Ground Source Heat Pump (GSHP)
4. Variable Refrigerant Flow (VRF) systems,
5. Large-scale heat pump systems for commercial and multifamily buildings,
6. Heat pump water heaters (HPWHs)

NYSERDA supports the program by developing the market for heat pump adoption through contractor training, consumer education, and pilot projects, while also coordinating data and equity-focused initiatives across utility territories. It works alongside utilities to align program strategy, track progress, and ensure statewide consistency. This comprehensive approach is designed to support the State's ambitious heat pump goals and contribute to broader climate and energy objectives.

NYS Clean Heat Web Marketing Analysis

To support program adoption, NYSERDA developed two web-based forms on the NYS Clean Heat program website:

1. Find a Contractor
2. Available Rebates

These tools help potential customers learn more about the available rebates and find approved contractors in their area. [1]

Conversion rate is a key outcome metric for awareness and marketing campaigns, defined as the percent of users that have completed the desired action. The Public Service Commission has acknowledged that marketing programs are notoriously difficult to evaluate and require enhanced methods to track their effectiveness and ensure additionality.[2] NYSERDA is in process of implementing a broader set of metrics and evaluations for ongoing awareness and marketing programs, with this analysis representing an early step. This report summarizes NYSERDA's analysis of the conversion rate (percentage) of web-engaged customers who ultimately installed a heat pump through a utility incentive program. Customers were identified by matching addresses among records between NYSERDA and utility program data sets.

[1] New York State Clean Heat Program. Program Website. Accessed October 2024. https://cleanheat.ny.gov

[2] New York State Public Service Commission. Order Initiating the New Efficiency: New York Interim Review and Clean Energy Fund Review. Case 14-M-0094. Issued March 2021. https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=14-M-0094

Methodology

Data Sources used for Analysis

Two main data sets were used for this initial analysis.

Utility Program Data: Maintained by each IOU and contracted program administrator, data sets include approximately 20 fields on project location, building type and date; technology/system information and incentive amount; and annual energy savings/use. Data sets were submitted to NYSERDA by each IOU, pursuant to Matter 19-00087, on an annual basis through a secure site.[3] NYSERDA staff then accesses and compiles each of these data sets to prepare them for the analysis.

Marketing Campaign Data: Data sets from NYSERDA's marketing campaign were retrieved from a secure database housing all user-submitted entries to the Find a Contractor and Available Rebate Programs forms on the NYS Clean Heat program website.

Data Preparation and Matching

Because the addresses provided on each record are used to identify corresponding customers between the two data sets, the quality of these addresses is of the utmost importance.

Address Cleaning: Both datasets were cleaned to remove errors, special characters, and suffix information.

Geocoding: All records were standardized using The NYS GIS Clearinghouse, an evolving searchable repository of GIS data and mapping resources and aids in normalizing addresses to a consistent format. In total, 93% of addresses in the utility data were successfully geocoded and more than 75% of addresses in the marketing data were successfully geocoded. Marketing addresses successfully geocoding at a lower rate is to be expected as these addresses were submitted by the user with a wide range of quality and completeness.

De-duplication:

- Marketing Campaign Data: Removed duplicate entries based on non-unique addresses.
- Utility Data: removed placeholder or duplicate project records using unique Project IDs.

Timeframe: Both data sets are limited to only include records from 2020 through year-end 2024.

Following these preparation steps, the two data sets are joined via their standardized addresses. Records with matched addresses represent the customers who engaged with the marketing campaign and proceeded to install a heat pump project.

After finding the records with matching addresses between the marketing campaign and utility data sets, the count of these records is divided by the number of unique entries in the marketing campaign forms, resulting in the percentage of marketing form entries which installed a heat pump project (i.e., "Conversion Rate").

[3] New York Department of Public Service. Matter 19-00087: NYS Clean Heat Program Reporting. Accessed January 2025. https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=19-00087

Results

Table 1 is the cumulative results for years 2021, 2022, 2023, and 2024 for the marketing efforts collected 102.055 unique customer address accounts through the "Find a Contractor" or "Available Rebate Programs" paths, with 9,588 of those converted to projects, achieving a 9.4% overall conversion rate. The Central Hudson Gas and Electric territory had the highest rate at 17.1%, while Con Edison territory had the most conversions at 2,613. Further analysis will be conducted to identify possible reasons for these varied conversions and conversion rates across territories.

It is likely that conversion rates presented here initially may be lower than actual conversion rate or may not reflect the complete influence of NYSERDA marketing on project completion, for a few reasons:

1. Inaccurate address entries from either data set would lead to failed match attempts, and therefore conservative estimates of conversion.
2. Shoppers for clean heat systems may have visited cleanheat.ny.gov for information without providing their address for matching potential, then visited the utility website directly to apply.
3. The decision and buying cycle for heating systems can be lengthy, so NYSERDA anticipates additional projects (conversions) will result from addresses already engaged in the marketing campaign during the years examined.

Table 1: Conversion Rates by Utility for data through 2024

Utility Territory	Unique Household Engagements	Conversions	Conversion Rate
Central Hudson Gas & Electric	9,256	1,584	17.1%
Consolidated Edison	16,759	2,613	15.6%
NYS Electric & Gas	24,608	2,155	8.8%
National Grid	39,977	2,435	6.1%
Orange & Rockland Utilities	3,379	253	7.5%
Rochester Gas & Electric	8,076	548	6.8%
Total	**102,055**	**9,588**	**9.4%**

Based on available data from such sources as Statista and Hubspot, conversion rates for home appliances typically range 1-2% and electrical and commercial equipment sees similar conversion rates, typically between 1.3% and 2.5%. These industry benchmarks encompass a wide range of marketing channels and tactics, some more effective than others. Sources such as Convertcart suggest that eCommerce for electronics and home appliances has conversion rates closer to 3.6%. These different benchmarks suggest that the 9.4% conversion rate for the NYS Clean Heat web-based campaign was higher than industry-marketing benchmarks.[4]

[4] Capturly. What is the Average Conversion Rate? Blog article. Accessed October 2024. https://capturly.com/blog/average-conversion-rate/

Conclusion

NYSERDA has conducted conversion rate analysis between the NYSCH web marketing campaign and the utilities' heat pump incentive program. By identifying records with matching addresses between these two data sets, NYSERDA can estimate the number of customers who expressed engagement in heat pump information forms and then had a heat pump installed through one of the utility programs. It is estimated that 10.3% percent of engagements with the web marketing campaign forms were converted into a heat pump incentive program participant with an installed project. These conversion rates help the NYSCH program administrators understand the efficacy of both the web marketing campaign as well as the utilities' incentive programs.

Further insights may be gleaned as to which incentive levels, geographies, or other demographics and project characteristics have higher conversion rates. An improved understanding of the characteristics of each successfully converted customer will allow program administrators to refine marketing efforts or redesign incentive program structures to reach a broader customer-base. Additional analyses will be pursued through leveraging externally procured demographic and building data to further understand the impact of the marketing activities on heat pump adoption.