



Advertising Effectiveness Study 2007

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Executive Summary

Summary and Conclusions

This report discusses results of an advertising effectiveness study conducted from June to December of 2007. In addition, it compares results of the current study with previous studies.

- The 2007 study (as well as earlier ad-effectiveness studies) was conducted by telephone.
- The 2007 sample totaled 385 KCP&L customers.

- **Altogether, over half of the customers recall having seen or heard KCP&L advertising in the past six months.** Four in ten customers said they were aware of some type of KCP&L advertising without prompting (unaided).
 - When compared to the advertising wave in 2006, **unaided** awareness increased significantly from 33% to 40%.
 - Recall of KCP&L advertising in the different media channels did not change significantly.
 - On an aided basis, approximately 15% of customers remembered the specific KCP&L commercials “Model Rocket” and “Park Bench.”
- **In terms of the new commercials (“Model Rocket” and “Park Bench”), less than 5% of the 220 respondents were able to unaidedly recall the company or organization sponsoring this creative effort.**
 - When those who recall seeing “Model Rocket” and “Park Bench” were asked to recall the main message, at least two-thirds gave answers that related to the messages portrayed in the commercials.
 - It is important to note that when discussing television advertising that “Model Rocket” and “Park Bench” were image ads rather than action ads as “Petting Zoo” and “Playground” were. In other words, the new commercials, like “Prom” and “Answering Machine” from several years ago were meant to promote a specific image of KCP&L among the general public as opposed to calling for action, i.e. *call before you dig* and *don’t put ladders near power lines*.
- **In terms of likeability “Model Rocket” and “Park Bench” were comparable to the first wave of the 2005-2006 commercials, “Petting Zoo” and “Playground”.**
 - Approximately 75% gave “Model Rocket” and 66% gave “Park Bench” top-2 box likeability ratings after this first wave of advertising.



Summary and Conclusions (continued)

- ***Those aware of KCP&L advertising compared to those who were not aware, gave the company slightly more positive attitudinal ratings on twelve of the sixteen attributes included in the study.***
 - Out of 16 items measured, ad aware customers gave *significantly* higher ratings than non-ad aware customers for three items, and *slightly* higher ratings for an additional nine items. Importantly, the three items that were significantly higher among ad aware customers: (1) concern for the environment, (2) technology leadership and (3) innovation. All of these are messages of the Comprehensive Energy Plan (CEP).
 - When compared to earlier years, customers gave significantly lower scores on six attributes. On a positive note, customers gave a significantly higher rating on “KCP&L helps me with energy savings.”
 - Conversely, they gave significantly lower top-2 box scores for responsiveness, community contribution, providing affordable energy, concern for the environment, innovation and technology leadership. For the latter two attributes – innovation and technology leadership – this is downward trend that has continued over the last two years.
 - Overall favorability and satisfaction ratings were stable and virtually identical to comparable ratings in 2003, 2004, 2005 and 2006. Nevertheless, respondents aware of any KCP&L advertising were at least slightly more favorable than those with no awareness of KCP&L advertising.
- ***The majority of customers do not have a strong opinion regarding KCP&L’s level of involvement in the community.***
 - Over half of the customers are aware of sponsorship of the Plaza lighting and the KCP&L Power and Light District.
- ***Over half of the customers were aware of the Energy Optimizer Program, significantly more than in 2006, and approximately one-fourth were aware of the Energy Analyzer/ThermoCalc on-line tools.***



Study Objectives and Methodology

Study Objectives

- The main objective of the study was to assess the effectiveness of the current KCP&L advertising campaign. The launch of the new image TV commercials (“Rocket” and “Park Bench”) occurred in the third quarter of 2007. More specifically, the objectives of the research included:
 - awareness of KCP&L advertising in general;
 - awareness of advertisements in the various media;
 - awareness of two new image television commercials;
 - recall of the main advertising messages;
 - awareness of KCP&L community involvement;
 - awareness of KCP&L’s Energy Optimizer Program and Energy Analyzer/ThermoCalc online energy tools;
 - recall of the “Energizing Life” tag line;
 - changes in attitudes toward KCP&L; and
 - changes in satisfaction with KCP&L.
- An additional objective of the study was to compare findings with results from the previous years of study (2003-2006).



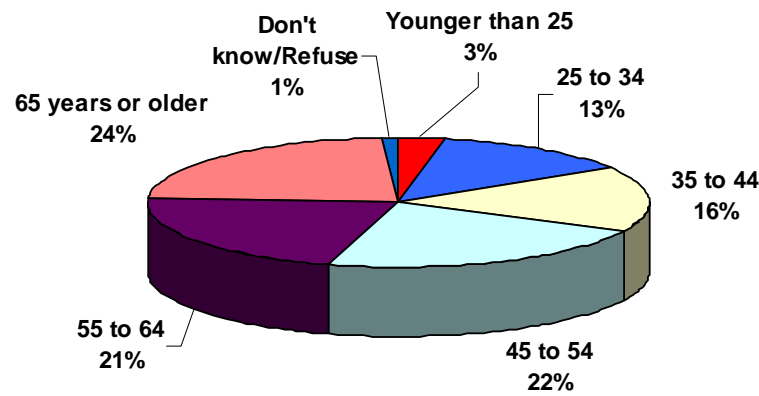
Study Methodology

- **Data collection was via telephone interviewing.** Interviews were conducted from June to early December 2007 with approximately 55 interviews per month which lasted an average of ten minutes each.
 - This was a major change in methodology where in previous years data collection was completed over a two-week period following significant advertising campaign expenditures.
- **The population of interest in the study was KCP&L customers.**
 - KCP&L provided the sampling list (sampling frame) for the study.
 - The sampling method was stratified random sampling, with representative samples drawn from the counties in KCP&L's Kansas City metropolitan territory.
- **Altogether, 385 customers completed the survey.** This compares with a final sample of 387 customers in 2003, 386 in 2004, 418 in 2005 and 384 in 2006. (Please note that in 2005 an over-sample of customers from the Northland was conducted.) Of the 2007 total:
 - 28% lived in southern Jackson County.
 - 21% lived in northern Johnson County.
 - 19% lived in southern Johnson County.
 - 17% lived in the Northland.
 - 10% lived in central Jackson County.
 - 5% lived in northern Jackson County.

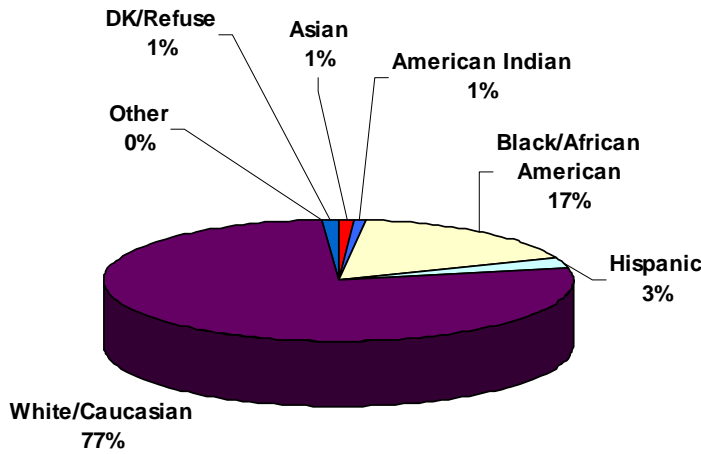


Sample Characteristics

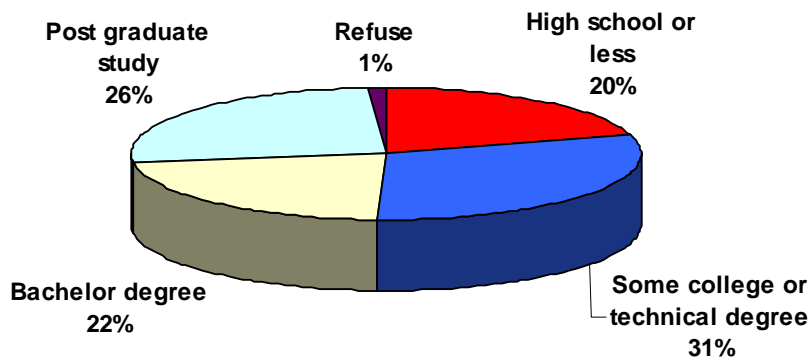
AGE



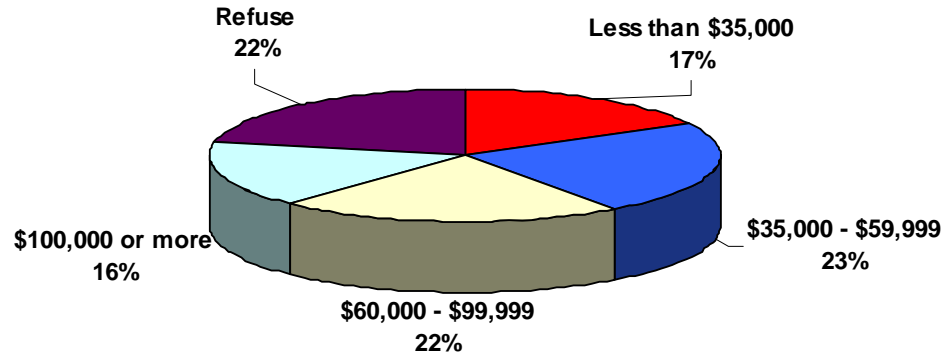
Ethnic Background



Last Year of School Completed



Household Income



Base = total (n=385)

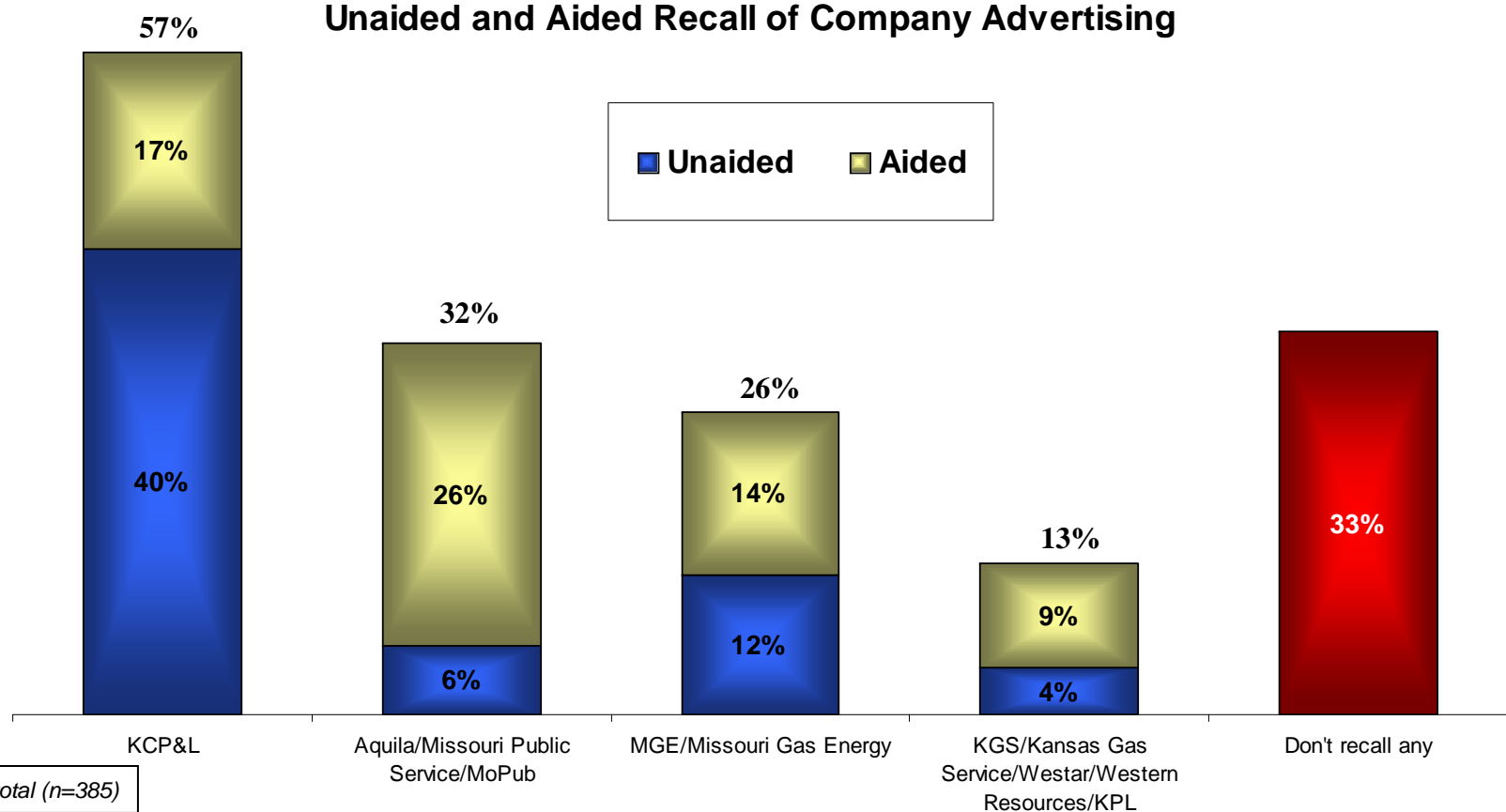


General Advertising Awareness and Recall

General Advertising Recall

- **Altogether, over half of the customers (57%) recall having seen or heard KCP&L advertising in the past six months.**
 - KCP&L remains the clear leader in recall among area utility companies. One-third of customers recall advertising for Aquila and one-quarter for Missouri Gas Energy. (Aquila experienced a significant 7% increase in recall from 2006.)
 - When looking at the age of the respondents, KCP&L's total awareness is significantly higher among those between 55-64 years of age (72%) and significantly lower among those over 65 (45%).

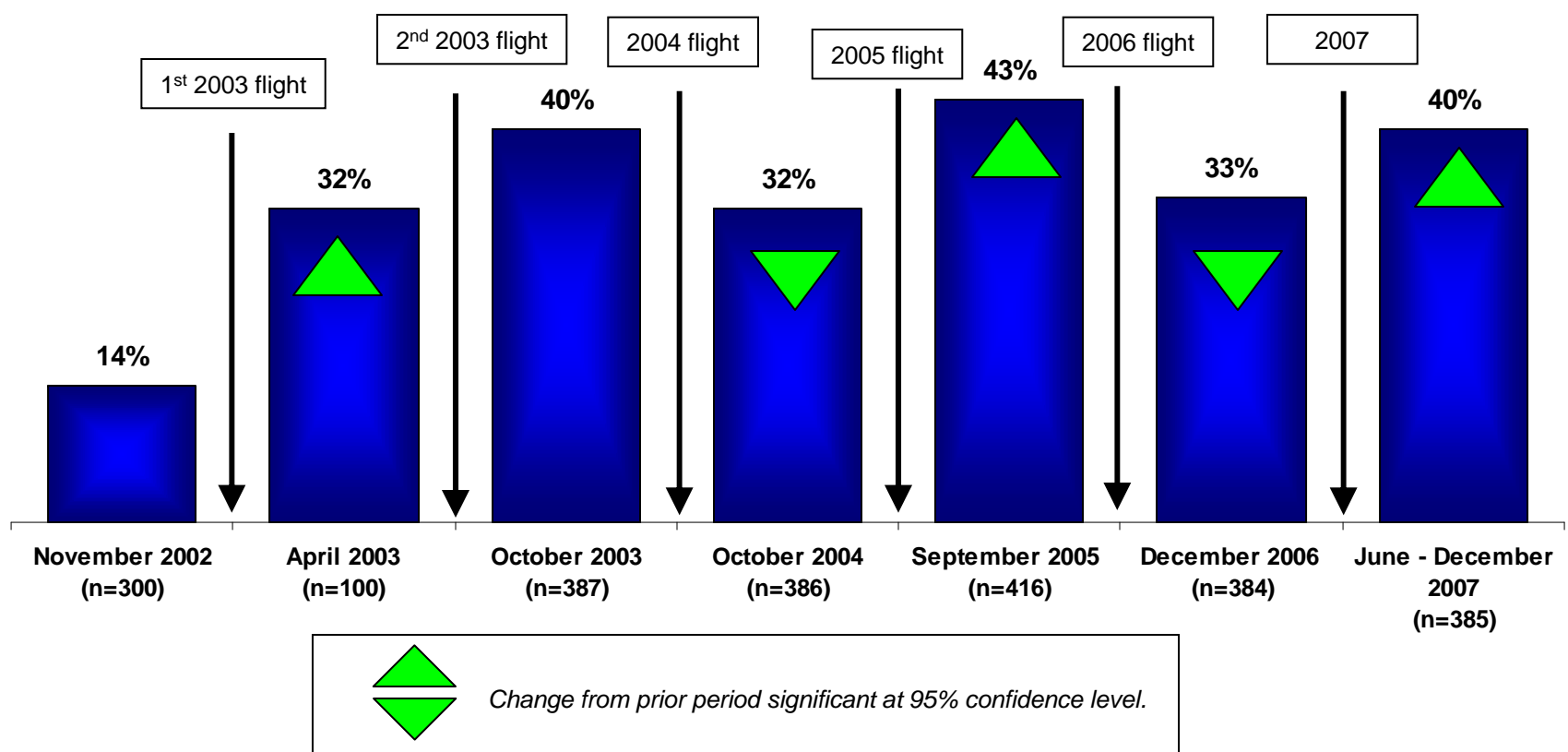
Unaided and Aided Recall of Company Advertising



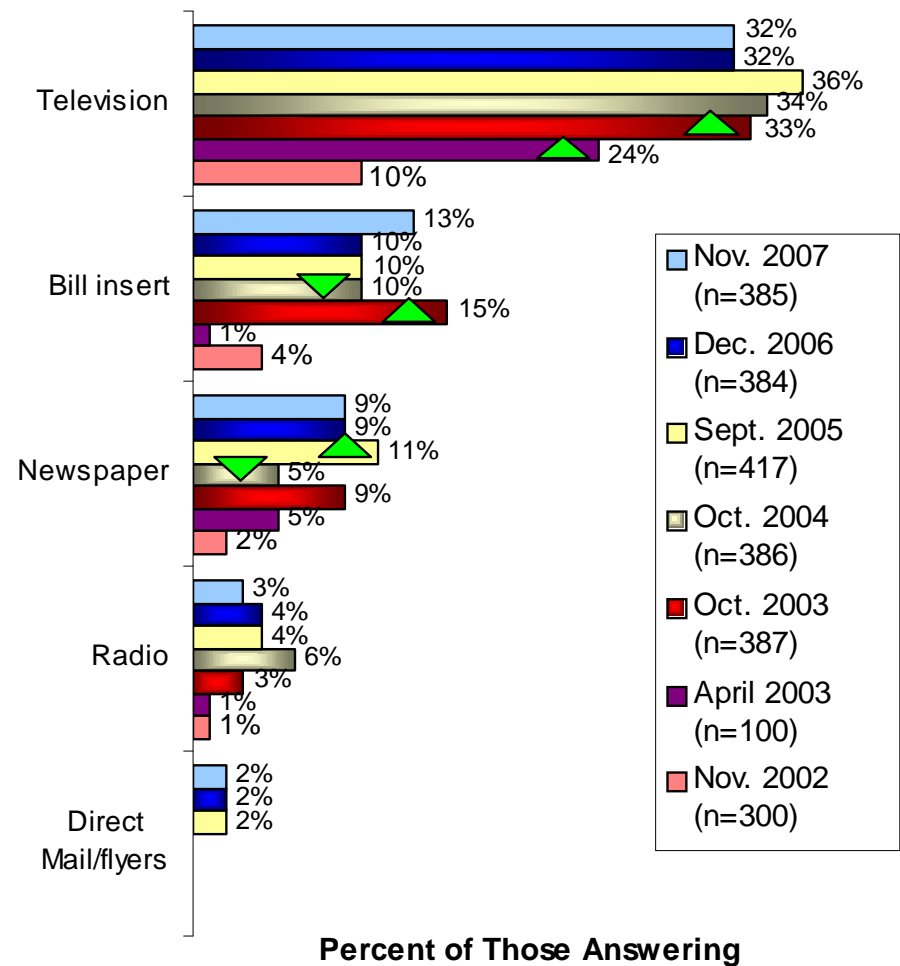
Changes in KCP&L Advertising Awareness

- In 2007, unaided awareness increased significantly from the December 2006 level (33% to 40%). Unaided awareness in 2007 was comparable to September of 2005.
 - Respondents over 65 years of age and those with high school diplomas or less education are significantly less likely than others to recall the advertising unaided (25% and 27% respectively).
- Total awareness (aided and unaided) remained comparable with 57% in 2007 and 54% in 2006.


Changes in Unaided Awareness by Advertising "Flight"



Can you tell me where you saw or heard the advertisements?



- **Television continues to be the leading source of awareness for KCP&L advertising.**
 - Overall, just under one-third of all customers report that they saw KCP&L advertising on television.
 - Approximately 10% mention seeing advertising in the newspaper and in bill inserts.
 - Those under 35 are significantly more likely than others to mention billboards (5%), radio (6%), Internet (2%) and community events (3%).

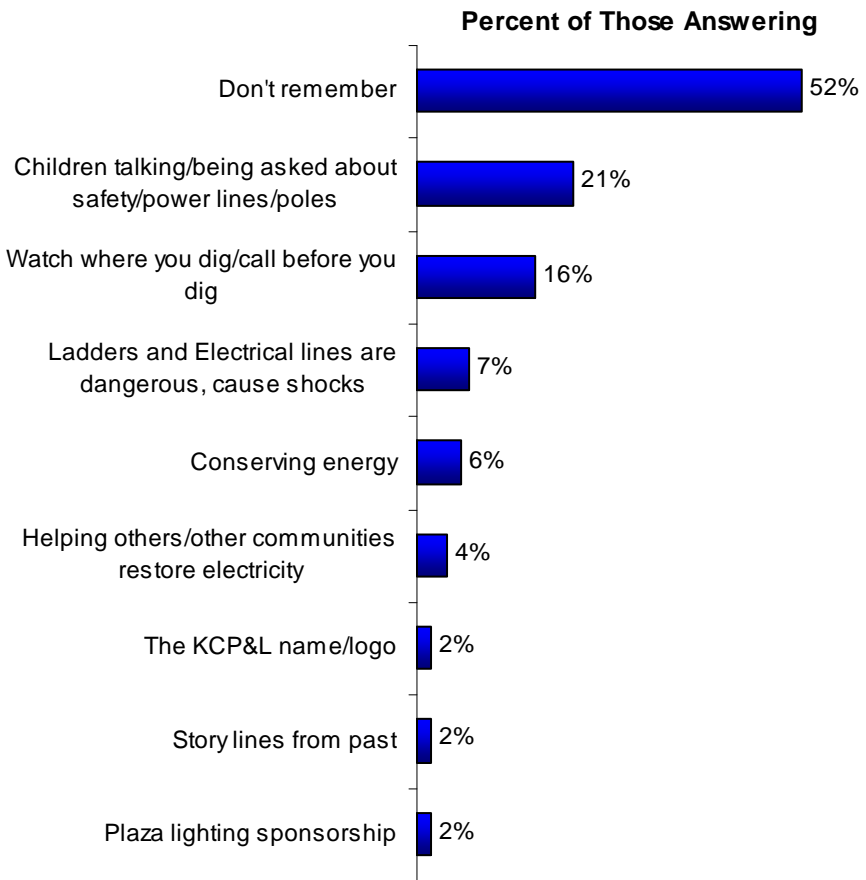
 Change from prior period significant at 95% confidence level.

Base = total
** Graph shows only those specific media with greater than 1% recall

General Television Ad Recall

- Comparable to previous study waves, just under half of those who recall television advertising recall something about the ads; 52% do not.
- Images and messages concerning safety, account for the majority of recall among customers.
 - Just over 5% recall the energy conservation message.
 - Only one person recalled, unaided, elements of the “Park Bench” advertisement.
- Altogether, approximately 30% of those who recall TV advertising recalled one or more safety-related aspects. Total mentions of safety were significantly higher than the 10% of respondents who mentioned it in 2006. In 2007, the following was recalled:
 - 21% recall children talking about safety
 - 16% recall safety related to digging
 - 7% remember the danger of having ladders near electric lines.

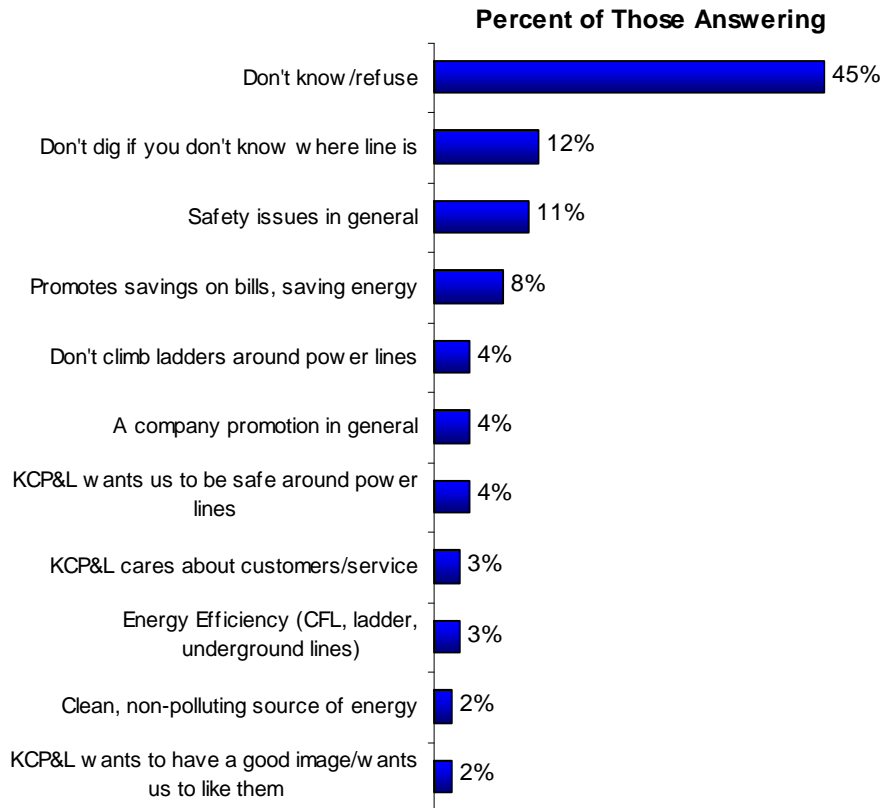
What do you remember about the KCP&L television advertising?



Base = those who recall television advertising (n=124). Graph shows only those specific aspects with greater than 1% recall. Multiple responses permitted.

General Television Message Recall

What do you think is the main message of KCP&L's television advertisements?



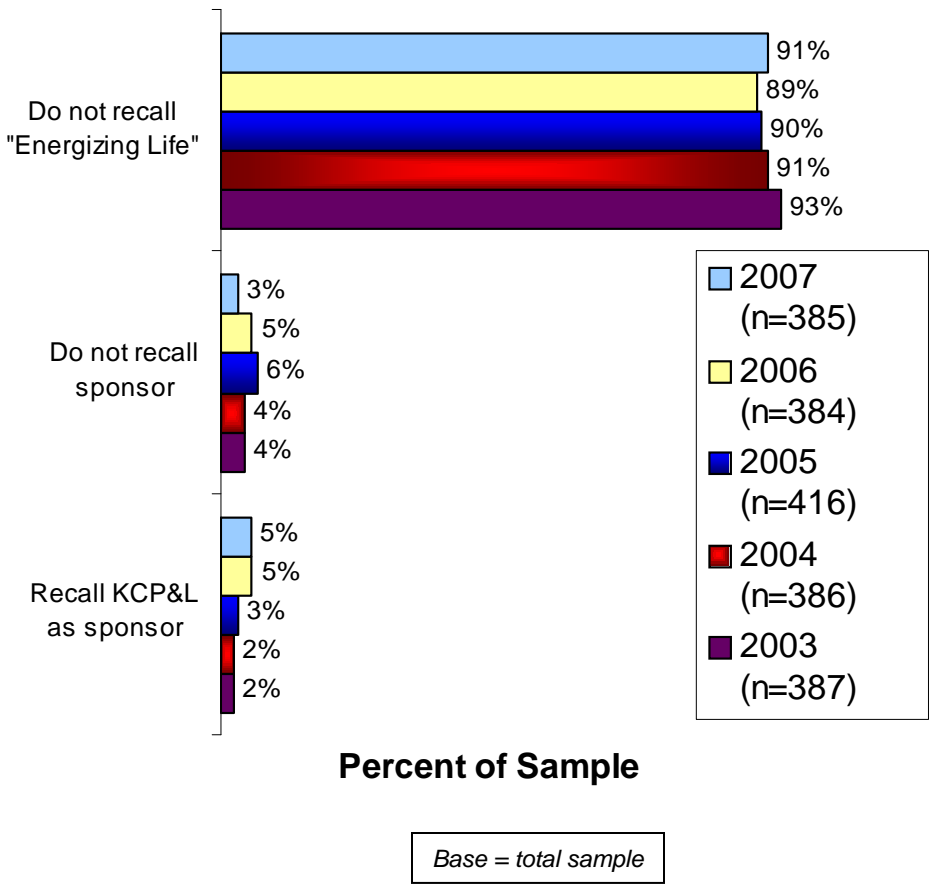
Base = those who recall television advertising (n=124). Graph shows only those specific aspects with greater than 1% recall. Multiple responses permitted.

- Among those who recall TV advertising, just over 50% recall a main message.
- The top three messages recalled were all related to safety around electricity or energy conservation.
 - Altogether, just under 30% recall one or more safety-related messages including:
 - digging around buried lines
 - safety around power lines
 - safety in general
 - Just under 15% recall one or more energy conservation messages including:
 - saving on energy bills
 - specific tips on energy efficiency
 - offering clean, non-polluting energy
- Mentions of both safety and energy conservation were significantly higher in 2007 than in 2006, (28% vs. 15% for safety and 13% vs. 7% for energy conservation).

Recall of Energizing Life Tag Line

- The percent of 2007 customers who recall the “Energizing Life” tag line is comparable to the 2006 percent.
 - The percent who recall the tag line is just under 10% of the total (11% in 2006, 10% in 2005, 9% in 2004, 7% in 2003).
 - Of the 36 respondents who do recall the tag line, 20 correctly identify the KCP&L affiliation (5% of total and 55% of those who recall the tag line).
 - Respondents under 35 years of age were significantly more likely than others to remember both the tag line (22%) and its sponsor (16%)

Recall of "Energizing Life" Slogan and Sponsor



General Newspaper and Radio Ad Recall

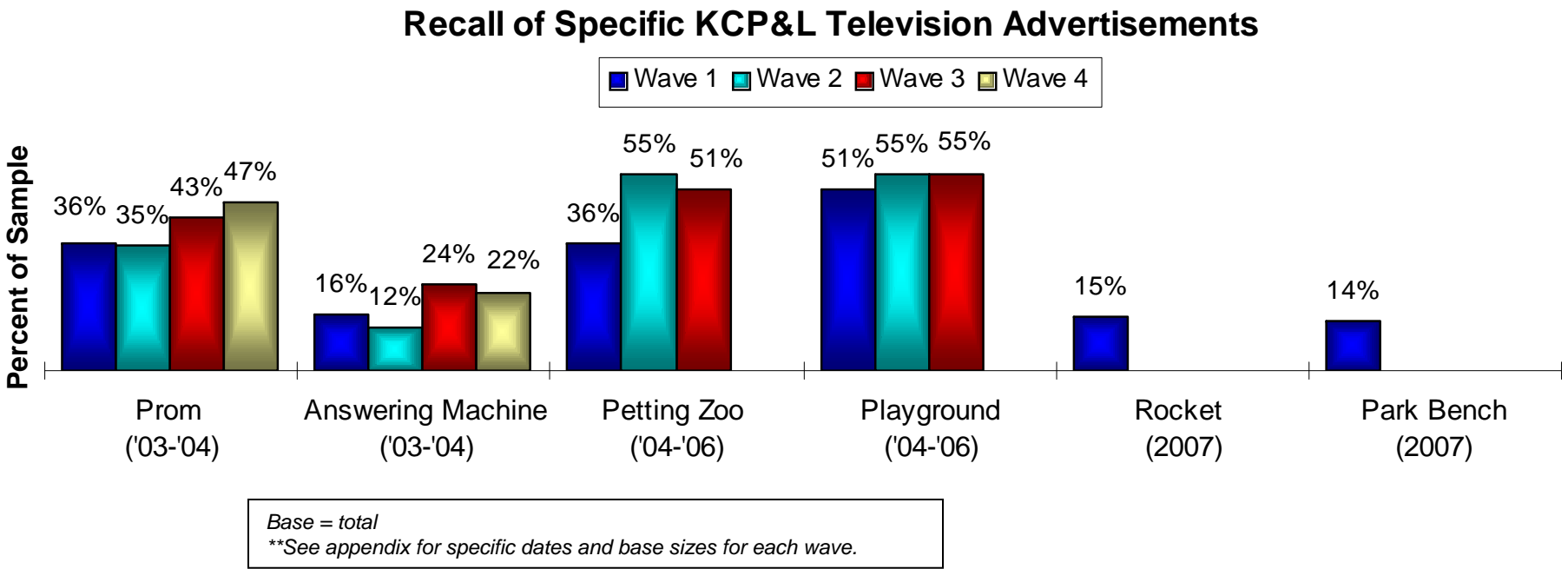
- Altogether, 36 customers, 9% of the total, recall KCP&L newspaper advertising.
 - Of the 36, five remembered the topic to be about energy efficiency tips and four remembered it to be about rate increases. Eighteen of these customers did not recall anything specific about the newspaper advertising.
 - When asked what they thought the main message of the advertising was, only one specific message, energy conservation, was mentioned by more than a few customers (9 mentions).
- In comparison, 10 customers, 3% of the total, recall KCP&L radio advertising.
 - When asked what they thought the main message of the advertising was, seven of the ten were unable to recall.
 - Of the ten, one remembered the energy savings tips and one remembered safety tips.



Specific Ad Awareness and Recall

Aided Recall of KCP&L TV Commercials

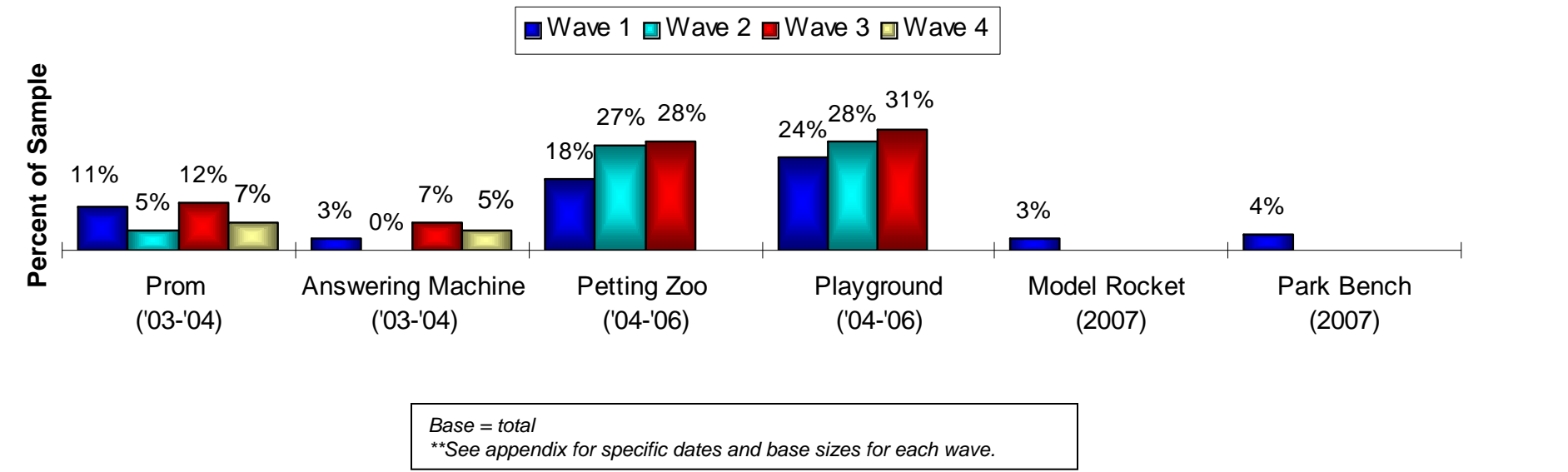
- During the months of September – December, data was collected about KCP&L’s new image commercials. The total sample size was 220.
- On an aided basis, approximately 15% of the customers recall “Rocket” and “Park Bench” during the four months of data collection. Overall, one in five respondents recall one or both of the commercials.
- Although recall is significantly lower than “Prom”, “Petting Zoo: or “Playground”, it is comparable to the first wave of “Answering Machine”. Like “Answering Machine” and “Prom”, “Rocket” and “Park Bench” are image ads rather than action-oriented ads.



Unaided Recall of TV Commercial Sponsorship

- Less than 5% of the 220 respondents were able to unaidedly recall the company or organization sponsoring “Model Rocket” and “Park Bench”.
 - These percentages are significantly lower than recall for “Playground” and “Petting Zoo” in previous years.
 - “Model Rocket” and “Park Bench” are comparable to “Answering Machine” in this regard.

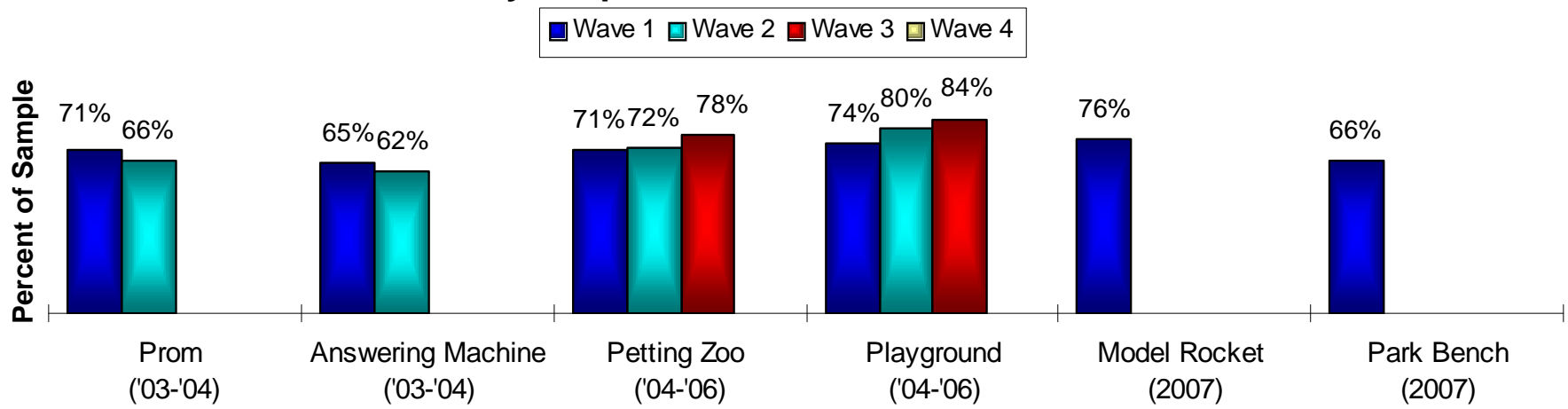
Recall of Specific KCP&L Television Ad Sponsorship



Likeability of TV Commercials

- Two-thirds of the customers who recall “Park Bench” and over three-quarters of those that recall “Model Rocket” say they like the commercials somewhat or a great deal.
 - These percentages are generally comparable to the first waves of “Petting Zoo” and “Playground”.

Likeability of Specific KCP&L Television Advertisements



Percent who strongly agree or agree. Base = those who recall commercials.

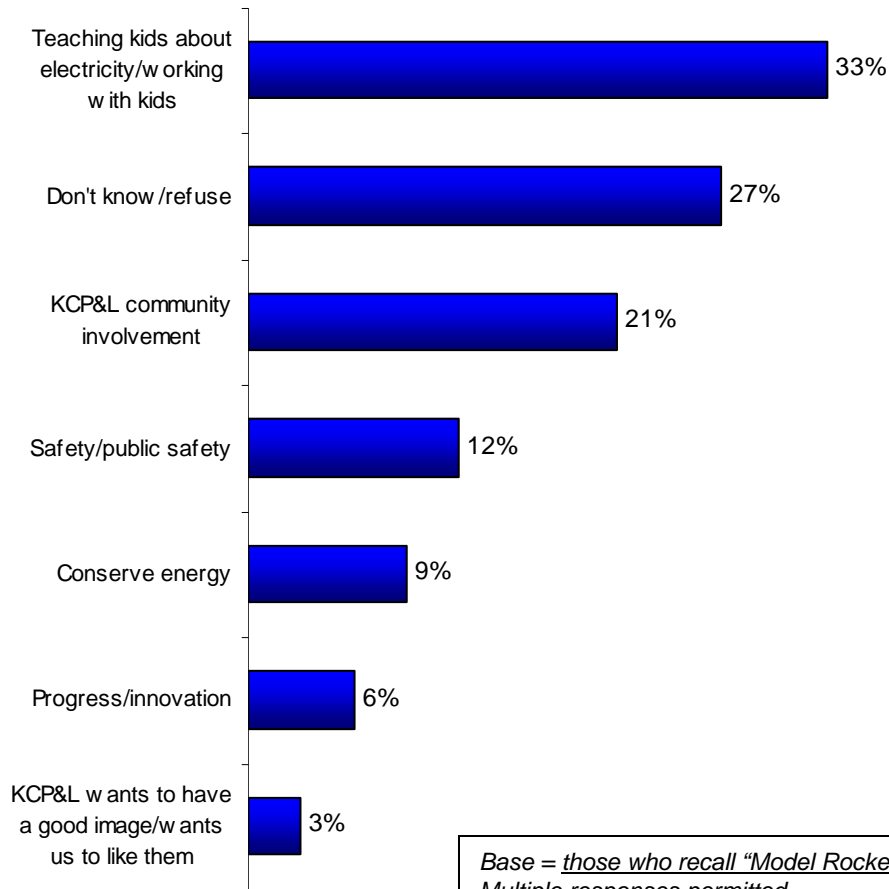
****See appendix for specific dates.



Main Message Recall – “Model Rocket”

What do you think is the main message of "Model Rocket"?

Percent of Those Answering



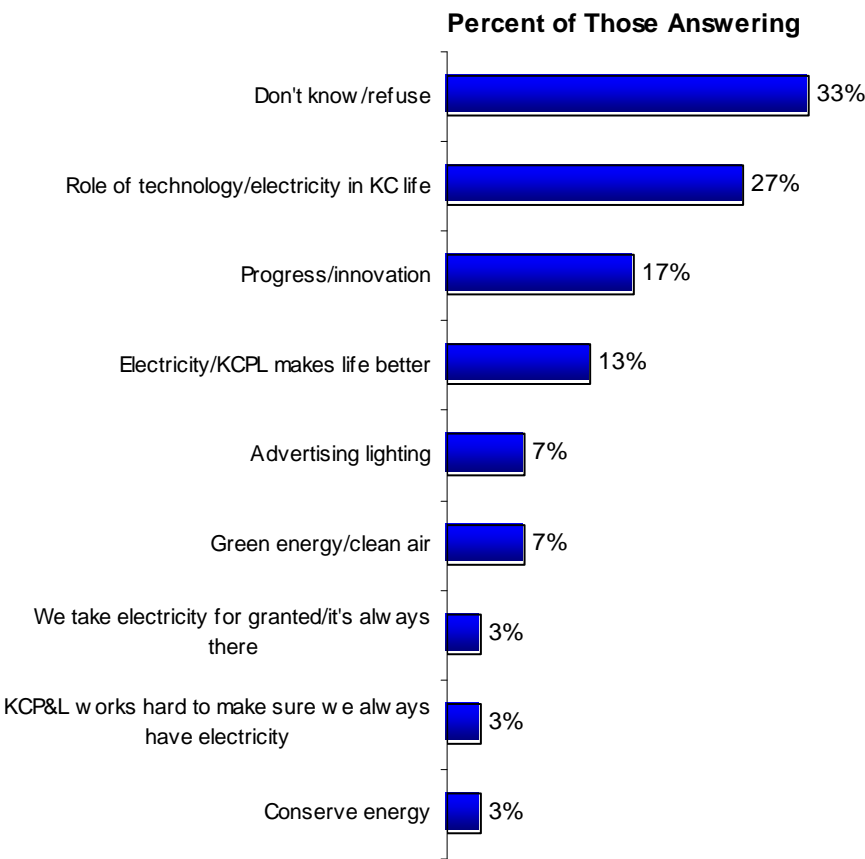
Base = those who recall "Model Rocket". (n=33)
Multiple responses permitted

- Of the 33 respondents who recall “Model Rocket”, the majority (73%) remember the main message of the commercial.
 - This 73% of customers who say they remember a message is directionally higher than message recall for commercials such as “Prom” (34%) and “Answering Machine” (39%) but lower than message recall for “Playground” (95%) or “Petting Zoo” (94%).
- Respondents remember messages that include:
 - Teaching kids about electricity/working with kids (11 mentions),
 - KCP&L community involvement (7 mentions),
 - Safety in general (4 mentions),
 - Energy conservation (3 mentions),
 - Progress and innovation (2 mentions).



Main Message Recall – “Park Bench”

What do you think is the main message of "Park Bench"?



Base = those who recall "Park Bench". (n=30)
Multiple responses permitted.

- Of the 30 respondents who recall “Park Bench”, over 65% say they recall the main message.
 - Again, this 65% of customers who say they remember a message is directionally higher than message recall for commercials such as “Prom” (34%) and “Answering Machine” (39%) but significantly lower than message recall for “Playground” (95%) or “Petting Zoo” (94%).
- Respondents remember messages that include:
 - The role of technology and electricity in Kansas City life (8 mentions),
 - Progress and innovation (5 mentions),
 - Electricity provided by KCP&L makes life better (4 mentions),
 - Advertising lighting in general (2 mentions),
 - Green energy (2 mentions).

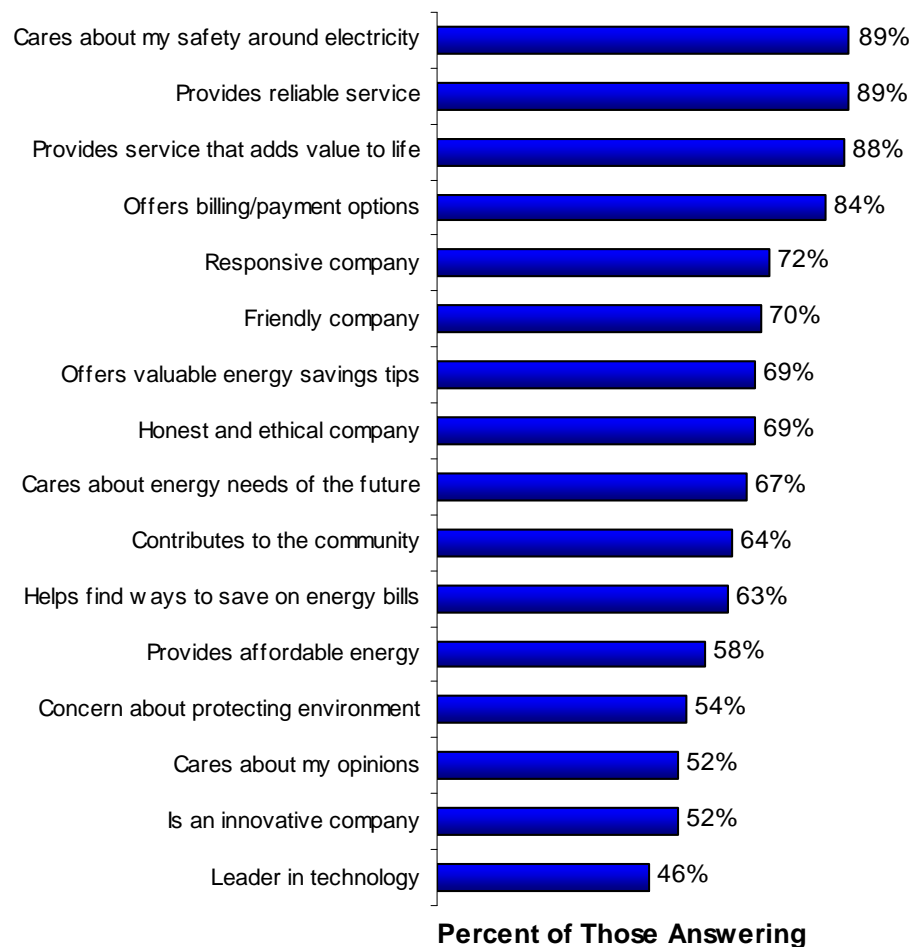


General Attitudes Toward KCP&L

Attitudes Toward KCP&L – Overall Perceptions

- Customers agree most strongly with attitudinal statements indicating that *KCP&L cares about my safety around electricity, provides reliable service, adds value to life and offers billing/payment options.*
 - Statements with the lowest top-2 box scores included being a *leader in technology, is an innovative company, cares about my opinions, is concerned about the environment and provides affordable energy.*
 - Respondents over 65 years of age gave significantly higher top-2 box scores than others for 5 of the 16 statements.

Attitudes Towards KCP&L



Percent who strongly agree or agree. Base = total answering.



Attitudes Toward KCP&L – Annual Comparisons

- For only one statement -- *KCP&L helps me find ways to save money on energy bills* – customers in 2007 gave significantly higher top-2 box scores than in the previous year (63% vs. 57%).
 - Conversely, customers gave significantly lower top-2 box scores for six statements. These were responsiveness, community contribution, providing affordable energy, concern for the environment, innovation and technology leadership. For the latter two attributes – innovation and technology leadership – this is downward trend that has continued over the last two years.
 - There were no significant difference in top-2 box scores for the remaining nine attributes.

Top-2 Box Agreement that KCP&L...	Year				
	2003 (n=379)	2004 (n=380)	2005 (n=418)	2006 (n=384)	2007 (n=385)
Cares about my safety around electricity	N/A	N/A	91%	90%	89%
Provides reliable service	89%	89%	85%	87%	89%
Provides service that adds value to life	88%	91%	87%	84%	88%
Offers billing/payment options	N/A	N/A	91%	84%	84%
Responsive company	82%	79%	81%	79%	72%
Friendly company	75%	70%	75%	72%	70%
Offers valuable energy savings tips	N/A	N/A	69%	74%	69%
Honest and ethical company	70%	68%	74%	68%	69%
Cares about meeting the energy needs of the future	N/A	N/A	72%	71%	67%
Contributes to the community	N/A	N/A	73%	69%	64%
Helps me find ways to save money on energy bills	N/A	N/A	56%	57%	63%
Provides affordable energy	N/A	N/A	66%	70%	58%
Concerned about protecting environment	56%	49%	65%	60%	54%
Cares about my opinions	N/A	N/A	53%	59%	52%
Is an innovative company	N/A	N/A	67%	56%	52%
Leader in technology	N/A	N/A	59%	50%	46%
	Significantly higher than previous year at 95% confidence level or above				
	Significantly lower than previous year at 95% confidence level or above				

Percent who strongly agree or agree. Base = total answering.
 **Customers rated only six of the sixteen attributes for all five years.

Attitudes Toward KCP&L – Relationship to Advertising Recall

- Comparing those who recall KCP&L sponsored advertising to those who do not, those who recall the advertising gave directionally higher (not statistically significant) top-two box scores on twelve of the sixteen attributes.
 - In the 2007 study, those aware of KCP&L sponsorship were significantly more positive with respect to three of the sixteen items. These were all related to the CEP – *concerned about protecting environment, is an innovative company, and leader in technology*. (However, as the previous page showed, overall there is an overall downward trend for *innovation and technology leadership*.)

Top-2 Box Agreement that KCP&L...	Ad Awareness	
	Aware	Not Aware
Cares about my safety around electricity	89%	89%
Provides reliable service	87%	93%
Provides service that adds value to life	88%	88%
Offers billing/payment options	85%	84%
Responsive company	73%	71%
Friendly company	71%	69%
Honest and ethical company	70%	69%
Offers valuable energy savings tips	70%	67%
Cares about meeting the energy needs of the future	68%	64%
Contributes to the community	66%	60%
Helps me find ways to save money on energy bills	65%	60%
Provides affordable energy	60%	55%
Cares about my opinions	50%	56%
Concerned about protecting environment	59%	46%
Is an innovative company	58%	41%
Leader in technology	51%	38%
Significantly higher at 90% confidence level or above		

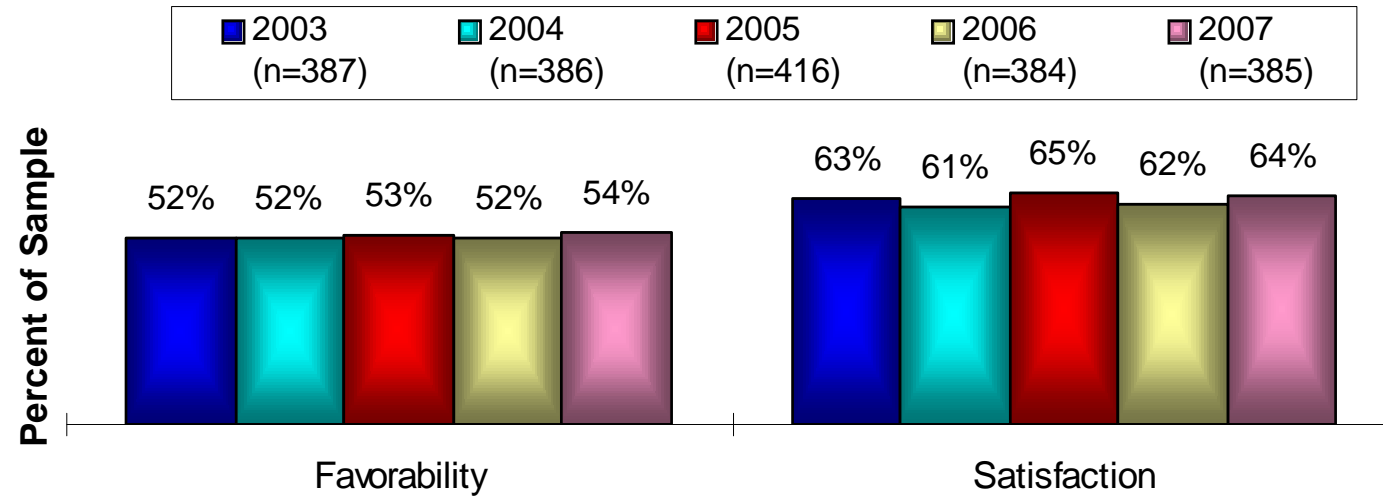
Percent who strongly agree or agree. Base = total answering.



Overall KCP&L Favorability and Satisfaction

- Favorability toward, and satisfaction with KCP&L were virtually identical for the five years of the study.
 - Overall, just under two-thirds of customers are highly satisfied with KCP&L and just over 50% are highly favorable toward the company.
 - Customers over 65 gave significantly higher top-3 box scores than others on both favorability and satisfaction (69% and 75% respectively.)
 - Customers with education levels of high school or less also gave significantly higher favorability top-3 box scores than others (70%).

Top-3 Box Favorability and Satisfaction by Year



Percent giving ratings of 8, 9 or 10 on a 10-point scale where “10” meant *Very Favorable/Very Satisfied*. Base = total.

Overall KCP&L Favorability and Satisfaction by Awareness Level

- Those with awareness of any KCP&L advertising were at least slightly more favorable than those with no awareness toward KCP&L advertising.
 - The differences were statistically significant in 2003, but not statistically significant in any year since.

Top-3 Box (8, 9 10 on 10-pt Scale)	Year									
	2003 (n=379)		2004 (n=380)		2005 (n=418)		2006 (n=384)		2007 (n=385)	
	Aware	Not Aware	Aware	Not Aware	Aware	Not Aware	Aware	Not Aware	Aware	Not Aware
Satisfaction with KCP&L Service	67%	55%	62%	60%	67%	62%	64%	59%	63%	64%
Overall Favorable Rating with KCP&L	58%	41%	53%	50%	56%	500%	54%	46%	55%	53%
	Significantly higher than those not ad aware at 95% confidence level or above									

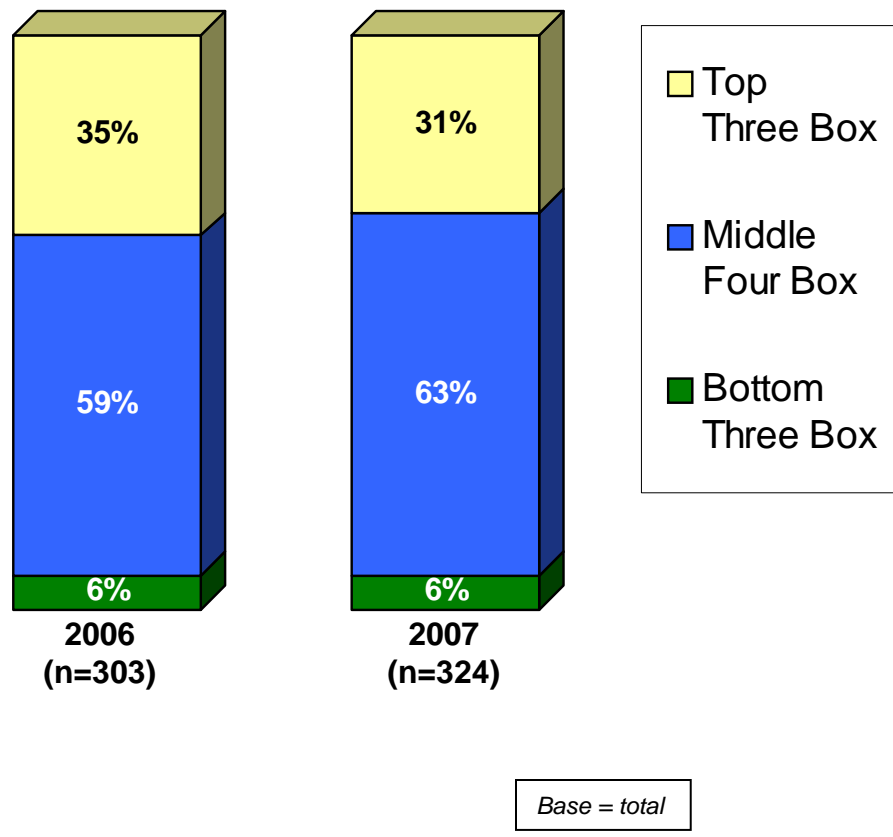
Base = total

Community Involvement/Energy Plan



Satisfaction with KCP&L Community Involvement

Satisfaction with KCP&L's Level of Community Involvement



- The majority of customers have no strong opinion regarding the amount of involvement in the community.
 - Older respondents (65+), those with incomes under \$25,000 and those with high school or less are significantly more likely to give top three box scores (54%, 52% and 47% respectively).



Awareness of KCP&L Sponsorship

- Looking at the combined unaided and aided recall, approximately half of the respondents are aware of KCP&L’s sponsorship of the Plaza Holiday Lighting and the Power and Light District.
 - Over one-fourth (28%) are aware of the Fan Club and 19% are aware of The Great Electricity Show at Union Station.
 - When compared to 2006, significantly more customers this year (77%) are aware of at least one KCP&L sponsorship opportunity. It is surprising that the Plaza Lighting scores are higher this year when data collection in 2006 occurred solely in December while in 2007 it was collected from June to December.

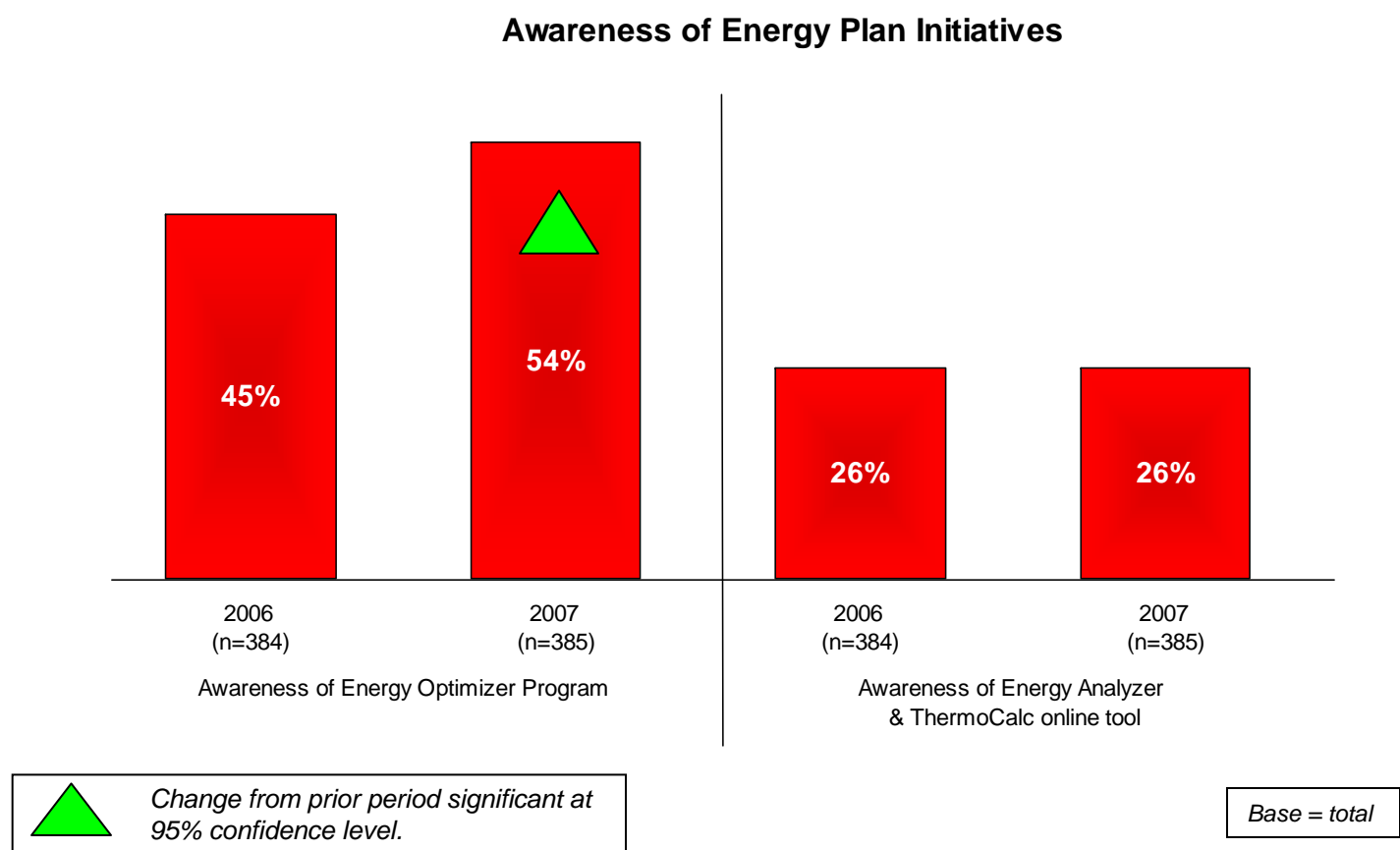
What community events, if any, are you aware of that KCP&L is involved with or sponsors?	Year					
	2006 (n=384)			2007 (n=385)		
	Unaided	Aided	Total	Unaided	Aided	Total
Plaza Lighting	8%	42%	50%	8%	51%	59%
Power & Light District	1%	N/A	1%	4%	49%	54%
Fan Club	0%	N/A	0%	1%	27%	28%
Union Station - The Great Electricity Show	N/A	N/A	0%	1%	19%	19%
KC Zoo's Lorakeets exhibit	1%	9%	10%	2%	13%	14%
Not aware of any (aided or unaided)			43%			23%
	Significantly higher than previous year at 95% confidence level or above					
	Significantly lower than previous year at 95% confidence level or above					

Base = total



Awareness of Comprehensive Energy Plan Initiatives

- Over half of customers are aware of the Energy Optimizer Program, i.e. free programmable thermostat, and approximately one in four are aware of the Energy Analyzer and ThermoCalc online tools.
 - Awareness of the Energy Optimizer Program has increased significantly over the past year.
 - Caucasians and Northland residents are significantly more likely than others to be aware of the Energy Optimizer Program (58% and 65% respectively).
 - Those who were aware of the general ad campaigns are significantly more likely to remember the online tools (31%).



Survey Questionnaire

The Survey Instrument

Double click the icon below to access the survey instrument.



2007 Ad Awareness
Questionnaire

Interview Schedule and Sample Size for Each Advertising Campaign

T.V Advertisement	Interviewing Dates for Each Wave			
	Wave I	Wave II	Wave III	Wave IV
"Prom"	Apr-03	Jul-03	Oct-03	Oct-04
"Answering Machine"	Apr-03	Jul-03	Oct-03	Oct-04
"Petting Zoo"	Oct-04	Sep-05	Dec-06	
"Playground"	Oct-04	Sep-05	Dec-06	
"Model Rocket"	Sept-Dec 2007			
"Park Bench"	Sept-Dec 2007			

T.V Advertisement	Sample Size			
"Prom"	100	100	387	386
"Answering Machine"	100	100	387	386
"Petting Zoo"	387	416	384	
"Playground"	387	416	384	
"Model Rocket"	220			
"Park Bench"	220			

