

Carbon Down

2008-2011
Evaluation Report
October 2011



Carbon Down is a climate change partnership between VECCI and the Victorian Government.

CONTENTS

FOREWORD	1	KEY EVALUATION QUESTIONS AND PROGRAM ACHIEVEMENTS	43
EXECUTIVE SUMMARY	2	KEQ1. What impact did Carbon Down have?	43
INTRODUCTION	6	KEQ2. To what extent was Carbon Down an effective driver or change?	49
CARBON DOWN PROGRAM LOGIC	7	KEQ3. To what extent did participating SMEs value the Carbon Down initiatives?	59
CARBON DOWN JOURNEY	11	KEQ4. What program knowledge was gained about how to reach and engage SMEs?	67
Year One	12	KEQ5. Was Carbon Down a value for money project?	71
Year Two	16		
Year Three	19		
ABOUT THIS REPORT	23	CONCLUSIONS	74
Evaluation Framework and Research Methodologies	23	RECOMMENDATIONS	77
Limitations to the Online Research	24		
Data Collection Methodologies	24	APPENDIX	79
Methodologies for Measuring Reach, Engagement and Activity	25	Case Study - Bendigo Bank	81
Methodologies for Measuring Reduction in Carbon Emissions	26	Case Study - Moreland Energy Foundation	84
		Case Study - Collingwood Football Club	86
		Case Study - Choose GreenPower	88
		Case Study - Grow Me The Money	91
		Case Study - Paint the Town Green	94
		Case Study - Social Media	97
		Case Study - What can I do right now	100
		Case Study - Carbon Compass	103
		Case Study - Carbon Column	106
DELIVERING CARBON DOWN	28		
Governance and Guidance	28		
Strategies	31		
Partners	34		
Online Approach	39		
Segmented Approach	40		
Direct Personalised Contact	41		
Place Based Approach	42		
Financial Incentives	42		

→ FOREWORD

Carbon Down is a partnership between the Victorian Government agency Sustainability Victoria and the Victorian Employers' Chamber of Commerce and Industry (VECCI), aimed at reducing the environmental impact of Victorian businesses. The primary strategy of the program was to partner with large companies and organisations to develop programs and services to help SMEs to reduce their carbon footprint, and operating costs in the process. Carbon Down partnered with Victorian business and industry to reduce carbon emissions through education and behaviour change.

The program ran for three years, from 2008 to 2011. This report summarises the evaluation findings, demonstrating the impacts of the program and its ability to reach, engage and support small to medium-sized enterprises (SMEs) in Victoria in their efforts to reduce carbon emissions and use resources more efficiently.

Much has been accomplished since the program commenced at the beginning of the 2008-09 financial year. The basis of this report is an independently assessed, objective evaluation of the Carbon Down program, which concluded on 30 June 2011.

Major weather events, the state of the economy and debate in the media have all had a significant impact over the past three years on attitudes in both the business world and general public to tackling climate change. Carbon Down has found a way to deliver its program outcomes in the midst of a changing landscape and considerable confusion about the best way to act on climate change.

Carbon Down has provided business and government with knowledge on behaviour change, carbon reduction and the SME sector. Three years of insights and knowledge gained from the program will help inform the future of the state's climate change related policy and activity. The team involved in developing the program have accumulated a great deal of expertise in this field, which makes them uniquely positioned to share the successes and lessons learnt about how to drive behaviour change, resource efficiency and carbon emissions reduction activities among SMEs for the mutual benefit of both business and the environment.

The transformation of Carbon Down from a fledgling idea to a fully functioning and high-achieving program has been swift. The delivery team has built its knowledge and expertise through experience and independent research, and redefined its strategies and tactics in response to these insights. Carbon Down has made significant inroads to reducing the carbon emissions of the Victorian small business community. We are extremely proud of our achievements and are pleased to present what we hope will be a useful reference source for program managers and policy makers alike.

Thank you to all staff, partners, vendors, stakeholders and of course all of the small businesses who have taken action themselves, for helping to achieve this fantastic outcome.

→ EXECUTIVE SUMMARY

→ PURPOSE OF THIS REPORT

In developing the Carbon Down program, VECCI and Sustainability Victoria aimed to provide support to and work with Victorian business to reduce carbon emissions and prepare for the new 'low carbon economy' of the future. There was a strong business case for doing so: SMEs are critical to Victoria. There are 514,000 SMEs in Victoria representing more than 95% of all Victorian businesses¹. They are the most significant employer providing 47%² or 1.2 million of Victoria's private sector jobs and in 2010, SMEs contributed approximately 30% of the state's GSP, a total of \$90.4 billion³. They are vital to the growth of Victoria's economy and as a sector contribute 30% to the state's total greenhouse gas emissions⁴.

This report has been designed to demonstrate the impact the Carbon Down project had on its target audience, how well it performed against its objectives and targets, and the lessons learnt from delivering the program.

→ OBJECTIVES AND RESULTS

The goals and milestones as outlined in the 2008-10 business plan were:

1. To establish a range of world leading business-to-business (B2B) knowledge sharing platforms.
2. To become a trusted source of advice in relation to B2B programs and methodologies.
3. To partner with a range of organisations delivering carbon reduction programs, products and other solutions.
4. To increase measurable knowledge, attitude and positive behaviour change among SMEs in relation to carbon management.
5. To achieve measurable reductions in the carbon emissions produced by Victoria's SMEs.

During the three years it operated, Carbon Down actively reviewed and improved strategies and methodologies as knowledge developed. The unremitting changes in the business world also meant the program had to adapt. The result is an impressive network of engaged and active SMEs and a solid knowledge base of how to inform and facilitate voluntary carbon reduction amongst Victorian businesses. The program has resulted in a profound understanding of what SMEs want. It has identified the products, services, tools and messages that will encourage SMEs to take action to reduce carbon emissions, save money on energy resources and prepare for the new 'low carbon economy', while improving their business competitiveness at the same time.

¹ ABS, 8165.0 - Counts of Australian Businesses, including Entries and Exits, June 2007 - June 2009.

² Government of Victoria, Business Victoria, http://www.business.vic.gov.au/BUSVIC/STANDARD/PC_50004.html

³ Government of Victoria, Business Victoria, http://www.business.vic.gov.au/BUSVIC/STANDARD/PC_50004.html and ABS, 5220.0 Australian National Accounts: State Accounts.

⁴ Carbon Footprint of Victoria's Small and Medium Enterprises - A Carbon Down research report.

Throughout the three year program, Carbon Down met 100% of its targets. These results are listed in Table 1 below.

Table 1: Performance against targets

PROGRAM OBJECTIVES		TARGET 09-10	RESULT 09-10	TARGET 10-11	RESULT 10-11
Raise awareness amongst Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit.	No. SMEs reached	76,000	258,516	250,000	405,011
	No. SMEs directly engaged	n/a	n/a	20,000	20,340
Reduce barriers and increase motivation among SMEs to take up carbon management and reduction activities.	No. carbon management activities adopted	20,000	20,033	12,000	23,518
Demonstrate measurable carbon reduction by SMEs through a mass-reach program.	Tonnes of CO ₂ - e saved	20,000	28,083.2 (verified) 1,774 tonnes (unverified)	40,000	42,614 (verified) 3,758.8 (unverified)

Please note: The first year of Carbon Down focused on program development which enabled results in years two and three.

In addition to educating and influencing SMEs to take action, Carbon Down achieved a total carbon reduction of 71,691 tCO₂-e. The return on investment (ROI) in 2009-10 was \$127.20 per tCO₂-e, reducing to \$70.05 per tCO₂-e in 2010-11 and if continued in 2011-12 was projected to be \$44.10 per tCO₂-e.

→ SCOPE AND METHODS USED

To assess Carbon Down's performance, an evaluation framework was created that included five key evaluation questions outlined below.

1. What impact did Carbon Down have?
2. To what extent was Carbon Down an effective driver of change?
3. To what extent did participating SMEs value the Carbon Down initiatives?
4. What program knowledge was gained about how to reach and engage SMEs?
5. Was Carbon Down a value for money project?

These questions guided the collection of data and information and shaped the design of the research used to measure the performance of the Carbon Down program. In order to record and analyse the carbon emissions reduction results, robust processes for measurement were also developed.

The research methods drew upon information from a number of sources including internal document reviews, quantitative and qualitative research including interviews with SMEs, key partners, stakeholders and current and former staff who had been responsible for implementing Carbon Down initiatives.

→ MAJOR FINDINGS

SMES ARE UNDER FINANCIAL PRESSURE

Quantitative research conducted in mid-2011 among 1,000 Victorian SMEs show that businesses are feeling cost pressures more than ever⁵:

- Financial survival is the main concern of SMEs (44%), followed by staffing (31%) and revenue (29%)
- The majority of SMEs (60%) are in agreement that the global financial crisis is still affecting their business
- More than two thirds (69%) of SMEs believe the carbon tax will impact their business financially
- The indirect costs created for SMEs by the Federal Government's carbon tax, coupled with rising electricity and waste disposal is likely to put increased financial pressure on SMEs. Therefore, it is important for SMEs to identify new ways of delivering their products and services more efficiently to help minimise the impact on their bottom lines. Supporting Victorian SMEs in a carbon taxed economy will be vital to keeping the state's business sector competitive.

BUSINESS RELEVANT COMMUNICATION IS ESSENTIAL

Through our experience we know that SMEs want:

- Commercial value
- Simplicity
- Advisors they can trust.

Most SMEs are motivated to take action when sustainability and real commercial value are linked. Research showed 50% of businesses mentioned profitability as the primary reason for making sustainable changes⁵. In delivering Carbon Down, many opportunities to help Victorian SMEs not only reduce their environmental impact, but make substantial savings to their bottom line were discovered. However, research also showed a significant 73% of businesses admitted they do not know how to make further sustainability improvements⁵, indicating a need for further information, support and guidance in ways that can be easily understood and used.

'Trust' and 'credibility' of sustainability and business advisors is also very important for SMEs. When ranking who they would trust the most for sustainability information, SMEs trust those in positions of authority and experts such as industry associations, government and scientists.

⁵ Victorian Businesses Climate Change Knowledge, Attitudes and Behaviours - A Carbon Down research report. October 2011.

→ KEY RECOMMENDATIONS FOR SME PROGRAMS

In delivering Carbon Down, the following are key recommendations that should be considered in designing a program for SMEs that targets voluntary carbon reduction and resource efficiency:

- Appeal to the financial interests of SMEs: Include a strong focus on marketing opportunities and financial gain as motivators for participation
- Keep it simple, practical and action focused: SMEs are time and resource poor so communication must be effective to reach and engage them
- Segment the SME market: Identify the strategies and approaches to reach the targeted sectors effectively, and segment them according to their diverse issues and needs
- Reduce financial barriers: Include rebates, discounts or incentives to help reduce the upfront costs for SMEs
- Use personal and direct program delivery methods: Despite the increased resourcing demand from intensive methods, the necessary SME engagement and activity will be more effective with this depth of contact
- Build trust from SMEs and awareness of who to ask for information: Government and business working together for the benefit of SMEs is a compelling message that creates trust and more effective program delivery
- Ensure there are early wins for SME action: Where possible, provide (and help install) free resource efficient products on-site to the SME owner as this will ensure at least these smaller changes are achieved
- Engage supply chains and stakeholders to reach SMEs: Engage strategic partners to influence the SME, with large companies in the SMEs' supply chain
- Utilise the power of consumer demand for 'green products': Sustainability programs able to demonstrate to SMEs the case for consumer interest in, and demand for sustainable products will have greater success.

→ INTRODUCTION

In 2007, VECCI and Sustainability Victoria recognised an opportunity to accelerate carbon reduction among SMEs. Prior to the launch of the Carbon Down program, programs in the SME sector in Victoria were largely scarce, particularly those with an awareness and educational focus. Australia had ratified the Kyoto Protocol and the then Rudd Federal Government had announced that it intended to introduce the Carbon Pollution Reduction Scheme (CPRS) in an effort to reduce carbon emissions.

VECCI and Sustainability Victoria understood that it was important to support SMEs in meeting any new regulatory requirements and help reduce the impact of any such policy changes. As well, VECCI and Sustainability Victoria understood the potential that by creating awareness and educating SMEs on how they could take action, they could achieve cost savings by reducing their consumption and addressing their environmental impact. These all provided the business case for developing a program that would prepare SMEs for the new low carbon economy of the future. As a result, funding was secured to develop and deliver a three-year program called Carbon Down.

During the three years of operation, Carbon Down actively reviewed and improved strategies and methodologies as knowledge developed. The unremitting changes in the business world also meant the program had to adapt. The result is an impressive network of engaged and active SMEs, and a solid knowledge base of how to inform and facilitate voluntary carbon reduction amongst Victorian businesses.

While the objectives of Carbon Down evolved over the course of three years to reflect knowledge gained from program delivery and the changing environment, the common themes underlying all the objectives were to:

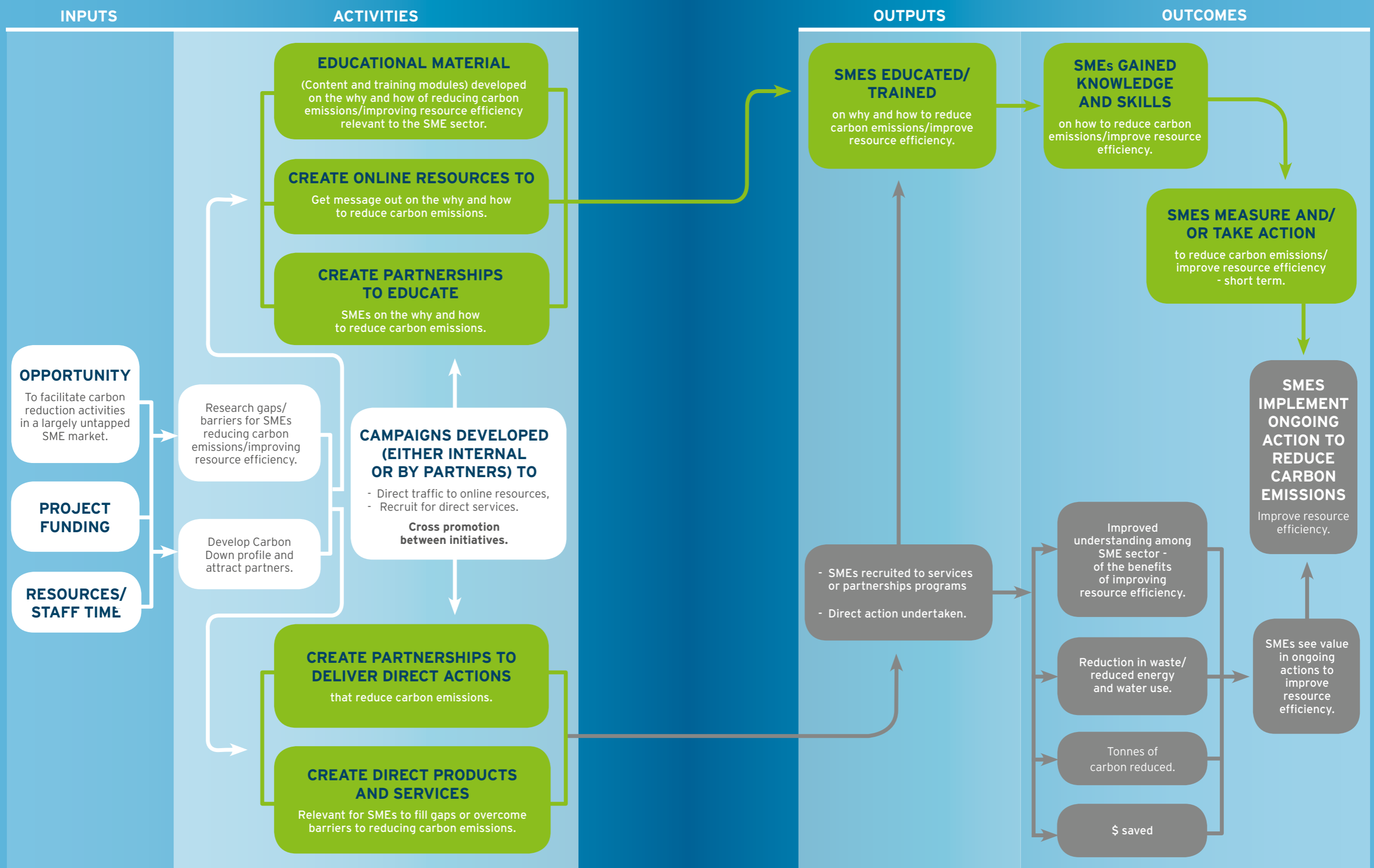
- Raise awareness among Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit
- Increase the number of SMEs undertaking carbon management action
- Demonstrate measurable carbon reduction.

Two streams of program logic were created that tested two approaches outlined in Table 2. The logic ran in tandem and involved:

- An approach focused on education and awareness, where reach could be maximised, but carbon outcomes were not as easy to measure; and
- An approach focused on prompting action, was generally more intensive and created carbon outcomes that were easier to measure.

→ CARBON DOWN PROGRAM LOGIC

Table 2: Carbon Down program logic



This evaluation report will guide you through the successes and lessons learnt in applying these two approaches, and how well Carbon Down achieved its desired outcomes in terms of its objectives and targets outlined in Table 3 below.

Table 3: Carbon Down's program objectives and targets

PROGRAM OBJECTIVES	METRIC	TARGET 09-10	TARGET 10-11
Raise awareness amongst Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit	No. SMEs reached	76,000	250,000
	No. SMEs directly engaged	n/a	20,000
Reduce barriers and increase motivation among SMEs to take up carbon management and reduction activities	No. carbon management activities adopted	20,000	12,000
Demonstrate measurable carbon reduction by SMEs through a mass-reach program	Tonnes of CO ₂ - e saved	20,000	40,000

Please note: The first year of Carbon Down focused on program development which enabled results in years two and three.

For further information about how program metrics were measured, please refer to pages 25-26.

➔ **CARBON DOWN RESULTED IN AN IMPRESSIVE NETWORK OF ENGAGED AND ACTIVE SMES, AND A SOLID KNOWLEDGE BASE OF HOW TO INFORM AND FACILITATE VOLUNTARY CARBON REDUCTION AMONGST VICTORIAN BUSINESSES.**

→ CARBON DOWN JOURNEY

THE MISSION

Carbon Down helps Victorian business and industry work together to reduce carbon emissions and prepare for the new 'low carbon' economy of the future.

THE BUSINESS CASE

The initial business case for Carbon Down outlined the need, opportunity, methodology and evidence for the program. The evidence demonstrated that mobilising the Victorian SME sector was key to reducing Victoria's carbon footprint. Additionally, the majority of the sector knew that action on climate change was needed, but didn't know where to start or didn't recognise the need to act. Therefore education to address these shortcomings was required. In order to do so, key strategies and methodologies were identified within the business case as a means to mobilising the sector.

The goals and milestones outlined in the 2008-10 business plan were:

1. To establish a range of world leading business-to-business (B2B) knowledge sharing platforms
2. To become a trusted source of advice in relation to B2B programs and methodologies
3. To partner with a range of organisations delivering carbon reduction programs, products and other solutions
4. To increase measurable knowledge, attitude and positive behaviour change among SMEs in relation to carbon management
5. To achieve measurable reductions in the carbon emissions produced by Victoria's SMEs.



YEAR ONE: 2008-09

The Carbon Down business case identified the following strategies to be used in delivering the program:

1. Use a mixture of known and reliable channels and incentives to educate SMEs on the carbon challenge, and help SMEs understand their role in meeting this challenge.
2. Direct businesses to a new internet 'Wiki' based interactive space (a website that allows collaborative editing of business content by its users), for businesses to meet and learn. This space was designed to be the 'go to place' for SMEs wanting to know more about businesses climate change, and how they can act. This space was also to be used by government departments and agencies to 'boost' the intellectual property available, especially in the early stages of the program.
3. Develop Partnerships with large corporates seeking to gain competitive advantage through delivery of sustainable services to its clients and/or supply chain.

In year one, Carbon Down focused on program design and development, researching the carbon footprint and knowledge of carbon reduction activities, researching the attitudes and behaviours of the SME sector and recruiting partners to the program. At the end of year one, Carbon Down had developed a brand and brand strategy, conducted two research projects on the SME sector, developed a training product and signed several partners.

Rather than generating awareness and driving action directly with small businesses, Carbon Down aimed to utilise existing communication channels and relationships that organisations had with SMEs in order to achieve outcomes. Large companies and organisations with mass reach potential within their supply chain, customer base or SME network were targeted to drive and influence the carbon reduction related awareness and behaviour change.

In November 2008, Carbon Down was launched to just under 100 attendees. A series of events were conducted in November and December that year to attract potential partners. During this time, Carbon Down focused on developing partnerships with like-minded organisations to provide knowledge, funding and support to projects that encouraged SMEs to find new ways of thinking and operating in the low-carbon economy. Carbon Down engaged with 24 potential organisations which revealed that there was a need for established carbon reducing products and services if organisations were to achieve Carbon Down objectives.

This was in part due to the 'global financial crisis' (GFC), which coupled with the Rudd Government's decision to abandon the proposed emissions trading scheme (CPRS) in 2009, meant that large businesses who were looking to strategically align themselves with sustainability objectives tended to reprioritise these objectives and, in some cases, discontinue related projects. It became a more challenging task for Carbon Down to attract large organisations as business partners.

Carbon Compass was developed as an adaptation to the wiki based interactive space outlined in the business case which utilised technologies designed to create an interactive knowledge bank but would minimise the level of user engagement required to pool knowledge.

KEY ACTIVITIES

- Carbon Down program launched
- Survey of 1,000 Victorian SMEs climate change related knowledge, attitude and behaviours conducted
- Victorian SME Carbon Footprint Survey commenced, with the aim of understanding the carbon emissions of SMEs in Victoria
- 6 partners signed including Collingwood Football Club's Green Magpies program
- Carbon related support, tools and resource provided through Grow Me The Money
- Carbon Column developed, a weekly column syndicated to organisations with SME reach
- Carbon Compass developed in beta, and tested with a sample group of users
- Industry segmented fact sheets on the impacts of climate change published
- Carbon 101 training product developed.

Carbon Down Victorian SME Business Research

- 75% agree that financial crisis was affecting their business
- 83.6% are concerned about climate change
- 77% recognise that they can do something about climate change
- 90.2% are recycling
- 68% monitor electricity usage
- 51% identify cost as barrier.

POLITICAL AND ENVIRONMENTAL EVENTS

- Australians' support for action on climate change gathers momentum post ratification of Kyoto protocol
- Rudd says "no" to nuclear power
- Global financial markets plunge
- 52% of households aware of GreenPower⁶
- 33% of households were willing to pay extra for GreenPower⁷
- Newpoll: 6 in 10 support ALP Government's Carbon Pollution Reduction Scheme (CPRS)
- Obama pledges to create 5 million new green collar jobs⁸
- Rudd announces 5% - 15% carbon reduction by 2020
- Garnaut says emissions reduction target not high enough
- Barack Obama wins a landslide victory
- Unemployment rises to 4.4%
- Australian Federal Govt delivers \$10.4 billion economic stimulus package
- EPA: If everyone in the world lived like Victorians, four planets would be needed
- Scientific reports link climate change and bushfires
- Earth Hour goes global
- Maldives first country to go carbon neutral
- 62% QLD under water and North QLD flood bill tops \$210m
- Andrew Bolt publishes the 10 warming myths
- Rudd says ALP Government will delay introduction of ETS
- Best year on year improvement in environmentally sustainable consumer behaviour are the Spanish, Germans, French and Australians
- 66% Australians have actively reduced their energy consumption⁹
- 38.2% Australians actively seek out products because they are better for the environment⁹
- 88% of Australians recycle material⁹
- 50% Australians prepared to pay more for energy under proposed CPRS.⁹

⁶ <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features80March%202009>

⁷ <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4613.0Chapter35Jan+20108>

⁸ <http://www.abc.net.au/worldtoday/content/2008/s2517328.htm>

⁹ <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features20Jun+2010>

The objectives and targets for the following two years were then articulated at the end of the 2008-09 financial year as follows:

	OBJECTIVE	TARGET 09-10	TARGET 10-11	TARGET TOTAL
1	Raise awareness among Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit.	Reach 36,500 (10 per cent) Victorian SMEs with key messages.	Reach 36,500 (10 per cent) Victorian SMEs with key messages.	Reach 73,500 (20 per cent) Victorian SMEs with key messages.
2	Reduce barriers and increase motivation among SMEs to take up carbon management reduction activities.	20,000 carbon management and reduction activities adopted.	30,000 carbon management and reduction activities adopted.	50,000 carbon management and reduction activities adopted.
3	Make low-cost, practical carbon-reduction information available and accessible to all Victorian SMEs.	Information and advice available in more than 200 new locations.	Information and advice available in more than 800 new locations.	Information and advice available in more than 1,000 new locations.
4	Demonstrate measurable carbon-reduction through a mass reach program.	Carbon emissions cut by 20,000 tonnes.	Carbon emissions cut by 30,000 tonnes.	Carbon emissions cut by 50,000 tonnes.
5	Document and share lessons learnt with key stakeholders.	Release one ground-breaking research report.	Release two ground-breaking research reports.	Release three ground-breaking research reports.



YEAR TWO: 2009-10

In year two, Carbon Down continued its efforts to map the SME sector through several research initiatives, while at the same time ramping up the focus on delivery and results. Key partnerships, including Bendigo Bank, Collingwood Football Club and Grow Me The Money were major contributors to the year two results. Bendigo Bank had experience delivering a light globe exchange program to the household sector and so adapted this idea to the SME sector. Collingwood Football Club was well matched to deliver educational activities so this suited the existing training products that Carbon Down had already designed in year one.

In talking to other potential and existing partners, it became evident that the key to achieving program targets and timelines was to use more tried and tested products and services, particularly to achieve measurable carbon reduction. Grow Me The Money was often used as a 'best practice' example during conversations with other prospective Carbon Down partners but other less intensive, more targeted products and services were required. Carbon Down diversified offerings to get more partners on board. As a result, Carbon Down developed pilots such as Choose GreenPower and What Can I Do Right Now (WCIDRN).

More information about the impact of each of these programs can be found within this report.

	OBJECTIVE	TARGET 09-10	REVISED TARGET 09-10
1	Raise awareness among Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit.	Reach 36,500 (10 per cent) Victorian SMEs with key messages.	Reach 76,000 ¹⁰ (20 per cent) Victorian SMEs with key messages.
2	Reduce barriers and increase motivation among SMEs to take up carbon management reduction activities.	20,000 carbon management and reduction activities adopted.	No change
3	Make low-cost, practical carbon-reduction information available and accessible to all Victorian SMEs.	Information and advice available in more than 200 new locations.	No change
4	Demonstrate measurable carbon-reduction through a mass reach program.	Carbon emissions cut by 20,000 tonnes.	No change
5	Document and share lessons learnt with key stakeholders.	Release one ground-breaking research report.	No change

¹⁰ Midway through year two, due to the success of the carbon column the Reach target was revised up to 76,000 Victorian SMEs as outlined in the table above.

The strategies outlined in the original business plan were refined to reflect the objectives of the program which included documenting and sharing lessons learnt with key stakeholders. In year two there was a big focus on cultivating thought leaders, testing new ideas, delivering solutions through relationships and providing up to date knowledge on behaviour change, carbon reduction and innovation which was drawn out in 2009-10 business plan:

Build and share knowledge and innovation

Carbon Down provides business and government with up-to-date knowledge on behaviour change, carbon reduction and innovation to help shape Victoria's response to climate change. We build knowledge through research and evaluation, and our ability to cultivate thought leaders and test new ideas.

Identify needs, and create and share solutions

Carbon Down identifies the information, education and support needs of SMEs and builds or uncovers solutions to service those needs. We deliver these solutions through our relationships.

Build relationships with business and government

Carbon Down builds strong relationships with business and government to provide the foundations for mass reach into the SME market. We do not market directly to SMEs; we reach and influence SMEs through our relationships with bigger business and government.

Celebrating Achievements

The Carbon Down brand is not building a consumer profile, yet its achievements are valuable to all Victorians. Carbon Down communicates this by celebrating the progress, learning and results of the program - both internally and publicly.

KEY ACTIVITIES

- Bendigo Bank signed on to deliver Ban the Bulb campaign which ran over three months, as a light globe exchange program, engaging 448 SMEs, equating to 22,571.7 tonnes of carbon abatement
- Grow Me The Money Awards for Action campaign rewards businesses for taking action
- Carbon Down partnership signed with Moreland Energy Foundation, resulting in 33 SME assessments spanning over the 2009/10 financial year
- Talking Carbon to SMEs research published
- Carbon Compass officially launched in March
- What can I do right now website launched in May
- Choose GreenPower piloted in May-June.

POLITICAL AND ENVIRONMENTAL EVENTS

- Govt's Climate Ready program to create 180 Green Jobs¹¹
- Australian bush fire season starts early
- Senate passes bill: 20% of power from renewable energy by 2020
- Australia's warmest winter on record
- Australia world's highest per capita carbon emitter¹²
- Garrett blamed for insulation debacle.
- Estimated cost of arctic ice melt is 2.4 trillion by 2050¹³
- Floods crisis in Roma and Charleville, south-west Queensland
- Over 4,000 cities and towns participate in Earth Hour
- Australian Lifestyles of Health and Sustainability (LOHAS) market valued at \$19 billion
- Second attempt to get ETS through Senate fails
- Tony Abbott elected leader of Federal Liberal Party and announces he is sceptical about climate change
- Liberal Party split over way forward on climate change
- March hottest month on record globally
- ALP Government announces it will delay ETS until 2013
- Rudd rating plummets after reversal on climate policy
- Gillard replaces Rudd as Prime Minister in June 2010
- 84% Australians concerned about environmental impact of purchasing decisions¹⁴
- 80% Australians know what a green or environmental product is. 50% know something of environmental rep of companies they buy from¹⁵
- Newspan: 9 out of 10 think Australia should produce more renewable energy.

¹¹ <http://minister.innovation.gov.au/Carr/MediaReleases/Pages/CLIMATEREADYGRANTSSUPPORT180GREENJOBS.aspx>

¹² http://maplecroft.com/about/news/australia_overtakes_usa_as_top_polluter_09.html

¹³ <http://www.reuters.com/article/2010/02/05/us-climate-arctic-idUSTRE6I45M520100205>

¹⁴ <http://www.netbalance.com/research/AFGC%20GreenShopper%20SummRep.pdf>

¹⁵ www.afgc.org.au/doc.../13-events-sponsorship.html?...green...2010

YEAR THREE: 2010-11

In year three, Paint the Town Green was developed to engage directly with SMEs, and to use the partnership model to increase reach and activity. As a consequence, the Carbon Down brand, initially intended to be visible to partners only, evolved to interact directly with SMEs.

The results and lessons learnt in 2009-10 enabled Carbon Down to develop benchmarks and insights, which in turn led to changes in the 2010-11 objectives and targets. The following table outlines those changes and the rationale for doing so.

	OBJECTIVE	ORIGINAL TARGET 2010-11
1	Raise awareness among Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit.	Reach 36,500 (10 per cent) Victorian SMEs with key messages.
		N/A
2	Reduce barriers and increase motivation among SMEs to take up carbon management reduction activities.	30,000 carbon management and reduction activities adopted.
3	Make low-cost, practical carbon-reduction information available and accessible to all Victorian SMEs.	Information and advice available in more than 800 new locations.
4	Demonstrate measurable carbon-reduction through a mass reach program.	Carbon emissions cut by 30,000 tonnes.
5	Demonstrate measurable carbon-reduction through a mass reach program. Document and share lessons learnt with key stakeholders.	Release two ground breaking research reports.

	REVISED TARGET 2010-11	RATIONALE FOR CHANGE
1	Reach 250,000 (50 per cent) Victorian SMEs with key messages.	Difficulties avoiding duplicate metrics.
	20,000 SMEs participant in program (8% conversion from awareness).	The need to understand number of SMEs that directly engaged with program.
2	12,000 carbon management and reduction activities adopted.	Increase efforts to convert reach to engagement with more targeted activities.
3	N/A	Remove from outcomes level and treat as a driver of results.
4	Carbon emissions cut by 40,000 tonnes.	Focus on activities that will drive higher measurable carbon emissions reduction.
5	N/A	Remove from outcomes level and treat as a driver of results.

In the 2010-11 business plan, the strategies were further refined and reduced into three key objectives. Subsequently, two distinct changes took place; the first was a shift in focus on projects designed to generate SME activity, with less emphasis on cultivating knowledge and thought leadership, and the second was to market directly to SMEs where there was a need to do so.

2010-11 BUSINESS PLAN STRATEGIES

Build and share knowledge and information

Carbon Down supports business as they navigate the low carbon economy. We do this by speaking in jargon free businesses terms, by promoting the business opportunities and celebrating their success. We build knowledge through our experience delivering to business, in testing new ideas and our research and evaluation. We reach a mass number of Victorian SMEs through leveraging the relationships we have with business and government and the power of online channels.

Identify needs, and create and share solutions

Carbon Down provides education and support to SMEs and continually builds and improves upon the solutions available. We strive to innovate and distribute our solutions to an increasing number of Victorian SMEs for the purpose of facilitating the uptake of carbon management actions that lead to carbon reduction.

Build relationships with business and government

Carbon Down builds strong relationships with business and government to provide the foundations for mass reach into the SME market. Our relationships allow us to understand and communicate the often confusing landscape to SMEs and assists in avoiding duplication of resources and offerings. By interacting with big business to understand where they are in their carbon reduction journey, Carbon Down creates opportunities to achieve program outcomes for the mutual benefit of big and small business.

KEY ACTIVITIES - YEAR THREE

- Paint the Town Green pilot achieves 400% of its target
- Bendigo Bank's Energy Saving Initiative
- Published Victoria's SME Carbon Footprint modelling for the first time quantifies Victoria's SME emissions
- Major refresh of What Can I Do Right Now and Carbon Compass
- Commenced second survey of 1,000 Victorian SMEs of climate change related knowledge, attitude and behaviour
- Moreland Energy Foundation tests fridge timer action and rolls out to businesses
- Switch to Save video series published providing carbon reducing how-to information for SMEs.

POLITICAL AND ENVIRONMENTAL EVENTS

- New Zealand ETS comes into effect
- ALP campaigns in Federal election on "no carbon tax" platform
- ALP form a minority govt with independents and Greens
- Victorian Coalition win state election
- Australian dollar reaches parity with US dollar for the first time since deregulation
- Business round table on climate change holds first meeting
- Cyclone Yasi floods QLD and Victoria
- Japanese earthquake kills 18,000 people
- Earthquake devastates Christchurch in New Zealand
- Gillard announces carbon tax and dubbed "Ju-liar" by talkback radio presenter
- Victorian Energy Efficiency Target (VEETs) extended to SME market, target doubled
- Anti and pro action on climate change rallies happen across the nation
- Carbon Down modelling quantifies for the first time the carbon footprint of Victorian SMEs.
 - 30% SMEs
 - 24% Residential
 - 47% Large businesses
- Lowy Institute finds 41% support most aggressive form of action to address climate change (down 5% from previous year) but 60% still prepared to pay more for electricity¹⁶
- Australian dollar hits record high trading against the US dollar.

Carbon Down Victorian SME Business Research:

- 60% agree that financial crisis was affecting their business
- 62% are concerned about climate change
- 69% recognise that they can do something about climate change
- 90.2% are recycling
- 69.9% monitor electricity usage
- 58% identify cost as barrier.

¹⁶ <http://www.news.com.au/national/lowy-institute-poll-finds-41-per-cent-of-australians-think-climate-change-is-a-serious-problem/story-e6frfkvr>

→ ABOUT THIS REPORT

Carbon Down was designed to help SMEs reduce their carbon footprint and use resources more efficiently to save money in the process. This report has been designed to demonstrate the impact the Carbon Down project had on the intended target audience, how well it performed against its objectives and targets, and the lessons learnt from delivering the program.

→ EVALUATION FRAMEWORK AND RESEARCH METHODOLOGIES

To assess Carbon Down's performance, an evaluation framework was created that included five key evaluation questions outlined below.

1. What impact did Carbon Down have?
2. To what extent was Carbon Down an effective driver of change?
3. To what extent did participating SMEs value the Carbon Down initiatives?
4. What program knowledge was gained about how to reach and engage SMEs?
5. Was Carbon Down a value for money project?

These questions guided the collection of data and information and shaped the design of the research used to measure the performance of the Carbon Down program.

In order to record and analyse the carbon emissions reduction results, robust processes for measurement were also developed.

A mixture of sources and research methods were used to answer the key evaluation questions. They were:

- An internal document review
- Quantitative research; and
- Qualitative research that encompassed two levels, as outlined below.

The internal document review used the results from individual programs, campaigns and partnerships, media monitors, Google analytics and evaluation conducted over the three years of the program.

The research methods draw upon information from a number of sources including internal document reviews, quantitative research and qualitative research that encompassed two levels, as outlined below.

LEVEL 1 - Researching the effectiveness of the program to reach and engage SMEs. This research involved interviewing key stakeholders responsible for implementing Carbon Down initiatives. They were asked to provide insight into the relative success of the Carbon Down model in reaching and creating direct engagement with SMEs. Those interviewed were:

- Key partners (one-on-one in-depth interviews):
 - Bendigo Bank
 - Collingwood Football Club
 - Moreland Energy Foundation
 - Bendigo Sustainability Group.
- Current and former staff, stakeholders and vendors (semi-structured group interviews):
 - Current and former VECCI managers and Sustainability Victoria managers
 - Current and former marketing managers and communication vendor
 - Current delivery staff.

LEVEL 2 - Researching the effectiveness of the program to drive change among SMEs. The research consisted of:

- Nine one-on-one in-depth interviews with a sample of SMEs across industry type and size and level of involvement in Carbon Down initiatives. The sample also ensured SMEs from a range of Carbon Down initiatives were included.
- An online survey completed by 140 SMEs who had participated in one or more of the Carbon Down activities.

→ LIMITATIONS TO THE ONLINE RESEARCH

The online research was conducted solely after each of the businesses had taken part in Carbon Down programs. Ideally, program evaluation would include at least two waves of research, one conducted prior to program interaction, and one after, in order to identify any changes in behaviours or attitudes. This approach was not possible in this instance; therefore many of the observed changes are self-reported and not as conclusive. However, research based on self-reported changes is still a recognised method to indicate the effectiveness of programs on influencing knowledge, attitudes and behaviours.

→ DATA COLLECTION METHODOLOGIES

In order to record and analyse the results, robust processes were created for measuring reach, engagement of SMEs, the actions they adopted and reductions in carbon emissions achieved. These processes were independently reviewed by Net Balance Foundation Limited (Net Balance) who provided Carbon Down with:

- A statement of the integrity of the key performance indicators (KPIs) for the 2010-11 financial year; and
- Verification statements for reduction in carbon emissions for 2009-10 and 2010-11.

This information can be found in the Carbon Down Annual Report available from:

www.carbondown.com.au

→ METHODOLOGIES FOR MEASURING REACH, ENGAGEMENT AND ACTIVITY

REACH

The calculation of overall reach is based on documented information from a wide variety of different projects run by Carbon Down and project partners. Source data includes website hits, newspaper readership, social media, and “Carbon Column” articles. Carbon Down’s assumptions for the “reach” offered by each method are based on reliable source information wherever possible.

Although there is no way of identifying the number of unique businesses reached (due to the potential of double-counting across multiple projects), or indeed whether those businesses are specifically SMEs, this KPI nonetheless provides an approximation of the scope of activities undertaken by Carbon Down, and the size of the audience reached by projects and information. The inclusion of businesses reached by communication material provides an indication of those businesses that may not necessarily be signed up for abatement projects, but have become better-informed because of Carbon Down initiatives.

Despite the fact that no measurable abatements can be claimed from many of these SMEs reached that are not officially participating in projects, the fact that they have been provided with information is a positive outcome of Carbon Down’s efforts. It is likely that behavioural change was encouraged beyond the scope of measurable abatement projects.

ENGAGEMENT

Direct engagement relates to actual participation and well-defined interactions from SMEs. Direct engagement is essentially a sub-set of reach, involving only those SMEs closely involved in projects or providing feedback to Carbon Down.

Direct engagement focuses on business-initiated interaction, and therefore includes website hits (where the business has sought information) and direct project participation. It does not include those elements of reach such as advertising material where Carbon Down cannot be certain if the business has been engaged and informed. It is therefore an appropriate measure for the degree to which SME organisations are actively engaging with Carbon Down programs.

As with reach, the direct engagement KPI is well-recorded and based on documented evidence.

ACTIVITY

Carbon Down defined a range of activities completed by businesses that related to program objectives. These activities were recorded based on documented evidence or reasonable assumptions where necessary.

The definition of the term “activity” is flexible and so the KPI does not necessarily provide a great deal of information when viewed in isolation. It should be viewed as a supporting KPI to the more rigidly-defined reach, direct engagement and carbon emissions reduction figures.

A large initiative such as directly replacing light bulbs at a business, which yields an immediate abatement result, is counted as a single activity with the same precedence as one website view is counted as a single activity. The overall result for the number of activities therefore has a degree of subjectivity and does not necessarily correlate with the direct emissions reductions or outcomes achieved by Carbon Down projects.

Nonetheless, as a supporting KPI, the number of activities does provide some measure of the degree to which both Carbon Down and participating businesses are making conscious efforts to become more informed and improve business performance.

→ METHODOLOGIES FOR MEASURING REDUCTIONS IN CARBON EMISSIONS

Once the program objectives and activities were established, there were two steps required to quantify any reduction in carbon emissions from activities targeting SMEs.

The first step was to measure the reduction in carbon emissions from a specific activity and, typically, there are three key methods from which to choose.

PROJECT IMPACT ASSESSMENT METHOD

The Project Impact Assessment Method can be used to measure the reduction in carbon emissions for programs that aim to modify existing energy consuming equipment, processes or systems. It is most appropriate when emissions reduction is small compared to the total electricity consumed at the site. It may also be appropriate where baseline energy consumption data is unavailable, or contains a high level of unexplainable variation. It can also be used where emissions reduction occurs across a number of sites.

Reduced energy consumption from installations is determined by comparing the original energy consumption before the program was implemented, to the consumption after implementation. Carbon reduction values are then calculated based on the energy savings.

METERED BASELINE METHOD

The Metered Baseline Method of measuring reductions in carbon emissions involves comparing total energy usage before and after the carbon saving actions have been implemented. This method was used in the Carbon Down program, Grow Me The Money, and required commitment from SMEs to document and report on energy usage in order to compare reduced energy usage to baseline scenarios.

DEEMED VALUES METHOD - VERIFIABLE

The Deemed Values Method is a generic approach for measuring the lifetime or ‘deemed’ savings of an activity upfront, or before the actual savings occur. It is generally applied to carbon saving activities involving the installation or replacement of a range of common end user equipment types such as lights and refrigerators. It should be noted that these ‘deemed’ savings can be based on the Project Impact Assessments carried out by equipment producers and/or existing government departments and programs.

For accuracy, Carbon Down relied on the Deemed Values Method to measure the reduction in carbon emissions in a number of initiatives where all the data was not available. While it is not as precise as the Metered Baseline Approach, the Deemed Values Method does provide some level of accuracy without the need for SMEs to record and monitor their energy use.

The Victorian Government’s Energy Efficiency Target (VEET)¹⁷ and the New South Wales Energy Saving Scheme¹⁸ both use the Deemed Values Method. Carbon Down was able to use VEET deemed values to calculate the reduction in carbon emissions for a range of activities. Where Carbon Down was not able to use VEET deemed values, Carbon Down formed assumptions and created its own values, based on the best available information.

Within the Deemed Values Method, results can also be verifiable or unverifiable depending on the type and scope of activities undertaken.

The second step is to apply a confidence factor (also called an installation discount factor). This factor is applied to take account of the risk that some carbon-saving items may not be installed.

¹⁷ Victorian Energy Efficiency Target scheme: www.veet.vic.gov.au/

¹⁸ New South Wales Energy Saving scheme: www.ess.nsw.gov.au/

Carbon accounting can rarely be 100% accurate given that there are various scientific and estimation uncertainty factors when measuring greenhouse gas activities. Additionally, when undergoing carbon reduction activities, measuring and verifying these reductions against recognised carbon accounting standards can be limited by a lack of documentation. In acknowledging that verification of carbon emissions was not always possible, Carbon Down recognised that it was still possible to measure some of the outcomes. Therefore, two approaches were undertaken to measure the reduction of carbon emissions through Carbon Down programs: verifiable and unverifiable.

A. VERIFIABLE

This method of reporting can be used when supporting evidence of any carbon reduction activities has been obtained.

B. UNVERIFIABLE

This method can be used when business attributes are unknown and consumption of the product is variable, particularly to measure the impact of behaviour change actions. Carbon Down developed a top down approach to measure carbon reductions for activities where many variables were taken into account.

With Carbon Down's emphasis on educating SMEs about climate change and the need to reduce carbon emissions, it was also important to record the value of these activities by quantifying the outcome regardless of their ability to be verified. So Carbon Down developed a top down approach to create averages for a range of variables to measure the likely reduction in carbon emissions as a result of behaviour change and education based activities.

A lower confidence factor was introduced to this top down approach to reduce the risk of claiming greater reductions in carbon emissions than those actually achieved. This factor takes into account the action is a behaviour change that might not continue. It also takes into account the high number of assumptions used to calculate the carbon savings.

For more information about carbon accounting, refer to the Carbon Down Guidelines for Measuring Carbon Emissions in Small and Medium Enterprise Programs, available via the Carbon Down website. www.carbondown.com.au

→ DELIVERING CARBON DOWN

This section outlines the preparation undertaken by the program, in order to inform activity and drive results. This included:

- Creating governance and guidance structures to ensure effective delivery
- The strategies adopted in delivering the program.

→ GOVERNANCE AND GUIDANCE

CARBON DOWN EXECUTIVE

Good governance is central to the operations of an effective program. A Carbon Down Executive was established and staff from VECCI, Sustainability Victoria (SV) and the Department of Sustainability and Environment (DSE) were invited to join.

While all major decisions were made by the Carbon Down executive, there were two key groups involved in the development and implementation of the program: The Industry Advisory Council (IAC) and the Carbon Down executive.

All major financial and strategic decisions were overseen by the Carbon Down executive - consisting of the CEO of Sustainability Victoria, as the lead government agency, and the CEO of VECCI. The day-to-day operations were handled by the Carbon Down team, with strategic input and support from the Carbon Down sponsors.

SUSTAINABILITY VICTORIA

**VICTORIAN EMPLOYERS'
CHAMBER OF COMMERCE
AND INDUSTRY**

CARBON DOWN EXECUTIVE

CARBON DOWN SPONSORS

CARBON DOWN TEAM

INDUSTRY ADVISORY COUNCIL (IAC)

In order to assist with implementation of each of the program objectives, Carbon Down recruited a selection of key stakeholders and partners who could each provide input into decisions about the program. The IAC was developed in 2009 and ran until January 2011.

The six industry representatives were selected by Carbon Down to ensure sufficient diversity of experience and skills amongst members to challenge operational assumptions and apply a view representative of industry thinking. There were representatives from:

- Small and medium business
- Local and state government
- Business services consulting (including communications and sustainability)
- An independent chair (this role was created to facilitate discussion and ensure an open platform for participation).

The IAC was established as an advisory group to propose and test strategies and implementation designed for the success of the Carbon Down program. The aim of the IAC was to benefit from the skills and experience of its members. The project sought to share the profile, credibility and networks that each member could bring to the table.

Meetings were held on a bi-monthly basis and covered topics such as;

- Research: SME knowledge, attitudes and behaviour, Carbon Survey
- Website projects, with a focus on Carbon Compass
- Partnerships outcomes (tactical, strategic and distribution)
- Campaigns
- Scenario workshop
- Business planning.

→ STRATEGIES

There are a number of barriers to overcome in communicating and engaging with SMEs. The key barriers to getting SMEs involved in environmental behaviour change programs included:

- Limited knowledge or negative attitudes of owner/manager that undermined engagement
- Limitations with time and resources, including perceptions of cost
- Difficulty formulating long-term plans
- High staff turnover or a high proportion of casual staff, which can affect continuity or commitment
- Unwillingness to invest in assets or a lack of control over assets as a result of tenant status
- Diversity of SMEs means they are harder to reach as a group and have varied needs and issues.

Throughout the life of the program, Carbon Down utilised a range of strategies to engage and motivate SMEs to take action to reduce their carbon footprint. The strategies set out in the original business plan had a strong emphasis on partnering with organisations and utilising online delivery to maximise reach and activity in the SME sector. In order to broaden the reach to SMEs, opportunities were sought to promote key messages through existing communication channels that organisations had with their SME constituents. Messages included both financial and environmental angles as motivators for taking action.

The key messages used as part of the Carbon Down program were strongly influenced by the media and the political environment. These key messages were crafted to fulfil the knowledge objectives outlined in Carbon Down's program evaluation framework.

Key messages in year one had a strong emphasis on carbon for example:

- 'Carbon' is shorthand for all greenhouse gases. Your carbon footprint is the total 'carbon' emitted by all of the waste you create, the energy you use and the resources that you consume. 'Carbon' is everywhere so the scope for reduction is massive
- It's easy to reduce your carbon footprint and doing so will do your bit for the planet and could also make you some money.

In years two and three these evolved to include other messages that addressed sustainability more broadly, such as:

- Engaging in sustainable business practices makes good business sense and will help improve your bottom line
- Sustainable business practices will save you money, help you attract and retain customers, improve your brand image and reduce your negative impact on the environment
- Through energy efficiency measures, water saving initiatives and by reducing waste sent to landfill, businesses can expect to save an increasing amount of money and minimise their exposure to rising costs.

Information alone would not achieve Carbon Down objectives to initiate and sustain action and many strategies were trialled and tested to drive activity among the target audience. Experience and research tells us the most effective programs employ a number of different methods and involve repeated contact with participants over a period of time. SMEs also require a high level of support due to their time and resource constraints.

A range of specific strategies used by Carbon Down are outlined below for their applicability to SME engagement in carbon reduction. Carbon Down used a variety of methods to reach and engage SMEs over viewed in this section. They were:

1. Partners
2. Online approach
3. Segmented approach
4. Direct personalised contact
5. Place based approach
6. Financial incentives

A summary of the strategies used in the Carbon Down projects is provided in Table 4 on the following page. More information about these projects are provided in the case studies in the Appendix.

Table 4: Summary of strategies for Carbon Down projects

STRATEGIES USED BY CARBON DOWN PROJECTS						
PROJECT	1. PARTNERS	2. ONLINE APPROACH	3. SEGMENTED APPROACH	4. DIRECT PERSONALISED CONTACT	5. PLACE BASED APPROACH	6. FINANCIAL INCENTIVE
BENDIGO BANK - BAN THE BULB	X		X	X	X	X
BENDIGO BANK - ENERGY SAVER INITIATIVE	X		X	X	X	X
CARBON COLUMN	X	X				
CARBON COMPASS		X	X			
CHOOSE GREEN POWER			X	X		X
COLLINGWOOD FC - GREEN MAGPIES	X			X		
GROW ME THE MONEY	X	X		X	X	
GROW ME THE MONEY - AWARD FOR ACTION	X					X
MORELAND ENERGY FOUNDATION LTD	X		X	X	X	X
PAINT THE TOWN GREEN	X		X	X	X	X
TRAINING				X		
WHAT CAN I DO RIGHT NOW		X				

■ PRIMARY STRATEGY USED (CARBON DOWN)

■ PRIMARY STRATEGY USED (PARTNERS)

→ 1. PARTNERS

Engaging partners who have a direct relationship with SMEs and that could deliver on behalf of the program was a key strategy adopted by Carbon Down. Those who had the greatest influence or potential to influence to achieve the objectives of the program were targeted as partners. The first year's activities resulted in the establishment of many partnerships. However, not all recruitment efforts were successful and to find partners who could fulfil all requirements was difficult. Additionally, partners who were selected often required significant support to manage deliverables so as to maximise results for both parties. However, successful partnerships proved to be the most cost effective means to delivering activity.

Over the life of the Carbon Down program, over 45 partnerships and collaborations with Victorian organisations were created. Of the 18 formal partnerships, one third were very successful in achieving Carbon Down's objectives. The remaining partnerships met part of the agreed KPIs.

PARTNERSHIPS - SUCCESSES

The most successful partnerships in terms of helping Carbon Down meet its objectives were:

- **Bendigo Bank** - All KPIs were met, high reach and cost effective emissions reduction was achieved
- **Collingwood Football Club (CFC)** - CFC events provided an attractive draw card for SMEs and media coverage featured heavily at each event and were highly influential of SME attitudes
- **Moreland Energy Foundation Limited (MEFL)** - MEFL provided expertise in delivering carbon savings activities and, as a result, modest carbon emissions reduction was achieved
- **Grow Me The Money** - This partnership provided phone and face to face support to businesses related to carbon as well as a range of tools, resources, spread sheets, graphs, online calculators, fact sheets and campaigns designed to encourage action. Cost effective carbon emissions reductions were achieved.

Other key partnerships and collaborations that contributed to Carbon Down objectives were:

- **Australia Post** - audits of outlets, participants in Grow Me The Money, awareness raising activities via existing publications
- **Australian Information Industry Association (AIIA)** - extension of AIIA's 'byte back' service (recycling of e-waste such as computers) to home based small businesses; development of an eBook for how to green your IT operations; delivery of training events to members
- **Bendigo Sustainability Group** - program to support local businesses to reduce environmental impact including information and networking sessions
- **Simply Energy** - audits of 100 subways and newsagents with a follow up research project reviewing the barriers and drivers to taking up the audit recommendations.



The most successful partnership in terms of meeting Carbon Down's KPIs came from Bendigo Bank through its Ban the Bulb, Green Your Business and the Energy Saver Initiatives, outlined below:

- **Ban the Bulb** - Fifty Bendigo Bank branches across Victoria took part in a campaign to extend an existing household light globe exchange program to SMEs. Together they replaced approximately 12,000 incandescent light globes with energy-efficient compact fluorescent globes for 448 SMEs.
- **Green Your Business** - A competition open to all Victorian businesses held in May 2010, with the aim of encouraging learning and sharing resource-saving hints and tips among businesses. More than 6,260 activities were completed throughout the competition. Overall the competition was a successful tactical campaign to involve businesses, education and encourage the sharing of information.
- **Bendigo Bank's Energy Saver Initiative** - A carbon emissions reduction project, the Energy Saver Initiative was implemented throughout April to June 2011. Carbon Down provided 5,000 energy saving power boards for distribution through the Bank's branch network. Along with the distribution of these power boards to each of the entrants, the campaign also held a competition to give businesses the opportunity to win \$10,000 towards implementing sustainability initiatives in their business. To enter, businesses were asked to outline in 150 words what their organisation was doing, or could do, to save energy. The campaign targets of distributing 5,000 power boards and achieving more than 19,000 tonnes of carbon emissions reduction were both met.

CARBON COLUMN

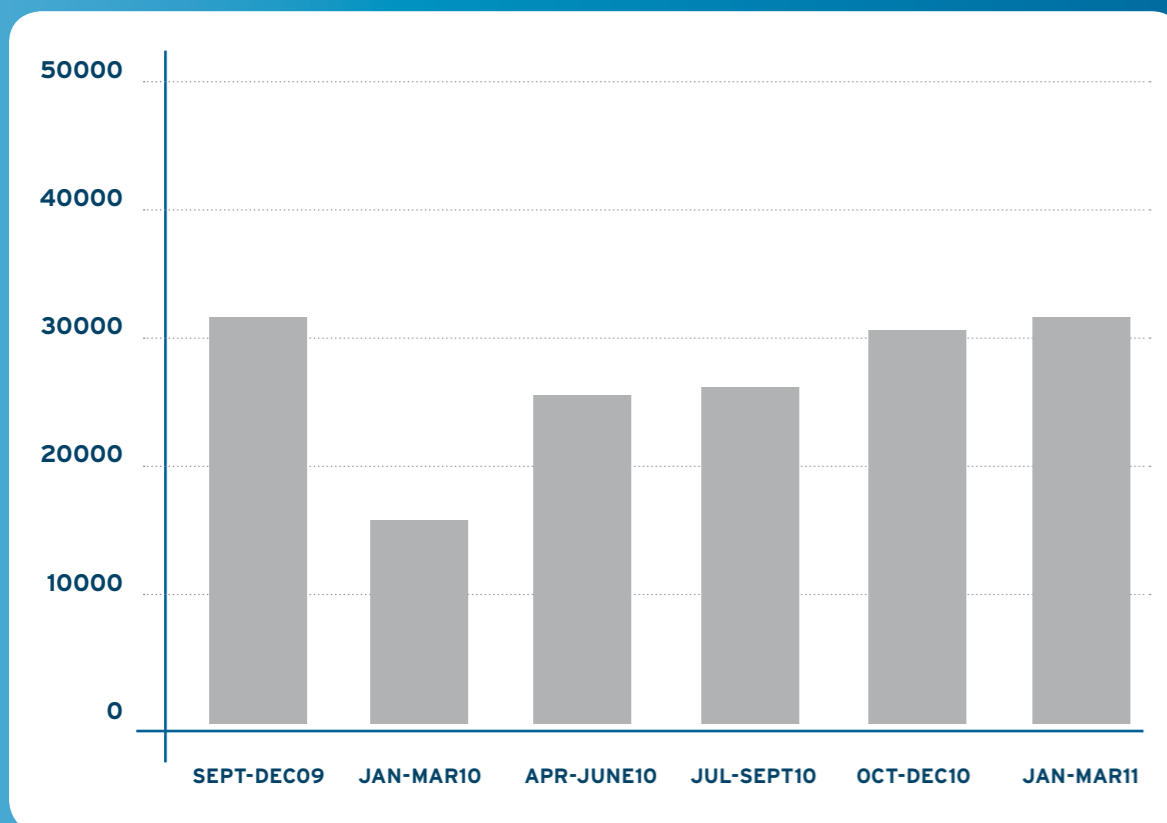
Carbon Column was developed as a 300-word editorial on business sustainability topics. It was mailed electronically to a range of distribution partners including local councils, the education sector, not-for-profits, large corporates and industry associations to syndicate through their own communication channels. The column was also distributed on a weekly basis across the Carbon Compass website and Carbon Down social media channels including the @Carbon Down Twitter account, VECCI Sustainability LinkedIn group and the Carbon Compass Facebook page.

Carbon Column was also a great way for Carbon Down to send out key messages through VECCI's RADAR weekly newsletter. On average this channel received 685 unique opens weekly.

Table 5: Carbon Column average unique hits via the VECCI RADAR channel

Average unique clicked content links per story	685
Average % of total unique clicks	2.62%
No. of Carbon Column stories distributed	328

Figure 1: Total number unique clicks per quarter – Carbon Column

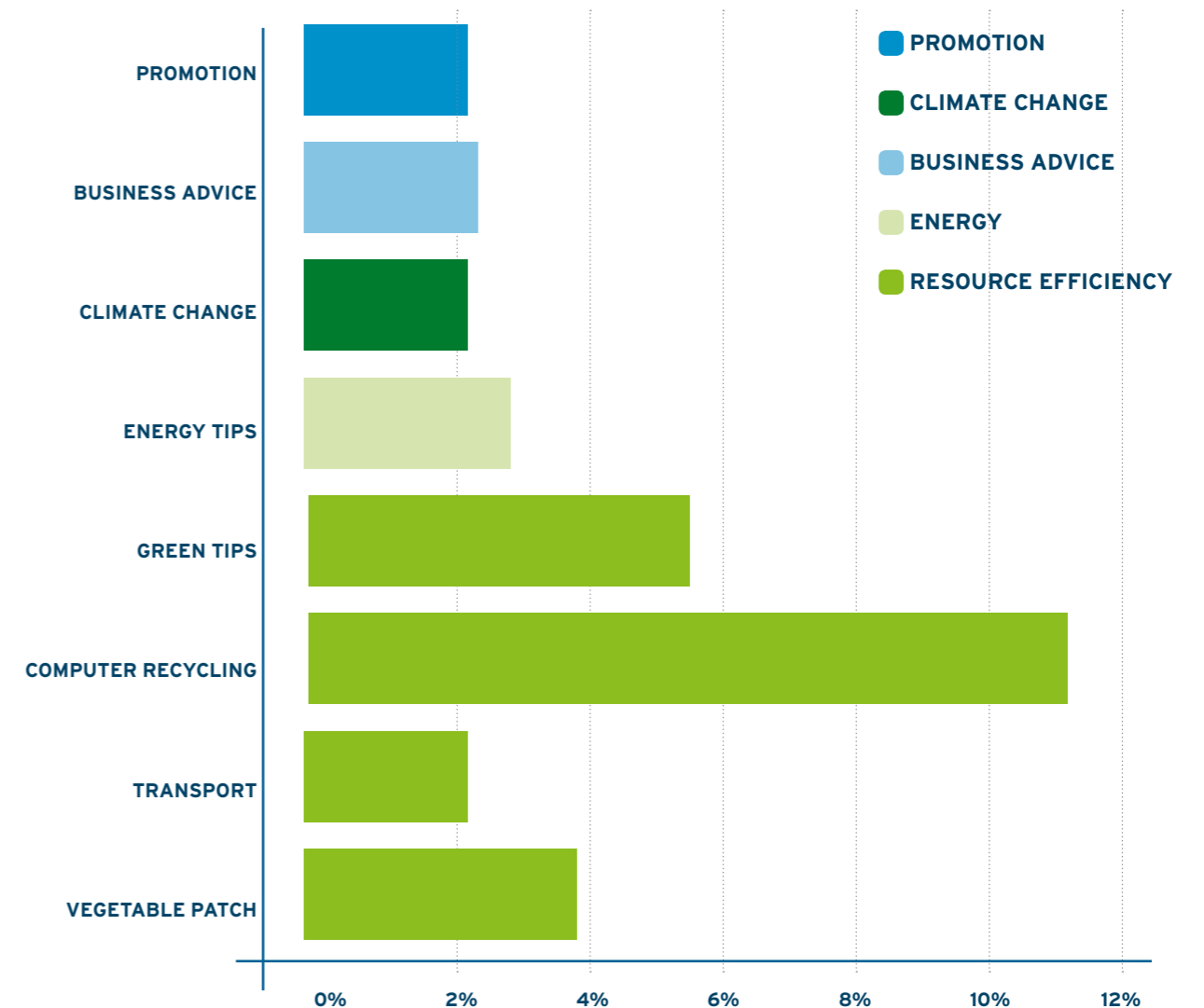


*Note - Jan - Mar 11 missing 2 weeks data

Carbon Column was also very useful in assisting Carbon Down to better understand what topics within sustainability were most appealing to SMEs. Figure 2 on the facing page shows the % unique visitors by category and reveals that topics on resource efficiency were by far most popular. This is because the topics, such as computer recycling, are more tangible issues SMEs are dealing with on a day to day basis as opposed to stories on climate change. Carbon Down was able to use this knowledge to inform the development of programs.

More information about the Carbon Column can be found in the Appendix.

Figure 2: Average % of total clicks by category



Key partnerships were Bendigo Bank's Ban the Bulb and Energy Saver Initiative, Grow Me The Money program, Collingwood Football Club's Green Magpies program, the Moreland Energy Foundations program and the Carbon Column. Paint the Town Green was designed to partner with councils and trader groups to deliver the project. More information about each of these partnerships and projects can be found in their case study in the Appendix.

→ 2. ONLINE APPROACH

Online methods of communication such as email, websites and social media are effective means to reaching and communicating with SMEs. The use of email is almost universal among SMEs and the majority search for business related information online. The uptake of social media has been slow due in part to the lack of business relevant content but also because of the perception that it is used for social rather than business purposes. Tools delivered online have proven to be a good method to deliver sustainability auditing, reporting and information to SMEs, primarily due to the time-poor nature of SME owners and the fact that they can download or access the tools at their convenience. SMEs respond to checklists and interactive software as long as they are user-friendly and easy to follow. It is also usually a lower cost approach for the program delivery than comprehensive face to face audits or workshops.

The use of online tools such as calculators and spread sheets assist SMEs to assess their resource usage and identify ways to reduce this. Another key aspect of online information and resources is that they need to provide strong "How-to" information for SMEs to act on the recommendations, if they are to effectively motivate change.

However, if online communication methods are used without the addition of person to person engagement then the program will unlikely achieve the level of action that a face to face approach can achieve. An increased commitment to take action is achieved from the SME where there is optimal interactivity, a high level of customised information and dedicated time to commit to an activity - all of which can be achieved from face to face interaction.

Online tools are developing rapidly to allow greater interaction between web users, for example through social networking sites such as Twitter and Facebook. These are worthwhile tools to consider incorporating into a program to link program deliverers with SMEs or to link SMEs to each other.

Utilising social media channels to raise awareness was successful in driving traffic to the Carbon Compass website, along with generating discussion among the LinkedIn group and Twitter followers. The ability of social media to facilitate 'sharing' of websites/articles instantly also resulted in attracting a broader readership than might have otherwise been possible via other channels.

Carbon Down utilised a mixture of Google Analytics and social media monitoring tool Alterian SM2 to measure the outcomes of social media activity. These tools were able to identify the number of visitors to the Carbon Down sites, how long they stayed for and where they came from. Furthermore, Alterian SM2 allowed Carbon Down to track conversations, review positive/negative sentiment, monitor partners across social media channels such as blogs, wikis, micro-blogs, social networks, video/photo sharing sites and real-time alerts.

Throughout the duration of the program, improvements in online platforms changed the accuracy in which results could be recorded. For example, Facebook introduced a Fan Page for administrators with rich statistics and insights into page activity, information that was not easily accessible at the onset of the Carbon Down program.

Key projects that adopted online approaches included Carbon Compass, Grow Me The Money and What Can I Do Right Now. Social media activities underpinned the delivery of these projects.

More information about each of these projects can be found in their case study in the Appendix.

→ 3. SEGMENTED APPROACH

The SME sector is diverse and difficult to define. Programs that know their SME audience and clearly promote who they seek to involve will be more effective in achieving results. Targeting different sectors separately and reaching them on the issues that relate to them in a way that is relevant for them is more likely to lead to an effective program.

- Segmenting SMEs by industry sector enables the identification of energy, water and waste actions that are relevant to each sector and barriers that are specific to the sector
- Understanding the size of the organisation is also important where small businesses (0-20 employees) tend to have less resources and time available and need greater personal assistance than medium-sized businesses (over 20 employees)
- Segmenting the market in order to identify which businesses would be more receptive to carbon-reducing activities than others, and would benefit from a targeted approach is also an effective method. The Carbon Down SME Market Segmentation Analysis report identifies four segments in detail which can be downloaded at www.carbondown.com.au

Projects that relied on segmentation in their delivery included Bendigo Bank's Ban the Bulb and Energy Saver Initiative, Paint the Town Green, Choose GreenPower, Carbon Compass and the Moreland Energy Foundations program. More information about each of these projects can be found in their case study in the Appendix.

→ 4. DIRECT PERSONALISED CONTACT

ON-SITE AUDITS

On-site audits are one of the most common ways that SME programs are delivered but they are also one of the most intensive methods.

Audits are highly effective in achieving behavioural or equipment changes leading to carbon abatement or other resource savings - if done well. This is because they can target the specific needs of the SME (which are so diverse), respond to the knowledge gaps of the SMEs, and provide an action plan for the solutions with financial cost-benefit analysis (payback periods etc), with some auditors even offering to implement the actions for the SME.

A key requirement of effective audits is to provide follow-up after the audit report is produced to assist the SME to act upon the recommendations. Often a real barrier to action is that the SME does not have the knowledge to implement the changes and does not have time to research how and where to purchase the required products. Additionally, if nothing is implemented as a result of the audit and the SME participant is left with the impression that it was ineffective, they will be less likely to participate in other sustainability related activities and programs in the future.

FACE-TO-FACE AND PHONE CONTACT

Face to face and phone contact with the SME will increase the likelihood of action where this relationship building is able to increase:

- The commitment to taking action when the participants agree to do something asked of them
- The attention and time the SME Owner/Manager gives to the issues to understand the benefits and the required action
- The ability of program officers to respond directly to the needs and questions of the SME Owner.

SMEs need a higher level of support than larger organisations because they are so time-poor and resource-poor. Therefore ongoing customer service, one-on-one assistance and face to face contact are usually required to overcome the barriers to action. The key to successful engagement is to have well-trained, well-informed staff with good communication skills who they trust. The extent to which SMEs made changes was directly related to their trust in the staff member and their level of expertise.

'Trust' and 'credibility' of sustainability and business advisors is also very important for SMEs. When ranking who they would trust the most for sustainability information, SMEs trust those in positions of authority and experts such as industry associations, government and scientists.

TRAINING, WORKSHOPS AND EVENTS

Training, workshops and events to educate SMEs about saving energy, water or waste or other topics relating to environmental efficiency can be a useful approach to educate them about the actions and business case for acting as well as responding to SMEs' queries or needs. They can also be a means to motivation by showing the collective effort occurring.

Networking among businesses is a key tool to help motivate SMEs and also allows business to business sharing of experiences and knowledge, and can influence participants to take action. This B2B sharing ensures communication is business relevant and trusted.

Ensuring the timing is right is important. In Carbon Down's experience, breakfast sessions proved the most popular where SMEs could attend before the work day started. Not offering too many of these events and understanding the other events taking place are also key to good attendance.

Direct personalised methods including events, word of mouth and phone based methods were also often the most effective means to recruiting SMEs into projects.

Nearly all of the Carbon Down projects incorporated some sort of direct personalised contact to recruit and/or deliver the project demonstrating the importance of these types of strategies in delivering to SMEs.

→ 5. PLACE-BASED APPROACH

A place-based approach is where SMEs are engaged as a group in a closely-linked, geographically bound area (for example: a retail precinct).

The advantage of this approach is that there is typically an existing network that can be leveraged to provide information and encourage activity. Local business networks provide an environment whereby proactive businesses can influence others and be a means to on-going activity and support. The approach also provides a clear connection to customers in the area and the community in general, enabling businesses to jointly market their green credentials resulting in strong local brand recognition.

The Grow Me the Money program adopted place based strategies with a Mansfield based group, the Green Guinea Pigs, and was one of the strategies that they found to be most successful.

Projects that relied on place-based approaches in their delivery included Bendigo Bank's Ban the Bulb and Energy Saver Initiative, Paint the Town Green, Grow Me The Money and the Moreland Energy Foundations program. More information about each of these projects can be found in their case study in the Appendix.

→ 6. FINANCIAL INCENTIVES

SMEs are primarily driven by profit and often operate in tight financial circumstances, therefore cost benefits are a major motivator to take action.

Providing funding to carry out sustainable improvements is a key factor in helping SMEs to change their behaviour. This funding could take the form of subsidised products and services, economic incentives such as up front and completion payments, tax breaks or no-interest loans. A contribution from the SME, even if it's nominal, will encourage engagement and buy-in which will increase the chances of implementation but will also often increase the time and support required to implement the action.

→ KEY EVALUATION QUESTIONS AND PROGRAM ACHIEVEMENTS

This section provides insight into how well Carbon Down performed against its objectives and targets. To assess its performance, an evaluation framework was created that included five key evaluation questions as outlined below. These questions informed what material was collected and shaped the design of the research used to measure the performance of the Carbon Down program.

The key evaluation questions (KEQs) were:

KEQ1. What impact did Carbon Down have?

KEQ2. To what extent was Carbon Down an effective driver of change?

KEQ3. To what extent did participating SMEs value the Carbon Down initiatives?

KEQ4. What program knowledge was gained about how to reach and engage SMEs?

KEQ5. Was Carbon Down a value for money project?

→ KEQ 1. WHAT IMPACT DID CARBON DOWN HAVE?

In order to establish what impact Carbon Down had we looked at the extent to which Carbon Down met its targets for reach and engagement and measurable tonnes of CO₂-e reduced. Reach and engagement were measured using various tools, including Google analytics, email tracking and participant lists for training and other events. Carbon emission reductions were calculated using various methodologies that are outlined in the About This Report section of this document.

Carbon Down then obtained independent verification of the measured reach and engagement of SMEs and carbon emissions calculated.

Throughout the three year program, Carbon Down met 100% of its targets as outlined in the following table.

PROGRAM OBJECTIVES		TARGET 09/10	RESULT 09/10	TARGET 10/11	RESULT 10/11
Raise awareness among Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit.	No. SMEs reached	76,000	258,516	250,000	405,011
	No. SMEs directly engaged	n/a	n/a	20,000	20,340
Reduce barriers and increase motivation among SMEs to take up carbon management and reduction activities	No. carbon management activities adopted	20,000	20,033	12,000	23,518
Demonstrate measurable carbon reduction by SMEs through a mass-reach program	Tonnes of CO ₂ -e saved	20,000	28,083.2 (verified)	40,000	42,614 (verified) 3,758.8 (unverified)

Please note: The first year of Carbon Down focused on program development which enabled results in years two and three.

HOW DID THE INDIVIDUAL STRATEGIES PERFORM?

As outlined in the Delivering Carbon Down section of this report, Carbon Down used several strategies to achieve the objectives of the program. These were:

1. Partners
2. Online approach
3. Segmented approach
4. Direct personalised contact
5. Place based approach
6. Financial incentives.

Most projects relied on more than one of the above strategies and so it is difficult to isolate exactly which strategies were the most effective. In order to assess and compare program approaches, each strategy was analysed based on in-depth interviews with key stakeholders and a survey of 140 participants to determine the following:

- Change in knowledge
- Change in attitude
- Change in capacity to improve carbon footprint
- Change in energy costs
- Level of guidance provided.

Where possible, the carbon abatement achieved per dollar of program cost input was quantified and then analysed.

Table 6 on the facing page compares the Carbon Down key initiatives that were included in the survey and how they were rated by a random sample of participants against their primary strategy and tonnes of CO₂-e return on investment.

Table 6: Summary of project impacts, strategies and \$/tCO₂-e

	IMPACT							Primary Strategy	Number of strategies used	Cost per tonne CO ₂ -e
	n=	Improved Knowledge	Improved Attitudes (much more interested)	Increased capacity to improve carbon footprint	Helped save energy costs	Level of guidance (a lot of guidance)	Average			
PAINT THE TOWN GREEN	10	50%	22%	50%	30%	44%	39%	Direct Personalised Contact	5	\$31.47
GROW ME THE MONEY - AWARDS FOR ACTION*	9	56%	25%	33%	22%	50%	37%	Financial Incentives	3	Results included in Grow Me The Money below
WHAT CAN I DO RIGHT NOW	33	82%	35%	27%	12%	26%	36%	Online	1	n/a
GROW ME THE MONEY	60	57%	42%	28%	15%	19%	32%	Online	4	\$8.41
TRAINING	72	54%	48%	24%	13%	19%	32%	Direct Personalised Contact	1	n/a
COLLINGWOOD FC - GREEN MAGPIES*	10	30%	63%	20%	20%	25%	32%	Direct Personalised Contact	2	n/a
CARBON COMPASS	62	71%	40%	19%	2%	22%	31%	Online	2	n/a
CHOOSE GREENPOWER	33	42%	40%	24%	15%	27%	30%	Segmented	3	\$48.92
MORELAND ENERGY FOUNDATION LTD*	18	67%	53%	11%	6%	6%	29%	Direct Personalised Contact	5	\$63.11
BENDIGO BANK - ENERGY SAVER INITIATIVE*	13	31%	38%	15%	8%	31%	25%	Place based	5	\$11.60

* Activities delivered by partners

There are a number of key observations about particular projects which can be drawn from this summary table, as follows. Please note these are based on very small sample sizes, therefore are only tentative observations.

- Carbon Compass performs particularly well at improving knowledge, but few feel that it helped them save energy costs;
- The audits conducted as part of the MEFL partnership are more widely recognised as useful and performs relatively well at improving knowledge and attitudes, however it results in a lower level of implementation of actions and performs relatively lower at increasing capacity to improve carbon footprint, save on energy costs and the general level of guidance;
- The Energy Saver program does not appear to have any stand out features, and it performs lower than some of the other programs in improving knowledge, increasing capacity to reduce carbon footprint, usefulness and resulting in observable benefits;
- Collingwood Football Club's Green Magpies performs relatively well at improving attitudes and results in a high incidence of action implementation, however it is not as widely recognised at improving knowledge or resulting in promised benefits;
- Paint the Town Green performs particularly well at increasing businesses capacity to reduce their carbon footprint, however does not rate so well at improving attitudes; and
- Grow Me The Money's Awards for Action is more widely considered as useful amongst participants, and results in a greater number of additional actions, however fewer participants feel it has improved attitudes.



→ **THROUGHOUT THE
THREE YEAR PROGRAM,
CARBON DOWN MET
100% OF ITS TARGETS.**

→ KEQ 2. TO WHAT EXTENT WAS CARBON DOWN AN EFFECTIVE DRIVER OF CHANGE?

One of the key objectives of Carbon Down was to raise awareness among Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit. The second key evaluation question therefore focused on the extent to which the program had been an effective driver of change in SMEs' knowledge, attitudes and behaviours towards reducing carbon emissions.

In order to establish how effective Carbon Down was at driving change, a series of in-depth interviews with key stakeholders and a survey of 140 program participants were conducted to determine:

- The barriers to change that face SMEs and whether or not the Carbon Down initiatives overcame these barriers
- How many SMEs improved their knowledge of and changed their attitudes about the need to take action as a result of participating in Carbon Down
- The proportion of SMEs that implemented actions as a result of participating in Carbon Down.

The key results, indicating the success of Carbon Down in driving change, are outlined below.

BARRIERS TO CHANGE AND HOW CARBON DOWN OVERCAME THEM

The key barriers faced by Carbon Down in reaching and engaging SMEs were cost, time and effort (opportunity cost) and financial input. If the perceived cost is too high, a business will not be interested.

Although these barriers are nothing new to the SME sector, Carbon Down's qualitative research showed that SMEs were spending more hours than ever to operate productively and remain competitive.

These factors made it difficult for Carbon Down to make it onto the radar of SMEs, as they have little time to think about the impact they may be making on the environment. The influence of the media and climate debate also made it difficult for Carbon Down to influence SMEs to reduce their carbon emissions.

In response to these barriers, Carbon Down created initiatives that could be digested easily and catered to the time-poor SME sector. Table 7 on the facing page summarises the approaches Carbon Down took.

Three key barriers were identified.

Table 7: Summary of actions to overcome barriers

BARRIER	HOW IT WAS OVERCOME	LEVEL OF SUCCESS
TIME POOR	Direct personalised contact used in most projects. Phone calls made to recruit businesses to projects. On-site audits and email and phone support provided to participants. Online approach used to complement personalised contact.	Direct personalised contact more successful in reaching and engaging time poor SMEs. Phone recruitment effective but intensive method. Participants involved with more than one project more likely to be influenced across knowledge, attitude and behaviour.
COST	Communications used cost as the lead message with the environmental benefit secondary. Created products that not only helped with tCO ₂ -e reduction but saved SMEs money. e.g Choose GreenPower and subsidised energy efficient lights through Paint the Town Green.	25% conversion rates achieved and 9,124 tonnes of CO ₂ -e claimed from Choose GreenPower. Paint The Town Green reached 9,337 tonnes of CO ₂ -e claimed. 25% of the 2010/11 target for tCO ₂ -e saved. More subsidisation, less engagement and buy-in from owner.
THE INFLUENCE OF THE MEDIA AND CLIMATE DEBATE	Messaging was revised to target resource efficiency rather than the reduction of carbon emissions. The focus shifted to creation of services that could help save SMEs money.	Steady incline of unique hits on VECCI's Carbon Column channel after introduction of resource efficiency focus.

CHANGE IN KNOWLEDGE AND ATTITUDES

Carbon Down succeeded in improving SMEs' knowledge about the need to reduce their businesses' carbon footprint and the benefits of doing so.

In the survey of the 140 Carbon Down program participants, 66% reported improved knowledge and 82% believed they had a better understanding of the benefits of resource efficiency after being involved with the Carbon Down program.

In addition, seven in-depth interviews were conducted with SMEs and, in terms of knowledge, almost all of the SMEs discovered that by participating in the program initiatives that reducing their costs and/or waste was easier than they thought.

For example, a guest house owner/manager wanted to introduce more sustainable measures but knew little about what her business was capable of doing. 'What Can I do Right Now?' and 'Carbon Compass' gave her the information and tools she needed in order to be able to implement initiatives in her business.

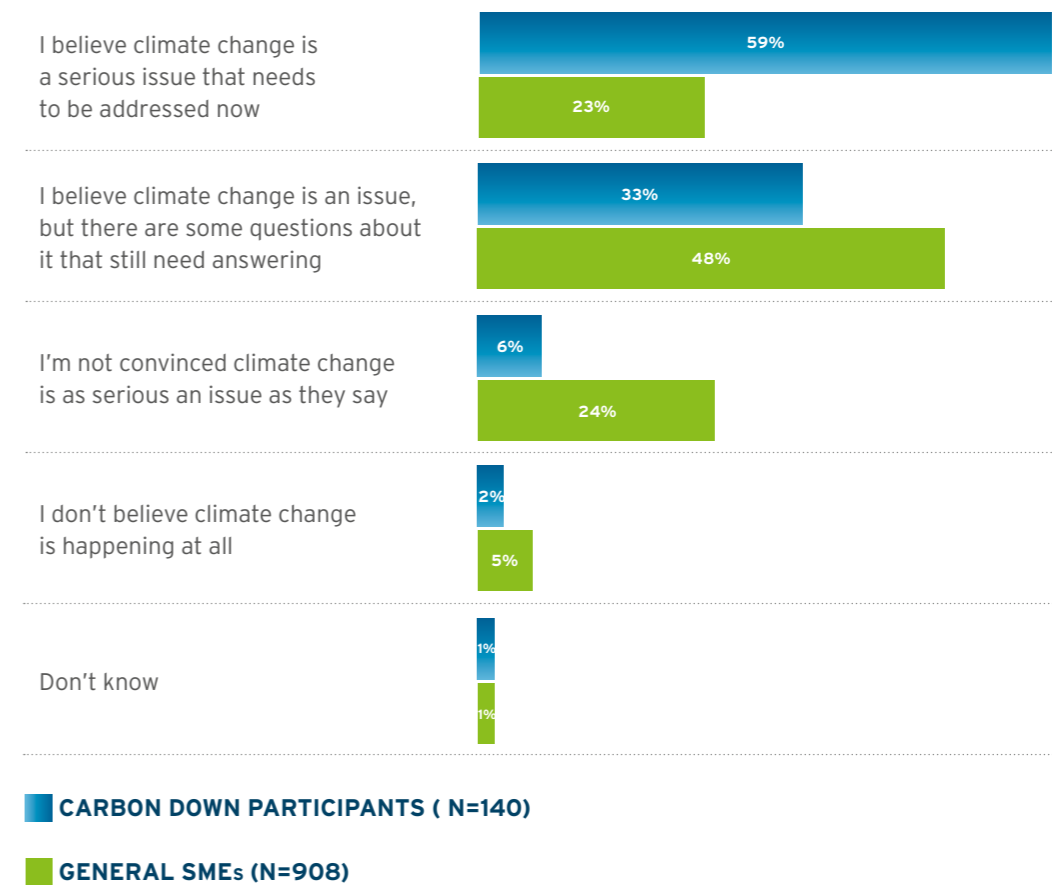
"You think about doing something, but you're not sure how to do it until someone puts it in front of you."

The attitudes of the SMEs engaged in Carbon Down activities indicates they were most likely to belong to the segment described as 'climate change believers'.

A comparative analysis between the Carbon Down group and the SME sector in general reveals that:

- More than twice as many believe that climate change is a serious issue (Figure 3: 59% of Carbon Down SMEs believe climate change is a serious issue, compared to 23% of general SMEs)
- More believe that climate change is influenced by humans 68%, compared to 43% of general SMEs
- More are personally concerned about climate change (49% of Carbon Down SMEs are very concerned compared to 17% of general SMEs).

Figure 3: Belief in climate change



However, it is likely that Carbon Down SMEs held these attitudes prior to participating in the program and it was precisely these attitudes that encouraged them to participate in the program. For example, one participant noted:

“The amount of stuff getting thrown into landfill was crazy, and you want the future generations to enjoy the same kind of life that we have now.”

The guest house owner/manager voiced her concern on climate change as follows:

“Well you know all of this global warming talk, it makes you wonder if the planet is going to be habitable in 50 years? I want my grandkids to be able to live a good life.”

Nevertheless, 61% of SMEs surveyed after participating in Carbon Down said they were now ‘more interested in doing their bit for the environment’ and 37% ‘better understood how resource efficiency could make them feel like they are doing their bit’. These results therefore provide some evidence that Carbon Down influenced the attitudes of SMEs towards the environment.

It is also likely that giving SMEs more knowledge and tools to help them reduce their resource use influenced their attitudes. For example, prior to participating in Carbon Down, the guest house owner/manager had only adopted very simple resource efficiency actions:

“The only thing we were doing was switching the fridges in the rooms off, and people could turn them on when they needed to use them.”

After participating in Carbon Down and learning more as a result of Carbon Compass and Choose GreenPower, the guest house owner/manager adopted more resource efficiency actions.

“The guy from VECCI worked out that it was going to be cheaper for us in the long run for us to change to partially GreenPower. We also changed to fluoro lights, and together both of those things so far have meant our bills are consistently about \$800, which is less than what it was.”

The guest house owner/manager also said the most useful information she received was about how she could best manage the waste her business was producing. She found out about ‘protein bins’ in one of the Carbon Compass monthly newsletters delivered via email.

“The best stuff, or the stuff that I was really interested in was about how to manage our waste, because we don’t have a collection we try and recycle as much as we can.”

Carbon Compass also gave her suggestions on how she could help guests reduce water waste by reusing their towels. She then printed signage to place in each of the guest rooms:

“The first weekend we put up the signs we only replaced two towels and we had a full house. So we have saved a lot on water just with that sign.”

Many SMEs commented on the knowledge they acquired from Carbon Down about energy and appliances. Many commented on how they learned that making small changes to the way they use their appliances had a big impact on power reduction.

The guest house owner/manager also learnt through a Carbon Compass newsletter that by measuring the amount of power each of her appliances were using she could identify which ones were using the most power and either have them checked, or be more conscious of switching them off.

“One of the Carbon Compass emails mentioned a ‘powermate’, which tells you how much each appliance is costing you. I went out and brought one the other day... it will tell me which ones are working well and which one might need to be repaired or replaced, so I’m not wasting money on things that aren’t running efficiently.”

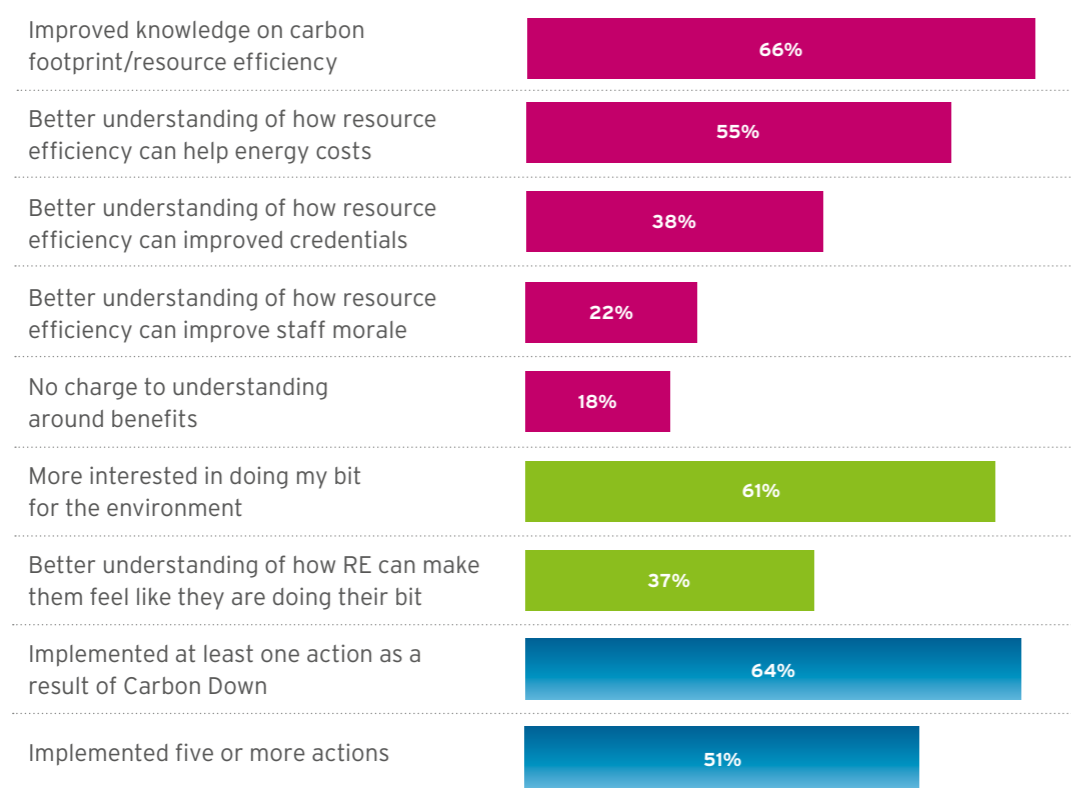
CARBON DOWN’S IMPACT ON PARTNERS

Carbon Down allowed partners to initiate programs that they would not have otherwise had the resources or capabilities to do and also provided access to a wider audience, allowing them to roll out programs they already had in place.

“Carbon Down not only helped our members but it also helped us. We learnt so much about sustainability and what we can do to help the community. I don’t think we would have done anything to the scale we did if it wasn’t for Carbon Down.”
(Jess, Collingwood Football Club)

“Delivering the project is the hardest part...it’s often where you fail...so having that support from Carbon Down helped us get the audience we needed and the knowledge we needed.”
(Jason, MEFL)

Figure 4: Changes in knowledge, attitudes and behaviours attributed to SMEs participation in Carbon Down initiatives.

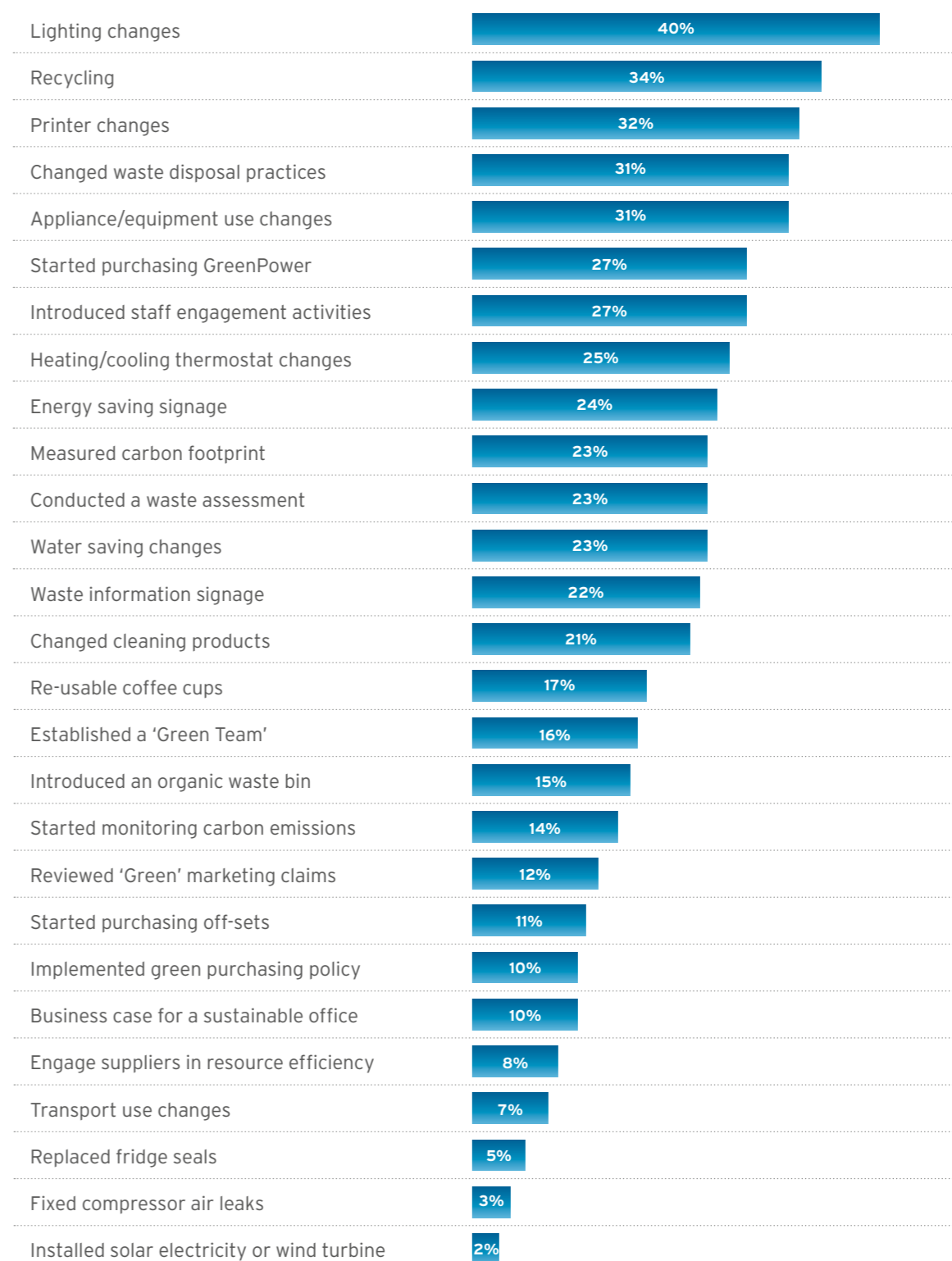


THE PROPORTION OF SMEs THAT IMPLEMENTED ACTIONS

Carbon Down encouraged SMEs that participated in the program's initiatives to adopt carbon reduction/resource efficiency actions.

As can be seen in Figure 4 above, 64% of SMEs surveyed implemented at least one carbon reducing action as a result of their exposure to Carbon Down and 51% implemented five or more actions. However, 25% of participants were not sure if the changes they made were as a result of their participation in Carbon Down initiatives. A detailed summary of the total actions undertaken by SMEs survey is outlined in Figure 5 over the page.

Figure 5: Total action undertaken across all projects



The in-depth interviews with Carbon Down participants provide more detail about how the Carbon Down program helped them. Some SMEs made substantial changes to their business operations such as adopting the exclusive use of recycled paper, recycled toilet paper, flow restrictors, installing signs to switch power off and separating waste generated by their business.

A participant from a demolition company felt all her changes happened as a direct result of 'Grow Me the Money':

"We probably would have got around to it eventually, but 'Grow Me the Money' gave us a structure and a plan to work with, which kept us focused for the year."

This participant was introduced to Grow Me the Money from the Choose GreenPower initiative.

Another participant reported a 20% reduction in the business's running costs because of the changes suggested through 'Grow Me the Money' and 'Carbon Compass' and says they are now rolling out the same program across their dealer network:

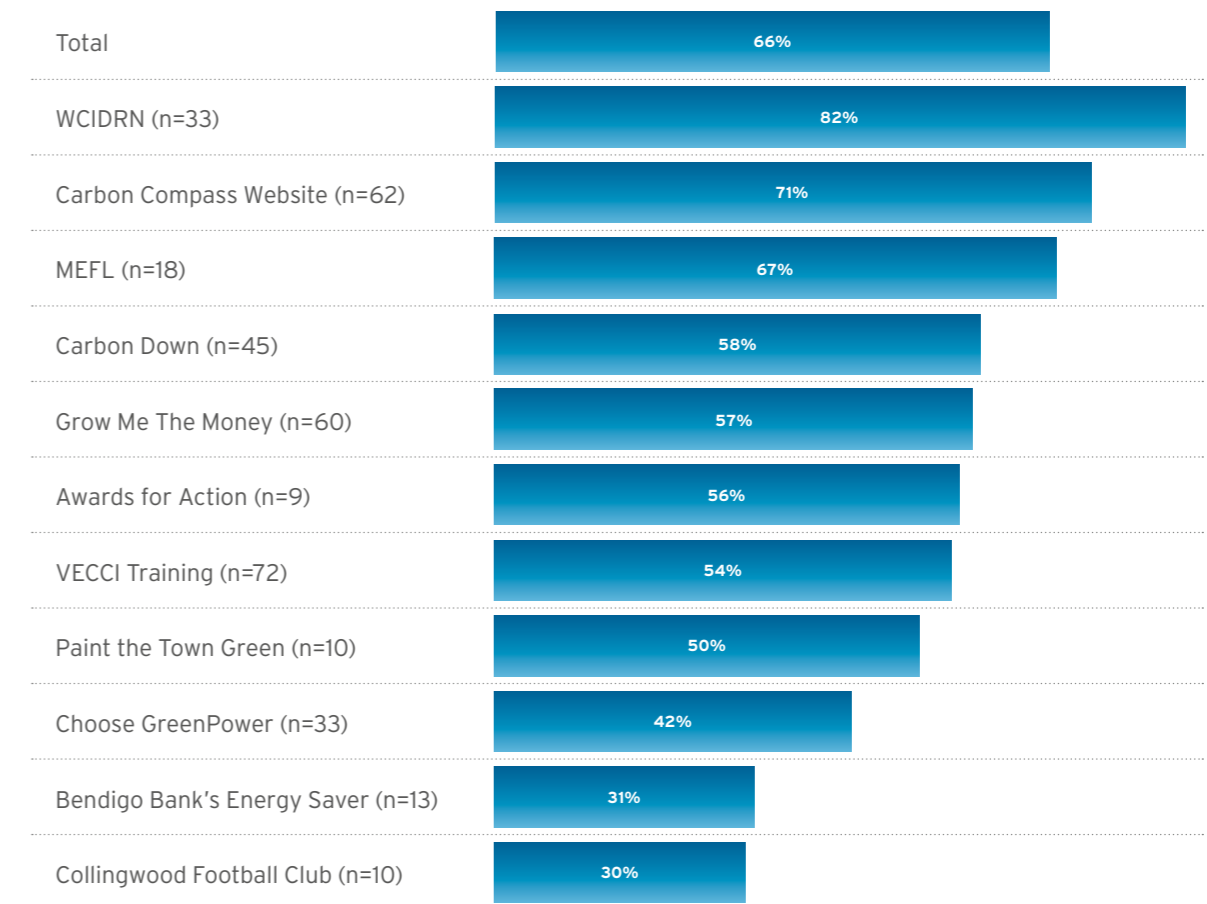
"We had a target of 20% reduction in costs and we achieved it. We changed our lights, we put in sensors in the kitchen and bathrooms, we put in recycling, we put in the power boards, had the skylights cleaned in the warehouse which drastically increased the amount of light, and put in Lux sensors."

HOW DID THE INDIVIDUAL PROGRAMS PERFORM?

Overall, the online resources consistently rated the highest in terms of improving knowledge and changing attitudes.

The WCIDRN website was the most effective in improving knowledge, followed by Carbon Compass.

Figure 6: Improved knowledge



However, when asked how education programs had influenced their behaviours, 19% of GMTM, 21% of training, 23% WCIDRN and 23% Carbon Compass participants reported doing nothing as a result of their interaction with their programs.

→ **KEQ 3. TO WHAT EXTENT DID PARTICIPATING SMES VALUE THE CARBON DOWN INITIATIVES?**

In order to establish whether participating SMEs valued Carbon Down initiatives we asked the 140 survey participants to:

- Rate the usefulness of the programs
- Rate the level of guidance they received
- State if they saved on energy costs
- Outline any unexpected outcomes they might have received and if they saved on energy costs.

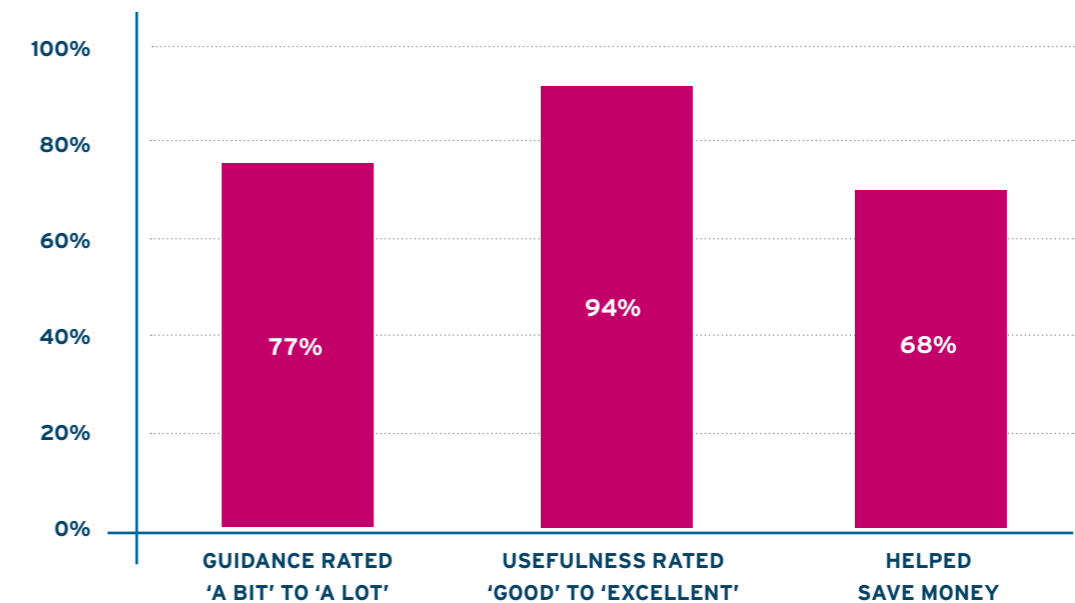
Overall, the results of the survey showed that SMEs did value the Carbon Down program.

Overwhelmingly, those surveyed found the Carbon Down resources very useful with 94% rating the usefulness of one or more initiatives as good to excellent, with 41% rating it as excellent. 68% reported they had saved money and 23% of SMEs reported they had specifically saved on energy costs because of their interaction with Carbon Down.

→ **77% REPORTED THEY RECEIVED SOME FORM OF GUIDANCE AS A RESULT OF CARBON DOWN**

OVERALL, 94% RATED THE USEFULNESS OF ONE OR MORE INITIATIVES AS EXCELLENT, VERY GOOD OR GOOD.

Figure 7: Participants rating of Carbon Down projects



Participants were asked why they found Carbon Down useful. There were more than 100 comments. The consistent themes to emerge were that services and products were 'great sources of information', 'easy to navigate' and 'practical'. Some of the comments included:

"Practical initiatives that can be used at work."

"It's an easy program for micro-businesses to follow. Everyone can make a difference; it's not all about carbon licensing and all these complicated things. It's about what you can do at the coal face."

"The information is relevant and up to date and can be used by anyone."

"A simple site with practical examples from businesses that are involved - highly credible."

"Good basic information for the uneducated."

Some of the comments from those who were even more involved in the Carbon Down program included:

"Good to see what others are doing."

"Provides sustainable business networking opportunities, which are hard to create in my regional location."

"Good for keeping track of energy use in your business."

"Although our businesses had sought to remain exemplary in becoming sustainable, GMTM has been an effective conduit."

Participants were also asked why they didn't find Carbon Down useful. There were 17 comments, mostly concerning the fact that the programs were too time consuming to participate in:

"Way too time consuming to participate as a sole operator."

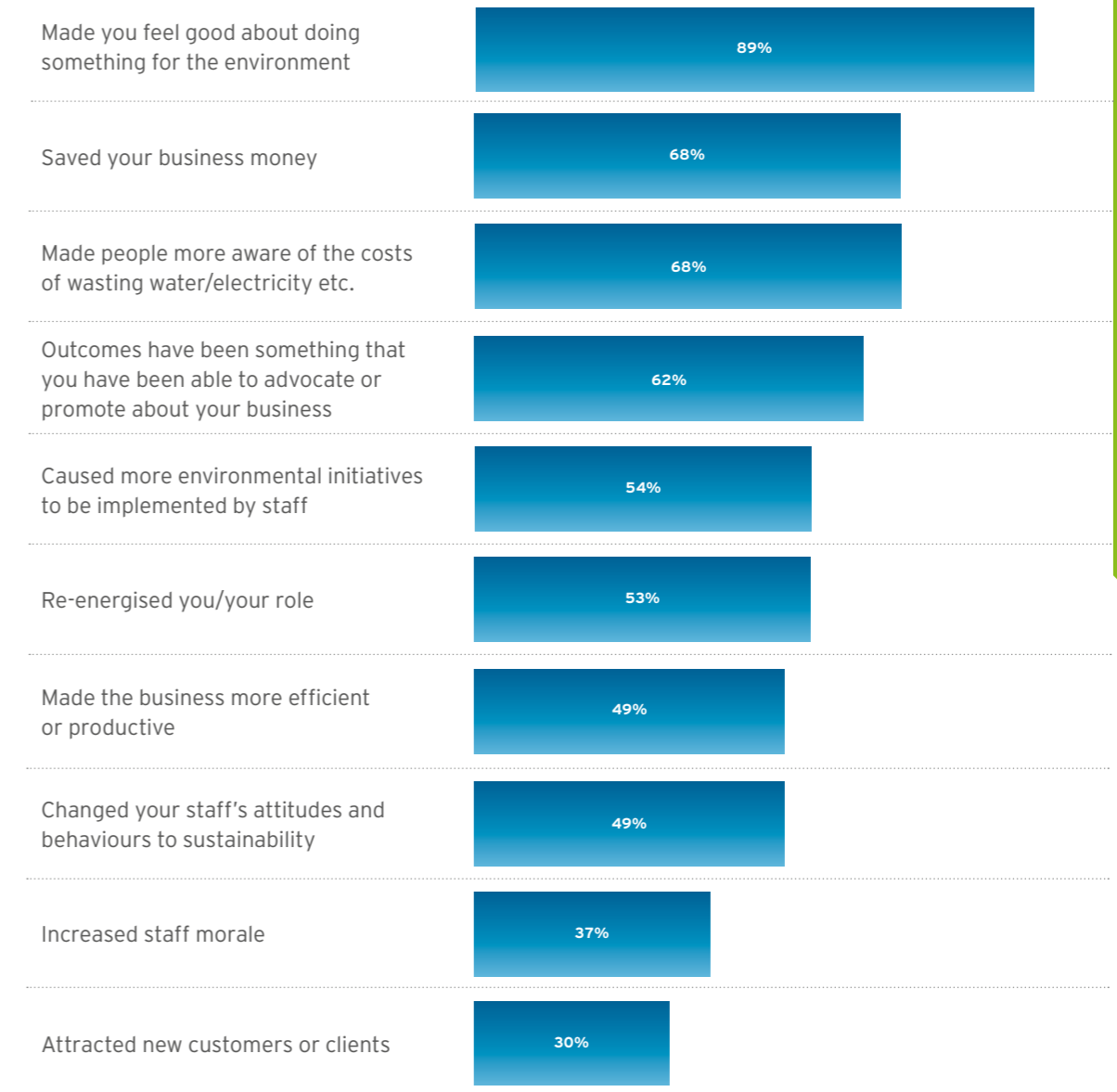
"Too rigid a structure and slack communication."

"Most training and info things are conducted in Melbourne which is 1.5 hours away and as a time poor businesses operator with a young family it was not time effective."

95% OF SMES REPORTED AT LEAST ONE UNEXPECTED OUTCOME.

An overwhelming majority (89%) of SMEs surveyed said implementing sustainability actions made them feel good about doing something for the environment. More than two-thirds (68%) of SMEs said implementing sustainability actions saved them money and 62% said that it had better equipped them to act as environmental advocates.

Figure 8: Unexpected outcomes



C13. Thinking about all of the actions your business has implemented to be more sustainable, has the implementation of any of these...
Base size : CATI respondents, n=1008 / 257 / 470 / 224 / 46* *CAUTION : low base size

The in-depth interviews with the Carbon Down participants provided more insight into how the initiatives of Carbon Down helped them achieve their businesses goals. For example, Carbon Down helped a demolition company achieve their business goal of becoming a completely sustainable operation. In order to market their business as a genuine sustainable business, they needed to change their practices in the office. They changed to recycled paper and recycled toilet paper, switched to GreenPower, installed flow restrictors and became more conscious of switching their lights and appliances off. The more they were able to do in their business, the more they were able to promote themselves as a sustainable company. Once they felt they had enough credible backing they promoted their sustainability philosophy to their target market and started to see an influx of clients coming to them as a result of their sustainability focus:

“We get companies coming to us now because we are a sustainable business, and they loved getting their little recycling summary from their sites. It helped us build a really good team environment, it meant that what we did wasn’t just about demolishing things, and it was about something more important as well.”

In another example, a manufacturing participant was moving to more sustainable business practices. They knew that the parent company would also need to follow suit. Carbon Down gave the parent company the tools to make the changes they needed to make in order to become more sustainable. The participant used Carbon Compass to reinforce her suggestions and gave reference to the initiatives she learnt from ‘Grow Me the Money’. Her goals were to reduce costs through energy efficient lighting, increase efficiencies by turning appliances off at the switch, and spread the knowledge about sustainability throughout the network:

“The way forward for our business is environmental, and we knew that we were just looking for ways to achieve that and Carbon Down gave us the mechanism to achieve it. I have sent out links to the Carbon Compass site in emails to our dealers for templates and resources to encourage them to take up more sustainable practices. It improved communication between everyone in the business. It built a really good environment, and it meant that their jobs were about more than just the description, we are doing something more important than just the business.”

Some Carbon Down participants even discovered there were personal rewards, such as the representative from a demolition company , who received a commendation award from The National Association of Women in Construction:

“It was nice to be recognised for what you’re doing amongst all these big companies in construction, and then there was me from just a little company. I felt quite proud of what we do and everything we have achieved.”

HOW DID THE INDIVIDUAL PROGRAMS PERFORM?

Not surprisingly the programs that rated highest in the level of guidance and usefulness were the programs where Carbon Down or Partner staff had direct contact with the SMEs. This included Grow Me The Money, Paint the Town Green and Moreland Energy Foundation (MEFL) climate change audits.

Figure 9: Rating of usefulness of programs

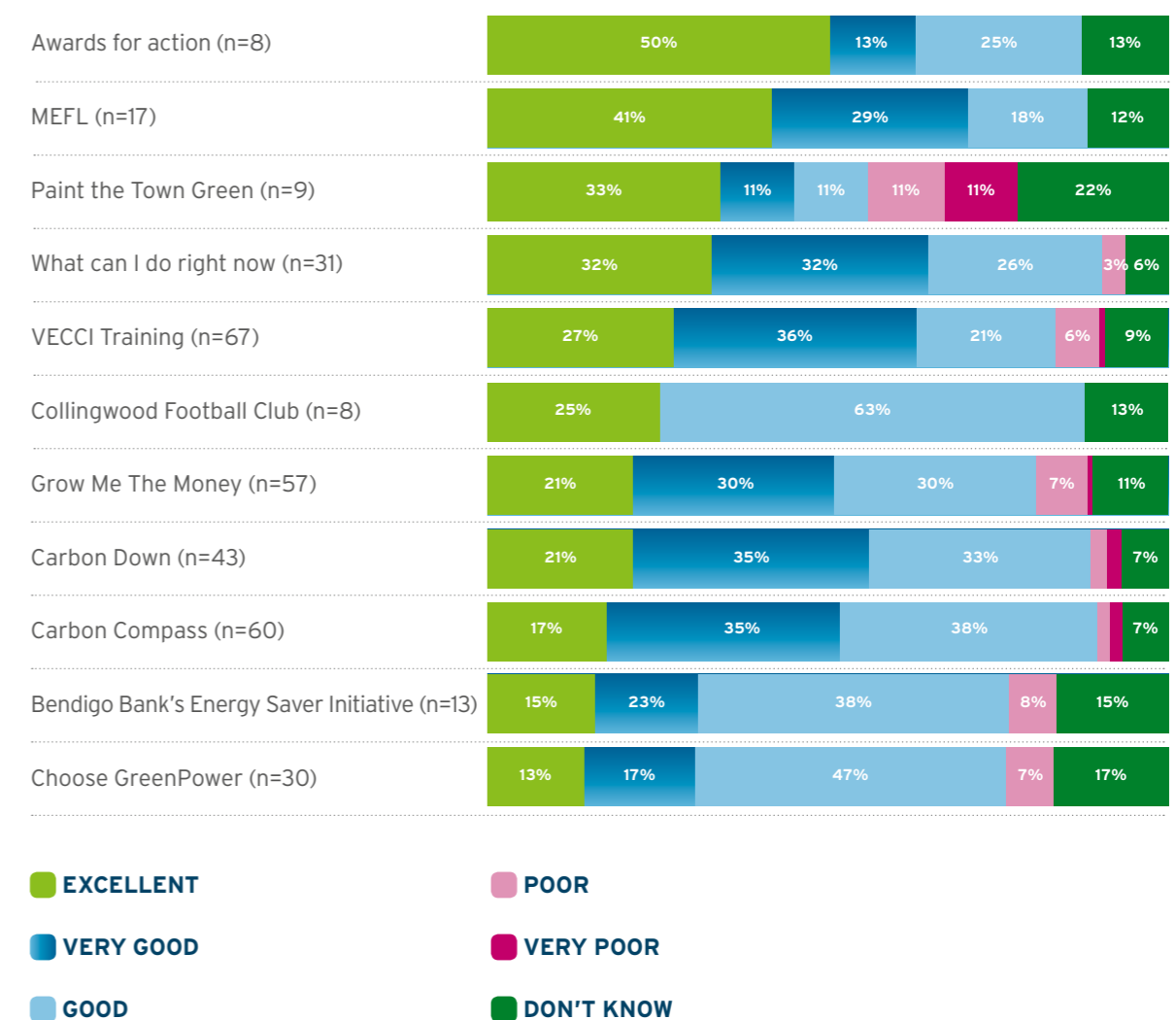
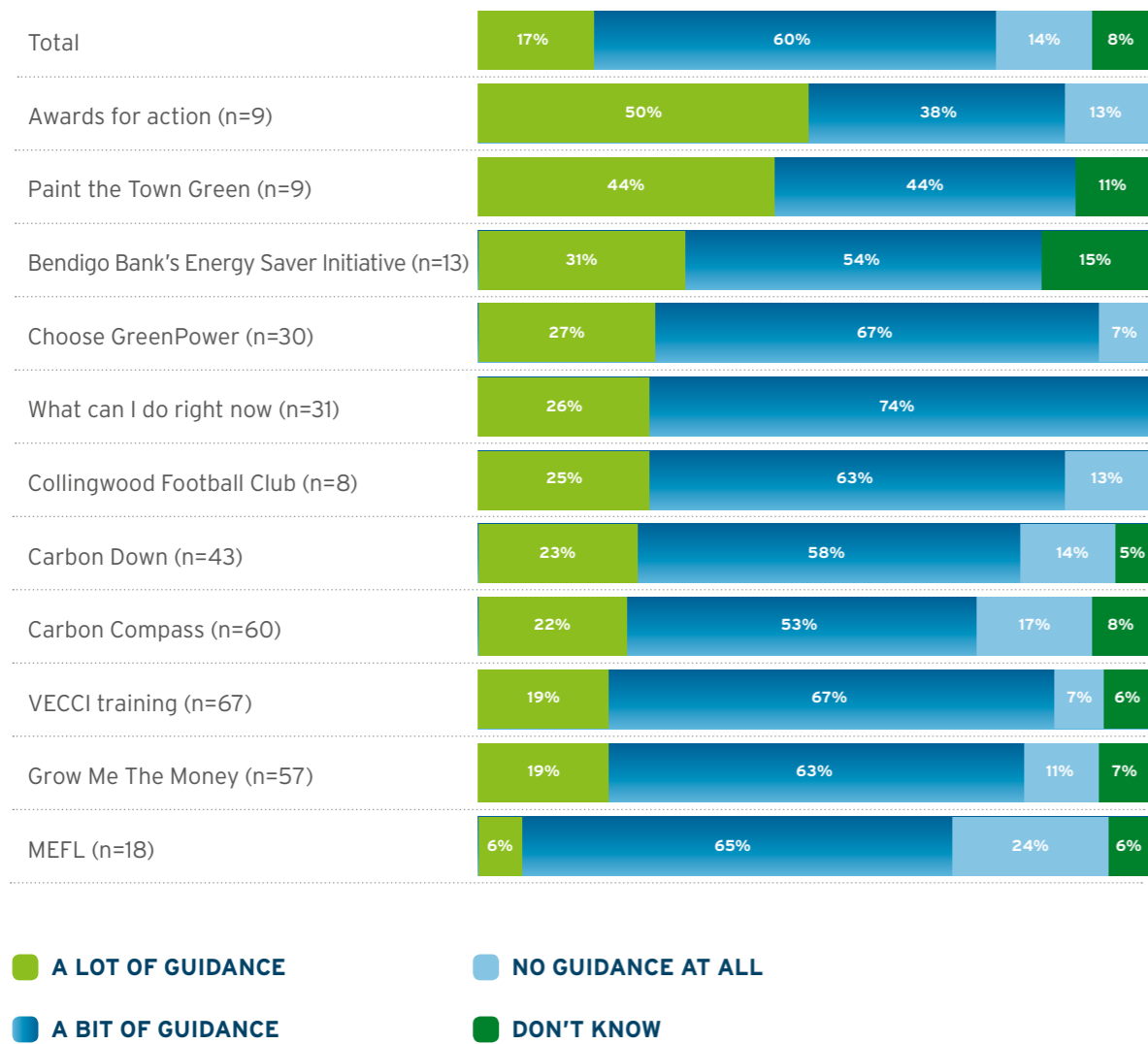
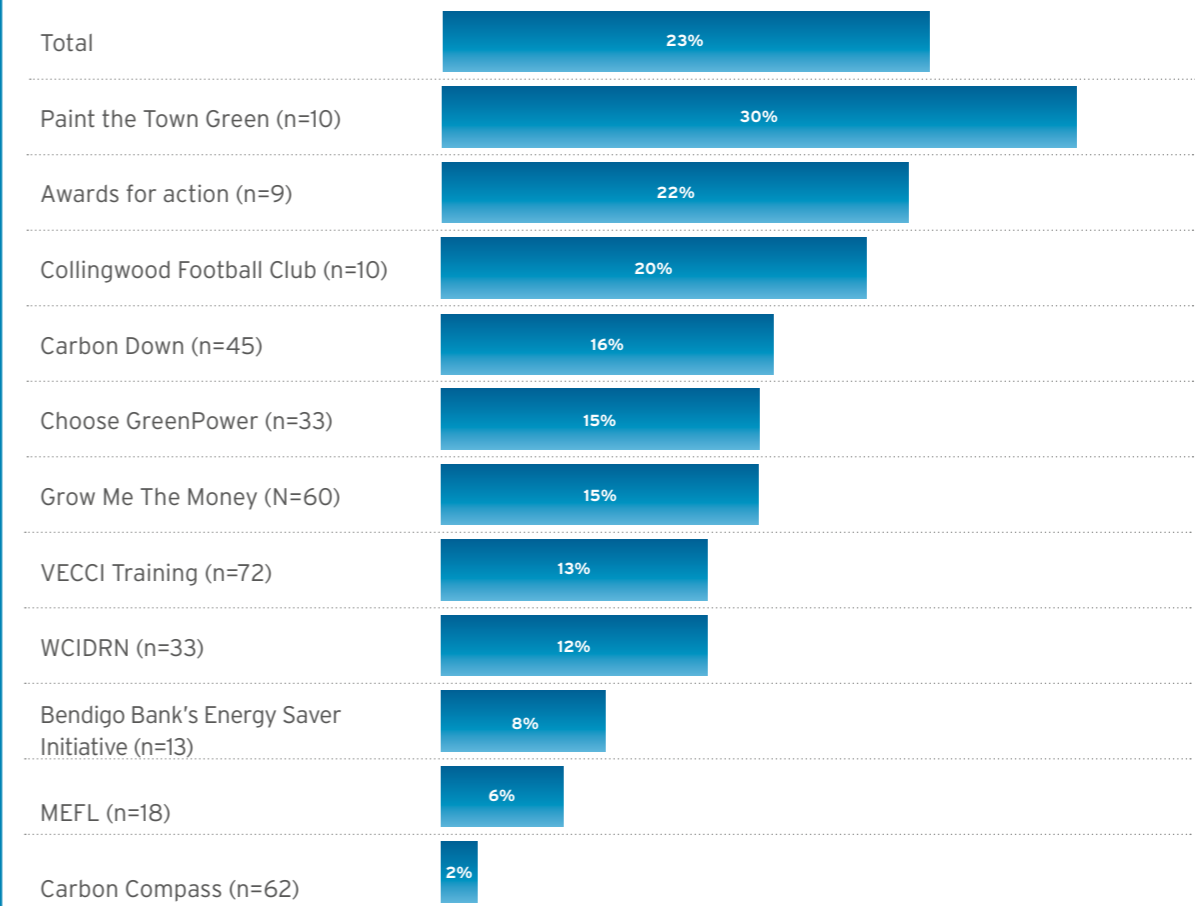


Figure 10: Level of guidance



Similarly, with the exception of MEFL, Carbon Down participants said these programs also saved the most in energy costs, particularly when improving the efficiency of lighting was concerned.

Figure 11: Helped save energy costs



→ KEQ 4. WHAT PROGRAM KNOWLEDGE WAS GAINED ABOUT HOW TO REACH AND ENGAGE SMES?

This section summarises the key knowledge gained through delivering Carbon Down initiatives, the action research process used during program delivery and as a result of commissioning independent market research.

To answer the question, current and former staff were interviewed to document the knowledge gained about delivering carbon emissions reduction programs in the SME sector. Carbon Down also commissioned independent market research to better understand the drivers and barriers to SMEs taking action to reduce their carbon emissions.

THE CHALLENGE WITH SOCIAL MEDIA ENGAGEMENT STRATEGIES

In the early days of Carbon Down, social media was identified as a good way to reach SMEs and encourage behaviour change due to its cost effective potential. However, there was slow uptake of social media amongst the SME sector and it also took some time to build a following that could be utilised within the program's communication strategy. A large portion of the SMEs using social media were so-called 'passenger participants' who just followed posts and conversations rather than interacting with and participating in them. Additionally, SMEs were more likely to use social media for personal uses rather than as a professional tool. The objective was to build a community of SMEs that would engage on environment related topics online. The strategy was to build engagement using other offline means and then to use social media to strengthen and continue this engagement. Social media was primarily used to reach, rather than build engagement with SMEs.

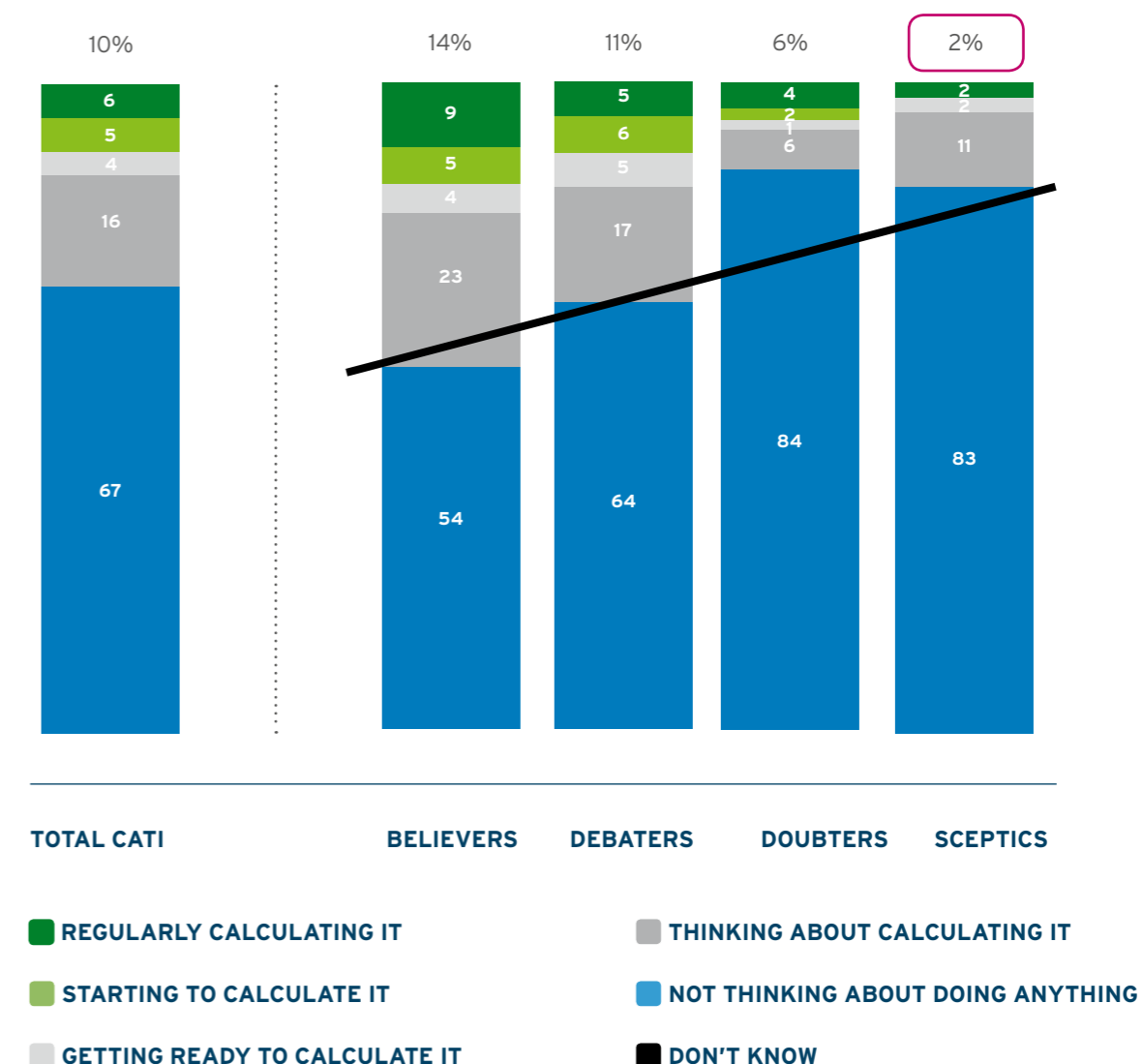
"Social media provides an untapped source of reach."
(Marketing Team)

"We use social media to engage with SMEs directly...but it's only one of the avenues."
(Marketing team)

DISPARITY IN ATTITUDES VS. ACTION

Carbon Down staff noted that they were pleasantly surprised at the support for sustainability but also surprised that it didn't necessarily convert into action. The segmentation research Carbon Down undertook also found while the 'greenest' segment (the 'Believers') have the best intentions even they do not necessarily follow up with action. For example, very few SMEs are currently calculating their greenhouse gas emissions and this includes the Believers segments too.

Figure 12: SMEs currently calculating greenhouse gas emissions



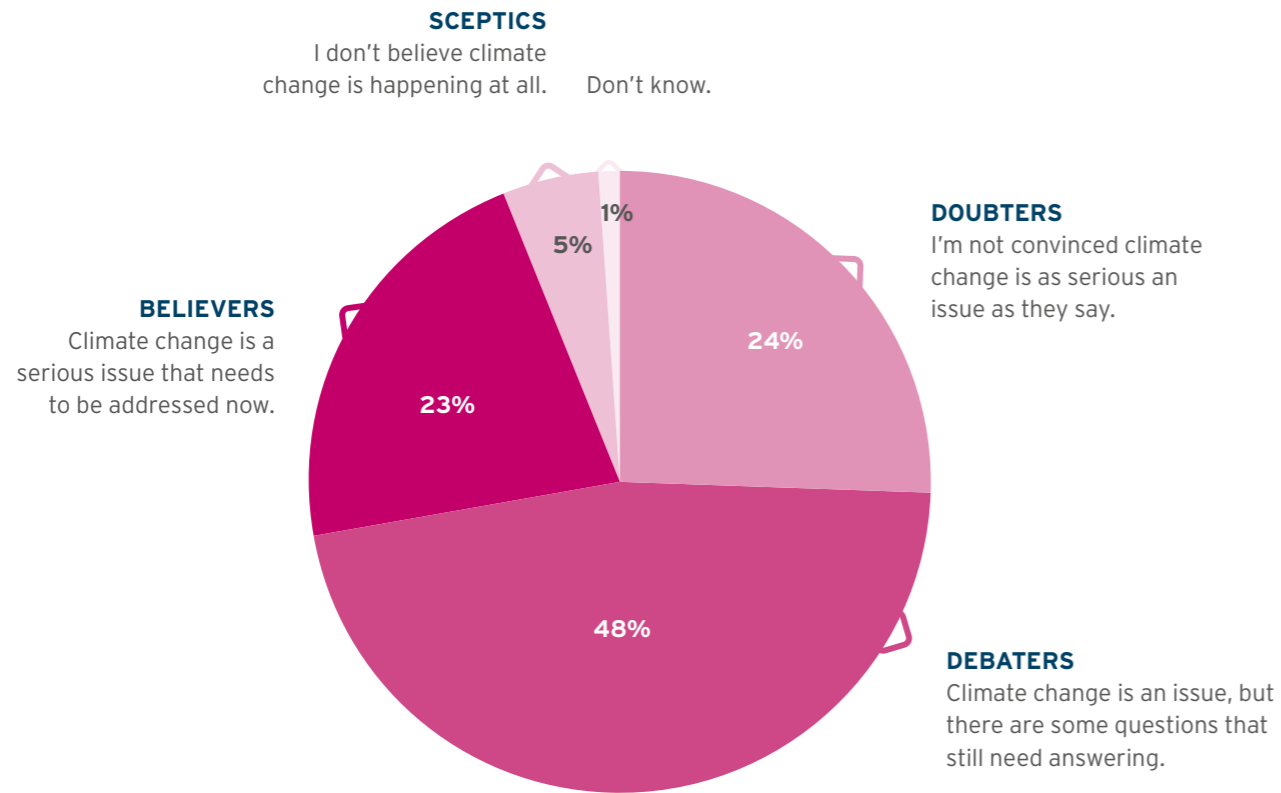
Figures in red box : significantly lower than 'Total CATI'.

COST VS. CONCERN FOR THE ENVIRONMENT

A quantitative research study of knowledge, attitudes and behaviour about climate change commissioned by Carbon Down confirmed that SMEs are under more pressure than ever. Cash flow, running costs and increased competition is making SMEs feel more time pressure than ever before. This was also experienced when Carbon Down implemented their programs and learnt that they needed to lead with the 'cost savings' before any reference to environmental benefit.

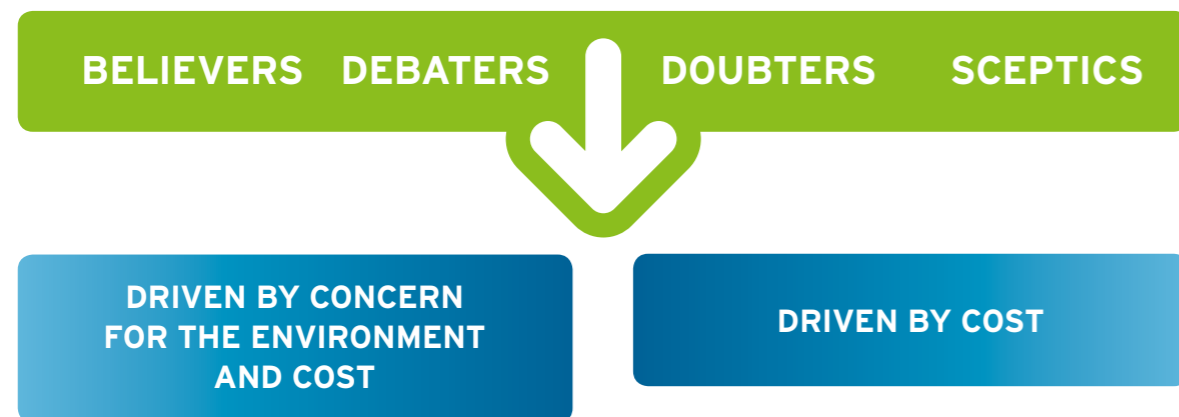
From this research we were also able to create a basic segmentation created along the lines of attitudes to climate change. This is illustrated in Figure 13.

Figure 13: Personal beliefs about climate change (%)



We understand that 'Believers' are more receptive to any 'green' messaging and represent an easier target for communication and activities than other segments, however, they are still a business and cost does matter. Subsequently Carbon Down ensured messaging always led with cost at the forefront and environment followed.

Figure 14: Segmenting SME businesses : Summary



SIMPLE VS. ELABORATE ACTIONS

With time also a factor the need to make actions as simple as possible and not to make them too elaborate was also critical and this knowledge was transferred and used in the successful WCIDRN campaign.

We also know that all SME segments respond to a variety of activities regardless of their attitudes to the environment and there are some activities that the more concerned are more likely to do. For example:

- 'Believers' are more likely to have made changes to transport use
- 'Sceptics' are more likely to choose initiatives that save money and require least effort.

Interestingly none of the initiatives were seen to make a big difference to the environment or be beneficial to the business:

	Believers	Debaters	Doubters	Sceptics
ACTIVITIES THAT LEND THEMSELVES TO BELIEVERS AND DEBATERS (%)				
Changed business practices so that less waste is produced	68	65	55	41
Adjusted the temperature to use less power	67	61	42	41
Re-use material that was previously discarded	66	57	50	41
Installed zoned lighting	52	55	45	44
Removed globes/lamps in areas that had more light than needed	46	36	27	17
ACTIVITIES THAT PEOPLE DO REGARDLESS OF ATTITUDE TO CLIMATE CHANGE (%)				
Switch off lights when not needed	95	94	90	87
Maintained the equipment to ensure it works efficiently	93	95	94	96
Turned appliances, equipment and machinery off when not being used	93	94	90	80
Introduced recycling for different types of waste	84	80	75	63
Replaced globes with more efficient ones	81	79	74	63
Changed business practices so that materials are disposed of in an environmentally friendly manner	81	78	69	59

→ KEQ 5. WAS CARBON DOWN A VALUE FOR MONEY PROJECT?

In order to establish whether Carbon Down provided value for money, we conducted comparisons with the UK-based Carbon Trust's 'Carbon Now' program and the Victorian 'Village Green' program. Both these programs deliver carbon emissions reduction services to businesses. The cost to deliver CO₂-e abatement was calculated for all three programs. See Table 8 below.

Table 8: Comparison Of tCO₂-e among three carbon abating/resource efficiency services

SCHEME	BUSINESS SEGMENT	KEY OBJECTIVES
CARBON DOWN	SMEs only	<ul style="list-style-type: none"> → Raise awareness among Victorian SMEs of the need to reduce carbon dioxide emissions for environmental and economic benefit → Work with partners to increase the number of SMEs undertaking carbon management action → Demonstrate measurable carbon reduction by SMEs through partnership projects and by connecting SMEs with sustainability products and solutions.
UK - CARBON TRUST - CARBON NOW	LARGE SMEs (spend over 500 pounds on energy per year)	<ul style="list-style-type: none"> → Provide specialist support to help businesses and the public sector cut carbon emissions and save energy → Demonstrate measurable carbon reduction.
VILLAGE GREEN	Place-based SMEs	<ul style="list-style-type: none"> → Behaviour change - to facilitate innovative and ethical solutions within the businesses community to increase profitability and improve resource efficiency.

KEY ACTIVITIES OFFERED	EXPENDITURE	CARBON REDUCTION	\$/ tCO ₂ -e
One-on-one advice Online education tools Awareness raising campaigns Social media/ community activities Services Workshops training Connecting businesses	\$9,104,918 (2008/09-2010/11) Established July 2008	71,691~ tCO ₂ - e (2008/09-2010/11)	\$127.00 (verified only, overall) \$70.05 (2010-11 only) \$18 - \$24 (Excluding spend related to educational activities only)
One-on-one advice for large businesses Online education tools Finance Sustainability Certification	~\$54,747,446 (2009/10) Established in 2001	1.6 million~ tCO ₂ - e (2009/10)	\$36- \$52* £20 - £29 (overall) \$204.98* £114.07 (overall with finance)
Resource efficiency audits Workshops and education Software reporting tool	\$99,000 (the program's total funding was \$900,000)	155 tCO ₂ - e#	\$638.71 - \$5,806.45

~excludes unverifiable abatement

* Exchange rate used as of 31 December 09 (1 GBP = 1.797 AUD)

Information supplied by Sustainability Victoria

In comparing each program, several factors should be considered:

- Carbon Down was a new program while the Carbon Trust was in its ninth year of operation. The set-up costs of activities such as website, brand development and awareness raising activities are likely to be far less in an established organisation such as the Carbon Trust
- The exclusion of the financing dollars in the Carbon Trust figure (\$36- \$52). The financing would have increased the productivity of creating carbon emissions reduction activities and without the finance the dollars per tCO₂ - e would be higher
- When the cost of the knowledge and awareness raising activities that do not result in verifiable emissions reduction are removed from Carbon Down's expenditure, the cost per tCO₂ - e is reduced substantially to \$18 - \$24 per tCO₂ - e, half that of the Carbon Trust costs
- If the return on investment (ROI) for Carbon Down overall was viewed separately for each year (i.e. ROI in 2009-10 is \$127.20 per tCO₂ - e and ROI in 2010-11 is \$70.05 per tCO₂ - e) the projected ROI for 2011-12 would be \$44.10 per tCO₂ - e.

Additional limitations to comparing Carbon Down to the Carbon Trust's Carbon Now program also exist. These include:

- The Carbon Trust markets to larger businesses where there are relatively bigger savings in one location while Carbon Down targets SMEs who are smaller and spread over multiple locations
- Energy prices in the UK market are more expensive than energy prices in the Victorian market. Attitudinal change towards climate change also has more traction in the UK. In Australia, politicians and the media are still debating the seriousness of climate change and the need to take action. As a result, Carbon Down's programs, unlike the Carbon Trust's Carbon Now, had an emphasis on education and awareness raising activities that don't result in verifiable emissions reduction.

In summary, although the overall cost of Carbon Down is around three times more than the Carbon Trust's \$36 - \$52/tCO₂-e saved, the projected Carbon Down ROI for 2011-12 would have seen it as comparable to the Carbon Trust. Carbon Down also delivered carbon emissions reduction that was five times more value for money than the 'Village Green' program at \$638.71 per tCO₂-e saved.

➔ **CARBON DOWN'S RETURN ON INVESTMENT (ROI) IN 2009-10 WAS \$127.20 PER tCO₂-e, REDUCING TO \$70.05 PER tCO₂-e IN 2010-11 IF CONTINUED IN 2011-12 WAS PROJECTED TO BE \$44.10 PER tCO₂-e.**

→ CONCLUSIONS

Carbon Down was first launched when key factors, both political and social, were influencing people to take responsibility for and action on climate change and the economy was stable. The momentum that built for environmental action, however, was interrupted somewhat when the global financial crisis occurred. It made dealing with the economy a priority over dealing with climate change.

Coupled with the politics surrounding climate change, Carbon Down's efforts to achieve its objective to engage with SMEs to educate them on the need to reduce carbon dioxide emissions were challenged.

Nevertheless Carbon Down proved to be a valuable resource to SMEs and resulted in influencing their knowledge, attitudes and behaviours towards climate change.

Research undertaken by Carbon Down in April 2011 provides some closer insights into the changing landscape of SMEs and the environment. When asked if the global financial crisis is still affecting their business, 60% of businesses agreed with this statement and personal concern towards climate change shifted to 43% down from 69% in 2008.

→ THE INFLUENCE OF THE MEDIA AND THE CLIMATE DEBATE

The prevalence of the climate debate in the news has influenced the mind set of SMEs. Talks of an Emissions Trading Scheme, Copenhagen and the Carbon Tax helped raise awareness of climate change among the SME community. But it also generated a degree of fear among the community:

"The high profile nature of the climate debate was a double edged sword. When there was so much discussion it could lift the profile... but at times it also dropped off the media agenda. But we can't dictate the news of the day"
(Marketing team)

"People hear what's in the news and because they don't understand it they get scared... there is a role for a body like Carbon Down to alleviate those fears."
(Partner)

There was opportunity for Carbon Down to make global issues relevant and comprehensible to small business owners:

"There is a lack of knowledge in the community...the milk bar owner down the road thinks he's going to have to pay a carbon tax...so they're looking for ways to save money."
(Partner)

"The 'knowledge, attitudes and behaviour' research demonstrated businesses were no where near as advanced as we had hoped they would be in terms of their awareness, attitudes and willingness to act differently"
(Management Team)

→ COLLABORATIVE RELATIONSHIPS

The success of Carbon Down is a testament to staff working together to achieve common objectives. Collaborative relationships were a key to success throughout the whole program. Open and honest communication, goal alignment and a positive culture all contributed to the success of working relationships between VECI and Sustainability Victoria and, in turn, Carbon Down.

"The culture of the partnership was so well established early on...If we hadn't given ourselves the time to build those relationships (Carbon Down) could very easily have gone off track"
(Management team)

The importance of mutual objectives cannot be overlooked. Success was most often achieved when objectives were aligned between Carbon Down and various parties.

"It was tough to get organisations to respond if Carbon Down objectives were not part of the core values (partners) embraced."
(Marketing team)

→ RESILIENCE AND FLEXIBILITY

Carbon Down is a prime example of how continuous evaluation, resilience and persistence can lead to successful outcomes. Despite facing many obstacles during the three year program, staff working on Carbon Down never gave up in their pursuit of success. Lessons were learnt as a result of each challenge and failure and used to develop and mould the programs to a more workable and successful format. An inherent culture of flexibility helped facilitate change and development.

"I don't think Carbon Down has turned out the way anyone had pictured it in the beginning...we had to work flexibly and when things didn't work we took them back and fixed them and made it work... it is a testament to the reality of the partnership. Not a lot of government programs would have been able to shift and chop and change the way Carbon Down has been able to."
(Management team)

→ RECOMMENDATIONS

Over the last three years, Carbon Down has gained valuable insight into the key motivations of SMEs in Victoria. Although the political, financial and environmental landscape has changed considerably since Carbon Down's inception, one thing remains clear. Cost is both the main driver and the main barrier for instigating environmentally-friendly changes in business.

SMEs will only consider carbon-reducing activities that are simple, low-cost and obvious.

Victorian SMEs are concerned about the environment, but climate change and carbon emissions are not top of mind. While the global financial crisis continues to affect businesses, financial survival remains the most pressing issue.

SMEs have demonstrated that they will undertake an action if it will save them money, but won't if it costs too much. Therefore, their ability to make sustainable changes is dependent on their limited resources (money, time and staff) and there is still considerable lack of knowledge and understanding of what to do and where to seek advice. In 2011, the majority of SMEs are not actively involved in environmental programs or focused on monitoring total greenhouse gas emissions.

In order to maximise the take up of environmental initiatives and change within the SME sector, there are several key areas to consider:

1. **Appeal to marketing and financial interests of SMEs, not just environmental:** To broaden the reach of an SME engagement program to include SMEs without significant environmental interest, it is recommended to include a strong focus on marketing opportunities and financial gain as motivators for participation. Avoid the use of carbon if possible and instead use terms such as resource efficiency and energy efficiency.
2. **Keep it simple, practical and action focused:** SMEs are time and resource poor so communication must be effective to reach and engage them.
3. **Segment the SME market:** the most effective programs identify the strategies and approaches to reach the targeted sectors effectively, according to their diverse issues and needs. When communicating to SMEs at large, segmenting by activity and by industry were the most effective methods.
4. **Reduce the financial barriers to action:** relating to recommendation one, a program should include rebates, discounts or incentives to help reduce the upfront costs for SMEs to undertake larger retrofits of their premises where the barriers are highest. Financial incentives can include grants for retrofits and tax incentives for the uptake of significant pro-environmental investments.
5. **Use personal and direct program delivery methods:** Despite the increased resourcing demand from an intensive program involving, for example face-to-face support, the necessary SME engagement and subsequent activity will be unlikely to take place without this depth of contact.

On-site assessments are viewed as the most effective approach, with repeated follow-up required to ensure implementation. Other methods to engage and follow-up with SMEs included phone support, online tools and social media can complement more intensive methods and will likely increase the cost effectiveness of program delivery.

6. **Build trust from SMEs and awareness of who to ask for information:** Government and business working together for the benefit of SMEs is a compelling message that creates trust and more effective program delivery.
7. **Ensure there are early wins for SME action:** where possible, provide (and help install) free resource efficient products on-site to the SME owner (or other low hanging fruit) as this will ensure at least these smaller changes are achieved.
8. **Engage Supply Chains and Influential Stakeholders to reach SMEs:** one of the most promising approaches to arise in delivering Carbon Down programs was engaging strategic partners to influence the SME, with large companies in the SMEs' supply chain possibly being the most effective option. Other important strategic partners who can effectively connect with SMEs include industry associations, property managers and local councils but the best partners will depend on the sector of SMEs.
9. **Utilise the power of consumer demand for 'green' products and/or services:** sustainability programs able to demonstrate to SMEs the case for consumer interest in, and demand for sustainable products and patronage of sustainable business leaders will have greater success.
10. **Ensure that taking the desired action is as easy as possible:** provide clear "how to" information to SME owners/managers with details of products, suppliers or tradespeople, or link them to service providers such as green plumbers or electricians who can provide assistance as needed.
11. **Foster group participation:** whatever the program design is, include opportunities for SMEs to connect with other businesses and feel they are acting as a part of a collective effort. This will allow business-to-business learning, and provide added support to SMEs.
12. **Map the process at the beginning:** plan the program in detail including a program logic diagram and an evaluation and monitoring plan with phases of repeated interventions to include up front easy wins, regular follow-up and longitudinal evaluation.
13. **Measure resource savings over time:** A longitudinal evaluation should be undertaken over a period of years in order to assess change in terms of resource savings in targeted SMEs, as well as their networks. This will enable a more useful comparison of programs. Any new program should be designed with a long term view, including regular evaluation points to assess and measure effectiveness.

APPENDIX

→ PARTNERSHIPS



BENDIGO BANK PARTNERSHIP

Carbon Down has enjoyed a successful partnership with Bendigo Bank through initiatives such as Ban the Bulb, Green Your Business and the Energy Saver Initiative.

Details of each Bendigo Bank initiative is outlined below.

CASE STUDY - BENDIGO BANK

COST PER TONNE (INCLUDING OVERHEADS)	Ban the Bulb: \$11.34 /tCO ₂ - e Energy Saver Initiative: \$11.60 /tCO ₂ - e
PROJECT OBJECTIVES	The partnership was established to educate local businesses, decrease their energy consumption, save money and help the environment. It aimed to encourage learning about and action on energy reduction and resource efficiency of the Victorian business community through specific engagement activities.
FOUNDATIONAL ACTIVITIES	<ul style="list-style-type: none"> → Establishment of the partnership between Carbon Down and Bendigo Bank → Research and analysis to determine the activities to undertake in the Ban the Bulb and Energy Saver Initiatives.

ENGAGEMENT ACTIVITIES	<ul style="list-style-type: none"> → Ban the Bulb - a coordinated effort from community groups such as the Lions Club, Rotary, and the State Emergency Service to install energy efficient light globes → The Green Your Business competition ran throughout May 2010. More than 6,260 resource-saving activities were completed throughout the competition → The Energy Saver Initiative was launched in April 2011 and ran until the end of June 2011. Carbon Down provided 5,000 energy saving power boards for distribution throughout Bendigo Bank's branch network.
OUTPUTS	<ul style="list-style-type: none"> → Ban the Bulb - Fifty Bendigo Bank branches replaced 18,386 incandescent light globes in 448 SMEs with energy-efficient compact fluorescent globes → Green Your Business - More than 6,260 activities were completed throughout the competition, with a \$10,000 prize awarded to Castlemaine Ray Street Childcare Centre → Energy Saver Initiative - 5,000 power boards were distributed to businesses with \$10,000 prize going to the Paynesville Men's Shed.
INTERMEDIATE OUTCOMES	<ul style="list-style-type: none"> → Education about and the provision of energy saving products for participating businesses increased awareness of resource efficiency and the opportunities for carbon emissions reduction in SMEs → In a 2011 VECCI program evaluation survey of participants, 69% of respondents reported that they were either slightly or much more interested in reducing their business's environmental impact as a result of the Energy Saver Initiative.
CARBON EMISSIONS REDUCTION	<ul style="list-style-type: none"> → Ban the Bulb - 12,667.1 tonnes of carbon emissions will be saved over the life of the globes → Energy Saver Initiative - 19,037 tonnes of carbon emissions cut over the life of the power boards.



THE MORELAND ENERGY FOUNDATION PARTNERSHIP

The Moreland Energy Foundation Limited (MEFL) was a natural partner for Carbon Down as many of the two organisations' objectives aligned well. The partnership began in the 2009-10 financial year with MEFL committing to undertake 100 energy audits among Moreland businesses and continued into 2010-11 with a partnership to follow up with businesses audited to support implementation of actions so as to achieve carbon reduction.

CASE STUDY - MORELAND ENERGY FOUNDATION

COST PER TONNE (INCLUDING OVERHEADS)	\$63.11/tCO ₂ - e
PROJECT OBJECTIVES	<ul style="list-style-type: none"> → Undertake research to determine carbon reduction opportunities within SMEs → Measure and reduce the carbon emissions of SMEs.
FOUNDATIONAL ACTIVITIES	<ul style="list-style-type: none"> → The partnership was established in the 2009-10 financial year → MEFL committed to undertake 100 energy audits with Moreland businesses and make energy efficiency recommendations.
ENGAGEMENT ACTIVITIES	<ul style="list-style-type: none"> → Based on the energy audits undertaken, MEFL began engaging with businesses to deliver verified carbon emissions reductions of 1,000 tonnes → Refrigeration was identified as a significant use of energy among SMEs in Moreland, so MEFL conducted a study to determine what savings could be achieved if fridges containing non-perishable items were switched off overnight.
OUTPUTS	<ul style="list-style-type: none"> → 100 energy audits of Moreland businesses were carried out → 500 energy efficiency recommendations were made as a result of the audits → Low cost and low effort verified carbon emissions reductions from fridge timers were calculated and implemented as a direct result of the MEFL study.

HOW CARBON WAS CALCULATED	<p>BAN THE BULB</p> <p>The GHG abatement claim for the 'Ban the Bulb' project applied the Victorian Energy Efficiency Target (VEET) scheme light globe change over methodology. Carbon emission reduction calculations performed using this methodology was found to be robust and accurate. Information regarding the installation location for light globes distributed through Sustainability Victoria's (SV) programs were not available. However, the SV programs that lights were distributed through were known. The SV programs were targeted at regional areas and metropolitan areas. It was assumed that 50% of globes were distributed to metropolitan areas and 50% were distributed to regional areas.</p> <p>ENERGY SAVER INITIATIVE</p> <p>Bendigo Bank provided Carbon Down with a summary report of the total number of businesses who received standby power devices. The number of devices was then multiplied by the average emissions saving achieved by installing each device.</p> <p>Carbon Down calculated the estimated carbon reduction per device installed based on the average standby power consumption of appliances in a typical SME office. Figures were sourced from an Australian Government "Standby Energy Consumption" publication.</p> <p>Annual savings are extrapolated based on reasonable estimations of the number of hours the office is unoccupied (nights, weekends and public holidays) and therefore potentially consuming standby power. Carbon Down's estimate of energy savings is supported by an independently documented test program which obtained slightly higher results. Carbon Down's estimate was therefore considered sensibly conservative.</p>
PROJECT STRENGTHS	<ul style="list-style-type: none"> → The success of the Ban the Bulb campaign was largely due to the dedication of each of the bank branches involved and the local community groups such as the Lions Club, Rotary and the State Emergency Service, who all worked hard to install the globes → The success of the Energy Saver Initiative can be attributed to support from the branch network with good local ties to businesses, as well as an enthusiastic response from the wider Victorian business community → Strong alignment of objectives between programs and existing expertise in program delivery.
FUTURE DIRECTIONS	<p>Energy saving power boards will be included as an approved activity under the Victorian Energy Saver Incentive scheme, which will be expanded to SMEs on 1 January 2012. The delivery of the Energy Saver Initiative has helped Carbon Down understand the potential for carbon savings from this activity and the barriers and drivers to adoption amongst SMEs.</p>



COLLINGWOOD FOOTBALL CLUB PARTNERSHIP

The Collingwood Football Club (CFC) partnership with Carbon Down launched in March 2009. It was originally due to run until December 2009, but was extended to June 2011.

CFC had a proven level of engagement with Victorian business through its major sponsors, more than 700 corporate partners, many coterie groups and around 1,500 corporate guests who attend CFC games every year.

CASE STUDY - GREEN MAGPIES

COST PER TONNE (INCLUDING OVERHEADS)	N/A
PROJECT OBJECTIVES	<ul style="list-style-type: none"> → Work directly with 500 SMEs to support, encourage and create incentives for energy-efficiency initiatives → Encourage SMEs to join the Grow Me The Money program and to develop and execute action plans for their businesses - specifically, generate 240 Grow Me The Money registrations (including 60 action plans) → Increase awareness of SMEs about what they can do to increase their resource efficiency and measure and reduce their carbon footprint → Deliver a high profile program that is promoted by senior executives from CFC, the Victorian Government, VECCI and Sustainability Victoria.
FOUNDATIONAL ACTIVITIES	<ul style="list-style-type: none"> → Establish the Green Magpies as a new membership category with a dedicated website and promotional campaign → To become a Green Magpie, SMEs were required to complete a survey and register interest in reducing their carbon footprint. All Green Magpie members received a CFC Carbon Down information pack and brochure, invitations and free entry to CFC Carbon Down program events and workshops held at Lexus Centre.

INTERMEDIATE OUTCOMES	<ul style="list-style-type: none"> → Increase in knowledge gained for both partners as well as participating businesses on the opportunities for carbon reductions within SMEs as a result of energy audits and the refrigeration study → In a 2011 VECCI program evaluation survey of MEFL energy audit recipients, 53% of respondents reported that after receiving the audit they were much more interested in 'doing their bit for the environment'. The same amount reported that they better understood how improving resource efficiency could save money, after receiving an audit.
CARBON EMISSIONS REDUCTION	Achieved a total of 1,193 tonnes of carbon emissions cut. This carbon reduction was claimed up front for a period of five years.
HOW CARBON WAS CALCULATED	Energy savings and greenhouse reductions due to the installation of fridge timers were based on a MEFL study of energy savings offered for different fridges. The fridge timers turn power off overnight when constant refrigeration is not required for drinks. Carbon Down contracted MEFL to undertake the distribution and installation of fridge timers at SME sites. Participating businesses confirmed the number of timers received and the types of drinks fridges adapted. Carbon Down utilised a different deemed emissions reduction factor for two-or three-door fridges, based on the study results.
PROJECT STRENGTHS	<ul style="list-style-type: none"> → MEFL's reputation and presence was a strength to the partnership: MEFL's active presence in the Moreland community and its experience in research and delivering consulting services ensured the target was met → Knowledge gained through the partnership contributed to other Carbon Down projects: Carbon Down was able to utilise the opportunity MEFL had presented with the fridge timers activity → Barriers to SME engagement were reduced: The development of low cost and low effort carbon reductions through installing digital timers effectively removed two of the biggest barriers for business action to reduce their carbon footprint.
FUTURE DIRECTIONS	The refrigeration timer activity has potential as a Victorian Energy Saver Incentive (ESI) 'Prescribed Activity'. The Victorian ESI scheme, established under the Victorian Energy Efficiency Target Act 2007, is designed to reduce greenhouse gas emissions through approved energy efficiency activities which produce Victorian Energy Efficiency Certificates (VEEC) These certificates have been mandated for large energy retailers to buy and surrender.

→ CAMPAIGNS

**CHOOSE GREENPOWER**

Choose GreenPower was developed to help SMEs understand the business case for switching to GreenPower and, hence, increase its adoption. Operating from May 2010 to June 2011, the project provided cost effective opportunities for participating businesses to switch to a percentage of GreenPower in order to reduce the impact their business has on the environment, and save energy costs in the long run.

CASE STUDY - CHOOSE GREENPOWER

COST PER TONNE (INCLUDING OVERHEADS)	\$48.92/tCO ₂ - e
PROJECT OBJECTIVES	<ul style="list-style-type: none"> → Understand the business case for SMEs to purchase GreenPower → Increase the adoption of GreenPower by SMEs → Reduce carbon emissions produced by SMEs.
FOUNDATIONAL ACTIVITIES	<p>Market research commissioned by VECCI in May 2010 found that:</p> <ul style="list-style-type: none"> → SMEs prefer to adopt GreenPower than use carbon offsets to achieve emissions reductions → Cost and the perception of the cost is a big barrier to uptake of both GreenPower and offsets → The subsequent program design should address the issue of cost 'head-on'. <p>A pilot program commenced in May 2010 to understand the costs and barriers associated with the adoption of GreenPower amongst the Victorian SME sector. The pilot phase initially showed that businesses using less than 40mWh of electricity could save an average of \$40/year while still paying a premium for GreenPower. This was made possible by acting as a broker on SMEs' behalf to negotiate a more competitive electricity tariff.</p>

ENGAGEMENT ACTIVITIES	<ul style="list-style-type: none"> → CFC hosted and promoted a media launch of the CFC Carbon Down and Green Magpies partnership timed to coincide with the beginning of the 2009 AFL Season → CFC promoted a series of free events and workshops for SMEs, with major events hosted by CFC President Eddie McGuire, including presentations by CFC ambassadors and experts and involved media and approved partners → CFC established an online CFC Carbon Down program and Green Magpies information portal on the CFC website, supported by email newsletter campaigns, information updates, Collingwood TV reports and online surveys, links, testimonials, and ambassador endorsements → The CFC President, Captain, coaches, players and staff developed a sound understanding of the Green Magpie program.
OUTPUTS	<ul style="list-style-type: none"> → During 2009, the program delivered six events including the program launch and a business breakfast with 260 attendees. The number of new Green Magpie members reached 275, with 79 signing on to Grow Me The Money. → Between July 2010 - June 2011 there were: <ul style="list-style-type: none"> - 1 regional and 1 metro event with over 70 attendees - A Green Office Briefing and a Marketing your environmental credentials briefing → 10 energy audits undertaken.
INTERMEDIATE OUTCOMES	<ul style="list-style-type: none"> → 75 Green Magpie members → 10 energy audits conducted → 133 carbon management and reduction activities adopted → 1,545 SMEs reached with key messaging.
PROJECT STRENGTHS	<ul style="list-style-type: none"> → Level of influence on SME attitudes → Level of engagement experienced from participating businesses.
FUTURE DIRECTIONS	The Green Magpies Program is available to CFC members and to the general public to join.

ENGAGEMENT ACTIVITIES	<ul style="list-style-type: none"> → Electricity price comparisons were carried out for participating SMEs after participants provided two recent electricity bills, which then determined whether they were small or larger energy users. → A third party energy broker was used to negotiate commercial contracts for larger sites (>40 mWh). Carbon Down then made recommendations to participating businesses on the percentage of GreenPower adoption that would still offer cost savings. A broker carried out the contracting process and offered comparisons which included options of 10, 20, 25, 50, 75, and 100% GreenPower. → For smaller energy users, Carbon Down provided cost comparisons across Victorian retailers before recommending a percentage of GreenPower that would still offer cost savings. It was then left to the participating businesses to switch retailers based on the findings → Businesses were targeted through a print media campaign, telemarketing campaign and through the existing partnership channels of Carbon Down.
OUTPUTS	<ul style="list-style-type: none"> → 458 individual sites were assessed. Of these sites, 54% consumed less than 40mWh while the remaining 46% used more than 40mWh → Total cost savings for participants = \$584,709.34 → Among those businesses using less than 40mWh, Choose GreenPower resulted in an average saving of \$325 and the reduction of 7.56 tonnes of carbon emissions annually → Among those businesses using more than 40mWh, Choose GreenPower participants saved an average of \$3,675 and reduced carbon emissions by 57.1 tonnes annually. The financial savings exceeded the expectations set by the pilot.
INTERMEDIATE OUTCOMES	<ul style="list-style-type: none"> → Knowledge was gained from better understanding the motivations and drivers of participating businesses towards energy efficiency and reduction → The information was then used to tailor communications and interactions to better meet the needs and boost participation of businesses both within Choose GreenPower and other Carbon Down projects.
CARBON EMISSIONS REDUCTION	A total of 9,124 tonnes of carbon emissions cut over 1-3 years.

HOW CARBON WAS CALCULATED	<p>Carbon Down received two electricity invoices from each participating business. These invoices were extrapolated to estimate annual energy consumption. For businesses consuming over 40MWh p.a., Carbon Down engaged a broker to obtain a cheaper long-term electricity contract, containing some percentage of GreenPower. Carbon emissions reduction is calculated based on the portion of electricity consumption supplied by GreenPower during the full length of the contract, as detailed in copies of the contract document obtained by Carbon Down.</p> <p>Calculations can effectively result in the extrapolation of only two invoices into multiple years of abatements. While this estimation is uncertain, electricity suppliers accept the usage extrapolation as the basis for drafting a contract, and so Carbon Down also assumes the methodology is acceptable.</p> <p>For businesses below 40MWh p.a., Carbon Down personally assesses alternative suppliers, and receives informal confirmation via phone or email that the business has signed up for GreenPower. In this case, Carbon Down conservatively claims one year's worth of abatements since there has been no long-term contract signed.</p>
PROJECT STRENGTHS	<ul style="list-style-type: none"> → A low cost option for carbon emissions reduction: The cost comparison aspect of the service proved to be an asset. GreenPower was a viable option to include even a small portion for many SMEs when compared to what they were paying under existing agreements. An additional benefit was educating businesses about the business case for shopping around to get the best price for their energy supply. → Knowledge gained contributed to other Carbon Down projects: Choose GreenPower's mid-term evaluation indicated that the main reason for not taking up the recommendations, even where cost savings were identified were because businesses wanted to focus on reducing their electricity consumption before considering the additional option of GreenPower. This opened up the opportunity to direct these businesses into the energy efficiency focused programs of Carbon Down. Valuable insights like this helped to build Carbon Down's understanding of SME motivations and engagement in action to reduce their footprints.
PROJECT LIMITATIONS	Time lags for new contracts: Even once smaller electricity consumers had transferred retailers, it took up to several months before a meter reading was made and the transfer was complete. For larger consumers, energy companies could request further information about the customer and their usage profile, stretching the contractual process over several months.
FUTURE DIRECTIONS	The aim is to feed results and findings into review of National Carbon Offset Standard for consideration and recommendations on how it should treat GreenPower.



GROW ME THE MONEY

Grow Me The Money (GMTM) is a program designed for SMEs operating in both metropolitan and regional areas to help improve their environmental sustainability and their financial bottom line.

Carbon Down partnered with GMTM in July 2008 to further develop the tools it offered SMEs to reduce carbon emissions and assist with their energy related support needs. A business support officer was appointed to field specific carbon and energy related questions and to further develop resource-tracking tools to report on carbon emissions.

The key objectives of the partnership were to measure and reduce carbon emissions of SMEs, to better understand carbon related activity, needs and barriers of SMEs within Victoria, to connect with regionally based SMEs and enhance the usefulness of GMTM for SMEs.

CASE STUDY - GROW ME THE MONEY

COST PER TONNE (INCLUDING OVERHEADS)	\$8.41/tCO ₂ -e
PROJECT OBJECTIVES	<ul style="list-style-type: none"> → Increase awareness among SMEs about how to reduce their carbon footprint → Measure and reduce carbon emissions of SMEs → Better understand carbon related SME activity → To understand and address the needs and barriers of SMEs, and connect with regionally based SMEs to enhance the usefulness of GMTM for participants.

FOUNDATIONAL ACTIVITIES	<ul style="list-style-type: none"> → Energy and carbon management fact sheets were developed for participants and distributed via other Carbon Down partners → Online carbon monitoring tools were developed to track and report greenhouse gas emissions → GMTM launched a transport tool to capture transport fuel use and calculate greenhouse gas emissions → These foundational activities allowed GMTM to develop action plans for participants to reduce energy consumption and their carbon footprint.
ENGAGEMENT ACTIVITIES	<ul style="list-style-type: none"> → A business consultant communicated with members via phone and email to build engagement and encourage action → Of the action plans developed, more than 90% could result in carbon emissions reduction if implemented → A tailored Carbon Management 101 briefing session was delivered to 316 businesses over five sessions.
OUTPUTS	<ul style="list-style-type: none"> → Total number of participants = 1,561 → Total number of action plans developed = 148 → GMTM participants that have implemented their action plans have achieved an average energy use reduction of 12% compared to their baseline.
INTERMEDIATE OUTCOMES	<ul style="list-style-type: none"> → Knowledge was gained from online carbon monitoring tools that were developed to track and report on greenhouse gas emissions → GMTM also launched a transport tool to capture transport fuel use and calculate greenhouse gas emissions → In a 2011 VECCI program evaluation survey, 65% of respondents reported that they were slightly or much more interested in reducing their carbon footprint since participating in GMTM, and 54% of respondents better understood how improving resource efficiency can save money → These intermediate outcomes contributed to the success of the partnership, enabling GMTM to deliver carbon emissions reductions and lower energy consumption for participants.



PAINT THE TOWN GREEN

Paint the Town Green (PTTG) was a pilot program aimed at reducing the carbon footprint of SMEs through targeted energy efficiency actions, delivered through partnerships with local government.

PTTG launched in late January 2011 and implemented its first carbon reduction activity soon after. Over the course of the six-month program, new partnerships were formed to reach further into the SME sector.

CASE STUDY - PAINT THE TOWN GREEN

COST PER TONNE (INCLUDING OVERHEADS)	\$31.47/tCO ₂ - e
PROJECT OBJECTIVES	To achieve measurable carbon emissions reduction and reach in to the SME sector by partnering with local governments to target the business community in their municipality.
FOUNDATIONAL ACTIVITIES	New partnerships with local governments were formed. A website and collateral were developed to support conversations about the pilot. New carbon reduction activities were added to the suite through ongoing research into emerging technologies.
ENGAGEMENT ACTIVITIES	<ul style="list-style-type: none"> → Lighting assessments were undertaken for many participating SMEs. Assessments involved an initial site visit followed by a report outlining key recommendations. Further site visits were occasionally required to test suitability of certain energy efficient products pre-installation → Other significant activities included the use of standby power controllers (SPC) and programmable timers for refrigerators holding non-perishable items.
OUTPUTS	<ul style="list-style-type: none"> → In total, 339 businesses were recruited via 22 different recruitment channels. In total 296 businesses took up PTTG recommendations → Over the duration of the program, a total of \$357,793 was saved for participants, averaging \$1,217 per business.

CARBON EMISSIONS REDUCTION	<ul style="list-style-type: none"> → Achieved a total of 4,404 tonnes of carbon emissions cut in 2009-10 → Achieved a total of 3,922 tonnes of carbon emissions cut in 2010-11 (able to be counted as a consequence of work completed in previous years).
HOW CARBON WAS CALCULATED	<p>The Grow Me The Money greenhouse emissions tool receives direct input of activity data from participating businesses, including electricity, gas and water usage.</p> <p>The tool applies calculation methodologies and emissions factors from the National Greenhouse Accounts (NGA) Factors published by the Department of Climate Change and Energy Efficiency. These methodologies are considered best-practice within Australia.</p> <p>Greenhouse reductions are based on the emissions reductions recorded by businesses using the tool during the year and are thus assumed to be based directly on invoice data. Emissions factors used are adjusted to account for businesses which may use some portion of GreenPower electricity.</p> <p>The final result remains subject to the accuracy of initial data entry by the participating businesses. To minimise error, data is extracted by Carbon Down from the Grow Me The Money site on a quarterly basis, and manual error-checking is performed to remove any obvious outliers where possible, such as unrealistically high utility prices.</p>

INTERMEDIATE OUTCOMES	<ul style="list-style-type: none"> → Participants received lighting assessments which provided businesses with meaningful metrics like energy, carbon and financial savings, with the aim of maximising implementation of the recommendations → PTTG built detailed knowledge around the different lighting set-ups across various industry types in the SME sector, which informed the carbon emissions reduction activities undertaken and will be utilised in the future → In a 2011 VECCI program evaluation survey of participants, 50% of respondents reported that PTTG activities had improved their knowledge about their business' carbon footprint and/or resource efficiency.
CARBON ABATEMENT	<ul style="list-style-type: none"> → Achieved an overall reduction of 9,337 tonnes of carbon emissions, averaging 27.5 tonnes per business → A deemed factor approach was utilised to calculate verifiable carbon emissions reduction, in line with the Victorian Government's Energy Efficient Target (VEET) scheme.
HOW CARBON WAS CALCULATED	<p>Paint the Town Green focused on the installation of energy efficient devices. This occurred either via direct installation, or products being provided to SMEs who signed an agreement confirming installation. Emissions reductions were estimated based on the number of devices installed, and the assumed average carbon reduction calculated per installation.</p> <p>Energy savings from light bulb switching and de-lamping were based on the wattage reduction achieved, assumed to be effective over the lifetime of the product. Emissions calculations were made in accordance with the NGA Factors. For long-life products, a 'confidence factor' was applied to ensure that reduction estimations were conservative, in the event that emissions factors decrease during the product lifetime.</p> <p>Emissions reductions from other activities including voltage reduction, standby power devices and fridge timers were based on documented studies for the average energy savings offered by each unit installed. These studies appear to provide reasonable assumptions as the basis for estimating emissions reductions among typical SMEs. Carbon Down also applied conservative confidence factors when product installation could not be guaranteed.</p>

PROJECT STRENGTHS	<ul style="list-style-type: none"> → The program exceeded its initial target of 2,000 tonnes of carbon emissions reduction and recruitment of 200 SMEs → Direct communication yielded a high conversion rate: In partnerships where there were adequate resources available, direct communication with the business yielded a higher rate of recruitment and greater emissions reduction per business achieved → In partnership with Metcash (licensees for IGA), Carbon Down committed time to contact individual businesses to distribute digital timers. This resulted in 170 businesses recruited from 359 calls, representing a 47% conversion rate → PTTG successfully recruited 16 businesses by targeting businesses from the Choose GreenPower database → PTTG built detailed knowledge around lighting set-ups throughout various industry types within the SME sector. Each business had access to specialist knowledge from Carbon Down consultants.
PROJECT LIMITATIONS	Online communications proved less effective than direct communication in the recruitment process.
FUTURE DIRECTIONS	The program will feed in results and lessons learnt to inform the expansion of VEETs to include SMEs.

→ SOCIAL MEDIA

**FACEBOOK, TWITTER, LINKEDIN, YOUTUBE ETC.**

Carbon Down's social media strategy included a presence on Facebook, LinkedIn, YouTube and Twitter. Throughout the Carbon Down program, social media activity reached approximately 152,000 SMEs and contributed over 2,100 activities to overall results.

CASE STUDY - SOCIAL MEDIA

COST PER TONNE (INCLUDING OVERHEADS)	N/A- Any carbon emissions reduction achieved through Social Media are unverified, therefore the cost per tonne has not been quantified.
PROJECT OBJECTIVES	Carbon Down's social media presence was developed in order to increase awareness of Carbon Down services and further engage SMEs in carbon emission reduction actions.
FOUNDATIONAL ACTIVITIES	Creation and development of Carbon Compass and What can I do right now (WCIDRN) led to the establishment of several social media channels and a growing online community.

ENGAGEMENT ACTIVITIES	<ul style="list-style-type: none"> → Steady audience growth and engagement across all active social media channels → The WCIDRN Facebook page has a following of approximately 290 fans, who engage via 'liking' status updates, and sharing their sustainability tips → A WCIDRN Twitter account was also established, to connect with an audience that sits outside the traditional sustainability audience → The transition of the Carbon Column to blog format sitting on the Carbon Compass site added to the existing suite of Carbon Down's social media outlets → Carbon Down's presence on LinkedIn evolved from the Carbon Down Victorian Business Group to VECCL Sustainability, based on feedback from the online community. Whilst interaction through this channel proved to be more limited than Twitter or Facebook, the quality of the information during these conversations was rich, due to the level of expertise among group members. → A YouTube account was established to house Carbon Compass content via social networks.
OUTPUTS	<ul style="list-style-type: none"> → Total SME reach = 152,335 → A social media presence across Facebook, LinkedIn, YouTube and Twitter → Carbon Down Twitter = 1,100 followers → WCIDRN Twitter = 490 followers since May 2009 → A YouTube account houses over 26 videos attracting over 250 unique views → Google Analytics and Alterian SM2 measured the outcomes of social media activity.
INTERMEDIATE OUTCOMES	<ul style="list-style-type: none"> → A social media presence contributed to knowledge gains among SMEs about how to reduce their carbon footprint and address the barriers in doing so. Online platforms allow for direct interaction and feedback between Carbon Down and participants, allowing for the improvement of existing and future projects. → The research element of Carbon Down, combined with the changing nature of online medium, has also provided research opportunities for SME engagement and carbon reductions.



WHAT CAN I DO RIGHT NOW

Launched in May 2010, What can I do right now (WCIDRN) was designed as a mass-reach campaign to encourage SMEs to change some of their behaviours. Its development was informed by lessons from Drivers for Change, a campaign aimed at researching motivators for SMEs around sustainability messaging.

The website provides easy-to-understand ideas for SMEs, with actions from 'switch off' and recycling signage through to a green cleaning guide and energy efficiency checklist.

CASE STUDY - WHAT CAN I DO RIGHT NOW

COST PER TONNE (INCLUDING OVERHEADS)	N/A - Any carbon emissions reduction achieved through What can I do right now are unverified, therefore the cost per tonne has not been quantified.
PROJECT OBJECTIVES	To develop an online resource as part of mass-reach campaign to encourage behaviour change among SMEs, as well as reduce their carbon footprint.
FOUNDATIONAL ACTIVITIES	The Drivers for Change campaign which researched the motivation for SMEs around sustainability messaging, informed the development of the WCIDRN website.
ENGAGEMENT ACTIVITIES	<ul style="list-style-type: none"> → The website provides easy-to-understand and implement ideas for SMEs, with actions from 'switch off' and recycling signage through to a green cleaning guide and energy efficiency checklist → A 'what's new' section was introduced in June 2010. This section was created to update visitors on recent sustainability-focused news and events, including the Top Five Tweets → The monthly WCIDRN newsletter attracted 250 subscribers who received simple carbon cutting tips in line with the website's objectives → The Carbon Offset and Green Transport Guides were introduced to the site in February 2011.

CARBON EMISSIONS REDUCTION	N/A
PROJECT STRENGTHS	<ul style="list-style-type: none"> → The Carbon Down Twitter account has been a standout success: Twitter generated the most interaction with SMEs amongst social media, and provided an excellent communications platform for the Carbon Down brand. The scope of followers has widened since its inception, with conversations existing outside of the sustainability field, with ongoing efforts made to engage SMEs from different industries, including hospitality and manufacturing. → Greater accuracy of performance results: Throughout the duration of the program, improvements in online platforms have changed the accuracy in which results can be recorded. For example, Facebook now provides Fan Page administrators with rich statistics and insights into page activity. This allows for greater flexibility to respond to the changing online social media environment.
PROJECT LIMITATIONS	Social media engagement has little scope for financial incentives. In order to encourage audience participation, incentives were offered across all social media channels. These varied from gift vouchers, through to reusable cups and water bottles, yet did not generate a significant response. Many and varied incentives were trialled, with a conclusion drawn that meaningful social media engagement cannot be bought. Instead, listening to the audience and promoting their agenda, alongside Carbon Down objects, proved to be the key in forming online relationships.
FUTURE DIRECTIONS	The Carbon Down Twitter feed will continue to operate. The remaining accounts, including the What can I do right now, Facebook and Twitter accounts and the Carbon Compass Facebook page will discontinue.

OUTPUTS	<ul style="list-style-type: none"> → Total website views = 3,582 → Subscribers to monthly newsletter = 250 → Total amount of activities = 3,616
INTERMEDIATE OUTCOMES	<ul style="list-style-type: none"> → The knowledge gained from helping SMEs gain a basic understanding of carbon reduction and offsetting, and resource efficiency improved the likelihood of visitors taking action in these areas. → In a 2011 VECCI program evaluation survey of WCIDRN users, 82% of respondents reported that using WCIDRN had improved their knowledge of their business' carbon footprint and/or resource efficiency. Furthermore, 67% of respondents reported that after using WCIDRN they were slightly or much more interested in reducing their business' impact on the environment.
CARBON EMISSIONS REDUCTION	A total of 3,569 tonnes of unverified carbon emissions reduction was achieved.
HOW CARBON WAS CALCULATED	<p>WCIDRN was a behavioural based project aimed at educating and influencing small and medium sized business to take on sustainability actions. Carbon Down provided information and resources via the internet aimed at helping SMEs make behavioural changes to reduce their GHG emissions, including information about resource efficiency in the office, visual energy inspections, energy efficiency opportunity assessments, switch off signage and waste reduction and recycling.</p> <p>The uptake of each activity was extracted from the website to derive the overall carbon reduction achieved. Carbon Down assigned each activity a deemed greenhouse reduction amount, based on assumptions and data collected from various published energy usage and efficiency resources. While GHG reductions were quantified from some of the actions, the assumptions and methodology applied did not provide a sufficient level of confidence to accurately quantify GHG emissions and so were not verified. To verify reductions, surveys of program participants would be required to more accurately quantify uptake. Hand other factors used in the calculation of reductions.</p>

PROJECT STRENGTHS	<ul style="list-style-type: none"> → Simple and effective engagement: The website provides easy-to-understand hand implement ideas for SMEs, with actions from switch off and recycling signage through to a green cleaning guide and energy efficiency checklist. → Flexible to changing user needs: Continued upgrades and additions to WCIDRN to keep users updated, have ensured it is a relevant and dynamic web resource for SMEs. Carbon Down has monitored and responded to the changing needs of visitors in working to deliver easy to implement sustainable business practices.
FUTURE DIRECTIONS	The What can I do right now site will remain live, but the content will not be updated. The monthly newsletter will discontinue and existing subscribers to the newsletter will be invited to receive the Carbon Column instead.



CARBON COMPASS

Launched in March 2010, Carbon Compass is a website (www.carboncompass.com.au) where SMEs can find resources and tools, share information and get practical advice about how to reduce their carbon footprint. The primary objective of the website is to make information about carbon savings and resource efficiency that is relevant to SMEs easy to find.

CASE STUDY - CARBON COMPASS

COST PER TONNE (INCLUDING OVERHEADS)	N/A - Any carbon emissions reduction achieved through Carbon Compass are unverified, therefore the cost per tonne has not been quantified.
PROJECT OBJECTIVES	The website was developed to help SMEs understand how many carbon emissions they produce, where in the business they are produced and how they can reduce these emissions and save money.
FOUNDATIONAL ACTIVITIES	<ul style="list-style-type: none"> → Research on current information needs of SMEs. → Research on current adoption and use of online and social media by SMEs. → Website development and market research.
ENGAGEMENT ACTIVITIES	<p>In addition to Carbon Compass subscribers receiving a monthly newsletter, businesses can access hints, tips and resources, and can rate and review the information provided. By doing so, the sustainability content receives feedback from users of the website. Ways in which SMEs are engaged through Carbon Compass include:</p> <ul style="list-style-type: none"> → Providing thumbs up/down on suggested carbon and money saving actions → Reviewing resources and giving them a 'star rating' → Subscribing to a monthly newsletter (titled 'To the point') with hints, tips and updates on Carbon Compass activity → Asking questions and providing responses to other questions.

OUTPUTS	<ul style="list-style-type: none"> → Total unique visitors = 20,661 → 132,034 page views → Average time on site: five minutes 14 seconds → Subscribers to monthly newsletter = 550
INTERMEDIATE OUTCOMES	<ul style="list-style-type: none"> → Assisting SMEs gain a basic understanding of carbon emissions reduction and offsetting, along with ways to improve resource efficiency, has improved the likelihood of visitors taking action in these areas. → In a 2011 VECCI program evaluation survey of Carbon Compass users, 71% of respondents reported that using the website had improved their knowledge of their business' carbon footprint and/or resource efficiency. Furthermore, 62% of respondents reported that after using Carbon Compass they were slightly or much more interested in reducing their business' impact on the environment.
CARBON EMISSIONS REDUCTION	Carbon Compass introduced enhanced functionality in 2010-11 designed to calculate and verify the carbon emissions reduction that resulted from visits to the website. The system for verifying carbon savings was not perfected before the end of the program, although a small amount of unverified emissions reduction (190 tonnes) was recorded as a result of the process.
HOW CARBON WAS CALCULATED	<p>The Carbon Compass website receives input from users about which broad energy-saving practices they have implemented. The recorded uptake of each activity is extracted from the site and used to derive the overall abatement achieved.</p> <p>Each activity is assigned a deemed greenhouse reduction target, based on assumptions and data collected from various published energy usage and efficiency resources.</p> <p>Reference sources are generally listed alongside calculations, however in some cases, intermediate calculations are omitted and the exact method of converting data from documented figures to the deemed factors is unclear.</p> <p>In addition, Carbon Down applied a 'confidence factor' of between 50-80% to every individual activity, to ensure that carbon emission reduction estimations are conservative. This factor reduces the chance that any assumptions will lead to reduction estimations being overstated. While GHG reductions were quantified from some of the actions, the assumptions and methodology applied did not provide a sufficient level of confidence to accurately quantify GHG emissions and so were not verified. To verify emissions reduction, surveys of program participants would be required to more accurately quantify uptake and other factors used in the calculation of emissions reduction.</p>

PROJECT STRENGTHS	<ul style="list-style-type: none"> → Practical cost and resource saving actions: By providing free hints and tips, businesses were able to find practical information on the different ways to increase resource efficiency and save money. → Segmented and effective engagement: The website provided the means for the program to engage and communicate with businesses on an on-going basis, and enabled cross promotion of campaigns and initiatives. → Flexible to changing user needs: Continual upgrades and additional actions and resources kept the site a relevant and dynamic web resource for SMEs. The site is monitored to cater to the changing needs of visitors and to provide up-to-date and relevant practical advice on how SMEs can reduce their carbon footprint.
FUTURE DIRECTIONS	<ul style="list-style-type: none"> → The website requires some further refinement to help visitors understand the importance of the business directory and how it links with the rest of the website → The Q&A section is under-utilised and will be reviewed → Feedback from market research has indicated the benefit of assisting users with information about where to start on their sustainability journey. This could be done by linking 'Actions' and 'Resources' to plans or to do lists that are segmented in a meaningful way e.g. By industry. → Stakeholders should be encouraged to maintain and submit new 'Actions' and 'Resources' to ensure content on the website is kept up-to-date and relevant.

CARBON COLUMN

The Carbon Column is a 300-word editorial on business sustainability topics distributed every week to syndicate partners who then circulate it through their own communication channels to SMEs.

The objective of the column is to provide Victorian SMEs with information and access to resources that will equip them with the knowledge and capability to improve their sustainability performance.

CASE STUDY - CARBON COLUMN

COST PER TONNE (INCLUDING OVERHEADS)	N/A
PROJECT OBJECTIVES	To educate and inform SMEs and motivate them to take action by publishing a succinct and informative weekly article. The articles provide both information and case studies aimed at better equipping Victorian SMEs with the necessary know-how to embrace sustainable business practices and prosper in the low carbon economy of the future.
FOUNDATIONAL ACTIVITIES	The column was established in 2009 and initially written by an external agency. Later, it was brought in-house to be produced by Carbon Down staff. A distribution list of organisations willing to syndicate the column was created.
ENGAGEMENT ACTIVITIES	<ul style="list-style-type: none"> → Email invitation and phone campaign to recruit syndication partners → Businesses and councils also able to sign-up via the Carbon Compass website → Weekly article distributed to subscribers → Follow up with syndication partners to ascertain how frequently they are re-distributing the article, and how many SMEs it reaches.

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Carbon Down is a climate change partnership between VECCI and the Victorian Government.

OUTPUTS	<ul style="list-style-type: none"> → In 2009, the column reached an average weekly audience of 4,500 Victorian SMEs, making it one of the main contributors to the Carbon Down programs reach targets. → The weekly Carbon Column has a growing distribution list. Since June 2009, the column has expanded to include weekly distribution to 204 syndication partners, who together reach over 360,000 contacts/businesses → A phone survey conducted in May 2011 of Carbon Column syndication partners found that 50% had re-distributed at least one Carbon Column article in their own publications. The survey also collected information about the number of people to whom the syndication partners distributed their publications.
INTERMEDIATE OUTCOMES	<ul style="list-style-type: none"> → VECCI's e-newsletter, Radar provided on average 3,200 unique subscribers who clicked on a Carbon Column article. More than 430,000 click-throughs were received between August 2009 and June 2011 → A phone survey conducted in October 2009 of Carbon Column syndication partners found that it had a potential reach of 364,569 contacts/businesses, and an actual reach of 113,300 contacts/businesses was achieved.
CARBON EMISSIONS REDUCTION	N/A
PROJECT STRENGTHS	<ul style="list-style-type: none"> → Provided a vehicle for the dissemination of up-to-date information for time poor SMEs who would not have had the time and/or resources to find this information autonomously → Major contributor to Carbon Down objectives by distributing knowledge and expertise in business sustainability in a consistent format → Provided a communication channel to reach SMEs and promote Carbon Down activities through the 'call to action' information provided in each Carbon Column → The regularity of the Carbon Column allowed Carbon Down to develop a solid relationship with subscribers, resulting in a readiness to replicate and contribute to articles.
FUTURE DIRECTIONS	The Carbon Column will continue to be distributed to the existing subscribers, as well as distribution through VECCI's Radar publication and across VECCI Sustainability Services social media platforms.