Consumer Messaging: Educating on Efficient Product Use and Replacement/Recycling

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Roadmapping Webinar
May 25, 2016
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Appliance Roadmapping Goals

• Build on more than 20 years of partnership to foster the future success of the ENERGY STAR program for appliances
• Look ahead creatively to the next five years, with the goal of maintaining an ENERGY STAR appliance program that delivers on consumer expectations for performance and efficiency
• Establish pathways to further engagement between EPA ENERGY STAR, appliance manufacturers, retailers, and energy efficiency program sponsors on an ongoing basis
• Charting progress and identifying consumer value of connected functionality
Appliance Roadmapping: Where are we now?

Late 2015
• Kick-off session at ENERGY STAR Products Partner Meeting
• Launch of roadmapping website
• Release of draft outline of upcoming appliance spec revisions

Winter/Spring 2016
• Webinars scheduled for Jan-May on topics including messaging
• We form working groups to continue the conversation on any of the webinar topics where there is more in-depth interest.

Summer 2016
• We expect working groups to meet over the summer to continue discussions on key topics.

Fall 2016
• We will report highlights and shared accomplishments at the Oct 2016 ENERGY STAR Products Partner Meeting to culminate the appliance roadmapping effort.
Agenda for Today’s Webinar

• Overview of ENERGY STAR appliance messaging
  – Market challenges and opportunities
• Discussion
  – Trends in consumer messaging
  – Aggregation: whole home, product sets, room by room
  – Replacement and recycling
  – Customer segmentation
  – Connected Home
• Roadmapping next steps
ENERGY STAR Initiatives To Date

- ENERGY STAR Most Efficient
- Retail Products Platform
- Dryer launch, Flip Your Fridge, New RAC spec
  - Promotional tools and resources
ENERGY STAR Most Efficient

• The latest in technical innovation
• Cutting edge energy efficiency

WHEN ONLY THE BEST WILL DO.
The best of ENERGY STAR® for your home and for the planet.

Most Efficient 2016
www.energystar.gov
ENERGY STAR Retail Products Platform

- Provides new opportunities for consumer incentives / messaging (courtesy of retailers) against products that, despite having diminishing individual savings, are contributing to an overall increasing HH plug load PLUS where rebates are not high enough to be effective
- Pilots running with 3 retailers 8 utilities, representing 18 million residential customers, 15% of US households
FLIP YOUR FRIDGE!

- Feature savings resulting from replacing 15-year old fridge
- PLUS Recycling
- Leverage all available rebates
ENERGY STAR: The Cool Choice for Room AC

• Highlighting key benefits: improved insulation, clear instructions, connected functionality on many models
Marketing Tools and Resources

- Digital media tools
  - Widgets
  - Infographics
- Other content:
  - Tips
  - Videos
- Tools
  - Product Finder / Price & Location Finder
  - Rebate Finder
  - My ENERGY STAR
  - ENERGY STAR @ Home
Discussion: Consumer Messaging Trends

• What motivates your customers when shopping for appliances?
Discussion: Aggregation

• Whole Home
• Product Sets
• ENERGY STAR in Your Kitchen
Replacement and Recycling

• It’s time to Flip Your Fridge! Replacing an old refrigerator with a new ENERGY STAR certified model will save energy, save money and help protect the climate. You could save $260 in energy costs over the next five years. And save even more with a utility rebate. Double the environmental benefit by properly recycling your old fridge.

• New ENERGY STAR certified dryers
  – Use 20% less energy
  – Deliver $245 in lifetime savings
  – Save even more with an ENERGY STAR washer/dryer pair.
Replacement and Recycling

- Are there opportunities for replacement messaging around other appliance categories?
  - More than 25 million clothes washers and more than 19 million dishwashers are 10 years old or more

<table>
<thead>
<tr>
<th>Age of Appliance</th>
<th># of Clothes Washers</th>
<th># of Dishwashers</th>
<th># of Air Conditioners (window/wall)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 to 14 years</td>
<td>16.1 million</td>
<td>11.3 million</td>
<td>3.4 million</td>
</tr>
<tr>
<td>15 to 19 years</td>
<td>5.6 million</td>
<td>4.0 million</td>
<td>1.0 million</td>
</tr>
<tr>
<td>20 years or more</td>
<td>3.6 million</td>
<td>4.1 million</td>
<td>1.7 million</td>
</tr>
<tr>
<td>Total 10 years+</td>
<td>25.3 million</td>
<td>19.4 million</td>
<td>6.1 million</td>
</tr>
</tbody>
</table>
Discussion: Customer Segmentation

Early Adopters / High-End Green Consumers

- Likely to be high-income females, ages 30-50
  - Educated, health-conscious, active
  - Average HHI of $100,000+
  - Likely to be members of Gen X
- Purchasers of luxury goods
  - Affluent females make 68% of household purchases
  - More likely to have a vacation or second home
  - Take finances seriously
  - Very active online
- Frequent users of social media platforms, online searches
- Actively seek information about new and existing environmentally conscious businesses, brands, and practices
- Shops green not only for herself/her family, but because buying green products is “the right thing to do”
- Top spenders in all retail categories

Discussion: Customer Segmentation

Cost-conscious Consumers

- Flip side of the Super Greenie segment is the cost-conscious consumer
- “Two price-tag messaging”, as well as the “net cost” represented by accounting for lifetime energy savings in the upfront cost of the product

Segmented Messaging by Gender

- Are women still considered the primary appliance shopper?
  - Explore value to family – product performance and family / environmental well-being
- Do you market to men and women differently across different media channels: TV, in-store, online, Facebook, Pinterest
Discussion: Connected Home

• Where have partners successfully used connected messaging around appliances so far? Room AC? Other?

• Connected Appliance Working Group
  – Kick-off Call: Week of June 13th
  – Draft Objectives:
    • Connect partners and stakeholders in the connected market;
    • Raise understanding of the barriers/opportunities;
    • Provide a clearinghouse/exchange forum; and
    • Develop drafts of partner resources, tools & messaging.
Next Steps in the Consumer Messaging Roadmapping Process

• Further engagement between EPA ENERGY STAR, appliance manufacturers, retailers and energy efficiency program sponsors
  – Summer working group on consumer messaging?
  – Additional webinar?
• How can ENERGY STAR continue to support your consumer messaging goals?
Contacts

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Thank you for participating!

Check for updates on the Appliance Roadmapping web site