Reaching the Consumer in a Changing Lighting Landscape

The Home Depot
Art Christianson – Sr. Manager, Utility and Govt Rebates
Key Industry Themes

- Average Bulb Price
- LED Adoption
- Total Bulb Sales 2018-2020
The Customer’s Adapting Needs - Innovation

<table>
<thead>
<tr>
<th>Original</th>
<th>Past</th>
<th>Now</th>
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<tbody>
<tr>
<td>Pre-2014</td>
<td>Circa 2015</td>
<td>2017-2018</td>
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</tbody>
</table>

- **Pendant**
  - Original: Pre-2014
  - Past: Circa 2015
  - Now: 2017-2018

- **Globes**
  - Original: Pre-2014
  - Past: Circa 2015
  - Now: 2017-2018

- **Candles**
  - Original: Pre-2014
  - Past: Circa 2015
  - Now: 2017-2018
The Challenge for Consumers

Consumer Motivators

• Reducing Energy Cost
• Longer Lifespan
• Saving Energy for the Environment

Consumer Pain Points

• Price is too high
• Aesthetics
• Lack of Product Knowledge
• Packaging is confusing
• LED not a “match”
• Too many options

ENERGY STAR helps identify key functionality that motivates consumer purchases, including reduced energy and associated cost, long lifespan, and other product functionality.
15 buying options within each wattage can lead to a confusing story on shelf.
The Home Depot Approach

Consumer Decisions
- Type
- Technology
- Color
- Shape
- Environmental Attributes
- Brand
- Package Size
- Price

homedeapot.com
- Buying Guide
- Product Features

Deep Mix
- Broad Selection
- Great Value

Point of Sale
- Lighting Displays
- Product Packaging
- Store Associates
We prominently display the ENERGY STAR logo. It resonates with our customers and helps guide them to high quality products when they are purchasing.
Packaging Innovation
Store Associates and Events
Wrapping Up

- Customers have multiple decision points – we need to do our part to help guide them

- ENERGY STAR helps highlights important features to consumers – this helps in the decision making process

- Important factors to continue driving LED adoption – ENERGY STAR, Utility incentives and price reductions, and innovation