Consumer Mindset – A Retailer Perspective
Observations, Research, and Lessons Learned

Mary Henderson, Manager Environmental Marketing

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WHAT CONSUMERS THINK AND KNOW
Who are Consumers

• Consumer Segments*
  – Active: actively seeking and purchasing
  – Seeker: seeking, but not always purchasing
  – Indifferent: lack interest in environmental issues
  – Skeptic: not concerned about the environment
• Intrinsic and extrinsically motivated
• Most mainstream group of shoppers are extrinsically motivated seekers and skeptics.

*Shelton Group Consumer Research
Consumers and ENERGY STAR®

• The vast majority of consumers are aware of the ENERGY STAR Label.

• Among those aware of the ENERGY STAR Label, almost half have recently purchased a qualified appliance or product.

• Over half of those who made a purchase state the label definitely made them more likely to purchase the product.

• About one-third of consumers mention that in-store designs, rebates, and government tax credits and incentives impacted their purchase.

*Lowe’s Brandtracker Study
MONEY ON THE MIND
Save Money, Save Energy

• Saving money is still the primary reason given for purchasing energy efficient products*
• Most are replacement purchases
• Comfort, convenience, and control are the three supporting “c’s”
• Money is rational and emotional
• Resonates well with key target: Seekers & Skeptics
  – Actives are already purchasing these products and making these behavior changes

*Shelton Group Consumer Research
Save Money, Save Energy
KEEP IT SIMPLE. ACTIONABLE. ENGAGING.

• The “green” message is big. “Energy efficiency” is big.
  – Consumers can get overwhelmed with the messaging, products, and projects.
  – Where do I start?
• Make it simple.
• Break it down into actionable steps. Be directive.
• Keep them engaged by offering new content or leveraging social media to start a conversation.

Shop, check and save.

- Save $70 a year: Replace old fluorescent light bulbs with 15W LED bulbs. Each 15W bulb can save you up to $70 over its lifetime. Source LED bulbs at Lowe's.
- Save up to $50 a year: Cut off 40% or more energy cost by ENERGY STAR®-rated weatherstripping. Source weather stripping at Lowe's.
- Save up to $250 a year: A ENERGY STAR®-rated refrigerator saves you up to 25% in energy costs. Source refrigerators at Lowe's.
- Save up to $300: A ENERGY STAR®-rated washer saves you up to 30% in energy costs. Source washers at Lowe's.
- Save up to $200 a year: Replace an on-demand water heater with a high efficiency model. Source water heaters at Lowe’s.
- Save $100 a year: A ENERGY STAR®-rated whole home fan can reduce cooling costs by up to 30%. Source whole home fans at Lowe's.
- Save up to $1500 a year: Install a programmable thermostate and set it to automatically lower the temperature when you're not home or asleep. Source thermostats at Lowe’s.
- Save up to $300 a year: Live like a showroom model with 40% more energy savings. Source dishwashers at Lowe’s.

31 DAYS, 31 WAYS TO SAVE
October is Energy Awareness Month. We’re celebrating with a simple tip each day to help you take control of your home’s energy use.

Top 5 Ways to Save
Ideas to save money, energy and water.
Learn More!
CONSUMERS LOVE A REBATE . . . IF IT’S EASY.
Customer Perspectives on Rebates

- Must be easy
- The easiest incentive type for customers in stores is a markdown
- Make the rebate requirements simple.
- Move to online. If a form needs to be filled out for redemption, give an electronic submission option
- Use 2-D barcodes so those with wireless devices can apply on the spot
- Be willing to work with retail partners to try tests for new rebate models. This will help find solutions that work smoothly for the retailer, utility and customer
Key Takeaways

• Make it easy.
• Savings (or not wasting) is a key message for mainstream consumer.
• Keep them engaged.
• Highlight ENERGY STAR. Consumers get it.
• Make it actionable, be directive. See the first bullet.