

Big Savings Opportunities in Small Market Appliances

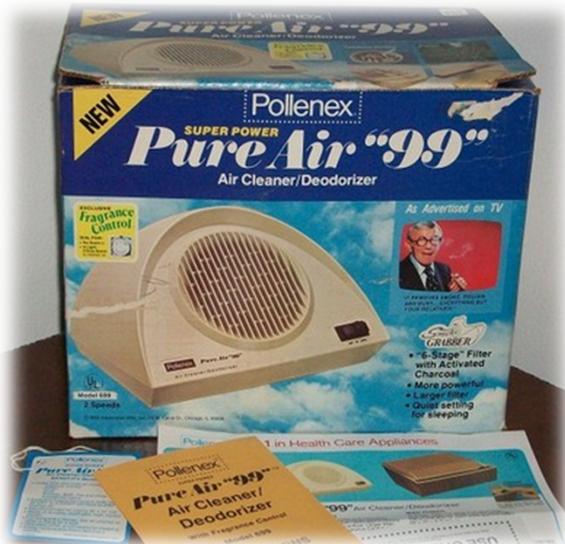
The Air Purification Market

Cheri Wright
Marketing Director
Kaz USA, Inc.

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Air Purifier History

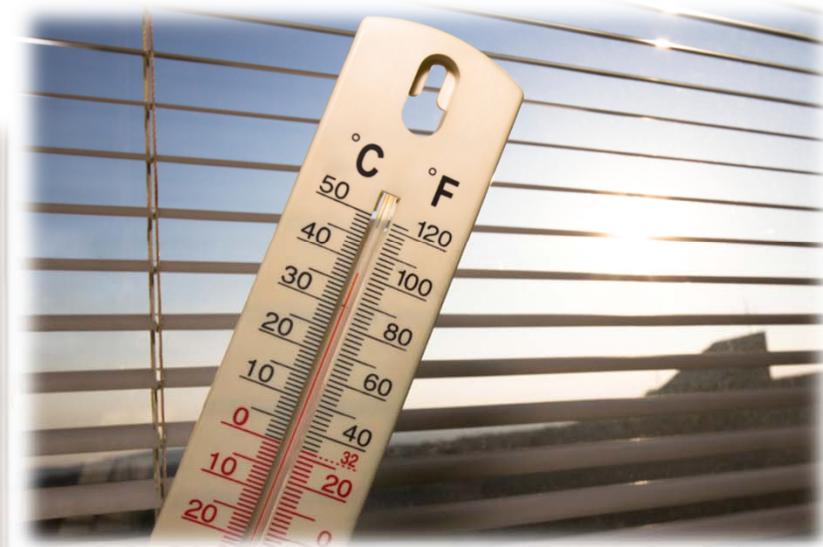
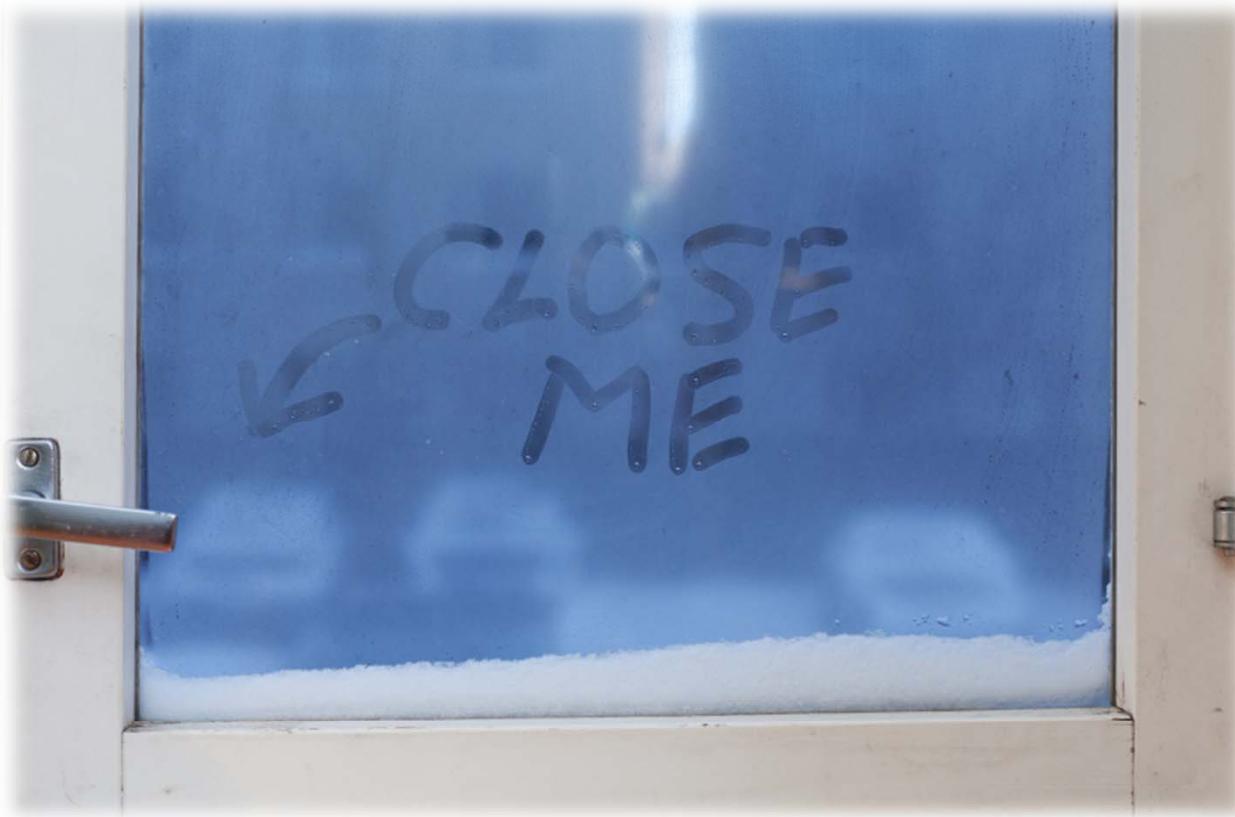
Air purifiers were sold in the 1950s and 60s, but they became more mainstream in the 1970s and 80s.



It is now estimated that approximately **14.5 million**



Strongest Air Purifier usage is during “**Closed Window Season**” and “**Allergy**” season – which vary by region



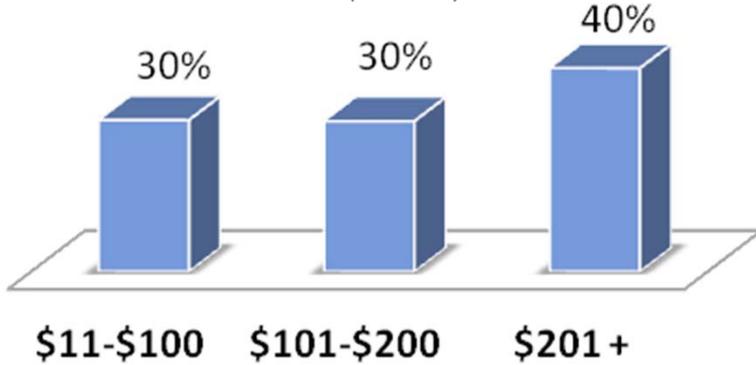
Air Purifier Consumer Trends



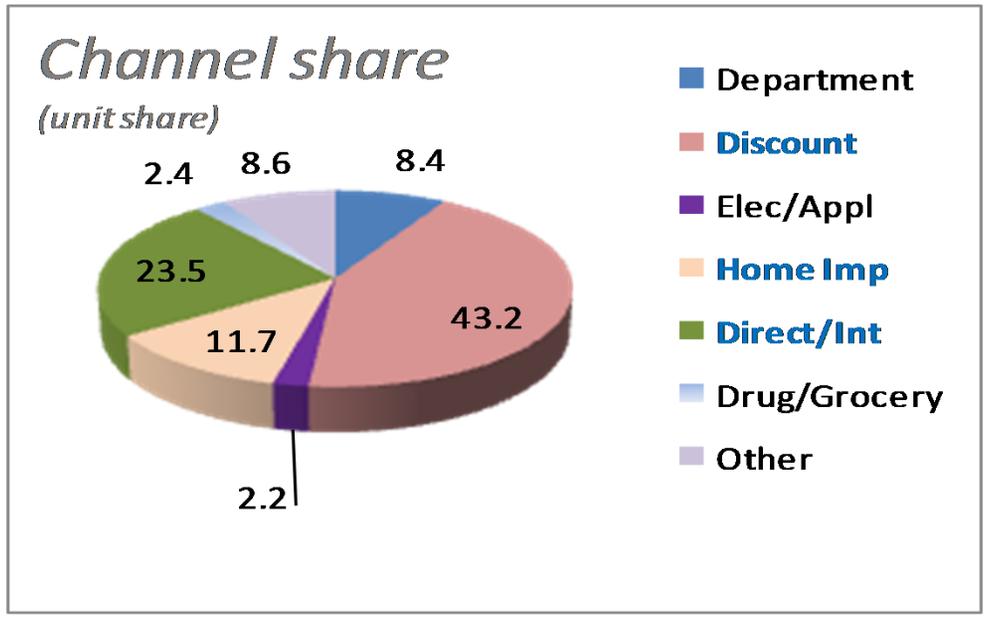
*Where are air purifiers purchased?
(unit share)*

Northeast= 16.7%
Midwest= 18.8%
South= 39.8%
West= 24.7%

Price Bucket (\$ share)

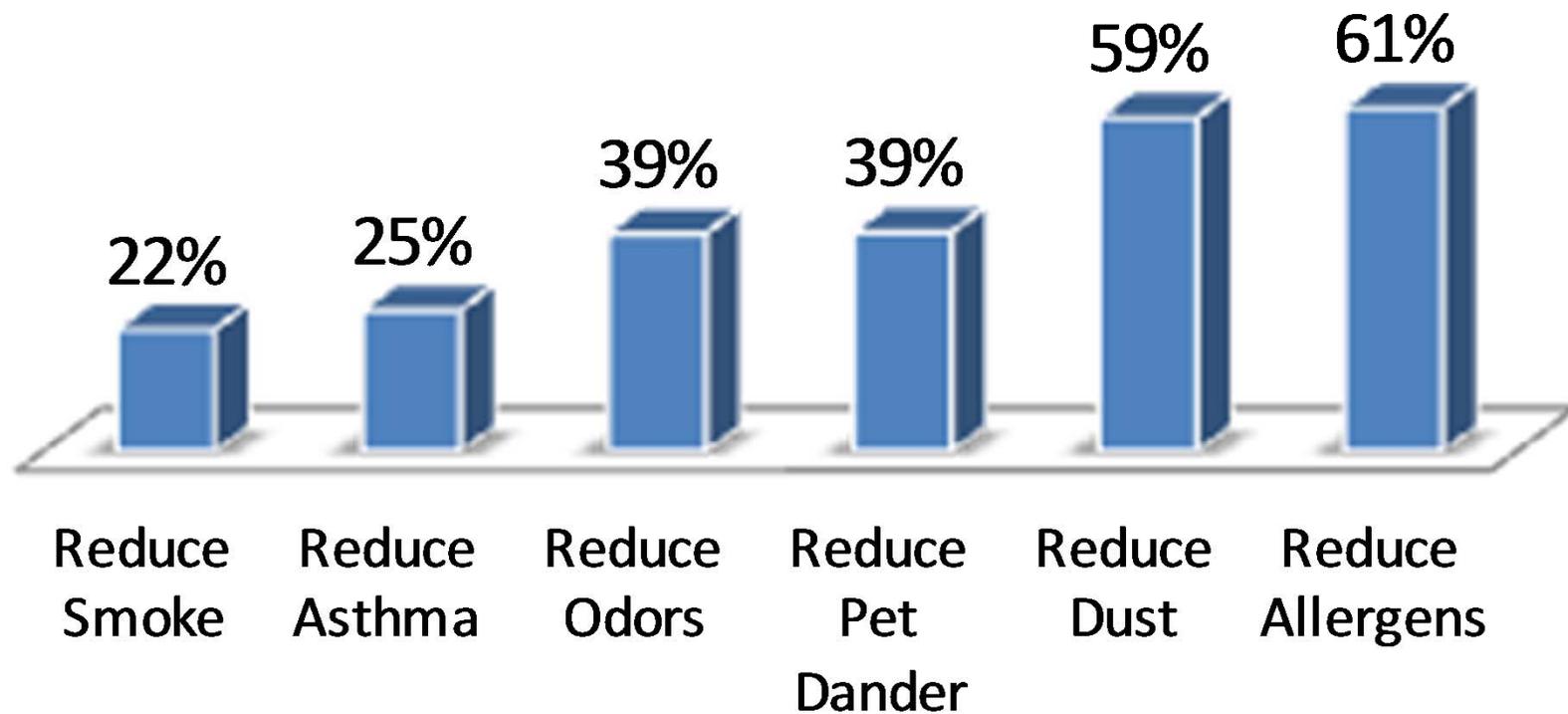


Channel share (unit share)



Traqline last 4Q ending June 2012

Air Purifier Consumer Trends



Traqline last 4Q ending June 2012

Air Purifier Consumer Trends



Who purchases air purifiers?

(unit share)

Age:

18 – 24 = 7.7%
 25 – 29 = 7.4%
 30 – 34 = 9.5%
 35 – 44 = 19.3%
 45 – 54 = 20.6%
 55 – 64 = 19.5%
 65 plus = 16%

Household:

- 2 or more adults, no child = 46%
- Single adult = 26%
- 2 or more adults w/children = 25%
- Single adult w/children = 3%



44%



56%

Traqline last 4Q ending June 2012

Air Purifier Purchases are Based on Need

Medical



- 60 million Americans are affected by nasal allergies
 - Almost 26 million Americans have asthma
-

Special Needs



- 62% of U.S. households own a pet, which equates to 72.9 million homes
 - About 1 in 5 American adults smoke cigarettes
-

Cleaner Home



- Dust and odors are generated in every home!
- People spend approximately 90% of their time indoors, with roughly 70% of that time spent indoors in the home.

Physicians are Recommending Air Purifiers



75% of Allergists recommend air purifiers to their patients as part of an overall allergy/asthma treatment program.

AQS ACAAI Research Nov 2010

Scientists are Recommending Air Purifiers



Literature from Scientific Studies reveals that:

- Air purifiers can be an effective way to control airborne exposure to allergens

 - *Custovic et al. 1998, Green et al. 1999, Cheng et al. 1998*

- Air purifiers can significantly increase asthma free days and reduce unscheduled visits to the doctor or Emergency Room for asthma symptoms

 - *Butz et al. 2011, Lanphear et al. 2011*

- The use of air purifiers in the home have been linked to indicators of good heart health (improved ability for blood vessel cells to control blood pressure)

 - *Brauner et al. 2008, Allen et al. 2011*

- Air purifier use has been associated with PM_{2.5} reductions of 30-70%. PM_{2.5} is removed up to **7X** faster using air purifiers as opposed to running central air-conditioning alone

 - *Brauner et al. 2008, Allen et al. 2011, McDonald et al. 2002, MacIntosh 2008*

Helping the Consumer

- Provide fact based education and awareness
 - Work with key industry influencers
- Provide efficacious products at an affordable price
- Continue to develop more energy saving products

2002

Cleans a 250 sq.
ft. room
Used **138** watts



vs.

2012

Cleans a 250 sq.
ft. room
Uses **38** watts

= **\$300+ savings
over 5 years!**



- Improve usage guidance to reduce product/electricity use
 - Product efficacy and AHAM Verifide™ Program participation are critical to ensure the consumer gets the appropriate air exchange
- Work with partners to improve affordability and remove consumer barriers to purchase
 - Connect with consumers at the point of influence, education and purchase
 - Improve merchandising/communication at retail (boxes, signage, etc.)
 - Offer rebates on ENERGY STAR qualified air purifiers to help offset costs