

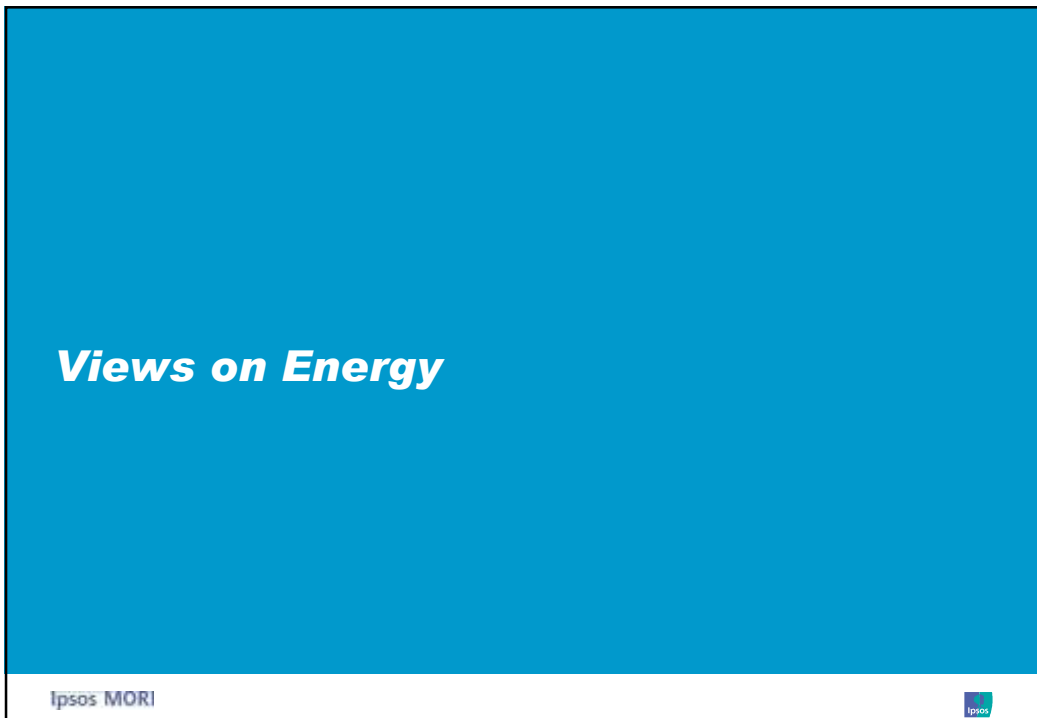


Individual Energy Users' Behaviour Interactive Discussion 2

Hitachi Science & Technology Forum, 7 May 2010

Jenny Dawkins, Ipsos MORI jenny.dawkins@ipsos.com

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Reputation Centre



Views on Energy

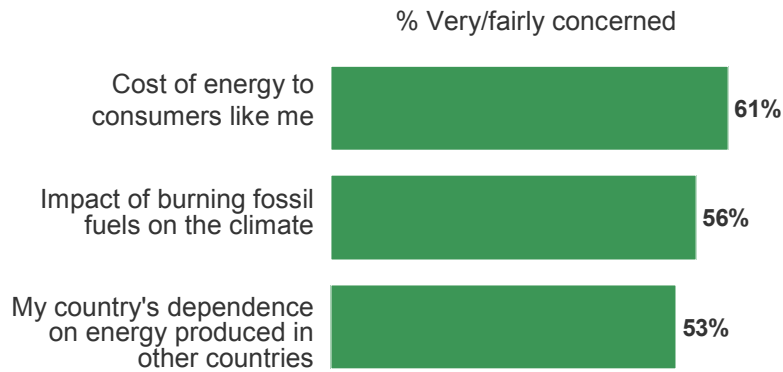
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The three key energy challenges

How concerned are you about each of the following?



Base: 21,623 online citizens , c1000 per country, December 2009.

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The three key energy challenges – by country

How concerned are you about each of the following?

Higher internet penetration countries:

	Australia	Belgium	Canada	France	Germany	Japan	South Korea	Spain	Sweden	Neths	Great Britain	USA
Cost	62%	65%	63%	66%	56%	58%	50%	66%	37%	47%	71%	74%
Climate	60%	52%	57%	53%	49%	47%	60%	61%	52%	36%	46%	55%
Security	49%	45%	47%	44%	43%	48%	60%	58%	35%	29%	61%	75%

Lower internet penetration countries:

	Argentina	Brazil	China	Hungary	India	Italy	Mexico	Poland	Russia	Czech	Turkey
Cost	72%	75%	56%	66%	78%	57%	72%	73%	67%	47%	65%
Climate	81%	77%	65%	62%	75%	58%	80%	53%	53%	53%	63%
Security	71%	50%	64%	68%	73%	62%	73%	63%	29%	39%	70%

Base: 21,623 online citizens , c1000 per country, December 2009.

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Views on Climate Change

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Global Coverage

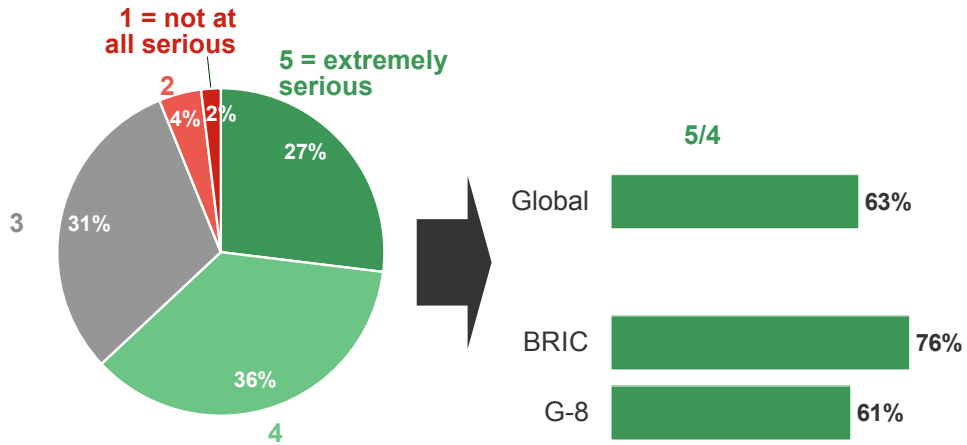
<p>Higher internet penetration (60%+)</p> <p>12 countries ■</p> <p>Netherlands, Sweden, Australia, South Korea, Japan, US, Canada, GB, Spain, Germany, Belgium, France</p>	<p>Lower internet penetration (less than 60%)</p> <p>10 countries ■</p> <p>Poland, Italy, Czech Republic, Argentina, Turkey, Brazil, Russia, Mexico, China, India</p>
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Is environment seen as a serious problem?

How serious a problem is the environment in your country?

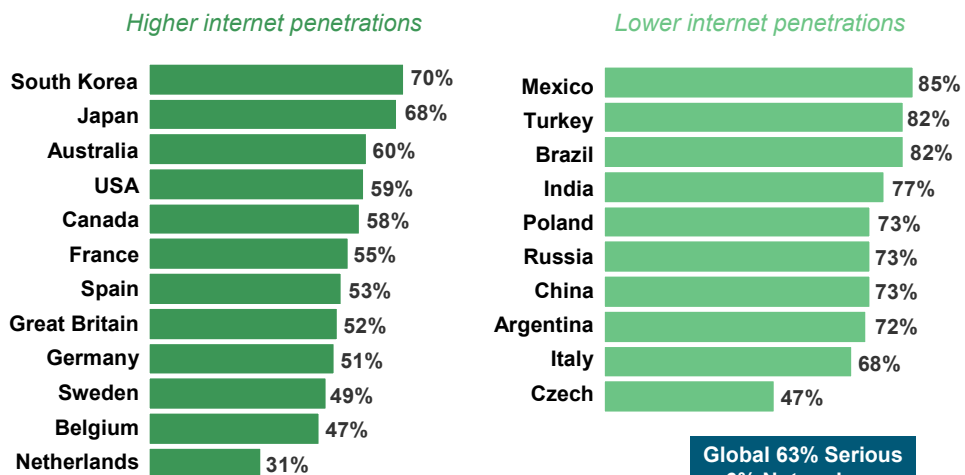


Base: 11,722 online citizens , c500 per country, October 2008
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How serious a problem: by country

How serious a problem is the environment in your country? **Serious (5/4)**



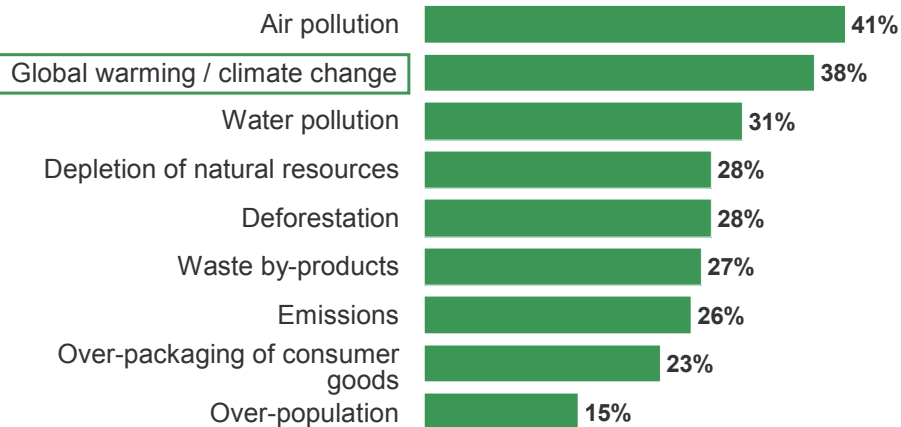
Base: 11,722 online citizens , c500 per country, October 2008
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Most important environmental issues worldwide

In your opinion, what are the three most important environmental issues facing your country today? That is, the top environmental issues you feel should receive the greatest attention from your local leaders? *Top mentions*

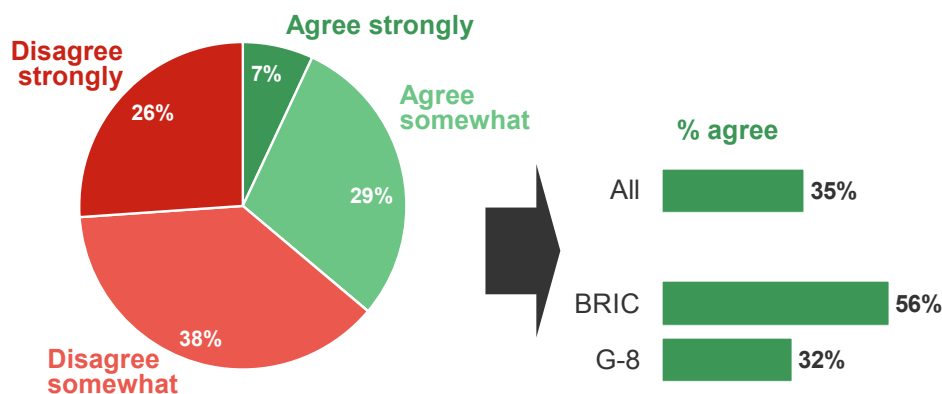


Base: 11,722 online citizens , c500 per country, October 2008
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Only a third think Gov't & Business are taking right steps

The government and business leaders in my country are taking the right steps and pace to prevent global climate change: Please indicate if you agree strongly, agree somewhat, disagree somewhat or disagree strongly



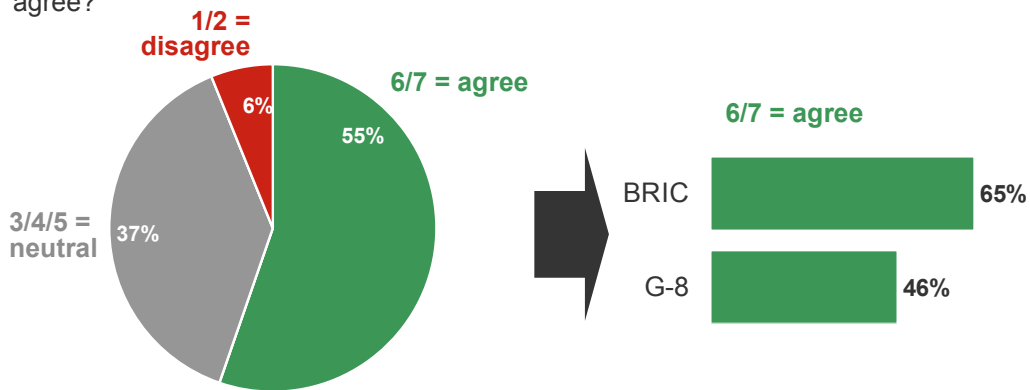
Base: 24,364 online citizens , c1000 per country, December 2009.
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Is climate change expected to affect current generation?

Climate change will affect my generation: How much do you agree or disagree, on a scale from 1 to 7 where 1 means you strongly disagree and 7 means you strongly agree?

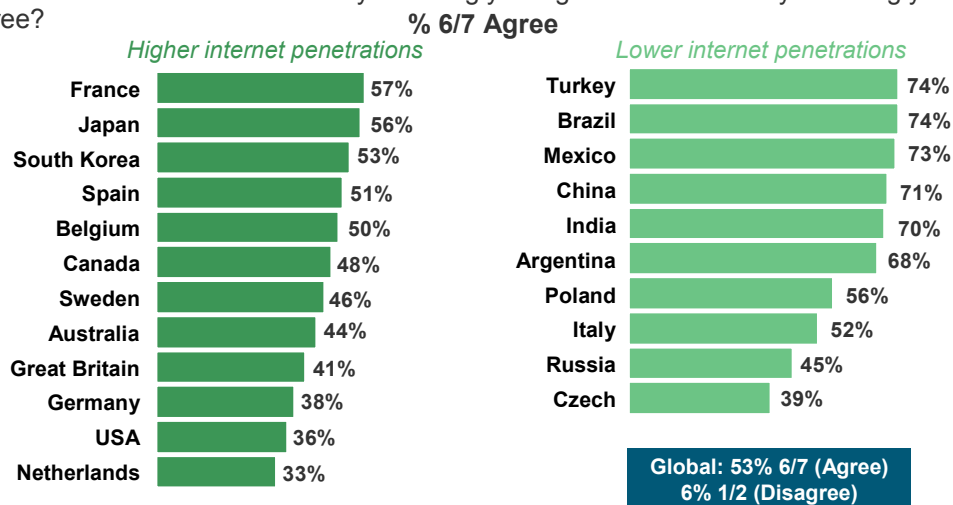


Base: 11,722 online citizens , c500 per country, October 2008
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Climate change expected affect – by country

Climate change will affect my generation: How much do you agree or disagree, on a scale from 1 to 7 where 1 means you strongly disagree and 7 means you strongly agree?



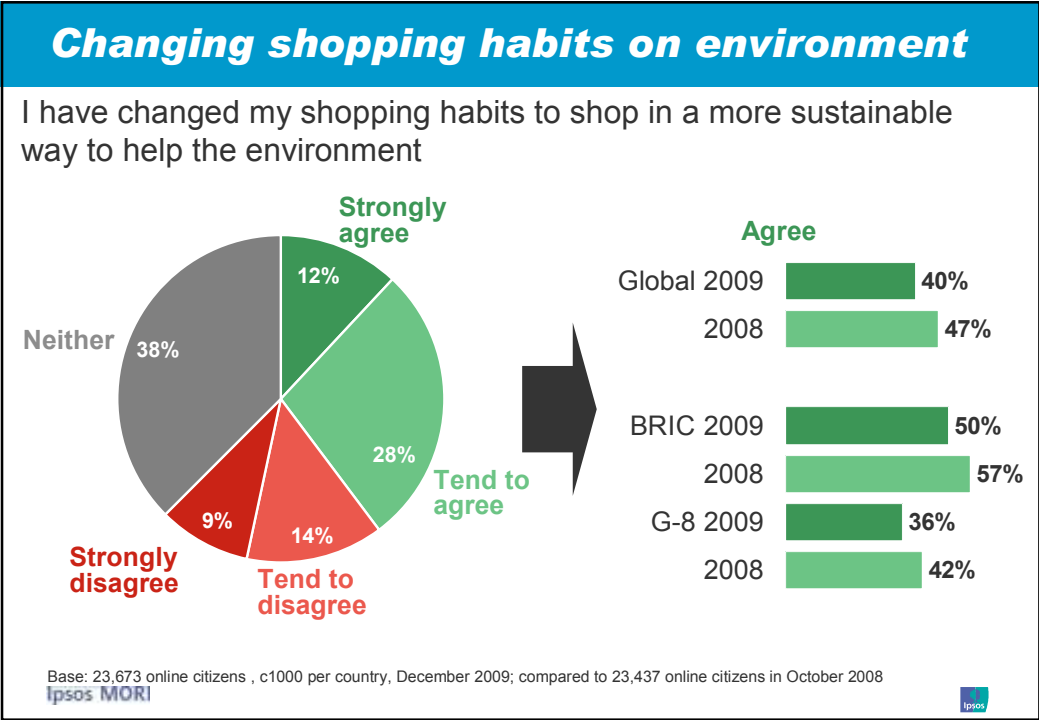
Base: 11,722 online citizens , c500 per country, October 2008
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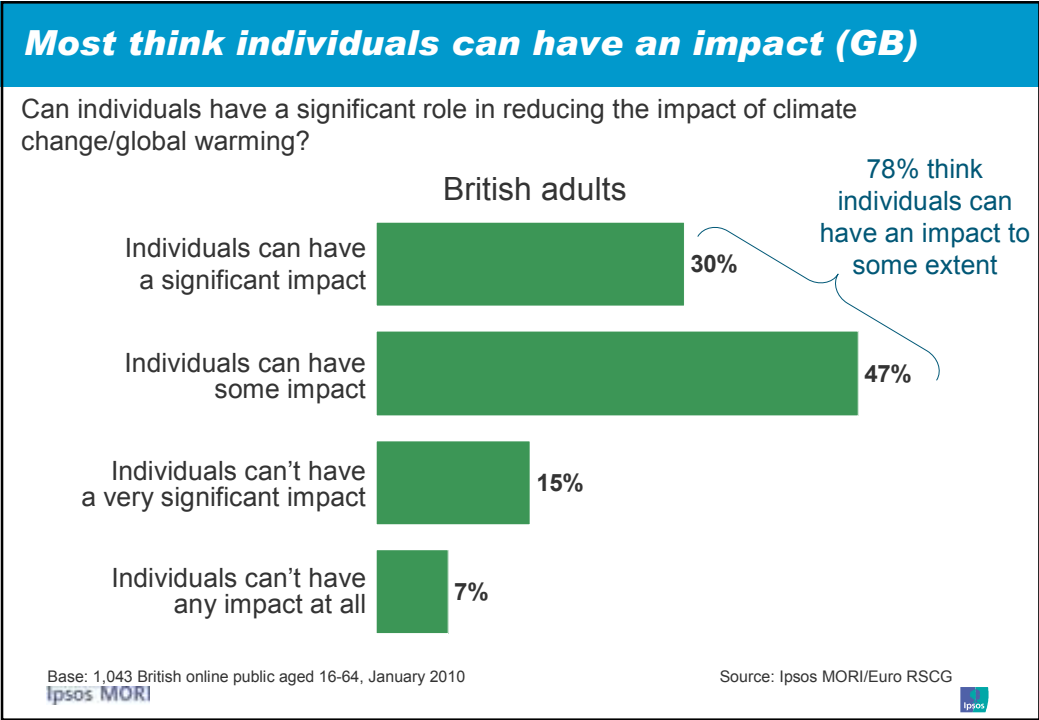
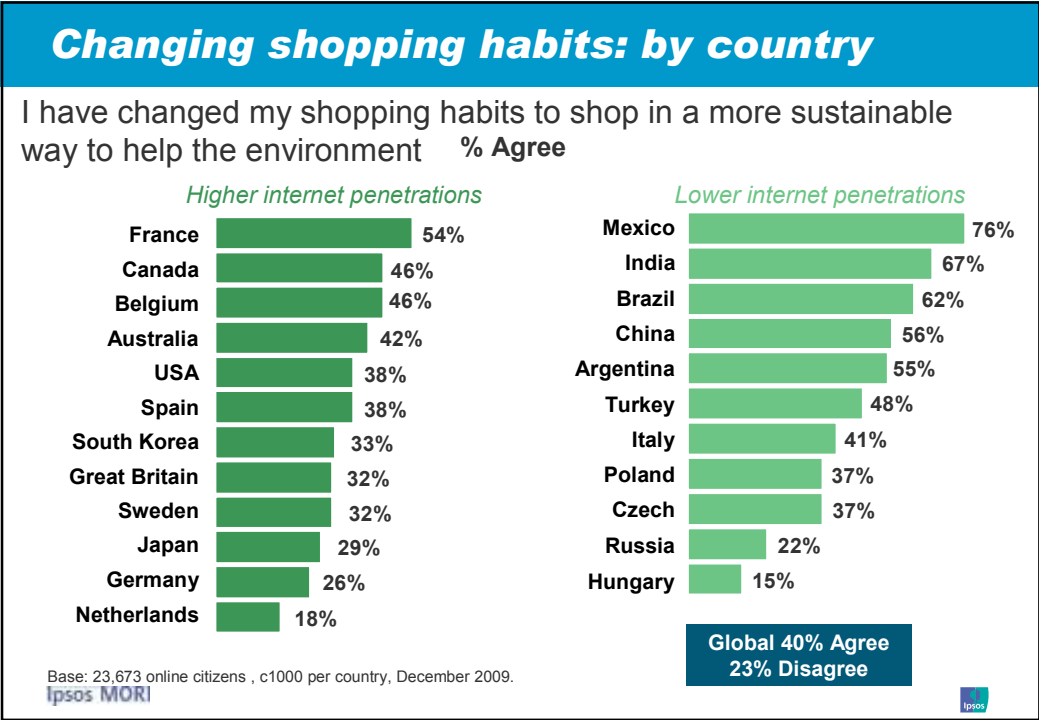
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Does this Impact on Consumer Behaviour?

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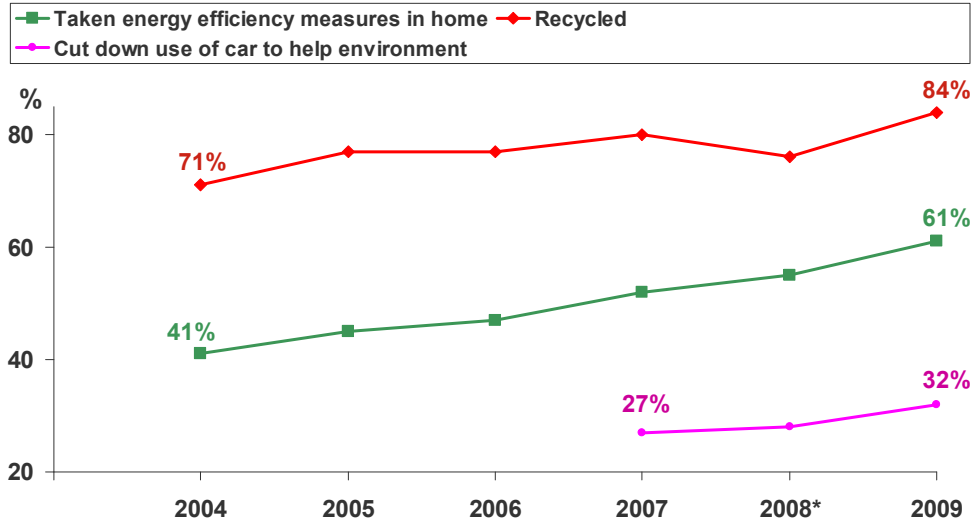
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Environmental action is increasing (GB)

Q Which of the following have you done/bought in the last 12 months?



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Base: 1,144 GB adults 16-64, 21st - 24th August 2009, 2008* is based on 1562 GB adults 16-64. Prior to 2008: c.2,000 GB adults aged 16+.

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Energy Shift

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The Big Energy Shift (UK): Attitudes to energy

- 9 citizen forums in England, Wales & N. Ireland, 2009
- The Government was seeking information on how best to push forward a Big Energy Shift – a sea change in attitudes, behaviours and technology, to achieve UK energy goals

www.bigenergyshift.org.uk

Headline findings:

- General awareness of environmental issues and broad concern about climate change (with a few exceptions)
- Overwhelmingly positive about the idea of improving the energy efficiency of their homes
- Impressed and shocked by scale of the environmental problem – but not necessarily enough to prompt immediate behaviour change
- There is an appetite for strong bold leadership
Individuals will not necessarily be instigators of change – need to be ‘nudged’ along by Government and others
- The perception is that mechanisms are not yet in place in Government or business to allow individuals to change

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The Big Energy Shift (UK): Views of technologies






- Existing energy efficiency measures: loft insulation, double glazing and low energy lightbulbs are the most common
- Excitement over new technologies – seen as technologies of the future and a “no brainer”
 - They see benefits to themselves (cost savings and home improvement), and to wider society (environmental benefits)
- While people are generally keen to save the planet, their **greatest priority is to save money**. Concepts of securing the energy supply and protecting consumers from rising prices also hit home
 - Messages about energy security are as important as those about climate change
- The technologies that most appeal are those with:
 - Low upfront costs and high value for money
 - ‘Normal’ and familiar (meters, insulation, double glazing)
 - Minimal disruption
- Appeal of technologies varies by housing type, income level, urban/rural setting – need to tailor messages to different regions and types of home/householder`

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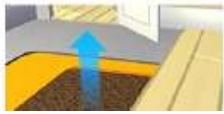



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The Big Energy Shift (UK): Views of technologies 2

<p>Real time electricity display</p> 	<p>✓ ✓ ✓</p> <ul style="list-style-type: none"> ▪ Very low cost, so low risk ▪ An easy first step on the journey ▪ A few concerns over suppliers tariffs
<p>Double Glazing</p> 	<p>✓ ✓ ✓</p> <ul style="list-style-type: none"> ▪ Most popular & familiar insulation type – seen to justify substantial outlay ▪ Visible asset, adding to property value
<p>Loft Insulation</p> 	<p>✓ ✓</p> <ul style="list-style-type: none"> ▪ Familiar, savings clear, simple to install ▪ Some hassle/effort required ▪ Complacency if have insufficient
<p>Cavity Wall Insulation</p> 	<p>✓ ✓</p> <ul style="list-style-type: none"> ▪ Familiar technology, quick installation ▪ Potential asset at sale of house ▪ Lack of knowledge re: suitability of property
<p>External Insulation</p> 	<p>✗</p> <ul style="list-style-type: none"> ▪ Very limited appeal ▪ High upfront cost, compared to others ▪ Concerns re: aesthetics and impact on property value

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The Big Energy Shift (UK): Views of technologies 3

<p>Underfloor Insulation</p> 	<p>✓ ✓</p> <ul style="list-style-type: none"> ▪ Some appeal due to conflation with underfloor heating – status, aesthetics, comfort
<p>Smart meters</p> 	<p>✓</p> <ul style="list-style-type: none"> ▪ Some appeal, but seen as less appealing version of RTDs ▪ Limited version would not encourage greater awareness of consumption
<p>Heating controls</p> 	<p>✓</p> <ul style="list-style-type: none"> ▪ Has a role, but widely considered as too everyday for most to engage with ▪ Potential to fit as part of wider repairs / new radiator installation
<p>Internal Insulation</p> 	<p>✗</p> <ul style="list-style-type: none"> ▪ Limited appeal, but could be done alongside decorating ▪ Seen as highly disruptive ▪ Concerns re: loss of room space and aesthetics

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The Big Energy Shift (UK): Recommendations

- **Legislation** - to help Government demonstrate the seriousness of the problem, and to enforce change within the timescale
- **Fair targets and timescales** to be set
- **National and local** Government involvement, especially at a community level:
 - Organise exemplars and show homes tailored to properties characteristic of area
- Most importantly, grants and loans schemes to make costs upfront **as low as possible for individuals**
 - Incentivise early adopters to install low-carbon technologies at household scale by helping cover the upfront cost
 - Direct financial support to those in most inefficient homes, with funds channelled to those on lowest incomes
- All potential products and involvement designed to **nudge people towards action**, rather than leaving them to make consumer choices in an immature market
- **Government must 'walk the talk'** in installing new systems in public buildings



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The Big Energy Shift (UK): Recommendations 2

- To take advantage of public goodwill, the Government needs to focus on four steps. The first step should be to explain the issues clearly and their relevance to the general public:
 1. Explain **why we need the shift** in clear, simple language which shows how wider world issues are impacting on the daily lives of UK citizens
 2. Set out **concrete goals** for society (including Government, businesses and individual households) with timelines for delivering measures on the ground, and be seen to be supporting and enforcing these goals
 3. Provide **information and advice** to the public on how they can participate to achieve these goals, with bespoke advice to those looking to invest in new energy technologies
 4. Ensure that systems are in place to help people with the **financial burden** of investing in new energy technologies
- Individuals at different stages on the journey need different kinds of help and advice. Individuals with particular temperaments, especially leading edge types, can be used to become exemplars and help diffuse innovations to the mainstream.
- Some key points at which Government could intervene are:
Buying house, Redecorating, Replacing boiler or heating system, Renovations / extensions, Selling house



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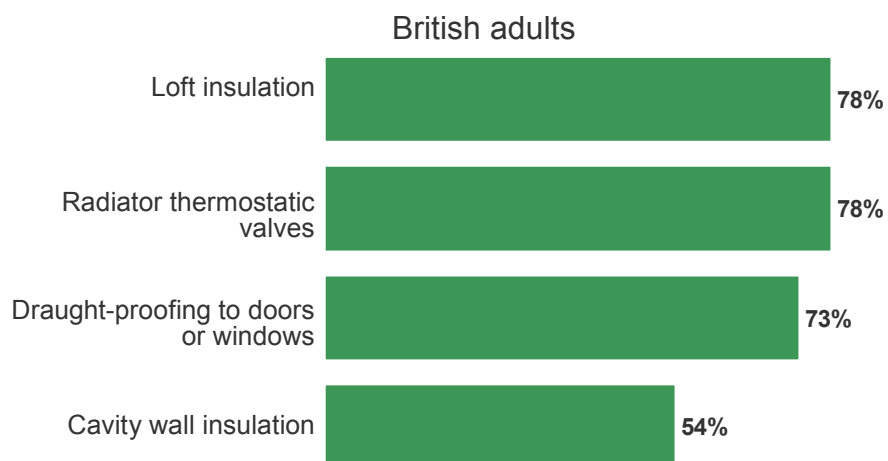
Persuading people to adopt energy saving products

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Incidence of energy saving products (GB)

Does your home have any of the following?



Base: 1,009 British adults aged 18+, December 2009
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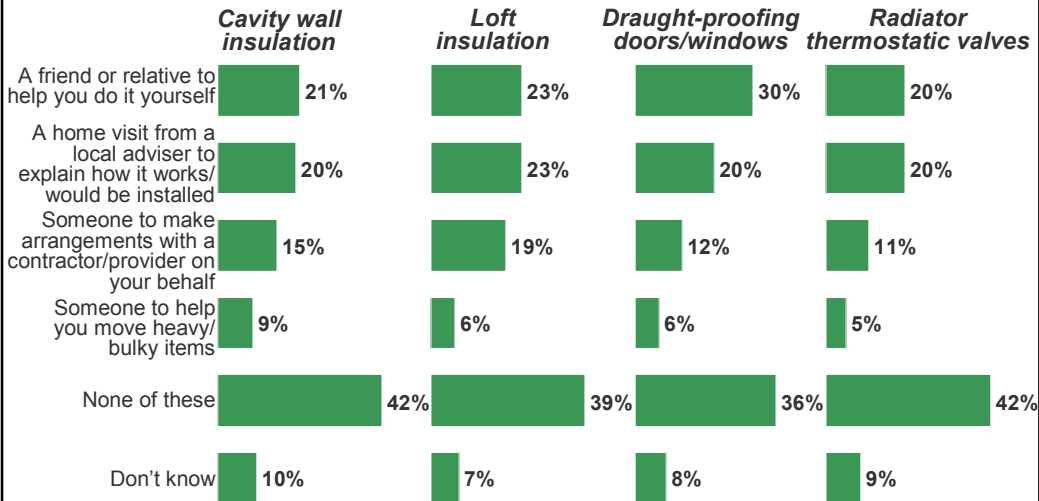
Source: Ipsos MORI/Groundwork



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Triggers to considering energy saving products (GB)

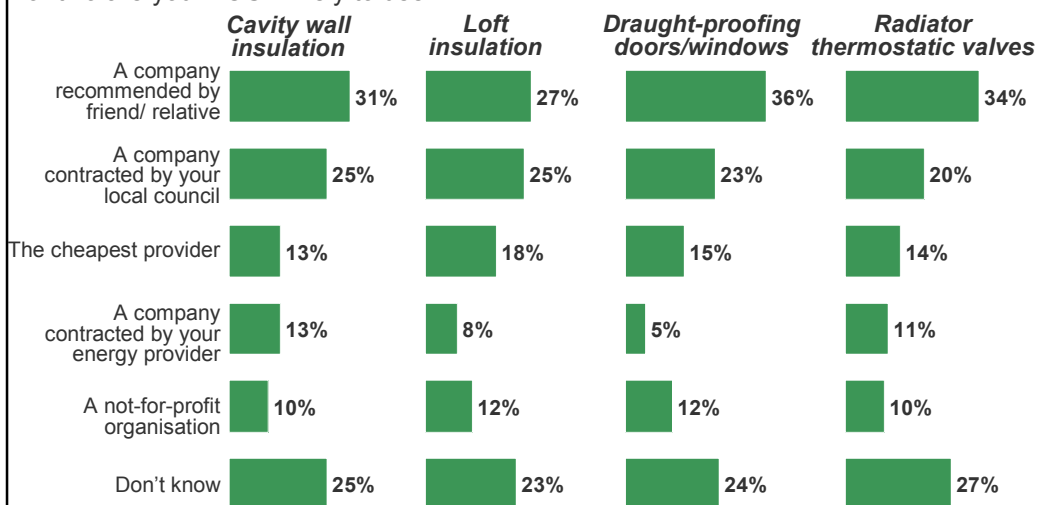
Which of these, if any, would be particularly helpful and would make you more likely to have ... installed in your home? British adults



Ipsos MORI Base: Those British adults aged 18+ who do not already have each product (min 138, max 350), December 2009
Source: Ipsos MORI/Groundwork

Preferred providers for energy saving products (GB)

If you were going to pay for the ... to be installed, from the following list which one or two are you MOST likely to use? British adults



Ipsos MORI Base: Those British adults aged 18+ who do not already have each product (min 138, max 350), December 2009
Source: Ipsos MORI/Groundwork

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Smart Grid Technology

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Views of Smart Grid technology

- According to research conducted among UK and US online consumers on behalf of GE in June 2009:
- Most were previously unfamiliar with Smart Grid technology:



90%



74%

- Then they were given a description of Smart Grid Technology, outlining examples like smart meters, smart energy panels, and smart appliances
- Explaining that consumers can have access to more accurate data and knowledge about electricity pricing, helping them save money and lower their environmental footprint

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Smart Grid – The Concept

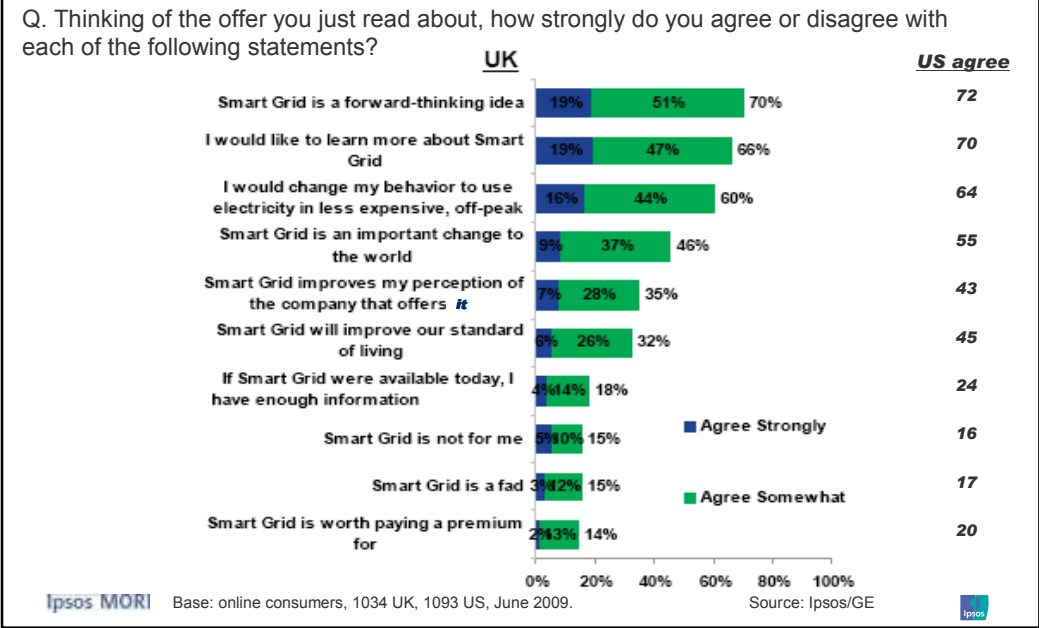
- Today, most people are ill informed when it comes to energy consumption and costs, paying the bill every month without understanding what's included and how they are charged. This would be like filling up your gas tank every week without knowing the price of gas, and not getting a bill until the end of the month.

Introducing Smart Grid

- With smart grid technologies in the home—like smart meters, smart energy panels, and smart appliances—consumers can have access to more accurate data and knowledge about electricity pricing, helping them save money and lower their environmental footprint.
- Smart Grid technologies could give you the information and control you need to save energy and money. Benefits include the ability to:
 - Make smarter, more informed choices:**
 - It is possible for the smart meter to communicate time-of-use pricing via smart home energy panels to help consumers make smarter energy choices throughout the day.
 - For example, you may choose to have your house pre-cooled before arriving home to ensure the air conditioning system can remain off during expensive peak pricing hours, without impacting your comfort level. You could also have your water preheated to avoid peak prices and lower your energy bill.
 - This knowledge will give you the power to make more informed decisions and manage your energy wisely—lowering your carbon footprint without having to compromise your lifestyle or comfort. You'll likely have the option to set preferences, so price signals automatically trigger your smart home to respond in financially and environmentally responsible ways without requiring you to actively monitor your appliances all day.
 - Save money:**
 - A year-long study by the U.S. Department of Energy showed that real-time pricing information provided by the smart meter helped consumers reduce their electricity costs 10% on average and their peak consumption by 15%.
 - Reduce time spent without power:**
 - Smart meters help utilities better detect and manage outages. Smart meters coupled with advanced metering infrastructure (AMI) will help pinpoint problems on the grid, allowing utilities to determine exactly which customers are without power. Compare this to today, when many utilities still wait for customer calls to notify them of outages.

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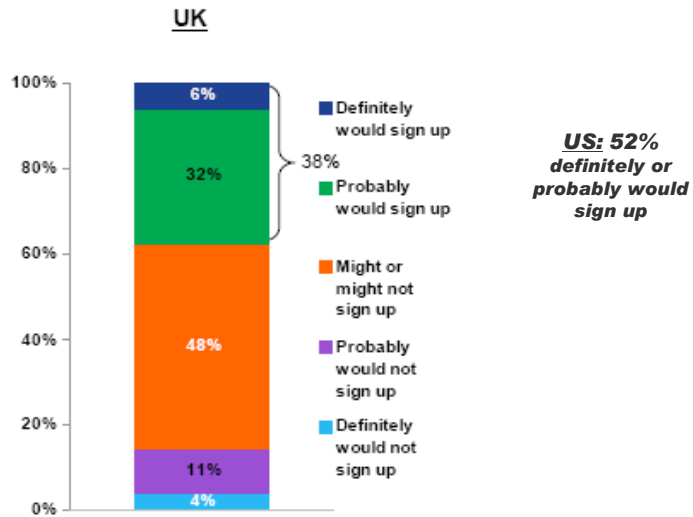
Views of Smart Grid Tecnology (UK/US)



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Views of Smart Grid Tecnology (UK/US)

Q. Which statement best describes how likely you would be to sign up for Smart Grid, if it were available in your area through your power supplier?



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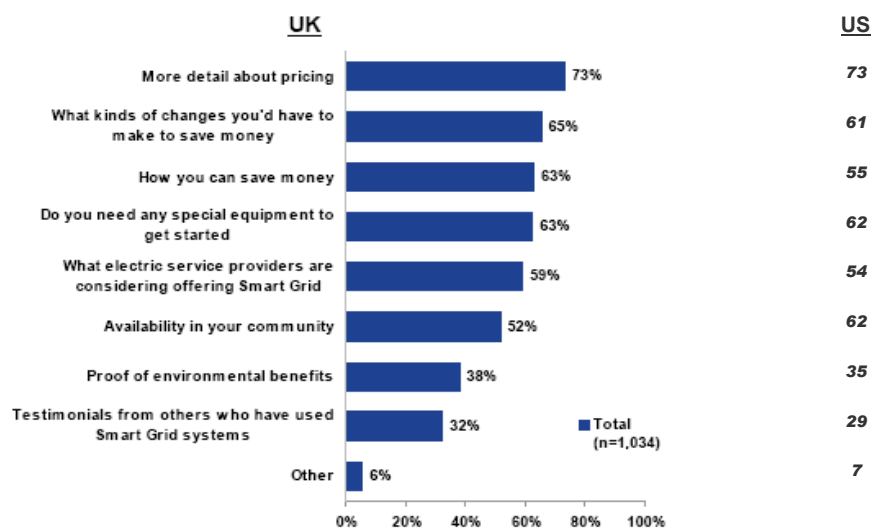
Base: online consumers, 1034 UK, 1093 US, June 2009.

Source: Ipsos/GE



Views of Smart Grid Tecnology (UK/US)

Q. What additional information would you be interested in learning about Smart Grid?



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Base: online consumers, 1034 UK, 1093 US, June 2009.

Source: Ipsos/GE



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Questions for Discussion

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Questions for discussion

- What should the priorities be in driving individual's behaviour change? Should the focus be:
 - Awareness and education on the need for change
 - Access to energy saving products/services, product information/labelling, measuring real-time energy consumption/metering
 - The case for investment – levers such as incentives, regulation, social marketing
 - Enablers – advisers, exemplars, local networks
 - Others?

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Questions for discussion

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 - Access to energy saving products/services, product information/labelling, measuring real-time energy consumption/metering
 - The case for investment – levers such as incentives, regulation, social marketing
 - Enablers – advisers, exemplars, local networks
 - Others?
- What is the role of companies in contributing to this change among their consumers/employees, etc?
 - Any best practice examples already underway?

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