

ARTCRAFT RESEARCH

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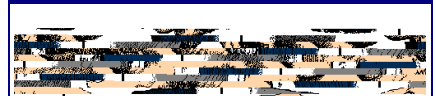
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## Summary of Key Findings

From the Second

## Qualitative Market Research Study

regarding

## Appliance Energy Rating Labels

for

## The National Appliance & Equipment Energy Efficiency Committee (NAEEEC)

Project Managed  
by

Energy Efficiency Victoria

14 August 1998

## 1. Introduction

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As with the first study, the current study was wholly qualitative in nature, involving a series of 7 focus group discussions (around 8 people in each group) with relevant consumers in Melbourne, Sydney and Brisbane, made up of one group each of Segments 1 and 2 in each of the three cities, plus one group of Segment 3 in Melbourne.

As before, in addition to ensuring that all groups in each city included only people in the relevant segment for that group, several broader selection criteria were also applied, namely that all participants had either purchased a labelled appliance in the past 6 months or so, and/or intended to purchase (and were already actively searching for) a labelled appliance in the next six months. A balance of genders, ages and socio-economic levels was also actively sought and achieved across the groups.

The locations, timing and observers for all groups were as follows:

<b>Group</b>	<b>Segment</b>	<b>Location</b>	<b>Time/Date</b>	<b>Observers</b>
1	A	Melbourne	28/7/98	Bev Smith (Energy Efficiency Victoria) Lloyd Harrington (Energy Efficient Strategies)
2	B	Melbourne	28/7/98	Bev Smith (Energy Efficiency Victoria) Lloyd Harrington (Energy Efficient Strategies)
3	C	Melbourne	29/7/98	Katrina Woolfe (Energy Efficiency Victoria) Lloyd Harrington (Energy Efficient Strategies)
4	B	Brisbane	4/8/98	Nil
5	A	Brisbane	4/8/98	Nil
6	A	Sydney	6/8/98	Jill McCarthy & Megan Smith (AGO), SEDA (2), Lloyd Harrington, George Wilkenfeld
7	B	Sydney	6/8/98	Jill McCarthy & Megan Smith (AGO), Lloyd Harrington, George Wilkenfeld

## 2. Key Study Findings

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### On the Labels:

1. The new labels [eg, C10] enjoy strong support from all market segments.
  - 1.1. They stand out, they are clearly recognised from a distance
  - 1.2. The stars are strong and bold, leaving no-one in doubt as to what they are
  - 1.3. They are simple and clear, with the level and presentation of information being acceptable to most.
2. The use of 'energy' on top of 'rating' with a thick black background [eg C10a] tests very well and is preferred strongly over the words side by side with a thinner black background [eg, C10b]
  - 2.1. It is bold, it clear identified what the label is
  - 2.2. It separates the stars from the other information for those who only need the stars.
3. The ½ stars are clearly understood
  - 3.1. They were instantly recognised as ½ stars in all groups, with no confusion at all
4. The unearned stars are needed, and lined unearned stars [eg, as in C10a] are strongly preferred over dotted unearned stars [which my colour printer prints as lines, anyway, and which come out as lines in a PDF file – the examples I used of dotted unearned stars had to be printed out on a high level colour laser printer]
  - 4.1. The reason for lined rather than dotted? = people want to see the unearned stars
5. As indicated in the first study, the reasons for scaling back are easily understood, and once they grasp the concept, people can cope with the idea of buying a 2 star or 2½ star fridge, provided that this is about the best around under the new algorithms.
  - 5.1. Indeed, the general feeling is that if there is better technology around now, they would rather see current appliances marked down as far as possible, so that there is “plenty of room for the new ones”.
6. From a visual standpoint, there is no real preference for either the 6 star [eg, C10] or 5 star scale [eg, C16]. However, after discussion, people tended to lean towards the 6 star approach for three main reasons:
  - 6.1. It was consistent with the look of the old scale, even if they hadn't realised it was capable of 6 stars
  - 6.2. A 3 star appliance would look barely efficient on a 6 star scale [eg, the red dial would be at the vertical half-way point], but on a 5 star scale would look almost as efficient as a 4 star fridge on the old scale, tending to compromise the purpose of scaling back – in this regard, people would prefer to see today's appliances marked down sufficiently far to clearly show what is possible in the future.
  - 6.3. Although a few prefer a 5 star scale to be consistent with ratings for hotels, restaurants and the like, many would prefer to go the extra star to enable better differentiation among appliances.
7. The Internet website tests very well [most do or realise they can access the Internet, even if they get their kids to do it], and its potential is easily grasped in terms of ease of use and quantity and quality of information that could be included. On the other hand, a 1800 number does not test well if it is likely to be of the 'press 1 for this, press 2 for that' variety, which consumers increasingly criticise – if a phone number is used, it must be a manned number to be effective.

8. Some people prefer that just the kWh figure be highlighted in the bottom half of the label [eg, with the rest of the information readily readable but not standing out as in C10], whereas others would prefer a tabular format in the bottom half [eg, C18 and C22]
  - 8.1. There was no clear consensus here, and it will depend on whether sufficient information needs to be included for all appliances to make the table look OK [eg, fridges would have very little to say]
9. For clothes washers and dishwashers, there is considerable support for inclusion of water consumption on the labels:
  - 9.1. User-pay now means it is also an important factor to take into account
  - 9.2. As it is seen as a resource, water is regarded as a logical inclusion in an energy rating table.
  - 9.3. As a sometimes scarce resource, the environmental implications of water use efficiency are as compelling as for energy efficiency
10. The inclusion of a cold water star scale and energy consumption number on clothes washer labels [eg, C17] is highly relevant
  - 10.1. Most seem already to be using cold water for at least some washes [because today's powders work OK in cold water]
  - 10.2. The very substantial energy savings to be gained from cold over warm or hot washing reinforces their behaviour [and the cold scale is more relevant to them than the hot], and could in future convince many others to turn to cold washing with substantial energy savings.
11. When looked at individually, there is no clear preference on whether clothes washers (or dryers or dishwashers) should portray energy consumption on a per load, per n loads, per year or per lifetime basis. However, people tend to notice and feel comfortable with the idea that at the moment the energy consumption figures are about the same order of magnitude across all appliance types [eg, "in the hundreds of kWh"].
  - 11.1. Playing around with figures per use [eg, for clothes washers] and per hour [eg, air conditioners] yields very low numbers [eg, single digits], which would have to go to one or two decimal points for comparison purposes, and which can tend to show that the appliance doesn't use much electricity at all on an individual use basis, so cost savings seem of little relevance.
12. The reference to 'sensible output capacity' on the new air conditioner labels is misinterpreted by consumers [eg, "if you use it sensibly"], and they do not see its relevance to them even when its correct meaning is explained, so we recommend against including it on the labels.

### **Transition Issues:**

13. The concept of scaling back to allow for new technology is easy to get across to people – they have little difficulty understanding the basic concept and see it as a totally logical thing to do. So we have the right idea, but how do we communicate it clearly?
14. The black 'Updated Rating Scale' on the bottom of the new labels is not sufficient communication or differentiation for the transition period. People wish to retain the current label colours, but in most groups the additional use of green was suggested, hence C21 was developed and tested in the last four groups.
  - 14.1. Used this way, the green works very well, but could be even larger.
  - 14.2. 'Updated' is insufficient explanation [could just refer to the new design!], so we examined other wording [eg, 'more stringent', 'tougher', 'stronger'] which might work OK.

- 14.3. However, consumers tend to want to see a date somewhere, so they know when the new scheme comes into effect.
15. At the retail level, some would like to see both the old and new labels on as many appliances as possible during the transition phase, or possibly even a label showing the old and new scales on the one label.
16. Displays [eg, poster, free-standing billboard, etc] in retail stores showing the old and new labels and explaining the change would also be welcomed. Brochure racks could also help here.
17. There is some support for indicating [by sticker or whatever] that the old labels on appliances on the shop floor have been superseded.