

The new energy label: assessing consumer comprehension and effectiveness as a market transformation tool

Preliminary results from a Navigant study for CLASP

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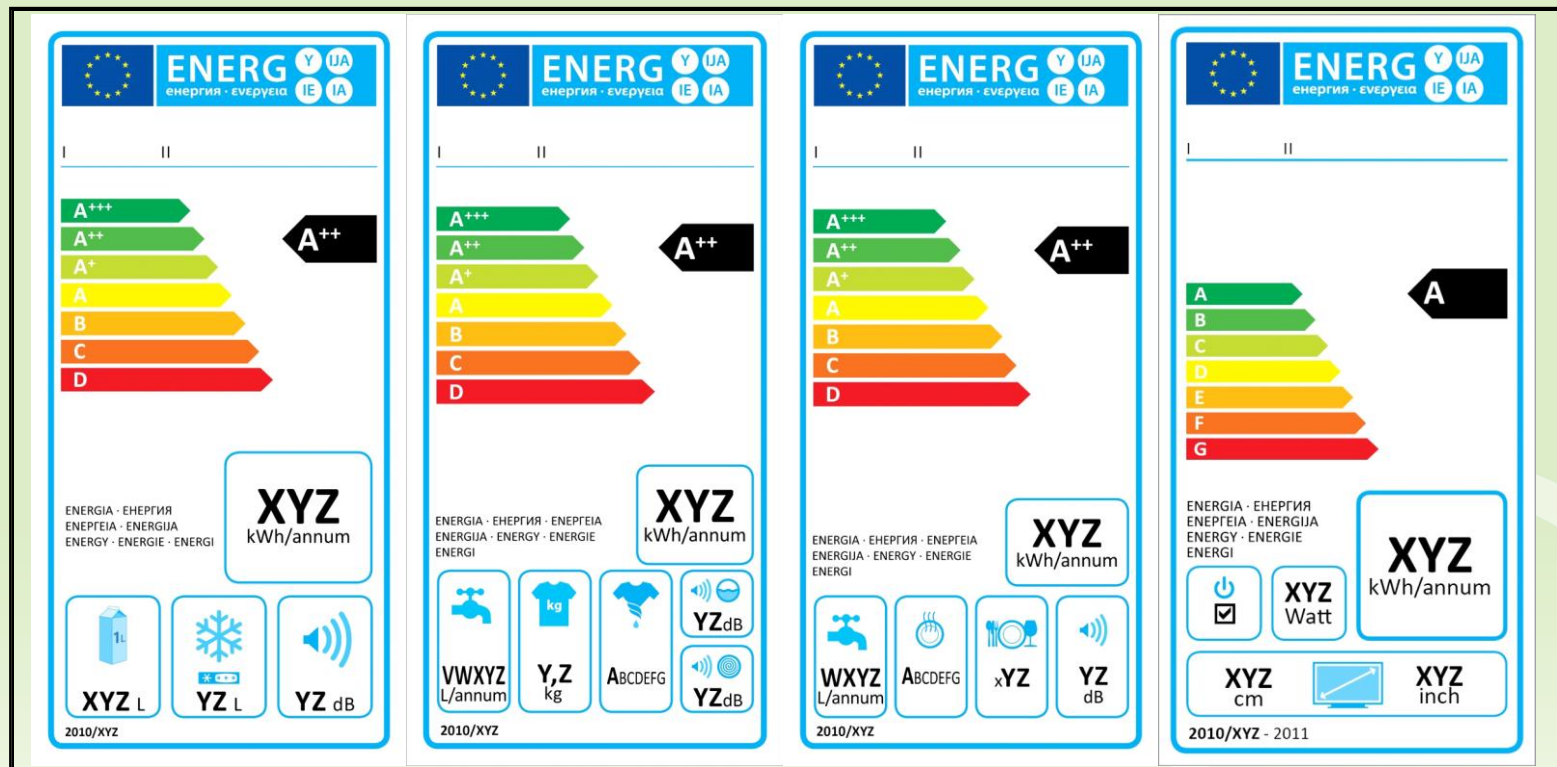
What was the study about?

- **Much discussed new EU label design and content:**
 - Refrigerators, freezers, washing machines, dishwashers, televisions;
 - Issued as single labels (as opposed to the old two-part labels);
 - The same for all markets, i.e. they no longer contain national language-specific information (except for the word 'Energ[y]', which is written in all major EU languages);
 - Make use of icons to communicate a variety of performance factors.
 - Revisions to scale to include A+, A++ and A+++.
- **The study assesses the new EU label in terms of:**
 - Consumer comprehension;
 - Effectiveness as a market transformation tool.

Who was involved?

- **CLASP (funder);**
- **Navigant (contractor);**
- **SEVEN;**
- **Sowatt.**

The new energy labels



Methodology

- Methodology designed to understand how consumers use, understand and are motivated by the new labels;
- Quantitative and qualitative data;
- Questionnaires, 10 consumer focus groups and 30 in-depth interviews;
- Fieldwork locations: London, Prague, Madrid, Athens, Warsaw, Frankfurt, Paris, Copenhagen, Milan, Sofia;
- Timing: November-December 2011 Significant attention paid to translation;
- Professional market research facilities used.

Dates & location of interviews and focus groups

Session type	Country	City	Date	No. of participants
In-depth interviews	UK (Pilot)	London	7–8 November 2011	10
	Czech Republic	Prague	14–15 November 2011	10
	France	Paris	28–29 November 2011	10
Focus groups	UK (Pilot)	London	11 November 2011	10
	Czech Republic	Prague	16 November 2011	10
	Spain	Madrid	21 November 2011	9
	Greece	Athens	24 November 2011	9
	France	Paris	30 November 2011	8
	Poland	Warsaw	5 December 2011	10
	Germany	Frankfurt	8 December 2011	10
	Denmark	Copenhagen	14 December 2011	10
	Italy	Milan	15 December 2011	9
	Bulgaria	Sofia	16 December 2011	10

Preliminary results: key findings I

- New labels generally well liked/appreciated;
- Participants preferred the look of the new labels compared to the old;
- Reasonably high level of comprehension;
- Certain icons present significant difficulties → Can in principle be addressed through targeted educational efforts such as in-store leaflets and sales staff training;
- Most consumers able to use labels correctly rank efficiency of products in simple, three-label tests:
 - But a significant minority had difficulty in doing this, but evidence that this could be overcome through explanation;
 - → suggests education/information at the point of sale needed.
- Proportion drops in more complex consumer comprehension test;
- Most made connection between the label and energy and efficiency, many unaware. Did not greatly hinder how participants used/understood label;
- Efficiency reasonably important parameter for participants.

Preliminary results: key findings II

- Majority of consumers strongly motivated by the information on the label;
- No significant difference in comprehension between the A-to-G label and the A+++-to-D labels;
 - **But** evidence that higher efficiency classes in the A-to-G label are more motivating than in A+++-to-D label;
 - → Suggests sub-division of A class has weakened the market transformation impact of the label;
- Many consumers wrongly interpret an efficiency class as being present on the market if it is indicated on the label → suggests could weaken the market transformation effectiveness of the eligible classes;
- Consumers respond to the division between the three green classes and the rest → suggests this division important when devising efficiency thresholds;
- Most consumers unaware scheme is EU-wide → opportunity to promote the role of government in the scheme to enhance credibility.

Preliminary results: emerging recommendations

- Consider redrawing the A-to-G efficiency scale in preference to adding more plus signs;
- Maximise the impact of the demarcation between the green and yellow parts of the scale;
- Ensure all efficiency classes indicated on the label are still permitted for sale.
- Review problematic icons and 'Energ[y]';
- Consider increasing awareness of labelling as a government scheme as a way of enhancing trust;
- Strengthen label comprehension through measures to increase consumer understanding;
- Test efficacy of potential future design modifications with consumers before deciding on designs;
- Opportunity to examine reduced market transformation effectiveness of new label found in this study in upcoming European Commission funded studies.

When and where will final results be disseminated?

- Final report will be completed during March and April: will be available on the CLASP website;
- Presentation at eceee summer study early June;
- There may be further dissemination in addition to this.

Thank you!