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ENERGY STAR[®] and EnerGuide Labelling Awareness Survey 2018

Executive Summary

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Executive Summary

Natural Resources Canada (NRCan) commissioned Phoenix SPI to conduct a public opinion study designed to take the pulse of the Canadian public and track changes in perceptions of the ENERGY STAR® and EnerGuide labels.

1. Background and Objectives

The Office of Energy Efficiency (OEE) administers two labelling programs to help ensure Canadians have access to energy efficient products and homes:

- The ENERGY STAR® labelling program marks high-efficiency products and homes in Canada. The symbol is intended to make it easy to identify the best energy performers on the market.
- Canada's EnerGuide program is a rating and labelling system intended to help consumers to make informed decisions about energy using products and homes.

The OEE conducts surveys to take the pulse of the Canadian public and track changes in perceptions of the ENERGY STAR® and EnerGuide labels to provide direction in furthering the development of its programs, services and initiatives.

The objectives of this survey were to measure:

- Canadians' awareness, understanding, attitudes and perceptions towards ENERGY STAR® and EnerGuide labelling; and
- The potential influences that might affect Canadians' purchase decisions.

This study represented the tenth wave of testing since November 2001. Earlier research was conducted in September 2016, June 2010, July 2007, August 2006, May 2005, November 2004, September 2003 and January 2003.

The findings will inform the development of targeted initiatives, monitor program effectiveness and support program evaluation activities. Results will be used by the OEE and its program partners, which include other levels of government as well as retail, manufacturing, public utilities and industries, to inform on-going and future policy development, communications and public engagement for many facets of energy efficiency policy in Canada.

2. Methodology

To address the research objectives, an online survey of Canadians age 18 and older was conducted. In previous waves of this research, the primary method of data collection was

telephone.¹ While this year's data is not directly comparable to that of previous years, migrating the tracking survey online allows for better measurement of aided brand awareness, and it facilitates direct comparisons with data from the U.S. Environmental Protection Agency's ENERGY STAR survey. The results of the online survey cannot be generalized to the population because the survey sample is a non-probability sample. They can only be considered reflective of the views of online adult Canadians. Survey data has been weighted by region, age and gender to ensure results that are reflective of the Canadian population. The data collection was conducted December 1-21, 2018 using Research Now's panel of online Canadians.

3. Key Findings

ENERGY STAR®

When asked about their awareness of ENERGY STAR®, 50% of respondents acknowledged that they had heard, read, or seen something about the symbol. As expected, the proportion of Canadians aware of ENERGY STAR® increased when respondents were prompted with an image of the symbol. A substantial majority of respondents (88%) said they recalled seeing the ENERGY STAR® symbol when presented with an image of it.

Those aware of the ENERGY STAR® symbol were most likely to report seeing the symbol on a major appliance (77%). More than four in five (86%) of those aware of ENERGY STAR® said they associate the symbol with the concepts of “energy efficiency”, “low energy consumption”, or “saving energy”. By far, this is the main association Canadians have when thinking about the ENERGY STAR® symbol.

Respondents were then asked whether they agree or disagree with a series of attitudinal statements about ENERGY STAR products. The results show that attitudes towards ENERGY STAR® among both those aware and those not aware of the brand are generally positive.

Among the statements tested, those aware of ENERGY STAR® most often agreed that the symbol means they are getting a more efficient product (75%). Over two-thirds agreed that buying ENERGY STAR-labelled products makes them feel like they are helping to protect the environment and are confident that products which carry the ENERGY STAR® label have been rigorously tested and proven to be energy efficient (69% each). Approximately six in 10 agreed that these products provide more benefits than products that do not carry the ENERGY STAR® label (60%), and that buying ENERGY STAR-labelled products makes them feel they are contributing to society (59%). Just over half (53%) agreed that ENERGY STAR-labelled products offer better value than products without the label, and nearly half (48%) said they consider themselves loyal to ENERGY STAR-labelled products.

Among respondents unaware of the brand, half (51%) agreed that seeing the ENERGY STAR® label means they are getting a more efficient product and that buying ENERGY STAR products makes them feel like they are helping the environment for future generations (50%). Approximately four in 10 were confident that products which carry the ENERGY STAR® label have been rigorously tested and proven to be energy efficient (46%), agreed

¹ For more recent waves, the core ENERGY STAR awareness measures also were tested online, using an online omnibus, to provide data comparable to the U.S. Environmental Protection Agency's ENERGY STAR survey.

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that buying ENERGY STAR-labelled products would make them feel like they are contributing to society (44%), and felt that such products would provide them with more benefits than products without the ENERGY STAR® label (40%). When it comes to value, 39% agreed that ENERGY STAR-labelled products would offer better value than products without the label. Respondents unaware of the brand were most likely to disagree that buying such products makes them feel like they are spending extra money for nothing (36%), or to express neutrality towards the statement (47%).

Turning to pricing, approximately six in 10 of those aware (62%) and 44% of those not aware (49%) of ENERGY STAR® would be willing to pay 5% more for an ENERGY STAR-labelled product. The likelihood of being willing to pay more for an ENERGY STAR-labelled product decreases as the price difference between a labelled and non-labelled product increases. Notably, respondents who did not agree that they would be willing to pay a premium for an ENERGY STAR-labelled product were more likely to be undecided than to state with certainty that they would not be willing to pay more.

Focusing on consumer behaviour, respondents were asked whether they had purchased products in seven different categories in the past 12 months. Among the products tested, respondents most often said they purchased lighting products (59%). Following this, approximately one-quarter said they purchased a home office product (27%) or a home electronic product (23%), and one-in-five (20%) purchased a home appliance. This was followed by purchases of a heating or cooling product (15%), windows or doors (11%), or a home or residence (8%).

Most of these recently purchased product(s) were identified as ENERGY STAR-certified product(s) by a majority of purchasers. Specifically, 77% of those who purchased home appliances in the last year said they purchased ENERGY STAR® products, 66% who purchased windows or doors purchased ones that were ENERGY STAR-certified, 65% of those who purchased heating or cooling products purchased ENERGY STAR® products, 62% of respondents who purchased lighting products purchased ENERGY STAR-certified ones, and 54% of those who purchased home electronics products said the products were ENERGY STAR-certified. When it came to homes or residences, 41% said they bought ENERGY STAR-certified ones, while 40% of purchasers of home office products said they were ENERGY STAR-certified.

Most respondents who purchased an ENERGY STAR-certified product said that the ENERGY STAR® brand influenced their purchase decision to some extent. Nearly half (48%) said they were *very* influenced by the label and one-third (33%) were *somewhat* influenced by the label.

When asked about potential reasons to purchase an ENERGY STAR® product, that vast majority (88%) said that saving money on their energy bill is an important reason, with 68% saying this is *very* important. Following this, 81% attributed importance to helping to protect the environment (50% said this is *very* important). Three-quarters (76%) attributed importance to benefiting from a financial incentive, with 40% identifying this as a *very* important reason to purchase an ENERGY STAR® product.

ENERGY STAR® Most Efficient designation

Turning to the ENERGY STAR® Most Efficient designation, one in five Canadians said they had seen, heard or read something about the designation. When respondents who recalled seeing the ENERGY STAR® Most Efficient symbol were asked what the designation meant to them, over half (59%) said it represents the best of the best/top ENERGY STAR

performers, while just over half (51%) said it represents a subset of ENERGY STAR certified products. Almost four in 10 (37%) associated it with technological advancement/cutting edge technology, and over one-quarter (28%) with higher quality. Few (4%) said the symbol meant nothing to them despite having seen, read or heard something about ENERGY STAR Most Efficient.

Financial Incentives

Three in 10 respondents (31%) claimed to be aware of financial incentives, rebates or tax exemptions offered for the purchase of ENERGY STAR-certified major appliances, home electronics, office equipment, lighting products, windows and doors, heating or cooling equipment or new homes. Just over half (51%) of the respondents aware of these financial incentives said they have benefited from or taken advantage of them when purchasing an ENERGY STAR-certified product.

Four in 10 respondents aware of these incentives and who benefited from them said they would *very* likely have purchased the ENERGY STAR® product(s) even if the incentives had not been available. An additional one-third said they would have been *somewhat* likely to have gone ahead with their purchase should the financial incentives, rebates, or tax exemptions not been available. In total, therefore, nearly three-quarters of these respondents would have been at least *somewhat* likely to have purchased these products without any type of financial incentive. Nearly one in five (18%) said they would have been *slightly* likely to have purchased the ENERGY STAR-labelled product without financial incentives, rebates, or tax exemptions, and 6% said they would have been not at all likely to do so.

ENERGY STAR® for Homes

Approximately one-third of respondents (31%) are aware that homes can also be ENERGY STAR-certified. Over two-thirds (69%) agreed that an ENERGY STAR-certified home would offer them better value than a home without (17% agreed *strongly* with this sentiment). When asked about the value of an ENERGY STAR-certified home, half agreed that they would purchase one of these homes even if it cost, on average, \$5,000 more than a home that is not certified. Following this, 44% said they would purchase an ENERGY STAR® home even if it cost \$10,000 more, 36% were undecided, and 19% said they would not pay more. When the price difference is \$15,000, the proportion saying they would buy an ENERGY STAR-certified home drops to 42%, with 37% undecided, and 21% saying they would not pay this price premium.

All ENERGY STAR-certified home features resonated with a majority of Canadians if they were in the market for a new home. At least three-quarters judged each feature to be important if they were in the market for a new home, and each feature was more likely to be judged very important than moderately important. Leading the way were efficient heating and cooling (86%), higher insulation levels (84%), and high performing window and doors (83%). A majority of respondents rated each of these features as *very* important. This was followed by ENERGY STAR-certified products, such as lighting, appliances, or air conditioners (78%), additional air-sealing (77%), and a whole-home ventilation system (76%).

Potential reasons why someone might want to purchase an ENERGY STAR-certified home resonated with most respondents on a personal level, with over three-quarters assigning at least moderate importance to each reason. Leading the way was saving money on one's energy bill, considered important by 88% of respondents (60% describing it as *very*

important). This was followed by having a more comfortable home to live in in terms of balanced temperatures and improved air quality (83%), helping protect the environment (79%) and benefitting from a financial incentive, rebate, or tax incentive (78%).

Few respondents (6%) said they own an ENERGY STAR-certified home. Among those who do, 80% said it has efficient heating and cooling equipment, just over three-quarters said it is energy efficient and has efficient windows (77% each), and 59% said it has a heat recovery ventilator.

Nearly three-quarters (72%) of respondents who said they own an ENERGY STAR-certified home described it as warmer in the winter. Just over half described their home as having good indoor quality air (53%) and being cooler in the summer (52%), while almost half described their home as having balanced temperatures throughout and being quieter (49% each). Few (4%) described their ENERGY STAR-certified home as having none of these features.

EnerGuide Labelling Program

One-in-five respondents (21%) said they had heard, seen or read some about the EnerGuide Label. When respondents were shown the EnerGuide label symbol, nearly two-thirds (65%) said they recalled seeing this label. Respondents aware of the EnerGuide label were most likely to recall seeing it on refrigerators or freezers (64%) and clothes washers or dryers (60%). Nearly half said they recalled seeing a label on a range (49%) or dishwasher (46%). This was followed at a distance by a label on room air conditioners (22%), brochures for heating and cooling equipment (17%), in store displays (14%), an electronic panel in homes and brochures for gas fireplaces (8% each), the Internet (7%), a magazine or newspaper (6%), a new car (4%), and social media (2%).

In the last 12 months, Canadians reported purchasing a variety of consumer goods. This included new cars (14%), refrigerators or freezers (13%), heating or cooling equipment or clothes washer or dryer (12% each), a dishwasher or room air conditioner (10% each), a range or stove (9%), a new home (5%), and a gas fireplace (4%).

With one exception, a majority of respondents who purchased one of a list of consumer products, said they were influenced at least somewhat by the EnerGuide Label. The EnerGuide Label was most likely to influence those who purchased a gas fireplace and least likely to influence those who purchased a new car in the last year. In the case of a new car, fewer than half said they were at least somewhat influenced by the EnerGuide Label (39%).

4. Notes to Readers

- All results in the report are expressed as a percentage, unless otherwise noted.
- Throughout the report, percentages may not always add to 100 due to rounding and/or multiple responses being offered by respondents.
- The number of respondents changes throughout the report because questions were asked of sub-samples of survey respondents. Readers should be aware of this and exercise caution when interpreting results based on smaller numbers of respondents.
- Only subgroup differences that are statistically significant at the 95% confidence level and pertain to a subgroup of at least n=20 are described in the report. For the regional results, surveys completed by respondents from Nunavut are grouped with Ontario, and

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surveys completed by respondents from the Northwest Territories and the Yukon are grouped with British Columbia.

- Tracking data are presented where available. With the exception of aided and unaided awareness of ENERGY STAR®, comparisons of all other data points over time should keep in mind the different methodologies—online data collection in 2018 versus telephone data collection in previous years. Direct comparisons between the 2018 data for awareness of ENERGY STAR® are possible because awareness was measured using both modes—online and telephone—in previous iterations of this survey.
- The survey questionnaire is appended to the report.
- The tabulated data is available under separate cover.

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