

RESEARCH REPORT

Green Deal Segmentation

**Report of a Segmentation of Owner Occupiers and
Private Rented Tenants in Great Britain**

Produced by GfK NOP and Kantar Media Research

The views expressed in this report are those of the authors, not necessarily those of the Department of Energy and Climate Change (nor do they reflect Government policy).

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1. Executive Summary

1.1 Introduction and methods

Research was commissioned to understand which key groups exist in relation to potential demand for the Green Deal, what their motivations and barriers are, and to understand which communications channels might best be used to reach them. This information will be used to help DECC develop communications and messages for the Green Deal. It is also expected to be of value to Green Deal Participants and others interested in encouraging people to improve the energy efficiency of their homes.

A segmentation was developed by GfK NOP based on a survey of 2,050 owner-occupiers and private rented tenants in Britain, with interviews conducted face to face during February and March 2012. Each interview was conducted with the person responsible for making decisions about improvements to the property, or with their partner. The segments were developed only amongst households which had the potential to take up a relevant Green Deal package including at least one of the four energy saving home improvements included in the survey (internal or external solid wall insulation, cavity wall insulation, loft insulation and boiler installation or upgrade). This resulted in a total base for the segmentation of 1,352 respondents.

Because of the need to look in detail at media use and communication channel preferences, the segments were re-created in the TGI (Target Group Index) database, which is based on an annual face to face survey of 25,000 adults in Britain¹. In this report, media and channel preference information is taken from TGI, and information on views on home energy efficiency and the Green Deal is taken from the GfK NOP segmentation survey.

1.2 Segmentation Overview

The Green Deal segmentation comprised six segments, which are summarised in Chart 1. For each segment, the chart shows the following:

- The segment name and size: the proportion of all owner-occupiers or private rented tenants whose property could benefit from at least one energy efficient measure who are in that segment
- The key characteristics of the segment.

Segments are shown in order of how likely, according to their survey responses, they said they were to take up the Green Deal package².

¹ For more information on the TGI database, please visit <http://kantarmedia-tgigb.com/>

² Propensity to take up the Green Deal includes those respondents who say they would install the relevant energy saving home improvements either using the Green Deal finance mechanism or by alternative funding such as paying upfront.

Chart 1 Summary: Green Deal segments

Segment name and size	Key characteristics	Proportion saying they may take up Green Deal
Money Savers 20%	Younger C2DE families on lower incomes who are especially interested in the cost-saving features of the Green Deal to help them make energy efficiency improvements. Their main motivations for taking up the Green Deal include saving money on their energy bills and making their homes warmer and more comfortable. They are not particularly environmentally engaged unless it saves them money.	
Carbon Savers 24%	Young professionals who are particularly interested in the environmentally friendly benefits of making their home more energy efficient through the Green Deal. They are amongst the least likely to be aware of which improvements their property could benefit from, and therefore find aspects of the Green Deal which would help them to understand how their property could be made more energy efficient motivating (e.g. tailored in-home assessments).	
Convertibles 10%	Higher income working families who were already considering making energy efficiency improvements and may easily be persuaded to do these through the Green Deal. The Green Deal could help overcome their distrust of installers & confusion over conflicting information.	
Not on the Radar 11%	Average households for whom energy efficiency isn't a priority at present, perhaps because they aren't having difficulties keeping up with their energy bills. Few had considered/planned energy efficiency improvements in the past.	
Disengaged Rejectors 24%	Older C2DE households don't plan to make their homes more energy efficient. They don't appear to want to consider the Green Deal at all, being less likely than other segments to mention good things about home energy efficiency or the Green Deal.	
Overstretched 11%	While they could potentially benefit from the Green Deal, the potential for up-front costs prevents this segment from considering taking it up. This may be because of potential financial difficulties in their household.	

1.3 Messaging

Chart 2 summarises the messages which may motivate members of different segments and the channels which may be most effective in reaching them.

- A tick in the grid indicates that a message or channel may be motivating to a segment.
- A question mark suggests that a message/channel would not be motivating but would not necessarily be off-putting to the segment. Instead, the research indicated that these messages would not resonate with these segments (for example, while Money Savers would be unlikely to be motivated by messages about the environmental/carbon saving aspects of the Green Deal, telling them about them would not put them off taking up a Green Deal package).
- A blank cell in the grid indicates that the segment would be neutral towards those messages or channels.

Chart 2 Summary: Messaging and channels

	Money Savers	Carbon Savers	Convertibles	Not on the radar	Disengaged Rejectors	Over-stretched
Messages						
Warmer/more comfortable home						
Money saving (you will save money on your energy bills)						
Financial elements (e.g. discounts, incentives, ability to spread out costs over time)						
'Green' messages						
Reassurances/ warranties						
Hassle free/ easy to understand						
Channels						
TV						
Radio						
Press						
Outdoor						
Online						
Cinema						

2. Introduction and objectives

In order to help reduce carbon emissions and improve domestic energy efficiency in Great Britain, the Government is launching the Green Deal, an initiative which will enable households and businesses to make energy saving home improvements to their properties. The scheme helps customers pay for some or all of the improvements over time, through their electricity bill. Repayments will be no more than what a typical household should save in energy costs.

GfK NOP was commissioned in early 2012 to conduct research into the Green Deal. The key objective of the research was to understand which key groups exist in relation to potential demand for the Green Deal, what their motivations and barriers are, and to understand which communications channels might best be used to reach them. This information will be used to help DECC develop communications and messages for the Green Deal. It is also expected to be of value to Green Deal Participants and others interested in encouraging people to improve the energy efficiency of their homes.

This report presents the findings of the study. The aim was to provide clear guidance on which key groups exist in relation to potential demand for the Green Deal, and how they differ in terms of:

- attitudes to home and to the environment
- motivations and barriers to uptake of energy saving home improvements
- communications channel usage
- demographic, geographic and situational characteristics.

2.1 Methodology

The segmentation was based on a survey of owner-occupiers and private rented tenants in Great Britain³. A total of 2,050 interviews were conducted across Great Britain between 15 February and 23 March 2012, with the sample selected using random location sampling methods. Interviews were conducted face to face in respondents' homes using Computer Assisted Personal Interviewing (CAPI), which means that the interviewers carried a laptop which controlled the questionnaire – the order the questions were presented in and the routing, based on previous answers. This was particularly important given the complexity of the questionnaire.

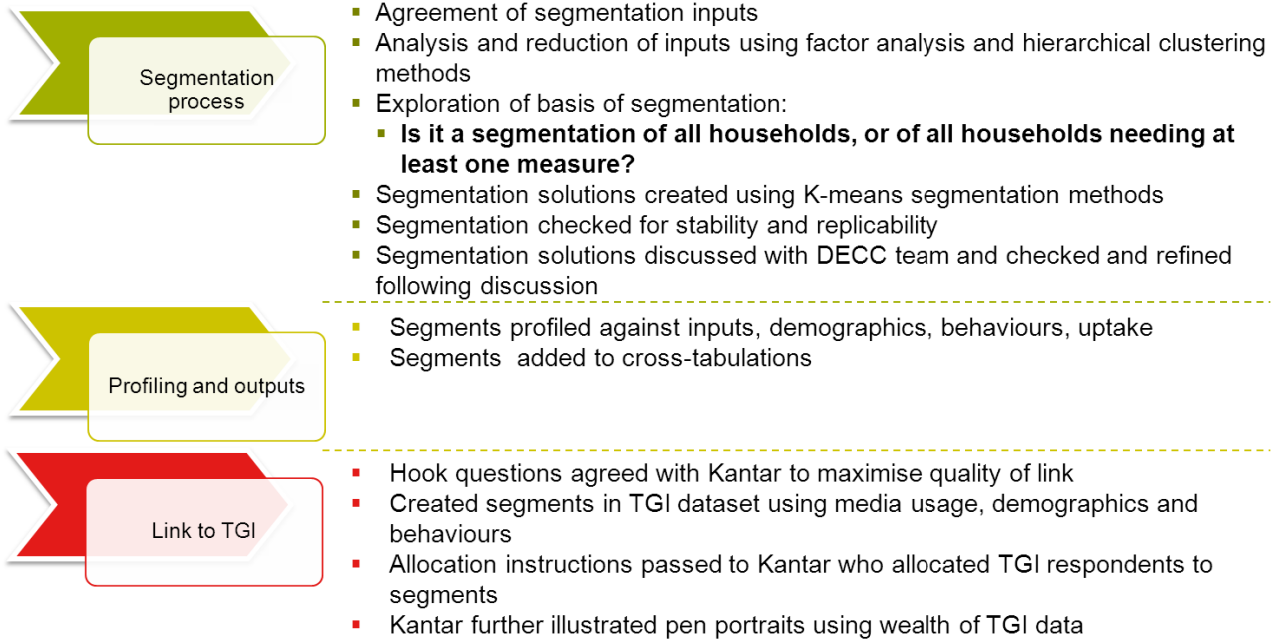
The general structure of the questionnaire is appended, and the full questionnaire is available in the survey technical report⁴.

The analytical technique used to identify and profile target groups based on their potential demand for the Green Deal is called segmentation. Segmentation is a statistical exercise which aims to divide a population into distinct groups which have similar response patterns within segments and different patterns between segments.

³ Social housing tenants were not included in the research because their tenancy means that they would be likely to interact with the Green Deal in a different way to owner-occupiers and private rented tenants.

⁴ The survey technical report is available at (web reference)

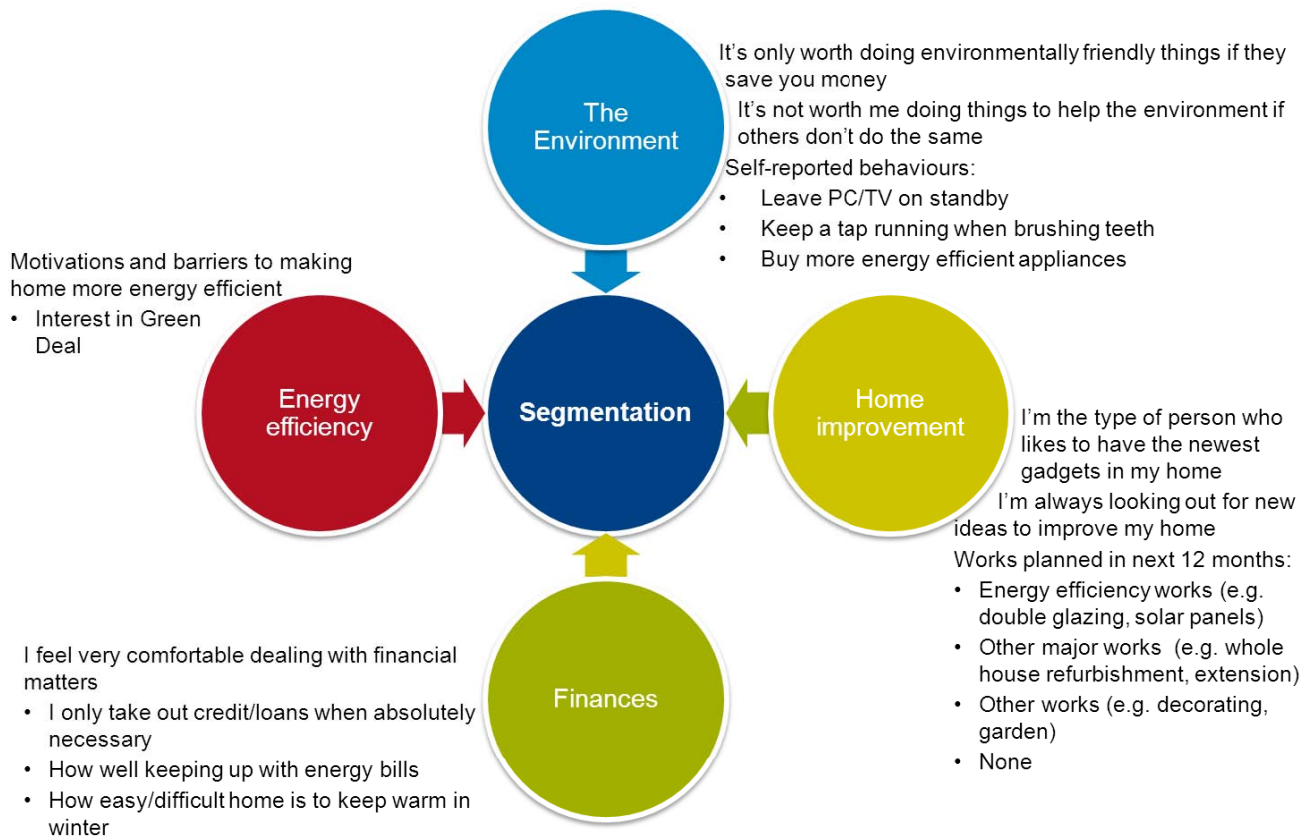
The segmentation process is summarised below:



At the questionnaire design stage, a number of questions were identified which had the potential to produce a meaningful segmentation to answer the key objectives. These were discussed and agreed with the team at DECC, and the list of segmentation inputs was refined and expanded following initial runs of the segmentation. The final list of segmentation inputs is appended and the figure below summarises the inputs used for the segmentation:

Segmentation inputs were refined using techniques called factor analysis and hierarchical clustering before being entered into the segmentation programme. A number of segmentation solutions were derived using K-means methods⁵, which attempt to minimise the differences within each of the segments and maximise the differences between them. Solutions were profiled and discussed with DECC before deciding on the preferred solution.

⁵ For more information about the segmentation, please see the survey technical report



Further to the segmentation analysis, CHAID⁶ analysis was conducted to help best identify how the segments are differentiated from each other and what drives segment membership.

Because of limitations on interview length, it was not possible to ask very detailed questions about media use and communications channel preferences. The decision was therefore taken to make use of information contained in the TGI database which is owned by Kantar Media⁷. The segments generated from the segmentation were allocated into the TGI database to enable further analysis of the segments' detailed media preferences, as well as other lifestyle, brand and purchase information as held on the database.

In order to enable the segments to be allocated into the TGI database, it was necessary to ensure that there were sufficient common questions across the two datasets to efficiently 'hook' them together. During the questionnaire design stage of the project, GfK NOP worked with Kantar to identify appropriate 'hook variables' for inclusion in the Green Deal survey. These common questions included both demographics and a small number of attitudinal questions. These questions were already included in the TGI questionnaire, so the same wording was used for the Green Deal questionnaire.

⁶ CHAID stands for 'Chi-square Automatic Interactive Detection'. For more information about this approach, please see the survey technical report

⁷ TGI (Target Group Index) is a market leading single-source consumer survey available in over 65 markets globally. TGI's main strength lies in the breadth of its coverage, enabling in-depth consumer understanding in terms of demographics, attitudes, media consumption and product and brand use across 18 industry sectors. Established in 1969, it delivers a large annual sample of c25,000 in Great Britain, and enjoys currency status in the media industry: most media agencies and owners use the data to buy and sell advertising. TGI is also widely used in the public sector where clients include DH, HMRC, NEST and COI.

Further technical details for the survey, segmentation, CHAID analysis and TGI analysis is shown in the full technical report.

Household energy efficiency needs

Because of the need to differentiate between segments in terms of their stated propensity to take up a Green Deal package, a decision was taken at an early stage that the segments should be developed only amongst households which had the potential to take up a relevant Green Deal package – that is households for which at least one of the energy saving home improvements included in the research was appropriate. For the purposes of this report, households for whom at least one of the measures could be appropriate are referred to as ‘needing’ at least one measure. Including households with no ‘needs’ would have diluted and obscured any genuine differences which were of interest to DECC and delivered segments which were more diffuse and less distinct.

Energy efficiency ‘needs’ were assessed by asking respondents about their property: it is worth noting that all information about the property was collected from the householder as part of the interview, and not taken by a property surveyor or other professional. While the Green Deal will enable more than 45 energy saving home improvements to be installed in people’s homes at little or no upfront cost, for practical reasons the research focussed on a small subset of four of the more common measures:

- Internal or external solid wall insulation
- Cavity wall insulation
- Loft insulation
- Boiler installation or upgrade.

Overall, a third of respondents indicated that their property did not ‘need’ any of the energy saving home improvements included in the survey. Nearly two fifths (37%) ‘needed’ only one measure, a quarter (23%) ‘needed’ two of the measures and 6% ‘needed’ 3 measures. Overall this equated to around 12 million households in Britain which ‘needed’ at least one of the measures included in the survey.⁸

To ensure that segmenting only amongst households ‘needing’ at least one measure in their property was an appropriate route to take, given that the Green Deal will be marketed amongst the wider public and not only those ‘needing’ at least one measure, it was important to understand whether there were any in-built biases between the ‘needs’ and ‘no needs’ groups. Profile differences between households in these two groups were examined, and it was felt that the differences were intuitive and within acceptable bounds. Detailed charts on profile differences are included in the appendices, (Chart 36, Chart 37). Households which ‘needed’ at least one measure tended to:

- be slightly younger
- have slightly lower household incomes (average household income was £25,925 in the ‘need’ group, compared with £27,550 in the ‘no needs’ group)
- be tenants
- be more likely to live in houses and more likely to live in flats
- live in more deprived areas.

⁸ Grossed up figures are based upon the number of owner-occupied and private tenanted households in Britain excluding those in areas with more than 30% social housing.

The biggest difference between the two groups, is that those in the 'needs measures' group tended to live in older properties: two fifths (39%) lived in properties built before 1930, compared with only 17% of the 'no needs' group. Given changes to building regulations over time, it is unsurprising that the penetration of older properties in the 'needs measures' group is so much higher.

Because 66% of all households 'needed' at least one measure, the base for the segmentation was 1,352 and 698 respondents were not included in the segmentation analysis because their property could not benefit from any of the 4 energy efficient measures referred to in the survey.

Allocating the segments to the TGI database

A potential challenge was identified in relation to allocating the Green Deal segments to the TGI database because there was no way that 'need' (as defined in this research) could be identified within the TGI database. Therefore, while the segmentation was based only on those 'needing' at least one measure, it was important to be able to allocate the segments across the whole population to enable them to be recreated in the TGI database.

To test the appropriateness of the segmentation amongst households in the 'does not need measures' group, an allocation algorithm was generated to assign all respondents in the 'does not need measures' group to a segment based on the answers they gave. The algorithm was developed based on the full range of questions included in the questionnaire, and had an average efficiency of 98% - this means that in 98% of the cases tested, respondents were allocated to the same segment they were originally placed in. The segment profiles of the 'needs' and 'does not need measures' groups were examined, and again it was felt that the differences seen were intuitive and could be explained by differences by profile and 'need': therefore it was decided that it would be valid to recreate the segments within the TGI database. Chart 38 in the appendices shows the profile differences.

Following this exercise, an allocation algorithm was devised which enabled the segments to be recreated in the TGI database.

In the TGI database the allocation algorithm was applied at respondent level, with every respondent being allocated to the best fit segment. There is a high level of confidence in individual respondents being correctly allocated, with an average efficiency of 61%.



Once the segments had been created in the TGI database, it was sense-checked by analysing key characteristics from the originating dataset against the segments created in the TGI database. It was found that each group was aligned with the demographics and attitudes in their originating group in the GfK NOP Green Deal sample.

The modelled nature of the TGI data on the segments should be borne in mind: the information from TGI provides a good indication of likely media and attitudinal trends and key differences between the segments, but is not the same as data obtained from an actual sample (e.g. the Green Deal survey data on the segments).

A detailed analysis of the segments within the TGI database was designed by Kantar Media in conjunction with the teams at GfK NOP and DECC. The outputs from this analysis are shown alongside each segment in the following sections of this report.

About this report

The following points explain the way in which the results have been commented upon in this report.

- All of the differences which have been commented upon within this report are statistically significant. Where differences are interesting but not statistically significant, these are noted, but it is stated that the difference is not significant.
- Additionally, in charts and tables, statistically significant differences are marked with a red box.
- The significance tests which have been used are two tailed and are based on a 95% confidence interval. This means that we are 95% certain of detecting a difference where one exists in the population. Different significance tests were used depending on whether comparisons were being made between mean scores or percentages or whether comparisons were being made between two independent samples or between a sub-sample and the total.
- Where the report discusses 'uptake' of the Green Deal this refers to uptake of a measure, or package of measures, either using Green Deal finance or by paying upfront in full. It should be noted that in discussing 'likely uptake' this refers to how likely respondents were to say they would be interested in having measures installed during the survey interview. The research does not provide a forecast of how many people are expected to take up the Green Deal. Instead it aims to further the understanding of who is more or less likely to be interested in the Green Deal.
- As the Green Deal may be called by different things by different market players, the questionnaire did not mention the 'Green Deal' specifically. Instead, it was described as a 'home improvement plan' and presented as a new way of paying for home improvements which are designed to make your home more energy efficient.
- Sub-groups which have an effective sample size below 30 are too small for statistical significance testing to be carried out and so no comment on these groups is made in this report.
- Throughout this report '*' indicates a proportion of less than 0.5% but greater than zero. '-' indicates a zero proportion.
- In profile charts  denotes data related to houses and  denotes data related to flats/tenements.
- This report refers to the 'Super Priority Group'. For the purposes of analysis, this is a sub-group comprising the small number of households who fit into at least one of the following three definitions:
 - Receive Job Seeker's Allowance or Income Support and have a household income below £16,999 and either have someone aged 60+ in the household or receive Disability Living Allowance or have children in the household or someone who has a long standing illness or disability
 - Receive Pension Credit
 - Receive Child Tax Credits and have a household income below £16,999
- The report also refers to differences by social grade. Social grade is a system of demographic classification used in the United Kingdom which is maintained by the Market Research Society. Social grade is based on the occupation of the Chief Income Earner in the household⁹.

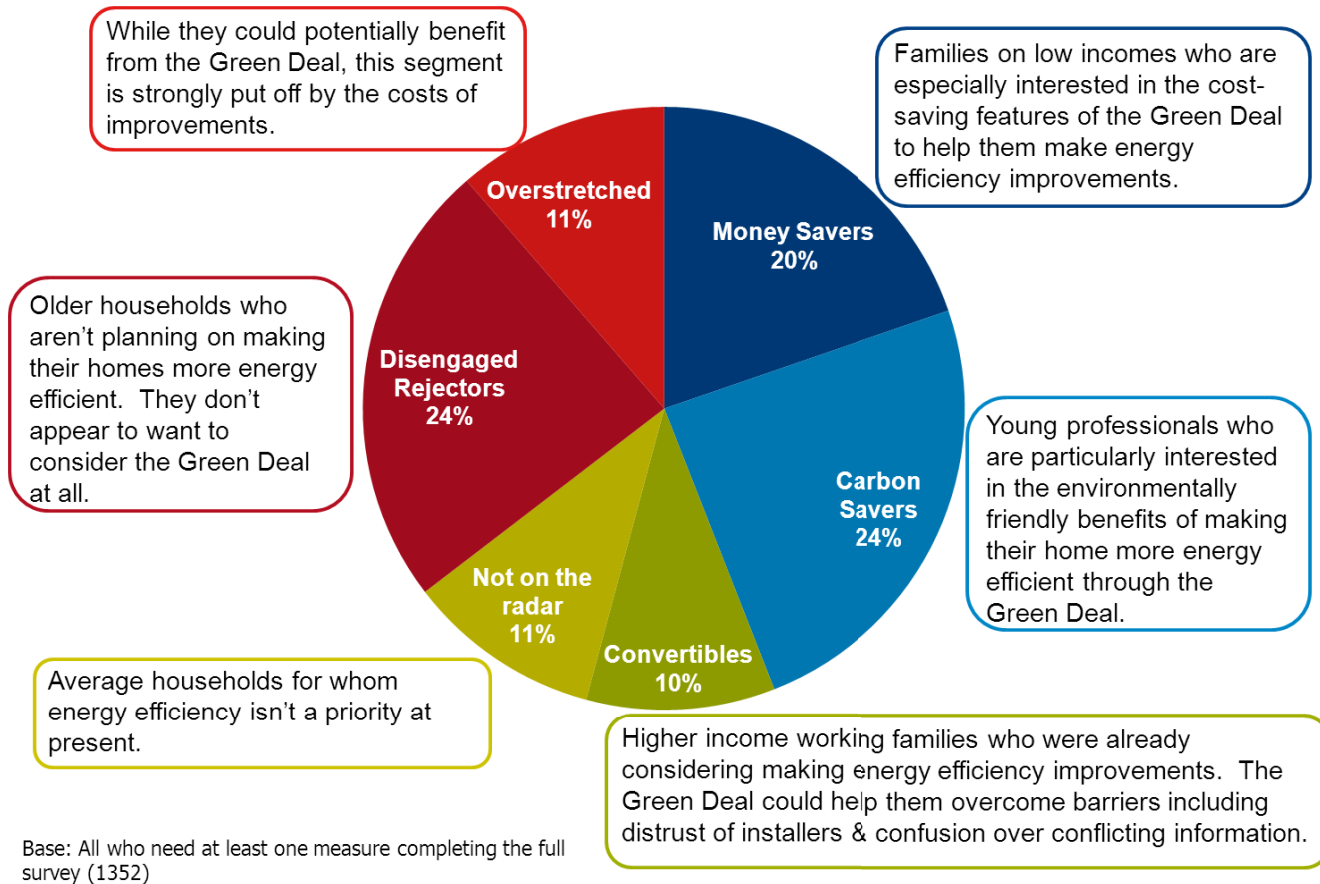
⁹ For more information on social grade, please refer to <http://www.mrs.org.uk/pdf/occggroups6.pdf>

3. Overview of the segments

The Green Deal segmentation solution comprised six segments: a brief overview of the segments is shown in Chart 3

Chart 3 Overview of the Green Deal segments

Base: All respondents who need at least one measure completing the full survey (1352)



Key to the success of the segmentation was the need for the segments to differentiate in terms of potential uptake of the Green Deal. The indexed uptake propensities¹⁰ of the six segments are shown in Chart 4. An index shows how the segment propensity differs from the average of

¹⁰ Uptake propensities were derived from a conjoint analysis within the same survey. It should be noted that the uptake propensities discussed in this report are based on answers which respondents gave in the survey on the basis of the information provided to them in the interview. Uptake propensities are not based on actual data on take up. Uptake propensities should be considered in relative terms and do not give a market forecast, for a number of reasons including:

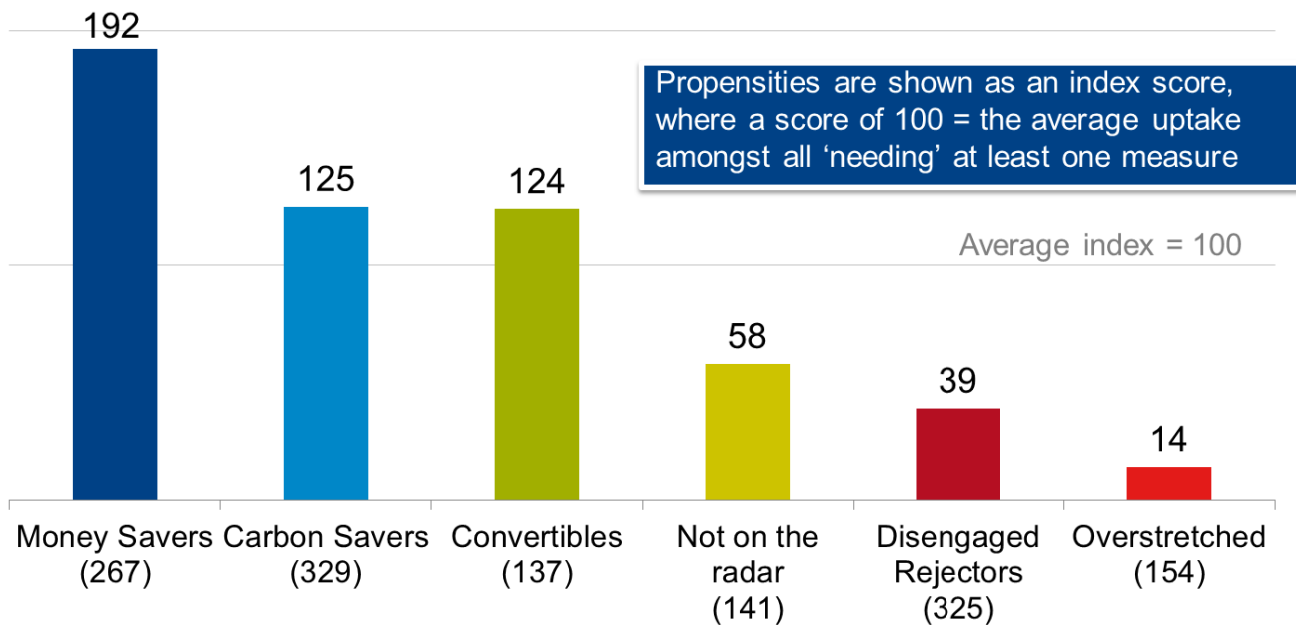
- packages were based on an average property whereas the Green Deal will be available to a range of property types;
- estimates are a short-term 'snapshot' based on current financial, economic and household situations;
- estimates assume 100% awareness of the Green Deal;
- estimates are based on a new and complex concept;
- estimates may be influenced by a variety of factors not included in the research;
- estimates are only based on the tested attributes and measures.

all those in the ‘needs measures’ group. If the segment had the same likelihood to say they would take up the Green Deal as the average, their index propensity would be 100. The indexed uptake propensity for the Money Savers was 192, which means that they were 92% more likely than the average to say they will take up the Green Deal.

Three of the segments: the Money Savers, Carbon Savers and Convertibles, had indexed uptake propensities higher than 100, which indicated that they were the most likely of the segments to say they would take up the Green Deal. The Not on the Radar and Disengaged Rejectors segments had lower indexed uptake propensities, and the propensity amongst the Overstretched segment was very low at 14. This means that the Overstretched were 86% less likely than average to say in the survey that they would take up the Green Deal.

It is also worth noting that the characteristics of some of the segments with the lowest uptake propensities suggest that other government policies or initiatives would be available to help them make their homes more energy efficient: for example fuel poverty reduction programmes such as ‘Affordable Warmth’.

Chart 4 **Relative differences in interest in the Green Deal by segment**
 Base: All respondents who need at least one measure completing the full survey (1352)



The first three segments (Money Savers, Carbon Savers and Convertibles) showed greater potential for interest in the Green Deal than the others because, although they only made up half of the total population of those ‘needing’ at least one measure, they made up over four fifths (83%) of those who said they were likely to take up the Green Deal.

However, this should not imply that the other three segments should be ignored as there are also positive indicators that levels of interest could be increased amongst the Not on the Radar and Overstretched segments.

The following sections in this report describe each segment in turn, the differences between them, and potential messaging which could be useful in encouraging them to take up the Green Deal.

3.1 Money Savers

Money Savers make up 20% of owner occupied/private rented tenant households that 'need' at least one of the energy efficient home improvements included in the survey. This equates to around 2.4 million households in Great Britain.

Money Savers were the segment with the greatest potential to take up the Green Deal. They were almost twice as likely as the average to say that they would take up the Green Deal (index = 192).

3.1.1 Money Savers: Pen portrait

We're families on lower incomes struggling to keep up with our energy bills, we are interested in ways to improve energy efficiency at home, but are worried about the costs.

It's good that having a more energy efficient home should save us money on our energy bills and make our homes warmer and more comfortable! We're not really motivated by environmental concerns - what's the point in being 'green' if no-one else is doing it?

We were already considering making energy efficiency improvements to our home and the Green Deal sounds like a great way to do this without having to shell out too much money upfront. Being able to spread out payments over time is a bonus!

The Money Savers segment is characterised by a desire to take up the Green Deal to enable them to save money on their energy bills, and all other aspects of the Green Deal which keep down the costs of making improvements (e.g. low/no upfront costs, discounts, incentives) are attractive to them. This segment was not particularly motivated by the desire to reduce energy wastage or carbon emissions, or to reduce their household's environmental impact.

The characteristics of the Money Savers segment are summarised in the chart below:

Money Savers: Characteristics



Financial matters

Money Savers were amongst the least likely to agree that they were comfortable dealing with financial matters (69% compared with 75% on average, 83% of Convertibles and 80% of Carbon Savers). In addition, they were the segment most likely to say they were having difficulty with their energy bills (27% compared with 11% on average). They were more likely than average to say that they find their property difficult to keep warm (35% compared with 21% on average).

Environmental matters

In comparison with other segments, Money Savers were not strongly motivated by environmental concerns. They were the segment most likely to agree that:

- It's only worth doing environmentally friendly things if they save you money (54% compared with 38% of all those in the 'needs measures' group and just 20% of Convertibles and 24% of Carbon Savers)
- It's not worth me doing things to help the environment if others don't (38% compared with 23% of those in the 'needs measures' group, and 11% of both Carbon Savers and Overstretched).

In addition, Money Savers' environmental behaviours did not suggest high levels of environmental consciousness: they were most likely to leave the TV or PC on standby for long periods (39% compared with 30% of those in the 'needs measures' group) and were amongst the most likely to keep the tap running while they brushed their teeth (38% compared with 27% of those in the 'needs measures' group).

Improving the home

Home improvements were relatively important to the Money Savers. They were the segment most likely to say that they are always looking out for new ideas to improve their home (77% compared with 51% on average of those in the 'needs measures' group) and were also the most likely to agree that they are the type of person who likes to have the newest gadgets in their home (46% compared with 31% on average in the 'needs measures' group).

The Money Savers were amongst the most likely to have already considered or planned installing any of the relevant energy efficient measures in the home (31% of them had done so, compared with 20% on average of those in the 'needs measures' group, and as few as 9% of the Disengaged Rejectors). Only the Convertibles were more likely to say that they had already considered/planned any energy efficient works in their home (39%).

Making improvements appears to be an important trigger point for the Money Savers. Over three quarters (77%) of them were already planning some improvements to their home: much higher than the 52% average amongst the 'needs measures' group and again second only to the Convertibles (88%). The Money Savers were the most likely to already be planning energy efficiency improvements to their home in the next 12 months, including double glazing (10% compared with 5% average), and solar panels/ solar heating (3% compared with 1% average).

Making their home more energy efficient

For Money Savers, the main motivation for making their homes more energy efficient was financial. Four in five (79%) said that making their home energy efficient was important to help reduce the amount they spend on their energy bills (compared with 69% on average and just 38% of Disengaged Rejectors). Making their homes warmer and more comfortable was also an important consideration (72% of Money Savers said this was important, compared with 54% on average and only 28% of Disengaged Rejectors).

The findings indicated that Money Savers' motivations for making their home more energy efficient were not centred on environmental concerns. They were amongst the least likely to say that reducing the amount of wasted energy (44% compared with 70% of Carbon Savers and Overstretched) or reducing carbon emissions (10% compared with 40% of Convertibles) were important considerations.

With these points in mind, it is unsurprising to note that the main barriers for Money Savers making their homes more energy efficient also centred on financial concerns. Only the Overstretched segment was more likely to mention barriers related to financial concerns:

- Cost of improvements is too high – 79% of Money Savers said this was a barrier for them, and this barrier was key in defining them according to the CHAID analysis. Only the Overstretched were more likely to mention this barrier (84%): on average only 42% of those in the 'needs measures' group said that this was a barrier for them
- No guarantee that it will save me money – mentioned by 21% of Money Savers and similar to the Overstretched (22%), compared with 9% on average.

Conversely, the Money Savers were less likely than average to mention other barriers to making their homes more energy efficient including lack of time or other priorities, hassle or disruption or lack of knowledge or information about what to do.

Views on the Green Deal

Having been told in detail about the Green Deal and asked about their preferences and interest, all were asked what they think are the good and bad things about the Green Deal.

Given their pre-existing interest in energy efficient measures, high indexed uptake propensity and their financial concerns, it is perhaps not surprising to find that Money Savers were most open to the idea of the Green Deal for financial reasons. The aspects of the scheme they felt were good included:

- Cost of improvements is covered by savings on your energy bills – 38% of Money Savers thought this was a good thing, compared with 32% on average amongst those in the 'needs measures' group: only the Convertibles were more likely to say this was a good thing (44%)
- Availability of discount on the cost of improvements – Money Savers were the segment most likely to mention this (33% compared with 22% on average and just 10% of Disengaged Rejectors and 15% of Not on the Radar)
- Availability of offers – Money Savers were the second most likely segment to mention this (29% compared with 23% on average and only 20% of Disengaged Rejectors)
- Ability to spread out payments over time – 22% of Money Savers mentioned this aspect of the scheme. They were the most likely of the segments to say this: the segment next most likely was the Overstretched (17%)
- No/low up-front payments – Money Savers were among the most likely to mention this (17%, compared with 13% on average).

The main disadvantages of the Green Deal for Money Savers were also related to the financial aspects of the scheme:

- They were among the most likely to mention the cost of the improvements (39% compared with 32% average) and the fact that no guarantee can be provided on the size of the savings (30% compared with 25% average) as disadvantages of the scheme
- They were the segment most likely to be unsure about the costs being on the energy bill on the property (19% compared with 16% average) and the need to pay upfront costs even if you get it back (19% compared with 15% average).

It is also notable that they were less likely than other segments to say that they don't like taking out credit/prefer to pay upfront (only 23% of Money Savers said this compared with 26% on average, 33% of Overstretched and 32% of Convertibles).

Their motivations and barriers therefore were primarily driven by costs and money saving, and this was borne out by the CHAID analysis which attempted to understand the main drivers of segment membership. This showed that the primary drivers of membership of the Money Savers segment were as follows:

- The fact that the cost of improvements is too high is the main barrier to taking up the Green Deal
- A further important barrier is the fact that there is no guarantee on the size of savings
- Hassle/disruption related to making improvements is not a barrier to making any improvements
- Making their home warmer and more comfortable, and savings on their energy bills were the main perceived benefits of making improvements

- Secondary benefits were the availability of warranties/guarantees and the ability to spread payments over time, but carbon saving was not perceived to be a benefit of making improvements.

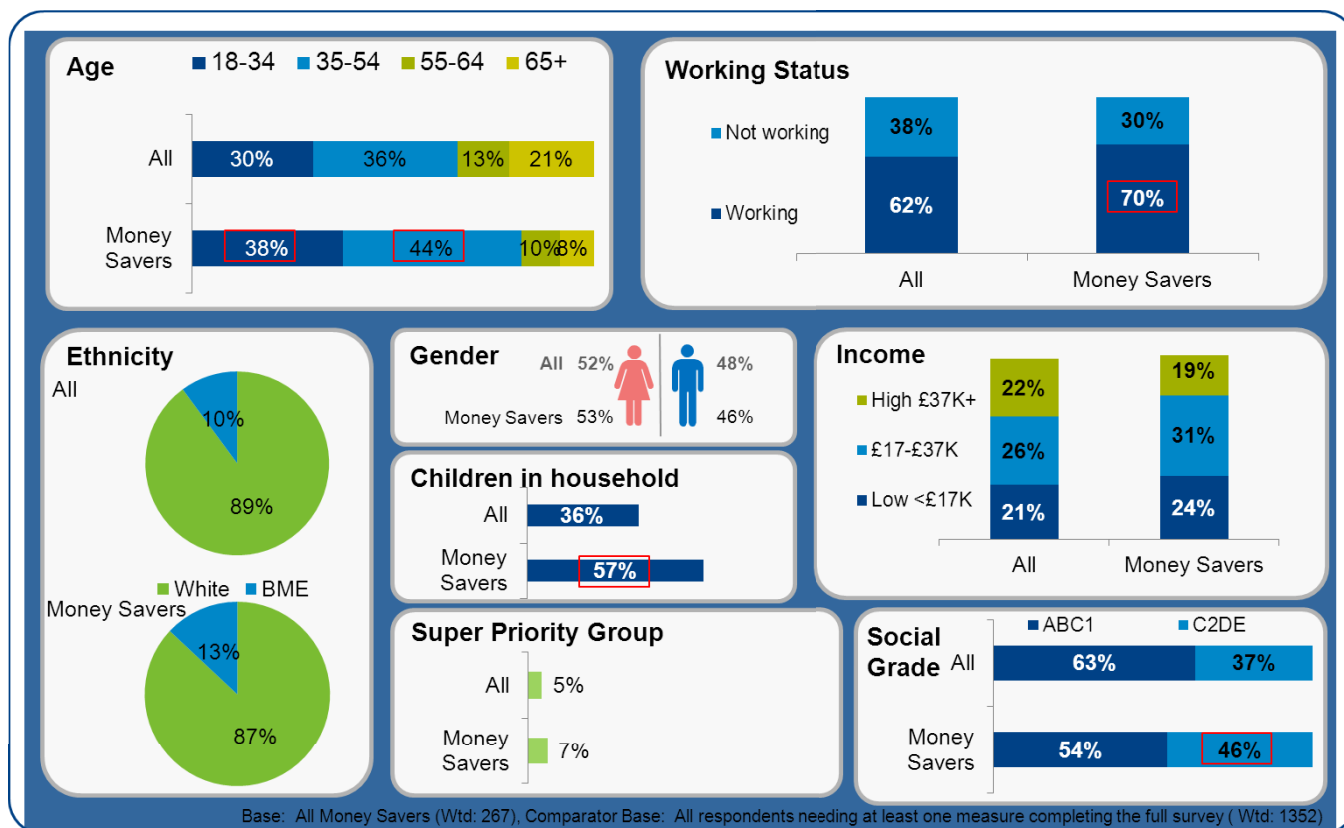
3.1.2 Money Savers: Demographic profile

Chart 5 shows demographic profile differences between the Money Savers and the average of all households 'needing' at least one measure.

Whilst the gender balance was in line with the average (53% of Money Savers were females, compared with 52% on average), Money Savers were notably younger than average with 82% aged 18-54 (compared with 66% on average) and only 18% aged 55+ (34% on average).

Chart 5 **Money Savers: Demographic profile**

Base: All Money Savers (Wtd: 267), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



Reflecting their younger age profile, Money Savers were the segment most likely to have children in the household (57% compared with 36% on average), as well as being more likely than average to be working (70% compared with 62% on average). They also had the highest proportion within the C2DE social grades; 46% of Money Savers were from C2DE households, compared with 37% on average.

It is also notable that the Money Savers tended to have a lower income than the other segments with a higher uptake propensity: the average gross household income for Money

Savers was £24,750 compared with £27,500 for Carbon Savers and £31,750 for Convertibles¹¹.

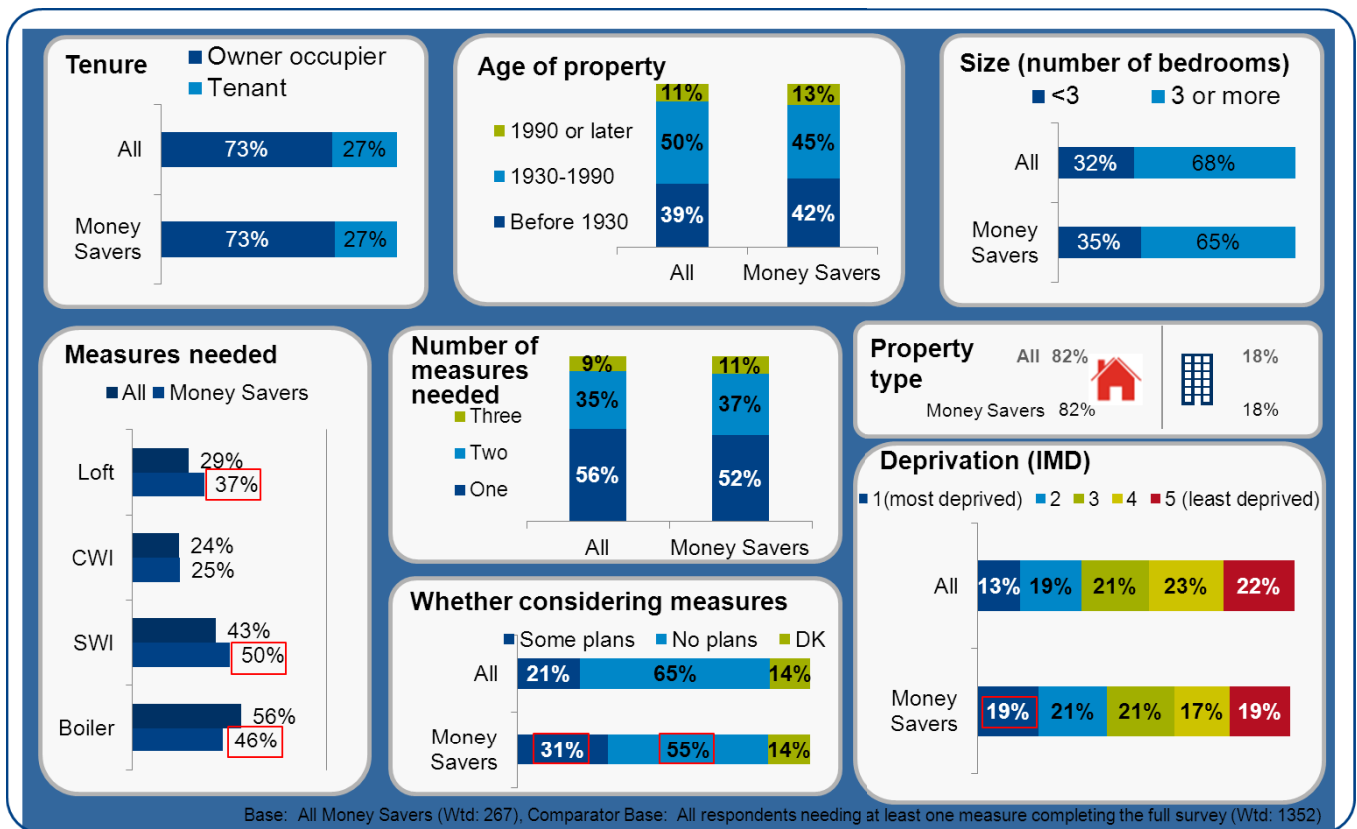
3.1.3 Money Savers: Property characteristics

Chart 6 shows the characteristics of the properties of Money Savers and compares them with the average characteristics of properties of those in the ‘needs measures’ group.

Although the type of properties that Money Savers were living in tended to match the average profile in terms of tenure, age, type and size (number of bedrooms), they were more likely than average to be located in the most deprived areas (19% of Money Savers lived in the most deprived areas of the country, as defined by the Indices of Multiple Deprivation¹² compared with 13% on average).

Chart 6 **Money Savers: Property characteristics**

Base: All Money Savers (Wtd: 267), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



In terms of the measures needed to make their home more energy efficient, Money Savers were more likely than average to give answers which indicated that their property could benefit from loft insulation and solid wall insulation, although less likely to indicate that their property might ‘need’ a condensing boiler. As previously mentioned, Money Savers were more likely than average to have been considering or planned any energy efficiency improvements; 31% had some plans compared with 21% on average.

¹¹ Mean incomes have been rounded to the nearest £250
¹² For more information see <http://www.communities.gov.uk/publications/corporate/statistics/indices2010>

When asked specifically about whether they planned to undertake any refurbishments to their home in the next 12 months, Money Savers were more likely than average to be planning the following¹³:

- 33% were planning minor refurbishments within the next 12 months (compared with 21% on average)
- 22% were planning major refurbishments within the next 12 months (compared with 15% on average)
- 21% were planning energy efficient refurbishments within the next 12 months (compared with 16% on average).

3.1.4 Money Savers: Profile within TGI database

Mindset

Chart 7 shows the attitudinal profile of members of the TGI database identified as Money Savers and compares this with the average characteristics of all adults¹⁴. Significant differences are shown in green for above average and red for below average.

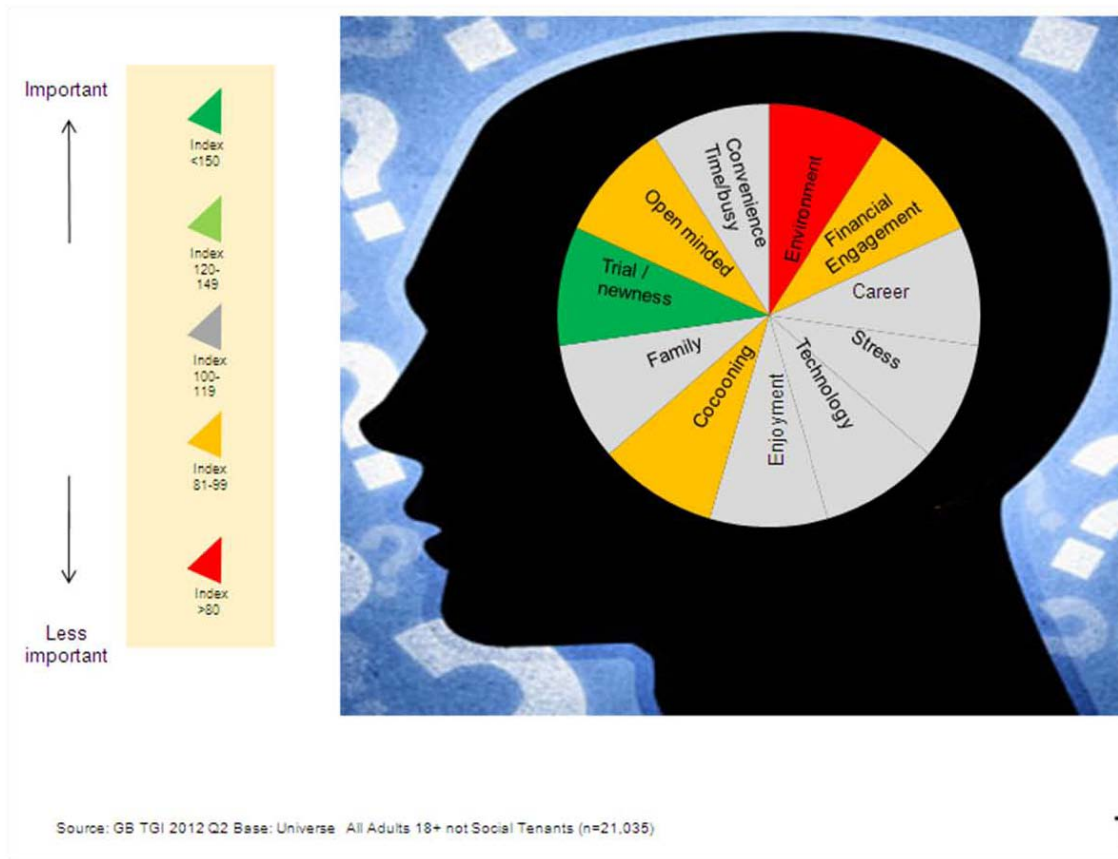
Money Savers were the least likely of all segments to think about environmental issues. Only 20% agreed that “I am prepared to pay more for environmentally friendly products” (compared with 27% on average and 34% of Carbon Savers). Their focus is instead on their home and family, with 55% agreeing that “What I want most in life is to have and raise children” (compared with 43% on average and just 36% of Carbon Savers and Disengaged Rejectors).

They were the most likely segment to agree they are “always looking for new ideas to improve my home” and are the most open to trying new products as 29% say “when I see a new brand I often buy it to see what it is like” (compared to 26% on average and just 22% of Carbon Savers). They are second most likely (behind Convertibles) to be early adopters, with 15% agreeing “I buy new products before most of my friends” (compared to 17% of Convertibles, 11% on average and just 8% of Overstretched).

¹³ *Minor refurbishments* included garden makeovers and other refurbishment to a single room such as carpeting or decorating. *Major refurbishments* included refurbishment to the whole house, extension or loft conversion, substantial refurbishment to a single room and work to the outside of the house. *Energy efficient refurbishments* included installing double glazing, installing or updating heating or boiler, installing solar panels and carrying out other energy saving home improvements.

¹⁴ Source: GB TGI 2012 Q2. Base: Adults 18+ excluding social tenants n=21,035

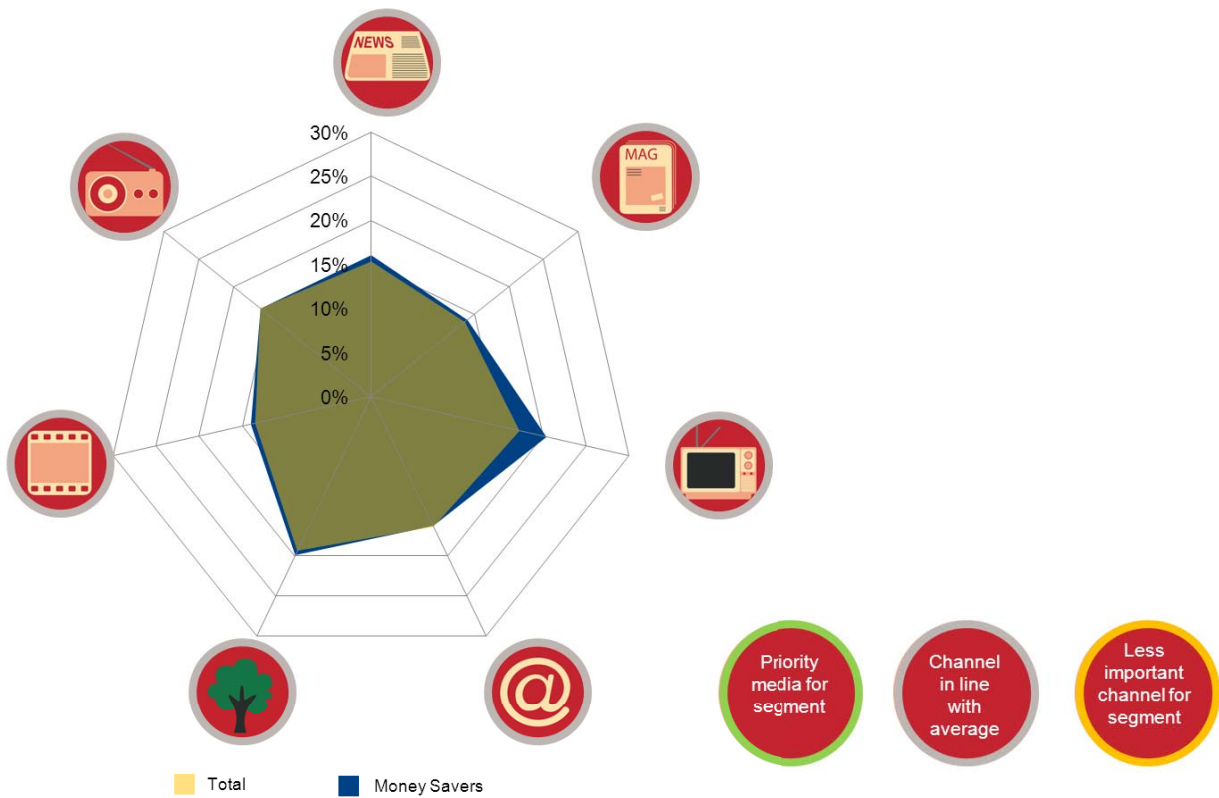
Chart 7 **Money Savers: Mindset**
 Base: All adults 18+ not social tenants (n=21,035)



Communications Channels

Chart 9 shows heavy users (top 20%) of each media channel compared with the average of all adults aged 18+: a green ring around a channel denotes that the segment is significantly more likely than average to consume the channel, and this may be a priority for targeting the segment, a grey ring denotes that their channel consumption is in line with average, and yellow denotes that the segment is significantly less likely than average to consume the channel.

Chart 8 **Money Savers: Media Overview**
 Base: All adults 18+ not social tenants (n=21,035)



Source: GB TGI 2012 Q2 Base: Adults 18+ (excluding social tenants) n=21,035

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Specific channel characteristics which are distinctive for Money Savers are outlined below:

Television

A significant minority (16% compared with 13% on average and just 10% of Convertibles) watch more than 40+ hours a week making them the heaviest TV viewers of all segments. They are more likely to watch property/DIY programmes than other segments (13% compared with 11% on average, and 9% of Not on the Radar or Disengaged Rejectors).

Outdoor

They are the most likely group to travel by car, with 12% spending 9+ hours a week driving (compared to 10% on average). When travelling they notice advertising on buses, at bus stops, and on large roadside hoardings.

Online

In line with the average and other segments, 86% of Money Savers are online (compared with 84% on average) and they primarily access the internet from home on a PC. They are comfortable carrying out financial transactions online; regularly banking, paying bills and shopping online. They are the segment most likely to visit property sites (12% compared with 8% on average) and price comparison sites (22% compared with 20% on average).

Implications for Media Planning

Money Savers are more likely than average to be heavy television viewers but were not significantly more likely to be heavy users of any other channel. Therefore, the most important communication channels for this group would be the same as for the population as a whole: television, outdoor and online would reach the highest proportions of Money Savers.

3.1.5 Money Savers: Key motivators

Based on their profile and motivation, the messages shown in the box may be motivating to members of the Money Savers segment.

Chart 9 Money Savers: Messages



To help motivate us to take up the Green Deal

- We've already started looking at energy efficient home improvements – but **cost is a real barrier**
- The Green Deal means that we can make the energy efficient home improvements that will help us to save money on our energy bills and it means we **won't be out of pocket**
- Keep financial information simple – we're not very comfortable with that sort of thing. Telling us that we'll **save money** is the key message!
- Financial elements of the deal such as spreading costs out over time, no/low upfront payments, **discounts and incentives are worth emphasising** as they really appeal
- There's not much point telling us about the environmental benefits of installing energy efficient home improvements, **we're just not very 'green'**
- As the heaviest users of **television** this would be an effective channel for us and as we are the most likely segment to spend a lot of time in the **car** you can also reach us through **road and bus side posters**
- Also use **price comparison, property or financial advice sites** as we actively seek information to help with financial decisions. Using a tone that is **supportive and encouraging** would be most appropriate
- Appeal to our **desire for newness** & wish to maintain a comfortable home for our family

3.2 Carbon Savers

Carbon Savers make up 24% of owner occupied/private rented tenant households that 'need' at least one of the energy efficient home improvements included in the survey. This equates to around 2.9 million households in Great Britain. Carbon Savers have the joint-second highest Green Deal uptake (along with Convertibles) out of all six segments. They are 25% more likely than average to say that they would take up the Green Deal (index = 125).

3.2.1 Carbon Savers: Pen portrait

We're less likely than most other segments to have any kids. We try to be environmentally friendly at home - we try not to waste energy or water and want to make our homes more energy efficient to reduce carbon emissions. Saving money on our energy bills doesn't hurt either!

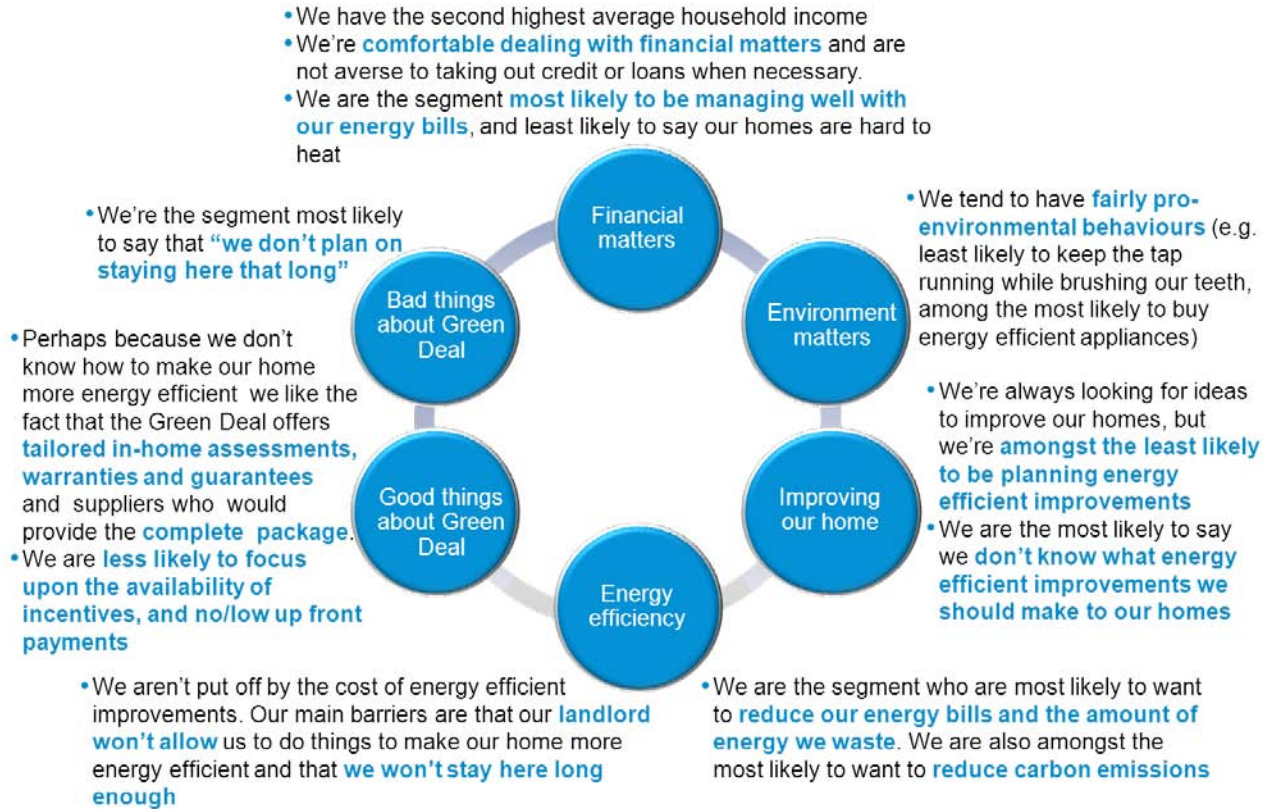
We're not that worried about the costs of making energy efficiency improvements – the fact that we may not stay in this property that long and (for those of us who are tenants) having to deal with the landlord make it more difficult for us.

We weren't really thinking about making energy efficiency improvements before, but now we've heard of the Green Deal, we're most likely to be persuaded.

While the Money Savers were motivated by cost saving features of the Green Deal, the Carbon Savers were more motivated by aspects of the Green Deal which enable them to reduce wasted energy and reduce their carbon emissions. Costs are not strong barriers to this group, though they are not averse to saving money on their energy bills or receiving incentives to pay for energy saving improvements.

The characteristics of the Carbon Savers segment are summarised in the chart below:

Carbon Savers: Characteristics



Base: All Carbon Savers (329)

Financial matters

Overall, Carbon Savers were financially comfortable: they had the second highest average gross annual household income (£27,500 compared with £26,000 on average) and were the segment most likely to say they were managing well with their energy bills (73% compared with 63% on average). In addition, they appeared to be financially literate, being among the most likely to say they feel very comfortable dealing with financial matters (80% compared with 75% on average). Crucially, for the Green Deal, they were less averse to taking out credit than most other segments. Although 79% said that they only take out credit/loans when absolutely necessary, this was the second lowest level of agreement of all segments: only the Disengaged Rejectors were lower at 65%, and levels of agreement amongst other segments ranged from 82% (Money Savers) to 86% (Convertibles).

Environmental matters

Carbon Savers were more motivated by environmental concerns than the other segments:

- They indicated that they were likely to act environmentally regardless of what others were doing as they were the least likely to agree "it's not worth me doing things to help the environment if others don't do the same" (11% compared with 23% on average and 38% of Money Savers)
- They also indicated that, for them, the motivation for acting environmentally was not financial as they were amongst the least likely to agree with the statement that it's only worth doing environmentally friendly things if they save money (24% compared with 38% on average and 54% of Money Savers).

Furthermore, they tended to demonstrate fairly pro-environmental behaviours (self-reported):

- Only 20% kept the tap running while they brushed their teeth (lowest amongst all six segments, compared with 27% on average)
- 69% said they choose energy efficient appliances when buying new items (third most likely segment to say this, compared with 61% on average)
- 31% left the TV or PC on standby for long periods of time (in line with the average of 30%).

Improving the home

Around half (53%) of Carbon Savers agreed that they are always looking out for new ideas to improve their home (in line with the average of 51%). However, they were not necessarily planning on making energy efficient home improvements; just 17% were planning such improvements in the next year. In comparison 27% of Convertibles were planning energy efficient improvements.

This low level of planning may be related to a lower level of awareness of the energy efficient measures which their property could benefit from and also the fact that Carbon Savers were the most likely segment to be tenants (37% compared with 27% on average).

Making their home more energy efficient

Carbon Savers were the segment most likely to say that reducing the amount spent on energy bills (81%, compared with 69% on average) and reducing the amount of wasted energy (70%, compared with 44% on average) were important reasons for making their homes more energy efficient.

They were also amongst the most likely to say that reducing carbon emissions was an important consideration (36% compared with 0% of Disengaged Rejectors, 7% of Not on the Radar, 10% of Cost Savers and 20% on average).

It is clear that finance was not a barrier for Carbon Savers. They were the least likely to say that the cost of improvements is too high (just 8% compared with 84% of Overstretched and 42% on average) and no Carbon Savers said that they were put off by the lack of a guarantee that improvements will save money (compared with 22% of Overstretched and 21% of Cost Savers).

In addition to feeling that they were already doing enough (22%, compared with 15% on average), the barriers mentioned by Carbon Savers reflected the fact that a higher proportion of this group were tenants:

- Landlord/freeholder won't allow – 15% mentioned this (highest out of all six segments, compared with 10% on average)
- Won't stay here long enough – 14% mentioned this (similar to 13% on average).

Views on the Green Deal

Having been told in detail about the Green Deal and asked about their preferences and interest, all were asked what they think are the good and bad things about the Green Deal. Perhaps linked to the fact that they felt financially fairly comfortable, Carbon Savers were amongst the least likely to mention any of the financial benefits of the Green Deal. Instead, they were more likely to emphasise the importance of the scheme's quality marks. They were:

- Most likely to highlight tailored in-home assessments as a good thing about the Green Deal (19% compared with 14% on average, 10% of Disengaged Rejectors and 12% of both Not on the Radar and Overstretched)
- Amongst the most likely to mention warranties and guarantees (31% compared with 25% on average)
- Amongst the most likely to say that having approved suppliers who would provide a complete package was a good thing (13% compared with 11% on average).

While the cost of the improvements was the most commonly mentioned barrier to taking up the Green Deal by Carbon Savers (29%, compared with 32% on average), a key barrier to this segment was that they did not plan to stay in their property for long (26% compared with 21% on average) – again, this reflects the higher incidence of tenants amongst this segment.

Although cost is the primary barrier to Carbon Savers taking up the Green Deal, the CHAID analysis showed that their main motivations for taking up the Green Deal centred on a desire to be more energy efficient and reduce their carbon emissions. They were also motivated to reduce the amount of wasted energy and the amount they spent on energy bills.

3.2.2 Carbon Savers: Demographic profile

Chart 10 shows differences between the Carbon Savers and the average of all households 'needing' at least one measure.

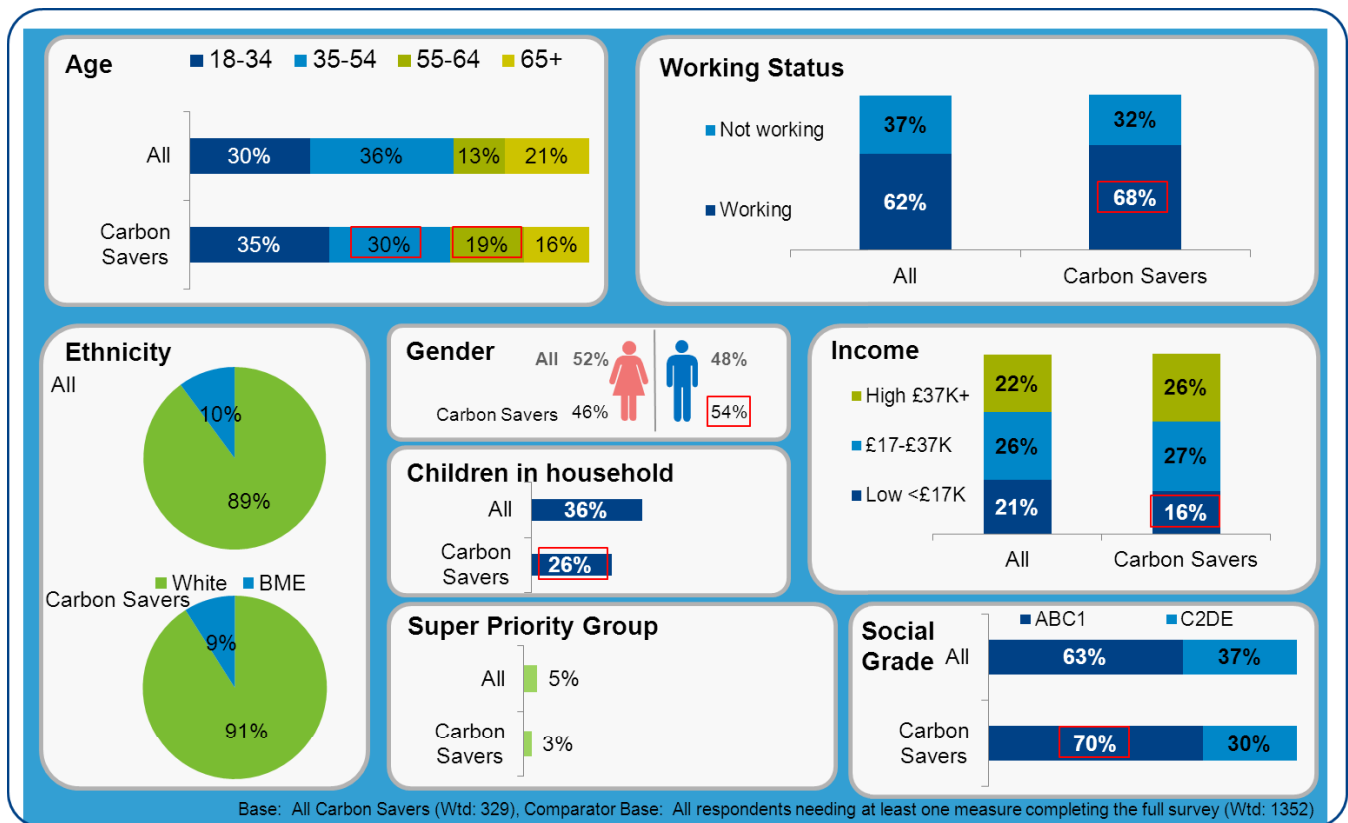
Carbon Savers contained the highest proportion of males of all the segments (54% compared with 48% on average). Their age profile also varied from the average; whilst 35-54 year olds were less well represented (30% compared with 36% on average) there was a relatively high proportion of 55-64 year olds (19% compared with 13% on average). Given their age profile, it is unsurprising that they were amongst the least likely (along with Disengaged Rejectors) to have children in the household (26% compared with 36% on average).

The Carbon Savers were also more likely than average to be working and as such were less likely to contain lower income households and more likely to be in social grades ABC1:

- 68% were working compared with 62% on average
- 16% were from lower income households compared with 21% on average
- 70% were in social grades ABC1 compared with 63% on average.

Chart 10 **Carbon Savers: Demographic profile**

Base: All Carbon Savers (Wtd: 329), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



3.2.3 Carbon Savers: Property characteristics

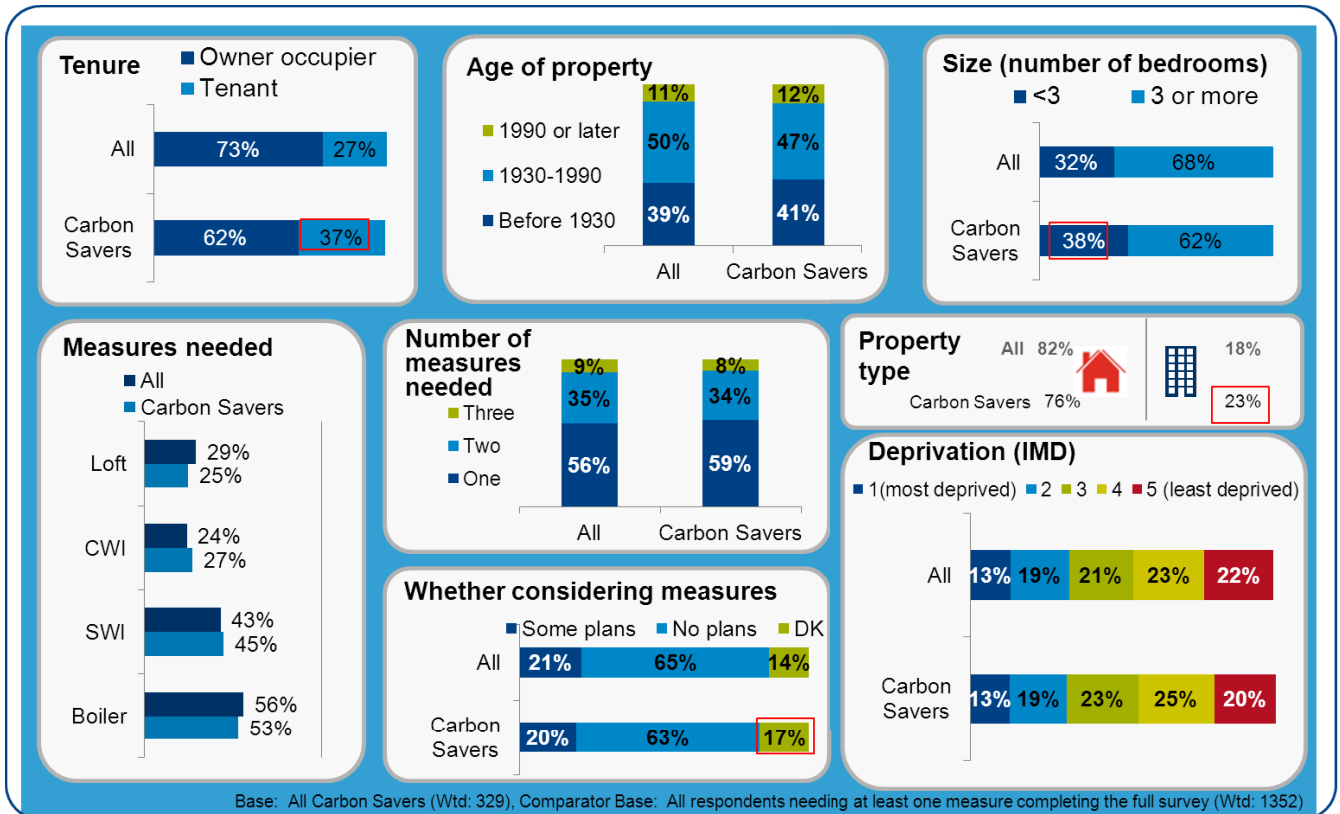
Chart 11 shows the characteristics of the properties of Carbon Savers and compares this with the average characteristics of properties of those in the ‘needs measures’ group.

Carbon Savers had the highest proportion of tenants (37% compared with 27% on average). Given that tenants are more likely to live in flats than owner-occupiers, it is unsurprising that this segment also had the highest proportion in flats (23% compared with 18% on average) and also tended to live in smaller properties, having the lowest proportion with 3 or more bedrooms in their property (62% compared with 68% on average).

In terms of the type and number of energy efficient measures needed, Carbon Savers tended to be in line with the average, although when asked whether they had ‘any plans’ for energy efficient improvements, they were the segment most likely to answer that they ‘did not know’ (17% compared with 14% on average).

Chart 11 Carbon Savers: Property characteristics

Base: All Carbon Savers (Wtd: 329), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



3.2.4 Carbon Savers: Profile within TGI database

Mindset

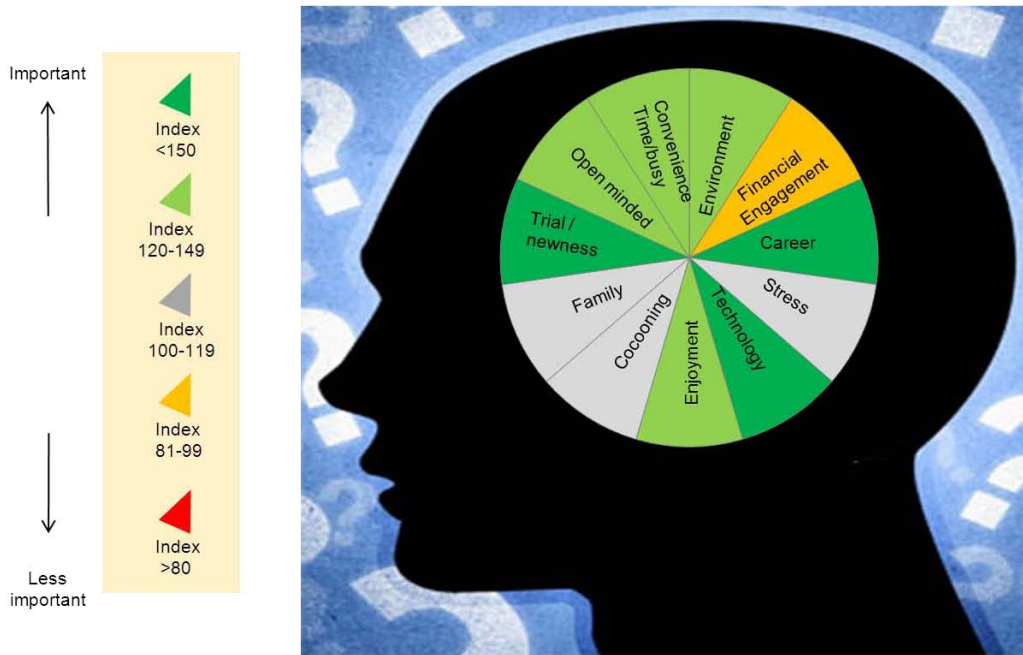
Chart 12 shows the attitudinal profile of the TGI database identified as members of the Carbon Savers segment and compares this with the average characteristics of all adults aged 18+¹⁵. Significant differences are shown in green for above average and red for below average. What separates this group is that they are highly engaged with environmental issues, more so than any other segment. Yet they go a stage further than other groups who are environmentally engaged, having the strongest agreement that “People have a duty to recycle” (80% compared with 73% on average).

Their strong stance is also seen in their above average levels of agreement that it is important a company acts ethically, and 20% agree “I only buy from companies whose ethics I agree with” (compared with 16% on average).

Further evidence of them being principled comes from being the segment most likely to agree “It is important to respect traditional customs and beliefs” (71% compared with 65% on average, and just 56% of Money Savers) and that “I am interested in other cultures” (51% compared with 43% on average).

¹⁵ Source: GB TGI 2012 Q2. Base: Adults 18+ excluding social tenants n=21,035

Chart 12 **Carbon Savers: Mindset**
 Base: All adults 18+ not social tenants (n=21,035)



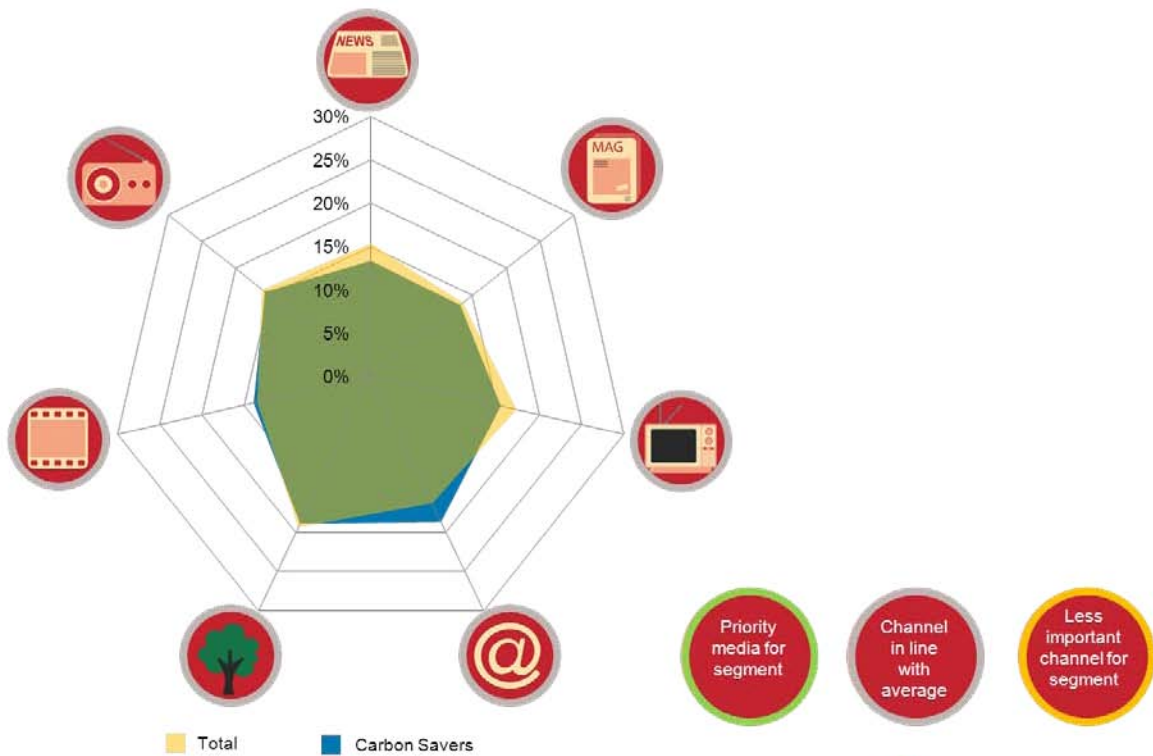
Source: GB TGI 2012 Q2 Base: Universe All Adults 18+ not Social Tenants (n=21,035)

TGI² Insights & Integration

Communication Channels

Chart 13 shows heavy users (top 20%) of each media channel compared with the average of all adults aged 18+: a green ring around a channel denotes that the segment is significantly more likely than average to consume the channel, and this may be a priority for targeting the segment, a grey ring denotes that their channel consumption is in line with average, and yellow denotes that the segment is significantly less likely than average to consume the channel.

Chart 13 **Carbon Savers: Media Overview**
 Base: All adults 18+ not social tenants (n=21,035)



Source: GB TGI 2012 Q2 Base: Adults 18+ (excluding social tenants) n=21,035



Specific channel characteristics which are distinctive for Carbon Savers are outlined below:

Online

The proportion of Carbon Savers who are online is very similar to the total population (83% compared with 84% on average) but they are second most likely (behind Convertibles) to be heavy users, with 69% accessing the internet more than once a day (compared with 79% of Convertibles and 61% on average). They largely use it to keep themselves up to date with the news and are the most likely segment to check the weather forecast online (33% compared with 28% on average).

Newspaper

They are the only segment more likely than average to be readers of quality titles (16% compared with 13% on average), particularly The Daily Telegraph and The Sunday Times. They are the segment most interested in reading articles about the environment (40% compared with 32% on average), and science/technology (35% compared with 28% on average).

Local organisations

This segment is the most likely to be involved in local community organisations (8% compared with 6% on average) and local charities (15% compared with 11% on average). They have

higher than average membership of organisations such as The National Trust (13% compared with 11%).

Implications for Media Planning

Carbon Savers are slightly more likely than average to be heavy users of the internet, making this the most important communication channel for this group. They also have distinct consumption of newspapers and heavy involvement in organisations, making these important channels to reach this segment.

3.2.5 Carbon Savers: Key motivators

Based on their profile and motivations, the messages shown in the box might be motivating to members of the Carbon Savers segment.

Chart 14 Carbon Savers: Messages



To help motivate us to take up the Green Deal

- We like the fact that the Green Deal would **make it easy** for us to act in a more **environmentally responsible** way: reducing wastage and our carbon emissions
- It's important to make all homes more energy efficient: **not just 'forever homes'**
- If we make improvements through the Green Deal, we have the **reassurance** that only improvements that will **make a difference to our energy bills will be made**, and **warranties and guarantees will provide reassurances for the future**
- Telling us that we'll **save money** by doing so doesn't harm either! (but it's not as important to us as it is to other people)
- Those of us who are tenants would appreciate **support to help us ask our landlord** about making improvements
- We are likely to be **heavy internet users**; mainly used for practical reasons so opportunity to reach us online through weather forecast, news or banking sites. We also are the most likely to be readers of **quality newspaper titles**, and of articles on the environment and science.
- We tend to be **members of local community groups** as we want to be part of something, the bigger picture view of the world drives our interest.
- Messaging needs to be **inspiring and stimulating**, with a down to earth tone to appeal to our ethical nature.

3.3 Convertibles

Convertibles make up 10% of owner occupied/private rented households that 'need' at least one of the energy efficient home improvements included in the survey. This equates to around 1.2 million households in Great Britain. Convertibles have the joint-second highest potential Green Deal uptake (along with Carbon Savers) out of all six segments. They are 24% more likely than average to say that they would take up the Green Deal (index = 124).

3.3.1 Convertibles: Pen portrait

We're middle aged working families who are fairly well off. We're interested in environmental matters and try not to waste too much energy at home.

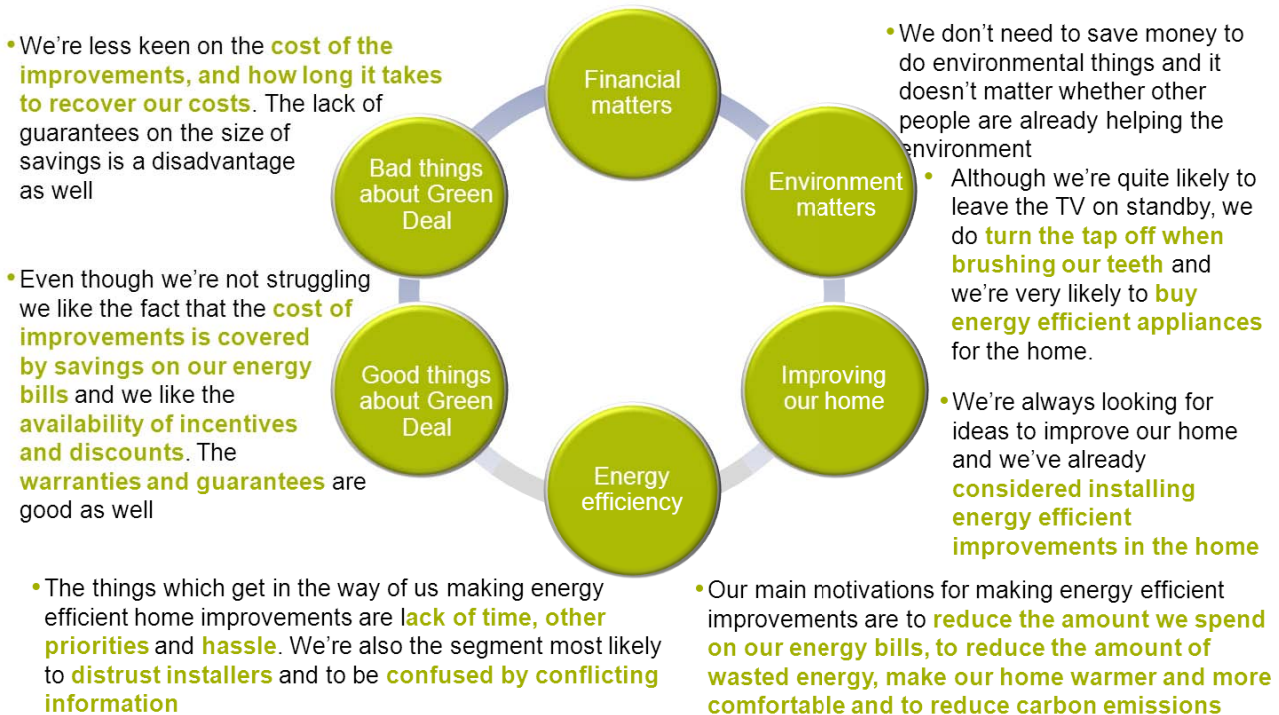
We recognise the benefits of having a more energy efficient home and have already looked into the possibility of installing measures. However, we're held back by a general lack of time and other priorities. We're also a bit confused about what we can do, and we don't trust installers to give us unbiased information.

Because we've already considered installing energy efficient measures we can see a lot of good things about the Green Deal, not least the reassurance it would bring. The incentives and discounts don't hurt either!

Because a high proportion of the Convertibles were already considering energy efficient improvements to their home, it was felt that this segment would be easier to 'convert' to make these improvements using the Green Deal – hence the segment name. The key characteristics of the Convertibles segment are shown in the chart below:

Convertibles: Characteristics

- We have the highest average household income. We are the segment who are **most comfortable dealing with financial matters**, and we are the segment **most likely to say we only take out credit when necessary**
- We're generally **getting on well with our energy bills**



Base: All Convertibles (137)

Financial matters

Convertibles had the highest gross household income of all segments (£31,750 compared with £26,000 on average) and were one of the four segments (along with Carbon Savers, Not on the Radar and Disengaged Rejectors) who were coping best with energy bills: 70% of Convertibles said they were coping well compared with 63% on average. They were also financially literate, being the segment most likely to say that they felt comfortable dealing with financial matters (83% compared with 75% on average).

Environmental matters

In comparison with other segments, Convertibles' environmental attitudes were less dependent on financial considerations. They were the segment least likely to agree that "It's only worth doing environmentally friendly things if they save you money" (20% compared with 38% on average). They were also amongst the least likely to agree that "it's not worth doing things to help the environment if others don't" (16% compared with 23% on average).

However, their environmental behaviour was less consistent: whilst they were more likely than average to choose appliances that are more energy efficient (71% compared with 61% on average), they were more likely to leave the TV or PC on standby for long periods (38% compared with 30% on average). However, this latter difference may be linked to their heavier computer use: 57% of Convertibles use the internet several times a day, compared with 38% on average.

Improving the home

Home improvements were relatively important to Convertibles. They were the second most likely (behind Money Savers) to say that they are always looking out for new ideas to improve their home (68% compared with 77% of Money Savers and 51% on average) and that they are the type of person who likes to have the newest gadgets in their home (43% compared with 46% of Money Savers and 31% on average).

For Convertibles, making energy efficient improvements to their homes is already on the agenda. They were the segment most likely to have already considered or planned installing any of the relevant energy efficient measures in the home (39% of them had considered/planned, compared with 31% of Money Savers and 20% on average). Similar to Money Savers, making improvements also appears to be an important trigger point for the Convertibles: eight in ten (82%) were planning some improvements to their home in the next 12 months (compared with 48% on average), with a quarter (27%, the highest of all the segments) planning energy efficient refurbishments within this timeframe (compared with 16% on average).

Making their home more energy efficient

For Convertibles, the main motivations for making energy efficient improvements were:

- To help reduce the amount you spend on your energy bills (79% compared with 69%)
- To reduce the amount of wasted energy (68% compared with 44% on average)
- Make our home warmer and more comfortable (65% compared with 54% on average)
- To reduce carbon emissions (40% compared with 20%).

Whilst the main motivations included both financial and environmental reasons, the barriers to making their home more energy efficient were strongly centred on competing priorities and the disruption it would cause. Convertibles were the segment most likely to mention:

- Lack of time – 53% of Convertibles said this was a barrier for them, compared with 13% on average
- Other priorities at the moment – 50% gave this reason as a barrier, compared with 12% on average
- Hassle/disruption of making improvements – 47% mentioned this as a barrier, compared with 11% on average.

They were also the segment most likely to distrust installers (20% compared with 6% on average) and to be confused by conflicting information (12% compared with 4% on average).

Views on the Green Deal

Having been told in detail about the Green Deal and asked about their preferences and interest, all were asked what they think are the advantages and disadvantages of the Green Deal.

Despite the fact that Convertibles tended to be more financially secure than a number of the other segments, they were the segment who were the most likely to say that Green Deal allowing for the cost of improvements to be covered by savings on energy bills (44% compared with 34% on average) and the availability of incentives and discounts (32% compared with 21%) were good things about the Green Deal. They were also more likely than average to consider that the warranties and guarantees available for the work done were a good things about the Green Deal (34% compared with 25% on average).

Although they were in higher income households, Convertibles were also conscious of the financial aspects of the Green Deal, and were actually more likely than average to say that financial aspects of the scheme were barriers to taking it up. In particular, they were the most likely to say that they felt that the following were bad things about the Green Deal:

- The cost of the improvements is too high (45% compared with 29% on average)
- It takes too long to recover the costs/pay back over too long a period (33% compared with 24% on average)
- No guarantee can be provided on the size of savings (32% compared with 24% on average).

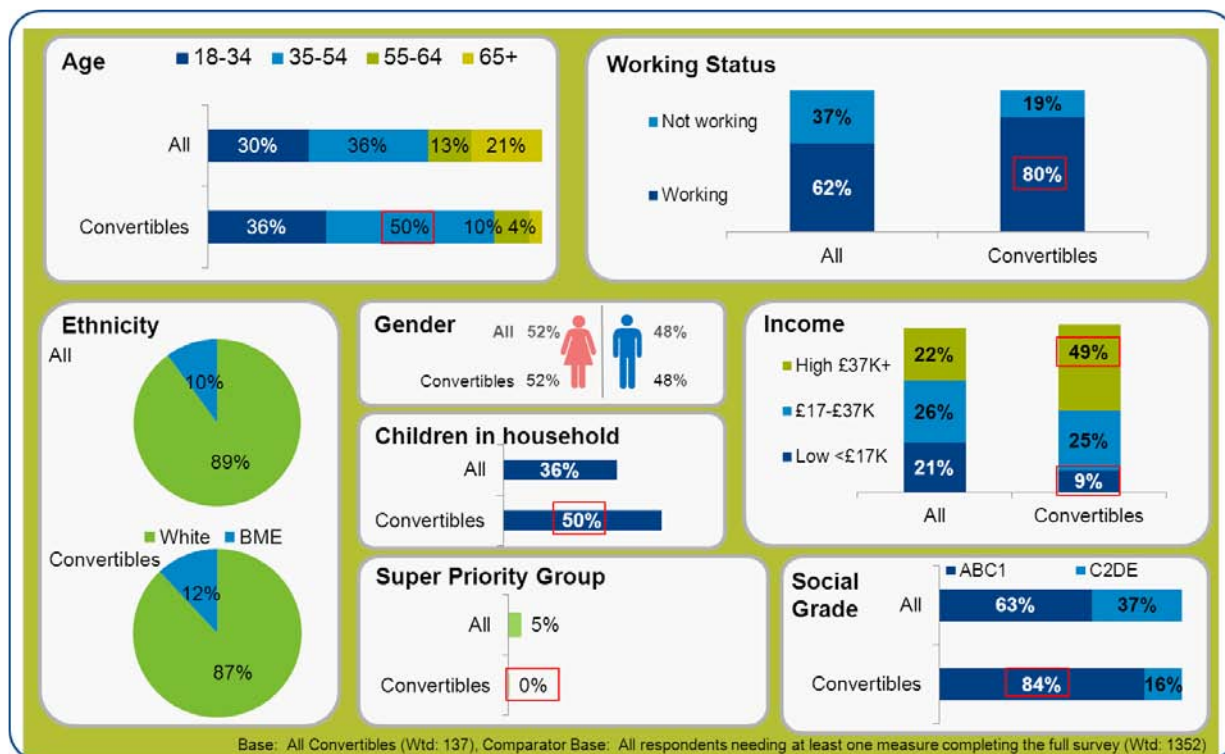
Although these were higher than for other segments, the CHAID analysis suggested that perceived hassle and lack of time/other priorities for their time were more important than financial views in driving membership of the Convertibles segment. Instead, it appears that the Convertibles were more likely than other segments to engage with the concept of the Green Deal and they tended to give more answers than other segments to many of the questions asked.

3.3.2 Convertibles: Demographic profile

Chart 15 shows demographic profile differences between the Convertibles and the average of all households 'needing' at least one measure.

Chart 15 **Convertibles: Demographic profile**

Base: All Convertibles (Wtd: 137), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



Whilst the gender balance was exactly in line with the average, Convertibles tended to be younger than average, with the 35-54 age range significantly over-represented (50% were aged 35-54 compared with 36% on average). Reflecting this age profile, Convertibles were more likely than average to have children in the household (50% compared with 36% on average).

Convertibles were the segment most likely to be working (80% compared with 62% on average) and also had the highest proportion within the ABC1 social grades (84% compared with 63% on average). Linked to this, Convertibles had the highest average gross annual household income of all the segments: £31,750 compared with a mean income amongst all needing at least one measure of £26,000¹⁶.

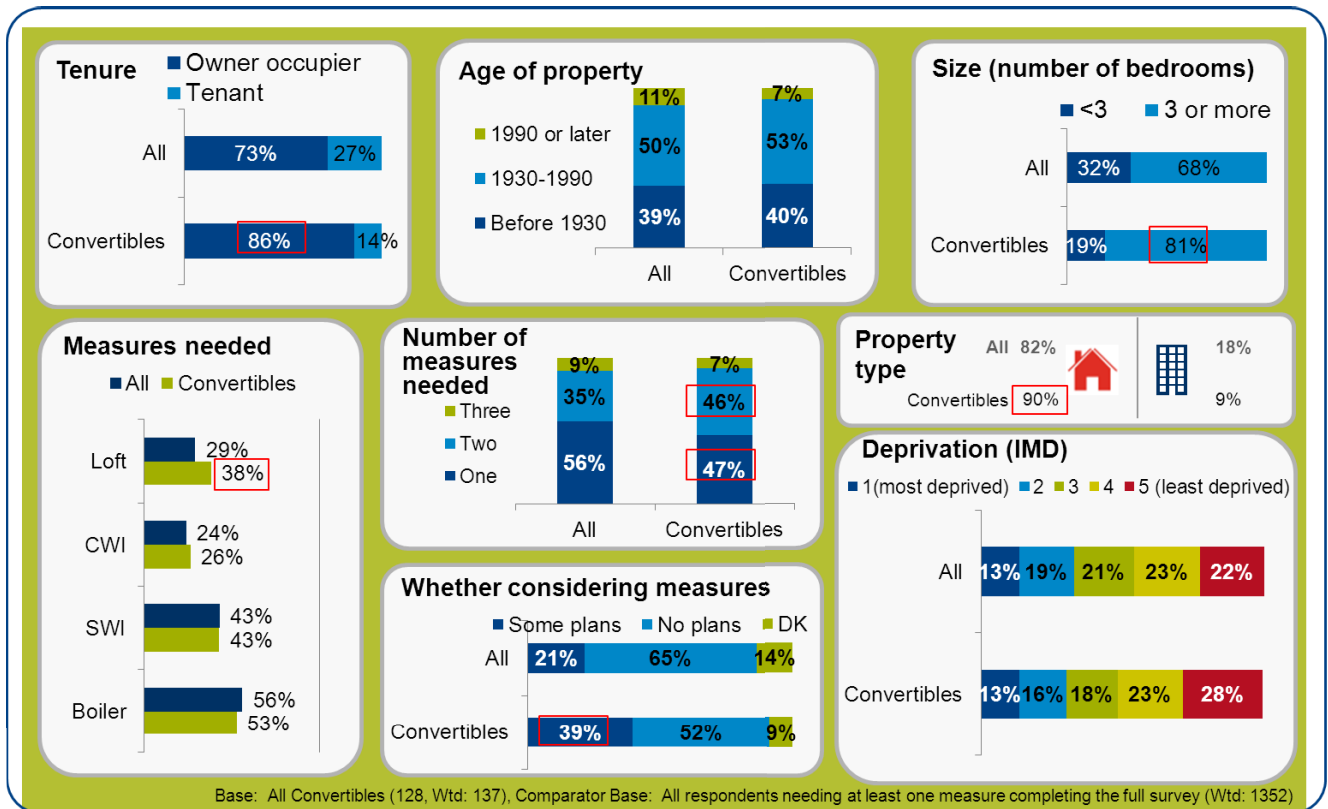
3.3.3 Convertibles: Property characteristics

Chart 16 shows the characteristics of the properties of Convertibles and compares this with the average characteristics of properties of those in the ‘needs measures’ group.

Convertibles had the highest proportion of owner-occupiers (86% of Convertibles were owner-occupiers compared with 73% on average). Given that owner-occupiers are more likely to live in houses than tenants, this segment were also more likely to live in houses (90% compared with 82% on average) and also more likely to have 3 or more bedrooms in their property (81% compared with 68% on average).

Chart 16 **Convertibles: Property characteristics**

Base: All Convertibles (Wtd: 137), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



Convertibles were more likely than average to give responses which indicated that their property ‘needed’ more than one energy efficient measure (53% compared with 44% on average), and in particular they were more likely to say that their property ‘needed’ loft insulation.

¹⁶ Mean incomes have been rounded to the nearest £250

Convertibles were the segment most likely to have been considering or planned any energy efficiency improvements before the interview: 39% said they had some plans compared with 21% on average. These plans appear to be in the context of a wider programme of work on their property, as Convertibles were more likely than other segments to be planning other works to their property:

- 31% were planning minor refurbishments within the next 12 months (compared with 21% on average)
- 24% were planning major refurbishments within the next 12 months (compared with 15% on average)
- 27% were planning energy efficient refurbishments within the next 12 months (compared with 16% on average).

3.3.4 Convertibles: Profile within TGI database

Mindset

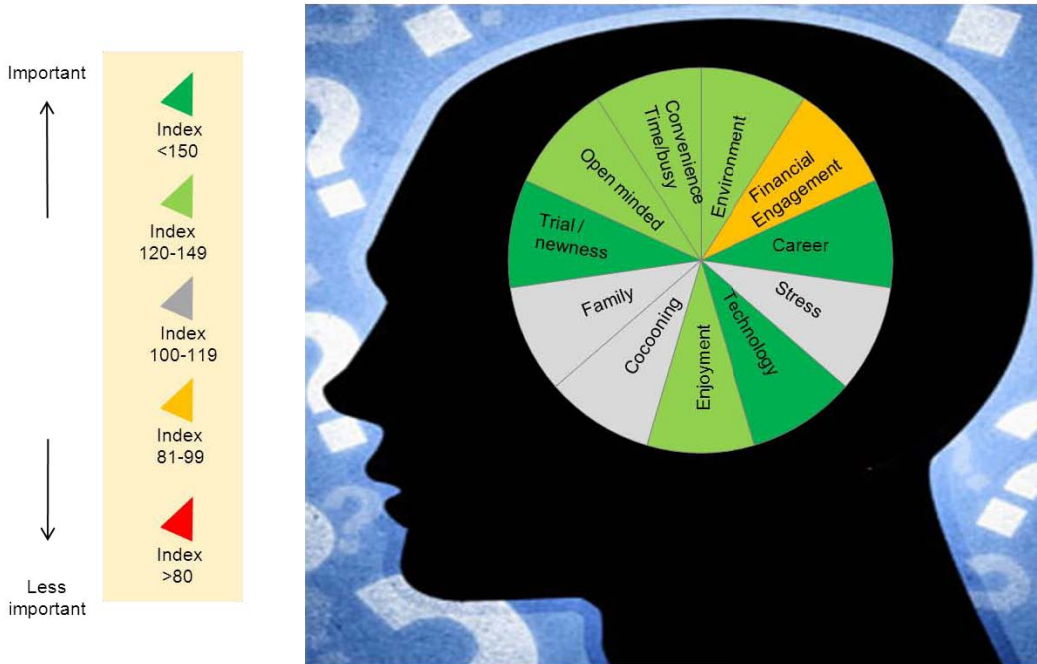
Chart 17 shows the attitudinal profile of the members of the TGI database identified as in the Convertibles segment and compares this with the average characteristics of all adults aged 18+¹⁷. Significant differences are shown in green for above average and red for below average.

Convertibles are one of only two groups, along with Carbon Savers, who have above average engagement with environmental issues. But, they are very time poor (61% agree “There are not enough hours in the day to do what I would like” compared with 53% on average) and are always looking for shortcuts to make life easier, being prepared to pay extra for ‘products that make life easier’ (45% compared with 39% on average).

They are the only segment to show a strong interest in technology, with 48% agreeing that “I like to keep up with developments in technology” (compared with 37% on average). They show a strong propensity to try out the latest products, being the most likely segment to agree they “I buy new products before most of my friends” (17% compared with 11% on average).

¹⁷ Source: GB TGI 2012 Q2. Base: Adults 18+ excluding social tenants n=21,035

Chart 17 **Convertibles: Mindset**
 Base: All adults 18+ not social tenants (n=21,035)



Source: GB TGI 2012 Q2 Base: Universe All Adults 18+ not Social Tenants (n=21,035)

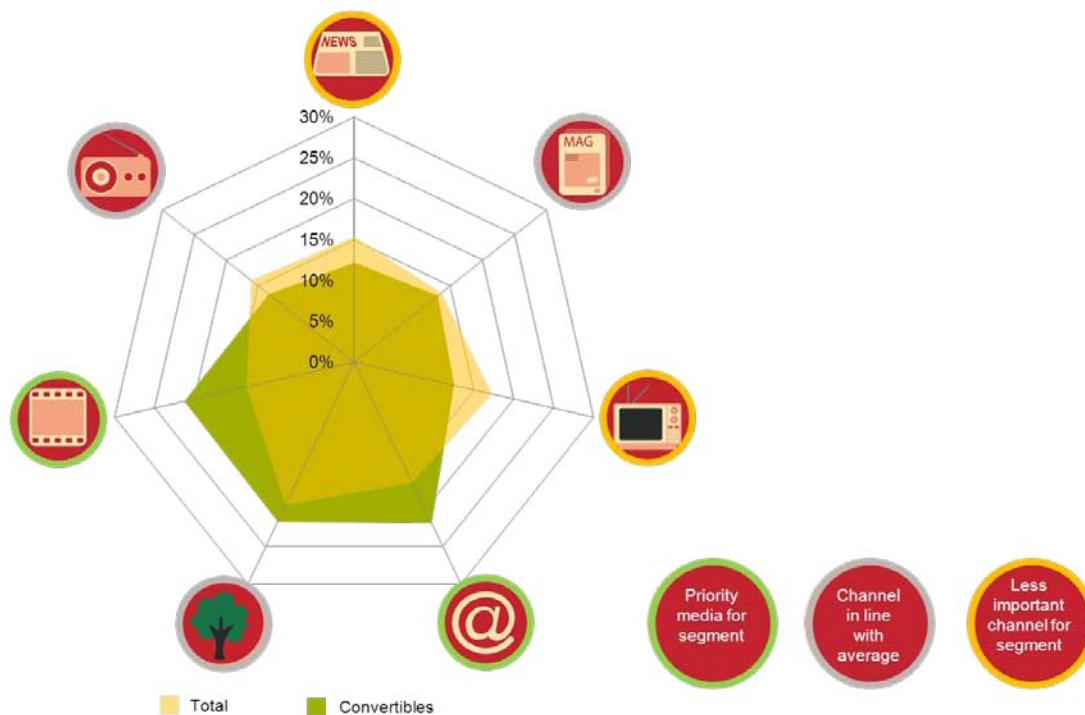


Communication Channels

Chart 18 shows heavy users (top 20%) of each media channel compared with the average of all adults aged 18+: a green ring around a channel denotes that the segment is significantly more likely than average to consume the channel, and this may be a priority for targeting the segment, a grey ring denotes that their channel consumption is in line with average, and yellow denotes that the segment is significantly less likely than average to consume the channel.

Chart 18 Convertibles: Media Overview

Base: All adults 18+ not social tenants (n=21,035)



Source: GB TGI 2012 Q2 Base: Universe All Adults 18+ not Social Tenants (n=21,035)

TGI Insights & Integration

Specific channel characteristics which are distinctive for Convertibles are outlined below:

Online

More Convertibles are online than any other segment (92% compared with 84% on average and just 74% of Disengaged Rejectors). They are the heaviest internet users (79% access more than once a day compared with 61% on average) and are most likely to access 'on the move' (16% compared to 10% on average). Their online activities show that the internet is an integral part of their daily lives, and are significantly more likely than other segments to agree that "when I need information the first place I look is online" (76% compared with 64% of Money Savers, 63% of Carbon Savers and 61% on average). Three fifths (63%) of them make purchases online at least once a month, compared to 49% on average, suggesting that they are comfortable with financial transactions online.

Convertibles are more likely than other segments to regularly use social networks (46% compared with 37% of Money Savers, 36% of Carbon Savers and 36% on average) and, unlike other segments, are often doing something else while online, for example watching TV or chatting on their mobile.

Implications for media planning

Convertibles are more likely than average to be heavy users of cinema and online, making these the most important communications channels for this group. Less effective channels would be television and newspapers, as they are significantly less likely to be heavy users of these than average.

3.3.5 Convertibles: Key motivators

Based on their profile and motivations, the messages shown in the box might be motivating to members of the Convertibles segment.

Chart 19 **Convertibles: Messages**



To help motivate us to take up the Green Deal

- We've already started looking at energy efficient home improvements – but **a lack of time** and **competing priorities are barriers**
- Making the Green Deal **quick and hassle-free to access** is very important to us
- We'd really like to know about the **reassurances, warranties and guarantees** you'd get through the Green Deal
- We're interested to hear about the 'green' benefits of the Green Deal – but are also interested in money saving
- We're the **heaviest users of the internet**, and most likely segment to **connect through mobile / tablets**. We regularly use **social networking sites** and are likely to be ambassadors for the Green Deal
- Appeal to our desire for **latest technology**, as we want to be the first in the know
- We are well educated and knowledgeable about the environment, so the tone needs to be **positive and smart**

3.4 Not on the Radar

The Not on the Radar segment make up 11% of owner occupied/private rented households that 'need' at least one of the energy efficient home improvements included in the survey. This equates to around 1.3 million households in Great Britain.

Not on the Radar have a below average indexed potential uptake of the Green Deal: they are almost half as likely to say that they would take up the Green Deal as the average (index = 58).

3.4.1 Not on the Radar: Pen portrait

We're just average kinds of people, with average incomes and average homes.

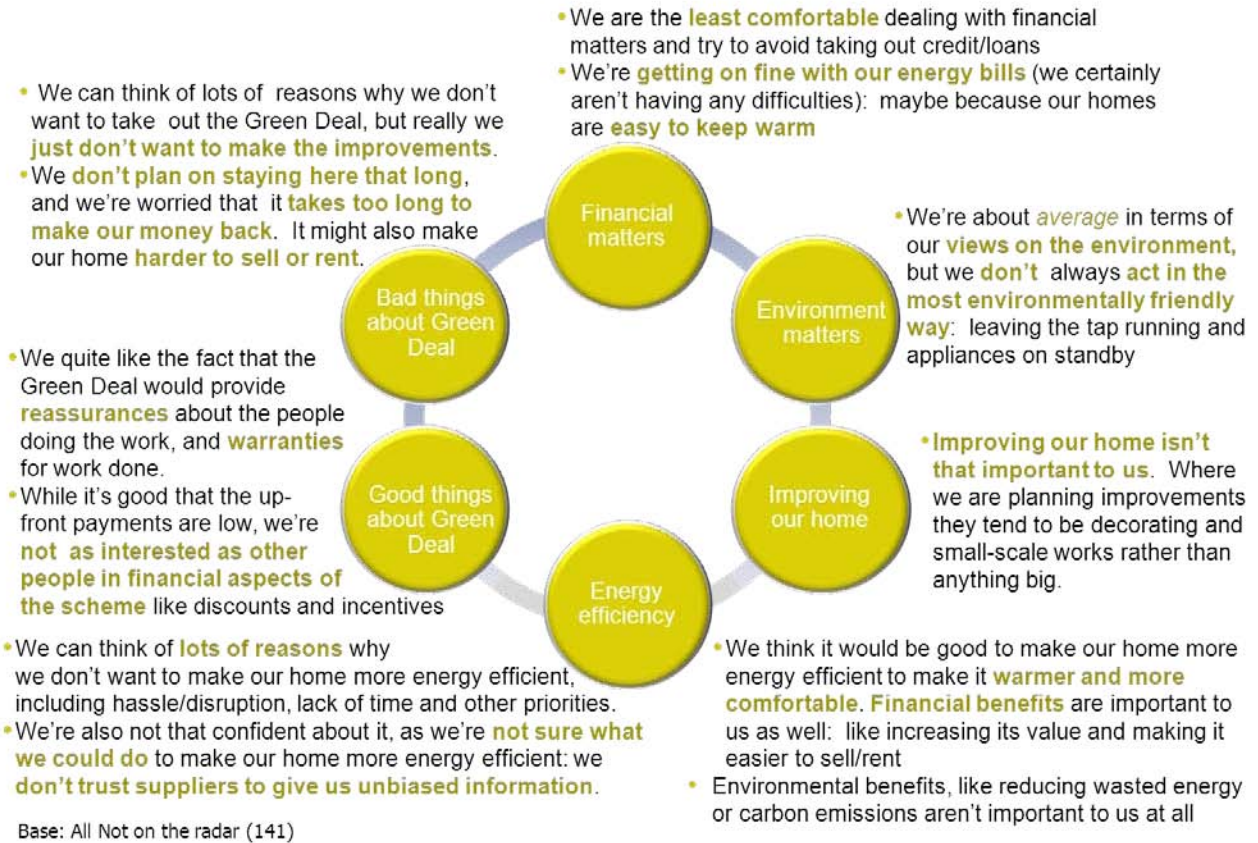
While we're as likely as other people to have things that we could do to make our home more energy efficient, we don't find our homes hard to keep warm and we're doing fine with our energy bills, so energy efficiency isn't really on our radar at the moment.

Improving our home isn't that important to us and we're not sure how long we will stay here, so we're worried that we won't get our money back if we do make improvements.

However, we're not that confident about making energy efficiency improvements to our home, so the reassurances that we'd get from the Green Deal sound good. And we could save money too.

The key differentiator of the Not on the Radar segment is that, perhaps because they are not having difficulties keeping their home warm or keeping up with their energy bills, they do not appear to be engaging strongly with the positive aspects of the Green Deal. The other key characteristics of the segment are summarised in the chart below.

Not on the radar: Characteristics



Financial matters

The Not on the Radar segment were the least likely to agree they feel comfortable dealing with financial matters (68% compared with 75% on average) and were amongst the most likely to avoid taking out credit/loans (85% second only to the Convertibles at 86%, and compared with 78% on average).

Despite these financial insecurities they tend to be on average incomes. They were amongst the most likely to say they were managing well with their energy bills (69% compared with 63% on average) and, alongside Carbon Savers, the most likely to say they found their home easy to keep warm (84% compared with 78% on average).

Environmental matters

The Not on the Radar segment were fairly average in terms of their environmental views and motivations, although they did not always act in the most environmentally friendly way: they were more likely than average to keep the tap running while brushing their teeth (43% compared with 27% on average) and to leave their TV or PC on standby for long periods of time (33% compared with 30% on average).

Improving the home

Improving the home was not very important to the Not on the Radar segment. Just 24% agreed that they are always looking out for new ideas to improve their home (compared with 51% on average).

Making their home more energy efficient

The main motivations for the Not on the Radar segment to make their home more energy efficient centred on making their home warmer and more comfortable (61% compared with 54% on average) or increasing its value (26% compared with 14% on average).

They were much less likely than average to be motivated by environmental concerns such as reducing the amount of wasted energy (20% compared with 44% on average) or reducing carbon emissions (7% compared with 20% on average).

This segment was, however, much more likely than average to give reasons why they don't want to make their homes more energy efficient. Key themes centred on:

- Hassle/disruption (36% compared with 11% on average), lack of time (30% compared with 13% on average) and just having other priorities (35% compared with 12% on average).
- Lack of knowledge: not being sure what to do (9% compared with 5% on average) and not feeling they could trust suppliers to give them unbiased information on what could or should be done (14% compared with 8% on average).

Views on the Green Deal

Given their stated lack of confidence in making decisions about the Green Deal, it is positive to see that the Not on the Radar felt it was good that the Green Deal would provide reassurances about the work that would be done and the people that would be responsible for it. They were:

- Most likely to say it was positive that only skilled and accredited installers would install the improvements (34% compared with 24% on average)
- Amongst the most likely to say it was important that warranties and guarantees would be available for the work done (31% compared with 25% on average).

While they liked the idea of no/low up-front payments (18% said this was good compared with 13% on average), they were not as likely as other segments to think that the availability of discounts on the cost of improvements was a good thing (15% compared with 22% on average)

The Not on the Radar segment tended to think of more barriers to taking up the Green Deal than average, and a quarter said they just didn't want to make improvements to their homes (24% compared with 14% on average). They were also more likely than other segments to say they don't plan on staying in their current properties for very long (26% compared with 21% on average) and that taking out the Green Deal might reduce the value of their property (8% compared with 4% on average) or make it harder to sell/rent (16% compared with 12% on average).

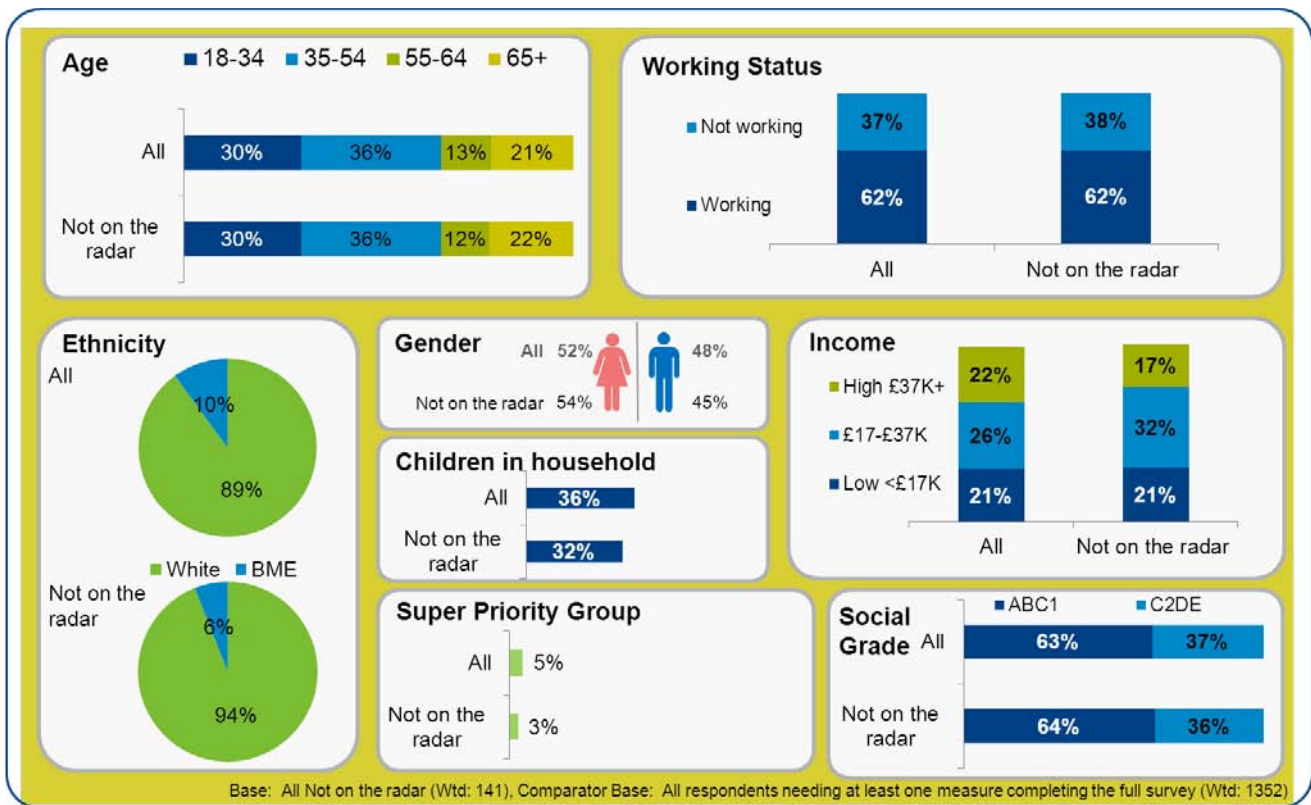
The CHAID analysis showed that barriers to taking up the Green Deal for the Not on the Radar segment were very similar to the Convertibles segment: namely the potential hassle and disruption of making improvements, having other priorities and lack of time. However, the main difference between the Not on the Radar and Convertibles segment appears to be whether they can get over these barriers to consider the Green Deal: while the Convertibles could, the Not on the Radar segment could not get over these inertia barriers to consider taking up the Green Deal.

3.4.2 Not on the Radar: Demographic profile

Chart 20 shows the demographic profile of the Not on the Radar segment against the average of all households ‘needing’ at least one measure. The Not on the Radar segment was very similar to the average in terms of its demographic profile, showing no significant differences compared with all households in the ‘needs measures’ group. Similarly, the mean gross household income of £25,250 amongst this segment was broadly in line with the average of £26,000.

Chart 20 **Not on the Radar: Demographic profile**

Base: All Not on the Radar (Wtd: 141), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



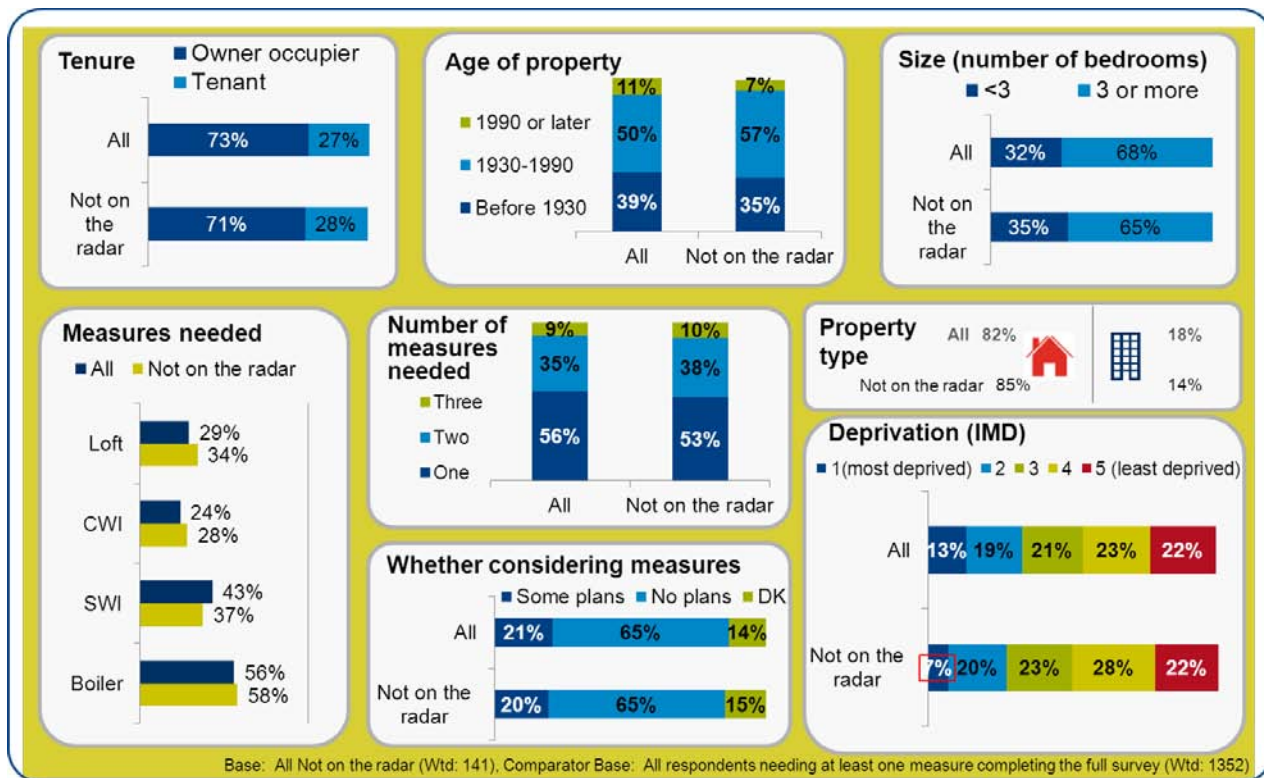
3.4.3 Not on the Radar: Property characteristics

Chart 21 shows the characteristics of the properties of the Not on the Radar segment and compares this with the average characteristics of properties of those in the ‘needs measures’ group.

Similar to the demographic profile of this segment, the property characteristics of the Not on the Radar segment tended to match the average profile in terms of tenure, age, type and size (number of bedrooms), although they were less likely than average to be located in the most deprived areas (7% of Not on the Radar lived in the most deprived areas of the country, as defined by the Indices of Multiple Deprivation compared with 13% on average). They were no more likely than average to ‘need’ or be considering measures to make their home more energy efficient, nor to be considering any other refurbishments.

Chart 21 **Not on the Radar: Property characteristics**

Base: All Not on the Radar (Wtd: 141), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



3.4.4 Not on the Radar: Profile within TGI database

Mindset

Chart 22 shows the attitudinal profile of the members of the TGI database identified as in the Not on the Radar segment and compares this with the average characteristics of all adults aged 18+¹⁸. Significant differences are shown in green for above average and red for below average.

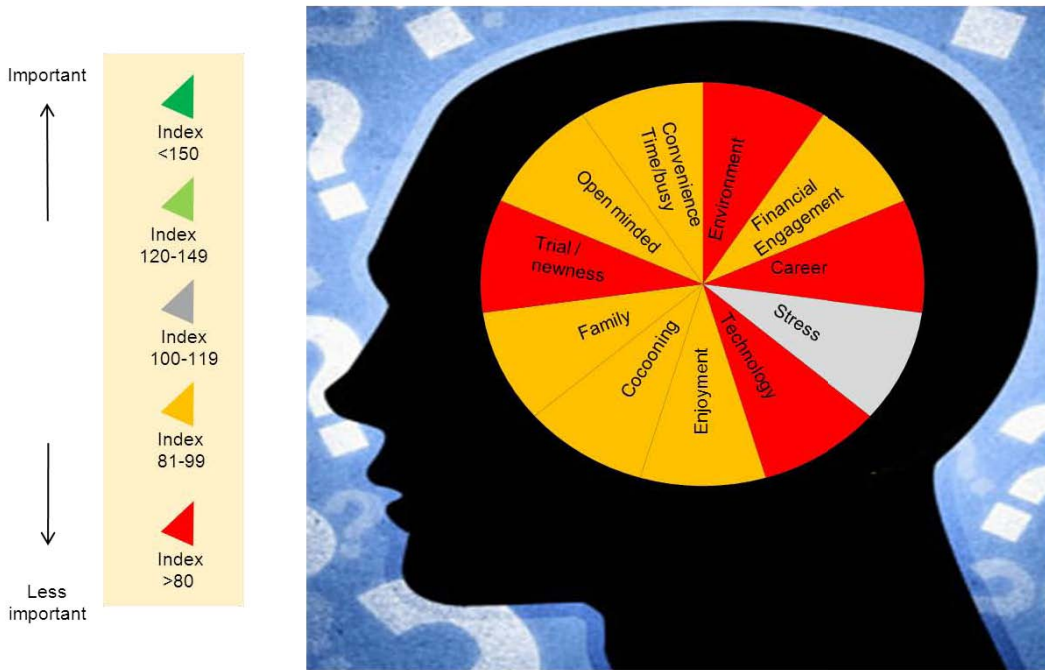
This segment is not comfortable with change, being significantly less likely than average to say it is important to keep up with the latest developments in technology (31% compared with 37% on average) and the least likely segment to agree that “I like to pursue a life of challenge, novelty and change” (25% compared with 44% of Convertibles and 33% on average). They are also less likely than average to express an interest in technology: only 23% agree that “I love to buy new gadgets and appliances” (compared with 29% on average).

Not on the Radar is one of the least likely segments, with Money Savers, to agree they are “prepared to pay more for environmentally friendly products” (20%, same as Money Savers, and compared with 27% on average). In fact, there are no areas which this segment is more likely to engage with.

¹⁸ Source: GB TGI 2012 Q2. Base: Adults 18+ excluding social tenants n=21,035

Chart 22 Not on the Radar: Mindset

Base: All adults 18+ not social tenants (n=21,035)



Source: GB TGI 2012 Q2 Base: Universe All Adults 18+ not Social Tenants (n=21,035)

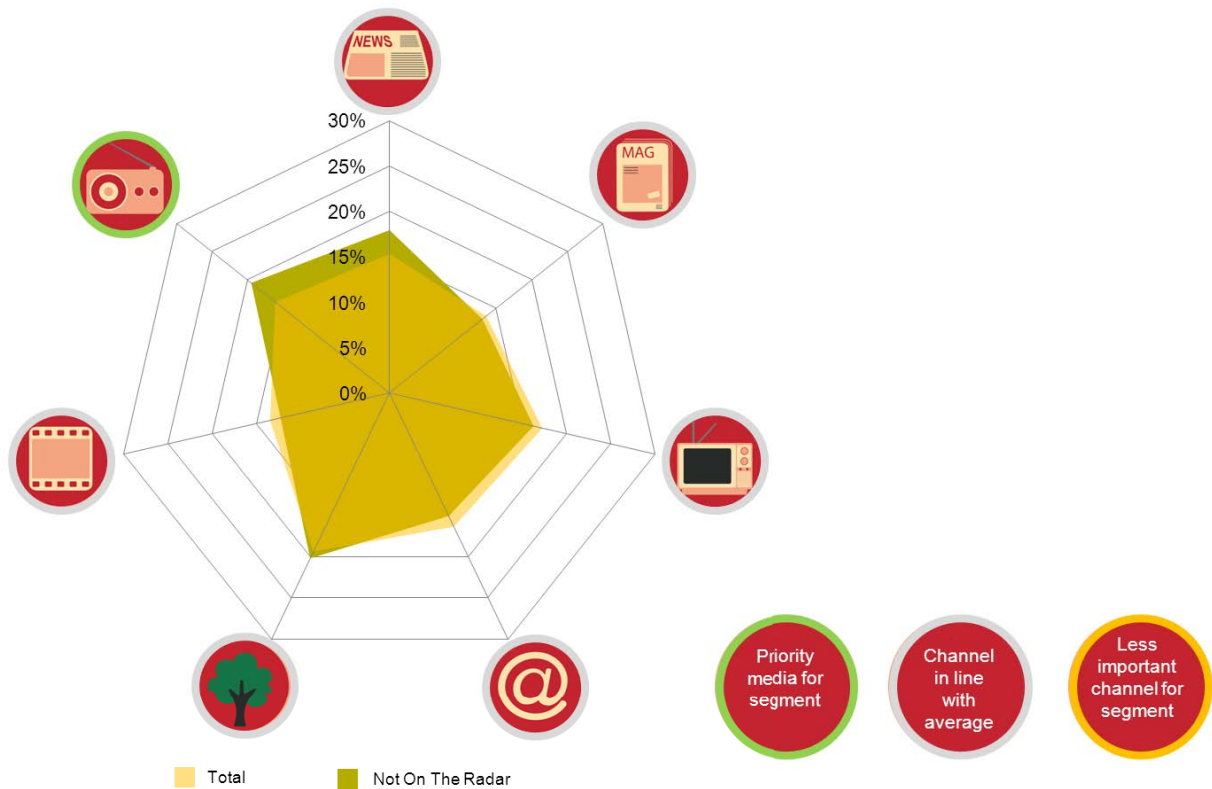


Communication Channels

Chart 23 shows heavy users (top 20%) of each media channel compared with the average of all adults aged 18+: a green ring around a channel denotes that the segment is significantly more likely than average to consume the channel, and this may be a priority for targeting the segment, a grey ring denotes that their channel consumption is in line with average, and yellow denotes that the segment is significantly less likely than average to consume the channel.

Chart 23 Not on the Radar: Media Overview

Base: All adults 18+ not social tenants (n=21,035)



Source: GB TGI 2012 Q2 Base: Adults 18+ (excluding social tenants) n=21,035

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Specific channel characteristics which are distinctive for the Not on the Radar segment are outlined below:

Radio

86% listen to the radio, the most likely of all segments to do so (compared with 81% on average, 82% of Money Savers, and 80% of Carbon Savers). The Not on the Radar is one of the most likely segments to be heavy radio listeners (16% compared with 14% on average and second only to the Overstretched at 17%) and to listen to 15hrs+ of commercial radio a week (12% compared with 10% on average). They are more likely to listen to Classic FM or the Gold Network than the average radio listener.

Newspapers

They are the second most likely segment to read a newspaper every day (45% compared with 46% of Overstretched and 40% on average), and are more likely to be regular readers of the Daily Mail (18% compared with 12% on average), and in particular the Mail on Sunday (26% compared with 13% on average).

Implications for Media Planning

Not on the Radar are more likely than average to be heavy users of radio and readers of the Daily Mail and Mail on Sunday, so these would be most effective channels to reach this group. Highest penetration remains with television and outdoor media for mass reach.

3.4.5 Not on the Radar: Key motivators

Based on their profile and motivations, the messages shown in the box might be motivating to members of the Not on the Radar segment.

Chart 24 Not on the Radar: Messages



To help motivate us to take up the Green Deal

- While we may be managing okay with our energy bills at the moment, it's likely to **become an issue in the future**
- It'll be hard to get us to think about how things will change, but this may be the best way to motivate us to start thinking about the Green Deal
- Providing **reassurances** will be vital: reassurances that we will be helped through the process, that the work will be of a good standard, and that we will get our money back in a reasonable time
- We don't feel that comfortable dealing with financial matters, so the Green Deal needs to be **easy to understand**
- We are the **heaviest users of radio**, and most likely segment to listen to commercial stations. We are also regular readers of **mid-market newspapers, especially the Daily Mail**
- As the **least comfortable with change** and are unlikely to be looking to make any changes to our life so we will be looking to minimise any disruption
- Be **matter of fact and transparent** on what is involved or we will not pay attention

3.5 Disengaged Rejectors

Disengaged Rejectors make up 24% of owner occupied/private rented households that ‘need’ at least one of the energy efficient home improvements included in the survey. This equates to around 2.7 million households in Great Britain. Based on survey responses, Disengaged Rejectors have the second lowest potential Green Deal uptake out of all six segments (index = 39): only the Overstretched are lower (index = 14).

3.5.1 Disengaged Rejectors: Pen portrait

We’re really just not that interested in making our home more energy efficient. We weren’t planning on doing any work on our home anyway, and certainly not making it more energy efficient.

It’s not that we think that the Green Deal is a bad thing; we just don’t want to get the work done.

We’re much older than average and more likely to be retired, and money is quite tight for us though we are managing.

It is clear that the Disengaged Rejectors do not want to engage with the Green Deal at all. While they are less likely than other segments to be able to consider the good things about the Green Deal, they don’t list a large number of disadvantages of the Green Deal: instead just saying that they don’t want to do it. Their key characteristics are summarised in the chart below.

Disengaged Rejectors: Characteristics



Financial matters

Despite being on the lowest incomes (gross annual household income of £22,750 per year, compared with £26,000 on average), Disengaged Rejectors were in line with the average in terms of how well they were getting on with their energy bills and how comfortable they felt dealing with financial matters. They were, however, the least likely to agree that they only take out credit/loans when absolutely necessary; 65% compared with 78% on average and 86% amongst the Convertibles (who were the most affluent segment).

Environmental matters

Disengaged Rejectors were not at all concerned about environmental matters, being amongst the most likely to agree that it's not worth doing things to help the environment if others don't do the same (31% compared with 23% on average) and that it's only worth doing environmentally friendly things if they save you money (50% compared with 38% on average). Only the Money Savers expressed more negative environmental attitudes.

Despite these views, they reported some positive behaviours: though these may have been reflective of a desire to save money rather than pro-environmental views. For example they were amongst the least likely to leave their TV or PC on standby for long periods of time (23% compared with 30% on average) or to keep the tap running whilst brushing their teeth (24% compared with 27% on average).

Improving the home

Disengaged Rejectors were the least likely to be planning any energy efficiency improvements to their property (9% compared with 21% on average and 39% amongst Convertibles), or to be planning any work on their home at all (71% had no plans, compared with 48% on average). This was despite the fact that their property was no less likely than average to 'need' energy efficient improvements, and in particular to 'need' a boiler (68% of Disengaged Rejectors 'needed' a boiler upgrade, compared with 56% on average), but 58% of Disengaged Rejectors had no plan to install or upgrade a condensing boiler (compared with 28% on average).

Making their home more energy efficient

Disengaged Rejectors were much less likely than average to be able to think of any reasons why they would want to make their home more energy efficient (30% were unable to give any reason at all compared with just 8% on average). None of them mentioned reducing carbon emissions and only 3% mentioned reducing the amount of wasted energy as a motivation for making improvements (compared with 20% and 44% on average respectively). Furthermore, Disengaged Rejectors indicated that there weren't any particular things stopping them from making their homes more energy efficient. The most common reason given was that they felt that they were already doing enough (26% compared with 15% on average). A fifth said that the cost of the improvements was too high (18%), though they were much less likely than average (42%) to say this.

Views on the Green Deal

Although they felt relatively positively about the incentives provided by the Green Deal (20% mentioned availability of offers, almost as high as the average of 23%) and reassurances provided by the Green Deal (17% mentioned the warranties and guarantees compared with 25% on average), Disengaged Rejectors were much less likely than other segments be able to think of other good things about the Green Deal. They were the most likely to say that there

was nothing good about it (16%, twice the average of 8%), and they were the least or second least likely to give each answer on the list.

This was not to say that they thought that the Green Deal was a bad thing: more that they didn't engage with it. They struggled to think of many bad things about the Green Deal and were the most likely to say that none of the things on the list was a disadvantage for them (9% compared with 5% on average). Where they did mention any disadvantages, the cost of the improvements and the fact it would take too long to recover these costs were the biggest barriers for them, although they were still less likely than others to mention these (22% compared with 32% on average and 16% compared with 23% on average).

CHAID analysis demonstrated that Disengaged Rejectors were not motivated to take up the Green Deal by reducing the amount of wasted energy or their energy bills. They were the only segment who didn't feel that it would be positive to make their home warmer or more comfortable. For this segment there are no prime motivations for them to take up the Green Deal and no key barriers either – they just weren't interested in making their homes more energy efficient.

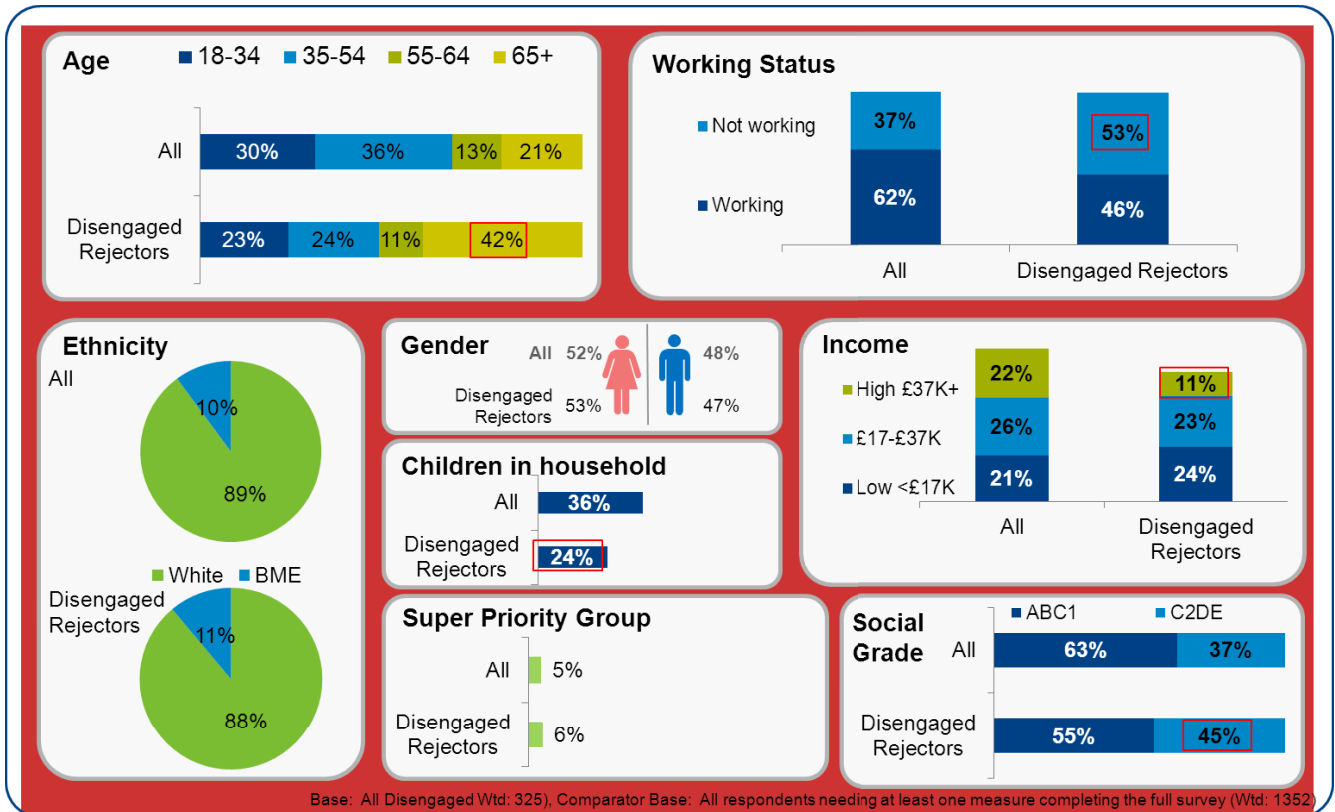
3.5.2 Disengaged Rejectors: Demographic profile

Chart 25 shows demographic profile differences between the Disengaged Rejectors and the average of all households 'needing' at least one measure. The Disengaged Rejectors segment had the highest proportion of over 65s of all segments (42% compared with 21% on average). Reflecting this older age profile, Disengaged Rejectors were the segment least likely to be working (46% were working compared with 62% on average) and one of the segments least likely to have children in the household (24% compared with 36% on average). Furthermore, this segment was amongst the most likely to be from the C2DE social grades (45% compared with 37% on average).

As previously mentioned, Disengaged Rejectors tended to have lower household incomes than average, though they were also the most likely to refuse to give their income in the interview.

Chart 25 Disengaged Rejectors: Demographic profile

Base: All Disengaged Rejectors (Wtd: 325), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



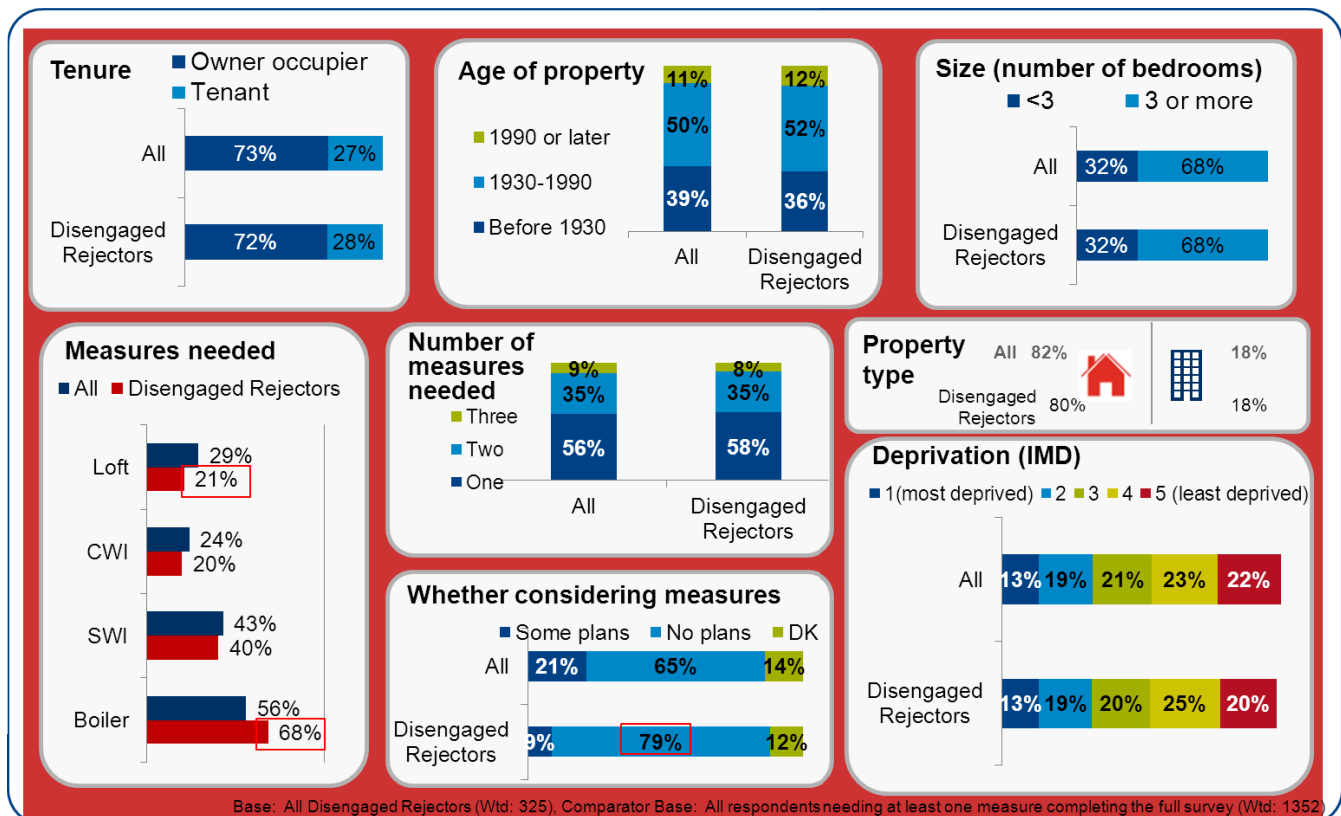
3.5.3 Disengaged Rejectors: Property characteristics

Chart 26 shows the characteristics of the properties of Disengaged Rejectors and compares this with the average characteristics of properties of those in the ‘needs measures’ group.

The property characteristics of Disengaged Rejectors tended to match the average profile in terms of tenure, age, type, size (number of bedrooms) and deprivation. However, in terms of the measures needed to make their home more energy efficient, Disengaged Rejectors were more likely than average to give answers which indicated that their property ‘needed’ a condensing boiler, although less likely to indicate that their property could benefit from loft insulation. As previously mentioned, Disengaged Rejectors were the segment least likely to have previously planned/considered any energy efficiency improvements; just 9% had done so compared with 21% on average.

Chart 26 Disengaged Rejectors: Property characteristics

Base: All Disengaged Rejectors (Wtd: 325), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



3.5.4 Disengaged Rejectors: Profile within TGI database

Mindset

Chart 27 shows the attitudinal profile of the members of the TGI database identified as Disengaged Rejectors and compares this with the average characteristics of all adults aged 18+¹⁹. Significant differences are shown in green for above average and red for below average.

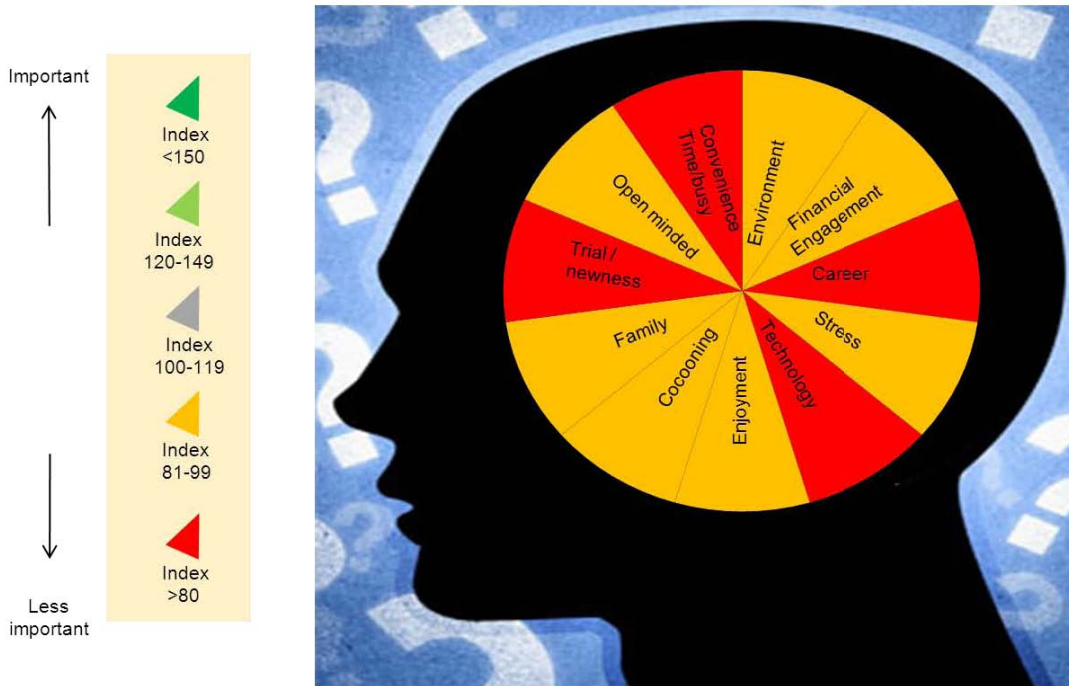
Disengaged Rejectors are the least likely segment to prioritise convenience, with just 27% saying ‘Shopping online makes my life easier’ (compared with 39% on average and 56% of Convertibles). They are also one of the least likely segments to try new things, with 8% agreeing that ‘I buy new products before most of my friends’ (compared with 11% on average, 15% of Money Savers and 17% of Convertibles).

The complexity associated with new products and technology may be a barrier, as they are the most likely segment to say “Computers confuse me, I’ll never get used to them” (26% compared with 19% on average and just 13% of Convertibles). They are also more likely than other segments to need reassurance when faced with new technology: 42% agree “If I am going to be able to use a new technology product, somebody has to show me how to use it” (compared with 37% on average and 29% of Convertibles).

¹⁹ Source: GB TGI 2012 Q2. Base: Adults 18+ excluding social tenants n=21,035

The Disengaged Rejectors tend to show a higher level of resignation than any other segment, with 23% agreeing 'There is little I can do to change my life' (compared with 16% on average, and as few as 13% of Carbon Savers and 10% of Convertibles).

Chart 27 Disengaged Rejectors: Mindset
 Base: All adults 18+ not social tenants (n=21,035)



Source: GB TGI 2012 Q2 Base: Universe All Adults 18+ not Social Tenants (n=21,035)

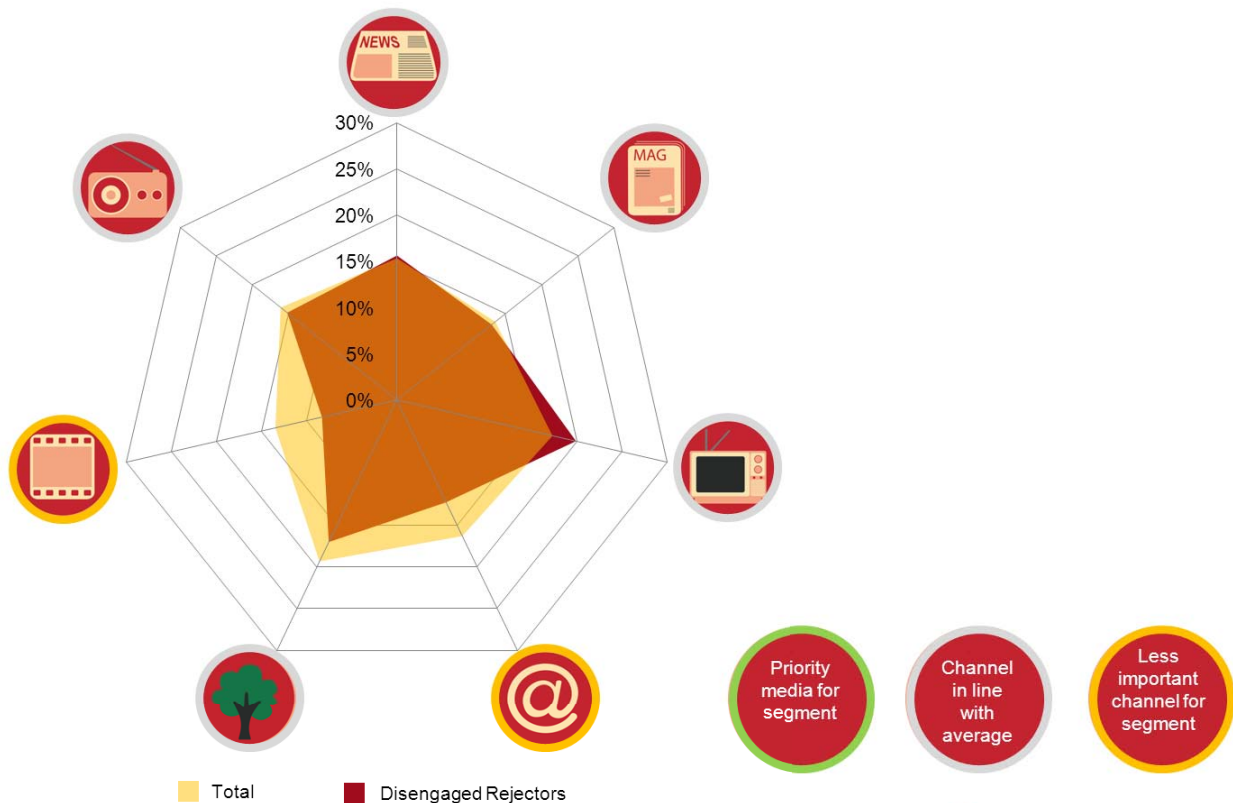


Communication channels

Chart 28 shows heavy users (top 20%) of each media channel compared with the average of all adults aged 18+: a green ring around a channel denotes that the segment is significantly more likely than average to consume the channel, and this may be a priority for targeting the segment, a grey ring denotes that their channel consumption is in line with average, and yellow denotes that the segment is significantly less likely than average to consume the channel.

Chart 28 Disengaged Rejectors: Media Overview

Base: All adults 18+ not social tenants (n=21,035)



Source: GB TGI 2012 Q2 Base: Adults 18+ (excluding social tenants) n=21,035

TGI Insights & Integration

Specific channel characteristics which are distinctive for Disengaged Rejectors are outlined below:

Television

Disengaged Rejectors are predominantly light users, viewing up to 20 hours a week, although a significant minority are heavy viewers watching 30-40 hours a week (15% compared with 13% on average and just under the heaviest TV viewing segment Money Savers at 16%). They favour mainstream channels such as BBC1 and ITV1, and are the most likely segment to watch quizzes/gameshows (18% compared with 15% on average) and gardening programmes (12% compared with 10% on average and equal to Overstretched at 12%)

Outdoor

They are the most likely segment to use the bus (37% never use it compared with 42% on average), and there is a significant minority that regularly travel by bus, at least once a week (27% compared with 23% on average). Therefore, it is not surprising that more than half recall advertising accompanying on or in a bus (on the outside of a bus, large posters at the side of the road or posters on bus shelters).

Implications for Media Planning

Disengaged Rejectors are no more likely than average to be heavy users of any particular channel but are less likely to be heavy internet users: less than half access the internet more than once a day (49% compared with 61% on average).

Therefore, the most important communication channels for this group are television and outdoor advertising as these have almost universal penetration and would reach the highest proportions.

3.5.5. Disengaged Rejectors: Key motivators

Based on their profile and motivations, the messages shown in the box might be motivating to members of the Disengaged Rejectors segment.

Chart 29 **Disengaged Rejectors: Messages**



To help motivate us to take up the Green Deal

- At the moment, we aren't really that open to conversations about the Green Deal, so you will need to **work hard** to get us to consider it at all
- The Green aspects of the Deal really don't do anything for us, so there's no point talking to us about that
- We can be **persuaded a bit more by incentives**, but you'd need to offer a lot to make us interested
- Because we're not big internet users and not that interested in the Green Deal, **online marketing is unlikely to be very effective** for us
- We do watch TV, especially popular **drama**, and **regularly use buses** so we are more likely to notice campaigns using these channels
- Messaging needs to be **supportive**. We are **not interested in technology** and think it all to be a bit complex, so having someone guiding us through the process would be motivating

3.6 Overstretched

The Overstretched segment makes up 11% of owner occupied/private rented households 'needing' at least one of the energy efficient home improvements included in the survey. This equates to around 1.2 million households in Great Britain. The uptake propensity amongst the Overstretched segment is the lowest of all the segments (index = 14).

3.6.1 Overstretched: Pen portrait

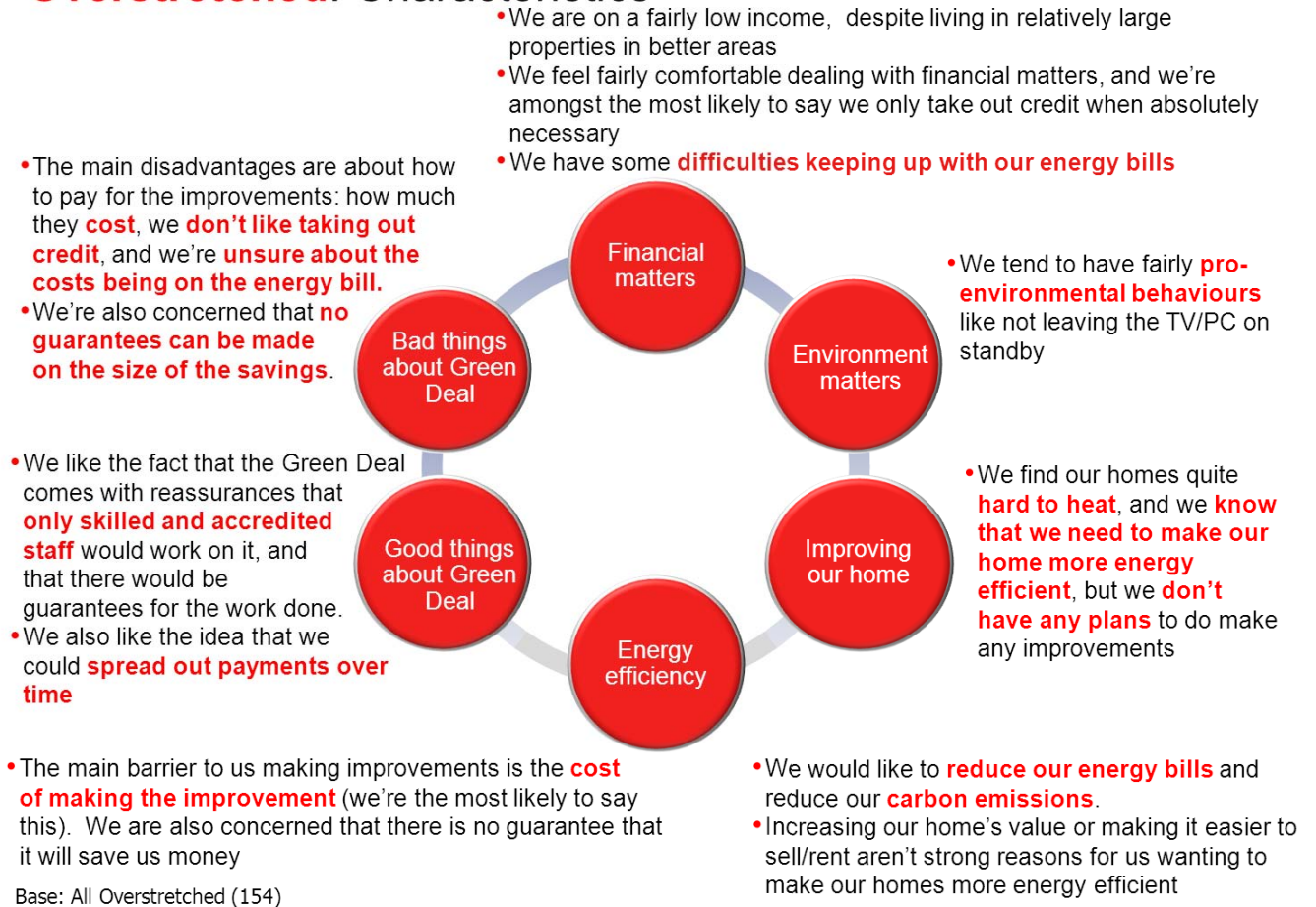
The Green Deal could be a good idea for us, as we live in properties that are hard to heat and it's hard to keep up with our bills. We would certainly like to reduce our energy bills and do some good for the environment too.

We weren't really thinking about making our homes more energy efficient before, and the Green Deal hasn't persuaded us.

While we really like the peace of mind that making the improvements through the Green Deal would give us, we just can't see past the amount of money we would need to pay to make the improvements. Even though we could spread the payments over time, we really don't like taking out credit and there are no guaranteed savings.

A key characteristic of the Overstretched segment is that, while they can see the benefits of the Green Deal for their household, including cost savings over the longer term, the potential of any up-front costs prevents them from considering the Deal. This may be because of potential financial difficulties in their households. The key characteristics of the segment are shown in the chart below.

Overstretched: Characteristics



Financial matters

Despite living in relatively large properties in better areas than most, the Overstretched were on fairly low incomes compared to the average: their mean gross annual household income was £24,500, compared with the average of £26,000 – only the Disengaged Rejectors were on lower incomes.

Perhaps related to this, the Overstretched were amongst the most likely to say that they were having some difficulties dealing with their energy bills (12%, second only to the Money Savers at 27%).

These financial difficulties are likely to have had a bearing on their views towards energy efficiency in general, and towards the Green Deal.

Environmental matters

The Overstretched had fairly pro-environmental attitudes and behaviours, though these may also be linked with a need to save money. They were the least likely to say they leave their TV or PC on standby for long periods of time (16% compared with 30% on average) or to keep a tap running while brushing their teeth (20% compared with 27% on average). They were also less likely than average to agree that it's not worth doing things to help the environment if others don't do the same (11% compared with 23%) or that it's only worth doing environmentally friendly things if they save you money (27% compared with 38%).

Improving the home

The Overstretched were very similar to the average in terms of the proportion 'needing' each energy efficient improvement, or having existing plans to install them.

Making their home more energy efficient

Given their financial situation, it is unsurprising that the key motivations for the Overstretched to make their home more energy efficient were financial, including reducing the amount they spend on energy bills (76% compared with 69% on average) and reducing the amount of wasted energy (70% compared with 44% on average). They were also more likely than average to say they would want to make their home more efficient to reduce carbon emissions (36% compared with 20% on average), though the Carbon Savers and Convertibles were more likely to say this.

Longer term financial impacts were of less importance for the Overstretched, who were less likely than average to say it was important to increase the value of their home (11% compared with 14% on average) or make it easier to sell/rent (4% compared with 6% on average).

The main barrier to making energy efficient home improvements was the cost of the improvements themselves (84% compared with 42% on average) – the Overstretched were the most likely to give this reason and the CHAID analysis indicated that this was one of the main drivers of membership of the Overstretched segment.

Another major concern for the Overstretched was the lack of guarantee that making the improvements would save them money (22% compared with 9% on average).

Views on the Green Deal

While the Overstretched were reassured by the fact that the Green Deal would only use skilled and accredited assessors (23% compared with 17% on average) and installers (32% compared with 24% on average) to work on the improvements, these did not appear to be sufficient to get them over barriers related to cost.

The main disadvantages for them were the cost of improvements (38% compared with 32% on average) and the fact that they don't like taking out credit (33% compared with 26% on average).

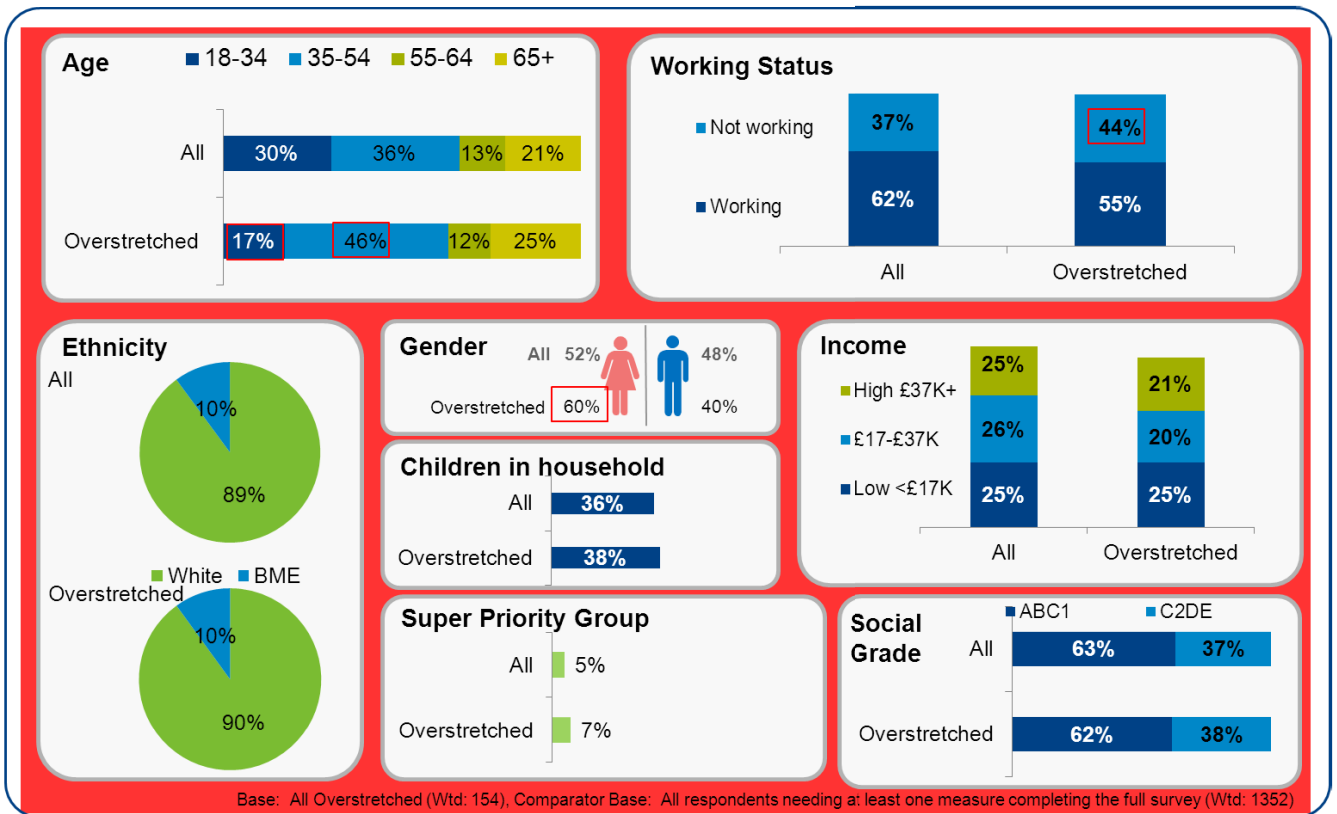
3.6.2 Overstretched: Demographic profile

The Overstretched segment contained the highest proportion of females of all the segments (60% compared with 52% on average). They tended to be slightly older than average with proportionately fewer 18-34s (17% compared with 30% on average) and more 34-54s (46% compared with 36% on average).

As previously described, the Overstretched faced some financial difficulties; a higher than average proportion of this segment were not working (44% compared with 37% on average), and they had the second lowest mean gross annual household income (£24,500, compared with £26,000 on average).

Chart 30 Overstretched: Demographic profile

Base: All Overstretched (Wtd: 154), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



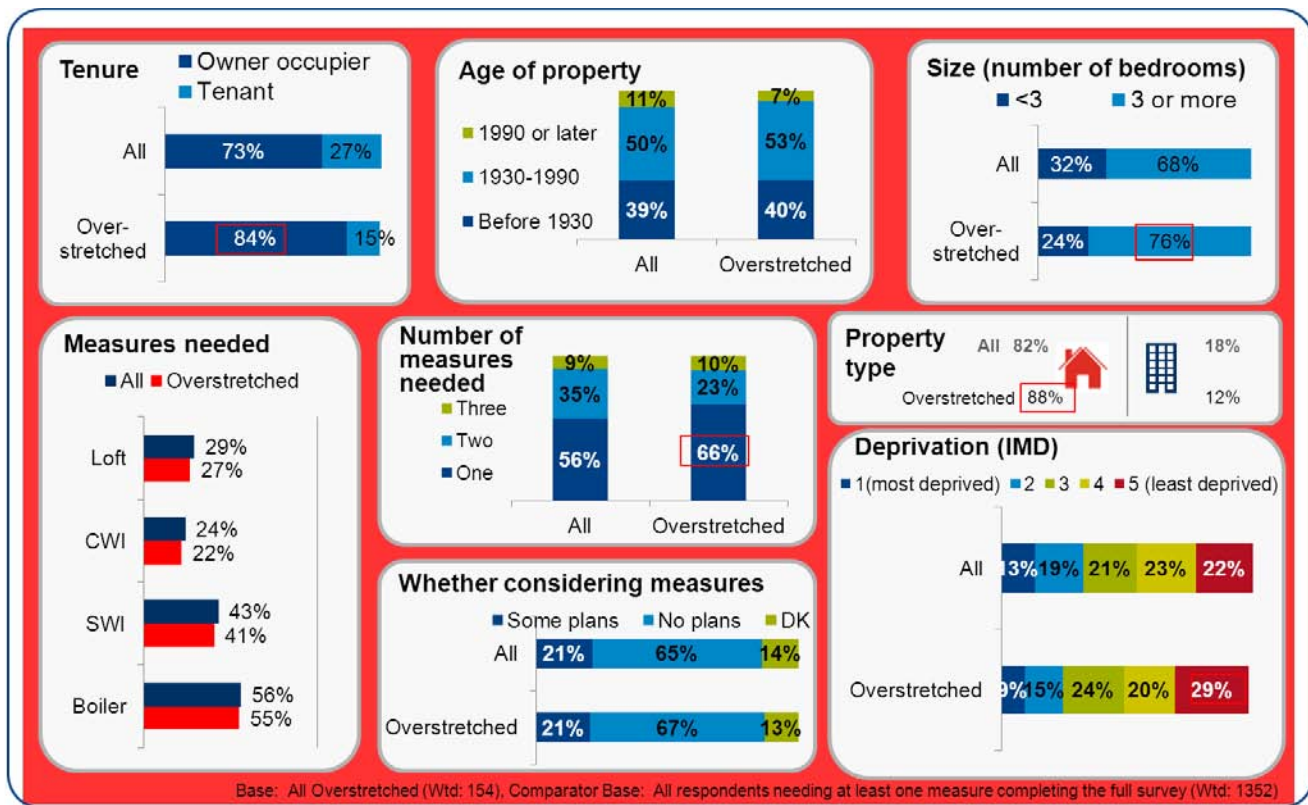
3.6.3 Overstretched: Property characteristics

Despite their lower incomes, a high proportion of the Overstretched were owner-occupiers (84% were owner-occupiers compared with 73% on average). They were more likely to live in houses (88% compared with 82% on average) and in larger properties (76% had 3 or more bedrooms, compared with 68% on average).

While the Overstretched tended to 'need' fewer energy efficient improvements in their property (66% only 'needed' one measure, compared with 56% on average), the range of measures they 'needed' did not differ significantly from the average.

Chart 31 Overstretched: Property characteristics

Base: All Overstretched (Wtd: 154), Comparator Base: All respondents needing at least one measure completing the full survey (Wtd: 1352)



3.6.4 Overstretched: Profile within TGI database

Mindset

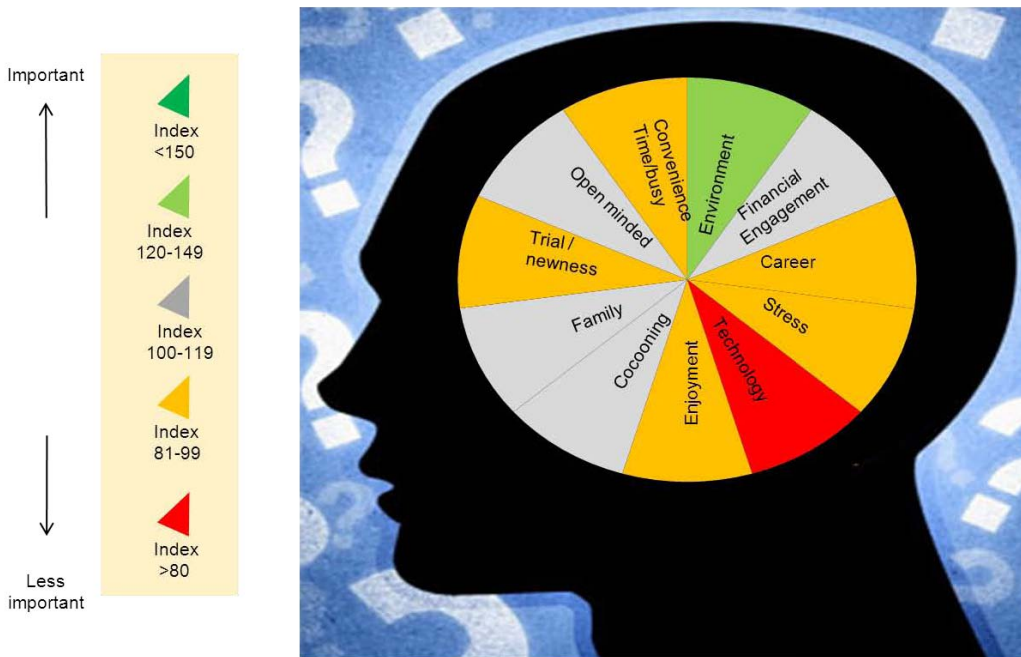
Chart 32 shows the attitudinal profile of the members of the TGI database identified as in the Overstretched segment and compares this with the average characteristics of all adults aged 18+²⁰. Significant differences are shown in green for above average and red for below average. The Overstretched show a lack of interest in technology and trying new things, with just 8% agreeing that “I buy new products before most of my friends” (compared with 11% on average and 17% of Convertibles). This may be driven by their financial situation, and they also show a high level of anxiety with 31% disagreeing that “I like to enjoy life and not worry about the future” (compared with 28% on average and as low as 23% of Money Savers).

However, they are one of the segments most likely to have an interest in environmental issues being the most likely to agree “I make a conscious effort to recycle” (84% compared with 76% average and 82% of Carbon Savers) and “I take positive steps to reduce the energy I use” (62% compared with 54% on average, 60% of Carbon Savers, 56% of Convertibles and only 46% of Money Savers).

²⁰ Source: GB TGI 2012 Q2. Base: Adults 18+ excluding social tenants n=21,035

Chart 32 Overstretched: Mindset

Base: All adults 18+ not social tenants (n=21,035)



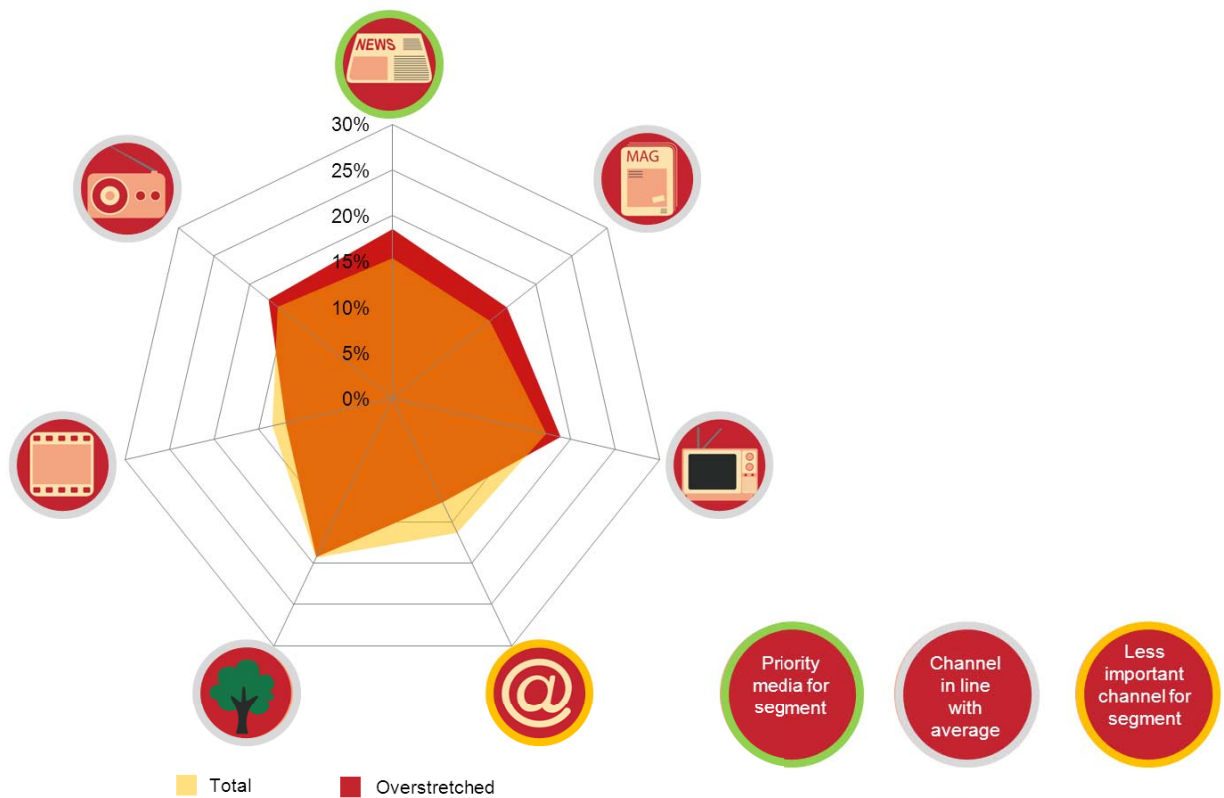
Source: GB TGI 2012 Q2 Base: Universe All Adults 18+ not Social Tenants (n=21,035)



Communication channels

Chart 33 shows heavy users (top 20%) of each media channel compared with the average of all adults aged 18+: a green ring around a channel denotes that the segment is significantly more likely than average to consume the channel, and this may be a priority for targeting the segment, a grey ring denotes that their channel consumption is in line with average, and yellow denotes that the segment is significantly less likely than average to consume the channel.

Chart 33 Overstretched: Media Overview
 Base: All adults 18+ not social tenants (n=21,035)



Source: GB TGI 2012 Q2 Base: Adults 18+ (excluding social tenants) n=21,035

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Specific channel characteristics which are distinctive for Overstretched are outlined below:

Newspapers

They are the most likely segment to read a Sunday newspaper (54% compared with 41% on average) and to read a newspaper every day (46% compared with 40% on average). They are more likely than average to read the Daily Mail (17% compared with 12% on average, but lower than the 18% of Not on the Radar) and the most likely to read the Daily Mirror/Record (13% compared with 9% on average).

Television

Their frequency of TV viewing is in line with average, with 15% being heavy viewers watching 40hrs+ a week (compared with 13% on average). However, the Overstretched have distinctive viewing patterns, being most likely to watch shows on arts/culture (7% compared with 5% on average) and the environment or wildlife (19% compared with 15% on average, and just 10% of Money Savers). They are amongst the most likely to watch property or DIY shows (13% compared with 11% on average and equal to 13% of Money Savers).

Implications for Media Planning


Overstretched are the heaviest newspaper readers, making this a key channel to effectively reach this group. Television and outdoor are also key channels because they have high penetration amongst this segment.

The Overstretched are less likely than average to access the internet more than once a day (47% compared with 61% on average), so internet campaigns would be less effective in targeting them.

3.6.5 Overstretched: Key motivators

Based on their profile and motivations, the messages shown in the box might be motivating to members of the Overstretched segment.

Chart 34 **Overstretched: Messages**



To help motivate us to take up the Green Deal

- We're keen to **reduce our energy bills** (especially because our homes are hard to heat) so **talking to us about cost saving might make us listen**
- We also think that the environmental benefits of the Green Deal are worthwhile
- We like the reassurances that come with the Green Deal
- We need a lot of **reassurances** about the **costs** of the work being done and while we like the fact that we can spread out payments over time, we're concerned that we'll not save enough to make the costs back.
- As the heaviest users of **newspapers**, you can reach us through **mid-market titles**, especially the **Daily Mirror** as well as the **Daily Mail**. We also watch like television programmes on property and DIY, seeing people making environmental changes to their homes on these would be interesting
- Tone needs to be **factual and realistic**, we have the desire to make changes but are uncertain of how we will cope financially

4. Messaging

The views and motivations of the segments have been summarised in the grid below (Chart 35). It shows the types of message which may be motivating to each segment in encouraging them to make energy efficient home improvements through the Green Deal, together with the channels which may be effective in targeting them.

- A tick in the grid indicates that a message or channel may be motivating to a segment.
- A question mark suggests that a message/channel would not be motivating but would not necessarily be off-putting to the segment. Instead, the research indicated that these messages would not resonate with these segments (for example, while Money Savers would be unlikely to be motivated by messages about the environmental/carbon saving aspects of the Green Deal, telling them about them would not put them off taking up a Green Deal package).
- A blank cell in the grid indicates that the segment would be neutral towards those messages or channels.

Chart 35 **Messages and channels**

	Money Savers	Carbon Savers	Convertibles	Not on the radar	Disengaged Rejectors	Over-stretched
Messages						
Warmer/more comfortable home	✓	✓	✓	✓		
Money saving (you will save money on your energy bills)	✓	✓	✓			✓
Financial elements (e.g. discounts, incentives, ability to spread out costs over time)	✓				✓	
'Green' messages	?	✓	✓		?	✓
Reassurances/ warranties		✓	✓	✓		✓
Hassle free/ easy to understand			✓	✓		
Channels						
TV	✓		✗			
Radio				✓		
Press		✓	✗			✓
Outdoor	✓	✓				
Online		✓	✓		✗	✗
Cinema		✓			✗	

Money saving messages would include illustrations of how energy efficient improvements made through the Green Deal would save the household money in the longer term, through savings on their energy bills, and would be particularly motivating for the Money Savers and Overstretched. Although these messages would be less motivating to the Carbon Savers and Convertibles, the responses given by these segments suggest that messages about money saving would still be welcomed. Money saving messages are likely to be fairly neutral to the Not on the Radar because they are more concerned about short term outlay, and to Disengaged Rejectors because they are not interested in the Green Deal as a whole.

Messages about **financial elements** of the Green Deal could include the availability of discounts and incentives, the no/low up-front payment required, and the ability to pay for improvements through savings on the household's energy bill. These messages were particularly motivating to the Money Savers segment and also to the Convertibles segment (though other things were more important to them). In addition, of all messages about the Green Deal, these would be the most likely to motivate the Disengaged Rejectors to at least start considering the Green Deal. Other segments' reactions to these messages were more mixed:

- Carbon Savers felt fairly positively about these aspects of the Green Deal, but 'green' messages were more motivating to them
- Incentives and no/low upfront payments were motivating to the Not on the Radar segment, but they were less motivated by the availability of discounts
- Overstretched were about average in their reactions to their ability to spread out payments over time, but other financial aspects of the Green Deal were less motivating than average.

Messages about the pro-environmental and energy saving '**green**' aspects of the Green Deal were particularly motivating to the Carbon Savers and also to the Convertibles and Overstretched. While it is unlikely that these messages would be off-putting to any segments, it is unlikely that only marketing the 'green' aspects of the package would be effective in motivating the Money Savers segment, who are instead more motivated by the money saving and financial aspects of the Deal, or in encouraging the Disengaged Rejectors to start to consider it.

Highlighting the **reassurances** that can be gained by undertaking improvements through the Green Deal, such as the fact that all staff would be skilled and accredited and that warranties and guarantees would be available for the work, would be particularly motivating to those segments who had previously thought less about making energy efficient home improvements: Carbon Savers, Not on the Radar and Overstretched. While these messages were also positively received by the Convertibles, the fact that they had already looked into making energy efficient home improvements may influence the fact that other things were more important to them. Once again, these aspects of the Green Deal would be unlikely to encourage the Disengaged Rejectors to start considering it.

Responses given by the Convertibles and Not on the Radar segments indicated that they would be positively disposed to messaging which suggests that the Green Deal would be an **easy and hassle-free** way to make energy efficient home improvements. Other segments were much less likely to indicate that these messages would be motivating to them, though saying this would be unlikely to put any off taking it up.

In terms of media channels, **TV** would be effective in communicating with both Money Savers and Carbon Savers. Disengaged Rejectors also watch a similar amount of television. **Radio**

would only really be effective for reaching the Not on the Radar segment as they are the heaviest radio users.

Carbon Savers, Not on the Radar and Overstretched segments could be reached through **the press**. Carbon Savers are more likely than average to read quality newspaper titles – particularly The Daily Telegraph and The Sunday Times. Not on the Radar are more likely to read the Daily Mail or Mail on Sunday and Overstretched are most likely to read a newspaper every day (with the Daily Mirror/Record being most common).

Money Savers and Carbon Savers are the segments who are most likely to be reached by **outdoor advertising**. Both segments can recall seeing advertising on buses, bus stops and posters on the side of the road. Outdoor advertising may also be important for Disengaged Rejectors as so few have internet access.

Convertibles and Carbon Savers are more likely than average to be heavy users of the **internet**, making this the most important communication channel for this segment. The internet is, for Convertibles in particular, an integral part of their lives.

5. Appendices

5.1 Questionnaire structure

Section	Coverage
A. Introduction and check eligibility	Check quotas (age, gender, working status) Check eligibility (owner-occupier or private rented tenant or partner)
B. Property information	Property age, type (house/flat/bungalow), size, suitability for energy saving improvements (e.g. presence of loft, wall type, boiler type), whether property is hard to heat, how well getting on with fuel bills
C. Attitudes/values	Whether early adopter, attitudes to financial matters, environmental attitudes and selected behaviours
D. Motivators/barriers to improvements	Planned home improvements in next 12 months, motivations and barriers to making energy saving improvements
E. Current measures and activities	Whether have installed/considered/planned to install selected energy saving improvements (solid wall insulation, cavity wall insulation, loft insulation, condensing boiler)
F. Proposition	Introduce Green Deal, conjoint questions, calibration questions, how would finance improvements if not using Green Deal Finance
G. Motivations, etc.	Benefits and barriers of the Green Deal
H. Other demographics (background)	Newspaper readership, internet use, household composition, significant life events, benefit receipt, social grade, household income

5.2 Segmentation inputs

Question	Content
B11	Thinking about your home in the winter, how easy or difficult is it to keep your home warm when the heating on? (Very easy – very difficult)
B12	Which one of these best describes how well you and your household are keeping up with your energy bills at the moment? (I/we manage very well - I/we have severe difficulties)
C1	Agreement with statements: <ul style="list-style-type: none"> • I'm the type of person who likes to have the newest gadgets in my home • I feel very comfortable dealing with financial matters • It's only worth doing environmentally friendly things if they save you money

Question	Content
	<ul style="list-style-type: none"> • It's not worth me doing things to help the environment if others don't do the same • I'm always looking out for new ideas to improve my home • I only take out credit/loans when absolutely necessary
C2	<p>How often personally do you? (Always – never)</p> <ul style="list-style-type: none"> • Leave your TV or PC on standby for long periods of time • Keep a tap running while you brush your teeth • When buying new appliances (e.g. fridge, washing machine), choose those which are more energy efficient
D1	Which, if any, of these are you realistically planning to do to your home in the next 12 months?
D3	Which of these reasons would be important to you in making your home more energy efficient?
D4	And which of these things prevent you from doing more to make your home more energy efficient?
Uptake propensity	Derived from conjoint analysis based on the optimal package.

5.3 Comparisons between households in the ‘needs measures’ and ‘does not need measures’ groups

Chart 36 **Demographic comparison between households ‘needing’ or not ‘needing’ any of the energy saving home improvements included in the survey**

Base: All needing at least one measure (Wtd: 1352), All needing no measures (Wtd: 698)

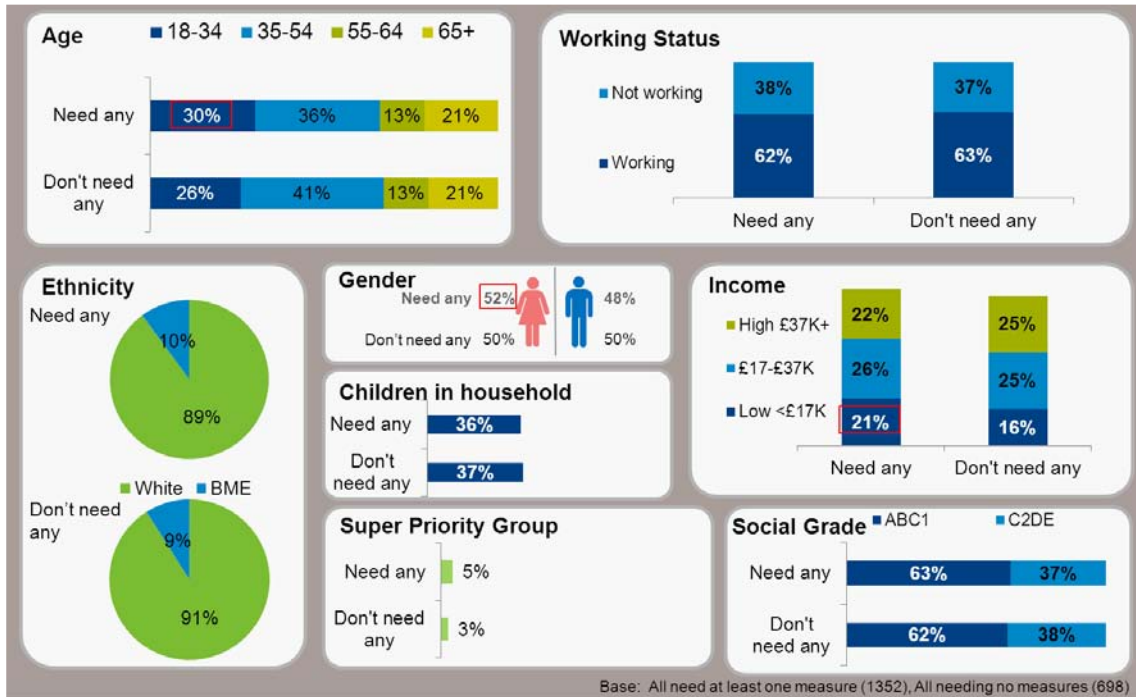


Chart 37 **Property characteristics: comparison between households ‘needing’ or not ‘needing’ any of the energy saving home improvements included in the survey**

Base: All needing at least one measure (Wtd: 1352), All needing no measures (Wtd: 698)

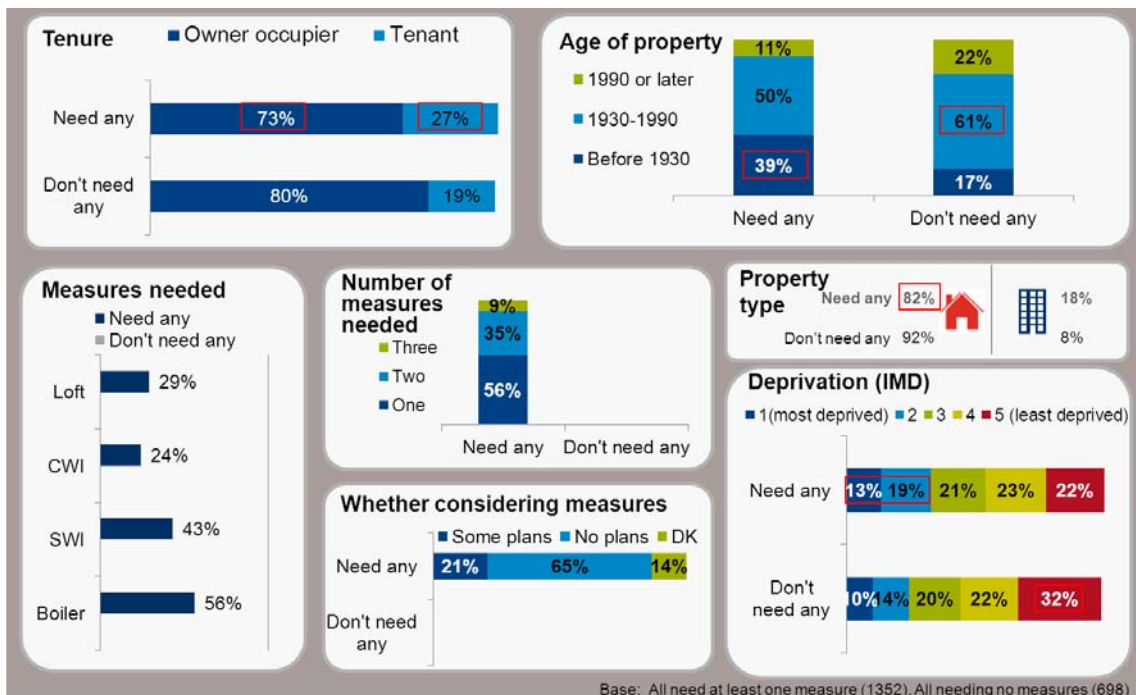
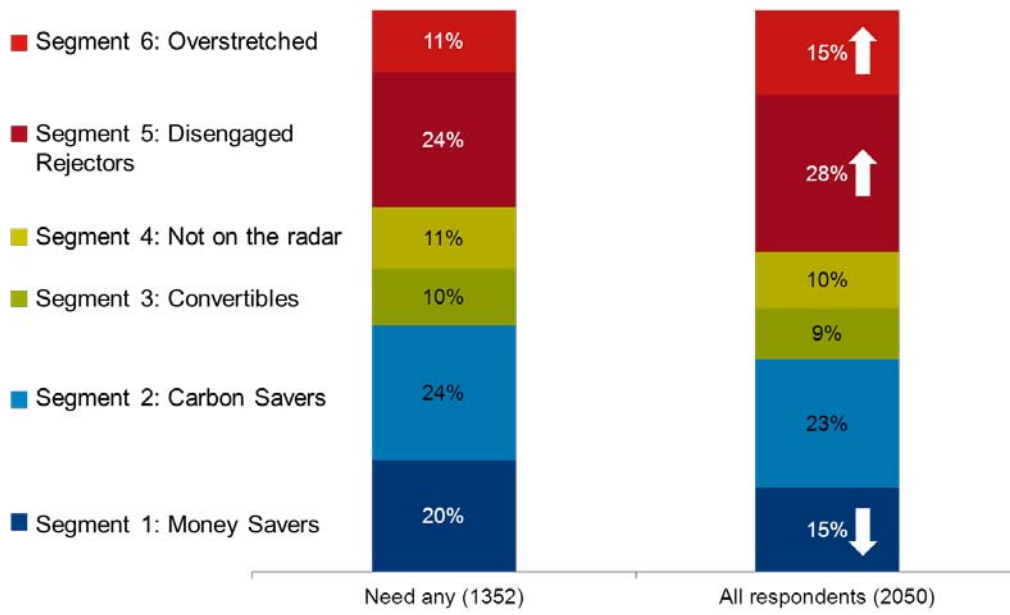


Chart 38 Segmentation profile comparison

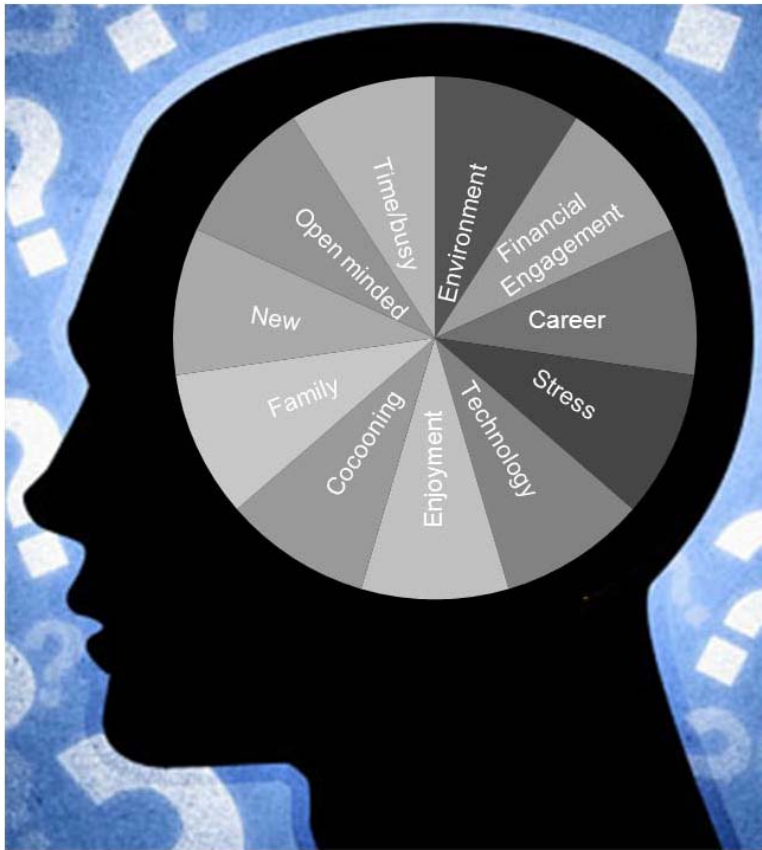
Base: All needing at least one measure (Wtd: 1352), All respondents (Wtd: 2050)



All who need at least one measure completing the full survey (1352); Base: All respondents (2050)

5.4 TGI attitudinal wheel explanation

The following details the statements which appear under each theme on TGI's attitudinal wheel.



Environment

- 'I would be prepared to pay more for environmentally friendly products'
 - 'People have a duty to recycle'
 - 'I am prepared to make lifestyle compromises to benefit the environment'
 - 'Companies tend to over claim their green credentials'
- Agree with 3/4 statements

Financial engagement

- 'I usually consult a professional financial adviser before deciding on financial matters'
 - 'I spend money more carefully than I used to'
 - 'It is important to be well insured for everything'
 - 'Financial security after retirement is your own responsibility'
- Agree with 3/4 statements

Stress

- 'I worry about work during my leisure time'

'I like to enjoy life and don't worry about the future' - disagree

'I'm always anxious'

'I don't like to show my real feelings'

'I worry a lot about myself'

- Agree with 3/5 statements

Technology

'I try to keep up with developments in technology'

'I love to buy new gadgets and appliances'

- Agree with 2/2 statements

Enjoyment

'It is more important to do your duty than to live for your own enjoyment' - disagree

'I am an optimist'

'I tend to make decisions quickly, based on "gut feeling"'

'I often do things on the spur of the moment'

'I like to enjoy life and don't worry about the future'

- Agree with 4/5 statements

Career

'I want to get to the very top in my career'

'I am willing to sacrifice time with my family in order to get ahead'

'I look on the work I do as a career rather than just a job'

- Agree with 2/3 statements

Cocooning

'I like spending a lot of my free time at home'

'I get a good deal of pleasure from my garden'

'I prefer to spend a quiet evening at home than go out'

'I enjoy entertaining people at home'

- Agree with 3/4 statements

Family

'I think it is important to have a lasting relationship with one partner'

'It's important my family thinks I'm doing well'

'What I want most in my life is to have/raise children'

'I enjoy spending time with my family'

- Agree with 4/4 statements

Newness

'I like to pursue a life of challenge, novelty and change'

'I buy new products before most of my friends'

'When I see a new brand I often buy it to see what it's like'

'I'm always looking for new ideas to improve my home'

- Agree with 3/4 statements

Open minded

'I am interested in other cultures'

'It is important to respect traditional customs and beliefs'

'I like the idea of travelling abroad'

'It is important to be well informed about things'

- Agree with 3/4 statements

Convenience / time poor

'Shopping online makes my life easier'

'In this day and age it is important to juggle various tasks at the same time'

'There are not enough hours in the day to do everything I would like'

'I am prepared to pay more for products that make life easier'

- Agree with 3/4 statements

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