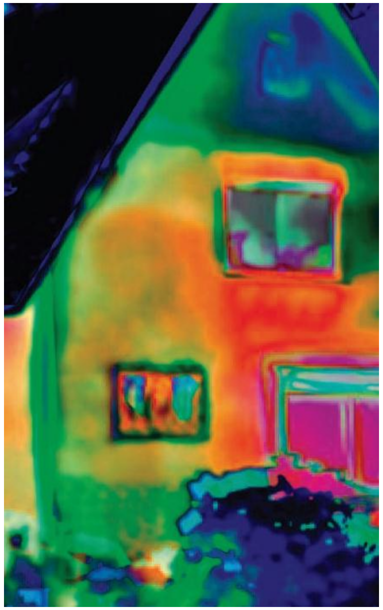 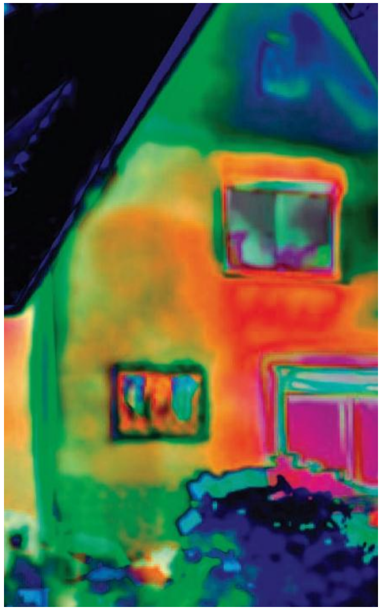 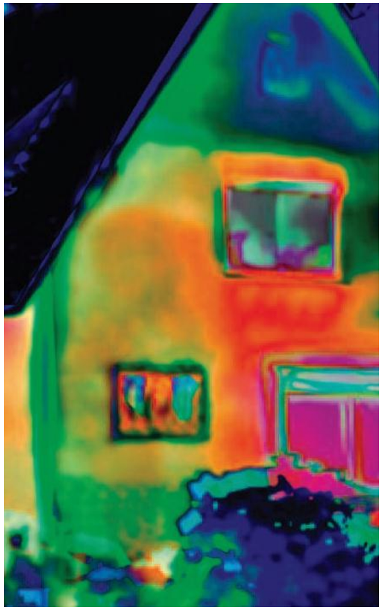

GREEN DEAL ASSESSMENT CUSTOMER RESEARCH

SUMMARY REPORT OF FURTHER ANALYSIS AND NEW FINDINGS FROM QUANTITATIVE SURVEYS

GfK NOP | Social Research
March 2014

Department of Energy & Climate Change

Table of contents

Summary of key findings

Post-assessment actions and intentions

Overall, four in five households which had a Green Deal assessment up until the end of October 2013 had either installed a measure, were in the process of installing a measure or reported that they definitely or probably would install a measure.

- This equates to between 69,000 and 76,000 (of the approximate 91,000) households in Great Britain that have had a Green Deal assessment.
- The number of households which had installed at least one measure was between 49,000 and 58,000.

The number of actual installations was driven largely by the third party funding (60% of installations) of which most were funded by the Energy Company Obligation (ECO); around four in five of those households which had received ECO funding had installed at least one measure (at the time of interview)*. Those households which had not received this funding were more likely to express an intention to install something, rather than report already having had something installed.

Between 7,000 and 12,000 households (around 20% of households) had installed at least one measure which was self-funded (for example paid for from savings, financed through bank loan or mortgage extension). Other means of funding installations included third party payment and Green Deal finance or cashback.

How are Green Deal assessments motivating households?

Overall, 22% of households which had had an improvement installed had not been thinking about doing so before they had their Green Deal assessment**.

This was most likely to occur in relation to solid wall insulation; 70% of households which had had this installed had not been thinking about doing so before their Green Deal assessment.

In addition, around two in five households which had had either cavity wall insulation (38%) or loft insulation (37%) installed reported that they had not been considering those measures before their assessment.

The majority (85%) of those who had installed a new boiler *had* been thinking about doing so beforehand.

* ECO matching was done in March 2014 using data up to the end of December. The post assessment actions and intentions where taken at the time of interview. Therefore it is possible that a household in the process of installing at the time of interview were later matched to ECO.

** It should be noted that this finding should be treated as indicative as it does not show causation .

Summary of key findings

Assessment experience

Three quarters or more of assessment customers felt that the assessment was useful in helping them to understand what they could do to make their home more energy efficient and confident in the recommendations given by the assessor. Most felt that the Assessor was professional and thorough, and that the information given in the assessment was clear.

Most assessments lasted about an hour or slightly more, though 12% reported assessments of less than 30 minutes. Households receiving ECO funding tended to report shorter assessments than average. Those whose assessments lasted an hour or more tended to feel more positively about it.

At all waves of the survey, one in eight or fewer of households paid for their assessment. Most said that the assessment company did not charge a fee, though for around a fifth the assessment fee was paid by someone else (for example landlord, housing association or local authority).

The proportion of households who had received their Green Deal Advice Report at the time of their interview declined over time across all the surveys. In the Customer Journey Survey (assessments completed in October 2013), 43% of assessment customers had received their report.

Installation experience

Levels of satisfaction with all aspects of installation were high, though around one in ten said they were dissatisfied with how clean/tidy their property was left after installation.

Word of mouth recommendations

More than eight in ten assessment customers said that they have recommended or would recommend making energy saving home improvements. Amongst those who had had energy saving improvements installed, a similar proportion said they would recommend those improvements to friends/family.

About this report

Introduction/background

The Green Deal was officially launched on 28th January 2013 in England and Wales, and 25th February 2013 in Scotland, with the aim of helping households to make energy saving home improvements to their properties. The scheme enables households to make energy saving improvements to their home without having to pay all the costs up front.

GfK NOP and ICF GHK have been commissioned to undertake a programme of research to understand the Green Deal customer experience as part of the evaluation of the Green Deal.

This report brings together data from a number of studies which have been conducted amongst Green Deal assessment customers in 2013 for more detailed analysis. This includes the following:

- Three waves of Assessment Surveys, which have been separately reported at https://www.gov.uk/government/collections/green-deal-assessments-research.
- One wave of a Customer Journey survey: this looked at the customer journey in more detail (forthcoming publication).

In particular, this report incorporates further analysis to:

- provide further information about the customer journey and assessment experience;
- help understand the extent to which the Green Deal assessment may have motivated households to install a measure;
- update the estimated number of households who have installed at least one energy saving measure following a Green Deal assessment;
- compare the experience of specific groups of households - including those who have self-financed and those who have installed specific measures - using the combined data from the multiple waves of the Assessment Surveys.

The Assessments Surveys aimed to capture to capture the profile of households having an assessment, their experience and post assessments actions and intentions. Three separate surveys were undertaken: waves 1, 2 and 3

The Customer Journey Research was a larger and longer survey taking a more detailed look at the customer experience. This was undertaken with households that had an assessment in October 2013 and will form the beginning of longitudinal analysis .

Methods

- The average interview length for the Assessment Surveys was 20 minutes, and for the Customer Journey survey was 30 minutes.
- All sampled addresses were sent an advance/invitation letter which informed them about the study and asked them to take part in an online survey.
- Non-responders were visited in-home by trained interviewers in order to encourage self-completion. Respondents were offered a £10 incentive for taking part.
- All data have been weighted to the profile of customers that had a Green Deal assessment carried out at their property in the relevant time period, and only weighted data are reported here.

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Target Group and fieldwork dates

- Consumers who had a Green Deal assessment carried out at their property, including owner occupiers and renters.
- Respondents were sampled from the Landmark Database, which records all Green Deal assessments completed.
- The table below shows the period during which respondents had their Green Deal assessment, and fieldwork dates.

Survey	Assessment period	Fieldwork dates (2013)	Number of interviews
Assessment Surveys			
Wave 1	Jan-March 2013	26/4-2/6	507
Wave 2	April-June 2013	26/7-26/8	499
Wave 3	July-Sept 2013	24/10-1/12	500
Customer Journey Survey	October 2013	21/11-22/12	439

- NB: The Assessment Surveys included households which had an assessment in the preceding 3 months. The Customer Journey Survey asked more detailed questions about the assessment experience so it was important that this was done as soon as possible after the assessment. Therefore, the Customer Journey only included people who had their assessment in one month before fieldwork (October 2013) rather than the 3 months covered by the Assessment Surveys.

Because of this, it is not strictly valid to combine responses from the Assessment Surveys with the Customer Journey survey, even though some questions were very similar.

Reporting conventions

This report uses the following conventions:

- All differences commented upon are statistically significant at the 95% confidence level.
- Significant differences between sub-groups are indicated by arrows (⬆⬇) within charts.
- All base sizes quoted in the report are unweighted.
- Findings were weighted back to the overall assessment population by house type, tenure, region and EPC rating,

Analysis of households receiving Energy Company Obligation (ECO) funding

This report comments on differences between households that have received ECO funding and those not receiving ECO funding. This analysis was achieved by matching addresses from the Assessment and Customer Journey surveys with the Ofgem database of addresses that have had an energy saving measure installed under ECO funding.

Limitations in the matching process which should be noted:

- Matching was done using addresses as no unique identifiers common to both files were available, though addresses which did not automatically match were manually checked to improve match efficiency;
- There can be a time lag in a measure installed under ECO funding being registered on the Ofgem ECO installation database. So, a household may have had ECO funded measures installed but may not yet be flagged as such because of this time lag.

Post-assessment actions and intentions: Four fifths of all households said they have installed something at least one recommended measure, were in the process, or definitely/probably would. Households receiving ECO funding were more likely to have done so, but almost seven in ten (65%) of those not receiving ECO funding had installed, were in the process or definitely/probably will.

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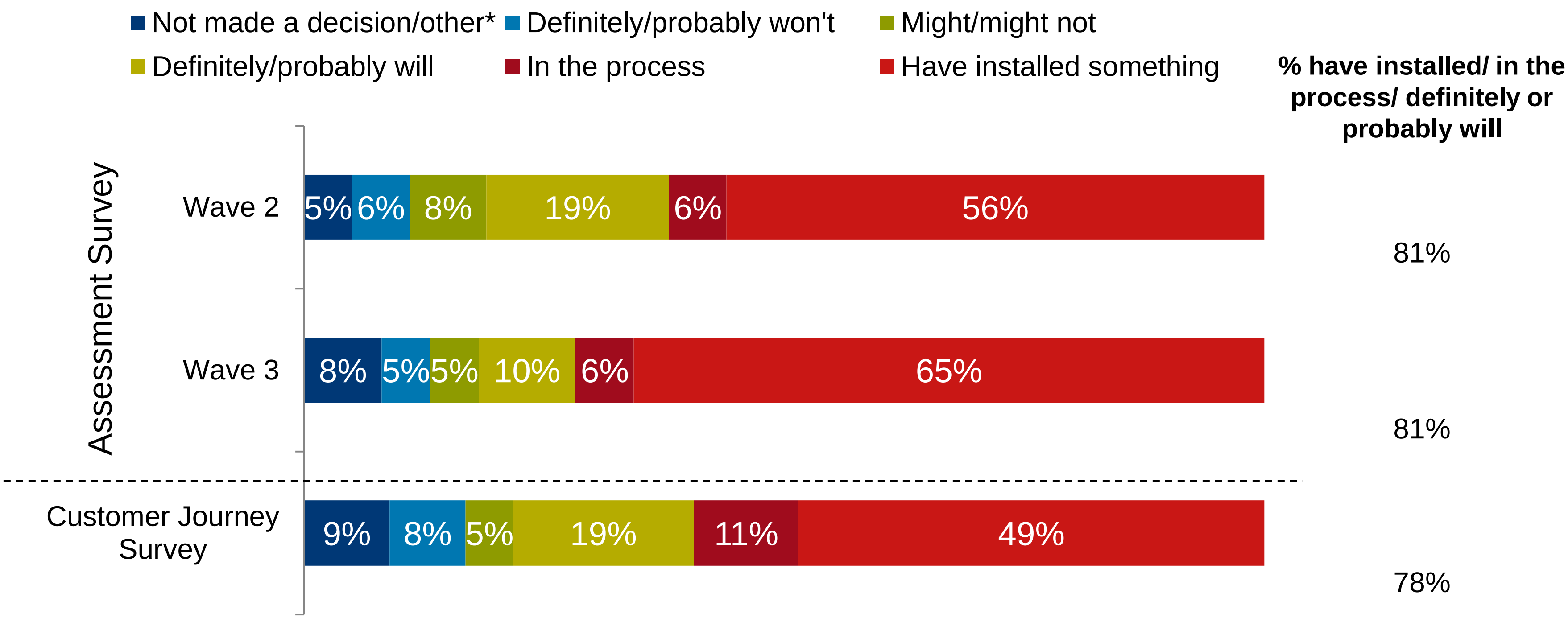
The chart shows the **furthest** point that customers had reached following their assessment (for at least one of the measures recommended). It is possible that customers had reached different stages for two or more measures, e.g. the customer may have installed one measure and be in the process of installing, but they would only be shown under ‘Have installed something’.



<u>Any comparisons between the Assessments Survey and Customer Journey Research for ‘have installed something’ should be treated with caution</u>: the Customer Journey Survey only included one month’s assessments, so respondents may have had less time to install measures compared with the Assessment Surveys (which covered 3 months’ assessments) – see Slide 10.

Comparisons are only made between Assessment Survey Waves 2 and 3 and the Customer Journey Survey because in Wave 1 only those households who had received their Green Deal Advice Report were asked about their intended actions.

Base: All respondents (Assessment Survey Wave 2 = 499; Wave 3 = 500, Customer Journey Survey = 439)

Post-assessment actions and Intentions: Across both surveys, households receiving ECO funding were far more likely to have installed measures than those which had not received ECO funding.

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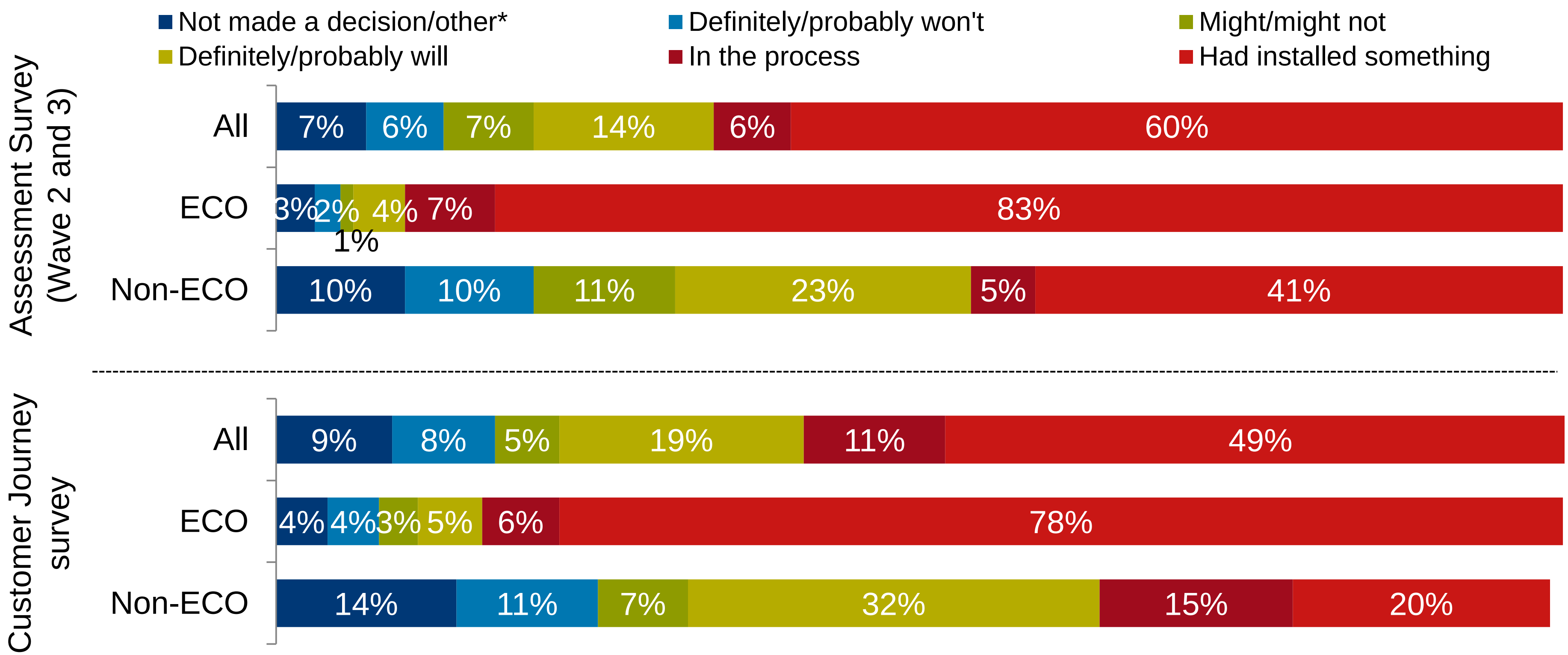
The chart shows the **furthest** point that customers had reached following their assessment (for at least one of the measures recommended). It is possible that customers had reached different stages for two or more measures, e.g. the customer may have installed one measure and be in the process of installing, but they would only be shown under 'Had installed something'.



Base: All respondents (Assessment Survey Wave 2 = 499; Wave 3 = 500, Customer Journey Survey = 439), Matched to ECO (Assessment Survey = 291, Customer Journey Survey = 210), Not matched to ECO (Assessment Survey = 238, Customer Journey Survey = 229)

* only those who had not received a Green Deal Advice Report were able to give these responses. Notes: Findings are based upon all **measures** recommended as part of the Green Deal Advice Report.

Whilst three quarters of those who did not receive ECO funding at least had intentions to install a measure the chart shows that they were far *less* likely than those with ECO funding to say that they had installed something and far *more* likely to say they definitely or probably will install a measure.

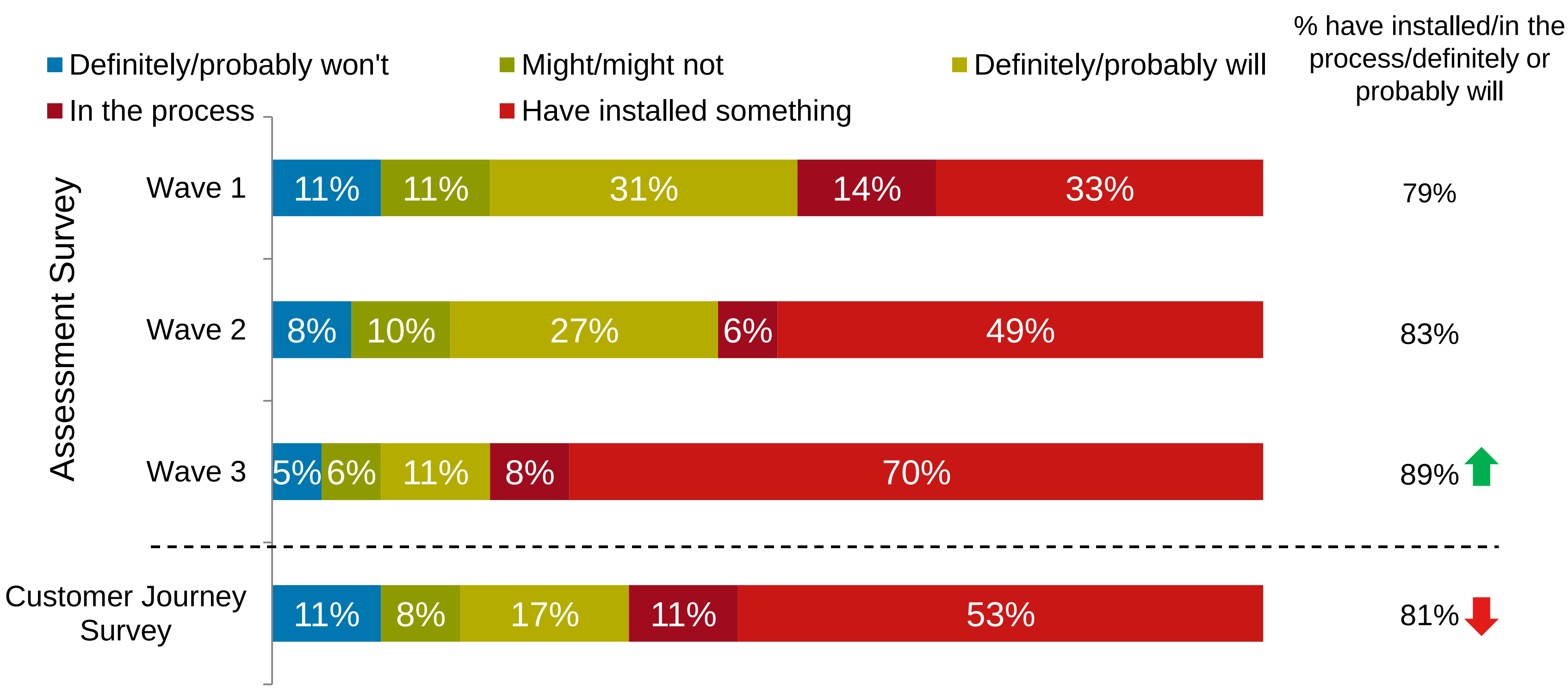
In comparing responses from the Customer Journey Survey and the Assessment Survey, it should be noted that the Customer Journey Survey only included one month's assessments, so respondents may have had less time to install measures compared with the Assessment Surveys (which covered 3 months' assessments) – see Slide 10.

Post-assessment actions and intentions: **Amongst only those who had received their Green Deal Advice Report, there was a strong increase between Waves 1 and 3 of the Assessment Survey in the proportion who had installed at least one recommended measure, were in the process of doing so or definitely or probably will. This was slightly less in the Customer Journey Survey.**

However, it should be noted that the Customer Journey Survey only included one month's assessments, so respondents may have had less time to install measures compared with the Assessment Surveys (which covered 3 months' assessments) – see Slide 10.

The chart shows the **furthest** point that customers had reached following their assessment (for at least one of the measures recommended amongst those that had received their Green Deal Advice Report only.

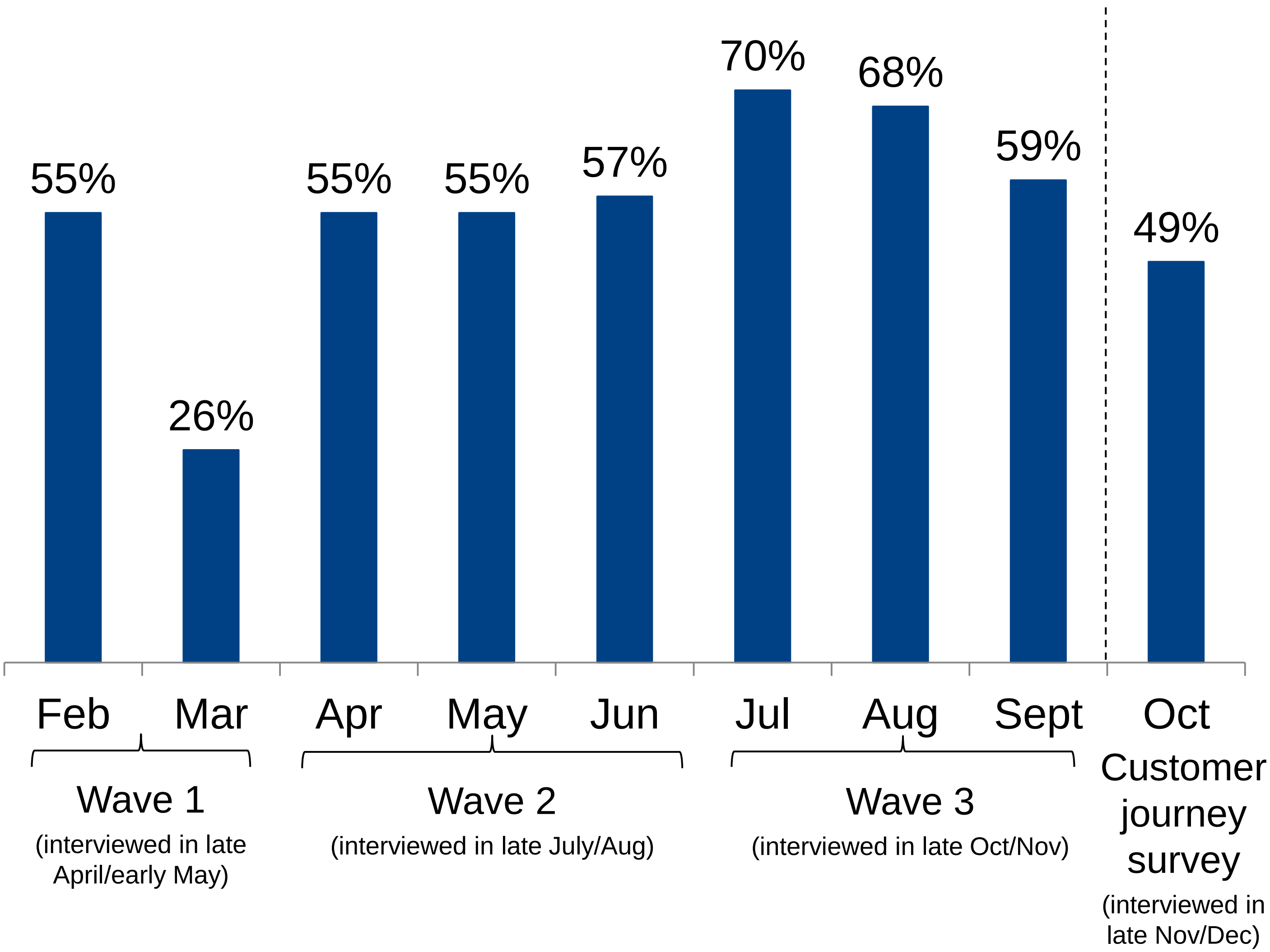
It is possible that customers had reached different stages for two or more measures, e.g. the customer may have installed one measure and be in the process of installing, but they would only be shown under 'Had installed something'.



Base: All respondents who had received their Green Deal Assessment Report (Assessment Survey Wave 1 = 285, Wave 2 = 258; Wave 3 = 210, Customer Journey Survey = 189)

Significant differences between waves are indicated by arrows ( )

The proportion of households with a measure installed broken down month when assessment was completed: There was no clear relationship between the length of time between assessment and interview and likelihood to have measures installed which may be linked to an increase in installations over Summer months.



- In waves 1 and 3 the proportion of households which had installed at least one recommended measure tailed off in the final month. This may be because households would not have had as much time to implement installations.
- However, this pattern was not observed in Wave 2, as there was not a decline in installations in June.
- This may be linked to an increase in installation activity in the summer months, with the highest proportions installing in July and August.

Base: All respondents except those Wave 1 respondents who did not receive their Green Deal Assessment Report (1,284).

Estimated numbers of households installing measures and intending to install

Estimated ranges

- 91,000 households (covered by the research) had had a Green Deal assessment between launch and October 2013*.
- Between 69,000 and 76,000 households (80%) had installed at least one measure, were in the process or definitely/probably intended to install a measure.
- This breaks down as follows:
  - 49,000 – 58,000 households (59%) had already installed at least one measure
  - 4,000 – 8,000 (6%) were in the process of installing a measure
  - 11,000 – 17,000 (15%) intended to install at least one measure

Payment type

Of those who had installed at least one measure

- 7,000 – 12,000 (18%) installed at least one measure which was fully or partially self-funded (example, paid for from savings, financed through bank loan or mortgage extension)**
- 28,000 – 36,000 (60%) had had at least one measure financed by a third party (for example landlord, Local Authority, Housing Association, Energy Company)
- 4,000 – 8,000 (11%) said they had used Green Deal Finance or Green Deal Cashback to pay towards the measures they had installed

Base: All respondents (Assessment Survey Wave 1 = 507; Wave 2 = 499; Wave 3 = 500, Customer Journey Survey = 439): Please see notes pages for details of grossing up methods employed.

Note that numbers of estimated ranges do not add up due to the methodology used. See the Assessments Research Technical report https://www.gov.uk/government/publications/green-deal-assessments-research-technical-report

Note also that percentages do not add up to 100 as households were able to choose more than one answer for payment method.

* This figure does not include Scottish assessments for waves 1 and 2, as a data sharing agreement had not been agreed at the time of fieldwork. This partly explains the different figure to the Official Statistics, but the rest is down to the research using lodgement date (see Page 5 of the Technical Report.)

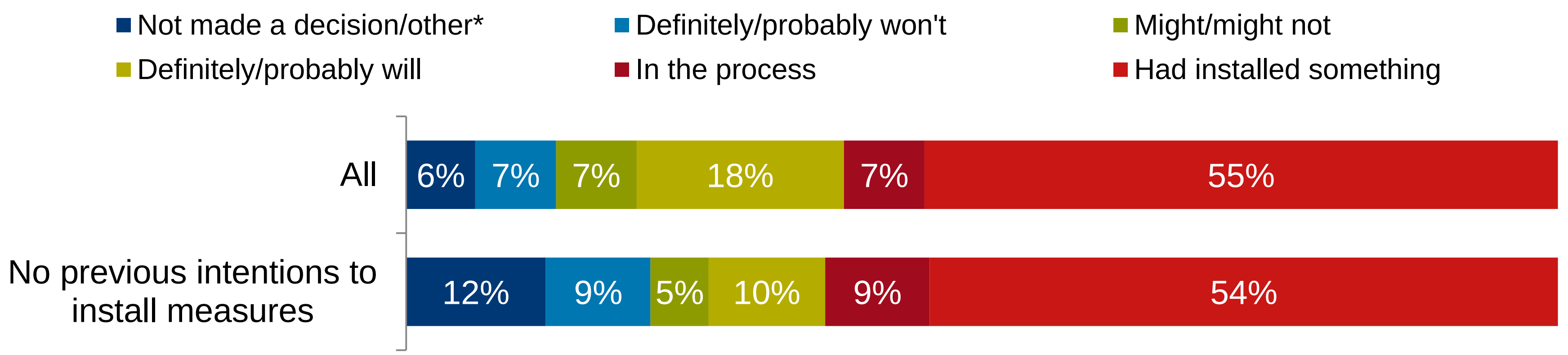
** This was households that full or partially funded the measure through savings, income or private finance. It is **not** the same as the figure shown in the Green Deal and ECO Official Statistics on 'measures installed outside the Green Deal framework' .

Were households thinking of making energy saving improvements before their assessment?

- Three quarters (77%) of households reported that they were already thinking about making energy saving home improvements prior to having their Green Deal assessment.
- Those who were most likely to say they had not considered making such improvements, and therefore potentially more likely to have been prompted to make improvements by the assessment included:
  - Tenants (42% vs 18% of owner-occupiers);
  - Households which had ECO funding (27% vs 19% of households which did not have ECO funding);
  - Households receiving means tested benefits (29% vs 17% of households not receiving benefits)

- Overall, those who said they were not already considering installing any of the prompted measures were no less likely to have had something installed.

Post-assessment actions and intentions: Total sample vs. those with no previous intentions to install



Base: All respondents except those Wave 1 respondents who did not receive their Green Deal Advice Report (1,284) / All who were not already thinking about installing energy saving measures (310).

- However, the data suggest that installations amongst this group were primarily driven by ECO funding; 66% of those who had something installed despite not previously considering installing anything had received ECO funding.

How are Green Deal assessments motivating households?

Findings suggest that Green Deal assessments have been most successful at motivating householders to install cavity wall insulation and loft insulation.

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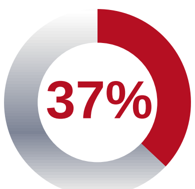
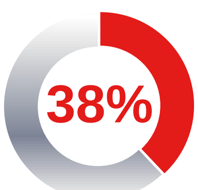
Overall, 22% of households which had had an improvement installed had not been thinking about making that improvement before they had their Green Deal assessment.

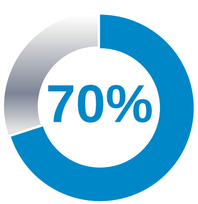
- 15% of households who had a **new boiler** installed had not been thinking about having it done before their Green Deal assessment.
- This equates to between 800 and 2,000 households motivated to have a new boiler installed by the Green Deal assessment.



- 37% of households who had **loft insulation** installed had not been thinking about having it done before their Green Deal assessment.
- This equates to between 6,000 and 8,000 households motivated to have loft insulation installed by the Green Deal assessment.



- 38% of households which had **cavity wall insulation** installed had not been thinking about making this improvement prior to having a Green Deal assessment.
- This equates to between 6,000 and 8,000 households motivated to have cavity wall insulation installed by the Green Deal assessment.



- The largest proportion (70%) of households which had **solid wall insulation** installed had not been considering this improvement before they had their Green Deal assessment.
- This equates to between 3,000 and 5,000 households motivated to have solid wall insulation installed by the Green Deal assessment.

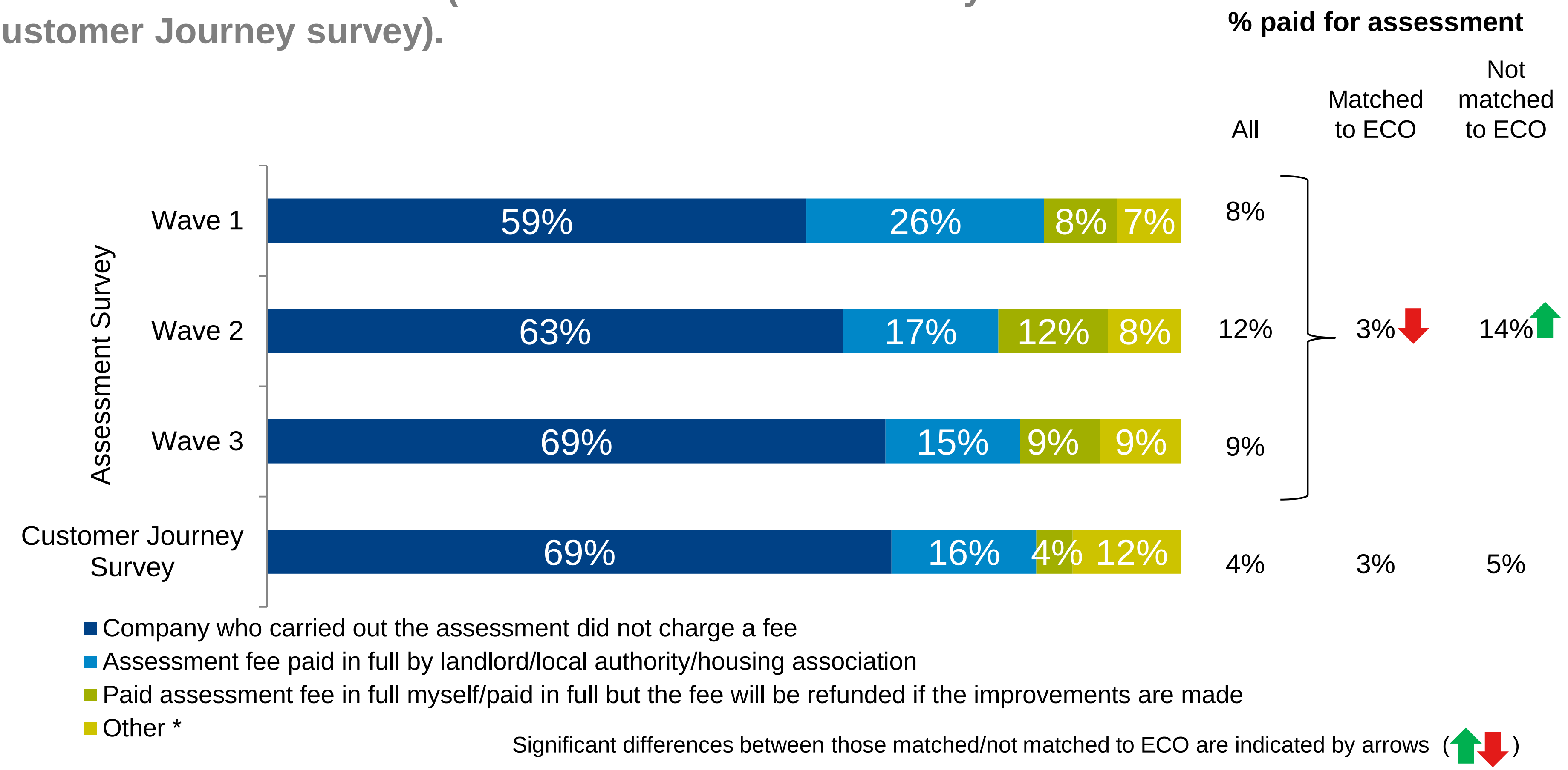
Base: All respondents except those Wave 1 respondents who did not receive their Green Deal Advice Report (1,284)
It should be noted that this finding should be treated as indicative as it does not show causation .

Assessment experience: new findings from the Green Deal Customer Journey research

Finding out about the assessment	• 41% of households having a Green Deal assessment found out about it through a direct approach (e.g. cold call, door to door sales), 35% through word of mouth, including 10% who found out from a Local Authority, Housing Association or Landlord and 7% through an Energy company • Those in households receiving ECO funding were more likely than others to find out from a direct approach (48% v 34% of households not receiving ECO funding)
Why had an assessment	• The main reasons given for having an assessment were to save money on energy bills (64%), to make their home warmer (47%) or because of concern about rising energy bills (38%) • 50% said that they had the assessment because it was free, and 21% said it was because they could help them to get improvements made for free or at a reduced price.
Booking the assessment	• While most assessment Customers had some input over when the assessment took place, only 5% found the Assessor themselves (others had the assessment arranged for them in some way) • Three quarters or more of customers who had any part in booking the assessment were satisfied with most aspects of it: how long they had to wait for the appointment, flexibility of appointment times and the availability of information about what to expect during the assessment.
During the assessment	**Length of assessment** • Most assessments lasted about an hour (or slightly more). However, 12% reported that theirs took less than 20 minutes to complete. Those in households receiving ECO funding tended to report shorter assessments: 22% said their assessment lasted more than an hour compared with 34% of households not receiving ECO funding. • Those whose assessments lasted for an hour or more were more likely to feel positively about all aspects of their assessment experience **Rating the assessment** • Three quarters or more of assessment customers felt that the assessment was useful in helping them to understand what they can do to make their home more energy efficient, and felt confident in the recommendations given by the Assessor. • 89% were satisfied with the professionalism of the Assessor, and 82% were satisfied with how thorough the assessment was. • Between 60% and 70% of customers said that the information they were given in the assessment was clear: this includes information about next steps, what the improvements entail, what improvements were recommended and the costs of the improvements (if any) • In general, customers in households receiving ECO funding were no less positive than other households about their assessment experience.

Base: All respondents in Customer Journey Survey (439): The Customer Journey Survey asked more detailed questions about the assessment experience than the Assessment Surveys, so results from the Assessment Surveys are not shown above.

Paying for an assessment: At all waves of all surveys one in eight or fewer of households paid for their assessment. Even amongst households who did not receive ECO funding, the proportions paying for their assessment were low (14% in the assessment survey and 5% in the Customer Journey survey).

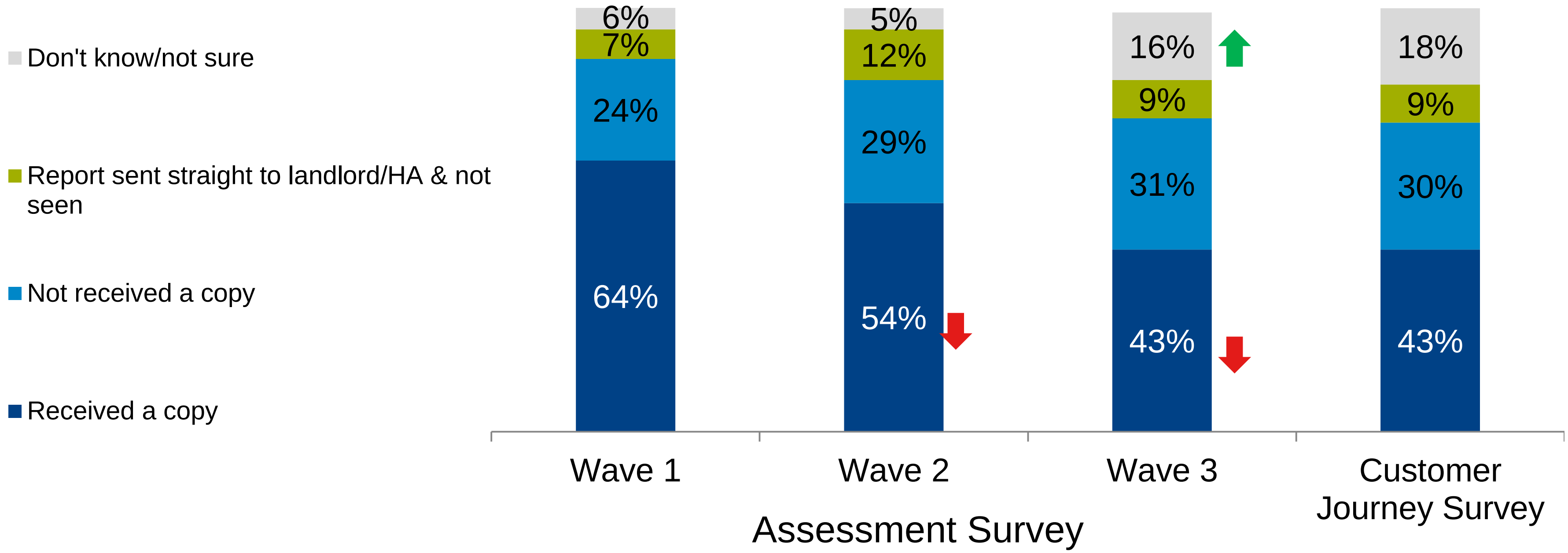


- Amongst those not matched to ECO, most said that the company who carried out the assessment did not charge a fee (58% in Assessment Surveys, 65% in Customer Journey survey), and around a fifth (19% Assessment Surveys, 16% Customer Journey surveys) said that the fee was paid by their landlord/local authority/housing association

Base: All respondents (Assessment Survey Wave 1 = 507; Wave 2 = 499; Wave 3 = 500, Customer Journey Survey = 439) Matched to ECO (assessment Survey = 706, Customer Journey Survey = 210), Not matched to ECO (assessment Survey = 800, Customer Journey Survey = 229)

* Other category includes those whose assessment was paid for partially themselves/partially by landlord/local authority, those who answered 'Don't know' and those giving 'Other' responses

Whether have received the Green Deal Advice Report: The proportion who had received their Green Deal Advice Report at the time of their interview declined from 64% at Wave 1 of the Assessment Surveys to 43% in the Customer Journey Survey.



- Across the Assessment Surveys, customers receiving ECO funding were less likely than others to have received their Green Deal Advice Report (41% of those receiving ECO funding v 61% of households not receiving ECO funding).
- In the Customer Journey survey, customers receiving ECO funding were *more* likely to have received their Green Deal Advice Report (50% of those receiving ECO funding v 37% of those not receiving ECO funding).
- The differences could potentially be explained by the Assessments Research using assessments over a three month period and the customer journey research using a one month period.

Base: All respondents (Assessment Survey Wave 2 = 499; Wave 3 = 500, Customer Journey Survey = 439) Matched to ECO (Assessment Survey = 706, Customer Journey Survey = 210), Not matched to ECO (Assessment Survey = 800, Customer Journey Survey = 229)

Significant differences between Waves/surveys are indicated by arrows ( )

Installation experience: Levels of satisfaction with all aspects of the installation were high, although around 1 in 10 said they were dissatisfied with how clean and tidy their property had been left. One in 5 had been contacted afterwards to check the quality of the installation and/or whether they were happy with the work done.

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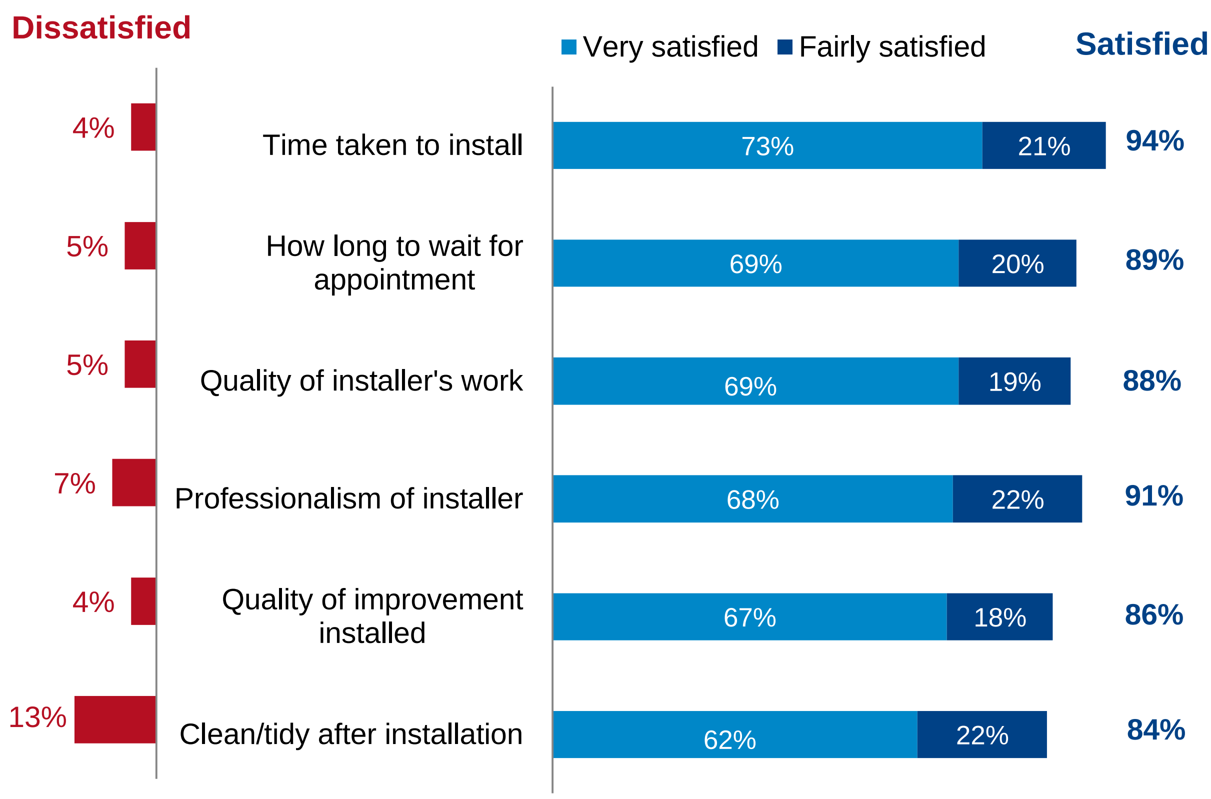
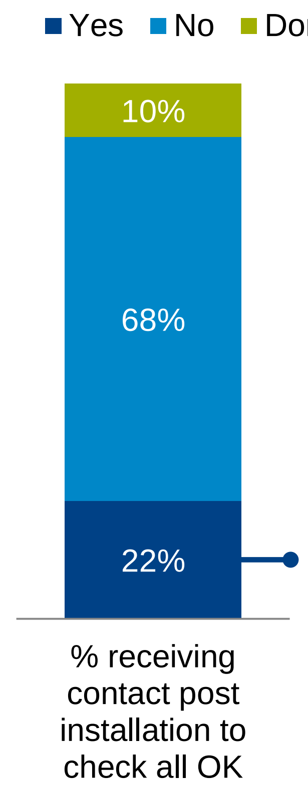
Satisfaction with aspects of the installation



Whether anyone got in touch post-installation to check quality of installation



- 14% said someone had been back to inspect the work
- 7% had received a telephone call
- 6% had received a letter
- 1% had been emailed

Base: All respondents in the customer journey survey who have had a measure installed by a company (195).

Word of mouth recommendation: High levels will recommend the measures installed and making energy saving home improvements in general to friends and family (more than 8 in 10 in both cases).

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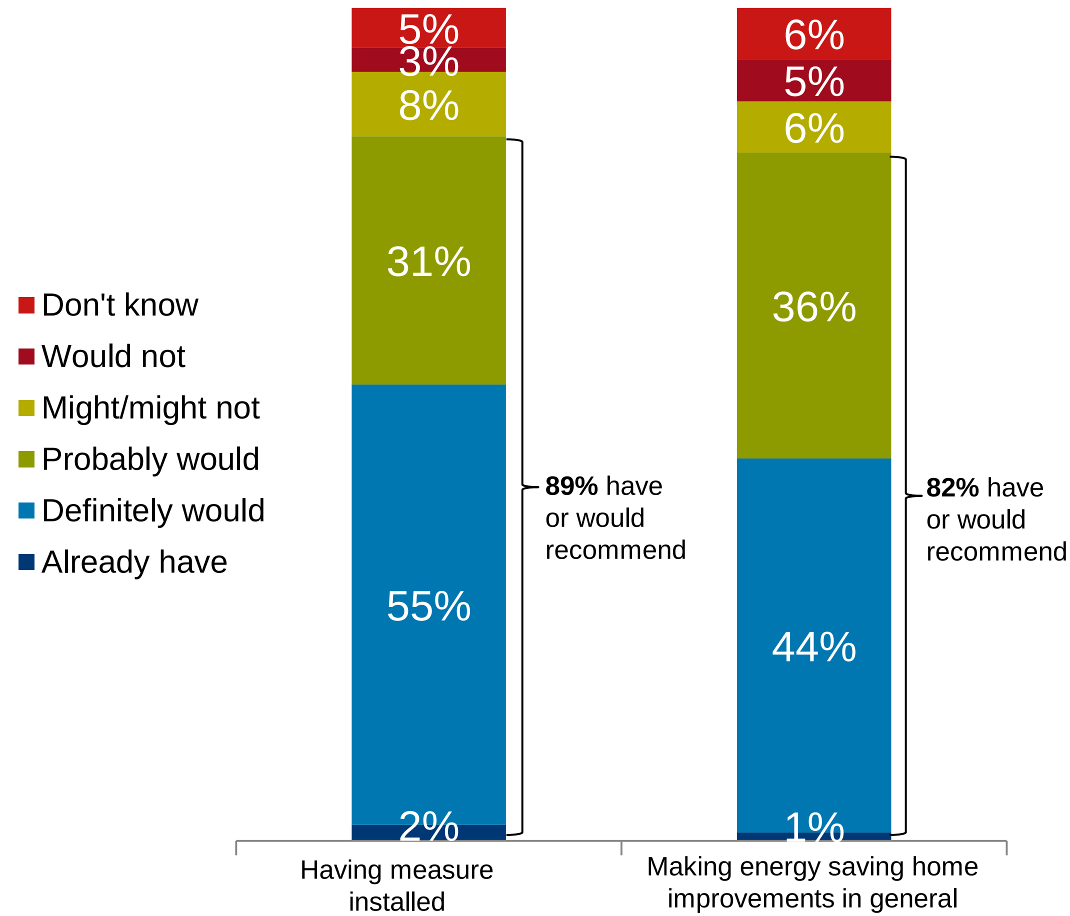
Whether would recommend having measures installed / making energy saving home improvements in general



Where households progressed to installation they were also more likely to offer word of mouth recommendations:

- 82% of those who had had an improvement installed said they would recommend making energy improvements in general. In comparison, 72% of those who were unlikely to install any measures said this.

Base: All respondents in the customer journey survey with measures installed (199) / All respondents in the customer journey survey (439).

Who is self-financing measures?

139 respondents had installed at least one measure which was fully or partially self-financed[1]

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Profile	Self-financing households were more likely than average to be: • Owner occupiers (98% v 76% average), living in a house/bungalow (98% v 87% average) • Living in a household with someone aged 70+ (24% v 16% average) and but less likely to be living with children (23% v 33% average) • Living in mixed/suburban areas (42% v 28% average) and less likely to be living in urban areas (50% v 63% average)
Why had an assessment	They were more likely to have found out about assessments through advertising (10% v 5% average) or news (12% v 6% average), and less likely through cold calling (14% v 24% average) or landlord (2% v 13% average). They were more likely to say they had the assessment to find out how to make their home more energy efficient (48% v 42% average), or because of the availability of Green Deal Finance (35% v 13% average) or Cashback (27% v 16% average). They were also more likely than average to have been thinking of having measures installed before the assessment (90% v 68% average)
assessment experience	They were more likely to have paid for the assessment themselves (29% v 10% average) and to have received their Green Deal Advice Report (71% v 52% average). Their reported assessment experience was very similar to the average in terms of clarity, satisfaction and likelihood to recommend to friends/family.
Installed measures	• 102 installed a new boiler • 33 installed loft insulation • 19 installed solid wall insulation • 11 installed cavity wall insulation • 4 installed floor insulation They were more likely to shop around for installers: • 23% got more than one quote for the work (v 8% average) • 60% had the work done by the company that did the assessment or one recommended by them (v 72% average)
Paying for measures	• Most paid for the installation from regular income/savings (65%): 19% from a loan through the installer 6% from a personal loan, 1% from mortgage extension, 10% other finance • 20% also paid for installation using Green Deal Cashback and 4% used Green Deal Finance • There was also some blending with third party payment: 5% said the installation was also paid for by the Energy Company, 4% by Local Authority, 1% by landlord

Base: All respondents in Assessment Survey Waves 1-3 who self-financed at least one measure (139) Average = all in Assessment Survey Waves 1-3 (1,506):

[1] Self financed = partly or fully funded from regular income/savings, financed with loan , mortgage extension or other finance.

Key differences by measures installed

Profile	• 94% of households which had a new boiler installed were owner-occupiers, the proportion of owner-occupiers was lower amongst those who had installed solid wall insulation (76%), cavity wall insulation (80%) and loft insulation (80%). • 40% of households which had solid wall insulation installed had an EPC rating from E-G (vs. 30% of households which had loft insulation, 27% of households which had cavity wall insulation and 23% of households which had a new boiler installed).
Why had an assessment	While all households were primarily motivated by opportunity to save money on energy bills those households which had a new boiler installed had **markedly different motivations**: • 49% said the assessment was recommended by their energy company (just 10% of those who had either solid wall or cavity wall insulation installed mentioned this). • 38% were motivated by the availability of Green Deal cashback (mentioned by just 3% of those who had cavity wall insulation, 9% of those with loft insulation and 10% of those with solid wall insulation). • 27% had an assessment to enable them to pay using Green Deal finance/cashback (less than 10% of those who had another measure installed mentioned this).
Assessment experience	• Households which had a new boiler installed were most likely to express dissatisfaction with the assessment, with the proportion dissatisfied being 17% (vs 8% of those who had loft insulation and 9% of those who had cavity wall insulation installed). • However, 80% of those same households said they would recommend having an assessment to friends and family. Recommendations were highest amongst those who had cavity wall insulation installed (88%).
Paying for measures	• The majority of those who had loft (76%), cavity wall (81%) or solid wall insulation (87%) received ECO funding - just 6% of households which had a new boiler received this. • 71% of households which had a new boiler installed self-financed.

Base: All in properties which have installed loft insulation (266), Cavity wall insulation (253), Solid wall insulation (114) or a new boiler (119).