

Marketing green heating and insulation products

**Consumer law
compliance advice for
businesses**

Draft for consultation

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1. Introduction

Overview and Scope

- 1.1 The Competition and Markets Authority (CMA) is the UK's principal competition and consumer protection authority. We help people, businesses and the UK economy by promoting competitive markets and tackling unfair behaviour.
- 1.2 The CMA has powers to tackle practices and market conditions that harm consumers and hinder their decision making. The CMA uses its consumer protection law powers to protect consumers from unfair business practices and unfair contract terms. The CMA can go to court to enforce consumer protection law.¹ As part of its role, the CMA also produces guidance for businesses to clarify their legal obligations and promote compliance.
- 1.3 This compliance advice, made up of a set of key principles, aims to help businesses understand and fulfil their obligations under consumer protection law when marketing green heating and insulation products for people to use in their home.² These products include solar PV, solar thermal, heat pumps (both air source and ground source), biomass boilers and home insulation (covering all types including cavity wall, loft, underfloor and roof insulation).³
- 1.4 The advice draws on the findings of the CMA's review into consumer protection in the green heating and insulation sector, as set out in our [report](#). We found evidence of several business practices that could potentially mislead consumers. In particular we identified concerns about potentially misleading:

¹ The UK Government, through the Digital Markets, Competition and Consumer (DMCC) Bill, is seeking to give the CMA powers in the future to determine whether consumer law breaches have occurred.

² This compliance advice sets out principles businesses should adopt to make it more likely they stay on the right side of the law. It is not a definitive statement of the law or a replacement for businesses getting their own legal advice. You can find advice about compliance with other aspects of consumer protection law [here](#) and on the [Business Companion](#) website.

³ This compliance advice also applies to businesses which market boilers as being able to run with hydrogen gas (eg as 'hydrogen-blend ready' or similar). The CMA is [currently investigating](#) Worcester Bosch's marketing of its 'hydrogen-blend ready' boilers and has also written to several other traders warning them that such practices may breach consumer protection law. The CMA may issue separate guidance on these practices in future.

- 1. Headline price information, including how some businesses advertise access to government funding; and**
- 2. Claims that some businesses make on their website and other marketing channels about their products/services.**

Who is this advice for?

- 1.5 The principles set out in this document apply to all businesses which market, sell, design, install, service or maintain green heating and/or insulation products for UK consumers to use in their home. This includes lead generation companies and marketing firms that advertise green heating and/or insulation products to consumers on behalf of other businesses. It applies equally to businesses that are based outside of the UK but are conducting such activities in the UK or which are aimed at UK consumers.
- 1.6 The principles are also relevant to: (a) standards bodies which set and/or monitor business compliance with quality and consumer protection standards in this sector - this includes certification schemes, registration schemes and CTSI-approved Consumer Codes; and (b) other enforcers of consumer protection law, consumer advisers, and representative bodies of businesses in the sector.
- 1.7 This advice applies to practices on any marketing channel including websites, on social media, in online adverts (such as sponsored ads), posters, and sales brochures.
- 1.8 Throughout this advice we use the term 'products' to refer to goods and services in a wide sense – this includes any services associated with marketing, selling, design, installation, servicing or maintenance of products.

What are your legal obligations?

Protecting consumers

- 1.9 Consumers are legally entitled to be provided with information that is truthful, accurate and relevant to enable them to make well-informed choices about products.
- 1.10 If consumers are misled, or are unclear, about any aspect of products they are thinking of buying – including their price, features and/or environmental credentials – they cannot make those informed choices. Confident, well-informed consumers who trust businesses are more likely to make better purchasing decisions which meet their expectations and deliver for their needs.

It's your legal responsibility

You are responsible for ensuring that your practices, and those of anyone acting on your behalf - such as marketing agencies and lead generators - comply with consumer protection law. That applies whether you sell directly to consumers or promote your products for consumers and someone else sells them.

As part of complying with consumer protection law, you must ensure that you do not breach the prohibitions against misleading commercial practices contained in the Consumer Protection from Unfair Trading Regulations 2008 (CPRs).^{4,5}

- 1.11 Presenting false or deceptive information about a product,⁶ including the price, is likely to be a misleading action if it results in a consumer taking (or being likely to take) a decision that they otherwise would not have. That includes where the information is factually accurate but could nonetheless

⁴ There are other consumer protection laws that you need to comply with, including in relation to your contract terms, the provision of pre-contract information and cancellation rights for consumers.

⁵ This advice reflects our interpretation of the Consumer Protection from Unfair Trading Regulations 2008 (CPRs). The DMCC Bill currently before Parliament, will, once enacted, replace the CPRs (which will be repealed). The DMCC Bill contains the same prohibitions against unfair and misleading commercial practices as are currently contained in the CPRs. We do not therefore expect that the DMCC Bill coming into force will have any impact on the substance of this advice.

⁶ This can include any representations which appear, or are implied, in your company's name and/or your trading name(s), as well as information and/or claims made elsewhere in your marketing.

deceive the average consumer (for example, because of how the information is presented and the impression it creates).

- 1.12 Omitting or hiding information that consumers need to make informed choices, or presenting it in an unclear, unintelligible, ambiguous or untimely way,⁷ may be a misleading omission.
- 1.13 It is important that you consider the circumstances in which people make decisions. Consumers may be unfamiliar with terms and information relating to green heating and insulation products, and this could be an important consideration when assessing whether your marketing complies with consumer protection law.
- 1.14 Breaching the CPRs (or other consumer protection laws) could result in you being subject to enforcement action by the CMA or other bodies which enforce consumer protection law, such as local authority Trading Standards Services. Enforcers can bring court proceedings to stop infringements and seek compensation on behalf of consumers as well as criminal prosecutions. The Advertising Standards Authority (ASA) can also take action against misleading advertisements that contravene its Codes (see below).

Other relevant guidance

- 1.15 As well as familiarising yourself with this compliance advice, you should consider other relevant guidance, including:
- Our [Green Claims Code](#) which sets out what businesses need to do when making specific claims that a product or service has an environmental benefit, and is based on the rules for consumer protection set out in the CPRs.
 - Our [advice for businesses who use customer reviews in their online marketing](#), which sets out that businesses must ensure that they have appropriate systems and processes in place to check that any customer

⁷ For example, too late in the sales process.

reviews or testimonials they publish about their products are genuine. If any reviews or testimonials you commission or publish mislead consumers, you may be breaking consumer protection law.

- The ASA administers the [Code of Non-broadcast Advertising and Direct and Promotional Marketing](#) (the CAP) and the [Code of Broadcast Advertising](#) (BCAP) which together cover claims you make on your website, social media and other marketing channels, as well as advertisements on radio and television services. The ASA can take action against your business to remove or change your claims, if you breach its rules.⁸

1.16 This is a non-exhaustive list - there may be other relevant general or sector-specific guidance you need to consider. The principles in this advice are, in the CMA's view, consistent with your obligations under consumer protection law, the Green Claims Code and ASA CAP/BCAP.

1.17 At present, only a court can determine whether a business has infringed consumer protection law. The UK government, through the Digital Markets, Competition and Consumers (DMCC) Bill, is seeking to give the CMA powers to determine whether breaches have occurred and to issue fines.

What does it mean in practice?

1.18 As well as setting out compliance principles, in this advice we also provide examples of how these principles can be applied to different marketing claims by green heating and insulation businesses. The examples, which are based on our analysis of marketing in the sector, relate to headline prices and product claims that might mislead consumers and are inconsistent with the principles in this advice. These examples are illustrative and non-exhaustive – similar practices to those highlighted may breach consumer protection law.

1.19 For each example, we explain why the headline price or claim could potentially be misleading. Some examples include several potentially

⁸ Businesses should also make sure they comply with the Chartered Trading Standards Institute's [Guidance for Traders on Pricing Practices](#) to ensure that their price promotions are not misleading.

misleading practices – where this is the case, we draw attention to one or two specific practices only to highlight why they could be problematic.

What do you need to do?

1.20 You should:

- read this compliance advice;
- review how you present information about green heating and insulation product(s) in your marketing; and
- make any changes that may be needed to ensure that you are complying with the CPRs and other consumer protection law. This may require, for example, changing how you present prices, amending or removing existing claims in your marketing, and/or ensuring that claims are substantiated by supporting evidence.

1.21 If in doubt, you should consider seeking independent legal advice on the interpretation and application of consumer protection law to your practices. You can also speak to your local Trading Standards Service. If you are a member of a CTSI-approved Consumer Code, such as HIES or RECC, they may also be able to provide you with advice.

1.22 The ASA can also provide free pre-publication advice about whether any non-broadcast advertising is likely to comply with the CAP Code. You can contact the team via [CAP's website](#).⁹

⁹ For advice on TV or radio advertising you should contact [Clearcast](#) or [Radiocentre](#) respectively. Any copy advice is not binding on the ASA or CAP, and advisors do not give legal advice.

2. Presenting price information

- 2.1 The prices that consumers see should be accurate and give a realistic indication of what they are likely to pay for your product(s). Any headline price must be truthful and clear to consumers.
- 2.2 While in this sector a detailed estimate and final price can usually only be offered following assessment of a property,¹⁰ you should clearly display a meaningful headline price¹¹ on your website and in other marketing channels to help consumers compare options, assess affordability and inform their decision-making.
- 2.3 You are more likely to provide a meaningful headline price and to stay on the right side of the law when presenting price information about green heating and insulation products if you follow these principles:

- A. Accurate.**
- B. Comprehensive.**
- C. Transparent.**
- D. Clear.**
- E. Post-purchase.**
- F. Access to government funding.**
- G. Bundled goods/services.**

- A. Accurate:** Your headline price should be a realistic indication of what people are likely to pay and include all mandatory fees and charges, including VAT (where applicable). It must also cover any inescapable costs associated with your product(s) – such as those which are necessary for delivery and installation.

¹⁰ Different factors affect the total price a consumer will pay for green heating and insulation including, but not limited to, the size and location of the property.

¹¹ By headline price we mean the upfront price **first displayed to consumers** on your website or other marketing, which covers the indicative cost of your product(s). This is different to a detailed estimate which would be given to a consumer after assessing their property and individual circumstances.

You should make it clear alongside your headline price what mandatory fees and charges you have included.

- B. Comprehensive:** Enabling works, other products and/or interventions may be required for the installation of a green heating and insulation product and/or to make it function effectively. For example, new thermal controls or radiators may need to be installed alongside an air source heat pump.

While these might be 'optional' in the sense that they will not necessarily be required for every customer, you should include these charges in your headline price if it is reasonably foreseeable that most consumers will pay them (for example scaffolding to install solar PV/solar thermal panels).

If you offer additional products or services which are genuinely optional, you should display clear and accurate price information about these, as close to your headline price as possible. If there are genuine space limitations in your online marketing, this information should be no more than one click away from your headline price.

- C. Transparent:** The headline price should also be transparent.

You must not mislead a consumer about the likely cost. For example, by using a deceptively low headline price to attract consumers or including the value of government funding¹² within your headline price, as funding is subject to eligibility requirements. (See also below principle F: Access to government funding.)

If you use a 'from' price, it should be a realistic indication of what people will pay. It should reflect what, at least, a significant proportion of your customers are likely to pay for your product(s). You are more likely to find

¹² We use the term 'government funding' to describe all types of financial support for households that may be provided by UK government and/or the devolved administrations to install green heating and insulation products including grants, loans and subsidies.

yourself on the right side of the law if the price reflects what most consumers are likely to pay.

- D. Clear:** Any important qualifications should be presented clearly and prominently, as close to the headline price as possible, so that a consumer can easily see them. This might include assumptions about the product size and model. For example, the headline price of an air source heat pump might reference the assumed capacity (in kW) and manufacturer.

It is important that you make clear upfront that the headline price is indicative and subject to change, and that a detailed estimate/quote, including finalised costs of the product, installation and any specified enabling works/interventions, will be provided following an assessment of the consumer's property and their circumstances.

- E. Post-purchase:** You should inform consumers if they will likely incur further costs after buying a product as an inherent consequence of owning and using it. They need that information so that they are aware of the potential ongoing cost implications and can factor this into their affordability assessment. You should clearly explain this alongside your headline price. This could include, for example, servicing and ongoing maintenance, as well as running costs, such as the cost of buying renewable pellets for a biomass boiler.
- F. Access to government funding:** Some consumers may be eligible for government funding to install green heating and insulation products. How you present information about access to such funding could significantly influence a consumer's assessment of the affordability of your products. You should therefore:
- Be clear that access to funding is subject to the consumer meeting the eligibility criteria. Don't give the impression that a consumer is automatically eligible.

- Signpost consumers to information from the source of the funding - such as a government website - where they can see the eligibility criteria and details of any required application process. It's your responsibility to ensure that information about government funding on your website and other marketing channels is up to date and accurate.
- Be clear about how the funding works – that might mean informing consumers if they have to make a financial contribution, depending on the nature of the scheme. Don't advertise a product as 'free' if it isn't.
- Avoid statements which imply that a consumer will be given a specific monetary value or cash from a funding scheme if this isn't the case.
- Similarly, avoid statements which give the impression that a particular funding scheme is widely available if it has very specific, or limited, eligibility criteria.

G. Bundling of products and services: If you provide green heating and/or insulation product(s) along with other products or services in a single package i.e., 'a bundle', you should clearly set out the individual price of aspects of the bundle. This includes any subscription services which may be included as part of the bundle. This will help to support consumers' understanding of the affordability of the package and to compare options across businesses.

3. Presenting price information – illustrative examples

1. Lack of transparency

3.1 A business which sells air source heat pumps uses the following online ad:



Why could this price claim mislead?

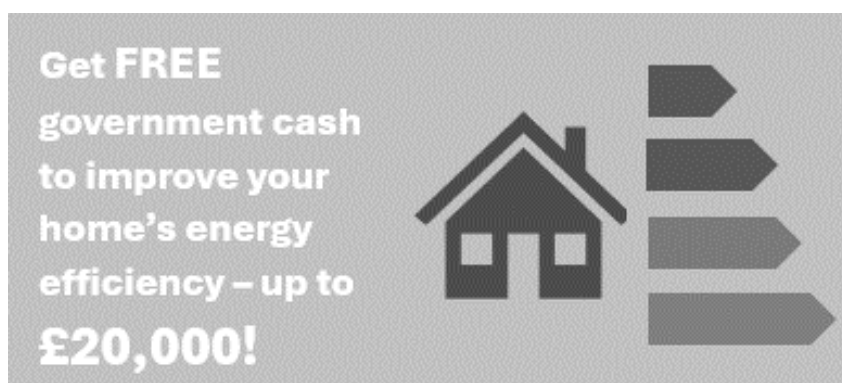
3.2 A consumer is likely to interpret this as meaning that £3,000 is the amount they will have to pay for the product.

3.3 This is likely to be misleading because:

- The business has included the value of a government grant which lowers the headline price and therefore gives a misleading impression about the cost of the product. The actual cost to a consumer may be higher if they are ineligible for the government grant. **[Application of Principle C]**
- It gives the impression that the consumer is automatically eligible for the government grant, when in fact access is likely subject to the consumer meeting the eligibility criteria. **[Application of Principle F]**
- The reference to a grant is not clearly and prominently displayed for the consumer. Key details, such as the name of the grant, potential amount of funding and eligibility criteria, are omitted. **[Application of Principle F]**
- It is unclear whether this headline price includes mandatory costs such as the cost of installation, or enabling works which most consumers require for the installation of the air source heat pump. **[Application of Principles A and B]**

2. Access to government funding

3.4 A business which sells cavity wall and loft insulation makes the following claim:



Why could this price claim mislead?

3.5 This is likely to give a consumer the impression that they will automatically receive a significant sum of money (up to £20,000) to help pay for energy efficiency measures.

3.6 This is likely to be misleading because:

- The business has advertised the maximum amount of funding which is available and has presented this in a way which suggests that everyone is entitled to get this amount, which may not be the case. **[Application of Principle F]**
- The business has failed to disclose important details about the available funding, such as the name of the scheme, any eligibility criteria and application process. **[Application of Principle F]**

3. Limited price information

3.7 A solar PV business includes the following price claim on its website:



Why could this price claim mislead?

3.8 This is likely to give a consumer the impression that they will be able to install a solar PV and battery system for a cost of around £5,000 and that this would cover all aspects of the installation.

3.9 This is likely to be misleading because:

- Important details such as the assumed capacity and model of the solar PV system and battery, the size of the roof (impacting number of panels) are not disclosed. These are likely to impact the headline price, possibly substantially. **[Application of Principle D]**
- The term 'Fully installed' is unclear - the business has not explained what aspects of its service are included and what, if any, it has omitted or if there are certain conditions that need to be met. For example, it is not clear whether the business has included the costs of scaffolding to support the installation. There is clear potential to mislead consumers if the headline price stated does not reflect the costs that at least a significant proportion of consumers will have to pay for the business's products. **[Application of Principles B and C]**

4. Making product claims

4.1 Product claims and information are an important way of telling consumers about your products and can help consumers to make informed choices. They can play a particularly important role in this sector where consumers may be less familiar with some green heating and insulation products. Your claims must comply with consumer protection law, which includes not misleading consumers.

4.2 You are more likely to stay on the right side of the law when making claims about green heating and insulation products if you follow these principles:

- A. Have evidence – if you can't back it up, don't say it.**
- B. Explain everything the consumer needs to know.**
- C. Be careful when using 'up to' claims – consider if it is appropriate.**
- D. Be realistic, representative and don't exaggerate benefits.**
- E. Choose your words carefully.**

A. Have evidence – if you can't back it up, don't say it.

In practice this means that:

- All your claims must be truthful and accurate, and they must not create a false impression even if they are true.
- You should have documentary evidence to substantiate a claim before you make it. This evidence should be up to date - for example, reflecting changes in the product/technology and/or recent performance data.
- Your evidence should be specific and relevant to your customers and product(s). For example, you must not rely on evidence for a product's performance in commercial settings if you are selling it for household use.
- You should use credible sources of information, facts and figures as evidence for your claims, not guesses or 'guesstimates'. This might include evidence from independent sources or data which is verified by experts.

- Where available, you should always draw on your own data in addition to independent evidence sources to substantiate your claims.

B. Explain everything the consumer needs to know.

In practice this means that:

- Your claims must be clear and comprehensive and must not omit important information which the consumer needs to know to understand your claim and to make an informed decision. Claims can mislead because of what is not said, or not said clearly.
- You must present qualifying information clearly and prominently, as close to the claim as possible. Qualifying information is anything which might affect a consumer's understanding of a claim such as calculation assumptions, caveats or conditions for product performance. Qualifying information helps consumers understand how the claim relates to their individual circumstances.
- You must not use qualifying information to correct a misleading claim: if your claim is likely to deceive people, you can't rely on qualifying information elsewhere in your marketing material to explain the truth.
- Your qualifying information should clearly reference the evidence sources you are using to back up your claim, including whether you have used your own customer/product data, information from a third party or a combination.
- Showing and explaining your calculations in a clear, accurate and simple way is important – particularly if you claim that a consumer might achieve a specific outcome, for example a savings or efficiency figure.
- Think carefully about your marketing channel. If space is limited, for example in a social media ad, and you can't show important qualifying information, the best approach is to change the claim or not to make it at all.
- Your claims should reflect the overall impact to the consumer of buying your product - don't be selective in what you tell consumers.

C. Be careful when using ‘up to’ claims – consider if it is appropriate.

In practice this means that:

- If you use an ‘up to’ claim, it should reflect what consumers are likely to achieve. You are more likely to find yourself on the right side of the law if the claim is representative of what most of your customers are likely to experience.
- You should avoid using ‘up to’ in your claims, unless you have credible evidence that at least a significant proportion of consumers will have a good chance of achieving the stated outcome and that it reflects the range of factors which impact product performance (for example, the size of the property the product is installed in).
- Promoting the minimum outcome is likely to be more appropriate.

D. Be realistic and representative.

In practice this means that:

- Your claims should be based on ‘real-world’ conditions for most consumers and/or, where appropriate, your customers. You should not make claims based on very specific or limited circumstances, such as testing in lab conditions or performance in other countries.
- Comparisons must be reasonable, fair and transparent. You should only make ‘like-for-like’ comparisons, i.e., compare products which meet the same need or are intended for the same purpose. You must apply similar assumptions about use and performance between products in your comparison.
- If you make a comparison which identifies a competitor, or its products, you must include sufficient information to allow a consumer to check the comparative claim for themselves and/or signpost them to where they can see the basis for the claim.

- If a claim can only be achieved through a change in consumer behaviour, then you should make this clear upfront and explain what the change is.

E. Choose your words carefully.

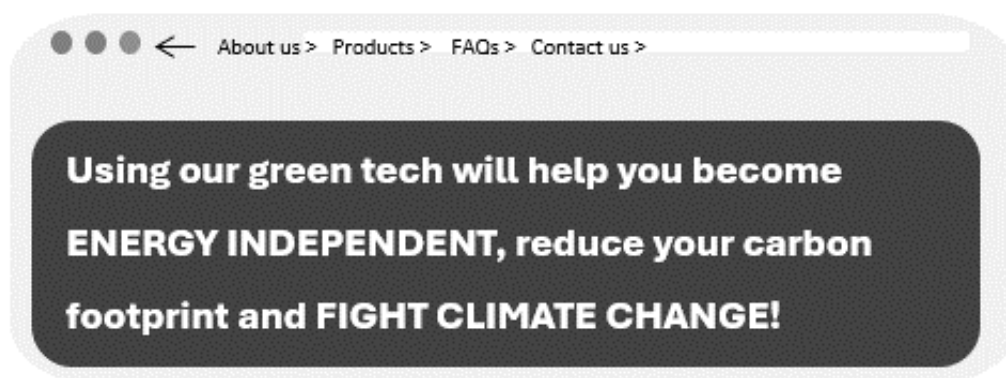
In practice this means that:

- You should avoid words and statements that oversell the potential benefits. Don't suggest certainty of an outcome if a consumer might not achieve the claimed benefit or if it is dependent on other conditions being met.
- You should ensure that any company or trading names you use do not create a misleading impression about the benefits of your products. You should also be mindful of the colours, images and logos you present alongside your claim - these should not exaggerate the potential benefit to the consumer.
- Be specific. Avoid sweeping terms and making broad claims in the form of slogans, taglines, and headlines.
- Use simple, easy to understand language. Don't use jargon and acronyms which could confuse or are hard to understand.
- You should avoid presenting overly technical information which can be confusing and difficult to understand. Clearly explain terms or phrases that people are unlikely to be familiar with and present any necessary technical information as simply as possible.
- Your claims and how you show qualifying information should be consistent across your marketing material/marketing channels – for example in terms of language used and evidence sources.

5. Making product claims – illustrative examples

1. Broad generic claims

5.1 A business which sells solar PV and insulation makes the following claim:



Why could this claim mislead?

5.2 It is likely to give a consumer the impression that if they buy one of the business's products it will have several environmental benefits and they won't have to consume energy from other sources (or their need to do this would be reduced).

5.3 This is likely to be misleading because:

- The claim includes statements which are broad and sweeping in nature. It appears to guarantee the environmental benefits, without qualification. The precise benefits of any 'green technology' will vary depending on the product and lots of other factors, none of which are referenced.

[Application of Principle E]

- It is not clear whether the business has evidence to back up its claims nor has the business provided any qualifying information. The claims are nevertheless presented as proven fact, which runs the risk of consumers being misled. **[Application of Principles A and B]**

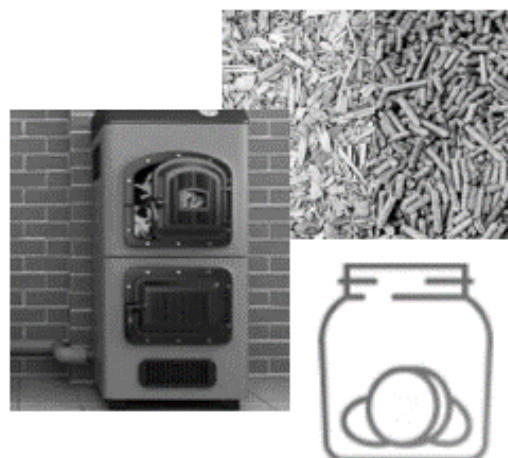
2. Exaggerated language

5.4 A business which sells biomass boilers claims that:

GO GREEN!

SLASH your carbon footprint and DRASTICALLY cut your bills with one of our biomass boilers!

You can keep warm using wood chips and pellets!



Why could this claim mislead?

5.5 A consumer is likely to interpret this claim as meaning they will be able to achieve a very significant reduction in their carbon footprint and energy bills after buying one of the advertised biomass boilers.

5.6 This is likely to be misleading because:

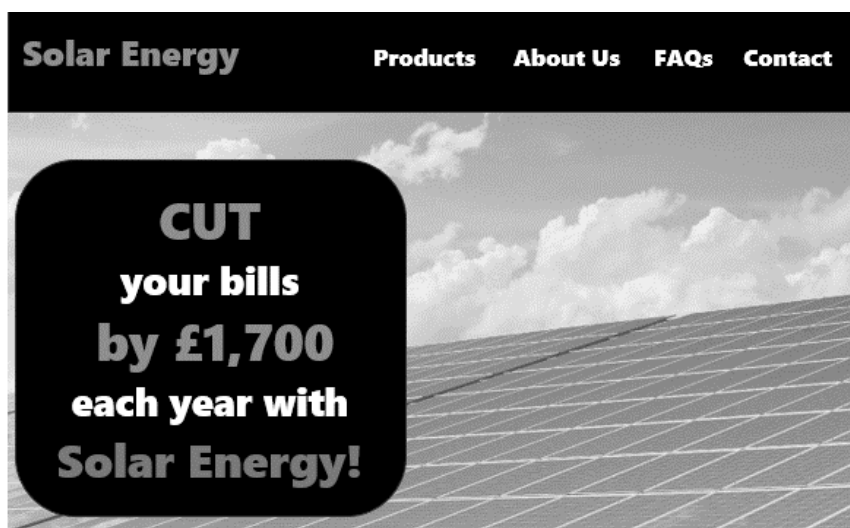
- The environmental or economic benefit a consumer might derive from a biomass boiler (or any green heating and insulation product), and how quickly, can vary significantly. It is impacted by a range of factors including property size, location and age as well as an individual's energy consumption. No qualifying information is provided to explain this.

[Application of Principle B]

- The terminology gives the misleading impression that a consumer will definitely realise the benefits advertised; words like 'slash' and 'drastically' could also exaggerate the potential scale of any benefits. **[Application of Principle E]**

3. Cost saving claims

5.7 A solar PV and solar thermal business claims:



Why could this claim mislead?

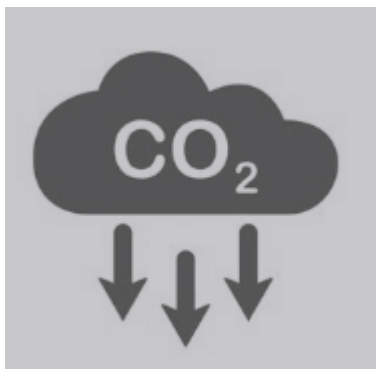
5.8 This claim gives the impression that all customers will enjoy a specific, large annual saving on their bills if they buy solar panels from the business.

5.9 This is likely to be misleading because:

- Unless most, if not all, of the business's customers have reduced their bills by the specified amount each year, the claim is unlikely to reflect the savings that a consumer will receive in practice. **[Application of Principle D]**
- No qualifying information is provided to help a consumer understand the claim, such as key calculation assumptions or the range of factors which can affect bill savings (like size of the solar system, electricity prices and energy consumption). Instead, the saving is presented as a guaranteed outcome the consumer will achieve. **[Application of Principle B]**

4. Carbon reduction claims

5.10 A business that sells solar PV and batteries claims that:



A typical home solar PV system could save over a tonne of CO₂ per year – approximately 30 tonnes over its lifetime!!

Why could this claim mislead?

5.11 Consumers are likely to interpret this claim as meaning that the business's solar PV panels will reduce their carbon footprint by over a tonne of CO₂ every year for around 30 years – i.e. they will deliver a significant environmental benefit over several decades.




5.12 This is likely to be misleading because:

- The claim suggests that the saving is one that will usually, or typically, be achieved. However, there are many variables which affect the carbon savings a household may achieve with solar PV and future savings cannot be predicted with certainty. They will be affected by factors including a consumer's energy consumption as well as the long-term performance and efficiency of the panels, which will likely deteriorate over time. The business has not clearly set out these important caveats and the statements of savings may well not be realistic and representative. **[Application of Principles B and D]**
- The claim is presented as if it makes proven statements of fact. At best, it is unclear whether the business has evidence to substantiate its claim that over a tonne of CO₂ could be saved each year – no evidence sources are referenced or displayed. Nor is it explained what is meant by a 'typical home solar PV system'. **[Application of Principles A and E]**

5. Efficiency claims

5.13 A business that sells heat pumps claims that:

Why choose an Air Source Heat Pump?

	Our heat pumps are 500% efficient with a co-efficiency of performance of 5.
<hr/> 	So, for every £1 you spend on electricity kW's you get £5 worth of heat kW's!
<hr/> 	They keep you warm AND save you cash!

Why could this claim mislead?

5.14 A consumer is likely to interpret this claim as meaning that if they buy one of the business's heat pumps it will be '500% efficient' and this will reduce their energy bills.

5.15 This is likely to be misleading because:

- The results are presented as being those the consumer will achieve. It is unclear, however, whether the claimed co-efficiency of performance (COP) is based on evidence from the business's own customers or if it reflects testing conducted by the manufacturer. The performance of a heat pump in a consumer's home can differ from what's recorded in laboratory tests.

The claimed efficiency benefit will be misleading where it does not reflect the product's use in real-world conditions and is not representative of what most, if not all, consumers experience in practice. **[Application of**

Principle D]

- The business has failed to clearly and simply explain the technical terms COP and kW which could be confusing for consumers. **[Application of Principle E]**
- It is unclear how the reported efficiency performance of the heat pump relates to cost savings. **[Application of Principle B]**

6. Thermal performance claims

5.16 A business which sells insulation products makes the following claim:



Why could this claim mislead?

5.17 This claim could give a consumer the impression that loft insulation will reduce heat loss from their home substantially, leading to cost savings and better comfort.

5.18 This is likely to be misleading because:

- There is a direct statement that the consumer can 'Reduce heat loss by 90%,' suggesting that is what they will achieve. However, property characteristics including size, age and pre-existing energy efficiency measures will affect the extent of heat loss. No qualifying information is presented for the consumer to explain this, nor is it necessarily realistic and representative of the benefit most consumers will get. **[Application of Principles B and E]**
- The claim is not specific. Heat can escape a property in different ways including via the roof, walls, floors, doors and windows. It is unclear whether the business is claiming that the product will reduce heat loss from a consumer's property overall by 90%, or only through the roof. It suggests the former, which may not be true. **[Application of Principle E]**

7. Running cost comparisons


5.19 A business selling air source heat pumps claims that:

Green Heating
Products.com

Home Finance Contact Us

Key Benefits of Air Source Heat Pumps

Save Money



Because Air Source Heat Pumps use outside air to heat your home, they are far more cost-effective than running a traditional boiler. By using an ASHP you could save £1,335 off your bills!!

Why could this claim mislead?

5.20 A consumer is likely to interpret this claim as meaning that they are guaranteed to save money on their energy bills if they switch from a gas boiler to an air source heat pump, and that this would likely be a significant amount (i.e., that £1,335 is a typical saving most people could expect).

5.21 This is likely to be misleading because:

- The claim is selective in the information it presents. For example, it does not explain that a consumer will likely have higher electricity usage associated with running an air source heat pump. **[Application of Principle B]**
- The basis for the £1,335 claimed bill saving, and the period over which it applies, is not set out. This makes it difficult to understand whether the saving accounts for the costs associated with increased electricity, and whether the business has applied similar assumptions in use between its heat pump and a gas boiler.

The cost of running an air source heat pump will be affected by the type of unit, its capacity and running temperature. These factors which form important qualifying information are not explained alongside the claim and mean it is not necessarily representative of the savings most people could achieve.

[Principles B and D]

8. 'Up to' claims

5.22 A solar PV business makes the following claim in its marketing:



Why could this claim mislead?

5.23 People are likely to expect that an 'up to' claim relates to a typical and realistic benefit that consumers will achieve. Consumers are likely to interpret this claim as indicating that they will achieve a 97% saving, or a saving of a similar size, on their bills.

5.24 This is likely to be misleading because:

- A range of factors – including energy consumption and the age and efficiency of solar panels – can affect the savings consumers make. They may or may not save 97% off their bills, a similar amount or some other sum. Unless at least a significant proportion of people would save around 97%, the claim is likely to be misleading. **[Application of Principles C and D]**
- The calculation assumptions, such as the projected output of the solar product, energy consumption and cost of electricity, supporting the claimed 97% saving are not referenced. Supporting evidence is not provided. It is difficult for a consumer to understand how it relates to their individual circumstances. **[Application of Principle B]**

9. Long-term financial claims

5.25 A business which sells solar PV makes the following claim:

Solar PV Panels

Earn and save over £20,000
from your roof in 20 years

CONTACT US



Why could this claim mislead?

5.26 This claim is likely to give a consumer the impression that they will make a substantial long-term financial saving if they install the business's solar products.

5.27 This is likely to be misleading because:

- The suggestion is that the consumer will achieve the stated saving. No qualification or explanation is given, and it is unclear what the basis for the claimed £20,000 saving is – calculation assumptions are not referenced. It is therefore not possible for a consumer to gauge whether this reflects a realistic level of financial benefit they may get from the product or the factors which might inform any potential financial benefit. Unless most, if not all, people would achieve a saving of around this size, the claim will mislead them.

[Application of Principle D]

- Predicting long-term financial claims with certainty is very difficult and these claims are based on a wide range of assumptions. There is no qualifying information to help a consumer understand how the claimed saving figure was arrived at. For example, key details such as the assumed initial capital cost, impact of the size of the roof, and whether ongoing maintenance charges have been included in the savings claim are omitted. **[Application of Principle B]**