

Marketing green heating and insulation products

Consumer law compliance advice for businesses



Contents

1. Introduction	3
2. Presenting headline price information	8
3. Presenting headline price information – illustrative examples	13
4. Making product claims	16
5. Making product claims – illustrative examples	20

1. Introduction

Overview

- 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. This also benefits fair-dealing businesses by creating a level playing field on which they can compete. 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.

Scope

- 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
- 1.4 The advice is based on the CMA's views on the law relating to unfair commercial practices. Whether a business is breaking the law in any particular case will depend on the specific facts, but the advice sets out principles that 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.
- 1.5 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. **Headline price information, including how some businesses advertise access to government funding**
 2. **Claims that some businesses make on their website and other marketing channels about their products/services.**
- 1.6 The products covered by this advice include heat pumps (both air source and ground source), biomass boilers, solar thermal panels and home insulation (such as cavity wall, solid wall, loft, underfloor and roof insulation). It also covers solar PV panels³ which, while not a green heating or insulation product, help consumers to make their home more energy efficient by generating their own electricity and are often advertised in similar ways. All of these products were included in the CMA's consumer protection review.

¹ When the relevant provisions come into force the Digital Markets, Competition and Consumers Act 2024 (DMCC Act), will give the CMA powers to determine itself whether consumer law breaches have occurred and the ability to impose fines and order firms to pay compensation to affected consumers.

² You can find advice about compliance with other aspects of consumer protection law [here](#) and on the [Business Companion](#) website.

³ Solar storage batteries are also covered by the advice, where sold with solar PV panels.

- 1.7 The advice will also generally apply to other types of heating products. Consumer law applies widely and the same general principles in the advice will usually be relevant to the marketing of other home heating products.⁴ However, this advice has not been prepared specifically for purposes other than the marketing of green heating and insulation products.
- 1.8 This advice applies to marketing practices on any marketing channel including websites, on social media, in online adverts (such as sponsored search ads and pay-per-click ads), blogs and advertorials, posters, and sales brochures, as well as claims made verbally in person or over the phone. This includes direct marketing to consumers and marketing that is provided to a third party, such as an installer, for use with consumers.
- 1.9 Although this advice focusses on the upfront marketing and advertising of green heating and insulation products, consumer law applies throughout the customer journey. Any claims you make, or information you provide, about your products, for example at the quote and contractual stages, must also be truthful, accurate and complete.
- 1.10 Throughout this advice we use the term 'products' to refer to goods and services in a wide sense – this includes any services associated with the marketing, selling, design, installation, servicing or maintenance of products.

Who is this advice for?

- 1.11 The principles set out in this advice apply to any business involved in the marketing of green heating and/or insulation products for UK consumers to use in their home. This is likely to include businesses who manufacture, sell, design, install, service or maintain these products. It also 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 the UK but are conducting such activities in the UK or whose activities are aimed at UK consumers.
- 1.12 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.

What are your obligations under consumer protection law?

Protecting consumers

- 1.13 You must provide consumers with information that is truthful, accurate and complete enough to enable them to make informed choices about products. This applies not only to your marketing practices, but to any information that you provide (in writing, verbally, or visually) at each stage of the customer journey.
- 1.14 If consumers are misled about any aspect of products they are thinking of buying or are not given relevant information about them – including their price, features and/or environmental credentials – they cannot make those informed choices. Confident, well-informed consumers

⁴ This compliance advice also applies to businesses which market boilers as being able to run with hydrogen gas (for example as 'hydrogen-blend ready' or similar), which were included as part of the CMA's consumer protection review. For information on the CMA's investigation into the marketing of "hydrogen-blend ready" boilers, see <https://www.gov.uk/cma-cases/worcester-bosch-consumer-protection-case>

who trust businesses are more likely to make better purchasing decisions which meet their expectations and deliver for their needs. This can be especially important in a sector where consumers make infrequent purchases of expensive and complex products involving relatively new technology that they may be unfamiliar with.

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. You are also responsible where material used in your marketing has been created by a third party, such as a manufacturer.

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).^{5,6}

- 1.15 Presenting false or deceptive information concerning a product,⁷ including the price, is likely to be a misleading action under the CPRs 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 deceive the average consumer, for example, because of how the information is presented and the impression it creates.
- 1.16 Omitting or hiding information that consumers need to make informed choices, or presenting it in an unclear, unintelligible, ambiguous or untimely way, for example, too late in the sales process, is likely to be a misleading omission under the CPRs where it causes or is likely to cause a consumer to take a different decision as a result.
- 1.17 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.
- 1.18 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).

⁵ 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. Where you collect consumers' personal data you should also ensure you comply with your obligations under relevant data handling legislation including the Data Protection Act 2018.

⁶ This advice reflects our interpretation of the Consumer Protection from Unfair Trading Regulations 2008 (CPRs). The DMCC Act 2024 will replace the CPRs (which will be repealed). The DMCC Act contains similar prohibitions against unfair and misleading commercial practices as are currently contained in the CPRs. We do not therefore expect that the DMCC Act coming into force will have any impact on the substance of this advice.

⁷ 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. It can also include claims you make about your business's credentials to help promote your products. In addition, using the logo or branding of a government scheme or approval body if you are not a member or are not entitled to do so would amount to a banned practice under the CPRs and, as such, would be unfair in all circumstances.

1.19 You should also note that the way the law is enforced is changing. At present, only a court can determine whether a business has infringed consumer protection law. When the relevant provisions come into force, the Digital Markets, Competition and Consumers (DMCC) Act, will give the CMA powers to determine itself whether breaches have occurred and to issue fines.

Other relevant guidance

1.20 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 or is less harmful to the environment, and is based on the rules for consumer protection set out in the CPRs. As well as the [full guidance](#), the CMA has produced a [checklist](#) for businesses and short [video](#).
- 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 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
- If you offer finance with your products, you may be acting as a credit broker, a lender, or a hirer, and so may need Financial Conduct Authority (FCA) authorisation. If you are authorised by the FCA, you would also need to comply with the FCA's rules and principles (e.g. the [Consumer Duty](#)) and ensure customers understand your role (i.e. as a broker or lender), the products you are providing (including the credit and/or hire agreements they enter into) and the outcomes customers can expect.

1.21 This is a non-exhaustive list - there may be other relevant general or sector-specific guidance⁹ 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 the ASA's CAP/BCAP, as well as the FCA's relevant requirements.

What does it mean in practice?

1.22 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 also breach consumer protection law.

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.

⁹ For example, if your business belongs to a standards body such as a CTSI-approved Consumer Code, TrustMark, and/or the Microgeneration Certification Scheme.

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

1.24 You should:

- read this compliance advice
- review how you present information about green heating and insulation product(s) in your current marketing
- make any changes that may be needed to your marketing practices 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.

1.25 If in doubt, you should consider seeking independent legal advice on the interpretation and application of consumer protection law to your practices. Your [local Trading Standards Service](#) may be able to offer advice.

1.26 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 their team via [CAP's website](#).¹⁰

1.27 If you are a member of a Chartered Trading Standards Institute-approved Consumer Code, such as HIES or RECC, they will be able to provide you with advice on complying with the relevant provisions of their respective Codes for member businesses.

¹⁰ 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 headline 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). Headline prices must be truthful and clear.
- 2.2 While in this sector a detailed estimate and final price can usually only be offered following an assessment of a consumer's property,¹¹ any headline price¹² you display on your website and in other marketing channels should be meaningful so as 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 stay on the right side of the law when presenting price information about green heating and insulation products if you follow these **principles**:

Make sure your headline price is:

1. **Accurate:** it should be a realistic indication of what people are likely to pay for your products.
2. **Comprehensive:** it should include the cost of any enabling works, other products and/or interventions that most consumers are likely to need.
3. **Honest:** it must not mislead people about the likely cost.
4. **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.
5. **Careful in how you refer to access to government funding:** you should be careful in how you present information about access to government funding as this could significantly influence a consumer's assessment of the affordability of your products.
6. **Open about the bundling of products:** If you offer your products as part of a single package (bundle) of goods and services, you must not mislead consumers about the offer or the price of the bundle.

¹¹ 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.

¹² 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.

Principle 1. Accurate



Your headline price should be a realistic indication of what people are likely to pay for your product(s) and include all mandatory fees, taxes (including VAT (where applicable)), charges and any other costs.

Costs that can be calculated in advance

Often there will be other unavoidable costs associated with your product(s), like those necessary for delivery and installation. Wherever the full price of your green heating and insulation products – including things like delivery and installation – can reasonably be calculated in advance, your headline price must include these.¹³

Costs that can't be calculated in advance

If, but only if, an unavoidable cost genuinely cannot be calculated in advance because of the nature of the product you are selling:

- You may be able to provide an indicative headline price. If so, it should provide a realistic indication of the scale of the costs a significant proportion of people can expect to pay. For example, if part of these costs depends on the particular size or type of property, your headline price should be based on a typical size or type likely to be relevant to the consumers you are advertising to. You are more likely to find yourself on the right side of the law if you present the sort of price most consumers will pay.
- In these circumstances, you must also include equally clear and prominent information that explains:
 - how your headline price has been calculated
 - how the price will be calculated in other cases (see also Principle 4 below).

¹³ If you only supply the heating equipment (and not other services such as delivery and installation), you do not need to include the cost of the services you do not provide in your headline price. Even so, you still must not mislead people, for example into thinking your headline price is fully inclusive. You are more likely to stay on the right side of the law where you make clear that consumers will need to incur other costs from other parties for services like delivery and installation (or whichever are relevant).

Principle 2. 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.

Where these are likely to be required for every customer, you should include the cost in your headline price (see also Principle 1 on unavoidable costs) – for example, the groundworks necessary for installing a ground source heat pump.

Where these 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 unavoidable space limitations in your online marketing, this information should be no more than 'one click' away from your headline price.

Post-purchase ongoing costs: You must not mislead consumers about likely further unavoidable costs that will be incurred after buying a product as an inherent consequence of owning and using it. One way to avoid this is to clearly explain, alongside your headline price, that such costs exist. Where you provide any indicative information about these costs (for example, you make claims about them and sums people can save) it must not be misleading and you should also describe:

- the variable factors that will likely affect the costs (e.g. the size of a property, individual homeowners' energy use and fluctuating energy prices)
- the effect those factors can have

Where you offer your products under a leasing agreement or subscription service that requires consumers to make regular ongoing payments, you must clearly and prominently explain these obligations alongside the headline price (as well as other important information about the consumer's rights and obligations under the agreement, for example who is responsible for repairing/maintenance, ownership of the products during and after the agreement, and any exit charges).

Principle 3. Honest



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
- by artificially inflating the standard or usual headline price to give a misleading impression that any stated reduction is a special offer, discount or deal
- by making a headline price claim and then qualifying it with an indication that additional, non-optional costs will be incurred

- by including the value of government funding within your headline price where that funding is subject to specific, or strict, eligibility criteria and is not available to most consumers you are advertising to. (See also below Principle 5: Access to government funding).

If you use a 'from' price, it should reflect what, at least, a significant proportion of your customers are likely to pay for your product(s). However, you are more likely to find yourself on the right side of the law if the 'from' price reflects what most of your customers are likely to pay.

Principle 4. 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.¹⁴ This might include assumptions about the product size, type of property and model. For example, the headline price of an air source heat pump might reference a model (and the assumed size/capacity (in kW)) and manufacturer suitable for a typical 3 bedroom semi-detached home with average levels of insulation, or the headline price for underfloor insulation might reference the square footage of an assumed property type.

It is important that you make clear upfront that the headline price is indicative and subject to change. You should tell people 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. You should also tell them how the final price will be calculated.

Principle 5. Careful in how you refer to access to government funding



Some consumers may be eligible for government funding to install green heating and insulation products.¹⁵ How you present information about access to such funding could significantly influence a consumer's assessment of the affordability of your products.

You should think carefully before including the value of government funding in your headline price. While it will depend on the specific circumstances (eg terms and eligibility criteria of the government funding), you are more likely to find yourself on the right side of the law if you don't include it.

For example, it is likely to be misleading to include the value of government funding in your headline price where the funding is subject to specific, or strict, eligibility criteria and is not available to most consumers you are advertising to.

¹⁴ See also Principle 2 for Product Claims at page 17 of this advice.

¹⁵ 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.

If you do include the value of government funding in your headline price (for example, because most consumers are likely to be able to obtain that funding and pay that price), you should clearly and prominently state next to the headline price that it includes government funding, the amount of the funding included, and that there are eligibility criteria.

More generally, if you refer to government funding anywhere in your marketing, to stay on the right side of the law you should also:

- 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. Similarly, avoid statements which give the impression that a particular funding scheme is widely available if it has very specific, or limited, eligibility criteria.
- Prominently highlight the name of the government funding scheme and any important eligibility criteria and signpost consumers to further 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. For example, don't use terms like 'cashback' where the government funding is paid direct to the installer.

Principle 6. Open about the bundling of products



You may offer different green heating and/or insulation product(s) as a single package i.e. 'a bundle'. Where you do that, you must not mislead consumers about the offer or the price of the bundle.¹⁶ For example, where you also sell the relevant products separately, one way to avoid misleading people may be for your marketing of the bundle to set out the individual prices you would charge if a consumer bought the products on their own.¹⁷ You should do that in a way that is consistent with the other Pricing Principles. This will help consumers to understand what they are being offered in the bundle, to assess its value and to make informed choices (including by comparing options across businesses).

¹⁶ For example, if you offer a bundle of solar panels with battery storage.

¹⁷ Depending on the nature of the offer and advertisement, you may also be able to show the overall saving represented by the bundle when compared with the cost of buying all the components of the bundle separately.

3. Presenting headline price information – illustrative examples

Example A - including government funding in the headline price

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



Why could this headline price 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:

- It is unclear whether this headline price includes unavoidable costs of the business's products, such as the cost of installation or enabling works which most consumers will require for the installation of the air source heat pump. In fact, the price stated does not include these costs. **[Principle 1: Accurate and Principle 2: Comprehensive]**
- The reference to a grant is not clearly and prominently displayed for the consumer next to the headline price. Important details about the government funding, such as the name of the grant, the potential amount of funding and any key eligibility criteria, are omitted. **[Principle 5: Access to government funding]**.
- 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 requisite eligibility criteria **[Principle 5: Access to government funding]**.

3.4 Even if the advert described the heat pumps as being 'from' £3,000 in this example, it still has the potential to mislead consumers. If the unavoidable costs consumers would have to pay, or the eligibility criteria for the Government grant, mean that £3,000 is not a price that at least a significant proportion of consumers would pay, the 'from' price stated is not a realistic or meaningful price indication.

Example B - advertising access to government funding

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



Why could this headline price mislead?

3.6 This is likely to give a consumer the impression that they will automatically receive a significant sum of money (in the order of £20,000 or at least multiple £000s) to help pay for energy efficiency measures.

3.7 This is likely to be misleading because:

- The business has advertised the maximum amount of government funding which is available and has presented this in a way which suggests that funding in the form of a cash amount of that size (or multiple £000s) is a realistic prospect, that is automatically available, for many people. Access to the funding is likely to be subject to the consumer meeting eligibility criteria. Those criteria are likely to mean that consumers would be eligible (if at all) for a range of different funding amounts, depending on their circumstances, some of which may be significantly smaller than £20,000. If so, the business is likely to find itself on the wrong side of the law. **[Principle 5: Access to government funding]**
- The business has failed to disclose important details about the available funding, such as the name of the grant scheme, any key eligibility criteria, and how the funding works (such as whether the consumer needs to make a financial contribution). **[Principle 5: Access to government funding]**

Example C – ‘special’ offer on a bundle of products

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



Solar & battery
from only
£5,000!!!
Fully installed!

HOT OFFER

Why could this headline price mislead?

3.9 This is likely to give a consumer the impression that they can expect to 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.

3.10 This is likely to be misleading because:

- 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. There is clear potential to mislead consumers if the headline price stated does not reflect the total costs that at least a significant proportion of consumers will have to pay for the business’s products. **[Principle 1: Accurate, Principle 2: Comprehensive and Principle 3: Honest]**
- Important details such as the assumed capacity and model of the solar PV system and battery, and the size of the roof (impacting number of panels) are not disclosed. These are likely to impact the headline price, possibly substantially. **[Principle 4: Clear]**
- The term ‘HOT OFFER’, combined with the reference to an ‘only’ price (‘...from only £5,000!!!’), could imply that this is a special offer price when this may not be the case. No explanation is given of the basis of the claim to determine whether it is a genuine offer or just the regular price. This aspect of the ad is likely to mislead if it is just the usual selling price. **[Principle 3: Honest]**
- Offering the solar PV panels and battery together as a ‘HOT OFFER’ also suggests the consumer benefits from buying them as a package (i.e. a saving on the usual prices of buying them separately from the business). However, where there are higher separate selling prices but, for example, the advert does not say what they are, the consumer cannot weigh up the offer and make an informed choice.¹⁸ **[Principle 6: Bundling of products]**

¹⁸ Depending on the nature of the offer and advertisement, you may also be able to show the overall saving represented by the bundle when compared with the cost of buying all the components of the bundle separately.

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 people.
- 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**:

1. **Have evidence – if you can't back it up, don't say it.**
2. **Explain everything the consumer needs to know.**
3. **Be careful when using 'up to' claims – consider if it is appropriate.**
4. **Be realistic, representative and don't exaggerate benefits.**
5. **Choose your words carefully.**

Principle 1. 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 products and the customers to whom you market your products. 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 draw on your own data in addition to independent evidence sources to substantiate your claims. If you use your own data to support claims you make, it should be representative and extensive enough for any conclusions to be credible and robust.

Principle 2. 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 any important qualifying information that a consumer needs to know clearly and prominently, as close to the claim as possible, such that it can't be overlooked.¹⁹ 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. The more important the qualifying information, the greater prominence is likely to be necessary to ensure that consumers are not misled.
- 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 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. Important information that consumers need to know to make informed decisions must always be presented clearly and prominently in your marketing, whatever the media. If space is limited, for example in a social media ad or sponsored search ad, and you can't show important qualifying information for a claim you want to make, to avoid consumers being misled (by an omission) into clicking the ad you should change the claim or not 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, they need to know the whole picture, not just the positives.

¹⁹ The information presented in a qualification, even if it is correct, can still mislead (by an omission) if it is not presented clearly and afforded the appropriate level of prominence.

Principle 3. 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 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).
- However, you are more likely to find yourself on the right side of the law if the 'up to' claim is representative of what most of your customers are likely to experience.
- Promoting the minimum outcome is likely to be more appropriate.

Principle 4. Be realistic, representative and don't exaggerate benefits.



In practice this means that:

- Your claims should be based on 'real-world' conditions for most consumers. You should not make performance or other claims based on very specific or limited circumstances, such as testing in lab conditions or performance in other countries, where they are unlikely to reflect what your customers will actually experience or achieve.
- You should be careful making claims that rely on many complex variables and assumptions that cannot be easily predicted.
- Any 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. You should not exaggerate features of your own products or downplay those of the products you are comparing against.
- 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 – for example, if a product only produces a certain effect if used in a particular way – then you should make this clear upfront and explain what the change is.

Principle 5. Choose your words carefully.



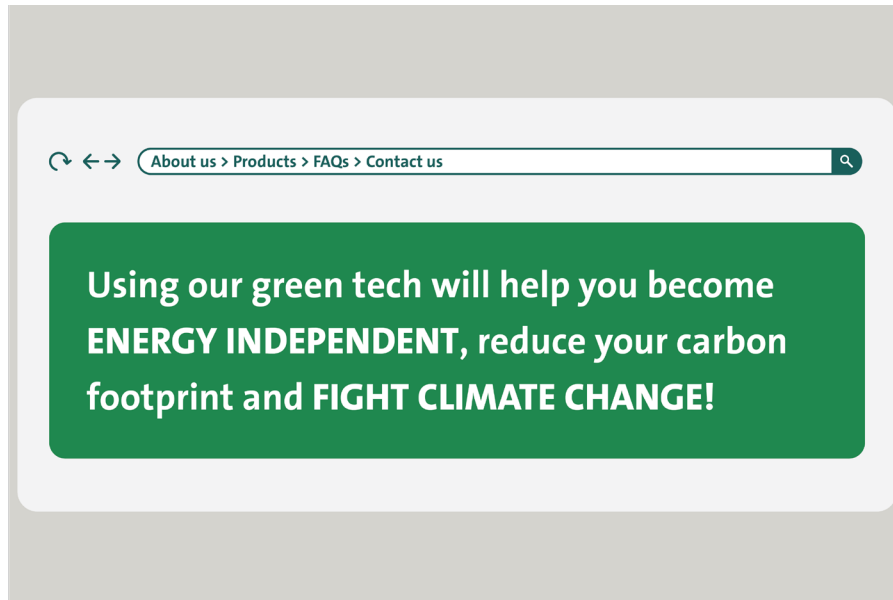
In practice this means that:

- 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. Clearly explain your products in layperson's terms that a consumer can understand. Don't use jargon and acronyms which could confuse or are otherwise 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

Example A - 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. **[Principle 5: Choose your words carefully]**
- 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. **[Principle 1: Have evidence, and Principle 2: Explain everything the consumer needs to know]**

Example B - exaggerated language

5.4 A business which sells biomass boilers claims that:



Why could this claim mislead?

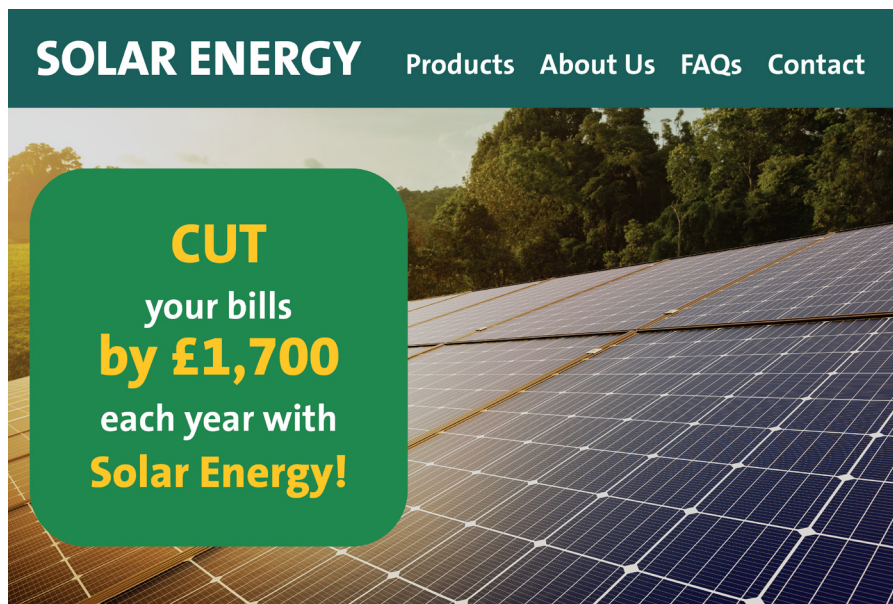
5.5 A consumer is likely to interpret this claim as meaning they will be able to achieve a very significant reduction in their carbon footprint and energy bills after buying one of the advertised biomass boilers.

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. **[Principle 2: Explain everything the consumer needs to know]**
- 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. **[Principle 5: Choose your words carefully]**

Example C - 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 household energy bills if they buy solar panels from the business.

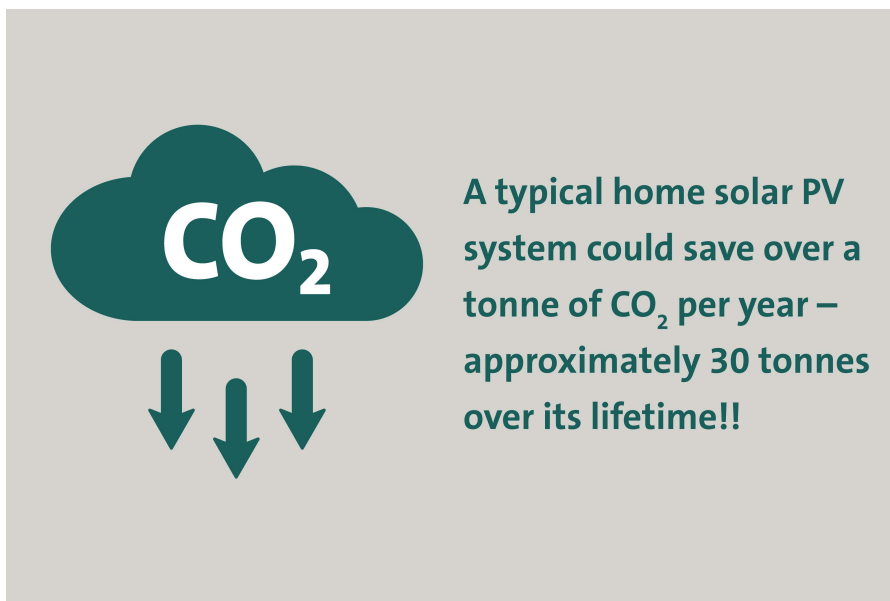
5.9 This is likely to be misleading because:

- Unless all of the business's customers could achieve the stated headline saving by reducing their bills by the specified amount of £1,700 each year, the claim is unlikely to reflect the savings that a consumer will receive in practice. **[Principle 4: Be realistic]**
- No qualifying information is provided to help a consumer understand the claim, such as calculation assumptions or the range of factors that 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. **[Principle 2: Explain everything the consumer needs to know]**

5.10 Even if the advert claimed that people could cut their annual bills by 'up to' £1,700 in this example, it would still have the potential to mislead consumers. Unless at least a significant proportion of customers could achieve the top saving on their bills of £1,700, the claim is likely to be misleading, and it is more likely to be on the right side of the law if most customers could make that sort of saving. **[Principle 3: Be careful when using 'up to' claims]**

Example D - carbon reduction claims

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



Why could this claim mislead?

5.12 Consumers are likely to interpret this claim as meaning that the business's solar PV panels can be expected to reduce their carbon footprint by over a tonne of CO₂ (or at least some substantial amount) every year for around 30 years – i.e. they will deliver a significant environmental benefit over several decades.




5.13 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. **[Principle 2: Explain everything the consumer needs to know, and Principle 4: Be realistic]**
- 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'. **[Principle 1: Have evidence, and Principle 5: Choose your words carefully]**

Example E - efficiency claims

5.14 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.
-  So, for every £1 you spend on electricity kW you get £5 worth of heat kW!
-  They keep you warm AND save you cash!

Why could this claim mislead?

5.15 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.

5.16 This is likely to be misleading because:

- The level of system performance is presented as being what 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 general energy efficiency claim 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. **[Principle 4: Be realistic]**
- The business has failed to clearly and simply explain the technical terms COP and kW which could be confusing for consumers. **[Principle 5: Choose your words carefully]**
- An assumption is made that the customer will save money on their energy bills, but no explanation is provided to help a consumer understand the claim such as calculation assumptions or the range of factors which can affect bill savings. It is also unclear how the reported efficiency performance of the heat pump translates directly to cost savings. **[Principle 2: Explain everything the consumer needs to know]**

Example F - thermal performance claims

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



The image is a promotional graphic for loft insulation. It features a green background with a circular inset showing a person's hand touching a thick layer of brown insulation in a loft. The text on the left reads: "Loft insulation can reduce heat loss by 90%, helping you to lower your bills and keep your house warmer". A dark green circle on the right contains the text: "Reduce Heat Loss by 90%".

Why could this claim mislead?

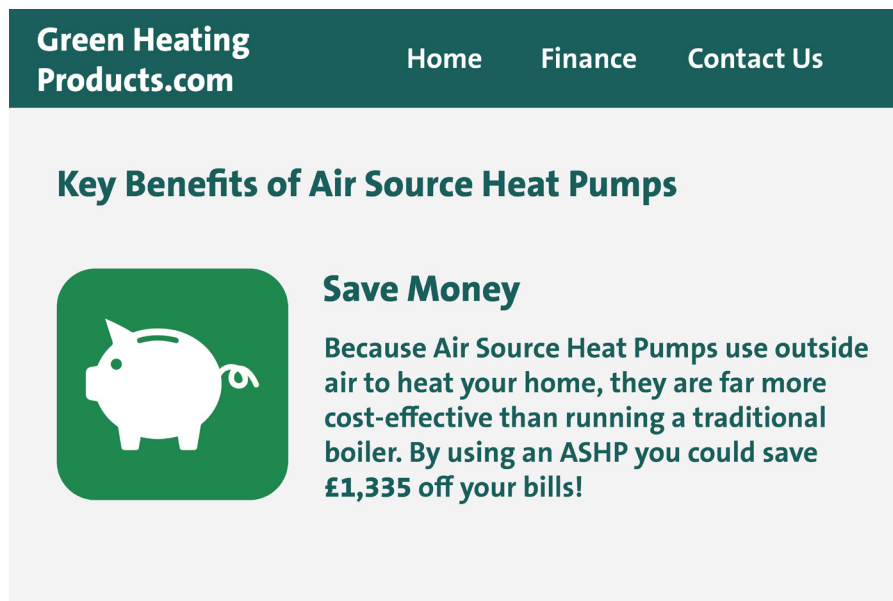
5.18 This claim could give a consumer the impression that loft insulation will reduce heat loss from their home substantially, leading to cost savings and better comfort.

5.19 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 to the consumer to explain this, nor is it necessarily realistic and representative of the benefit most consumers will get. **[Principle 2: Explain everything the consumer needs to know, and Principle 5: Choose your words carefully]**
- 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. **[Principle 5: Choose your words carefully]**

Example G - running cost comparisons

5.20 A business selling air source heat pumps claims that:



The screenshot shows a website header for "Green Heating Products.com" with navigation links for "Home", "Finance", and "Contact Us". Below the header is a section titled "Key Benefits of Air Source Heat Pumps". Under this title is a green square icon containing a white piggy bank. To the right of the icon is the heading "Save Money" followed by the text: "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?

5.21 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 people could expect).

5.22 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. **[Principle 2: Explain everything the consumer needs to know]**
- 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 a number of factors, including 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 people could achieve. Unless at least a significant proportion of people would save around £1,335 by using an air source heat pump, the claim is likely to be misleading. It is more likely to be acceptable if most people could achieve that saving or one of a similar size. **[Principle 2: Explain everything the consumer needs to know, and Principle 4: Be realistic]**

Example H - 'up to' claims

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



Why could this claim mislead?

5.24 People are likely to expect that an 'up to' claim relates to a typical and realistic benefit that they will achieve. Consumers are likely to interpret this claim as indicating that they can expect to achieve, or have a good chance of achieving, a 97% saving, or a saving of a similar size, on their household energy bills.

5.25 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 electricity bills, a similar amount or some other sum. Unless at least a significant proportion of customers could achieve the top saving of 97%, the claim is likely to be misleading, and it is more likely to be on the right side of the law if most customers could make that sort of saving. **[Principle 3: Be careful when using 'up to' claims, and Principle 4: Be realistic]**
- No qualification or explanation is given. 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 has not been provided. It is difficult for a consumer to understand how it relates to their individual circumstances. **[Principle 2: Explain everything the consumer needs to know]**
- It is not clear whether the advert is referring to electricity or household energy bills. The impression is given that consumers will achieve the claimed savings on their whole household energy bill, when installing solar PV panels may only lead to reductions in electricity bills, rather than gas and oil heating costs. **[Principle 4: Be realistic and Principle 5: Choose your words carefully].**

Example I - long-term financial savings claims

5.26 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

**Guaranteed return
on investment!**

CONTACT US

Why could this claim mislead?

5.27 This claim is likely to give a consumer the impression that they are guaranteed to make a substantial long-term financial saving or benefit if they install the business's solar PV products.

5.28 This is likely to be misleading because:

- The suggestion is that the consumer will achieve the stated saving or return. No qualification or explanation is given, and it is unclear what the basis for the claimed £20,000 (or more) saving is – calculation assumptions are not provided. 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, or more likely all, people would achieve a saving of around this size, the claim will be misleading. **[Principle 4: Be realistic]**
- The advert is likely to give consumers the impression that a financial return is guaranteed. Predicting long-term financial returns and payback periods with certainty is very difficult and will likely be based on a wide range of interacting variables and 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. **[Principle 2: Explain everything the consumer needs to know]**

5.29 Similar concerns are also still likely to arise even if the advert did not refer to a 'guaranteed return on investment.' It would still be likely to convey the impression that consumers will receive a benefit worth over £20,000. That is likely to be misleading for similar reasons to those above.