



CONSORTIUM FOR ENERGY EFFICIENCY

SUMMARY

RESIDENTIAL HOME APPLIANCE STRATEGIC PLAN

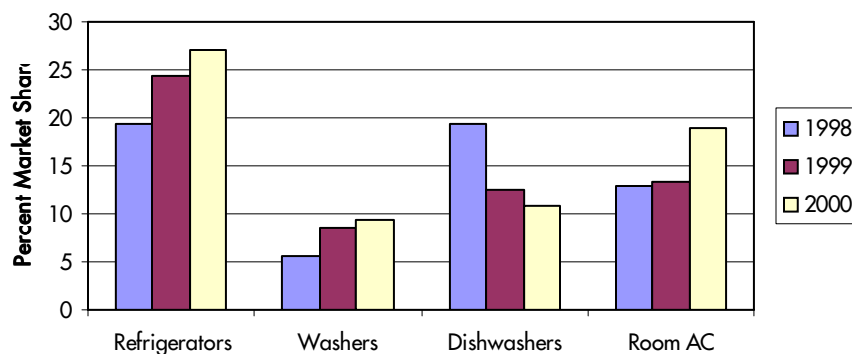
Overview: The National Residential Home Appliance Market Transformation Strategic Plan takes a holistic approach to transforming the residential home appliance market and provides short and long term targets with strategies to hit those targets. The Appliance Strategic Plan provides a comprehensive guide for the Market Transformation (MT) community to approach the appliance market over the next three to five years.

Background: Home appliances represent a significant portion of household energy consumption. The 1997 Residential Energy Consumption Survey showed that over 26% of residential energy use could be attributed to home appliances. That represents 2.7 quadrillion BTUs or 2.9% of the nation's annual energy load. Considering that residential appliances remain in service for an average of 9 to 15 years with efficiency declining with age, the MT community has targeted home appliances as a tremendous opportunity for environmental savings.

Over the past few years, educational efforts, financial incentives and market support have been effective in demonstrating to manufacturers that consumers desire energy-efficient features. This market movement has paved the way for increased federal minimum standards and the corresponding increase in ENERGY STAR® performance levels. While these developments are indicative of our success, they present new challenges for further influencing this market as per unit savings decline. Therefore a well-defined national strategic plan is crucial for continued market influence.

Market Share: The continued increase in industry support of the ENERGY STAR program and consumer awareness of energy-efficient appliances is most evident when looking at ENERGY STAR sales data. Market share of ENERGY STAR home appliances are on the rise in most categories.

Energy Star Sales Data Trends



Source: D&R International

Scope: At present, the Appliance Strategic Plan addresses four ENERGY STAR product areas: clothes washers, refrigerators, dishwashers and room air-conditioners (room A/C). That does not preclude emphasis on other appliances as technologies develop. CEE, ENERGY STAR and advocacy groups will continue to monitor new product opportunities and incorporate them into long-term planning as appropriate.

Overarching Goals: The overarching market goals are the cornerstone of the Appliance Strategic Plan with all related activities and efforts designed to support these goals. They are consistent with the MT community's constraints and the ENERGY STAR goals, thus providing a consistent direction.

The overarching market goals of the Appliance Strategic Plan are the following:

1. Consumers understand and value the benefits from energy-efficient features.
2. Retail sales force is knowledgeable about ENERGY STAR and considers it a meaningful distinction for making a sale.
3. Manufacturers market and promote energy-efficient products and/or features.
4. Energy efficiency, defined by ENERGY STAR performance levels, becomes a standard feature or is available across all manufacturers' product lines.
5. ENERGY STAR represents the most energy efficient quality products available.

Overarching Strategies: The overarching market strategies incorporate known market characteristics and objectives that support the overarching goals.

The overarching market strategies are the following:

1. Continue to support and promote ENERGY STAR.
2. Monitor technological advances and the potential impact on appliance energy consumption.
3. Target consumers making near-term buying decisions during major renovation, remodel or new home purchase.
4. Enlist the buyer as promoter.
5. Target the regionally significant independent retailers and distributors.
6. Tap into and build alliances with organizations that have a common interest in supporting the appliance market.
7. Gain a better understanding of consumers, their motivations and receptivity to energy efficiency messaging.

If you would like to receive a complete copy of the Appliance Strategic Plan, contact Erica Schroeder at (617) 589-3949, extension 231 or eschroeder@ceel.org. It is also available for download from the CEE Web site at www.ceel.org.