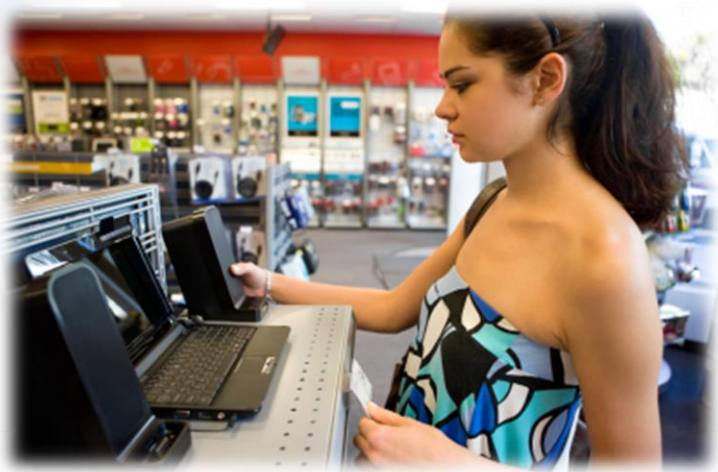


# The Impact of Energy Use ...



# ... on Consumer Purchase Decisions

**Steve Koenig**

Director, Industry Analysis  
Consumer Electronics Association

@KoenigSteve  
skoenig@CE.org

2014 EPA Energy Star Partner Conference  
Arizona



# Innovation and Disruption



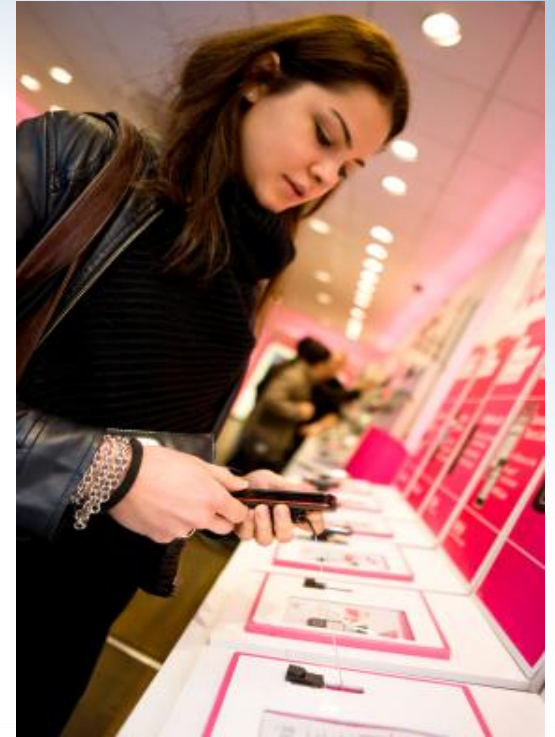
# The New Normal

## Consumers' Quest for Value

- Greater Price Sensitivity
- More Emphasis on Convenience, Efficiency
- Increased Service Expectations
- Brand Experimentation

## Impact:

<b>Consumers:</b>	4 C's: Choice, Comparisons, Convenience, Cost
<b>Industry:</b>	Innovation and Disruption
<b>Retailers:</b>	Greater focus on service, delivering value, more locations

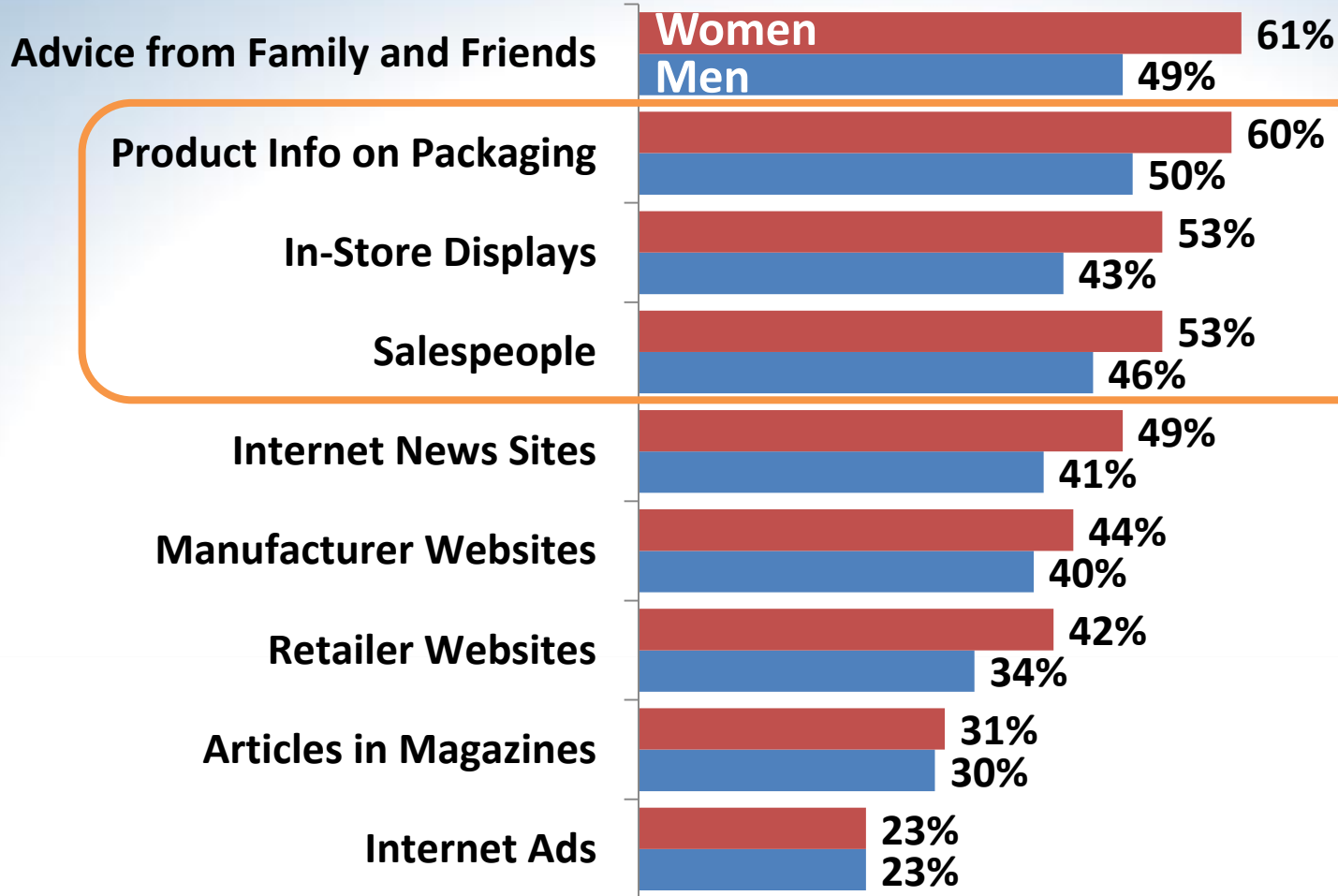


# CE Devices: What's Important?

Product Attribute	Men	Women
Easy to Operate	79%	90%
Is Fun to Use	72%	80%
Ease of Set-Up	71%	82%
Multifunctional	69%	77%
Is the Right Size and Weight	60%	74%
Is a Popular Brand	42%	45%
Stylish Appearance	41%	52%
Comes in a Color You Like	36%	46%

Source: CEA, Women and CE study, Dec 2011  
Base: U.S. adults

# Purchase Decisions: More Emphasis on Retail

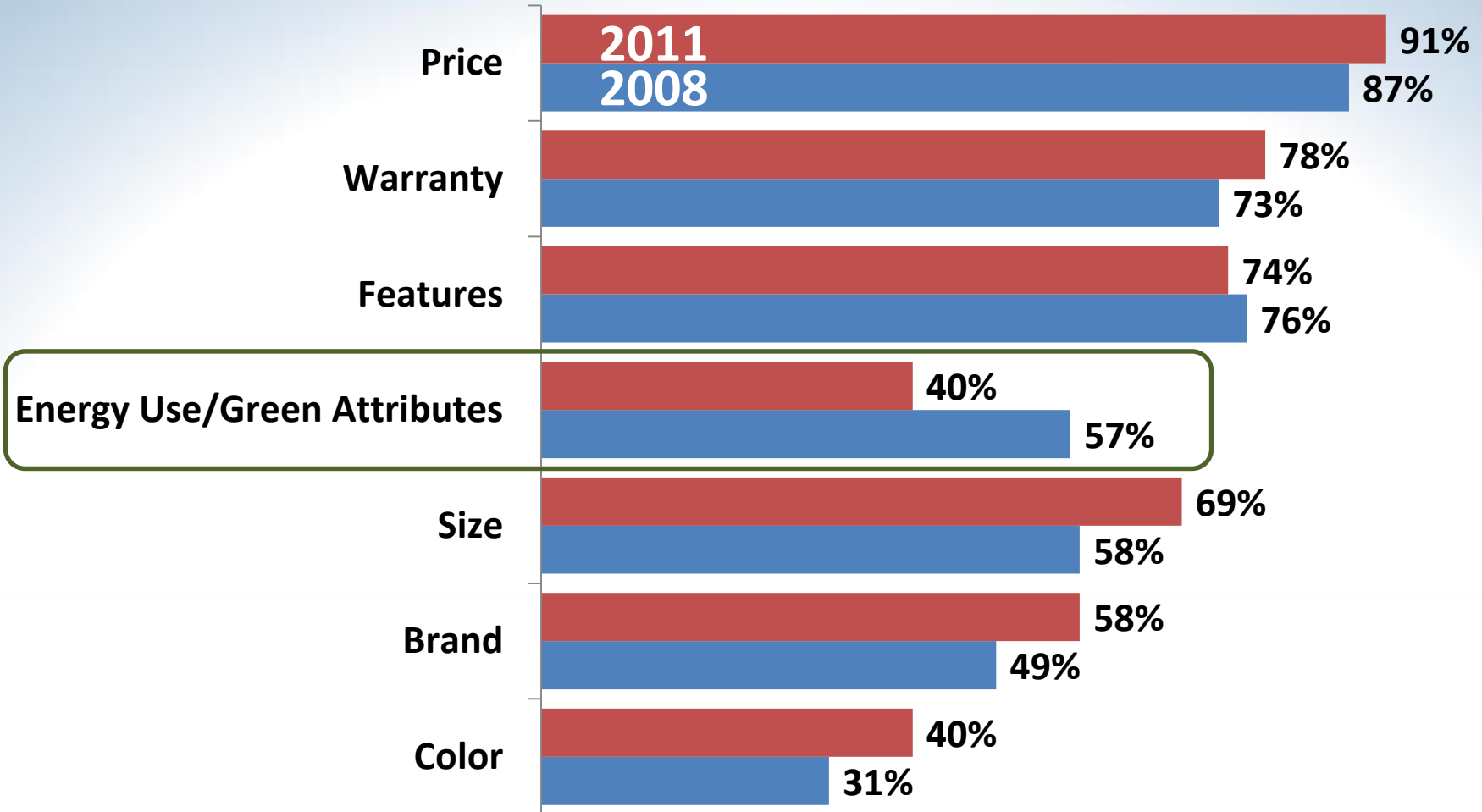


**ON THE  
SALES FLOOR**

Source: CEA Market Research, 2009, 2011



# Purchase Criteria: Looking Back



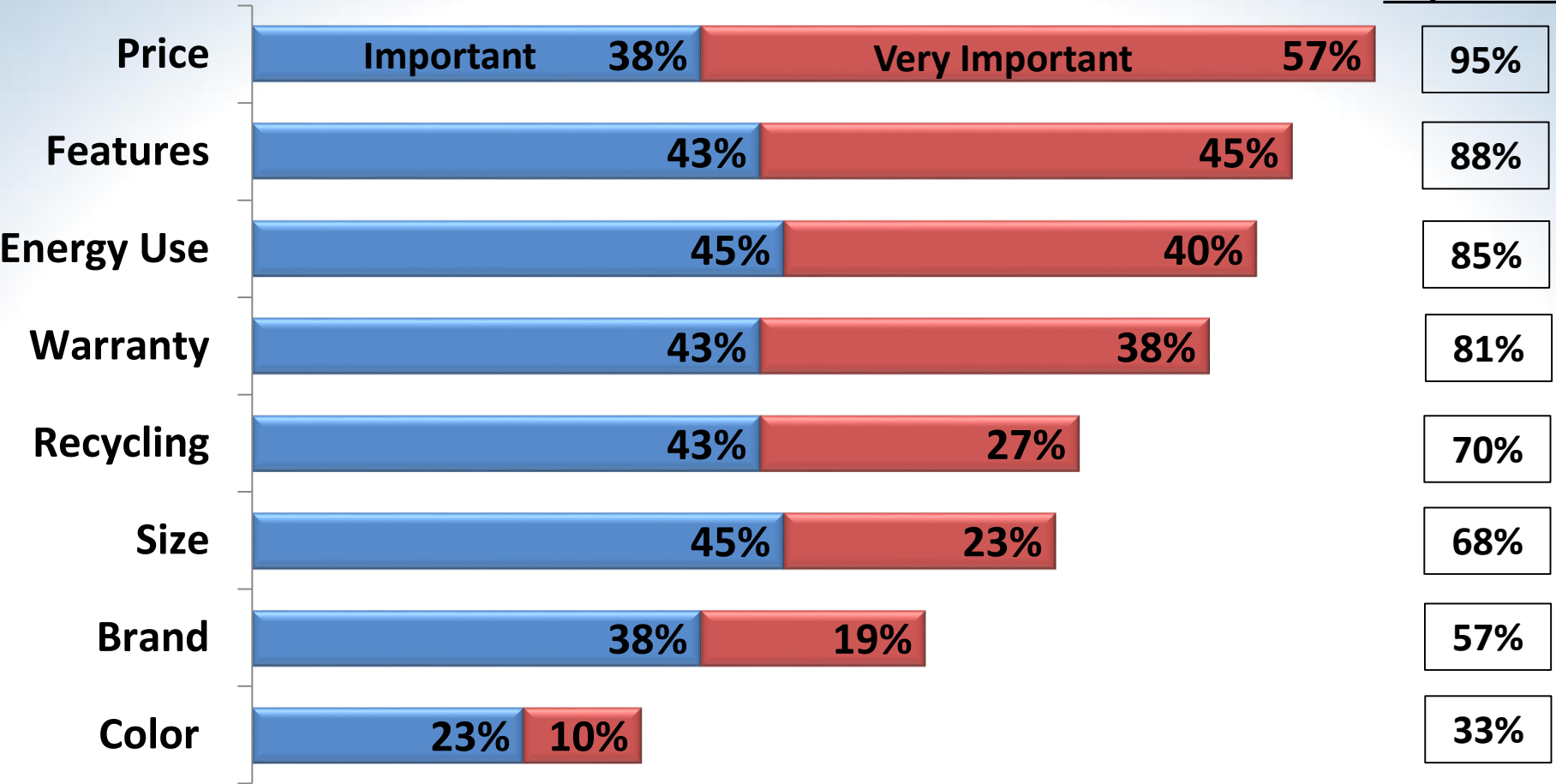
Source: CEA Market Research, 2008, 2011

# Looking Ahead:

## What's Important in CE Over the Few Years?

2011

Net  
Importance



Source: CEA, Powering Intelligent Energy Use, 2011





# Motivations for Next TV Purchase

<b>Replace an aging, obsolete or broken set</b>	<b>59%</b>	} <b>2<sup>nd</sup> Tier</b>	
Improve picture quality	<b>43%</b>		
Get a larger screen size	<b>42%</b>		
More energy efficient	<b>27%</b>		
To have the newest TV technology	<b>25%</b>		
Improve sound quality	<b>25%</b>		
Get access to content on the internet	<b>19%</b>		
Have more options for connecting different devices	<b>18%</b>		
Increase the number of televisions in your home	<b>13%</b>		} <b>3<sup>rd</sup> Tier</b>
Improve speed for video gaming	<b>13%</b>		
Expand uses, like making phone calls, chats	<b>8%</b>		
Other	<b>3%</b>		

Source: CEA, Consumer Perspectives on 4K Ultra HDTV, Jan, 2014



# Attribute Rankings: Next TV Purchase

	NET Important	Neutral	NET Not Important
Picture quality	88%	10%	2%
Price	87%	11%	2%
Screen size	82%	16%	2%
Color richness	80%	17%	4%
Sound quality	79%	17%	4%
Warranty	69%	22%	9%
Energy efficiency	67%	25%	8%
Brand reputation	64%	26%	10%
Familiarity with brand	56%	33%	12%
Weight	46%	38%	16%
Thickness	45%	39%	16%
Able to connect directly to the Internet	44%	30%	26%
Ultra High Definition (Ultra HD)	40%	32%	28%
Same brand as other CE	33%	35%	32%
3D capable	26%	27%	47%

# Home Automation Purchase Motivators

## *Convenience, Control, Costs*

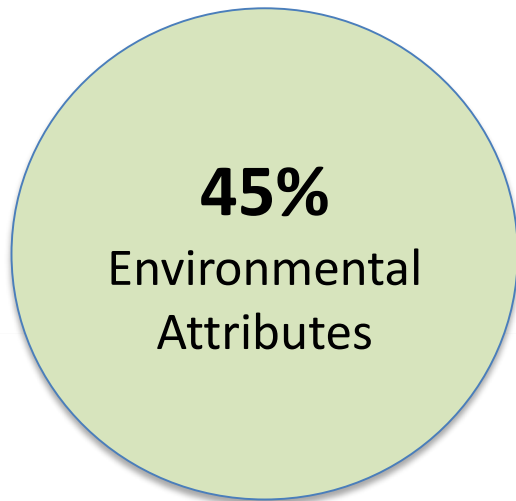
Q: Would you be more or less likely to purchase a home automation technology if?  
(More Likely Summary)

Your energy consumption decreased	66%
Your insurance premiums decreased	65%
It could be set up and installed on your own	47%
It didn't need to be permanently installed in your home	29%
It needed to be set up and installed by a professional installer	22%
It needed to be permanently installed in your home	20%

# Demographics Can Matter

75% Price  
75% Quality  
73% Features

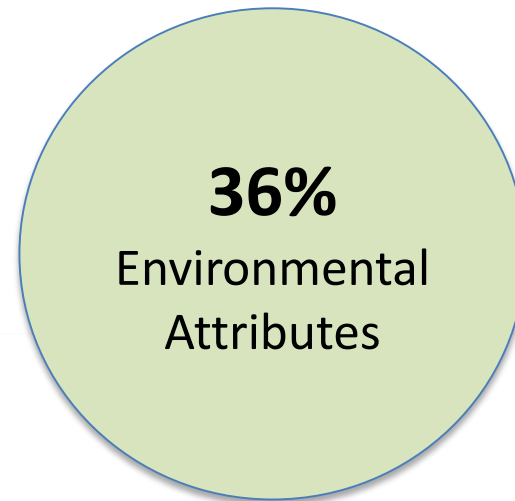
## Millennials



38% Friends Have It  
37% Family Has It  
32% Salesperson Recom.

93% Price  
92% Quality  
88% Ease of Use

## Other Adults



32% Salesperson Recom.  
27% Family Has It  
23% Friends Have It

# Key Take-Away

Energy use / environmental factors are beginning to factor more in consumers' CE purchase decisions ...

... but it depends on several factors:

- What product?
- How will the product be used?
- Who's buying?