

D+R **International**

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Using the Science of Choice to Sell ENERGY STAR[®] Lighting



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October 12 , 2015

Science of Choice

Ice cream social with 86 nutritional science experts

■ Half of experts

- Medium bowl
- Medium ice cream scoop



■ Other half of experts

- Large bowl
- Large ice cream scoop



Ice cream social with 86 nutritional science experts

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- Other half of experts

- Large bowl
- Large ice cream scoop



- **Ate 53% more ice cream**

■ The Thinker (System 2)

- Self Aware
- Slow
- Effortful



■ The Doer (System 1)

- Automatic
- Fast
- Effortless



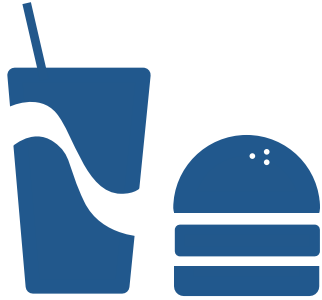
The Thinker



or

The Doer





- Every day we make **200** decisions related just to food

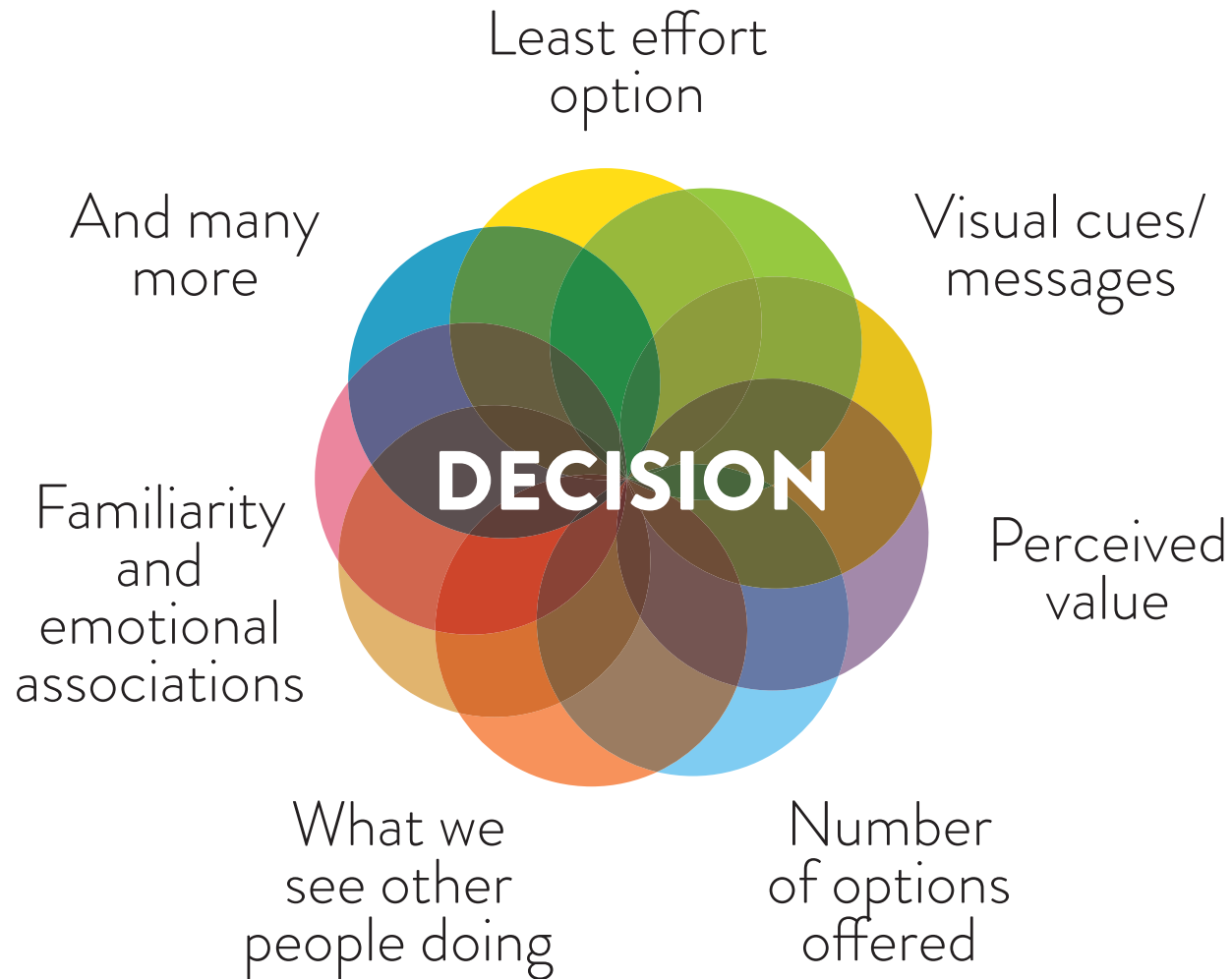


- **75%** of in-store purchase decisions are made at point of purchase



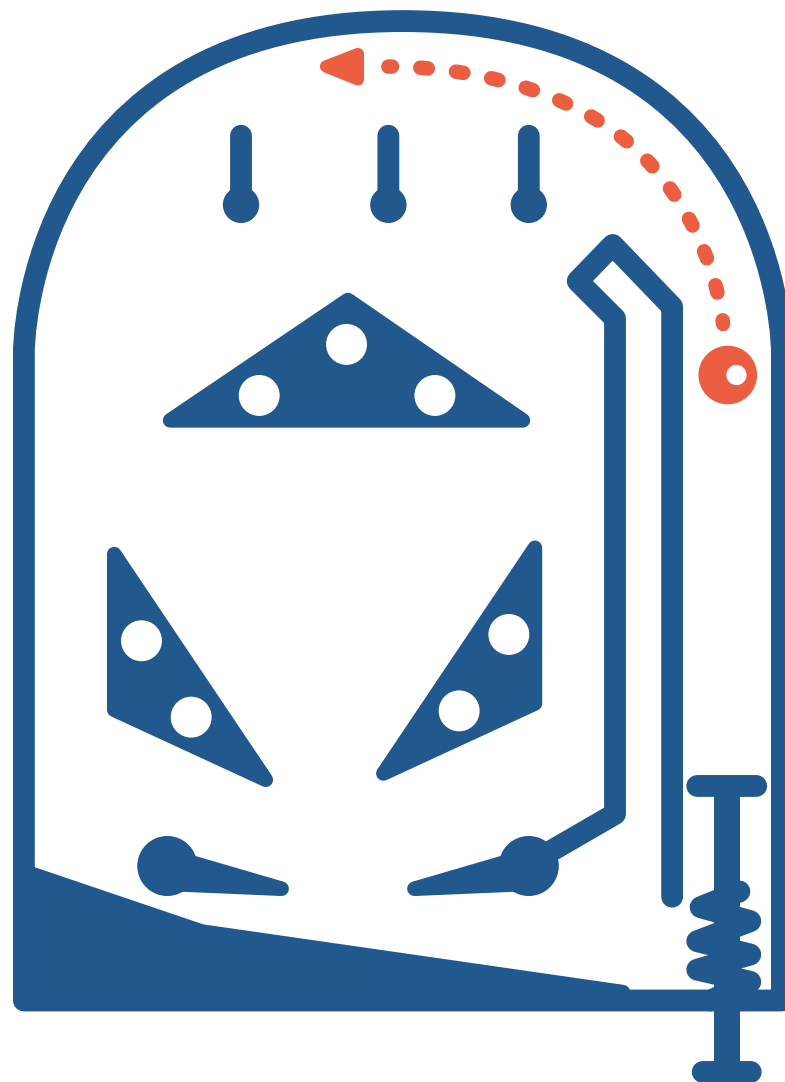
- In **2 to 7** seconds

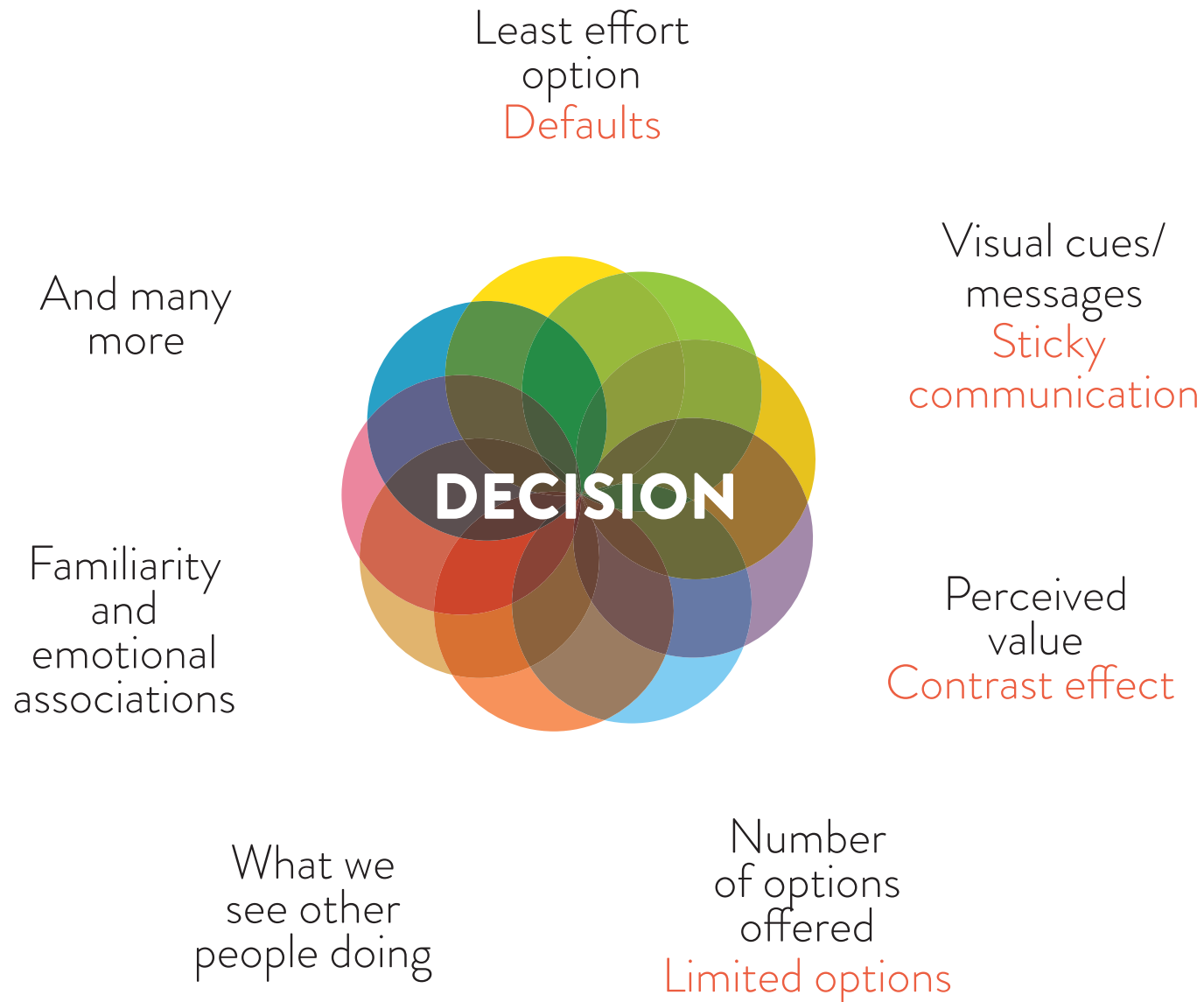
What factors most
influence the Doer?



Choice architecture

- The collection of situational factors that shape most decisions
- Preserves autonomy
- But guides most people to a particular option





Choice Architectures in Residential Lighting

- Decision to **purchase** the efficient lamp

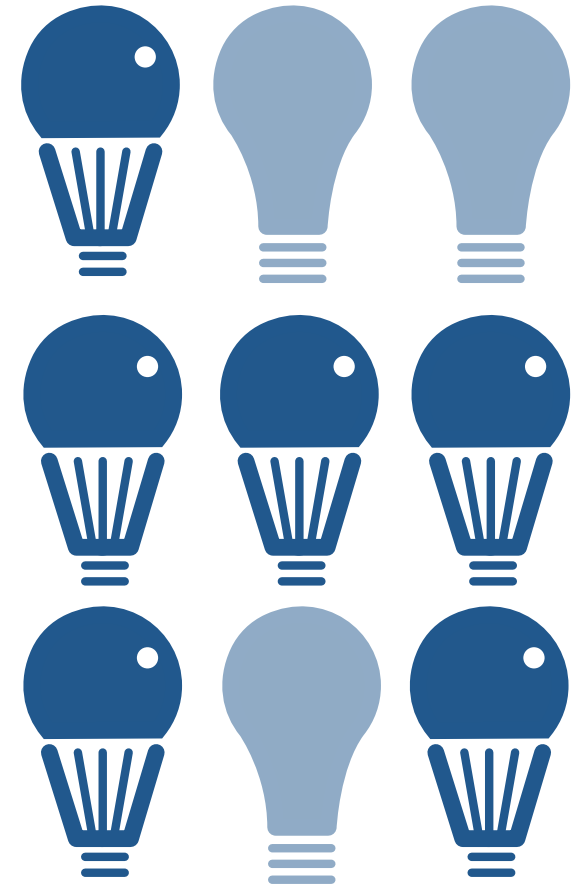


- Decision to **install** the efficient lamp



What do you do when
a light bulb burns out?

- **87%** of households in CT had stored bulbs
- More than **90%** of households intended to use them as replacements



PROGRAM	STORED	INSTALLED
Incandescent and Halogen	59%	69%
Incandescent	51%	66%
Halogen	9%	3%
CFL	28%	28%
All Others	13%	3%
TOTAL	100%	100%

Notes: Totals may not sum up to 100% due to rounding.

Conclusion 1:

- If you want to see continued growth in socket saturation, make sure stored lamps are efficient.

What are the
current retail choice
architectures shaping
light bulbs purchases?













www.bulbs.com/LED_Recessed_Downlights/results.aspx?cm_sp=Homepage_-_Carousel_-_LED_Downlight

HR Dashboard

My Account | My BulbTrack | Cart (empty)

1-888-455-2800

Light Bulbs | Ballasts | Fixtures | Light Control | Projector Lamps | Learning

FREE SHIPPING on orders over \$49

Your Results

LED Recessed Downlights

49 products found in: Page 1 of 5: 1 2 3 4 5

Category: LED Recessed Downlights

Refine by:

- Base: Bulbrite (2), MaxLite (16), Philips Lighting (4), TCP (3), Lighting Science Group (1)
- Price Range: \$10 - \$50 (12), \$50 - \$100 (26), over \$100 (11)
- Brand: Bulbrite (2), MaxLite (16), Philips Lighting (4), TCP (3), Lighting Science Group (1)
- Show all Brands
- Price Range: \$10 - \$50 (12), \$50 - \$100 (26), over \$100 (11)
- Base: Medium (E26) (9), GU24 (1)
- Length (in): 3.125 (1), 8.12 (2), 12 (1)

11 Watt, 65W Halogen Equivalent, DIMMABLE, 5 1/8" LED Recessed Downlight

SKU: LED12DR5627K | Ordering Code: LED12DR5627K | UPC: 762148241027

Price per Fixture: Each \$19.99

1 x Fixture

ADD TO CART

LED Recessed Downlights: x

www.bulbs.com/LED_Recessed_Downlights/results.aspx?cm_sp=Homepage_-_Carousel_-_LED_Downlight

Apps | Bookmarks | BaboohR Dashboard

My Account | My BulbTrack | Cart (empty)

1-888-455-2800 or Chat Live

Light Bulbs | Ballasts | Fixtures | Light Control | Projector Lamps | Learning

FREE SHIPPING on orders over \$49

Your Results

LED Recessed Downlights

49 products found in: Page 1 of 5: 1 2 3 4 5

Category: Fixtures > Ceiling > LED Ceiling Fixtures > LED Recessed Downlights

Refine by:

- Brand: Bulbrite (2), MaxLite (16), Philips Lighting (4), TCP (3), Lighting Science Group (1)
- Show all Brands
- Price Range: \$10 - \$50 (12), \$50 - \$100 (26), over \$100 (11)
- Base: Medium (E26) (9), GU24 (1)
- Length (in): 3.125 (1), 8.12 (2), 12 (1)

50W Halogen Equivalent, 9 Watt DIMMABLE 4" LED Recessed Downlight

SKU: 7092 | Ordering Code: LED4RL-56L30K | UPC: 844366070921

Price per Fixture: Each \$19.99

1 x Fixture

ADD TO CART

Base: Medium (E26)
Brightness (Lumens): 560
CRI: 80
Energy Used: 9W
Height (in): 3.188
All details

Brand: NaturaLED
Color Temperature: 3000
Diameter (in): 5
Finish: White
Volts: 120

12 Watt, 65W Halogen Equivalent, DIMMABLE 5 1/8" LED Recessed Downlight

SKU: LED12DR5627K | Ordering Code: LED12DR5627K | UPC: 762148241027

Price per Fixture: Each \$19.99

1 x Fixture

ADD TO CART

Base: Medium (E26)
Brightness (Lumens): 650
CRI: 82
Energy Used: 12W
Height (in): 3.8
All details

Brand: TCP
Color Temperature: 2700
Diameter (in): 7.25
Finish: White
Volts: 120

12 Watt, 65W Halogen Equivalent, DIMMABLE 5 1/8" LED Recessed Downlight

SKU: LED12DR5630K | Ordering Code: LED12DR5630K | UPC: 762148241034

Price per Fixture: Each \$19.99

1 x Fixture

ADD TO CART

Base: Medium (E26)
Brightness (Lumens): 650
CRI: 82
Energy Used: 12W
Height (in): 3.8
All details

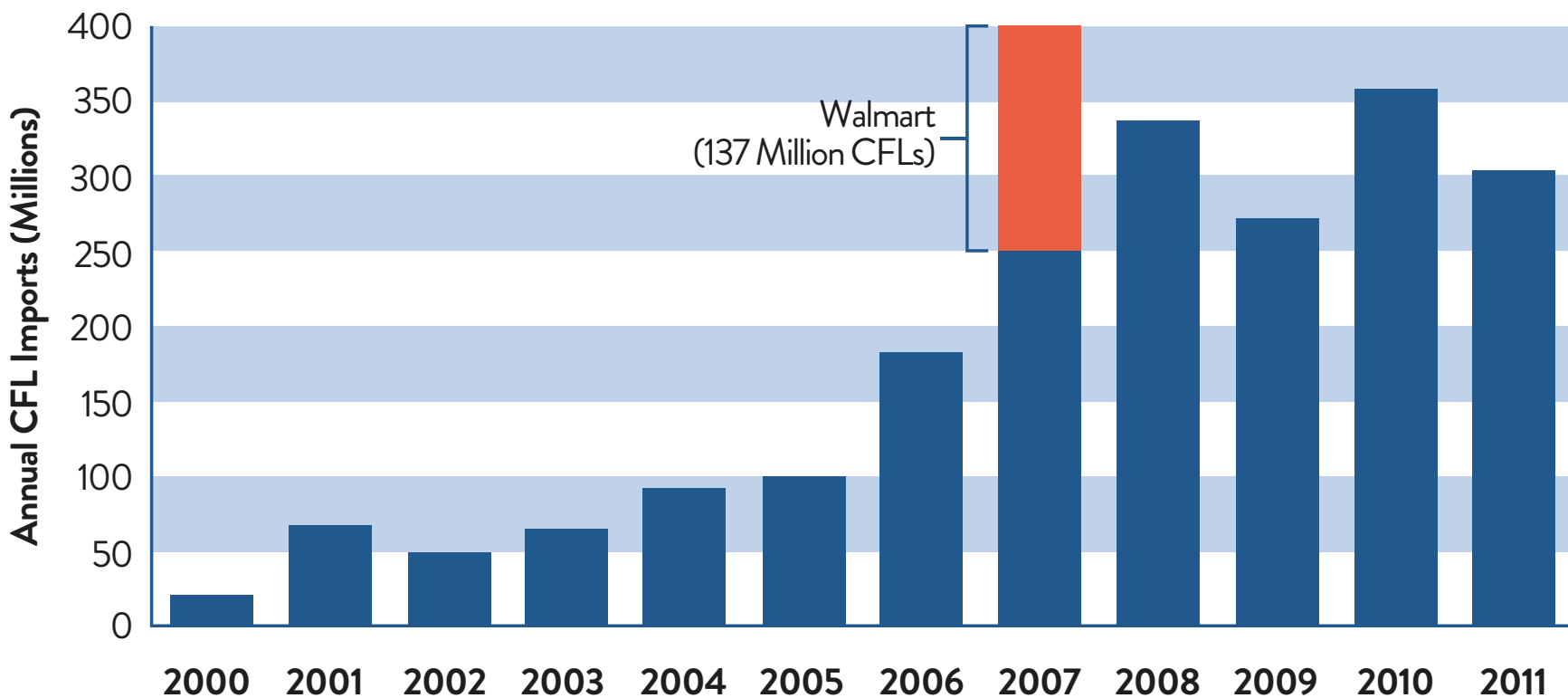
Brand: TCP
Color Temperature: 3000
Diameter (in): 7.25
Finish: White
Volts: 120

BulbFinder

Not sure how to find your bulb? Click here for our step-by-step tool.

Which is best?

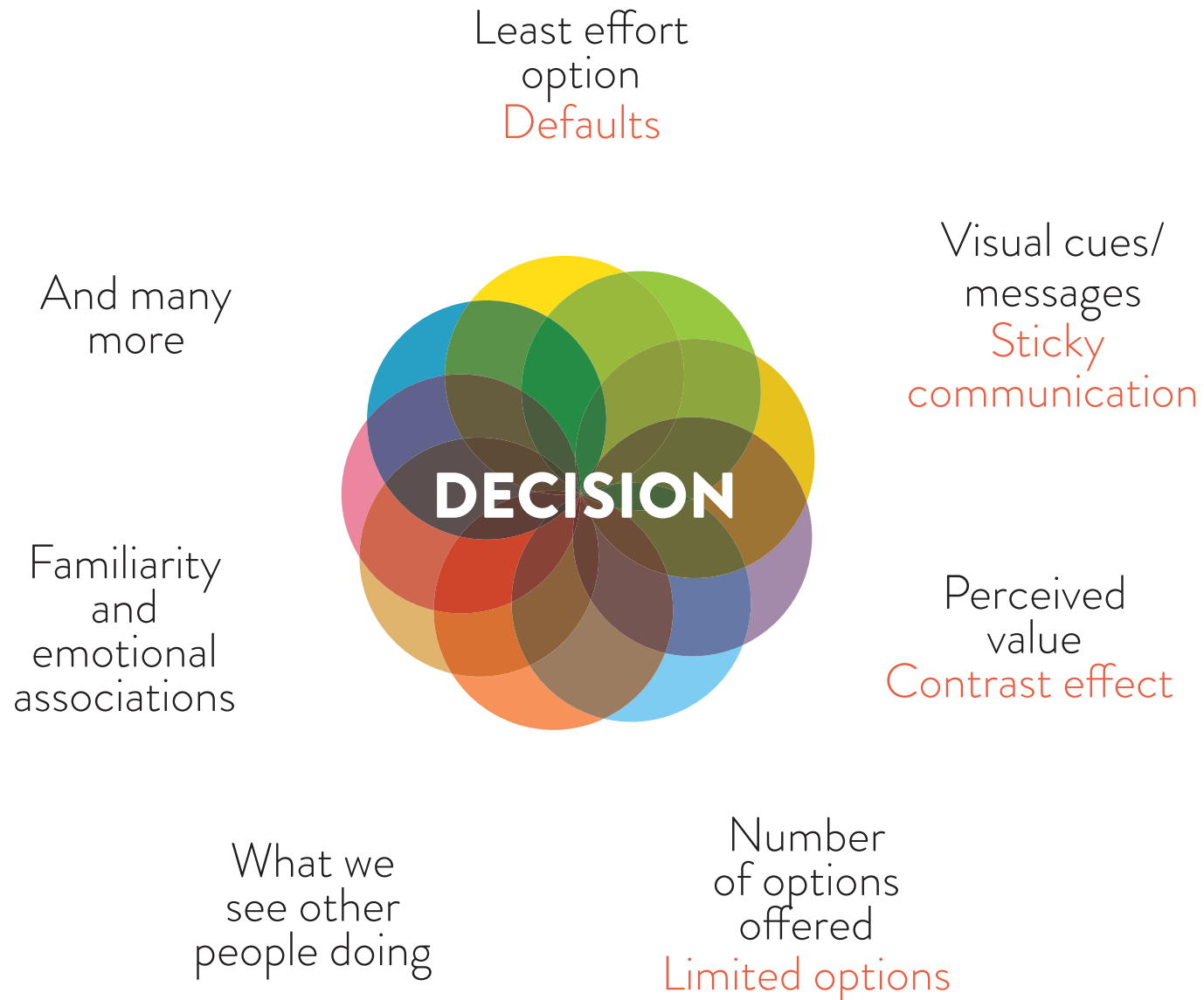
- Can't say with certainty; full category sales data are not available.



Source: D+R International's Residential Lighting Market Profile-2012

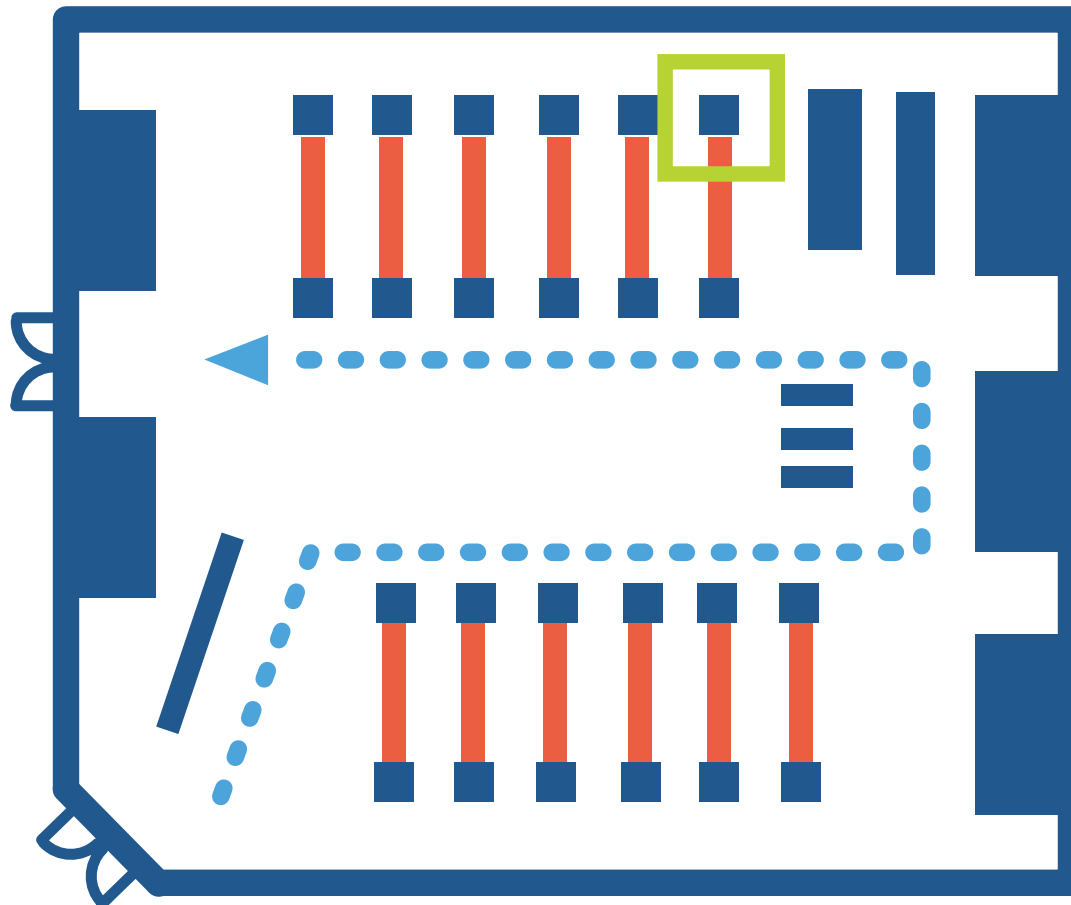
- High-level corporate commitment (CEO, hardware buyer, lighting merchant)
- Ads in Walmart print publications
- Major GE print advertising campaign to support the Walmart push
- PR: Fast Company, Oprah promote CFLs
- Oil - \$70/barrel
- Hurricane Katrina

PRICE	\$7.58 (3-pack) ~\$2.50/ lamp
	\$9.58 (3-pack) ~\$3.20/lamp
PACKAGE DESIGN	Cleaner, less-cluttered packaging
	"energy smart" branding
	"Saves \$38 in energy"
ON-SHELF PROMOTION	Visual display: CFL vs. incandescent with savings messaging
	CFLs at eye level, corresponding incandescents on low shelves
	Stocked together AND with incandescents – 40% more shelf-space!
ON-SHELF PROMOTION	On "Catch the Season" wall
	In-aisle displays in grocery



PRICE	New \$7.58 (3-pack) ~\$2.50/ lamp	Contrast effect
	Original \$9.58 (3-pack) ~\$3.20/lamp	
PACKAGE DESIGN	Cleaner, less-cluttered packaging	Sticky (simple)
	"energy smart" branding	Sticky (concrete, credible)
	"Saves \$38 in energy"	Contrast effect
ON-SHELF PROMOTION	Visual display CFL vs. incandescent with savings messaging	Reduced risk
	CFLs at eye level, corresponding incandescents on low shelves	Default for specifically planned purchase
	Stocked together AND with incandescents - 40% more shelf-space!	Lower effort/improved odds
OFF-SHELF PROMOTION	On "Catch the Season" wall	Increased exposure
	In-aisle displays in grocery	Default and limited options favor reminder and impulse purchases

Warehouse Format Store - Floor Plan

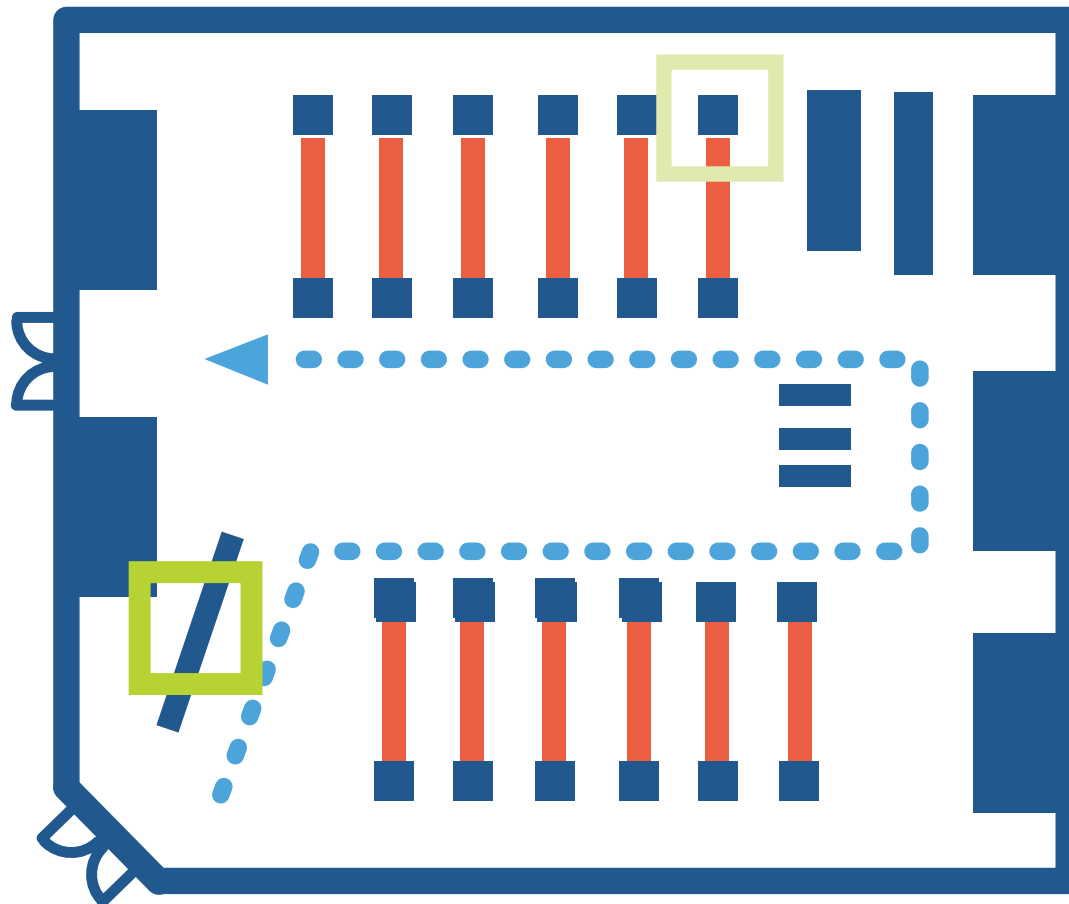


SALES LIFT

Endcap: **37.3%**

Source: Mertz, S. 2013. "Point of Purchase Materials In Store Environment: Maximizing Utility Branding and Sales Using Cross Merchandising Opportunities." Applied Proactive Technologies, Inc. AESP Brown Bag March 18, 2013.

Warehouse Format Store - Floor Plan



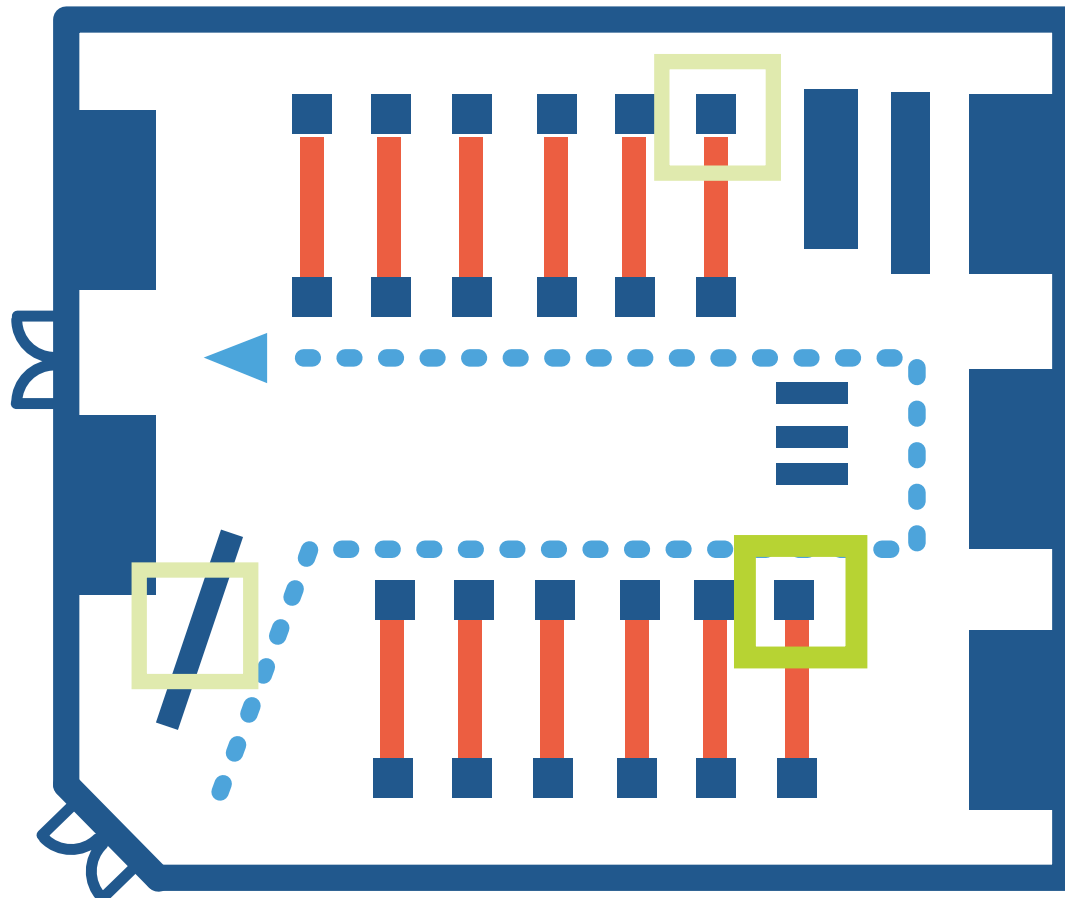
SALES LIFT

Endcap: 37.3%

Fenceline: 111%

Source: Mertz, S. 2013. "Point of Purchase Materials In Store Environment: Maximizing Utility Branding and Sales Using Cross Merchandising Opportunities." Applied Proactive Technologies, Inc. AESP Brown Bag March 18, 2013.

Warehouse Format Store - Floor Plan



SALES LIFT

Endcap: 37.3%

Fenceline: 111%

Aisle Pallets: 242%

- Increased exposures
- Defaults
- Limited choice
- Contrast effect
- Sticky communication

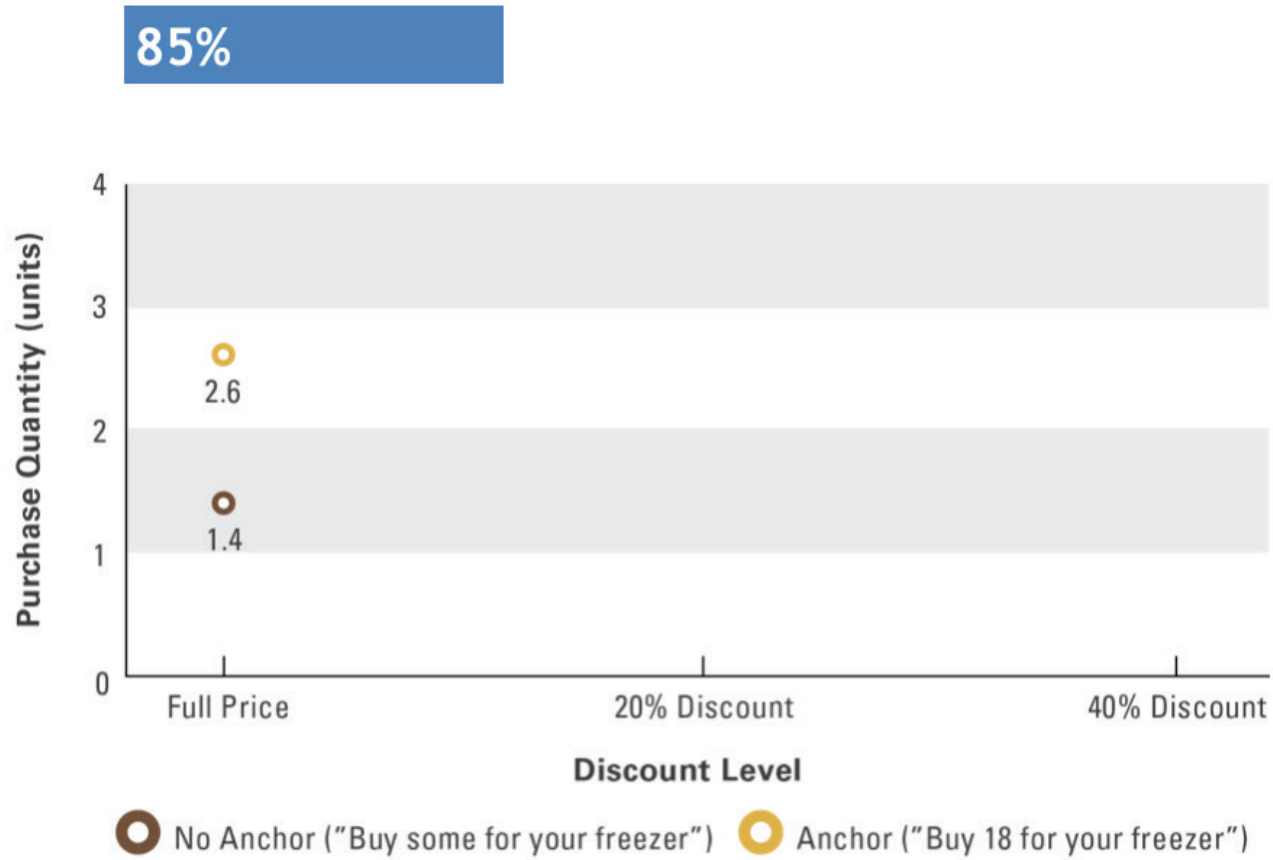


	MANY	FEWER
OPTIONS	24	6
n=	143	103

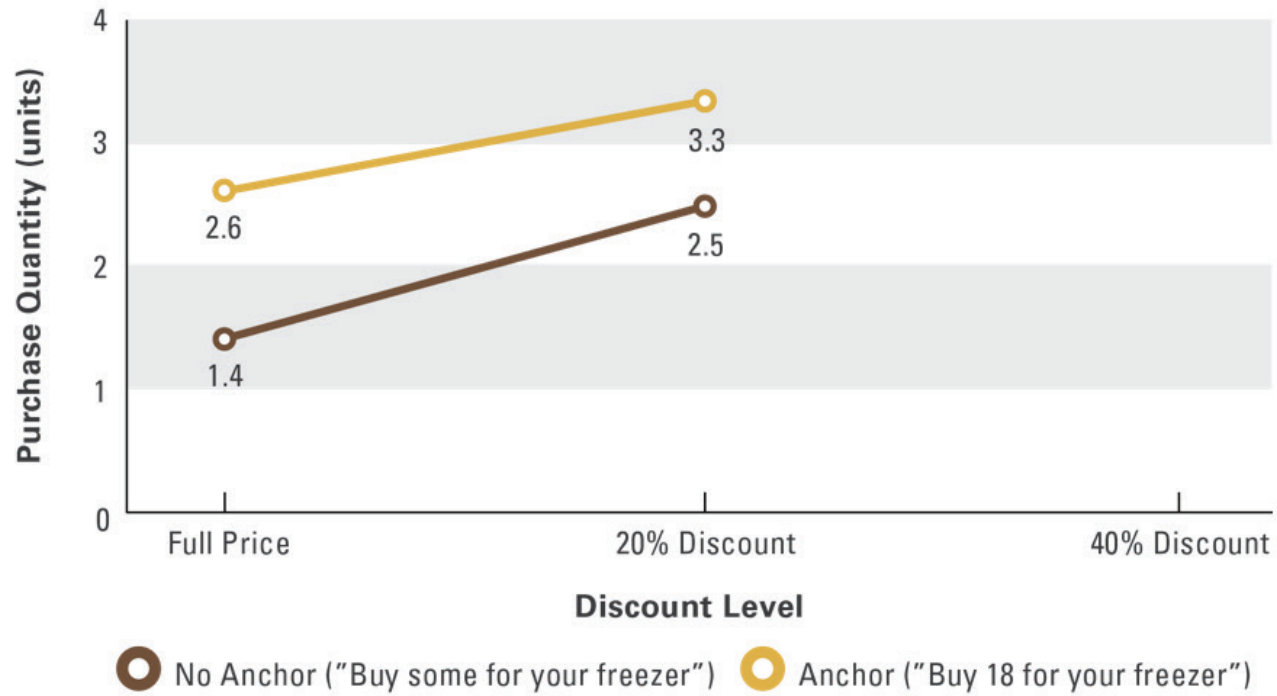
	MANY	FEWER
OPTIONS	24	6
n=	143	103

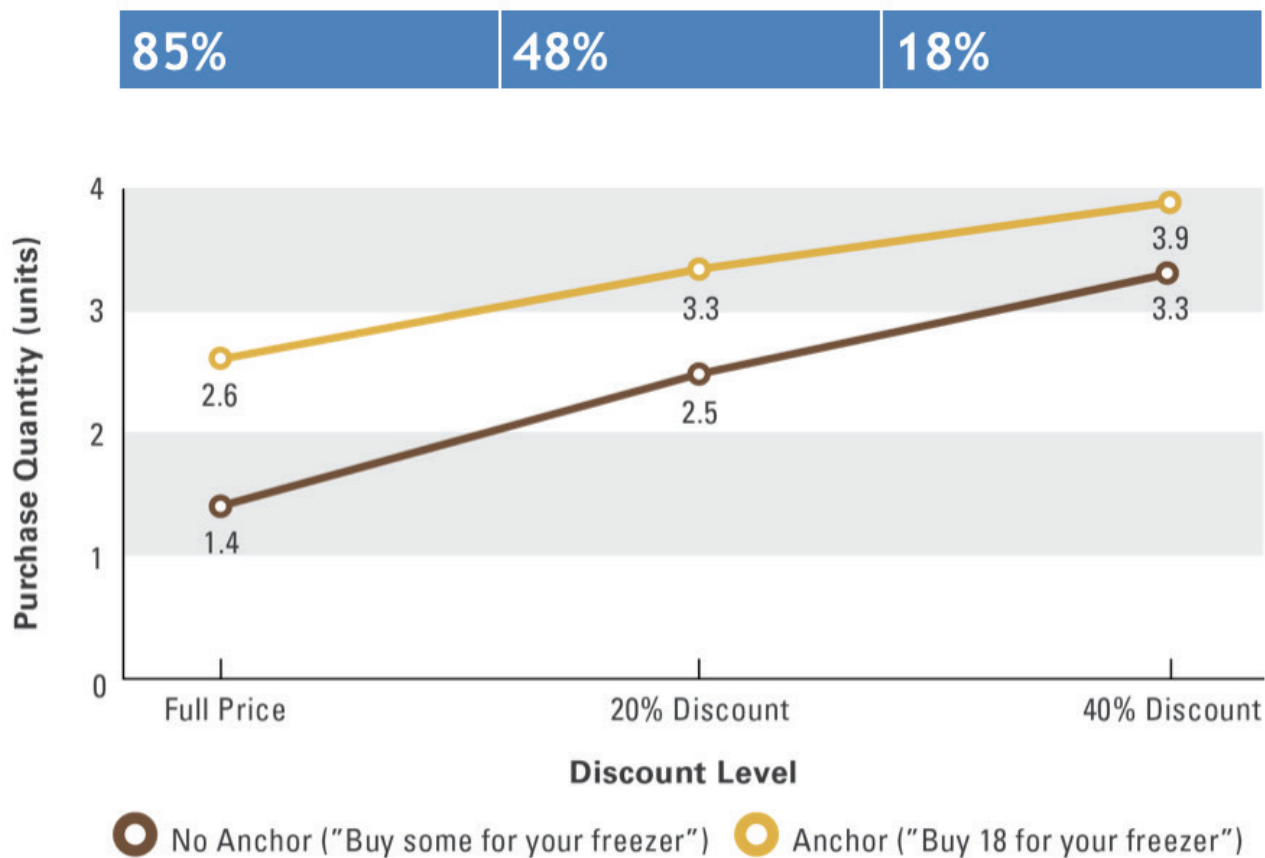
PURCHASED	3%	30%
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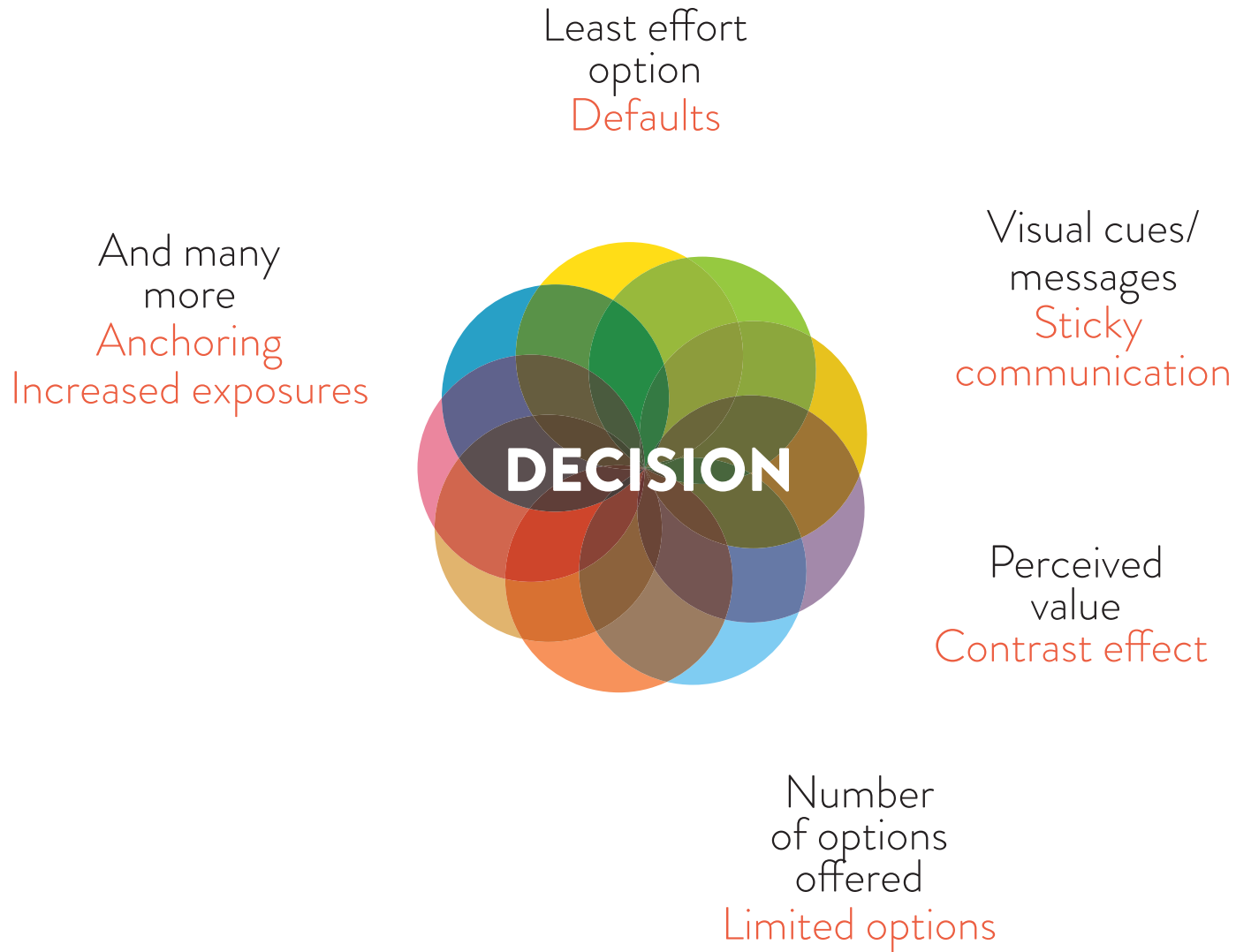
85% 48%





Note: Signage featuring the indicated message was placed at point of purchase.

Source: D&R International's **Residential Lighting Market Profile-2012, Figure 37**



The Thinker



or

The Doer





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