

Framing choice to increase retrofitting

An online experiment to test the impact of bundling on retrofit choice



We have large retrofit ambitions and the EPC is a common tool we all use to communicate how, and why, people should retrofit their home...

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Characteristic	Average/frequency
Reports that devoted less than ¼ of space to images	82%
Reports that devoted ¼ to ½ of space to images	11%
Reports that devoted ½ to ¾ of space to images	4%
Reports that devoted more than ¾ of space to images	2%
Reports that did not use color images	7%
Reports that did not include any images	2%

• 99% of thermal images were tailored to customers' homes.

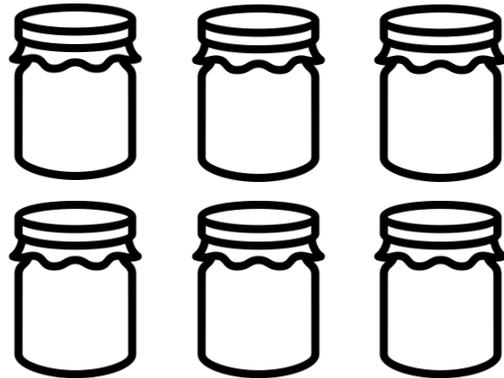
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Some key behavioural insights

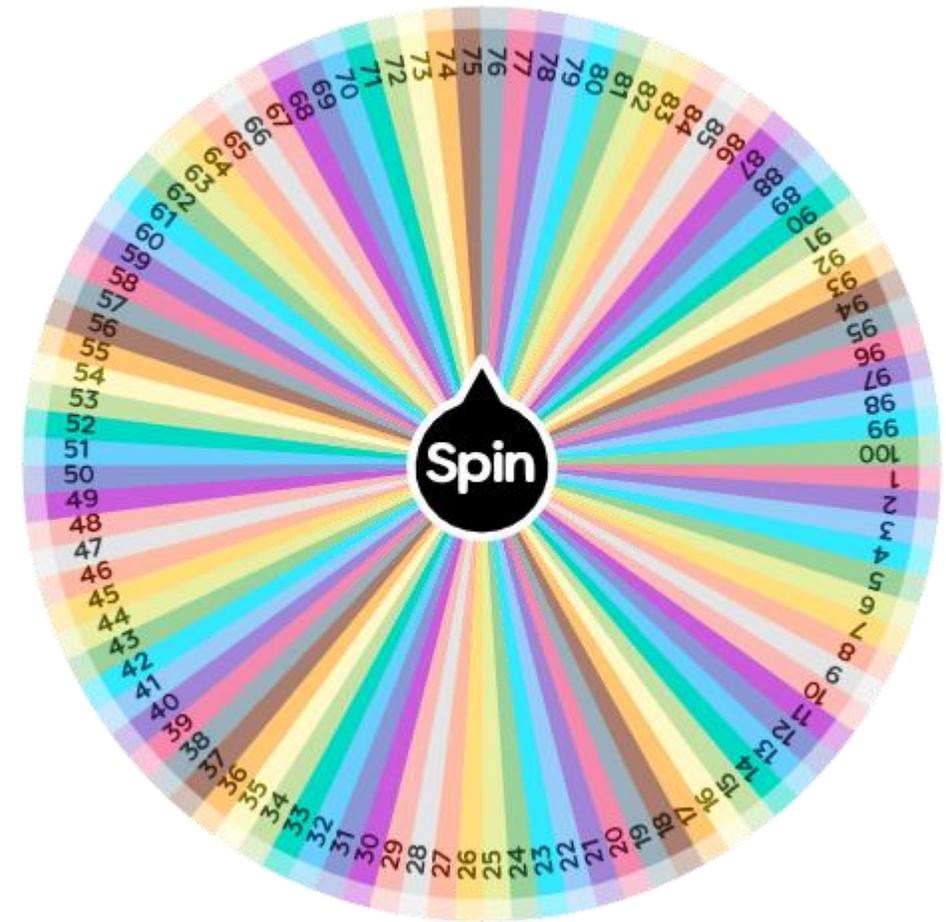


Making choices easier makes decisions more likely



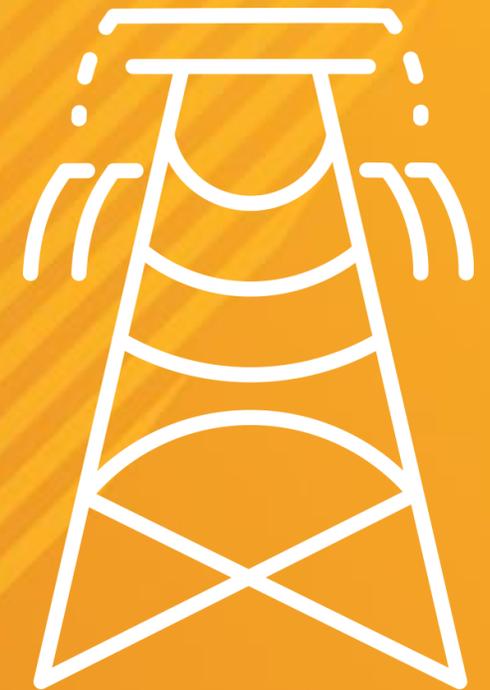
People are influenced by numeric anchors...even irrelevant ones!

- What percentage of countries in the United Nations are African?
- Wheel rigged to land on 10 or 65
- Those who landed on 10 guessed 25%
- Those who landed on 65 guessed 45%



What are we learning from behavioural economics in SEAI?

How have we applied behavioural economics and what have learnt?



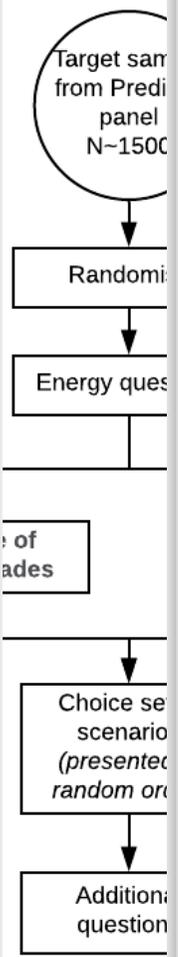
How choices are presented matter



Please imagine you live in a house with the following features:

House information	
Type of dwelling	Detached house
Approx. floor area (m ²)	120 m ²
Year of construction	2000
Annual cost of energy bills	€1,715
Number of storeys	2
Number of bedrooms	3
Prominent wall type	Partially filled cavity wall
Heating type	Oil boiler; no room thermostat

Your current Building Energy Rating of your Detached house is:



Your current Building Energy Rating of your Detached house is:



Solutions for your home

Package 1

Cost After Grant €2,470

Annual Savings €341

Comfort Rating Some Comfort

Payback (years) 7

BER after upgrade C1

Package 2

Cost After Grant €5,110

Annual Savings €503

Comfort Rating Some Comfort

Payback (years) 10

BER after upgrade B3

Package 3

Cost After Grant €12,210

Annual Savings €574

Comfort Rating Comfy

Payback (years) 21

BER after upgrade B2

Package 4

Cost After Grant €15,810

Annual Savings €971

Comfort Rating Very Comfy

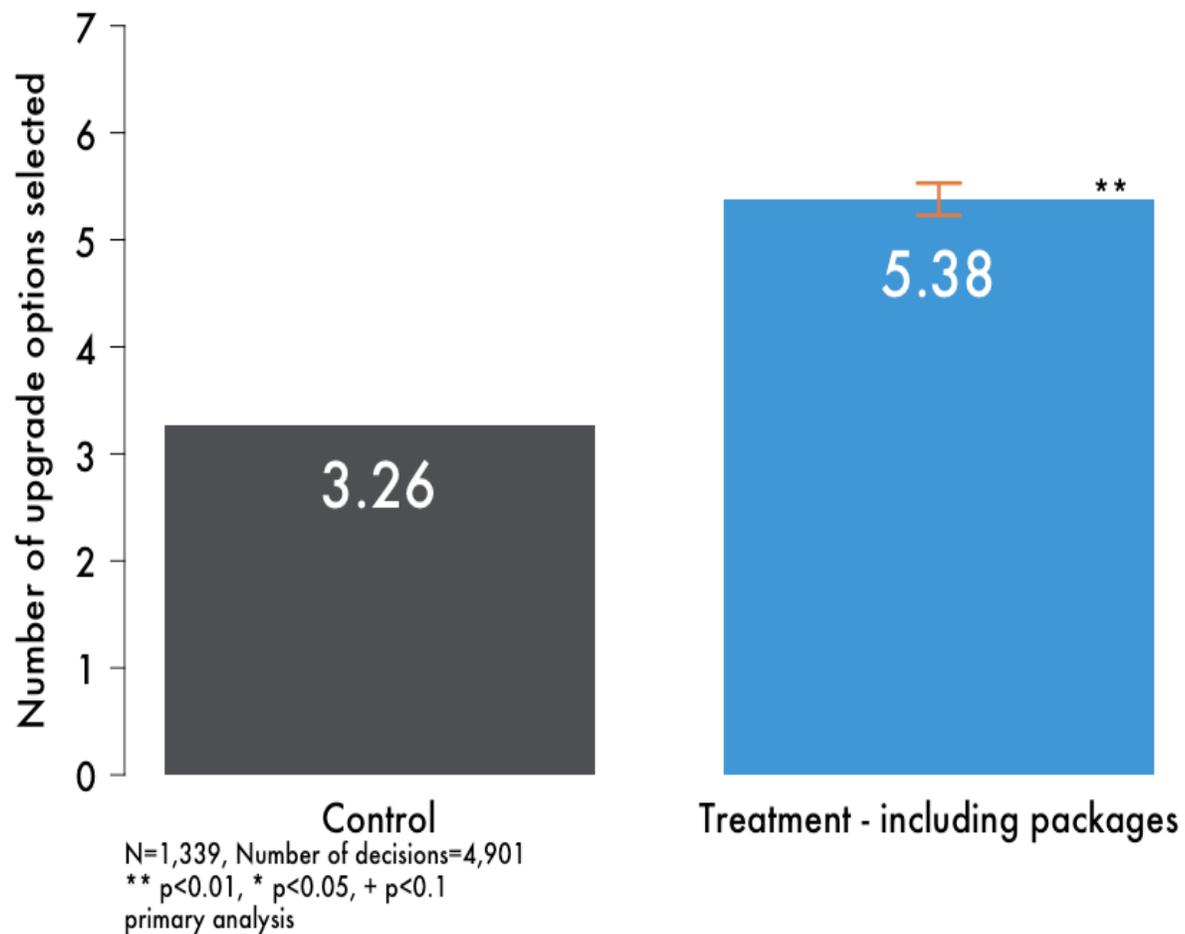
Payback (years) 16

BER after upgrade B1

Measures	Cost	Grant	Cost After Grant	Annual Savings	Comfort Rating	Payback (years)	BER After Improvement
Upgrade projects							
Heating Controls and Multi-Zoning	€2,160	€700	€1,460	€205	Some Comfort	7	C1
Attic Insulation and Roof Ventilation	€980	€400	€580	€26	Little Comfort	22	C2
Boiler Upgrade	€2,640	N/A	€2,640	€178	N/A	15	C1
External Wall Insulation	€13,400	€6,000	€7,400	€90	Comfy	82	C2
Solar PV	€5,000	€1,400	€3,600	€397	N/A	9	C1
Simple measures							
Low Energy Light Bulbs	€130	N/A	€130	€67	N/A	2	C2
Chimney Draft Limiter	€300	N/A	€300	€33	Little Comfort	9	C2

If you complete Heating Controls and Multi-Zoning, Attic Insulation and Roof Ventilation, and External Wall Insulation upgrades your grant value will be increased by €300.

How choices are presented matters!



Conclusions...

- Bundling energy efficiency upgrades can increase willingness to pay
- Bundling energy efficiency upgrades can increase retrofit depth
- Wherever we can, we should make choices easier for homeowners
- We should look at every point along a homeowner's customer journey to retrofit their home and optimise it to increase retrofitting

And now, a quick question on Menti:
What could you do to optimise your advisory report to encourage more,
and deeper, retrofits?

Thank you!

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