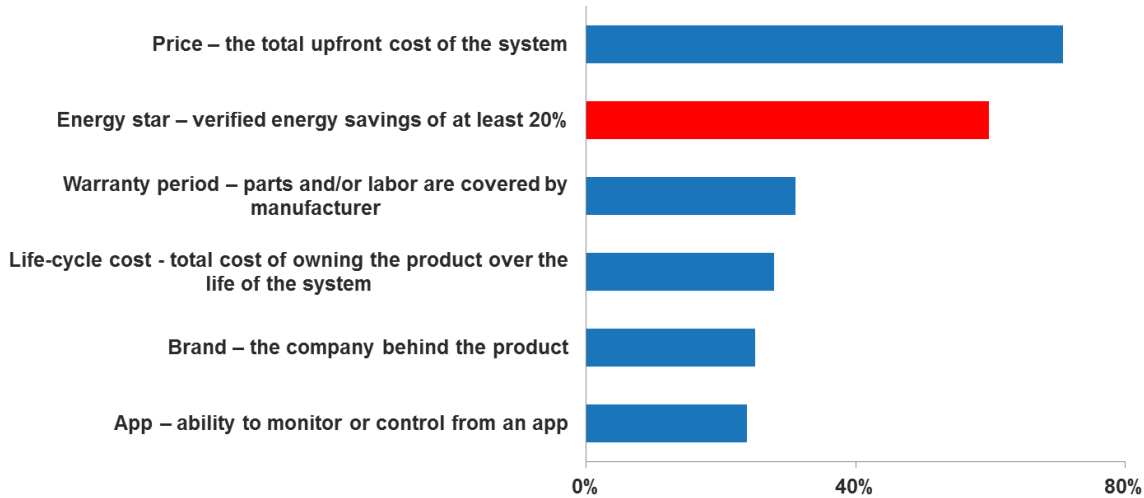


Thermostat: Most Important Purchase Drivers

Subgroup of Homeowners among U.S. Broadband Households



% Ranking Among The Top 3 Most Important

© Parks Associates

Consumer Analytics Team



Yilan Jiang, Manager of Consumer Research



Katherine Li, Researcher

Industry Analyst



Tom Kerber, Director, IoT Strategy

SYNOPSIS

Energy efficiency programs have the opportunity to accelerate adoption of energy efficient products, extending beyond smart thermostats to include many smart product categories. This research quantifies price sensitivity of demand for smart products and quantifies the opportunity for energy providers to expand energy efficiency programs.

ANALYST INSIGHT

“This research quantifies free ridership and the influence of incentives on buying behaviors of product categories including HVAC equipment, water heaters, pool pumps, and smart thermostats. It examines the impact of combined EE/DR programs, and preferences for different incentive structures including instant or mail in rebates and financing.”

— Tom Kerber, *Director, IoT Strategy*, Parks Associates



Number of Slides: 87

CONTENTS

Executive Summary

- Industry Insight
- Key Findings and Market Impact

Energy Segments

- Energy Saving Actions Taken Over the Past 12 Months (Q4/17)
- Steps of Energy Saving Actions (2014 - 2017)
- View on Home Energy Efficiency, Personal Habit Efficiency (Q4/17)
- Importance of Having an Energy Efficient Home (Q4/17)
- Parks Associates Energy Efficiency Segments
- Energy Efficiency Consumer Segmentation Overview

Energy Program Familiarity

- High Familiarity with Energy Programs Offered (2015 - 2017)
- High Familiarity with Energy Programs by Energy Efficiency Consumer Segments (Q4/17)

HVAC Energy Efficiency Incentives

- HVAC System: Most Important Purchase Drivers (Q4/17)
- Understanding the impact of incentives on an HVAC equipment purchase
- HVAC System: Initial Choice (Q4/17)
- HVAC System: Initial Choice by Energy Segments (Q4/17)
- HVAC System: Initial Choice by Demographics (Q4/17)
- HVAC System: Incentive Impact on Purchase Decision (Q4/17)

- HVAC System: Significant Incentive Impact on Purchase Decision by Energy Segments (Q4/17)
- HVAC System: Incentive Impact on Purchase Decision by Demographics (Q4/17)
- Impact of Incentives on HVAC Equipment Choice (Q4/17)
- Incentive Impact on HVAC Equip. Choice (Q4/17)
- Impact of Incentives on HVAC Equipment Choice by Energy Segments (Q4/17)
- Impact of Incentives on HVAC Equipment Choice by Demographics (Q4/17)
- HVAC System: Impact of Demand Response Tied to Financing/Rebates (Q4/17)
- HVAC System: Impact of Demand Response Tied to Financing/Rebates by Energy Segments (Q4/17)
- HVAC System: Impact of Demand Response Tied to Financing/Rebates by Region (Q4/17)
- HVAC System: Reasons for Not Being Interested in Demand Response Program (Q4/17)
- HVAC System: Likelihood of Allowing Electricity Provider to Make Functional Adjustment in Exchange for DR Servicing Incentives (Q4/17)

Water Heater Energy Efficiency Incentives

- Water Heater: Most Important Purchase Drivers (Q4/17)
- Understanding the impact of incentives on an water heater purchase
- Water Heater: Initial Choice (Q4/17)
- Water Heater: Initial Choice by Energy Segments (Q4/17)

- Water Heater: Initial Choice by Income (Q4/17)
- Water Heater: Incentive Impact on Purchase Decision (Q4/17)
- Water Heater: Significant Incentive Impact on Purchase Decision by Energy Segments (Q4/17)
- Water Heater: Incentive Impact on Purchase Decision (Q4/17)
- Water Heater: Incentive Impact on Respondents' Initial Choice (Q4/17)
- Impact of Incentives on Water Heater Choice Segments (Q4/17)
- Impact of Incentives on Water Heater Choice by Energy Segments (Q4/17)
- Water Heater: Incentive Impact on Respondents' Initial Choice by Age (Q4/17)
- Water Heater: Impact of DR Tied to Financing/Rebates (Q4/17)
- Water Heater: Reasons for Not Being Interested in Demand Response Program (Q4/17)
- Water Heater: Impact of DR Tied to Financing/Rebates by Energy Segments (Q4/17)
- Water Heater: Likelihood of Allowing Electricity Provider to Make Functioning Adjustment in Exchange of DR Servicing Incentives (Q4/17)
- Pool Pump: Initial Choice by Home Size (Q4/17)
- Pool Pump: Incentive Impact on Purchase Decision (Q4/17)
- Pool Pump: Incentive Impact on Purchase Decision by Energy Segments (Q4/17)
- Pool Pump: Incentive Impact on Purchase Decision (Q4/17)
- Pool Pump: Incentive Impact on Respondents' Initial Choice (Q4/17)
- Impact of Incentives on Pool Pump Choice Segments (Q4/17)
- Impact of Incentives on Pool Pump Choice by Energy Segments (Q4/17)
- Pool Pump: Incentive Impact on Respondents' Initial Choice by Age (Q4/17)
- Pool Pump: Impact of Demand Response Tied to Financing/Rebates (Q4/17)
- Pool Pump: Reasons for Not Interested in Demand Response Program (Q4/17)
- Pool Pump: Impact of Demand Response Tied to Financing/Rebates by Energy Segments (Q4/17)
- Pool Pump: Impact of Demand Response Tied to Financing/Rebates by Demographic Factors (Q4/17)
- Pool Pump: Likelihood of Allowing Electricity Provider to Make Functioning Adjustment in Exchange of DR Servicing Incentives (Q4/17)

Pool Pump Energy Efficiency Incentives

- Pool Pump: Most Important Purchase Drivers (Q4/17)
- Understanding the impact of incentives on a pool pump purchase
- Pool Pump: Initial Choice (Q4/17)
- Pool Pump: Initial Choice by Energy Segments (Q4/17)

Thermostat Energy Efficiency Incentives

- Thermostat: Most Important Purchase Drivers (Q4/17)
- Understanding the impact of incentives on a thermostat purchase
- Thermostat: Initial Choice (Q4/17)
- Thermostat: Initial Choice by Energy Segments (Q4/17)

- Thermostat: Initial Choice by Demographics and Housing Factors (Q4/17)
- Thermostat: Incentive Impact on Purchase Decision (Q4/17)
- Thermostat: Incentive Impact on Purchase Decision by Energy Segments (Q4/17)
- Thermostat: Incentive Impact on Purchase Decision (Q4/17)
- Thermostat: Incentive Impact on Respondents' Initial Choice (Q4/17)
- Impact of Incentives on Thermostat Choice (Q4/17)
- Impact of Incentives on Thermostat Choice by Energy Segments (Q4/17)
- Thermostat: Incentive Impact on Respondents' Choice by Demographics (Q4/17)
- Thermostat: Impact of Demand Response Tied to Financing/Rebates (Q4/17)
- Thermostat: Reasons for Not Interested in Demand Response Program (Q4/17)
- Thermostat: Impact of Demand Response Tied to Financing/Rebates by Energy Segments (Q4/17)
- Thermostat: Likelihood of Allowing Electricity Provider to Make Functioning Adjustment in Exchange of DR Servicing Incentives (Q4/17)

Appendix

ATTRIBUTES

Parks Associates

5080 Spectrum Drive
Suite 1000W
Addison TX 75001

parksassociates.com

sales@parksassociates.com

PHONE 972.490.1113

Toll free 800.727.5711

FAX 972.490.1133

Authored by Yilan Jiang, Tom Kerber, and Katherine Li
Executive Editor: Jennifer Kent

Published by Parks Associates

© 2018 Parks Associates | Addison, Texas 75001

All rights reserved. No part of this book may be reproduced, in any form or by any means, without permission in writing from the publisher.

Printed in the United States of America.

DISCLAIMER

Parks Associates has made every reasonable effort to ensure that all information in this report is correct. We assume no responsibility for any inadvertent errors.