



‘Smileys’ could cut fuel bills by £80 a year – study

- Giving consumers ‘smiley face’ feedback has big impact on energy use
- Savings equivalent to every house installing loft insulation

A major new study of people’s energy use in the home has found that giving people feedback on their energy use can have as big an impact in cutting bills as installing loft insulation or upgrading a boiler – a saving equivalent to 2.7m tonnes of carbon per year for the UK. The **National Energy Study** found that when given regular feedback over an extended period of time, people changed their habits to use less energy, with average savings of nearly £80 per year on combined gas and electricity bills.

The study examines the effect of ‘smileys’, sometimes known as emoticons, on people’s energy use in the home. Potentially a simple and cheap way of giving feedback, people received a ‘happy face’ when their energy use was low relative to the rest of the group, and a ‘sad face’ when it was high. Psychologists have speculated that people’s motivation to save money is trumped by that to seek approval, or ‘fit in’. All participants received energy-saving tips before taking part.



The report comes at a time when government and opposition parties vie with each other to hold down consumers’ bills, and regulators have called a competition inquiry. Ofgem recently wrote to the ‘big six’ asking them to explain why their bills have not fallen despite a drop in wholesale energy prices.

Ed Davey, Secretary of State for Energy and Climate Change, said:

“By reducing energy use and cutting down on waste, we can reduce energy bills, make our energy system more sustainable, and drive down greenhouse gas emissions.

Too often, governments have neglected the role that energy demand reduction can play in managing our energy system. Yet measures that reduce demand can contribute in a more cost-effective way to meeting our energy and climate goals than supply-side measures.”

Andrew Eagles, managing director of Sustainable Homes, who conducted the study, said:

“These findings will be of great interest to anyone concerned with cutting energy bills – which, of course, is most of us. We know that people are always keen to save money – but what this study uncovers is that their natural desire for approval is at least as important, and probably more so. Nearly one third of the UK’s emissions come from homes, and the results have implications for the

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roll-out of smart meters in the UK. They suggest we would be missing a trick if we did not take people's real motivations into account with a simple and cheap method like this when we try and reduce household energy consumption."

Other findings were:

- **Feedback works** – different types of feedback have different levels of effectiveness, but any is better than none. For example, all those who received any kind of feedback used less gas, once the weather was taken into account. Those who received none actually used more
- There is **no obvious link** between levels of energy use and the energy rating (SAP score) of a home.
- A **huge variation** exists in people's level of energy use, without any obvious explanation – suggesting there could be some 'quick wins' if people are given advice *and* feedback on saving energy

Notes to editors:

- The full report can be downloaded from www.sustainablehomes.co.uk from Wednesday 25 June. An embargoed copy is available on request. It will be formally launched at 1100 in the 'Green Room' at the CIH Conference, Manchester.
- Sustainable Homes is a not-for-profit consultancy and research body, providing advice and assistance to the housing sector
- The study was made in conjunction with 14 housing associations and over 500 households around the country, and with the support of and the Department of Energy & Climate Change. It was conducted over 6 months, from October 2013 to March 2014.
- Feedback was given using email or text message. People who received 'Smileys' made the biggest savings, compared to groups who were given a ranking or were simply informed of their 'kilowatt-hour' (a standard unit to measure energy use) usage
- Participating housing associations: Catalyst Housing Group, CityWest Homes, First Wessex, Gentoo Green, Hastoe Housing Association, Islington & Shoreditch Housing Association, Magenta Living, mhs homes, Midland Heart, Nottingham City Homes, Octavia, Orbit Heart of England, The Regenda Group and Swan Housing Association
- Before any feedback was given, the study established a 'baseline' of people's energy use, and corrections were made for weather.
- This document sets out Part One of the study, focusing on the monitored findings from the homes and how energy use changed when people received feedback. Later in the year, Part Two will look at people's perceptions of energy, how they attempt to save – and who they trust to provide advice.
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