

Roll-out, awareness and impact of the colour-coded fuel economy label, one year on

Jonathan Murray
Deputy Director

Voluntary car labelling scheme

- ❑ Voluntary automotive industry initiative – brokered by LowCVP
- ❑ Scheme launched in July 2005 – ahead of EU scheme
 - Fully operational by September 2005
- ❑ Bands linked to UK Vehicle Excise Duty CO2 categories
- ❑ Consistent with European Energy Efficiency labels (e.g., fridges)
- ❑ Revised label incorporating G band introduced May 2006



Fuel Economy		Low Carbon Car														
CO ₂ emission figure (g/km) <table border="1"> <tr><td><100</td><td>A</td></tr> <tr><td>101–120</td><td>B</td></tr> <tr><td>121–150</td><td>C</td></tr> <tr><td>151–165</td><td>D</td></tr> <tr><td>166–185</td><td>E</td></tr> <tr><td>186–225</td><td>F</td></tr> <tr><td>226+</td><td>G</td></tr> </table>		<100	A	101–120	B	121–150	C	151–165	D	166–185	E	186–225	F	226+	G	 B 117 g/km
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VED for 12 months <small>Vehicle excise duty (VED) or road tax varies according to the CO₂ emissions and fuel type of the vehicle.</small>		£50														
Environmental Information																
A guide on fuel economy and CO ₂ emissions which contains data for all new passenger car models is available at any point of sale free of charge. In addition to the fuel efficiency of a car, driving behaviour as well as other non-technical factors play a role in determining a car's fuel consumption and CO ₂ emissions. CO ₂ is the main greenhouse gas responsible for global warming.																
Make/Model: Low Carbon Car		Engine Capacity (cc): 1399														
Fuel Type: Diesel		Transmission: 5 speed manual														
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Three quarters of car dealerships are operating the voluntary scheme

Industry helps new car buyers focus on a low carbon choice



Fuel Economy
CO₂ emission figure (g/km)

<100	A
101-120	B
121-150	C
151-180	D
181-210	E
211-250	F
251+	G

Fuel cost (estimated) for 12,000 miles
VED for 12 months

£662
£85

Environmental Information

Parameter	Segment	Score
CO ₂ emissions (g/km)	Low	100
Urban	Low	100
Extra-urban	Low	100
Combined	Low	100

Carbon dioxide emissions (g/km) (12g/km)
*Measured under test conditions of the manufacturer may have been CO₂ emissions. Fuel this check and your needs.

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LowC^{VP} Transport VA

THE MOTOR INDUSTRY SMMT

- ❑ Survey conducted with support of RMIF, SMMT and DfT,
 - Undertaken by ESA
 - Independently verified results

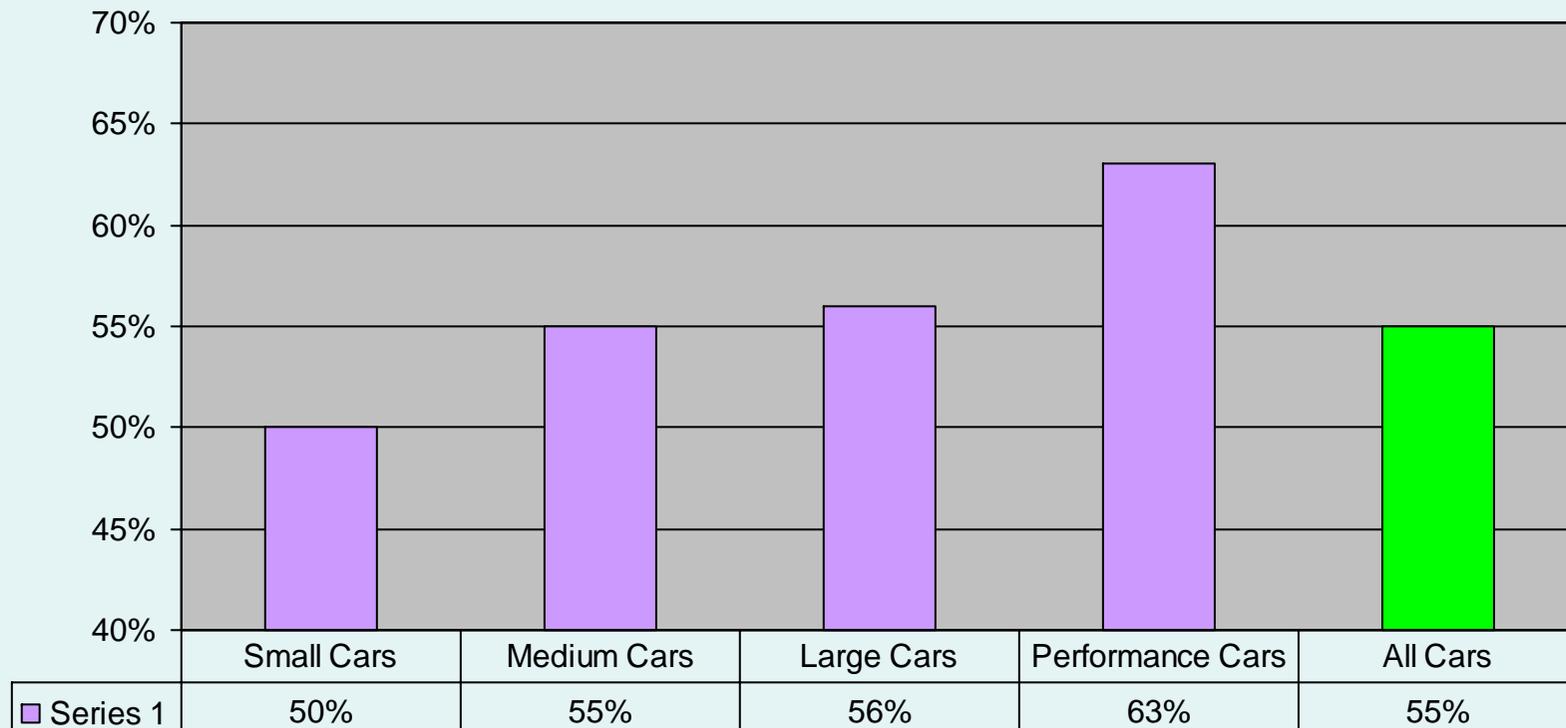
- ❑ 400 car showrooms were visited in all regions of the UK for all brands
 - In proportion to share of UK registrations and number of dealerships

- ❑ 74% of dealerships surveyed were displaying the label
 - Similar to level in October 2005.
 - Conducted during a peak period for new car sales

- ❑ 55% of all cars surveyed were labelled

Performance cars are the most widely labelled - no evidence in bias

Percentage of cars which were correctly labelled
by car type



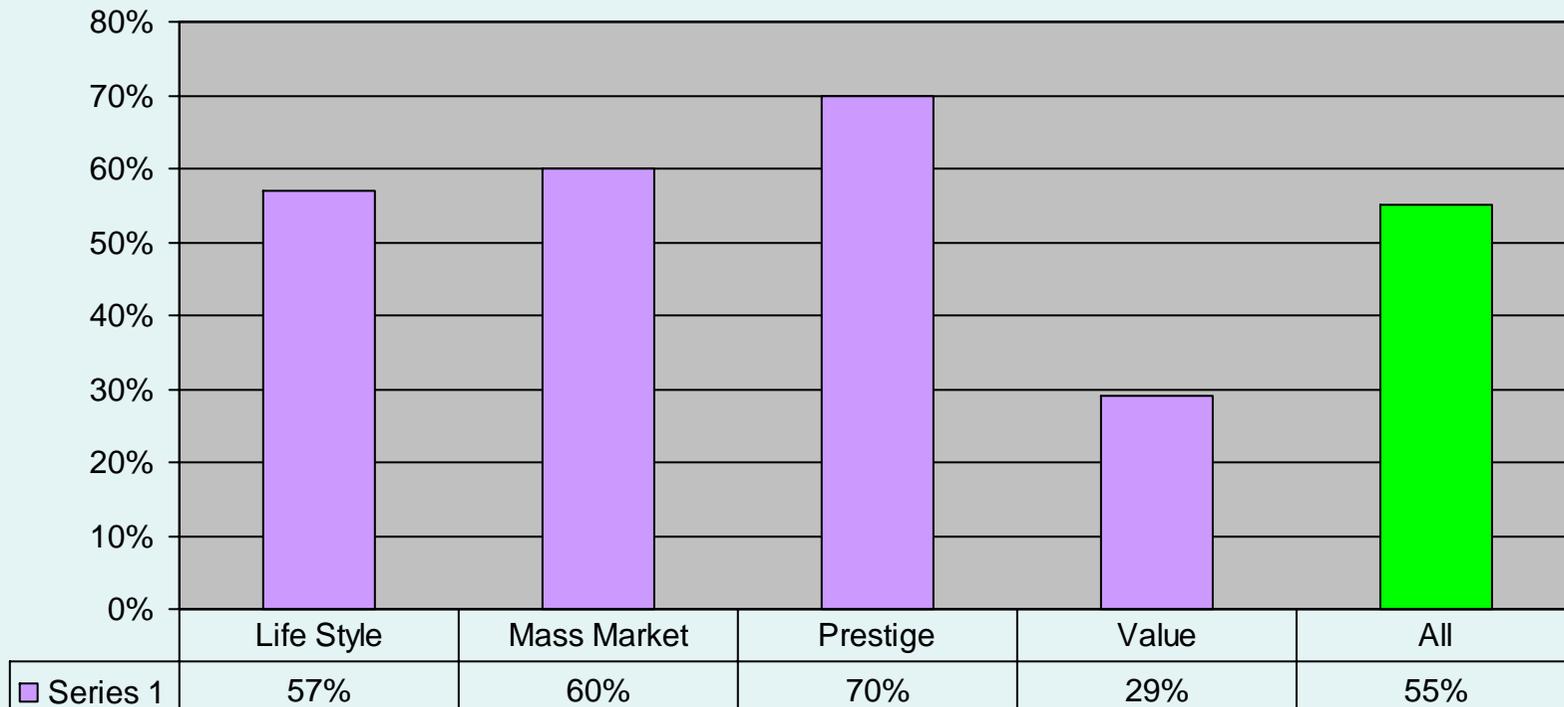
There are wide regional variations with the West Midlands and Northern Ireland performing best

Percentage of cars which were correctly labelled by region



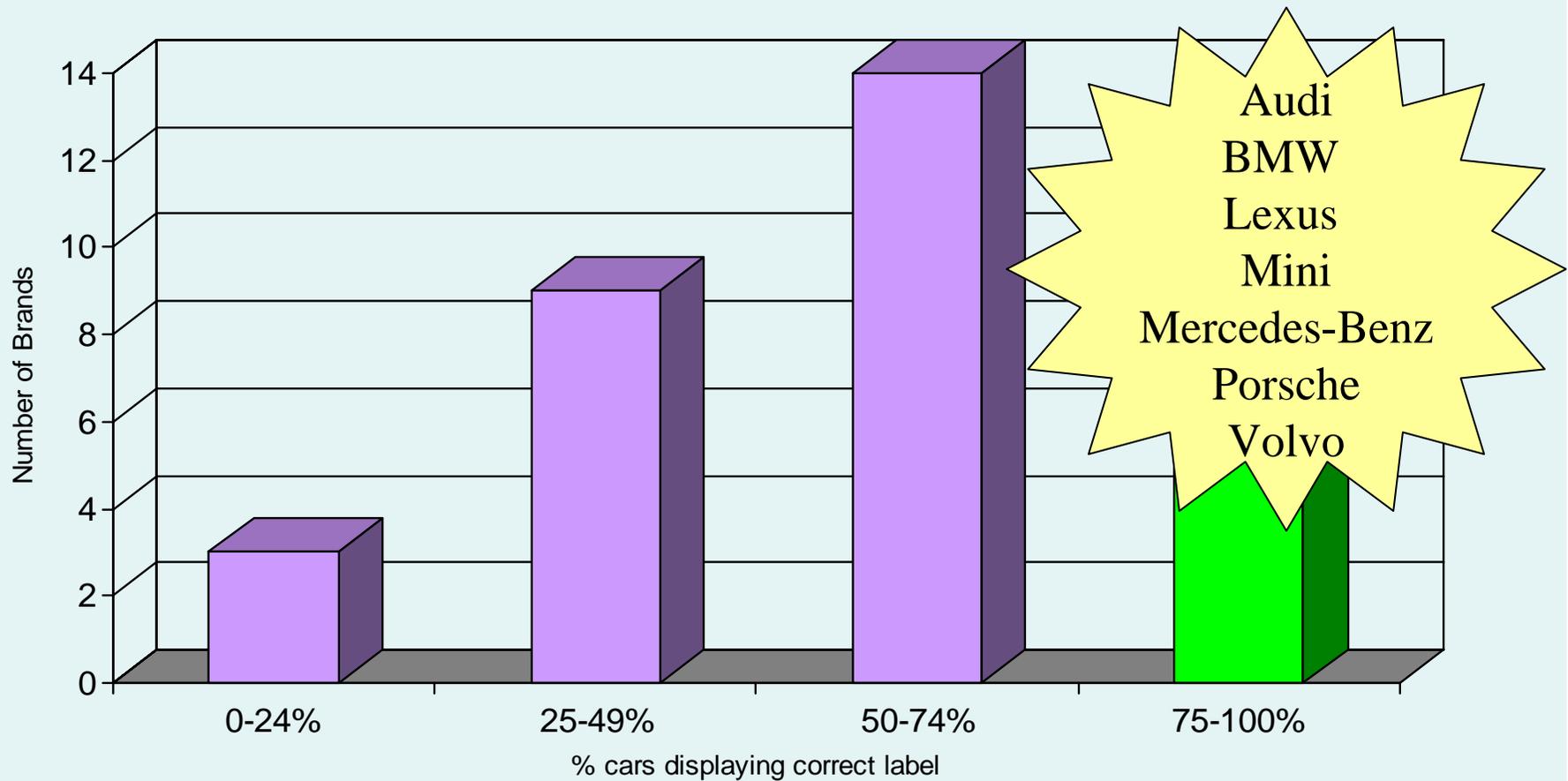
Prestige brands are most widely labelled

Percentage of cars which were corretly labelled
by brand type



Performance between brands is highly variable with the best performing brands labelling more than 75% of cars

Number of brands displaying the correct label



Mystery shopper survey examined how the label is being used by dealerships

- ❑ Conducted a mystery shopping survey of 400 dealerships.

- ❑ Aim to assess how the label was being used in the dealerships.

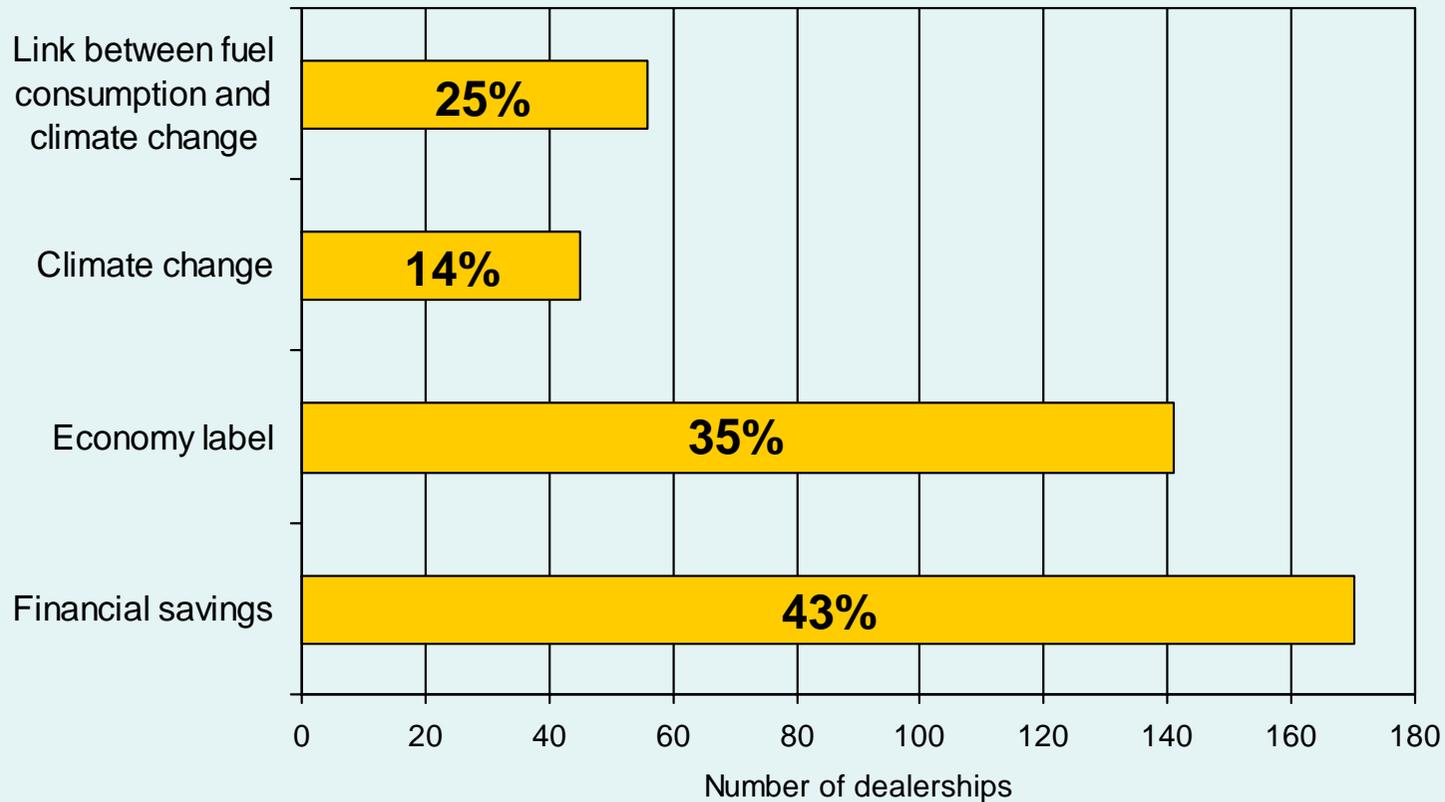
- ❑ Survey measured:
 - Communicating the benefits of high fuel economy
 - Extent to which the label was utilised when talking to customers
 - Level of sales staff knowledge of the label and issues

- ❑ Staff knowledge was variable but generally limited



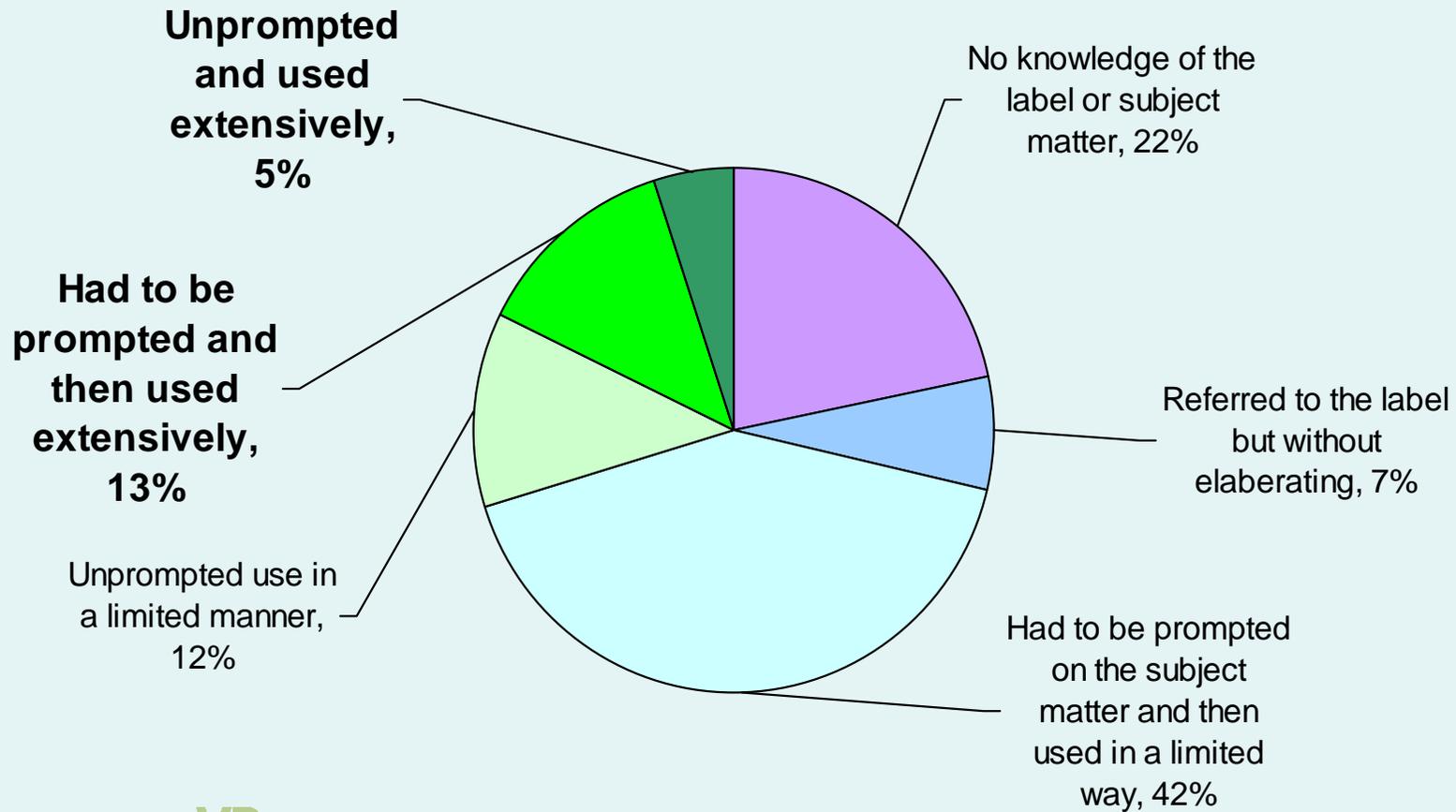
Sales staff communicated financial savings of fuel economy most often

Communicating the benefits of fuel economy to the customer



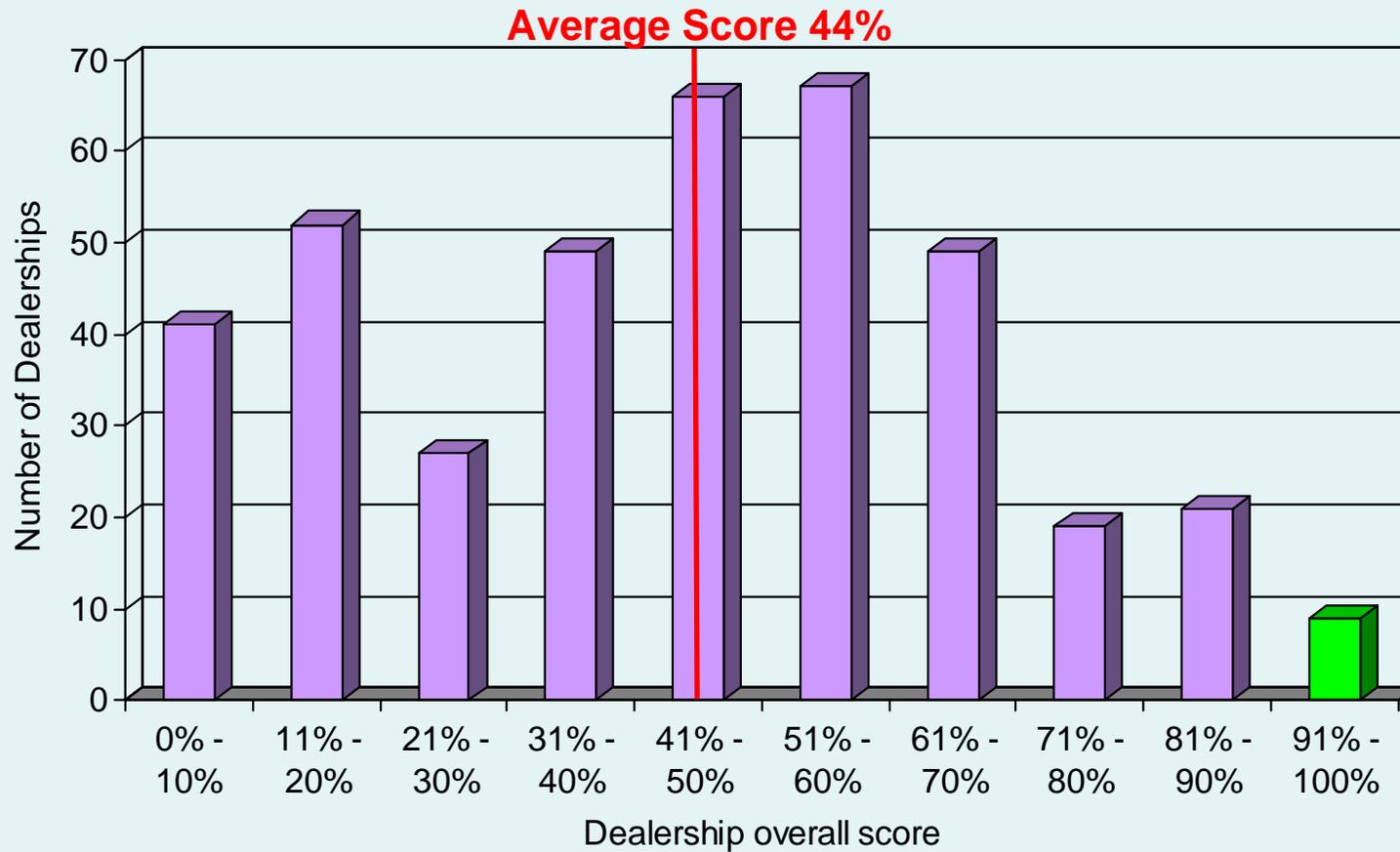
Majority of sales staff utilised the label to a limited extent but 18% used it extensively

Employing the environmental label in the customer conversation



Dealership performance

Distribution of performance of dealerships surveyed



Green Dealer Champions

Star Performers

- Evans Halshaw (Vauxhall), Edinburgh
- Porsche Centres, Colchester & Kendal
- Alan Day Honda, Portsmouth

- Cotswold Hereford Mini, Hereford
- Dixon Hull West (Vauxhall), East Yorkshire
- Nick Whale (BMW), Warwick
- Solent Mazda, Portsmouth
- Holden (Renault), Norwich

Evans Halshaw
The No.1 Choice

Edinburgh



Kendal



Colchester

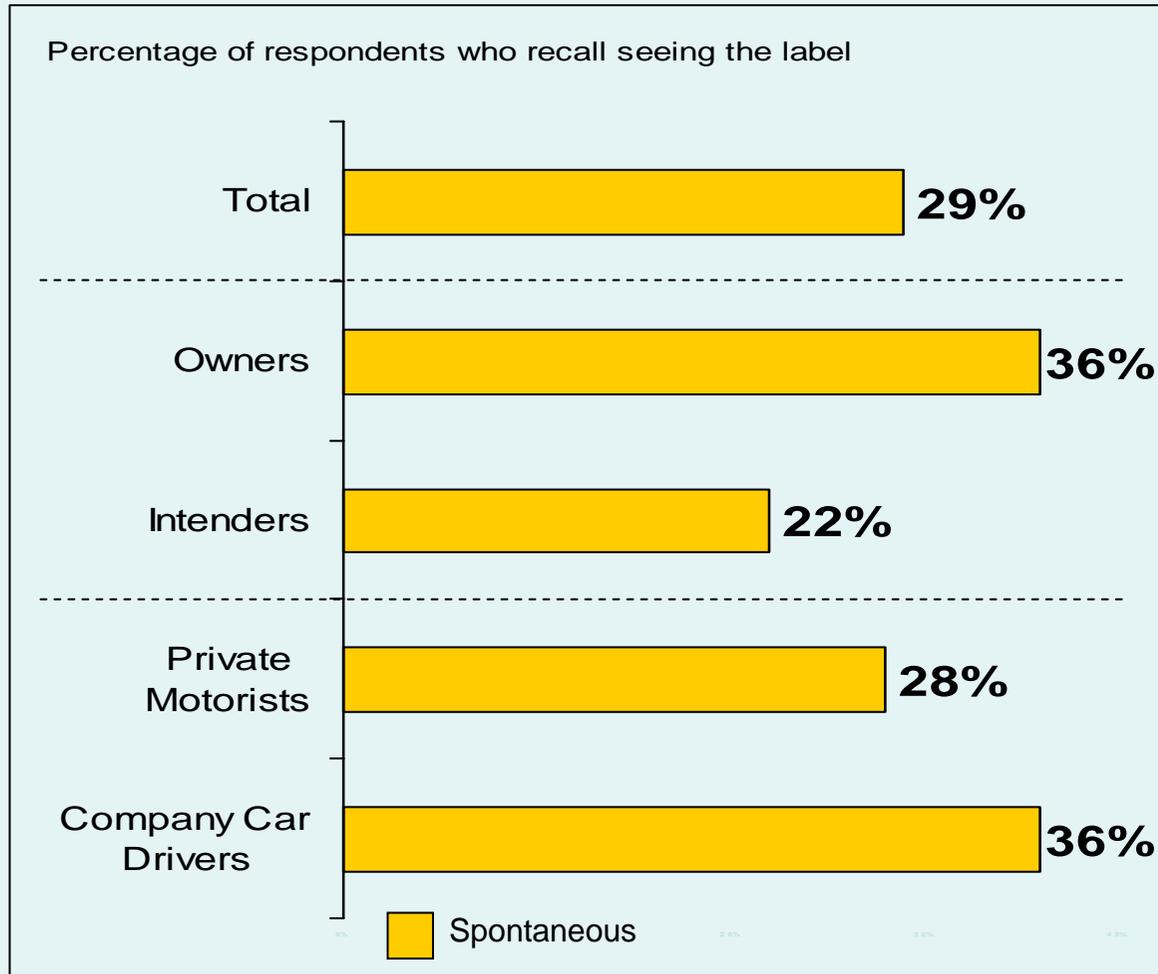


Portsmouth

Impact on car buyers

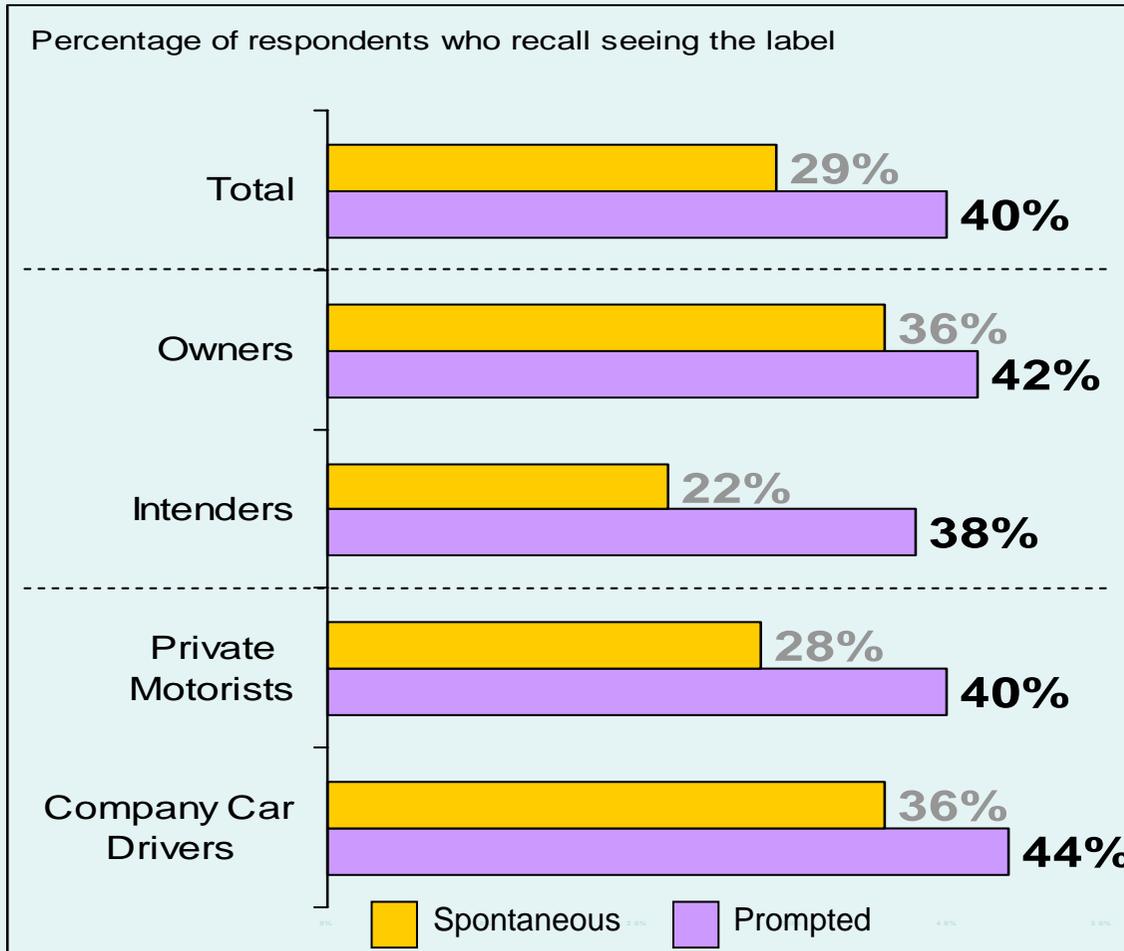
- ❑ Web based research utilising GfK NOP's e-panel.
- ❑ In total 1,928 respondents were interviewed
 - 917 (48%) who had purchased a new car since July 2005
 - 1,011 (52%) who intend to buy a new car within the next twelve months.
- ❑ 92% of respondents were private motorists and 8% were company car drivers.
- ❑ Questionnaire evaluated the following areas:
 - Awareness of the fuel economy label
 - Importance of the fuel economy label in the purchasing decision
 - Factors important when purchasing a new car
 - Sources of information
 - Constituents of the environmentally friendly car

Spontaneous awareness - 29% of all respondents were aware of the environmental label



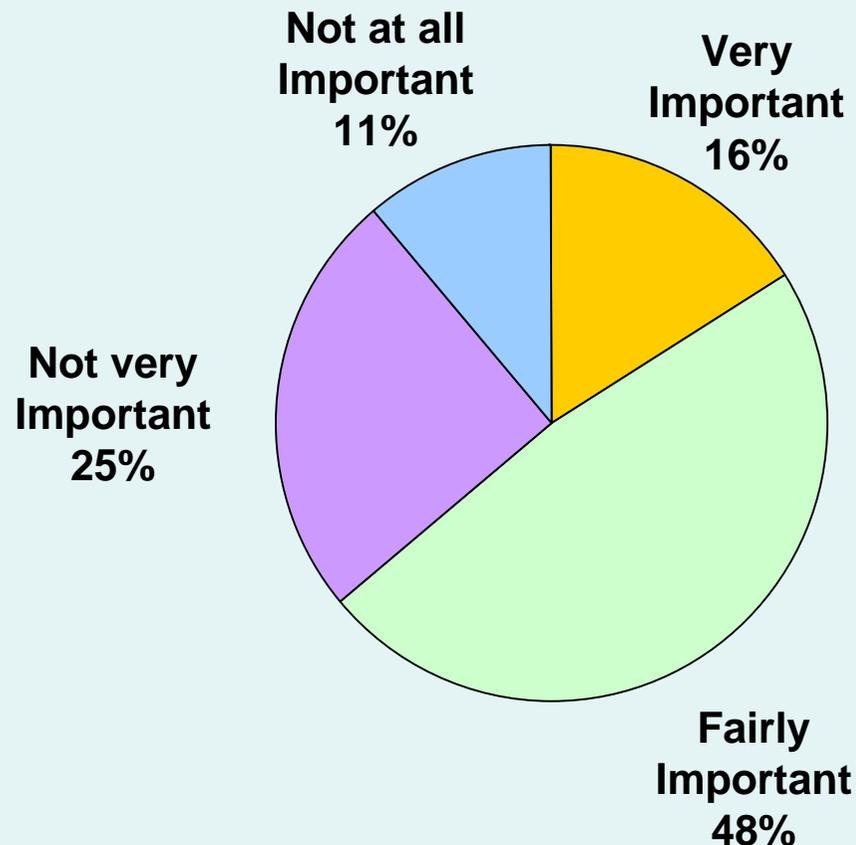
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Prompted awareness - 40% of respondents recalled label when shown it



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64% of car buyers say the information on the environmental label is important



❑ Two thirds of respondents said it was important in helping them to choose the make and model of their car.

- 48% said it was fairly important and 16% very important.
- However, only 46% knew the band within which their car fell.

❑ 83% of respondents said that comparative fuel economy information would be important.

- 34% saying this is very important and a further 49% fairly important.

Where do we go from here?

- ❑ The LowCVP is continuing to work with the car industry to improve the availability of the environmental label.
- ❑ Objective
 - To ensure car-buyers have the information in car showrooms to be able to take fuel economy into account when buying a new car.
- ❑ Targets
 - All brands to achieve 75% or above roll out of the car fuel economy label.
 - To raise the level of knowledge and understanding by car dealer staff.
- ❑ Next steps
 - LowCVP can conduct surveys to measure progress.
 - Stakeholders need to work together to raise awareness of label amongst car-buyers.
 - Further research is needed to understand attitude-action gap.
 - Vehicle manufacturers and dealerships not achieving 75% level of performance need to take action.