

**ENERGY STAR Qualified Appliances:  
1999 Sales Data Report**

**Draft  
September 19, 2000**

Published by:  
D&R International, Ltd.  
1300 Spring Street  
Silver Spring, MD 20910

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## **Section 1: Executive Summary**

This report includes the results of ENERGY STAR appliance sales and the activities undertaken by partner utilities and market transformation groups to promote ENERGY STAR qualified appliances during 1999. The sales data was collected from ENERGY STAR retail partners between January 1, 1999 and December 31, 1999, and includes sales figures for the four major appliance groups covered by the U.S. Department of Energy's (DOE) ENERGY STAR Appliances program: clothes washers, refrigerators, dishwashers, and room air conditioners.

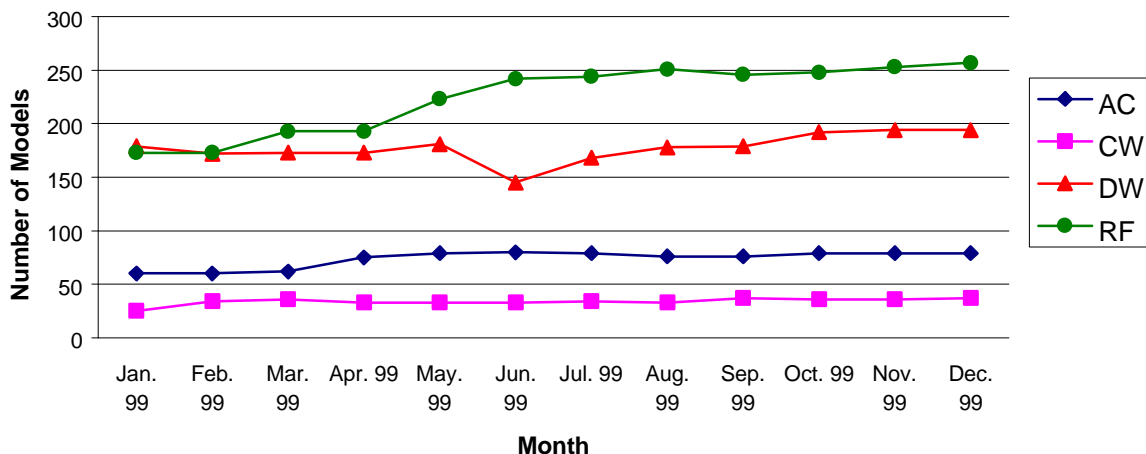
The data is drawn from ENERGY STAR national retail partners and represents a significant percentage of total appliance sales. It does not represent sales from independent retailers, which make up approximately half of appliance sales nationally. Anecdotal information about sales at these independent retailers indicates that they may have stronger sales of ENERGY STAR qualifying products than national chains, and, therefore, this report may underrepresent actual sales of ENERGY STAR qualifying products. DOE and EPA will work with local and regional groups to collect data from independent retailers in as many areas as possible. The nature of the ENERGY STAR license agreement with retailer partners prohibits the disclosure of any other details about the source of the data.

This report examines the changes in market share for ENERGY STAR qualified appliances throughout the year and how those changes might have been affected by promotional activities. In order to understand how markets are affected, it is necessary to analyze the results in specific areas where there has been strong ENERGY STAR promotions and where there has been little to no promotion of the ENERGY STAR brand. For the purposes of this report, regions where regionally or locally sponsored ENERGY STAR promotions occurred are called "active regions"; regions where no regionally or locally sponsored ENERGY STAR promotions occurred and where no ENERGY STAR partners existed at the time, are called "inactive regions." The five active regions in 1999 were California; New England (Connecticut, Massachusetts, New Hampshire, Vermont); New York; the Northwest (Idaho, Montana, Oregon, Washington); and the Upper Midwest (the active states being Illinois, Michigan, and Wisconsin, but also including Indiana, Iowa, Minnesota, Nebraska, North Dakota, Ohio and South Dakota). Their promotions are the focal point of this report.

### **Product Availability**

The number of ENERGY STAR qualifying products available on the market increased for all appliance categories in 1999 (Figure 1). The largest increase was for refrigerators, where the number of qualifying models increased from 173 in January to 257 in December. The availability of qualified dishwashers declined in the second quarter but rebounded in the third quarter. The number of ENERGY STAR clothes washers available remained between 30 and 50 throughout the year. Anecdotal evidence indicates that major retailers specifically asked for/specifically ordered ENERGY STAR qualified products for their showrooms.

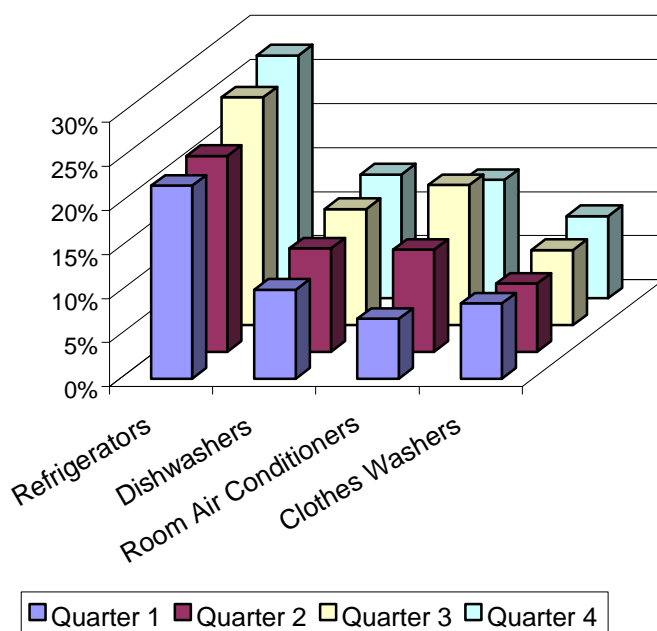
**Figure 1. ENERGY STAR Product Availability**



**Market Share**

The national results show a general increasing trend in the market share for ENERGY STAR qualified appliances (Figure 2). Results from the 1999 Sales Data Report should not be compared to the results of the 1998 Sales Data Report because the ENERGY STAR retailer partners that submitted data for 1999 are different from those that submitted data for 1998. The market share for ENERGY STAR qualified clothes washers, dishwashers, and refrigerators increased in each quarter. For room air conditioners, the market share for qualified models increased through the third quarter and then dropped slightly in the fourth.

**Figure 2. 1999 ENERGY STAR Appliance Market Share**



## Section 2: ENERGY STAR qualified Clothes Washers

### Product Availability

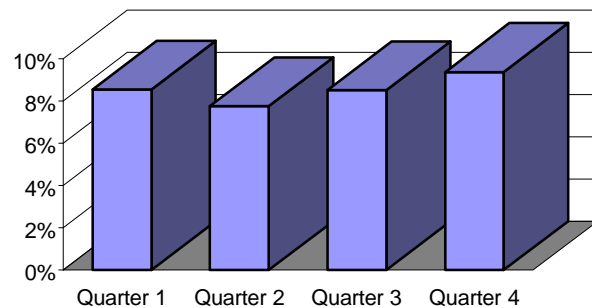
Among the clothes washer models available through ENERGY STAR retailer partners in 1999, about 9 percent were ENERGY STAR qualified models.

Several new products were introduced in 1999. Asko, Inc. rolled out four high efficiency models that all qualified for the ENERGY STAR label, which offered larger capacities than Asko's previous models and sensors to maintain the correct water level for a given load. Fisher-Paykel introduced the Ecosmart washer.<sup>i</sup>

### Market Share

ENERGY STAR qualified clothes washer sales showed a slight decrease between the first and second quarters of 1999, but rebounded in the third quarter and finished with fourth quarter sales almost a percentage point above the first quarter. Fourth quarter sales were 9.4 percent compared to 8.5 percent for the first quarter and 7.7 percent for the second quarter (Figure 3).

**Figure 3. 1999 ENERGY STAR Clothes Washer Market Share - National**



Nationwide, in 1999, sales of ENERGY STAR qualified clothes washers amounted to 8.5 percent, according to the sales data analyzed for this report (Figure 4). In active regions, where regionally or locally sponsored ENERGY STAR promotions occurred, the market share was 11.2 percent. The market share for inactive regions, where no regionally or locally sponsored ENERGY STAR promotions occurred, was 7.2 percent.<sup>ii</sup>

**Figure 4. 1999 ENERGY STAR Clothes Washer Market Share Active Regions vs. Inactive Regions vs. Nationwide**

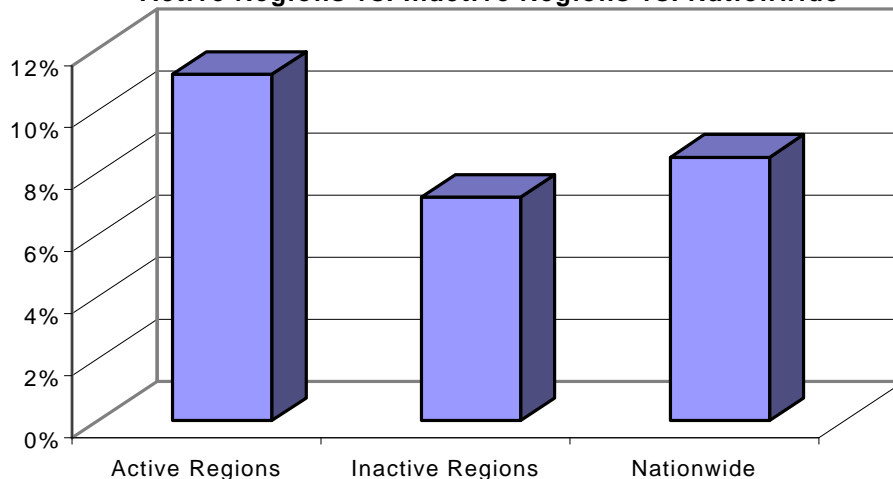


Figure 5 shows the market share for ENERGY STAR qualified clothes washer sales by region. All five of the active regions promoted ENERGY STAR qualified clothes washers. See Appendix I for a summary table of states included in these regions.

### Market Share in Active Regions

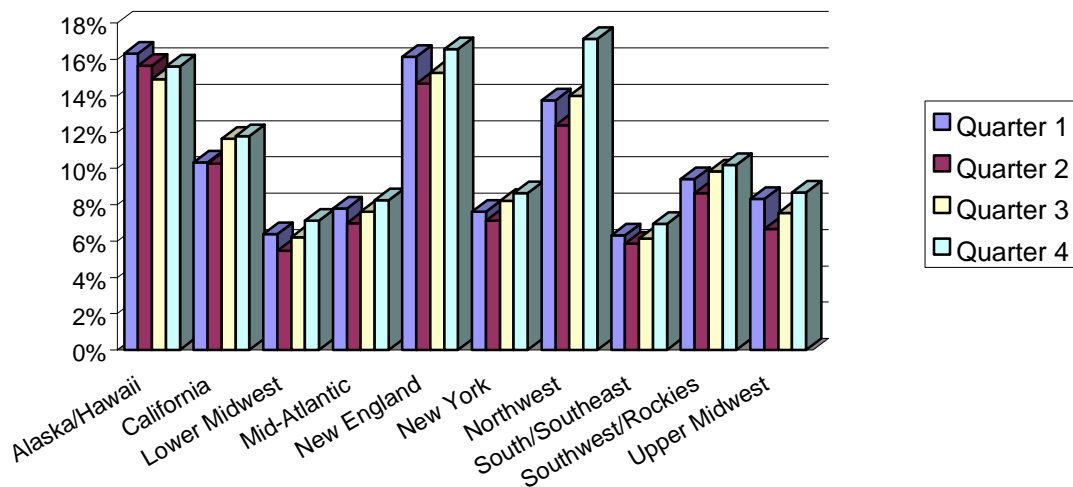
- ◆ Of the active regions, New England had the strongest sales of qualifying clothes washers, maintaining a market share of between 14.5 and 16.5 throughout the year.
- ◆ In the Northwest, the market share remained about two percent below New England's for much of the year but ended the year at 17 percent, the highest market share in the country.
- ◆ California's market share grew steadily in 1999, from 10.3 percent to nearly 12 percent.

These results are consistent with the fact that the most extensive ENERGY STAR promotions took place in these three regions. Almost all regions experienced the same pattern of sales as the national trend, with decreasing market share in the second quarter and increasing sales in the third and fourth quarters.

### Market Share in Inactive Regions

- ◆ Alaska/Hawaii had the largest market share for ENERGY STAR qualified clothes washers among inactive regions. In the first two quarters of 1999, this region also had the highest percentage of qualified clothes washer sales in the nation.
- ◆ Southwest/Rockies region captured the second largest market share among inactive regions, starting at 9.4 percent, declining slightly to 8.7 percent and then ending the year with 10.2 percent of the market share.

**Figure 5. 1999 ENERGY STAR Clothes Washers Market Share by Region**

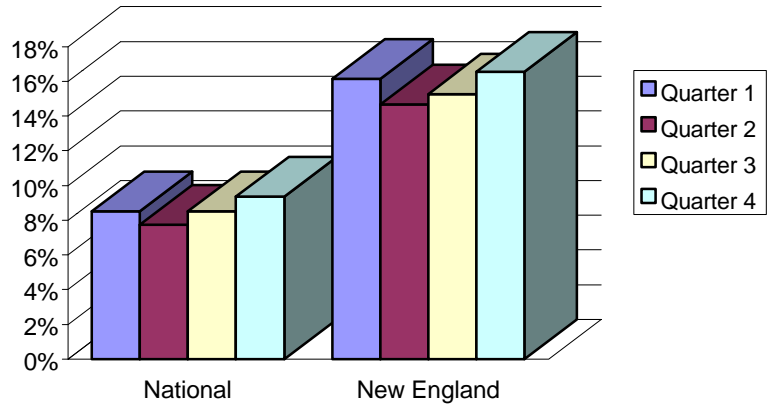


## New England

### Market Share

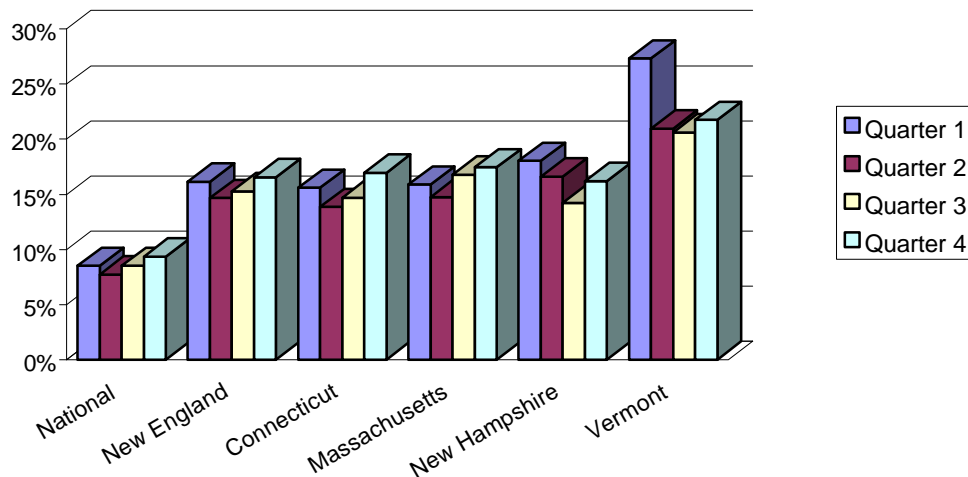
The market share for qualified clothes washers in New England was the highest in the nation for the first three quarters of 1999 (Figure 6). The market share started out strong at 16 percent, mainly driven by the large market share captured by Vermont, 27 percent (Figure 7). In the second quarter, the market share decreased by nearly 2 percent and then increased gradually to 16 percent by the end of the year. This pattern is very similar to that of the national market share.

**Figure 6. 1999 ENERGY STAR Clothes Washers Market Share National vs. New England**



- ◆ In each state, except New Hampshire, the market share dipped in the second quarter of 1999 and then recovered to end the year at a higher level than the first quarter (Figure 7).
- ◆ According to NEEP, more than 28,611 rebates were processed for the purchase of ENERGY STAR qualified washing machines, surpassing the goal of 25,000 units.
- ◆ Vermont had the highest market share among the New England states throughout the year, capturing 27 percent of the market share in the first quarter. The market share in this state then dipped to 20 percent for the second and third quarters, and ended the year at 21 percent.
- ◆ New Hampshire's market share began the year with 18 percent of the market share but did not recover in the third quarter and ended the year at 16 percent.

**Figure 7. 1999 ENERGY STAR Clothes Washer Market Share National vs. New England Region vs. New England States**



The steady increase in market share from the second to the fourth quarters coincided with the increased advertising and public relations events that were launched in the region in March and May, and then again in June and July.

## Promotions

The NEEP utility partners continued the TumbleWash/ENERGY STAR clothes washer program started in 1998. This initiative seeks to establish the market for high-efficiency clothes washers and other major ENERGY STAR consumer appliances as standard, competitive product offerings in the Northeast. Clothes washer promotions in New England began in the second and third quarters of 1999. The marketing campaign for the TumbleWash program featured a girl named Suzie, whose mother encourages her to get her clothes as dirty as possible because she owns a front loading ENERGY STAR qualified clothes washer that clean even the dirtiest clothes while using less water and energy (see Marketing Highlight box in this section).

## Rebates

- ◆ The sponsoring utilities of NEEP offered a \$100 rebate for each qualified clothes washer from January 1998 through December 1999. NEEP also produced Public Service Announcements (PSAs) that aired in New England, developed POP, and sponsored several events to highlight ENERGY STAR qualified clothes washers.
- ◆ As part of the TumbleWash program, New England Electric Systems (NEES Companies) offered a rebate on qualified washers, and used advertising, a web site and hot line to educate consumers.

## Public Relations Events

- ◆ NEEP utilities sponsored a booth at the Ladies' Professional Golf Association (LPGA) Tournament where they handed out TumbleWash water bottles and information about qualified clothes washers. In addition, they raffled off a Whirlpool Resource Saver clothes washer. Little Suzie, the central character in the regional marketing advertisements, attended this event.
- ◆ Beginning in March, the utilities of NEEP gave away ENERGY STAR qualified clothes washers to families with 4 or more children in their service territories.
- ◆ Little Suzie sang karaoke at the WSJZ Smooth Jazz Series at Copley Square in Boston, MA. In addition, water bottles were displayed that depicted the amount of water that can be saved by an ENERGY STAR qualified clothes washer.

## Marketing Highlight

### Little Suzie in the Northeast

To address consumers' desire for straight information about the benefits of purchasing ENERGY STAR qualified products, NEEP developed an educational campaign for 1999 featuring a little girl named Suzie. In a testimonial PSA called "The Real Benefits", Suzie's mother describes the impressive cleaning ability of the ENERGY STAR qualified front loading clothes washer and the energy and water savings associated with it. Toward the end of the PSA, Little Suzie enters the laundry room covered in mud. Her mother encourages Suzie to go back outside and get her clothes dirtier; because the front loading ENERGY STAR qualified clothes washer can clean the dirtiest of clothes effectively while saving water and energy.

The promotional materials for the campaign included retailer brochure, point-of-purchase materials, advertisements (print, television, bill inserts, outdoor billboard, Internet sites, and dealer cooperative advertising), and public relation events such as home shows, an appliance behavior survey, and the LPGA tournament booth and raffle.



- ◆ In cooperation with a local appliance dealer, the New England utilities sponsored two promotions in Massachusetts, during which the event organizers raffled ENERGY STAR qualified clothes washers.

### Advertising

- ◆ NEEP utilities bought TV advertising time to air "The Real Benefits", a PSA with testimonial from a homeowner on the benefits of ENERGY STAR qualified clothes washers from June through December 1999. NEEP also promoted qualified clothes washers through magazine advertisements.
- ◆ From May through December, Northeast Utilities sponsored three television advertisements that discussed ENERGY STAR qualified clothes washers.
- ◆ To promote the clothes washer raffle, NEEP participating utilities ran humorous radio spots entitled "Special Delivery" from July through October.

### Brand Awareness

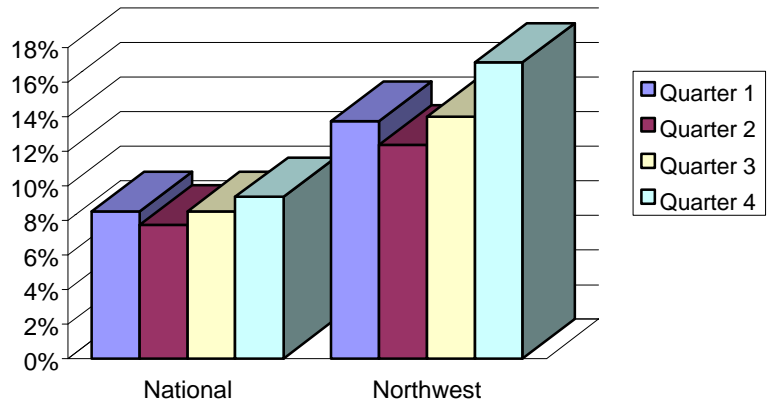
The utilities and regional energy efficiency groups in New England also sponsored several general ENERGY STAR promotions. These brand awareness activities included a billboard on Interstate 95, appearances at home and trade shows, a home appliance sweepstakes, and referral services for making homes more energy efficient. These promotions began in March and were launched throughout the year. See the section entitled "ENERGY STAR Brand Awareness" for more information on these activities.

## Northwest

### Market Share

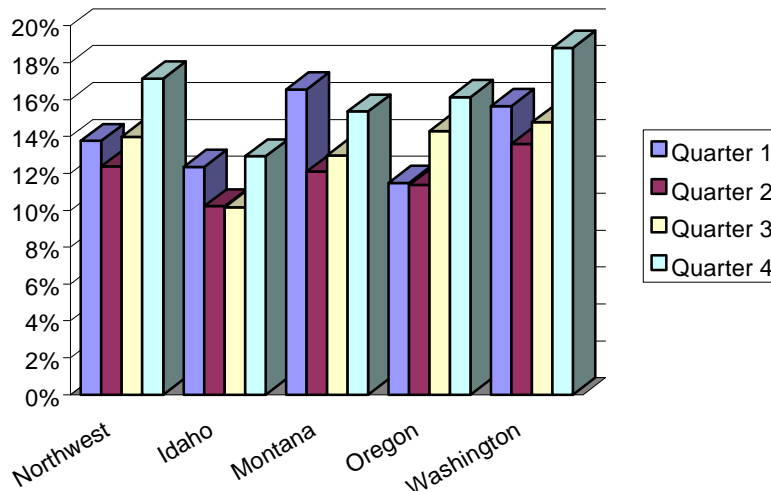
The market share for ENERGY STAR qualified clothes washers in the Northwest was the second highest in the nation. It reached its highest peak in the fourth quarter, ending the year at 17 percent, almost twice the market share of the nation. From the third to the fourth quarter, the market share jumped three percent while the national market share increased by about one percent (Figure 8). Throughout the year, the market share in the Northwest generally followed the ups and downs of the national market share.

**Figure 8. 1999 ENERGY STAR Clothes Washers  
Market Share National vs. Northwest**



- ◆ Washington achieved the largest market share throughout the year with only Montana's market share surpassing it by one percent in the first quarter (Figure 9). The increase in market share in the third and fourth quarters can be attributed to the public relations events that took place in November and December, as well as the rebate programs offered in September.
- ◆ Sales in Oregon started out at 11.5 percent and increased throughout the year to 16 percent.
- ◆ In Montana, the market share followed the pattern of the national market share by starting out at 16.5, dropping to 12.1 percent and recovering to end the year at 15.3 percent.
- ◆ ENERGY STAR qualified clothes washer sales in Idaho also followed the pattern of national sales remaining between 10 and 12.5 percent throughout the year.

**Figure 9. 1999 ENERGY STAR Clothes Washers  
Market Share Northwest by State**



Few promotions were launched in the second quarter in the region, which may explain the slight decline in market share in that quarter throughout the region. The large fourth quarter increase in the Northwest market share coincided with the extensive promotional activities that ENERGY STAR partner utilities conducted between September and December 1999.

### **Promotions**

The Northwest Energy Efficiency Alliance (NEEA) implemented the ENERGY STAR Resource-Efficient Clothes Washer Initiative promotions, covering Idaho, Montana, Oregon, and Washington. NEEA continued the ENERGY STAR. During 1999, NEEA as well as individual utilities sponsored a series of public relations events to promote ENERGY STAR. In addition, individual Northwest region utilities promoted ENERGY STAR qualified clothes washers through financial incentives. Since the inception of this program in 1998, over 78,000 energy efficient clothes washers have been sold in the Pacific Northwest.<sup>1</sup>

### Public Relations Events

- ◆ In 1999, one of the highest profile promotions in the Northwest was the NEEA sponsored “Grimiest Soccer Team” contest (see the Marketing Highlight box in this section.)
- ◆ Seattle Public Utilities and Seattle City Light organized a weekend promotion in November 1999 along with Frigidaire. The sponsors offered consumer rebates of \$200 during this “Weekend Blitz” promotion and over 550 ENERGY STAR qualified clothes washers were sold during the weekend.<sup>1</sup>
- ◆ At three Seattle Seahawk games in November, Eagle Hardware and Maytag sponsored product and informational displays that feature Maytag’s ENERGY STAR qualified products, including the Neptune clothes washer. These displays were positioned at six entrances to the stadium. NEEA estimates that over 60,000 ticket holders were exposed to the ENERGY STAR message during those three games.<sup>1</sup>

### Dealer/Salesperson Incentives

The Great Escape Tropical Sweepstakes awarded a choice of either \$500 or a weekend getaway for two to the salesperson with the highest percent increase in ENERGY STAR qualified product sales over

## **Marketing Highlight**

### **Northwest: Clothes Washers, Grime, and Soccer**

In the Pacific Northwest, NEEA sponsored the “1999 Grimiest Soccer Team” contest to promote resource efficient clothes washers. The idea behind the promotion was that energy efficient clothes washers are able to get the grimiest clothes clean.

The promotion had two components. The first was a series of soccer clinics taught by Tiffeny Milbrett, member of the 1999 U.S. Women’s World Cup Championship Team. At these clinics, kids got the chance to win an ENERGY STAR qualified Maytag Neptune clothes washer by kicking a soccer ball in to the tub of the washer.

The second component was the “1999 Grimiest Soccer Team” contest where soccer teams sent a picture of themselves at their dirtiest in an effort to win a pizza party. In addition, NEEA raffled off an ENERGY STAR qualified Neptune clothes washer. The “washer shootout” was also held during the halftime of the second to last game in the U.S. Women’s National Victory Tour, sponsored by NEEA and Tacoma Power. The sponsors were on hand at an ENERGY STAR booth to give away souvenirs and information.

the previous quarter. This contest was conducted in conjunction with a NEEA-sponsored salesperson incentive of \$10 for each clothes washer sold at participating retail stores.

### Rebates

- ◆ Beginning in September, Snohomish County PUD, in Washington, offered \$150 for each ENERGY STAR qualified clothes washers purchased by its water customers. Snohomish chose to rebate only the most efficient clothes washers for its rebate program, but did not promote ENERGY STAR.
- ◆ During the first two quarters of 1999, Seattle City Light offered a \$50 rebate for each ENERGY STAR qualified clothes washers purchased by its customers.

### Financing

Throughout the year, several utilities in Oregon and Washington, including Pacific County Public Utility District, Grays Harbor PUD, Benton County PUD, Franklin County, the City of Idaho Falls, and the City of Richland, offered their customers zero interest or low interest loans for ENERGY STAR qualified clothes washers.

### Brand Awareness

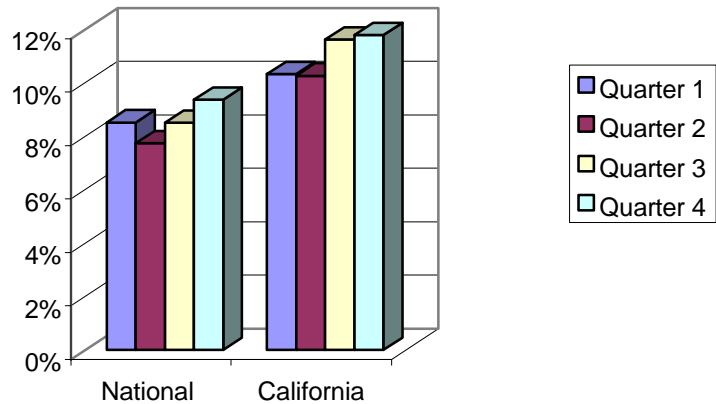
The utilities and regional energy efficiency groups in the Northwest also sponsored several general ENERGY STAR promotions. These brand awareness activities included airing the ENERGY STAR public service announcement over 350 times on local Northwest television stations and discounting rates for member utilities to promote energy efficiency and renewable energy use. For more information about these activities, please see the section entitled "ENERGY STAR Brand Awareness."

## California

### Market Share

In 1999, the market share for ENERGY STAR qualified clothes washers in California was the third highest among active regions. During the year, the market share increased slightly from about ten percent to almost 12 percent with the biggest increase occurring between the second and third quarters (Figure 10).

Figure 10. 1999 ENERGY STAR Clothes Washer Market Share - National vs. California



- ◆ In the Pacific Gas & Electric (PG&E) service territory, the market share was the largest, exceeding both the state and national market shares. The largest increase in market share came between the second and third quarters, which corresponded with the rebates and circuit riders of the California Residential Lighting and Appliance Program (Figure 11).

Throughout the year, PG&E promoted ENERGY STAR qualified products through monthly bill stuffers and newsletters, and at the beginning of the year offered rebates on qualified clothes washers. In addition, the utility sponsored a sweepstakes and marketing campaign to increase awareness of ENERGY STAR qualified appliances and lighting products (see section on ENERGY STAR Brand Awareness for details). PG&E reported that over 28,000 units were rebated in its territory in 1999<sup>iii</sup>.

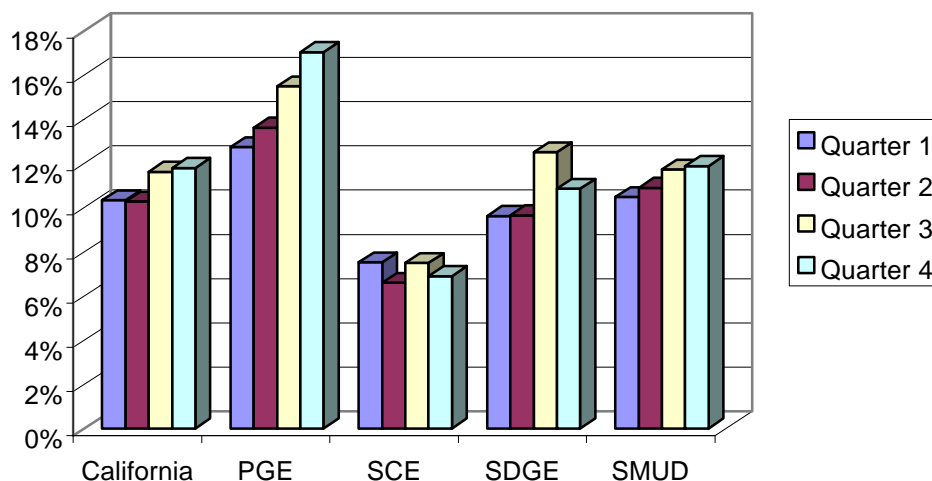
- ◆ The market share for ENERGY STAR qualified clothes washers in Sacramento Municipal Utility District's (SMUD) service territory mirrored the California market share, staying just slightly above it (Figure 10). The biggest increase came from the second to the third quarter. A total of 624 washers were sold through the SMUD program.<sup>iv</sup>

SMUD began offering its highest level rebates in April which corresponds to the increase in market share between the second and third quarters. The almost static market share in the third and fourth quarters corresponded with the reduction of rebate amounts in SMUD's service territory. Although reduced, these rebate amounts were still higher than clothes washer rebates offered by any other utility in the state.

- ◆ Although San Diego Gas & Electric's (SDG&E) did not offer rebates on qualified refrigerators, its market share spiked in the third quarter (Figure 10). In July, the California IOUs launched CRLAP promotions.
- ◆ SCE's market share was the lowest in the state throughout the year, hovering between six and seven percent.

At least three utilities offered rebates in the second quarter and several more rebates were offered in July and August. In conjunction with these rebate programs, some utilities launched other ENERGY STAR promotional activities during these two quarters.

**Figure 11. 1999 ENERGY STAR Clothes Washer Market Share by California Utility**



## Promotions

Under the auspices of the California Public Utilities Commission, the investor owned utilities (IOUs) in California, including PG&E, SDG&E, Southern California Edison (SCE), and Southern California Gas Company (SoCalGas), launched the California Residential Lighting and Appliance Program (CRLAP) aimed at consolidating the IOUs' ENERGY STAR activities. In 1999, the IOUs coordinated their appliance incentive programs from July through December. Also, in 1999, several California municipal utilities joined the ENERGY STAR program and offered rebates.

## Rebates

- ◆ In May SCE launched the Home Appliance Rebate program to promote ENERGY STAR in its service territory. The customer rebate for this program was \$50 for those qualified models with Energy Factor between 2.5 and 3.24 and \$100 for qualified models with Energy Factor of 3.25 and above.
- ◆ At the beginning of 1999, PG&E offered its own rebate of \$75 for each qualified unit purchased.
- ◆ Beginning in July, under the CRLAP, the four IOUs offered two tiers of rebates for ENERGY STAR qualified clothes washers: \$100 for units with Energy Factor of 3.25 or greater and Remaining Moisture content of less than 50 percent; and \$50 for units with Energy Factor between 2.5 and 3.24.
- ◆ In 1999, SMUD offered higher rebate levels than the IOUs. Using the Consortium for Energy Efficiency's (CEE) tiered efficiency ratings, SMUD offered rebates to customers with electric water heaters for Tier B2 (Energy Factor 3.25, Water Factor 9.5 gal/ft<sup>3</sup>, and Remaining Moisture Content of 50 percent or less) and Tier A1 (Energy Factor 2.5, Water Factor 11 gal/ft<sup>3</sup>). Between April and July 1999, SMUD offered relatively high incentives: \$375 for each Tier B2 unit and \$225 for each Tier A1 unit. SMUD subsequently lowered the rebate amounts in August 1999 to \$150 for Tier B2 and \$75 for Tier A1.

- ◆ The City of Palo Alto began offering consumer rebates for ENERGY STAR qualified clothes washers in August of 1999. For units with an Energy Factor of 2.50-3.25, Water Factor of 9.5-11.0, and no remaining moisture content requirement; the rebate amount was \$50. For units with Energy Factor of 2.50-3.25, Water Factor of 9.5-11.0, and remaining moisture content requirement of less than 50 percent, the rebate was \$100.

In addition to these electric and gas utilities, water utilities in California also offered supplemental rebates.

- ◆ Metropolitan Water District of Southern California (MWD) offered supplemental rebates of \$35 to customers in SCE's and SoCalGas's service territories for qualified clothes washers.
- ◆ San Diego County Water Authority, in partnership with SDG&E, offered a \$65 rebate for ENERGY STAR qualified clothes washers in addition to the rebate offered by SDG&E.
- ◆ In PG&E's service territory, Alameda County Water District offered a \$50 rebate.
- ◆ The Rio Linda/Elverta Community Water District provided a supplementary \$50 rebate for customers residing in the SMUD utility territory.

#### Dealer/Salesperson Incentive

- ◆ CRLAP offered a dealer/salesperson incentive of \$25 per unit to participating retailers. The IOUs reported that during the 6-month coordinated program they processed 3,000 dealer/salesperson incentives.
- ◆ In addition to the salesperson incentive, SCE conducted a contest to award a trip to Cancun, Mexico to the salesperson who sold the most ENERGY STAR qualified appliances.

#### Consumer Education

Throughout 1999, PG&E featured ENERGY STAR in its monthly residential customer bill newsletter, Spotlight. Monthly bill inserts advertised consumer rebates and the general ENERGY STAR message.

#### Retailer Training and Outreach

SCE provided training to participating retailers to educate sales staff on the benefits of energy efficiency and to inform them of the ENERGY STAR rebate program.

#### Cooperative Advertising Funds

As part of its Home Appliance Rebate Program, SCE offered cooperative advertising funds to participating retailers who promoted ENERGY STAR. The utility reimbursed participating retailers a certain percentage of the advertising cost applied to the portion of the advertisement that contained the ENERGY STAR logo and/or message: 60 percent of the ENERGY STAR portion for newspaper advertisements, 50 percent of the ENERGY STAR portion for radio, television, or cable; and 40 percent of the ENERGY STAR portion for direct mail or private sale letters.

### Public Relations Event

In addition to rebates, SMUD sponsored a contest for customers to win either an ENERGY STAR qualified clothes washer or refrigerator. The winner was drawn in August.

### Brand Awareness

Active utilities in California also sponsored several general ENERGY STAR promotions. These brand awareness activities included a home appliance sweepstakes, rebates on a combination of ENERGY STAR qualified products, and an ENERGY STAR bus. These promotions took place between June and December. See the section entitled "ENERGY STAR Brand Awareness" for more information on these activities.



## New York

### Market Share

The market share in New York was among the lowest in the nation. It ran the same pattern as the national market share but at a slightly lower rate (Figure 12).

In greater New York State, the area covered by New York State Research and Development (NYSERDA), the market share followed the pattern of the national and state market share. It started out at 7.3 percent, slightly declined in the second quarter and ended the year at 8.3 percent.

The market share in the area covered by Long Island Power Authority (LIPA) maintained a market share of between 8.8 and 9 percent in the first two quarters, then jumped to 9.8 percent and ended the year at 10.4 percent. LIPA launched its ENERGY STAR program in August.

The bulk of the New York utility partners' promotions occurred in the third and fourth quarters. At the same time, both the national and state market shares increased.

### Promotions

LIPA and NYSERDA led the way in promoting ENERGY STAR qualified clothes washers in the state of New York. LIPA's marketing campaign featured Little Suzie, the character developed by the New England utilities, while NYSERDA focused its marketing theme around Socket Boy, an animated electric socket, to promote ENERGY STAR.

### Rebates

For selected models, LIPA offered a tiered rebate for ENERGY STAR qualified clothes washers: \$50, \$100, and \$150. These rebates were offered beginning in January 1998 and continued through 1999.

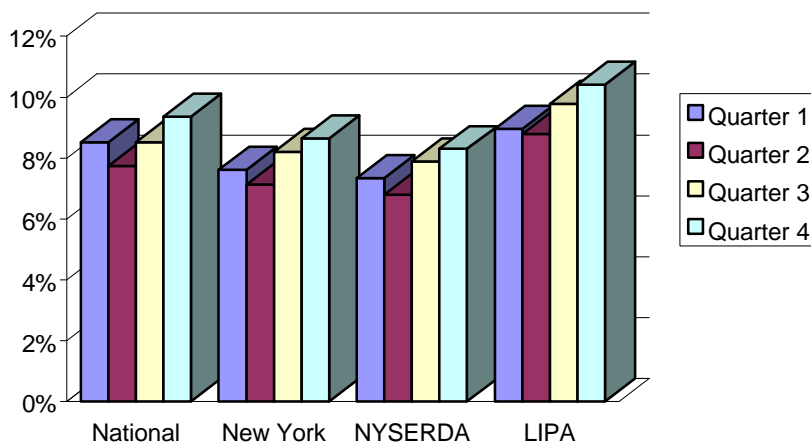
### Dealer/Salesperson Incentives

In August, NYSERDA began offering incentives for dealers and/or sales staff for the number of ENERGY STAR qualified units sold by participating retail stores.

### Public Relations Events

- ◆ NYSERDA began working with local sports teams in New York to promote ENERGY STAR in August. Events featured the Socket Boy mascot and included ENERGY STAR qualified product giveaways.

Figure 12. 1999 ENERGY STAR Clothes Washers Market Share - by New York Utility



- ◆ LIPA launched its 1999-2000 ENERGY STAR program with a press conference in August. LIPA also released a joint press release with the U.S. Department of Energy.
- ◆ During a Labor Day concert at Jones Beach, NY, LIPA held a clothes washer giveaway and distributed ENERGY STAR information.
- ◆ NYSERDA hosted an ENERGY STAR booth at the New York State Fair in August and September, featuring an ENERGY STAR qualified clothes washer donated by a retailer.

#### Retailer Outreach

Both NYSERDA and LIPA sent field representatives to participating retailers to offer training on the benefits of ENERGY STAR, assist in labeling products, and post point of purchase materials.

#### Consumer Education

- ◆ NYSERDA produced ENERGY STAR consumer education brochures for appliances to use in its retailer outreach efforts and special events.
- ◆ LIPA launched a web site in August containing information for consumers about ENERGY STAR qualified products.

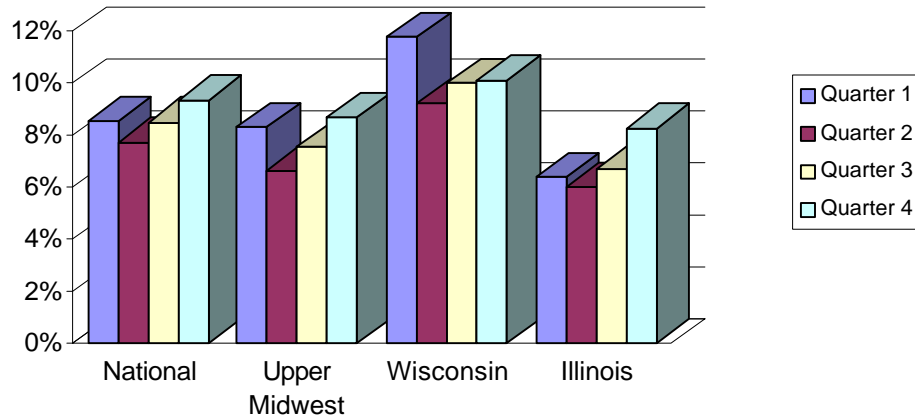
#### Advertising

- ◆ In September, LIPA placed several print advertisements promoting ENERGY STAR qualified products featuring Little Suzie.
- ◆ Beginning in October, LIPA conducted a television advertising campaign for ENERGY STAR qualified clothes washers using the Little Suzie PSA developed by the New England utilities.
- ◆ NYSERDA kicked off the Socket Boy advertising campaign in Buffalo, New York, in August with radio, television, and print advertisements. Part of the campaign included a PSA featuring Governor George Pataki who presented the benefits of ENERGY STAR qualified products.

## Upper Midwest

The market share for ENERGY STAR qualified clothes washers was the lowest among the active regions. It mirrored the national market share except that it was lower in the second quarter. Wisconsin and Illinois were the most active states in this region. The market share in Wisconsin was higher than the national market share, whereas the market share in Illinois was lower.

**Figure 13. 1999 ENERGY STAR Clothes Washer Market Share National vs. Upper Midwest vs. Active Upper Midwest States**



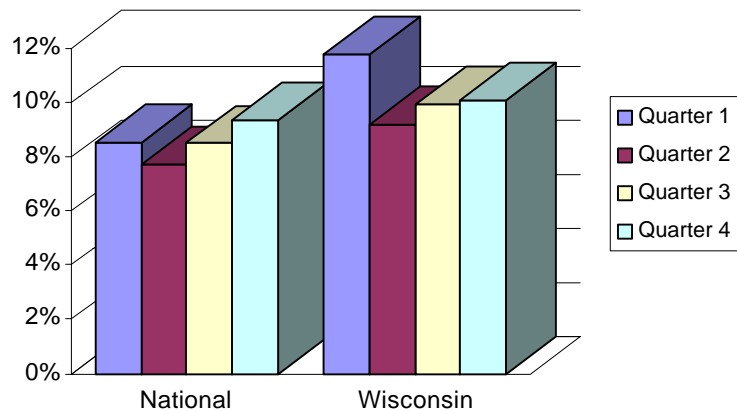
## Upper Midwest - Wisconsin

### Market Share

The market share in Wisconsin was the fourth highest among active regions. The highest market share came in the first quarter of 1999 at nearly 12 percent. The dip in the second quarter corresponded with the dip in the national market share in that quarter. The market share then rebounded to 10 percent for the third and fourth quarters (Figure 14).

The high market share in the first quarter of 1999 may have resulted from the momentum of promotions that began in October 1998. The second quarter dip is similar to the national decrease in market share in that quarter.

**Figure 14. 1999 ENERGY STAR Clothes Washer Market Share - National vs. Wisconsin**



The rise in market share in the third quarter coincided with the launch of the new WECC marketing campaign and the advertising campaign in the Wisconsin Focus on Energy territory. Although consumer rebates were reduced from \$100 to \$50 in July, the market share for qualified clothes washers actually increased, suggesting that rebates coupled with advertising and consumer education efforts can sustain the market for energy efficient products.

In 1999, WECC worked with local retailers, particularly on Instant Days promotions, where customers were given coupons for instant rebates when they bought an ENERGY STAR qualified clothes washer, dishwasher, and/or refrigerator. Although these promotions do not affect the market share presented in this report, WECC's analysis of the market share at the time of these promotions gives a glimpse into the market for ENERGY STAR qualified clothes washers through independent retailers. According to WECC, over 6,000 qualified clothes washers were purchased in participating utility territories from January to September 1999. In addition, sales data collected from 58 local retailer participants showed that ENERGY STAR clothes washers captured over 16 percent of monthly sales in 1999.<sup>v</sup>

### **Promotions**

In Wisconsin, much of the state's ENERGY STAR activity is coordinated by Wisconsin Energy Conservation Corporation (WECC). Currently 32 utilities, including Alliant Utilities and Wisconsin Electric Power Company, sponsor ENERGY STAR marketing, consumer rebates, retail outreach, and advertising campaigns developed by WECC. In addition, WECC conducts retail outreach and consumer rebates in the Green Bay area in conjunction with the Wisconsin Focus on Energy program.

Wisconsin Focus on Energy is a comprehensive energy efficiency program managed by the state of Wisconsin's Department of Administration/Wisconsin Energy Bureau (WEB). Wisconsin Focus on Energy's marketing campaign and efficiency programs target residential, commercial and industrial customers in northeast Wisconsin. WECC and Wisconsin Focus on Energy's marketing administrator coordinate closely to maximize the presence of ENERGY STAR in the local media.

Madison Gas and Electric (MGE), an investor-owned public utility located in Madison, Wisconsin, also conducted its own ENERGY STAR activities. MGE promoted ENERGY STAR qualified appliances through extensive retail outreach and consumer education.

### Rebates

Beginning in October 1998, WECC offered a \$100 customer mail-in rebate for the purchase of an ENERGY STAR qualified clothes washer. In July of 1999, clothes washers incentives were reduced to \$50.

## **Marketing Highlight**

### **Woodland Creatures in Wisconsin**

In April 1999, WECC launched a new ENERGY STAR marketing theme that maintained an environmental message similar to that of the 1998 marketing campaign. The new theme, however, featured trees and woodland creatures thanking the consumer for buying a qualified appliance. In-store marketing materials, print and radio ads redesigned with the new woodland theme were circulated in late spring.

### Dealer/salesperson Incentives

Beginning in January, WECC offered participating retailers \$15 for each ENERGY STAR qualified unit sold. In September 1999, WECC reduced the amount to \$5 for each unit sold.

### Advertising

MGE offered cooperative advertising funding for up to 50 percent of the cost of the ad, beginning in January. In addition, MGE developed and placed newspaper ads and bill inserts to promote ENERGY STAR appliances.

### Public Relations Events

At trade shows and community events throughout 1999, MGE distributed information about ENERGY STAR products and where to purchase them.

### Retailer Outreach

WECC program representatives continued to recruit appliance retail stores and provided training and labeling assistance to participating retailers during the year.

Throughout 1999, MGE conducted recruiting and outreach to appliance dealers in the Madison area.

### Brand Awareness

WECC several newspaper and radio advertisements featuring ENERGY STAR qualified appliances.

## Upper Midwest - Illinois

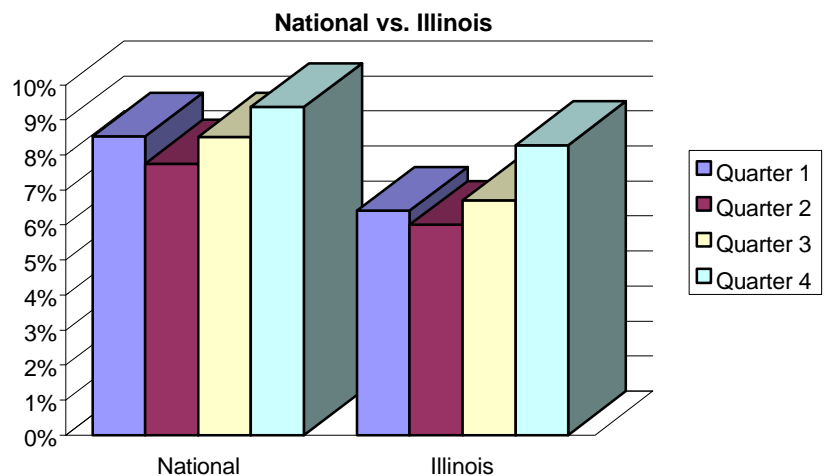
### **Market Share**

In the state of Illinois, the market share for ENERGY STAR qualified clothes washers was the lowest among active regions. Throughout the year, the market share increased from six percent to just over eight percent (Figure 15).

The largest increase occurred between the third and fourth quarters at the same time that a pilot promotion was conducted by Commonwealth Edison (ComEd), the only ENERGY STAR

utility partner in Illinois. This promotion was launched in August and continued through November, and throughout its duration, purchases of ENERGY STAR qualified clothes washers increased steadily in ComEd's service territory. In particular, purchases nearly doubled during the last two months of this promotion following a series of print advertisements promoting the rebate program.

**Figure 15. 1999 ENERGY STAR Clothes Washer Market Share**



## Promotions

ComEd, a new ENERGY STAR partner in 1999 which serves customers in northern Illinois including Chicago, conducted a pilot program promoting ENERGY STAR qualified clothes washers from August through November. A total of 1,279 rebates at \$75 each were awarded. Advertisements promoting the rebate program ran three times a week from October through November in the Chicago Tribune and the Chicago Sun Times. ComEd also developed point of purchase materials for participating retailers.

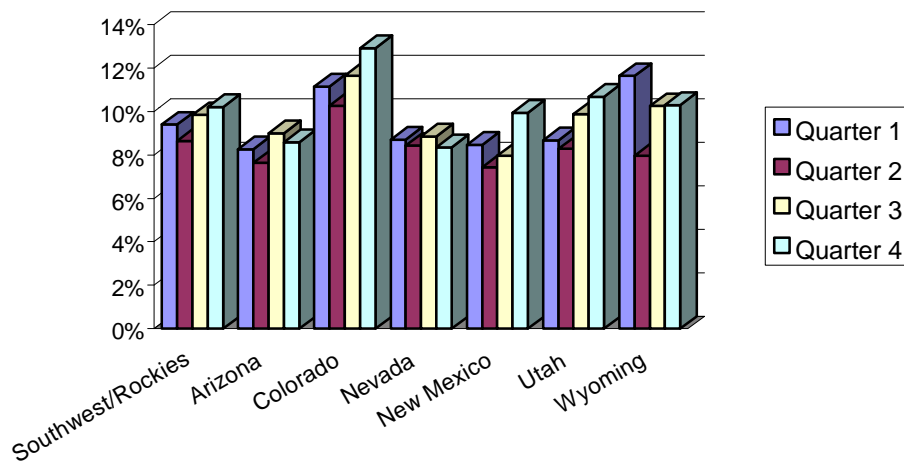
## Southwest/Rockies

### Market Share

The market share of the Southwest/Rockies was relatively high among all regions, despite the lack of ENERGY STAR promotions in the region, and was similar to Wisconsin's market share throughout the year (Figure 15). In this region of the U.S., water conservation is a major issue that likely influenced the high market share for ENERGY STAR qualified clothes washers. Many water utilities are charged with reducing the amount of water consumption in their territories, and to that end, are promoting high efficiency clothes washers, although not specifically ENERGY STAR qualified models.

- ◆ Colorado had the largest market share in the region over the four quarters of 1999, starting at 11.2 percent in the first quarter, dropping to 10.3 in the second quarter and recovering to end the year at nearly 13 percent (Figure 16).
- ◆ Wyoming's market share in the first quarter was slightly larger than Colorado's but dropped relatively lower than the market share in most regions in the second quarter to 8 percent. The market share rose in the third quarter and remained at about 10 percent in the fourth quarter.
- ◆ In Utah, the market share stayed between eight and nearly 11 percent throughout 1999.

**Figure 16. 1999 ENERGY STAR Clothes Washer Market Share Southwest/Rockies by State**



## **Promotions**

While none of the states in this region contained ENERGY STAR partner utilities in 1999, various entities within these states did offer rebates to help reduce water consumption. Most of these entities used the Consortium for Energy Efficiency's (CEE) National Clothes Washer Initiative qualifying product list to assist customers in choosing high efficiency clothes washers. All clothes washers that qualify for this list also qualify for the ENERGY STAR certification.

- ◆ The City of Boulder, Colorado, through its Water Conservation Office, offered \$100 for clothes washers that qualified for CEE's list.
- ◆ The City of Albuquerque Public Works Department (Arizona) began providing a \$100 credit on the water bills of customers who purchase an ENERGY STAR qualified clothes washer in 1999.
- ◆ In 1999, Southern Nevada Water Authority in conjunction with the U.S. Bureau of Reclamation began offering a \$100 credit for 112 homeowners who purchase high efficiency clothes washers.

## Section 3: ENERGY STAR qualified Refrigerators

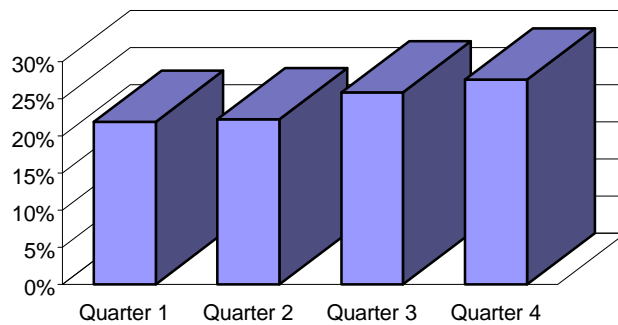
### Product Availability

Among the refrigerator models available through ENERGY STAR retailer partners in 1999, approximately 9.9 percent were ENERGY STAR qualified models.

### Market Share

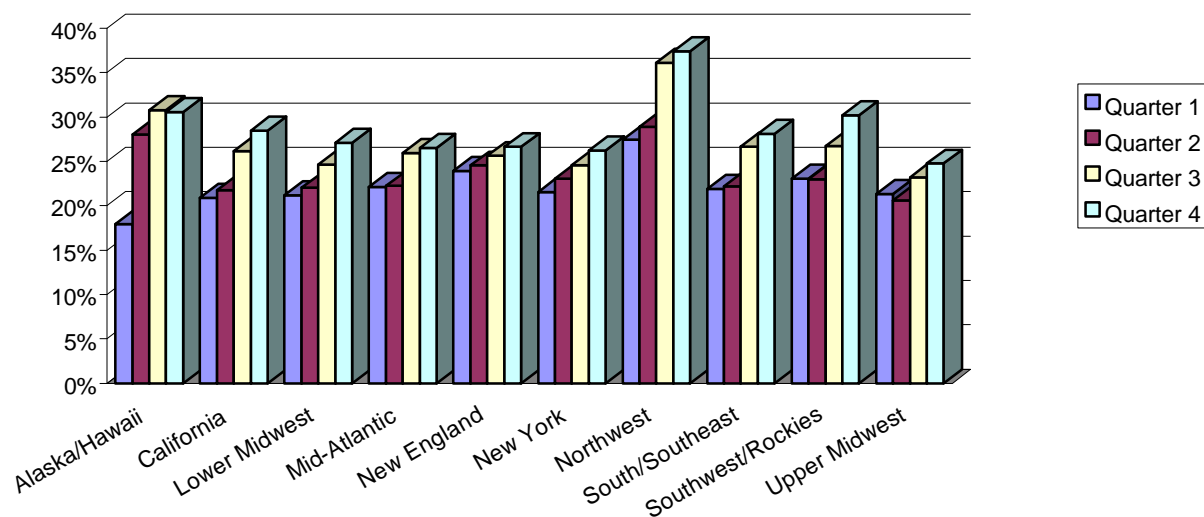
The national market share for ENERGY STAR qualified refrigerators increased steadily over the course of the year, from nearly 22 percent in the first quarter to 28 percent in the fourth (Figure 17). In every region, the market share increased in each quarter and, for the most part, remained between 20 and 30 percent. In May, 50 refrigerator models were introduced to the market which likely influenced the national increase in market share.

**Figure 17. 1999 ENERGY STAR Refrigerator Market Share - National**



- ◆ The Northwest captured the largest market share in the country (Figure 18).
- ◆ Alaska/Hawaii experienced the largest increase in market share between the first and second quarters.
- ◆ The Upper Midwest captured the lowest market share for the last three quarters of the year.

**Figure 18. 1999 ENERGY STAR Refrigerator Market Share by Region**





### Market Share in Active Regions

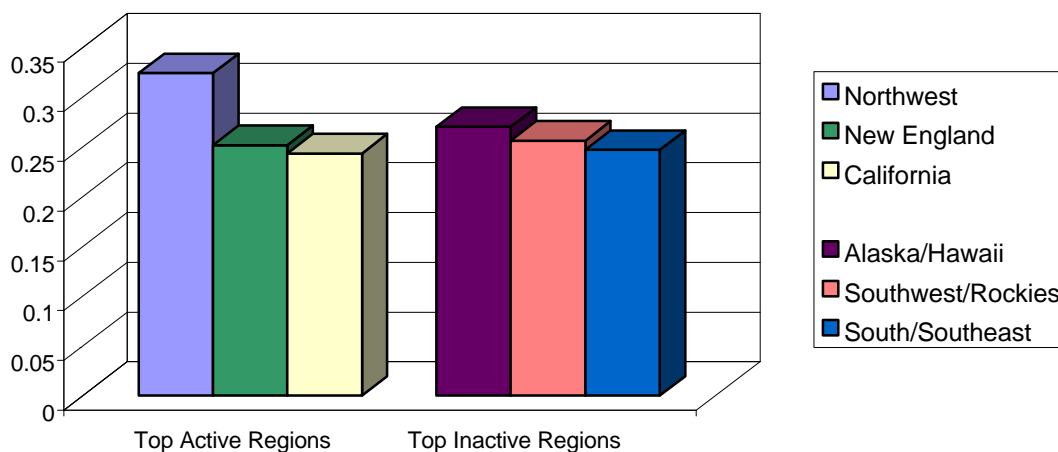
- ◆ The Northwest's market share, the highest in that nation during 1999, climbed from 27 percent in the first quarter to 37 percent in the fourth quarter. The biggest increase came between the second and third quarters where it jumped from 28.9 to 36.1 percent. Promotions for ENERGY STAR qualified refrigerators included financial incentives and began in September, which may have to the large increase from the second to the third quarter.
- ◆ The second largest market share among active regions was captured in California, increasing from 20 percent in the first quarter to 28 percent in the fourth quarter. The greatest increase occurred between the second and third quarters where the market share was 21.7 and 26.1 percent respectively. From May through December, the California Statewide Program offered two rebate amounts according to how much less energy models used which coincided with a 7 percent increase between the second and fourth quarters.
- ◆ The market share in New England and New York increased at about the same level and rate, ending the year at 27 percent and 26 percent respectively.
- ◆ The Upper Midwest captured the lowest market share throughout the year, except for the first quarter. The market share in the second quarter actually dipped slightly.

### Market Share in Inactive Regions

- ◆ The Alaska/Hawaii region captured the largest market share among regions where no locally or regionally sponsored ENERGY STAR promotions occurred. Also, among all regions, Alaska/Hawaii experienced the largest increase in market share between quarters jumping from 18 percent to 28 percent from the first to the second quarters.
- ◆ The Southwest/Rockies region captured the second largest market share among inactive regions.
- ◆ The Lower Midwest and the Mid-Atlantic regions captured nearly the same market share.

Figure 19 below shows the top three active and inactive regions that captured the largest market share for ENERGY STAR qualified refrigerators. Except in the Northwest, the market shares between active and inactive regions are similar for 1999.

**Figure 19. 1999 ENERGY STAR Refrigerator Market Share  
Top Active and Inactive Regions**

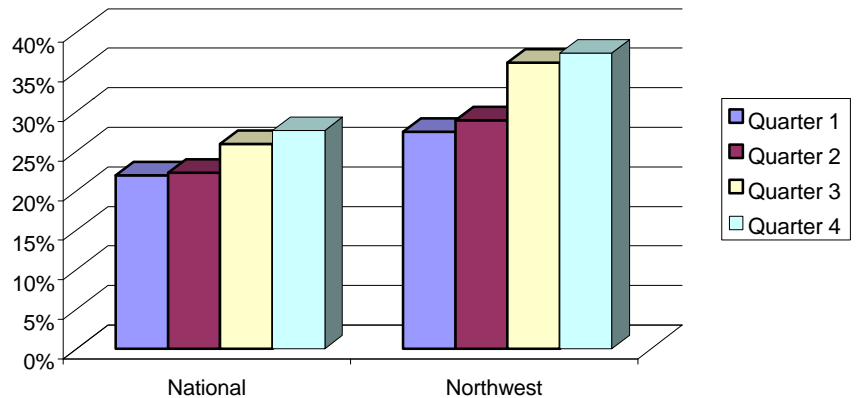


## Northwest

### Market Share

The market share for ENERGY STAR qualified refrigerators in the Northwest was highest among all regions in 1999. It jumped from over 27 percent in the first quarter to 37 percent at the end of the fourth quarter (Figure 20). However, promotions specific to ENERGY STAR qualified refrigerators were only undertaken by the City of Richland and Snohomish County PUD, both of which are located in Washington.

Figure 20. 1999 ENERGY STAR Refrigerator Market Share National vs. Northwest



- ◆ Despite the paucity of promotions, Idaho's market share was the largest in the state throughout the year, starting the year at 30 percent and ending the year at 39 percent.
- ◆ The market share captured by Oregon and Washington were nearly the same—first quarter 27 and 28 percent respectively; second quarter, 28 percent; third quarter, 37 and 36 percent respectively; and fourth quarter 36 and 37 percent respectively.
- ◆ Montana's market share steadily grew from 26 percent in the first quarter to 37 percent in the fourth.

### Promotions

#### Rebates

Snohomish PUD offered rebates for the highest efficiency refrigerator models beginning in September, but did not promote ENERGY STAR.

#### Financing

The City of Richland offered low interest loans for qualified models beginning in September.

#### Brand Awareness

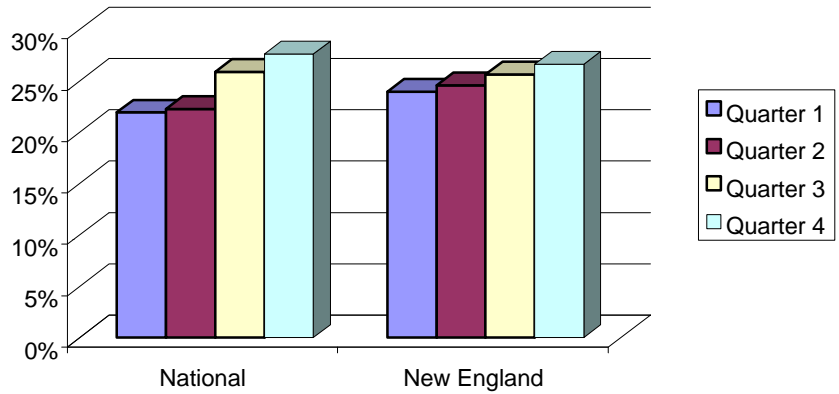
The utilities and regional energy efficiency groups in the Northwest also sponsored several general ENERGY STAR promotions. These brand awareness activities included airing the ENERGY STAR public service announcement over 350 times on local Northwest television stations and discounting rates for member utilities to promote energy efficiency and renewable energy use. For more information about these activities, please see the section entitled "ENERGY STAR Brand Awareness."

## New England

### Market Share

The market share in the New England region was the second highest market share among active regions along with California. The market share rose slightly in 1999, starting at two percent above the national market share and ending the year at one percent below the national market share. The most notable increases in market share were in Connecticut and Vermont (Figure 21).

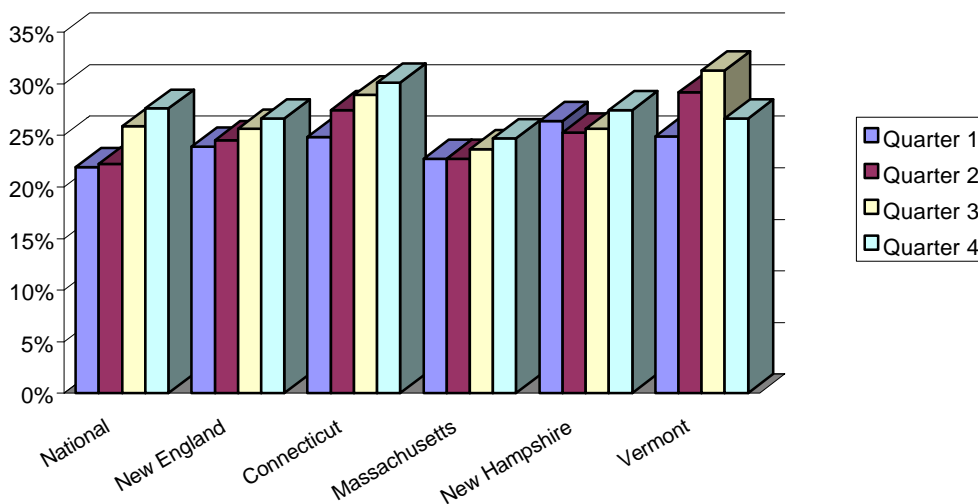
Figure 21. 1999 ENERGY STAR Refrigerator Market Share National vs. New England



The New England region chose to promote ENERGY STAR qualified refrigerators through general brand promotions and showcasing ENERGY STAR qualified products in an energy efficient home setting. See the next section, ENERGY STAR Brand Awareness, for more information about these activities.

- ◆ In Connecticut, the market share increased from almost 25 percent in the first quarter to just over 30 percent in the fourth quarter.
- ◆ In Vermont, ENERGY STAR qualified refrigerator sales increased the same amount from the first through the third quarter but then dropped to just under 27 percent in the last quarter.

Figure 22. 1999 ENERGY STAR Refrigerator Market Share New England vs. National vs. New England States



## **Promotions**

### Public Relations Event

- ◆ Conservation Services Group and Central Vermont Public Service joined forces to promote ENERGY STAR qualified refrigerators through the "Stuff a Bus" event in Vermont. A local retailer agreed to split the cost of an ENERGY STAR qualified refrigerator that contained several turkeys. This refrigerator was then installed in a local Salvation Army Building.

### Brand Awareness

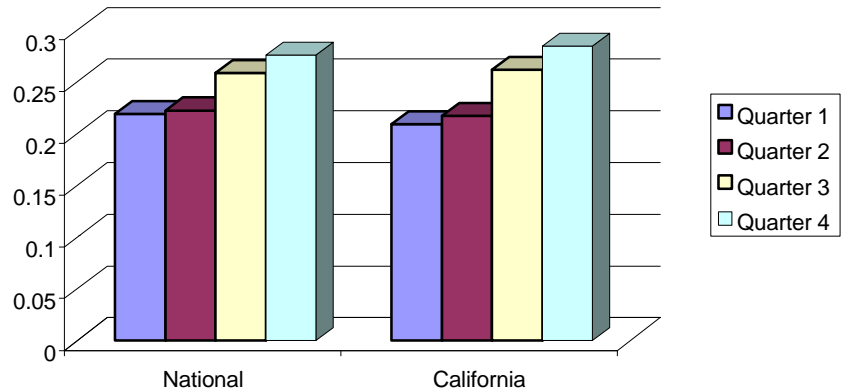
The utilities and regional energy efficiency groups in New England also sponsored several general ENERGY STAR promotions. These brand awareness activities included a billboard on Interstate 95, appearances at home and trade shows, a home appliance sweepstakes, and referral services for making homes more energy efficient. These promotions began in March and were launched throughout the year. See the section entitled "ENERGY STAR Brand Awareness" for more information on these activities.

## California

### Market Share

The market share for ENERGY STAR qualified refrigerators in California mirrored the national market share, making it comparable to the market share in New England. The market share rose steadily in 1999 from nearly 21 percent in the first quarter to over 28 percent in the fourth quarter. The biggest jump in market share occurred between the second and third quarters, from almost 22 percent to 26 percent (Figure 23).

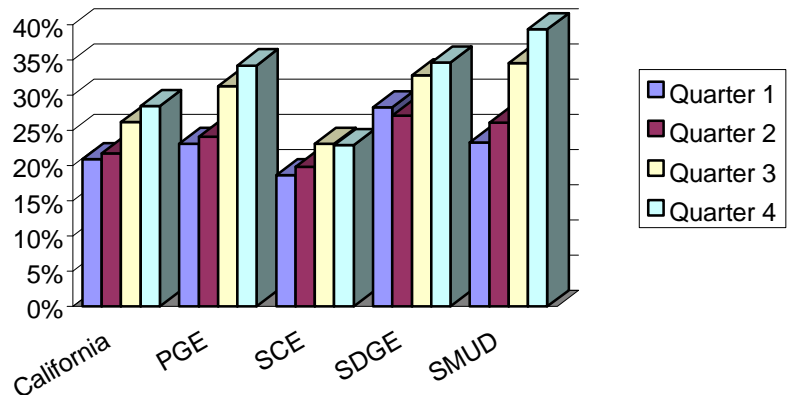
**Figure 23. 1999 ENERGY STAR Refrigerator Market Share - National vs. California**



In California, this increase in market share was influenced by the market share increases in the territories of PG&E, SDG&E, SCE, and SMUD between the second and third quarters (Figure 24). Most consumer rebates and promotions in California took effect in May and June of 1999.

- ◆ ENERGY STAR qualified refrigerator sales in SMUD's service territory were the highest in the state at the end of 1999, closing the fourth quarter with over 38 percent of the market share. A total of 3,017 ENERGY STAR qualified refrigerators were sold through the program, 24 percent of which were 20-24.9 percent above NAECA standards; 60 percent were 25-29.9 percent above the standards; and 16 percent were 30 percent or more above the standards.

**Figure 24. 1999 ENERGY STAR Refrigerator Market Share - California by Utility**



- ◆ The market share for ENERGY STAR qualified clothes washers in PG&E's service territory jumped 7 percent from the second to the third quarters. Rebates were offered by PG&E beginning in the second quarter. PG&E estimated that it paid rebates for 29,000 ENERGY STAR qualified refrigerators.
- ◆ The market share in SDG&E's service territory increased from 28 percent to nearly 35 percent. Although SDG&E did not offer rebates for refrigerators, the general awareness of the ENERGY STAR logo through other types of promotions probably contributed to this increase.

- ◆ Sales of ENERGY STAR qualified refrigerators in SCE's service territory were the lowest in the state throughout the year. However, the market share did increase four percent between the second and third quarters which coincided with the launch of the Home Appliance Rebate Program.

## **Promotions**

### Rebates

- ◆ PG&E and SCE offered tiered rebates for ENERGY STAR qualified refrigerators beginning in May and June of 1999: \$75 for models that are 20 to 29 percent above the federal standards, and \$100 for models that are 30 percent or greater than the federal standard.
- ◆ In June 1999, SMUD reinstated consumer rebates for high efficiency refrigerators using the ENERGY STAR platform, after having phased out the program in the mid-1990s. SMUD offered two tiers of rebates: \$25 for units 20-24.9 percent above federal standards and \$75 percent for units 25 percent or greater than the standards. SMUD had decided to phase out refrigerator rebates because the release of higher standards scheduled to take effect in 1998 was postponed and funding for demand side management programs was reduced. In the intervening years, CEE adopted the specifications for Super-Efficient Home Appliances (SEHA) for refrigerators and DOE established the ENERGY STAR specification for refrigerators.
- ◆ Silicon Valley Power (SVP), the City of Santa Clara's municipal electric utility, launched its refrigerator rebate program in July 1999. Using the characters Sherlock Ohms and Dr. Watts as their spokesmen, SVP offered 3 tiers of rebates: \$75 for units 20-24.9 percent above standards, \$125 for 25-29.9 percent above standards, and \$175 for 30 percent above standards.
- ◆ City of Riverside offered two tier rebates for ENERGY STAR qualified refrigerators throughout the year: \$75 for models using 20-29.9 percent less energy than the federal standard, and \$100 for models using 30 percent or more less energy than the federal standard.

### Dealer/Salesperson Incentives

SCE offered a \$20 salesperson/dealer incentive to participating retailers for each ENERGY STAR refrigerator sold and sponsored a contest in which the salesperson who sold the highest percentage of ENERGY STAR qualified products won a trip to Cancun, Mexico.

### Advertising

As part of its Home Appliance Rebate Program, SCE offered cooperative advertising funds to participating retailers who promoted ENERGY STAR. The utility reimbursed participating retailers a certain percentage of the advertising cost applied to the portion of the advertisement that contained the ENERGY STAR logo and/or message.

### Public Relations Event

In addition to rebates, SMUD sponsored a contest for customers to win either an ENERGY STAR qualified clothes washer or refrigerator. The winner was drawn in August.

### Refrigerator Recycling

- ◆ In conjunction with its refrigerator rebates, SCE offered free refrigerator recycling to its customers.
- ◆ PG&E sponsored a refrigerator replacement program, picking up old refrigerators from customers and replacing them with ENERGY STAR qualified models. About 5,000 replacements were made in 1999.<sup>iii</sup>

### Brand Awareness

Active utilities in California also sponsored several general ENERGY STAR promotions that could have contributed to the market share captured by this region. These brand awareness activities included a home appliance sweepstakes, rebates on a combination of ENERGY STAR qualified products, and an ENERGY STAR bus. These promotions took place between June and December. See the section entitled "ENERGY STAR Brand Awareness" for more information on these activities.

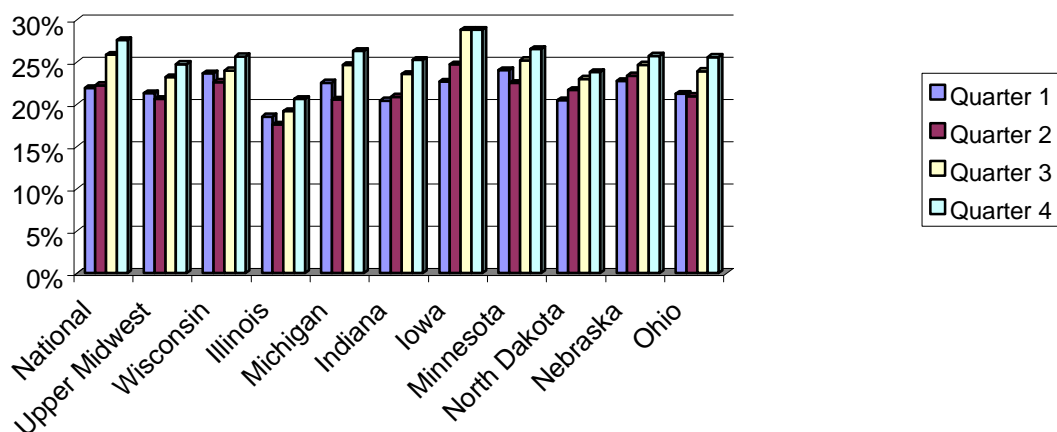
## Upper Midwest

### Market Share

The market share in the Upper Midwest region started out at 21 percent, dipped slightly to 20.5, then increased steadily to end the year at nearly 25 percent. The market share for each of the states in this region was between 20 and 27 percent throughout the year (Figure 25).

- ◆ Iowa's market share was the largest in the region, increasing from 23 percent to 29 percent, despite no locally or regionally sponsored ENERGY STAR promotions.
- ◆ The market share for Wisconsin was average for the region, starting out at 24 percent, dipping to 23 percent and then ending the year at nearly 26 percent.
- ◆ Illinois captured the lowest market share from 18 percent to 21 percent during the year. The bill insert that ComEd sent to customers in January did not have a noticeable effect on the state's market share.

**Figure 25. 1999 ENERGY STAR Refrigerator Market Share  
Upper Midwest by State**



### Promotions

- ◆ ComEd sent out a bill insert that featured the savings related to an ENERGY STAR qualified refrigerator.
- ◆ In a general promotion of ENERGY STAR, the Michigan Energy Resources Division sponsored an ENERGY STAR Homes Tour.
- ◆ WECC implemented Appliance Instant Days which may have indirectly affected the market share for qualified refrigerators, although the sales data does not affect the data presented in this report. About 800 qualified refrigerators were sold during these promotions.
- ◆ WECC also produced several newspaper and radio advertisements featuring ENERGY STAR qualified appliances.



## Section 4: ENERGY STAR qualified Dishwashers

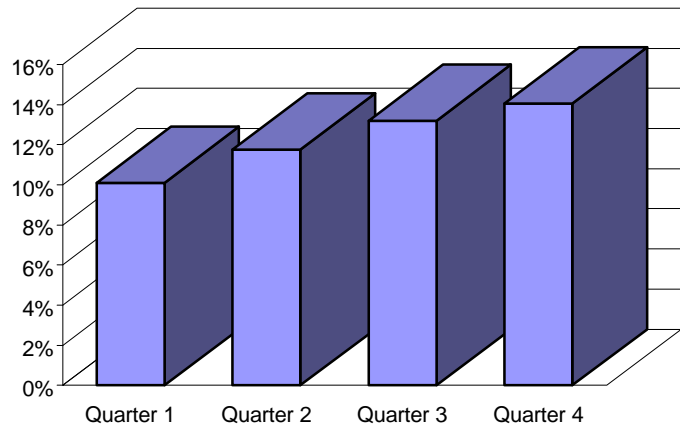
### Product Availability

Among the dishwasher models available through ENERGY STAR retailer partners in 1999, 33 percent were ENERGY STAR qualified models.

### Market Share

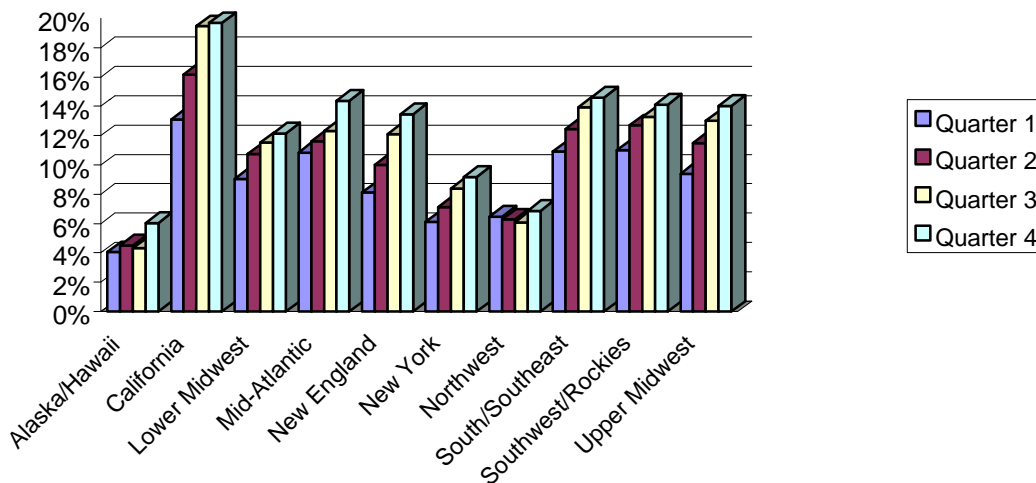
Due to strong sales in California, New England and the Upper Midwest, ENERGY STAR qualified dishwashers captured 10 percent of the market share in the first quarter of 1999 gradually, increasing to just over 14 percent of the market share by the fourth quarter (Figure 26).

**Figure 26. 1999 ENERGY STAR Dishwasher Market Share - National**



- ◆ Among all regions, the highest market share in all four quarters occurred in California (Figure 27).
- ◆ Among active regions, the Northwest captured the lowest market share.
- ◆ The lowest market share overall was in Alaska/Hawaii.
- ◆ In inactive regions, the Mid-Atlantic, South/Southeast and Southwest/Rockies regions all had comparably high market shares.

**Figure 27. 1999 ENERGY STAR Dishwasher Market Share by Region**



### Market Share in Active Regions

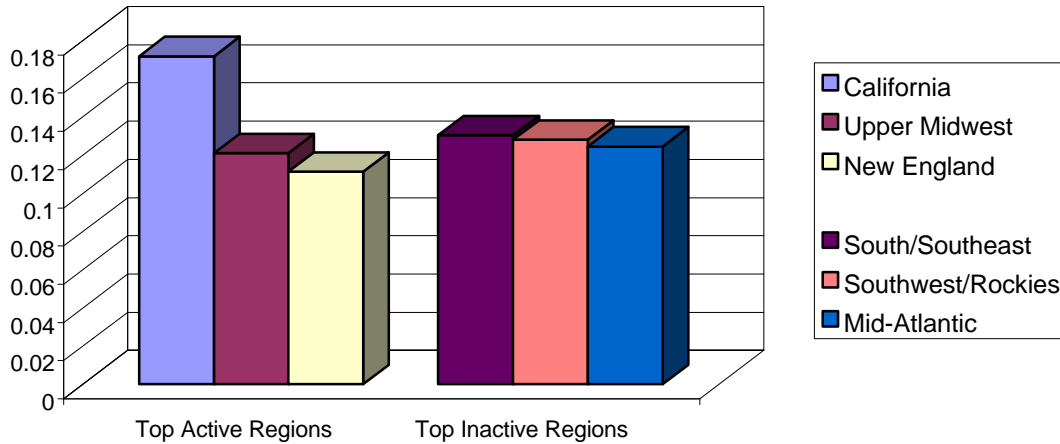
In active regions, California achieved the highest market share, averaging 17.1 percent for 1999. The Upper Midwest captured about 12 percent and New England captured 11.1 percent (Figure 28).

- ◆ In California, market share was well above national and other regional market shares in all four quarters, at 13.1 percent in the first quarter and climbing to 19.7 percent in the fourth quarter. This high market share could be attributed to the rebate programs that occurred across the state as well as the general ENERGY STAR marketing efforts undertaken. For its part, PG&E reported rebating 12,000 qualified dishwashers.
- ◆ The Upper Midwest market share was 12 percent.
  - In Wisconsin, the market share started out at nearly 8 percent in the first quarter and grew to 13 percent in the third quarter, and then 14 percent in the fourth quarter.
  - The market share in Illinois for ENERGY STAR qualified dishwashers was larger than that of Wisconsin throughout the year.
  - Michigan also captured a higher percentage of the market than Wisconsin, rising from 10 percent to almost 15 percent.
- ◆ The New England market share stayed below the national market share but ended the fourth quarter with 14 percent of the market share.
- ◆ Of the active ENERGY STAR Partner regions, the Northwest sales of qualified dishwashers were the lowest in the nation, at their highest reaching 7 percent. This could be due to the low number of rebates offered and the higher emphasis on promoting ENERGY STAR qualified clothes washers.

### Market Share in Inactive Regions

- ◆ In the South/Southeast, the market share was the highest among inactive regions at 13 percent (Figure 28).
- ◆ The market share in Southwest/Rockies was 12.8 percent and for the Mid-Atlantic it was 12.5 percent.
- ◆ The market share in the South/Southeast, Southwest/Rockies, and Mid Atlantic, regions mirrored the national market share. The market shares in these regions were also slightly above the market share in the Upper Midwest and New England in all four quarters.
- ◆ Although none of these states actively promoted ENERGY STAR, sales in Nebraska, Ohio, and Minnesota were similar to those in Wisconsin.

**Figure 28. 1999 ENERGY STAR Dishwasher Market Share  
Top Active and Inactive Regions**



## Promotions

California, the Northwest, and Wisconsin sponsored promotions specifically for ENERGY STAR qualified dishwashers. Other active regions chose to promote ENERGY STAR qualified dishwashers through general brand promotions and showcasing ENERGY STAR qualified products in an energy efficient home setting. See the next section, ENERGY STAR Brand Awareness, for more information about these activities.

### California

The majority of California promotions for qualified dishwashers took place in the second and third quarters of 1999.

- ◆ PG&E, SDG&E, and SCE offered rebates of \$30 for ENERGY STAR qualified dishwashers with Energy Factor between .52 and .57 and \$50 for models with Energy Factor of .58 or above.
- ◆ In August 1999, the City of Palo Alto began a dishwasher rebate program, offering the same tiered levels as the IOUs.
- ◆ SMUD provided 201 rebates using the same tier system as the IOUs. However, initially, in June 1999, SMUD offered \$100 for the higher efficiency models for its customers with electric water heaters then dropped the rebate amount for the higher efficiency models \$50 in July. At that time, PG&E was also offering rebates only to customers with electric water heaters. Consequently, most SMUD customers were not eligible for the dishwasher rebate.
- ◆ Active utilities in California also sponsored several general ENERGY STAR promotions. These brand awareness activities included a home appliance sweepstakes, rebates on a combination of ENERGY STAR qualified products, and an ENERGY STAR bus. These promotions took place between June and December. See the section entitled "ENERGY STAR Brand Awareness" for more information on these activities.

## Northwest

- ◆ Throughout 1999, the City of Richland offered low interest loans for ENERGY STAR qualified units to its customers with electric water heaters.
- ◆ Snohomish County PUD offered a \$50 rebate on models with the highest efficiency levels, but did not promote ENERGY STAR.
- ◆ The utilities and regional energy efficiency groups in the Northwest also sponsored several general ENERGY STAR promotions. These brand awareness activities included airing the ENERGY STAR public service announcement over 350 times on local Northwest television stations and discounting rates for member utilities to promote energy efficiency and renewable energy use. For more information about these activities, please see the section entitled "ENERGY STAR Brand Awareness."

## Wisconsin

WECC worked with local retailers to offer customers a \$20 instant rebate on each qualified dishwasher purchased during the Instant Day promotions in May and June 1999. Customers purchased 350 ENERGY STAR qualified dishwashers during this promotion. WECC also offered cooperative advertising funds to participating retailers and produced several newspaper and radio advertisements featuring ENERGY STAR qualified appliances. These promotions may have had an indirect effect on the market by bringing awareness of ENERGY STAR to customers in the areas of the state where the Instant Day promotions occurred. WECC also produced several newspaper and radio advertisements featuring ENERGY STAR qualified appliances.

## New England

The utilities and regional energy efficiency groups in New England sponsored several general ENERGY STAR promotions. These brand awareness activities included a billboard on Interstate 95, appearances at home and trade shows, a home appliance sweepstakes, and referral services for making homes more energy efficient. These promotions began in March and were launched throughout the year. See the section entitled "ENERGY STAR Brand Awareness" for more information on these activities.

## Section 5: ENERGY STAR qualified Room Air Conditioners

### Product Availability

Among the room air conditioner models available through ENERGY STAR retailer partners in 1999, about 11 percent were ENERGY STAR qualified models.

### Market Share

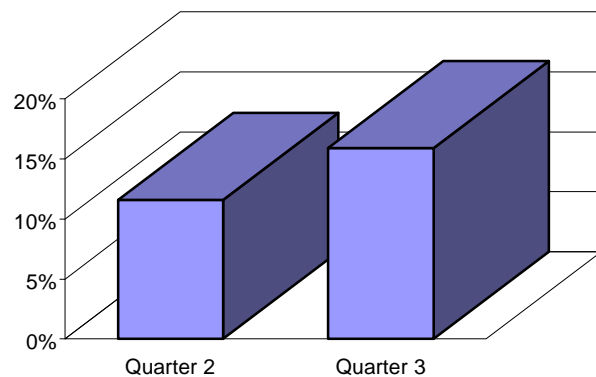
Because sales of room air conditioners are generally lower during the non-cooling season, October through March, this report includes only the market share from the second and third quarters.

The market share for ENERGY STAR qualified room air conditioners jumped from almost 12 percent to nearly 16 percent from the second to the third quarter (Figure 29).

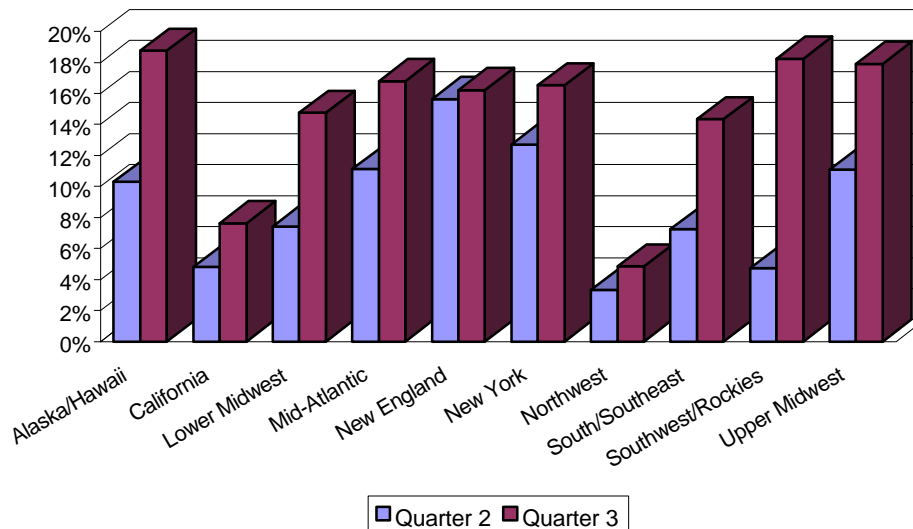
The biggest increases across the country occurred in the third quarter—every region experienced an increase in market share for qualified room air conditioners in this quarter. This across the board increase in market share was likely due to the unusually warm summer temperatures that occurred in 1999.

- ◆ New England's market share was the highest in the second quarter at 15 percent (Figure 30).
- ◆ The Alaska/Hawaii region had the largest market share in the third quarter—nearly 19 percent.
- ◆ The greatest increase in market share occurred in the Southwest/Rockies, where the percentage of ENERGY STAR sales more than tripled from the second to the third quarter.

**Figure 29. 1999 ENERGY STAR Room Air Conditioner Market Share - National**



**Figure 30. 1999 ENERGY STAR Room Air Conditioner Market Share by Region**



### Market Share in Active Regions

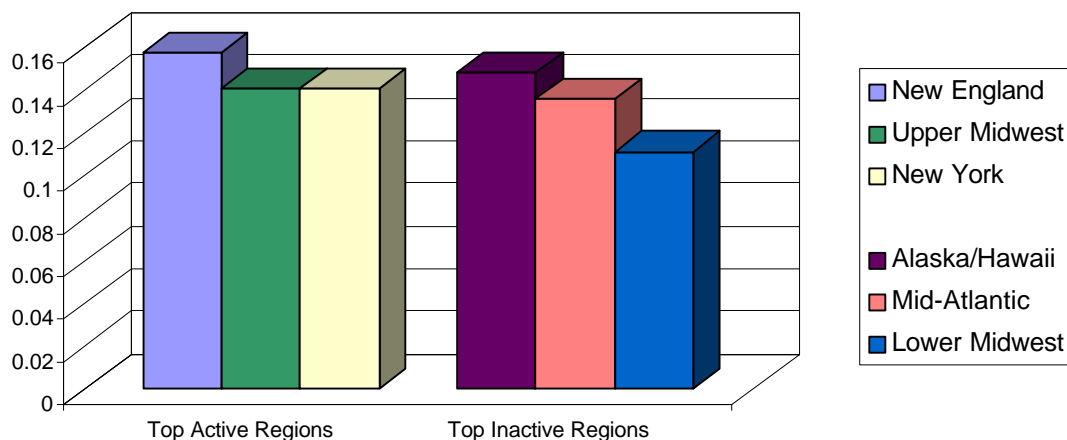
Few targeted promotions for the ENERGY STAR qualified room air conditioners occurred in active regions in 1999. Any influence on the market from ENERGY STAR would have resulted from general ENERGY STAR promotions such as those highlighted in the section of this report entitled "ENERGY STAR Brand Awareness."

- ◆ New England achieved a market share of 15.8 percent for 1999, the highest among active regions. This market share, which remained between 15 and 17 percent, was supported by several NEEP coordinated general brand promotions in this region throughout the year (Figure 31).
- ◆ In the Upper Midwest, the market share for ENERGY STAR qualified room air conditioners was 14.1 percent in 1999.
  - Wisconsin's market share climbed from 10.7 percent to 17.3 percent from the second to third quarters.
  - Illinois's market share increased from 9.3 percent to 15.1 percent from the second to third quarters.
  - The market share in Michigan was among the highest in the region, starting at 12.4 percent and increasing to nearly 23 percent.
- ◆ New York's market share was similar to the Upper Midwest's, averaging 14 percent. In 1999, the market share increased from nearly 13 to nearly 17 percent in New York.
- ◆ Although promotions were conducted in California, the market share for ENERGY STAR qualified room air conditioners in these regions did not exceed 8 percent, making its market share one of the lowest in the country. Only the Northwest's market share was lower. This is likely due to the fact that few residents in California and the Northwest use air conditioning due to the mild climate that characterizes the west coast.

### Market Share in Inactive Regions

- ◆ The market share in Alaska/Hawaii was the highest among inactive regions at 14.8 percent for 1999. From the second to the third quarter, the market share jumped from 10 percent to nearly 19 percent, primarily due to sales in Hawaii.
- ◆ The Mid-Atlantic regional market share was an average 13.6 percent for 1999, increasing from 11.3 percent to 16.8 percent.
- ◆ In the Lower Midwest, the market share doubled from 7.4 to 14.8 percent, averaging 11.1 percent for 1999.
- ◆ The market share in the South/Southeast was similar to that of the Lower Midwest—7.2 in the second quarter and 14.4 in the third.

**Figure 31. 1999 ENERGY STAR Room Air Conditioner Market Share  
Top Active and Inactive Regions**



## Promotions

California was the only region that specifically promoted ENERGY STAR qualified room air conditioners in 1999. Other active regions chose to promote qualified units through general ENERGY STAR brand promotions and showcasing ENERGY STAR qualified products in an energy efficient home setting. See the next section, ENERGY STAR Brand Awareness, for more information about these activities.

### California

- ◆ SCE was the only California IOU to offer rebates on ENERGY STAR qualified room air conditioners in 1999. SCE offered \$50 for qualified models that were 15 percent or more above federal standards beginning in May of 1999. In addition, SCE offered participating retailers a dealer/salesperson incentive of \$10 for each qualifying unit sold.
- ◆ SMUD offered a \$30 rebate on all ENERGY STAR qualified room air conditioners beginning in June 1999. However, according to SMUD this program was launched too late in the retail cycle to have a major effect on how retailers stocked their products because retailers typically order cooling equipment the previous fall and winter.<sup>iv</sup>
- ◆ Active utilities in California also sponsored several general ENERGY STAR promotions. These brand awareness activities included a home appliance sweepstakes, rebates on a combination of ENERGY STAR qualified products, and an ENERGY STAR bus. These promotions took place between June and December. See the section entitled "ENERGY STAR Brand Awareness" for more information on these activities.

### New England

The utilities and regional energy efficiency groups in New England sponsored several general ENERGY STAR promotions. These brand awareness activities included a billboard on Interstate 95, appearances at home and trade shows, a home appliance sweepstakes, and referral services for making homes more energy efficient. These promotions began in March and were launched

throughout the year. See the section entitled "ENERGY STAR Brand Awareness" for more information on these activities.

### Northwest

In the Northwest, NEEA and Bonneville Power Authority also sponsored several general ENERGY STAR promotions that could have contributed to the market share captured by this region. These brand awareness activities included airing the ENERGY STAR public service announcement over 350 times on local Northwest television stations and discounting rates for member utilities to promote energy efficiency and renewable energy use. For more information about these activities, please see the section entitled "ENERGY STAR Brand Awareness."



## Section 6: ENERGY STAR Brand Awareness

All ENERGY STAR utility partners chose to enhance their targeted appliance promotions by conducting activities that focused on the broader ENERGY STAR brand. In support of these broader regional partner promotions, EPA and DOE created the Lawnmower public service announcement for 1999, sponsored a nationwide media tour, and provided an ENERGY STAR booth for partners to use at various venues. The following are some of the general brand promotions that utilities conducted throughout the year.

### Northeast

#### Northeast Utilities

Northeast Utilities (NU) in conjunction with Connecticut Light and Power, created The Smart Living Center, a showroom that features ENERGY STAR qualified products and systems to showcase the “whole house” approach to energy efficiency. This program included purchasing information and guidelines, and offered contractor training. To market the Center, the utilities developed radio advertisements highlighting the benefits of energy efficiency.

#### NEES Companies

NEES Companies sponsored a billboard advertisement promoting ENERGY STAR that stands along I-95 in Providence, Rhode Island. This billboard read “Still Buying Appliances without this Symbol? Save your Energy” and included the ENERGY STAR logo. Travelers could view the billboard from November through December as they passed.

#### Northeast Energy Efficiency Partnerships

- ◆ Utilities in Connecticut, Massachusetts, Rhode Island, and Vermont coordinated through NEEP an ENERGY STAR “Full House Sweepstakes” Promotion. They created special point-of-purchase materials, including a drop box for the sweepstakes, and distributed to participating local stores. In each state, winners received the following:
  - Grand Prize consisting of a Whirlpool Resource Saver washer and dryer, a range; and one of each ENERGY STAR qualified dishwasher, refrigerator, and room air conditioner;
  - Second Prize consisting of a Whirlpool Resource Saver washer and matching dryer;
  - Third Prize consisting of a qualified Friedrich air conditioner; and
  - Fourth Prize consisting of an EFI torchiere.
- ◆ NEEP participants offered to review their customers’ new home plans to provide cost effective recommendations for energy efficiency upgrades.
- ◆ The utilities of the Northeast Utilities, Connecticut Power and Light, Western Massachusetts Company, and Public Service New Hampshire, produced the sixth edition of the SmartLiving Catalog which features ENERGY STAR qualified products.
- ◆ NEEP utilities visited home and trade shows, handing out brochures and other educational materials to highlight the benefits of ENERGY STAR.

## California

- ◆ In July 1999, Pasadena Water & Power (PWP) began offering its customers rebates on the purchase of multiple ENERGY STAR qualified products. For buying one or more ENERGY STAR qualified products priced between \$500 and \$1,000, each customer receives a rebate of \$100. For buying one or more ENERGY STAR qualified products priced more than \$1,000, each customer receives a rebate of \$200. PWP offered rebates on room air conditioners, clothes washers, refrigerators, home office equipment, TVs, VCRs, DVD players, sound systems, lighting fixtures, windows, skylights, and doors.
- ◆ SCE created a unique educational tool for its ENERGY STAR promotions: the ENERGY STAR mobile education unit. Between June and December 1999, the ENERGY STAR "bus," as it came to be known, made visits to 141 retailers, logged in over 11,000 visitors, and traveled over 7,000 miles across the state of California. The bus is equipped with ENERGY STAR qualified appliances, lighting display, audio/visual equipment, office equipment, and windows. Three staff persons aboard the bus distributed ENERGY STAR brochures and other materials to visitors.
- ◆ The Pacific Gas and Electric Company (PG&E) administered the "Spirit of the Season" contest during the 1999 holiday season. The contest, which began on November 1, was intended to help publicize the benefits of ENERGY STAR compliant appliances and lighting products to residents in PG&E's service territory. After completing a short informational form, customers were entered into a contest to win one of five complete ENERGY STAR kitchen and lighting packages, which included a qualified refrigerator, clothes washer, dishwasher, and lighting fixtures. The drawing for prizes was held on December 20, 1999. Four families were chosen at random to receive the packages.

## Northwest

- ◆ In the fourth quarter of 1999, the ENERGY STAR public service announcement aired over 350 times on local Northwest television stations.
- ◆ Bonneville Power Authority, an agency of the U.S. Department of Energy that wholesales electric power to utility, government, and direct service industry customers throughout the Pacific Northwest, offered its member utilities a rate discount for conducting activities to promote energy efficiency and renewable energy use. Bonneville also began recruiting Northwest utilities to participate in ENERGY STAR in September.

## Upper Midwest

- ◆ WECC produced several newspaper and radio advertisements featuring ENERGY STAR qualified appliances that ran August through December.
- ◆ ComEd produced bill inserts to introduce its customers to the ENERGY STAR brand in July.
- ◆ Michigan Energy Resources Division sponsored an ENERGY STAR Homes Tour in April 1999. Across the state of Michigan, 32 ENERGY STAR qualified homes in 21 cities and towns were open to the public. Builders and homeowners were on hand to answer visitor questions about energy efficiency measures, and distribute ENERGY STAR consumer education brochures and information.

## **Section 7: Conclusions**

**Clothes washers.** For ENERGY STAR qualified clothes washers, overall, the active regions captured greater portions of the market share than the inactive regions. However, Alaska/Hawaii, an inactive region, captured just as much of the market share as New England, an active region. Beyond this, other top inactive regions had market shares that were lower than the market shares in other active regions.

**Room air conditioners.** For ENERGY STAR qualified room air conditioners, the market share in active regions was slightly higher than the market share in inactive regions.

**Refrigerators.** For ENERGY STAR qualified refrigerators, the market share among the top inactive and active regions was about the same, except in the Northwest where the market share was about 10 percent above that of the next highest market share.

**Dishwashers.** For ENERGY STAR qualified dishwashers, the market share in active and inactive regions was about the same, except for the market share in California where it was about four percent higher than the next highest market share.

As the 1999 sales data suggests, ENERGY STAR promotions make an impact on the market when they are supported by a marketing theme and when a variety of strategies are used to generate interest and attention.

## Appendix I: States Included in Each Region

<b>ENERGY STAR Program Status in 1999</b>	<b>Region</b>	<b>States</b>
Inactive	Alaska/Hawaii	Alaska, Hawaii
Active	California	California
Inactive	Lower Midwest	Arkansas, Kansas, Kentucky, Missouri, Oklahoma, Tennessee
Inactive	Mid-Atlantic	Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia, West Virginia
Active	New England	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont
Active	New York	New York
Active	Northwest	Idaho, Montana, Oregon, Washington
Inactive	South/Southeast	Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Texas
Inactive	Southwest/Rockies	Arizona, Colorado, Nevada, New Mexico, Utah, Wyoming
Active	Upper Midwest	Illinois, Indiana, Iowa, Minnesota, Michigan, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin

## Endnotes

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<sup>i</sup> The Washline, December 1999, Vol. 1, Issue 6. Northwest Energy Efficiency Alliance.

<sup>ii</sup> In this report, the 1999 active regions include California, New England, New York, the Northwest, and the Upper Midwest. All other regions are considered inactive for 1999. See Appendix I for further information.

<sup>iii</sup> Pacific Gas & Electric ENERGY STAR Communications Plans for February 23-24, 2000 meeting in Chicago, IL.

<sup>iv</sup> Sacramento Municipal Utility District 2000 ENERGY STAR Communications Plans, 2/10/00

<sup>v</sup> Wisconsin ENERGY STAR and Best Connection Program, Program Status January 1, 1999 – July 31, 1999 and Program Directions August 1, 1999 – December 31, 1999. Draft, September 1999. Prepared by Wisconsin Energy Conservation Corporation.

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