How to double the annual sales of CFLs with energy label A

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1. SYNOPSIS

The paper describes a campaign by the Danish Electricity Saving Trust in 2000 aiming at doubling the annual sales of CFLs with energy label A.

2. ABSTRACT

1st October 2000 was take off for a combined programme aiming at:

- Double the annual sales of CFLs with energy label A from 1.2 million to 2.4 million per year within three years
- Lower the prices
- Increase the quality of the CFLs offered to the Danish consumers
- Increase the availability of the products for the consumers

The combined programme comprises participation of the Danish Energy Agency, the Danish Electricity Utilities, more than 1,000 shops, manufacturers and importers, Delta (accredited testing institute), Danish Illuminating Engineering Society and lamp suppliers, and include a web-service at www.a-paere.dk, where you e.g. can find a list of CFLs meeting the EU Quality charter and recommended to the consumers by the Danish Electricity Saving Trust, information on the use of CFLs, list of fixtures recommended for the use of CFLs, etc. The campaign was intensively addressed to the public the remaining part of 2000. Total budget in the year 2000 was _ 2 million whereof The Danish Electricity Saving Trust spent _ 1.35 million on their campaign which this paper concentrates on.

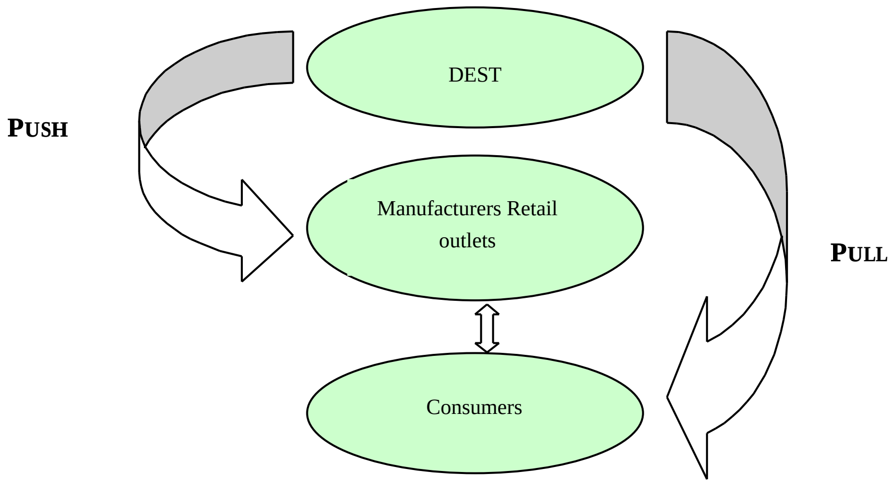
An external evaluator will analyse the process as well as the results and give recommendations for further actions the next two years of the vision. The entire paper will present as much as possible from the campaign and the evaluation, available at the deadline.

3. INTRODUCTION AND BACKGROUND

In the autumn of 2000, the Danish Electricity Saving Trust (DEST in graphic below) conducted a campaign for CFLs with energy label A (CFL A's below). The overall objective of the campaign was to further the consumers' purchase of compact fluorescent lamps (CFL A's) instead of incandescent lamps, so that the average stock of CFL A's could be augmented.

The campaign is carried out within the framework of the Pull/Push mechanism typically used by the Danish Electricity Saving Trust in order to activate the trade and the market mechanisms by focusing on the electricity saving products.

Figure 1.



The Danish Electricity Saving Trust has carried out activities – together with its partners in this area – that generate awareness of the product class in order to make the consumers demand the concrete products – in this case CFL A's - more. This included both mass communication - TV ads, ads in newspapers, a homepage and press releases - and more direct consumer incentives such as a lowering of the price level of CFL A's and guaranteeing the quality of CFL A's tested by an accredited test laboratory.

The increased demand creates motivation for the manufacturers and the retail trade to focus more on this product group instead of other related products. This is the so-called pull effect, where consumers' demand pulls the suppliers into supplying the product in demand.

Concurrently, direct and indirect incentives are created for the retail trade by contacting them directly and by involving them in the shaping of the campaign. For instance, _ 270.000 were allocated as direct contributions to those stores that could sell the highest number of approved CFL A's in the campaign period (for a more detailed description of this fee see chapter 7, section "Trade Marketing"). In this way, an incentive was presented to make the manufacturers and the retailers participate more actively in influencing the choice criteria of the consumers in the purchase situation. This influencing of consumers was very significant in this campaign, as CFL A's are typically a product that consumers decide whether to buy or not when confronted with the actual purchase situation in the stores.

The planning of the campaign originated in a series of campaign activities carried out by the electricity suppliers throughout the past 10 years. One such activity was a positive list (the CFL list), where products were tested on a series of quality parameters before they were entered on the list. However, in 1997, the tests were discontinued when the Energy labelling scheme was passed.

Even though the Danish electricity utilities characterised the latest campaign in 1999 as a success because the sales of CFL A's was increased, it still did not alter the fact that merely 2% of the total sales of lamps in 1999 consisted of CFL A's partly because the price level still was very high. In addition to the activities by the Danish Electricity Saving Trust, the Danish electricity utilities carried out a series of local activities and communicated the overall objective: Buy A. The final evaluation of the year 2000 campaign is expected to be ready in May 2001.

4. OBJECTIVE

The main purpose of promoting the choice of CFL A's instead of incandescent lamps in the purchase/change situation was divided into a short-term and a long-term objective in the planning of the year 2000 campaign.

The short-term objective

To achieve additional sales of 150,000 CFL A's during the campaign period that would otherwise primarily have consisted of incandescent lamps.

The long-term objective

To double sales of CFL A's in Denmark during a three-year period by accelerating marketing and sales initiatives so that annual sales in 2003 reach 2.5 million CFL A's. Annual sales prior to the campaign were estimated at 1-1.2 million (this figure is based on a survey among major retailers conducted by The Danish Utilities in autumn 1999. The figure is a qualified estimate and are as such not without certain statistical uncertainty but was the best available information at this point).

Intermediate aims

Thus, the purpose of the campaign was to secure a continued long-term growth in the sales of CFL A's with a special focus on the barriers obstructing consumers from acting in an environmentally and financially reasonable manner. As a consequence, the following intermediate aims were set for the campaign:

- Expanded assortment
- Increased accessibility for the consumers
- Improved level of information and knowledge with consumers and dealer chains
- Increased sales volume and decreasing unit cost
- More marketing activities with outlets for CFLs
- Introducing the concept of "CFL A" instead of the many other names used to designate them
- Increase the number of users of CFL A's (get hold of some of the rejecters)
- Establishment and maintenance of a user friendly permanent home page (www.a-paere.dk) with information about CFL A's that meet with a set of quality requirements based on EU's Quality Charter
- Introducing the purchase parameter Energy Label A with consumers and dealers

Having ascertained the manufacturers' evident problems meeting the quality requirements, the Danish Electricity Saving Trust deemed it necessary to alter the focus of the campaign and thus to fix additional intermediate aims:

- To increase the number of CFL A's that meet with the quality requirements in the long run

5. BARRIERS TO THE CONSUMER

Prior researches e.g. SAVE studies[1] and market research from earlier campaigns by the Danish utilities identified several barriers for consumers. In the planning of the campaign, the consumers' barriers to purchasing CFL A's were characterised as follows:

Accessibility	The previous options when purchasing bulbs were limited to holder and watt size. With respect to CFL A's, the task is much more complex. Therefore, the consumer lacks real guidance in terms of which bulbs fit which lamps. There is, however, no tradition for this among manufacturers and dealers. Moreover, the majority of the trade has had a relatively modest assortment of CFL A's, and the staffs in the stores has had a modest know-how about the various applications of the CFL A's.

Initial cost	Financially it makes sense to use CFL A's. In spite of this, the high initial cost was viewed as a significant barrier. Bulbs were not considered an investment object with derived benefits in the shape of savings. This presented the consumers with the drawback of having to compute all costs (initial cost and energy consumption), before the cost of incandescent lamps and CFL A's became comparable.
Appearance and design	The fundamental problem about CFL A's is that the first many generations did not resemble traditional incandescent lamps. CFL A's has a more "technical" appearance, and even though the assortment and the appearance change, these lamps still do not possess any major design qualities. However, the CFL A's fit most lamps and fittings, which the consumers are unaware of.
Light quality	The light quality of CFL A's is slightly poorer compared to incandescent lamps. However, the consumers cannot always determine what type of lamp the light comes from. The debate about light quality has meant that CFL A's are primarily used in places where the light quality is viewed as less significant, e.g. outdoor or in basements.
Durability	In connection with the introduction of CFL A's on the market, CFL A's were imported of a very poor quality and alternating lives. This created doubt and scepticism with the consumers. Even though the quality has been significantly improved today, not least because of the CFL A list of the electricity suppliers, the consumers still feel concern about whether the "expensive" CFL A's will in fact live up to the claimed long life.

6. BARRIERS TO MANUFACTURERS AND DEALERS

We assume that the barriers to manufacturers and dealers can be formulated as follows:

- CFL A's have a small market share
- The profit from selling CFL A's is larger, but the time between sales is larger due to the long life
- CFL A's do not receive much attention
- CFL A's require more know-how from store personnel, e.g. about which lamps they fit

When planning the campaign, efforts were made to take these barriers into account, i.e. by also involving manufacturers and dealers in the campaign.

7. CAMPAIGN DESCRIPTION

The campaign originated in a co-ordination of tasks between Danish electricity utilities, The Danish Energy Agency and the Danish Electricity Saving Trust. The Danish electricity utilities primarily worked with the general message about CFL A's and contributed with TV advertising and used their many energy advisors in local events inside the outlets. The Danish Energy Agency participated as the authority behind the energy labelling.

The Danish Electricity Saving Trust's approach consisted of the following elements:

- Quality charter
- Mass communication
- Internet page
- Trade marketing

Quality Charter

In connection with the campaign, a positive list for CFL A's was prepared referred to as the CFL A positive list. The purpose of the CFL A list was to secure the consumer a certain quality level of the lamps that the Danish Electricity Saving Trust would recommend to the consumers. Originally, it was not the intention that the CFL A list should play a pivotal role in the marketing from the Danish Electricity Saving Trust. It was just to be used in the co-operation with the dealer chains and was to be displayed on the Internet page. However, in reality it turned out that only a small part of the lamps could be entered on the list. For this reason, the Danish Electricity Saving Trust determined that focusing on more thorough information for the consumers about the purchase of CFL A's was more justifiable.

The starting point for the CFL A list was that all products in the list should:

- Be energy labelled in accordance with EU's energy labelling directive, and it should indicate life expectancy
- Meet with the most significant quality requirement in EU's Quality Charter for CFLs, namely:

1. Requirement as to light efficacy. The requirement is that the CFL must be class A in accordance to EU's energy labelling directive.
2. Requirement as to luminous flux reduction. After 2000 hours of use, the luminous flux must constitute no less than 88% of the initial luminous flux.
3. Requirement that the CFL A must be able to handle twice as many on/off's in a lighting test compared to the life expectancy in hours stated on the packaging. The lighting test is carried out with an on/off cycle of _ min ON/4.5 min OFF, till there is no longer at least 50% that live (cf. EU's Quality Charter for further details).
4. Requirement that the colour reproduction index, R, must be at least 80.
5. The colour temperature must be situated between 2,600 K and 3,000 K.

The dealers and manufacturers were invited to send in documentation that their lamps could be entered on the list. However, only approximately 1/5 of the CFL A's on the market were on the list at the start of the campaign. The lamps on the list will be checked on an ongoing basis by an accredited laboratory. The objective of the list is to represent the minimum requirements the dealers should ask from the CFL A's they place on their shelves. In that way, the CFL A list will also continue to function beyond the campaign period.

Mass communication

In the light of the relatively few lamps that could be entered on the CFL A list, the Danish Electricity Saving Trust decided not to use TV. Instead, a magazine was prepared, "Nyt om lys" (News on Light), whose purpose it was to tell the long story in a reader friendly and credible manner. The magazine contained messages, e.g. that CFL A's can be used for a variety of lamps, that the price does not necessarily reflect the quality, and there are considerable financial and environmental benefits from the CFL A's. The magazine was published in 1 million copies and was distributed via newspapers, stores, environment and energy offices, electricity suppliers, etc.

Besides "Nyt om lys", the Danish Electricity Saving Trust prepared a series of ads in newspapers, made press releases and an Internet page that will be described below. The information strategy of the campaign corresponds well with the Danish Electricity Saving Trust's idea about a high degree of information about the products that they want sold and none about the rest.

Internet page

In connection with the campaign, the Danish Electricity Saving Trust made a permanent homepage (www.a-paere.dk) with the following purpose:

- An up-to-date survey of CFL A's that meet with a series of quality requirements on the market (the CFL A list)
- A survey of lamps that can be used together with CFL A's
- Information about the applications of CFL A's in general and the individual types in particular
- Information on lighting engineering

- Information on the environmental fact about CFL A's
- Information about the operating economy of the CFL A's

The intention is to update existing know-how and information and that the homepage will function as the bible or the great encyclopaedia in the area in the future also. The Danish Illuminating Engineering Society and Delta Danish Electronics, Light and Acoustics – the experts in this area in Denmark, prepared the text.

Trade marketing

The greatest task ahead in the trade is to expand the assortment of CFL A's, and to lower the price. But today, the retail trade is more dependent than ever on the turnover rate of goods. As a result, an expansion of the assortment requires that they believe that the item can be sold and make a larger profit than the item it will be replacing in the product line.

Prior to the campaign, CFL A's were only of interest to the retail trade because they could position themselves on energy efficacy. About 2/3 of the sales of CFL A's were generated in the retail trade and the DIYs. Thus, a lasting effect on the CFL A assortment in the stores required a sales increase so strong that CFL A's could become an interesting area for the retail trade and the manufacturers in terms of earnings.

As mentioned previously, we faced at least two major challenges:

1. The assortment of CFL A's was very limited (12% of the total assortment of lamps) in the largest stores with the largest assortment of lamps. As the consumer's buying of lamps can be characterised as of low involvement, the consumer will not start a thorough search in several stores after exactly the right CFL A. Thus, the assortment and as a consequence the accessibility to the consumers play a central role.
2. The lamp market was from the onset of the campaign divided between a few large manufacturers of brands. One of these manufacturers had a very poor assortment of CFL A's, and 60% of its turnover was generated from two lamp variants with energy label B.

On the basis of previous experiences, we assume mass communication in connection with a listing fee to be the safest choice, as it enabled us to push the retail trade in the one area where they are most sensitive, i.e. the bottom line and the competition between the chains.

The sale to the retail trade and the model itself consisted of the following elements: Listing fee, information material, home page, local print advertising, press releases and point-of-purchase material.

Listing fee/marketing contribution

To ensure the retail trade's interest in participating in the campaign, a listing fee was established - as a further incentive in addition to the more traditional approaches - consisting of a pool of _270.000. After the campaign, the individual dealers would receive their relative share of the pool corresponding to the number of lamps (from the CFL A list) that had been sold in the six campaign weeks, not exceeding DKK 10 per lamp, though. The more precise terms are described below:

Listing fee terms

When participating in the Listing Fee arrangement, it was required from the stores that they showed the Danish Electricity Saving Trust's display in the stores. The display consisted of three compartments in which lamps had to be placed according to the following categories:

3. Finger typed CFL A's, at least one at less than DKK 50
4. Incandescent-like CFL A's, at least one at less than DKK 50
5. The third compartment was to show the width in the assortment, but as the width was not reflected in the CFL A list, it was decided that a rod-shaped or an incandescent-like lamp would have to be placed in this compartment. Here, there were no requirements as to the price of the lamp.

The requirement as to all three compartments was that the lamps could be found on the CFL A list.

8. CAMPAIGN PERIOD AND BUDGET

The campaign took place over a period of 10 weeks in the autumn of 2000, where all the marketing activities were concentrated. However, the chains could place the 6 weeks during which measurements for the Listing Fee arrangement as they pleased. They just had to be placed within the 10-week campaign period.

The Danish Electricity Saving Trust spent DKK 10 million on the campaign.

9. EVALUATION AND ANALYSIS

Background

The market research institute Millward Brown is responsible for the evaluation of the campaign. For the evaluation, interviews have been conducted with the parties involved in or affected by the campaign. The following parties have been interviewed: 1000 consumers (500 pre- and 500 post-test), 6 large retail chains, 4 bulb manufacturers, 5 lamp manufacturers, Staff from the retail chains involved, small retail chains/outlets (not participating in campaign), Campaign responsible from the local Electricity suppliers. Presently (in the beginning of January), a thorough analysis has only been carried out among manufacturers and retail outlets. In the subsequent section, the focus will therefore be on the pre- and the post-tests that have been conducted with manufacturers and retail outlets before and after the campaign period.

The interviews were conducted as qualitative phone interviews in September as well as in December 2000 and in January 2001. Methodologically, the interviews were conducted using a semi-structured question guide where the main areas within the guide only constituted a starting point for the conversation whose aim was to make room for the respondent to elaborate on issues – positive/negative – brought about by the campaign process. Four manufacturers were selected - the largest brands on the market for light bulbs/CFL A's - that in the aggregate account for approximately half of the total sales of CFL A's in Denmark. Interviews were conducted with the six largest retail chains in Denmark.

These chains had all been contacted by the Danish Electricity Saving Trust and had declared themselves willing to participate in the campaign or had signed up for the listing fee arrangement when contacted[2]. The chains either sell the established brands or import their own CFL A's, primarily from Asian manufacturers.

The purpose of this part of the overall study was to conduct a qualitative analysis of the selected parties' reaction and attitude to the campaign and to assess their attitude to CFL A's and future developments in the area.

The short term result – a major increase in sales of CFL A's

First of all, the campaign objective to increase sales of CFL A's by 150,000 was met in full. The annual sales of CFL A's in Denmark have been estimated at approximately 1-1.2 million. Taking the upper limit, i.e. sales of 1.2 million, as a starting point, this means that the criterion for success is approximately 380,000[3]. Two weeks before the end of the campaign, estimated sales reached 650,000. Thus, total sales in the campaign period can be estimated conservatively at more than 800,000 CFL A's sold[4].

These estimates are confirmed by the results of interviews (post-test) among the retail chains. The general opinion here is that sales went well during the campaign period. A few chains report sales that are 5-6 times as high as normal sales during the period, and one single store estimates its sales at approximately 100,000 CFL A's. Even among the stores that were dissatisfied with the course of the campaign, or that had not signed up on the Danish Electricity Saving Trust's CFL A list, they express satisfaction with sales.

Consequently, the short-term objective of the campaign has been met in full.

The long term result - Expectations

The long-term purpose of the campaign was to secure a continued growth in the sales of CFL A's, also after the end of the campaign. Therefore, it was an important precondition that both manufacturers and the retail chains were positive from the beginning both towards CFL A's and towards more activities in the area.

As a starting point, both manufacturers and the retail chains believed it to be a good idea to focus on CFL A's (on the basis of very different parameters), and as a result the attitude towards a campaign in this area was positive. Concurrently, this attitude found support in everybody's expectations of explosive growth in the CFL A market in the future.

The long term result – the quality

As everybody concurs that the near future belongs to CFL A's in the struggle against incandescent lamps, everybody wants to be in on the deal, even those who have subsequently been negative towards the Danish Electricity Saving Trust's way of handling things. As a consequence, they also want to be on the A-list because of the marketing benefits. They do not want to be taken over by competitors who can take advantage of a quality stamp from the Danish authorities. Concurrently, the opportunity to be rewarded by increased sales of CFL A's through the Listing Fee arrangement, created a large interest in participating in the campaign.

As previously mentioned, a very large number of the CFL A's despatched (approx. 80%) were unable to meet with the most important quality requirements in EU's Quality Charter. Several manufacturers and retail chains express slight surprise about how few lamps actually meet with the requirements. The general view of the requirements is that they have been much too strict. They feel that this view is confirmed by 1) the fact that so few CFL A's had been approved at the beginning of the campaign and 2) that the candle bulb CFL A's (to be placed in the third compartment in the display) all of a sudden were not a requirement for participation in the arrangement anymore, as it turned out that nobody could meet with the requirements.

However, this does not lead to considerations about whether maybe poor products have been sold. Instead, it is interpreted, as a lack of understanding of the CFL A's by those responsible for the CFL A campaign. Thus, nobody recognises that the Quality Charter has in fact been prepared and approved in co-operation with his or her own trade associations.

As a result, they do not expect to have any influence on the quality standard and in that way function as leverage for the further increase in the sales of CFL A's. However, the below quotes from three of the manufacturers from the pre-test indicate that the manufacturers – in spite of their dissatisfaction with the method – will submit to and meet with the requirements that have been specified.

> *" ….If we are on the list we will be able to compete on quality and we want to supply the best quality"*
>
> *"We will have our bulbs on the list (in the future, red.)…but have not been able to meet the requirements at this stage"*
>
> *"More of our bulbs will be on the list when we can get the correct documentation prepared"*

Whether it has been necessary to "push" the manufacturers into line to make them react (send better CFL A's on the market) is open for discussion. It is, however, a fact that more and more CFL A's are being approved and entered on the CFL A list.

Thus, an indirect result of the campaign has been that in the future the consumers will have a stronger incentive to purchase CFL A's again, as it must be expected that many have previously had bad experiences with the quality of the CFL A's and in this respect also their life and the quality of the light. As a consequence, the product might not have lived up to the expectations that have been communicated to the consumers. Thus, a better foundation has been created for an increased distribution of CFL A's.

As previously mentioned, it was not originally the intention that the CFL A list should have played a central role in the marketing activities of the Danish Electricity Saving Trust. However, the communication to the consumers on this subject became increasingly important as it turned out that only a small percentage could be entered on the list. The purpose of the CFL A list was to secure the consumer a certain quality level of the lamps that would be recommended to the consumers. Therefore, it is interesting that CFL A manufacturers and importers attach as much importance to this, as they apparently do. It would seem that a quality stamp from the Danish authorities/the Danish Electricity Saving Trust is a strong argument that the suppliers do address seriously.

Apparently, this strategy is effective, because the general consensus in the FMCG (fast moving consumer goods) trade also is that the authorities enjoy a large degree of credibility with the consumers. In this way, the consumers' attitudes to the products and brands to opt for can be moved into the wanted direction.

The long term result - prices

As mentioned previously, the sales of CFL A's has exceeded the established criteria for success by far. The question is whether or not this trend can be expected to continue in the long run.

One of the most important barriers in Denmark to larger sales of CFL A's is definitely the very high price that has been set for the whole product category. Therefore, one of the preconditions for participating in the Listing Fee arrangement was that the participants also had CFL A's at no more than _ 6.7 in their assortment. This was not a problem to those retail chains that import CFL A's themselves, and some of them have sold CFL A's during the campaign for as little _ 2 - 2,5, and they still believe they make a good profit from the products.

Several of the manufacturers and chains that sell their assortment have problems selling CFL A's at _ 6.7, as this price will not give them a satisfactory profit. Several of their CFL A's cost as much as _ 20. A few of these manufacturers also indicate that they do not believe that the prices can remain this low when the campaign period is over.

However, based on the above considerations we believe that the price of some types of CFL A's will be situated at a lower level in the future in spite of a certain degree of resistance, especially from the manufacturers. This assessment is first of all based on the fact that today several chains have effectively broken the large manufacturers' monopoly. Indeed, doubts have been created about the CFL A's that have been parallel imported from the East, but the tests conducted at Delta (test lab) document that in certain circumstances they are just as good as the CFL A's produced in Europe. This quality control of the CFL A's from the East will be likely to keep prices down at a lower level than previously. Moreover, the expected increase in sales of CFL A's will result in a larger purchase volume, which normally alone leads to a lower cost per unit.

Similarly, the interviews with manufacturers and retail chains indicate that in the future the market will still have CFL A's at a price of around _ 20. The reason is that especially in the professional market, there will be a need for CFL A's that live up to especially high requirements as to the light quality.

Listing Fee as a tool

Undoubtedly, the pool of _ 270.000 has created increased interest among the retail chains in participating actively in the campaign and thus in being entered on the positive list. However, there are certain reservations in relation to the method.

Most of the retail chains believe that it has been a problem not knowing the amount per lamp that the individual stores can receive in bonus. Consequently, it is mostly considered a kind of safety net or extra help that can contribute to (or perhaps cover) the extra cost in connection with the preparation of campaign material and other marketing initiatives.

At this point, it is difficult to assess what the attitude to the Listing Fee arrangement will be among the retail chains in the long run. But, offhand, it would seem as if the retail chains will wait and see and will assess the present set-up on the basis of the amount of money they actually receive after the campaign. It is therefore to be expected that the chains that receive the largest profit will also subsequently be most positive towards the arrangement, while those who do not receive an amount that is in line with their expectations will to some extent be negative.

The attitude towards the Listing Fee arrangement among the manufacturers is quite negative. The reason for this is in part the element of insecurity, as with the retail chains, and in part the fact that the Listing Fee arrangement in its forms is directed towards retail chains with a simple and clear structure and with a rather large turnover.

Assortment

One of the existing barriers to the spread of CFL A's is definitely some of the technical product qualities and the limited assortment. Somewhat surprisingly, most manufacturers and importers in the interview study toned down the problems. In fact, the consensus is that the quality of the CFL A's will be improved as demand increases, and that the assortment will be expanded and will encompass all the types and sizes that only exist as incandescent lamps today.

Conclusion

Generally, both manufacturers and importers are very positive when assessing the future of the CFL A market:

- A positive attitude towards CFL A's exists
- The assessment is that the market is bullish
- All will give higher priority to CFL A's in the future
- The assortment will be expanded

The CFL A campaign will have – and already has had – an effect on the development of the market in the future.

- Standardisation of documentation/quality requirements – more will test their CFL A's/demand better documentation from the manufacturers and in that way ensure the consumers better products. The assortment will be "cleaned up".
- The large retail chains demonstrate that you can buy quality CFL A's that have been tested in terms of the requirements in the CFL A arrangement at very reasonable prices. In that way, the cheap CFL A's from the East can compete against the recognised brands.

This will mean that….

- The quality of CFL A's will be improved.
- Lower prices of CFL A's in the future.

In this respect, the Listing Fee arrangement has been a means to increasing the interest in participating actively. The insecurity about the size of the profit does, however, mean that the effect is not optimum in relation to the individual stores.

Many chains and manufacturers did not participate in the campaign because they could not meet with the standards set by the Danish Electricity Saving Trust, or because they will not accept the prices that are the preconditions for participating. Therefore the distribution of approved CFL is not optimum.

It is difficult to assess whether this situation could have been avoided by using a different procedure, but it would without doubt have increased the impact of the campaign, if the distribution of approved CFL A's had been better, and if the assortment had been larger.

DEST is planning a new campaign in the Autumn 2001 based upon the experiences from this campaign. The campaign will try to ensure a better distribution of approved CFL A's by addressing some of the problems in the 2000 campaign. For example targeting the entire trade with both marketing activities and incentive structures will strengthen the participation of both smaller outlets and retail chains. Further, to ensure a positive co-operation with all suppliers and retailers detailed discussions about the autumn campaign has been carried out.

10. END NOTES

[1] EU SAVE project No. SA/21/94/DK ”Market Research on the use of Energy Saving Lamps in the Domestic Sector, DEFU TR 366, 1996, EU SAVE project No. 4.1031/Z/97-030 ”Dissemination in order to eliminate barriers for use of Energy Saving Lamps in the Domestic Sector, Energy Piano, 2000

[2] GreyPromotion has gathered this information. They have functioned as the Danish Electricity Saving Trust’s liaison to the retail trade. Some of the chains did actually not participate in the campaign.

[3] 1,200,000 a year correspond to 23,000 a week. The campaign ran for 10 weeks, i.e. 230,000. Moreover, the targeted increase in sales of 150,000 is added = 380,000. This calculation has been made without consideration for seasonal fluctuations.

[4] GreyPromotion collected sales figures from the largest retail outlets and made a writing-up on the basis of their usual share of the market. This figure constitutes the aggregate figure for CFL A’s sold in the period, and as a result, the share of CFL A’s that was not on the Danish Electricity Saving Trust’s CFL A’s list is also included.