Smart Metering consumer behaviour

Johannesburg, July 2011

PD Dr. Gundula Hübner Health and Environmental Psychology Institute of Psychology Martin-Luther-University Halle—Wittenberg



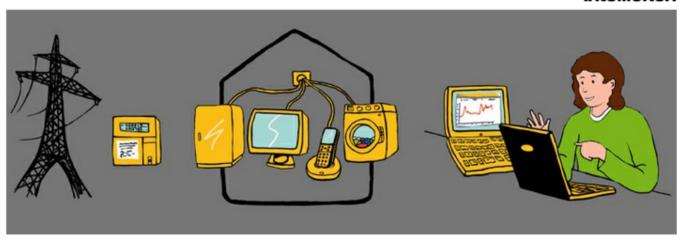
Smart Metering as a Chance

- I. Potential on consumer side
- II. Shortcomings of Present Approaches
- III. Smart Metering Further Ideas

I. Potential on Consumer Side

Smart Meter: Intelligent Electricity Meter

Intelliekon



- electricty consumption in real time
- information about specific appliances
- should motivate to save electricity

Theoretical Saving Potential

environmental psychology research on feedback:
 12% saving (Abrahamse et al., 2005)

- subjective saving potential: 6 10 % (FORSA für Verbraucherzentrale Bundesverband, 2010)
- pilot projects, e.g. Zurich, CH, T-City Friedrichshafen, Intelliekon

First Results - Dutch Pilot Study

(van Dam et al., 2010; n = 54)

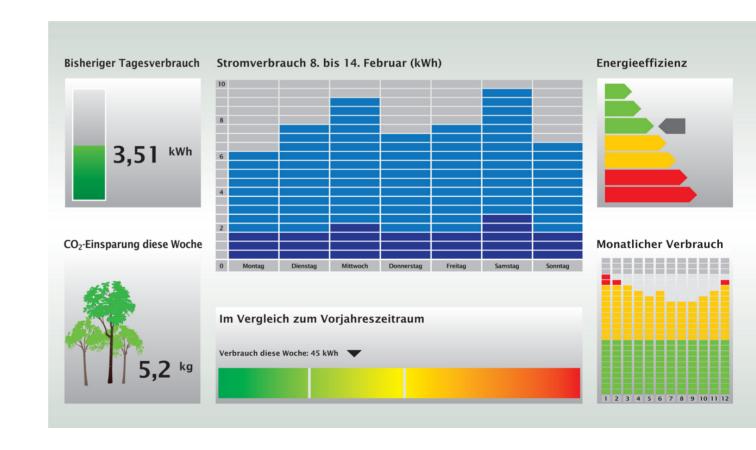
saving after 4 months \longrightarrow 7,8%

saving after 15 months \longrightarrow 1,9%

II. Shortcomings of Present Approaches

Mindset Homo Oeconomicus

- assumption: money saving motivates
- instrument: feedback, information



Mindset Homo Oeconomicus

assumption: money saving motivates

• instrument: feedback, information

realistic calculation – example:

monthly costs: 40 EUR

10% saving: 4 EUR

Unclear Cost-Benefit-Relation

- benefit for consumers transparent consumption, saving potential, gaining comfort (refrigerator example), ...
- costs for consumers time afforded, costs for smart meter higher than savings, loss of control, data security, ...

(FORSA, 2010; Intelliekon, 2011; Universität St. Gallen, 2011)

III. Smart Metering – Further Ideas

Motivation by Social Recognition

(Handgraaf et al., 2011)

- study on energy saving in office PC kind and communication of reward, N = 84 intervention: 4 weeks, last assessment after 8 weeks
 - 1. kind of reward non-monetary (school grades) / monetary (up to 5 EUR)
 - 2. communication via email public (everybody) / private (alone)
- results saved saved kWh & motivation public > private email non-monetary > monetary reward public & non-monetary = 6% electricity saving

Motivation by Status

(Griskevicius et al., 2010)

- study on product purchase (cars, dish washer, ...)
 - 1. status motive activated / neutral
 - 2. place online / supermarket
 - 3. price expensive / good price
 - 4. product green / luxurious
- results
 - status activated "green" products prefered, if:
 - a) bought in public supermarket
 - b) green product more expensive compared to luxurious

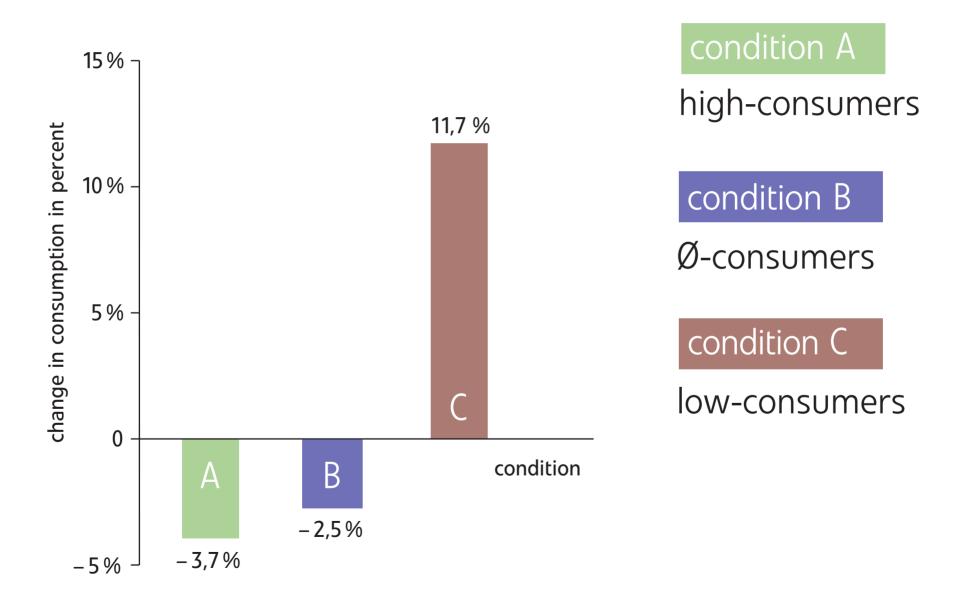
Inefficiente Feedback

(Brandon & Lewis, 1999)

- study on energy saving in households
 - 1. feedback individual / compared
 - 2. financial costs / environmental costs
 - 3. feedback by flyer / PC

results

Results by Baseline Consumption



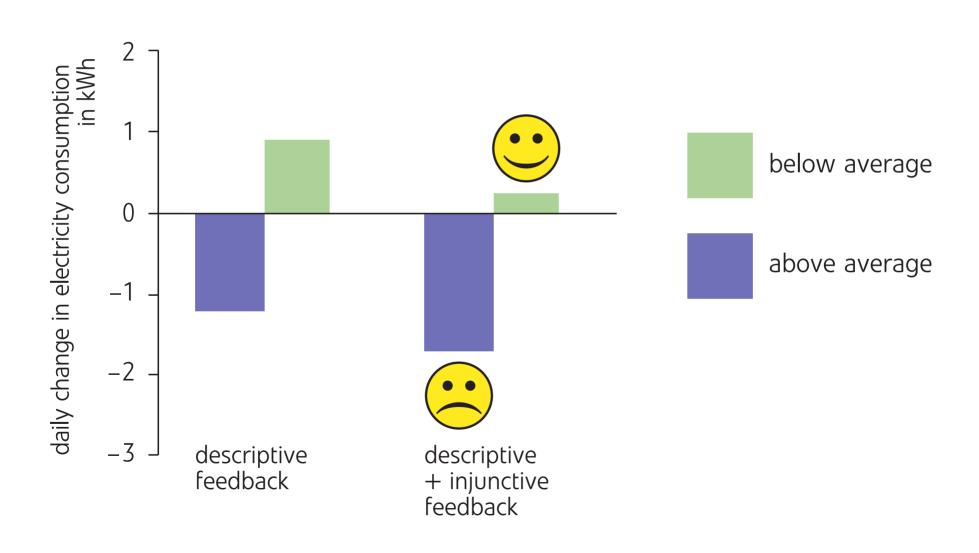
Norm Activation

(Schultz et al., 2007)

- problem high household electricity consumption
- comparative feedback
 prevent boomerang-effect
- two distinct norms
 is-norm: descriptive / should-norm: injunctive
- intervention
 average baseline consumption (287 households)
 comparative feedback via door hangers
 descriptive information: own + average consumption of
 neighbourhood + saving tips
 injunctive: + smiley above / below average



Results Norm Activation



Practical Application

(Zeit Wissen)

OPOWER, USA consumers of 33 energy suppliers



 comparative feedback own electricity consumption each 3 month average consumption of whole neighbourhood consumption of most 'saving' neighbour smiley, if own consumption is below average

result

> 1 Mill. households, electricity consumption -2.5% yearly summer 2009 -3.5% = saving 86.000 t CO₂

Summary

_money & feedback alone are not sufficient

_address variety of motives, z.B. status, norms

_complexity as challenges and chance

understand target group / tailored motivation design social interventions, social marketing use environmental psychology know how, social sciences

_design sustainable behaviour changes