



# Retrofit Together

## Focus groups with consumers

January 2018

# Background & Methodology



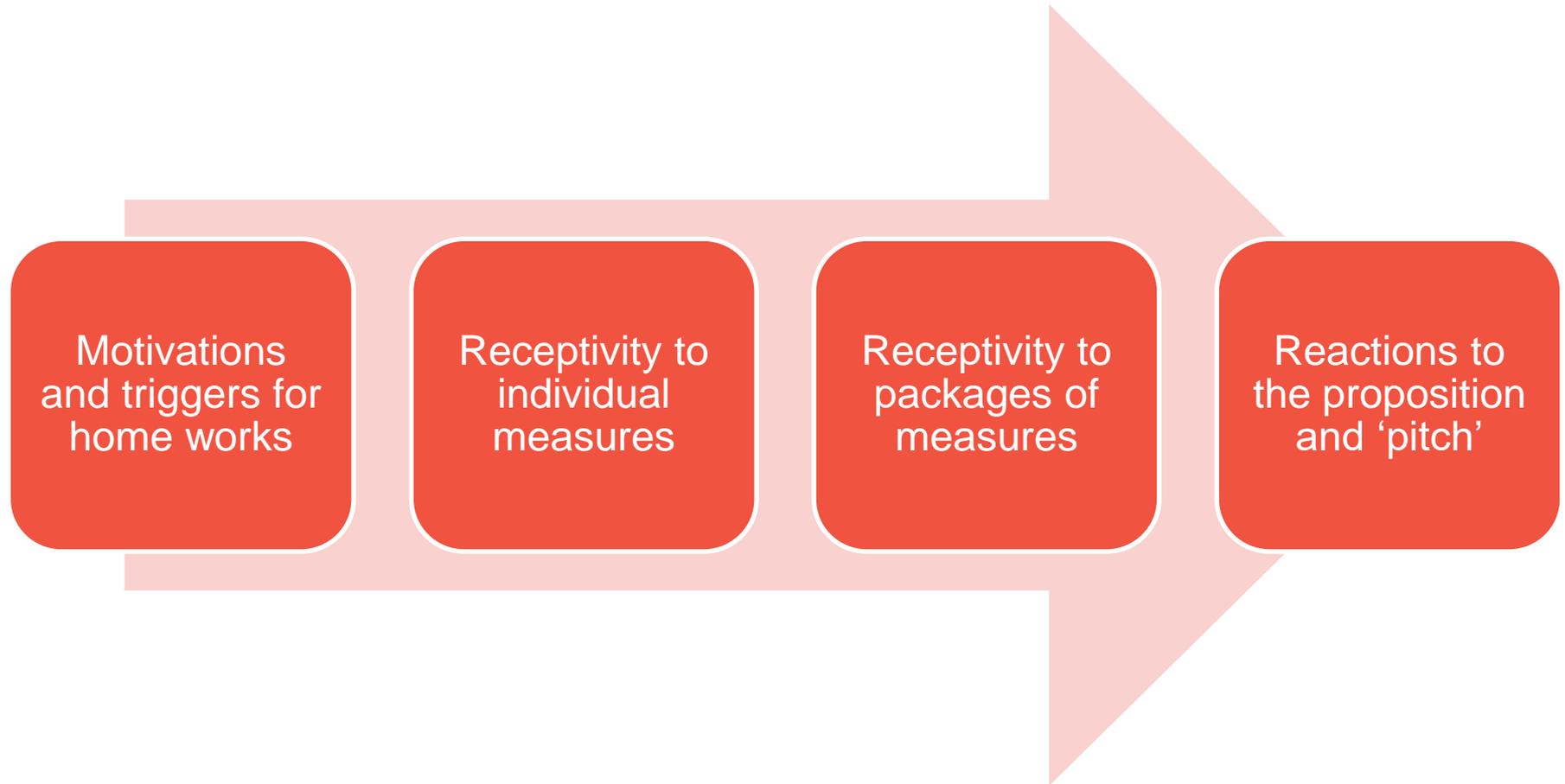
This slide deck outlines headline findings from research undertaken by Icaro. The research explores households' attitudes towards a range of retrofit and energy efficiency options.

- Four focus groups – two in each of Haringey and two in Lewisham (involving 32 participants in total).
- Participants in each group were residents in the borough.
- The dominant focus was testing individual measures alongside packages of measures and the concept of collective bargaining.

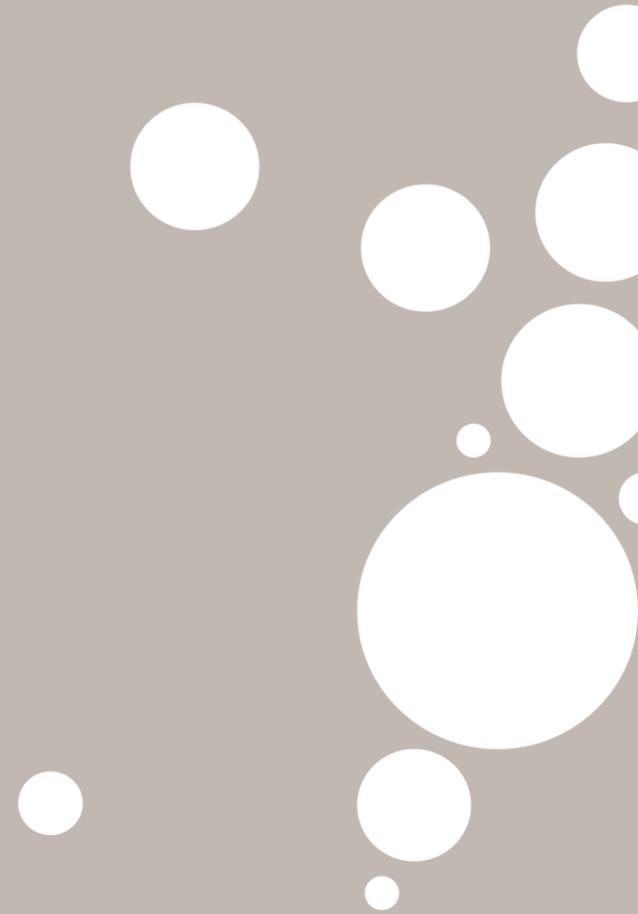
## Target audience:

- All were home owners.
- All were considering at least one home improvement/renovation (from a specified list) in the next two years.
- All said they had good levels of disposable income.
- Across all groups, a mix of: men and women; social economic grade (in practice ABC1C2s); and a mix of ages 25-70.

# Discussion guide outline



# Section 1: Motivations and triggers for home improvements



# Improvements being considered – and why

- Participants were considering a range of different measures – e.g. a new boiler; new windows/doors; new bathroom/kitchen; extensions (e.g. loft) or home reconfigurations. A few spontaneously mentioned solar panels. None spontaneously (or directly) mentioned insulation.
- The projects were of all varying sizes and costs/levels of disruption.
- Key motivations:
  - to enjoy (e.g. a new bathroom/kitchen rather than energy efficiency);
  - to create more space for home/family to grow;
  - to renovate/add your own stamp on a recently purchased home;
  - to add value to a home in preparation to sell;
  - to make it warmer/more comfortable
  - to modernise / 'keep up' with improvements in other rooms;
  - specific trigger events (e.g. having children; children leaving home; receiving money in a will) or specific trigger problems (e.g. leak/boiler failure, or sensory/visual cues - seeing condensation on windows or feeling a breeze inside a window/door/porch).
- Less (but some) mention of environmental considerations. Very little mention of cost savings (as opposed to adding value to the home).

# Key motivations

To modernise / keep up with the other rooms

It [kitchen] is 23 years old so it's quite old fashioned now. We've updated other parts of the house so it's now a bit of a mismatch. **F, Haringey**

Family house / comfort

Our motivation is just to make it a really nice family home. With a young family you need a really nice, warm, safe environment. **F, Lewisham**

Trigger events

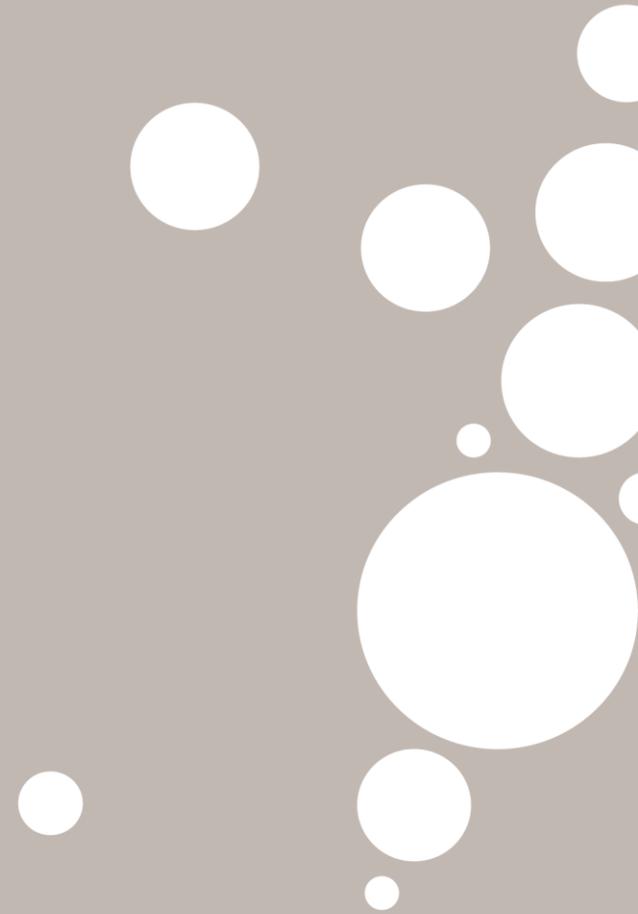
The kids are leaving home for university and we're in a transition phase and looking to improve and enjoy the home. **F, Lewisham**

Cost savings?

The heating bill is expensive but it's not our biggest cost. If we're looking to save money we could do other things. **F, Haringey**

I live alone. My bills aren't super high so I don't think I'd see a massive difference. But the heating controls sound like a really good idea. **M, Lewisham**

## Section 2: Receptivity to individual measures



# Receptivity to individual measures (1)

- Receptivity closely linked to home type and planned length of stay – many measures not considered worthwhile for those living in flats and/or transient younger cohorts in their first/second home and planning to move on soon (which is significant in a London context).
- There is a high degree of attachment to original features (e.g. windows and doors) even if recognition of poor thermal performance.
- Perceived ‘enjoyment’ or excitement are important considerations. Several of the measures (e.g. insulation) suffer in comparison to e.g. a new kitchen.

I don't feel cold in my flat so I don't think I'd enjoy having it more energy efficient. Whereas a nice new bathroom I would enjoy. **M, Lewisham**

It would break my heart to get rid of the original windows. **F, Haringey**

It's an original door with stain glassed window. So I'd want to keep that even though it's draughty – it basically lets the outside in. **M, Haringey**

It's not a forever home so we'll only be there for a few more years. We might do the bathroom so we can enjoy it, but it's not worth forking out money to improve the windows and doors. **F, Lewisham**

I'm in a flat so I can't do half of these, or wouldn't be allowed to do them. **M, Lewisham**

# Receptivity to individual measures (2)

## Higher receptivity

- Boiler (familiar, needed, good spec re performance and efficiency, can help re-sale price but more about their own experience/comfort)
- Heating controls – thermostats, TRVs, zoned heating (good idea, modern, efficient, conceptualised alongside smart home apps and gadgets).
- Windows and doors (familiar, improves house value and aesthetics, acoustic as well as thermal performance – main barrier is having sash windows and/or price). Even here though there is still less ‘enjoyment’ value than other home improvements.

I'd be interested in double glazed sash windows. You can feel the chill coming through the single pane glass. And the reduction in noise would be a big benefit – it's a double win. **M, Haringey**

We've been putting it [new windows] off and off, and doing other stuff to the house we can enjoy. But it's got to the point now that one more winter and the weather is going to start coming into the house. **M, Haringey**

I'm very interested in the heating controls because we live in a three storey house and when we put the heating it's hot upstairs but still cold downstairs – so it would be great to have more control and keep the heat where we need it. **F, Lewisham**

# Receptivity to individual measures (3)

## Medium receptivity

- Solar PV - many don't realise the difference between PV and thermal; exciting; important; intuitive; still considered untested in London context; but spontaneous mention of earlier solar offer in the borough that several were interested in but ran out of time.
- Cavity and loft insulation (familiar, make sense, concern about loss of loft space or even prospect of clearing out in anticipation).

We've been talking about it [solar panels] for a long time and now we have a bit of money from my Dad we're looking into it. For environmental reasons, to save money and because it just sounds an exciting thing to do.

**F, Lewisham**

It [solar panels] feels a bit abstract. I don't really know anyone who has it, and I don't see many in the area. **F, Haringey**

We were waiting to see what the neighbours thought of it [new panels] first. **F, Haringey**

I didn't realise the distinction between solar thermal and PV. **M, Lewisham**

We got a leaflet through the door about solar panels from the council, in the summer. But it didn't give much notice – we just felt we needed more time to think about it, it felt a bit rushed. **F, Haringey**

# Receptivity to individual measures (4)

## Lower receptivity

- Solid wall insulation (aesthetic impact externally, loss of space internally). Recognition by some that it does have a big impact. And could be potential to link to improving condition of outside walls.
- Air source heat pump (unfamiliar, confusing, negative aesthetic impact).
- No perceived 'enjoyment' value and low awareness beyond and loft and cavity wall.

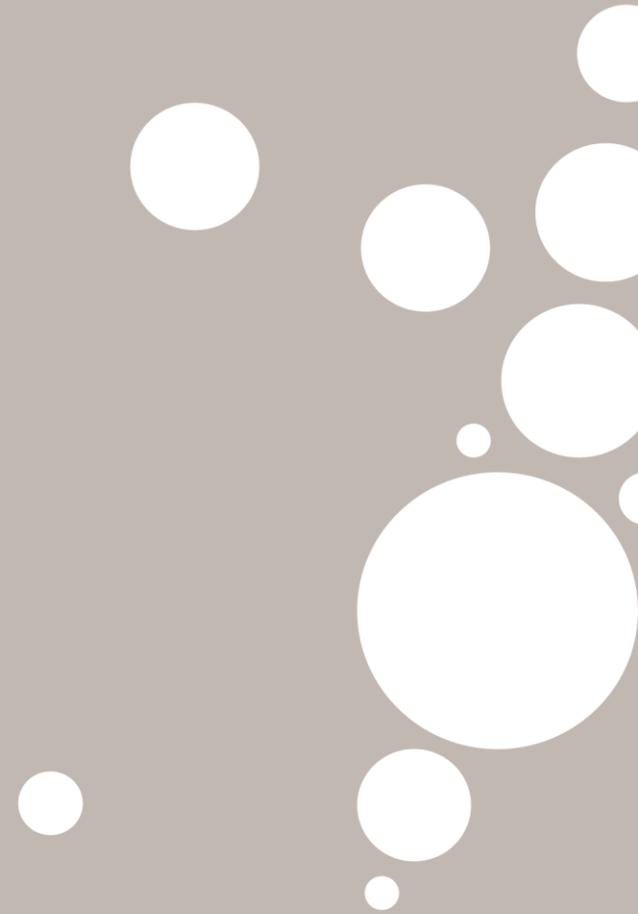
If you've got a beautiful home the idea of putting this on the outside is horrible. **M, Haringey**

I didn't know there were so many types of insulation! **M, Haringey**

I didn't like the idea of it making the rooms smaller inside. **M, Lewisham**

The outside walls can get cold and all the people in our area have the same issue with the walls getting flakey. **F, Haringey**

## Section 3: Receptivity to packages of measures



- The research shows that (a) some consumers already prefer to do things together/collectively rather than one by one; and (b) some measures seem to be easier to conceptualise together than others. For example:
  - A loft extension makes more intuitive sense when combined with e.g. new windows/roof/solar PV/loft insulation.
  - A new boiler links to new radiators/heating controls as well as to a new kitchen and bathroom.
- However, the links between other measures are more difficult to understand, e.g. how a new bathroom/kitchen could link to energy efficiency measures.

We've put a new boiler in ahead of the new kitchen. It's eight years old and so probably not far off needing to be replaced, and there's no point doing a new kitchen without a boiler to support it.

**F, Haringey**

It's often a 'needs must' situation with a boiler. However, I'm tying that in with a bit of a revamp of the kitchen. I think I'll see if I can take advantage of this change to do some of the more modern things [heating controls].

**M, Haringey**

The pressure in the shower is poor. We done the bathroom when we moved in and this [new boiler] is just catching up with that.

**M, Lewisham**

I had the bathroom done as the same time as the loft. I tend to like to like having it done at the same time. So if it's messy it's messy once.

**M, Lewisham**

- The pre-prepared packages helped break through some of the conceptual ‘haze’ of putting multiple (and perceived different) improvements together. Different participants were drawn to different packages, depending on their circumstances and appetite for disruption. For example:
  - Those just moved in, or thinking of the next move, liked the whole house retrofit idea (it makes perfect sense at this point, less while living at home).
  - Some liked the two week turnaround because of the fixed timeline; others were highly suspicious this might compromise quality (e.g. it would be a rush job).
  - Some liked a 5 year plan – which made it feel more manageable and less overwhelming.
- As per the individual measures, some are not interested by virtue of their house type/life stage/transience (those in flats; younger owners likely to move on soon).
- There was no consensus on how much disruption homeowners are willing to countenance. Most felt it depended on the type of work and time of year; some said they would stay with friends/family whereas others wanted to be at home to oversee the process. Those with children had the lowest tolerance for disruption.
- There was more concern with the packages about costs spiralling and the quote not being the same as the final price (which acts as a barrier).

# Receptivity to packages of measures

I like the idea of a 5 year plan because I don't expect to have a lot of money anytime soon – so I could decide what needs doing and spread it over time. **F, Haringey**

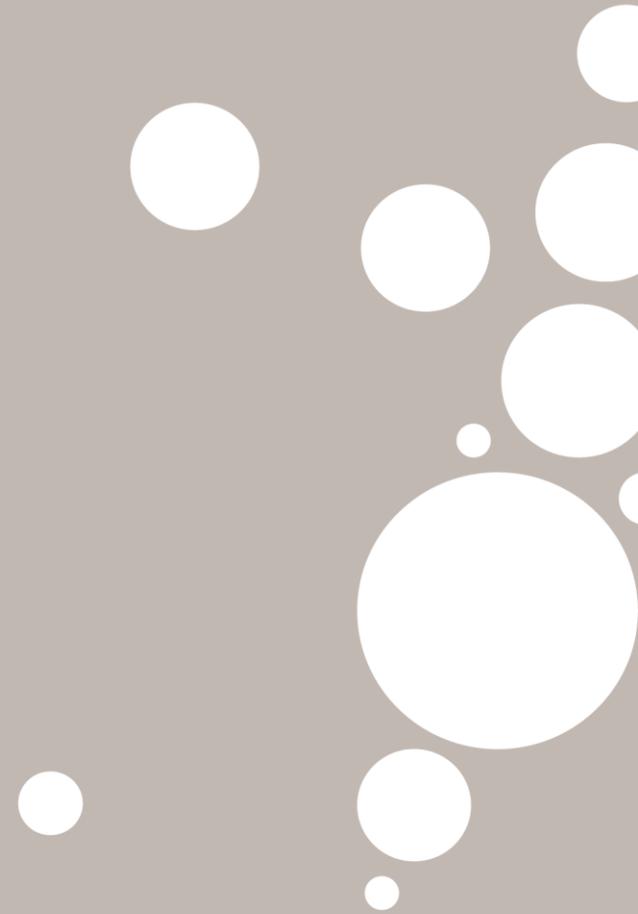
I like the idea of a one hit because we've just bought the house and everything needs doing. **F, Haringey**

The 2 week turnaround terrifies me. They can't possible do it well in 2 weeks. **F, Lewisham**

2 weeks is good for me – I can deal with that! **M, Lewisham**

What is quoted is not the final price. It's always more expensive and it's a barrier because it's quite risky and you want to avoid the price spiralling. **M, Haringey**

## Section 4: Reactions to the proposition and consumer 'pitch'



# Positive reactions to the proposition (1)

- Group buying positively received – partly because of the discount; but also because it's an inbuilt social norm and confidence builder (i.e. others are doing it). Virtually no concerns about having to wait a little bit longer.

I think it [group buying] is very attractive if there's a discount and the contractor were specialists in putting this stuff in. **M, Haringey**

I think there's something appealing about doing this all together. **F, Haringey**

- Several aspects positively received – independent third party; one surveyor visit to cut hassle of engaging with multiple contractors.

I love the idea of an independent third party getting the best deal for consumers. Like Martin Lewis. **M, Lewisham**

One visit is appealing in terms of the hassle of needing to be in, organize childcare etc. **F, Haringey**

- Borough involvement positive under certain circumstances but clarity required what their role is and isn't. Some preference for GLA/Mayor of London.

It's still a big name behind it. And it shows a focus on the local area and community, which you don't get with a big company. **F, Haringey**

The security of having it backed by the council or Mayor would be reassuring. **F, Haringey**

I have my doubts about their [council's] ability to manage something like this. There's a poor track record across all councils of managing large scale projects. **F, Lewisham**

It [GLA] is bigger. More people, better governance at that kind of level. Higher profile and less chance someone will let something go wrong. **M, Haringey**

## Positive reactions to the proposition (2)

- Motivations: multiple messages/entry points:
  - Environmental messages good 'foot in door' an important message for some
  - The (simple) idea of doing multiple things together/in a coordinated way is a benefit in and of itself.
  - Good way to leverage more power for the customer and get smaller jobs done (reflecting a feeling that there are not enough suppliers meaning they ignore smaller jobs and dictate timings of other works).
  - Cost savings expected but generally a weaker sell.
  - Some spontaneously asked if it would be creating local jobs/apprenterships (which would be a key selling point for them).

We found it really hard to find someone to come in and just knock through a wall for us. There doesn't seem to be many people willing to do smaller jobs. **F, Haringey**

We had the loft done last year and we had to have it done between September and December because that's when they could do it. There's so much major work going on in the area that you get put in a queue and when they give you a slot you have to take it. **F, Lewisham**

It would be great if it created jobs in the area, or apprenticeships. **M, Haringey**

It's less about costs savings for me. I like the idea of tying things together and doing things at the same time. **F, Haringey**

# Potential barriers to the proposition

- Lack of exemplars to look at / get a feel for (i.e. what does like look like for a house like mine?)
- Group buying scheme – would this lead to generic options/products (e.g. standardised new bathroom?)
- Concerns about how the scheme is administered (e.g. how are suppliers vetted; how do they get on the approved list; why only three quotes if more suppliers are available in area? Can they still have some control?)
- Online tool – like the general premise and some could see themselves ‘playing’ with their home and options. Others prefer a single visit and letting someone else do the legwork for them (i.e. presenting options for them to approve). Also a series of questions: what happens if they don’t know the answer to a question? How does someone know all of this about their house? Will their data be sold?

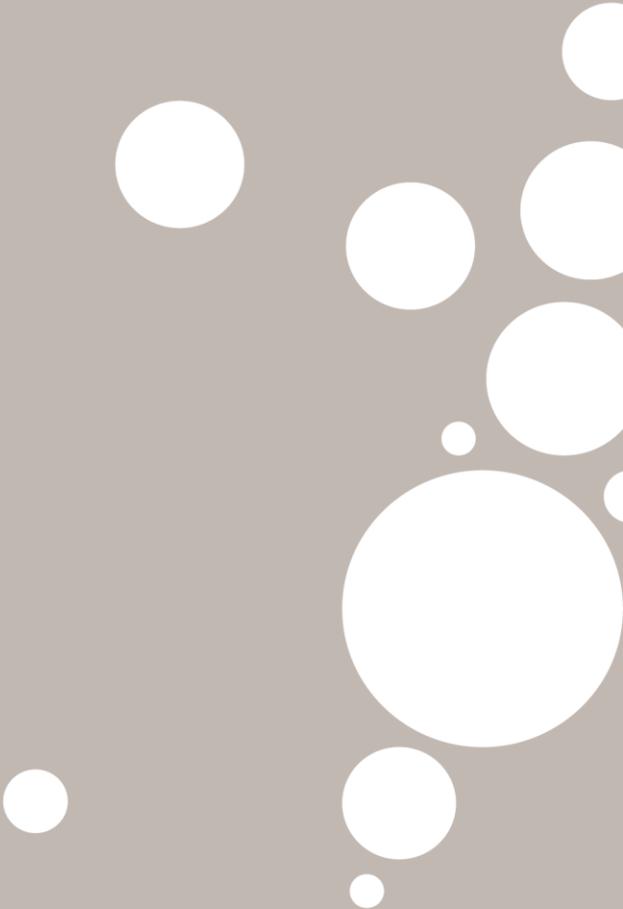
Is everyone going to get the Wicks bathroom version or the Italian designer bathroom? **F, Lewisham**

Do you have the freedom to choose all the individual providers? Like the kitchen fitters and the loft extension contractor? **F, Lewisham**

I’d like to see some examples of where it has worked. **F, Haringey**

Maybe you’d get more ideas with more [contractor] visits. They’d all come with different ideas and options and you could choose. **F, Haringey**

# Conclusions



- The research confirms some of the reasons why it has been difficult to make as much progress improving the energy efficiency of the existing housing stock: upfront cost; doubts about savings (alongside a perception that energy bills are expensive but not unmanageable); the aesthetic drawbacks (e.g. solid wall); the attachment to original/period features; the disruption involved and a general sense there is no 'enjoyment' payoff at the end.
- However, the research also demonstrates the potential for the Retrofit Together approach and – in particular – the appeal of joining up works into packages that can be done together in a coherent and coordinated way. Some links already exist in terms of having a new boiler alongside radiator/heating control upgrades, or a new kitchen/bathroom alongside a new boiler to support them, or a loft extension alongside loft insulation and/or solar panels.
- These measures, and others, could further benefit from reframing them as ways of enhancing enjoyment and comfort (as well as being necessary and practical measures). For example, a new boiler can be reframed in terms of e.g. enjoying better water pressure/enjoyable showers; new radiators can be reframed in terms of aesthetic appearance; and insulation can be reframed in terms of enjoying a warm/comfortable home (e.g. with the children/watching a movie on the sofa).

- The proposition (described only in outline fashion) was well received with lots of perceived benefits. Some of these are financial (e.g. discounts on the price); some are about reducing hassle (one visit); some about leveraging more power for the consumer; and some are about trust (e.g. safety in numbers, having an independent third party).
- Aside from participants having a series of questions about the detail of the proposition (which is to be expected), two key barriers emerged which would need to be countered: a concern that a group purchase scheme would lead to a generic, rather than tailored, offer (i.e. everyone gets the same boiler, or bathroom); and trust in the scheme and that the consumer is getting a better offer doing things in packages (reflecting the fact the industry retains a slightly 'cowboy' image for some consumers).
- Certain audiences are likely to be much less receptive: those in flats; those who are younger and don't expect to live there more than a few years.
- Cost savings over time are a relatively weak motivation in comparison to upfront cost, discounts, and adding value to the property.

**For any questions:**

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