

REPORT ON COLLECTIVE PURCHASE CAMPAIGNS DEVELOPED IN ALL COUNTRIES, THE SUCCESSIONS AND THE LEARNINGS

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ABOUT CLEAR-X

Consumers Leading the EU's Energy Ambition Response, Expansion (CLEAR-X) is an ambitious extension of a tried-and-tested methodology, designed and developed to address consumers' needs thus **enabling consumers to lead the energy transition by investing in renewable energy sources (RES) and energy efficient (EE) technologies.**

The project covers some of the **countries** where financial, administrative/regulatory and technical barriers were most often perceived by the consumers during their journey to RES technologies.

These countries, Bulgaria, Cyprus, Lithuania, North Macedonia, Slovakia & Slovenia, were therefore selected for the potential impact of introducing collective purchase schemes, geographic diversity compared with similar past projects, and the presence of suitable consumer organisations.



There are four specific objectives:

- Reliable information on RES and EE technologies suitable for consumer's homes is available
- Consumers collectively invest in suitable RES technologies through trusted schemes
- Consumers receive relevant information and advice on RES and EE technologies
- Regulatory frameworks facilitate consumers' adoption of RES and EE technologies, and relevant market offers

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INTRODUCTION

DECO PROTeste, as a partner in this project, had the primary objective of providing support to the six organizations responsible for developing collective purchases in the CLEAR-X target countries. This support involved the development of the technical solution for these collective purchases, encompassing the creation of landing pages in each country and the corresponding collective purchase campaigns (CPCs).

Considering the project's objectives and the scope of collective purchases, a systems architecture was defined to ensure consistency in campaign execution and swift technical development across countries. With a monthly campaign launch schedule, standardization was implemented as much as possible. However, the content and communication style were extensively adapted to each country's unique context, accounting for existing cultural differences. The campaign layouts were presented in advance and validated by all partners.

The implemented solution facilitated consumer registration for campaigns, providing access to organised content which is crucial for decision-making. It allowed consumers to access the offer(s) resulting from negotiations conducted by each organisation and complete the purchase/installation process through discount codes or, in some cases, by requesting a visit from installers. Comprehensive campaign reports were generated from the ground up and updated daily. Communication with the registered consumer base for the campaigns was managed using a straightforward email system.

The implemented systems architecture included the management of campaign data, with DECOPROteste serving as the data processor. In light of this, a General Data Protection Agreement (GDPA) was formulated and signed by all consortium participants, outlining the rules stipulated in GDPR regulations and specifying the roles assumed by each organization.

Recognizing that most participating organisations were undertaking their very first collective purchase campaign, we actively contributed to the creation of a manual titled "How to Develop and Implement a Collective Purchase." ZPS, the only CLEAR-X organization with prior experience in this field, played a key role in developing the manual.

Regardless of DECOPROteste serving as the technical partner, we consistently shared our insights as business developers, drawing from nearly nine years of experience in developing collective actions. This experience extends to both internal initiatives and those outside the Euroconsumers group, of which we are a part.

Despite the challenges faced by many organisations in the field, as detailed in the following chapters, witnessing their growth and, more importantly, their dedicated efforts to meet their objectives was extremely gratifying. The passion these organisations demonstrated for consumer welfare served as an ideal catalyst for our work and a powerful source of motivation.



CAMPAIGN SPECIFICATION

ORGANISATION	PRODUCT	CAMPAIGN CALENDAR	LANDING PAGE*
ALCO	Photovoltaic Panels & Solar Parks	Nov 2022 - Oct 2023	https://www.solemio.lt/saules-elektrines/kampanija-baigesi
BNAAC	Air Conditioners	Mar - Jul 2023	https://www.obstapokupka.online/klimatici2023/site/closed
CCA	Air Conditioners	Jan - Apr 2023	https://www.klimatistika.cy/klima2023/klisto
CCA	Photovoltaic Panels	Apr - Jul 2023	https://www.photovoltaika.cy/photovoltaika2023/klisto
OPM	Air Conditioners	Feb - Jul 2023	https://www.kolektivnokupvanje.mk/klimatizeri2023/zatvoreno
SOS	Photovoltaic Panels	Oct 2022 - Jan 2023	https://www.spolocnenakupy.sk/fotovolticke-panely/ukoncene
SOS	Heat Pumps air-water	May - Oct 2023	https://www.spolocnenakupy.sk/tepelne-cerpadla/ukoncene
ZPS	Tumble Dryers	Sep - Oct 2022	https://www.skupinskinakupzps.si/
ZPS	Air Conditioners	Dec 2022 - Mar 2023	https://www.skupinskinakupzps.si/airco/zaprto

*The links indicated currently show the *closed* pages of the collective purchases.

Contrary to initial plans (expected duration of 4 months, on average), some campaigns had to be extended to secure or attempt better results and to cope with changes in market conditions (example: announced state subsidies).

MARKET RESEARCH ANALYSIS

Whenever possible and depending on the level of existing knowledge, the market research carried out by most organisations was based on publications, statistical data, and regulations from public bodies.

Publications by private organisations in the sectors, direct research in shops and online (websites, social networks, etc.), direct and online contact with consumers, were also considered in the analysis. In some cases, it was even possible to ascertain whether certain products were already in use in consumers' households, enabling a more precise definition of the target audience for the collective purchases.

Personal experience as consumers was also considered in some cases.



Finally, one of the most important aspects of the market analysis was the identification of the different players (importers, national producers, distributors, installers), their purchase processes, existing and best-selling brands/models, and their prices.

PRODUCT TEST RESULTS

Overall, this milestone was one of the most challenging in the project, with very different levels of success if we consider the four product/technology groups of the planned campaigns.

Air Conditioners¹ (#4 campaigns)

Most of the new models sent out for testing did not achieve the minimum results expected. Organisations therefore had to resort to brands/models that had already been tested, given the good overlap with models from other organisations, but with conditions such as price (in some cases they had to opt for imported models, which are consequently more expensive) and/or representativeness in their markets.

Photovoltaic Panels (#3 campaign)

This was the most successful category in terms of the results obtained from the models/brands tested. Nevertheless, given the good overlap with other models/brands from other organizations, other options were also included in the list of eligible products, since all the models tested were available on their respective markets at the time.

Tumble Dryers (#1 campaign)

In this case, in addition to the models tested in the other organizations and which also responded to brands in demand in its market, it added two models whose results were good, but no offer was obtained for them.

Heat Pumps (#1 campaign)

The organization that ran this campaign sent one model/brand for testing and took part in the testing of 3 more. In the end, 6 models/brands eligible for the offer were selected. However, there were very few energy-efficient models tested to cope with the country's harsh winters.

In general, and in addition to the qualitative aspects, especially regarding the models/brands of air conditioners sent by countries with results below the minimum acceptable, it seems essential to us that the test cycle be adjusted to the collective purchasing calendar so that the latest models can be guaranteed.

¹ Common name used for the heat pump for heating and cooling.



NEGOTIATION

In general, all the organisations made the CLEAR-X project and its collective purchases known in good time to existing market players in their country, as well as potential suppliers/installers. As soon as the results of the laboratory tests were available, they were shared with potential suppliers so that they could source the necessary/minimum quantities (internationally, if applicable) to be able to participate to the collective purchase campaigns (CPC).

Partner organisations, either directly or indirectly (e.g. through organizations representing installer companies), shared with potential suppliers the minimum participation conditions for the collective purchase. These conditions formed the basis for the submission of bid proposals, ensuring compliance within the specified deadlines.

Various communication and interaction initiatives were conducted, involving continuous engagement with traders and installers through emails, both online and offline meetings, and numerous telephone conversations. The objective was to address matters related to their eligibility, additional criteria, and the advantages they could offer to consumers. The results of these exchanges were consistently shared with all participating suppliers, ensuring transparency and fairness throughout the process.

The offer to be presented by the providers/installers had to be based on the models tested and which obtained a good scoring (usually 60 points or above). In addition to the final price for the consumer, the minimum stock guarantee, delivery and/or installation deadlines, the conditions were also aimed at ensuring a robust after-sales service, including potential warranty extensions in certain cases, complimentary delivery, and installation conducted by certified technicians. In some cases, depending on the reality of the country, it was agreed the possibility to pay for the equipment and/or installation by credit card and/or with instalments (0% interest). One of the partner organisations also signed a partnership with a bank for a line of finance for consumers interested in buying the equipment provided, as part of the collective purchase of air conditioners.

The offers chosen covered the aspects mentioned above, but it is important to note that the volume of proposals received by the partner organisations was low overall, due to unfulfilled national coverage conditions and the availability of materials on time and in the required quantity. Some of the suppliers only had old models available.

Nevertheless, despite the low volume of proposals compared to the market potential players, all the organisations managed to select between 2 and 3 offers, thus guaranteeing the consumer some flexibility in their choice. This was particularly crucial for the success of collective purchases of photovoltaic panels, given the challenges in standardising offers for this technology. The unique requirements of each household, stemming from varying heating, electricity, and water systems, roof types, and grid connection capacities, made this flexibility essential.

The offers selected and presented to consumers were very competitive given the market conditions, with the highlights being the clarity and objectivity of the discount applied (depending on the campaign they ranged from



10-30%), the quality of the materials used and the installation process. In some cases, the negotiation process included reviewing contracts between installers and consumers, ensuring that there were no unfair contractual clauses.

CAMPAIGN CONTENT & PROMOTION

The collective purchases developed and supported by digital landing pages have always been designed to inform consumers about the benefits and educate them on the topic, since knowledge on RES and EE technologies, their operation and maintenance, was not widespread in most of CLEAR-X target countries.

Their content was therefore organised and provided with relevant information that allowed consumers to build their ideas throughout the campaign and make their decision when the offer was made available.

All the campaigns had an extensive and relevant list of frequently asked questions (FAQs), useful articles for understanding the topic and about the testing process the products were subjected to and their results. Tools were made available, called "calculators", which allowed consumers to calculate the savings potential inherent in the product/technology targeted by the collective purchase, based on their current consumption profile. In some cases, informative videos were also used.

A decisive aspect in this process of dissemination and support for Consumers were the telephone lines, in some cases made available for personalised assistance, clarifying the most varied doubts, both about the collective purchase process itself and about the products/technologies involved. Dozens of calls were answered (hundreds in some cases) and their content was even used to feed and update some of the content on campaigns landing pages (e.g., FAQs).

Extensive marketing campaigns were carried out in a wide variety of promotional channels to promote the collective purchases and ensure a high volume of campaign sign-ups.

To raise consumer awareness, a public relations campaign supported by the media was essential. For this reason, practically all the organisations opted for press conferences and press releases when launching their campaigns. Throughout the campaigns, various articles were prepared and published on the benefits and potential savings as well as videos and interviews, all disseminated in national and local newspapers, TV, and radio.

In many cases, the invitation to join collective purchase was also distributed to different authorities, institutions, other NGOs and municipalities. In some cases, dedicated newsletters were created, and the Regulator or other consumer defence associations were used to promote the campaign.

As digital campaigns, collective purchases were widely promoted on social networks and/or through paid banner adverts. But the outreach efforts extended beyond the digital realm. In some cases, paper brochures, leaflets and



promotional materials were created. There was also a physical presence in shopping centres and workshops on the strategies adopted by some of the organisations.

CONCLUSION

	Goal	Achievement
Engagement	38,000	17,501 (46%)
Sales/Installations	3,800	1,758 (46%)
Page Visits	-	292,176

Despite falling short of expectations, the total volume of purchases and installations, when viewed collectively in the project, aligns proportionally with the estimated ratio in comparison to the number of registered consumers. A benchmark of 10% for purchases/installations versus the number of registered participants is a common standard observed in collective purchases developed for similar products/technologies, whether conducted within the framework of a funded project or independently by a consumer protection organization.

Barriers and lessons learnt

It's crucial to highlight that, within the CLEAR-X consortium, five out of six organisations ventured into a collective purchase for the first time. The products and technologies involved presented challenges, both in terms of consumers' general understanding of energy-efficient products and solutions, and due to the observed market conditions. The economic situation for most consumers was challenging, particularly in the aftermath of the Covid period. The global energy crisis, exacerbated by the conflict in Ukraine, added another layer of difficulty to decision-making, especially in countries with lower average incomes.

Energy efficiency products and technologies constitute a market that requires extensive advocacy and lobbying efforts directed at entities capable of implementing eco-friendly subsidies and loans. The success of the CLEAR-X campaigns was intricately tied to the market's maturity and is therefore less effective when implemented in a one-shot initiative, as this type of market demands continuous, consistent actions—a formidable challenge for smaller organisations, such as those primarily involved in the CLEAR-X project. These initiatives should be viewed as the beginning of a prolonged journey. This is exemplified by the case of Slovenia, where the consumer organisation ZPS has been conducting similar campaigns for several years, leading to being the only CLEAR-X campaign successfully achieving the goals set.

Despite the great uncertainties of the post-covid period and the disruptions on the supply chain in most of the countries, there have been successful campaigns. Acting according to the market situation, being flexible and innovative in the approach, combined with a holistic approach to marketing and consumer activation, is the recipe for a successful group purchase campaign. This implies an enormous knowledge of the market in which the organisations operate and experience in developing collective actions. The organisation's reputation in the market is also a critical success factor.



Nevertheless, despite considerable efforts, there are aspects that can be considered uncontrollable and exert an almost irreducible influence on the outcome of these campaigns. For example, launching a collective purchase of air conditioners concurrently with multiple ongoing subsidy projects in the country for the free replacement of old heating appliances adds a layer of complexity. The organization encountered this limitation and faced the challenge of navigating the situation without the flexibility to adjust the timing of its campaign. This complexity is further heightened by adherence to a strict project calendar for collective purchasing launches, dictated by the project's overarching schedule.

From a technical point of view, and in the case of the mature solar panel market, solar panel testing is less important when photovoltaic solar panels become a commodity. The models manufactured change too often and the differences in the results of the models tested are tiny, because the manufacture of solar panels is highly standardised and automated. The real issue in the installation process is the quality of the service, the integrity of the installation methods and the after-sales support. These factors are more influential in the satisfaction of the end consumer, rather than the quality of a single basic product, such as a solar module, and in these areas, there is a lack of comparative studies and ongoing monitoring and evaluation processes.

Managing the relationship with providers is clearly also a critical success factor. Without compromising on the quality of the products, fair contractual processes, and efficient installation, it is important to make the providers understand that collective purchasing is a much cheaper fundraising channel for them, since all the promotion and dissemination of the campaign is the responsibility of the organising consumer association, and therefore a win-win result.

The limited model supply options also created challenges, as many tested models were no longer available on the market by the time of the campaign launch and a lot of time was needed to test new models. Suppliers/installers were reluctant to commit to the quantities needed for the selected models and to compromise on the timings between purchase and installation. In fact, a large part of the obstacles, especially in the photovoltaic panel markets, are caused by the distribution companies, which have no legal deadlines for connecting consumers to the grid and come up with all sorts of excuses and complications to make this process as long as possible. Regulation in this area is clearly lacking.

While in some countries the incentives for renewable energy are practically non-existent or eco-financing is unattractive due to the interest rates applied, other organisations have been faced with the cessation of state subsidies in the middle of products installations or with the government's announcement of new support schemes, jeopardizing or postponing the consumer's decision. Nonetheless, it is crucial to persist in advocating for the reopening of state schemes with simplified criteria. These schemes should provide long-term predictability as consumers make significant investments, requiring financial motivation and advanced planning. Certainty about the availability and timing of state subsidies is essential for consumers considering such high investments.

Finally, from a conceptual perspective, many organisations launching their first collective purchase view it as a valuable learning experience. Some consumers have provided positive feedback, congratulating them on the initiative and expressing interest in participating in future similar initiatives.



Consumers feedback based on satisfaction surveys

As part of the CPCs, consumer organisations launched a satisfaction survey to gather insights into consumers' experiences throughout the process. It's important to note from the outset that the volume of responses for some campaigns was very low, which diminishes the representativeness of the feedback provided.

However, while there are commonalities in the results across campaigns concerning evaluated aspects such as the landing page content, campaign communication channels, purchasing process, and installation process, etc., variations exist in satisfaction and recommendation indices (net promoter score).

Below we share the main highlights:

- across all campaigns, the communication channels that consistently showed higher awareness were social media, Google, and online advertising.
- although the purchase/installation process feedback was good in some campaigns, most respondents did not purchase the product or service and pointed out, mainly, the following reasons:
 - The primary reason, which was consistent across all campaigns, was that the price remained too high.
 - The second reason was that consumers did not perceive any advantage in the proposed offer.
- most customers who purchased the product or service were satisfied.
- Among the people who responded to the survey, most found the website's information to be useful in helping them decide.

Satisfaction results can be seen in the table below as also recommendation (NPS*)

CLEAR-X CAMPAIGNS:	# Recipients	# Answers	Average satisfaction (rated on a scale of 1-10):	Likelihood of recommendation (NPS score):
• <i>Heat Pumps Tumble Dryers</i> ZPS (Slovenia)	4,121	845	8.51	+57
• <i>Heat Pumps Heat & Cold</i> ZPS (Slovenia)	4,071	689	7.64	+24
• <i>Air Conditioners</i> CCA (Cyprus)	2,994	457	5.64	-39
• <i>Solar Panels</i> SOS (Slovakia)	1,821	153	5.64	-43
• <i>Air Conditioners</i> OPM (North Macedonia)	912	56	6.36	-34
• <i>Air Conditioners</i> BNAAC (Bulgaria)	1,351	197	6.15	-19
• <i>Solar Panels</i> CCA (Cyprus)	1,509	121	7.12	-6
• <i>Heat Water Pumps</i> SOS (Slovakia)	384	28	5.82	-40
• <i>Solar Parks & Panels</i> ALCO (Lithuania)	427	33	6.03	-31
			Total Average: 6.54	Total Average: -14.5

* How likely consumers are to recommend your activity on a scale of 0-10, where 0-6 are detractors, 7-8 passive and 9-10 promoters | Calculation: %promoters - %detractors
 How to interpret results? NPS <0 needs improvement | 0<NPS<29 good | 30<NPS<69 great | NPS>70 excellent

