

Abstract #: 302

Author Name: Geertje Schuitema

Author Company: University College Dublin

Second Author's Name:

Abstract Title: The Influence of Consumer Trust on the Willingness to Pay for Improvements in Building Energy Rating Levels in Ireland

Abstract Text:

Since 2009, the provision of Building Energy Ratings (BER) has become compulsory when renting and selling properties in Ireland. The aim is to improve the energy efficiency of buildings on the one hand and to inform property buyers, tenants and users about the energy performance of buildings on the other. Therefore, the BER potentially reduces the typical problem of asymmetric information between the property owner and the renters or buyers. In line with this, results from a pilot study shows that renters in Dublin have a significant, positive Marginal Willingness To Pay (MWTP) for improvements in BER. However, while information may lead to more knowledge and a positive MWTP, this does not necessarily translates into attitudinal or behavioural changes. One crucial aspect is the credibility of the information (BER) and the source (eg BER assessors, government). Further, consumers' characteristics (eg involvement, self-identity) are likely to moderate the effect of trust on MWTP for improvements in BER. The aim of this paper is to gain a better understanding of the role of trust on renters' willingness to pay for flats with different BER ratings. Data is currently being collected by means of an online survey conducted amongst renters of flats in Dublin, consisting of a Choice Experiments to elicit MWTP and 5-point Likert scales to measure levels of trust, consumers' characteristics and other attitudinal variables. Using random parameter models we estimate the individual-specific MWTP of individuals for apartments that are more energy efficient. The results will be presented during the conference.