



#### **Determining optimal carbon display properties**

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NREL is a national laboratory of the U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, operated by the Alliance for Sustainable Energy, LLC.

#### **Behavioral Research At NREL**



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#### How Should Environmental Information be Displayed?



### Approach

- Define attributes of a display method
- Ask people what they prefer
- Generate hypotheses
- Replicate existing research, then add carbon
- Present at BECC

#### Methodological Aside #1 (Sorry, there are 2)



- A micro-job platform
  500k workers
- Results comparable to traditional survey & laboratory experiments

#### Pros

- Large population
- Fast
- Cheap (~\$1-2)
- Reproducible

#### Cons

- Not representative
- Cannot watch participants
- When mistakes get cheaper, you buy more

#### Methodological Aside #2 – Discrete Choice Experiments



- Break product into attributes
- Ask people to make a choice among alternatives
- Ask them again
- And again
- .
- Use choices to estimate coefficients in a utility function

 $U = \beta_p Price + \beta_{cap} Capacity + \dots + \beta_c Carbon + \epsilon$ Willingness to Pay for Carbon Reductions =  $-\beta_c/\beta_p$ 

### **Display Attributes**

Scale	Categorical	Continuous 500 g	> Nominal
Familiar	Yes 1.2 miles	>	
Comparat	ole Yes	5 N 1000 g 500	
Framing	Gain 500 g saved	<b>Average</b> 500 g less than average	> Loss 500 g
Color	Col	or Grey	Scale
Style	Both 10 g 1000 g BLE ENERGY LABORATORY	> Visual	Textual 500 g

### Displays

#### Hypotheses



- 1. The most effective display will be categorical, verbal & visual, gains framing, in color
- 2. People respond more to gains framing than loss framing
- 3. Color, all by itself, makes a display more effective
- 4. Familiar units are more effective than unfamiliar units
- 5. Comparable displays are more effective than incomparable ones

#### **Ranking Results**



#### We asked people to rank the 8 displays and this is the result

#### Baseline Studies – Meat, Fridge, T-Shirt, Travel



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# The most effective display will be categorical, verbal & visual, gains framing, in color







The most effective display will be categorical, verbal & visual, gains framing, in color





# People respond more to gains framing than loss framing





High Carbon Emitter



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People respond more to gains framing than loss framing





# Color, all by itself, makes a display more effective











# Familiar units are more effective than unfamiliar units



44 miles driven

18,000g

## Familiar units are more effective than unfamiliar units

Shirt Fridge 1000 2000 500 1000 \$/tCO2 0 0 Travel Meat 500 600 400 400 300 200 200 100 0 0 44 miles driven 18,000g 44 miles driven 18,000g

# Comparable displays are more effective than incomparable ones



17,000g 19,000g



Comparable displays are more effective than incomparable ones



#### Hypotheses Review



- The most effective display will be categorical, verbal & visual, gains framing, in color
- 2. People respond more to gains framing than loss framing
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- Comparable displays are more effective than incomparable ones



#### Summary

- Do...
  - $_{\odot}~$  Use color if you can
  - Keep it simple, but provide context
  - Frame things as losses
  - Pilot test your display
- Don't...
  - Use grams, it's hard to do worse (unless you try really hard)



-----> MOST IMPORTANT SLIDE <-----

# We've made the source code freely available!

https://github.com/scisley/dce-psiturk

### You can pilot test your own displays

### Questions? steve.c.isley@gmail.com



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#### What did people actually respond to?



#### Where are our Participants From?



Consumers and policy makers are demanding more information about the environmental impact associated with different goods and services with the idea that more information will lead to better, more informed choices. However, the way in which that information is conveyed to individuals can have a dramatic effect on the weight individuals give greenhouse gas reductions. Surprisingly little research exists on how best to display carbon footprint information in various decision contexts, such as purchasing products in a grocery store or informing individuals about the carbon impact of their commute. Our preliminary results indicate that a properly designed display method can increase the average willingness-to-pay for carbon reductions by a factor of three. We use insights from behavioral psychology to decompose display methods into attributes such as familiar vs. unfamiliar units, scaling method (nominal, ordinal, interval, and ratio), visual vs. verbal imagery, positive vs. negative framing, and the presence or absence of contextual information. Display methods spanning this attribute space were developed and tested using online survey tools across a range of goods and services. For each good or service, a discrete choice experiment was conducted to quantify the willingness to pay for carbon reductions. We present experimental results, offer a set of general recommendations about how to display carbon information across a wide range of decision contexts, and provide the underlying code to quickly determine the appropriate display method for contexts not covered by our analysis.

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