



UNLOCKING THE POWER OF RENEWABLE ENERGY CERTIFICATION TO BUILD CREDIBILITY WITH CONSUMERS

A brief study of consumer attitudes prepared by Natural Marketing Institute and Center for Resource Solutions

As the marketplace for environmentally preferable goods and services matures, consumers are increasingly bombarded by marketing messages touting companies' eco-friendly credentials.

It can be virtually impossible to discern credible voices among the mass of advertisements, media stories, blogs, message boards, and Twitter posts. Without meticulous research, it is often difficult for consumers to distinguish between genuine company initiatives and well-crafted "greenwashing" campaigns. Research by Natural Marketing Institute (NMI) confirms this fact: more than three-quarters of consumers say that almost all companies are saying they are environmentally friendly and it is hard to know which companies are telling the truth. Consumers simply do not know who to trust.

Establishing Credibility is Crucial

How can companies cut through the noise and gain credibility with customers, employees, and other stakeholders? One way is to **obtain an endorsement by an independent organization trusted by consumers.** Data from NMI's LOHAS¹ Consumer Trends Database™ shows that 80% of these Lifestyles of Health and Sustainability (LOHAS) consumers, the opinion leaders in the green space, would like to see trusted sources endorse the claims made by companies. 85% of LOHAS consumers who look for an outside source to verify company efforts would like the endorser to be a nonprofit organization (See Figure 1).

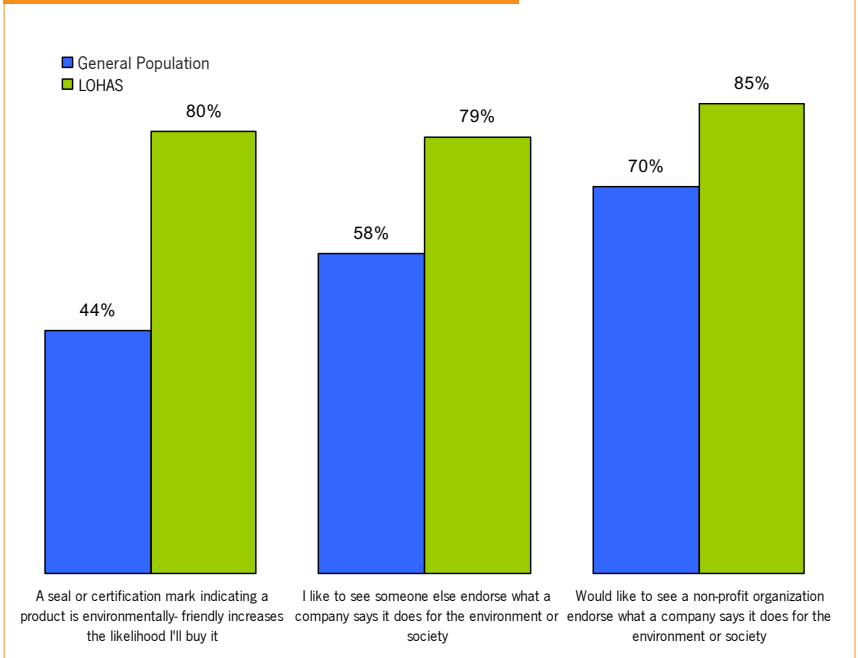
Moving beyond the opinion leaders, over 40% of all consumers are motivated to purchase a product by the

presence of a seal or certification, a predisposition that grew 5% between 2007 and 2008. These attitudes are in clear alignment with what Green-e offers—an independent voice of authority on renewable energy purchases that can be easily expressed with its logo.

Awareness and Impact

The tremendous wave of publicity and debate in the media about the effects of climate change has created a consumer who is keenly aware of society's contribution to it. As a result, consumers are looking for companies to take action. Almost 50% of consumers are interested in what companies are doing to prevent global warming and reduce greenhouse gases.

F1 The importance of certification



(Q.30, 43 - % General population and LOHAS consumer agreeing completely/somewhat with the following; Q. 44 - % General population and LOHAS consumer stating the following, among those who want an endorsement). Source: NMI's 2008 LOHAS Consumer Trends Database™ © Natural Marketing Institute (NMI), 2009



Furthermore, renewable energy is widely seen as an effective solution to combating climate change, such that 55% of consumers would now like companies to increase their use of renewable energy, as shown in Figure 2.

Lending further support to CRS's current market position is that consumer support for renewable power is high—more than four out of five consumers say they care about use of renewables (though to date, far fewer actually use renewable power themselves). Consumers view renewable power as better for the environment than directly beneficial to them, with over 40% of consumers reporting that environmental protection is the most important benefit of renewable power, while only 8% report that it is better for human health. This signals an opportunity to market the collective benefits of renewable electricity: environmental sustainability, personal health, energy independence, and economic development and job creation.

Beyond responding to consumer sentiment, taking action on climate change by purchasing certified renewable power has the potential to change how consumers think about a brand or company. Consumers are more likely to support responsible companies, with 54% of consumers reporting that knowing that a company is mindful of its impact on the environment and society makes them more likely to buy their products or services.

Green-e helps to communicate environmental and climate leadership through its recognized logo. The Green-e logo appears to have a strong position in the marketplace, with 21% of consumers now recognizing the logo. While these data have remained relatively stable since 2006, stability in light of the recent proliferation of seals and certifications indicate that Green-e has a firm place in the green certification market. Furthermore, the number of consumers who are more likely to buy a product or service when they see the Green-e logo has increased slightly from 8% to 10% in the same time period.

Despite the myriad green messages encountered by consumers of all products, it is clear that companies still have the opportunity to connect and demonstrate environmental leadership through recognizable, independent, third-party certifications. As climate change and renewable energy gain importance, the Green-e logo helps to establish this credibility with all stakeholders.

About NMI

Natural Marketing Institute is an international market research firm specializing in healthy aging, wellness and sustainability. By utilizing a diverse mix of proprietary strategic market development tools and methodologies—including qualitative and quantitative research—NMI provides insightful market analysis. To learn more about NMI, visit www.nmisolutions.com.

About Center for Resource Solutions and Green-e Marketplace

CRS creates policy and market solutions to advance sustainable energy. Green-e Marketplace is a program of CRS that provides forward-thinking organizations with a simple nationally recognized tool they can use to communicate their commitment to renewable energy to their customers and shareholders. The Green-e logo is the nation's leading symbol of renewable energy excellence and distinguishes Green-e Marketplace participants as environmental leaders. Through the use of the Green-e logo, participants are educating millions of consumers about the value of renewable energy. To learn more about Green-e Marketplace, visit www.green-e.org/marketplace.

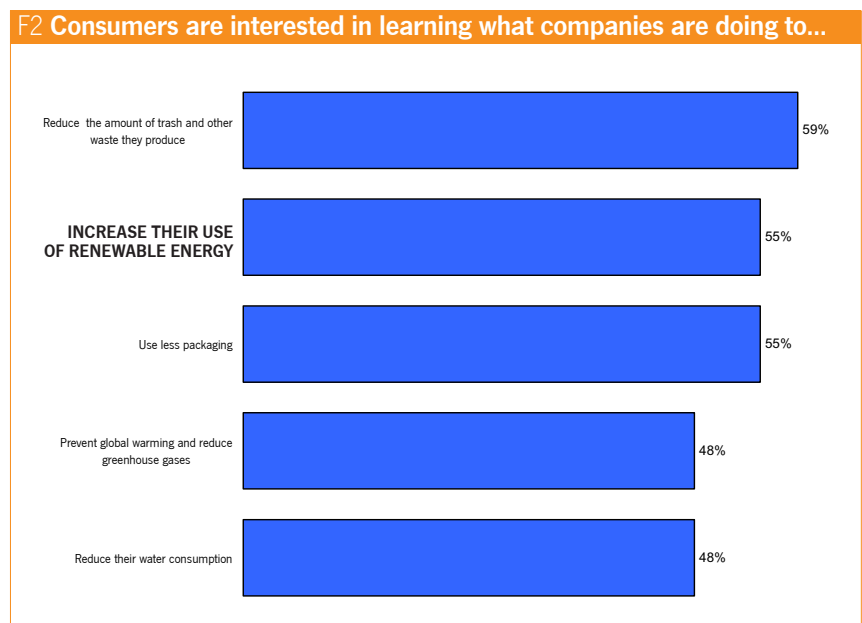
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NOTES

This study is based on research that was fielded in July 2008 via a primary consumer survey of 4,033 U.S. general population (GP) adults. The results of this survey are nationally projectable to the U.S. adult population and statistically valid at the 95% confidence level +/- 2%. The data have been post-weighted to match multiple U.S. Census demographic measures.

1. LOHAS is an acronym for Lifestyles of Health and Sustainability. The LOHAS Consumer Trends Database is an annual quantitative study focused on sustainability, corporate social responsibility, environmentalism, and social issues and has been run by NMI since 2002. For more information on LOHAS consumers and how other consumers participate in the sustainability marketplace, visit www.NMIsolutions.com



(Q.38 - % General population interested in learning what companies are doing to...select mentions shown). Source: NMI's 2008 LOHAS Consumer Trends Database™
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