Study on the Influence of Lifespan Labelling on Consumers – Summary

March 2016

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Tired of having to buy a new printer every two years? Had enough of buying a pool for the children every summer or of traveling with a suitcase which no longer fastens and only has three working wheels?

A study has recently been carried out to see how our consumption patterns would change if we were informed about product lifetime at the time of purchase.

The European Economic and Social Committee has just published the findings of this study, carried out by the Sircome agency (http://www.sircome.com/), the University of Southern Brittany (www.univ-ubs.fr) and the University of Southern Bohemia (www.prf.jcu.cz).

The main goal of the study was to see whether displaying product lifetime would influence a consumer's decision to purchase. In other words, would our consumption patterns change if the lifetime was indicated? Would we choose the same products if we had this information? The researchers concluded that no, we would not.

The experiment involved a sample of 2,917 participants scattered over five European countries (Belgium, Czech Republic France, Spain and the Netherlands). It was based on a simulated online purchase and so the bogus e-commerce site ILICO was designed. Consumers could surf on this site just as if it were a real e-commerce site, and once their basket had been validated, participants were directed to a questionnaire which gauged various socio-economic and psycho-social indicators.

The results showed that if they had information on product lifetime, consumers would choose to buy longer-lasting products: on average, a product's sales increased by 56% if its lifetime was longer than the lifetime of competing products.

An impact which varies by product
Displaying the lifetime does not have the same impact on sales of all products. Of the products tested, purchases of suitcases (+128%) and printers (+70%) were influenced the most by displaying the lifetime. Why these two products? Suitcases are the quintessential roaming product, giving them two characteristics which will cause the consumer to rank lifetime as a priority: the trials of transport make
resilience a key factor, and any item used solely for travel will be brought out only occasionally. If it is used rarely, the consumer has every reason to hope that it will last a long time. As for printers, the reasons would seem to lie elsewhere. Printers have one of the shortest lifetimes of all household electronic goods. Moreover, people buy them because they need them, not for pleasure – two good reasons why the consumer would expect them to last.

Conversely, sales of smartphones are among the least affected by displaying lifetime (+41%) – possibly because they are bought for pleasure and having the latest model is a factor for many consumers. It would also seem that the importance attached to lifetime increases with the amount that people are prepared to pay. In other words, lifetime is a more important criterion when purchasing top of the range products (+49%) than bottom of the range products (+44%).

**But are people prepared to pay more for a longer lasting product?**

90% of participants said that they would be prepared to pay more for a dishwasher which would last two years longer. On average, they said they would be prepared to pay EUR 102 more for that guarantee on a dishwasher priced between EUR 300 and 500. The results also showed that the amount consumers were prepared to pay for a longer lasting product varied with the GDP of the country in which they lived.

**An impact which varies by region**

The study showed differences based on country. The sample in France (+118%) was the most influenced by information on lifetime – more than the samples in Belgium and the Netherlands (+45%), the Czech Republic (+39%) and Spain (+32%).

**A consumer profile for longer-lasting products?**

Other than the country of residence, the study identified a number of characteristics common to the people most influenced by information on lifetime. The results were used to assemble a consumer profile: a woman aged between 25 and 35, with an above average household income who is at least moderately concerned by environmental issues.

**How should this information be displayed for consumers?**

Various display formats were tested: of these, A to G energy consumption categories would seem to be the most effective at informing consumers. With this display, the market share of products with a longer lifetime than their competitors increased by 84%. The useful lifetime (indicated in terms of washing cycles, pages printed, etc.) came second with an average increase in market share of 56% for products with a long lifetime.
But who is responsible?

80% of participants felt that the manufacturers were very to extremely responsible as regards lifetime. The study found that 95% of participants in the Czech Republic and 91% in France felt that manufacturers were very to extremely responsible.

The manufacturers were considered to be less responsible by the samples in Belgium and the Netherlands (81.8%) and Spain (75.1%). The consumers did not however pass the buck: 68% felt that they were also very to extremely responsible as regards product lifetime.

All of these findings argue for legislation on product lifetime. There is no doubt that the reliability of the products purchased is important to consumers. The study showed that regulatory information would inform consumers and steer them when purchasing products. While not excluding their own share of responsibility in ensuring that their products last, consumers recognised that normal conditions of use could be posited to enable manufacturers to guarantee a minimum lifetime for their products. They also said that they were prepared to pay more for products which last longer. With mandatory display of lifetime, manufacturers will have to meet consumers’ expectations. Recriminations along the lines of "If I'd known, I would have paid more for better quality" may soon belong to the past.

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