



## FINAL REPORT

# Eco-Efficiency Partnership (EEP) Focus Group Report

January 9, 2004

## INTRODUCTION

These are the findings of two focus groups conducted by Ipsos Reid on November 26, 2003 with small and medium sized businesses from across Greater Vancouver.

The first focus group session was conducted with seven participants whose businesses had at least some prior involvement with the Eco-Efficiency Partnership (EEP) program. These participants were recruited from a list supplied by EEP.

The second focus group session was conducted with six participants whose businesses had no prior interaction with EEP. These participants were recruited from a list provided by EEP, consisting mostly of tenants of the Tilbury Industrial Park.

The main objectives of the focus groups were to determine overall impressions of EEP, motivators and barriers to participation, as well as ideas for making the program more attractive. This information will help EEP move forward in developing and refining its current program.

The focus groups lasted two hours and each participant was paid a \$75 honorarium for his or her attendance.

*The reader will note that while many insights and conclusions can be gained from this research, the findings should be viewed as directional and exploratory rather than statistically based; focus group research is qualitative in nature and involves a limited number of participants.*

*Comments written in italics with quotation marks are not necessarily direct quotations, but are close paraphrases of what was said.*

## **PARTICIPANTS**

### ***First Group - Participants with Some Prior Involvement with Eco-Efficiency Partnership (EEP) Program (7 Participants)***

- Environmental department manager of a commercial printing press, 200 employees.
- Facilities manager of a private residential college, 40-50+ employees
- General manager of a tomato greenhouse, 60-100 employees (seasonal change in employee numbers).
- Manager for labs and the environment of a sugar refinery, 150 employees.
- Manger of support services and special projects for a regional laundry service, 120 employees.
- President of a pasta production company, 25 employees.
- President of a venture capital firm, no permanent employees, consultants are contracted as needed.

### ***Second Group - Participants with No Prior Involvement with Eco-Efficiency Partnership (EEP) Program (6 Participants)***

- Production manager of a web express printing company, 12 employees.
- Plant manager of a manufacturing company (can openers), 8 employees.
- General manager of a scrap metal processing company, 5 employees.
- Owner of a manufacturing company (nameplates), 3 employees.
- Owner of a woodworking shop, single person operation.
- Director of operations for a manufacturing company (packaging material), 8 employees.

## ***Group One***

# ***Participants with Some Prior Involvement with Eco-Efficiency Partnership (EEP) Program***

## KEY FINDINGS

These participants were very sophisticated in their understanding and involvement with eco-efficient practices. They were able to provide concrete examples from their own operations and accepted that they could be doing even more.

Money is their main motivation for pursuing eco-efficient activities, while time and risk are the main barriers. The barrier of time includes management and staff time to investigate and implement eco-efficient practices. The barrier of risk reflects the size of investment and uncertainty of results.

Most participants had only limited interaction with EEP. None were close to signing on the dotted line. As such, very few had specific reasons for "rejecting" the program. In fact, the participants did not identify any fundamental weaknesses in the program.

Nevertheless, participants offered several specific suggestions for promoting and improving EEP:

- Make promotional materials more attractive (e.g. glossy brochure)
- Focus message on savings and simplicity of process
- Be clear about consultants (who chooses, experience, role)
- Be persistent in following up with potential participants

## DETAILED FINDINGS

### ***ECO-EFFICIENCY AWARENESS***

Participants had little trouble explaining the meaning of eco-efficiency and offering concrete examples. Participants defined eco-efficient practices as socially responsible activities with monetary benefits. In the words of one participant, "*save money, save the planet*". In broad terms, participants said that eco-efficiency means recycling waste into usable products, implementing energy efficient technology and reducing waste. More concrete examples include:

- ♦ "*Re-circulating our water, we store our heat and use it to store water, started a year and a half ago, after natural gas spike in 2000, cost reduction*"
- ♦ "*Done away with hot water tank and using water from cooling system, we are recapturing hot water*"

- ♦ *"Computerized predictive maintenance program, before we had an ad hoc maintenance program and we have realized the benefit in reducing our energy consumption"*
- ♦ *"Replaced all the overhead lighting to a more light giving fixture that gives more light with half the power"*
- ♦ *"We generate our own steam"*

Participants say that they actively look for and implement eco-efficient practices they believe can save them money. That said, participants acknowledged that improvements could always be made. As one participant put it, *"we know that there is 30% low hanging fruit out there we but we have to invest time and capital to show proof"*. Participants recognized that a qualified consultant may be able to identify overlooked opportunities for improved efficiency.

### **DECISION MAKING**

Not surprisingly, participants do not make environmental decisions without consideration for profit and increasing revenue. In terms of reasons for taking part in eco-efficient practices, participants focused on two main motivators:

**Costs and benefits.** Participants say that their main concern is profitability. In fact, participants agreed that 85-90% of their decision to pursue eco-efficient practices comes from consideration for dollar value. Participants expressed costs and benefits in a number of ways, including, increasing productivity and capacity and of course raising the bottom line.

**Looks good.** Participants know the value of visible eco-efficient practices. They see the benefits of being able to market themselves as good corporate citizens. In addition, participants note the boost to employee morale and loyalty that pursuing eco-efficient practices can bring. In the words of one participant, *"If you are actively and publicly pursuing a green agenda than employees can feel proud of their work "*.

At the same time, participants report some barriers to pursuing eco-efficient practices:

**Too time consuming.** Time is the main barrier to pursuing additional eco-efficient practices. Participants say that they are busy and that their human resources are stretched to the limit. Participants perceive the assessment stage of the program as very time consuming. Participants say that they don't have the time or the manpower to spare for the considerable research required to implement a new practice or piece of equipment. Participants also say that they don't have the time to coach and educate a consultant to be able to assess their company. As one participant put it, *"if the consultant's budget says they*

*will spend 100 hours then you will spend 30 hours of your own time helping them. You can't just let them wander around must hold their hand".*

**Cost.** The cost of implementing eco-efficient practices is a barrier for many businesses. Participants feel that they are caught having *"to spend money to find out how much they are going to save"*, money they say they don't have. Participants are quick to note that the \$6,000 cost sharing arrangement does not include much needed investment capital. *"Our biggest challenge is dollars, we are public and our constant issue is dollar savings and again, it is the capital outlay, I have to justify those dollars and I can't justify a consultant without proof"*.

**No guarantees.** Coupled with the burden of initial capital outlay, participants say that there is no guarantee that the eco-efficient practices proposed will prove successful in the long term. *"There is always the untested nature of some new technologies, you just don't know if they are as efficient, you don't know over time"*.

**Past experiences.** Several of the participants say that they have been approached or involved in similar initiatives and not all of these experiences were positive. Thus, any enthusiasm for new experiences is tempered by previous disappointments.

**Senior management.** For several businesses, convincing senior management to pursue eco-efficient practices is the largest hurdle to overcome. Participants say that they require assistance in convincing skeptical managers that eco-efficient practices are in fact worthwhile initiatives. Participants advise EEP to target and support a champion within the ranks of senior management to ensure the program sees the light of day.

## **EEP MARKETING**

Participants are in strong agreement that EEP could do a better job selling itself. Participants had some specific advice for EEP:

**Add "sizzle" to PR materials.** Participants do not feel that the EEP promotional material does the program justice. Participants say that the lackluster and overly technical presentation of the letter looks more like a government document than a promotional campaign piece. As described by one participant, *"I don't find this very exciting, it looks like I am calling a civil servant for technical support"* Participants say that they are often "bombarded" by paperwork for similar programs. They say that EEP needs materials that jump out and grab their attention. As one participant asks, *"is this the marketing letter? If it is the first letter, then send me a glossy brochure – get me excited!"*

**Show me the savings.** Participants are in strong agreement that savings are the key selling feature of the program. Participants say that they want to see up front what savings are possible. *"The letter should highlight the most important thing, **saving you money**"*

**Don't preach to the converted.** By virtue of their interest in EEP and their presence at the focus group, we can say that these participants are enlightened in terms of eco-efficiency. Not surprisingly, participants say that they are already sold on the concept of eco-efficiency. *"We don't need to be sold on the concept of eco-efficiency, like most people in this day and age we don't need to be informed about this".*

**More details.** Participants say that any materials promoting EEP should clearly outline who the consultants are and how to get a hold of them. In fact, participants recommend publishing a list of "approved consultants" on any EEP promotional material.

### **EEP PROGRAM**

In terms of evaluating EEP, none of the participants have had enough experience with EEP to offer a detailed critique of the program. However, several participants were able to offer general comments and suggestions.

Overall, participants say that EEP does not stand out from the crowd. While participants appreciate any program willing to help them achieve greater efficiency, participants do not have a clear understanding of key aspects of the EEP program. *"I am fuzzy on what the program is about".* In fact, one participant confused the EEP program with another eco-efficiency program. In short, EEP is not registering strongly on their radar

### **What's good about it**

Despite the lack of understanding of EEP, participants acknowledge two aspects of the program as strong positives:

**There's money on the table.** As participants identify costs of assessment and implementing eco-efficient practices they are enthusiastic with EEP's potential to match the consultancy fee with six thousand dollars

**Commission free.** Participants appreciate that EEP consultants operate on a flat fee basis – Some participants have negative perceptions of commission-based consultants. In the words of one participant, *"some consultants will come to you, they have too much of a stake in the outcome and they get paid by finding problems, I prefer a fee based approach, it is the measurement of it, it is more of an unbiased approach, they sell it to you and it is yours and you can do with it what you choose".*

### **What needs work**

While participants offered a couple of suggestions, they were unable to pinpoint any fundamental weaknesses of the EEP program.

**Inaccessible.** A common critique of the EEP program was its lack of accessibility. *"It takes a month on the website and all of these hoops you have to jump through, I have other projects on the go"*. Participants had trouble accessing information and figuring out whether or not they were eligible for the program.

**Not enough money.** Several participants raised the concern over whether or not there was enough funding to adequately finance an effective consultation process.

### **DESIGN A PROGRAM**

Participants' offered suggestions for how EEP should proceed in developing and refining its current program:

- **Who to target?** Participants were split on where EEP should target their message. A few participants felt that big business equals big waste and therefore they are the most worthy targets. Others felt that larger companies also have extensive internal resources for addressing these issues, therefore the target should be smaller commercial operations.
- **Align with credible partners.** Participants say that EEP should be proactive in establishing and highlighting links between government organizations. Reputable partners include the Science Council, IRAP, the GVRD, BC Hydro and industry associations. In addition, previous program participants may serve as spokespeople.
- **Showcase savings and simplicity.** According to participants, the EEP message should emphasize two key selling points –simplicity and savings. Participants say they want a process that is simple and easily accessible.
- **Persistence.** Participants admit to needing gentle reminders. Participants advise EEP do follow up on initial calls and meetings. *"The follow up phone calls are important – sometimes it might take 4 or 5 phone calls"*.
- **Be industry specific.** Participants are skeptical that anyone outside of their industry would be capable of providing new information. Participants advise that EEP recruit industry specific consultants.



## ***Group Two***

# ***Participants with No Prior Involvement with Eco-Efficiency Partnership (EEP) Program***

## KEY FINDINGS

These participants were very unsophisticated in terms of their knowledge and experience with eco-efficient practices. Their examples were very basic, such as recycling and using more efficient lighting. Most participants saw little opportunity to improve their efficiencies.

Money is the primary motivator to pursue eco-efficient practices, while pessimism about the expected payoff is the primary barrier. These participants thought the potential benefits of changing their practices would not merit the required investment of time and money.

Participants did not think the EEP marketing materials were exciting or motivating. Unlike the businesses in the other focus group session, these participants need to be sold on the overall concept of eco-efficient practices. They require easy-to-read case studies, testimonials, as well as credible/well known sponsors and spokespeople (e.g. industry associations). The core message should be that the program has worked for others and it can work for you.

## DETAILED FINDINGS

### ***ECO-EFFICIENCY AWARENESS***

Very few participants had actually heard the term "eco-efficiency". Top of mind associations with the term included, creating minimum waste, recycling and reusing resources and the broad goal of "*being environmentally friendly*". However, most were able to provide some concrete examples of eco-efficient practices in their workplace:

- ◆ *"Recycle the dust and the trimmings and send it off to people to sell, we do it rather than throw it in the garbage"*
- ◆ *"I am in a unique position, I can recycle bits of steel"*
- ◆ *"I do paper trim, we recycle the paper trim, it's cheaper and we get money back for it"*
- ◆ *"We got a light that does not use much energy"*
- ◆ *"Recycle cans and things we might be testing"*
- ◆ *"I reuse all my boxes"*

Participants saw limited, if any, opportunity for improving their environmental practices. The perception was that the cost and time to implement or uncover such opportunities is not worth the limited amount of return they will provide. In the words of one participant, *"I have low expected gains, I just don't perceive I can make a lot of money by doing it."*

### **DECISION MAKING**

In terms of reasons for taking part in eco-efficient practices, participants focused primarily on the cost and benefits of reducing waste. Secondary motivators include being mandated to do so and possible public relations benefits.

Participants said that pursuing and implementing additional eco-efficient practices is a relatively low priority for their companies. Therefore, the time and effort they would have to devote to pursue additional practices is the main barrier. As one participant puts it, *"time is always an issue, but I can set time aside to look at things if it is important enough."*

### **PERCEPTIONS OF EEP MATERIALS**

A few participants had heard of programs that talked about being eco-efficient. None had heard of EEP. Participants did feel that the EEP documents were comprehensive, however, they did not think the important aspects *"jumped out"* at them. *"Although its well written, this is not a stimulating document."* In fact, one participant thought the document looked *"like a first draft"*. Several participants felt that key aspects of the program should be highlighted; these included the *"matching funds"* arrangement, *"the substantial savings"* as well as *"the fact that you get a qualified consultant"*.

Most participants wanted to see more of the case studies, especially those specific to their industry. In addition, they felt that EEP needs to show a wider range of companies, by both region and industry, in the case studies. One participant felt that there were too many food-processing companies in the case studies. Participants also say that the documents should elaborate on the qualifications of the consultants, particularly in relation to their specific industries.

The participants did feel that the sponsors at the bottom of the document added to the validity of the program. As well, they appreciated that they could choose the consultant, this suggested to them that EEP was not just a *"make work project"*.

## **DESIGN A PROGRAM**

Participants offered suggestions for how EEP should proceed in developing and refining its current program:

- **Who to target?** Participants felt that medium sized businesses (20-200 employees) were appropriate targets for EEP. They also said that EEP should target a specific range of industries including those who use large amounts of raw materials and electricity, manufacturing and waste.
- **Focus the message.** Participants said that EEP marketing should focus on three main points, specifically, the three main benefits:
  1. **Savings you get with the program**
  2. **Increased production efficiencies**
  3. **Helping the environment**
- **Needs a spokesperson.** Participants say that EEP needs a spokesperson to promote the program. Participants offered a wide variety of choices including, "a plant manager", "someone from a university", "an environmentalist" or a local celebrity such as "Jimmy Pattison".
- **Showcase case studies.** According to participants, an important selling feature of the program is the case studies. Participants say that the EEP message should highlight these studies, and target them to their specific industries.
- **Promote through events.** Participants do not feel that mail outs and emails are a sufficient means of getting the word out about EEP. Participants recommended holding "get together" in the Tilbury Industrial park to promote the program. To promote this event participants suggest sending out a "glossy brochure" as well as following up with phone calls.