

DME  
APPLIANCE LABELLING LAUNCH  
COMMUNICATION PLAN

22 MARCH 2005

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The Corporate Communications Agency (CCA)

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## **SECTION 1: BRIEF HISTORY OF LAUNCH PROJECT TO DATE**

The Corporate Communications Agency (CCA) was appointed to provide consultancy services with regard to the Department of Minerals and Energy's Appliance Labelling Information Campaign, following CCA's successful proposal submitted in November 2004.

In January 2005, CCA met with Mohato Mokhobo of the DME and Helene Rask Grøn of COWI CaBEERE Project to discuss the proposal and investment plan (budget). Following a thorough discussion of the Appliance Labelling campaign and the resulting communication needs, it was agreed that CCA would broadly provide the following services:

- Milestones 1 and 2 – Planning
  - Inception meeting, development of information campaign strategy, draft and agree project plan
- Milestone 3 – Implementation
  - In-store promotions: development of toolkit
  - In-store promotions: conceptualise and produce promotional material
  - Plan for and arrange 2 x media launches
  - Draft speech notes for speakers
  - Media training for spokespersons
  - Draft, edit and issue media releases
  - Arrange and facilitate media interviews as required
  - Weekly status meetings
  - Media monitoring of publicity
- Milestone 4 – Report Back
  - Compilation of final report
- Other – Advertisements
  - Conceptualise, produce and place

Since the January meeting, CCA and Mohato Mokhobo, DME and Helene Rask Grøn, COWI CaBEERE Project and Maphuti Legodi, DME have continued to meet and liaise regarding external factors influencing both the format and the timing of the launch.

On 17 March 2005 it was announced that the Appliance Labelling campaign launch should take place on 4 May 2005 when the Minister will also launch energy efficiency month, the energy accord and the energy efficiency strategy.

This communication plan is based on the decision made on 22 March 2005, in light of the launch now taking place on 4 May 2005, to split the labeling campaign into two phases. Broadly, these phases are:

Phase 1: Launch of the energy efficiency label on 4 May 2005; and

Phase 2: Announcement that the energy efficiency label can now be found on new fridges in South Africa.

CCA's services have now been split over the two phases.

<b>SECTION 2: APPLIANCE LABELLING – AN ENERGY EFFICIENCY INITIATIVE</b>
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The communication regarding the launch of the Appliance Labelling campaign is merely one aspect of the overall energy efficiency campaign. The following is adapted from a paper on Appliance Labelling prepared by Helene Rask Grøn, according to which the communication strategy has been developed.

### **Background**

The average efficiency of electrical domestic appliances currently sold in South Africa is significantly below that of the best products available on the global market, largely because of a “traditional” emphasis on purchase cost - omitting the expense of life-cycle cost - but also because of the perceived low cost of our electricity. This is further exasperated by a lack of awareness that electricity consumption can be easily managed, like that of telephone usage. At a national level, a lack of appropriate energy efficiency incentives and regulations are contributing to the slow uptake in energy efficient appliances - not only in the residential sector, but also in industrial and transportation sectors.

Following wide consultation with major stakeholders, 2004 saw the DME’s decision to implement a nation-wide appliance efficiency programme using standards and labelling as key instruments under the framework of the national Energy Efficiency Strategy.

## Goals and targets

Development - these targets coincide with the goals of the national Energy Efficiency Strategy, namely:

- Improving the health of the nation (reducing the emission of toxic substances)
- Job creation (by spin-off effects of energy efficiency implementation)
- Poverty alleviation (by reducing the energy bills of end users)
- Improving industrial competitiveness (by exporting high-quality products)
- Enhancing energy security (by reducing the necessary volume of energy and increasing resilience against external supply disruptions)
- Reducing the necessity for additional power generation capacity (by reducing peak load growth).

Environmental – the environmental goal is to reduce greenhouse gases (GHG) from the energy consumption by achieving a market transformation towards high-efficiency appliances through the introduction of energy labels and minimum energy performance standards.

Social – the social goals are to boost the market for energy efficient appliances thus supporting the poorer segment of our consumers to be able to pay their electricity bills and to support the same segment to be able to purchase appliances with low electricity consumption.

Economic – the economic goals are to support the development of a household appliance industry, which produces products at internationally competitive levels, and also to mitigate the effects of Peak Demand on Power Capacity. This is to be achieved by market transformation, through an ongoing process of promoting electrical appliances with lower electricity consumption in and to the market and pushing the high-electricity consuming products out of the market.

## **The Energy Efficiency Label**

Energy efficiency label is an informative label affixed to manufactured products indicating the products' energy performance and efficiency in a way that allows for comparison between similar products or endorses the products' use. Energy efficiency *standards* are a set of procedures and regulations that prescribe the minimum energy performance of manufactured products. Together, energy efficiency standards and labelling can be the most cost-effective means to help South Africa reduce energy demand while stimulating economic growth.

The label is identical to the informative label used in EU member states with the only difference being that the EU flag is replaced by our unique South African symbol. This symbol is the DME symbol for the Energy Efficiency Initiative.

Each product will be graded either A or down to G – with G being the poorest performing product in electricity terms. The grading A to G will be found as part of the instruction manual inside the packaging of the appliance. It is expected that retailers will display the grading on the unpacked/display appliances.

### **First the fridge**

The DME, in close collaboration with all the sector players (in particular the manufacturers), has decided to start the labelling initiative with the labelling of refrigerators. The refrigerator was chosen as most electrified households typically purchase a refrigerator as the first electrical kitchen appliance.

Labelled appliances should be in the shops as from late March 2004, and towards August 2005 we should be able to find labelled refrigerators all over South Africa – even in the smallest town. Parallel to household refrigerators the DME will also ensure and support the labelling of household freezers.

Thereafter the labelling of other products such as washing machines, tumble driers, electrical stoves etc. will follow.

### **The Standard and the Control**

The standards for refrigerators have been adopted from the European Market. This enables products to flow freely between the continents without having to be re-tested . It also ensures that identical products carry the same grading even in different countries.

At this stage, participation in the Appliance Labelling scheme is voluntary for manufacturers. It is, however, the intention that the programme will become mandatory sooner rather than later. During this voluntary period the promotion of an appliance's energy efficiency grading will be done as part of the manufacturers' marketing. Policing of the label and grading will fall, for example, under the Consumer Affairs Act, whereby consumers are protected against harmful business practices such as deception. This Act would apply if, for example, a store advertises that a particular refrigerator is a very low electricity consuming product labelled A and the truth is that the refrigerator is a standard F product.

The DME has<sup>1</sup> established a link on its website - [www.dme.gov.za](http://www.dme.gov.za) – where consumers and other interested parties can search for appliances and their energy efficiency test results.

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<sup>1</sup> CCA could not locate the link on the website



### **SECTION 3: COMMUNICATION OBJECTIVES**

Based on meetings and discussions with members of the Appliance Labelling team at the DME, the review of literature provided and participation at the manufacturers' workshop, the communication objectives of the Appliance Labelling launch are as follows:

- To create awareness amongst South African consumers about Appliance Labelling, in order to familiarise South African consumers with the Appliance Labelling concept and to garner their support
- To provide carefully crafted information about appliance labelling to consumers in order to educate them about the label and assist them in making informed purchasing choices
- To encourage manufacturers to improve the energy performance of their products and participate in the Appliance Labelling campaign during the voluntary phase, by proving the support of South African consumers for Appliance Labelling and thereby proving the consumer demand for energy efficient products
- To create enthusiasm amongst distributors and retailers for Appliance Labelling and to develop a mutually beneficial relationship which sees distributors and retailers stocking, displaying and promoting energy efficient products

As the communication campaign has been split into two phases, sub-objectives have been developed in support of the overall communication objectives.

### **Phase 1**

- To introduce Appliance Labelling to members of the media and consumers (through the media), in order to create awareness, some understanding and support for Appliance Labelling before labelled appliances appear in stores across South Africa
- To encourage manufacturers to participate in Appliance Labelling during the voluntary phase, including participation in the launch event, by promoting the competitive edge afforded manufacturers ready to display labelled appliances to knowledgeable South African consumers (consumers made knowledgeable through the DME's launch and promotion of Appliance Labelling in Phase 1 and Phase 2 of the campaign).

### **Phase 2**

- To announce to consumers, through the media, that labelled appliances are available at retailers across the country and to further expand the education of the consumer regarding Appliance Labelling in order to create a greater understanding of the label and support for energy efficient products.
- To continue the education of consumers in conjunction with manufacturers, by providing point-of-sale education through information hand-outs, posters and sales persons training toolkits, in order to assist consumers in making energy-wise decisions when purchasing a new household appliance (refrigerator).

## SECTION 4: KEY MESSAGES

The overall messages to be used consistently throughout all communication are as follows:

- Appliance labelling is a DME initiative developed under the framework, and in accordance with the goals, of the national Energy Efficiency Strategy
- Correctly labelled energy efficient appliances and products allow consumers and businesses to make informed decisions related to the energy efficiency of the appliance or product and thereby:
  - Save money through a direct reduction in their monthly electricity bill while contributing to a long-term saving by reducing the necessity for additional power generation capacity
  - Decrease the drain on South Africa's dwindling energy resources
  - Decrease the emission of toxic substances and greenhouse gases
- Appliance Labelling supports the development of a household appliance industry which produces energy efficient products at internationally competitive levels so that:
  - Consumers benefit from the cost and environmental savings offered by these products
  - Non-energy efficient products are removed from the market
  - South Africa does not become a dumping ground for energy wasting products

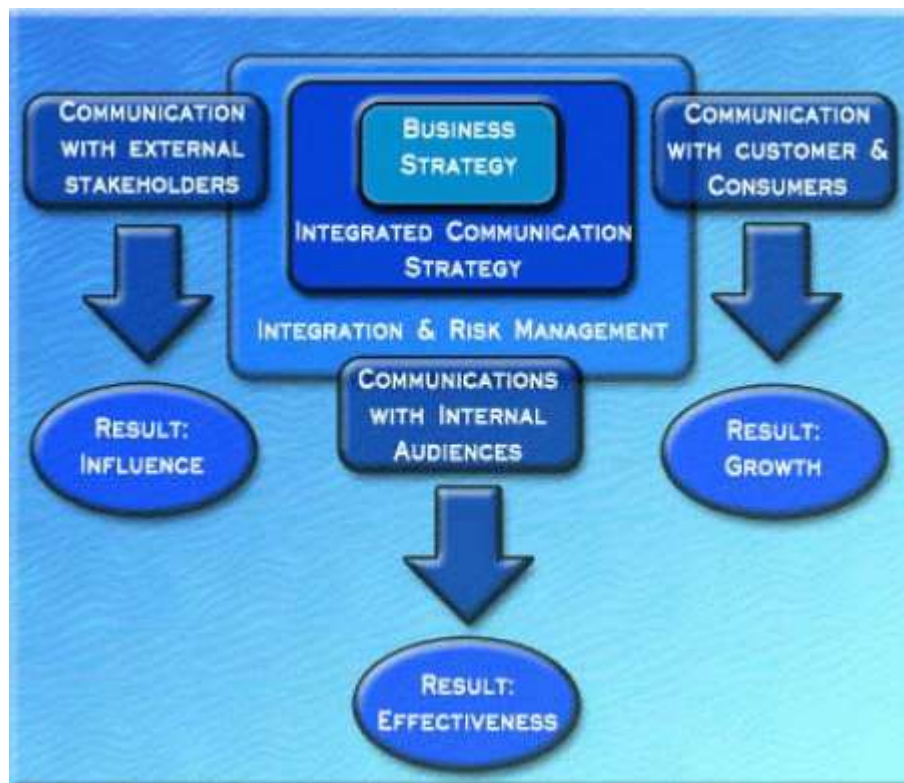
The following table details the positive benefits and negative alternatives for the key target audiences as extracted from the key messages detailed above.

Target Audience	Positive Benefit	Negative Alternative
Consumers	<ul style="list-style-type: none"> <li>• Cost savings</li> <li>• Improved quality appliances</li> <li>• Positive environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing costs (energy and product)</li> <li>• Inferior quality products</li> <li>• Negative environmental impact</li> </ul>
Manufacturers, stockists and distributors	<ul style="list-style-type: none"> <li>• Increased customer demand</li> <li>• Improved profits</li> <li>• Government support</li> </ul>	<ul style="list-style-type: none"> <li>• Unfulfilled customers</li> <li>• Decreasing profits</li> <li>• In opposition to government targets</li> </ul>

## SECTION 5: COMMUNICATION INTEGRATION

The launch of the Appliance Labelling campaign is aimed at supporting the roll-out of the greater Appliance Labelling programme and introducing consumers to the concept of the label and the value thereof. It is important that the principles of communication integration are adhered to.

### Baird's model of integration ©



The success of the Appliance Labelling campaign is dependent on achieving alignment and integration between the messages, concepts and strategic direction, across all activities, across all audiences.

The campaign's success will be dependent on the positive **Influence** achieved through communication with the external stakeholders, the **Effectiveness** achieved through communication with internal stakeholders and the **Growth**, or participation, amongst South African consumers, stockists and distributors, and manufacturers.

In essence, South African consumers, stockists and distributors, and manufacturers are the customers of Appliance Labelling. Their direct participation is required to ensure uptake of the appliance label, in other words, **Growth**, and thus all communication should be directed at achieving this **Growth**.

The internal audience includes everyone who has a direct stake in Appliance Labelling and who must understand the importance of Appliance Labelling. This audience includes Department of Minerals and Energy staff, in particular the Energy Efficiency and Environment Directorate and related committees and working groups. Your internal audience is responsible for the **Effectiveness** of the campaign and therefore communication should be directed at achieving this **Effectiveness**.<sup>2</sup>

The external stakeholders include anyone, or any group, that can interfere and who exerts great **Influence** over all the target audiences. Communication with other South African government departments, the media, institutions and organisations, related parastatals, and suppliers and strategic partners, should be directed at creating positive **Influence**. For the purposes of the Appliance Labelling launch, the media and other role players during the launch of 4 May 2005, are key to **Influence**.

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<sup>2</sup> This relates directly to the problems experienced in obtaining funds, assistance with IT matters, sign-off and/or approval of documents etc. Could current internal communication efforts be expanded to target these individuals and obtain their support?

## **SECTION 6: PHASE 1 – INTRODUCTION, ACTIVITIES, CONSIDERATIONS AND CONCERNS**

### **Introduction**

As mentioned in Section 1, it was decided that the Appliance Labelling launch would form part of the event hosted by the Minister on 4 May 2005.

Venue:       The Theatre on the Track  
              Kyalami

Time:         19:00 – 21:00 (could be extended to 22:00)

The Minister will launch four aspects of energy efficiency:

- The Energy Accord
- Energy Efficiency Month
- Appliance Labelling
- The Energy Efficiency Strategy

Although the programme is yet to be finalised (and will be added to this document once received), Appliance Labelling can take advantage of the following:

1. The media briefing, where we have been promised our own platform and speaker; media kit; and inclusion in overall media release
2. Exhibition area, where sponsors of the event and organisations and businesses involved with energy efficient products can display their products, and where Appliance Labelling can have their own “stand”
3. Gala function hosted by the Minister, to which Appliance Labelling can invite their own guests (+-30 although due to duplication of lists this could increase), and during which Appliance Labelling will be included in the Minister’s speech.

## Activities

In order to leverage the opportunities afforded by being included in the launch on 4 May 2005, the following activities must be completed<sup>3</sup>:

Activity	Responsibility <sup>4</sup>	Deadline
<b>Event logistics/management</b>		
Regular communication with event organisers/communication agency for energy efficiency month to ensure prominent position of Appliance Labelling in overall launch	CCA	On-going
Develop guest list <sup>5</sup> and send to CCA for submission to overall guest list	AL	22/03/05
Consideration of contributing to the cost of the event	AL	24/03/05
<b>Manufacturers</b>		
Set-up meeting with manufacturers to explain launch activities and garner support (tbc 7 April 2005)	AL	23/03/05
Inform CCA of progress with legislation and manufacturer commitment	AL	On-going
<b>Printing/visual aids</b>		
Provide CCA with specs for appliance labelling logo and label, and copy of usage manual	AL	24/03/05
Finalise cost of printing banners, letterheads and folders	CCA	24/03/05
Print banners	CCA	24/04/05
Print 1500 letterheads	CCA	24/04/05
Print 250 folders	CCA	24/04/05
Determine number of fridges purchased each year	AL	24/04/05
Develop mock-up/rough design of pamphlet cover <sup>6</sup>	CCA	05/04/05

<sup>3</sup> An overall project plan will be developed upon acceptance of the communication plan

<sup>4</sup> CCA = Corporate Communications Agency (Claire Lotter, Leon Els, Mpho Ramosili, Themba Mwelase, Charmaine Appenah; AL = Appliance Labelling (Helene Rask Grøn, Maphuti Legodi)

<sup>5</sup> Full names, company/organisation name, physical address, e-mail and contact number to be provided)



Determine cost of printing 250 A5 size labels (for inclusion in media pack and <u>not</u> adhesive)	CCA	24/03/05
Determine cost of designing and printing pamphlet based on: A4 folded (4 x A5 pages) Full Colour Quantity as per number of fridges	CCA	30/03/05
<b>Media briefing</b>		
Determine media training needs <sup>7</sup>	AL/CCA	07/04/05
Identify who will speak at media briefing	AL	07/04/05
Develop speaker notes	CCA	29/04/05
Develop list of questions to inform documentation (i.e. saving figures etc).	CCA	07/04/05
Provide answers to abovementioned questions	AL	13/04/05
Develop contribution to overall media release	CCA	20/04/05
Develop media release	CCA	20/04/05
Develop backgrounder document	CCA	20/04/05
Develop fact sheets (energy savings, costs, tips and hints etc.)	CCA	20/04/05
Field on-going media enquiries	CCA	On-going
<b>Exhibition</b>		
Determine exhibition space allowance	CCA	7/04/05
Determine requirements from manufacturers	CCA	7/04/05
Obtain manufacturers' commitment	AL	08/04/05
Liaison with manufacturers	AL	On-going
Provision of adhesive labels for displayed appliances	AL <sup>8</sup>	20/04/05
<b>Report Back</b>		
A "mini-report" to be developed <sup>9</sup>	CCA	end-May

<sup>6</sup> The pamphlet is only required for Phase 2, however, we hope to include the manufacturers in the process of developing (and funding) the pamphlet and must therefore have costs and mock-up by the time of the manufacturers meeting

<sup>7</sup> Presenter at 4 May 2005 function must be able to answer media questions, however, media training should be focused on the person giving interviews during Phase 2.

<sup>8</sup> Are these available or should CCA print?

<sup>9</sup> A full report will be developed post-Phase 2

This activity list is by no means exhaustive, nor does it detail the process/steps to be followed in each activity. This will be covered in the project plan.

### **Considerations and Concerns**

1. Manufacturers' participation is crucial to the success of the launch, both in terms of the exhibition and in managing potential media risks. If a manufacturer is questioned by the media about Appliance Labelling, we must ensure that a positive response is given.
2. We must be able to demonstrate cost and energy savings relevant to the South African consumer – how much can be saved in purchasing an A graded product rather than a G graded product? What is the potential saving for South Africa?
3. We must know how many fridges are sold in South Africa on average, each year. If possible, a breakdown of year-on-year sales would be fantastic<sup>10</sup>. We cannot consider launching energy efficiency labels for fridges and promoting the need for such a label if we can't tell the media how many fridges are sold.
4. We need to determine, and agree, be it within the DME or with manufacturers, when exactly the label will be on fridges at retailers across South Africa.
5. Testing facilities – even if the testing facilities are able to test the appliances, the manufacturers were concerned that they would still need to pay R10000 for the test, for a voluntary programme. Have we addressed this?
6. It is imperative that we are able to announce when the labels will start to appear on appliances (fridges).

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<sup>10</sup> Are we able to determine the energy efficiency grading of the recently sold fridges?

## SECTION 7: PHASE 2 – INTRODUCTION, ACTIVITIES, CONSIDERATIONS AND CONCERNS

### Introduction

The introduction of a second phase in the launch of Appliance Labelling was agreed in order to allow for a second round of publicity once the energy efficiency labels appear on appliances across the country. It is envisaged that Phase 2 will occur during July or August 2005 – legislation and/or manufacturers' commitment will determine this date.

In addition to the planned activities of Phase 2, the Minister will, on 12 August 2005, announce the successes of Energy Efficiency Month. This is an additional opportunity for Appliance Labelling and at this stage does not replace, or form part of, our planned activities.

### Activities

The following activities are envisaged for Phase 2, but are subject to change based on internal and external influences which may affect both the activities and the timing thereof.

Activity	Responsibility <sup>11</sup>	Deadline
<b>Event logistics</b>		
Agree whether additional event should be held <sup>12</sup> (as per original Phase 1 plan)	CCA/AL	On-going

<sup>11</sup> CCA = Corporate Communications Agency (Claire Lotter, Leon Els, Mpho Ramosili, Themba Mwelase, Charmaine Appenah; AL = Appliance Labelling (Helene Rask Grøn, Maphuti Legodi )

<sup>12</sup> Budget restrictions, timing, manufacturers' commitment will influence this decision

<b>Manufacturers</b>		
Inform CCA of progress with legislation and manufacturer commitment	AL	On-going
Liaison with manufacturers to determine their training toolkit needs and deadlines <sup>13</sup>	AL	07/04/05
Prepare training toolkits	CCA	tbc
<b>Printing/visual aids</b>		
T-shirts to be considered	AL	tbc
Pamphlets <sup>14</sup> – co-sponsored by manufacturers, to be distributed to retailers across South Africa for distribution to potential energy efficient fridge customers	CCA/AL	tbc
<b>Media briefing</b>		
Media training	AL/CCA	tbc
Develop media release	CCA	tbc
Develop Q&A	CCA	tbc
Develop media plan	CCA	tbc
Set-up media interviews	CCA	tbc
Media monitoring <sup>15</sup>	CCA	tbc
Field on-going media enquiries	CCA	On-going
<b>Advertising</b>		
Confirm budget availability	AL	31/03/05
Book advertising space in You, Huisgenoot and Drum <sup>16</sup>	CCA	mid-April
Develop copy for advertorials	CCA	end-May
<b>Report Back</b>		
Develop full close out report	CCA	tbc

<sup>13</sup> During the manufacturers workshop, AL was informed that the manufacturers train the retail staff

<sup>14</sup> As discussed in Phase 1 activities

<sup>15</sup> Media monitoring has been excluded from Phase 1 as may be possible to “piggy-back” on the other participants of the event and obtain copies of articles through these participants

<sup>16</sup> 8 Week lead time

This activity list is by no means exhaustive, nor does it detail the process/steps to be followed in each activity. This will be covered in the project plan and expanded as more details become available.

### **Considerations and Concerns**

1. The expected date of Phase 2 is vital to proper planning, particularly with respect to the advertorials.
2. Budget must be obtained for the advertorials prior to booking – and an eight week lead time must be considered.