

NEWS RELEASE

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Environment label now displayed on over 80% of new cars... New research shows car buyers are now more focused on fuel costs

The vast majority of car dealerships are now displaying the colour-coded fuel economy label which was introduced in a voluntary initiative, brokered by the Low Carbon Vehicle Partnership, in 2005. In a large-scale 'mystery shopper' survey, 82% of new cars on display were found to be correctly labelled (65% in 2007) and the label was being used in 91% of car dealerships (86% in 2007).

Meanwhile, a separate, detailed survey of car buyers' attitudes found that a 'threshold' may have been breached with buyers now expressing much greater concern about vehicle running costs.

The colour-coded fuel economy label was introduced to help car buyers make more informed decisions about their vehicle choice. It makes explicit the link between lower emissions and lower running costs. With fuel prices so high and road tax now based on car emissions, drivers have much to gain by choosing the lowest carbon, lowest cost models.

The label roll-out survey also found car dealers are now much more often making use of the label when discussing vehicle options with car buyers. Over 75% of dealers surveyed made use of the label in conversations with customers. 61% of dealerships made reference to the financial savings illustrated by the label, while 33% introduced the issue of climate change.

Separate research carried out for the LowCVP by Dr Jillian Anable (Aberdeen University) and Dr Ben Lane (Ecolane Limited) found that motorists are now much more focused on reducing fuel costs than had been shown by earlier research. Fuel

saving has become a greater priority for people because of the increasing cost of filling up their cars. The research suggests that, as fuel costs have risen, a significant annual fuel cost threshold has now been breached. This has led to a step-change in car buying behaviour and has prompted a move to smaller, more efficient cars.

The research also found that expressing fuel economy in terms of 'miles per gallon' (mpg) is “an unhelpful metric” for car buyers as it is not used by the majority of motorists to calculate future costs or to systematically compare different cars in terms of their fuel economy. The researchers suggest that focusing communications messages on fuel cost savings would be likely to be more effective in promoting fuel efficient models. Anable and Lane held detailed discussions with recent buyers of new cars to inform their research.

Greg Archer, Director of the LowCVP said: “The LowCVP’s label roll-out survey results are encouraging and show considerable advances on previous years. The upcoming re-design of the label to take account of the planned changes in VED bands provides an opportunity to take another look at how messages on fuel efficiency and fuel cost savings may be delivered.”

To see how the colour-coded fuel economy label looks, visit:

<http://www.lowcvp.org.uk/resources-library/viewgallery.asp?id=17>

Notes to Editors

The best performing dealerships in the LowCVP fuel economy label survey were:

Bristol Audi
Cooper Reading (BMW)
H A Fox - Hunters - Inchcape (Norwich - Jaguar)
Guy Salmon Land Rover (Portsmouth)
Vospers Mazda (Plymouth)
Mercedes-Benz of Plymouth
Horner's Mitsubishi (Manchester)
Glyn Hopkin Ltd (Leyton - Nissan)
Robins and Day Manchester (Peugeot)
Porsche Centre Norwich
Klic Cars (Dumfries - Proton)
Hobin of Preston Ltd (Seat)
Border Toyota (Carlisle)
Border Toyota (Dumfries)

Background: The Low Carbon Vehicle Partnership was established in January 2003 with funding from the DfT and the (then) DTI with a mandate to accelerate the shift to low carbon vehicles and fuels. The establishment of a stakeholder partnership was one of the central actions arising out of the Government's strategy to reduce greenhouse gas emissions from road transport. The Partnership now comprises over 280 members representing government, the motor and fuels industries, vehicle users, environmental groups, consumer representatives and others. The Partnership is coordinated by a secretariat based in central London.

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