

# OSRAM SYLVANIA Commercial Lighting Survey

Conducted by KRC Research  
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## Research Objectives

- Gaining insight into the minds of business consumers about lighting options
- Understanding the current and emerging needs of business customers

# Methodology

<b>METHOD:</b>	15-minute telephone survey
<b>DATA COLLECTION:</b>	August 12-September 2, 2010
<b>SAMPLE SIZE:</b>	Purchasing and Facilities Decision Makers (P&F) N=252 Lighting Designers and Specifiers (D&S) N=100
<b>SAMPLE:</b>	<b>P&amp;F:</b> Employees are larger companies (\$50M+ revenue) in retail, office, hospitality, healthcare, or education <b>D&amp;S:</b> Those who specify or design lighting as part of their job and do not represent lighting manufacturers
<b>MARGIN OF ERROR:</b>	P&F: +/- 6.2% D&S: +/- 9.8%

## Executive Summary

- Lighting is on the minds of decision-makers
  - Many have evaluated new lighting options recently and are most focused on costs, maintenance, energy use, and task-suitability when making lighting decisions
- Although initial cost is an important consideration, most say they prefer systems that will save over their lifetimes, even if initial costs are higher
- Familiarity with LED lighting is high, but shallow, despite almost three quarters reporting they are using or planning to use LEDs
- Experiences with LEDs are largely positive
- Low maintenance, reduced costs and energy-efficiency are the major draws of LEDs, but the high initial cost is still a significant barrier for many

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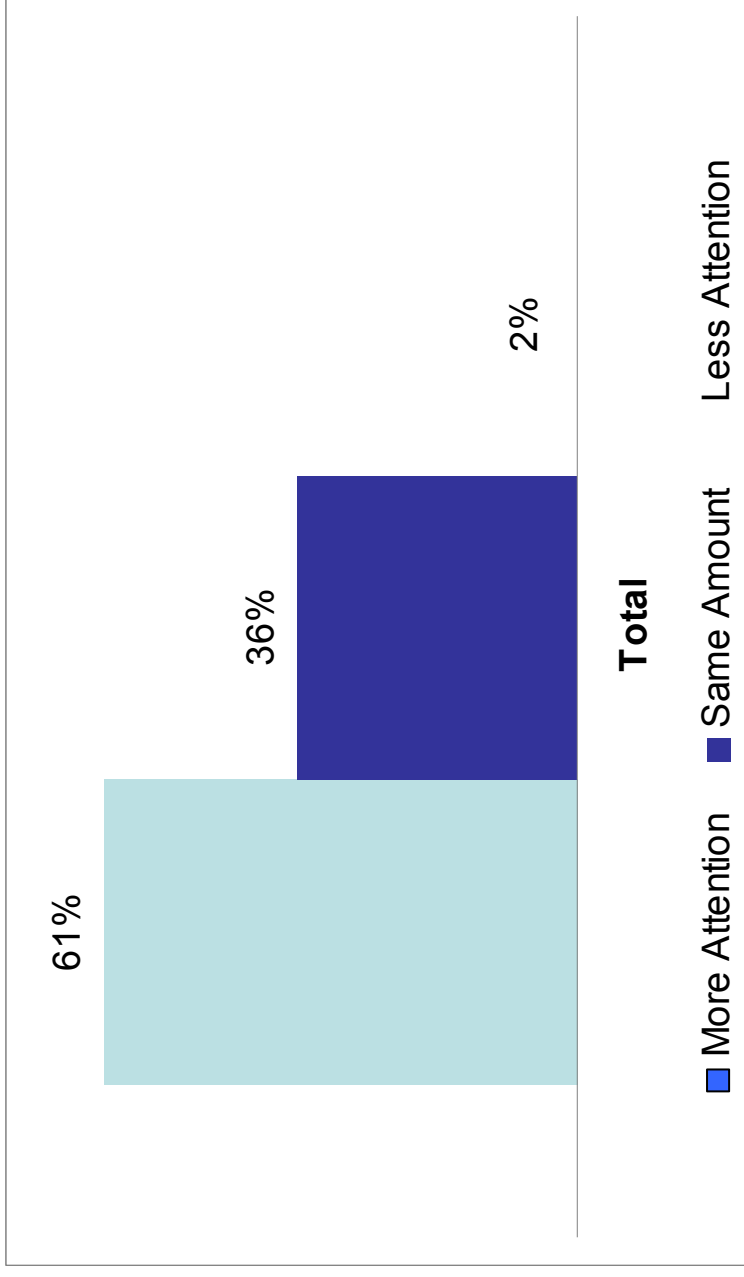
27

## Key Findings

- Lighting has become more of a priority for decision-makers recently
- Most have evaluated lighting options within the past 12 months and are more focused the energy efficiency of lighting than they have been before
- Along with the suitability of the lighting for the task, cost, energy and maintenance are top lighting decision-drivers

# Decision-makers are paying more attention to lighting than they used to

Q12. Compared to a few years ago, [is your company]/[are your clients] paying more attention to its lighting, less attention, or about the same amount of attention?

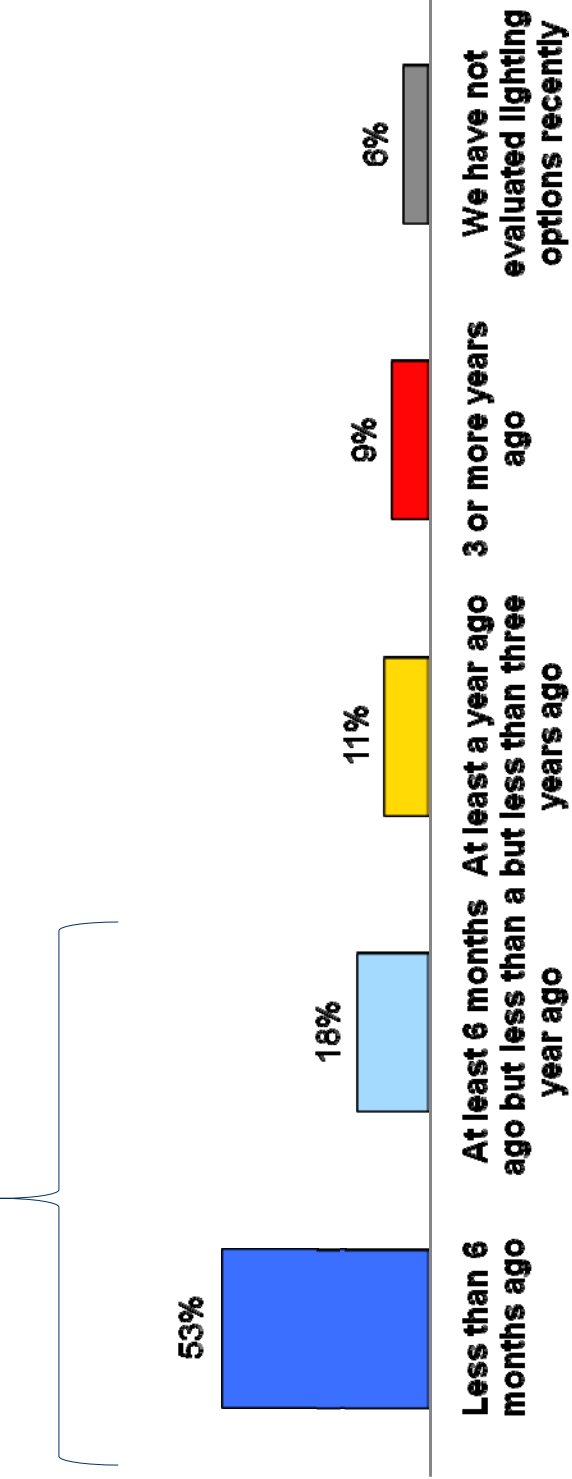


# Over half say they or their clients have evaluated new lighting options less than 6 months ago

Q13. How recently [has your company]/[have your clients] evaluated new lighting options?

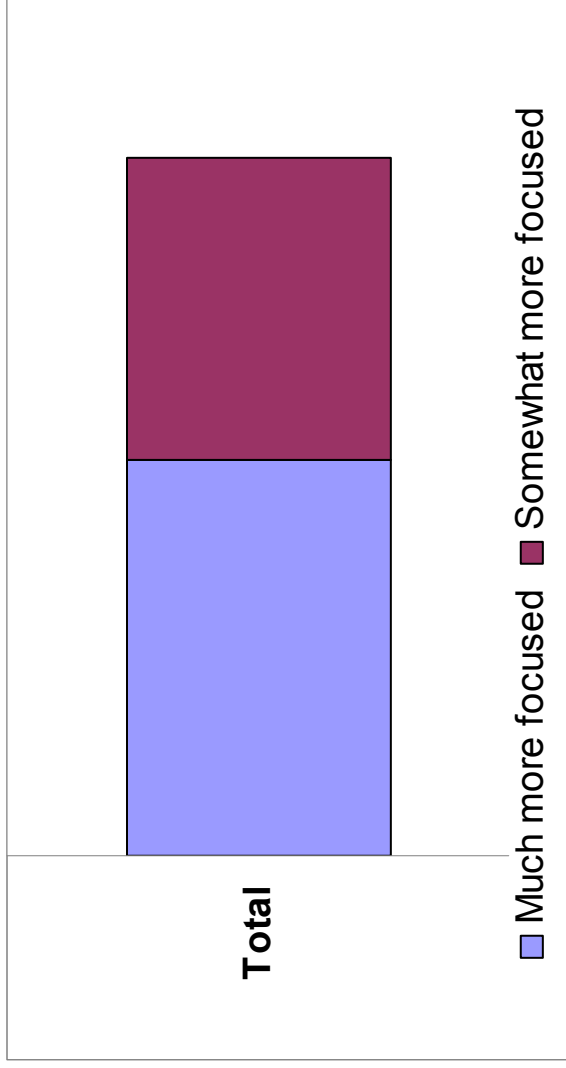
(Total)

72% evaluated lighting options less than 1 year ago



## Most lighting professionals are more focused on energy efficient lighting than before

Q26. Compared to a few years ago, how focused would you say your [company is]/[clients are] now on lighting being energy efficient? Would you say your [company is]/[clients are] more focused, less focused, or is the focus about the same amount? Is that much [more/less] focused or somewhat [more/less] focused?



More Focused      Same      Less Focused

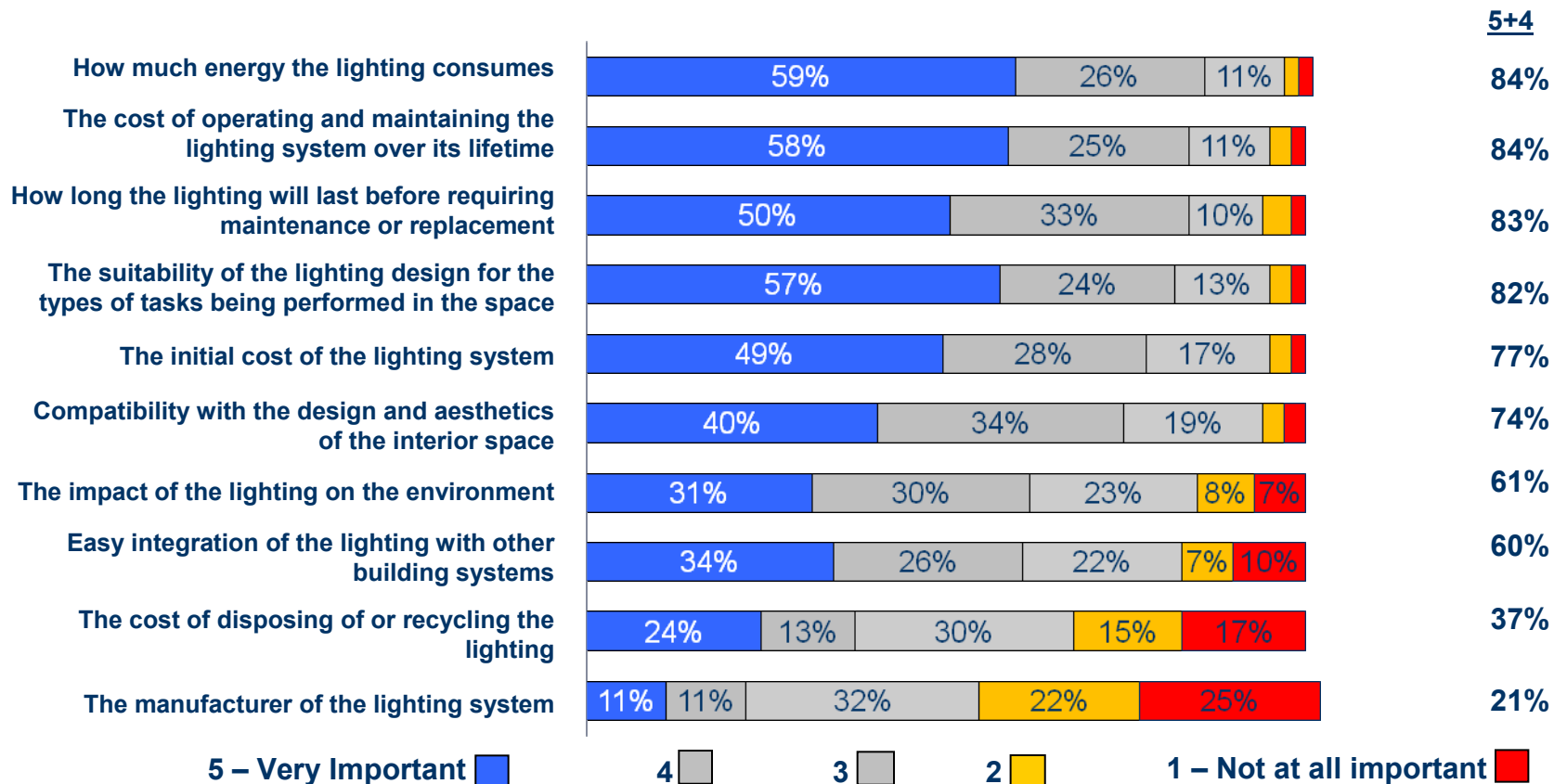
80%      18%      1%

■ Much more focused    ■ Somewhat more focused



# Energy-efficiency, operating costs, maintenance, and task-suitability are top considerations for lighting. Manufacturer is least important.

Q14-23. Please tell me how important each factor is to [your company]/[your clients] when making decisions about lighting. Rate each item on a 1 to 5 scale where a 5 means this factor is very important when making lighting decisions and a 1 means it is not at all important. (RANDOMIZE)



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## Key Findings

- Decision-makers say they (or their clients) believe it is more important to have lighting that saves money over its lifetime, even if it is initially more expensive
- Many find it difficult to understand regulations that impact lighting

## Respondents prefer lighting that saves money over its lifetime, even if it is more costly to install

Q24. I'm going to read you two statements. Please tell me which one comes closer to how [your company makes]/[your clients make] decisions about lighting.

It is more important to have lighting that saves money over its lifetime, even if it costs more to purchase and install at the beginning.

It is more important to have lighting that is inexpensive to purchase and install at the beginning, even if it costs more over its lifetime

**More important to have lighting that is inexpensive to install**      **More important to have lighting that saves money over its lifetime**

**Total**

-18%

76%

## Many find it difficult to understand regulations that impact lighting

Q25. I'm going to read you two more statements. Please tell me which one comes closer to [your company's]/[your client's] experience.

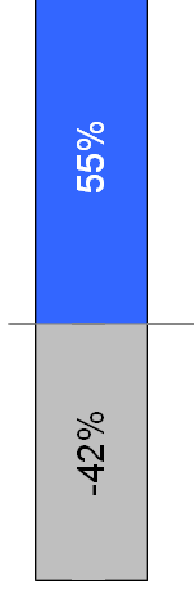
We have a good understanding of all current regulations that affect our lighting decisions.

We find it difficult to understand all current regulations that affect our lighting decisions.

**Difficult to understand**  
**all current regulations**

**Good understanding of**  
**all current regulations**

**Total**



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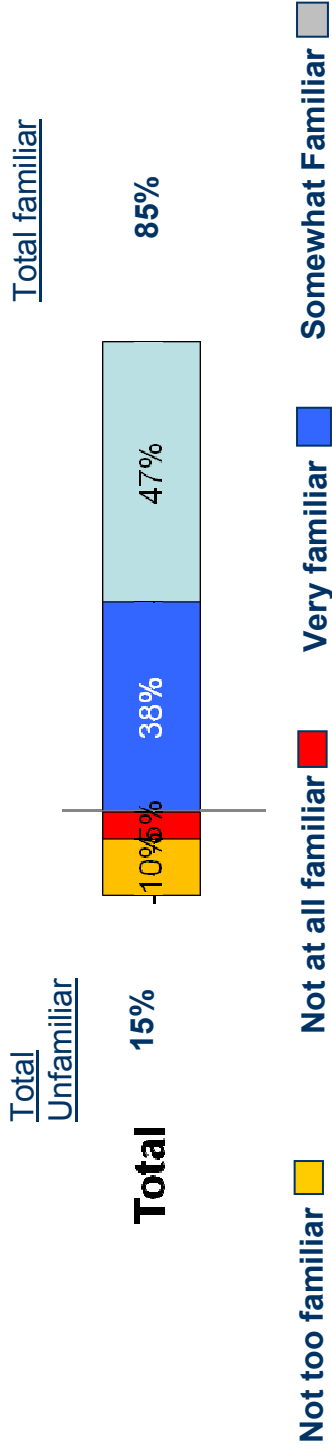


## Key Findings

- Overall familiarity with LEDs is strong
- LEDs have penetrated respondents' organizations with almost three quarters reporting LED use
- LED users report largely positive experiences
- Low maintenance, reduced costs and energy-efficiency are the most important advantages of LEDs
- The size of the initial investment is the top barrier to LED adoption

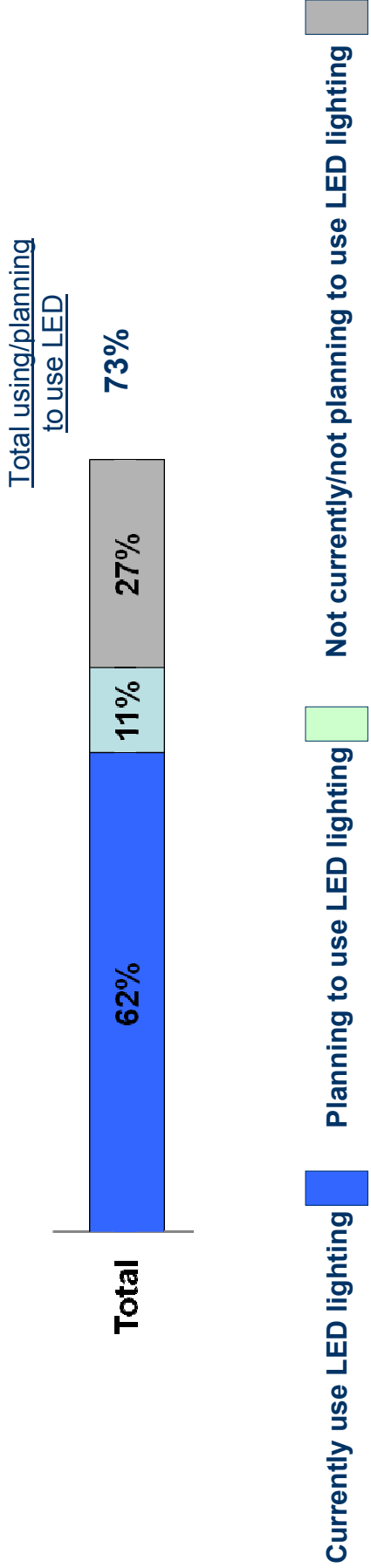
# Familiarity with LEDs is high

Q27. How familiar are you with LED lighting, also known as Solid State Lighting?



## Two thirds of respondents say they currently use LED lighting

28. [Does your company][do your clients] currently use LED lighting in either interior or exterior applications in its facilities and buildings?  
29. (If no to Q28) [Does your company][do your clients] plan to use LED lighting in the next couple of years?



Those who have evaluated lighting options in the last year are more likely use or plan to use LEDs (80% vs. 54% who evaluated a year or more ago and 43% who have not evaluated).



# Energy efficiency and longevity are top reasons lighting professionals are using or planning to use LEDs

Q30. What is the main reason [your company is/your clients are] using [planning to use] LED lighting? (Open ended)

	Total
Energy efficiency	31%
Long lasting	24%
Cost savings	18%
Low maintenance	6%
Aesthetics	5%
Brighter light	5%
More products available	6%
Other	10%

...there are things they can do with LED lights that they

“The life of the bulb and the amount of energy it uses. They last longer. They’re more energy efficient.”

“Two reasons. We like the effect of the light and we’re interested in the longevity of the light cell.”

Total N=258; Only responses with at least 5% total are shown.



# Interior and exit lighting are the top applications for LED lighting

Q31. In what applications are [you]/[your clients] currently using LED lighting?

	Total
Interior	39%
Exit lighting	26%
Exterior	22%
Decorative/specialty lighting/accent lighting	18%
Under/in cabinets/coves	11%
Landscape	9%
Parking	9%
Signage	6%
Recessed lighting	5%

lighting and lamps. Outdoor lighting “

“In all 7 rooms of our operating rooms here at the hospital. We use them for the heliport outside. They are also used for parking lot lighting at the hospital.”

“We mainly use [it] just for aesthetics. We use it around the pool as accent lighting, mainly because it changes color.”

Total N=219; Only responses with at least 5% total are shown.

**Among those not planning to use LEDs, more than one-fourth have no specific reason. However, initial cost is also a barrier for 1 in 5**

Q32. What is the main reason [your company is]/[your clients are] not planning to use LED lighting?

	Total N=54
No specific reason/no project scheduled	26%
Size of investment	24%
Just installed/retrofitted lighting	15%
Haven't researched it	11%
Facility too new	6%
Tight budget	6%
Not a proven/widely available technology	6%

...though you save over the long haul, it is less maintenance

"Lighting is not a priority at this time."

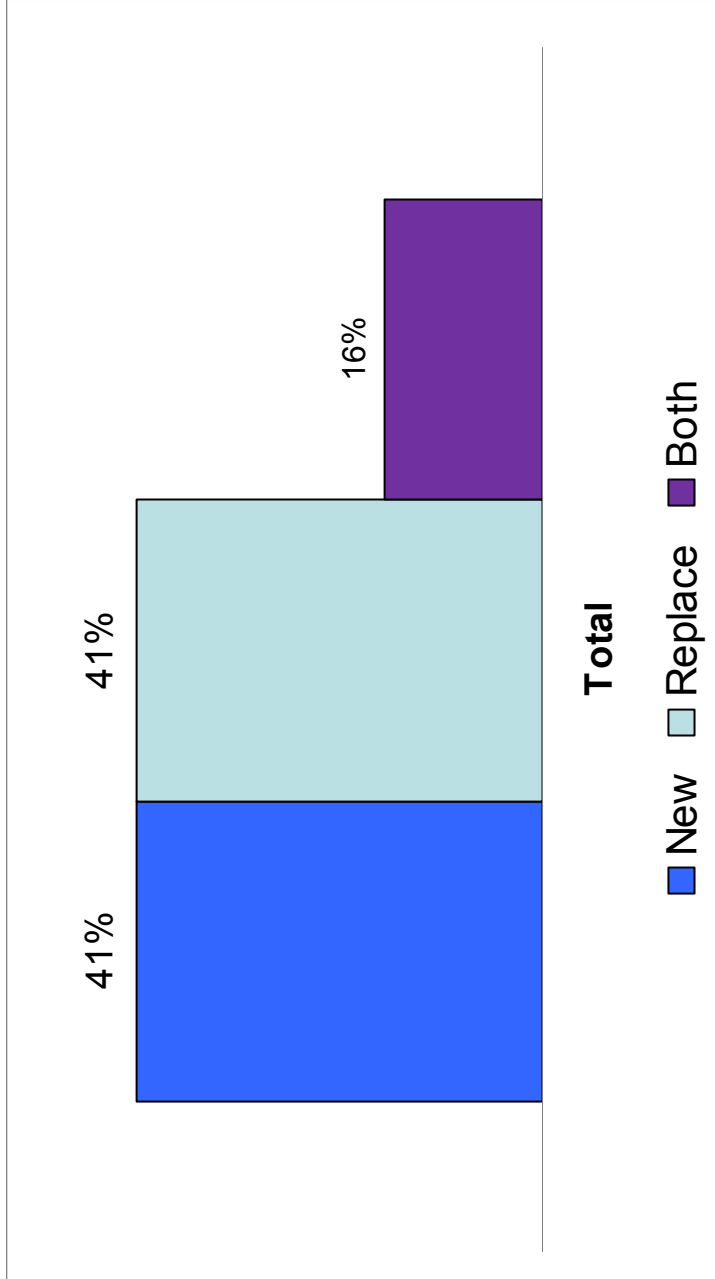
"We have not discussed it or planned to use it."

"The Department of Energy has said the technology is not there for a commercial office application."

Only responses with at least 5% total are shown.

## Respondents plan to use LEDs as replacements and in new applications

Q33. (Is use or plan to use LEDs) You said [your company]/[your clients] (uses LED lighting)/(plans to use LED lighting in the next couple of years). Some companies replace other types of lighting with LED lighting, while others mainly use LED lighting for new lighting projects or major renovations. Which is closer to what [your company]/[your clients] (did)/(plans to do) – replace other lighting with LEDs or use LEDs for new projects.

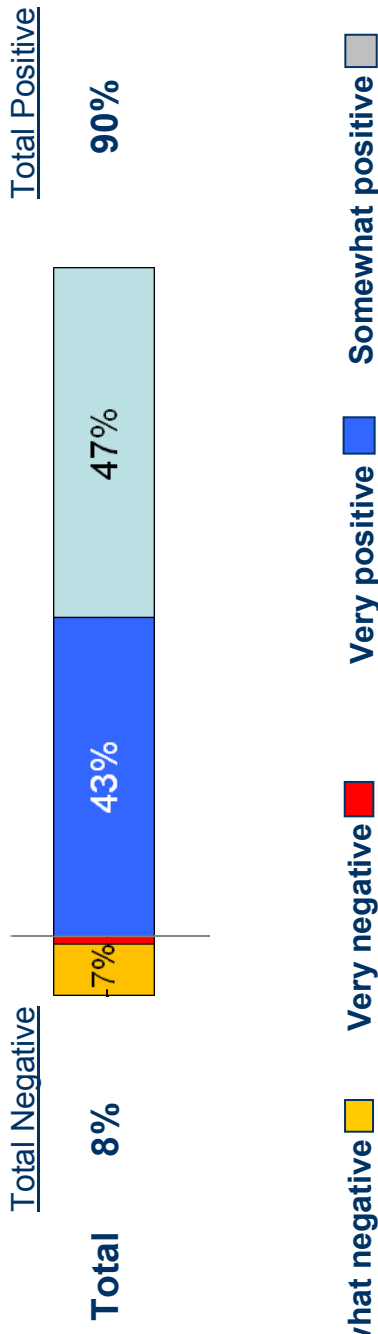


Total N=258;



## Those who have used LEDs have had largely positive experiences

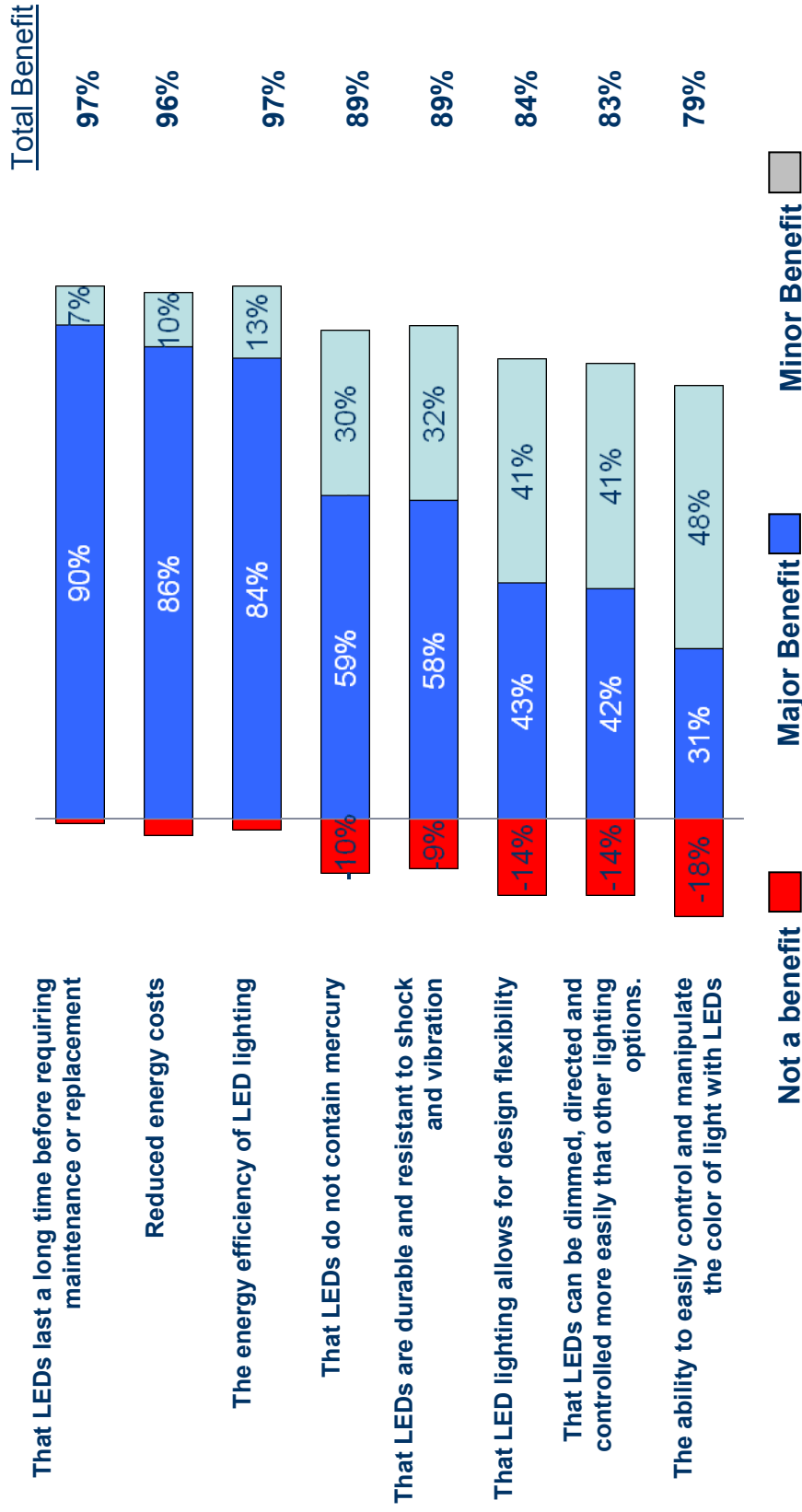
Q34. (If use LEDs) How would you rate your overall experience using LED lighting? Was it very positive, somewhat positive, somewhat negative or very negative?



Total N=219

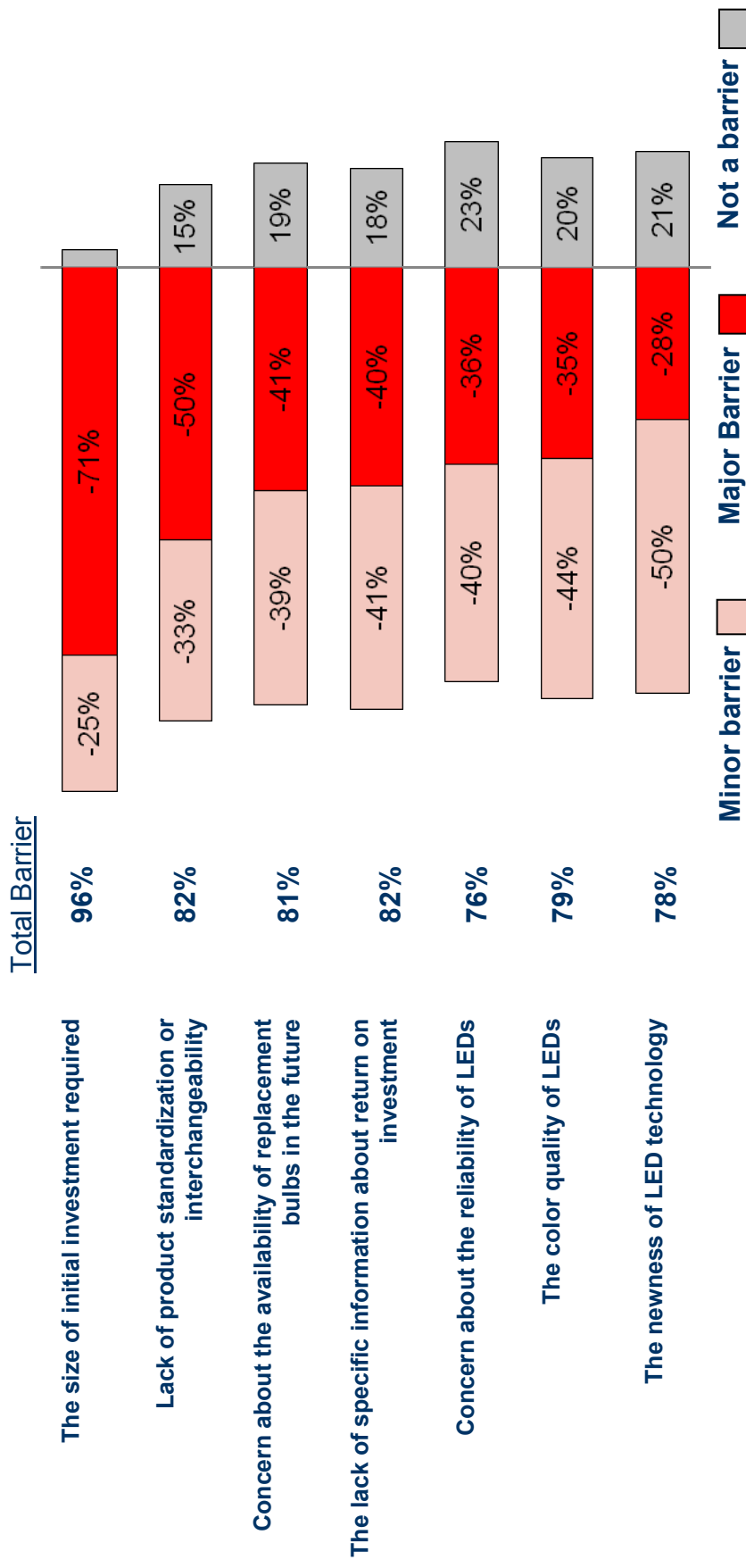
# What's most appealing about LEDs? Low maintenance, reduced costs and energy-efficiency

Q35-42. I'm going to read you a list of potential benefits to using LED lighting that may be important to some companies and less important to others. Please tell me how important each one would be to [your company]/[your clients]. Would it be a major benefit, a minor benefit, or not a benefit at all.



# Initial investment is the biggest barrier to LED use, followed by lack of standardization

Q43-49. I'm going to read you a list of potential obstacles to using LED lighting that companies may encounter. Please tell me how big of a barrier you think each one would be to [your company]/[your clients]—a major barrier, a minor barrier, or not a barrier at all.



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# Overall Profile

Participant category	
<b>Purchasing and facilities decision makers</b>	<b>72%</b>
Retail	14%
Office	15%
Hospitality	14%
Education	14%
Healthcare	14%
<b>Specifier or designer</b>	<b>28%</b>

Gender		
	Purchasing and facilities	Specifier or designer
Male	79%	79%
Female	21%	21%



# Profile: Designers and Specifiers

Are you certified as a lighting professional by the National Council on Qualifications for the Lighting Professionals?	
Yes	16
No	84
Please tell me if this is something you either participate in or influence over?	
Designing the lighting layout for a variety of spaces	99
Recommending specific lighting technology for projects	99
Selecting specific light fixtures and components	92
Researching and evaluating new lighting technologies	87
Evaluating if lighting is in compliance with relevant codes and standards	84
Specifying and commissioning control systems for lighting projects	73
As part of your job, do you specify or design lighting?	
Yes	100

Are you a member of the following organizations?	
The Illuminating Engineering Society	32
The International Association of lighting designers	15
The US Green Building Council	9
The American Lighting Association	8
The American Society of Interior Designers	5
The American Institute of Architects	4
Professional Lighting Designers' Association	2
American Society of Heating, Refrigerating and Air-Conditioning Engineers	2
None	53
Do you or does your company represent lighting manufactures?	
No	100
And do you primarily specify or design lighting for your company's internal needs or for external clients?	
Internal	6
Consult	94

Demographic categories with less than 1% are not shown.



# Profile: Purchasing and Facilities Decision Makers

What is your position in the organization?	
Chairman, President	10%
C-Suite(CEO, CIO, CSO, CTO, CFO)	4%
Vice President	2%
Department head	13%
Director	19%
Manager/Project Manager	46%
Engineer	5%
Are you certified by the National Council on Qualifications for the Lighting Professionals?	
Yes	1%
No	99%

Which of the following best describes your role in decisions regarding your company's lighting?	
I give final approval on these decisions	37%
I am involved in helping make decisions	62%
Please tell me if this is something you have influence over in your company?	
Evaluating lighting technology	92%
Specifying lighting products	89%
Purchasing lighting systems	94%
Hiring an outside firm to do lighting specifying or design	75%
Evaluating proposal from lighting consultants	84%
Are you a member of the following organizations?	
American Society of Heating, Refrigerating and Air-Conditioning Engineers	4%
The US Green Building Council	3%
The American Institute of Architects	2%
The American Society of Interior Designers	2%
None	91%

Demographic categories with less than 1% are not shown.