

MYSTERY SHOPPING

Consumer Experiences When Trying to Buy a Heat Pump



Executive Summary

BEUC, along with national consumer organisations in Czech Republic, Slovakia, Slovenia and Spain, ran a mystery shopping project to better understand the consumer experience of heat pump shopping up to the point of purchase. 10 shoppers

in each country provided their experiences. They found that energy costs are driving the switch but that the right advice is not always available.

Key Findings

1. ENERGY COSTS DRIVING THE SWITCH

In all countries, the increasing **costs of energy** was the main driver for switching to a heat pump. This was followed by the breakdown of an old fossil fuel boiler, attractive subsidies for renewable heating, and climate concerns.

2. PHONE A FRIEND (OR FAMILY) FOR ADVICE

A massive **70%** of mystery shoppers consulted with family and friends before opting for a heat pump. This highlights the importance of **heat pump champions** – if someone in your extended network has had a positive experience with

heat pump installation, you are much more likely to switch to a heat pump. Equally, if your peers have had bad experiences with heat pumps, these stories travel like wildfire – and significantly reduce enthusiasm for switching to a heat pump.

3. INDEPENDENT RESEARCH IS NOT ENOUGH

In their **personal research** phase (before the installer's visit), consumers found it difficult to understand how much a heat pump would cost them, what financing options were available, and how heat pump technology worked – especially since there is more than one type of heat pump.

4. JOIN THE QUEUE FOR AN INSTALLER

Waiting periods for the installer's visit after first contact varied significantly between installers, averaging one week but ranged between two and 29 days. In four cases (two in Slovenia and two in Czech Republic), the installer did not respond at all and the visit failed to take place.

5. CONSUMERS MOSTLY HAPPY WITH INSTALLERS...BUT NOT EVERYWHERE

In terms of **overall assessment**, consumers in Czech Republic, Slovakia and Slovenia were mostly happy with the installers' visits, including their level of knowledge, information shared and professionalism. By contrast, mystery shoppers in Spain reported very low levels of satisfaction with the installers' visits.

While **all** Slovenian and **75%** of Czech mystery shoppers felt **prepared to buy a heat pump** after the installer's visit, **0%** of Spanish shoppers felt prepared to do so. Mystery shoppers in Spain reported the visits of installers **lacked information on financing options and installation costs**, and in most cases, installers **failed to check the suitability of the home**, before assuring shoppers that their home was ready for a heat pump. Mystery shoppers in Spain and Czech Republic also felt installers did not take the time to explain the technologies in a clear way.

6. A MIXED PICTURE ON MAINTENANCE

When it comes to **maintenance and servicing information** for heat pumps, this was provided in most cases in Czech Republic, half of the cases in Slovenia and Spain, but none of the cases in Slovakia, where this information is usually not provided at the first enquiry. Czech and Slovenian installers were also rated highest for provision of **technical knowledge on the products** as well as information on the best **location** for the heat pump, options for **water heating**, and the **type** of heat pump suited to the building. In contrast, Spanish shoppers reported a lack of technical knowledge from the installers. Most consumers reported not feeling pressured by the installer to agree to the purchase. However, Czech and Slovenian shoppers were frustrated to discover that when **home upgrades** were needed to make the home heat-pump ready, the installer was not responsible for this task, nor for assisting them in finding a professional to upgrade the home. This leaves a **gap in the consumer journey** towards making their home heat pump ready.

7. FUNDING OPPORTUNITIES SHOULD BE CLEARER

When it came to financial support, installers mentioned **subsidies** during at least 50% of visits in all countries except Spain, with many installers offering to assist the shopper with the application. Given the importance of subsidies in attracting new consumers to heat pumps, and the significant upfront costs, **installers should make sure to mention subsidies in 100% of visits**. Slovenian installers showed the best knowledge of subsidies, in large part due to the state-sponsored Eco Fund, which is widely known in Slovenia.

In terms of alternative **financing instruments** (loans and other payback schemes), Slovakian installers were the best informed (60%), with installers in all other countries highlighting financing options in far **below 50% of cases**.





Policy Recommendations

1. MEMBER STATES SHOULD PROVIDE A LIST OF CERTIFIED HEAT PUMP INSTALLERS

Mystery shoppers in some cases found it hard to find an installer, and in other cases found it hard to tell between reliable and unreliable information and websites. However, consumers in Slovenia and Slovakia were reassured by a list of certified heat pump installers provided by the state. This is a great starting point for consumers on their heat pump journey – an annually updated version of this list should be made available by all national governments, with proper verification procedures to be added to the list.

2. THE ECONOMIC CASE FOR HEAT PUMPS NEEDS TO BE MADE THROUGH REDUCING RUNNING COSTS

In all countries, the main motivator for consumers switching to heat pumps was cost savings. However, the **high cost of electricity in some countries** makes running a heat pump less competitive than gas heating. Countries should follow the Danish example by reducing taxes on electricity for heating, or the Dutch example **shifting levies from electricity to fossil fuels** to improve the economic incentives for consumers to switch to renewable heating.

3. GOVERNMENTS HAVE A ROLE TO PLAY IN PROMOTING HEAT PUMPS AND SUBSIDIES TO CONSUMERS

Out of the four countries where the project ran, Slovenian consumers were the happiest with the information available on subsidies for heat pumps (and with the size of the subsidies). This is thanks to the Eco Fund, a state scheme offering loans and grants for environmental projects including the shift to renewables. Member States using the **Eco Fund** as a best practice should implement ambitious subsidy programmes for renewable heating, and

communicate about them in a clear and accessible manner. Financing options need to be created and similarly promoted in all Member States.

4. MORE INSTALLERS, AND MORE KNOWLEDGEABLE INSTALLERS, ARE BADLY NEEDED

While many installers performed well and received good ratings from the shoppers, the report highlighted a lack of expertise in various subjects among some installers, ranging from subsidies and financing options to home renovation needs. In four of the 40 cases, installers were unavailable to make a home visit. These facts highlight two issues: the need for more installers, and the need for better-trained installers. As outlined in the recently adopted Renewable Energy Directive (2023), Member States must now create training programmes to ensure there are enough well-certified heat pump installers available to reach their national renewable energy targets. Member States should make sure that consumers who want to purchase a heat pump can do so without long delays, which will be possible only when there is ample availability of well-trained installers!

5. GIVE CONSUMERS ACCESS TO ALTERNATIVE DISPUTE RESOLUTION (ADR) FOR HEAT PUMP INSTALLATIONS

National consumer organisations are receiving many complaints from frustrated consumers who have installed heat pumps that are not working correctly. However, **EU legislation does not provide access to ADR for consumers who fall victim to a poor installation** of a heat pump. To feel protected (especially given the significant cost), consumer protections for heat pump installations should be expanded at the EU level.

ZPS ZVEZA
POTROŠNIKOV
SLOVENIJE



Valicon d.o.o. | Kopitarjeva 2, 1000 Ljubljana, Slovenia |
T: +386 1 420 49 00 | F: +386 1 420 49 60 | E: info@valicon.si
www.valicon.si

The European Consumer Organisation
Bureau Européen des Unions de
Consommateurs
Europäischer Verbraucherverband

Rue d'Arlon 80,
B-1040 Bruxelles
Tel: +32 (0)2 743 15 90
www.beuc.eu



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