

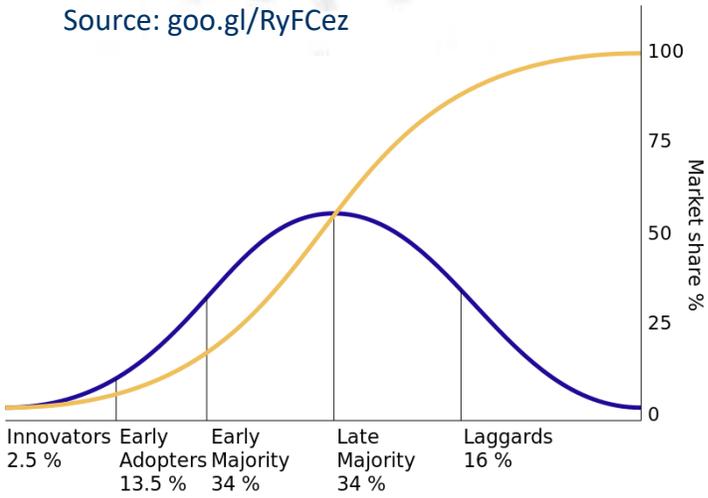
Source: goo.gl/RyFCez

Dual Plenary Session #2

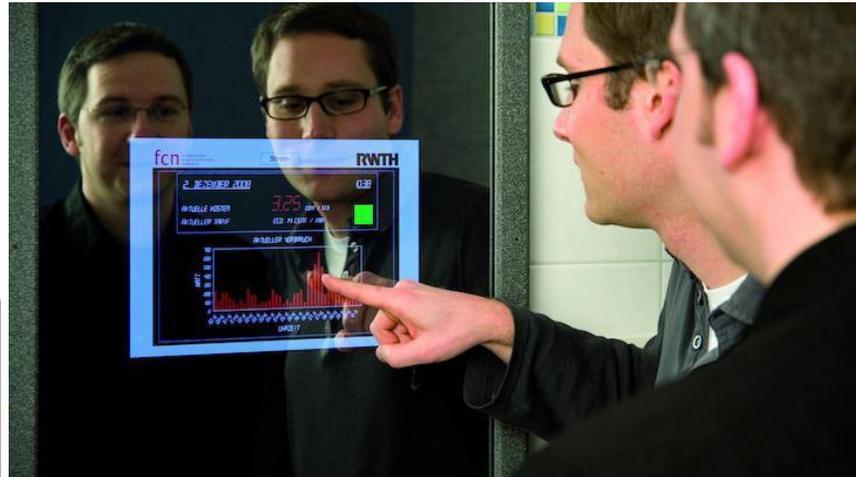
Understanding Individual and Collective Consumer Behavior

Tue, 14:10 – 15:50 h

Chair: Reinhard Madlener



Source: Rogers (1991), adapted



AIX PERIMENT in Energy Economics

Understanding Individual and Collective Consumer Behavior

- **Traditional energy economics** considers decision-makers as “optimizers” who always make rational choices (market signals, strategic behavior, elasticities, ...)
- By using insights from (social) psychology, **behavioral economics** provides an extensive body of evidence often contradicting the notion of the *homo oeconomicus*
- We want to discuss the **needs and behavior of energy consumers / prosumers**, both at the **individual level** and the **aggregate level**
- Some **topics** to be discussed:
 - Do consumers understand **price incentives**? How effective and paternalistic are **non-price mechanisms** (nudges etc.)? How far off is “**engineering**” calculations of consumer energy use?
 - How to resolve the well-documented misalignment between **energy behavior and environmental values of consumers**? What about “rational inattention”, “inertia”, and “**opt-out**” energy policy?
 - How does **consumer-centric energy business** and marketing work that exploits **big data analytics**? What about the alignment with the development of the required **infrastructure investments**?
 - Is there a way to align **sustainable energy consumer behavior** and **new business models**? Which business model / policy for which consumer and customer segment/s?

Speakers

- **Anna Alberini** (Behavioral) Energy Economics
 - Professor, Dept. of Agricultural and Resource Economics, University of Maryland, College Park, USA
 - Environmental and energy economist, expert on residential energy demand (esp. energy efficiency and policy), economics of health and safety and non-market valuation
- **Marilyn Brown** Energy Policy
 - Regents' and Brook Byers Professor, School of Public Policy, Georgia Institute of Technology, Atlanta, USA
 - Expert on behavioral-based modeling of energy and climate policy, electric utility economics and regulation; book: Green Savings: How Policies and Markets Drive Energy Efficiency (Praeger, 2015)
- **Kristina Rodig** Business Perspective
 - Head of Global Customer and Market Insights, E.ON SE, Essen, Germany

Statements for General Discussion

1. **Non-price policy measures** are effective and lasting for fostering **sustainable energy behavior and consumption**. But for which members of society?
2. Revived discussion of the “**energy efficiency gap**” and **energy rebound** due to new behavioral explanations. **Behavioral energy economics**, and field/lab **experiments**, here to last, or just a **fad**?
3. **Customer-centric business and value creation** (big data analytics, mass customization, marketing etc.) need to be properly aligned with **infrastructure needs** (hardware, software/AI) and **welfare optimization**.

Sustainable Energy Transition, Prosumers

