

National Survey Finds Consumers Likely to Spend \$104 Billion on Green Technology Products per Year

College Park, Md., March 12, 2008 - Americans appetite for environmentally friendly technologies and consumer products is grossly underserved, with a potential \$104 billion in sales this year, according to the 2007 National Technology Readiness Survey (NTRS) released today. The annual survey sponsored by the Center for Excellence in Service at the University of Maryland's Robert H. Smith School of Business and technology research firm Rockbridge Associates Inc. found that 71 percent of adults are interested in green technology, but there is a large gap between the number of products consumers own now and the number they say they would like to own.

The \$104 billion market opportunity represents the annual sales potential of the 11 product categories measured in the NTRS. More than half, \$54 billion, is the potential for sales of green vehicles, including high-mileage, hybrid fuel, biofuel, and alternative-fuel vehicles. Researchers measured respondents™ interest levels for each of the green product categories and calculated market value based on average selling prices.

The key to tapping this huge potential market is targeting and appropriately addressing the green consumer, said P.K. Kannan, director of the Center for Excellence in Service. Our research found that green technology trends are led by a small, yet powerful group of influencers that actively act as evangelists to a secondary group of adopters.

The NTRS classifies respondents into six segments based on their commitment to green technologies, their influence on others on being green, their skepticisms about green and their interest in technology. The survey finds that those most committed to the environment, “10 percent of adult consumers” are also very enthusiastic about technology. These green tech leaders are the same consumers who are often approached by others for advice on technology and the latest gadgets and devices. The researchers urge marketers to target this segment when introducing green products and services.

There is a great opportunity for firms to not only target these green tech leaders to adopt their green products and services, but also use them to get the word out, Kannan said. This market segment tends to be younger, heavier users of online social media and more enthusiastic about technology in general. They write blogs and advise others, and they also create a strong social networking effect that is critical for diffusing green technology to the larger market.

Marketers also need to be mindful of their message, said Charles Colby, president of Rockbridge Associates. Consumers are quite sensitive to companies that don't follow through on their promises. Firms that misrepresent or exaggerate the benefits of their green technology may find it backfires with consumer hostility or rejection.

2007 / NTRS Findings

- 83 percent of adults want to preserve and protect the environment
- 42 percent of adults said products and services that help the environment are hard to find

2007 / NTRS Findings (cont'd.)

- 59 percent of adults say they like trying new technologies that help the environment
- 56 percent of adults say gadgets designed to help the environment would be fun to own
- 68 percent of adults like to do business with companies that are environmentally responsible
- 72 percent of adults say they resent companies who say they care about the environment but are not sincere

About the 2007 National Technology Readiness Survey

The National Technology Readiness Survey (NTRS) is an annual study produced by Rockbridge Associates Inc. and the Center for Excellence in Service at the Robert H. Smith School of Business, University of Maryland. The NTRS, founded by Center for Excellence in Service senior fellows Charles Colby and A. Parasuraman, tracks beliefs about technology and key behaviors related to e-service. The 2007 NTRS was based on a random sample of 1,025 U.S. adults (18 years or older). In 2007, 500 people were polled by telephone from September to October, 525 were polled by Web survey in November.

About the Robert H. Smith School of Business

The Robert H. Smith School of Business is an internationally recognized leader in management education and research for the digital economy. One of 14 colleges and schools at the University of Maryland, College Park, the Smith School offers undergraduate, full-time and part-time MBA, executive MBA, MS, PhD, and executive education programs, as well as outreach services to the corporate community. The school offers its degree, custom and certification programs in learning locations in three continents including North America, Europe and Asia. More information about the Robert H. Smith School of Business can be found at www.rhsmith.umd.edu.

About Rockbridge Associates Inc.

Rockbridge Associates Inc. is a leading technology research firm based in Great Falls, Va. Clients include Fortune 500 companies, government agencies and associations. Rockbridge conducts primary research and consulting to help with product design, positioning, pricing, and customer satisfaction. www.rockresearch.com.