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Capturing and analysing heterogeneity in residential greywater reuse preferences using a latent class model

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18 ABSTRACT

To legally permit greywater reuse as a management strategy, it is necessary to establish allowed uses, as well as guarantee legitimacy, safety and maintain public trust. Cities with previous experience in greywater reuse have reconfigured their regulations according to their own evidence with decentralized water reuse systems. This has allowed them to encourage or restrict certain indoor uses of treated greywater. However, cities starting to use these residential schemes lack the experience to reconfigure their water and sanitation regulation, and thus need "blindly" decide on the type of greywater uses toallow in order to achieve a balance between users' acceptability and avoiding public health problems.

In this research, we analyse hypothetical situations of greywater reuse based on real evidence related to 26 27 decentralized water systems. The main objective of this study is to evaluate the heterogeneity of 28 individuals' preferences regarding residential greywater reuse for six intended indoor uses, using stated 29 choice experiments and a latent class model. Hence, we obtain preliminary evidence about the direction that the regulation or pilot tests should take. We use the context of Santiago (Chile) as a reference, 30 31 where although allowed, greywater reuse is not taking place widely. Our results show that survey 32 respondents can be classified into four classes (enthusiasts, greywater sceptics, appearance conscious 33 and water expenditure conscious), according to the preferences for the different types of indoor 34 greywater reuse and the appearance of the treated greywater. From a policy perspective, our results 35 show differences across classes as a function of socioeconomic characteristics and previous greywater 36 reuse knowledge, as well as wider household characteristics, including the presence of sensitive individuals (under 15 and over 74 years old), number of residents, number of sanitary devices, and 37 38 location and type of garden. Along with presenting empirical results for the specific case of Santiago 39 de Chile, the paper provides a demonstration of the method that can be replicated in other countries that 40 need an empirical approach to acquire knowledge about people's preferences for greywater reuse 41 allocation, before including greywater reuse schemes in their water and sanitation regulation.

42 **Keywords:** *Greywater reuse preferences, choice modelling, latent class model, class allocation.*

43 **1. INTRODUCTION**

Opportunities for using new alternative sources of water supply for households and the availability of new technology for reusing water are reshaping the way water is managed in cities (Wilcox et al., 2016). In particular, now there exist decentralized hybrid water supply systems that draw only part of the water from the mains network (between 50-70%) while the remainder (50-30%) comes from reused greywater that is locally treated (Lefebvre, 2018; Vuppaladadiyam et al., 2019). The source is greywater from the

same household, that is, water that is free of faeces, food residues, oil and fats, collected from washing
machines, showers, tubs, and washbasins (Lambert & Lee, 2018).

51 Experience in urban settings such as the Persian Gulf region and the broader Middle East (Lambert & 52 Lee, 2018), and Sydney (Pham et al., 2011), indicates that individuals prefer to allocate reclaimed water 53 for two non-potable purposes, namely toilet flushing and garden irrigation. Both uses are very attractive 54 due to a higher perceived safety (i.e. no direct contact with the skin) and lower treatment costs, as high-55 quality standards are not needed, and also because they are two of the uses that consume the largest 56 water volumes in the household (Roshan & Kumar, 2020). However, at certain times of the year (e.g. 57 winter or rainy months), garden irrigation is not a daily practice, or depending on rainfall, may not be 58 required¹. As a result, at those times, the amount of greywater available would be higher than what 59 consumers can use for other residential uses Dolnicar & Schäfer, 2009). Discharging the extra greywater 60 to the conventional sewage system would be an economic loss for users who pay for the maintenance 61 and operation of the treatment technology (Lambert & Lee, 2018). Thus, if allowed by law, allocating 62 treated greywater for other uses could be beneficial since a higher volume of the greywater that was 63 treated can be used.

64 The perceptions that consumers hold about greywater reuse are fundamental for the success of a 65 decentralized hybrid water supply system, since they are the primary agents that interact with the 66 greywater, as well as operate and take care of the technology (Domnech & Saurí, 2010). To ensure that laws, regulations, and policies contribute to making these systems more attractive and to remain 67 68 successful over time, an understanding of the key determinants of consumer preferences is essential 69 (Mukherjee & Jensen, 2020). Several studies on water reuse have empirically demonstrated that there 70 is heterogeneity in preferences and that this is mainly linked to socio-demographic characteristics, and 71 other psychological constructs (Amaris et al., 2021; Oteng-Peprah et al., 2020). The starting point of 72 our work is that even within the same sociodemographic group, differences in preferences may exist, 73 in terms of which (if any) uses of greywater are desirable, and what the role of the appearance of the 74 water is (Amaris et al., 2021). We postulate that classes or groups of individuals can be established to

¹ https://www.organicgardener.com.au/blogs/watering-winter

capture this heterogeneity, and that consumer characteristics can be used to at least partially explain which group an individual is more likely to belong to (Hess, 2014). In particular, our study focuses on exploring different population segments, each with its own behaviour (choice regarding preferences) in the allocation of treated greywater for six domiciliary uses that vary according to the level of skin contact, based on our earlier survey work in (Amaris et al., 2020).

80 Our modelling context is based on hypothetical scenarios that replicate real experiences of water reuse 81 in dwellings in Spain (Domnech & Saurí, 2010) and South Africa (Ilemobade et al., 2013). This method 82 uses SC experiments to explore the preferences of respondents for the qualitative and quantitative 83 characteristics of mutually exclusive alternatives (Louviere et al., 2000). Due to the nature of the data 84 and our study objectives, we analyse the choices in the hypothetical scenarios using latent class discrete 85 choice models allowing for heterogeneity in preferences across consumers. These types of data and 86 models are becoming more common in studies of technological innovations (Su et al., 2018; 87 Franceschinis et al., 2017), mainly because they can produce insights on preferences in the absence of 88 an existing market (Ortúzar & Willumsen, 2011, sec. 8.6.3.2). They also offer a way of knowing about 89 how feasible and successful a project can be and understanding which characteristics should be 90 improved to achieve higher acceptability before it goes on the market, or prior to regulations being 91 established.

92 Discrete choice models of the type used here explain choices under the assumption that consumers 93 maximize the "utility" or benefit they receive by choosing a particular alternative. This utility is based 94 on the characteristics or attributes that define the alternative (Ortúzar & Willumsen, 2011, sec. 7.1), and 95 the sensitivities of the user towards them. In the particular context of our study, the characteristics 96 defining treated greywater in the hybrid water system are: (i) it's different levels of colour and odour, 97 (ii) possible uses (e.g. toilet flushing) and (iii) the resulting savings in mains water. Our work seeks to 98 uncover different classes of respondents, with different sensitivities to the attributes, and to understand 99 why individuals belong to each class. We leave aside traditional economic theory (which would 100 consider a full cost-benefit approach), since, although the cost of technology is known to be highly 101 influential, the inclusion of cost would have dominated the scenarios and precluded our focus on

understanding other subjective elements that may influence individuals' acceptability of treatedgreywater, and the heterogeneity in this across people.

104 The study context is Santiago, the capital city and largest conurbation in Chile (INE, 2017), a place with 105 seasonal water availability problems, and where its population has no previous experience about 106 greywater reuse (even the concept itself is largely unknown). Although mandatory water quality 107 standards are not established, the permitted uses for greywater are known to be garden irrigation and 108 toilet flushing (as prescribed in the law $21,075^2$). With this research we aim to provide evidence, with 109 statistical support, to show that regulations could allow other greywater uses considering the preferences 110 in different population segments. We also provide statistical evidence suggesting that it is possible to 111 preserve the balance between recovered water volumes and the amount of water used, while ensuring 112 that the system's operation provides the greatest benefits without compromising individuals' health. 113 Along with presenting empirical results for the specific case of Santiago de Chile, the paper provides a 114 demonstration of the method that can be replicated in other countries that need an empirical approach to acquire knowledge about people's preferences in greywater reuse allocation, before including 115 116 greywater reuse schemes in their water and sanitation regulation.

117 **2. DATA**

118 Data for our analysis come from a Stated Choice (SC) survey carried out in Santiago. The Metropolitan 119 Region, where Santiago is located, has water stress problems nowadays (with periods of one to four 120 weeks with very low flows, (Vicuña et al., 2018) and is predicted to become the area with highest deficit 121 in Chile by 2025 (Valdés-Pineda et al., 2014). Currently, residential water demand per capita varies 122 between 150 l/day and over 600 l/day depending on the irrigation of green areas (Bonelli et al., 2014), 123 while water losses due to pipe leaks in the mains water system are around 30% (Aguas Andinas, 2019). 124 Although the main water supply system has been strengthened over the years, it continues to be fragile 125 in the face of significant threats due to climate variability, climate change and population growth 126 (Vicuña et al., 2018).

² https://www.bcn.cl/leychile/navegar?idNorma=1115066

The survey was carried out face to face in 29 of the 37 municipalities of the city, and only household 127 heads or their partners over 18 years of age were interviewed. The information was collected by a 128 129 company with experience with this type of survey. Municipalities were selected from the city areas with 130 drinking water and sanitation services provided by Aguas Andinas, the main water company. In each 131 municipality, the survey was carried out in different non-neighbouring blocks and the households 132 participating in the survey were randomly selected. A final sample of 510 individuals were retained for 133 analysis, of which 65.3% were women, 55.9% were between 18 and 54 years of age, 64.1% had lower 134 than secondary educational level, and 71.4% had no previous knowledge about greywater reuse. These 135 characteristics partially replicate census data reported by (INE, 2018) as shown in Figure 1.



138 **2.1. Survey overview**

139 Although allowed and regulated by Law 21,075, greywater reuse in Chile is not a common practice at 140 present. Hence, the survey first presented individuals with a schematic representation to explain the 141 concepts of greywater and sewage, and showed them how a greywater reuse technology system would 142 work inside their homes. In the next sections, the survey collected answers/ratings related to individuals' 143 reactions to the concept of greywater reuse, characterization of the household (e.g. age, gender), the dwelling (e.g. house size, presence of garden and coverage percentage, kind of coverage – grass or 144 145 another kind of vegetation). The choice experiment and the development of the survey are described in 146 Amaris et al., (2020), and supplementary materials in the present paper gives more detail about the survey form. In what follows, we give an overview of the parts most relevant to this paper (i.e. personalwater reuse choices).

149 **2.2. Choice context**

Personal greywater reuse choices have been studied using hypothetical SC scenarios that were based on real experiences in Spain (Domnech & Saurí, 2010), South Africa (Ilemobade et al., 2013) and the USA (Wester et al., 2016). The aim of the SC component was to estimate the acceptability of reusing treated greywater for different purposes inside the home, measuring respondents' sensitivities to changes in the type of use and changes in water appearance and water bill savings.

Each respondent was shown six different choice scenarios (see Figure 2 for an example of choice scenario), leading to a final sample of 3,060 observations. Each scenario had three alternatives for water supply inside the home, from which the respondent had to choose only one. One of these alternatives was to continue using the conventional water supply system (*status quo*), while the other two used a hybrid water supply that allowed the reuse of greywater for a specific purpose and mains water for other uses.

161



162

163 In the case of the hybrid system the individual had to assume that the greywater treatment device was 164 already installed, was as easy to use as a washing machine, and that there was no additional energy cost, as a solar panel was also already installed. For the two reuse alternatives in the SC scenarios, the treated
greywater in the hybrid system was described by four characteristics at different levels (Figure 3): (i)
type of use, (ii) colour (iii) odour, and (iv) the percentage savings on the water bill (shown as the actual
amount of money saved).

169 The values for each attribute in each scenario were determined on the basis of a D-efficient experimental 170 design (cf. Rose & Bliemer, 2014). The type of greywater uses corresponded to the six most common 171 uses within the house, which consider different levels of contact with the skin. Colour and odour (both 172 with three levels) after treatment, could be caused by the type of treatment (e.g. water purification 173 tablets), or could be introduced deliberately to indicate the contaminant removal success, or to 174 distinguish treated water from that of the mains system (Domnech & Saurí, 2010). Water savings are 175 the result of the lower use of mains water at home due to greywater reuse (Lambert & Lee, 2018; Chen, 176 et al., 2017). This attribute (also with three levels) differed across two reference groups in the choice 177 scenarios: group 1 with 290 households (T1) and group 2 with 220 households (T2); these groups were 178 associated with a monthly water consumption bill below and above US\$ 28.8, respectively.

179 180 Figure 3. Attributes and levels of treated greywater in hybrid decentralized water supply system alternatives in the SC survey

	Alternatives	\succ	Attri	butes	and levels of trea	ated grey water	service		
Hipothetical Environment		1	Colour		Odour	Water savings	Uses	1	
	1: Hybrid water supply: Grey water for one use + main water other uses	P	Colourless	D	Odourless	10% less in the water bill	Toilet flushing Garden irrigation	le	
	2: Hybrid water supply: Grey water for one use + main water other uses	F	Light blue colour	Ŷ	Light chlorine smell	20% less in the water bill	Clothes washing Washing hands	eriment	design
	3: Main water supply only		Dark blue colour	<u>A</u>	Strong chlorine smell	30% less in the water bill	Shower/tub Drinking	Exp	ſ
Tecnollogy already installed, energy cost \$0.			Choices			Scenarios			

181 **3. MODEL FORMULATION AND SPECIFICATION**

We formulated and estimated a latent-class (LC) choice model to identify different segments in the population, each with its own preferences for reusing treated greywater in different uses inside the house. A LC model probabilistically segments the sample population into a number of segments with 185 different behaviour/preferences. In our application, each class was based on random utility theory, 186 which postulates that individuals form a utility for each alternative, based on their perceptions about 187 what characteristics describing a good or service are desirable or undesirable. Decision makers then 188 choose the option that provides them with the highest utility. As the process of utility formation is not 189 observed by the analyst, the models incorporate a random component and the choices become 190 probabilistic (Train, 2009). In our LC model, the different classes are characterised by different 191 sensitivities to the characteristics of the greywater system (Greene & Hensher, 2003). We now describe 192 the two main components of the analysis, namely the model specification and estimation, and the post-193 estimation processing of the estimates.

194

3.1. Model specification and estimation

The LC model uses a probabilistic class allocation model, where respondent *n* belongs to class *k* (out of a total of *K* classes) with probability $\pi_{n,k}$, where $0 \le \pi_{n,k} \le 1 \forall k$ and $\sum_{k=1}^{K} \pi_{n,k} = 1, \forall k$. LC models are generally specified with an underlying multinomial logit (MNL) model inside each class, but can easily be adapted for more general underlying structures (Hess, 2014). Let $P_n(j_{n,t} | \beta_k)$ give the probability of respondent *n* choosing alternative *j* in task *t*, conditional on respondent *n* falling into class *k*, where the model in this class uses the vector of parameters β_k .

We observe a sequence of T_n choices for person *n*, say j_n^* , where alternative $j_{n,t}^*$ is chosen in choice situation *t*. With an underlying MNL model, we have that:

203
$$P_n(j_{n,t}^* \mid \beta_K) = \frac{e^{V_{j_{n,t}^*}}}{\sum_{j=1}^J e^{V_{j_{n,t}}}}$$
(1)

where $V_{j_{n,t}}$ is the deterministic component of utility (i.e. the fraction of utility associated with attributes that the analyst can measure or observe) for person *n*, alternative *j*, in choice situation *t*, given by:

206
$$V_{j_{n,t}} = f(x_{j_{n,t}}, z_n, \beta_k)$$
 (2)

where $x_{j_{n,t}}$ are characteristics of alternative *j* in choice situation *t*, z_n are characteristics of individual *n*, and β_k are parameters to be estimated. The functional form f(x) is typically linear in attributes. Equations (1) and (2) are conditional on respondent *n* falling into class *k*, but this is not observed by the analyst. The unconditional (on *k*) choice probability for this sequence of choices for respondent *n*, $L_n(j_n^* \mid \Omega)$, is then given by:

212
$$L_n(j_n^* \mid \Omega) = \sum_{k=1}^K \pi_{n,k} \left(\prod_{t=1}^{T_n} P_n(j_{n,t} \mid \beta_K) \right)$$
(3)

that is, the weighted sum across the *K* classes of the probabilities of the sequence of choices, with the class allocation probabilities being used as weights. The vector Ω groups together all parameters used in the model.

216 As seen in Equation (3), the LC model uses a weighted summation of class-specific choice probabilities. 217 In the most basic version of an LC model, the class allocation probabilities are constant across 218 respondents, such that $\pi_{n,k} = \pi_k$, $\forall n$. However, the real flexibility arises when the class allocation 219 probabilities are not constant across respondents and a class allocation model is used to link these 220 probabilities to characteristics of the respondents. Typically, these characteristics take the form of socio-221 demographic variables, such as income, age and employment status. With z_n representing the vector of 222 characteristics for respondent n, and with the class allocation model taking a MNL form, the probability 223 of respondent *n* falling into class *k* is given by:

224
$$\pi_{n,k} = \frac{\left(e^{\delta_k + g(\gamma_k, z_n)}\right)}{\sum_{l=1}^K e^{\delta_l + g(\gamma_l, z_n)}} \tag{4}$$

where δ_k is a class-specific constant, γ_k is a vector of parameters to be estimated, and g (·) corresponds to the functional form of the utility function in the class allocation model.

Here, a major difference arises between class allocation models and choice models. In a choice model, the attributes vary across alternatives while the estimated coefficients (with a few exceptions) stay constant across alternatives. In a class allocation model, the attributes normally stay constant across classes while the parameters vary across classes, and are set to zero for one class for normalisation. This allows the model to allocate respondents to different classes depending on their socio-demographic characteristics. For example, a situation where high-income and low-income respondents are allocated to two classes could be represented with a positive income coefficient for the first class (with the coefficient normalised to zero for the second class). In a LC model, taste heterogeneity is accommodatedas a mixture between a deterministic and a random approach.

A probabilistic model is used to allocate respondents to the different classes that characterise different tastes in the sample. However, the class allocation in Equation (4) is not purely random, but a function of socio-demographic characteristics of the respondents. In addition, it is also possible to incorporate heterogeneity in preferences directly in the utility functions in Equation (3), for individual classes, rather than in the class allocation model. In some cases, such as for example an income effect on cost sensitivity, it also makes sense to keep these effects the same across classes.

The LC model was estimated using Apollo v 0.1.1 (Hess & Palma, 2019). The estimation of a discrete choice model involves the maximisation of the likelihood of the observed choices, where we typically work with the log-likelihood function, given by:

245
$$LL(j_n^* \mid \Omega) = \sum_{n=1}^N \log \left(L_n \left(j_n^* \mid \Omega \right) \right)$$
(5)

where *N* is the number of individuals, $L_n(j_n^* | \Omega)$ is given by Equation (1), which itself uses Equations (2) and (4). The log-likelihood function for a LC model is notoriously difficult to maximise, with a risk of convergence to poor local optima. We address this issue by moving away from gradient based approaches and using an expectation-maximisation process (Train, 2009, Chapter 14).

3.2. Posterior analysis

251 The estimation of a LC model provides parameters for the choice model used inside each class, in this 252 case always a MNL model. In addition, we obtain estimates for the parameters used in the class 253 allocation models. The utility parameters provide insights into the preferences and sensitivities within 254 each class, while the class allocation parameters explain the allocation of individuals to different classes. 255 The differences in parameters across classes give insights into the sample level patterns of 256 heterogeneity. Each individual belongs to each class up to a probability, where this probability varies across individuals as a function of their characteristics. For example, in a model that retrieves two 257 258 classes characterised by differences in the sensitivity to cost, the class allocation model will likely show

that higher income individuals have a higher probability of belonging to the class with lower cost sensitivity. However, this treats two individuals who are identical on the socio-demographics used in Equation (4) as also having identical sensitivities, contrary to the notion of random heterogeneity. In addition, it does not provide information about how preferences may vary as a function of sociodemographic (or other) characteristics that were not included in Equation (4).

264 Further insights can be obtained, post estimation, in a Bayesian manner by calculating information relating to a given individual's sensitivities on the basis of the sample level model estimates and her 265 266 observed choices. Let us return to the example with the classes used above. Two individuals with the 267 same income may still make different choices in our data. Bayesian analysis then allows us to further disaggregate the class allocation of these individuals. If one of the two chooses more expensive options 268 269 than the other on average, her likelihood of falling into the low cost sensitivity class is higher. On the 270 other hand, if we have two individuals with different income but the same choice patterns, then the 271 person with lower income will still have a lower probability of falling into the low cost sensitivity class. This is an illustrative example, just to explain the concept, which is now formalised using Bayesian 272 273 analysis as follows.

The first step is to calculate posterior class allocation probabilities, where the posterior probability of individual n for class k is given by:

276
$$\pi_{n,k} = \frac{\pi_{n,k}L_{n,k}\left(j_n^* \mid \Omega_k\right)}{L_n\left(j_n^* \mid \Omega\right)}$$
(6)

where $\pi_{n,k}$ and $L_n(j_n^* | \Omega)$ are given by Equations (4) and (3), respectively, and where $L_{n,k}(j_n^* | \Omega_k)$ is the likelihood of the observed choices for individual *n*, conditional on class *k*, that is, the term inside the sum across classes in Equation (3).

We then use the output of Equation (6) to produce a membership profile for each class. From the parameters in the class allocation probabilities, we know which class is more or less likely to capture individuals who possess a specific characteristic. Crucially, this can be done for characteristics not included in the model specification during estimation. Let us use the example of a given socio284 demographic characteristic z_c . We can then calculate the likely value for z_c for an individual in class k 285 as:

$$286 \qquad \qquad \widehat{z_{c,k}} = \frac{\sum_{n=1}^{N} \widehat{\pi_{n,k}} z_{c,n}}{\sum_{n=1}^{N} \widehat{\pi_{n,k}}}$$
(7)

287 where $z_{c,n}$ is the value for this characteristics for individual *n*. Thus, Equation (7) considers the weighted 288 average of the value for characteristic z_c for all individuals in class k, using the posterior class 289 allocations from Equation (6) as weights. Alternatively, we can also calculate the posterior probability 290 of an individual in class k having a given value κ for z_c by using:

291
$$P(\widehat{z_{c,k}} = \kappa) = \frac{\sum_{n=1}^{N} \widehat{\pi_{n,k}}(z_{c,n} = =\kappa)}{\sum_{n=1}^{N} \widehat{\pi_{n,k}}},$$
(8)

where $(z_{c,n} == \kappa)$ will be equal to 1 if and only if $z_{c,n}$ equals k. 292

293 The calculation of these posterior values for characteristics in each class opens up the possibility of 294 graphical analysis, using three dimensions, as we will demonstrate in Section 4.2.2. In particular, this 295 allows us to study the relationship between the posterior class allocation probabilities (Z dimension) 296 and two different socio-demographics (X and Y) at the same time. In the graphical analysis, the inverse 297 distance weighting method (IDW) was implemented to interpolate the estimates of Z within the data 298 range, which implies that the assigned weights will be bigger at the points closest to the prediction 299 location and that these will decrease as a function of distance. The reason for this is that the IDW method 300 assumes that closer points are more similar than those that are further away. To have a common 301 reference system, the data used for the X and Y axes were standardized.

302

3.3. Initial model specification considerations

303 A number of decisions are needed prior to specify the models. These decisions relate to the levels used 304 as reference for categorical variables, the inclusion of socio-demographic characteristics in the model, 305 the existence of any generic parameters across classes, and the number of classes to use.

306 The survey used three alternatives, two of which were greywater reuse (GWR) options, and the third

307 implied using mains water. We specified mains water as reference and, thus, a parameter for each of the six types of greywater reuses could be estimated. In addition, we estimated a constant for the left-most alternative, to capture any left-to-right (reading) bias in the data. The other categorical variables were related to odour and colour; here we again used dummy coded coefficients, with the best level (i.e. clear for colour, and odourless for odour) being the reference and fixing its parameter to zero for identification.

313 In LC models, the socio-demographic parameters are typically used only in the class allocation model, 314 (i.e. to explain which types of individuals are more or less likely to fall into given classes). For extra 315 flexibility, we additionally incorporated some socio-demographic variables directly in the utility 316 functions. These variables related to differences in the preferences for different GWR uses as a function 317 of gender and past knowledge, and in the sensitivity to water bill savings as a function of the current 318 level of water expenditure in the household. These socio-demographics were kept generic (i.e., with the 319 same parameter) across classes. In addition, the sensitivity to the water bill savings was kept constant 320 across classes, as earlier results showed that segmenting by level of expenditure was sufficient to 321 capture the heterogeneity in cost sensitivity.

322 Within individual classes, we also tested for the significance of differences between parameters, and 323 imposed some constraints where appropriate; for example, if the preferences for two or more uses were 324 found not significantly different from each other. These constraints are highlighted in the presentation 325 of the results. Similarly, some parameters were excluded from specific classes if the associated 326 attributes did not have a significant impact on utility in those classes (marked in the tables as n.s., for 327 non-significant to distinguish from those parameters fixed to zero as reference). Finally, socio-328 demographic characteristics were also incorporated in the MNL class allocation model. For 329 identification purposes, we set class 1 as reference and estimated an offset (δ_k in Equation (4)), as well as socio-demographic effects (γ_k) , for the other classes. 330

A key decision in specifying a LC model relates to the number of classes to use. We evaluated different models to define the optimal number of classes (Table 1). The log-likelihood (LL) improves with additional classes, but at the cost of additional parameters. In line with best practice for LC models, we compared models on the basis of the Akaike Information Criterion (AIC) and Bayesian Information Criterion (BIC). While the former favoured a 5-class model, the latter narrowly favoured a 3-classs model. The 4-class model provided a good balance between the two, with additional behavioural insights over the 3-class model. Some further parameter constraints (i.e. removing insignificant parameters) in this model led to our final specification.

Table	e 1. Determi	ning the num	ber of cla	sses
Number		N° of		
of classes	LL	parameters	AIC	BIC
1	-3,129.02	18	6,294.04	6,370.25
2	-2,398.48	31	4,858.96	4,990.23
3	-2,319.93	45	4,729.85	4,920.40
4	-2,282.31	58	4,680.63	4,926.22
5	-2,262.79	69	4,663.58	4,955.75
4 (with additional Constraints)	-2,304.57	34	4,677.15	4,882.04

340

339

341 **4. RESULTS AND DISCUSSION**

342 **4.1. Estimation results for final model**

When working with LC models, an analyst needs to make a decision between an "exploratory" LC model and a "confirmatory" LC model (cf. Hess, 2014). While "confirmatory" LC is useful for testing for the presence of specific behavioural traits, "exploratory" LC lets the data "speak", that is, the preferences in the classes as well as their composition are revealed by the data, rather than pre-imposed by the analyst. We use such an "exploratory" LC model, where the four classes can then be interpreted by studying the estimated sensitivities to different characteristics, including the type of use and the appearance of the treated greywater.

The results in Table 2 show the parameter estimates (which give the impact on utility by a given attribute) alongside the robust t-ratios (given by dividing estimates by their robust standard errors, with for example 1.96 implying a 95% significance level for rejecting the null hypothesis that the parameter is not different from 0 in a two-sided test). The parameters show the impact of the attribute on utility, with a negative sign implying a reduction in utility (i.e. an undesirable attribute), and the opposite applying for a positive estimate.

357

Table 2. Estimation results for latent class model

	Clas	ss 1	Clas	s 2	Clas	ss 3	Clas	ss 4
	Estimate	Robust t- ratio	Estimate	Robust t-ratio	Estimate	Robust t-ratio	Estimate	Robust t-ratio
(1) ALTERNATIVE SPECIFIC	CONSTAN	Т						
Left alternative †	-0.367	-6.39	-0.367	-6.39	-0.367	-6.39	-0.367	-6.39
(2) GREY WATER APPEARAN	CE							
Colour								
Clear (reference)	0	reference	0	reference	0	reference	0	reference
Light blue	0	n.s.	0	n.s.	0	n.s.	-1.301‡	-2.05
Dark blue	-0.313	-3.13	0	n.s.	-0.619	-5.09	-1.301‡	-2.05
Odour								
Odourless (reference)	0	reference	0	reference	0	reference	0	reference
Light chlorine	-0.169	-1.45	0	n.s.	-0.472	-3.53	0	n.s.
Strong chlorine	-0.816	-6.48	-11.057	-21.08	-1.032	-6.4	0	n.s.
(3) USES								
0. Mains water (reference)	0	reference	0	reference	0	reference	0	reference
1. Toilet flushing	3.963 [‡]	6.74	-4.959 [‡]	-9.79	0.303‡	2.14	5.957 [‡]	2.1
shift for female [†]	0.728	4.26	0.728	4.26	0.728	4.26	0.728	4.26
\dots shift for previous knowledge [†]	0.375	1.35	0.375	1.35	0.375	1.35	0.375	1.35
2. Garden irrigation	3.963‡	6.74	-4.959 [‡]	-9.79	0.303‡	2.14	5.957‡	2.1
3. Clothes washing	3.963 [‡]	6.74	-4.959 [‡]	-9.79	0.303‡	2.14	0	n.s.
\dots shift for female [†]	0.257	1.75	0.257	1.75	0.257	1.75	0.257	1.75
\dots shift for previous knowledge [†]	0.448	2.22	0.448	2.22	0.448	2.22	0.448	2.22
4. Hands washing	3.71 [‡]	5.98	-4.959 [‡]	-9.79	0	n.s.	0	n.s.
\dots shift for female [†]	0.289	2.05	0.289	2.05	0.289	2.05	0.289	2.05
5. Shower/Tub	3.71 [‡]	5.98	-15.29 [‡]	-18.02	0	n.s.	0	n.s.
6. Drinking	2.397	3.88	-15.29 [‡]	-18.02	-0.82	-3.33	0	n.s.
shift for female [†]	0.448	2.15	0.448	2.15	0.448	2.15	0.448	2.15
(4) SAVINGS ON WATER BILL								
Low water expenditure group [†]	0.089	4.26	0.089	4.26	0.089	4.26	0.089	4.26
High water expenditure group [†]	0.039	3.39	0.039	3.39	0.039	3.39	0.039	3.39

	Clas	is 1	Clas	s 2	Clas	is 3	Clas	s 4
	Estimate	Robust t-ratio	Estimate	Robust t-ratio	Estimate	Robust t-ratio	Estimate	Robust t-ratio
CLASS ALLOCATION MODEL								
Constant	0	reference	-1.574	-3.7	-0.595	-2.41	-8.091	-5.52
Low educational level	0	reference	0.723	2.75	0.471	1.79	-1.046	-1.95
Garden	0	reference	-0.824	-2.49	0	n.s.	6.771	4.34
House	0	reference	1.402	2.98	0	n.s.	0	n.s.
Class weight	404	%	249	%	309	%	69	6

358 359 *†: parameter shared across classes*

‡: parameter shared across multiple uses or multiple levels of categorical attribute

360 n.s.: parameter constrained to zero after initial estimate was not significantly different from zero

361

362 4.1.1. Generic parameters

363 Parameters indicated with the symbol *†* in Table 2 are generic across classes. They fall into three 364 categories. First, there is an alternative specific constant (ASC) for the left-most alternative, which captures the difference in baseline utility between the two greywater reuse options. The negative value 365 366 shows that, all else being equal, respondents will choose the middle option (i.e. the second GWR 367 alternative) more often than the first. There is no apparent reason for this, as the survey design was 368 balanced. Second, there are a number of generic socio-demographic effects. These relate to differences 369 in sensitivities between men and women, and between those with and without prior knowledge. Women, 370 for example, have an additional increase in utility compared to men, if water reuse is for flushing toilets 371 (0.728), laundry (0.257), handwashing (0.289) and drinking (0.448). Previous knowledge only results 372 in an additional increase in utility if water reuse is for toilet flushing (0.375) and clothes washing 373 (0.448). Note that the impact of gender on the utility of reusing greywater for toilet flushing is much 374 larger than that of having prior knowledge, while the opposite is true for laundry.

The third and final generic set of parameters relate to the savings in the water bill. This is subject to household water consumption, so the model contains two estimates, one for the low consumption group and another for the high consumption group. Each time, the coefficient multiplies the actual saving expressed in 1000s of Chilean pesos (CLP). The results show that the impact per 1000 CLP in savings for the low water consumption group are more influential (0.089) than for the high water consumption group (0.039). The influence exerted by the savings attribute is positive, which is an indication that this attribute is key to achieving higher acceptability of reusing water for different uses.

382

4.1.2. Class specific parameters

We now look at those parameters which vary across the four classes, as well as giving a behaviouralinterpretation to each class.

385 **Class 1 – Enthusiasts:** this class corresponds to individuals who have a positive perception of reusing 386 treated greywater for the six uses considered. Table 2 shows that toilet flushing, garden irrigation and 387 laundry are perceived the same in terms of benefits and are also the uses with greater utility. Reusing 388 greywater for washing hands or shower/tub has the same utility in this group, slightly lower than the 389 previous three uses, but still with a substantially higher utility than reusing treated water for drinking. 390 Regarding the impact of appearance on utility, increased colour (though not if only increasing to light 391 blue) and odour levels negatively influence acceptability, especially if the treated water has high levels 392 of odour (-0.816). In this class, the influence of appearance (colour and odour) on utility is small 393 compared to its influence in the other classes. Furthermore, for this group, the positive impact of using 394 treated greywater on utility is much higher than the negative utility resulting from changes in the 395 appearance that the use of treated greywater would produce.

396 **Class 2** – **Greywater sceptics**: this class corresponds to individuals who have a negative perception of 397 greywater reuse, especially those uses that require more direct skin-to-water contact (shower/tub and 398 drinking). The size of the estimates shows that, in this class, the difference in utility between mains 399 water and greywater is much larger than in other classes, with a substantial loss of utility for greywater 400 options. This loss is further amplified if the water has a strong chlorine smell, while colour is not a 401 characteristic that influences the utility in this class.

402 **Class 3** – **Appearance conscious:** this class corresponds to individuals who perceive positively 403 greywater reuse for toilet flushing, garden irrigation and laundry if the treated greywater is odourless 404 and clear/transparent. In this class, individuals are more sensitive to changes in the appearance of treated 405 water than to the uses themselves (comparing the weights of the appearance attributes with the weights 406 for uses). The three uses with a positive utility (compared to mains water) are those that require less 407 skin contact.

408 Class 4 – Water expenditure conscious: this class corresponds to individuals who have an increase in 409 utility when treated greywater is available for toilet flushing and garden irrigation. We label these as 410 expenditure conscious, as the preferred uses for these consumers are those with highest water 411 consumption (toilet flushing between 10 and 20 litres per flush, while a 100 m² garden area can use up 412 to 1000 litres, SISS, 2019). Additionally, in this class, changes in the colour level of water are highly 413 influential compared to individuals from other classes. However, the utility of using treated greywater 414 for toilet flushing and garden irrigation is much higher than the loss of utility associated with changes 415 of appearance.

416 *4.1.3.* Class allocation model

417 The final part of the model estimates relates to the class allocation model (see Table 2). This component418 explains which respondents are more likely to fall into specific classes. At the sample level, the

419 probability of belonging to Class 1 is 40%, of belonging to Class 2 is 24%, 30% for Class 3 and only 420 6% for Class 4. These sample level class allocation probabilities are driven in large parts by the offset 421 $(\delta_k$ in Equation (4)) included in the class allocation model, where with Class 1 taken as reference, negative constants for the remaining classes are observed. These constants relate to an individual in the 422 423 base socio-demographic group (mid or high education, without a garden and living in a flat), where the 424 probability of belonging to Class 1 is the highest (and the lowest for Class 4). However, these 425 probabilities vary as a function of respondent characteristics. Note that having a lower level of education 426 increases the likelihood of belonging to the sceptic class (Class 2) or the class concerned about 427 greywater appearance (Class 3). Having a garden reduces the likelihood of falling into the sceptic class (Class 2) and substantially increases the likelihood of falling into Class 4, which assigns high utility for 428 429 using greywater for garden irrigation (with Equation (4) implying a change in probability for class 4 430 from near zero to 14%). Thus, this finding is entirely in line with expectations. Finally, those living in 431 a house as opposed to a flat, have an increased likelihood of falling into Class 2.

432 **4.2. Posterior - analysis**

The discussion in Section 4.1.3 focussed on the sample level class allocation probabilities. This process only requires the class allocation model, and thus implies that the class assignment probabilities are identical for individuals with the same characteristics. We now go a step further, making use of the approach in Section 3.2 to determine posterior class allocation, using the estimates of the sample level model and the observed choices of each individual. Unlike the direct results from the class allocation model, this posterior analysis makes use of respondent characteristics that were not included in the class allocation model.

440

4.2.1. Posterior values of socioeconomic characteristics across classes

In Table 3 we compare the posterior share (cf. Section 3.2) of given sociodemographic characteristics across classes. For each characteristic, the crucial comparison is against the sample average, showing whether individuals with given characteristics are more likely to fall into specific classes. There is also

- some insight to be gained by comparing the posterior across characteristics (e.g. male vs. female), but
- 445 care needs to be taken if there are differences in the sample level representation.

Socio-economic characteristic	Class 1	Class 2	Class 3	Class 4	Sample average
Gender					
Male	0.37	0.32	0.34	0.34	0.35
Female	0.63	0.68	0.66	0.66	0.65
Age					
Under 30 years old	0.16	0.09	0.06	0.10	0.11
Between 30 and 60 years old	0.57	0.55	0.62	0.65	0.58
Over 60 years old	0.28	0.36	0.32	0.25	0.31
Education level					
Elementary school	0.18	0.22	0.10	0.10	0.16
High school	0.37	0.48	0.54	0.24	0.44
Technical education	0.17	0.13	0.14	0.21	0.15
University studies	0.23	0.11	0.14	0.42	0.18
Main occupation					
Stay at home	0.24	0.31	0.26	0.25	0.26
Retired	0.15	0.19	0.15	0.12	0.16
Part-time	0.05	0.04	0.06	0.12	0.05
Full-time	0.48	0.41	0.50	0.40	0.47
Income					
Under 600 USD	0.42	0.47	0.42	0.40	0.43
Between 600 – 1,820 USD	0.48	0.44	0.49	0.40	0.47
Over 1,820 USD	0.10	0.09	0.09	0.21	0.10
Previous knowledge about water reuse					
None	0.65	0.79	0.68	0.48	0.68
Medium	0.11	0.06	0.12	0.17	0.10
High	0.25	0.15	0.20	0.35	0.21

Table 3.Socio-demographic characterization into the classes

447

446

448 Gender. Women have a larger overall representation in our sample. We see only small differences in 449 the posterior allocation to the different classes. The highest female concentration is in Class 2 and the 450 highest male concentration is in Class 1. This indicates a more negative view of GWR by women than 451 by men, which is in agreement with results obtained in other studies (Amaris et al., 2021; Wester et al., 452 2015), which have been linked to the higher susceptibility of women to associate reuse with high levels 453 of risks (Mankad & Tapsuwan, 2011). However, it is important to highlight that other studies have also 454 found the opposite effect or no relation between gender and water reuse acceptability (Garcia-Cuerva 455 et al., 2016; Mason et al., 2018).

456 Age. Individuals between 30 and 60 years old are predominant in the sample. Our posterior analysis

457 shows that individuals under the age of 30 have a higher representation in the enthusiasts class (Class

458 1) and a much reduced share in the class caring about appearance (Class 3). People between 30 and 60

459 years old have a higher representation in classes 3 and 4, where reusing water is desirable if greywater

has a similar appearance to the mains water, or if more indirect uses are considered (i.e. toilet flushing
and garden irrigation). Individuals over the age of 60 have a higher representation in Class 2, where
reusing greywater for any option is undesirable, and a reduced share especially in Class 4.

463 *Education level.* Our sample had a majority of individuals with high school, followed by individuals 464 with university studies, technical education, and elementary school. Our results show that people with higher educational levels are more likely to belong to classes that have a positive perception of reusing 465 water for two or more uses (classes 1, 3 and 4). People with elementary school only are most likely to 466 467 belong to Class 2 (water reuse sceptics), people with high school education have a greater frequency in 468 Class 3 (appearance matters), and people with technical or university education have a greater frequency 469 in Class 4 (greywater for indirect uses) and Class 1 (water reuse enthusiasts). In general, our results are 470 consistent with outcomes revealed Gu et al. (2015) who suggest that people with higher educational 471 levels are more willing to reuse greywater. However, our results also show detailed information 472 indicating that according to the educational group of the individual, the appearance and the uses could 473 have a greater or reduced level of importance.

474 *Main occupation.* The sample was composed mainly of individuals working full-time, followed by 475 people that stay at home, old age pensioners and, finally, individuals with a part-time job. Our results 476 indicate that individuals who are at home or retired have a higher concentration in Class 2, i.e. those 477 who would dislike reusing water, people with a part-time job have a greater presence in Class 4, while 478 this class is the least likely one for people with a full-time job.

Income: Households with the lowest monthly income (under 600 USD) have a higher frequency in Class 2 (greywater reuse sceptics) than in any other class. Households with an intermediate monthly income (between 600 USD and 1,820 USD) have their highest frequency in classes 1 (enthusiasts) and 3 (appearance conscious). Finally, households with highest income (over 1820 USD) are more prevalent in Class 4 (water expenditure conscious), and this is likely correlated with having gardens and larger properties.

485 Previous knowledge about water reuse. Most individuals in our sample had no previous knowledge 486 about water reuse, as expected in a country only starting to allow residential greywater reuse. As anticipated, individuals without previous knowledge about water reuse have the highest presence in 487 488 Class 2 (greywater sceptics). In contrast, people with high knowledge have a notable greater presence 489 in Class 4 (most indirect uses) and Class 1 (enthusiasts); this has also been reported before (Garcia-490 Cuerva et al., 2016; Dolnicar et al., 2011). Likewise, individuals with medium knowledge have a similar 491 incidence in the classes with a positive perception of reusing water for two or more uses (classes 1, 3 492 and 4).

493 *4.2.2. Posterior values of household characteristics across classes*

494 Section 4.2.1 focussed on socio-demographic characteristics of the survey respondent. As it is quite 495 conceivable that household and dwelling characteristics might also influence preferences, we extended 496 the analysis to such variables, focusing on household composition, and two key dwelling influences on 497 water consumption, namely the number of bathrooms and the presence of gardens. The results of this 498 analysis are summarised in Table 4, using the same approach as in Section 4.2.1.

Table 4. Household characterization into the classes

Socio-economic characteristic	Class 1	Class 2	Class 3	Class 4	Sample average
Presence of sensitive population					
Homes with kids under 15	0.41	0.43	0.41	0.39	0.41
Homes with adults over 74 years old	0.17	0.22	0.14	0.18	0.17
Number of people living in the same place					
1 to 2	0.28	0.29	0.35	0.24	0.30
3 to 5	0.61	0.60	0.53	0.64	0.59
Over 5	0.11	0.11	0.12	0.12	0.11
Number of bathrooms					
1 to 2	0.65	0.62	0.71	0.47	0.65
3 to 5	0.35	0.38	0.28	0.49	0.34
Garden					
Front garden (1)	0.25	0.25	0.27	0.18	0.25
Rear garden (2)	0.09	0.06	0.10	0.01	0.08
Front and rear garden (3)	0.51	0.50	0.47	0.81	0.51
None (4)	0.15	0.19	0.17	0.00	0.16
Type of garden					
Front garden with grass	0.28	0.31	0.33	0.43	0.31
Front garden with another type of vegetation	0.59	0.65	0.55	0.85	0.61
Rear garden with grass	0.14	0.12	0.13	0.41	0.15
Front garden with another type of vegetation	0.39	0.36	0.32	0.52	0.37

⁴⁹⁹

In addition, we produced contour diagrams (Figure 3), where we summarize the prevalence of characteristics across classes for the three most influential features of the households: presence of sensitive population (i.e. with people under the age of 15 and over the age of 74), household size, and presence and location of gardens. The highest concentrations are shown in darker colours and correspond to values higher than 0.5 on a 0 - 1 scale. We used three dimensions: (i) the characteristics of the home on the X-axis, (ii) the age of the individual making the decision on the Y-axis, and (iii) the latent classes 1, 2, 3 and 4 in the Z-axis.

508 **Presence of a sensitive population:** Respondents whose households include sensitive population were 509 more prevalent in Class 2 (0.43), i.e. the greywater sceptics (Table 4). A reason for this could be that 510 people in these age ranges are more susceptible to acquiring infections (Leng & Goldstein, 2010). 511 Additionally, the prevalence in each class was found to vary as a function of relative age. For example, 512 if the youngest family member is between 0 and 30 years old, then respondents between 20 and 35 have 513 a higher probability of belonging to Class 1 (greywater enthusiasts – Figure 4-A1). If the youngest 514 person among the household's members is between 20 and 40, then individuals between 50 and 65 have 515 a higher probability of belonging to Class 1. We also found that if the oldest family member was 516 between 50 and 70 or over 85, then individuals between 25 and 30 had a high probability of belonging 517 to Class 1 (Figure 4-B1).

In the case of Class 2, individuals whose youngest family members were under the age of five had a higher probability of belonging to this class. Moreover, the highest probability of belonging to this class is for 60-year old individuals with the youngest family member being in their twenties. Concerning people more likely to belong to Class 2, there are different sensitivities between the different age ranges and the age of the household's members. For example, younger individuals (20 - 35 years of age) are more likely to belong to this class if the oldest family member is more than 80 years old. People in other age ranges are likely to belong to this class if they have family members older than 65.



Figure 4. Posterior share in classes according to the most influential dwelling characteristics

The predominant individuals in Class 3 would be mainly: (i) people between 20 and 30 years old whose family has one or more adults between 65 and 80 (Figure 4-A3); (ii) individuals between 30 and 45 years old with the youngest member of the family being between 15 and 20, and if there are adults over 50 years old among the household (Figure 4-B3); (iii) individuals between 45 and 60 years old living with children under the age of 5.

Class 4 is dominated by three groups, namely: (i) individuals near to 20 years of age living with younger family members (Figure 4- A4) or family members older than 65 years old (Figure 3- B4); (ii) individuals of approximately 35 years of age, whose family members have similar ages (Figure 4- A4) or family members older than 90 (Figure 4- B4); and (iii) individuals over 50 living in households with one or more individuals aged around 20 years (Figure4-A4, or in the case that there are family members over 70-year-old, Figure 4-B4).

Household size: Single-person household have a greater prevalence in Class 3, where the appearance of greywater matters most. Households with 3 to 5 people have greater representation in Class 4, and households with more than 5 people are homogeneously distributed across classes. Household size is a characteristic that has been previously defined as relevant. For example Mason et al. (2018) found that the likelihood of using greywater during dry seasons increases by 24% for each additional household member. Nevertheless, our results complement that information with a more detailed analysis about uses and types of consumers.

546 *Garden presence and its location:* Overall, households belonging to Class 4 have a higher incidence of 547 gardens, with a prevalence of mixed gardens with vegetation different from grass, mainly in their front 548 yards. Dwellings of respondents belonging to classes 1, 2 and 3 consistently have a small presence of 549 gardens with grass, and a higher presence of front yards with vegetation other than grass. Note that 550 these characteristics, which are associated with bigger dwellings (i.e. large number of bathrooms, 551 presence of gardens), and more household members, are associated with households who tend to have 552 a higher prevalence in class 4.

554 **5.** CONCLUSIONS

This study aimed to extend our understanding about heterogeneity in the acceptability of uses for treated greywater and the factors that influence it, by focusing on the interaction of variables that rarely receive attention. The most novel finding is associated with the possibility of quantifying the relationship between the acceptability of reusing water, by use, and the characteristics of a consumer, their household and their dwelling. Our approach offers numerical support for making predictions about how different latent classes of individuals may behave when facing different reuse options.

In particular, the method implemented has been more commonly used in other disciplines such as transport research, health and most recently in innovation appliances. The latent class approach we used is valuable in showing that a pre-feasibility empirical analysis can be carried out to assess greywater projects or initiatives in zones with no experience in reusing water. Likewise, these results are valuable to demonstrate that uses other than flushing toilets and garden irrigation can also be accepted once the potential users are aware of all possible uses of treated greywater.

567 This study considers the case of residents in future buildings that must adhere to new greywater 568 regulations, which establish that new buildings must have a parallel greywater system. However, future studies should incorporate the cost of technology, operation and maintenance in order to include those 569 570 consumers that want to adopt these new systems in their existing dwellings. These studies can be based 571 on real-world pilot experiences carried out in areas with a high concentration of people, with 572 characteristics similar to those identified in our study as having the highest level of acceptability of 573 GWR. On the basis of that new evidence, policies can then be updated to produce management 574 strategies that can achieve greater user acceptability.

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584 LIST OF ACRONYMS

- 585 Acronyms:
- 586 AIC: Akaike Information Criterion
- 587 ASC: alternative specific constant
- 588 BIC: Bayesian Information Criterion
- 589 CLP: Chilean pesos
- 590 GWR: greywater reuse
- 591 IDW: inverse distance weighting
- 592 INE: National Statistics Institute (Instituto Nacional de Estadísticas)
- 593 LC: latent class
- 594 MNL: multinomial logit
- 595 n.s.: not significant
- 596 SC: stated choice
- 597 T1: households with monthly water bills below US\$28.8
- T2: households with monthly water bills above US\$28.8
- 600 Symbols in equations:
- 601 <u>Vectors in data:</u>
- 602 $x_{i_n t}$: characteristics of alternative *j* in choice situation *t* for respondent *n*
- 603 z_n : characteristics of respondent *n*
- 604 j_n^* : sequence of observed choices for respondent *n*
- 605 $j_{n,t}^*$: observed choice for respondent *n* in task *t*
- 606
- 607 Probabilities and likelihoods:
- 608 $\pi_{n,k}$: class allocation probability for respondent *n* for class *k*
- 609 $P_n(j_{n,t} | \beta_k)$: probability of respondent *n* choosing alternative *j* in task *t*, conditional on being in class *k*
- 610 $L_n(j_n^* \mid \Omega)$: likelihood of observed sequence of choices for respondent *n*, conditional on vector of
- 611 parameters Ω
- 612 $LL(j_n^* \mid \Omega)$: log-likelihood of observed sequence of choices for respondent *n*, conditional on vector of
- 613 parameters Ω
- 614
- 615 <u>Parameters and functional form:</u>
- 616 β_k : vector of utility parameters in class k
- 617 $V_{j_{n,t}}$: deterministic component of utility for person *n*, alternative *j*, in choice situation *t*
- 618 f(x): functional form for utility function in within-class model
- 619 Ω : vector grouping together all parameters used in the model
- 620 $g(\cdot)$: functional form of the utility function in the class allocation model
- 621 δ_k : class-specific constant for class-allocation model
- 622 γ_k : vector of parameters for class-allocation model utility for class k
- 623 624 Indices:
- 625 *j*: index for alternatives (j=1,...,J)
- 626 *k*: index for latent classes (k=1,...,K)

627 *n*: index for individuals (n=1,...,N)

628

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744 6. SUPPLEMENTARY MATERIALS

745 **6.1. Survey**

SECTION 1 - RESIDENTIAL WATER REUSE OPINION

Here are some questions to do about your opinion on the reuse of water in homes:

1 Before today, had you heard about residential water reuse?

Yes	No	 →	Skip to 3
1	2] [

2 From what you had heard about water reuse, how much do you feel you previously knew about this subject? Use a scale from 1 to 5 to respond, with 1 being "little, I've only heard comments" and 5: "a lot, I found out information about it".

Little, I've only heard comments				A lot, I found out information about it
1	2	3	4	5

3 Have you ever reused water?

Yes, I reused water,	Yes, I currently	NO, but I would like	NO, and I would
but not any more.	reuse water	to	NOT like to
1	2	3	

4 The following questions are related to the reuse of treated greywater inside the home, for that, we want to show you how this system works [SHOW CARD 3]. The water from washing machine, shower/bath and sink, "called grey water" goes through treatment, storage and finally can then be used in various applications. The best treatment conditions allow to obtain water of quality sufficient for several uses. What would you be willing to use your own treated greywater for after such treatment? You can select more than one option.

None	Garden irrigation	Toilet flushing	Clothes washing	Shower / bath	Hand washing	Drinking
0	1	2	3	4	5	6

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SECTION 2 - STATED PREFERENCES

To answer this section: Imagine that your home has this device to treat greywater with highest water quality standards, and the device is activated by pressing a button, and the cost of energy is 0.0 USD (Energy: Solar panel).



A1	ALTERNATIVE A	ALTERNATIVE B	ALTERNATIVE C
	REUSE TREATED GREYWATER FOR:	REUSE TREATED GREYWATER FOR:	
Water supply system	GARDEN IRRIGATION	SHOWER	TAP WATER FOR ALL USES
Attributes of water service:	Tap water for other uses	Tap water for other uses	
Colour caused by treatment	Transparent	Light Blue	Transparent
Odour caused by treatment	Strong chlorine odour	Odourless	Odourless
Monthly savings expected on the water bill	Saving \$ 3.00	Saving \$ 8.00	Saving \$ 0.00
elect the alternative			
of your preference:	 I prefer alternative A 	 I prefer alternative B 	 I prefer alternative C

0 Number of people living in the house:	
1 How many of the people living in your hou	sehold are under 18:
12 How many of the people living in your how	sehold are over 74:
13 How many of the people living in your hou	sehold need special care:
14 Indicate the type of dwelling you live in:	16 Does your house have a private garden?
ି House	ୁ Yes 🔹 No
Apartment	
15 This property is	17 The garden is
15 This property is	17 The garden is
5 This property is C Owned/mortgaged C Rented	17 The garden is C Front C Rear C Front and rear
15 This property is C Owned/mortgaged Rented Informal settlement	17 The garden is C Front C Rear C Front and rear
15 This property is C Owned/mortgaged C Rented C Informal settlement C Another condition	17 The garden is