

# “Better-for-You” Products Cleaning Up Market Share

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## Not Your Mother’s Household Cleaning Products

Take a look at any cleaning aisle at our local grocery or big box store and you’ll see something your parents likely never did at your age: a wide selection of “green” products that promise to be better for you than the harsh chemical-laden products surrounding them. Why the push towards more natural products? McKinsey found that 70 percent of millennials, the generation born between 1980 and 2000 that are expected to drive consumer growth for the next 20 years, are concerned about the safety of ingredients in household cleaning products. From general cleaners and dishwashing detergent to toilet bowl and washing machine cleaners, the U.S. has officially embraced a gentler, safer clean.

For years, consumers have been transitioning from choosing products based on brand name alone, to selecting products based on their ingredients. The food and beverage industry may have been first to earn the attention of savvy consumers who had greater access to information about unhealthy ingredients, such as artificial preservatives and flavorings, colors and additives, and trans fats. As many as 53 percent of consumers, particularly millennials, say they read labels most of the time when they purchase a product, 69 percent seek products with no artificial ingredients, and 67 percent look for “no

preservatives". They continue to put their money where their mouth is, buying alternative products that appeared to be better, "clean label" options. Their care of what is going *into* their bodies soon spilled over into what went *onto* their bodies.

The personal care market, one that has notably lacked transparency in labeling, had to decide how to respond to consumers who wanted "cleaner" cosmetics, body lotions, and cleansers. Some of the major players still hide their ingredients, just as new brands continually emerge to cater specifically to consumers who are willing to spend a little more to have peace of mind that the product ingredients are safe. According to a Harris Poll Survey, 69 percent of women 35 years and older prefer green beauty products and a staggering 75 percent of millennial women seek those products.

Next to follow has been the household product industry. Our environment, the air we breathe and the things we touch, impact our health as much as what goes into and on our bodies. The Environmental Working Group (EWG) says, "We spend at least half of each day indoors, where there may be two to five times as much air pollution as outdoors. The greatest contributors are sneaky chemicals, including household products. Recent research has found that many household cleaning products contain harmful ingredients and impurities, including formaldehyde, and other volatile organic chemicals, 1,4-dioxane, and toxic fluorinated chemicals known as PFAs or PFCs."

Many consumers no longer want the smell of bleach lingering in their laundry and bathrooms. They are questioning the value of floors smelling like pine trees. They wonder if the packaging has warning labels and the Poison Control hotline number, how safe can it be for their families? Cleaner, safer products are no longer reserved for "tree huggers", hippies or chemophobic. No, better-for-you products are going mainstream because consumers know too much now. They want transparency so they can make up their own minds of what products they feel good about bringing into their homes.

## What's All The Fuss?

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The chemicals in question can have long-term effects. The Environmental Working Group's investigation of more than 2,000 cleaning supplies on the American market found, "A large and growing body of evidence links frequent use of many ordinary cleaning supplies at home or on the job with development of asthma and other respiratory problems. Although government scientific and regulatory agencies have focused considerable attention on chemicals suspected of causing cancer, they have devoted far fewer resources to evaluating substances that may be toxic to the brain and nervous system, the hormone system, and other organs."

Project TENDR found a link between chemicals found in household products and neurodevelopmental disorders, including autism and attention-deficit disorders and the Federation of Gynecology and Obstetrics believes many of these chemicals are threatening

healthy human reproduction.

A survey by [Made Safe and Safer Chemicals](#) reported that 71 percent of the consumers surveyed said they prioritize health and safety of products and 70 percent said they prioritize products free of certain toxic chemicals. According to the survey, these attributes were more important to consumers than “convenience, country of origin, environmental impact, product performance, price and social/human rights/labor impact.” Further, 80 percent of these consumers are willing to spend more for these safer products.

As consumers become more educated, they are demanding safer products, giving rise to what [The Hartman Group](#) terms the “Wellness Market.” Wellness means different things to different people, but the common denominator is the focus on holistic wellness. Millennials seem to be leading the way, opting for better-for-you products in every aspect of their and their family’s lives. To them, what goes into their body, onto their body, and is around their body matters.

## But Does It Work?

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With the push for safer products, there is a caveat when it comes to household cleaners: they must work. [Nielsen](#) found efficacy tops the list of the most important attributes of a cleaning product, according to 61 percent of global respondents, more than previous experience with the product, a trusted brand name or even value. The best products, they say, will combine efficacy with innovative features.

All evidence points to the fact that consumers are looking for simple but powerful ingredients, a “back to basics” approach that satisfies both their health concerns and their budgets. Simpler ingredients can often mean more affordable. Nielsen also found that 59 percent of consumers are looking for high-performance laundry detergent and 41 percent seek the lowest-cost option. While price is likely a concern, particularly amongst budget-conscious millennials, products will only stand the test of time if they deliver a safer clean with a powerful punch.

Consumers basically have three options when purchasing household cleaners:

1. Harsh chemicals that leave toxic residues, but are effective
2. Green options that aren’t always effective and are be pricey
3. Better-for-you brands that are powerful, safe, and affordable

These better-for-you brands are rising in popularity. [Nielsen’s Food, Drug & Mass Merchant Sales Tracking report](#) found that better-for-you brands are already providing 2-3x the category growth of traditional brands. They are typically independent, smaller brands that

are attractive to consumers who mistrust big brand manufacturers who either claim to be green but aren't or acquire the independent brands and roll them up into their broader product mix.

## The Lean, Green, Millennial Machine

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The Financial Times reported that the World Data Lab forecasts the global spending power of millennials will "soon be greater than any generation and they will shape the direction of the world's economy." This scenario is already taking shape, with Accenture finding that millennial shoppers spend about \$600 billion in the U.S. each year. Forbes says, "Skepticism about conventional products is, in part, fueling this market growth."

Millennials have been raised with technology, able to compare prices, read reviews and easily find information on products and ingredients, at least amongst those brands who reveal their ingredients. This age group have been raised to be skeptical about what they see and hear, questioning claims of big corporations and seeking recommendations and reviews before they purchase.

They are also burdened with financial debt their parents didn't have, including student loans and credit card debt. Bloomberg reports debt among 19-29 year old Americans exceeded \$1 trillion at the end of 2018, with the majority of that debt attributed to student loans. This is forcing them to watch their spending. Even so, millennials are unwilling to sacrifice health and safety for price. While 72 percent are increasingly looking for ways to save money, they'd rather use coupons, seek discounts, or wait until their preferred products go on sale than "buy down" – buying a cheaper or private-label product that didn't meet their efficacy and safety standards.

This perspective opens up new possibilities for brands who can deliver on efficacy, safety, and affordability. But all isn't roses, particularly for manufacturers who aren't trusted or believed to place their bottom line above consumer health concerns. Further, it doesn't bode well for companies that take a combative approach, trying to rebuke science and defend their use of chemicals by explaining it away. Forbes says, "Consumers are concerned about the chemicals in products because history has provided plenty of examples of harmful ingredients...If companies want to rebuild consumer trust, they have a choice to make: make light of consumers' concerns and invest in purportedly educational initiatives or demonstrate to consumers their commitment to products one can trust."

## What Do All Those Labels Mean, Anyway?

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As manufacturers try to build consumer trust and rush these products to market, we see vague terms like "green", "clean", "healthy", "natural", "pure" and "non-toxic" prominently displayed on every package in an attempt to lure the health-conscious consumer. It can be confusing to consumers because they aren't sure what they mean. There are no standard

definitions or regulations around the use of these words. They are used solely as a marketing tactic to tap into consumer desires for safer, less toxic cleaning products – whether they are actually true or not.

Consumer Reports found 70 percent of consumers say they use front-of-the-package information when deciding what to purchase, but those choices are “probably not helping them make better choices” because the labels are often misleading. Even so, 40 percent of consumers say they don’t trust label claims. Consumers are searching for healthier products because they are concerned about the chemicals and potential toxins that could harm them and their families. They want safer options, but how that is defined is up for debate. So far, “organic”, “non-GMO” and “gluten-free” are the only federally-regulated labels.

All of this ambiguous labeling may hook some consumers, but it can also erode trust. Consumers are demanding ingredient transparency. The term “greenwashing” is becoming more commonplace, describing manufacturers’ claims of being healthier than they really are. Surprisingly, even some of the most well-known green brands get low scores on the EWG’s Guide to Healthy Cleaning database that cross-checks more than 2,000 cleaning products and 1,000 ingredients against actual scientific studies and toxicity databases. Mintel’s U.S. Cleaning The House Market Report says, “Household brands that gain consumer trust through better transparency will save R&D dollars because science, rather than the need to pander to misconceptions about safety, will drive their ongoing ingredient substitutions.”

## How Brands and Consumers Can Navigate This Better-for-You World

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Consumers and brands are recognizing a label isn’t always definitive. As such, many brands who want to differentiate themselves from conventional brands or greenwashing are turning to third-party certifications. Certifications help customers better understand labeling and identify safer ingredients. The Environmental Protection Agency (EPA) offers manufacturers who adhere to their standards a Safer Choice label they can display on their packaging. Consumers can look for this label on their cleaning products and search the EPA’s online database of what it considers to be safer products and chemicals. In fact, their website dedicates a stand-alone navigation box where consumers can plug in a brand or product to see if it is a Safer Choice Partner.

Green Seal is a nonprofit environmental certification program that develops “life-cycle-based, multi attribute standards” and certifies “products and services that prove they can meet our strict criteria for human health, reduced environmental impact and excellent performance.” They follow the EPA’s requirements for third-party certification, and their labeling immediately informs consumers of the safety and efficacy of the product.

Consumers can also obtain guidance from the [Federal Trade Commission \(FTC\)](#) on the use and interpretation of environmental marketing claims. The [FTC's Green Guides](#) provides marketers with information on how they can qualify their claims for greater transparency.

The [Environmental Defense Fund \(EDF\)](#) developed *Five Pillars of Leadership*, best practices for safer products. The initiative intends to help companies provide consumers with the safest possible products. Those who adhere to the pillars commit to:

- Reduce or eliminate chemicals of concern
- Be transparent with ingredients, and why they are used
- Avoid greenwashing by backing up green or clean claims with science, either the [FTC's Green Guides](#), independent third-party research or a comprehensive list of ingredients

With the *Five Pillars of Leadership*, companies are making an institutional and public commitment towards healthier products, offering supply chain transparency, informing consumers, and investing in safer product design.

## The Next Frontier

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As the Better-for-You market continues to grow and consumers become more educated, it will be interesting to see which brands rise to the top. Will the products with harsh chemicals lose their coveted shelf space to safer options? Consumers are savvy and they know which brands truly put their health and wellbeing first – it is the mission of the company and it's what drives them to innovate. Only time will tell if consumers will opt for newer companies with this mission to offer safer, powerful, and affordable “better-for-you” products, or if they will give their traditional brands a chance to break into the healthier arena, even while offering toxic products within their product lines.

What we do know is that millennials are demanding more from their brands and are willing to switch if the products and companies fail to align with their views of health and wellness. Companies cannot simply claim to be green, healthy, non-toxic or pure. They must prove it by being transparent with their ingredients, eliminating harsh and questionable ingredients, and catering to an educated consumer group that cares deeply for what goes in, on and around them and their families. While consumers of all ages are willing to pay more for safer products that are effective, the majority don't want to break the bank, either. Brands who are able to find that sweet spot will be the ones to earn market share, gain trust, and build loyalty – all while giving consumers peace of mind they can have a cleaner, safer home.