

National Survey: Green Is Officially Mainstream – But Consumers Are Confused, Skeptical About Products

Many Believe that 'Organic' is Just a Marketing Claim That Really Means 'More Expensive'

June 29, 2009, Knoxville, TN – New results released today from a national survey show most Americans are trying to buy more green products, but many don't have enough knowledge to make meaningful choices.

When asked, "Which is the best product description to read on a label?" Americans chose "natural" over "organic."

- "100% natural" -- 31 percent
- "All natural ingredients" -- 25 percent
- "100% organic" -- 14 percent
- "Certified organic ingredients" -- 12 percent

"Many consumers do not understand green terminology," said Suzanne Shelton, whose firm, the Shelton Group, conducted the national survey. "They prefer the word 'natural' over the term 'organic,' thinking organic is more of an unregulated marketing buzzword that means the product is more expensive. In reality, the opposite is true: 'Natural' is the unregulated word. Organic foods must meet government standards to be certified as such."

The survey, one of four annual surveys conducted by the Shelton Group, found most Americans (60 percent) are looking for greener products.

"Green has officially gone mainstream," Shelton said. "It's no longer the stereotypical granola crunching tree huggers who want green products. It's everyday Americans."

But there's a lot of confusion. When asked, "How do you know a product is green?" the top responses reflected the belief that it's difficult to really know:

- Don't know/Not sure -- 22 percent
- Says so on the package/label -- 20 percent
- Read label/Ingredients -- 15 percent
- Environmentally safe/friendly -- 13 percent

"People are uncertain what to trust, so there's almost a 'buyer beware' attitude in the market, with consumers feeling they have to rely primarily on what they can read on the label," Shelton said. "Consumers want a trusted source for accreditation, one that is simple to understand."

"That's why appliances with the ENERGY STAR® certificate are so attractive," Shelton added. "Our research shows consumers embrace the ENERGY STAR® designation because they can see specific numbers right on the label and know that the appliance is energy efficient. And, just as importantly, they trust the ENERGY STAR® name."

Trust is clearly an issue for consumers. The survey found they don't exactly trust companies' motives for going green. Asked, "Why do you think most companies that adopt environmentally-

friendly practices do so?" one quarter of respondents chose "to make their company look better to the public" and only 7 percent chose "because their owners/shareholders care about the environment."

When asked what they would do if a company that makes one of their favorite products and had been advertising itself as green received a government fine for failing emissions standards or for polluting a nearby stream, 40 percent said they'd stop buying the product. More importantly, 36 percent would not only stop buying, they'd encourage friends not to buy the product.

"This is a clear message to corporate America: Don't 'greenwash,'" Shelton said. "There's more potential for backlash with a half-hearted green claim than there is for an increase in sales."

When asked how the recent economy has impacted their green purchases, 39 percent said it's not impacting their green product purchases, and only 13 percent said they were buying fewer green products. Twenty-seven percent said they were actually buying more green products.

Specifically, consumers who said they were searching for greener products said they were doing so primarily in the following three product categories:

- Home cleaning products -- 75 percent
- Food and beverages -- 65 percent
- Personal care products (shampoo, lotion, etc.) – 55 percent

"It's important to note that few consumers are searching for green products in every category," Shelton said. "The idea of the 'green consumer' is a bit of a misnomer. Someone may seek out green cleaners, for example, but not be interested in organic vegetables."

Other findings from the survey:

- Three quarters (76 percent) said green products sometimes or always costs more.
- Three quarters (76 percent) also believe green products are usually equal-to-better in quality or effectiveness.

You can learn more about the survey at www.sheltongroupinc.com/ecopulse

ABOUT THE ECO PULSE® SURVEY

The survey, called Eco Pulse®, was geographically stratified to mirror the geographic distribution of the population (111,617,402 households in the contiguous United States). Survey sample data was also weighted slightly to closely match U.S. age and ethnicity. The survey, conducted in April and May 2009, yielded 1,006 complete responses, for a 3.09 percent margin of error.

ABOUT SHELTON GROUP:

Founded in 1991 by Suzanne Shelton, Shelton Group is an advertising agency located in Knoxville, Tennessee, focused exclusively on motivating mainstream consumers to make sustainable choices. To continuously track shifting consumer perceptions on energy efficiency and sustainability, the agency conducts four proprietary consumer opinion studies annually—Eco Pulse, Energy Pulse®, Utility Pulse and Green Living Pulse. Shelton Group uses those insights to create targeted consumer advertising campaigns for clients ranging from investor-owned utilities and energy-efficient building product manufacturers to consumer products and services companies with a viable green story to tell. Shelton Group has focused in this niche since 1997. Clients include the

American Institute of Architects, Black Hills Energy, BP Solar, Cree LED Lighting, Fiskars, Johnson & Johnson, Knauf Insulation, South Carolina Electric and Gas, and Vectren Energy.

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