



Consumer Motivations

Presented to ACEEE Policy Conference
December 2010

Goals of This Presentation

- Overview recent “green” consumer behavior trends
- Review lessons learned from changing consumer behavior in other product categories
- Discuss the role of attributes versus benefits
- Understanding the role of the media (**?? Did we decide I should do this?**)

A Word on NMI



NMI is an international strategic marketing consultancy, specializing in health, wellness, and sustainability since 1990 with full-service brand development and market research resources.

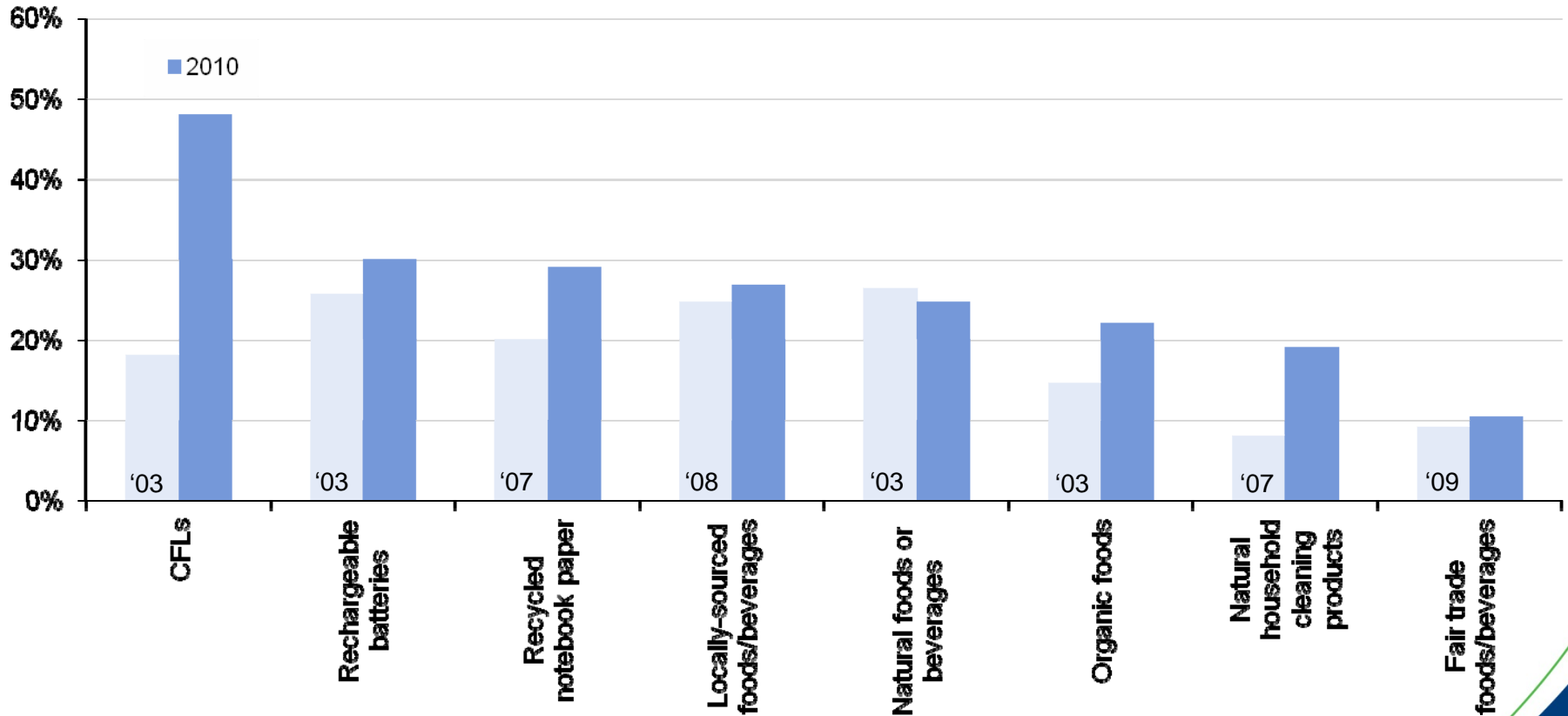
NMI's consulting, primary research and syndicated databases are focused on the well-being of people and products, the environmental and social responsibility of the planet, and innovative, responsible capitalism.



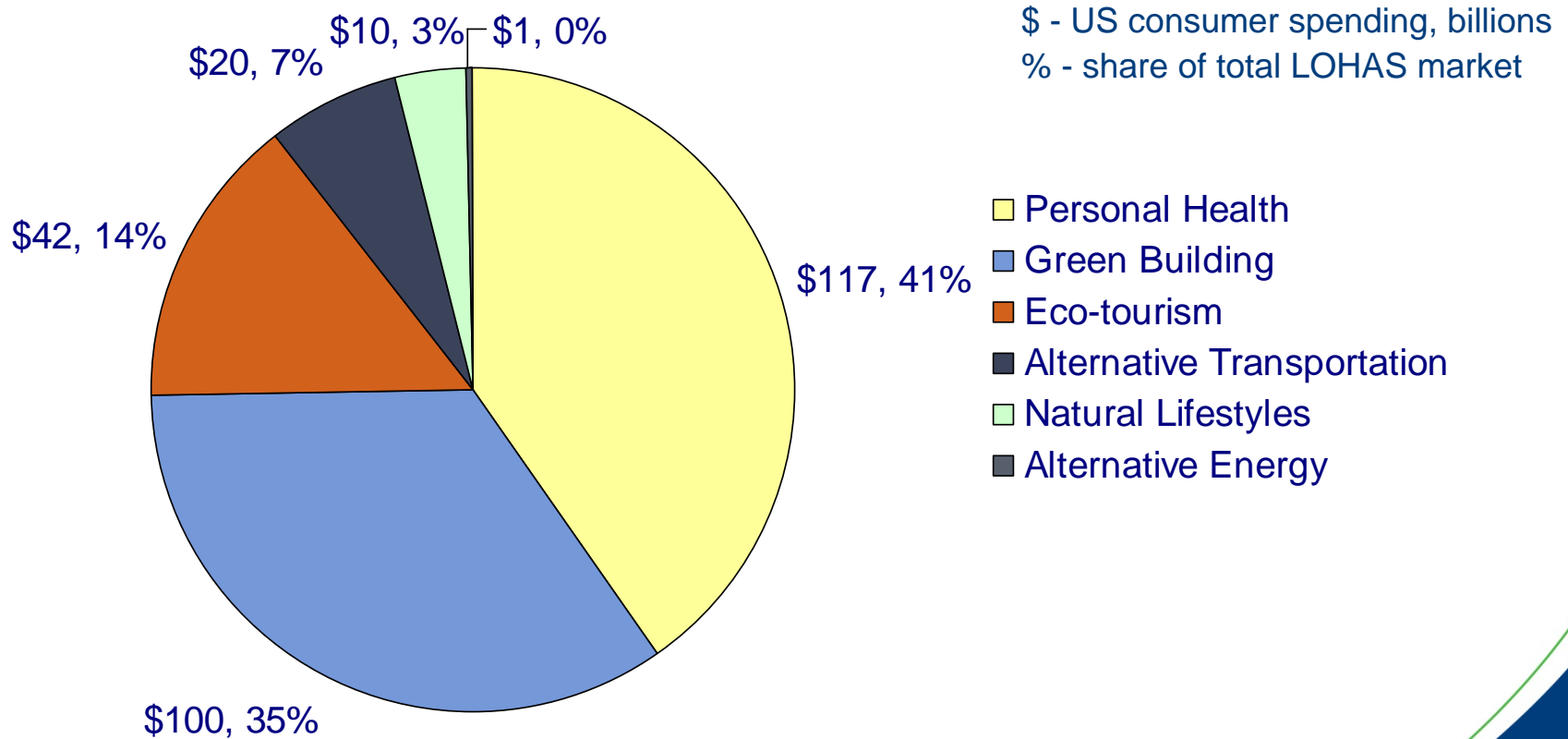
CELEBRATING **20** YEARS OF STRATEGIC INSIGHTS

More Consumers are Buying Green Products

(Q.63 - % General population that has purchased the following household products in the past 12 months; Q.105, % General population that has purchased the following food/beverage products in the past 3 months)



Consumers are Spending Big Bucks on Healthy and Green Products



What Is Driving These Shifting Purchase Patterns? Household Cleaning Products Example

(Q.67 - % CAG - General population indicating which of the following brand/product attributes are important in their purchase decision for household cleaning products)

Growing

- ✓ Concentrated
- ✓ Recyclable packaging
- ✓ Free of synthetic ingredients
- ✓ Not tested on animals
 - ✓ Non-toxic
- ✓ Safe around kids and pets
 - ✓ No artificial colors
 - ✓ Earth friendly
 - ✓ Natural

Diminishing

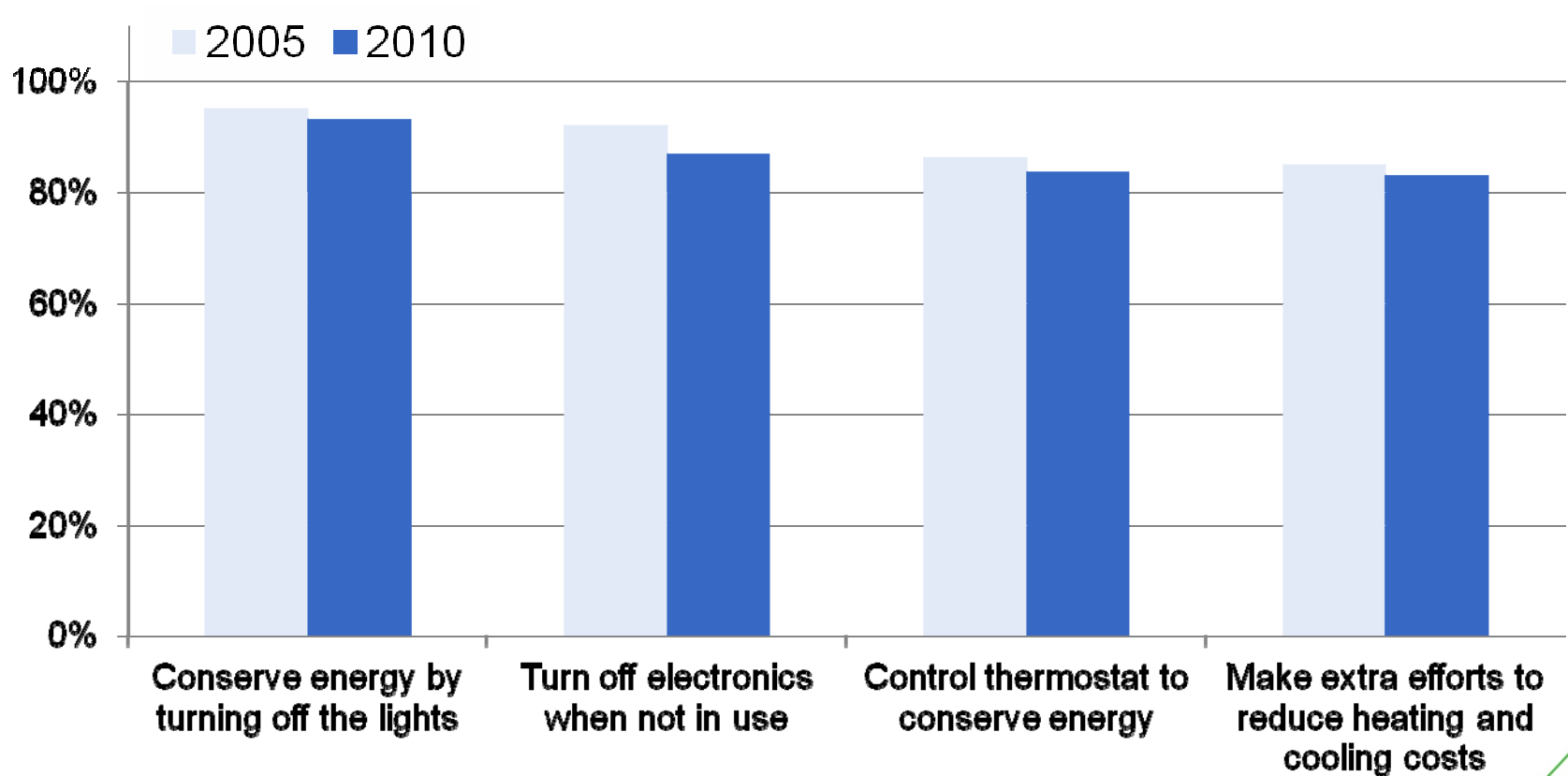
- ✓ Free of chemical residues
- ✓ Biodegradable
 - ✓ Low fumes
 - ✓ Sanitizes
 - ✓ Effective
- ✓ Antibacterial
 - ✓ Odorless
- ✓ Naturally-derived fragrances

What Can We Say about the Categories That are Growing, and the Reasons They Are?

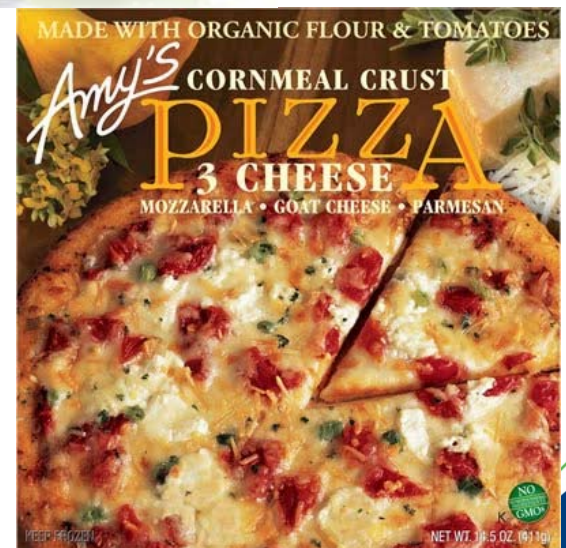
- **Intuitive benefits**
- **Timely benefits**
- **Personal**
- **Fun, no guilt**
- **Easy**
- **Well-known**

What Is Changing in Consumers' Energy Conservation Behavior?

(Q.177 - General population indicating which of the following they do on at least a monthly basis)



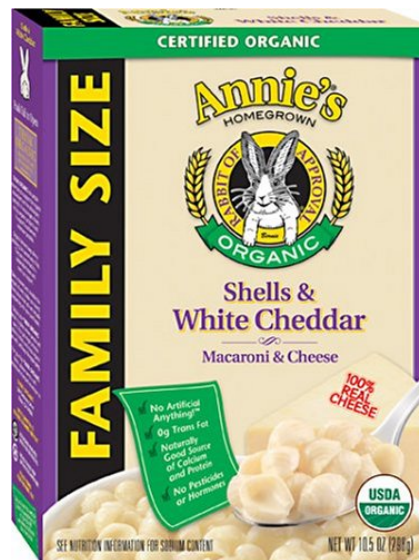
How are Growth Industries Marketed? Beauty, Aroma



To Appeal To Nurturers, Protectors



Wayside Farm, VT
One of the Organic Valley family farms that supply milk for our yogurt



Fun, Quirky



Design



HOW DO YOU GET ALL THE SOFT WITHOUT THE SUSPICIOUS?

MILK & HONEY	VS.	DMDM HYDANTOIN
Trusted ingredients that nourish and moisturize skin naturally.		A chemical preservative linked to skin irritation.
Keeps skin healthy and is a mild antimicrobial.		Short for 1,3-Dimethylol-5, 5-Dimethyl Hydantoin, its uglier name.
Attracts moisture to keep skin soft and smooth.		Can release formaldehyde, a suspected carcinogen.

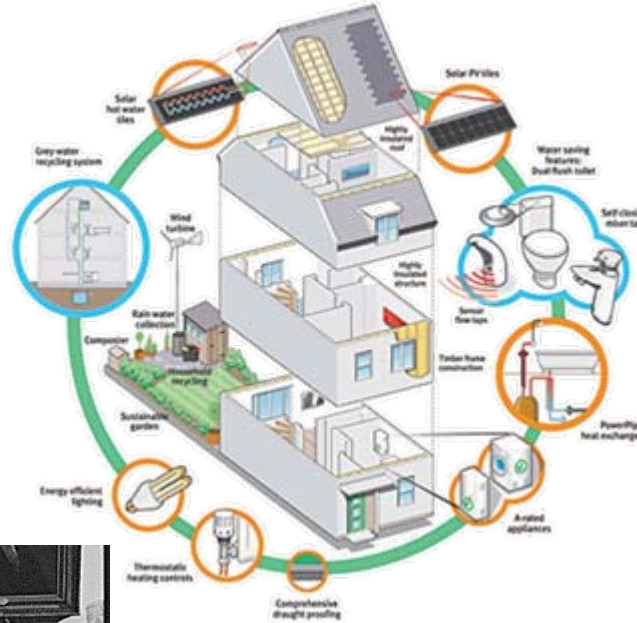
HAVE YOU READ YOUR BODY LOTION LABEL LATELY?

milk - honey - aloe - sunflower seed oil

BURT'S BEES NATURALLY NOURISHING BODY LOTION

Your well-being is important to us. It's our commitment to The Greater Good.

How is Energy Efficiency Marketed?



What is different between the growth areas and energy conservation?

Consumer Packaged Goods

- Health as beauty
- Our senses are awakened
- Romance with food
- Appeal to design & fashion
- Emotions are triggered

Energy Efficiency

- Doing without
- Technical
- Confusing
- Cumbersome
- High upfront cost

The Difference Between Attributes and Benefits

Attributes

1. Fortified with vitamins
2. Organic
3. Natural
4. Produces 575 lumens with 10.5 watts of power
5. Improves the R-Factor

Benefits

1. Supports strong bones
2. No pesticides
3. Safe for your kids
4. Bright light
5. Keeps you warmer while saving you money

To Address our Energy Waste, Reposition Energy Efficiency to...

- **Emphasize benefits:**
 - Warmer/Cooler
 - More comfortable
 - Modern
 - Cost savings
- **Be consumer friendly:**
 - Play to emotions
 - Leverage consumers' interest in protecting what matters
 - KISS
- **Be easily understood**
 - And easy to learn more about

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