

Clean Ones In The News

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Category Review – Household Cleaners

By Kathie Canning

BACK TO BASICS

Consumers are returning to lower-cost, high-quality basics for home cleanup jobs, but greener formulations also are gaining ground.



An old saying contends: *“If your house is dirty, your life is a mess as well.”* Well, if recent dollar and unit sales declines for household cleaning products are any indication (and if that particular proverb can be trusted), then a heck of a lot of us are living our lives in chaos.

All kidding aside, data from Information Resources, Inc. (IRI) for the 52 weeks ending Jan. 25, 2009 (supermarkets, drugstores and mass merchandisers, excluding Wal-Mart) show steep (more than 5 percent) dollar and unit sales declines for the overall abrasive and non-abrasive tub/tile cleaner,

floor/wax remover, ammonia glass cleaner and household cleaner cloth categories. Other household cleaner categories were flat or posted smaller declines.

It’s unlikely the declines reflect a consumer shift to outside cleaning services – we *are* in a recession, after all. The numbers more likely demonstrate a movement toward thriftiness: Consumers simply are making a little less product last a bit longer. And they’re also returning to basics.

According to Michael Silverman, vice president of marketing for Marlborough, Mass.-based Butler Home Products, “Things that cost more are not being as readily accepted as they have been in the past.”

Thomas Laski, chief operating officer for Crescent Manufacturing in North Collins, N.Y., agrees that a value proposition is important to today’s consumers, something that could bode well for private label household cleaning products – as long as product performance is on par with that of the national brands.

“I also think branded all-natural products can do well because there is no dominating player in the industry,” Laski adds, “and with all the money the national brands are spending on advertising for their products, I think consumer awareness is increasing.”

David Molayem, president of Los Angeles-based American Consumer Products LLC, says natural cleaning products are part of the overall “green movement” and recently have experienced double-digit gains. Green incorporates one or more of several attributes, he explains, including naturally formulated, environmentally friendly, preservation- or conservation-minded, and sustainable (in terms of ingredients or packaging/packaging reductions).

“The more of these attributes a product possesses, the greener it is considered to be,” Molayem says.

Manufacturers have attempted different approaches to green, he adds, from concentrated formulations to the use of plant-derived chemicals in cleaners or bamboo fibers in cleaning wipes. For its part, American Consumer Products offers for private labeling its Eco Save line of four concentrated liquid cleaners. The glass/multipurpose, window, all-purpose/degrease and shower/bathroom cleaners rely on chemicals that either are derived from natural/organic sources or are biodegradable, Molayem says.

Green initiatives also are making their way into household cleaning tools, notes Charles Ravel, vice president, sales and marketing for Mapa Spontex Inc., Columbia, Tenn. Of interest here is the development not only of greener sponges and other products, but also of packaging made from either recycled or biodegradable material.

According to "Environmentally Friendly Cleaning Products – U.S.," a January report from the Mintel International Group Ltd., a Chicago-based market research firm, conventional cleaners were significantly cheaper than most green versions until very recently. But the popular new Clorox Green Works line costs only slightly more than conventional national brand products, while the new Arm & Hammer Essentials line actually costs less.

"With the cost gap shrinking, green brands still need to address efficacy issues, as well as draw comparisons to the environmental effects of other cleaning products," the report states.

And manufacturers and retailers need to be very careful in making environmental claims, particularly on the all-natural side. After all, the Washington, D.C.-based Soap and Detergent Association (SDA) says all chemicals that go into cleaning products technically are found in nature.

Moreover, not all consumers have made the leap to green.

"Perhaps 12 percent of the general population may be considered true green consumers," Molayem says. "Economic factors, however, do take a front-seat position when it comes down to the selection of a product.

"If the product also possesses one or more environmentally friendly points to its favor, then it would be an advantage over the conventional chemicals, so long as the performance criteria [are] not sacrificed," he continues. "Pleasant fragrances also factor into this selection."

Outside the back-to-basics and green realms, Ravel notes higher interest in larger packs of sponge scrubbers, with consumers moving from one- or two-count purchases to three- or six-count packs. This behavior, he says, can be attributed to the recession.

The gloves category, too, is seeing a shift in consumer purchase behavior, but for a different reason. Jennifer Fritz, director of marketing for Portland, Ore.-based Clean Ones Corp., says vinyl glove sales have been increasing steadily on the disposable side, a sector traditionally dominated by latex, because of allergy issues.

Vinyl is comparable to latex in properties and cost, Fritz explains. Another latex-free option – Nitrile – beats vinyl in terms of chemical, puncture and abrasion resistance. However, it does come with a higher cost.

"To avoid losing sales to another brand, it's important for store brands to offer a latex alternative within their assortment for customers with latex allergy concerns," Fritz emphasizes.

And if retailers have room for only one value-pack alternative, Fritz advises they go with latex-free. She adds that Clean Ones offers the Ultimate Latex-Free household gloves to address allergy concerns. And the company's exclusive Cross Wave glove – a traditional household glove, but with a distinctive palm pattern – helps retailers stand out.

CLEAN UP ON SALES

Whether it's a basic ammonia-based glass cleaner, an eco-friendly all-purpose cleaner or a newfangled glove or cleaning tool, retailers can take steps to help boost a store brand product's sales.

"Come as close to national brand equivalent as possible," Silverman advises in terms of quality, "and offer a discount to the national brand. Make it the most attractive package you can."

Fritz adds that the down economy is retailers' opportunity to win over private label customers for years to come.

"Having store brands that are comparable or even better than the national brand product will meet customers' expectations and earn repeat sales," she says, "ultimately building brand equity beyond each specific category."

Packaging that gives shoppers the information they need to make a quick and easy buying decision also is critical, Fritz says.

And if that packaging helps conserve the environment, that's even better, Molayem adds.

As far as assortment, Ravel recommends augmenting high-quality basics with "premium" items and some green products.

"Bring innovation to the segments," Ravel stresses.

He points to Mapa Spontex's new scrubber-sponge, available for private label, as an innovation example. The wave-shaped product features a non-scratching ultra-efficient scouring web that minimizes food trapping.

Finally, Laski advises retailers to put store brand cleaning products on promotion more often. In many cases, a retailer still will realize better margins than they do with national brand items.

"The increase in gross profit dollars realized can then be used to expand their private label program into other products," Laski notes.