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What Works

Secret Agents: Why Method products keep their eco-friendliness under very attractive wraps

By Meghann Evershed Dryer & Tracy Pizzo

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what works

Strategies, Approaches, Developments

Secret Agents

Why Method products keep their eco-friendliness under very attractive wraps

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The Ford Motor Company recently enlisted Kermit the Frog to promote its hybrid SUV. “I guess it is easy being green,” concludes the beloved Muppet. Toyota likewise flaunts its cars’ greenness with its “First one to save the planet wins” campaign.

But Method keeps its verdure closer to its vest. The San Francisco-based company sells natural and biodegradable home care products, including dishwashing liquids, laundry detergents, all-purpose cleaners, and “aircare” (scented sprays, candles, and pills). Instead of bragging about what’s inside its products, however, the company focuses on their outsides: their packaging, aroma, and ability to clean.

“Green is an incredibly important product feature, but it isn’t a marketing position,” says Adam Lowry, Method’s co-founder. He notes that although Americans increasingly care about the environment, “it still isn’t the lead story.” What is more important to Americans, he notes, is that their products “deliver high design and great fragrance without sacrificing performance.”

Method’s quietude about its ecological virtues is making it one of the most effective green revolutionaries in the marketplace today. Rather than hiding out in health food stores, Method products appear in such mass-market venues as Target and grocery store chains, where people buy the cleaning products more for their curvy bottles and fresh scents than for their small ecological footprints. Partly because of its products’ mass appeal, the company has grown its revenues at triple-digit rates since its founding in 2000, in a product category whose growth usually hovers around 1 to 5 percent. Indeed, *Inc.* magazine ranked Method the seventh-fastest-growing private company in America, and the fastest-growing private company in California, in 2006.

Designs on Success

Lowry was studying climate change at the Carnegie Institution of Washington at Stanford University when he and his roommate, Eric Ryan, came up with the idea for Method products. “I was frustrated that my only output was scientific in nature,” he says. “I was preaching to the converted, and not reaching the people I wanted to change – that is, people who were not already green.”

Surveying the green product scene, the co-founders observed that the consumer proposition was one of sacrifice. “The usual strategy was to make something green, put it in awful brown packaging, give it a bad smell, charge more for it, and then warn consumers that it doesn’t work as well as conventional products,” Lowry says. Because of the negative associations that many consumers had with eco-friendly products, Lowry and Ryan concluded that they would almost have to disguise the products’ greenness to move them into mainstream markets. Drawing on Lowry’s background in chemical engineering and Ryan’s background in marketing, the two set about designing a line of eco-friendly products that looks, smells, and works better than its competitors.

Conventional home care products weren’t much of a match, says Lowry: The market before Method was a “sea of sameness.” Most of the products on the shelf looked the same and had similar chemical smells. Big players like SC Johnson, Procter & Gamble, and Unilever competed on utilitarian benefits. Windex, for example, “owned streak-free glass,” he says.

The problem with this approach is that it doesn’t connect products to the emotions people have for their homes. Conventional products fulfill customers’ needs, but do little for their feelings. And so a customer’s connection to, say, Windex is limited to “I need a clean mirror. Windex cleans my mirrors well. I’ll think I’ll buy Windex.”

Rather than claiming a utilitarian benefit – for example, streak-free glass – Method sought to own the emotional experience of caring for one’s own home. It did so by creating an umbrella brand of aromatic household cleaners packaged in sleekly designed containers. By creating only one brand, Method could raise customer awareness and loyalty much faster than it would by creating a distinct brand for every function (as has Procter & Gamble with such brands as Tide, Downy, and Febreze). Method could also introduce environmentally sound products throughout the home. “We wanted to own as much of the house as we could in order to have the greatest environmental impact,” says Lowry. Of course, claiming as much of houses as possible would also do wonders for the company’s financial performance.

GREENING ON THE SLY

- Emphasize product qualities other than their eco-friendliness
- Appeal to consumers’ emotions
- Aim for mainstream markets



Method home products creators Eric Ryan and Adam Lowry have quietly proven that being green “doesn’t have to suck.”

Taking It to the People

Funded by their savings accounts, friends, and families, Lowry and Ryan stirred up the first batches of Method products in their kitchen sink. They then loaded up a pickup truck and began knocking on the office doors of grocery store managers in Northern California. A Mollie Stone’s Market in Burlingame, Calif., was their first customer.

Skeptics urged Method to think about niche markets like Whole Foods Market. How could a small company outsell giants like Procter & Gamble? Lowry acknowledged their concerns. “We were never going to come up with a better mousetrap than someone like Procter & Gamble,” he says. “We had to think about where we had an advantage, and that was in speed, nimbleness, and short product design cycles.”

These advantages allow Method to beat many major players at their own game. Method can respond to consumer feedback almost immediately and can remake its products as its understanding of the market improves. This is almost impossible for larger home product companies, whose immense sizes make quick responses unwieldy. As a result of this approach, Method has increased the overall sales of home care products at most of its retailers. Nearly 80 percent of Method’s sales grow the category, rather than stealing share from competitors.

As Method makes its way on to the shelves of Target and other major retailers, its founders still keep their environmental agenda largely under wraps. Instead, they emphasize their products’ effectiveness, uniquely shaped containers, and pleasing smells such as lavender, ylang-ylang, cucumber, and sandalwood. Their labels disclose the eco-friendliness of the solutions within but do not draw attention to it. And although Method’s slogan, “People Against Dirty,” implies purity on all fronts, it still puts the effectiveness of the products first.

Because Method does not limit its marketing language to any one benefit, consumers can access its products in several ways. The aesthetically demanding like them because the

bottles are attractive. Smell lovers buy them because they enjoy having clean scents like lavender, rather than bleach. Germ haters use them for their effectiveness. And increasingly, eco-friendly types purchase them because they are biodegradable.

Utah State University professors Ed Stafford and Cathy Hartman applaud Method’s marketing tactics. With more than a decade of experience in green marketing research, the two find that appealing to consumer concerns other than the environment captures more customers.

“I don’t want to say that we’re tricking people into buying green,” says Stafford, “but reframing your green message to capture consumer value is the safest way to market consumer products. I like the Method approach because they have a greener product, but it’s almost a humble green.”

Coming Clean About Being Green

As consumers wake up to the eco-trend and become more and more “light green,” as Stafford calls it, Method is making more noise about its sustainable practices. The company uses no PVC, but instead opts for easily recyclable #1 and #2 plastics. It is also beginning to roll out plastic containers made from PLA, a fully biodegradable cornstarch plastic polymer. Method also trades carbon credits to offset the pollutants that its production introduces. And although much of its packaging is petroleum-based plastic, Method believes the positive impact it is having in the mass-consumer segment outweighs the environmental issues these plastics raise.

Despite these innovations, Method eschews traditional green marketing on its containers. Instead it pushes the effectiveness of its products, the emotional experiences of its customers, and the release of home care products from their prisons under the sinks of America. As for the competition, Method’s watching carefully. But Stafford and Hartman say that the company need not worry right now, because the playing field is large and Method has a huge lead.

Lowry admits that he has succumbed to founders’ curse: “You can never be satisfied with where you’ve been. Instead you always focus on where you know you can take the business.” Nevertheless, he is satisfied that because of Method “there are thousands of consumers who now think that green doesn’t have to suck.” □