



# Sustainability in Consumer Products: A Closer Look at Generational Preferences

*Sustainability preferences are evolving.  
So are your consumers.  
Are you ready?*

**Highlight.**<sup>TM</sup>



# Who Is Highlight

Highlight's product intelligence platform helps brands of all sizes—from the Fortune 100 to the earliest disruptive brands—innovate, test, launch, and renovate products in categories including food and beverage, beauty and personal care, home care, supplements, apparel, durables, child and baby, pet care, and more.

Highlight's end-to-end solution streamlines and delivers everything from recruit to logistics to data set. Quickly field concept tests and in-home usage tests (IHUTs) and see results as they come in—usually within a few days of launch.

Highlight's community of testers are highly engaged, diverse, and articulate so that you get the reliable quantitative and qualitative data you need to act with confidence—with the option for photo, video, and even in-depth interviews.

Highlight's customers (brands like Nestlé, P&G, and Georgia Pacific) have tested concepts, products in early development, blind-tested products against the competition, benchmarked in-market products for category insight and more.

Highlight's Series A funding was led by Acre Venture Partners and HearstLab, with participation from Ingeborg Investments, GS Futures, and 10+ powerhouse angels.

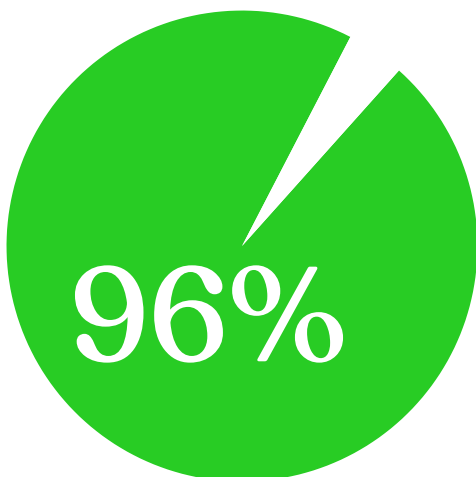
“Highlight's mission is to help brands build better products for both people and the planet,” said CEO and founder Dana Kim. “With easier, faster access to high-quality product-level consumer insights, brands can understand what sustainability attributes matter, how to best communicate those attributes, drive positive perception, repeat purchase, and realize the ROI of more sustainable product development.”

# The Challenge

Companies across sectors and nations are faced with the challenge of building sustainably, but most product development and consumer insights teams lack clarity about the “right” way to accomplish this for their business and customers. In what ways should companies transform their products and supply chains that will facilitate sustainable production and consumption while still providing consumers compelling purchase drivers?

*“How do we make sustainability synonymous with things that people care about—quality, taste, value—and do it in a way that people can afford? If we can crack this nut, this is one of the biggest opportunities for impact we have.*

Sam Kass, Partner at Acre Venture Partners and Senior Policy Advisor for Nutrition to President Obama



According to KPMG and the BBC, 96% of the largest 250 companies worldwide self-report sustainability measures, but so far, there is no globally agreed upon set of standards and frameworks to vet and measure these reports.

# The Methodology

From September to October 2023, Highlight fielded a nationwide survey across 1976 consumers in the US.

Ages of respondents ranged from 18 to 71 with an average age of 42. We defined generations as follows: Gen Z (age 18-26 at the time of data collection), Millennials (27-42), Gen X (43-58), and Baby Boomers (59-77).

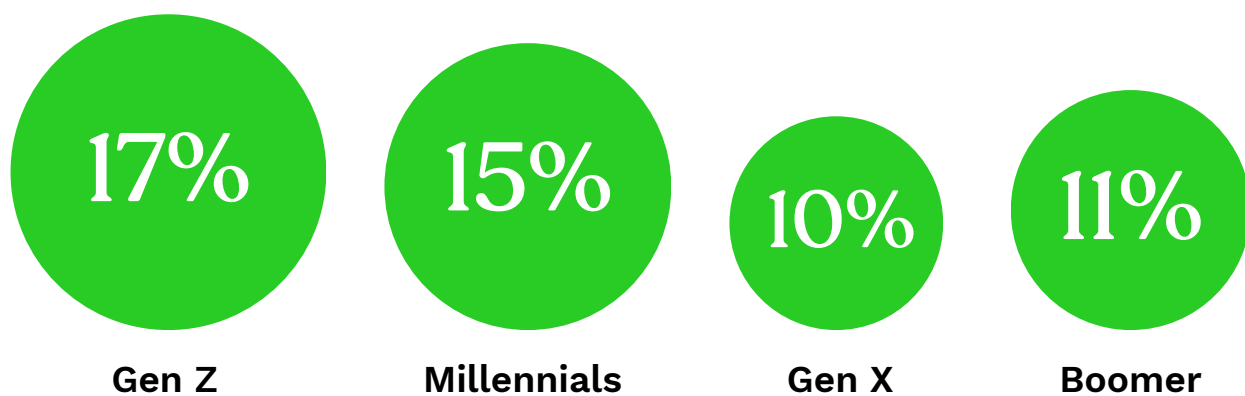
Respondents were each sent one of the following physical products, and were then asked a series of sustainability-related questions rooted in that product experience: Boxer Briefs, Postpartum Disposable Underwear, Seamless Panties, Facial Serum, Tinted SPF Product, Plant-based Milk, Ground Coffee, Dish Detergent, Water Bottle, Gazpacho, Veggie Dip, Bread Bites, Shampoo & Conditioner, Laundry Product, Acne Cleanser, Adult, Wipes, Cat Food, Snack Bar, Kettle Chips, Cheese Snacks, Popcorn.

We anchored in McKinsey-defined Sustainability Claim Categories, to tease out what matters: animal welfare (“cage free”, “cruelty free”, “not tested on animals”); environmental sustainability (“compostable”, “eco-friendly”); organic positioning (an indication of organic certification); plant-based (“plant based”, “vegan”); social responsibility (“fair wage”, “ethical”); sustainable packaging (“plastic free”, “biodegradable”).

The Highlight community of testers are curious and driven to help improve products. To learn more about how we grow, cultivate, and recruit within our owned community of product testers, read [How Highlight Cultivates an Engaged Community of Product Testers](#).

## Younger shoppers want to make better decisions for the planet

Gen Z and Millennials state they are more likely to **always** seek out and purchase products that are labeled or marketed as sustainable or eco-friendly.



Percent by generation that answered “Yes always”

*“Sustainable products are a plus, but not an all-time make-or-break to if I purchase an item or not.”*

- He/him, Age 24, Gen Z

*“Sustainability is super important, but it can be hard to regularly buy products that fit that criteria when a lot of them tend to be more expensive.”*

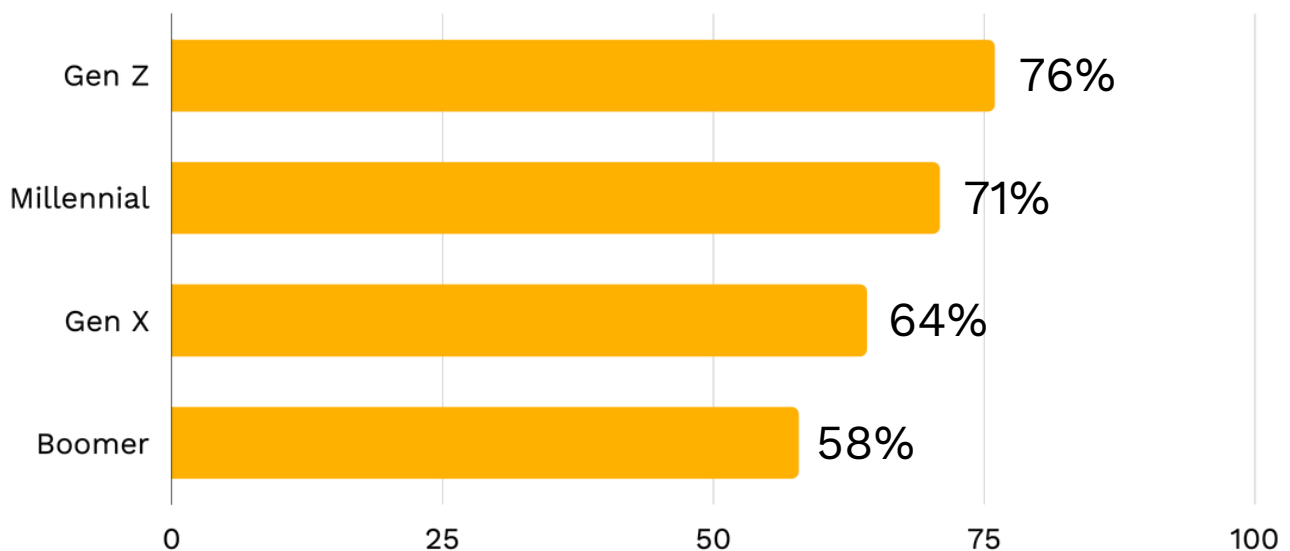
- She/her, Age 22, Gen Z

While younger generations may be more likely to recognize the importance of sustainability in product design, the majority still perceive the challenges of making sustainable purchase decisions every time.

# Gen Z shoppers especially want to make better purchase decisions

Even so, 76% of Gen Z shoppers say they have switched or stopped purchasing a product due to sustainability concerns, compared to just over half of Boomers.

*Have you ever switched brands or stopped purchasing a product due to sustainability concerns?*



Percent that answered “Yes once or twice” and “Yes, multiple times”



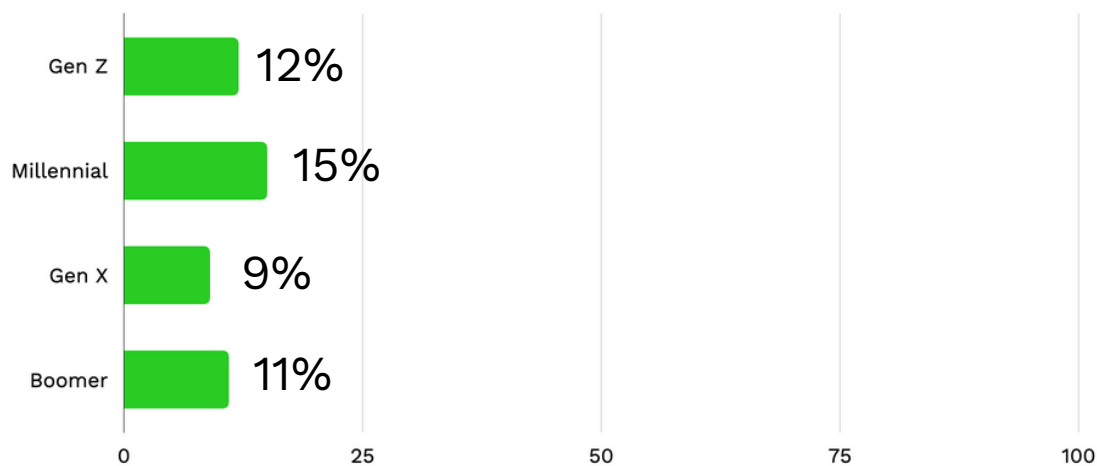
*“Sustainability in and of itself is no longer a differentiator, it’s just an expectation that it’s woven into how businesses operate.”*

- Taylor Anderson, Sr Dir of Global Insights Capabilities at Colgate-Palmolive

## But, most consumers are undereducated

Only 12% of all consumers describe themselves as “very knowledgeable” about sustainable practices.

*How knowledgeable do you consider yourself about sustainable practices and their impact on the environment?*



Percent by generation that answered “Very Knowledgeable”

When broken down by generation, however, we see that Millennials and Gen Z report greater knowledge than either Gen X or Boomers.

*“I like when products have an explanation of what they do [for sustainability]. It gives you a little education and makes you feel that you made a smart purchase.”*

- She/her, Age 41, Millennial

*“I would like to preserve forests and oceans but I really don't know anything about being ecologically friendly.”*

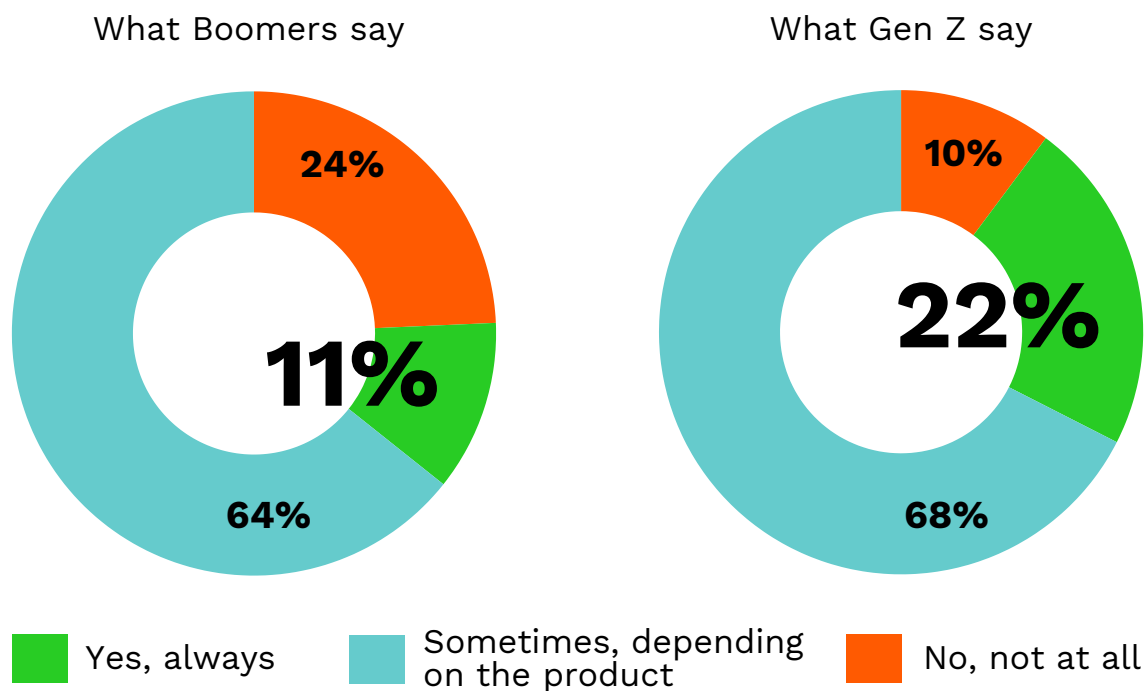
- She/her, Age 63, Boomer

# Gen Z shoppers are willing to pay more for “green” products

You don't have to be knowledgeable about sustainable practices to care about how your purchases impact the planet.

Almost a quarter of Gen Z shoppers say they always pay more for products that are environmentally friendly or sustainable.

*Do you pay more for products that are environmentally friendly or sustainable?*



Compared to Boomers, twice as many Gen Z say they always pay more for sustainable products.

*“I want all my products to be sustainable.” - She/her, Age 23, Gen Z*



# How will Gen Z sustainable shopping behaviors evolve?

We spoke to journalist and youth consumer analyst **Casey Lewis** about the trends we saw emerging in this data. Casey is a former editor at Teen Vogue, MTV, and New York Magazine. Her following numbers in the hundreds of thousands across Instagram, TikTok, and her Substack “After School”, and her work spans publications like The New York Times, The Wall Street Journal, her most recent viral piece for The Cut, and more. Here’s what she had to say.



*“Whereas older consumers have learned over time that they should favor green products over conventional, **young consumers don't think twice**—when budgets allow, at least.*

*Based on my research, the biggest factor holding young people back from not shopping entirely eco-friendly is **price**. This tension*

*explains how Gen Z can care deeply about the environment and also shop fast-fashion brands. The good news is that **Gen Z have only scratched the surface of their earning potential**, so as they climb the ladder in the workplace, they'll continue to spend on sustainability.*

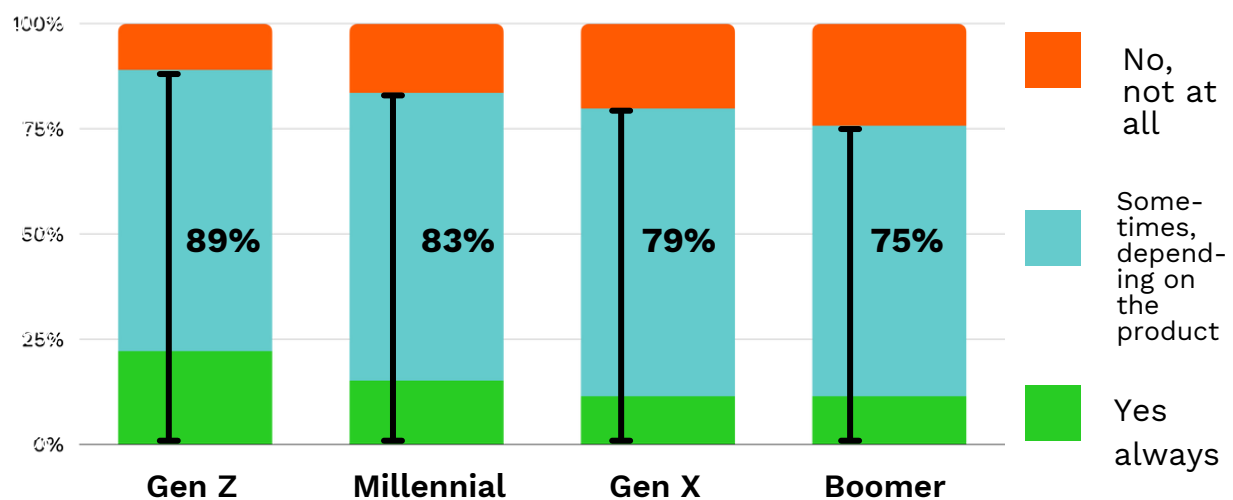
*Unlike a decade ago, when there were fewer sustainable options and those available were more expensive, many consumer categories now have **sustainable options at a variety of price points**.*

*As this data shows, Gen Z won't hesitate to jump to another brand that better suits their needs. It's not that brand loyalty is dead, but young consumers are constantly exploring, and **if they find something that's more value-aligned, they'll buy it.**”*

# When it comes to sustainability, some products and categories are more important than others

An overwhelming majority of shoppers across generations say they are willing to pay more for sustainable products “sometimes, depending on the product.”

*Do you pay more for products that are environmentally friendly or sustainable?*



*“Regular purchases matter the most to me, because a small change on a daily basis can have a large impact over time.”*

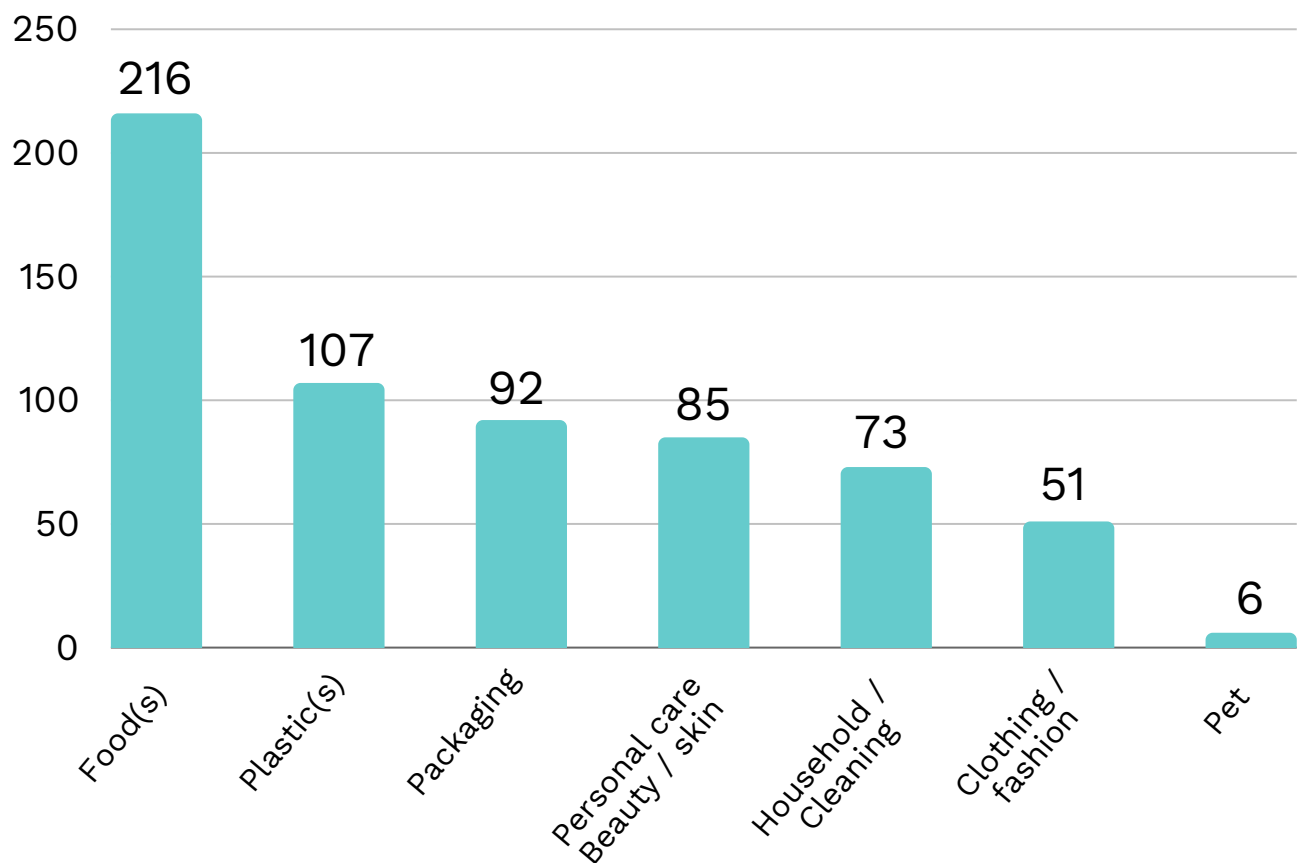
- She/her, Age 33, Millennial

*“Food would be my number one choice. When food is grown more sustainably it should have more nutrients and keep the soil healthy for continued growth.”*

- She/her, Age 62, Boomer

# Consumers say sustainability matters most when purchasing food and personal care products, with a heavy focus on plastics and packaging

In an open-ended question, we asked respondents: “Is there a specific product/category where sustainability matters more?” Then, we counted the number of times certain words or synonymous words appeared in responses.



*Respondents using the same word or a synonym multiple times in their response were counted as one instance in order to achieve a unique count.*

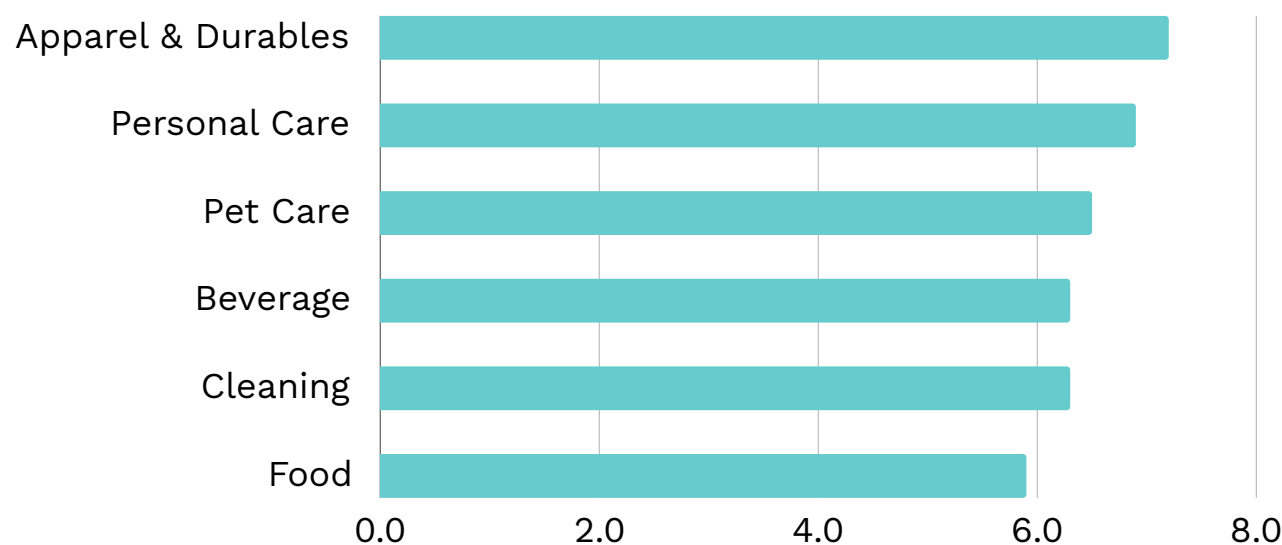
*“I think it's important to try and be more sustainable with everything we use or consume.” - He/him, Age 32, Millennial*

## That's what consumers say. But what do they do?

When asked what products mattered to them when it comes to sustainability, respondents most often mentioned food, plastic, and other packaging concerns.

With products in front of them, however, answers shifted—a common dynamic known as the “say/do gap”.

*How important is sustainability to you when purchasing a product in the [X] category on a scale from 1 to 10?*



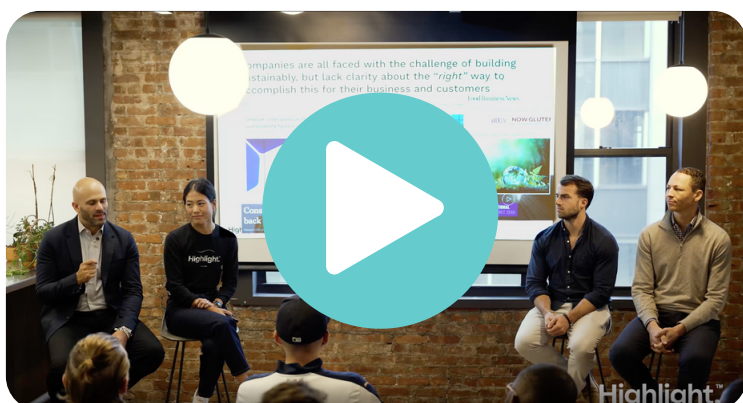
With the physical product in hand, consumers expressed different priorities when it comes to sustainable product attributes. Apparel rose to the top, and food actually scored lowest.

This discrepancy highlights the importance of conducting research in context, to ensure consumers are reacting to your specific products, and giving you targeted sustainability perceptions rooted in your actual product experience.

# Key Takeaways

## 1. Bake sustainability questions into your product research

The best way to understand what matters most to your target consumers and go to market with confidence is with insights gathered in context, specific to your category, product, and audience. When you incorporate sustainability questions into your product tests, you can build the data arsenal you need to win on shelf.



*Find more sustainability insights from Highlight's New York Tech Week Panel with experts from Acre Venture Partners, Colgate-Palmolive, and Verb Energy.*

## 2. Segmentation is key

Understand the nuances of your consumer base so that you can innovate and market products for the right people at the right time. As Taylor Anderson, Senior Director of Global Insights Capabilities for Colgate-Palmolive said in the sustainability panel linked above: "For brands that span across wide swaths of people, you need to have the ability to tailor your communications as appropriate, when and where these people come into contact with your brands." In other words, if you have brands that cater to Gen Z versus Baby Boomers, be tactical with your product development and messaging strategies.

# Key Takeaways

## 3. Invest in foresight

Don't be the last one on the bandwagon. As Taylor also said in the New York Tech Week sustainability panel, “Think less about what are the needs, wants, attitudes now, but how are they going to evolve? And for us [Colgate-Palmolive] in particular, one thing we start to see is the dominance of this kind of attitude [that all products should be as sustainable as possible], where sustainability in and of itself is no longer a differentiator, it’s just an expectation that it’s woven into how businesses operate.” Consumer insights gathered qualitatively in context can give you the foresight you need to understand what’s working, unmet needs, and identify early signals for what consumers are interested in to anticipate future trends.

## 4. Win big with early adopters

Listen to the consumers who care the most—who are clamoring for more sustainable products and product attributes. Tease out their most critical, passionate feedback to judge whether your products have passed their high sustainability bar. In-context product testing can unpack the most critical, honest opinions and give you the data-driven guidance needed to create high-quality, sustainable, *sellable*, products. With these insights as your North Star, you have the advantage you need to ensure success wherever you are in the sustainability journey - whether it’s ensuring your sustainability investments are landing with consumers, or offering clarity as you embark on a more sustainable product development journey.

# Ensure your sustainability investments land with Highlight

Beyond generational nuances, the demographics of your consumer base are changing. The US is more diverse—especially among younger generations—than ever before. According to the Brookings Institution, nearly four out of 10 Americans identify with a race or ethnic group other than white. As America's demographics evolve, so do our cultural preferences, needs, and expectations. Brands need to track this shift closely in order to secure their future success.

Happily, the technology and logistical solutions necessary for developing a deeper understanding of your consumer base are evolving quickly, too. Brands do not have to rely on old ways of doing things when faster, streamlined, and more agile alternatives exist to reveal which way the wind is blowing.

Learn more about how consumer brands can understand what their shoppers (and would-be shoppers) *really* want with insights gathered in context, at-scale, and delivered in real time at [letshighlight.com](https://letshighlight.com).

Request your personalized demo today.

The logo for Highlight, featuring the word "Highlight" in a multi-colored, rounded font. The letters are colored as follows: H (orange), i (pink), g (purple), h (blue), l (green), i (yellow), g (orange), h (purple), t (blue), . (pink).