

Green washing in India an alarming issue: misleading and deceptive environmental claims in advertising

Dr. Sanjay Kesharao Katait

Assistant Professor, Department of Commerce, Shri Shivaji College of Arts and Commerce, Morshi Road, Amravati, Maharashtra, India

Abstract

Environment protection has becoming a popular topic since from last couple of decade. Green marketing is the marketing of products that are presumed to be environmentally safe, whereas green washing is the act of misleading consumers regarding the environmental practices of a company or the environmental benefits of a product or service. This research paper exclusively focus on alarming emergence of green washing, forms of green washing, reasons of growing green washing & signs and sins of green washing which may be helpful for our consumers to know about the green wash products. Hopefully this paper will be helpful for awakening our consumers and raising voices against evils of green washing.

Keywords: consumers, environment, green marketing, green washing

1. Introduction

Green Marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs with minimal detrimental impact on the natural environment. Green marketing is the marketing of products that are presumed to be environmentally safe. It incorporates a broad range of activities, including product modifications, changes to the production process, packaging changes, as well as modifying advertising. It is also known as Environmental Marketing and Ecological Marketing (AMA). Green marketing movement faced major setbacks because many organizations made misleading claims about their products and services. Without proper governmental environment labeling standards, consumers could not differentiate which products and services were truly beneficial. Consumers always pay extra for misrepresented & false products. Consumer awareness in this regard is very crucial. Green Washing refers where organizations misrepresented themselves as environmentally safe & responsible. The misleading labeling like all natural & green claims companies may seriously damage their brands and their sales if a green claim is discovered to be false or misleading. Thus, in other words presenting a product or service by advocating green, natural, environmentally safe when it is not in reality is called green washing.



Review of related literature

Atiq Uz Zaman, Sofiiia Miliutenko and Veranika Nagapetan in their research paper titled "Green marketing or green wash? A comparative study of consumers' behavior on selected Eco and Fair trade labeling in Sweden" in Journal of Ecology and the Natural Environment Vol. 2(6), pp. 104-111, June 2010 suggested that there is no any eco-label that completely integrates both EJ and ES perspectives. Only selected elements of the production processes are considered, but not the whole chain. Most of the failures of the eco labeled products are related with gaps in supply chain coverage. This limitation however, can cause damage to overall objectives of labeling initiative.

Richard Dahl in research paper titled "Green Washing: Do You Know What You're Buying? In Environmental Health Perspectives: Green Washing: Do You Know What You're Buying? 2011 Page 1 of 11 advocates that both consumer and companies "somewhat hopeful" that all involved are moving toward a unified approach to solving the challenges posed by green washing. "The huge danger of green washing is if consumers get so skeptical that they don't believe any green claims," he says. "Then we've lost an incredibly powerful tool for generating environmental improvements. So we don't want consumers to get too skeptical."

Magali A. Delmas and Vanessa Cuerel Burbano in their research report titled "The Drivers of Green Washing" California Management Review 2011 suggested that the prevalence of green washing has skyrocketed in recent years; more and more firms have been combining poor environmental performance with positive communication about environmental performance. Green washing can have profound negative effects on consumer and investor confidence in green products and environmentally responsible firms, making these stakeholders reluctant to reward companies for environmentally friendly performance. This, in turn, increases the incentives for firms to engage in environmentally detrimental behavior, which has been shown to create negative externalities and thus negatively affect social welfare.

Wahida Shahan Tinne in her research article titled “Green Washing: An Alarming Issue” ASA University Review, Vol. 7 No. 1, January–June, 2013 suggested that guideline should be provided for environmental marketing claims. The usage of environmentally friendly image on the product which has no environmental impacts should be prohibited. Companies should present an environmental marketing claim in a way that makes clear whether the environmental attribute or benefit being asserted refers to the product, the product’s packaging, and a service or to a portion or component of the product. A comparative statement of the environmental marketing claims should be presented in a manner that makes the basis for the comparison sufficiently clear to avoid consumer deception. Companies should stop the frequent use of green color in the logos of different products. Green audit should be developed to evaluate the performance of the companies towards nature conservation. Environmental claims should be rated and green washing index should be measured. Government should look beneath the green veneer and hold corporations accountable by the media. Advertisement standards and corporate codes of conduct should be reformed.

Seven sins of green washing

Sin of the Hidden Trade-off: A claim suggesting that a product is ‘green’ based on a narrow set of attributes without attention to other important environmental issues. Shampoo, for example is not necessarily environmentally preferable just because it comes from organic material as shown on the bottle. Other important environmental issues in the shampoo manufacturing such as chemical ingredients and other contents which is not disclosed may be harmful for environment and consumer.

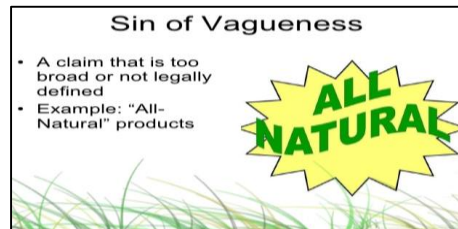


Sin of No Proof: An environmental claim that cannot be substantiated by easily accessible supporting information or by a reliable third party certification. Examples Huggies dypers and napkins that claim percentages of recycled content without providing evidence.



Sin of Vagueness: A claim that is so poorly defined or broad that its real meaning is likely to be misunderstood by the

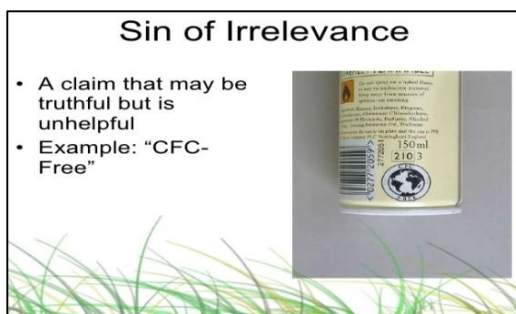
consumer. ‘All-natural’ is an example. Arsenic, uranium, mercury and formaldehyde are all naturally occurring and poisonous. ‘All natural’ is not necessarily ‘green’.



Sin of Worshipping False Labels: A product that, through either words or images, gives the impression of third-party endorsement where no such endorsement exists; fake labels, in other words.

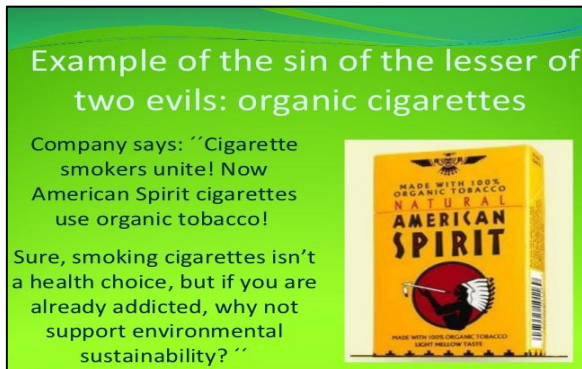


Sin of Irrelevance: An environmental claim that may be truthful but is undoubtedly important for consumers seeking environmentally preferable products. ‘CFC-free’ is a common example, since it is a frequent claim despite the fact that CFCs are banned by law.

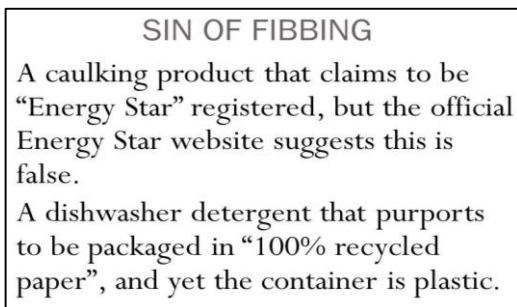


(CFC-Chlorofluorocarbon)

Sin of Lesser of Two Evils: A claim that may be true within the product category, but that risks distracting the consumer from the greater environmental impacts of the category as a whole. Organic cigarettes could be an example of this sin, as might the fuel efficient sport-utility vehicle.



Sin of Fibbing: Environmental claims that are simply false. The most common examples were products falsely claiming to be energy star certified or registered.



Research problem

According to the ‘Green Washing Report 2010’, it was found that there were 73% more green products in the market than in 2009 and more than 95% of consumer products claiming to be green were found to commit at least one of the ‘sins of green washing’. In 2012, a consultancy Firm, Inter Brand evaluates and ranks companies on their environmental performance as well as the public’s perception of their green credentials. This research paper makes an enquiry into reality whether in reality such phenomenon is in existence or not or companies misleading such advertising and playing with the feelings & emotions of the consumer.

Research objectives

The prime objective of this research is to measure how green washed advertisement affects consumers’ perceived deception, attitude towards an advertisement and purchase intentions.

Hypotheses

- H1 :** Consumers will not be able to identify green washed advertisement claims and design as deceptive.
- H2 :** Consumers will have a more favorable attitude towards the green washed advertisement than the neutral advertisement.
- H3 :** Consumers will have a higher purchase intention for the product in the green washed advertisement than the neutral advertisement.

Scope of study

The scope of the study revolves around two prime focuses i.e. one from consumer point of view and other from organization point of view.

- **From consumer perspective** – Qualitative Eco-friendly product, better services, environmental safe product.
- **From organization Perspective** – Customer satisfaction, brand loyalty & profit maximization.

Limitations of study

1. The study comprises of green washing and its advertising impact on consumer behaviors with respect to purchase decision only.
2. For research purpose only selected top brand of selected companies & consumers were identified for research.
3. The study relies heavily on primary as well as on secondary data.
4. The Study is restricted to three districts of Vidarbha (Nagpur, Amravati & Akola) of Maharashtra state only.
5. The result arises from research may or may not be applicable to other parts of states or countries.

Universe and sample

Sr. No.	Districts	Respondents	Respondents Category
01	Nagpur	100	Students, Employees, Business people, Workers, Housewives.
02	Amravati	100	
03	Akola	100	
Total		300	

Primary data

In order to obtain reliable & authentic information from the respondents, attempt has been made to obtain primary data. For that purpose, a detailed questionnaire Was administered. The questionnaire contained various aspects of Green washing advertisement and its deceptive impact consumer is primarily focused. Personal interviews and observations were also made for further clarification.

Secondary data

Secondary Data was collected through Annual Report of Companies, Books, Journals, Magazines and other related literature.

Data analysis & discussion

Table 1: Age & Gender

Sr. No.	Age	Male	Female	Total	%
01	18-30	21(11.93)	13(10.48)	34	11.34
02	31-40	32(18.18)	25(20.16)	57	19.00
03	41-50	59(33.52)	47(37.90)	106	35.33
04	51-60	41(23.30)	22(17.74)	63	21.00
05	61 & above	23(13.07)	17(13.71)	40	13.33
	Total	176(58.67)	124(41.33)	300	100.00

Source: Primary Data

From the above table it was noticed that as high as maximum 59(33.52) male respondents was observed to be from the age group of 41-50 whereas 47(37.90) female respondents was observed from the same age group.

Table 2: Environment friendly advertising is good for society

Sr. No.	Gender	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	%
01	Male	09(05.11)	13(07.39)	04(02.27)	49(27.84)	101(57.39)	176	58.67
02	Female	05(04.03)	08(06.45)	03(02.42)	31(25.00)	77(62.10)	124	41.33
	Total	14(04.67)	21(07.00)	07(02.33)	80(26.67)	178(59.33)	300	100.00

Source: Primary Data

The above table indicates how environmental friendly advertising is good for society. As high as 101(57.39%) male respondents & 77(62.10%) female respondents' advocates very strongly agree in favor of the above statement whereas 49(27.84%) male respondents & 31(25.00%) female respondents communicate that they were in favor of environment friendly advertising.

Table 3: Purchases environmental friendly product on regular basis

Sr. No.	Gender	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	%
01	Male	04(02.27)	05(02.84)	03(01.70)	56(31.82)	108(61.36)	176	58.67
02	Female	03(02.42)	06(04.84)	04(03.23)	40(32.26)	71(57.26)	124	41.33
	Total	07(02.33)	11(03.67)	07(02.33)	96(32.00)	179(59.67)	300	100.00

Source: Primary Data

As high as 108(61.36%) male respondents & 71(57.26%) female respondents strongly agree that they purchases environmental friendly product on regular basis.

Table 4: The advertisement possesses sin of hidden trade-off

Sr. No.	Gender	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	%
01	Male	05(02.84)	07(03.98)	02(01.14)	47(26.70)	115(65.34)	176	58.67
02	Female	01(0.86)	03(02.42)	01(0.86)	18(14.52)	101(81.45)	124	41.33
	Total	06(02.00)	10(03.33)	03(01.00)	65(21.67)	216(0.72)	300	100.00

Source: Primary Data

When asked about green washing and one of the sign of green washing i.e. hidden trade off most of the 115(65.34%) male and 101(81.54%) female respondents strongly agree that advertisement shown below provoke hidden trade off needs to be taken care off immediately.

Table 5: Advertisement possesses sin of no proof:

Sr. No.	Gender	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	%
01	Male	04(02.27)	07(03.98)	03(01.70)	33(20.45)	129(73.30)	176	58.67
02	Female	02(01.61)	01(0.81)	02(01.61)	12(9.68)	107(86.29)	124	41.33
	Total	06(2.00)	08(02.67)	05(01.67)	45(15.00)	236(78.67)	300	100.00

Source: Primary Data

When inquired about sign of no proof 129(73.30%) male and 107(86.29%) female respondents strongly agree that advertisement shown below possesses sin of no proof whatever shown in the product.

Table 6: Advertisement possesses sin of vagueness

Sr. No.	Gender	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	%
01	Male	05(02.48)	08(04.55)	04(02.27)	25(14.20)	134(76.14)	176	58.67
02	Female	02(01.61)	03(02.42)	01(0.86)	17(13.70)	101(81.45)	124	41.33
	Total	07(02.33)	11(03.67)	05(01.67)	42(14.00)	235(78.33)	300	100.00

Source: Primary Data

The above table indicates sin of vagueness in the advertisement as high as 134(76.14%) male and 101(81.45%) female

respondents strongly agree that advertisement shown below possesses sin of vagueness in the product.

Table 7: Advertisement possesses sin of worshipping false labels

Sr. No.	Gender	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	%
01	Male	04(02.27)	09(05.11)	04(02.27)	23(13.06)	136(77.27)	176	58.67
02	Female	02(01.61)	03(02.42)	02(01.61)	15(12.09)	102(82.25)	124	41.33
	Total	06(02.00)	12(04.00)	06(02.00)	38(12.66)	238(79.33)	300	100.00

Source: Primary Data

The above table indicates sin of worshipping false label in the advertisement as high as 136 (77.27%) male and 102(82.25%)

female respondents strongly agree that advertisement shown below possesses sin of worshipping false label.

Table 8: Advertisement shown below possesses sin of irrelevance

Sr. No.	Gender	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	%
01	Male	05(02.84)	08(04.55)	02(01.14)	48(27.27)	113(64.20)	176	58.67
02	Female	01(0.81)	02(01.61)	03(02.42)	27(21.77)	91(73.39)	124	41.33
	Total	06(02.00)	10(03.33)	05(01.67)	75(25.00)	204(68.00)	300	100.00

Source: Primary Data

The above table indicates sin of irrelevance in the advertisement as high 13(64.20%) male and 91(73.39%)

female respondents strongly agree that advertisement shown below possesses sin of irrelevance in the product.

Table 9: Advertisement possesses sin of fibbing

Sr. No.	Gender	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	%
01	Male	03(01.70)	09(05.11)	05(02.84)	63(35.80)	96(54.54)	176	58.67
02	Female	02(01.61)	03(02.42)	04(03.22)	28(22.58)	87(70.16)	124	41.33
	Total	05(01.67)	12(04.00)	09(03.00)	91(30.33)	183(61.00)	300	100.00

Source: Primary Data

The above table indicates sin of fibbing in the advertisement as high as 96(54.54%) male and 87(70.16%) female respondents

strongly agree that advertisement shown below possesses sin of fibbing in the produc

Graphical Representation

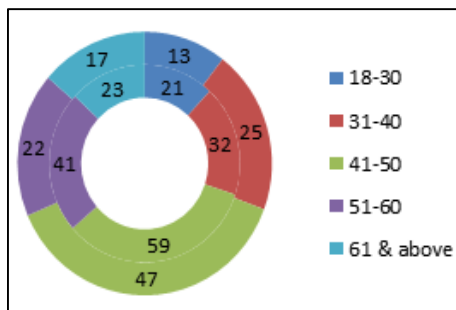


Fig 1

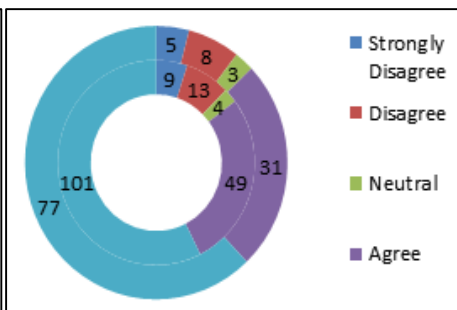


Fig 2

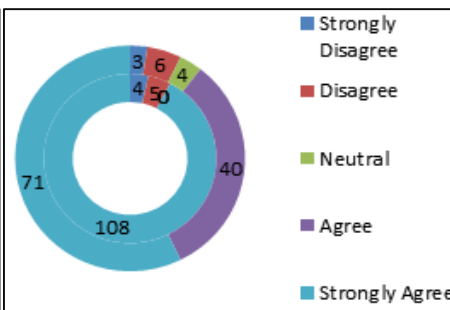


Fig 3

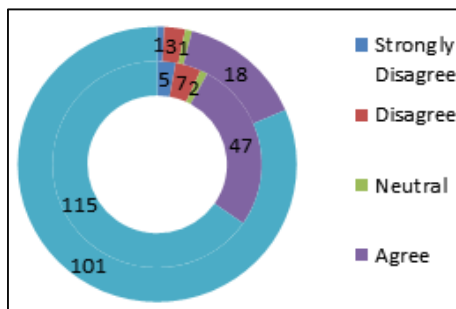


Fig 4

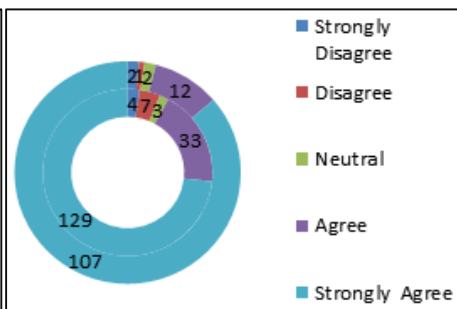


Fig 5

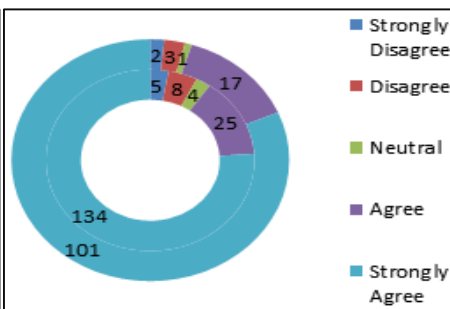


Fig 6

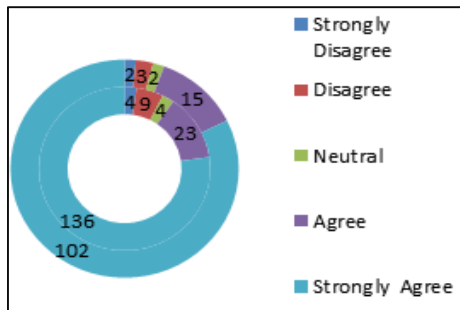


Fig 7

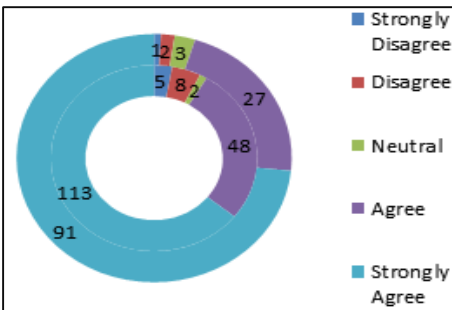


Fig 8

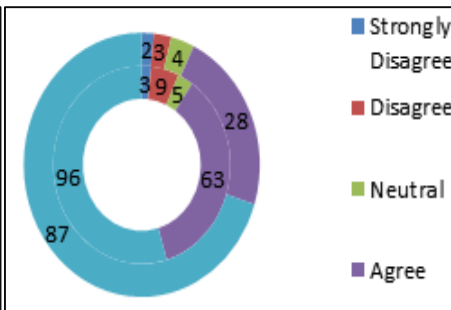


Fig 9

Chi square test:

Sr. No	Factors	D.F	χ^2	Sign	T.V	Significant	A/R
01	Environment Friendly Advertising	4	0.905	<	9.488	05	A
02	Purchases Environmental Friendly Product	4	1.16	<	9.488	05	A
03	Sin Of The Hidden Trade-Off	4	9.05	<	9.488	05	A
04	Sin Of No Proof	4	6.9	<	9.488	05	A
05	Sin Of Vagueness	4	3.53	<	9.488	05	A
06	Sin Of Worshipping False Labels	4	1.63	<	9.488	05	A
07	Sin Of Irrelevance	4	5.60	<	9.488	05	A
08	Sin Of Fibbing	4	8.61	<	9.488	05	A

Conclusion

Many countries of the world have framed laws to stop green washing. Most of the developed & developing countries have made progress in stopping evils of green washing. It is time for us to frame & implement new stricter laws for green washing and prohibit organization to do so. New laws and regulations should be implemented to monitor green washing and the companies should be punished for misleading environmental claims. The usage of environmental friendly image on the product which has no environmental impacts should be prohibited. Companies should stop the frequent use of green color in the logos of different products. Green audit should be developed to evaluate the performance of the companies towards nature conservation. Government should hold corporations accountable by the media. Advertisement standards and corporate codes of conduct should be reformed. Governmental bodies, NGOs and environmentalists to come forward to stop green washing for the betterment of consumer & environment.

Recommendations

Policymakers

- Compulsory annual disclosure of firm level environmental performance metrics.
- Compulsory disclosure of product environmental characteristics in details.
- Create new & clear eco labels for a broader range of product characteristics, while standardizing to reduce consumer confusion.
- Stricter governmental rules & actions to explicitly communicate types of actions that will be considered for violation of green washing.
- Issue Green Guide for consumer for better understanding of green terminology.
- Facilitate adoption of uniform international standards for advertising and environmental disclosure regulation.

NGOs

- Aggregate and diffuse environmental performance information campaign on internet.
- Collaboration amongst NGOs to reduce consumer confusion regarding green wash & create sites and blogs which provides detailed information regarding green washing.

Managers

- Increase centralization of decisions regarding environmental communication & establish
- Various institute standards and requirements for internal gathering and sharing of information on environmental performance indicators.
- Sharing of information among firms regarding best practices.
- Carefully assess flexibility and speed with which firm can implement changes.
- CEO must emphasize on ethical, honest behavior regarding green washing.
- Reward employees for identification of green washing claims.
- Punish employees involved in contributing & provoking for green washing.

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