

## GREENWASHING: THE ESSENCE OF THE DEFINITION, IMPACTS AND PROSPECTS

**Introduction** Nowadays, society strives to preserve nature, natural resources and the values of animals and plants, while ensuring environmental protection. Therefore, many modern companies try to support existing trends in order to maintain and increase their market position and increase sales, while using green branding.

In such conditions, the concept of green marketing also appears as a way of promoting green goods on the market. In the correct interpretation, such products should ensure naturalness and environmental friendliness. However, enterprises do not always manage to achieve such characteristics in modern conditions. Under such circumstances, enterprises resort to greenwashing as a method of disguising the enterprise as an environmental defender and pretending to be a business entity that cares about the environment to meet its own needs.

Definitely, greenwashing has a number of negative effects through misleading consumers, using unfair competition and harming the environment, which is why scientists and society are concerned about this issue and draw our attention to the topic of your research.

**Context** The term “greenwashing” emerged around 1990, when some of the largest companies polluting America (DuPont, Chevron, Bechtel, the American Nuclear Society and the Union of Manufacturers of Plastics) tried to advertise their own products as environmentally friendly on the exhibition in Washington [1]. Some scholars have derived this term from the Oxford English Dictionary as ‘disinformation disseminated by an organization so as to present an environmentally responsible public image. [2]

Note that greenwashing concept has developed over time. So now greenwashing concerns not only ecological products but also the whole production and company philosophy. This phenomenon takes many forms: from expensive advertising campaigns that emphasize the importance of maintaining the planet’s ecological balance to participation in transnational corporations’ conferences on environmental protection and environmental forums.

As greenwashing is a multidisciplinary phenomenon, there is no widely accepted general definition to this day. ‘Greenwashing’ may be interpreted as false information that is disseminated by a business entity in order to create an ecological image among consumers, but is not confirmed or substantiated by anything, as a result of which it misleads consumers. Manufacturers claim the organic and ecological purity of their products without proper grounds for this. Greenwashing is also interpreted as the presence of a company with poor indicators in terms of environmental sustainability and highlighting these indicators as positive.

Summarizing the statements of a number of authors regarding the meaning of the concept of 'greenwashing', it is worth noting that it is a process of highlighting the positive characteristics of a product from an ecological point of view without corresponding confirmation or masking of ecologically negative features products in order to increase profits, reduce costs or create a positive image of the enterprise.

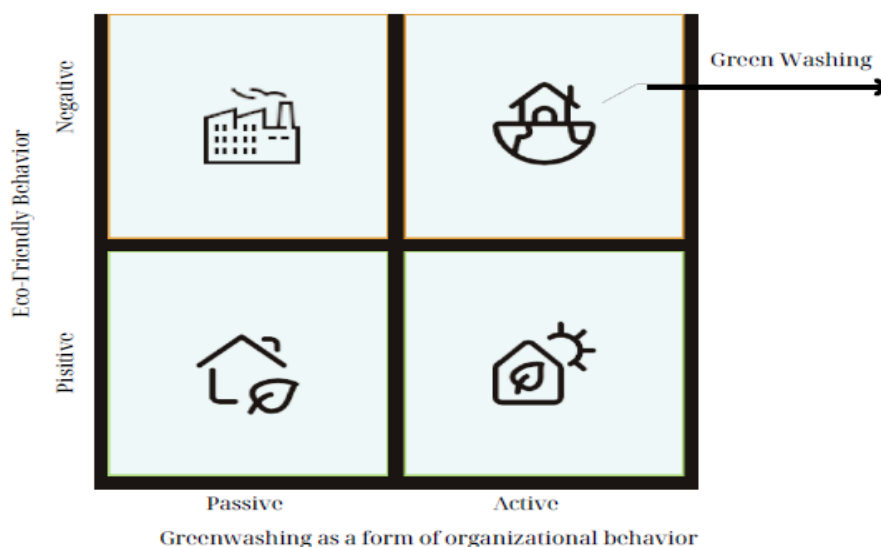
As for the features of greenwashing, it provides:

- Addition of the words 'eco', 'ecological', 'organic', etc. to the name of the product without corresponding confirmation by a certificate;
- Adding associations to the packaging that mislead the consumer of the product by using ecological packaging, green shades, etc.;
- The use of labelling that resembles a real ecological label, but is not such;
- Highlighting the enterprise as an 'eco-friendly' brand without appropriate measures confirming this, etc.

When studying the main types of greenwashing, it is worth paying attention to the main negative points for which greenwashing is used, including:

- Highlighting the advantages and hiding the negative sides of the goods;
- Lack or insufficiency of evidence (enterprises do not have relevant certificates);
- Selection of inappropriate and irrelevant product characteristics, etc.

**(Fig. 1)**



In a general sense, the active deployment of greenwashing by enterprises in modern conditions is mostly connected with the growing demand for ecological products and services from society, as well as with the fact that enterprises are trying in every possible way to respond to this demand, without having experience, sufficient resources or desire to act environmentally conscious. Thus, greenwashing can be characterized as a combination of two forms of organizational behaviour: non-

compliance with the norms of environmental behaviour and fictitious positive messages about environmental behaviour (Fig. 1).

Greenwashing as a greening technology is usually aimed at forming a deceptive environmental claim at the level of an enterprise, product or service using communication methods and textual arguments that directly or indirectly refer to the product's environmental benefits or services. As more and more companies use environmental marketing and public relations to align with consumers' environmental and sustainability values, the recognition of misleading environmental claims is highly relevant.

The following methods of environmental marketing and PR can be identified, the main component of which is misleading environmental claims:

- Deceptive marketing (in their communication companies, the misuse of "eco-jargon" is combined to promote falsely ecological goods or services that provide consumers with social consciousness and increase profits);
- Eco-masking (in their communication companies, they focus the attention of consumers and contact audiences on the same urgent problem (for example, the rejection of plastic in product packaging) and, thus, shift the emphasis from other weak sides of companies related to ecology and sustainable development);
- Environmental claims as part of the business model (this tactic is primarily profit-oriented and serves to use the momentum of consumer behaviour driven by environmental consciousness on its way). business practice).

Scientists also offer a typology of company communications criteria for the implementation of environmental claims (**Table 1**).

<b>Type of communication</b>	<b>Details</b>
False greenwashing	This category includes companies that have made significant efforts to improve the environmental performance of their products and processes, but are unable to effectively communicate these efforts. Such companies can optimize and transform their communications by precisely focusing their messages on key influencers, backed by data
Unfounded greenwashing	At first glance, these companies are committed to positive change and openly provide evidence to support their environmental claims. However, during a more detailed analysis, you can easily see that the company does not deserve the trust it advertises. It mostly lobbies its interests in an attempt to influence environmental policy (eg through sponsorships, grants and political lobbying), or may invest

	more resources in its communications than in actual environmental initiatives. A key risk of this model of communication time is the discovery of unsubstantiated greenwashing is an issue that makes the public more educated and sensitive to environmental and environmental issues.
Greenwashing noise	This category includes companies whose communications are based on unsubstantiated environmental claims. In other words, these are unethical communications.
Effective environmental communications	This category includes companies that comprehensively improve the environmental and social efficiency of their activities and products and coordinate environmental efforts with various functions in the company. Communications are built so that consumers and target audiences clearly understand the relationships and implications, and other companies follow suit. Such companies act as trendsetters and opinion leaders in all aspects of the formation of a positive ecological model of society's behavior.

Types of communications according to the criterion of implementation of an environmental claims

Source: formed by the authors based on [7]

(Fig. 2)



It is customary for scientist to distinguish seven sins of greenwashing (Fig. 2), as follows:

- The sin of the hidden trade-off: Making 'green' claims based on a narrow set of attributes without considering other important environmental issues.
- The sin of no proof: Making environmental claims that cannot be substantiated by accessible supporting information or reliable third-party certification.
- The sin of vagueness: Using poorly defined or broad claims that can be misunderstood by consumers.
- The sin of worshipping false labels: Misleading consumers by suggesting false certifications or misleading images.
- The sin of irrelevance: Making truthful but unimportant or unhelpful claims about a product's environmental impact.

- The sin of the lesser of two evils: Highlighting a product's positive aspects within its category while ignoring the greater environmental impact of the category as a whole.
- The sin of fibbing: Making false environmental claims.

These sins lead to greenwashing, where companies deceptively portray themselves or their products as environmentally friendly to attract environmentally conscious consumers. However, in reality, they might not be as eco-friendly as claimed. Greenwashing undermines genuine sustainability efforts and confuses consumers who genuinely want to make environmentally responsible choices.

**Summary** To date, the number of enterprises that resort to the use of greenwashing in their work in order to create a positive brand reputation, increase profits or save costs, remains quite large. Such a trend is extremely negative, as it creates a series of losses for the environment, consumers and enterprises.

Firstly, businesses in the pursuit of economic benefits are increasingly resorting to the implementation of greenwashing technologies as part of greening strategies, which in the long run slows down sustainable development efforts, making more and more people skeptical of environmental initiatives.

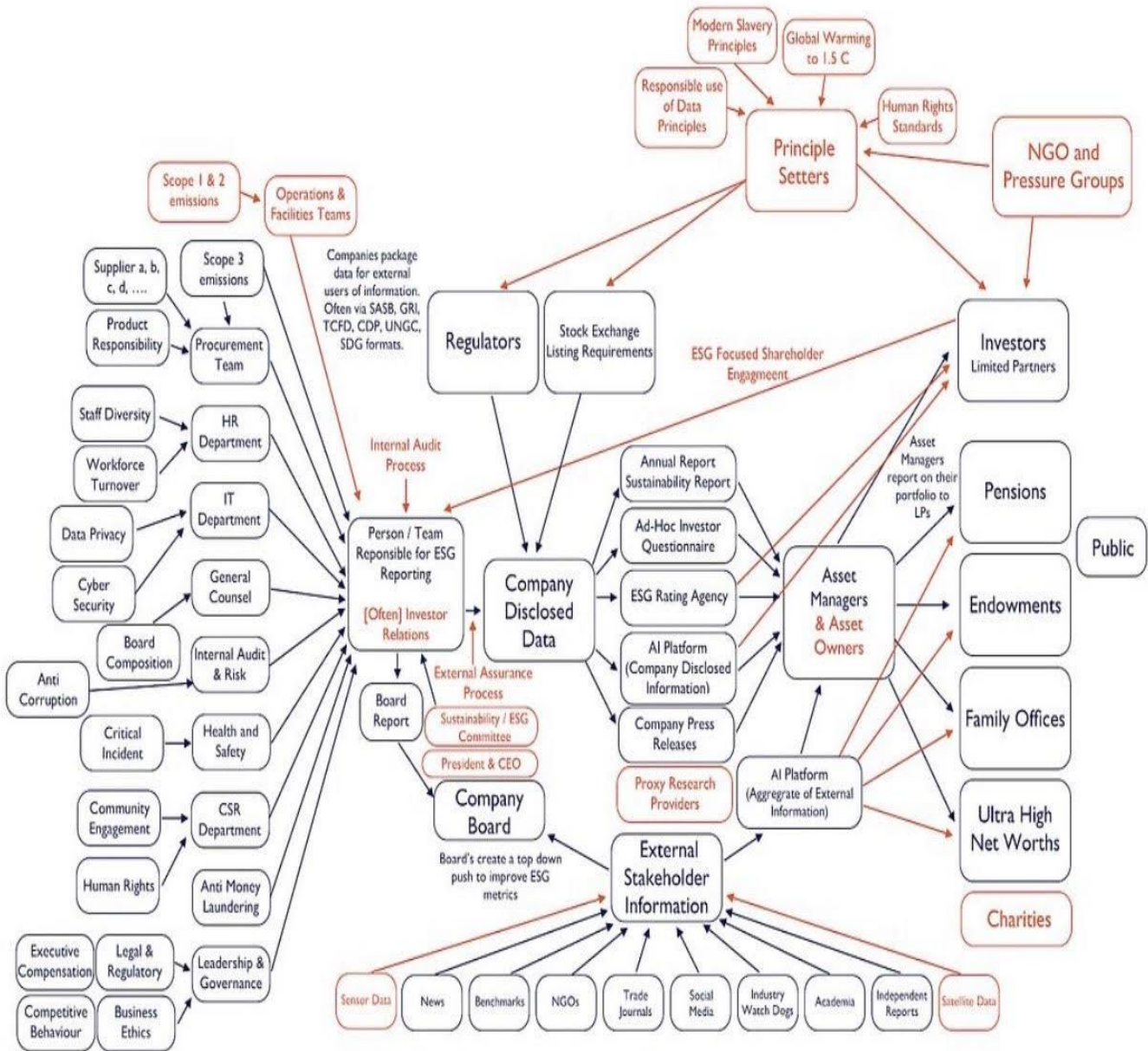
Secondly, greenwashing also acts as a limiting factor in the process of building patterns of environmentally conscious behaviour among consumers and significantly distorts the facts in the process of making consumer decisions. In the mass of information about products and services, consumers must not only evaluate all their advantages and disadvantages but also recognize false statements and unsubstantiated claims. Under such conditions, some companies actively invest in an environmental image, implementing environmental initiatives, and introducing environmental trends, while other companies focus only on claims, without creating any practical basis.

Finally, the destructive aspect of greenwashing is that time and resources that could be better spent on initiatives with a positive impact on the environment are used to create pseudo-environmental initiatives.

In communication with potential consumers, the companies should take into account that the products which are environmentally safe do not exist, because there is no product with zero eco-trace. But it is possible to compare the products and define by this trace which one is more environmentally-friendly. In this context, we can speak about the environmental responsibility of business — the actions for the benefit of the environment (or to lessen the negative influence on the environment) which go beyond the company's liabilities according to the law [3].

Many businesses are genuinely committed to sustainable development, but it is critical to address the actual barriers businesses face in effectively organizing data. An insightful infographic created by Nossa Data sheds light on how ESG information can be effectively mapped.

# How does ESG information map together?



(Fig. 3) [10]

In our opinion, it is possible to create an eco-brand without greenwashing thanks to the following:

- Research the life cycle of the product and convince the employees of the company's eco-policy.
- Publicly claim that the product is environmentally friendly.
- Establish communication with a consumer not only via advertising texts but also by giving the potential consumers the possibility to try the product, and feel it.
- Adequately react to the critic: refrain from aggressive reactions or ignoring public discontent.
- Establish communication with nature conservation organizations

The choice of the communicative strategy of interaction with the customer depends on the company's orientation and values. However, customers don't tend to trust meaningless promises and are quite skeptical of companies' claims about the absence of their influence on the environment. The most effective incentive to trust a company is the real actions to protect the environment and the presence of proof that the product is harmless to people and the environment.

Thus, successful communication with the company's consumers could be built based on the following principles:

- Meeting the requirements of ecological legislation;
- Giving only true information;
- Thorough explanation of the impacts of one's activity on the environment;
- Reducing the consumption of energy, heat, water, paper and other material. As a rule, it is realized both by the use of modern technologies and equipment and by organizational and agitational events;
- Using recycled dispensable materials including paper, reduces the exhaust fumes emission (and emission of other harmful substances) at the expense of reducing transportation;
- Support recycling policy (separate waste collection, paper recycling, office equipment and batteries recycling etc.);
- Sponsorship of environmental protection measures;
- Willingness to be fully responsible for the damage caused to the environment;
- Encouraging a corporate culture that is based on environmental values; involving employees in environmental initiatives, and raising the environmental responsibilities of employees;
- Responsibility to the community and other parties for one's current and future activity, as well as actions taken in the past;
- Taking into account the views and wishes of the community in developing and implementing one's projects.

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