
Green Washing_- The New Menace

Mousumi Chaudhuri (nee Chattopadhyay)

Assistant Professor

Seth Soorajmull Jalan Girls' College,
8/9 Bankim Chatterjee Street, Kolkata

Abstract

At present , companies worldwide are attempting to respond to the growing environmental concern of consumers with the introduction of a variety of green products. A green product is one that has less of an environmental impact or is less detrimental to human health than the traditional product equivalent. However advertising for green products may sometimes turn into green washing , when a company or organization spends more time and money claiming to be 'green' through advertising and marketing than actually implementing business practices that minimize environmental impact. The Rise of Green washing , paired with ineffective regulation, constitutes to consumer skepticism of all green claims and diminishes the power of the consumer in driving companies towards greener solutions for manufacturing process and business operations. Many corporate houses use green washing as a way to repair public perception of their brand.

The present paper is an attempt to study green washing in its different aspects, including the possible ways to cope with the menace.

key words : environmental impact, green products, green washing, brand

Advertisement- a way of life

Advertisements and consumer culture have become a part and parcel of our lives today. In general, advertisement is used to inform, persuade and remind consumers about the different products or services, thus enabling possibilities of increased profitability of companies.

However, advertisement has been accused of an array of sins ranging from an economic waste to selling of harmful products, from sexism to deceit and manipulation etc.

False and misleading advertisements in fact violate several basic rights of consumers re: the right to information, the right to choice, the right to be protected against unsafe goods and services as well as unfair trade practices.

Rise of Green Consumerism-

Pollution, global warming, climate change, loss of biodiversity etc are some of the major environmental hazards threatening the existence of mankind at present. Educated purchases by consumers can drastically reduce worldwide pollution and help conserve the environment. After all, the ultimate end point of all production is consumption.

Some environmental problems have been linked to individual consumption and this has brought the environmental problem down to the consumer level. Indeed, 30-40% of environmental degradation is brought about by the consumption activities of private households (Grunert, 1993). As a result of the public realization that its consumption activities lead to environmental problems, some consumers are translating their environmental concern into actively purchasing green products. Companies worldwide have attempted to

respond to the growing environmental concern of consumers with the introduction of a variety of green products.

A green product is one that has less of an environmental impact or is less detrimental to human health than the traditional product equivalent. Some of the best global brands(2014) as per report of Fortune (with consulting firm Deloitte and Interbrand) are- Ford, Toyota, Honda, Nissan, Panasonic, Nokia, Sony, Adidas, DANONE, Dell, Samsung, Johnson and Johnson, BMW, Philips, Intel, Nestle, IBM, Canon, Nike etc.

Green washing or false environmental advertising-

As businesses have come to recognize that environmental concerns may be translated into a market advantage for certain products and services, various environmental declaration, claim and labels have emerged, such as natural, recyclable, eco friendly, low energy, recycled content etc. But they have also led to some confusion and skepticisms. Unproven or irrelevant claims have been branded “green wash”.

‘Whitewashing’ is- “ a coordinated attempt to hide unpleasant facts, especially in a political context.” ‘ Green washing’ is the same premise, but in an environmental context. It is ‘ Green washing’ when a company or organization spends more time and money claiming to be ‘green’ through advertising and marketing than actually implementing business practices that minimize environmental impact. It is whitewashing, but with a green brush.

History of Green washing-

The term ‘ green washing’ was coined by Jay Westervelt in a 1986 essay re: the hotel industry’s practice of placing placards in each room promoting reuse of towels ostensibly to ‘ save the environment’, while in most cases, little or no effort toward reducing energy waste was being made by these institutions. In the opinion of Westervelt, the actual objective of this ‘green campaign’ on the part of many hoteliers was only to increase profit. He thus labeled this and other outwardly environmentally conscientious acts with a greater, underlying purpose of profit increase as ‘ Green washing’ .

In the mid 1960s the environmental movement gained momentum after Rachel Carson wrote the groundbreaking “ Silent Spring” in 1962. The first Earth Day was held on April 22,1970. This encouraged many industries to advertise themselves as being friendly to the environment.

In the mid 1980s oil company Chevron commissioned a series of expensive television and print ads to convince the public of its environmental bonafides. Titled “ People Do”, the campaign showed Chevron employees protecting bears, butterflies, sea turtles and other cuddly animals.

The commercials were very effective- in 1990, they won an Effie advertising award, and subsequently became a case study at Harvard Business school. Two years after the launch of the campaign, surveys found people in California trusted Chevron more than other oil companies to protect the environment. The ads however became notorious among environmentalists, who have proclaimed them the gold standard of green washing- the corporate practice of making diverting sustainability claims to cover a questionable environmental record.

In 1991 a study published in the Journal of Public Policy and Marketing (American Marketing Association) found that 58% of environmental ads had at least one deceptive claim. In 1999, the word ‘ green washing’ was added to the Oxford English Dictionary. The word was defined thus: disinformation disseminated by an organization so as to present an environmentally responsible public image.

The U.S. Based watchdog group Corpwatch defines green washing as “ the phenomenon of socially and environmentally destructive corporations attempting to preserve and expand their markets by posing as friends of the environment and leaders in the struggle to eradicate poverty.” It is also defined by the group as “ any attempt to brainwash consumers or policy makers into believing polluting mega- corporations are the key to environmentally sound sustainable development.”

In 2007, in an effort to describe, understand and quantify the growth of green washing, Terrachoice Environmental Marketing launched a study of environmental claims made on products carried on category-leading ‘big box’ store shelves. The study identified 6 patterns in Green washing, and came to be called the Six Sins of Green washing. Two years later, Terrachoice released a follow-up study, The Seven Sins of Green washing, to present new and significant trends. The issue is contentious, so much so that even the Terrachoice study has been described as a form of green washing.

The Seven Sins of Green washing are-

1. Sin of the Hidden Trade –Off, committed by suggesting a product is ‘green’ based on an unreasonably narrow set of attributes without attention to other important environmental issues.
2. Sin of No Proof, committed by an environmental claim that cannot be substantiated by easily accessible supporting information or by a reliable third-party certification.
3. Sin of Vagueness, committed by every claim that is so poorly defined or broad that its real meaning is likely to be misunderstood by the consumer.
4. Sin of Worshipping False Labels is committed when a claim, communicated either through words or images, gives the impression of a third-party endorsement, where no such endorsement exists.
5. Sin of Irrelevance, committed by making an environmental claim that may be truthful but which is unimportant or unhelpful for consumers seeking environmentally preferable products.
6. Sin of Lesser of Two Evils, committed by claims that may be true within the product category, but that risks distracting consumers from the greater environmental impact of the category as a whole.
7. Sin of Fibbing, the least frequent sin, is committed by making environmental claims that are simply false.

The environmental group Greenpeace launched a website StopGreenwash in 2008 to “confront deceptive green washing campaigns, engage companies in debate, and give consumers and activists and lawmakers the information and tools they need to hold corporations accountable for the impacts their core business decisions and investments are having on our planet.”

In 2008, Ed Gillespie identified “ten signs of green washing” which are similar to the Seven Sins listed above, but with 3 additional indicators :

1. Suggestive pictures- Images that imply a baseless green impact, such as flowers issuing from the exhaust pipe of a vehicle.
2. Just not credible- A claim that touts the environmentally friendly attributes of a dangerous product, such as cigarettes.
3. Gobbledygook- The use of jargon or information that the average person cannot understand or be able to verify.

More recently, social scientists have been investigating claims of and the impact of green washing. In 2010, a study was done showing that 4.5% of products tested were found to be truly green as opposed to 2% in 2009. The study also found that 95% of the consumer products claiming to be green were not green at all.

Strategies of Green washing

1. The most common green washing strategy, according to Greenpeace, is when a company touts an environmental program or product while its core business is inherently polluting or unsustainable.
2. The second category, Greenpeace calls ‘ad bluster’; using targeted advertising or public relations to exaggerate a green achievement so as to direct attention from actual environmental problems- or spending more money bragging about green behaviour than on actual deeds.
3. In some cases, companies may boast about corporate green commitments while lobbying behind the scenes against environmental laws.

4. Greenpeace also urges vigilance about green claims that brag about something the law already requires. Eg- if an industry or company has been forced to change a product, clean up its pollution or protect an endangered species, then uses PR campaigns to make such action look proactive or voluntary.

Regulation of Green washing-

1. Australia- The Australian Trade Practices Act has been modified to include punishment of companies that provide misleading environmental claims. Any organization found guilty of such could face upto \$1.1 million in fines. In addition, the guilty party must pay for all expenses incurred while setting the record straight about their product or company's actual environmental impact.

2. Norway- Norway's consumer ombudsman has targeted automakers who claim that their cars are 'green', 'clean', or 'environmentally friendly' with some of the world's strictest advertising guidelines. Manufacturers risk fines if they fail to drop the words.

3. USA- The Federal Trade Commission (FTC) provides voluntary guidelines for environmental marketing claims. These guidelines give the FTC the right to prosecute false and misleading advertisement claims. The green guidelines set by the FTC are-

(a) Qualifications and disclosures- In order to be effective, any qualifications or disclosures such as those described in the guides should be sufficiently clear, prominent & understandable to prevent deception.

(b) Distinction between benefits of product, package and service – An environmental marketing claim should be presented in a way that makes clear whether the environmental attribute or benefit being asserted refers to the product, the product's packaging or service or to a portion or component of the product, packaging or service.

(c) Over statement of environmental attribute – An environmental marketing claim should not be presented in a manner that over states the environmental attribute a benefit, expressly or by implication.

(d) Comparative claims - Environmental marketing, claims that include a comparative statement should be presented in a manner that makes the basis for the comparison sufficiently clear to avoid consumer deception. In addition the advertiser should be able to substantiate the comparison.

The FTC's Green Guides was subsequently revised incorporating a wide range of public and industry input. In 2013 the FTC began in forcing the revision put forth in the Green Guides. It cracked down on six different companies, in which 5 were concerned with the false or misleading advertising re: the biodegradability of plastics.

4. India – In India the Advertising Standards Council of India (ASCI), established in 1985, is committed to the cause of self regulation in advertising, ensuring the protection of the interests of consumers. ASCI was formed with the support of all four sectors connected with advertising i.e Advertisers, Advertising Agencies, Media(including Broadcasters and the Press) and others like PR Agencies, Market Research companies etc.

ASCI seeks to ensure that advertisement conform to its Code for Self Regulation .

ASCI is partnering with the Government 's Department of Consumer Affairs in order to ensure better compliance with accepted codes of advertising .The partnership will transform ASCI in to a quasi-judicial body rather than an advertising body.

The Consumer Protection Act is the only law that gives the consumer ,the right to redress against misleading advertisements, including compensation for any loss or injury caused as a result of such advertisements. The law provides for redressed against unfair trade practices and a false or misleading advertisements becomes an unfair trade practice under the provisions of the law.

Sec 14h(c) of the Act says that the code can order "corrective advertisement to neutralize the effect of misleading advertisement at the cost of the opposite party responsible for issuing such misleading

advertisement.” In so far as misleading advertisement are concerned ,this is the most important provision and can really prove to be a deterrent . Unfortunately , this provision is not being used to effectively curb misleading advertisement.

Eco labeling- an important solution and sometimes part of the Green washing problem

The International standards Organization (ISO) has classified label into 3 typologies:

1. Type I (Eco label)
2. Type II (Green claims)
3. Type III(Environmental impact labels)

Type I- Eco labels (ISO 14024:1999)

Only independent and reliable labels that consider the life –cycle impact of products & services are called ‘eco labels’.

Type II- Self environmental claims (ISO 14021:1999)

These labels are developed internally by companies and are not independently verified. If the information conveyed in claims is vague, misleading or inaccurate (green washing) , the consequence can be loss of trust in claims and labels in general.

Type III- Environmental impact labels (ISO 14025:2006)

Type III labels consist in qualified product information based on life cycle impacts. Environmental parameters are fixed by a qualified third party, then companies compile environmental information into the reporting format and these data are independently verified. Type III labels do not assess or weigh the environmental performance of the products they describe. This type of environmental labels only shows the objectives data and their evaluation is left to the buyers.

There is also a fourth group ‘Type 1-like’. This has a verification and certification process similar to that of eco labels but focuses on single issues (e.g. energy consumption sustainable forestry etc).

Environmental standards and certification will be essential to continuing progress in ‘ greener’ products. Ironically, the potential importance of eco labels has led to a proliferation of them , and to a multitude of types and degrees of meaningfulness and integrity .

Best- in- class environmental standards and certifications are those that are consistent with ISI14024. Some of the legitimate environmental standards and certification are –

1. Ecologo
2. UL Environment(ULE)
3. Biodegradable Products Institute
4. CFPA
5. CRI Green label
6. Eco Cert
7. ENERGY STAR
8. OKO-TEX
9. Fair trade Certified
10. FSC
11. green E

-
12. Green Guard
 13. Green Seal
 14. Natural product association
 15. Nordic Swan
 16. PEFC
 17. Rainforest Alliance
 18. SCS
 - 19.SFI
 20. Skal EKO
 21. Soil Association
 - 22.UL Environment Environmental Claim Validation
 23. UL Environment Energy Efficiency Verification
 24. USDA Organic
 25. Water Sense

If one does not recognize any eco label one can look it up on Ecolabel Index , a global directory tracking 400+ different eco labels in 197 countries across 25 industry sectors. The free online resource provide information on which company or group is behind each certification.

Green washing- the present scenario –

In their ‘Sins of Green washing ‘ study 2010, Terrachoice found that since 2009, the no of ‘greener’ products has gone up by 73%. And all though green washing is still a significant problem (in 2010, over 95% of ‘greener’ products commit one or more of the seven ‘Sins of Green washing’), there is evidence that it is improving. The proportion of sin-free product appears to have doubled in each of the last two years , from less than 1% in 2007 to approx 2% in 2009, and to almost 4.5% in 2010.

Of products certified by an ISO 14024 based program, more than 30% were sin-free. Clearly ,good eco-labeling helps prevent (but does not eliminates) green washing . Unfortunately , the use of fake labels(a sin first identified in 2009 and dubbed the ‘Sin of Worshipping False Labels’ has increased dramatically . The sin of worshipping false labels has increased from 23.3% in 2009 to 30.9% in 2010.

As per the 2010 report, BPA+ phthalate-related claims are sky rocketing . The percentage of products making BPA- free claims has increased by 577% and those making phthalate-free claims increased in 2550%. 2/3 of these claims appear on toys and baby products.

The study found that big box stores offered a much higher percentage (22.8%) of home and family products with legitimate green certifications than either specialty (11.5%) or green boutiques (12.8%).

Also, big box stores have more products that are free of green washing (5.6%) than either specialty retailers (1.7%) or green boutiques(0.5%).

The 2010 study found that the pattern of green washing is changing. The ‘ Sin of the Hidden Trade –Off’ declined sharply from 2009 (71.3% of all products) to 2010(27.4%). The ‘Sin of No Proof ‘ increased from 56.4% of all products to 70.1% , much of which was related to BPA-free(and associated) claims on toys and baby products.

Conclusion-

While Green washing is not new, its use has increased over recent years to meet consumer demand for environmentally friendly goods and services. The problem is compounded by lax enforcement by regulatory agencies such as the Federal Trade Commission in the USA, the Competition

Bureau in Canada and the Committee of Advertising Practice and the Broadcast Committee of Advertising Practice in the UK. This rise of Green washing, paired with ineffective regulation, constitutes to consumer skepticism of all green claims and diminishes the power of the consumer in driving companies towards greener solutions for manufacturing processes and business operations. Many Corporate houses use green washing as a way to repair public perception of their brand.

To prevent green washing, consumers can consult the National Advertising Division (NAD) of the Council of Better Business Bureaus (CBBB), which administers a system of voluntary self regulation for the advertising industry. Online sites like coopamerica.org, treehugger.com, corpwatch.org, greenbiz.com and others provide additional assistance. Social bookmarking websites like DotheRightThing.org are allowing consumers to read news articles and rate actions of the companies involved, based upon perceived positive or negative environmental impact. In India, consumers can bring to the notice of the ASCI, questionable advertisements online through their website (www.ascionline.org).

References-

1. www.terrachoice.com
2. www.sinsofgreenwashing.com
3. www.stopgreenwash.org
4. <https://www.theguardian.com>
5. www.ecologo.org
6. www.corpwatch.org
7. <http://www.researchgate.net>
8. www.ecolabelindex.com
9. journals.sagepub.com
10. www.businessstandard.com
11. Dr Sarawade W.K. conceptual development of green marketing in India, Excel journal of engineering, Technology and management science, Vol 1, June 2012