

"Greenwashing in marketing; the effect on consumer's confidence in green products with the Welsh perspective."

"Greenwashing is a PR tactic that's used to make a company or product appear environmentally friendly without meaningfully reducing its environmental impact (Gelmini, 2021).

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Introduction

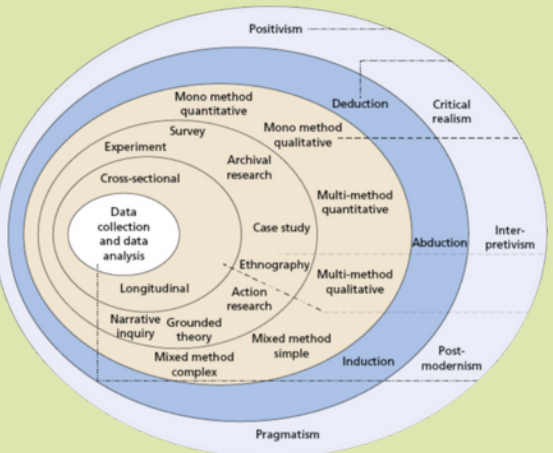
Due to the growing concerns regarding the environment and calls from governments across the globe to focus on more sustainable development, green and eco-friendly products have been flooding the markets. However, consumers are not necessarily aware that the majority of those products are not what they have been advertised as. Many businesses commit the act of greenwashing, where false, misleading and vague environmental claims are being used as a marketing strategy to encourage consumers to purchase them. Greenwashing is highly problematic for the consumers, firms and the environment. The lack of research on the Welsh consumers' perception of greenwashing in marketing became the main driver behind this research paper, alongside the limited solutions to consumers' lack of confidence in green products.

Aim and Objectives

This research project aims to determine consumers' awareness of greenwashing tactics in marketing and the impact of greenwashing on consumers' trust in green products and find solutions to reinstalling consumers' trust in green products.
Objective 1 – To critically review the relevant scientific literature regarding greenwashing in marketing, consumers' trust in green products after being exposed to greenwashing and installing consumers' trust back in green products.
Objective 2 – To conduct a semi-structured interview with Welsh consumers to determine their knowledge and understanding of greenwashing in marketing and their decision making while buying eco products after being subjected to greenwashing.
Objective 3 – To recommend ways of reinstalling consumers' confidence in green products despite greenwashing tactics used in marketing.

Methodology

A mono method approach was chosen for this research paper using qualitative research. Semi-structured interviews were undertaken with ten participants. The collected data were analysed using a thematic analysis, where five themes were uncovered and analysed.



Source : Saunders, Lewis and Thornhill, 2018

Results/Findings

Five themes were identified via thematic analysis of the primary data gathered during the interviews.
•**Environmental friendliness and consumers' purchase behaviour towards green products.**
"So I think it was very important, and I would like to buy more environmentally friendly things, but green products are so much more expensive "(P9)
•**Consumers' confusion caused by green claims and greenwashing.**
"Well, I feel like there is no real way of telling whether branding is real or not." (P3)
•**Effects of greenwashing on consumers after greenwashing was revealed**
"It put me off buying them. It makes me believe that they are all misleading." (P8)
•**Consumers trust in businesses and their marketing activities.**
"Well, no, you can't trust them without research. You can't trust them unless you research them." (P1)
•**Assurance to green claims.**
"Maybe they'd have to put like a little stamp, like they do with sustainable fashion, things like that. (P6)

Literature

Effects of greenwashing
Loss of competitive advantage
Detrimental effects on the environment (Polonsky et al. 1998).
Consumer confusion (Furlow, 2010)
Loss of trust in green products
Drivers of greenwashing
Relaxed regulations
Opportunity for a positive brand image
The non-existing threat of punishment
Pressure from activists and consumers (Wu et al., 2017)

Legislations

Currently, there is no specific regulation regarding greenwashing in the UK; however, the Consumer Protection from Unfair Trading Regulations 2008, regulations 5 and 6 can be applied to greenwashing as it regards false and misleading practices and hiding or making confusing material information (Legislation.gov.uk, 2022).

Consumer awareness of greenwashing

2021 revealed that over 40% of UK adults could not differentiate between genuine ethical brands and brands that engaged in greenwashing (French, 2021).
•Call for a greenwashing literacy intervention (Fernandes et al., 2020)

Green marketing

Green marketing creates a competitive advantage, brand loyalty, and a positive brand image (Arseculeratne & Yazdanifard, 2014)
Consumers are willing to buy eco-products but are unwilling to pay premium prices (Agyeman 2014)
Eco-labels can be confusing for consumers and often misinterpreted (Cary et al. 2004)
Green consumers are sceptical of green ads (Shrum *et al.*, 1995).



Conclusion

The study highlighted that consumer confusion and the lack of trust were the main consequences of greenwashing in advertising. Moreover, the findings also confirmed consumers' scepticism towards green ads and ads in general. In addition, consumers expressed that eco-labels could work as an assurance of green claims alongside their own research. The findings from the study largely correlated with the literature review.



Recommendations

- Standardised regulations and updates to a legal system
- Greenwashing Education
- Transparency enforcement – Mandatory Environmental Reporting
- Develop a mobile application that provides an instant environmental classification of a brand

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