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## **Combating Greenwashing Tactics and Embracing the Economic Success of Sustainability**



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ABSTRACT: Green Washing refers to the deceptive practice of making a company or its products appear more environmentally friendly than they genuinely are, often to capitalize on the growing consumer demand for sustainable and eco-conscious choices. Eliminating Green Washing is essential for the development of sustainable business practises and for safeguarding customers from fraudulent, greenwashed promises. The paper seeks to bridge theory and practise by offering an analysis of ten firms accused of greenwashing. Thus, the paper considers deliberate organisational and communicative practises that go beyond greenwashing's most obvious forms. Based on these instances, prevalent communication blunders and corporate misconduct behaviours in corporate sustainability are exposed. A strong legislative framework is urgently needed to make sure that businesses that make false environmental claims are held accountable and subject to severe fines to have a deterrent impact. Better consumer education and knowledge about the problem of "green washing" and how to spot it are also necessary. Businesses can adopt third-party certification programmes and independent audits. Companies should endeavour to be upfront and honest in their environmental claims, prioritise sustainability, and encourage good governance to avoid "greenwashing."

**KEYWORDS:** Green Washing, Sustainability, Legislative Framework, Consumer Education

#### INTRODUCTION

Green Washing is a strategic public relations tactic employed to create the perception that a business or product aligns with ecological values and practices, despite lacking substantial efforts to mitigate its environmental impact. This deceptive practice often relies on sweeping generalizations, evocative imagery of the natural world, and the use of terms such as "green" that fail to withstand scrutiny upon closer examination. It also involves the dissemination of vague assertions and purported "green" solutions, which serve to mislead and divert attention from the genuine environmental challenges at hand.

Through the process of persuasion, greenwashing aims to enhance a company's reputation or boost its sales by creating the impression of consistency with environmental principles. While the term "greenwashing" was coined in the 1980s, instances of this practice have been observed even earlier. In recent years, novel tactics and gimmicks have emerged, further complicating the task of distinguishing between greenwashing and authentic sustainability efforts.

#### **Green Washing Practices**

These distinguishing features or shortcomings serve to identify instances of greenwashing:

Greenwashing Token actions: involves promotion of a single environmentally friendly aspect or practice while neglecting other more significant ones. As an illustration, consider a scenario where a fastfood franchise promotes the



- adoption of recyclable paper straws while at the same time procuring its meat from suppliers engaged in deforestation practices. By highlighting a minor ecofriendly measure, companies divert attention from the broader environmental impacts of their operations, thereby creating an illusion of sustainability.
- ii. Lack of specificity: Greenwashing intentionally creates confusion by employing incorrect or overly broad definitions. For instance, using a recycling symbol on packaging without specifying which component is recyclable or providing no supporting evidence for a claim. This tactic allows companies to exploit consumers' assumptions about environmental responsibility without actually implementing meaningful sustainable practices.
- iii. Utilization of green imagery or buzzwords:
  Greenwashing relies on the use of images or symbols associated with nature, such as trees and scenic landscapes, in advertisements or product packaging. It also involves the deployment of buzzwords like "non-toxic," "all-natural," "eco-conscious," and "chemical-free" without providing contextual information or substantiation. These tactics grant an environmentally damaging company or product a superficial "green" label, deceiving consumers into perceiving them as environmentally friendly despite the lack of genuine sustainability efforts.
- iv. Carbon neutrality as pollution compensation: Greenwashing can manifest through the strategy of carbon neutrality, which focuses on compensating for pollution rather than actively reducing it. This approach often involves paying others to reduce their carbon emissions or remove carbon from the atmosphere. However, since a significant amount of carbon continues to be released into the atmosphere, this practice can be considered a form of greenwashing. Redundant assertions in carbon neutrality claims further contribute to the lack of credibility and substance in greenwashing efforts.

#### B. Why do Businesses Use "Greenwashing" Tactics

There are several reasons why businesses employ "greenwashing" tactics:

- Market demand: Greenwashing allows businesses to cater to the growing market of environmentally conscious consumers, even when their actual environmental practices are inadequate. By environmental projecting an image of responsibility, companies can appeal to consumers who prioritize sustainability and are willing to support businesses that align with their values. This enables businesses to capitalize on the market demand for eco-friendly products and services, regardless of the substantive efforts they have made towards sustainability.
- ii. Lack of regulation: The absence of standardized environmental claims and regulations provides businesses with a more favorable environment to make deceptive or fraudulent claims. In the

- absence of stringent guidelines and oversight, companies have greater freedom to engage in greenwashing practices. This regulatory gap allows businesses to exploit the lack of accountability and transparency in environmental claims, thereby misleading consumers and benefiting from the perception of being environmentally responsible without substantial evidence to support such claims.
- iii. Competition: In a crowded market, businesses may feel compelled to make environmental claims to differentiate themselves from competitors, even if their actual environmental practices are subpar. The use of greenwashing tactics enables companies to create a perceived competitive advantage by positioning themselves as environmentally friendly, even when their sustainability efforts are minimal. This competitive pressure drives businesses to employ greenwashing strategies as a means of gaining an edge over their rivals and capturing the attention and loyalty of environmentally conscious consumers.
- iv. Financial gain: Businesses that present themselves as "green" or environmentally responsible may be able to command higher prices for their goods and services. Capitalizing on the willingness of consumers to pay a premium for environmentally products, friendly companies can use greenwashing tactics to justify higher prices based on a perceived environmental benefit. This financial incentive provides businesses with a motive to engage in greenwashing practices as a means of maximizing their profits and capitalizing on consumer willingness to support sustainable initiatives.

In summary, businesses utilize greenwashing tactics to meet market demand, exploit the lack of regulation, gain a competitive advantage, and achieve financial benefits associated with the perception of being environmentally responsible, even when their actual environmental practices do not align with such claims.

## 2. OBJECTIVES

- i. Identification of greenwashing tactics adopted by various companies
- ii. An analysis of ten firms accused of greenwashing
- iii. To arrive at meaningful conclusions and recommendations

#### 3. RESEARCH METHODOLOGY

The paper exhibits a descriptive and analytical approach. It draws upon secondary data derived from a wide range of sources, including national and international reports, academic journals, books, magazines, websites and relevant literature within the discipline.

#### 4. REVIEW OF LITERATURE

This academic paper delves into the emergence of the greenwashing concept, attributing its inception to the discerning observations made by environmental activist Jay Westerveld in 1986. This pivotal event unfolded when hotels initiated a practice of urging guests to reuse towels under the guise of a company-wide conservation strategy, despite the conspicuous absence of substantial environmental initiatives addressing more impactful ecological concerns (Gupta et. al, 2022; Mandal et al., 2022).

Greenwashing, a phenomenon pervasive in marketing and corporate communications, can be categorized into two primary classifications: Executional Greenwashing and Claim-Based Greenwashing.

Executional Greenwashing pertains to the art of cultivating misleading perceptions surrounding a product, brand, or company, all without explicitly relying on factual claims. In the realm of environmental assertions, this stratagem leans on the incorporation of nature-inspired elements. These elements encompass the strategic use of colors such as green and blue, the integration of evocative sounds evoking nature, like the soothing sea or melodic birdsong, and the backdrop of serene natural landscapes, featuring majestic mountains, lush forests, and vast oceans. Additionally, it involves the incorporation of visuals portraying endangered animal species, such as the iconic pandas and graceful dolphins, as well as imagery depicting sustainable energy sources like wind turbines and cascading waterfalls.

In stark contrast, Claim-Based Greenwashing centers its deceptive practices on the dissemination of misleading, false, or entirely unfounded statements concerning a product or a company's environmental attributes. Through this method, an unmerited illusion of conformity to environmental, social, and governance (ESG) standards is crafted, thereby misguiding stakeholders and consumers alike (Gupta and Mittal, 2023).

As per the insights provided by Ogilvy and Mather, greenwashing practices have witnessed a substantial upsurge in recent decades, reaching epidemic proportions. This phenomenon has been closely associated with the expansion of green markets, thereby exacerbating a crisis of trust among consumers. The proliferation of greenwashing has led to challenges in distinguishing genuine environmental claims, leaving customers struggling to discern authentic green initiatives from deceptive ones.

TerraChoice has conducted a comprehensive study aimed at assisting consumers in recognising greenwashing tactics employed by companies. The study presents the "seven sins of greenwashing" encompassing deceptive practices used to promote environmentally- friendly attributes.

As per the report, a astounding 95% of products that made green claims in both Canada and USA were discovered to be guilty of committing at least one of these "greenwashing sins". These violations span from concealing trade-offs in environmental aspects, known as the hidden trade-off sin, to misleading endorsements of eco-friendly certifications, known as the worshipping false labels sin.

The Seven Sins of Greenwashing are delineated as follows:

- i. Sin of Hidden Trade Off: This transgression occurs when a marketer selectively highlights certain positive environmental attributes of a product or service while conveniently diverting attention away from other, potentially more significant, detrimental environmental impacts associated with it.
- ii. Sin of No Proof: This misconduct arises when marketers make assertions regarding the environmental benefits of their offerings without providing readily accessible and verifiable evidence to substantiate these claims.
- iii. Sin of Vagueness: Marketers fall into this sin when they employ ambiguous and broad terms such as "pure," "natural," "organic," "eco-friendly," and the like which may mislead consumers into believing their product is more environmentally friendly than it truly is.
- iv. Sin of Irrelevance: This wrongdoing transpires when marketers tout environmentally responsible aspects that are either inconsequential in the broader context or are solely prompted by regulatory obligations, thereby lacking genuine environmental significance.
- v. Sin of the Lesser of Two Evils: This sin is committed when marketers make accurate claims within a specific category but, when viewed comprehensively, their product or service still exerts a detrimental impact on the environment.
- vi. Sin of Fibbing: This violation occurs when marketers disseminate false or unsubstantiated environmental claims, knowingly misleading consumers about the actual environmental performance of their offerings.
- vii. Sin of Worshipping False Labels: This transgression takes place when marketers attempt to convey the environmental friendliness of their products or services by employing counterfeit labels and certificates, thereby deceiving consumers into believing their offerings possess genuine ecocredentials.

The rise of greenwashing has fueled increased green skepticism, posing a challenge to effective green marketing. Genuine green assertions face heightened skepticism, as it becomes challenging for customers to distinguish the authenticity of green marketing efforts.

TerraChoice characterizes greenwashing as "the deceptive practice of providing false or misleading information to consumers about a company's environmental practices, environmental performance or positive communication related to environmental efforts."

According to Delmas and Burbano, greenwashing refers to a combination of subpar environmental performance and the promotion of a falsely positive image regarding environmental efforts. According to Baum, greenwashing is characterised as the intentional dissemination of inaccurate information to consumers regarding a company's environmental actions or the environmental benefits

associated with product or service. Tateishi summarises greenwashing as a form of communication that deceives people by divulging negative information while simultaneously promoting positive aspects of an organisation, service or products environmental performance or benefits.

The perception and accusation of greenwashing can vary significantly depending on the observer. It can manifest in various ways, ranging from environmental labelling on individual products to nature-inspired elements in sustainability reports at the company level. This complexity results in a multitude of options for categorizing the phenomenon. The presence of such diverse forms makes it challenging for consumers to accurately identify instances of greenwashing. Even among consumers who are well-informed and considered experts in recognising greenwashing and understanding the relevant market, the identification process remains difficult. For regular consumers with limited or no knowledge of the phenomenon, the process of recognising and accusing greenwashing becomes even more intricate.

# 5. AN ANALYSIS OF TEN FIRMS ACCUSED OF GREENWASHING

Although greenwashing occurs in both small and large businesses, the effects are the same. It undermines consumer trust in sustainability and permits detrimental environmental effects. It is critical to examine and comprehend some of the most notable incidents in order to more effectively battle climate disinformation.

## Coca-Cola – World's Largest Plastic Polluter

Coca-Cola, a global beverage giant, has faced scrutiny and allegations of greenwashing in its marketing and sustainability efforts. Critics have raised concerns about the company's environmental claims not aligning with its actions. One significant point of contention revolves around Coca-Cola's plastic bottle usage, which has been criticized for contributing to plastic pollution worldwide. While the company has initiated recycling and environmental programs, some argue that these efforts have not been comprehensive enough to address the environmental impact of its packaging.

One notable instance of potential greenwashing was Coca-Cola's promotion of its PlantBottle, a partially plant-based plastic bottle. While it aimed to reduce the carbon footprint of its packaging, critics argued that the environmental benefits were overstated, and the company was accused of using green marketing to divert attention from the broader sustainability issues associated with its products.

Over the years, Coca-Cola has made efforts to enhance its sustainability initiatives and reduce its environmental footprint, such as setting ambitious recycling and packaging goals. However, allegations of greenwashing continue to be a point of concern for some environmental advocates and consumers who seek more transparent and substantial sustainability efforts from the company.

In the evolving landscape of corporate sustainability, it remains essential for consumers and watchdog

organizations to remain vigilant and hold companies like Coca- Cola accountable for their environmental claims, fostering a genuine commitment to responsible and ecofriendly practices.

## Volkswagen – Cheating Emissions Tests and Environmentally-Friendly Options

Volkswagen, a prominent automobile manufacturer, has faced significant scrutiny and allegations of greenwashing in the past. One of the most notable instances was the infamous "Dieselgate" scandal that erupted in 2015. Volkswagen had marketed its diesel vehicles as environmentally friendly, touting their low emissions and fuel efficiency. However, it was revealed that the company had equipped these cars with deceptive software that manipulated emissions during testing, concealing the fact that they were emitting pollutants far above regulatory limits in real-world driving conditions.

The Dieselgate scandal was a glaring example of greenwashing, as Volkswagen's marketing claims directly contradicted the actual environmental impact of its vehicles. The company faced immense legal and financial repercussions, including fines, recalls, and damage to its reputation.

In the aftermath of Dieselgate, Volkswagen committed to a significant shift toward electric vehicles (EVs) and sustainable practices as part of its "Transform 2025+" strategy. While these efforts represent a positive step towards genuine sustainability, the legacy of greenwashing still lingers, and the company continues to be under scrutiny, emphasizing the importance of transparency and accountability in corporate environmental claims.

Volkswagen's case serves as a cautionary tale about the consequences of greenwashing, underlining the need for strict adherence to environmental standards and the credibility of sustainability initiatives in the automotive industry and beyond.

## Walmart - Claim about Environmentally Responsible Business Model

Walmart one of the world's largest retail giants, has been both praised and criticized for its sustainability efforts, with some accusing the company of greenwashing. On one hand, Walmart has undertaken substantial initiatives to reduce its environmental footprint, including setting ambitious goals to achieve 100% renewable energy, zero waste, and sustainable sourcing. The company has made strides in energy efficiency, investing in renewable energy sources and reducing emissions across its global operations. Walmart's efforts to promote sustainable products and support environmental causes have also garnered attention.

However, skepticism remains among some environmental advocates and consumers who question the depth and sincerity of these initiatives. Critics argue that Walmart's vast supply chain and business model, built on low-cost, high-volume sales, inherently contribute to issues such as overconsumption and unsustainable production practices. Additionally, concerns have been raised about the treatment

of workers and labor practices within the company, which are often intertwined with sustainability issues.

In navigating the complex landscape of sustainability and corporate responsibility, Walmart's efforts represent a mixed picture. While the company has taken commendable steps toward environmental sustainability, the shadow of greenwashing allegations underscores the importance of ongoing scrutiny, transparency, and a holistic approach to addressing environmental and social concerns in the retail industry

#### Banana Boat - Environmental Impact of Sunscreen

Banana Boat, a popular brand of sunscreen products, has faced criticism and allegations of greenwashing in the past due to concerns surrounding the environmental impact of its sunscreens. The controversy stems from the ingredients used in many of its products, particularly oxybenzone and octinoxate, which have been linked to coral reef bleaching and environmental harm when washed off in oceans and other water bodies.

While Banana Boat has marketed its sunscreens with claims of protection for people and the environment, some critics argue that the company's products may not align with these claims, given the potential harm caused by these chemical ingredients to aquatic ecosystems. Greenwashing accusations against Banana Boat have highlighted the importance of scrutinizing the ingredients used in personal care products, particularly those designed for use in sensitive environmental areas like beaches and coral reefs.

In response to growing concerns about these ingredients, some regions have banned or restricted the sale of sunscreens containing oxybenzone and octinoxate. This has prompted some sunscreen manufacturers, including Banana Boat, to explore alternative formulations that are safer for the environment. Nevertheless, the greenwashing controversy underscores the need for transparency, rigorous testing, and a genuine commitment to environmentally friendly product development, especially in industries like cosmetics and personal care where green claims are prevalent.

## Nespresso - Misleading Claims about Green Products

Nespresso, the Swiss-based coffee company known for its sleek machines and premium coffee capsules, has faced its fair share of scrutiny over the years for what many perceive as "greenwashing."

Nespresso has marketed itself as a sustainable coffee option, highlighting its recycling program for used coffee capsules as a cornerstone of its eco-friendly image. However, critics argue that this is merely a facade. The single-use aluminium capsules used by Nespresso have raised concerns about resource consumption and recycling efficiency. While Nespresso encourages customers to recycle their capsules, the reality is that many capsules end up in landfills due to a lack of convenient recycling options or customer awareness.

Furthermore, Nespresso has faced allegations of sourcing coffee beans from regions associated with deforestation and unethical labor practices. Despite its claims of responsible sourcing, these accusations have cast doubt on the company's commitment to sustainability.

In conclusion, while Nespresso has made efforts to position itself as a sustainable coffee brand, the company's environmental and ethical practices have come under scrutiny. The concept of greenwashing in the context of Nespresso highlights the importance of transparency and genuine commitment to sustainability in today's consumer-driven world. Consumers must remain vigilant and informed to make responsible choices and hold companies accountable for their environmental claims.

#### **Royal Dutch Shell – Carbon Footprint and Court Cases**

Royal Dutch Shell, a global titan in the oil and gas industry, renowned for its vast operations, has often found itself at the center of controversies regarding greenwashing, a practice where a company presents itself as environmentally responsible while its core operations remain detrimental to the environment.

Shell has made significant efforts to rebrand itself as a sustainable energy company, especially in response to growing global concerns about climate change. The company has announced investments in renewable energy sources like wind and solar power and has claimed to reduce its carbon emissions. However, critics argue that these steps are mere greenwashing tactics. Shell's primary source of revenue still heavily relies on fossil fuels, and its investments in renewables are often a small fraction of its overall budget. Moreover, the company's involvement in environmentally destructive practices, such as drilling in the Arctic and its record on oil spills and environmental damage, has tarnished its green credentials.

While Shell may be taking some steps towards sustainability, the core of its business remains deeply entrenched in the fossil fuel industry, which is a major contributor to climate change. The debate over Shell's greenwashing highlights the need for greater transparency and genuine commitment from corporations to combat climate change, rather than just surface-level efforts to improve their image. In a world increasingly focused on environmental sustainability, the actions of companies like Shell are under intense scrutiny, challenging them to prove their commitment to a greener future beyond mere words and marketing campaigns.

## Unilever - Green Packaging and Sachet Recycling

Unilever, a global consumer goods conglomerate with a vast portfolio of well-known brands, has faced its fair share of scrutiny over accusations of greenwashing. Unilever has made ambitious claims about its commitment to sustainability, including its "Unilever Sustainable Living Plan," which aimed to reduce the company's environmental footprint while improving social and economic development. While Unilever has indeed taken steps to address issues like plastic waste reduction and sustainable sourcing, critics argue that the company's core business practices often contradict its green image. Unilever still produces and markets a multitude of products, including some with questionable environmental impact, such as

single-use plastic packaging and products containing palm oil linked to deforestation.

Furthermore, Unilever's claims of sustainability have been met with skepticism due to its sheer size and complexity, making it difficult to assess the real impact of its initiatives. Greenwashing allegations remind us of the importance of transparency and genuine commitment to sustainability in the corporate world. It underscores the need for consumers to remain discerning and hold companies accountable for their environmental claims. While Unilever has made strides in the right direction, the debate over greenwashing serves as a reminder that consumers must critically evaluate the actions and policies of corporations to ensure a truly sustainable future.

#### Red Lobster - False Environmental Claims

Red Lobster, a popular seafood restaurant chain, has faced allegations of greenwashing in recent years, raising questions about the sustainability of its seafood sourcing and environmental practices. Red Lobster has made efforts to promote sustainable seafood sourcing and responsible fishing through its "Seafood with Standards" program. They claim to source seafood from suppliers that follow sustainable practices and adhere to guidelines set by organizations like the Marine Stewardship Council. However, some environmental organizations and critics argue that these claims are misleading. They point out that Red Lobster continues to serve species that are overfished or come from unsustainable sources. Additionally, the chain has faced criticism for its use of single-use plastics and its overall environmental footprint, including issues related to waste management.

The debate over Red Lobster's commitment to sustainability highlights the challenges in the seafood industry, where ensuring the responsible sourcing of seafood can be complex. Consumers increasingly demand transparency and genuine efforts to protect the oceans and marine life. It underscores the importance of holding companies accountable for their environmental claims and encourages businesses to adopt more comprehensive and transparent sustainability practices in an era when environmental concerns are paramount.

## McDonald's - Green Initiatives and Paper Straws

McDonald's, the global fast-food giant, has faced accusations of greenwashing in its efforts to portray itself as a sustainable and environmentally responsible company. In recent years, McDonald's has made public commitments to sustainability, such as pledging to source 100% of its guest packaging from renewable, recycled, or certified sources by 2025 and setting targets to reduce greenhouse gas emissions. While these initiatives are steps in the right direction, critics argue that McDonald's falls short in addressing the fundamental environmental issues associated with its business model. The company's extensive use of single-use plastics, contribution to deforestation through beef production, and overall high carbon footprint have raised concerns.

Furthermore, some view McDonald's green efforts as a way to distract from the core issues it faces regarding health, nutrition, and its role in promoting unhealthy diets. The company's marketing campaigns highlighting salads and healthier options often stand in stark contrast to its core menu offerings, which are typically high in calories, fat, and sugar.

The scrutiny surrounding McDonald's and greenwashing underscores the importance of authentic sustainability efforts in today's climate-conscious world. It calls for greater transparency and a more comprehensive approach to addressing the environmental impact of fast-food chains. Consumers increasingly seek companies that genuinely prioritize environmental responsibility over mere public relations gestures.

#### Sea World - Mistreating Killer Whales

SeaWorld, the marine theme park known for its captivating marine life shows and exhibits, has been a subject of controversy and accusations of greenwashing in recent years. SeaWorld has launched campaigns highlighting its commitment to conservation, animal welfare, and education. The park emphasizes its rescue and rehabilitation programs for marine animals and portrays itself as a champion for ocean conservation. However, critics argue that SeaWorld's core practices, such as keeping cetaceans like killer whales (orcas) in captivity for entertainment purposes, contradict its green image. The confinement of these majestic creatures in small tanks has been widely criticized for its negative physical and psychological effects on the animals.

Furthermore, the park has faced backlash for its breeding programs, which some argue contribute to the unethical capture and confinement of marine animals. Despite recent changes, including the discontinuation of its orca breeding program and an increased focus on education, SeaWorld still faces scepticism from animal welfare advocates who question the sincerity of its commitment to conservation and ethical treatment of marine life.

The debate over SeaWorld's greenwashing allegations underscores the importance of transparency and genuine commitment to conservation efforts. It calls for a revaluation of the role of entertainment establishments like SeaWorld in promoting responsible and ethical interactions with marine life, shifting the focus from profit-driven practices to truly sustainable and humane initiatives.

# 6. ADVERSE CONSEQUENCES OF GREENWASHING

Accusations of "greenwashing" can significantly harm a company's credibility and reputation as well as its brands.

- Reputational damage: If customers discover that a company's environmental claims are misleading or false, it can erode their trust in the company and its products. This can lead to a tarnished reputation for the company and potentially make it harder to attract environmentally- conscious customers in the future.
- Negative media coverage: Greenwashing may draw unfavourable media coverage, which may further harm

- the company's reputation and invite public scorn and ieers.
- Legal repercussions: In some instances, greenwashing may have legal repercussions since it may contravene consumer protection laws and regulations when misleading environmental claims are made.
- Financial repercussions: Greenwashing may result in a
  decline in sales and a reduction in revenue.
  Additionally, businesses that are found to be
  greenwashing can incur fines and legal costs, which
  might further hurt their bottom line.

## 7. CONCLUSION

Consumers and investors have drastically changed their perspectives and choices, particularly in relation to sustainability-based business models, which has been accelerated in part by the current COVID-19 dilemma. Market participants now concentrate on the bigger effects and broader consequences of any company they choose to work with rather than just the bottom line. Companies can therefore "monetize being good" because to the enormous financial incentives created as a result.

For businesses, the integration of ESG indicators remains a net-negative investment. Therefore, this assertion does not hold true. As long as corporations are not incentivized for their sustainability-driven policies they rather for the perception in the market that they have adopted such policies, a significant moral hazard emerges. The purpose of such incentives is to mislead customers and investors into believing that a company is genuinely ESG-focussed, reaping the benefits without bearing the actual costs. This constitutes a form of corporate hypocrisy, often taking on different facades such as green, pink, blue, or white and necessitates proactive addressing.

Corporations should endeavour to be upfront and honest in their environmental claims, prioritise sustainability, and encourage good governance to avoid "greenwashing." To give customers more confidence in the veracity of their environmental promises, businesses can also think about adopting third-party certification programmes and independent audits. Companies can do this in order to increase stakeholder trust and show their dedication to good governance and sincere sustainability efforts.

#### 8. RECOMMENDATIONS

- Increased corporate transparency, or the required and voluntary sharing of data on environmental performance, which would significantly lessen the likelihood of consumer fraud.
- Increasing consumer awareness can help counteract greenwashing since informed consumers will be more cautious when making green product purchases.
- Stronger legislation and harsher sanctions for businesses that misuse green marketing
- To change the ethical climate in businesses by offering ethics training to staff members.

- To prevent greenwashing resulting from poor communication, companies should centralize decision-making and communication processes.
- Businesses can adopt third-party certification programmes and independent audits.

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