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UNEARTHLY PROMISES



THE ASBN
GUIDE TO
GREENWASHING

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TO GREENWASHING

In the late 1960s, environmental awareness burst into the American mainstream. Driven by a cascade of increasingly apocalyptic signals—from burning rivers to impenetrable urban air—and propelled to prominence by an ascendant counterculture movement, ecological concerns were suddenly on everyone's mind, and the business world took notice.

Companies of all kinds quickly realized that giving their products a “green” pro-environment sheen was an effective way to boost sales and corporate images alike. Whether or not these earth-friendly makeovers were legitimate was largely beside the point. Appearances were everything, and marketers quickly discovered they were easy to create. In the blink of a cynical eye, greenwashing was born.

WHAT IS GREENWASHING?

“Greenwashing” is the act or practice of making a product, service, organization, or policy appear more environmentally-friendly or less environmentally harmful than it actually is.

When companies greenwash their products and reputations, they're creating the false or misleading impression that the use of such products and/or support of those businesses makes a meaningful contribution to environmental progress and ecological sustainability. Sometimes this perception is inadvertently created. More often, it's a deliberate attempt to exploit public concerns for the purpose of enhancing profits and/or deliberately directing attention away from ongoing crimes against the planet.

In this guide, you'll learn where greenwashing comes from, what it looks like, and how to avoid it.

DIRTY WORK: A QUICK HISTORY OF GREENWASHING

The first incidence of greenwashing is difficult to identify, but many point to Keep America Beautiful, an anti-litter campaign founded in 1953 by a coalition of American bottle and can manufacturers, nature groups, and others as a way to ostensibly respond to the sudden problem of garbage along the country's new interstate highway system.

Despite its laudable goal to reduce roadside trash, many saw the organization as the packaging industry's attempt to both escape responsibility for the consequences of its disposable products and to neuter state efforts to address the issue via deposit laws, non-refillable bottle bans, and other regulations. Rather than support these initiatives, the industry hid its culpability behind a facade of environmental concern that positioned litter as problem unrelated to packaging, a strategy that culminated with the 1971 release of the famous "crying Indian" television ad, which itself fraudulently featured an Italian-American actor posing as a Native American.

Many pioneering greenwashing campaigns came from the energy industry. Westinghouse, for example, ran full-color ads in the late 1960s characterizing nuclear power as "reliable, low-cost, clean, and safe" despite the known risks and expenses involved. By 1969, public utilities themselves were spending over \$300 million a year on advertising promoting their investments in anti-pollution research, which was eight times greater than the total spent on the research itself.

In 1972 former ad executive Jerry Mander labeled this intentional manipulation of public environmental concern "ecopornography" and estimated that corporations were spending upwards of \$1 billion per year to create it.

As environmental worries grew in the 1970s, greenwashing did too, and by the mid 1980s, examples were becoming easy to find. In 1985, the Chevron oil company launched the modern era with its "People Do" ad campaign, which featured employees restoring damaged ecosystems and protecting sea turtles at a time when the company was knowingly polluting wildlife refuges and violating the Clean Air and Water Acts on multiple fronts. Other companies followed suit. After chemical maker Sandoz suffered a manufacturing plant disaster that ruined the Rhine River for hundreds of miles, the company attempted to rehabilitate its image using ads filled with pristine nature imagery.

In 1986, in an essay about hospitality industry environmental practices that were less than they seemed, New York activist Jay Westerveld coined the term "greenwashing" to describe such marketing efforts, and it stuck.

By the 20th anniversary of Earth Day in 1990, consumer environmental concerns were at an all-time high. According to reports from this era, 77% of Americans said a company's environmental reputation guided their purchasing decisions¹ while 84% believed corporate eco-crimes were more serious than insider trading or price fixing.² A solid environmental image was quickly becoming a corporate necessity, and in response greenwashing exploded.

According to CorpWatch, a quarter of all products introduced around Earth Day 1990 tried to catch the wave by claiming to be recyclable, biodegradable, ozone-friendly, or compostable, attributes which were highly unlikely to prove true in every single case. Other greenwashing campaigns were more pernicious. The Mitsubishi Corporation, for example, sold a brand of chopsticks under the tag line "chopsticks that protect nature" despite the fact that the product was disposable and obtained from clearcut Canadian aspen forests where over 75% of the downed trees were deemed unsuitable and left to rot where they lay.

Some of these cases of greenwashing represented attempts to overhaul ailing public relations. Dow Chemical, the world's largest producer of chlorine, a pollutant essential to many of the most toxic processes and persistent chemicals ever created, launched a campaign featuring images of the Earth and a headline that asked "What on Earth is Dow Doing?" which advanced the company's self-professed "ongoing commitment" to ecological stewardship. The DuPont Company, at the time the nation's largest corporate polluter, celebrated the introduction of the double-hull tankers it had fought vigorously against with a television ad full of dolphins leaping and seals clapping to Beethoven's "Ode to Joy."

¹ Jack Doyle, "Enviro Imaging' for Market Share: Corporations Take to the Ad Pages to Brush Up Their Images" *Not Man Apart, Friends of the Earth*, 1990.

² Jack Doyle, *Hold the Applause: A Case Study of Corporate Environmentalism As Practiced At DuPont, Friends of the Earth*, 1991.

THE HEIGHT OF HYPOCRISY: WELCOME TO PEAK GREENWASHING

Unfortunately, in the 21st century, greenwashing has only grown more sophisticated and ubiquitous. Today, virtually every company touts some level of corporate and/or product environmental performance, and this overcrowded bandwagon has led many experts to declare the current era one of peak greenwashing.

Modern greenwashing comes in many colors. In traditional cases, it's a direct environmental claim made on a product label or in an advertisement, or a public relations campaign aimed at creating or enhancing consumer perceptions of corporate environmental benevolence. Increasingly, however, greenwashing comes under less obvious covers.

Today countless companies tout various levels of environmental commitment via annual corporate social responsibility (CSR) reports that have themselves become de rigueur. An estimated 90% of the S&P 500 companies published such documents in 2021.³ Yet frequently the many declarations and initiatives these and other CSR reports describe are functionally insignificant or outright meaningless. Of particular concern are the growing numbers of corporations declaring themselves "net-zero" greenhouse gas emitters through the use of questionable offset programs, incomplete value chain accounting, and other dubious strategies.

Indeed much of today's greenwashing growth is derived from the climate crisis and claims of good carbon citizenship. As just one example, BP, Chevron, Exxon Mobil, Shell, and Total Energies spent a conservative estimate of \$750 million in 2021 creating positive climate images for their companies while only 12% of their 2022 capital expenditures were forecast to be earmarked for "low-carbon" investments. The firms were also found to have failed to reflect the Paris Agreement in their climate policies, and they continued to maintain a robust network of industry associations actively opposed to climate

change regulations and agreements.⁴ A 2022 report on the world's 25 largest companies from the New Climate Institute reveals the depth of climate greenwashing: Despite loud pledges of allegiance to "net-zero" practices, these businesses have in actuality made concrete commitments to reduce their existing carbon footprints by less than 20%.⁵

Equally damning are the confessions of executives across the corporate spectrum. In a 2022 survey conducted by the Harris Poll for Google Cloud, an astonishing 68% of business leaders in the U.S. admitted their companies had committed greenwashing, and two-thirds of global executives questioned whether their own organization's sustainability initiatives were legitimate.⁶

The result is a tsunami of greenwashing that's left consumers drowning in a sea of suspect environmental claims and often thinking good things are happening when they're not. A 2021 study of 500 consumer product and service websites by the International Consumer Protection Enforcement Network found 42% contained environmental messaging that was "exaggerated, false or deceptive." Some 37% of the green claims studied were made with vague and overly general language. Sixty percent of the time, there was no readily available evidence to back up the claim and in more than half of all instances, the company could not provide it.⁷

³ Harvard Business School, <https://online.hbs.edu/blog/post/corporate-social-responsibility-statistics>

⁴ InfluenceMap, *Big Oil's Real Agenda on Climate Change 2022*, September 2022, <https://influencemap.org/report/Big-Oil-s-Agenda-on-Climate-Change-2022-1958>

⁵ New Climate Institute, <https://newclimate.org/resources/publications/corporate-climate-responsibility-monitor-2022>

⁶ Fast Company, April 13, 2022. <https://www.fastcompany.com/90740501/68-of-u-s-execs-admit-their-companies-are-guilty-of-greenwashing>.

⁷ Food Navigator, February 5, 2021. <https://www.foodnavigator.com/Article/2021/02/05/40-of-firms-environmental-claims-could-be-misleading>

GREEN IS GOLD: THE URGE TO STRETCH THE TRUTH

What accounts for this greenwashing flood? Simply put, that's where the money is.

Studies conducted over the last several years find consumer demand for environmentally benign products and positive corporate behavior alike at record highs. Fifty-five percent of consumers say they're willing to spend more on environmentally friendly products, and four in ten would boycott a company for not being ecologically oriented.⁸ A 70% supermajority of Americans believe it's important for corporations to contribute to a better world,⁹ and nine out of ten consumers say they have either increased their purchases of sustainable products or are maintaining their current levels.¹⁰

Globally, 85% of consumers report shifting their purchasing toward sustainable products in the last five years, while 60% say sustainability is an important purchase criterion.¹¹ Such trends are especially prevalent among young people, the emerging consumer class with which companies are especially eager to engage. Indeed, three-quarters of millennials say they are changing their consumption habits to reduce environmental impacts,¹² and an extraordinary 94% of Gen Z believe corporations should be addressing social and environmental issues.¹³

Companies have responded to these trends in no uncertain terms—according to data from the NYU Stern Center for Sustainable Business, in 2021 approximately half of all new products were labeled “sustainable”, and sales in the category have grown 2.7 times faster than conventional product sales since 2015. Though sustainable products may make up just 17% of overall consumer product sales, they drove one third of the category's growth in 2021.¹⁴

Numbers like these have made environmental marketing a necessity. Unfortunately, they also provide ample encouragement for companies to stretch the truth in pursuit of today's environmentally conscious consumers. And that's not good for anybody.

GREENWASHING IS BAD FOR BUSINESS

Though environmental messaging has become an essential marketing tool, the temptation to exaggerate or manufacture green product claims and company bonafides comes with grave risks to bottom lines, corporate reputations, and other essential things.

- **Greenwashing misleads investors.**

Whether it arrives in a CSR report, an advertisement, or on a product label, greenwashing is a public corporate statement of professed truth that could be used as a basis for investment decisions, which opens a company to legal, governance, and public relations risks. As investors become increasingly savvy about environmental issues like climate change and increasingly skeptical of related corporate claims, these risks are rising quickly.

- **Greenwashing creates consumer cynicism.**

Greenwashing abuses consumer desires to effect genuine environmental change through the products and services they use. When consumers feel exploited in this way, they become cynical toward the entire green products category, a change in attitude that undermines legitimate efforts and the green product movement by making future purchases much less likely.

- **Greenwashing can seriously damage both a company's reputation and its brands.**

When greenwashing is revealed, it causes major and often irreparable harm to these assets, which typically have taken many years and untold investment to establish. A single greenwashing revelation can undo decades of work. And in today's social media-fueled digital age, companies can be assured that such revelations will come. It's only a matter of time.

- **Greenwashing can create major PR crises.**

Consumers don't like being misled and today have ample tools at their disposal to channel their anger into boycotts, negative memes, brand-killing hashtags, and other nightmares that keep public relations teams up at night. Hell hath no fury like a consumer who feels burned.

⁸ Lending Tree, April 20, 2021, <https://www.lendingtree.com/credit-cards/study/consumers-would-spend-more-on-eco-friendly-products/>

⁹ Harvard Business School, June 15, 2021, <https://online.hbs.edu/blog/post/corporate-social-responsibility-statistics>

¹⁰ Sustainability and the Consumer, the NPD Group & NYU Stern Center for Sustainable Business, September 2022, <https://www.winsightgrocerybusiness.com/retailers/sustainably-marketed-products-sales-have-increased-27-times-faster-conventional-ones>

¹¹ The Global Sustainability Study, October 2021, <https://www.businesswire.com/news/home/20211014005090/en/Recent-Study-Reveals-More-Than-a-Third-of-Global-Consumers-Are-Willing-to-Pay-More-for-Sustainability-as-Demand-Grows-for-Environmentally-Friendly-Alternatives>

¹² The Nielson Company, 2019, <https://www.foodbusinessnews.net/articles/13133-sustainable-product-market-could-hit-150-billion-in-us-by-2021>

¹³ 2017 Cone Gen Z CSR Study: How to Speak Z, <https://conecomm.com/2017-genz-csr-study/>

¹⁴ Sustainability and the Consumer, the NPD Group & NYU Stern Center for Sustainable Business, September 2022,

<https://www.winsightgrocerybusiness.com/retailers/sustainably-marketed-products-sales-have-increased-27-times-faster-conventional-ones>

- **Greenwashing forces the good guys to spend more.**

The loss of consumer trust caused by greenwashing means companies have to put much more effort into communicating their environmental initiatives and differentiating their brands. That time and money could be better spent on other things.

- **Greenwashing forces the good guys to spend less.**

The opposite can also occur when companies with legitimately beneficial products and initiatives grow fearful of greenwashing accusations and become hesitant to tout their performance, an effect called “greenhushing.” This results in an erosion of consumer education and public discourse about the importance of corporate environmentalism

- **Greenwashing risks lawsuits and fines.**

Regulatory agencies like the FTC and the SEC are fully aware that greenwashing is an important issue, and they’re responding with greater scrutiny. The potential for lawsuits from investors and/or consumers only compounds these risks. Such outcomes are always embarrassing and often expensive.

- **Greenwashing causes cascading financial losses.**

In addition to fines and legal expenses, other financial repercussions come into play as well. When a company’s greenwashing is uncovered, it typically also leads to financial losses and costs for pulled and/or redesigned ad campaigns, revised marketing materials, packaging changes, and other adjustments that must be made to things that have already been paid for.

- **Greenwashing risks the loss of crucial B2B relationships.**

As companies seek to understand and ameliorate their negative environmental impacts, establishing supply chain and other B2B partnerships with companies similarly engaged has become a crucial way to lower their own overall footprints. When fraud is revealed, these relationships can be fatally damaged either because the mere fact of association is too damaging or because the positive environmental impacts a company was counting on to boost its own can no longer be relied upon.

GREENWASHING IS BAD FOR THE ENVIRONMENT

As detrimental as greenwashing is for businesses, it’s even harder on the environment. When it comes to critical issues like the climate crisis, solid waste production, and toxic pollutants, making things look better when they aren’t actually makes things worse than they already are.

- **Greenwashing turns concerned consumers into agents of destruction.**

When consumers are duped by misleading or fraudulent marketing, they are left unwittingly supporting companies that are part of the problem and by extension unknowingly become part of it themselves despite their genuine desire to contribute to positive change.

- **Greenwashing hoodwinks consumers by channeling good intentions away from constructive action toward ineffective strategies.**

One of the more insidious messages of greenwashed marketing campaigns is their clear suggestion to concerned consumers that buying the product or service or otherwise supporting the company in question is an effective way to become an agent of change. This dangerously simplistic central idea tricks consumers into believing their economic support equates to “doing their part” when in fact creating meaningful environmental change involves a multiplicity of actions that no single company or product could ever legitimately claim, yet alone those that may be fraudulent.

- **Greenwashing encourages higher consumption.**

When consumers believe that an environmentally negative product is environmentally positive, they tend to think there’s no reason to use it conservatively. Even in the case of legitimately green products, such unnecessary overconsumption is antithetical to best environmental practices.

- **Greenwashing promotes corporate environmental stasis.**

Greenwashing efforts often have internal influence, too. They can convince executives and managers that no further corporate environmental action is necessary and easily become a substitute for legitimate programs and strategies the environment desperately needs. They also redirect valuable human and financial resources away from these better initiatives.

- **Greenwashing fosters a universal distaste for authentic environmental action.**

When greenwashing is revealed, it makes people feel taken advantage of, which promotes cynical attitudes toward both corporate and personal environmental action, and reduces consumer enthusiasm for green purchasing.

- **Greenwashing increases supply chain impacts and decreases rates of recycling and reuse.**

When product sales increase due to false green claims, so do the environmental impacts created by the energy use, raw materials, and other supply chain links those products require. In addition, when consumers see the use of these products as environmentally beneficial, they tend to make new repeat purchases rather than explore lower impact options involving repair, refurbishing, reuse, or recycling.

GREENWASHING IS BAD FOR HUMAN HEALTH

Greenwashing's deleterious effects on the environment extend to its impacts on the health of communities and the people who inhabit them.

- Believing they are buying environmentally benign products, consumers may not take the proper care required after purchase thus unknowingly expose themselves and their families to any unhealthy toxins those products actually contain.
- When greenwashing boosts product sales, it also boosts factory production, which typically exposes the communities in which those factories are located to higher levels of air, water, and soil contamination, and increased personal exposures to toxic compounds
- Products that make unwarranted claims about positive health or pollution impacts, recyclability, and other personally relevant benefits often actually end up having the opposite effect on consumer wellbeing and sustainability by creating hidden damage instead.

GREENWASHING IN LIVING COLOR: 10 WAYS MARKETERS DECEIVE

Greenwashing obviously isn't good for nature or people. But a key question remains, and it's the biggest one of all:

What does greenwashing actually look like? What forms does it take and what should consumers and companies alike watch out for?

Here are the ten primary types of product greenwashing and some real-world examples of each from the greenwashing hall of shame:

TYPE 1

THE HIDDEN TRADE-OFF

One of the more common types of greenwashing, the hidden trade-off is a sin of omission that occurs when a company touts an environmental initiative or a certain green product feature while ignoring other bigger environmental negatives.

EXAMPLES

In 2018, in response to rising concerns about marine plastic pollution, Starbucks proudly trumpeted its intention to save the oceans by replacing one billion annual disposable drinking straws with a new recyclable straw-less lid. The company failed to mention that the new lid used more plastic than a straw and was made from a material with a negligible 3% recycling rate.¹⁵ Even the focus on straws masked a larger truth—data shows they account for just 0.25% of the ocean's annual plastic burden.¹⁶

While many companies are switching to paper straws instead, the general marketing emphasis on paper as an environmentally-preferable alternative to plastic is itself an example of multiple hidden trade-offs: While paper can be biodegradable, its production can be a major contributor to deforestation and chlorinated chemical pollution, two enormous environmental issues. And paper manufacturing uses significantly more energy and water than the production of plastics, which are also at least theoretically recyclable.

¹⁵ Bloomberg/Businessweek, September 2019, <https://www.bloomberg.com/news/features/2019-09-25/polypropylene-plastic-can-finally-be-recycled?leadSource=uverify%20wall>

¹⁶ Wayne State University, April 2022, <https://today.wayne.edu/news/2022/04/21/the-flaws-of-straws-graduate-student-looks-at-greenwashing-social-media-and-the-straw-ban-movement-47748>

**TYPE
2****MISSION IMPOSSIBLE**

This form of greenwashing often seems to stretch credulity to the breaking point by making a claim that's virtually impossible to achieve. Yet the audacity of the claim itself often serves as convincing evidence of its own honesty—who would say such a crazy thing if it wasn't legitimate? But if it sounds too good to be true, it probably is.

EXAMPLES

In the late 1980s, Mobil Chemical Corporation introduced biodegradable plastic trash bags, a product which seemed to combine two mutually exclusive attributes. Indeed the claim was found to be complete rubbish: the product's so-called "biodegradability" required exposure to sunlight, a condition not found inside the piles at most landfills, and even under such ideal circumstances the bag merely broke up into smaller pieces of plastic.

The recent debut of "carbon-neutral" fossil fuels at companies like Shell and Total Energies raises eyebrows even further. These fuels are sold by energy companies, which claim the carbon their use adds to the atmosphere is offset by carbon removal efforts elsewhere, like reforestation and conservation projects. But like that promise, the numbers simply don't add up. Carbon-neutral fossil fuels are an impossibility.

**TYPE
3****NO PROOF**

These green claims come without supporting company data or third-party proof, and no easy way to find any either.

EXAMPLES

In 2020, Marlow Foods advertised Quorn Wonder Grains as a food "that helps us reduce our carbon footprint." Yet any data about the actual reduction being achieved through the purchase of the product or information on how it was being engineered was not only missing from the ad but found to be suspect when the company finally coughed it up.

A similar lack of proof appears on paper products that proudly trumpet a certain added percentage of recycled content without any providing any comparative or other evidence to support the supposition or specifying whether the recycled paper in question was pre- or post-consumer.¹⁷

**TYPE
4****VAGUENESS**

Often greenwashing comes under the cover of vague claims that really don't mean much at the end of the day. Vagueness occurs when companies market themselves and their products with overly broad feel-good language and unregulated words like "sustainable," "natural," "earth-friendly," "green," and "eco-safe" without clear definitions that provide context and justification.

EXAMPLES

In 2022, Unilever told consumers its Persil dishwashing liquid was "kinder on the planet." Ads featuring the line also shared images of kids picking up litter and a woman using the hashtag #plantmoretrees on social media, but the phrase itself went undefined by the manufacturer; there was no mention as to why exactly the planet would prefer the product over others.

In 2021, the Coca-Cola Company was sued for a series of highly misleading ads that left a bad taste in consumers' mouths. Under a headline that simply said "Sustainable Business," the drink maker declared "Our planet matters. We act in ways to create a more sustainable and better shared future. To make a difference in people's lives, communities and our planet by doing business the right way." Accompanied by no supporting evidence whatsoever, this green word salad conveniently also contained zero mentions of the difference Coca-Cola makes as the world's #1 corporate plastic polluter.¹⁸

¹⁷ Post-consumer recycled content consists of fibers produced from paper products that households and businesses have used and then legitimately recycled via local collection programs. Pre-consumer content, on the other hand, is simply paper manufacturing waste produced at the mill itself, scraps and other production leftovers which are collected and tossed back into the pulping machinery rather than the trash.

¹⁸ Break Free From Plastic, October 2021, <https://www.breakfreefromplastic.org/2021/10/25/the-coca-cola-company-and-pepsico-named-top-plastic-polluters-for-the-fourth-year-in-a-row/>

TYPE
5

IRRELEVANCE

Think of irrelevance as greenwashing's low-hanging fruit. This strategy simply involves crowing about that fact that your product doesn't contain a harmful material that's illegal to use or is rarely or never found in such products in the first place. Irrelevance can also involve touting attributes that have nothing to do with a product's function.

EXAMPLES

Irrelevance is a hallmark of every product claiming to protect the ozone layer by being "CFC-Free." In reality, no product of any kind can legally contain CFCs. The compound was banned in 1994.

Recyclable plastic trash bags offer consumers the ability to divert their used bags to a recycling facility when their useful life has ended. But as trash bags, every used bag is predestined for a landfill by design. There is no use case scenario where a recycling opportunity could occur.

TYPE
6

THE LESSER OF TWO EVILS

This category is pure lipstick on a pig. Here, companies market an attribute that is somewhat more sustainable or slightly healthier in a product that is inherently harmful under even the best of circumstances.

EXAMPLES

A classic case can be found in American Spirit Cigarettes. These "natural" smokes are proudly made from organic tobacco. But that doesn't make them a ny less harmful to human health or the environment.

The electric Hummer sport utility vehicle sets a gold standard for focusing on the wrong thing. Yes, it's electric. But it's still a Hummer. Despite being marketed as an eco-solution, it nevertheless still requires significantly more energy per mile vs. other vehicles and remains perhaps the least efficient passenger vehicle on Earth. With an insane 200+ kWh battery that alone weighs as much as a Honda Civic, this a ride whose destination is not sustainability.

TYPE
7

THE ART OF ILLUSION

This approach seeks to convince consumers of a product's environmental bona fides by placing environmental-sounding words directly into the product's name and/or prominently using the color green and/or nature-based images in its marketing or packaging. This approach is similar to the crime of vagueness but it's a bit more subliminal.

EXAMPLES

Raid Earthblends Multi-Bug Killer typifies the trend. It features "Earth" in its name, which appears on spray cans decked out in multiple shades of green and accompanied by drawings of flowers. Yet behind this overwhelmingly eco-friendly facade sits a standard toxic chemical pesticide with all the usual hazards.

The name and color of the cleaning product Simply Green presents a literal picture of environmental safety. But you can't paint over the fact that its formula is neither simple nor green. Instead it relies on a chemical solvent called 2-butoxyethanol, which can trigger a wide variety of toxic effects.¹⁹

TYPE
8

WORSHIPPING FALSE LABELS

This greenwashing technique involves the use of so-called "ecolabels," badges and certifications placed in ads and on product packaging to give the appearance of some kind of environmental performance assurance.

Currently, the Ecolabel Index tracks an astonishing 456 different ecolabels across 25 industries, many sponsored by trade organizations operated by the industries themselves.²⁰ These "seals of approval" are frequently challenging to understand and almost impossible to compare. They easily create false impressions, and they're hard to resist—research shows that six in ten consumers are willing to pay up to 10% more for a product with third-party certification.²¹

¹⁹ Environmental Working Group Guide to Healthy Cleaning, <https://www.ewg.org/guides/substances/152484-2BUTOXYETHANOL/>.

²⁰ <https://www.ecolabelindex.com>

²¹ Under the Lens: Claiming Green, UL Environment, 2015, <https://library.ul.com/wp-content/uploads/sites/40/2015/06/ULEN9895-Green-Claims-Report-and-Presentation.pdf>

EXAMPLES

In the carpet industry, the GUT label claims to certify those products that meet a set of high environmental standards. But this certification was developed by carpet makers themselves, and an independent analysis shows that despite GUT's claim that its products have been "tested for a better living environment," it restricts the use of only 13 out of 59 identified hazardous carpet chemicals.²²

In 2019, class-action lawsuits were brought against Bumble Bee Foods, Chicken of the Sea, and StarKist for packaging ecolabels that declared their products "dolphin safe" despite the companies' use of drift nets and purse seines, fishing methods known to injure and kill these marine mammals.

TYPE
9

SHAMELESS LIES

The easiest form of greenwashing to define, these claims are just plain untrue.

EXAMPLES

In 2020, South Korean health and beauty brand Innisfree introduced a novel new type of container as part of its parent company's commitment to using less plastic. "Hello, I'm Paper Bottle" the remarkable innovation shouted in enormous top-to-bottom type on the label. But inside was more than skin cream. The "paper bottle" was a cardboard shell surrounding the product's actual bottle, which was made entirely of plastic.

That same year, budget flier Ryanair declared itself "Europe's lowest-emission airline." But the data the company used to quantify that bold assertion were found to be so faulty and incomplete that the claim was deemed false and ads containing it were banned.

TYPE
10

OWNING THE PROBLEM BY OWNING THE SOLUTION

Here companies get to look good by developing solutions to environmental problems they've helped create. On the surface, it's a nice light to be seen in, and solutions are always welcome. But often these initiatives are leveraged for undeserved green accolades, and their actual purpose is to exploit their industry's environmental damage for additional profit. It's like clapping for the guy who set fire to the house because he comes running over with a hose.

EXAMPLES

Consumer product giant Proctor & Gamble, for example, sells many products packaged in polypropylene, a hard plastic that forms a significant part of the 25 million tons of plastic landfilled in America each year.²³ This material has a dreadful 3% recycling rate largely due to the difficulties involved in removing the odor of whatever product it originally held.²⁴ It's a problem, and P&G thinks they've solved it with a new proprietary recycling technology. It's a fine step in a solid direction. But it doesn't deserve any applause.

²² Changing Markets Foundation, *The False Promise of Certification*, May 2018, https://changingmarkets.org/wp-content/uploads/2018/06/THE_FALSE_PROMISE_OF_CERTIFICATION_FINAL_WEB.pdf

²³ Bloomberg/Businessweek, September 2019, <https://www.bloomberg.com/news/features/2019-09-25/polypropylene-plastic-can-finally-be-recycled?leadSource=uverify%20wall>

²⁴ Ibid.

JOINING THE RESISTANCE: HOW TO AVOID GREENWASHING IN YOUR MARKETING

It's important to understand that not all greenwashing is intentional. Sometimes it's innocently inadvertent. Even companies with the best and most honest motivations can find themselves accidentally sliding down a slippery green slope and into sketchy claims territory they didn't mean to visit.

Awareness of the potential pitfalls coupled with a conscious, open-eyed approach to your own marketing and public relations efforts can prevent greenwashing from coloring your company's own environmental progress. Here are some strategies to keep in mind:

1. Make your claims clear and easy to understand. Steer clear of jargon, wonk-speak, and any other "insider" language that could create confusion. Use plain words and simple phrases to describe environmental attributes, programs, and goals.
2. By the same token, avoid vague unregulated language like "green," "eco-friendly," and "natural." If you feel use of such words are warranted, define them clearly in the same general place the words are used so it's clear to all stakeholders exactly what you mean.
3. Study the [FTC's Green Guide](#) (see "Improving Government's Role"), know which terms are regulated, and understand FTC rules around them. Terms like "compostable," "biodegradable," "plastic-free," "carbon-offsets," and others come with clear restrictions around their use.
4. Back up your claims with hard data. Present this data in ways that are clear and easy to understand, and make it simple for consumers to access.
5. Only use data supplied or verified by an independent third-party.
6. In the case of third-party product certifications, do your homework and only associate your brand(s) with reputable organizations whose standards are clear and reliable. Don't use labels or certifications from industry trade groups or organizations.
7. When comparing your product to previous versions or competing brands, make sure you are comparing similar or identical products, sizes, attributes, and measurement units and standards. Provide concrete figures and other comparative evidence that can be applied equally and understood easily.
8. Don't fake it. The easiest way to avoid greenwashing is to simply make sure you are walking your talk by making sustainability an integral part of your business model and instituting legitimate initiatives to support it across your operations and supply chain. If you're really doing the work, you won't have to worry about touting it.
9. Be honest about your current environmental practices and product features, and future plans and goals. That sounds simple, but honesty requires humility, which can be a tough corporate act to take to public arenas. Yet with honesty come many positive returns and a lot less risk, two rewards whose importance cannot be overstated.
10. By the same token, don't present your brand as perfect. That kind of pressure can easily lead to truth stretching and other greenwashing perils. Yes, you'll occasionally have to admit to flaws and mistakes, and that can be difficult. But today's conscious consumers will respect and reward your brand for being human and keeping it real.
11. When it comes to your company's environmental agenda, be clear and specific. Provide precise targets and timelines, and give consumers the details they need to hold you accountable.
12. Keep a close eye on the images you use in your marketing and on your packaging to make sure they're not unintentionally misleading. If your product isn't genuinely environmentally beneficial in a meaningful way, avoid the color green and natural imagery like flowers and leaves, which suggest that it is.

IMPROVING GOVERNMENT'S ROLE

The Federal Trade Commission (FTC) is tasked with the job of regulating environmental claims. To that end, the agency issued a document called Guides for the Use of Environmental Marketing Claims in 1992. The "Green Guide," as it's known, has been revised three times since. In December of 2022, the FTC issued a request for public comment on possible changes or additions to the Green Guide. It is hoped that this process will ultimately result in a badly needed updated edition that better reflects modern concerns.

The Green Guide sets standards for environmental marketing. It establishes the principles that apply to green product claims; explains how consumers tend to interpret these claims; discusses the ways companies can substantiate them; and offers guidance on avoiding deception.

In general, the Green Guide lays out a set of essential principles for all green marketing:

1. Qualifications for and disclosures of environmental claims should be "clear, prominent, and understandable" in order to prevent misleading consumers.
2. Be specific when using terminology. For example, instead of saying "emits less carbon" say "manufacturing emits 40% less carbon than previous methods as measured by XYZ."
3. Advertising and packaging should be clear about whether the claims apply to the entire product, a particular part, or only the packaging.
4. Explain the basis for any certifications.
5. Claims must be careful not to overstate, either blatantly or by suggestion, any environmental features or benefits.
6. Understand the scientific definitions for terms like "biodegradable" and "compostable," which must be met to be used.
7. Any comparative claims should be clearly specify what the attribute or benefit is being compared against.

While we urge our members to study the Guide in its entirety, a basic summary of their contents can be found [here](#).

What the Green Guide does not contain are agency rules and regulations. Instead, it establishes the guardrails by describing the types of environmental claims the FTC may or may not find deceptive under Section 5 of the FTC Act, violations which can result in warning letters, cease and desist orders, and/or fines.

Currently the Green Guide is badly outdated and in need of its promised update in order to maintain relevance in a rapidly evolving marketplace and an era in which consumer environmental concerns have grown to record levels. Important terms like "sustainable" and "natural," and crucial emerging technologies like bioplastics remain unaddressed. In addition to critical gaps like these, the present decade-old Green Guide does not provide instruction on climate-related claims aside from a brief section delineating standards for carbon offset marketing. Currently missing are discussions of now common terms like "carbon-offsets," "climate-neutral," "net-zero," "zero-carbon," as well as direction on how carbon reduction efforts can be promoted in non-deceptive ways.

The Securities and Exchange Commission is also now playing a role in combating greenwashing. In March of 2021, the agency declared it was making the examination of corporate ESG disclosures a priority. A Climate and ESG Task Force has been established to address false and misleading statements about environmental goals and attributes made by stock issuers, investment advisors, and publicly traded companies.

Such developments are welcome, but much work remains to be done. In addition to an updated Green Guide and increased scrutiny of corporate ESG claims, ASBN is working with companies and governments toward the following goals:

- Increased requirements for transparency on environmental claims and programs.
- Better alignment of federal data, standards, and definitions with precedents set both at the state level and internationally in order to move toward a single unifying set of standards for all.
- Establishing standards for sustainable, non-toxic, and/or circular procurement policies.
- Stronger regulations on emissions and other pollution, environmental justice violations, and antitrust activities that keep pace with the best available technologies and practices.

- Incentivizing adoption of best environmental practices via tax credits, access to more affordable financing options, grants, infrastructure earmarks, etc.
- Increased investment in science, innovation, and emerging alternative technologies and strategies to boost market competitiveness and prevent monopolistic entrenchment in billion-dollar industries like fossil fuels, petrochemicals etc.

Taken together with renewed attention from federal and state governments, we believe these steps will promote corporate environmental commitments that are both genuine and meaningful, and that can be communicated accurately to consumers so that future green marketing efforts don't leave them seeing red.

WHAT YOU CAN DO TO HELP

ASBN members have an important role to play in reining in greenwashing. Here are three key ways to take action:

1. Respond to the FTC's [request for public comment](#) on the existing Green Guide. Urge the agency to publish a revised version of the Guide and establish a more complete and current set of rules as quickly as possible and ask that it renew its efforts to combat greenwashing.
2. Report any examples of Greenwashing to the FTC using the agency's [online complaint portal](#).
3. Share ASBN's own Greenwashing Guide with your fellow executives, business and community leaders, and others. Spread the word about greenwashing—what it is, why it's harmful, and how to stop it.

Working together, we can make the crucial difference needed to end today's greenwashing scourge. And that's no lie!



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