



Green is the New Color of Money: Greenwashing and Advertising Ethics



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Present consumers are caring more and more about the environment. Among 25-34-year-old Americans, 75% rank the environment among their top concerns. Not only are consumers more prone to purchase from brands making a “positive social and environmental impact,” but 72% of Generation Z (ages 15-20) respondents to a Nielsen study are willing to pay a premium price on those products.

The corporate response to this cultural shift has been to churn out product lines or change company values to be more “green.” In order to educate consumers about green initiatives, companies started to heavily market their efforts and actions toward being more environmentally sustainable and friendly. Some companies have gone as far as overstating the positive environmental impact of their products or business practices. This practice

misleads consumers into believing that a product is more environmentally friendly than it actually is and is called *greenwashing*.

The practice of greenwashing often involves companies using buzz words such as “biodegradable,” “natural,” and “organic” to convey the message of greenness, even if that wasn’t the case. When a company exaggerates these claims, it can even run into legal trouble as showing an intent to deceive/mislead consumers. In the 2012 California case of *Ayana Hill v. Roll International Corporation and Fiji Water Company LLC*, the water bottle company was taken to task for claims that their bottled water was “environmentally friendly and superior.” While the “greenness” of the bottle was not disputed, many felt that this gain was overshadowed by the unemphasized fact that the manufacturing, production, packing, and distribution of the product causes “as much, if not more, of an adverse environmental impact when compared to similar bottled waters,” rendering it less than “green.”

Proponents of the greening—or “greenwashing”—of products would point to the relative gains that controversial marketing strategies might encourage. Many would argue that harsh criticism against companies working toward greener initiatives and products will discourage strides being made in the corporate world toward more eco-sustainable business practices. Slight exaggeration in advertising may be needed to convey the notion of potential impact to the consumer. Supporters could point to the use of green words such as “natural,” “organic,” “eco-friendly,” as encouraging consumers to look for more environmentally friendly products, even if their product is only slightly greener than the non-green alternative. Audrey Holmes of *Earth911* goes as far to say “the best way greenwashing is helping our society



change over time is by making sustainability a normality” (Holmes, 2017). By arguably over-emphasizing the green-ness of a specific product, companies are at least bringing the environmental dimension of purchases to the foreground of a consumer’s purchasing decisions, and even altering the status-quo. Proponents argue that the shifting ethos to greener living is worth the cost of some hypocrisy. While some of these green products over-sell their environmental benefits, not all do—and such marketing will result in some of these better products being clearly identified and purchased by consumers.

Critics of greenwashing point to this intention of “going green” as a deceptive way to increase business profits rather than as a way of fulfilling any duty to the environment. When the intention behind the product’s “green-ness” is to increase sales, businesses may be sacrificing the environmentally positive aspects of a product for the marketability or cost-efficiency of producing it. The more money businesses put into marketing their “green-ness,” the less money they put toward environmentally sustainable efforts. In practice, this leads to businesses putting on a front of being eco-friendly while still practicing environmentally unsustainable practices such as polluting or lobbying against environmentally forward laws. This, in end, places the burden on the consumer to distinguish between authentic environmentally friendly companies and those just putting on a facade. David Mallen, associate director of the National Advertising Division of the Council of Better Business Bureaus, notes that “because green advertising is so ubiquitous now, there’s so much greater potential for confusion, misunderstanding, and uncertainty about what messages mean and how to substantiate them” (Dahl, 2010). The confounding messaging has left a vacuum in the consumer trust in the information they receive from companies. Greenpeace, one of the most prominent groups leading the charge against greenwashing, argues that “the average citizen is finding it more and more difficult to tell the difference between those companies genuinely dedicated to making a difference and those that are using a green curtain to conceal dark motives” (Moss & Scheer).

As more and more companies find that green sells, more products will be touted as helping the environment—or at least as not harming it as much as competing products. But how far can companies go in creatively selling their products without trashing their consumer’s autonomy?

Discussion Questions:

1. What values are in conflict over the use of greenwashing in this case study?
2. To what extent should companies be allowed to tout their green marketing efforts?
3. What does it mean to deceive a company’s consumers? Are companies expected to forgo their exaggerated claims to guarantee transparency for the consumer?
4. What sort of ethical principles could you create that would guide advertisers in balancing creativity, persuasive messaging, and respect for the consumer’s autonomy? Would these work in subtle cases of spin or exaggeration?



Further Information:

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