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# A STUDY OF GREENWASHING AND URBAN CONSUMERS' BEHAVIORAL INTENTIONS WITH SPECIAL REFERENCE TO NAINITAL DISTRICT OF UTTARAKHAND

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#### **ABSTRACT**

**Purpose:** Sustainable development is referred to as the idea that human beings should sustain by meeting their basic needs, while also making sure that the future generations are able to meet their basic needs. For sustainable development, factors such as preserving the environment and natural resources along with maintaining social and economic equality need to be followed. The main objective of the study was to find out the concept of green washing and consumer perception regarding green washing tactics used by marketers.

**Methodology/Approach:** The purpose of this paper was to understand the perception of consumers towards Green washing. We collected primary data from 250 respondents from Nainital district of Kumaun division. The target population for the study was from the urban consumers resides in Nainital district.

**Findings**: The findings of the study are the majority of consumers buy Green products, indicating a high degree of awareness in Kumaun division and, more importantly, this leads to the conversion of potential purchasers into real shoppers.

The majority of customers are male category. Automobiles sector is the most rampant sector where greenwashing is in top with 25.2 per cent consumers agreed upon that. Consumers perceive 'fluffy language used by the marketers' as the most frequently used Greenwashing communication tactic with 36.4 percent.

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RESEARCH ARTICLE

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**Future Implications and limitations:** The study will be helpful for marketers who targeting the consumers of Uttarakhand about Green products and investigating the behaviors of consumers. This study is confined to only one district of one division of Uttarakhand. This study may be extended in Garhwal division or any other area.

**KEYWORDS:** Green Products, Consumer Perception, Communication, Environmental Issues, Green Washing

#### I. INTRODUCTION

Our society is shifting towards being more environmentally conscious with the shift in consumer preference towards more environmentally friendly goods and services.

Greenwashing is a marketing technique aimed at creating an illusion of ecological responsibility. Green communication doesn't always mean that the company is environmentally responsible. This is why the concept of greenwashing is frequently used by NGOs to denounce companies that claim environmental concerns while their activities and practices prove otherwise.

#### II. HISTORY OF GREENWASHING

The term "Greenwashing" was coined in **1986** by field biologist and activist **Jay Westerveld**. Greenwashing involves the use of fake or misleading practices to deceive consumers about the environmental benefits of products. Firms can mislead consumers and investors by telling the truth, but not the entire truth. There can be four types of Greenwashing that are being challenged: products, procedures, symbols, and structures that are Greenwashed. Firms who engage in Greenwashing these types of practices also helps in boosting brand's image and generating positive public relations and these firms looks more attractive than a firm that does not care about.

### III. LUSH GREENWASHING

Greenwashing isn't just for energy, it is also affecting the cosmetics sector. More and more cosmetics brands are positioning themselves as "all-natural" and "ecological" but their actual impact on the environment is often negative. This often includes claims such as "all-natural" ingredients or "chemical-free" products. **Seven sins of Greenwashing** 

Researchers of **TerraChoice**, a leading North American environmental marketing company (2008 and 2009) studied on the products that were making environmental claims in United States, Canada, Australia, and United Kingdom and found that 98% of the products were guilty of Greenwashing. TerraChoice developed the seven sins of Greenwashing.

- 1. **Sin of hidden trade off**: It is sin of environmental issue that is emphasized at the expenses of another potential more concerning issue.
- 2. **Sin off no proof**: That claim which are not back up by factual evidence or third party certification.

- 3. **Sin of vagueness**: Claims that are lacking in specifics and are deemed meaningless example come all natural is not necessarily Green.
- 4. **Sin of worshipping false labels**: Creating a fake certification to mislead consumers into believing that the product went through a legitimate Green screening process.
- 5. **Sin of irrelevance**: Unrelated environmental issues are emphasized for example saying a phone is CFCs, when CFCs are already banned by law.
- **6. Sin off lesser of two evils**: Environmental claims on products that have no environmental benefits to begin with. For example, cigarettes are organic.
- 7. **Sin of fibbing**: Environmental claims that are bluntly false. For example, a diesel car emits zero carbon dioxide in the air.

Greenwashing is designed to make people believe that your company is doing more to protect the environment than it really is (**Cambridge Dictionary**).

Greenwashing is when a company spends a lot of money and time presenting itself as Green rather than genuinely implementing sustainable development principles.

#### IV. REVIEW OF LITERATURE

- (a) **Katait** (2017) studied on alarming emergence of Green washing, forms of Greenwashing, reasons of growing Greenwashing practices and signs and sins of Green washing. The researcher suggests that usage of environmental friendly image on the product which has no environmental impacts should be prohibited. Companies should stop the frequent use of Green colour in the logos of different products. Green audit should be developed to evaluate the performance of the companies towards nature conservation.
- (b) **Manvi** (2019) studied consumer perception and trust building on Greenwashing and found that the most uncontrolled sectors where Greenwashing is prevalent are Automobile, Industrial Manufacturing and Beauty products/cosmetics. Consumers perceive usage of shaggy language as the most frequently used Greenwashing communication tactic.
- (c) **Banerjee** (1995) from the consumer's point of view, sustainability is a way of life with minimal impact on the environment, or at best, making decisions that are helpful and beneficial to the environment. In order to minimize damage to the environment, consumers are faced with many solutions. A majority of marketers in the sample attempted to project a green marketer image rather than focusing on the environmental benefits of their product or service.

#### V. OBJECTIVE OF THE STUDY

- (a) To know the impacts of respondent's demographic variables on their awareness towards Green products.
- (b) To study the consumers' perception regarding buying Green products.
- (c) To determine consumers' perception on green washing of cosmetic products in Nainital district.

#### VI. RESEARCH METHODOLOGY

To accomplish the study's aims, a descriptive research was conducted, which included the collecting of both secondary and primary data. The primary data was collected from respondents of Nainital district of Uttarakhand through a questionnaire created for a sample of 250 respondents from the Nainital representative, both genders, various age groups, educational levels, and annual income. For testing consumer awareness of Green products, a structured questionnaire was constructed. The information gathered from the respondents is compiled and analyzed using percentages and cross tabulation into logical statements. Personal telephonic interviews and observations were also made for further clarification. Ms Excel and SPSS were used to perform the necessary analysis of the data

#### VII. DATA ANALYSIS

Table 1: Respondent profile		Frequency	Percentage
Gender	Male	186	74.4
	Female	64	25.6
Age	Below 20	78	31.2
	20-30	123	49.2
	30-40	27	10.8
	40 above	22	8.8
Occupation	Self employed	91	36.4
	Homemaker	42	16.8
	Service	48	19.2
	Student	69	27.6
Annual income	Less than 2.5 lakh	134	53.6
	2.5 – 5 lakh	33	13.2
	5-10 lakh	38	15.2
	10-15 lakh	32	12.8
	More than 15 lakh	13	5.2

The demographic classification and its respective frequency distribution are being presented in the table 1. The demographics of the respondents have been classified into categories as follows;

- •Gender- It is found that the dominating Category belongs to male (74.4 per cent).
- Age-It is inferred from the above table that out of 250 respondents, the majority of the respondents (48.9 per cent) belong to the age group of 20-30 years.
- Occupation- Dominating Category of the respondents belonged to the occupational status of Self -employed (36.4 per cent).
- Annual income/earnings The majority of the respondent's family earns less than 2.5 lakh per year (53.6 per cent).

TABLE 2 SHOWS CONSUMER AWARENESS REGARDING GREEN LOGOS AND GREEN SYMBOLS

UNDERSTAND SYMBOLS					
		FREQUENCY	PERCENT	VALID PERCENT	CUMULATIVE PERCENT
VALID	YES	217	86.8	86.8	86.8
	No	33	13.2	13.2	100.0
	Total	250	100.0	100.0	

(Source: Compiled Primary Data)

According to the table 2, 86.8 percent of consumers aware about Green products and 13.2 percent consumers have no awareness regarding green products or green logos or green symbols. High majority in awareness regarding Green products is a good sign for society.

TABLE 3 SHOWS THE FREQUENCY TABLE REGARDING PURCHASING THE GREEN PRODUCTS

Table 3 : Do you purchase Green products					
		FREQUENCY	PERCENT	VALID PERCENT	CUMULATIVE PERCENT
VALID	YES	140	56.0	56.0	56.0
	OFTEN	40	16.0	16.0	72.0
	SOMETIMES	48	19.2	19.2	91.2
	DONTKNOW	14	5.6	5.6	96.8
	NO	8	3.2	3.2	100.0
	TOTAL	250	100.0	100.0	

(Source: Compiled Primary Data)

According to the table 3, 56 percent of consumers purchased Green products on a regular basis, 16 percent purchased Green products often and 19.2 per cent of consumers do not purchase Green products on a regular basis but do so on infrequently. 5.6 percent of customers believe there is a lack of awareness of Green products, while just 3.2 percent believe they are aware of Green products but do not buy them.

TABLE 4: CONSUMER PERCEPTION REGARDING GREEN WASHING

Numbering of the sectors	Table 4: Sectors where Greenwashing is	Frequency	Percentage
	rampant according to consumers		
1	Agriculture	44	17.6
2	Automobile	63	25.2
3	Beauty products/Cosmetics	13	5.2
4	Clothing	10	4.0
5	Electronics	26	10.4
6	Food/Beverage	17	6.8
7	Financial Services	24	9.6

8	Government	01	0.4
9	Healthcare	48	19.2
10	Industrial manufacturing	04	1.6

According to the table 4, this table concludes that automobiles sector is the most rampant sector where greenwashing is in top with 25.2 per cent consumers agreed upon that. According to consumers, second top sector where greenwashing is most rampant after automobile sector is healthcare sector with 19.2 per cent consumers agreed upon that followed by agriculture sector with 17.6 per cent.

According to consumers, least sectors they think that greenwashing is minimal are government sector with 0.4 per cent and industrial manufacturing with only 1.6 per cent.

TABLE 5: GREENWASHING TACTICS PERCEIVED BY THE CONSUMERS

Greenwashing tactics perceived by the consumers	Frequency	Percentage
Fluffy language(Words or terms with 2 clear meaning e.g. eco-friendly	91	36.4
Green product vs. dirty company (Such as efficient light bulbs made in a factory that pollutes rivers.)	38	15.2
Suggestive pictures (Green images that indicate an (unjustified) Green impact (e.g. flowers blooming from exhaust pipes).	25	10.0
Emphasizing one tiny Green attribute when everything else is not Green	30	12.0
Declaring they are slightly Greener than the rest, even if the rest are pretty terrible.	21	8.4
Greening a dangerous product (e.g. Cigarettes)	23	9.2
Use of scientific words	22	8.8

According to the consumer's perception, Consumers perceive 'fluffy language used by the marketers' as the most frequently used Greenwashing communication tactic with 36.4 per cent. It is followed by 'Green products vs. dirty company' with 15.2 per cent and Emphasizing one tiny Green attribute when everything else is not Green with 12 per cent and 'suggestive pictures' such as unnecessarily using the Green background to falsely imply a Green product or brand with 10 per cent. 'Usage of fluffy language' is the key reason why brands engage in Greenwashing. It can be inferred that consumer awareness about Greenwashing is relatively low and so they can be easily misled by the profit hungry companies.

#### VIII. FINDINGS AND CONCLUSIONS:

Among the biggest players in the cosmetics sector, the brand Lush is often criticized. Lush has been accused of greenwashing because its products contain toxic ingredients such as potential endocrine disruptors. Greenwashing and Single-Use Plastics One prominent example of the

problem with greenwashing is single-use plastics. More than 90% of plastic produced today is not recycled. Worse, much of it eventually lands in the ocean, where some estimate it will outweigh fish by 2050.

In light of these facts, many companies are working hard to change the reputation around their plastic products and boost consumer enthusiasm for them. Bioplastics give a potent example. Made from bio-based polymers instead of petrochemicals, this material is often considered good for the planet because it can break down thousands of years faster than traditional plastics. But what isn't as commonly known is that these "natural" plastics need highly specific conditions to decompose that involve access to oxygen and sunlight — both of which are scarce in landfills.

In India, Due to loopholes, buyers often lack information about these products, but still buy based on advertising and market positioning. Consumers are believed to understand the Greenwashing strategies used by the company, such as the use of terms such as natural, organic, herbal and technical words used in packaging or brands to mislead, but when it comes to their buying habits, they are often unable to make an informed decision. These kinds of strategies seem to be fascinating to new-age consumers who tend to buy products. Companies try to strengthen their brand image and reputation by implementing Green practices, but the danger of brand erosion and loss of consumer trust developed over time is greater if misleading claims are discovered.

Our society is shifting towards being more environmentally conscious with the shift in consumer preference towards more environmentally friendly goods and services, Firms that do not incorporate environmental friendly practices in their corporate model are punished by their consumers. The shift to being more naturally conscious is presuming a large number of corporate to adopt and implementing environmentally friendly practices. This demand to go Green is causing a corresponding increase in the number of corporate that claim Green credentials when, in fact they have very little to none.

It can be assumed that consumer awareness of Greenwashing and tactics used by firms to mislead their consumers is underprivileged and that they are readily mislead by profit-driven businesses.

In our high-consumption society, it is always wise to raise a brow of suspicion when organizations claim that they are "doing their part" to "save the planet." Even if certain Greenwashing are unintentional and are the result of ignorance of the true meaning of sustainability, it is usually done deliberately through marketing policies and PR practices. However, what all Greenwashing practices have in common is that it is not only misleading, but also not conducive to promoting sustainable design. This will keep environmental issues the same or make them more likely because the Green washing is often block and misleading consumers.

Recently, changes in consumer lifestyles, increasing awareness of hazardous chemicals, rising disposable income, proven effectiveness of natural products, and increasing attention to environmental issues have prompted companies to use these changes for the benefit of consumers.

#### IX. RECOMMENDATIONS FOR COMPANIES AND FUTURE RESEARCH

In order to better understand consumer needs and wants, more study in the fields of ethical consumerism and greenwashing is required. Furthermore, both from a governmental and corporate standpoint, it would be extremely beneficial to introduce new legislation in order to build a clear regulatory framework across industries. From a commercial standpoint, current and future study can assist organizations understand how using greenwashing strategies might harm their brand and profitability. This will be critical in preventing people from engaging in such behaviors and promoting more environmentally friendly and human alternatives.

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