An Awareness towards Greenwashing of Product and its Impact on Consumers'Buying Behaviour in Surat City

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ABSTRACT

In today's era Greenwashing refers to the practice of making untruthful or misleading environmental claims about a product or service in order to appeal eco-conscious consumers. The consumer awareness about greenwashing has increased in present-day as people have become more alarmed about the environment and their impact on their buying behaviour. This increased awareness has headed to a change in buying behavior, as consumers are more likely to pursue out those products which are actually environmentally friendly and avoid those that are misleadingly advertised as such. This study aims to study consumers' awareness of green washing and how it creates impact on their purchase behavior. Organizations have keeping in mind their social responsibility concerning for general people and how brands are using this as a strong marketing tactic in intensifying their business. This paper also studies its impact on the environment and the general public. This study was conducted in Surat city. 200 responses were collected over a period of 2 months. Frequency analysis was done in this research paper. Primary data was collected through questionnaire method.

Keywords-- Greenwashing, Awareness, Consumer Buying Behaviour

I. INTRODUCTION

Greenwashing is a statement and marketing strategy adopted by companies or other organizations. It contains in putting advancing ecological arguments in order to forge an ecologically responsible image among the public. However, the reality of the fact does not resemble, or corresponds inadequately, to the content of the messages shared. Formed by the union of the words green and brainwashing, this term was created in the early 1990s by NGOs excited to expose environmentally harmful practices of big industrial group. In 2000s when companies started realizing that consumers be concerned about the impacts of their actions, it started becoming popular. Greenwashing generates doubts and skepticism that are destructive to structures that are effectively engaged in CSR practice and sustainable development approaches. Few examples of Greenwashing are Zero Emissions Car, Clean Energies, The Green Computing or Green IT etc.

Greenwashing refers to misleading consumers about the company's normal processes or the regular benefits of a product or service. Greenwashing is used in green advertising to prove consumers that the organisation uses environmentally friendly products. The term greenwashing was created by environmentalist and activist Jay Westerveld in 1986. Then, in one of the hotels, he read the information that a hotel asked for towels' reuse. Thanks to this, fewer gallons of wash water would be used, and essential natural resources would be rescued. Westerveld wrote an article about the seeming environmental activities, calling them greenwashing. However, ecological issues were noticed much earlier than the term greenwashing appeared. It is worth mentioning, for example, that 22 April 1970 was the first day of the Earth, which was a result of concerns related to wars, consumerism and the destruction of natural resources. Currently, greenwashing refers to the practice of apparent efforts to protect the environment and the suggestion that a company bears some costs of these activities when it earns. Hence, greenwashing shows a company's market strategy in a false light; thus, it is a lie.

It is aware that the demand for green products and services has increased. Greenwashing is reflected in a product advertising campaign or copy. They may use words like "ecofriendly" or "green," so consumers are unfairly deceived into doing what they think is a sustainable choice. Greenwashing can also be seen as a label that means the packaging is "made from recycled materials" or snacks are made from "continuous ingredients." The company may also claim to incorporate "sustainable" business processes without reducing its environmental impact. Greenwashing can work on all products, from home and beauty to fashion and food.

Overall, the industry profile on consumer awareness on greenwashing of products and their impact on buying behavior highlights the importance of environmental responsibility and transparency in the modern marketplace. As consumers continue to demand greater accountability from companies, it is likely that this trend will continue to shape the marketplace and drive greater sustainability efforts in the future.

II. NEED FOR STUDY

The consumers are more likely to purchase products that are marketed as environmentally friendly, but they are also more likely to doubt the authenticity of these claims. This can lead to confusion and frustration, as well as mistrust in the overall marketplace. To combat greenwashing, many consumers are turning to third-party certifications, such as the USDA Organic label or the Rainforest Alliance Certified seal, to help them make informed purchasing decisions. The impact of greenwashing on buying behaviour is significant, as consumers are becoming savvier and demanding greater transparency from companies. Companies that engage in greenwashing risk damaging their reputation and losing customers, as consumers become more aware of their marketing tactics. On the other hand, companies that are transparent and honest about their environmental practices are likely to see an increase in sales and customer loyalty, as consumers are more likely to trust and support companies that they believe are genuinely committed to sustainability. It will help to understand how to use greenwashing word for product and services and also understand that how consumers are choosing greenwashing of products. It is helpful for a new company to understand the consumers need and fulfil that need and become a leader in the market. So the study is required to find out the impact of greenwashing word on consumers' purchasing behaviour.

III. LITERATURE REVIEW

The term "greenwashing" originated from "whitewashing", first used by American environmentalist Jay Westerveld in 1986. This is a misleading form of advertising that aims to promote the environmental attributes of the organization's products, goals or policies. Some companies use greenwashing to mislead consumers with environmental protection concepts, causing consumers to buy their goods and services, thereby increasing their overall product revenues. [4] Greenwashing behaviour is a kind of "creative reputation management" in which the company conceals deviation and authenticity. [5]

Consumers have seen green claims in the context of washing, which has led to the perception of environmental performance between green and brown organisations and other negative judgments about communication integrity. In terms of purchasing interest, greenwashing companies have done the same for silent black organisations, which have significantly lower prices than green and quiet green organisations. No significant product type results and no pooled results were found. Overall, greenwashing has only limited benefits (assuming environmental performance), poses a severe threat (assumed integrity), and has no real competitive advantage (purchase interest). [1]

[2] In their study, states that greenwashing plays a negative role in the green market, given that consumers will not wholly trust natural products and thus will be less willing to buy them. However, consumers are not always able to pinpoint where greenwashing is. [6] Found that the average consumer would consider specific terms, such as "biodegradable," when deciding whether to buy. Most consumers will look for something that identifies the product as raw in packaging or advertisements. As some consumers may believe more or more about the rawness of a product or product, companies may embellish or exaggerate their environmental claims to capture consumer attention and encourage them to buy.

[10] In their study states that with increasing consumer awareness of environmental issues, green marketing is essential for firms to gain a competitive advantage. However, consumers often see reduced green marketing as a greenwash in large-scale operations. Compared to the larger body of green marketing research, less work has focused on consumer ideas for green space washing and related outcomes. In addition, green concern strengthens the negative relationship between greenwashing beliefs and green buying intentions. Therefore, this study suggests that firms promote strong environmental efforts instead of greenwashing to reassure consumers and increase sales.

[7] In their study, states that since World Day in the 1970s, business performance in the environment has skyrocketed, and greenwashing charges have risen sharply. Greenwash refers to various misleading communications that aim to create highly trustworthy beliefs among stakeholders about corporate environmental processes. The growing number of corporate social responsibility claims, whether established or not, creates difficulties for participants in distinguishing between good business performances and companies that seem to accept only a sustainable development model. This study aims to understand and explore the various influences of misleading communication about environmental issues on participants' perceptions of ecological business responsibility and greenwashing. Stakeholder responses to environmental scandals can make a huge difference. It points out that different levels of greenwashing have a very different effect on participants 'perceptions of the natural business responsibility and participants' response to environmental scandals.

IV. RESEARCH OBJECTIVES

The present study is conducted to identify the following objectives.
- **Primary objective:** To study the awareness of greenwashing amongst general public and how it affects consumers' purchasing behaviour.
- **Secondary objective:** To analyse the opinion on the usage of greenwashing products.

V.   RESEARCH METHODOLOGY

Descriptive research design was adopted to study awareness towards greenwashing of product and its impact on consumers' buying behaviour in Surat city. The sample size was 200 using convenience sampling method. Data was collected through primary source as questionnaires. Questionnaire asked to the general public of Adajan, Bhatar, Pal, Piplod of Surat city. In this study non-probability sampling method (convenience sampling) has used.

VI.   RESULT AND DISCUSSION

The main objective of the research is to study the awareness of greenwashing amongst general public and how it affects consumers' purchasing behaviour.
The demographic profile of respondents displayed in Table 1.

Table 1: Demographic Profile of Respondents

	Frequency	Percent (%)
Gender		
Male	98	49
Female	102	51
Age		
Below 20 years	49	24.5
21-30 years	74	37
31-40 years	52	26
41- 50 years	14	7
Above 51 years	11	5.5
Education		
HSC	15	7.5
Graduate	81	40.5
Post-Graduate	59	29.5
Doctorate	29	14.5
Others	16	8
Occupation		
Student	52	26
Businessman	54	27
Service	80	40
Others	14	7

The Table 1 shows the demographic profile of the respondents. It shows that majority of respondents are Female i.e. 51%, they belongs to the age group between 21-30 years i.e.; 37%, their education qualification is Graduate i.e. 41%, and their occupation is Service i.e. 40%.

Table 2: Preference towards Green Products

Response	Male	Female	Total
Always	11%	9%	20%
Often	8%	11%	19%
Sometimes	23%	22%	45%
Rarely	3%	4%	7%
Never	5%	4%	9%

The Table 2 represents preference of respondents towards Green products in Surat city. It indicates 11% male and 9% female always prefer to buy Green products. 8% male and 11% female often like to buy Green product. While 23% male and 22% female are sometime like to buy Green products. On the other hand, 7% respondents like to buy Green products rarely. However, only 9% respondents never like to purchase green products.

Table 3: Awareness about term "Greenwashing"

Response	Percentage
Yes	58%
No	31%
May be	11%

The table 3 represents awareness of respondents about term "Greenwashing". It indicates that 58% respondents aware about the term while 31% were not aware for the same.

Table 4: Trust level of Respondents towards "Certified Green Label"

Response	Percentage
Always	31%
Often	21%
Sometimes	34%
Rarely	9%
Never	5%

Table 4 indicates the level of trust among the respondents towards Certified Green Label. It found that 31% respondents always trust on Certified Green Label, 34% have sometime trust on Certified Green Label product. However, 9% respondents rarely put trust on Green Label and 5% respondents never put trust on Green label Products.

Table 5: Influence of Green Label makes difference on customer Purchase decision

Response	Percentage
Yes	60%
No	13%
May be	27%

The respondents ask to know their opinion weather their purchase decision influence by green label. Table 5 indicates 60% respondents will change their buying decision after seeing Green label on product. 13% respondents will not change their buying decision after seeing Green Label product. However, 27% respondents were not sure whether they will change their decision or not.
After knowing the opinion of respondents for Green product, Green Label and Greenwashing, the

researchers' tries to identify factors that responsible for buying or not buying Green product.

Table 6: Reason for Buying Green Product

Response	Percentage
Green products are relevant for shopping	21%
Easy availability of the Green products	18%
The wide variety of Green products	10%
Green products are of superior quality	36%
Value for money	15%

As from total respondents 95% were buying Green products. The Table 6 represents their views about the factors that motivate them to buy Green products. Here, it can be shown that 36% respondents like to buy Green product because of its superior quality while 21% respondents buying it as green products are relevant for their shopping. However, 18% and 15% respondents like to buy it as green products available easily and its provide value for money respectively. Only 10% respondents were buying green products due to availability of wide variety.

Table 7: Reason for Not Buying Green Product

Response	Percentage
Green products are not relevant for shopping	22.22%
Don't know where to find Green product	27.78%
Not enough Green product option	22.22%
Green products are of lesser quality	16.67%
Green products are too expensive	11.11%

As from total respondents 9% were not buying Green products. The Table 7 represents their views about the factors that motivate them for not buying Green products. Here, it can be seen that 27.78% respondents said that they are not aware about place where green products are available. While 22.22% respondents replied that green products are not relevant for their shopping as well as they don't found enough Green product option. 16.67% respondents feel green product is of lesser quality while 11.11% respondents feel it's too expensive.

Table 8: Victim of Greenwashing

Response	Percentage
Yes	53%
No	47%

The question was asked to the respondents whether they become victim of Greenwashing. Table 8 shows that 53% respondents agree that they become victim of Greenwashing while 47% respondents said they were not become victim of it.

Table 9: Terminate the relationship with company engaged in Greenwashing

Response	Percentage
Yes	43%
No	19%
May Be	38%

Table 9 shows the opinion of respondents towards terminating the relationship with companies who were engaged in Greenwashing. 43% respondents like to terminate relationship with the organisation who practise Greenwashing while 19% respondents still continue their relationship with company even they practise Greenwashing. However, 38% respondents are not sure whether they continue or terminate their relationship with organisation who was practising Greenwashing.

VII.   CONCLUSION

This study concludes that the youngsters are more aware of the term greenwashing than other generation. This study also states that people are using green products and they trust green label on the products. In this research it studied that the new generation is more believe in green products. As per the study the highest respondents will change their purchase behaviour after seeing green label on products and those highest are male respondents. As per current economic situation the market is more reliable on green products. This study also shows the usage of greenwashing products among the respondents, where most respondents think that quality label is very important while purchasing green products. From this research it also concluded that maximum people became victim of Green washing and they would like to terminate the relationship with those companies who were engaged in greenwashing. This research is helpful to government, companies and customers as it shows new markets strategy, choice, trends etc. That will help to improve their old stuff. The overall conclusion comes that though the greenwashing word is problematic but the environment friendly products are useful for the society as well as environment as a whole.

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