

# AVOIDING GREENWASHING

WHITE PAPER: HOW TO CREDIBLY MARKET YOUR  
SUSTAINABILITY INITIATIVES

08/11/2016



ClimateWise  
Business Network

A Windfall Centre Project

08/11/2016

The terms “environmentally friendly” and “eco-friendly” have grown in popularity in recent years as organizations have attempted to position themselves as environmental leaders in their respective industries. As claims of environmental focus have grown, so has the volume of businesses who are “greenwashing”. This White Paper will seek to outline the steps that organizations should take when attempting to credibly market their environmental accomplishments and partnerships, ranging from key steps to avoid in each phase of operations, to outlining the issues organizations encounter when attempting to develop branding that communicates the important work being done while effectively increases the organizational value in the eyes of consumers.

## How to Avoid Greenwashing

### What is Greenwashing?

An increasing number of firms are adopting sustainability messaging as a core part of their marketing strategy. A 2010 study found that 95.5% of consumer products claiming to be green are found guilty of one or more of the “Seven Sins of Greenwashing”<sup>1</sup>, which range from a lack of proof, to vague claims, and to simply making false claims. Consumer understanding of the lack of credibility often associated with green marketing has eroded trust, with 64% of American consumers in 2010 reporting to no longer trust green marketing claims<sup>2</sup>. According to advertising firm Oglivy & Mather, greenwashing “contaminates the

---

<sup>1</sup> TerraChoice. “The Seven Sins of Greenwashing.” 2010. Web.

<sup>2</sup> TerraChoice. “The Seven Sins of Greenwashing.” 2010. Web.

credibility of all-sustainability related marketing and hence directly inhibited progress towards a sustainable economy<sup>3</sup>”.

*Green-wash (green‘wash’, -wash’) – verb: the act of misleading consumer regarding the environmental practices of a company or the environmental benefits of a product or service.*

*Oxford Dictionary, 2016*

Greenwashing has clearly damaged the image of corporate environmental actions in the eyes of the public. Environmental efforts are seen as being self-motivated or worse, as simply false claims. The burden of establishing authenticity falls upon businesses and organizations making meaningful changes to engage the public with credible dialogue. Otherwise, businesses run the risk of damaging their reputation, demoralizing employees and squandering opportunities in a competitive market.

## Designing Sustainability Marketing: Strategy

Ensuring an organization effectively markets its green accomplishments depends primarily upon having green accomplishments to market in the first place. Creating an honest green narrative must focus on honestly communicating the benefits of a green product or initiative in a measurable, verified and non-insignificant fashion.

---

<sup>3</sup> *OgilvyMather*. From greenwash to great. 2010. Web.

**Step 1** is thoroughly scrutinizing your operations. Focus on the fundamentals involves measuring the emissions of each of your operations to establish a realistic emissions baseline. From this scrutiny, opportunities will be discovered where core and significant improvements to efficiency and efficacy can be made.

**Step 2** involves setting reduction targets that hold your organization on a path of continuous improvement. Setting targets that are realistic and beneficial to your organization is paramount to success. However, in order for your sustainability initiatives to be perceived as credible, targets must be founded in science and push your organization to reduce emissions at an impactful level.

**Step 3** is ensuring your progress is verifiable. Partnership with a credible third party that is able to support your journey and ensure progress is meaningful is an excellent strategy to develop trust with consumers. Consumers who are naturally skeptical of corporate sustainability ventures will be convinced of authenticity if a partnership with a trusted organization is established. This partnership can also translate into a long-term relationship, strengthening community ties and further improving brand image with consumers.

## Designing Sustainability Marketing: Communications

As previously stated, the foundation for creating effective communications that tell your story in a credible way involves being honest and explaining product value in a simple way. The fundamental principle in marketing environmental accomplishments is to be radically

transparent. No inflations of value can be made, since any attempt to push an exaggerated version of your accomplishments will be interpreted as disingenuous by your audience and consumers.

**Step 1** is to prioritize the truth. Developing effective messaging cannot rely upon implication and allusion, but rather must focus on acknowledging your accomplishments and discussing where you are in your sustainability journey. Consumers are willing to accept progress over perfection, so admitting weaknesses that have been previously identified, then outlining your plan for tackling the issues, is an excellent way to develop brand credibility.

**Step 2** relies upon finding forums where your message is appropriately conveyed to the right audience. Once your core communications have been developed, ensuring the target audience is reached involves selecting the appropriate medium to convey this messaging. Whether launching a formal advertising campaign, developing a Google AdWords campaign or unveiling a new product via a cross-platform social media blitz, finding the appropriate medium to convey your message to your target audience is crucial to building brand awareness and boosting stakeholder engagement levels.

## Designing Sustainability Marketing: Brand Management

Once core communications have been developed and campaigns have been launched, the final step is managing the new environmentally-friendly brand you've worked hard to develop. Ensuring your future communications continue to abide by the fundamental principles of

sustainable marketing and can weather external criticism is critical to the long term success of your brand. Relying upon the long term vision created initially will be critical to maintaining the relationship developed with your target audience.

**Step 1** is developing a plan to market value to stakeholders as your story progresses. Ensuring you're prepared to act quickly and be responsive to criticism is crucial in maintaining support in the eyes of supporters. Acting quickly can avoid reputational damage if critical third parties decree your actions as simply being greenwashing – remember, 64% of consumers believe that claims made in environmental marketing are false. Ensuring engagement is maintained starts with employees, who need to be educated about what you're doing and what you will do in the future, as well as understand why taking these actions is important to your organization.

**Step 2** is backing up your claims. The modern definition of sustainability is "meeting the needs of the future without compromising the ability of future generations<sup>4</sup>", which shows a focus upon the long term results and consequences. If your organization has made a commitment to sustainability and developed a plan for the long run, it must be adhered to. It's acceptable to not meet your pre-set targets every time. Your target audience and consumer base will start to lose trust if targets are dismissed or if indications are given that organizations are not focused on meeting established targets. Making progress and celebrating your accomplishments are excellent strategies towards maintaining trust long-term.

---

<sup>4</sup> The Bruntland Commission. 1987. Web.

# Pitfalls to Avoid

A report developed in 2010 found that over 95% of green marketing claims have been found to be false or misleading<sup>5</sup>. This report, published by TerraChoice, also outlined the “Seven Sins of Greenwashing<sup>6</sup>”, which discusses the seven tricks marketers use to market environmental claims that are found to be illegitimate. These marketing techniques are discussed below:

Organizations that fail to disclose the **Hidden Trade-Off** claim a product or service is ‘green’ without examining the larger scope of its impact. This is common in product sourcing or manufacturing, where individual claims of using a recycled resource can be made without explaining that they fail to address the larger issues, such as high fleet emissions.

Environmental claims that have **No Proof**, as in they cannot be easily verified or lack a third-party verifier, are typically met with suspicion. Without disclosing the context or providing evidence of claims, organizations run the risk of being perceived as dishonest.

Avoid **Being Vague** by making undefined and broad claims. A common example of how being vague can be destructive to a brand is the claim of “all natural”. Natural products include heavy metals and formaldehyde, which have been known to have adverse health effects. Being clear about what the product offers and contains is key in developing language that resonates.

---

<sup>5</sup> TerraChoice. “The Seven Sins of Greenwashing.” 2010. Web.

<sup>6</sup> TerraChoice. “The Seven Sins of Greenwashing.” 2010. Web.

**Irrelevance** is a less common but still used environmental marketing tactic. If an organization claims to be an industry leader due to their adoption of a certain practice, but fails to disclose that this practice is an industry norm or required by law, it can tarnish brand reputation.

Organizations can make claims to be the **Lesser of Two Evils** by promoting how they are eco-friendlier than their closest competitor. However, this claim can fail to address actual issues within the industry or demonstrate any progress in a sustainability journey.

Finally, an organization can simply make **False Claims**. If an organization claims to have a certain certification or to be made from recycled materials, it is not a guarantee of honesty and can seriously and permanently erode stakeholder trust. Volkswagen's false diesel engine emission claims provide a stark example of the potential costs of a false claim.

## Conclusion

Clearly and honestly communicating your sustainability efforts is not as simple as merely explaining the work being done. Marketing environmental accomplishments must be done in an honest and credible manner; this means the first step is actually having environmental accomplishments. The next step is in setting a target and displaying an honest view of how long it will take to accomplish and the impact you hope to have. Finally, managing your new, environmentally conscious brand is built on clearly explaining the work being done, why it's important

and being sure to listen to criticism to allow your organization to fill the gaps discovered by others.

Businesses who join the ClimateWise Business Network work with a verified third party who gives credibility and support to organizations. Helping set relevant targets, establishing messaging and ensuring sustainability is integrated into your organizational framework are core components of membership within ClimateWise Business Network. Developing consumer trust relies upon removing the perception of being opportunistic and demonstrating commitment in a tangible manner. ClimateWise believes that simplicity, accessibility and credibility are the foundation to any sustainability initiative and that marketing your success should be a direct result of achieving your objectives and celebrating accomplishment.

*To request a copy of this white paper or for questions or comments, please contact [ClimateWise@WindfallCentre.ca](mailto:ClimateWise@WindfallCentre.ca) or [visit the ClimateWise website today.](#)*

## About ClimateWise Business Network

ClimateWise Business Network is a sustainability program focused on helping businesses create and meet emissions targets. ClimateWise offers premium tools, access to industry experts and learning and networking opportunities, along with credible green branding and a chance to reap the financial benefits of sustainability.



Windfall Ecology Centre

93A Industrial Parkway South

Aurora, Ontario

L4G 3V5

[Info@windfallcentre.ca](mailto:Info@windfallcentre.ca)

905-727-0491

Toronto: 416-465-6333

Toll Free: 1-866-280-4431

[www.windfallcentre.ca](http://www.windfallcentre.ca)

©2016 Windfall Ecology Centre

All rights reserved. Permission is granted to reproduce all or part of this publication for non-commercial purposes, as long as you cite the source. Additional copies of this publication may be downloaded from the Windfall Ecology Centre website:

<http://www.windfallcentre.ca/climatewise/resources/>