

Identifying Greenwashing Credentials.

Greenwashing is the practice of making false or misleading claims about the environmental benefits of a product, service, or company. It is a form of marketing that aims to create a positive image for a company by highlighting its environmental credentials.

The types of claims that are most common in greenwashing are: 1. Vague claims: Using terms like "natural" or "eco-friendly" without providing any specific information. 2. Hidden trade-offs: Claiming a product is green while ignoring other environmental impacts. 3. Lack of proof: Making claims that are not backed up by evidence.

**Sin of the Hidden Trade-off**

THE UNREASONABLY narrow definition of green. Paper may come from a sustainably harvested forest, but the cost of the manufacturing process, including energy, greenhouse gas emissions, and water and air pollution, must be considered.



**Sin of No Proof**

THE CLAIM that is not backed up by evidence. According to the report, these products are a common example, claiming various percentages of recycled content without any evidence.

**Sin of Vagueness**

THE CLAIM that is kind of meaningless. The phrase "biodegradable" for example, applies to poisons such as arsenic, uranium, mercury and formaldehyde.



Sin of the Hidden Trade-off: A sign for 'Booster' beer, which is a 'hand made' product, but the sign also says 'Reduce carbon emissions. Walk to the bar.' This is a hidden trade-off because the sign is not backed up by evidence.

**Sin of Lesser of Two Evils**

THE CLAIM that may be true when compared with direct competitors, but is not important in the broader picture. A Volkswagen may be fuel-efficient compared to other VWs, but not to smaller cars.

**Sin of False Labels**

THE PRODUCT that, through devious words or logos, leads us to believe it's been okayed by some kind of certifying body, when it hasn't.

**Sin of Irrelevance**

THE CLAIM that may be true, but is unimportant. "CFC-free" is commonly seen, despite the fact that CFCs are banned by law.



**Sin of Fibbing**

THE LEAST frequent Sin, but equally important. The most common example, according to the report, were products falsely claiming to be Energy Star certified or registered.

204 The Green Transfer

# Orchid Ecotel: Leveraging Green Hoteling as Core Competency

## Examples of domestic and international greenwashing

Chevron Australia  
"We Agree"



Arrowhead Water  
EcoShape Bottle



## Nurturing Green: Vows and Woes of an Entrepreneur (A)



### Key ISSUE: Greenwashing

- The act of misleading consumers
- Vague terms, e.g. 'Natural'
- How to avoid the Seven Sins



# Content

TheCaseSolutions.com

1. Summary of Case
2. Key Issue - Greenwashing
3. Examples of Domestic/International Greenwashing
4. Secondary Issues - Drivers of Greenwashing
5. Links to Theory and Concepts
6. Relationships with the case - One Group
7. Expansion of Natural Instinct into Brazil
8. Conclusions



## ding al credentials.

stores in the US, Canada, the UK and Australia in December 2008 and January 2009. Their job was to find every product making an environmental claim and assess the validity of those claims.

The types of claims changed — Australian products were more likely to claim they helped water conservation — but the results did not. In Australia, 886 products were found in seven stores. Only five did not commit what the report called one of the “Seven Sins of Greenwashing”.



## Sin of No Proof

**THE CLAIM** that is not backed up by evidence. According to the report, tissue products are a common example, claiming various percentages of recycled content without any evidence.

## Sin of the Hidden Trade-off

**THE UNREASONABLY** narrow definition of green. Paper may come from a sustainably harvested forest, but the cost of the manufacturing process, including energy, greenhouse gas emissions, and water and air pollution, must be considered.

## Sin of Vagueness

**THE CLAIM** that is kinda meaningless. The phrase “all-natural”, for example, applies to poisons such as arsenic, uranium, mercury and formaldehyde.

Sin of the Hidden Trade-off? South Australian beer racks up plenty of greenhouse miles being transported around the states.



## Sin of Lesser of Two Evils

**THE CLAIM** that may be true when compared with direct competitors, but is not important in the broader picture. A V8 car may be fuel-efficient compared to other V8s, but not to smaller cars.

## Sin of False Labels

**THE PRODUCT** that, through dodgy words or logos, leads us to believe it's been okayed by some kind of certifying body, when it hasn't.

## Sin of Irrelevance

**THE CLAIM** that may be true, but is unimportant. “CFC-free” is commonly seen, despite the fact that CFCs are banned by law.



## Sin of Fibbing

**THE LEAST** frequent Sin, self-explanatory. The most common examples, according to the report, were products falsely claiming to be Energy Star certified or registered.



# Summary of Case

## TheCaseSolutions.com

- Growing popularity of anything natural
  - Profiling Green Consumer
  - Green cosmetics trends
- Chemicals in skincare and cosmetics
  - Lack of regulation
  - Seven Sins
- Natural Instinct Case
  - One Group Case

TheCaseSolutions.com

# Key Issue: Greenwashing

- The act of misleading consumers
  - Vague terms, e.g. 'Natural'
  - How to avoid the seven sins

TheCaseSolutions.com

## Secondary Issues

- State of industry
- Shift towards healthy lifestyle





[TheCaseSolutions.com](http://TheCaseSolutions.com)



# Links to Theory and Concepts

TheCaseSolutions.com

## Segmentation

- Lifestyle
- Behaviour

## Purchasing decisions based on marketing rather than facts

- Product
- Price
- Promotion
- Place

