MEASURING TRUTH ON GREEN CLAIMS OF ADS: A COMMON SCALE POSSIBLE?

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Abstract- Ascending tendency towards skepticism for green claims look as a threat for advertising industry and also for trust green initiatives. In these circumstances, it is clear the necessity of a method or system for distinguishing greenwashing from real green claims. Although the existence of some studies, a comprehensive analysis of greenwashing determinants is lacking. This paper is intended to provide a basis for discussions about the necessity of new tools and measurements to determine and mitigate greenwashing.For this purpose a concise view of the field in literature explained.

Key words- Greenwash, green claims, deceptive ads, misleading claims.

I. BACKGROUND

The 21st century has witnessed a remarkable increase in environmental sensitivity and activism as a result of tangible and severe impacts on nature. Increasing public consciousness and demand for environmentally friendly products has changed the way of competition. According to Polonsky (1994: 44-53) the pressure to fulfill environmentalist expectations of customers' enforced businesses to develop green processes/products/services and/or green claims. And terms like "green marketing" or "environmental marketing" became popular in business environment. Estimated volume of market for green products and services was $230 billion in 2009 and predicted to $845 billion by 2015 (Nigro, 2009). Some of companies trying to adapt their processes and approaches in accordance with environmental sensitivity of societies. But for some others it looks cost driver to redesign goods/services they produce. Depending on the unwillingness to a voluntary environmental transition sometimes companies prefer unethical ways for their continuation. Greenwashing is one of the immoral way followed.Greenwashing, a term created by combination of "green" with well known term "whitewash" or "brainwashing", means making false or misleading claims regarding environmentally friendly products, services or practices. According to some reports, practices that could be accepted as greenwashing appear to be on the rise and already a widespread problem. Carson (1962) in her book Silent Spring, argued that automobile, oil, and chemical corporations spent over $1 billion a year on corporate greenwash in less than a decade. Trading off profitability for the environment or not. "Firms are at a point in a continuum between minimizing the environmental impact of production/products and maximizing profit.And they also know the importance of targeting consumers who increasingly becoming environmentally aware. High cost and ambigutiy of promoting green-based environmental initiatives or transitions challenges firms and some use creative advertising instead of making investments to provide more environmental products. In order to compete in the environmental sensitive market, many of businessesaround the world spend money and time forgreen washing, misleading consumers about environmental benefit sofa productor service and/or level of environmental performance they have. Even some of the world's biggest carbons emitting firms have attempted to position themselves as environmentally conscious. Consumers witnessing vague or unverified claims via phrases on labels such as; "organic", "eco-friendly", "environmentally friendly", "sustainable," "renewable," "eco-conscious", "fragrance free", "natural", "all natural", "carbon neutral", "energy efficient", "non-toxic", "chemical free", "recyclable", "post-recyclable", "recycled", "bio-degradable". Zmuda and Parekh (2008: 14) states that 68% of consumers believe that companies are greenwashing or overstating their green claims. A study led by TerraChoiceGroup found, more than 98% of products which positioned as natural and environmentally friendly on U.S. supermarket shelves are making false or misleading claims (The Guardian, 2009). According to results of the study that conducted on almost 4.000 consumers found tracks of greenwashing just about in all product categories especially common in cleaning, cosmetics, toys and baby products (Orange, 2010). Consumer complaints about advertising that contain environmental claims had risen in UK from 117 complaints (83 ads) in 2006 to 561 complaints (410 ads) in 2007 (ASA, 2008:4).

Mispresentation of companies themselves as environmentally responsible in their advertisements, product labels or PR applications have enforced consumers tend to be skeptical on green claims.Carlson, Grove and Kangun (1993) believe that greenwashing as a threat to the entire industry of advertising. Wheaton (2008) emphasizes on a loss of trust as a result of greenwashing firstly on green advertising but then on advertising industry as a whole.

II. DEFİNİTİONS AND HİSTORY OF GREENWASHİNG

The term of greenwashing dates back to 1960s when a group of activists found unhonest the ecological approaches of some energy companies (Irish Times, 2007). Jay Westervelt who is an environmentalist has coined this term in his essay in 1986 by observing the hotel industry's practice that promotes the reusing of towels for saving environment. And the concept started to be use widely after the Earth Summit in Rio de Janeiro in 1992 (Marciniak, 2009: 53).

The term greenwashing has many and similar definitions in literature. And also there are some terms which used synonymous to greenwashing. Mander (1972),who is a advertising executive, has labeled the first attemps of greenwashing as 'ecopornography'. Gitlin (1991) has named greenwashing with the term of "eco-fraud". Diffenderfer and Baker (2011) claims that term of "greenwashing" has been coined to refer to the phenomenon of "eco-exaggeration". There are very limited studies about greenwashing and present studies mostly based on classification of green claims in ads or some focused on drivers of greenwashing. Delmas and Burbano (2011) suggest a framework that examines the external, organizational and individual drivers of greenwashing. According to them external drivers consist of consumers, investors, competitors, regulators and NGOs. Organizational drivers include firm characteristics (as size, industry, profitability, life cycle stage etc.), intra-firm communication, incentive structure and ethical climate of the firm. Individual drivers defined as some cognitive tendencies. Gillespie (2008) identifies "ten signs of greenwash," ranging from "fluffylanguage", "green product vs. dirty company" , "suggestive pictures", "irrelevant claims", "best in class", "just not credible", "jargon", "imaginary friend", "no proof", "out-right lying".The TerraChoice Group defines product-level greenwashing in different seven categories called as "seven sins." These sins are "sin of the hidden tradeoff", "sin of fibbing", "sin of no proof", "sin of vagueness", "sin of irrelevance", "sin of lesser of two evils", and "sin of worshiping false labels".

Period	Events
1960s	- Environmental movement built momentum as corporations started to become green. - Many companies to create a green image through advertising - Public utilities spent more than $300 million on advertisi ng--more than eight times what they spent on the anti-pollution research they were touting in their ads (1969).
1970s	- Greenwash was still continuing - The first Earth day was held and encouraged many industries to advertise themselves as being environmental friendly
1980s	- Greenwashers continued till the end of the 70s till the 80s disasters (Bhopal, Chernobyl and Exxon Valdez) hit. - the environmental movement gained in strength.
1990s	- Green products were in demand and were a big focus for consumers purchasing product - The 20th anniversary of Earth day arrived and greenwash peaked at an all time high. - "Corporate environmentalism" came into vogue. Corporations spent much more Money on claiming to be green through advertising than they actually spent on trying to fix the corporate processes that were defiling the planet. - A study published in the Journal of Public Policy and Marketing found that 58% of environmental ads had at least one deceptive claim (1991) - The Federal Trade Commission created the 'Green Guidelines', that defined terms used in environmental marketing (1998). - The word 'green washing' was added to the Oxford English Dictionary (1999).
	- British Petroleum entered the green washing, spending 200 million dollars on rebranding their company (2000).
2000s	- Competition concentrated on having an image "to be the greenest of the green" - According to a study 4.5% of products tested were found to be truly green as opposed to 2% in 2009. - In 2009 2,739 products claimed to be green while in 2010 the number rose to 4,744. The same study in 2010 found that 95% percent of the consumer products claiming to be green were not green at all. - A 79% increase in the usage of corporate greenwashing between 2007 and 2009 - 95% consumer products claiming to be green were discovered to commit at least one of the "Sins of Greenwashing"

Source: Adapted from the studies of Karliner (1997), Coover (2008), Lotter (2008), Terra Choice Group (2013).

Greenwash definition	Source
The practiceofpromotingenvironmentallyfriendly programstodeflect attentionfromanorganization'senvironmentally unfriendlyorless savoryactivities	*Webster'sNewMilleniumDictionaryofEnglish*
Disinformation disseminated by an organization so as to present an environmentally responsible public image; a public image of environmental responsibility promulgated by or for an organization etc. but perceived as being unfounded or intentionally misleading	The*ConciseOxfordEnglishDictionary(10th Edition)*
To make people believe that your company is doing more to protect the environment than it really is.	Cambridge Dictionary
The act ofmisleadingconsumersregarding the environmental practices of a company or theenvironmentalbenefitsofaproductorservice	TerraChoice Group
Selectivedisclosureofpositiveinformationaboutacompany'senvironmentalorsocialperformance,withoutfulldisclosureofnegativeinformationonthesedimensions,soastocreateanoverly positivecorporateimage	Lyon and Maxwell, 2011
Making something normal seem greener	Grant, 2007
Exaggerating or misleading of consumers about the environmental attributes of companies' offerings within a particular industry	Ottman, 1993
Ads and labels that promise more environmental benefit that they deliver	Dahl, 2010
All environmental claims that are trivial, misleading, or deceptive to consumers	Manrai et al.,1997
The practice of making false or unverifable claims that a product or service is environmentally friendly.	Marder and Dodd, 2012
The act of misleading consumers regarding the environmental practices of a company or the environmental benefits of a product or service.	TerraChoice Group, 2013
The advertising of a product as 'environmentally friendly' when some aspect of the product (or its distribution) has, in fact, deleterious effects on the environment.	Hoch and Franz, 1994
Specific variant of "whitewashing" in which parties "attempt to cover up or excuse wrongdoing through false statements or the biased presentation of data."	Lamb, 2008

And there are some governmental initiatives toward greenwashing. For example, The U.S. Federal Trade Commission (FTC) issued an instructive called "Green Guides," which is for consumers and firms. According to "Green Guides" a greenclaim; "should not overstate the environmental benefit, either expressly or by implication" and "should be presented in a way that makes clear whether the environmental attribute or benefit being asserted refers to the product, the product's packaging, a service or to a portion or component of the product, package or service." Carlson, Grove and Kangun (1993) classified environmental claims into five categories: "product orientation", "process orientation", "image orientation", "environmental fact", "combination" and they classified misleading and deceptive green claims as "overly vague or ambiguous", "omits important information necessary to evaluate its truthfulness or reasonableness", "false or an outright lie", "combination". Banerjee, Gulas, and Iyer (1995) have broadened the study of Carlson et al. (1993) with the extra four items: examination of the structural characteristics of the ads, the type of advertiser, the product or service advertised, and the characters used in the ad. The authors identified green advertising in three ways:advertiser type (for-profit or nonprofit), ad focus (advertiser or consumer), and ad depth (shallow, moderate or deep). Mohr, Eroglu, and Ellen (1998), developed a scale for skepticism toward green marketing that consists of four items: "most environmental claims made on package labels or in advertising are true" , "because environmental claims are exaggerated, consumers would be better off if such claims on package labels or in advertising were eliminated", "most environmental claims on package labels or in advertising are intended to mislead rather than to inform consumers", "I do not believe most environmental claims made on package labels or in advertising".

CONCLUSİON

In a world where information asymmetry accelerating each single day, unethical applications of businesses to achieve competition are expanding. One of these methods is greenwashing that occurs in product-level or firm-level and held via advertising, labeling or PR efforts. Today's consumer confusing because of heavy exposure to green claims. And unfortunately public tend to be skeptical about green claims as a whole. So not only consumers affectedbut also trusted firms and initiatives suffer from the consequences of greenwashing. Available literature on subject limited by studies that focus on drivers of greenwashing and classification schemes for green claims but these studies not meeting key methodological criteria for observational studies through evaulation of environmental claims. Researchs in this field need a strategic direction to contribute environmental sensitive consumers and trust firms. Developing an analytical method or systematic evaluation to monitor and control firms' greenwashing behavior will inhibit misleading and deceptive trade practices and will enforce firms to real green transitions instead of camouflaging poor environmental attributes. In order to eliminate greenwashing from agenda, all actors (consumers, firms, government and NGOs) should achieve their tasks. Consumers need to learn to recognise the tricks of advertising, labeling and PR and make their own judgement on the reality of the

claims belong to products and the companies. Businesses should aware of the reality that they will suffer if the environmental claims made can not be substantiated or proven false. They can lose not only financial assets but also commercial reputation realized. So it is vital to use claims; substantiated and verifiable, relevant, truthful and factual. Governments should implement new laws, regulations and dissuasive punishments and to enforce those laws against untrutst green claims. And should develop a proactive monitoring system to detect product level and firm level misleadings and deceptions. NGOs can support efforts toward developing greenwashing indexes, ratings, standarts or ethical codes. Moreover they can issue periodically the best and worst practices of green approach of firms to public weal.

In order to sum up, continuous growth of profits needcontinuous growth ofwaste and this phenomenon conflicts with thephilosophy ofenvironmental sustainability but information asymmetry shade this truth with many of instruments and ways. Human being suffering from the exposure of greenwashing for more than four decades. Present literature related to greenwashing is lacking. It seems that far more research needs to be conducted to explore empirically how market actors interpret and respond to different green images and develop a proactive systematic that monitors and reports environmental claims that have misleading or deceptive content.

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