

*Full Length Research Paper*

## ASSESSING GREENWASHING PRACTICES WITH SPECIAL RELEVANCE TO THE FOOD & BEVERAGE INDUSTRY

Dr. Paramesh H

Faculty, Dept of Biotechnology

Bharatiya Engineering Science & Technology Innovation University, Andhra Pradesh, India.

Accepted 07 April 2025

### ABSTRACT

This paper aims to investigate the concept of greenwashing and its application in various industries, with a specific focus on the food and beverage industry. A systematic Literature Review (SLR) was carried out to identify Greenwashing Practices (GwP). After reviewing more than 20 papers from the Journal of international repute, the definitions related to GwP were studied. It was established that GwP is an unethical marketing practice. Subsequently, all the definitions were run in the WORDITOUT application (Data mining technique) which clearly highlighted the list of negative words attached to this concept. Furthermore, based on SLR, 10 common GwP were identified across various industries. One of the objectives of this research was to study the GwP in Food & beverage (F&B) industry. Content analysis indicated that 5 GwP are highly common and significantly influence consumer behaviour. Key findings highlight the need for stricter regulatory measures and greater consumer awareness to mitigate greenwashing's adverse effects. This study contributes to the existing literature by providing insights into greenwashing trends in South Asia, an area with limited prior research.

**Keywords:** Greenwashing, Food & Beverage, Taxonomy, Green, Packaging

### 1. INTRODUCTION

The concept of greenwashing is defined in the Oxford English Dictionary as the dissemination of deceptive information by an organization with the intent of projecting an environmentally responsible public image. This term, "greenwashing," was originally coined by the renowned environmentalist Jay Westerveld in the year 1986. Within his scholarly essay, Westerveld exposed the hotel industry for misrepresenting the act of reusing towels as part of a broader

---

environmental commitment. It refers to the practice of companies misleading consumers about the environmental benefits of their products or practices. Over the years, this deceptive strategy has evolved, with businesses increasingly adopting sophisticated marketing tactics to appear environmentally friendly. In reality, this practice was primarily driven by cost-saving motives rather than a genuine commitment to environmental sustainability. (Orange, E., & Cohen, A. M., 2010).

Greenwashing is the “deceptive” or “misleading” practice of falsely promoting an entity's environmental efforts or allocating greater resources to project an environmentally responsible image than the actual commitment to eco-friendly practices warrants. In essence, greenwashing entails the dissemination of inaccurate or misleading information regarding an organization's environmental intentions, goals, incentives, and conduct. (Becker-Olsen, K., & Potucek, S., 2013). This paper is an attempt to understand the various facets of the term “Greenwashing” and to study its implications on various industries, especially foods and beverages. Despite extensive research on greenwashing in Western contexts, there remains a significant gap in understanding its dynamics in South Asia. This study aims to fill this gap by exploring greenwashing practices in the food and beverage industry in South Asia, highlighting unique regional characteristics and challenges.

## **1.1 Objectives of the Study**

The following are the objectives of this paper

- To study the concept of greenwashing and its application in various industries.
- To identify and study the different greenwashing practices (GwP) in the field of food and beverage.

## **1.2 Methodology**

The methodology adopted for the accomplishment of the above-mentioned objectives were Systematic Literature Review (SLR). The study employed a systematic literature review (SLR) to analyze greenwashing practices. Databases such as Scopus, Web of Science, and Google Scholar were searched using keywords like "greenwashing," "food and beverage industry," and "South Asia." Inclusion criteria consisted of peer-reviewed articles published in the last ten years, while exclusion criteria eliminated non-English papers and studies not directly related to the focus area. This rigorous approach ensured a comprehensive understanding of current greenwashing trends and practices. After SLR, Content Analysis was done, using the WORDITOUT application (a popular word cloud generation website). In the end Observation methodology was adopted to identify the GwP by Food & Beverage Industry, wherein the popular brands and items labels were studied and inferred.

## 2. GREENWASHING IN PAST RESEARCH

In the past much research has been done to frame the definition of greenwashing and explain the concept in detail. For this particular paper search strings like “greenwashing”, “greenwash” and “greenhushing” were used. More than 20 articles, proceedings papers, book chapters, and reviews that were published in reputed journals (either Scopus Indexed journals, ABDC Journal list or peer-reviewed journals) between January 2000 and December 2022 were referred for the study. A critical review of the literature indicated that very little research has been carried out in the South Asian context. Therefore, it is very important to elaborate on the definitions of Greenwashing as mentioned in various research.



**Source: Authors Construct using the WORDITOUT application  
(popular word cloud generation website)**

**Fig 1: Word Cloud: Key Terms**

The word cloud (Fig 1) visually represents the most frequent terms associated with greenwashing in the literature. These terms were generated through a text analysis of selected articles, highlighting key concepts and recurring themes. However, the literature review faced challenges, particularly the scarcity of region-specific studies and inconsistent definitions of greenwashing, which limited the comparability of findings across different contexts. Additionally, the study encountered limitations in accessing comprehensive data from certain databases, which may have impacted the breadth of the literature review.

**Table 1: Content analysis of Word cloud**

Positive	Neutral	Negative
Environmental-friendly	Practices	Misleading
Socially-responsible	Social-conscious	Greenwashing
Environmentally	Information	False
Benefits	Consumers	Disseminating
Ethical	Practices	Negative
Positive	Service	Deceptive
Promoting	Product	Unsubstantiated
Green	Organization	Mislead
Responsible	Company	Less
Sustainable	Spending	Unfriendly
Honest	Considered	Falsely
Transparency	Themselves	Withholding
Authentic	Providing	Misleads
Trustworthy		Intended
Genuine		Unproductive
		Untrue
		Minimizing

		Deceives
		Disinformation
		Deceitful
		Wrongly

**Source: Author's Construct**

The word cloud mentioned above highlights key terms related to Greenwashing and its environmental responsibility. "Greenwashing" and "Environment" are the most frequent and prominent words, central to the theme. Words like "Positive," "Negative," and "Misleading" frame opinions, while "Socially-responsible" and "Ethical" represent consumer expectations. Terms like "Sustainable" and "Transparency" emphasize eco-friendly practices and honesty. "Consumers" and "Information" underscore the role of informed consumers, while words like "Minimizing" and "Deceives" point to deceptive tactics. This word cloud visually portrays the importance of genuine environmental efforts and the need for consumer vigilance. Table 1 clearly shows that the use of negative words is more hence it is safe to say that the term Greenwashing depicts that it is a "Negative" or "Misleading", "Deceptive", "Unfriendly", "False" "Deceitful" word.

**Table 2: Taxonomy of Greenwashing**

	AUTHOR	YEAR	SOURCE	DEFINITION
1	Terra Choice	2010	Open Source	"The act of misleading consumers regarding the environmental practices of a company or the environmental benefits of a product or service."
2	Delmas, A.M.; Burbano, V.C	2011	California Management Review	"The act of misleading consumers regarding the environmental practices of organizations (firm-level greenwashing) or the environmental benefits of a product or service (product-level greenwashing)."
3	Marquis, C.; Toffel, M.W	2011	Harvard School of Business: Cambridge	"Greenwashing is the practice of promoting environmentally friendly programs to deflect attention from an organization's environmentally unfriendly or less savory activities."
4	Lyon and	2011	Journal of	"Selective disclosure of positive information about

	Maxwell		economics & management strategy	a company's environmental or social performance, while withholding negative information on these dimensions."
5	Baum, LM	2012	A Journal of Nature and Culture	"The act of disseminating disinformation to consumers regarding the environmental practices of a company or the environmental benefits of a product or service."
6	Becker-Olsen, K.; Potucek, S	2013	Springer Reference	"Greenwashing refers to the practice of falsely promoting an organization's environmental efforts or spending more resources to promote the organization as green than are spent to actually engage in environmentally sound practices. Thus, greenwashing is the dissemination of false or deceptive information regarding an organization's environmental strategies, goals, motivations, and actions."
7	Tateishi, E	2018	Journal of Urban Affairs	"Communication that misleads people regarding environmental performance/benefits by disclosing negative information and disseminating positive information about an organization, service, or product."
8	Corcione, A	2020	Open Source	"Greenwashing is when a company or organization spends more time and money on marketing themselves as environmentally friendly than on minimizing their environmental impact. It is a deceitful advertising gimmick intended to mislead consumers who prefer to buy goods and services from environmentally conscious brands."
9	Kenton, W.	2021	Open Source	"Greenwashing is the process of conveying a false impression or providing misleading information about how a company's products are more environmentally sound. Greenwashing is considered an unsubstantiated claim to deceive consumers into believing that a company's

			products are environmentally friendly.”
--	--	--	---

**Source: Nemes, N., Scanlan, et.al. (2022)**

The provided definitions collectively highlight the concept of greenwashing, which involves deceptive practices by companies or organizations to create a false impression of environmental responsibility. Given the definition, it can be critically analysed that Greenwashing follows practices:

- **Disseminating Disinformation:** Greenwashing spreads inaccurate environmental information to deceive consumers.
- **Spending More on Promotion Than Environmental Action:** It prioritizes self-promotion over genuine eco-efforts.
- **Misleading Public Image:** It creates a positive image while diverting from less eco-friendly practices.
- **Unsubstantiated Claims:** Greenwashing makes unverified assertions without evidence or sincere commitment.
- **Selective Disclosure:** It selectively shares positive information, hiding negatives to create a one-sided image.
- **Marketing Over Environmental Impact:** Prioritizes marketing eco-friendliness over real environmental impact.

Conclusively, greenwashing involves the intentional dissemination of false or misleading information to create a deceptive image of environmental responsibility, often through selective disclosure, exaggerated marketing, and unsubstantiated claims. As consumers increasingly prioritize eco-conscious choices, greenwashing can mislead them, erode trust, and undermine broader environmental objectives.

It is a critical issue as it can mislead consumers who genuinely seek environmentally conscious products and services, potentially undermining broader environmental efforts. Recognizing and addressing greenwashing is essential for promoting genuine sustainability and responsible corporate behaviour. Greenwashing represents a critical challenge in today's business landscape.

### **3. POPULAR GREENWASHING PRACTICES (GWP) IN VARIOUS INDUSTRIES**

The Concept of Greenwashing is visible in many industries all across the world. There is much evidence stating the relevance of greenwashing in many industries and the impact they have on the brand itself and the customer. Here in the table followed is a list of industries and the popular GwP prevailing.

**Table 3: GwP in Different Industries**

	Industry	Greenwashing Practices	Examples	References
1	Automotive	Exaggerated Fuel Efficiency	Volkswagen in the year 2015 claimed that its diesel car had less emission	Siano, A., Vollero, A., Conte, F., & Amabile, S. (2017)
2	Fashion	False Eco-Friendly Labels	H&M in Scandinavian countries claimed that clothes made were eco-friendly	Kaner, G. (2021)
3	Energy and Oil	Misleading Emission Data	European company Shell while advertising about clean energy is still dependent on fossil fuels	Li, M., Trencher, G., & Asuka, J. (2022)
4	Financial	Green Investment Advertisement	HSBC bank in the UK involved in misleading climate ads	Teichmann, F. M. J., & Wittmann, C. (2022)
5	Health and Wellness	Deceiving health claim	The FDA regulates supplements as foods, not as drugs. They cannot assert that they can prevent, treat, or cure a disease.	National Institutes of Health, USA
6	Consumer Goods	False Sustainability Claims	Nestle had labelled the bottled water Green without eco-credentials	Vollero, A. (2022)
7	Sports	Vague environmental benefits	FIFA claimed the World Cup as Green or eco	Huang, R., Xie, X., & Zhou, H. (2022)
8	Fast Food	False Sustainability Claims	McDonald's claiming green initiatives without real impact.	Yildirim, S. (2023)
9	Electronics	Recycling Claims	Apple Overstating recycling efforts for old devices.	Dworkin, S. (2012)
10	Agriculture	Misleading Labels	Farms labelling produce 'organic'	Montero-Navarro,

		without certification. Both in organized and unorganized sector	A., et al.,2021
--	--	---	-----------------

Source: Author's Construct

Table 3 highlights popular greenwashing practices across various industries. Notable patterns include the frequent use of vague claims and eco-friendly imagery to mislead consumers. These practices not only undermine consumer trust but also have significant environmental implications, as they can lead to increased resource consumption and waste. Observing these trends, it is evident that greenwashing is a widespread issue affecting multiple sectors, necessitating a more robust regulatory framework to protect consumers and promote genuine sustainability.

Automotive big giants like Volkswagen makes a claim which are good for the face of the brand but watching the environmental aspect the company are promoting a false claim. Even in the Health and Wellness Industry it is clearly stated by the FDA in the United States of America that these companies cannot claim to “cure”, “mitigate” or “prevent” diseases but still they do so (National Institutes of Health, USA). Sporting Events have also joined the clan. Associations like FIFA are promoting a green World Cup without actually being concerned about the eco-impact of the event.

Unsurprising, as highlighted in a 2021 report by the Changing Markets Foundation fast fashion companies garments from prominent high-street fashion brands to assess the accuracy of their sustainability assertions, the findings revealed that 60% of all claims were devoid of authenticity, a concerning figure in itself. However, it is even more alarming that H&M emerged as the most egregious offender, with a staggering 96% of their claims lacking substantiation. The financial sector is not left behind in greenwashing. Banks like HSBC and Deutsche Bank are suspected to be making investments in companies which are involved in solving the problem of climate change. But it is claimed that no major impact is being made by those companies.

From this, the most common GwP can be listed as:

- **False or Exaggerated Claims:** Companies may make unsubstantiated or exaggerated claims about their products or services being environmentally friendly or sustainable. These claims are often not backed by credible evidence and hence influence the position of the product or the brand in the market (de Jong, M. D., Huluba, G., & Beldad, A. D., 2020)
- **Misleading Labels and Certifications:** Some organizations use labels, logos, or certifications that imply third-party verification or endorsement of their environmental

efforts, even if such verifications do not exist or are not credible (Aggarwal, P., & Kadyan, A., 2014)

- **Deceiving Health Claims:** Deceptive health claims are a type of greenwashing in which companies mislead consumers by falsely portraying their products as healthy and environmentally friendly. While the sources provide extensive information on GwP, they do not explicitly address health-related greenwashing (de Jong, M. D., Huluba, G., & Beldad, A. D., 2020)
- **Ambiguity and Vagueness:** Greenwashing often involves using vague and broad terms like "natural" or "green" without clear definitions or explanations, leaving consumers to interpret these terms in their favour. This ambiguity and vagueness can mislead consumers into thinking a product is much more eco-friendly than stated (de Freitas Netto, et al., 2020)
- **Recycling and ecofriendly claims:** Recycling and eco-friendly claims are frequently used in GwP by companies seeking to appear environmentally responsible while not fully committing to sustainable practices. Companies may overstate their commitment to recycling by labelling products as recyclable without considering the actual recycling rates or providing proper recycling infrastructure. Some companies use eco-friendly claims as a rapid escape from genuine sustainability efforts. They may prioritize short-term image enhancement over long-term environmental responsibility, contributing to greenwashing (Yildirim, S., 2023) (Report GRM Institute 2022)

#### 4. GREENWASHING PRACTICES (GWP) IN ORGANIZATIONS

Greenwashing concepts are prevalent in the industry mentioned in the previous section. There is much research which supports the existence of GwP in these industries. The following table shows different organizations and the GwP involved.

**Table 4: GwP in Different Companies**

	Company	Year	Greenwashing Practice	How They Use Greenwashing
1	Walmart	2005	Lack of Comprehensive Emission Reduction	Announced low-carbon operating model but neglected supply chain emissions, seen as insufficient action.
2	Sea World	2013	Mistreating Killer Whales	Denies mistreatment claims despite evidence of poor whale health and living conditions.
3	Volkswagen	2015	Cheating Emissions	Branded diesel vehicles as environmentally

			Tests	friendly but falsified emissions data, leading to lawsuits and fines.
4	Unilever	2018	Controversial Recycling Efforts	Promised extensive plastic recycling but used a controversial chemical recycling method, facing criticism for sachet waste and plastic pollution.
5	Royal Dutch Shell	2019	Misleading Carbon Emission Reductions	Presented as committed to reducing carbon emissions and shifting to renewables, but invested only 1% in renewable energy. Lack of transparency in actual plans.
6	IKEA	2020	Ties to Illegal Logging	Linked to illegal logging in Ukraine and criticized for demolishing a sustainable store after just 17 years of use.
7	Red Lobster	2021	False Environmental Claims	Advertised sustainably sourced seafood but faced a class-action lawsuit for unsustainable fishing practices.
8	ExxonMobil	2021	History of Environmental Damage	Downplayed its environmental impact, despite a history of major oil spills and inadequate emission reduction plans.

**Source 1: <https://energytracker.asia/greenwashing-examples-of-top-companies/>**

**2: <https://earth.org/greenwashing-companies-corporations/>**

The instances of greenwashing in Table 4 illustrate common deceptive practices. Such practices erode consumer trust and compromise overall industry sustainability. Ethical considerations include the responsibility of companies to provide truthful information and the potential harm caused by misleading claims. Each instance exemplifies how greenwashing can lead to short-term gains but poses long-term risks to both the environment and corporate reputation.

These practices are not only misleading but also contribute to consumer scepticism. As consumers become more informed and demand genuine sustainability efforts, businesses face increasing pressure to align their practices with their marketing claims. It is essential for both consumers and watchdog organizations to remain vigilant in holding companies accountable for their sustainability claims to foster a more genuinely eco-conscious marketplace.

Consumers are increasingly vigilant about the environmental claims made by companies and fast fashion brands. They demand tangible proof of sustainability. This heightened awareness is

driving tangible change, compelling companies to adopt more authentic sustainability practices. However, it also creates opportunities for unscrupulous businesses to continue profiting from unsustainable methods, primarily through marketing and advertising tactics.

## **5. GREENWASHING IN THE FOOD AND BEVERAGE INDUSTRY**

### **5.1 Growth in the Food and Beverage Industry**

Foods are products derived from plants and animals, which undergo processing and contain essential nutrients such as protein, carbohydrates, fats, and other substances vital for human consumption. Beverages, on the other hand, are liquid consumables with properties like quenching thirst and providing refreshment, stimulation, and nourishment. The primary categories within the food and beverage industry include a) Alcoholic Beverages, b) Non-Alcoholic Beverages, c) Grain Products, d) Bakery and confectionery, e) Frozen Food, f) Canned Food, g) Dried Food, h) Dairy Products, i) Meat, Poultry, and Seafood, j) Syrups, k) Oils, l) Animal and Pet Foods, m) Tobacco.

The global food and beverage market demonstrated substantial growth, expanding from \$6,729.54 billion in 2022 to \$7,221.73 billion in 2023, with a noteworthy compound annual growth rate (CAGR) of 7.3%. Projections for the future indicate further expansion, with expectations of reaching \$9,225.37 billion by 2027, at a slightly reduced CAGR of 6.3%. (Food and Beverage Global Market Report 2023).

India's food and beverage sector is witnessing a notable surge in profitability. This industry now contributes approximately 3% to India's GDP and represents a substantial portion of the nation's overall retail market, accounting for nearly two-thirds of it. Forecasts for the period from 2020 to 2024 anticipate remarkable growth in income within the food and beverage sector, with a projected compound annual growth rate (CAGR) of 14.2%. By 2024, the market is expected to reach a volume of USD 1,264 million, underlining the sector's significant potential for expansion. (Times of India 2022).

India's food and beverage (F&B) sector plays a pivotal role in the livelihoods of over 7.3 million individuals, making it the largest employer in the country. Beyond this, the F&B industry serves as a driving force for various other sectors within the economy, including transportation, retail, hospitality services, and agriculture. The current market size of the Indian Food and Beverage Industry reflects the substantial potential for increased profitability, which is why it is drawing significant foreign investments (CIRIL REPORT 2022).

### **5.2 GwP Food and Beverage Industry**

The perceptions of consumers are specifically linked to greenwashing in the food industry, primarily through the packaging and labels of the products that they are consuming. Within the food processing industry, labels and packaging are integral components, impacting both what companies convey about their products and the impressions they create with consumers. In certain studies, the focus centres on organic food, making marketing and communication the primary areas of concern in this context. (Montero-Navarro, A., et al.,2021)

Many academic researchers have summed up the many GwP in the food and beverage industry. Out of the 10 GwP prevailing in the world of business, these 5 are present in the food and beverage industry. The following table shows the practices prevailing in the industry

**Table 5: Common Greenwashing Practices in the Food and Beverage Industry**

	<b>Greenwashing Practice</b>	<b>Reference</b>
1	Misleading Labelling	Grunert, K. G., Hieke, S., & Wills, J. (2014)
2	Green Packaging	Nguyen-Viet, B. (2022)
3	Health Claim	Schmuck, D., Matthes, J., & Naderer, B. (2018)
4	Unsubstantiated Sustainability Claims	Rokka, J., & Uusitalo, L. (2008)
5	Exaggerated Local Sourcing	Venter, K., et al. (2011)

**Source: Author's Construct**

The rapid growth of the food and beverage industry presents significant environmental challenges, including increased carbon emissions and resource depletion. Each greenwashing practice listed in Table 5 is briefly explained to enhance clarity, illustrating how these deceptive strategies can mask the true environmental impact of industry operations. For example, the practice of labelling products as "natural" without substantiating claims can mislead consumers and obscure the actual environmental footprint.

**Table 6: Food and Beverage Companies Involved in Greenwashing**

	Company	Year	Greenwashing Practice	How They Use Greenwashing
1	Nestlé	2018	Ambitious Packaging Goals	Announced ambitions for recyclable packaging without clear targets or efforts to facilitate recycling by consumers.
2	Starbucks	2018	Misleading "Straw-less" Lid	Introduced a plastic lid while promoting sustainability, despite containing more plastic and questionable recycling rates.
3	McDonald's	2019	False Sustainability Claims	Promoted recyclable paper straws as a sustainable solution but faced criticism for their lack of recyclability. Planning to use sippy lids, still made of plastic.
4	Nespresso	2019	Misleading Claims about Green Products	Assured recyclability of coffee pods but required specialized recycling facilities, leading to false advertising claims.
5	Coca-Cola	2020	Accused of Green Marketing	Marketed low-sugar Coca-Cola Life as "green" and claimed commitment to reducing plastic waste, facing criticism for both claims.

**Source 1:** <https://energytracker.asia/greenwashing-examples-of-top-companies/>

**2:** <https://earth.org/greenwashing-companies-corporations/>

The use of ambiguous terms like "natural," "organic," or "farm-fresh" by businesses without the necessary certification or support can be misleading. These assertions may lead consumers to believe that products are healthier or more environmentally friendly than they actually are (Grunert, K. G., Hieke, S., & Wills, J., 2014). One such example is of Big Ketchup manufacturer showing in an advertisement about the use of fresh tomatoes in the manufacturing of ketchup.

Products may make health claims, such as "low fat" or "sugar-free", "100% fibres", "high fibres" even if they also contain other harmful ingredients. Consumers who are worried about their health may be misled by this (Schmuck, D., Matthes, J., & Naderer, B., 2018). Many Digestive biscuit in the industry say that they do not use sugar but instead use artificial lab-made sugar by the name of industrial solvents which in the long run are bad for human consumption and even for the environment.

Now in the Indian context, the maximum amount of Greenwashing in the food and beverage industry happens in relation to labelling and packaging. Most of the brands that claim to be health alternatives are either not truthful in their claim or using some bad supplements which harm two ways the consumer and the environment.

## **6. USAGE OF COLOUR “GREEN” IN PACKAGING AS A GWP**

Consumers often associate the colour green with eco-friendliness, making it a powerful tool for greenwashing. To make informed choices, consumers should look beyond packaging colours and seek credible certifications and detailed product information. Understanding the psychology behind colour usage in marketing can help consumers navigate these tactics and make more environmentally conscious decisions. The notion that green is synonymous with eco-friendliness has become increasingly prevalent in our consumer-driven society. Companies, fully aware of this association, have strategically adopted green colours and packaging to create the illusion that their products are environmentally responsible. However, this often serves as nothing more than a marketing ploy, exploiting the public's genuine concern for the planet. In many cases, green packaging is chosen for purely aesthetic reasons or to capitalize on the "greenwashing" trend without any substantial commitment to sustainability. Consumers need to remain vigilant and informed, recognizing that the true environmental impact of a product goes beyond its exterior appearance. By scrutinizing a company's practices and scrutinizing their environmental claims, consumers can make more conscious choices and hold corporations accountable for their actions. After all, the colour of the packaging should not be a substitute for genuine environmental responsibility.

## **7. IMPORTANCE OF GREENWASHING IN FOOD AND BEVERAGE INDUSTRY**

The importance of greenwashing in the food and beverage industry is multifaceted and carries significant implications for both businesses and consumers. Here are some key points highlighting its importance:

### **1. Consumer Trust and Perception:**

- Greenwashing plays a pivotal role in shaping consumer trust and perception. Misleading environmental claims can initially create a positive perception of a brand, leading consumers to believe they are making environmentally conscious choices.
- However, if these claims are exposed as deceptive, it can lead to a significant loss of trust. Consumers may become more skeptical and less likely to believe similar claims from other brands in the future.

### **2. Competitive Advantage:**

- Companies engaging in greenwashing may gain a competitive advantage by creating an illusion of environmental responsibility. This can attract environmentally conscious consumers who are willing to pay a premium for products they perceive as sustainable.
- Genuine environmentally friendly practices can provide a real competitive advantage, but greenwashing allows companies to capitalize on this without making substantial efforts towards sustainability.

### **3. Market Positioning and Brand Image:**

- Greenwashing allows companies to position themselves as environmentally responsible without making substantial changes to their practices. This positioning can enhance a brand's image, making it more appealing to consumers who prioritize sustainability.
- However, if exposed, greenwashing can tarnish a brand's image, potentially leading to a decline in market share and consumer loyalty.

### **4. Regulatory Compliance:**

- Increased scrutiny of green claims by regulatory authorities underscores the importance of accurate and transparent communication in the food and beverage industry. Greenwashing practices may lead to legal consequences, fines, or other regulatory actions.
- Genuine sustainability efforts, on the other hand, help companies comply with evolving environmental regulations and demonstrate a commitment to responsible business practices.

### **5. Impact on Consumer Choices:**

- Greenwashing can influence consumer choices, leading them to opt for products they believe align with their values and contribute to environmental conservation.
- When consumers realize they have been misled, it may change their purchasing behaviour, prompting them to seek more transparent and genuinely sustainable alternatives.

### **6. Long-Term Sustainability Efforts:**

- Companies genuinely committed to sustainability may face challenges as greenwashing undermines the perceived value of authentic eco-friendly practices.
- The prevalence of greenwashing highlights the need for companies to communicate their sustainability efforts transparently, ensuring that consumers can distinguish between genuine commitment and deceptive marketing.

In summary, greenwashing in the food and beverage industry can impact consumer behaviour, brand reputation, and market dynamics. The importance lies in its potential to influence perceptions, create competitive advantages, and, when exposed, lead to consequences that affect a brand's long-term sustainability and success. Greenwashing can provide companies with a competitive advantage by attracting environmentally conscious consumers. However, this practice poses ethical dilemmas and potential regulatory risks. Stricter regulatory compliance can help mitigate greenwashing and promote genuine sustainability efforts within the industry. Companies that engage in transparent and authentic sustainability practices can build long-term consumer trust and enhance their competitive positioning in the market.

## **8. CONCLUSION**

Consumer perception of greenwashing is a multi-faceted journey that begins with positive expectations and evolves as consumers become more informed about deceptive marketing practices. Initially, when consumers encounter products or companies claiming to be "natural", "organic", "healthy", "sugar-free", "Fat-free", "Farm Fresh", "eco-friendly", or "sustainable", they often hold optimistic views. They believe that such products are better for their well-being, the environment, and society, making them willing to pay a premium for these items. The consumers are willing to go the extra mile to buy and consume the product. This favourable perception is built upon trust and reputation, as consumers tend to associate these claims with a commitment to ethical and environmentally responsible practices. The companies end up getting a great amount of word-of-mouth promotion.

With changing times, the product with such claims gives the consumer a false sense of hope that they might be using this product and doing good for the environment and also for their loved ones.

However, exposure to GwP can shatter these positive perceptions. When consumers uncover such deceit, it can lead to a significant shift in their perception. Distrust and cynicism begin to take hold as consumers question the authenticity of similar marketing messages. They may feel deceived, eroding their trust not only in the offending company but also in the broader industry. Feelings of anger and betrayal can also emerge, leading to negative word-of-mouth and potential boycotts of the company's products.

In 2003, a class-action lawsuit was filed against Nestlé, alleging that Poland Spring water did not meet the legal definition of "spring water" as defined by the United States Food and Drug Administration (FDA). Nestlé agreed to settle the lawsuit for \$12 million in 2018. As part of the settlement, they agreed to change their labelling and marketing practices without admitting any wrongdoing. They also agreed to offer discounts and charitable donations to customers in

specific areas. Though the case is settled a lot of bad publicity happened and many customers were lost. This is just one case there are many such all across the world.

Moreover, consumers' willingness to pay a premium for products with eco-friendly or healthy claims may decline as they start to view these assertions as mere marketing tactics rather than genuine commitments. This shift in perception might get coupled with a growing demand for transparency. Consumers exposed to greenwashing often insist on more information, such as third-party certifications or independent verification of a product's claims, before making a purchase decision.

As consumers become more educated about GwP and the importance of scrutinizing claims, their perception further evolves. They become more discerning, focusing on making informed choices based on credible information. While they may remain committed to supporting sustainability, organic, and eco-friendly products, their support increasingly gravitates towards companies that can demonstrate genuine commitment through transparent practices, third-party certifications, and responsible sourcing.

The study underscores the need for increased transparency and regulatory oversight to combat greenwashing in the food and beverage industry. For businesses, adopting genuine sustainability practices can enhance long-term trust and loyalty. Practical implications for businesses include the necessity to align marketing practices with actual environmental performance to avoid reputational damage. Future research should explore the effectiveness of regulatory measures and consumer education initiatives in curbing greenwashing, as well as the impact of digital marketing on consumer awareness.

## **9. FUTURE IMPLICATION**

The research paper on greenwashing in the food and beverage industry holds significant implications for both academia and industry, pointing towards avenues for future exploration and practical considerations. As consumer awareness about environmental issues continues to rise, the findings from this study can guide future research endeavours in several ways.

Firstly, there is an opportunity to delve deeper into the specific impact of greenwashing on consumer behaviour within the food and beverage sector. Understanding how and to what extent consumers react to deceptive environmental claims can provide valuable insights for businesses aiming to build genuine trust and loyalty.

Secondly, the paper highlights the need for more comprehensive regulations and monitoring mechanisms to curb greenwashing practices. Future research could explore the effectiveness of existing regulations or propose enhanced measures to ensure transparency and authenticity in environmental claims made by companies.

Furthermore, as the food and beverage industry experiences significant growth globally and in specific regions like India, future studies could focus on the unique challenges and opportunities presented by greenwashing in diverse markets. Examining regional variations in consumer responses and industry practices can contribute to a more nuanced understanding of the phenomenon.

In practical terms, the research underscores the importance of businesses adopting sustainable practices genuinely. Future implications include the need for companies to invest in transparent communication strategies, implement third-party certifications, and provide evidence-backed claims to build and maintain consumer trust. Businesses must adapt to changing consumer perceptions and evolving government regulations. Future research could focus on developing frameworks for assessing greenwashing claims and exploring the impact of digital marketing on consumer awareness. Additionally, investigating the role of social media in spreading awareness and influencing consumer behavior regarding greenwashing can provide valuable insights for both academia and industry practitioners.

## REFERENCES

- [1] Baum, L. M. (2012). It's not easy being green... or is it? A content analysis of environmental claims in magazine advertisements from the United States and United Kingdom. *Environmental Communication: A Journal of Nature and Culture*, 6(4), 423-440.
- [2] Becker-Olsen, K., & Potucek, S. G. (2013). In *Encyclopedia of Corporate Social Responsibility*. *Idowu, SO, Capaldi, N., Zu, L., Gupta, AD, Eds*, 1318-1323.
- [3] Corcione, A. What is Greenwashing? *Business News Daily*, 2020. Available online: <https://www.businessnewsdaily.com/10946-greenwashing.html>
- [4] Choice, T. (2010). *The Sins of Greenwashing*: home and family edition. Underwriters Laboratories.
- [5] Delmas, M. A., & Burbano, V. C. (2011). The drivers of greenwashing. *California management review*, 54(1), 64-87.
- [6] Dworkin, S. (2012). Tracking Apple: can consumers turn Apple's greenwashing to green?. *E*, 23(4), 40-41.
- [7] Grunert, K. G., Hieke, S., & Wills, J. (2014). Sustainability labels on food products: Consumer motivation, understanding and use. *Food policy*, 44, 177-189.
- [8] Huang, R., Xie, X., & Zhou, H. (2022). 'Isomorphic' behavior of corporate greenwashing. *Chinese Journal of Population, Resources and Environment*, 20(1), 29-39.
- [9] Kenton, W. Greenwashing; *Investopedia*: New York, NY, USA, 2021; Available online: <https://www.investopedia.com/terms/g/greenwashing.asp>

- [10] Kaner, G. (2021). Greenwashing: how difficult it is to Be transparent to the consumer—H&M case study. *Green Marketing in Emerging Markets: Strategic and Operational Perspectives*, 203-226.
- [11] Lyon, T. P., & Maxwell, J. W. (2011). Greenwash: Corporate environmental disclosure under threat of audit. *Journal of economics & management strategy*, 20(1), 3-41.
- [12] Li, M., Trencher, G., & Asuka, J. (2022). The clean energy claims of BP, Chevron, ExxonMobil and Shell: A mismatch between discourse, actions and investments. *PloS one*, 17(2), e0263596.
- [13] Lim, W. M. (2011). Green marketing: issues, developments and avenues for future research. *International Journal of Global Environmental Issues*, 11, 139–156.
- [14] Marquis, C., & Toffel, M. W. (2011). The globalization of corporate environmental disclosure: accountability or greenwashing?. Boston: Harvard Business School.
- [15] Montero-Navarro, A., González-Torres, T., Rodríguez-Sánchez, J. L., & Gallego-Losada, R. (2021). A bibliometric analysis of greenwashing research: a closer look at agriculture, food industry and food retail. *British Food Journal*, 123(13), 547-560.
- [16] Nemes, N., Scanlan, S. J., Smith, P., Smith, T., Aronczyk, M., Hill, S., ... & Stabinsky, D. (2022). An integrated framework to assess greenwashing. *Sustainability*, 14(8), 4431.
- [17] Orange, E., & Cohen, A. M. (2010). From eco-friendly to eco-intelligent. *The Futurist*, 44(5), 28–32.
- [18] Rokka, J., & Uusitalo, L. (2008). Preference for green packaging in consumer product choices—do consumers care?. *International Journal of Consumer Studies*, 32(5), 516-525.
- [19] Siano, A., Vollero, A., Conte, F., & Amabile, S. (2017). “More than words”: Expanding the taxonomy of greenwashing after the Volkswagen scandal. *Journal of Business Research*, 71, 27-37.
- [20] Schmuck, D., Matthes, J., & Naderer, B. (2018). Misleading consumers with green advertising? An affect–reason–involvement account of greenwashing effects in environmental advertising. *Journal of Advertising*, 47(2), 127-145.
- [21] Seena Kareem K. (2012). A STUDY ON CONSUMER'S PERCEPTION AND PREFERENCE TOWARDS GREEN PRODUCTS. *EPRA International Journal of Multidisciplinary Research (IJMR)*.
- [22] Tateishi, E. (2018). Craving gains and claiming “green” by cutting greens? An exploratory analysis of greenfield housing developments in Iskandar Malaysia. *Journal of Urban Affairs*, 40(3), 370-393.
- [23] Teichmann, F. M. J., & Wittmann, C. (2022). How can sustainability be effectively regulated?. *Journal of Financial Crime*.
- [24] Vollero, A. (2022). Case Studies: Lessons to Avoiding the Greenwashing Trap. In *Greenwashing* (pp. 65-93). Emerald Publishing Limited.

[25] Yildirim, S. (2023). Greenwashing: a rapid escape from sustainability or a slow transition?. LBS Journal of Management & Research.

[26] WEBSITES

[27] <https://www.thebusinessresearchcompany.com/report/food-and-beverages-global-market-report#:~:text=The%20global%20food%20and%20beverages%20market%20size%20growth%20from%20%246%2C729.54,least%20in%20the%20short%20term>.

[28] <https://timesofindia.indiatimes.com/readersblog/sustainablebusiness/food-and-beverage-industry-a-new-business-opportunity-for-the-nascent-entrepreneurs-48587/>

[29] <https://www.ciril.in/images/ciril-f-b-sector-india-august-2022.pdf>

[30] <https://energytracker.asia/greenwashing-examples-of-top-companies/>

[31] <https://www.zerosmart.co.uk/post/twelve-examples-of-greenwashing>

[32] <https://earth.org/greenwashing-companies-corporations/>

[33] <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9778922/>

[34] <https://journalppw.com/index.php/jpsp/article/download/4659/3067/5279>