

Green Washing in the Fashion Industry

¹Dr. Sachin K Parappagoudar; ²Dr. Sana Saima

^{1,2}Assistant Professor and Research Guide Faculty of Management,
Centre for Management Studies, Jain Deemed to be University, Bangalore, India

³Ananya Chettri, ⁴Akansha Jain, ⁵Aksahy Anuashok, ⁶Aman Shah

^{3,4,5,6}BBA Student, Centre for Management Studies,
Jain Deemed to be University, Bangalore, India.

Abstract:- Sustainability has been a growing trend in the past few years due to awareness about environmental issues taking place. As a result of which companies are going for green production of goods. In contrary to the green claims made by these companies there is a lack of transparency in the methods that they have adopted as a step to attain sustainability. In fact some companies use exaggeration and lies to claim sustainable production of goods as a marketing effort to attract customers who care about sustainability. This increases uncertainty and perceived risk in customers. Consumers lose trust in business that are actually into ethically producing their products. It also tarnishes the brand image of the company involved in greenwashing. Altogether consumers loose trust in the concept of sustainability.

Keywords:- Greenwashing, sustainability, environment, fast fashion, consumer buying behavior, brand image, perceived risk.

I. INTRODUCTION

The focus and trend around sustainable fashion have continued to grow in the past few years due to the significant climatic changes and expanding population. One of the factors contributing to the growth is that people, particularly the younger generations, are becoming more and more worried about the state of the world now and in the future. Businesses have started to realize that consumers are starting to buy ecologically friendly products and this practice has become a growing trend. As a way to improve brand image and appeal to environmentally sensitive consumers companies are increasingly using marketing practices in the form of green marketing. Greenwashing is a marketing practice of drawing attention away from an organization's ecologically unfriendly or less savory actions by promoting environmentally favorable projects. To develop a better brand name among their customer base and as a result generate more revenue and earnings, businesses position themselves in a more sustainable manner. In other words, businesses don't create more sustainably than other businesses; the difference is that they lead consumers to believe they do. In the fashion industry, greenwashing includes making claims sustainability while only improving a portion of the collections of fashion brands, downcycling materials instead of emphasizing on fiber-to-fiber recycling and promoting take-back programs. Another popular technique used in fashion industry is through eco-labelling.

Such actions weaken consumer and investor confidence in businesses that produce environmentally friendly products, cause consumer confusion, and negatively affect green purchases, the brand image of green brands, and customer loyalty even among those who are already environmentally conscious. This study aims to examine the use of greenwashing in the fashion industry and its effect on the image of the brand.

A. Objectives:

- Examine greenwashing in the fashion industry.
- To assess how greenwashing is used in the fast fashion industry.
- To assess the relationship between greenwashing and brand image.

B. Scope:

With the increase in consciousness about sustainable consumption companies are adopting various marketing techniques leading to greenwashing. In the context of this, the current study examines greenwashing in the fashion industry and assesses the relationship between greenwashing and brand image, and tries to show how greenwashing may put the fashion industry in jeopardy. The scope of this study is restricted to fashion brands. Furthermore, the scope of this study is not restricted to India.

II. STATEMENT OF PROBLEM

In order to appeal to customers who are worried about the effects of fashion on the environment, businesses frequently "greenwash" their products by making inflated or deceptive claims about how environmentally friendly they are. Even though the negative effects of the fashion industry on the environment are becoming more well-known, many businesses continue to use greenwashing to draw in customers with the false claim of sustainability.

Thus, the main purpose of this study was to outline the projected impact of greenwashing on green consumer disruption, green perceived risk, and green confidence. Less greenwashing, more green initiatives, and more transparent marketing are undoubtedly beneficial in promoting green consumer confidence.

III. RESEARCH METHODOLOGY

Secondary literature review related to sustainability, greenwashing, and fast fashion and exploratory research methodologies. The study begins by discussing fast fashion. Then, in order to gain a thorough and potentially critical understanding of the problem and identify any potential gaps in the most recent research and understanding of environmental awareness and sustainability in this industry, the study moves on to discuss green marketing and sustainable fashion.

IV. LITERATURE REVIEW

A. Fast Fashion:

The fast fashion industry dominates the modern apparel market because it creates new trends, multiplies the number of fashion seasons and consumption, and reduces the useful life of things. Unique, fashionable, and reasonably priced clothing appeals to the youth market. So, the companies that produce clothing are concentrating on presenting the newest fashions that were showcased during fashion week. The fast fashion industry was boosted by the rising demand among young people for inexpensive quick fashion clothing. Fashion supply chains have moved to developing nations over the past 20 years, promising socioeconomic improvement but at a higher cost.

The fast-growing market pushes industries to make clothes at a rapid rate the consequences of which are declining product quality and negative effects on social and economic surroundings. The main element behind the production of fashion is cheap labour and poor working conditions which is an extensive violation of workers' and human rights. According to a report majority of the garment workers are women and are overworked and poorly paid. The Global Labor Justice report claims that female garment workers in Asia's top fast fashion firms are subjected to exploitation and mistreatment, which includes subpar working conditions, low pay, and overtime that reduces productivity. Working conditions associated to modern slavery in the fashion and textile industries is frequently criticised. The textile and fashion industry may be the biggest employer in the world but it is also the second largest polluting industry after the oil industry. The process of producing textiles is a very large and complicated process. It requires large amounts of crude oil and acid gas which is detrimental to the environment. With most of the production taking place in developing countries waste disposal is not regulated. These toxic wastes are mostly drained in water bodies which is hazardous to the environment. The fast fashion industry is one of the biggest contributors to high levels of air and water pollution.

Fast fashion products have a decreased product life cycle which results in a high purchase frequency. Due to high purchase frequency, there is a large wastage of clothes. Almost 2/3 of our textiles end up in landfills as a result of the fast fashion industry's throwaway culture. Clothing has changed from being a durable item to an everyday buy because of the fast fashion industry. The fast fashion industry is obviously incredibly wasteful and far from being sustainable or closed-loop.

B. Sustainable Fashion:

The consequences of fast fashion are known to be disastrous. Over 50 billion articles of clothing end up in landfills every year. This serious harm to the environment is the primary cause for the adoption of sustainable fashion. Brands are now focusing on sustainable sourcing and production of products due to increased consumer demands for ethically produced products made in conditions that do not violate any rights of the workers and harm the environment in any way or other. The term sustainable fashion is interchangeably used with 'ethical fashion', 'conscious fashion'.

Joergens (2006) defines ethical fashion as "fashionable clothes that incorporate fair trade principles with sweatshop-free labour conditions while not harming the environment or workers, by using biodegradable and organic cotton". In order to meet the emotional and spiritual requirements of consumers, a human-centric approach to marketing encourages companies to base their strategic distinction on their principles. With the goal of promoting change in the fashion industry towards more social justice and ecological integrity, sustainable fashion is a component of the slow fashion movement. In this manner, it is the duty of citizens, the public sector, and the private segment to address not as it were design materials or items but moreover the complete framework of fashion, including working with interrelated social, social, environmental, and monetary frameworks and considering fashion from the perspective of numerous partners, including clients and makers, all living species, current and future inhabitants of Earth. There are many perspectives on sustainable fashion, such as eco-friendly clothing production, buying vintage or used clothing, clothing swapping, renting clothing, etc. Demand for ethical and sustainable fashion has put pressure on companies to follow ethical standards in the areas of governance, and social issues, including diversity, inclusion, and transparency. As a result, an increasing number of fashion designers have changed their aesthetics in a "new" sustainable direction that influences customers' image of the brand.

Sustainability is associated with ethical labour practices a sustainable company strategy, transparency, and organic and ecologically friendly materials. It is also thought to be a crucial component of the Corporate Social Responsibility (CSR) of fashion enterprises. Due to the demand for ethical apparel, the fashion supply chain must verify that CSR guidelines are followed. According to Park and Lennon (2006), "socially responsible buying/sourcing of merchandise has become a priority for apparel companies to fundamentally improve their social responsibility performance" (Park and Stoel, 2005; Goworek, 2007). This is one of the main responsibilities of the fashion buyer. CSR policies are now a common practise for businesses (Nichols, 2002; Jones and Comfort, 2005; Cathcart, 2006), influencing how fashion retailers source their materials and their supplier relationships.

Despite the concern of the consumers about the detrimental effect the fashion industry has on the environment it is still growing, one of the biggest contributors being fast fashion (e.g., H&M, Zara, Forever 21), which relies on low-cost production, frequent consumption, and short-lived garment use.

C. Green Washing:

Both developed and developing nations are pushing toward sustainability. As a result of which there is huge pressure on companies to practice ethical production. Under this pressure, some firms may resort to unethical exaggeration and lie about their environmental practices. This event is known as greenwashing. It is a strategy of resorting to fraud by misleading consumers about its green image and green products. Companies pretend to be environmentally conscious and responsible but their actions do not match. This is done to attract consumers on the pretext of a green image.

In the industry considering fashion, some methods of greenwashing include claims of being more sustainable, but they only target a small portion of clothing lines or facilitate take-back programs. Another method used by brands to deceive customers is eco-labelling their products. Eco-labelling serves as an indicator of superior quality, and higher value and creates a concept of a certain lifestyle that drives the customer decision-making process which means consumers are willing to pay higher prices for such products. Greenwashing critics claim that when combined with sparse regulation, it increases distrust among customers of sustainable products. The majority of businesses employ greenwashing as a strategy to regain consumer confidence in their brand. On the other side, more and more research is demonstrating that greenwashing regulations result in deception without third-party monitoring and authentication. The findings of a study conducted by Chen & Chang revealed a negative relationship between greenwashing and trust. Businesses need to stop using greenwashing tactics in order to win over customers' trust. The study also demonstrates that greenwashing is linked to customer misunderstanding, which in turn impacts consumer trust. While discussing greenwashing it is important to note "The 7 Sins of Greenwashing" developed by the TerraChoice organization which describes 7 ways in which a company can mislead customers. The following have been cited in many papers relating to this topic:

- Sin of the Hidden Trade-off
- Sin of No proof
- Sin of Vagueness
- Sin of worshipping false labels
- Sin of Irrelevance
- A sin of lesser of two evils
- A sin of fibbing

Greenwashing activities are irresponsible actions, and customers typically disapprove of brands and businesses that are disrespectful to the environment. Ideological incompatibility can be brought on by greenwashing, corporate principles that aren't consistent, corporate wrongdoing, deceptive communications, moral wrongdoing, or expectations that aren't met, which can lead to high levels of negative behavioural effects like brand hatred. This means that there is a high likelihood that customers may experience intensely unfavourable feelings if a company engages in socially irresponsible commercial activities. It induces scepticism and perceived risk. Misleading information negatively influences their opinions of shopping for and even living in an environmentally friendly way. Perceived deception, along with green scepticism, negatively impacts organisational credibility and perceived company performance, in addition to having negative consequences on consumer behaviour (Nyilasy et al., 2014).

Due to scepticism and uncertainty, it is challenging to establish credibility in the sector of green marketing. Establishing brand credibility is crucial to developing an eco-friendly image since it increases perceived quality while lowering information costs and perceived risks. Moreover, perceived green value and green brand image are significantly impacted by brand credibility. Brands with greater trustworthiness display greater brand equity. The perception of greenwashing practices affects consumers' attitudes regarding businesses' environmental efforts. In addition, it damages the company's brand image by leading consumers to question its use of green marketing. Consumer confusion brought on by Greenwashing makes it more difficult for consumers to assess green brands or products, which harms the green brand reputation of businesses.

V. DATA ANALYSIS AND INTERPRETATION

Consumption of clothes has rapidly increased due to various factors like an increase in population, an increase in global income, and an increase in the standard of living. Clothes are manufactured without considering the aspect of longevity and sustainability. Clothes are manufactured for the fast-changing trends which result in the reduced product life cycle. According to a report by Ellen McArthur Foundation, 2017 less than one percent of textiles are recycled, twenty five percent of garments are reused or recycled and seventy five percent of garments are disposed.

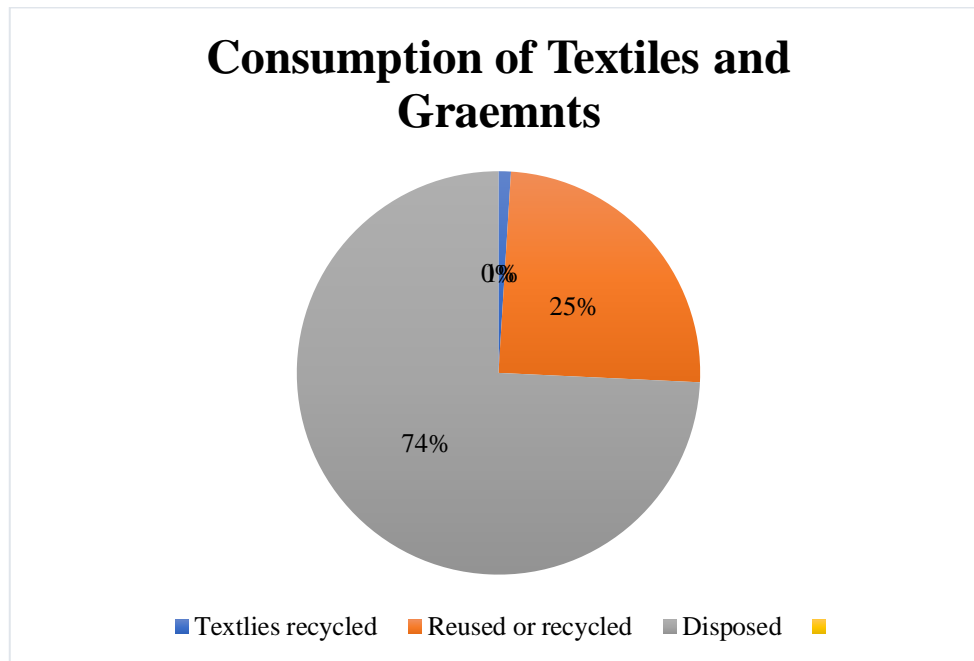


Fig. 1: Consumption of Textiles and Graemnts

Textile and fashion industry is the second highest water-consuming industry. The textiles and fashion industry is also accountable for the emission of 8%-10% of global greenhouse gases. In addition to the environmental consequences like water consumption and carbon emission fashion companies produce their textiles and garments in developing countries which affects their social sustainability too. There is a violation of human rights and labour rights in most of cases like overuse of employees and low pay.

A study showed that while making purchase decision consumers prioritized price, location of manufacture, and lastly sustainability. According to a new analysis from the non-profit Changing Markets Foundation, up to 59% of all green promises made by European and British fashion manufacturers are false. Despite promises to lessen their environmental impact, the vast majority of brands still depend on synthetic fibers made from fossil fuels. Several of them also don't provide sufficient evidence of their plans to lessen their environmental impact. According to the survey, H&M topped the list for the number of fraudulent claims. Up to 96% of the company's allegations infringed in some way on market and competition rules. Other "worst offenders" for greenwashing include ASOS and M&S, both of which have 89% incorrect claims.

The H&M Conscious Collection, which was discovered to have a higher proportion of synthetic fibres than its fast-fashion brand, provided one of the biggest surprises. The latter had 61% compared to the former's 72%.

VI. DISCUSSION AND FINDINGS

The outcome of this research shows that due to the shift and interest of consumers toward sustainability companies are under immense pressure to confer to the demands of sustainable products as a result of which green marketing or greenwashing is being used to gain leverage in marketing.

To put this into action false claims about sustainable production and sourcing are made. In addition to that misrepresentation of facts and figures is a method of greenwashing. This largely affects the credibility of brands that are actually conscious about sustainability. It also decreases the trust of the customers toward the green market. Which in turn affects the overall image of brands and their credibility. The purpose of the study was to enquire into the rise of greenwashing in the fashion industry and its correlation with brand image. The objectives have been explored through a review of literature on fast fashion, sustainability, and greenwashing backed by facts.

There were a few limitations in this study most of which was regarding the correlation between greenwashing and consumer perception. Much information was not present on the same making it difficult to come up with a clear interpretation. Most of the studies showed a negative correlation but there were a few studies that showed a positive correlation by stating that greenwashing could be a way to increase awareness about sustainability rather than just viewing it as an unethical act by businesses. This study could be useful for future research on the correlation between greenwashing and customer perception.

VII. CONCLUSION

Greenwashing can be harmful to the environment because it deceives people into thinking they are making environmentally friendly decisions. Additionally, it undercuts the initiatives of businesses that sincerely want to improve the environment. Although intentional greenwashing actions are from the environmental, social, economic, and ethical point of view unacceptable, they can wake up the consumer perception and turn them toward more sustainable solutions in the fashion industry. However, the question is where the limit in environmental awareness is and who should be responsible for it. To attain a more sustainable fashion industry, consumers and brands need to

work together and certification schemes that are transparent and reliable should serve as an assurance of sustainability.

Consumers can do their research and look for certifications and labels that show a product's environmental credentials to combat greenwashing in the fashion sector. Also, businesses should disclose more information about their supply chains and manufacturing procedures, as well as their efforts to be more sustainable. In conclusion, greenwashing is a significant issue in the fashion industry that may have a harmful impact on both consumers and the environment. Action must be taken by businesses and consumers to stop and oppose greenwashing in the fashion sector.

REFERENCES

- [1.] Sagapova, N., Buchtele, R., & Dušek, R. (2022). The Fashion Industry and Problematic Consequences in the Green Marketing Era a Review. *SHS Web of Conferences*, 135, 01011. <https://doi.org/10.1051/shsconf/202213501011>
- [2.] Alexa, L., Apetrei, A., & Pişlaru, M. (2022). Fast Fashion – An Industry at the Intersection of Green Marketing with Greenwashing. *International Symposium "Technical Textiles - Present and Future,"* 263–268. <https://doi.org/10.2478/9788366675735-042>
- [3.] Mohr, I., Fuxman, L., & Mahmoud, A. B. (2021, August 19). A triple-trickle theory for sustainable fashion adoption: the rise of a luxury trend. *Journal of Fashion Marketing and Management: An International Journal*, 26(4), 640–660. <https://doi.org/10.1108/jfmm-03-2021-0060>
- [4.] Goworek, H. (2011, March 8). Social and environmental sustainability in the clothing industry: a case study of a fair trade retailer. *Social Responsibility Journal*, 7(1), 74–86. <https://doi.org/10.1108/174711111111114558>
- [5.] Joergens, C. (2006, July). Ethical fashion: myth or future trend? *Journal of Fashion Marketing and Management: An International Journal*, 10(3), 360–371. <https://doi.org/10.1108/13612020610679321>
- [6.] Park, H., & Lennon, S. J. (2006, July). The Organizational Factors Influencing Socially Responsible Apparel Buying/Sourcing. *Clothing and Textiles Research Journal*, 24(3), 229–247. <https://doi.org/10.1177/0887302x06293070>
- [7.] Park, H., & Stoel, L. (2005, April 1). A model of socially responsible buying/sourcing decision-making processes. *International Journal of Retail & Distribution Management*, 33(4), 235–248. <https://doi.org/10.1108/09590550510593176>
- [8.] Nicholls, A. J. (2002, January 1). Strategic options in fair trade retailing. *International Journal of Retail & Distribution Management*, 30(1), 6–17. <https://doi.org/10.1108/09590550210415220>
- [9.] Cathcart, A. (2006, February 1). A quite unreasonable state of affairs: Corporate Social Responsibility and the John Lewis Partnership. *Social Responsibility Journal*, 2(2), 201–206. <https://doi.org/10.1108/eb059271>
- [10.] *Corporate social responsibility and the UK's top ten retailers*, *International Journal of Retail & Distribution Management*, Vol. 33 No. 12, pp. 882-92.
- [11.] *What's the Problem with Fast Fashion?* (2021, July 13). Ocean Generation. <https://www.oceangeneration.org/blog/the-problem-with-fast-fashion-and-what-can-we-do-to-help>
- [12.] Markets, R. A. (2020, June 9). *Global Fast Fashion Market Report (2020 to 2030) - COVID-19 Growth and Change*. GlobeNewswire News Room. <https://www.globenewswire.com/news-release/2020/06/09/2045523/28124/en/Global-Fast-Fashion-Market-Report-2020-to-2030-COVID-19-Growth-and-Change.html>
- [13.] L. (2022, February 23). *WHAT IS GREENWASHING AND HOW TO AVOID IT? - My Shade of Green*. My Shade of Green. <https://myshadeofgreen.com/what-is-greenwashing-and-how-to-avoid-it/>
- [14.] Ho, S. (2021, July 9). *Nearly 60% of Sustainable Fashion Claims Are Greenwashing, Report Finds*. Green Queen. <https://www.greenqueen.com.hk/fashion-brands-sustainability-claims-greenwashing/>
- [15.] Abbate, S., Centobelli, P., Cerchione, R., Nadeem, S. P., & Riccio, E. (2023, February 10). Sustainability trends and gaps in the textile, apparel and fashion industries. *Environment, Development and Sustainability*. <https://doi.org/10.1007/s10668-022-02887-2>
- [16.] Butt, A., Naeem, M. S., Ishrat Ali, P., & Hameed, S. (2022, August 10). Impact of firms' Greenwashing practices on customer green trust and green brand attachment: Pakistan's home appliances consumers' perspective. *Pakistan Business Review*, 24(1). <https://doi.org/10.22555/pbr.v24i1.684>