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From Greenwashing to Green Branding: Navigating the Thin Line

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Abstract

This article explores the complex process of transitioning from greenwashing to establishing a genuinely green brand, acknowledging the growing importance of authenticity in corporate sustainability efforts. Through a holistic approach, companies are urged to conduct comprehensive sustainability audits, set clear and measurable goals, and communicate transparently about past practices. The journey entails substantial investments in sustainable practices, third-party certifications, and employee engagement, emphasizing the collaborative nature of sustainable efforts. Product transparency, long-term commitment, and innovation emerge as pivotal components, ensuring companies not only rectify past mistakes but also contribute meaningfully to global sustainability. This transformative journey, outlined with ten actionable steps, positions companies as genuine champions of environmental responsibility.

Keywords: Sustainable Branding, Greenwashing, Authentic Sustainability, Corporate Responsibility, Environmental Transparency

Introduction

In an era where environmental consciousness is a key driver of consumer behavior, companies thoroughly scrutinise to ensure their commitment to sustainability is more than superficial process. Greenwashing refers to a scenario, where companies create a misleading impression of their environmental efforts, poses a threat to both consumer trust and the global push for sustainability (Arena, M et.al 2022). For those companies willing to undergo a transformative journey, transitioning from greenwashing to establishing a genuinely green brand is not only achievable but essential for long-term success((hbr.org).

Safety and Standards Act of 2006, the National Green Tribunal Act, and the Green Rating Project (GRP) collectively provide ancillary support, forming a comprehensive legal framework to ensure fair and transparent advertising practices in the country (Lyon T, Maxwell J, 2011).

In a recently released report by the non-profit Consumer Policy Research Centre, researchers associated with Melbourne Law School and the Australian Ad Observatory—a project of ADM+S (ARC Centre of Excellence for Automated Decision-Making and Society)—revealed their findings. The report identified prevalent claims such as “clean,” “green,” and “sustainable,” along with other commonly used terms like “bio,” “recycled” or “recyclable,” “pure,” and “eco-friendly.” Interestingly, these terms lacked specific explanations, making them general and undefined, yet they convey an implicit message of a more environmentally responsible choice (www.admscentre)

Legal Framework in India

The regulatory landscape in India concerning advertising practices, especially in the context of greenwashing, is governed by various laws and bodies. The Advertising Standards Council of India (ASCI) holds a pivotal role in monitoring and regulating advertising practices, actively developing guidelines for green and sustainability claims.

Under the Consumer Protection Act of 2019, consumers are granted the right to be informed about essential aspects of goods, products, or services, including quality, quantity, potency, purity, standard, and price. This provision is designed to safeguard consumers from unfair trade practices, empowering them to file complaints against traders or service providers engaging in such practices. The Act outlines various forms of unfair trade practices, encompassing false statements about the standard, quality, quantity, grade, composition, style, or model of goods or services. Moreover, it addresses misleading information related to the usefulness or necessity of any goods or services. Misleading advertisements, those that provide false descriptions or convey deceptive representations, are considered unfair trade practices and can be subject to legal action.

In addition to the ASCI and the Consumer Protection Act, other legal frameworks contribute to the regulation of advertising practices in India. The Bureau of Indian Standards (BIS), the Food Safety and Standards Act of 2006, the National Green Tribunal Act, and the Green Rating Project (GRP) collectively provide ancillary support, forming a comprehensive legal framework to ensure fair and transparent advertising practices in the country.

Strategies to Develop Genuine Green Brand

Conducting a Holistic Sustainability Audit

Before embarking on the journey towards authenticity, it is crucial for companies to conduct a comprehensive sustainability audit. This involves a meticulous examination of current business practices, supply chain operations, and the overall environmental impact of operations. Identifying areas of weakness and pinpointing instances of greenwashing is the first step towards meaningful change (Chan, E. S. W, 2013).

Setting Clear and Measurable Sustainability Goals

Transitioning to a genuinely green brand requires setting clear, realistic, and measurable sustainability goals (Chen Y, et al 2014). These objectives should not only align with global environmental standards but should also be integrated into the company’s overarching mission and vision. Providing a roadmap for achieving these goals is essential for transparency and accountability.

Transparent Communication

Acknowledging past mistakes and greenwashing practices is a fundamental step in the transition process. Open and transparent communication is key in rebuilding trust with consumers. Companies should communicate a sincere commitment to change, backed by concrete actions, and provide a clear narrative on how they plan to achieve their sustainability goals (Marquis C, et.al, 2016).

Investing in Sustainable Practices

Commitment to sustainability goes beyond rhetoric; it requires substantial investment in sustainable practices. This may involve allocating resources to renewable energy sources, adopting eco-friendly materials, and implementing waste reduction initiatives. Tangible actions speak louder than words, and consumers are increasingly discerning when it comes to recognizing genuine efforts (Clarkson, P. M.,).

Third-Party Certification

To add an extra layer of credibility to sustainability claims, companies should seek third-party certifications from reputable organizations. Certifications such as Fair Trade, Energy Star, or ISO 14001 not only validate a company's commitment but also provide consumers with tangible evidence of adherence to recognized standards (Dangelico, R. M et.al, 2017).

Employee Engagement

Employees are integral to the success of any sustainability transition. Involving them in the process fosters a culture of responsibility and ensures that sustainability becomes a shared value. Providing training and awareness programs ensures that employees understand and actively support the company's sustainability initiatives (Dahl, R., 2010).

Stakeholder Collaboration

Sustainability is a collaborative effort that extends beyond the boundaries of the company. Engaging with stakeholders, including suppliers, customers, and local communities, fosters a sense of shared responsibility. Seeking input and feedback ensures a holistic and inclusive approach to sustainability (Majláth M , 2017).

Product Transparency

In a world where consumers are increasingly conscious of their choices, product transparency is paramount. Clearly communicating the environmental impact of products through transparent labeling and accessible information empowers consumers to make informed choices (Guo R, Tao L, Gao P , 2014).

Long-Term Commitment

Authentic sustainability is not a one-time endeavor; it requires a long-term commitment. Regularly updating stakeholders on progress and improvements through sustainability reports demonstrates an ongoing dedication to the cause (Guo R, et.al, 2018).

Innovation for Sustainability

Investing in research and development to find innovative and sustainable solutions is a proactive approach. Embracing new technologies and practices that reduce the company's ecological footprint not only benefits the environment but also positions the company as an industry leader in sustainability.

Exploring Noteworthy Indian Rebranding Narratives with a Sustainability Focus

Fab India

Renowned for its artisanal textiles and home goods, Fabindia underwent a transformative rebranding in 2017, pivoting towards ethical sourcing, sustainable practices, and the promotion of traditional Indian craftsmanship (EconomicTimes, 2023). This revamp manifested in an updated

brand identity featuring eco-friendly packaging, showcasing the natural materials, and celebrating the skilled artisans behind their offerings. The introduction of the tagline “India’s Ethical Fashion Destination” solidified their dedication to sustainability, resonating strongly with conscientious consumers.

Khadi Natural

In 2019, the Khadi and Village Industries Commission (KVIC) revitalized its Khadi Natural brand by accentuating the natural and organic elements of their products, crafted from handspun organic cotton and herbal ingredients. The rebranding effort embraced earthy tones, organic textures, and clear messaging about sustainability benefits. This strategic shift enabled Khadi Natural to connect with a broader audience actively seeking natural and environmentally friendly alternatives.

Godrej Nature’s Basket

A prominent grocery chain in India, Nature’s Basket underwent a rebranding in 2018, showcasing its commitment to organic and healthy living. The initiative included the introduction of recycled packaging, implementation of sustainable sourcing practices, and a revamped loyalty program centered on organic products (theconversation.com, business-standard). The refreshed branding communicated a responsible and comprehensive approach to healthy living, attracting health-conscious consumers seeking ethically sourced items.

Himalaya Drug Company

Himalaya known for its herbal and ayurvedic products, Himalaya adopted a subtle yet impactful rebranding strategy in 2016. While retaining its iconic logo, the company updated its packaging with a cleaner, more modern aesthetic. The emphasis shifted towards highlighting the natural ingredients and scientific research underpinning their products. This approach, devoid of greenwashing, maintained the brand’s heritage while showcasing a genuine commitment to sustainable wellness (himalayawellness.in).

Conclusion

With companies following the sustainable business practices, transition from greenwashing to authentic green branding represents a subtle and critical transformation. Several research studies iterates that transparency, genuine commitment, and tangible actions are paramount in establishing a green brand that resonates with consumers (Fernando A, et.al, 2014). The thin line between greenwashing and green branding emphasizes the need for businesses to navigate this phase diligently, acknowledging the potential consequences of deceptive practices on consumer trust and corporate reputation.

Companies venturing into sustainability must not merely adopt an aspect of environmental responsibility but must embrace a comprehensive and sincere commitment to ethical practices. Through a strategic shift in operations, clear communication, and adherence to recognized standards, businesses can successfully transition from the pitfalls of greenwashing to the genuine establishment of a green brand (Contrafatto, M., 2014). This involves not only rectifying past mistakes but also actively contributing to the broader goal of global sustainability.

In conclusion, the transformation from greenwashing to green branding is not just a matter of visibility or goodwill; it is a fundamental shift that reflects a company’s values, responsibilities, and contribution to a more sustainable future. Businesses that successfully navigate this journey not only secure consumer trust and loyalty but also play a crucial role in shaping a more environmentally conscious and responsible corporate landscape. In this era of heightened awareness, the thin line

becomes a guiding path for companies to tread with authenticity, ensuring that their green branding efforts align with real, positive impacts on the environment and society.

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