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Abstract

The research will focus on examining the relationship between greenwashing and brand image and to establish the extent of the effect the former has on the latter. The effects are important to both companies and consumers. Companies learn that greenwashing has negative effects on the brand image of the company, although in some cases the effects are short lived and the damage is compensated by active benefits in form of green associations. For consumers, knowing about greenwashing will enable them to be more skeptical toward marketing actives and be more immune to being misled and manipulated.

The literature review identified key elements of both concepts and illustrated them in context. The relationship between them is established through connecting concepts, thus a new link is created. Combining it with empirical evidence of quantitative and qualitative nature wielded various results. A definite effect of greenwashing on the brand image was established, however the true extent of it is not clear. Relationship between loyalty and general knowledge about the environment with brand image rating after greenwashing are not statistically significant.

Further research is required on the topic, research that will benefit for the comprehensiveness of this thesis in terms of theoretical background and empirical data.

Greenwashing is a dangerous practice, that while still might benefits the companies for now, it will become more and more damaging in the future, not only from a brand image appoint of view, but society and environment as a whole.
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List of Acronyms

CSR - Corporate Social Responsibility

CBBE - Consumer Bases Brand Equity
Topic Introduction

From the start of the industrial revolution and the continuous process of urbanization that came as a result, the trade sector exploded, not only on a national level, but internationally also. In the latter half of the 20th century, the technological advances and relative peace allowed for a never before seen increase in imports and exports. This, coupled with the rise of capitalism, facilitated the growth of consumerism culture.

Consumerism is most prevalent in developed countries, where the citizens can afford to indulge such behavior for different reasons, be it necessity, desire to belong or satisfaction of higher needs.

As the production volume rose, it started to become apparent that it poses a significant problem for the environment. The need to consume more and more reached a point that what the planet can offer is not sufficient, thus reaching “ecological overshoot” (Global Footprint Network, 2017). Humans require more space to gather resources and store the created waste than Earth can provide.

As the effects on the environment become more and more severe, people started to become more aware of it. Such awareness can be described as “factual environmental knowledge, affective and behavioral attitudes toward environmental problem and values related to the environment” (Szagun & Pavlov, 1995). Since these attitudes have to be learned, they are considered socially constructed (Graumann & Kruse, 1990).

The population segment that represents the highest degree of environmental consciousness can be considered the so-called Generation Y, or people born between early 1980’ and mid 90’. Not to be said that all people belonging in the category are environmentally minded, but those that are tend to have relative strong feeling about living a sustainable lifestyle and diminish their carbon footprint (Hwang, et al., 2015).

According to McKayn, Gen Y is best characterized by 3 words when it comes to sustainability: reduce, reuse, recycle (McKayn, 2010). His research showed that almost 69% of people follow recycling procedures at home (McKayn, 2010).

The focus on the Gen Y is because they are most aware of environmental issues, while also being a very important segment due to their purchasing power and digital affinity. It is estimated that annually, they spend more than $200 billion, and over $10 trillion during their lifetime, and these are the number only taking USA into account (Solomon, 2014).

Environmentally friendly actions are viewed in a positive light (Solomon, 2015). Consumers expect the companies to also be environmentally conscious and account for their actions (Talbott, 2012). Companies should also possess integrity, be honest and transparent (Institute of Business Ethics, 2007). Social responsibility is an important factor for customers when choosing a brand, as a more positive ethic image is preferred, even if the cost is higher (Kavran, et al., 2015). Ferrel defines social responsibility of companies as “business’s obligation to maximize its positive impact and minimize its negative impact on society” (Ferrell & Hirt, 2015). Pickett-Baker’s research
comes to the same conclusion, consumers are willing to pay more for a product from an environmentally friendly company (Pickett-Baker & Ozaki, 2008). This desire and trend led to the rise of green purchasing, the act of buying environmentally friendly products, to the extent that it is a standard for consumption (Raheem, et al., 2014).

These trends could not be ignored by companies, as selling a more expensive product will be beneficial to the bottom line. This led many companies to invest in product development processes as means to create new products that satisfy the condition of being “green”. As a whole, marketing was also greatly influenced by growing sustainability awareness. Kotler explains that marketers had to adapt their approach to pricing, distribution and branding, develop a product with a “Green Aspect” (Kotler, 2011).

However, in many cases this was done not out of environmental concerns, thus the minimum amount of effort was applied when researching and developing, instead focusing on marketing their faux environmental contributions. This type of practice is considered greenwashing. As the companies deceptively promote their green status, when in fact they spend more on promoting themselves, than helping the environment (CBC Radio, 2011) (Milmo, 2007) (Kahle & Gurel-Atay, 2014) (Marquis & Qian, 2014). Well from a marketing standpoint it makes sense that companies invest more in promotion, from an ethical standpoint it does not. At its core, greenwashing is an ethical issue relating to companies’ truthfulness and sincerity. How much of their claims represent reality, and how much is specifically contracted to mislead and manipulate.

Companies rely on greenwashing to restore public opinion of the brand if it was previously linked with negative environmental effects, or just to increase the overall position in the eyes of the consumer, this however means that it has its roots in deception and manipulation (Laufer, 2003).

Greenwashing is not a new phenomenon, but is gained significant foothold and popularity with the above-mentioned trends in consumer preferences for “green” products. The increased occurrence of the phenomenon led to an increase in research on the subject. Thus, greenwashing transitioned from a practitioner phenomenon into a theoretical concept with defined characteristics and criteria. Greenwashing is in this aspect similar to existing concepts in academic sphere such as spin, astroturfing, framing, cognitive distortion, corporate propaganda and media manipulation. All these concepts have been widely researched and the findings and similarities with greenwashing were used in conceptualizing the phenomenon.

Greenwashing is highly facilitated by the lack of strict regulations by regulatory agencies when it comes to environmental claims (Ramus & Montiel, 2005). This means that such claims are often exaggerated and when examined more closely, can be seen as such. This leads to an increase in consumer skepticism when it comes to all “green” companies, even valid ones. This has a negative overall effect on the whole industry, as consumer will not exert the same amount of power in convincing the companies to become “greener” (Dahl, 2010).
Another consequence of companies’ unethical approach is that around 50% of consumer in developed countries do not trust “green” advertisements anymore (Picart, et al., 2014). This comes also as a result of the digital affinity of the consumers, which are able to access large amount of information and can verify diverse claims.

Chen further implies a negative correlation between greenwashing and “green” advertisement trust, and that greenwashing is a contributing factor for consumer confusion (Chen, 2013).

If a company would genuinely wish to become greener, the actions that they must perform fall into the six categories described by Jeff Gailus:

![Figure 1. Steps toward becoming a green company (Gailus, 2013)](image)

It can be seen that the first two steps are the ones that can have a beneficial effect on the environment, with the Task Force being efficient as long as it is managed correctly. These steps are vastly adopted by many companies to a certain degree, either out of environmental concerns, or to combat diminishing resources and other costs.

In terms of Greenwashing, the companies that engage in it, will obviously prioritize the other four steps, as they will raise much more awareness about the company and portray it in a positive light.

There is a growing trend to build a brand identity which is environmentally friendly (Farnsworth, 2000). But as previously illustrated, many companies abuse the lack of regulation in order to manipulate the truth and instill confusion, as such, through greenwashing, organizations negatively impact their image, customer satisfaction and trust, which are integral parts of the brand equity (Chen, 2010).

As greenwashing is used to improve how the company is viewed, it is imperative to examine how effective it really is. If the claims are believed and trusted, then it is possible that the company will
become associated with sustainable and green practices, however it is also of high importance to see the effect of disproving such claims can have on the brand and company as a whole.

Even though a large number of consumers have access to verify the green claims, many do not verify them. It can be either due to the fact that they do not care about the environment or that they do not buy the product necessarily due to its „green aspects“.

The problem is that companies benefit greatly from this disinterest, and continue their unethical practices. The benefits they can gain for the moment outweigh the risk as the regulatory agencies do not impose fines, and the public outcries are vastly extinguished. However, with the growing awareness and changing demographics, the situation is bound to change. Manipulation and outright lies will soon be easily discovered and companies will have to answer for them.

The consumers are becoming more aware, but they still need to educate themselves more in order to be better at identifying false claims.

From all the above-mentioned points, it is evident that purchase behavior and sustainability are related, while there also exists an influence exerted by Greenwashing, that can either encourage consumers to buy false „green“ products or have a negative effect on the company.

Considering this, the main research question of this thesis will be:

**To what extent does Greenwashing affect brand image?**

The effect will be examined when the companies have started performing greenwashing and manipulating the public, as well as after the public was made aware of the misleading nature of the claims. Thus, a comparison will be made, between hidden greenwashing effects and exposed greenwashing effects.

This area is of importance because companies are adopting new ways of communications to attract new environmentally conscious consumers, but they do not take into account that the unethical practices and misleading claims are easily verifiable nowadays. Companies fall into the trap of habit, changing only a small part of their strategy, while assuming consumers stay the same in terms of knowledge and access to information. This leads to companies’ strategies being recognized as false, thus making their marketing efforts end in vain in most cases. Not only are the claims and accompanied advertisements distrusted, future and present action of the brand are also subjected to doubt. This can have overarching and lasting consequences, as once lost, consumer trust is hard to regain. For this matter, the purpose of this thesis is to illustrate the extent of this effects as a warning to companies and as a guide to consumer. The awareness should be raised on both sides in order for the unethical practices to stop and those that still exist to be distrusted. This will allow companies to be more aware of how to construct their marketing messages in order to avoid environmental criticism and be closer to achieving green associations for their brand image.
It is evident that the issue in modern marketing is that companies want to change how they are perceived, but are doing it in an unethical and manipulative way. This practice has to stop as the short term benefits that can be gained are decreasing while consumers ability to detect false information and propensity to spread criticism increases. In the near future, companies will have to be even more deceptive and misleading in their advertisements in order to be able to promote false claims, which in the era of growing social media and information spread, seems highly impossible. Thus, it is necessary for companies to realize how greenwashing is not a sustainable solution to their marketing communications, and sooner rather than later it will disappear. So, in order to salvage what can be saved from their brand image and not lose the trust of consumers, brand have to avoid using it if they wish to remain operational in the future.

Considering the broadness of the subject area, the research will be divided into multiple parts. Examining the concepts of brand image and greenwashing from a theoretical perspective are the main parts. The concepts will be illustrated in context, as such state-of-the art academic knowledge on brand equity and green marketing will also be analyzed and synthesized.

A hypothesis that will be tested based on the findings of the data is also necessity. Based on the systematic literature review, it is considered that greenwashing has a negative effect on the brand image, thus the hypothesis will be:

**H0: When consumers are made aware of the misleading nature of greenwashing, their opinion of the brand image is affected negatively**

Another theoretical finding is that brand that are extremely popular and have a high degree of brand loyalty are not affected by greenwashing scandals:

**H1: Companies with high brand loyalty suffer less consumer criticism in regards to greenwashing practices**

This thesis aims to illustrate the dangers or benefits of greenwashing for the companies, while it can be also be used as a source to become more aware about unethical business practices and environmental problems by consumers. It can also serve as a practical guide for future research into more in-depth aspects and consequences of the concept of greenwashing.

**Methodology**

Before examining the theoretical background and analyzing the problem area of the research, it is of utmost important to illustrate the underlying research process and how it was conceived.

A clear and well-defined underlying assumptions, philosophes and methods are essential for a better understanding of the topic and work process. By illustrating the diverse elements of the methodology, they are better comprehended by researchers themselves, thus offering better consistency when gathering and creating knowledge, while also making the research as a whole more reliable, valid and of high quality. Methodology is described by Saunders as: “the
development of knowledge and the nature of that knowledge” (Saunders, et al., 2009). At the same time, Kuada refer to methodology as “describing the reasons underlying the choice and use of specific methods in the research process” (Kuada, 2012).

In order to maintain consistency throughout the project, the three main elements of the research should be aligned in scope. Thus, before making any methodological choices, it as to be recognized that the aim of the research and the available data are a defining factor in the choice. All three elements are influencing each other, as illustrated in the image below:

![Figure 2. Relation between element of the Research process](image)

The figure exemplifies the relation between the aim of the research, which is to determine the effect that greenwashing has on the brand image. For the data we will use case studies and also primary data gathered from questionnaires, which will be elaborated upon further into the chapter. As data is bound to be of quantitative nature, due to a large number of respondents, and the aim is expected to be general, expressing common points of the problem, some broad characteristics of the methodology can be deduced. However, in order to be certain of the right choice and to illustrate the process, the researcher will use the “Four levels of understanding” guideline developed by John Kuada (Kuada, 2012). With the help of this guideline, the relation between research questions, theories and methodology will be illustrated in a logical manner.
From the figure above, it can be seen that the first level corresponds to Philosophical and Theoretical Viewpoints, or in other words, the ontological position. Ontology illustrated the nature of reality, the way it is understood by the researchers (Arbnor & Bjerke, 2012). Due to the abstract and often confusing concept of reality, there is no clear consensus on what it represents. In this turmoil, two opposing views arise, objectivism and subjectivism.

Considering the aim of this thesis is to examine the effect of greenwashing on the brand image, either negative or positive, it is considered that a more appropriate approach would be that of objectivism. It states that reality is independent, and thus not influenced by the researcher when observed. From an objectivist perspective, reality can become fact through measurable findings (Saunders, 2011). This choice is made due to the fact that by examining a large set of various data, the researcher is looking for generalizable trends, thus those not affected by people’s individual perception, or in other words, examining facts about greenwashing based on measurable observations independent of the observer. A subjectivist view would be more appropriate if an in-depth analysis concerning the motivation and attitude toward greenwashing from the consumers and companies would be examined. An objectivist ontology is called realism, which is how this choice will be referred from now on.
Epistemo logical choice is the second level of the guideline. As the name implies, it refers to the choice researcher will make in regards to epistemology, which describes how knowledge is acquired and generated, and in a broader sense, the nature of knowledge (Arnbor & Bjerke, 2012). As is the case with ontology, there are two opposing views, an objectivist one, called positivism, and a subjective one, called interpretivism.

For the purpose of this theses, a positivism choice is more logical. It focuses on creating an overview of the topic area through means of quantitative data. Considering the quantitative data available, the expected generalizable results and the anterior choice of realism. The data used is broad and not indented for in-depth insights, thus analyzing it in depth will yield no viable results, as such interpretivism is not considered a perfect fit for the research at hand.

Methodological decisions are meant to show which approach was chosen and the argumentation behind the choice. From the guidelines it can be seen that it is a down-flowing hierarchy, thus the choices of realism and positivism will have an effect on the third choices, which is mainly focus on the research design and research approach.

An influencing factor of the approach is the type of data used, quantitative or qualitative, with each having their own benefits and drawbacks, while also corresponding to different research goals (Kuada, 2012).

<table>
<thead>
<tr>
<th>Quantitative research</th>
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<td>Emphasis on variables</td>
<td>Emphasis on interactive processes</td>
</tr>
<tr>
<td>Focus on reliability</td>
<td>Focus on authenticity</td>
</tr>
<tr>
<td>Free of value</td>
<td>Explicit value</td>
</tr>
<tr>
<td>Distinction between theory and data</td>
<td>Fusion of theory and data</td>
</tr>
<tr>
<td>Independent of the context of research</td>
<td>Should be studied in context</td>
</tr>
<tr>
<td>Many subjects</td>
<td>Few subjects</td>
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*Table 1. Quantitative vs Qualitative approach (Neuman, 2014)*

The table above briefly summarizes the main differences between approaches. As stated before, due to the aim of the project and the type of data necessary to deduce general trends, a quantitative approach will be taken. Examining a large number of respondents rating of companies’ brand image before and after greenwashing through a questionnaire will yield necessary data that will be examined in relation to multiple case studies and literature review of the theory. In addition to the quantitative data of the questionnaire, the thesis will benefit from a qualitative data from case studies, but as mentioned, they will act as a supporting role, supplementing the gaps and additional information. It is also important to note that both this thesis and a quantitative approach aim to be
independent of the context of research and be able to distinguish between theory and data (Neuman, 2014).

Another classification for research approaches is into two categories, deductive or inductive. When the aim is to develop a theory based on the collection and analysis of data, an inductive approach is undertaken. A deductive approach implies collection of data based on the existing theory (Wilson, 2014). Deductive approach is associated with a choice of positivism, so it coincides with this thesis methodological choices. Another reason for choosing a deductive approach is its element of hypothesis testing, which as evidenced in the introduction chapter, will be an important part of this project. Saunders defines the main characteristics of a deductive approach as explaining the relationship between variables, collection of quantitative data and a structured approach (Saunders, et al., 2009).

In addition to the research done by Saunders, the thesis will employ the structure of the deduction process created by Bell and Bryman:

![Diagram of deduction process]

*Figure 4. The process of deduction (Bryman & Bell, 2011)*

As the figure above illustrate, first step would be do a comprehensive literature review on the theory of greenwashing and brand image, after which a hypothesis will created. After collecting necessary data and analyzing them, the findings should either confirm or reject the hypothesis. The last step being a revision of theory if necessary, depending on the previous step.
Another theory on the choice of research approach is illustrated by Arbnor and Bjerke, which define three types, with each suitable for particular type of research. Actors approach sees the individual as the most important part of the research and the one that creates reality by interacting with the topic area (Kuada, 2012). A fully subjective approach with preference toward qualitative data (Arbnor & Bjerke, 2012). System approach has a holistic nature as it sees all elements as interconnected and each element can have an effect on the whole area (Arbnor & Bjerke, 2012). It is situated in the divide between quantitative and qualitative, and subjective and objective. Analytical approach sees reality of a sum of its parts (Kuada, 2012), facts can be studied individually and later combined, with the ultimate goal is to faithfully represent reality. This is the most objective approach and is the one that was chosen for this thesis as it greatly coincides with the aim and the end goal, while also emphasizing the importance of quantitative data. The analytical view’s focus on validity, reliability and representativeness is also coherent with the previous choices (Kuada, 2012). This view also allows the use of survey technique for collecting data from a sample and generalizing the findings. While also it will permit the testing of the hypothesis of the project with its explanatory elements.

A research design can be considered comprehensive when it clearly indicated the connection between research questions, data collection and data analysis processes and the theoretical framework (Kuada, 2012).

Research design serves as a framework for conducting the research (Bryman & Bell, 2011). As was the case with previous methodological choices, the aim and scope of the research constitute a determining factor, in the case of this thesis it would be generalizing findings, thus the design can be considered descriptive (Bryman & Bell, 2011). Based on the fact that the topic area will be explored for findings and the type of data used, the most appropriate typology is that of case study design, which aims to investigate an issue in context (Bryman & Bell, 2011).

The last step corresponds to the Choice of Methods and Techniques. It is meant to show the methods for data collection and the argumentation for why they were chosen. As with the data, the methods can be considered either qualitative or quantitative.

For this thesis, main data sources will be an online questionnaire that will examine how people rate diverse elements of a company’s brand image before and after being made aware of greenwashing. The limitations of such a questionnaire are evident, such as the subjective interpretation of the questions and trustworthiness of the answers, but is it the best way to collect large amount of data considering the available resources. Also, due to the large number of respondents, the outliers will be easily offset. Questionnaires are also one of the easiest methods to quantify and analyze (Popper, 1959) (Ackroyd & Hughes, 1981). The process of developing the questionnaire will be addressed more in depth in the corresponding chapter. In addition to the questionnaire, case studies about companies who used greenwashing will be examined and analyzed for insights into how the brand image was affected.
Paradigm
The choices in regards to ontology, epistemology and methodological elements illustrated the underlying assumptions of the researcher. These choices can be succinctly expressed and summarized through the use of paradigms (Kuada, 2012).

Paradigm is defined as “any set of general and ultimate ideas about the constitution of reality, the structure of science, scientific ideals, and the like.” or “Ultimate presumptions of: Conception of reality, conception of science, scientific ideals, and ethics/aesthetics” (Arbnor and Bjerke, 2012). The paradigm being a summary of all underlying assumptions, has a vast influence over the whole research process (Bryman & Bell, 2011)

<table>
<thead>
<tr>
<th>DIMENSIONS</th>
<th>THE OBJECTIVIST APPROACH</th>
<th>THE SUBJECTIVIST APPROACH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontology</td>
<td>Realism</td>
<td>Nominalism</td>
</tr>
<tr>
<td>Epistemology</td>
<td>Positivism</td>
<td>Antipositivism</td>
</tr>
<tr>
<td>Human Nature</td>
<td>Determinism</td>
<td>Voluntarism</td>
</tr>
<tr>
<td>Methodology</td>
<td>Nomothetic</td>
<td>Idiographic</td>
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*Figure 5. The Objectivist-Subjectivist dispositions in social science (Burrell & Morgan, 1979),(Kuada, 2012)*

The table above shows how the previous choice determine the paradigm. Ontology and Epistemology are familiar concepts at this point. Human nature is concerned with the interactions and relations between humans and the social aspect. Determinism views society as the influencer, where voluntarism sees each individual as independent an having own free will (Burrell & Morgan, 1979). Methodology illustrates the decisions when it comes to research, thus a nomothetic one uses systematic methods, while an idiographic one investigates the topic in normal situations (Kuada, 2012). In accordance with the objectivist choices previously made, the thesis will adopt a deterministic human nature as it is considered that companies do exert certain influence on the consumers, going as far as manipulating them. Consumers also contribute to brand image and brand loyalty. A nomothetic methodology will most viable as the majority of the methods used both for data collection and literature review are of systematic nature.

There are many terminologies and classifications of paradigms, ranging from the Burrell and Morgan’s Four Paradigm Model of Social Theory, or RRIF model, to the Arbnor and Bjerke six paradigms based on the three approaches, analytical, systems and actors.
Each classification is based on different criteria and dimensions. The criteria for choosing the most appropriate paradigm lies in the similarities between the basic assumptions of the researcher and of the paradigm’s author. Throughout this chapter, it was stated that this thesis will follow an objectivist approach in all methodological aspects. It is also most evident when the relations between the aim of the research, the data available and the methodological choices are examined.

Based on these points, the choice of paradigm will be based on FISI model.

![FISI Model](image)

**Figure 6. FISI classification (Kuada,2012)**

The core of the model suggests that social phenomena are independent, the individuals have no effect on them, a view that coincides with the chosen positivist epistemology (Kuada,2012). The first dimension of the model is Functionalism, which follows and objectivist point of view, and sees companies as willing to adapt to the operational environment (Kuada,2012). A critique of the idea is that in many cases companies change due to managerial decisions and not environmental factors (Davis, et al., 1997). Interpretivism focuses on the importance of understanding the way individual perceptions relate to experience, actions have to be viewed in context in order to be understood (Kuada,2012). Structuralism sees the society as composed of complex related systems, focus is on the collective instead of individual (Kuada,2012). Interactionalism emphasizes the importance of social interactions, they shape reality and perception, and are deeply subjective in their core (Kuada,2012).

Based on these dimensions, the most relevant paradigm for this thesis is structural functionalist. It follows a strict objective view, examines general trends and the broad picture. The society is above
the individual in terms of importance, and considering the type of data collected and scope of the project, such assumption is appropriate, as generalizable findings are preferred.

Complementary approaches

It is apparent that this thesis adopts an objectivist view on all major decisions, however it stands to admit that reality is rarely viewed from a pure objective perspective by the researcher. Based on this divergencies, according to Rossman and Wilson, researchers can be classified into three categories depending on how reality is interpreted. Purists follow the rule that an objective view and a subjective one are mutually exclusive, it is impossible to use both in the same research (Kuada, 2012). It is quite an extreme view and it is rarely followed as a rule anymore. The second group is comprised of situationists, which see the objective and subjective views as compatible, even to the point of them being complementary (Kuada, 2012). A combination of both views is preferred, while the degree is dependent on the area of study. Pragmatists suggest that the methodological choices should be determined by the objective of the research. The task should adopt whichever view and method is best suited and probable to yield the best results (Kuada, 2012).

As expressed in the beginning of the chapter, the researcher realizes the impact the aim of the research has on the methodological choices, thus the most appropriate view would be that of pragmatism. Even though in broad choices only objective choices were made, if there is a task that will benefit from the use of a subjective viewpoint, the researcher will adopt it. As it is the case with the epistemology, which considering the questionnaire, can in some cases be viewed as the subjective interpretivism as it will allow for better understanding of consumer answers. Same logic can be applied to the type of research, as this thesis will use a combination of quantitative and qualitative analysis.

Data Collection process

Credible results are produced only when data collection methods aimed at reducing data collection bias are used (Rana, 2016). This leads to the need to develop a strategy for data collection that is consistent with the aim of the thesis and will help in keeping consistency and credibility throughout the process.

The choice of using quantitative methods and quantitative data is an essential part of this research. The need to test the developed hypotheses and have general findings further reinforces the need and the arguments behind the choice. Such methods employ standardized procedures and techniques for collecting and analyzing the data, which results in a lower degree of flexibility compared to qualitative methods (Kuada, 2012). This drawback is offset by the action of corresponding the data with the theory, which is permissible due to standardized procedures (Kuada, 2012).

However, with the previous choice of adopting a pragmatist mentality, the researcher admits that the research will not be limited to quantitative data and methods if a qualitative approach would
yield better results. As is the case with the case study analysis, where the findings will be extracted through qualitative techniques which will be elaborate in the respective chapter.

The mixing of different types of data can be observed also in the amalgamation of primary data, obtained from the survey designed with the explicit purpose of this thesis, and secondary data extracted from case studies.

Survey Research process
The thesis aims to examine how consumers rate the brand image of a company before and after evidence of greenwashing is exposed. The most suitable way to gather data of such nature is through a survey. It will provide primary and quantitative data which will serve as one of the two main sources for analyzing the topic. The survey has to be designed in a practical and relevant manner in order for it to wield any value and confer useful data in form of answers. In order to ensure that the survey is designed correctly, this thesis will use six steps of survey research by John Kuada (Kuada, 2012).
Figure 7. Steps in the process of Survey Research (Kuada, 2012; Based on Neuman, 2006; Bryman and Bell, 2011)

**STEP 1:**
- Determine what you want to study (i.e., survey objectives)
- Determine the population you want to study
- Assess resources available to you
- Decide on type of survey method (e.g., mail, interview, telephone)
- Write survey questions
- Design layout

**STEP 2:**
- Train those who are to collect the data
- Run a pilot test and modify questionnaire based on the results

**STEP 3:**
- Decide on sample size
- Select sample
- Locate respondents
- Administer the questionnaire

**STEP 4:**
- Record the data
- Edit the data
- Analyse and interpret results

**STEP 5:**
- Present results
- Discuss the results

**STEP 6:**
- Use findings to write your draft report
- Present findings to others for critique and evaluation
- Write final report based on feedback from your supervisor and peers
As mentioned previously, it was decided that the preferred type of survey will be questionnaire as it offers the highest degree of freedom and largest amount of data.

The first step when developing a questionnaire is determining which area is to be examined and what will be the target population. It was decided to examine the topic of greenwashing and brand image as it is something that is becoming more and more relevant, while the large public is still not very aware of the existing issues. In terms of target population, due to the fact that it will be distributed online through social media platforms and diverse forums, it is expected that the majority will belong to the Generation Y, which is one of the most important segments of consumers, while also being one of the most aware ones. While the focus is not solely on Generation Y, they are most probably be the majority respondents. In terms of available resources, the researcher benefits from the use of the Google Sheets platform which is where the questionnaire will be developed as it offers a high degree of customizability together with an intuitive design and ease of use for both the researcher and the respondent. Other resources include all the literature and cases on the topics relating to the research, which will allow to formulate clear and concise questions that are in line with the main research question, thus the answers will be relevant. The layout is also created with ease of use in mind, as it will be fast and easy to navigate.

The questionnaire has to be verified before being sent out, thus as the second step of the process, the researcher responded to the questionnaire in order to verify for any mistakes and see if the process is smooth. Also, it was sent to fellow marketing students and people not familiar with the field in order to get some feedback and see how data is represented, while also slightly altering the questions in order to make them easier to understand.

The third step is focused on the sample size, more precisely determining how big it will be. As it is aimed at consumers, getting a high number of responses is not a complicated matter. It is argued that the larger number of responses the better due to the aim of generalizing the results. Since the answers are pre-determined, the large number of responses does not complicate the process of analyzing them and extracting insights. The final number of respondents was 423, out of which 8 were deleted due to failing the test for random and irrelevant answers.

Due to the fact that the questionnaire was based on an online platform, the fourth step of the process, recording the data was easily accomplished. Editing the data consisted of transferring it to Excel for easier interface, where the outliers were removed. Analysis process was also done in Excel due to the familiarity with the program.

The second to last step is presenting and discussing the results. Being an individual thesis, there was no possibility to discuss the results with group members, as such the discussion and presentation were done while keeping a critical mindset and will be explored more in-depth in the respective chapter.

The previous step findings are used in the last step in order to create a draft of the analysis which will be discussed with the supervisor in order to obtain feedback and make changes if needed in terms of interpretation of the results.
Kuada states that each step is essential and none should be taken lightly as they might jeopardize the entire survey process (Kuada, 2012). This is why a holistic approach was adopted when creating the questionnaire, each step was followed while keeping the others in mind.

**Questionnaire design**

A questionnaire’s data is only as reliable as the method it was developed. As previously stated, by using Kuada guidelines, this thesis aimed to increase the value of the questionnaire and the data it will yield.

This subchapter will focus on different methods used to increase the probability of gaining relevant and actionable data from the questionnaire.

Foremost it should be mentioned that from the very beginning it was decided to get as many answers as possible, while at the same time offering valuable data. This will allow to draw general insights and apply them on existing theoretical knowledge. The focus on quantitative data and the objectivist methodological choices facilitated the discard of open-ended questions and other type of questions that might produce subjective answers, instead relying on factual data.

Due to not having a budget, there was no possibility of offering economic remuneration as means to increase response rate. Instead, the researcher relied on his network of connections, while also posting on various social media platforms and forums, which ended up offering a more than sufficient number of responses.

Before creating the questions, it was important to understand the subject area, thus it can be said that the basis for the questionnaire was an extensive literature review process. This allowed the researcher to implement the theoretical aspects into the questions which are then easier to relate with the theoretical framework. Also, information gather from case studies was used in order to elicit an accurate rating from the consumers in regards to real life examples.

All questions besides those relating to personal information are based on a rating scale, where the respondents are asked to rate from 1 to 5 different aspects, most regarding the brand image of a company. It should be mentioned that all concepts are explained in order to ensure that respondent are aware of the meaning of the questions.

First questions were meant to gather some basic information about the respondents, such as age group, world region where they live, how much do they know and care about the environment, to what degree is sustainability important for them and the extent of their knowledge on green practices. It was chosen to use age groups instead of individual ages in order to facilitate classifying them. The same logic is used for the choice of regions instead of countries, rooting from the assumption that the regions chosen share enough commonalities in terms of the environment awareness. The chosen age groups were: <18, 18-25, 26-35, 36-50, 51-65, >65. In terms of regions, the options were: Northern Europe, Southern Europe, East Europe, West Europe, North America, Central America, South America, North Africa, Central Africa, Southern Africa, Middle East,
Central Asia, East Asia, South Asia, Australian Continent. All the possible regions were included, however due to the size and homogeneity of the network, and the sources of spreading the questionnaire, it was expected that most responses would be from Europe and some from the North America, as it was proven with the results.

The respondents are eased into the process by offering them easy questions in the beginning before moving on to harder ones, that require some thinking on their part.

The most important questions are clustered together in groups of three, each corresponding to an example to a real company and their brand image and greenwashing. First the respondent is asked how would he/she rate a company brand image, then same question but additional info about a green claim made by the company is provided, and lastly, same question as the first one, but now proof of greenwashing is provided. The comparison of the three rating will allow the researcher to draw conclusion and see whether brand image rating was affected. Also, the results will be examined in relation to the general attitude about sustainability and how important it is for the person. If by example a respondent will say that sustainability plays no role for him when it comes to its effect on the brand image, and then the rating is not affected by evidence of greenwashing, then there was consistency in the answers. In order to try to reach a high consistency and diminish the effect that irrelevant responses pollute the general trends, several measures are taken. First one is the distribution of the questionnaire to a large number of people, thus making the outliers’ effect not as significant. The second measure is the introduction of trick questions in-between, meant to weed out those respondents that select an answer without reading. These questions will have only one acceptable answer, so any questionnaire that does not contain the answer will be eliminated. Some examples include: “What is three minus two?”. While the decoy questions might look silly and out of place, it will help to screen out those that bring no value with their answers.

The list of companies used in the example question were obtained from case studies and serve as real life example, something that the respondent might be familiar with or just be more concrete and easier to grasp and rate. Companies include Coca-Cola, Apple and Nestle.

As the questions follow the same pattern for all companies, respondents might realize what is to come, thus being more careful in their rating. To avoid that, another company was included, which did not commit greenwashing but genuine green activities. This meant that there was no third part for this specific company. Doing this facilitated honest responses as respondent did not know that was to follow. The unpredictability of the questions proved useful as the data illustrated consistency in responses in all cases.

Evaluating quantitative studies confers additional value and reliability to the research. The reliability is defined by dependability and consistency (Neuman, 2014). According to Kuada, reliability is based on three dimensions for evaluation (Kuada,2012):
Measurement reliability – the consistency when measuring variables (Kuada, 2012). For this thesis, all data was analyzed in the same way and through the same platform, thus consistency was maintained.

Stability reliability – consistency of the results in different point in time (Kuada, 2012). The researched examined how the information about greenwashing changes the rating of the brand image, so it can be considered that the research looks at different points in time for consumer opinion. At the same time, the questionnaire is administered only once to each individual, thus for this thesis, stability reliability cannot be verified.

Representative reliability – consistency of results for different respondents (Kuada, 2012). As evidenced by the results, the answers to the questionnaire were appropriate and relevant regardless of the group that the respondent belonged to. As such, the results are representative.

Overall, the criteria are satisfied and the research can be argued of having high reliability.

**Identification of Case Studies**

Before cases studies are identified, there is a certain process to go through in order to ensure the relevancy of data. According to Saunders, this can be ensured by following three steps. First one is to examine if the case studies do exist and are available, a step that was done at the start of the research process. It was discovered that due to the urgency of the issue and growing awareness, there are a respectable number of case studies about greenwashing done by companies. While there are not case studies per say, there are many sources of information that focus on the topic, and by combining them, a case study was developed. Most of the sources were found by examining bibliography field in literature or reading articles about company practices, so both academic and no-academic sources served as a starting point. Locating the aforementioned studies is the second step. It was closely linked to the first step, and can be said that was done simultaneously, with the addition of case study websites for cases that are only mentioned, and not present in literature. Last step is evaluating the sources of the case studies. As most of them were obtained from peer-reviewed articles and official statements, they can be considered reliable. However, the researcher maintained a critical thinking mindset and employed measurement tools of range of validity and reliability. It facilitated the mitigation of risk when it comes to collecting irrelevant data (Saunders, 2011). Validity was ensured by using the triangulation of data method, which is defined as: *The use of two or more independent sources of data or data-collection methods within one study in order to help ensure that the data are telling you what you think they are telling you*. (Saunders, 2011). Thus, for every claim that was considered to be used, the researcher had to find it in more than one source. This prolonged the process considerably, but it increased the validity of the analysis and findings. The reliability was proven by not limiting the research to specific areas, extracting findings from different cases from different industries, thus making the common findings more generalizable and reliable.
Data Analysis process

Due to having two sources of data, quantitative from the questionnaire and qualitative from the case studies, the data analysis process has to be separated in two parts for extracting the findings, and then combine them into a whole.

It was essential to firstly analyze the cases. Not only would it provide the research with information about real life examples about companies’ greenwashing practices, but also show consequences of such actions. The greenwashing examples would be used in the questionnaire in order to receive a rating from the respondents.

Case study analysis had to be done in a way that would allow the findings to relate to each other, while also being able to relate them to the theory. Each case was analyzed individually with the aim of synthesizing them together later. In order to facilitate the process, the researcher used Analytic Generalization, tool developed by Albert J. Mills, and Cross-Case Synthesis, which was developed by Yin. Synthesis of findings was done with the use of Open Coding Technique for Qualitative Data, also developed by Mills.

By mixing the methods, the thesis will benefit from a more thorough analysis of the case studies. Analytic Generalization aids in comprehending the process of generalizing the findings of a case study outside its immediate scope (Mills, 2010). Another benefit of this technique is that it helps create reasonings that are related to the research literature and not the individual situation presented in the case (Mills, 2010). By examining each case through the prism of the research questions, the findings that are obtained are reliable and generalizable. By combining findings of multiple cases and finding commonalities, the general aspect further increases (Mills, 2010). It is logical that findings from a case study become more valuable if they are similar to findings of another case study that pertains to the same topic area.

Cross-Case Synthesis, being another analytical technique, is quite similar to Analytic Generalization at its core. It also examines cases individually and then combines the results (Yin, 2003). A common method used for this technique is quantitative analysis, but due to the limited number of case studies analyzed, the researcher instead opted for a more qualitative approach. The findings are combined by having a table with all common traits, which serves as a stepping stone towards findings patterns (Yin, 2003). To facilitate this process, Open Coding Technique for Qualitative Data is used, further one referred as Open Coding.

Open Coding is considered the initial interpretation of raw data (Mills, 2010). By examining elements of case studies, such as individual sentences, their relevancy to the generalization of the research is judged (Mills, 2010). These elements are grouped together based in categories and sub-categories, this makes analyzing it much easier (Mills, 2010). The categories developed for this thesis are based on both the literature review and preliminary case analysis. Thus, each case study is analyzed in order to see:
1. Initial Brand Image – what was the public’s opinion about the company prior to the start of greenwashing.
2. Cause of Greenwashing – why did the company decide to practice greenwashing.
3. Type of greenwashing – how exactly did process greenwashing manifest.
4. Results – how was the company affected as a result of greenwashing.

By finding the answers to these questions, the researcher can briefly summarize each case study and then relate it to the literature.

When it comes to the questionnaire, the obtained 414 responses were examined and categorized accordingly to the first questions, those relating to personal information. This was done in order to have an overview on the demographics and observe if there are vast differences across ages.

The data was put into an Excel spreadsheet and examined thoroughly. Relationship between variables is examined, with an emphasis on the mentioned demographic aspects and rating of the company. These relationships are examined through statistical correlation, which describes the strength and direction of the relationship. It can be positive if an increase in a variable will lead to an increase in another variable, and negative if it leads to a decrease. The strength of the relationship shows how much increase/decrease happens. It varies from -1, a perfect negative relationship, to 0, which shows no relationship and to 1, which shows a perfect relationship (Wilson, 2009).

As mentioned previously, several questionnaires that did not pass the test of the decoy questions will be discarded in order to keep only relevant answers on record.

By combining the quantitative and qualitative findings, the thesis will have a comprehensive overview over how companies are affected by greenwashing, more precisely how much does the brand image suffer. The synthesized results will also be compared with the state-of-the-art-research on the subject and examine if they coincide.

**Literature Review process**

Literature review serves as an integral part of the research as it provides a synthesis of the most relevant academic knowledge on the topic of greenwashing and brand image. For this thesis, it was decided that a systematic literature review will be adopted as it is considered of highest reliability and generalizability (Siddaway, 2016). In order to make the research more relevant, the process behind the development of the review have to be illustrated and argued for.

A systematic literature review is focused on identification, evaluation and synthesis of the theoretical findings (Siddaway, 2016). As with all elements of this thesis, the literature review has to be based on the main research question in order to maintain consistency and arrive at a relevant conclusion. By maintaining the consistency, the review facilitates comparison and generalization.
of the findings for future research (Siddaway, 2016). Tranfield considers a systematic literature review essential in the process of creating higher knowledge (Tranfield, et al., 2003). As the one of the most respectable academics when it comes to literature review process, Andy Siddaway and his guidelines for conducting a systematic literature review will serve as a base for this thesis. Siddaway describes the development of a review in several stages that have to be followed in order to assure a viable literature synthesis.

Scoping is the first stage, and it is comprised of two steps. Creating a research question is the first one, the though process behind it was described in the initial chapter of this thesis. The second step is verifying the existence of an existing literature review on the subject (Siddaway, 2016). In this case, while there is ample research on the topic of both greenwashing and brand image, due to the necessity of empirical evidence and the newfound emerge of manipulative practices concerns, there is no combined review that examines what this thesis strives to analyze. As such, this research will benefit from the existence of literature reviews on individual topics, but they will need to be incorporated and related to the data that is analyzed, thus developing a literature review that pushes the boundaries of the current state-of-the-art research.

Planning is the second stage of the process. First step is aimed at identifying initial keywords. They are discovered by breaking down the research questions, keywords obtained this way are essential in the facilitation and operationalizing the process (Siddaway, 2016). Even though the research questions were developed as a results of an initial literature research, further articles are required in order to illustrate the current level of knowledge. By using the concepts of greenwashing and brand image as initial keywords, the researcher managed to identify a vast number of articles covering these topics. After this step, the number of articles is overwhelming, thus cannot be all included in the review. This is not only due to their large number, but also due to the fact than a vast portion of them are not relevant for this particular research, thus narrowing down the scope of the search will be beneficial. The next step consists of creating inclusion and exclusion criteria (Siddaway, 2016). The inclusion criteria were associated with concepts such as greenwashing, customer relationship management, brand image, while the exclusion criteria were focused on topics linked with medicine, decision-making process and boycotting, while also making sure to exclude non-academic papers. The step implies that only articles that encompass the inclusion criteria and at the same time do not encompass the exclusion criteria will be selected. It is important to be careful in this step as to not narrow the search too much, as it will yield very few articles, thus the exclusion criteria have to be specific and related only to those areas that are not deemed relevant to examine. Record keeping is the third step, and as the name implies, it is concerned with keeping track of the examined literature in order to provide an overview and facilitate the process of working with many articles (Siddaway, 2016). For this thesis and Excels spreadsheet was created which every studied article was included and illustrated the key elements of it, such as aim of the research, main findings, methodological choices, type of data used, the target group and country.
Identification is the third stage of the guidelines. First step consists of using the extracted keywords to search for articles, then the results should be investigated while selecting only the most relevant ones (Siddaway, 2016). The next step is aimed at finding articles that are valuable for the literature review but have not been identifying in the previous step. The researcher approached this step by examining the bibliography of already used articles for inspiration in increasing the number of relevant articles.

Screening is the fourth stage and it is mostly concerned with the referencing process, more precisely using a citation system for facilitating the process (Siddaway, 2016). For this purpose, Mendeley was used as the researcher was familiar with the platform and it increased the efficiency and provided an easy overview of citations. Another aim of this stage is reading the abstracts of selected articles in order to determine their relevancy. It was a time-consuming task, even though the abstracts were mostly short, the sheer number of them and the need to comprehend them made it a long process. However, it was a useful step as it deepened the knowledge of the subject and allowed for the elimination of some articles that were not relevant.

Eligibility is the name of the fifth stage, with the main focus being on reading the articles and comprehending them (Siddaway, 2016). It can be considered the most useful step of the whole review process as through it the researcher gained vast amount of theoretical knowledge, which would be used for the whole duration of the research. Key theories about brand image and greenwashing were examined and laid as a theoretical foundation for the thesis.

Siddaway also emphasizes the importance of clarifying whether the research will adopt a quantitative or qualitative approach. As stated, the main focus of this project will be on quantitative data, but some additional insight will be gained through qualitative data from case studies.

Last step of a systematic literature review is presenting it. This step will be elaborated in the literature review chapter.

It is not enough that key findings of most relevant literature are presented, it has to be synthesized. In order to facilitate the process, this thesis will classify the articles. One such classification is done according to Mark Easterby-Smith framework that differentiates between subjective and objective research, presented below:
The consistent methodological choices that preferred an objective perspective would imply that the majority of the literature chosen for the review would follow the same alignment. However, due to the nature of the subject area, there were relevant articles that had a subjective approach but were still used, as it is challenging to illustrate brand image in a completely objective way when it is a deeply individual perspective.

Identification and selection of studies
A systematic literature review is only as good as the literature that is synthesized. In order to ensure that the review is comprehensive, the included articles have to be relevant and selected from a large pool of other articles due to their relevancy to the research questions.

The main sources for literature for this thesis were academic databases, including Aalborg University Library, JSTOR, Web of Science, EBSCO, ProQuest, Science Direct, Scopus and Sage. As mentioned, the initial search was done by using the keywords from the research questions, these included:” greenwashing”, “brand image”, “brand equity”, “green marketing” and “corporate social responsibility”.

<table>
<thead>
<tr>
<th>Methodology/Research Philosophy</th>
<th>Objective</th>
<th>Subjective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aim</td>
<td>Discovery/Exposure</td>
<td>Convergence/Invention</td>
</tr>
<tr>
<td>Starting Point</td>
<td>Hypotheses/Proposition</td>
<td>Questions/Critique</td>
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<td>Designs</td>
<td>Experiments/Large Surveys</td>
<td>Cases/Reflections</td>
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<td>Data Types</td>
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<td>Analysis</td>
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<tr>
<td>Outcome</td>
<td>Confirmation of theories/Theory Testing</td>
<td>Theory generation/New insights</td>
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</table>

*Figure 8. Cues for classification of literature (Easterby-Smith, et al., 2012)*
The results of the first search were as following:

<table>
<thead>
<tr>
<th>Database</th>
<th>Number of found articles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aalborg University Library</td>
<td>212</td>
</tr>
<tr>
<td>JSTOR</td>
<td>246</td>
</tr>
<tr>
<td>Web of Science</td>
<td>312</td>
</tr>
<tr>
<td>EBSCO</td>
<td>268</td>
</tr>
<tr>
<td>ProQuest</td>
<td>389</td>
</tr>
<tr>
<td>Science Direct</td>
<td>231</td>
</tr>
<tr>
<td>Scopus</td>
<td>189</td>
</tr>
<tr>
<td>SAGE</td>
<td>308</td>
</tr>
</tbody>
</table>

*Table 2. Databases search results*

As evidenced by the table above, the total number of articles was too big for any kind of research, thus narrowing the filters was a necessity. First the mentioned inclusion and exclusion criteria were introduced, which decreased the number. After that only the most cited articles were selected, as it was considered that more citations meant that it is widely accepted. Also, by reading the abstracts and selecting those articles that coincide with the research questions, the number finally reached a manageable figure, 41. These 41 articles serves as the basis for the literature review and theoretical foundation for the whole project. It should be noted that this is not the total number of sources used for the literature review, with many ore papers used for supplementary information and verification of data., which would bring the total number of references closer to 100.
Firstly, it can be seen that the number of subjective studies is very small compared to objective ones. This issue was addressed previously, but it is caused by the type of articles preferred, which looked at facts. The presence of subjective articles is due to them being concerned with brand image as a concept that is perceived by individuals in their own way. It is evident that the number of articles that adopted a quantitative approach is significantly higher. This is mainly due the researcher choosing articles that tended to generalize their findings and examined large sets of data to develop conclusions. Qualitative articles are those that examined the case studies and those that looked at the concepts of brand image and greenwashing on a deeper level, aiming to understand the causes and repercussions. Greenwashing and brand image being best studied in context, it is only logical that most researchers will focus on real examples, thus the prevalence of empirical studies. The conceptual ones examined the concepts independently, their history and general characteristics and elements.

Quality of research

Each researcher aims to produce quality results from the research, however in order to achieve that aim, several ways can be taken. For this thesis, the researcher decided to test the quality of the research through the four questions of Marten Shipman (Shipman, 1997):

“Is there a claim for VALIDITY?” (Shipman, 1997). This question examines the knowledge of the researcher of the latest academic knowledge on the subject area. Validity can be achieved only when the research represents the present situation (Shipman, 1997). This thesis research is valid due to the fact that only most recent cases and articles were selected, on top of using a questionnaire that showed current consumer attitude.
“Is there a claim for RELIABILITY?” (Shipman, 1997). As mentioned before, reliability of the research is largely determined by the data and sources used, thus a research can be reliable only if it can be reproduced by other researchers (Shipman, 1997). The data used in this thesis originated in two sources. The case studies are considered reliable as they are published in respectable journals or represent information gathered and cross-checked from multiple sources. The questionnaire data is reliable to a lesser degree due to the nature of how consumers perceive the question at any given time, however this inconsistency is addressed by the large number of respondents, thus the general trends should remain the same. The sources that were used for literature were carefully selected and critically analyzed, as the process was elucidated in the respective chapter. The researcher also maintained an objective approach throughout the research process, thus not having a large influence on the area of study. This further increases the reliability as there is no need to account for human factor when reproducing the research.

“Is there a claim to a basis for GENERALIZATION?” (Shipman, 1997). Generalizability comes from the fact that the findings of a research can be used outside its initial scope (Shipman, 1997). By examining how consumers rate the brand image before and after greenwashing is exposed, companies would realize the damage that unethical practices can incur. The findings of this thesis will serve as a stepping stone for consumers and companies who wish to examine the effects greenwashing has on the brand image. The questionnaire’s general trends combined with a strong theoretical background offer new possibilities to use them for further research.

“Are the bases of the claims made PUBLIC?” (Shipman, 1997). The reasons why the specific topic was chosen to be researched have to be comprehensively presented (Shipman, 1997). This was done in the introduction chapter which illustrated the need to examine greenwashing as a potential damaging factor for companies, consumers and environment.

Overall, Shipman’s criteria are satisfied, which confers a high degree of quality to this thesis.

On top of Shipman’s criteria, it is important to examine the criteria of internal and external validity due to the focus on quantitative research.

Internal validity refers to the extent to which cause-and effect relationship is established (Cuncic, 2019). It is achieved by a thorough analysis of the variables of the questionnaire and argued for the strength of the correlations. Alternative causes for the findings are also provided when appropriate. The internal validity is further increased by random selection of the participants, as to increase representativeness, and making them unaware about the specific topic of study, as illustrated by making the questions seems unpredictable. The researcher is also aware of threats to internal validity such as the influence of respondents’ personal history or confounding of variables.

External validity is the measure that examined how appropriate the findings can be applied in other settings (Cuncic, 2019). There are similarities between external validity and reliability from Shipman’s criteria. For the purpose of this thesis, external validity is achieved through the unpredictability of the study and not exposing its aim and conducting the study on a large number of people. The use of inclusion and exclusion criteria, as it shows a clearly defined population, would also help external
validity, but it was not used as the questionnaire was aimed at every type of consumer. The researcher is at the same time aware of the selection bias, which damages the external validity. Due to the questionnaire being distributed online and requiring around ten minutes to fill, only respondents that are adept at using technology, have access to several websites where the questionnaire was posted and are willing to dedicate their time to filling it are assumed to have responded. This can mean that results might be skewed, but the issue is considered remedied by the large number of respondents, demographic distribution and variety when it comes to the first questions that established a baseline for their general attitude and knowledge.

**Structure of the thesis**

The thesis will be structured in a logical way that eases the comprehension of the research.

![Figure 10. Structure of the thesis](image)

As can be seen from the image above, first chapter will serve as an introduction into the topic area, explaining the concept of greenwashing and the importance of examining how it affects consumers, brand image and environment as a whole. The research questions and hypotheses are also presented and the need to answer them also being illustrated.

Methodology chapter will aim to show the research process and how these choices had repercussions throughout the project. Literature review will examine and analyze the most relevant literature on the subject and synthesize the findings into a strong theoretical background that will be used to correlate theory with data results, and also will help in formulating the questionnaire.

Analysis chapter is the most important part of the project as it aims to analyze the case studies and questionnaire answers in order to grasp the effect of greenwashing on the brand image and how do consumers rate brand image. Data by itself has little value, especially quantitative one, so by analyzing it and extracting insights, it will gain relevancy and provide the thesis with new knowledge.

Discussion chapter will combine the theoretical findings from the literature review with the empirical findings from the data and correlate them. Examining if the real-life situation correspond to what was expected. The juxtaposition of findings is examined thoroughly and provided with reason for discovered relationship. Also, the results are examined again through the prism of the
research question as means to validate the research. The whole chapter aims to provide answers to the research question and either prove or disprove the hypotheses.

Conclusion serves as a summary of the thesis, with the key point briefly presented. It is imperative that conclusion has independent value and can be understood easily. It should also be answering the research question.

The chapter of reflection, as the name implies will illustrate a critical overview of the whole thesis and possible alternatives and their repercussions.

The chapter of future research will expand the possible topics of interest tat have arisen based on this research.

Limitations
The first and most prevalent limitation is related to the choice of data. By using a questionnaire, the researcher acknowledges all the drawbacks that come with it. It is expected that the large number of answers and the supplementation of case studies will compensate for the disadvantages and provide useful and relevant data.

Another limitation is the focus on obtaining general results and illustrating them, thus no deeper understanding of why greenwashing affects brand image, only whether it does and to what extent. Related to the focus of the research, it is only limited to the brand image and not brand equity or any larger concepts. This was done due to both time and resource limitations, as it was decided that a narrower aim would benefit from a closer examination,

The choice of functionalist paradigm implies no influence from the researcher on the study are, which is an idealized scenario. This leads to examining the area as objectively as possible, but it is admitted that when it comes to brand image and consumer ratings, objectivity is not as prevalent.

Literature review
The literature review embodies the systematic analysis of articles, papers and reports that constitute the state-of-the-art knowledge on the subject of greenwashing and brand image. A literature review is done in order to investigate and evaluate research papers in regards to their research field (Hart, 1998).

This review will aim to illustrate the current consensus in regards to what the notions represent and synthesize the findings into a cohesive framework used for future analysis.

As stated before, there is plenty of research in regards to the concepts, but there is a lack of research that examines the relationship between then and the extent of the effect greenwashing can have on brand image. For this reason, this review will be divided into two main parts, with each concept being the main focus of their respective parts.
Green Marketing

Before examining the concept of greenwashing, the scope is broadened and the larger concept of green marketing is examined in order to offer context to the theories.

First clarification comes when examining the concepts of green, eco-friendly, organic and sustainable. Even though in common language they are used as meaning the same thing, from a theoretical standpoint they are different due to technical nuances. This project focuses on the concept of green, which implies activities that aims to use resources in an efficient way and minimizing the effect the activity has on the environment. Sustainable refers to those activities that besides minimizing the impact on the environment, solve a problem without affecting the future in a negative way, or even improve the current situation. Eco-friendly products simply refer to products that do not harm the environment. The difference between green and organic products, is that while green products are meant to be harmless for the humans and the environments, organic product should be composed of 95% organic ingredients. Thus, while both do not have adverse effect on the environment, one is almost fully made from natural resources, while the other can contain synthetic chemical (Marc, 2016).

While it can be seen that sustainable products have higher standards, it is unrealistic to expect companies to follow such strict guideline, thus the focus on green activities as being more common and manageable is adapted.

As stated previously, green marketing and green consumption became more prominent in modern times, with more and more researchers developing theories meant to understand and explain green consumer behavior and purchase intentions (Connolly & Prothero, 2008). Such research includes insights into generation Y attitude toward sustainable wines by Pomarici and Vecchio or shopping habits in relation to green consumption by Ngobo (Pomarici & Vecchio, 2014) (Ngobo, 2011).

The social and ethical attributes of sustainable products have a major impact on the purchase decision of the consumers (Pomarici & Vecchio, 2014). Other factors related to green purchase behavior is described to be individual values, according to research by Ramayah (Ramayah, et al., 2010). Ngobo further elaborates that older, well-educated and high-income households are more likely to buy organic products (Ngobo, 2011). While this research is not in line with the previous points in regards to generation Y preponderance in terms of green consumption, it should be noted that it focused solely on a small sample of French towns.

Other researchers focus on the contradictions in green consumption, and area of relevancy for this thesis (Littler, 2007). Littler also argues that green consumption still falls in the dangers of consumerism, thus not being a sustainable solution for environmental problems, unless some underlying issues are addressed (Littler, 2007). According to her, green consumption can further promote social inequality due to differences in prices, and that most adapters do it out of desire to be part of a new trend, rather than environmental concerns.
Green marketing as a concept was introduced in the 1980’s and at that time was defined as activities that facilitate a mutually beneficial relation with the environment (Stanton, 1987), as cited in (Groening, et al., 2018). With the emergence of new practices and concerns, the concept became more broad, with an updated definition that states it as: “the process of planning, implementing, and controlling the development, pricing, promotion, and distribution of products in a manner that satisfies the following three criteria: (i) customer needs are met, (ii) organizational goals are attained, and (iii) the process is compatible with ecosystems” (Fuller, 1999). Thus, a shift can be observed, from simple activities that do not harm the environment, towards a holistic system of strategies that affect the consumers, the companies and the environment (Dangelico & Vocalelli, 2017). These can be attributed to the rising power of the stakeholders and consumers in all business areas.

Green marketing is considered both a type of marketing and a marketing philosophy, in the sense that it doesn’t only concern the marketing activities in regards to green products, it also focuses on the environment as a whole (Jain & Kaur, 2004).

As it is the case with most marketing terms, green marketing will have an ever-changing definition due to the rise of online world, where information travels at fast speeds and consumers do not rely on companies for information. They slowly shift from passive receivers to active shapers of the brands. As such, green marketing will not be composed of only what companies say, but will have to include the words of the consumers.

Even with large amounts of scientific data to back up the claims about the danger consumerism poses for environment, there are always skeptics. This skepticism had a shaping effect on the green marketing. After being initially introduced at the end of the 20th century, it was considered a solution to a complex problem, and while environmentally oriented movements gained traction, green products were not growing at a fast enough rate, thus the expectations were not met and the movement lost its pace (Lee, 2008). A decade after its inception, a new interest in green products appeared, green marketing entered its second stage, where green marketing became synonymous with green selling, manipulative approach that used green claims to increase sales (Peattie & & Crane, 205). Here can be traced the origins of the modern greenwashing phenomena. The dishonesty led to rising distrust from the consumers, coupled with increase in awareness about the environment from regular people, led to the introduction of concepts such as “green consumer” and “sustainable marketing” in order to facilitate building a strong relationship between companies, consumers, society and environment (Charter & Polonsky, 1999).

With the rise of digitalization and the online environment, green marketing entered its third stage. Huge improvements to the movement are brought by new technologies, government incentives, increased media and consumer attention and backlash, environmental organizations and more rigorous regulations (Lee, 2008). Green marketing is believed to be regaining its popularity after almost two decades of increased cynicism (Ottman, et al., 2006). This reemergence is in danger
however due to greenwashing, which can lead to even more increased cynicism and distrust from the consumer side, and after a second disappointment, green marketing might lose its momentum.

Greenwashing
Greenwashing, in accordance with previous descriptions, is defined as actions of promoting green practices more than actually engaging in green practices (Orange, 2010). Karnani further elaborates that greenwashing takes place when companies deceptively market themselves as green through public relations and marketing activities in order to influence the perception of consumers (Karnani, et al., 2014).

While there might be a benefit for the environment, it is mostly done for the achievement of marketing and business goals. This topic was examined by several researchers, with the common findings being that companies promote themselves according to what the consumers expect as being green, and do not engage in activities that have a real measurable effect on the environment (Dahl, 2010) (Gond & Igalens, 2012) (Trébulle & Uzan, 2011) (Notebaert, 2010).

Greenwashing started out as a phenomenon that gained attention of practitioners. But as the practice continued, research into it was necessary in order to better understand it. This led to the conceptualization of greenwashing.

Greenwashing as a concept still has ways to be developed. The boundaries can be better set and criteria as to what constitutes greenwashing better illustrated. At the moment the concept is broad and encompasses any unethical activity done by the company with the aim of misleading consumers of their green status. In this way, greenwashing is similar to spin, a form of propaganda meant to promote incorrect or misleadingly interpreted or worded information in order to persuade consumers that the companies are benefiting the environment.

However, the essential ideas are similar thus there is no debate whether a green claim is genuine or exemplifies greenwash, as it is easy to verify. With more and more researchers focusing on studying the topic as a results of increased public interest, greenwashing began to be conceptualized and started to be related explicitly to what information will companies disclose about their environmental impact (Bowen, 2014).

The general consensus on definition of the concept of greenwashing is based on four assumptions. First one is that greenwashing is a decision about disclosure of information (Bowen, 2014). As the name suggests, it implies how much information and in what form companies relate to their stakeholders and wider audiences. Second assumption states that greenwashing is deliberate (Bowen, 2014). There might be the case that the intention behind green claims are honest and they fails in implementing them or the case of strategies not following a pattern of actions but of decisions, which can lead to un-realization of intended strategies (Bowen, 2014). However, in most cases greenwashing is a known choice and does not arise as a consequence of a failed well-meaning green action. Another assumption claims that greenwashing is initiated by companies (Bowen, 2014). As companies are the main beneficiaries of greenwashing, it is logical that they
are the ones that aim to implement it. It should be noted however that in some cases, even when the company does not wish to perform greenwashing, they might be forced to by the market conditions. If the majority of companies claim to offer a green product, the remaining companies have to undertake greenwashing also, as one of the only ways to maintain competitiveness. The last assumption refers to the fact that greenwashing is good for the companies and bad for the consumers (Bowen, 2014). Due to the fact that companies performing greenwashing see their public opinion increase and gain the status of a green company, while the consumers are misled and fooled into buying products that they believe are green, it is evident how the balance of benefits is tilted. The situation is more complex than this, with a more thorough view on the effects of greenwashing on both companies and consumers will be illustrated in later chapter. Examining these assumptions provides context to the concept of greenwashing while also illustrating the common points found in the academic literature in regard to the conceptualization of the term.

Greenwashing is more likely to be adapted to greater extent by companies that have the most negative impact on the environment, due to the fact that they know their image is tarnished, thus it needs to be improved (Lyon & Maxwell, 2006). This coincides with the idea that green companies do not emphasize their green status, instead focusing on green activities which are noticed by regular consumers, thus gaining a green status (Lyon & Maxwell, 2006).

Greenwashing evolved at the same rate as green marketing, and the fall of the latter can be attributed to the rise of the former. As the environmental awareness grew and people started looking for green products, an opportunity arisen for companies. However due to several limitations, the demand for green product could not be met, so by the end of 1980, green marketing lost the pace it held at the beginning of the decade.

As the new decade began, rising sustainability concerns led to a renewed interest in green products. This time however, the companies were more prepared, and started launching various green products as means to capture the demand. With more and more products being promoted erroneously as green, the market was oversaturated, with the majority of the products not delivering on their promise due to the limited environmental benefit they provided.

Even though people were aware of environmental issues, due to lack of sources of information and no regulations for designations, sustainability was still misunderstood by a vast majority of consumers (Hwang, et al., 2015). The criteria of a green product are not well established, with an abundance of terms that are created by the brand themselves leading to mass confusion.

This led to general mistrust and cynicism toward green products as a whole. The period coincides with the second stage of green marketing.

The graph bellow illustrates the evolution of the terms in terms of appearances in newspapers and academic publications. A noticeable climb can be noticed from 2006, when more non-profit and environmentally focused organization started accusing companies of greenwashing and spreading the notion to the general public (Bowen, 2014).
Figure 11. Number of articles mentioning greenwashing in academic and newspaper publications between 1998 and 2012 (Bowen, 2014).

The distinction between organic, green, sustainable and eco-friendly was already illustrated. There is also the category of natural products, which while it implies that it is not processed and does not have preservatives or artificial components, the claims are not regulated and verified by government agencies. The other categories are subject to regulations, but there are many organizations that offer certifications, each with their own criteria, many of them requiring just a price to be paid. Thus, it is important to distinguish rigorous labeling procedures from those that are not. By knowing which labels are certified according to the strictest criteria, consumers are not easily fooled by a mediocre label, thus ensuring that companies adhere to ethical and honest practices.

From a company perspective, the current situation in the green product market environment is a risky enterprise. In order to maintain competitiveness, companies have to implement greenwashing, because all the competitors are promoting a green product, genuine or otherwise. However, if the company truly wishes to create a green product, it might face a negative public reaction, as the action is wrongly viewed as corporate greenwashing due to decreased trust (de Vries, et al., 2013)

While greenwashing is a mostly empirical concept, there is an accepted academic classification of techniques. The classification was developed by TerraChoice Environmental Group, named “the six sins of greenwashing” and it is based on years of extensive research on different manipulative practices by companies meant to mislead the consumer (TerraChoice Environmental Marketing Inc., 2007).

1. “the sin of hidden trade off” refers to the practice of using a single green attribute to promote the product as green, while disregarding more important issues (TerraChoice Environmental Marketing Inc., 2007). By focusing on a small aspect, the companies are
still technically telling the truth, but it is in a way that makes the product appear more environmentally friendly than it is. It is the most widely committed sin, with on observed occurrence in 57% of cases (TerraChoice Environmental Marketing Inc., 2007).

2. “the sin of no proof” refers to the information about the beneficial environmental impact of the product, which however, cannot be easily verified by regular consumers (TerraChoice Environmental Marketing Inc., 2007). Information can be categorized into two types. Hard information is the information that can be verified by consumers, albeit at a significant cost, while soft information is available but unverifiable information (Bazillier & Vauday, 2013). This divide of information comes as a result of impossibility of communicating all corporate social responsibility activities to the consumers (Bazillier & Vauday, 2013).

3. “the sin of vagueness” involves claims about the green aspects of the products that are too broad or too vague, thus are prone to misinterpretation by the consumer (TerraChoice Environmental Marketing Inc., 2007). Another way of ensuring misinterpretation is too overcomplicate the meaning and effects of products by using advanced scientific terms (Zaman, et al., 2010). The heavy use of scientific terms also grants the illusion of scientific evidence (Zaman, et al., 2010).

4. “sin of Irrelevance” refers to the claims that while are true, are not relevant for the product or the consumer. In most cases these claims are common knowledge and there is no need to promote them, such as CFC-free products. While it is true, CFC was banned for more than 30 years, thus all products are CFC free (TerraChoice Environmental Marketing Inc., 2007). By filling the product with attributes that at the first glance are good for the environment, companies can manipulate the consumers in buying their product, while at the same time preventing them from purchasing a truly green product (TerraChoice Environmental Marketing Inc., 2007).

5. sin of lesser of two evils includes the claims that are only true in a respective product category, with an added scope of distracting from the overall environmental impact (TerraChoice Environmental Marketing Inc., 2007). This sin is most prevalent in the industries when the products are inherently non-green, such as pesticides or automobiles. Since such products have a negative impact on the environment regardless, the fact that a company is doing less damage is not necessarily green (Walsh, 2008).

6. “the sin of fibbing” can be considered the biggest sin as it involves simply lying about the environmental impact of the product (TerraChoice Environmental Marketing Inc., 2007). It is also the rarest sin, as it is easily discoverable and the easiest to punish by regulatory agencies (Bansal & Roth, 2000).

Greenwashing can also be examined from the perspective of CSR. As companies look to communicate their green claims to a wider audience, they move away from CSR and rely on active communication which uses greenwashing (Bazillier & Vauday, 2013). Depending on the
combination of both, there can be “hard greenwashing”, where companies do not engage in CSR and rely solely on communications and greenwashing, or “light greenwashing”, when companies reduce investments in CSR due to the presence of greenwashers in the market and the possibility of making green claims that are not required to be verified (Bazillier & Vauday, 2013).

Varieties of greenwashing

As evidenced, greenwashing can take many forms, so a general classification of its varieties will be based on the areas affected and the level it takes place.

On a product level, greenwashing refers the fact of promoting it as environmentally beneficial, while in fact it has a very limited beneficial impact (Lippert, 2011).

On a process level, greenwashing takes form of claims about reduced environmental impact of the processes undertook by the company during the whole production cycle (Lippert, 2011). These processes can be either implemented as an addition to already existing infrastructure as means to reduce environmental impact or they can be replacing existing ones (Lippert, 2011). In the first case, even though the impact might be reduced, the process that was causing environmental harm is still operating, while in the second case, the situation is better as the damage is significantly reduced but still present (Lippert, 2011). Even though the negative impact was reduced, there is no benefit to the environment, thus the claims are embellishing the truth.

Greenwashing can also be done on a symbolic level. This takes place when an environmentally focused action is done as a symbolic gesture, instead of focusing on more urgent material problems (Lippert, 2011). An example would be the European Union directive to ban traditional lightbulbs, which has its merits, but is not a priority and should not take precedence over other destructive dynamics (Lippert, 2011).

Greenwashing on a structural or systemic level refers to the idea of transforming grand structures, such as capitalism or carbon markets, into being green (Lippert, 2011). This is seen as greenwashing due to the fact that such structures are inherently ignorant of the environment due to their dynamics and inter-market relations, thus cannot possibly be green (Lippert, 2011).

Effects of greenwashing

It is widely acknowledged that greenwashing has a negative effect on the consumer behavior, with a major decrease in trust and risk adversity when it comes to green products (Chen, 2013). The lack of trust is not only toward companies that practice greenwashing, legitimate companies are also affected.

Even though greenwashing when detected can undermine trust there are other factors that have an impact on the company’s perception as green. This can range from reputation, labels or even packaging (Smith & Brower, 2012).
The skepticism is reflected in the more in-depth examination of the claims made by the product. There is a steady decrease in terms of trust toward green advertisement (Picart, et al., 2014). Greenwashing became so common, that a large number of consumers sees it as unsurprising (Picart, et al., 2014).

A careful built relationship between consumer and companies can also be damaged by greenwashing, with companies failing to reach consumers with marketing campaigns due to the fact that they are seen as opportunistic (Kanter, 2009). Even though consumers still wish to buy green products, the uncertainty regarding which product is genuine hinders the intent.

Based on research done by Stokes, consumers that have a higher environmental concern are more susceptible to the deceptions of greenwashing and are less likely to detect it from a green product (Stokes, 2007). This further shows that greenwashing is hard to detect which can lead to a general mistrust in green marketing. This research is contradicted by De Jong, who discovered that consumers are able to detect greenwashing (De Jong, et al., 2017). The different results can be attributed to the fact that while Stokes focused on older generation, De Jong examined students. Thus, it shows that Generation Y and younger is more aware of unethical practices and are able to distinguish them more accurately. De Jong further states that greenwashing has limited benefits, only in the form of better perceived environmental performance, while at the same time having a negative effect on the perceived integrity of the company’s communications (De Jong, et al., 2017). The risk far outweigh the benefit, also while taking into consideration that greenwashing foes not provide an competitive advantage and it does not affect consumer purchase behavior in a positive way (De Jong, et al., 2017).

Halverson argues that a green label is likely to induce confusion among consumers and make them more likely to associated a greenwashed product as green if it had a respective label (Halverson, 2018). After being made aware of greenwashing, consumers are more likely to distinguish it. In line with other research presented I this literature review, people with higher knowledge about the environment illustrated more skepticism, while older people were more likely to believe greenwashed claims (Halverson, 2018).

Green word of mouth is also found to be damaged by greenwashing, with further negative effect over green perceived quality and green satisfaction (Chen, et al., 2014). Greenwashing does not only have a direct negative effect on the green word of mouth as a results of a decreased trust in the company, but an indirect negative effect do to its influence over the green perceived quality and green satisfaction (Chen, et al., 2014). This is because products that are greenwashed do not have the quality associated with a green product and do not provide the same satisfaction in terms of environmental benefit, thus consumers complain and spread negative word of mouth. Companies should look into increasing green satisfaction and green perceived quality as means to increase positive word of mouth, while decreasing greenwashing at the same time (Chen, et al., 2014).
Damage of the greenwashing for the companies can be considered to be a hierarchical process. The stakeholders are the first ones that are affected, they display negative emotions for being misled. This can lead to a distrust of future claims, even if they are true. And as a last step, consumers are more aware of such practices and have higher need for valid evidence, thus are harder to convince.

Greenwashing also has negative effect on the development of CSR, as companies slowly turn away from it in order to focus the efforts on greenwashing. Both “hard greenwashing” and “light greenwashing” have lasting consequences as CSR becomes underdeveloped, public, stakeholder and shareholder trust decline and the flow of information decreases. It should be noted that in industries that are under public scrutiny are less likely to decrease their focus on CSR and increase their reliance on greenwashing, this signifies that if the risk is evident, greenwashing is seen as not viable (Bazillier & Vauday, 2013). A contradicting study, shows the possible benefit of premeditated greenwashing as means to motivate employees to achieve the claims and improve CSR overall (Cremers, 2015). This study however was not replicated and was focused only on the Dutch CSR managers, thus not being fully representative.

While there are some government agencies that are meant to control and penalize companies for greenwashing, they have not proven effective due to the ambiguity of the concept and the arduous prosecution process (Benoît-Moreau, et al., 2011).

A more severe effect of greenwashing is the possibility that companies will be brought to court by the Advertising Standard Authority, if the claims are false (Pearce, 2008). This however is a rare phenomenon, with companies walking a thin line between lying and embellishing the trusts. In most cases of greenwashing, the companies do not outright lie about their activities, they just promote more intensively than necessary, thus deluding the consumers into believing exaggerated claims.

Greenwashing also has consequences for public health. Products that are marketed as green, sustainable or ecological are in no way beneficial to anybody. Consumers under the assumption the certain products pose no risk, overuse them, which can have a sever negative impact on the health of the individual. This is mostly in the case of cleaning and sanitary products (Dahl, 2010).

Overall it can be seen that greenwashing has overarching consequences for the consumers, companies and environment. Increased greenwashing further will diminish the trust in green products. This rise clashes with the rise in awareness about such practices by consumers, which learn to distinguish between genuine and false claims. Companies should as a rule of thumb start implementing green features before promoting them in order to have a better foundation and higher reliability in the eyes of the consumers (Gunelius, 2009).

While there is no clear theoretical response in regards to greenwashing problem and its overall effect, the literature review will be examined through the prism of empirical findings for confirmation.
Combating greenwashing

Greenwashing is widespread and seen as a necessary activity by the companies in order to compete, and as an inevitability by the consumers that have to distinguish exaggerated claims from veritable ones.

The most viable way of limiting the spread of greenwashing is by introducing stricter national and international regulations in regards to green and sustainable labels made by companies (Dahl, 2010). Currently there are more than hundreds of various labels which makes it impossible for the consumer to be familiar with all of them, thus confusing them and making them uncertain about which label to trust. To further worsen the situation, many labels are obtained through self-certification, in other words buying the label without an objective investigation into the practices (Dahl, 2010). Stricter and standardized rules for labels will make it harder for companies to market their erroneous green attributes while at the same time making it easier for the consumer to know which labels are truly showing a green product.

Experimental findings illustrate that sustainability ratings in regards to brand evaluation of CSR can deter greenwashing and encourage honest CSR practices (Parguel, et al., 2011).

Other solution includes the use of groups that observe companies and monitor their claims (Dahl, 2010). These can lead to more widespread knowledge about unethical practices and harsher backlash.

A more complex but at the same time impactful solution would be the environmental education for the consumers, raising the general knowledge about sustainable and green practices. This can lead to consumers being more able to discern greenwashing and avoiding the product. As a results companies will have to either stop the production of the product or genuinely implement green practices and attributes.

Even though it looks like greenwashing had a terminal effect on green marketing, the situation is not lost. Companies should be wary of making exaggerated claims or start promoting themselves as green before any measure for that is undertook. This can discourage many companies to attempt green marketing for the fear of public backlash, however this is a lost opportunity (Lyon & Maxwell, 2006).

Green marketing is very effective and can elevate the companies above their competitors, so in order to benefit efficiently from it, companies can undertake several steps that ensure their green marketing is not mistaken for greenwashing.

Incorporating environmental management systems (EMS) as means to illustrate in detail the environmental plan would lead to a higher assurance that the effects are truly positive (Lyon & Maxwell, 2006). EMS also imply obtaining ISO 14001 standard, which is one of the strictest standards for environmental attributes (Lyon & Maxwell, 2006). The possession of said standard further raises the credibility of the company and of their dedication toward green practices.
Companies can also take part in the Global Reporting Initiative (GRI), which promotes the implementation of the most used corporate sustainability framework (Lyon & Maxwell, 2006). GRI is partnered with the United Nations Environment program, which can lead to further increase in trust from the consumers.

Companies and marketers should realize that there is no such thing as a perfectly green product. The marketing objective in itself is non-green. Overconsumption, even if it related to a green product will have a negative effect. Thus, while a product might not be fully green, it still is greener than the alternatives, so it still provides a small progress toward a better environment, as long as the claims are true, verifiable and not exaggerated. The environmental impact should be illustrated fully, not focusing n a single benefit while ignoring the rest. Product description should be concise and understandable and showing exactly what need it satisfies and at what cost (TerraChoice Environmental Marketing Inc., 2007).

Genuine green marketing leads to a leadership position in a growing market niche, which can lead to an overall increase in motivation for other companies to follow suite, thus slowly moving towards a greener future.

**Brand Equity**

It is important to distinguish what a brand is before examining more in-depth concepts. Brand can be understood as the overall experience that the customer receives when using a certain product or service, something that distinguishes a company from another (Jobber & Fahy, 2015). Brand can also be expresses as a presentation of the company or product (Chieng & Lee, 2011).

Brand Image is part of a larger and interconnected concept called Brand Equity, which is important to illustrate in order to fully develop the idea of a brand image in the right context.

Brand equity as a concept came into prominence in the 1980’s (Chieng & Lee, 2011). Since then, the importance of the brand became more and more apparent with companies realizing the advantage thy will get from a successful brand.

Brand as a whole also allowed companies to sell their products at a higher price due to how consumers are already affected in a certain why by the brand (Chieng & Lee, 2011).

Brand equity is considered to show the commercial value that the company receives from the consumers’ perception of the company and its recognizable name. Brand equity can also be seen as the value that the brand add to the product or service (Farquhar, 1989) (Christodoulides & de Chernatony, 2010). It can be seen that customers are an integral role in this concept, as they are the ones that provide the value, thus it is important to satisfy their needs in order to increase equity. While there exist other perspectives on brand equity, besides the one focused on consumers, such as firm-based, employee-based or external stakeholder based, they are not relevant for the scope of this project.
By focusing on consumers’ perspective and the value their add to brand equity, this thesis will focus on works of Aaker and Keller, as the ones that are most widely accepted conceptualizations of consumer-based brand equity, hence referred as CBBE.

Aaker’s model is illustrated below:

![Figure 12. Aaker's CBBE model (J Smith, et al., 2011)](image)

According to Aaker, CBBE is influenced and created by five sources, brand awareness, brand loyalty, brand image, perceived quality and other proprietary brand assets. These sources can either add or subtract value from customers (Aaker, 1991). As mentioned previously, the more value consumers receive, the more value the company benefits from receiving, directly or indirectly (Aaker, 1991). It should be mentioned however, that only the first four sources are considered to be adding value to the customers, while the fifth one, proprietary brand assets, adds value to the company only (Aaker, 1991).

The other point of view on CBBE, the one of Keller, sees equity as the sum of all the brand knowledge consumers have gathered from brand awareness and brand image (Keller, 1993).

Other ways of conceptualizing CBBE are compiled by Christodoulides and de Chernatony and illustrated in the table below:

<table>
<thead>
<tr>
<th>Study</th>
<th>Dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blackston (1992)</td>
<td>Brand Relationship</td>
</tr>
<tr>
<td></td>
<td>(trust, customer satisfaction with the brand)</td>
</tr>
<tr>
<td>Sharp (1996)</td>
<td>Brand Awareness,</td>
</tr>
</tbody>
</table>
Table 3. CBBE conceptualization research (Christodoulides & de Chernatony, 2010)

<table>
<thead>
<tr>
<th>Source</th>
<th>CBBE Components</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berry (2000)</td>
<td>Brand Awareness, Brand Meaning</td>
</tr>
<tr>
<td>Burman et al. (2009)</td>
<td>Brand Benefit Clarity, Perceived Brand Quality, Brand Benefit Uniqueness, Brand Sympathy, Brand Trust</td>
</tr>
<tr>
<td>Veloutsou et al. (2013)</td>
<td>Consumers’ understanding of brand characteristics, Consumers’ affective response towards the brand, Consumers’ evaluation of the brand, Consumers’ behavior towards the brand</td>
</tr>
</tbody>
</table>

CBBE can be measure either directly or indirectly (Tong & Hawley, 2009).

A direct measurement implies examining the preferences of consumers (Christodoulides & de Chernatony, 2010). However, this is a complicated approach and has yet to be conducted more than a few times (Tong & Hawley, 2009). Part of the difficulty arises from the goal of separating value of the brand from the value of the product, which more often than not are closely linked and even inseparable. (Christodoulides & de Chernatony, 2010). A direct approach also examines only the current situation, thus failing to look at sources of CBBE (Veloutsou, et al., 2013) (French & Smith, 2013).

An indirect measuring approach looks at how CBBE is manifested (Veloutsou, et al., 2013). Indirect approaches vastly use Aaker’s model with modifications tailored to the specific topic (Pappu, et al., 2005) (Bravo Gil, et al., 2007) (Buil, et al., 2008) (Baldauf, et al., 2009) (Schivinski & Dabrowski, 2015). However, by using the model, brand awareness is measured by using a single indicator, which it is insufficient and it diminishes the value of the study (Christodoulides & de Chernatony, 2010). Another criticism is the fact that brand awareness and brand image are merged into a single concept (Christodoulides & de Chernatony, 2010). The model however is still overall...
applicable and yields valid results, while its similarity to Keller’s idea of CBBE, further boosts scientific use (Christodoulides & de Chernatony, 2010).

As stated before, proprietary brand assets are not meant to deliver value to the consumers, thus for the purpose of this project. Thus, the respective dimension from Aaker model will be removed, while at the same time adding the concept of brand image as it is quite prevalent in academic research. CBBE will be examined based on the following dimensions:

![CBBE Updated model](image)

*Figure 13. CBBE Updated model. Own creation. Based on (Aaker, 1991) and (Keller, 1993)*

**Brand Awareness**

According to Aaker, brand awareness is the “*the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category*” (Aaker, 1991). While Keller describes it as “*the consumers’ ability to identify the brand under different conditions*” (Keller, 1993). In both definition it can be seen that the commonality is the ability to remember and recognize the specific brand.

Brand awareness is considered by many academics and practitioners one of the most significant concepts in marketing, influencing the whole market environment for the brand (Khuong, et al., 2016) (Barreda, et al., 2015) (Huang & Sarigöllü, 2012) (Macdonald & Sharp, 2000). Brand awareness is also considered in the development of an advertisement strategy that is consistent with the brand (Percy & Rossiter, 1992)(Macdonald & Sharp, 2003). Decision making process
when it comes to consumer buying products of services is also influenced by brand awareness, as is the ability to remember and recall a brand (Saleem, et al., 2015)

Based on Keller’s research, brand awareness is an element of the brand knowledge, which is a dimension that connects associations to a brand (Keller, 1993).

Brand awareness is divided into two level by Keller, brand recognition and brand recall (Keller, 1993). Aaker has an additional level, top-of-mind, with the addition of brand dominance, brand opinion and brand knowledge in later studies (Aaker, 1991) (Aaker, 1996).

First level, brand recognition is focused on the consumers and their ability to remember previous contact the brand (Keller, 1993). The consumer should also be able to correctly identify the said brand (Keller, 1993) (Khuong, et al., 2016) (Huang & Sarigöllü, 2012).

Brand recall takes place when a consumer remembers the brand when he/she is in the middle of decision-making process in regards to buying a product (Huang & Sarigöllü, 2012).

Top-of-mind level refers to the position that the brand has in the consumers’ minds (Aaker, 1991). If when thinking about a type of product and a specific brand comes to mind, it can be said that it has top-of-mind awareness.

Brand dominance refers to the fact that only one brand is remembered by the consumer when it comes to a specific product area (Aaker, 1996). Brand opinion is the consumers’ opinion about the brand (Aaker, 1996). Brand knowledge according to Aaker, refers to how consumers understand the brand (Aaker, 1996).

![The Graveyard Model](image)

Figure 14. The Graveyard Model (Aaker, 1996)

As the model above illustrated the relation between brand recognition and brand recall. It shows that even though a consumer might recognize a brand when it is seen, without a clue, the consumer
would not be able to recall it, thus when it comes to buying, the chances of the brand with such characteristic being bought are very small.

A brand that is situated in the lower left corner of the model is defined by decreasing sales and reducing market share, while the top right corner presents the opposite (Aaker, 1996).

It can be seen, that the levels of brand awareness proposed by Keller are quite similar. Brand recognition or brand recall might happen depending on the situation (Chmelarova, et al., 2017). Brand awareness is also not fully dependent on brand recall, as the consumer might remember the other aspect of the products instead of the name, which might suffice for making a purchase, thus it is important to be aware of such differences when using brand awareness in marketing strategies (Macdonald & Sharp, 2003) (Percy & Rossiter, 1992).

Brand awareness is achieved by marketing efforts and effective communications from the company. By using such methods, companies can ensure that they reduce the risks in product evaluation and targeting, while also maintaining high quality and credibility (Sasmita & Suki, 2015). Another way of increasing awareness is by repeated exposure of the consumer to the brand, this will lead to greater recognition and overall higher awareness (Keller, 2003).

Overall, brand awareness has a positive effect for the companies, as an increased awareness leads to a choice advantage or increase familiarity, which can lead to brand liking (Hsu, et al., 2012). Also, an increased brand awareness in consumer minds will lead to them trusting the brand more during purchases (Hyun & Wansoo, 2011). There is a need for awareness to exist in the mind of a consumer in order for a brand image to start developing (Keller, 1993).

While there are many definitions of brand awareness, as is the case with the majority of concepts related to branding, there is general consensus about the essence of the concepts. The majority of academic papers used in this thesis followed the research of Keller, both in terms of definition and dividing it only into two levels.

**Brand Loyalty**

Brand Loyalty is an important concept as it directly affects how much consumers are willing to purchase from the same company. Richard L. Oliver defines it as: “a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior” (Oliver, 1999). Aaker presents brand loyalty as “a measure of the attachment that a consumer has to a brand” (Aaker, 1991). The difference between definition is that while the first one shows loyalty as a process, it involves the actions that consumers have to do in order to be considered loyal, while the second one consolidates it into a more emotional category. Overall however, they emphasize the same idea, the willingness of a consumer to purchase the same brand and the probability of switching to another brand (Aaker, 1991) (Yoo, et al., 2000). As the brand loyalty increases, the likelihood of
brand substitution decreases, which leads to overall decrease in vulnerability of the brand (Aaker, 1991) (Yoo, et al., 2000).

A high brand loyalty can allow companies to implement price premiums, reduce marketing costs, be aware of future sales and increase trade leverage and market share (Aaker, 1991) (Oliver, 1999) (Delgado-Ballester & Munuera-Aleman, 2005) (Bello & Holbrook, 1995) (Kotler & Keller, 2012). The profit of a company is bound to increase with time as they maintain loyalty, which will lead to higher and sustained sales. High loyalty also implies better word of mouth, which leads to even more customers. A loyal customer thus is more valuable to a company than a new one, not only due to repeated purchases, but due to the willingness to recommend the brand in the social sphere.

There is also a divergence of opinion when it comes to the conceptualization of brand loyalty, mainly in regards to its three dimensions: behavioral loyalty, attitude loyalty and two-dimensional loyalty (Tabaku & Zerellari, 2015) (Egan, 2015).

Behavioral loyalty takes place when a consumer makes repeated purchases of a brand over a period of time (Egan, 2015). A cause of this repeated purchases might not necessarily be high loyalty, but a combination of low engagement and habit (Tabaku & Zerellari, 2015) (East, et al., 2008) (Rundle-Thiele & Bennett, 2001). Academics theorize that there is a small influence of the decision-making process on the purchasing process since it is done out of habit (Rundle-Thiele & Bennett, 2001). This dimension is vastly criticized as it fails to illustrate the different factors that lead to loyalty, focusing instead on the purchase outcome (Chmelarova, et al., 2017).

Attitude loyalty incorporates how is the disposition of the consumer towards the brand and how likely he/she is to purchase the brand (Egan, 2015). Attitude loyalty focuses on the purchase intention, commitment preference and willingness to recommend the brand (Chmelarova, et al., 2017) (Tabaku & Zerellari, 2015) (Mellens, et al., 1996) (Kumar & Shah, 2004). This allows researchers and companies to distinguish between repeated buying out of habit and brand loyalty, as opposed to behavioral loyalty (Tabaku & Zerellari, 2015) (Mellens, et al., 1996). This dimension allows for a deeper understanding of consumer behavior (Tabaku & Zerellari, 2015) (Mellens, et al., 1996). However, even with a deeper understanding, it is not possible to relate it to customer purchases and predict future sales (Tabaku & Zerellari, 2015) (Mellens, et al., 1996) (Dick & Basu, 1994) (Kumar & Shah, 2004).

Two-dimensional loyalty is considered the most reliable dimension of loyalty since it combines the other two (Tabaku & Zerellari, 2015) (Mellens, et al., 1996) (Kumar & Shah, 2004) (Baloglu, 2002) (Jones & Taylor, 2007). However, even in the case of this dimension, there are still contradictions in regards to what it entails.

Aaker developed a pyramid of the stages of brand loyalty.
Figure 15. Brand Loyalty Pyramid (Aaker, 1991)

The first layer is comprised of price sensitive consumers; thus, they do not have any brand loyalty. Second layer are habitual buyers, who as previously expressed in the behavioral loyalty dimension, buy out of habit, rather than an informed and conscientious choice. These types of consumers will switch if there is an issue with following their habit, such as unavailability of the product. The next layer is represented by consumers that are satisfied as long as the costs incurred stay the same, they will continue buying the brand. The fourth layer corresponds to consumers that like the brand based on their experiences, while top of the pyramid shows consumers for which the brand is an essential need (Aaker, 1991). The last two steps are according to Aaker the brand lovers and are the most likely to recommend the brand to others (Aaker, 1991).

A company that is aware of their consumer base and how they related based on the brand loyalty pyramid can implement better focused targeting strategies, focusing on consumers that not only buy, but are also facilitating the promotion of the brand.

Loyalty is strongly influenced by brand image and word of mouth, with studies showing that the higher the brand image, the higher the loyalty (Lee, et al., 2011).

Chieng and Lee discuss the concept of cognitive loyalty, which is the highest level of brand loyalty. It is related to top-of-mind awareness in the sense that the consumer will think about a specific brand when it comes to make a decision, thus being a repeated customer regardless of the price (Chieng & Lee, 2011).
Brand loyalty is most widely investigated and measured as a results of brands trust, customer satisfaction and perceived quality and value (Bisschoff, 2014)

Given the ambiguity of the concept, it is important to be aware of what each research chooses when it comes to brand loyalty in order to develop a fair comparison (Lazarevic, 2012) (Tabak & Zerellari, 2015). For this thesis, the two-dimensional approach will be used as a holistic approach in combining both is argued to compensate for each dimension’s weaknesses and increases the validity and quality of the research (Mellens et al., 1996).

**Perceived Quality**

Perceived Quality is defined by Aaker as” the customer’s perception of the overall quality or superiority of a product or service with respect to its intended purpose, relative to alternatives” (Aaker, 1991). It can be seen that it shows how do the consumers perceive the quality of a product or service based on it belonging to a brand. Yazdanparast elaborates on the definition and adds that perceived quality shows the opinion of the consumer of the overall characteristics of the brand (Yazdanparast, et al., 2016).

Followings the trends, there is no consensus about the concept and how to represent it. Once classification illustrates perceived quality as a result of six dimensions: quality, durability, excellence, workmanship, reliability and goodness (Rao & Monroe, 1989).

Another classification is done by Aaker, which distinguishes between product and service. In terms of product, his research, based on Garvin, enumerates seven dimensions: performance, features, conformance with specifications, reliability, durability, serviceability and, fit and finish (Garvin, 1984) (Aaker, 1991). Researchers have also developed intrinsic and extrinsic signals in regards to product quality (Agarwal & Teas, 2002) (Jacoby, et al., 1971) (Saleem, et al., 2015). Intrinsic signals refer to those that directly affect the product, such as size or components, while extrinsic signals refer to those that have no direct effect on how the product operates, such as price or name (Rao & Monroe, 1989).

Service perceived quality is defined by eight dimensions (Aaker,1991). There is an overlap with the dimensions of the product side. The dimension of competence corresponds to that of performance and tangibles corresponds to fit and finish (Aaker,1991). Reliability dimension has different meaning, as it no longer refers to reliability of the product, but of the people (Aaker,1991). The next five dimensions are: empathy, responsiveness, courtesy, credibility and trustworthiness, and they showcase the relationship between customers and service providers (Aaker,1991).

Perceived quality varies from one individual to another and it vastly depends on loyalty of said individuals towards the brand while also being influenced by the attributers that are important to them (Aaker,1991) (Nguyen, et al., 2011).
Perceived quality is one of the most important element of CBBE as it is the only one that can drive financial performance, as consumers are willing to pay more for that they perceive as good quality (Aaker, 1996).

By using objective measurements of the quality of the product, technical aspects and verifiable characteristics of a product, perceived quality can be determined to a certain degree without the subjectivity of consumers (Chieng & Lee, 2011). However, even if a high objective quality is determined, it can still be perceived otherwise by the consumers, thus having no positive effect on the brand equity.

Perceived quality can be improved by analyzing the needs of the consumers and what they understand by quality. In order to guide consumers toward a specific choice, companies might rely on visual images in order to illustrate the quality in context (Aaker, 1996). Brand image also has an effect on it, as a strong image reflects positively on the quality, while a poor image can create the sense of poor quality.

Even though there is no consensus on a concise concept, the interpretations of perceived quality share many commonalities, so for the purpose of this thesis, the conceptualization developed by Aaker will be used.

**Brand Associations**

Brand associations can be considered the associations, or ideas that the consumers have about a specific brand in their minds. It is a link between a brand and various attributes (Lee, et al., 2011). Associations can also be considered a deeper level of brand awareness. According to Aaker, brand associations include attributes of the product, benefits for the customer and uses (Aaker, 1992). Associations are also essential by providing information about the product and a facilitating feedback (Aaker, 1992).

Keller argues for categorizing associations into those related to attitude, benefits and attributes (Lee, et al., 2011).

Attitude associations are related to how is the overall evaluation of the brand by the consumers (Keller, 1993). It is the foundation of consumers behavior when it comes to brands (Keller, 1993). The attitude is shown both toward product attributes and non-product related attributes (Keller, 1993).

Benefits illustrate how much value does the brand offer the consumers, or more precisely, how much beneficial value does consumers gain from the brand (Keller, 1993). Benefits can further be classified into functional, experiential and symbolic. Functional benefits are those that derive from the product/service itself, it emphasizes product related attributes. Experiential benefits originate in the experience the consumers have with the brand and the feeling of using it. Symbolic benefits are related to the non-product related attributes and facilitate personal expression and social status needs (Keller, 1993).
Attributes are the characteristics of the brand, be it product or service. Attributes can be product or non-product related. Product attributes are responsible for how it performs and the ability to satisfy the needs of the consumer (Keller, 1993). Non-product related attributes on the other hand are the external characteristics, such as price and use imagery (Keller, 1993).

A different classification of associations is proposed by Chieng and Lee, which identify seven classes: product association, social image, perceived value, trustworthiness, differentiation, country of origin and organizational association (Chieng & Lee, 2011).

Product associations include both functional and non-functional associations, such as performance or price (Chieng & Lee, 2011). If the needs of the consumers are met, then the brand equity increase, the opposite happens when the consumer is not satisfied (Chieng & Lee, 2011).

Social image associations refer to how the brand is perceived by the consumer’s immediate social circle (Chieng & Lee, 2011). Consumers influence each other; thus, a negative social image of a brand will tip the scale of a consumer with a neutral opinion (Chieng & Lee, 2011).

Perceived value constitutes the value of the brand for the consumer (Chieng & Lee, 2011). Consumers choose a product that can satisfy their needs while also maintaining a good price. The higher the perceived value, the higher the consumer is willing to pay (Chieng & Lee, 2011).

Trustworthiness is described as the trust the brand elicits from consumers (Chieng & Lee, 2011). It is based on both experience with the brand and word of mouth. High trust can be achieved by clear communications about the worth of a product from the company side, and it can lead to a better relationship between companies and consumers (Chieng & Lee, 2011).

Differentiation takes place when a brand is distinct from its competitors (Chieng & Lee, 2011). A unique value proposition leads to higher value for the consumers, while also facilitating how well the brand is associated in the minds of consumers (Chieng & Lee, 2011). Differentiation can either be due to a product feature, or advertisement strategy (Knudsen, 2016).

Country of origin, as the name implies, is related to the associations that the consumers have about the country that the brand originates. It is one of the most influencing factors of the consumer perception (Chieng & Lee, 2011). While some countries have positive connotations, other are viewed as a negative aspect.

Organizational associations refer to the integration of corporate associations in the brand value (Chieng & Lee, 2011). These associations are related to CSR practices (Chieng & Lee, 2011). Organizational brands are useful for maintaining a stable image across more product lines, thus being better seen, recognized and differentiated by the consumer (Chieng & Lee, 2011).

While product related associations are useful, they are not as strong as the associations that originate on an emotional level inside the consumer. These association, dealing with intangible elements of the brand, facilitate differentiation and associating a product with a specific brand.
This can lead to an increase in perceived quality, customer satisfaction and brand equity overall (Keller, 1993).

**Brand Image**

Brand Image is commonly used notion not only by marketers and researchers, but also by regular consumers. Despite or even due to its commonality, there is no agreed upon definition. There are several key common points however of what constitutes brand image, and by condensing them, brand image becomes the perceptions consumers have about a brand as a result of the brand associations in the consumers’ mind (Keller, 1993). It can be said that the brand image is how the consumers thinks of a brand., what are his feelings and opinions towards it. Since it is individual, each brand image slightly differs, though they are all influenced by company’s advertisement, direct experience, brand identity, brand associations, brand awareness and social perceptions of the brand, thus some common elements are bound to exist.

To be noted is that for the purpose of this thesis, the researcher will differentiate between brand image and brand associations, two concepts that are used interchangeably in some cases, but which are considered different by the researcher.

It is also important to differentiate between companies that offer products and services. In the former case, the brand is strongly related to the product, as the physical attributes have a big impact on consumer perceptions. While in the latter case, the company itself is the brand, thus their communications and non-tangible offers are shaping the image (Berry, 2000)

A brand image can be favorable or unfavorable, depending on the above-mentioned antecedents. A favorable brand image means that the brand is better viewed than its competitors, this is why it is an important factor in consumer buying decision (Lee, et al., 2011).

Gardner argues that brand image is a “complex symbol” that should be treated as a long-term investment and as being more important than short term goals (Gardner & Levy, 1995). It is a slow building process that takes effort from the company side to nurture and engagement from the consumers in order to flourish. The brand image is quite inert and does not change easily, due to the fact that individual perceptions are resistant to change in normal circumstances (Gardner & Levy, 1995). Netemeyer reiterates the importance of consistency over time for building a brand image (Netemeyer, 2004)

The disagreements over the definition of brand image led Dobni and Zinkhan to the creation of groups consisting of broad blanket definitions with emphasis on either personification, symbolism, cognitive elements or meanings (Dobni & Zinkhan, 1990). The research concluded that the brand image represents both concrete and abstract characteristics, but in its essence is the consumer’s concept of a brand (Dobni & Zinkhan, 1990). While physical elements of the product might have an effect on the brand image, it is largely molded by marketing activities and consumer’s response to them (Dobni & Zinkhan, 1990).
The mentioned disagreements over the exact definition of brand image complicates the literature review as many researchers use concepts interchangeably, such as brand associations and brand image. While they look similar at the first glance, they differ in specific way, most important of which is that brand image is a combination of brand associations with the individual perceptions of the consumer and it is built over time.

There are three dimensions of any brand image: cognitive association, emotional association and sensory associations (Cho & Fiore, 2015). It can be seen that all dimensions are related to the associations the brand has in the consumers’ mind, thus there will be a link with the classification of brand awareness.

Cognitive associations are related to personal beliefs of the person and how they interact with the characteristics of the brand (Cho & Fiore, 2015). The most important influence on these associations are exerted by personal experience with the brand, which can reveal non-product attributes such as usage image or symbolic benefits (Cho & Fiore, 2015). There is evident a similarity between cognitive associations and experiential and symbolic benefits of brand associations.

Emotional association is the dimension that involves subjective feelings about the brand, either positive or negative (Cho & Fiore, 2015). These associations are influenced in equal manner by product and non-product attributes (Cho & Fiore, 2015). These emotional associations connect the consumer and the brand and are important factor for the continuous interactions between the parties. The emotional associations are very similar and related to experiential benefits of brand associations.

Sensory association refers to the physical engagement of a consumer with a product through the use of sight, hearing, touch and taste (Cho & Fiore, 2015). According the Keller, these associations are only created when the consumer has direct contact with the product (Keller, 1993). Indirect experiences can further strengthen the existing associations and relating them to the brand image (Cho & Fiore, 2015). There is a link between sensory associations of the brand image and functional benefits related to brand associations.

Brand image has an influence over all elements of brand equity. A place for the brand in the consumers’ mind is required for the brand to increase its value. The three dimensions of the brand image have an influence on the brand associations and vice-versa. On top of this, Aaker discovered that brand image is a direct anteceded of brand equity, with the assumption being confirmed by other researchers (Aaker, 1991) (Keller, 1993) (Biel, 1992) (Faircloth, et al., 2001).

Brand image is also important due to the advantages it offers if well developed. A strong brand image can lead to higher profits as a results of increased customer attraction. New products are easier to introduce under the same brand, thus using the image as a stepstone into leveraging new products to great heights. If a brand image is well maintained and preserved, customers gain
confidence in the company, their loyalty increases and overall relationship improves (Pahwa, 2017).

A closely linked and often mistakenly interchanged notion is that of brand identity. Brand identity refers to how does the company wish to be perceived, so it represents the ideal image they strive for. The difference is noticeable as brand image shows how brand is viewed by consumers, while brand identity shows how it wishes to be viewed. In some cases, the reality of these concepts can vastly differ, it is most often the case when the image is negative while the brand tries to portray a positive identity. There is also the possibility that a strong positive brand image will replace the brand identity if the company does not take initiative and project their vision (Aaker, 1996). Brand image can be said to be brand identity filtered through consumer’s views and the associations that they hold.

Brand image is also an integral part in the process of achieving brand loyalty. A good brand image facilitates increase in social mentions and spread of positive word of mouth. It is also argued that consumers that have a positive brand image of a certain company or product will be more sympathetic toward product and its quality (Hyun & Wansoo, 2011). Thus, it can be said that brand image has an impact on the brand loyalty and perceived quality (Hyun & Wansoo, 2011).

Brand awareness, brand loyalty, perceived quality and purchasing intention are determined to be very interconnected, thus all elements of brand equity are closely linked (Lai, et al., 2009). Danish argues the fact that brand image is another element that is interconnected with those mentioned above (Danish, et al., 2016).

Researchers in Middle East conducted a study which aimed to discover the effect of integrated marketing communications on brand equity, with the result being that the most affected areas are brand image and brand loyalty (Seyyed Amiri, et al., 2017). An especially effective tool to build knowledge about the product or the brand is advertisement. The more knowledge the consumer has about the brand, the more likely he/she is to become loyal (Ha, et al., 2011). Higher loyalty translated into higher sales, which is one of the fundamental goals of companies. Baidya and Basu also discovered that the highest effect on the sales was achieved by increasing advertisement budget (Baidya & Basu, 2011). On a global scale, advertisements have to be aware of different cultural environments and tailor their offer in accordance with the brand image that is present in the respective region (Palumbo & Herbig, 2000). This led to the conclusion that brand image is largely affected by advertisements, but at the same time it has an opposing effect, as the advertisements have to take brand image into account.

Advertisements can be used for either achieving quick sales or to create a brand over a prolonged period of time (Kotler & Keller, 2006). Stemming from this argument, several researchers argue that advertisements can create and increase brand awareness by connecting brands and customers, which in its place will lead to the brand gaining a foothold in the mind of the consumer, thus beginning the process of creating a brand image (Aaker, 1991) (Keller,1993) (Yoo, et al., 2000).
Price promotions however, can have a negative effect on the brand image as lower price is often viewed as an indicator of lower quality (Yoo, et al., 2000). Non-price promotions on the other hand, have a positive effect on the brand image while also improving the relationship between customers and the company due to how elements such as coupons can add value and a sense of economic saving to the interactions (Tong & Hawley, 2009).

Brand image is further strengthened by event sponsorships, with an added effect of increasing sales and inspiring (Javalgi, et al., 1994) (Henseler, et al., 2011) (Tong & Hawley, 2009).

Brands can augment their image by adding additional associations for consumers to embrace (Aaker, 1996).

Brand equity and brand image are greatly influenced by social media, as engaging customer on such platforms is seen as essential (van Asperen, et al., 2017) (Khajuria, 2017).

Engagement acts as a doubled-edged sword in terms of how it affects brand image. Passive engagement is viewed as more effective, whereas active engagement can lead to negative effects on the brand due to over-communication from the company side. Social media main goal is to improve customer relationship and equity drivers (Laroche, et al., 2013). This argument is reinforced by Habibi, who states that brand equity can be increase when consumers engage with a brand over social media as a result of positive emotions and higher loyalty (Habibi, et al., 2016).

As social media is one of the most preferred online activities for all consumers, companies should utilize them to their fullest potential in order to leverage beneficial associations with their brands, increase brand awareness and overall improve the brand image (Arli, 2017) (Khajuria, 2017).

Brand should focus on maintaining high standards, caring about their customers and being consistent with their value offering. This will lead to a more positive experience from the consumer side and as a result, better brand image.

Overall, it can be seen that brand image is a piece of a bigger concept, the one of brand equity. While brand image influences and is influenced by the other elements of CBBE, the special focus on it for this thesis is due to the familiarity with the concepts and the fact that is most relatable to consumers.

Due to how brand image has no clear borders, the research will adapt certain elements of other components of CBBE, such as loyalty, trustworthiness, associations and quality, in order to have more measurable results.

The theory and the literature review will also be used as a foundation for the questionnaire development, where the key concepts will be asked to be rated by respondents. The questionnaire development process will further be aided by the research of Danes, in which the validity of measuring brand image by rating concepts is illustrated (Danes, et al., 2012). The associations, as stated above, are developed and identified based on a thorough analysis of brand image and all
related concepts. This approach was adapted because traditional measurement of brand image, by free associations is labor intensive, can yield inconclusive and vastly different results from one respondent to another and is not well suited for an online questionnaire. A free association measurement implies that the respondent is given a brand and asked what associations the brand brings to mind. This would guarantee a vast difference in results, which are hard to quantify and extract insights. One possible solution would be to ask the respondent to rate how strongly they feel the brand evokes the associations from a predetermined list. This would make the results easier to analyze, but would mean that the researcher limited the choices of associations and as a result, it might not be representative.

The end choice was made by taking the most appropriate parts of each method. Offering the respondents, a list of elements of brand image and related concepts, and asking them to rate it on a five-star scale. This option is considered the most objective and appropriate with the scope of the project.

Linking the two concepts
As the concepts of brand image and greenwashing are examined in context through a comprehensive literature review, there is a need to link them and discover what relationships exist between them. The literature on the effect of greenwashing on the brand image is severely lacking. For the purpose of this thesis, the relationship will be illustrated with the help of the “green branding” concept, which can be used to link them. By illustrating the concept and relating it to the literature review, a complex set of cause and effects will be developed.

As opposed to traditional branding, green branding was not fully covered and explored in academic literature.

Harman discusses the importance of positioning a green brand in a correct way in order to have the most impact on the consumers. Since the major difference between regular brand and green brand is the fact that the latter is environmentally-friendly, the difference should be leveraged and communicated clearly in order not to fall into obscurity (Pickett, et al., 1995).

Brand can appeal to two different needs, functional or emotional. In the case of companies that want to express a sustainable angle, they need to position themselves accordingly (Hartmann, et al., 2005). From a functional perspective, a green brand should emphasize environmentally friendly product qualities that differentiate them from their competitors. However, as mentioned earlier, buyers are rarely purely rational, as such functionality is not the deciding factor in consumer buying decision, thus illustrating such attributes does not constitute enough motivation. This can be attributed to the fact that the beneficial environmental effect is intangible and does not reflect unto individual benefits. Functional positioning can also be replicated, thus diminishing the benefit of differentiation from their competitors. For this reason, brand should combine functional and emotional positioning for maximum benefit (Hartmann, et al., 2005).
An emotional positioning entails appealing to three types of emotions of the consumers (Hartmann, et al., 2005). First one is the feeling of well-being and it is related to personal satisfaction that consumers gain from helping the environment (Hartmann, et al., 2005). Auto-expression refers to the idea that consuming green products elevates the consumer in the eyes of the society. The satisfaction gained from being recognized as environmentally conscious (Hartmann, et al., 2005). The last type of emotion that has to be appealed is nature-related, with the main emphasis on the relation between man and nature (Hartmann, et al., 2005).

Hartman suggests that green marketing positioning is most effective when combining all elements of the functional and emotional strategies, thus enabling greater expression of the brand’s physical, environmental and emotional benefits (Hartmann, et al., 2005).

Green products in order to be appealing for the general public, not only those interested in the environment, should offer other incentives besides lower environmental impact (Ottman, et al., 2006).

A criticism of green branding literature is its assumption of the rational consumer who aims to minimize expenditures while gaining the most benefits. By applying this logic, green products are never going to be bought unless they are the cheapest or the best. These assumptions also hinder the possibility of developing an effective communication strategy (Čumpelík & Keskin, 2018). Green branding is also assumed to be functioning the same way across the world, failing to take into account vast region and cultural differences which cannot be compatible with traditional branding (Čumpelík & Keskin, 2018).

By examining green branding and how it relates to brand image, a variety of elements can be observed.

The public opinion about a company has a direct effect on the brand image. If a company is viewed as environmentally conscious, then it is logical that the brand image will benefit from this association. A sustainable brand image will in its place impact consumer attitude which can lead to higher trust, and change buying behavior, which can lead to higher loyalty. Even though green marketing and green branding do not have a direct effect on the brand image, it has an indirect effect through associations and behaviors.

Color has a significant effect on how brand image is created, thus a company that emphasizes the color green will lead to sustainability associations, which lead to an environmentally friendly brand image (Streicher & Estes, 2015). On the subject of color, it is one of the most important criteria when it comes to how consumers choose green products, alongside environmental benefits, economic benefits and green reliability (Neff, et al., 2010). It is often the case that a customer will not select a sustainable product if it does not have a green color.

As previously stated, and informed consumer will consider buying a sustainable product even if it has a higher price. These desire to buy green products is also influenced by brand image. The
combination of motivation to buy and brand image can lead to the creation of an “ideal brand image” that will attract and retain consumers (Fonseca, 2015).

Green branding is very effective through the medium of social media when it comes to Generation Y. These consumers due to always being connected, are a prime target for interactions and green advertisements, and as evidenced before, advertisements have a significant beneficial effect on the brand image. Advertisements and celebrity endorsements can lead to the creation of positive associations which contribute to the brand image.

CSR is also determined to be exerting an influence over the brand image, with companies that engage in it seeing a more positive image being formed in the minds of the consumers.

Green branding is also used to transfer the qualities of well-established green products to other set of similar products. This is done due to the fact that consumers have loyalty towards green products and are likely to buy related products that share green attributes and are situated under the same brand (Lippert, 2011).

Trust from the consumers towards the companies is affected by companies communicating their green status through greenwashing. While there is a significant decrease in trust in consumers that detected false claims, the rest of the consumers will trust the company more due to its green attributes (Lippert, 2011). This reflect on the brand image due to the influence that trust has on it.

Consumers that are more susceptible to green advertising are more likely to have higher trust in the brand, thus being more loyal to it and willing to pay more.

By examining even more deeply green marketing effect on brand image, greenwashing arises as an imposing factor. Due to how greenwashing has an overarching effect on all areas of green marketing, it can be argued that all influences of green marketing are shaped by greenwashing. So, all the above-mentioned positive effects of green marketing can become negative if greenwashing is discovered.

It is known that marketing communications affect brand image, so by the fact that greenwashing is a form of communications, albeit a dishonest one, it can be deduced that brand image can be shaped by it. Originally the effect will be positive, as green attributes are seen in a good way, however if it is discovered that the attributes were exaggerated and do not correspond to reality, the brand image will suffer. It will lose the green associations, have a decrease in trust and even loyalty.

In terms of advertisements, they have an effect on brand image by offering associations and facilitating loyalty. The same advertisements when exposed as greenwash will have the opposite effect.

The consumer behavior is negatively impacted by greenwashing, which can lead to a decrease in trust and poorer brand image. Trust is further jeopardized by greenwashing practices of putting
meaningless green labels, which confuse consumers and lead to skepticism. The relationship between companies and consumers also suffers from the rising skepticism as a result of greenwashing, with companies being unable to reach consumers with marketing campaigns, thus unable to develop brand equity elements and the brand image, thus making it stagnate which decreases its quality.

Word of mouth is an important factor in the formation of brand image, as it promotes not only new associations, but also facilitates trust and loyalty, perceived quality and increases awareness. However, as an effect of greenwashing, word of mouth turns negative, thus weakening the brand image and all related elements.

CSR is known to have a positive impact on the formation and development of the brand image, but with the rise of greenwashing, CSR becomes less and less used, thus not contributing as much to the brand image.

Greenwashing’s effect on the society as a whole further contributes negatively to the brand image, as companies are required nowadays not to care only about their customers, but about all the stakeholders.

It was also determined that greenwashing has a negative effect on the brand associations and credibility, which can lead to a negative impact on the brand image, equity and purchase intention (Akturan, 2018)

Overall it can be seen that green marketing can have a positive effect on the brand image. The same positive effect is shared by greenwashing as long as it remains undetected. After discovery however, every positive effect reverts and does the equivalent amount of damage to the brand image. It is also known that greenwashing is done as means to close the gap between the desired brand image by the companies and the real brand image, something that based on the existing literature, not only did t fail to do, it pushed the gap further apart due to the damage that was done.

Exact literature on the subject is lacking, the connection was made by comparing the effects of greenwashing and the influencing factors of the brand image and CBBS. It is argued that even in this case, the relationship was well illustrated, with a complex cause-and effect system exposed.

The relationship will be further analyzed in combination with empirical findings as means to see if they coincide.

Analysis

The analysis chapter is meant to take a closer look into the two sets of data and analyze it and extract insights. First set of data is qualitative and it consists of case studies about companies that perform greenwashing, while the second set is quantitative and is composed of the questionnaire data which illustrated public opinion about the brand image and how it relates to greenwashing. A
Combination of quantitative and qualitative data will allow for broader generalizations and some key insights into the concept of greenwashing and brand image.

Case studies analysis
Examining case studies about companies performing greenwashing is important because it provides real-life context for the process, while also serving as sources for data that can be included in the questionnaire and get respondents’ reaction to the activities. It should be noted that not all case studies will be used in the questionnaire as it is not desirable to make an overly long survey. Only cases about well known companies will be included as those are the ones that are most likely to be familiar to the consumers, thus gaining more credible and relevant answers.

As stated, there is an abundance of cases of greenwashing, so finding them was not a challenge. However, in most cases, there is only a speck of information available, thus it does not provide enough data for an in-depth analysis. The case studies were sought on diverse academic and regular platform in order to gather enough examples for thorough representation.

Open Coding Technique, will be used to analyze the case studies. The process was elaborated upon in the methodology chapter, but the main points are that elements of case studies are examined and grouped accordingly into specially designed categories. For the purpose of this thesis the categories will be:

- Initial Brand Image – initial public opinion of the company
- Causes of Greenwashing – reasons to greenwash
- Type of greenwashing – what activities did the company perform that can be categorized as greenwashing.
- Results – the effect of greenwashing on the company

With the process explained, the case studies will be examined further:
FIJI Water

<table>
<thead>
<tr>
<th>Initial Brand Image</th>
<th>Causes of Greenwashing</th>
<th>Type of Greenwashing</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium bottled water “Untouched by man”</td>
<td>Decided to gain a competitive advantage and be perceived as completely natural</td>
<td>Misleading advertisements by using nature elements, Charitable donations, Greenwashing on a product and process level, Sin of hidden trade off, sin of no proof, sin of vagueness, sin of lesser of two evils.</td>
<td>Rapid Growth, Green Brand Image, Differentiated product, Company forced to pay an increased tax to the Fiji government after public backlash.</td>
</tr>
</tbody>
</table>

Table 4. FIJI Water Greenwashing Case Coding summary table

FIJI Water is a premium bottled company that was founded in 1996 (FIJI Water, 2019). The company website states their desire to share the best quality water in the world and to conduct business in an environmentally and socially responsible way (FIJI Water, 2019). However, the idea that company has its origins in an altruizing desire is misleading. The company was established by a wealthy Canadian business magnate, David Gilmour, after he used his influence that he gained by having a luxury resort in a private island of Fiji, to gain exclusive rights to a water source for 99 years (George Brown College, 2017). This privatization of a natural resource is especially appalling considering that around 47% of Fijians do not have access to clean drinking water (Yinglun, 2018). The fortune of the founder also originates in environmentally damaging practices, as he is the owner of many gold mines that are responsible for using billions of gallons of water to filter gold through a process involving toxic cyanide (Lenzer, 2009).

Since its inception, FIJI became a very powerful and recognizable brand in the bottled water sector. As a combination of aggressive marketing and well-crafted identity, the brand became associated with quality, exclusivity and nature. To help promote the product, Gilmour used his connections in hotel industry to include FIJI as the main bottled water in the luxury locations (George Brown College, 2017). FIJI was also extensively used as props in movies. Consumers were willing to pay more for water that came all the way from the Fiji Island in the middle of the Pacific, as it added an exotic element to it.

FIJI Water knew the competition in the market, so in order to gain an edge, they focused heavily on natural and sustainability claims.
FIJI Water advertisements focused more on product placement and celebrity endorsement rather than traditional advertising. This led to its elevation as a status symbol product. This does not mean that traditional advertisement was overlooked, with the majority of it showing the company’s connection to nature, through a silhouette of a bottle in bright colors with nature elements, in contrast to the dark image of a city on which it is juxtaposed. The Ads can be seen in the Appendix A.1. The use of nature elements represents “execucional greenwashing”, and is aimed at artificially augmenting the brand image of the company by adding nature and environmental associations. (Parguel, et al., 2015). The over-emphasizing of the notion of natural can be considered the sign of vagueness, as based on what was illustrated in the project before, natural has no specific meaning and is not regulated.

With the growth of the company, CSR practices became more prevalent. As the main exporter of the Fiji Islands, FIJI water was boasting about the benefit they bring to the country. The company was responsible for over 350 jobs and for several million-dollar donations to charitable organizations throughout the country. The vice president of a time of the company mentioned that without the company, the economy of the country will collapse, which can be attributed to the large disparity between the revenue of a company and the country whose resources it exploits. This statement can also be understood as a deliberate tactic to manipulate the government into allowing FIJI water to operate without many interdictions. The benefits it received included a tax-free status for over a decade. After the Fijian government implemented taxes on the water bottles, the company vowed to be the biggest tax payer in the country, but their actions showed the opposite, with a temporary shutdown of the plants when a new tax was imposed in 2009 (Lenzer, 2009).

Besides posing as a transparent company, FIJI Water will not disclose how much it donates and how much money they filter through tax havens, with different branches of the company owned by entities in Luxembourg and Cayman Island (Lenzer, 2009).

While the charitable donations in themselves are a beneficial thing for the society, context is everything. FIJI pretends the wellbeing of the Fiji island and their population is a priority, with the donations promoted heavily as an extreme act of generosity, with the total sum amounting to a bit less than 7 million since its 1997. However, by looking on other expenses of FIJI Water, Brandweek noticed that the marketing budget each year is over 10 million, with the latest “FIJI Green” campaign costing over 5 million, numbers much higher than the aforementioned donations. While this might seem logical, considering that it is a for-profit company, another situation arises, when the company spent 2.5 million on a 15-second ad for SuperBowl, promoting their dedication to help communities and environment. This shows a classic example of greenwashing, when the supposed green activity is vastly budgetary outclassed by its promotion. It should also be noted that FIJI water uses its Fiji branch to sell the products for cheap to its USA branch, which then increases the price tenfold, thus keeping the majority of the revenue without the need to pay the Fijian government (George Brown College, 2017).
FIJI water showed their care about the community by providing villagers next to their plat water filters, what was not mentioned was that due to faulty water supplies and the company’s interested in keeping them in a bad shape, there were several typhoid outbreaks (Lenzer, 2009).

FIJI also used their image as a premium and quality water to discredit tap water, which caused independent testing in the USA. The results concluded that the main difference found was that FIJI Water contained 6.31 micrograms of arsenic per liter, while tap water in US had no trace of the element, with future tests showing the arsenic content in the FIJI bottles to be 1.2 micrograms. (The Associated Press, 2006). These findings illustrate the small gap between two types of water, and the quality association being a result of marketing. FIJI water claims to be a part of nature, while it is just water in a bottle with no particular differentiating attributes.

Bottled water has an extremely high carbon footprint when compared to tap water. The comparison is appropriate as in developed countries, the quality differs only to a very small margin (George Brown College, 2017). Bottled water in itself is an unnecessary product. The company representatives argued that by buying FIJI water as opposed to another brand’s bottled water, the carbon footprint is reduced significantly, here the company is committing the sin of lesser two evils. Even though FIJI might have a lower impact of the environment than other bottles, it is still vastly negative when compared to tap water. At the same time, the sin of a hidden tradeoff is observed, as the claimed environmental benefit from natural water is offset by the use of plastic.

The bottle in itself affects the environment in a negative way. Not only is the bottle heavier when compared to other bottles, in order to give the impression of quality and sturdiness and extra worth, it is also made from Chinese plastic obtained in extremely damaging plants and transported thousands of kilometers (Lenzer, 2009).

Another claim made by the company is that the plants operate on bio-fuel, which was proven to be wrong, with most plant operating 24 hours per day on diesel (George Brown College, 2017) (Lenzer, 2009). For this matter, FIJI is not publishing carbon footprint estimates on their website, as they are aware of the fact that even though they are a small water bottle company, they are one of the most polluting (George Brown College, 2017). The company promised to become carbon negative by 2015, something that has not happened yet, with the only major step toward that direction being the installation of a windmill at the plant (Lenzer, 2009). FIJI is partly considered a green company due to their “forward crediting” model, according to which, actions to reduce environmental impact that will happen far in the future, are taken as a credit in the present (Lenzer, 2009). These examples illustrate FIJI water committing the sin of no proof, as the information about their beneficial effect cannot be verified.

More outrageous claims of the company include comparing it to healing waters from catholic holy sites (Lenzer, 2009). Here the company appeals to the religious conscious of their consumers, that can benefit from sacred water through a FIJI bottle.
Pursuing environmentally minded customers by making their bottles seem as completely green, and claims that buying the water helps reduce carbon emission and save rainforests in Fiji, thus appealing to a moral conscience. The company also implied that drinking FIJI water has a direct positive effect on the environment, which again, appeals to the consumers. In reality the production of plastic bottles has an extremely negative on the environment, taking more than 450 years to decompose, while water treatment and transportation further increases environmental impact.

FIJI Water wants to be viewed as a green company that takes cares about the environment, the illustrated examples show a different picture, that can indicate that the small gesture and grand claims are just another marketing strategy meant to improve their brand image and further differentiate the product.

Besides the obvious benefits that were in a big part due to greenwashing activities, such as a rapid growth, gaining multiple green and natural brand associations that shaped the brand image and a product that is perceived as having high quality and unique attributes, FIJI Water also was affected in a negative way. Even though a small portion of the informed public always knew about these practices, this did not have an effect on the bottom line. This was until 2011, when after severe public backlash about companies’ practices, its effects on the environment and Fijians, the government was forced to increase the tax per liter of exported water. An increase that FIJI could not argue against as it did in 2008 due to the negative spotlight it was situated in. While not a proportionate punishment considering the negative impact, it can be considered a small victory.

In recent times, FIJI Water slowed down in their extensive greenwashing and focused on genuine green activities and cooperation with environmental organizations but this does not take from the fact that its growth is vastly mandated by unethical practices, misleading on consumers and damage to the environment (Quraishi, 2018).

The company still promotes itself as green and charges an exorbitant price, and as long as there are no repercussions, FIJI Water will continue to greenwash, manipulate the consumers and affect the environment in a negative way, even when taking into account their green activities. As a fundamentally non-green company, there is nothing they can do to completely eliminate the damage, instead they should focus on elevating other attributes of the product while keeping the green association of the brand through continuous green activities.
British Petroleum, also known as BP, is a large multinational oil and gas company, one of the major players in the industry (Bergin, 2008). The company has a long history that dates back to 1908. For more than a century the company’s activity exploited oil and gas resources which led to significant damage to the environment.

As the awareness of the environmental issues grew among the population, the image of oil companies became to decline, BP included. However, due to them providing a set of essential goods for the modern societies, there was not much consumers could do. Also adding the fact that besides being an oil provider, not much was known about the company to regular people.

BP was always aware of the damage it poses to the environment, and allocated vast resources to cover up that image. In 2001 company introduced a new logo and slogan, “Beyond Petroleum”, which indicated the desire to focus on sustainable energy sources (Landman, 2010). This was part of a coordinated marketing campaign which is estimated to have cost over 200 million (Landman, 2010). Aggressive marketing and suggestive images elicited positive associations relation to a beneficial environmental effect. In 2008, the company was considered one of the least polluting petroleum companies (Solman, 2008). Just because it produces the least amount of damage, BP cannot be considered green, this signifies the sin of lesser of two evils.

At the same time, environmental agencies criticized the company, citing that their focus on green energy pales in comparison to the money spent on promoting it and on expanding existing oil operations (Greyser, 2010). As an example, BP was promoting the purchase of a solar energy company for 45 million, citing it as a show of their dedication to move “beyond petroleum” and focus on energies with less environmental impact, however what the company did not promote, was their purchase of another oil company for 26.5 billion (Landman, 2010). This indicated that the purchase of green companies was done as means to elicit positive associations with consumers, with the real focus still being oil. The vast gap in the focus areas is further shown by a 20 billion budget for oil investments, and a mere 1.5 billion for every other source (Juhasz, 2010). The gap

<table>
<thead>
<tr>
<th>Initial Brand Image</th>
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<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil Giant Harmful for the environment</td>
<td>Increase public opinion through positive associations relating to the environment, Cover environmental accidents</td>
<td>Claims to focus on green energy, Product greenwashing, Sin of vagueness, sin of lesser of two evils</td>
<td>Improved overall brand image, Greenwashing consequences eclipsed by oil spills and environmental accidents</td>
</tr>
</tbody>
</table>

Table 5. British Petroleum Greenwashing Case Coding summary table

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further widened with the closure of solar energy division and the decrease of the budget (Juhasz, 2010).

The new logo (Appendix A.2) perfectly exemplifies the use of nature elements to create positive associations. This exeucational greenwashing further shows the devotion of the company to be perceived as green as little action is taken to be green.

“Beyond petroleum” slogan is carefully worded and can be interpreted in several way. The most obvious one is that the company will shift from petroleum toward sustainable energy sources, this is what most consumers understood. However, what the company really meant is that it was moving away from the petroleum mindset, which emphasized focus on oil and gas and disregard for other energy sources. This shows that the focus on the green energy is done out of a business concern, with the desire to be the leader of the respective market when it comes time to change. The ambiguity of the slogan shows the sin of vagueness.

It should be noted that while environmentalists were aware of greenwashing and the damage BP is causing, regular consumers still viewed it as an oil provider with a genuine focus on green energies for a better environment.

A major change came in 2010, with the Deepwater Horizon water spill, an accident that made headline news across the world. The accident was the largest release of oil into the environment, action that caused damages for the environment, health and economies (Robertson & Krauss, 2010). The consequences for BP were severe, in terms of finances, it was forced to pay over 4.5 billion in fines and another 18.7 billion in settlements to clean the damage (McGill, 2015). BP refused to acknowledge the severity of the incidents which caused severe damage to the public relations, as it became known as one of the most prolific polluters, being dishonest and was subject to numerous public protest and boycotts.

The damage to the brand image was significant, and it required strong measures to revert it. It came in the form of a 500 million marketing campaign, which was being promoted at the same time as the spill from the Deepwater Horizon was still being cleaned up (Morris, 2012).

The company increased their promotion of green energies and used storytelling technique to weave a visual story meant to conceal the damage it is responsible for, and focus on the future and the benefit it can provide for the consumers and the environment. The company also heavily used social media to rely their messages as an attempt to divert the attention from the oil spill to the exciting future of green energy.

Behind closed doors however, BP actively campaigned against limits for oil and gas, and subsidies for sustainable energies (Allen, 2010)

Another strategy used was meant to combat the growing awareness of the public about the brands detrimental activities, with employees going on Wikipedia and adding information about the
company (Lennard, 2013) Although they disclosed their affiliation, the action of trying to put own narrative in a community source of information clearly indicated a desire to manipulate and mislead.

The marketing campaign can be considered a success as the brand image of BP slowly recovered over the years, with the sales climbing. This can be attributed to the fact that oil companies overall manage to shift public opinions quite fast due the nature of oil, as it is a product that does not elicit high preference, with consumers buying it whenever they need regardless of its origins.

Even though the memory of the damage is still fresh in many consumers’ minds, the need for oil makes consumers less caring about the origins of the product, thus overall it can be said that besides government fines, BP has no suffered any severe consequences. Even those consequences came as a result of accidents and not as a response to greenwashing and manipulative advertisements. When it comes to the brand image of BP, it was more affected by the incidents of oil spills rather than the discovery of greenwashing practices. And the recent campaigns and studies reveal the BP is improving its image as a green company through advertisements, thus managing to use greenwashing to great efficiency without consequences.

**Coca-Cola**

<table>
<thead>
<tr>
<th>Initial Brand Image</th>
<th>Causes of Greenwashing</th>
<th>Type of Greenwashing</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Go-to beverage Easily available Affordable</td>
<td>Desire to capture health-oriented individuals Increase awareness about their environmental actions</td>
<td>Using a green label Evoking elements of nature Highlight water conservation efforts Making a bottle out of recycling plastic Product and process greenwashing Sin of no proof, sin of lesser of two evils, sin of hidden trade off</td>
<td>Criticism from environmentalist No effect on the brand image</td>
</tr>
</tbody>
</table>

*Table 6. Coca-Cola Greenwashing Case Coding summary table*
Coca-Cola is perhaps the most popular beverage in the world and the fifth most valuable brand according to Forbes (Forbes, 2019). The beverage was invented in 1886, with the Coca-Cola Company being founded in 1892 (Coca-Cola, 2019).

After more than 120 years, the company owns more than 3500 brands and is available in every country in the world besides Cuba and North Korea, which view the product as a symbol of American Imperialism and capitalism (Stafford, 2012). The wide availability led to positive associations as it was seen as a product that unites the world.

Coca-Cola has led one of the most successful marketing campaigns for the whole duration of its existence, which propelled the brand to the top of the industry. The company has sponsored wide array of events, ranging from TV entertainment to sport competitions. Coca-Cola is easily identifiable due to its recognizable logo and bright red coloring. The low price and increased popularity made it a staple of the beverage industry.

One of the most impactful campaigns was “Share a coke” which offered custom bottles of Coca Cola with different names; thus, each consumer could find its own name, creating a bond with the brand. Consumers are further encouraged by the powerful call to action to find bottles with names of those close to them and “share a coke”. This led to an increase in customer generated online content, as people were posting photos with their names on the bottles. Overall the campaign ensured that Coca-Cola connected with the consumers on a personal level, thus increasing their trust, loyalty and improving an already solid brand image (Tarver, 2018). With the campaign, the sales also increased, which, as is the case in most products that employ plastic, lead to an increase in plastic pollution and water usage and waste.

Coca-Cola managed to maintain a high loyalty among the consumers, even though many recipe, logo and packaging changes (Appendix A.3 and A.4). This can be accredited to carefully crafted marketing campaigns, and a consistent trust and quality of the product. Another influencing factor in maintaining a high loyalty is the use of products as means for positive experience for consumers, with a call-to-actions that evokes positive feelings and keeps grants the brand top-of-mind awareness.

Even though Coca-Cola is the market leader, the company is always looking for ways to expand. With the raising awareness health issues caused by beverages, the consumption worldwide started to stagnate. To combat this trend, Coca-Cola released Coca-Cola Life, a healthier substitute that contained 35% less calories than their flagship product (Coca-Cola, 2019). The product was differentiated by their green label colors. The company also used nature elements in the advertisements (Appendix A.5), all this with the scope of making the consumers believe that the new products is more natural. However, the only change that was made was reduction of sugar content, or better said replacing it with the plant-derived stevia. This made no significant difference in regards to the health of the product (Han, 2015). The promotion of the Coca-Cola Life was still in second place, behind the regular product, showing that company released a “healthier” product
just to create a consumer buzz (Han, 2015). The campaign however was still a success, which led to an overall sales increase of 4% across all products, illustrating that the green elements of a specific product were transposed on the whole brand, so the positive associations of Coca-Cola Life became associations of Coca-Cola in general. As mentioned before, every increase in sales means an increase in plastic waste and water usage, which are not mentioned by the company.

An increased sale of drinks such as Coca-Cola can lead to increased rates of obesity worldwide (Iacobucci, 2019). These examples show greenwashing, more specifically the sin of the hidden trade off, where the benefit of less sugar is communicated, while the adverse effects such as obesity and environmental damage are excluded.

The Coca-Cola Life was ironically short lived, with the product being discontinued in 2017 due to a decrease in sales, an increase in sales of healthy drinks and the consumer preference for regular Coca-Cola (Roderick, 2017)

Coca-Cola started promoting their environmental conscious through the implementation of the “Plantbottle” (Coca-Cola, 2015). The special bottle uses again green colors in their representation, with circular arrows logo, which can be interpreted as recyclability (Appendix A.6). The company claims that the bottle is made partially from plants, thus being better recycled and having a lower carbon footprint (Coca-Cola, 2015). The claims however were disputed by Henrik Saugmandsgaard Øe, the Danish consumer ombudsman, who says they are not representative of the real situation (Zara, 2013). He claims that the bottle barely reaches a 15% of plant-based materials and the use of green colors, word “plant” recycling elements overstate the product benefits (Zara, 2013). The exaggerated claims illustrate the sin of no proof and the sin of lesser of two evils. The claims cannot be verified outside Coca-Cola own research, while even though the bottle might be better than the alternatives, it still causes significant damage.

Coca-Cola also shows no intention of replacing more of their regular bottles with the Plantbottle. The company still produces over 3 million tons of plastic packaging every year (Laville, 2019). The situation is made worse by the fact that Coca-Cola opposes laws and regulations the enable recycling through a give-back system (Proxy Information, 2008). Consumers thus are forced to throw the bottles away, and in many cases, they do no reach a recycling station. Coca-Cola is also adept at shifting the blame from themselves to the consumers for the plastic waste, they are doing it by donating to charities and organizations that promote anti-littering.

Coca-Cola is a promoting itself as a vast supporter of local charities. They desire to help water stressed areas, predominantly in arid zones. What the company does not mention is that the majority of the water shortage came as a result of their activities. Coca-Cola uses 2.5 liters of water to produce one liter of their beverage, this leads to huge water exploitations, with an estimated amount of over 290 billion liters per year. These actions led to several protest in areas where the company operates (Stecklow, 2005)
Coca-Cola was also found guilty of violating the Clean Air Act and was fined 278,000 dollars, minuscule amount when compared to what the company makes and the negative impact on the environment (O’Halloran, 2014).

In recent years, Coca-Cola stepped up their environmental efforts, with an investment of 1 billion for wastewater treatment in affected areas (Kumar, 2016). The company also vowed to restore the equivalent amount of water they use by 2020, a goal that was achieved in 2015 (Moodie, 2015). Coca-Cola established partnerships with local governments in order to help with the development of the areas, however this was done only in areas where they operate, thus a hidden agenda can be suspected.

Overall greenwashing activities of Coca-Cola had no significant effect on their brand image. This is mostly due to the fact that the image is well established and loved by many, and small greenwashing criticism or benefits are absorbed by an overwhelming marketing campaign by Coca-Cola.

### McDonald’s

<table>
<thead>
<tr>
<th>Initial Brand Image</th>
<th>Causes of Greenwashing</th>
<th>Type of Greenwashing</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fun</td>
<td>Remove the negative health effects associations</td>
<td>Changing the color of the logo to green</td>
<td>No significant effects on the brand image as a result of greenwashing</td>
</tr>
<tr>
<td>Family Friendly</td>
<td></td>
<td>Use of nature elements</td>
<td></td>
</tr>
<tr>
<td>Fast-Food</td>
<td></td>
<td>Product and structural greenwashing</td>
<td></td>
</tr>
<tr>
<td>Unhealthy</td>
<td></td>
<td>Sin of a hidden trade off, sin of vagueness</td>
<td></td>
</tr>
</tbody>
</table>

*Table 7. McDonald’s Greenwashing Case Coding summary table*

A world famous fast-food company, McDonald’s was in business since 1940, when it opened its first restaurant (McDonald’s, 2019). It is the largest restaurant chain by revenue and the second-largest private employer in the world (Forbes, 2019) (McCarthy, 2019).

It operates on a franchise basis, which means that the company sells their license, trademarks and proprietary knowledge to other companies, which then proceed to operate in McDonald’s name (Hayes, 2019).

A wide array of fast-food dishes and many locations around the globe made McDonalds a recognizable brand. It offered fun and family friendly atmosphere for an affordable price. The
menu that made the company famous is also the one that created problems. Nutritionist over the years warned about the health problems excessive consumption of their burgers and fries can have, such as obesity and diabetes (Robinson, 2017). This also led do a decrease in consumer trust, that viewed the food as unhealthy. To combat the slowing demand, McDonald’s implemented healthier options in their menus, including salads and fruits. After a while sales numbers started reverting to previous figures, which can be attributed to new healthier options, but is most likely due to the short-life of consumer distrust and them reverting to old habits of fast-food eating.

This did not stop McDonald’s from pursuing a greener and healthier brand image, with various advertisements and changes meant to illustrate their dedication. One such change was the recoloring of the logo in many European countries, from a bright red, to green (Appendix A.6). According to the company, this was done to show the McDonald’s is striving to help the environment, however it was done only in Europe due to the continent’s stricter environmental organizations and policies, which targeted McDonald’s multiple times over the years (Wheeland, 2009). Thus the company wanted to avoid raising concerns about their damages and tried to cover it up by a new green logo, showing McDonald’s as green to the regular consumers. The change of logo can also be criticized as it lacked any green activities on the company’s side before the change, thus they made themselves look green with no real actions to back it up.

Company also used images of farmers to imply that their ingredients come from an authentic food farm, however the portion of the meat coming from regular farmer cooperatives was less than 5%, with the remaining coming from factory farming (Rosenberg, 2014). This misleading claim are one of the best examples of McDonald’s greenwashing and “executional greenwashing” as a whole.

McDonald’s was promoting intensively their use of bioplastic, a more sustainable alternative to regular plastic. What was not included in the promotion is that it produced greenhouse gas, had a slow biodegradation and contaminated other plastic waste, thus complicating recycling (Vidal, 2008). As greenwashing can also be considered not releasing full information about the product, this activity qualifies.

Perhaps the biggest venture of the company into green practices was their focus on sustainable beef. The new and better for the environment meat was marketed as a solution to many problems, but as it is the case with exaggerated claims, it did not deliver. Cause of it might be the fact that there were no criteria for what constitutes sustainable and the lack of performance standards (Hardcastle, 2014). McDonalds also did not disclose how much of their meat is going to be sustainable, thus a small number can be assumed, high contract with the marketing strategies around the product (Hardcastle, 2014). What should be mentioned is that livestock industry is one of the biggest polluters in the world, accounting for approximatively 14.5% of greenhouse gas emissions(Bryce, 2013). Just because some minuscule quantity of beef will be more sustainable, this does not negate the overall environmental effect. This illustrates the sin of hidden trade off, as
the general effect of producing meat is hidden in favor of a more marketable and appealing sustainable product.

Animal cruelty, claims it requires supplier to provide good conditions for livestock, but investigations reveal that the suppliers are not verified, thus showing disregard on the side of McDonalds’ (Elliott, 2018). The implication that livestock industry can be green and sustainable is also false, and constitutes greenwashing on a structural level. This industry is inherently polluting, and no amount of measure besides reduction can change it.

Besides greenwashing activities, McDonalds also engaged in genuine green marketing and activities meant to benefit the environment. The company started increasing their use of coffee and milk from ethical sources (Ashbridge, 2007), reduced waste of packaging materials by 48% and changes made to how beverages are stored saved more than 910 tons each year (Environmental Defence Fund, 2017).

These changes, both genuine and insincere, had no real effect on how the company is perceived. McDonald’s is ingrained in consumers mind to such a big extent, that at this point marketing efforts and environmental criticism have a marginal effect. The brand image is saturated and is not going to change unless drastic changes occur.

**Starbucks**

<table>
<thead>
<tr>
<th>Initial Brand Image</th>
<th>Causes of Greenwashing</th>
<th>Type of Greenwashing</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fun</td>
<td>Wanted to elevate their brand image to include green attributes</td>
<td>Exaggerating their green claims</td>
<td>Criticism of greenwashing</td>
</tr>
<tr>
<td>Consistent</td>
<td></td>
<td>Product and structural greenwashing</td>
<td>Gained green associations</td>
</tr>
<tr>
<td>Innovative</td>
<td></td>
<td>Sin of no proof, sin of lesser of two evils</td>
<td></td>
</tr>
<tr>
<td>Visual</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unique</td>
<td></td>
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</tbody>
</table>

*Table 8. Starbucks Greenwashing Case Coding summary table*

Starbucks gained a reputation as the go-to coffee shop around the world. With a strong worldwide presence and effective marketing, it became part of the daily routine for millions of people.

First shop opened in 1971 and nowadays there are more than 30,000 shops. With a focus on quality products, cozy locations, new and seasonal products, consistency on social media and good customer experience, Starbucks managed to climb its way to the top of the coffee world and becoming synonymous with coffee for many people.
Being a well-known coffee brand was not enough for Starbucks, the company wanted to capture the consumer segments that cared about the environment. For this purpose, many actions with a green undertone were undertook and promoted.

Implementation of socially responsible coffee purchasing guidelines in order to ensure a less impact for the environment, with Starbucks purchasing 77% of its coffee from suppliers that adhere to these guidelines (Lozanoca, 2009). The guidelines and Starbucks practices were accused as greenwash by several researchers. The main criticism was that the fields and the environmental impact was not monitored and this limited the benefit for the environment (Jaffee, 2007) (Renard, 2010).

It was discovered that Starbucks was wasting more than 6.2 million gallons of water everyday by keeping a constant flow in the sinks of their shops (Lozanoca, 2009). After public criticism, the company is exploring alternatives.

Starbucks promotes their new cups that are made from 10% recycled materials; however, this does not change the fact that the use of disposable paper cups creates large amounts of waste. The same cups also cannot be traditionally recycled due to them containing a thin layer of plastic (Lozanoca, 2009). This adds to the detrimental effect on the environment. Furthermore, Starbucks has been promoting their desire to change their cups several times. In 2008 they aimed at full recyclability by 2015, which did not happen, while in 2016 they aimed at an increased recycled content, which again as not achieved (Kellogg, 2018). This shows a pattern of exaggerated claims made to mislead the consumers into thinking that Starbucks is actively pushing for a better, greener cup. Recently the company started focusing even more on the development on the new cup and market it as a show of their dedication, however it is done as a response to the new law in the united stated that requires recyclable cups, thus misinforming the consumers about their true motivations (Kellogg, 2018). Promotion of a disposable cub, even when recyclable shows that Starbucks does not care about the environment, as they encourage disposable culture and imply that the consumers benefit the environment when using such cups, when the opposite is real (Kellogg, 2018).

The coffee at Starbucks is most often promoted as being fair trade when in reality only 6% was determined to be fair trade (Laidlaw, 2007). The incongruency constitutes the sin of no proof.

Starbucks also manages a water bottle company, through which they sell bottled water in their shops. Sales of bottled water is inherently unsustainable. The company claimed that sales go to funding of clean water efforts, statements illustrated on the label. However, the activity is not incorporated as a charity, thus 97.2% got to the company. As a response to this criticism, representatives of the company said that the water is used to raise awareness and not directly solve the water problem (Walker, 2006). Another indicator of Starbuck’s corporate strategy which uses sympathy for charitable causes to mislead consumers and sell their own product. The sale of water bottles can also be considered the sin of lesser of two evils, as the company implies that buying
their bottles you help the environment more than buying other bottles, which might be true but does not take away from the overall damage caused.

With the growing trends to abolish the use of plastic straws, Starbucks seized the opportunity to announce a new design for a lid that did not require a straw. Promoted as a solution to over-usage of straws, it gained Starbucks significant media and consumer praise as a pioneer in the movement. On a closer inspection however, it was determined that the new lid was significantly heavier than the new model, thus contained more plastic than the old lid and straw combination (Britschgi, 2018). This shows blatant manipulation of a narrative, using the anti-straw movement to promote themselves as green when in reality the amount of plastic and environmental damage increased.

Some actions undertaken by Starbucks are genuine and no not constitute greenwashing. Reduction of paper napkins size and introduction of a special container for leftover coffee grounds, which are to be composted had a beneficial effect on managing waste (U.S. Environmental Protection Agency Wastes, 2008).

Starbucks also introduced discounts for customer that bring their own cup, as a great incentive to fight paper cup waste. A bigger impact would be only when papers cups are made 100% recyclable or elimination of disposable cups altogether, which is unrealistic considering the nature of the modern society and the fact that many consumers take the Starbucks coffee out of the shop.

Another goal is aimed at reducing energy consumption by 25% and increase share of renewable energy sources to 50%.

While greenwashing warranted some criticism from environmentalists and informed consumers, the activity overall benefited the company for now. As Starbucks gained some green attributes and is perceived as an environmentally conscious company. Even though some activities are genuine, greenwashing shows an unethical approach to communication with the consumers.

Nature of agriculture, including coffee plantations are unsustainable. Especially when taking into account water consumption, with a cup of coffee requiring 140 liters of water (Lozanoca, 2009). Every small step to minimizing the effect is beneficial. Starbucks is held to higher accountability to headline these changes due to the image they projected and the premium price for their products. While the company is slowly moving in the right direction, there is still room for improvement, which includes less relying on greenwashing and more genuine actions.
The Body Shop

<table>
<thead>
<tr>
<th>Initial Brand Image</th>
<th>Causes of Greenwashing</th>
<th>Type of Greenwashing</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cruelty-free cosmetics</td>
<td>Decided to elevate their status in the cosmetics industry.</td>
<td>Unverifiable claims Product greenwashing Sin of no proof, sin of hidden trade off, sin of vagueness</td>
<td>Faced public backlash over exaggerated claims Public Boycott Temporary drop in the market value of the stock</td>
</tr>
<tr>
<td>Natural Charitable</td>
<td></td>
<td></td>
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</table>

Table 9. The Body Shop Greenwashing Case Coding summary table

The Body Shop is a cosmetics company that was founded in 1976 (The Body Shop, 2019). The company always positioned itself as environmentally sensitive and all-natural (Purkayastha & Fernando, 2007). The sustained marketing campaigns and modern CSR, led to the creation of a well perceived brand image. This facilitated the formation of a loyal customer base and a consistent increase in profits.

Some marketing strategies employed leveraged the use of natural names in the products, such as Vanilla Macadamia Body Lotion, thus leading the consumers to associate the products with nature. While the product contained natural ingredients, they were only a small part, with the rest being unrenewable petrochemicals and cheap, commonly found ingredients (Stevenson, 1994). The lack of transparency about the ingredients and inclusion of vague language made the company guilty of the sin of vagueness. At the same time, the products were often covered in plastic foil, which offset the probable environmental benefit of using natural products. Thus, the sin of hidden trade off can be noticed.

Body Shop was very vocal in the human rights movement, for which its owner even received an award (Purkayastha & Fernando, 2007). The company was also an avid opposer to animal testing and a supporter of defending the planet. The latter is exemplified by their promotion of renewable energies and sustainable ingredients, using minimal packaging and aim reduce the use of palm oil worldwide. However, when challenged, the company responds aggressively to criticism, including libel charges and threats to sue (Stevenson, 1994).

At the end of the century, the company started to have many competitors that offered the same natural products, which led to a decline in the market share. In order to combat these challenges, the company went through a rigorous restructuration, renouncing 25% of their product line in an effort to switch focus from manufacturing to retailing (Purkayastha & Fernando, 2007).
Even though the owner states that most of the profits go to charities, an investigation revealed that over the course of 11 years, The Body Shop has not made any charitable donations, with small contributions afterwards. Thus, the sin of no proof is committed.

At the start of the new millennia, the company improved their practices and focused more on actions rather than promotions. However, the company is still using palm oil in their products (The Good Human, 2009). An ingredient known to cause vast ecological damage, both to the vegetation and animals that have to be removed for palm plantations.

Organization such as Greenpeace accuse Bodyshop of using their values to mask their race for profits, with the environmental activities having a negligible effect that is vastly exaggerated by the company. With added claims of synthesized products and component ingredients that were tested on animals (McSpotlight, 1998).

On numerous occasions, Body Shop criticized city culture, as limiting and detrimental to nature. This did not stop the company from benefiting for cities, though, with many billboards placed across the years in major locations and the company being placed on the London Stock Exchange (Purkayastha & Fernando, 2007).

More criticism came when the company was purchased by industry giant and known environmental polluter, L’Oréal. A purchase which was seen by many as selling out on the Body Shop side, and an attempt to improve its brand image from L’Oréal. Both companies maintained that the purchase will not alter the values of the companies, with the only change being that Body Shop will have more capital to expand and to spread its values (Purkayastha & Fernando, 2007). However, the public was not convinced, with a general decline in trust, and overall brand image. This did not reflect on the sales, with them maintaining a stable pace.

The overall effects of greenwashing for the company were not very severe, there were several instances of public backlash which culminated when the company as acquired by L’Oréal, when many activists boycotted the Body Shop. This as mentioned did not affect the sales volume. A more serious consequence came in the late 1980, when the company suffered a drop in the market share prices. This was due to both greenwashing accusations and the mismanagement of the company. The drop was short lived, with Body Shop recovering rather quickly.

Presently, the company learned from their mistakes, being more open about their ingredients and not over-promoting activities that they have no huge impact on. There are still instances of environmentally damaging behavior, but it is not largely known and hard to link to the company as it is done by suppliers and partners.
Nestle

<table>
<thead>
<tr>
<th>Initial Brand Image</th>
<th>Causes of Greenwashing</th>
<th>Type of Greenwashing</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthy Family-oriented</td>
<td>Improve brand image through positive associations</td>
<td>Using green elements in advertisements, Product greenwashing</td>
<td>The effects of greenwashing are overshadowed by bigger scandals such as water exploitation and use of child labor</td>
</tr>
<tr>
<td>Reliable Quality Manipulative Unethical</td>
<td>Sin of vagueness, sin of lesser of two evils, sin of no proof, sin of a hidden trade off</td>
<td></td>
<td></td>
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</tbody>
</table>

Table 10. Nestle Greenwashing Case Coding summary table

Nestle was founded in Switzerland in 1905, as a result of a merger between 2 companies (Martin, 2015). It is the largest food company in the world by revenue, a position it held since 2014 (Sorvino, 2019).

Its portfolio encompasses more than 2000 brands, with most consumers not even realizing that the brand they like is part of Nestle. The company expanded extensively through corporate acquisitions. The wide array of products, ranging from baby powder and medical food to confectionary and snacks made Nestle a household brand for most consumers which facilitated its image as family oriented.

A long history made the consumers becoming more and more familiar with their products. This led to an association of reliability and quality. However, as stated, a vast majority of products are marketed under different brands, thus to a consumer that does not pay attention to small imprint, Nestle is not necessarily the brand that they associate with their products.

Nestle was involved in several big scandals throughout their long history, including exploitation of water resources, manipulating impoverished population to sell their products and general neglect of consumers and environment in favor of increased sales.

As public became more aware and had higher access to information, company’s unethical behavior was coming to light. To combat this negative associations, Nestle employed green marketing, but in true spirit of their past behavior, instead of genuine actions, the company regressed into manipulative and misleading campaigns, thus using greenwashing.

Boycotted in the 1980’s due to aggressive marketing of breast milk substitutes, especially in impoverished regions (Lernert, 2015). Nestle strategy was to give away powdered milk to new
mothers under pretenses that it was better than the breast milk. Nestle also provided incentives to doctors to prescribe the formula as a better alternative (The New Humanitarian, 2011). As the mothers relied on the product more and more, they ran out of breast milk. At this stage Nestle started charging for the formula, thus creating artificial demand, causing financial problems to already impoverished people and health damages to new-born babies that do not have access to breast milk anymore.

Nestle is also an avid supporter of commodification of water, which implies changing the status of water from a public good into a tradable commodity (Roberts, 2008). The company wants to remove water from the list of human rights and make it a need. This allows Nestle to increase their privatization of water resource in detriment to the public and the environment (Muir, 2013).

Further exploitation of water resources is demonstrated by their actions in USA bottled water plants. Nestle portrays itself as a provider for the community and the environment, with the arguments that they provide many jobs and are carefully monitoring water levels. However, while the jobs statement is true, monitoring of water level is proven to be false. Due to Nestle excessive use, residents of several areas had restrictions on water use (James, 2015). The escalation of their operations led to increase of the effect of droughts in California, as the water simply did not reach natural ecosystems, thus causing significant damage (Winter, 2017).

Nestle often uses imagery of nature and words such as “Fairtrade” to promote their products, while in reality, most of the plantations that Nestle uses to purchase cocoa beans from, are using child and slave labor (Dworkin, 2007). As a response to the accusations, the company implemented measures such as a monitoring system to prevent it (Nestle, 2019). This is still a passive position, taking action only when discovering it and not working towards prevention.

The claim that their products have sustainable origins is also contradicted by the fact that their production is a major cause for deforestation (Bitty, et al., 2015). A large amount of the cocoa plants is also grown in illegal plantations situated in national parks (Higonnet, et al., 2017). This not only affects the forests, but the animals as well, severely decreasing chimpanzee and elephants population (Marchesi, et al., 1995) (Covey & McGow, 2014).

Nestle promotes their investment in cocoa communities extensively, but as the reality indicated, it barely scratches the surface of the problem. With incomes four times below World Bank’s limit for extreme poverty, farmers are in an extremely perilous situation (Cocoa Barometer, 2015). Adding to this the expanding child labor and slavery, Nestle is portrayed in a very negative light. While it is not Nestle’s sole responsibility to solve all the issues, the fact that they promote themselves as a benefactor of the society when in reality the situations will only worsen, makes them guilty of greenwashing.

Claims that their water bottles are not used in landfills but are recycled gained media attention due to full page advertisements across the world (Anderson, 2008) (Appendix A.8) The company further claimed that their bottled water is the “most environmentally responsible consumer product
in the world” (CBS News, 2008). As its is known from previous cases, bottles and plastics in general have a very negative effect on the environment, not only when thrown away, but also when produced, thus claiming that they are sustainable is pure greenwashing meant to mislead the consumers and elevate the green image of the brand. Nestle also contradicted themselves, stating on numerous occasions that the majority of their bottles are not recycled and end up in landfill waste (DeJong, 2009). Nestle defended the statement, vowing to show proof of their validity, but to this day they have not. This indicates the sin of no proof.

The company also launched advertisements campaign promoting their new bottle, with an environmentally friendly name, Eco-Shape (Weichel, 2011) (Appendix A.9). The new thinner design is supposed to use 15% less plastic. This in addition so a name that evokes ecological associations, make the consumer think that the bottle is good for the environment. The reality is that the bottle has 15% less plastic than previous Nestle bottles, which when analyzed showed to use more plastic than their competitors (Weichel, 2011). This claim commits the sin of a hidden trade of and sin of lesser of two evils. The former due to the fact that even though the bottle is made with less plastic, the manufacturing process and transportation still have the same damaging effect on the environment. Also, as stated previously, plastic bottles are inherently un-green, thus committing the sin of a hidden trade off by default. The sin of lesser of two evils is evidenced by the comparison of Nestle bottles with their competitors. Even though the Eco-Shape might be damaging less, the damage is still significant.

Nestle plans to make all their plastic products, including packaging, 100% recyclable by 2025, however this does not change the root of the problem, as one of the biggest plastic polluters in the worlds, Nestle contributed to the global plastic crisis, and by 2025, the situation might be irreversible (Chow, 2018). Nestle’s goals also do not have has clear set targets and a timeline for achieving them. The greenwashing will not change or improve the current situation and will only set a very low bar for companies to be perceived as green (Greenpeace, 2019). Sin of vagueness can be attributed here as the goals are set with no clear indication and information for the general consumer.

Promotion of their cereal brands as healthy can also be considered greenwashing. By using green elements and vague statements to imply the idea of a healthy breakfast, when in reality they contain large amounts of sugars and fat (Andrei, 2017)

Nestle was one of the establishing members of the World Cocoa Foundation (WCF), organization that is meant to improve and facilitate a sustainable cocoa economy through regional development and environmental stewardship (The World Cocoa Foundation, 2019). However, the actions showcased above illustrate that Nestle is using WCF as a greenwashing façade and continue their unethical and environmentally damaging practices.
Nestle aims for 100% of its chocolate to originate from sustainable cocoa, however there is not set date and no concrete plan on how to accomplish it. Current practices also put a dent into the veracity of their intentions.

Overall, Nestle is one of the companies that despite its success and increasing sales is viewed in a very negative light. It is considered one of the most hated companies in the worlds, and based on their practices, one can argue for the validity of such rankings. Even though the company tried to discourage negative associations by implementing several green practices, they had a negligible effect, as the scandals are much bigger and greenwashing is widely ignored. Not only did it not offer any green associations for Nestle for long terms, the backlash over it was also eclipsed by backlash over more serious issues. As such, Nestle has a complicated brand image, that combines positive association over its long history, and more recent negative ones that were gained once the public became more aware of their practices.

Apple

<table>
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<tr>
<th>Initial Brand Image</th>
<th>Causes of Greenwashing</th>
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Table 11. Apple Greenwashing Case Coding summary table

Nowadays, Apple perhaps is one of the most successful brands and a perfect example of a marketing strategy done right. In order to become and stay for years as the most valuable brand in the world, Apple had to have a consistent strategy that leverages their benefits and used consumers as means for brand expansion (Forbes, 2019).

Apple was founded in 1976 as a computer hardware company, and over the years grew into a multinational technological giant that sells electronics, software and online services. Years of consistent quality, bold marketing and appealing to consumers desire to feel special transformed customers into brand loyalists, with a fanaticism without equal (Dooley, 2010). The high loyalty was also achieved by using neuromarketing techniques of grouping apple consumers as a cohesive group which was opposed by the rest of the world. This technique appealed to their desire to belong and facilitated creation of a strong brand (Dooley, 2010). Apple also used their marketing to focus on people instead of the products, as it was considered that once a customer believes in the brand, the product is not as important (Dooley, 2010).
These approaches were proven to work as with each new release of their products, Apple does not change hardware very much, instead they focus on selling the experience to their customers, which are very likely to switch. Apple is not a commodity anymore, but a status symbol, offering consumers a sense of superiority (Dooley, 2010).

At the beginning of the millennia however, Apple was not such a power house and did not enjoy a cult following as of yet. Their business practices also had much to be desired when it comes to environmental impact.

The products were hermetically sealed which leads to the need for specialized repairs service. This causes unnecessary waste from adding and removing sealing agents and component. Some products were known to not comply with hazardous substances directive (Mullins, 2007). When confronted about such issues, Apple kept refused to remove them without being forced by laws and regulations (Greenpeace, 2004).

Apple was also notorious for their lack of transparency in terms of greenhouse gas emissions and neglecting recycled plastic use (Greenpeace, 2004).

In China, Apple was accused of releasing polluted waste and toxic metals into the environment, causing severe health and environmental damages (Barboza, 2011)

With the release of the highly popular iPhone 3G, Apple started gaining market shares and improving their financial situation. The company relied on consumers buying their products on a constant basis, this is why they were releasing upgraded version regularly. To facilitate the turnover of phones, the board of directors recommended consumers to vote against proposals for stronger environmental regulations concerning recycling (Dalrymple, 2007). Consumers were led to believe this was due to increased prices that might happen, while the reality was that Apple wanted to ensure that regulations did not prevent them to complicate recycling and repairs of their phones, thus making it necessary to purchase a new one.

Apple is known for their use of planned obsolescence, deliberate tampering with the manufacturing of devices so they become obsolete before they should (Rampell, 2013) (Stiles, 2016). This is done as means to have higher sales, by creating the need for a better performing version. The overconsumption leads to a negative impact on the environment due to the rare metals that are necessary to be extracted in order to be used in microchips.

Greenpeace and consumers accusations of greenwashing and passive environmental behavior has been harsh and critical. This motivated Apple to reconsidered their environmental positioning and vowed to lower their environmental impact (Appleinsider, 2007)

Since then, Apple started being more transparent, promoting their environmental activities on their website (Apple, 2019). It is also the only company that provides a complete carbon footprint for each product (Apple, 2019)
According to Apple, new models of their flagship computers, iMac are redesigned and are using 68% less materials and produce 67% fewer carbon emissions (Apple, 2019) (Appendix A.10). However, it should be noted that the products still have a significant negative effect on the environment as a result of use of rare resources for components. This is not mentioned by Apple, thus committing the sin of hidden trade off, where consumers are not aware that the product they think is green, in reality damages the environment.

Apple started using 100% recyclable paper for iTunes cards. Apple also shifts the distribution from physical copies of the software to a fully digital one, as it eliminates a significant environmental impact that comes from packaging and transportation (Apple, 2019).

Apple uses 100% renewable energy for their data centers while the figures for the whole organizations reach 75% (Burrows, 2013). However, this number is achieved by the purchase of carbon credits to offset conventional electricity uses (Leswing, 2016). Carbon credits are a permit that allows companies to produce gas emissions and trade them when in surplus (Environmental Protection Agency, 2019).

However, the positive strides that Apple has made to improve their environmental impact are offset by their products. To this day, the majority of the hardware of Apple cannot be repaired nor recycled (Wiens, 2018).

Promotion of their facilities as producing zero landfill waste is also misleading. Apple uses a technicality to claim a green position. While it is true that facilities do not produce landfill waste directly, the products that are made there end up as landfill, partly due to an overcomplicated architecture that complicates recycling (Project Earth, 2018). This can be considered sin of vagueness as the statement is taken out of context and does not represent actual situation.

In terms of how the brand image was affected, it can be said that greenwashing initially forced activists to respond, which motivated Apple to increase their genuine green activities. This, combined with more recent activities led to green associations for the brand image. However, it is only a small part that recently becomes more and more emphasized, with the majority of the brand image formed in loyal consumers’ minds as a result of their marketing and customer experiences.

Apple is still selling products, and aims to sell as much as possible. More sales on the other hand, means more pollution and more damages for the environment, a clash with the company’s green claims. Steps are taken to decrease the effect, such as reducing energy consumption and packaging waste, however their intense marketing campaign, aggressive sails and refusal to facilitate repairs and recycling shows that green activities are just means to achieve a better image. There is the issue of profitability of sustainability measure, and issue which every company should consider and choose what they think is more relevant, and in the case of Apple, it is undoubtedly more sales, in detriment on less environmental impact.
Sub-Conclusion

The cases that were illustrated are only a handful out of numerous examples of greenwashing that take place in marketing. Some other notable examples include Volkswagen advertisements promoting clean diesel, when in reality, the company used a software that offered false reading about gas emissions (Plungis, 2015). This illustrated one of the rare examples of outright lying about green actions, thus committing the sin of fibbing. For their false claims, Volkswagen was forced to pay 14.7 billion dollars fine, with a following 37% decrease in stock prices (Balaban, 2015). The company also was criticized widely by the public, which lead to a decrease in trust and suffered extensive public backlash, decreased trust and sales numbers. The company tried to improve their image by new advertisements promoting their focus on electric cars, but the scandal is still fresh, as is the damage caused by millions of cars.

The analysis of the case studies concluded that the main reason companies implemented greenwashing was to gain some green associations with the consumers, thus capturing the emerging environmental awareness and transform it into a benefit for their brand. Big companies, due to their vast resources and investments in market research, are aware of emerging trends, thus are one of the first that promote themselves as green. These advertisements might imply to regular consumers that the companies care about the environment to a large extent and focus on beneficial actions, while it is just a way to create new horizons for profit under the pretext of helping the environment.

In some cases however, greenwashing is done as means to eliminate or dwarf negative associations that the company has gained over the years, either due to scandals, as it is the case of BP or Nestle, or growing awareness among the consumers about the damage caused by their products, such as obesity or diabetes in case of McDonald’s and Coca-Cola.

In terms of varieties of greenwashing, most companies used nature elements in their promotions. The prevalence of “executional greenwashing” and its effect show that consumers are easily swayed, mislead and manipulated by green colors and nature elements into believing that companies are green. Ost companies also present their efforts on saving the environment by charitable donations or own actions, however in all cases these actions are insufficient and are offset by their regular operations that cause damage to the environment. Predominance of greenwashing on a product level, instead of process, symbolic or structural level can be attributed to the choice of companies, as all of them sell a product rather than service. Also due to the fact that promoting a product as green is easier for companies and more comprehensible for the consumers. It also requires less evidence to support and is more relatable. Consumers can obtain a green product, thus feeling positive emotions from partaking in saving the environment, when a process, symbol or structure is harder to grasp, thus making it a tougher sale.

In terms of effect of greenwashing, they vary depending on the company, its history and consumer attitude and loyalty towards it. It was observed that companies with a well-established brand that
benefits from high loyalty, such as Coca-Cola or McDonald’s, are not affected by greenwashing. It does not benefit them in terms of green associations, and it does not cause wide-scale criticism when exposed. A brand image that is consistent and stable make it inert to changes, adding to this high loyalty to brands that are considered fundamental in our societies, makes greenwashing a passing phenomenon. For other companies however, the benefits and drawbacks of greenwashing are eclipsed by larger scandals that gain more media, and by proximity, consumer attention. As is the case of Nestle or British Petroleum, where huge scandals and accidents were the main talking points, with unethical and manipulative marketing not seeming that important. Starbucks and The Body Shop benefited from greenwashing, even if several instances of environmental criticism are taken into account. Through carefully crafted marketing campaigns, the companies managed to convince consumers of their green status, vastly overstating the extent of their activities. This green associations helped the brand image become greener and the companies to gain positive attention. It should be mentioned that nowadays, the extent of greenwashing diminished for both Starbucks and The Body Shop, and now there are more genuine green activities, so it can be argued that greenwashing and the criticism motivated the companies to achieve the claims they misleadingly announced before. In terms of negative effect, albeit insignificant, the case of FIJI Water stands out. The company overused certain claims that became obvious to be misleading or false, thus generating vast criticism for their advertisements. The backlash led to the government taking actions and imposing a stricter tax. However, even in this circumstance, FIJI Water still continues to greenwash and manages to convince large sectors of consumers of their green brand.

In terms of sins committed, it can be observed that the sin of a hidden trade off and vagueness are the most common. The same situation is presented in the source research, which identified the two sins as the most commonly used. As was the case of product greenwashing, these two sins are the easiest to commit and at the same time can have the biggest effect on making your greenwashing appear genuine. Not releasing the full information and offering vague statements make the consumer dependant on your message, thus more susceptible to manipulation.

With growing concern about the environment, green attributes are not a luxury but a necessity for companies in order to remain competitive.

The analysis shows, that advertisements are an effective tool to promote the brand or the products, and many consumers take it as facts. Unfortunately, it is impossible to expect that consumers would verify every message that the companies communicate. The solution would be for consumers to become more aware of the existence of such practices. Maintaining a critical mindset and being more skeptical about green claims without evidence are good measure to avoid being misled by companies’ greenwashing.

Overall, greenwashing as a practice will continue as long as the benefit exceeds the damage incurred. However, this takes into account only the damage done to the company, as the damage to the environment is neglected, which in itself shows that companies are not genuine in their environmental concerns. Companies will try to close the gap between the desired image and the
actual one by any means necessary, and if this means being unethical, the results justify the means for them. It is easier to mislead and manipulate, pollute and cover it up with green claims, than being genuinely green.

Questionnaire analysis
The questionnaire was distributed online through use of various social media platforms and forums. The aim was to get as many responses as possible in order for the findings to be more generalizable. The final number of responses was 413.

Before exploring and analyzing the data, the internal consistency of the responses is verified. Internal consistency illustrated how reliable the entries are when it comes to measuring similar aspect, in the case of this thesis rating of the brand image. By using the questions that examine respondents care about the sustainability and their answers in regards to green actions, an idea of internal consistency is formed. To further develop it, the researcher used Cronbach’s alpha to measure it. By using its formula that employs variances of values, it was determined that for the questionnaire data, the alpha is equal to 0.96. This indicated a very high internal consistency. However, a high value is not necessarily an advantage, as it indicates certain redundancy in term of questions. Considering that respondents were asked the same set of questions over and over again, the critique if accepted.

In terms of demographic data (Appendix A.13), the results were as expected considered the online platforms used. Majority of the respondents were between 18 and 25 years old, with the second largest group being 26-35-year old. Both groups accounted for more than 80% of the responses. This coincides with the initial assumption that generation Y will be the most numerous due to their digital affinity and an online activity. Half of the responses came from northern Europe, with the rest of the continent and North America taking the next four places. As the questionnaire was mostly distributed through the researchers’ network, the results are unsurprising.

The majority of the respondents also showed care about sustainability and environment (Appendix A.14), as is expected from this consumer group. It should also be noted that caring for the environment does not necessarily mean that they do not damage it, as it is highly probable that most of them take a passive attitude towards environmental issues. The respondents also rated high their knowledge of such issues, with 42.6 percent rating it a 4 out of 5. This can indicate either good familiarity with the issues, or an overestimation of their knowledge. Less than 5 percent chose a rating of 1 or 2, which most probably indicates that people are not comfortable recognizing their gaps of knowledge in regards to such an important topic.

The high ratings of environmental knowledge, is reflected in their cynicism in regards to green advertisements, with more than half not trusting it, which coincides with Picart research which states that more than half of consumers do not trust green advertisements (Picart, et al., 2014).
By combining multiple variables, several effects can be noticed.

In terms of trust in green advertisements, when dividing by age group (Appendix A.15.1), it can be noticed that 18 to 25-year-olds are almost equally divvied, with 115 not trusting them and 109 trusting them. In terms of the next age group, 26-35-year-olds, the gap is bigger, 116 distrust them while only 44 trust green advertisements. At the same time, 36-50-year old are more equally divided, with 13 respondents trusting the, and 14 not trusting them.

These findings show that the generation that had more life experience and is more accustomed to company practices are more skeptical. Young people still harbor a tendency to believe in green advertisements, might be due to an idealistic view of reality, believing that companies have a higher aim. In terms of older respondents, the equal divide shows that they might be included to trust them due to old habits and not being as adept at searching for critical information.

When examining the environmental knowledge through age groups (Appendix A.15.2), it is evident that older generations have rated their knowledge higher. This can be attributed to either the fact that with time they amassed more knowledge of the environment, or to the lack of modesty and overstatement their knowledge.

By combining the previous variables, an illustration of how environmental knowledge is rated by each age group and how it relates to trust in green advertisements (Appendix A.15.3). It can be observed that respondent that trust green advertisements have a slightly lower environmental knowledge, which can explain why they are more eager to believe claims without thinking about possible repercussions.

By examining the questions in regards to brand image of the companies, some insights can already be extracted. For ratings of the brand image aspects, the researchers created a new metric that combines the rating in each case. For example, if a respondent rated the sincerity of Nestle as 1, trustworthiness as 2, loyalty as 4, environmental conscious as 4 and desire to buy as 3, then the new metric will have a value of 14. This value will be considered as the total rating of the brand image. The maximum value is 25, which means that each attribute was rated 5, while the minimum is 5, with each rating being 1.

Before examining the ratings of the companies in-depth, an illustration of correlation will be shown. For the purpose of this thesis, it was decided to examine whether there is a correlation between environmental knowledge and all the attributes ratings. Surprisingly, the correlations were mostly weak, having a value of r below 0.3.

The only noticeable correlations are of medium strength, and are concerned with the initial brand image rating of Coca-Cola. In this case the r coefficients were between 0.4 and 0.5, which indicated a moderate correlation between environmental knowledge of the consumers and the sincerity, trustworthiness, loyalty, environmental conscious, desire to purchase and total rating of
Coca-Cola. It should be noted that since it is a single case, most probably the results are not representative, thus there is no strong link between these variables.

A possible link between loyalty and total brand rating was also examined. The variables used were the initial rating of loyalty towards the brand, and the final rating of each company, after greenwashing is exposed. The choice on these variables was due to the fact that it is considered that the initial loyalty best represents how consumers feel about the company, while the greenwashing rating is chosen as meant to verify if high loyalty has an effect on overall negation of greenwashing effects, as supposed by Hypothesis 1 of the thesis. What was discovered is that in regards to Nestle, a correlation of 0.5 was obtained, which indicates a medium to strong relationship. Thus, it can be argued that the higher the initial loyalty towards Nestle, the higher would be the last rating of the brand image, thus combating to a certain degree the damage done by greenwashing. Same situation is observed in the case of Coca-Cola, with a slightly stronger r coefficient of 0.55. A surprising revelation is the negative value of the r coefficient in the case of Apple, -0.54. This indicated that the higher the initial brand loyalty, the more severe the effects of greenwashing will be. A possible interpretation is that due to high loyalty, the company is held to a higher degree of standards, thus misleading the customers will have more adverse consequences due to them being more involved and engaged with the company.

**Nestle**

In case of Nestle (Appendix A.16.1), the initial brand image rating showed varied results. The overall results confirm the case study situation of Nestle having a negative association with modern consumers. In terms of sincerity, the majority rated it between 1 and 3, which shows that the company is not perceived as sincere. The same can be said about trustworthiness, with the majority either distrusting it or being in the middle. Nestle also does not evoke high loyalty ratings. An interesting find is that more people rated Nestle as environmentally conscious. This might be due to already formed associations in the minds of the consumers. Even though Nestle is one of the biggest food companies in the world, the desire to purchase is moderate-to low, this indicates that either the purchase id done out of necessity or that consumers are not familiar with all the 2000 brands that Nestle has, thus being unaware that what they want to buy is Nestle.

After respondents are made aware of green actions that Nestle is doing (Appendix A.16.2), the ratings did not change much. sincerity and trustworthiness remained largely the same, with a bit of an increase, but it is negligible. In terms of loyalty, an increase in 4-star ratings can be observed, but at the same time an increase in 1-star ratings, thus the situation is conflicting. An increase in negative rating can be attributed to the respondents’ distrust of the claims, while the increase due to positive actions. The biggest change can be observed when examining the environmental ratings, as they became much more positive, with a predominance of 4-star ratings, as opposed to 1-star beforehand. The desire to purchase also increased, with an approximate 10% increase in 4-star ratings. There is also an increase in 1- and 2-star ratings. Surprisingly, the changes come as a result of respondents that selected 3 stars beforehand. It can
be assumed that they were neutral in their rating and changed it into a negative or positive rating due to the same reasons as in the case of loyalty.

The last set of ratings is measured after respondents are made aware that the green claims by Nestle are exaggerated and that they do not represent the actual situation (Appendix A.16.3). Respondents feel mislead by such actions, this is evidenced by a sharp increase in 1- and 2-star rating for all attributes. All aspects of the brand image are affected negatively, with the consumers being very critical about misleading claims. In every case, more than 70% of ratings are negative, this show a vast dissatisfaction and a severe decrease from the ratings improved by green claims, or even initial ratings. This indicated that not only did the benefit of false green claims has been annulled, the perception of the company became even worse than in the beginning. As a result, the brand image suffered and could have been in a better situation without the use of greenwashing.

By looking at the new metric created for this thesis, the average brand image rating, we can observe a more concise shift during the three measurement (Appendix A.16.4). While initially Nestle was rated on average of 12.19, which is just below the middle of the rating scale. After consumers are made aware of green actions of the company, the rating increases by approximatively 1 point, which shows that it is perceived in a more positive way due to their green actions. However, after respondents are made aware that those actions were misleading and were covering more detrimental effects on the environment, the rating fell be more than 3 points, till 9.8. Way below the initial situation. This yet again confirms that greenwashing made the brand image in a worse state that in the beginning.

Examining the average rating from an age group perspective (Appendix A.16.5), it can be observed that all group follow the trend of increasing the rating based on green actions and then severely decreasing it as a result of greenwashing. This is with the exception of those respondents that are under 18, but due to their small number, the results are not indicative.

The rating comparison to care about the environment (Appendix A.16.6) shows that people that care about it are more conservative, thus conferring a lower rating. In the initial measurement, those that showed care about the environment rated on average the Brand image of Nestle lower by 3 points than those that do not care. This might be due to prior knowledge about the company practices and familiarity with the environmental damage. After green claims are expressed, those that did not care about the environment not only did not improve their rating, they even lowered it, which can indicate an apathy towards such actions, which is further proven by the rating remaining constant after greenwashing is illustrated. This indicated that those that do not care about environmental issues have no positive opinion about green claims, genuine or misleading. Respondent that care about the environment showed a increase in their ratings as a response to beneficial actions, and a significant decrease when those actions re exposed as greenwashing.
When it comes to trust in green advertisements and brand image rating (Appendix A.16.7), it can be seen that the respondent that trust them are more likely to rate the brand image higher. This is logical as trusting a message makes you less skeptical and more probable to have better pinion about the company. Those that trust also have a higher margin or increasing their rating as a result of green claims.

Overall it can be said that Nestle had a moderate rating when it comes to their image, that was slightly improved by green actions. However, the benefit was offset by the decrease caused by illustrating the misleading nature of those claims. The respondents followed a trend of rating, and did not show any unexpected deviations.

Apple
The initial ratings of brand image aspect for Apple (Appendix A.17.1) show a moderate perception of sincerity and trustworthiness. A predominance of 1-star ratings in terms of loyalty is surprising considering that Apple has very loyal customer. Such numbers can be due to the fact that the respondents were not Apple customers, thus did not share a loyalty to the company. Considering Apple products are more expensive than the products of the other two companies, loyalty is harder to achieve. Apple is also not perceived as environmentally conscious, with more than 60% giving it a 1- or 2-star ratings. The desirability to purchase is also low, this can have the same explanation as loyalty, the respondents were not customers thus did not share the enthusiasm about Apple products which are expensive, thus require a financial commitment.

As green actions of the company are shown, the ratings improve in three out of five cases (Appendix A.17.2). Sincerity, trustworthiness and environmental conscious see a sharp increase in number of 4-star ratings. This is logical due to the fact that Apple promotes green actions that benefit the environment. Their message is seen as a genuine care for the nature, thus sincerity increases. Loyalty and desire to purchase did not change significantly, with a slight change from 1-star ratings to the other ones. This can indicate that green actions are not sufficient ground to make neutral consumers be more loyal or desire the product more, thus more incentives are necessary.

Disproval of the green claims and evidence of consumer manipulation has a severe negative effect on the ratings (Appendix A.17.3). Again, an increase in 1- and 2-star ratings can be observed. The overall percentage of negative ratings is lower than in the case of Nestle, in regards to all aspects. Sincerity, trustworthiness and environmental conscious see a decrease of positive ratings and an overall change of dynamic, with the negative ratings gaining a majority. However, in terms of loyalty and desire to purchase, a certain stability can be observed across all three measurements. Even though the numbers changed a bit, the overall distribution of ratings remained the same. This indicates that respondents that rated it highly in both aspects kept their rating, regardless of positive or negative actions and those that rated it low, were again not influenced by either type of action on Apple’s side. As expected, the results after misleading consumers are worse than in the beginning, so it indicates an overall negative effect of
greenwashing on the brand image, as the benefits gained are offset by the damage caused. It should be noted that Apple is a famous brand, and most consumers have already a set image in their mind about it, thus the effect of exposing misleading practices can be limited.

In terms of average rating of Apple (Appendix A.17.4), the expected numbers are seen, with an average initial rating that climbs as a result of green actions and then falls below the initial figures as consequence of greenwashing.

In terms of ratings from different age groups (Appendix A.17.5), it is noticeable that younger generations are more likely to rate the brand higher. It might be due to the popularity of their producing and their status in the society, with younger consumers showing more desire for social status. The trend in ratings follows the same increase and then decrease pattern.

Consumers that care about the environment are rating the brand significantly lower than those that do not (Appendix A.17.6). As was in the case of Nestle, those that show no care about the environment rate the image lower as a result of green activities, but what is different in the case of Apple is that the rating is further lowered as a result of greenwashing. This indicated that even though green actions have no significance for them, misleading consumers is not acceptable, thus the rating suffers. Respondents that show care for the environment raise the rating as a result of green actions and decrease it after learning that the actions are misleading.

Examining trust in green advertisement in general in relation to rating of the brand image of Apple (Appendix A.17.7) shows that those more skeptical offer a lower rating. Following the same logic as in the case of Nestle, those that do not trust green advertisement are more likely to be familiar with possible effects and hidden aspect of green claims, thus are more careful in their ratings.

Even though Apple is vastly popular, it still is affected in the same way by greenwashing, with a short-term increase in brand image ratings and a sharp decrease as a result of unethical actions.

Coca-Cola

Coca-Cola is rated as moderate-to-low in most aspects (Appendix A.18.1). Even though the majority is comprised of 1- and 2-sar ratings, there can be seen a good number of 4-star ratings, which indicated a divide in regards to how the company is viewed. For a company with such a long history, it is a normal phenomenon, as consumers have various interactions with it and create their own image of Coca-Cola. The highest number of 1-star rating is in regard to loyalty and environmental conscious. This indicated that consumers are slowly moving away from the beverage due to various reasons, including health concerns and multitude of alternatives. While low ratings in terms of environmental effect cab be due to respondent s being aware that plastic is bad for the planet, due to growing awareness of the issue.

Coca-Cola promotes their green activities, and as a result, the ratings for the brand image are affected (Appendix A.18.2). The sincerity and trustworthiness are affected in a similar way, with
the number of 1-star rating staying the same while 2-star ratings decrease and transform into 3- or 4-star ratings. The fact that the number of lowest ratings stayed the same indicated respondents’ inert preconceptions about the company, which are not swayed by some green actions. The loyalty ratings incurred no changes, it indicates that for such a strong brand with an established customer base, marketing actions have to be of a larger scale in order to influence loyalty. Same reasoning can be applied to the lack of changes in terms of desire to purchase. Segments wanting to buy Coca-Cola will buy t regardless of the green claims. Environmental conscious is vastly improved, with a significant increase in 4-star ratings and decrease of 1-star ratings. This shows that respondents that considered Cocoa-Cola as a company that damages the environment, upon seeing their dedication to improve it, reviewed it in a more positive light.

As consumers were made aware of greenwashing, the ratings became worse (Appendix A.18.3). As in the case of Nestle, the majority of ratings are negative, with 1- and 2-stars making up more than 60% in each attribute’s case. All positive ratings that were gained from green actions are reverted and even further decrease, with the situation of the brand image being worse that initially. The shift towards negative ratings indicates that greenwashing has negative effects on the brand image when consumers become aware of its misleading nature.

Average rating of the brand image of Coca-Cola follows the established pattern (Appendix A.18.4). With an increase as a result of green activities, and a decrease after greenwashing is exposed.

Respondents under the age of 18 are more included to offer a high brand image rating to Coca-Cola (Appendix A.18.5), however as previously mentioned, the low number of people in this category is not representative. Older generations are more likely to rate the brand higher, in large part due to their long exposure to the products and their less determination and focus on healthier alternatives, as young people illustrate. Same pattern can be observed; however, the number do not vary to such a high degree as in the previous companies’ cases. This might be due to consumers being accustomed to the brand, thus making the brand image harder to influence.

As in the case of Apple, consumers that do not show care about the environment rate the initial brand image higher (Appendix A.18.6), with a significant decrease after green action and another fall after greenwashing. The apathy towards environment is responsible for the first decrease in ratings, while a probable cause of rating it lower as a result of greenwashing, even though they do not care about the environment, is due to them not liking being misled. Respondents that care about the environment follow the pre-established pattern.

An interesting situation can be observed when examining the relation between trust in green advertisements and rating of the brand image of Coca-Cola (Appendix A.18.7). Contradicting the previous cases, respondent that do not trust green advertisement rate the brand image higher. This occurrence is illogical as not trusting green advertisements implies a dose of skepticism, thus a more reserved stance in rating aspect of the brand image. A possible explanation might be
the brand itself. As Coca-Cola is widely recognized and accepted, people might be more inclined to rate it better. Even if they do not necessarily trust green advertisement, they might still have an exception in the case of Coca-Cola. In case of both groups of respondents, the rating increases and then decreases.

Coca-Cola presented an interesting situation, with most elements following the pattern with a small distinction in the case of trust in green advertisements. It is a occurrence that is prudent to be examined more in-depth in order to get more satisfactory answers.

Sub-conclusion
The questionnaire provided a large set of data, with 413 individual responses. The low degree in diversity in terms of questions assured a high internal consistency, which while showing that variables are reliable in measuring different aspect under different circumstances, there is redundancy in the data. Based on the data from the questionnaire, it was observed that in all three cases, a pattern is established. Companies see an increase in their brand image rating as a result of positive actions on their part. But after those actions are exposed as misleading and manipulative, the rating is negatively affected and fall below the starting point.

In terms of correlations, no significant relations were discovered. A distinctive case in terms of Coca-Cola’s initial ratings being moderately correlated with the environmental knowledge of the respondents is not a set fact due to its singular nature. Furthermore, a moderate to strong correlation was observed between initial loyalty rating and the rating of the companies after greenwashing. The researcher however argues that more analysis is required in order to demonstrate the extent of the relationship. The ratings were examined through their relation with different variables that illustrated a complex set of connections.

Combining the findings
This chapter serves as means to combine the results of the qualitative analysis of the case studies and quantitative analysis of the questionnaire. Due to how interconnected various elements of both types of data were, the researcher expected similar end results. However, the expectations were not met, with the questionnaire illustrating a more impactful effect of greenwashing on the brand image than the case studies.

In the majority of case studies, the companies managed to benefit from greenwashing as it convinced consumers of their green status, with a limited criticism that was soon forgot. The benefit outweighs the risk and the damage caused by greenwashing; thus, the companies keep their unethical and misleading tactics. The damage incurred by greenwashing, as mentioned is insignificant and it fleeting due to the abundance of marketing actions and advertisements on the companies’ side which surround consumers, thus creating a constant flow of information directed at covering past misdeeds and promoting new aspect of the companies.
In terms of the questionnaire data however, the effects are more evident, with a severe negative effect on the brand image as cause of greenwashing. Consumers do not appreciate companies being misleading and exaggerating their claims, ad they are willing to show their dissatisfaction.

The difference in results is attributed to the fact that while in the case of studies, consumers are made aware of unethical practices of a company over time, while still being surrounded by their advertisement. This diluted the negative aspect, as the consumer is overwhelmed with information. This can lead to a less severe reaction toward the company as the memory of the negative actions is not fresh in mind. In the case of the questionnaire however, the consumer is asked immediately after being made aware of companies’ misleading actions, thus with the indignation still on their mind and impulsive nature of consumers they rate the brand image lower than they would after they have time to process the information.

Thus, the researcher argues that the severity and the increased damage to the brand image observed in the questionnaire is due to recency of being exposed to unacceptable actions. In reality, the consumer after being made aware of such actions would not immediately take actions against the company. The longer the wait the less impactful the eventual backlash would be.

Overall, the brand image can be considered to be affected by greenwashing, but it is not the only influencing factor. In an isolated study such as the questionnaire the results are more evident, but they do not represent the actuality of the modern society. In the real world however, brand image is shaped by many diverse elements, thus pinpointing the exact effect of greenwashing is challenging without an in-depth analysis of consumers and companies’ operations.

The analysis focused on a complex set of relationships between different concepts and illustrated the effect they exert on each other through qualitative and quantitative data

**Discussion**

The discussion chapter aims to combine the finding of the analysis with the theoretical background.

Even though, as mentioned, there is no concrete research on the relationship between greenwashing and bran image, by using related concepts and examining a complex web of relationships, a connection between the concepts was established. According to the literature synthesis, greenwashing has a negative effect on the brand image. This is achieved through a decrease in trust and loyalty from consumers as a result of manipulative actions.

The effect can be observed in the analysis of the questionnaire, with the consumers rating the brand image lower if the company is exposed as taking part in greenwashing. This was the case for all three companies, Nestle, Apple and Coca-Cola. Thus, it can be argued that the findings of the questionnaire are consistent with the literature. All aspects of the brand image, including trust and loyalty are affected negatively by greenwashing, which as a result lowers the overall score of the brand image.
Another finding of the questionnaire analysis that coincides with literature synthesis is that green claims have a beneficial effect on the brand image. Even though such claims might not be genuine, when consumers are exposed to them, they are more likely to rate the brand higher on the scale.

As opposed to the questionnaire’s findings, the analysis of the case study did not fully coincide with the expected results based on the literature on the subject. While the idea that green claims benefits the company was present in both literature and real-life examples, the consequences and damage of greenwashing when exposed are overstated in literature. Most companies did not suffer grave consequences, and even those who were affected and criticized more, were still in a better position due to the unethically obtained green associations. The companies that were analyzed in case studies were using greenwashing to elevate their green status, and most of them succeeded in that aspect. The benefits they gained from being considered green, including higher sales and loyalty, were considerably more valuable than a moderate criticism from environmental groups and some negative word of mouth, which was quickly covered by intense marketing activities.

The researcher argues that while the consequences for the chosen case studies might not indicate what happens to smaller companies or those that were not vastly popular before engaging in greenwashing, it is nigh impossible to gain information about greenwashing from small companies, thus secondary data of the sorts is not available to a extent that would allow an through and in-depth analysis.

In terms of the hypotheses, the divergence of findings from questionnaire and case studies makes proving or disproving them more difficult. While it is true that consumers will have a more negative outlook on the company after they are made aware of greenwashing, it is not known how long the animosity will last, and if it will have lasting consequences for the brand image. The questionnaire data indicates that the hypothesis is true, with an emerging pattern of lowers rating for greenwashing companies, the case studies results are inconclusive. The researcher argues that due to the theory on the topic still being new and the questionnaire data having some elements that might intensify negative feelings, the negative effect of greenwashing on the brand image still needing to be studied and proved, However the current results lean towards the hypothesis being true.

In terms of the second hypothesis, which examines the link between loyalty and effects of greenwashing, the situation is reversed. Case studies showed that companies such as Apple or Coca-Cola, which have a high brand loyalty, are less affected by criticism of their greenwashing activities. As a result, the brand image suffers fewer negative associations. This coincides with the theory and hypothesis. However, the analysis of the questionnaire, did not show a significant correlation between loyalty and brand image rating, especially considering that in the case of Apple, a negative correlation of 0.5 was discovered. As mentioned previously it might be due to the choice of variables and a more in-depth analysis is required in order to establish concrete
correlations. As was the case of the first hypothesis, the status of the second one is also inconclusive, with half of the data proving it, and the other half not providing sufficient evidence.

Overall, the literature mostly coincided with the empirical evidence. What was different was the extent of the effects, but that might be attributed to the choice of data and the still young age of the research. The hypotheses, despite the researchers’ best efforts were not able to be proved. The researcher leans towards them being close to being true, but more data and analysis is required in order to make it clear and settled.

**Conclusion**

The project aimed to investigate the effects of greenwashing on the brand image of the companies. For this purpose, various concepts were investigated through a comprehensive systematic literature review. Synthesizing the state-of-the-art academic research on the topic of brand equity and green marketing allowed the researcher to illustrate brand image and greenwashing in context, through a web of links that facilitated exploration of their relationship.

Based on the systematic literature review, two hypotheses were devised, with the first one assuming a negative effect of greenwashing on the brand image, and the second one assuming that brand with high loyalty suffer less consequences as a result of greenwashing.

In order to answer the research question and prove or disprove the hypotheses, it was decided that an objectivist approach would be most suitable. It will also benefit from the choice of quantitative data in the form of an online questionnaire, and qualitative data from case studies. This combination of methods illustrated the pragmatist approach, as methodological choices were dictated by the objective and not by a pre-established position. The results were aimed to be as generalizable as possible, in order to illustrate trends and the effect of greenwashing on the brand image as a general rule.

The analysis provided a through representation of the effects of greenwashing, albeit slightly contradicting between the case studies and the questionnaire. The main reason behind this difference is the nature of the data, with the questionnaire being more recent, the respondents have a more critical reaction, thus offering a lower rating, while in reality, the situation is slow-paced and often ameliorated by new advertisements and marketing activities.

Comparing the empirical findings with the literature synthesis showed a mostly consistent situation. With the questionnaire being more in line in terms of negative effect of greenwashing on the brand image, while the case studies proved more appropriate to examine loyalty's effect on greenwashing consequences. This led to an inconclusive result for both hypotheses, with more data required for a better representation, but as the situation stands, hypotheses can be considered half-proven.
Overall, the thesis illustrated a complex literature synthesis on the topic of greenwashing and brand image which was compiled with a thorough combination of qualitative and quantitative data that illustrated and proved several aspects of the theory. Considering the lack of research on the relationship, this thesis can serve as a starting point due to its vast gathering on data, both theoretical and empirical. The practical aspect of the thesis is achieved through the depiction of company practices and the possible repercussions of such actions. Consumers will be more aware while companies more careful when it comes to greenwashing.

**Directions for future research**

For this thesis, the effect of greenwashing on the brand image was examined by analyzing a combination of qualitative data from case studies and quantitative data from an online questionnaire. This research illustrates general trends in consumer perception of the brand image before and after greenwashing and can serve as a stepstone for future research.

A possible direction for future research can be a more in-depth examination of consumers attitude towards greenwashing. It should also be possible to examine the ability of various consumers groups to identify greenwashing without help, and to analyze the elements that made the identification possible.

As intersection of greenwashing and brand image in theoretical literature is not well studied, it would be prudent to expand this research to examine the effect of greenwashing on brand equity as a whole, in order to gain a wider overview.

Another topic of further research can be examining possible consequences of greenwashing, which can be studied from a consumer and company point of view. From the examples in this thesis, such consequences can be positive or negative. Perhaps the most severe one is consumer boycotting the brand. Their motivations for boycotting can be analyzed and compared to the theory on consumer behavior.

The effects of greenwashing on a specific company will allow to grasp the extent of the consequences. Financial and other internal data of the company would be required in order to develop a complete map of overarching effect of taking part in greenwashing.

The relationship between general trust in green advertisement and perception of brand image is worth studying in order to gain a better understanding on how basic traits of consumers are affecting the companies.

The effect of loyalty towards the brand and how it is maintained through criticism of the company is a topic which under careful examination will yield insights into how consumers behave and illustrate further benefits of harboring high loyalty.

Overall, there are many areas that can be studied, both consumer and company centric. Based on current trends in consumer awareness about the environment and companies becoming or
pretending to be green, it is only a matter of time before more academics focus on greenwashing and its overall effects.

**Reflections**

For this thesis an objectivist approach was adapted, which implied limited effect and interactions from the researchers on the area of study. However, the choices when it comes to methods had shaped the research. This chapter’s purpose is to illustrate possible alternatives for the choices made and the alterations they would have created.

When it come to the type of data, the questionnaire was chosen due to the desire of getting more responses which would be generalized. What could have been done is study a focus group instead, which would have yielded more in-depth results and would have allowed to understand how consumers perceive greenwashing up-close.

In terms of the questionnaire, different variables could have been used in order to facilitate the discovery of correlations and other relationships. Also, the redundancy of some questions should be avoided in future researches.

Instead of focusing on big companies as source for case-studies, a smaller scale focus might help in isolating precise effect of greenwashing, instead of them being lost among the multitude of factors affecting the brand image of large companies.
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Appendix

A.1 Fiji Advertisements

A.2 BP Logo and Slogan
A.3 Coca-Cola Logo Changes

A.4 Coca-Cola Packaging Changes
A.5 Coca-Cola Green Advertisements
A.6 Coca-Cola PlantBottle

A.7 McDonald’s Green Logo
A.8 Nestle’s claim about avoiding landfill

Taking the Lead Together.

97% of Canadians have access to municipal recycling programs. Thanks to your recycling efforts and our industry's commitment, most water bottles avoid landfill sites and are recycled.

Our Commitment Speaks Volumes

- Nestle Pure Life water bottles are 100% recyclable PET plastic.
- Nestle Waters Canada and its industry partners fund a minimum of 50% of the cost of all municipal recycling programs in Canada.
- We are dedicated to finding new ways of reducing our packaging impact. Over the last 5 years, we’ve successfully reduced our plastic by 30%, paper labels by 20% and corrugate by 60%.
- Bottled water’s the most environmentally responsible consumer product in the world. This is true whether measured by water volume, plastic/crushing or carbon footprint when compared to other consumer packaged goods.

Be Assured, Nestle Pure Life is a Healthy, Eco-Friendly Choice.

A.9 Nestle Eco-Shape plastic bottle

Fashionably thinner.

The Eco-Shape bottle with 15% less plastic. We can all make a difference.
A.10 Apple “green” laptops

The world’s greenest lineup of notebooks.

Highly recyclable and even more energy efficient, the new MacBook Pro notebooks are designed with the environment in mind.

More energy efficient.

Because Apple makes both the hardware and the software for MacBook Pro, we are able to design them to work together. This allows us to make a smaller product that uses less electricity. For
A.11 Questionnaire

Brand Image and Green Marketing

Dear participant,

Thank you for taking the time for filling out this questionnaire.

I am a master student at Aalborg University in Denmark. For my master thesis, I would like to investigate how does green marketing affect brand image.

The duration of completing the survey is approximately 5 minutes.

All questions can be answered anonymously and the answers will be treated confidentially.

Thank you for taking the time to complete this survey.

Dumiru

* Required

General Information

1. What is your age group? *
   Mark only one oval.
   [ ] <18
   [ ] 18-25
   [ ] 26-35
   [ ] 36-50
   [ ] 51-65
   [ ] >65
2. Where do you currently live? *  
   Mark only one oval.
   - Northern Europe
   - Southern Europe
   - East Europe
   - West Europe
   - North America
   - Central America
   - South America
   - North Africa
   - Central Africa
   - Southern Africa
   - Middle East
   - Central Asia
   - South Asia
   - East Asia
   - Australian Continent

**Green Marketing and Brand Image**

3. Green practices are activities that are meant to lower the environmental impact of the company. Do you care about green practices and sustainability? *  
   Mark only one oval.
   - Yes
   - No

4. On a scale of 1 to 5, how familiar are you with environmental issues? *  
   Mark only one oval.
   1 2 3 4 5

5. Green Advertisements are advertisements that illustrate beneficial environmental effect of a company. Do you trust Green Advertisements? *  
   Mark only one oval.
   - Yes
   - No

**Nestle**
Brand Image is a concept that refers to how consumers perceive the Brand, with all of its components, both tangible and intangible
8. How would you rate the Brand Image of Nestle on a scale of 1 to 5 based on the following attributes? *
   Mark only one circle per row.

<table>
<thead>
<tr>
<th>Sincerity</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
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<tr>
<td>Trustworthiness</td>
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<tr>
<td>Loyalty toward the brand</td>
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<tr>
<td>Environmentally conscious</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Desire to purchase</td>
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</table>

**Nestle is dedicated to improving the environment.**

The company has designed a new bottle that uses 15% less plastic, invests in sustainable cocoa plantations and aims for 100% recyclable plastic by 2025.

**Nestle Eco-Shape Bottle**

7. After new information about the environmental actions of the company, how would you rate the Brand Image of Nestle on a scale of 1 to 5 based on the following attributes? *
   Mark only one circle per row.

<table>
<thead>
<tr>
<th>Sincerity</th>
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<th>2</th>
<th>3</th>
<th>4</th>
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<tr>
<td>Trustworthiness</td>
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<tr>
<td>Loyalty toward the brand</td>
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<tr>
<td>Environmentally conscious</td>
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<tr>
<td>Desire to purchase</td>
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</table>
Nestle vastly exaggerate their claims and the benefit they provide.

While the bottle they created uses 15% less plastic, it still damages the environment. Cocoa plantations are worked using child and slave labor. Plans for reaching 100% recyclable will not change or decrease the damage to the environment as their production still causes greenhouse gas and by 2025, the damage might be irreversible.

8. Based on the new knowledge, how would you rate the Brand Image of Nestle on a scale of 1 to 5 based on the following attributes? *
   Mark only one oval per row.

   | 1 | 2 | 3 | 4 | 5 |
---|---|---|---|---|---|
Sincerity |   |   |   |   |   |
Trustworthiness |   |   |   |   |   |
Loyalty toward the brand |   |   |   |   |   |
Environmenaly conscious |   |   |   |   |   |
Desire to purchase |   |   |   |   |   |

Google

Brand Image is a concept that refers to how consumers perceive the Brand, with all of its components, both tangible and intangible.

9. How would you rate the Brand Image of Google on a scale of 1 to 5 based on the following attributes? *
   Mark only one oval per row.

   | 1 | 2 | 3 | 4 | 5 |
---|---|---|---|---|---|
Sincerity |   |   |   |   |   |
Trustworthiness |   |   |   |   |   |
Loyalty toward the brand |   |   |   |   |   |
Environmenaly conscious |   |   |   |   |   |
Desire to purchase |   |   |   |   |   |

Google is dedicated to improving the environment.

The company is fully powered by green energy. Data-centers use 50% less energy than competitors. Big Investments in green energy projects.

Google Sustainability

100% Renewable Energy

Google matches 100% of the energy consumed by our global operations with renewable energy and maintains a commitment to carbon neutrality. That includes our data centers and Google Cloud. So when you choose Google Cloud Platform to host your company, store your data and develop your applications, your digital footprint is offset with clean energy, which reduces your impact on the environment.

10. After new information about the environmental actions of the company, how would you rate the Brand Image of Google on a scale of 1 to 5 based on the following attributes? *
   Mark only one oval per row.

   | 1 | 2 | 3 | 4 | 5 |
---|---|---|---|---|---|
Sincerity |   |   |   |   |   |
Trustworthiness |   |   |   |   |   |
Loyalty toward the brand |   |   |   |   |   |
Environmenaly conscious |   |   |   |   |   |
Desire to purchase |   |   |   |   |   |
Apple

Brand image is a concept that refers to how consumers perceive the Brand, with all of its components, both tangible and intangible.

11. How would you rate the Brand image of Apple on a scale of 1 to 5 based on the following attributes?
   Mark only one oval per row.

   | 1 | 2 | 3 | 4 | 5 |
---|---|---|---|---|---|
Sincerity |   |   |   |   |   |
Trustworthiness |   |   |   |   |   |
Loyalty toward the brand |   |   |   |   |   |
Environmentally conscious |   |   |   |   |   |
Desire to purchase |   |   |   |   |   |

Apple is dedicated to improving the environment.

New laptops and computers are using 68% less materials and produce 67% fewer carbon emissions. Their facilities produce zero landfill waste.

Apple sustainable laptops

![Macbook Pro sustainable](image)

12. After new information about the environmental actions of the company, how would you rate the Brand image of Apple on a scale of 1 to 5 based on the following attributes?
   Mark only one oval per row.

   | 1 | 2 | 3 | 4 | 5 |
---|---|---|---|---|---|
Sincerity |   |   |   |   |   |
Trustworthiness |   |   |   |   |   |
Loyalty toward the brand |   |   |   |   |   |
Environmentally conscious |   |   |   |   |   |
Desire to purchase |   |   |   |   |   |
Apple vastly exaggerate their claims and the benefit they provide.

While the products use less resources, they rely on rare materials that damage the environment. The products also are hard to repair, thus encouraging disposal, which leads to waste. No landfill waste statement is a lie, as many of their products end up there.

13. Based on the new knowledge, how would you rate the Brand Image of Apple on a scale of 1 to 5 based on the following attributes? *
   * Mark only one oval per row.

   - Sincerity
   - Trustworthiness
   - Loyalty toward the brand
   - Environmentally conscious
   - Desire to purchase

14. Choose the correct result *
   * Mark only one oval per row.

   - How much would be one plus four?
   - How much would be three minus two?

Coca-Cola

Brand Image is a concept that refers to how consumers perceive the Brand, with all of its components, both tangible and intangible.

15. How would you rate the Brand Image of Coca-Cola on a scale of 1 to 5 based on the following attributes? *
   * Mark only one oval per row.

   - Sincerity
   - Trustworthiness
   - Loyalty toward the brand
   - Environmentally conscious
   - Desire to purchase
Coca-Cola is dedicated to improving the environment.

The company released “Plantbottle” which represents their desire for a recyclable bottle which uses plant based materials. Donates to charities to support areas with water problems. Released a healthy version of their drink called Coca-Cola Life.

Coca-Cola PlantBottle

Coca-Cola Life Ad
A.12 List of Articles

<p>| Green marketing                | (Pomarici &amp; Vecchio, 2014) |
|                               | (Ngobo, 2011)               |
|                               | (Dangelico &amp; Vocalelli, 2017) |
|                               | (Littler, 2007)             |
|                               | (Lee, 2008)                 |
| Greenwashing                  | (Karnani, et al., 2014)     |
|                               | (Dahl, 2010)                |
|                               | (Gond &amp; Igalens, 2012)      |
|                               | (Trébulle &amp; Uzan, 2011)     |
|                               | (Notebaert, 2010)           |</p>
<table>
<thead>
<tr>
<th>Types of greenwashing</th>
<th>(TerraChoice, 2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Lippert, 2011)</td>
</tr>
<tr>
<td>Effects of Greenwashing</td>
<td>(Smith &amp; Brower, 2012)</td>
</tr>
<tr>
<td></td>
<td>(Picart, et al., 2014)</td>
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<tr>
<td></td>
<td>(De Jong, et al., 2017)</td>
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<td></td>
<td>(Stokes, 2007)</td>
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<td>(Halverson, 2018)</td>
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<td></td>
<td>(Chen, et al., 2014)</td>
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<td></td>
<td>(Cremers, 2015)</td>
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<td>(Benoît-Moreau, et al., 2011)</td>
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<td>(Pearce, 2008)</td>
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<td>(Dahl, 2010)</td>
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<td></td>
<td>(Gunelius, 2009)</td>
</tr>
<tr>
<td>Combating Greenwashing</td>
<td>(Parguel, et al., 2011)</td>
</tr>
<tr>
<td></td>
<td>(Lyon &amp; Maxwell, 2006)</td>
</tr>
<tr>
<td></td>
<td>(Dahl, 2010)</td>
</tr>
</tbody>
</table>
A.13 Questionnaire demographic data

Age group distribution

- <18: 2
- 18-25: 224
- 26-35: 160
- 36-50: 27

Region Distribution

- Australian Continent: 10
- Central America: 10
- East Asia: 10
- East Europe: 20
- North America: 42
- Northern Europe: 51
- South Asia: 63
- West Europe: 206
A.14 Respondents knowledge and attitude towards environment

Do you care about sustainability?

- Yes: 98.6%
- No: 1.4%

Familiarity with Environmental Issues on a scale of 1 to 5

- 1: 2.4%
- 2: 2.4%
- 3: 20.3%
- 4: 42.6%
- 5: 32.2%
A.15 Combining Variables
A.15.1 Trust in Green Advertisements and Age group

Do you trust green advertisements?

Trust in Green Advertisements among 18-25-year olds
A.15.2 Age group and Environmental Knowledge

Age group compared to average rating of Environmental Knowledge

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Rating</th>
</tr>
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<tbody>
<tr>
<td>&lt;18</td>
<td>3.00</td>
</tr>
<tr>
<td>18-25</td>
<td>3.78</td>
</tr>
<tr>
<td>26-35</td>
<td>4.29</td>
</tr>
<tr>
<td>36-50</td>
<td>4.11</td>
</tr>
</tbody>
</table>

A.15.3 Age group and Environmental Knowledge related to trust in Green Advertisements

Average rating of Environmental Knowledge by Age Group and how it relates to trust in Green Advertisements

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Rating</th>
</tr>
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<td>36-50</td>
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<td>&lt;18</td>
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<tr>
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<td>3.78</td>
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<tr>
<td>26-35</td>
<td>4.43</td>
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<tr>
<td>36-50</td>
<td>3.77</td>
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A.16 Nestle Brand Image Ratings

A.16.1 Initial Ratings

Nestle Initial Rating

A.16.2 Ratings after Green Claims

Nestle Rating after Green Claims
A.16.3 Ratings after Greenwashing

Nestle Rating after Greenwashing is illustrated

A.16.4 Nestle Average Ratings

Average Ratings

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<th>Green</th>
<th>Greenwashing</th>
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<td>13.08474576</td>
<td>9.876513317</td>
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</tbody>
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A.16.5 Nestle Average Total rating based on Age Groups

![Chart showing average total ratings of Nestle based on age groups.](chart)

A.16.6 Nestle Average Total rating based on care about the environment of respondents

![Chart showing average rating of Nestle based on care about the environment.](chart)
A.16.7 Nestle Average Total rating based on trust of respondents in Green Advertisements

Average Rating of Nestle based on trust in Green Advertisements

A.17 Apple Brand Image Ratings

A.17.1 Initial Ratings
A.17.2 Rating after Green Claims

Apple Rating after Green Claims

A.17.3 Ratings after Greenwashing

Apple rating after Greenwashing is Illustrated
A.17.4 Apple Average Ratings

![Apple Average Ratings Chart]

A.17.5 Apple Average Total rating based on Age Groups

![Average Total ratings of Apple based on Age Groups Chart]
A.17.6 Apple Average Total rating based on care about the environment of respondents

A.17.7 Apple Average Total rating based on trust of respondents in Green Advertisements
A.18 Coca-Cola Brand Image Ratings

A.18.1 Initial Ratings

Coca-Cola Initial Rating

A.18.2 Ratings after Green Claims

Coca-Cola Rating after Green Claims
A.18.3 Ratings after Greenwashing

Coca-Cola Rating after Greenwashing is Illustrated

A.18.4 Coca-Cola Average Ratings

Coca-Cola Average Ratings

Initial: 11.36803874
Green: 12.13801453
Greenwashing: 9.82566586
A.18.5 Coca-Cola Average Total rating based on Age Groups

A.18.6 Coca-Cola Average Total rating based on care about the environment of respondents
A.18.7 Coca-Cola Average Total rating based on trust of respondents in Green Advertisements