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GREENWASHING IN ECO-BRANDING OF FMCG ENTERPRISES

Eco-branding is an essential tool in modern marketing that fosters consumer trust and strengthens the environmental image of brands. For FMCG companies, this entails integrating ecological values into brand positioning strategies, implemented through the use of slogans, packaging design, and other elements that symbolize a connection with nature. However, alongside the growth of eco-branding, the phenomenon of greenwashing has become increasingly prevalent – a marketing tactic that creates a false perception of a brand's environmental sustainability. It has been examined that the essence of greenwashing and substantiates its negative impact on consumers, the market, and brands, including loss of trust, a reduction in loyal customer bases, and stricter regulatory requirements in the research. A classification of greenwashing types based on communication methods, areas of influence, and levels of environmental responsibility have been proved. The research hypothesis suggests that transparent communication, supported by certification and genuine ecological initiatives can

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ГРІНВОШИНГ В ЕКОБРЕНДИНГУ *FMCG*-ПІДПРИЄМСТВ

Екобрендинг є важливим інструментом сучасного маркетингу, що сприяє формуванню довіри споживачів і підсилює екологічний імідж брендів. Для FMCG-підприємств це означає інтеграцію екологічних цінностей у стратегії позиціювання бренду, які реалізуються через використання слоганів, дизайну упаковки та інших елементів, що символізують зв'язок з природою. Однак разом з розвитком екобрендингу дедалі частіше спостерігається явище грінвошингу – маркетингового прийому, що створює хибне уявлення про екологічність бренду. Розглянуто сутність грінвошингу та доведено його негативний вплив на споживачів, ринок і бренди, зокрема через зниження довіри, скорочення кількості лояльних клієнтів та посилення регулювання. Проведено класифікацію видів грінвошингу за способом комунікації, сферою впливу та рівнем екологічної відповідальності. Гіпотеза дослідження полягає в тому, що прозора комунікація, підтримана сертифікацією та реальними екологічними ініціативами, здатна мінімізувати явище грінвошингу і

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minimize greenwashing and enhance brand competitiveness. The methodological basis of the research includes an analysis of contemporary scientific and applied literature, as well as a review of successful practices in the field of eco-branding. A step-by-step eco-branding strategy for FMCG companies is proposed, aimed at avoiding greenwashing, ensuring the long-term development of the brand, and strengthening consumer trust. The research emphasizes the importance of tools such as life cycle assessment, transparent reporting, and independent certification, which ensure the authenticity of a brand's environmental image and its sustainable growth.

Keywords: eco-branding, FMCG enterprises, environmental initiatives, green marketing, greenwashing, strategy, environmental responsibility.

підвищити конкурентоспроможність брендів. Методологія дослідження базується на аналізі сучасної наукової та прикладної літератури, а також на огляді успішних практик у сфері екобрендингу. Запропоновано поетапну стратегію екобрендингу для FMCG-підприємств, яка передбачає уникнення грінвошингу, забезпечення довготривалого розвитку бренду та зміцнення довіри споживачів. Наголошено на важливості застосування таких інструментів, як оцінка життєвого циклу продукту, прозорі звіти та незалежна сертифікація, що дозволяють гарантувати автентичність екологічного іміджу бренду.

Ключові слова: екобрендинг, *FMCG*-підприємства, екологічні ініціативи, екологічний маркетинг, грінвошинг, стратегія, екологічна відповідальність.

JEL Classification: M 14, M 30.

Introduction

Within the framework of the global transition to sustainable development, eco-branding is of crucial importance in shaping responsible environmental behavior of both producers and consumers. Environmental initiatives of business not only contribute to reducing the negative impact on the environment, but also stimulate society to make conscious choices, which in turn strengthens the role of consumers in determining corporate strategy. Such interaction accelerates the transformation of markets towards sustainable development. However, along with positive trends, the growth of eco-branding popularity contributes to the spread of negative phenomena, among which the most critical is greenwashing. This phenomenon, characterized by the manipulation of environmental claims, undermines consumer trust in brands, inhibits the development of genuine environmental innovations and distorts competitive market conditions. This is especially true for companies in the FMCG sector, operating in conditions of rapid changes in consumer preferences.

It was hypothesized that increasing the transparency of marketing communications and adhering to ethical standards in eco-branding reduce the risks of greenwashing and contribute to increasing consumer trust in environmental brands during the research.

The aim of the research is to identify the main approaches to countering greenwashing through the analysis of its manifestations, mechanisms of action and consequences for FMCG companies and consumers.

The research methodology is based on the analysis of literary sources, comparison of best practices of European and Ukrainian companies, as well as identification of the main types of greenwashing in marketing communications. A qualitative assessment of the impact of greenwashing on

consumer choice and an analysis of tools that promote market transparency were used. The article provides examples of practical cases that demonstrate effective strategies for avoiding greenwashing.

The issue of greenwashing has been actively studied by both international and Ukrainian scientists. Delmas and Burbano (2011) in their work "The Drivers of Greenwashing" analyzed the main factors contributing to the spread of greenwashing in the corporate environment. Siano et al. (2017) expanded the classification of this phenomenon after the Volkswagen scandal. Ottman (2017) focused on strategies of environmental marketing focused on sustainable development. Bowen (2014) investigated symbolic environmental initiatives of companies. In the Ukrainian context, Odynets and Konak (2022) studied in detail the mechanisms of manipulation of environmental claims, and Minkova et al. (2016) emphasized the importance of certification in preventing pseudo-environmental practices.

The structure of the research has four sections. The first and second sections consider the theoretical foundations of greenwashing and its classification. The third is devoted to the analysis of the impact of greenwashing on consumer behavior and brand competitiveness. The fourth section provides recommendations for FMCG companies, among which transparency of communications, the use of certifications and long-term investments in sustainability are important.

1. The essence and phenomenon of greenwashing as a phenomenon in the eco-branding of FMCG enterprises

The term "greenwashing" combines the words "green" and "whitewashing", symbolizing the disguised reality under an environmentally appealing guise. Greenwashing is the practice of a company providing false or exaggerated information about the environmental benefits of its products or processes in order to improve its image. According to Delmas and Burbano (2011), greenwashing is "the deliberate use of pseudo-environmental claims to mislead consumers about the environmental benefits of a product". Siano et al. (2017) consider greenwashing as "a manipulative strategy aimed at creating a false impression of a company's environmental responsibility." Ottman (2011) defines greenwashing as "an attempt to conceal negative environmental impacts through unsubstantiated marketing claims." In Ukrainian practice, greenwashing is interpreted as "the use of environmental labeling without actual confirmation of the product's compliance with standards" (Minkova et al., 2016). Korotenko (2020) adds that greenwashing can also mean "creating the impression that a company is participating in environmental initiatives when such efforts are symbolic or limited". There are several different types of greenwashing, each of which has its own characteristics and ways of influencing consumers. The most common include: pseudo-ecological labeling, when a product receives the "ecological" label without proper certification; information concealment, when a company emphasizes

certain positive aspects while ignoring negative ones; manipulative advertising, which uses vague or misleading wording. More details about these and other types of greenwashing are presented in *Table 1*, which reflects their classification and examples of application in corporate practice.

Table 1

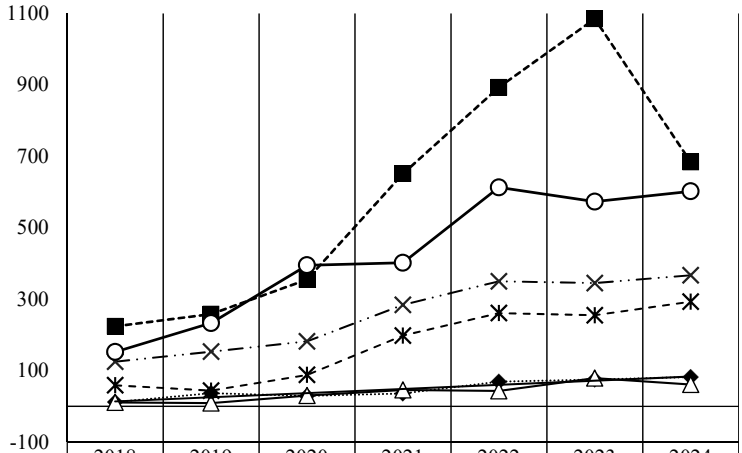
The main types of greenwashing

Type of greenwashing	Short description	Examples of application by companies
Hidden	Focusing on one environmental aspect of a product or service while ignoring other environmentally harmful characteristics	The company emphasizes the environmental friendliness of the packaging, but does not mention the high level of CO2 emissions during the production of the product
Partial	Implementing individual environmental measures that are non-systematic or have a minor impact on the overall environmental footprint	Use of biodegradable packages while maintaining harmful production processes
False environmental labeling	Using unreliable or fictitious environmental certificates and labels	The company uses symbols or statements about environmental safety without confirmation by reputable organizations

Source: compiled by the authors based on (Siano et al., 2017).

Understanding these types of greenwashing is critical for both consumers and marketers. Armed with knowledge of the mechanisms of pseudo-environmental claims, consumers can more critically evaluate marketing claims and make informed choices in favor of truly environmentally responsible brands. For marketers and companies, this signals the need for transparent communication and real actions in the field of sustainability to avoid the negative consequences of greenwashing, such as loss of trust and reputational risks. Greenwashing can lead to a decrease in brand value by 10–40% due to consumer protest, which is a significant risk factor for FMCG companies (Szabo & Webster, 2021).

In global practice there is a trend towards an increase in greenwashing cases among companies from different regions, in particular from Europe, Asia and North America. Over the past two years (2023–2024), a new peak of this phenomenon has been recorded, although for the first time in six years a decrease in the total number of greenwashing cases was noted (*Figure 1*). Despite this, the seriousness of such incidents continues to increase, which indicates larger-scale violations and manipulation of environmental claims. In 2023, about 60% of greenwashing cases concerned false claims about combating climate change, reducing greenhouse gas emissions and reducing pollution, demonstrating a growing emphasis on climate issues. In 2024, this share decreased slightly to 57%, which can be explained by new requirements for company transparency and increased consumer awareness.



	2018	2019	2020	2021	2022	2023	2024
Africa	12	37	29	36	69	75	82
Europe Asia	224	258	355	651	893	1085	684
Oceania	11	9	30	46	43	79	61
Asia	125	153	182	284	350	345	367
Latin America and Caribbean Basin	59	44	88	198	261	255	293
USA and Canada	152	233	395	402	613	573	602

Figure 1. Number of unique companies with at least one case of greenwashing related to both environmental impact and misleading communication

Source: (RepRisk, 2023, October 17; RepRisk, 2024, March 21).

In light of increasing regulatory requirements and increased public scrutiny, companies must reconsider their approaches to eco-branding. Only the implementation of proven sustainable practices, confirmed by independent certificates and transparent reporting, can restore consumer trust and provide real competitive advantages in the market.

Greenwashing continues to cause significant skepticism among consumers, negatively affecting their behavior. According to research, 98% of consumers feel deceived by false environmental claims, which signifycantly undermine trust in brands' environmental promises. This leads to a decrease in interest in eco-products, loss of loyalty and a switch to alternative, less "green" products, which jeopardizes the success of eco-branding in general.

Key aspects of consumer behavior and their expectations of brand transparency in the context of environmental responsibility are presented in *Figure 2.* According to the research (NielsenIQ Insights, 2019), consumers expect brands not only to comply with environmental standards, but also to be fully transparent about the origin of raw materials, the production process and the environmental impact. The graph highlights the importance of access to clear information about the product's composition, the availability of certification and independent verification of environmental claims. According to the survey, more than 75% of consumers are ready to change their purchases in favor of brands that provide transparency and openness. This emphasizes the importance of developing a long-term eco-branding strategy that is based on real environmental initiatives, rather than manipulative marketing techniques often associated with greenwashing.

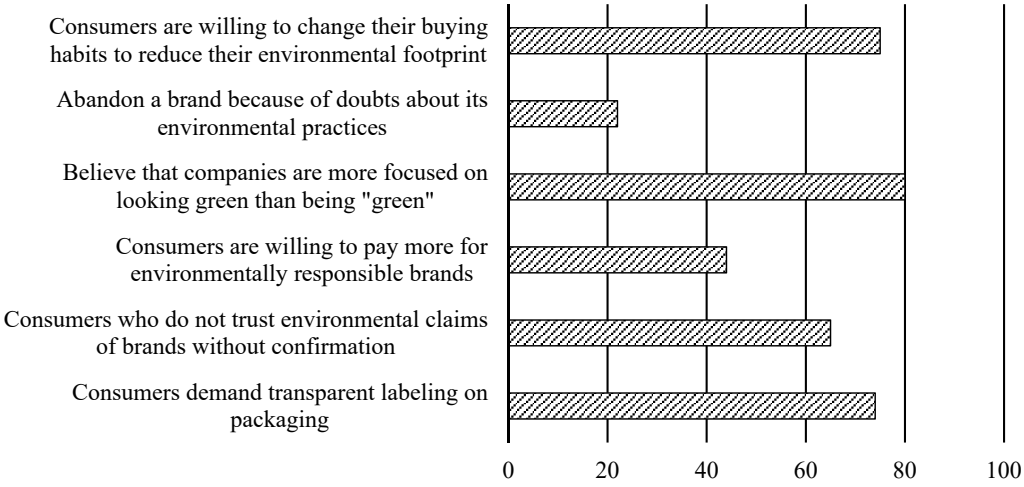


Figure 2. Key aspects of consumer behavior and expectations regarding brand transparency and environmental responsibility

Source: (NielsenIQ Insights, 2019).

Modern consumers are becoming increasingly aware and demanding of the environmental responsibility of products and services. The consequences of companies using greenwashing can have negative consequences:

undermining brand trust: the detection of false or exaggerated environmental claims weakens consumer trust in the brand. Distrust can spread not only to a single product, but also to an entire product line or even a company, which significantly complicates further communication and worsens the reputation;

increasing skepticism and changing consumer behavior: the constant use of greenwashing can cause general skepticism about environmental claims. Consumers may begin to avoid products that are positioned as environmentally friendly due to doubts about their reliability. This makes it difficult to make conscious decisions in favor of truly environmentally responsible products;

loss of loyal customers: consumers who learn about cases of greenwashing may refuse to support the brand and look for alternatives that meet their environmental beliefs. The loss of loyal customers is particularly dangerous because they often act as brand advocates, recommending them to others and promoting a positive image.

This highlights the need for companies to be transparent and accountable in their environmental claims in order to maintain and strengthen relationships with consumers.

Greenwashing also poses significant challenges to the environmental goods market, affecting its development and dynamics (*Table 2*).

The impact of greenwashing becomes particularly evident when large corporations find themselves at the center of scandals due to the use of false environmental claims. An analysis of several well-known cases allows us to better understand the consequences of this practice and emphasize the need for an ethical approach to eco-branding. They are summarized in *Table 3*.

Table 2

The impact of greenwashing on consumers, the market and brands

The areas of impact	Consequences for the company
Consumers	*Undermining trust:* the exposure of false environmental claims undermines brand trust in general and creates growing consumer skepticism about companies' environmental initiatives. *Changing consumer behavior:* constant exposure to greenwashing leads to a decrease in interest in environmental products and a shift to less environmentally friendly and cheaper alternatives. *Loss of loyalty:* consumers may shift their choices to brands that demonstrate transparency and real environmental efforts
The market	*Reduced profitability of environmental investments:* distrust of "green" products may lead to reduced investment in new environmental technologies. *Stricter regulatory requirements:* the spread of greenwashing stimulates the strengthening of legislation and standards in the field of eco-branding. *Negative impact on eco-branding:* reduced overall attractiveness of environmental products due to frequent cases of pseudo-environmental claims
Brands	*Reputational damage:* greenwashing can lead to long-term reputational damage for brands, reducing their competitiveness. *Market share loss:* consumers who have lost trust often choose alternative products, leading to reduced sales and market share. *Legal consequences:* companies found guilty of greenwashing can face lawsuits and fines

Source: compiled by authors for (Vollero, 2022).

Table 3

The use of greenwashing by well-known brands

Brand title	Case study and brief description	Company's ambitions	Consequences
Coca-Cola	Eco-friendly packaging. Claiming that all plastic bottles are fully recyclable reduces the negative impact on the environment	Integrating corporate social responsibility strategy into marketing communications, taking into account the growing interest of consumers in environmental issues	Independent studies have shown that only a small percentage of plastic bottles are actually recyclable. Most plastic waste ends up in landfills or in water supplies, leading to greenwashing. The result is a loss of consumer trust and growing skepticism about the environmental claims of large corporations
Unilever	The company promoted Persil and Surf laundry detergents as environmentally friendly products, manufactured using clean technologies that reduce their negative impact on the environment	Use the environmental trend to attract customers, increase consumer loyalty, and position the brand as eco-conscious	The actual performance of the products did not match the claimed performance, leading to accusations of greenwashing. Loss of consumer trust led to reduced loyalty and loss of market share
Nestlé	The "Pure Life" brand was positioned as environmentally friendly bottled water, obtained from sources with high environmental standards	Create an image of an environmentally responsible brand that takes into account the growing awareness of consumers about sustainability	Water sources were found to be no different from standard ones and environmental promises were exaggerated. This led to accusations of greenwashing and a negative impact on the company's reputation
Volkswa-gen	Dieselgate case: the company promoted diesel cars under the slogan "Clean Diesel", claiming that they had low emissions and met the highest environmental standards	Use environmental characteristics as a competitive advantage and attract consumers focused on sustainable development	The discovery of emissions-cheating software manipulation during testing led to a global scandal. The consequences included multi-billion-dollar fines, vehicle recalls, and significant reputational damage that significantly reduced brand trust

Source: compiled by authors for (Zishen Lin, 2022; Vollero, 2022; Siano et al., 2017)

Thus, the experience of these corporations is an important example for businesses about the inadmissibility of greenwashing and the need to invest in real sustainable practices. This will not only help maintain consumer trust, but also ensure the long-term competitiveness of the brand in the face of growing attention to environmental responsibility.

2. Classification of greenwashing

In the field of eco-branding of FMCG companies, it is important to understand the various forms of greenwashing, as this allows you to effectively counteract this phenomenon and develop ethical marketing strategies, especially in the context of eco-branding of FMCG companies.

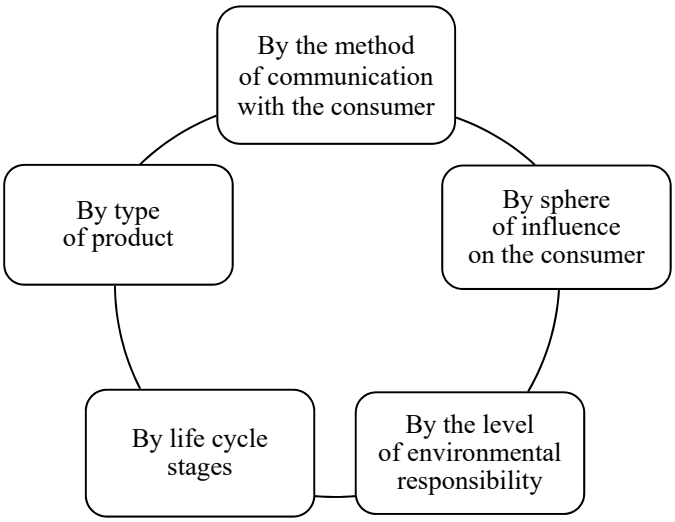


Figure 3. Classification of greenwashing by marketing features

Source: compiled by the authors according to (Laufer, 2003).

The classification of greenwashing by marketing characteristics helps to identify specific tactics and techniques that companies use to manipulate consumers' environmental perceptions (*Figure 3*). This not only increases market transparency, but also contributes to informed consumer choice.

The classification by means of communication with the consumer demonstrates how companies use a variety of channels to create a positive environmental image, often without actually changing production processes or corporate strategies. Packaging, social media, PR campaigns, partnerships with environmental organizations and event sponsorships are all tools that brands use to create the impression of environmental responsibility.

Greenwashing manifests itself in the manipulation of these channels, when companies emphasize external attributes of environmental friendliness,

such as green packaging or positive images of nature, instead of focusing on real environmental improvements. (*Table 4*).

Table 4

Methods of communication with the consumer

Communication method	Characteristics	Examples
Packaging	Packaging is often the first point of contact a consumer has with a product, and it is actively used to create the impression of being environmentally friendly. Companies can add elements that evoke associations with nature, such as the color green, images of trees, water or earth, which stimulates the perception of the product as environmentally friendly.	Using biodegradable labels on products that have non-organic content, or packaging with the words "organic", "natural", which is not confirmed by certificates
Advertising	Media advertising campaigns often use exaggerated or distorted claims about a company's environmental achievements. This can be either direct claims about the environmental friendliness of products or covert advertising through positive images.	Car advertising that focuses on their "environmental" characteristics (reducing CO2 emissions), ignoring other aspects that are harmful to the environment
Social media	Social media is used to promote brands' green image through short messages, nature posts, or collaborations with influencers. Consumers often have no way to verify the authenticity of such claims, leading to a superficial green image.	Campaigns where influencers post photos with "eco-friendly" products without providing additional facts about their impact on nature
PR campaigns	Companies use public events and statements to improve their image by focusing on environmental aspects that may be insignificant or one-off. Press releases can be aimed at showing the company's "green" initiatives, even if they are not systematic	Press conference dedicated to tree planting organized by large corporations with high levels of environmental pollution
Sponsorship of environmental events	Companies can sponsor environmental initiatives or events (e.g., green marathons) to create the impression of their environmental responsibility without changing their core operating processes.	A major oil company that sponsors an environmental festival but doesn't make any changes to reduce its own carbon emissions
Partnership with environmental organizations	Companies can partner with environmental NGOs or support specific environmental projects by providing financial or other assistance. This can be used to improve the brand image, even if the company's core products are not environmentally friendly.	A company that produces disposable plastic products is funding an organization that is cleaning up oceans from plastic

Source: compiled by the authors for (Delmas & Burbano, 2011).

The criterion "*by the sphere of influence on the consumer*" details how greenwashing focuses on different aspects of consumer behavior and perception, including psychological, informational, social and economic factors. This helps to clarify how marketing strategies use environmental trends to manipulate the market and create the illusion of environmental responsibility without real change. In general, this forms:

psychological influence through the use of positive association. Companies use greenwashing to create a sense of participation in environmentally responsible actions in consumers. The rhetoric that "by buying this product, you are making the world a better place" is actively used to create an emotional attachment to the brand.

Example is the products advertised as "green" due to one environmental element (for example, biodegradable packaging) create in the consumer the feeling that this purchase is a "contribution to saving the planet";

informational influence through lack of knowledge. In this case, the company relies on the fact that the consumer does not have enough information to verify the environmental claims. This creates the impression that the product is environmentally friendly, when in fact it is not.

Example: using complex terms such as "green" or "organic" without a detailed explanation of how these characteristics are achieved contributes to the manipulation of consumer perceptions;

social influence through trends and social norms. Greenwashing is mainly based on social trends in behavior and consumption. Companies use popular environmental trends to attract consumers who are eager to support environmentally conscious initiatives, but do not always check the reliability of the information.

Example: mass production of "green" products that are actively promoted through influencers or social media without properly assessing the real environmental benefits;

economic influence through price manipulation. Consumers are willing to pay more for products that they believe are environmentally friendly. Companies use this to increase the price of products labeled "green", even if these products do not have significant environmental benefits.

Example: overpricing "green" versions of a product (e.g. "organic" products), even though their production process is no different from the regular one.

Product type takes into account differences between product types, as each type of product creates unique opportunities for manipulating environmental claims (*Table 5*). Products from highly processed FMCG companies, such as food, cosmetics or textiles, often undergo complex production processes, which opens up more opportunities for distorting information about their environmental impact. At the same time, durable goods, such as cars or household appliances, offer the opportunity to manipulate data about the energy efficiency or environmental friendliness of the materials used.

Table 5

Greenwashing by product type

Type of product	Characteristic	Example of greenwashing
Food products	The food industry often uses labels such as "organic," "bio," or "natural." However, these terms can be used incorrectly or without proper certification. Food products also run the risk of being manipulated by partially using organic ingredients without disclosing other aspects of production.	The product is advertised as "organic" because it contains one organic ingredient, but most of the other ingredients are conventional
Cosmetic products	The cosmetics industry actively uses "green" claims, such as "paraben-free" or "not tested on animals," to attract consumers' attention. However, this can be misleading if the company, for example, uses other harmful substances or tests other products on animals.	A cream that is advertised as "natural" but contains synthetic preservatives or other dangerous chemicals
Household goods	Household products often use advertising that focuses on biodegradability or reduced environmental impact through the use of "green" materials. However, some products may only be partially biodegradable or use manufacturing processes that are harmful to the environment.	Plastic bags that are advertised as biodegradable but actually decompose only under specific conditions not available under normal recycling conditions
Automotive industry	In this industry, greenwashing often focuses on reducing emissions or using alternative energy sources. However, even if certain cars have reduced emissions, their production process can cause significant environmental damage.	An advertisement for a hybrid car that is supposedly "eco-friendly," but its production creates large amounts of toxic waste
Textile industry	The fashion industry also uses environmental rhetoric, claiming to use organic fabrics or environmentally friendly production processes. However, this greenwashing can be when a company focuses on only one aspect, ignoring other harmful practices, such as poor energy efficiency or excessive water use.	Clothing labeled "eco-friendly cotton" that is actually made in factories with significant water and energy consumption
Technological products	Electronics manufacturers may make claims about the energy efficiency of their devices or the use of recycled materials. However, these claims often do not reveal the full picture of the conditions under which such products are manufactured or disposed of.	Advertisement for a laptop that uses energy-saving technology but is manufactured with environmental pollution during the extraction of materials

Source: compiled by authors for (Ottman, 2011; TerraChoice Group, 2010; Delmas & Burbano, 2011).

The *product life cycle criterion* is one of the key approaches to classifying greenwashing, which allows detecting manipulations at different stages of the product life cycle – from the extraction of raw materials to their disposal. This approach is based on the understanding that each such cycle has specific opportunities for pseudo-environmental claims that can distort the real impact of the product on the environment.

Raw materials. At this stage, manipulations can concern the sources of origin of raw materials and methods of their production. Companies often exaggerate the environmental friendliness of materials, claiming the use of "renewable" or "organic" components, without providing real evidence or ignoring important details about the origin and methods of production.

Production. An important stage at which greenwashing can concern the creation of products. Typically, companies claim to reduce harmful emissions or introduce environmentally friendly technologies, although in reality such innovations may have limited or insignificant impact. Often, manipulations are made using unconfirmed data about "green production", which in fact is not true.

Transportation. Companies may exaggerate the environmental benefits of their transportation operations, for example by claiming to use "green transportation" or reduce emissions during logistics, although the actual figures often differ significantly from the declared ones.

Recycling. When claiming the recyclability of a product, companies often ignore the real difficulties or impossibility of recycling it. Products that are declared as "biodegradable" or "recyclable" may in fact have significant recycling restrictions or require special conditions for full decomposition, which are not always explained to consumers.

The *criterion of the level of environmental* responsibility allows us to classify greenwashing depending on the degree to which a company integrates environmental practices into its activities. This classification makes it possible to assess the extent to which the company's statements correspond to real environmental initiatives and efforts aimed at reducing the negative impact on the environment. Depending on the level of responsibility, several key categories can be distinguished.

Fully ecological products. This category is occupied by companies that implement environmentally responsible practices at all stages of their activities - from the use of environmentally friendly raw materials to product disposal. Companies that produce fully ecological products have real confirmation of their statements, in particular through international environmental certifications ISO 14001 or Ecolabel. In such cases, environmental statements are confirmed by specific actions and transparency of production processes.

Partially ecological products. This category includes companies that implement environmental initiatives only at certain stages of their activities, for example, using organic raw materials or energy-efficient production technologies. However, other stages of production, transportation, or disposal of products may not meet the declared environmental standards, which often lead to overstating the environmental benefits of the product, creating opportunities for greenwashing.

Products with limited environmental responsibility. This category includes companies that only partially or minimally implement environmental initiatives. For example, they may emphasize certain environmental properties of their products (such as the use of recycled materials or the reduction of harmful emissions), but the overall environmental impact of their activities remains significant. Such companies try to use the environmental image to improve their reputation, but their real responsibility is limited.

Non-environmental products with pseudo-environmental advertising. This is the lowest level of environmental responsibility, where companies practically do not implement sustainable practices, but actively use environmental rhetoric in their advertising campaigns. They may claim that their products or processes are "green", while these claims are not supported by reality or are manipulative. This is a classic example of greenwashing, where companies seek to improve their reputation through exaggerated or false environmental claims.

3. Methods of avoiding greenwashing in the process of eco-branding

In modern eco-branding of FMCG companies, transparency and reliability of information are fundamental principles that allow avoiding greenwashing and maintaining consumer trust. Compliance with these principles ensures the sustainability of the company's environmental reputetion. Let's consider the main methods that help prevent greenwashing in the context of eco-branding.

Use of verified environmental labels.

Product certification is an effective way to avoid greenwashing. The use of internationally recognized certification standards ISO 14001, Fair Trade Certified, Rainforest Alliance, GOTS and PEFC guarantees the reliability of environmental claims (*Table 6*). These standards help to verify the real environmental impact of products and increase the level of trust in the brand.

Table 6

Major international certifications

Certification	Applications	Main goal
ISO 14001	Environmental management	Systematically reduce negative environmental impact
Fair Trade Certified	Ethical trade	Support socially responsible production
Rainforest Alliance	Nature protection	Conserve biodiversity and sustainable agricultural practices
GOTS	Textile production	Guarantee organic materials and compliance with social standards
PEFC	Forest certification	Support sustainable forestry and legal timber trade

Source: compiled by the authors according to (ISO, 2015; Fair Trade USA, n. d.; Rainforest Alliance, 2024; Global Organic Textile Standard, 2021; PEFC, n. d.; Minkova et al., 2016).

Transparent communication on environmental impact

Transparency in eco-branding involves detailed communication about the environmental impact of products at each stage of their life cycle *(Table 7*). Companies should provide consumers with accurate information about the sources of raw materials, energy efficiency of production, implementation of "green" technologies in logistics and methods of product disposal. This helps to build trust in the brand, strengthening its reputation as environmentally responsible.

Table 7

Product life cycle stages and communication

Life Cycle Stage	Description	Communication content
Raw Materials	Source and extraction methods	Use of renewable or organic materials
Production	Energy efficiency and emission reduction	Use of "green" production technologies
Transportation	Low-emission logistics	Use of environmentally friendly vehicles
Disposal	Recycling or decomposition	Compliance with biodegradability or recycling standards

Source: compiled by the authors according to (Ottman, 2011).

Such information should be clear and specific, in particular on reducing CO_2 emissions, using environmentally friendly materials or implementing innovative technologies. This allows consumers to understand the real contribution of the company to environmental protection and make informed choices in favor of eco-brands.

Providing access to additional sources of verification.

Companies can increase the credibility of their environmental claims by providing links to external sources or certificates. For example, independent environmental research reports, audit results or official certificates should be available on the company's website or in the form of QR codes on product packaging.

Clear formulation of environmental claims.

Environmental claims should be accurate and supported by facts (*Table 8*). Using general terms such as "environmentally friendly" or "natural" without specifying them can cause doubts among consumers. Companies should clearly indicate the specific environmental benefits of their products, such as emissions levels, amount of recycled materials, etc.

Table 8

Formulating environmental terms in brand communication

The term	Precise formulation	Example of use
"Natural"	Uses 100% organic cotton	"The shirt is made from 100% GOTS certified organic cotton"
"Eco-friendly"	Reduced carbon footprint by 50%	"The CO_2 emissions during production have been reduced by 50% compared to 2020"

Source: compiled by authors for (ESMA, 2023).

Adhering to these methods not only prevents greenwashing, but also contributes to the long-term sustainability of FMCG companies' eco-branding. Transparency, the availability of verified eco-labels, access to independent verification sources and clear wording of environmental claims form the basis for trust and sustainable brand development.

4. Strategies to counteract greenwashing

To effectively combat greenwashing and ensure the authenticity of FMCG eco-branding, companies should use specific strategies focused on implementing environmental principles in all aspects of their activities. These strategies should be based on real actions supported by transparent and reliable data.

Strategies to combat greenwashing are a set of measures aimed at ensuring the transparency, reliability and authenticity of a company's environmental statements, which include the development of internal policies, the implementation of ethical communication standards and the integration of environmental principles into business processes.

Strategies to combat greenwashing significantly affect the business environment, forming new standards of ethical behavior and responsibility. In particular, they change market dynamics, stimulate companies to implement real environmental practices and influence consumer behavior.

The mechanism of influence of these strategies on the business environment is to create competitive advantages for companies that adhere to the principles of transparency and authenticity in environmental statements (*Figure 4*). When companies actively combat greenwashing, they build trust with consumers and partners, which strengthen their reputation in the market.

This encourages competitors to adapt to the new conditions, increasing the overall level of environmental responsibility in the industry. Such strategies also influence consumers, increasing their level of awareness and trust in brands. When companies provide reliable and verified information about the environmental characteristics of their products, consumers can make informed decisions, supporting environmentally conscious businesses. This stimulates the growth of demand for sustainable products and contributes to the formation of an environmentally conscious consumer culture.

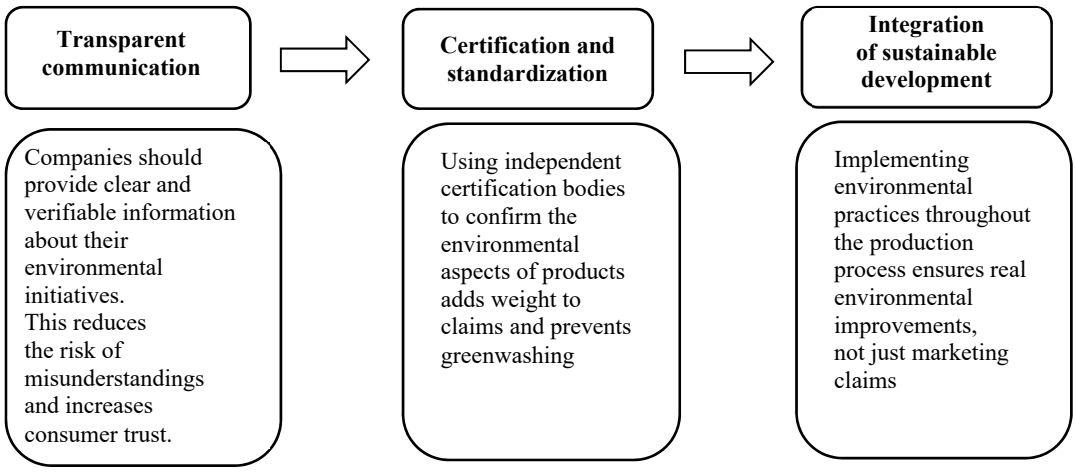


Figure 4. The mechanism of countermeasures

Source: compiled by the authors based on (ESMA, 2023; Minkova et al., 2016).

The mechanism of influence is also manifested through increased regulatory pressure. Companies that implement strategies to combat greenwashing often cooperate with regulatory authorities and non-governmental organizations, contributing to the development of stricter standards and regulations in the field of environmental responsibility. This creates a stricter legal framework, forcing all companies to improve the level of their environmental practices.

These strategies affect business partnerships through supply chains. Companies are starting to demand that their suppliers comply with environmental standards, which extend the impact to related industries and contribute to the

overall improvement of the environmental situation. This creates a network effect, where the responsibility of one company stimulates positive changes in the entire business environment.

In addition, greenwashing strategies affect innovative development. Companies invest in research into new environmentally friendly technologies and products. This not only improves their competitiveness, but also contributes to progress in the field of sustainable development.

Creating a greenwashing strategy in an FMCG company is a complex process that requires a deep understanding of the environmental aspects of the business and the integration of sustainable development principles into the corporate strategy. This process begins with the realization of the need to move from superficial environmental statements to real actions aimed at reducing the negative impact on the environment.

A step-by-step approach helps to build an effective strategy to combat greenwashing, aimed at achieving real environmental results in the FMCG sector (*Figure 5*).

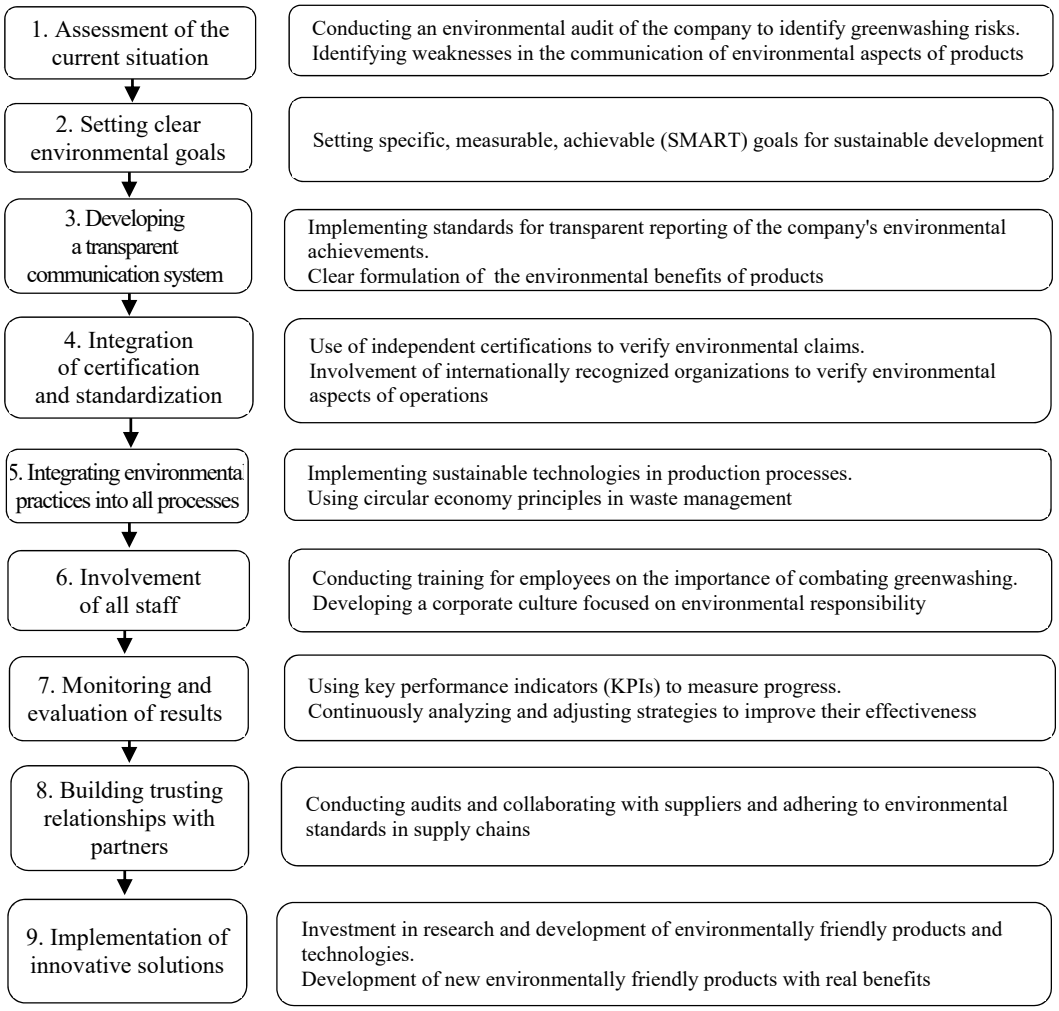


Figure 5. Stages of developing a strategy to combat greenwashing in FMCG

Source: compiled by the author according to (ESMA, 2023; Ottman, 2011).

Developing and implementing an anti-greenwashing strategy requires a collaborative effort and the involvement of different departments within the company.

Senior management is responsible for initiating the process, providing strategic vision, and allocating the necessary resources. Their support is critical for setting corporate priorities and ensuring the effectiveness of the strategies being implemented.

The marketing department integrates environmental aspects into the brand strategy and communication with consumers. They ensure the credibility of all environmental claims and their confirmation by real actions, using modern tools and channels for disseminating information.

The production department optimizes the use of resources and implements environmentally friendly practices in production processes, such as waste reduction, the use of renewable resources, and energy-efficient technologies.

The supply and logistics department ensures compliance with environmental standards in supply chains and collaborates with suppliers to implement sustainable practices. It monitors the environmental impact of logistics operations and seeks alternative environmentally friendly transport solutions.

The legal department ensures that the company's activities comply with legislative requirements and standards in the field of ecology and advertising. It advises on legal risks and helps to avoid potential violations.

The human resources department organizes training for personnel in the field of environmental responsibility and the development of an environmentally conscious corporate culture. Employees must understand their role in the implementation of environmental initiatives.

All employees: each employee participates in the implementation of the greenwashing strategy, adhering to established policies and actively supporting environmental initiatives. Staff involvement is the key to success.

The development of a greenwashing strategy is based on the scientific principles of sustainable development, environmental management and corporate social responsibility. The use of methodologies such as product life cycle assessment (LCA) allows for the quantitative assessment of the impact of products and processes on the environment. This provides an objective basis for decision-making and setting priorities. The integration of corporate environmental ethics helps to form the principles and values that guide the behavior of the company. This strengthens the long-term sustainability and reputation of the company.

Creating and implementing an anti-greenwashing strategy in an FMCG company is a complex process that requires systematic and scientific approaches. Involving different departments and levels of management ensures the effective implementation of eco-branding activities and contributes to achieving real environmental improvements.

Conclusions

The research hypothesis that transparent communication, certification and real environmental initiatives can minimize greenwashing and increase the competitiveness of brands has been confirmed.

Greenwashing remains a serious problem for FMCG companies that seek to build long-term relationships with consumers and ensure the sustainability of their business. Practice shows that superficial environmental claims without factual confirmation not only undermine consumer trust, but also cause reputational and financial losses. This emphasizes the critical need to develop scientifically based strategies to counteract greenwashing.

Integrating sustainable development into corporate strategies promotes a systemic approach to environmental responsibility, which increases business efficiency and forms a positive corporate culture. This allows you to strengthen consumer trust and employee engagement, which in turn increases brand loyalty and creates competitive advantages.

Transparent communication is the basis for strengthening trust. Open coverage of both achievements and challenges demonstrates a high level of responsibility, which helps to strengthen the brand and stand out in the market. Investments in environmental innovations and technologies not only reduce the negative impact on the environment, but also create new opportunities for business development, expanding the product range and entering new markets.

In the context of growing environmental awareness of consumers and increasing regulatory requirements, counteracting the greenwashing is becoming a strategic necessity. Scientifically based approaches and real environmental achievements provide FMCG companies not only with competitive advantages, but also help preserve the environment for future generations.

Thus, comprehensive long-term strategies to counteract greenwashing are an integral part of the success of FMCG companies' eco-branding strategies. A systematic approach, scientific validity and transparency ensure consumer trust and support the harmonious development of business in accordance with environmental standards.

The prospect of further research should be the development of integrated models for assessing the effectiveness of eco-branding, taking into account the dynamics of market changes and consumer behavior, as well as the analysis of the impact of digital technologies on the transparency of brand communications.

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