

the
Greenwash
guide

917101



futerra
sustainability
communications

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The two minute version

Greenwash is with us, and unless we take action, it is likely to be with us to stay. Greenwash is an environmental claim which is unsubstantiated (a fib) or irrelevant (a distraction). Found in advertising, PR or on packaging, and made about people, organisations and products. Greenwash is an old concept, wrapped in a very modern incarnation.

And greenwash is growing. The Advertising Standards Agency in the UK is upholding more and more complaints against advertising that can't live up to its green bluster. Around the world regulators are trying to keep up, and the USA's Federal Trade Commission has brought forward to 2008 its plan to review their environmental marketing guidelines. France has just announced new guidelines and the UK is reviewing the advertising Green Claims guidance. But is this enough?

Why all the fuss?

Greenwash isn't simply annoying, it's dangerous. In a market economy the consumer is king, and consumers have started sending strong environmental signals through their purchasing. This growing 'green pound' is a powerful force compelling the economy to clean up its environmental act.

But consumers often rely on advertising and other corporate messaging to inform their purchasing choices, and greenwash is undermining confidence in that advertising. That confidence is now at an all time low, with only 10% of consumers trusting green information from business and government¹. Without confidence in the claims, consumers are reluctant to exercise the power of their green purchasing, as they no longer know who or what to believe. This puts the whole market for the 'green pound' in danger and might damage the virtuous circle of companies promoting their green products, consumers choosing them over non-green products thereby encouraging

business towards greater greenness. Greenwash is the spanner in the works that could sabotage the whole environmental movement within business.

This guide reveals the industries most actively greenwashing, and those environmental claims most likely to be greenwash. Not enough is being done to prevent this accelerating negative feedback loop. None of the UK's biggest advertising agencies claim to have training or guidelines for their staff on what is a justified green claim. And none of the main publications in the UK who sell advertising space have their own standard.

It's not all bad news

Most greenwash is due to ignorance and/or sloppiness rather than malicious intent, and businesses and advertising agencies can take simple steps to prevent greenwash slipping through. As a consumer, you too can spot the worst greenwash symptoms, and this guide lists the simple tests for 'greenwash' versus 'good claims'. Tear off and keep our simple Greenwash Guide postcard for when you're shopping.

At a time of impending economic challenges, it's more vital than ever that green messages have credibility. The next few years will demonstrate if together companies, agencies and consumers can spin the virtuous circle, or if runaway greenwash will bring the new green revolution crashing down.

10 Signs of Greenwash

From the international codes and research for this report we have identified 10 signs of greenwash, be it in an advert or a speech by a government minister.





1. Fluffy language

Words or terms with no clear meaning, e.g. 'eco-friendly'



2. Green products v dirty company

Such as efficient light bulbs made in a factory which pollutes rivers



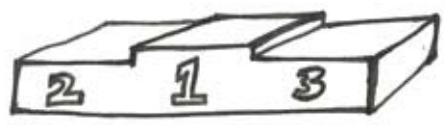
3. Suggestive pictures

Green images that indicates a (un-justified) green impact e.g. flowers blooming from exhaust pipes



4. Irrelevant claims

Emphasising one tiny green attribute when everything else is un-green



5. Best in class?

Declaring you are slightly greener than the rest, even if the rest are pretty terrible

6. Just not credible

'Eco friendly' cigarettes anyone? 'Greening' a dangerous product doesn't make it safe



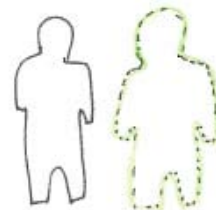
7. Gobbledygook

Jargon and information that only a scientist could check or understand



8. Imaginary friends

A 'label' that looks like third party endorsement ... except it's made up



9. No proof

It could be right, but where's the evidence?

10. Out-right lying

Totally fabricated claims or data



The temptations of greenwash

In this guide you're going to learn a lot about greenwash. What it is, why companies do it and how to avoid it. But the first question must be – why is there greenwash in the first place?

Actually there is a very simple answer to this question. It's that you, the consumer, have started to change your buying patterns in a way that has caught the advertiser's eye.

Consider the example of 'organic' for a moment. The Co-operative Bank discovered that organic food sales in this country have doubled since 2000 and are now growing at an average of 25% per year². By 2010 the organic market will be worth at least £2billion³.

Think back only a decade or so and imagine trying to buy 'organic' in a high street supermarket. Organic then was for real green enthusiasts; the Good Life types. Today organics is a huge, and relatively young, market spilling out from food to new 'marketing categories' such as beauty products.

And new markets make marketers twitchy with excitement.

New green pound

Overall, so called 'ethical' spending in the UK has jumped by 81 per cent since 2002⁴; most of us have, in the last year, bought free-range eggs, or products with recycled content (like loo roll) or drunk fair-trade coffee. At a conservative estimate of £29.7bn⁵, the market is still relatively minor, but big companies can see the writing on the wall. Green has gone from the smallest of niches to a very desirable market all set to grow. There's money to be made and that's the greatest temptation of all.

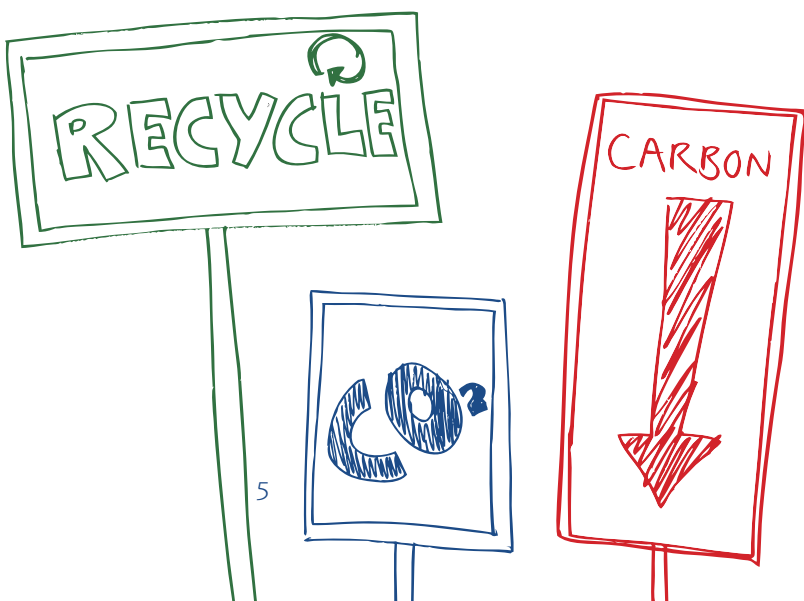
Of course it's not only purchasing habits that are shifting, so are public expectations of companies' behaviour. An overwhelming majority of us say companies should improve the social and environmental impacts of their products and services and 83% of us claim to think about a company's green reputation when we shop (a hard core 38% feel this is very important)⁶.

So alongside the big juicy organic carrot of the 'green pound' is the threatening stick of customers' growing expectations of action. These temptations have led to a boom-town attitude towards green and ethical advertising.

Show me the money

According to reports nearly £17 million was spent on advertising containing the words 'CO2', 'carbon', 'environmental', 'emissions' or 'recycle' from September 2006 to August 2007 alone. A similar search for the same terms in 2003 uncovers only £448k⁷ of advertising. And that new spend wasn't coming from traditionally 'green' companies. The deepest pockets are said to be Veolia Environment, Exxon Mobil, the UK government, BSkyB and Marks & Spencer.

The numbers aren't in for this year yet, but we can expect to see that spend has doubled or more. Advertising is expensive, and it's not an exact science - as Lord Lever the founder of Unilever purportedly acknowledged, "half our advertising is wasted; I just don't know which half". This growth in selling green is a sign of things to come: you want to buy green, you expect companies to be green, and they have eagerly started to tell you that they are... occasionally without good reason for doing so. Enter greenwash.



A short history of greenwash

Greenwash is nothing new, but the current scale of it is. Industries that have never had a problem are now getting in on the act. And the world is watching.

Richmond

5



The full, and rather difficult to read, version of the Oxford English Dictionary defines greenwash as;

“Disinformation disseminated by an organisation, etc., so as to present an environmentally responsible public image; a public image of environmental responsibility promulgated by or for an organisation, etc., but perceived as being unfounded or intentionally misleading.”⁸

Perhaps more simply put (without words like ‘promulgated’), greenwash...

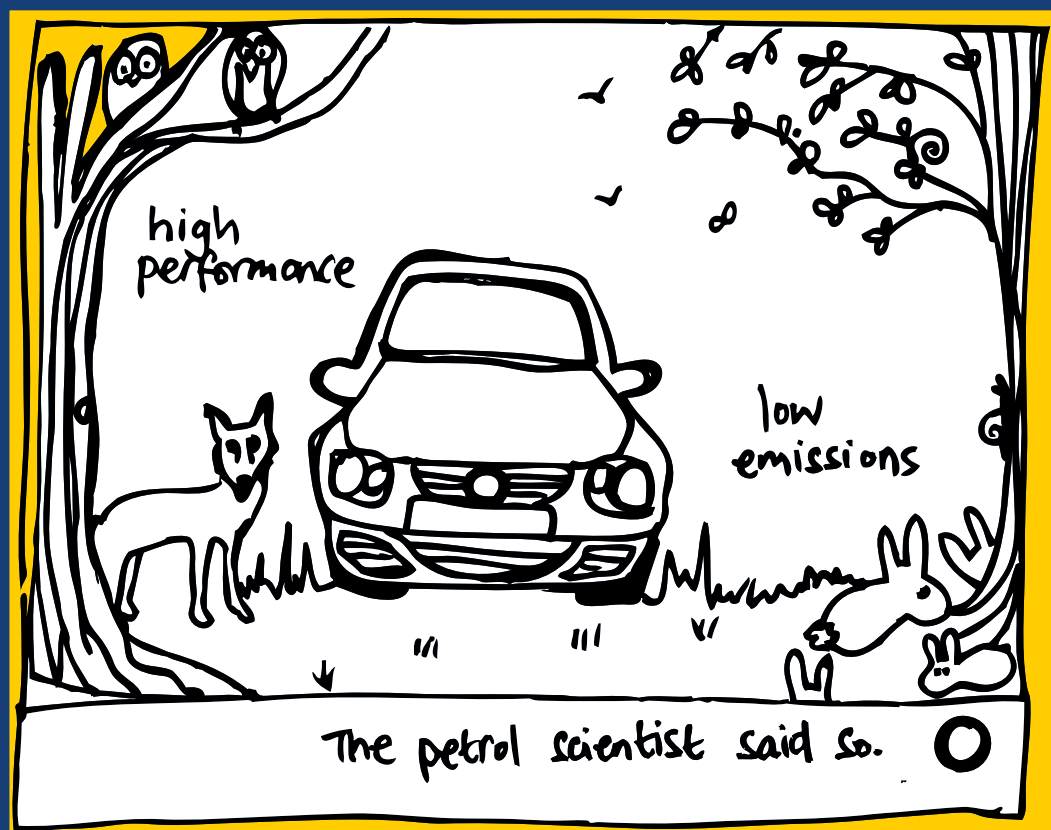
misleads the public by stressing the environmental credentials of a person, company or product when these are unfounded or irrelevant.

As we will see, the themes ‘unfounded’ and ‘irrelevant’ are equally important in judging greenwash, even if most of us are more concerned with the first crime: that of fibbing.

Green words

The term greenwash only officially became part of the English language in 1999 with that entry into the Oxford English Dictionary, but it’s been around a lot longer than that. In fact the first recorded use of the term was by David Bellamy in the periodical *Sanity* over twenty years ago. By Earth Day in 1990 the concept was catching on. Most greenwash back then didn’t include specific claims or marketing messages; instead it was more ham-fisted images of frolicking dolphins and lush rainforests set beside the company logo, all to convey an impression of eco-friendliness.

These early attempts to green a company’s image now seem laughable, especially when you think that Bhopal, Exxon Valdez and other environmental and social corporate disasters were still fresh in the memory. But even these early attempts at greening company images didn’t stay fashionable and the 1990s saw only occasional greenwash spikes. Those were the years of specialist green products and outlets like the Body Shop. Although greenwash



may still have been around, the audience affected by it was small and the spending on communications low. Only with the recent green wave, when green consumption first dissolved its boundaries and entered the mainstream, has greenwash raised its head again.



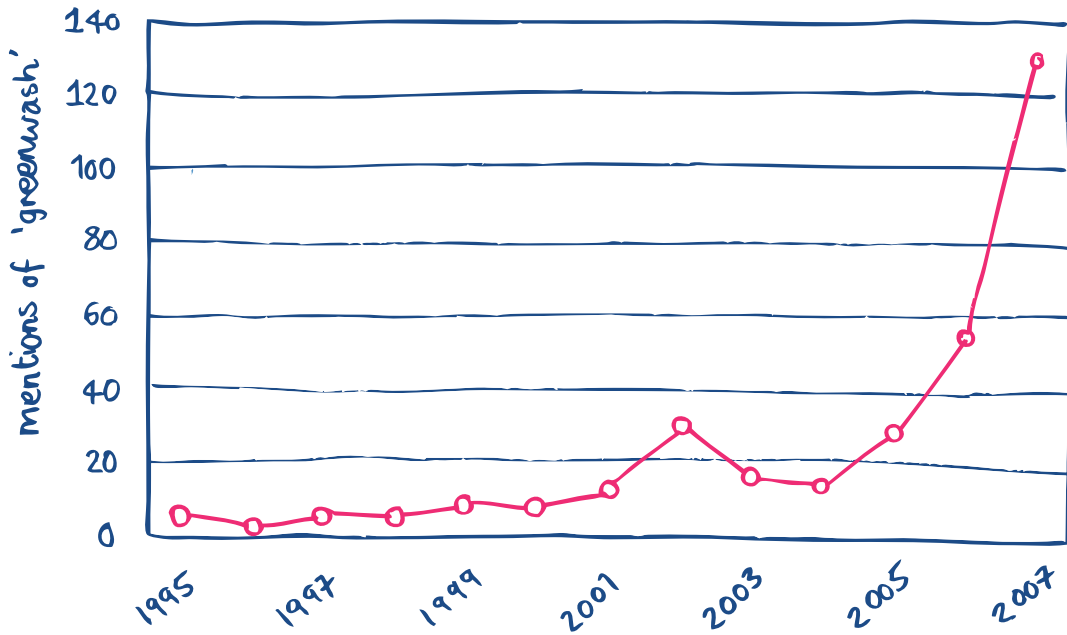
Utilities sector



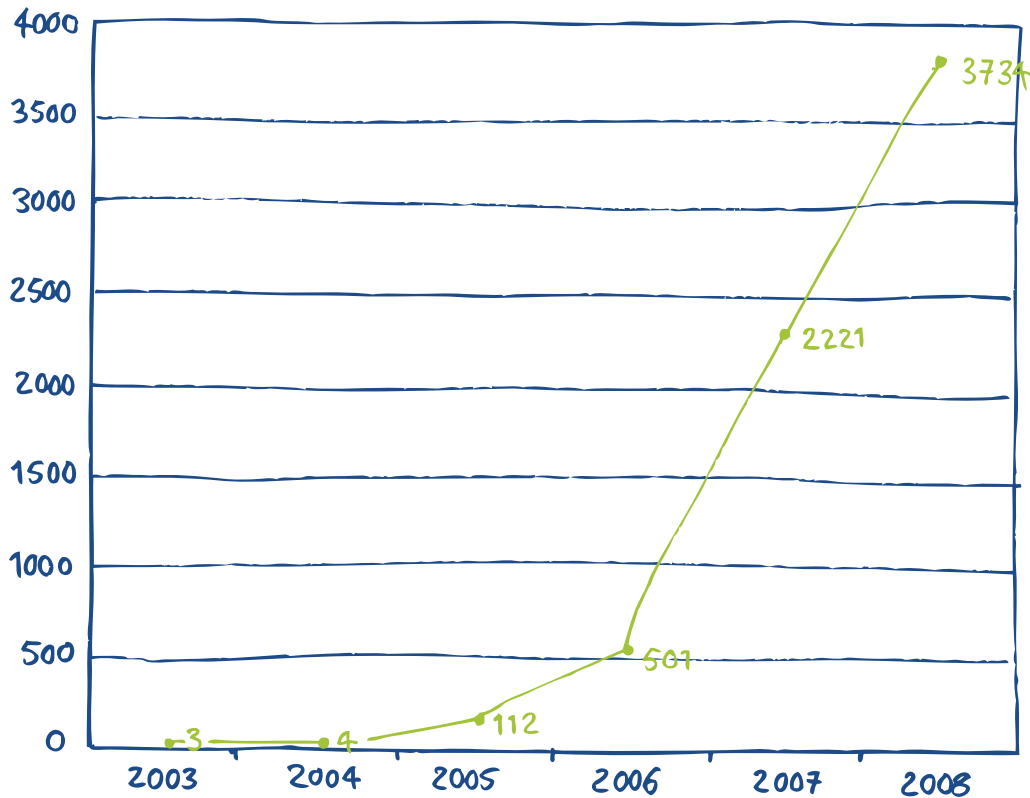
Trees aren't the only plants that are good for the atmosphere.
Nuclear energy means cleaner air.

Energy sector

Since then concern about greenwash has boomed. Press coverage and blog searches all show how much 'buzz' around greenwash is currently out there:



Media coverage of 'Greenwash', based on a review of 30 national UK newspapers



Blog buzz on 'greenwash', based on a Google blog review

Greenwash booms

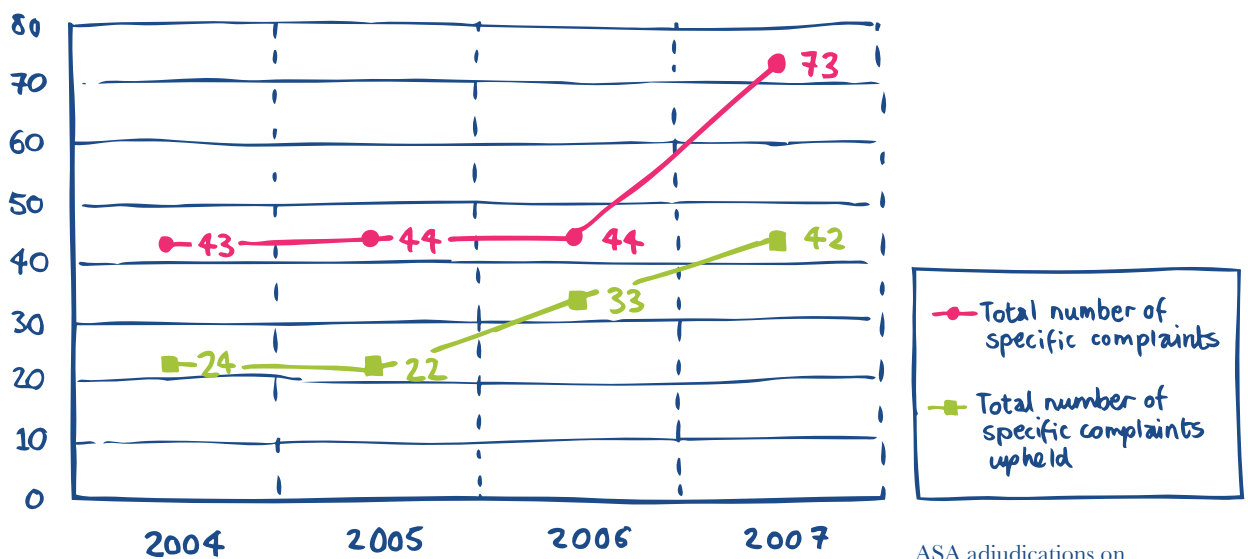
This huge rise in interest about greenwash has one very tangible measure. The Advertising Standards Authority created a clause for 'Environmental Claims' in 1995, and since 1998 the UK government has published a non-binding 'Green Claims Code', advising advertisers on how best to make good claims. Read on for a short overview of that code and to compare its international counterparts. The ASA sets out the rules for advertisers in talking about their green credentials, product and science claims. If a member of the public believes an advert has contravened those rules then the ASA can force the company to pull the advert.

About 10% of the complaints are actually from companies setting out to rubbish their competitors' green claims. The battle between the train and the plane reached heightened levels of animosity earlier this year when easyJet complained to the ASA about a Virgin Trains ad campaign, which claimed that a train journey emits 75% less carbon dioxide than a similar trip by air. Ironically, easyJet's protest came just weeks after it was criticised by the ASA for inaccurately portraying the green benefits of its new fleet.

The wages of sin

Being criticised by the ASA can be hugely costly as the company is unlikely to receive a refund for any advertising space or broadcasting slots it's already paid for. This alone should be a disincentive to greenwash, yet we find that year-on-year the ASA have received more complaints on environmental claims, and upheld more of those complaints, thereby forcing the advertiser to cancel the campaign.

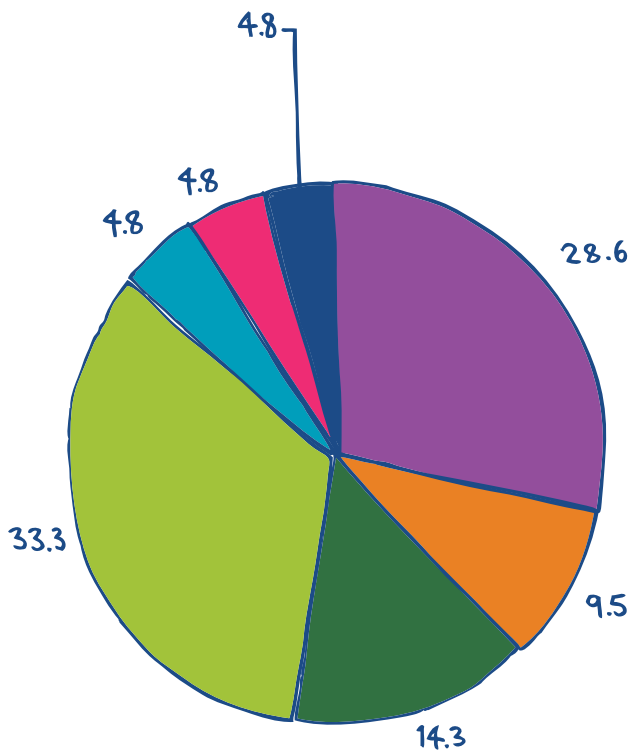
The graph below shows only a steady increase in upheld complaints since 2005 despite a sharp rise in overall complaints since 2006. One thing not shown here is how many people complained. A single advert could have many individual complaints against it, and anecdotal evidence suggests that the number of people complaining about each advert is also on the rise.



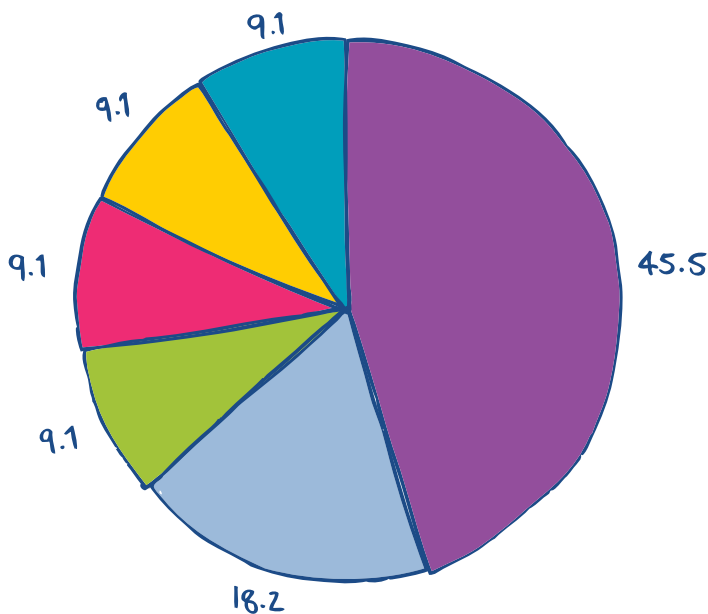
ASA adjudications on environmental claims, 2004 - 2007

Worst sinners

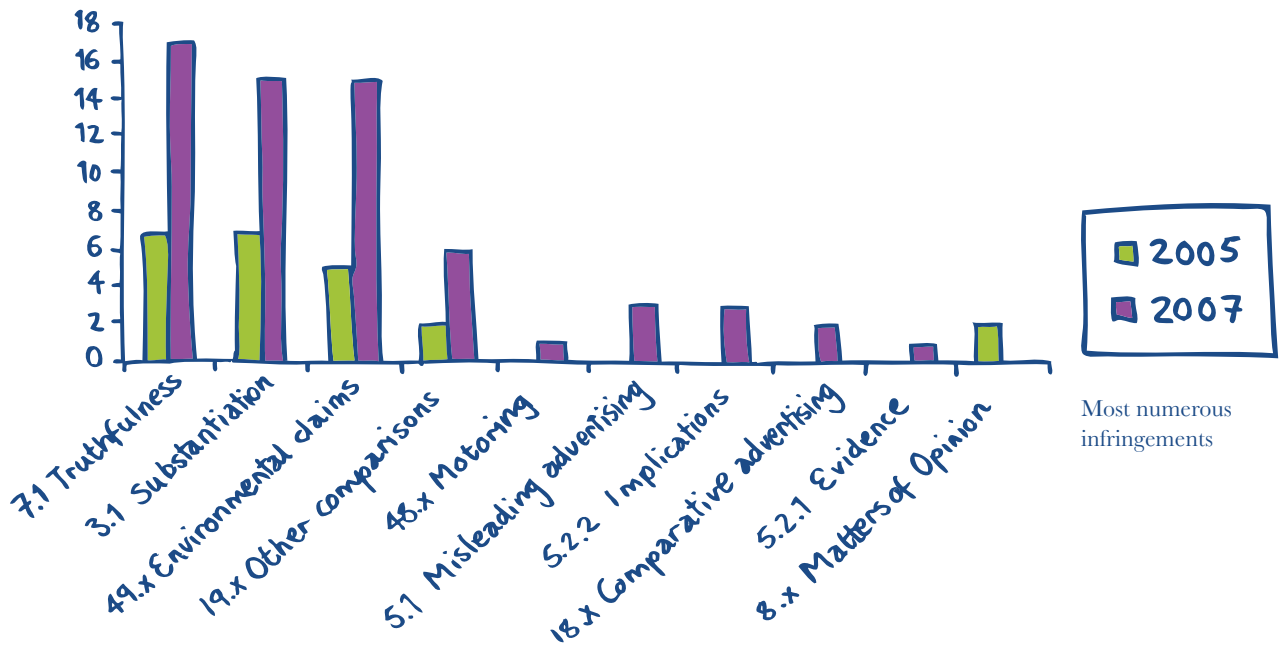
It is perhaps no surprise to find in the charts below that utilities (energy and water companies etc) have stayed favourites for upheld complaints to the ASA. But since 2006 the numbers for car companies and holiday firms have climbed. The 'non-commercial' sector includes the UK government (although it receives an awful lot more complaints from climate change deniers than are upheld), and also pressure groups, whose adverts and leaflets are subject to the same rules as companies.



Greenwash by sector,
2007 (top) and 2006
(bottom)



Greenwash itself has its fashions. The graph below shows the top environmental claims that were found most regularly to be false in 2005, compared to last year.



Worst sins

The legends on the chart above refer to specific elements of the Committee of Advertising Practice Code. There are clear trends where infringements are increasing, and perhaps unsurprisingly these are around 'truthfulness', 'substantiation' and 'environmental claims'. In 2007 you can also see a number of new issues that weren't on the agenda before, such as being 'misleading' rather than just being 'inaccurate'. This is a fine line of judgment ('misleading' could be interpretive whereas 'accuracy' is rather more factual) and some of those interviewed for this report raised worries about how clearly advertisers, complainants and the public understand the rules.

Greenwash UK

All of the above provide a picture of greenwash in the UK that is somewhat worrying. The phenomenon is becoming more widespread and the issues are growing more complex. This is not going unnoticed and the news and blog tables demonstrate that expressing concern about greenwash is almost as popular as the problem itself. The question remains however, does any of this matter?

The world wakes up to greenwash

An interesting guide to International Codes

Prince St Station
Downtown & Brooklyn

N R W



Attempts to regulate the increasing flow of greenwash around the world actually predate the most recent flood of complaints by some years. Across the world different guidelines and rules are in force to stem the tide. Most are up for review as you read this.

As far back as 1992 the United States Environmental Protection Agency and Federal Trade Commission jointly published a set of 'Guidelines for Environmental Marketing Claims'⁹. They weren't easy to enforce and were somewhat vague but they did signal that 'green' issues couldn't be a free-for-all for advertisers.

Although they set the early rules, they missed classic greenwash errors such as the use of environmental visuals and pictures (images of verdant natural scenery with the product centre stage), that may make you think 'green' without it ever being said, or making claims that while literally true are unlikely to happen in practice (e.g. the biodegradable bin-bag that is only truly biodegradable when separated from the rubbish it contains). In 2003 the UK Government revamped their own 'Green Claims Code'¹⁰. This code did address previous omissions like those listed above and made specific reference to the then new International Standard on Environmental Claims ISO 14001. For the first time enlightened consumers had a benchmark against which to test green marketers claims, and criteria on which to base complaints.

Under the auspices of the Committee on Advertising Practice code, the UK Advertising Standards Authority can only investigate a potentially spurious claim (based on issues around substantiation generally not the Green Claims Code specifically) once a complaint has been received. No complaint? No investigation. So the onus is still on the public (or commercial rivals) to make some noise about dubious marketing practices.

Global greenwash

Other countries are either using the ISO standard or bringing in their own. The most recently published guidance in Australia, 'Green Marketing and Trade Practices Act'¹¹, and France's new 'Charte', show just how far the need for tighter regulation has grown. The Australian guide, by tying its advice tightly to existing legislation (The Trade Practices Act 1974),

is much more assertive warning businesses that substantiating green claims is not only good practice, it's the law and attempts to mislead or deceive consumers carry serious penalties.

The French have taken a slightly different approach. Building on the work of the 'Bureau de Verification de la Publicité', which became a moral (but not legal) arbiter on green claims in 1998, this year they launched the 'Charte d'engagement et d'objectifs pour une publicité eco-responsible'. Led by a jury of advertising professionals, the Charte enables them to impose fines and enforce the withdrawal of environmentally misleading campaigns¹².

Finally the recent rash of green advertising emanating from the motoring industry led the Norwegian Consumer Ombudsman's office to issue a warning on environmental claims about vehicles¹³ under the legal cover of the Marketing Control Act. Befuddled by multiple claims to the title of 'most environmentally friendly vehicle' or 'cleanest engine' the Ombudsman outlined clear instructions about the quantification and comparability of competing claims and gave all involved a set time period to sort their acts out... or else.

Future developments

During 2008 the USA are reviewing their code and the UK is considering further guidance on theirs. It's likely that the Australian, French and Norwegian codes will all encourage other countries to consider greenwash rules. Of course, greenwash doesn't mean the same wherever you are. One apocryphal story has it that a climate campaign run by a large company across the UK, USA and China was accused of greenwash in the first, hailed a brave in the second and pulled because of government upset at being implicitly criticised in the last.

The next twelve months should be interesting for those planning worldwide green marketing campaigns.

What advertisers must not do ...	AUS	FRA	NOR	USA	UK
Mislead consumers	✓	✓	✓	✓	✓
Deceive consumers	✓	✓	✓	✓	✓
Make claims that are unsubstantiated	✓	✓	✓	✓	✓
Use environmental images capable of making a sweeping claim of environmental benefit	✓	✓	✗	✗	✓
Be vague	✓	✗	✓	✓	✓
Be technically or narrowly correct, without looking at the bigger picture	✓	✓	✓	✗	✓
Present claims as universally accepted when the scientific basis is under dispute or inconclusive	✓	✗	✗	✗	✗
Give the impression the product has qualities other than is actually the case	✗	✓	✓	✓	✗
Overstate the environmental benefit either expressly or by implication	✗	✓	✗	✓	✓
Make claims indicating an environmental benefit that while literally true, is unlikely to happen in practice	✗	✗	✗	✗	✓
Use exaggerating language	✗	✓	✗	✗	✓
Make claims that cannot be verified	✗	✓	✗	✓	✓

AUS – Australia
 FRA – France
 NOR – Norway
 USA – United States of America
 UK – United Kingdom





Greenwash: Annoying or dangerous?

There does seem to be a lot of greenwash out there, and the temptation for more is significant. But you could question...is it really a problem?

If you're an 'environmentalist' type of person adverts for 'eco-friendly' SUVs are obviously annoying, but why do we get so much more upset about greenwash than the thousands of adverts that happily and legally try to sell us unsustainable products?

A truly rational approach would surely rail against adverts for disposable nappies, cheap flights, water-polluting detergents and obesity-causing fast food. There's far more money spent on advertising those destructive products and services than on greenwash.

A delicate balance

But you'd actually be right to be worried. Greenwash is having an insidious, measurable, and potentially catastrophic impact. It's actually quite simple: greenwash threatens the whole business rationale for becoming more environmentally friendly. Greenwash is slowly eating away at the best part of the green business case.

The opening chapter of this guide revealed the huge temptation of greenwash: the growing green pound. In a free market economy this 'consumer demand' is actually more influential than government pressure, campaigning groups' demands or even the company directors' own self-interest in preserving the environment. What the market demands the market often gets, and focus groups and market research demonstrating growing market demand for green products have driven the innovation and shift towards green by many major companies. You're asking for and buying green products, so companies are making them. If you stop, so will they.

Destructive forces

Greenwash eats away at that market demand by confusing consumers and making them uncertain about buying green products. Eventually they'll stop buying based on their green preferences altogether. Greenwash destroys the very market it hopes to exploit.

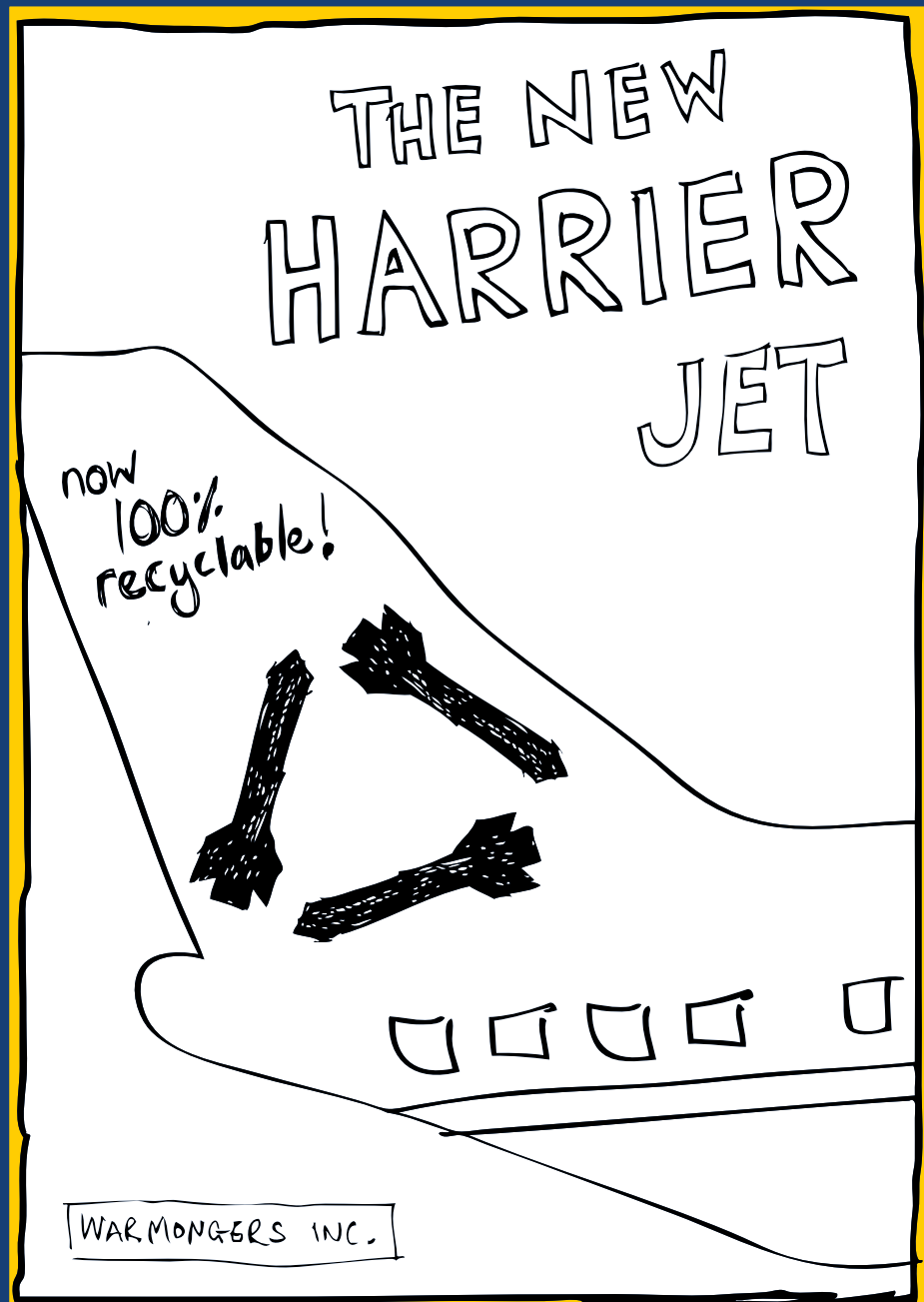
Surveys in the UK and USA show this undermining of consumer confidence is well underway. In fact some show that 9 out of 10 of us are sceptical about green or climate change information from companies and governments¹⁴. Half of us in the UK have no idea what to believe and 80% want to see companies back up ethical claims with proof¹⁵. The same is the case in America. Seven in ten Americans either "strongly" or "somewhat" agree that when companies call a product green it's usually just a "marketing tactic" and therefore to be mistrusted.

The continued greening of business requires the continuing, compelling business case of market demand. The terrible irony is that greenwash may put itself out of business; by causing consumers to mistrust every green claim, no matter how justified.

The Perils of 'Ethics-wash'

Greenwash is a snappier term, but of course organisations also can 'ethics-wash' their products and performance. This is basically the same as greenwash, except that you substitute unsubstantiated or irrelevant environmental claims for social or ethical ones.

Although much of the research for this guide has been focused on green claims, the reader may find help here for avoiding and preventing 'ethics-wash' too.



A close-up photograph of a person's hand holding a white rectangular sign. The hand is positioned on the right side of the sign, with fingers curled around its edge. The sign is held against a dark, out-of-focus background. The text on the sign is printed in black. The top part of the sign features a bold, sans-serif heading, followed by a paragraph of text in a smaller, regular font. The sign is held over a light-colored wooden surface, likely a table, which is visible at the bottom of the frame.

And the industry response is...

In a rapidly changing environment, advertising rules are not enough; industry professionals must also arm themselves against greenwash. The beginning of an industry push against greenwash has begun, but much more is needed.

So, what is being done about greenwash by the industry that makes the most out of it: the advertising agencies that design the ads and of course the broadcasters and publications which accept that advertising?

During the research for this guide the top 10 advertising agencies in the UK were contacted, as were the highest profile and largest sellers of advertising space. They were simply asked what they thought of greenwash and if they have a policy, training or standards on the issue.

The marketers' view

Advertising agencies have the potential to play an incredibly powerful role in convincing consumers to buy green products, ultimately leading to the greening of the marketplace. But they are also the originators of greenwash. Agencies are both the problem and the solution, as the authors of this report, an agency ourselves, well know.

We contacted the ten agencies listed by the Institute of Practitioners in Advertising's as the top London-based advertising companies:

1. AMV bbdo
2. JWT
3. McCann Erickson
4. Publicis London
5. Ogilvy
6. M&C Saatchi
7. DDB London
8. Saatchi & Saatchi
9. Euro RSCG London
10. RaineyKellyCampbellRoalfe

Each was asked about their response to the challenge of greenwash, whether they have any internal policy on the prevention of greenwash and if they offer their staff any training in how to avoid greenwash.

Any modern, conscientious industry should manage the environmental issues of its day-to-day operations and the advertising industry has taken this responsibility seriously: eight out of the ten agencies have an internal sustainability policy. These policies cover important impacts such as travel, green energy and recycling. But just as a very 'green' factory could build a very polluting product, so an agency with very green operations can still produce greenwash.

Only four of the top ten agencies agreed to comment on their actual product. Of these four, only one had any plans to extend their current green policy to cover the client side of the business - how products were advertised. The other three agencies all readily acknowledged the problem, but said it was impossible to not sell a product on its 'differentiating factor', i.e. what makes it different to the mass of other products in the marketplace. In the words of one agency's Managing Director, "If a car company has invented the world's first hybrid supercar - which might still be very polluting - then as an agency, we could not turn to the client and tell them to sell it on the free sat-nav instead of the environment".

Clearly there are tough choices for the advertising industry, torn between its potential to aid the environment and its power to greenwash. The industry is in real need of guidance.

Perhaps therefore it is the industry's formal bodies who are most responsible for pointing the right direction. And that is exactly what the Chartered Institute of Public Relations has recently done.

PR fights back

The CIPR's *Best Practice Guidelines for Environmental Sustainability Communications*¹⁶ are a laudable effort to bring some rigour to the fight against greenwash, but in many ways they ask more questions than they answer. It is imperative that PR Agencies build their knowledge of technical and often scientific green issues if current errors of judgment are to be avoided. This points towards a need for more specialisation across the sector and it will be intriguing to see how the CIPR supports the development of these new skills into the future. The two other major industry bodies; the Chartered Institute of Marketing and the Institute of Practitioners in Advertising seem not to have their own guidance for their large memberships, although the CIPR lesson may encourage them to start drafting.

Advertising sales

So if not the agencies, then how about those publications and broadcasters that are funded by advertising but still have a responsibility to their readers and viewers?

Thirty-nine of the major media sellers of advertising space were contacted:

The Times
The Sun
The Daily Mail / Mail on Sunday
The Sunday Times
The Daily Telegraph / The Sunday Telegraph
The Independent / Independent on Sunday
The Financial Times
The Guardian / The Observer
Trinity Mirror Group (5 national newspapers)
The Daily Express / Sunday Express
OK! Weekly
Vogue
Glamour
Heat
What's on TV
Marie Claire

Radio Times
Hello!
Vanity Fair
Elle
Cosmopolitan
Red
Grazia
Economist
Saga Magazine
Good Housekeeping
ITV
Channel 4
five
BSkyB

These 19 national newspapers, 16 of the best-selling magazines, and 4 of the UK's major commercial broadcasters taken together account for £6.77bn¹⁷ of advertising spending per year. Out of these thirty-nine media outlets, only three (yes, three) had heard of the term 'greenwash': one commercial broadcaster and two broadsheet newspapers. Not a single magazine had heard of one of the biggest, most recent trends in advertising. Of course we may have unluckily picked one un-informed staff member in each organisation we spoke to and the companies could all have detailed greenwash policies. But if so, their advertising sales teams don't know about them.

Of these thirty-nine media outlets, only one could confirm they had any sort of internal policy or staff training in place to avoid greenwash. Once again, it was clear from these calls that very many media outlets are concerned about their ecological impact and are taking steps to reduce it – but this sustainable attitude does not translate into advertising policy. concerned about their ecological impact and are taking steps to reduce it – but this sustainable attitude does not translate into advertising policy.

Many publications said they could not foresee a time when ads making misjudged green claims would be

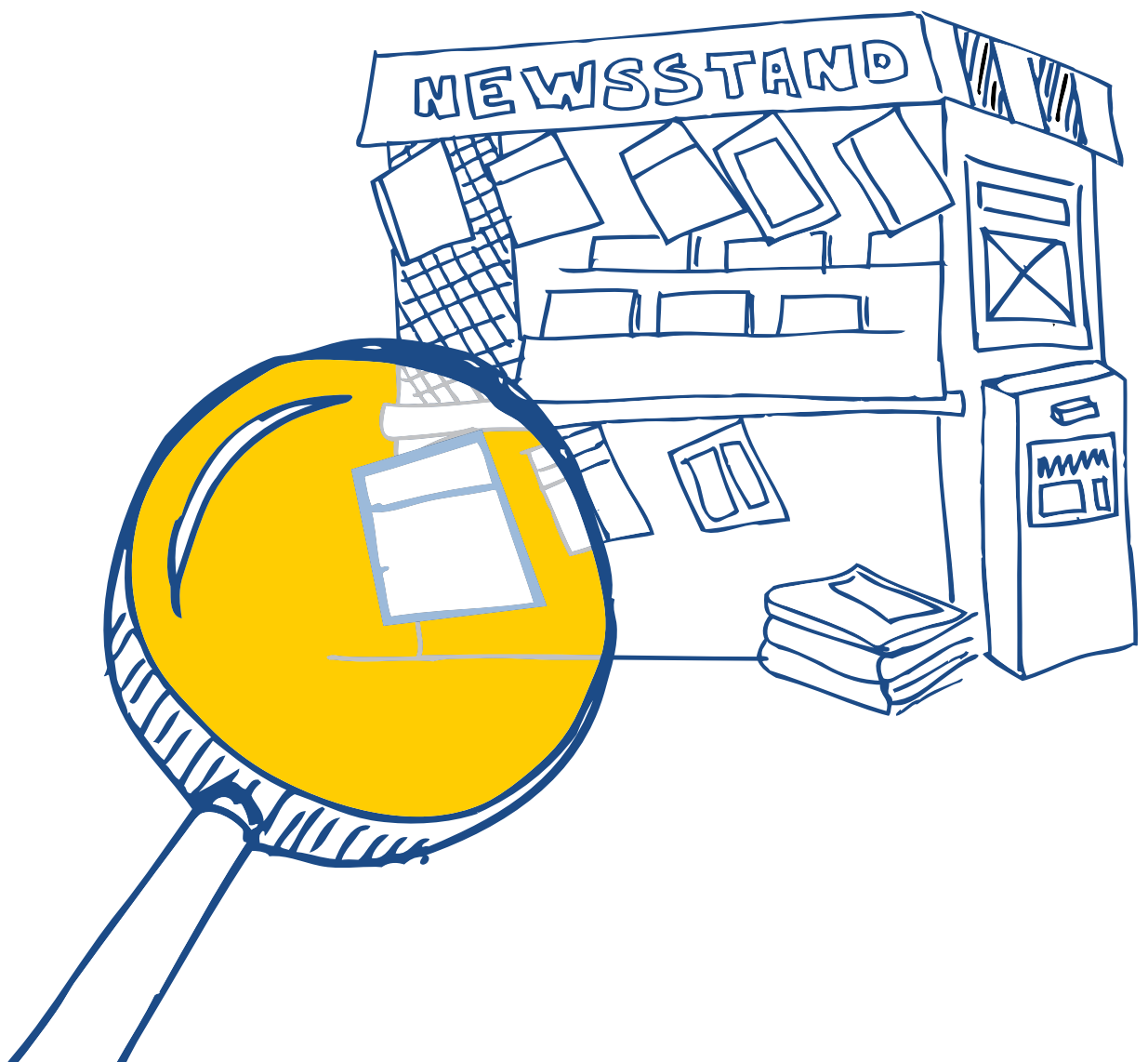
turned away, with one Ad Sales Manager saying, "To be frank, what needs to happen is that the general public begins to understand that some ads are environmentally obscene - but let's face it, for the moment environmental concern is certainly not on a par with depiction of violence or nudity".

Asked why they had no policy on greenwash or green advertising, many interviewees said, quite reasonably, that their organisation could not be expected to verify the green claims in every ad they print. They simply do not have the time or budgets for such a mammoth task - instead, all organisations were happy to follow the ASA's lead, and would welcome stronger guidance from the Authority.

It seems that both the advertising sellers and creators are still on the first steps towards an industry

response or standard for greenwash. Yet they are willing to start a discussion. There is however, one missing factor in this: the advertising buyers, those companies and organisations that pay the advertising agencies to design their ads and pay the media outlets to display them.

Unfortunately calling every company in the country for their policy on greenwash was beyond the scope of this report. We have however, managed to interview some brave businesses that have been stung by criticisms of greenwash, and who are prepared to share their war wounds and learning. to interview some brave businesses that have been stung by criticisms of greenwash, and who are prepared to share their war wounds and learning.



Goodbye greenwash

What's to be done? From our research we've learnt it's quite easy to prevent greenwash. But companies, communications agencies and consumers will all need to learn a few new tricks...

British Gas case study

British Gas has a long history of positive green action. They use green messaging in advertising and marketing across a range of issues, from new products and services to offering free home insulation to the over 70's and those on benefits. As they put it; without advertising how else are people going to know the offers are there?

Although they believe that 'green' is still a growing competitive issue in the energy market, it has been shown to be one reason why people stay with their providers. And British Gas hasn't been coy about getting out and telling customers about their commitments.

But they haven't been free of criticism, and their advertising for a 'Zero Carbon Tariff' (a green energy and offset product) was pulled up by the ASA for being potentially misleading. At the time British Gas responded to the ruling, by arguing that they had the independent evidence to support their claim. Their evidence demonstrated that customers are familiar with the 'zero-carbon' terminology and wouldn't find it misleading (of course all activities have some carbon footprint – even breathing). Their assertion that they had the greenest energy tariff had been based on a comparison of green supply offerings from the independent group Energy Watch.

They still feel that it's important for the ASA to see claims from a customer perspective rather than simply a rule-based one, but they have gained some important insights from their experience. Firstly that the word 'green' is far too subjective and that companies should be as specific as possible (hence British Gas focus on low carbon emissions). Avoiding caveats is also important - too many asterisks or brackets and you lose both the power of your marketing message, and also the understanding of your audience.

It's also crucial to make sure the lines of communication between your creative team and your legal team are open. These two groups don't always speak the same language but when it comes to environmental claims they may have to learn translation.

Finally, British Gas recommends that companies only use green messages when they're helping their customers understand something or offering them something new. If you're too insular you might forget the perils of greenwash.

The learnings from British Gas' experience (supplemented by others who wish to remain anonymous) uncover some simple steps that can be taken by companies, agencies and the public to stamp out greenwash.

Six easy steps for companies

Step 1: Know thyself

Before even starting to think about a green marketing campaign: work out if you're green or not.

Pick the products or services you wish to promote on green grounds with care, and beware of your company's overall reputation in the area (you could be making energy-saving light bulbs while polluting local rivers).

Knowing yourself will help you avoid three easy mistakes;

- Firstly, take care when promoting a single green attribute of a product when the rest of the product is not e.g. bio-degradable packaging around an energy-inefficient product.
- Notice when creative teams get excited by learning you're the greenest 'in your class of products', remember if your 'class' is that of super heavy SUVs then consumers might laugh you off the stage.
- Relevance has already been touched upon; be aware that consumers might be dubious of bold claims about a 'dolphin-friendly' chicken pie or a 'CFC-free' product (being as CFCs have been effectively banned since 1989)

One of the mistakes we're not going to dwell upon is deliberate lying. If that is your intention then we apologise if the title of this greenwash guide was misleading: we're not here to help with that. Our presumption is that most greenwash is perpetrated in ignorance or over-enthusiasm, not out of mendacity. Of course that type of greenwash does exist, and this report advises agencies and consumers on how to spot it. But simply telling you not to be naughty isn't going to make much difference is it?

Step 2: Be green by design, not luck

If after Step 1 you realise you're not as green as you thought then you'll need to innovate. The easiest products and services to promote responsibly are those specifically designed to be green or re-designed to be so, not those where you have searched for a green aspect. 'Green by design' products are likely to have undergone a full 'life-cycle analysis' of the impact of their source materials, through manufacture and distribution, impacts of use and finally how they affect the environment once ready to be disposed of.

Step 3: Check and check again

Once you've got something worth talking about, you need to make some checks. Many companies bring in external experts to help design green products, or to test an 'eco-redesign' of current products. Of course, there are those much neglected internal experts as well: your 'Sustainability' or 'Corporate Social Responsibility' team. If you are a FTSE 100 company these fonts of knowledge and experience on green issues are there already, but other companies increasingly have internal experts. Not only are they likely to be your harshest critics (they know the mouldy green skeletons in the company closet), they can also provide audited data on your overall company footprint.

Search out both these internal and external experts and ask their opinion before embarking on green promotions.

Step 4: Choose your friends wisely

Inviting third parties to endorse your product (in the form of labels and respected organisations' logos) is a powerful indicator to customers of your integrity. Don't be tempted by easy options or half-hearted initiatives. The big labels are hard to reach and that's exactly why they are trusted.

Now you're ready to plan a campaign. In a report written by a specialist green communications agency it might seem pushy to say 'choose your agency with care'. But if you seem to know more about the issue than your agency, it would be wise to check their copy.

Step 5: Remember words can hurt you

Long gone are the days when 'eco-friendly' or 'non-toxic' would cut it. Some terms like 'organic' now have legal definitions and others (such as Fairtrade) are copyrighted. If you like the following terms, take care to justify what you mean by them.

Eco-friendly

Natural

Non-toxic

Green

Pollutant-free

Carbon neutral

Ethical

Fair

Recyclable

Low-impact

Environmentally friendly

Energy efficient

Low carbon

Not tested on animals

Clean

Zero carbon

Zero waste

Don't forget that images can also give a misleading impression. A poster showing flowers coming out of a oil refinery stack very well may be considered misleading (yes, it did happen).

Examples of good certification schemes. Clockwise from top left: Kitemark®, Marine Stewardship Council, Forest Stewardship Council, the Fairtrade Foundation and Soil Association

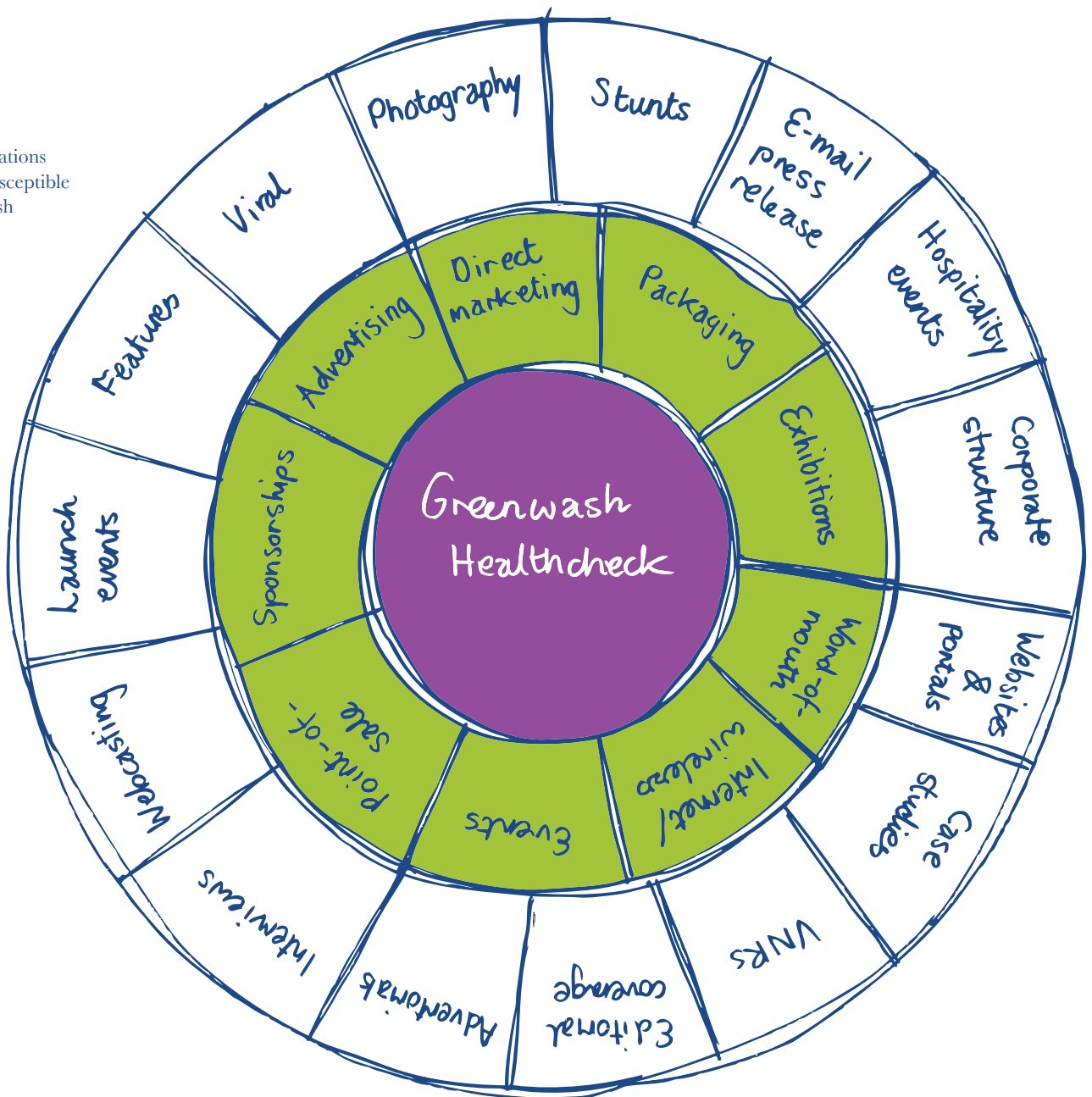


Step 6: Greenwash health check

Although your campaign might be rigorous in its claims, don't forget that greenwash can pop up across your communications, from advertising, via CEO speeches or PR, to your product packaging.

It's a good idea to health-check all channels for greenwash infestation.

Communications channels susceptible to greenwash



Three even easier steps for communications agencies

Step 1: Be clear

Develop a clear agency policy on greenwash and train your account teams and creatives on the easy mistakes that can be made. Have an escalation process for them to raise concerns or questions to management.

Step 2: Make some new friends

It's also a good idea to secure a green advisor or two who can check claims. People who have worked for pressure groups (and have scientific qualifications in the subject) are excellent at this, and also rather enjoy it.

Step 3: Stand up and be counted

But remember to let your clients know your policy in advance. It's never fun to have to point out 'that we don't do greenwash I'm afraid' after you've already been commissioned. Publish your policy and they'll know to go elsewhere for dirty tricks. Of course, we all find ourselves in difficult positions sometimes, but if you've taken Step 1 then your staff will know it's OK to say 'no'.

But together we can

The Climate Group's campaign *Together We Can* campaign has been called "the best inoculation against greenwash". This is a consumer campaign (and label) that companies can join if they meet certain criteria:

- Firstly the company has to sign up to the Climate Group's principles and demonstrate a credible policy for reducing their own emissions
- *Together* campaigns must promote a solution or product that has a measureable impact on reducing carbon
- The solution must be a new initiative (but not necessarily new technology). They give the example of Marks and Spencer re-labelling their clothes to take account of green issues.
- Finally, and most importantly, a *Together* solution has to make climate action easier, cheaper or more appealing for customers.

If a company can meet these criteria then they can use the *Together* logo on the marketing for that specific product. The power of *Together* is that it's never used for companies, only for ideas and products which help you, the consumer, reduce your own carbon footprint. Keep an eye out for it.





fly greenJet

(and erase your
carbon footprint!)

Travel with greenJet the low carbon airline. We're planting trees so you can fly as often as you please.

It's not just travelling we think about. All our meals are organic and locally sourced, and we serve only fairtrade coffee.

eco assured



Wiping away greenwash

Characteristics of greenwash

OVER THE TOP images

fly
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eco assured

OBVIOUS LIES!

fluffy language

Nothing to do with the product!

No data, specifics or certified labels

Wiping away greenwash

Characteristics of good claims

Gives you an 'honest' feeling



Claims that are 'product relevant'

Lots of specific details



Now you can feel as good about your shoes as you look in them.

Find out more at www.treadlightly.world

Significant and major green commitments

A recognised third-party label



Tread lightly

Our beautiful shoes are made from reclaimed leather and 100% recycled materials so there's no hidden impact behind the hide. We do not use PVC and our products are entirely free of toxic contaminants like cadmium and lead residues.

Now you can feel as good about your shoes as you look in them.



European Eco Label

Find out more at
www.treadlightly.world

A virtuous or vicious cycle

So what can we expect in the coming months and years from the greenwashers? From our research and interviews here are a few predictions on what we've got coming, both the good and bad.

Cyber greenwash

The Advertising Standards Authority covers obvious adverts and PR, but what about the blogs, virals and wikipedias of cyber space? One of the least pleasant forms of greenwash around is called 'astroturfing', and we're likely to see more of it. According to said Wikipedia, 'astroturfing' is:

"The term is a wordplay based on 'grassroots democracy' efforts, which are truly spontaneous undertakings largely sustained by private persons (not politicians, governments, corporations, or public relations firms). 'AstroTurf' refers to the bright green artificial grass used in some sports stadiums, so 'astroturfing' refers to imitating or faking popular ('grassroots') opinion or behaviour."

Watch your mouse

Online 'astroturfing' means quotes from the public, blogs written by interested individuals, spontaneous email chains, and yes, even Wikipedia pages that seem to be put together by

ordinary folk, but which in fact are the careful creations of PR firms hired by greenwashers. A moment's thought shows how widespread this could be.

Luckily, surveys prove that we grade online information as the least trustworthy of all types. Keep your greenwash antennae extra sensitive online and check the sources of all pseudo-sounding science or green claims.

How long until the first green 'spam' email? Actually, it's probably already happened.

Global standards

The International Standards Organisation has their own green claims code, yet a number of national governments have felt the need to develop their own. Cultural differences, green awareness levels and even political affiliations all affect how a society judges greenwash.

It seems likely that greenwash will begin to raise questions at an international level. National governments may even consider penalising national companies who greenwash overseas.

Raising the bar

The good news is that with a growing market comes growing competition, and we are all likely to be offered more specifically designed green products, and much greener versions of old favourites. If we buy them we'll get even more.

However, this opens up a risk for business. A product that looks 'pretty green' in 2008 might just look like greenwash by 2009.

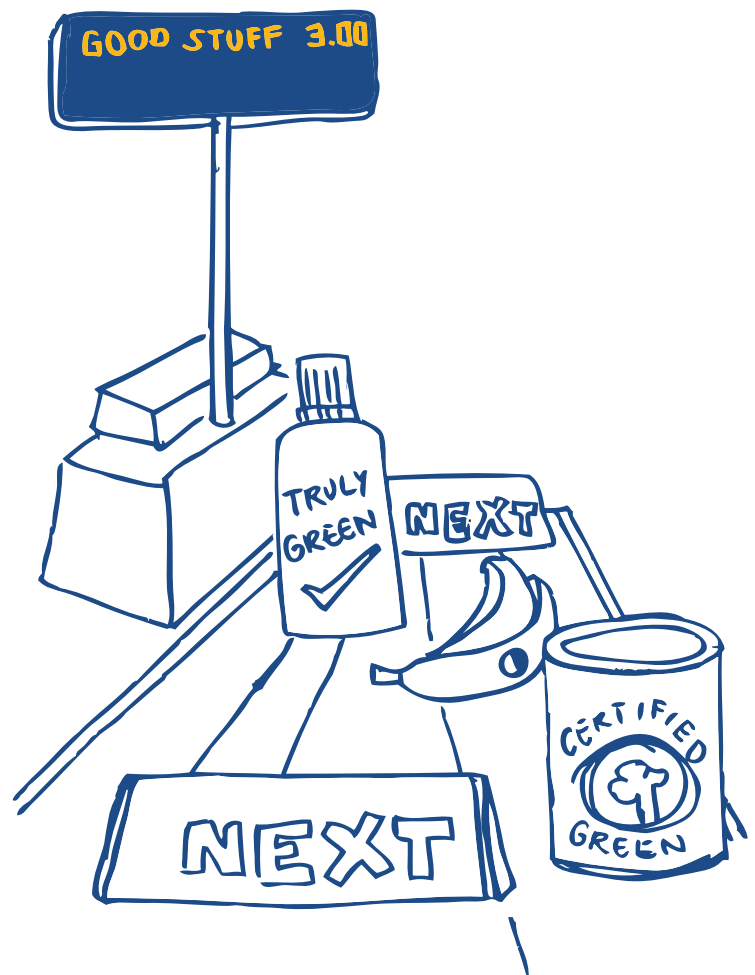
A greener future

If we project the current speed of growth in green consumption in the UK then the 'green pound' could be worth £53.76bn in five years and nearly £180bn by 2022. That kind of market is going to have a real and lasting positive impact on the planet and probably make us all a bit happier.

But if greenwash follows a similar trajectory then a tipping point will soon be reached. Too much greenwash and we'll stop buying based on companies' green claims. That will crush the greenwash threat, but take the chance for consumer-led green market revolution with it. With all that that means for eco-systems, the climate and our quality of life.

The authors of this report prefer a second vision. We hope consumers will punish greenwashers through avoiding their products, advertising agencies will refuse to work for them and media outlets won't take their ads. Instead we all will eagerly buy, and buy again, the products with good, justifiable green claims. Soon greenwash is a term out of history books and a positive feedback loop begins the long slow climb to an eco-friendly market place.

And yes, we know we just used 'eco-friendly'. Sorry.



Learn more

Defra and DTI: *Green Claims – Practical Guidance: How to Make a Good Environmental Claim*, November 2003

Forum for the Future and Business for Social Responsibility: Eco-promising: *Communicating the environmental credentials of your products and services*, April 2008

TerraChoice: *The 6 Sins of Greenwashing*, November 2007



End notes

- ¹ Accountability and Consumers International: *What Assures Consumers on Climate Change?*, p.23 (June 2007)
- ² The Co-operative Bank: *Ethical Consumerism Report 2007*, p. 10
- ³ BBC News: "British organic food sales soar", 22 December 2005 (Source: Mintel in-house research, 2005)
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- ⁵ Ibid.
- ⁶ *The Guardian*: "The rise and rise of the ethical consumer", 6 November 2006 (Source: Ipsos-Mori survey, 2006)
- ⁷ *Admap Magazine*: "Green is the Colour", December 2007
- ⁸ *Concise Oxford English Dictionary*, 10th Edition
- ⁹ US Environmental Protection Agency website
- ¹⁰ Defra and DTI: *Green Claims – Practical Guidance: How to Make a Good Environmental Claim*, November 2003
- ¹¹ Australian Competition and Consumer Commission: *Green Marketing and the Trade Practices Act*, February 2008
- ¹² Bureau de Vérification de la Publicité: "Pour une publicité éco-responsable et une nouvelle régulation professionnelle", 11 April 2008
- ¹³ Norwegian Consumer Ombudsman's Office: *Use of Environmental Claims in the Marketing of Vehicles*, 3 September 2007
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- ¹⁵ *Ethical Corporation*, "Greenwashing – consumers getting wise", 14 November 2007
- ¹⁶ Chartered Institute of Public Relations: *CIPR Best Practice Guidelines For Environmental Sustainability Communications*, March 2007
- ¹⁷ Advertising Association, 2007

Disclaimer: The text of this Greenwash Guide reflects the intellectual opinion of Futerra following our research, and not the views or opinions of other third parties. We have endeavoured to afford all interviewees and participants the most transparent process of interview; all interviews were carried out with the participants' full knowledge of the end-use of the interview material. The presence of the Fairtrade Foundation, Marine Stewardship Council, Soil Association, British Standards, and FSC marks does not imply that those organisations are in any way supportive of, connected to, or have authorised, the text and images in this booklet. The logos for the Advertising Standards Authority, Climate Group and the Together campaign are printed as an illustrative means of showing our thanks only. None of these three organisations have endorsed, or are connected to, the content of the Greenwash Guide; nor is our use of the logos meant to imply that this is the case.

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About the Authors

Futerra is a communications agency. We do the things great agencies do; have bright ideas, captivate consumers, build energetic websites one day and grab opinion formers' attention the next. We're very good at it.

But the real difference is that since our foundation in 2001, we've only ever worked on green issues, corporate responsibility and sustainability.

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The UK Advertising Standards Authority
The Climate Group

British Gas

And all those who responded to our market research calls.