

How to avoid greenwashing and boost your business sustainability

Greenwashing should be a must-not-have in fashion companies' marketing strategies as it undermines their credibility, their sustainability efforts and overall, their profits. The trouble is that there may be companies that are greenwashing their customers without even realising it.

Scary as it sounds, Green Story is coming to the rescue. In this post, we'll shed some light on the dangers of greenwashing and how to wash it off your marketing tactics to elevate your triple bottom line.

Why greenwashing is a problem for eco sustainable fashion brands

Paraphrasing a Chinese saying, "if you know your enemy, you're ahead of the game". Put simply, you greenwash whenever you make false or misleading claims about the sustainability credentials of your products and services. These can be either fluffy words or so-called [zombie data](#).

Over the last few years, greenwashing has sadly been a common trend among fashion brands (and not only). According to the Changing Markets Foundation, [nearly 60% of sustainability claims made by fashion brands in the UK and the EU are deceptive](#). And brands are paying their greenwashing consequences. According to another report, [over 80% of shoppers don't trust their data anymore](#). However, regardless of the sector you work in, customer distrust will bite into your revenues. That's what Shift Sustainability found out when interviewing a thousand UK consumers. To be more specific, [almost half of them would buy as little as possible from companies that practice greenwashing](#).

But it's not just about greenwashing away your customers, as you'll also have to deal with recent and upcoming regulations.

To protect consumers from greenwashing, the European Union (EU) commission has drafted some new rules. [Their initiative](#) will compel companies to produce reliable, comparable and verifiable claims based on Product Environmental Footprint (PEF) and Organisation Environmental Footprint (OEF) [methods](#). Developed to measure the environmental performance of products and organisations, these standards rely on Life Cycle Assessment (LCA) - you can learn more about LCA in our blog [Life Cycle Assessment \(LCA\) explained](#).

To protect consumers from fashion brands' greenwashing, last September the UK-based Competition & Markets Authority (CMA) published the [green claims code](#). The CMA is [currently investigating several fashion companies](#) that are sustainable on paper. However, they'll soon release a list of British fashion brands that greenwash. While the fashion sector is CMA's main target, the food industry will come next. When breaching the green claim code, businesses may face both civil action or criminal prosecution. Besides paying redress to customers or seeing a drop in your sales, failing to comply with these stricter laws against greenwashing could lead to fines and lawsuits.

After a law upgrade in April 2021, French businesses accused of greenwashing can now pay up to [80% of the cost](#) of a false promotional campaign. Like many other things, greenwashing has evolved with climate change, giving rise to the so-called [climate washing](#). While the principle is always the same, in this case a company is guilty of climate washing when reporting unclear carbon reduction

stratagems or metrics for instance. Unfortunately, the number of firms engaged in [climate washing litigations are on the rise](#). Allbirds is one of the latest victims of this rising trend. A group of plaintiffs [filed a complaint](#) against the fashion brand in a New York federal court last year. According to litigators, the LCA tool used by Allbirds doesn't assess the carbon footprint of their footwear across the whole supply chain, thus leading to an underestimation of their environmental impact.

If you don't want to lose money because of greenwashing, make sure to check out Green Story's [Going Beyond Greenwashing Guide](#).

The transition between greenwashing to green marketing

Hopefully you'll have a better grasp of greenwashing by now. Next, we intend to provide you with some tips on how to stop greenwashing from sneaking in your green marketing strategies.

To begin with, effective and transparent communication is the staple of marketing strategies for environmentally friendly fashion brands. For example, as suggested by the [U.S. Federal Trade Commission \(FTC\) Green Guides](#), you must be specific when labelling your product. Your green marketing manifesto should be devoid of vague words such as "sustainable", "eco-friendly", "recyclable", "organic" or "ethical". Instead, eco fashion brands should add further details and bullet proof numbers to clarify and corroborate their statement. Crafting a jargon-free easy-to-understand narrative will let you build a closer connection with your stakeholders. A greater transparency in your messaging will then drive your brand loyalty, thereby retaining existing customers and winning new ones. Based on the survey conducted by The Org in 2021, [84% of US Millennials would be more loyal to your company if they knew it was transparent](#).

Another keyword to weave into fashion brands marketing strategy is LCA. Aside from [becoming a law requirement soon](#), relying on these methodologies is the only way to measure an accurate environmental impact for your products. And that's because they consider its whole supply chain (e.g., raw material sourcing, transport, etc.) when quantifying its carbon footprint. At Green Story, we designed a solution that lets you visualise LCA-enabled credible data in an accessible and interactive format. Leveraging our data-driven "[Know your Impact](#)" solution, you'll be able to show your customers the true environmental performance of your products. For instance, [BAM Bamboo Clothing](#) used Know your Impact to show their customers they can save 4.8 Km of driving emissions when buying their leggings instead of a more carbon-intensive pair. By showcasing these straightforward yet authentic comparisons, you'll gain customers' trust and boost your sales. To add to that, disclosing greenwashing-free ESG metrics will attract more investors and therefore unleash new business opportunities.

Once you have a precise estimation of your products' carbon impact, reducing it would be the next step. Other than being an environmentally responsible choice, achieving a positive impact on climate makes business sense. In fact, a survey conducted by Exasol revealed that [more than 4 in 5 consumers will give up buying from a company which doesn't show any climate action](#). Signing up for high-quality carbon offsets is one of the climate mitigation techniques that businesses can harness to make their products carbon neutral. However, the offset market is still opaque and loosely regulated. For this reason, companies may struggle to find a genuine programme and could get caught in the climate washing trap.

With this concern in mind, we have developed [Simplizero Ecommerce](#) to help you navigate through the ocean of carbon offset projects out there. By mastering our technology, you'll accelerate your net zero race while de-risking your business. On the other hand, marketing that you offset many tons of CO2 from the atmosphere is not the sexiest and easy to understand revelation from a communication standpoint. Rather, as suggested in our [Guide to Green Marketing](#), you should use a more relatable and tangible metric. That's what PANGAIA did. The materials science company converted its over 3,000 tons of CO2 into 600 million+ smartphones charged. Sounds smarter and more electrifying, right?

Conclusions

Your business will achieve sustainable growth if you tweed greenwashing out of your marketing toolbox. Having said that, future proofing your business against the negative effects of greenwashing may be a challenging task if you haven't got the right tools.

That's why Green Story has done the hard work for you. [Book a demo today](#) to prove your claims' bona fides and supercharge your triple bottom line.