

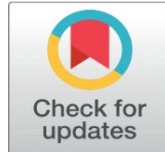
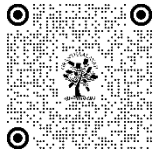
# GREEN WASHING WITH SPECIAL REFERENCE TO FMCG SECTOR IN PALGHAR DISTRICT

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## ABSTRACT

One of the common strategies used by unscrupulous business organizations to boost demand for their products is green washing, commonly referred to as deceptive marketing. There has been an increase in deceptive media marketing, which is bad for businesses and customers alike. Every research participant agreed that deceptive marketing tactics erode consumer trust and have a long-term detrimental impact on a company's health and sales. In this study, we attempted to determine if consumers are aware of the green washing mechanism, the impact of deceptive advertising on consumer purchasing behaviour, and the various green washing strategies used by businesses to increase sales. We used Chi square test and Cramer's V test to prove our hypothesis through SPSS software. Our research shows green washing or misleading advertise is having significant impact on buying behavior. Consumers who are influenced by false claim without knowing the actual fact they are buying the product and thereby increasing their health risk.

**Keywords:** Green Washing, FMCG Sector, Deceptive Marketing Eco-Labeling

## 1. INTRODUCTION

When "a business makes claims about its products, services, processes, brands, or its operations as a whole, or omits or hides information, to give the impression that they are not harmful or positive impact to the environment than they actually are," these assertions are considered misleading environmental claims.

— CMA. An inventory of green claims, conducted by the European Commission, found that [53.3% of environmental claims](#) across a wide range of product categories provided "vague, misleading or unfounded information about the environmental characteristics of the product. Unfounded, inaccurate or misleading claims are a form of green washing.

Green washing in FMCG sector refers to Deceptive Marketing that is false claim made by the companies demand that their product is environmentally safe or sustainable. The motive of green washing is to increasing sales by establishing themselves as socially responsible producer.

Customers are growing more picky about the goods they purchase in an effort to lead better lives. However, the food and beverage industry's aggressive marketing tactics often blur the lines between fact and fiction. Sugar-sweetened beverages, in particular, have become a breeding ground for deceptive marketing and misleading claims. With buzzwords like "natural," "healthy," and "low-calorie" plastered on labels, consumers are left wondering what's real and what's just clever marketing. This study aims to un-cover the truth behind the labeling of sugar-sweetened beverages in Palghar, exposing the deceptive marketing tactics and misleading claims that threaten the health and well-being of unsuspecting consumers.

## 2. LITERATURE REVIEW

1. Sainz et al. (2005) in his research study compared the effects of the many green marketing strategies on perceived brand positioning and brand attitude. His research study was based on a university in Spain's Basque Country and the participants were 160 final year students of the Business Administration programme .The hypotheses were tested using structural equation modelling and exploratory factor analysis. Results revealed overall positive influences of green brand positioning on brand sentiment. Functional and emotional elements of green brand positioning are also responsible to shape brand attitude. A green positioning strategy combined with practical qualities with emotional benefits was successful in creating positive consumer perception about the green products.
2. The impact of a green marketing strategy on several organisational performance variables was examined by Fraj et al. (2011). 361 manufacturing companies in a European nation provided the data used in this study. Structural equation modelling and EQS software were used to analyse the data. The results show that using a green marketing approach helped businesses become more profitable by increasing marketing results and cutting expenses. However, elements of organisational outcomes, including process performance, do not positively correlate with economic success. They also show that environmentally conscious businesses are more likely to benefit from environmental initiatives with better marketing and operational results.
3. A study on the green marketing tactics employed by Sivakasi-based manufacturers was carried out by Mohan et al. (2015). The researcher used an interview schedule method to get the original data. 149 units were chosen as samples by the researcher using the proportionate stratified random sampling technique. Barlett's test and factor analysis were used to analyse the data. According to the survey, the sample respondents were well-versed in green marketing. Manufacturers of green products consider a number of important criteria when making their decisions, including minimising greenhouse emissions, using energy-efficient equipment, conducting green sales promotion, and sourcing raw materials from green suppliers.
4. Arora and Agarwal (2018) surveyed 200 respondents to determine consumer demand for green products and the various green marketing methods used by the company. The Weighted Mean and Percentage were used to analyse the data. According to the study's findings, consumers bought products with less of an environmental impact. To some extent, consumers are prepared to pay exorbitant costs. The "Price of the Product" is the most crucial variable in the game since it demonstrates how price-sensitive consumers are. Additionally, it was shown that consumers have access to a respectable quantity of information at the time of purchase. However, only a small portion of customers have expressed dissatisfaction over "No Information at all" being available at the time of purchase. It was observed that a large percentage of people had learnt about green marketing thanks in large part to television.
5. In order to illustrate the concept of green marketing and the tactics used by a few well-known Indian companies, Mani and Bhandari (2019) carried out a study. Secondary data is used in the construction of the exploratory research piece. Websites for businesses have offered helpful details regarding green marketing strategies. The paper claims that green marketing is still in its infancy. Much work remains to be done. Businesses are under a lot of pressure from government organizations to employ green marketing techniques. The absence of widespread acceptance can be ascribed to careless concerns. Cutting-edge technology and R&D investments are two main causes for concern. Lack of public awareness is another issue. Often, the recyclable material is expensive. Customers were unwilling to pay to protect the environment.

6. The effectiveness, viability, and alignment of FMCG corporations and environmental initiatives with the socio-economic norms necessary for a sustainable future were all examined by Mehta et al. (2020). According to the report, the FMCG sector is working to reduce pollution in a number of ways, such as enhancing packaging, banning plastics, encouraging the use of recyclable materials wherever feasible, and giving money to water-stressed areas to guarantee that people in need have access to clean drinking water. As more businesses learn about the problem, they actively work to raise awareness and make sure the right steps are done.

### 3. RATIONALE

According to a 2016 article, 2,42,000 deaths in India were reported in 2019 as a result of SSB usage. Because deception impedes the subject's capacity to provide informed consent, it raises ethical questions. Being dishonest is a serious relationship infraction that frequently results in mistrust and feelings of betrayal. We are led to believe that we are deficient in some way by deceptive marketing, which then offers a purchase as the solution. Regular use of "impossible ingredients" causes anxiety. Cancer, diabetes, and numerous other debilitating illnesses lead to a decline in our self-esteem.

### 4. OBJECTIVES

- 1) To see how aware consumer are of misleading marketing in the Beverage industry.
- 2) To determine which misleading statements are most frequently found on beverage labels..
- 3) To compare how different types of Beverages use misleading marketing tactic

### HYPOTHESIS:

**H0:** Consumer purchasing behavior is not affected by deceptive advertising.

**H1:** Deceptive advertising has an effect on the purchasing decisions of consumers

**H0:** Reputable drinks don't make exaggerated claims regarding their goods.

**H1:** Reputable drinks make exaggerated claims regarding their goods.

**H0:** There are no negative health effects associated with any of the substances included in the factored beverages.

**H1:** There are negative health risks associated with any of the components included in the calculated beverages.

### 5. METHODOLOGY

- A mix of primary and secondary sources were used to collect the data for this study. To collect primary data, questionnaires were employed. Conversely, secondary data was collected from books, research articles, journals, newspapers, and e-booklets.
- 108 samples with various demographic characteristics were gathered from residents of Palghar district (Vasai Taluka).
- To support the theory, there are 60 open-ended and 48 closed-ended questionnaires.
- The data is analyzed using the Chi Square Test and Creamer's V Test.
- To determine consumer preferences for beverage products, we gathered 39 samples.
- To gather opinions on Amla and regular herbal juices, we gathered forty-one samples.

### 6. DATA ANALYSIS

**Null Hypothesis: Consumer purchasing behavior is not affected by deceptive advertising**

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Deceptive advertisement awareness * buying behavior total	48	100.0%	0	0.0%	48	100.0%
Chi-Square Tests						
	Value	df	Asymptotic Significance (2-sided)			
Pearson Chi-Square	57.760a	24	.000			
Likelihood Ratio	21.877	24	.587			

Linear-by-Linear Association	.348	1	.555
N of Valid Cases	48		
<b>Implication:</b> The null hypothesis that is there is no relationship between misleading advertisement and buying behavior is rejected .We accept our alternative hypothesis. Misleading advertisement have a significant effect on buying behavior.			

## SYMMETRIC MEASURES

			Value	Asymptotic Standard Errora	Approximate Tb	Approximate Significance
Phi	1.097			.000		
Cramer's V	.633			.000		
Pearson's R	.086	.199	.586	.561c		
Spearman Correlation	-.016	.164	-.111	.912c		
N of Valid Cases			48			
<b>Interpretation:</b> A value of 0.633 suggests a strong association between misleading advertisement and buying behavior. This means that misleading advertisement significantly influence buying behavior.						

## IMPACT OF MISLEADING ADVERTISEMENT ON BUYING BEHAVIOR

**Null Hypothesis:** Reputable drinks don't make exaggerated claims regarding their goods.

**Null Hypothesis:** There are no negative health effects associated with any of the substances included in the factored beverages.

BRAND NAME	FALSE CLAIM	SUGAR AMOUNT/ml	ARTIFICIAL COLOUR	SYNTHETIC FLAVOUR	PRESERVATIVE	ACIDITY REGRLATOR
Hamdard (roohafaza)	Natural	87.8%/750ml	INS 102 , INS 122	INS 211	-	INS 330
Maaza	Real Mango	53.2% /200ml	INS 110	-	INS 202	INS 300, INS 331
Slice	Real Mango	15.5/100ml	INS 110	-	INS202	INS 300
Frooti	Fruit drink	13.5%/100ml	INS 110	-	INS 211, INS 224, INS 202	INS 330
Amul kool (kesar)	Kesar Milk	32%/200ml	INS 110 ,INS 102	Saffron	-	-
Amul kool (coffee)	Coffee	29%/200ml	-----	-	-	-
Amul kool (elaichi)	Elaichi Milk	32%/200ml	INS 102 , INS 133	Elaichi	-	-
Amul kool ( almond)	Badam Milk	31%/200ml	INS 110 ,INS 122, INS 102 ,INS 150 (d)	Almond	-	-
Mala's rose syrup	Fruitilicious	69.6%/750ml	INS 122	Rose	INS 223	INS 223, INS 330
Real Fruit Powder	Real	29.4%/1000ml	INS 160 a(2) &(3)	-	-	INS 330
Tropicana	Natural	28%/ 200ml	INS 129	-	-	INS 269

## 7. FINDINGS

- The majority of companies include artificial colours, synthetic flavours, and preservatives despite claiming to be "natural" or derived from "real" ingredients. For instance, Roohafza claims to be natural but includes artificial colors INS 122 and INS 102.
- Numerous brands make health claims, although their sugar content is higher. For instance, Amol Kool has between 29% and 32% sugar, while Roohafza has 87.8% sugar.

- Some companies, such as Tropicana and genuine Fruit Powder, use artificial ingredients like INS 168 (a) and INS 129, yet nonetheless make claims that they are "natural" or "real."

## 8. SUGGESTIONS

- Businesses should design their logos so that all customers, regardless of educational background, can understand them.
- The font size of the ingredients should be enlarged to make them more readable and appealing.
- The ingredients listed on the label should be in more than three languages.
- No chemical name, just the ingredient's common name.
- The FMCG industry will be subject to strict regulations

## CONFLICT OF INTERESTS

None.

## ACKNOWLEDGMENTS

None.

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