

How environmental advertising
confuses consumers

THE GREAT **GREEN** MAZE

Survey results from 16 countries

Acknowledgements

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¹Gathering five national consumer organisations and giving voice to a total of more than 1,5 million people in Italy, Belgium, Spain, Portugal and Brazil, Euroconsumers is the world's leading consumer cluster in innovative information, personalised services and defence of consumer rights. Its European member organisations are part of the umbrella network of BEUC, the European Consumer Organisation. Together they advocate for EU policies that benefit consumers in their daily lives.

IN A NUTSHELL



More than half (54%) of the surveyed European consumers report being anxious about climate change news. **Four out of five** responders (79%) declare they make an effort to live in an environment-friendly way.

54%

48%

Close to half of the respondents (48%) prefer buying products bearing an environmental label than products without one. And **two consumers out of five** declare they would be ready to pay more for a product bearing a verified label.

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1/3

One third of respondents does not feel able to distinguish between false or unverified claims and true and verified ones. Only a mere 3% says they would be able to always distinguish false green claims.

One quarter of responders (25%) often look for environmental information in their purchasing decisions (for products and services). The vast majority (61%) does this at some times.

25%



More than half of respondents (56%) think there are too many green labels and logos.

73%

While the EU Ecolabel is known by roughly three out of ten people, as an average in the countries surveyed, other ISO type 1 Ecolabels such as the Nordic Swan or the Austrian ecolabel score higher in their home countries. In general, consumers that know these ecolabels trust them (73% medium and high level of trust), which is only slightly higher than trust in carbon labels.

Three out of four respondents think that green claims and labels should only be authorised if pre-approved or verified. Almost 70% of respondents say they trust public authorities and third-party organisations to fulfil that role.

70%

Two out of three respondents report to be poorly or not informed at all about the requirements companies must follow to use green claims. Over one third (35%) believes environmental claims have been verified by a public authority or by a third party, while this is not true in most cases.



35%

40% of respondents believe they understand carbon claims. However, when asked about the meaning of these claims, most answer incorrectly. For instance, **almost two thirds** think that products and services bearing a “carbon neutral” claim have been produced without emitting any CO₂ emissions at all, which is not true.

Nearly three out of four European respondents think that “very polluting companies” should not be allowed to use any green claims at all. **Close to 40%** think that fossil fuel companies should not be allowed to do any advertising at all.



40%



Results are broadly similar also in the extra-European countries where the survey was conducted: the US, Canada, Australia and New Zealand.

WHY THIS STUDY?

Fighting the climate crisis and protecting our environment requires profound changes to the way we live. For sustainable consumption to become the norm, we need to make sustainable products and services available, affordable, attractive and convenient. And doing so requires structural changes in the way our economy works. The starting point to make consumption more sustainable is to ensure consumers are provided with the right and trustworthy information about the environmental impact of products and services.

Unfortunately, together with the increase in consumers' awareness of the climate and environmental crisis, comes the corporate temptation to

engage in greenwashing. Many companies make laudable efforts and work very hard to create more sustainable products and services, but this is not the case for all. Evidence shows that countless corporations ride the wave of consumers' appetite for more sustainable lifestyles without doing the efforts of moving from words to deeds.

This trend, known as 'greenwashing', has become a systemic problem for consumers, who struggle to distinguish between sustainable and unsustainable options. It is also a major hurdle for companies that take the green transition seriously, invest in making their products and services more sustainable and are faced with the unfair competition of unscrupulous traders.

To better understand the impact of greenwashing for consumers, BEUC – the European consumer organisation – and ICRT – International Consumer Research & Testing – teamed up with 16 consumer groups from Europe, North America and Oceania to conduct a large-scale survey looking into people's perception of green claims, their experience with greenwashing and how they believe the problem should be tackled, if at all.

As the EU and many countries are stepping up their efforts to tackle the problem, our survey brings additional evidence as to why resolute action is much needed. The climate crisis is accelerating and threatening to spiral out of control. Greenwashing is not a side issue in the green transition but a fundamental hurdle to more sustainable production and consumption.

Greenwashing is a fundamental hurdle to more sustainable production and consumption.



METHODOLOGY

This survey is a joint effort from BEUC, the European Consumer Organisation, and ICRT, International Consumer Research and Testing, and 16 Consumer organisations: Altroconsumo, CHOICE, Consumentenbond, Tudatos Vásárlók Egyesülete, Forbrugerrådet Tænk, DECO, TestAchats/TestAnkoop, Verein für Konsumenteninformation, Zveza Potrošnikov Slovenije, Organización de consumidores y Usuarios, Sveriges Konsumenter, Forbrukerrådet, dTest, Consumer Reports, Protégez-Vous, Consumer NZ.

The European Consumer Organisation (BEUC) produced the survey, developing the questionnaire together with Euroconsumers, which was then adapted to the national context of the 16 countries: Australia, Austria, Belgium, Canada, Czechia, Denmark, Hungary, Italy, the Netherlands, New Zealand, Norway, Portugal, Slovenia, Spain, Sweden and the United States. In every country 1,000 interviews have been conducted by Euroconsumers addressing a sample of the population aged 18-74, representative regarding

gender, age, and region of each of the national populations. An a posteriori weighting procedure has been applied to make the sample also representative regarding educational level.

It is to note that surveys, such as this one, account limitations. In particular, we should consider the gap between people's intentions and declarations and how they would behave in reality. While they might for instance declare a high interest in the climate, the way they act on it is not always clear.



MAIN TAKEAWAYS

Consumers want to take action to reduce their environmental footprint and look out for green advertising...

Three out of four consumers (**76%**) are worried about major consequences stemming from climate change. Although we know that there is often a gap between intentions and behaviours, consumers declare they take action to live in an environmentally friendly way. For instance, many respondents say that they try to better manage their waste, to reduce their energy consumption, to adjust their eating or mobility habits and to buy second hand or more sustainable products and services.

Surveyed consumers also declare that they consider the environment in their consumption behaviours.

Our survey shows that environmental information, labels and green advertising play a role in consumers' decisions. In all European countries surveyed, most consumers (**62%**) declare that they at least sometimes pay attention to environmental information when shopping for products and services. Depending on the country, anywhere between one consumer out of five (e.g. in Belgium) and one consumer out of three (e.g. in Italy) are "often" or "very often" actively looking for environmental information to help them in their decision. **40%** of respondents say that they are willing to pay more for a product or service with a verified green claim or label and close to half (**48%**) prefer buying products that bear an environmental label. There is thus a strong consumer desire for more sustainable consumption and significant potential for more conscious consumption.

... But end-up frustrated with the confusing, never-ending maze of labels and claims.

Our survey shows that there is a general feeling of information overload in what accounts for green claims. **More than half** of respondents (**56%**) think that "there are too many green labels and logos". **Half (50%)** believe that green claims and labels are mostly marketing techniques to increase sales which often "do not reflect the real environmental impact of products". **One third** of respondents does not feel able to distinguish between false/unverified claims and true/verified ones. When asked about specific types of claims commonly present on the market, such as "climate friendly" or "low carbon footprint", **three in 10** respondents (between **29%** and **33%**) declare they have low or very low trust in the reliability of these allegations.

Carbon claims are particularly confusing for consumers

The uncertainty is particularly strong with one particularly popular type of claim: carbon related claims. People seem ambivalent about this kind of claim: **more than half** of respondents have noticed green claims or labels related to carbon emissions at least one or twice and **60%** of the people surveyed think that this type of claim can be useful information. For instance, **more than one third (36%)** of respondents agrees that offset programmes can be a "good solution for people travelling by plane".

Four out of five people who have come across carbon neutrality claims such as "carbon/CO₂ neutral" or "100% carbon neutral", declare they know what it

means. However, when asked about their understanding of the exact meaning of carbon neutrality claims, the vast majority of respondents systematically gives incorrect answers. For instance, **64%** of respondents believe that the products and services bearing a carbon neutral statement have been produced without emitting any CO₂ emissions at all whereas this is false and scientifically impossible. **Nine out of ten** respondents think that companies selling carbon neutral products and/or services have a legal commitment to reduce their CO₂ emissions, which is often not the case.

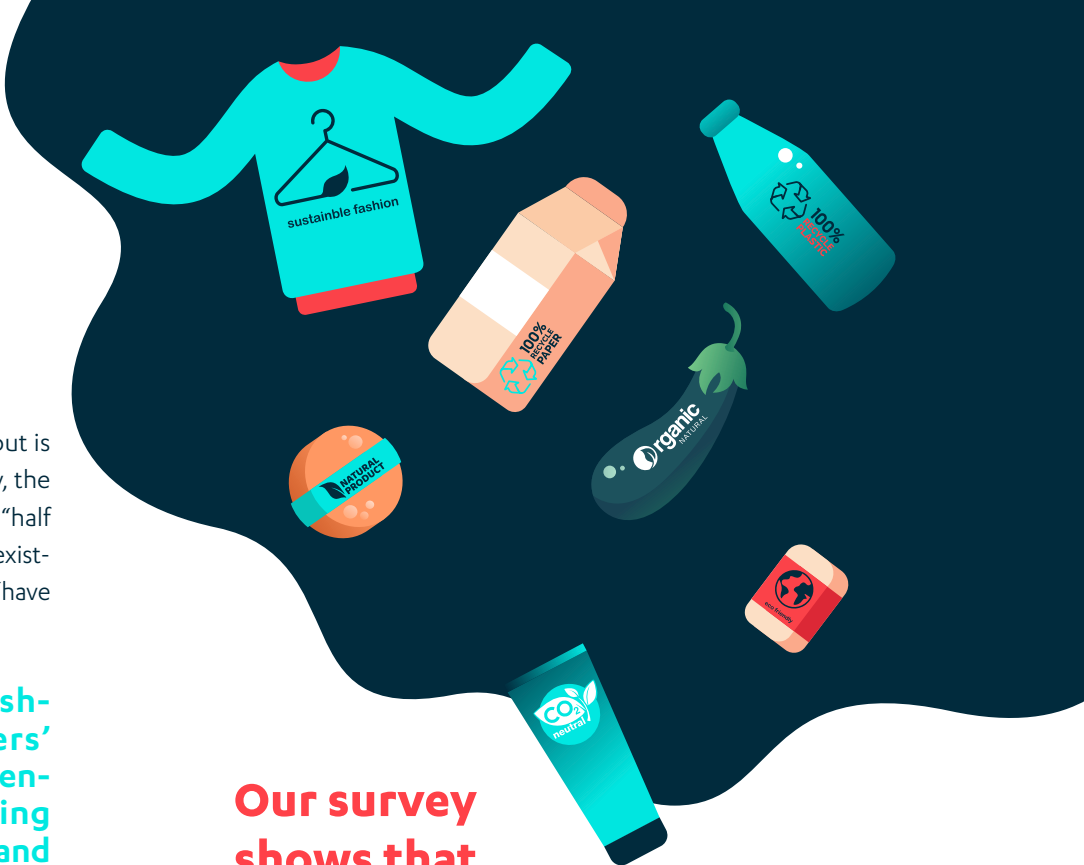
These results are worrying as we know the real benefits of offsetting programmes (by which companies invest in projects such as reforestation to "compensate" their CO₂ emissions), which are often used to back these carbon neutrality claims, remain highly questionable².

Consumers overestimate the degree of verification of green claims.

More than two thirds (69%) of the respondents feel poorly or even "not at all" informed about the requirements companies have to follow to use green claims and labels.

Too often, people overestimate the level of scrutiny and of verification surrounding green claims.

Nearly one out of five (23%) respondents think that green claims and labels are verified by a public authority. Another **12%** think that the labels have been verified by a third party. Green claims and labels can be voluntarily verified and/or certified by a third party



or linked to legal requirements, but is not a given truth. In a recent study, the European Commission found that “half of green labels offer weak or non-existent verification” and **40%** of claims “have no supporting evidence”.³

Experiencing greenwashing damages consumers’ confidence in environmental information, including trustworthy companies and labels.

Our survey shows the frustration with greenwashing and the very harmful effects of misleading claims and labels. Almost **40%** of responders say they would feel “manipulated” if a product or service they intended to purchase would be displaying false or unverified green claims.

More than one third (36%) declares that it would make them stop buying from that particular company.

Only **8%** of respondents say this would not have any impact on their purchasing decision and that they would buy the product anyway.

More concerningly, **three in 10** respondents would feel less confident about green claims in general if a particular company was found guilty of displaying misleading information. This shows that companies engaging in greenwashing harm consumer trust well beyond their own company’s reputation. Misleading

Our survey shows that there is a general feeling of information overload in what accounts for green claims.



trust and harm honest and responsible companies equally. Greenwashing does not only harm misled consumers, but it is also the basis for a more fundamental problem for fair competition in the market, that has the potential to halt people’s engagement in the green transition.

Consumers trust well-known labels and tend to prefer their national labels of environmental excellence.

Among the most recognised labels are the EU Energy label and EU organic food label. These well-known labels also enjoy very high trust levels. The EU Ecolabel, the EU’s official label of environmental

²In June 2022, BEUC and 22 of its members launched an EU-wide complaint against 17 airlines for greenwashing and compensating the CO₂ emissions of their flights with climate protection projects, so-called offsets.

Available at: <https://www.beuc.eu/press-releases/consumer-groups-launch-eu-wide-complaint-against-17-airlines-greenwashing>

³https://environment.ec.europa.eu/topics/circular-economy/green-claims_en

MAIN TAKEAWAYS



38% think that fossil fuel companies should not be authorised to engage into any kind of advertising – not only green claims.

bad for the environment. **38%** think that fossil fuel companies should not be authorised to engage into any kind of advertising – not only green claims.

Consumers from outside Europe share similar concerns and have comparable expectations towards policymakers

The survey was conducted not only in European countries, but also in the USA, Canada, Australia and New Zealand. While one could have expected possibly divergent results, for instance in what concerns the experience with greenwashing and support for policy action, the results show rather consistency between all countries surveyed. Between **60%** and **75%** of people surveyed in these four countries feel poorly or not at all informed about requirements companies must follow to use green claims and labels, which is consistent with results in European countries (**69%**).

Between **75%** and **80%** of respondents from Australia, Canada, the US and New Zealand support a much stricter regulatory framework for green claims and labels. **44%** of Australian respondents think fossil fuel companies should not be allowed to do any kind of advertising. Over two thirds (**39%**) of Canadians surveyed support the idea of a warning sign on products and services which are particularly bad for the environment. More than two thirds of Americans (**68%**) believe that green claims and labels should only be allowed if pre-approved or verified. These figures are very close to the ones we get from European countries enquired.

excellence, is recognised on average by just under **three out of 10** respondents. Roughly **three in five** of those say they understand what the label means and **75%** declare high or medium trust in it. These values leave the EU Ecolabel in the middle field of surveyed labels. The official national ISO Type I ecolabels score rather well in their home countries: Between **half** and **3/4** of respondents from Denmark, Norway and Sweden know the Nordic Swan. **46%** of Austrian respondents know the Austrian Ecolabel and **75%** declare at least “medium trust” in it.

Depending on the countries, a few private labels are well recognised and highly trusted as well.

Consumers expect policymakers to clean up the maze of green claims and support trustworthy green advertising...

The survey shows that consumers expect much more decisive action from public authorities and beyond to prevent greenwashing. Asked what sources of information would help them detect false or unverified green claims, respondents rank consumer organisations (**43%**)

and public authorities (**41%**) respectively second and third after their own assessment/experience. Only **29%** of respondents think however that public authorities are currently doing a good job at preventing companies from using false or unverified claims and labels.

Responses show a very broad support in favour of strict conditions for green claims and labels to be allowed on the market.

Three in four respondents think for instance that green claims and labels should only be authorised if pre-approved or verified. Moreso, **80%** agrees that companies found guilty of using false or unverified green claims should be severely fined.

...And are even ready for stricter measures

Respondents were also asked about potential regulatory measures going beyond the scrutiny or pre-approval of the reliability of green claims and labels. **74%** of respondents think that “very polluting companies”⁴ should not be allowed to use any green claim at all. **75%** support the idea that there should be a warning sign on products and services that are

⁴For this study we did not define what “very polluting” is when contacting the surveyed participants and opinions of what these companies are in particular may vary.

WHAT SHOULD POLICYMAKERS AND ENFORCEMENT AUTHORITIES MAKE OF THESE RESULTS?

In the past few years, EU and national authorities have stepped up with the regulatory and enforcement work to address the problem of greenwashing. Important policy work has recently been concluded at EU level and other pieces of legislation are currently under review.

Here are our policy takeaways/recommendations for public authorities:

Swiftly transpose the progresses made under 'Empowering Consumers for the Green Transition' in national law, starting with the ban of carbon neutral claims

Last September, European legislators agreed on the 'Empowering Consumers for the Green Transition Directive'. The groundbreaking rules will take effect in 2026 and should contribute to protecting consumers from the worst forms of greenwashing. By the time the directive will be transposed in national law, companies will not be allowed to display generic environmental claims such as "environmentally friendly" or "good for the planet", which are much too vague. Stricter rules will also be introduced for future environmental performance claims: a company will not be authorised



to communicate on a distant environmental performance (such as "climate neutral by 2040") without having put in place a realistic implementation plan with feasible targets and regular checks by independent third-party experts. Finally, the new law will introduce a ban on carbon neutral claims which our survey

shows are highly misleading and found everywhere on the market.

For more details regarding BEUC's reaction to the new rules, please see [here](#).

WHAT SHOULD POLICYMAKERS AND ENFORCEMENT AUTHORITIES MAKE OF THESE RESULTS?

Swiftly adopt the recently proposed “Green Claims Directive” and ensure it introduces robust pre-approval for green claims and labels while leaving enough room for trustworthy labels

In complement to the recently agreed revision of consumer law known as Directive on Empowering Consumers for the Green Transition, the European Commission proposed in March 2023 the so-called “Green Claims Directive”. This directive aims at setting rules about how companies communicate to ensure misleading green claims and labels do not make it to the market in the first place. While the aim of the proposal is good and laudable, the text requires significant improvements and clarifications to effectively fulfil its main objectives.

As our survey shows, consumers cross-countries are familiar with the different types of labels.

Even if reducing the number of labels of present on the market would be a welcomed development of setting stricter verification criteria, this shouldn't be the aim of this proposal. The Green Claims Directive should ensure that only robust and trustworthy labels reach consumers.

For more details regarding our recommendations on the Green Claims Directive, please see [our position paper here](#).

Support and promote labels of environmental excellence

Public authorities should dedicate more efforts and resources to promoting labels of environmental excellence, such as the EU Ecolabel.

This should be done by increasing the resources dedicated to the development and promotion of the EU Ecolabel and equivalent officially recognised ISO type I Ecolabels. Public authorities should encourage the uptake of these labels on the market, for instance by better exploiting the synergies between the further development of the EU Ecolabel and of Ecodesign measures. For more details on BEUC recommendations on how to further develop the EU Ecolabel, please see our factsheet [here](#).

The survey also shows that there is no such thing as one unique environmental label at European level which would get the trust of all consumers.

Rather, people from different countries tend to be familiar with and trust different labels, whether public or private. Private environmental labels, when abiding to strong quality criteria and based on sound methodologies, can bring a significant added value and contribute to improving consumer information on the market. For instance, they can cover product categories or environmental impacts not yet covered by regulatory requirements or publicly owned labels. They can also be innovative by merging environmental information with other types of consumer-relevant data. Some consumer groups are responsible for environmental labels which build on the results of product testing programmes. These labels reward those products which perform better from an environmental perspective, while reaching a good performance on other consumer-relevant aspects (such as price, durability, quality, etc.). Public authorities should take advantage of all these initiatives.

Ultimately, the fight for more trustworthy environmental information should be a shared effort from public authorities, civil society organisations, consumer groups, and honest market players.

Reinforce enforcement against greenwashing

Our survey shows that greenwashing is a systemic problem many consumers regularly experience in their daily lives. While we can reasonably hope that the regulatory work mentioned above will address the problem and discourage rogue traders to engage in greenwashing practices, the problem is unfortunately unlikely to disappear anytime soon.

Enforcement and market surveillance authorities have recently intensified their work on this, as the rise of court cases and injunctions demonstrates.

This work should continue and even be strengthened. Enforcement authorities should be given more resources to fulfil this role. Synergies between the work of enforcement authorities and civil society players – such as consumer organisations and environmental NGOs – should be better exploited. Consumer protection authorities should cooperate much more closely with consumer groups to identify greenwashing practices. Companies found guilty of greenwashing should be severely fined.

Accelerate international cooperation to fight against greenwashing on a global scale

Greenwashing is a problem without frontiers, going well beyond the EU.

Green (F)Lying – Misleading carbon-related claims by airlines

In June 2023, BEUC and 23 of its member organisations from 19 countries filed a complaint to the European Commission and the network of consumer protection authorities (CPC) denouncing misleading climate-related claims by 17 European airlines. According to our analysis, such claims breach the EU rules tackling unfair commercial practices (EU Directive 2005/29/EC).

more information: www.beuc.eu/green-flying



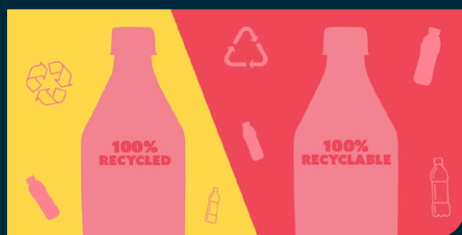
Notably, consumers in the US, Canada, Australia and New Zealand have a very similar experience with and exposure to greenwashing and misleading green claims.

In all these countries, there is an underlining uncertainty about whether companies must follow any rules before communicating on their green credentials.

Respondents across countries also seem to be open to stricter measures such as bans for “very polluting” companies to engage in any form of green advertising. For a significant number of respondents this would even be extended to a ban on any form of advertising for fossil fuel companies.

The United Nations have recently stepped up their work on greenwashing with their Secretary General declaring that **“we must have no tolerance for net zero greenwashing”**. The 2023 Dubai Climate Change Conference (COP 28) could be the occasion to go further and discuss for instance an international ban of fossil fuel advertising. As world leaders are expected to discuss the possibility to agree on a **global fossil fuel phase out**, restricting the possibility for fossil fuel companies to engage into any kind of advertising could seem like a proportionate and consistent measure. Climate negotiators could draw inspiration from the **2003 World Health Organisation Tobacco Convention** which among other things, paved the way for a ban of any tobacco advertising in the signing countries.

Unbottling greenwashing – misleading recycling claims



In November 2023, BEUC and 14 member organisations from 13 countries reported to EU authorities misleading commercial claims about the recyclability of their products by major drinking water

bottle traders. According to our analysis, such claims do not comply with the EU rules on unfair commercial practices.

Specifically, we identified three key claims of concern:

“100% recyclable”: This ambiguous term depends on many factors such as the available infrastructure to collect material, the effectiveness of the sorting process, or appropriate recycling processes. The recycling rate for PET beverage bottle bodies is estimated to be only 55% in the EU and the chance of it becoming a bottle again around 30%.

“100% recycled”: This claim wrongly implies the full bottle is made entirely from recycled materials. The fact is that bottle lids cannot be made of recycled materials by EU law and labels are rarely made from recycled material either. In addition, adding virgin plastic (i.e., non-recycled plastic) to the body of the bottle is also a common practice.

Use of green imagery: Closed loops, green logos or nature images are used for branding many water bottles across Europe. They prompt the false idea of environmental neutrality, endless plastic circularity and may even give the impression that the bottles would have a positive impact on the environment.

More information: www.beuc.eu/unbottling-greenwashing

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