

WHAT IS GREENWASHING AND HOW TO AVOID IT



GREENWASHING: WHEN A BUSINESS MAKES FALSE OR MISLEADING CLAIMS ABOUT THE SUSTAINABILITY OF THEIR PRODUCT OR SERVICE.

In a social context, we may embellish a good story, or tell a story which is a little bit out of context. But if a business is accused of greenwashing (to make consumers buy products or a service that appear better for the planet than they are) it affects credibility, undermines consumer trust and can damage your brand for a very long time. On the other hand, to be fearful of scrutiny and not talk about your sustainable or regenerative actions 'greenhushing' can also be detrimental to businesses.

As consumers increasingly consider the environment in their decision-making, legislation is being introduced around the world to prevent greenwashing. The European Union has introduced more rigorous guidelines to improve consumer information and the US Federal Trade Commission is updating its 'Green Guides' - a set of standards used for companies making environmental claims. Here in New Zealand, [Consumer](#) is campaigning for New Zealand to introduce new laws to combat greenwashing.

SOME THINGS TO CONSIDER WHEN TELLING YOUR SUSTAINABILITY STORY

- It goes without saying that you comply with the Fair Trading Act and don't mislead anyone. State the facts and avoid those vague environmental words, buzzwords or claims like 'green' and 'natural' so there's no confusion.
- Make sure everything you claim about your business can be backed up by sufficient facts, data and evidence. If in doubt – leave it out.
- Avoid displaying complex or misleading data – this is where businesses use technical terms, information or data that the average consumer does not understand but that makes it sound eco-friendly.
- Perception of legitimacy – look at what you're saying in its entirety. Are your images or information misleading and only telling part of the story?
- Don't set and state environmental goals or pledges for the future that have no clear plans for how to achieve them.
- Third-party certifications can be a good option to help transparently tell your regenerative story – but make sure you use them exactly as they are meant to be used.
- Becoming a regenerative tourism business takes time and you can't be expected to transition overnight. Consider writing (and regularly updating) a short paragraph that states where you are on your regenerative journey and what your aspirations are. These key messages can be shared if needed.
- Look at your business with fresh eyes and if you haven't addressed something likely to be brought up by your customers or stakeholders, carefully consider the reasons why, so you can articulate them.
- Keep your staff champions and ambassadors engaged by keeping them informed of what you're doing so they will help defend you if needed.





LEARN MORE ABOUT GREENWASHING WITH THE BELOW RESOURCES:

Sustainable Network

[How to avoid the greenwashing trap – a simple guide](#)

[Greenwashing and greenhushing: how to strike the right balance](#)

Commerce Commission

[Environmental Claims Guidelines](#)

[A guide for traders](#)

Consumer

[New Zealand falls further behind in the fight against greenwashing](#)

United Nations

[The deceptive tactics behind environmental claims](#)

Australian Competition & Consumer Commission: [Environmental and sustainability claims](#)