Unraveling Green Marketing and Greenwashing: A Systematic Review in the Context of the Fashion and Textiles Industry

Aayushi Badhwar 1, Saniyat Islam 1, Caroline Swee Lin Tan 1, Tarun Panwar 1, Stephen Wigley 2 and Rajkishore Nayak 3,*

1 School of Fashion and Textiles, RMIT University, Brunswick Campus, Melbourne, VIC 3056, Australia; aayushi.badhwar@rmit.edu.au (A.B.); saniyat.islam@rmit.edu.au (S.I.); caroline.tan@rmit.edu.au (C.S.L.T.); tarun.panwar@rmit.edu.au (T.P.)
2 LCI, Melbourne, Collingwood Campus, Melbourne, VIC 3066, Australia; stephen.wigley@lcimelbourne.edu.au
3 School of Communication & Design, RMIT University, Saigon South Campus, Ho Chi Minh City 700000, Vietnam
* Correspondence: rajkishore.nayak@rmit.edu.vn

Abstract: Greenwashing is a prevalent issue in the fashion and textile industry, a sector known as one of the largest industrial polluters worldwide. The multi-trillion-dollar industry’s trend-driven, low-cost production models and the availability of numerous distribution options have led to mass consumption, significantly impacting consumer behavior. The aim of this review is to document and analyze the direct and indirect practices of greenwashing in the fashion industry and its impact on consumers. It also seeks to highlight the existence of greenwashing in the industry’s supply and consumption chain. A Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) methodology was employed to examine the complex implications of greenwashing within the fashion industry. Relevant studies from the past decade were identified through comprehensive searches on Elsevier Science Direct, Google Scholar, Web of Science, and Scopus. This review found that some companies resort to greenwashing by promoting a green image without making substantial environmental or social changes. It also revealed varied interpretations and misinterpretations of green-related terms by consumers. The findings underscore the need for transparency and honesty in the fashion industry’s green marketing strategies. They also highlight the importance of consumer education to prevent misinterpretation of green-related terms and to promote sustainable consumption practices.

Keywords: greenwashing; green marketing; circular economy; sustainability; fashion and textile industry; supply chain; consumption chain

1. Introduction

The global fashion and textile (F&T) industry stands as a powerhouse, not merely in terms of aesthetic allure but as a formidable economic force, generating an impressive USD 1.7 to 2.5 trillion, as reported by McKinsey and Company in their State of Fashion 2022 report [1]. Rooted in the foundational theories of fashion, notably expounded by Blumer in 1969, the term ‘fashion’ transcends its superficial connotations to embody trends that organically emerge, acting as a reflective mirror of the zeitgeist—the spirit of the age [2]. In essence, it encapsulates the prevailing ideas, beliefs, and moods of distinct historical periods, shaping the cultural landscape in its wake.

However, beyond the glitz and glamour that often command the limelight in the world of fashion lies the intricately woven tapestry of textile manufacturing processes—a stage to the unseen greenroom of a theatre. In this theatrical analogy, sustainability and responsible practices emerge as protagonists, demanding a spotlight on the less visible yet immensely impactful stages of material manufacturing [3].
Contextualizing within the broader spectrum of corporate practices, greenwashing emerges as a pervasive malpractice cutting across diverse industries, a phenomenon wherein deliberate dissemination of false information coexists with inadvertent misinformation [4]. This paper, however, narrows its lens to scrutinize the landscape of greenwashing within the intricate space of the F&T industry. The challenge lies in the intricate interplay between greenwashing and green marketing, often rendering it arduous to distinguish between authentic sustainable practices and mere promotional tactics [5]. The nuanced intentions behind greenwashing further complicate this scenario, as brands may either knowingly perpetuate deceptive narratives or inadvertently contribute to the misinformation echo chamber [6].

Greenwashing has not only permeated the F&T industry but has significantly impacted consumer behavior [7], exploiting sustainability as a marketable buzzword and diluting its genuine essence [8]. This distortion has contributed to the compounding issues of overconsumption and overproduction, exacerbating the challenges already inherent in the fashion industry’s ecological footprint [9]. The unintended consequence is a muddled landscape where authentic sustainability struggles to prevail amongst the shadow of misleading marketing practices.

This systematic review endeavors to bridge the gap between theoretical conceptualizations of greenwashing and tangible instances within real-world business dynamics. It adopts a perspective of analyzing the theory and definitions with practical representations, signaling a critical need for empirical insights to navigate the complexities of greenwashing. Against the backdrop of evolving governance and regulations in the fashion and textile sector, this study aims to dissect real-world actions, providing a comprehensive understanding of how theory aligns with, or diverges from, practical realities in the field of fashion businesses. The ensuing discussion, embedded in the results, attempts to augment existing research and literature, offering a nuanced perspective on the contemporary challenges and countermeasures shaping the discourse on greenwashing within the F&T industry.

2. Background

2.1. Fashion: Bridging the Conceptual and Industry Dimensions

Fashion, as defined by [10], is a comprehensive concept that spans across multiple sectors. It includes industries such as apparel, leather goods, footwear, jewelry, perfume, and cosmetics [11]. It is not uncommon for companies within these sectors to diversify their offerings; for instance, apparel companies may also retail shoes, bags, perfumes, and cosmetics, while shoe and bag manufacturers may expand into apparel and jewelry [10]. This diversification is often driven by the desire to grow their brands and establish prospective sustainable businesses [12]. Therefore, fashion can be broadly defined as any product or market where style, being a transient yet key element, holds significant relevance [13].

The F&T economy encompasses a variety of industries that supply clothing and apparel to the ever-growing global population. These industries not only meet the basic need for clothing but also cater to those fortunate enough to indulge in the world of fashion and its related sectors. While the fashion industry is commonly associated with the apparel sector, which forms its core component [14], it extends beyond this singular dimension.

At the heart of the F&T industry lies a complex web of consumer behavior intertwined with capitalism [15]. This symbiotic relationship fuels a multi-trillion-dollar revenue stream, with overconsumption as a prominent catalyst [16]. The prevailing retail landscape, driven by the relentless pursuit of ever-changing trends and seasonal cycles [17], not only fosters consumer demand but also fuels the industry’s overproduction dilemma [18]. Operating together with sectors like agriculture and petrochemicals, the F&T industry’s far-reaching impact extends beyond the confines of retail and manufacturing [19]. However, to maintain focus, this paper delves specifically into unraveling the dynamics within the retail and manufacturing components, shedding light on the intricacies that define and drive this colossal industry.
2.2. Green Marketing in the Fashion Industry

Green marketing has become a crucial tool for organizations operating in many different industries, including fashion, to gain a competitive advantage in the market, especially with the rise of a green economy and growing consumer awareness of sustainability [5,20]. Green marketing encompasses the process of lessening the environmental footprint of the products through redesigning, sustainable production, and well-coordinated marketing strategies. Its purpose is to endorse environmentally responsive products and cater to the growing demand for sustainable consumption [21]. The primary aim of green marketing is to introduce these eco-conscious products to the market and attract customers who prioritize environmental awareness [22].

Santos et al. [23] have explained green marketing in terms of a green marketing mixture (e.g., green product, green price, green distribution, green communication, and online communication). For example, green products aim to reduce the overuse of natural resources and limit negative environmental effects over their entire life cycle [24,25]. As another case in point, the goal of green distribution is to oversee distribution logistics in a way that minimizes their harmful impact on the environment. A significant factor contributing to the unsustainable nature of distribution is the emission of carbon from various transportation methods. Hence, it is recommended, whenever feasible, to manufacture products locally to decrease transportation duration and the volume of carbon emissions [26].

Interestingly, Misso et al. [27] demonstrated that maintaining an environmentally responsible image and providing superior quality green products play a crucial role in enhancing customer satisfaction. Their study highlighted a positive relationship between prices and satisfaction, suggesting that consumers are willing to invest more in products that are eco-friendly and of superior quality [27].

Despite the positive impact of green marketing, there are various challenges and barriers to implementing such strategies. One of the primary concerns is the phenomenon known as greenwashing, where companies utilize the idea of green marketing to mislead the public into thinking that their products, objectives, and practices are environmentally advantageous, even when they are not [23]. Greenwashing permeates the F&T industry, subjecting numerous global fashion businesses to heightened scrutiny and infamous litigations, as explored further in this paper.

2.3. Understanding the Practice of Misleading Environmental Claims through Certification Schemes

There are several certifications, classifications, and voluntary initiatives in the fashion industry (for example, the Higg Index and GOTS certification) that indicate sustainability practices in the F&T industry [28]. Unfortunately, most of these programs are working as sustainability baits for brands, fostering greenwashing on a tremendous scale with a serious lack of transparency and accountability [28]. On top of that, in their regular practice, these businesses use vague terms, keywords (e.g., eco-friendly, chemical-free, organic, and sustainable), and tactics to spread sham marketing messages. In turn, it drives misconceptions of green-related terminology and fills the gap between customer expectations and information that businesses disclose. The report, Synthetics Anonymous: Fashion Brands’ Addiction to Fossil Fuels [29], examined around 50 major fashion brands, including supposedly transparent ones like Zara, Primark, H&M, and Burberry. The study assessed the amount of fossil-fuel-based raw materials in their collections and their commitments to reduce them. H&M, ASOS, and M&S were identified as the worst offenders, with 96%, 89%, and 88% false claims, respectively. Additionally, it was found that H&M’s Conscious Collection contained a significant proportion of synthetics (72%) compared to its core collection (61%).

Despite the existence of certifications and initiatives, deceptive practices, ambiguous language, and lack of transparency continue to mislead consumers, emphasizing the critical need for increased accountability and a re-evaluation of current sustainability standards in the fashion sector. As the global consciousness grapples with the profound impacts of climate change, the F&T industry finds itself at a crossroads, where the discourse on
sustainability transforms from a mere consideration to an existential necessity \cite{30,31}. This academic exploration delves into the hidden narratives of material manufacturing, shedding light on its stories and impacts, all the while advocating for a paradigm shift toward sustainability and avoiding greenwashing within the dynamic realm of fashion and apparel.

3. Methodology

This research applies the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) methodology \cite{32} to conduct a thorough investigation. A diverse array of sources from reputable databases, including Web of Science, Elsevier Science Direct, Scopus, and Google Scholar, was meticulously analyzed. Notably, Google Scholar yielded the highest number of results, followed by Web of Science, Elsevier Science Direct, and Scopus. Employing a transparent selection process rooted in the PRISMA guidelines ensured the robustness and reliability of this mini systematic review.

The investigation focused on keywords such as greenwashing, green marketing, organic, eco-friendly, circular economy, fashion industry, and textile industry. The search utilized Boolean syntax, including AND, OR, and punctuation marks, conducted within titles and abstracts, leading to a refined pool of scholarly, peer-reviewed papers. From the initial identification of 265 research resources, a thoughtful screening process based on relevance, language, and additional criteria detailed in Table 1 resulted in the shortlisting of 100 research resources for the final systematic review.

Table 1. Exclusion and inclusion criteria of this review based on PRISMA.

| Keywords | “Greenwashing” AND “Green Marketing” AND “Greenwashing Claims” OR “Organic” OR “Ecofriendly” AND “Circular Economy” AND “Fashion Industry” OR “Textile Industry” |
| Keywords | “Greenwashing” AND “Green Marketing” AND “Greenwashing Claims” OR “Organic” OR “Ecofriendly” AND “Circular Economy” AND “Fashion Industry” OR “Textile Industry” |
| Timespan | 2000–2023 |
| Search Systems | Elsevier Science Direct, Google Scholar, Web of Science, Scopus |
| Criteria | Source | No. of exclusions | No. of inclusions |
| Journal Articles | 91 | 48 |
| Book Chapters | 25 | 6 |
| Conference Papers | 22 | 7 |
| News Articles, Industry Reports | 2 | 22 |
| Masters/Doctorate Thesis | 5 | 3 |
| Legal and Policy Articles | 13 | 8 |
| Websites | 4 | 9 |
| Language | English | 162 | 103 |
| Translated to English | 9 | 6 |
| All other languages | 2 | 0 |
| Others | Irrelevant to the research area | 70 | - |
| Inapt or irrelevant to the topic | 77 | - |
| Not accessible | 2 | - |
| Duplicates | 11 | - |

The comprehensive review, conducted in 2023, revealed a notable increase in research output from 2017, particularly within the context of greenwashing in the F&T industry’s supply and consumption chain. Interestingly, the conceptual roots of greenwashing and green marketing date back to the 1980s, extending beyond the PRISMA-defined two-decade timeframe. This nuanced examination enhances our understanding of the topic while adhering to the inclusion and exclusion criteria outlined in Table 1.
Figure 1 visually presents the step-by-step PRISMA refinement process employed to construct the research library for this review. Commencing with an initial search yielding 265 sources, a systematic removal of 37 duplicates and irrelevant entries was executed. Subsequently, the remaining 228 sources underwent a dual-screening process: first, for their relevance to this review, and second, for inclusion of only those written or translated into English. Post this screening, 44 sources were excluded. The remaining 184 sources underwent a meticulous examination, resulting in the exclusion of 81 sources found to be irrelevant after thorough scrutiny. This visual representation captures the meticulous curation process that ensured the selection of high-quality and pertinent sources for this comprehensive review.

Figure 1. Refinement process from the PRISMA methodology (adopted from [32]).

Figure 2 illustrates the annual distribution of sources incorporated in this systematic review spanning from the 2000s to the 2020s. Notably, the most significant and up-to-date sources examined for this paper are concentrated in the period from the 2000s to the 2020s. Specifically, within the purview of this systematic review, a noteworthy 82 cited material were sourced from the 2020s. It is imperative to highlight that a significant proportion of the research articles utilized for this review emerged in the most recent three-year span (2021–2023), constituting over 70% of the total 103 sources cited in this review. This trend underscores a considerable surge in research output, signifying a heightened interest among researchers in this specific area of study.
In Figure 3, the focal point is the notable nations contributing substantially to the research encompassed in this systematic review. The preeminent share, comprising 16% of the 103 cited sources, is attributed to research articles originating from the USA. Following closely in terms of contribution is Australia with 13% and the UK with 12% of the cited sources.
4. Results
4.1. Understanding the Difference: Direct and Indirect Greenwashing in the Fashion Industry

One way to define greenwashing is any false statement given by a company or a brand claiming to be sustainable but not making any notable effort toward sustainability [33]. Greenwashing can also be used as a marketing strategy where companies project an environmentally responsible image to consumers despite their actual practices being less eco-friendly [34]. According to Pizzetti et al. [4], direct, indirect, and vicarious are three types of greenwashing activities reported. Direct greenwashing happens when a company engages in deceptive environmental messaging, claiming to be eco-friendly but not living up to those claims internally [4]. Research has found that businesses with internal greenwashing practices have higher blame attribution from an ethical perspective and lower consumer confidence [4]. For instance, Shein, the ultra-fast fashion brand that drops over 6000 new styles every day, has been associated with greenwashing because of its internal practices. The appointment of a Head of Sustainability in the company to facilitate the environmental, social, and governance (ESG) framework and the announcement of a USD 15 million investment as an Extended Producer Responsibility Fund at the Global Fashion Summit in Copenhagen in June 2022 may be seen as internal greenwashing practices. The critics compare such promises with the actions of the brand, pointing out the labor and environmental exploitation model of the brand [35]. Shein generated USD 15.7 billion in 2021, which makes the Extended Producer Responsibility Fund 0.1% of revenue from 2021 [36]. Noticeably, the brand scored 0/20 in the Fashion Transparency Index in the context of the brand’s public disclosure of practices [37].

Greenwashing is not only exhaustive to products but also the shopping environment, such as Zara’s Eco-Efficient Stores, which claim 100% energy efficiency to attract consumers [35,38]. Boohoo’s Sustainable Collection, H&M’s Loop Campaign, and ASOS’ Circular Line are other examples of direct greenwashing. The Adidas Stan Smith shoe advertising campaign, Stan Smith Forever, 100% iconic, 50% recycled, which ended with the end plastic logo, was found to be greenwashing by the Professional Advertising Regulatory Authority in France for not disclosing the total proportion of the shoe that is recycled [35,39]. Product labeling around the globe contains different regulations. For instance, the US, the UK, and EU nations have the strictest protocol regarding labeling, which contains mandatory regulations such as mentioning the fiber content, the country of origin, washing and care instructions, manufacturing identification, and the placement of the label on the product [40]. However, countries such as Australia have only limited mandatory requirements such as country of origin and care instructions in garment labeling, which makes manufacturer identification and fiber content a non-mandatory best practice [40,41]. The non-universal mandatory requirements in garment labeling leave a gap that is exploited by greenwashing practitioners around the globe [42,43].

Indirect greenwashing occurs when a company’s association with suppliers or partners who claim to be sustainable is misleading. The suppliers may present themselves as environmentally conscious, but their practices might not align with their claims. In this case, the supplier promotes greenwashing, and the brand selling the products promotes it without taking active initiative toward confirming the credibility of the claims [4]. Indirect greenwashing is difficult to identify due to the lack of transparency and traceability in the global fashion supply chains [3]. A report from an organization, Transparentem, suggests that practices such as fake identification to hide workers under 18 years of age, bogus payroll records, and ‘show factories’ are prevalent in many countries that provide manufacturing facilities for fashion brands around the globe [44].

Vicarious greenwashing is when a company appears environmentally responsible in its marketing, but this image is a result of its association with suppliers that lack genuine sustainability efforts. While the company itself may not deceive, its connection to environmentally irresponsible suppliers indirectly contribute to greenwashing [4]. A mitigation strategy from Patagonia by severing its relationship with a long-term standing Chinese manufacturing partner from Xinjiang is an example of avoiding vicarious greenwash-
ing. Anti-greenwashing companies take initiatives to identify the greenwashing practices among the stakeholders. Patagonia relied on auditors to identify such practices in the Xinjiang region, which is infamous for the exploited labor in cotton farms. The brand showed active actions to identify greenwashing to maintain and uphold its image and consumer confidence [45].

4.2. The Disruptive Impact of Greenwashing on the Fashion Industry’s Supply Chain

Greenwashing practices can either be quickly identified because of the sensitivity of the claim, as in the case of Lorna Jane’s anti-virus activewear [46] or persist over an extended period without exposure due to the nature of the claims. A notable example is H&M’s first Conscious Collection, which was launched in 2010 [47]; however, the claim was only investigated, leading to a lawsuit in 2022 for allegations of greenwashing [48,49]. The supply chains in the F&T industry are complex, spanning across different regions and countries, which can make product tracing challenging [3,50,51]. Greenwashing can be observed in critical stages such as raw material sourcing, manufacturing and production, product advertising and marketing, and distribution and retail [52,53]. Companies seeking to improve their image and position themselves as sustainable may engage in greenwashing, promoting their sustainability without making substantial changes to their business or manufacturing practices [53]. This misleading practice undermines genuine efforts toward sustainability and can mislead consumers seeking truly eco-friendly products [8].

An example illustrating the infiltration of greenwashing in the F&T industry supply chain is illustrated in Figure 4, which utilizes a pair of jeans claimed to be ‘eco-friendly.’ In the raw material sourcing stage, the brand promotes the use of organic cotton for the fabric, emphasizing its environmentally friendly nature. However, there may be a lack of transparency in verifying the organic certification of the cotton. Crucial information about the production methods, which involve chemical-intensive processes like dyeing and finishing, might be misrepresented or omitted, casting doubt on the credibility of the raw material claims as organic or eco-friendly.

![Figure 4. Greenwashing in the supply chain stages of a pair of jeans (authors’ original).](image-url)

During the distribution stage, packaging materials and practices play a significant role [54]. The carbon footprint associated with the distribution process may not be disclosed, and excessive packaging may be used, contradicting the eco-friendly claims made for the pair of jeans, as shown in Figure 5. Furthermore, the marketing strategy may include offering discount codes that encourage further consumption and production [55,56], leading to increased carbon emissions and environmental impact [57,58]. This example highlights how greenwashing can occur at multiple stages of the supply chain, from raw material sourcing to manufacturing, distribution, and marketing.

![Figure 5. Excessive packaging in the distribution stage of a pair of jeans (authors’ original).](image-url)
Figure 5. Greenwashing in the marketing and retailing of a pair of jeans (authors’ original).

During the manufacturing stage, the jeans require various trims such as shank buttons, rivets, and sewing threads [59]. Denim sewing threads, essential for durability, are typically made of polyester [60], which contradicts the eco-friendly claims. Additionally, garment labels, care instructions, and leather or brand labels added to the jeans may not originate from eco-friendly sources.

In terms of distribution, packaging materials and practices play a significant role [54]. The carbon footprint associated with the distribution process may not be disclosed, and excessive packaging may be used, contradicting the eco-friendly claims made for the pair of jeans, as shown in Figure 5. Furthermore, the marketing strategy may include offering discount codes that encourage further consumption and production [55,56], leading to increased carbon emissions and environmental impact [57,58]. This example highlights how greenwashing can occur at multiple phases of the supply chain, from raw material procurement to manufacturing, allocation, distribution, and marketing.

The impact of the product extends beyond the retail stage once the consumption of the product begins, as shown in Figure 6. This includes the user phase, where the consumer utilizes laundry detergents and softeners to care for the jeans, contributing to the chemical intake associated with the product [61,62]. In cases where the jeans are reused or resold, an extended user phase occurs, further prolonging the product’s lifecycle. However, the recycling phase, aimed at mitigating environmental impact, is also an energy and chemical-intensive process, leaving its own footprint [63]. Additionally, throughout the lifespan of the jeans, microfibers may leach into the water system, posing an environmental concern [64,65]. Lastly, during the end-of-life phase, often ending in landfills, certain components like the polyester content of garment labels, sewing threads, or the metal from rivets and buttons [66,67] may not decompose as expected.
Ultimately, it is crucial for brands to refrain from selective information sharing [68] and instead provide credible data in a transparent manner. By avoiding ambiguous language and misleading claims, brands can avoid greenwashing practices. Providing accurate and comprehensive information about their products, sourcing, manufacturing processes, and environmental impact allows customers to make informed buying decisions and fosters confidence in the business’ sustainability commitments [8,69].

4.3. Reviewing the Gap: Consumer Intentions vs. Consumer Actions in the Face of Greenwashing

The perception of green marketing is multifaceted [53,70]. On one hand, it raises awareness about sustainable fashion and the potential shift in purchasing behavior. On the other hand, it is often linked to greenwashing and dishonest practices by companies [6]. While sustainability is gaining popularity and becoming a competitive marketing trend, green marketing significantly impacts purchase behavior, particularly depending on consumers’ knowledge levels [71]. Behavioral, socio-demographic, and personal factors related to the environment are the drivers that influence green consumption [72]. Key predictors of consumers’ intentions to purchase sustainable apparel include consciousness, perceived value, and perceived risk from the context of the environment [73]. Generational cohorts can influence the correlation between environmental consciousness and buying intentions [52,74,75].

The relationship between consumer intentions and actions in greenwashing is complex. Greenwashing poses a significant obstacle to consumer intentions. When perceived, it decreases purchase intention and creates a discrepancy between what customers intend to do and what they do. Greenwashing harms environmentally conscious consumers who pay higher prices for products [7], while the brands selling the products fail to address the
product’s environmental impact with honesty [8]. Consumers have increasingly expressed a desire to act against greenwashing, but the outcomes have been limited [72]. To address this issue, the governing and legislative bodies need to provide better guidance on sustainability claims and conduct more extensive investigations into the F&T industry’s worst offenders, seeking stricter enforcement against greenwashing [76,77].

With a growing consumer focus on natural resources, businesses are placing increasing importance on green marketing [78]. Organizations and governments are increasingly recognizing the significance of maintaining a balance between People, Planet, and Profit [79]. Consequently, it is crucial for companies to understand the key trends and concerns of environmentally conscious consumers. These consumers are individuals who actively adopt behaviors that enhance both environmental and social consequences while also contributing to customer’s well-being [80].

Millennials are increasingly seeking brands that prioritize resolution and sustainability [81]. However, despite holding favorable views toward environmentally friendly products, a significant portion of these consumers do not consistently convert their preferences into actual purchases [81,82]. Each generation has distinct characteristics. The Z Generation, noted for environmental awareness, is willing to spend more on eco-friendly products [83]. A recent study, The State of Consumer Spending: Gen Z Shoppers Demand Sustainable Retail [84], highlighted that most Generation Z shoppers prioritize buying from sustainable brands, showing a willingness to spend 10% more on eco-friendly products. The research also reveals that Millennials and Generation Z are especially inclined to make buying decisions based on personal, social, and environmental values [85]. Generation Z not only prioritizes sustainable purchasing themselves but also motivates other age groups to embrace more sustainable behaviors [86].

Despite ongoing polls and surveys, there is a persistent gap between customers’ declarations and their sincere sustainable behaviors, known as the green intention–behavior gap [81,87,88]. The strongest influence on purchase intention stems from personal attitudes toward sustainable consumption. However, concerns about greenwashing have a detrimental impact on purchase intention [5]. Informed consumers, aware of greenwashing, impose a greenwash penalty, which signifies a change in their inclination to pay a premium for a product upon discovering deceptive green marketing practices [89].

4.4. Legislation and Policies: Combating Greenwashing and False Environmental Claims (ACCC, EU, and More) and Certification Schemes

Fabricating false certifications and descriptions utilizing ambiguous language, omitting crucial information, and incorporating scientific terminology is one of the many tactics employed to mislead consumers in fashion [6,69]. The Changing Markets Foundation [28] reported ten prominent certifications, labels, and voluntary initiatives in the fashion industry, including the Higg Index and SAC, Cradle to Cradle, Bluesign, Textile Exchange, the Ellen MacArthur Foundation, WRAP, the Microfiber Consortium, ZDHC, OEKO-TEX, and the EU Ecolabel. Unfortunately, some of these initiatives are accused of serving as sustainability facades for businesses and products, allowing widespread greenwashing [28,69,90,91]. As a result, there is a misinterpretation of green-related terms, creating a disconnect between consumer expectations and the information shared by companies in the form of accreditations [6,8]. Recently, the growing emphasis on environmental sustainability has spurred changes in laws and policies worldwide to regulate and investigate such claims [67,91].

In March 2023, the European Commission adopted a proposition to address the issue of greenwashing in the European Union [91,92]. According to the proposal, companies will be obligated to provide comprehensive coverage of environmental aspects, impacts, or performance pertaining to their sustainability claims in their marketing materials. They will also need to disclose the underlying studies or calculations used to assess and monitor the environmental impacts or performance mentioned in their claims. Additionally, a brief explanation of the methods employed to achieve the improvements stated in the claims
will be required. Failure to comply with these requirements may lead to fines imposed by the judicial systems of individual member states, with a minimum penalty of 4% of the trader’s annual turnover [92,93].

The primary legislative document governing sustainable claims in the United Kingdom is the Green Claims Code [67,94]. This code establishes certain requirements for companies making sustainability claims, including the need for truthfulness, accuracy, clarity, and avoidance of omitting relevant information. Fair and meaningful comparisons, consideration of the product or service’s full life cycle, and substantiation of claims are also mandated [95]. To further strengthen the existing system, the Financial Conduct Authority has introduced new proposals, which are still undergoing development [96].

The Federal Trade Commission (FTC) in the United States oversees the accuracy of sustainability claims made by companies. Their green guidelines provide a framework for companies to follow [67,97]. The guidelines emphasize clear and prominent disclosure of qualifications, specifying the scope of environmental claims, avoiding overstatement of environmental benefits, and ensuring clarity in comparative claims. Penalties for non-compliance are decided on a case-by-case basis by the court system. Adhering to the FTC’s guidelines is crucial for companies to maintain accurate and reliable sustainability claims [77].

The Australian Competition and Consumer Commission (ACCC) revealed in an investigation that the cosmetics, clothing, and food and drink sectors have a significant number of companies making concerning environmental claims. Out of 247 Australian companies studied, 57% were found to have made questionable statements [98–100]. To tackle this issue, the ACCC has prioritized consumer protection and fair trading regarding environmental claims in its Compliance and Enforcement agenda. They have the authority to gather information and evidence under the Competition and Consumer Act 2010, focusing on potential breaches of misleading or deceptive conduct and false representations about goods or services [101,102]. The ACCC is actively addressing misleading claims to ensure compliance with the law and protect consumers [99,100,102,103].

These efforts aim to enhance transparency, accountability, and credibility in sustainability claims, protecting consumers from deceptive practices. By holding companies accountable and imposing penalties for non-compliance, authorities strive to foster a more responsible and trustworthy approach to sustainability in the F&T industry. Overall, these regulatory actions and initiatives are vital steps toward aligning consumer expectations with reliable information and promoting genuine environmental sustainability in the F&T industry [76].

5. Recommendations

Based on this comprehensive systematic review, this paper emphasizes the integration of credible scientific sources in conjunction with industry reports and legal sources to facilitate a pragmatic approach within the academic realm. Tailoring recommendations for governing bodies, businesses, and consumers in the F&T industry, consistent with the scope of this paper, becomes imperative. Firstly, stringent regulations and enforcement on green claims should be established where incorporating standards and regulations for green-related terms and labels need standardization. Regulatory bodies should impose penalties proportionate to the revenue generated by companies engaged in greenwashing, steering away from the negligible penalties incurred by H&M in the greenwashing lawsuit, as discussed in the Results section. This will foster a genuine commitment to sustainable practices. Secondly, businesses need to enhance transparency regarding their supply chains, promoting accountability and responsibility in production, which is a crucial facet of sustainable practices. Thirdly, consumer education on identifying greenwashing becomes pivotal, creating a knowledgeable consumer base resistant to deceptive green claims. The implementation of these recommendations holds the potential to significantly mitigate the prevalence of greenwashing in the F&T industry.
6. Conclusions

In conclusion, the issue of greenwashing within the F&T industry is a complex and multifaceted problem. The industry, being a significant contributor to overproduction and overconsumption, is under increasing pressure to adopt sustainable practices. However, the trend-driven and low-cost production models based on capitalist ideas pose significant challenges. While green marketing offers potential solutions, the misuse of this strategy in the form of greenwashing is a growing concern. This practice not only misleads consumers but also undermines genuine efforts toward sustainability. The varied interpretations and misinterpretations of green-related terms further complicate the issue. This review, through systematic literature research, has highlighted the prevalence and implications of greenwashing within the industry’s supply and consumption chain. It underscores the need for sustainable business practices, stricter regulations, and increased consumer awareness to combat this issue. Future research should focus on developing effective strategies to mitigate greenwashing and promote genuine sustainability within the F&T industry.


Funding: This research received no external funding.

Institutional Review Board Statement: Not applicable.

Informed Consent Statement: Not applicable.

Data Availability Statement: Not applicable.

Conflicts of Interest: The authors declare no conflict of interest.

References

6. Lorincz, O. Greenwashing Used as a Misinformation Tool in the Communication of the Sustainable Fashion Industry; University of Copenhagen: Copenhagen, Denmark, 2021.


17. Kačmány, P.; Lőrinc, N. Possibilities of Sale Forecasting Textile Products with a Short Life Cycle. *Sustainability* 2023, 15, 15517. [CrossRef]


46. ACCC. Lorna Jane Pays $5 Million over False ‘Anti-Virus Activewear’ Claims; Australian Competition and Consumer Commission: Canberra, Australia, 2021.


62. Kim, S.; Park, J. Comparative Life Cycle Assessment of Multiple Liquid Laundry Detergent Packaging Formats. Sustainability 2020, 12, 4669. [CrossRef]


84. FirstInsight. The State of Consumer Spending: Gen Z Shoppers Demand Sustainable Retail; First Insight, Inc.: Warrendale, PA, USA, 2021.


101. ACCC. Green Marketing and the Australian Consumer Law; Australian Competition and Consumer Commission: Canberra, Australia, 2011.

102. ACCC. ACCC ‘Greenwashing’ Internet Sweep Unearths Widespread Concerning Claims; Australian Competition and Consumer Commission: Canberra, Australia, 2023.


Disclaimer/Publisher’s Note: The statements, opinions and data contained in all publications are solely those of the individual author(s) and contributor(s) and not of MDPI and/or the editor(s). MDPI and/or the editor(s) disclaim responsibility for any injury to people or property resulting from any ideas, methods, instructions or products referred to in the content.