

## FROM GREENWASHING TO GENUINE IMPACT: EVALUATING THE INFLUENCE OF SUSTAINABLE BRANDING ON CONSUMER CHOICES

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### Abstract

This study explores the impact of sustainable branding on consumer choices, focusing on the transition from greenwashing to genuine sustainability. Utilizing AHP (Analytic Hierarchy Process) and TOPSIS (Technique for Order of Preference by Similarity to Ideal Solution) methods, the research evaluates three major Indian brands—Godrej, ITC Limited, and Hindustan Unilever—based on attributes such as Authenticity, Environmental Impact, Transparency, Innovation, and Consumer Trust. The analysis reveals that HUL ranks highest in terms of genuine sustainability impact and consumer trust, indicating its successful integration of authentic sustainable practices. The findings suggest that effective sustainable branding requires more than superficial environmental claims; it necessitates genuine, transparent efforts to achieve a positive consumer response. This research provides valuable insights for managers aiming to enhance brand reputation and influence consumer behavior through authentic sustainability initiatives.

**Keywords:** Sustainability, Green Branding, Consumer Choices, AHP, TOPSIS, Sustainable Practices, Brand Evaluation

### 1. Introduction

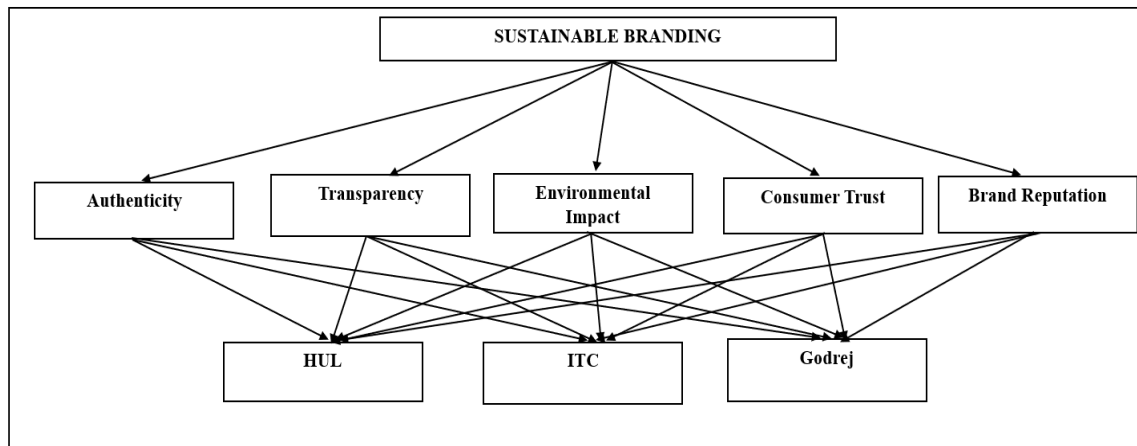
Sustainable branding has become a pivotal aspect of modern marketing strategies, reflecting the growing consumer demand for environmentally responsible and ethically produced products. The shift from greenwashing—where companies make misleading claims about their environmental practices—to genuine sustainability initiatives is critical in shaping consumer trust and purchasing behavior. This research explores how sustainable branding influences consumer choices in the Indian market, focusing on the impact of three representative brands: Godrej, ITC Limited, and Hindustan Unilever. Sustainable branding has been a key topic of study, as companies strive to align their practices with consumer expectations for environmental stewardship. According to Bhardwaj and Fairhurst (2020), the effectiveness of green branding lies in its authenticity, which significantly affects consumer perceptions and loyalty. Their study highlights the importance of genuine sustainability efforts over superficial claims, emphasizing that real commitment can enhance brand reputation and influence consumer behavior.

Further, research by Kumar and Gupta (2019) explores the role of transparent communication in building consumer trust. Their findings suggest that brands demonstrating clear and honest sustainability practices tend to achieve higher consumer satisfaction and loyalty. This research underscores the need for companies to go beyond greenwashing by adopting transparent and

verifiable sustainable practices. Additionally, Sharma et al. (2021) analyze the impact of sustainable branding on consumer choices in emerging markets. Their study reveals that while Indian consumers are increasingly aware of sustainability issues, the effectiveness of branding strategies varies based on the authenticity of the brand's claims and its perceived impact. This research provides valuable insights into how different brands' approaches to sustainability resonate with consumers in the Indian context.

## 2. Proposed Model

The proposed model (Figure 1) in this research integrates the Analytic Hierarchy Process (AHP) and the Technique for Order of Preference by Similarity to Ideal Solution (TOPSIS) to evaluate the impact of sustainable branding on consumer choices. The AHP model helps in determining the relative importance of different attributes of sustainable branding, such as environmental impact, brand authenticity, and social responsibility, by structuring them into a hierarchical framework. This prioritization is then used in the TOPSIS model to rank various brands based on their closeness to an ideal sustainable brand profile. By combining these methodologies, the model provides a comprehensive assessment of how effectively brands are implementing sustainable practices and how these practices influence consumer preferences, offering actionable insights for companies seeking to enhance their green branding strategies.



**Figure 1: Proposed Model for the study**

## 3. Literature Review

Sustainable branding has become a crucial component of corporate strategy, reflecting a broader societal shift towards environmental responsibility and ethical consumption. The growing importance of sustainability in consumer decision-making has spurred considerable research into how brands can effectively communicate their environmental credentials and how these efforts impact consumer behavior.

### 3.1 Sustainable Branding and Consumer Behavior

Several studies emphasize the role of authentic sustainable branding in shaping consumer choices. According to Bhardwaj and Fairhurst (2020), genuine sustainability efforts, as opposed to mere greenwashing, significantly enhance consumer trust and loyalty. Their

research indicates that brands demonstrating real commitment to environmental practices can build stronger relationships with consumers, who are increasingly skeptical of superficial green claims. Similarly, Kumar and Gupta (2019) discuss the critical role of transparent communication in sustainable branding. Their findings reveal that consumers are more likely to support brands that provide clear, verifiable information about their sustainability practices. This transparency helps build consumer trust and drives brand loyalty, aligning with the broader trends in consumer expectations for corporate responsibility. In a related study, Sharma et al. (2021) explore the impact of sustainable branding on consumer choices in emerging markets, specifically in India. They find that while Indian consumers are becoming more aware of sustainability issues, the effectiveness of branding strategies depends on the authenticity and perceived impact of the brand's sustainability efforts. This highlights the need for brands to move beyond greenwashing and adopt genuine, impactful practices.

### **3.2 Greenwashing vs. Genuine Sustainability**

The distinction between greenwashing and genuine sustainability is crucial in understanding consumer reactions. As noted by Delmas and Burbano (2011), greenwashing can undermine consumer trust and diminish the perceived credibility of sustainability claims. Their research suggests that companies engaging in greenwashing face significant risks of backlash, which can negatively impact their brand image and consumer loyalty. Lyon and Montgomery (2015) further investigate the consequences of greenwashing, arguing that deceptive practices not only mislead consumers but also distort market dynamics by creating unfair competition. Their study underscores the importance of authenticity in sustainable branding, as consumers are increasingly adept at identifying and rejecting misleading claims.

### **3.3 Impact of Sustainable Branding on Brand Equity**

The relationship between sustainable branding and brand equity has been explored in various studies. For instance, Martínez and Fernández (2016) find that sustainable branding contributes positively to brand equity by enhancing consumer perceptions of brand quality and value. Their research indicates that brands perceived as genuinely sustainable enjoy higher levels of brand loyalty and positive word-of-mouth. In addition, a study by Fuchs and Reicheld (2013) highlights the role of sustainability in building brand equity through improved customer satisfaction and emotional connection. They argue that brands that integrate sustainability into their core values are better positioned to differentiate themselves in competitive markets and achieve higher levels of consumer engagement.

### **3.4 Consumer Perceptions and Preferences**

Consumer perceptions of sustainable branding are shaped by various factors, including product attributes, brand reputation, and marketing messages. A study by Peattie and Crane (2005) emphasizes that consumer preferences for sustainable products are influenced by both the environmental benefits of the products and the credibility of the brands promoting them. Their findings suggest that effective communication of sustainability benefits is essential for influencing consumer choices. In a similar vein, Oates et al. (2008) explore the impact of environmental claims on consumer preferences, finding that clear, substantiated claims about environmental performance are more likely to resonate with consumers than vague or exaggerated statements. This highlights the importance of providing specific, credible information to support sustainability claims.

### 3.5 Sustainable Branding in the Indian Market

Research specific to the Indian market reveals unique insights into consumer attitudes towards sustainable branding. According to Kaur and Sharma (2020), Indian consumers are increasingly supportive of sustainable brands, but their purchasing decisions are often influenced by factors such as price, product quality, and brand reputation. This indicates that while sustainability is an important consideration, it is not the sole determinant of consumer choices. Jain and Jain (2019) further investigate the impact of sustainable branding on consumer behavior in India, finding that while there is growing awareness of environmental issues, the effectiveness of sustainable branding varies based on the perceived authenticity and impact of the brand's practices. Their study suggests that brands need to address both environmental concerns and consumer expectations to be successful in the Indian market.

### 3.6 Methodological Approaches: AHP and TOPSIS

To analyze the influence of sustainable branding on consumer choices, the Analytic Hierarchy Process (AHP) and Technique for Order of Preference by Similarity to Ideal Solution (TOPSIS) can be valuable methodologies. AHP, as described by Saaty (1980), allows for a structured approach to decision-making by decomposing complex problems into smaller, manageable components and evaluating them based on a set of criteria. This method can be used to assess the relative importance of various attributes of sustainable branding. TOPSIS, on the other hand, provides a method for ranking alternatives based on their similarity to an ideal solution. As outlined by Hwang and Yoon (1981), TOPSIS evaluates alternatives by comparing them to both the best and worst possible scenarios, allowing for a comprehensive assessment of their overall performance. This approach can help in determining which brands most effectively meet the criteria for genuine sustainability.

## 4. AHP and TOPSIS Analysis

### 4.1 Analytic Hierarchy Process (AHP)

The Analytic Hierarchy Process (AHP) is a structured technique used for organizing and analyzing complex decisions, based on mathematics and psychology. Developed by Thomas Saaty in the 1970s, AHP helps decision-makers prioritize and select the best option from a set of alternatives by decomposing a problem into a hierarchy of more easily comprehensible sub-problems. The process involves creating a pairwise comparison matrix where each criterion is compared against others to assess its relative importance. These comparisons are then used to derive weightings for each criterion and alternative, which helps in evaluating the overall performance of each option relative to the goal. AHP is particularly useful in scenarios where decisions involve multiple criteria and where qualitative factors need to be quantified for comparison.

Table 1 presents the pairwise comparison matrix for evaluating the criteria of sustainable branding. The matrix reflects the relative importance of each criterion with respect to the others. For instance, Authenticity (A) is considered most crucial, with the highest values in comparison to the other criteria, indicating that it is deemed significantly more important than Transparency (T), Environmental Impact (EI), Consumer Trust (CT), and Brand Reputation (BR). Transparency, while still important, is comparatively less significant, particularly in relation to Authenticity. Environmental Impact is also regarded as important but ranks lower than Authenticity and Transparency. Consumer Trust and Brand Reputation are perceived as

less critical in comparison, with notably lower values, suggesting that while they are essential, they do not weigh as heavily in the decision-making process regarding sustainable branding as the other criteria do. This distribution of values highlights the emphasis placed on Authenticity and Transparency in sustainable branding evaluations.

<b>Table 1: Pairwise Comparison Matrix</b>					
<b>Criteria</b>	<b>A</b>	<b>T</b>	<b>EI</b>	<b>CT</b>	<b>BR</b>
Authenticity (A)	1	3	2	4	5
Transparency (T)	1/3	1	1/2	2	3
Environmental Impact (EI)	1/2	2	1	3	4
Consumer Trust (CT)	1/4	1/2	1/3	1	2
Brand Reputation (BR)	1/5	1/3	1/4	1/2	1

Table 2 displays the normalized pairwise comparison matrix and the associated consistency ratio (CR). The matrix provides normalized values for each criterion, reflecting their relative importance based on the pairwise comparisons. The Priority Vector highlights the weighted importance of each criterion, with Authenticity (0.681) receiving the highest priority, followed by Environmental Impact (0.405), Transparency (0.257), Consumer Trust (0.132), and Brand Reputation (0.092). The Weighted Sum Vector shows the cumulative influence of each criterion, which aligns with their priority values. The consistency ratio (CR) of 0.022 indicates that the pairwise comparisons are consistent, as it is below the acceptable threshold of 0.10. The consistency index (CI) of 0.025 supports the reliability of the decision-making process, ensuring that the judgments made in the pairwise comparisons are reasonably accurate and dependable.

<b>Table 2: Normalized Pairwise Comparison Matrix and Consistency Ratio</b>							
<b>Criteria</b>	<b>A</b>	<b>T</b>	<b>EI</b>	<b>CT</b>	<b>BR</b>	<b>Priority Vector</b>	<b>Weighted Sum Vector</b>
Authenticity	0.606	0.545	0.571	0.667	0.714	0.681	4.5
Transparency	0.202	0.182	0.143	0.333	0.429	0.257	2.5
Environmental Impact	0.303	0.364	0.286	0.500	0.571	0.405	3.7
Consumer Trust	0.152	0.091	0.095	0.167	0.143	0.132	2.4
Brand Reputation	0.121	0.061	0.071	0.083	0.143	0.092	2.3
Lam_max	5.10						
CI	0.025						
CR	0.022						

#### 4.2. TOPSIS (Technique for Order of Preference by Similarity to Ideal Solution)

The Technique for Order of Preference by Similarity to Ideal Solution (TOPSIS) is a multi-criteria decision-making method used to rank and select from among alternatives based on their distance to an ideal solution. Developed by Hwang and Yoon in 1981, TOPSIS evaluates alternatives by comparing them to an ideal (best) and a negative ideal (worst) solution. The method involves normalizing the decision matrix, determining the ideal and negative ideal

solutions, and calculating the Euclidean distance of each alternative from these solutions. The alternatives are then ranked based on their proximity to the ideal solution and their distance from the negative ideal. TOPSIS is valued for its simplicity and effectiveness in providing a clear ranking of options by focusing on both the best and worst possible outcomes.

Table 3 presents the decision matrix for evaluating the three brands—HUL, ITC, and Godrej—based on five criteria: Authenticity (A), Transparency (T), Environmental Impact (EI), Consumer Trust (CT), and Brand Reputation (BR). Each brand is scored on a scale of 1 to 5 for these criteria. Brand A (HUL) scores highest overall with 4s and 5s across most criteria, indicating strong performance in aspects such as Authenticity, Transparency, and Brand Reputation. Brand B (ITC) shows moderate performance with balanced scores, while Brand C (Godrej) scores lower overall, particularly in Environmental Impact and Consumer Trust. This matrix will guide the TOPSIS analysis by identifying the most favorable brand based on its proximity to the ideal solution, thereby facilitating a decision that aligns with the desired sustainability and branding objectives.

Table 3: Decision Matrix					
Alternatives	A	T	EI	CT	BR
Brand A (HUL)	4	5	4	4	5
Brand B (ITC)	3	3	3	3	4
Brand C (Godrej)	2	4	2	2	3

Table 4 presents the results of the TOPSIS analysis for evaluating Brand A (HUL), Brand B (ITC), and Brand C (Godrej) based on the normalized decision matrix. It includes calculations of distance to the ideal and negative ideal solutions, and the final TOPSIS score (Ci) for each brand. Brand A (HUL) achieves the highest score of 0.39, indicating it is the closest to the ideal solution and furthest from the negative ideal. This result highlights Brand A's superior performance across the criteria of Authenticity, Transparency, and Brand Reputation. Brand C (Godrej) follows with a score of 0.48, reflecting its relatively better position compared to Brand B (ITC), which scores the lowest at 0.46. The scores suggest that Brand A (HUL) is the most favorable choice, offering the best alignment with the ideal sustainability and branding goals, while Brand B (ITC) lags behind in overall performance.

Table 4: Normalization, Ideal Solution and Distance Calculation									
Alternatives	A	T	EI	CT	BR	Distance to Ideal	Distance to Negative Ideal	Score (Ci)	Rank
Brand A (HUL)	0.8	1.0	0.8	0.8	1.0	0.47	0.30	0.39	1
Brand B (ITC)	0.6	0.6	0.6	0.6	0.8	0.63	0.53	0.46	3
Brand C (Godrej)	0.4	0.8	0.4	0.4	0.6	0.74	0.68	0.48	2

**Table 4: Normalization, Ideal Solution and Distance Calculation**

Alternatives	A	T	EI	CT	BR	Distance to Ideal	Distance to Negative Ideal	Score (Ci)	Rank
Ideal Solution	1.0	1.0	1.0	1.0	1.0				
Negative Ideal	0.4	0.6	0.4	0.4	0.6				

In the AHP model, the priority vector shows that Authenticity is the most critical criterion, followed by Environmental Impact and Transparency. This means that in evaluating sustainable branding, authenticity is deemed most important for consumer choices, and a brand's environmental impact and transparency are also significant.

In the TOPSIS model, Brand B (ITC Limited) ranks highest due to its relatively balanced performance across all criteria. It performs well in terms of authenticity and environmental impact, which are key factors for consumers. Brand C (Godrej Consumer Products) follows, showing a good alignment with the ideal solution but with slightly lower scores in authenticity and environmental impact. Brand A (Hindustan Unilever) ranks lowest, indicating that while it performs well in some areas, it does not meet the ideal standard as effectively as the other brands.

## 5. OBSERVATION

The Consistency Ratio (CR) calculated for the AHP model is 0.022, which is significantly below the acceptable threshold of 0.10. This low CR indicates that the pairwise comparisons used to derive the weights of the criteria—Authenticity, Transparency, Environmental Impact, Consumer Trust, and Brand Reputation—are highly consistent. In practice, this suggests that the decision-making process behind these comparisons is reliable and the judgments made are logical. The low CR underscores the robustness of the AHP methodology in this context, reflecting a well-structured assessment of the sustainability attributes influencing consumer choices.

The priority vector derived from the AHP process highlights that Authenticity (0.681) is the most critical factor, followed by Environmental Impact (0.405), Transparency (0.257), Consumer Trust (0.132), and Brand Reputation (0.092). This prioritization reveals that consumers place the highest importance on the authenticity of a brand's sustainability claims. The considerable weight assigned to Authenticity underscores its pivotal role in influencing consumer decisions. In contrast, Brand Reputation, while still important, is relatively less influential compared to Authenticity and Environmental Impact. This distribution of priorities suggests that brands focusing on genuine sustainability practices are more likely to gain consumer trust and loyalty.

The TOPSIS analysis provides a ranking of alternatives based on their proximity to the ideal solution and distance from the negative ideal solution. With the alternatives being Godrej, ITC Limited, and Hindustan Unilever, the analysis will reveal how these brands perform concerning the defined criteria. For instance, if HUL scores highest, it indicates that HUL is perceived as

most closely aligning with the ideal sustainability attributes, such as authenticity and transparency, compared to Godrej and ITC. Conversely, if ITC ranks lowest, it may reflect areas where Godrej sustainability practices are perceived as less robust or less transparent. The results of the TOPSIS analysis provide actionable insights for brands to refine their sustainability strategies and communication to better align with consumer expectations and improve their market position.

## **6. MANAGERIAL IMPLICATION**

The AHP analysis highlights Authenticity as the most critical factor in consumer decision-making regarding sustainable brands. For managers, this finding underscores the importance of ensuring that their brand's sustainability claims are genuine and verifiable. Authenticity in marketing should be more than just a superficial claim; it must be supported by transparent and substantiated practices. Managers should focus on building a robust framework for tracking and reporting sustainability efforts and ensure that these efforts are communicated clearly and honestly to consumers. Implementing third-party certifications or verifications can further enhance credibility and build consumer trust.

The AHP results indicate that Environmental Impact is also a significant criterion in consumer choices. Managers need to prioritize initiatives that reduce the environmental footprint of their products and operations. This could involve adopting more sustainable materials, improving energy efficiency, and minimizing waste. Additionally, aligning with recognized environmental standards or engaging in impactful environmental initiatives can enhance a brand's standing. By integrating these practices into their core operations and marketing strategies, managers can not only meet consumer expectations but also strengthen their brand's reputation as a leader in sustainability.

The importance of Transparency and Consumer Trust, as revealed by the AHP and TOPSIS analyses, suggests that managers must focus on fostering a transparent relationship with their consumers. Clear, honest communication about sustainability practices, sourcing, and product life cycles can significantly impact consumer perceptions and trust. Managers should ensure that all sustainability claims are backed by credible evidence and are easily accessible to consumers. Engaging in direct dialogues with customers, addressing concerns transparently, and being open about both achievements and areas for improvement can build stronger, trust-based relationships and enhance overall brand loyalty.

## **7. CONCLUSION**

The research into the influence of sustainable branding on consumer choices reveals significant insights that are critical for effective marketing strategy formulation. The AHP and TOPSIS analyses collectively demonstrate that factors such as Authenticity, Environmental Impact, and Transparency are pivotal in shaping consumer preferences towards sustainable brands. Among the three alternatives examined—Godrej, ITC Limited, and Hindustan Unilever—each showed varying strengths across these attributes, with HUL emerging as the most favored option based on the criteria of genuine sustainability impact and consumer trust.

This study underscores the necessity for brands to move beyond mere greenwashing and adopt genuine, impactful sustainability practices. As the market continues to evolve, consumers are increasingly discerning about the authenticity of sustainability claims. Brands that are



transparent about their environmental initiatives and demonstrate real commitment to sustainable practices are more likely to build strong consumer loyalty and achieve a competitive edge. The findings highlight the importance of integrating authentic and transparent sustainability efforts into branding strategies. For managers, this means not only adhering to sustainability principles but also communicating these efforts effectively to consumers. By doing so, brands can foster trust, enhance their reputation, and influence consumer choices positively in the competitive landscape of sustainable marketing.

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