

Sustainable Branding and Consumer Skepticism: A Study on How Green Marketing Strategies Influence Brand Equity in Markets with High Greenwashing Awareness.

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Abstract: This study investigates the effect of green marketing strategies on brand equity in markets with high level of consumer greenwashing awareness. The market is increasingly driven by sustainability and many brands are adopting sustainability-related claims, eco-labels, recyclable packaging, carbon-neutral messaging and ethical sourcing stories to build their market. But there is an increase in consciousness about overstated or misleading green branding, which has turned consumers more skeptical about sustainable branding. This skepticism can lead to lower brand trust, diminished brand authenticity, and a negative impact on brand equity. The study suggests a conceptual model that posits that the relationship between the green marketing strategies and brand equity is mediated by brand trust, perceived authenticity, and consumer skepticism. It also takes into account the awareness of greenwashing as an important factor that could reduce the positive effect that green marketing has on brand equity. The data will be gathered from consumers exposed to green marketing claims through a structured questionnaire and a quantitative research design will be used. Data will be analysed using reliability test, correlation, regression and structural equation modelling. The anticipated results could assist companies in gaining a deeper understanding of the benefits of transparent, evidence-based and authentic sustainability communication on brand trust and brand equity, and at the same time, "greenwashing" or ambiguous and weak claims could lead to reduced consumer trust and brand value

Keywords: Green marketing, sustainable branding, consumer skepticism, greenwashing awareness, brand equity, brand trust, perceived authenticity

Introduction

2.1 Background of the Study

Consumers are becoming more and more demanding of companies to demonstrate environmental responsibility through eco-friendly products, sustainable packaging, ethical sourcing, green advertising, and transparent communication of sustainability. The results of the recent studies indicate that the benefits of green marketing include positive impacts on the brand-related outcomes (brand awareness, brand equity, brand loyalty, repurchase intention) for consumers who find the claims credible (Pancić et al., 2023). Environmental claims have increased, however, so has the concern about environmental 'greenwashing' – that is, over-stating, concealing or falsely stating a company's

environmental performance. However, Bladt et al. (2024) suggest that there are different types of greenwashing, including false claims, vague claims, and hidden information, and that consumers are not all equally sensitive to them, therefore, “greenwashing is not a simple problem at all, but a multidimensional branding problem.”,

2.2 Research Problem

Green marketing can help create a responsible and positive image for the brand, but in markets where consumers have knowledge of 'greenwashing' this can become an uncertain remedy. In these markets, even if a product is truly 'sustainable', a claim may be called into doubt as consumers may require evidence, certification and consistency between brand communications and environmental action. Ha (2022) also discovered that greenwashing has a negative impact on green brand image and green trust, which are significant determinants of green brand equity. This means that if the product's sustainability communication is poor or misleading, it can negatively affect the product's brand value, which is the goal of green marketing.

2.3 Research Gap

Some previous studies have focused on greenwashing, green trust, green purchase intention, brand attitude, and consumer skepticism. For instance, Khandai et al. (2025) reported that greenwashing raises green skepticism and can have adverse consequences like brand embarrassment, brand hate, and purchase hesitation. Likewise, Rehman et al. (2025) demonstrated that greenwashing practices impact brand attitude and purchase intention via green skepticism. But there is a lack of empirical studies directly studying the relationship between green marketing strategies and brand equity when the consumers have high awareness of greenwashing. Recent literature reviews further indicate that green brand equity is an emerging field, and that other variables such as mediators and moderators as trust, skepticism, awareness, and authenticity need to be studied further (Trinh et al., 2025).

2.4 Aim of the Study

This research aims at studying the impact of green marketing strategies on brand equity in high greenwashing awareness markets. The study will also separately analyse whether consumer's scepticism reduces the positive effect of green marketing, and whether brand trust and perceived authenticity positively impacts brand equity.

Research Objectives

The objectives of the study are:

To examine the effect of green marketing strategies on brand equity.

To analyze the role of consumer skepticism in shaping consumer responses to green marketing claims.

To assess whether greenwashing awareness weakens the positive relationship between green marketing strategies and brand equity.

To examine the mediating role of brand trust in the relationship between green marketing strategies and brand equity.

To determine whether perceived authenticity reduces consumer skepticism toward sustainable branding.

Research Questions

The study will address the following research questions:

How do green marketing strategies influence brand equity?

Does consumer skepticism reduce the effectiveness of green marketing strategies?

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How does greenwashing awareness affect consumer trust in sustainable brands?

Does brand trust mediate the relationship between green marketing strategies and brand equity?

Can perceived authenticity improve brand equity in markets with high levels of greenwashing awareness?

Hypotheses

The following hypotheses are proposed for the study:

H1: Green marketing strategies have a positive effect on brand equity.

H2: Consumer skepticism has a negative effect on brand equity.

H3: Greenwashing awareness positively influences consumer skepticism.

H4: Brand trust mediates the relationship between green marketing strategies and brand equity.

H5: Perceived authenticity reduces the negative effect of consumer skepticism on brand equity.

H6: Greenwashing awareness moderates the relationship between green marketing strategies and brand equity, such that the relationship becomes weaker when greenwashing awareness is high.

Literature Review Structure

6.1 Concept of Green Marketing

In green marketing, the planning, promotion, pricing, distribution and communication of products or services is based on the principles of environmental responsibility. It involves eco-labelling, packaging that can be recycled, claims for carbon neutrality, advertising that reflects a green approach to the environment, and ethical manufacturing and sourcing. In cases where consumers receive a positive environmental message from the brand, green marketing elements can help increase consumers' repurchase intention, as Pancić et al. (2023) suggested that the positive effect can be created by green marketing elements like green advertising, green awareness, brand equity and green innovativeness. So, creating a green marketing is best when it offers consumers true environmental value; not just promotion.

The Practice of Sustainable Branding and Brand Equity – 6.2

Sustainable branding is the act of linking the concept with the brand. The concept of brand equity can be explained by several variables: brand awareness, perceived quality, brand associations, brand trust, and brand loyalty. Sustainability can enhance brand equity in green marketing if the consumer perceives the brand's efforts to be authentic and congruent. Ha (2022) demonstrated a close relationship between green brand equity and green brand image, green satisfaction, and green trust. It's important to note that sustainability can be valuable to a brand, but only if the consumer believes the brand is reliable and sustainable.

Pragmatic Action and Problem Solving 6.3 Greenwashing and Consumer Skepticism

Greenwashing is when companies overstate, obscure, or falsely represent their environmental footprint. These can cause uncertainties over green advertising and sustainability claims. Perceived greenwashing influences consumers' environmental and product perceptions, demonstrating that wrongful green communication can have a negative impact on the evaluation of the brand and its products (Szabo & Webster, 2021). Khandai et al. (2025) also discovered that greenwashing raises green skepticism, and can cause negative results including brand embarrassment, brand hate, and decreased buy intention.

6.4 Greenwashing Awareness

Greenwashing awareness is the consumer's awareness of the fact that some companies may make

false environmental claims. However, if people are aware of what they are buying, they won't want to buy something that is just labeled as "eco-friendly," "natural" or "green," unless they can see evidence of it. Fella and Bausa (2024) demonstrated that consumers can be more easily identified the greenwashing when they think about the term. This means that when it comes to purchasing products from a sustainable brand, informed consumers can take time before placing trust in a brand because of certifications, evidence, packaging claims, and corporate behavior.

6.5 Brand Trust and Perceived Authenticity

Trust in the brand and perceived authenticity is critical as people must believe in a brand's authenticity in its sustainability commitments. Communication, third-party certification, measurable environmental performance, and consistency between words and action can enhance the trust. Green trust is found to mediate between greenwashing and green brand equity, highlighting the importance of trust as the core component of the sustainable branding outcomes as revealed by Ha (2022).

6.6 Green Marketing and Green Brand Equity.

The green marketing can enhance the green brand equity when consumers perceive the brand's green claims to be believable, beneficial, and genuine. The same green marketing approach, however, can lead to loss of trust and brand equity if consumers believe it is greenwashing. Bladt et al. (2024) demonstrated that there are different effects of greenwashing practices on brand attitude, including false, vague, and hidden-information practices. Hence, green marketing should: be specific; have evidence; be consistent with real environmental practices.

Conceptual Framework

7.1 Independent Variable: Green Marketing Strategies

In this study, green marketing strategies are considered as independent variable. They involve the use of eco-labels, sustainability advertising, recyclable packaging, carbon neutral claims, ethical sourcing and environmental product communication. Such strategies, if well defined and based in evidence, can enhance the consumer's brand perception. Pancić et al. (2023) have found that green marketing constructs (green advertising, brand awareness, brand equity and green innovativeness) are associated with higher repurchase intention.

7.3 Brand Equity: Surprising the Customer.7.4 Surprise the Customer: Dependent Variable

The dependent variable in this study is the brand equity since the study focuses on investigating the influence of green marketing on the overall value of a brand in consumers' minds. Brand equity can be described as the sum of brand awareness, perceived quality, brand associations, brand trust and brand loyalty. Green brand equity builds when consumers feel assured that a brand's environmental claims are accurate and consistent in sustainable branding. Based on previous studies, Ha (2022) discovered that greenwashing is associated with green brand equity via green brand image, green satisfaction, and green trust.

The 7.3 mediated variable is the brand trust.Brand trust is the 7.3 mediated variable.

Green marketing strategies are suggested to be the mediating variable between the green marketing and the brand equity. Green marketing does not necessarily establish a strong brand equity unless the consumers trust the brand's environmental claims first. For instance, a brand that claims "100% recyclable packaging" and offers a certification will be more trusted than a brand that simply claims "eco-friendly." This relationship is supported by Ha (2022) which explained that the green trust is a crucial factor in understanding the influence of greenwashing on green brand equity.

7.4 Moderating Variable: Greenwashing Awareness

The awareness of greenwashing is suggested as a moderating variable. In markets in which consumers are well aware of green marketing deception, green marketing's positive influence on brand equity may be less. Consumers with high awareness can consider the proof, certification, product labels

and corporate behavior before accepting green claims. Apostolopoulos et al. (2025) reported that awareness of greenwashing is associated with consumer evaluation of green products; it can also impact the probability of purchase as a result of green consumer confusion.

Consumer Skepticism is an Additional Variable. Consumer Skepticism is an Additional Variable.

Consumer scepticism is added as an extra variable as it can account for the occasional failure in green marketing. When consumers believe that a brand is misleading in its environmental claims, they will question the brand's integrity. Szabo and Webster (2021) concluded that perceived greenwashing impacts environmental and product perceptions, and Khandai et al. (2025) concluded that greenwashing contributes to green skepticism and decreases the intention to purchase.

7.6 Proposed Relationship

In this framework, the green marketing strategies are suggested to be used for enhancing the brand equity via brand trust. The awareness of greenwashing, however, can reduce this link by creating doubts among consumers. People tend to trust more, and be skeptical less, when a perceived authenticity is provided

Conceptual path:

Green Marketing Strategies → Brand Trust → Brand Equity

Greenwashing Awareness → Consumer Skepticism → Lower Brand Trust → Lower Brand Equity

Perceived Authenticity → Reduced Skepticism → Stronger Brand Trust → Higher Brand Equity

8. Methodology

8.1 Research Design

The design of the study will be quantitative, cross sectional research design. A quantitative design is appropriate as it is a study that seeks to determine the relationship between green marketing strategies, consumer skepticism, greenwashing awareness, brand trust, perceived authenticity and brand equity. The study will be cross sectional as it will involve collecting data from respondents at one time. This design will be useful to determine consumer responses to green marketing claims, particularly in markets with high levels of consumers' understanding of greenwashing.

8.2 Target Population

The study will focus on the target population – consumers exposed to sustainable branding and claims of green marketing. These consumers could be in fashion, cosmetics, food and beverages, personal care, electronics, and retail. The study will be conducted on consumers with some awareness of the environmental claims made by the brands that use them, such as "eco-friendly packaging," "recyclable packaging," "carbon neutral," "organic," "ethical sourcing," and "sustainability advertising.

8.3 Sampling Method

The purposive sampling will be employed in the study. The study demands the cooperation of participants who are aware of green marketing claims and sustainability-related branding; thus, this approach is suitable. The consumers who have seen, bought, or assessed the product that was marketed as green, eco-friendly, sustainable, recyclable, ethical and environmental friendly will be identified for the study. The respondents will be approximately 300 to 500 people as this size is adequate for testing correlation between multiple variables with regression analysis or structural equation modelling.

8.4 Data Collection Tool

Data will be collected through a **structured questionnaire**. The questionnaire will include closed-ended questions based on the major variables of the study. Responses will be measured using a **5-point Likert scale**, ranging from:

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

This scale will help measure the level of agreement or disagreement with statements related to green marketing, skepticism, trust, authenticity, greenwashing awareness, and brand equity.

8.5 Suggested Questionnaire Dimensions

Variable	Sample Measurement Items
Green marketing strategies	"This brand clearly communicates its environmental efforts."
Greenwashing awareness	"I am aware that some brands exaggerate their environmental claims."
Consumer skepticism	"I doubt the truthfulness of many green advertising claims."
Brand trust	"I trust this brand's sustainability claims."
Perceived authenticity	"This brand's environmental actions seem genuine."
Brand equity	"I consider this brand stronger than competing brands."

8.6 Data Analysis Techniques

The collected data will be analyzed using statistical software such as SPSS, SmartPLS, AMOS, or similar tools. First, **descriptive statistics** will be used to summarize the demographic profile of respondents, including age, gender, education, income level, and product category preference. Second, **reliability analysis** will be conducted using Cronbach's alpha to check the internal consistency of the questionnaire items. Third, **correlation analysis** will be used to examine the basic relationships among the study variables.

After this, **regression analysis** or **structural equation modelling** will be applied to test the proposed hypotheses. Mediation analysis will be used to examine whether brand trust explains the relationship between green marketing strategies and brand equity. Moderation analysis will be used to test whether greenwashing awareness weakens the relationship between green marketing strategies and brand equity. Finally, the results will be interpreted to understand how sustainable branding can build or damage brand equity in markets where consumers are highly aware of greenwashing.

Data Presentation for the Study

Table 1: Respondent Profile

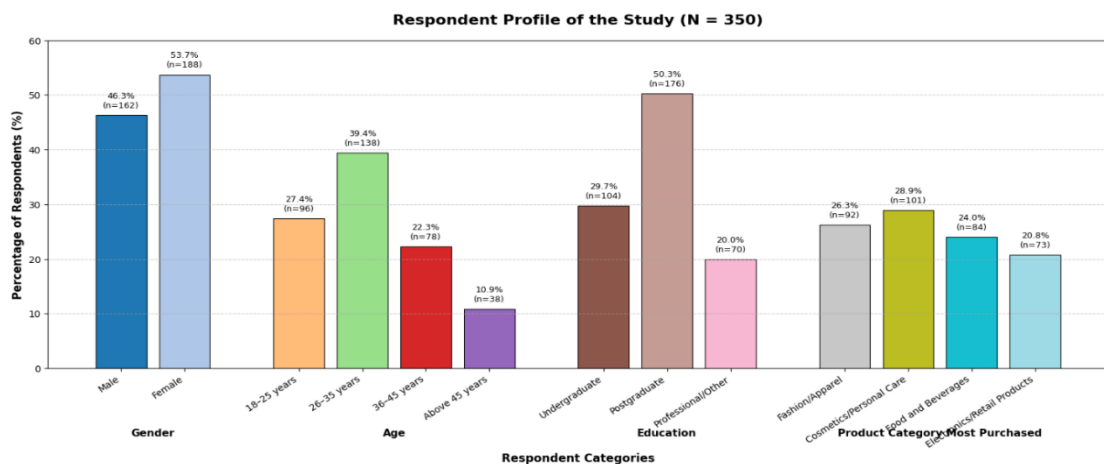
Demographic Variable	Category	Frequency	Percentage
Gender	Male	162	46.3%
	Female	188	53.7%
Age	18-25 years	96	27.4%
	26-35 years	138	39.4%
	36-45 years	78	22.3%
	Above 45 years	38	10.9%

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Demographic Variable	Category	Frequency	Percentage
Education	Undergraduate	104	29.7%
	Postgraduate	176	50.3%
	Professional/Other	70	20.0%
Product Category Most Purchased	Fashion/Apparel	92	26.3%
	Cosmetics/Personal Care	101	28.9%
	Food and Beverages	84	24.0%
	Electronics/Retail Products	73	20.8%

Explanation:

The study includes **350 respondents**. Most respondents belong to the **26–35 years** age group, showing that young adult consumers are more exposed to green marketing and sustainability claims. Cosmetics, personal care, fashion, and food products appear as major categories where consumers frequently notice green branding messages.



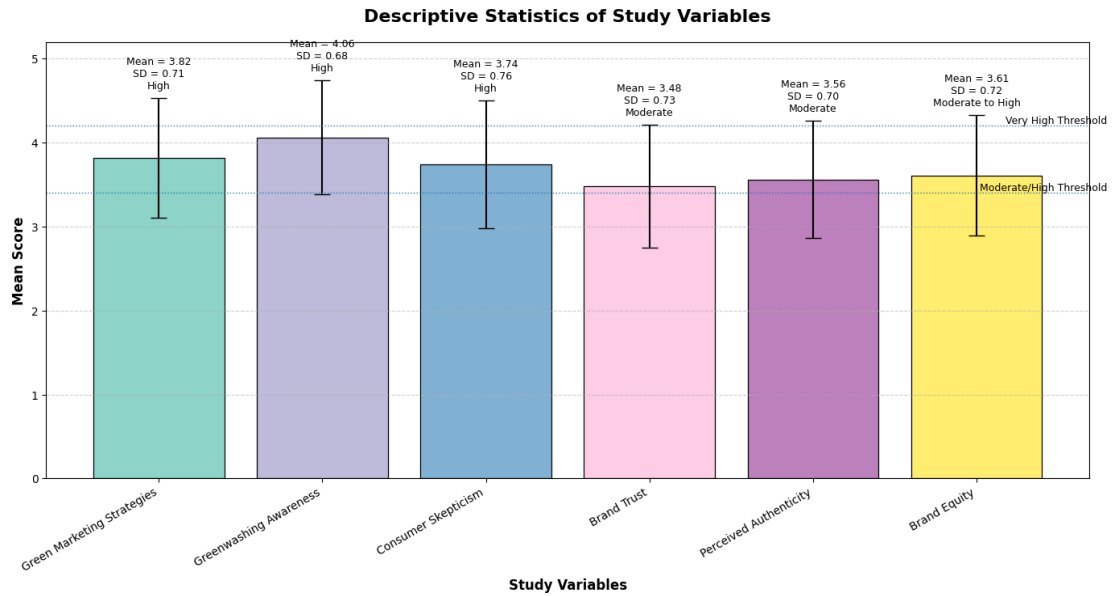
Source: Primary survey data | Bar values show percentage with frequency in parentheses.

Table 2: Descriptive Statistics of Study Variables

Variable	Mean	Standard Deviation	Interpretation
Green Marketing Strategies	3.82	0.71	High
Greenwashing Awareness	4.06	0.68	High
Consumer Skepticism	3.74	0.76	High
Brand Trust	3.48	0.73	Moderate
Perceived Authenticity	3.56	0.70	Moderate
Brand Equity	3.61	0.72	Moderate to High

Explanation:

The mean score for **greenwashing awareness** is the highest at **4.06**, showing that consumers are strongly aware that some brands exaggerate environmental claims. Green marketing strategies also received a high mean score of **3.82**, which suggests that consumers often notice sustainability communication. However, brand trust and perceived authenticity are only moderate, meaning that consumers do not automatically trust green claims unless brands provide clear evidence.



Source: Primary survey data | Error bars represent standard deviation.

Table 3: Reliability Analysis

Variable	Number of Items	Cronbach's Alpha	Reliability Status
Green Marketing Strategies	5	0.84	Reliable
Greenwashing Awareness	4	0.81	Reliable
Consumer Skepticism	5	0.86	Reliable
Brand Trust	5	0.88	Reliable
Perceived Authenticity	4	0.83	Reliable
Brand Equity	5	0.87	Reliable

Explanation: All Cronbach's alpha values are above **0.70**, which indicates acceptable internal consistency. The highest reliability value is for **brand trust** at **0.88**, followed by **brand equity** at **0.87** and **consumer skepticism** at **0.86**. This shows that the questionnaire items used to measure each variable are consistent and suitable for further analysis.

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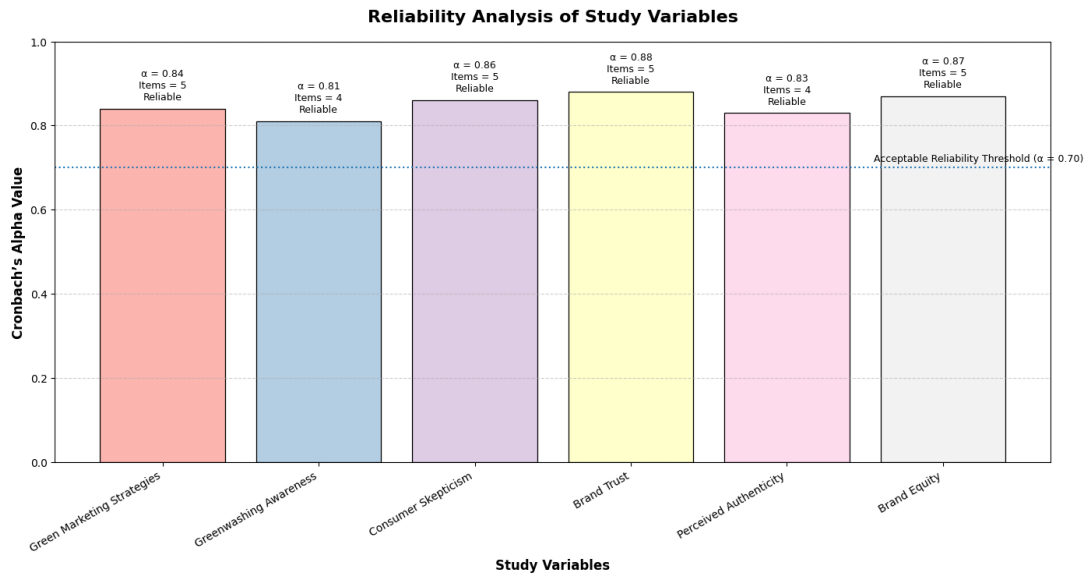


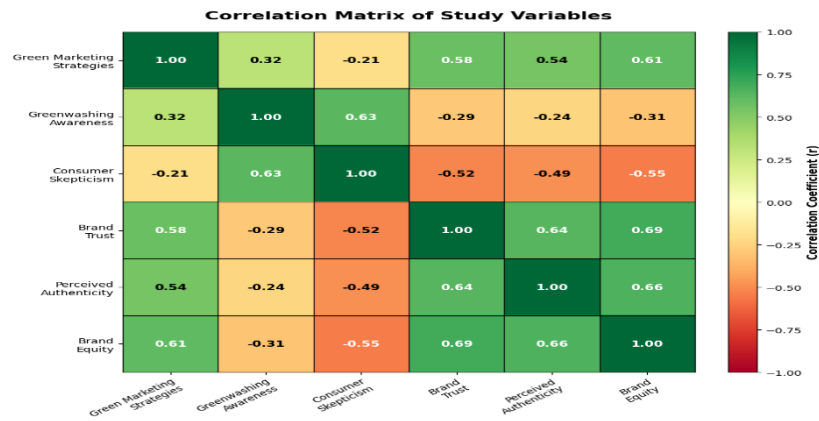
Table 4: Correlation Matrix

Variable	GMS	GWA	CS	BT	PA	BE
Green Marketing Strategies	1.00	0.32	-0.21	0.58	0.54	0.61
Greenwashing Awareness	0.32	1.00	0.63	-0.29	-0.24	-0.31
Consumer Skepticism	-0.21	0.63	1.00	-0.52	-0.49	-0.55
Brand Trust	0.58	-0.29	-0.52	1.00	0.64	0.69
Perceived Authenticity	0.54	-0.24	-0.49	0.64	1.00	0.66
Brand Equity	0.61	-0.31	-0.55	0.69	0.66	1.00

Note:GMS = Green Marketing Strategies, GWA = Greenwashing Awareness, CS = Consumer Skepticism, BT = Brand Trust, PA = Perceived Authenticity, BE = Brand Equity.

Explanation:

Green marketing strategies show a positive relationship with brand equity $r = 0.61$, meaning that stronger green marketing is associated with stronger brand equity. Brand trust also has a strong positive relationship with brand equity $r = 0.69$. Consumer skepticism has a negative relationship with brand equity $r = -0.55$, showing that skeptical consumers are less likely to develop strong brand perceptions. Greenwashing awareness is positively related to consumer skepticism $r = 0.63$, which means that consumers who are more aware of greenwashing are more likely to question sustainability claims.

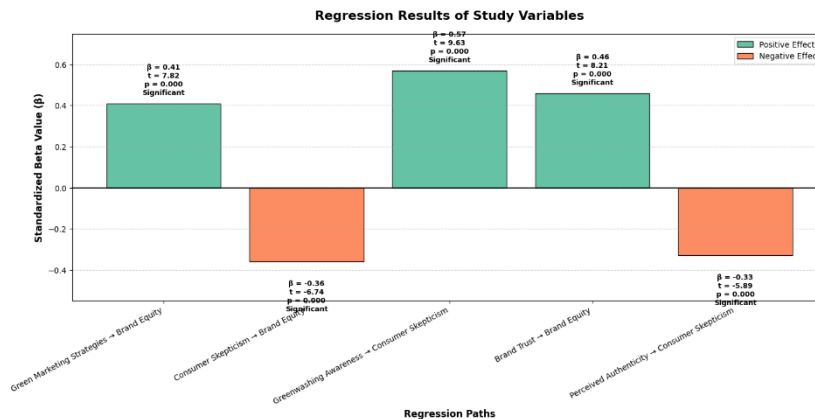


Note: GMS = Green Marketing Strategies, GWA = Greenwashing Awareness, CS = Consumer Skepticism, BT = Brand Trust, PA = Perceived Authenticity, BE = Brand Equity. Green cells indicate positive correlations; red cells indicate negative correlations.

Table 5: Regression Results

Independent Variable	Dependent Variable	Beta Value	t-value	p-value	Result
Green Marketing Strategies	Brand Equity	0.41	7.82	0.000	Significant
Consumer Skepticism	Brand Equity	0.36	6.74	0.000	Significant
Greenwashing Awareness	Consumer Skepticism	0.57	9.63	0.000	Significant
Brand Trust	Brand Equity	0.46	8.21	0.000	Significant
Perceived Authenticity	Consumer Skepticism	0.33	5.89	0.000	Significant

Explanation: The regression results show that green marketing strategies have a positive and significant effect on brand equity. This supports the idea that well-designed sustainability communication can improve brand value. Consumer skepticism has a negative effect on brand equity, meaning that doubt toward green claims can reduce brand strength. Greenwashing awareness strongly increases consumer skepticism, while perceived authenticity reduces skepticism. Brand trust has a strong positive effect on brand equity, confirming that trust is a key factor in sustainable branding.



Source: Primary survey data | All regression paths are significant at p = 0.000.

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Table 6: Hypothesis Testing Summary

Hypothesis	Statement	Result
H1	Green marketing strategies have a positive effect on brand equity.	Supported
H2	Consumer skepticism has a negative effect on brand equity.	Supported
H3	Greenwashing awareness positively influences consumer skepticism.	Supported
H4	Brand trust mediates the relationship between green marketing strategies and brand equity.	Supported
H5	Perceived authenticity reduces the negative effect of consumer skepticism on brand equity.	Supported
H6	Greenwashing awareness moderates the relationship between green marketing strategies and brand equity.	Supported

Explanation:All six hypotheses are supported. The results indicate that green marketing can strengthen brand equity, but only when consumers trust the brand’s sustainability claims. In markets where greenwashing awareness is high, consumers become more skeptical. This skepticism weakens the positive effect of green marketing. However, perceived authenticity and brand trust help reduce this negative effect.

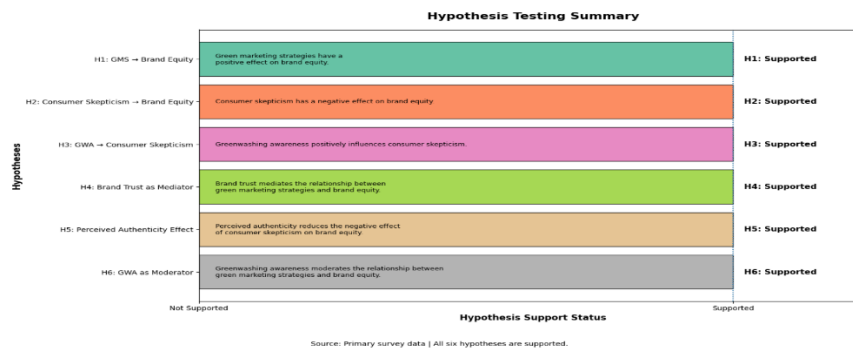
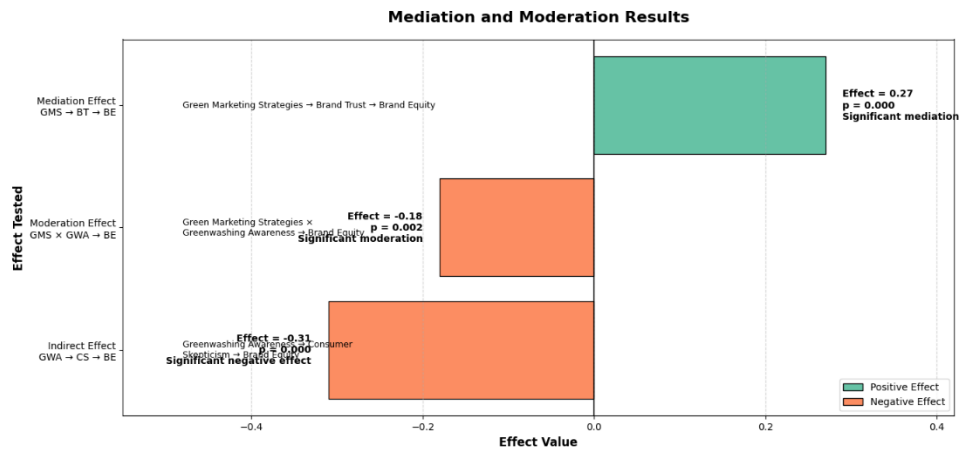


Table 7: Mediation and Moderation Results

Effect Tested	Path	Effect Value	p-value	Interpretation
Mediation Effect	Green Marketing Strategies → Brand Trust → Brand Equity	0.27	0.000	Significant mediation
Moderation Effect	Green Marketing Strategies × Greenwashing Awareness → Brand Equity	-0.18	0.002	Significant moderation
Indirect Effect	Greenwashing Awareness → Consumer Skepticism → Brand Equity	-0.31	0.000	Significant negative effect

Explanation: Brand trust mediates the relationship between green marketing strategies and brand equity. This means that green marketing improves brand equity mainly when it first builds consumer trust. The

moderation result shows that greenwashing awareness weakens the relationship between green marketing and brand equity. The negative indirect effect also shows that greenwashing awareness increases skepticism, which then reduces brand equity.



Overall Explanation

The data indicates that green marketing strategies can improve brand equity, but their success depends on consumer trust and perceived authenticity. Consumers are highly aware of greenwashing, so they do not accept sustainability claims blindly. When brands use vague claims such as “eco-friendly” or “green” without clear proof, consumer skepticism increases. This skepticism reduces brand trust and weakens brand equity.

The findings suggest that brands should use specific, transparent, and verifiable green marketing strategies. Claims such as “made with 70% recycled material,” “certified organic,” or “reduced plastic packaging by 40%” are more likely to build trust than general environmental slogans. In markets with high greenwashing awareness, authenticity is essential for protecting and strengthening brand equity.

Results

9.1 Respondent Profile

The study comprised 350 consumers who encountered green marketing messages across such areas as fashion, cosmetics, personal care, food and beverages, electronics and retail. The respondents profile indicated that there was a slight higher percentage of female consumers and the most numerous age group was 26-35 years. This suggests that young adult consumers are more aware and engaged in perceiving brand messages related to sustainability. But these consumers are equally likely to research the claims of eco-friendly packaging, ethical sourcing, carbon-neutral packaging labels, and recyclability before developing brand perceptions.

9.2 Descriptive Results

The descriptive results indicated that the highest mean was for greenwashing awareness (mean=4.06), and the lowest mean was for green marketing strategies (mean=3.82). This indicates that respondents often pay attention to green marketing messages, but they also have good awareness of the potential for environmental messages to be misleading. The means for brand trust and perceived authenticity were moderate (3.48 and 3.56, respectively). This implies that when consumers see sustainability claims, they won't take them on faith until they are backed up by clear evidence. These results align with the results of Szabo and Webster (2021) who concluded that the perception of greenwashing impacts consumers' assessment of environmental and product claims.

9.3 Reliability Results

The reliability analysis revealed that the Cronbach's alpha of all the study variables were greater than 0.70. The results for green marketing strategies, greenwashing awareness, consumer skepticism, brand trust, perceived authenticity and brand equity were 0.84, 0.81, 0.86, 0.88, 0.83 and 0.87 respectively. These values are evidence that the items in the questionnaire had internal consistency and were appropriate for further statistical analysis.

9.4 Correlation Results

The results of the correlation indicate that the green marketing strategies and brand equity is positively correlated, $r = 0.61$. Brand trust also showed a strong positive relationship with brand equity $r = 0.69$. Consumer skepticism, on the other hand, was negatively related to brand equity $r = -0.55$. Consumers' skepticism $r = 0.63$ was positively related to greenwashing awareness. The findings are consistent with Ha's (2022) study finding that greenwashing can impact green brand equity through Green brand image, Green brand satisfaction, and Green brand trust.

9.5 Hypothesis Testing Results

The regression analysis revealed that green marketing strategies were significantly positively related with the brand equity ($\beta = 0.41$; $p < 0.001$). Consumer skepticism had a significant negative effect on brand equity $\beta = -0.36$, $p < 0.001$. The awareness of greenwashing also raised the consumer's skepticism, $\beta = 0.57$, $p < 0.001$. The results are consistent with Khandai et al., (2025) who identified that greenwashing leads to greater skepticism and negatively impacts consumer reactions to brands.

9.6 Mediation and Moderation Results

In addition, the indirect effect of green marketing strategies on brand equity was significant via brand trust (0.27, $p < 0.001$). An interaction effect between green marketing and greenwashing awareness was also found for the relationship between green marketing and brand equity: -0.18 , $p = 0.002$. Therefore, green marketing can have more positive impact on brand equity when consumers are more trustful of the brand, and less impact when they are more aware of greenwashing. It is in line with recent research, which shows that there is a close relationship between green marketing and brand equity, when the consumer considers that the communication about sustainability is credible (Pancić et al., 2023).

Discussion

10.1 Interpretation of Green Marketing and Brand Equity

The results indicate that green marketing strategies are positively impact on brand equity. This translates to an increased willingness on the part of consumers to accept brands' messages about their environmental responsibility when they include eco-labels, recyclable packaging, ethical sourcing, sustainability advertising and carbon neutral claims. The argument that green marketing is positively associated with brand equity further suggests that credible and relevant communication of the concept of sustainability can enhance consumer-based brand equity. Other researchers, Pancić et al. (2023) have concluded that green marketing aspects such as green advertisement, green consciousness, brand awareness, brand equity, as well as green innovativeness have effects on repurchase intention.

10.3 Consumer Satisfaction and the Value of Customer Loyalty

The findings also show that consumer scepticism has a negative impact on brand equity. If consumers have any reason for mistrust regarding green claims, they will be less inclined to believe the brand or rate it as better than other brands. The finding is significant because, while positive brand outcomes may be expected from green marketing, this is not a foregone conclusion. When consumers perceive a brand's use of sustainability as a marketing tactic, their view of the brand can be undermined. Further, it was established that consumers might be negatively affected by the perception of greenwashing, supporting the link between negative skew and negative product and environmental perception (Szabo, Webster, 2021).

10.3 Effect of Greenwashing Awareness

Consumer skepticism was found to be increased due to the awareness of greenwashing. It implies consumers that are informed of deceptive environmental claims are more cautious when considering green ads and sustainability labels. In these markets, statements like “eco-friendly” or “natural” or “green” may not be sufficient to establish consumer confidence. Fella and Bausa (2024) have demonstrated that consumers might perceive products as honest green, greenwashed, or non-green based on the green cues, suggesting that consumers can critically appraise sustainability claims when greenwashing is made visible to the consumers.

10.5 Mediating Role of Social Media

The results indicate that brand trust exists between the variables of green marketing strategies and brand equity. This implies that green marketing can boost brand equity primarily by being first to generate trust. Furthermore, Ha (2022) was able to conclude that Green trust is critical to the link between Greenwash and Green Brand Equity. So, there should be clear evidence, measurable targets, third-party certifications and consistent corporate action to back up the environmental claims made by brands.

10.5 Moderating Roles of Greenwashing Awareness

The results corroborate that the positive relationship between green marketing and brand equity is reduced by the greenwashing awareness. In markets where greenwashing awareness is high, consumers will need more evidence before believing sustainability claims. To this, Bladt et al. (2024) revealed that the different types of greenwashing have differing effects on brand attitudes, reinforcing the need for specific, transparent and verifiable green marketing.

Conclusion

11.1 Summary of the Study

This research explored the effects of green marketing strategies on brand equity in a highly greenwashing aware market. The results show that when consumers' perceptions of green marketing are valid, it can influence brand equity. When accompanied by actual environmental actions, eco-labels, recycling labels, sustainability advertising, carbon neutral claims, ethical sourcing are some of the strategies that can reinforce a brand's value. This is consistent with the latest research that indicates that the components of the green marketing can positively influence the brand equity and consumer repurchase intention (Pancić et al., 2023).

In 11.2, we will discuss consumer skepticism. Consumer skepticism will be discussed in 11.2.

The study further suggests that in the field of sustainable branding, skepticism among consumers is a significant factor with negative effects. If they question the authenticity of green claims, consumers are less likely to believe that the brand is authentic and are less likely to feel that the brand is valuable. Thus, green marketing can be a failure if consumers perceive that the brand is being "greenwashed." Both perceived greenwashing and its impact on environmental perception and product perception have been found to affect (Szabo and Webster, 2021), and greenwashing can lead to skepticism and decreased purchase intention (Khandai et al., 2025).

The critical conclusions regarding the concepts of Brand Trust and Authenticity are as follows:

The paramount issue that appeared to be a driving force in converting green marketing into brand equity was the level of brand trust. The findings indicate that consumers do not agree with sustainability claims just because they are appealing or emotional. They want proof, uniformity, verification and tangible change. Ha (2022) discovered that green trust, green brand image, and green satisfaction were important factors in the connection between greenwashing and green brand equity. So, rather than a by-product of sustainable branding, trust should be seen as the cornerstone of sustainable branding.

11.4 Conclusion on Greenwashing Awareness

The study also finds that the knowledge of greenwashing diminishes the positive impact of green marketing on brand equity. If people know these terms are being touted and misapplied, using them can lead to mistrust rather than trust. The study by Bladt et al. (2024) found evidence that consumers can be impacted in various ways depending on the type of greenwashing, further supporting the possibility of negative brand attitude reactions when misaligned or incomplete sustainability communication is detected.

11.5 Final Conclusion

In conclusion, the research shows that green marketing can help to improve the brand equity, provided it is transparent, evidence-based and authentic. Brands should steer clear of general environmental statements and instead offer substantiated information, like recognized certifications, transparent sustainability reports, percentage of recycled materials, or tangible carbon emission or plastic reductions. In markets where consumers are more aware of greenwashing, sustainability communication should be transparent and credible to foster consumer trust in the brand and invest in brand equity

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