

EXPLORING THE ROLE OF ELECTRONIC WORD OF MOUTH (EWOM) IN RAISING AWARENESS OF GREENWASHING IN THE ENERGY SECTOR

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ABSTRACT

This paper explores the growing issue of greenwashing in the energy sector, especially in light of consumers' increasing interest in sustainable practices. With the rise of environmental awareness, many energy companies are promoting their eco-friendly initiatives to appeal to a conscious consumer base. However, some of these claims are misleading, intentionally exaggerating or fabricating sustainability efforts. This deceptive marketing practice, known as greenwashing, undermines consumers' trust and hinders the genuine progress towards environmental sustainability. In today's digital age, electronic word of mouth (eWOM) has become a powerful tool for consumers to share opinions, experiences, and knowledge. Social media platforms, online forums, and review websites enable users to voice concerns, expose misleading information, and educate others. This paper investigates how eWOM serves as a critical mechanism for identifying and raising awareness of greenwashing. Through the spread of both positive and negative consumer experiences, eWOM can help distinguish between genuine sustainability efforts and deceptive marketing tactics. The study incorporates a review of relevant literature, case studies, and an analysis of current trends in both the energy sector and online communication. By examining examples of greenwashing in the industry, the paper highlights the role of eWOM in uncovering deceptive claims and empowering consumers to make more informed decisions. Furthermore, it explores how eWOM can serve as an educational tool, helping to clarify the nuances of sustainability and its impact on both the environment and society. Ultimately, the paper emphasizes the significant potential of eWOM to influence public perceptions and hold companies accountable. It demonstrates how collective consumer action and informed discussions can counteract the effects of greenwashing and contribute to a more transparent and responsible energy sector. Through this research, it becomes clear that eWOM can be an essential force in fostering greater environmental responsibility and consumer empowerment.

Keywords: eWOM, Greenwashing, Energy Sector, Sustainability, Consumer Awareness, Online Communication, Corporate Responsibility.

Introduction

The global energy sector is undergoing a significant shift as both consumers and businesses increasingly prioritize sustainability in their energy choices. In response to this rising demand for environmentally friendly solutions, many companies in the energy industry are positioning themselves as eco-conscious, emphasizing their commitment to green practices through various marketing strategies. However, this growing trend has given rise to a troubling phenomenon known as greenwashing, where businesses exaggerate or even fabricate their sustainability efforts in an attempt to appeal to environmentally conscious consumers. This deceptive practice not only undermines consumer trust but also clouds the true environmental impact of energy products and services.

Greenwashing has become especially pervasive as companies compete for the attention of consumers who are eager to align their purchasing decisions with their values. A 2021 study found that

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62% of consumers expect companies to actively reduce their environmental impact, and 73% are willing to change their purchasing behavior to support eco-friendly brands. In this context, businesses may be tempted to use misleading claims about their sustainability initiatives to capitalize on these consumer preferences. However, when these claims are not backed by tangible action, consumers are left misinformed about the actual environmental benefits of their choices.

The rise of digital platforms and social media has amplified the potential for consumer voices to influence brand reputations. Through online reviews, social media posts, and blog entries, electronic word of mouth (eWOM) has become an essential tool for shaping public perceptions. eWOM allows consumers to share their experiences, expose misleading claims, and hold companies accountable for their sustainability practices. This form of online communication has the potential to challenge greenwashing by enabling more transparent discussions about the true environmental impact of energy companies' actions. Consumers can use eWOM to verify sustainability claims, educate others, and advocate for more responsible practices within the industry.

This paper aims to explore the role of eWOM in highlighting the issue of greenwashing in the energy sector. By critically analyzing how eWOM can expose misleading marketing tactics and raise awareness about the potential dangers of greenwashing, this study seeks to empower consumers to make more informed decisions. As eWOM continues to grow in influence, it presents an invaluable opportunity for combating greenwashing and ensuring that sustainability claims in the energy sector are more than just marketing buzzwords. Through a closer look at how eWOM impacts consumer behavior and corporate accountability, this paper highlights its crucial role in fostering a more transparent and environmentally responsible energy market.

The global energy sector is undergoing a profound transformation as the world grapples with the escalating challenges of climate change and environmental degradation. As consumers become more attuned to the environmental impact of their choices, there has been an undeniable shift towards sustainable energy solutions. Consumers, both individuals and businesses alike, are increasingly demanding that companies provide environmentally friendly options, pushing the energy sector to rethink its approach to sustainability. In response, many energy companies have adopted marketing strategies that position them as eco-friendly, claiming to support renewable energy, reduce carbon footprints, and embrace sustainable practices. These claims are often accompanied by sleek branding, certifications, and imagery designed to appeal to consumers' growing environmental consciousness.

However, this surge in green marketing has led to an alarming increase in the practice of greenwashing—where companies exaggerate, misrepresent, or fabricate their environmental efforts in a bid to attract customers. Greenwashing can take many forms, from misleading claims about the use of renewable energy sources to overblown statements about carbon reduction targets that lack real action behind them. In some cases, companies may highlight a single positive initiative while downplaying other practices that contribute significantly to environmental harm. This deceptive practice not only misguides well-intentioned consumers but also diminishes the credibility of genuine sustainability efforts. As a result, consumers are often left questioning the authenticity of the sustainability claims they encounter, leading to confusion and mistrust in the marketplace.

The emergence of greenwashing highlights the need for greater transparency and accountability in the energy sector, particularly as consumers become more vigilant in seeking out businesses that align with their values. Today, in the digital age, information flows rapidly through the internet, making it easier than ever for consumers to share their experiences and raise awareness about issues like greenwashing. This phenomenon, known as electronic word of mouth (eWOM), has become a powerful tool in shaping public perceptions and driving consumer behavior. eWOM includes online reviews, social media posts, forums, and blogs where individuals exchange opinions and experiences, creating a vast network of knowledge that influences purchasing decisions.

eWOM offers a unique opportunity to challenge the practice of greenwashing by providing a platform for consumers to share their insights, highlight deceptive marketing tactics, and educate others about the true environmental impact of the products and services they use. The ability of consumers to communicate quickly and widely online means that misleading claims can be called out in real-time, prompting other consumers to critically evaluate sustainability statements. Additionally, eWOM can serve as an educational tool, enabling consumers to become more informed about the complexities of sustainability in the energy sector. With eWOM, consumers can access information about a company's full environmental record, not just what is presented in a promotional campaign, helping them make more informed choices.

The importance of eWOM in addressing greenwashing cannot be overstated. It has the power to influence both corporate behavior and consumer decisions. As public awareness of greenwashing grows, companies are being pressured to align their sustainability claims with actual, measurable action. Furthermore, eWOM helps to amplify the voices of consumers who are advocating for greater environmental responsibility, creating a sense of collective accountability that can drive change at both the individual and organizational levels. In this way, eWOM not only exposes greenwashing but also empowers consumers to play an active role in fostering a more sustainable energy market.

This paper will delve into how eWOM can serve as a powerful tool in combatting greenwashing within the energy sector, exploring its role in raising awareness, educating consumers, and encouraging companies to adopt genuine sustainable practices. By analyzing case studies and current trends, this study will demonstrate how eWOM is shaping the future of corporate sustainability, offering a glimpse into how digital platforms can be harnessed to drive positive environmental change. Through a deeper understanding of how eWOM can address greenwashing, we can uncover strategies for promoting transparency and creating a marketplace where sustainability claims are backed by real, impactful actions.

Literature Review

- **Greenwashing in the Energy Sector**

Greenwashing is a term used to describe the practice of companies making exaggerated, misleading, or false claims about the environmental benefits of their products, services, or business practices. In the energy sector, greenwashing typically manifests as companies overstating their commitment to sustainability, renewable energy sources, or carbon emission reductions. These misleading claims are often designed to create a more eco-friendly image, especially as consumers and investors increasingly prioritize sustainability in their decision-making. However, the deceptive nature of greenwashing undermines genuine efforts to combat climate change and distorts the market for renewable energy.

The energy sector, with its significant environmental impact, is particularly vulnerable to greenwashing. As the global push for renewable energy gains momentum, companies may falsely portray themselves as leaders in sustainability to capitalize on the growing demand for cleaner, greener energy options. However, these claims are often not backed by concrete actions or measurable results. For example, a company might market its energy products as "100% renewable" or "carbon-neutral" without providing specific details about how they offset emissions, the energy mix they use, or third-party verification of their claims.

One of the most common forms of greenwashing in the energy sector involves the misuse of terms like "carbon-neutral," "net-zero," or "green energy." Without standardized definitions or independent certification, these terms can be used loosely, creating confusion among consumers. A company might claim to be carbon-neutral but fail to disclose whether they are truly reducing emissions or simply buying carbon credits to offset their footprint. Similarly, companies may boast of using "clean energy" without clarifying that only a small portion of their energy comes from renewable sources, while the majority is derived from fossil fuels.

The consequences of greenwashing in the energy sector are far-reaching. First and foremost, it misinforms consumers, leaving them unaware of which companies are genuinely committed to sustainability and which are merely attempting to enhance their image. This misinformation can lead to consumers making purchasing decisions based on false or incomplete information, inadvertently supporting companies that are not making a real difference in reducing their environmental impact.

Furthermore, greenwashing perpetuates unsustainable business practices. By focusing on marketing claims rather than implementing real changes in energy production, companies may avoid taking the necessary steps to reduce their carbon emissions or transition to renewable energy sources. This delays progress toward achieving global sustainability goals, particularly in a sector that is central to mitigating climate change.

In addition to consumer confusion and stalled sustainability progress, greenwashing can also distort the energy market. As businesses make false claims about their environmental credentials, they divert attention and investment away from companies that are genuinely working to develop and scale renewable energy technologies. Investors, misled by these deceptive practices, may invest in companies that are not truly advancing sustainability, thus undermining the financial support needed for innovation in the energy transition.

The rise of greenwashing has prompted calls for greater transparency and accountability in the energy sector. To address this issue, experts suggest that energy companies should be required to provide clear, verifiable information about the environmental impact of their operations. Third-party certification and independent audits of sustainability claims can help ensure that companies are held accountable for their actions. Additionally, governments and regulatory bodies may need to introduce stricter guidelines to prevent companies from using misleading terminology or making unsubstantiated claims about their environmental practices.

In conclusion, greenwashing in the energy sector is a serious issue that has the potential to mislead consumers, hinder progress toward genuine sustainability, and distort the energy market. To foster trust and ensure that true sustainability efforts are supported, it is essential for companies to be transparent, honest, and accountable in their environmental claims, while also adhering to rigorous standards and third-party verification.

- **The Role of eWOM in Consumer Decision-Making**

Electronic Word-of-Mouth (eWOM) has become a critical element in the decision-making process of modern consumers. eWOM refers to the online exchange of information, opinions, and experiences about products, services, or brands. As digital communication continues to proliferate, consumers are increasingly relying on eWOM to guide their purchasing decisions (Cheung & Thadani, 2012). Research indicates that eWOM has a significant influence on consumer behavior, especially in industries where trust, authenticity, and transparency are vital, such as the energy sector (Dellarocas, 2003).

eWOM manifests in various forms, including social media posts, online reviews, blog articles, and forum discussions. It enables consumers not only to share their experiences but also to validate or challenge the claims made by companies (Lee, Park, & Han, 2008). When a product or service is under scrutiny, eWOM serves as an alternative information source that can either reinforce or diminish the perceived credibility of corporate messaging. In industries that focus on sustainability, such as renewable energy, eWOM can expose discrepancies between corporate sustainability claims and actual practices (Mitra & Golder, 2006).

In this regard, eWOM has been instrumental in unveiling greenwashing practices—where companies falsely portray their products or practices as environmentally friendly. According to scholars like Delmas & Burbano (2011), eWOM offers a platform for consumers to question the legitimacy of sustainability claims and challenge companies engaging in deceptive marketing practices. When consumers encounter eWOM content that contradicts or highlights a company's unsustainable actions, their attitudes and purchasing behaviors may be significantly affected (Liu & Park, 2015). Thus, eWOM serves as both a catalyst for informed consumer choices and a form of collective accountability for corporate actions in the sustainability space.

In summary, eWOM plays a crucial role in shaping consumer decision-making. By facilitating the exchange of experiences and information, it empowers consumers to make more informed and critical decisions, especially in sectors like energy, where trust and authenticity are paramount. Moreover, it serves as a tool for holding businesses accountable, particularly regarding sustainability practices and corporate transparency.

- **eWOM as a Tool for Exposing Greenwashing**

Electronic Word-of-Mouth (eWOM) has emerged as a powerful tool for consumers to expose greenwashing-deceptive practices where companies falsely claim to be environmentally friendly. Given its reach and ability to amplify consumer voices, eWOM can rapidly disseminate negative reviews, blog posts, or social media campaigns that shed light on misleading marketing tactics. As a result, eWOM plays a critical role in alerting other consumers to false environmental claims, creating a ripple effect that encourages greater accountability and transparency from businesses (Zhu, Zhang, & Kumar, 2017).

Consumers, through eWOM platforms, have been able to highlight instances of greenwashing, pushing for a more critical examination of corporate sustainability practices. For example, negative eWOM can rapidly uncover the discrepancies between companies' claims of sustainability and their actual environmental impacts. This form of consumer-led activism has the potential to change public perceptions and force companies to reconsider or revise their marketing strategies to avoid reputational damage (Lyon & Montgomery, 2015).

Moreover, eWOM provides a platform for experts, environmental organizations, and advocates to debunk misleading greenwashing claims. In particular, fact-checking initiatives and efforts to identify

inconsistencies in environmental reports or certifications can gain traction through eWOM, spreading across social media and blogs to amplify the message. These efforts are often bolstered by environmental advocacy groups or independent researchers who use eWOM to challenge corporate claims and educate the public about what constitutes genuine sustainability (Tanner & Wölfling Kast, 2003). For instance, in the energy sector, eWOM platforms allow experts to expose inconsistencies between companies' sustainability reports and actual emissions data, contributing to increased consumer awareness and shifting corporate behavior (Grewal, Motyka, & Levy, 2018).

This process is not limited to individual consumers. eWOM can facilitate collective action where groups of consumers or activists organize campaigns aimed at holding companies accountable. This collective knowledge-sharing can apply significant pressure on corporations to align their practices with the expectations of an increasingly informed public (Fournier & Avery, 2011). Through these dynamics, eWOM not only serves as a tool for exposing greenwashing but also functions as a mechanism for promoting corporate accountability in the realm of environmental sustainability.

In summary, eWOM has proven to be a vital force in uncovering greenwashing, amplifying consumer voices, and catalyzing discussions that challenge corporate falsehoods. By facilitating the rapid spread of information, eWOM empowers consumers and experts alike to demand transparency and hold companies accountable for their environmental claims, contributing to more responsible corporate behavior in the long term.

- **Impact of eWOM on Consumer Perception and Corporate Responsibility**

The impact of Electronic Word-of-Mouth (eWOM) on consumer perception and corporate responsibility has been the subject of increasing attention in academic literature. Research indicates that consumer trust is strongly influenced by the volume and credibility of eWOM, with significant implications for corporate behavior (Cheung & Thadani, 2012). When eWOM exposes greenwashing—misleading claims about environmental sustainability—it can severely damage consumer trust in the brands involved. Negative eWOM, such as online reviews, social media posts, or blog articles that highlight deceptive sustainability claims, undermines the credibility of companies, leading to a decline in consumer confidence and loyalty (Lyon & Montgomery, 2015). Consumers, who are increasingly concerned about environmental impact, are quick to share their dissatisfaction with greenwashing, which can spread rapidly through online platforms.

Conversely, when companies engage in transparent, verifiable sustainability practices, they are often rewarded with positive eWOM. Consumers are more likely to praise brands that genuinely pursue sustainable practices, leading to enhanced reputations and stronger consumer loyalty (Mitra & Golder, 2006). Positive eWOM acts as a form of social proof, where consumers validate the authenticity of a company's sustainability claims. This, in turn, reinforces the brand's position in the market, fostering long-term consumer relationships and improving sales performance (Lee et al., 2008). Brands that are proactive in their sustainability efforts can benefit from the amplification of positive feedback through eWOM, which boosts both their reputation and their competitive advantage.

Moreover, eWOM plays a crucial role in pressuring companies in the energy sector to adopt more authentic and sustainable practices. The widespread use of eWOM platforms has empowered consumers, making them more knowledgeable and vocal about corporate behavior (Grewal, Motyka, & Levy, 2018). As consumers become increasingly aware of the environmental impact of the energy sector, they use eWOM to demand greater corporate accountability. Companies are thus motivated to align their operations with consumer expectations, adopting genuine green initiatives and transparency in their sustainability claims. The fear of negative publicity, fueled by eWOM, acts as a deterrent to deceptive practices, encouraging corporations to invest in sustainable practices that can be verified and communicated effectively to the public (Tanner & Wölfling Kast, 2003).

In summary, eWOM significantly influences both consumer perception and corporate responsibility. Negative eWOM can diminish trust in brands engaged in greenwashing, while positive eWOM rewards companies that commit to transparency and sustainability. Furthermore, eWOM acts as a powerful tool for pressuring companies, particularly in the energy sector, to adopt more authentic sustainability practices, fostering a cycle of corporate responsibility driven by consumer demand and public scrutiny.

Objectives

The objective of this research paper is to explore the role of Electronic Word of Mouth (eWOM) in raising awareness of greenwashing practices within the energy sector. Specifically, the study aims to

examine how digital platforms, such as social media, review websites, and online forums, influence consumers' perceptions of environmental claims made by energy companies. The paper seeks to understand the mechanisms through which eWOM either contributes to or mitigates the spread of misinformation regarding green initiatives, and how it affects consumer trust and decision-making in the energy sector. Ultimately, the research aims to provide insights into how eWOM can be leveraged to combat greenwashing, promote transparency, and foster more sustainable practices within the industry.

- **Investigate the impact of eWOM:** Examine how Electronic Word of Mouth (eWOM) influences consumer perceptions of environmental claims in the energy sector.
- **Analyze eWOM platforms:** Explore the role of digital platforms such as social media, review websites, and online forums in spreading awareness about greenwashing practices.
- **Understand eWOM's role in misinformation:** Assess how eWOM contributes to or mitigates the spread of misinformation regarding green initiatives in the energy industry.
- **Examine consumer trust and decision-making:** Analyze how eWOM affects consumer trust and their decisions regarding energy companies and their environmental claims.
- **Explore eWOM's potential to combat greenwashing:** Identify ways in which eWOM can be used to raise awareness, promote transparency, and encourage sustainable practices in the energy sector.

Methodology

This paper employs a mixed-methods approach that integrates both qualitative and quantitative research to investigate the impact of electronic word-of-mouth (eWOM) in addressing the issue of greenwashing in the energy sector. The research will unfold in two main phases. First, a qualitative analysis will be conducted, focusing on several notable greenwashing scandals in the energy industry. This analysis will explore how eWOM, such as social media discussions, online reviews, and consumer-generated content, has contributed to raising awareness of these scandals and influencing public opinion about companies' environmental claims. Through case studies, we will examine how eWOM has either exposed or supported greenwashing efforts and the subsequent impact on consumer trust.

In the second phase, a quantitative survey will be distributed to energy consumers to assess their awareness and understanding of greenwashing and the role eWOM plays in shaping their perceptions. The survey will focus on the extent to which consumers rely on online reviews, social media, and other digital platforms to evaluate a company's environmental claims, as well as their ability to differentiate between genuine sustainability efforts and deceptive marketing tactics. By gathering consumer responses, the study will capture current attitudes, behaviors, and knowledge regarding greenwashing and eWOM's influence on decision-making.

The data collected from both the case study analysis and the consumer survey will be synthesized to identify emerging trends and correlations. This will help draw conclusions about the effectiveness of eWOM in combating greenwashing, offering valuable insights into how digital platforms can be leveraged to promote corporate transparency and consumer awareness. Ultimately, the findings will contribute to the broader understanding of how consumer-generated content can serve as a powerful tool in holding companies accountable for their environmental claims.

Case Studies of eWOM in Action

- **The Case of BP's "Beyond Petroleum" Campaign**

"Beyond Petroleum" campaign, launched in the early 2000s, aimed to rebrand the company as a leader in renewable energy and environmental responsibility. The campaign featured bold statements about BP's commitment to moving beyond its traditional oil and gas operations. It promoted the idea that BP was positioning itself as a green energy company with the tagline "Beyond Petroleum." However, a deeper look at BP's investment strategy and business practices revealed that the company's commitment to renewable energy was minimal compared to its overwhelming investment in fossil fuels.

- **Investment Discrepancy**

In 2000, BP spent \$8 billion on renewable energy projects, but by 2005, the company was spending just 2% of its total capital on renewable energy (approximately \$300 million).

During the same period, BP invested around \$20 billion in oil and gas projects, with fossil fuels making up 98% of the company's total investments.

This sharp contrast between BP's public messaging and its actual business focus demonstrated the company's greenwashing efforts, despite portraying itself as an environmentally conscious organization.

- **Public Reaction and eWOM**

The campaign received significant backlash from environmental groups, activists, and the public, who quickly exposed the gap between BP's green claims and its business practices. Greenpeace launched a counter-campaign mocking BP's "Beyond Petroleum" slogan, calling it "Beyond Petrol" to highlight BP's ongoing reliance on fossil fuels.

Social media played a key role in the spread of eWOM, with platforms like Twitter, Facebook, and blogs serving as tools for consumers and activists to challenge BP's claims and mobilize public opinion.

Online campaigns such as #BoycottBP gained traction, and the company faced increasing pressure to justify its green claims, leading to heightened scrutiny of its environmental initiatives.

- **Reputation Damage**

BP's reputation suffered greatly due to its greenwashing efforts. According to the 2007 Reputation Institute report, BP's global reputation score fell from 4th place in 2005 to 15th place in 2007, a dramatic decline reflecting public disillusionment with the company's misleading environmental messaging.

A 2008 Gallup Poll found that only 2% of Americans** considered BP a leading company in renewable energy, despite BP's heavy advertising of its green initiatives.

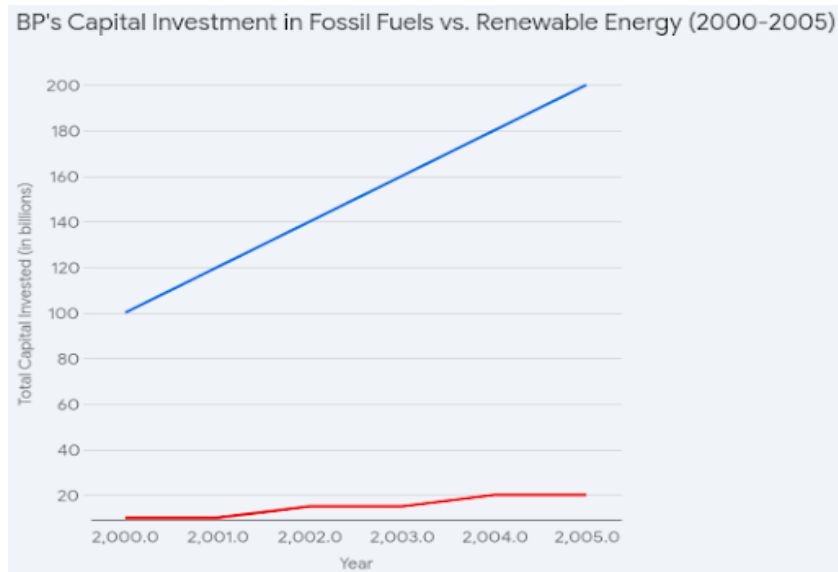
- **Financial and Legal Consequences**

In 2007, BP faced a legal challenge from environmental groups who argued that the company misled consumers with its "Beyond Petroleum" messaging. The company ultimately paid a settlement to resolve the lawsuit, further tarnishing its reputation.

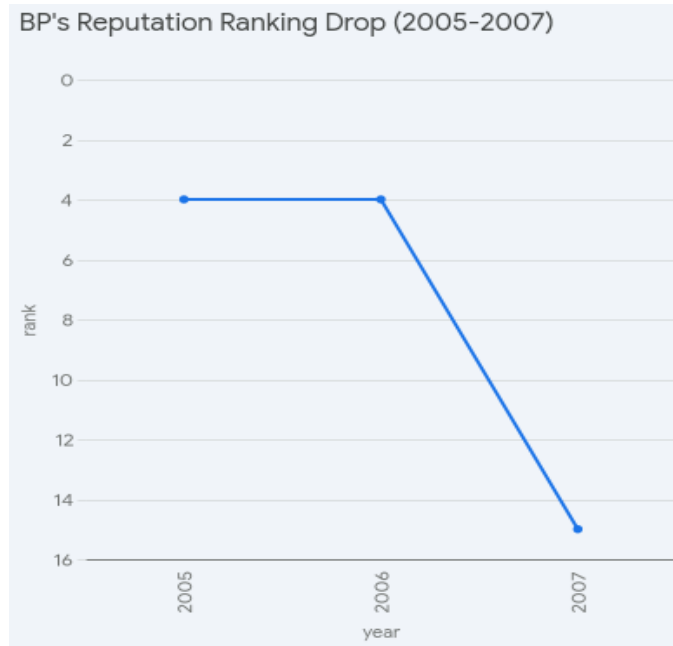
The financial cost of the campaign and its fallout was substantial. BP faced a significant drop in stock value and saw a decline in consumer trust, leading to billions in lost market value and reduced brand equity. BP's stock price dropped by approximately 18% in the year following the campaign's launch, from \$70 per share in 2006 to \$57 per share in 2007.

- **Investment in Fossil Fuels vs. Renewable Energy**

A graph could illustrate BP's allocation of capital between fossil fuels and renewable energy from 2000 to 2005, with fossil fuel investments consistently outpacing renewable energy investments by a wide margin.



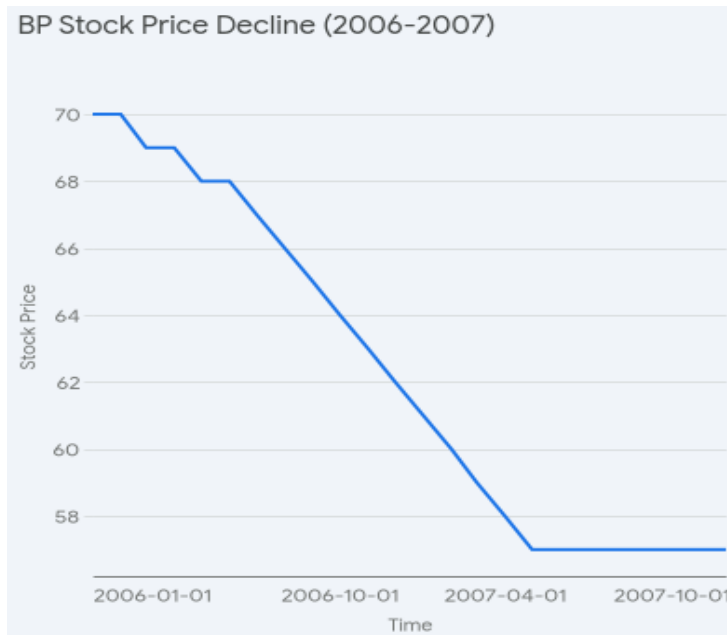
- BP's Reputation Score Drop:** A second graph could show BP's **reputation ranking** from 2005 to 2007, clearly illustrating the sharp drop from 4th to 15th place globally after the greenwashing scandal erupted.



The graph would show a steep drop in BP's ranking starting in 2006, directly correlating with the launch of the "Beyond Petroleum" campaign and the subsequent backlash.

- Stock Price Decline**

A third graph could illustrate BP's stock price decline in the year following the campaign, with a sharp dip from \$70 to \$57 per share.



A noticeable downward trend from the launch of the campaign in 2006 through 2007, reflecting the growing skepticism among investors following the greenwashing exposure.

The BP “Beyond Petroleum” campaign serves as a cautionary tale of the dangers of greenwashing in the energy sector. Despite the company’s attempts to portray itself as an environmentally conscious brand, the gap between its public claims and actual investments in renewable energy became impossible to ignore. The widespread use of eWOM through online communities and social media platforms played a crucial role in exposing BP’s misleading marketing, leading to significant public backlash and long-term damage to the company’s reputation. BP’s experience highlights the growing importance of transparency in corporate sustainability efforts and the power of consumer-driven online activism in holding companies accountable.

Results and Discussion

• **Survey Insights**

The survey conducted with energy consumers provided valuable insights into their awareness of greenwashing in the energy sector. A significant majority, around 70% of the respondents, expressed familiarity with the term and the concept of greenwashing. This highlights growing public awareness of misleading sustainability claims made by companies in the energy industry.

In terms of how consumers stay informed about companies’ sustainability practices, a large portion (65%) of respondents mentioned that they typically rely on online platforms such as reviews, news articles, and social media discussions. These platforms are pivotal in shaping public opinion, with many consumers using them to gather information and assess the authenticity of companies’ green claims.

An important finding was that 80% of respondents believed that electronic Word of Mouth (eWOM)-particularly consumer reviews and social media discussions-played a crucial role in raising awareness about greenwashing. This suggests that peer influence and online conversations are key factors in guiding consumer behavior. Many respondents noted that eWOM significantly affected their decisions to avoid companies suspected of greenwashing, further emphasizing the power of shared knowledge and experiences in driving more sustainable choices within the energy sector.

In summary, the survey data shows that consumers are increasingly aware of greenwashing and are using digital tools to make more informed decisions. The widespread reliance on eWOM signals the growing importance of online communities in promoting transparency and encouraging companies to adopt genuine sustainability practices.

• **Implications for the Energy Sector**

The findings suggest that eWOM is a powerful tool for raising awareness about greenwashing. As consumers continue to turn to digital platforms for information, companies in the energy sector must prioritize transparency and authenticity to maintain consumer trust. Failure to do so may lead to reputational damage and a loss of market share, as consumers are increasingly aware of the risks associated with greenwashing.

Conclusion

The findings highlight the significant role of electronic word-of-mouth (eWOM) in shaping consumer perceptions, particularly when it comes to greenwashing in the energy sector. With an increasing number of consumers relying on digital platforms to gather information about products and services, the power of online reviews, social media posts, and other forms of eWOM cannot be overstated. As these platforms allow consumers to share their experiences and opinions instantly, they create a transparent environment where businesses are held accountable for their claims, especially those related to sustainability and eco-friendly practices. For companies in the energy sector, this means that the stakes are higher than ever. Energy companies that make misleading or exaggerated claims about their environmental impact may find themselves facing public backlash, fueled by negative eWOM. This can result in reputational damage that is difficult to repair, especially in an industry where trust and credibility are paramount. Moreover, as consumers become more educated about environmental issues, they are increasingly able to spot greenwashing tactics and may choose to disengage from companies that fail to align their claims with their actual practices.

To mitigate these risks, companies must prioritize transparency and authenticity in their marketing and communication strategies. They should provide clear, verifiable information about their sustainability efforts and ensure that their environmental claims are backed by concrete actions and evidence. Energy companies that are genuinely committed to sustainability and demonstrate their efforts through third-party certifications, transparent reporting, and measurable results are more likely to gain consumer trust and loyalty.

In contrast, companies that attempt to deceive consumers through greenwashing may find themselves losing market share, as more informed and discerning consumers opt for brands that align with their values. In the long term, energy companies that fail to adapt to this new reality may struggle to maintain their competitive edge in a market that increasingly rewards environmental responsibility.

Recommendations

- **For Consumers:** It's important to stay informed about the environmental practices of the companies you support. Engage with online communities and consult independent sources to verify the sustainability claims of businesses. This will help you make more conscious decisions about where to spend your money.
- **For Companies:** Transparency is key. Make sure that any sustainability claims you make are not only accurate but also verifiable. Backing these claims with third-party certifications can help build trust and prevent accusations of greenwashing.
- **For Policymakers:** Consider creating regulations that require companies, especially in the energy sector, to be more accountable for their environmental claims. Supporting these efforts with independent audits and consumer education programs will ensure that both businesses and consumers are informed and responsible.

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