



National
Programs

THE

Green Claims Effect

How Environmental Claims
Influence Consumer Understanding
and Brand Perception

2026



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Executive Summary

Researchers at the University of British Columbia conducted a study for BBB National Programs to examine how consumers respond to different types of environmental marketing, or green, claims.

The study explored a central question facing advertisers, regulators, and consumers: When companies make environmental benefit claims, what do consumers take away from those messages?

The researchers compared unqualified green claims—broad statements such as “eco-friendly paper products”—against qualified claims that explain the specific basis for the environmental benefit, such as “eco-friendly paper products made from 100% recycled materials.”

The study surveyed 1,794 consumers in the United States for their reactions to simulated advertising across six kinds of products and services. The study explored the messages that consumers took away from various forms of green advertising and whether green claims influenced both consumer attitudes toward brands and their assumptions about a company’s broader environmental practices.

The findings suggest that broad, unqualified claims can create a “halo effect.” This is a phenomenon where consumers assumed companies engaged in a wider range of environmentally responsible practices than were actually stated in the advertising.

1,794

consumers across the U.S.



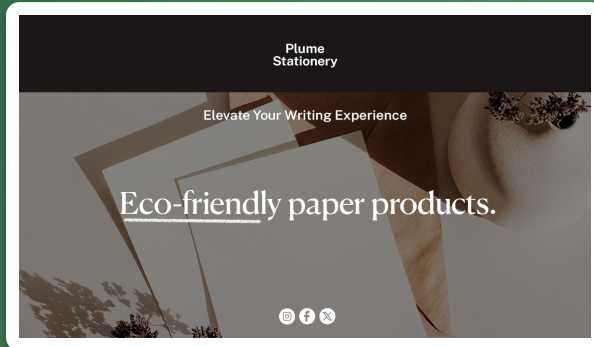
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*kinds of products and
services*

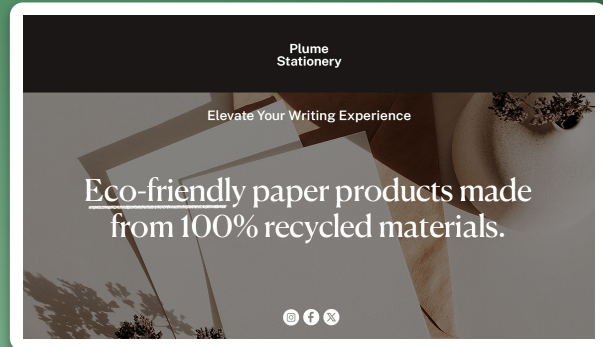


For example, when participants saw an unqualified claim such as “eco-friendly paper products,” they were significantly more likely to assume the company also engaged in other environmentally friendly practices such as using renewable energy, minimizing waste, and maintaining a sustainable supply chain—even though none of those practices were mentioned in the advertisement.

Example — Unqualified vs. Qualified Claim



Unqualified



Qualified

The study results indicated that both qualified and unqualified green claims improved consumer attitudes toward brands compared to advertisements with no environmental messaging. Importantly, qualified claims providing more detailed information did not reduce brand appeal.

- The research suggests that more transparent and specific messaging about environmental benefits can help consumers make more accurate assumptions about a company's environmental impact and do so without harming brand perception.

The findings support efforts to encourage businesses to use clear and informative messaging to advertise substantiated environmental claims. Significantly, the results are consistent with the Federal Trade Commission (FTC) Green Guides' admonition that broad, unqualified environmental claims are likely to convey a wide range of meanings, so marketers should instead clearly limit the claim to specific, substantiated, benefits.

For advertisers, the study is consistent with the view that greater transparency does not come at a marketing cost. For policymakers and consumer advocates, the findings highlight how claim wording can shape consumer understanding. And for consumers, the research is a reminder not to read more into a company's green claims than is expressly stated in the advertising.

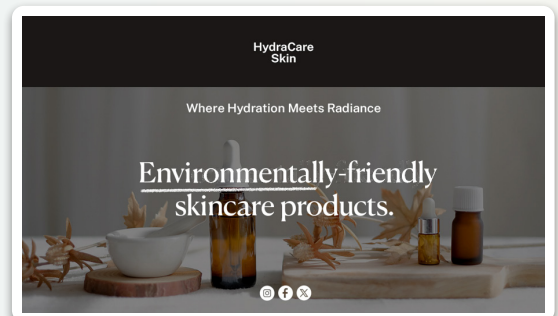
Key Takeaways



Takeaway #1

Broad, unqualified green claims may prompt consumers to infer environmental benefits that were never stated.

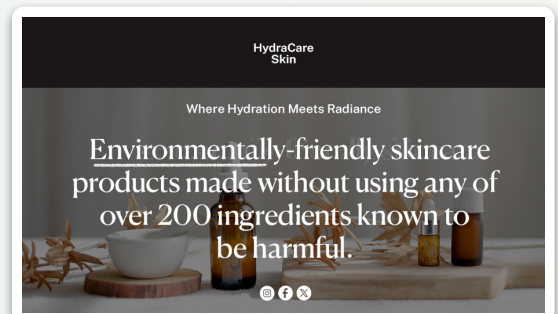
When environmental claims are broad and unqualified, consumers may assume a company engages in additional environmentally responsible practices that were never mentioned. This “halo effect” can lead to potentially inaccurate perceptions of a company’s overall environmental performance.



Takeaway #2

Qualified green claims can help consumers make more accurate judgments about a company’s environmental practices.

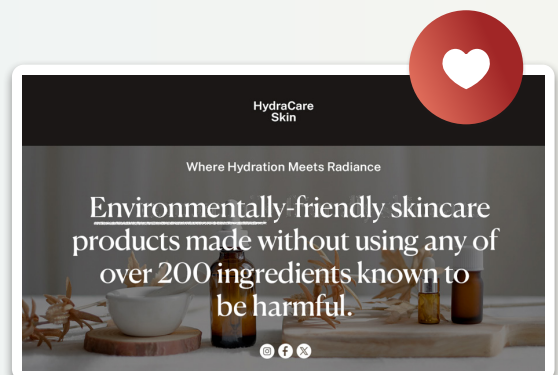
Providing specific information about why a product or company practices have environmental benefits gives consumers a clearer understanding of the claim being made. Rather than relying on assumptions, consumers are better able to distinguish between the environmental attributes that are present and those that are not.



Takeaway #3

Qualified claims do not diminish brand appeal.

Adding specificity to a green claim does not reduce how positively consumers view a brand. The research found that narrowed, qualified claims did not affect brand attitudes, suggesting that advertisers can improve transparency without sacrificing marketing effectiveness.



The Findings Suggest a Win-Win Opportunity

The broader industry conversation is often framed as a tradeoff between marketing effectiveness and disclosure. This research suggests that tradeoff may be overstated.

While broad environmental claims generated positive brand perceptions, they were also more likely to lead consumers to infer environmental practices that were never stated in the advertisement. More specific, qualified claims helped consumers form more accurate impressions without diminishing brand appeal. The findings suggest that advertisers can improve transparency and consumer understanding while preserving the benefits of environmental marketing.



Phyllis H. Marcus

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“Environmental claims can be powerful tools for communicating with consumers, but this research shows that consumers may infer more from broad green claims than advertisers may intend. What is particularly encouraging is that our green claims study found no apparent marketing penalty for greater transparency. Consumers responded favorably to environmental claims that clearly explained the basis for the benefit, suggesting that advertisers can improve consumer understanding while continuing to build trust in their brands.”

BBB National Programs thanks Professor Katherine White and Shakti Sethi of the Sauder School of Business, University of British Columbia, for their work on this project.

With questions about this research,
or to speak with the NAD team,
contact NAD@bbbnp.org.

