

The GVH investigates the green marketing messages

Both good and bad practices are addressed

23 November 2022, Budapest – The Hungarian Competition Authority (GVH) is carrying out a market analysis to assess the differences between the actual content of various environmental (green) advertising messages and the way they are perceived by consumers. The GVH aims to provide legislative input for the introduction of a uniform system of claims and labelling, which would enhance consumer trust.

Mitigating the adverse effects of climate change and achieving a sustainable economy and lifestyle is vital for the future of society. In addition to measures at the public level, consumer awareness is also of paramount importance, as it has an impact on energy use, waste production, carbon emissions and land use. Although the impact of a single consumer's decision is negligible on its own, the cumulative impact on the Earth's eight billion people is huge.

Credible information is needed to make considered and correct consumer decisions. Competition authorities with consumer protection powers (such as the competition authorities of Belgium, Bulgaria, Denmark, Finland, the Netherlands, Ireland, Poland, Malta, Germany, and Italy, in addition to Hungary) therefore pay particular attention to green claims in corporate communications, as unfair claims and logos can have a significant impact on consumers' transactional decisions and thus distort competition in the market. The problem is also present in our country, but there are also positive corporate efforts to promote fair green communication and to synchronise advertising messages with their interpretation by consumers. Strengthening the processes started on the corporate side is a priority for the GVH, which is why the authority has decided to launch a market analysis to explore the development and consumer perception of environmentally based (so-called green) advertising.

The investigation, which is expected to be completed in Summer 2023, will examine the typical labels and claims that businesses currently use in their green advertising messages and how these affect consumer perceptions and willingness to buy. The aim of the GVH is to outline, at the end of the procedure, what factors the legislator should take into account when designing a verifiable and credible system of claims and labelling for consumers (or when fine-tuning existing systems).

A notice setting out the details of the market analysis is available (only in Hungarian) on the website of the Hungarian Competition Authority:

https://gvh.hu/dontesek/agazati_vizsgalatok_piacelemzesek/piacelemzesek/Hirdetmeny-piacelemzes-meginditasarol-a-Kornyezetvedelemhez-kotodo-allitasok-piaci-szereplok-altali-kialakitasarol-es-alkalmazasarol-targyaban

Press Office of the GVH