The Impact of Perceived Greenwashing on Purchase Decisions in Bangladesh: A Moderated Mediation Analysis





Rezaul Karim

This report is submitted to the School of Business and Economics, United International University, as a partial requirement for the degree fulfillment of Bachelor of Business Administration.

The Impact of Perceived Greenwashing on Purchase Decisions in Bangladesh: A Moderated Mediation Analysis

The Impact of Perceived Greenwashing on Purchase Decisions in Bangladesh: A Moderated Mediation Analysis

Submitted to:

Ahmed Imran Kabir

Assistant Professor, SoBE

Business Analytics

Submitted by:

Rezaul Kairm

Id: 111221041

Business Analytics



School of business and economics

United International University

Date of submission: March 11, 2026

Letter of Transmittal

Respected Ahmed Imran Kabir,

I am honored present my research project, which is titled “The Impact of Perceived Greenwashing on Purchase Decisions in Bangladesh: A Moderated Mediation Analysis” to your consideration.

This study aims at discussing the effectiveness of perceived greenwashing amid the buying behavior of consumers in Bangladesh. The study especially explores the mediating effect of both the green trust and the perceived risk as well as the moderating effect of environmental knowledge on the consumer behavior. This research was based on the data obtained on the urban consumers of Bangladesh and the analysis done under the Partial Least Squares Structural Equation Modeling has been done (PLS-SEM) in order to assess the proposed relationships among the constructs. The results of the current research give great information about the mental processes which determine the sustainable consumption in new markets.

I hope greatly that this research will be of the required academic standards. I would like to thank you one more time because of your constant help, useful feedback, and support that I received when completing this project.

Thanks a lot for your kind supervision.

Sincerely,



Rezaul Karim
ID: 111221041
BBA in Business Analytics
United International University

Certification of Similarity Index

The Impact of Perceived Greenwashing on Purchase Decisions in Bangladesh: A Moderated Mediation Analysis

ORIGINALITY REPORT

7%	6%	4%	4%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	www.mdpi.com Internet Source	1%
2	Krishna Koppa, Manita D. Shah, Srimantoorao S. Appadoo. "Empowering Inclusive Innovation - Shaping Sustainable Business Ecosystems", CRC Press, 2026 Publication	1%
3	Submitted to United International University Student Paper	1%
4	dspace.uiu.ac.bd Internet Source	<1%
5	Submitted to University of Hong Kong Student Paper	<1%
6	Submitted to Trinity College Dublin Student Paper	<1%
7	Submitted to Universiti Putra Malaysia Student Paper	<1%
8	Submitted to ESC Rennes Student Paper	<1%
9	Submitted to The University of Buckingham Student Paper	<1%
10	pasca.unhas.ac.id Internet Source	<1%

11	dspace.uiu.ac.bd:8080 Internet Source	<1 %
12	worldwidescience.org Internet Source	<1 %
13	Submitted to University of Nottingham Student Paper	<1 %
14	Submitted to Victoria University Student Paper	<1 %
15	Submitted to Chulalongkorn University Student Paper	<1 %
16	Submitted to ISM Vadybos ir ekonomikos universitetas, UAB Student Paper	<1 %
17	diesm.cscholar.com Internet Source	<1 %
18	Submitted to UCL Student Paper	<1 %
19	docslib.org Internet Source	<1 %
20	Submitted to Massey University Student Paper	<1 %
21	Sekara, Hunter P.. "Strengthening Cybersecurity Culture Using a Systems Security Engineering Approach to Manage Risks in Emerging Systems", Marymount University, 2024 Publication	<1 %
22	iberoamericanic.org Internet Source	<1 %

23	research.library.mun.ca Internet Source	<1 %
24	Submitted to Bogazici University Student Paper	<1 %
25	Ramya Manjunath. "Performance Deprivation and Interpersonal Attraction: A Dual Moderated-Mediation Model of Affect, Relevance and Cognitive Evaluation", Alliance University (India) Publication	<1 %
26	repository.uin-suska.ac.id Internet Source	<1 %
27	SUSHIL JADHAV, Priti Bakhshi, Suchismita Das. "Customer Service Quality and User Acceptance in India's Four-Party Payment System: The Mediating Role of Technical Advancement", Springer Science and Business Media LLC, 2026 Publication	<1 %
28	journals.ekb.eg Internet Source	<1 %
29	repository.president.ac.id Internet Source	<1 %
30	www.businessperspectives.org Internet Source	<1 %

Exclude quotes	Off	Exclude matches	Off
Exclude bibliography	Off		

Declaration of the Student

I, Rezaul Karim, hereby attest that this research work is my original work done under the guidance of Ahmed Imran Kabir, Assistant Professor, SoBE titled “The Impact of Perceived Greenwashing on Purchase Decisions in Bangladesh: A Moderated Mediation Analysis”.

The research is not submitted to any other institution, and all my sources, data and references used have been adequately recognized and cited. I concur that results discussed in this report are informed by the information gathered and processed in this research. I am fully responsible to the genuineness and degree of the work in this study.

I also state that the similarity index of this report satisfies the academic ethics of the institution.



Rezaul Karim
ID: 111221041
BBA in Business Analytics
United International University

Acknowledgement

I express my sincere gratitude to Ahmed Imran Kabir, Assistant Professor, SoBE, who provided invaluable advice, constructive comments and constant support to this research project. His knowledge in the relevant field and strict manner of research methodology have made this work of extremely high quality. I would like to thank all the research articles' authors whose work was the basis of this research, and my family who were with me all the way and supported and encouraged me to continue this process of research.

Abstract

This study will study the complex psychological and behavioral processes in terms of which perceived greenwashing will have an impact on consumer purchasing decisions in Bangladesh. With environmental degradation taking a critical turn, green marketing has been a very crucial approach that firms have adopted in order to create competitive services but along the same turn, emergence of deceptive practices known collectively as greenwashing has presented a paradoxical issue of a Greenwashing Paradox to the consumer decision-making process. Basing on the Signaling Theory and Attribution Theory, this research forms a synthesized model to examine the role mediating effects of green trust, perceived risk and the moderated effect of environmental knowledge. The sample size consisting of 256 respondents was used, with the main aim of entering the fast-growing young consumer group of the population. Partial Least Squares Structural Equation Modeling (PLS-SEM) was used to analyze the conceptual framework, which is the SEMinR package of R version 4.5.1. The empirical results indicate that, although perceived greenwashing causes the reduction of green trust and perception of risk, it does not significantly affect buying behavior, thus embracing the occurrence of Greenwashing Paradox in the local market. The mediation analysis shows that the perceived risk is an essential channel where greenwashing prevents the purchase decision, and green trust does not play an important role in the given connection. Moreover, the findings show that environmental knowledge is a powerful moderator in between perceived risk and purchase decisions to alleviate the adverse effects of the former. The insights also offer the critical practical implications to green marketers and policy makers in the emerging economies of substantive sustainability and open communication coupled with empowering consumers by ensuring that they are environmentally literate to counter the adverse impacts of the perceived deception.

Keywords: *Greenwashing Paradox, Green Trust, Perceived Risk, Environmental Knowledge, Buying Behavior.*

Table of Content

Letter of Transmittal iii
Certification of Similarity Index iv
Declaration of the Student vii
Acknowledgement viii
Abstract ix
Table of Content x
List of Figures xii
List of Tables xiii
List of Acronyms & Abbreviations xiv
Chapter I: Introduction 1
I.1 Background of the Study 1
I.2 Problem Statement 2
I.3 Objectives of the Study 2
I.4 Study Scope and Limitations 3
I.5 Definition of Key Terms 3
I.6 Organization of the Remaining Chapter 4
Chapter II: Literature Review 5
II.1 Relevant Theory 5
II.1.1 Signaling Theory 5
II.1.2 Attribution Theory 5
II.2 Literature Survey 6
II.2.1 Greenwashing and its Evolution and Taxonomy 6
II.2.2 Consumer Trust and Greenwashing 6
II.2.3 The Role of Perceived Risk 6
II.2.4 The Knowledge of the Environment as Determinant 7
II.3 Hypothesis Development 7
II.3.1 Perceived Greenwashing and Purchase Decision (H1) 7
II.3.2 Greenwashing and Green Trust (H2) 7
II.3.3 Greenwashing and Risk perceived (H3) 8
II.3.4 Purchase Decisions and Green Trust (H4) 8
II.3.5 Perceived risk and Purchase decisions (H5) 8

II.3.6 Mediating Role of Green Trust (H6) 8
II.3.7 Mediating Impact of Perceived Risk (H7) 9
II.3.8 Environmental Knowledge (H8): The Moderating Role 9
Chapter III: RESEARCH METHODS 10
III.1 Research Design 10
III.2 Sample 10
III.3 Questionnaire Development 10
III.4 Data Collection 11
III.5 Data Analysis Plan 11
Chapter IV: RESEARCH FINDINGS & ANALYSIS 12
IV.1 Evaluation of the Measurement Model 12
IV.1.1 Indicator Loadings 12
IV.1.2 Reliability and Convergent Validity. 13
IV.1.3 Discriminant Validity 14
IV.2 Assessment of the Structural Model 14
IV.2.1 Path coefficients and significance 15
IV.2.2 Results of Mediation and Moderations. 17
Chapter V: Discussion 18
V.1 Conclusions 18
V.1.1 The Rejection of H1 and Greenwashing Paradox. 18
V.1.2 Importance of Perceived Risk (H3 Supported) 19
V.1.3 Role of Green Trust (H2 Rejected) 20
V.1.4 Knowledge of the Environment as a Buffering (H4 Supported) 21
V.1.5 Impact of the Perceived Greenwashing on Green Trust. 21
V.1.6 Effect of Perceived Greenwashing on Perceived Risk 22
V.1.7 Perceived risk as it relates to Purchase Decision. 22
V.1.8 The impact on Purchase Decision due to the presence of Green Trust 23
V.2 Scope for Future Study 23
V.3 Recommendations 23
References 25
Appendix 29
Questionnaire 29

List of Figures

Figure 1: Reliability and Convergent Validity
Figure 2: Path Diagram

List of Tables

Table 1: Indicator Loadings

Table 2: Reliability and Convergent Validity

Table 3: Fornell-Larcker Criterion

Table 4: HTMT Ratio

Table 5: Path coefficients

Table 6: Results of Mediation and Moderations

List of Acronyms & Abbreviations

PGw: Perceived Greenwashing

GT: Green Trust

PR: Perceived Risk

EK: Environmental Knowledge

PD: Purchase Decision

Chapter I: Introduction

I.1 Background of the Study

The modern world is experiencing a paradigmatic change in the global environmental front as new generation consumers, such as the Dhaka Division in Bangladesh, with the severe urbanization and industrialization, are increasingly confronted with environmental issues such as air and noise pollution, management of waste materials, and the lack of water, moving to the center of the discussion table(Barbu et al., 2022).

In a bid to match these values corporate organizations have moved towards Green marketing more so using the environmental claims to differentiate their products and also to have a stronger brand image(Tu et al., 2024). though, the need to be seen to be environmentally friendly has brought on board one of the most controversial phenomena which are greenwashing. Greenwashing was originally coined by Jay Westerveld in 1986 to denote a situation in which organizations conceal or overstate the actual environmental effects of their products or services to develop a false image of environmental responsibility(Kristia, 2023). This tactic frequently relates to the disjunction between the symbolic act and the actual ecological change in action, in which case, it can be described as a reputational capital trap(Kristia, 2023).

The green marketing is a relatively new practice in the context of Dhaka, although its spread is fast. Through social media and digital platforms, the integral connected to social media, the native generation of 18 to 35 has been listening to sustainability stories and responding to them with growing skepticism(Zaidi et al., 2019). According to the Greenwashing Paradox, when corporations intensify their communications on sustainability aiming to enhance reputation, the process of decision-making among the population will get clouded with uncertainties because this will result in a greater number of deceptive claims that lack suitable certification frameworks, thereby harming the reputation that the firm had previously worked so hard to generate(*Greenwashing Paradox → Area → Sustainability*, 2026). As consumers receive more and more ambiguous communications about sustainability, the process of decision-making will turn

uncertain because it will lead to more deceptive assertions that lack sound certification frameworks, which can be rather damaging in

I.2 Problem Statement

Although the concept of green marketing is gaining momentum in Bangladesh, the actual effect of the perceived greenwashing on the consumer buying behavior has not been studied, especially within the distinct socio-economic context of the Dhaka Division. As it has been noted in the existing literature, the disjuncture between the expressed environmental concerns and the actual purchasing behavior of consumers is very significant and is frequently termed as the so-called Green Consumer Paradox (M. S. Rahman et al., 2019), though some scholars also believe that greenwashing can immediately weaken the purchase intentions as it erodes the trust (Ha, 2022), there is also a recognized performance paradox with deceptive claims often not having a significant impact on the financial performance and it has been noted to have no effect on the choice to buy in the short term because of the so-called greenwashing halo effect.

The issue is also augmented by the fact that there is no such evidence clearly indicating the mediating effects and the moderating processes that govern this relationship in the developing markets. To be more specific, green trust, which refers to the trust to the honesty of a company in regard to the strong environmental claims, and perceived risk, which indicates the lack of certainty about the potential consequences of the same, are crucial variables that are under insufficiently examined in the local context.(Kristia, 2023) In addition the theory of environmental knowledge predicting green purchase involvement is theoretical contributions whose mediating value is abundant, and individual environmental literacy moderators on green purchase involvement are an area of research that is ripe to be explored(A. Aly & Al-Salfiti, 2025).

I.3 Objectives of the Study

The main aim of this research is to examine how the perceived greenwashing affects the consumer buying decisions in Dhaka, Bangladesh. The particular goals include the following:

- To test the direct effect that perceived greenwashing has on consumer buying decisions, and to test whether the Greenwashing Paradox exists.
- To explore the data presented by the mediating variable green trust in the correlation between perceived greenwashing and purchasing decisions.
- To determine the mediating strength of the perception of risk in the relationship between the perception of greenwashing and purchase behavior.
- To establish the relationship between perceived risk and purchase decisions with an effect of environmental knowledge moderated.
- To offer recommendations that can be implemented to the green marketers and policymakers in Bangladesh to enable a more transparent and trustworthy sustainable marketplace.

I.4 Study Scope and Limitations

This research is in a geographical location in urban centers such as Dhaka and this makes it possible to conduct an intensive study on environmentally conscious consumers. The sampling is based on the age group of the youth (18-35) since they are the most active population in regard to green consumption and online discussion in the area(Mia et al., 2025).

The methodological design has a cross-sectional quantitative study design comprising of 256 respondents. The study has a limitation because it was based on self-reported information which could be affected by social desirability in reporting some of the measures especially in the pro-environmental attitudes and that the study has not considered variations in the industry, price sensitivity and the influence of peers which has been identified as a barrier to considering the green consumption in developing countries.

I.5 Definition of Key Terms

Greenwashing: The process of deceiving consumers about the environmental policies of a company or the positive environmental impact of a product or service in overstated or unsupported statements(Ha, 2022).

Green Trust: The trust that a consumer has in a product or service, which is brought about by belief or expectation, which is brought about by its credibility, benevolence and capability as far as environmental performance is concerned(Ha, 2022).

Perceived Risk: This refers to the subjective estimation of the unwanted results and unpredictability of the consumption process of a green product by the consumer(Tu et al., 2024).

Environmental Knowledge: The understanding and awareness on environment issues, the cause and the possible solutions offered by sustainable products(A. Aly & Al-Salfiti, 2025).

Purchase Decision The deliberate decision and readiness of the consumer to purchase a green brand or a certain product as opposed to conventional ones(Ha, 2022).

I.6 Organization of the Remaining Chapter

The research is divided into five chapters. The chapter II includes the review of the existing theories and published literature, which resulted in the formulation of the research hypotheses. Chapter III outlines the design of the research, methods of sampling, the plan of data analysis using PLS-SEM. The empirical findings, as well as the measurement and structural model assessment, were presented in Chapter IV. Lastly, Chapter V will present such results in the context of the earlier studies and make the conclusion and recommendations to the practitioners and policymakers.

Chapter II: Literature Review

II.1 Relevant Theory

The Signaling Theory and Attribution Theory are theoretically based on this research and they make a sound framework to explain the relationship between environmental communication and consumer response involving corporate environment.

II.1.1 Signaling Theory

The concern of Signaling Theory is the minimization of the information asymmetry between two parties(David et al., 2025). In the green market, it is the firms (the signalers) that have more knowledge of the environmental quality of what they are offering than the consumers (the receivers). In order to hold this gap, the high-quality firms willingly reveal information like eco-labels, certifications, and sustainability reports as signals of their operating integrity and long-term orientation(David et al., 2025). To be effective as a signal, it must be credible, as well as expensive to be counterfeited by low-quality firms. But greenwashing is a result of the failure of the signaling system in a situation where the communications about the environment degenerates into being a case of cheap talk or mount bait-style gestures which lack the ability to provide meaningful information about the quality of a product; when signals are perceived to be insincere, loss of value in the signal as a proxy to quality leads to a loss of trust, and cynical or distrustful attitudes.

II.1.2 Attribution Theory

The Attribution Theory is also relevant to the situation when individuals evaluate corporate practices in terms of attributing the intentions to their motives and actions(Hossain, 2025). In the case of green marketing, consumers employ an attributional process of determining whether a firm has its pro-environmental motives (a real interest in the environment) or more extrinsic motive (opportunistic profit-seeking)(Chuah, 2022). Greenwashing is usually ascribed to the latter and results in negative behavior implications by triggering negative purchase intention and negative word of mouth(P. Rahman & Mehnaz, 2024).

II.2 Literature Survey

II.2.1 Greenwashing and its Evolution and Taxonomy

Greenwashing has also evolved through the 1990s, and as of the digital age, it takes the form of algorithmic greenwashing, social washing, and algorithmic version as well as the 7 sins of greenwashing identified by TerraChoice (2010) as including the sin of the hidden trade-off, no proof, vagueness, irrelevance, the lesser of two evils, fibbing, and worshipping false labels(Khan, 2021) (Montgomery et al., 2024). Debate Greenwashing has led to legal liability, reputational harm, and financial instability when its practices are revealed.

II.2.2 Consumer Trust and Greenwashing

The literature has observed that green trust is a recent creation that is necessary to ensure consumer loyalty to the green marketplace; as an example, a recent study conducted in the hospitality sector has determined that the greenwashing concept has a strong negative implication on consumer trust(Ha, 2022). The loss of consumer trust is a major setback since consumers are likely to make their buying choices on the plausibility of the business message; once the loss of trust occurs, the green market is put at stake(Ha, 2022).

II.2.3 The Role of Perceived Risk

Perceived risk theory states that uncertainty about the result in forms of perceived risk has a direct relationship to purchase intention among consumers(Shojaei, 2024). In green consumption, the perceived risk is multidimensional and includes functional, economic, and psychological aspects(Kristia, 2023). Greenwashing influences the perceived risk directly because the ambiguity and misinformation in environmental message makes consumers more prone to making misjudgments(Braga Junior et al., 2019). The perceived risk is also a multi-dimensional variable in green consumption, as the perceived risk increases the perceived confusion, which also leads to reduced brand attitudes and brand avoidance(Paul, 2024).

II.2.4 The Knowledge of the Environment as Determinant

On one hand, some of the studies indicate positive direct relationship between environmental knowledge and green purchase behavior (Harun, 2012) on the other hand, other studies find that environmental knowledge would have interrelationship with other psychological variables(A. Aly & Al-Salfiti, 2025),(Nicoleta, 2026) The fact that the knowledgeable consumers are more apt to detect inconsistencies in environmental claims also shows that sometimes; the application of environmental knowledge may bring about skepticism and green fatigue with regard to green purchase behavior(Su & Li, 2024).

II.3 Hypothesis Development

II.3.1 Perceived Greenwashing and Purchase Decision (H1)

According to the traditional marketing theory, corporate ethical failure directly suppresses the purchase intention. History has indicated that this relationship has been largely supported by many empirical findings which revealed that in situation where greenwashing perception is high, willingness to purchase is low and vice versa(Chen et al., 2024). But recent research studies conducted on 2024-2025 context has recorded that the two have been increasingly complex. To the most consumers, the phenomenon of greenwashing has become white noise and this has created a culturally accepted sense of deception where people do not perceive the deception as an automatic result of purchasing a product but rather an affordable and needed kind of product(Moslehpour et al., 2023). To test the background theory however, we posit:

H1: Perceived Greenwashing (PGw) has a significant negative direct effect on consumers' Purchase Decisions (PD)

II.3.2 Greenwashing and Green Trust (H2)

Consistency, reliability and benevolence form the basis on which trust is established. The opposite of these values is greenwashing which is the conscious effort of deception as per the Attribution Theory the disappointment which will result in a severe loss of green trust as confirmed by many quantitative studies, is one of the strongest predictors of green trust violation(A. Aly & Al-Salfiti, 2025).

H2: Perceived greenwashing has a negative effect on green trust.

II.3.3 Greenwashing and Risk perceived (H3)

In principle, as the perceived risk then under the guise of greenwashing is the creation of uncertainty about the true environmental and functional value of the product, the more a particular company promotes greenwashing, the higher the perceived risk it should introduce on the particular transaction, or the consumer rather devalue entirely the attribute of greenwashing, and thereby its contribution to the calculation of the risk-benefit(Barbu et al., 2022).

H3: Perceived risk is highly affected by perceived greenwashing.

II.3.4 Purchase Decisions and Green Trust (H4)

Green trust is one cognitive shortcut that simplifies sustainable decision-making(Forliano et al., 2025). In the process of consumers putting their trust in a brand, based on its environmental credentials they are more receptive to buying it and are likely to pay more(Khan, 2021). The absence of trust on the other hand is likely to pose a significant obstacle to purchase(Forliano et al., 2025).

H4: Green trust is a significant positive factor in purchase decision.

II.3.5 Perceived risk and Purchase decisions (H5)

According to the Theory of Perceived Risk (TPR), consumers will be more interested in preventing negative outcomes than pursuing positive ones in times of uncertainty(Elbarky, 2023). High levels of perceived risk financial, functional or social can serve as a psychological detrimental factor to activate intention to actual purchase.

H5: Perceived risk has a significant negative impact on purchase decisions.

II.3.6 Mediating Role of Green Trust (H6)

Combining H2 and H4, the mediation mechanism may be theorized whereby the harm caused by greenwashing to the behaviors of a consumer is mediated by the breakdown of trust.(A. Aly & Al-Salfiti, 2025) This is a trust-based model of mediation where the trust aspect keeps playing a crucial role as a currency in delivering behavior.

H6: Green trust mediates the relationship between perceived greenwashing and purchase decisions.

II.3.7 Mediating Impact of Perceived Risk (H7)

As the product of H3 and H5, the mediation model that is risk-centric argues that the effect of greenwashing is not only the loss of trust, but rather the establishment of the context in which the perceived negative aspect of a purchase becomes intolerable(Abdul Latip & Trupp, 2025). The basic consequence of greenwashing, as suggested by this mediation-based concept, is not necessarily a loss of trust, but rather, the creation of the setting where said negative aspect of a purchase is too unacceptable.

H7: Perceived risk mediates the relationship between perceived greenwashing and consumer purchase decisions.

II.3.8 Environmental Knowledge (H8): The Moderating Role

Perceived risk can be overwhelming in the case of low-environmental-knowledge consumers since they cannot gather internal information cues by which they appropriately assess the risks involved, and might be able to moderate the adverse impact of industry-wide distrust by weighing the positive and negative heavily(David et al., 2025).

H8: Environmental knowledge moderates the relationship between perceived risk and consumer purchase decisions.

Chapter III: RESEARCH METHODS

III.1 Research Design

This research uses a cross-sectional quantitative that empirically validates the proposed conceptual model. The variables are examined using the positivist approach to highlight causal links among the variables in the light of greenwashing in Bangladesh(Paul, 2024). The study takes the sequential exploratory approach, and as such includes a literature synthesis and a systematic survey to bring about a regionally specific focus on the outcomes of greenwashing.

III.2 Sample

The respondents were consumers living in Bangladesh urban centers. There was a non-probability purposive sampling technique of 256 valid responses (Chuah, 2022). The choice of this technique was based on the fact that the study targeted people who had experience or awareness of green products. The table below shows the demographic description of the participants.

The demographic statistics indicate that the respondents are young mainly males with about 92% of participants aged between 18 and 35. This audience is representative of the urban digital native consumers who are the most active in the online sustainability discourse(Mia et al., 2025).

III.3 Questionnaire Development

The items in the measurement instrument were either customized versions of scales that had been previously determined to be valid(Khan, 2021). Each of the items was evaluated on a 5-point Likert scale, with strong disagree (1) on one end of the scale and strong agree (5) on the other end of the scale.

Perceived Greenwashing (PGw): Measures developed based on four indicators that centered on misleading environmental features, misleading visuals, claims that could not be proven and over-statements about greenness(Ha, 2022).

Green Trust (GT): The measurement has three indicators on the dependence of environmental performance and promises(Ha, 2022).

Perceived Risk (PR): Evaluated on three scales that were based on uncertainty and possible unwanted consequences of green consumption(Kristia, 2023).
Environmental Knowledge (EK): Measured based on three indicators on the perception of environmental challenges and product advantages(A. S. Aly & Al-Salfiti, 2025).
Purchase Decision (PD): The Purchase Decision is measured using three indicators that gauge concerns the willingness and preference of green brands(Kristia, 2023).

III.4 Data Collection

The data was collected through a web-based questionnaire form through social media platforms and offline. Anonymity was also guaranteed to participants and they were told that their information would be utilized to conduct academic research. This approach was selected because it would cover a large geographic area with minimal cost-effectiveness and accuracy of data.

III.5 Data Analysis Plan

The statistical analysis relied on the Partial Least Squares Structural Equation Modeling (PLS-SEM) as a well-recognized method of conducting research on the exploratory level and creating theory in complex marketing models (Ha, 2022) and the SEMinR package of R version 4.5.1. The analysis was done in two main stages:
Measurement Model Investigation: Evaluation of internal consistency reliability (Cronbachs α), convergent validity (AVE), and discriminant validity (Fornell Larcker and HTMT).
Structural Model Evaluation: The evaluation of path coefficients, t-statistic, p-values, and collinearity (VIF). These effects of mediation and moderation were evaluated with the help of bootstrapping and interaction-based analysis, respectively.

Chapter IV: RESEARCH FINDINGS & ANALYSIS

The model of measurement validity will be assessed using the experimental group's performance on the tests and comparing it to the control group's results.

IV.1 Evaluation of the Measurement Model

The measurement model was tested to see if all the constructs were practical and valid and then the structural interrelationships were tested.

IV.1.1 Indicator Loadings

The model indicator loadings were mostly above the usual standard of 0.70 which means that indicators were highly reliable. The values ranged from 0.677 to 0.866. In particular, green trust (GT) and purchase decision (PD) had extremely high loadings.

Indicator	PGw	PR	GT	EK	PD
PGw1	0.793	-0.130	-0.463	-0.011	0.058
PGw2	0.786	-0.206	-0.404	0.069	0.106
PGw3	0.773	-0.088	-0.458	0.028	0.036
PGw4	0.786	-0.055	-0.478	-0.002	0.053
GT1	-0.469	0.036	0.863	-0.008	-0.021
GT2	-0.521	0.056	0.866	0.005	-0.052
GT3	-0.494	-0.003	0.856	-0.034	-0.037
PR1	-0.176	0.800	0.099	-0.342	-0.341
PR2	-0.065	0.743	0.001	-0.293	-0.271
PR3	-0.080	0.677	-0.042	-0.218	-0.326
EK1	-0.013	-0.339	-0.022	0.846	0.447
EK2	0.019	-0.263	0.028	0.766	0.519
EK3	0.057	-0.343	-0.032	0.843	0.494
PD1	0.031	-0.386	0.008	0.449	0.838

PD3	0.098	-0.361	-0.058	0.524	0.817
PD4	0.069	-0.250	-0.066	0.450	0.756

Table 1: Indicator Loadings

IV.1.2 Reliability and Convergent Validity.

Cronbach's, and= as well as Composite Reliability confirmed construct reliability. All the values of PGw, GT, EK, and PD were above the 0.70 recommended value. The was 0.785, acceptable in the case of PR. Convergent validity was also established the Average Variance Extracted (AVE) on all the constructs exceeded 0.50.

Construct	**Cronbach's α**	**ρA**	**ρC**	**AVE**
PGw	0.792	0.792	0.865	0.615
PR	0.593	0.606	0.785	0.551
GT	0.827	0.829	0.896	0.742
EK	0.756	0.770	0.859	0.671
PD	0.732	0.752	0.846	0.647

Table 2: Reliability and Convergent Validity

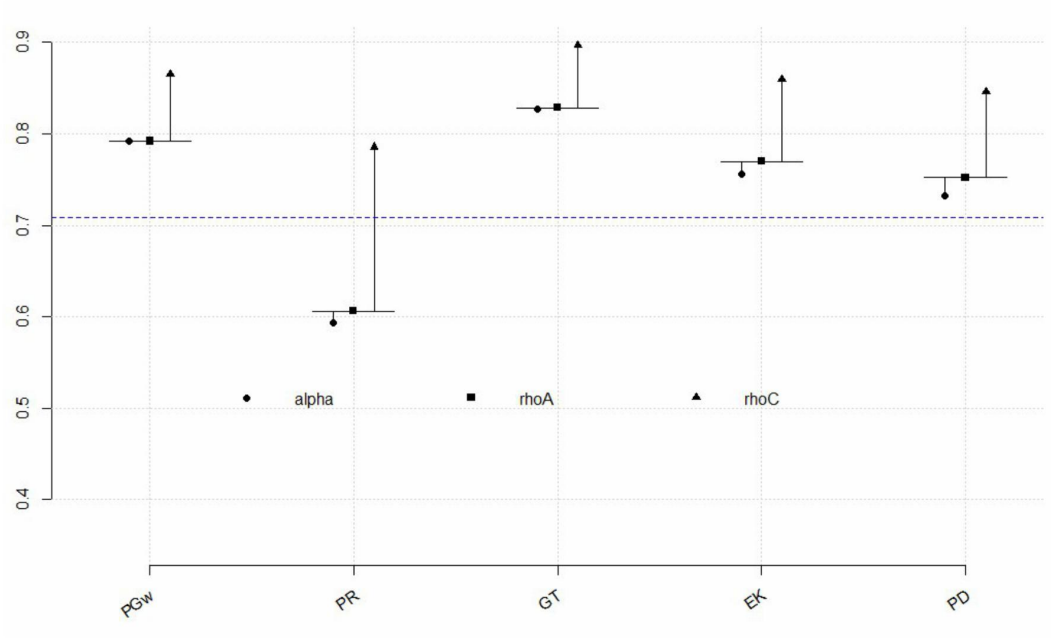


Figure 1: Reliability and Convergent Validity

IV.1.3 Discriminant Validity

The Fornell-Larcker criterion and the HTMT ratio measured the discriminant validity.

Fornell-Larcker Criterion: Each square root of each AVE (diagonal) was identified to be greater than the correlation of the construct to the rest of the constructs. As an example, the square root of AVE between PGw and GT is 0.784 which is way more than its maximum correlation with GT (-0.575).

Construct	PGw	PR	GT	EK	PD
PGw	0.784				
PR	-0.151	0.742			
GT	-0.575	0.035	0.862		
EK	0.026	-0.388	-0.014	0.819	
PD	0.080	-0.423	-0.043	0.589	0.805

Table 3: Fornell-Larcker Criterion

HTMT Ratio: All of the HTMT values were less than the 0.85 cut-off point with the maximum HTMT ratio standing at 0.798 (EK and PD) advising that the constructs are empirically differentiated.

Construct	PGw	PR	GT	EK	PD
PGw	-				
PR	0.226	-			
GT	0.709	0.104	-		
EK	0.078	0.567	0.046	-	
PD	0.109	0.622	0.078	0.798	-

Table 4: HTMT Ratio

IV.2 Assessment of the Structural Model

The structural model has also been studied to determine the problem of collinearity and the value of path coefficients. The VIF values were all below 2.0 implying that there are no multi-collinearity problems.

IV.2.1 Path coefficients and significance

Bootstrapping was employed in PLS-SEM because the structural model sought to assess the relationship between the constructs. Table 5 gives the results such as path coefficients, t-statistics and p-values.

Path	Original Est.(β)	t-Stat	p-Value	Decision
PGw → PD	0.018	0.274	0.724	Not Supported
PGw → GT	-0.575	15.442	0.000	Significant
PGw → PR	-0.141	2.545	0.016	Significant
PR → PD	-0.450	8.145	0.000	Significant
GT → PD	-0.016	0.265	0.770	Not Significant
EK → PR	-0.385	7.431	0.000	Significant
PR * EK → PD	0.205	3.900	0.002	Supported

Table 5: Path coefficients

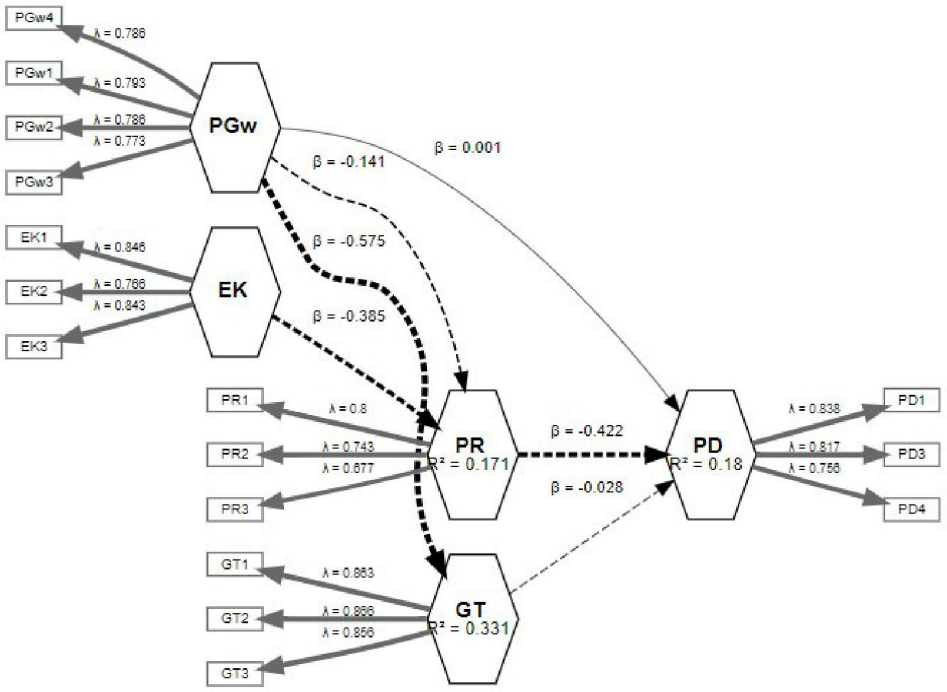


Figure 2: Path Diagram

The findings prove that Perceived Greenwashing (PGw) lacks a significant direct correlation with Purchase Decision (PD) ($b = 0.018$, $t = 0.274$, $p = 0.724$). The p-value is more than 0.05, which does not support Hypothesis H1. This implies that greenwashing perceptions do not directly influence the consumers of urban areas in Bangladesh to change their purchasing behavior.

There is however a significant negative and statistically significant impact of perceived greenwashing in Green Trust (GT) ($b = -0.575$, $t = 15.442$, $p < 0.001$). This means that the level of trust that consumers will have in green products reduces greatly when they feel that the environmental claims that have been made are ADU and false.

On the same note, Perceived Greenwashing also affects Perceived Risk (PR) negatively ($b = -0.141$, $t = 2.545$, $p = 0.016$). It means that the increase in the levels of perceived greenwashing enhances the concerns of the consumers on the authenticity and performance of eco-friendly products.

The perceived risk has a significant negative influence on Purchase Decision ($b = -0.450$, $t = 8.145$, $p = 0.001$). This finding implies that consumers will shy away more strongly towards buying such green products as they see more risks in acquiring them.

Green Trust on the other hand does not have a significant effect on Purchase Decision ($b = -0.016$, $t = 0.265$, $p = 0.770$). This implies that greenwashing basically leads to consumer mistrust, but the effect of consumer mistrust does not translate directly into consumer purchasing behaviour.

It is also found that the effect of Environmental Knowledge (EK) on Perceived Risk is quite negative ($b = -0.385$, $t = 7.431$, $p < 0.001$). This result indicates that more informed consumers have the tendency to attach less risk to green products when considering the same.

Last but not least, Perceived Risk and Environmental Knowledge interaction affect Purchase Decision significantly ($b = 0.205$, $t = 3.900$, $p = 0.002$). This implies that the Environmental Knowledge mediates the connection between Perceived Risk and Purchase Decision that validates the null Hypothesis H4. The finding indicates that the influences of the perceived risk on buying behavior depend on the degree of environmental knowledge possessed by the consumers.

IV.2.2 Results of Mediation and Moderations.

The indirect effects were to be studied using mediation analysis. The findings reveal that green trust (GT) did not play an effective role in intermediating the relationship between the two independent variables, as represented by the null hypothesis, H2. but rather, perceived risk (PR) was a significant mediator (), thereby endorsing H3. and the null hypothesis, H3. Furthermore, the implication of the environment is the fact that high knowledge levels neutralize the demeriting influence of risk on buying decisions, as perceived risk (PR) was found to be standing in between the two dependent variables, green trust (GT).

Mediation Path	Indirect Effect	t-Stat	p-Value	95% CI	Decision
PGw → GT → PD	0.016	0.440	0.644	(-0.058, 0.088)	Not Supported
PGw → PR → PD	0.060	2.498	0.016	(0.014, 0.108)	Supported

Table 6: Results of Mediation and Moderations

Chapter V: Discussion

V.1 Conclusions

The results of this research are an in-depth insight into the psychological processes of green consumption practice by the urban population in Dhaka, Bangladesh. The findings indicate that there is a complicated relationship between the perceived greenwashing, perceived risk, the green trust and environmental knowledge in influencing the consumer to make buying choices. Instead of directly affecting the decision to buy the product, perceived greenwashing is the process that indirectly uses the psychological process that has the power to change consumer perceptions of the credibility and risks of the products.

The findings can be added to the ever-increasing literature in the sector of sustainable green marketing and consumer purchase behavior in both the emerging economies, in realizing how the contextual variables like the market maturity, consumer skepticism, and environmental literacy play off the effectiveness of environmental marketing strategies.

V.1.1 The Rejection of H1 and Greenwashing Paradox.

The rejection of Hypothesis 1 (H1) that projected the significant direct negative impact of perceived greenwashing on green purchase decisions is one of the most notable in this study. According to the results, the correlation between perceived greenwashing and purchase decision is not significantly important ($b = 0.018$, $p = 0.724$). This shows that the urban consumers in Dhaka are not ready to discard products at once they suspect that the environmental claims made are exaggerated or misleading.

The result indicates that there exists a possible so-called Greenwashing Paradox of the urban Bangladeshi consumerism market(*Greenwashing Paradox → Area → Sustainability*, 2026). In a paradoxical case, the consumers can be aware of the misleading environment claims possibility and still make the purchase decisions. This may be attributed to a number of contextual factors.

First, brand recognition and halo effect could also have an impact on consumer perceptions. Customers usually do not look at individual marketing statements, instead they tend to assess products in terms of general brand image. Because of this, long-

established brands with high visibility in the market will be able to retain consumer loyalty despite the fact that their claims on environmental conservation are seen as overstated.
Second, with the rising popularity of environmental marketing messages, there will be the risk of consumer skepticism and green fatigue(Zaidi et al., 2019) (Paul, 2024). Since consumers are often subjected to environmental claims through advertisements and the packaging of products, they could establish a generic thinking that those claims could be somewhat exaggerated. Therefore, perceived greenwashing cannot be a major deterrent anymore as it has become customary in the market.
Third, consumer behavior might be affected by the economic factors and lack of market product substitutes in developing countries. In a price-sensitive like Bangladesh, consumers tend to sacrifice environmental authenticity in favor of affordability, convenience and familiarity with a brand name. Given that consumers can make advances knowledge about the possibility of greenwashing, they might still buy the product because there are no known sustainable options. The overall phenomenon is another type of the Green Consumer Paradox in which a positive attitude towards the environment does not necessarily result in an environmentally responsible consumer behavior.

V.1.2 Importance of Perceived Risk (H3 Supported)

These results of the research identifies perceived risk as the most significant psychological determinant impacting on green purchase decision. The results of the structural model indicate that there is a significant and negative relationship between the perceived risk and purchase decision that is significant (b = -0.450, P = <0.001). Also, the mediation analysis supports the relationship between perceived greenwashing and purchase decisions.
This implies that consumer behavior may not depend on the perceived greenwashing. Rather than that, it changes the risk benefit analysis of the consumer towards environmentally marketed products. Whenever consumers think that the environmental claims can be heavy-handed or deceptive, a doubt develops in the mind of the consumers on whether a product will produce its promised or stated environmental benefits or performance functionality(Isac et al., 2025).

It is interesting to note that the path coefficient of perceived greenwashing v.s. perceived risk was negative (b = -0.141). This relationship is significance, but seems to be counterintuitive. The reason could be that existing in the new markets like Bangladesh, even the claims of green marketing, however a bit exaggerated, can be a pointer to corporate professionalism, product and product differentiation, or even better production standards than the generic and no name products. This will see consumers view these products as comparatively less risky than those that did not have any environmental positioning.

Though this was a twist in the wrong direction the general findings definitely showed that risk perception is the overriding factor that impacts purchasing behavior. Consumers do not care about the fact that the brand can be completely trusted and focus on the fact that product buying can be related to the financial, functional, or psychological risk.

V.1.3 Role of Green Trust (H2 Rejected)

The findings identify that the green trust is not significant in the purchase decision, and thus they rejected the hypothesis that trust is a mediating variable. The perceived greenwashing is a significant cause of the green trust (b = -0.575, p < 0.001), however, the correlation of green trust and a purchase decision is not statistically significant (b = -0.016, p = 0.770).

This observation implies a phenomenon that can be called as the decoupling of trust-behavior(Lyons et al., 2023). Consumers in the case of Bangladesh can realize that environmental claims are not totally accurate yet still make purchase decisions based on other factors like price, availability of products, brand recognition of a brand or felt functional advantages.

This finding is opposed to numerous research works carried out in highly regulated Western markets, where the trust usually becomes the main factor determining sustainable purchasing behavior. In this kind of market consumers prefer more on corporate credibility and third party certification. Nevertheless, consumers are said to have less trust and more personal judgment and risk evaluation when judging on green products in developing economies where there is still a need to have regulatory enforcement and standardized eco-labeling systems(Nuttavuthisit & Thøgersen, 2017).

Thus, although greenwashing causes a great deal of damage to trust in an environmental assertion, elimination of trust might be inadequate in motivation to consumer purchase in this market environment.

V.1.4 Knowledge of the Environment as a Buffering (H4 Supported)

Environmental knowledge proves to be one of the key factors that can be used by consumers to deal with uncertainty over green markets. The results implies that environmental knowledge has a significant negative impact on perceived risk ($b = -0.385$, $p < 0.001$), which means that more knowledge about environmental concerns and practices related to green labels helps consumers to be more self-assured in assessing green products.

In addition, the effect of interaction between perceived risk and the environmental knowledge is statistically significant ($b = 0.205$, $p = 0.002$), which proves that the environmental knowledge moderates the relationship between the perceived risk and purchase decision.

According to this moderating effect perceived risk negatively affects cognitive buffer which in turn is environmental knowledge. More environmentally literate consumers have a stronger capability to understand environmental claims, recognize believable product information and differentiate actual environmentally friendly products by the misused marketing messages(Reddy et al., 2023).

Consequently, informed customers have fewer chances to fear the perceived risks with green products. Instead, they are more suited to purchase in an informed manner despite the existence of the potential greenwashing in the market.

Such observation underscores the significance of the consumer education and the environment awareness programs. Consumer environmental literacy could play a greater role in increasing consumer capacity to behave in a sustainable consumption as well as diminish negative susceptibility to misguided environmental marketing(Liu & Tobias, 2024).

V.1.5 Impact of the Perceived Greenwashing on Green Trust.

Perceived greenwashing was identified to negatively impact green trust such a strong effect. It means that once customers realize that companies overdo or distort their

statements on the environmental situation, their confidence in those companies reduces greatly. The result is consistent with previous studies that claimed that the misleading environmental marketing can adversely affect corporate credibility and shrink corporate confidence among the consumers to environmental claims. Whilst in urban Bangladesh, consumers seem to be able to detect exaggerated claims of green which makes them doubt environmental claims made by firms. This loss of trust represents the fact that transparency and honesty to the environment are equally vital when a company just tries to set itself as a responsible one regarding the environment(Caputo et al., 2021).

V.1.6 Effect of Perceived Greenwashing on Perceived Risk

Perceived risk was also determined to be a strong determinant of perceived greenwashing. This model also implies that the perceptions of greenwashing are an important aspect in determining how consumers assess the risk of potential exposure to risk in green products though the relationship being negative. The reason could be that environmental marketing though exaggerated can be perceived by consumers in Bangladesh as the company spending resources in product quality or branding(Taufique & Islam, 2021). As a result there can be a perception of reduced functional risk by some of the consumers when the products are being promoted using environmental statements. Nevertheless, the correlation is still statistically significant, which means that greenwashing impressions continue to play the role of overall product risk assessment by the consumers.

V.1.7 Perceived risk as it relates to Purchase Decision.

The anticipated risk was observed to make a significant and impactful negative impact on buying decisions. This means that people are less likely to buy environmentally marketed products if they have greater perceptions of risks like financial, functional and performance risks. The above finding indicates that risk perception is among the strongest psychological obstacles to the green consumption in urban Bangladesh. Consumers might fear that green products do not fulfill their benefits or cost or not worth the price that they offer(Gomes et al., 2023). Perceived risk therefore needs to be minimized by using clarity on the products and certification labels and transparency in communication so as to promote the behavior of green purchasing.

V.1.8 The impact on Purchase Decision due to the presence of Green Trust

Surprisingly, green trust in this case did not play a major role in influences of purchase decisions. This discovery indicates that despite the development of trust in the consumers towards the environmental claims of a company, the trust in itself might not be enough to influence the actual buying behavior. When considering the case of Bangladesh, the consumer might have practical concerns like price, accessibility and functionality of the product as opposed to environmental trust in making a purchasing choice. This observation confirms the theory that trust alone might not be sufficient to ensure green purchasing behavior in the developing markets where economic factors and availability of products are among the strong factors(Yadav & Pathak, 2017).

V.2 Scope for Future Study

Although the given work offers some background information on the situation in Dhaka, there are a number of directions that could be further developed in the research. Longitudinal frameworks should be used in future research to test the lasting impact of greenwashing on brand equity, as well as showing whether peer influence can shift to deceive into complete brand avoidance as an alternative result of greenwashing. Comparisons within different product categories (e.g., high-involvement electronics and low-involvement food products) and inclusion of peer influence as a modulator may further develop the model. Cross-national research between Bangladesh and other emerging economies in South Asia would help understand whether the Greenwashing Paradox can be generalized.

V.3 Recommendations

The recommendations to be given to the green marketers and the policymakers in the Dhaka Division based on the findings are:

- Prioritize Risk aversion rather than the Symbolic Trust: Marketers ought to focus on functional and economic risks that can be undertaken on green products. The expression of strong emotional request on the basis of mere belief hardly works to motivate a purchase compared to providing verifiable statistical information about the performance of a product and the long run cost saving.

- Support asserts with Openness: To escape the pitfall of the Greenwashing Paradox, companies should not solely settle on mere formality. To ensure validity in a cynical market place there should also be use of credible third parties certifications and transparent disclosure of the whole supply chain.
- Invest in Consumer Environmental Literacy: NGOs and policy makers ought to initiate educational campaigns to enhance objective environmental literacy of consumers. Environmental literacy will enable the customers to bypass the false signals and advance the rise of the actual green market.
- Enhance Regulatory Systems: To eliminate fraudulent actions and safeguard both customers and environmentally-friendly companies, the government of Bangladesh needs to introduce stricter statutes and guidelines of the labeling of green and ecofriendly products.
- Capitalize on the Youthful Demographic: Marketers must connect with the 18-35 age group using digital and social channels and deliver interactive and educational communications that solve their environmental issues and risk attitude.

References

1. Abdul Latip, M. S., & Trupp, A. (2025). Investigating social influence, trust and greenwashing in organic food purchases: Insights from a developing country. *British Food Journal*, *127*(10), 3858–3875. https://doi.org/10.1108/BFJ-09-2024-0964
2. Aly, A., & Al-Salfiti, A. (2025). Linking Consumption Values to Green Purchase Intention: Evidence from Emerging Economies. *Sustainability*, *17*, 10109. https://doi.org/10.3390/su172210109
3. Aly, A. S., & Al-Salfiti, A. (2025). Linking Consumption Values to Green Purchase Intention: Evidence from Emerging Economies. *Sustainability*, *17*(22). https://doi.org/10.3390/su172210109
4. Barbu, A., Catană, Ștefan-A., Deselnicu, D. C., Cioca, L.-I., & Ioanid, A. (2022). Factors Influencing Consumer Behavior toward Green Products: A Systematic Literature Review. *International Journal of Environmental Research and Public Health*, *19*(24), 16568. https://doi.org/10.3390/ijerph192416568
5. Braga Junior, S., Martínez, M. P., Correa, C. M., Moura-Leite, R. C., & Da Silva, D. (2019). Greenwashing effect, attitudes, and beliefs in green consumption. *RAUSP Management Journal*, *54*(2), 226–241. https://doi.org/10.1108/RAUSP-08-2018-0070
6. Caputo, F., Pizzi, S., Ligorio, L., & Leopizzi, R. (2021). Enhancing environmental information transparency through corporate social responsibility reporting regulation. *Business Strategy and the Environment*, *30*(8), 3470–3484. https://doi.org/10.1002/bse.2814
7. Chen, Y.-H., Lin, I.-K., Huang, C.-I., & Chen, H.-S. (2024). How Key Opinion Leaders' Expertise and Renown Shape Consumer Behavior in Social Commerce: An Analysis Using a Comprehensive Model. *Journal of Theoretical and Applied Electronic Commerce Research*, *19*(4), 3370–3385. https://doi.org/10.3390/jtaer19040163
8. Chuah, J. E. P. (2022). (PDF) LINKING GREEN SCEPTICISM TO GREEN PURCHASE INTENTION. *ResearchGate*. https://doi.org/10.35631/JTHEM.729022
9. David, L. K., Wang, J., Luo, M., & Cisse, I. I. (2025). Green signaling or greenwashing? ESG disclosure, firm performance and capital allocation in BRICS equity markets. *Journal of Capital Markets Studies*, *9*(2), 169–190. https://doi.org/10.1108/JCMS-06-2025-0080
10. Elbarky, S. A. (2023). *Green supply chain: The impact of environmentalknowledge on green purchasing intention*.

11. Forliano, C., Battisti, E., De Bernardi, P., & Kliestik, T. (2025). Mapping the greenwashing research landscape: A theoretical and field analysis. *Review of Managerial Science*, *19*(11), 3407–3456. https://doi.org/10.1007/s11846-025-00856-3
12. Gomes, S., Lopes, J. M., & Nogueira, S. (2023). Willingness to pay more for green products: A critical challenge for Gen Z. *Journal of Cleaner Production*, *390*, 136092. https://doi.org/10.1016/j.jclepro.2023.136092
13. *Greenwashing Paradox → Area → Sustainability*. (2026). Lifestyle → Sustainability Directory. https://lifestyle.sustainability-directory.com/area/greenwashing-paradox/
14. Ha, M.-T. (2022). Greenwash and green brand equity: The mediating role of green brand image, green satisfaction, and green trust, and the moderating role of green concern. *PLOS ONE*, *17*(11), e0277421. https://doi.org/10.1371/journal.pone.0277421
15. Harun, A. (2012). *The Influence of Environmental Knowledge and Concern on Green Purchase Intention the Role of Attitude as a Mediating Variable | Request PDF*. ResearchGate. https://www.researchgate.net/publication/297312059_The_Influence_of_Environmental_Knowledge_and_Concern_on_Green_Purchase_Intention_the_Role_of_Attitude_as_a_Mediating_Variable
16. Hossain, M. Z. (2025). (PDF) The Impact of Greenwashing on Consumer Trust and Brand Loyalty: The Moderating Role of Industry Type. *ResearchGate*. https://doi.org/10.59324/ejiss.2025.1(3).10
17. Isac, N., Javed, A., Radulescu, M., Cismasu, I. D. L., Yousaf, Z., & Serbu, R. S. (2025). Is greenwashing impacting on green brand trust and purchase intentions? Mediating role of environmental knowledge. *Environment, Development and Sustainability*, *27*(9), 21329–21346. https://doi.org/10.1007/s10668-023-04352-0
18. Khan, S. (2021). (PDF) THE IMPACT OF GREENWASH ON CONSUMER GREEN PURCHASE BEHAVIOR: MODERATING ROLE OF GREEN BRAND LOYALTY. *ResearchGate*. https://www.researchgate.net/publication/392194805_THE_IMPACT_OF_GREENWASH_ON_CONSUMER_GREEN_PURCHASE_BEHAVIOR_MODERATING_ROLE_OF_GREEN_BRAND_LOYALTY
19. Kristia. (2023). *The Effect of Perceived Greenwash on Green Trust with Green Perceived Risk and Green Perceived Value as Mediating Variables: Study on Danone-Aqua Indonesia*.

20. Liu, L., & Tobias, G. R. (2024). The impact of environmental literacy on residents' green consumption：Experimental evidence from China. *Cleaner and Responsible Consumption*, *12*, 100165. https://doi.org/10.1016/j.clrc.2023.100165
21. Lyons, J. B., Hamdan, I. aldin, & Vo, T. Q. (2023). Explanations and trust: What happens to trust when a robot partner does something unexpected? *Computers in Human Behavior*, *138*, 107473. https://doi.org/10.1016/j.chb.2022.107473
22. Mia, M. S., Hossain, M. T. B., Rahman, S. M. M., & Ahmed, F. (2025). Factors Affecting Buying Intention of Green Products: A Study on Digital Native Customers in Bangladesh. *International Journal of Business and Society*, *26*(3), 842–866. https://doi.org/10.33736/ijbs.8058.2025
23. Montgomery, A. W., Lyon, T. P., & Barg, J. (2024). No End in Sight? A Greenwash Review and Research Agenda. *Organization & Environment*, *37*(2), 221–256. https://doi.org/10.1177/10860266231168905
24. Moslehpour, M., Chau, K. Y., Du, L., Qiu, R., Lin, C.-Y., & Batbayar, B. (2023). Predictors of green purchase intention toward eco-innovation and green products: Evidence from Taiwan. *Economic Research-Ekonomska Istraživanja*, *36*(2), 2121934. https://doi.org/10.1080/1331677X.2022.2121934
25. Nicoleta, I. (2026). (PDF) Is greenwashing impacting on green brand trust and purchase intentions? Mediating role of environmental knowledge. *ResearchGate*. https://doi.org/10.1007/s10668-023-04352-0
26. Nuttavuthisit, K., & Thøgersen, J. (2017). The Importance of Consumer Trust for the Emergence of a Market for Green Products: The Case of Organic Food. *Journal of Business Ethics*, *140*(2), 323–337. https://doi.org/10.1007/s10551-015-2690-5
27. Paul, M. K. (2024). *Consumers' Green Fatigue in Bangladesh: An Exploratory Study*. *14*(1).
28. Rahman, M. S., Hossain, M. I., & Hossain, G. M. S. (2019). Factors Affecting Environmental Knowledge and Green Purchase Behavior of Energy Saving Light Users in Bangladesh: An Empirical Study. *International Journal of Academic Research in Economics and Management Sciences*, *8*(3), Article 3. https://doi.org/10.6007/IJAREMS/v8-i3/6625
29. Rahman, P., & Mehnaz, S. (2024). International Journal for Multidisciplinary Research (IJFMR). *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.5054029
30. Reddy, K. P., Chandu, V., Srilakshmi, S., Thagaram, E., Sahyaja, Ch., & Osei, B. (2023). Consumers perception on green marketing towards eco-friendly fast moving consumer

goods. *International Journal of Engineering Business Management*, *15*, 18479790231170962. https://doi.org/10.1177/18479790231170962

31. Shojaei, A. S. (2024). *Perceived greenwashing and its impact on eco-friendly product purchase*.
32. Su, S., & Li, Y. (2024). Exploring the Impact of the Green Marketing Mix on Environmental Attitudes and Purchase Intentions: Moderating Role of Environmental Knowledge in China's Emerging Markets. *Sustainability*, *16*(24). https://doi.org/10.3390/su162410934
33. Taufique, K. M. R., & Islam, S. (2021). Green marketing in emerging Asia: Antecedents of green consumer behavior among younger millennials. *Journal of Asia Business Studies*, *15*(4), 541–558. https://doi.org/10.1108/JABS-03-2020-0094
34. Tu, J.-C., Cui, Y., Liu, L., & Yang, C. (2024). Perceived Greenwashing and Its Impact on the Green Image of Brands. *Sustainability*, *16*, 9009. https://doi.org/10.3390/su16209009
35. Yadav, R., & Pathak, G. S. (2017). Determinants of Consumers' Green Purchase Behavior in a Developing Nation: Applying and Extending the Theory of Planned Behavior. *Ecological Economics*, *134*, 114–122. https://doi.org/10.1016/j.ecolecon.2016.12.019
36. Zaidi, S. M. M. R., Yifei, L., Bhutto, M. Y., Ali, R., & Alam, F. (2019). *The influence of consumption values on green purchase intention: A moderated mediation of greenwash perceptions and green trust*.

Appendix

Questionnaire

Section 1: Perceived Greenwashing (Independent Variable)

1. Companies often mislead with words in their environmental features.
2. Companies provide vague or seemingly un-provable environmental claims.
3. Companies exaggerate their environmental benefits or performance.
4. Companies use green-looking images (like leaves or trees) to create a false eco-friendly impression.

Section 2: Green Trust (Mediator)

5. I feel that environmental claims of products are generally reliable.
6. I believe that products marketed as "green" keep their environmental promises.
7. I trust the environmental information provided on the packaging of products in Bangladesh.

Section 3: Perceived Risk (Mediator)

8. I worry that if I buy a "green" product, it won't perform as well as a standard product.
9. I feel there is a high chance that the eco-friendly benefits of a product are fake.
10. I am concerned that I am paying a higher price for a "green" product that provides no real environmental value.

Section 4: Environmental Knowledge (Moderator)

11. I am very familiar with environmental issues in Bangladesh (e.g., pollution, waste).
12. I know how to check if a product is actually eco-friendly (e.g., checking for specific certifications).
13. I understand the meaning of environmental symbols and labels on product packaging.

Section 5: Green Purchase Decision (Dependent Variable)

14. I prefer to buy products that have the least negative impact on the environment.
15. I am willing to stop buying a brand if I find out they are greenwashing.
16. Environmental friendliness is a top priority for me when making a purchase.
17. I intend to purchase eco-friendly products more often in the next six months.