### Green Branding: Role of Transparency and Source Credibility

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**Keywords:** Sustainability, Transparency, Credible sources.

**Introduction:** Consumers' favorable attitudes toward environmentally conscious brands, corporate strategies, and marketing tactics are growing. One market study found that Gen Zers think sustainability is more important than brand identity regarding purchasing decisions (Forbes, 2022). To attract these sustainability-concerned consumers, apparel brands are focusing on green branding. The process of developing a distinctive identity for a brand based on aspects of environmental, social, and economic sustainability can be defined as green branding. One of the ways to promote green branding is through information transparency (Bhaduri & Ha-Brookshire, 2015). Moreover, brands can attain positive consumers attitude toward brands' disclosed information by exhibiting source credibility (Mim et al., 2022a). Based on these findings, this study explored how green branding with transparency and source credibility can achieve consumers' brand attachment, trust, and loyalty.

**Literature Review: Transparency:** Information exposure and accessibility, particularly about business processes, is termed transparency (Bhaduri & Ha-Brookshire, 2015). In the textile and apparel industry, transparency in the apparel industry refers to providing sufficient detail about a product's production process. Bhaduri and Ha-Brookshire (2015) found that information transparency can increase consumers' support for green brands' claims. Thus, for the importance to explore transparency, based on the stimulus-organism-response model (Mehrabian & Russell, 1974), we proposed **H1:** Sustainable branding with transparency will have a significant positive impact on **a)** brand attachment, **b)** brand trust **c)** brand loyalty. **Source credibility:** Source credibility can facilitate sustainable branding promotion and get consumers positive feedback (Sahin et al., 2020). Panda et al. (2020) explained consumers' decision-making framework regarding ethical behavior that consumers are highly influenced by recommendations of trusted sources. Moreover, in a study, Mim et al. (2022b) discovered that sustainable information with source credibility can attain positive brand attachment and trust. In this study, we proposed **H2:** Sustainable branding with source credibility strengthens the relationship between transparency and **a)** brand attachment, and **b)** brand trust.

Studies have found that sustainable disclosures can be a significant predictor of brand attachment (Choi et al., 2015), trust (Park & Kim, 2016), and loyalty (Park & Kim, 2016). **Brand Attachment:** It can be described as the potent feeling that consumers may get after a sustained relationship with a brand and is comparable to the feelings experienced in close friendships (Choi et al., 2015). In this study, we proposed that **H3:** Brand attachment will have a significant positive impact on brand loyalty. **Brand Trust:** Consumers' perceptions of a brand's credibility and benevolence are referred to as brand trust (Park & Kim, 2016). Here, we hypothesized that, **H4:** Brand trust will have a significant positive impact on brand loyalty. **Brand Loyalty:** Brand loyalty is the term used to describe a customer's steadfast connection to a

brand's goods or services, which leads to recurrent purchases despite shifting financial circumstances or competing offers (Kim & Ha, 2020).

**Methodology:** A Qualtrics online questionnaire with 25 self-administered questions was used for data collection. Participants were asked to reflect on their attitudes toward green branding with Transparency (Schnackenberg & Tomlinson, 2016), Source credibility (McCroskey & Teven, 1999), Brand Attachment (Lacoeuilh, 2000), Brand Trust (Gurviez & Korchia, 2002), and Brand Loyalty (Kim & Ha, 2020). A 7-point Likert scale (1 = strongly disagree, 7 = strongly agree) was used to measure participants' responses unless explicitly mentioned. There were 247 Gen Zers who enrolled in a southwestern university participated in the study. After data cleaning, 198 completed responses were analyzed. Among the participants, 83.8% were female, 78.3% were white, and 56% of them reported household income lower than $85,000.

**Results, Discussion, and Implications:**  The data underwent a two-step analysis employing structural equation modeling. The first step involved assessing the measurement model via confirmatory factor analysis, using various fit indices to determine the adequacy of the model fit. The results indicated that the measurement model had achieved a satisfactory fit, with an acceptable level of measurement reliability and validity, as illustrated in Table 1. In the second step, the structural relationships of the model were examined using structural equation modeling. The analysis, which included standardized parameter estimates and t-values presented in Figure 1, revealed that all the proposed hypotheses, except H2a, were supported.

The results demonstrate the significance of incorporating transparency in developing green branding. The findings suggest that apparel brands with a brand image based on their explicit revelation of production information may enhance consumers' brand perception in terms of credibility, and benevolence. Furthermore, branding with such a sustainable approach may develop a strong bonding between consumers and the brand. Nowadays, brand trust can be heavily negatively influenced by greenwashing. Therefore, brands' explicit information sharing practices about their sustainability initiatives may increase brand attachment and trust positively which further leads to develop brand loyalty. The results further show that source credibility strengthens brand trust that promotes sustainable branding with transparency. However, source credibility may not have similar influence on building brand attachment based on green branding. This is because brand attachment is a complex construct which is often developed through personal experience and emotional connections. This study provides valuable insights into how transparency and source credibility impact consumer behavior toward green branding. The research sheds light on the relationship between these factors and brand attachment, trust, and loyalty. Further studies could explore various source credibility and presentation formats for sustainability information, as well as their effects on consumer acceptance and loyalty. The

study's practical implications suggest that apparel brands should communicate sustainability information transparently and with source credibility to garner favorable reactions from consumers.
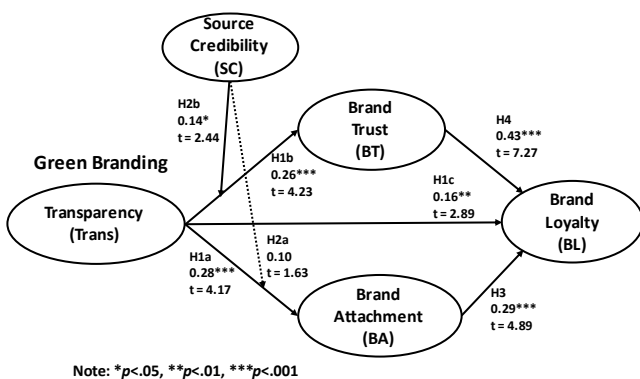


**Figure 1 Research Model**

**Table 1 Measurement Model Results**

| Fit Indices | Value |
|---|---|
| Chi-square / degrees of freedom | 1.463 |
| Root Mean Square Error of Approximation | 0.048 |
| Normed Fit Index | 0.954 |
| Goodness of Fit Index | 0.927 |
| Comparative Fit Index | 0.985 |

| | CR | Trans | SC | BA | BT | BL |
|---|---|---|---|---|---|---|
| **Trans** | 0.932 | **0.821** | 0.173 | 0.221 | 0.251 | 0.276 |
| **SC** | 0.939 | 0.079 | **0.885** | 0.194 | 0.354 | 0.321 |
| **BA** | 0.909 | 0.109 | 0.117 | **0.769** | 0.267 | 0.401 |
| **BT** | 0.882 | 0.143 | 0.261 | 0.314 | **0.715** | 0.508 |
| **BL** | 0.920 | 0.177 | 0.212 | 0.335 | 0.467 | **0.794** |

Note: 1. CR = Composite Reliability
2. The elements on the diagonal (bold) are the average variance extracted (AVE)
3. The elements below the diagonal are squared inter-factor correlation estimates.
4. The elements above the diagonal are the upper bound of the 95% confidence interval for the inter-factor correlation.

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