

HOTEL Yearbook 2018

FORESIGHT AND INNOVATION IN THE GLOBAL HOTEL INDUSTRY

SPECIAL EDITION ON

SUSTAINABLE HOSPITALITY





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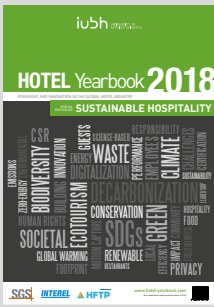
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WELCOME

Dear readers,

This year, the Hotel Yearbook welcomes a brand new member to the family: *Hotel Yearbook 2018: Sustainable Hospitality*. We have never published a special edition on this subject before, so we are very proud to be introducing such a solid publication on this important theme – especially this year, which has been designated as the International Year of Sustainable Tourism for Development by the UNWTO.

As with all our publications, this new edition presents a wide-ranging collection of articles, addressing the field from many different perspectives. Our editorial contributors include over 30 highly respected opinion leaders and executives. Their articles are not only insightful, but practical and actionable. We'd like to thank them all for their outstanding contributions.

We owe a special thanks to Prof. Willy Legrand of the University of Applied Sciences in Bad Honnef, Germany, who occupied the Guest Editor's chair and put this edition together for us. His profound understanding of the challenges that hotel companies face in trying to operate more sustainably and make real progress in this area, coupled with his wide-ranging network, made it possible for him to assemble a stellar group of authors from around the world to share their observations, ideas, and practical advice. We'd like to thank Willy for the truly excellent publication that resulted from his work!

In addition to these 30 articles, we are also pleased to highlight a few interesting new start-ups offering creative digital solutions to a range of challenges faced by hospitality professionals in this arena.

All in all, the content of this inaugural edition of *Hotel Yearbook: Sustainable Hospitality* includes valuable food for thought that is relevant for everyone working in the hotel industry.

We wish you a good read!

Yours,



Woody Wade | Publisher



Henri Roelings | Publisher

PS. If you are interested in contributing to the 2019 edition, please contact us!



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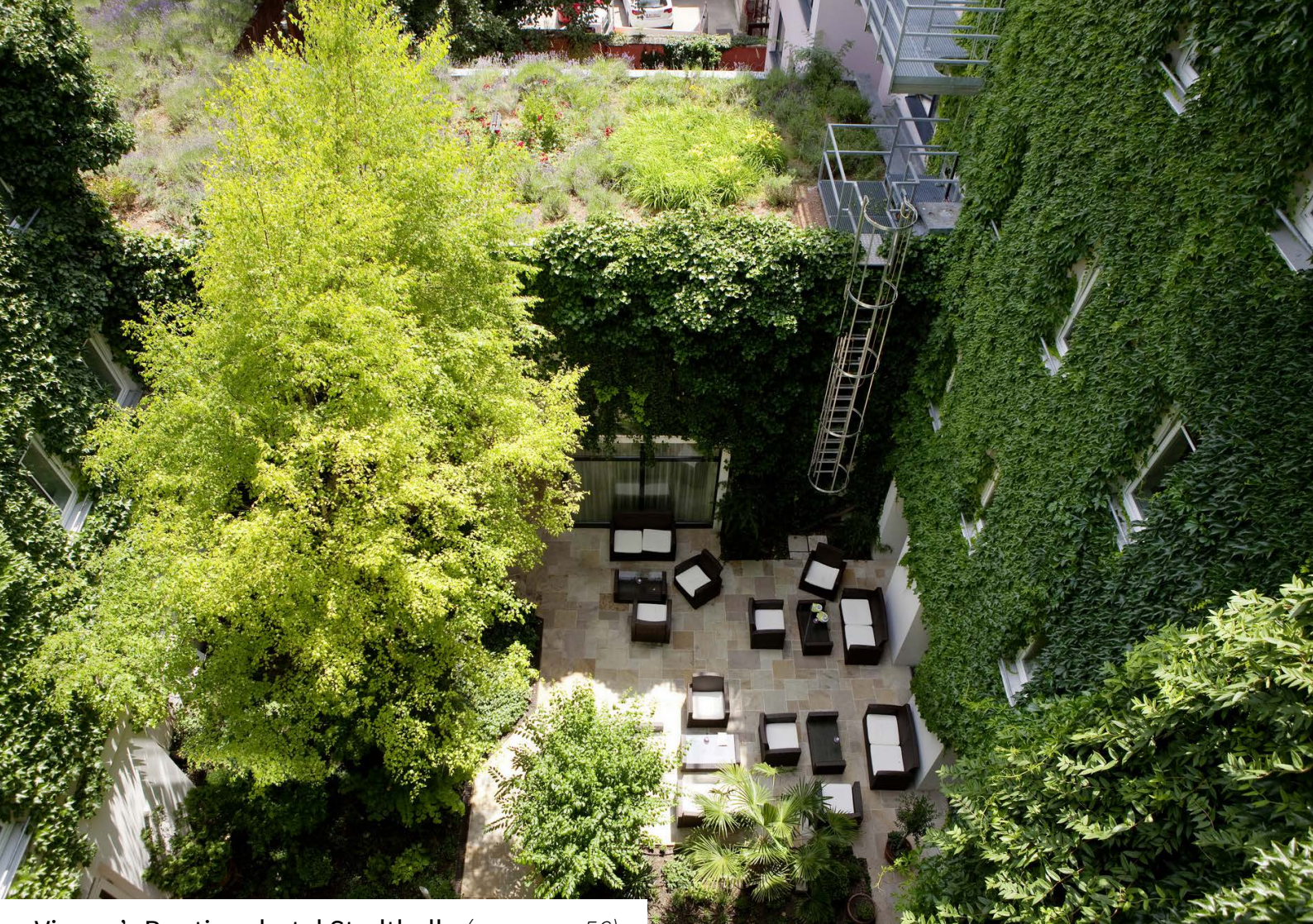
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Vienna's Boutiquehotel Stadthalle (see page 56)





A word from Willy Legrand, our Guest Editor-in-Chief

In my early days of university in Canada, I remember reading works by René Dumont, a 20th century French agronomist, economist, environmentalist and pioneer political ecologist. In one of his many essays, articles and books, Dumont developed a solid argumentation and demonstrated an equally strong advocacy for an economic and business system which is based on *resource efficiency*, *environmental protection* and a *reduction of social inequities*.

Decades later, the need for sustainable development has *finally* risen to the forefront of the global community with the signing of the Paris Agreement at the end of 2015. However, it is now evident that staying within the 2 degree threshold by 2050 as agreed upon in the agreement provides us with a set of challenging tasks.

The role and responsibility of our dynamic industry towards this and future generations is undeniable. For some industry players, *sustainability in practice* feels like a Sisyphean task – chores such as controlling energy and water use and waste production require resources and are repetitive without bringing any more “heads in beds”. For others, however, sustainability has been adopted as part of the *business management thinking* where one of the guiding questions is: How do we create a hotel environment which is kind to the environment, healthy for its workers, pleasing to its guests, efficient for the operators, and profitable to its owners?

This is an essential (if not *existential*) question for this industry. And this is where the Hotel Yearbook's special edition on Sustainable Hospitality comes in.

It was the goal of all involved to gather the thoughts and research from a wide-ranging group of senior executives, analysts, academics, consultants and industry opinion leaders from all continents: The main task was to look into the “crystal ball” and ask, “*What lies ahead for the global hotel industry in light of ever-changing and challenging environmental, societal and economic dimensions?*”

This publication, The Hotel Yearbook's first-ever special edition on Sustainable Hospitality, offers readers thought-provoking, insightful – and at times also disturbing and challenging - articles from 39 contributors.

Should you wish to find out more on how to achieve a greater environmental and ethical awareness and discover practices that are consistent with sustainable business development, or spark discussion with your board of directors on how and where to take the next sustainability steps, then perusing this publication is a good way to start.

It is an honor and my pleasure to have been invited as Guest Editor of this special edition, a first on its subject, – but none of this would have been possible without the commitment of its contributors.

My sincere thanks to every contributor for taking the time to gather your thoughts, share your experience and help make this first special edition on Sustainability Hospitality possible – your work here, but most importantly in the field, is instrumental in guiding our industry's transformation.

Prof. Dr. Willy Legrand

The hotel sector, reporting, and the Sustainable Development Goals

by **Fran Hughes** 

Tourism brings economic development, provides jobs, and protects cultural and natural heritage. But as Fran Hughes, the Director of the International Tourism Partnership (ITP) writes, beyond the headline figures the sector has been poor at demonstrating its real impact.

According to the World Travel & Tourism Council (WTTC), the travel and tourism sector supports around one in ten jobs worldwide and is growing faster than the global economy. But are those jobs good jobs which protect workers' rights? Are we supporting vulnerable groups and young people into meaningful work? Where is the balance between tourism development and overdevelopment – where the environmental demands of tourism cause negative impacts? We've never been that good at getting down to this level of detail.

In the main, sustainability reporting focuses on incremental percentage improvements in environmental performance, but simply stating a 20% reduction in water or energy consumption is rather meaningless. We may be getting more efficient, but we need more context to understand if that is really making a difference. Twenty percent could be good, or it could be terrible – and it can only really be understood by looking at industry benchmarks, for example via ITP and Greenview's Hotel Footprinting Tool. Water targets need to consider the local context and be both more targeted to areas of high water scarcity and competing uses (more critical than your swimming pool...) and more holistic, looking beyond simple efficiency to broader water stewardship.



It should also be noted that in many cases, reductions may be outstripped by the growth of a business, meaning that despite greater efficiency, a company is still increasing its burden on the planet. Research conducted by the International Tourism Partnership indicates that the hotel sector needs to reduce its absolute emissions by 90% by 2050 in order to stay within the 2 degree threshold agreed in the Paris climate agreement. We need to get our head out of the sand and do a *lot* of work to decouple business growth from growth in environmental impact.

On the social side, many companies are missing a major opportunity to quantify the impact they have on jobs and local communities. While corporate responsibility reports abound with stories about staff volunteering and community project support, there are rarely numbers or impacts reported alongside. Less still about the staff working in the hotels and how the company protects workers' rights or contributes to reducing youth unemployment.

Leading companies recognize that reporting needs to be more accountable, and they are aligning their strategies and reporting structures to the United Nations Sustainable Development Goals (SDGs), also known as the Global Goals.

The framework the SDGs provides has the potential to transform how companies consider their contribution to sustainable development and help them develop responsible business programs and reporting structures in a more strategic and meaningful way. I, for one, look forward to much better company reporting in the coming years. At the time of writing, within the hotel sector Rezidor, InterContinental Hotels Group and NH Hoteles have seized this opportunity and have already published their commitments towards the SDGs, with many more expected to follow suit in the coming months.

At ITP we strongly believe that the hotel industry can be a force for good and make a positive contribution to the SDGs and to the COP21 climate agreements, and that by working together, hotel companies can drive change further and faster than by working on their own. ITP's vision for 2030 is for sustainable growth and a fairer future for all. To support this vision, ITP

has set four Goals as a carefully constructed and practically achievable response to four of the core sustainability issues impacting responsible hospitality providers globally. These goals are:

Youth employment

Collectively impact one million young people through employability programs by 2030, thereby doubling the industry's current impact on youth unemployment.

Carbon

Embrace science-based targets, and encourage the wider industry to join in reducing emissions at scale.

Water

Embed water stewardship programs to reduce the number of people affected by water scarcity; also improve water-use efficiency and identify ways to address water scarcity.

Human rights

Raise awareness of human rights risks, embed human rights into corporate governance, and address risks arising in the labor supply chain and during hotel construction.

ITP's Goals, launched in the International Year of Sustainable Tourism for Development, send a clear call to action to the wider industry about the critical importance of using the SDGs as a focal point to drive responsible business in hospitality. For 25 years, the hotel industry under ITP's leadership has advanced sustainable tourism, developing tools and resources for hotels around the world, sharing knowledge and working together for a more responsible future.

Looking forward, we have a common ambition: to lead the industry through example with clear and quantifiable commitments to sustainability. Because, while it is incumbent on all businesses to demonstrate social and environmental responsibility, when you are part of one of the world's fastest growing industries, that responsibility cannot be underestimated.



Fran Hughes is Director of the International Tourism Partnership (ITP), a global industry organization bringing together the world's most powerful hotel companies. ITP turns responsible ambition and good ideas into positive action through setting the agenda on sustainability through collaborative working groups and issues management, promoting and sharing best practice through its online magazine www.greenhotelier.org, and offering a range of practical products and programs, such as the Hotel Carbon Measurement Initiative (HCMI) and the Youth Career Initiative (YCI) which has helped over 4,000 disadvantaged young people start careers in the hotel industry. Fran has over 25 years' experience in the tourism industry and holds a Master's in Environmental Strategy.

Moving towards sustainability: Future-proofing in the hospitality sector

by **Peter Hvidberg** 

Travelers are increasingly looking for greener options when they travel. As Peter Hvidberg from SGS explains, sustainability is no longer a luxury for high-end hotels, it is a necessity for businesses that are looking to future-proof.

The World Tourism Organization (UNWTO) predicts a significant increase in the number of global tourists over the next few decades. In 1950, they estimated the market to be around 25 million people, in 2012, it was 1,035 million people, and by 2030 they are predicting 1.8 billion people will be tourists.

At the same time, the objectives and preferences of the people utilizing hospitality are also changing. Baby Boomers (born between 1946 and 1964) and Generation X (1961-1981) are interested in environmental issues, but their lives were shaped in a period of pre-environmental awareness. The next generation, however, the Millennials (1981-2001), have a very different attitude to “being green” and social responsibility. Businesses must adapt to consumers who will actively choose options that are better for the environment and society. More importantly, they are willing to pay for those options. A 2015 survey conducted by Nielsen showed that 66% of respondents were willing to pay more for products from companies that were committed to positive action on the environment and social responsibility.

The hospitality industry must be proactive, as these shifts are not only going to affect individual bookings. Businesses are also actively seeking green initiatives when they look for hotels for conferences.

The true price of sustainable hospitality

Good hotel management should now be based upon what Arturo Cuenllas terms the “triple bottom-line” for a sustainable business. This is:

- The Environmental Dimension – can we minimize the environmental impact of our business?
- The Economic Dimension – can we maximize profit?
- The Social Dimension – can we maximize the social well-being of all stakeholders?

There was a myth that “green” hospitality was prohibitively expensive, providing an excuse to do nothing. There comes a point, however, when to do nothing is no longer an option. Tourism growth has resulted in the carbon impact of hospitality rising from 2% to 3%.



About SGS

SGS is the world's leading inspection, verification, testing and certification company. The company is recognized as the global benchmark for quality and integrity. With more than 90,000 employees, SGS operates a network of over 2,000 offices and laboratories around the world. To assist with the progression towards a sustainably profitable future for hospitality enterprises, SGS has created the Hospitality Experience Program (HX). HX has been designed specifically for the hospitality industry to meet a variety of needs and provide solutions to many of the issues faced today. This comprehensive program consists of four separate modules, each focusing on a specific area of concern, including risk, sustainability, corporate social responsibility and quality of service experience.

hospitality.global@sgs.com

On the one hand, travelers are now actively seeking green businesses and, on the other, the environment is demanding action. However, these are businesses; they still need to return a profit.

The key to sustainability is embedded sustainable solutions within the business management structure and the fabric of the building. These should begin with making the building design as efficient as possible. Using the construction of a hotel development at a Walt Disney site, Scott Woroch from Four Seasons detailed how they adapted a design to make it more efficient, reducing the size by 10% and construction costs by approximately \$40 million.

Alongside more efficient buildings, there is also a need to reduce energy consumption. The hospitality sector has traditionally been resource inefficient, but with the introduction of solar panels, energy saving treatments, including more efficient lighting and televisions, this is changing.

Benefits of sustainability

Thinking “green” is no longer a luxury, it makes economic sense. Research from the University of Brighton has shown that energy consumption accounts for between 3 and 6% of operating costs. Reducing this is not only environmentally sensible, it is economically sensible.

The benefits are not restricted to finance. As the world wakes up to environmental concerns, regulatory initiatives will begin to focus more on hotel design and efficiencies. Taking the right approach to sustainability will mean a business is future-proofed against legislative changes.

Taking a sustainable approach to hospitality will also help with brand image. On a corporate level, The FairRidge Group found that 50% of American workers were more inclined to work for “green” businesses and, as with the Millennial consumer, younger workers were actively seeking employment from companies that put environmental and social benefits above profit. Embedding a brand image that aligns with sustainability will not only help companies attract the best employees but also the next generation of consumers.

Finally, no industry is more exposed to the eyes of its consumer than hospitality. Customers are keen for “green” experiences but still want their stay to be luxurious. The dominance of online review sites means businesses need to work smart to provide the level of service the consumer demands but in a “green” way. Utilizing “green” resources, like energy-efficient lighting, only makes sense if it does not impact the customer experience. Negative impacts can have damaging consequences when the consumer reviews the hotel. Research has shown that 74% of customers now write some form of online assessment of their stay at a hotel and 44% of people look at these before booking.

What can be done?

Not all hotels have the luxury of designing new sites, but there is still plenty that can be done. The introduction of recycling systems, waste reduction, green cleaning products, linen and towel reuse will help to lower environmental impact. At the same time, alternative energy sources will help to reduce costs and increase sustainability.

These commitments are not without cost. For some, the initial investment can make the move to sustainability difficult. At the same time, there is not just one aspect that must be considered. Environmental considerations go alongside social responsibility – valued workers will benefit a company with long service and greater productivity. Balancing business requirements of the alongside requirements for sustainability can be difficult.

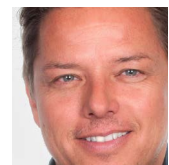
Progressing sustainability

Global standards exist to help businesses achieve higher levels of sustainability. Undertaking ISO 14001 for environmental management and ISO 50001 for energy management can help without damaging the business.

To assist with this progression towards a sustainably profitable future, we recommend working with experts who can help a business position its brand as socially responsible, distinguishing them from their competitors. Such collaboration can also help decrease operational costs, optimize the management of resources and waste, and mitigate risk associated with accidents. The ideal partner also understands and can help the business attain ISO standards, as well as compliance with, for example, Federation of Tour Operator guidelines and Global Sustainable Tourism Council accreditation.

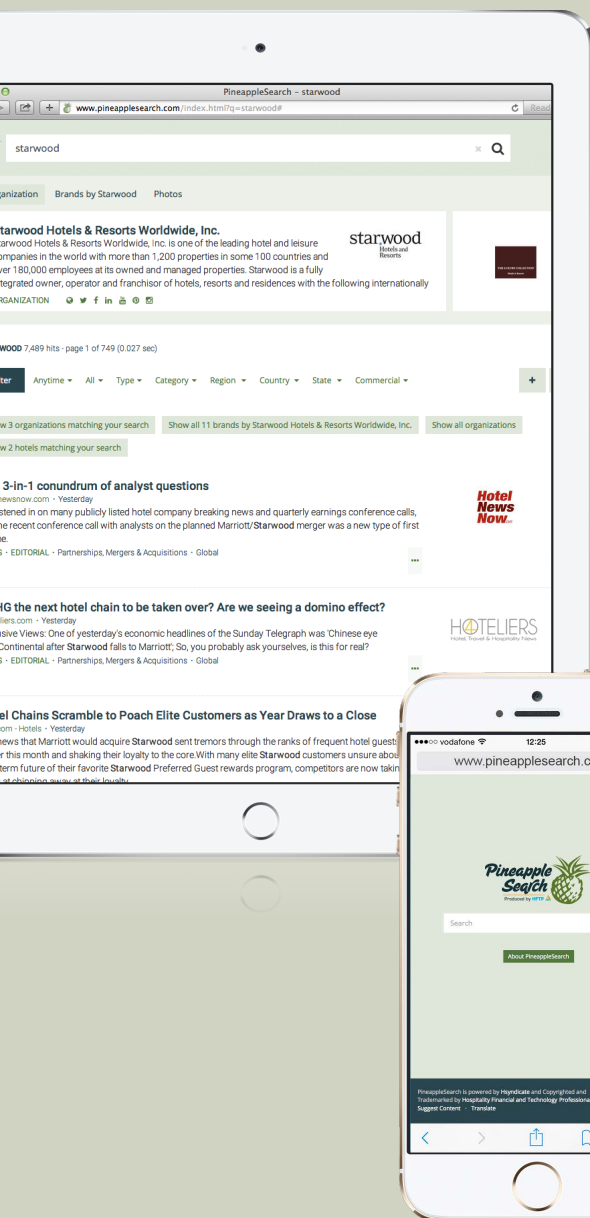


***Peter Hvidberg** is the Global Business Manager for Travel and Hospitality of SGS. In his current role, he has successfully set up the global service offering to the Travel & Hospitality industry within SGS by consolidating and customizing international standards that cover areas such as Safety, Security, Service, Sustainability and Training, with regards to inspection, verification, testing, certification and consultancy. His contributions to the robust performance of SGS’ global strategic unit for travel and hospitality stems from his more than two decades of broad international experience within hotels, the corporate travel industry, MICE and technology.*



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The implications of Paris' "science-based targets"

by **Eric Eduardo Ricaurte Greene** 

According to precepts set out in the Paris Agreement, the global hotel industry will have a tough pill to swallow in the years ahead. Current practices in energy efficiency alone will not suffice, writes Eric Eduardo Ricaurte Greene. And even if every hotel on earth were to achieve LEED certification, it still wouldn't be enough. To address the reality of sustainable development, he says, we need to transition almost fully to renewable energy and go much deeper into energy efficiency. But there's a catch: fewer and fewer hotel companies actually own their hotels, so a some serious negotiations with owners and investors loom in the not-very-distant future.

Around the time of the Paris Agreement, a lot of data and information started floating around regarding the level of decarbonization needed to keep climate change from getting too nasty. One of the most prominent, the Sectoral Decarbonization Approach, adapted these scenarios in terms of sectors of the economy. At the same time, corporate responsibility buzz emerged involving companies committing to reducing their carbon emissions in alignment with the science of climate change. The most successful result was the "Science-based Targets initiative" or "SBTi" creating an entire methodology for a company to set a target that aligned with ideal climate scenario.

We started working with hotel companies to calculate what a Science-based Target implied for their organization, and for the industry on a whole. On behalf of the International Tourism Partnership as a precursor to setting industry goals, we estimated an industry-wide footprint and decarbonization scenario.

The math behind a Science-based Target is straightforward. However, it is such a bold goal that the pathway to achieving it is the central point of complexity and contention. An entirely new mindset is needed to even contemplate it. For example, metrics of occupancy or guest nights are irrelevant. The most important variable is portfolio growth. A 1% annual growth in portfolio is massive. Also, the idea

of a *carbon budget* is difficult for current managerial incorporation. A Science-based Target is based on the premise that there is only a certain amount of carbon emissions that the atmosphere can hold, and those emissions add up over time. Therefore, the targets are more akin to a balance sheet than a P&L. Let's say your target pathway is a 65% reduction in 15 years. It does no good to just finally meet that reduction in year 14 if you haven't gradually reduced in each interim year, as each year adds to your carbon balance.

The energy and carbon reduction targets hotel companies had set in the past decade were based on the normal managerial practice of envisioning what was attainable, and then working toward accomplishing it. A Science-based Target, on the other hand, is perhaps the best bridge to really comprehending sustainable development. The target is based on what the planet actually needs to achieve, and then we have to go figure out how to get there. Most importantly, the math is clear: Current practices in energy efficiency alone will not suffice. Even if every hotel were to achieve LEED certification, it still wouldn't be enough. To address the reality of sustainable development, we need to transition almost fully to renewable energy and go much deeper into energy efficiency. Most of the planet's decarbonization scenarios hinge upon the power grid going fully renewable in three decades, and hotels have a role to play in that.



***Eric Ricaurte** is the founder of Greenview, an international consultancy helping travel and tourism catalyze innovation and best practice through strategy, programs, data management, and reporting. With 20 years of hands-on experience, Eric is a frequent speaker, convener, and researcher on the topic of sustainability, having launched several collaborative industry initiatives. Eric earned a B.S. from Cornell University and a M.S. in Tourism & Travel Management from New York University. He is a member of the International Standards Working Group of the GSTC. He has held a research fellowship at the Cornell University and has been an adjunct instructor at the New York University.*

The research conducted on industry targets for the International Tourism Partnership (ITP) revealed that the challenge of SBTs is not merely a matter of implementing the latest technology; the greater challenge is pushing change through the fragmented organizational structure of the hotel industry. All of the above is the backdrop, upon which we then overlay the current situation of the global hotel industry. The pipeline is immense, and the hotspots of industry growth are in emerging economies. Not only places like China and India, but also Indonesia and Vietnam, and eventually Africa as well. Everyone wants to go “asset light” and manage less of the portfolio, let alone own the real estate. A new immense crop of hotel owners are being cultivated, and the money does not come from real estate funds or institutional investment, but rather from private family money that is completely disconnected from the global sustainable development dialogue. And finally, the reality of sustainability in the hotel industry is that it still is not mainstream. Less than 10% of hotels globally have achieved any kind of sustainability certification despite nearly three decades of advocacy, and inefficiencies abound. Now, Science-based Targets tell us that we need to go even further, and quickly.

If we want to make any real progress going forward, the owner of the hotel needs to invest in *really* efficient design, renewables,

and the future of the planet. And this owner is not uniform or organized, but spread across thousands of people and entities across the world, ever more in Asia. One of the solutions proposed was to engage hotel owners and bring them into the discussion specifically, focusing on the owner of the asset and not the asset itself. Out of these discussions, the Hotel Owners for Tomorrow Coalition was conceived and launched, which is just one of the many angles and approaches that will be needed to shift the hotel industry toward meeting the ambitious targets and supporting global goals.

■

Sustainability needs to mean *more*, not less!

by **Arnaud Herrmann** 

Arnaud Herrmann, VP Sustainable Development at AccorHotels Group, asks, and answers, four critical questions that hotel groups face when designing and implementing sustainability programs. These center on overcoming obstacles, identifying benefits, changing the mindset of owners, and designing buildings with sustainability in mind from the outset.



There are four key questions I would like to answer in this short article.

Question 1:
What are some of the greatest obstacles a large hotel company faces in developing and implementing a global sustainability program?

At AccorHotels, we have a 4,500-hotel network in 100 countries, and are trying to tackle two main challenges. Firstly, we need to be consistent. We need our guests to find uncompromising societal and environmental standards, mirroring the Group's values, in every hotel they stay at, whatever brand they prefer. So we need proper tools and a proper program. And we need a network of correspondents in countries and hotels as well as to provide solid support for country and hotel directors.

Secondly, we have to line up our worldwide and local vision and impacts. For example, we have one kit to help hotels protect children from sexual abuse, and we send it to every hotel around the world to help the local teams understand the issue. Then we let them attune the message to their culture and the problem in their area. It is the same when we source food locally, which is something we are also doing worldwide: we obviously have to set up supply chains in each region and country, but we also want to "standardize" the process, at least to some extent, instead of replicating it hundreds of times.

And thirdly – and this is another issue in the hospitality business – in most cases, we actually do not own hotels. So we are not the ones making investment decisions. We have to deliver results but cannot control the resources. So we spend a lot of time thinking about the best way to get hotel owners on board, by *encouraging* them (showing them why it makes sense, rewarding them, etc.) and *nudging* them a bit more firmly (with contract clauses, inspections, etc.).

Question 2:

What are the greatest benefits from the implementation of a global sustainability program?

One thing that has changed these past two or three years is that sustainability has started becoming a business issue. Some time back, businesses would embrace Corporate Social Responsibility (CSR) to upgrade their image, secure their licence to operate, keep risks in check (especially in their supply chains), cut costs (energy, waste, etc.) and so forth. Now CSR is giving them a competitive advantage.

Involved brands have a sharper edge. Of course, private guests do not yet choose the hotel based on its CSR policy. But they remember hotels that treat them to a genuinely sustainable experience. That can kindle brand preference and nurture loyalty in very real ways. That is why we are working with the Loyalty teams to build more sustainability into members' experiences.

CSR also solidifies and sometimes even increases sales to corporate guests because these guests want to do business with companies that have similar standards.

And there is one more aspect to consider: in our business, service quality depends a lot on employee engagement. And great people are scarce in some places. So CSR helps us attract, retain and rally employees – especially Millennials.

Going forward, the positive economy will reshape hospitality and tourism as we know them today. Digital technology has already started doing that. The pioneers that started introducing sustainable products and services, crafting new business models and partnering players in the green and social economy before everyone else, will come out ahead, and secure and maybe even build their revenue streams.

Question 3:

What is the future of sustainability for hotel brands, especially in the context of “owner-operator” relationships?

Sustainability needs to be a profit center! We know that sustainability has a bearing on business, that regulation is tightening and that pressure from society is growing. So hospitality chains will try to sell hotel owners high-value products and services to enhance their societal or environmental performance. But these investments need to generate returns, and we need to show them that they will.

And we need to start conversations about sustainability with guests. It is really not about just telling them what hotels are doing. Rather, it is about helping them understand the issues and ultimately encourage them to do something about them with us. The brands will play a central role enhancing customer experiences here, and digital technology will certainly help.

Question 4:

To what extent is the success of a sustainability program linked with the construction and design of the hotel building, and what are the trends here?

Positive-impact buildings will kick-start a revolution, but it will take more than trailblazing technology and architecture to make it happen. We also need the Internet of Things (IoT) to make buildings smart and self-regulating, new systems combining renewable energies (sun, wind, etc.) with storage solutions (batteries, hydrogen, etc.), more natural materials (wood, for one), and more flexible infrastructure (meaning easier to revamp and repurpose).

Then, interaction between buildings and users also needs to evolve, to encourage employees and customers to behave more virtuously and to enhance comfort.

Sustainability needs to mean more, not less!

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After studying engineering and graduating with a master's degree from the HEC business school, [Arnaud Herrmann](#) spent ten years in the sustainable development department at Ernst & Young. He oversaw the B2C sector and was in charge of activities related to management systems and ecodesign. He joined AccorHotels in 2013 as the group's Sustainable Development Director. In that role, he coordinated the implementation of the Group's CSR program, called “PLANET 21 – Acting Here”, rolled out to 4,500 hotels, reaching 250,000 employees in a hundred countries. He is also a member of the Ethics and CSR Committee, whose role is to establish and pursue the achievement of the Group's sustainable development and compliance commitments.

Hotel Owners for Tomorrow: The call to action

by *Grace Kang*  & *Eric Eduardo Ricaurte Greene* 

If we want hotels to operate sustainably, then it is the hotel owners, rather than the companies who manage them, who will must be convinced. That is because it is the owners who decide whether the sometimes substantial investments in sustainability infrastructure or other measures will be made – and there are many reasons why they may not agree. Greenview’s Grace Kang and Eric Eduardo Ricaurte Greene dissect this sensitive issue in detail, and introduce us to an initiative that is addressing the problem

Sustainability seems to always have something more to learn, something insightful we hadn’t thought about before, and some new major challenge to address. For us, the biggest eye-opener recently was seeing just how important the gap in hotel owner engagement was for sustainability and what was needed to close it.

In researching the implications of Science-based Targets, the traditional disengagement of hotel owners in the discussion came up repeatedly. We started digging into this conundrum upon the request of hotel companies that understood and wanted to confront this challenge, having similar conversations with Carlson Rezidor, Marriott, and Wyndham. Two systemic problems were identified. First, in most cases nobody is talking to the owner about sustainability until it is too late. The brands are partly to blame for this, as the development and pre-opening departments just want to get the deal signed and the hotel opened. Any additional hurdles and the owner may opt for another brand. When timelines and budgets have already been set, nobody wants to further delay an opening with a sudden interjection of efficient design, equipment, or FF&E, much less anything futuristically innovative. By the time the corporate sustainability team gets connected with a hotel, the opportunity is lost. But often the hotel chain comes into the discussion too late anyway. Before an owner selects a brand and management company, players such as the architect, feasibility consultancy, lender, developer, and design firm are involved in the initial discussions. And in many cases, nobody is talking to the owner about sustainability, either. Common stories arise such as an owner building a lavish, inefficient hotel with lots of conditioned public areas, then coming back to management and brand afterward wondering why energy cost is so high and what can be done about it.

Second, among this value chain of entities engaging the owner, there is very little understanding about sustainability and most

often it is boiled down asymmetrically to a yes/no question: is it a green/certified hotel? The universe of potentiality in sustainability is perceived as a binary, all-or-nothing option. Once someone starts coming with a long checklist of criteria – and not an informed discussion of risks, opportunities, and options based on functional areas and win-win partnerships – nine times out of ten the owner and his/her project value chain desist. Then the small subset of hotels that have incorporated sustainability into their property and operations have advanced so far in the past decade that their achievements and programs are so daunting to newcomers that they alienate them from taking the first steps.

How can we bridge this gap? How can we get owners to invest in sustainability from the start? Along with the three companies mentioned above, and then joined by others including Hyatt, Six Senses, and Horwath HTL, we arrived at a solution: a basic pledge, with no cost or implied cost, for owners to consider sustainability in their investment decisions and asset management, and share lessons learned. This owner commitment is strengthened into a coalition including hotel chains, hotel associations, firms working with owners in hotel investment and development, and media, all of which commit to supporting the discussion. Launched in 2016 with over a dozen companies at the Hotel Investment Conference Asia Pacific (HICAP), the Hotel Owners for Tomorrow (or HOT, because why not?) Coalition is based on a simple premise consisting of five actions:

- Incorporate sustainability from the beginning of investment decisions
- Evaluate and consider one renewable energy project efficiency project per property per year
- Routinely monitor and benchmark sustainability performance
- Support brand efforts
- Share your best practices



ERIC EDUARDO RICAURTE GREENE



GRACE KANG

Anyone working in hotel sustainability knows that, increasingly, the business case is there, including the ROI, the funding models, the guest interest, and the physical and regulatory risks. All owners have to do is start talking about it with others, and the opportunities will arise and proliferate over time. If more owners commit to these five actions, the two systemic problems can be addressed and we can mainstream the discussion across the industry.

In 2017, we doubled the coalition with new owner commitments and held a series of roundtables to discuss ways to bring more owners to the discussion. The HICAP conference revamped its sustainable hotel awards to include a Sustainable Investment category, the first instance of a green hotel award directly addressing this point. Much still needs to be done, including raising awareness, improving the platform for sharing best practice, ensuring that HOT is seen differently from any other green hotel initiative and more targeted toward owners and investment, and keeping the slew of interested vendors of products and services from annoying the owners.

HOT encounters the same challenges that other initiatives do. Everyone is busy and attention spans short, and extra initiatives take up more time. Quick wins and actions need to be enabled that generate value for the coalition. The cynicism, crabs-in-a-bucket mentality and holier-than-thou attitude sometimes found among the sustainable tourism community inevitably questions “How do you really know they are doing these things if you’re not verifying or certifying?” without introspective acceptance that we haven’t really succeeded in our mission these past two decades and need to change our tune before time runs out. Overall the HOT Coalition takes the approach of enabling everyone to take that first step toward sustainability, and it’s time hotel owners are allowed to envision the legacy they want to build.

More info at www.hotelfortomorrow.org.



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***Grace Kang** is Managing Partner of Greenview with 20 years of experience in the hotel industry, particularly in driving business through data analysis, reporting and strategic programs. She manages Greenview’s Asia operations as well as co-develops the company’s business plan and growth strategy. Grace oversees daily operations and continuous development of the Greenview Portal, a Software as a Service online sustainability data management platform that makes tracking, measuring and improving in areas of sustainability and social responsibility easy and seamless. Grace earned two degrees from Cornell University, a Bachelor of Science from the Hotel Administration School and Master of Business Administration from the Johnson Graduate School of Management.*

The environmental future of accommodation

by *Stefan Gössling* 

The hospitality industry has myriad touchpoints where it could reduce its environmental footprint. Stefan Gössling, Professor at Sweden's Linnaeus and Lund Universities, believes that the way to start is to identify incremental, easy-to-implement changes, which can have a substantial cumulative impact. For the Hotel Yearbook, he posits two very different future scenarios.

Whenever I stay in a hotel, I marvel at the waste of energy, water, food. Many places have improved, but you continue to encounter single-pane windows, 70°C (160°F) hot showers, age-old minibars, or A/C systems set to 18°C (65°F). Why, I wonder, would a hotel manager with a degree in economics not make use of opportunities to save on resource use? There are enough measures easily implemented that will reduce energy or water use by 10% – and even up to 50%. Imagine what it does to your bottom line to save 20% of your energy cost translating into a direct, undiscounted benefit added to your profitability. It's substantial! Do this for water and food, and there is a very serious business case. Yet most managers show limited interest in resource management, something I have never understood.

Energy management is easy for the most part. If you are thinking of expensive measures replacing outdated technologies, these do exist – but why not start with optimizing hot water temperatures and A/C settings? Few people need shower water exceeding 45°C (115°F), and most people agree that 24°C (75°F) is an acceptable in-room temperature in a hot climate.



Water management is equally easy. For example, did you know that many of your guests will be annoyed if staff exchanges towels, even though they wanted to keep them for another day for environmental reasons? If you are uncertain what to do, there are many consultancies that will help you adjust your resource use, for a cost that is far lower than your savings. So, from whichever angle you want to look at energy and water, it is a win-win situation.

This is also true for food. Food is a very essential part of the guest experience, but this is also what makes it a unique selling point. Highlight vegetarian, local choices, re-think your buffet structures, and save on the more expensive foodstuffs. And let your staff be part of the challenge. As they are the ones knowing where resources are wasted, they may have ideas how consumption can be reduced, and as an incentive, you can let them benefit from every kWh of energy or m³ of water saved.

What is the future of accommodation, in environmental terms? Two scenarios are thinkable. One is “business-as-usual”. Tourism system continues to grow, from an estimated 25 billion bed-nights in 2015 to something substantially bigger. Guest expectations grow. Not everyone will want heated bathroom mirrors, but it is imaginable that we would soon arrive at a point where daily bed linen changes are expected by most. Global air travel continues to expand rapidly, in line with a decline in average length of stay. In this scenario, it will be impossible to reverse trends of globally growing resource use, however much we reduce resource consumption per guest-night. Which then means that we will face resource shortages, run-away climate change, and a world characterized by growing inequality and social instability. I know most of us want to believe in the ingenuity of the human enterprise, rather than to act on these issues. Let’s just make sure not to look very naïve at some point in time. The ability to judge everything, including atmospheric physics, system dynamics, technological potential, or climate change is a sign of our times. It’s perhaps prudent to remember, however, that there is a difference between knowledge and alternative facts.

Hence the second scenario, which acknowledges that we are in the middle of a very severe environmental crisis that is already affecting tourism. We already see massive changes in rainfall patterns, heat waves, droughts, storms, wildfires, all of which are but glimpses of what unabated climate change will mean.

There are too few of us who have understood the danger that lies in business-as-usual.


So here is a suggestion as to how to move on. What if we saw every bed in accommodation as an entity that should make a positive contribution to global sustainability: what would it take? Let’s begin with new constructions. Currently, there are hardly any hotels that are built with a view towards resource use efficiency. Future energy demand is not a concern; low construction cost dominates decision-making. This could be different. Hotels have already been built and operate in ways that minimize energy needs towards zero. This is made possible through high-quality insulation and novel A/C systems, for example. Solar cells on roof tops and on hotel fronts can generate energy, while accommodation owners can work together to invest in their own, decentralized energy production (biogas, wind, solar). Similar initiatives are thinkable with regard to food production, including value chains that favor local producers, with emphasis on organic foodstuffs. We know that guests value such initiatives. Add to this measures regarding water conservation and waste management, and we are not too far from a fundamentally different vision for tourism.

There is no shortage of opportunities to lead tourism into a green future. The only thing we are missing are the leaders.

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..... **Stefan Gössling** is a professor at the School of Business and Economics, Linnaeus University, and the Department of Service Management and Service Studies, Lund University, both in Sweden. He is also a coordinator of tourism and transport research at the Western Norway Research Institute.

Saving the environment, one “thing” at a time: The Internet of Things and sustainable hospitality

by **Florian Kriechbaumer** 

The majority of energy related activities in hospitality fall under the remit of engineering and facility management teams, whose approach is no longer limited to mechanical and physical activities, but needs to be driven by technology, connectivity and data. As INTEREL's Florian Kriechbaumer explains, this presents numerous opportunities for the Internet of Things to come into play.

Why does it matter?

It's well known that hospitality is a resource-intensive industry and therefore, we should be doing everything in our power to reduce its impact on our natural resources.

Moral obligations alone should be sufficient reasoning for hoteliers to put sustainability on their agenda, but in most cases there's also a commercial return. Energy and water are the second highest cost components in hotel operations, and intelligent technologies can help hotels monitor energy consumption and enable optimization across the organization.

The most prominent intelligent technology trend today is arguably the Internet of Things (IoT). While there is no universally agreed definition, the term is best explained as a digital network of sensors and actuators that communicate with each other, and with other systems. In other words, objects which traditionally have had no ability to exchange information with each other or humans – or relied on manual mechanisms to do so – are empowered to “talk” to each other. This allows “things” to make smarter decisions and provide useful data to the people interacting with them.

In the consumer world, we now see this trend in the advent of smart watches, intelligent light bulbs and fitness trackers communicating with smart phones. However, the lion's share of IoT investment is expected to take place in the enterprise space, where the two main benefits are predicted to be operational efficiency and improved customer service.

Energy management is already one of the top-use cases for IoT investment, and several possible applications have been identified across a variety of industries. There's little doubt that hospitality can be one of the beneficiaries.

More intelligent energy management

The largest single consumer of resources in a hotel is typically the guest room, with a roughly equal split between heating and cooling, electricity, and water consumption.

It's therefore not surprising that this is where most energy management initiatives are focused. On the other hand, efforts have been conservative, as this is also the area where negative guest impact may possibly be most significant.



About INTEREL

INTEREL is a leading provider of IoT solutions for the hospitality industry. The company powers the modern hotel through its Hotel of Things™ ecosystem by connecting people, devices, and data. With its award-winning Guest Room Management System, the world's first online Water Management System, and connectBsmart™ IoT infrastructure, it revolutionizes guest experience, increases operational efficiency, and drives sustainability in the hospitality industry. INTEREL is backed by European technology investor, Jolt Capital SAS. With offices across four continents, INTEREL's solutions are deployed in over 30 countries and have been used by over 20 million guests.

www.interelme.com

In North America, it's estimated that half of guest rooms have some form of energy management solution in place, with the majority focused on providing HVAC savings. When these systems are functioning properly, they provide measured savings – however, the level of savings and whether they do actually function as expected years after installation is often unknown.

Such solutions usually utilize only motion sensing to determine guest presence, acting conservatively to avoid causing discomfort by reducing heating or cooling when the guest has not actually left the room. In other regions, key card holders are utilized for energy management systems to understand guest presence – but these often come with shortcomings, such as their likelihood to work with any type of credit or business card, allowing guests to bypass the savings functions. Additionally, the emerging trend of enabling guest smartphones to act as a room key instead of using a physical key card makes this kind of energy saving in the room obsolete.

More intelligent solutions embracing the trend for connected objects are emerging, which include advanced connectivity

between devices and systems to counter these challenges. For instance, bringing the thermostat into the network allows it to receive check-in and check-out information from the PMS, triggering immediate savings for rooms that are not occupied. Adding inputs aside from motion detection in order to determine guest presence also greatly helps to improve accuracy, such as enabling the thermostat to communicate to the door lock wirelessly and receive detailed information on entry and exit events. For example, if the room is empty and staff enters, there is no need to return to a guest set point which requires additional heating or cooling effort.

Future enhancements to energy management will incorporate more data points and sensor-driven information to enable more accurate and predictive data to balance guest comfort and energy savings.



Water: the untouched frontier

While there has been advancement in the areas of electricity and HVAC consumption, a major utility in the guest room hasn't seen the attention it deserves. I am talking about our only non-renewable resource: water.

Overnight guests staying in an upscale hotel consume between 200 and almost 1000 liters of water a day, significantly more than the typical local population in the same area, with the main share of this consumption happening in the guest room.

Recent developments in water management have focused on laundry and other central operations, but shower and basin water consumption in guest bathrooms remains largely unaddressed. Flow restrictions and mechanical functions can provide limited solutions, yet they come at the expense of guest experience. The future of water management is in combining water conservation with IoT solutions to measure, optimize, and quantify the benefits. Exchanging traditional components with digitally addressable intelligent devices is the key to achieving this.

IP based digital water management transforms a typically mechanical system into an intelligent solution that collects data, allows dynamic adjustments and interacts with other systems and devices.

Operators can measure data pertinent to water consumption in the room in terms of volume, timing and temperature, and specify the maximum temperature and flow for hotel guest use dynamically. Additional intelligence is enabled through the interaction with other devices such as door locks. For instance, the system can determine when housekeeping staff enters the room and allow the use of water at a higher temperature and pressure for cleaning purposes, becoming context-sensitive through information exchange between objects.

Hotels benefit from significant water and energy OPEX savings, access to online real time water consumption data, and could save up to 30% of water and related energy costs annually, while maintaining guests' comfort and experience.

What does this mean for me?

The majority of energy related activities in hospitality fall under the remit of engineering and facility management teams, whose approach is no longer limited to mechanical and physical activities, but needs to be driven by technology, connectivity and data.

This requires a shift in mindset and willingness to adapt, but comes with significant opportunities. Given that the advent of IoT is expected to have an impact across all three dimensions of the proverbial "Triple Bottom Line" – Societal, Economic, and Environmental aspects – stakeholders who are able to satisfy more than one of these dimensions will be able to drive their campaign for IoT adoption up the priority list.

The sustainability agenda is well positioned in this new world, as investments in sustainability often come with a tangible ROI attached, which frees up resources and budgets for other solutions, as well as improving operational efficiencies and guest experience.

If sustainability falls under your sphere of responsibility in the hotel, it's therefore vital to start considering the impact of IoT on this domain today in order to play an influential role in shaping the future of hotel operations through technology; as opposed to being an afterthought in somebody else's agenda.

The challenge is bridging the gap between vendor-driven technology solutions, theoretical models paired with practical evidence and, more significantly, our capacity and capability as hoteliers. Only once we are able to converge these harmoniously can IoT help to make our industry more sustainable – one thing at a time.

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Hoteliers are investing in sustainability: Where does it go from here?

by **Rohit Verma**  & **Matthew Walsman** 

The hospitality industry has finally embraced the challenge of tackling sustainability, with most hotel groups believing that operating a sustainable company is not just “a nice thing to do” but the new way of doing business, say Rutgers University’s Matthew Walsman and Cornell’s Rohit Verma. Yet this is just the beginning. More research is required to identify the aspects of sustainability that customers actually value.

Garrett Hardin’s landmark 1968 *Science* article, “The Tragedy of the Commons”, popularized an age-old debate on humanity’s relationship with, and obligation to, the environment. In this article, Hardin indicts humanity as the cause of the destruction of the natural world – due primarily to overpopulation – and concludes that there is no technical solution. It is true that in 1968, business and industry were doing little to address this problem. Today, however, organizations around the globe rally around the call to create a better world, not just delay the consumption of the current one. The hospitality industry has embraced this challenge and hastened the charge. Tackling sustainability is no longer the mission of a few select hospitality firms, but has become an initiative for every major firm. Operating a sustainable company is no longer just “a nice thing to do” but is becoming the new way of doing business.

Academia has joined in the call and collaborated with industry on many white papers and reports (as well as academic articles) to answer key questions relating to sustainability. For example, Cornell University’s School of Hotel Administration and their Center for Hospitality Research has published 24 reports since 2011 addressing various aspects of sustainability. Topics range from sustainability benchmarking and best practices, to communicating green messaging, to environmental certification. Results from these various studies are mixed, but a few key studies demonstrate the benefits of sustainable

practices. For example, in a 2014 study, Walsman, Verma, and Muthulingam found that LEED-certified hotels outperform their non-certified peers in hospitality financial measures such as revenue per available room (RevPAR). Other related studies on benchmarking sustainability recognize a need for standardization across the industry on key performance indicators (KPIs), while best practice studies indicate that many hotels use the same environmental initiatives. These reports provide a start, but the work must be extended.

So where do we go from here? In a recent roundtable hosted by Cornell University’s School of Hotel Administration, industry leaders met to discuss the hospitality industry’s responsibility toward the environment *and* other important social issues. They recognized the need to expand beyond sustainability and begin addressing other social issues such as the horrifying issue of human trafficking. Thought leaders in this group stated that to create lasting change, energy must go toward developing entrepreneurial enterprises that dedicate their efforts to solving both environmental and social issues. Academia, likewise, must address big questions – answers to which have so far proven elusive. Questions such as: How do we create win-win scenarios for corporations and the environment when developing new products and services? How do we motivate change in corporations and individuals?



ROHIT VERMA



MATTHEW WALSMAN

Another area to address is the customer's role in preserving the environment. Many studies have investigated the financial impact of environmental initiatives, with mixed results, but little is known regarding what customers truly value when it comes to sustainability, and what they are willing to pay for. As we mentioned before, we know that LEED-certified hotels outperform non-certified peers, but we do not know which aspect of the sustainable experience customers value. Do they value the "LEED Certified" plaque in the lobby of the hotel, or is there some aspect of the experience that is endogenous to the certification process which is what the customers really value, for example increased daylight, urban locations, and so

on? We need more research to tease out the drivers of human behavior (with regard to the environment) and establish causality.


In summary, hoteliers today can, and should, play an active role in turning back the negative diatribe of environmental destruction. We do not need to accept the status quo, but to be part of the solution instead. We can engage with entrepreneurial enterprises in not only slowing the consumption of the natural world, but also creating a better one.

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***Rohit Verma** is the Dean of External Relations for the Cornell SC Johnson College of Business, the Executive Director of the Cornell Institute for Healthy Futures, and the Singapore Tourism Board Distinguished Professor in Asian Hospitality Management at the School of Hotel Administration (SHA). He has published over 70 articles in prestigious academic journals as well as written numerous reports for industry audiences. Rohit is co-author of the textbook "Operations and Supply Chain Management for the 21st Century", and co-editor of "Cornell School of Hotel Administration on Hospitality: Cutting Edge Thinking and Practice".*

***Matt Walsman** is an Assistant Professor of Supply Chain Management at Rutgers Business School, where he teaches courses on sustainable supply chain management and project management. His research interests are in the areas of service operations (especially in the context of professional service firms) and sustainability, and he has published in top academic journals, as well as industry reports. Matt received his PhD from Cornell in 2016, and holds a BS and MBA from Brigham Young University. Prior to academia, Matt was a consultant in the construction and engineering industry in New York City with several hospitality projects.*

Sustainability. Really? Not yet.

by *Nicolas Dubrocard* 

Efficiency gains – and the cost savings that go with them – have given some hoteliers sufficient reason to embrace sustainability measures. But what has to happen for sustainability to truly “go global”? It obviously hasn’t – yet. Nicolas Dubrocard shares his thoughts on this conundrum.

After more than ten years working in the field of tourism and sustainability, I am now at a point where I ask myself this question: Are we failing? (And consequently, what needs to happen?)

As an auditor over the past ten years, I worked intensively with more than 150 hotels in 29 countries. In this time I have become a specialist, a consultant, a trainer, and a teacher. To some extent also a preacher, spreading the word (and practices) around the world on the necessity to implement the notions embedded in this wonderful and powerful word: sustainability.

Preaching to the converted is easy. But how do you reach those who have yet to understand the concept – and those who refuse to understand?

There are multiple channels used to explain sustainability, and certainly when the economic argument (via financial savings) is brought forward, many industry professionals have been motivated towards investment in sustainability initiatives. The light-emitting diode (LED) revolution had tremendous impact on the electricity consumptions in hotels, and water flow aerators created yet more savings. In those days I thought, “This



is great, we now have the right leverage; hoteliers will crave sustainability.” I soon realized that those were baby steps. It was just a sip of what it could taste like. Alas, years later, after numerous roundtables, books, seminars and workshops, why is it still possible to enter a bedroom with a shower consuming more than fifteen liters per minute? (When have you last checked the showers in your hotel?)

Of course, hoteliers are not responsible for the choices (and at times, bad decisions) made by predecessors. However, the responsibility to monitor (or not) the actual consumption resides in the current managers’ and owners’ hands.

And again, over the years, many instruments have been put in place to monitor consumption and mitigate impact on the environment while reducing operating costs – are those hoteliers not monitoring energy and water consumption and waste production (especially food!) not interested? Is the “financial leverage” I was referring to earlier simply not working?

You will excuse me for generalizing and painting such a picture – I am aware of the tremendous efforts made by many chains as well as private hoteliers to rethink their business models and embed sustainability as a core component. Those companies are the ones that enjoy the benefits. Not only the financial benefits by the way, but in reducing staff turnover, in working with the local communities and by collecting positive guest feedback.

So now, what has to happen for sustainability to “go global” and be the driving force of change for better in the hotel industry (and convince the unconvinced)?

Well, for one, there seems to be some kind of psychological barrier some hoteliers purposely decide not to cross.

Case in point: when sustainability experts are assessing and auditing a property, one of the jobs is to point out the dysfunctions. Those can range from water management to complex building management systems but also from housekeeping standards to incorrect management of food, for example leading to extensive food waste. In a hotel property, those experts may face staff members but especially managers and directors who have been following the same practices for years or even decades. In certain hotels, the vertical structure in place with out-of-date standard operating procedures (SOPs) allows for little room (if any) for innovation. Individual support and open dialogue on how to operate more efficiently is not present. Few dare to ask about the choice of suppliers (“we’ve

always used that one...”), about the overuse of plastic or paper or any other materials, for example. SOPs are set in stone. So the point is, do not let those SOPs be the hurdles to improved working conditions, enhanced efficiencies and greater financial benefits.

On another note also, at times some of the data gathered and analyzed show such an enormous potential for financial savings that even General Managers start questioning the data and analysis (many cannot believe that such inefficiencies actually occur in their hotel!) And thus, a blind eye is turned. Again, opportunity missed from savings based on a horizontal approach, by simply identifying *low hanging fruit just waiting to be picked*. A majority of contractors visiting hotels are specialists in only a few aspects of the entire facility and not necessarily focused on the efficiency of equipment. But there is a need for a holistic approach, which is the basic DNA of sustainability management.

Finally, the use of reporting (sustainability reports) is strongly advisable as it brings light to areas where savings can be made (and arguably, should have been made for years). There are plenty of cases now, also published about the investment and the return on those investments. As a hotelier, if you receive a report stating that with an investment of twenty thousand dollars, you would incur savings up to one hundred thousand dollars per year – would you walk away from that opportunity? Of course, no one has the desire to take the responsibility for missed opportunities (it would be similar to admitting a failure). No one wishes to be perceived as lacking competences or knowledge. But there needs to be a culture change in business. This isn’t about one’s ego. Sustainability isn’t only about you as an individual. It is about your kids, your neighbors, your community, and it is about long-term decisions which will positively impact all of us.

So, if you are still reading these lines – I (we all) thank you. Do not stop. Go on and continue this long journey that will lead to better management of our resources: monitor closely your water, energy and waste; benchmark your liters/guest night; kWh/guest night; waste/guest night; check your housekeeping status and implement a towel/bed linen reuse program; create programs to support local communities; involve your guests; motivate your teams. And much more of course, be creative. Sustainability is *the* leverage. So what are you waiting for?

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***Nicolas Dubrocard** started his career in France where he participated in different programs to improve tourism in Armenia and train young professionals from Israel and Morocco. He moved to Morocco in 2007, created his own company, collaborating with The Travel Foundation and UNDP. In 2011 he became the International Director of the Green Key. After a few years in Denmark and providing a lot of support to the 41 countries involved in the label, he moved to Thailand to develop the Kuoni Water Champion Program. Later he worked for Wild Asia in Kuala Lumpur. He now divides his time between Europe and Asia, teaching at the Bocuse Institute in Lyon and IUBH in Germany. He also conducts audits for the Green Globe and Travelife eco labels and develops international standards for elephant camps in Southeast Asia.*

Hotel Verde, Africa's greenest hotel

by Sarah Farrell 

In 2013, Hotel Verde, a 145-room airport hotel in Cape Town, South Africa, opened its doors with the bold statement of being the greenest hotel in Africa. The hotel garnered a vast amount of local and international press exposure, having executed sustainable measures to an extent that had not been achieved before. Sarah Farrell explains how this property represents a good case study of the challenges and opportunities in sustainable hotel development in Sub-Saharan Africa.

Hotel Verde opened outside Cape Town in August 2013. Some of this remarkable hotel's sustainability interventions include 3 vertical axis wind turbines, 220 photovoltaic panels, an intelligent building management system, geothermal technology, regenerative drive elevators, a gray water recycling and rain water capture system, responsible procurement, waste management and biodiversity management.

Since construction phase, Hotel Verde has faced many potential challenges which have resulted in opportunities for environmental, social and economic success.

Potential challenge:

The cost of going green

According to Smart Market Report World Green Building Trends 2016, the top obstacle for green building is currently a "higher perceived first cost". However, in the case of Hotel Verde, it has become clear that a sustainable hotel can be commercially viable. The total investment for the construction of Hotel Verde was just over \$14 million. Of this investment, 10.8%, or \$1.5 million, was allocated to the sustainable interventions. Operating costs have since proven to be a third of a normal running hotel of the same size. This alongside a number of other quantifiable and non-quantifiable financial benefits have proven the initial "green premium" to be small in comparison to the long-term cost savings and ROI projected.

Potential challenge:

Resource volatility and rising utility costs

In Sub-Saharan Africa the threat of climate change already exists in the form of severe resource scarcity, with costs for utilities like water and energy continuing to rise. This can largely be addressed, such as was done with Hotel Verde, firstly, by focusing on resource efficiency through passive design strategies for optimized efficiency, and secondly, by installing active technologies to further increase efficiency. For example, through its passive design strategies such as natural ventilation, insulation, night cooling and natural lighting, teamed with the installed technologies, the hotel has been able to achieve significant savings in energy, significantly transcending the current South African National Standard of energy use.

Potential challenge:

Lack of public awareness and industry know-how

In order to address public awareness and share knowledge, radical transparency of occupancy and consumption figures has been a top priority for the hotel. This, alongside the usage of strategically placed educational signage and the offering of site tours to industry peers and public, has allowed Hotel Verde to effectively engage and share information of what has worked and what hasn't. The hotel has been very successful in achieving a positive public reputation with an increasing return-guest portfolio and many guests making specific mention to the "green experience".



Potential challenge:

Achieving authenticity in sustainability

With sustainability being increasingly demanded by guests, many hotels have taken to marketing their sustainability initiatives without embedding sustainability into their core principles. The challenge now is to ensure that hotels are delving holistically into sustainability and doing so in a credible and authentic manner. Hotel Verde partnered with specialists in order to ensure its credibility. Not only did Hotel Verde work with a sustainability consultant who was able to guide the process, but the hotel also pursued certifications in order to verify their sustainability claims. In 2016, Hotel Verde became the first hotel in the world to be certified LEED Platinum (Leadership in Energy and Environmental Design) for both New Construction and Operations & Maintenance from the United States Green Building Council.

Potential challenge:

Moving towards a de-carbonized economy

With imminent carbon tax laws, the need to rely less and less on fossil fuels and regenerate the natural environment on which tourism relies, hotels need to prepare for a future economy which will emit zero carbon. In May 2014, Hotel Verde became the first hotel in Africa to offer accommodation and conferencing that is 100% carbon neutral. In order to do so, the hotel offsets their scope 1 and 2 emissions by purchasing certified carbon credits that go towards benefitting a socially

responsible environmental project in the Lake Kariba area in Zimbabwe. This focuses on issues such as reforestation, sustainable farming, gender parity, and job creation.

As a four-star hotel in which integrated sustainability solutions were implemented, Hotel Verde has not only proven that sustainability and luxury do not have to be mutually exclusive, but also that for every challenge, there will be an equal opportunity when it comes to furthering the agenda of sustainable hotels in Sub-Saharan Africa.

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***Sarah Farrell** is a brand strategist, copywriter and designer who specializes in areas relating to creativity and sustainability across industries. In 2016 she founded **transparenCI**, a full-service creative agency that works with brands to build ethical and transparent identities and communications. Sarah has presented on the topic of sustainability at a number of international forums and has experience in the hospitality industry, having worked with Hotel Verde, Africa's Greenest Hotel, in a number of areas relating to branding, marketing and employee campaigns. Sarah has a passion for embedding sustainability into brand practices and engaging employees in this ethos.*

CSR at the crossroads in developing countries: Position yourself!

by **Gabriel C. M. Laeis** 

In the hotel business, Corporate Social Responsibility (CSR) has often been managed with one eye on the PR impact it might generate for the property. However, as Gabriel C. M. Laeis explains, it is far better to take a more pro-active approach, embrace real relationships with local communities, and ask local leaders what they actually need.

For many years Corporate Social Responsibility (CSR), seemed to be something of a necessary evil for hotels based in developing countries. Issues caused by a profit-driven and mostly first world-managed industry were met with an alphabet soup of CSR initiatives that looked good on the annual shareholder report. But times have changed!

Those stereotypical CSR initiatives in poor countries, e.g. helping build that primary school, may actually make the world a better place. Unfortunately, most of these initiatives are a piecemeal range of one-off projects that are usually planned with the company's image in mind rather than a genuine intention to tackle local needs. However, rest assured that in times where the world is coming more and more to terms with climate change and the implications of the recent Sustainable Development Goals, the private sector is getting increasingly wrapped up in the debate about growing social disparities and environmental protection. Moreover, in the future guests, industry watchdog groups, and policy makers will become more, rather than less, aware of sustainability issues.

I advise all hotel managers to take a pro-active approach and embrace their relationships with local communities. Hotel managers in developing countries (or elsewhere for that matter) need to position themselves clearly: engage in CSR as usual, or attempt a genuine approach to your social responsibility?



Option 1: CSR as usual

Conceptualize CSR strictly from your business' perspective. Compartmentalize it in your marketing department and let it become a strategic business measure to retain a social license to operate at minimal cost.

Try to sell a couple of nicely sounding social initiatives as CSR to your guests and local communities. Make sure you get lots of (social) media coverage out of it. Best case: you allow your guests to participate and show off on Instagram. "This is me, cleaning up the beach for an hour while sipping my G&T." Or "This is me donating to the local school while getting lots of selfies with those adorable school kids." Think of a cool hashtag that has your hotel's name in it, and your CSR is sorted.

The de facto message for your local stakeholders as well as the international critical audience, however, will be:

"Our luxury resort occupies half your island, using up most of your fresh water resources, blocking access to your beaches and only provides low-paid jobs for your people. Besides, most of the profit goes to our overseas investors, of course. But we have CSR projects, so you can't actually complain. We help clean up your beaches, paint your village school and ship guests to your community to spend extra money on handicrafts. (By the way, that looks pretty good on Facebook feed, too!)"

If you fancy short term profits, prefer to look no further than your three-year expat contract, and want to keep those obligations to local communities as loose as possible, this strategy is for you.

Option 2: Corporate community development

If you are serious about your hotel's social responsibility, think long-term, and are keen to tell a unique story to your guests, I suggest you engage in corporate community development. What many hotels in developing countries don't seem to realize is that their CSR initiatives should in fact be more about the needs of their local communities than the taste buds of their PR department.

First and foremost, make yourself acquainted with the local culture. Then, go visit your local communities, show your face, and pay respect to the chief or community elders. Establish an understanding of what it actually means to them that your company leases this particular piece of land from them. Ask them what they need and then let your PR department figure out how to communicate it.

Hotels that have taken this path have, for instance, helped finance a local taxi enterprise, provided management mentorship to local entrepreneurs, helped train the community's youngsters to become wildlife guides, provided access to health treatments, let their employees decide which project they wanted to support, or refrained from using particular parts of the beach to honor local customs.

Position yourself!

Despite the moral argument for responsibly engaging with your local stakeholders, make no mistake: Communities have negotiating power. We have seen hotel access roads blocked, workers go on strike, and even hotel managers threatened. On the contrary, in times of social unrest, some hotels came to appreciate the support of their communities.

Taking a corporate community development angle, you may find that your relationship to your local community improves. Word of mouth will have it that you are doing "the right thing". You will become a respected part of that community with all positive repercussions that accompany this status. You might also be able to tell unique stories to your guests and shareholders, and surely your PR department will be able to create some spin out of it. These days many travelers are more interested in a genuine story than a flash sustainability certification.

■

***Gabriel C. M. Laeis** is a published author on issues of sustainable tourism and has worked for a number of international hotel companies as well as a hotel management consultancy. He graduated from the IUBH School of Business and Management and the Victoria University, Melbourne, with a double degree in Hospitality Management. With a keen interest in social and environmental issues, he went on to do a M.Sc. in Organic Agriculture and Food Systems at the University of Hohenheim and is currently working toward his Ph.D. in Development Studies at Massey University, New Zealand. His research focusses on the interface between developing countries, food chains and the hospitality sector. He has recently undertaken research on the impact of culture on local food chains in Fiji.*

Seven future trends in hotel sustainability in Africa

by [André Harms](#) & [Sarah Farrell](#)

While hotels in the developed world are beginning to make strides in sustainability, Africa remains a continent where hotels face water scarcity, energy security issues, and infrastructure challenges – all of which make measures to improve sustainability even more important. Ecolution Consulting's André Harms and transparenCI's Sarah Farrell provide us with a *tour d'horizon* of the key issues and trends.

Sustainability has been one of the hospitality industry's biggest buzz words for years. Following increased market pressure, hotel groups have already taken to implementing and marketing sustainable initiatives across their portfolios. Conversely, the climate crisis has worsened during this time. While in Africa, water scarcity, lack of energy security and an inadequate infrastructure to deal with waste remain some of the continent's most pressing threats.

The future of hotels in Africa will rest on their ability to be resilient and adaptive in the coming years. As the world becomes more globalized, positive trends are arising with the ability for hotels to customize them within their local context and truly make a change for the better.

Trend no. 1

Rapidly advancing and disruptive technology

As we move into a world where artificial intelligence and other disruptive technologies become the norm, hotels will have access to technologies which will have the ability to assist with building and resource consumption management. From paperless software solutions to smart metering, preventative maintenance solutions and applications which can assist in finding sustainable solutions, there is no telling the possibilities technology could bring to furthering the agenda of responsible hotel practices. Within the unique context of Africa, there also lies the opportunity to “leap frog” or move rapidly forward through the adoption of modern systems without the intermediary steps which have been taken on by first world countries to develop technologies.



Trend no. 2

Green building certifications and green building data

Aligning hotels with green building certifications such as Green Star and LEED will ensure holistically sustainable design, construction and operation of hotels, while tangible proof of commitment can be provided for discerning guests. As green building rating systems become more stringent and move towards net-zero and net-positive buildings, the hospitality industry will also move towards zero and restorative hotels, assisting the industry to negate its impact. As more green hotels come on board, more benchmarking data will become available, giving hoteliers the ability to measure their impact with tangible data and benchmarks.

Trend no. 3

Transforming to a circular economy

A circular economy is a trend which has emerged worldwide as a healthier and more restorative alternative to our traditional linear economy of make, use and dispose. A circular economy addresses throw-away culture through responsible procurement, durable design, repair and recycling, allowing for the recovery and regeneration of products and materials at the end of each service life. Hotels will need to address their supply chain and procurement decisions by attempting to procure locally, eliminate single-use packaging, while implementing infrastructures for repair and maintenance and lastly better waste management for recycling and composting of waste.

Trend no. 4

Making use of decentralized energy systems

Centralized power in Africa is dependent largely on dirty energy. It is also currently very expensive and unstable, with only 58% of the population having access to power. There has been research done into the economic opportunity in creating decentralized systems using solar, waste-to-energy or biogas technology for energy production for small communities and establishments. The opportunity exists for hotels to create their own energy supply while facilitating, or tapping into, the energy supply of small communities nearby.

Trend no. 5

Divesting in fossil fuels

There is already a trend across industries in moving towards the use of renewable energy. However, the future trend will see a total divestment from fossil fuels. Within the context of the diverse African climate, there is copious opportunity for technologies including solar, hydro, wind and waste-to-energy. However, such divestment will not only take place in the manner in which energy and products are obtained but also in choosing retirement and pension funds for hotel employees that are not tied up in the fossil fuel industry.

Trend no. 6

Broadening the sustainability agenda

The sustainability agenda is no longer just about simply conserving resources. It is also about economic progress and social development. Social concerns such as inclusivity, encouraging employee well-being and work-life balance, and stimulating the local economy are all part of the sustainability agenda. Going forward, hotels will also need to consider the inclusion of indigenous and underserved groups while recognizing, appreciating and tapping into the knowledge and wisdom possessed by indigenous groups in terms of conserving and sustaining life on this planet.

Trend no. 7

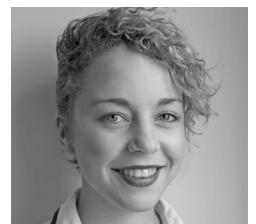
Forget sustainability; think regeneration

Sustainability and sustainable development have long been posed as the solution to the world's impending climate crisis. However, sustainability has largely taken the duty of minimizing damage. It is evident, however, that there is urgent need to regenerate human life sources rather than allowing them to be sustained in an increasingly degraded condition. For hotels, this means moving away from sustainability as window dressing and beginning to look far deeper into the measures and tools with which they can systemically drive the agenda of regeneration within their establishments.



André Harms *André Harms is an electro-mechanical engineer, Green Star accredited professional, renewable energy professional and qualified commissioning process provider with experience in sustainability across industries. In 2011, André founded Ecolution Consulting, a consultancy specialized in sustainability and green building. With comprehensive experience in design, project management, commissioning process implementation and site auditing for sustainability projects, he was a key player in the success of Africa's Greenest Hotel, Hotel Verde, acting as the lead sustainability consultant on the project. Previously, André spent 14 months in Antarctica as a mechanical engineer and team leader of the South African National Antarctic Expedition's overwintering team.*

Sarah Farrell *is a brand strategist, copywriter and designer who specializes in areas relating to creativity and sustainability across industries. In 2016 she founded transparenCI, a full-service creative agency that works with brands to build ethical and transparent identities and communications. Sarah has presented on the topic of sustainability at a number of international forums and has experience in the hospitality industry, having worked with Hotel Verde, Africa's Greenest Hotel, in a number of areas relating to branding, marketing and employee campaigns. Sarah has a passion for embedding sustainability into brand practices and engaging employees in this ethos.*



Leading the fight against climate change within the hospitality sector

by **Sonu Shivdasani** 

When it comes to stewardship of our planet's natural resources, companies must become "solutions" rather than "problems", writes Sonu Shivdasani, Founder, Chairman and CEO of Soneva. He is convinced that all the businesses in his group can make small changes to their business models, which have no negative impacts on either profitability nor guests' perception of the company's products. Cumulatively, the impact can be substantial.

I have spent my life working in the hotel industry, and have devoted my career towards building what is now a network of luxury resorts in the Maldives and Thailand. I do not believe that this puts me at odds with conservation, but I am the first to admit that my sector has a role to play in admitting where it has failed. Hotels serve the richest 20-30% of the world's population, and in doing so consume far too many natural resources, therefore negatively impacting the other 70-80% of society, the world's poorest. We know very well that this cannot continue in a finite world. Since it was first transgressed in the early 70s, the world "Overshoot Day", i.e. the day each year when we consume all the world's resources hypothetically "allocated" for that year, has rapidly moved in the wrong direction, and this year was reached on August 2nd. This means that we are "over budget" for the rest of this year.

The excessive use of resources is particularly concerning for resorts that rely on nature to provide guests with memorable experiences. I first visited the Maldives with my wife Eva on holiday in the 1980s and we fell in love with the unspoiled beauty of the country. We decided that we would like to open a resort like no other, one that was both elegant yet sustainable.

Soneva Fushi was our first resort, and we aimed high in our sustainability standards, from the wood we use in construction to the materials sourced for our interiors. In retrospect, our naivety in the creation of Soneva Fushi was our friend. Our intention was to create a destination that celebrated the natural

environment to the point that we didn't even cut the branches of trees without careful consideration. We were unhindered by the immensity of what we were taking on, and we had to take many leaps of faith to achieve our vision of a sustainable resort in a pristine location.

Unfortunately, many places in the world face huge environmental challenges and are far from pristine. Johan Rockström of the Stockholm Resilience Centre illustrates earth's challenges brilliantly in his Planetary Boundaries framework. The idea is simple: our finite world has limits, or a budget, to speak in business terms. Nine boundaries have been identified, four of which are over budget, including climate change, biodiversity loss and the nitrogen and phosphorus cycle. The Planetary Boundaries concept highlights that we are in trouble; however, it also shows that if we act fast, it is possible to reverse the dire state we are in. The 1987 Montreal Protocol managed to reverse ozone depletion that was transgressed. However, to duplicate the success, we have to act fast.

The breakthroughs of the Paris Agreement on climate change and the launch of the UN Sustainable Development Goals are beacons of hope for current and future generations, and they remind us that there can only be environmental progress with social equity.

What does this mean for the hospitality industry? Well, there are two key areas to focus on; climate change and the nitrogen/



*A descendant of Indian Parents, **Sonu Shivasani** was born and studied largely in England, with some periods of his education in Nigeria and Switzerland. He is an alumnus of Eton College and a graduate of Oxford University, where he earned an MA in English Literature. During his time at Oxford, Sonu met his Swedish-born wife, Eva. They fell in love with the Maldives and leased an island there in 1990. After considerable effort and some good luck – aided of course by his university degree, their first resort, Soneva Fushi opened in 1995. As the pioneer luxury and environmentally friendly resort in the country, Soneva Fushi redefined tourism in the Maldives and soon became known as the premier beach destination.*

phosphorus cycle. This means switching to renewable energy and food that does not require excessive use of fertilizers.

The good thing is that the price of renewable energy is rapidly decreasing and is becoming price competitive with fossil fuel. The main challenge is the relatively high price for energy storage. At Soneva, we are committed to leading the fight against climate change within the hospitality sector. In 2008 we took the simple step of adding a mandatory 2% environmental levy to our guests' bills, to offset our guests' travel emissions. It was a small change, and relatively small charge, which we found our guests more than happy to accept. We have invested the funds through the Soneva Foundation in carbon mitigation projects, such as planting half a million trees in Thailand, funding a wind turbine in India, and providing nearly 200,000 people with energy efficient cook stoves in Darfur and Myanmar. As a result, we became carbon neutral in 2012 for both direct and indirect resort operations including guest flights, which accounts for 80% of our CO2 emissions.

We have a strong focus on moving over to renewable energy. Soneva Fushi has installed 700 kWp solar PV that covers our electricity needs during the day through a power purchase agreement, which has reduced our energy bill by 25% without need for heavy investments. We plan to increase the solar PV capacity combined with energy storage once the price of energy storage comes down to a level that makes financial sense. We are hopeful this will become a reality soon.

Resorts and hotels are often central to a community, so we have the ability to raise awareness and change behavior. For instance, in 2008 we took the decision to stop offering branded bottle water, and instead serve water filtered, mineralized, alkalized, and bottled on site in reusable glass bottles. The initiative not only eliminates plastic waste but also cuts out unnecessary transportation miles and is more cost effective. We have used additional revenue to give around 750,000 people access to safe water around the world.

Companies must become “solutions” rather than “problems”. I believe that in all our businesses we can make small changes to our business model, which have no negative impacts on either our profitability nor our guests' perception of our products.

Our aim is simple – to make a difference wherever we can. We strive to be the best employer. We aim to produce attractive returns for our investors, demonstrating that sustainability is good for business. And, above all, we hope that the natural beauty of our resorts inspires our guests to embrace environmental stewardship.

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Villeroy & Boch
Hospitality Division

Ever since the founding of Villeroy & Boch's Hospitality Division in 1980, the Premium Porcelain and Premium Bone Porcelain hotel tableware from Villeroy & Boch has enjoyed an excellent reputation among the foodservice world. It combines high quality standards with distinctive designs, thus providing the ideal setting for international culinary creations from a buffet to a fine dining arrangement.

The tableware is complemented by high quality cutlery in stainless steel 18/10, robust glassware and diverse accessories made from different materials, all of which more than live up to the demands of professional use. There is a choice of tableware collections with up to over 70 practical, multifunctional articles each including stackable items that facilitate efficient service, simple cleaning and optimal storage. Extreme robustness in everyday use is guaranteed by dishwasher-safe, salamander-safe and microwave-safe properties.

Tableware by Villeroy & Boch is also distinguished by its first-rate design, with extravagant shapes, strong colours and décors highlighting the quality of culinary offerings. Furthermore, the Hospitality Division provides a creative design service: Custom Made Solutions. Here porcelain, cutlery and glasses are adorned with brand marks, logos, emblems, house colours, slogans and the like. The experienced Villeroy & Boch design team is also happy to create special individual décors to give porcelain a unique and exclusive character. These Special Designs can be applied to all products.

Sustainability by Villeroy & Boch

Uniting ecology and economy is the goal of Villeroy & Boch's sustainability programme. Key aspects include improving energy, raw material and resource efficiency by optimising the production process. Consumers in both the commercial and consumer sectors now expect environmentally friendly production from their suppliers in order to be able to meet their own contribution and commitment to protecting the environment.

FIND OUT MORE ON OUR WEBSITE
www.villeroyboch.com/hotel



Water mindfulness and the future of hotel supply chains

by *Inge Huijbrechts* 

After roughly a decade of successfully reducing water use in operations, the main hospitality companies are now looking at water beyond the borders of the hotel room, writes Inge Huijbrechts. Minimizing the water footprint of products across our supply chains is the industry's next big challenge. She shares with us here some of the experiences of the Blu Planet program being implemented in Radisson Blu hotels.

Close your eyes and imagine you would have to go without water – drinking water or shower water for one day. Or two. Water is considered a human right. Water, or the lack thereof, can be a source of conflict. It is said that the Arab spring and the start of the Syrian civil war were both in part due to the lack of water which in turn caused rising food prices and the following unrests.

In the last decades, we have been seriously overconsuming water. Water basin levels are dropping and it is estimated that by 2030, half of the world's population will be living in severe water stress. Water stress is linked to the location: abundance and flooding in one country, scarcity and drought in another. Being a good steward of water means looking at the water level in that particular watershed. Are we using up more than nature can replenish, and do all societal actors (industry, agriculture, community, tourism) get a fair share?

After roughly a decade of successfully reducing water use in operations, the main hospitality companies are focusing on looking at water beyond the borders of the hotel room.

At Carlson Rezidor Hotel group, for example, we have reduced our water use by 30% since 2007 and have been a signatory to the UN CEO Water Mandate since 2014. In our leading upper upscale brand Radisson Blu hotels, guests are made aware of the importance of water in the Blu Planet program, and water mindfulness is part of various steps in the guest experience.

Although impressive, these efforts are not enough. We need to be even more mindful of water in our hotels and our supply chains.

This means looking at innovation – a recent one being the use of innovative showers which filter their own water into a fresh-cycle of the highest quality standard, or testing a series of revolutionary showerheads which go far beyond the effect of aerators.

Secondly, what we often do not realize is that everything we eat, buy, use, or wear requires water to produce. For example, an orange take 50 liters to produce, a pair of jeans up to 10,000 liters, or a computer, which is estimated to require 350 liters of water.

The same holds true for a 1-liter plastic water bottle: it takes 2 liters of water and 0.25 liter of oil to produce. People around the world have this incredibly unreasonable habit of drinking bottled water out of plastic bottles. Except for countries where tap water is not safe, this is a totally superfluous and ridiculous habit. Marketing at its worst.

Water shortages, outright droughts and climate weirding already impact key produce: orange production in California dropped by 9%, France's wine production is expected to be 17% lower this year, after a record low last year. We should expect food prices and food availability to be impacted, unless we massively turn to container farms which grow plants under artificial light and require much less pesticides and water to grow.



At Carlson Rezidor, we are taking steps on this path and are engaged as a UN CEO Water Mandate signatory: we have reduced the water and waste footprint of our Radisson Blu Super Breakfast buffet by over 20%; aim to minimize chemical runoff from bathroom amenities; and are working with some of our key suppliers such as Diversey and Nespresso to minimize the water footprint of products across the supply chain.

At Radisson Blu hotels, we are engaging guests on the industry's classic – the towel reuse request – and are making the link to safe drinking water. For every towel a guest chooses to reuse, we donate a portion of the savings to our international water charity partner Just A Drop. The funds are invested in sustainable water projects in Africa, India and Guatemala. Blu Planet has increased the number of towels reused to over 2.2 million in the last 2 years – equating to a water saving of roughly 33,000 m³ – enough to fill 13 Olympic swimming pools. The donations to Just A Drop (www.justadrop.org) have provided safe drinking water for life to over 15,000 children.

In conclusion, I would say that the future of tourism depends on us taking responsible care of water. The next frontier is the sector-wide implementation of water stewardship, looking at the basin, collaborating with suppliers and the community and most importantly: engaging guests into guilt free sustainable travel.

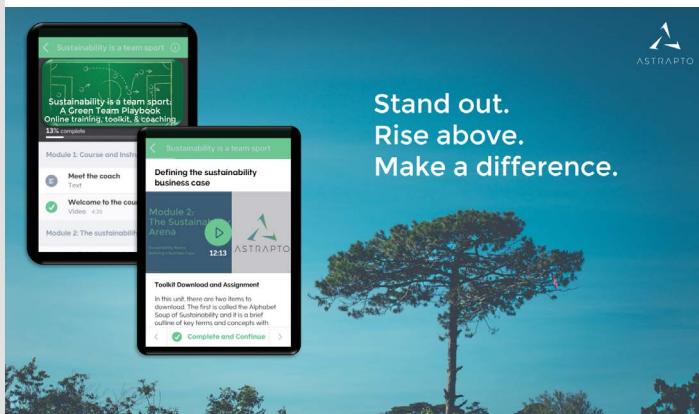


***Inge Huijbrechts** is Global Vice President Responsible Business for Carlson Rezidor – developing the Responsible Business program in the group's 1400 hotels in operations and development in 115 countries around the world. Together with her team, she lays out the strategy for Responsible Business from build to operations and keeps the 90,000 employees around the world engaged in everyday Responsible Business actions. Inge sits on the Advisory Board of Sustainable Brands International, on the Steering Committee of the UN CEO Water Mandate and has a sustainability blog (RE:Think on <http://www.hotelsmag.com/Industry/Blogs>)*



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Social dining experiences at homes of people!



Currently operating in 14 cities across India, AuthenticCook is an opportunity for travelers and locals to experience a place one meal at a time. It provides authentic culinary experiences at the homes of locals, thereby creating an avenue for people to experience and understand the local culture through the medium of food!

AuthenticCook aims to have a positive impact on society by empowering local communities especially women and preserve their culture and culinary heritage. It connects hosts with diners over its website, whereby the diners can experience an authentic meal prepared by the hosts; its curated experiences also include cooking demos and visits to local market

www.authenticcook.com



Meet people you'll never get to meet, do things you'll never get to do, with the friendliest people



Backstreet Academy is a peer-to-peer impact travel platform tailored for developing countries, where people at the Bottom of the Pyramid (BoP) who cannot speak English or access smartphones are empowered to become micro-entrepreneurs hosting tourists, showcasing their tradition and heritage while making 2-3 times additional income to move themselves out of poverty. They are able to do so via its technology of using local language call/SMS notifications coupled with a hyperlocal on-demand community translator system, allowing them to handle bookings with just a feature phone. This access results in exclusive experiences such as insect cooking workshops, fishing with Mekong fishermen and even bamboo bow crafting with master archers. Over 1,300 unique travel experiences are available on Backstreet Academy in more than 8 countries and 40 cities. Backstreet Academy has been featured on Forbes, National Geographic, Lonely Planet.

www.backstreetacademy.com



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Good Hotel Antigua is a boutique hotel offering premium hospitality with a cause. Housed in a former private mansion, the hotel boasts a minimalistic design infused with local touches, personalized service and a social business model. Located in the heart of UNESCO-protected Antigua, Guatemala, Good Hotel connects you with the destination and offers the opportunity to do something back for the local community while traveling. The social business model provides a unique GOOD-training program for unemployed locals, helps them re-integrate into the economy and stimulates local collaborations and entrepreneurship. On top of that, all profits go directly to their local NGO partner that provides quality education to disadvantaged children.

www.goodhotelantigua.com



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We are passionate about travel, fun and adventure and most importantly creating positive impacts to our local communities. We want to show you our home - the real Thailand and give you the amazing local experiences with happy hearts.

Our social missions are to make a sustainable change in Thailand travel industry through bringing more income to the locals through inclusive travel, preserving disappearing culture & communities and taking care of our precious environment.

www.hivesters.com



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www.kitro.ch



Local communities
are gems



Local Alike is a social enterprise strongly focusing on community-based tourism. As we aim at sustainable development, community-based tourism has become one of the most powerful tools which can help people in local communities become self-sufficient. Local Alike truly believes in community-based tourism as we see great potential in every single local community. To Local Alike, a local community is nothing but a gem. Each local community possesses such valuable assets as culture, tradition and local wisdom which can never be found elsewhere. Undoubtedly, local communities will be capable of making the most of their way of living once equipped with knowledge and skills needed in community-based tourism which will eventually enable local people to afford a better quality of life.

www.localalike.com



Some follow standards.
Others go above &
beyond...



Nomad Lodges was created in the spirit of the nomadic people of South America.

We invite travellers to discover places “picked by our hearts” through a network of lodges built in harmony with the environment, offering a standard of quality & services made to meet the guests’ expectations.

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Nomads live sustainably. That’s a given. Nomads commit to every location in which they reside. There are no guidelines. No standards. Every location has its own unique character.

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Supporting victims of human trafficking



Samrakshak Samuha Nepal (SASANE) was founded by women human trafficking survivors to support and empower women who are also survivors of human trafficking and gender-based violence in Nepal. SASANE's paralegal training program is a grassroots effort aimed at empowering women survivors through education and awareness. Its Sisterhood of Survivors program trains women to become hospitality staff and tour guides by providing valuable job skills training for future employment in the tourism industry in Nepal.

www.sasane.org.np



Discover Vienna's shades of homelessness



SHADES TOURS organizes alternative guided walking tours – in English and German - in Vienna. Far away from the main tourism sights, SHADES TOURS offers another perspective on the city and highlights the unseen socio-political issues and its social system around the topic of poverty and homelessness. And whom – if not homeless people themselves – could inform better?

SHADES TOURS is therefore Austria's unique business which employs homeless people to become alternative tour guides and helps them to escape homelessness. On the other hand, participants such as children, students, adults, companies and tourists gain insightful knowledge, which makes them strive for a change within society. The tours are listed on TripAdvisor as TOP10 tours in Vienna, whereby 3 guides already made it out of homelessness back into private housing.

www.shades-tours.com



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Why certify your hotel as sustainable?

by **Randy Durband** 

Certification of hotels for sustainability has been around for a quarter of a century. Thousands of hotels have become certified, but they represent a small percentage of hotels throughout the world. Randy Durband, CEO of the Global Sustainable Tourism Council (Should hotels be certified sustainable? Will the numbers grow?)

Obviously I believe the answer to the first question is yes. That's why I chose to lead the GSTC whose mission includes serving as an accreditation body for hotel certification. (A note on terms: hotels get "certified", and the certification bodies that certify the hotels get "accredited"... so please don't confuse certification and accreditation. They're not the same.)

I believe in sustainable certification for hotels because certification has value in many ways. Certification provides the discipline for an organization to operate more sustainably better than other forms of goal-setting. Although traveler demand for sustainable-certified product is soft, it is growing in all regions of the world. Separate from direct traveler demand, travel provider demand is rising because procurement policies are encouraging or rewarding – or even requiring – sustainable/green supply chains.

Being sustainable or responsible involves doing the right thing and not doing bad things across a spectrum of endeavors relating to the environment, social issues, cultural respect and preservation. The GSTC Criteria spell out the critical elements of sustainability for hotels, tour operators, and destinations.

Travelers and journalists are increasingly skeptical of false or exaggerated claims. Regulators require certain practices that are sustainable. Corporations seek positive CSR activities from their business units. Sustainability is the right thing to do for people and planet, but also, increasingly, stakeholders will expect, prefer, or require it.

Certification drives comprehensive sustainable policies and practices. It provides a disciplined and comprehensive approach to improvement in all the necessary aspects. Ownership, clients, and watchdogs can be more convinced of your actions if you

have them verified and certified by an independent, neutral, 3rd-party assessor.

"Choice editing" seems to be a new term referring to a phenomenon which I see as a key driver of certification in the coming years. What is it? It refers to businesses using a specific, defined filter as a tool in their supply chain procurement. If a business unit is instructed or encouraged from above to "green their supply chain", a clear way to provide evidence of sustainability is to select suppliers (in this case hotels) that are certified as sustainable.

An example from another sector: Home Depot, the giant US retailer of home improvement products, sells wood that is certified sustainable with a logo from FSC (the Forest Stewardship Council) as well as wood that is not certified. There's a price difference, but as sales volume increases for sustainable products, the cost and price differential decreases.

Two examples from travel and tourism, the second relating to hotels, of this growing trend:

- In 2016, Royal Caribbean Cruiselines set a target for the end of 2019 when all the operators of their shore excursions – i.e. the land operations for when the clients visit a port – must be certified sustainable by a GSTC-accredited certification body in order to do business with them.
- TUI Group, one of the largest travel companies in the world, has 77% of their owned or operated hotels certified sustainable, and is aiming for near 100%, as well as showing preference for it in their buying of hotels they don't own/operate; with preference to using certification bodies that are GSTC-accredited or whose standards are GSTC-recognized.



As travelers and travel agents gain awareness of the availability of certified sustainable hotels, and as traveler concern increases in light of climate change impacts and population pressures on all resources, won't they eventually think more about sustainability at point of purchase? I think so.

The soft demand we see today, whereby travelers tell us in surveys they care about sustainability, but don't ask for it when making their purchases, is sure to change. Younger generations are more attuned to these issues than today's older clients. The trends are visible, and eventually we see tipping points where soft demand for sustainability turns to strong preferences and then to requirements.

Technological advancements have reduced the time-lag from upfront capital investments for existing hotel buildings to become more energy-efficient, and more clean and efficient with waste management, from a typical two years not so long ago to as little as six months today for certain upgrades. Then it's all reduced operating costs in perpetuity.

Will the number of hotels certified grow? I believe the answer to be yes, for a number of reasons:

- The costs incurred in becoming sustainable are going down
- Travelers' concern for sustainable offerings is increasing, and they will likely start demanding it in the coming years
- Regulators will increasingly push for it
- Businesses get good press for good CSR
- Studies show employee retention is higher at businesses with strong CSR practices

These are all tangible reasons why a hotel manager should make their hotel more sustainable. And do so via the process of certification.

■

***Randy Durband** is the Chief Executive Officer of the Global Sustainable Tourism Council (GSTC), the UN-created NGO that manages global baseline standards for sustainable tourism. He brings to his leadership position of GSTC a unique blend of skills and experience based on the two career paths he has taken in travel and tourism – twenty-four years in senior leadership positions at tour operators with global operations, plus seven years working for sustainable development in travel and tourism. His first career included serving as President for Travcoa, INTRAV, and Clipper Cruise Lines (all brands within TUI Group), and Executive VP of Tauck. Randy combines knowledge and networks of the travel industry with a passion for sustainability. He served as technical advisor in tourism development projects with UN agencies UNESCO and ILO and other NGOs and foundations, with focuses on poverty reduction, emerging destinations, sustainable destination development, and cultural heritage tourism.*

Trust marks: The role of eco-labels in travel and tourism

by **Bradley Cox** 

We are moving into an age where an eco or sustainability certification will no longer be an option, writes Bradley Cox of Green Globe, but something all businesses will want, as it allows them to enhance their bond with their customers. A key element in the successful growth of these labels will be consumer trust.

Recently there has been more and more discussion about certification labels and standards, not only for travel and tourism, but also across various consumer sectors. One interesting article from [Sustainable Brands](#) titled [Our Use of Eco-Label is Set to Soar](#) makes a strong case that eco-labels are here to stay. But at the same time, it frets about the rise of too many certification labels and eco-brands across the world.

From Green Globe's experience, we have seen continuous growth in membership since the inception of our company and greater recognition of our label by both tourism businesses and travelers themselves. From our perspective, we are moving into an age where an eco or sustainability certification will no longer be an option, but something all businesses will want so they may enhance their bond with consumers.

This is not to say that Green Globe, or any other eco or certification label, will become a dominant "uber" brand in the tourism industry; this is not the goal. The future for our label will be in the pervasiveness of its use alongside the successful brand leaders in travel and hospitality. This is the balance that consumers are looking for.

Some travelers want the luxury, comfort and reassurance of international hotel brands such as Mövenpick, Club Med and InterContinental. Others want the personal connection to niche brands such as Elite in the Caribbean and Constance across the Indian Ocean. Additionally, there are more adventurous travelers looking to discover independent properties who have trademarked a unique travel experience in their host

destination, such as Maya Ubud in Bali or The Lodge at Chaa Creek in Belize.

In all these cases, the key transactional relationship is between the people purchasing, and the business supplying the travel experience. And this relationship is wedded to the business' or property's brand or trademark service offering.

Green Globe's role is to engender or stimulate greater trust within this relationship, not to try and usurp this bond by competing as another travel consumer brand. Our label is what is known as a "trust mark". We have become a badge that reassures guests' confidence that they have made the best possible choice.

So to be perfectly clear, we see the use of our label by our members as being part of *their* brand equity, not overseeing or underpinning the brand, but simply and effectively contributing to its value. We know from talking with our growing membership that this is how they use our label. As a trust mark, Green Globe provides a direct affirmation that all the important work has been done to meet the highest standards in sustainability.

As the use of our label increases, we have also seen in recent times a rise in the number of new and similar certification programs and eco-labels arriving in our market. Much has been made of the fact that now there may be too many of these labels, which may become confusing to consumers. From Green Globe's perspective, this is as specious as saying, "There are too many hotel brands and guests can't possibly make up their minds which one to stay at."



***Bradley Cox** was appointed by Green Globe to serve as Director of Communications in 2008. Previously, he worked at the frontline of tourism sales and marketing, for international hospitality brands including ANA Hotels and Hard Rock Café. He has also served the Australian government as General Manager Communications and Industry Extension for Australia's largest tourism research and development consortium, Sustainable Tourism Cooperative Research Centre (STCRC). One of the key STCRC innovations was the certification standard and criteria that underpin Green Globe.*

Despite a somewhat homogenized view of travel and tourism by some industry analysts, we see the world remaining a big, colorful, culturally complex, multi-lingual and often unconnected place. Having individual certification solutions and eco-labels arise to meet local or sector specific needs, all of which adopt the guiding principals and criteria that we have established, is perfectly reasonable.

Over 20 years ago, Green Globe was the originator of the certification standard for sustainable travel and tourism. Today all certification programs and their accompanying eco-labels are based on the core set of criteria that were developed by Green Globe. Carrying on this work are international bodies such as the Global Sustainable Tourism Council, along with the United Nations World Tourism Organization – of which Green Globe is an Affiliate Member.

The original integration of the Green Globe criteria across the travel and tourism industry, and significantly its adoption across an increasing number of local and sector specific certification programs, has demonstrated that there is a clear consensus on what defines sustainable operation and management in our industry.

The fact that there are a growing number of labels based on this good work should not be seen as a bad thing. Having more eco-labels that offer professional certification of sustainable practice is of tremendous assistance to our industry. The beneficiaries are not only the travelers who can rely on these trust marks, but the destinations and tourism businesses themselves, who enjoy

greater environmental, social and economic outcomes linked to the underlining certification process.

Green Globe prides itself on being the founder of sustainable tourism certification and a leading trust mark, and we continue to promote our core belief that all in our industry can *do good by doing better*.

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Peru's Inkaterra: Helping save the Amazon through sustainable landscape corridors while pushing the boundaries of eco-friendly luxury hotels

by **José Koechlin**  & **Gabriel Meseth** 

Since natural resources are capital goods, conservation shouldn't be considered as an expense but an investment, write José Koechlin and Gabriel Meseth, who run Inkaterra in Peru, one of the world's great ecotourism success stories. In this special report to The Hotel Yearbook, they update us on their activities, achievements and outlook.

Since its establishment in 1975, Inkaterra has pioneered ecotourism and sustainable development in Peru. Working under a holistic approach, Inkaterra produces scientific research to create a baseline as means for profitable conservation, education and the wellbeing of local communities. To measure Inkaterra's long-term impact on biodiversity, the brand has sponsored major flora and fauna inventories for the past four decades, in natural areas where its hotels are located – the Amazon rainforest of Madre de Dios; the Machu Picchu cloud forest; the Sacred Valley of the Incas; the city of Cusco; and the Cabo Blanco tropical ocean, desert and dry forest. A total of 903 bird species (equivalent to Costa Rica's total bird diversity) have been registered at Inkaterra grounds, as well as 362 ant species (a world record, confirmed by Harvard biologist E.O. Wilson), 313 butterfly species, 100 mammal species and 1266 vascular plant species. Among this inventory, 29 species new to science have been published – 20 orchids, 5 amphibians, 1 butterfly, 2 bromeliads and 1 tropical vine.

***José Koechlin** established Inkaterra in 1975, pioneering ecotourism and sustainable development in Peru. Acknowledged by AACSB in its list of "100 Influential World Leaders", he is also Chairman of Sociedad Hoteles del Perú, and Emeritus Board Member of Washington-based Conservation International. José was honored with the 2017 LEC Award in the "Large Enterprise" category, won the first-ever HOLA Lifetime Achievement Award (2016), and received the 2015 PURE Award for his contribution to experiential travel. To promote travel experiences in Peru, he has sponsored various publications on nature and culture, and was co-producer of Werner Herzog's classic films "Aguirre, The Wrath of God" (1972) and "Fitzcarraldo" (which won Best Director at the Cannes Film Festival in 1982), as well as Les Blank's documentary "Burden of Dreams" (1982).*



Three years after producing Werner Herzog's classic film "Aguirre, The Wrath of God" (1972) to promote tourism through film, José Koechlin established Inkaterra within Peru's first land concession for ecotourism purposes (10,000 hectares, about 40 square miles), in the Amazon rainforest of Madre de Dios. Nowadays, the company operates three lodges in this region, considered one of the world's nature hotspots as it is located in the heart of the Vilcabamba-Amboro Conservation Corridor, which connects 30 million hectares (115,000 square miles) of megadiverse ecosystems.

Inkaterra Guides Field Station is the most recent addition to the hotel collection. Since late 2016, this eco-lodge with a design inspired by the Ese'Eja culture and built with native materials, is the training center for Inkaterra Explorer Guides – most of them born and raised in local communities. It offers a knowledgeable experience for scientists, students, volunteers and eco-conscious travelers, welcoming guests to be part of diverse research and conservation projects overseen by NGO Inkaterra Asociación.

Interactive excursions at Inkaterra Guides Field Station include a Palmetum walk with a most diverse sample of native palms; a bio-orchard nurtured with ancestral agroforestry techniques; one of the five bird banding stations in Peru; and a motion-sensitive camera trap system to study wildlife in hotel grounds, which has registered jaguars, giant armadillos, tapirs, peccaries and tamanduas.

Given the current situation in Madre de Dios, Inkaterra aims to replicate the aforementioned initiatives throughout the region, educating local communities in biodiversity conservation and the sustainable use of natural resources through eco-friendly entrepreneurship.

Since the construction of the interoceanic highway in 2010, the regional economy shifted to extractive industries such as livestock, logging, oil exploration and alluvial gold mining. Nowadays, it is estimated that 49 plant species are threatened due to the surface extension of livestock and mining areas, the latter having grown 916% in the past twenty years. Mostly illegal and unregulated, these extractive activities have devastating consequences on the local biodiversity and on human populations, including loss of ecosystem connectivity, migration of native cultures and mercury pollution.

Dr. Francisco Dallmeier, Director of the Smithsonian Center for Conservation and Sustainability, uses the analogy of the brain and Alzheimer's disease to explain the loss of landscape connectivity. Information from the brain travels through the body via the nervous system. When someone suffers from Alzheimer's, the messages are no longer able to get through and become isolated in the brain. The same thing happens with a depredated forest: connections between ecosystems disappear and the biodiversity becomes isolated, piling up in small areas. Inevitably the biodiversity would then begin to deteriorate as to rapidly disappear.

In order to improve connectivity among landscapes and ecosystems in the Amazon region, as well as land management and the reduction of mercury in water, Inkaterra Asociación NGO has proposed the creation of a 78,756 hectare (300 sq. mi.) sustainable landscape corridor off the Tambopata National Reserve, from the city of Puerto Maldonado along the Madre de Dios River, up to the Peru-Bolivia border.

Relying on strategic alliances with the US Department of State, the Smithsonian Center for Conservation and Sustainability, the Development Bank of Latin America (CAF), Fondo de las Américas (FONDAM) and other influential organizations, Inkaterra Asociación's new project will stabilize fluctuations in wildlife and assist in repairing their habitat fragmentation. Sustainable landscape corridors will link two or more larger blocks of habitable land, which will allow for the safe movement of wildlife, protecting them from the effects of mining and logging.

According to US Science Envoy, Dr. Thomas Lovejoy, the future of the Amazon depends on the Madre de Dios. Underscoring that natural resources are capital goods and that conservation is not to be considered as an expense but as an investment, Inkaterra is encouraging ecotourism and other sustainable activities among local communities, in pursuit of their own long-term economic development. Through capacity building in local communities and the replication of conservation initiatives developed at Inkaterra Guides Field Station, sustainable landscape corridors seem to be the most effective way to save the Amazon.

■

With expertise in communication strategies and public relations, **Gabriel Meseth** is Head of Content at Inkaterra. He is a lecturer on Qualitative Research, Creative Writing and Audiovisual Storytelling at the Pontificia Universidad Católica del Perú (PUCP) Communications Program. Gabriel is the author of "Lord of Miracles" – considered by Channel N as one of the Top 10 Books of 2014 – and of various publications for the United Nations, the Convention on Biological Diversity, and the Ford Foundation. His articles have been published in "Caretas" and "Somos" magazines, as well as in "El Dominical", the cultural supplement of "El Comercio", Peru's oldest newspaper. Gabriel has also contributed to the development of cultural projects, including a tribute to filmmaker Werner Herzog at the 19th Lima Film Festival and the historical research for Mario Vargas Llosa's novel "The Dream of the Celt" (2010).





> INKATERRA <

AUTHENTIC NATURE TRAVEL IN PERU
SINCE 1975





Vienna's Boutiquehotel Stadthalle: "Be the change you want to see in the world"

by *Maria Leifer* 

It is not only large hotel groups operating in dozens of countries that are introducing sustainability programs of note. Small hotels can make a difference, too. Maria Leifer of the Boutiquehotel Stadthalle in Vienna explains some of the inspiring things that this 74-room boutique property has done to achieve a zero-energy balance.



Boutiquehotel Stadthalle is the world's first urban hotel with a zero-energy balance worldwide. Purchased from her parents in the year 2000, the former Hotel Zur Stadthalle was lovingly renovated by Michaela Reitterer in 2002 with the financial support of her parents, who wanted to secure the future of the family business they had tended their whole lives. At that time, the 3-star hotel consisted of 39 rooms, all of which were remodeled and modernized.

What followed was a repositioning of Boutiquehotel Stadthalle, which already had made headlines for its solar panels. In 2007 expansion was begun. The building next door was demolished and a passive building with 35 rooms and suites was added on to the existing hotel, almost doubling its capacity. This addition, completed in November of 2009, achieves a zero-energy balance, i.e. each year it produces as much energy as is needed to operate.

The hotel is a very charming place with staff from more than 14 countries – and where you feel right away that everybody loves what they do. It offers a nice green courtyard which is home to a roof-top lavender garden, a vertical garden on the facade, and an oasis of peace and quiet in the heart of Vienna.

Mrs. Reitterer has been often asked why she built a zero-energy hotel and where she got the idea. In 2007, it seemed logical to her to construct a building which was not dependent on the volatile and ever-changing prices of gas and electricity. After all, in the hotel industry, utilities are the highest category of fixed costs, after personnel. The fact that she had this idea first, and that worldwide, no one had ever attempted such a project, never occurred to her. She did not do it to become famous. It



***Maria Leifer** is from St. Wolfgang in Austria. After finishing school, she fulfilled her dream to move to Vienna, where she studied International Development at the University of Vienna. She has plans to run the family hotel at Lake Wolfgang, but first wanted to gain more experience, so she joined the Boutiquehotel Stadthalle. Maria has now been with the company 5 years, where she heads sales and marketing.*

took a healthy dose of pragmatism and enthusiasm to turn her vision into reality.

Mrs. Reitterer sees this as an incentive, and, as a pioneer in this sector, she won't pass up any opportunity to create new innovations and blaze new trails. Sustainability is booming, and care must be taken not to let it end up a meaningless buzzword.

In the framework that was developed to guide our day-to-day operations, we specifically chose "environmental consciousness" as our leading guideline. Simply put, the concept of the hotel stands for environmental consciousness through action – and this is also communicated to our guests.

Of the very many projects we are doing concerning sustainability, there are two we would like to mention here:


First, in the year 2014 we refurbished 6 rooms in the main building, organizing them around a special theme: *upcycling*. In cooperation with students of the University of Applied Arts Vienna and a team of interior designers – and calling upon the ideas of our employees as well – Mrs. Reitterer developed a unique concept whereby objects that seemed to be old and

unusable were repurposed. The basics in these rooms – the bed and mattresses, fabrics and bathroom fixtures – are all brand new and provide best comfort. But many accessories were "restaged" in those rooms, creating a very special atmosphere: umbrellas became lampshades, empty bottles became chandeliers, books were transformed into bedside tables, cutlery became clothes hooks, tennis rackets mirrors, palettes various shelves, and many more such items, which began to enjoy a second life.

The second project goes even further: Since 2016 we have aimed to be part of the zero waste community, which means that as a hotel business we want to contribute to reducing the amount of waste we produce.

Boutiquehotel Stadthalle is a concept which has developed over time and through experience, and is based on the many ideas of our guests and employees. Mohandas Gandhi words could not say it better: "Be the change you want to see in the world", and that's our motto within the hotel guiding our everyday business.

Act local, think global

by **Nick Bosworth** 

A large internationally active hotel group has myriad opportunities to put sustainability measures of many different kinds into place, because the wide range of properties in its portfolio may lend themselves to very different types of activities depending on the hotels' location and environment. A good case in point is Mövenpick Hotels & Resorts, with 83 properties worldwide. Nick Bosworth, the company's Vice President Brand and Marketing, shares some of the diverse ideas with us that they are putting onto practice at different places around the world. Food for thought.

The United Nations General Assembly has declared 2017 the “International Year of Sustainable Tourism for Development” with a goal of promoting a change in policies, business practices and consumer behavior.

UNWTO Secretary General Taleb Rifai has pitched the “year” as “a unique opportunity to build a more responsible and committed tourism sector”, highlighting the role the travel and hospitality industry can play in fostering “economic prosperity, social inclusion, peace and understanding, cultural and environmental preservation”.

Accounting for 7% of worldwide exports, one in 11 jobs, and 10% of the world's GDP, the tourism sector, if well managed, can drive “inclusive economic growth, social inclusiveness and the protection of cultural and natural assets”, the UNWTO claims.

These objectives are very much akin to the policies and practices set out in Mövenpick Hotels & Resorts' Corporate Social Responsibility (CSR) program, which is widely regarded as one of the hospitality industry's best.

Our commitment to sustainability is fundamental to all that we do – it sits front and center of our business philosophy and is part of our company vision – to positively impact the environment, our people and the communities in which we are present.



We always ensure we operate in a sustainable way, which is reflected in our long-standing partnership with Green Globe, a global certification body for sustainable tourism.

For hotels to be Green Globe certified, they must meet a comprehensive list of strict criteria covering sustainable management, social and economic sustainability, cultural heritage and more. Companies must also provide a code of conduct for their activities in local communities and do so in collaboration with the consent of those communities.

To comply, hotels must reduce pollution, from soil contamination to noise and light, and even their décor is scrutinized with the use of local art, architecture and cultural references preferred.

We encourage our hotels across the world to meet all Green Globe criteria and to engage with local communities and charities.

As a result, in 2016, Mövenpick Hotels & Resorts became the most “Green Globe-certified” hotel company in the world, with an overall compliance score of 84%, some 2.5% higher than the average of all Green Globe members.

Last year, 63 of our 83 properties worldwide had attained Green Globe certification; they spanned some 19 countries in Europe, the Middle East, Africa and Asia, which Green Globe CEO Guido Bauer said marked a “tremendous accomplishment” given the variety of cultures, markets and properties that consistently met the entity’s strict criteria.

Green Globe has also commended Mövenpick Hotels & Resorts for its passion for talent development and supporting local communities, highlighting the overwhelming success of our SHINE Corporate Social Responsibility (CSR) programme, which focuses on the Environment, Employer and Social Sustainability, with an emphasis on education. As an example of the work the SHINE initiative includes, in Nepal we collaborate with Right4Children, offering disadvantaged young people intensive vocational and life-skills training. We offer them job opportunities on completion of the course, with 25 students participating in the program every year.

So it is about taking a holistic approach to sustainability – and this is reflected in the wide range of initiatives developed across our portfolio, all of which give back to local communities and the environment.

In Europe, stand-out examples of best practice range from car-share initiatives at Mövenpick Hotel Berlin to “green meetings” at Mövenpick Hotel Nürnberg-Airport (where even the pens are biodegradable), while in the Middle East, one of our most innovative initiatives is employee-led at Mövenpick Resort & Spa Dead Sea, Jordan, where each year the team harvests 2,000 kilograms of oranges from the resort gardens, some of which the chefs make into marmalade that is served at breakfast.

In Egypt, underwater clean-ups and diving restriction measures have been put in place to preserve the marine environment around Mövenpick Resort El Quseir, while in Thailand, the Mövenpick Resort & Spa Karon Beach Phuket introduced a hybrid-limousine fleet and electric tuk tuks.

As we look to expand our portfolio, with a view to operating more than 120 hotels and resorts globally by the end of the decade, one of our top priorities is for all our properties to meet the Green Globe guidelines – and any future iterations of these – to the highest possible standards.

We will continue to push the boundaries, encouraging our staff to embrace sustainability and the benefits it brings, not only to their colleagues, guests and local communities, but to the environment, society and the wider economy.

Whatever your view on issues such as climate change – and we have to acknowledge there are differing views on this across the world – sustainability simply makes sense and will continue to make sense in the future. We hope our initiatives play a role in helping safeguard the planet for generations to come, whether its preserving natural assets or encouraging cultural exchange and understanding, both of which are essential to ensure a positive and peaceful future for all.

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***Nick Bosworth** BA(Hons) MSc MCIM joined Mövenpick Hotels & Resorts 3 years ago as VP Brand & Marketing. His 35-year long career in the airline and hotel business has included senior sales, marketing and operations roles with key players including OAG, IATA, Lanyon, IHG and Worldhotels. In addition to overseeing all global brand, PR and marketing activity for Mövenpick, he is the architect of the company’s upscale brand positioning – we make moments – which puts respect for the community and the environment at its heart.*

The future of hotel food waste

by **Benjamin Lephilbert** 

Food waste has reached epic proportions. It is not just costly but also represents a dramatic environmental impact, too. Astonishingly, Benjamin Lephilbert cites a UN study that calculated that if food waste was measured as we measure entire countries' footprints, it would be the 3rd largest emitter of carbon dioxide in the world. His report to The Hotel Yearbook walks us through two future scenarios.

Hoteliers have a problem that they've long ignored. Many have made great strides with their environmental programs, but even the most advanced hotel sustainability certifications bury food waste in the general "waste" category. This is a serious problem, as the environmental impact of food waste is dramatic. If food waste was a country it would be the 3rd largest emitter of carbon dioxide in the world (UN Environment). On the social side, the global situation is intolerable, with 2.1 billion people being overweight or obese, while 800 million remain malnourished (UNWHO). But the financial impact of food waste is the most puzzling part: currently there are hardly any hotels with monitoring systems in place, while independent audits show that hotels (in the 4 and 5-star category) serving approximately 500 covers per day throw away on average the equivalent of 245,000 USD/year.

You may wonder why this topic is not on the top of the list of all hotels worldwide. The most fundamental issue is that hotel and restaurant managers are using incomplete KPIs, with the Food Cost % (FC%) being the industry "gold standard." But Food Cost does not reflect how efficiently food is managed as a resource. In addition, there is a huge psychological barrier on the part of professionals in the industry, who are usually uncomfortable in quantifying the issue. But things may be different in the near future. Here are two possible scenarios.

Quantification and adjustments

It is likely that while things will stay relatively unchanged over the next few years, some basic yet important measures may start to be implemented to cut down on food waste. More hotels will begin to

implement a circular approach in their kitchen, either by growing food onsite through vertical or urban farming, or by shortening the supply chain (from farm to fork). New systems will be used to monitor food waste, and new Key Performance Indicators (KPIs) will become commonplace, allowing hoteliers to evaluate the performance of Food and Beverage operations. The average "Food Waste per cover" (food waste in kg/total covers), together with the Food Efficiency Indicator (total food waste in kg/total quantity purchased in kg), will become new benchmarks used to calculate the percentage of all food purchased that is lost to waste. Internal branding techniques and staff engagement programs like Clean Your Plate campaigns will become common practice, and social norms may be shifted to ensure that plate waste is no longer considered acceptable. Large hotels may start to realize the importance of computerized solutions to integrate purchasing and stock data with waste data to avoid over-ordering and limit spoilage waste.

The rise of the transparency trend

Food waste data analytics will take an increasing part in the decision-making process of Food and Beverage leaders. New technologies will help reduce spoilage waste through smart cold chain management, using Internet of Things (IoT) and radio-frequency identification (RFID) codes featuring product shelf life and push-notifications. At the preparation level, food waste will be reduced to non-edible off cuts only, which will be used to power onsite micro biomass powerplants.

The standard buffet will partially be replaced by a hybrid version, mixing a-la-carte offerings, and blast-chilled ingredients that can



be prepared instantly in live-cooking stations. Lower markets may increasingly use “cook it yourself” technology to cut on costs, while the high-end segment may present food in more temperature controlled, hygienic ways to limit buffet waste.

One of the biggest headaches for chefs – forecasting - will be eased with the increasing use of data analytics and Artificial Intelligence, tapping into a wealth of parameters impacting food waste such as food in storage, history of purchasing data in a similar context, waste data, occupancy, or weather forecasts. AI will also help acquire an intimate knowledge of hotel guest's consumption habits and preferences, using demographic, origin, health consciousness, eating patterns and tastes collected from their social media persona.

Partnerships will be built with foodbanks and livestock farms that will supply meat partially grown on food waste. Online apps, offering end of shift and take-away deals to local customers will become part of hotels' business model.

The likely blend

It is likely that by 2022, the situation of food waste in the hotel industry will be a mix of these two scenarios, with huge discrepancies across market segments, localities, and brands. From my point of view, the ultimate game changer will be the guests, their growing expectation of more transparency, and the way they use their power to reward businesses that lead the way. The days of multinational chains turning their backs on transparent assessments in favor of brand-centric success stories are numbered. Old paradigms will be questioned, especially with Millennials becoming the main market.

Regardless, the financial benefits available are too big to be ignored. Once such savings become common knowledge, the paradigm will shift, and the narrative that can be built around these efforts will allow firms to claim responsibility, while delivering and exceeding the level of satisfaction that their guests expect.

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***Benjamin Lephilbert** is the founder of LightBlue Environmental Consulting, a regional auditing, capacity building and consulting firm supporting organizations willing to improve profitability and minimize their social and environmental footprint. He has worked across Asia with various prestigious partners from the private sector (Hilton, Accor, ClubMed), governmental agencies (TCEB) as well as from International Organizations (UNIL0, EU, WWF). Benjamin has been a pioneer on the topic of food waste prevention. With his team he has developed The PLEDGE on Food Waste, one of the most comprehensive standards to date, integrating implementation of a food waste monitoring system, online data tracking, behavioral change, and revision of SOPs at critical food waste generation points. Benjamin is also an international guest speaker, guest lecturer, a judge for International Sustainability Awards and an active member of several sustainable tourism working groups (GSTC).*

Small steps to make restaurants more sustainable

by *Christine Demen Meier*  & *Stéphanie Buri*  & *Clémence Cornuz* 

Food waste in restaurants is a growing problem, as several authors in this edition of the Hotel Yearbook point out. But Dr. Christine Demen Meier, Stéphanie Buri, and Clémence Cornuz of Switzerland's Ecole hôtelière de Lausanne observe that restaurateurs must deal with the fact that much of their carbon footprint stems from factors they cannot control, such as overpackaging by suppliers, customer behavior, the organization of waste collection in their area, and the recycling technologies available to them. Accordingly, the authors have some useful recommendations for improving restaurant practices, through incremental innovation and collective action.

All over the world, social, economic and environmental issues are being debated and regulated at all scales. Furthermore, consumers are increasingly eager to see restaurants and hotels take sustainable initiatives. In 2011-12, my research team conducted a prospective study on the restaurant industry which showed that, in 2025, nearly half (48%) of European restaurants would be oriented towards sustainable development, i.e. local procurement, traceability, healthy meals, environment-friendly practices, etc. More recently, smart business intelligence tool SmartFoodS has confirmed this forecast, predicting consumer-driven trends and technological innovations focusing on sustainability (especially traceability and transparency) for the next 10 years.

One issue which has come to the forefront of public debate in the past few years is food waste: consumers are now aware that 1/3 of the food produced on this planet is wasted, and expect F&B outlets to act as role models and educators in regard to this issue – and also, perhaps, to provide them with an opportunity to contribute to social change without having to reassess their own practices (in Western countries, food waste is mostly due to households). This has resulted in the development and popularization of innovations aimed at minimizing food waste in restaurants.

Some sustainability-oriented innovations are disruptive, especially in the bio- and nano-technological realms. Food waste digesters or hydrosoluble packaging, for example, constitute radical solutions that intimidate professionals: they are – or at least seem – too costly, constraining and complicated. Innovations of a solely technological nature can be disruptive as well, depending on the outlet's level of technology usage. Considering that many restaurants do not use any kind of IT tool, waste management software, however intuitive and efficient, is unlikely to appeal to many managers.

Likewise, anti-food waste mobile apps allowing businesses to sell food portions at a discounted price just before closing time often seem like a time-consuming and arduous process. Even waste dehydrators, which are simple to use, can seem worryingly complex.

Incremental innovation is the right approach

Hence, to set off a change in the market, we recommend that professionals start improving their practices through incremental innovation. Managers can take measures to raise environmental awareness among staff and customers; train staff to recycle and reuse various types of waste; and add signs near the bins to prevent mistakes and make the waste sorting process simpler. In terms of processes, examples of incremental innovation include donating leftovers and using second-hand pieces of equipment. Finally, when it comes to their offer, restaurants can provide guests with sustainably produced food and beverage; use recyclable packaging; offer trendy doggy bags (a practice which is already common in some countries, but not so much in Europe); and offer food portions of different sizes (e.g. S, M, L).

Create a community

However, independent outlets (which make up the majority of the market in every country) are very reluctant to change, notably because the hospitality and foodservice industries are cost-driven and function on a short-term basis. With this in mind, we believe that the best way to challenge the status quo would be to take a page from the collaborative economy handbook and create a community of foodservice professionals. Indeed, although the collaborative economy worries many professionals due to concerns about unfair competition, these new business models can also be a source of inspiration for those who wish to make their business more sustainable.



Dr. Christine Demen Meier has a Ph.D. in Management Sciences. She worked in the hospitality and foodservice industries for over 20 years, founding and managing several hotels and restaurants in Switzerland. She then rejoined her alma mater, the Ecole hôtelière de Lausanne, as a professor, where she created the school's first research Chair in 2011, and currently heads the Innovation and Entrepreneurship department. An expert in entrepreneurship, foodservice and marketing, she has notably conducted studies on topics such as innovations in waste management for restaurants, the impact of the collaborative economy on restaurants, and barriers to technology usage in restaurants.

The sharing economy is not as new as it seems: it consists of age-old practices (trading, re-using, sharing...) expanded and amplified by new technologies. But the technological developments behind the rise of the sharing economy could have a major impact on the foodservice and hospitality sectors: a platform that facilitates the pooling of resources (be it space, infrastructures, tools, or staff) would help them diminish their carbon footprint (less purchases) while also giving them access to innovations that would otherwise be too expensive or difficult to use (by sharing infrastructures and tools).

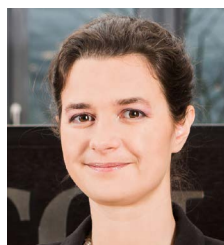
An additional advantage of a community over smaller-scale partnerships is that it would encourage other industry players to collaborate with their hotels and restaurants. One difficulty for restaurateurs and hoteliers is the fact that, to a large extent, their carbon footprint stems from problems they cannot control,

such as overpackaging by suppliers, customer behavior, the organization of waste collection in their area, and the recycling technologies available to them. They therefore expect – and need – other stakeholders to help them make their businesses more sustainable. Suppliers play a key role in this regard, as they cannot only provide more sustainable products that are packaged and transported in environment-friendly ways, but also other types of solutions: IT and technological tools, training, and contacts with other professionals, to name a few.

Because sustainable development is a shared concern, sustainable initiatives should be conducted as a collective effort. And the good news is that a community of professionals would not only have environmental benefits, but also improve the industry and make it more durable.

Stéphanie Buri is the coordinator of the Saviva Food and Beverage Chair at the Ecole hôtelière de Lausanne. She has an MSc in entrepreneurship and specializes in quantitative analysis and innovation in the F&B industry. She is also in charge of marketing and communication for the F&B Chair. Before joining the Chair, she worked in Madagascar, where she was in charge of purchasing and operational activities in several restaurants.

Clémence Cornuz has an MA in English literature. Her interest in the symbolic and cultural dimensions of food and consumption practices led her to join the Ecole hôtelière de Lausanne at the end of her studies. There, as a research associate at the Saviva Food & Beverage Chair, she gets to explore these topics from a different angle. In addition to her research activities, she is in charge of academic communication and edits publications.



Taking the “Buy Local” movement from version 1.0 to 3.0

by **Aurora Dawn Reinke** 

Is your hotel sourcing from local vendors? Chances are that you are already riding this wave, at least to some degree. But while offering your guests food that is locally grown will win you praise from guests and local partners alike, this is only an “entry-level” activity compared to higher-impact measures you can take, vaulting you into the role of a true local economic driver. Astrapto’s Aurora Dawn Reinke walks us through some ideas and opportunities leading to an “investment and incubation” mindset.

The local movement is hot. Travelers want local and authentic, such as chef-owned restaurants or indigenous cultural experiences. Local is more than just smart marketing; it’s an essential part of a sustainability strategy, benefiting the surrounding community. Hotels have caught on to this trend, but need to get savvier at implementing truly differentiated offerings and impact.

Where exactly is “local”? Local is in the eyes of the beholder. Eco-certifications have interpretations of what constitutes local, but most range within 250 miles (400 km). Your location may not fit neatly in a 250-mile radius due to geographical, political, or infrastructure constraints. Boundaries might be better defined by regions visitors recognize, such as Loire Valley or Chesapeake Bay.

One way to think of local is in expanding radiuses. For example, a property in Milwaukee will use olive oil even though olives sufficient to produce good oil do not grow within 250 miles. So local in this case may mean oil from California rather than Chile or China.

I think of a “buy local” strategy at three levels. A hotel adopting a buy local strategy will face increasing challenges and opportunities with each successive phase of a buy local strategy.

Local 1.0

This is basic sourcing from established local vendors – usually ingredients, such as seasonal vegetables and fruit, or regional cheese and dairy producers. This could range from visiting the farmers market on Saturday mornings to working with large distributors who facilitate relationships with local suppliers.

There are two opportunities and challenges in Local 1.0:

While many hotels are engaged in Local 1.0, most do not measure impact. What percentage of fruits come from local purveyors? What is the local economic and social impact? What is the environmental improvement? Establish a baseline and benchmark performance so once you upgrade, you can tout progress.

In Local 1.0, overcome basic challenges such as inconsistent annual yields. One year there might be a glut of blueberries and another year a dearth. Learn how to adjust menus while keeping the customer and the brand happy. The objective is not 100% local. After all, you’re not going to stop serving coffee because it’s not grown nearby!



Local 2.0

The hallmarks of 2.0 are differentiation and strategic partnerships. You begin to source the story, identifying companies and products that will captivate guests. Here are examples of Local 2.0 opportunities:

Offer local packaged food. Does your breakfast table have the standard selection mini-jars of jams from top brands in the most common flavors? Why not partner with a local producer to offer unique packaging and flavor variations that disrupt the stale routine of the traveler? Younger generations crave something different. They are looking for a reason to Instagram breakfast, so give them one.

Add local snacks and beverages to your sundries shop. Social enterprises use food production to offer workforce development

to underserved populations. Is your snack inventory filled with tried and true standards from national brands, or do you serve a chip with a social impact?

Display art from a local artist, especially one that reflects regional culture.

Custom design amenities. Partner with a local maker of soaps and lotions to create a product that is an authentic reflection of the locale and your brand.

The challenge with Local 2.0 is procurement and contracts are less straightforward and require creativity. Negotiations will be facilitated by building relationships with local entrepreneurs.

Local 3.0

Local 3.0 is deepening the impact; it's about investment and incubation. Here are examples of how a hotel can be a local economic driver:

Mentor. Help entrepreneurs break into the hotel market. Provide a Hotel 101 overview of the terms and concepts they need to understand to sell to and service the industry. Give guidance on product design, formulation, packaging, pricing, and delivery based on industry standards and preferences.

Facilitate. Offer space and resources, such as off hours in the kitchen to produce a packaged product. They have the idea, the recipe, the technique; you have the space, equipment, and local food safety licensing. Allow entrepreneurs to meet in unused conference rooms. Arrange for guests and entrepreneurs to interact at tastings, showings, or other events.

Incubate. Create an economic opportunity for local entrepreneurs. Hold a contest asking locals to invent your next new menu item or mini-bar snack, then provide a small investment to launch this new product.

The Local 3.0 challenges are more risk as well as investment in relationships, development, negotiation, and problem solving; however, the return on a Local 3.0 strategy is to give your guests custom designed experiences and products they simply cannot get anywhere else.



***Dr. Aurora Dawn Reinke** is a passionate speaker and consultant specializing in sustainability. She has worked in a variety of industries and most recently in hospitality education, teaching and designing programs for executives and students, in the US and internationally. Aurora launched Astrapto LLC in 2016 to bring practical approaches to corporate responsibility for the hospitality industry. She holds a Bachelors in Business Administration in Information Systems from Georgia State University, a Masters in International Business from University of South Carolina, and a Doctorate in Business Administration in Social Impact Management from Walden University. She is a Certified Sustainability Associate from the International Society of Sustainability Professionals, a LEED Green Associate, and Sustainable Tourism Professional from the Global Sustainable Tourism Council.*

Sustainability = community

by **Alexandre Tsuk** 

How can hoteliers get started making their environment cleaner and their businesses more sustainable? Alexandre Tsuk, founder of www.bookgreener.com, describes how one group of hospitality professionals established an informal community to help each other achieve these goals.

Bali is a paradise. But for how long? The island is put under tremendous pressure from the ever growing number of tourists visiting every year. The hospitality industry is partly responsible, generating negative impact: massive waste issues, disappearance of fresh water from the ground, impact on the communities, the culture. Luckily some business owners care about the impact they have on the place they live in. Not only do they aim to minimize their negative impact, but they also want to be a force for good. They understand that we need to protect the beauty of Bali, the very reason people visit the island. But they don't have time! They need to focus primarily on growing their own business, are often isolated, and realize that it is hard to make a tangible impact by themselves. So they got together to form a brotherhood, a group of like-minded "mindful owners" who care about Bali. They grow each other's organizations, support one another in their operational challenges and make a positive impact on this beautiful island.

Who are they? Large resorts, small independent eco places, villa owners, yoga centers, restaurants, organic food and clothing shops, NGOs, etc. The activity does not really matter as long as the vision and mindset of the owners are aligned. They are all givers, they care about the development of their organization, but they know that by sharing their knowledge, contacts, and tips with the group, they will receive more in return, often in ways they did not expect.

It is a very active community. The members who are available meet for a day once a month, each time at the site of one of the members. This is a rare opportunity to get out of their routine, a moment for real connection and a time for expanding their knowledge with the intervention of international experts on subjects such as permaculture, how to communicate sustainability, or becoming more energy efficient. It is also a time to discuss how the community is operating and to agree on how to solve common challenges, for instance legal issues, recruitment, training, impact on local communities, or waste management.

We have also created the "Authentic Business Circle", where owners meet to share their struggles in a safe space. Everything shared is highly confidential, and no one is judging or giving advice. As a consequence, people feel closer to each other: they go out for dinner together and the conversations always end up shifting away from business, with members becoming friends, likely to support one another outside of the circle.

The members also stay at each other's properties, recommend their guests to visit each other's sites, and purchase from each other's businesses. They reach out to the group when they need to solve operational challenges, search for a specific supplier or a specific type of training for their staff, or they need to recruit a new team member. They share each other's posts on social



media and recommend bloggers to one another. As members are busy people and not always available to meet off-line, most of the interaction happens online through an efficient messaging tool.

Of course, the goal of the community is not only to grow each other's activities, but also to optimize our positive impacts.

The members have so far initiated two projects: RefillMyBottle and Precious Plastic Bali.

RefillMyBottle provides a simple solution to the complex problem of plastic waste. We have created a network of RefillStations that are listed on an online map. Anyone can use these RefillStations to refill their bottles as an alternative to buying water in plastic bottles.

Precious Plastic Bali aims at tackling locally the issue of plastic waste. We built a machine to shred all sorts of plastics into

flakes. Still in a trial phase, the vision is to empower local entrepreneurs to recycle plastic and earn an income from this, and to change behavior by creating hubs where plastic can be left, since waste collection can be a real issue in many villages or neighborhoods. The members will fund the machine and mentor the local entrepreneur, who will purchase plastic waste from his neighbors as long as the plastic is clean and dry. He will then sort it in seven types, and shred it to reduce its volume. At the end, he will sell the flakes to the plastic industry as raw material.

One other project initiated by two yoga centers consists in offering a Yoga teacher training retreat for Balinese, since the vast majority of teachers are foreign.

At BookGreener, the members believe that they are the ones they have been waiting for and that all solutions can be found within the community.

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***Alexandre Tsuk** has a passion both for hospitality and sustainability. After working for years as a General Manager in France and Laos, he decided to create bookgreener.com, listing all the green hotels he could find around the world. He also started a series of podcasts and webinars on sustainability. Unfortunately, he says, he never managed to get enough people to book through his website, so a year ago he pivoted his company which is now a community of change makers, hospitality professionals aiming at making a positive impact.*

Four years of sick leave created the vision to make the Nordics more accessible

by *Magnus Berglund* 

Accessibility isn't just about expensive technical solutions and practical fixes, writes Magnus Berglund, Accessibility Director at the Scandic Hotels Group. "It's about providing excellent service and showing we care." He believes that for hotel companies, making spaces accessible should be seen as the source of a whole new range of clients rather than a financial burden.

Since 2003, we've been pioneers when it comes to making our hotels accessible to everyone, regardless of ability, with our award-winning accessibility initiatives and "Design for All" concept. Today, we have an unprecedented position in the hotel industry when it comes to accessibility, and our online training course is available to everyone. But it hasn't always been like this. It all started back in 1999. I was working as a chef at a Scandic hotel in Sweden when I was diagnosed with a rheumatic disease that put me on sick leave for several years. As you can probably understand, this changed my life completely.

A few years later, I was planning a trip, but my illness made walking difficult. I began checking the websites of various hotel chains but couldn't find any information on accessibility for guests with special needs, which I found surprising. In Europe alone, 65 million people have some form of disability: that's a huge market to ignore.

I began to understand that accessibility was potentially a hot topic and decided to present my ideas to Scandic's management – namely how to attract more guests by making our hotels more accessible. They asked me to work exclusively with accessibility in 2003, so I guess my message got through.

Today, I'm Accessibility Director within the Scandic Hotels Group – the largest hotel operator in the Nordic countries, named the world's best hotel company when it comes to accessibility by the World Responsible Tourism Awards 2015.

With 230 hotels and 15,000 colleagues in seven countries, my schedule is filled with traveling, lecturing, training team members and taking part in meetings when we open or take over new hotels.

We've come a long way in making accommodation accessible in the Nordics. We always bring our knowledge of accessibility to the design and construction process at an early stage, implementing smart solutions that cater to the diverse needs of all of our guests, from people with reduced mobility to the blind and deaf. And our "Design for All" concept means that our accessible hotel rooms are just as well designed and stylish as the other rooms in our hotels, with smart solutions that go almost unnoticed except by those who really need them.

In addition to smart solutions, we were quick off the mark in drawing up our own accessibility standard and training team members in accessibility. In consultation with guests, team



Magnus Berglund is the Accessibility Director at Scandic Hotels, a position he has held since 2003. Scandic Hotels is the largest hotel operator in the Nordic region with a unique geographic network of 230 hotels and about 45,000 hotel rooms in seven countries. Magnus has created a unique program for the Scandic hotels which has made the company the world's leader in the tourism sector for accessibility for guests with special needs. Scandic has received numerous awards both in Sweden and internationally for its successful accessibility work, and Magnus is an internationally known ambassador for full accessibility.

members and organizations for people with special needs, we developed a checklist of 135 points called Scandic's Accessibility Standard that covers all products and services at our hotels. It includes everything from providing vibrating alarm clocks/smoke detectors for guests to borrow, to adapting the height of the desks at reception for guests in wheelchairs, to making sure that hearing loops are available in our meeting rooms.

In 2015, we launched our "Breakfast for All" concept, a breakfast buffet that can be enjoyed by most vegans and people with allergies as well as those who tolerate lactose and love bacon. And this year, we launched a new meetings concept that includes a new food and beverage concept designed to suit everyone, regardless of allergy or other preferences. The result is a delicious experience for more than just a few people.

That said, making sure everyone is welcome is easier said than done, and I still get questions about what it costs to make our operations accessible. In our view, making spaces accessible should be seen as the source of a whole new range of clients rather than a financial burden.

Accessibility isn't just about expensive technical solutions and practical things like mobile lifts – it's about providing excellent service and showing we care. Making sure everyone can reach the coffee cups in the breakfast area and that shower nozzles are at a reachable height for people who use wheelchairs.

Providing guests with disabilities and other special needs with a barrier-free stay is my main driving force, and I'm convinced that it's all about sharing knowledge and training our team members in accessibility. There's still a lot to do and I hope you'll join us in making sure that these issues are prioritized topics within every possible area.

As for me, I will continue my efforts to ensure full accessibility for all guests until the day that everyone – whether they have a broken leg, hearing impairment, use a wheelchair or need a little extra consideration for other reasons – can travel and stay completely hassle-free.

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Measure building performance: Embrace your staff!

by *Jean Lupinacci* 

Although technology undoubtedly forms the backbone of successful sustainability programs, getting the most out of technology can sometimes be a challenge, as Jean Lupinacci describes here. Her work at the US Environmental Protection Agency confirmed the design, integration and operation of technology were all key success factors – but so was the level of engagement of the people working in the buildings where the programs were installed.



It's hard to imagine that a government agency can have a unique peek into the sustainability practices of thousands of businesses, but at the US Environmental Protection Agency, we have a window into the programs of thousands of ENERGY STAR partners across all sectors of the economy. The hospitality industry isn't alone in making environmental sustainability an integral part of operations. We see companies actively pursuing reductions in energy, water and waste, because there is a strong business case without jeopardizing comfort or performance.

Technology forms the backbone of successful sustainability programs. Adoption rates are growing rapidly for LED lighting, advanced heating and cooling systems, and controls that regulate when equipment should be on and off. Future trends point toward connecting equipment, data and guests to provide increased efficiency and a better customer experience.

Nonetheless, getting the most out of technology can sometimes be tricky. EPA reached a startling conclusion when studying building performance to develop the ENERGY STAR strategy for commercial buildings. Neither the presence of efficient equipment nor the age of the building were strong predictors of energy performance. This trend held across all different types of buildings and seemed counter-intuitive. Shouldn't new buildings with the latest technology be among the best energy performers?

Many facility managers are familiar with why this happens – buildings are heated and cooled simultaneously to keep temperatures and humidity levels constant; oversized systems are installed in hopes to cool on the hottest day or heat on the coldest day; and even efficient lighting systems are over-designed for the task, or left on when people aren't in the room. These, and other common situations, can waste on average 30% of the energy use in a building.

The lesson we took away was that design, integration and operation of technology plays a critical role in delivering performance and sustaining savings year over year. As more organizations measure building performance to identify and correct performance issues, mature programs are looking toward the next generation of opportunity. Where are they looking? To embrace their people.

The broader workforce stands ready to assist in achieving corporate sustainability goals. This is not a high tech approach, but an often underutilized opportunity to achieve savings, and it is being embraced as part of a growing number of sustainability programs.

People play a critical role in driving down energy and water use and waste generation. From education to rewarding staff for finding new opportunities to save, small changes in their behavior can make a big impact. When EPA launched our first national building competition, a Courtyard by Marriott hotel in California competed against other buildings to work off energy waste. They effectively created a Green Committee to identify sustainability opportunities and gave bonuses to associates based on reductions. In one year, this team helped reduce energy consumption by 8.6% at their hotel. This is just one example. We see an increasing number of organizations adopt efforts to engage people in their organization.

In thinking about the next evolution of sustainability, of course look to advanced technology to make gains, but don't overlook the role that your workforce can play. Here are a couple of reminders based on the best practices of ENERGY STAR partners:

- Don't assume top performance. Just because you have the latest technology, the facility isn't automatically a high performer. Evaluate how the systems are integrated, operated and controlled to efficiently meet the needs of the occupants.
- Know how you compare. Measure building performance in the context of the entire portfolio and benchmark each facility with other similar properties to start uncovering waste and to target your investment opportunities.
- Train for a marathon, not a sprint. After the installation of equipment, endurance is needed to achieve and maintain the best performance over time.

Tap the power of the people. Don't forget employees are there to help. The workforce of today is interested in working for companies that have a strong commitment to sustainability and they want to be part of it. By engaging them you can build a corporate culture of improvement, find it easier to achieve goals and maybe have some fun along the way.

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Jean Lupinacci leads the ENERGY STAR program in the commercial and industrial markets at the US Environmental Protection Agency (EPA). Over her 30-year career there, she has championed the idea that it is possible to build partnerships between government and business to capture and channel the ingenuity of the marketplace to overcome barriers to energy efficiency and prevent pollution rather than remedy it.

The long lost art of the green team

by *Jeanne Varney* 

In a hotel, how do you get moving on identifying and implementing practical sustainability ideas and activities? Many properties have a “green team” tasked with doing just these things. Cornell’s Jeanne Varney explains how to get such a team successfully set up and working effectively.

Green teams in hotel organizations are nothing new. However, only a small percentage of hotels commit the time and resources necessary for a strong, productive and visible green team. Many times the team consists of a collection of volunteers that have a passion for sustainability, however they may lack the leadership and strategic vision necessary to optimize sustainable results for the property.

As with most initiatives, a primary key to success is to have the support of the hotel’s Executive Committee and General Manager. Employees will work harder towards green goals when they see that these policies and practices are a priority of hotel leadership.

A valuable step in the process of setting up, or relaunching a green team is to use a *value proposition*. It helps to communicate the value proposition of green team to the hotel staff because it will enhance buy-in when employees understand *why* they are performing certain tasks.

Value proposition

The value proposition of green teams may vary from property to property, however, here are some general benefits that accompany the activities that are designed by this committee. These benefits may also be used when seeking support from ownership or management company executives for sustainability activities.

- **Cost savings.** The property will realize a positive payback on any investments made (in time or money) that reduce energy and water consumption and waste generation.

- **Attracting and retaining human talent.** Today’s workers are more educated and conscious of environmental and social issues than ever before. Many individuals feel that it is important to align their personal values with their employer’s values. Also, creating positive change can result in a powerful sense of accomplishment, which enhances employee satisfaction.
- **Attracting and retaining customers.** It is common today for corporate travel managers to survey hotels regarding their sustainable practices as a part of the request for proposals process. In addition, there are a growing number of individual travelers that are using “green hotel” as a criteria in their search for lodging accommodations. Research regarding the relationship between a hotel’s sustainability practices and guest satisfaction has shown that when a hotel is organized in its programming, guest satisfaction increases.
- **Healthier indoor environment.** An enhanced indoor environment includes practices such as the reduction of toxic cleaning chemical use, occupant lighting and temperature controls, and increased daylight exposure. These practices have multiple human health benefits including reducing toxic odors, increased productivity of occupants, lower rates of illnesses (particularly respiratory) and lower rates of absenteeism.
- **Regulatory compliance.** Regulations regarding energy and water consumption and carbon emissions continue to grow. Thus the need to measure, control and report on these metrics is necessary, if not now, likely in the near future.
- **Aligning stakeholders with corporate values.** Not only are employees interested in working for a company that is congruent with their personal values, stakeholders (investors, partners, suppliers, etc.) are also now looking at a company’s social and environmental commitment as a reflection on their own values.



Jeanne Varney, LEED Green Associate, GGP, GRI, CHA, is a Lecturer at The Hotel School in the SC Johnson College of Business at Cornell University. She is responsible for the curriculum in Hospitality Facilities Management, Hospitality Asset Management, Sustainable Development and Introduction to Sustainable Hospitality. She has authored chapters in industry related textbooks, created eCornell online courses and taught a variety of executive education seminars. Jeanne is also a Principal with Olive Hospitality Consulting. Prior to joining Cornell, she held positions with Host Hotels and Resorts, Marriott International, Landauer Hospitality Consulting, The Ritz-Carlton Hotel Company and Four Seasons Hotels and Resorts. Jeanne holds an MBA from The George Washington University and a BS in Hotel Administration from Cornell University.

Contributors to success

Guidelines for setting up and executing the green team are somewhat simple, but require consistent and timely execution. *Property leadership support* has already been mentioned as a required component for success. Here are other recommendations for enhancing the green team's effectiveness and longevity.

- **Cross-functional, but volunteer committee.** This committee is most successful when it is comprised of members that have a passion for sustainability. It requires volunteer representation from most of the departments in the hotel to ensure the initiatives serve all stakeholders at the property.
- **Strategic plan and goals.** It is important that this committee put together a vision, major goals, activities that will assist in meeting the vision and goals, a calendar of activities, and to write *everything* down in a living document that future committee members can use over time. Using the SMART goal setting method enhances the outcome of meeting goals (i.e. the goals are **S**pecific, **M**easurable, **A**ttainable, **R**elevant, and **T**ime-Boxed).
- **Communicate and solicit outside input.** The committee needs to stay active and energized to maintain its profile, achievements and leadership support. Regular communications to the hotel leadership team as well as associates will keep the green activities top of mind and garner more support. In addition, the committee should solicit outside input/feedback from other hotel associates, particularly for community engagement activities. This will generally increase overall buy-in of activities and to bring forth opportunities for new and diverse programming.

- **Celebrate efforts and accomplishments.** When people work hard on initiatives, they like to know the results of their efforts. Therefore, the green team should periodically assemble these results and celebrate the collective efforts/results of the hotel. It may be done in a newsletter, a poster in the associate cafeteria, or even as a part of an all-employee meeting.
- **Review, revise, and relaunch.** A best practice when executing a strategic plan is to “post-audit” each activity to see what went well, what should be changed, and what would work best for the next program. These post-audit write-ups should contain “lessons learned” that will help the green team of today, and tomorrow, evaluate how to direct future activities to achieve optimal results for the property and the community where it resides.

Although having a green team at a hotel property takes time and effort to manage (and maybe some minimal funding), the benefits to the financial statement, physical property, employees, guests and community, far outweigh the small costs to execute a strong strategy.

For more ideas on what to include in the strategic plan as well as activities, International Tourism Partnership is an NGO that provides free resources at www.tourismpartnership.org and be sure to reference the Going Green guide (available in multiple languages).

On social sustainability: An alarming global trend and how to disrupt it

by *Jan Edwards* 

The vast majority of hotel guests are experiencing the pleasures of travel, the relaxation of a well-earned vacation, the joy of being pampered... However, for a small number of hotel visitors, the experience is as far from these pleasures as imaginable: victims of child sex trafficking, who are brought to a hotel against their will and essentially living a life of slavery. As Jan Edwards of Paving the Way, LLC explains, with training, your staff can spot the signs of trouble and help put an end to this nightmare.

The ever-expanding supply of hotels and a strong tourist market make way for a bright future in the hospitality industry. However, while growth and expansion may equate to environmental stress in many communities, there is another dark trend happening around the world. Ignoring that trend can have a negative impact on your property, your staff, your reputation, and most importantly, your guests.

That trend is human trafficking. And specifically: child sex trafficking, which has taken proportions similar to a global pandemic. It's happening in many large metropolitan areas of the world but also in smaller cities. According to the United Nations, over 5.4 million children are being exploited every year, with a growing tendency.

The average age of the victims is 12 years, but children as young as 6 years of age are used as forced labor, domestic servants, or sex workers – living a life we cannot even begin to imagine.

Unfortunately, hoteliers are part of the problem.

50% of sex trafficking happens in local hotels and motels around the world. It mostly goes unreported by staff, as they are not trained to interact with a perpetrator or victim. They see it happen every day and go home every night wondering what they could or should have done about it.

As a hotelier, you may be inclined to deny that this is happening at your property and feel some discomfort in reading this article. That's OK.

In fact, the only way to truly disrupt the cycle of child sex trafficking is to be aware of the problem, learn the signs and, most importantly, be empowered to act.

One must know that children are brought to hotels, not by choice but by force. It is at that moment that they become invisible, helpless and trapped.

But is it preventable? The answer is unequivocal: Absolutely!

The solution starts with all of us, and I am inviting hoteliers and staff at hotels to be an active participant in ending such criminal acts by following these steps:

First, EDUCATION: Be aware of the signs to look for

The victim will often show one or more of the following signs:

- Appears disheveled, disoriented
- Signs of fear, anxiety or tension
- Dressed inappropriately
- Visible “ownership” tattoos
- Girls with visibly older males
- Treated in a demeaning or aggressive manner

At the front door or front desk, the following is often observed:

- Room is paid for with cash or with a different card than the reservation
- Request more keys than guests
- Few or no personal possessions
- Minor with patron late at night
- Minor with visibly older man, may not speak the same language



In the rooms, the following is often observed:

- “Do Not Disturb” sign on the door 24/7; refuse cleaning
- Excessive amounts of sex or drug paraphernalia in the room
- Multiple computers, cell phones, pagers, cc swipe devices
- In-room dining for multiple days

Second, EMPOWERMENT: Have your team take action

Depending on where you are located around the globe, obtain the information on where staff can report suspected activities. In the United States, the National Trafficking Hotline number should be available to staff where calls can be made 24/7. In the US, that number is 888-373-8888, or they can text “Help” to 233733.

Third, PREVENTION: Reduce risk

It is crucial for hotels to provide prevention training. As prior cases have shown, there is a liability risk where hotels have been prosecuted by victims of trafficking. Another step is to share this article and post information on the company’s Intranet.

Engaging in conversations during daily stand up meetings will also be useful. There are many resources both offline and online to protect your property, your guests, and ultimately, innocent children.

You have the opportunity to make a tremendous difference around the globe only if your team is empowered to interrupt and interact with a victim or buyer as well as to inform management and save a child from a life of slavery.

The solution starts with us. Together we can pave the way to a brighter future. So let’s Educate. Empower. Prevent.



Jan Edwards leads is the founder and CEO at Paving the Way, an organization committed to being a fierce disruption in the cycle of sex trafficking in the US through educational and training programs that empower communities. Jan spent over 25 years as an executive in sales and marketing, working with organizations like Time Warner, Bright House, the UN and other international organizations, before taking on the worldwide initiative to prevent children from becoming victims of this silent crime. She’s been featured in Huffington Post, Epoch Times, Marie Claire UK and iHeart Radio as an expert in prevention. Jan is also the writer and producer of the award winning film “Trapped in the Trade”, which was featured on CNN during Trafficking Awareness Month.

Changing the role of host: From pampering guests to truly engaging with them

by *Elena Cavagnaro*  & *Frans Melissen* 

Over the last years, the hotel industry has massively reaped the low hanging fruit of eco-efficiency. Several sustainability champions have surely gone further, but the majority of hotels still approach sustainability as a cost reduction opportunity. However, as Elena Cavagnaro and Frans Melissen write, sustainable development demands radically new business models able to create long-term value on an environmental, social and economic dimension.

Will hotels engage more fully with sustainability in the upcoming years? On the basis of our conversations with high-level managers in the hotel industry, hotel suppliers, and hotel guests, we are able to sketch three answers to this question, each based on a different drive for change.

1: Driven by pleasure

Guests desire to be pampered in a hotel, and therefore any sustainability measure that may negatively affect guests' pleasure, should be avoided. Think for example of low-flow showers, waste separation by guests and not serving tasty fruit, such as strawberries, out of season. Guests may complain – and indeed, some do complain – about these measures, because they negatively affect their guest experience. In sum: guests are, and always will be, pleasure seekers.

This is at least the general opinion that the hotel managers with whom we have spoken have of their guests: guests are unwilling to let go of comfort for the sake of sustainability or to join any effort to contribute to sustainability measures being taken by the hotel. Therefore, sustainability measures will be taken only if they do not disturb the guest, will mostly occur in the back of the house, and are driven by third-party innovation. However, sustainability driven by pleasure will not be enough to cause a breakthrough in the way most hoteliers engage with sustainability.

2: Driven by innovation

Suppliers to the hotel industry are aware of hoteliers' vision regarding guests and claim leadership in developing innovative, sustainable solutions that are acceptable to pleasure-seeking

guests. Suppliers are increasingly committed to designing for sustainability and offer sustainable products for the front of the house with a luxury touch and feel.

Simultaneously, suppliers admit to being dependent on all actors in the chain and their readiness to produce or accept sustainable innovations. Ultimately, suppliers agree with hoteliers that the present generation of guests is not particularly interested in and open to sustainability. Suppliers, though, are convinced that the younger generation, who already represents one in four tourists, will demand it. This demand will drive technological innovation, and in five to ten years this will lead to sustainability being fully integrated in hotels. Future hotels will be energy and food suppliers themselves, and will intensively cooperate with the surrounding community. It is this vision that is driving suppliers' efforts in taking the lead in sustainable innovation.

3: Driven by demand

What about guests' own opinion? Do guests see themselves as pleasure-seeking individuals who do not wish to be bothered by a hotel's sustainability efforts? The straightforward answer we got by listening to guests on different hotel premises in the Netherlands is: increasingly not.

Guests are much more savvy on sustainability than many hoteliers, suppliers or researchers assume. For example, they are able to mention many more sustainability measures that hotels can implement than the limited range usually considered in literature. Some guests are highly knowledgeable – and very critical of hotels' mainly cost-driven sustainability policies. This



is also the reason why they are not prepared to pay more for “sustainability”; it is not actually sustainability that they see being offered by hotels, but merely eco-efficiency. The half-hearted way in which hotels implement sustainability is also the reason why they are reluctant to get involved as guests.

Simultaneously, most guests are worried about the negative impacts of hotel operations. They wonder, for example, about the disposal of individual amenities and about the amount of food waste generated by (breakfast) buffets. In both cases, they are actually ready to waive some comfort for the sake of sustainability, by approving of refillable dispensers and of waiting for a buffet item to be refilled.

It has to be said that, so far, guests have not pro-actively and strongly voiced their concerns and their wish to engage with hotels’ sustainability policies. Yet, when listened to, guests do express the desire to engage with hoteliers in a conversation about sustainability. In other words, sustainability could actually be driven by demand if and when hosts let go of their assumption that guests only desire to be pampered, and truly engage in a constructive conversation with them.

Conclusion

Sustainability is here to stay, and the role of hosts will inevitably change in the next few years: from pampering guests to truly engaging with them. How quick hoteliers will join the transition from an eco-efficiency approach to a fully integrated approach will depend on their readiness to let go of their erroneous vision of guests as pleasure-seeking individuals, ignorant of sustainability opportunities. ■

Dr. Elena Cavagnaro is Professor of Sustainability in Hospitality and Tourism at Stenden University of Applied Sciences in the Netherlands. She is also a visiting professor at the University of Derby (UK) and the University of Macerata and Bergamo (Italy). Elena has consulted several organizations in sectors such as hospitality, retail, and health care on sustainability strategy and implementation. In line with her understanding of sustainability as a multi-dimensional and multi-layered concept, her research focuses on issues that run across and connect the social, organizational and individual layers of sustainability. The book “Three Levels of Sustainability” which she co-authored with G. Curiel is a bestseller.

Dr. Frans Melissen is a Professor of Sustainable Business Models at NHTV Breda University of Applied Sciences in the Netherlands. He holds a PhD in industrial engineering and management science. His research focuses on the link between sustainable development and human behavior, with special emphasis on mitigating the social dilemma by means of sustainable business models. Frans has authored and co-authored a number of papers in refereed journals, presented at various conferences, and has (co-) edited/(co-)authored and contributed chapters to various (text)books. He is also the Scientific Director of the EU research project Smart City Hospitality (SCITHOS).



How digitalization, the Internet of Things, and New Work are shifting sustainability paradigms

by [Verena Vinke](#) & [Marc Wagner](#) & [Jakob Schofer](#) & [Martin Pietzonka](#)

In the world of hospitality, digitalization opens up many more opportunities than having robots manning the reception and the myriad similar visions rooted, at least a little bit, in science fiction. Instead, the sustainability benefits extend to an overall healthier workplace environment, write Verena Vinke and Marc Wagner of Detecon International GmbH, and Jakob Schofer and Martin Pietzonka from the Innovation Center Connected Living e.V.

Sustainability has certainly been one of the most frequently heard buzzwords in recent years. Sustainability reports have become a matter of good form for companies. It is growing in importance for the hotel industry as well, and the spread of digitally interconnected technologies and the “Internet of Things” (IoT) open up immense opportunities for the hotel industry, whether large hotel chains or small, privately operated hotels, to anchor sustainability in their business activities.

Energy use and supply

Interconnected technologies for energy generation and energy use offer huge potential for improvement and realize measurable success. Interconnected smart micro grids and smart energy management systems represent an opportunity for hotels to generate renewable energy locally at low cost and to use it intelligently. The power they generate themselves (e.g. from connected solar parks) can be stored locally and, depending on the weather forecast or the number of guests, be used on site or fed into the power grid. Thanks to the Internet of Things (IoT), all power consumers in the hotel can be monitored, and the chance to steer devices digitally, automatically, and intelligently secures gains in efficiency. Connected sensors and

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actors (e.g. window and door contact sensors, temperature sensors, movement sensors, smart thermostats, blinds operation controls) optimize energy consumption for heating and cooling systems according to the use of rooms and reduce energy costs. Interconnected lighting systems improve the control of illumination. For instance, sensors make it possible to adjust light intensity according to outside light. The renewable energy generated and stored in the hotel can also be used, for example, to charge guests' electric vehicles via charging stations integrated into the hotel's facilities, thus extending the hotel's ecological contribution.

Optimized room-cleaning processes provide a vivid example of how sustainability can result in many different benefits from energy savings alone in the hotel business. The collection, analysis, and assessment of real-time data through digitally networked sensor systems lays the foundation for predictive planning and sustainable use of resources. Towel, soap, and toilet paper dispensers, for instance, can be refilled as necessary and procurement and storage can be optimized. This often eliminates the intermediate step of checking inventories. Fill levels are recorded by interconnected sensors and the frequency of use by hotel guests is determined. The data generated in this way are communicated to a central server that assesses the data and forwards its results to the cleaning personnel as appropriate to needs. The staff is automatically notified as soon as room cleaning is required or dispensers must be refilled. Greater automation will also release personnel capacities that can then focus more sharply on service quality.

New Work in the hotel industry

Besides the new ways of looking at solutions made possible by digitalization and IoT, so-called "New Work" concepts offer enormous opportunities for designing hotels to be more sustainable in the future. For instance, Motel One – one of the leading hotel groups in the budget design segment – relocated its office workplaces to the AHP Enterprise Cloud of the Cancom Group in 2012. The result is that the activity-

based working concept has now entered the hotel industry, whereby the employee's workplace is selected by the employee according to what must be done on that specific day. Virtualization of the workplace environment features a number of different benefits:

The Motel One employees can access office applications at any time from any location, heightening workers' flexibility and ability.

Moreover, local IT support can be eliminated, because Cancom provides all software applications automatically from a central location and ensures that they are always up to date. The outsourcing of IT services at the same time ensured that the privacy level meets the highest standards.

Furthermore, the PC workplace generates costs only when it is actually used because of the billing system that is based on use.

Besides the boost in efficiency and productivity, digitalization provides opportunities to optimize the work organization and the use of rooms in hotels. The hotel was once a place where guests only slept and ate, but today they use the rooms for many other purposes. A hotel can be a productive work environment with quiet work zones and meeting areas as well as a social meeting point for networking.

Following the holistic path to success

There is much more to digitalization than the pursuit of trends such as the extensive deployment of robots at the reception and the related "dehumanizing" of hotel service. Focus should concentrate on an efficient and healthy working environment, the satisfaction of customer needs while taking into consideration environmental impact, fostering of the local environment, and consequently the "contribution to a greater good." Sustainability must not be used as a fig leaf, but must be seen as an explicit differentiation factor and – above all – be lived as a vital element.

■

Jakob Schofer has been a project and innovation manager at the Innovation Center Connected Living e. V. since 2015. His tasks include business model development in digital life, as well as the initiation of cooperation and funding projects within the company network. He completed his master's degree in business engineering and management at the universities in Berlin (Technical University) and Linköping (Sweden), with focus on logistics and supply chain management.



Martin Pietzonka is Director and Senior Innovation Manager at the Innovation Center Connected Living e. V. He has a diploma in Business Administration, started his professional career as a consultant for technology based startups and worked as Category Manager for Home24, a Rocket Internet Company. At Connected Living, Martin aims to create business models, services and products which make a real difference in people's lives. He supports companies in various sectors develop solutions and business approaches which make life easier, more convenient or meaningful.



Marc Wagner is Managing Partner and Global Head of Transformation, People Management & Integral Business at Deteccon International, where his responsibilities include the subjects of New Work, future HR and innovation culture. He has published a number of studies and articles on these topics. He is also the co-author of the standard work on New Work: "New Work – auf dem Weg zur neuen Arbeitswelt".



Creating the paperless hotel

by **Terence Ronson** 

Have you ever thought about how much paper is still in use – mostly needlessly – in your hotel? Terence Ronson has. For The Hotel Yearbook, he makes the rounds and tallies up all the forms, reports, work orders, requests, lists, folios, CVs, POs, menus, forecasts.... The results are not pretty – and certainly not sustainable.

Since computers began to be used in the hospitality industry in the early 80s, we've had the wildest dream to operate paperless hotels. But what the hey, that's only 35+ years ago, and in an industry marked by apathy to change, this is but a momentary blip in our existence. So why the sudden rush?

Well, for one, we now have the tools. Secondly, we (finally) are starting to get more computer literate people into the business. Thirdly, and perhaps more importantly, this begs the question: how many more tons of paper does a hotel need to continue consuming and wasting in a year? Imagine the number of trees being felled and wasted to meet this requirement?

Maybe this is utopian, or an overly simplistic point of view, but really – why not?



Let's start the process by looking at the guest journey

- Guest's invariably **book** online via an OTA which is electronically interfaced to the PMS. And if for some reason your hotel has not implemented this function, it's high time to get with the program!
- Upon **arrival**, the guest will flash a QR code confirmation on their phone and that auto links to the registration card on a tablet, which they sign with a finger (or in my case, I much prefer the elegance of a stylus). The passport is scanned, and the mandatory credit card swiped on a terminal. Reception then issues a mobile key onto the guest phone, and hey presto! as if by some magic, the guest is on the way to the room in under two minutes. Some hotels already perform this task by using lobby kiosks.
- **Inside the room**, there is almost no paper. A welcome letter is on the TV, the in-room compendium and room service menu, along with breakfast order form, are to be found on an app, the TV or a bedside tablet. One exception to my paperless theory could be the laundry list – but one day, I'm confident we'll overcome that hurdle. I don't consider Bibles or other religious books in this quest, since they are not classified as short-term usage of paper.
- In the **restaurant**, the menu and wine list are on a tablet. The order is taken at the tableside using a mobile device, or by some DIY method, and is then auto-dispatched to the kitchen and displayed on a screen. After dining, the restaurant check is shown to the guest on a tablet, and either signed to the room or settled by an eWallet using the POS generated QR code on the check.
- Upon **checkout** (providing there is no kiosk), the folio is displayed on a tablet, signed, paid for by eWallet and a copy e-mailed. Confirmation of the transaction is transmitted by the payment provider also via e-mail or text message. If applicable, a post-stay experience questionnaire is then e-mailed. And should a guest require a paper receipt, then just print one on a POS like printer as being practiced by all Aryaduta Hotels across Indonesia.

And there endeth the guest cycle.

Back of house

Now that the guest journey has ended comes the biggest challenge of all, BOHB – back-of-house bureaucracy.

I don't know why it is, but we just love paper BOH. Walk into almost any office and you will see it everywhere; piled high in boxes, on shelves, under mugs of coffee, even being used to prop open doors. OMG! I know there is an obscure thought that a cluttered desk makes you look intelligent and busy – but come on now... wake up and smell that lovely coffee you profess to sell!

Let's examine these departments, their humongous paper trails, and see how we can help finally transform them from paper to paperless.

Front desk is one of the largest paper culprits – walk up to almost any front desk (if it still exists – and I question the need for these also) and take a look at the work space of the team. Invariably it's chock-full of registration cards, correspondence relating to the bookings, arrival lists, VIP list, departure list, in-house guest list with balance, 7-day forecast, room status, night reports, PACE report, forex exchange, cashier reports, and A/R balance. These will, of course, vary by time of day, with some being produced a few times in the business day and then dispatched hotel-wide. Oh, and they may also have a shift log book for handover notes.

Housekeeping is also a lover of paper. They will have room status reports to include those out-of-order rooms, room assignments, work orders, log books, lost and found, etc.

Sales departments will produce activity reports to demonstrate how busy they are pounding the pavement for business, and when unsuccessful, all manner of excuses proffered. So, they will show call reports, booking reports, new accounts signed up, lost and new business, and the proverbial comp set analysis.

Purchasing is at the center of the universe when it comes to the ordering and dissemination of goods – whether F&B, housekeeping supplies, engineering supplies, office supplies, etc. They not only receive purchase requests, they solicit vendor bids, create purchase orders, sometimes oversee delivery notes and of course, store requisitions.

HR is not just a lover of people, they too love bureaucracy – with forms stretching across the entire employee lifecycle from recruitment to exit. They range from application form, evaluations, vacation leave requests, salary advance requests, insurance forms, car request forms (only some), internal transfer, uniform requests, IT system access requests, payroll and bank forms, termination/leaving forms, and finally, the exit Interview. Can you imagine how much paper is generated for a multi-year employee?

Accounting is a paper bandit! I've personally witnessed some Accounting Departments in hotels requiring rooms just to archive every single piece of paper consumed in a hotel. And not just the original, but duplicates, either created by carbon paper or NCR type forms. For a department that is supposed to control costs, they must be the largest cost center for paper, whether it be A4 or the perforated type used in dot matrix printers.

Monthly P&L, flash reports, budgets, food cost, beverage cost, stocktaking sheets, journal vouchers, and bank statements just scratch the surface of the paper iceberg found in Accounting.

↓

Banqueting departments rely heavily on paper - and the BEO (banquet event order) seems to be the Holy Grail for them. You will often find them in filing cabinets for future events, and the coming 7 days attached to at-a-glance clip boards lining the banquet office walls. Let's also not forget the requisition forms they will complete for casual staff which then gets passed to HR for fulfilment.

Engineering has its own domain where they will create work orders for the various trades to complete a task - handyman, plumber and electrician. Let's not also forget the planned maintenance element. And don't get me started on requests for spare parts, or the hordes of paper catalogues which could fill multiple filing cabinets, and may never even be looked at.

Then there is **meeting attendance** (morning briefing, department meetings, EXCOM, Finance etc.,) where invariably people walk in with folders full of paper that they may just need, or Moleskine notebooks to use with some kind of signature designer pen. Why?? You all have phones and computers and many now have tablets, all with Wi-Fi access - so why not just use those to take notes and refer to any information you may

need. People chairing meetings and banning these kinds of devices because they imagine you are multi-tasking on your social media and not focusing on their egos, should find the nearest door and close it behind them as they exit the building.

A great gadget I've recently come across is the Samsung Note 8, which when coupled with their D/EX dock converts it to a PC like device, and could be an ideal tool for hoteliers replacing desktops, allowing a hot desk concept, and empowering mobility with increased efficiency.

I'm not so naive to realize that some paper is needed for audit purposes or government filing. But honestly, these should be kept to the bare minimum and electronic filing encouraged to the nth degree. It's high time to examine every piece of paper generated in your business and ask the simple question "WHY?"

PS. The author has no commercial connection with Samsung.

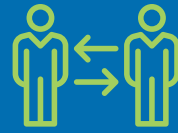
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***Terence Ronson** is the Managing Director of Pertlink Limited. Now residing in Manila after almost two decades in Hong Kong, Terence launched his diversified hospitality career as a chef, later holding various general management positions with well-known hotels in the UK and Asia. In the mid-80s he developed his penchant for technology, and in 2000 started Pertlink Ltd., (Hong Kong) a hospitality technology consultancy, becoming as well the Technology Editor for HOTELS Asia Pacific and authoring since then numerous industry-related articles. In 2001, CNN's eBizasia program featured him for his innovative work at Rosedale on the Park Hong Kong, the first cyber boutique Hotel. It was at that point he originated the first hotel app - HOTELINMYHAND. Terence also helped Langham Place Hong Kong win many accolades for its technology deployment as well as various other well-known hotels across Southeast Asia. In China, Terence was heavily involved in establishing and delivering the IT strategy for Jumeirah Himalayas (Shanghai), Puli (Shanghai), Sofitel Wanda (Beijing), and Guoman (Shanghai). He also participated in the development of the technology vision for Disney Shanghai and Tangula Luxury Train. Terence often chairs and speaks at global industry events and sits on various advisory boards, in addition to holding a Visiting Lecturer position at Hong Kong Polytechnic. He is a CHTP (Certified Hospitality Technology Professional) and runs an active hotel technology blog.*





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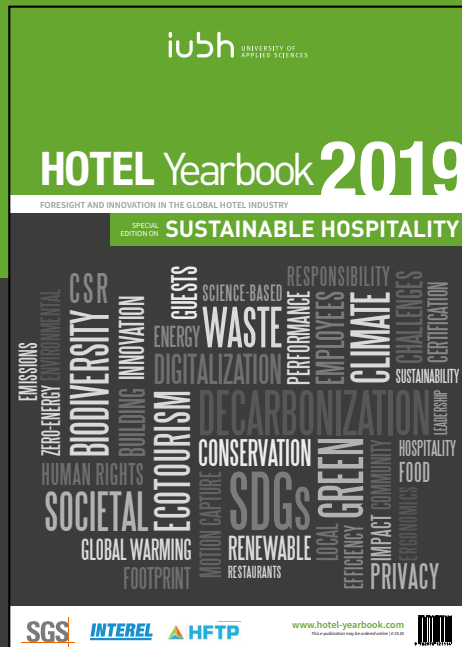
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• *This edition will be available in November 2018*