

HOTEL Yearbook 2020

FORESIGHT AND INNOVATION IN THE GLOBAL HOTEL INDUSTRY

SPECIAL EDITION ON

SUSTAINABLE HOSPITALITY

REUSABLE STRAWS
PASSIVE HOUSE CONSTRUCTION
SINGLE-USE PLASTICS
OVERTOURISM
RESPONSIBILITY
SUSTAINABLE DEVELOPMENT GOALS
WELL-BEING
COMMUNITY
SUBMETERING
SUSTAINABILITY ASSESSMENT
ZERO-WASTE
CORPORATE SOCIAL RESPONSIBILITY
ENERGY MANAGEMENT
SAVINGS
HOTEL MAINTENANCE
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WATER USE
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SUSTAINABLE TOURISM
POSITIVE IMPACTS
TECHNOLOGY
HUMAN RIGHTS
AUTHENTIC EXPERIENCE
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WELCOME

Dear readers,

This edition of the Hotel Yearbook is the second in a new series, launched just last year, exploring the issue of sustainability in the hospitality industry. I am very proud that this publication is able to present to you such a wide-ranging collection of articles, addressing this important issue from many different perspectives.

The editorial contributors include 30 highly respected opinion leaders and executives, each with insightful – and very actionable – ideas and observations. We'd like to thank them all for their outstanding articles.

Special thanks go again this year to Prof. Willy Legrand of the University of Applied Sciences in Bad Honnef, Germany, who put this edition together for us as Guest Editor. It is thanks to his 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, that made it possible for him to assemble such a great group of authors from around the world. Thank you, Willy, for your hard work, great ideas, superb organization, and easy-going collaboration! It is a real pleasure to work with you.

Will and I firmly believe that the articles in this edition of *Hotel Yearbook: Sustainability* will provide you with a superb overview of best practices – and thus plenty of ideas for practical action.

I wish you a good read!



Henri Roelings | Publisher

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

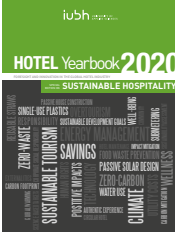














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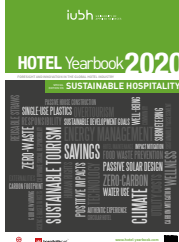














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Sustainability



All (4,782) News (4,666) Announcements (108) Photos (40) Appointments (9) Documents (4) Anytime Global



Results for Sustainability (4,666 hits)

How sustainable hotels are conserving water

Green initiatives such as reducing single-use plastics lately have been getting more attention, but water usage remains a vital concern for sustainability-minded hoteliers.

Editorial Article National Association of Hotel & Lodging Engineers (NAHLE) 2 days ago

The Migration of the Immersion Wellness Resorts: Can Experiential Properties Sustain Global Models?

sustainable resorts globally, has observed "migration" efforts to bring the Asian immersion wellness and destination resorts to the Americas. "As experiential travel continues to grow, wellness and sustainability are becoming key drivers of health and wellness practices for hotels, spas and resorts, sustainability and connection with community, trophy resorts properties and destination

Press Release HN Horwath 3 days ago

Event sustainable development in Thailand: A qualitative investment

This study is a research project that aims to gain a deeper understanding of perspectives, barriers and difficulties that might have an influence on the sustainable event development in Thailand. The data were collected through in-depth interviews with stakeholders involved in Thailand's sustainable event development.

Press Release Journal of Hospitality, Leisure, Sport & Tourism Education 4 days ago

The Evolution of Sustainability - Profit With Purpose

Hosted by NH Hotel Group at the NH Collective Grand Hotel Krasnapolsky in Amsterdam, The Global Restaurant Investment Forum (GRIF) will bring together more than 100 industry leaders to discuss the future of the industry.

Editorial Article eHotelier.com 18 days ago

Challenges to sustainability in a growing industry

Sustainable travel was a hot topic in this year's edition of FiturTech, the technology and innovation section of Fitur, the international tourism trade fair held in Madrid.

Editorial Article 4hoteliers.com 20 days ago

What is the Value of a Hotel Sustainability Assessment?

When was the last time you took an objective look at your hotel operations? Have you ever drilled down on how much you spend on plastic cups and trash liners? One client spent \$47,000 annually

Opinion Article green lodging news 24 days ago

Scandic ranked among best hospitality industry companies in CDP Climate Change Report 2018

of this achievement and we will continue to push ourselves to be even more sustainable, says Vanessa Butani, Director Sustainable Business at Scandic Hotels Group. - CDP congratulates Scandic Hotels ..., says Micaela Quesada Longgren, Engagement Manager at CDP Europe. Scandic is currently developing a new sustainability strategy that will be launched later this year. It promises a sharpened focus

Press Release HN Scandic a day ago

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



Dear readers,

Sustainable hospitality does not translate into “*one company trying to do its very best in a given market*” but rather, it is an entire industry that stands up to face environmental and societal challenges by exploring ideas, solutions and strategies on how to develop hotels and how to manage operations in a sustainable way.

The story of Midas, king of Phrygia in Greek mythology, gives us pause for thought. Midas believed that if an immense amount of wealth would be accumulated, happiness would be assured. Following a pact with the gods, everything Midas subsequently touched, turned into gold, including – unintentionally on his part – his food and wine. Surrounded by his “riches” but unable to eat his gold, Midas was none the happier. One can imagine that Midas would have hoped to go back in time to reverse the gift he was given, which had become a curse.

We find ourselves in a similar situation as portrayed in the Midas story. The tourism industry is a powerhouse of growth, regularly outperforming the global economy. International tourist arrivals are at an all-time high and the global hotel construction is peaking with almost 6,000 properties currently being constructed. But what kind of hotels are being built? Are they energy and water efficient buildings? Or will these properties be a liability for today’s and future generations the day they open their doors? What use is the most comfortable bed if there is no access to sufficient and clean water? The perfect white-glove service if there is only limited availability of safe and tasty food? The best designed lobby if lit using dirty energy? What are the costs associated with the convenience of single-use plastics?

Our industry is rich, in many ways, but we are surrounded with challenges.

The United Nations World Tourism Organization reports that the tourism industry plays a major role not only in the economic growth of destinations and the creation of employment, but is equally a driver for peace and security, cultural preservation and environmental protection. In fact, the tourism industry was recognized by the global community as a major player in tackling many of the sustainable development challenges listed under the 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals (SDGs). **So is our industry up to the task?**

This second special edition of the *Hotel Yearbook* on Sustainable Hospitality offers the readers thought-provoking, insightful and at times also disturbing and challenging articles from 26 contributors, based on every continent. The types of challenges associated with sustainability in the hospitality industry are manifold. Tackling those challenges often requires a multidisciplinary approach, which is reflected by the wide-range of expertise in this second edition. My sincere thanks to every contributor. Your dedication towards sustainability tasks is instrumental in guiding our industry’s transformation.

And to our readers, it is my hope that with this second edition of the *Hotel Yearbook* on Sustainable Hospitality, you will find renewed motivation to tackle the challenges our industry faces.

Prof. Dr. Willy Legrand

Growing a global movement for sustainable development

by **Madhu Rajesh** 

Despite the enormous potential of tourism for generating a positive economic impact, a debate is growing louder than ever over the subject of over-tourism, says Madhu Rajesh, Director of the International Tourism Partnership. What is our role in the hotel industry?

The international hotel industry is one of the fastest growing industries in the world today, with over 17 million room bookings made annually. According to UN WTO data, the number of overseas trips made in 2018 was approximately double that in 2000, marking yet another year of record growth for the sector. This is a huge, and ever-rising, opportunity for economic growth and skills development around the world, and is particularly important for some of the world's poorest countries. But, as an industry, we have a responsibility to ensure that we are not using more than our fair share of resources.

Despite the potential for positive economic impact, the over-tourism debate is louder than ever. Local residents can become alienated, guest experience compromised, and natural environments, cultures and heritage put at risk. This is already causing governments to take action – limiting tourist numbers and access to fragile natural resources, and growing concerns over the impacts of climate change.

What role does the hotel industry play in this?

Given the industry's projected growth, a key challenge is how to manage this growth without increasing our environmental impact. But the International Tourism Partnership (ITP) and our member companies believe that the hotel industry can make a positive contribution.

Together, we have worked on key sustainability issues, using the United Nations' Sustainable Development Goals (SDGs) as a framework, and in 2017 we set goals for 2030 on carbon, water, human rights and youth employment.

Managing our carbon footprint

According to the Cambridge Institute for Sustainability Leadership, tourism contributes about 5% of global greenhouse gas emissions, and those are set to grow by 130% by 2035. Our own research indicates that the hotel industry must reduce its

carbon emissions per room per year by 66% from 2010 levels by 2030, and 90% by 2050, in order to stay within the limits of the Paris Agreement.

Our goal on carbon is to encourage the wider industry to reduce emissions at scale. If we incorporate this thinking in our design and pre-build stages, as well as daily operations, the potential for efficiency is huge. And it makes good economic sense, too. Energy costs typically represent the second highest operating cost in a hotel, so innovative solutions in optimizing energy consumption have the potential to significantly impact bottom line.

Over the years, ITP has produced several resources such as our Hotel Carbon Measurement Initiative and our Hotel Decarbonization Report to provide practical measures for hotels to review and manage their carbon footprint. Using our tools, some 24,000 member hotels saw a 6.8% reduction in energy consumption in 2016.

We believe that the next-generation of low-carbon innovations in the industry will focus on three key pillars:

- a. increased energy efficiency through use of better technology, products and design, as well as through guest engagement;
- b. increased use of renewable energy sources; and
- c. supporting the transition to electrification of equipment.

Reducing intensity of water use

In just over a decade, demand for freshwater is expected to exceed its supply by over 40%. Hotels can face criticism for their water usage. For example, a single guest room can often consume several times more water than several low-income households in a destination. We also need to be cognizant of water risks in our supply chains.



Madhu Rajesh spent the first decade of her career in the hospitality industry, working with Marriott International, Hilton Hotels, Starwood and Emirates Airlines in operations, sales and marketing, across the Middle East, Eastern Europe and the UK. She has spent the last decade of her career working in the not-for-profit sector on a range of development issues, including poverty and inequality, education and livelihoods, gender equality, water & sanitation, sustainable cities and human rights. She currently works as the Director for International Tourism Partnership at Business in the Community (BITC). She joined ITP from WSUP (Water & Sanitation For Urban Poor), a Skoll-award winning organization specializing in urban WASH across Africa and South Asia where she was Director for Partnerships & Development, before which she worked for The British Asian Trust, another HRH The Prince of Wales' charity. Madhu has also held several volunteer roles including Chairperson of Clean Team Ghana, Trustee of Halcrow Foundation and a business coach for Cartier's Women's Initiative Awards. She holds an MBA from INSEAD.

ITP has produced a range of tools, guidance and resources to improve water efficiency, which are now being used by nearly 15,000 hotels globally. Our Hotel Water Measurement Initiative helps hotels understand and proactively reduce water use in their operations. Our Destination Water Risk Index identifies water scarcity risks worldwide, and helps hotels to plan for current and future growth.

There are brilliant examples of innovative solutions to water management across several of our member companies, including some resorts which are 100% self-sufficient in water, collecting rainwater, establishing desalination plants and working with local government to help improve access to water for the local community.

Addressing the growing inequality

Recent estimates by the International Labor Organization (ILO) show that almost one in three workers in emerging and developing countries live in poverty, and this is increasing. Almost 43% of the global youth labor force is still either unemployed or working but living in poverty.

As a sector, we have the potential to create economic opportunities for millions of young people globally, and we need this young talent as much as they need the opportunity.

ITP's Youth Career Initiative provides livelihood skills training to some of the most disadvantaged and vulnerable young people – including women and girls, people with disabilities, survivors of human trafficking and refugees – preparing them for jobs within the hotel industry. The program is currently active in 22 countries, helping over 5,000 young people to gain the skills and experience to find long-term employment, and building a template for the hotel industry globally.

In 2018, ITP also launched its Forced Labor Principles that have been widely adopted by our members:

- a. Every worker should have freedom of movement;
- b. No worker should pay for a job; and
- c. No worker should be indebted or coerced to work.

By raising awareness of human rights and addressing the risks arising not only in hotel operations, but in the labor supply chain and during hotel construction, we can take significant strides as a responsible industry.

With growth and size comes great responsibility... and opportunity

We know the challenge for our industry is too big for any of us to deal with on our own – a fact that is recognized in the final Sustainable Development Goal: To strengthen the means of implementation and revitalize the global partnership for sustainable development.

We need to consider the whole industry value chain and acknowledge that everyone has a role to play – hotel investors, owners, hotel companies at global hotels and individual properties. But we need to think beyond that. It is only through creating cross-industry collaborations, bringing together NGOs, governments and the corporate sector, that we will achieve the greatest impact for sustainable development.


As more people across the industry – and beyond – realize how they can balance profit with purpose, others will follow, and that will be how we catalyze a true global movement.

■

Sustainability in the European hotel industry: towards a strategic orientation

by [Demian Hodari](#)  & [Michael Sturman](#)  & [Samrah AlShawi](#) 

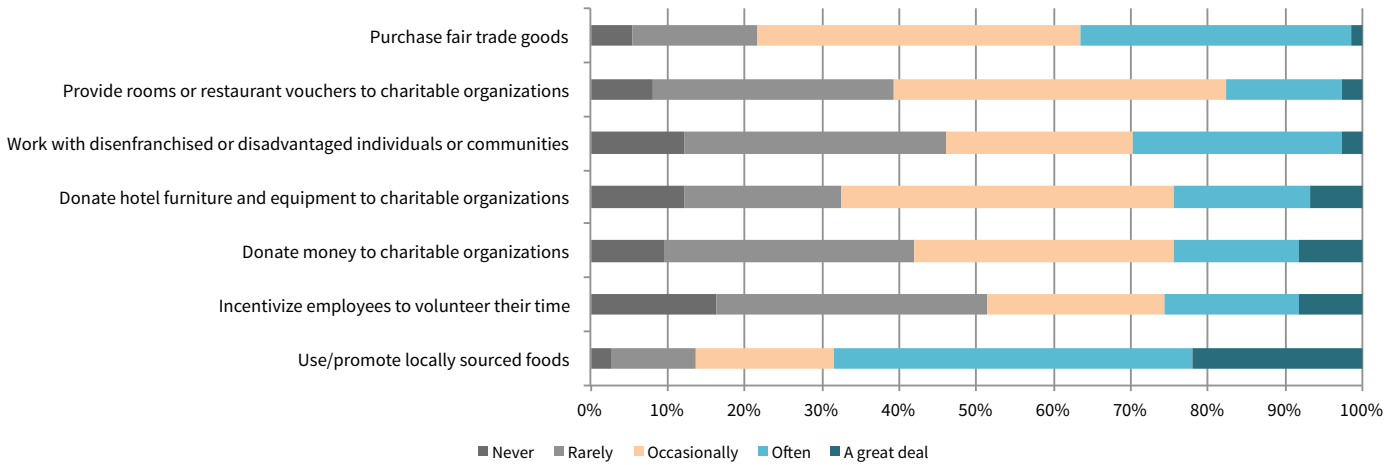
Corporate Social Responsibility (CSR) programs are supposedly useful for helping companies to manage the triple bottom line of “Profit, People and Planet” – in other words, their impact on the environment (planet), their community and standard of living (people), and their economic responsibility (to generate profits). While many studies have examined managerial *perceptions* about CSR’s importance, Prof. Demian Hodari at the Ecole hôtelière Lausanne, Prof. Michael Sturman of Rutgers, and Research Associate Samrah AlShawi from the Ecole hôtelière Lausanne examined the actual levels and benefits of its implementation at the hotel property level.



We didn’t presume that hotels simply do or don’t do CSR. Instead, we assumed that there could be various degrees of implementation, and so we wanted to differentiate levels and types of CSR implementation, as well as reasons for its implementation and its impact on hotel performance. Our model, based on previous non-hotel studies, built on the notion that CSR implementation can range from *Pre-CSR*, whereby a firm does not take any CSR action unless compelled by law, all the way to *Synergistic and Holistic Corporate Sustainability (CS)* at the other end, where CSR is fully embedded in every aspect of the organization, including both its strategy and culture. Along this continuum, firms may undertake CSR because they must comply with regulations (Compliance), because they consider it financially beneficial (Profit) and/or because they believe it is “the right thing to do” (Caring). Similarly, CSR implementation may be driven by purely operational reasons or due to the firm’s strategic orientation. Implementation may depend on the management’s commitment to sustainability which in turn can be influenced by internal and external incentives and obstacles, and as such we also examined this. Finally, we used both financial and non-financial measures to examine if CSR implementation is linked to hotel performance.

We collected the data for this study with the collaboration of the European Hotel Managers Association (EHMA) whereby 85 hotel General Managers (GM) of both independent properties and those operated by hotel management companies (HMC) in the European Luxury/ Upscale industry answered our questionnaire. We asked about numerous things, including environmental actions, social actions, level of CSR commitment (divided into compliance, profit and care), strategic orientation,

Figure 1. Environmentally responsible activities in hotels.



stakeholder impact and level of measurement of activities. Meanwhile, success was by the GM's assessment of success, financial performance measures of ROI, GOP and the assessment of their competitive position.

CS implementation

We found that hotels do undertake *environmental* actions. While the mean response was above the neutral middle point of the scale, there is a clear variety in what firms do as illustrated in figure 1. On the other hand, *socially responsible* actions are rarely or only occasionally undertaken (with the exception of locally sourced foods) as illustrated in Figure 2. Our analysis shows that there is no simple dimension of altruism (that is, companies do not engage in all sorts of "positive" type activities equally). Firms that engage in one set of practices (social or environmental) are not necessarily also engaged in the other.

We found that hotels that undertake socially sustainable actions do so largely out of a sense of *care* ("it is the right thing to do") rather than to generate *profit* or because of regulatory

compliance. With regards to environmental actions, however, all three motives (*care*, *profit* and *compliance*) are relevant, though the strongest relationships were once again *care* and *profit* followed by *compliance*. Thus, it would seem to suggest that hotels are engaging in CS more out of a sense of actual responsibility than for direct profit reasons, and least of all because they "must" do so due to regulations and laws. Interestingly, it would therefore appear that profit from CSR (which is one way to measure its success) is only a secondary concern for most hotels.

GMs are more likely to pursue social actions when financially incentivized, however, this does not drive efforts regarding environmental actions. In other words, while environmental sustainability is driven by many factors, social actions seem to be largely driven by the GM's financial motivation. This is particularly relevant considering the findings above about *care* and *profit*, as clearly social actions, which were only moderately related to profit motivations, may require this extra motivation for GMs to incorporate them into their CSR agenda. ↓

Figure 2. Socially responsible activities in hotels.

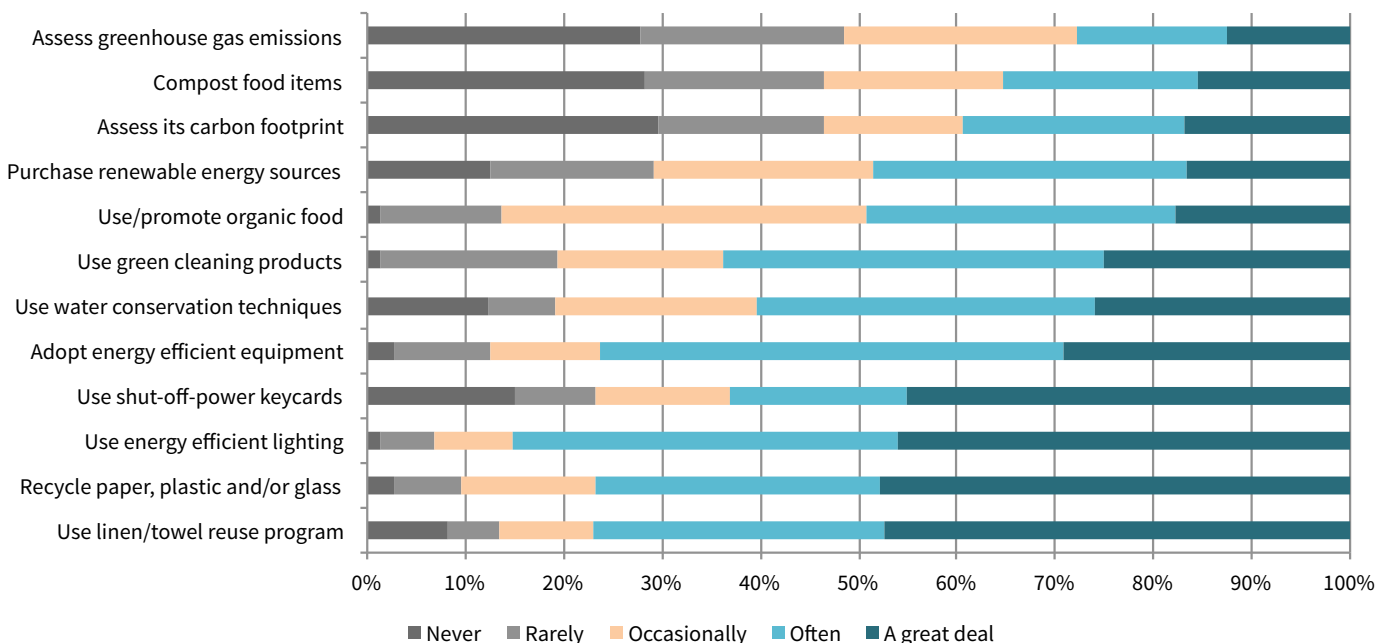


Figure 3. Strategic orientation in hotels



We also found that hotels are more likely to implement CSR policies if they are strategically grounded. In other words, hotels that take a strategic approach to CSR may be more confident in implementing different social and/or environmentally-sustainable practices due to a higher confidence in their ability to add value to the firm. Despite this, hotels were not found to place a high priority in having a strategic orientation towards CSR (see Figure 3) compared to an operational orientation at the lower levels of the CSR continuum (see Figure 4).

When looking at how pressure exerted by different stakeholders impacts the level of CSR carried out by a hotel, results indicate that only corporate parents, senior management teams and owners/investors' influence were significantly highly correlated to the firm's ability to enact social and environmental activities. This is particularly interesting as results indicate that owners/investors are sometimes an obstacle to CSR implementation in properties (see Figure 5).

We also found that the drive to enact CSR for profit motives is largely driven by the competitive landscape rather than from pressure from "above." These findings are dissimilar to those of previous studies, which identify pressure from organizational stakeholders encourage higher levels of CS activity, while pressure from regulatory stakeholders (government, trade associations and competitors) encourage *compliance* driven CS activities.

The results suggest that on the whole, GMs believe that their hotel has done a better than average job with CSR. However, the wide disparity of answers suggests that there is still much room for improvement in many hotels in order to suggest that such success is an industry norm. There is also a high correlation between the extent to which the hotel implements socially responsible practices and their view on having a successful CS program. This would suggest that GMs regard "doing CSR" with "being successful" at CSR, regardless of the possible financial performance implications of such practices.

Figure 4. Compliance, Profit and Caring-driven issues that incentivize CS implementation in hotels

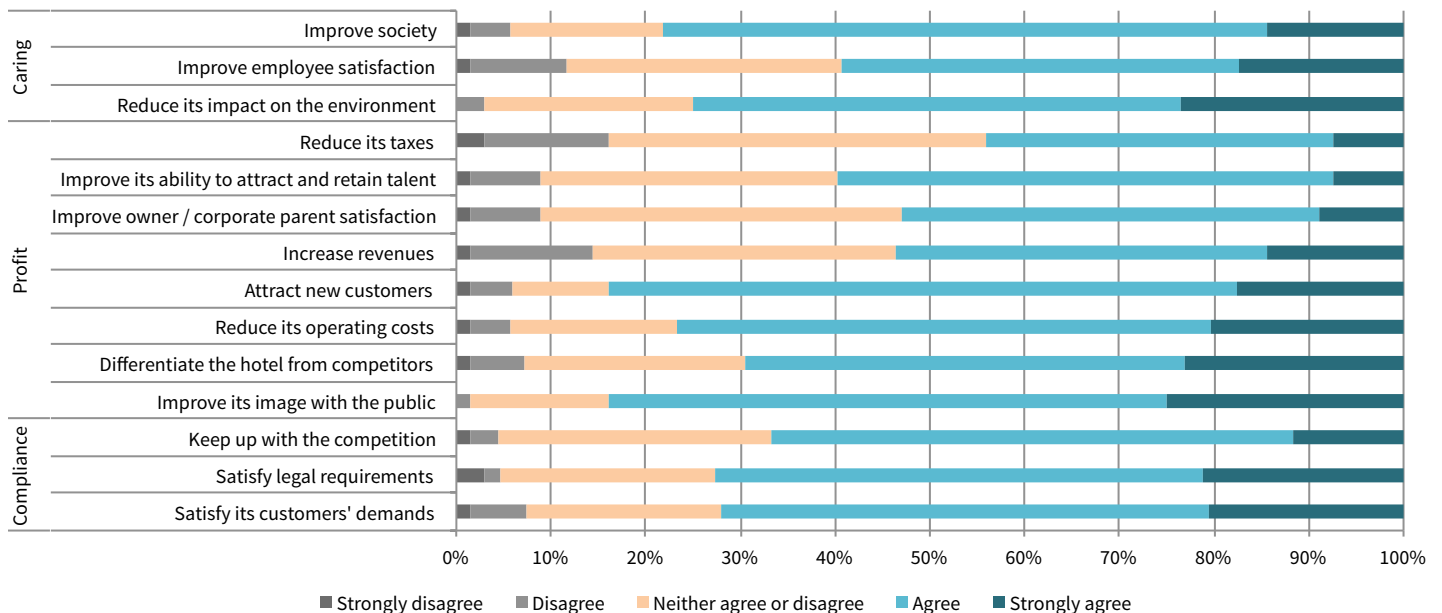
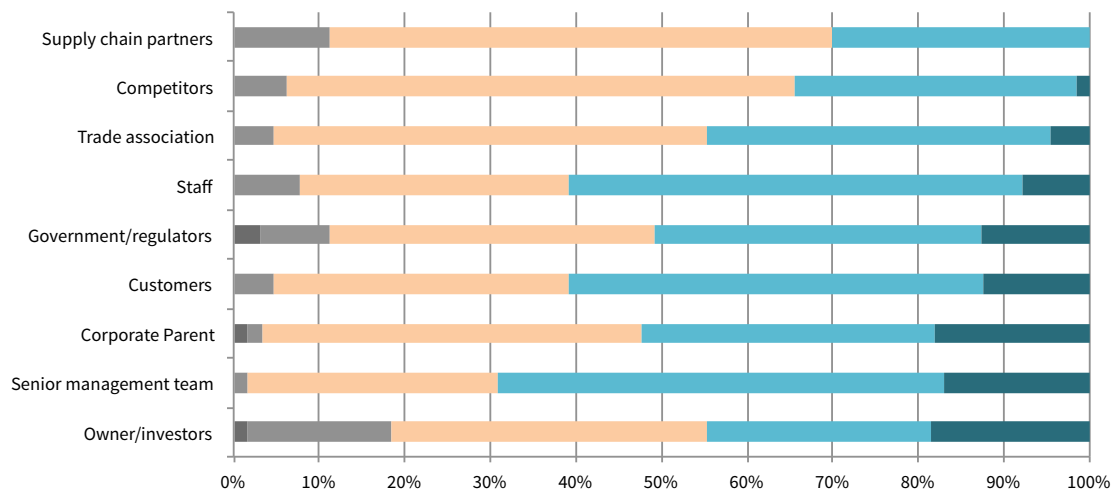


Figure 5. Stakeholders' influence on the firm's ability to enact social and environmental activities.



The data suggests roughly 65% of GMs who do engage in CS report that their CSR actions have either broken even or added to the hotel's profit (see Figure10), meaning that the overall view of their return on CSR is positive. Additionally, the more the hotel adopts a strategic orientation to CSR, the more likely it is that CSR adds to its profit. This suggests that a strategic rather than purely operational perspective of CSR may assist the firm in making better choices about which CS activities to engage in.

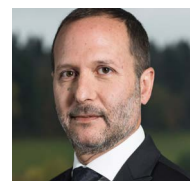
Conclusion

Results indicate that CSR activities are clearly prominent in the European upscale/luxury hotel industry. It should be noted however that hotels adopted environmental practices to a larger extent than they did social practices. In fact, the two sets of activities are considered to be relatively independent of the other. Despite the prevalence of CSR amongst hotels, considering the large variance across measures, items and hotels, we would not venture to state that CS is a norm.

Our findings suggest that CS is a success factor for hotels when evaluated according to the GM's own analysis, ROI and the firm's competitiveness. Important drivers for this success included a strategic orientation, a relatively high level of CSR actions and GM human capital. This may be because of a learning curve as they engage in more activities. CSR is also more likely to be successful with higher levels of CS implementation as the issue becomes more embedded into the firm's culture and strategy.

Moreover, results indicate that CS is implemented by hotels primarily because of *care*. Profits remain to be an important driver for CS, albeit to a lesser degree; in fact, firms that are profit driven are primarily doing so because of competitive pressures. Our findings are suggesting an interesting shift in CS drivers from the *compliance* and *profit* levels to *care*. Given how performance is largely related to a firm's strategic orientation, CS will move further up on the continuum of CSR levels from an operational aspect to a more strategic one. ■

Demian Hodari is an Assistant Professor of Strategic Management at the Ecole hôtelière de Lausanne. His research focuses on the evolving roles of hotel owners, asset managers and general managers. He regularly presents his research at academic conferences, provides executive education and is a frequent moderator and/or chairperson for industry events.



Michael C. Sturman, Ph.D., is a Professor of Human Resource Management in Rutgers' School of Management and Labor Relations. His research and teaching focuses on the prediction of individual job performance over time and the influence of compensation systems. He also examines the use of HR analytics and metrics to improve HR decision making and the return on HR investments. Prof. Sturman is regularly published in leading academic journals in management, human resources, and hospitality. Before coming to Rutgers, Michael was a professor at Cornell University's School of Hotel Administration for 18 years, is the co-author on the hospitality text "Managing Quality Service in Hospitality", and the lead editor of the book "The Cornell School of Hotel Administration on Hospitality: Cutting Edge Thinking and Practice".



Samrah AlShawi is a Project Manager at the Ecole hôtelière de Lausanne. Her work focuses on delivering unique higher education experiences in hospitality within the context of the university's graduate programs. She has also contributed to research studies in hospitality strategic management topics related to organizational behavior and sustainability. Previously, she worked at The Ritz Carlton Resort & Spa in Bahrain and Richmond Events in the United Kingdom. Her industry experience centers around customer experience & relationship management, and sales & marketing. She holds a



Actively transforming the linear economy into the circular economy

by **Arjan van Rheede** 

The so-called “circular economy” has really created momentum across fields – in business and science – and with it, re-energized the focus on sustainability. What will happen with this concept in the next five years? Arjan van Rheede, Senior Research Fellow in Sustainability at Hotelschool The Hague in the Netherlands, argues that hospitality organizations have a special responsibility to help the transformation from a linear economy to a circular economy, and that they also are in a special position to accelerate this process.

The notion of the “linear economy” refers to raw materials being used to make a product, which, after its use, is thrown away. Contrary to this is the “circular economy”, in which a product is designed in such a way that even after reaching the end state it can easily be taken apart and used as a resource for new products or processes.

Looking in the future is difficult, as the following two examples show. In 1995 I joined the first big UN conference on Climate Change. I did not foresee how bumpy the road in the climate debate would be. Here we are in 2019 and although a lot of promises have been formulated, concrete action is still lacking! At that time in Berlin, I was ready to change the world, as a representative of a climate youth action network. At that point in time I had never forecasted that my 18-year-old daughter and 15-year-old son would be protesting, 24 years later, during the “climate action by Dutch schoolchildren”.

How will this “forecast” be different or better? I can only say that I have been involved in this area for over 30 years as a professional and researcher and that part of the forecast is based on a recent experience with a group of front running hotels in Amsterdam. This group started in November 2017 exploring possibilities for hotels by looking at best practices, but also by measuring and analyzing their own waste streams, and by exploring the circular scan and investigating circular ideas during thematic sessions. Based on the lessons learned, a 7-step roadmap towards Circular Hotels has been developed, and several pilot projects started.

7-Step roadmap for a Circular Hotel

1. **Make circularity part of your mission**
Why are you interested in circularity and how does it fit in with your identity?
2. **Create an overview of your opportunities**
A circular scan highlights the business components that have the greatest impact on the environment.
3. **Use the right terms: it's not waste, it's raw material**
In circular terms, the hotel as a business no longer produces waste, but instead becomes the owner of secondary raw materials. Raw materials that add value to the hotel.
4. **Challenge your suppliers in the use of raw materials**
Through purchasing, the hotel can control the release of raw materials and the value of these raw materials.
5. **PAAS**
Pay as a service: through other circular business models, that are less focused on ownership and more on use.
6. **Motivate your team and get your guests on board**
Reward sustainable behavior.
7. **Join forces within the chain and within the industry**
You may be faster alone, but you'll achieve more together. Teamwork is the future.



Moreover, this project showed that working and actively discussing the theme of circularity helps General Managers and other representatives of the industry view the challenges ahead:

- To go beyond the notion of “preventing negative impacts” on sustainability (social, environmental and economic);
- To understand that it is more about taking positive leadership / bringing about positive impact on sustainability in and around your company and its supply chain;
- To develop an eagerness to make optimal use of materials;
- To learn to redefine material that we use to call “waste” in to a “resource” that has value;
- To recognize the necessity to cooperate between colleague hotels and other partners that are connected to the lifecycle of the products, i.e. a change from *competition* to *cooperation*.

If I extrapolate these experiences of the front runner hotels towards the industry and fast forward to 2024, a significant change can take place. Realizing that prevention of direct impacts by one’s own operation is not enough, but that it is also necessary to contribute positively, makes a big difference. Looking back from 2024 to 2019 shows that we stood at a critical crossroad. Luckily we took the right direction and in this way the hospitality industry has becoming a positive player in

realizing the UN Sustainability Goals (SDG’s) and has played a crucial role in the first steps of the transition towards the circular economy: as an ambassador and connector.

How should we take up this role of ambassador of circularity? This could be done by being an organization that challenges and puts into place new market demands that work as an impulse of transforming the linear economy to the circular economy. The hospitality industry – when joining forces – has a big market share and should use that power to demand more circular products and processes.

The second component to make a difference in the transition towards the circular economy is taking up the role of being a connector. The essence of the circular economy is acknowledging the value of material and making sure that new connections are being made between processes to close the loops. Hospitality companies all are experts in being hosts and making connection.

I believe that hospitality companies have a special role and responsibility to do good in matters related to sustainability. This reasoning goes back to the origin of the concept of hospitality and hospitableness, namely the relationship between host and guest: the host taking care, welcoming and protecting strangers/ guests. This relationship between host and guest needs to be redefined in this century of interconnectivity and globalization. We need to realize that the guest-concept is not limited to the people who check in at our hotel, but extends as well to future generations as “guests” and to other stakeholders who need our care. So taking care and feeling responsible for people, all the way from those picking coffee beans far away in your supply chain, to potential new staff members who need additional help to be part of the labor market.

This brings me back to the main argument. We are in the industry of providing hospitality and thus we have even a greater responsibility in doing the things we are good at: providing hospitality and making connection. My hope is for all to rise up to this responsibility and help transform our industry, moving away from the linear economy to the circular economy.

I would like to thank all participants of the pilot group who took time to share their insides and experiences: The Ambassade Hotel Amsterdam, Amsterdam Tropen Hotel, Conscious Hotels, DoubleTree by Hilton Amsterdam Centraal Station, Hotel Jakarta Amsterdam, Hotel V, QO Amsterdam, Stayokay Amsterdam, The Albus and Mercure Amsterdam Centre Canal District and The Student Hotel, Hotelschool The Hague and the city of Amsterdam.

■

Arjan van Rheede is Senior Research Fellow in Sustainability at Hotelschool The Hague. He has worked on labor market issues and is currently researching how value is created in organizations by positively impacting environmental, social and economic sustainability. His research interest is on the transition towards the circular economy; the translation of companies sustainable strategies into “practices”; insights from organizational development and change to support to implementation of sustainable practices; new relationship between host and guest, and finally on the impact of labels and sustainability reporting. He gained his PhD from the Faculty of Management & Organization at Groningen University in the Netherlands.

Tourism in times of climate change: challenges and opportunities

by **Agnes Weil** 

In a context of climate change, is it reasonable to encourage international mass tourism? Agnes Weil, Director of Sustainability and Philanthropy at Club Med, weighs in on this ethical issue.

Is encouraging international mass tourism a reasonable thing to do? I have been asking myself this question for a long time; but I recently observed that this particular question is more and more frequently raised by many stakeholders, often in a very precise and straightforward way.

I am not surprised, because I think that 2018 has been a turning point:

- Climate change is more and more palpable. Attitudes towards it have changed rapidly over the past year.
- At the same time, awareness of the impact of tourism and travel on climate change has risen sharply. This is illustrated by the large resonance scientific articles, such as the article published in *Nature Climate* (May 2018), with the title “The carbon footprint of global tourism”, have had in the media.

More generally, this knowledge combined with the news about perceived saturation in several emblematic sites (keyword: *overtourism*) has fueled the debate about tomorrow’s tourism and even about the “license to operate” of this activity *per se*.

So today, we know the risks that climate change and growing inequalities pose to the world. We are also aware of the negative impacts that tourism can have, especially on the climate. Travel is a privilege reserved to a happy few, which obliges both those who travel and those providing the travel services to take responsibility.

Moreover, we see that more and more people perceive this, and speak up. The acceptability of tourism - whether local or global - is increasingly challenged.



*After graduating from the ENSAE (National School of Statistics, Economics and Administration) in 1983, **Agnes Weil** worked for Bossard Strategy as a consultant. In 1990, she obtained an MBA from INSEAD and then joined VVF (Villages Vacances Familles), a large French social tourism organization. After a short period working for GEMINI Consulting, she joined Club Med in 1999 to set up the Quality Department. Five years later, she suggested the creation of the Sustainable Development Department, which she currently manages. In 2014, she became the General Delegate of Club Med Corporate Foundation. She is also a member of the board of the NGO AGRISUD, the C3D (College of Sustainability Chief Officers), and the CULTURA Foundation.*

So, how to answer that question?

It is true that, from the above-mentioned angle alone, traveling for tourism can be considered an unwise practice... however, other points have to be taken into account:

- Firstly, if we acknowledge the negative externalities of tourism, we are equally aware of its benefits on economic and social development. We also know tourism's capacity to bring peoples and cultures closer and to foster openness and peace, and to help preserve the environment, if it is developed in a responsible way. This basically implies a way where the positive impacts far outweigh the negative ones.
- Secondly, from a more prosaic and pragmatic perspective, we have to consider the time factor. It is probably illusory to think that the *appetite for tourism* can change easily and quickly. Therefore, in the short/medium term, the question is not whether to encourage or discourage the demand for tourism – this demand is there and will remain so for a while – but rather to find ways to channel the demand towards a more responsible supply.

So what are the alternatives?

1. **Stop everything.** Should we close down and turn off the lights in the name of the negative impacts that are difficult to mitigate if not eliminate? Before doing so, we have to consider the loss of positive impacts such a shutdown would entail and to remember tourism contributes to improving the lives of tens of millions of people around the world. To shut down could lead to having other players *pick up the slack* with less scruples resulting in a worse situation than we started with.
2. **Continue at this current pace.** This is the *business as usual scenario*, without asking ourselves too many questions. Adopt a “wait and see” approach towards whatever constraints will be imposed on our industry, and react to those as they occur. It is possible, and in my opinion it is the main risk for our industry.
3. **Expand our common efforts.** This is about helping to shape the transition towards a decisively contributing tourism rather than just enduring the upcoming violent winds... I think here lies the greatest opportunity for the tourism industry players.

So it is certainly unreasonable to travel, but it would be even less reasonable to abruptly stop doing so.

Provided that tomorrow's tourism turns out to be resource-efficient, carbon-neutral, respectful of hosts' regions and purposefully benefiting to their prosperity.

Based on these views, here are some of the commitments we have taken at Club Med:

- All our new projects are aiming at environmental certification for construction, BREEAM or equivalent and promoting green innovations
- 100% of the resorts will be Green Globe certified for operations in 2021 (77% to date)

- Our TO Club Med Decouverte is ATR* certified (*Act for a Responsible Tourism)
- Single use plastic items will be banned from our resorts worldwide by 2021
- Healthy food buffets highlighting vegetarian specialties are being implemented on all continents and food waste prevention programs are rolled out.
- We support local farming and agroecology nearby our resorts with the NGO AGRISUD since 2008 and will double the number of accompanied growers by 2022.
- Since 1978, Club Med Foundation identifies and supports local actors who improve the environment and the living conditions of vulnerable children nearby Club Med resorts and offices, by mobilizing the Club Med value chain for them; its endowment will double by 2021.

Still, in relation to climate issues and more structurally speaking, we can mention some less known, and even sometimes counter-intuitive assets that Club Med resorts offer:

- Club Med offers more activities and therefore longer stays on average than other operators, which makes it possible to amortize the trip for a greater local benefit.
- Contrary to a common misconception, the large majority of stays sold are *not* intercontinental ones – far from it – and Club Med develops resorts that are close to their main customer basins: in the Alps, in China close to major cities, or in Quebec for North American customers, for instance.
- Club Med collective resorts, sometimes precisely criticized for their size, offer environmental advantages over fragmented housing. The integrated sites have less hold on the ground (only 8% of our resorts' surface is constructed), cause less landscape sprawl and make it possible to mutualize infrastructures. The all-inclusive formula puts many services within easy reach, minimizing needs for local transport.
- All our new mountain resorts are developed to operate in summer and not only winter. This contributes to relieve congestion of seaside areas while offering guests great nature discovery experiences and a gentler climate in a context of hotter summers.

To conclude: Club Med was born from a utopia, based on togetherness and reconnection with nature. This company had a dream – and it turned into reality for millions of people. It has contributed to shape and change tourism deeply in the 20th century. Today, I believe Club Med has a part to play in accompanying the transition to a positive tourism, from *all-inclusive* to *inclusive for all*. And to continue to show the way towards more sustainable thus more desirable vacations. That's why at Club Med sustainability is part of the journey. It's a long road, but we are committed to this path.

■

What is the value of a Hotel Sustainability Assessment?

by *KathySue McGuire* 

Opportunities for improving efficiency and saving costs are everywhere in a hotel, writes KathySue McGuire, Principal of 3 Pillar Solutions, LLC. An evaluation of the areas needing attention makes sense.



One of the challenges to convincing a hotel property owner/manager to receive an assessment is that they think they're already "green", or that it will cost too much. I hear that more often than "No, we're not interested." OK, maybe they have a 3-day linen change program, but do they track guest participation, and measure labor, energy, water, and detergent usage based on that participation and occupancy numbers to understand the significant savings?

LED lighting may be installed throughout, and an energy management system may be utilized, but are they propping doors to the outside open, are loading dock doors open all day, or are there big gaps in double doors?

Do they have policies and SOP's in place, such as Sustainability Commitment, Governing Principles (transparency, diversity, inclusivity, environmental stewardship), Sustainable Purchasing, Human Trafficking, Anti-harassment, Gender Equality, Food Waste Prevention, Contractor Maintenance, Suppliers, Construction Demolition, Health & Wellness, Indoor Air Quality (including green cleaning), Energy, Water, Waste, Recycling, Integrated Pest Management, Landscape Maintenance, Social Responsibility, and Stakeholder Engagement Strategies?

When was the last time they took an objective look at their hotel operations? Have they ever drilled down on how much is spent annually on plastic cups and trash liners? One client of mine spent \$47,000 annually on trash liners. They were shocked, and even more surprising to them was this cost could

be reduced by \$21,150 annually. How? Better recycling and not placing recyclables in trash liners, because recycled items tied up in trash liners are not accepted by many recycling facilities. Choosing the right-sized trash containers and liners reduces cost, because you don't need a 60-gallon liner for a 30-gallon container. Eliminating desk side trash cans and opting for one communal receptacle in the offices, also reduces the labor cost of emptying and replacing liners for multiple containers.

Another client used 1.4 million sheets of copy paper annually – an average of 3,836 sheets per day. They had no idea how they could have used that much or what it was for, but they were motivated to find out.

Most recently, I recommended cost savings for two properties, one in Florida, the other in Virginia of over \$50,000 annually, in waste reduction alone.

What if?

- answering a series of questions might save tens of thousands of dollars each year, without capital expenditure
- you received a custom report for your property and a 78-page 'how to' guide
- learning how to tell your sustainability story would better engage your stakeholders and increase your business
- you could improve your brand reputation
- you were given a guaranteed cost savings recommendation, or the assessment is complimentary

Imagine

- being prepared for the Event Industry Council's new Sustainable Events Standard for venues and accommodations to be released in early 2019 for planners to follow
- participating locally in the U.N. Sustainable Development Goals and telling that story
- developing a health and wellness program for employees + guests
- creating a conscious capitalism program
- developing a food waste prevention program that could save you \$7 for every \$1 spent
- creating sustainability KPI's to report to your stakeholders
- creating eco-adventures, and mindfulness/meditation programs for guests
- training all personnel on human trafficking, diversity and anti-harassment
- asking guests to participate in your efforts and sign an eco-pledge
- learning new marketing strategies to attract eco-conscious consumers

- evaluating the latest technology and products to enhance the guest experience
- receiving a dozen policy templates designed so that everyone knows what is expected
- defining a social purpose for your organization's culture
- there was much more...

Did you know?

- 95% of business travelers believe hotels should have 'green initiatives' (Deloitte)
- 68% of travelers are more likely to choose an eco-friendly hotel (Booking.com and Trip Advisor)
- Health and wellness industry are now at \$3.7 trillion annually (Global Wellness Institute)
- Investors increasingly believe that [sustainability performance creates tangible, long-term value](#) and are prepared to divest from companies with a poor sustainability footprint. (MIT/BCG)

If you want to differentiate your property from others, this is the best example I have had the pleasure to consult with. Check out SCP Hotels (Soul, Community, Planet) their new *holistic hospitality* brand purchases distressed properties, rather than building new, and revitalizes them with green building design, reclaimed materials, eco-friendly products, employee engagement and community-focused programs. Additional properties are underway. Their mission is: *to provide holistic hospitality for people desiring to make positive choices for themselves, for humankind and for our planet.* With Fair-Trade Pricing (a unique concept) for guests and Soul, Community, Planet as their core values, they are the future of hospitality. To get inspired, go to <https://www.scphotel.com/> and the parent company <https://www.soulcommunityplanet.com/>.

Basic best practices and low-hanging fruit are no longer enough. Being a future-fit organization in the 21st century requires embedding sustainability into the core business strategy, becoming what every employee does every day, and not a silo initiative that is the first thing to be forgotten, or set aside. Managing risk, such as the rising cost of materials and products, business disruption due to extreme weather events, and investor interest in ESG is a business imperative to survive.

Knowing how sustainably operated your property is and what to do to improve it will assist in future-proofing your organization. An online assessment is an easy and affordable alternative to an on-site visit by a consultant. With a money back guarantee, it's a win-win!

■

***KathySue McGuire** leads is a credentialed sustainability professional from the International Society of Sustainability Professionals, a LEED Green Associate, trained Climate Reality Leader from the Climate Reality Project, and a GEO Certified Verifier from the Golf Environment Organization for both golf course maintenance and tournament operations. 3 Pillar Solutions is her sustainability consulting firm, specializing in the hospitality, tourism and events industry. In partnership with CSRware, they have developed a cloud-based hotel sustainability assessment that covers every aspect of hotel operations, environmental stewardship, social responsibility and stakeholder engagement.*

Sustainable tourism is a commitment, not a marketing strategy: Developing Nomad Lodges

by *Pierre-André Krueger* 

In this currently “over-connected” life, people need to reconnect in an authentic way. Pierre-André Krueger, CEO of Nomad Lodges in South America, tells us how his company is doing that.



Guests want to live an authentic experience.

After analyzing traveler's expectations and needs during more than 25 years of operation, I came to the conclusion that something had to change in the way of developing the hospitality industry and operating tourism. Nomad Lodges was born from a simple observation: my clients want to live an authentic experience when travelling!

For Nomad Lodges, this vision is for our guests to rediscover connections: the link between luxury and sustainability, the bond between human beings and nature, the heritage across generations, the cord between body and soul.

A model of sustainable tourism

Six years ago, I discovered a magical place in the heart of the Amazon. At this time I didn't know that this "heaven" had been the first destination in Colombia to receive a green label for its efforts in developing sustainable initiatives. Despite this recognition, the Colombian government did not measure the importance of developing sustainable tourism in the region. As our expectations were to create a model of sustainable tourism, we had to think globally and not only about our project, and quite quickly I understood that from a single hospitality project, Nomad Lodges would become a regional impact movement involving local authorities, local communities, various Colombian and international institutions.

Being in a remote area and willing to make the project integrated, we had to think everything through from scratch. That is how we organize our own structure of trainings for local population and a waste management program including sensitization and recollection to be able to re-use a maximum of the waste collected to create construction materials. Nomad Lodges acts as an experience lab, where local people teach us how to use local material and where people from all over the world passionate about the reconnection between nature and people bring their knowledge and experiences in the way to make the project grow.

That is how we will have our own carpentry workshop on site with professionals from Switzerland and Canada interacting with local wood experts in the way to optimize the use of wood for the construction of the infrastructure and furniture.

Being sustainable is a commitment and not a marketing strategy

Nomad Lodges was created in the spirit of the nomadic people of South America, because nomads live sustainably, committing to each location in which they reside, with the primary purpose of survival.

This model of living brings us to develop our brand being integrated, autonomous, ecological and ephemeral. Working closely with the community, stakeholders and outsiders can foster innovation to develop sustainable tourism projects that truly respect the ways of life of local communities. By keeping an open mind and using a participatory approach and two-way communication, we have designed a different business model that fully integrates with the customs of the indigenous people.

Conventional, and often standardized, "Western" operating norms which are implemented to deliver high quality service, do not fit in with the indigenous concept of life, work and time. For local communities, life is about reaching a balance with the environment, and therefore, daily activities are adapted to the rhythm of nature, rather than a daily "nine to five" schedule. Fishing, growing crops and working can be influenced by the rain or the moon cycle. Similarly, social activities have a determinant role in the community life.

As a result, the major challenge for Nomad Lodges was to find a way to manage the high level of uncertainty and unreliability as well as the availability of mainly unskilled labor within the communities, in order to offer a consistent and high quality service without changing the dynamics of the communities' way of live and rhythm.

Rediscover connections

In this currently "over-connected" life, people need to reconnect in an authentic way. At the same time, conservation is a growing concern worldwide, with today's travelers increasingly savvy about their environmental impact on destinations.

By providing an authentic experience, we want our guest to feel connected, immersed, inspiring, natural, balanced and caring in the way to create meaningful changes in their lives and the world in which they live.

The Nomad Lodges concept is based on the spirit of the nomadic people of South America and invites travelers to discover places "picked by the heart" through a network of lodges that are built in total harmony with their natural environment, offering a standard of quality and services made to meet the guests' expectations. Nomad Lodges can be identified as a provider of luxury experience, nonetheless, the servicescape is not the main characteristic of luxury any more: the experience is far more important.

■

Pierre-André Krueger is what one can call an "Explorer & Entrepreneur". After a bachelor in business administration in Geneva, Switzerland and studies focused on marketing and hospitality development strategy at Cornell University, he founded the first tour operator in French-speaking Switzerland dedicated to exclusive journeys in South America. After more than 30 years as a travel organizer and more than 150 inspection trips within South America, he decided to create Nomad Lodges, the first luxury sustainable hotel network in South America, focused on nature conservation and development of local cultures. Krueger defines "sustainable tourism" as a commitment and not a marketing strategy.

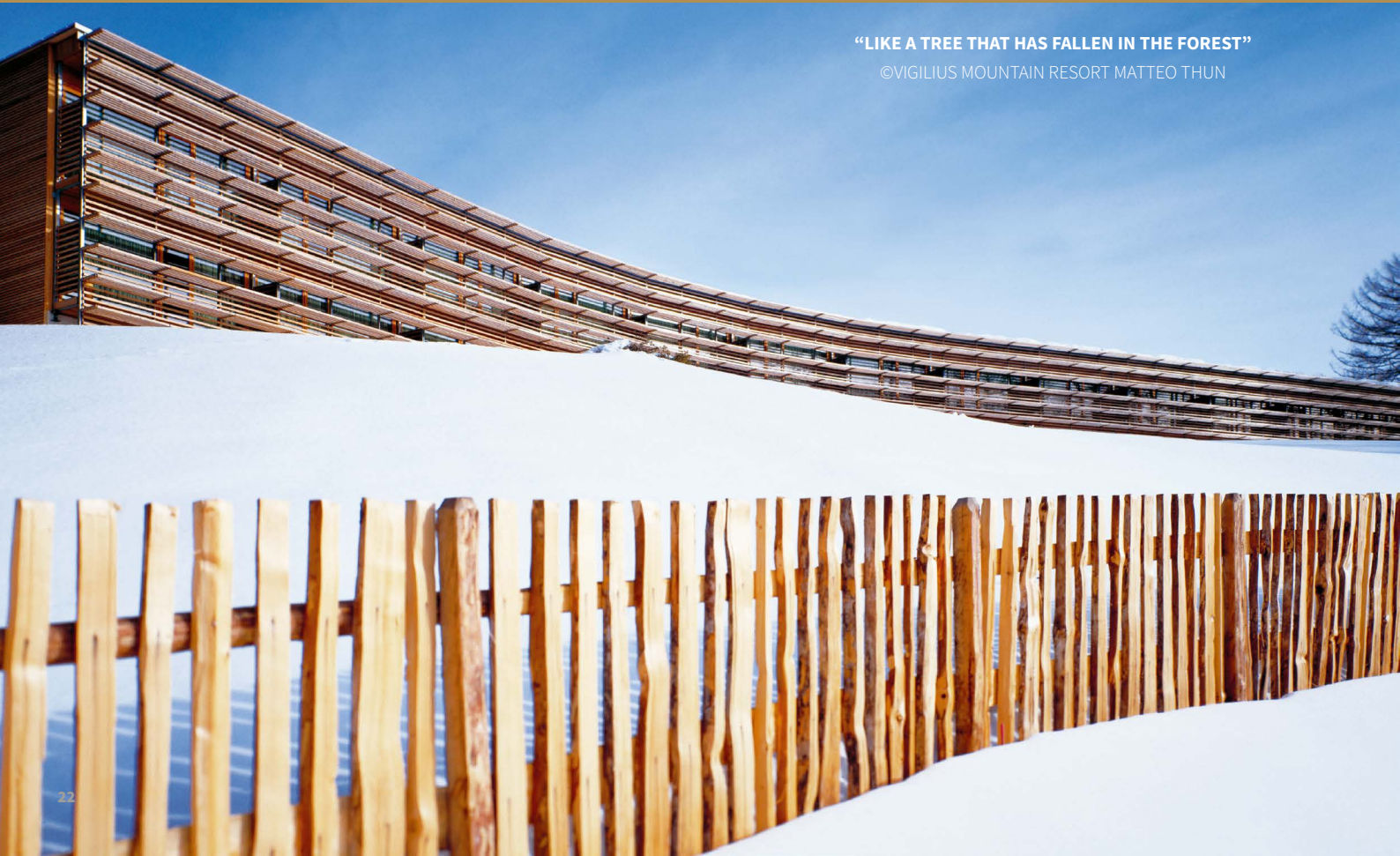
Hotel Architecture: The ‘Three-Zero-Concept’

by *Matteo Thun* 

Matteo Thun, Founder at Matteo Thun + Partners, explains his concept of respecting the heritage of the region, using local materials, and working with simple and reliable systems with low environmental impacts.

“LIKE A TREE THAT HAS FALLEN IN THE FOREST”

©VIGILIUS MOUNTAIN RESORT MATTEO THUN





The results can be spectacular. It should hardly be necessary to talk about sustainable architecture. We should just build it: an architecture *sine qua non*.

The very first resort that we designed 15 years ago, the 5-star hotel in South Tyrol Vigilius Mountain Resort, is a complete Three Zero Complex and performs excellently, offering a refuge of peace and tranquillity to visitors.

It was the first A-class ClimateHouse certified hotel in Italy guaranteeing a high energy efficiency and the use of renewable resources.

The latest hospitality project, the Waldhotel, which is part of the Bürgenstock Resort at lake Lucerne, was built and subsequently managed using the same approach. The Waldhotel is an innovative hotel concept that extends the theme of sustainability and health to hospitality. As such, it offers services of highly qualified medical care and rehabilitation treatments, and is supported by exceptional sport and wellness facilities, in a setting of unspoiled nature. Rather than forcing nature to grow where it does not belong, we pay tribute to nature and leave it to develop naturally. We call this botanical architecture.



“THE DISTINCTION BETWEEN THE INSIDE AND OUTSIDE BLURS IN THE INFINITY POOL”

©VIGILIUS MOUNTAIN RESORT MATTEO THUN

To ensure environmentally enduring projects to our clients and their guests and since national certification systems are mostly of very high complexity, we invented a formula that we call 'Three Zero Certification'.

What does it mean?

In a nutshell, it is to respect the heritage of the region, to use local materials and work with simple and reliable systems with low environmental impacts. This is summarized under the following three points:

- **Zero kilometres:**
nearness of construction materials and local skills.
- **Zero carbon dioxide (CO2):**
energy management and lower emissions.
- **Zero waste:**
lifecycle-management in the building process and reuse of building materials.

The Waldhotel's facades are shaped with gabion baskets, filled with stones recovered from the excavation of the Bùrgenberg, continuing the walls of the slope (see photo below). Transport could also be extremely minimized by using local larch wood

for the external structure providing a pergola system for rooms' balconies - working as brise-soleil and protecting from all atmospheric agents. Swimming pools and irrigation systems can count on the lake water as alternative source of energy. The restaurant Verbana serves fresh food using local products and herbs from Waldhotel's herb-gardens.

The challenge to accomplish a Three Zero project that takes nature seriously, is to create a unity of environment, building, facility and offerings. Close cooperation with the operator and

investor is a 'must' to integrate the needs as best as possible. This is a constant process that starts with the design and accompanies planning to implementation.

So ideally, projects should be realised from 'micro to macro'. At Matteo Thun & Partners, our different teams of approximately 70 architects, interior, product and graphic designers work in an interdisciplinary approach and ideally on all aspects related to designing, planning and implementing architecture, interior, furniture, fixtures and equipment (FF&E), and styling. The focus? Aesthetic consistency and durability; granting the future lifespan of buildings and products.

■

*"Only if you dare to do something new, to cross borders, you can experience new knowledge". This is the driving energy of **Matteo Thun**'s work. The Milan-based architect and designer was born and raised in the bilingual German and Italian speaking region of South Tyrol, Italy. After studies with Oskar Kokoschka and at the Architecture University of Florence, he co-founded the "Memphis" group in Milan in 1981 with Ettore Sottsass. In 1984 he opened his own studio in Milan, and in 2001 he founded Matteo Thun + Partner.*





“THE WALDHOTEL’S STRIKING FAÇADE SHAPED WITH GABION BASKETS AND WOODEN PERGOLAS FRAME”


© ANDREA GARUTI



“PANORAMIC VIEWS AND AT EYE-LEVEL WITH NATURE AT THE WALDHOTEL”

© ANDREA GARUTI

Hoteliers are still not reaping their low hanging fruit. Why?

by **Patricio Gonzalez Morel** 

Most hoteliers instinctively turn to raising occupancy, boosting F&B revenues and cutting payroll as a means to increase profits, writes Patricio Gonzalez Morel. Unfortunately, since resource efficiency is not part of their training or DNA, they seldom realize that greater, quicker and more predictable gains can be achieved by finding simple ways to do more with less.

In 2000, after spending four years working on energy efficiency, water conservation and waste minimization assessments in nearly 50 Caribbean hotels, my project team was asked to produce a guidance manual detailing our findings and recommendations. By that time, we had a lot to say, as these lengthy and comprehensive assessments had allowed us to pick these hotels apart and uncover nearly all of the resource efficiency opportunities that lurked in them.

The resulting document was thick and detailed, but its core message was simple: Most hotels could cut utility costs by 25 to 50%, boost profits, reduce health and safety risks, and improve service quality by adopting straightforward improvement measures that were not only quick to implement but also typically offered a ROI of more than 500%. I thought my consulting career in this field was over. It was all so simple, so obvious, and so enormously cost effective that, once our findings were out in the open, hoteliers would surely fix their problems on their own – and in short order.

I was wrong. Nearly two decades later, and despite the countless publications, seminars, training activities, green certifications and online tools that have been produced to help the hospitality industry become more sustainable and profitable, the hotels I inspect today still have most of the same



missed opportunities that I first saw all those years ago. And, although there are exceptions, this is a global phenomenon that affects independent hotels, small chains and major hotel groups, including those with established in-house sustainability programs, in developing as well as in developed countries. So much so that, even in efficiency-minded Singapore, I routinely come across facilities with malfunctioning toilet flush mechanisms that waste more water than that consumed by all of their occupants, and where the lack of common-sense control over their air conditioning systems wastes more energy than that produced by their fancy and expensive rooftop PV arrays.

This inaction cannot be explained by the endless wrangle between property owners and operators over who will pay for efficiency upgrades. After all, most of these improvements are so simple and affordable that they can be covered readily by existing maintenance and training budgets, and funding projects with ROIs of 500% should not be an issue in an industry with a typical profit margin of only 5%. So, how is it possible that so many are unable to see or – much less reap – this bountiful low hanging fruit? My take on this conundrum is as follows.

- First, most managers instinctively turn to raising occupancy, boosting F&B revenues and cutting payroll as a means to increase profits. Unfortunately, since resource efficiency is not part of their training or DNA, they seldom realize that greater, quicker and more predictable gains can be achieved by finding simple ways to do more with less. For example, in many parts of Southeast Asia, line-drying linens instead of processing them through energy intensive dryers generates enough savings to cover the wages of at least 30% of a hotel's housekeeping staff. Nonetheless, this simple and obvious solution is not on the radar of most of the region's hoteliers.
- Second, many hoteliers are unaware that the expedient approach of trimming costs by cutting payroll can often badly backfire. For instance, I regularly come across hotels that operate with severely understaffed maintenance teams that can barely react to problems, are unable to provide basic preventive care to their equipment and installations, and don't have an instant to think about improvements or efficiency. Whatever savings these hotels achieve by hiring fewer or less qualified technicians are eclipsed by the higher cost in utilities, materials, chemicals and equipment that are the hallmark of poorly maintained hotels. However, since these increased costs are spread over a wide range of standard hotel expenditures, they typically go undetected and quickly get absorbed in "just the normal cost of doing business."
- Third, despite rising utility costs and concerns over climate change, the majority of the architects and designers that I meet through my work still have only a limited understanding of energy efficiency and sustainable design. As a result, they bring to life structures that look good, but that require higher capacity and costlier M&E systems, and that can end up consuming two to five times more energy than they should.

To make matters worse, many of the decisions related to the purchase of replacement equipment or fixtures, refurbishing projects, and lesser modification to engineering systems are made either by managers who are mainly preoccupied with up-front costs, or by maintenance teams that are mainly interested in generating solutions that work, regardless their operating costs.

- Fourth, only a minority of hoteliers carefully track the historical utility performance of their properties, a practice that allows them to easily spot the large changes in consumption that are caused by aging systems, faulty maintenance procedures, or operational oversights. Fewer still take the time to compare their utility consumption to established hotel efficiency benchmarks. Given this, hotels typically don't know where they started off from or where they should be in terms of utility performance, and many are perfectly content with the status quo even if they are consuming five times more water and energy than necessary.
- Last but certainly not least, hoteliers and hotel workers are characterized by the same instinctive resistance to change that affects most of us, even if the change is small and unmistakably in our own self-interest. As a result, they tend to stick to established routines, patterns and solutions, including those that are known by all to be less than optimal.

There is no doubt in my mind that, ten years from now, the enormous waste of resources that I routinely see in hotels today will largely be a thing of the past. Some hotels will have to be dragged kicking and screaming into this new reality by the stricter regulations that will emerge to fight climate change. However, I am confident that, sooner rather than later, many more will take it upon themselves to finally overturn the penny wise and pound foolish practices that have prevailed for so long and cost them so dearly. These properties will be led by a new breed of hoteliers who will not only integrate resource efficiency in all aspects of their business and embrace sustainability as a golden opportunity rather than a costly chore, but also realize that change is just as a necessary as it is unavoidable.

■

***Patricio Gonzalez Morel** is a mechanical and environmental engineer with 22 years of experience in helping hotels become more profitable and sustainable by improving the efficiency with which they use water, energy, materials and chemicals in their facilities and operations. Having conducted detailed sustainability assessments in more than 300 hotels around the world, he knows first-hand that low-cost and high-return technical and operational upgrades can significantly reduce the operating costs and the environmental footprint of hotels. He looks forward to the day when, to the benefit of all, this proverbial low hanging fruit will become much harder to find.*

Explorer Hotels: a discovery voyage and best practice in passive housing

by *Katja Leveringhaus* 

When Katja Leveringhaus and her business partners developed the brand concept of Explorer Hotels in 2009, it was clear that not only the construction but also hotel operations were supposed to meet the highest environmental requirements. Our goal was to build hotels for the future and consciously break new ground. Here she describes the many innovations that went into the concept – and its success.



At the brand development stage, our architects and planners shook their heads – and some even jumped ship before we even started. We created a holistically sustainable hotel concept that consistently aligned with the needs of our future target group. We wanted to inspire new guests to visit the Alps by creating an innovative, sustainable product.

In 2010 we opened the first Explorer Hotel in the Allgäu, in the south of Germany, and more recently, our eighth Explorer Hotel was launched. Our pleased guests, happy employees, satisfied partners in the destination as well as some very good economic results show us that we are on the right track with a consistent focus on holistic sustainability combined with a coherent brand concept.

Pioneer in terms of ecological construction

The Explorer Hotels are pioneers in terms of ecological construction: all Explorer Hotels are certified passive-house hotels and, thanks to environmentally friendly energy supply, all hotels are carbon-neutral. This is unique in the hotel industry.

Passive house construction eliminates the need for a conventional heating system, as the building is heated via internal gains (such as the heat emitted by hotel guests and



Beside passive solar techniques, the photovoltaic panels ensure production of electricity for the hotels

electrical appliances). The extremely dense and well-insulated building envelope, in combination with special windows and the avoidance of thermal bridges contribute to the fact that very little heat is lost. Thanks to a special ventilation throughout the house, we can ensure a comfortable room temperature at all times. Hot water is generated by solar water systems, and we generate our own electricity with a photovoltaic system.

Excess electricity is fed into the public electricity grid. If additional energy is required, we source it exclusively in the form of bio-electricity or renewable energy. We thus achieve climate neutrality in all Explorer Hotels and even produce a small surplus of energy. Overall, we have reduced our energy costs by 70% compared to hotels of comparable type, construction year and size.

Impact of sustainability on guest satisfaction

In order to make the contribution to environmental protection as concrete as possible and to be able to improve our performance consistently, we decided to obtain the ISO 14001 international standard certification on environmental management systems (EMS). Together with the teams, we developed an environmental handbook with clearly defined standards, processes and instructions. As part of a continuous



environmental monitoring (energy / water consumption, waste generation, etc.) deviations are recorded, potential for improvement is identified and implemented. An important component of the EMS is the regular internal and external audits in which a target-actual comparison of environmental processes and standards is carried out. The resulting recognition of potential for improvement creates the opportunity for continuous improvement.

When planning the yearly goals, the management team not only sets goals in the form of classic hotel KPIs such as Sales, GOP, RevPar but also in the area of sustainability. Thus, measurable quantitative and qualitative goals are agreed together with the management team. Currently, we are addressing the question of whether and how our guests perceive our efforts in environmental protection and the impacts of the “green discovery voyage at the Explorer Hotels” increase the loyalty and satisfaction of our guests. ↓

Balance between hotel comfort and environmental protection

The biggest challenge here is the human factor, i.e. guest behavior. For example, in Germany and on average, each citizen consumes 20 to 40 liters of warm water per day when showering. Our own measurements have shown that the consumption while on holidays is much higher (more time spent under the shower at “no costs”, indulgence as a holiday motive). The tightrope walk between educating or raising awareness for resource-saving behavior and fun-spoiling or restricting holiday comfort is a big challenge. But at Explorer Hotels, we thrive on facing those challenges. We want to inspire our guests in a constructive and playful way for the sensitive handling of natural resources and not harass them with a raised finger and tamper their holiday pleasure. The entire Explorer Hotel Team enjoys developing innovative measures on how guests can be made aware of the topic of environmental protection while on holiday.



Wash up area after a day on the trails

One of the benefits that Explorer Hotels provide the destination is the fact that they don't create additional infrastructure. Our hotels bring new guests to the destinations that use or make better use of the existing infrastructure and generate added value to the infrastructure providers (e.g. restaurants, mountain railways, retail, swimming pools, ski schools, hiking schools and other tourism providers) in the region. Some restaurants surrounding the Explorer Hotels had to close during the low season, but not since the hotels have opened.

Only year-round tourism is sustainable tourism

All Explorer Hotels are open all year round, which unfortunately still is the exception in the alpine hotel industry. The Explorer Hotels offer attractive, and secure year-round employment for the local population and do not rely on seasonal workers from abroad. They make a significant contribution to a positive, year-round tourism development of the destination. The task of the hotel managers is to actively participate in the destination marketing of the DMOs (Destination Management Organisations). An Explorer Hotel is not an island, nor a resort hotel, but a base camp for outdoor active explorers in the destination and for the destination.

The hotel industry, like any other industry, is a consumer and user of natural resources. However, the Hotel Explorer concept has found a good way to reduce the use of finite resources and contribute to environmental protection. Explorer Hotels are not equipped with a pool and spa area of more than one thousand square meters – even if those, or so it seems, already belong to the standard of a new hotel building. Similarly, an Explorer Hotel is not a “resort” with spacious hotel infrastructure both indoors and outdoors including park, pool and other entertainment areas. Overall, an Explorer Hotel with 100 rooms requires roughly 4,000 square meters. The Explorer Hotel guests spend their holidays in the “outdoors” and use the existing leisure facilities already available within the destination. ■

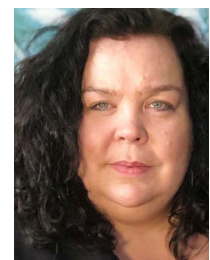


A preparation station in the lobby for active guests

Explorer Hotels offer added value for partners in the destination

Already during the construction of an Explorer Hotel, attention is paid to regional partners. Almost all companies involved in the construction and craft industries come from the respective region as a dedicated effort to support the local economy. There are also clear requirements regarding selection and cooperation with suppliers. 65% of the goods are sourced from businesses that have their own environmental management system or are certified organic for example.

*Together with business partners, **Katja Leveringhaus** founded the “Oberstdorf Resort” which consists of various hotels, a hostel, a mountain hut and various catering establishments in the Oberstdorf area in Germany. She also established her own marketing and sales agency. In 2010, Katja Leveringhaus and her longtime business partner Jörnjakob Reisl developed the innovative brand concept known as “Explorer Hotels”. As project developers, investors and operators, they have since focused on the strategic expansion of the Explorer Hotels brand in the German-speaking Alpine region with currently eight hotel locations in Bavaria, Tyrol, Vorarlberg and Upper Austria. As a successful brand concept, Explorer Hotels has been awarded the German Tourism Award, the German Tourism Development Prize and the Artouro, and the Tourism Architecture Prize of the Bavarian State Ministry.*





Natural colors and material are an essential part of the room design

Explorer Hotels are among the most exciting hotel projects of recent years in the German-speaking Alpine region. In 2010 the first Explorer Hotel in the Allgäu, Germany was opened. Meanwhile, eight Explorer Hotels have been opened. By 2027, the group wants to operate 40 properties. All houses are characterized by their green façade and their distinctive shingle cladding. Inside, innovation and ecological responsibility are essential. Explorer Hotels is a pioneer in the development of ecologically sustainable hotel projects and benchmark

for the entire industry. Explorer Hotels have received numerous awards for their innovative and sustainable hotel concept, i.e. the German Tourism Award, the German Prize for Tourism Development, the Bavarian Tourism Architecture Award or the nomination for the "The Alps Award". Explorer Hotels are Europe's first passive house hotels and climate neutral. Katja Leveringhaus and Jürnjakob Reisl are the founders and managing directors of the group. **Explorer Hotels – www.explorer-hotels.com**

Summer at the Explorer Hotel Berchtesgaden in the Bavarian Alps, Germany



Carbon mitigation in the South African hotel industry

by Sarah Farrell 

In 2017, South Africa was recorded as the 14th worst polluter in the world despite being a relatively small country. This is largely because of the country's heavy reliance on coal, energy intensity of industries and the development deficit left in the legacy of apartheid. Sarah Farrell, Sustainability Lifestyle and Communications Consultant, provides a roadmap for making greater progress toward greater sustainability.

According to the International Tourism Partnership, hotels must cut their carbon emissions by 90% by 2050 in order to keep global warming below 2 degrees Celsius and prevent catastrophic climate change. In the most recent IPCC report, it was cited that we have just 12 years to neutralize emissions and prevent the worst of climate change. Thus hotels must do everything in their power to decarbonize by 2030.

South African hotels have a unique part to play in reducing their emissions

According to Ecolution Consulting, a sustainability consulting firm in Cape Town, carbon mitigation is an important, and often overlooked, component of a broader sustainability strategy. "In South Africa there is still a lack of understanding around what it means to mitigate carbon," says Andre Harms, sustainability engineer and founder of Ecolution Consulting. "Carbon mitigation is often oversimplified as reducing energy consumption, but it is much more than that."

In addition to knowledge gaps, there is a concern around cost. Climate mitigation requires unique skills and assistance from specialists – who come at a price. At a time when the South African economy is still in the depths of recovering from cronyism and state capture, smaller South African hotels and guest houses are simply not in a position to invest.

"In cases where budget is an issue, smaller hotels should focus on intuitive carbon mitigation such as low-cost energy efficiency, behavior change and optimization of logistics to reduce unnecessary driving and other emission heavy activities," says Harms.

Bigger hotels who have larger carbon footprints must prioritize a carbon mitigation strategy. This is not only to meet globally

recognized emissions targets, but to ensure climate change resilience and future-proofing. "The global trend is moving towards full decarbonization. Hotels in South Africa who do not prioritize climate mitigation will be left behind," says Harms.

The following five tiered approach can form the basis for a standard approach to climate mitigation with hotels, not only in Southern Africa, but the world:

1. Quantifying a carbon footprint
2. Using science based targets
3. Emissions reduction strategies such as increasing energy efficiency and employing renewable energy
4. Offsetting carbon
5. Communicating about carbon emissions and climate change to guests

Quantifying a carbon footprint

According to Climate Neutral Group, a carbon mitigation and offsetting specialist based in Cape Town, "knowing your carbon footprint is the starting point for developing an effective corporate climate change strategy."

Determining a baseline carbon footprint can be established by doing a Greenhouse Gas Audit which will quantify the emissions created from various sources. This footprint will then continuously be monitored and assessed in order to make adjustments to an establishment's climate strategy and incrementally reduce emissions.

Science-based targets

In order for carbon mitigation in hotels to be meaningful and make a difference in the global realm, plans to reduce emissions must be science-based. This means that hotels will need to find



individual pathways to ensure their reductions strategies are in line with keeping global warming below 2 degrees.

Emissions reduction strategies

a. Energy efficiency and reduced wastage

Reducing energy consumption is the first step in reducing emissions. At the Vineyard Hotel in Cape Town for example, a number of energy efficiency interventions have been initiated such as the use of LED lights, timers on external lights, heating and ventilation control, efficient hot water storage and efficient laundry and dishwasher facilities.

Other ways of addressing carbon issues can be through improving the efficiency of logistics and reduced wastage. For example, if a hotel has a shuttle service, it should consider how best to limit that as much as possible without affecting guests negatively. Reducing the use of single-use plastic in hotels is also a way of reducing climate impact. While it may not reduce a hotel's direct emissions, plastic production is heavily reliant on fossil fuel resources which contribute to global emissions (and major pollution).

b. Renewable energy

Once energy efficiency measures have been put in place, renewable energy can be introduced. South Africa has one of the best solar resources by miles in the world, making solar technology a worthwhile investment for hotels looking to harness the power of renewable energy. Park Inn by Radisson in Cape Town announced the first large-scale commercial hybrid Photovoltaic and Thermal (PVT) project in the city in 2018. The system, which has 30 PowerCollectors located on the hotel's rooftop, produces an average of 1050 kWh of energy per week for the hotel. The installation saves 79,000 liters of water per year by reducing energy used from the grid which would largely be sourced from thirsty coal-fired plants.

Carbon offsetting

Carbon offsetting provides hotels with a means to neutralize their impact. Hotels can purchase carbon credits which fund projects that reduce greenhouse gas emissions. This can be built into the room rate. In the case of Hotel Verde in Cape Town, the cost for purchasing carbon credits is so low due to their successful carbon reduction strategies that they have absorbed the additional cost in order to "do their part" in providing guests with a carbon neutral hotel experience.

Communication

Lastly, as places that receive many new visitors on a regular basis, hotels are in a unique position to contribute to the climate education of guests, staff and day visitors alike. This can be done through interactive signage or stations such as carbon impact calculators that help guests determine the impact of their travel and even offset their flights.

■ ***Sarah Farrell** is a sustainability lifestyle and communications consultant, writer, activist and entrepreneur. She is the founding creative director of two eco-ventures namely transparenCI, a creative agency specializing in sustainability communications, and Easy Eco, a company that makes going green easier for homes and businesses through products and services. Sarah also focuses on creating written and video content on sustainable living under the brand Sustainable Sarah. She 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.*

You've installed LEDs. Now what?

by **Katarina Tesarova** 

All the LED upgrades are done. You've replaced just about every lamp in the hotel with an energy efficient equivalent with the same lighting quality, if not even better than its short-lived, kilowatt-hogging predecessor. Now what? Katarina Tesarova, Vice President of Global Sustainability at Las Vegas Sands Corp. provides the roadmap.

"Now what?" It's a question that many hoteliers are asking. The decision to go with LEDs was an easy one: the simple payback for 24/7 lights is usually well under one year and it is often less than three years for non-24/7 lamps. What's next is a much more complex proposition: Should we continue with energy efficiency and if so, why and what should we focus on?

For Las Vegas Sands, the answer to the question of ongoing conservation is an unwavering "yes." Let me provide some context. Our resorts are large – some up to 15 million square feet, with 7,200 rooms, retail, multiple theatres, convention center, exhibition halls, casinos, spas, and restaurants all under one roof. With 24-hour operation in most spaces, they use a lot of energy. While electricity consumption dropped in the past years, it is starting to plateau. The explanation for this trend is straightforward: the low hanging fruit is gone. Unfortunately, if no action is taken, I believe the electricity consumption is going to slowly climb back up because of one or a combination of these four factors:

1) Aging infrastructure

We strive to use the most advanced technologies when we design our resorts, but with every passing year, the building infrastructure is becoming more outdated. Changing finishes in the rooms and even remodeling of public spaces happens on a regular basis in the hotel industry. Upgrading building management systems is a lot more complicated and highly capital intensive. Additionally, despite the best facility management, in time, things break, valves seize, and programming gets changed resulting in higher energy usage than originally planned.

2) Higher load

Think of all the new electronics and appliances that crept into your home. Chances are that in the past few years, you added several more chargers to your countertop, then you plugged in your Alexa or Google Home and maybe you are charging your electric vehicle in your garage at night. The same happened in hotels, except on a much larger scale, including the addition of data centers, Wi-Fi and digital screens replacing virtually every static advertisement or piece of signage.

3) Weather impact

Leaving the climate discussion aside, we started weather-baselining our electricity consumption three years ago. For our company, there was an increase in electricity consumption due to weather in 2016 and 2018, while in 2017 we saw a slight weather-related decrease. It is too early to deduce any trends, but in the past three years, we paid \$513,000 more solely because of warmer weather.



Katarina Tesarova serves as Vice President of Global Sustainability for Las Vegas Sands Corp. and leads Sands ECO360, the organization's comprehensive sustainability strategy focused on reducing its environmental impact. Her dedication and expertise has helped Las Vegas Sands receive numerous accolades from leading industry authorities, including a position in CDP's Climate A List and a listing in the Dow Jones Sustainability Indices. Though an expert in environmental stewardship, Katarina received a law degree from Comenius University in Bratislava, Slovakia, and a Master of Business Administration (MBA) degree with a concentration in Finance from the University of Nevada, Las Vegas.

4) Automatization and robotization

One can hardly go a day without coming across an AI related article. While artificial intelligence at scale is likely years from entering the hotel industry, robotization is slowly making its way in, starting with napkin folding machines and autonomous room delivery equipment. One thing is clear, human energy is being replaced by devices that need to be plugged in or charged just like your phone or EV.

To offset these factors, we chose the energy efficiency route. Our next generation of projects focus on three areas:

Commissioning

Commissioning, and its younger cousin, continuous performance monitoring, are underutilized tools in hospitality, because they require discretionary upfront investment with uncertain future returns. Commissioning is a process of assuring that all building systems are functioning as designed. It requires a team of experts to come and check the equipment. Once completed, a deficiency report is completed outlining everything that is not operating properly. It is up to the owner to address these issues. Continuous performance monitoring relies on a software that watches ongoing operation of systems and flags any deviations, often indicating imminent problems. We use these tools to uncover parts and sensors that break, but also to optimize our building systems.

Submetering

Submetering allows us to understand and monitor utility usage in various spaces of our resorts. Operating facilities at such a large scale means that we need more detailed visibility into consumption patterns of specific areas to investigate unfavorable trends and validate savings from energy efficiency measures.

Second tier of efficiency projects

While the savings are not as great as LED lighting replacement, there are still many opportunities for reducing energy consumption in hotels. For us, these projects have a longer payback and implementation timeframe, greater complexity, and require discipline and diligence in execution. They include installation of variable frequency drives (VFDs), electrically commutated (EC) motors and heat pumps where applicable. These measures are not as appealing as LEDs, but deliver solid returns.

In sum, energy efficiency is one piece of the sustainability puzzle that is here to stay. It benefits both the environment and the bottom line, and ongoing innovation ensures that we won't run out of ideas any time soon. And for the early adopters of LEDs, I have good news: the latest lighting technology has significantly improved efficiency (lumens/watt), so there are still more savings to be had. So go ahead and replace those old LEDs!

Decarbonization of the global hotel industry

by **Sonu Shivdasani** 

The excessive use of resources is particularly concerning for resorts that rely on nature to provide guests with memorable experiences, writes Sonu Shivdasani, Founder, Chairman, CEO and Joint Creative Director of Soneva. However, it is possible to strike a balance, as he has demonstrated with his own establishments.

At Soneva, we consider ourselves guardians of pristine places that have existed long before us. 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. Unfortunately, the hotel industry consumes far too many natural resources. We know very well that this cannot continue in a finite world. The IPPC (Intergovernmental Panel on Climate Change) warns us that we have until 2030 to act decisively if we are to avoid dramatic impacts from climate change.

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 naiveté 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 enormity 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, in which four are over budget, including climate change, biodiversity loss and the nitrogen and phosphorous cycle. The Planetary Boundaries highlight that we are in trouble; however, they also show 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 International Tourism Partnership Hotel Decarbonization report highlighted the need of the industry to take bold action. In order to keep pace, the global hotel industry will need to reduce its greenhouse gas emissions per room per year by 66% from 2010 levels by 2030, and 90% by 2050. As a member of the ITP, I am pleased to say that all of the major hotel chains agreed to set science-based carbon targets. This is an important shift in attitude of the hotel industry and supports the breakthrough Paris Agreement on climate change. Along with the launch of the UN Sustainable Development Goals we now have beacons of hope for current and future generations, and they remind us that there can only be environmental progress with social equity.



*A descendant of Indian Parents, **Sonu Shivdasani** 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.*

What does this mean for the hospitality industry? Well, it means switching to renewable energy and reducing carbon intensive activities. The good thing is that the cost 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. We have a strong focus on moving over to renewable energy. Soneva Fushi has installed 700 kWp solar PV (Photovoltaic) that covers our electricity needs during the day through a power purchase agreement, which has reduced our energy bill by 25% without the need for heavy investments. We are currently working on the finance for 2MWp solar PV expansion along with 3MW of batteries for both Soneva Fushi and Soneva Jani. This will allow us to run completely on renewable energy during the day. And the beautiful thing is it makes financial sense too.

Carbon emissions from energy consumption are however just one piece of the puzzle, and for us account for less than 20% of our entire carbon footprint. In 2008 we took the simple step of adding a mandatory 2% environmental levy to our guests'

bills, to off-set our guests' travel emissions. It was a small change, and relatively small charge, which we found our guests were 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 over 240,000 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 account for 80% of our CO2 emissions.

As the custodians of pristine locations, 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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The art of conserving energy: a 21st century skill hospitality will embrace

by **Christopher Warren** 

Conserving resources is an economically sustainable method to tackle environmental challenges and inexpensive to apply, writes Christopher Warren, co-proprietor of Crystal Creek Meadows and founder of My Green Butler. Here he outlines three innovative ways forward in best practice energy management.

In the next five years we will see some hotels gain a strong competitive advantage by creatively conserving energy. The current squeeze felt between ever increasing Corporate Social Responsibility (CSR) expectations from corporate and leisure clients, and the escalating cost of energy and the increasing expense of maintenance, leaves little room for maneuver in a “business as usual” scenario. Our internal staff retention costs and guest loyalty overheads now have to be skillfully managed, taking resources away from finding desirable external environmental answers. But taking a new perspective can help resolve these challenges. Certainly change makers of tomorrow are embracing these challenges (expectation, cost, and resources) to take innovative steps forward in best practice energy management and carbon emissions reductions.

These innovations all embrace the concept of conserving resources rather than solely relying on energy efficiency and renewables. They build on the understanding that it is people who use energy, not buildings. My published doctoral research illustrates that there is a high level of wastage in resource use through human factors – one can argue it is the fundamental cause of excessive use and key to best practice management. My research conducted several “real world” experiments using *My Green Butler*. A system that achieved voluntary guest energy savings of 38% and where 80% of guests said the experience strongly added to their stay, whilst maintaining a premium tariff. Outcomes saw more guest reviews (TripAdvisor - regional no. 1; Hotels Combined - state no. 1), a 22% energy cost savings and 20% reduced emissions.

Clearly conserving resources is an economically sustainable method to tackle environmental challenges and inexpensive to apply. And unlike efficiency and renewables, it revolves around people, so it can be the core to your competitive hospitality advantage.

Conserving resources has been disadvantaged in the past by poor energy monitoring to identify behaviors, limited assessment of factors affecting those behaviors, a lack of applied learning, and the lack of will to continuously improve. For these reasons, I invented *My Green Butler*, a sustainability management system, which empowers hoteliers to engage staff and guests through a positive holistic solution. It is now



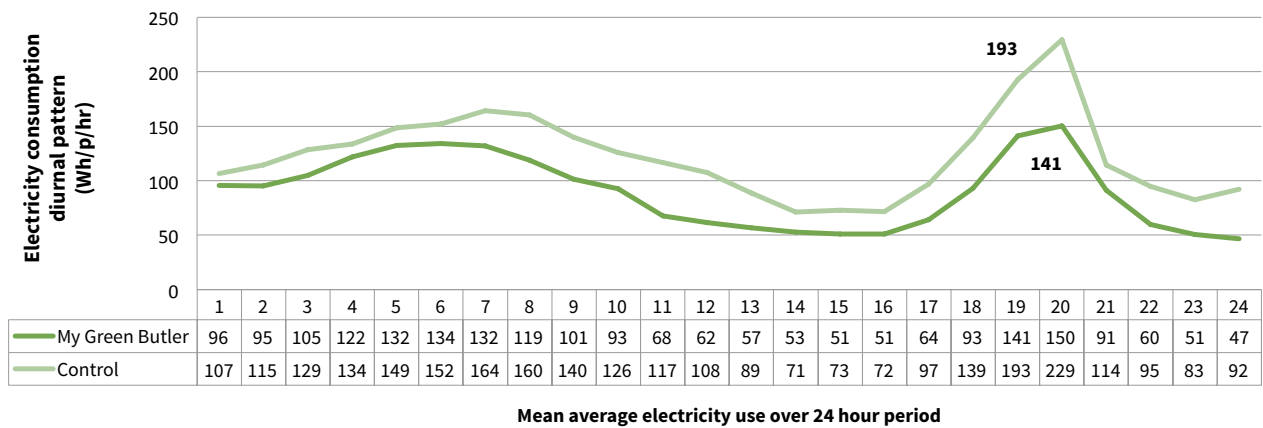
being applied to accommodation providers in Australia and Europe, both large and small, who share the same values to offer exceptional customer service and to prevent resource waste. In the past hotels failed to have easy, fast and convenient methods to manage energy from a conserving perspective, but now we have these tools with predictive capabilities that offer effective persuasion, proven to save energy and increase guest satisfaction. This leads change makers to a brave new hospitality world; one where we can innovate hotel design, guest experience and guest involvement.

Three innovative ways forward in best practice energy management

1. Understanding better how we function within our hotel

To improve our skills to reduce energy we need to better understand how, when and what levels of energy staff and guests are consuming. We need to compare consumption with other factors to better understand how people function in the hotel under different conditions. Hotel equipment is scaled up to cope with quick responses to heating, cooling, lighting, hot water, kitchen appliances. Thus poorly timed practices use a lot more energy than skilled pre-emptive action (e.g. using natural ventilation and outdoor humidity levels). *My Green Butler*'s analytics and alerts are customized, and easy to interpret, so hoteliers improve their skills to conserve. For example it helps

Figure 1: When guests are guided to adapt their behaviour, savings can be achieved throughout the day and night. Comparison of guests electricity usage when receiving My Green Butler versus a control group staying at the same accommodation



keep guests comfortable by detailing staff actions and advising guests based on climatological factors to save energy. Now innovators are managing equipment better during times of higher demand thanks to the help of staff and guests who play their roles as a “social technology” and at minimal cost.

2. Redesigning the guest experience

Before asking guests to “help save energy” we should be designing experiences where energy conserving is *built in*. This is easier said than done because research shows global growth in energy is directly linked to our greater use of technologies, even if they are claimed to be efficient. Plus pursuing efficiency and renewables alone will not be sufficient to reach our industry’s decarbonization science-based targets. So replacing pre-existing systems with eco-efficient control panels and sensors will not change behavior, rather they self-perpetuate adverse behaviors with inadequate saving.

Now innovative hoteliers are minimizing the impacts of such routine behaviors. They are creating experiences which automatically achieve conserving outcomes, and using My



When feedback is presented in an informative way, guests enjoy the experience.

Green Butler, persuade guests to apply *adaptive behaviors*. For example, removing the room’s mini bar fridge and kettle and alternatively creating an attractive shared enclave outside the room saving significant energy and offering social benefits.

3. Getting guests to participate, not merely engage

Guest engagement is a bland term without commitment. Change makers are persuading guests to *participate*. My Green Butler provides guests with eco-feedback in combination with persuasive nudges that achieves over 80% participation. By humanizing conserving through gamification, it is a fun and positive experience. Not all guests want to save and the option to not participate is there, but our comprehensive persuasive communications are motivating and strictly avoid bland or preachy messages. By applying the first two innovative steps (described above), guests arrive to an optimal experience, where we don’t count environmental footprints, but helping hands.

This is significant because guests use over half of the resources in hotels and are thus the critical component to achieve science-based targets.

In conclusion

Conserving energy and cutting emissions is an art perfectly aligned to hospitality because people use energy not buildings and, more than any other sector, we are about people. Placing conserving at the center of your energy strategy stimulates evolutionary opportunities to provide transparent CSR reporting, cut expenditure, and reduce maintenance. Such a program helps retain staff and build guest loyalty. The art of conserving is to create an environment where the staff and guest “social technology” works harmoniously, and benefits bring out the best in us.

Christopher Warren is the co-proprietor of Crystal Creek Meadows, a small luxury accommodation provider in Australia, and the founder of My Green Butler, the first sustainability hospitality management system. His PhD researched sustainability-oriented service innovation, and he has published extensively in scientific journals. Christopher is an Adjunct Research Fellow at Griffith University, shares his research at conferences around the world, is partner to the UNEP One Planet sustainable tourism program, associate partner to City of Sydney’s Sustainable Destination Partnership, and advisor to Dubai’s DTCM. He consults on hospitality innovation.

Certification as storytelling

by **Randy Durband** 

Gaining certification for sustainable practices has many benefits, writes Randy Durband, CEO of the Global Sustainable Tourism Council (GSTC). It tells the world that your business opened itself to neutral external analysis that verified you're doing what you say you're doing. It provides greater market access to those buyers seeking an easily-verifiable way to develop a sustainable supply chain. And it provides the discipline to cover all the bases for the broad scope of what is considered "sustainable" or "responsible."

To the point of the themes of this year's Hotel Yearbook – relating to clean energy/climate change and to waste management including the suddenly hot issue of plastics – certification can play a valuable role in measuring and encouraging continuous improvement.

As the hospitality industry develops more and better systems of measurement for the various elements included in these broad areas of clean energy and proper waste management, certification schemes can apply those measurement schemes directly into the certification process. This includes the initial certification, the renewal or maintenance of the certification status, and the audits that support them.

This harmonization of certification with the application of the growing body of systems of measurement make both more productive.

Duplication and overlap must be avoided as we strive to develop practical and affordable methods to improve the performance of hotels/accommodations in terms of truly sustainable and responsible practices. At the Global Sustainable Tourism Council (GSTC), we offer accreditation to Certification Bodies (CBs) whether they conduct their certification using the GSTC Criteria directly, or by using their own set of standards if it complies with the GSTC Criteria. That flexibility is allowing us to build a global network of Certification Bodies that have undergone our intensive review of their impartiality and effectiveness. That means for hotels seeking certification, by choosing one of our accredited CBs, they can be assured of a high standard of certification.

That also means that the approach we are taking to incorporate reputable measurement schemes into the process of certification that we can accredit, duplication and overlap of measurement schemes is reduced for individual hotel properties and for the global community of hospitality providers.

***Randy Durband** is the Chief Executive Officer of the Global Sustainable Tourism Council (GSTC), the UN-created NGO that manages global standards for sustainable tourism. He brings a unique blend of skills and experience based on two career paths he has taken in travel and tourism – in senior leadership positions with major tour operators, including as President of Travcoa, Clipper Cruise Lines, (brands within TUI Group), and Executive Vice President of Tauck World Discovery – and now a second career in sustainable tourism development. He is a frequent speaker on sustainable tourism and has served on many tourism boards, committees, and as a judge for sustainable tourism awards.*



The GSTC scheme is globalized and relevant to all types of hospitality providers because it is process-based rather than performance-based, which is to say it is based on continuous improvement rather than expecting properties of various types in various locations to achieve the same precise targets.

Properties need to be benchmarked at the start of the certification process. Utilizing the measurement schemes developed by the experts in each type of endeavor allows us to set baselines and to set targets for continuous improvement based on real numbers and objective measures.


The reader can figure out for him- or herself without me pointing each specific type of measurable element of sustainability in areas such as waste management, water management, clean energy utilization, carbon emissions reduction, food waste reduction, and so on.

We also include social elements of sustainability in our schemes. Those are less data-driven but will increasingly rely on the reporting schemes developed in the CSR community for businesses relating to fair hiring practices, child-safe protections in the travel and hospitality sectors, and the like.

Choosing certification as opposed to building capacity for measuring key indicators is not necessary. The two are not mutually exclusive. Hotel managers can set their own priorities on how deeply they go into the measurement of specific elements of sustainable management, and pursue certification to verify that they take a holistic approach to reach minimal levels of sustainable practices.

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Eliminating unnecessary single-use plastics from hotel operations

by *Joanne Hendrickx* 

In 2018, the word “single-use” was crowned “word of the year” by the Collins Dictionary, referring to those products that are purposely designed to be used once and then thrown away. Specifically, it has been single-use plastics making the headlines. Of the 300,000 tons of plastic produced annually, around half of that is destined for single-use and about 8 million tons of plastic contaminates our oceans every year. Joanne Hendrickx, Founder & CEO of Travel Without Plastics, analyzes the problem and suggests answers.

Social media feeds continue to depict disturbing images of marine mammals and birds severely injured or killed from plastics and fishing gear; the wave of plastic in the Dominican Republic in July 2018 demonstrated the impacts upon destinations; microplastics have been confirmed in the human food chain; and documentaries like Blue Planet II and A Plastic Ocean have been a catalyst for changes we’ve seen to date.

The real impact comes however when businesses that consume hundreds of thousands of single-use items every year make the switch to better alternatives or eliminate unnecessary single-use plastics altogether – but doing so is not without its challenges.

When creating our Let’s Reduce Single-Use Toolkit for hotels and accommodations, we spoke with hotel managers and staff from around the world to identify the barriers and opportunities around reducing or eliminating single-use plastics from their operations. In 95% of our conversations, the top three challenges that hoteliers feel they still need to be able to overcome to reduce single-use at mainstream level are:

- 1) Changing habits and customer expectations
- 2) The cost of alternatives
- 3) Health, safety, hygiene and quality concerns



Habits and customer expectations

Interestingly, when we first speak to hotel managers about single-use plastic, many are surprised to hear that our priority is not to look for alternatives but to identify what can be eliminated completely. There is a belief that taking something away without replacing it will impact negatively upon the guest experience. However, as the general public becomes increasingly aware of the environmental consequences of single-use plastic, hotels that make positive changes and communicate these well will stand out.

From work we have done to date with package holiday hotels, we have observed that approximately 15% of single-use plastic is purchased out of habit, and while these products add no real value to the guest experience, they have become the expectation. A plastic ribbon informing us that the toilet is clean, cheap plastic soled slippers wrapped in plastic, novelty cocktail stirrers etc.

Another good example is miniature toiletries. When removed from bathrooms in a hotel in the Balearic Islands and made available only on request, the number of items consumed was reduced by 20,000 in one season, saving the hotel €5000.

Hotels designed to attract business customers or the city break market have other expectations to manage. Increasingly, we find them keeping up with lifestyle trends by offering “to-go cafes” at reception. Rather than sitting down for breakfast, guests rush out with takeaway coffee cups and plastic packaged breakfasts in a hurry to get to the office or to maximize sight-seeing time. Short stayers or those travelling with hand-luggage do tend to expect bathroom amenities, and bottled water has also become the norm even in areas where tap water is perfectly good to drink.

Designing and implementing a well-considered, tailored communications strategy can help to positively engage guests with a view to reconditioning expectations and reducing waste. We recommend involving guests from the offset. Asking them for input and opinions can be a good way to get them on board – although there will always be exceptions.

Cost of alternatives

Outright elimination of single-use items is unreasonable in the short term, and alternatives do need to be considered. But plastic is cheap, and finding suitable replacements at similar or reasonable prices is difficult, particularly for hotels operating on very slim margins.

Unsurprisingly, the cost of alternatives is generally considered by most hotels in financial terms only, although in reality, the creation of any product incurs environmental and social costs.

A report by Trucost in 2016 (Sustainability and Plastics) highlighted that the substitution of plastic with alternative materials (such as paper, steel, aluminum and glass) may come at an even higher net environmental cost. Natural capital costs like greenhouse gases, air, land and water pollutants, depletion of water sources and marine debris in the global oceans are

not generally part of the purchasing decision and even if they were, the information with which to make an informed decision is scarce. With further research in this field and an increasing focus on circular economy models, we believe that processes will start to change, and this approach should be on the radars of procurement teams.

Health, safety, hygiene and quality

Single-use is synonymous with health, safety and hygiene, particularly in package holiday hotels and is perhaps one of the greatest barriers to change. Single-use plastic glasses will not break around the poolside and cause injury, but re-usable plastic glasses can be expensive, maybe incorrectly disposed of or taken as souvenirs by guests resulting in unsustainable increased costs, and real glass is unacceptable. These are very significant challenges; however, there are also inconsistent arguments.


Reusable straws are perceived to be unhygienic, yet stainless-steel forks and spoons are not, despite both being cleaned to the same high standards in a dishwasher. The bread buffet is man-handled by hundreds of guests and buffet tongs are used indiscriminately, yet somehow this is acceptable but jam and butter is considered unhygienic unless served in individual (often plastic) portions. Individual portions can help to significantly minimize food waste, and this is important – but there are many ways to do this without single-use plastics.

Looking forward, it is clear that reducing single-use plastic cannot be an isolated activity, it must be part of a wider decision-making process. Solutions need to be affordable, available, good quality, health and safety-compliant, user friendly, popular with customers and truly better for the environment so that we avoid solving one problem only to find we have created another. Local contexts such as location, culture and infrastructure will influence what can be achieved, and hotels should feel comfortable that they cannot solve everything in one go.

Rather than being overwhelmed by the challenge, we advise taking the time to make decisions that work for their business and that make a real positive difference. It is our hope that hotels can take guests on their plastic reduction journey with them and in doing so, change expectations for the greater good of the planet. ■

Joanne Hendrick has over 20 years of experience working in mainstream tourism and also holds a Masters Degree in Responsible Tourism Management. Over the course of her career, she has worked extensively with hotels and accommodation providers, training over 2,500 industry colleagues in the implementation of sustainable tourism practices and inspiring many more. Increasingly concerned with the impacts of unnecessary plastics and having been forced to endure a week of polystyrene breakfasts during a business trip in 2017, Jo founded Travel Without Plastic to provide support and advice to those hotels that want to make a positive difference. The organization has become an important resource for the industry and has been recognized in various mainstream press and industry publications for its practical and knowledgeable approach.

A reminder of the blatant and hidden consequences of the use of plastic

by **Jeanne Varney** 

The amount of plastic waste we humans create every year is staggering. Much of it ends up in the oceans, and some of that, after breaking down into microparticles, ends up in fish – and us. Jeanne Varney of Cornell describes the issue and gives hotels some useful advice on how to reduce their own contribution to the problem.

The issues surrounding excess plastic in our lives is not a new one. We've all read the numbers related to the staggering volume of plastics used worldwide. So why haven't we made more progress in stemming the consumption of this useful, yet wasteful material? Perhaps it is its prevalence. It's everywhere. We can become blind to its use.

If we remind ourselves (and our guests) about the astounding volume and the significant negative environmental impact, maybe we can re-energize our efforts to stem the use of plastic.

Let's look at our old friend, the plastic beverage bottle

- Globally, over 1 million plastic bottles are purchased **each minute**, and 91% are not recycled (*Guardian*, June, 2017; *National Geographic*, July 2017).
- Most plastic water bottles take, on average, 450 years to decompose (but never biodegrade).
- It takes over 178 million barrels of oil to make these plastic bottles each year.
- It takes at least twice as much water to produce the plastic for a water bottle as the amount of water in the bottle.

What can be done to help our guests use less bottled beverages? Since water is by far the most popular bottled beverage consumed, facilitating easy access to water is a good start. Hotels should follow the lead of many airports.



Increasingly, filtered bottle water stations are being installed in airports, behind security so travelers may bring their own reusable water container and feel confident in using the filtered water stations. Drinking water fountains are often a sanitation concern, so these bottle water stations are preferred. Hotels can easily install or retrofit old fountains with the dual water fountain/bottle refill stations. They need to be proximate to guest use areas (restroom locations are popular), and noting their locations in the guest directory is helpful and an opportunity to promote the property's sustainability efforts.

For meetings and banquets, there is no need to purchase large water bottles for meetings when water pitchers are often adequate. Or, if the client wants bottled water, a reusable bottle system may be implemented – and it may even be a revenue source. Another strategy that works well with meetings is to set up a water station at the back of the meeting room instead of putting water out on every table. That minimizes the waste of water and allows for the use of bulk water containers (it also saves on set-up labor).

Another alternative for guests is to purchase reusable water bottles with the hotel's name and logo. Certainly they could be sold in the gift shop, but they may also be used as giveaways or incentives for the guests. To enhance their sustainability programming, a large hotel operator in the US offers a housekeeping opt-out program if a guest stays more than one night. If they opt out of housekeeping, then they may choose a gift of a logoed reusable water bottle.

Next, the familiar plastic shopping bag

Hotels use plastic bags for a number of purposes: in gift shops, to-go meals, laundry collection and return, and more. Plastic shopping bags vary in thickness and plastic material. Here are a few statistics on plastic shopping bags:

- An estimated one trillion single-use plastic bags are used each year.
- The average plastic bag will take 20 to 1,000 years to decompose (like plastic water bottles, most plastic bags will never biodegrade).
- It takes as much energy to drive a car for one mile as to make 14 plastic shopping bags (that's approximately 71 billion miles/year at current consumption rates).

There are alternatives to using plastic bags, but really whether a guest chooses paper or plastic, both are wasteful. Although they come with a carbon footprint, a good old fashion brown paper bag is often an easy and relatively inexpensive, and a better environmental solution compared to plastic, because the paper will at least completely decompose. Printing a hotel or restaurant logo on the bag increases marketing and promotion for the property. Many guests will pay a small price for a better solution when offered the option of a reusable bag. These bags may be seen as a souvenir and another opportunity for marketing, so having them available is an important option. These are not new options, but hotels and restaurants should be making thoughtful and informed choices when specifying their bags, especially given the volume of bags used. Last, don't assume a guest needs or wants a bag for all items. Train employees to ask if the guest would like a bag first before automatically using one.

Documenting the results

As hotels and restaurants make progress in their sustainability initiatives, it is important to calculate, document and communicate their savings and improvements. If a reusable bottled water system is installed, calculate the number of plastic bottles that are being saved and write a short message about the accomplishment. Guests will feel a part of the good progress because they are taking part in the program. These types of communications may be a memorable connection point between the customer and the property.

Reducing the amount of plastic used globally is not just a trash issue. Plastics will break down into smaller, eventually microscopic pieces. It does not biodegrade. This is particularly an issue in our waterways and oceans. When plastic breaks down in the ocean, fish ingest the plastic. When humans ingest the fish, they ingest the plastic, too. This problem is only getting worse. There are estimates that by 2050, there will be more plastic mass in the ocean than marine life. This prediction does not have to come true. We can change. We can educate ourselves, employees, and guests and multiply our reach for change. We can do better.

■

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Let's start a #refillution: no more single-use plastic bottles

by **Alexandre Tsuk** 

When you consider the amount of plastic waste polluting the oceans, reducing our plastic consumption is an absolute must. Entrepreneurial thinking is called for. Enter Alex Tsuk, who identified a simple way to attack the problem, and founded www.refillmybottle.com.



RefillMyBottle is an online map that identifies all the places (be it cafés, shops, museums, etc.) where you can refill your bottle.

Our mission is to gather businesses that make drinkable water available for free, or for a minimum fee, and to add them onto an online map. Thus, instead of buying single-use plastic bottles, people can refill their reusable bottle and reduce their plastic consumption. We are told the greatest ideas are the simplest – and we would agree! RefillMyBottle is a practical solution that is easily applicable anywhere in the world.

The problem

Take Bali as an example. People there drink 2 liters of water a day on average, or the equivalent of 4 small bottles of water, and spend an average of 5 days in Bali. Last year more than 5 million tourists visited the Island of Gods. So we are talking about 100 million plastic bottles a year, only for the tourists, only on the small island of Bali!

This is huge, but also so easy to tackle. All we need is to switch to a reusable bottle and find water refill stations. RefillMyBottle provides the stations; you bring the bottle. If everyone was doing so at his or her own level, imagine the number of plastic bottles we could save on Bali... and in the world!

How did it start?

I believe that the key to making a positive impact is building communities. When people come together and share experiences, challenges and brainstorm ideas, magic happens. About two years ago, I started a community of business change makers in Indonesia. Today we are about 100 dedicated owners,

sharing the same vision for our destination and aiming to make a tangible positive impact on the local community and beyond. The members are hoteliers, restaurant owners, and suppliers – but also waste experts, photographers, and yoga centers. It is this diversity that makes it a powerful group.

The members support one another, meet at least once a month and discuss common issues. In one of those gatherings, the members came up with the idea of mapping all the places where everyone could refill their water bottle, offering a practical alternative to single-use plastic ones. That's how Refill Bali was born. A few weeks after we started in Bali, neighboring islands began expressing interest as well, and Refill Bali soon evolved into Refill My Bottle. We are now active in more than 10 countries, just two years after we started.



Storefront advertising RefillMyBottle

The RefillMyBottle App

The RefillMyBottle mobile app is now available on both the App Store and on Google Play. Anyone can download it and search for the nearest Refill Station. The app will direct you to the station, and there, all you need to do is pull out your bottle! Not only that, anyone can now add stations in a few clicks, anywhere in the world. Knowing where to refill a bottle is as useful in Paris as in Bali. In Western countries, you can drink from the tap but people often do not dare to enter a bar and ask for a refill. With a sticker placed in the window inviting people to come in and refill, it makes things easier. And of course, it is good to know where public fountains are located.

Where are we now?

We are currently most active in Southeast Asia, but businesses all around the world are registering as Refill Stations, which is good news. We're on the right track to expand globally! RefillMyBottle is especially interesting for countries where tap

water is not drinkable. This alternative solution to single-use plastic bottles seems crucial to us, since this kind of plastic is not viable. Actually, we think humanity has no choice but to deal with the currently dramatic situation and find sustainable solutions quickly. And we need to remain optimistic and believe in an awakening of consciences. We believe communities will increasingly choose to avoid disposable plastic and ban it for ecological reasons. The European Union has already planned to ban single-use plastic by 2021, which is a good omen, and we hope other countries will follow.

What's next?

We aim at also connecting travelers sharing the same values. If you carry a water bottle and refill it wherever you go, you are likely to be interested in a beach clean-up or a viewing of a movie on indigenous communities. We plan to offer ways for the users – we call them “refillers” – to connect with each other and provide inspiration at the time of refilling their water bottle.

We believe in the power of intention. When you send positive energy to yourself and others, you create beauty and spread happiness. If we want to change the world, it will happen inside out!

So here is our plan: Every time you refill your water bottle, you will get the opportunity to send a positive message to another refiller located nearby – or somewhere in the world (this choice is up to you). And to thank you, whenever you will send a message, you will then receive one in exchange. So you set an intention for yourself and others and receive one extra. Now you are not only refilling your reusable water bottle but also your soul!

For all these reasons, we decided to take action. And we are creating a world where we can travel without buying single use plastic bottles. Let's join the refillation! ■



Consumers taking advantage of RefillMyBottle

Alexandre Tsuk has a passion both for hospitality and sustainability. After working for years as a General Manager in France and Laos, he founded bgreener.org, a community of business change makers in Indonesia, hospitality professionals aiming at making a positive impact. He also founded www.refillmybottle.com, www.togetheraid.com and www.therepdoc.com, a course on Online Reputation Management.

Hotel food waste in the Gulf countries of the Middle East

by *Sanaa Iqbal Pirani*  by *Khadeeja Balkhi* 

In the Gulf region, local culture dictates that hospitality means generosity – which manifests in the form of excess food, much of it ultimately going to waste. Recently, however, a number of initiatives have sprung up to tackle food waste, write Sanaa Iqbal Pirani, PhD, and sustainability expert Khadeeja Balkhi.

Food waste is an endemic issue in the hospitality sector, one that can no longer be neatly composted away. This is especially true in the Gulf countries of the Middle East (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates (UAE)), which are among the top food wasters in the world. In these countries, dishes are expected to be plentiful and local culture dictates that hospitality and the necessary associated generosity materialize in the form of much excess food. A 2016 Barilla Center for Food and Nutrition study ranked Saudi Arabia as number one and UAE as the 4th greatest global food waster, measured by food waste generated per person per year. Moreover, these countries import more than 75% of their food resources; importing valuable resources to have them eventually end up in the landfill does not make sense, financially or environmentally.

Enacting food waste legislation and policies

But change is on the table. Over the next few years, we will see more legislation and policies that tackle food waste. For example, we know that such policies have already been discussed in Saudi Arabia (e.g. a law charging consumers for wasting food at restaurants). In addition, as countries develop legislation and policies which address waste, in general, and its segregation; it is inevitable that eliminating food waste itself will also be addressed. As hospitality establishments are gradually required to start paying (increasing) waste disposal fees, and as they begin to get fined for producing quantities of total waste greater than certain volumes, they are already beginning to feel the pinch that will cause them to rethink their waste and consider food waste management strategies.



Sanaa I. Pirani

For instance, Abu Dhabi's Centre of Waste Management had implemented an initiative called the Nadafa Program which included a tariff system that charged per ton of waste generated in the commercial, industrial, and construction sectors. As part of this program, the top 5% of waste producers generating more than 250 tons of waste annually were asked to provide a standardized audit report. Many hospitality sector entities fall into this top 5%.

The rise of Public-Private Partnerships

However, legislation and policies are oftentimes one cog in the sustainable food management set of wheels. To see true action on the ground, governments are beginning to realize the need to engage with private or non-profit entities to implement these policies. Cross-sector collaboration can provide the environment that makes the implementation of these policies possible. Public-private partnerships will continue to play a substantial role in speeding up the food waste management development the Gulf countries' hospitality sectors are expected to see in the near future.

An example is the collaboration between Winnow and the UAE's Ministry of Climate Change and Environment (MOCCA). Winnow is a technology startup which helps hospitality kitchens be more environmentally sustainable and profitable through the use of tracking and data. Winnow and the MOCCA have together launched the UAE Food Waste Pledge in May 2018, which challenges companies to save one million meals from being wasted in 2018, two million meals in 2019 and three million meals in 2020. The 2018 target has been met, with the UAE hospitality and food service sector preventing 1.5 million meals from circling to the bin in 2018. Both the MOCCA and Winnow have also helped raise awareness on the issue of food waste in the hospitality sector through, for example, holding a pre-Ramadan food waste awareness-raising event and hosting an upcycled iftar. (Ramadan is the month of the Islamic calendar during which Muslims fast during daylight hours. Iftar is the meal with which they break their fast. Ironically, Ramadan tends to be a time when up to 25% more food waste is generated.)

The emergence of grassroot initiatives

Thus far the food waste initiatives which have been launched in this region tend to be back-of-house technology solutions, skirting potential impact on the consumer experience. In

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the near future, as increasing amounts of waste become a more substantial issue for authorities to deal with, we see things changing in this area. Technology can only go so far, and at some point, consumers must be satisfied with things like decreased variety and less plentiful presentation when it comes to dishes. However, we do not see the hospitality establishments themselves as being the entities which take the first step in this area. We believe that such initiatives will start at the grassroots level among social groups and grow from there. A case in point is that of Sahan Mashal, an innovative serving dish for traditional rice and meat dishes which helps decrease food waste by 30%. The dish has been well-received by the general public, with individual consumers and event holders specifically requesting restaurants and caterers to use this serving dish to prevent food waste. Indeed, at the individual level there is an understanding that wasting food is not acceptable from the moral and religious perspective, and so increasingly one will see efforts by the public towards food waste minimization.

Hospitality sector establishments will have to respond to this demand. There are already food banks springing up across the region which facilitate the use of leftovers. As an example, the Saudi Food Bank, Eta'am, attracts many volunteers, particularly during Ramadan, and has also partnered with the Dow Chemical Company to improve awareness among the youth about food waste and related topics.

Recently, the Gulf region has witnessed the springing up of many initiatives tackling food waste. Implementation, however, can sometimes fall below expectations. Going forward, this must be addressed. Additionally, as food waste management becomes a more important issue, food waste data will also undoubtedly increase in importance. More establishments will account for this data and use it to make their operations more sustainable.

As food waste bottom-lines pinch harder, we see a series of actions taking place for sustainable food management practices to become more established in the Gulf region: necessary legislation and the underpinning incentives and behavior change and hence public demand, all of which would be realized by the collaboration and commitment of public, private and non-profit organizations.

Khadeeja Balkhi is a globally cited sustainability expert. She strategizes, implements, assesses, and documents sustainability programs. In her honorary role as Chairman of the FPCCI CSR Standing Committee, the nation's apex private sector body, she focused on leveraging CSR as a tool of national uplift. She counsels companies, non-profits and academia alike. She trains diverse groups, ranging from Akzo Nobel to GRI & OECD to WWF and Mosaic. With over 200 published articles, Khadeeja has won the CNN and CSR Europe Young Journalist awards. She has authored the Country Guide to The World Guide to Sustainable Enterprise for both Saudi Arabia & Maldives. Her business journalism passion took root in the US then Jeddah.

Tourism and food: Making a difference for climate change

by **Stefan Gössling** 

The hotel sector's excessive energy use, its greenhouse gas emissions, suboptimal use of fresh water and land, poor management of waste and sewage – so many things should urgently be improved. Where do you even begin? Prof. Stefan Gössling of Sweden's Linnaeus University looks at just one area and explains how hotels can work more proactively for climate change mitigation in food & beverages, while improving services – at no additional cost.

It is now largely undisputed that tourism is a major environmental burden, in virtually any imaginable way. Energy use and emissions of greenhouse gases, unsustainable food provisions, fresh water use, land use, waste and sewage – the list is long and continues to expand with the growth of the sector. It is in accommodation that many of these impacts come together, as hotels require transportation, need to maintain infrastructure, offer food services as well as various activities. Hotels have a huge potential to ease environmental burdens, but awareness and willingness to act is generally still low among managers. This is surprising given the huge potential to save resources while improving economic bottom lines, to strengthen customer relations, and to make staff ambassadors for a better planet.

This short article illustrates how hotels can work more proactively for climate change mitigation in food & beverages, while improving services, at no additional cost. Food provisions are particularly relevant for climate change, as agriculture is responsible for about a quarter of anthropogenic emissions of greenhouse gases. To work with food is thus an important building block for hotels' overall need to reduce emissions by two thirds by 2035, i.e. the global emission reduction pathway outlined in the 2015 Paris Agreement. Three major food strategies can make significant contributions to mitigation: reducing transport distances, food waste, and meat consumption.

Reducing transport distances

Restaurants usually source their food purchases from wholesalers, and hence from global markets. Cost is the most relevant aspect in food order decisions. However, the insight has grown in recent years that local farm purchases are not necessarily more expensive, though they do require additional management, as more separate orders have to be placed, and menus have to be adjusted to the season. Yet guests perceive local (and seasonal) food as significant added value, with studies showing for example that highlighting “local” food items on buffets will more than double the demand for these. If managed properly, local food can thus make a considerable contribution to making menus more attractive, and hence to improve guest experiences and overall satisfaction. Local food purchases increase economic opportunities for local farmers, while reducing transport distances. For many hotels, it may even be feasible to have their own kitchen garden for fresh herbs, another aspect much appreciated by guests as well as kitchen staff.

Reducing food waste

Some 1,300,000,000 tons of food are lost or wasted annually, mostly in developed countries. As a growing share of food is consumed in restaurants, hotels have increasingly important roles in reducing food waste. This starts with the presentation of foods, as hotels are not usually strategic in their design of buffets or served portion sizes. For example, small plates help reduce “overload”, while serving adequate portion sizes reduces



uneaten food quantities. It is now increasingly common to offer bags to take home leftovers, but this is often associated with unsustainable practices such as the use of aluminum containers for transport. Aluminum is a metal that requires vast amounts of energy for its production, and it should no longer be used in restaurants. There is an economic side to reducing food waste: A study of two restaurants in Switzerland concluded, for example, that 7.7% to 10.7% of all food purchases was wasted, mostly because of large portions served. The authors concluded that 78-92% of this food waste was avoidable, amounting to 10.5 to 16.5 tons of food per year, with an economic value of US\$85,000 per year and restaurant.

Reducing meat

It is increasingly understood that specific foodstuffs are more climatically problematic, and of all options to reduce the climate change impact of food, reducing meat consumption is the most important one. In particular, red meats have received much attention, as beef, lamb or pork have a far greater impact on climate change than the consumption of chicken, for example. Beef is the most problematic meat, as the production of one kg of beef entails emissions of 13-29 kg CO₂. This means that eating 200g of steak or burger is equivalent to driving 200-400 km in a smaller car. Convincing a guest to choose a vegetarian alternative rather than a beef-based meal will typically reduce emissions by 90%. Compare this with the fact that a standard four-star resort hotel offering breakfast and evening buffets will often use meats

in excess of 300 g per guest and day, plus dairy products. Yet, no guest expects to eat Schnitzel for breakfast, as some resorts seem to presume. Some seafoods are equally problematic. Giant prawns, for example, not only have to be flown over vast distances; they are also highly carbon-intensive to produce, while ponds for aquaculture production are usually created by clear-cutting mangrove forest areas.

Hotels have vast options to inspire guest choices, by choice editing (not offering some types of food at all) as well as by highlighting specific menu choices. Vegetarian and vegan offers, for example, which have become increasingly popular with customers, are not regularly part of menus, or “hidden” within a range of meat-based dishes. In meeting customer expectations for healthier menu options, restaurants can highlight and recommend items that are “low-carbon” (both in the sense of being less climatically harmful as well as containing fewer calories), and present these as healthier choices. As chefs may be reluctant to add customer information to menus, it may be good to know that research on guest perceptions is unequivocal that information on vegetarian, vegan, local, healthier or low-carbon options is appreciated. An added benefit of vegetarian and vegan menus is that these can reduce the cost of foodstuff purchases.

Chefs who are willing to change kitchen routines to reduce the climate impact of their menus can now rely on a wide range of tools for help. Food waste can be reduced by smart kitchenware, as well as smartphone applications or websites. Leftovers can be distributed. Expiring foods can be bought at very low cost from wholesalers, for instance to be used in daily menus. Examples of ICT implications helpful for restaurants include:

- RescuingLeftoverCuisine.org/MealConnect.org – Websites organising food donations to homeless shelters/food banks
- Best Before – App providing an overview of expiration dates
- Fridge Pal – App creating food inventory and shopping lists
- Matsmart.se – Website offering excess production, foods about to expire, seasonal foods, or food in old packaging at 20-90% below retail price
- Eaternity.org – Website helping restaurants to assess the carbon content of their menus

..... *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.*

Seventy years on and still very much needed

by **Inge Huijbrechts** 

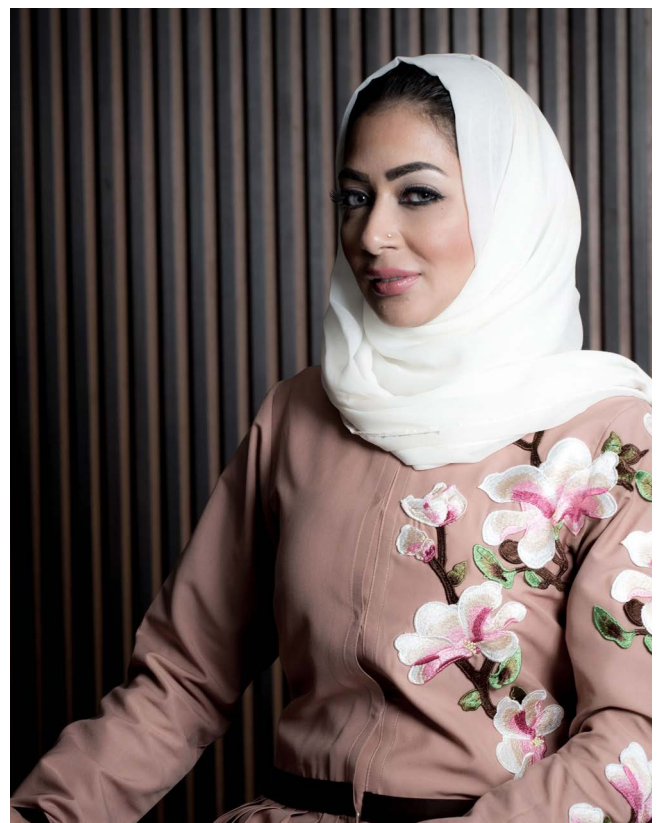
What can hotels do to contribute to the promotion of human rights, and prevent such abuses as human trafficking and so-called modern slavery? Inge Huijbrechts is Global Senior Vice President Responsible Business and Safety & Security for the Radisson Hotel Group, and she describes some of the ways she believes hospitality can make a difference.

The year 2018 marked the 70th anniversary of the Declaration of Human Rights. This extraordinary feat of international courage and multilateral diplomacy was issued following the atrocities of World War II. It contains 30 articles and discusses the core principles needed to protect every single one of us. Examples of such principles are the right to life, prohibition of slavery, the right to privacy and freedom of speech.

In our world, which is rife with conflict, tension and natural disasters, attention to human rights is still hugely relevant. So the question remains, how do we translate these aspirational global principles into our thriving hospitality industry?

Hospitality is *the* international and diverse industry *par excellence*. Travel invites the discovery of other cultures and we welcome our guests, in the case of the Radisson Hotel Group, in over 100 countries around the world with a diverse team. Diversity is at our core, and we believe it makes us richer.

For example, our Park Inn Jeddah in Saudi Arabia has the first female Saudi General Manager, Maram Kokandi. She's a trailblazer for women in her country and an example for Saudi nationals who aspire to work in the hospitality industry. Our Women in Leadership program in Saudi Arabia, where Radisson Hotel Group has 19 hotels in operation, has led to an increase in female representation, from six female employees in 2014 to 102 today, with 21 of those women in leadership positions.



Ms. Maram Kokandi, General Manager, Park Inn Jeddah



Similarly, the Park Inn by Radisson Newlands in Cape Town team proves that anything is possible. 30% of the team are deaf, which means many positions in the back and front of house are filled by deaf colleagues. They all wear a pin to inform guests and walk around with a notepad to facilitate communication. Reactions of guests are overwhelmingly positive. The hotel's example has

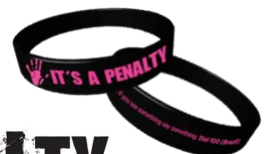
inspired other hotels in the area and has sparked other inclusive startups. For example, a coffee shop run by deaf staff has opened in the area.

Within Radisson Hotel Group, other areas of human rights that we focus on include dignity through employment opportunities and fighting all forms of modern slavery, specifically human trafficking.

The recent Global Report on Trafficking In Persons, released by the United Nations Office on Drugs and Crime (UNODC) showed

that human trafficking cases hit a 13-year record high, with 79% of those being trafficked being women and children.

Training our teams and informing guests about this issue is essential in all our hotels and particularly in the run-up to large events. During the 2018 Super Bowl in the US, we ran the "It's a Penalty" campaign. The campaign consisted of team training, leaflets for guests on how to spot the signs of trafficking and free bracelets with a trafficking hotline number to call.



IT'S A PENALTY

HARNESSING THE POWER OF SPORT TO PROTECT CHILDREN FROM EXPLOITATION AND ABUSE. GLOBALLY.

"It's A Penalty" campaign during the 2018 Super Bowl

Human trafficking is one aspect of modern slavery we need to help eradicate. Unfortunately, modern slavery is wider and much more prevalent. It happens when persons are employed against their will, or only after surrendering their passport or



identity documents, or if they are forced to pay excessive fees to get the job, which will indenture them for a long period.

Modern slavery tends to be more prevalent in countries with large immigrant populations, but it can happen anywhere. That is why we are training all our Human Resources managers with the Modern Slavery Toolkit and have conducted specific assessments of hotels in what we deem to be high risk areas.

One very effective way to fight modern slavery is by employing vulnerable youth. Young people who are not in education, employment or training (NEETS) need support. Hospitality is perfectly suited to provide employment opportunities to those who have the right “Yes, I Can” mindset and a willingness to learn.

Last year, Radisson offered on-the-job and skills training to 650 underprivileged young people. In many cases this has led to employment in the hotel, for example for Dalitso Mwanza in Zambia who grew up an orphan and is now a member of our Radisson Blu Lusaka team. Another inspiring example is Hassan, Nour, Sherali and Zia story, four Afghan refugees who came

to Belgium unaccompanied. The four boys have all managed to develop their skills and even secure jobs at the Park Inn by Radisson, Leuven Hotel, with the promise of a bright future to come.

Our global charity partner, SOS Children’s Villages, works to achieve a similar goal: to provide a loving home for every child and make sure vulnerable children grow up to be independent adults. In several countries, youngsters from SOS Villages find their way into training or employment with Radisson hotels. In Mozambique, Luis Pedro grew up in Maputo’s SOS Children’s Village and is now a proud member of the hotel’s Meetings & Events team.

This is Radisson Hotel Group’s pledge to the next generation: We will be there to enable you to be your best and we will be there to keep you safe. We are many minds with one mindset.

Let’s continue celebrating diversity and supporting the next generations in our wonderfully welcoming industry.



Inge Huijbrecht is Global Senior Vice President Responsible Business and Safety & Security for Radisson Hotel Group – developing the Responsible Business program in the group’s 1,440 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 over 100,000 employees around the world engaged in everyday Responsible Business actions. Inge turned Radisson Hotel Group’s brands into Sustainable brands, with a specific focus to engage guests in sustainability and community action. Two of these programs have won awards: Park Inn by Radisson has won the 2017 UNWTO Award for Innovation; Radisson Blu has won the 2017 IMEX Innovation in Sustainability Award. Inge sits on the Advisory Board of Sustainable Brands International and has a sustainability blog RE:Think on <http://www.hotelsmag.com/Industry/Blogs>. She is a member of the ASIS CSO Center for Leadership and Development and a member of the International Tourism Partnership Executive Committee.



Luis Pedro, Mozambique



From wellness to well-being

by **Rohit Verma**  & **Alexis Strong** 

The modern world places stresses on us like never before. Paradoxically, despite our near-permanent state of connectedness, one manifestation of the social pressures we are under is an epidemic of loneliness. As Cornell's Rohit Verma and Alexis Strong write, the hotel industry is increasingly rethinking the role it could play in restoring some balance to people's mental well-being.

In a 2017 article in *Harvard Business Review*, former U.S. Surgeon General Vivek Murthy called attention to the growing epidemic of loneliness. He wrote, “We live in the most technologically connected age in the history of civilization, yet rates of loneliness have doubled since the 1980s.” As the former U.S. Surgeon General, Murthy was raising this issue as a healthcare imperative, but it speaks to a broader shift in the consumer ecosystem that touches hospitality as well: a shift from a focus on wellness to one of well-being.

For many years, the trend in hospitality has been to invest in wellness amenities – nutritious food and beverage offerings, rest and relaxation services, and a variety of exercise and fitness options. In recent years, however, changes in our social fabric have re-defined the way we understand health and, therefore, the way we want to and need to spend time. We no longer operate in a world in which a “holistic human” perspective is one that balances only work and play, but one that balances physical, intellectual, emotional, social, and even spiritual well-being. This trend, as well as parallel trends toward “whole human health” in the healthcare sector, have inspired interesting research questions and industry innovations.

In the spring of 2018, the Cornell Institute for Healthy Futures hosted a roundtable on the crossover between healthcare and hospitality. Tom Klein, Chief Operating Officer of Canyon Ranch, spoke about his company's recent thoughts regarding their role in the healthcare ecosystem. The changing needs of the consumer and the shifting definition of health and healthcare have made Canyon Ranch wonder whether their wellness offerings and hospitality knowledge might be leveraged

differently in the future. The company has been revisiting their service offerings in light of a new understanding of “health and healing” and, conversely, they have been exploring strategic partnerships to lend their hospitality expertise to industries like healthcare that need to better understand the art of building trusting relationships. “It's not the way it is today, but it's the opportunity that we sit in front of today,” Klein said.

Canyon Ranch is not alone in its push to re-think “wellness.” Six Senses Hotels, Resorts and Spas is famous for delivering luxury experiences while also driving a sustainability mission that speaks to its guests' broader sense of purpose – a tenet of well-being previously not focused on as a “wellness” offering. IHG's EVEN Hotel and MGM's partnership with Delos to create StayWell rooms in Las Vegas are examples of companies that have doubled down on wellness offerings, but with a subtle shift in intention. Wellness offerings are no longer simply about enhancing the guest's experience within the four walls of the hotel, but how their offerings enhance the guest's well-being in their lives beyond the hotel and in places where they find purpose and self-actualization.

Still more hospitality companies have focused on the loneliness epidemic brought to light by Dr. Murthy. Hospitality companies recognize that their core competency of building relationships makes them uniquely positioned to address our growing societal disconnection. In November 2018, the online dating app Bumble announced a partnership with Marriot's Moxy hotel brand to provide safe spaces for people to meet and develop meaningful connections. The Line Hotel company has similar



ROHIT VERMA



ALEXIS STRONG

programming for platonic connections, Life House hotel in Miami is built on a social networking concept, and Kimpton's Room 301 in Los Angeles is a self-described "social experiment" in which guests interact with previous and future guests.

In October 2018, the Global Wellness Institute released its Economic Monitor report stating that the size of the global wellness economy had grown from \$3.7 trillion in 2015 to \$4.2 trillion in 2017, a growth rate of 6.4% annually – nearly twice as fast as the global economic growth of 3.6%. However, the current definition of the wellness market is largely focused on nutrition, fitness and mind-body, beauty, complementary medicine and tourism. We have yet to codify what it means for the industry to incorporate financial, emotional, or social well-being – the latter having the power to expand the market exponentially through network effects. Furthermore, a 2018 report by AARP noted that Baby Boomers cite emotional well-being and connection with loved ones as two of the primary

benefits and motivations for travel. By 2035, there will be 78 million people aged 65 years and older in the US.

For its part, the academic research is working hard to apply rigor to this new paradigm of "well-being." Carol Ryff, Professor of Psychology and Director of the Institute for Aging at Pennsylvania State University, has dedicated much of her work to defining psychological well-being. Researchers have also begun to apply more rigor to well-known models of well-being such as Maslow's hierarchy of needs to test the impact of "self-actualization" discussions on everything from emotional engagement to mortality rates. Current research by the Cornell Institute for Healthy Futures is leveraging a national survey by the Cornell Survey Research Institute to track changes in consumer definitions of wellness in addition to defining a new experience framework grounded in the service marketing and service operations literature that will support the industry's execution on this new paradigm. ■

***Rohit Verma** is the Dean of External Relations for the Cornell SC Johnson College of Business; co-chair of the governing board of the Cornell Institute for Healthy Futures; and Singapore Tourism Board Distinguished Professor in Asian Hospitality Management at the School of Hotel Administration, Cornell University. He is also the Project Leader for Cornell's collaboration with Vingroup to establish VinUniversity in Hanoi, Vietnam and Principal Investigator for the Hanga Ahazaza Initiative, supported by Mastercard Foundation, to teach hospitality to youth in Rwanda. He has published over 75 academic journal articles and written numerous industry reports published by Cornell Center for Hospitality Research.*

***Alexis Strong** is a PhD student at Cornell University studying the intersection of hospitality and healthcare. Ms. Strong earned her BA in Healthcare Policy from Duke University in 2005 and her Master of Management in Hospitality from Cornell University in 2008. She spent eight years in the industry managing hotel operations with The Ritz-Carlton Hotel Company, consulting with PwC's Health Industries Advisory practice, and building a patient-centered service offering with Docent Health. In 2017, Ms. Strong returned to Cornell University to bring her industry perspective to health consumer experience research as part of The Cornell Institute for Healthy Futures.*

The community hotel: a sustainable hotel scenario by means of social integration into the neighborhood environment

by **Vanessa Borkmann** 

An important future task of hotels is to enrich and conceptually integrate their surroundings in order to become a new form of a social hub for the people living in the district. Approaches to improve the sustainability of hotels thus include social interaction in addition to the structural, procedural and behavioral components. Here, Vanessa Borkmann describes the sustainable scenario of a social, community-oriented hotel concept, an approach reflecting current research findings from the FutureHotel Innovation Network of the Fraunhofer IAO in Stuttgart.

Current situation in the hotel market

Predatory competition characterizes the global hotel market. In response to this and to the various social, ecological and technological trends, new hotel concepts are emerging on the market. In addition, there is the growth of international and national hotel chains and cooperations, as well as an economically driven trend towards larger hotels with more guest rooms.

At the same time, there is a declining acceptance of hotel development projects among citizens, partly due to the lack of living space, e.g. due to urbanization. Also gentrification in urban areas leads to social discontent and “over-tourism” exacerbates hostile views towards tourism.

Developers usually place a hotel as a solitary structure within an existing environment without considering the neighborhood. Hotel businesses are thus developed, designed and constructed with little to no reflection as to the potential to merge with the surroundings. Therefore, hotels are rolled out as standardized concepts without any thoughts given to activating the synergetic potential. Another factor which also contributes to gentrification is the fact that hotels recruit their skilled personnel nationwide rather than considering the local aspect. Employees need living space close to their workplace, which is usually scarce and expensive.

Scenario of a sustainable neighborhood concept and the importance of an extended hotel community

The scenario outlines the “community hotel” as a social platform that connects the hotel with its surroundings: The aim is to bring the neighborhood into the hotel and vice versa. Hence, the hotel becomes a “social hub” that brings people together, promotes their social interaction and community spirit and offers shared services like “Coworking”, “Coliving” and “Colearning”.

The neighborhood benefits from the hotel offers and services, which include the takeover of previously governmental services (infrastructure, mobility) and municipal services (post office, shop, tavern, laundry, customer service). This contributes, particularly in rural areas, to the revitalization of social life in local authority districts.

In order to increase the spirit of community of a hotel, offers with a regional reference, cooperation with suppliers, service providers and artists from the surrounding area or the region, are beneficial. The cooperation can either be of a long-term nature or relate to temporary pop-up offers.

Hotel offers also include complimentary spaces for people from the neighborhood, e.g. to promote creative talents (e.g. practice rooms for bands, youth rooms, kitchens...) or to respond to common needs (shop, event room, studio, gardening, youth



room). Thus, hotel services for neighbors expand beyond the hotel premises. For example, residents or office workers make use of home services or mobile services such as catering, care, laundry or concierge services in the hotels' neighborhood like in serviced apartments. Hotel guests and employees get involved in welfare projects in their surroundings: For example, the renovation of a school or emergency services for senior citizens.

Employee recruiting proves to be synergetic within the neighborhood: Information about the hotel, e.g. in the surrounding schools, as well as insights into everyday hotel life, long-term educational support for potential employees or financial support for training, promotes the attractiveness as an employer for people from the neighborhood area.

Furthermore, the hotel supports the neighborhood as a prosumer by producing "green energy". By means of e.g. solar energy, heat recovery, cogeneration or waste recycling plants, the hotel provides the neighborhood with its own energy surplus. These "smart energy grids" help to reduce peak usage by sharing the energy surplus within different usage units that follow countercyclical energy use (e.g. school vs. movie theatre, hotel vs. office building).

Potentials of the scenario

One potential benefit is the privileged access to attractive building sites that usually meet strong demands. In a highly competitive market, social standards can be the decisive argument to secure access to a project development. In addition, new markets open up in the surrounding area. In future hotels, customers will no longer be just the hotel guests, but also the residents in the neighborhood. This market can be easily influenced due to its geographical proximity and, in contrast to hotel guests, these customers are permanently (long-term) on site. This goes hand in hand with the extension of traditional accommodation services like tourist services and event offerings such as art (e.g. www.artnight.com), theatre, music events and markets. Thus, the hotel becomes a service and communication platform for guests and neighbors.

Therein lies an opportunity for the hotel business to establish long-term relationships with potential employees and customers in the surrounding area. This also refers to the establishment of business relations with cooperation partners and suppliers from the surrounding area.

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Practical examples in the hospitality industry

25 Hours Hotel in the Hafencity in Hamburg: In 2018, they announced the revival and redesign of the traditional concierge service. A concierge in the hotel lobby offers services to hotel guests and the neighbors, such as laundry service, shopping, arranging appointments, organizing childcare and providing the latest information and insider tips.

Hoxton Hotel and Wythe Hotel in Williamsburg: Both hotels started to network with the neighborhood during their planning phase and responded to the stated needs and requirements needs. Local artists contributed in the architectural design. Hotel operators recruit their employees preferably in the nearby surrounding area. The “Coworking Lobby” at the Hoxton Hotel also attracts the neighbors as a social place to work or to meet for business.

MOB Hotel of the People in Paris: This hotel offers raised beds for gardening on the roof terrace, free to the neighbors. A pop-up store with sustainable design products in the hotel lobby and a hotel concept store in the surrounding area leads interested neighbors inside the hotel, and hotel guests outside. Movie nights and concerts foster social exchange.

Grätzl Hotel in Vienna: A virtual hotel space network with its guestrooms spread over the city district (Wienerisch Grätzl). Most guestrooms used to be empty shop units on the ground floor. A corner café serves not only as a social room but also as a reception to the hotel. At certain times, guests can also pick up their room keys from the barkeeper at the weekly market or at the reception of an architecture office. The hotel space and the habitat interconnect to build a vivid symbiosis.

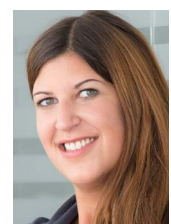
Gradual implementation process

The implementation of the scenario requires a comprehensive analysis of the environment in an early project phase and an evaluation of the neighbors’ needs (e.g. services, offers). This includes the consideration of already available services such as F&B services taken into account for the overall concept. Communication and social interaction with people from the neighborhood should start at an early stage in order to enable strategic planning. The implementation of social events on a regular basis (e.g. readings, hotel markets) supports social exchange among hotel guests and neighbors. Digital tools like web based apps help to communicate within the social network of the hotel or to offer services and share real-time information.

Overall, this approach requires individual planning and development work with many different coworkers, a methodologically diverse setup as well as foresight. If the hotels of the future became more of a community manager and focused their service on the needs of both, hotel guests and neighbors tremendous opportunities for all those involved would arise – a thoroughly desirable approach.

■

***Vanessa Borkmann** is a researcher at Fraunhofer-IAO in Stuttgart, Germany. She is the initiator and project manager of the joint research project FutureHotel. Since 2006, Vanessa’s research has a focus on trends and developments in the hospitality and tourism sector. She works on innovative concepts and solutions and invented the Smart Hotel Room (Showcase FutureHotel – a vision of a hotel room in 2020), the Specific Hotel Room Selection, the first smartphone-based check-in process in the Hotel Schani Vienna, and the concept for a co-working lobby. In 2017, she received the Hospitality Innovation Award by PKF in recognition of important achievements that have had a lasting influence on the international hospitality industry. She is an author and speaker – one of her latest publications is the book FutureHotel Building 2052.*



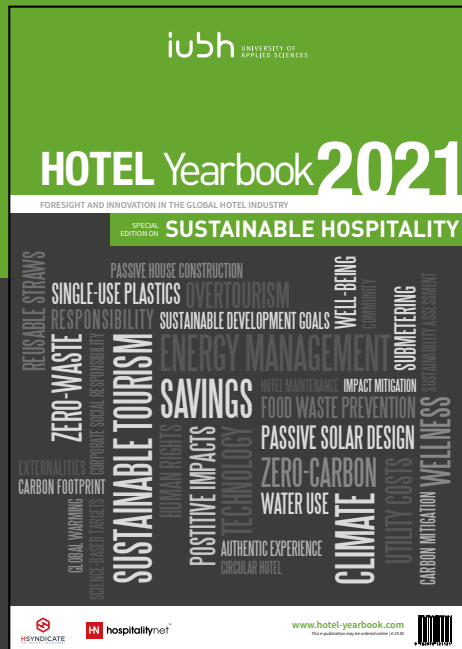


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• *This edition will be available from April 2019*



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• *This edition will be available in April 2019*