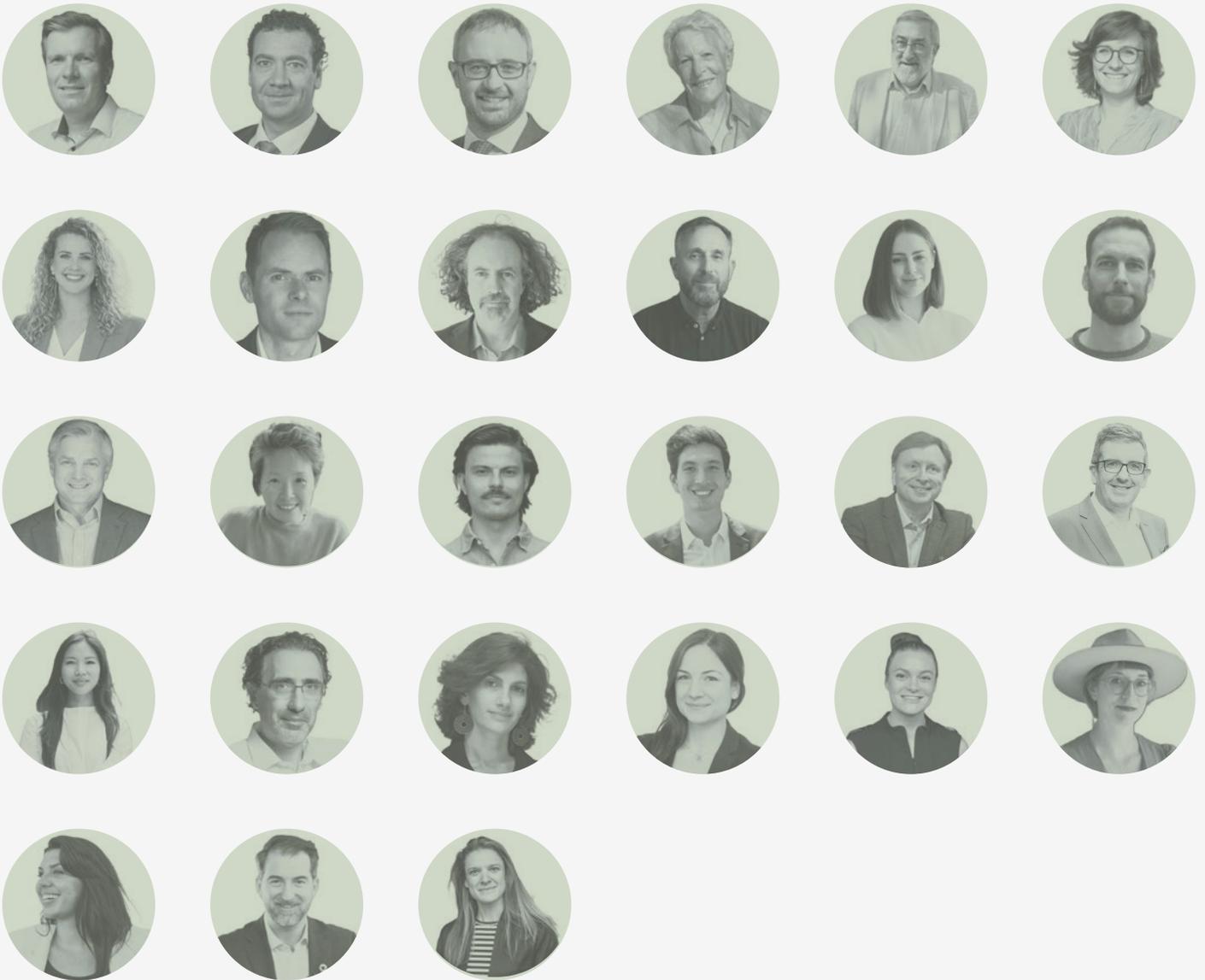


HYB26

Sustainability Edition

The Regenerative Question - What Hospitality Must Become



The Hotel Yearbook

Foresight and innovation in the global hotel industry



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Reimagining Hospitality Through Regeneration and Place Vitality

Place vitality

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Professor Michail Toanoglou argues that hospitality must move beyond “low-impact” sustainability toward regenerative hospitality that actively strengthens the vitality of places. He lays out a new value architecture and six executive priorities for hotel leaders to embed systems thinking and place-based reciprocity into strategy.

Hospitality is entering a post-sustainability era. Not because sustainability has failed, but because it is no longer sufficient for the scale of ecological disruption, social strain, and destination fragility now shaping our sector. A low-impact model can reduce harm; it cannot, on its own, restore ecosystems, revitalize cultural landscapes, and rebalance who benefits from tourism growth.

That is why regenerative hospitality matters now. It reframes the strategic question from “How do we operate more efficiently?” to “How do we improve the vitality of the socio-ecological systems that make hospitality possible?” This is not a rhetorical refinement. It is a redesign of business purpose, operating logic, and performance architecture.

Over the coming decade, tourism growth will continue in volume and value. If this growth is not guided by restorative logic, pressure will intensify on water systems, biodiversity, cultural heritage, housing, local labor markets, and social cohesion. In many destinations, we already see the symptoms: erosion of resident trust, seasonality stress, commodification of culture, and rising adaptation costs linked to climate volatility. Regeneration is therefore not a premium narrative. It is a strategic response to systemic risk and systemic opportunity.

FROM RESPONSIBILITY TO REGENERATION

The evolution from CSR to sustainability, then circularity, and now regeneration, marks a deeper transformation than terminology suggests.

- **CSR** emphasized responsibility and reputation.
- **Sustainability** emphasized footprint reduction, efficiency, and compliance.
- **Circularity** emphasized resource loops, reuse, and material productivity.
- **Regeneration** emphasizes restoration, revitalization, reciprocity, and long-term system health.

Each phase added value. But each phase also exposed limits. Sustainability, for example, often optimized internal operations while leaving external system dynamics insufficiently addressed: destination leakage, unequal value distribution, ecological decline beyond property boundaries, and weak community agency in tourism governance. Regeneration challenges this narrowness by asking whether hospitality contributes to the renewal of place-based life systems.

In practical terms, this means moving from a compliance logic to a contribution logic.

SYSTEMS THINKING AS A STRATEGIC CAPABILITY

A hotel is not an island. It is embedded in networks of food, water, waste, mobility, labor, energy, regulation, finance, and culture. These networks shape both guest experience quality and destination resilience. They also shape risk. Climate events, biodiversity degradation, social contestation, infrastructure pressure, and geopolitical volatility do not stay outside the business model; they increasingly define it.

For this reason, regeneration cannot be delivered through isolated “green initiatives” or disconnected departmental projects. It requires systems thinking at executive level: understanding interdependencies, feedback loops, thresholds, and unintended consequences. It also requires moving from property-level optimization to destination-level stewardship, where hospitality actors co-design outcomes with public authorities, SMEs, civil society, and local communities.

In this sense, regenerative hospitality is less about adding one more ESG layer and more about integrating strategy across scales: property, destination, region, and planetary boundaries.

THE NEW VALUE ARCHITECTURE

Traditional hospitality metrics remain important—ADR, RevPAR, GOP, occupancy, productivity. But they are incomplete proxies for long-term competitiveness if the destination is becoming ecologically unstable or socially contested. Regenerative leadership requires a multi-capital model of value creation and value retention.

A robust architecture can be structured around five pillars:

1. **Ecological Restoration and Climate Resilience:** Move beyond “less bad” toward measurable renewal: habitat restoration, water replenishment, soil and landscape regeneration, biodiversity health, and adaptation readiness.
2. **Cultural and Heritage Revitalization:** Protecting heritage is not enough. Regeneration requires living continuity: intergenerational transmission, support for local cultural practitioners, language visibility, and craft-linked livelihoods that remain economically viable.
3. **Equitable Local Prosperity:** Growth without local retention undermines legitimacy. The central question becomes: how much value remains in destination ecosystems through local sourcing, fair contracting, SME participation, quality employment, and entrepreneurship pathways?
4. **Community Agency and Governance:** Regenerative outcomes are stronger when local stakeholders are co-authors, not consultees. Participatory governance, transparency, and benefit-sharing mechanisms reduce conflict risk and increase policy coherence.
5. **Transformative Guest Value:** The future experience economy will reward depth over novelty. Guests increasingly seek meaning, place connection, and contribution. Regenerative design turns visitors from passive consumers into active participants in place-based renewal.

This architecture does not reject financial discipline. It strengthens it by aligning financial performance with the long-run health of the assets hospitality actually depends on: nature, culture, trust, and social license.

AUTHENTICITY AS RELATIONAL INTEGRITY

Authenticity is often treated as aesthetic packaging. In regenerative hospitality, authenticity is relational integrity between people, nature, culture, memory, and future. It is not staged identity; it is co-created continuity.

This has direct design implications:

- Community-led interpretation instead of imported storytelling.
- Seasonal, place-based gastronomy linked to local producers and biodiversity.
- Heritage-linked experiences that support restoration funds and local livelihoods.
- Learning-centered itineraries that foster ecological literacy and cultural respect.
- Collaborative formats where residents and visitors participate in shared stewardship.

When authenticity is co-created, the guest experience becomes more distinctive while the destination becomes more resilient. This is both an ethical gain and a competitive gain.

BUSINESS MODEL INNOVATION FOR THE NEXT 3–5 YEARS

Regenerative hospitality will likely evolve through three concurrent pathways.

First, incremental adapters will integrate selective regenerative modules—procurement changes, restoration pilots, local hiring targets—while keeping conventional performance systems dominant.

Second, hybrid integrators will combine financial KPIs with ecological, sociocultural, and equity indicators, supported by cross-functional governance and destination partnerships.

Third, system pioneers will redesign full operating models around restoration and revitalization outcomes, including investment criteria, incentive structures, supplier ecosystems, and narrative strategy.

All three pathways will coexist. The strategic differentiator will be execution quality: the ability to translate regenerative ambition into measurable, credible, place-specific outcomes.

Capital markets and owners will also play a defining role. As climate and social risks become more visible in asset performance, resilience investment will increasingly move from optional ESG expenditure to core competitiveness infrastructure. In this context, the most future-ready operators will be those that can articulate clear cause-effect pathways between regenerative action and risk-adjusted value creation.

A second differentiator will be governance quality. Regenerative portfolios need stronger data credibility, outcome verification, and adaptive learning cycles. The organizations that create transparent links between investment, operations, and place-level impact will secure higher trust with communities, regulators, guests, and long-term capital.

SIX EXECUTIVE PRIORITIES

To operationalize regeneration now, leaders can focus on six priorities:

1. **Build Destination Baselines:** Establish shared baselines for ecosystem condition, water stress, cultural vitality, leakage patterns, workforce conditions, and climate vulnerability.
2. **Rewire Procurement for Local Multipliers:** Use procurement as a development lever: local supplier onboarding, capability-building, fair payment terms, and transparent sourcing thresholds.
3. **Embed Regenerative KPIs in Management Systems:** Add restoration and revitalization indicators to executive dashboards, incentives, and board reporting—not as peripheral CSR metrics, but as strategic performance metrics.
4. **Institutionalize Co-Governance:** Create recurring governance forums with public actors, community representatives, SMEs, and scientific advisors to align decisions and reduce fragmentation.
5. **Develop Regenerative Talent:** Train teams in systems literacy, place interpretation, community engagement, and climate adaptation competencies. Regeneration is a capability agenda, not only a project agenda.
6. **Redesign Guest Journeys for Reciprocity:** Curate experiences that invite contribution: restoration participation, heritage revitalization activities, local enterprise engagement, and reflective learning pathways.

Execution matters more than slogans. Regeneration becomes credible only when these priorities are structured, budgeted, measured, and communicated transparently. Equally important, leaders should define clear thresholds for trade-offs: where growth should slow, where visitation should be redistributed, and where restoration periods require temporary limits. Regeneration without boundary governance remains aspirational.

Implementation discipline is equally critical at portfolio level. Operators need cross-property learning systems, common definitions for restoration outcomes, and periodic external assurance that reported progress reflects real ecological and social change. Without this rigor, regeneration risks becoming a narrative premium without operational substance. With it, regeneration can become a source of strategic resilience, destination legitimacy, and brand trust.

Hospitality has always been about welcoming people. The next chapter is bigger: welcoming the future of places. Regeneration invites the sector to become a force that restores landscapes, revitalizes heritage, and renews trust between visitors and host communities.

If sustainability taught us to reduce harm, regeneration challenges us to create conditions for life to flourish. The real legacy of hospitality will be measured not only by what guests remember, but by what destinations become.



“Show me only chemical-free,
bed bug-safe hotels.”



What becomes searchable
becomes bookable.

