Environmental management

IMPLEMENTING SUSTAINABLE PRACTICES IN GREEK ECO-FRIENDLY HOTELS

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Abstract. Eco-friendly hotel managers institute programs that save energy and reduce solid waste while saving money. The present study illustrates that the Greek eco-friendly hotels have many benefits by implementing sustainable methods of operation. The benefits include a satisfactory decrease in the level of operating costs and a significant increase in the volume of reservations (up to 30%), as well as in the satisfaction rate of the guests. Moreover, green initiatives ameliorate the environment and society, as well. The study also identified various effective sustainable practices that can be considered to be a best practice model to encourage and assist more hoteliers to implement green initiatives in their lodgings. The model highlights the following best practices: the creation of a dedicated green team and affiliation with green associations; the optimum use of possibilities for financial support; the application of a green certification program; training and motivation of employees; the integration of the eco-label in the hotel marketing; the establishment of feasible and measurable targets for energy consumption and waste creation; the use of renewable energy resources; recycling; the electricity and water saving; and, finally, the offering of healthy, fresh and local food. Keywords: eco-friendly, green, sustainable, tourism, hotel.

AIMS AND BACKGROUND

The aim of the present study is to illustrate the benefits of Greek eco-friendly hotels while they are implementing sustainable methods of operation. Another purpose of the paper is to identify best practices of sustainability in the Greek hospitality industry and present them in a step-by-step model aiming to encourage and assist more hoteliers to implement green initiatives in their lodgings.

Throughout the worldwide tourism industry, companies are striving to move towards a new model, based on competitive advantage driven by $quality^1$.

Sustainable tourism may be regarded as tourism that wisely uses and conserves resources in order to maintain their long-term viability. Essentially, sustainable tourism involves the minimisation of negative impacts and the maximisation of positive impacts².

Quality tourism basically offers tourists 'good value for their money'. This also serves as a protection of local natural resources and as an attraction to the kinds of tourists who will respect the local environment and society. All tourism should be sustainable³.

Quality and sustainability in tourism are inseparably linked. While the conventional application of quality management in tourism establishments and services remains the basis, the quality of the natural and cultural environment of tourist destinations adds onto, and these together represent the overall quality of the tourist experience. Quality is the 'face' of sustainability⁴.

The hospitality sector interfaces with the concept of sustainable tourism, in two main areas:

- Location and design of new accommodation units;
- Operational management practices in relation to the environment such as energy conservation and recycling ⁵.

No sustainability program makes sense if it does not have a favourable cost-benefit ratio. An efficient design not only does it conserve resources, but it can make a hotel more viable (and profitable). Energy management should be integrated into hospitality operations so that it responds to actual building use ⁶.

Green or eco-friendly hotels are environmentally friendly properties whose managers are eager to institute programs that save water, save energy and reduce solid waste – while, at the same time, saving money – to help protect both the earth and the environment ⁷.

Several studies have indicated that cost savings are the most influential benefit to increasing environmental commitment in the tourism accommodation industry. Hotel operators that can maximise their efficiency and reduce waste will be more cost-effective than their competitors. Generally a hotel can reduce its energy consumption by 20-40% without adversely affecting performance⁸.

Sustainable development will be integral to future hotel operations and it is seen as a long-term strategy. The strategy is based on the concept of the 'triple bottom line', which combines economic viability (profit) with social responsibility (employees and the community) and environmental protection ⁹.

Research into the factors that influence the adoption of environmental measures in small hospitality firms in Scotland found that the decision to become environmentally involved had been a value-driven journey, influenced primarily by the development of environmental consciousness. The study also points to the value in making operators aware that going green need not involve a major change or capital outlay but can grow in accordance with the business needs and priorities ¹⁰.

Another research by Lee, Hsu, Han and Kim concludes that a green hotel image becomes a powerful operational tool in attracting and retaining more guests. Incorporating (functional and emotional) green positioning into hotel operations is a prerequisite for the creation of a green hotel image¹¹.

Environmental or eco-labelling for tourism products is well known and widely used in today world. Most commonly, eco-labels in tourism refer to the (reduced) negative influences of tourism on the natural environment¹². The purpose of the eco-labelling and/or certification schemes in tourism is

to highlight the best practices for products and services, as well as to ensure more sustainable management or sustainable consumption in tourism practices¹³.

Today there are over 800 different green certification programs for ecotourism, hospitality and tourism around the world¹⁴. These include the ISO 14001 Environmental Management System, the Green Globe and the Green Key, which are globally used.

There are two main motives for ISO 14001 certification. First, if properly implemented, certification forms the framework for improving environmental performance. Second, certified enterprises could establish a strong corporate image, achieving such benefits as improved relations with stakeholders and marketing advantages¹⁵.

The Green Globe is designed to cover all sectors of the tourism industry and it encompasses the accreditation of not only operators but also tourist destinations ¹⁶.

Green Key is a voluntary eco-label for tourism facilities that promotes sustainable tourism and aims to contribute to the prevention of climate change by awarding and advocating facilities with positive environmental initiatives¹⁷.

EXPERIMENTAL

The study that is to follow intended to explore whether the Greek eco-friendly hotels have benefits, mainly financial, by implementing sustainable methods of operation and what are those initiatives that are considered to be best practices, so as to be used as a model by other hoteliers.

Purposive criterion sampling was used to identify environmentally certified accommodations and the Green Key was the chosen sampling frame. Information from the Green Key website was used to identify the sample and obtain contact details.

There are 102 awarded with the Green Kay establishments in Greece and most of them are located in Crete (46). Both a quantitative and a qualitative approach was adopted for the investigation of any financial benefits due to the adoption of the Green Key eco-label and for the identification of best practices.

Data were collected by means of an on-line questionnaire sent to all the hotels certified with the Green Key, as well as by semi-structured interviews with personnel at management level, during in site visits to 12 hotels in Thessaloniki and Chalkidiki. The interviews were scheduled subsequent to telephone calls and faxes.

The 102 questionnaires were e-mailed to the managers of the hotel sample in November 2011, together with an explanatory notice about the aims of the survey. In December 2011, a thank-you reminder was sent by e-mail and 45 telephone calls were made to those who hadn't replied yet.

The answered questionnaires were collected by February 2012. Six (6) answered questionnaires were not complete and, therefore, they were excluded from the sample and seventy (70) questionnaires were answered properly. This response rate (68%) is considered to be sufficient for reliable conclusions. The 12 semi-structured interviews were conducted in March and April 2012. The interviews focused on determining the best sustainable practices in the hotels. The basic characteristics of the sample are:

Classification of the hotels (Table 1);

Table 1. Clssification of the hotels

Number of hotels	Class (number of stars)	(%)
21	5	30
30	4	42
19	3 (or less)	28

- Location: 11 are city hotels and 59 are resort hotels;
- First year the hotel was awarded the Green Key (Table 2).

Table 2. First year of Green Key award

2007	2008	2009	2010	2011
9 (13%)	7 (10%)	11 (15,5%)	38 (54,5%)	5 (7%)

The questions included in the questionnaire can be classified in two basic groups: (a) those concerning the motives towards the greening of the establishment, and (b) questions whether there is a return on the investment. Questions identifying sustainable practices that could be considered as best practices were addressed to hotel/environmental managers during the interviews in hotels of Thessaloniki (3) and Chalkidiki (9). The sampling technique used for selecting the 12 eco-friendly hotels was the cluster sampling. All the properties are 3, 4 and 5 star hotels and offer food and beverage services.

RESULTS AND DISCUSSION

The main findings of the survey are as follows:

MOTIVES TOWARDS THE GREENING OF THE ESTABLISHMENT

- 1. Expected financial benefits: 63 hotel managers (90% of the sample).
- 2. Social and environmental responsibility: 48 out of the 63 hotel managers (76%) responded that this was the 2nd reason for the change.
- 3. The financial support through the Operational Program 'Competitiveness and Entrepreneurship Green Tourism': 68% of the respondents.

¹ The subsidy is equal to 40-45% granted to business plans with a budget ranging from €15.000 to €400.000

- **4.** Use of the eco-label as a marketing tool: 42% of the hotels.
- **5.** Improvement of competitiveness: 39% of the sample.

RETURN ON THE INVESTMENT

- 1. Cost of the ecological adaptation: low (88%), average (9%), high (3%).
- 2. Time period needed for the depreciation of the cost: 1 year (75%), 2 years (20%), not yet (5%).
- 3. Decrease in the level of operating costs: much (45%), enough (32%), fairly (23%).
- **4.** Increase in the volume of reservations: yes (100% of the sample). The percentages of the increase are as follows: by 10% in 17 hotels, by 20% in 44 hotels and by 30% in 9 hotels.
- **5.** Satisfaction rate of the guests owed to the changes: 98%.

EFFECTIVE SUSTAINABLE PRACTICES (AS IDENTIFIED THROUGH THE INTERVIEWS IN 12 HOTELS OF THESSALONIKI & CHALKIDIKI)

- 1. Use of renewable energy: 9 hotels (75% of the sample).
- **2.** Energy saving systems: 12 hotels (100% of the sample).
- **3.** Implementation of solid and liquid waste management: 12 hotels (100% of the sample).
- **4.** Development and use of water management systems: 10 hotels (83% of the sample).
- **5.** Guests are offered local and authentically traditional food and drinks: 7 hotels (58% of the sample).

STEP-BY-STEP BEST PRACTICE MODEL FOR HOTELIERS TO ENCOURAGE SUSTAINABLE PRACTICES IN HOTELS

Based on the analysis of the research findings, as well as on the literature review, the following 10-step best practice model has been developed in order to encourage and assist more hoteliers to implement green initiatives in their lodgings:

- **1.** Create a Green Team dedicated to the improvement of your environmental performance and become a member of green associations.
- **2.** Investigate, identify and make optimal use of possibilities for financial support through operational program (e.g. Green Tourism). The subsidy can reach the 45% of the budget.
- **3.** Apply for and obtain an eco-label. On average, the time period needed for the depreciation of a low-cost certification is 1- 2 years.

- **4.** Train, motivate and convince your employees to contribute towards the success of your green business strategy.
- **5.** Integrate the eco-label in your marketing and use it actively. Inform your guests, the press and media, and your tour operators. The increase in your reservations' volume can run up to 30%.
- **6.** Establish clear, feasible and measurable targets for energy consumption and waste creation.
- **7.** Use renewable energy resources, such as solar energy, photovoltaic, geothermal energy and wind generators. Most of these systems result in energy savings by 30%.
- **8.** Recycle: paper; aluminium; glass; plastic; cooking and used oil; batteries; used appliances and ink cartridges; compost kitchen and garden organic waste. Moreover: purchase and use recycled products; and use refillable dispensers for in-room toiletries.
- **9.** Save electricity and water by using: key cards; low consumption bulbs, as well as electrical and electronic devices; digital thermostats; lighting control systems; towel and linen reuse policy; special flush toilets and taps; water flow reducers; rainwater collection. Your electricity and water bills will be reduced by 20-30%.
- 10. Offer healthy, fresh and local food, wine and beer to your guests.

CONCLUSIONS

As demonstrated through various sources and researches, when a hotel increases its level of environmental commitment it has a competitive advantage. The research included in this paper shows that the main motives towards the greening of the Greek establishments are the financial benefits and the economic support through operational programs.

On the other hand, the return on the investment is quite satisfactory, as the ecological adaptation cost is low, the time period needed for the depreciation of the cost is 1-2 years and there is a significant decrease in the level of operating costs and an increase in the volume of reservations (up to 30%), as well as in the satisfaction rate of the guests.

Apart from the energy savings by the use of renewable energy resources and other environmental management systems, leading to the reduction of operating costs and, therefore, to the increase of the profitability, the sustainable practices benefit the environment and society, as well.

Towards this direction, application of an eco-label certification program is highly recommended. Yet, further research and comparative analysis is required so as to identify which certification has the best benefit-cost ratio for the hospitality industry, as well as the most sustainable impact on the environment.

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