

Sustainability

Week 3

HOSPITALITY
AND
TOURISM
MANAGEMENT

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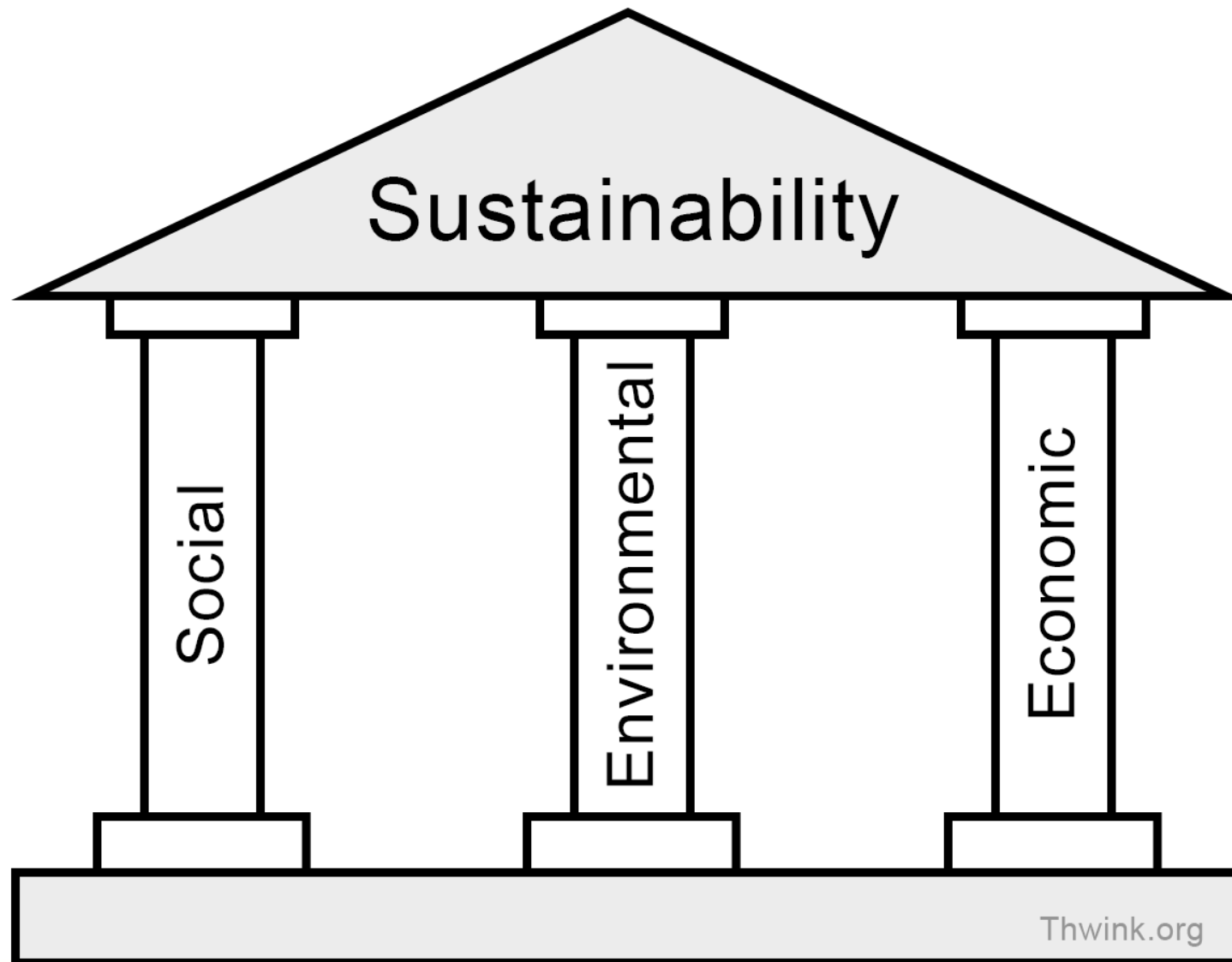
Recap



- The purpose of Sustainability
- Sustainable Tourism
- The Impact

- Sustainability is often represented as resting on the three founding pillars of

- Social
- Environmental
- Economic



1. No poverty
2. Zero hunger
3. Good health and well-being
4. Quality Education
5. Gender equality
6. Clean water and sanitation
7. Affordable and clean energy
8. Decent work and economic growth
9. Industry, innovation and infrastructure
10. Reduced inequalities
11. Sustainable cities and economies
12. Responsible consumption and production
13. Climate action
14. Life below water
15. Life on land
16. Peace, justice and strong institutions
17. Partnership for the goals



Sustainable Tourism



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Last Weeks Activity

[About Us | UNWTO](#)

Visit the web site.

Prepare a PowerPoint slide highlighting:

Who are UNWTO and what are their priorities?



Sustainable Practices in the Hospitality Industry





In recent decades, consumer awareness of social and environmental issues has increased markedly. Companies are progressively integrating sustainable development into their growth strategies for both ethical and profitable reasons, especially if they are to continue attracting the **younger, socially active customer**.

Many companies base their targets around the **UN Sustainable Development Goals**.

A tide of green...

A study by Harvard Business Review (2019) found that for sales in 90% of the observed Consumer Packaged Goods categories, brands that were marketed as **sustainable** were **growing faster** than traditional competitors.

Truly impactful changes to the ways in which businesses operate tend to be rewarded by the public through a rise in popularity and consequently, sales.

40% of millennial respondents had chosen an employer because of their sustainability performance. **70%** of millennials answered that they are more likely to stay with a company with a strong environmental reputation and policy (Governance & Accountability Institute, 2019).

Consumers' Sustainability Demands are rising



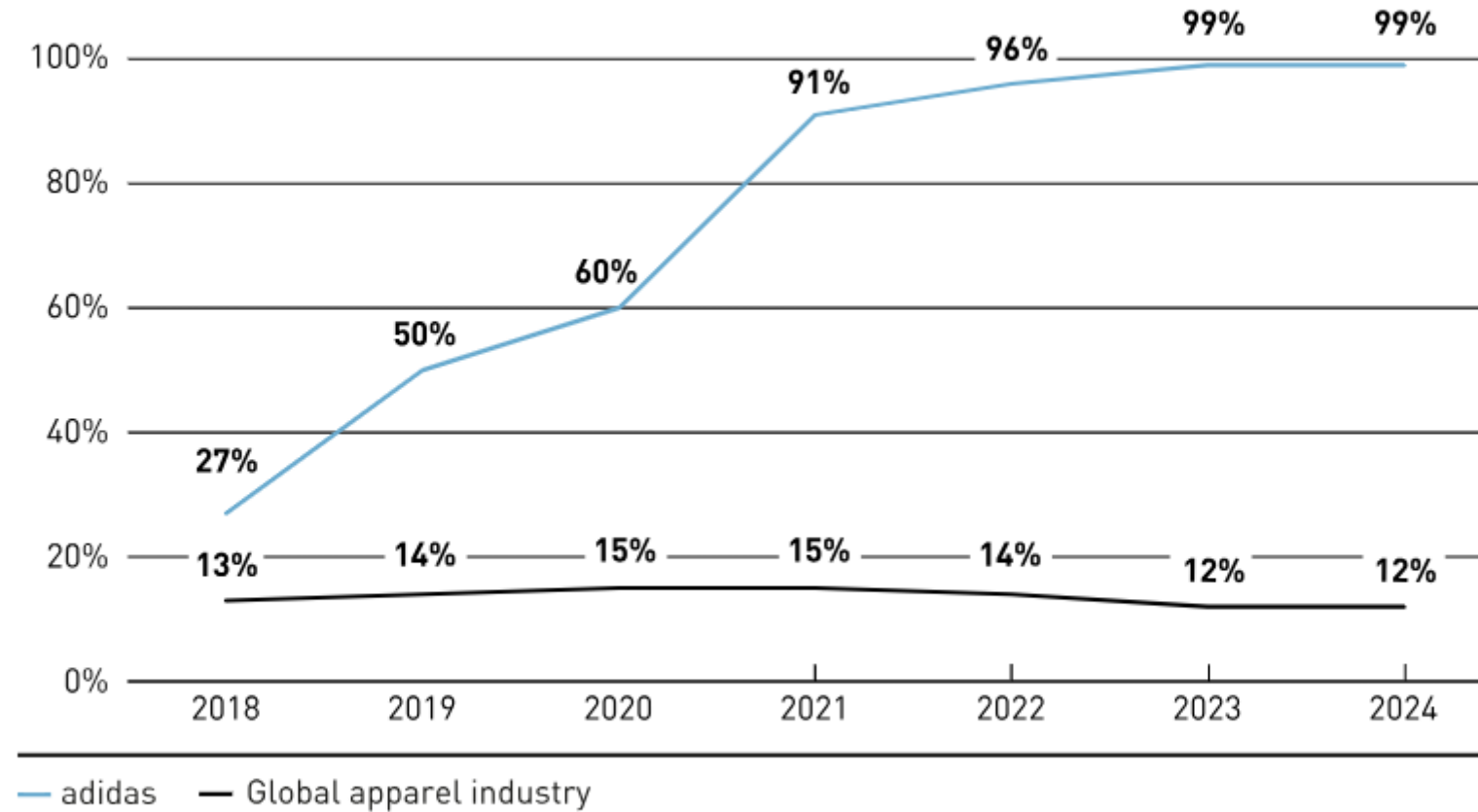
“those that make good on their promises to people and the planet - will seize the advantage from brands that make flimsy claims or that have not invested sufficiently in sustainability. We’re fast approaching this tipping point where sustainability will be considered a baseline requirement for purchase, and companies should prepare now”.

Reichheld, Peto & Ritthaler, 2023

Examples of these “green” initiatives.

- [Adidas’ recent pledge](#) to use only recyclable polyester in their sneaker and clothing production by 2024
- Forty-two major consumer goods brands (e.g. *Häagen-Dasz, Tide & Gillette*) coming together in the [Loop TerraCycle](#) project to provide households with zero-waste containers that are refilled only when needed.

Recycled polyester share of total polyester use¹



¹ Source: Textile Exchange Recycled Polyester Challenge Dashboard; 2024 value for global apparel industry is an estimate

Join the Vevox session

Go to **vevox.app**

Enter the session ID: **191-103-594**

Or scan the QR code





##/##

Join at: **vevox.app**

ID: XXX-XXX-XXX

Question slide

What does this mean for tourism?



##/##

Join at: **vevox.app**

ID: **XXX-XXX-XXX**

Results slide

What does this mean for tourism?

RESULTS SLIDE

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What is Corporate Social Responsibility?



Corporate Social Responsibility is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders



CSR defined and debated

- CSR encompasses the **economic, legal, ethical and philanthropic** expectations that society has of organisations at a given point in time. (Carrol, 1979)
- CSR is a view of the corporation and its role in society that assumes a **responsibility** among firms to **pursue goals in addition to profit maximisation** and a responsibility of the stakeholders to hold the firm responsible for its actions. (Freeman, 1984)

CSR defined and debated

- Business decision making linked to **ethical values**, compliance with legal requirements, and respect for people, communities, and the environment around the world (Aaronson, 2003)
- Strategic CSR as ‘the incorporation of a holistic CSR perspective within a firm’s strategic planning and core operations so that the firm is managed in the interest of a broad set of stakeholders to achieve maximum economic and social value over the medium to long term’ (**Chandler, 2017**)

Carroll's pyramid of CSR



(Carroll, 2016)

Archie B. Carroll



<https://www.youtube.com/watch?v=EjSITfWxJKQ>

Positives

- Clear policies
- Commitment and agreement on objectives
- Resources made available
- No conflicts with other policies
- Coordination of efforts and communication by a committee or problem-solving group

Negatives

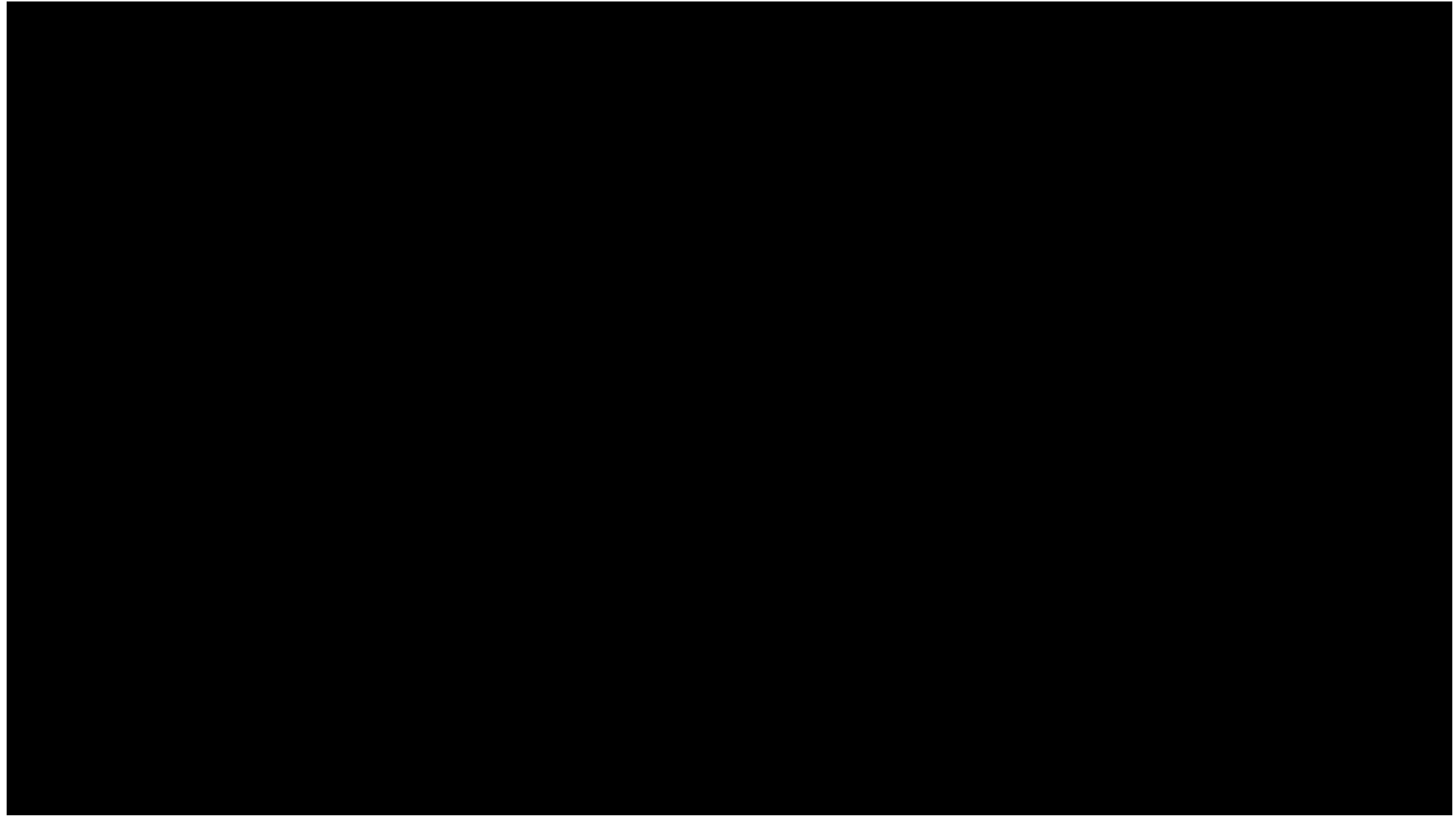
- Rising costs of operations
- Locking horns with stakeholders
- Public Image/Risk to reputation
- Increased Accountability
- Losing sight of what matters

(Legrand, Sloan, Chen, 2017)

Harrapa (2017)



MARRIOTT



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Starbucks

It's not just about hotel brands themselves. What about the products that they serve? Remember the discussion around the Whiskey Sour...

Take coffee, for example. Where does it come from? How is it sourced? What are the ethical values of the supplier in question?

Guests are becoming more sustainably aware every day. If a hotel guest asked a FOH Team Member if the coffee is ethically sourced, would the TM be able to respond?

Partnerships between sustainable brands and hotels are increasing. Let's take a look at Starbucks' sustainable journey.



[The Caterer](#)

<https://stories.starbucks.com/stories/2019/leading-in-sustainability/>

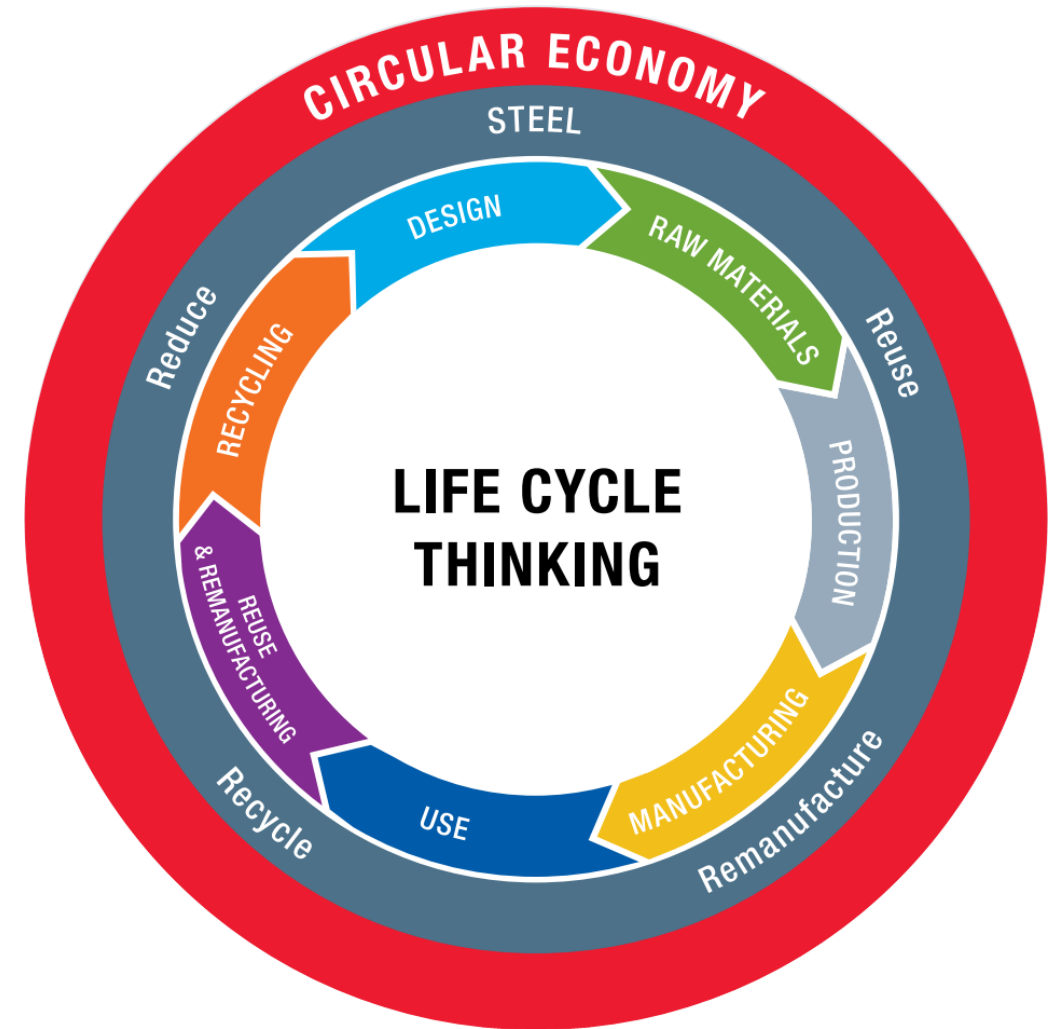






What is the Circular Economy?

The circular economy is defined as a 'regenerative system in which resource input and waste, emission, and energy leakage are minimised by slowing, closing and narrowing material and energy loops. This can be achieved through long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing and recycling' (Geissdoerfer et al., 2017:764).



Re-thinking progress



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LINEAR ECONOMY



CIRCULAR ECONOMY



LINEAR ECONOMY

Take
↓
Make
↓
Use
↓
Waste



RECYCLING ECONOMY

Take
↓
Make
↓
Use
↓
Waste

Recycle

Recycle



CIRCULAR ECONOMY

Take
↓
Make
↓
Use
↓
Waste

Recycle

Repair

Reuse

Return



The Benefits

- In a survey by the [World Business Council For Sustainable Development \(WBCSD\)](http://www.wbcsd.org): (www.wbcsd.org)
 - 40% of companies implementing the circular economy referenced growth and competitiveness as key business cases.
 - In all, eight business cases for going circular are identified.



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Institute
Quality

EAT SLEEP & DRINK
WHITBR



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Marlon Brando's Island Eco Resort in Tahiti

- Exclusive eco-conscious hotel
- Everything is recycled
- Special machines for composting all food waste
- All water is taken from the ocean and used to power air conditioning and is used for drinking water.
- No boats are allowed inside the lagoon. Everything is dropped off in the ocean outside, so as not to damage the coral reef.

One of the world's **top luxury resorts** is also self-sustainable and an inspirational role model to communities everywhere, showing even the best lifestyles can be lived in harmony with nature, without any negative impact.

Marlon Brando's Dream Island

The Ultimate Resort



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What sustainable practices can you remember from the video?



Main Activity (individual)

How is hospitality reacting to the circular economy?

Read pages 274-280 of the article below

(it can be found in the online resources of the University library) and summarise its findings

Fabrice Sorin & Uthayasankar Sivarajah (2021)

Exploring Circular economy in the hospitality industry: empirical evidence from Scandinavian hotel operators, *Scandinavian Journal of Hospitality and Tourism*, 21:3, 265-285

Main Findings

- Circular Economy Awareness
- Drivers for Circular Economy Implementation
- Enablers of Circular Economy Adoption
- Barriers to Circular Economy Deployment
- Value Creation Opportunities

Conclusion

- The economy was pictured until recently as linear, with a strong tendency to satisfy the consumers' needs with brand new products, somehow to give them a feeling of exclusivity.
- **However, a full range of environmental, socio-demographic and economic indicators, mostly alarming, created the need to change our consumption and production habits.**
- One of the main and current issues discussed in the media is climate change, of which a principal source is, according to studies, households' consumption, thus including consumption of tourism.
- To tackle this problem, new ways of thinking appeared over the course of a few years, in particular in developed countries, and the [circular economy](#) embodies most of them.

Recap



I look forward to seeing you next week.

If you have any questions in the meantime, please
send an email from your student account

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