Analysis of hotels’ environmentally sustainable policies and practices: Sustainability and corporate social responsibility in hospitality and tourism

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Analysis of hotels’ environmentally sustainable policies and practices

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Abstract

Purpose

This paper presents the findings of an analysis of the Environmentally Sustainable Policies and Practices (ESPPs) employed by independent and chain affiliated hotels. The study aimed to ascertain the engagement of hotels with ESPPs and provide tentative evidence of their commitment towards meeting the expectations of environmentally conscious stakeholders.

Design/methodology/approach

This study utilised secondary data and content analysis to examine the ESPPs of a sample of 220 hotels in Melbourne, Australia. A systematic review was conducted of hotel websites to reveal, in a tabulated way, the range of reporting of environmental material provided by various rated hotels.

Findings

This analysis suggests that environmentally friendly business practices are prominently displayed by the hotels sampled, however, independent non-chain affiliated hotels are yet to adopt ESPPs in any visible way.
Originality/value

This study was broadly informed by stakeholder theory (Freeman, 1984) and aimed to ascertain the engagement of hotels with ESPPs. While previous studies have focused on chain hotels, this research involved a greater range of hotels of different profiles to highlight the mix of ESPPs across the hotel sector. Rather than merely examining the corporate websites of hotel companies, the research additionally examined ESPPs at the individual hotel property level, as this is where policies are implemented into practice. The extant literature to date has not studied the extent to which ESPPs are adopted by independent and chain affiliated hotels at this level, and it is this research gap that the study addresses.

Keywords: sustainability; environment; policies and practices; hotels; hotel websites

Introduction

The consequences of climate change and environmental degradation have created an imperative for industries to adopt and implement Environmentally Sustainable Policies and Practices (ESPPs). ESPPs are the basic principles, guidelines and practices formulated to assist an organisation in pursuit of its environmental management goals (Kraft, 2017). Policy is a statement of intent and purpose and is used to articulate the vision and objectives of the business (Wildavsky, 2017). It clarifies the actions that an organisation intends to undertake and guides the practices and decision making for all dimensions of business operations, including ESPPs (Weimer and Vining, 2017). Policy communicates the desired corporate direction, providing guidance and a point of reference to managers and their organisations (Birkland, 2015). Policy statements relating to ESPPs are therefore indicative of the relative importance placed on environmental protection by companies. Practices on the other hand are
acts of undertaking activities to implement policy or the intentions declared in the policy (Carroll and Shabana, 2010).

There is increasing need for organisations to employ environmental sustainability as a core business value (Bocken et al., 2014; Lubin and Esty, 2010). This imperative is in recognition of the considerable role that organisations and businesses play in creating negative environmental impacts. Increasingly, organisations are being held accountable for those impacts by their stakeholders and these stakeholders want to be made aware of the environmentally sustainable initiatives of organisations (Ekins, 2002; York et al., 2016). As a significant and growing sector of the tourism industry, the hotel industry is similarly accountable, however, it lags behind the commitment to sustainability made by other industries such as manufacturing and transport (Hsieh, 2012).

The extent to which growing recognition of the importance of environmentally sustainable practices on the part of the hospitality providers, consumers and stakeholders translates into the practices of the hotel industry has yet to be widely investigated (Hu, 2012). More broadly, however, research investigating the environmentally sustainable practices of organisations based on the messages they convey on the Internet is quite prevalent (Albino et al., 2009; de Villiers and van Staden, 2011; Soma et al., 2016).

Hotels use their websites to disseminate information to their stakeholders about themselves, their products and services, but the information these websites include about ESPPs is an emerging area worthy of further analysis (De Grosbois, 2012). There has been some research
on chain hotels but this has been limited to specific hotel types (Hsieh, 2012). The current study seeks to address this important gap by assessing the extent to which a range of chain and independent non-chain affiliated hotels of different profiles and sizes report their ESPPs to their stakeholders via the Internet. To this end, the ESPPs disclosed on the websites of a selection of hotels in the Australian city of Melbourne were analysed.

**Literature review**

The contribution of the travel and tourism industry to global GDP (9.6%) and employment (> 272 million jobs) attests to its significant impact on economic and social settings worldwide (World Travel and Tourism Council, 2015). The World Travel and Tourism Council (WTTC) forecasts that over the next 10 years travel and tourism will contribute US$11 trillion to global GDP and support 347 million jobs worldwide (World Travel and Tourism Council, 2017). In Australia, around $8 billion of revenue is generated yearly by the hotel sector (Cloutman, 2018).

The tourism and hotel industries are closely related. Whenever tourists travel, they need hotel accommodation and other related hotel services. This creates a significant impact on the environment and hotels must do their part and take a proactive approach to reducing their impact (Brown, 1996; Park *et al.*, 2014). Hotels can potentially not only take a leadership role in the transformation to a green economy (Mittal and Dhar, 2016; United Nations World Tourism Organization, 2007) but also in the betterment of the environment overall.
It is estimated that tourism generates approximately five per cent of the world’s greenhouse gas emissions, 21% of which come from the accommodation sector (United Nations World Tourism Organization, 2007). Hotels account for a significant amount of carbon generated and released into the atmosphere. Hotel operations consume high levels of water and energy and the production of this energy emits greenhouse gases, for which the industry is increasingly pressured by stakeholders to take action to minimise (Hsieh, 2012). It is estimated that 75% of the environmental impacts of hotels can be directly related to excessive consumption (Bohdanowicz, 2006), with water and energy per occupant in hotels at levels significantly higher than in households (Chan and Hawkins, 2010). Hotel operations require heating, cooling, water, lighting, a laundry system, energy to run equipment, kitchen appliances and waste disposal, both solid and liquid, all of which have a considerable impact on the environment (Bohdanowicz, 2005; Han and Yoon, 2015).

Sustainability deserves serious attention by all stakeholders and organisations in order to mitigate such environmental impacts for the future generations (Jauhari, 2014). It is generally viewed as comprising three dimensions: economic, social and environmental; all of which must work together to attain sustainability (Epstein and Buhovac, 2014). Until relatively recently, the dominant focus of practitioner and research attention has been on economic and social sustainability (Bonevac, 2010; Doh and Tashman, 2014), with environmental sustainability lagging (Ward, 2012). From a recent poll of over 1,000 CEOs from 100 countries and 25 different businesses, 89% indicated that commitment to sustainability is critical for the success of their business (Accenture Strategy, 2016). Research has confirmed that stakeholders such as communities, customers and governments (Freeman, 2010; Werther and Chandler, 2006) are paying greater attention than ever before to how corporations are responding to issues such as rising populations, rising social inequality, poverty, biodiversity
losses, environmental sustainability and climate change (Babiak and Trendafilova, 2011).
There is a particular imperative for the hotel industry to address environmental issues given its reliance on the natural environment to attract guests to sustain business viability (Boley and Uysal, 2013; Hassan, 2000; Hsieh, 2012; Kasim, 2006; Wahab and Pigram, 1997). The extent of understanding of environmental sustainability by hotel management can be a major driver for applying such initiatives, especially in the case of independent non-chain affiliated hotels (Scholz, 2018).

Stakeholder theory is concerned with the relationship between an organisation and its stakeholders (Freeman and Reed, 1983). Stakeholder theory defines the organisation as part of a grouping of stakeholders, and the purpose of the organisation should be to manage the viewpoint, needs and interest of these stakeholders (Mensah, 2014). Stakeholder theory has been commonly applied in sustainability management research to understand corporate social and environmental behaviour and Corporate Social Responsibility (CSR) motivations and drivers (Hörisch et al., 2014; Orlitzky et al., 2011). It emphasises the accountability of businesses to meet the expectations of all stakeholders rather than only those of shareholders (Fernando and Lawrence, 2014). The stakeholders of an organisation affect its policies and practices, including ESPPs (Fernandez-Feijoo et al., 2014; Stead and Stead, 2000). Stakeholders, in general, want businesses to undertake practices that are responsible and also provide information on such practices and their effectiveness (De Grosbois, 2012). Epstein and Buhovac (2014) consider that strong collaboration amongst stakeholders is required to achieve environmental sustainability.
Momentum around ESPPs has gained importance in the hotel industry worldwide as evidenced by the desire of tourists for environmentally friendly accommodation (Camilleri, 2016; Dalton et al., 2008; Jones et al., 2016; Leslie, 2016). A recent study by the world’s leading hotel room booking company (Booking.com) found that 87% of 4,768 respondents surveyed wanted to travel sustainably and 68% of those wanted to stay in eco-friendly hotels (Sustainable Travel Report, 2018). In an attempt to attract customers and maintain growth and profitability, hotels are responding to green conscious stakeholders by employing ESPPs (Edwards, 2005; Leonidou et al., 2013; Shanti, 2016). However, many hotels do not have a coherent environmental strategy and sometimes implement environmentally sustainable practices in an ad hoc manner (Dewhurst and Thomas, 2003; Shanti, 2016). Despite the progress made by hotels in becoming more sustainable, they are still struggling to promote this effectively to their stakeholders (Peiró-Signes et al., 2014). Additionally, the question should be raised as to whether hotels adopt ESPPs as a cynical marketing tactic to attract guests by ‘falsely’ claiming to be environmentally friendly, also known as “green washing” (Lyon and Montgomery, 2015), or whether these practices become standard business procedure in hotel management (Nicholls and Kang, 2012) for the benefit of all stakeholders.

Several previous studies have examined the environmentally sustainable practices of hotels including their approach to decision making, barriers and drivers of adoption (Kasim et al., 2014), the benefits of adoption and the attitudes in general of hotel managers towards environmental sustainability (Bonilla Priego et al., 2011; Chan and Hawkins, 2010; Chan, 2009; Graci and Dodds, 2008; Han et al., 2011; Hawkins and Vorster, 2014; Shanti, 2016; Upadhyay et al., 2016). These studies have mostly focused on the environmental management activities of chain-affiliated hotels, without a major focus on different types and
styles of hotels. Preliminary evidence suggests that not all hotels are as well placed to adopt ESPPs. Chan (2011), for example, found that small and medium sized hotels are hindered by internal barriers such as a lack of skills, knowledge and resources and the burden of ongoing maintenance costs when contemplating the implementation of environmental management systems. A large majority of SMEs (small and medium-sized enterprises) remain unconvinced of the need to tackle environmental sustainability issues (Burrows and Rozier Rich, 2016; Hillary, 2004). Additionally, smaller organisations may have lesser pressure from customers, stakeholders and other drivers resulting in lesser effort to address environmental sustainability (Becherer and Helms, 2014; Hillary, 2004; Revell and Blackburn, 2007). These organisations may also face the difficulty of finding and securing good quality advice and information on how to deal with environment management concerns. Even if a small business or enterprise commences and embarks on implementation of ESPPs, quite often there is a lack of human resources with the expertise on how to implement environmental management (Chan et al., 2018; Halme and Korpela, 2014; Kasim, 2009).

One of the more significant investigations of relevance to the current study is that of Hsieh (2012), who found that non-chain hotel operations were less engaged in the dissemination of environmental information online, which may indicate that they are less likely to adopt environmentally sustainable practices in their daily operations compared to larger hotels. Larger and more highly rated hotel operators had an apparent greater interest in sustainability. Hsieh (2012) study, however, was focused on the corporate websites of 50 major international hotel chains. The current study focuses primarily on independent hotels and chain affiliated individual hotel properties with the aim of tentatively assessing the extent to which corporate-level ESPPs filter down to the individual property level.
It is important to note that hotels are generally not mandated to put in place ESPPs. Whilst there are standards and codes such as the International Standard on Social Responsibility, ISO 26000 (Hahn, 2013); in Australia, the contextual setting of the current study, there is no legislation that compels hotel managers to implement the full range of ESPPs. Acts of significance, for example, such as the Environmental Protection Act (1997) (Environment Planning and Sustainable Development Directorate, 2018) protects the environment by preventing environmental degradation and pollution, encouraging clean production technology, reuse and recycling of materials and waste minimisation programs. The current environmental regulations applicable to the hotel industry are mainly focused on waste management and hazardous waste management, which deal with standard practice enshrined in this Act. As such, it falls to the hotel sector to proactively engage in promoting ESPPs in response to the demands of socially and environmentally conscious stakeholders (Kirchoff et al., 2011; Marken, 1998; Paul, 2008; Rikhardsson et al., 2002; Tang et al., 2014). The current study will assess this extent of engagement across a wide variety of the hotels, extending the previous limited studies that have attempted this task.

**Methodology**

This study sought to examine the extent of reporting of ESPPs on hotel websites as a measure of potential adoption of these policies and practices by hotels. Informed by stakeholder theory (Freeman and Reed, 1983) and relevant literature (Hsieh, 2012), the extent to which hotels disseminate environmental information on hotel websites to stakeholders, is considered a useful data source in relation to their ESPP actions and commitment.
The study utilised this secondary data and content analysis to investigate the ESPPs of hotels in Melbourne, Australia. A systematic review was conducted of hotel websites to reveal, in a tabulated way, the range of reporting of environmental material provided by variously rated hotels across the sector. A list of 220 hotels was compiled via searches of online travel agencies, Wotif.com and Bookings.com. The research was conducted over the months of August and September 2016. Melbourne hotels were selected, and included a range of chain affiliated and non-chain affiliated independent hotels and hotels rated at various star levels.

Criteria for the identification of ESPPs for this study was informed primarily by the green certification programs associated with the tourism and hotel industry that have emerged in recent years. Namely, these included the 10 key focus areas addressed by the EarthCheck (2016) standards for environmental sustainability as well as the seven categories of environmentally sustainable practices defined by Hsieh (2012). EarthCheck’s program is informed by the principles of sustainable development endorsed by 182 heads of states at the United Nations Rio De Janeiro Earth Summit in 1992. The EarthCheck standard is recognised by the Global Sustainable Tourism Council (GSTC) (Global Sustainable Tourism Council, 2016) and conforms with the Mohonk Agreement (Honey and Rome, 2001), which outlines the guidelines and principles for international tourism certification programs (EarthCheck, 2016). EarthCheck’s program covers all three dimensions of sustainability but the focus of the current study was specifically on the environmental dimension. The ten key focus areas addressed by EarthCheck’s (2016) standards for environmental sustainability are:

1. Greenhouse gas emissions
2. Energy efficiency, conservation and management
3. Management of freshwater resources
4. Ecosystem conservation and management
5. Social and cultural management
6. Land use planning and management
7. Air quality protection
8. Wastewater management
9. Solid waste management
10. Environmentally harmful substances

The seven categories of environmentally sustainable practices defined by Hsieh (2012) are:

1. Green procurement
2. Education for employees and customers
3. Sustainability credentials on the web page
4. Environmental policy
5. Tracking hotel programs
6. Environmental reports
7. Environmental awards

The coding scheme was extended to include several additional features based on an analysis of other major tourism and hospitality environmental certification and accreditation schemes: including Green Globe (2016) and the GSTC (Global Sustainable Tourism Council, 2016). As such, the website of each hotel was assessed to determine the following: i) whether ESPPs (or related terms) were mentioned; ii) whether details of specific environmental initiatives were detailed; iii) whether a policy was detailed; iv) whether the hotel had implemented an environmental audit and associated tracking programs; v) whether the website contained (or
pointed to) current and historical environmental audit reports; and vi) whether details of
environmental awards won were present. For chain-affiliated hotels, their corporate websites
were also examined. The data was coded and categorised according to whether the hotel was
independent or part of a chain, and by star ranking.

Findings

The findings of the content analysis of Melbourne hotel websites are presented in Tables 1
through to 6. Table 1 details the summary of star categories of the hotels and the breakdown
of these into chain affiliated and independent hotels. Table 2 contains the sustainability
information showcased on the individual hotel’s own website, while Table 3 illustrates the
sustainability information of all chain-affiliated hotels only on their corporate website. Table
4 outlines the sustainability information of all non-chain affiliated independent hotels on their
own websites and Table 5 displays combined information on the chain-affiliated hotel’s
corporate website and non-chain affiliated hotel’s own website. Finally, Table 6 contains
detailed information on the various focus areas of environmental sustainability.

From Table 1 (see below), it can be seen that of the 220 hotels studied, 102 hotels or 46%
were chain-affiliated hotels and 54% were independent hotels. The majority (58%) of hotels
were 4 star establishments.

Table 1 - Summary of hotels types for analysis of web sites for ESPPs

<table>
<thead>
<tr>
<th>Chain affiliated hotels</th>
<th>Independent (non-chain affiliated) hotels</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>5 star</td>
<td>25</td>
</tr>
<tr>
<td>4 star</td>
<td>127</td>
</tr>
<tr>
<td>3 star</td>
<td>60</td>
</tr>
<tr>
<td>2 star</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>220</td>
</tr>
</tbody>
</table>
The study examined all text on the websites of the individual hotels pertaining to the categories of sustainability mentioned. As indicated in Table 2 below, of the 220 hotels only 22 hotels or 10% included environmental related information on their own websites. Only two hotels or one percent out of the 220 hotels had information on their sustainability policy. Likewise, only one out of the 220 hotels had any information tracking the success of its environment sustainability program, hotel environmental reports and/or environmental awards won by the hotel. This information, though not extensive, was generally displayed on the home page of the hotel website highlighting the indicative importance the hotels sampled placed on environmental sustainability.

<table>
<thead>
<tr>
<th>Hotels</th>
<th>Sustainability Mention</th>
<th>Sustainability Policy</th>
<th>Tracking Program</th>
<th>Environmental Reports</th>
<th>Environmental Awards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>5 star</td>
<td>25</td>
<td>6</td>
<td>24.0</td>
<td>1</td>
<td>4.0</td>
</tr>
<tr>
<td>4 star</td>
<td>127</td>
<td>8</td>
<td>6.3</td>
<td>1</td>
<td>0.8</td>
</tr>
<tr>
<td>3 star</td>
<td>60</td>
<td>6</td>
<td>10.0</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>2 star</td>
<td>8</td>
<td>2</td>
<td>25.0</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>220</td>
<td>22</td>
<td>10.0</td>
<td>2</td>
<td>0.9</td>
</tr>
</tbody>
</table>

As shown in Table 3 (see below), of the 102 chain affiliated hotels out of the total 220 hotels sampled, 57 hotels or 56% included environmental related information and sustainability policies on their corporate websites. Thirty-nine or 38% out of the 102 chain affiliated hotels had information on tracking the success of their environment sustainability program and environmental reports on their corporate website and 40 (or 39%) of the chain-affiliated hotels had listed their environmental awards attained.
Table 3 - Information on chain affiliated hotels’ corporate websites

<table>
<thead>
<tr>
<th>Hotels</th>
<th>Sustainability Mention</th>
<th>Sustainability Policy</th>
<th>Tracking Program</th>
<th>Environmental Reports</th>
<th>Environmental Awards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>5 star</td>
<td>20</td>
<td>14</td>
<td>14</td>
<td>70.0</td>
<td>14</td>
</tr>
<tr>
<td>4 star</td>
<td>68</td>
<td>34</td>
<td>34</td>
<td>50.0</td>
<td>16</td>
</tr>
<tr>
<td>3 star</td>
<td>12</td>
<td>7</td>
<td>7</td>
<td>58.3</td>
<td>7</td>
</tr>
<tr>
<td>2 star</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>100.0</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>102</td>
<td>57</td>
<td>57</td>
<td>55.9</td>
<td>39</td>
</tr>
</tbody>
</table>

As Table 4 shows (see below), only one 4 star non-chain affiliated independent hotel displayed information about various ESPPs on their website. The remaining 118 hotels made no mention of environmental sustainability at all. It appears individual hotels have little interest in promoting sustainability initiatives on their websites. Further research is required to make a conclusive determination on the commitment of independent non-chain affiliated hotels to environmental sustainability.

Table 4 - Information on independent (non-chain affiliated) hotel’s own website

<table>
<thead>
<tr>
<th>Hotels</th>
<th>Sustainability Mention</th>
<th>Sustainability Policy</th>
<th>Tracking Program</th>
<th>Environmental Reports</th>
<th>Environmental Awards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>5 star</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>4 star</td>
<td>59</td>
<td>1</td>
<td>1</td>
<td>1.7</td>
<td>1</td>
</tr>
<tr>
<td>3 star</td>
<td>48</td>
<td>0</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>2 star</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>118</td>
<td>1</td>
<td>1</td>
<td>0.8</td>
<td>1</td>
</tr>
</tbody>
</table>
It can be seen in Table 5 (see below) that only 58 (or 26%) of the hotels had any information on environmental sustainability and an environmental sustainability policy, while 40 (or 18%) of the hotels had information on tracking various environmental focus areas and reports on environmental sustainability. Furthermore, 41 (or 19%) of the hotels displayed information on the various environmental awards they had won.

Table 5 - Information on combined corporate website and independent (non-chain affiliated) hotel’s own website

<table>
<thead>
<tr>
<th>Hotels</th>
<th>Sustainability Mention</th>
<th>Sustainability Policy</th>
<th>Tracking Program</th>
<th>Environmental Reports</th>
<th>Environmental Awards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>5 star</td>
<td>25</td>
<td>14</td>
<td>56.0</td>
<td>25</td>
<td>14</td>
</tr>
<tr>
<td>4 star</td>
<td>127</td>
<td>35</td>
<td>27.6</td>
<td>127</td>
<td>35</td>
</tr>
<tr>
<td>3 star</td>
<td>60</td>
<td>7</td>
<td>11.7</td>
<td>60</td>
<td>7</td>
</tr>
<tr>
<td>2 star</td>
<td>8</td>
<td>2</td>
<td>25.0</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td><strong>220</strong></td>
<td><strong>58</strong></td>
<td><strong>26.4</strong></td>
<td><strong>220</strong></td>
<td><strong>58</strong></td>
</tr>
</tbody>
</table>

Of the 58 hotels that included environmental related information on their websites, 14 were 5 star hotels, 35 were 4 star hotels, seven were 3 star hotels and two were 2 star hotels. In percentage terms, the majority (56%) of the 5 star hotels researched included environmental related information on their websites, 28% for 4 star hotels, 12% for 3 star hotels and 25% for 2 star hotels. This tentatively suggests that higher rated hotels are more involved in displaying this type of information on their websites, which is potentially indicative of their greater adoption of ESPPs.

Information on specific components of ESPPs, detailed on the websites of the 220 hotels investigated, is listed in Table 6 (see below). The findings suggest that the major focus areas of environmental sustainability were energy management, management of water or water
conservation, solid waste management, management of harmful substances generated during hotel operations, green procurement and environmental education for employees and guests. Of the 220 hotels investigated, energy management, management of freshwater resources and solid waste management were the focus areas for 24% of the hotels. Furthermore, about 19% of the 220 hotels focused on green procurement, managing environmentally harmful substances and education for employees and customers.

Table 6 - Detailed information on the various focus areas

<table>
<thead>
<tr>
<th>Focus Areas</th>
<th>Number of Hotels</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5 star</td>
</tr>
<tr>
<td>Greenhouse Gas Emissions</td>
<td>8</td>
</tr>
<tr>
<td>Energy Management</td>
<td>14</td>
</tr>
<tr>
<td>Management of Freshwater Resources</td>
<td>14</td>
</tr>
<tr>
<td>Ecosystem Conservation and Management</td>
<td>8</td>
</tr>
<tr>
<td>Social and Cultural Management</td>
<td>8</td>
</tr>
<tr>
<td>Land Use Planning and Management</td>
<td>8</td>
</tr>
<tr>
<td>Air Quality Protection</td>
<td>0</td>
</tr>
<tr>
<td>Wastewater Management</td>
<td>0</td>
</tr>
<tr>
<td>Solid Waste Management</td>
<td>14</td>
</tr>
<tr>
<td>Environmentally Harmful Substances</td>
<td>14</td>
</tr>
<tr>
<td>Green Procurement</td>
<td>14</td>
</tr>
<tr>
<td>Education for Employees and Customers</td>
<td>10</td>
</tr>
</tbody>
</table>
Discussion

The findings suggest that the majority of hotels sampled in Melbourne, Australia, continue to use their websites primarily to communicate their role as accommodation providers and to market their businesses. Of these 220 hotels, only 26% included any environmental related information on their websites (see table 5). As a marketing tool, hotel websites have tremendous potential to effectively communicate products and services and to nurture customer relationships (Li et al., 2015). Of the hotels that did include environmental related information on their websites, the majority were 4 or 5 star establishments, suggesting that reporting of ESPPs is currently mainly confined to high-end hotels. This tentative association (that the larger and more highly rated operators have an apparent greater interest in sustainability) is entirely consistent with the limited previous research (Hsieh, 2012).

As indicated in Table 2, of the 220 hotels only 22 or 10% included environmental related information on their own hotel property website. As ESPPs are implemented at the hotel level, hotels displaying this information on their own individual property website potentially indicates an intent and commitment to sustainability for the sake of their stakeholders. Table 3 shows that of the 102 chain affiliated hotels (out of the total 220 hotels sampled), 57 hotels or 56% included environmental related information and sustainability policies on their corporate websites. In the case of chain affiliated hotels, environmentally conscious stakeholders may prefer to know about ESPPs at the hotel property level as this is where they are implemented, rather than information on ESPPs displayed on corporate websites only. Hotels themselves, more than their corporate office, are expected to implement environmental sustainability as they are in the front-line position to have the greatest direct impact on the environment. Displaying ESPPs on websites at the hotel level may demonstrate the extent of understanding of environmental sustainability by hotel management and this could be a major driver for applying environmental management initiatives to their property.
The findings also revealed different patterns of ESPP reporting by chain and non-chain affiliated independent hotels at individual hotel and corporate level. Most hotels that displayed information on ESPPs were owned, operated or affiliated with large multinational hotel companies, undoubtedly receiving direction from their head office on their commitment to sustainability. This may in part reflect their obligation to report such data to their shareholders. Independent hotels may have a differing approach to environmentally sustainable practices and the hotel manager may have a direct influence on the ESPPs of the hotel. For smaller independent hotels however, the findings suggest that information designed to demonstrate to customers and other stakeholders, their commitment to environmental sustainability was totally lacking. It can be inferred that small independent hotels have little in-house expertise or resources for the implementation and monitoring of ESPPs and hence they were not displayed on their websites, which has been suggested by previous studies (Chan, 2011; Hillary, 2004; Revell and Blackburn, 2007). Previous studies that have focused on chain hotels only, examining corporate websites in the process, have been unable to discern such differences in ESPPs reporting by hotel type, especially by independent non-chain affiliated hotels. Revealing these cross-sectoral differences is a major contribution of this study.

Some websites were informative on hotel products and services, but the sample in general lacked information on specific ESPPs. The hotel industry generally does not make good use of websites as a communication tool for reporting information on environmental sustainability activities and performance to their stakeholders (Jenkins and Karanikola, 2014). This is confirmed by the current study with only 26% of the hotel websites posting specific information about environmental issues including a green purchase and supply chain policy, environmental partnerships, environmental education for employees and customers, green
building design and construction, carbon footprint reduction, water conservation, waste management and energy conservation. As was outlined in Table 6, the current findings suggest that the major focus areas of reporting were water conservation, energy management, sustainable sourcing, waste management and education of guests and employees. Hotels operate in an environment that needs to remain impressive and clean. This can be challenging, as this operation requires high consumption of water and energy and can generate a large amount of waste.

In examining specific environmentally sustainable practices, most of the large hotel companies had an environmental policy on their web pages, but the smaller independent hotels did not display this information. It is possible the barriers previously mentioned to independent hotels implementing environmentally sustainable management affected their policy development in this space (Chan, 2008; Kasim et al., 2014). Again, the larger hotel chains were more likely to have environmental programs addressing issues such as waste management, energy conversation, water conservation and green procurement.

**Conclusion**

The purpose of this study has been to analyse the ESPPs of 220 Melbourne hotels as disclosed on their websites, thereby discerning the extent to which hotels disseminate their ESPPs to stakeholders using their websites and their major focus areas in relation to ESPPs. The research revealed that the major focus areas of environmental sustainability for the hotel properties sampled were waste management, water conservation, energy efficiency, environmental education for guests and employees, and sustainable sourcing.
The general public, environmentalists, consumers and other stakeholders are increasingly wanting hotels to adopt environment management practices (Tang et al., 2014). This study found that only 26% of the hotels sampled included environmental related information on their websites. This appears to be a missed opportunity to showcase the environmental efforts of hotels, in response to consumer and stakeholders’ demands. It can be concluded that most of the hotels sampled did not use their websites to effectively disseminate environment related information.

Additionally, the research identified a tentative link between higher star rated hotels being more likely to display environmental information on their websites, although further research needs to be undertaken to reveal why lower star rated hotels do not disseminate information as actively on their websites and how this relates to their actual practices. There are clear indications that chain affiliated hotels were more engaged in disseminating environmental information on their websites. Further research could determine whether these larger hotel companies face internal and external pressures from various stakeholders to demonstrate environmental responsibility. The findings of the study suggest that there is a positive relationship between the size and affiliation of the hotel and the website based environmental disclosures, although further research is required to confirm.

**Theoretical implications**

By extending the examination of hotel ESPPs beyond large chain affiliated hotels as the focus of previous studies (Hsieh, 2012), the current study has identified the extent to which ESPPs are adopted across the hotel sector, contextualised to the study location of Melbourne, Australia. This adoption was not homogenous and varied based on chain affiliated or
independent hotel, corporate or individual property and star rating, suggestive of sector-wide variance in the levels of commitment to the implementation of ESPPs.

This preliminary research found that there is scope for independent hotels to take adopt stronger measures in relation to ESPPs and increase customer and other stakeholders’ awareness of their environmental management practices. Further research is needed to explore the guiding principles of hotel chain companies that make them inclined to support sustainability while ensuring that they maintain profitable hotel operations. It can also be determined that chain hotel companies provide more online environmental information as the corporate offices of the chain-affiliated hotels have a major influence on their affiliates in the implementation of ESPPs. There was also a strong indication that larger hotel companies are more engaged in disseminating environmental information on their websites for the benefit of their stakeholders. These findings are consistent with studies on corporate social responsibility indicating that large companies disclose more information related to their environmental policies and procedures (Hsieh, 2012).

Further research will assist in determining the barriers independent hotels face in implementing ESPPs. It is possible these hotels have ESPPs but are not communicating them via their websites. The next stage of this study involves interviews with hotel managers in order to clarify the findings of the web-site review. Further study can also examine the motivations for hotels to include information on ESPPs on their websites in order to inform measures that would encourage greater communication of ESPPs to the public including stakeholders (Jenkins and Karanikola, 2014). Hotels can benefit by revealing their ESPPs on their websites to satisfy environmentally conscious stakeholders (Hsieh, 2012) as this
medium is generally now the first point of call for those seeking information on this type of performance by organisations and companies.

In finding that there were varying levels of dissemination of ESPPs through hotel websites, it can be called into question whether this state of affairs is precipitated by a lack of compliance obligations related to environmental management and reporting. In Australia, the setting of the current study, there is no national ESPP authority for the hotel industry, nor is there a set of mandated standards for hotel ESPPs. As such, hotel managers have an important role to play in determining the extent of ESPP adoption and they may fear losing guests and a reduction in occupancy if environmental protocols lead to a perceived reduction in product and service quality, especially in relation to hotel operations involving water and energy consumption (Rahman et al., 2012).

Various researchers (Graci and Dodds, 2008; Han et al., 2011; Hawkins and Vorster, 2014) have suggested that an increasing number of hotel customers value ESPP commitment highly when selecting a hotel and are willing to pay a premium for this if necessary. If this were the case, then this preliminary analysis suggests that this message (i.e., the promotional value of ESPPs) appears to have little influence beyond a corporate level and by managers and operators of independent hotels. This issue is pursued in a subsequent study, where more detailed information on ESPPs will be sought, with a major focus on resources committed to these at both the corporate and individual hotel property level.
Practical implications

This preliminary study further demonstrates that web based environmental reporting by hotels is a challenge for many and there is a particular need for small and independent hotels to embrace environmental sustainability to keep pace with their larger counterparts. The implications of not doing so lie in the fact that over coming years, guests will likely become more conscious of and educated about the environment, and may base their decisions to stay at a hotel centred on its environmental sustainability policy along with other factors they consider when booking. Once hotels understand the benefits of ESPPs, including increased long-term profits (Doppelt, 2017) and the positive image creation that can come from being viewed as being a responsible business in the minds of the stakeholders, ESPPs will be implemented by many more hotels (Carroll and Shabana, 2010). Hotels that fail to heed this message risk losing market share and reputational damage.

It is necessary for senior managers and stakeholders to show leadership and strategic commitment if hotels are to institute a formal policy focused on environmental sustainability (Iraldo et al., 2017). It also requires a balanced approach that gives equal attention to three pillars of sustainability. In the context of climate change, environmental sustainability should arguably be given priority ahead of economic and social sustainability if the effects of climate change and greenhouse gases are to be mitigated (Epstein and Buhovac, 2014; Moldan et al., 2012). Once instituted, details of ESPPs should be prominently displayed and regularly updated on hotel websites to ensure these efforts are transparent to key stakeholders and their currency is maintained.
Limitations and future research

There were several limitations of this study. A major limitation is that the hotel websites researched may not display all of their ESPPs. In the process of collecting data for this study, information on environmental sustainability on hotel websites was not easily accessible and was often difficult to find. It was usually located via a link on the bottom of the homepage. It raises questions as to whether potential customers and stakeholders are taking the time and effort to find this obscured information – potentially not. Some stakeholders may interpret the hidden nature of the information as conflicting with the vision and values of the hotels regarding environmental sustainability. Further research that tracks through website visitation statistics on how consumers engage with this material would also make for a worthwhile study.

A further area of topical research is whether a lack of information about ESPPs on hotel websites or its poor quality (if information does indeed exist) deters potential guests from staying in specific hotels. This line of enquiry would provide practical advice to hotels that are not disseminating website information about their environmental sustainability initiatives to commence doing so in order to build trust with environmentally conscious customers and stakeholders.

As previously acknowledged, it is possible that some of the hotels sampled had established ESPPs that were not disclosed on their websites. Indeed, it has been previously noted that disclosure of information on websites can be de-coupled from actual performance on environmental sustainability (Cho and Roberts, 2010). In addition, website information may
change, and new information can be added at any time. Hence, the findings of the study are tentative and confined to a point in time. They need to be replicated and triangulated with other research methodologies. Furthermore, there is a need to obtain the views of all hotel stakeholders to obtain a deeper understanding of the reporting requirements for environmental sustainability information on hotel websites and establish first-hand from hoteliers the motivations and barriers to adopting and disseminating information on ESPPs.
References


