Green practices in hotels: the case of the GreenLeaders Program from TripAdvisor

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Abstract

Green or eco-friendly practices in the accommodation sector are growing around the world. Conscious customers demand these services. The purpose of this paper is to analyse eco-friendly practices developed by hotels within the GreenLeaders Program from TripAdvisor in six destinations: Boston and Chicago, Berlin, Copenhagen, Paris and Toronto. This information gathered is based on customer reviews published on TripAdvisor and hotel websites. The information is analysed from the concepts of evolutionary economic geography combine with consumer behaviour literature. Taking the six destinations as the main case study, this approach allows not only the comprehension of the green practices implemented by hotels, but also, customer recognition and perception about those practices related to sustainability.

Keywords: hotels, evolutionary economic geography, green practices, customer reviews, TripAdvisor.

1 Introduction

Escaping the mass-produced uniform travel experience, eco-friendly practices are becoming greatly appreciated by conscious tourists who are seeking for more authentic and unique touristic experiences. Nowadays, environmental practices are already part of our daily lives and are changing the way we travel. In this framework, new trends are appearing within the tourism/travel industry and leisure activity all over the world. Over the last decades, the demand of business sustainability made by customers has encouraged the rise of numerous eco-friendly practices in the tourist industry. According to several authors [1–4], business leaders in various fields have made every effort to change their
corporate structures/cultures to be more environmentally responsible and to modify their existing products/services to be more environmentally friendly.

As the World Tourism Organisation (UNWTO), United Nations Environment Programme (UNEP) and the World Meteorological Organisation (WMO) [5] reported in 2012, the hotel industry is responsible for about 21% of all CO₂ emissions related to tourism. As tourists are increasingly concerned about climate change, travellers are more likely to make an eco-friendly decision to select a hotel. As Han et al. [4] based on Ton [6] and Wolfe and Shanklin [7] pointed out, a growing number of hotels have implemented eco-friendly practices and environmental strategies. As the authors mentioned, the idea of implementing green practices in businesses is believed to be an effective competitive advantage for market competition. Indeed, one of the main drivers for moving towards green practices is the demand which nowadays has more power on businesses’ decisions thanks to the internet. As an example, today it is not unusual to find answers from hotel managers in order to answer customers’ reviews published on public opinion websites such as TripAdvisor. As Tuominen [8] found, there are correlations between hotel performance and the number of reviews.

Technology has a particularly important role to play in this, not only because the internet is crucial as an information source for tourists, but also because the internet has reshaped the way tourists interact with the hotel industry [9]. The GreenLeaders Program from TripAdvisor is an example of information available for tourists. The program gives to hotels a recognition of green practices implemented through a label available on the TripAdvisor website. The label which is categorized as platinum, gold, silver or bronze reflects different green practices implemented by hotels. According to Font and Tribe [10], the labels or awards to the hospitality industry encourages more attention to the environment by producers in the tourism industry. It provides an opportunity not only to facilitate learning and to enhance appreciation of practices conducted by the hospitality industry but also can enhance a visitor’s experience. In this open framework, the concept of green labels as a recognition of eco-friendly practices is becoming increasingly popular across Europe and beyond. Tourists themselves are contributing to green practice expansion in the hotel industry by sharing their experience on social media.

This paper explores the phenomenon of the “GreenLeaders Program from TripAdvisor” based on an evolutionary approach combined with a framework of the factors influencing the decision to write comments. This is an important issue in tourism because the relation between green practices achieved by hotels and the customers’ recognition of them have been not widely discussed [8]. As a starting point, two main research questions have been raised: 1) to what degree are the green practices implemented by hotels recognized by customers? In order to answer the question, the paper seeks to describe and explain, first of all the green practices around the GreenLeaders Program launched by TripAdvisor based on evolutionary economic geography and its fundamental concepts of innovation and its principle of path dependency. Secondly, if there is a recognition by customers, which influential factors might be seen to affect these
customers? To answer the second research question, the paper will critically discuss customers’ reviews published on the TripAdvisor website and whether these reviews might show influential factors for the decision to write a review on sustainable practices implemented by hotels. Finally, it explores the future perspectives of green practices for the hospitality industry in the context of sustainability and its opportunities and challenges for future research.

In doing so, in the following section we describe the basic principles of evolutionary economics linked to green practice applied in the hospitality business, paying particular attention to business dynamics and how these dynamics have been developed. We then explore green practice characteristics linked to hotels by critically discussing the transformation of hotels based on primary and secondary data. The paper contributes to a wider knowledge on the recognition and perception of customers in relation to green practices implemented by hotels in Europe and North America. Finally, this paper addresses some key theoretical and practical issues in the understanding of influential factors on the decision to write a review on sustainability. Furthermore, it presents a dual focus not just on how ideas and concepts from evolutionary economics can be brought to bear on green practice issues and settings, but also on the ambivalent attitudes by customers represented in online comments and reviews which are showing a lack of recognition on green practices implemented by the hotel industry.

2 Theoretical framework

2.1 Green practices and eco-friendly attitudes within the hospitality industry: an evolutionary economics approach

According to Han et al. [4], conventional hotels, especially, are often associated with issues related to the deterioration of the environment. It has been reported that conventional hotels have caused enormous harm to the environment from excessive consumption of non-recyclable goods, water, and energy for heating, and have released significant amounts of emissions into the air, water, and soil [11–15]. In contrast, green hotel establishments actively follow eco-friendly guidelines and practice environmental management and commit themselves to carrying out environmental improvements, demonstrating such commitment through eco-labels or the green globe logo.

However, the feedback and answers made by customers to the implementation of such green practices achieved by hotels have not been widely analyzed. In this section we use the evolutionary perspective raised by the relational turn in economic geography which allows us to understand the dynamics, the competitive advantage and transformation of firms within sustainable consumption. Evolutionary economic considers economy as a dynamical, irreversible and self-transformational system, opening up new space for theoretical, ontological and epistemological exploration [16].

In other words, the evolutionary approach refers to the creative capacity of economic agents (individuals and firms), and the creative functions of markets,
that drive economic evolution and adaptation [17]. Innovation in evolutionary economics is a central core and might help us to understand the hotel business green practices implemented as strategies for a competitive advantage within a market economy. This fact was observed by Coddington [18] who claimed that firms with their green products can strengthen their eco-friendly image to attract more customer attention.

Consequently, it has been observed that the number of hotels that belong to the GreenLeaders Program worldwide has increased since TripAdvisor launched it in April 2013. For example, currently there are over 4,000 hotels and B&Bs that are already participating in this program. This fact might be extrapolated to the increased demand of green practices within the hospitality industry. Many of the eco-friendly or green practices developed by hotels are set up by traditional chain-affiliated hotels who are taking control on the “hotel green market”. This statement relies also on the results of Bohdanowicz [12]. The author pointed out that managers in chain-affiliated hotels were generally more likely to pay attention to environmental issues than were independent operators, many of whom run small properties.

As stated by Koopman et al. [19], dynamic competition among firms encourages them to discover new ways of doing business and new ways of creating value for their customers. This may explain a big presence of traditional hotels which have implemented more green practices with the GreenLeaders Program as a result of business competition. However, in the framework of the internet, consumer empowerment via product rating and review systems allow consumers to regulate business behaviour and competition.

The evolutionary economics approach allows us to introduce two main questions. They have to do with why green practices have been implemented by hotels and how they decided to become part of the recognition programs such as the GreenLeaders Program of TripAdvisor. Secondly, how these practices have been communicated and perceived by hotel customers based on online reviews and comments. Based on the study by Souto [20] on innovation and how to meet customer needs, we may consider green practices in hotels as business strategies developed by firms in the rush to satisfy guests. In that sense and according to the evolutionary economics perspective, firms and in this case, hotels are agents that compete in a selective environment, and it considers selection to be the result of different historical paths of accumulation of knowledge in firms [21].

Previous work developed by Shaw and Williams [22] on knowledge transfer and management in tourism confirms knowledge as a competitive advantage for tourism firms. The implementation of green practices by hotels might be seen as an example of business competitive advantage as a response to different drivers of change such as new customers’ attitudes to sustainability. Moreover, firms do not innovate in isolation; collaboration with other companies or institutions such as, in our case, TripAdvisor, increases innovation opportunities especially in the tourism sector [20].
2.2 Path dependency of hotels within sustainable practices

In the case of tourism, path dependence has been recently used to explain the evolution of destinations. It has specially been used to understand the emergence, rise and decline of a tourism area and the path dependence and lock-in of dominant tourism products and sectors [23] or to understand why destinations change over time [24–26].

Ma and Hassink [23] stressed that that the path dependence approach can be used to explain the evolution of a particular tourism product, sector or institution either in a given tourism destination or across destinations. In general, most of the tourism studies have been focused on the path dependence of destinations rather than firms. On the contrary, economic geographers have studied firms’ and regions’ performances over time based on path dependence [27–30].

Within this context, the principle of path dependence applied to green practices implemented by hotels might explain why traditional hotels are increasingly implementing eco-friendly practices. This fact may show based on the evolutionary approach that successful routines survive over time but that the acquisition of successful routines is limited by the bounded rationality of economic actors like firms and individuals since firms have a limited capacity to embrace change [31].

3 Methodology

The methodology applied to investigate the answer of customers to green practices applied by hotels in some countries of Europe and North America within the context of sustainability practices, was drawn from the analysis of customers reviews published on the TripAdvisor website from hotels which are members of the Eco leaders program of this organization. The case studies were drawn from a selection of six cities linked with sustainability. The cities were selected mainly by two criteria: a) the sustainable city index developed by Arcadis [32] and b) for having had a climate change conference or for having a strong green party which could influence business decisions.

The criteria for choosing the comments published for each hotel were two: a) the possibility of obtaining the gender of the reviewer and b) country of origin. The selection of hotels for each destination chosen was made by category (five, four, three and one star); the idea was to get information for each of the four tiers of TripAdvisor’s Green Leaders Program: level: bronze, silver, gold, and platinum. The number of hotels, category and comments for each destination is presented in Table 1.

The database involved 572 registers. The purpose was to detect customers’ comments on sustainability. The information was concerned with the six common aspects of the GreenLeaders Program: energy, water, disposal, location, education and innovation and supplies.
Table 1: Destination versus number of comments reviewed.

<table>
<thead>
<tr>
<th>CITY</th>
<th>HOTEL CATEGORY</th>
<th>TOTAL COMMENTS</th>
<th>ECOLEADER LEVEL</th>
</tr>
</thead>
<tbody>
<tr>
<td>BERLIN</td>
<td>5,4,3,2,1 stars</td>
<td>118</td>
<td>Gold/platinum/bronze level</td>
</tr>
<tr>
<td>COPENHAGEN</td>
<td>4 stars (only available)</td>
<td>62</td>
<td>Bronze/silver level</td>
</tr>
<tr>
<td>PARIS</td>
<td>5,4,3,2,1 stars</td>
<td>123</td>
<td>Gold/platinum/bronze level</td>
</tr>
<tr>
<td>BOSTON</td>
<td>5,4,3,2 stars</td>
<td>122</td>
<td>Gold/platinum/bronze/silver level</td>
</tr>
<tr>
<td>CHICAGO</td>
<td>5,4,3 stars</td>
<td>81</td>
<td>Gold/platinum/bronze /silver level</td>
</tr>
<tr>
<td>TORONTO</td>
<td>5,4,3 stars</td>
<td>66</td>
<td>Gold/platinum/bronze</td>
</tr>
</tbody>
</table>

Source: authors’ own.

4 Findings

The theoretical sections of this paper indicate knowledge, innovation and path dependence as the main concepts for the analyses of green practices implemented by hotels. In order to answer the first question raised in this paper related to comprehension of the reason for implementing green practices by hotels, the following section will discuss these three main concepts based on the results achieved.

4.1 Green practices implemented by hotels as a process of knowledge and innovation

Firms are differentiated depending on their capabilities to use resources, assets and relationships [33]. The evolutionary theory predicts that most firms innovate incrementally, exploiting the knowledge they have built up in the past [16]. In the case of green practices within the hotel industry, they are based on knowledge created and managed by traditional hotel structures. This fact is observed in the number of traditional hotel chains that belongs to the GreenLeaders Program and in the number of those chains which have different levels of green recognition (bronze, platinum, gold or silver) in different or in the same destination. In this sense, the same hotel chain might have three or four hotels in different destinations with the same or different levels of recognition within the GreenLeaders Program. However, a trend might be observed to accomplish the same level of recognition for the same hotel in different destinations. This fact and as Hjalager [34] argued, a firm’s standardization hinders rather than enhances an entrepreneurial and innovative spirit.

In the framework of sustainable practices, hotels have improved consumer welfare by offering green innovations, eco-friendly choices, more service differentiation and higher quality services. Green practices indeed are providing more service differentiation in hotels and sustainable practices for tourists. We refer to these as sustainable practices since it may be observed on hotel websites that the majority of hotels analyzed incorporated, as a standard green practice, the control of energy and temperature, bio-bath and food articles; reduction in the daily towel wash are the most common practices implemented.
4.2 The path-dependency of green practices developed by hotels

In order to answer the second question raised in this paper based on how these practices have been communicated and perceived by hotel customers subject to online reviews and comments, this subsection will focus on finding out whether customers perceived and communicate those practices through reviewer websites or if there are visible influential factors that might drive the decision to review green practices applied by hotels. In particular, it will discuss green practices implemented by hotels as a phenomenon based on the principle of path dependence linked to results achieving it. According to Martin and Sunley [27], all events, circumstances and decisions made in the past, even the most random and unintended, can have long-term consequences. Hotels indeed have implemented green practices and they claim so on hotel websites, for example, statements such as: “warm hostmanship hand in hand with dedicated sustainability” might be read (gold level hotel in Copenhagen). Thus, a professionalization and institutionalization of green practices is observed revealing a marketing strategy based on capital market structures rather than sustainable practices. By applying the principle of path dependence, it is possible to understand the risks, especially those related with a reiteration of capital market structures where value creation is linked to financial benefits.

Another example which illustrates the above statement is that in order to achieve green practices, hotels might have invested an important amount of money, since to achieve a maximum label of the GreenLeaders Program, it is necessary to invest in the main aspects of efficient and clean energy and water systems, waste disposal, eco-articles and furniture and green certifications. This process might be the reason behind the lack of intention shown by small hotels in achieving the high level of recognition within the GreenLeaders Program.

The fact mentioned above provokes an exclusion which is embedded in traditional capitalist and market structures. However, from the point of view of customers and according to the review analysed, it was observed that there is a significant relation between the destination and the explicit comment of customers regarding green practices implemented at the hotel where they stayed. As an example, Copenhagen is the destination with the most comments in comparison to the other destinations analyzed. Some of the reviews posted by customers mentioned:

“I like the hotels over all ambience and their organic and sustainable focus …they provide great bread and would stay there again for sure” (Male Tourist from Sweden, Copenhagen three star hotel, bronze level of GreenLeaders Program, 2015)

Although green practices implemented by hotels may be seen as an effort for contributing to a sustainable tourism industry and to enhance the eco-friendly visitors’ experience at a destination and their understanding of the destination through sustainability, there is an overlapping process which involves combining the use of green practices as a way for attracting new customers worried about a sustainable environment with an improvement of green practices implemented in the hospitality industry.
4.3 Influential factors

In order to consider the factors that may affect the decision to review sustainability, models of consumer behaviour in tourism contexts are analyzed as influential factors on decisions to review sustainability [35–37]. Either internal factors such as age or external factors such as marketing stimulus may act as constraints or as motivators during the process [36, 38]. Focusing on the information published on the TripAdvisor website, gender, nationality, hotel category, hotel city and TripAdvisor GreenLeaders’ level are analyzed as influential factors on the decision to write a review on sustainability.

Regarding descriptive data from the total sample (572), 49.1% of the participants were females and 50.9% were males. The highest percentages related to nationality belong to Americans (30.3%), Spanish (21.4%) and Argentines (11.2%). Regarding the cities where hotels are located, higher percentages correspond to Berlin (20.6%), Paris (21.5%) and Boston (21.3%). Analysing hotel categories, 56.4% of the sample is for 4 and 5 star hotels. Added to this, 34.6% of the total sample belongs the bronze category in the TripAdvisor GreenLeaders’ levels. Finally, only 5.6% of the total sample wrote a review on sustainability. Thus, only a small percentage of the guests demonstrated a specific online attitude towards sustainability.

Contingency tables and chi square tests are used to analyse the relationship between categorical dependent variables and the qualitative independent variable (tourist behaviour: write an online review on sustainability). The results are presented in Table 2.

Table 2: x² concerning tourist behaviour: writing an online review on sustainability.

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>MEAN SCORE</th>
<th>X²</th>
<th>LEVEL OF SIGNIFICANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENDER</td>
<td>0.51</td>
<td>0.069</td>
<td>0.793</td>
</tr>
<tr>
<td>NATIONALITY</td>
<td>7.41</td>
<td>70.150</td>
<td>0.001**</td>
</tr>
<tr>
<td>HOTEL CATEGORY</td>
<td>3.60</td>
<td>6.518</td>
<td>0.164</td>
</tr>
<tr>
<td>HOTEL CITY</td>
<td>3.45</td>
<td>20.652</td>
<td>0.001**</td>
</tr>
<tr>
<td>ECOLIDER LEVEL</td>
<td>2.88</td>
<td>8.030</td>
<td>0.090*</td>
</tr>
</tbody>
</table>

Source: authors’ own.

As prior literature explains, sociodemographic characteristics may determine customers’ behaviours regarding sustainability [39]. For instance, Barr [40] considers age, gender, education level and house type when analysing environmental attitudes and behaviours. In this study, nationality appears as a significant variable regarding making comments on sustainability. Literature explains that societies that have a stronger environmental awareness, sense of community and inclusion are more willing to behave in a sustainable way [40]. Regarding gender, Tsalikis and Ortiz-Buonafina [41] found that this variable
does not appear as an influential factor regarding ethical behaviours. In the same line, the present study shows gender (0.793) as a non-significant variable.

Regarding the variable hotel city (0.001), it shows a significant value. Thus, hotels located in Copenhagen present a higher percentage of customers who write online reviews on sustainability (17.7%) compared to other cities. Also, TripAdvisor GreenLeaders’ level is a significant variable. 8.1% of the hotels in the bronze level and 7.7% of the hotels in the gold category have online reviews written about them. In contrast, less than 3.4% of the hotels in the other categories have written online comments. As research explains, product-related factors, such as an ecolabel, may also influence customers’ behaviours regarding sustainability [39]. Finally, the variable hotel category (0.164) is a non-significant variable.

5 Conclusions

This paper explores the recognition by customers of green practices applied by hotels in Europe and North America by drawing theoretical and practical insights. From an evolutionary approach, an embedded capitalist mode of production is recognized, which is reproduced by green practices implemented by hotel chains. However, at the same time they are contributing towards a more sustainable environment. Therefore, we have seen on green practices implemented by hotels a hybrid relationship made up of capitalist economy and a more sustainable economy. There is an identification of an overlapping process of traditional capitalist economy where hotel chains are using green practices as a way of capturing green customers and with a more sustainable economy. Most of the hotels who implemented green practices within the GreenLeaders Program are rooted in a traditional capitalist market where green practices constitute an important way for entering a new niche of market. This fact is suggesting a path dependent process of the hospitality industry. Individual businesses compete within one or more selection environments, facing different pressures in each [42], thus, originating alternative ways of marketing and sales.

In addition, the case study illustrates that although there is an effort made by hotels to implement green practices there is a lack of recognition of those practices by customers. As research in the hospitality industry explains, tourists may support sustainability programs but they still don’t consider these aspects in their behaviours, for instance when choosing a hotel [43] or writing an online review. In spite of the creation of hotel programs and online platforms where customers can obtain information and interact, the perception of green practices by customers is in most of the cases unrecognized. However, Copenhagen as a destination presents the higher rate of sustainable reviews made by customers from different nationalities. This fact might be showing recognition as a green or a sustainable city by customers which is having an influence in all hotel categories.

A deeper understanding on how customers perceive and act regarding green practices and hotels can help companies to redesign services and marketing strategies. Nowadays, a hotel’s online reputation is one of the most important
marketing tools a company can use to succeed and eco hotels cannot stay out of this. Customers consider reviews when deciding which hotel to book [44] and they even prefer to consult online reviews before asking family or friends for a recommendation [45]. As Nielsen [46] suggests, companies should increase customers’ participation and involvement through online reviews. Therefore, your own clients promote and sell your product while they share their experiences.

TripAdvisor, as one of the most important and popular online networks of travel consumers [9, 47] has demonstrated through the implementation of the GreenLeaders Program its involvement on this issue. Indeed, green practices implemented by hotels are creating a new relationship with customers based on green services and products and this is a driving force of sustainability within the hospitality industry. In addition, the empowerment of customers provided by the internet is changing the business–to–customer relation. The current case study may be helpful for future analysis in the understanding of the relation among the implementation of green practices in the hospitality industry and the recognition of those practices by customers. Perhaps customers are not aware enough to recognize those practices and communicate to others through social media. Future research must continue exploring why guests don’t express their feelings and thoughts on sustainability in social networks.

References


