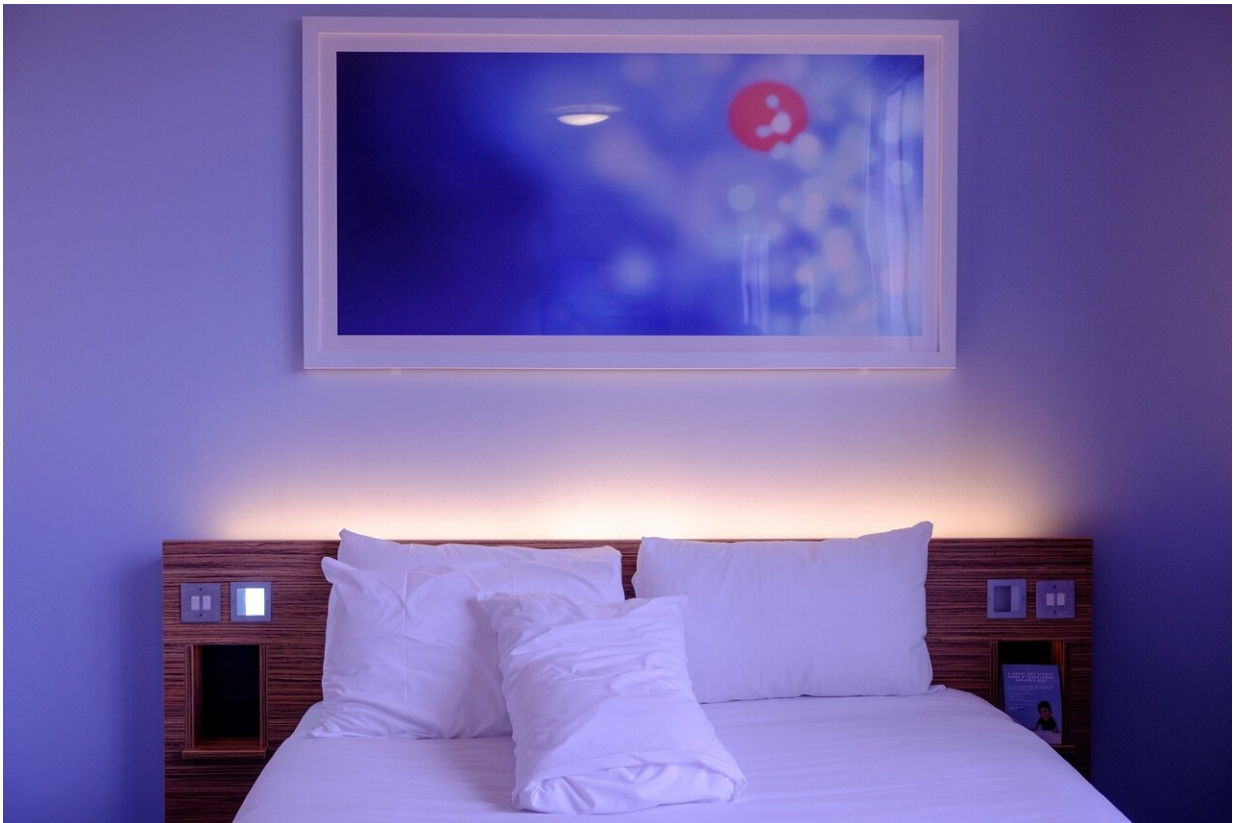


Eco-friendly credentials not benefiting hotels financially, study says

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Many travelers say they would prefer to stay at eco-friendly hotels, but lodging facilities don't benefit financially from acquiring certification for green business practices, new research shows.

Researchers compared five years' worth of [financial data](#) for hotels with and without third-party audits for practices like saving energy, conserving water and recycling. The green-certified hotels performed no better than hotels without the [certification](#), although displaying comparable pricing information and informing consumers about what green certification entails could boost future sales, researchers said.

"Our work examines the gap between customers' intent to patronize eco-friendly hotels and where they are booking nights," said Christina Chi, professor of hospitality business management at Washington State University's Carson College of Business, who led the study published in the *International Journal of Hospitality Management*. "This is a critical issue for the [tourism industry](#), which is facing internal and external calls to become more sustainable."

Along with air travel, hotels are energy-intensive parts of the global tourism and hospitality industry, which is a significant emitter of greenhouse gases, according to the United Nations Framework on Climate Change. Recent estimates say tourism and hospitality contribute 5% to 8% of global greenhouse gas emissions. By 2050, that figure could rise to 22%.

"The tourism industry is both a contributor to climate change and also suffers greatly from it," said Oscar (Henguxan) Chi, the study's corresponding author and an assistant professor at the University of Florida, who worked on the research during his doctoral studies at WSU.

"Rising sea levels, wildfires and other [extreme weather events](#) are altering landscapes and threatening tourist destinations," he said. "We see the impact in areas like the loss of sandy beaches, unhealthy air from smoky skies and flooding of historic and cultural sites."

But encouraging hotels to invest in third-party certification for green

business practices works best with a financial return, Oscar Chi said.

For the study, the researchers looked at three key performance metrics for hotels: occupancy rates, average daily rate and revenue per available room. They used data from Smith Travel Research reflecting the operating performance of 1,238 hotel properties across the United States from 2015 through 2019.

Half of the properties had third-party certification through Green Seal Hotel Certificates, Green Key or Leadership in Energy and Environmental Design (LEED) from the US Green Building Council. The other half did not. Performance metrics were similar for both groups of hotels, which were comparable in location, size and amenities.

Ironically, "the concept of green hotels used to be quite popular, and hotels actively promoted their credentials," Oscar Chi said. "Now those green labels have all but disappeared from [hotel](#) advertising and websites. Properties found they didn't help in terms of revenue and may actually be a deterrent."

Prospective customers thought green-certified hotels were more expensive than other lodging, which was disproven by the study. People were also confused about what green certification meant and wondered if it was a marketing ploy.

When green-certified hotels advertised their rates alongside rates for comparable hotels, survey participants were more likely to book nights at the green-certified hotels, according to a follow-up survey of 440 people on the crowdsourcing site Amazon Mechanical Turk. Providing information on how green certification reduces energy and [water use](#) also increased bookings.

"Our research shows it's possible to turn customers' intent to 'go green'

into actual sales," said Christina Chi. "Besides helping green-certified hotels financially, these practices could put the tourism and hospitality industry on a more sustainable path."

More information: Christina G. Chi et al, Narrowing the intention-behavior gap: The impact of hotel green certification, *International Journal of Hospitality Management* (2022). [DOI: 10.1016/j.ijhm.2022.103305](https://doi.org/10.1016/j.ijhm.2022.103305)

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