Unit 305 Handout 5

Unit 305: Sustainability in professional kitchens

Handout 5: The importance of sustainability in the hospitality industry

Extract from an article by Tracy Stottler posted June 11, 2018 on Hospitality News:

As hoteliers begin to realise that they can provide an enhanced guest experience by integrating natural elements, there has been an evolution in "green thought" in the community inspired by multiple factors:

Cost savings

Cost is always a driving factor and reducing operating costs provides a compelling incentive for hoteliers. Cost reduction and efficiency strategies can be achieved by investing in better operational procedures and emerging environmental technologies. Many hoteliers now employ a variety of strategies to reduce, reuse, and recycle waste. Other emerging areas include sustainable procurement, indoor environmental quality (focusing on air quality and chemical/cleaning product use), and staff training programs (which can facilitate improved performance and higher levels of employee satisfaction/retention).

Economic incentives

Governments have enacted a variety of economic incentives to encourage the development of environmental retrofits and the construction of "green" buildings. These benefits include tax write-offs, financial grants, insurance premium discounts and expedited regulatory permitting.

Regulatory affairs

Current environmental regulations targeted toward the hotel sector are largely focused on facility operations such as storm-water management, hazardous materials handling, and environmental health and safety. However, a wide range of present and future legislative activities will impact hotel design, construction methods and operational approaches.

Guest experience

A greater number of hoteliers understand that investments in environmental technology can have a direct positive impact on guest experience. More than ever, guests want to stay at properties that don't feel like hotels. They want an "at-home" feeling. Lighting, furnishings, cleaners and other front-of-house products combine to leave an impression with the customer, which can affect both occupancy and ADR.

Corporate brand image

Adopting a sustainable corporate culture can provide a distinct advantage in terms of attracting and retaining talent. According to <u>Shelton Group</u>, 55% of the U.S. workforce would choose to work for a socially responsible company, even if they made less money. That number jumps to 76% for Millennials. Furthermore, 70–83% of Millennials would be more loyal to a company that helps them contribute to social and environmental issues. These statistics make it clear that sustainability, and a company's commitment to it, is top of mind for employees.

Brand image

Most major hotel brands have incorporated some level of sustainability platform into their brand definition. Several brands have been repositioned to cater to a younger generation of more environmentally and socially active customers. But companies really need to put their plans into action. Having sustainable business practices will lead to an enhanced reputation and brand image, which translates to great hotel profits in the long term.

Reference: <u>www.danacommunications.com/importance-of-sustainability-in-the-hospitality-industry/</u>