



## SPOTLIGHT ON: Tourism Sustainability Initiatives



Photo courtesy of Hawai'i Tourism Authority (HTA)

# MARKET INSIGHTS UPDATE

United States | February 2020

*A monthly update including relevant information on travel industry trends, consumer and meetings market research, competitive intelligence, and Hawai'i's performance as a destination.*

## In this Issue

Tourism is highlighted in three of the 17 United Nations Sustainable Development Goals (SDGs) to end poverty and hunger, improve health and education, make cities more sustainable, combat climate change, protect the oceans from environmental degradation, and foster prosperous, peaceful, just, and inclusive societies. But the intersectional nature of the industry means tourism is in a unique position to contribute, directly or indirectly, to all of these goals and to systematically encourage sustainable practices.

Unlike many other sectors, tourism involves direct interaction between consumers (visitors) and producers (host communities). These interactions have immense potential to positively impact consumers and lead to an increase in sustainable travel behavior and demand. Since tourism in Hawai'i depends directly on the bio-

diversity, unique ecosystems, and quality of the environment, the environmental impacts of the sector must be mitigated to ensure our destination's longevity and competitiveness. International tourism is forecast to grow +3.3 percent in 2020, when 1.8 billion tourists are expected to cross borders. There is a pressing need to decouple tourism's growth from increasing use of natural resources. In our [April 2019 issue of \*Market Insights Update\*](#), we discussed the key pillars of sustainable tourism and the role destinations should play in facilitating environmental sustainability. This month's *Market Insights Update* examines changes in consumer behavior and values regarding travel and the environment, and the innovative sustainability initiatives currently being practiced in the tourism industry.

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### Local Initiatives

Tourism business across Hawai'i are increasingly adopting sustainable practices. This contributes to the Aloha+ Challenge, which measures progress on Hawai'i's sustainability goals on a statewide level.

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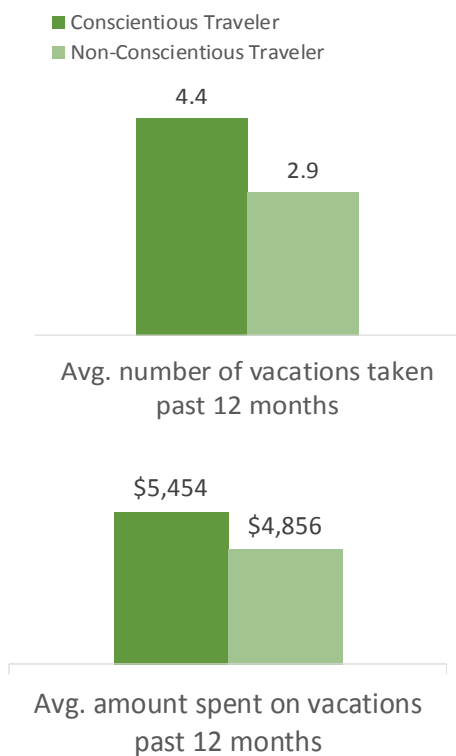




Photo courtesy of FIT

## Tourism Sustainability Initiatives

### Travel Behavior of Conscientious Travelers



Source: MMGY

#### *The Rise of the Conscientious Traveler*

Sustainable tourism is steadily progressing into an industry-wide priority, with consumers of travel increasingly expecting sustainable and ethical options in all facets of the travel experience. Travelers are more concerned than ever with the environmental and social impacts of tourism, and are more likely to choose low-impact, sustainable travel alternatives. Recent trends include conservation-based trips, culturally-based attractions, local and/or organic food selections, and increased traveler demand for animal welfare. Travelers expect businesses to become sustainable and prefer companies that follow green or eco-friendly practices. One-third (33%) of American travelers indicated they are willing to pay 10 percent more for travel service providers who demonstrate environmental responsibility. This 'conscientious traveler' also takes more vacations and spends more on future trips compared to the 'non-conscientious traveler'.

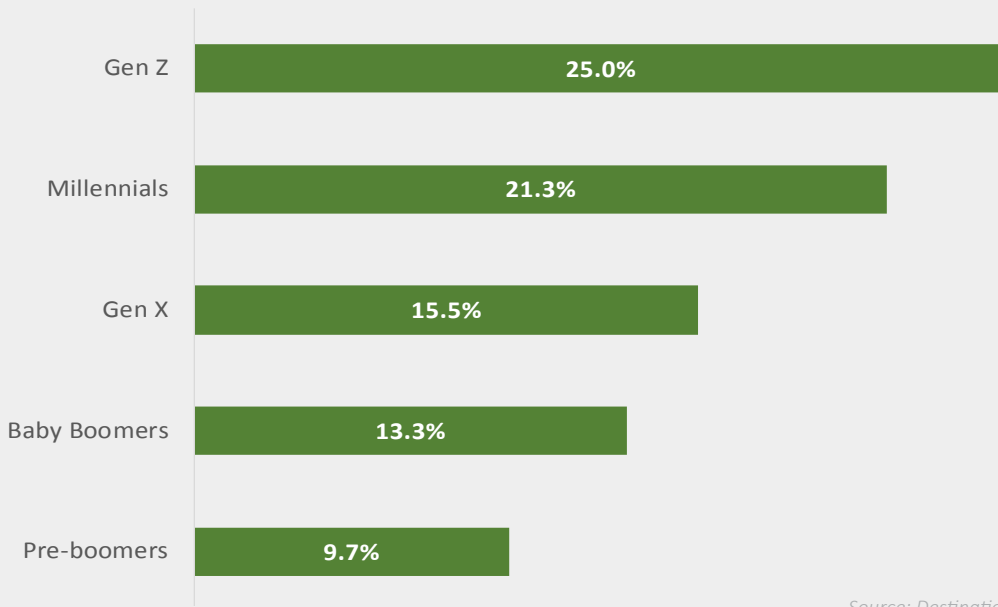
These trends coincide along generational lines. One out of five (21.3%) Millennials (ages 23-38) and fully one-fourth (25%) of Gen Z (ages 22 & under) are significantly more likely to believe that leisure travel has an overall negative impact on the environment compared to Gen X (15.5%; ages 39-54) and Boomers (13.3%; ages 55-73). 50 percent

of American leisure travelers expect that climate change will impact their travels in the next five years. Just over one out of five respondents (20.9%) also anticipate that they will change the destinations they choose to visit, and 28.5 percent expect to change the timing of their travels due to climate change.

#### *Sustainable Innovations in the Industry*

As awareness about the environmental impact of travel continues to grow among consumers, it is more important than ever for suppliers to adopt sustainable business policies. The majority (59%) of travel advisors say that sustainability practices are increasingly a factor in selecting preferred suppliers. Suppliers are meeting these new demands head-on. Some of the world's airlines are taking steps in both catering as well as fuel use practices to become more environmentally conscious and sustainable. Air New Zealand recently switched out plastic coffee cups with plant-based cups made from corn and paper, which can be broken down in commercial composters. This change is projected to reduce the number of cups going to landfill by around 15 million per year. The airline is taking this initiative one step further: they are currently trialing edible coffee cups made locally in New Zealand by Twice. On a similar note, KLM Royal Dutch Airlines has implemented

## Share of those who believe traveling for leisure has an overall negative impact on the environment, by generation



Source: Destination Analysts

a closed-loop recycling system for catering on their Amsterdam-Vancouver route. Containers, lids, and glasses are collected after each flight, then cleaned before being used again. Hawaiian Airlines has made significant progress in reducing fuel burn and carbon emissions by harnessing technology and adopting the environmental markers established by the Asia and Pacific Initiative to Reduce Emissions (ASPIRE) to increase energy efficiency. With the recent spate of anti-flying sentiment that began in Europe with the Swedish buzzword *flygskam* (flight shame), the aviation industry is feeling the impact as airports in Europe report a steady decline in passengers traveling within the continent. Sustainable initiatives are especially vital for airlines as this attitudinal shift begins to effect behavioral changes. Hotels are also finding innovative ways to make their businesses more environmentally friendly. The Six Senses Hotel Resorts Spas in Singapore empowered a small local food supplier to eliminate the use of Styro-foam for deliveries by purchasing reusable coolers to exchange at each delivery. The supplier was able to multiply their eventual cost savings by implementing the same practice with other clients. Hotel chains are also aligning their sustainability initiatives with the United Nations SDG 14, "Life Below Water." Aqua-Aston properties are providing guests with complimentary on-site dispensers for reef-safe sunscreen and posting signage on properties to raise awareness and educate

guests on the importance of using reef-safe sunscreen to protect marine life and habitats. Similarly, Marriott International has launched a responsible seafood program, banning several species from menus at their food and beverage venues based on environmental and social criteria, including ecosystem impacts, efficient use of resources, and the stock status of target species. In particular, Bluefin tuna is banned from menus due to the population's severe decline from overfishing and illegal fishing as a result of demand in high-end sushi markets, according to the World Wildlife Fund. The continued upward trend of finding ways to increase one's environmental and social responsibility is also visible in the Meetings, Conventions, and Incentives (MCI) industry. In their recent Bangkok Manifesto, the Society for Incentive Travel Excellence (SITE) state that Corporate Social Responsibility (CSR) is top of mind for the incentive travel market. Through CSR programs for tree-planting or volunteering in local communities, MCI travelers are in a unique position to mitigate negative impacts while experiencing a destination. As a collective group, the impact of MCI travelers when engaging in beach clean-ups or reforestation projects is magnified. Given the broad reach of the tourism industry across sectors and geographical borders, there is plenty of opportunity for continued innovation by suppliers to appeal to increasingly sustainably-minded travelers from a range of travel segments.



Photo courtesy of FITA

Source: HVCB analysis of UNWTO, Destination Analysts, and MMGY data



Photo courtesy of HPA

## Sustainable Tourism Initiatives in Hawai'i

### Sneak Peek at Next Month



Spotlight On:  
Global Citywide  
Meetings Market

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There is an increase in new green initiatives in Hawai'i's tourism industry, driven by people in the business who are passionate about sustainability and protecting Hawai'i's unique cultural and natural resources. Amongst the ranks of these local sustainability pioneers are several hoteliers as well as restaurants that have been recognized by the Hawai'i Green Business Program, which is a free state program that assists and recognizes businesses that strive to operate in an environmentally and socially responsible manner. The Four Seasons O'ahu at Ko Olina has become the first Four Seasons location nationwide to be recognized for their Blue Zones Project. They have partnered with community members in west O'ahu to facilitate plant-based cooking demonstrations that use native Hawaiian ingredients and gardening workshops for indigenous plants. The Kahala Hotel and Resort is an excellent example of how hotels can implement energy efficiency systems to make their business more sustainable. The resort saves nearly 400,000 kwh per year on electricity and has decreased their annual CO2 output by over 300,000 pounds by using deep water wells to cool their chiller system. They have also reduced water usage in guest rooms by up to 50 percent by installing low-flow bathroom fixtures. The Grand Hyatt Kaua'i recycling program diverts 20-30 percent

of waste from the island's landfill, also reducing costs to the hotel for waste disposal. A number of restaurants have also been recognized by the Hawai'i Green Business Program, including Bills Sydney in Waikiki, which is housed in a LEED-certified building that is designed for energy and water efficiency. The restaurant only uses biodegradable and/or recycled materials for take-home containers, and only low-flow water fixtures are used in all their facilities, to contribute to water conservation efforts. As more and more businesses and organizations within the Hawai'i tourism industry implement sustainability initiatives, it becomes increasingly important and constructive to collect and report the results of those efforts to the Aloha+ Challenge, Hawai'i's statewide commitment to implement the United Nations Sustainable Development Goals and to achieve Hawai'i's sustainability goals. To that end, the Hawai'i Visitors and Convention Bureau has formed a member-based sustainability committee with three key pillars of interest: industry education on existing practices and resources for implementing sustainable initiatives; marketing and awareness of sustainability programs; and measurement and data collection to demonstrate the industry's impact on meeting the sustainability goals set by the UN SDGs and the Aloha+ Challenge.