

Sustainability in Hospitality: How large hotel chains communicate their sustainable endeavours.



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Executive Summary

Sustainability is now an unavoidable and incredibly important facet of business operations for organisations of all sizes across all sectors. This report focuses on how hotel businesses should communicate their sustainability measures and draws on pertinent examples from market leading hotel organisations' existing strategies. Further to this, we discuss the ways businesses can leverage such strategies for growth as fiscal and environmental goals continue to converge.

The best time to start outlining and defining sustainable goals for your business is now and it is crucial that these are communicated effectively and with integrity. In this report, we look at common pitfalls in outward sustainability strategies and discuss some of the ways we work with our clients to avoid such mistakes, ensuring that all communications are rooted in integrity. Impactful sustainability communications can add enormous value to organisations through a plethora of positive externalities that we outline in this report.

Throughout this piece, we look at how certain hotel chains are succeeding in their ESG communication strategies and how business leaders, not just in the hospitality sector, can leverage external and internal comms to build businesses that save our planet, look after its people and attract the right consumers.

Introduction: Hospitality and ESG

Whilst sustainability has been an important part of political discourse for the best part of a decade, it has only really come to corporate fruition in the last couple of years. Whilst it is better to arrive late than never, there really is a monumental task for businesses to decarbonise and look to undo some of the planetary damage that has been caused by our rapid urbanisation and industrialisation across the planet. For hotel chains and hospitality companies, it is imperative to have effective outward communications, regarding their sustainability and ESG strategy, since they occupy part of the travel industry's value chain, a sector known for its significant carbon output. The drive towards sustainable operations and the expectation, or pressure from shareholders where applicable, for large organisations to formulate a coherent ESG strategy, is enormous. We can see this increased corporate engagement with sustainability, in the hotel sector, through the likes of Hilton publishing detailed ESG reports for the last two years, outlining their commitments, their achievements and their strategy going forward, which is to be kinder to our planet and to their people, satisfying ESG criteria. The topic of these reports, ESG, stands for environmental, social and governance and it is an increasingly prominent metric to gauge how a business is performing ethically, in three facets, beyond the generation of profit for shareholders. This evaluation criteria is also flourishing as a way for investors to gauge growth opportunities, with data beyond traditional financial metrics, with such metrics aiming to provide a more holistic view of the companies that they back, helping both to mitigate risk and to identify opportunities [20]. Critics of these metrics argue that it promotes empty efforts to follow social trends and encourages

disingenuous actions, such as greenwashing, however a more positive outlook suggests that ESG is a real attempt to put a fiscal impetus and financial bottom line on the pursuit of sustainability for one's business. "At its core, ESG investing is about influencing positive changes in society by being a better investor," says Hank Smith, Head of Investment Strategy at The Haverford Trust Company. According to Smith, ESG investing assumes that there are certain environmental, social and corporate governance factors that impact a company's overall performance [20]. Thus, it is important for organisations to have a defined strategy here both to please stakeholders and to maximise the businesses' performance in all possible areas. Focus on ESG criteria is rather important to hotel businesses since, as we touched on before, it occupies part of the travel industry's value chain, a sector that faces significant scrutiny for its environmental impact. It is important for businesses to communicate their sustainable strategy, in an effective manner, both internally and externally and in this report, we will look at some of the world's leading hotel chains and how they are articulating and actioning these strategies. We will also look at how hoteliers can deploy ESG strategies as growth mechanics, driving their businesses forward whilst minimising their impact on the planet. We will also consider how organisations can deploy the implementation of sustainable strategies as a lever for growth and how business leaders can form effective and actionable goals for their organisations.

Sustainability strategy in the hotel industry and how to communicate this effectively

Hilton, in their aforementioned in depth ESG report, have developed a framework that they dub “Travel with purpose.” Part of this framework is to expand and deepen their commitments to their team members, communities and the planet. Hilton describes this as serving as “a way to focus and communicate (their) efforts and will be accompanied by specific targets later this year.” They also articulate that as climate science has continued to evolve, they have reevaluated their goals, and will reveal more ambitious environmental targets in alignment with the Science Based Targets Initiative (SBTi) that will help preserve the destinations where they operate and set the company on the path to a net-zero future [1]. At a glance, Hilton’s goals are to cut their managed portfolio emissions by 2030, in line with the Cop 26 1.5 degree promise and to cut their franchised emissions way below even a 2 degree promise. Hilton also has lofty goals to cut their water usage and waste by half, by 2030 [1]. This is all articulated and visualised in their ESG report. The way Hilton lays out the foundations to their sustainable approach is clear yet detailed and despite the length of the seventy one page report, it is easy to navigate and provides digestible metrics concerning their sustainability and ethical related performance. This is a fantastic example of a well executed, communicated and coherent ESG strategy, leading by example in their industry. Comparing Hilton to another significant hotel chain, like Accor Life Limited, that also invests significantly in sustainability initiatives across their value chain, and also have extensive literature on their site regarding their sustainable commitments, it is clear that they do not have a vehicle for their ESG related communications, that rivals the clarity and detail Hilton’s reports. This then begs the

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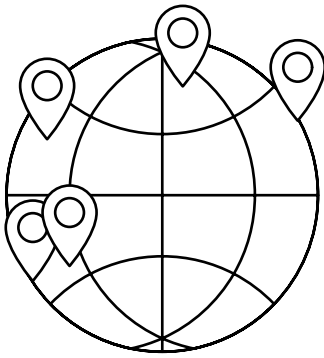
question, what is the best way to communicate one's sustainable strategy? And what are the hallmarks of a successful strategy of this kind? Well, as per Harvard, what were once thought to be opposing goals, sustainability and financial success, now go hand-in-hand for many businesses [2]. Perhaps to some degree, we must credit the rise of ESG as an investment metric as a catalyst of the symbiotic relationship between sustainability and fiscal growth. We must also regard a considerable shift in public opinion and engagement concerning sustainability in recent years, with many people becoming far more conscious of the fight to lower business' carbon impact and therefore, we have seen a rise in people showing support for more ethical businesses, with their purchase choices.



The traditional issue with environmental communications of old, as per Harvard, was that scientists needed to be able to bridge the gap between their complex research and the understanding of a layman. There was a need to speak of the science but, in a way that makes it more understandable than a research paper. Rather than talking about probabilities and uncertainties, it is

more effective to explain what climate science means when it applies to people's lives [3]. This is likely why figures such as Greta Thunberg became so popular, addressing this pressing issue in a way that did not involve complex scientific research and thus engaged the general population. However, people are now far more engaged with the sustainability plight in general and much of this can be credited to an overhaul of sustainability communications in recent years. Harvard discussed this communication issue back in 2017, which seems like an age ago when thinking about sustainability within the corporate world, and since then businesses have become far more engaged and motivated to tackle their environmental impact head on, as have consumers, in regard to taking control of their own personal carbon footprints. So, how can these businesses communicate such strategies effectively? Harvard believes that there is a formula to impactfully frame one's ethical discussions. There are also several ways to discuss how sustainable business practices can pay off financially, and a plethora of tools to leverage when pitching sustainability to stakeholders, as follows [2]. Firstly, corporate social responsibility, CSR, is a business model in which for profit companies seek to create social and environmental benefits while pursuing organisational goals. Whilst companies typically focus on the bottom line, or generating profit, socially responsible corporations focus on the triple bottom line. This triple bottom line can be described as the "three Ps": people, the planet, and profit. In other words, in addition to striving to succeed financially, socially responsible companies can commit to measuring success through their impact on people, employees, customers, and society at large, alongside the environment [2]. This

is essentially the criteria that ESG covers, plus the consideration of profit generation, thus providing a solid basis to formulate a coherent strategy in this realm. It seems that for businesses, there has been a key shift in mentality, from considering the pursuit of sustainability initiatives as a financial trade-off to regarding such endeavours as a solid financial strategy, with Harvard Business School Professor Rebecca Henderson affirming this notion, suggesting that there is “good reason to believe that solving the world’s problems presents trillions of dollars’ worth of economic opportunity [2].



As we have discussed, public opinion regarding sustainability has evolved greatly in recent years and today’s stakeholders, such as governments, consumers or buyers, expect companies to go well beyond compliance, to articulate how they’re addressing major global challenges, from climate change to modern slavery. It’s no longer enough to minimise your impacts. You must show how decisions you are making, concerning your organisation, contribute to a better future for people and the environment. As sustainability has become a mainstream business concern, more and more companies are communicating their ESG related endeavours at key internal and external touchpoints. Leading businesses are open about the challenges they face, and explain the important work they do to address complex social and environmental issues. By communicating these efforts authentically, businesses demonstrate credibility, and earn greater trust and recognition among stakeholders [6]. With the increasing alignment of fiscal goals with sustainability metrics, it is becoming increasingly important to formulate a sustainability strategy and

a subsequent communication strategy. A new era of sustainability is rising, and it's touching every corner of the world. Consumers in markets big and small are increasingly motivated to be more environmentally conscious, and are exercising their power and voice through the products they buy [7]. This increased consumer engagement with the sustainable nature of the products they buy is how this fiscal impetus has emerged. Corporate responsibility and sustainability strategies may take different shapes around the world, but it is becoming increasingly clear that consumers are using their spending power to effect the change they want to see [7]. Regulatory environments are also changing, forcing companies to take decisive sustainability focused action, with an increase of 25% in related reporting requirements for businesses [6]. We have also discussed the increasing pertinence of ESG as an investment and lending criteria and this too represents the merging of financial goals with sustainable pledges. This burgeoning investment criteria is an important way for businesses to gauge the degree in which they are meeting investors' evolving expectations, with 60% of investment board members saying that they'd divest from companies with poor sustainability performance [6]. Amidst globalisation and corporate investing, companies with sustainability focused initiatives are becoming more attractive than those without, with the pandemic only serving to accelerate investor interest in this sphere, with \$54bn being invested in bond funds specialising in ESG issues from January to May of 2021 alone, and this is continuing to rise [8].

Therefore, there is clear financial motivation to hone one's communication strategy, in relation to sustainability. The marketing and design publication,

The Drum, outlines some key focus points to ensure that a business' communications cut through to deliver their messages effectively. The first focus is to ensure that ESG is defined in a clear manner, internally. ESG can mean many different things to other people, thus it is important to be clear on its pertinence for one's organisation, taking time to define ESG within the context of the business, thus placing importance on internal communications as well as external facing. This also presents a fantastic opportunity to engage teams in the brand's story. Giving a more human touch to internal ESG comms by positioning employees as brand storytellers and ambassadors can have a major impact on how a business is perceived, both internally and externally [8]. It is also important to ensure that one's strategy is crafted with integrity and communicated authentically. The Drum suggests that, to show that the business is taking ESG seriously, it is advantageous to bring in subject matter experts to work on relevant programs and to raise the level of understanding regarding the messages the business is communicating. This expertise should be conveyed in the organisation's outward comms and can add a layer of authenticity, supported by knowledge. Businesses that want to elevate their communications can start discourse concerning global topics, displaying that one's company does not shy away from tough dialogue regarding sensitive topics and represents a great way to have an impactful relationship with one's audience [8].

Whilst these authentic communications should be backed by data and expertise, it is crucial to make shared data digestible.

This can be achieved through effective data visualisation and articulation, as Hilton have, with their detailed yet clear ESG reports. Finally, it is important to simplify more complex facets of one's discussions. When dealing with the lack of clarity and inherent complexities regarding ESG, a business' communication must simplify the topic rather than add to the confusion [8]. As per Harvard, whilst scientific models of probabilities and uncertainties are of profound importance, it is more effective when climate science is communicated in a way that it is applied to people's lives [3]. Climate science modelling is of course crucial work, however, more digestible communications and fast facts are far more impactful to general consumers. If a business can ensure that their stakeholders understand what ESG means to the business, through the creation of authentic, simple communication strategies and successfully breaking down data into digestible pieces of content, you are one step closer to having a solid ESG communication strategy.

Leading hotel chains are continuing to invest in company wide sustainability and ESG strategies, communicating ambitious pledges in various mediums across their websites and through detailed self reflexive reports. Accor, whilst investing significantly into sustainable measures, has a slightly less coherent and digestible communication strategy than Hilton and Marriott, with the latter starting a

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defined initiative, Marriott 360, to communicate the company's efforts in empowering communities through corporate social responsibility. Marriott also continually highlights the group's sustainability and social impact goals in each of their defined coordinates, to; "Nurture Our World, Sustain Responsible Operations, Empower Through Opportunity, and Welcome All and Advance Human Rights." Through the setting up of coordinated initiatives that hold the company accountable for their social and environmental impact, a sense of trust can be fostered with consumers whilst pleasing their investors and stakeholders, especially those exposed to ESG criteria. Marriott owns their position, stating that they have a global responsibility and a unique opportunity to be a force for good, whilst outlining their ambitious short term goals for 2025, that are perfectly placed to target ESG evaluations. Whilst the three hotel chains that we have touched on here, all have defined sustainability communications strategies, the ownership from Hilton and Marriott set them apart slightly from other players in their market. The detail yet coherence of Hilton's reporting and the establishing of Marriott 360 represent two abundantly clear commitments to positive change



and is indicative of a front footed approach, owning one's sustainability strategy and ensuring the communication of such a strategy is used to guide the organisation to growth in the short and long term.

Thus, depending on the scale of one's business, it seems that the establishing of defined schemes and initiatives, coupled with detailed ESG reporting is the optimum strategy for communicating one's ethical endeavours.

Sustainability for growth in the hospitality sector

So we have looked at how an organisation can effectively communicate their corporate sustainability efforts, now we must consider how an organisation can deploy this to leverage growth. The COVID crisis was of course a rocky time for the travel industry, however as we emerge from the pandemic, it is the perfect time to build the industry back, better. This can start with businesses defining their sustainability strategies and deploying effective communications to leverage growth as their industry returns to a growth cycle. McKinsey addresses that the last couple years have clearly been a crisis for the travel industry. Available seat miles on US airlines were down 71 percent in April 2020 from the previous year and globally, hotels are at 29 percent occupancy, compared with 72 percent over the same period in 2019. However, green shoots of demand are now starting to appear highlighting an enduring desire to travel [9]. Thus, the pandemic will reflect more of a cash flow issue for the industry as opposed to a dent in an inherent desire to travel, though many older travellers may feel more deterred. Writing in 2020, McKinsey regarded this pause in travel demand to be the presenting of a fantastic opportunity to reinvent travel, to make it better. So, as travel companies redesign their traveller experiences to address risks and anxieties related to COVID-19, they should remember that the pain points and trends that existed before the crisis, such as the shift toward a more digital and personalised journey, and an increased emphasis on wellness and sustainability have not gone away [9]. Sustainability is an increasing concern for consumers, and a growing number are voting with their wallets by choosing brands that provide sustainable or environmentally-friendly options. The travel sector is no exception

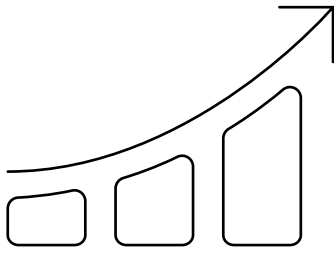
[10]. Thus, outlining a sustainability pledge in a consumer facing manner can help expedite growth. This can include the leveraging of carbon reduction alternatives, through the articulation of carbon debt within a travel purchasing process. For instance, SkyScanner visualises the amount of carbon saved if the user chooses a particular flight over an alternative, which for particularly engaged users, could influence their purchase decision. McKinsey considers various initiatives that can make the travel experience simultaneously better and safer; for instance, housekeeping services will need to adjust for safety concerns, yet pivoting to revised protocols can reduce environmental impact, such as through less-frequent laundering of sheets during each stay. This can simultaneously; reduce planetary impact, decrease cost and give guests more flexibility, simply by letting them choose their own housekeeping schedule [9]. This also highlights the importance of refined communications in this realm.

Often, small tweaks across a business' process can each equate to minor carbon reductions that become significant when pieced together.

By articulating such endeavours and keeping track of metrics for stakeholders, one can potentially leverage growth through the pursuit of sustainable business, as indeed, often sustainable processes are more efficient practically and fiscally for businesses.

As we mentioned in the previous section, businesses can deploy internal innovations to achieve growth via new business models, whether this is through

the refining of processes or the upselling of new, more responsible products, whilst becoming more efficient and sustainable. Relevant innovations that reduce carbon can make businesses more profitable in terms of effective use of resources, whilst in consumer terms, companies can win new customers as individuals continue to vote with their wallets. Indeed, promoting sustainable products can broaden one's reach and can harbour an increased sense of brand loyalty. It is clear that businesses are increasingly being scrutinised on how they minimise social and environmental risks such as human rights issues in the supply chain, or mitigating climate change. Whilst this rapidly evolving landscape presents some clear hurdles to overcome, the opportunities are endless for companies that are well positioned to respond, reflected in the positive role businesses can play in contributing to the transformative agenda framed by the UN Sustainable Development Goals [6]. This is why we emphasise the importance of thought leadership for businesses. Those that adopt a forward thinking approach and take a leadership stance on the challenges we collectively face, can educate the public and raise awareness about the importance of sustainability [6]. Formulating a coherent sustainability strategy and leading by example in one's industry can positively impact both the planet and one's business. On behalf of Harvard Business School, Catherine Cote, has outlined eight key benefits for businesses pursuing sustainability and the subsequent business case for such pursuits. Looking at these pillars, we will discuss how they can form the basis for a solid communications strategy for hospitality organisations and beyond and how one may leverage such facets for growth and increased profitability



for their business. The first benefit of the pursuit of sustainability is the internal driving of innovation. Making this switch to sustainable business practices provides an opportunity for new, innovative ideas to grow. Consider this a chance to question the way the organisation operates. Important self reflexive questions, such as are there inefficiencies in the production process? Are there alternatives to how you currently source production materials? What equipment or technology could make your internal processes and product delivery more energy efficient? These types of questions reveal opportunities to save money on energy and reassess how ethically you source materials. They can also shake up any lingering mindset of “this is how we’ve always done it” and prompt innovative ideas for new business opportunities [2]. For hospitality firms, such innovations could reduce waste across the value chain and lead to more efficient use of resources. As we mentioned before, in many sectors, looking at internal process innovation can lead to growth through new business models that drive sectors forward and this too could apply for the hotel industry. Accor hotels are attempting to pioneer ecodesign in their venues, offering eco-designed beds made from wood sourced from sustainably managed forests that are FSC certified, as well as bedspreads and pillowcases made from recycled bottles [4]. Accor has also outlined their continued commitment to sustainable value creation, and plays an active role in giving back to the planet and community. Their “Our Planet 21 – Acting Here” program endeavours to act for “positive hospitality” and has set some ambitious objectives, structured around four strategic pillars: working with their employees, involving their clients, innovating with their partners, and involving

local communities, with two key areas of focus: food and buildings [5]. The second benefit of pursuing such a strategy is the hedge against environmental and supply chain risk. Investing in more sustainable practices can pay off in the form of risk management. By using renewable resources, such as wind, water, and solar power, one's company has greater security over its energy sources [2]. Certain hotel chains such as Six Senses have started placing greater focus on localised supply chains, to hedge against any supply disruptions, whilst managing their carbon impact. This is also valuable to consider in light of geopolitical tension amid the Russian invasion of Ukraine, leading to oil prices skyrocketing. Further benefits of fostering such strategies within one's business is that it can attract and retain employees, with surveys displaying that nearly 70 percent of employees report that their company's strong sustainability program impacts their decision to stay with it long term [2]. This likely stems from coherent sustainability strategies' inherent reflection of a more forward thinking business. Furthermore, those businesses exposed to ESG criteria must also uphold premium standards of social responsibility and fair governance. Fourthly, the pursuit of sustainable business has potential to expand audience reach and build brand loyalty, as consumers become engaged with particularly efficient campaigns and endeavours in the realm of ethics, governance and sustainability. We have discussed how consumers are continuing to vote with their wallets to support brands that they align with ethically, in parallel to travellers becoming increasingly concerned with their carbon footprint. Throughout this section we have regarded benefits with both a consumer facing lens and a more inward focus.

As a business invests in its sustainability and communication strategy it can reap the rewards as they win with consumers that are engaged in the planetary impact of the companies they patronise, whilst helping to attract and keep the right employees in their organisation.

Research in the Harvard Business Review shows that sustainable businesses see greater financial gains than their unsustainable counterparts. In addition, consumers' motivation to buy from sustainable brands is on the rise. For instance, products with key sustainability focused messaging on their packaging delivered nearly \$114 billion in sales in 2019, a 29 percent increase from 2013, and products marketed as sustainable grew more than five times faster than those that weren't [2]. This displays the power of engaging a consumer base that are increasingly ethically engaged with the brands they patronise. Thus, with the increasing engagement and consideration of sustainable supply chains, such demand growth for products marketed in this way is expected to continue.

The next benefit of implementing such strategies is the potential to reduce the overall production and operating costs of one's organisation, through the implementation of more sustainable processes. As Cote exclaims, one of the simplest business cases for sustainability is that using fewer resources, or more sustainable ones, can decrease production costs. Harvard points out that this approach can be so

impactful that some businesses pursue sustainability, not because they truly care about the cause, but because the business case is abundantly obvious [2]. In addition to this, a well executed sustainability and relevant communication strategy, can foster positive publicity and public opinion, especially if you are a market leader in your industry. The domino effect of outlining a defined strategy can lead to increased employee pride, sustainably minded job applicants and increased customer loyalty and referral rates [2]. Indeed, adopting flexible, future-proofed technologies can also help to reduce one's exposure to disruption and can secure a more sustainable growth trajectory for the business [11]. The need for more airtight and protected supply chains is increasingly becoming a concern for businesses, hedging against current and future geopolitical tensions and other international logistic debacles such as the infamous blocking of the Suez Canal in 2021. Indeed it is also important to consider that the pursuit of more planet friendly operations can help a business stand out in its sector. In a competitive market, any way to differentiate your product and brand from your competitors is valuable. Sustainable business practices can be a positive way to stand out if your competitors haven't adopted such principles themselves, or match them if they've already made the switch to sustainability [2].

If one's sustainable strategy is articulated particularly well and it is communicated across all touchpoints and through its branding and design,

this can be a key reason why a consumer would choose a particular product or service.

Finally, pioneering sustainability within your organisation can also act as a true market leadership statement. Sustainability not only helps your company stand out against competitors but also influences their behaviours. If your organisation is one of the first in its field to adopt sustainable practices, it could set the business apart as a thought leader and prompt other companies in your market to follow suit. Indeed, in competition against more cumbersome market actors, adopting sustainable business processes can give first mover advantage, with business leaders seemingly motivated equally by a driving desire to make a difference as they are by the wish to make money [2]. Thus, it is apparent that fiscal and environmental goals are no longer opposing facets of a business strategy. The rise of consumer awareness and evaluative criteria such as ESG has pushed the alignment of sustainability and financial goals, with one almost hinging on the other.

Therefore, effectively communicated sustainable endeavours are a powerful lever of growth for an organisation.

As we have discussed, the hotel industry occupies part of the carbon intensive travel industry's value chain and as such, there is scope for particularly low carbon hotels to partner with airlines, to form part of a carbon hedging strategy. Such adjacencies are important to consider and represent important logic to form a business case around pursuing sustainability for hotel chains. Therefore, businesses no longer have to compromise fiscal objectives to achieve sustainable metrics, quite often these goals are interlinked, thanks to increasing consumer

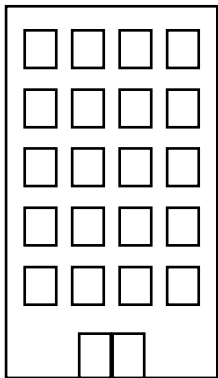
conscience and engagement with the carbon impact of the products and services they purchase.



How to form sustainable goals for businesses

In 2015, the United Nations set up 17 interlinked goals that they articulated as a “blueprint to achieve a better and more sustainable future for all people and the world by 2030.” Since the implementation of these goals, people have become far more engaged with sustainability on an individual level and as we have discussed throughout this report, this is starting to affect purchase decisions. These goals represent a broad spectrum of criteria to encourage economic growth to benefit humanity, ranging from the aspiration to eliminate poverty and hunger to environmental missions such as protecting marine life and combating climate change. These are very top level governmentally aligned goals and it is important that these trickle down to assist businesses in setting the right climate goals for their organisations. As per Forbes, for many years, the sole purpose of a corporation had been as defined by Milton Friedman, as an effort to create the greatest profit for shareholders. However, companies of all sizes are beginning to change this. In 2019, 181 CEOs came out with a redefining statement: “It is more critical than ever that businesses in the 21st century are focused on generating long-term value for all stakeholders and addressing the challenges we face, which will result in shared prosperity and sustainability for both business and society,” as per Darren Walker, the president of Ford Foundation [12]. Businesses are looking to reshape their objectives and a fantastic foundation for realignment is to adhere to that of the aforementioned UN SDGs. Business leaders are increasingly realising that it is crucial for their companies to build initiatives that deliver improvements not only to bottom lines but also to social equity and ecological harm reduction [12]. So how can hotel chains set effective

sustainability goals for themselves? Firstly, it is important that these businesses align such goals to their core business model and ensure that in the light of the very real risk of environmental destruction and social disruption, one's goals represent the business' genuine desire to lower its carbon impact. If the company publishes literature regarding its core values, these should leverage the formation of the company's goal setting, alongside market factor research. Similarly, goals can be created to specifically target business function improvements that apply directly to one's position within the market [12]. Therefore, ensuring your goals are inherently aligned with core business principles fosters a sense of authenticity and integrity. For hotel chains, this will mean a natural evolution of existing corporate social responsibility goals to include and communicate targeted endeavours towards reduction of waste and energy usage. Travellers, for both business and leisure, are becoming more aware of the impact that their travel has on the environment and hotels are beginning to cater to this, by providing more sustainable options [13].



The next pillar to ensure an effective formulation of sustainability goals, is the balance between lofty ambitions and smaller details. Big ideas are required to solve big problems and being ambitious and providing leadership are a big part of that, especially if one wants their business to be a pioneer in their space. However, neglecting the smaller things can lead to businesses not being able to see the woods for the trees. Often, change comes from optimisation. Finding the balance is key, which can be done by assigning “champions” who will oversee the improving of specific processes. Focusing on

moonshot goals is great, but when that's done while optimising the finer details, results will be realised faster [12]. Thirdly, these targets must be grounded in tangible, measurable facts. There are already existing frameworks and resources to gain data and inspiration from. The UN's Intergovernmental Panel on Climate Change report and the WWF's Science Based Target Initiative, a service that helps companies determine how much they should reduce their greenhouse gas emissions, are fantastic starting points [12]. Going back to the UN's SDGs, aligning one's mission to the SDGs creates a greater ability for customers to trust a business' work and allow for greater awareness of impact reduction and social responsibility within the company itself [12]. The UN publishes extensive literature concerning what is expected from organisations adopting their framework. The SDGs show one how to reduce their environmental impact and influence how we can inhibit greater social inclusion, equity and diversity within the workplace. Thus, it is worth actively placing the SDGs within your goals to have a solid framework for your business to work within, [12] they are also clearly measurable, transparent and rooted in the work of one of most important intergovernmental organisations on the planet. Finally, it is important for businesses to analyse their efforts. Creating sustainability goals is critically important, but subsequent data provides the framework of our goals proper tangible mass to cling to and build from [12]. Sound analysis in the present allows for informed decisions in the future. Thus, drawing from intergovernmental resources, particularly from the United Nations and organisations such as the WWF, represent perfect starting points when looking to formulate sustainability goals. There is a real

opportunity for hotel chains to be the sustainable jewel in the travel industry crown. Adopt a similar approach to Hilton, outline clear and measurable sustainability goals, owning up to the areas in which your industry tends to fall short, and deploy talent to innovate accordingly. Strong foundations. Strong analysis. Strong future for one's organisation.



Sustainability in branding

Sustainability is complicated but the ideas it represents should be easy for everyone to support. Traditionally, this is not how it has worked out. As per Radley Yeldar, when looking at corporate sustainability, too often brands rely on clichés, regardless of their normal visual identity [15]. This contradicts all that we have discussed, about ensuring one's sustainability goals are rooted in integrity and an authentic desire to make a difference to their industry and their planet. Simply leaning on these clichés and shoehorning such tropes onto one's existing branding is utterly apparent to consumers and represents a disingenuous sustainability strategy, even beyond the poor design. Radley Yeldar dubs this approach to design as 'Stock Sustainability'. Off the shelf, one size fits all, green tropes. This 'Stock Sustainability' is green and earthy and homespun and full of holding hands, hessian and windmills. It's 'eco-friendly' and 'organic,' or it's dry, dated and corporate. Either way, it uses the same tired clichés. 'Stock Sustainability' isn't just off-brand for a lot of organisations, it's not engaging for most audiences. People don't want tired and clichéd – they want sexy, charming, funny, beautiful and new [15]. Attempting to shoehorn in some poorly designed sustainability onto your website will not make your company look forward thinking and exciting, if anything, it screams rigidity and will disengage most consumers. This is where organisations must be clever. If they act with integrity, looking self reflexively at their businesses, it is possible to craft clever, on brand sustainability campaigns and beautiful products that communicate their ethics.

It is time to ditch the stock image of a handful of soil, with a sapling emerging, and to leverage real brand elements and endeavours that allow the conveyance of particular ethics across all touch points.

More than ever, people see sustainability action as a business responsibility. Consumers expect brands to lead by change. With conversations about sustainability and responsibility only growing, there's increasing consumer expectation for businesses to be transparent about how they're tackling the climate crisis [16]. Beyond design, brands can find the right audience for their well thought out sustainability campaigns. As per The Drum, it is no great surprise that sustainability messages often resonate best with 25 to 34 year olds. Furthermore, when honing your brand, it is important to have clear and credible values, ensuring that your customers know what steps you've been taking to mitigate climate change. The Drum also encourages one to think beyond one's product [16]. So for hoteliers, consider supply chains, food processes, ask insightful self reflexive questions, such as, how can we mitigate against water and food waste? Looking at sustainability across one's supply chain will likely be more effective than focusing on products alone. Furthermore, leveraging partnerships is an impactful strategy to lead as a sustainable brand. Collaborations with the right creators for your business can help you amplify your voice, appear more credible in the space and authentically reach new audiences [16]. As we have discussed before,

impactful adjacencies, such as hotels partnering with airlines or to form part of a lowest possible trip can be advantageous. Strategic partnerships can also align brands to others that excel in certain areas or match each other regarding ethics, for instance hotels could prioritise the sourcing of sustainable soaps and other hygiene products for their guests and stock local produce throughout the venue.

Branding and marketing endeavours can create sustainable storytelling with purpose. Brilliant Noise co-founder, Maddy Cooper, urges business leaders to consider how much more drive, unity and success one would see in their teams if they knew they were making a difference. If their work really mattered, not just to the brand, but to the people they love and to their planet [17]. As we have discussed throughout this report, consumers are becoming increasingly engaged with the ethics of the brands they patronise, with The Drum's research indicating that 59% of consumers now prefer to buy from brands they know are addressing the climate emergency and 91% wish to see brands 'show by example' and demonstrate the actions they are taking to support the planet [17]. This is where effective sustainability communications, branding and design come into play.

Disingenuous, shallow efforts are immediately noticeable and will go some way to disengage consumers.

Stock sustainability simply will not cut it, especially for hotel chains, that of course exist within the value chain of the travel industry, a sector where purchases are likely to cause consumers significant

carbon related guilt. Thus, marketers must realise their responsibility and seize relevant opportunities. Marketers cannot afford to stay still, regardless of the impetus of this reluctance, whether it's the fear of being caught out for greenwashing or the insecurity of investing in new sustainable products and processes, one must not let their brand stay deadly silent during the most significant cultural and commercial moment of our time. One must not wait to be perfect, there is no such thing. It is imperative to be authentic, determined and to strive to make real progress [17]. Ditch the stock images of wind turbines and invest in true, self reflexive material, that draws on the authentic endeavours of one's business to be more sustainable. The metrics for success are evolving. The rise of ESG, regardless of one's opinion on the controversial evaluation metrics, displays this, from here on out there is no success without sustainability.

There are no award ceremonies or famous marketing campaigns on a dead planet, if growth isn't green, it just doesn't matter anymore.

As we have discussed, conscious consumers can easily sense greenwashing and other disingenuous marketing practices. If sustainable policies and real actions come first, one's campaigns will stand up to criticism and businesses should have nothing to worry about [17]. This is perhaps why Hilton's ESG communications are so effective, the scale of the literature and the transparency with digestible information are powerful and lacks any of the "stock sustainability" tropes that disengage consumers and stakeholders. Thus, the communications are

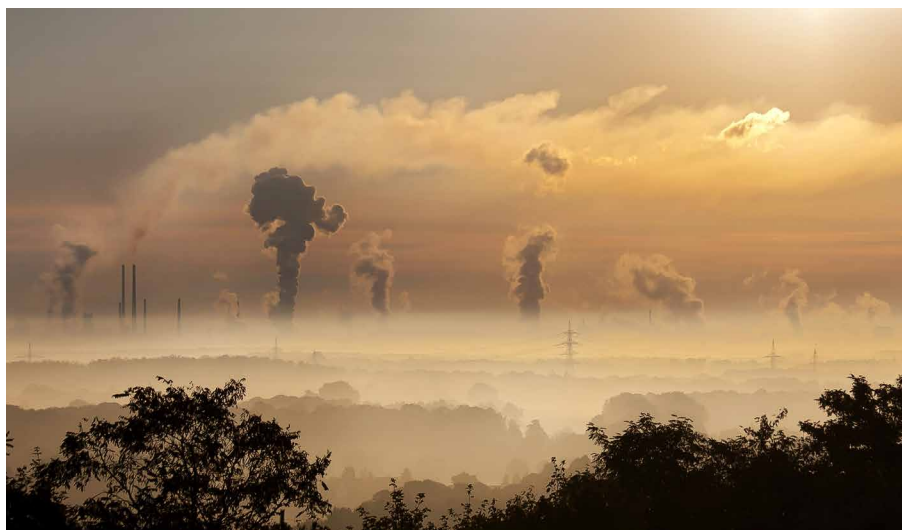
grounded in truth and thus their campaign exudes integrity. An interesting perspective to regard, concerning this meteoric rise of sustainability engaged individuals, is that of Jenn Goff, guest lecturer at Michigan State University's School of Packaging, who exclaimed that not a single one of her lectures end without a student asking about sustainability initiatives and how their industry is supporting this important topic [18]. A generation of changemakers is here. Consider the amount of single use plastic objects in a hotel room, such as shampoos, soaps and tooth brushes. Think of the packaging one would expect to receive hotel toiletries in. I'd bet that you are visualising clear, plastic packaging that houses a variety of single use items such as a razor blade and dental floss. Is this the best we can do? It is time to consider how we can do better as an industry.

There is no shame in admitting past failures. Own them and measure and communicate successes in innovating past wastefulness.

It is time for industries to work together to develop innovative materials, technologies and processes without barriers [18].

So how can effective campaigns regarding sustainable endeavours be communicated? Firstly, data visualisation can be a powerful tool for organisations, as we have already discussed, regarding Hilton's ESG communication strategy. Another fantastic example of powerful data visualisation is the launch of "The 2030 Forecast" a

venture from the climate tech startups Doconomy and Kayrrosm, that represents a first of its kind initiative that uses outdoor digital displays to show a weekly snapshot of Sweden's carbon emissions footprint [19]. Sweden has been home to some rather planet friendly innovations ranging from the seatbelt to oat milk, so it is no surprise that this fantastic piece of communication is found in the Scandinavian nation. This tech helps communicate the urgent need to take individual action regarding one's environmental footprint, including alert signs reminding Swedish citizens that "we are not even close" to the level needed to make an impactful reduction of carbon emissions. The goal of this intelligent collaborative project is to increase the level of transparency and rate of discussion about emissions, and to foster a sense of shared responsibility between individuals and corporations to accelerate climate action and halt the climate curve [19]. This is the power of data visualisation. This power is applicable across industries and hoteliers could benefit from implementing simple data visualisation across their key customer touch points, regardless of their scale, reminding users of the carbon they are saving opting for their service as



opposed to a rival. Considering this notion of scale, indeed it is even easier for boutique hotels to take control and localise their supply chains, as opposed to grand changes at scale at the likes of Marriott and Hilton, meaning to double down on sustainability across various facets of the organisation would not require grand restructuring.

One does not need to be a multinational to take advantage of cleverly communicated data.

The next way to ensure an effective campaign is the focus on design within a brand. Often, minimalism goes hand in hand with successful ethical and sustainable brands. A stripped back, calm aesthetic seems to engage the right consumers for these planet friendly companies, doing away with the excess of old, in favour of stylish, ethical necessity. Consider Wild and the Moon juice bars in Paris, Tangent GC detergents and Manchester's well regarded Green Lab vegan eatery. These are more niche brands that have managed to foster strong support and curate fantastic design across their customer touch points, without a wind turbine image or share price in sight. Regardless of scale, effective design can communicate one's mission and engage the right customers for one's business. Looking at bigger scale businesses, the burgeoning Pangaia clothing brand deploys intelligent design and data visualisation at key decision making touch points, reminding shoppers of the positive impact they are having, in terms of preventing waste and carbon emissions, by opting for one of their products as opposed to an alternative garment. Though a much different industry to a hotel, the same logic applies.

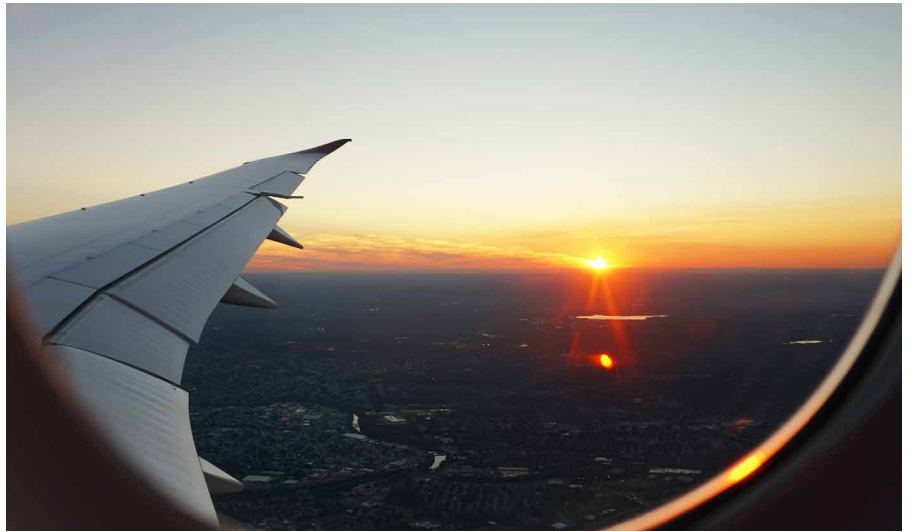
Intelligent branding and design coupled with data visualisation at key touch points are likely to act as effective levers of growth for any organisation.

Especially those in carbon and waste intensive industries like fashion and travel.

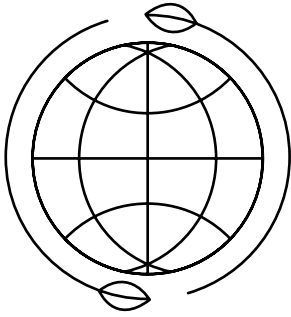
Finally, internal product and process innovations are a key way in which one can drive their business forward and be more sustainable. For instance, looking at a more mundane but incredibly important part of a hotel's processes, their toiletry products, the curation of such brands within one's venue, with particular attention paid to their sustainability performance, will go some way to achieving ethical control of the entire organisation. Considering brands within the value chain like this, will help remove carbon in areas one may least expect. This is also a fantastic opportunity to localise one's supply chains, prioritising regional businesses and championing sustainability, satisfying a wealth of ESG criteria. This is especially achievable at boutique venues and is a fantastic way of supporting their local businesses, for larger organisations, there is also a revenue opportunity in this realm. Consider Soho House and their Cowshed brand, found in every one of their venues' bathrooms. The ownership of that brand not only acts as an additional consumer offering, but allows the organisation to control the environmental impact of their toiletry products and having such control means further ethical measures can be implemented, for instance using refillable packaging of their products throughout the venue. Thus, deploying these internal processes and

product innovations should form an important part of a brand's sustainability story. Communicating incremental improvements and outlining the ethical future of one's organisation can have tremendous impacts both internally and externally, engaging both staff and consumers. As we have discussed earlier in the report, as a business invests in its sustainability and communication strategy, it can reap the rewards as they win with consumers that are engaged in the planetary impact of the companies they patronise, whilst helping to attract and keep the right employees in their organisation. Pursuing sustainable business practices holds tremendous potential to expand one's audience reach and assist the building of brand loyalty, especially as consumers are increasingly engaged and conscious of the impact the products that they buy have on the environment. As we have mentioned, consumers are increasingly supporting ethical businesses and for the hotels, it is important to consider that travellers are becoming more engaged with their carbon footprints. Thus, it is vital to communicate carbon reduction efforts at key decision making touch points, in order to capitalise on such endeavours. Simple data visualisation tools such as Skyscanner's highlighting of the lowest carbon option route for one's journey can have powerful impacts on purchase decisions and it is crucial that companies communicate their sustainable endeavours in an intelligent manner, such as this. Thus, it is crucial that a business executes their sustainability strategy effectively, communicating such endeavours through clever branding and design and key messaging across key touch points to capitalise externally, through consumer growth, and internally, by fostering an exciting, forward thinking environment throughout

the organisation, aligning people towards common goals.



Final musings: Sustainability in the hotel sector



Concluding our musings regarding sustainability in the hotel sector, let's regard the sentiment throughout this report, that travellers are becoming increasingly conscious about their environmental impact, parallel to consumers becoming more engaged with sustainability in regards to the products that they buy. These consumers inevitably show their support for the sustainable brands that engage them with their wallets. Therefore, a well defined and communicated sustainability, or even ESG, strategy is now vital for any business, but especially so in hospitality, since, as we have discussed, it occupies a portion of the travel industry's value chain, an industry notorious for its carbon output. Vice President of Sustainability at the Six Senses hotel chain, Jeff Smith, has discussed how the forced pause prompted by the pandemic has shown the world how global systems are failing us, from scarcity of resources to supply chain fragility and not giving the right priority to how we want to live. The pause in operations has allowed the reassessment of the hospitality industry as a whole and the redefining of certain processes and supply chains. Six Senses' approach, to build shorter supply chains, has the added bonus of being easier to manage in terms of promoting a circular economy. Smith also discusses how they proactively work with local farmers and fishermen to ensure the reduction and reuse of packaging and to verify that across the supply chain, responsible sourcing is part of the business' process. Smith states that knowing where their food comes from, and ensuring less processing and fewer chemicals, means it is better for both their guests and their hosts, and that is why Six Senses regard wellness and sustainability as two sides of the same coin [14]. Another musing that features throughout this report is the alignment of

sustainability goals with fiscal targets for businesses, no longer working in opposition. The pursuit of more efficient supply chains and business models are no longer opposed to profit, and in many cases, such pursuits can actually lead to increased profits, as a business looks self reflectively to overhaul their more inefficient processes. Thus, the hotel industry has a chance to take control of its section of the travel industry's value chain and become a beacon and pioneer for sustainability in its own right. After having the travel industry virtually on pause throughout the COVID crisis, let us not waste that period of self reflection. Let's build the industry back, better, and in a way that is kinder to our planet.

Closing words from Opportunus

Here at Opportunus, our clients and partners both current and prospective have been reaching out to us, at an increasing rate, communicating their concern regarding their lack of an effective carbon and sustainability communications strategy. Over recent years we have been increasingly engaged with sustainability, working with our partners to craft futureproof brands that engage the consumer of today. However, with many of our clients raising these environmentally lead concerns, it became abundantly clear that we needed to define, design and articulate our mission and our processes, just as we do for theirs.

Investing in fleshing out our proficiency here enables us to provide targeted support to our clients, helping them form and communicate effective and authentic sustainability strategies and subsequently leveraging these for growth, whilst helping our troubled planet.

Not only is this our duty as citizens of earth, indeed it is our duty to our business, our partners and our planet. This is why Opportunus is becoming a defined place for enterprising businesses to find support in formulating their sustainability and ESG communications strategies, to do right by their organisation and their planet. We also support businesses beyond the initial strategy, providing the subsequent world class design and execution that allows for the impactful implementation and leverage of authentic sustainability communications

strategies for competitive advantage and growth. Our mantra is to build holistic experiences that maximise the engagement of our clients' audiences and we must do this across all facets of our partners' businesses. As we have frequently discussed in this report, there is a generation of changemakers that we must engage, and for businesses to do so, they must articulate how they are hedging against their inherent environmental impact. Sustainability and other ESG criteria represent some of the most important considerations for business leaders today, both in terms of meeting their company's objectives and acting on the abundantly clear need to enact change to save our planet. To ensure a smooth and impactful sustainable transformation, Opportunus will put clients through a cutting edge framework, built off the back of our existing proven and robust strategy processes. This framework will see your business taken through a deep dive, focusing on top level market activity and how sustainability is being implemented, and where it still needs implementing, across your industry. This deep dive will also look at your business' sustainable strengths, which will act as the core "integrity" in your new sustainable communications, before shifting focus to your business' room for growth and innovation, which forms the exciting future for the organisation as an engaging change maker. This process will form the basis of your ESG communications strategy, which our talented, in-house teams in; strategy, marketing and design will bring to life as your business' new, sustainable future, before deploying data driven, market effective targeting to leverage this as new growth for your organisation. Thus, we ensure that all of our clients' sustainability strategies are firmly rooted in integrity and built on the back of the honest

endeavours of their organisations. This is where clever design pays dividends, we must eliminate any sense of the aforementioned “stock sustainability” and instead create meaningful and beautiful brands, products and campaigns, centred around both the business’ current endeavours and its exciting future. In essence, Opportunus will take your company’s sustainability progress and package it in a way that allows it to form an important part of one’s brand story and enable your business to capitalise off this progress, through deployment of effective communications, not just externally, leveraging consumer growth and engaging key consumers, but internally, developing an exciting and forward thinking work culture that satisfies ESG criteria, increases staff morale and retention and acts as a thought leader in its space. If that sounds like something you would be interested in, please do reach out.

Let’s build businesses that save our planet. Together

End Notes

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Opportunus is a new breed of consulting firm that partners with businesses determined to achieve their ambitions.

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