AN INVESTIGATION INTO THE OUTLOOK BUSINESS TRAVELLERS TO SOUTH AFRICA HAVE TOWARDS A GREEN HOTEL

Khatija Gaibee

A research report submitted to the Faculty of Engineering and the Built Environment, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Science in Building (Property Development and Management).

School of Construction Economics and Management
University of the Witwatersrand
Johannesburg
2014
DECLARATION

I declare that this research report is my own unaided work. It is being submitted to the Degree of Master of Science in Building (Property Development and Management) to the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination to any other University.

..............................................................

.......... day of ..............., .........
ABSTRACT

This study investigated the outlook business travellers to and within South Africa have towards green hotels. The purpose of this study was to determine the extent to which greenness affects consumers in South Africa. This was achieved by reviewing literature related to green hotels and consumers’ attitudes towards green products and its competitiveness in the market. A questionnaire was compiled based on existing literature. Data was collected by means of an online survey and the data was tested using the chi square frequency test. The findings indicated that respondents had a positive attitude towards greening hotels but the chi-test indicated that there was agreement on the positive relationship between greening hotels and perception. Guests believed that a standard should be set for green hotels as well as that if a conventional and green hotel served the same function, the green hotel would be the preferred choice. It is important for green hotels to incorporate a premium into the hotel bill. Future research should establish a model that the hotel can adopt to include a premium in the pricing of the hotel. The potential benefits of this study will be to improve the brand and corporate image of the hotel alongside contributing to a sustainable environment.
DEDICATED

To my parents
ACKNOWLEDGEMENTS

Monique Swart  Founder - African Business Travel Association
Melissa Gandanzara  Regional Administrator - Chartered Institute of Building – Africa
Jacqui Greenop  Freelance Editor
Oliver Jarvis  Founder and Managing Director - Global Proofreading
Nalumino Akakandelwa  Supervisor - University of the Witwatersrand
# TABLE OF CONTENTS

DECLARATION........................................................................................................................................... ii
ABSTRACT.................................................................................................................................................. iii
DEDICATED................................................................................................................................................ iv
ACKNOWLEDGEMENTS .......................................................................................................................... v
CHAPTER 1: INTRODUCTION.................................................................................................................. 1
  1.1 Background ........................................................................................................................................ 1
  1.2 Problem Statement ............................................................................................................................. 2
  1.3 Research Questions ........................................................................................................................... 4
  1.4 Purpose and Research Objectives ..................................................................................................... 4
  1.5 Significance of the Research ............................................................................................................. 5
  1.6 Scope, Limitations and Constraints..................................................................................................... 6
    1.6.1 Scope ........................................................................................................................................... 6
    1.6.2 Limitation .................................................................................................................................... 6
    1.6.3 Constraints ................................................................................................................................. 6
  1.7 Literature Review ............................................................................................................................. 7
    1.7.1 The green concept ....................................................................................................................... 7
    1.7.2 Green hotels ............................................................................................................................... 8
    1.7.3 Consumers’ attitudes towards green products and its competitiveness in the market ................. 10
    1.7.4 Summary .................................................................................................................................... 12
  1.8 Research Design ............................................................................................................................... 12
    1.8.1 Design review ............................................................................................................................. 12
    1.8.2 Population and sample ................................................................................................................. 13
    1.8.3 Survey instrument for data collection ........................................................................................ 13
    1.8.4 Data analysis and measures ....................................................................................................... 14
    1.8.5 Ethical concerns ......................................................................................................................... 15
1.9 Structure of the Research Report ................................................................. 16

CHAPTER 2: LITERATURE REVIEW ................................................................... 17

2.1 Introduction .................................................................................................. 17

2.2 Definitions .................................................................................................... 18

2.2.1 Business traveller .................................................................................. 18
2.2.2 Green hotel ............................................................................................ 18
2.2.3 Green destination ................................................................................... 18
2.2.4 Environmental attitude .......................................................................... 18
2.2.5 Environmentally friendly products ......................................................... 19
2.2.6 Green marketing ..................................................................................... 19
2.2.7 Perceived customer effectiveness ............................................................ 19
2.2.8 Economic value ...................................................................................... 19

2.3 The Green Concept ...................................................................................... 20

2.4 Green Hotels ................................................................................................. 24

2.5 Consumers’ Attitudes towards Green Products and its Competitiveness in the Market .................................................................................................................. 32

2.5.1 Consumer attitudes towards green products and the environment .......... 33
2.5.2 The purchasing behaviour and decisions of consumers ......................... 35
2.5.3 Promoting green hotels ......................................................................... 38

2.6 Summary ...................................................................................................... 42

CHAPTER 3: RESEARCH DESIGN ...................................................................... 44

3.1 Design Review .............................................................................................. 44

3.2 Research Methodology ................................................................................ 45

3.2.1 Epistemology ........................................................................................ 45
3.2.2 Research Paradigm ............................................................................... 45
3.2.3 Survey Study ........................................................................................ 46

3.3 Research Method ........................................................................................ 47

3.3.1 Qualitative research ............................................................................. 47
3.3.2 Data Collection ....................................................................................... 48
3.3.3 Survey Instrument for Data Collection and Time horizon ....................... 49
3.3.4 Population and Sample ......................................................................... 51
3.3.5 Data Analysis and Measures ................................................................. 52
  3.3.5.1 Measurement .................................................................................. 52
  3.3.5.2 Analysis ........................................................................................ 53
3.3.6 Validity or Credibility and Reliability .................................................. 54
3.3.7 Ethical Concerns .................................................................................. 56
3.4 Research Design Tree ............................................................................ 57

CHAPTER 4: RESEARCH FINDING AND ANALYSIS .............................................. 58
  4.1 Introduction ........................................................................................... 58
  4.2 Review of Research Objectives ............................................................ 58
  4.3 Description of Study Area ................................................................... 58
  4.4 Description of Sample ......................................................................... 59
  4.5 Measurement ....................................................................................... 59
  4.6 Demographics ...................................................................................... 60
  4.7 Research Findings ................................................................................ 62
    4.7.1 Premium payment for green practices ........................................... 62
    4.7.2 Participation in Green activities by hotel guest .............................. 65
    4.7.3 Attraction to Green marketed hotels .............................................. 66
    4.7.4 Demographic relation to Green choices of hotel ........................... 70
    4.7.5 Loyalty of hotel guests ................................................................... 72
  4.8 Summary of Findings ........................................................................... 76

CHAPTER 5: CONCLUSION AND RECOMMENDATIONS ................................. 78
  5.1 Introduction ........................................................................................... 78
  5.2 Premium Payment for Green Practices ............................................... 78
  5.3 Green Activities of the Hotel Guest ...................................................... 79
  5.4 Attraction to Green Marketed Hotels ................................................... 81
  5.5 Demographic relation to Green Choices by Hotel Guests .................... 82
  5.6 Loyalty of Hotel Guests ....................................................................... 84
  5.7 Conclusion ............................................................................................. 86
  5.8 Recommendation .................................................................................. 87
5.9 Areas for Future Research .................................................................87

REFERENCES ...............................................................................................89

APPENDIX A: RESPONSES ON ACTIVITIES HOTEL GUESTS ARE WILLING TO PARTICIPATE IN (AUTHOR, 2013) .................................................................118

APPENDIX B: RESPONSES ON GREEN CHOICES MADE BY HOTEL GUESTS (AUTHOR, 2013) ........................................................................................................119
LIST OF FIGURES

Figure 3.1: Research Design Tree (Author, 2013) .................................................................57
Figure 4.1: Gender of respondents (Author, 2013) ...............................................................60
Figure 4.2: Age of respondents (Author, 2013) ....................................................................61
Figure 4.3: Work Experience of respondents (Author, 2013) ...............................................61
Figure 4.4: Responses on whether the capital cost for an environmentally friendly product is more than a conventional product (Author, 2013) .........................................................63
Figure 4.5: Responses on whether green goods have become big business (Author, 2013) 63
Figure 4.6: Responses on whether a premium should be paid for green products (Author, 2013) ..............................................................................................................................64
Figure 4.7: Responses on whether hotels should actively participate in promoting green initiatives (Author, 2013) ..................................................................................................................64
Figure 4.8: Responses on whether green hotel business is a growing niche (Author, 2013) .................................................................................................................................67
Figure 4.9: Responses on whether the respondent has noticed an increasing number of hotels becoming green (Author, 2013) ..........................................................................................67
Figure 4.10: Responses on whether the respondent prefers being accommodated in a green hotel (Author, 2013) ..........................................................................................................................68
Figure 4.11: Responses on whether hotels gain attention from guests by visibly installing eco friendly technology (Author, 2013) ........................................................................................................68
Figure 4.12: Responses on whether hotels have not fully grasped the concept of green hotels (Author, 2013) ............................................................................................................................69
Figure 4.13: Responses on whether it’s vital for hotel managers to bear in mind the relationship that exists between the quality of the environment and the products they promote (Author, 2013) ............................................................................................................................69
Figure 4.14: Responses on whether hotels can promote corporate responsibility by educating its staff and guests and implementing green practices (Author, 2013) .................................72
Figure 4.15: Responses on whether the respondent particularly books himself into a green hotel (Author, 2013) ..........................................................................................................................73
Figure 4.16: Responses on whether the respondent reacts positively towards the company when there is a positive correlation between the company’s core business and its
cause (Author, 2013) ................................................................................................................73

Figure 4.17: Responses on whether incorporating green concerns into the hotels daily operations, the hotel will be able to retain guests (Author, 2013) ..................................................74

Figure 4.18: Responses on whether hotels promoting green practices reduce the standard of the experience for the guest (Author, 2013) .............................................................74

Figure 4.19: Responses on whether satisfying the guest’s psychological emotions is more important than offering tangible comforts to the guest (Author, 2013) .........................75
LIST OF TABLES

Table 4.1: Summary of Findings ............................................................................................................76
# LIST OF ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIC</td>
<td>Convention Industry Council</td>
</tr>
<tr>
<td>DEP</td>
<td>Department of Environmental Protection</td>
</tr>
<tr>
<td>DMOs</td>
<td>Destinations’ marketing organizations</td>
</tr>
<tr>
<td>GBCSA</td>
<td>Green Building Council of South Africa</td>
</tr>
<tr>
<td>GHA</td>
<td>Green Hotel Association</td>
</tr>
<tr>
<td>MICE</td>
<td>Meetings, incentives, conferences and exhibitions</td>
</tr>
<tr>
<td>WTO</td>
<td>World Tourism Organisation</td>
</tr>
<tr>
<td>WTTC</td>
<td>World Travel and Tourism</td>
</tr>
</tbody>
</table>
CHAPTER 1: INTRODUCTION

1.1 Background

The concept “hotel development” can be used to either refer to the construction or the business development of a hotel (Venter and Cloete, 2007). In certain instances, it can refer to both simultaneously. Construction is strategically important as it provides the building and infrastructure on which many industries and public entities depend. The hotel industry is no different. It is the basis of tourism in a country. The Appraisal Institute (1992) asserts that it is not only individuals that benefit from the purchase and ownership of a property; the community as a whole and the national economy are also enriched.

Hotels are categorized in the property sector as Special Trading properties. Baltin (1999) explains that hotels have an inextricable relationship between the real estate and the business operation. According to Rushmore (2008), the success of a hotel business depends on the trading brand, management and location sensitivity. This research seeks to identify the worth that a green compliant building can add to the corporate image of a hotel and if South Africans are prepared to be in a greener environment.

Kim and Han (2010) highlighted in their research that the hotel industry is one of the major consumers of energy and water within the tourism industry. Kim and Han (2010) emphasised this point by citing examples from Bohdanowicz (2005) and Chan (2005) which varied from consuming vast quantities of non-recyclable products and generating an extensive amount of waste to consuming significant amounts of water and energy and emitting carbon dioxide and air, water and soil pollutants.

Hotels have been greening their operations as the hotel operators have been encouraged and motivated to do this by customers’ desires for green oriented products. As the public has become more knowledgeable of the damage to the environment, consumers have been leaning towards green products as the (Han et al., 2009; Manaktola and Jauhari, 2007; Wolfe and Shanklin, 2001 and Kim and Han, 2010).
According to Millar and Baloglu (2008) factors such as global climate change has increased the damage to the environment thus it has become a particularly hot topic within the travel and tourism industry today. As awareness of the negative impact hotels have on the environment has grown, hotels have been receiving an extensive amount of attention (Kasim, 2004 and Millar and Baloglu, 2008). Rahman, Reynolds and Svarena (2012) have identified that can use its size to promote corporate responsibility on a meaningful scale as a result of the negative impact the hotel industry has on the environment.

1.2 Problem Statement

Kuminoff, Zhang and Rudi (2010) conducted a study on the willingness of travellers to pay a premium for a hotel that promotes greenness. This research was based in America, specifically in the Northeast and South Atlantic areas (Delaware, Florida, Massachusetts, North Carolina, Pennsylvania, Rhode Island, Vermont, Virginia) and in other major travel destinations (California, Hawaii, Michigan, Wisconsin). Kuminoff, Zhang and Rudi (2010) concluded that the establishment of most of the rating systems in these areas occurred between 2004 and 2008 and that travellers searching for destinations on the internet, were searching for destinations that are green. The researchers further collected data from both green and conventional hotels and used this data to verify that premiums are charged for hotels that are green compliant.

Barber (2012) conducted a study in the United States on profiling the potential "green" hotel guest with regard to who they are and what they want. Barber (2012) concluded from the research that as the green momentum grows globally, becoming green could be an opportunity for hotels to create a competitive advantage, even though direct links between the environment and profitability are unsubstantiated. Barber (2012) identified that hotels that establish themselves as green early could become fixed in the public’s minds as leaders in environmental concerns, leading to a greater future competitive advantage. However, Barber (2012) qualifies this by stating that for such an advantage to find traction, hotels must not only be actively involved in green practices but also communicate their activities to consumers through marketing that informs.
Lee, Breiter and Choi (2011) researched the perception convention attendees have towards green destinations. This study by Lee, Breiter and Choi (2011) particularly looked at the relationship between greening and competitiveness in Orlando and two other destinations, namely Birmingham, Alabama and Columbus, Ohio. It was found that differences do exist between the destinations identified for this research and it was suggested in the study that the differences could be due to the infrastructure being different in the destinations of study as a result of this; different greening tools could be used in the different destinations. Lee, Breiter and Choi (2011) concluded that a destination which ensures that greening is part of the organization’s central goal can have a competitive advantage if its target market is convention attendees as the study found that convention attendees have a positive attitude towards green destinations.

A study of the attitude and behaviour of consumers in India towards the adoption of green practices in the hotel industry was conducted by Manaktola and Jauhari (2007). Manaktola and Jauhari (2007) concluded that consumers in India are becoming aware of the benefits of engaging in environmentally friendly practices in the lodging industry, and that a positive attitude towards green practices relates strongly to positive behaviour towards green practices. However, Manaktola and Jauhari (2007) have noted that both the positive attitude and behaviour do not necessarily translate into the willingness to pay for green practice.

According to the author’s findings, no study focusing exclusively on the outlook of travellers in South Africa towards green hotels has been conducted. Wilma den Hartigh (2009) wrote an article titled “SA tops for business travel” that The Department of Trade and Industry has identified business tourism – commonly referred to as the meetings, incentives, conferences and exhibitions (Mice) industry –as a niche tourism segment with growth potential. Wilma den Hartigh (2009) further provided findings that emphasised this point by stating the findings of the Gauteng Tourism Authority. These findings established that the province first gained prominence as a convention destination when it hosted the 2002 World Summit on Sustainable Development, and is currently listed 35th by the International Congress and Convention Association. This association ranks countries according to their ability to present international functions.

From the foregoing, it has been established that studies on green incentives in the hospitality industry have been undertaken in other countries such as India and the USA, but there does not seem to be evidence of similar studies done in South Africa. Research has been done on
the perception of convention attendees and the attitude of green practices in hotel industry however this study focused on the business traveller who stays at hotels during a business trip. The potential benefits of this study will be to improve the brand and corporate image of the hotel alongside contributing to a sustainable environment. Therefore a study focusing primarily on the business traveller should be conducted to evaluate the extent to which the “greenness” of a hotel affects consumers’ decisions taking the following into account:

- What is meant by a green building?
- Why green buildings are important?
- Whether hotels are required to be green?
- What consumers’ attitudes towards green products are?

1.3 Research Questions

As derived from the problem statement, the following questions were answered by reviewing journal articles within the last ten years.

- What is the definition of a green building?
- Why should buildings be green?
- Is there a need for hotels to go green?
- How does a hotel become green?
- What are consumers attitude towards green products?
- Does greening increase the brands competitiveness in the market?

1.4 Purpose and Research Objectives

The corporate image of a hotel entices and leaves a lasting impression on a hotel guest (Prasad and Dev, 2000). The purpose of this research is to establish the attitude of business travellers towards green hotels in South Africa. The objectives of the study are therefore to:

- define what is meant by a green building
- identify how green buildings have affected the hotel industry
• assess the attitude consumers have towards green products

The sub-objectives of this research are to establish:

• Whether guests at a green hotel are prepared to pay a premium for the green practices of the hotel.
• The items a hotel guest is willing to forego in order to be accommodated in a green environment.
• Whether guests are attracted towards hotels that market themselves as green.
• Whether age, gender and level of education affect the green choices a guest makes.
• The loyalty of hotel guests.

1.5 Significance of the Research

Hotels rely on the success of their operational business and are thus often viewed as high-risk investments with tremendous upside potential.

To the western world, South Africa is still considered an emerging economy, which becomes a challenge to the hotel industry. When other emerging economies suffer, South Africa automatically suffers as well, even though South Africa may be well ahead of other emerging economies (Gregson, 2012).

Another challenge that the hotel industry faces is that business is highly cyclical (Kennedy, 1999). Hoteliers should therefore have an in-depth understanding of their target market and location of the hotel development (Lawson, 1997).

Ahmed, Heller and Hughes (1999) concluded that the South African hotel industry provides opportunities for hotel companies and is a growing market. This is supported by KPMG’s quarterly review (2009) which acknowledged that the main sector reporting economic activity was construction, which grew at a rate of 12.2% spurred on by projects related to the 2010 Soccer World Cup and the government’s infrastructure development programme. Ernst and Young (2013) reported that South Africa has experienced the greatest hotel investment activity on the continent, accounting for approximately 45.0% of the total annual transaction volume in Africa over the past six years.
Bohdanowicz (2006) confirms that conventional tourism is often associated with the availability of a clean natural environment and that all sectors of this comprehensive industry create strain on the environment. According to White (2010) the recession of 2009 forced many industries to delay major investments; however, the recession did not curtail hoteliers from considering green initiatives.

There has been a significant improvement in the business and tourism sector in South Africa. Therefore it is important to establish if South Africans have become as green conscious as other countries and whether South Africans are ready and willing to pay the price for environmentally friendly products. These findings established whether hotel guests believe that a hotel’s corporate image is better than its competitors due to its endorsement for a greener environment.

1.6 Scope, Limitations and Constraints

1.6.1 Scope

This study evaluated the extent to which the “greenness” of a hotel affects the decisions of business travellers

1.6.2 Limitation

- This study does not include convention attendees and day guests
- This research does not serve to understand and explain the theories of behavioural patterns

1.6.3 Constraints

- Literature specific to business travellers’ to hotels in South Africa is limited.
- The findings were based on a relatively restricted sample as the researcher did not have control over the population sample as the surveys were distributed by travel managers to their confidential database.

1.7 Literature Review

The literature serves to produce the background of the hotel industry and of research already conducted in other countries by focusing on the concept of a greener environment, the pressure on hotels to become green and the attitude that consumers have towards green products.

1.7.1 The green concept

The construction professionals and the professionals required for the operational business need to understand the concept of a green building in order for a building to be green. As the hotel industry bases its business on perceived opulence, luxury and grandeur, Iwanowski and Rushmore (1994) and Graci (2008) have asserted that many facility operators have not grasped the concept of a green hotel. Graci (2008) citing Henderson (2007), Anguera et al. (2000) and Pryce (2001) maintain that there are factors such as cost, lack of government regulations and the complex, varied structure of the industry that hinder the ability of individual companies to make strides towards being environmentally dedicated. Pryce (2001) further claims that not all hotels (especially small and medium-sized hotels) see the advantages of implementing environmental initiatives irrespective of what these advantages may be.

The Green Building Council of South Africa (GBCSA, last accessed March 2012) has defined a green building as a building that is energy efficient, resource efficient and environmentally responsible. These elements should be incorporated in the design, construction and operational practices of the building and should significantly reduce or eliminate its negative impact on the environment and its occupants. In short, The Green Building Council of South Africa (GBCSA, last accessed March 2012) have described a
green building as a building that is designed, built and operated in an environmentally sustainable way.

Market prices reveal that consumers are willing to pay a premium for items such as hybrid cars (Kahn 2007), solar electricity (Kotchen and Moore 2007), fair-trade coffee (Loureiro and Lotade 2005) and eco-labelled seafood (Johnston et al. 2001) and it is for this reason that Kuminoff, Zhang and Rudi (2010) identified that “green” goods have become big business. In addition to the above, Bansal and Roth (2000), have identified that the three main incentives for businesses to go green are competitiveness, legitimation and ecological responsibility.

Rahman, Reynolds and Svarena (2012) explained that competitiveness reflects the role that going green can play in improving profitability and that an important aspect of competitiveness is identifying how savings can be transferred to customers and not only how the business can lower its expenses. When a firm chooses to go green as it is the right thing to do, then the firm is referred to as being responsible. According to Rahman, Reynolds and Svarena (2012) when a firm goes green, the firm is adding worth to the brand’s image, which ultimately results in a financial benefit for the firm therefore one of the most important reasons for going green is the customer.

1.7.2 Green hotels

As the hospitality and tourism industry is under pressure, the industry is becoming more environmentally friendly. According to Foster et al., (2000) the industries are under pressure from forces such as consumer demand, increasing environmental regulation, managerial concern with ethics, customer satisfaction, and maintenance issues related to the physical plant and the need for aesthetics. Further studies conducted by Gan (2006), Juholin (2004) and Rahman, Reynolds and Svarena (2012) have shown that hotels go green for a variety of reason such as economic benefits, strengthening employee organizational commitment, facing public scrutiny, improved investor relations and general social good.

According to Bohdanowicz (2006) the WTO (World Tourism Organisation) acknowledged the importance of high environmental quality for the development of tourism thus the Environmental Committee was established in the late 1970s. Following the 1992 Rio Earth
Summit, the green movements within the hotel industry gained momentum and recognition. At the Rio Earth summit it was identified that tourism was one of the priority areas for sustainable development thus increasingly stringent environmentally-related regulations are being adopted and enforced in many parts of the world.


Barber (2012) remarked that conventional hotels (non-green) are often associated with issues related to deterioration of the environment or wasting resources. This conclusion was drawn by Barber (2012) as research conducted by Bohdanowicz (2005), Chan (2005), Radwan, Jones and Minoli (2010) found that conventional hotels had caused enormous harm to the environment through excessive consumption of non-recyclable goods, water, and energy for heating, ventilating, and air-conditioning (e.g., electricity and gas). Due to the harm being caused to the environment, hotels need to take environmental action to aid in conserving and sustaining resources required by future generations (Bohdanowicz, 2005; Chan, Wong and Lo, 2009; Dief and Font, 2010; Radwan et al., 2010 and Barber, 2012).

Due to the industry’s high visibility globally as well as its ability to potentially save millions of dollars by “going green”, Ryan (2002) reasoned that the hospitality industry has become a channel for social change. By going green, the hotel produces less tangible results such as improvement to the firm’s reputation and thus it is difficult to quantify the good return that the investor expects (Bird et al., 2007 and Kang, Stein, Heo and Leed, 2012). An easy way to quantify the return for the investor would be to charge the hotel guest a premium for the green practices that the hotel endorses. According to Kang, Stein, Heo and Leed, (2012), it remains unclear whether or not customers are willing to pay a premium for a green hotel.

Many hospitality operations are confronted with two diametrically opposing issues although there is an increasing focus on the environment (Barber, 2012). On the one hand, operations such as hotels are trying to create and implement environmental policies while on the other
hand, hotel guests expect to be pampered with hot water, high-pressure showers, freshly laundered linen an ample supply of towels, abundant supplies of food and drink and airport shuttles (Kirk, 1995 and Barber, 2012). Previously guests were of the opinion that if a hotel operated with green practices, it would reduce the standard of the experience for the guest (Lee, Breiter and Choi, 2011). However, other studies by Turtle (2008) and Lee, Breiter and Choi (2011) have indicated that this idea is still debatable and contentious

1.7.3 Consumers’ attitudes towards green products and its competitiveness in the market

There has been a dramatic increase in the number of individuals who express their ecological concerns (Han et al., 2009; Kalafatis et al., 1999 and Kim and Han, 2010) thus it can be deduced that the public is continuously attracted towards protecting the environment (Chan and Wong, 2006 and Han and Kim, 2010). Changes have been identified in the purchasing behaviour and attitudes of consumers towards business establishments that are eco-friendly as a result of consumers being more aware and concerned about the environment (Environmentally Friendly Hotels, 2008; D’Souza and Taghian, 2005 and Han and Kim, 2010).

The management and marketing decision-making departments of hotel firms seek to integrate the concerns that hotel guests have regarding the environment (Bohdanowicz, 2006; Lee, Hsu, Han and Kim, 2010; Mensah, 2006; Kim and Han, 2010). To emphasize this Han and Kim (2010) cited Claver-Cortes et al. (2007), who highlighted the fact that there are an increasing number of hotel companies adopting proactive environmental management in that they are implementing practices that are environmentally friendly. Hotels are recognizing the shift in consumer behaviour towards green products and the importance of promoting green products and services (Pizam, 2009; Wolfe and Shanklin, 2001; Han and Kim, 2010). By a hotel being proactive towards environmental management, the hotel can improve its competitiveness and profitability.

In order for the hotel to increase its number of customer retention rates and profits, the hotel needs to aim to build positive guest intentions (Lewis and Chambers, 2000; Han and Back, 2013; Yesawich, 1997; Han, Hsu and Lee, 2009). Because a company’s identity, revealed by
green initiatives, is relatively enduring (Bhattacharya and Sen, 2004), differentiated from others (Manaktola and Jauhari, 2007) and able to enhance consumers’ self-esteem (Christy et al., 1996 and Sen and Bhattacharya, 2001), customers who have higher degrees of concerns about environmental issues are more likely to identify with a company that exerts intensive green initiatives (Kang, Stein, Heo and Leed, 2012). A guest could be influenced to pay a premium to be accommodated in a green hotel if the guest approves of the initiatives and approach the hotel has towards environmentally sound practices (Kang, Stein, Heo and Leed, 2012). This will in turn promote positive word-of-mouth recommendations of the product (Bowen and Chen, 2001; Lee et al., 2010 and Barber, 2012).

Lynes and Dredge (2006) and Graci (2008) described how organizations seek to strengthen their reputation as good corporate citizens by explaining the importance of enhancing and reinforcing an organization’s positive image in the market place. This is especially for those organizations which are scrutinized by the public. Graci (2008) explains that the image and reputation of an organization allows the organization to have a competitive advantage in the market thus it is one of the most intangible and priceless assets an organization can have. An increased competitive advantage of an organization includes benefits such as increased price premiums, attractiveness to customers, improved market share, access to or creation of new markets, improved company image, increased productivity of employees and operational fitness (Descano and Gentry 1999; Bansal and Roth 2000; Rivera 2001; Graci, 2008).

For a firm to create a successful green image, the firm needs to effectively communicate to the consumer the perceived benefits of green products (Lee et al., 2010 and Barber, 2012). Barber (2012) cited from the Green Hotelier (2007) that if a hotel has a sound green image then the hotel can secure a top market position. Barber (2012) further explained that a successful green image can be achieved through cost reduction in the use of energy and water, which will appeal to investors, attract and retain highly motivated employees and develop guest loyalty.

From the study conducted by Graci (2002), it was identified that first-time hotel guests base their accommodation decisions on location, amenities and service; however, a returning guest may take into consideration the commitment the hotel has towards the environment. The hotel management needs to understand the hotel guests environmental values, attitudes, and intentions as these issues have developed into a central concern of policy makers and businesses (Barber, 2010 & 2012; Bazoche, Deola and Soler, 2008; Ottman, 2011).
1.7.4 Summary

All industry sectors have been contributing to the depletion of natural resources and causing severe damage to the environment. The hotel industry is however, a major contributor to this damage. This is due to its extensive use of resources to meet its requirement as a special trading property providing luxuries to its consumers.

As consumers are becoming more aware of the detrimental environmental effects and the concept of sustainability, they are becoming more proactive in terms of their purchasing power, i.e. they have been purchasing green products. This has resulted in the hotel industry having to become green. Although all hotels are not green, it has been established that becoming green at an early stage could serve to provide a competitive advantage to hotel brands that do so.

The literature review indicates that research has been undertaken in this area of study; however, no study focusing exclusively on the outlook of travellers in South Africa towards green hotels has been conducted. It was therefore essential to conduct an evaluation of the extent to which the “greenness” of a hotel affects consumer decisions. The primary focus of such an evaluation was based on the business traveller. This enabled broad research questions to be answered, which explained specifically the following knowledge areas:

- What is meant by a green building?
- Why are green buildings important?
- Are hotels required to be green?
- What are consumers’ attitudes towards green products?

1.8 Research Design

1.8.1 Design review

According to Freud (2012) qualitative research can serve more than one purpose as the same research can explain the requirements of the guest as well as determine if the perceived image the guest has of the hotel is compatible with the services offered by the hotel. It is for
this reason that qualitative research connects the aspirations of consumers with the experience of hospitality.

Mouton (2001) identified that the research methodology to be adopted could be categorized as a content-analysis type empirical study upon which data will be analysed and critical factors identified. In conducting this research, a qualitative method was adopted. Relevant literature was reviewed in order to explore existing ideas and knowledge areas. Although the research was based on information collected within Johannesburg, foreign literature in the form of published books and journals had to be reviewed as the South African literature is limited.

A structured questionnaire was compiled from the questions that arose while reviewing the literature. The questionnaire as well as consent and ethical forms were issued to hotel guests, i.e. business travellers. The differences between the findings from the questionnaires and the literature published to date were established.

1.8.2 Population and sample

According Marshall (1996), the researcher needs to determine the sample which will be most prolific in providing data for the survey. For the purpose of this study, judgement sampling was used. Babbie (2010) explains that with judgement sampling, the sample is chosen on the basis of knowledge of a population, its elements and the purpose of the study. Thus the data sources for this research comprised of business travellers who stay at hotels during their business trips in South Africa.

1.8.3 Survey instrument for data collection

According to Foo (2000), research needs to be validated and this is done by collecting information by means of surveys which can be conducted using one or more data-collection tools such as questionnaires, interviews, case studies and observations. Dawes (1972) and Balram and Dragicevic (2004) explained that as attitude is not easily recognizable,
questionnaires are used to obtain indirect cues thus questionnaires are the preferred means of assessing attitude.

One of the most important aspects of research is to produce a questionnaire which allows for easy participation by the respondents and does not influence the responses of the respondents (Seymour, 2001). For this reason, the respondents were given a mostly structured closed-end questionnaire which was completed.

The questionnaire was based on the extensive literature reviewed (Ling-yee, 1997) and included a few additional questions to establish the demographics of the sample population. The questionnaire included a cover page which explained the reason for the research being conducted, the instructions on how the questionnaire should be answered and all ethical concerns. The questionnaire was divided into two sections. The first section asked respondents to provide details of their demographic information and the second section asked them various questions related to their attitude and beliefs. These questions were based on the ordinal scale of

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

1.8.4 Data analysis and measures

Preparing and organizing the data, reducing data into themes through a process of coding, and representing the data in figures and tables all form part of the data analysis process (Becker and Burke, 2011 citing Creswell, 2007).

Firstly the data collected was exported from Survey Monkey to Excel where the data was then checked to determine whether the values made sense and the descriptive statistics were explored. Numbers between one and five were then allocated to the five points on the Likert scale to correspond with the answers provided and these answers were then totalled. Where possible, comparisons were made to research already conducted in other countries. This was done in order to establish whether the findings in South Africa are on par with research that has already been conducted.

The chi square frequency test was used to determine the extent of agreement on perception. In order to use the chi square test, the degree of freedom was established and a 10% error
with 90% accuracy was used for comparison purposes. From the chi square test, an upper critical value and lower critical value were determined. The calculated value was then compared to the lower and upper critical values. If the calculated value fell between the lower and upper critical values, then it failed to reject the null hypothesis, which implied that no relationship exists.

The author wrote up the findings by demonstrating the meaning of the findings and providing a reasonable argument that relates to them. A discussion was built around the findings as the statistics were used as a tool to answer the research questions posed.

1.8.5 Ethical concerns

As the questionnaires were distributed to business travellers, direct contact with human subjects had to be involved as they were the source of information. By means of a cover letter attached to the questionnaire, the respondents were informed about the nature of the research and that the questionnaire was solely for research purposes. As the questionnaire was accompanied by a covering letter, the respondents’ consent was implied by them having returned the questionnaire.

In order to keep information conveyed by the respondents confidential, the respondents were given the opportunity to remain anonymous. Furthermore, the respondents were allowed to ask questions and to refrain from answering questions at any point in time.

The respondents were informed about the above so that the respondents would answer as truthfully as possible thus the data obtained would be accurate and can be relied on. Furthermore, the questions posed in the questionnaire were clear and objective so that the data could not be compromised.
1.9 Structure of the Research Report

CHAPTER 1 – Introduction

This chapter serves to produce the background of the hotel industry. While analysing the hotel industry, a problem statement arose, which led to questions that required further research. When undertaking the research, certain objectives were required. These objectives, along with the limitations that restrict the research and the research questions to be answered, are detailed in this chapter.

CHAPTER 2 – Literature Review

Chapter 2 gives context to research that has already been conducted in various countries. The literature focuses on the concept of a greener environment, the pressure on hotels to become green and the attitude that consumers have towards green products.

CHAPTER 3 – Research Design

In order to investigate the problem statement, a method of research has to be adopted. This chapter identifies the research paradigm, research orientation, research strategy (methodology) and time horizon as well as the research method, sampling, measurement and analysis framework.

CHAPTER 4 – Data Presentation and Analysis

The entire research is brought together in this chapter. The chapter discusses the findings, any recommendations that can be made and the conclusion that can be drawn from this research. This is a very important chapter as it ultimately answers the research questions posed in Chapter 1.

CHAPTER 5 – Research Conclusions and Recommendation

Chapter 5 presents major conclusions on the research questions which were addressed and fundamental recommendations are made. In addition, areas of future research are identified.
CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

All industry sectors have been contributing to the depletion of natural resources and causing severe damage to the environment. Increasingly stringent environmentally-related regulations are being adopted and enforced in many parts of the world as a result of the 1992 Rio Earth Summit (Bohdanowicz, 2006). The hotel industry is a major contributor to this damage. This is due to its extensive use of resources to meet its requirement as a special trading property providing luxuries to its consumers (Rada, 1996 and Robinot and Giannelloni 2010).

Bohdanowicz (2006) confirmed that conventional tourism is often associated with the availability of a clean natural environment and that all sectors of this comprehensive industry placed strain on the environment.

The Department of Trade and Industry identified business tourism – which is commonly referred to as the meetings, incentives, conferences and exhibitions (Mice) industry – as a niche tourism segment with growth potential (Wilma den Hartigh, 2009). Hotels have an inextricable relationship between the real estate and the business operation (Baltin, 1999). The success of a hotel business depends on the trading brand, management and location sensitivity (Rushmore, 2008). It was therefore important that a study focusing primarily on the business traveller be conducted to evaluate the extent to which the “greenness” of a hotel affects consumers’ decisions. The objectives of the study were therefore to:

- define what is meant by a green building
- identify how green buildings have affected the hotel industry
- assess the attitude consumers have towards green products.
2.2 Definitions

2.2.1 Business traveller

For the purpose of this study, the business traveller is an employee that is required to travel and temporarily stay away from their usual place of residence for one or more nights for the primary reason of conducting business (Smith, 1988 citing Murphy, 1985).

2.2.2 Green hotel

A green hotel can be defined as an eco-friendly hotel operation performing various environmentally friendly practices which include saving water and energy, using eco-friendly purchasing policies, and reducing emissions and waste disposal to protect the natural environment and reduce operational costs (The Green Hotel Association, 2011 and Barber, 2012).

2.2.3 Green destination

In tourism literature, a green destination has been interpreted as a sustainable destination or an eco-tourism destination (Holleran, 2008 and Lee, Breiter and Choi, 2011).

2.2.4 Environmental attitude

Environmental attitude today is defined as the collection of beliefs, affect, and behavioural intentions held by someone regarding environmentally related activities (Milfont and Duckitt, 2004 and Barber, 2012).
2.2.5 Environmentally friendly products

Products are defined as “environmentally friendly” if in some way they aim at reducing a product’s negative environmental impact (Manaktola and Jauhari, 2007).

2.2.6 Green marketing

Green marketing is the management process responsible for identifying, anticipating and satisfying the requirements of customers and society, in a profitable and sustainable way (Peattie, 1999 and Welford, 2000).

2.2.7 Perceived customer effectiveness

While the definition of perceived customer effectiveness varies, researchers generally agree that perceived customer effectiveness refers to individuals’ perceptions about the effectiveness of their environmental-friendly endeavours in abating environmental problems (Antil, 1978; Roberts, 1996; Straughan and Roberts, 1999).

2.2.8 Economic value

Economic value represents a system of producing, distributing and consuming wealth, which is generally defined as the means of satisfying the material needs of people through money, property, possession of monetary goods, or anything having economic value measurable in price (Herremans and Reid, 2002).
2.3 The Green Concept

Kuminoff, Zhang, and Rudi (2010) established that “green” goods have become big business. Kuminoff, Zhang, and Rudi (2010) elaborated on this by indicating that market prices reveal that consumers are willing to pay a premium for items such as hybrid cars (Kahn, 2007), solar electricity (Kotchen and Moore, 2007), fair-trade coffee (Loureiro and Lotade, 2005) and eco-labelled seafood (Johnston, Wessells, Donath and Asche 2001).

In addition to the above, Bansal and Roth (2000), identified the three main incentives for businesses to go green as competitiveness, legitimacy and ecological responsibility. Rahman, Reynolds and Svarna (2012) explained that competitiveness reflects the role that going green can play in improving profitability and that an important aspect of competitiveness should be to identify how savings can be transferred to customers and not only how the business can lower its expenses. Responsibility refers to the fact that the firm chooses to go green as it is the right thing to do. Bear in mind that going green in today’s market place adds to the worth of a brand’s image, which ultimately results in a financial benefit for the firm (Rahman, et al., 2012). Rahman, Reynolds and Svarna (2012) concluded in their study that one of the most important reasons therefore for going green is the customer.

Research within the last decade (Ottman, 1994) found that more important than the green aspect of a product is the price and qualities of the product. Later research showed that consumers are still wary of the price of green products as they perceive them to be too expensive and are cynical about environmental claims made by green product sellers (Schlossberg, 1991) and their ability to contribute to a better environment (Pearce, 1990 and Choe, Lehto and Day, 2012). A more recent study by Han, Hsu and Lee (2009) indicated that the concerns regarding environmental degradation have increased in the last few decades (Chan and Lam, 2002 and Laroche et al., 2001). This has resulted in environmentalism becoming a significant aspect in the market place (Brown, 1996 and Kalafatis et al., 1999). Consumers wish to protect the environment and, for this reason, have been seeking to purchase eco-friendly products and services (Kalafatis et al., 1999; Laroche et al., 2001; Roberts, 1996).

Other research has indicated that there is a connection between value and satisfaction (Bolton and Drew, 1991; Rust and Oliver, 1994; Fornell et al., 1996; De Ruyter et al., 1997; Slater, 1997; Oliver, 1999). Anderson and Fornell (1994) explained this theory by describing
how satisfaction affects the performance of a company. Marketers need to understand what consumers are looking for in order to satisfy the consumer. The satisfaction of a consumer is vital for the good reputation of a product (Robinot and Giannelloni, 2010). According to Choe, Lehto and Day (2012) a few other important aspects which have not been taken into consideration in previous research are economic considerations, social support and social structure.

Kuminoff, Zhang, and Rudi (2010) have explained that airline passengers can purchase credits to offset the carbon emitted during their flight while motorists can rent a hybrid or electric vehicle, and guests seeking accommodation can decide to stay at a green hotel. As the travel industry has noticed that travellers’ attitudes toward the environment has been growing, they have been taking advantage of this opportunity by capitalizing on the demand for green goods by providing differentiated services.

Hart (1995) identified that pollution prevention; product stewardship and sustainable development are three important facets of environmental performance which would increase economic performance. Hart (1995) believes that incorporating these aspects will lead to a competitive advantage in the future with the indirect benefits of an improved image, employee morale and health and safety in the facility (Brown, 1994; Brown, 1996; Kirk, 1996; Bansal and Roth, 2000; Cheyne and Barnett, 2001; Essex and Hobson, 2001; Rivera, 2001, 2002, Lynes and Dredge 2006; Brebbia and Pineda 2004; Gonzalez-Benito and Gonzalez-Benito, 2005; Graci, 2008). According to Mihalic (2000) a hotel needs to constantly remain competitive and for this to occur the managers of such hotels need to bear in mind the relationship that exists between the quality of the environment and the products’ they promote (Rahman, Reynolds and Svarena, 2012).

The Convention Industry Council (CIC) initiated the Green Meetings Task Force in 2003 in order to set a standard for the Green Movement as it will establish the minimum best practices for events planners and suppliers. This can save planners’ and suppliers’ money in addition to being beneficial for the environment (Convention Industry Council, 2004 and Lee, Breiter and Choi, 2011).

The Green Building Council of South Africa (GBCSA, last accessed March 2012) has defined a green building as a building that is energy efficient, resource efficient and environmentally responsible. These elements should be incorporated in its design, construction and operational practices and should significantly reduce or eliminate the
building’s negative impact on the environment and its occupants. In short, The Green Building Council of South Africa (GBCSA, last accessed March 2012) described a green building as a building that is designed, built and operated in an environmentally sustainable way.

In order for a building to be green, the construction professionals and the professionals required for the operational business must understand the concept of a green building. According to Robinot and Giannelloni (2010), a green building should not be looked at in isolation. In order for the building to be successful, it has to be economically feasible, which means that the building should be generating a profit for its investors and value for its customers.

Businesses have realized that consumers are becoming more environmentally conscious and, in order to realize a profit, they have to incorporate green concerns into their day-to-day operations as this will retain the interest of their consumers. If the business aligns itself with green regulations, it may market itself as green. This will attract consumers and acquire loyalty consumers while sustaining the competitiveness of the business in the market. Marketing strategies have shown that when a business promotes a social cause, consumers react positively towards the business (Hamlin & Wilson, 2004), which in turn leads to the profitability of the business (Zdravkovic, Magusson and Stanley, 2010 and Ham and Han, 2012).

Although environmental practices are not widespread in the tourism and hospitality industry, businesses have realized that they are an important aspect of their business (Anguera et al., 2000; Pryce, 2001; Graci, 2008). Previous research by Kuminoff, Zhang and Rudi (2010) has shown that the closer the accommodation is to amenities, the higher the rental (e.g., Taylor and Smith, 2000 and Mollard, Rambonilaza, and Vollet, 2007). However, other research has indicated that green hotels charge a premium (see, Nimon and Beghin, 1999; Johnston et al., 2001; Loureiro and Lotade, 2005).

Choe, Lehto and Day (2012) reasoned that when understanding the behaviour of consumers towards the environment, it is important to look at the characteristics of the social setting as it can act as a facilitatory and inhibitory factor. Corraliza (2000) further elaborated on this point by stating that the interaction between personal and social structural variables can be defined in terms of the degree of conflict or consistency between the two. For example, when there is positive personal disposition to action but the structural makes it difficult, or when
personal disposition to act is negative and the structural facilitates it. Customers’ evaluation of the level of inhibition-facilitation presented by the social structure will affect personal environmental attitudes and behavioural intention.

Certain hotels promote their hotel based on its destination as their target market is tourists who are seeking a holiday destination with natural features (Rahman, Reynolds and Svarena, 2012). If the environment is adversely affected or damaged, it will reduce the quality of the destination for the hotel guest. The attractiveness of the local environment makes the location of the hotel extremely important. The land upon which the hotel is to be built should therefore be taken into consideration before it is purchased. The location in turn has an impact on the hotel’s environmental practices (Rahman, Reynolds and Svarena, 2012).

MICE event hosts wish to be termed as “green destinations” and certain of these destinations’ marketing organizations (DMOs) recommend that their members (mainly hotels) obtain Green Seal certification (“Green Destination Briefs”, 2008). This indicates that destinations would like to be acknowledged for their promotion of being green. Pizam (2009) concluded that the positive impacts of greening strategies on destination quality can offset the negative aspects (inconvenient and costly to implement) (Lee, Breiter and Choi, 2011). According to Kang, Stein, Heo and Leed (2012), the hotel industry has been part of the green revolution and some of the leading hotel brands in the world have been actively participating in promoting green initiatives and taking the environment into consideration during their day-to-day operations.

Iwanowski and Rushmore (1994) and Graci (2008) asserted that many facility operators have not grasped the concept of a green hotel the fact that the industry bases its business on perceived opulence, luxury and grandeur and that it is for this reason that the green concept is not completely understood. Graci (2008) citing Henderson (2007), Anguera et al. (2000) and Pryce (2001) maintain that there are factors that hinder the ability of individual companies to make strides towards being environmentally dedicated. These factors relate to the cost, lack of government regulations and the complex, varied structure of the industry. Pryce (2001) claims that not all hotels (especially small and medium-sized hotels) see the advantages of implementing environmental initiatives irrespective of what the advantages may be.
Bohdanowicz and Martinac (2003) explain that hotels can promote corporate responsibility by educating their staff and customers, embracing eco-friendly practices, and influencing complementary industries such as hotel suppliers as these activities are beneficial for the hotel and tourism industry as well as for the environment (Rahman, Reynolds and Svarena, 2012).

According to Graci (2008), employees are identified as one of the greatest benefits to going green as they are more likely to identify with an employer whose principles and practices are in tune with current trends. Graci (2008) further states that environmental programmes have proved to be an effective means of generating interest and encouraging staff to work as a team to achieve the common purpose of protecting the environment. Reid (2006) confirms this idea by stating that over 90% of Fairmont employees supported the green partnership program and that it was the employees’ suggestions that formed the basis of the original action plan.

According to Butler (2008), guests expect hotels to be green and should a hotel not be green, the hotel will lose guests to its greener competition. Although there is a cost involved in being green, this cost will motivate innovation of new green concepts. Graci (2008) states that environmental issues such as environmental risk through pollution and contaminated land, to regulation on producer responsibility and waste have an impact on the cost of capital for businesses of all types and sizes and this cost can change the worth of the business over an extended period of time. Graci (2008) further elaborates that the financial community have been using the performance and quality of environmental management as a tool to measure the capability of a business in general and that several insurance companies and lenders adjust their rates based on environmental criteria stipulated by ethical funds (Graci, 2008).

2.4 Green Hotels

The hospitality and tourism industry is becoming more environmentally friendly due to it being under pressure. Foster et al. (2000) identified that the industries are under pressure from forces such as consumer demand, increasing environmental regulation, managerial concern with ethics, customer satisfaction, maintenance issues related to the physical plant
and the need for aesthetics. Further studies conducted by Gan (2006), Juholin (2004) and Rahman, Reynolds and Svarena (2012) have shown that hotels go green for a variety of reasons. These reasons include economic benefits, strengthening employee organizational commitment, facing public scrutiny, improved investor relations and general social good.

Bohdanowicz (2006) found that the Environmental Committee was established in the late 1970s as the WTO acknowledged the importance of high environmental quality for the development of tourism. The green movement within the hotel industry gained momentum and recognition following the 1992 Rio Earth Summit. At the summit it was identified that tourism was one of the priority areas for sustainable development. Increasingly stringent environmentally-related regulations are being adopted and enforced in many parts of the world as a result of the summit.

As part of the World Conservation Strategy formulated in the 1980s, the concept of sustainable development emerged (United Nations, 1992 and Choe, Lehto and Day, 2011). Kirk (1998), Tzschentke (2004) and Choe, Lehto and Day (2011) suggest that it is The World Commission on Environment and Development (1987) and International Hotels Environmental Initiative (1992) that served as a catalyst for green hospitality practices. Furthermore Choe, Lehto and Day (2011) pointed out that acquiring a high level of energy and resource efficiency as well as enhancing the corporate brand image is vital for hotel management.

Barber (2012) remarked that issues related to deterioration of the environment or wasting resources are often associated with conventional hotels (non-green). This was concluded as research conducted by Bohdanowicz (2005), Chan (2005), Radwan, Jones and Minoli (2010) reported that conventional hotels have caused enormous harm to the environment through excessive consumption of non-recyclable goods, water, and energy for heating, ventilating, and air-conditioning (e.g., electricity and gas). There is therefore a definite need for environmental action by hotels which will aid in conserving and sustaining resources required for future generations (Bohdanowicz, 2005; Chan, Wong and Lo, 2009; Dief & Font, 2010; Radwan et al., 2010; Barber, 2012).

Hotels are generally situated in areas of outstanding natural beauty, in historic cities or in areas with a delicate ecological balance. The hotel industry has thus come under pressure as it is exposed to many of the issues that develop when implementing environmental policies (Bohdanowicz, 2005; Erdogan and Baris, 2007; Barber, 2009).
Ryan (2002) reasons that the hospitality industry has become a channel for social change due to its high global visibility and its ability to potentially save millions of dollars by “going green”. Bear in mind that investors require a good return for the significant amount of initial investment that is required for a green establishment. Quantifying returns is often difficult however, for investments which produce less tangible results such as improvement to a firm’s reputation for being conservation oriented (Bird et al., 2007 and Kang, Stein, Heo and Leed, 2012). It has been established that the way to ease this concern would be to charge hotel guests a premium for the green practices the hotel endorses. Whether or not customers are willing to pay those additional charges still remains unclear.

Many hotel operators have started implementing practices to enhance the perception of their environmental friendliness. They have done this through, among other things, increasing their hotel’s efficiencies, e.g. cost savings. Through these measures they hope to satisfy increasing numbers of environmentally cautious customers’ green needs and maintain active participation by reducing harmful effects on the environment (Dief and Font, 2010; Green Hotel Association [GHA], 2011; Han et al., 2009, 2011; Manaktola & Jauhari, 2007; Wolfe and Shanklin, 2001; Ham and Han, 2012).

Vora (2007) established that forty-three million U. S. travellers have expressed their concern for the environment. This indicates that there are an increasing number of consumers who are environmentally conscious, and this will have a significant impact on hotel selection. Hotels therefore need to have sound green policies to succeed as these are becoming factors that guests study when choosing a hotel. Previous hotel industry research has mainly focused on hotel selection, hotel attributes, guest-room attributes and the significance of these in their guests’ minds (Lockyer, 2005 and Dolnicar and Otter, 2003). However, Kasim (2004) identified that research related to analysing the demand for environmental attributes is very limited, thus it is still unclear what specific attributes a hotel guest might prefer. Hotels that voluntarily provide environmentally friendly attributes are often referred to as either green hotels or environmentally-friendly hotels (Millar and Baloglu, 2008).

Despite the increasing focus on the environment, many hospitality operations are confronted with two diametrically opposed issues (Barber, 2012). On the one hand, operations such as hotels are trying to create and implement environmental policies; on the other hand, hotel customers seeking services also expect to be pampered with hot water, high-pressure showers, freshly laundered linen, an ample supply of towels, abundant supplies of food and
drink and airport shuttles (Kirk, 1995 and Barber, 2012). Previously guests were of the opinion that if a hotel operates with green practices, it would reduce the standard of the experience for the guest (Lee, Breiter and Choi, 2011). However, other studies have indicated that this idea is still arguable and contentious (Turtle, 2008 and Lee, Breiter and Choi, 2011).

Previous research has defined the greening of the hotel industry as the process of developing new ways of doing business that reduces the harm to the environment and makes use of waste streams (Bohdanowicz, 2005; Tzschentke et al., 2004; Wiserearth, 2008; Yim and Penny, 2007; Han, Hsu and Lee, 2009). This green movement has enhanced the performance of several hotels, reduced their operating costs and improved their corporate image (Kirk, 1998; Mensah, 2006; Yim and Penny, 2007; Han, Hsu and Lee, 2009).

Tourism is the world’s biggest industry. It directly creates 200 million jobs worldwide and accounts for 11% of the world’s GDP (WTTC, 1999 and 2000). Mathieson and Wall (1996) emphasize this fact by pointing out that the industry grows at a rate of 6% per year, which makes it one of the fastest growing industries. According to Gartner (1996), tourism aids in developing the economy (Manaktola and Jauhari, 2007). Tourism is one of the largest contributors to the economy, which makes it an appealing industry and form of development for many countries (Graci, 2008).

As the public is becoming more attentive to the environmental damage caused by businesses, businesses are being motivated to introduce environmentally responsible management in their operations (Manaktola and Jauhari, 2007 and Wolfe and Shanklin, 2001). A growing number of hotels are joining the green movement to reduce harmful impacts on the environment (Han and Kim, 2010). The need to implement environmental practices has come to the forefront of global issues (Kripendorf, 1982; Butler, 1993; Bramwell and Lane, 1993; Ioannides, 1996; Stipanuk, 1996; Hunter Jones et al., 1997; Murphy, 1998; Theobald, 1998; Sharpley, 2000; Pryce, 2001; Hunter, 2002; Mastny, 2002; WTTC, 2002; Dodds, 2005). However, the benefits are also often accompanied by many negative effects that result in impacts, both of an environmental and social nature (leakage, noise, air and water pollution, degradation of natural resources, labour issues, encroachment and overbuilding) (Theobald, 1998; Bohdanowicz, 2005; Dodds, 2005; Graci, 2008).

According to Dumas et al. (2002), there are forces which shape the hotel industry. These forces include the capability of a hotel to attract investment to meet the capital it requires, the
use of state-of-the-art information technologies (mainly the internet as a distribution channel) and marketing based on the accurate identification and analysis of customers’ needs and expectations through the use of adapted CRM techniques. Olsen (1999) remarked that hotel guests have shown a need for their well-being to be improved and this can be achieved by the hotel actively contributing to the sustainability of its environment. For this reason, hotels have been adopting practices with the aim of sustainability. Due to the service a hotel provides, it consumes vast amounts of energy, water and non-durable products. Hotels thus cause greater harm to the environment compared to other types of buildings of similar size (Rada, 1996 and Robinot and Giannelloni, 2010).

Hotels generally focus on the development of short-term fiscal goals. However, if hotels re-focus on using the latest technologies and conform to green practices, it could result in the hotel industry transforming itself into an example of an environmentally sound operation and serve as a medium for propagating sustainability. According to the 1992 United Nations Conference on Environment and Development, hotels can decrease the negative effect they have on the environment and gain attention from travellers for this by simply installing visible eco-friendly technology such as solar panels, low flow showerheads, recycling bins, etc. Manaktola and Jauhari (2007) suggested in their study that if a hotel endorses green practices, it could serve as an ancillary service that provides intangible benefits to the guests. Christy et al. (1996) and Sen and Bhattacharya (2001) predict that while a hotel offers facilities such as spas, pools and fitness centres that provide hotel guests with tangible comfort, green practices may satisfy guests’ psychological emotional need for, perhaps, self-esteem (Kang, Stein, Heoc and Leed, 2012).

As customers are becoming environmentally cautious, the need for green products and services has forced hotel operators to plan, institute and practise eco-friendly programmes, guidelines or activities to be in line with “green” hospitality (Han et al., 2011; Manaktola and Jauhari, 2007; Pizam, 2009; and Wolfe and Shanklin, 2001). Thus hotels’ implementing and marketing green practices or programmes may contribute to efficiently increasing competitiveness in the industry (Ham and Han, 2012).

Bohdanowicz (2006) reasons that in order for a hotel to achieve improvement, the managers and operators must be willing to act in an environmentally responsible manner, and this can only occur if managers have adequate knowledge of the environmental issues pertinent to their activities. Because hotels are large users of consumer goods, waste generation is
probably the most visible effect the sector has on the environment. A typical hotel guest is estimated to produce at least 1 kg of waste per day (IHEI, 2002). A large proportion (50–60%) of this waste could be recycled or reused (Smith et al., 1993 and Bohdanowicz, 2006).

Managers of self-owned hotels have the liberty of managing their hotels as they see fit (Rahman, Reynolds and Svarena, 2012). In such cases, the hotels can only be operated in an environmentally-friendly way if the manager has knowledge of green practices. Erdogan and Baris (2007) agree that it is the hotel manager’s stance and comprehension of green practices that affects the environmental practices used in a hotel. Álvarez Gil et al. (2001) highlight that in the case of hotels owned by large companies, environmental policies and initiatives are initiated at a corporate level as these companies have the resources to put this in place efficiently. These policies are subsequently followed by all the hotels belonging to that brand. According to Bohdanowicz (2006) the hotel brand requires the hotels to follow certain standards and programmes. To achieve this, they provide the relevant training applicable to these practices. Mensah (2006) has suggested that most research on corporate environmental management involves larger firms due to the belief that there is a direct relationship between the size of a hotel and its capacity for environmental management. The environmental role that size plays in a hotel is easily understood; the greater the size of the hotel, the more resources it will consume and the more waste it will produce (Rahman, Reynolds and Svarena, 2012).

Previously hotels offered little or sporadic green practices, however, these days hotels are increasingly involved with initiatives to taking systematic steps toward a comprehensive greening approach as it is becoming the norm (Manaktola and Jauhari, 2007 and Gustine and Weaver, 1996). According to Tzschentke et al. (2004), green practices among small or budget hotels are mainly driven by owners’ or managers’ ethical concerns about the natural environment (Choe, Lehto and Day, 2012).

As mentioned earlier, hotels are usually situated in clean, pleasant and interesting environments as this is mostly what attracts guests. So it is reasonable to assume that the development and long-term success of the tourism industry worldwide depends on a constant availability of natural and cultural resources. It is the same resources that hotels require that are most affected by overexploitation and degradation, which has resulted in a significant ecological footprint (Butler, 1993, 1998; Murphy, 1998; Bohdanowicz 2005). According to Cespedes Lorente et al. (2003), hotel operations involve activities that individually have
lower environmental impacts than, for example, manufacturing, and are thus arguably difficult to identify and regulate. Almost 20 years ago Kirk (1995) identified in his research that the operations of the hotel industry exert a significant impact on global resources. According to Gössling et al. (2004) “the average energy consumption per bed per night in hotels might be in the order of 130 MJ. Hotels generally use more energy per visitor, as they have energy-intense facilities, such as bars, restaurants, pools and more spacious rooms”. One estimate identified “that an average hotel produces in excess of one kilogram of waste per guest per day” (Bohdanowicz, 2005 and Graci, 2008).

Manaktola and Jauhari (2007) contested that in order for hotels to have a competitive environment they need to focus their business practices on being pro-green. The environment needs hotels that will have the least damaging impact on it. The hotel industry also depends on the availability of a clean environment. Yet the hotel industry is one industry in particular that has the potential to be wasteful and to harm the environment. For this reason the “green” hotel business is a growing niche in the tourism industry. As consumers become more knowledgeable about the damage being caused to the environment, there is an increasing tendency for hotel guests to seek out green hotels (Manaktola and Jauhari, 2007).

Due to the significant negative effect the hotel industry has had on the environment, it has become essential to implement green practices to satisfy customers’ interest in environmental issues and their growing ecological awareness. These are becoming factors that impact on the reputation of the hotel’s brand and its competitiveness. According to Manaktola and Jauhari (2007), managements are eager to institute programmes and guidelines that contribute to saving water and energy and reducing solid waste and emissions. This is confirmed by GHA (2011) and Han et al (2011) who state that practitioners with an interest in the hotel sector are actively changing operations to reflect more eco-friendly enterprises. They are also performing diverse ecologically responsible practices and adopting sustainable programmes and guidelines (Ham and Han, 2012). According to Reid (2006), the Fairmont Palliser hotel group will have a green committee, which will consist of volunteers that are responsible for implementing environmental policies and achieving the goals of the hotels. This committee will make recommendations to management at an operational level on how things should be done.

It is believed that the implementation of environmental initiatives probably plays a minor role in a guest’s choice of hotel. Most guests tend to look for accommodation based on
location, amenities and service. However, there are environmentally conscious guests who will expect certain activities such as recycling. In 2005, Dodds and Joppe identified that over the past 20 years there has been a shift in the expectations and demands of consumers. Almost 10 years later, this shift would have only increased. The typical hotel guest of today is more sophisticated and, to varying degrees, is likely to be concerned about environmental issues such as recycling bottles, cans and paper at home. This environmentally-aware person is also concerned about making greener “lifestyle” purchases such as organic vegetables or fuel-efficient cars. These are typical buying decisions the purchaser would be incorporating in his or her day-to-day life (Graci, 2008).

Because hotels offer a luxury service, they require a vast amount of energy, water and consumer goods (Bohdanowicz, 2005 and Han et al., 2009). These services include the provision of heating, cooling, lighting, ventilation, cleaning and laundering. Chan (2005), Han et al., (2009) and Wolfe and Shanklin (2001) agree that a green hotel substantially decreases costs through waste reduction, water and energy conservation and recycling. They have also shown that green hotels deflect negative criticism while pleasing the hotel guest and meeting the regulations of government (Chan, 2005; Han et al., 2009; Wolfe and Shanklin, 2001; Kim and Han, 2010).

The hotel industry is a major consumer of resources and products. This consumption ranges from land, construction materials (carpets, paint and wood), fixtures and furnishings to cleaning supplies, food and equipment (HVAC, computers, elevators, etc.). In fact, a critical element of becoming an environmentally-friendly hotel is adopting an environmental management system that meets international standards and extends throughout the hotel and between the hotel, its guests, the local community and the hotel’s suppliers (Chan, 2010 and Barber, 2009).

The extensive amount of laundry that hotels do on a daily basis, the use of disposable products, heated swimming pools and strong cleaning products by housekeeping departments are some of the services that contribute to the negative impacts hotels have on the environment (Gustin and Weaver, 1996). Hotels have willingly begun to transform their practices to reduce these negative impacts as there is mutual benefit for both the hotel and the environment. Gustin and Weaver (1996) ascertain that hotels promoting their proactive green practices will attract greater publicity for the business, with the added benefit of saving money (Millar and Baloglu, 2008).
Hotels consume certain recyclable and non-recyclable natural resources significant to the environment. This consumption leads to the hotel emitting solids, liquids and gases that place strain on the supporting environment (Manaktola and Jauhari, 2007). APAT, 2002 reported that 75% of all environmental impacts created by the hotel industry can be attributed to the excessive consumption of local and imported non-durable goods, energy and water, followed by emissions released to air, water and soil. Governments, the green movement within the hotel and tourism industry and travellers, have become increasingly aware of the need for more effective measures to protect the environment (Robinot and Giannelloni, 2010).

According to Ham and Han (2012), the number of hotels using durable service items rather than disposable products has increased. The hotel uses this to persuade customers to recycle service materials/items and to encourage towel/linen reuse programmes. Some of the other practices that hotels are using include planting vegetation for healthy air; using natural fibres for linens; shunning bleach in the laundry, placing special containers for recyclable items in guestrooms; using energy-saving light bulbs and recycled paper, products and furniture; using environmental cleaning products without harmful chemicals; and lastly they tend to serve organic, locally grown produce and other food products, free from pesticides or fertilizers (GHA, 2011, Han et al., 2009, 2011, Manaktola & Jauhari, 2007 and Pizam, 2009).

According to Manaktola and Jauhari (2007), becoming a green hotel can be the basis of an excellent advertising opportunity as the foundation for this strategy would satisfy the wants and needs of a consumer. The consumer base of green hotels has increased, so if a hotel is green, it will aid in firmly establishing the hotel in the market place.

2.5 Consumers’ Attitudes towards Green Products and its Competitiveness in the Market

According to Balram and Dragicevic (2004), attitudes influence people’s behaviour. Attitude is the dominant forecaster of behaviour, which explains the reactions a person has towards various items or activities (Kaiser et al., 1999 and Tuan, 1990). For the purpose of this study, it was important to establish the attitudes of business travellers. This was established by first
establishing the attitude consumers have towards green products and the environment. This aided to understand the purchasing behaviour and the decisions of consumers. Once this was established, the method of how hotels are able to become green was identified. This also helped to establish whether promoting green hotels will attract hotel guests.

2.5.1 Consumer attitudes towards green products and the environment

Climate change, deforestation, energy use, toxic waste reduction and water management are a few of the factors associated with damage to the environment. These factors have motivated consumers to become environmentally conscious and make environmentally-friendly decisions (Barber, 2009). Terms such as “ozone depletion”, “Greenhouse Effect” and “acid rain” have surfaced in the last two decades, and have resulted in an increased level of awareness on the part of consumers (Walker, 2000 and Manaktola and Jauhari, 2007).

Protection of the environment and its depleting resources are some of the aspects of environmental issues which have led to individual apprehensions regarding the environment (Han et al., 2009 and Paco and Raposo, 2009). These apprehensions are the result of personal experiences and the experiences of others, as well as communication produced by the media. These concerns have led to individuals applying environmentally-friendly behaviour in their daily lives (Paco and Raposo, 2009; Kalafatis, Pollard, East and Tsogas, 1999; Ham and Han, 2012; Kim and Han, 2010.)

Lynes and Dredge (2006) and Graci (2008) describe how organizations seek to strengthen their reputations as good corporate citizens. These authors explain that it is important to enhance and reinforce an organization’s positive image in the market place, especially organizations which are closely scrutinized by the public. Graci (2008) explains that the image and reputation of an organization is one of the most intangible yet priceless assets it can have as it allows the organization to have a competitive advantage in the market. Some of the benefits of increased competitive advantage include increased price premiums, attractiveness to customers, improved market share, access to or creation of new markets, improved company image, increased productivity of employees and operational fitness (Descano and Gentry, 1999; Bansal and Roth, 2000; Rivera, 2001 and Graci, 2008).
Barber (2009) identified that one of the main issues to consider when going green is the actual product or service being sold. The product needs to be designed in such a way that it still serves its previous functional value and still meets consumers’ expectations. However, if this cannot be achieved, then consumers should be asked to participate in order to establish how the product can be altered and yet still meet their expectations. This process will aid in reconciling environmentally-friendly products with the consumers’ expectations (Barber, 2009).

The environmental benefit of all products cannot be the same as different products function differently. Environmental benefits range from source reduction, pollution prevention to energy conservation and product-life extension. According to Kotler (1997), dimensions of value, cost and prior satisfaction are the basis for consumers choosing products. Consumers consider these aspects and the combination of product attributes that best meet their needs. Zikmund and d’Amico (1993) and Fuller (1999) further elaborated on the attributes of products by categorizing these as either core, auxiliary or peripheral attributes. Core attributes are the minimum benefits customers require; they serve a functional purpose. Auxiliary attributes provide supplementary benefits that add value and differentiation to a product. The environmental performance of a product would form part of its auxiliary attributes. Environmental performance may relate to the product itself or an aspect of it, for example water disposal or using an alternate source of energy. This may provide an opportunity for product differentiation (Manaktola and Jauhari, 2007).

Wong et al. (1996) further elaborated on this point by pointing out that the environmental friendliness of a product is not the overriding determinant of a product or a major contributor to brand choice. It is a feature that merely adds value and contributes to the well-being of the consumer. Ottman (1995) adds that marketers have sometimes overlooked the functional performance of a product and promoted it as an environmentally-friendly product, thinking that this would lead to the success of the product (Manaktola and Jauhari, 2007).

Green consumerism has however, changed the purchasing choices of consumers as well as the manufacturing processes and operational procedures that businesses use to produce products. So the manufacturers of products have also been making environmentally-conscious decisions (D’Souza and Taghian, 2005; Wolfe and Shanklin, 2001; Han and Kim, 2010).
It is well documented that the capital cost of an environmentally-friendly product is greater than that of a conventional product as additional costs are incurred for the production, marketing and distribution of the product. Other factors that increase the cost of producing environmentally-friendly products are the specific green production processes and distribution required; the cost of product recapturing, i.e. the remanufacturing and reusing of the product; and the recovery of any other large indirect costs (Wong et al., 1996; Fuller, 1999; Peattie, 1999a, b). This is why many researchers believe that companies are charging a premium for environmentally-friendly products (Manaktola and Jauhari, 2007).

Consumers are willing to pay a premium for a product when there is a positive appraisal for a company due to its significant level of congruence between the customers and the company, generated by the concerns both have for the environment (Brown and Dacin, 1997). They also affirm that the hotel type could play a role in whether guests are willing to pay a premium to stay in that hotel (Vermeir and Verbeke, 2006 and Kanga, Stein, Heo and Leed, 2012).

According to Hoeffler and Keller (2002), consumers consider companies to be experts in their field. Consumers react positively towards a company when there is a positive correlation between the company’s core business and its cause (Ham & Han, 2012). Kuminoff, Zhang and Rudi (2010) suggest that when consumers pay a premium for green products, they reason that they are contributing towards sustaining the environment. Kuminoff, Zhang and Rudi (2010) further suggest that mainstream retailers have identified this reaction of consumers and have consequently been cashing in on the emotions of consumers.

2.5.2 The purchasing behaviour and decisions of consumers

The public is continuously attracted towards protecting the environment (Chan and Wong, 2006 and Han and Kim, 2010). This can be deduced from the fact that there has been a dramatic increase in the number of individuals who express their ecological concerns (Han et al., 2009; Kalafatis et al.; 1999 and Kim & Han, 2010). Due to consumers being aware and concerned about the environment, changes have been identified in the purchasing behaviour
of the consumer and their attitudes toward business establishments which are eco-friendly (Environmentally Friendly Hotels, 2008; D’Souza and Taghian, 2005; Han and Kim, 2010).

The number of consumers in recent years that acknowledged that their consumption, whether direct or indirect has an effect on the problems the environment is facing has grown (Han et al., 2009 and Laroche et al., 2001). This has affected the purchasing decisions consumers make as there has been an upward trend of consumers purchasing more environmentally-friendly products and services (Ham and Han, 2012).

Due to consumers becoming more aware of the damage to the environment, they have been proactively engaging in activities such as recycling, saving electricity and water, decreasing the use of disposable products, etc (Han et al., 2010 and Kalafatis et al., 1999). When individuals practice these activities in their daily lives, their behaviour is then referred to as being environmentally conscious (Han et al., 2010). Consumers who engage in environmentally-friendly behaviour in their daily lives may not necessarily purchase products that are environmentally friendly (Paco & Raposo, 2009; Schuhwerk and Lefkokk-Hagius, 1995; Suchard and Polonski, 1991). Kinnear and Taylor (1973) over 30 years ago concluded in their study that the concerns of individuals for the environment are vital for explaining an ecologically favourable decision-making process of customers as it is the key factor that explains an individual’s environmental concern which influences his or her attitude and behaviour (Kim and Han, 2010). Vermeir and Verbeke (2006) question the relationship between customers’ attitudes and their purchase intentions of sustainable products. Kanga, Stein, Heo and Leed (2012) suggest that uncertainty, perceived availability, consumer effectiveness, personal values and social norms are all factors which complicate the relationship between attitudes and purchase intentions.

Consumers who are not very environmentally conscious tend to believe that the problems the environment is facing can be solved automatically. However, consumers who are environmentally conscious believe that it is their explicit actions that will aid in protecting the environment and therefore their environmentally-friendly actions are necessary (Banerjee and McKeage, 1994 and Han, Hsu and Sheu, 2010). As a result of this, consumers who are environmentally conscious and those that aren’t have different decision-making processes when it comes to purchasing environmentally-friendly products (Han et al., 2010). Furthermore, consumers who are environmentally conscious are conscious on different levels. People’s awareness of the seriousness of ecological problems influences their
knowledge of the environment, and this further affects their decision-making processes (Han et al., 2010; Laroche et al., 2001; Paco and Rapose, 2009; Ham and Han, 2012).

Many studies have emphasized the importance of understanding why consumers choose a particular product, if there was an alternative which option would they choose and if there are any factors that play an important role in the process of selecting a product (Bucklin, Gupta and Han, 1995). Research conducted on customer-perceived product benefits has suggested that classifying products according to a number of basic dimensions such as (Kayaman and Arasli, 2007; Kim and Kim, 2005; Lee et al., 2010; Orth, Wolf, and Dodd, 2005) function (Lee et al., 2010 and Orth et al., 2005), price (Lee et al., 2010; Orth et al., 2005; Sweeney and Soutar, 2001 and Zeithaml, 1988), social (Long and Schiffman, 2000 and Orth et al., 2005), emotional (Long and Schiffman, 2000; Orth et al., 2005; Sheth, Newman, and Gross, 1991), environmental (Bohlen, Schlegelmilch and Diamantopoulos, 1993 and Orth et al., 2005) and humane benefits (Bohlen et al., 1993 and Orth et al., 2005). These perceived benefits affect the attitude of the consumer and lead to the decisions consumers make in terms of which product to purchase (Barber, 2009).

According to Straughan and Roberts (1999), researchers have identified perceived customer effectiveness as a key factor which contributes to the buying decision-making process of consumers. Roberts (1996) concluded in his research that it is individuals who believe their choices can lead to the protection of the environment that are more likely to engage in environmentally-conscious activities and make an eco-friendly buying decision. Straughan and Roberts (1999) confirm this theory by highlighting that it is individuals with high levels of concern about the environment who exert more eco-friendly behaviour as they believe their efforts can help to reduce the problems the environment has encountered (Kim and Han, 2010). Manaktola and Jauhari (2007) contest that due to green practices being a distinguished quality of a product or service, a customer with a higher degree of concern towards the environment is more likely to purchase green-initiative related products or services to satisfy their personal values and self-esteem. According to Olson and Reynolds (1983), the customers’ values, include their feelings of self-esteem, which provides the direction for purchasing a product or service whose attributes convey the essence of the product or service required (Kanga, Stein, Heo and Leed, 2012).

Ajzens (1988) conducted a study on the theory of planned behaviour which claims that consumers’ environmental purchasing intentions and behaviour may be influenced by a
number of factors. These factors include the individual’s knowledge and motivation, the ability to perform the behaviour and the opportunity to behave in an environmentally-friendly way (Pieters, 1989; O’lander and Thogersen, 1995; Manaktola and Jauhari, 2007). Ajzens’ theory of planned behaviour also suggests that to understand the decision-making process of consumers, marketers should investigate the underlying volitional and non-volitional factors that affect their decisions (Ajzen, 1991; Lam and Hsu 2006; Han et al., 2010; Han and Kim, 2010).

When two products have the same functional performance, however, the product that has the benefit of being environmentally friendly may determine consumer preference and choice (Kardash, 1974 and Ottman, 1992, 1998). When advertising, marketers can use this benefit to promote the differences between the brands (Christensen, 1995), especially in a market where competition is intense (Menon et al., 1999b). The promotion of this benefit may influence the decision and choice of a consumer, and this will lead the consumer to choosing the product with more benefits. It should always be remembered that although consumers choose products that are environmentally friendly, it does not necessarily imply that the consumer has become more environmentally conscious and will only purchase green products. Schwartz (1990) and McDaniel and Rylander (1993) explain this behaviour as follows: consumers may wish to be environmentally conscious, but at the same time they are not ready to forego any items that add value to their luxurious lifestyle. Further points to be considered are that consumers may purchase certain products for convenience (Simon, 1992 and Stern, 1999) or the price of the product or the performance level of the product (Peattie, 1999b and Manaktola and Jauhari, 2007).

2.5.3 Promoting green hotels

Many hotel guests have been making hoteliers aware of their concern for the environment by choosing to be accommodated in hotels which endorse green practices. There have been an increasing number of guests seeking green hotels (Han, Hsu, and Sheu, 2010 and Manaktola and Jauhari, 2007). This is proven by the fact that there are a huge amount of consumers who are willing to pay a premium for green products (Laroche, Bergeron and Barbaro-Forleo, 2001 and Kim and Han, 2010).
A central goal of every hospitality business is to build positive guest intentions as it results in an increasing number of customer retention rates and profits (Lewis and Chambers, 2000; Han and Back, 2013; Yesawich, 1997; Han, Hsu and Lee, 2009). Because a company’s identity, revealed by green initiatives, is relatively enduring (Bhattacharya and Sen, 2004), differentiated from others (Manaktola and Jauhari, 2007) and able to enhance consumers’ self-esteem (Christy et al., 1996 and Sen and Bhattacharya, 2001), customers who have higher degrees of concerns about environmental issues are more likely to identify with a company that exerts intensive green initiatives (Kang, Stein, Heo and Leed, 2012). When a guest approves of the initiatives and approach the hotel has towards environmentally sound practices, it could influence the guest’s willingness to pay a premium to be accommodated in such an environment (Kang, Stein, Heo and Leed, 2012). This will in turn promote the spread of positive word-of-mouth recommending the product (Bowen and Chen, 2001; Lee et al., 2010; Barber, 2012).

Graci (2002) deduced from the findings of the study that first-time hotel guests base their accommodation decision on location, amenities and service. A returning guest may however; take into consideration the commitment the hotel has towards the environment. It is imperative that hotel management understand people’s environmental values, attitudes and intentions as these issues have developed into a central concern of policy makers and businesses (Barber, 2010, 2012; Bazoche, Deola and Soler, 2008; Ottman, 2011).

Previous research has contended that many hotels have been proactively advancing their efforts to search for innovative ways of becoming green so that they can position themselves distinctively in the hotel industry to gain a competitive advantage (Chan and Wong, 2006; Manaktola and Jauhari, 2007; Wolfe and Shanklin, 2001; Han and Kim, 2010). It is becoming increasingly necessary for hotels to promote green practices in order to remain competitive in the current market (Han, Hsu and Lee, 2009; Manaktola and Jauhari, 2007; Kim and Han, 2010). When hotels promote green practices, they reduce their consumption of water and energy. Green practices such as these not only satisfy customer needs, but also lower the operational cost of the hotel (Manaktola and Jauhari, 2007 and Han and Kim, 2010).

However, hospitality products that are entirely environmentally friendly are hard to find. These products should have a quantifiable improvement on the lifecycle of the product (Hindle et al., 1993 and Pujari and Wright, 1996, 1999). This is possible through
technological processes as you may gain from “cleaner” and more efficient technologies or the product could be recyclable, biodegradable, or designed for reuse, remanufacture, repair or disposability. Another way of making a product environmentally friendly is by choosing the raw material carefully and taking into consideration the production of waste, how the product will be used, the means of disposing of the product, the amount of pollution the product will generate, and the health and safety measures that are in place (Shrivastava, 1995a and Manaktola and Jauhari, 2007).

The perceived benefits of green products need to be effectively communicated to the consumer if a firm wants to create a successful green image (Lee et al., 2010 and Barber, 2012). Barber (2012) cites from Green Hotelier (2007) that a hotel can secure a top market position if it has a sound green image. Barber (2012) further explains that a successful green image can be achieved through cost reduction in the use of energy and water, which will appeal to investors, attract and retain highly motivated employees and develop guest loyalty.

Several studies have affirmed that consumers pay a premium for a product or service as a way of showing their appreciation and rewarding companies for their environmental and social responsibility (Joyner and Payne, 2002). However, Blamey (1999) contested that although consumers claim they will pay a premium for green products; this has not been proven as their actions don’t correspond with their beliefs. This inconsistency is also applicable to green hotels on the part of both the guests and the hotel. Foster (2000) identified a few reasons for this inconsistency. Foster (2000) believes these inconsistencies exist as hotels may be encountering a lack of consumer demand, increasing environmental regulation, managerial concern with ethics, customer satisfaction, maintenance issues related to physical plant, the need for aesthetics, financial barriers and stakeholder pressures (Choe, Lehto and Day, 2012).

Hotels promoting themselves as green need to identify their target market and establish the level of concern the guests have toward the environment. This will enable them to successfully promote their environmental efforts and attempt to educate the guests about the options that they have and the benefits of choosing the option that they endorse. With hotels, the aim should not only be to create a profit for a certain period of time. A hotel should instead try to maintain a profit, and the best way to do this is by retaining guests and having guests recommend the hotel to other guests (Barber, 2009).
The management and marketing decision-making departments of hotel firms seek to integrate the concerns that hotel guests have regarding the environment (Bohdanowicz, 2006; Lee, Hsu, Han and Kim, 2010; Mensah, 2006; Kim and Han, 2010). To emphasize this Han and Kim (2010) cite Claver-Cortes et al. (2007), who highlight the fact that there are an increasing number of hotel companies adopting proactive environmental management as it implements practices which are environmentally friendly. The adoption of this process improves the competitiveness and profitability of a hotel. This has come about as a result of hotels recognizing the shift in consumer behaviour towards green products and the importance of promoting products and services that are green (Pizam, 2009; Wolfe and Shanklin, 2001; Han and Kim, 2010).

According to Manaktola and Jauhari (2007), in the past the concept of “green marketing” was not focused on the positive information regarding the product. Instead the product was associated with hype and exaggerated claims. Previous research has concluded that it is vital that environmentally-friendly products perform the same function as conventional products in order for that product to be a consumer’s product of choice (Ottman, 1995; Schlegelmilch et al., 1996; Wong et al., 1996; Roy, 1999). In addition, previous research has stated that many environmentally-friendly products would fail if the marketers failed to assure the consumer of its functional value early (Davis, 1993 and Ottman, 1999). Speer (1997) and Ottman (2001) further add that some consumers are willing to buy products that do not perform to their maximum performance provided they are environmentally friendly. However, it is important to bear in mind that the environmental benefit of the product is neither the primary benefit sought nor the primary motivation for the purchase.

The marketing team of a hotel increases the profits of the hotel by increasing the firm’s competitiveness by promoting it as a green firm. The firm increases competitiveness by earning recognition from the guests and by increasing the retention number of guests (Chan and Wong, 2006; Department of Environmental Protection (DEP), 2001; Manaktola and Jauhari, 2007). Many hospitality and marketing researchers have agreed that it is the guests’ promotion and subsequently recognition of a hotel’s facilities that leads to the long-term success of the hotel (Han and Back, 2008; Lewis and Chambers, 2000; Yesawich, 1997). Marketers need to be well acquainted with their decision-making processes in order to successfully promote their hotel (Han et al., 2010) and, more importantly, marketers need to understand the decision-making processes of their guests (Han and Kim, 2010).
An important aspect of marketing is identifying the attitude of consumers towards a certain type of product, and then to use this knowledge in a marketing strategy to gain attention and positive feedback from consumers. When promoting environmentally-friendly products, a good strategy would be to first educate the consumers about the importance and benefits of green decisions. This should ultimately lead to increased sales of a particular product or service. Some perceived benefits that can be achieved through choosing green products relate to environmental, health, social and emotional concerns (Barber et al., 2009; Uriely, Reichel and Shani, 2007; Barber, 2009).

The most important aspects of marketing and consumer behaviour are the quality of service provided and the satisfaction that the consumer ultimately achieves. Many firms use these aspects to measure the performance and future success of the product being offered (Anderson et al.; 1994, Han and Ryu, 2006; Han and Kim, 2010).

2.6 Summary

The purpose of this chapter was to give context to research that has already been conducted in various countries. The literature focused on the concept of a greener environment, the pressure on hotels to become green and the attitude that consumers have towards green products.

The literature explained that the hotel industry is one of the major consumers of energy and water in the tourism industry. Kim and Han (2010) highlighted this in their research by citing examples from Bohdanowicz, (2005) and Chan (2005). These examples vary from consuming vast quantities of non-recyclable products and generating an extensive amount of waste to consuming significant amounts of water and energy and emitting carbon dioxide and air, water and soil pollutants.

As consumers are becoming more aware of detrimental environmental effects and the concept of sustainability, they have been becoming more proactive in terms of their purchasing power, i.e. they have been purchasing green products. Millar and Baloglu (2008) pointed out that the increasing damage to the environment, which includes factors such as global climate change, has become particularly hot topics in the travel and tourism arena.
today. Hotels in particular have recently received much attention, as awareness of the negative impact they can have on the environment has grown (Kasim, 2004 and Millar and Baloglu, 2008). Rahman, Reynolds and Svarena (2012) have identified that the negative impact that the hotel industry has on the environment, provides it with an opportunity to use its size to promote corporate responsibility on a meaningful scale.

Hotel operators have been encouraged and motivated to green their operations by their customers’ desires for green-oriented products. Consumers are leaning towards green products as the public becomes more knowledgeable about the damage to the environment (Han et al., 2009; Manaktola and Jauhari, 2007; Wolfe and Shanklin, 2001; Kim and Han, 2010).

From the foregoing, the research design served to establish the perception of business travellers towards a greener environment in South African hotels using the attributes reviewed in the literature
CHAPTER 3: RESEARCH DESIGN

3.1 Design Review

Sustainability has become a serious issue on our planet. We need to have a green environment so that we can reserve resources for future generations. This study explored business travellers’ epistemological beliefs and the relationship between these beliefs and the traveller’s attitudes towards green hotels since hotels play a vital role in depleting resources.

In order to investigate the attitude of business travellers, a survey study had to be used as survey studies establish the perception or attitudes of people. The survey was used to collect information from business travellers by means of a mostly structured close ended questionnaire.

This was a qualitative study which used online questionnaires to gain information from business travellers. The literature reviewed formed the basis of the questionnaire. The questionnaire was based on the Likert scale.

The study was based on descriptive as it served to establish what is going on. Furthermore this was a cross sectional survey as it served to collect information of the attitude of business travellers at a particular point in time.

The data provided by the respondents were exported from survey monkey to excel to be analysed. The chi square test was also used to test the null hypothesis and the findings where possible were compared to research conducted in other countries to establish if there are any differences in the attitudes of the business traveller.

All the data collected and analysed was represented by means of graphs and tables. Finally conclusions and recommendations were drawn from the data.
3.2 Research Methodology

According to Rajaseka, et al (2013), research methodology is a systematic way to solve a problem which deals with how research is to be carried out by determining the procedures by which researchers go about their work of describing, explaining and predicting phenomena.

3.2.1 Epistemology

Research is only one of several ways of "knowing" and the branch of philosophy that deals with how we “know” or understand a subject area is called Epistemology. Epistemologists generally recognize at least four different sources of knowledge, and researchers often make use of all four. The sources are intuitive (when coming up with an initial idea for research), authoritative (when reviewing the professional literature), logical (when reasoning from findings to conclusions) and empirical (when engaging in procedures that lead to these findings) (Wilson and MacLean, 2011). Schwandt (2001) defined Epistemology as "the study of the nature of knowledge and justification", thus epistemology justifies knowledge. Carter and Little (2007) citing Angen (2000) explain that epistemology is the main factor that assesses the quality of the data and the quality of the analysis.

According to Soini, Kronqvist and Huber (2011) basic epistemological questions have been concerned with the origin of knowledge and that in psychology there are two opposite theoretical approaches. Soini, Kronqvist and Huber (2011) explain that the first one is the platonic view which looks at the origin of knowledge being based on innate ideas where experience provides the occasion for knowing while the second one is the empirism view where the origin of knowing is developed from a clean slate and the experience is the source of knowledge.

3.2.2 Research Paradigm

A paradigm is a set of schemes which breaks down the complexity of the real world in order to explain how the world is perceived by defining what is important, what is legitimate and what is reasonable (Kuhn, 1970, Guba, 1990, Patton, 1990). According to Farber (2001), it is
a rational position that informs the methodology and guides the method of research by providing the arena in which the logic and structure of research are embedded.

There are two sides to human behaviour as human behaviour can be both willed and caused. Although humans construct their social world, this constructionism is constrained by the environment within which people live (NYU, last accessed November 2013).

According to Gergen (1999), constructionism deals with realities and relationships. Lamnek (1995), Lueger (2000) and Luhman (1997) elaborate by explaining that the perception of an individual is not reality but is merely what the individual created through experiences and interpretations. In other words there is no meaning without mind (Cooper, 1998).

According to Rossman and Rallis (2003), there are four types of paradigms namely and that the interpretivism paradigm is associated with qualitative research. The interpretivism paradigm was used for this study as it is used to obtain an understanding of an individual’s perspective.

3.2.3 Survey Study

A survey is a method of collecting information directly from people about their ideas, feelings, health, plans, beliefs, social education, and financial background (Fink & Kosecoff, 1998). According to Fink (2003), the survey system comprises of seven activities which include setting objectives for information collection, designing the study, preparing a reliable and valid survey instrument, administering the survey, managing and analysing survey data, and reporting the results.

According to Babbie (2010) survey research has become the most commonly used mode of observation in the social sciences as it is may be the best method available to social scientists whom are interested in collecting original data for describing a population too large to observe directly. Furthermore surveys are a relatively affordable form of obtaining information.

According to Naoum (1998), the results of surveys are generalised when data is collected form a particular sample as surveys are generally intended to gather data from a relatively
large number of respondents within a limited time frame. Two forms of surveys exist, namely descriptive survey (what is going on) and explanatory surveys (why is it going on).

This study was a descriptive survey which established the attitude of business travellers between January and February 2013.

3.3 Research Method

Before any data is collected and analysed, social research needs a design in order to ensure that the data collected enables the researcher to answer the initial question as unambiguously as possible (NYU, last accessed November 2013).

According to Ritchie, Lewis and Elam (2003) and Carter and Little (2007), research methods are the practical activities of research which consist of sampling, data collection, data management, data analysis and reporting.

3.3.1 Qualitative research

A qualitative study is an extensive term which incorporates a range of different practices, orientations and purposes which serves to explain the “how, what and why of people’s attitudes, beliefs and behaviours” instead of measuring it as quantitative research would do (Keegan, 2011)

Qualitative studies are subjective as it highlights meanings, experiences and descriptions. The data collected can be categorized as either exploratory or attitudinal research. Attitudinal research is subjective as it assesses the outlook of an individual towards an attribute, a variable, a factor or a question. Hypotheses are produced towards the end of a qualitative study as the theory tends to be employed at the end of the study. These theories can then be tested using quantitative research (Naoum, 1998).

The concept of objectivity is fundamentally discarded by qualitative researchers as qualitative research rests within the parameters of an interpretive epistemology (Sarantakos, 1993). Sarantakos (1993) further explains that the interpretive epistemology involves
personal views and interpretations in the research process thus it is acceptable, advisable and considered as an advantage (Sarantakos, 1993).

Freud (2012) explains that qualitative research serves more than one purpose as the same research explains the requirements the guest seeks as well as determines if the services offered by the hotel are congruent with the perceived image the guest has of the hotel. Thus qualitative research connects the experience of hospitality with the aspirations of consumers. Mouton (2001) identified that the research methodology to be adopted could be categorized as content-analysis type empirical study upon which data will be analysed and critical factors identified.

3.3.2 Data Collection

Researchers collect data by means of an instrument, a test or by gathering information on a behavioural checklist. There are other means of collecting data such as visiting a research site, observing the behaviour of individuals without predetermined questions or conducting open ended interviews. The method of collecting data depends on whether the information to be collected is specific or not (Creswell, 2009).

As there are limitations to collecting data, the researcher needs to be mindful of these limitations when determining the objectives of the study. There are two forms of data, namely primary and secondary data. This research is based on primary data as the data collected will serve the primary function of analysing data collected for this specific research (Farrell, 2011).

Relevant literature is reviewed by researchers to explore existing ideas and knowledge areas. As researchers are knowledgeable of the area in which they choose to conduct a study, the researcher will know what settings to investigate, how and when the study should occur, which actors to approach, which process should be considered, what types of events should be registered and what instruments should be employed (Benni, 2000). Although qualitative researchers determine the path of the research, to some extent researchers are committed to a design although in their own way (Berg, 1995, Bouma, 2000 and Miles and Huberman, 1994).
Hotels generally gain feedback from the guests regarding the services and accommodation offered by the hotel by placing comment cards on the reception desk or inside the rooms. As this is an academic research, it is important to abstain from any intrusiveness.

According to Foo and Hepworth (2000), paper and telephone surveys are still in use, however, many organizations have implemented online surveys as the internet is easily accessible and highly recognized. Furthermore, online surveys allow for easy data processing, however, that there are also drawbacks such as a lack of anonymity, a lack of common application platforms, a potential lack of computer literacy skills on the part of participants, and incomplete and erroneous returns that require special processing. These drawbacks can however, be avoided by carefully designing the survey.

### 3.3.3 Survey Instrument for Data Collection and Time horizon

In order to validate the research, information must be obtained via surveys conducted through one or more data-collection tools such as questionnaires, interviews, case studies and observations (Foo, 2000).

Attitude is not easily recognizable thus questionnaires are used to obtain indirect cues. For this reason, questionnaires have been the preferred means of assessing attitude (Dawes, 1972 and Balram and Dragicevic, 2004).

Furthermore cross sectional surveys are frequently equated with questionnaires. The cross sectional survey allows for the sample to be studied once and this study then describes the characteristics of that sample (NYU, last accessed November 2013). Although the characteristics are identified, the study does not provide any insight as to the causes of the samples characteristics.

Research related to attitudes using questionnaires has been conducted by a number of authors. (see Han, H., Hsu, L. and Sheu, C., 2010, Bohdanowicz, P. (2005), Claver-Cortes, E., Molina-Azorin, J. F. and Pereira-Moliner, J. (2007), Choe, Y. Lehto, X and Day, J. (2012), Lee, J.S., Breiter, D. and Choi, Y. (2011) and Barber, N.A. (2012)). As this method was used previously and yielded the results required, the same format was applied to this research. A structured questionnaire was compiled from the questions that arose while reviewing the literature.
The primary intent of the research was to produce a questionnaire which allowed for easy participation by the respondents and did not influence their responses (Seymour, 2001). For this reason, the respondents were given a mostly structured closed-end questionnaire which was completed online. Furthermore questionnaires are mainly utilised for descriptive and analytical surveys as they determine facts, opinions and views of what is happening and by who, where, how many and how much (Naoum, 1998)

Kitchenham and Pfleeger (2002) explain that with closed categorical questionnaires, the respondent is only able to select a particular answer as the categories are mutually exclusive. Kitchenham and Pfleeger (2002) further explain that the questionnaire is designed this way to ensure that the respondent responds accurately. This method also aids in saving time as the responses follow a standard format thus being easy to ask, quick to answer, requires no writing and the analysis is straightforward (Nachmias and Nachmias, 1996).

The Likert scale consists of attitudinal statements on the survey object ranging from one extreme to the other while the ordinal scale is a ranking which usually uses integers in ascending or descending order (Naoum, 1998). For this research, it follows the ordinal scale of:

Strongly Disagree  Disagree  Neutral  Agree  Strongly Agree

According to Shulruf, Hattie and Dixon (2007), this research is global in nature as the findings are of interest to national and international researchers therefore the language used in the questionnaire had to be considered in order for maximum amount of researchers to understand the questions set forth and the subsequent findings produced.

There are 11 official languages within South Africa, of which the most common language is English (SAinfo reporter, 2012). For this reason and because international travellers may answer the questionnaire, it was decided that the base language of the research should be English.

According to Ling-yee (1997), the questionnaire should be based on the extensive literature review conducted. This was the starting point of the survey and included a few additional questions to establish the demographics of the sample population.
The opening instructions of the survey included an introductory paragraph explaining the reason for the survey as well as instructions as to how it should be answered. It also dealt with all ethical concerns and survey participants were asked to take special note of this.

The questionnaire was divided into two sections. The first section sought the respondents’ demographic information and the second section focused on attitudes and beliefs. The second section was based on an ordinal scale as described above.

### 3.3.4 Population and Sample

When designing a research, one of the most important aspects for the researcher is to identify the type and number of people who will be included in the research as the sample chosen needs to be representatives thus generalisation is not compromised. (Sarantakos, 1993). According to Naoum (1998), the term “sample” is defined as a specimen or part of a whole (population) which is drawn to show what the rest is like.

According to Marshall (1996), selecting the research sample is an essential element for the researcher as it is often not practical or efficient to study whole populations. Researchers therefore select a sample of the population and then generalize the results back to the population.

According to Babbie (2010), probability samples are used for large-scale social surveys, but when this isn’t possible then the researcher conducts social research. Social research will be used, for example, when all of a particular group cannot be tracked, such as homeless people. Babbie (2010) further explains that there are four types of nonprobability sampling. These are reliance on available subjects, judgemental sampling, snowball sampling and quota sampling. Of these four types, judgement sampling (also known as purposeful sampling) is the most common sampling practice used.

The researcher determined the sample that would be most prolific in providing data for the survey (Marshall, 1996). For the purpose of this study, the data sources consist of business travellers who stay in hotels during their business trips in South Africa. This indicates that judgement sampling will be used for this research as the sample was chosen on the basis of knowledge of a population, its elements and the purpose of the study (Babbie, 2010).
3.3.5  Data Analysis and Measures

Coffey and Atkinson (1996) state that the aim of qualitative data is to transform and interpret qualitative data in a rigorous and scholarly manner while Engel and Weggenig (1991) state that qualitative data is presented in words, contains a minimum of quantitative measurements, standardisation and statistical techniques. According Sarantakos (1993) this is the only consensus upon which qualitative analysis should proceed or what makes an acceptable analysis.

Sarantakos (1993) further explains that various methods such as graphs and tables are employed by qualitative researchers to present data visually however there are no strict rules thus graphs and tables are always tailored to serve the needs of the particular study.

Becker and Burke (2011) citing Creswell (2007) explained that data analysis includes the preparing and organizing of data, reducing data into themes through a process of coding and representing the data in figures and tables for discussion.

According to Carter and Little (2007), data management methods include recording, transcription, transcript checking and the use of computer-assisted analysis software. Carter and Little (2007) further elaborate that the data analysis methods include constant comparison, memo writing, and theory building (Charmaz, 2006 and Glaser and Strauss, 1967), narrative analysis techniques (Cortazzi, 1993 and Lieblich et al., 1998) and microlinguistic analysis techniques (Fairclough, 1992 and Gee, 2005).

The data collected was exported from Survey Monkey to Excel. The data was then checked to determine whether the values made sense, and then the author explored the descriptive statistics.

3.3.5.1.  Measurement

According to Preston and Colman (1999), the rating scales are amongst the most widely used measuring instruments in psychology. Most rating scales, including Likert-type scales and other attitude and opinion measures, contain either the five or seven point scale (Bearden,
Netmeyer, &Mobley, 1993; Peter, 1979; Shaw & Wright, 1967). Preston and Colman (1999) state that the issue of the ideal number of response categories required in rating scales still remains uncertain.

Dawes (2008) found that researchers can use a straight forward re-scaling and arithmetic adjustment when comparing the five or seven point scale to a ten point scale and that the five or seven-point scale is likely to produce slightly higher mean scores than the ten point scale. Furthermore, Dawes (2008) found that the choice of scale affects the indicators of customer sentiment.

As the scales yield similar results, the five point Likert scale was chosen as it will produce the same findings and make it easier on the respondents to respond to the questionnaire. The five points Likert scale were allocated a number between 1 and 5 to correspond with the answers provided. This served to rank the attitudes of business travellers towards green hotels in South Africa.

3.3.5.2. Analysis

The chi-square frequency test was used to establish the extent of agreement in perceptions. According to Farrell (2011), the chi-square test (non-parametic test) is an inferential statistic test. Naoum (1998) further explains that it is a test of association between two sets of data and can be used only when the data is nominal or ordinal. The chi-square test results establish how many subjects in each group will fall into certain categories (Naoum, 1998).

The degree of freedom of $n = 36$ was established and a 10% error with 90% accuracy was used for comparison purposes. Upper and lower critical values were determined. Calculated values were then compared to the lower and upper critical values. The decision rule was that if the calculated value fell between the lower and upper critical values, then the test failed to reject the null hypothesis, which implied that no relationship was perceived to exist.

The main objective of the research was to establish the perception among business travellers on greening hotels. The findings from the questionnaires were compared to the literature published to date. An accurate description of the findings is fundamental to the research being undertaken as it adds immeasurably to the knowledge of the shape and nature of
society. If the research can prove that social problems exist then that research can provoke action (NYU, last accessed November 2013).

3.3.6 Validity or Credibility and Reliability

According to Farrell (2011), reliability and validity are related concepts in research and are very important as reliability is part of validity and validity is not possible without reliability.

Farrell (2011) defines validity as how well the questionnaire really measures what it purports to measure while Joppe (2000) explains that if the same results are obtained using a similar methodology and are consistent over time, then the results are referred to as being reliable. When analysing data, it is important to ensure that the data is reliable and instruments for collecting data are valid.

The questionnaire was a closed questionnaire, thus the researcher was remote from the respondent. This served as a barrier against the unforeseen (Rogers-Dillon, 2005). This allowed the respondent to answer the questionnaire directly, i.e. without the researcher explaining anything which would have influenced the response of the respondent (Seymour, 2001). This also prevented the researcher from encountering problems whereby the researcher could have faced uncertainty in the work.

If this research is conducted again, it should yield similar results as the research was not based on guests staying at only one particular hotel. The results are thus representative of all business travellers’ attitudes towards green hotels.

According to Sarantakos (1993), the justification of generalizability varies considerably as some writers employ multi-site research (i.e., sample triangulation) while others choose typical subjects from a variety of backgrounds to ensure representatives and hence generalisations.

Validity is considered a strength by qualitative researchers as it frees data from interference and contamination, control or variable manipulation (Le Compte and Goetz, 1982). According to Blummer (1979a) validity is facilitated through the orientation towards a study of the empirical world while according to Volmerg (1983) validity is facilitated through the construction of appropriate methods of data collection and analysis. Kockeis-Stangl (1980)
add that validity is through specific measures such as communication, cumulative, ecological or argumentative validity.

The questionnaire was designed and worded to extract qualitative responses, i.e. the questionnaire was based on questions that had a selection of answers and the respondents were asked to pick the answer which was most appropriate to their attitude. This technique was used to aid the response of the respondents as they did not necessarily have time to answer in-depth questions or to be interviewed.

Albaum (1997) explains that the Likert scale is used to measure attitude. Its usual or standard format consists of a series of statements to which a respondent is to indicate a degree of agreement or disagreement using the following options: strongly agree, agree, neither agree nor disagree, disagree, strongly disagree. As such the scale purports to measure direction (by 'agree/disagree') and intensity (by 'strongly' or not) of attitude (Likert, 1932). The reason for having an undecided option is so that the respondents will reply honestly to the questionnaire (Balram and Dragicevic, 2004). The questionnaire was based on the Likert scale as it was found that this scale is more reliable (Seiler and Hough, 1970) than the Thurstone technique of measuring attitude.

According to Babbie (2005) no matter how carefully a research design the questionnaire, there is always a possibility of error. Babbie (2005) explains that the best way to combat such errors is to pre-test the questionnaire in full or in part. Due to time constraints, the questionnaire could not be pre-tested; however, internal consistency reliability was used.

The findings of this research are credible as the instrument used was a closed questionnaire which the respondents were to complete at their leisure with no interference from the researcher. This allowed the respondent to respond honestly as the researcher had no influence on the responses being obtained.

Furthermore, individual questionnaires were reviewed to determine whether the attitudes of respondents were consistent. This was accomplished by comparing the answers the respondent provided to the various questions posed to the respondent. The questions also followed a split-test method whereby the questions were not linked and thus the respondent did not know the flow of the questions. Due to respondents not knowing which questions were linked to each other, they answered truthfully as they were not able to determine the answers the author was expecting.
3.3.7 Ethical Concerns

Ethics, according to Remenyi, et al (2011), is the branch of philosophy that deals with what is right and what is wrong of human conduct and as such it may be regarded as society’s code of moral conduct. Farrell (2011) further explains that research undertaken should not cause physical or emotional harm to any person, including the researcher and neither should the method of research such as questionnaires, interviews or observations be conducted in such a manner as to place the respondent under pressure, anxiety or cause psychological harm to the respondent.

This study involved direct contact with human subjects as the questionnaires were distributed to business travellers whom were the source of information. It is for this reason that the respondents were informed as to the nature of the research, i.e. that it was solely for research purposes. The respondents were allowed to refrain from answering questions at any point in time if they wished to do so. Furthermore, respondents were given the opportunity to remain anonymous thus keeping the details they had conveyed confidential. Establishing this from the outset ensured that the respondents answered as truthfully as possible so that accurate data was obtained.

The questionnaire was accompanied by a covering letter and by returning the questionnaire it was considered that the respondent’s consent had been implied. The questions in the questionnaire were clear and objective so that the data was not compromised and can thus be relied on.
3.4 Research Design Tree

![Research Design Tree](image)

Figure 3.1 Research Design Tree (Author, 2013)
CHAPTER 4: RESEARCH FINDING AND ANALYSIS

4.1 Introduction

In order to examine the problem statement, a method of research had to be adopted. This chapter gives context to the research pattern and direction of the research. It also identifies the survey study to be the design to be adopted, the time frame in which the research was conducted and highlights the sample used, the method of measurement, and the framework for analysing the data collected.

4.2 Review of Research Objectives

The questionnaire was designed to establish the following:

- whether guests at a green hotel are prepared to pay a premium for the green practices of the hotel
- the activities the hotel guests is willing to participate in
- whether guests are attracted towards hotels marketing themselves as green
- if the demographics affect the green choices a guest makes
- the loyalty of hotel guests

4.3 Description of Study Area

The survey was compiled on Survey Monkey. A link to the survey as well as a cover letter explaining the purpose of the survey was issued to travel managers who then distributed the survey to their contact list. The travel managers contact lists are confidential hence the larger sample could not be established hence it is assumed that the sample was distributed nationally.
The travel managers’ deal with business travellers from all business sectors thus the respondents represented various industries and thus a generalisation of business travellers’ attitude could be established.

### 4.4 Description of Sample

Data for this study was collected between January and February 2013. Forty-two responses were received for the survey but an exact sample could not be identified as it is an online survey. The findings below are based on 36 respondents. The reason for this is that one respondent only completed the survey after the deadline while the remaining five respondents did not complete the survey. As the surveys were incomplete, this would affect confirmability of responses on attitude and beliefs if included.

### 4.5 Measurement

The survey was compiled on Survey Monkey as a questionnaire to be issued to travellers who travel to and within South Africa. This survey was an online survey which served the purpose of measuring the perception of the respondents.

The survey was designed using a five-point Likert scale of:

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

The five-point Likert scale was used as it measured the strength of agreement of the respondents. Furthermore the responses were tested using the Chi square frequency test which tested the perception of the respondents.
4.6 Demographics

After analysing the data, an initial image of the respondents was generated. The pie chart and graphs below provide information of the demographics of the respondents with specific reference to the respondents’ gender, age and work experience.

All of the respondents’ had a minimum education of a matric. The highest level of education of the respondents was a PhD. The respondents also represented a vast array of job positions from administration to the directors of companies.

![Gender of respondents](image)

**Figure 4.1: Gender of respondents (Author, 2013)**

Figure 4.1 above indicates that majority of the respondents were females comprising of 58.33% of the respondents while the male sample consisted of 41.67%.
Figure 4.2: Age of respondents (Author, 2013)

Figure 4.2 above indicates that majority of the respondents for females were between the ages of 20 and 30 however, the majority of male respondents were in the age group of 41–50. 42.86% of women represent the ages between 20 and 30 while 33.33% of males represent the ages between 41 and 50. There was also a fair representation of females between the age of 31 and 40 with 38.10% of women representing the 31 to 40 age group. The males were also fairly represented between the ages of 20 and 40 with 26.67% of males representing the 20 to 30 age group and 26.67% of males representing the 31–40 age groups.

Figure 4.3: Work experience of respondents (Author, 2013)
Due to the graph in Figure 4.2 above indicating that majority of the respondents for females were between the ages of 20 and 40, it can be confirmed with the graph in Figure 4.3 above which shows that the females within this group have less than 10 years’ experience. The male respondents however, are evenly distributed for work experience ranging between 0–5 years, 11–15 years and 21–25 years.

4.7 Research Findings

This section presents the findings on the perception of the respondents. The findings are presented using descriptive statistics as well as the chi square tests on the following:

- premium for the green practices
- participation in green activities by hotel guests
- attraction to green marketed hotels
- demographics relation to green choices of hotels
- loyalty of hotel guests

4.7.1 Premium payment for green practices

The responses represented in the graphs from figure 4.4 to figure 4.7 below were designed to establish whether guests at a green hotel are prepared to pay a premium for the green practices of the hotel.
86.12% of the respondents have acknowledged that the capital cost of an environmentally friendly product is higher than the capital cost of a conventional product as can be seen in figure 4.4 above. Of the 86.12%, 55.56% agreed while 30.56% strongly agreed that environmentally friendly production costs are higher. Figure 4.5 above shows that a similar percentage of the respondents agreed that green goods have become big business. 50% of the respondents agreed while 27.78% of the respondents strongly agreed that that green goods have become big business.
Although figure 4.4 above shows that 86.12% of the respondents acknowledged the high costs of green products and figure 4.5 above shows that 77.78% of the respondents believe that green good have become big business, figure 4.6 above shows that the respondents do not however, wish to pay a premium for green products. Figure 4.6 above indicates that 30.56% of respondents disagree and 11.11% of respondents strongly disagree that a premium should be paid for green products. Although the respondents do not wish to pay a premium, they do however, feel that hotels should promote green initiatives as can be seen from figure
4.7 above which shows that 50% of respondents agree and 36.11% of respondents strongly agree that hotels should promote their green initiatives.

Summary

From figure 4.4 to figure 4.7 above, it can be inferred that businesses that promote green products will be respected by the public however, the business will realize a loss as the public will merely appreciate their green initiatives but will not pay any additional costs in order for the hotel to promote these green initiatives.

Four statements related to the financial aspect of green goods and/or activities were provided to the respondent which yielded a degree of freedom at 12. For the degree of freedom at 12, the critical values calculated at 10%, the upper critical value was 18.5493 while the lower critical value was 6.3038. If the calculated value fell between the lower and upper critical values then one fails to reject the null hypothesis which implies that there is no relationship between green technology and perception.

The calculated chi square test was 56.35 which is above the upper critical value hence the null hypothesis is rejected. As the calculated chi square test was above the critical value, it proves that there is a positive relationship between the premiums to be paid for green technology and perception.

4.7.2 Participation in Green activities by hotel guest

The responses represented in Appendix A were designed to establish the activities the hotel guests are willing to participate in.

Respondents do not mind actively participating in the green activities which are promoted by the hotels (Refer to Appendix A). This can be seen from the fact that 54.29% of the respondents agree and 45.71% of the respondents strongly agree that the hotel should inform the guests about the environmental initiatives undertaken by the hotel.
A list of 18 activities was provided to the respondent which yielded a degree of freedom at 68. For the degree of freedom at 68, the critical values calculated at 10%, the upper critical value was 83.3079 while the lower critical value was 53.5481. If the calculated value fell between the lower and upper critical values then one fails to reject the null hypothesis which implies that there is no relationship between green technology and perception.

The calculated chi square test was 85.70 which is above the upper critical value hence the null hypothesis is rejected. As the calculated chi square test is above the critical value, it proves that there is a positive relationship between green technology and perception.

An example of the guests’ encouragement of the hotels initiatives can be shown by the fact that the guests do believe in saving consumable items such as electricity. The saving of electricity is achieved by the hotel making use of efficient lighting as well as by providing the guests with cards that are linked to the lighting and air conditioning system.

Summary

By guests participating in the green initiatives of the hotel, it does not only contribute towards having a more sustainable environment but also allows the hotel to reduce its operating costs.

Should the hotel reduce its operating costs, the hotel can in turn pass on the saving to the hotel guest. This way the hotel guest will be able to pay less and be accommodated in a green hotel while at the same the guest will satisfy the guests’ psychological emotions.

4.7.3 Attraction to Green marketed hotels

The responses represented in the graphs from figure 4.8 to figure 4.13 below was designed to establish whether guests are attracted towards hotels marketing themselves as green
Figure 4.8: Responses on whether green hotel business is a growing niche (Author, 2013)

As represented in figure 4.8 above, 47.22% of the respondents agree that green hotel business is a growing niche as the success of tourism is largely dependent on the availability of a clean environment while 16.67% strongly agree with this statement and 30.56% of the respondents are neutral with regards to this statement. The number of respondents that have noticed an increasing number of hotels becoming green are in line with the number of respondents who believe green hotel business is a growing niche. As represented in figure 4.9 above, 50% of the respondents have noticed an increasing number of hotels becoming green.

Figure 4.9: Responses on whether the respondent has noticed an increasing number of hotels becoming green (Author, 2013)
green while 16.67% strongly agree with this statement and 30.56% of the respondents are neutral about this.

Figure 4.10: Responses on whether the respondent prefers being accommodated in a green hotel (Author, 2013)

Figure 4.11: Responses on whether hotels gain attention from guests by visibly installing eco-friendly technology (Author, 2013)

Although figure 4.8 and figure 4.9 above indicate that a high percentage of respondents have noticed the advancement of green hotels, figure 4.10 above depicts that 47.22% of the respondents are neutral about being accommodated in a green hotel while 25% of the respondents prefer to be accommodated in a green hotel and 22.22% of the respondents are strongly in agreement with the idea of being accommodated in a green hotel.
Furthermore the respondents’ responses for noticing visible green technology within a hotel are in line with the responses received from the respondents regarding the number of respondents who have noticed an increase in the number of green hotels in existence and the number of respondents who believe that green hotels are a growing niche.

**Figure 4.12: Responses on whether hotels have not fully grasped the concept of green hotels (Author, 2013)**

**Figure 4.13: Responses on whether it’s vital for hotel managers to bear in mind the relationship that exists between the quality of the environment and the products they promote (Author, 2013)**

Figure 4.12 above shows that 47.22% of the respondents agree and 22.22% of the respondents strongly agree that hotels have not fully grasped the concept of green hotels and
figure 4.13 above shows that 47.22% of the respondents agree and 50% of the respondents strongly agree that it’s vital for hotel managers to bear in mind the relationship that exists between the quality of the environment and the products they promote.

Summary

From this it can be noted that although the respondents have noticed that green hotels are increasing in number, they are not yet prepared to only be accommodated in a green hotel.

An important aspect that was established is that the respondents do not believe that the hotels understand the concept of being green. In order for the hotel to promote proper green practices, the managers of the hotel need to be well educated with regards to green concerns and the methods which the hotel can apply in order to be recognized as a green hotel.

6 statements were provided to the respondents to establish if the respondents are attracted to green hotels. The responses yielded a degree of freedom at 20. For the degree of freedom at 20, the critical values calculated at 10%, the upper critical value was 28.412 while the lower critical value was 12.4426. If the calculated value falls between the lower and upper critical values then one fails to reject the null hypothesis which implies that there is no relationship between green technology and perception.

The calculated chi square test was 38.26 which is above the upper critical value hence the null hypothesis is rejected. As the calculated chi square test is above the critical value, it proves that there is a positive relationship between green hotels and perception.

4.7.4 Demographic relation to Green choices of hotel

The responses represented in Appendix B were designed to establish if the demographics affect the green choices a guest makes.

As can be seen from the table in Appendix B, majority of the respondents have a positive reaction towards having a sustainable environment as can be seen from the fact that the 30.56% of respondents have stated that they are neutral towards being ecologically
responsible while 52.78% of respondents agree and 16.67% strongly agree that they are ecologically responsible. It must also be noted that 88.89% of the respondents have agreed that environmental degradation has become a major concern.

A list of 16 activities was provided to the respondent which yielded a degree of freedom at 60. For the degree of freedom at 60, the critical values calculated at 10%, the upper critical value was 74.397 while the lower critical value was 46.4589. If the calculated value fell between the lower and upper critical values then one fails to reject the null hypothesis which implies that there is no relationship between green technology and perception.

The calculated chi square test was 204.75 which is above the upper critical value hence the null hypothesis is rejected. As the calculated chi square test was above the critical value, it proves that there is a positive relationship between the choices a guest makes and perception.

88.89% of the respondents have acknowledged that their actions are necessary to aid in protecting the environment however; all of these respondents do not necessarily purchase green products. Although the respondents do not purchase green products they do however, proactively engage in activities which aid in saving the environment such as recycling and not consuming electricity if it is not required.

The respondents could participate in greening activities as the knowledge of the public globally has increased regarding the effects a damaged environment will have on future generations. The public has become wiser due to an increase of the use of words such as ozone depletion, greenhouse effect and acid rain.

With regard to hotels, the respondents believe that a standard should be set for the green movement of hotels as the hospitality industry has the ability to be a channel for social change. For this to occur, the respondents have agreed that it is important for the managers and operators of the hotels to be well versed in all aspects of knowledge regarding greening activities.

Although the respondents wish for hotels to be green, the respondents’ however, do not desire that the hotel should discontinue its offer of providing guests with opulence and luxury.
Summary

The respondents have a positive attitude towards greening the environment however, the respondents do not actively participate in purchasing green products but will however, engage in green activities which do not have a cost associated with the activities the respondents participate in.

Furthermore the respondents believe that a standard should be set to green hotels but also still believe that the hotels should not reduce its standard of offering luxuries as being green should not affect the service the hotel can provide.

Through all of this it can be seen that age, gender or education has no effect on the beliefs of a business traveller as all the travellers have agreed that it is important to green the environment in order to sustain future generations.

4.7.5 Loyalty of hotel guests

The responses represented in figures 4.14 to figure 4.19 below was designed to establish the loyalty of hotel guests

Figure 4.14: Responses on whether hotels can promote corporate responsibility by educating its staff and guests and implementing green practices (Author, 2013)
69.44% of the respondents agree and 30.56% of the respondents strongly agree that hotels can promote corporate responsibility by educating its staff and guests and implementing green practices. Although the respondents acknowledge this fact, figure 4.15 shows that only 11.11% of the respondents agree and 16.67% of the respondents strongly agree that they will choose to be accommodated in a green hotel. It was also established from figure 4.15 that 50% of the respondents are indifferent about the type of hotel they will stay at.

Figure 4.16: Responses on whether the respondent reacts positively towards the company when there is a positive correlation between the company’s core business and its cause (Author, 2013)
Figure 4.17: Responses on whether incorporating green concerns into the hotels daily operations, the hotel will be able to retain guests (Author, 2013)

55.56% of the respondents agree and 22.22% of the respondents strongly agree that they react positively towards a company when there is a positive correlation between the company’s core business and its cause as can be seen in figure 4.16 above, however, when the respondents were asked if hotels that incorporate green concerns into the hotel’s daily operation will be able to retain guests, only 36.11% of the respondents agreed and 16.67% of the respondents strongly agreed, which is indicated in figure 4.17 above.

Figure 4.18: Responses on whether hotels promoting green practices reduce the standard of the experience for the guest (Author, 2013)
44.44% of the respondents disagreed and 5.56% of the respondents strongly disagreed that a green hotel reduces the experience for the guest while 33.33% of the respondents agreed and 16.67% of the respondents strongly agreed that it is more important to satisfy the guest’s psychological emotions than offering the guest tangible comforts as can be seen in figure 4.18 and figure 4.19 above respectively.

**Summary**

Respondents acknowledge that hotels can promote corporate responsibility and that the respondents react positively towards companies that have a positive correlation between the company’s core business and its cause.

Although the respondents agree that the hotel can promote change, there are only a few of the respondents that are willing to be accommodated in a green hotel. As the respondents believe that a green hotel doesn’t affect the experience for the guest and that tangible comforts are not the first priority for the guest, hotels should actively promote their green practices in order to have guests return to their hotel when the guests return for any future visits.
Six statements were provided to the respondents to establish if the respondents are attracted to green hotels. The responses yielded a degree of freedom at 20. For the degree of freedom at 20, the critical values calculated at 10%, the upper critical value was 28.412 while the lower critical value was 12.4426. If the calculated value fell between the lower and upper critical values then one fails to reject the null hypothesis which implies that there is no relationship between green technology and perception.

The calculated chi square test was 99.62 which is above the upper critical value hence the null hypothesis is rejected. As the calculated chi square test was above the critical value, it proves that there is a positive relationship between loyalty and perception.

4.8 Summary of Findings

The following are the objectives that were tested:

1. whether guests at a green hotel are prepared to pay a premium for the green practices of the hotel
2. the activities the hotel guests is willing to participate in
3. whether guests are attracted towards hotels marketing themselves as green
4. if the demographics affect the green choices a guest makes
5. the loyalty of hotel guests

The summary findings of the chi-square tests on perception agreement on the above objective are presented in Table 4.1 below.

<table>
<thead>
<tr>
<th>OBJECTIVE</th>
<th>DEGREE OF FREEDOM</th>
<th>UPPER CRITICAL VALUE</th>
<th>LOWER CRITICAL VALUE</th>
<th>CALCULATED VALUE</th>
<th>DECISION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>12</td>
<td>18.5493</td>
<td>6.30380</td>
<td>56.350</td>
<td>H0 Rejected</td>
</tr>
<tr>
<td>2</td>
<td>68</td>
<td>83.3079</td>
<td>53.5481</td>
<td>85.700</td>
<td>H0 Rejected</td>
</tr>
<tr>
<td>3</td>
<td>20</td>
<td>28.4120</td>
<td>12.4426</td>
<td>38.260</td>
<td>H0 Rejected</td>
</tr>
<tr>
<td>4</td>
<td>60</td>
<td>74.3970</td>
<td>46.4589</td>
<td>204.72</td>
<td>H0 Rejected</td>
</tr>
<tr>
<td>5</td>
<td>20</td>
<td>28.4120</td>
<td>12.4426</td>
<td>99.620</td>
<td>H0 Rejected</td>
</tr>
</tbody>
</table>

Table 4.1: Summary of findings
Table 4.1 above indicates that all the objectives reject the null hypothesis and that positive relationships exist between all of the objectives and perception.
CHAPTER 5: CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The goals of this research were to generate the profile of the business traveller and the attitude the business traveller has towards green hotels. These goals were achieved by defining what a green hotel is, identifying the importance of green hotels and assessing the attitudes of business travellers towards green hotels. The definition and importance of green hotels were established through the literature review while the attitudes of the business travellers were established through a field study. The attitudes of the business traveller were presented in the previous chapter and the conclusion of these finding are presented below which answered the following questions:

- whether guests would pay a premium for a green hotel
- what are the activities the hotel guests were willing to participate in
- are guests attracted towards green hotels
- does the demographics of the respondents have any impact on their decision making
- what is the loyalty of guests towards a hotel

5.2 Premium Payment for Green Practices

Only 25% of the respondents would agree to pay a premium for green products however hotels should take note of the fact 86.11% of the respondents feel that hotels should promote green initiatives.

86.12% of the respondents have acknowledged that the capital cost of an environmentally friendly product is higher than the capital cost of a conventional product while 77.78% of the respondents have noticed that green goods have become big business. This high percentage of respondents supports the statement by Kuminoff, Zhang, and Rudi (2010) that “green” goods have become big business.
It is well documented that the capital cost of an environmentally-friendly product is more than a conventional product as additional costs are incurred for the production, marketing and disposal of the product. Other factors that add to the cost of producing an environmentally-friendly product are the friendly production processes and distribution required, the cost of product recapturing, the remanufacture and reusing of the product and the recovery of any huge indirect costs (Wong et al., 1996, Fuller, 1999 and Peattie, 1999a, b).

Ottman’s (1994) research showed that consumers are wary of the price of green products as they perceive green products to be too expensive. Almost 20 years later the respondents are still wary of the price of green products.

According to Kang, Stein, Heo and Leed (2012), the hotel industry has been part of the green revolution and some of the leading hotel brands in the world have been actively participating towards promoting green initiatives and taking the environment into consideration during their day-to-day operations.

5.3 Green Activities of the Hotel Guest

This research confirms that the respondents are willing to participate in the green activities which are promoted by the hotel. This can be seen from the fact that 54.29% of the respondents agree and 45.71% of the respondents strongly agree that the hotel should inform the guests about the environmental initiatives undertaken by the hotel.

An example of the guests’ encouragement of the hotel’s initiative can be shown by the fact that the guests do believe in saving consumable items such as electricity. The saving of electricity is achieved by the hotel making use of efficient lighting as well as by providing the guests with cards that are linked to the lighting and air-conditioning system.

By guests participating in the green initiatives of the hotel, it does not only contribute towards having a more sustainable environment, but also allows the hotel to reduce its operating costs.
Choe, Lehto and Day (2011) pointed out that acquiring a high level of energy and resource efficiency as well as enhancing the corporate brand image is vital for hotel management.

Barber (2012) remarked that issues related to deterioration of the environment or wasting resources are often associated with conventional hotels (non-green). This was concluded as research conducted by Bohdanowicz (2005), Chan (2005), Radwan, Jones and Minoli (2010) report that conventional hotels have produced enormous harm to the environment from excessive consumption of non-recyclable goods, water, and energy for heating, ventilating, and air-conditioning (e.g., electricity and gas). This consumption leads to the hotel emitting solid, liquid and gas which in turn creates strain on the supporting environment (Manaktola and Jauhari, 2007).

From this it can be noted that there is a definite need for environmental action by hotels which will aid in conserving and sustaining resources required for and by future generations (Bohdanowicz, 2005, Chan, Wong, & Lo, 2009, Dief & Font, 2010, Radwan et al., 2010 and Barber, 2012).

According to Ham & Han (2012) the number of hotels using durable service items rather than disposable products has increased. The hotel uses this to persuade customers to recycle service materials/items, and encourage towel/linen reuse programmes. Some of the other practices that hotels are using include planting vegetation for healthy air, using natural fibres for linens, shunning bleach in laundry, placing special containers for recyclable items in guestrooms, using energy-saving light bulbs and recycled paper/products/ furniture; using environmental cleaning products without harmful chemicals, and tending to serve organic, locally grown produce and other food products, free from pesticides or fertilizers (GHA, 2011, Han et al., 2009, 2011, Manaktola and Jauhari, 2007 and Pizam, 2009).

Many hotel operators have started implementing practices in order to enhance the perception of their environmental friendliness, to increase the hotel’s efficiencies (e.g. cost savings), to satisfy increasing numbers of environmentally cautious customers’ green needs and to maintain active participation by reducing harmful effects on the environment (Dief and Font, 2010, Green Hotel Association [GHA], 2011, Han et al., 2009, 2011, Manaktola and Jauhari, 2007, Wolfe and Shanklin, 2001 and Ham and Han, 2012).
5.4 Attraction to Green Marketed Hotels

The thoughts of the respondents can be confirmed from the fact that 47.22% of respondents are neutral with regards to being accommodated in a green hotel while 25% agree and 22.22% strongly agree that they would prefer to be accommodated in a green hotel. In order for the hotel to promote proper green practices, the managers of the hotels need to be well educated with regards to green concerns and the methods which the hotel can apply in order to be recognized as a green hotel. Once this has occurred and the hotel has installed green practices, the hotel will be recognised for its efforts and this will lead to there being a greater opportunity for the hotel to attract environmentally-conscious travellers.

47.22% of the respondents agree that green hotel business is a growing niche as the success of tourism is largely dependent on the availability of a clean environment. 50% of respondents have noticed an increasing number of hotels becoming green while 44.44% of respondents believe that hotels can gain attention from guests by visibly display the green technology the hotel uses.

69.44% of the respondents were of the opinion that hotels did not fully grasp the concept of green hotels and 97.22% of the respondents agree that it’s vital for hotel managers to bear in mind the relationship that exists between the quality of the environment and the products they promote.

Kuminoff, Zhang, and Rudi (2010) have explained that airline passengers can purchase credits to offset the carbon emitted during their flight while motorists can rent a hybrid or electric vehicle, and guest seeking accommodation can decide to stay at a green hotel.

According to the 1992 United Nations Conference on Environment and Development, hotels can decrease the negative effect it has on the environmental and gain attention from travellers for this by simply installing visible eco-friendly technology (such as solar panels, low flow showerheads, recycling bins, etc.).

Previously hotels offered little or sporadic green practices however, these days hotels are increasingly involved with initiatives to taking systematic steps toward a comprehensive greening approach as it is becoming the norm (Manaktola & Jauhari, 2007 and Gustine and Weaver, 1996).
Manaktola and Jauhari (2007) contest that in order for hotels to have a competitive environment they need to focus their business practices on being pro-green. The environment necessitates that it needs hotels that have the least damage impact on the environment. For this reason the “green” hotel business is a growing niche as the success of tourism, as well as the hotel industry, largely depends on the availability of a clean environment.

According to Mihalic (2000), a hotel needs to constantly remain competitive and for this to occur, the managers of such hotels need to bear in mind the relationship that exists between the quality of the environment and the products they promote (Rahman, Reynolds and Svarena, 2012).

Iwanowski and Rushmore (1994) and Graci (2008) have asserted that many facility operators have not grasped the concept of a green hotel. They have explained this finding by stating that this industry bases its business on perceived opulence, luxury and grandeur and it for this reason that the green concept is not completely understood.

5.5 Demographic relation to Green Choices by Hotel Guests

It can be seen that age, gender or education has no effect on the beliefs of a business traveller as business travellers of different age groups and different backgrounds have agreed that it is important to green the environment in order to sustain future generations.

The respondents believe that a standard should be set for the green movement of hotels as the hospitality industry has the ability to be a channel for social change. In order for this to occur, the respondents have agreed that it is important for the managers and operators of the hotels to be well versed in all aspects of knowledge regarding greening activities.

Although the respondents wish for hotels to be green, they do not however, desire that the hotel should discontinue its offer of providing guests with opulence and luxury.

The respondents have a positive reaction towards having a sustainable environment as can be seen from the fact that 30.56% of respondents have stated that they are neutral towards being ecologically responsible while 52.78% of respondents agree and 16.67% strongly agree that
they are ecologically responsible. Furthermore the results have shown that 88.89% of the respondents have agreed that environmental degradation has become a major concern.

Terms such as “ozone depletion”, “greenhouse effect” and “acid rain” have come to the surface extensively in the last two decades and have resulted in an increased level of awareness from consumers (Walker, 2000 and Manaktola and Jauhari, 2007).

Due to consumers being aware and concerned about the environment, changes have been identified in the purchasing behaviour of consumers and their attitudes toward business establishments which are eco-friendly (Environmentally Friendly Hotels, 2008, D’Souza and Taghian, 2005 and Han and Kim, 2010).

Consumers who are not very environmentally conscious tend to believe that the problems the environment is facing can be solved automatically, however, consumers who are environmentally conscious believe that it is their explicit actions that will aid in protecting the environment, and therefore their environmentally friendly actions are necessary (Banerjee and McKeage, 1994, Han, Hsu and Sheu, 2010).

Previous research has concluded that it is vital that environmentally friendly products perform the same function as conventional products in order for that product to be the consumer’s product of choice (Ottman, 1995, Schlegelmilch et al., 1996, Wong et al., 1996 and Roy, 1999).

Wong et al. (1996) further elaborated on this point by pointing out that the environmental friendliness of a product is not the overriding determinant of a product or brand choice and that this feature merely adds value and adds to the well-being of the consumer.

A more recent study by Han, Hsu and Lee (2009) indicates that the concerns regarding environmental degradation has resulted in environmentalism becoming a significant aspect in the market place (Brown, 1996 and Kalafatis et al., 1999).

The respondents have acknowledged that their actions are necessary to aid in protecting the environment however; all of these respondents do not necessarily purchase green products. Although the respondents do not purchase green products they do however, proactively engage in activities which aid in saving the environment such as recycling and not consuming electricity if it is not required.
The respondents could participate in greening activities as the knowledge of the public globally has increased regarding the effects a damaged environment will have on future generations. The public has become wiser due to an increase of the use of words such ozone depletion, greenhouse effect and acid rain.

Ryan (2002) reasons that the hospitality industry has become a channel for social change due to the industry’s high visibility globally as well as the industry’s ability to potentially save millions of dollars by “going green”.

The Convention Industry Council (CIC) initiated the Green Meetings Task Force in 2003 in order to set a standard for the green movement as it will establish the minimum best practices for events planners and suppliers as it can save planners’ and suppliers’ money in addition to being beneficial for the environment (Convention Industry Council, 2004 and Lee, Breiter and Choi, 2011).

Bohdanowicz (2006) reasons that in order for a hotel to achieve improvement, the managers and operators must be willing to act in an environmentally responsible manner and this can only occur if the manager has adequate knowledge of the environmental issues pertinent to their activities.

Graci (2002) deduced from the findings of the study that first-time hotel guests base their accommodation decision on location, amenities and service however; a returning guest may take into consideration the commitment the hotel has towards the environment.

5.6 Loyalty of Hotel Guests

As the respondents believe that a green hotel doesn’t affect the experience for the guest and that tangible comforts are not the first priority for the guest, hotels should actively promote their green practices in order to have guests return to their hotel when the guests return for any future visit.

All the respondents agree that hotels can promote corporate responsibility by educating its staff and guests and implementing green practices. However, only 55.56% of the respondents
agree and 22.22% of the respondents strongly agree that they would react positively towards a hotel if there is a positive correlation between the company’s core business and its cause.

According to 50% of the respondents, a green hotel will not reduce the experience for the guest and 50% of the respondents also believe that it is more important to satisfy the guest’s psychological emotions than offering the guest tangible comforts.

When the respondents were asked if hotels that incorporate green concerns into the hotel’s daily operation would be able to retain guests, only 52.78% of the respondents agreed. This high percentage of retaining guests is possible as 27.78% of the respondents specifically chose to be accommodated in a green hotel while 50% of the respondents were indifferent to the type of hotel they are accommodated at. Should the hotel offer green activities, it will set it apart from conventional hotels, and this could result in attracting these guests, who will then return on future business trips.

Businesses have realised that consumers are becoming more environmentally conscious and, in order to realize a profit, the business will have to incorporate green concerns into its day-to-day operations as this will retain the interest of its consumers.

If the business aligns itself with the green regulations, it may market itself as green and this will attract consumers and acquire loyalty consumers while sustaining its competitiveness in the market. Marketing strategies have shown that when a business promotes a social cause, consumers react positively towards the business (Hamlin and Wilson, 2004) which in turn leads to the profitability of the business (Zdravkovic, Magusson and Stanley, 2010 and Ham and Han, 2012).

According to Hoeffler and Keller (2002) consumers consider a company to be an expert and react positively towards the company when there is a positive correlation between the company’s core business and its cause (Ham and Han, 2012).

Bohdanowicz and Martinac (2003) explain that hotels can promote corporate responsibility by educating its staff and customers, embracing eco-friendly practices, and influencing complementary industries such as hotel suppliers as these activities are beneficial for the hotel and tourism industry as well as for the environment (Rahman, Reynolds and Svarena, 2012).
Previously guests were of the opinion that if a hotel operates with green practices, it would reduce the standard of the experience for the guest (Lee, Breiter and Choi, 2011). However, other studies have indicated that this idea is still arguable and contentious (Turtle, 2008 and Lee, Breiter and Choi, 2011).

Christy et al. (1996) and Sen and Bhattacharya (2001) predict that while a hotel offers facilities such as spas, pools and fitness centres that provide the hotel guest with tangible comfort, green practices may satisfy guests’ psychological emotional need for, perhaps, self-esteem (Kang, Stein, Heoc and Leed, 2012).

5.7 Conclusion

The respondents have a positive attitude towards greening the environment; however, the respondents do not actively participate in purchasing green products, but will engage in green activities that do not have a cost associated with them. The respondents have found that the green products are particularly expensive, thus it's not affordable for many people so the respondents would rather assist in protecting the environment by engaging in green activities such as recycling.

It has also been established that should a green product and conventional product cost the same and have the same function, the respondents would prefer to purchase the green product.

Furthermore the respondents believe that a standard should be set to green hotels, but still believe that the hotels should not reduce its standard of offering luxuries as being green should not affect the service the hotel can provide. 47.22% of the respondents are indifferent as to the type of hotel they are accommodated at, but should the hotel proactively engage with the guests to promote green initiatives it could result in the guests choosing the same hotel when they return for future business trips.

As business travellers travel more often, they seek to have the hotel offer the comforts of home. Should the respondents be environmentally conscious, the guest will seek to be accommodated in a green hotel. In order for the hotel to gratify the guests, the hotel
managers and operators must establish the apparent importance of the various attributes of the business traveller and cater to his or her needs.

5.8 Recommendation

The following recommendations should be taken into consideration:

- Hotels should take advantage of guests’ participation in green activities in their day-to-day life by establishing the provisions the hotel can make to accommodate green activities such as recycling.

- Hotels should establish guest desires by engaging with their guests. Should the hotel establish these demands and desires, the hotel will then be able to adopt appropriate strategies to provide for their guests.

- A database should be kept by all hotels to keep record of their guests. This database should be updated regularly so that the hotel may keep contact with the guests, which would promote the hotel to the returning guest.

- Should the hotel reduce its operating costs, it can in turn pass on the saving to the hotel guest. This way the hotel guest will be able to pay less and be accommodated in a green hotel. The latter benefit should appeal to the guest’s ethical concerns.

5.9 Areas for Future Research

As with any study, the current study has some limitations that suggest directions for further research. Areas for future research to be undertaken are as follows:

- Model that a hotel could adopt to include a green premium in the pricing of the hotel
• Methods hotel can implement to involve guest participation in green activities

• Marketing techniques to promote green hotels
REFERENCES


Department of Environmental Protection. (2001). Greener accommodation: Saving money and the environment.  
[http://www.dep.state.pa.us/greenerAccom.pdf](http://www.dep.state.pa.us/greenerAccom.pdf)


[http://www.environmentallyfriendlyhotels.com](http://www.environmentallyfriendlyhotels.com), last accessed 17 November 2013


http://hotelexecutive.com/business_review/156/qualitative-research-understanding-business-travelers-behavior-toward-hotels


Kim, Y and Han, H (2010). Intention to pay conventional-hotel prices at a green hotel – a modification of the theory of planned behaviour. *Journal of Sustainable Tourism* 18(8): 997-1014


http://repository.up.ac.za/handle/2263/5588, last accessed 17 November 2013


## APPENDIX A: RESPONSES ON ACTIVITIES HOTEL GUESTS ARE WILLING TO PARTICIPATE IN (AUTHOR, 2013)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The respondent does not mind using durable service items rather than disposable products</td>
<td>0.00%</td>
<td>5.56%</td>
<td>11.11%</td>
<td>61.11%</td>
<td>22.22%</td>
</tr>
<tr>
<td>The hotel should give preference to environmentally friendly and locally sourced products/services</td>
<td>0.00%</td>
<td>2.86%</td>
<td>5.71%</td>
<td>51.43%</td>
<td>40.00%</td>
</tr>
<tr>
<td>The hotel should have a recycling programme in place for major waste streams such as glass, tins, plastic, paper and organic waste</td>
<td>0.00%</td>
<td>0.00%</td>
<td>2.86%</td>
<td>54.29%</td>
<td>42.86%</td>
</tr>
<tr>
<td>The hotel should have a recycling programme in place for major waste streams such as glass, tins, plastic, paper and organic waste</td>
<td>0.00%</td>
<td>0.00%</td>
<td>2.86%</td>
<td>42.86%</td>
<td>54.29%</td>
</tr>
<tr>
<td>The hotel should provide soap and shampoo products in bulk refillable dispensers</td>
<td>2.86%</td>
<td>0.00%</td>
<td>17.14%</td>
<td>48.57%</td>
<td>31.43%</td>
</tr>
<tr>
<td>The hotel should implement a towel and sheet-re-use policy for guests</td>
<td>0.00%</td>
<td>2.86%</td>
<td>17.14%</td>
<td>37.14%</td>
<td>42.86%</td>
</tr>
<tr>
<td>The hotel should have low-flow showers and aerators on taps for guest rooms</td>
<td>0.00%</td>
<td>2.86%</td>
<td>11.43%</td>
<td>40.00%</td>
<td>45.71%</td>
</tr>
<tr>
<td>The hotel should have water efficient toilets (e.g. fitted with interruptible flush systems, small cisterns, displacement devices or if flushmaster type, then set optimally)</td>
<td>0.00%</td>
<td>0.00%</td>
<td>5.71%</td>
<td>45.71%</td>
<td>48.57%</td>
</tr>
<tr>
<td>The hotel should have energy-efficient lighting such as CFLs (compact fluorescent light) or LEDs</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>34.29%</td>
<td>65.71%</td>
</tr>
<tr>
<td>The hotel should issue guests with a key card linked to the lights and air-conditioning in the rooms to help save electricity</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>42.86%</td>
<td>57.14%</td>
</tr>
<tr>
<td>The hotel should make use of renewable energy sources such as solar, wind or RECs</td>
<td>0.00%</td>
<td>0.00%</td>
<td>2.86%</td>
<td>40.00%</td>
<td>57.14%</td>
</tr>
<tr>
<td>The hotel should provide a paperless check-in, check-out and billing process</td>
<td>0.00%</td>
<td>0.00%</td>
<td>8.57%</td>
<td>37.14%</td>
<td>54.29%</td>
</tr>
<tr>
<td>The hotel should use eco friendly paper that is approved with recycled content</td>
<td>0.00%</td>
<td>0.00%</td>
<td>8.82%</td>
<td>44.12%</td>
<td>47.06%</td>
</tr>
<tr>
<td>The hotel should have staff members receive environmental training</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>42.86%</td>
<td>57.14%</td>
</tr>
<tr>
<td>The hotel should inform guests about the hotel's environmental initiatives</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>54.29%</td>
<td>45.71%</td>
</tr>
<tr>
<td>The hotel should request guests to assist the hotel in saving water and electricity</td>
<td>2.94%</td>
<td>0.00%</td>
<td>2.94%</td>
<td>47.06%</td>
<td>47.06%</td>
</tr>
<tr>
<td>The hotel should promote the use of ‘green’ taxi operators or pedicabs (bicycle taxis)?</td>
<td>0.00%</td>
<td>0.00%</td>
<td>14.29%</td>
<td>40.00%</td>
<td>45.71%</td>
</tr>
<tr>
<td>The hotel should use waterwise plants in the garden area</td>
<td>0.00%</td>
<td>0.00%</td>
<td>5.71%</td>
<td>42.86%</td>
<td>51.43%</td>
</tr>
</tbody>
</table>
## Appendix B: Responses on Green Choices Made by Hotel Guests (Author, 2013)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green goods are important to remain competitive in today’s market</td>
<td>0.00%</td>
<td>11.43%</td>
<td>17.14%</td>
<td>48.57%</td>
<td>22.86%</td>
</tr>
<tr>
<td>The respondent is ecologically responsible</td>
<td>0.00%</td>
<td>0.00%</td>
<td>30.56%</td>
<td>52.78%</td>
<td>16.67%</td>
</tr>
<tr>
<td>Environmental degradation has become a major concern</td>
<td>0.00%</td>
<td>0.00%</td>
<td>11.11%</td>
<td>30.56%</td>
<td>58.33%</td>
</tr>
<tr>
<td>Pollution prevention, product stewardship and sustainable development are three important facets of environmental performance</td>
<td>0.00%</td>
<td>0.00%</td>
<td>11.11%</td>
<td>47.22%</td>
<td>41.67%</td>
</tr>
<tr>
<td>A standard should be set for the green movement of hotels</td>
<td>0.00%</td>
<td>0.00%</td>
<td>2.78%</td>
<td>61.11%</td>
<td>36.11%</td>
</tr>
<tr>
<td>Generally hotels targeting business travellers are situated in damaged environments</td>
<td>5.71%</td>
<td>28.57%</td>
<td>25.71%</td>
<td>28.57%</td>
<td>11.43%</td>
</tr>
<tr>
<td>Hotels should continue to focus their industry on perceived opulence, luxury and grandeur</td>
<td>8.33%</td>
<td>25.00%</td>
<td>30.56%</td>
<td>22.22%</td>
<td>13.89%</td>
</tr>
<tr>
<td>The hospitality industry has become a channel for social change due to the industry’s high visibility globally and its ability to potentially save millions of dollars by going green</td>
<td>0.00%</td>
<td>0.00%</td>
<td>36.11%</td>
<td>44.44%</td>
<td>19.44%</td>
</tr>
<tr>
<td>For a hotel to be successful in being green, it is important for the hotel managers and operators to act in an environmentally responsible manner</td>
<td>0.00%</td>
<td>0.00%</td>
<td>2.78%</td>
<td>63.89%</td>
<td>33.33%</td>
</tr>
<tr>
<td>The respondent generally purchases green products</td>
<td>0.00%</td>
<td>13.89%</td>
<td>47.22%</td>
<td>25.00%</td>
<td>13.89%</td>
</tr>
<tr>
<td>Terms such as “Ozone depletion”, “Greenhouse effect”, and “Acid rain” has changed the purchasing decisions of the respondent</td>
<td>0.00%</td>
<td>16.67%</td>
<td>25.00%</td>
<td>41.67%</td>
<td>16.67%</td>
</tr>
<tr>
<td>The respondent proactively engages in activities such as recycling, saving electricity and water, decreasing the use of disposable products</td>
<td>0.00%</td>
<td>2.78%</td>
<td>19.44%</td>
<td>47.22%</td>
<td>30.56%</td>
</tr>
<tr>
<td>The respondent’s actions are necessary to aid in protecting the environment</td>
<td>0.00%</td>
<td>5.56%</td>
<td>5.56%</td>
<td>58.33%</td>
<td>30.56%</td>
</tr>
<tr>
<td>The respondent basis his first time accommodation on location, amenities and services however, when the respondent returns the respondent takes into consideration the commitment towards the environment</td>
<td>0.00%</td>
<td>16.67%</td>
<td>38.89%</td>
<td>30.56%</td>
<td>13.89%</td>
</tr>
<tr>
<td>Environmental friendliness of products is not the over-riding determinant of product or brand choice but merely adds to the value of the product</td>
<td>0.00%</td>
<td>8.33%</td>
<td>11.11%</td>
<td>58.33%</td>
<td>22.22%</td>
</tr>
<tr>
<td>It is vital for environmentally friendly products to perform the same function as conventional products in order for the respondent to choose the environmentally friendly product</td>
<td>0.00%</td>
<td>0.00%</td>
<td>11.11%</td>
<td>47.22%</td>
<td>41.67%</td>
</tr>
</tbody>
</table>