

Sustainability, Triple Bottom Line and 'Greenwash'

Factsheet 1.2: Sustainability, Triple Bottom Line and 'Greenwash'

What is Sustainability?

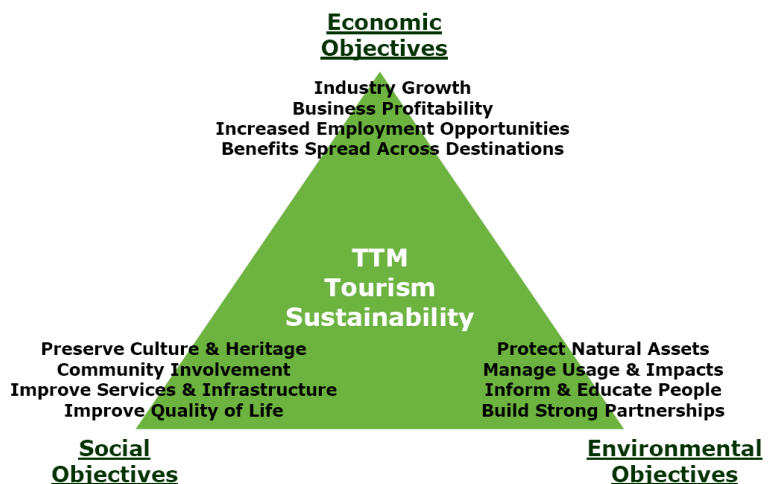
Sustainability requires looking holistically at the various elements of your business operation that determine your business success. These elements include **business profitability**, meeting **visitor expectations**, **engaging local communities**, and protecting the environment for future generations through **environmental performance**.

Three principles underpin Sustainability:

1. It is not a 'niche market' or marketing approach.
2. The aim should not be 'carbon neutrality' without first looking at impact reduction.
3. Triple-bottom line is the only solution that delivers real benefit

What is Triple Bottom Line?

'Triple bottom line' (TBL) is a holistic concept of sustainability where 'environmental', 'social' and 'economic' considerations are identified and considered concurrently in decision making. It is envisaged that triple bottom line sustainable tourism development can lead to the management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity, and life support systems. See Figure 1.



In other words, sustainable tourism is about ensuring that environmental, social and economic objectives each be given balanced consideration in the management of a business. It is important, to recognise that short and long term economic benefits can be achieved through adoption of positive social and environmental measures. Essentially, this is all about managing tourism so as to gain as many of the benefits, whilst eliminating or appropriately managing any negative impacts.

The Climate Change and Tourism Conference held in Davos in 2007 recommended the urgent adoption of policies to reflect a 'quadruple bottom line' of environmental, social, economic and climate change. This material, however, considers climate change as an environmental issue to be considered in the triple bottom line balance.

Benefits of Sustainability

Some key benefits of 'sustainability' to your business include:

- Attract responsible green travellers who make purchase decisions based on minimising their own footprint
- Reduce operating costs by undertaking initiatives that reduce waste, water and energy consumption, e.g. changing four light bulbs to compact fluoro bulbs can save \$65-\$70/year
- Develop a competitive advantage by establishing and promoting sustainable practices as a point of difference. Consumer demand for sustainable product is on the increase. If you provide the same product or experience as another business but can advertise your business as sustainable, you will have a point of difference

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- Attract and retain valuable staff by adopting policies that meet with employee values and concerns. Also, by creating an environment of team knowledge sharing, best practice, and innovative ideas, employees will feel better about their work environment, and new employees may be attracted to the business
- Increase local community support and referrals to your business. Involve the community in your operations. Go to community or regional workshops. Share your knowledge with other businesses and engage with your community
- Encourage investors interested in companies with long-term sustainability plans that minimise operating risks in the future
- Increase long-term profitability by maximising your business potential and putting plans in place now that will create savings in the future such as minimising transport costs that will continue to rise as fuel becomes more expensive
- Know that your actions are actually making a difference to protect and enhance natural resources for future generations

Avoiding 'Greenwash'

'Greenwash' is a term used to describe a deceptive use of marketing or PR that claims a commitment to environmental good practice which is false or misleading. In a time when travellers are increasingly well educated, well read, and concerned about the environment, tokenism and superficial approaches are easily detected. Therefore those businesses that can demonstrate that they are committed to making a real difference will benefit, and those caught in the 'greenwash' will be left behind.

The implications of 'greenwash' can not only affect your business reputation, but under the Trade Practice Act can also have legal ramifications (refer to the [Green Marketing and the Trade Practices Act](#) and the [Carbon Claims and Trade Practices Act](#) for more information).

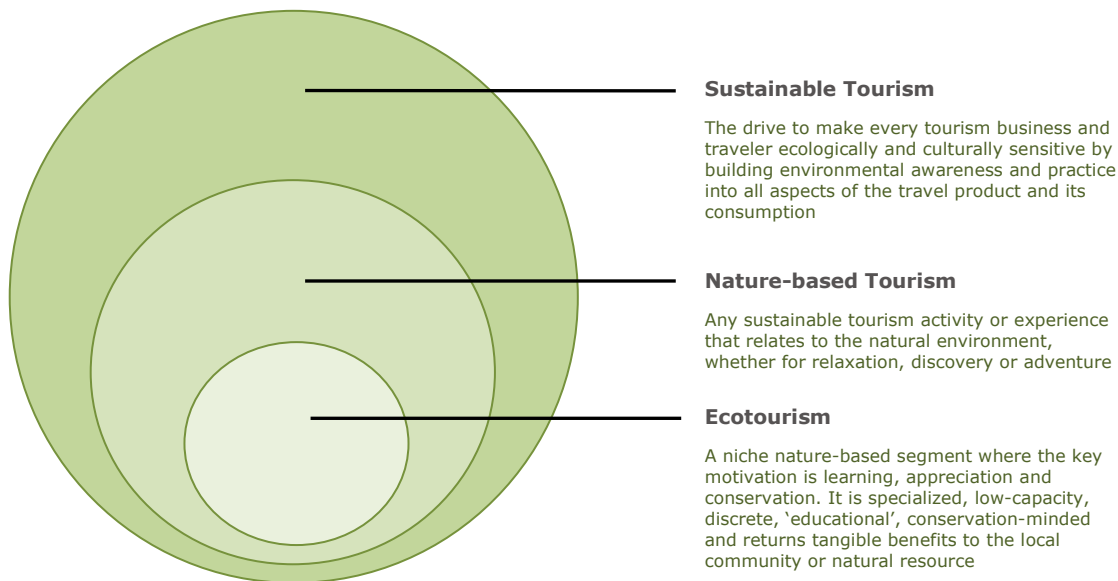
The Pathway to Sustainability for Tourism

The 'Pathway to Sustainability' has been developed to assist tourism operators, destinations and communities to be educated on the issue of sustainability and avoid being caught in the 'greenwash' by having a credible response to sustainability. The pathway is a step-by-step process of adaptation strategies that are designed specifically for the travel and tourism industry.

1. Avoid perceptions of 'greenwash' in responding to Climate Change, adopt a Sustainability Policy, take a Triple-Bottom-Line approach and involve your staff to make real change.
2. Understand the risks of Climate Change, your responsibilities, measure your carbon footprint and then develop a simple action plan to avoid or reduce impacts.
3. Reduce your carbon footprint where possible and consider offsetting the remaining emissions.
4. Promote your successes and educate visitors on your sustainability initiatives.
5. Monitor and evaluate your performance by benchmarking your results against similar operations and review your action plan.

Sustainable nature-based and eco-tourism are often confused (see Figure 2), this simple diagram helps to highlight the difference between these terms. In general, sustainable tourism is about the mainstream or mass tourism industry adopting the principles of sustainability, ecotourism is about sustainability in natural settings.

Figure 2: Defining Sustainable, Nature-based and Eco-tourism



Common Elements of Successful Sustainability Programs

In order to prevent being caught up in the 'greenwash' it is important to consider and incorporate the following seven elements when developing a sustainability program for your operation:

1. **Top down management commitment** including a written environment and social sustainability policy.
2. **Dedicated and trained staff** responsible for taking the written policy forward
3. **Management tools, programs and processes** that allow you to collect and assess your organisation's carbon footprint (including energy, water and waste etc) "*If you can't measure it, you can't manage it*".
4. **Environmental and social management and improvement systems** or a 'Sustainability Action Plan' that covers all elements of your business.
5. **Formal communication processes** to raise awareness of your organisation's commitment to environmental and social responsibility and to celebrate your progress with staff and suppliers (supply chain engagement).
6. **Comprehensive measuring and monitoring system** validated by an independent certification process.
7. **Annual reviews** by management of the performance of the organisation, ensuring the program is dynamic and allows for continuous year-on-year improvement.