

There is undoubtedly growing public awareness concerning the risk of climate change, and the desire for 'guilt free travel'. This is largely due to such events as the 1992 Rio Earth Summit, the 1997 Kyoto Protocol, Al Gore's Inconvenient Truth (2006) and the Stern (2007) and Garnaut reports (2008).

Marketing your 'green' credentials may gain you some attention but be sure it is for the right reasons. There is increasing scrutiny over claims of 'green' business and green marketing will only provide competitive advantage if it is supported by truth.

## Is There a Green Tourist?

While many studies have claimed to identify a 'green' travel segment, the research is not conclusive. What is clear is that the mainstream consumers are becoming more environmentally conscious and there is a group of travellers who have higher expectations of tourism businesses in terms of sustainability. What differs is their age, income, attitudes and buying habits.

Various research programs including Tourism Australia<sup>1</sup>, the Victorian Government<sup>2</sup> and the Ipsos<sup>3</sup> research support the notion that being 'green' may provide businesses with some competitive advantage but only at the comparison stage of travel planning when all other factors (price, experience, emotional payoff) are considered equal.

So while the research is not conclusive on the existence of a green tourist, it is clear that the delivery of green initiatives (energy, water and waste efficiency) in the experience will determine how consumers with a 'green' ethic, especially the higher yield visitors, will rate and recommend you to others. If you can not meet the expectations of your visitors and their perceptions of the promise in your market they will let others know about it!

## Consumer Trends

Research suggests that consumers are responding to the threat of climate change in three ways:

- Changing travel patterns
- Raising expectations of operators and destinations
- Participating in carbon offsetting

### Travel Patterns

The Trip-Advisor survey indicated that one quarter of the respondents believe that air travel should be avoided to help the environment<sup>4</sup>. Further, the UNWTO in their review of Climate Change and Tourism (UNWTO, 2008, p167) identified that consumers are:

- Choosing holiday destinations closer to home;
- Choosing environmentally friendly means of transport;
- Demanding more environmentally adequate infrastructure;
- Favouring destinations that seek to be sustainable;
- Choosing accommodation that is certified; and
- Eating in restaurants providing local and/or organic food.

Experts say that the trend is moving away from 'green travel' towards a recognition of the responsibility for tourism businesses to not just offer carbon offsets but to be environmentally

<sup>1</sup> Tourism Australia 2008. Unpublished research.

<sup>2</sup> Victorian Government. (2008). *Green Light Report: Victorians and the Environment in 2008*.

<sup>3</sup> Goodwin, H. (2005). *Responsible Tourism and the Market*. University of Greenwich, UK.

<sup>4</sup> [http://www.tripadvisor.com/PressCenter-i134-c1-Press\\_Releases.html](http://www.tripadvisor.com/PressCenter-i134-c1-Press_Releases.html)

sustainable and socially responsible in their design and everyday operation. This includes how they treat their staff, if they contribute to the local community, educate their visitors about environmental issues and support conservation.

While consumer awareness of climate change and expectations of operators have both increased, an online survey by Victoria University found that holidaying for 'fun' remains the main motivation for purchasing a holiday (see Figure 1).

**Figure 1: Motivations for Purchasing Choices (best score is 7)**

	Mean	Std. Deviation
To have fun and enjoyment	5.82	1.16
To escape the daily routine and have some freedom	5.68	1.21
To relax and unwind	5.59	1.26
To have time with my family and friends	5.59	1.24
A different or new experience (e.g. culturally different, adventurous or educational)	5.32	1.23
Something beneficial for my health	4.77	1.44
An opportunity for me to get to know other people	4.74	1.50
To protect the environment and our resources	4.70	1.50

### Changing Expectations

A survey by Trip-Advisor showed that 38 per cent of respondents considered environmentally friendly tourism products when travelling, two thirds confirmed that environmentally friendly measures make a difference to their purchasing decisions; and 34 per cent would be willing to pay more for it.<sup>5</sup>

In contrast, the Victoria University research shows that consumers see that the responsibility for being more 'environmentally friendly' rests with operators, and the expectation is that price and mode of travel for holidays will stay the same (see figure 2).

"84% of UK consumers said they would choose an attraction or accommodation provider that was part of a green accreditation scheme over one that was not, if such a scheme existed."  
(English Tourism Council, 2002)

**Figure 2: Future Travel Purchases**

	Mean	Std. Deviation
Choose accommodation promoted as 'environmentally friendly'?	4.69	1.485
Choose an airline with a reputation for fuel-efficient planes?	4.58	1.531
Choose an operator who subscribed to a carbon offsetting scheme?	4.22	1.632
Offset your carbon emissions?	4.21	1.764
Switch from car to public transport?	4.19	1.924
Change your travel patterns or plans to reduce your impact on the environment?	4.09	1.590
Pay more for environmentally friendly accommodation?	3.88	1.683
Take a holiday which involved taking part in conservation activities?	3.86	1.768
Choose a destination nearer to home to minimise environmental damage?	3.84	1.809
Switch from a plane to another form of transport?	3.56	1.813

Unpublished research by Tourism Australia (2007) indicates that while consumers are becoming increasingly carbon conscious, this does not yet carry over to holiday planning or action (including destination choice)<sup>6</sup>.

**For information on how consumers are responding to carbon offsetting, refer to the factsheet *Offsetting Your Carbon Footprint***

<sup>5</sup>See <http://www.TripAdvisor.com>

<sup>6</sup>Tourism Australia, 2008

## Suppliers Expectations

An international survey by the Australian Financial Review in 2008 showed that 36% of Australian companies have already changed products or services to reduce their environmental or social impacts. Of the 7,800+ businesses surveyed, 49% had a written Corporate Social Responsibility (CSR) policy and are looking to manage their reputation by working with like-minded businesses.

In areas of tourism such as conferences and events, there is already a growing demand and expectation that conference venues will be environmentally and socially responsible and have recognised credentials to bid to host events by organisations with a strong CSR ethic. A study of businesses in the United Kingdom found that 89% of organisations that supply the tourism industry believe "issues of sustainability and corporate responsibility" are "extremely important".

The banking sector is also considering operators response to climate change as a lending risk. Recent reports from the Australian banking sector show that sustainability reporting should no longer be regarded as part of public relations and it is about managing risk and creating value.

*Do you know what suppliers expect of you as part of their product lifecycle?*

## Marketing Your Business as Green

Marketing is a useful tool in increasing awareness of your green credentials and educating your customers and suppliers on your operation's response to sustainability but it is important not to become caught up in 'greenwash'.

### **Greenwash**

'Greenwash' is the term used to describe marketing based approaches to make claims of carbon neutrality or environmental sustainability that are not clearly defined and transparent to consumers. By following the 'pathway to sustainability' and being educated on the issue of sustainability, operators can avoid being caught in the 'greenwash' and have a credible response to sustainability.

### **Developing a Green Marketing Program**

The following principles for developing a green marketing program are valuable for operators to consider:

- Always be honest and substantiate any environmental claims
- Identify any genuine environmental benefits about your product or service
- Match your product/service to specific markets, and try to do regular/ongoing market research to identify green trends
- Include details of the natural environment in which your business is located
- Do an environmental scan or audit of your facility, to see where it could become greener, and tell the customer
- Use recycled paper for all your promotional materials
- Think about environmental promotions which you could run to increase occupancy/visitation

*Source: Tourism Victoria, Tourism Excellence*