ECO HOTELS AS A PREROGATIVE FOR THE FUTURE TOURISM OFFER OF OHRID[1]

Kliment Arnudov
Faculty of Tourism and Hospitality – Ohrid
kliment_miko@yahoo.com

Simona Martinoska
Faculty of Tourism and Hospitality – Ohrid
simonabojadzi@yahoo.com

ABSTRACT

An increasing number of tourists across the globe is intensifying the risk of environmental degradation. Stakeholders in the hospitality industry are facing the need to consider the environment while responding to market demand. Development of the city of Ohrid as a prime tourist destination is based on its abundant natural and cultural heritage. However, the supply of accommodation often does not meet environmental standards corresponding to the sensitivity of its outstanding natural habitats. The establishment of eco-friendly hospitality practices in the Ohrid region would therefore erect a firm base for better environmental protection and further expansion of its tourism potential. Greenification of the hospitality supply in Ohrid would not only mean improved economic viability, but preservation of the natural environment and the ecosystem services it provides to the visitor industry. Introducing environmental standards via labeling would enhance promotion of the Ohrid region and its penetration into more contemporary tourism markets.

KEY WORDS: eco-tourism, eco-responsibility, eco-hotels, eco-labels.

---

[1] Review paper

INTRODUCTION

The long-term perspective of the turbulent environment in which the business sector operates indicates that those businesses that care for the environment and society in general have a greater chance 'to survive' and be successful. The consequences of environmental damage can be huge and irreversible, and in this context enterprisesmust established practices that will provide a healthy and safe environment.

Tourism, which is a kind of industry with many stakeholders from the business sector, undoubtedly is having significant impact on the environment. It is an important economic branch, which in many countries develops based on business practices that take care of environmental protection and offer a tourist product based on the quality of the preserved environment.

The tourism sector in Ohrid can be in a huge risk from the introduction of non-selective and purely unnatural techniques, technologies and processes, which can especially be seen inthe hotel operations. The western economic development paradigm led to intense tourism development without taking into account the implications for the environment. As a consequence, the intensive development of tourism (i.e. mass tourism) in Ohrid is destroying tourism itself, as it becomes less attractive forthe tourists. Therefore, there is a need for implementation of a "green" paradigm in the Ohrid tourism sector that will pursue the preservation of nature and ensure its sustainability, i.e. need for greater commitment of tourism enterprises and changing the way they operate, especially the hotels in the Ohrid region.

The negative impact of tourism on the environment and the concept of sustainable tourism development

If societies exploitthe resources faster than they can recover and create waste faster than it can decompose, the inevitable result is an environmental collapse and "denaturing" of nature. Tourism, which is a kind of industry involving many business actors, undoubtedly has a significant impact on the environment. The negative effects occur when environmental changes, resulting from increased levels of tourist traffic andexcessiveusage of resources; become muchbigger than the ability of the environment to overcome and neutralize those changes. There is no doubt that the development of tourism in comparison with other economic activities, is much more dependent on the quality of the environment, of its natural and cultural values.

Tourism increasingly occupies the vital quality location, especially through the forms of touristic urbanization and colonization, which weakens the tourism potential and the image of the destination. Due to its temporal and spatial concentration, tourism generates dangerous ecological consequences in the atmosphere, in the mainland and water surfaces (air pollution, biological pollution, degradation and devastation, waste, noise, tourist "ghettos", etc.).

The main pressure that the tourism makes on the environment is:[2]

- Contamination of soil, water and air as a result of inadequate level of waste management;
- Water pollution due to insufficiently envisaged wastewater infrastructure;
- Upsurge in air pollution and noise due to increased traffic volume;
- Degradation of landscapes as a result of inadequate urbanization and illegal construction practices;
- Negative environmental impact by the hotel complexes;
- Loss of endemic biodiversity and natural habitats as a consequence of uncontrolled human activities.

The need for balance between economic and environmental importance is covered by the concept of sustainable development. The essence of the concept of sustainable development is the belief that social, economic and environmental goals should be mutually complementary and interdependent throughout the entire development process. Sustainable development should be treated as an issue based on the integration of economic and social development with quality environmental management. Basically, the concept of sustainable development is based on economic development, which should be achieved through the rational use of natural resources (primarily renewable) and with the least negative impact on the environment. The sustainable development implies that humans should use nature as much as its renewal permits, andalso protect it from degradation. It is development that improves the quality of human life within the carrying capacities of ecosystems.

---

[2]Jelena Dimitrijevik, „Environment, Tourism and Sustainable Development ",
University of Tourism and Management, Skopje, 2009, p. 98

Sustainable tourism is not a particular form of tourism; on the contrary, all forms of tourism can strive for sustainability. Sustainable tourism would reduce tensions and disagreements that occur in the complexity of the interaction between the tourism industry, visitors, the environment and local community. Sustainable tourism does not promise rapid and short-term financial results, but provides long-term effects from economic, social and environmental aspects.

The concept of sustainable tourism development consists of five components:[3]

- ✓ achievement of economic profit;
- ✓ preserving social integrity and local communities;
- ✓ affirmation of cultural identity of the receptive field;
- ✓ environmental protection;
- ✓ optimal satisfaction of tourism needs.

Eco-tourism tends to give the tourists an insight into the human impact on the environment and incentivizerespect for the nature and its laws. An integral part of eco-tourism is promotion of biodiversity as a sustainable way of preserving and protecting natural values, and promotion of recycling, energy efficiency and conservation of water resources. Most of the tourists involved in eco-tourism have higher ethical values and environmental awareness. Those tourists acquire new experiences through active and direct participation in the destination and its environment, as well as through the protection and promotion of the ecological integrity and biodiversity of the destination.

So-called "green" tourism appears as a form of eco-tourism. This kind of tourism highlights the ecology and environmental protection. While eco-tourism often focuses on a particular group that wants to learn more about the natural environment which is included in the travel and achieve tourist experience, "green" tourism makes focus on urban residents by offering them a way to spend their holidays in the rural areas and reduce stress (which is caused by the urban environment) by bringing them closer tonature.[4] "Green" tourists have

---

[3]Jovicic, D. (2002),Menadzmentturistickihdestinacijama, Zelind, Beograd, p.10

[4]Mitani S., *Green Tourism, Environmentally Sound Rural Tourism in Japan: Recommendations for Improvement ofJapanese Green Tourism Practices*, Maastricht Graduate School of Governance, Master of Science in Public Policyand Human Development, Thesis, p. 6

critical attitude towards environmentally irresponsible practices and tend to apply this environmental awareness in the journey itself.

Because of its specific characteristics, eco-tourism is clearly in total contrast to mass tourism. It is based on small user groups (family, friends) on the demand side, as well focused on small and specific objects on the side of the offer. As a result of the increased demand in the eco-tourism sector as well as the rise and promotion of environmental awareness the United Nations declared year 2002 as an International Year of Eco-tourism.

Eco-responsibility and eco-hotels

Corporate Social Responsibility (CSR) as a relatively new concept in the world has beengaining more and more meaning in the last twenty years. CSR is a dynamic concept that is not yet understood and acceptable for most of the companies and countries in the world, especially for less developed countries such as the Republic of Macedonia.

The term 'social responsibility' is largely insufficiently clear and not accepted especially by the managers of enterprises, primarily because of the large number of obscure definitions andits connection to philanthropy. Usually it is considered as an unnecessary expense which is beyond the basic activities of enterprises.

CSR shows whether and how the organizations (in addition to developing and maintaining the business)care for the people, community, environment and society as well. The term was first used by H. Bowen in his article „*Social Responsibility of Businessmen*" published in the year 1953 to describe the integration of the social issues, decision-making, goals and activities of organizations.

The European Commission gives the following definition: "CSR is a concept through which companies have decided voluntarily to contribute for a better society and cleaner environment. It is a concept in which companies integrate social and environmental interests into their business processes, involving all stakeholders, on a voluntary basis. Social responsibility includes economic,

legal, ethical and discretionary expectations that society requires from the organizations over a period of time".[5]

For the first time in the Republic of Macedonia the term "Corporate Social Responsibility"appeared in year 2004 with the initiative of UNDP in Macedonia for familiarization of enterprises with the notion and significance of CSR, as well as familiarization with the principles of the United Nations Global Compact. There were several projects that have involved wider introduction of the enterprises and public administration with the meaning of this concept. The project of the German Ministry of Development and Economic Cooperation is one of themand this project has offered training and awards for socially responsible practices to some of the Macedonian enterprises.

CSR is a set of activities that enterprises apply in their business strategy and practice or take beyond the core business processes.CSR include environmental protection, protection of citizens' and stakeholders' rights, attitude towards the community and society etc. The part that is related to the protection of the environment actually represents the concept of ecoresponsibility of the enterprises. The activities related to the environmental protection are carried out on a voluntary basis, i.e. the undertaken activities are above the basic minimum of compliance with the legal provisions.

Eco-responsibility is a part of the CSR which in its focus puts the environment and the opportunities that arise for the business from the application of environmentally acceptable practices. In fact, it is the part of the "Triple Bottom Line" or 3P (Profit, Planet, People) of social responsibility, that refers to that "Planet".[6]The term "Environmental responsibility of enterprises" is synonym to the "Eco-responsibility of enterprises".

Eco responsibility offers many operational opportunities. Energy savings, waste reduction and emergence ofthe new markets are just some of the development prospects for environmentally responsible enterprises. There are a multitude of tools that guide businesses in deciding where to find opportunities for their eco-responsibility and for redesigning their operational strategies. Since there is no

---

[5]Archie B. Carroll, *A Three Dimensional Conceptual Model ofCorporatePerformance*, Academy of management Review, 1979, Vol. 4, No. 4, p. 500
[6]https://info.era-environmental.com/blog/bid/40788/sustainability-management-system-the-triple-bottom-line

universal strategy, each enterprise must determine its own approach, taking into account the specificity of its business and the environment.

Eco-responsibility of the enterprisescan have many different forms and activities such as: undertake measures to reduce, recycle and reuse raw materials and waste; minimize the negative impact of exhaust gases on the environment;control the use of water and energy in the company;support for ecological groups; implementation offormal ecological policies etc.

There are three key areas that have to be addressed by hotels that consider themselves to be eco-responsible: 1) commitment to the environment through the application of sustainable practices and instigate positive impact on the environment and society; 2) managing materials and energy in a way to be aware of the resource constraints; and, 3) effective involvement of the stakeholders and full transparency.

Some of the most important components ofeco-responsibility of the hotels are:[7]

- Eco-awareness and dedication;
- Inclusion of stakeholders;
- Measurement, reporting and auditing;
- Transparency;
- Commitment to continuous improvement;
- Overcoming the legal framework and regulations.

Common barriers to implementation of the concept of eco-responsibility in hotels are:(1) low eco-awareness among the owners and managers;(2) business climate and market situation; (3) lack of strong regulation and existence of deregulation in the field of environment;(4) law that enforces doing business with a sole goal of maximizing shareholders' profits;(5) limited capacity and resources for most stakeholders;(6) corporate lobbying for deregulation which limits the environmental regulation; (7) consumers; and so on.

Hotels are one of the most important entities in the travel and tourism industry that offer accommodation for 40-50% of all domestic and international visitors

---

[7]A. Jamison, M.Raynols, P. Holroyd, E.Veldman, K.Tremblett, *Defining Corporate Environmental Responsibility, Canadian ENGO Perspectives*, The Pembina Institute and Pollution Probe, October 2005

(in Europe there are about 160-200 million guests a year).[8]European hotels spend an average of about 72-519 kWh of energy per square meter of land, depending on the location and services offered, i.e. 39 TWh annually.[9] Depending on the source of energy (water, wind, nuclear, oil, coal) hotels are responsible for annual production of about 160-200 kg of carbon dioxide per square meter, which is equal to 10 tons of CO_2 per room.[10] Guests typically consume 90-150 liters of water per night. A typical guest produces about 1 kg of waste per day. It is estimated that 75% of the whole environmental impact created by the hotel industry involves excessive use of local and imported consumable goods, energy and water, along with emissions released into the air, water and soil.[11]

All of these indicators refer to enormous implications of the hotels' operations on the environment. The hotels enter in the top five energy consumers in the sales/service sector. That results in emission of carbon dioxide, consumption of huge amounts of water that is often not treated appropriately, huge energy consumption and poor waste treatment. Because of this, the existing practices of the hotels have numerous critics, so there is a need for hotels to apply more environmentally acceptable practices and products. There are enough materials, sufficient database and technical know-how to implement the concept of eco-responsibility in hotel business, so the challenge now is how to encourage hoteliers to apply it.

Hotels that have made significant changes in their structure in order to improve their environmental footprint often are facing the need for internal reorganization to incorporate the vision of eco-responsibility. In those hotels there is possibility of creating a department for eco-responsibility that will be the holder and controller of the policy, the goals and the plans inthat area, and will evaluate their implementation and will periodically review the implementation.

---

[8] World Tourism Organization, „Tourism Market Trends -2003 Edition, World Overview and Tourism Topics", Madrid, Spain, p. 11
[9] CHOSE (2001) Energy savings by combined heat cooling and power plants in the hotel sector, Report of the Commission o the European Communities, May 31, 2001
[10] EEO(1993) Energy efficiency in hotels – a guide for owners and managers, Department of the Environment, BRESCU, UK
[11]APAT (Italian National Agency for the Protection of the Environment and for Technical Services), 2002

Eco-responsibility enables hotels to gain competitive advantage and more successful positioning and penetration in the modern tourism market. It triggers the movement of innovation and it is an incentive for the hotel managers to create their own distinctive capabilities based on respect for the "green" paradigm by which the hotel would be recognizable by the tourists and competitors.

Proactive eco-responsible hotels are those with top management committed to sustainability with codes of eco-behavior, with cross-functioning teamsfor solving environmental problems, hotels that will offer rewards and incentives for the eco-friendly behavior of their employees and visitors, etc.

The enterprises that have begun to move towards eco-responsibility have found that new structures, processes and incentives are often needed. More important organizational elements shared by proactive eco-responsible enterprises are the following:[12]

- Top management with commitment to the eco-responsibility;
- Involvement of the line managers;
- Codes of ecological behavior - environmentally proactive enterprises place their obligation in a written form, often in the form of a code of behavior or charter explaining company's environmental goals;
- Cross-functional teams - use of an ad hoc cross-functional teams to solve environmental problems, including individuals from different departments;
- Rewards and incentives.

An eco-hotel actually is an eco-responsible hotel. It is a hotel or accommodation that has made significant environmental improvements in its structure in order to minimize the impact on the environment. An eco-hotel should rely on the environment, contribute to environmental protection, implement eco-training programs, etc. These are hotels that are eco-friendly and significantly consider the use of energy, water and materials, while delivering high-quality services and products.

---

[12]Anne T. Lawrence, James Weber, „Business and Society: Stakeholders, Ethics, Public Policy"12th ed., 2008, p. 267-268

Important indicators of an hotel is eco-responsible hotel; would be the following: resolving environmental problems as an integral part of the hotel's strategy; economical and sustainable useof raw materials and all other materials; taking care of saving energy, reducing waste, recycling and prevention of pollution; treating environmental risks in a transparent way; cooperation with the public administration, scientific institutions and non-governmental organizations; applying eco-standards and labels, etc.
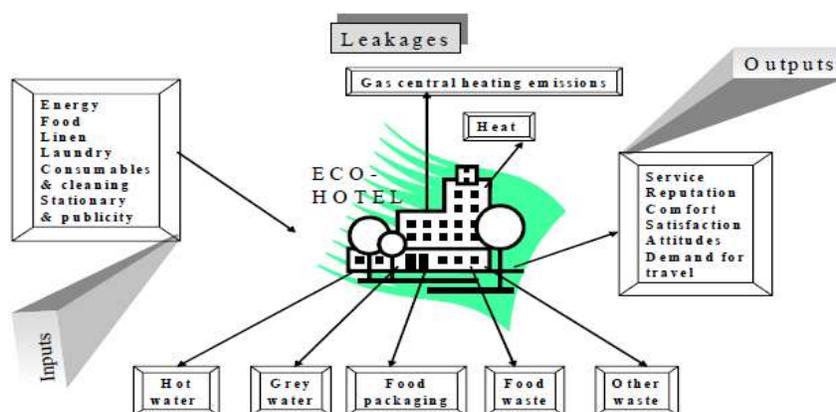
Ecological impact of hotel operations
(source: Gray and Bebbington 2003)

Two approaches can be applied in order to implement responsible management ofresources in the hotel industry. One is through the environmentally acceptable construction of new hotels (passive construction), and the other is by applying environmental practices to already existing hotels.[13]

The survey that we conductedin several (13) larger hotels on the Ohridriviera[14] shows a high familiarity with the concept of eco-responsibility, namely 100% of the respondents reported that they are familiar with it.

---

[13]Paulina Bohdanowicz, *Responsible resource management in hotels – attitudes, indicators, tools and strategies,*Doctorial Thesis, School of Industrial Engineering and Management, Stockholm 2006
[14]The survey was made by the authors of this paperand it was conducted in the months of June and July 2017

Of the respondents in the hotels included in this survey 62.23%have applied some eco (environmentally) responsible business practices in their work.

Half of this hotels in their operations partially use electricity originating from renewable sources.

All of the managers of the hotels in this survey reported that they practice rational use of water in their hotel and implement good wastewater practices.

Only 23.08 % of the hotels do not pay attention to carbon dioxide emissions.

61.53% of the hotelspractice separation of waste, and half of them inform guests about energy saving.

A high percentage of them (84.6%) reported being familiar with eco-standards, while 62.23% have adopted a plan for protection of the environment.

All of the managers of the investigated hotels think eco-responsibility is necessary.

About a third or 30.77% of them would apply the concept of eco-responsibility for eco purposes and 38.47% for saving energy and other costs, 15.38 % would apply the concept of eco-responsibility to increase the hotel's competitiveness and improve the image of the hotel.

Application of eco-labels in the hotel business

Acquiring an eco-label does not meana hotel will be successful by default. The eco-label is only an opportunity to enter into the market, to penetrate, and success will depend on many other things. The eco-label can improve product or service sales, but also it can have an impactfor the positive image of those businesses who acquired it. It also triggers innovations. However, its main function is to provide commitment to continuous improvement of performance and to encourage motivation for introducing new technological solutions.

There are more than 100 eco-labels for tourism, hospitality and eco-tourism that were established in the mid-1980s, but mainly developed in the nineties.[15]Some of the eco-labels are of the local significance, and some are internationally recognizable. The first eco-label in tourism was created in 1985. It was the Blue

---

[15]EEA, „*Europe's environment: third assessment*", Environmental Assessment Report No. 10, European Environmental Agency, Copenhagen, Denmark, 2003, pp. 89

Flag –an international label indicating the beaches and marinas that meet the requirements for clean water, clean environment and coastal areas.

Using an eco-labelraises the quality of the services, increases the competitiveness and the image of hotels, while at the same time is respecting the local, regional and national environmental prerequisites. The ecological criteria related to the environmental and natural resources or emissions,which has to be observed, are expressed in absolute (number) or relative (percentage) digits and units (kWh, liters, volume, room, bed, number overnight stays, m2, etc.), as well descriptive in the form of using or not using certain materials or ingredients.

Commonly recognized obstacles for the implementation of eco-labels and eco-standards in the hotels usually are: resistance to change; lack of knowledge, skills and experience in implementation; high costs in introducing environmental principles; mistrust of employees in the justification of their implementation; low ecological awareness of employees and tourists; staff's burden with daily work; lack of support from stakeholders; long waiting periods for the results that will be achieved through application of eco-labels; etc.

The Republic of Macedonia through the Ministry of Environment and Spatial Planning, introduced a national system for environmental labeling of products and services Type I in accordance with ISO 14024 - (Eco-labels and declarations - Eco-labeling Type I - Principles and Procedures). In accordance with the Law on Environment (Official Gazette of the Republic of Macedonia No. 53/05,81/05,24/07), the Rulebookwas created that regulates the form and content of the ecological label, the manner, the conditions and the procedure for its assignment and usage, as well the composition and manner of establishment and operation of the Commission for the ecological labeling. Namely, the ISO 14024 standard provides the preparation of an EcoLabeling Program which represents a set of ecological criteria for different types of products and services adopted by a competent ministry according to a specific procedure.

Unfortunately, in Ohrid there is not hotel with an eco-label and the survey showed that there is no interest to invest in achieving that label or to make first steps in that area, even though based on the same survey, the awareness for the eco implications and benefits of eco-responsibility is evaluated as high.

Conclusion

The hotels as one of the biggest "actors" in the hospitality industry,undoubtedly are having a hugeimpact on the environment. The impact can be related to the hotel location, use of resources by hotel (the hotel business is a resource-intensive activity), pollution and waste generation, the impact on natural habitats etc.

To reduceenvironmental impact, hotels in Ohrid need to adopt an integrated approach that takes into account direct and indirect economic, social and environmental implications of their decisions and actions. Hotelsas a business entities are not isolated, but operate in the environment and can significantly impactits condition, and of courseaffect the attractiveness of theOhrid region as a tourist destination. Therefore, they should also contribute to reduction of harmful activities and maintenance of the nature balance. That undoubtedly will cause a lot of innovative ideas for the hotels located in the Ohrid region, which, if there is acceptance and support from the management, can become a source of their own distinctivecapabilities, which will differfrom the other hotels in Macedonia and around the world as well.

The survey conducted amongst the hotels located in Ohridshows great awareness for the concept of eco-responsibility, as well awareness for the importance of it. In fact only one third of the hotels do not have environmental protection planand do not practice eco-responsible practices in their operation. They fully apply good practices only for rational use of water and efficient drainage of waste water.

The percentage of 53.84% for the use of electricity from renewable sources shows insufficient application, taking into account the possibilities that the Ohrid region has (for utilization of solar energy and other renewable energy sources).

The indicator of 23.08%of hoteliers failing to take care of emission of carbon dioxide showsrelatively high environmental concernregarding the emissions of harmful gases and corresponds with the fact that 69.23% of the entities have adopted a plan and policy for environmental protection.

Although 85% of the entities show familiarity with eco-standards, almost half of them do not practice tools and methods for familiarizing and educating the guests regarding the protection of the environment and saving resources.Unfortunately, hotels do not realize the promotional power of the

concept of eco-responsibility. Namely, they are mostly motivated to apply the concept of eco-responsibilityfor economic reasons, only partiallyforecologic goals, but very small percentage of them believe that the concept of eco-responsibility canbe a promotional tool for them, a tool for building a good image and increasing their competitiveness.

References:

1. A. Jamison, M. Raynols, P. Holroyd, E. Veldman, K. Tremblett, Defining Corporate Environmental Responsibility, Canadian ENGO Perspectives, The Pembina Institute and Pollution Probe, October 2005

2. Anne T. Lawrence, James Weber, „Business and Society: Stakeholders, Ethics, Public Policy", 12th ed., 2008

3. APAT (Italian National Agency for the Protection of the Environment and for Technical Services), 2002

4. Archie B. Carroll, A Three Dimensional Conceptual Model of Corporate Performance, Academy of management Review, 1979, Vol. 4, No. 4

5. CHOSE (2001) Energy savings by combined heat cooling and power plants in the hotel sector, Report of the Commission o the European Communities, May 31, 2001

6. EEA, „Europe's environment: third assessment", Environmental Assessment Report No. 10, European Environmental Agency, Copenhagen, Denmark, 2003

7. EEO(1993) Energy efficiency in hotels – a guide for owners and managers, Department of the Environment, BRESCU, UK

8. https://info.era-environmental.com/blog/bid/40788/sustainability-management-system-the-triple-bottom-line

9. JelenaDimitrijevik, „Environment, Tourism and Sustainable Development ", University of Tourism and Management, Skopje, 2009

10. Jovicic, D. (2002), Menadzmentturistickihdestinacijama, Zelind, Beograd

11. Mitani S., Green Tourism, Environmentally Sound Rural Tourism in Japan: Recommendations for Improvement of Japanese Green Tourism
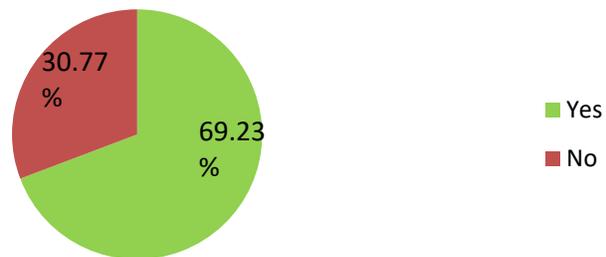
Practices, Maastricht Graduate School of Governance, Master of Science in Public Policyand Human Development, Thesis

12. Paulina Bohdanowicz, Responsible resource management in hotels – attitudes, indicators, tools and strategies,Doctorial Thesis, School of Industrial Engineering and Management, Stockholm 2006

13. World Tourism Organization, „Tourism Market Trends - 2003 Edition, World Overview and Tourism Topics", Madrid, Spain

Appendix:

Are you familiar with the eco-standards and eco labels?

15.39%

84.61%

■ Yes

■ No

Does the hotel have a plan or policy for environmental protection?

30.77%

69.23%

Yes

No

Do you think that the eco-responsibility of the hotels is trend in the tourism sector?

100%

Yes

No

Do you consider that the eco-responsibility of the hotel will attract tourists who are willing to spend more finances?

7.7%

92.3%

Yes
No

You would apply the concept of eco responsibility of the hotel primarily because of:

30.77%
0%
15.38%
38.47%
15.38%

Ecologic goals
Marketing goals
Increasing the competitiveness of the hotel
Saving the energy and other costs
Improving the image of the hotel