



Energy practices among small- and medium-sized tourism enterprises: a case of misdirected effort?



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ABSTRACT

Discussion of sustainable tourism has become dominated by the issue of climate change. As a major source of emissions, the tourism sector has a vital role to play in efforts to mitigate the effects of climate change. Within the current body of knowledge and among major policy discourses, the prevailing paradigm has been to encourage action: reduced emissions will follow innovations in managerial practices and the uptake of the latest, most resource-efficient technologies. This paper examines energy practices among small- and medium-sized tourism enterprises (SMTEs), reporting empirical research conducted as part of a five-year programme. Although energy was a significant cost of production, it did not feature prominently in the business administration of most SMTEs. A major knowledge gap was exposed regarding how energy was consumed and administered by individual businesses. The paper argues for a major shift in thinking away from the number of actions as the key success criterion. Action alone is no guarantee of emissions reductions in a sector where growth is the dominant imperative. Instead, a crucial reorientation towards stimulating higher levels of energy literacy among SMTEs is necessary in parallel to rebalancing of attention towards energy generation.

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1. Introduction

There has been considerable interest in the extent to which the tourism sector may contribute to achieving targets for emissions reductions (Scott et al., 2010; Gössling, 2013; Peeters and Eljgelaar, 2014). Following mainstream thinking (Stern, 2007; Giddens, 2009; Pinske and Kolk, 2009), a major theme on the supply side has been the link between business innovation and climate change mitigation (Scott et al., 2012; Coles et al., 2014). Consistent with Stern's (2007) view that a delayed response does not postpone climate change rather than compound the problem further, both academic and policy discourse has stressed the importance of as many tourism businesses innovating as far and as soon as possible (Scott et al., 2010; Gössling et al., 2010; Coles et al., 2013). Central to this logic is that lower emissions should follow changes in

managerial practices and production processes that serve to reduce demand for energy and other environmental resources. Business administration of this nature should result in favourable economic outcomes (Simpson et al., 2008), although this relationship has yet to be definitively proven (Rodriguez and Cruz, 2007; Claver-Cortes et al., 2007; Singal, 2014).

Of course, the supply side is only one dimension of the tourism sector response to climate change. Pro-environmental behaviour change among tourists (i.e. the demand-side) has an important role to play (Gössling et al., 2012; Higham et al., 2013) as does regulation and governance (Gössling et al., 2010; Becken and Hay, 2012; Hall, 2013). However, accommodation businesses may be responsible for as much as 1% of all global emissions. Simpson et al. (2008: 66) report that in 2005 the tourism sector contributed around 5% of global anthropogenic CO₂ emissions but this 'may be higher (from 5% to 14%) if measured as radiative forcing'. Of that, accommodation (hotels, motels, bed & breakfast, camping, apartments and second homes) accounted for 21% (via energy throughput only), although 'such businesses have considerable options to reduce energy use, which usually offer economic benefits, too' (Simpson et al., 2008: 77). Set against this backdrop, this paper examines energy practices among small- and medium-sized tourism enterprises (SMTEs) in

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the accommodation sector in the South West of England. Within the European Union small- and medium-sized enterprises (SMEs) are defined as companies with fewer than 250 employees and/or turnover less than €50 million (EC, 2014). In the UK, as elsewhere around the world, SMTEs dominate the tourism sector (Thomas et al., 2011). In 2013, there were 169,000 SMEs involved in accommodation and foodservice (the standard government categorisation) and they accounted for 59.1% of employment and 56.1% of turnover in this area of economic activity (BIS, 2013). It is therefore imperative to understand how they have responded to climate change. More specifically, the paper argues for a fundamental shift in thinking from merely implementing pro-environmental measures towards stimulating greater levels of energy literacy among SMTEs. In parallel, it advocates a rebalancing of attention towards energy generation in addition to – and not at the exclusion of – consumption. In the next section, these ideas are initially elaborated through an identification of the main ways in which energy has been studied in and around accommodation businesses.

2. Theoretical framework

Adoption of the principles of sustainable development has been a longstanding ambition for the tourism sector (Butler, 1999). As an inherently consumption-oriented form of human activity (Hall, 2011), the main challenge has been to ensure that tourism continues to offer economic and social opportunities but not at the expense of unacceptable levels of environmental resource use and degradation that challenge its future viability. Since the turn of the millennium, this aspiration has become ever more urgent in light of climate change (Hall and Higham, 2005; Gössling and Hall, 2006). As recent reviews testify (Becken, 2013; Kajan and Saarinen, 2013), the growing body of knowledge on tourism and climate change has explored a range of issues covering both adaptation and mitigation. As noted above, the tourism sector is a notable generator of emissions and, not surprisingly, there has been considerable interest in mitigation in three broad areas. Behavioural studies (effectively focussing on the demand side) have explored the responses of individual tourists to climate change. This has covered a wide range of issues around the themes of travel choices and behaviours in transit, in particular settings, and at destinations (Barr et al., 2011; Cohen et al., 2011, 2013; Mair and Laing, 2013).

In parallel, supply-side studies have explored the business response. Various motivations to act on climate change have been identified. These range from a sense of corporate social responsibility among larger transnational enterprises (Bohdanowicz and Zientara, 2012) to intrinsic personal interest in the environment and climate change among individual entrepreneurs (Sampaio et al., 2012a,b). Similarly, several broad syntheses of the academic and grey literature have identified the many managerial and technological innovations that may contribute to the mitigation effort in accommodation providers in different settings (Simpson et al., 2008; Gössling, 2011; Scott et al., 2012; Becken and Hay, 2012). Neither intention to respond nor the identification of prospective solutions have been proven to be clear predictors of whether action will follow and the nature it will take. For instance, through a Cluster Analysis of travel agencies in Hong Kong, McKercher et al. (2014: 685) identified five groups defined by their varying knowledge of, and commitment to act on, climate change. However, little action followed because ‘the combination of lack of leadership among managers and ignorance among front line staff means that neither feels responsible for, nor able to address the issue’. Similarly, Coles et al. (2014) identified three groups of businesses on the basis of their mitigation behaviours. The largest group, comprising over a half of accommodation providers, had

taken the least action and implemented the fewest pro-environmental measures.

Connected to both demand- and supply-side perspectives has been discourse on the governance and regulation of travel and tourism. As Hall (2013) demonstrates, the centre of debate has been whether the state must intervene to ensure that tourism participates fully in emissions reduction, or whether producers and consumers will take sufficient voluntary action to ensure that the tourism sector contributes satisfactorily to international and national targets (Gössling, 2013; Scott and Becken, 2010; Coles et al., 2013). Studies like those of McKercher et al. (2014) and Coles et al. (2014) have suggested very strongly that insufficient action has been taken to date. They have also pointed to the limits of research on motivations on the supply side: if sub-sector prospects are to be accurately appraised, it is the nature and outcomes of action, not intention, that must be measured precisely.

For the accommodation sector, two principal strands of work have emerged on energy as the vector between tourism businesses and emissions. First, there has been a series of studies measuring the resources required by tourism businesses (and hence emissions), with a view to establishing benchmarks from which to monitor and manage future consumption (Bohdanowicz and Martinac, 2007; Beccali et al., 2009; Rossello-Batle et al., 2010; Filimonau et al., 2011). Detailed assessments of the efficiency of individual properties have been conducted, with estimates of resource use for hotels and other accommodation types in Hong Kong (Deng and Burnett, 2000; Deng, 2003), Singapore (Priyadarsini et al., 2009), Taiwan (Wang, 2012), Australia (Warnken et al., 2005), Italy (Beccali et al., 2009), Spain (Rossello-Batle et al., 2010; Oreja-Rodriguez and Armas-Cruz, 2012), and Turkey (Onut and Soner, 2006). Similar exercises have been conducted across the accommodation estates of international hotel chains, like Hilton and Scandic (Bohdanowicz and Martinac, 2007).

A second, connected strand has explored the possibilities of new technologies – especially related to renewable energy sources – to enhance the environmental performance of tourism premises and destinations (Kariagiorgas et al., 2006; Michalena and Tripanagnostopolous, 2010). For instance, Chan et al. (2008) investigated solar control window film as an energy saving device in hotels in Southern China, while Bode et al. (2003: 265) demonstrated the potential for holiday facilities to ‘be supplied CO₂-emission free with the commodities [of] electricity, water, heat, cold (air) and mobility’. Of course, capability does not always translate into adoption and the rate of uptake depends on such issues as perceived business benefits, payback periods and the capacity for innovation (Dalton et al., 2007; Coles et al., 2014); the nature of the buildings and premises (Dalton et al., 2008, 2009); governance structures and regulatory regimes (Michalena et al., 2009; Coles et al., 2013); and the value sets of entrepreneurs, including their personal valorisation of climate change (Tzschentke et al., 2008; Chan, 2011; Sampaio et al., 2012a,b).

A closer reading reveals there are several notable commonalities among the studies in both strands. First, the principal unit of analysis is the business, and energy consumption data are routinely presented in aggregate form. Variations associated with different fuel types are recorded only in few cases (cf Deng, 2003; Deng and Burnett, 2000; Priyadarsini et al., 2009). Mostly this has been to explore the penetration of renewable energy technology into the supply chain and the emissions savings that follow (cf Beccali et al., 2009; Michalena and Tripanagnostopolous, 2010). Alternative scenarios for reducing emissions by altering the modes of generation for existing fuel types are mostly overlooked (cf Rossello-Batle et al., 2010: 553). Instead, a general but axiomatic inference is that reduced reliance on fossil fuels will result in lower emissions. Rarely is there discussion about whether it would be either

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