



**CONTEMPORARY
ISSUES**
in
**MALAYSIAN
TOURISM**

Editors

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CONTEMPORARY ISSUES *in* MALAYSIAN TOURISM

Contemporary Issues in Malaysian Tourism is a book that aims to present a new and refreshing approach to the study of tourism. It highlights significant issues in the Malaysian context, ranging from tourism education to e-tourism, as well as challenges in sustaining tourism destinations and managing hospitality operations during the recent Covid-19 pandemic. As the scope of the content is wide-ranging, this book provides an overview of how Malaysia's tourism industry operates and would benefit destination managers, marketers, policymakers and other stakeholders. Divided into three sections, this book is a collection of both empirical and theoretical research, covering several topics such as community-based ecotourism, Islamic tourism, sports tourism, food tourism and green tourism. It is suitable for students, academicians, and practitioners alike as it introduces key ideas and presents several perspectives on how stakeholders in the industry understand the issues, the challenges being faced, and the necessary measures taken to meet the ever-growing demand for travelling.



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7 Implementation of the ASEAN Green Hotel Standard in Promoting Sustainable Tourism Development

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Introduction

Developing the tourism industry is one of the important agendas of the Association of Southeast Asian Nations (ASEAN) to promote economic development and create more employment opportunities for its citizens. ASEAN was established in 1967 as an economic union comprising ten Southeast Asian states which are Singapore, Indonesia, Malaysia, the Philippines, Thailand, Brunei, Cambodia, Laos, Myanmar, and Vietnam. ASEAN also promotes inter-governmental cooperation ranging from economic, political to educational and cultural integration among its members. ASEAN countries are among the popular tourism destinations in the world due to its abundant cultural and natural resources. Tourism is one of the priority sectors for ASEAN economic development. The latest tourist statistics compiled by the ASEAN Tourism Statistics Database showed that the number of international tourists visiting the ASEAN region had increased from 105 million in 2014 to 108 million in 2015 (ASEAN ORG., 2021). Tourism has drawn the attention of not only the usual markets in Europe and America but also from Asia's economic giants and emerging markets. Around 40% of them are intra-ASEAN and about 60 percent are extra-ASEAN tourists. Thus, tourism is not only recognized as a key revenue generator by every ASEAN country, but also accounts for a large part of the global economy and employment.

Tourism contributes to economic growth and provides major income to countries, thereby generating massive

employment opportunities. Nevertheless, tourism's economic benefits could lead to unplanned growth of tourism infrastructures and attract mass tourism in many countries and consequently bring negative impact on the environment and social problems among communities (Furqan et al., 2010). Due to the negative impact of tourism development associated with mass tourism, the concept of environmental sustainability has emerged as one of the important concepts in the tourism and hospitality sector. The accommodation sector which includes hotels and resorts, is one of the most important segments of the tourism industry. The hotel industry in particular has gradually adopted more green practices to accommodate increasing demand from hotels guests who require green services (Hays & Ozretić-Došen, 2014). Eco-friendly hotels are hotel properties that practice water and energy conservation and waste management system. There are several advantages for hotel and resort properties that choose to go green. First, going green may provide long-term cost reduction through implementing energy saving and waste management control. Second, green hotel management attracts a growing market of customers seeking green services. In short, going green is one of the strategic moves by hotels or resorts to: enhance their service value, differentiate from their competitors, create positive image and attract loyal customers (Hays & Ozretić-Došen, 2014).

Despite the fact that going green is still one of the best strategies among hotel operators to remain competitive, there are concerns among developers or owners regarding the preference among customers towards green hotels. Butler (2008) claims that green hotels will remain popular and continue to flourish with a strong mandate and support by the government through various incentives and certification programs. This chapter illustrates the importance of having a green standard and certain kinds of certification with green hotel operation in order for hotels and resorts to remain competitive. It will identify different types of certifications or standards available for the accommodation sector to obtain, which are commonly used and offered by different

3. Employee performance – Operating green hotels or resorts may also influence employee performance and perception towards their working environment and the company they work for. Working with hotels and resorts that promote green practices creates a sense of pride among employees and it could improve employees' performance by taking part in a green movement (Kim & Choi, 2013). Therefore, applying green practices in a hotel or resort will also affect employees' perception and behavior and in turn will influence company productivity.
4. Customer satisfaction – There is an increasing trend among tourists to look for green accommodation. In a study by Han et al. (2011), it was found that customers' intention to visit a green hotel or resort is to gain new experiences and to follow their desire to support an environmentally friendly movement. Hotels or resorts will gain a positive image and create good relationships among guests by implementing green practices (Martínez, 2015).
5. Motivation and loyalty – Employees in green accommodations are required to have skills in green practices. As the success of a green resort is highly dependent on its employees' ability, a fair amount of training is conducted for employees in most green hotels or resorts. As a result, employees are able to upgrade their ability and gain better health/lifestyle (Bohdanowicz & Zientara, 2009). Moreover, staff learn to be more creative and innovative in terms of green practices. Consequently, this will raise the motivation and loyalty of staff which in turn improve company performance.
6. Regulatory compliance – There is a great deal of state regulations that are applied to waste, air, greenhouse gas emissions and energy use. Hotels and resorts anticipate these

regulations that emerge as obstacles including the cost. By implementing green practices, it can help companies to adapt to regulations and avoid potential emerging costs.

7. Risk management – Environmental management allows a green resort or hotel to control the effects of its operations. A company which integrates environmental issues in its decision-making and reduces impact on the environment can rise to a higher level, therefore making the company safer.

Issues and Challenges in Implementing Green Practices

A green resort has to face many challenges. First, a green resort needs a huge budget to run its operations. The investment in green resort development will cost more than conventional resorts and it takes time to gain profit (Ahn & Pearce, 2013). Many resort operators have a perception that green practices will be more expensive due to environmental auditing, certification fees and facilities improvement. Even though some green operators assume that green practices can reduce operating costs, many managers claim that it is difficult to employ green practices due to its high cost and maintenance (Kleinrichert et al., 2012). Some of the high costs associated with green practices are related to the installation of new technologies or systems such as solar panels, rain water tanks and other necessary equipment. Second, it is difficult to satisfy customers' expectations to get sophisticated familiar services and at the same time, be green. A green resort demands that customers for example, limit the usage of water and electricity, reduce the use of air conditioners, and apply waste separation practices. However, even if the resorts are successful in implementing their green initiatives, it is still hard to secure customers' understanding about the overall green image of resorts (Martínez, 2015). According to

Hays and Ozretic-Došen (2014), many customers are still not yet ready to change their lifestyle when they are staying in a green resort. Customers are not willing to sacrifice their comfort, gain lower quality service or pay a higher price for green services.

Third, green resorts depend heavily on manpower to apply green practices. Based on a study by Kim and Choi (2013), resort employees support the efforts by resorts to implement green practices for their properties but they need detailed information about green practices and how such practices are important to them and to the resorts. All employees in a green resort should have the responsibility to control environmental impact, and they must be able to identify pollution sources and create solutions for it (Renwick et al., 2013). In the context of developing countries, the concept of green resort is relatively new and identified as an emerging trend, so much so it is difficult to find employees who have adequate knowledge and experience to operate a green resort (Deraman et al., 2017; Punitha et al., 2016). Issues concerning green resorts among others are also about green-washing in the resort industry. Green-washing results in decreased credibility of green resorts by consumers. Resorts that promote green practices but only implement some of the practices on their properties are considered as green-washing. A lot of resorts are using the green image with the aim of improving the company's image. As a consequence, consumers become skeptical of the authenticity of green resorts. Apart from this, green resorts lack insufficient support from society and stakeholders. There is a need to enhance the level of support from the government as well, as resort operators need to ensure that the concept of green practices is dutifully implemented (Punitha et al., 2016).

There is a large number of green resorts operating at various destinations attracting tourists who are interested in nature activities in Indonesia and Malaysia. Several tourist destinations in Indonesia such as Bali, Yogyakarta, and Batam have plenty of resorts which have been certified as green hotels by many different

institutions. A research conducted by an academician in Indonesia has shown that a lot of resorts in famous tourist destinations have conducted environmentally friendly programs as green resorts. However, their implementation is still not optimal because of several obstacles related to high cost, consistency of staff, and difficulty in attracting guests in a green resort application (Sinangulyo, 2013). In addition, the acceptance level of green practices among hotels and resorts is relatively slow even though the government has reinforced green practices in its National Green Technology policy since 2009. (Deraman et al., 2017). Despite this, there is an increasing number of resort properties adopting green practices, particularly those properties located in sensitive environments such as forest reserves as well as island beaches.

ASEAN Green Hotel Standard and Certification

The number of sustainable rating tools and certification schemes have increased significantly to evaluate the environmental performance of buildings including hotels and resorts around the world. For example, in the United States, BREEM (Building Research Establishment Environmental Assessment Methodology) was developed and LEED (Leadership in Energy and Environmental Design) in the United Kingdom to benchmark sustainability in buildings (Reid et al., 2017). The same trend is observed within the Asia Pacific region where many countries are currently developing and offering various rating tools and certification schemes for buildings including hotels and resorts. Some examples of green hotel or resort certifications which have been awarded in Southeast Asia are "Best Green Hotels", "ISO 14001", "ECOTEL", "Green Globe 21" and others. However, not all international certifications can be applied to lodging properties within the region due to the different needs and requirements of specific countries (Siti-Nabihah et al., 2014). A suitable standard or certification scheme is needed for ASEAN countries.

To provide an adequate standard and to enhance the environmentally-friendly accommodation industry in ASEAN countries, the ASEAN secretariat has established the ASEAN Green Hotel Standard (AGHS). In applying this standard, ASEAN selects the best green hotels and resorts in ASEAN member countries, biennially. The main purpose of the ASEAN Green Hotel standard is to protect and sustain the region's natural and cultural resources from pollution and environmental issues caused by tourism activities particularly those that take place at hotel and resort settings. To encourage more hotels and resorts to participate and apply for the ASEAN Green Hotel standard, the ASEAN secretariat has organized a biennial Green Hotel Award event since 2008. The event takes place in each ASEAN country. The first event was organized in Thailand and the most recent award event took place at Bandar Seri Begawan, Brunei Darussalam in 2020. Selected hotels and resorts operating within the ASEAN region have been awarded the ASEAN green hotel standard as part of the ASEAN initiative to promote sustainable tourism practices in all ASEAN countries.

The ASEAN Green Hotel Standard includes some essential elements in its standard. These include environmental plan, green product, human resource and environmental management. The standard was established as a step to promote environmentally friendly programs and energy conservation. A green hotel or resort operation can run properly when the resort is supported by good environmental management. The stakeholders such as hotel management, staff, guests, and community should cooperate with each other to achieve goals as a green hotel or resort (ASEAN Green Hotel Standard, 2016). The ASEAN green hotel standard indicates that hotels which are certified have implemented and complied with the requirements as green hotels. Such standard includes eco/sustainability certificates/schemes which indicate important signals for hotel guests and functions as added value to the property (Lebe & Vrečko, 2015). Table 7.1 show the major criteria and requirements of ASEAN Green Hotel Standard.

Table 7.1 Major criteria and requirements of ASEAN green hotel standard

Major criterion	Requirement
1. Environmental policy and actions for hotel operation	1.1 Promote environmental activities in order to encourage involvement of hotel staff, clients and suppliers to participate in environmental management practices. 1.2 Plan for raising staff awareness of the environment i.e., training. 1.3 Environmental management plan for hotel operation. 1.4 Monitoring program for environmental management of hotels.
2. Use of green products	2.1 Encourage the use of local products for hotel operation i.e., food and handicrafts. 2.2 Encourage the use of environmentally friendly products.
3. Collaboration with local communities and local organizations	3.1 Plans/activities to help improve quality of life of the community. 3.2 Awareness raising programs for local community on environmental protection.
4. Human resource development	4.1 Provide training programs for operation and management staff on environmental management.
5. Solid waste management	5.1 Introduce waste management techniques e.g. waste reduction, reusing, recycling, waste separation and composting. 5.2 Encourage involvement of hotel staff in waste reduction, reusing, recycling, waste separation and composting programs. 5.3 Encourage involvement of hotel guests in reusing, recycling, waste separation and composting programs.

(Continued)

6. Energy efficiency
 - 6.1 Introduce energy saving techniques and / or energy saving technology and equipment for hotel to reduce energy consumption.
 - 6.2 Install meters/equipment to monitor energy consumption.
 - 6.3 Encourage involvement of hotel guests in energy saving.
7. Water efficiency and water quality
 - 7.1 Introduce water saving techniques and / or use of water saving technology and equipment to reduce water consumption.
 - 7.2 Regular maintenance of water saving equipment.
 - 7.3 Encourage involvement of hotel guests in water saving.
 - 7.4 Ensure water quality in hotel.
8. Air quality management (indoor and outdoor)
 - 8.1 Designate smoking and non-smoking areas.
 - 8.2 Regular monitoring and maintenance of equipment and hotel facilities to ensure air quality and air conditioning quality.
9. Noise pollution control
 - 9.1 Noise control program in hotel operation.
10. Waste water treatment and management (water quality)
 - 10.1 Use of mechanisms to prevent water contamination and reduce waste water generation.
 - 10.2 Promote use of recyclable/grey water in operation e.g. water trees.
 - 10.3 Encourage appropriate use of wastewater treatment.
11. Toxic and chemical substance disposal management
 - 11.1 Provide clear signs and labels for toxic substances.
 - 11.2 Appropriate hazardous waste disposal management.

Source: ASEAN (2016, pp. 5-7).

Conclusion

Green hotels or resorts have the potential to be developed as one of the attractive tourism products in promoting sustainable tourism development in ASEAN countries. This chapter highlights the need to have some kind of environmental standard in implementing green initiatives in hotels and resorts in the Southeast Asian region. This chapter also identifies the important attributes needed in implementing the green standard in resorts and hotels in Malaysia and Indonesia. There is increasing support from governmental and non-governmental organizations on sustainability; therefore, the accommodation sector has to play their role effectively as a leader in championing sustainability practices (Reid et al., 2017). There are various certification programs and standards available to apply for sustainability practices in the accommodation sector such as LEED and BREEM certification programs, the ASEAN Green Hotel Standard and the Green Globe Standard. Green practices outlined by these certification programs provide many benefits to the accommodation sector particularly in Malaysia such as securing a competitive edge and better cost management.

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