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ENVIRONMENTAL SUSTAINABILITY IN INDIAN HOTEL INDUSTRY: AN ENVIRONMENTAL BUSINESS MODEL PERSPECTIVE

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Abstract

This study conceptualises the application of Environment Business Models (EBMs) in Indian hotel industry by focussing on environmental aspects integrated into business model components i.e. value propositions, value creation and value capture. It analyses the application of this framework on 58 hotel companies by analysing their annual reports, sustainability reports and websites. The findings illustrate that Environmental Business Models are not properly developed and there has been uneven progress in their components. In Indian context, most of the hotel companies are not paying adequate attention to value proposition and value capture components and managers are more inclined towards the value creation component in comparison to the other two components which may be due to the over emphasis on creating a positive image for the stakeholders.

Keywords: Environmental business models, Hotel industry, Sustainability, Value proposition, Value creation, Value capture.

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1. Introduction

Hotel industry has significant impact on environment as it involves consumption of water and energy, generates waste and causes CO₂ emissions, The accommodation industry contributes to 2% of the 5% CO₂ emitted by tourism sector (UNWTO, 2021). The literature on environment problems related to hotel industry lacks holistic perspective. Significant amount of literature is available on customer perception and satisfaction due to environmental sustainability practices (Kasim, 2004; Manaktola,2007; Merli et al.2019), ecolabels (Gössling and Buckley 2016; Duglio et al. 2017; Peziosi et al.2019) and environment management systems (EMSs)(Pereira-Moliner et al. 2012; Hsiao,2014;Kasim, 2015).

Business Model (BM) framework has initiated a new perspective to understanding of environment strategies. BMs offer an integrated view of all the activities, initiatives and processes that a firm carries out when it defines its value proposition, creation and capture for its stakeholders (Bocken et al. 2014; Laasch 2018; Richardson 2008; Teece 2010). Managers are increasingly interested in environment value creation. Lüdeke-Freund, Bocken, Brent, Massa, and Musango (2016) state that business models with emphasis on sustainability are different from traditional BMs in at least three fundamental ways. First, they consider business as a tool that accelerates societal progress. Second, they have a broader concept of value that includes social and environmental value and third, these models provide a multi-stakeholder perspective on value creation.

There is huge scope for understanding how BM framework can help in implementing environment commitment. The aim of this paper is to conceptualise EBM in hotel industry consisting of environment value proposition, creation and capture. The study takes evidence from 58 Indian hotel companies to identify the extent of EBM implementation and analyse the strong and weak areas in the components. The paper is structured as: Section 2 analyses how hotel companies integrate environment issues in their BMs. Section 3 describes the sample and the method used. Section 4 covers results and Section 5 contains conclusions and limitations.

2. LITERATURE REVIEW

2.1 BUSINESS MODELS (BMs) AND HOTEL INDUSTRY'S ENVIRONMENT CHALLENGES

On the basis of functions and meaning of “business models”, three interpretations have emerged out of the management literature: attributes of a real firm, cognitive or linguistic schemas and conceptual representation of the functioning of a business (Massa et al. 2017; Reinhold et al. 2017). In this study we use the most specific interpretation of business model i.e. attributes of a real firm. This interpretation states that BMs are a collection of procedures and activities that a company uses to define, create, and capture value for its stakeholders (Bocken et al. 2014; Bocken and Short 2016; Richardson 2008).

As the environmental concerns among stakeholders continue to grow, environmental business models are slowly acquiring the centre stage. According to literature, these business models are different from conventional business models as they incorporate triple bottom line approach that emphasises considering the interests of all the stakeholders, along with environment and society (Bocken et al. 2014) and the function of these models is to design the value proposition considering the environmental needs of stakeholders, create environmental value by partnering with different elements across value chain and capture environmental value in addition to economic value. The adoption of sustainable business models has been linked to firm's positive financial performance (Ilyas & Osiyevskyy, 2022) and promotion of competitive advantage (Engert et al., 2016). In hotel industry, the adoption of environmental management is supported by its economic advantage, ecological responsibility, and increased operational efficiency (Manaktola and Jauhari, 2007). The implementation of EBM will help hotel industry in being more competitive by saving the cost incurred on water consumption, energy and waste generation (Deyà et al. 2011; Becken 2013; Filimonau and De Coteau 2019) and satisfying the increase in number of “green” consumers (Peziosi et al. 2019). Enhancing energy efficiency, minimising water waste and consumption, lowering greenhouse gas emissions, decreasing waste output, and regenerating biodiversity richness are the main goals of EBMs (Bocken et al. 2014; Bocken et al. 2019). Some examples of EBMs key domains are reduce, reuse and recycle, increasing the number of functionality, increasing the share of renewable energy in total energy consumption, undertaking zero- emission initiatives, biodiversity protection and focusing on net-positive (Bocken et al. 2014).

2.2 ENVIRONMENTAL VALUE PROPOSITION

Value proposition is a key component of services businesses, and business strategists should give it the most consideration. Finding the optimal balance between the demands and desires of the client and the resources available to the service providers, as well as deciding on the value that should be offered and collecting the value for the service stockholders, are all important steps in the hospitality industry (Langvinienė and Daunoravičiūtė 2015). A value proposition, shapes how service experiences are evaluated and moulds the practical and affective results of travel experiences (Li et al. 2021). The EBM value proposition represents a conversation between business and society on how to combine social, ecological, and economic needs as these values are determined both spatially and temporally (Boons Lüdeke-Freund, 2013; Schaltegger, 2016). An ideal EBM value proposition aims at value creation for all the stakeholders (Bocken et al., 2014). Literature review provides the following main aspects of an environmental value proposition:

2.2.1 STAKEHOLDERS' ENVIRONMENTAL NEEDS

Traditionally BMs like EBMs focussed on fulfilling stakeholders needs (Teece 2010) but stakeholders were not particularly interested in green attributes (Coles et al. 2017). However, due to increase in environmental awareness, customers are becoming more sensitive to environment issues (Bohdanowicz and Zientara 2008) and prefer hotels to disclose environment information (Preziosi et al. 2019). The nature of EBMs is boundary spanning because these cannot be conceptualised and executed without incorporating pro-active multistakeholder management (Velter et al. 2020), Therefore, the key to design an effective value proposition in an EBM is to identify and focus on the environment needs of all stakeholders that will help in their satisfaction by providing multiple outcomes (Freudenreich et al. 2019). This will help in stressing corporate sustainability goals and achieving win-win solutions for all the stakeholders and the firm (Morioka et al. 2016).

2.2.2 MISSION, VISION AND OBJECTIVES

In an EBM, the key to developing vision, defining mission and setting objective is to identify the environment needs of stakeholders. While developing the vision, a company should identify the environmental values of its stakeholders and incorporate those values into a strategy that helps in capturing environmental value (Wagner and Svensson 2014). Further, the shared vision helps in better integration and management of resources which helps in responding to the dynamic environmental needs of customers (Tang et al. 2015).

Empirical literature illustrates that integration of environment aspects in hotel companies' vision and mission leads to visitor's stay preference, willingness to pay and brand

image (Kucukusta et al. 2013). There are enough evidences that support increase in number of hotels incorporating environmental aspects into their missions (Chung and Parker 2010; Kucukusta et al. 2013). However, more hotels should adopt environmentalism, given the environmental issues world is facing today (Holcomb et al. 2007).

2.2.3 ENVIRONMENTALLY FRIENDLY SERVICE OFFER

A value proposition is associated with offering a product or service that generates economic returns (Bocken et al. 2014; Osterwalder et al. 2005). In case of EBMs it becomes important to consider environment needs of stakeholders as a crucial aspect to offer environmental products or service (Baldassarre et al. 2017). The product/service offered using the EBM framework cater to lesser negative environmental impact in comparison to service or product offered under traditional BM framework (Bocken et al. 2014).

2.3 ENVIRONMENTAL VALUE CREATION

Value creation is how a firm converts its value proposition to reality (Morioka et al. 2016; Richardson 2008). It includes all the processes, activities and initiatives a firm undertakes in association with its key partners to implement the value proposition (Bocken et al. 2014; Richardson 2008). In case of an EBM, it includes environment conservation processes related to energy efficiency, water conservation, reduction in CO₂ emissions and waste generation, reduction in noise pollution and biodiversity conservation and collaborating with partners such as suppliers, customers, employees, NGOs and governmental organizations. To strengthen value creation hotel companies associate themselves with Ecolabels and Environment Management System (EMS- ISO14001, ISO 50001). While designing value creation, value proposition and capture must be kept in mind. The key elements of value creation identified through literature review are:

2.3.1 ENVIRONMENT MANAGEMENT

An EBM includes all the activities and process that help the firm in achieving excellence in managing environmental issues. In case of hotel industry these activities are focussed on helping hotel companies achieve energy efficiency, reducing water consumption, waste generation, noise pollution, CO₂ emission, restoration of biodiversity (Hsieh 2012; Milanés-Montero et al. 2014).

Hotel companies often associate their environmental practices with ecolabels and/EMSs (Cavero-Rubio and Amorós-Martínez 2020). According to Gössling and Buckley (2016), ecolabels certify a business's environmental performance in specific areas and give consumers information to influence their conduct for safeguarding the environment. There are over a hundred ecolabels used in the tourism sector (Gössling and Buckley, 2016), such as LEED,

Travelife, European ecolabel and Green Globe. EMSs oversee and constantly enhance an organization's environmental performance in accordance with a preplanned strategy. According to Cavero-Rubio and Amós-Martínez (2020) and Ouyang et al. (2019), the two most significant EMSs in the hotel sector are EMAS (European Regulation) and ISO 14001 (International Standard).

2.3.2 ENVIRONMENTAL NETWORKING

Value creation and delivery in an EBM is a result of complex relationships among stakeholders at different stages of value chain process (Laasch 2018; Velter et al. 2020) most prominent being the partnerships with employees and customers (Chou et al. 2018; Del Brío et al. 2007).

Employees play a crucial role in balanced development of EBMs in hotel industry by connecting the value proposition i.e. environment friendly offers with the value perceived by the customers (O’Cass and Sok 2015). Further employee behaviour plays key role in implementation of key environment friendly practices. Proper human resource management plays a complementing role for EBM by improving the awareness and knowledge and behaviour of employees (Chan et al. 2017; Kim et al. 2019).

Customers also play a key role in EBMs by realizing the environmental value created by the firm as they are the part of service process. This participation is a result of personal environmental values, firms’ communication (Scanlon 2007) and how firms and customers co-create value.

Partnerships with suppliers are also key to an EBM as they help the firm in co-creating environmental value (Chathoth et al. 2013). Other partners in value creation are online travel agencies and environmental organizations.

2.4 ENVIRONMENTAL VALUE CAPTURE

The focus of value capture aspect of business model is to analyse the benefits obtained after offering the products and services. More specifically the value capture analyses how the benefits are derived because it’s the value captured that outlines the effectiveness of value proposition and value creation (Richardson 2008). The relationship between value creation is very important component of BMs (Amit and Zott 2001). Traditionally value capture component was linked to revenue and profit generation (Richardson 2008). However, in case of EBMs, value capture is non-monetary such as decrease in the environmental footprint (Bocken et al. 2014; Morioka et al. 2017 (Bocken et al. 2014; Morioka et al. 2017). It therefore, becomes crucial to analyse whether the environment initiatives, processes and programs adopted by the firm to realise value proposition resulted in reducing the environment impact. It

is important to note that some companies only want to appear environmentally committed and are not really committed to the purpose implement the environmental practices that don't reduce environmental impact of their activities (Quintás and Martínez-Senra 2022).

3 METHODS

To analyse the incorporation of environment in each element of EBM identified through literature review, we conducted content analysis of annual reports, sustainability reports and websites of Indian hotel companies. For the study, online information collection was conducted between March and September 2023. We analysed reports of two years i.e. 2021-2022 and 2022-2023 to get a clear picture of EBMs more specifically the value capture component, as most of the countries were still recovering from COVID-19 during 2021-2022 and the emissions were low due to visitor hesitation and travel restrictions.

3.1 INDIAN HOTEL INDUSTRY

A survey estimates that by 2047, the direct contribution of the Indian hotel industry to the nation's GDP would surpass \$1 trillion, mostly due to a notable increase in both local and foreign visitor arrivals. Hotel Association of India (HAI) and Benori Knowledge's 'Vision 2047: Indian Hotel Industry' research states that hotel industry' contributed \$40 billion to GDP in 2022 and is expected to increase to \$68 billion by 2027. International hotel chains are expanding themselves throughout India. They have significantly increased their footmark and accounted for 50 percent share in tourism and hospitality industry in 2022. Posing a stiff competition to the local majors. Increased foreign interest in the country has led the hotel industry to match the competition regarding service efficiency, technological improvement, and more rigid standardization into maintaining performance.

3.2 SAMPLE

Initially the population for this study consisted of 58 hotel companies with more than 1,000 rooms, which were collected from the Nidhi tourism database of India. Of these 58 hotel companies 23 had websites and an annual report or sustainability report and 4 had websites that contained information on environmental aspects. The final sample comprised of 27 Hotel companies.

We chose hotel companies as population for the study as: (1) hotel companies have more financial resources at their disposal and are more likely to make environmental information online than single/smaller hotels (Hsieh 2012) and (2) hotel companies are generally more

active in undertaking environment sustainability initiatives than individually managed hotels (Bohdanowicz 2005; Milanés-Montero et al. 2014).(3) hotel companies attract guests from different nationalities, some of which are very sensitive to environment conservation.

3.3 CONTENT ANALYSIS

Content analysis is increasingly being used in hospitality research (Camprubí and Coromina 2016; Hall and Valentin 2005). We conducted content analysis of websites, annual reports and sustainability reports of hotel companies in India. These reports and websites are used by companies to inform the stakeholders about their commitment and sincerity towards environment (Bonilla-Priego and Benítez-Hernández 2017) Content analysis is often used by researchers to draw reliable conclusions from the text provided in corporate reports and on websites from the information contained in the text of each document or website along with the contexts in which the information was used. Additionally, it helps researchers in developing a deeper comprehension of the particular phenomenon (EBMs) (Krippendorf 2004).

The coding criteria for current study are as follows: The environmental value proposition can receive values from 0 to 13. The literature review provides three main elements of environmental value proposition: (a) stakeholder needs- can receive values from 0-6 i.e. 1 is assigned for each stakeholder needs the firm caters to. For instance, a hotel chain will obtain a 1 if it considers the demands of its guests with regard to the environment; otherwise, it will receive a 0. (b) The values for the mission, vision, and objectives might range from 0 to 3. If the environmental factors were considered in the definition of each of these three elements, a 1 was coded for that item; otherwise, a 0. c) Values ranging from 0 to 4 were awarded to offers for ecologically friendly services. If the provision was considerate of the environment, each of the categories' components—accommodation, food, water, and transportation—was coded as 1, otherwise as 0.

Value creation has been divided into four parts: (a) number of initiatives taken under the respective sub-heads of energy efficiency, CO2 emission, water conservation, waste generation, noise pollution and biodiversity conservation (b) number of partners (c) Ecolabel (LEED, IGBC, Green key, Earth Check) and (d) EMS (ISO14001 and ISO 50001). The initiatives can receive value from 0-6, number of partners can receive from 0-4, EMS can receive value from 0-2 and Ecolabel can receive value from 0-4.

This study focuses on non-financial value capture Value capture has been divided into 5 non-financial aspects: CO2 emission, energy conservation, water conservation, waste generation and bio diversity richness. For each aspect of value capture- the items that were not

specified were coded as 0, the items that showed an increase in value were coded as 1, the items that showed no change were coded as 2 and the items that showed reduction were coded as 3.

Table1
Items in hotel chains’ environmental business model component

Proposition		Creation			Capture		
Key elements	No.	Key elements	No.	%	Key elements	No.	%
<i>Identification of stakeholder needs</i>		<i>Number of initiatives</i>			<i>CO₂ emissions</i>		
Customers	7	Energy efficiency	18		Not specified	12	
25.92		66.66			44.44		
Suppliers	7	CO ₂ emission	18	66.66	Increase	10	
25.92		Water conservation	18		37.03		
Employees	6	66.66			No change	0	0
22.22		Waste generation	17	62.96	Reduction	5	
Administrators	6	Biodiversity protection	15		18.51		
22.22		55.55			<i>Energy consumption</i>		
Shareholders	8	<i>Number of Partners</i>			Not specified	11	
29.62		Suppliers	11		40.74		
Stakeholders in general	10	Customers	12		Increase	11	
37.03		44.44			40.74		
<i>Definition of vision, mission and objectives</i>		Employees	11		No change	0	0
Mission	5	40.74			Reduction	5	25.92
18.51		Environmental	9		<i>Water consumption</i>		
Vision	4	33.33			Not specified	15	
14.81		Organizations			55.55		
Objectives	8	<i>Ecolabels</i>			Increase	8	
29.62		LEED	10		29.62		
<i>Definition of environment-friendly offers</i>		37.03			No change	0	0
Accommodation	10	IGBC	1	3.70	Reduction	5	
37.03		Earthcheck	2	7.40	18.51		
Water	2	Greenkey	1	3.70	<i>Waste generation</i>		
7.40		EMS			Not specified	15	55.55
Food	4	ISO14001	4	14.81	Increase	6	22.22
14.81		ISO50001	7	25.92	No change	0	0
Transport	4				Reduction	7	25.92
14.81					<i>Biodiversity richness</i>		
					Not specified	22	81.48
					Increase	5	22.22
					No change	0	0
					Reduction	0	0

4. RESULTS

Table 1 presents the frequency of items in hotel companies' EBM. In India, value proposition component remains the least focussed on item of EBM, where identification of general stakeholder's needs and providing environment friendly accommodation as a part of environment friendly offer occupy the maximum weightage (37.03%), followed by environmental objectives (29.62%), whereas very few hotels include environmental aspects in their mission (18.51%) and vision (14.81%) still fewer hotels mention environment friendly offers (water-7.40%, food-14.81% and transport-14.81%). The low integration of environmental aspects in value proposition is consistent with the finding of Holcomb et al.(2017) and suggests that most of hotel companies are not focussing on stakeholders' environmental needs.

The value creation component is the most developed component of the EBM in hotel companies in India. The first sub-component number of initiatives taken has most number of companies focussing on it including energy efficiency (66.66%), CO2 emission (66.66%), water conservation (66.66%), waste generation (62.96%) and biodiversity (55.55%). In case of second component, partners and networks, most companies are collaborating with customers (44.44%) followed by suppliers (40.74%) and employees (40.74%), with least number of companies collaborating with environmental organizations (33.33%). In case of third sub-component, maximum hotel companies are certified with LEED (37.03%) followed by Earth Check (7.40%), and IGBC and Green Key both having equal weightage of (3.70%). The number of hotels using EMS is lesser than ecolabels (ISO14001-14.81% and ISO50001-18.51%).

Indian hotels are not paying enough attention to environmental value capture which remains an underdeveloped an EBM component similar to Value proposition. Biodiversity is the least used value capture indicator (22.22%) while energy consumption (59.25%) is the most captured indicator followed CO2 emissions (55.55%) and water consumption and waste generation both capturing equal value of (48.14%).

Table 2 presents the hotel companies that have well developed EBMs, Table 3 presents hotel companies that have satisfactory value creation and value capture and need to improve value proposition, Table 4 presents hotels that have satisfactory value proposition and value creation but need to improve value capture and table 5 presents hotels that need improvement in all aspects of EBM

Table 2

Hotel companies with well-developed EBMs (value proposition, value creation and value capture)

Hotel	Stakeholder Needs	Vision, Mission & Objective	Environment friendly offer	Total Proposition	Number of initiatives	Partnerships	Ecological	EMS	Total number of initiatives	CO ₂	Energy	Water	Waste	Biodiversity
Radisson	8	2	4	14	5	4	1	0	10	3	3	3	3	1
ITC	8	2	2	12	5	4	1	1	11	3	1	3	3	0
Hyatt	7	1	1	9	5	4	1	0	10	3	1	1	3	0
Hilton	8	1	2	11	5	4	0	1	10	3	1	3	3	1
Wynham	6	2	1	8	5	3	0	0	5	3	3	3	3	1
Oberoi	6	1	2	10	4	3	0	0	8	1	3	0	1	1
Lemon Tree	6	1	0	7	5	4	1	0	10	1	3	3	3	0
CHL	6	1	0	7	3	3	1	0	7	1	3	1	0	0
Marrriott	6	2	2	10	5	4	2	0	11	1	1	1	1	1
Chalset	4	2	2	8	5	4	1	1	12	1	1	1	3	0

Table 3

Hotel companies with EBMs having satisfactory value creation and value capture but need improvement in value proposition component

Hotel	Stakeholder Needs	Vision, Mission & Objective	Environment friendly offer	Total Proposition	Number of initiatives	Partners	Ecological	EMS	Total Number of initiatives	CO ₂	Energy	Water	Waste	Biodiversity
TajGVK	3	0	1	3	5	3	1	0	10	1	1	1	1	0
Jaypee	5	0	0	5	5	2	1	2	10	1	1	3	3	0
IHCL	5	0	0	5	4	4	0	0	9	1	1	1	1	0

Table 4

Hotel companies with EBMs having satisfactory value creation and value proposition but need improvement in value capture

Hotel	Stakeholder Needs	Vision, Mission & Objective	Environment friendly offer	Total Proposition	Number of initiatives	Partners	Ecolabel	EMS	Total Number of initiatives	CO ₂	Energy	Water	Waste	Biodiversity
IHG	7	0	0	7	5	4	0	1	10	1	1	0	1	0
Royal Orchid	6	0	0	6	5	3	1	0	9	0	0	0	0	0

Table 5

Hotel Companies that need improvement in all EBM components

Hotel	Stakeholder Needs	Vision, Mission & Objective	Environment friendly offer	Total	Number of initiatives	Partnerships	Ecolabel	EMS	Total Number of initiatives	CO ₂	Energy	Water	Waste	Biodiversity
	Proposition													
Magpie	0		0	1	2	0	0	0	2	0	0	0	0	0
ITDC	0	0	0	0	5	0	0	0	5	0	1	1	1	0
Pride	0	0	0	0	1	0	0	0	1	0	0	0	0	0
Lucknow	0	0	0	0	3	0	0	0	3	0	0	0	0	0
KTD C	0	0	0	0	1	0	0	0	1	0	0	0	0	0
Chokhi dhan i	0	0	0	0	3	0	0	0	3	0	0	0	0	0
Nee mran a	0	0	2	2	2	0	0	0	2	0	0	0	0	0
Club Mahindra	0	0	1	2	5	2	0	0	7	0	1	0	0	0
Bharat	0	0	0	2	5	1	1	0	6	0	0	0	0	0
Accor	0	0	0	0	5	3	0	2	8	1	1	0	0	0

Kamat	0	1	0	1	2	1	0	0	4	0	0	0	0	0
CGH	2	0	2	2	2	0	0	0	2	0	0	0	0	0

5. CONCLUSIONS AND LIMITATIONS

5.1 CONCLUSIONS

The study makes three significant contributions: First, it is done in Indian context, a developing country unlike the previous studies that are conducted in the context of developed countries (Quintás et al.2023, Mihalič et al.2012, Buffa et al.2018) which makes it unique given the demographical and value differences among the two set of countries. Second, it provides deep insight into the EBMs in Indian hotel industry, analyses the environmental activities through the lens of EBMs and proposes EBM as an effective tool to integrate all the aspects that should be considered for environment management in Indian hotel companies

Second, this study reviews wide range of research available on environmental business model and hospitality and management literature and identifies all the elements that an EBM must have to promote enhanced environmental performance. The study identifies that EBMs are proposed as a combination of a series of elements specific to hospitality industry and broadly categorised into value proposition, value creation and value capture. The identified framework has helped in analysing the current state of EBMs in Indian hotel companies and analyse their main strengths and weaknesses.

5.2. LIMITATIONS

The study suffers several limitations. First, as the study is conducted using the information provided by hotel companies, there is significant scope of greenwashing (reporting more environmental initiatives than are actually carried out) to project a green image, or green hushing (reporting fewer environmental issues than are actually carried out) (Font et al. 2017). This could be the reason why fewer hotel companies are providing environment value capture information. Future studies can focus on why environmental value creation aspects are not translated into good environmental value capture (reduction in water and energy consumption, less waste generation and GHG emission). Further, research can also be conducted on whether the companies with well-developed EBMs also have better financial value capture in comparison to the firms that have poorly developed EBMs or not.

5.2 MANAGERIAL IMPLICATIONS

This study can prove to be insightful to hotel managers in terms of designing of EBMs as it shows that development of EBMs requires conscious efforts which requires understanding

the needs of all stakeholders and collaborating with them. Our study shows that Indian hotel companies business models need to consciously integrate environmental aspects in business models. It is imperative to include environmental aspects in Vision, Mission and Objectives that underline the strategic direction of the firm. Well-developed value proposition may result in better value capture as the firms that include environment in their strategic thinking are likely to devise methods to measure the value captured and disclose it too. The study also highlights poor development of EBMs in Indian hotels due to over emphasis on value creation. Inadequate focus on value proposition and over emphasis on value creation may be the cause of insufficient value capture which provides scope for future research and managerial intervention.

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Appendix

Annex 1 Example of coding process

Value proposition	Examples	Coding
	<p>LTHL_Integrated_Report_2021_22.pdf (lemontreehotels.com)</p> <p>“We believe in engaging with Customers in a Responsible Manner and Provide Value to them.”</p> <p>“A new ESG-focused agreement has been instituted and is in the process of being adopted by our key suppliers”.</p>	<p>This was coded as a 6 as all the stakeholders needs are discussed</p>

	<p>“We train our employees on effective waste management, and achieve an optimal waste reduction.”</p> <p>“We identify, classify, and measure our waste; reduce, reuse, and recycle our waste; comply with different environmental regulations laid down by government”.</p> <p>“Our motivation is to meet/exceed the expectations of shareholders who are interested in the success and sustainability of our business”</p> <p>“We aim to create sustained value for all stakeholders by working on our material topics, defining and implementing our ESG vision,”</p> <p>The Oberoi Group</p> <p>“We are committed to meeting and exceeding the expectations of our guests through unremitting dedication to perfection, in every aspect of service”</p> <p>“We see an organization which is committed to the environment, using natural products and recycling items thus ensuring proper use of diminishing natural resources”</p> <p>“Our foremost objective is perfecting the experiences of our esteemed guests by curating bespoke stays that serve as a reflection of the grandeur lifestyle that our guests deserve and desire to espouse.”</p> <p>16256-142211-m26438577.pdf (radissonhotels.net)</p> <p>“RHG continues to partner with global ecolabels such as Green Key, Earth Check, and Green Tourism, recognizing the GSTC’s standards for accommodation which audit and validate our hotels’ sustainability performance”.</p> <p>“Drinking water is sourced from the natural water spring inside the resort”</p>	<p>This was coded as 1 as only vision incorporates environmental sustainability aspect</p> <p>This was coded as 4 because all aspects of sustainable offerings are covered</p>
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	<p>“Menus prioritize the use of fair-trade goods, vegetarian options, and organic products wherever possible”/</p> <p>We offer guests green mobility solutions, starting with the right EV charging solution for each location and integrating green mobility solutions in the Radisson Rewards loyalty</p>	
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Value Creation	Examples	Coding
<p>Number of initiatives</p>	<p>LTHL_Integrated_Report_2022_23.pdf (lemontreehotels.com)</p> <p>We have been operating green buildings, adopting innovative technologies, and promoting access to clean energy toward a low-carbon and sustainable future</p> <p>Our energy efficiency measures include green building design, technology changes and energy management system integration. We have also established a strategic partnership with Energy Efficiency Services Limited (EESL)</p> <p>Environmentally friendly fixtures and flush systems manage and restrict the flow of water, thereby reducing total water usage.</p> <p>We deploy best-in-class practices for waste reduction, segregation, and waste management; identify, classify, and measure our waste; reduce, reuse, and recycle our waste;</p> <p>We strive to support the needs of the regions (where our property is located – 1 owned hotel in Bandhavgarh, 1 managed hotel in Coorg) and work towards restoring and protecting the habitat.</p> <p>https://media.radissonhotels.net/image/responsible-business--corporate-use-only/miscellaneous/16256-142211-m26438577.pdf</p>	<p>This was coded as 5 as all initiatives have been covered</p> <p>This was coded as 4 as all sustainable partnerships have been covered</p>

<p>Ecolabels/Eco-certifications</p> <p>Environment Management System</p>	<p>We actively strive to use smart technologies to accomplish our decarbonization strategy, limit our energy and water usage, and work closely with suppliers, team members, and guests to reduce waste and increase circular models</p> <p>We develop and maintain public-private partnerships with membership organizations to be a driving force for sustainability within and beyond the hospitality industry.</p> <p>Chalet-Hotels-Brochure-2022-for-Web.pdf (chalethotels.com)</p> <p>Four of our hotels are Gold LEED certified and we aspire to maintain excellence for our future projects as well</p> <p>ITC-Sustainability-Integrated-Report-2023.pdf (itcportal.com)</p> <p>All ITC owned Hotels (except ITC Royal Bengal and ITC Narmada) follow ISO 14001 Environment Management System</p>	<p>This was coded as 1 as the hotel company is certified with one eco-label.</p> <p>This was coded as one as the hotel company is associated with one EMS only</p>
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