MARKET REPORT

HVS Monday Musings: The Road to Net-zero in the Indian Hotel Industry

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Despite increased efforts, the Indian hotel industry's sustainability initiatives are still limited to hotel operations. Hotels are often criticized for their conspicuous consumption and a concerted effort to reduce consumption and waste across the board is now needed. Read on to know more.

With numerous commitments from both large and small businesses, India's goal of becoming carbon-neutral by 2070 is gaining traction. Reliance Industries, Aditya Birla Group, JSW Group, and Mahindra & Mahindra are just a few of the Indian businesses that have set decarbonization targets to become carbon neutral by 2050 or sooner. By implementing eco-friendly practices, hotel companies in India are also stepping up and doing their part to lessen their impact on the environment. For instance, to reduce their carbon footprint, the majority of hotel operators have reduced and eliminated single-use plastic and switched to more environmentally friendly options like refillable shampoo/soap dispensers, as well as opting out of daily linen and towel changes. Some are also using renewable energy, smart energy systems, reusable water, and zero-waste policies to make their operations more sustainable while also saving money.

Hotel companies such as ITC Hotels and IHCL have been early adopters in this field. Three ITC hotels in India, for example, were recently named the world's top three LEED® (Leadership in Energy & Environmental Design) Zero Carbon certified hotels. Meanwhile, 78 IHCL hotels have received EarthCheck certification, with 47 receiving Platinum status. The business also plans to make all conferences and business meetings "green" by eliminating paper and using recycled/upcycled materials, in addition to installing EV charging stations on several of its properties. However, while these ideas are a good start, they are limited to hotel operations and will not be enough to meet the aspirational emissions targets. Hotels are often criticized for their conspicuous consumption, so a concerted effort to reduce consumption and waste across the board is needed, which will also help change public perception of the industry.





The industry should now consider incorporating green technologies and resources into construction so that hotels have net-zero energy consumption from the start of their life cycle. For instance, the room2 Chiswick, an 86-room hotel in London that opened in December 2021, claims to be the first hotel in the world to achieve whole-life carbon net zero, meaning that all emissions connected with the property's construction, operations, maintenance, and eventual demolition will be zero. Locally produced and/or recycled materials were used whenever possible during construction. Furthermore, the property not only employs renewable energy such as solar panels and ground source heat pumps, as well as occupancy sensors and ultra-energy-efficient lighting, appliances, and water systems, but it has also implemented some novel measures. Its distinctive in-room recycling bins, for instance, enable the hotel to keep all waste from being dumped in landfills. In addition, two “lab rooms” gather information on visitor habits, air quality, water and energy consumption to improve efficiencies. Two other soon-to-open hotels – the Populus in Denver and the Six Senses Svart in Norway – are taking things a step further by aiming to become carbon-positive hotels.

The Indian hotel industry can take inspiration from these examples as well as the Sustainable Hospitality Alliance’s guide on how to reduce emissions when developing properties, carrying out substantial renovations, or acquiring buildings. Indian hoteliers should focus on using locally produced, eco-friendly building materials when creating new hotels and hasten the adoption of sustainable design principles. Modular construction is another alternative to conventional hotel design with shorter timelines and lesser waste. These projects are now economically feasible due to the accessibility of low-cost new-age construction technology as well as cost savings over time. The industry needs to work together, share knowledge, and begin developing and implementing a net-zero strategy because just eliminating single-use plastics and reducing housekeeping is no longer sufficient to attract the growing number of environmentally conscious tourists. Net-zero hotels can help to make travel more environmentally friendly by allowing guests to enjoy luxuries without feeling guilty.