

# Environmental Consciousness among the Corporate sector and Tour operators

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# Background

- The client wished to test a concept of a hotel that is environment sensitive & providing complete environmental protection.
- This concept was tested with medium and large scale corporate companies.
- The interviews were done face to face using a structured questionnaire with prior appointment.



# Objectives of the study

To find –

- The level of environmental consciousness among the corporate.
- The preference towards environment conscious hotel over a normal hotel
- The premium they are ready to pay for staying in environment conscious hotel
- Importance of validation of environmental friendly policies and practices by an external agency



# Research Methodology

## **Target Respondents –**

- Senior Management, HR managers/ executives, Administration managers of medium & large size companies
- Tour operators

## **Geographical Coverage –**

- Mumbai, Delhi, Ahmedabad & Jaipur

## **Methodology-**

- Quantitative, Face to Face structured interviews



# Sample Size

## Break up -Overall

	<b>NCR</b>	<b>Mumbai</b>	<b>Ahmedabad</b>	<b>Jaipur</b>	<b>Total</b>
Corporate	126	76	30	28	260
Tour operators	22				22

## Break up For NCR

	<b>Delhi</b>	<b>Gurgaon</b>	<b>Noida</b>
Corporate	51	45	30
Tour operators	12	10	



# Some companies that took part in the survey

Mumbai	NCR	Ahmedabad	Jaipur
Godrej & Boyce Mfg. Co. Ltd.	Pidilite Industries Ltd.	Mankind Pharma Ltd	GIBS system & Services
GTC Industries	NICE power (NICE Pharmaceuticals)	Aegis BPO Service Ltd	B. Lodha Financial Services
Artson Engg	Katyal Company	Binani Cement Ltd	Fullerton India
Actis Technologies Pvt Ltd	Sony Ericsson Exprience Store	Sahaj International	Royal College of Information Technology
Exxon mobil India Pvt. Ltd.	Hughes Network Systems India Ltd	Kunal Health Care	YES Bank
Legrand India Pvt Ltd	Discovery Communications India	Shree NM Electricals Ltd	AXIS Bank
Schrader DuncanLtd	International Asset Reconstruction Co.Pvt.ltd	Alpas Chemical	Shri Dhootapapeshwar Ltd.
Poddar Tyres Ltd	D.C.M.Sriram Ind Ltd	Birla Sun Life Insurance Company Ltd	Bonanza
Sahara One Media & Entertainment Ltd	Emmar MGF Land Ltd	Jindal Textile	Green Heritage
Wipro	JCT Ltd	Samsung Electricals	Manish Carrier
Hewitt Associates	Grant thornton India Pvt Ltd	Business Standard Limited	DNA
TCS	Everst Industria Ltd	Indian oil	Federal Bank Ltd.
Transocean	Elcher Goodearth Ltd	LIC life Insurance Corporation Of India	BAJAJ Allianz Life Insurance Co.Ltd.

# Demand for the Hotel Concept

Details

## CORPORATE\*

Type of hotel	Room nights booked /month	Shift to Eco friendly hotel	% shift to Eco friendly hotel
3 Star hotel and below	2295	1105	48%
4 Star hotel	1247	579	46%
5 Star hotel	765	417	55%

## TOUR OPERATORS

Type of hotel	Room nights booked /month	Shift to Eco friendly hotel	% shift to Eco friendly hotel
3 Star hotel and below	1925	600	31%
4 Star hotel	812	114	14%
5 Star hotel	823	94	11%

\* Companies having own guest house have not been considered



# Demand from Corporate Sector

97% corporate agree that validation of environment friendly policies and practices by an External Agency is important (as compared to 65% in 2006 – Chennai study)

47 % corporate will definitely opt for Eco friendly hotel than a normal hotel

There is demand for the eco friendly hotel concept that is validated by external agency at a premium of 10-15%. Third Party certification is more acceptable now.

For the given sample size, the demand for 4 Star hotel is 1247 room nights per month while for 5 Star is 765 per month

44% corporate are ready to pay a premium of less than 10% while 39% are ready to pay a premium of 11-15%

# Demand for Tour Operators

82% respondents agree that validation of environment friendly policies and practices by an External Agency is important

**Only 17 % tour operators will definitely opt for Eco friendly hotel than a normal hotel**

There is low demand from tour operators for an eco friendly hotel concept that is validated by external agency

For the given sample size, the demand for 4 Star hotel is 812 room nights per month while for 5 Star is 823 per month

50% tour operators are ready to pay a premium of less than 10%

Tour operators either have tie ups with hotels or search them as per requirement

# Perception towards Environment related Statements- Corporate

- 96% feel that it is important to protect the environment
- 89% feel that pollution affects them in their day to day life
- 78% would prefer to do business with a certified environmentally sensitive organization which is truly environmentally active



Corporate positively feel concerned to protect the environment



# Detailed Analysis for Corporate Sector



# Views on Environmental issues

Parameters	Top 2	Bottom 2	Mean
Not enough fuss/noise is made about the environment these days.	57	23	3
Government is doing a lot to help protect the environment.	56	24	3
Hotels do not pay enough attention to the waste they generate and their impact on the environment	53	13	3
Too many people are using environment as a selling tool without being truly environmentally conscientious	63	14	4
There isn't much that ordinary people can do to help protect the environment	47	36	3
Pollution and environmental damage affect me in my day-to-day life.	89	4	4
It is very important to protect the environment.	96	2	5
If you do not appreciate the beauty of nature, you cannot be environmentally concerned.	72	10	4

Base - 260

All figures in %



# Views on Environmental issues

Parameters	Top 2	Bottom 2	Mean
There are already too many environment regulations right now.	60	14	4
Raising people's awareness of environmental problems is more important than asking for regulations from the government.	84	2	4
My first priority is my family and job. The environment and anything else has to come after that.	55	26	3
I get angry when I see garbage on the streets.	87	3	4
I am happy if I see that an environmental organisation is successful in its actions.	89	4	4
I regularly watch nature programs in TV.	45	21	3
A lot of diseases in India seem to result from environmental pollution	89	4	4
I prefer to do business with a certified environmentally sensitive organization which is truly environmentally active	78	4	4

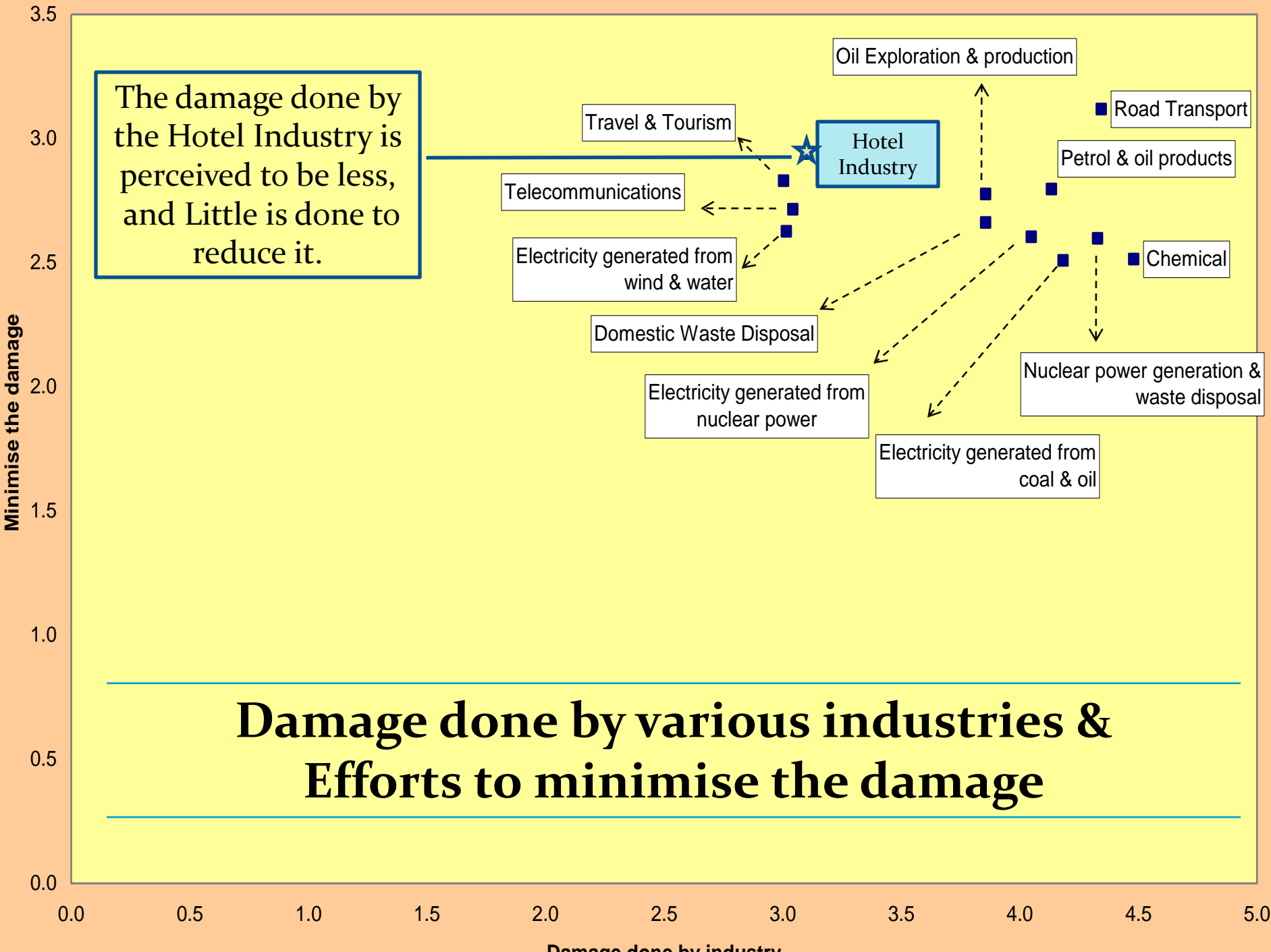
Details



Base - 260

All figures in %

The damage done by the Hotel Industry is perceived to be less, and Little is done to reduce it.



# Recent Visit Experience

Parameters	Frequency (Base)	Will it stop them from revisiting the place ?		
The air was polluted	49	27	47	27
The area was crowded / busy	73	21	53	26
The beach was polluted	17	18	53	29
The footpaths were worn down / in a bad state	37	16	59	24
The hotel did not care about the environment	29	21	59	21
The local people were rude / unfriendly	34	21	65	15

■ Yes, it would stop me from returning

■ No, it will not stop me from returning

■ I don't have a choice



# Recent Visit Experience

Parameters	Frequency (Base)	Will it stop them from revisiting the place ?
The local people did not seem to care about the environment	46	<p>24 54 22</p>
The sea / river / lake was dirty	8	<p>25 38 38</p>
The streets were congested / busy	46	<p>10 57 33</p>
There was sewage in the sea	14	<p>21 71 8</p>
It was noisy	44	<p>18 39 43</p>
It was smelly	20	<p>15 55 30</p>

■ Yes, it would stop me from returning

■ No, it will not stop me from returning

■ I don't have a choice



All figures in %

# Recent Visit Experience

Parameters	Frequency (Base)	Will it stop them from revisiting the place ?		
Other visitors did not seem to care about the environment	43	19	65	16
There was water shortage	8	13	50	37
There was very little wildlife	43	9	44	47
I was given information about protecting environment	21	4	86	10
The area was clean and tidy	129	3	74	23
The people were welcoming	127	6	77	17

■ Yes, it would stop me from returning

■ No, it will not stop me from returning

■ I don't have a choice

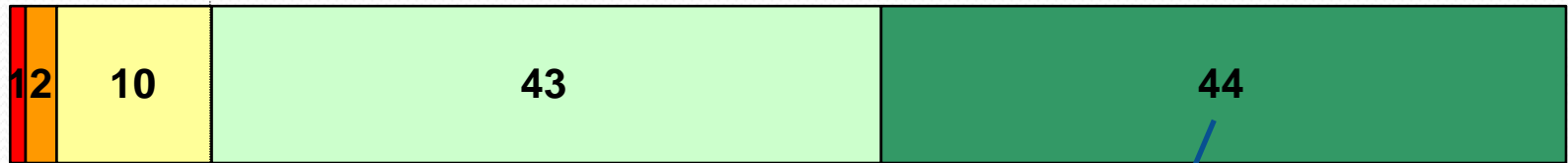


All figures in %

# Hotel Preference - Corporate

Normal Hotel

Eco friendly hotel

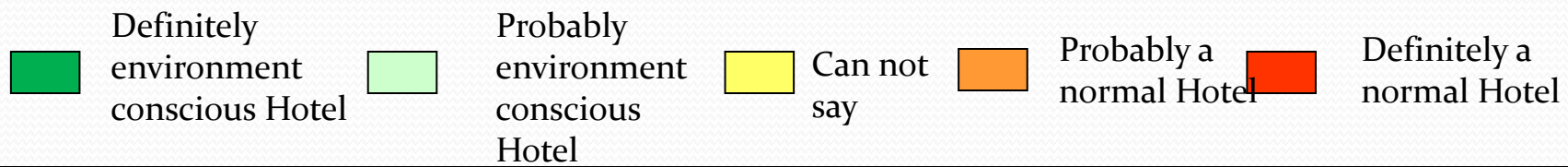


Average mean Rating = 4.27

There is preference for a hotel that is environment sensitive & providing complete environmental protection among the corporate sector.

Base - 260

All figures in %



# Reasons for Preference

“It is important to protect the environment for the future generation.”

“We need good & clean environment to stay fit, alert & healthy.”

“It will give us a chance to be with nature & full filling the responsibility.”

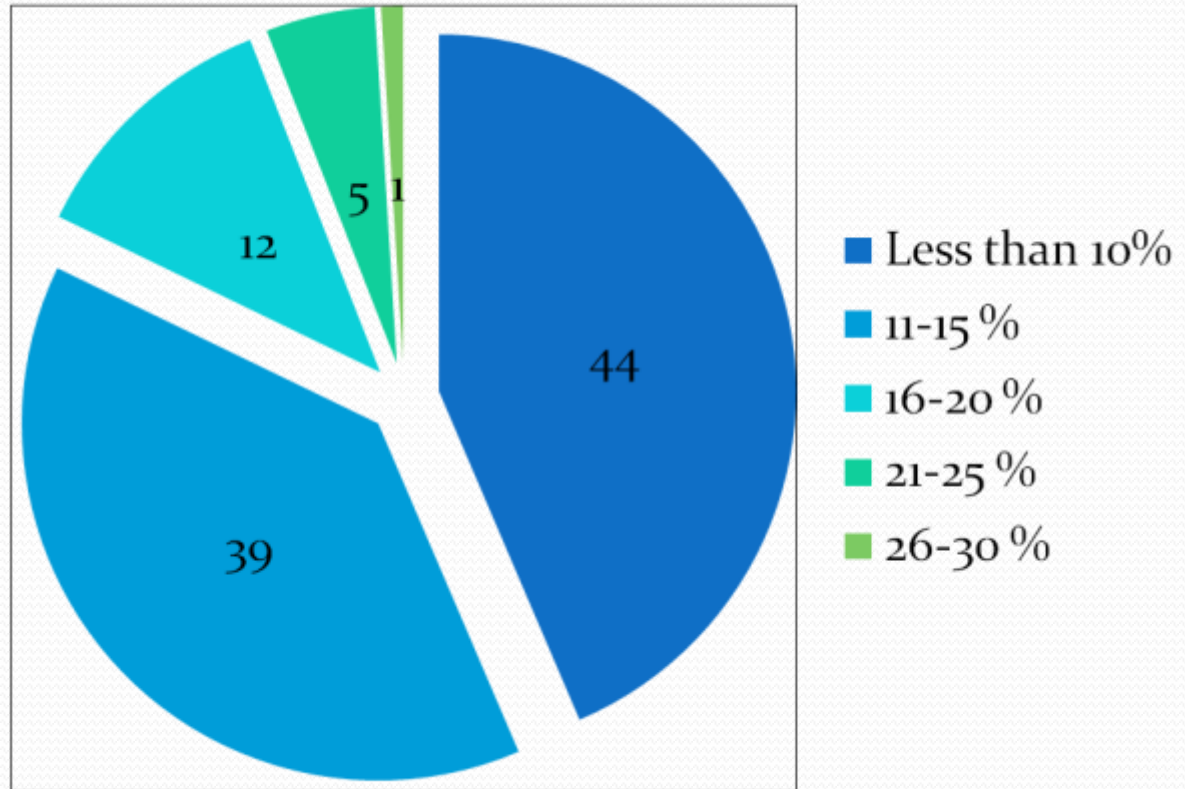
“To reduce the green house effect.”

“It is the need of the hour.”



“I feel conscious about the environment.”

# Premium that corporate are ready to pay



Base - 260

All figures in %



The premium should be between 10-15% of the existing tariff

# Validation from External Agency- Corporate



Average mean Rating = 4.0

The responses indicate that the hotel must get a validation from an external agency.

Base - 260

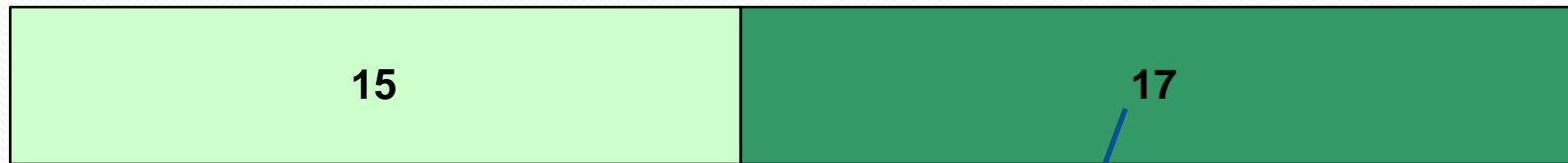
All figures in %



# Detailed Analysis for Tour operators



# Hotel Preference from tour operators

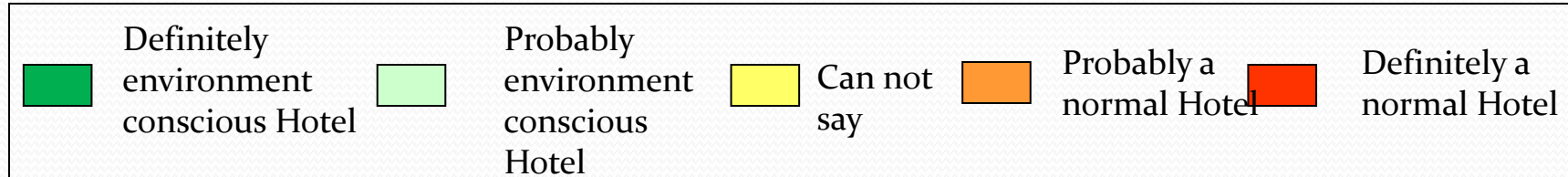


Average mean Rating = 4.3

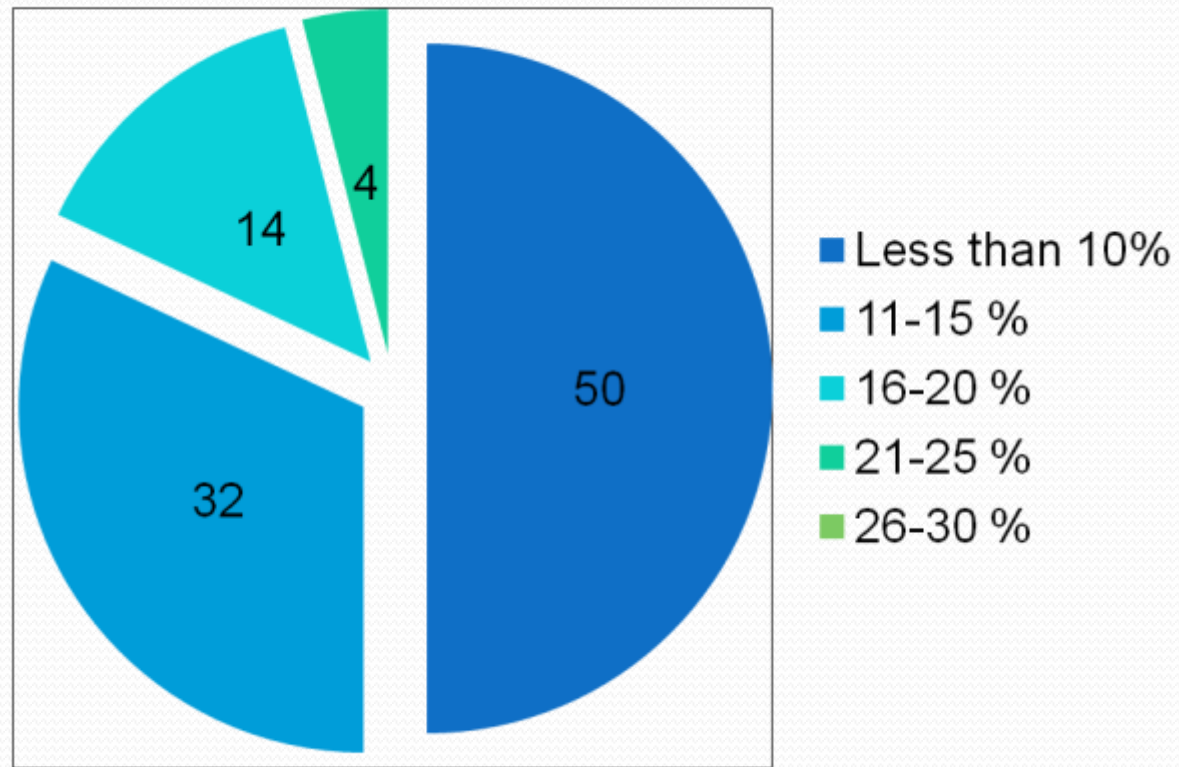
Tour Operators show a very low preference for a hotel that is environment sensitive & providing complete environmental protection

All figures in %

Base - 22



# Premium tour operators are ready to pay



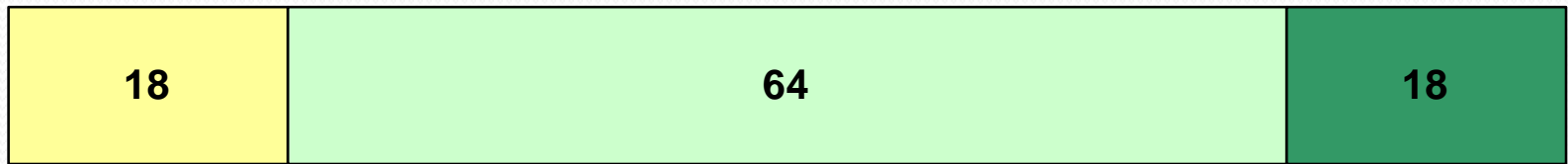
Base - 22

All figures in %

Tour Operators feel premium should be between 10-15% of the existing tariff



# Validation from External Agency- Tour operators



Average mean Rating = 4.42

Only 18% Tour operators feel that validation of environment friendly policies and practices by an External Agency is important as against hotel's own statement.

Base - 22

All figures in %



Thank You..

