

# COMMERCIAL STRATEGY CONFERENCE

*Revolutionising the Next Wave!*



hsmai  
21<sup>st</sup> July 2023



DELHI NCR, **INDIA**  
The Leela Ambience Gurugram Hotel & Residences

# Sustainability - The New Profit Driver AT



## COMMERCIAL STRATEGY CONFERENCE



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IHCL

21<sup>st</sup> July 2023

**NEW DELHI INDIA**



CSC - 2023

# Sustainability: A Drive for Profitability

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# Overview

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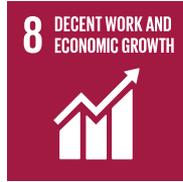
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## Purpose

- Drive economic growth and environmental responsibility
- Conserve natural resources
- Minimize environmental impact
- Supporting local communities
- Remain economically viable
- Promote social responsibility



# United Nations - 17 SDG's



# Sustainability Tools

## REDUCING CARBON FOOTPRINT

- Replace paper with technology
- Reduce food waste
- Reduce single-use plastics

## ECO CERTIFICATION FILTERS

Availability of filters on search engines such as Booking.com and Google filter out eco - certified hotels

## AUTOMATION IN DAILY OPERATIONS

Optimizing, utilizing and replacing hardware as well as software to ensure automation using AI, ML and IoT

## RECOVERING AND REUSING

- Water used for landscaping and exteriors
- Composting organic waste
- Harvest natural sources of energy

## SOCIAL SUSTAINABILITY

- Include locally sourced menu options
- Practice and promote ethical sourcing and community development

## CERTIFICATIONS

- EarthCheck
- LEED
- Green Globe

# Certifications Around the World

## United Kingdom

Building Research Establishment Environmental Assessment Method (BREEAM)

## United States

Leadership in Energy and Environmental Design (LEED)

## Korea

Green Standard for Energy and Environmental Design (G-SEED)

## India

Indian Green Building Council (IGBC)  
Green Building Rating Systems Leadership in Energy and Environmental Design (LEED)

## Australia

Green Star  
National Australian Built Environment Rating System (NABERS)

## Global General

Leadership in Energy and Environmental Design (LEED)

## Mainland China

Leadership in Energy and Environmental Design (LEED)

## Japan

Comprehensive Assessment System for Built Environment Efficiency (CASBEE)

## Hong Kong SAR

Building Environmental Assessment Method (BEAM Plus)

## Singapore

Green Mark

## New Zealand

Green Star  
National Australian Built Environment Rating System (NABERS)

# Drivers of Profit

1

## **COST REDUCTION**

Maximizing energy efficient consumption through smarter software as well as equipment

2

## **INCREASED MARKET DEMAND**

Target and attract the eco - tourism market segment

3

## **ENHANCED BRAND IMAGE**

Build an environment conscious brand image increasing loyalty as well as public image

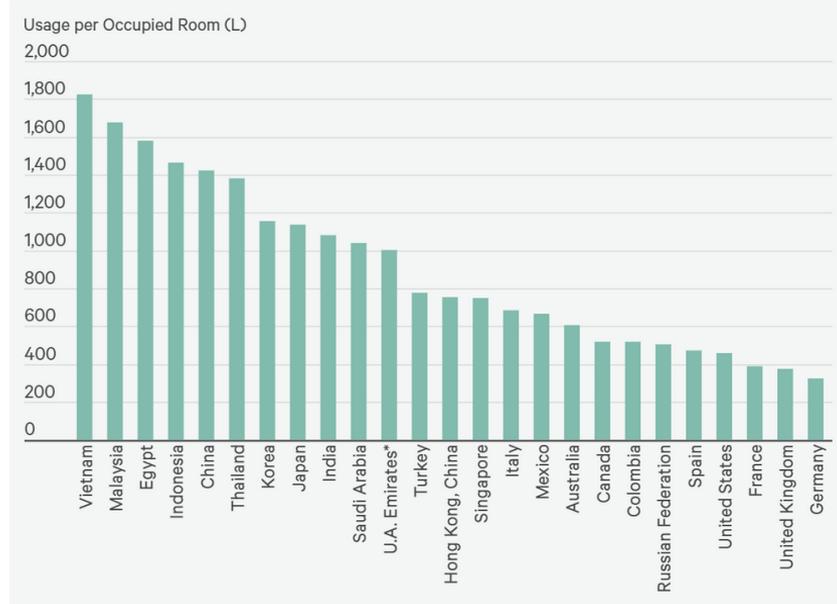
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## **COMPETITIVE ADVANTAGE**

Allows the hotel to have an edge over its competitors thus increasing market share

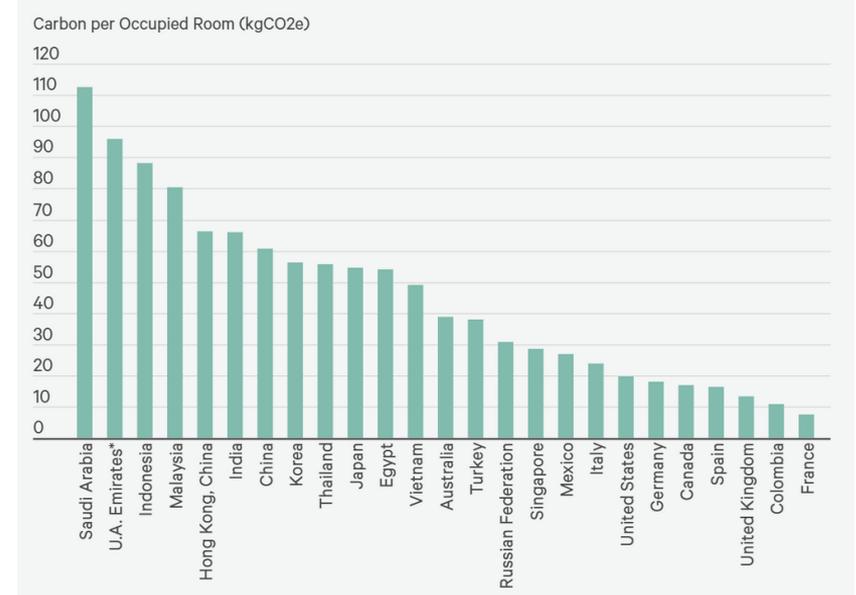


# Consumption Patterns



Source: Cornell Hotel Sustainability Benchmarking Index, Greenview, 2021.

Average water consumption per occupied room



Source: Cornell Hotel Sustainability Benchmarking Index, Greenview, 2021.

Average carbon emission per occupied room

# Food for Thought

1 Over 60 hotel companies are part of the Sustainable Hospitality Alliance, making up 4.5 million hotel rooms, or 25% of total hotel room inventory globally

Source: hoteltechreport.com

2 A 2020 survey found that 53% of respondents want to travel more sustainably when they take future trips

Source: Booking.com

3 BUILDING A LEED-CERTIFIED HOTEL ONLY COSTS 1-2% more when compared to Building one that's not green

Source: USGBC

Sustainability is not an end goal, but a continued process

# Long Term Benefits

## 1 REVENUE GROWTH

Cost effective and reduces utility cost  
USP for Eco minded customers

## 2 ENHANCES CUSTOMER VALUE PERCEPTION

USP for Eco-minded customers

## 3 MARKETING SUSTAINABLE PRACTICES

Brand image and sustainable reporting

## 4 NOT JUST PROFITABLE, BUT ESSENTIAL

Vital for companies to stay alive  
Long term benefits



# Sustainability at IHCL

1

## OUR PHILOSOPHY

- Committed to integrating environmental, social and ethical principles into business
- Central to improving the quality of life of communities we serve globally
- Enhances long-term stakeholder value

2

## ALIGNMENT

- Compliance with laws and regulations with the highest ethics, honesty and integrity
- Identify sustainability issues through stakeholder engagement

3

## OUR COMMITMENT

- Develop comprehensive sustainability with goals, targets, mitigation and adaptation plans to address them under the board
- Constitute a governance structure to oversee our sustainability commitments.
- Report in line with global reporting frameworks.

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