

# Understanding your environmental performance

This factsheet gives an overview of how to set a baseline, calculate key performance indicators and measure your environmental impacts

## Why hotels should understand their environmental performance

Any hotel getting started on their sustainability journey will need to understand their environmental performance. Quantifying your current impacts (e.g. energy use, water use and waste production) enables you to set targets and track your progress against it.

Knowing your environmental performance can help you to:

### 1. Better target your environmental efforts

Once you begin to collect data on the impact your business has, you'll have a clearer idea of where your largest impacts are and where you might be able to make changes.

### 2. Identify cost-saving opportunities

By giving you insight into your resource use, performance data can help identify operational cost savings. Understanding energy and water use can highlight areas or equipment with high consumption. Measuring food waste can help identify excess procurement and opportunities to reduce waste and costs.

### 3. Monitor your progress

Knowing your initial performance and tracking your progress gives you hard data on the impact your sustainability efforts are having on your business and local surroundings. This can help strengthen internal engagement by showing how involvement in initiatives is contributing to progress, and help to build the business case for further investment in environmental activities.

### 4. Strengthen your credentials and increase your appeal to guests

You can use the data to demonstrate and communicate your progress to guests and corporate customers via marketing collateral, social media, targeted communications and in account meetings.



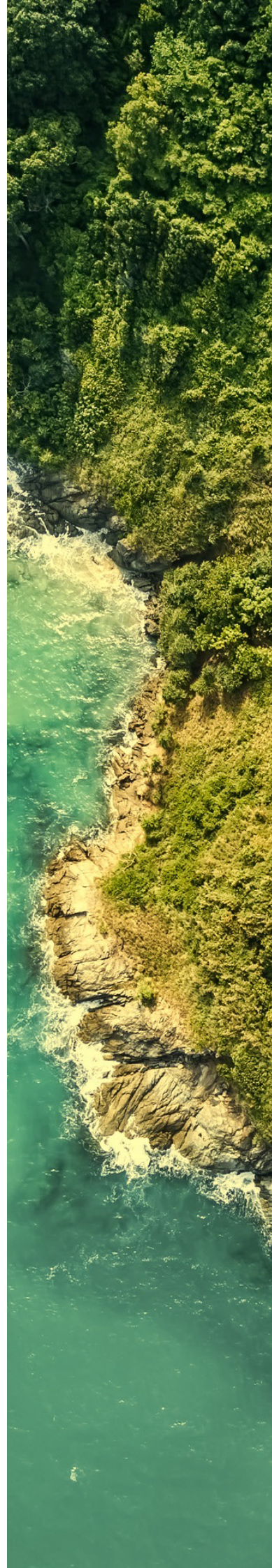
**83%**

of global travellers  
think sustainable  
travel is vital<sup>1</sup>



**65%**

of corporate travel  
decision-makers say sustainability  
is integral to travel policies<sup>2</sup>



# How to get started

## 1. Decide what impacts you will measure

When thinking about your performance, you need to first decide what impacts you are going to focus on. The biggest and easiest direct impacts to measure are carbon emissions and water use, followed closely by waste production. Ideally, you should track all three. *Note: biodiversity-related impacts are also very important, but very difficult to measure.*

## 2. Establish a baseline

Once you know what you want to measure, you need to establish a baseline. Decide which year you are going to use as your baseline. Ideally this should be as recent as possible but should also be a year which you have good quality data for and representative of your usual performance. *Note: many hotels found that their performance in 2020 and 2021 was dramatically impacted by Covid-19 so you may wish to avoid using these years for your baseline.*

## 3. Decide what tracking makes sense for your hotel

Key performance indicators (KPIs) are what you use to track progress. This could be as simple as the total energy used in the property but it can be more useful to have intensity-based KPIs which quantify impact per unit (e.g. occupied room, floor area, profit) to account for changes in the business. Hotels typically use occupied rooms as their unit in intensity-based metrics.

## 4. Gather data

Gather data for your baseline year, making sure you have data for the entire year and are considering all types of relevant data (e.g. all sources of energy used in the hotel and any additional data you require for your chosen metrics). A simple excel tracker, such as the one in the [Pathway to Net Positive Hospitality](#) toolkit, can assist you with this. You may be able to find the information you need through various sources:

- **Meter readings** (Note: Some properties have multiple meters for one energy source e.g. electricity, so make sure to include all of them).
- **Invoices** from your energy and water providers or waste contractors.
- **Requested data** directly from a supplier, contractor or local municipality.

## 5. Calculate your impact

Calculate your total impacts and intensity-based KPI and metrics. There are various tools available to help with this, depending on what you are measuring:

- **Carbon** – [Hotel Carbon Measurement Initiative \(HCMI\)](#) helps calculate your carbon footprint as a total and per occupied room (or hour of meeting space, where applicable).
- **Water** – [Hotel Water Measurement Initiative \(HWMI\)](#) helps calculate your water footprint as a total and per occupied room (or hour of meeting space, where applicable).
- **Waste** – [Hotel Waste Measurement Methodology \(HWMM\)](#) has guidance on calculating your waste (and food waste) footprint as a total, per floor area and percentage diverted from landfill.

## 6. Compare your performance

You can get a broader idea of your environmental performance by benchmarking your property against others. Key resources to do this include:

- The [Cornell Hotel Sustainability Benchmark Index](#) – the biggest industry benchmark, using HCMI and HWMI metrics from over 20,000 properties to track energy, greenhouse gas emissions and water usage (and soon waste via HWMM).
- The [Green Lodging Trends Report](#) – this uses best practices rather than hard data to recognise and highlight innovative measures that can benefit the industry.

## Setting targets

Setting targets to improve your performance can help increase motivation.

Targets should be stretching but consider your initial performance to ensure they are reasonable. Benchmarking indexes (such as [CHSB](#)) can also help determine reasonable targets.

Longer-term reduction targets (e.g. targets spanning 5 or 10 years) provide an overarching sense of direction. However, it's important that regular (e.g. annual) milestones are set to help gauge continual progress.

Section 1.5 of [Environmental Management for Hotels](#) has more information on setting targets.

# Communications

Letting your customers, employees and partners know that your hotel's performance is improving is almost as important as measuring it and taking action.

Your communications should be transparent and include clearly stated performance figures, what you are doing, what your achievements have been and how you are addressing some of the bigger, longer-term issues.

A good start is to map your efforts against the [UN Sustainable Development Goals](#). There may not always be a specific goal for the exact issue you are addressing, but the goals most related to environmental action are SDG 6, 11, 12, 13, 14, 15.



## Case study

In 2009, **Hilton** launched LightStay, an ESG management system designed to measure and manage the environmental and social impact of its hotels. Hilton have continuously evolved and enhanced its capabilities to deliver stronger data and drive greater impact. As LightStay is a Global Brand Standard, all of Hilton's managed and franchised hotels are required to use the platform.

After the group set its baseline and began tracking, it was able to pinpoint where it could make the most impact. Since the launch of LightStay, across their portfolio Hilton has:

- **reduced carbon emissions intensity by 43%**
- **reduced water intensity by 43%**
- **reduced intensity of waste to landfill by 62%**

The data has enabled Hilton to **save over \$1 billion** in energy costs since 2009.

See also how four-roomed **Why Me Hostel and Rooms** in Georgia reduced its water consumption by 60% using simple water-saving and re-use techniques.

## Tools and resources

- Our [Pathway to Net Positive Hospitality](#) offers a step by step guidance framework for hotels to progress their environmental sustainability. Including steps on taking stock and setting objectives, as well as taking action and reviewing impact.
- Our [carbon](#), [water](#) and [waste](#) tools and methodologies support any hotel to calculate their footprints.
- The [Cornell Hotel Sustainability Benchmark Index \(CHSB\)](#) supports hotels to compare their emissions and water usage against other hotel properties.



1. Booking.com (2021), [Sustainable Travel Report](#).
2. SAP Concur (2020), [Corporate Travel Sustainability Index](#).
3. Sustainable Hospitality Alliance (2021), [Maximising the environmental and economic benefits of water efficiency](#).

## About Sustainable Hospitality Alliance

Sustainable Hospitality Alliance brings together engaged hospitality companies and uses the collective power of the industry to address key challenges affecting our planet and its people.

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