Strategic Opportunities in Sustainability

MARRIOTT

15.972
Background

- Marriott is a large player in the hospitality industry with 3,420 lodging properties worldwide
- Multiple business segments/brands
  - From Courtyard to Ritz-Carlton
- Existing environmental strategies
  - Five-point plan developed with Conservation International
  - Carbon Footprint Monitoring
    - 3 million metric tons annually; certified by ICF International
Sustainability Challenges

- Current environmental vision excludes the s-word
  - “Marriott’s environmental vision is to be the global hospitality leader that demonstrates how responsible hospitality management can be a positive force for the environment and create economic opportunities around the world…”

- Proposal: a sustainable hospitality industry which preserves our world for all stakeholders including future generations

- Opportunity areas:
  - Sourcing
  - Energy
  - Waste
Sustainability Frameworks

Cradle-to-Cradle (C2C)
- Technical or Biological nutrients
- Closed Loop vs. Downcycle

The Natural Step (TNS)
- Four System Conditions
- TNS Resource Funnel

Daly’s Triangle
- Economy, Environment, and Equity
- Preserve each component of the triangle
Sustainable Sourcing: Challenges

Exterior: Building and construction materials

Interior: Paint, wallpaper, drapes, furniture, carpets

Products & Services: Uniforms, food
## Sustainable Sourcing: Solutions

<table>
<thead>
<tr>
<th>Area of Improvement</th>
<th>Possible Solution</th>
<th>Status</th>
<th>Framework</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Materials</td>
<td>Certified FSC Wood</td>
<td></td>
<td>TNS</td>
</tr>
<tr>
<td>Drapes, upholstery</td>
<td>Regionally sourced material</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wallpaper &amp; paint</td>
<td>Non-toxic, zero VOC</td>
<td>√</td>
<td>TNS</td>
</tr>
<tr>
<td>Carpets</td>
<td>Natural carpets</td>
<td></td>
<td>TNS</td>
</tr>
<tr>
<td>Furniture</td>
<td>Recycled materials</td>
<td></td>
<td>C2C</td>
</tr>
<tr>
<td>Uniforms</td>
<td>Organic wool/cotton, bamboo</td>
<td></td>
<td>C2C</td>
</tr>
<tr>
<td>Food</td>
<td>Waste = Food</td>
<td></td>
<td>C2C</td>
</tr>
<tr>
<td>Conference materials</td>
<td>Recycled and recyclable</td>
<td></td>
<td>TNS, C2C</td>
</tr>
</tbody>
</table>
Energy Reduction Challenges

- Low incentives for guest conservation
- Low utilization of rooms during peak energy demand
- High customer sensitivity to comfort & amenities
Energy Reduction Solutions

- Expanded Demand Response Programs
- Expand Solar/White roofing to more hotels
- green roofing
  (thermeleon)
- Advanced building management
- Smart thermostats
- Hot water timers
Waste Reduction Challenges

- **External (Customer Facing)**
  - Reduce waste without affecting customer experience
    - Single use items (toiletries, coffee)
    - Newspapers
  - Maintain or exceed current quality

- **Internal (Operations)**
  - Reduce excess packaging
  - Decrease waste to landfill ratio
Waste Reduction Suggestions

- **External**
  - Implement dispenser system in every room
    - Use brand name shampoo and conditioner
  - Add recycle bin to every room
  - Create area in lobby for newspaper pick-up

- **Internal**
  - Expand sustainable supply chain beyond Europe
    - Biodegradable laundry bags, low-phosphate laundry detergent
Next Steps

- Develop a vision for a sustainable hospitality industry – consumers want this
- Create a sustainability working group of customers, employees, vendors to suggest sustainable business practices or identify new products to meet sustainability goals
- Run analysis to identify positive NPV project
- Implement sustainability projects for competitive advantage