

Turning Green into Gold
Remarks given by William A. Maloney, CTC
Executive VP and COO, ASTA
World Travel Market
Nov. 13, 2007

Good morning and thank you for having me here today. I am especially pleased to be addressing such an esteemed audience on an issue that for many of us has already shaped how we do business and that will continue to dramatically impact every facet of our industry.

Green travel is not just a catch-phrase. It's rapidly becoming a guiding principle in our industry. Today, citizens of the world are increasingly socially responsible and the travel and tourism sector must follow suit if we are to remain a leading and vital part of the economy. It is incumbent upon us to be at the forefront of helping consumers optimize the world's future.

Scientists can debate the whys and wherefores, but the demand of people worldwide is for increasingly responsible social activity in all realms of endeavor.

What is "green travel?" In its purest form, green travel refers to any activity or facility operating in an environmentally friendly manner and can be tied to the way a travel company runs its internal operations or just as easily to the methods used by its supplier partners to ensure that during a client's trip, no harm was done to the environment.

Whatever the angle, it adds a layer of choice to travel options. This could mean choosing one hotel over another because of its policy of employing only locals and using native products or opting to visit to a destination based on that region's commitment to environmental protection. Such choices filter down to every layer of the travel experience, be it the means of transportation one uses to arrive at a destination or how one chooses to get around once there.

Even something as simple as opting to book with an airline with a better on-time record contributes to the greening of the travel experience. It goes to figure that the less time spent idling on the tarmac or circling the airport waiting to land means the less fuel consumed.

Taking green travel to the extreme is means that some people might choose not to travel at all. There are those extremists who argue that there is no such thing as "green" travel and that every facet of the travel experience negatively impacts our environment.

We as an industry must be vigilant in defending our business and proactive in pointing to the many ways in which we contribute to the greater good. As an industry we contribute to local economies and increasingly are making travelers aware of their responsibility to the greater good. On a case by case basis, we are implementing the necessary steps to ensure that our industry does more good than harm. Each time you ask a partner supplier what "green" programs they have implemented and opt to work with only those who have

programs in place, you are making a statement. We cannot condone or allow a call for the end of travel—it would threaten the global economy and cause catastrophic losses in the short-term.

The reality is that in the United States, airline travel comes close to being our public transportation. For much of the country— with limited or no rail service—there is no viable alternative.

The travel and tourism industry cannot allow irresponsible social critics to negatively portray our industry as the root cause of global warming. To be sure, airlines emit carbon dioxide. But today's jet planes are more efficient than their predecessors. In fact, they use seventy percent less fuel than those of the 1960s. Time, like progress, will not stand still and we can rightfully look ahead to even greater innovations in transportation. Even today, the worst scenario estimates are that airlines contribute to five percent of total carbon dioxide emissions while the airline industry claims it contributes only two percent.

Regardless of the true percentage, travel and tourism is an integral part of world commerce. The US travel industry alone contributed \$645 billion to the global economy. Putting aside the financial stakes for a moment, travel builds business relationships, leads to greater understanding among cultures, provides jobs to indigenous communities and opens people's eyes to the many wonders of this world. Wonders that must be preserved.

The choice is not to eliminate travel altogether but to maximize green choices available and to lessen travel's impact on the environment.

From a business perspective it is incumbent on all of us to become knowledgeable about the green travel agenda, optimize our business to take full advantage of green practices, and to make investments in other companies supporting the green movement. We must be green ourselves before we can credibly encourage our clients to choose green travel options.

Two examples of US agencies that are ahead of the curve on this issue come from ASTA's premium membership category. **Ovation Travel Group** in New York has prepared its own corporate social responsibility program, known as a CSR. **Ovation's** CSR includes internal initiatives as well as actions they propose to their clients who are interested in green travel options. **Ovation** has numerous initiatives that have been in place for some time and others that are just now being developed. Some of their internal programs might not seem like much but they add up.

Recycling paper and plastic products. Using only recycled paper or eco-friendly light bulbs. Replacing harsh cleaners with biodegradable cleaning products. Providing only fair trade coffee. Turning off computers at the end of the day. These are all relatively small and completely doable changes that any office can make but that will have big impact on your bottom line as you can showcase your agency to potential clients as being a prototype of environmental responsibility.

Ovation has taken its green office policy a step further with the goal of being carbon neutral. When employees travel on company business they travel “neutral.” **Ovation** has partnered with Carbon-Fund.org as a way to offset carbon emissions from their employees as well as their clients.

Additionally, **Ovation** has replaced face-to-face meetings that require travel with Webinars and teleconferences. The company also has a transit check program that encourages its employees to use mass transit or telecommute. These options have already taken off in Europe but in the US, for many, these are forward thinking company programs.

Ovation markets green travel to its clients during quarterly business reviews or during the implementation process for new clients. The result has been that the company has seen a higher level of interest from potential customers.

Another ASTA Premium member, TravelQuest, has begun to implement a donation program whereby it gives five dollars for every booking to its country park system and sponsors an Arbor Day event where they invite their customers to plant trees bought with company donations. Within the office, TravelQuest shuts down their computers each night, lowers the thermostat and uses dishes and cutlery rather than disposable plates. The office has also implemented a carpool system as their location in Albertville, Minnesota, doesn't offer mass transit.

Across the United States, other travel retailers are now promoting their own green initiatives to their clients by providing them with reports on carbon usage; options for carbon offsets; information on green suppliers and their programs; green destination and further, green options at those destinations.

Let's see how your business can fit into these categories.

First, how will you communicate your green initiatives to your clients? Start by asking yourself “Will the purchase of this product harm the environment?” If so, by how much? Think beyond carbon emissions. Consider whether an area was deforested to make way for a new resort? Does the hotel only use imported products that take money out of the local economy?

Then think about what you can do to lessen your impact and that of your customers. Once you have a clear idea of the scope of your environmental impact and the actions you are taking to lessen this, consider how you will communicate this to your client. Take every chance to promote your green agenda—do so in advertising, on your Web site and in company brochures and newsletters. Consider starting a blog on the green travel initiatives you are undertaking and update readers on your progress.

Second, if you are considering offering your clients carbon offsetting or a similar option, consider what are the best choices for your clients and why. It's clear that more work needs to be done in understanding how carbon offset programs work. There are many who look good on the surface but when you look beneath, they simply trade in offsets, paying to soothe their corporate conscience but failing to make a real change.

Travel agents have traditionally assumed the role of the 'honest broker' in the travel and tourism industry. They relay options to their clients and as the need for green options increases, travel agents will need access to 'honest choices' they can offer their clients.

International associations such as ASTA must take a leading role in investigating and, where appropriate, rating these programs so that we can confidently promote the use of carbon offsetting to our members.

If as a travel agency you deal primarily with corporate clients and your client is an environmental firm, this kind of carbon offset reporting is mandatory. If you are leisure focused and deal primarily with family vacations, it may still be a while before you are called upon by your clients to offer this information.

Still, smart agents looking to differentiate themselves from the competition can use this as a leverage point. Green travel is here. It's certainly going to remain an important part of our industry's future. Our ability to embrace it and incorporate green initiatives into our business plans will define our ability to grow and prosper as an industry.

So what makes a destination green? Recycling and planting trees do not a green destination make. To truly be green involves a multi-disciplinary approach whose lynchpin is a strong commitment to green initiatives. This encompasses a tourism program that cares for the environment, provides opportunities for local people to become involved in and profit from the tourism industry and offers education to its visitors and training to area companies in what it means to be green.

Destinations who do not commit on a deeper level to green programs will be labeled as "faux" green and will suffer as today's globally conscious travelers choose to go elsewhere.

For this reason, a responsible travel provider must also investigate what green options are available at a given destination. Part of a socially responsible tourism program encourages green initiatives at the local level and includes travelers in that green experience by making them aware of their responsibility while away from home. Encourage your travelers to make use of public transportation, to recycle at home and while away and to buy local goods rather than those trucked or flown in from remote areas.

Familiarize yourself with the green policies of the suppliers you sell. A commitment to sustainable tourism starts in the corporate board room. A CSR must be constructed so that all employees, vendors, stockholders and customers know that this company thinks green is good business. Many hotels have found that by offering guests green options they not only increase the number of clients but reduce their expenses as they are using less detergent, less water and less electricity.

Hotels know that giving travelers a choice minimizes their global footprint and reduces costs, which leads to greater profit margins. Providing green options does not have to equate with an adverse effect on your bottom line. Still, there are those hotel and resort developments that even while implementing green programs in their day-to-day

operations devastated the local environment in the building phase. Moving forward we must be especially sensitive to all phases of a company's growth—from build out to expansion.

Other suppliers, such as airlines, will have to demonstrate to consumers that they have a green agenda that fits in with travelers' wants and needs. Our prediction is that in five years, car companies, steam ships, ferries, cruises, attractions—all will need a public commitment to socially responsible tourism in order to stay among those favored by other suppliers and consumers.

At ASTA, we will be announcing in the near future a company plan aimed at educating our members—both travel agents and suppliers—on a green travel agenda. I encourage everyone here to sign up for ASTA SmartBrief at ASTA.org and to stay informed of developments in ASTA's green arena.

By undertaking a green program yourself, aligning yourself with green suppliers and destinations and promoting your actions to your clients and prospective clients you too will turn green into gold.

Thank you and have a great day.

###