

## CHAPTER I

### INTRODUCTION

#### 1.1 Background of Study

Generally, hospitality is known as an act of warm, friendly and polite behavior to provide a good service for other people. However, on a business basis, hospitality is more than just a behavior. According to Ida Ayu Kade Werdika Damayanti et al., (2021), hospitality is an industry that works in a field that provides services for people who are far from where they live, whether they are away for a long or short period. The hotel industry is the primary sector of hospitality. However, not only hotels and restaurants, hospitality can also be found in a variety of establishments, including fast food outlets and guest houses. A hotel is a place that provides various kinds of services such as accommodation, food and drinks to guests or customers.

Sustainability is an effort to develop society in a way that maintains a balance between environmental, economic, and social needs without compromising the ability of future generations to meet their own needs (Willy Legrand et al., 2022). However, rather than balancing, many large-scale business industries are affecting the social and human environment in a bad direction. Various natural resources are taken in large quantities, and many are damaged as a result of performances in a business. Especially in the hotel industry which requires massive natural resources, the waste produced from the

industry is also fairly large. Large amounts of residual waste generated from the hotel industry could cause damage to the environment. One of the effects is global warming, which will cause a negative impact on the business itself if it is not prevented or controlled, especially on its sustainability.

According to Abdou et al., (2020), implementation of green hotel practices for environmental management contributes to achieving Sustainable Development Goals (SDGs). Hotel sustainability requires a specialized training program to raise staff environmental knowledge and guest involvement in decreasing the hotel's environmental effect by implementing green environmental practices. Hotel businesses that successfully implement sustainability are able to attract investors, improve their brand image and increase awareness about green practices to their customers (Wella, S.F et al., 2020). To boost hotels' commitment to environmental sustainability, hotel management should be encouraged to share their best green practices.

Bali is one of the provinces in Indonesia which is also a well-known tourist spot for many tourists and travelers. Bali's tourism growth continues to accelerate year after year, and has accelerated the development of the island's hotel industry. The development of hotels could boost the economy in a beneficial way. However, there is concern that the expansion of tourist accommodations and the infrastructure that supports them will result in a decline in the quality of the environment. There may be an increase in the amount of waste generated by these accommodations, which could pollute the environment. Especially, since the travel restriction in Indonesia was lifted in

April 6, 2022 through the official circular of the Director General of Immigration, Ministry of Law and Human Rights of Indonesia, people have become motivated to travel for holidays. Bali as a popular tourist destination, certainly stands a reason that after the prohibition was abolished, more people will visit Bali. In addition, ever since the G20 event was held in Bali, Indonesia, Bali is becoming increasingly eyed by the public and the number of tourists visiting Bali has also increased rapidly. This can be seen through the data obtained by the writer from *Badan Pusat Statistik Provinsi Bali*.

**Table 1.1 Room Occupancy Rates in Bali (2021)**

Kelas Hotel Bintang	Tingkat Penghunian Kamar (TPK) Hotel Bintang Menurut Kelas di Provinsi Bali (Persen)											
	2021											
	Januari	Februari	Maret	April	Mei	Juni	Juli	Agustus	September	Oktober	November	Desember
Bintang 5	9.63	5.84	8.20	10.29	12.43	22.61	5.67	4.92	11.61	20.65	25.85	40.53
Bintang 4	11.92	9.77	11.20	10.30	9.05	14.75	4.77	4.26	9.33	18.26	19.85	27.37
Bintang 3	11.62	11.05	10.95	9.36	10.01	12.91	5.09	4.80	7.32	13.93	15.60	23.19
Bintang 2	11.76	12.51	10.46	11.09	10.14	11.77	6.50	7.51	8.50	12.14	15.39	18.45
Bintang 1	-	1.19	7.48	6.88	7.77	10.82	1.99	6.92	6.74	25.38	16.80	9.68
Seluruh Kelas	11.15	8.99	10.24	10.09	10.35	16.68	5.23	4.77	9.46	17.73	20.67	30.67

Source: Survei Hotel Bulanan (VHTS), BPS Provinsi Bali (2023)

**Table 1.2 Room Occupancy Rates in Bali (2022)**

Kelas Hotel Bintang	Tingkat Penghunian Kamar (TPK) Hotel Bintang Menurut Kelas di Provinsi Bali (Persen)											
	2022											
	Januari	Februari	Maret	April	Mei	Juni	Juli	Agustus	September	Oktober	November	Desember
Bintang 5	20.75	12.12	24.21	20.81	37.50	39.71	37.29	37.98	54.04	50.59	52.48	59.81
Bintang 4	21.83	14.28	20.74	18.19	39.24	39.44	37.88	36.43	43.12	43.92	47.58	50.69
Bintang 3	18.46	18.31	19.86	16.83	34.39	34.48	37.28	39.49	39.94	43.66	46.98	51.05
Bintang 2	22.66	18.21	18.51	16.69	29.71	40.42	34.28	44.40	45.25	39.17	44.12	48.01
Bintang 1	19.53	28.90	34.12	31.72	47.57	52.69	47.96	56.37	53.99	58.98	58.33	59.53
Seluruh Kelas	20.71	14.86	21.90	18.98	37.35	38.77	37.52	38.37	46.45	46.28	48.91	53.75

Source: Survei Hotel Bulanan (VHTS), BPS Provinsi Bali (2023)

**Table 1.3 Room Occupancy Rates in Bali (2023)**

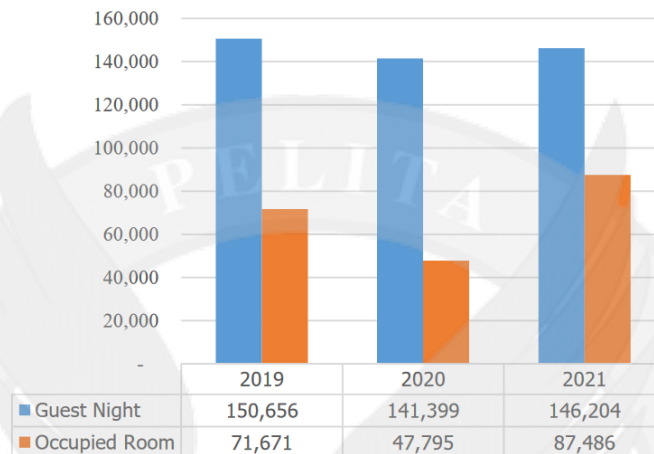
Kelas Hotel Bintang	Tingkat Penghunian Kamar (TPK) Hotel Bintang Menurut Kelas di Provinsi Bali (Persen)											
	2023											
	Januari	Februari	Maret	April	Mei	Juni	Juli	Agustus	September	Oktober	November	Desember
Bintang 5	44.81	36.22	41.10	45.04	44.18	66.72	-	-	-	-	-	-
Bintang 4	49.14	41.91	39.99	45.07	53.33	57.60	-	-	-	-	-	-
Bintang 3	46.02	44.65	38.62	42.77	43.17	54.63	-	-	-	-	-	-
Bintang 2	35.12	38.84	34.79	36.60	35.18	49.67	-	-	-	-	-	-
Bintang 1	42.07	48.72	53.55	56.74	53.70	58.04	-	-	-	-	-	-
Seluruh Kelas	46.16	41.22	40.01	44.31	47.30	59.59	-	-	-	-	-	-

Source: Survei Hotel Bulanan (VHTS), BPS Provinsi Bali (2023)

The data above is a comparison of room occupancy rates in the province of Bali from year 2021 to 2023. In the same season, the number of guest occupancies in 2023 is much higher than in 2022 and 2021. In other words, the room occupancy rate has been increasing every year. According to Surahmah Kurnia et al., (2020), the number of guests entering the hotel affects the amount of waste produced in the hotel. This means that as the room occupancy rate in Bali increases, the amount of hotel waste also increases. Obviously, when there are more people visiting the hotel and using its facilities, they will certainly create more waste, whether from their consumption, amenities, water and electricity usage.

One of the newest hotels in Bali, the Apurva Kempinski Bali located in Badung Regency, started operating in the early 2019, has now become one of the most famous hotels in Bali. Especially since the G20 event was held at this hotel, The Apurva Kempinski Bali has become increasingly famous and is a hotel that has a high occupancy rate. This can be seen from the increase in the occupancy rate of The Apurva Kempinski Bali in recent years from Figure 1.1

below which indicates the amount of guest nights and occupied room at Apurva Kempinski Bali from year 2019 to 2021.



**Figure 1.1 Guest Night and Occupied Room of The Apurva Kempinski Bali**

Source: Benchmarking Data Apurva Kempinski Bali (2023)

This is in line with the increasing amount of waste in Bali, especially in the Badung Regency. Through *System Informasi Pengelolaan Sampah Nasional*, the writer has obtained the waste management data in Bali from Table 1.4 and 1.5 below which show the amount of waste produce in Bali has increased annually from 2020 to 2022, including in Badung Regency.

**Table 1.4 Waste Management Data in Badung Regency, Bali**

SIPSN - Sistem Informasi Pengelolaan Sampah Nasional				
Tahun	Provinsi	Kabupaten/Kota	Timbulan Sampah Harian(ton)	Timbulan Sampah Tahunan(ton)
2022	Bali	Kab. Badung	327.33	119,474.58
2021	Bali	Kab. Badung	319.81	116,731.24
2020	Bali	Kab. Badung	281.24	102,654.16
2019	Bali	Kab. Badung	283.42	103,447.64

Source: SIPSN, Sistem Informasi Pengelolaan Sampah Nasional (2023)

**Table 1.5 Waste Management Data in Bali Province**

SIPSN - Sistem Informasi Pengelolaan Sampah Nasional		
Tahun	Provinsi	Timbulan Sampah Tahunan (ton)
2022	Bali	1,027,433.75
2021	Bali	915,482.46
2020	Bali	904,924.34

Source: SIPSN, Sistem Informasi Pengelolaan Sampah Nasional (2023)

As one of the top demanding hotels in Badung Regency, Bali, Apurva Kempinski Bali is also one of the hotels that contributes to producing waste. This can also be seen from the table below, which indicates the amount of waste produced by Apurva Kempinski Bali for year 2020-2021 obtained from EarthCheck Performance Report.

**Table 1.6 The Apurva Kempinski's Bali Waste Data**

YEAR	WASTE SEND TO LANDFILL (L / GUEST NIGHT)	GUEST NIGHT	AMOUNT OF WASTE (L)	AMOUNT OF WASTE (TON)
2021	0.196	141,399	27714.204	9.787178771
2020	0.466	150,656	70205.696	24.79290755

Source: EarthCheck Performance Report (2023)

When compared to the total waste generation in Badung Regency, the amount of waste produced by Apurva Kempinski Bali is not overly excessive. However, even though it is not a lot, this waste can still have an impact on the environment if it is not properly managed and controlled, especially for long-term hotel business operations.

Large amounts of waste can pollute the environment and lead to various diseases. Flooding is also one of the impacts of large amounts of waste accumulating. In addition, many natural creatures are also threatened because of waste. Bali is an island surrounded by beaches where various kinds of sea creatures live there. Animals living in the ocean are unable to distinguish between food and waste. Hence, the ingestion of hazardous material by marine animals could disrupt their digestive systems and even cause death. Therefore, in order to manage these hotel's waste, implementing waste management strategies through reusing and recycling could minimize the amount of waste hotel produce (Mensah, I., 2020). Besides, waste management is necessary to increase awareness of the hotel employees and guests. Especially, as awareness issues are the main cause of food waste, people now have to realize the outcomes of their actions and understand the negative effects of food waste toward the environment (Özdemir, G et al., 2018).

Natural resources are one of the important factors needed in running a hotel to support the operations and create good performances. There are 2 categories of natural resources, which are renewable natural resources and non-renewable natural resources. Renewable natural resources are natural resources which can never run out or have an infinite supply that can be replenished. Meanwhile, non-renewable natural resources are natural resources that can run out if constantly utilized because supplies are limited. Apurva Kempinski Bali is a 5-star luxury hotel that ensures the best quality of its products, services and facilities. In order to provide the best quality, adequate natural resources are

needed to support the business operations. Examples of the resources needed in a hotel are water, woods, oil, coal and natural gas. Oil, coal and natural gas are included as non-renewable natural resources. In other words, if these non-renewable natural resources are constantly used, then it will lead to depletion of natural resources. Just because these natural resources can be taken freely from nature, many have taken it for granted and end up exploiting it. Besides, even though water is a renewable natural resource, some areas in certain countries experience water shortages, especially clean and unpolluted water. In a book written by Joseph S.Chen et al., (2022) about sustainability in the hospitality industry, it mentioned that access to properly functioning sanitary facilities is a problem for 45% of the world's population. This water shortage is caused by several factors. Two of them are pollution from industrial waste and human waste (from hotels and resorts).

Apart from natural resources, hotels also operate using synthetic materials. Synthetic materials are man-made compounds produced through chemical synthesis. One of the most frequently used synthetic materials is plastic. Plastics are polymers developed through the polymerization of different organic components. Plastic is a material that is often used daily in Indonesian society, such as in the household, market, grocery stores, restaurants and in the work environment. Examples of the use of plastic in hotels are in product packaging such as amenities, plastic bags, straws and styrofoams. Even though it's practical and considerably cheap, the usage of plastic is one of the pollution factors that people often ignore. Plastic is a chemical that is difficult to



decompose which takes hundreds of years to decompose. Hence, the use of plastic in large quantities and continuously will lead to an increasing amount of plastic waste which is certainly harmful for the environment, especially for the health of living things.

Many in the hotel industry still utilize single-use plastic, including Apurva Kempinski Bali. Some of the uses of plastic that can be seen are from food and beverage packaging and straws, amenities and toiletries in every room, and room key card. In response, hotels need to implement environmentally friendly alternatives including reusable toiletries, non-plastic food and drink packaging, and moving toward biodegradable or reusable materials to show a dedication in reducing the harmful impact on the environment. The hotel's culture of sustainability is further enhanced by staff education and guest awareness efforts, which promote environmentally friendly practices like reusing towels and using less plastic. Working together with suppliers who place a high priority on environmentally friendly packaging and incorporating digital communication tools into the overall strategy also helps to reduce the use of plastic in the hotel industry. As hotels adopt these programs, they enhance environmental preservation and improve their brand image by being in line with the increasing emphasis on sustainability around the world.

Hotels have a responsibility for the environment which is often referred to as CSR (Corporate Social Responsibility). A study of CSR activities in hotel industry indicates that waste management and greening are the important factors in managing environmental issues (Kevin Yuwono et al., 2019). Hotel

awareness about the environment and society is needed in order to create a healthy planet for the earth. In terms of environmental management, hotels that have active CSR programs are more likely to implement eco-friendly techniques including waste reduction plans, water conservation measures, and energy-efficient technology. Beyond its limitations, CSR also involves hotel engagement with the community by taking part in community improvement initiatives and making charity contributions. Nevertheless, the impact of CSR that has existed so far has not been felt in several Asian countries, including Indonesia (Hermanto Yaputra, 2019). Hence, the lack of social awareness from both hotel's guests and hotel management on their performances has led to natural resource depletion, water pollution, greenhouse effect, massive solid and water waste, also disrupting the ecosystem of sea creatures.

Based on this phenomenon, the writer is interested in conducting research with the title "The Importance in Managing Hotel Waste and Hotel Performances for Sustainability at The Apurva Kempinski Bali".

## **1.2 Problem Limitation**

The scope of this research has several limitations as the research object, Apurva Kempinski Bali, is located in Jl. Raya Nusa Dua Selatan, Benoa, Kec. Kuta Sel., Kabupaten Badung, Bali, Indonesia. The research is also based on interviews with the staff at Apurva Kempinski Bali, which will be restricted to overall hotel waste, their regulations, systems and operations. This study will focus on 3 variables that consist of 2 independent variables and 1 dependent variable. The

independent variables are hotel waste and hotel performances. As for the dependent variable, it is the sustainability. Therefore, this research will focus on waste produced by hotels, and also hotel performance related to the implementation of sustainability, which revolves around the environmental, social and economic.

### **1.3 Problem Formulation**

1. What is the effect of hotel's waste towards the sustainability of the hotel?
2. How to manage hotel waste for sustainability?
3. What efforts and strategies have been implied to manage hotel waste for sustainability?
4. What is the effect of hotel performances towards the sustainability of the hotel?
5. How to maintain hotel performance for sustainability?
6. What efforts and strategies have been implied to manage hotels' performances for sustainability?
7. What are the challenges faced by Apurva Kempinski Bali in maintaining sustainability?

### **1.4 Objective of the Research**

1. To know the effect of hotel's waste towards the sustainability of the hotel.
2. To know how to manage hotel waste for sustainability.

3. To know the efforts and strategies that have been implied to manage hotel's waste for the sustainability.
4. To know the effect of hotel performance towards the sustainability of the hotel.
5. To know how to maintain hotel performance for sustainability.
6. To know the efforts and strategies that have been implied to manage hotel performance for sustainability.
7. To know the challenges faced by Apurva Kempinski Bali in maintaining sustainability.

## **1.5 Benefits of The Research**

### **1.5.1 Theoretical Benefits**

This research is structured to provide several benefits to writers and readers. Through this research paper, several information and cases discussed can be useful to increase insight into the world of hospitality more deeply. Especially in terms of sustainability, this research can also be used as a guide for running a hospitality business in the long term while maintaining a good environment for society.

### **1.5.2 Practical Benefits**

Several practical benefits of this research are as below:

- a. For the writer, this research is useful to enrich knowledge and increase awareness about the importance of protecting the environment for a better earth.
- b. For Apurva Kempinski Bali, this research could be used as a reference for maintaining good operational performance and improving better management of green environmental practices.
- c. For future researchers, this study serves as additional information and references in further research for readers on related or similar topics.

