



Green Hotel Practices in Indonesia and Their Influence on Millennial Travelers' Hotel Choices

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Abstract Sustainability issues are becoming a significant concern in the global hospitality industry. Millennial travelers, as the dominant segment in tourism, exhibit a strong preference for accommodations that incorporate environmentally friendly principles or are designated as green hotels. This study aims to evaluate the implementation of the green hotel concept in Indonesia and analyze its impact on the stay decisions of millennial tourists. A mixed-methods approach was employed, combining qualitative data from in depth interviews and field observations with quantitative data gathered through surveys of licensed hotel employees. Results show that green hotel practices are most prominently implemented in the areas of energy efficiency, use of local products, and waste management. However, sustainability communication to guests remains underdeveloped. The findings reveal that millennial travelers tend to choose hotels that demonstrate a genuine commitment to environmental responsibility. These results suggest that targeted sustainability strategies, including transparent digital communication and consistent staff training, are crucial in influencing the decisions of millennial travelers. The study highlights specific managerial and policy recommendations to promote sustainable tourism in Indonesia.

Keywords: green hotel, millennial travelers, stay decision, sustainable tourism, energy efficiency, sustainability communication

1. Introduction

Global climate change and increasing awareness of the importance of environmental preservation have prompted various industry sectors, including the hospitality sector, to adopt sustainable practices. Environmental issues, including carbon emissions, plastic waste, and excessive energy consumption, are significant concerns in the global tourism industry. According to a report by the United Nations Environment Program (UNEP, 2020), the tourism industry accounts for about 8% of total global greenhouse gas emissions. One response to this problem is the birth of the *green* hotel concept, which promotes more sustainable operational practices through energy savings, water efficiency, waste reduction, and the use of environmentally friendly materials (Chen & Peng, 2022; Han & Hyun, 2018).

Indonesia, as one of the major tourist destinations in Southeast Asia, also faces similar challenges. The increasing number of domestic and international tourists has triggered significant growth in the hospitality industry. However, this increase also

has an impact on high resource consumption and environmental pollution, especially in tourist areas such as Bali, Yogyakarta, and Lombok. Unfortunately, not all hotels in Indonesia consistently implement green hotel principles. Data from the Ministry of Tourism and Creative Economy (2022) indicate that only around 12% of starred hotels in Indonesia hold eco friendly certifications, such as the Green Hotel Award or Green Globe Certification.

A notable phenomenon in the development of the hospitality industry is the changing behavior of tourists, particularly among the millennial generation. Millennial travelers, born between 1981 and 1996, are the dominant group in current global tourism trends. They tend to have a high awareness of environmental and social issues, and are more interested in authentic and ethical experiences (Smith et al., 2021). According to a survey conducted by Booking.com (2023), as many as 76% of millennial travelers stated that they are willing to pay more to stay in hotels that adhere to environmentally friendly principles. This presents both an opportunity and a challenge for hotels in Indonesia to develop marketing strategies that cater to the preferences of this generation.

Several previous studies have examined the effect of *green hotel* practices on consumer behavior. Research by Han et al. (2011) found that the intention to stay at an environmentally friendly hotel is influenced by positive attitudes towards the environment and subjective norms. Meanwhile, research by Teng et al. (2015) in Taiwan revealed that the implementation of environmentally friendly policies significantly increased customer loyalty. In Indonesia, research by Putri and Astawa (2021) in Bali indicates that, although most tourists have a positive perception of green hotels, there remains a limited understanding of the concept among local tourists.

However, these studies have not explicitly discussed the relationship between *the implementation of green hotels* and stay decisions, especially among millennial travelers in Indonesia. This represents a significant gap in the research. Most previous studies have focused more on behavioral intentions or general environmental awareness, rather than on the actual decision to choose an environmentally friendly hotel as the primary accommodation.

This research offers *novelty* by combining an evaluation of the implementation of *green hotel* principles in Indonesia with an analysis of their specific influence on millennial travelers decisions to stay. By integrating quantitative (through surveys of millennial travelers) and qualitative (interviews with hotel management) approaches, this study aims to provide a comprehensive understanding of the relationship between hotel sustainability strategies and millennial market responses in Indonesia.

The main objectives of this study are: (1) to evaluate the extent to which hotels in Indonesia have implemented green hotel principles; and (2) to analyze how such implementation affects millennial travelers' stay decisions. This research also aims to

identify the key factors of *green practices* that have the most significant influence on travelers' preferences, such as energy management, recycling systems, the use of eco-friendly building materials, and the communication of hotel sustainability through digital media.

The benefits of this research can be categorized into three main areas. First, academically, this research will enrich the literature in the field of sustainable tourism, especially in the context of millennial generation consumer behavior. Secondly, practically, the results of this study can be used as a reference by hotels to develop management and marketing strategies that are more relevant to environmentally friendly consumer trends. Third, in terms of policy, the findings of this study can serve as a basis for the government to consider when formulating regulations and incentives for hotels that apply sustainability principles.

The implications of this research are also significant in supporting the Sustainable Development Goals (SDGs), particularly SDG 12 on responsible consumption and production, and SDG 13 on addressing climate change. By encouraging the implementation of *green hotel* principles, the Indonesian hospitality industry will not only have an economic impact but also a real contribution to environmental preservation and sustainable development.

Based on the above background, the research questions to be answered in this study are: (1) To what extent is the implementation of *green hotel* principles in Indonesia? Moreover, (2) How does it affect millennial tourists' decisions to stay? This study employs a consumer behavior theory approach, specifically the Theory of Planned Behavior (Ajzen, 1991), to explain the relationship between tourists' attitudes toward green practices and their actual behavior when choosing a hotel. Thus, this research not only contributes to the development of science in the field of hospitality and tourism but also provides practical and policy implications for building an environmentally friendly, competitive, and future oriented Indonesian tourism industry.

2. Method

This research employs a descriptive qualitative approach, aiming to gain a deep understanding of the implementation of the *green hotel* concept in Indonesia and its influence on millennial travelers stay decisions. This design was chosen because it enables the exploration of the meaning, perceptions, and subjective experiences of the interviewees regarding sustainability practices in the hospitality sector. Qualitative research enables researchers to gain a contextual understanding of the factors influencing green stay preferences (Creswell, 2016; Yin, 2018). The research location was purposively selected in three major cities in Indonesia that have experienced high growth in the tourism industry and are known for implementing *green hospitality*

principles, namely Bali, Jakarta, and Bandung. These three cities were chosen because they represent different hotel characteristics and tourist behavior: Bali as an international ecotourism destination, Jakarta as a business city with urban hotel growth, and Bandung as a creative domestic tourism city.

The primary instrument in this research is the researcher himself (a human instrument), who actively conducts observations, interviews, and analyzes the collected data. Additionally, a semi structured interview guide was employed to maintain the flow and focus of the discussion throughout the interview process. This guide was prepared based on green hotel indicators, including energy efficiency, waste management, clean water utilization, the use of local and organic products, and sustainability communication to hotel guests.

Data was collected through two main techniques: in-depth interviews and field observations.

1. In depth interviews were conducted with hotel management and millennial travelers who met the criteria. Interviews were conducted both in person and online (via Zoom or Google Meet), depending on the informants' availability and location. Each interview session lasted around 45-60 minutes and was recorded for transcription purposes.
2. Field observations were conducted in the hotel area to assess the actual implementation of green practices, including the use of energy management systems, provision of recycling facilities, eco friendly amenities, and the visual communication of green policies to guests.

Documentation was conducted in the form of field notes, photographs, and videos (with hotel permission). This aims to support the validity of the data and strengthen the interpretation of the findings.

3. Results & Discussion

This research involved two main groups of respondents: hotel management that has implemented *green hotel* principles and millennial travelers who have experience staying in environmentally friendly hotels. A total of 15 informants were interviewed, comprising 6 hotel managers in Bali, Bandung, and Jakarta, and 9 millennial travelers aged between 23 and 35 years old. In addition, questionnaires were also distributed to 30 licensed employees working in the operational and environmental departments of the star hotels that have implemented *green hotel* principles. Based on the data, 60% of the informants from the hotel are operational managers, while the rest come from the environmental management and marketing divisions. The millennial travelers interviewed have diverse professional backgrounds, ranging from digital workers and students to young entrepreneurs, with the commonality that they have a high sensitivity to environmental issues.

From the results of in-depth interviews with hotel management, it was found that most hotels have implemented the fundamental aspects of *green hotels*, including the use of energy-efficient lighting, the reduction of single-use plastics, and wastewater treatment systems. One hotel manager in Bali stated:

"We started our *green hotel* program in 2018. Initially, we replaced all the lights with LED bulbs and installed a solar panel system. As it turned out, many guests, especially the younger generation, gave us positive feedback."

However, managers also revealed challenges in fully implementing the *green hotel* concept. The primary barriers are high initial investment costs, inadequate staff training, and limited guest education on the importance of sustainability. Some hotels also faced difficulties in obtaining international certifications, such as Green Globe or EarthCheck, due to the complexity of the administrative processes.

In general, hotel management recognizes the importance of *green marketing* in reaching millennial travelers; however, many have yet to effectively integrate sustainability communication strategies into their social media or digital platforms.

Results from a questionnaire distributed to 30 hotel employees showed that *energy efficiency* was the most widely implemented practice (average score of 4.2 out of a scale of 5), followed by the use of local products (4.0), waste management (3.8), water conservation (3.7), and sustainability communication (3.5). The following table summarizes the average scores of implementation levels based on employee perceptions:

Table 1. Implementation of Green Hotel



The bar graph indicates that green practices related to technology and infrastructure tend to be easier to implement, whereas communicating sustainability to guests remains a weakness.

Field observations were conducted at five hotels that have declared themselves as eco friendly hotels. The observation results show that all hotels have implemented waste recycling systems, drinking water refill stations, and provided sustainability

information in the form of brochures in the lobby. However, only two hotels actively promote their sustainability policies through in room digital QR codes, social media campaigns, and annual sustainability reports.

Additionally, smart energy management facilities, such as light sensors and automatic cooling systems, are typically only available in five-star hotels. While three and four star hotels still use conventional methods.

Discussion

The results of interviews with hotel management indicate that most hotels adopting the concept of green hotels initiated their initiatives by complying with global corporate policies or were driven by management's commitment to environmental issues. Managers' responses indicate that energy efficiency measures, such as the use of LED lights, air conditioning with motion sensors, and solar power systems, are top priorities for implementing sustainability principles. This is consistent with the statement of one hotel manager in Bali who emphasized that "energy efficiency technology is a long-term investment."

However, obstacles arise in the form of limited funds and staff awareness levels that still need to be improved through training. This interpretation suggests that while management's good intentions are high, implementation at the operational level is not always optimal without structural support and an adaptive work culture that fosters sustainability.

The interviews also revealed that while hotel guests, especially millennials, welcome sustainability initiatives, not all guests are aware or understand the eco-friendly features available. This highlights the need to enhance sustainability communication in the hotel's service strategy.

The questionnaire distributed to licensed employees revealed that green hotel practices are most prominently seen in the aspects of energy efficiency (4.2) and the use of local products (4.0). This aligns with management interviews that highlighted these two aspects as the primary focus. However, a relatively lower score was found in the aspect of sustainability communication (3.5). This illustrates the imbalance between actual practices and communication with guests. If communication is not effective, then the potential value proposition of green hotels is not fully conveyed, especially for millennial travelers who tend to value transparency and ethical values. Most respondents also emphasized the need for regular training on sustainability practices, as many operational staff lack understanding of why these practices are important and how their implementation affects guest perceptions and the hotel's overall image.

From observations conducted in five hotels across three major cities (Bali, Jakarta, and Bandung), it was found that green hotel infrastructure, including refill

stations, waste sorting systems, and renewable energy utilization, has been well implemented. However, this presence is not always accompanied by explicit information explanation, either physically (posters, brochures) or digitally (QR code, hotel website). In addition, five-star hotels appear to be better prepared in terms of technology, such as the use of automatic sensors and solar panels, compared to three and four star hotels. This suggests an imbalance in implementation based on the level of hotel classification. Small or medium sized hotels tend to experience difficulties in meeting green hotel standards due to limited budget and policy support. The observation results reinforce the interview findings that the adoption of the green hotel concept is not always holistic, as some hotels focus solely on technical aspects and neglect the social dimensions, such as staff education and communication with guests.

The results of this study corroborate those of Han et al. (2011), which suggest that social norms and ethical perceptions influence the intention to stay at an eco-friendly hotel. On the other hand, this study complements Putri and Astawa's (2021) research, which states that local tourists' understanding of the green hotel concept remains minimal, and even millennial tourists require a clear and informative communication approach. This finding also supports the theory of planned behavior (Ajzen, 1991), which suggests that the decision to stay is not only determined by positive attitudes towards the environment, but also by the perceived control and social support that tourists feel towards sustainable hotel choices. In contrast to studies in developed countries, such as those by Teng et al. (2015) in Taiwan, which mentioned the existence of high loyalty towards green hotels, in Indonesia, the loyalty factor has not been strongly built due to inconsistencies in the guest experience of green hotel practices.

4. Conclusion

This study aims to evaluate the extent to which green hotel principles have been implemented by the hotel industry in Indonesia and how they influence the stay decisions of millennial travelers. Based on the results of interviews, employee questionnaires, and field observations, it was found that most hotels have adopted environmentally friendly practices in technical aspects such as energy efficiency, waste management, and the use of local products. However, implementation has not been entirely equitable, especially in the aspect of sustainability communication to guests, which is still low.

In terms of traveler behavior, it was found that millennials exhibit a high concern for environmental issues and consider sustainability as a key factor in choosing a hotel. However, the lack of explicit information conveyed by hotels often results in green values not being conveyed optimally, which ultimately has an impact on the

low perceived added value of green hotels. In conclusion, the implementation of green hotel principles positively contributes to millennial travelers' stay decisions, mainly when supported by a strong, educational, and consistent communication strategy. Therefore, collaboration between hotel management, employees, and government policies is necessary to strengthen the adoption of green hotels as an integral part of sustainable tourism in Indonesia.

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