The Viability of Ecolabels? Consequences of the Limited Adoption of Innovative Environmental Programs

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The concept of ecolabels has been in the marketplace for over 30 years, initially as the response of a few dedicated environmentalists to their growing concerns regarding the way in which we produce and consume products. As this philosophy moved more into the mainstream, tourism businesses also began to consider the benefits of environmental conservation through labelling, or certification. There was a proliferation period in the late 1990s, and currently there are now dozens, if not hundreds, of programs around the world that relate to environmental certification of tourism and hospitality enterprises, raising questions regarding their efficacy and relevance. The amount of tourism ecolabel schemes would encourage one to believe that ecolabelling is extremely important and popular; however, the current status of tourism ecolabels is that they have had very limited commercial uptake. According to Weaver (2009, p. 33), the adoption of tourism ecolabels has been ‘miniscule’; Dodds and Joppe (2005) noted that only one per cent of tour operators are certified globally, and the awareness of tourism ecolabels among customers remains low. This raises the question of ‘why bother?’ along with some concerns as to what extent such an outcome does for the environmental movement and labelling. Have consumers become weary and wary of ‘green-washing’, consequently threatening the viability and the future of tourism ecolabels and their associated environmental benefits as we also see in the discussion of sustainable tourism?

Ecolabels and environmental certification are often terms that are used interchangeably, and in this Abstract we are referring to a tourism ecolabel as “any form of certification giving assurance that the tourist operation or activity is conducted according to a known standard that enhances the environment or at least minimises environmental impact” (Fairweather, Maslin, & Simmons, 2005, p. 83). This definition positions tourism ecolabels as environmental management and quality control tools; furthermore, it indicates some extra marketing function that tourism ecolabels are supposed to provide to certified businesses by helping consumers distinguish sustainable tourism business from unsustainable ones through the label.

A review of existing literature on tourism ecolabels sheds some light on the situation of the limited adoption of tourism ecolabels. Published studies in Europe, Asia and other regions attempted to explain why tourism ecolabels have not been adopted as widely as earlier commentators expected they would be. First, the cost and the lack of justification for such cost associated with joining and implementing tourism ecolabelling
schemes appear to be the main obstacle for tourism businesses (Ayuso, 2007; Bien, 2006; Chan & Wong, 2006; Dodds & Joppe, 2005; X Font & Epler Wood, 2007; Grosbois & Fennell, 2011; Lynes & Dredge, 2006; Rowe & Higham, 2007). Second, although consumers are increasingly expressing their environmental concerns, earlier literature found that consumers have low awareness and little knowledge of tourism ecolabels, leaving the assumption that ecolabels could inform and influence consumers’ purchase decisions with little supportive evidence (Fairweather et al., 2005; Reiser & Simmons, 2005; Schott, 2006, p. 81). Third, to date, there is no agreed model to measure the effectiveness of tourism ecolabels if considering ecotabelling as an environmental management tool, collectively and respectively (Xavier Font, 2005; Lynch, 1994). A further aspect regarding inequality which is pertaining to the limited adoption of tourism ecolabels can be found in literatures discussing barriers existing in developing countries and less developed communities (Bowman, 2011; X Font & Harris, 2004; Linsheng, Buckley, & Ting, 2007; Medina, 2005; Sasidharan, Sirakaya, & Kerstetter, 2002).

The studies outlined above have yielded a range of perspectives as broad as the range of ecolabels themselves, contributing to an increased understanding of this issue; however they tend to be case based, with limited development or application of a theoretical model in which to combine their findings into a systematic and replicable framework. As one single exemption of X Font (2009, p. 1)’s comment that most earlier published papers were “atheoretical”, Rivera (2002) applied the Resource-based View Theory (RBV Theory) when assessing the diffusion of the Costa Rican Certification of Sustainable Tourism. Besides the RBV theory, Ecological Modernisation Theory (EMT), Institutional Theory and Stakeholder Theory have been implicitly applied in studies aiming to understand the adoption of tourism ecolabels. However, these theories tend to explain the situation from single perspective such as economic, social or political aspect.

This requires some consideration of theoretical frameworks developed in other fields, and if we consider the concept of ‘ecolabels’ as a form of innovation, some of the theory surrounding innovation may assist, such as Rogers’ Diffusion of Innovation Theory (Rogers, 1962, 2003). Rogers’ Diffusion of Innovation Theory (DOI theory) is a theory of “how, why and at what rate an idea, practice, or object that is perceived as new” spreads or is diffused through cultures, organisations and individuals (Rogers, 2003, p. 12). Notably, it is not relevant whether the subject studied is actually ‘new’, but rather that its ‘perceived newness’ affects individuals or organisations’ reaction to them (Ham & Weiler, 2004; Le, Hollenhorst, Harris, McLaughlin, & Shook, 2006; Rogers, 2003). As noted earlier, tourism ecolabels in themselves are not novel concepts; however, considering their low adoption rate globally to date, they remain ‘new’ to the majority of tourism enterprises and customers.
Conceptualising further on Rogers’ DOI theory, Wejnert (2002) proposed a framework that groups influential factors concerning innovation-decisions into three major categories. Building on that, Le et al. (2006) populated Wejnert’s framework with dimensions that are more pertaining to the adoption of environmental innovations. This Abstract adapts the framework from Le et al. (2006) to address the adoption of tourism ecolabels by tourism businesses (see Figure 1). The authors argue that the DOI theory and the framework provide a potentially comprehensive platform in understanding the adoption of tourism ecolabels in that it embodies some of the main tenets of Resource-Based View, Institutional and Stakeholder Theories.

Figure 1: A conceptual framework examining factors that influence decisions on adopting tourism ecolabels

Adapted from Le et al., 2006; Wejnert, 2002; Rogers, 1962, 2003.

The first category includes Perceived Characteristics of Innovation itself, within which five characteristics are identified, namely, relative advantage, compliance, complexity, trialability and observability. Since Rogers presented the DOI theory in 1962, thousands of empirical studies in various disciplines ‘discovered’ a range of ‘new’ attributes; however, Rogers (2003) argues that these five perceived attributes can explain up to 87 per cent of the variance in the rate of innovations adoption, which is obviously the issue this Abstract attempts to address. A second category in the framework involves the characteristics of
innovators that influence the possibility of adoption of an innovation. Within this category, there are five Organisational Characteristics such as size, location and type of businesses, ‘greenness’ at firm level, (managers’) attitude toward change and flexibility/risk taking. The third category involves characteristics of the external environmental context that modulate diffusion via structural characteristics of the modern world. These Perceived External Characteristics incorporate three dimensions: level of competition, customer demand and government/regulation.

Covering main tenets of a range of theories, the conceptual framework emerged from Rogers’ DOI theory is more than just a simple aggregation of the aforementioned three theories. DOI theory is particularly pertaining to organisational innovation adoptions in their early adoption stage and has been utilised and tested in more than 4,000 published studies across a wide range of geographical regions (Le et al., 2006; Rogers, 2003; Smerecnik & Andersen, 2011). We see there are increasing applications of the DOI theory in tourism innovation studies, backing up Hjalager (2010)’s call for engaging research theories and frameworks from other more established areas in respect to future research of innovation in tourism. Among these innovation studies in tourism field, some earlier ones were applications of the DOI theory to understand how the information communication technology ICT diffused among organisations, such as the ones conducted by Braun (2004) and Murphy and Tan (2003). Since 2006, a number of studies investigating the diffusion and adoption of environmentally sustainable innovations applied the DOI theory and the conceptual framework (Chou, Chen, & Wang, 2012; Le et al., 2006; Nicholls & Kang, 2012; Smerecnik & Andersen, 2011). As discussed earlier in this Abstract, tourism ecolabels are perceived as ‘new’ given their low adoption rate among the tourism industry. Thus the DOI theory and its conceptual framework may provide appropriate theoretical lens to exam factors that facilitate and inhibit adoption of tourism ecolabels from the perspective as innovations in the early stage of adoption.

In working to establish some answers to the questions posed in earlier part regarding the points relating to the limited adopting ecolabels, the impact of modifying them to increase adoption and what further can be done, a number of responses have been established. First, tourism ecolabels function potentially as environmental, managerial and marketing tools for tourism businesses; if these functions and benefits are undelivered due to low adoption, it is thus important to understand what encourage and hinder the adoption. Second, earlier attempts to modify tourism ecolabels have been based on an incomplete understanding of tourism ecolabels due to the lack of a comprehensive framework and appropriate theory base, which further contributes to the lack of measurement in respect to the effectiveness of tourism ecolabels. Third, rather than recommending to “dismiss” tourism ecolabels due to their perceived ineffectiveness (Buckley, 2012, p. 89; X Font, 2009), or abruptly promoting some one-rules-all ecolabelling
scheme, the authors of this Abstract argue that the priority of researchers is to develop or adapt a comprehensive framework which can incorporate earlier findings and is based on appropriate theory. Such a framework needs to assist us to further study and understand the issues surrounding the adoption (or not) of ecolabels.

By reviewing earlier published literature, the authors of this Abstract propose Rogers’ Diffusion of Innovation Theory (Rogers, 1962, 2003) considering the concept of ‘ecolabels’ as a form of innovation. The DOI theory and the framework provide a potentially comprehensive platform in understanding the adoption of tourism ecolabels in that it embodies some of the main tenets of Resource-Based View, Institutional and Stakeholder Theories from economic, social and political aspects. The DOI theory and the framework are particularly appropriate in examining innovations such as tourism ecolabels in their early adoption stage given the extremely low adoption rate by the tourism industry globally. While this Abstract forms part of a larger research project which aims to provide a more thorough understanding of tourism ecolabels, it goes some way to providing a strong theoretical framework that can be applied to many of the past cases studied and aiming to inform future development of tourism ecolabels.
Reference


