A PROPOSED CONCEPTUAL MODEL OF GREEN PRACTICES IMPACTING ON THE TOURISM BUSINESSES AND THEIR PERFORMANCES - A CASE OF PHU QUOC ISLAND VIETNAM

Vu Minh Hieu¹, Ida Rašovská²
¹ Vu Minh Hieu, Mendel university in Brno, Faculty of Business and Economics, hieuvu2000@gmail.com
² doc. Ing. Ida Rašovská, Ph.D., Mendel university in Brno, Faculty of Business and Economics, Ida.Rasovska@mendelu.cz

Abstract: The purpose of this article is to propose a conceptual green practices model in the tourism industry of Phu Quoc island (destination) in Vietnam. The model is developed with purpose of providing direction for researchers to empirically examine relationships among demographic variables, innovation characteristics, performance expectancy, social influence, facilitating conditions and effort expectancy, funding availability and environment and business performances. This study uses the secondary research data which is collected from different sources as books, journals, research papers and other online and print media (publications) on the subject. The main method used in this study is the content review and analysis. The author suggests that an empirical study should be done to confirm if relationships of variables exit or need to be changed to adapt with the currents of the destination to increase business performance. This model is expected to contribute to the theory of tourism and to apply to Phu Quoc island.

Keywords: Green practices (hereinafter is abbreviated as G-Practices), Theory of innovation adoption, Theory of stakeholders, Unified theory of acceptance and use of technology (UTAUT), Vietnam (Phu Quoc island)

JEL Classification: M10, Q01, Z32

INTRODUCTION
Tourism becomes one of the largest and fastest growing industry in the world. It is not only positive contribution to the national economic growth but also negative impact on the natural environment and society (UNWTO, 2012). In recent years, in global scale, the awareness of the sustainable development and G-Practices concepts has been increasing. Tourists requires to have better qualities on products and services, including the environmental quality. To gain market competitive advantage, to prevent decrease in sales and prices, revenues and profits, etc. throughout environmental objectives and practice, current attitudes, management strategies and methods must be combined (Tanja Mihalic, 2000). In addition, environmental quality has been recognised as importance factor to ensure the destination existence in the tourism theory. (Stabler & Goodall, 1997). As known, the tourism industry includes hotels, lodging, restaurants, tour operators, catering services, transportation, theme parks and other additional fields. All of them play major roles in ensuring efficiency of tourism services and sustaining tourism growth. To protect the environment, many initiatives have been created such as Green Globe in the world. Additionally, in 2001, in South East Asia, the Asia-Pacific Economic Cooperation (APEC) and Pacific Asia Travel Association (PATA) institutions adopted the Code for Sustainable Tourism - an eco-code aims to spur tourism growth to all types of tourism related organizations being responsible to natural environments, social needs and cultural sensitivities. “Green” is not a colour. That is the concept for the eco-friendly, social justice and economic development, and healthy. Out of the meaning of “environmental protection” as waste and
pollution reduction, the "green" concept means broader which indicates to sustainable industry. Green industry includes recycling, low pollution, and energy conservation throughout the production such as material purchasing, production, packaging, transportation, marketing, usage, and waste management, etc. In Vietnam, with a fast growing destination island such as Phu Quoc of Kien Giang Province, the unplanned and spontaneous destination development with overall ineffectiveness, transportation, landscapes' protection and conservation, polluted environment, etc. are happening1,2. Caring the environment by G-Practice will not only help Phu Quoc island develop its competitiveness and become an ideal island (destination) but lead the Phu Quoc destination to become sustainability as well.

1. LITERATURE REVIEW

1.1 Definitions of G-Practices

The G-Practices has been promoted in restaurant since 1990 by the American Green Restaurant Association - a non-profit organisation. They practice on the issues of energy efficiency, water conservation, pollution prevention, environmental health, re-use and recycle programs, purchasing, materials, sustainable foods, and designs of buildings and space. In the literature, there are many definitions of “G-Practices”. The term “green” concerns to “environmentally friendly”. Its similar terms are environmentally friendly practices, green approaches, best practices, green environmental attributes, environmental practices and sustainable practices. All the terms have the same meaning. In fact, G-Practices is understood broader and varied based on perspectives and viewpoints upon to the national specifics in terms of cultural, political, and economic differences (Mensah, 2007). From the economic viewpoint, Gupta (2012) defined green as corporate performance

in environmental aspects to meet stockholders’ expectations. Montabon et al. (2006) defined environmental management practices as decreasing environmental impacts by techniques, policies and processes in the business operations. According to Manaktola and Jauhari (2007), G-Practices as a commitment on supporting environmental practices aiming to limit the business’s harmful effects on the environment such as energy conservation, water save and solid waste decrease. G-Practices in the tourism and hospitality industry may have original from the sustainable tourism concept and it has been applied widely. As the industry characteristics, it must cover responsibilities for the environment of which it operates and for the sustainable development contribution and the better society (Krozer, 2008; Gössling et al., 2009). G-Practices can be divided into the four followings (a) energy efficiency as energy using reduction with the same service level, (b) water conservation, (c) recycling, and (d) clean air. Of course, the usage level is fluctuated by type, size and age of the facility and methods (Bohdanowicz, 2006). With Kassaye (2001), to practice green, one of “4Rs” – reduction, re-use, recycling, and recovery should be done in the business. Each of those “Rs” can be achieved through several practices. Some of them can have the purpose of more than one “R” such as “R” reduction as a reduction of resource consumption and a reduction of waste. As above mentioned, definitions are slight different from authors but the main ideas remain the same of which dilute the harmful effects of business on the environment. And for authors’ viewpoint, G-Practices are defined as practices and/or initiatives done by business to strive to minimize the environmental footprint of its operations.

1.2 Motives and barriers in the adoption to G-Practices in tourism industry

The business performance can be measured both financially and non-financially (De Burgos-Jiménez et al., 2013). The adoption to G-Practices in tourism industry is to improve their image and reputation to the public (non-financially). In the study of Environmental Leader (2007) on motives to pursue eco-


friendly practices in 100 CFOs of the largest
retailers, two-thirds of them indicates G-
Practices is to improve companies image
among consumers and shareholders
(Environmental Leader, 2007). These 2 points
have been agreed in the study of Tseng (2010).
As a consequence, through executing G-
Practices, corporates can attract customer
loyalty in the long-run (Ryu et al., 2008) and
new more customers to businesses (Chan &
Besides, adopting G-Practices is also to meet
market interests, consumers and stakeholders
(Tzschentke et al., 2004; Ayuso, 2007; Kasim,
2007; Tsai et al., 2010; Bonilla-Priego et al.,
2011; Imran et al., 2015). Furthermore, G-
Practices can give more impacts of many have
highly successful at increasing efficiency,
reducing costs, improving customer response
time, and contributing to improved quality,
greater profitability, and enhance public image
(Bergmiller & McCright, 2009).
Several studies also showed that motives
to adopt G-Practices as going with costs
(financially) including potential cost reduction
and efficiency by lower energy, waste and
water costs, lower environmental and emission
costs, and lower operational and maintenance
costs, and increased productivity and health
and also an increase in financial savings,
competitor differentiation (Tzschentke et al.,
2004; Bohdanowicz, 2009; Liach et al., 2013;
Best & Thapa, 2013), economic benefits,
employee organizational commitment
enhancement, public scrutiny settlement,
investor relations improvement and good
society (Enz & Sigauw, 1999; Álvarez et al.,
2001; Juholin, 2004; Gan, 2006; Eiadet et al.,
2008; Blanco et al., 2009; Best & Thapa, 2013),
management convictions and the organisational
culture and the support of programs systems
(Kasim, 2007; Rodriguez-Anton et al., 2012)
or cultural motivations such as shared values,
attitudes, commitments, beliefs, etc.
In the business (Kyriakidou & Gore, 2005).
Furthermore, there are other pressures such
as ecological responsibility, competitiveness
and legitimation (Bansal & Roth, 2000;
Goodman, 2000; Alonso-Almeida, 2012; Best &
Thapa, 2013; Tang et al., 2014), organisational
governances (Ramus & Steger, 2000; Chan &
Wong, 2006; Kasim, 2007; Ramus & Killmer,
2007; Dief & Font, 2010) innovations
(Goodman, 2000) customers’ demands
by customer satisfaction and loyalty and
the need for legal compliance (Kassini &
Soteriou, 2003; Alonso-Almeida, 2012; Best &
Thapa, 2013).
In contrast, there are many barriers while
implementing G-Practices. They are financial
and human resources, comprehension and
perception, implementation, management
attitudes, and corporate culture, etc...
The insufficient knowledge is an example
of which included knowledge shortage about
environmental strategies and under-estimation
of the carbon footprint importance
in businesses (Gossling et al., 2002; Barnes,
2007; Tzschentke et al., 2008). In addition,
the second barrier came from businesses’
human resources because they resisted
to change and disinterested in environmental
practices (Doody, 2010) and the lack of human
resources capabilities like knowledge, skills
(Ebinger et al., 2006; Del Brio et al., 2008),
and professional advice on environmental practices
especially in Asian developing countries
(Visvanathan & Kumar, 1999).
One more impediment came from the viewpoint
on the short term profitability, (Doody, 2010),
which relates to short term profitability and
the need to meet budgets and deadlines in
which the implementation of an environmental strategy requires time
to gain sustainability. Kasim (2007) identified barriers as a pro-growth orientation philosophy;
a lack of social awareness, training and
education shortage; prepared environmental
technology to support environmental
innovations and the pervasive attitude. There
are also some obstacles as resources and
capability shortages (Ebinger et al., 2006).
Managers’ resistance (Hillary, 2004; Revell &
Blackburn, 2007; Chan, 2008; Doody, 2010),
owners’administrators’ attitude (Brown, 1996;
Hillary, 2004; Bohdanowicz, 2005; Revell &
Blackburn, 2007; Chan, 2008), the attitude
of consumers. (Hillary, 2004; Revell &
Blackburn, 2007; Tzschentke et al., 2008;
Chan, 2008), legislation and accreditation

(Bergin, 2008), the uncertainty of outcomes and overall lack of institutional support (Hillary, 2004; Revell & Blackburn, 2007; Chan, 2008).

1.3 G-Practices and sustainable tourism development

There are a multitude of definitions for sustainability and sustainable development (Butler, 1999b; Page & Dowling, 2002). Sustainability is defined as “meeting today’s needs without compromising the ability of future generations to meet their own needs.” Also, sustainability principles refer to the balance among the environmental, economic, and socio-cultural aspects of tourism development of which is referred to as the “triple bottom line”. Sustainable development refers to the development that “meets the needs of current generations without compromising on the ability of future generations to meet their own needs” (WCED, 1987). Therefore, G-Practices and sustainable tourism development has strong relationship. “Businesses go green” is regarded as full compliance with environmental protection rules, therefore, for businesses, sustainable development and G-Practices have become not only responsibilities but also a crucial strategy to strengthen their market competitiveness, image enhancement, product and service offerings (Halme & Laurila 2009; Nidumolu et al. 2009; Hockerts & Wüstenhagen 2010; Uhlaner et al. 2012). Becoming green businesses is the approach in which businesses can assist in the environment protection (Porritt & Winner, 1988).

Sustainability has become the crucial aim for businesses and through sustainable practices, the reputation and employee morale, will be strengthened and lead to cost savings and benefit the environment. Moreover, their competitiveness can be enhance through improvements in environmental performance by adaption with environmental regulation adaption, settlement of the environmental concern of customers and reduction of the environmental impact of its product and service activities.

1.4 A review of related theories

Unified theory of acceptance and use of technology

The unified theory of acceptance and use of technology (UTAUT) is used in this study to explain behavioural intentions with aiming to explain user intentions to use an information system and subsequent usage behaviour (Venkatesh, Morris, Gordon B. Davis, & Davis, 2003). The theory was developed through a review and consolidation of eight other models: reasoned action theory, technology acceptance model, motivational model, planned behaviour theory, a combined theory of planned behaviour/technology acceptance model, model of personal computer use, diffusion of innovations theory, and social cognitive theory. As a result, UTAUT identifies four key determinants as performance expectancy, effort expectancy, social factors, and facilitating conditions and four moderators as age, gender, experience, and voluntariness in relation with behavioral intention to use a technology and actual technology use primarily in businesses. As with that model, four control variables have the impact on the supposed relations as gender, age, experience and degree of voluntariness of people. A brief description of the key construct of the model are shown and analysed in the theoretical framework.

• Performance Expectancy: The degree to which the use of the technologies believed by individuals will contribute to increase performance and it may also be considered as the perceived technology usefulness.
• Effort Expectancy: The usage easiness of the technologies.
• Social factors: Referring to social pressure from others.
• Facilitating conditions: the perceived degree to which the required organizational and technical infrastructure exists to support the innovation/system.
• Moderating factors: The UTAUT model are including four moderating variables found to affect the relationships: gender, age, experience and voluntariness. In the UTAUT model, three of performance expectancy, effort expectancy, and social variables have direct impacts on behavioural intention, which along

---

3https://www.environmentalleader.com/2008/02/top-10-reasons-to-green-it/
with facilitating conditions directly impact on use behaviour. Relationships of each of performance expectancy, effort expectancy and social factors with each variable as age and gender; interactions of experience with effort expectancy and social factors; and an interaction of voluntariness of use and social factors on behavioural intention are existed. And finally, there are also relationships of age and facilitating conditions and experience and facilitating conditions on use behaviour (Venkatesh et al. 2003).

Theory of stakeholders
Friedman (2006) defined s stakeholder as "any group or individual who can affect or is affected by the achievement of the organization’s objectives". Delmas & Toffel (2004), Darnell et al. (2008, 2010) identified the various stakeholder groups made pressure on businesses and their environmental practices such as notably regulatory, market, and social actors. Darnall et al (2008) indicated that as a legal requirement, businesses must involve, attend, and to implement proactive environmental issues and policies. Market pressures as industrial and/or household consumers and suppliers increase their awareness of the environment issues and also it’s a force to make business adopt environmentally-friendly practices and/or eschew polluting activities (Han et al., 2010). In addition, environmental organizations, community groups, trade associations, and labour unions are making pressures on businesses to reduce the adverse impact of their activities upon the natural environment. The regulatory stakeholders own pressure and environment implementation because they have the powers to issues regarding environmental protection (Kasim, 2007; Al-shourah, 2007; Darnall, 2008, 2010; Fraz-Andréès et al., 2009; Markus et al., 2011, Lozano, 2013:). Also, changing regulatory demands relating to environmental sustainability increase in the business environments which require managers to adapt constantly with new resources and innovative strategies (Sharma et al., 2007; Lozano, 2013). In addition, a successful sustainable tourism program must require support and participation from the government, local communities, visitors, tourism businesses, and others such as media, international forces, and non-governmental organizations (Horobin & Long, 1996; Butler, 1999; Dewhurst & Thomas, 2003; Liu, 2003) and it should be begun at the micro (business) level. (Dewhurst & Thomas, 2003; Liu, 2003). Moreover, according to Sruangporn et al. (2016), there are some previous studies on the fund availability as a moderating role which impacts on G-Practices in businesses. The innovation adoption is influenced by social individual characteristics and the diffusion degree in the social system (Valente, 1996). This social system is expected to concern stakeholders as the internal, external and networks motivating and influencing in adopting innovative initiatives. The socio cultural context has direct impacts on leadership and shows relationship with organizational innovation (Elenkov & Manev, 2005). Also, in the study of Chou et al. (2011), a negative relationship between social influence and behavioural intentions has shown.

Theory of innovation adoption
From the innovation aspect, (Krozer, 2008) shows that the method of environmental technologies adoption suggested by United Nations is basic to protect the environment from the harmful business impacts. In the ever-changing and uncertainty of the environment, the businesses must face with many obstacles such as costs, profits, standards relating to the environmental performance enhancement in the implementation of innovation. Theory of diffusion of innovations of Roger (1962, 1995) are presently being employed to explain and predict behaviors in relation with innovation adoptions (Gopalakrishnan & Damanpour, 1998; Frambah & Schillewaert, 2002; Lin et al., 2007; Marcati et al., 2008:). To enhance environmental performance, there are 3 classifications of green innovation as green product, green process and green managerial innovation (Chou et al., 2011; Tseng et al., 2012). Chen (2008) and Rao (2002), green innovation comprising of green product
Innovation and green manufacturing process innovation positively impact to competitive advantage and G-Practices adoption may give positively impact on green innovation in businesses.

As organizations, the processes organizational innovation adoption are different by individual and of which decision is connecting with external environments, organizational scales, structures and attitudes toward the innovation (Rogers, 1995). In relation with organizational innovation, there is a positive relationship with the innovative belief and risk acceptance willingness (Wan et al., 2005). Besides, there are some of antecedents as adopter features, social networks, environmental situations (Le Bon & Merunka, 1998; Frambach & Schillewvaert, 2002;) government support and technology innovation knowledge (Jeong et al., 2014) have also been identified and suggested to explain innovation adoption behavior.

As for the innovation, five perceived innovation characteristics (PIC) proposed by Rogers (1995) as influential factors are relative advantage, compatibility, complexity, observability and tri-ability in the decision of innovation technique adoption as follows:

- Relative advantage: the possible betterment in comparison with the existing conditions which is derived from the innovation as economic benefits, cost reductions, improved image, progress, convenience and satisfaction.
- Compatibility: the degree to which the potential users’ inner beliefs, values, and previous innovation experiences drawn out to equivalent levels of the technical system, organisational structure, or employee support
- Complexity: the related implementation difficulties of new skills, technology, or knowledge which may burden the innovation acceptance.
- Observability: level of customer’s (user’s) understanding about influence of innovation on them as well as it's adopting.
- Triability: level of customer’s (user’s) understanding about influence of innovation on them as well as their adapting to this (innovation).

2. OBJECTIVES AND RESEARCH METHODOLOGY

A holistic study on how to make Phu Quoc island become sustainable, especially for the tourism industry is not presently existing. A study of G-Practices is necessary to be done urgently to help Phu Quoc become GREEN, increase awareness about the importance of environmental performance, especially contribute to its sustainable tourism industry. But, most of the papers concerned to the G-Practices in the hotel and restaurant sectors and none of model of G-Practices for businesses/ corporates are proposed.

This article fills this gap in the current literature by reviewing previous studies on G-Practices of the business/ corporates in the tourism industry. This study reviews 3 theories: unified theory of acceptance and use of technology, stakeholder theory and theory of innovation adoption as founding to develop a conceptual model of the G-Practices for tourism businesses which is applicable to Phu Quoc destination. In addition, it should be explained the reason why the 3 theories of unified theory of acceptance and use of technology, stakeholder theory and theory of innovation adoption are used as founding to develop a conceptual model of the adoption of the G-practices for the tourism industry in Phu Quoc destination. It has gone through to all aspects of the society and also the life. especially in Vietnam. It is about 54% of the population who use the internet4. Besides, the UTAUT-based research has risen by the proliferation and diffusion of new ITs as enterprise systems (Sykes et al., 2014), mobile Internet for consumers (Venkatesh et al., 2012). Furthermore, for the past decades, there are much new ITs and studies based on UTAUT. With theories of stakeholders and innovation adoption, as stated above, in businesses, the management levels have the control and influence powers and decisions to establish the organizational structure, processes, and culture which lead to implementing organizational innovations. The awareness of innovation, attitude formation, evaluation, adoption

decision, trial implementation and sustained implementation are included in the innovation process (Rogers, 1995; Gopalakrishnan & Damanpour, 1998). Therefore, three of theories are suitable to be analysed in the context of Phu Quoc destination. This study is totally based on secondary data which are collected from different sources and databases for this extant literature related to the topic such as Science direct, Google scholar, etc... websites and other available sources (including grey publications) by using the following keywords: G-Practice model, theory of innovation adoption, theory of stakeholders and unified theory of acceptance and use of technology. Based on this, 58 publications are found relevant and usable for this study. Later, a systematic review and content analysis are done to reduce bias through comprehensive literature searches.

3. FINDINGS AND RECOMMENDATIONS

Findings
From the analysis, the demographic variables relate and impact to the other variables of innovation characteristics, performance expectancy, effort expectancy, social (influence) factors, and facilitating conditions, of which lead and impact to behaviour intention. Additionally, the variable of funding availability is impacting to the social (influence) factors. As stated above, the behaviour intention is the influence to G-Practices and this can help businesses gain environment and business performances.

Fig. 1: Recommendations (proposed model)

![Diagram of Recommendations]

Propositions
P1: Demographic variables have direct and positive impacts on innovation characteristics. 
P2: Demographic variables impact directly and positively on performance expectancy, social influence, facilitating conditions and effort expectancy.
P3: Effort expectancy have direct and positive effects on behaviour intention.  
P4: Facilitating conditions impact directly and positively on behaviour intention. 
P5: Social influence impacts directly and positively on behaviour intention. 
P6: Performance expectancy has the direct and positive impact on behaviour intention. 
P7: Innovation characteristics has direct and positive effects on behaviour intention. 
P8: Funding availability has the direct and positive impact on social influence.  
P9: Behaviour intention has the direct and positive impact on G-Practices  
CONCLUSION
“Green practices” becomes a worldwide issue which can lead businesses to be “GREEN”, protect and enhance to the environment and business performance. By reviewing 3 theories: unified theory of acceptance and use of technology, stakeholder theory and theory of innovation adoption, the study provides a comprehensive conceptual review and as a consequence, a conceptual model and research propositions of the G-Practices was proposed. This study makes some contributions and managerial implications. The new model is added and implied not only the Phu Quoc destination but also to the theory by use of this model (concept) in some other destination or comparison of other destinations on their ways towards more sustainability. The author suggests that the further empirical study should be done to confirm if the model exits or changes to be adapted with the current circumstance of the destination to increase business performance. In addition, the model is believed to make tourism industry of the destination become GREEN, increase the environment and business performance.

REFERENCES


International Journal of Contemporary Hospitality Management, 8 (3), 18-23.


Smerencin, K.R.


Visvanathan, C., & Kumar, S. (1999). Issues for better implementation of cleaner production in Asian small and medium industries. Journal of Cleaner Production. 7 (2), 127-134.
