

IMPLEMENTATION OF SUSTAINABLE PROCUREMENT: A CASE STUDY OF AN INTERNATIONAL CHAIN HOTEL

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Abstract

This study aims to evaluate the implementation of sustainable/friendly procurement in International Chain Hotels/Hotel X. This research is a descriptive qualitative research using 2 informants. Data collection was carried out by interview, observation and documentation study. The analysis techniques used are data reduction, data presentation, and conclusion drawing. The results showed that six of the ten Hotel X indicators were successfully implemented, while four indicators had not been implemented due to obstacles. The constraints faced include gradual implementation, limited sustainable local suppliers, low demand from operations, absence of warehouses (direct cost), limited availability and choice. This research provides valuable insights to improve socially and environmentally responsible sourcing practices in the hospitality sector, paving the way for wider industry adoption and long-term sustainability. By understanding the constraints and challenges, hospitality organizations can formulate more effective strategies for implementing sustainable procurement, ultimately improving corporate image and customer satisfaction, and contributing to environmental sustainability.

Keywords: Sustainable Procurement, Purchasing, Environment

1. INTRODUCTION

The growing awareness of the importance of environmental conservation has become a major focus across various industries, as reflected in the Triple Bottom Line concept, which emphasizes aspects of planet (environment), people (social), and profit (economic) (Wardokhi et al., 2023). This has triggered a paradigm shift in various sectors, including the hospitality industry, which is part of the tourism industry. Moreover, the tourism industry is one of the sectors highly vulnerable to certain issues, making it necessary to protect it from various global issues that develop in society (Dharma & Kristina, 2021). Environmental pollution often results from the lack of awareness among those involved in tourism businesses and tourists around tourist attractions.

The increase in environmental problems needs wise management. Wise management demands sufficient knowledge about existing environmental issues and the consequences that can arise from human disturbances (Siahaya, 2016). The varied activities of humans can impact the natural environment. Environmental impacts occur because humans tend to overexploit natural resources from the environment (Endiana et al., 2020). As a result, tourists become more selective in choosing accommodations and hotels that not only offer comfort but also actively engage in environmental conservation by using environmentally friendly local products and energy-efficient techniques.

Eco-friendly strategies are a way for hotels to have the intent to purchase various types of eco-friendly products using materials that do not harm the environment. With increasing public awareness of their surrounding environment, this also influences consumer habits as they begin to lean toward wanting eco-friendly products (Puspitasari et al., 2018). Tourists who pay attention to the environment are often referred to as sustainable tourists. The main characteristics of these tourists include their awareness of environmental impacts. Environmental conservation activities in hotels can start from implementing eco-friendly procurement processes that minimize the impact of these procurement processes on environmental sustainability (Veleva, 2021). Sustainable tourists can impact hotel management, especially in the procurement process. Procurement is conducted to ensure smooth operations, guest comfort, and satisfaction, all facilitated by the Purchasing Department.

The Purchasing Department is part of the hotel structure responsible for sourcing and ordering goods or services to support the production function in its activities (Nugraha et al., 2023). Purchasing also plays a role in implementing eco-friendly strategies in the procurement process. The implementation at the hotel involves sustainable procurement (Morales-Contreras et al., 2019). Sustainable procurement can be defined as efforts to achieve sustainable development goals through purchasing and supply processes.

Sustainable procurement considers the environmental, economic, and social impacts, including working conditions, human rights, and the welfare of local communities involved in the supply chain. With hotel management, it becomes easier to evaluate the practices applied by the hotel in protecting the environment. Public trust in the hotel's efforts to implement eco-friendly practices is one of the hotel's responsibilities influenced by stakeholders. Stakeholders, such as the government or specific customers who support the hotel and work together to solve environmental problems, play an essential role that cannot be ignored in encouraging greater environmental concern (Pramono & Dhyana, 2016).

Stakeholder Theory states that companies or organizations need to manage relationships with specific stakeholder groups in action-oriented ways (Freeman, 1984). Stakeholder theory describes how companies can grow and develop due to good relationships between the company and its environment (Darmawan & Sudana, 2022). When hotels implement sustainability, they can attract investor interest and impact the hotel's image. Additionally, hotels receive support from various parties, including the community, allowing them to operate legally. This research uses Stakeholder Theory as the theoretical framework underlying the implementation of sustainable purchasing at Hotel X.

Hotel X is one of the five-star hotels in Bali located on Jln Raya Kuta Beach Banjar Legian, Badung, Bali. Its strategic position close to Kuta Beach, shopping centers, and directly adjacent to the surrounding community causes this hotel to have an attraction that invites tourists to stay and enjoy hotel facilities. In connection with the location close to the water and side by side with the surrounding community, Hotel X is obliged to carry out conservation actions to prevent environmental damage. Conservation actions taken by Hotel X are through the purchase of environmentally friendly goods and the formation of a special committee committed to the implementation of the sustainability concept.

Hotel X has implemented sustainable procurement, they still face various obstacles in its implementation. One of the main challenges relates to suppliers and the products available in the market. The lack of suppliers providing products or services that meet the

sustainability standards (Marriot's 10 standard indicators for sustainable procurement) established can be a barrier to effectively implementing sustainable procurement practices. This can make it challenging for the hotel to obtain supplies that meet the desired sustainability criteria. Additionally, implementing sustainable procurement can also lead to increased costs (Siahaya, 2016). Although investing in sustainable practices can provide long-term benefits such as waste reduction, energy efficiency, and a good reputation, the initial costs of accessing sustainable resources or making changes to production processes are often higher.

Another challenge faced is the increased costs associated with applying sustainability principles in their supply chain. This includes costs for accessing eco-friendly resources, costs for changing production processes, and costs for procuring materials or services that meet sustainability standards. Although these cost increases can be challenging, long-term investments in sustainability will benefit the environment, society, and their business overall.

This phenomenon shows that sustainability goals are essential. Hotel X needs to overcome the challenges related to the availability of suppliers who meet sustainability standards, as well as consider the potential cost increases in implementing these sustainable practices (Endiana et al., 2020). With the right strategies and good partnerships with suppliers, the hotel can achieve its sustainability goals without sacrificing operational efficiency or service quality.

One of the conservation actions related to the purchase of environmentally friendly goods carried out by Hotel X is the purchase of environmentally friendly goods through this Platform which contains how Hotel X is committed to obtaining products that meet responsible procurement requirements, with an emphasis on environmental and social impacts.

Hotels belonging to Hotel X purchase a very large amount of products, and demand is increasing, therefore, improving procurement standards will have a positive impact throughout the supply chain. XI suppliers in support of this measure, by 2025 are expected to comply with the requirements outlined both generally and for specific categories, as set out in this guidance. These requirements will become an integral part of future contracts as obligations to be fulfilled by suppliers. The goal is for 95% of total global spend in their 10 main categories to meet the environmental and social standards set by the company.

These ten categories, chosen by the company, are the main focus areas because the negative environmental and social effects generated significantly impact the global supply chain, as outlined in the Hotel X Responsible Sourcing Guide. The ten categories are animal proteins (including beef, eggs, lamb, pork, and poultry), bottled water, cleaning supplies, cocoa, coffee, guest room supplies, paper products, seafood, sugar, and textiles.

This research refers to a study conducted by Morales-Contreras et al. (2019) titled "*Evaluating Sustainable Purchasing Processes in the Hotel Industry*." The study aimed to describe and evaluate the level of implementation of sustainable purchasing (SP) in the hotel sector supply chain in Spain and to identify the main drivers and barriers to effective implementation. The study was conducted through in-depth interviews with hotel chain managers and suppliers. The results of this study showed that the main drivers and barriers to effective implementation are end customers, government, market conditions, management commitment, and conflicts of interest between customers/suppliers. The authors proposed a new classification of companies based on size, type, and degree of SP implementation.

This research was conducted with the aim of knowing the implementation of sustainable procurement in purchasing at the International Chain Hotel / Hotel X. Based on the background description above, the purpose of this study is to determine the implementation of sustainable procurement at International Chain Hotel/Hotel X.

2. RESEARCH METHODS

In this research, the object of study is the implementation of Sustainable Procurement in Purchasing. The research location is Hotel X, a five-star hotel located on Pantai Kuta Street, Banjar Legian Kelod, Legian, Bali. The hotel is situated across from Legian Beach. Hotel X is owned by PT CPR Tbk and is managed under an international hotel chain, Hotel X. The researcher chose Hotel X as the research location because it was where the researcher conducted on-the-job training, and being under the management of Hotel X made it easier for the researcher to carry out the research. The research period lasted for 6 months, from January to July 2024.

Primary data in this study at Hotel X was obtained through interviews with the Purchasing Manager and Purchasing Supervisor regarding the implementation of Sustainable Procurement in the purchasing or procurement department. Secondary data in this research consists of data directly obtained in the form of documents. This includes data related to the research focus obtained from external sources, such as literature books relevant to the study. Qualitative data in this research process was derived from interviews with the Purchasing Manager and Purchasing Supervisor regarding information on the implementation of Sustainable Procurement in the procurement or purchasing department at Hotel X. The research utilized data collection procedures through interviews, observation, and documentation study.

3. RESULTS AND DISCUSSION

3.1. Research Results

Hotel X is a five-star hotel located on Pantai Kuta Street, Banjar Legian Kelod, Legian, Bali. The hotel is situated directly across from Kuta Beach. Hotel X is owned by PT CPR Tbk and is managed under an international hotel chain, Hotel X. Hotel X adopts the principle of "Exactly Like Nothing Else," which means it has a unique identity, reflected in the design and vision of the hotel that are customized to the culture of the place where the hotel is built. This principle gives the hotel a distinctive character and uniqueness different from other Autograph Collection hotels. Hotel X is one of the hotels implementing a sustainable program.

Sustainable program is one of the programs implemented by Hotel X to reduce pollution and preserve the environment. This program is implemented by the Y Green Committee which was formed by the management of Hotel X at the end of 2022 as a form of commitment to the Sustainability Program designed by Hotel X. Y Green Committee is committed to realizing the conditions of business activities that are durable, sustainable, and environmentally friendly by ensuring the use of resources in a sustainable manner to improve the social, economic, and environmental welfare of hotel management and its stakeholders.

Hotel X's commitment to sustainability is realized through the use of Green Products, such as Coconut Wax Candles, glass bottled mineral water instead of plastic, paper-based products instead of plastic, and eco-friendly movements, including providing water refill stations accompanied by banners encouraging guests to use refillable water bottles (tumblers), beach cleaning, mangrove cleaning with next gen and *sungai watch*, as well as community service with LPM (Community Empowerment Organization) and the distribution of trash bins.

In addition to sustainable practices in operations, Hotel X also implements Sustainable Procurement in Purchasing. X is one of the main pioneers in implementing sustainability, particularly in sustainable procurement. Through the program "*Serve 360: Doing Good in Every Direction*," Hotel X is committed to purchasing products that adhere to responsible procurement requirements, prioritizing environmental and social benefits. One of the programs implemented by Hotel X is the Responsible Sourcing Guide.

Based on interviews with Mr. RY, the Purchasing Supervisor, along with documentation and observations followed by data reduction, it is explained that Hotel X has started implementing sustainable procurement based on the Hotel X Responsible Sourcing Guide. It was found that Hotel X has already implemented 6 out of the 10 Hotel X indicators, including animal protein, coffee, bottled water, guest room amenities, and seafood, while 4 indicators that have not yet been implemented are cocoa, paper products, sugar, and textiles. The sustainable procurement practices at Hotel X consider the operational needs and location of the hotel in selecting suppliers.

3.1.1. Implementation of Hotel X Responsible Sourcing Guide Indicators at Hotel X

a. Animal Protein

In the Animal Protein category, there are several requirements already established in Hotel X's Animal Welfare Position Statement. This regulation explains that suppliers are expected to comply with local standards and, if possible, exceed international standards regarding the ethical, humane, and legal treatment of animals. Suppliers are also encouraged to follow and work progressively to implement humane farming practices and procedures aimed at preventing the mistreatment of animals or their use as entertainment attractions.

Hotel X recognizes the five internationally recognized freedoms of care, which are the animal welfare standards supported by the World Organisation for Animal Health. These include: 1) freedom from thirst, hunger, and malnutrition, 2) freedom from discomfort, 3) freedom from pain, injury, and disease 4) freedom to express normal behaviour, 5) freedom from fear and distress.

The guidelines issued by Hotel X, particularly regarding Animal Protein in the Hotel X's Animal Welfare Position Statement, help the purchasing department in selecting suppliers that meet these criteria. The animal protein currently implemented by Hotel X is Cage-Free Egg Chicken, meaning all eggs must come from poultry raised in a cage-free environment. This sustainability initiative was first implemented in January 2024. The advantage of Cage-Free Egg Chicken is that it has higher protein content compared to caged eggs, but the challenge lies in the price, as Cage-Free Egg Chicken is more expensive than caged eggs.

Another specific requirement is that all pork must be raised in group environments or gestation-crate-free (Create Free Pork). However, Hotel X is a halal-certified hotel, so it cannot implement Create Free Pork in its sustainable procurement process.

b. Bottle Water

The international chain hotel through the X Green Committee has implemented various activities and programs in the form of concrete actions in reducing plastic waste in its operations. Hotel X provides a water refill station accompanied by a banner that can encourage guests to use refillable drinking water bottles (tumbler). Water refill stations are provided in each hallway on each floor of the guest rooms.

Hotel X has replaced the use of plastic bottled mineral water with glass bottled mineral water. Glass bottled water is typically used for in-room setups and banquet meeting amenities. The water packaging provided by Hotel X complies with the Hotel X Responsible Sourcing Guide, which requires packaging to be recyclable with at least 35% recycled content.

The vendor that collaborates with Hotel X in implementing sustainable procurement is CV. TA. This vendor has implemented the sustainability guidelines from the Hotel X Responsible Sourcing Guide, which includes efforts to increase plastic recycling in the surrounding community and provide safe transportation. The supplier is responsible for recycling all empty bottles from the hotel, which are collected and returned, and are certified by SNI (Indonesian National Standard) and the Food and Drug Administration (Badan POM).

c. Cleaning Supplies

Cleanliness is essential for maintaining health and creating a comfortable environment. A clean hotel provides a pleasant experience for guests. To achieve this cleanliness, it is crucial to select the right cleaning supplies. Hotel X aims to create the best experience by implementing sustainable procurement practices in Cleaning Supplies.

In implementing sustainability in this category, certain criteria must be met, such as products that reduce energy and water use, packaging that is recyclable with at least 35% recycled content, or certified compostable materials.

Hotel X has already implemented sustainability in Cleaning Supplies, particularly in chemicals. Chemicals are used by housekeeping to facilitate the cleaning process. One of the vendors collaborating in the sustainable procurement process is PT. Ec is a verified supplier of chemicals, providing products formulated to reduce energy and water use, which is one of the indicators in the Hotel X Responsible Sourcing Guide. Additionally, Ecolab offers training or workshops related to hygiene and sanitation to support the sustainable program at hotels under X International.

d. Coffee

Coffee is one of the indicators in Hotel X's sustainable procurement process, already implemented by Hotel X. Sustainable coffee is characterized by agricultural practices and techniques that consider the impact on soil health, air, and water quality. To achieve this, the purchasing department identifies suppliers that meet these sustainability criteria.

Hotel X collaborates with TN coffee supplier. This supplier works in partnership with Hotel X and has met sustainability requirements by implementing fair trade practices. Additionally, this coffee processing utilizes coffee waste as biofuel.

e. Guest Room Amenities

Guest Room Amenities are facilities that enhance the guest experience during their stay. A positive experience is key to a hotel's success. One strategy employed by Hotel X to ensure guest comfort is the procurement of eco-friendly products by replacing guest room amenities such as combs, dental kits, shaving kits, toothbrushes, shampoo, and soap packaging, which were previously plastic, with recyclable materials containing at least 35% recycled content. Hotel X has started using guest room amenities made from wheat, reducing plastic bottles for shampoo, conditioner, and body soap by using RBA (Residential Bath Amenities), and employing biodegradable materials for laundry bags and bin liners.

PT. Bd is a supplier that collaborates with Hotel X in the procurement of guest room amenities. Budi Jaya Amenities has met Hotel X's requirements, being RSPO (Roundtable on Sustainable Palm Oil) certified and committed to making sustainable palm oil. RSPO members contribute constructively to promoting the growth and use of sustainable palm oil to protect people, the planet, and prosperity. Therefore, sustainable procurement of eco-friendly guest room amenities does not only involve packaging but also the use of certified responsible palm oil in the production of soap, body lotion, shampoo, and other products. PT. Bd has also implemented eco-friendly packaging that considers environmental impact, such as Recycle Paper, Evasoft Cassava, and Dispensers designed for controlled dispensing of liquids/gels.

f. Seafood

Hotel X has implemented sustainable seafood practices as outlined in the MI (X International) guidelines. The criteria that must be met to implement sustainable seafood include the requirement that suppliers must not provide any species considered endangered/protected by national legislation, international agreements, or recognized international government bodies or scientific organizations.

Suppliers are required to follow Hotel X's Responsible Seafood Position Statement and avoid listing prohibited species such as Bluefin Tuna, Chilean Sea Bass, turtles, sharks, and Orange Roughy. They must also avoid illegal catches, such as bycatch, where large nets are placed on the seabed and pulled from the ship, which can damage coral reefs and the species within them.

The purchasing department selects suppliers by identifying those who can meet Hotel X's criteria, primarily through certification. In the sustainable procurement process, the certifications requested by the purchasing department from suppliers are quite comprehensive, including business licenses and certificates of integrated quality management program implementation/Hazard Analysis and Critical Control Point (HACCP).

The supplier used in the sustainable seafood procurement process is PT. HS. PT. HS is a company that practices responsible procurement and collaborates with the Indonesian Marine and Fisheries Society Foundation (MDPI), meeting the criteria of Hotel X, including

HACCP certification, avoidance of endangered species, prevention of bycatch, and compliance with Hotel X's Responsible Seafood Position Statement.

Implementing sustainable procurement is one of the strategies of Hotel X to preserve the environment and attract consumers who care about environmental sustainability, thereby positively influencing consumer perception by enhancing the hotel's image as environmentally conscious. This is crucial in facing competition, as eco-friendly hotels aim to minimize the use of natural resources. The goal of Hotel X in implementing sustainable procurement is to reduce the waste generated by hotel operations and contribute to environmental sustainability in the future.

3.1.2 Implementation of Sustainable Procurement in Hotel X Purchasing Department

The implementation of sustainable practices at Hotel X began in 2022. However, not all indicators of Hotel X were fully adopted sustainably due to the challenges posed by the COVID-19 pandemic, which hindered the implementation of sustainable procurement. In 2021, Hotel X's management started directing all its hotels to begin adopting responsible procurement practices.

Once the hotel resumed operations, Hotel X restarted the Responsible Sourcing program through the application of the Hotel X Responsible Sourcing Guide. This program was directly led by Asia Pacific BNF X, which conducted seminars on the steps to be taken and efforts to implement responsible procurement. A critical role in the responsible procurement process is played by the purchasing department. The steps taken by Hotel X's purchasing department include determining top priority products and the requirements necessary for providing goods in accordance with Hotel X's guidelines.

In the selection of sustainable suppliers, purchasing must identify suppliers by requesting a portfolio to understand the supplier's background. The most crucial aspect is obtaining certificates that confirm the supplier adheres to sustainability practices. This can be evidenced by a business license certificate and hygiene-related certificates. These two certificates are mandatory for high-risk goods such as fish, dairy products, and others. Suppliers possessing these two certificates will be considered by the purchasing department for selection.

Supplier visits are one method used by the purchasing department to ensure that suppliers can meet the hotel's standard requirements. The purpose of these visits includes ensuring that the products or raw materials produced by the suppliers meet the desired quality, inspecting the production process, ensuring suppliers comply with environmental regulations, health and safety standards, and business ethics. These supplier visits are conducted once a month, with a different vendor visited each month. Based on interviews and observations conducted by the researcher during training, the supplier visits are divided into four sub-clusters: X Nusa Dua, X Jimbaran Uluwatu, X Kuta Seminyak Legian, and X Ubud. This sub-cluster division in the supplier visit process helps avoid simultaneous visits and saves time. The results of the supplier visits are then shared with other purchasing managers.

3.2. Discussion

3.2.1. Implementation of Hotel X Responsible Sourcing Guide Indicators at Hotel X

a. Implementation of Sustainable Animal Protein

The discussion on sustainability practices related to animal protein at Hotel X highlights the implementation of sustainable practices, particularly with Cage Free Egg Chicken. This means that all eggs must come from poultry raised in cage-free environments. The advantage of Cage Free Egg Chicken is its higher protein content compared to caged eggs. However, the challenge lies in the cost, as Cage Free Egg Chicken is more expensive than caged eggs. One practice that cannot be implemented is Create Free Pork, as Hotel X is a halal-certified hotel.

Table 1. Implementation of Animal Protein at Hotel X

Hotel X Responsible Sourcing Guide Indicators	Implementation at Hotel X
Animal Protein <ul style="list-style-type: none">- Sustainable agricultural practices and techniques reduce soil health impact and the quality of air and water.- Hotel X's Animal Welfare Position Statement- All eggs come from cage-free poultry.- All pork is sourced from cage-free (gestation) pigs.	<ul style="list-style-type: none">- Implementation of Cage Free Egg Chicken

Source: Researcher's Processed Data

Based on Table 1, it can be analyzed that Hotel X has implemented sustainable and environmentally friendly procurement practices and meets the indicators outlined in the Hotel X Responsible Sourcing Guide. This is evident as Hotel X meets 3 indicators: the adoption of Cage-Free Egg Chicken, the selection of sustainable suppliers that can adhere to agricultural practices and techniques that reduce soil, water, and air health impacts, and compliance with the Hotel X's Animal Welfare Position Statement. One indicator that is not met is Cage-Free Pork, which requires that all pork must come from pigs raised in a cage-free gestation environment. This indicator is not applied because Hotel X is a halal-certified hotel.

b. Implementation of Sustainable Bottle Water

Hotel X's efforts in implementing sustainable and eco-friendly procurement practices include replacing plastic bottles with glass bottles. This change was implemented in 2022 and applies to rooms, restaurants, and event banquets. The glass bottles used are made from at least 35% recycled content or are compostable.

Table 2. Implementation of Bottle Water at Hotel X

Hotel X Responsible Sourcing Guide Indicators	Implementation at Hotel X
Bottle Water <ul style="list-style-type: none">- Liquid and solid waste can be recycled/disposed of responsibly.- Made from at least 35% recycled content and certified compostable.- Suppliers provide a sustainable plan.- Suppliers with efficient delivery transportation.- Suppliers are involved in efforts to increase plastic recycling.- Sustainable organic natural resources/watershed areas.	<ul style="list-style-type: none">- Replacing the use of plastic bottles with glass bottles that can be recycled with at least 35% recycled content.- Collaborating with supplier CV. TA<ul style="list-style-type: none">a. The supplier delivers products using efficient transportation.b. The supplier is involved in efforts to increase plastic recycling.

Source: Researcher's Processed Data

Based on Table 2, it can be analyzed that Hotel X has implemented sustainable and eco-friendly procurement practices by reducing plastic usage, specifically by replacing plastic bottles with glass bottles. The table shows that Hotel X meets 4 indicators from the Hotel X Responsible Sourcing Guide: using materials that are recyclable with at least 35% recycled content, collaborating with vendors who use efficient transportation for deliveries, involving suppliers in efforts to increase recycling (with the supplier recycling the bottles themselves while the hotel only collects and returns empty bottles), and more. However, 2 indicators have not yet been implemented because vendor CV. TA is a new vendor and there is a lack of understanding about sustainability.

c. Implementation of Sustainable Cleaning Supplies

Hotel X pays attention to guest health and comfort by choosing the right cleaning supplies. The form of application carried out by the hotel is to use sustainable / friendly cleaning supplies in the Chemical section. Chemical used at Hotel X is a type of chemical that can reduce the use of energy and water, the packaging used can be recycled at least 35%. The vendor that cooperates with Marriott International is PT Ec which is a supplier with verified chemicals, the materials used can reduce the use of energy and water and PT Ec also provides counseling related to hygiene and sanitation. This program aims to maintain high standards of hygiene and health while supporting environmental sustainability efforts. With the cooperation between the hotel and PT Ec, Hotel X continues to be committed to providing the best service in line with environmentally friendly principles.

Table 3. Implementation of Cleaning Supplies at Hotel X

Hotel X Responsible Sourcing Guide Indicators	Implementation at Hotel X
Cleaning Supplies <ul style="list-style-type: none">- Products can reduce energy and water usage.- Made from at least 35% recycled content and certified compostable.- Supplier provides a sustainable plan.	Hotel X uses Chemical products in its sustainable practices and collaborates with supplier PT. EC <ul style="list-style-type: none">- In 2023, the amount of water conserved with PT. EC help is equivalent to the drinking water for 782 million people.- Provides training on hygiene and sanitation.- Packaging used is recyclable.

Source: Researcher's Processed Data

Based on table 3, it can be concluded that Hotel X has implemented sustainable practices well and fulfilled the indicators of Hotel X. The 3 indicators are chemical products that can reduce the use of energy and water. Chemicals used at Hotel X are products from PT Ec which is a sustainability supplier starting from the manufacturing process, product packaging that has gone through the stages of reduction, reuse, and recycling (incorporation of post-consumer recycled materials (PCR) into packaging, therefore it can be said that Hotel X has implemented sustainable practices and met the indicators of Hotel X.

d. Implementation of Sustainable Coffee

The sustainability practice implemented by Hotel X is the procurement of sustainable goods in coffee. Coffee can be said to be sustainable if sustainable practices and techniques can reduce impacts on soil health and air and water quality. In implementing this sustainability, Hotel X collaborates with the supplier Tn. Supplier Tn believes that high quality coffee starts from 2 factors, namely the environment where it grows and the farmers who grow it. Reducing soil health impacts can be seen from the use of organic fertilizers and efficient water management to maintain soil fertility and reduce negative impacts on the environment.

Table 4. Implementation of Coffee at Hotel X

Hotel X Responsible Sourcing Guide Indicators	Implementation at Hotel X
Animal Coffee <ul style="list-style-type: none">- Sustainable agricultural practices and techniques reduce impacts on soil health and the quality of air and water.	<ul style="list-style-type: none">- The application of coffee from supplier TN involves sustainable practices and techniques that consider soil health and the quality of air and water.

Source: Researcher's Processed Data

Based on Table 4, it can be analyzed that Hotel X has met the sustainability indicators by collaborating with supplier TN, which implements sustainable agricultural practices and techniques that reduce impacts on soil health and the quality of air and water.

e. Implementation of Sustainable Guest Room Amenities

Hotel X demonstrates its commitment to sustainability by replacing guest room amenities such as combs, dental kits, shaving kits, and toothbrushes with products made from wheat-based materials. Shampoo, conditioner, and body soap are not replaced because Hotel X has already reduced plastic bottles by using large refillable bottles, known as Residential Bath Amenities (RBA). Biodegradable materials are used for laundry bags, and small plastic trash bags are replaced with bin liners.

The purchasing department works with supplier PT. Bd for sustainability efforts. PT. Bd is certified by RSPO (Roundtable on Sustainable Palm Oil), which ensures sustainable palm oil production to protect people, the planet, and prosperity. The packaging used is recyclable, and the products are not tested on animals. The supplier regularly updates their plans for improving packaging, such as adopting eco-friendly materials like recycled paper, Evasoft Cassava, and dispensers designed for controlled liquid/gel storage.

Table 5. Implementation of Guest Room Amenities at Hotel X

Hotel X Responsible Sourcing Guide Indicators	Implementation at Hotel X
Guest Room Amenities	- Replaced all guest room amenities with wheat-based materials.
- Palm oil use is prohibited unless it is responsibly certified	- Uses RBA (Residential Bath Amenities) for shampoo, conditioner, and body soap.
- Products are not tested on animals	- Packaging is made from recycled paper.
- Made from at least 35% recycled content and certified compostable	- Laundry bags are made from biodegradable materials.
- Supplier provides a sustainable plan	- Bin liners replace small plastic trash bags.
	- Collaborates with supplier PT. Bd, which is RSPO (Roundtable on Sustainable Palm Oil) certified.

Source: Researcher's Processed Data

Based on Table 5, it can be concluded that the sustainable practices for Guest Room Amenities at Hotel X meet 4 of the Hotel X indicators. This is evident as the supplier used is PT. Bd, which is RSPO (Roundtable on Sustainable Palm Oil) certified and provides explanations regarding packaging updates. The guest room amenities are made from wheat-based materials, bath supplies use RBA (Residential Bath Amenities) to reduce plastic usage, and biodegradable materials are used for laundry bags and bin liners, which are recyclable and environmentally friendly.

f. Implementation of Sustainable Seafood

Table 6. Implementation of Seafood at Hotel X

Hotel X Responsible Sourcing Guide Indicators	Implementation at Hotel X
Seafood <ul style="list-style-type: none">- Steps for the Use and Management of Sustainable Fishing Tools/Methods- Avoidance and minimization of bycatch from non-target species- Hotel X's Responsible Seafood Position Statement- Does not provide endangered species- Seafood species are treated humanely throughout the entire capture process in accordance with Hotel X's Animal Welfare Position Statement	<ul style="list-style-type: none">- Hotel X no longer provides endangered species such as parrot fish.- Chooses a sustainable supplier, PT. HS, with the following specifications:<ul style="list-style-type: none">a. Avoids illegal fishing practices, including bycatch.b. Adheres to Hotel X's Responsible Seafood Position Statement by not providing endangered species.c. Certified by HACCP (Hazard Analysis and Critical Control Point).

Source: Researcher's Processed Data

Based on Table 6, it can be concluded that Hotel X has implemented sustainable procurement practices by meeting 3 indicators from Hotel X: not providing endangered species such as parrot fish, choosing a sustainable supplier, PT. HS, which is HACCP certified, avoiding illegal fishing practices such as bycatch, and adhering to Hotel X's Responsible Seafood Position Statement by not providing nearly extinct species such as bluefin tuna, Chilean sea bass, turtles, sharks, and orange roughy.

3.2.2. Challenges faced by Purchasing in implementing the 10 Indicators of the Hotel X Responsible Sourcing Guide

Hotel X has implemented nearly 60% of environmentally friendly procurement practices. The 40% of indicators from the Hotel X Responsible Sourcing Guide that have not yet been applied are Cocoa, Coffee, Paper Products, Sugar, and Textiles. Based on interviews with the Purchasing Manager and Purchasing Supervisor at Hotel X, as well as documentation and observations, the following challenges and obstacles have been encountered in the process of implementing sustainable procurement practices:

a. Cocoa

Cocoa is one of the indicators of the Hotel X Responsible Sourcing Guide that should be applied in sustainable procurement practices. Sustainable practices and techniques for cocoa reduce impacts on soil health and the quality of air and water. Cocoa is a globally desired commodity used in making chocolate and various chocolate products. Sustainability in cocoa is crucial to reduce environmental impacts from pesticide use that can damage ecosystems.

Hotel X has not yet implemented sustainability practices for cocoa for several reasons. The hotel has chosen to prioritize other sustainability efforts first, with plans to focus on sustainable cocoa in the near future. Additionally, there is a limited number of local cocoa suppliers who practice sustainable agriculture, which complicates sourcing. Moreover,

challenges related to logistics and the supply chain, including transportation and storage of sustainable cocoa products, add complexity and cost to the implementation process.

b. Paper Products

Paper products are one of the indicators of the Hotel X Responsible Sourcing Guide that should be applied in sustainable procurement. Paper can play a significant role in sustainability if produced and used with environmental, social, and economic principles. Sustainable paper products are important to reduce deforestation, carbon emissions, and negative impacts on forest ecosystems. Paper products are essential for hotel operations as every department requires paper for their operations.

Hotel X has not yet implemented sustainability practices for paper products due to a couple of key issues. Firstly, low internal demand for eco-friendly paper products makes it challenging to purchase in large quantities, which would lower unit costs. Without sufficient demand, the higher direct costs of sustainable paper products can be economically unfeasible. Secondly, the hotel lacks adequate storage facilities, which are necessary to maintain the quality of paper products. This limitation forces the hotel to make more frequent smaller shipments, increasing both logistics and administrative costs.

c. Sugar

Sugar is one of the indicators of the Hotel X Responsible Sourcing Guide that should be applied in sustainable procurement. Sustainable sugar use is important because sugar production has significant environmental impacts, including intensive water use, soil degradation, and pesticide and chemical use that can pollute water and soil. Conventional sugar production often involves poor working conditions for agricultural workers, including low wages and forced labor. Sustainable sugar procurement ensures that sugar is produced in a more environmentally and socially friendly manner, supporting worker welfare and minimizing negative impacts on ecosystems.

Hotel X has not yet implemented sustainability practices for sugar for several reasons. The hotel is currently prioritizing other ingredients that are more urgent for sustainability, so sustainable sugar has not yet become a focus. Additionally, the supply chain for sustainable sugar is complex, especially if it needs to be imported, and maintaining flexibility in supply is difficult during global disruptions. Furthermore, the availability of suppliers offering sustainable sugar is limited, making it challenging to find those who meet the hotel's sustainability standards. Hotel X is actively working on identifying local suppliers who can provide sustainable sugar in the future.

d. Textiles

Textiles are one of the indicators of the Hotel X Responsible Sourcing Guide that should be applied in sustainable procurement. Sustainable textiles are important because they reduce environmental impacts, including decreased water use and harmful chemicals, and improve working conditions in textile factories. Sustainable textiles are often made from organic or recycled materials produced with environmentally friendly methods. Additionally, eco-certified textiles ensure that production processes meet ethical and social standards, such as good working conditions and fair wages for workers. Sustainability in

textiles is crucial to reduce environmental impacts from water use and harmful chemicals in production, which can damage ecosystems.

Hotel X has not yet implemented sustainability practices for textiles due to several factors. Sustainable textiles are generally more expensive than conventional options, which significantly increases operational costs and requires a substantial initial investment in research and supplier development. Additionally, the local market offers limited suppliers for sustainable textiles, making it challenging to find suitable options in the required quantities and quality. The hotel also recently replaced all staff uniforms, so it is not feasible to switch to sustainable textiles immediately due to the recent investment and associated costs. Hotel X plans to consider sustainable textiles during the next uniform replacement cycle to avoid unnecessary resource waste.

3.2.3. The implementation of Sustainable Procurement in Purchasing at Hotel X is linked to Stakeholder Theory

Stakeholder Theory explains that stakeholders in an organization are any groups or individuals who can affect or be affected by the achievement of the organization's goals. The theory also explains that entities or companies have relationships with many groups of stakeholders, such as customers, suppliers, owners, employees, and communities. Strategies used to maintain relationships with stakeholders include disclosing social and environmental information.

Hotel X maintains the interests of stakeholders who have begun to be sensitive to environmental issues. This can be seen from the formation of the Y Green Committee to run the sustainability program which is the direction of the management of Hotel X, namely Hotel X. In addition to the formation of the Y Green Committee, Hotel X runs a sustainable Procurement program in Purchasing with reference to the Hotel X Sourcing Guide and is the direction of the management of Hotel X.

The implementation of sustainable procurement in Purchasing can be considered successful, as demonstrated by positive responses and the absence of complaints from suppliers. This indicates that Hotel X is attentive to stakeholder interests in its activities, including sustainable procurement practices.

4. CONCLUSION

Based on the research activities at Hotel X, the researcher has conducted data analysis and discussion of the research problems, leading to the following conclusions:

1. The sustainable concept applied to purchasing in sustainable/eco-friendly procurement focuses on 10 indicators from Hotel X. Purchasing has identified products used in accordance with Hotel X's responsible sourcing guide. One of the strategies implemented by purchasing is supplier visits. These visits ensure that the products or raw materials produced by suppliers meet the desired quality, check how the production process is carried out, and ensure that suppliers comply with industry regulations and standards, including environmental regulations, occupational health and safety, as well as business ethics standards.
2. Hotel X has implemented 6 out of 10 indicators from the International Responsible Sourcing Guide. The 6 indicators that have been implemented include animal protein,

bottled water, cleaning supplies, coffee, guestroom amenities, and seafood. Meanwhile, 4 indicators that have not been implemented are cocoa, paper products, sugar, and textiles. These 4 indicators have not been implemented due to constraints such as gradual implementation, limited sustainable local suppliers, low demand from operations, lack of warehousing (direct cost), and limited availability and choices.

3. When linked to stakeholder theory, Hotel X has made efforts to maintain the company's image in the eyes of suppliers, and stakeholders have begun to be sensitive to environmental issues by providing environmentally friendly goods in their procurement process.

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