
**Supporting Lodging Accommodations to Transform
Towards a Sustainable Business Model:
a Practice-Oriented Mixed-Methods Research Project.**

Abstract

The tourism industry significantly contributes to climate change but also faces a variety of challenges due to climate change. To address these challenges and the evolving governmental policies regarding the fight against climate change, tourism entrepreneurs are increasingly forced to develop sustainable and economically viable business models. Small- and medium-sized lodging accommodations in Belgium, however, often face financial-, temporal-, and knowledge-related constraints that hinder their ability to implement such business models effectively. This practice-driven, mixed-methods research project outlines how we can empower these accommodations to become more competitive, resilient, and future-oriented through incorporating sustainability in their businesses. By employing a bottom-up approach that actively engages entrepreneurs and key societal actors via co-creation, feasible strategies that reflect real-world challenges and opportunities of lodging accommodations will be incorporated. Reflections on the economic and societal implications of the projects are discussed.

Keywords: *sustainable business models, lodging accommodations, mixed-methods research, SMEs, competitive advantages*

Track: *Business Model Innovations*

Focus of Paper: *industry/educational*

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Introduction

Over the past years, researchers, policy makers and other societal actors have underpinned the urgency of the ‘fight against climate change’ (e.g., Cifuentes-Faura Stern, 2022). The increased attention to this matter has been accompanied by a variety of (inter-)national governmental initiatives. To illustrate, the European Union had launched the European Green Deal with the aim to shift to a climate-neutral economy with net-zero emissions by 2050. EU member countries are required to dramatically reduce their greenhouse gas emissions and to invest in novel sustainable economic business models (European Council, 2025).

One sector that plays a pivotal role in this shift towards a climate-neutral economy and net-zero emissions is the tourism industry. Nowadays, the tourism industry significantly contributes to climate change (Pang et al., 2013). To illustrate, tourist transportations (e.g., airplanes) and accommodations substantially contribute to emissions (Phang et al., 2012; Shakouri et al., 2017). Simultaneously, the tourism industry also suffers from climate change as it impacts tourist attractions (e.g., wildfires, damaged coral reefs) and recreational tourist activities (Shakouri et al., 2017; Tanrisever, 2024).

To address these challenges, tourism entrepreneurs are required to develop more sustainable and economically competitive business models (Campos et al., 2024). Visit Flanders,— the Flemish government agency responsible for promoting Flanders (i.e., the Dutch-speaking part of Belgium) as a tourist destination and providing support for tourism entrepreneurs—, has already taken concrete actions towards a sustainable future by signing the Glasgow Declaration on Climate Action in Tourism. Visit Flanders also developed a strategic plan to support the sustainable transition in the tourism industry in Flanders (Toerisme Vlaanderen, n.d.). Small- and medium-sized lodging accommodations form a crucial part of this transition towards a more sustainable future in Flanders (Toerisme Vlaanderen, n.d.). Transforming these small- and medium-sized lodging accommodations to become more sustainable is further crucial for economic growth in the region (Hess, 2016).

Recent qualitative research among local small- and medium-sized lodging enterprises (SMLEs) in Flanders, however, revealed that they face difficulties implementing sustainability initiatives in their accommodations. SMLEs even request practical tools to implement sustainability in their business models (Anonymous, 2024).

In order to address these challenges, a practice-oriented research project labeled “sustainable entrepreneurship as a business transformer for lodging accommodations” was developed with the aim to help SMLEs to become more economically competitive and future-oriented by innovating their business models with a focus on sustainability. Mixed-methods research will be applied to develop an e-toolkit “sustainable entrepreneurship” that includes various components, (i.e., whitepaper, opportunity scan, baseline- and impact measurements, inspirational stories, sustainability checklist, roadmaps) to make sustainable entrepreneurship feasible and accessible.

The Need to Support Lodging Accommodations in Flanders to Become More Sustainable

In an era that is increasingly characterized by volatility, uncertainty, complexity, and ambiguity (VUCA), the imperative to foster a more resilient and sustainable economic business model is becoming ever more urgent (VARIO, 2023). This is becoming increasingly important for the tourism industry. The tourism industry is not only one of the fastest-growing economic sectors globally (Hinton, 2024), but also represents a critical pillar of the economy in Flanders (Delagrangé & Notebaert, 2022).

As policy discussions in Belgium evolve towards long-term resilience, the 2024–2029 advisory report of the Flemish Advisory Council for Innovation and Entrepreneurship labeled VARIO memorandum “More Impact through Excellence and Entrepreneurship,” provides a timely and strategic framework for fostering productivity growth, innovation, and sustainability. One of its key ambitions— Ambition 4—explicitly calls for embedding sustainability, as defined by the broad framework of the United Nations Sustainable Development Goals (SDGs), at the heart of the Flemish innovation economy. It advocates for an integrated view of economic performance and societal well-being, urging companies, including those in tourism, to pursue ‘purpose-driven’ entrepreneurship grounded in circularity, resource-efficiency, and long-term societal impact (VARIO, 2023).

Challenges and Opportunities Regarding Sustainability for SMLEs

The tourism sector in Europe in general and the tourism industry in Flanders in particular, faces considerable challenges in transitioning toward more sustainable practices (Anonymous, 2024). Like in many other sectors, small- and medium-sized enterprises (SMEs) are often confronted with a fragmented and overly complex sustainability landscape. While various guidelines and tools exist to support them, many are either too general (e.g., “buy local” or “reduce water use”), too complex (e.g., multi-tiered templates designed for multinational chains), or too sector-specific (e.g., circularity models tailored for the fashion industry; Lee et al., 2023; Vlaamse regering, n.d.). This mismatch has made it difficult for many local lodging entrepreneurs to translate sustainability models into actionable and profitable business transformations (Whelan et al., 2021; Toerisme Vlaanderen, 2024). Indeed, SMLEs in Flanders are frequently left struggling to navigate between ideals of sustainability and the day-to-day operational demands of running a competitive business. In addition, research has revealed that the intrinsic motivation to develop sustainable business models is present among SMLE, yet SMLEs lack the knowledge to implement such models (Anonymous, 2024).

Nevertheless, sustainable entrepreneurship holds enormous transformative potential—not only in ecological terms, but also economically. Research (Hess, 2016) and strategic foresight, including insights from the VARIO council, suggest that integrating sustainability into the core business model can foster long-term competitiveness, increase operational efficiency, and enhance decision-making regarding investments, supply chains, and workforce engagement (VARIO, 2023).

Despite this potential, uptake remains low: out of the 27 500 small-scale lodging accommodations in Flanders, only 186 currently hold the Green Key certification¹¹ (Toerisme Vlaanderen, 2024), representing a mere 1.5% of the total potential. This low adoption rate underscores both a critical challenge and an untapped opportunity for advancing sustainability in the Flemish tourism sector.

As the tourism sector in Flanders seeks to recover and reorient itself in the post-COVID context, embedding sustainability into the DNA of its operations is no longer optional—it is essential (Anonymous, 2024). The hospitality industry must be equipped to not only respond to changing consumer expectations and environmental constraints, but also to evolving policy demands and international sustainability benchmarks (European Council, 2025). By targeting SMLEs in Flanders, this project aims to create unique opportunities to catalyze systemic change from the bottom up—one that could inspire ripple effects across the broader tourism and leisure landscape in Belgium and beyond.

A Practice-Oriented Research Project to Transform Business Models of SMLEs to Become More Sustainable via a Mixed-Methods Research Design

In order to be able to keep the local SMEs in the tourism sector, known for their contribution to local identity and authenticity, which is at the core of authentic, local and sustainable tourism (Anonymous, 2024) and in order to address the challenges experienced by SMLEs to incorporate sustainability in their business models, a mixed-method practice-oriented research initiative was launched in 2024. The central objective of the project is to empower these SMLEs via practice-oriented research to become more economically competitive and future-oriented by innovating their business models with a focus on sustainability using a bottom-up initiative. This objective is currently being pursued by addressing four specific aims, as part of an ongoing project. The project will end in 2026.

First, the project aims to document the needs, weaknesses and challenges of SMLEs to gain insights on why they currently do not (fully) incorporate sustainability in their business using focus group interviews with lodging entrepreneurs (N = 41 participants). Based on these insights, in-depth interviews

¹ *Green Key Certification: a certificate that represents a commitment by businesses that their premises adhere to the strict criteria set by the Foundation for Environmental Education. A Green Key assures guests that, by choosing to stay with a Green Key establishment, they are helping make a difference for the environment.*

with sustainability experts (N = 12) will be conducted in order to examine how the needs and challenges of lodging entrepreneurs can be addressed. On the one hand, these in-depth interviews will offer insights in how various sustainability initiatives can be incorporated in SMLEs in a feasible manner. On the other hand, insights will be gathered on how various actors (e.g., governments) can be further involved to address the challenges experienced by SMLEs.

Second, the project aims to gain insights into the current sustainability status of SMLEs by developing and testing a baseline measurement. This measurement captures the extent to which sustainability initiatives are already incorporated in participating SMLEs. This as-is analysis will be tested among participating accommodations (N = 29) to give in-depth insights about the current status of lodging accommodations in terms of their current knowledge and activities regarding sustainable tourism. Sustainability initiatives will be evaluated in each phase of the customer journey of the traveler, i.e., (1) planning and making reservations, (2) traveling and arriving at the accommodation, (3) staying at the accommodation, (4) leaving the accommodation.

Third, the project aims to develop an opportunity matrix and growth plan to help SMLEs to further incorporate sustainability into their businesses. Based on the results of the baseline measurement, an opportunity matrix will be developed that considers each lodging accommodation's sustainability and economic impact. This matrix shall thus be composed for every individual participating enterprise in order to be able to make strategic choices in the further development and implementation towards a more sustainable business approach.

An individual growth plan will be developed for each SMLE based on their own strategic decisions on how they want to further grow with regards to sustainability. The objective is that every participating accommodation can implement the steps towards a more sustainable business as mentioned in the growth plan. The research team will follow-up and coach the entrepreneurs for a period of one year to be able to measure the progress and to identify possible challenges in the roll out.

Fourth, the project aims to develop an e-toolkit sustainable entrepreneurship that includes various materials based on the insights and lessons learned from the three previous mentioned research objectives. More precisely, this e-toolkit includes a whitepaper, links to the baseline- and impact measurements, opportunity scans, sustainability checklists, roadmaps to sustainability, and inspirational stories. The aim of this e-toolkit is to disseminate the project findings and to help other SMLEs (that were not part of the sample) to incorporate sustainability into their business models.

The Importance to Implement Sustainable Practices in an Easy and Accessible Manner for a Broad Range of Stakeholders in the Tourism Sector

Various initiatives will be taken in the project in order to make sustainable business practices feasible and accessible. First, this research initiative will not focus solely on early adopters or businesses already advanced in sustainability. Instead, it will explicitly include a diverse group of 29 growth-oriented independent lodging entrepreneurs from different types of lodging (e.g. camping, small hotels, B&B's, holiday houses) at various stages in their sustainability journey. This inclusive approach acknowledges that meaningful sustainable transitions often occur incrementally and that businesses require both time and context-relevant guidance to transform. The project thus aims to make sustainable entrepreneurship accessible, feasible, and valuable—not just from an ethical standpoint, but also from a strategic and economic perspective.

Second, in order to make sustainable entrepreneurship accessible and feasible, all elements of the project (i.e., baseline- and impact measurements, opportunity scan, growth plan) will be co-developed and iteratively tested in the tourism field to ensure that they are tailored to the specific needs, capabilities, and constraints of SMLEs. A group of experts from the tourism industry as well as sustainable experts will monitor the full process of the research project and foresee the team of researchers with a critical reflection and insights. In addition, students from related study fields in higher education (e.g., tourism and recreation management) will be involved in every step of the project so that they can learn about sustainable practices in the tourism industry. As they are the future generation of people working in the tourism industry, it is pivotal to already transfer this knowledge to them to ensure long-term effects in the industry.

Third, in addition to supporting SMLEs directly, the project will also involve intermediary organizations within the leisure economy and experts in sustainable business, including knowledge partners and professional networks. These intermediaries are vital actors in this projects' ecosystem, and

their ability to diffuse, translate, and tailor knowledge to their network will be central to the long-term impact of the project. By involving them from the beginning of the project and positioning them as ambassadors for sustainable entrepreneurship, the project seeks to amplify its reach and ensure the continuous renewal and alignment of support services with the needs of the lodging sector.

Fourth, this initiative aims to fill a significant gap in the current sustainability landscape by combining academic rigor with practical relevance. Through a combination of qualitative and quantitative research methods—such as baseline assessments, co-creation workshops, impact measurements, and case studies—the project will generate actionable knowledge that is both evidence-based and user-centered. This aligns with the broader regional and national ambitions for an innovation economy that is not only prosperous but also sustainable and inclusive.

Significance and Relevance of the Project Findings and Outcomes to the Tourism Industry

The project has important economic and societal implications. On an economic level, research has indicated that sustainable businesses will have better long-term financial outcomes (VARIO, 2023). This project aims to specifically contribute to a more competitive and sustainable tourism industry as it contributes to stimulation of sustainable innovations, and to more access to sustainability grants and resilience (FOD economie, 2021). Sustainability initiatives that SMLEs incorporate will not only have an impact on the environment but will also be cost effective on the long-term. If only 10% of SMLEs in Flanders use the e-toolkit after its dissemination, a total of $N = 2750$ entrepreneurs can experience the positive benefits of sustainable entrepreneurship.

On a societal level, various benefits can also be experienced. More precisely, by implementing sustainable practices in SMLEs, SMLEs and guests can experience an increased environmental awareness. In addition, by making sustainable investments (e.g., energy-efficient systems, renewable energy sources, water conservation, waste reduction), SMLEs contribute to the fight against climate change and a climate-neutral economy. Furthermore, the project can have a positive impact on local communities because local employment can be stimulated by SMLEs choice of local suppliers or sustainable products as part of their sustainable business models. This contributes to the socio-economic development of the region. Finally, the project educates various actors (SMEs, students in higher education, intermediary organizations) in order to create longitudinal effects on knowledge regarding sustainability (initiatives).

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