

Designing the Extended Marketing Mix (7 Ps) for Sustainable Hospitality: An Integrated Matrix for an Eco-Resort

Executive Summary

The global hospitality industry is undergoing a fundamental transformation driven by climate urgency, shifting consumer values, and the post-pandemic reassessment of travel's purpose. Sustainable hospitality is no longer a niche differentiator; it is becoming a baseline expectation for discerning travellers, particularly within the growing eco-conscious segment. This report investigates the design and integration of the extended marketing mix—the 7 Ps of Product, Price, Place, Promotion, People, Process, and Physical Evidence—for eco-resorts and sustainable hotel chains. Drawing on experience marketing theory, service design principles, distribution channel dynamics, and best-practice case analysis of Six Senses and Intrepid Travel, the paper critiques existing sustainability programmes and synthesises findings into an integrated 7 Ps matrix for market development. The report argues that sustainable hospitality requires a systems-level alignment of all seven elements, where sustainability functions not as a promotional add-on but as the organising logic of value creation. The proposed matrix offers practitioners a diagnostic and strategic tool for embedding sustainability across the entire service marketing architecture, thereby building customer loyalty and competitive advantage in the green tourism segment.

1. Introduction

The hospitality sector stands at an inflection point. Contributing an estimated 8% of global greenhouse gas emissions and facing intensifying scrutiny over resource consumption, waste generation, and community impact, the industry can no longer treat sustainability as a peripheral concern. Simultaneously, consumer expectations have shifted decisively. The

post-pandemic traveller is increasingly values-driven, prioritising authenticity, environmental responsibility, and demonstrable community benefit in their purchase decisions. Within this landscape, eco-resorts and sustainable hotel chains occupy a strategically distinctive position: they must deliver on both environmental commitments and competitive service quality, integrating sustainability into every facet of the marketing mix rather than treating it as a separable attribute.

This report addresses the following objectives. First, it assesses the influence of experience marketing and service design on customer satisfaction and brand loyalty in green tourism. Second, it examines channel distribution pricing dynamics and trade-offs, particularly between direct booking and online travel agencies. Third, it analyses the strategic role of People, Process, and Physical Evidence in shaping customer perceptions of the inherently intangible service experience. Fourth, it critiques best-practice sustainable hospitality programmes, with focused analysis of Six Senses and Intrepid Travel. Finally, it develops an integrated 7 Ps matrix for market development applicable to an eco-resort or sustainable hotel chain.

The report is structured as follows: the next section establishes the theoretical foundation; subsequent sections analyse the seven Ps and synthesise an integrated matrix; the conclusion offers recommendations for implementation.

2. Theoretical Foundation: Experience Marketing and Service Design in Green Tourism

2.1 The Extended Marketing Mix and the IHIP Framework

The 7 Ps framework extends the traditional 4 Ps (Product, Price, Place, Promotion) by incorporating People, Process, and Physical Evidence—the additional elements demanded by the intangibility, heterogeneity, inseparability, and perishability (IHIP) of services . For hospitality, where the core offering is an experience rather than a tangible good, these extended elements are not supplementary but central. The 7 Ps provide a structured lens for examining how sustainable hospitality organisations can design, deliver, and communicate value in a manner that is both commercially viable and environmentally coherent .

2.2 Experience Marketing and Green Consumer Behaviour

Experience marketing theory posits that value is co-created through multisensory, emotionally engaging encounters that connect the consumer to the brand in meaningful ways. In the context of environmental leisure farms and eco-resorts, research demonstrates that experiential dimensions—particularly sensory stimuli and emotional engagement—significantly influence customer satisfaction, commitment, and trust, which in turn mediate attitudinal and behavioural loyalty . Green experiential activities, such as organic farming, recycled-material design, and nature-based interpretation, serve as differentiation strategies that enhance brand image and deepen the customer relationship .

For Generation Z and younger cohorts, experiential marketing in ecotourism contexts has been shown to correlate positively with satisfaction, loyalty, word-of-mouth, and purchase intention . This suggests that sustainability, when experienced rather than merely claimed, becomes a powerful loyalty driver. The design of the service encounter itself—not just the marketing communications surrounding it—becomes the primary vehicle of value proposition delivery.

3. The 7 Ps of Sustainable Hospitality: Analysis and Integration

3.1 Product: Beyond Eco-Labels to Experiential Value

In sustainable hospitality, the Product encompasses both the tangible accommodation offering and the intangible experiences that constitute the stay. Best-practice organisations reframe sustainability from a constraint to a core product feature. Six Senses exemplifies this through its Earth Labs—interactive spaces where guests participate in composting, upcycling, and renewable energy demonstrations, transforming sustainability education into an engaging experience . At its Con Dao property in Vietnam, the resort integrates turtle conservation directly into the guest experience, allowing visitors to assist with ethical hatchling releases under expert supervision . The product is thus simultaneously a resort stay, a conservation contribution, and a learning experience.

This approach aligns with experience marketing principles: the green product is designed as a series of value-creating encounters rather than a passive consumption of amenities. The implication for the 7 Ps matrix is that Product design must begin with the experiential narrative—what the guest will feel, learn, and remember—and then reverse-engineer the physical and operational elements to support that narrative.

3.2 Price: Value Capture in the Sustainable Segment

Pricing in sustainable hospitality involves a dual mandate: capturing the premium that eco-conscious travellers are increasingly willing to pay while maintaining accessibility sufficient to scale impact. Research indicates that a significant proportion of green consumers will

accept mark-ups for products and services they trust to be genuinely sustainable . However, this willingness is contingent on perceived authenticity; greenwashing erodes the price premium.

Distribution channel dynamics critically mediate pricing. Direct booking channels (the brand's own website and loyalty programme) offer superior margin capture and enable relationship-building, whereas Online Travel Agencies (OTAs) such as Booking.com and Expedia provide reach at the cost of commission rates typically ranging from 15% to 25%. For sustainable hotels, the channel choice is not purely financial: OTAs may dilute the brand's ability to communicate its sustainability narrative and control the guest journey. Intrepid Travel has addressed this tension by investing in direct customer relationships and low-carbon travel packages that are difficult to replicate through mass-market OTAs . The pricing strategy must therefore reflect a deliberate channel architecture, balancing reach and margin with narrative coherence.

3.3 Place: Distribution and Physical Location as Sustainability Signals

Place operates at two levels in sustainable hospitality: the physical location and the distribution ecosystem. The physical location of an eco-resort is itself a sustainability statement. Six Senses Con Dao's location within Vietnam's only marine Ramsar site frames the resort as embedded in a protected ecosystem, not imposed upon it . This locational authenticity becomes a marketing asset that cannot be replicated by competitors in other settings.

The distribution dimension of Place concerns how the sustainable hotel makes itself available to the market. As noted, the direct-versus-OTA trade-off is strategically significant. Best-practice organisations tend to favour a hybrid model: OTAs for awareness and reach, with incentives and superior service design to migrate guests toward direct relationships. For sustainable hospitality, this migration is doubly advantageous: it reduces commission costs and strengthens the brand's capacity to communicate its sustainability narrative without intermediary distortion.

3.4 Promotion: Storytelling and the Authenticity Imperative

Promotion in sustainable hospitality must navigate a paradox: sustainability is both a differentiator and a source of scepticism. The promotion mix must therefore prioritise evidence over assertion. Six Senses' Earth Lab communications, which publish consumption data on water, energy, and waste, exemplify a transparency-based promotional approach . Intrepid Travel's emphasis on low-carbon travel packages and community-based tourism similarly grounds promotional claims in verifiable operational practices .

The promotional narrative should focus on the experiential and community dimensions of sustainability rather than abstract environmental metrics. Guests are more persuaded by the story of sea turtle hatchlings released into the ocean than by claims of carbon offsetting. This is consistent with experience marketing theory: emotional engagement with concrete, sensory-rich narratives outperforms cognitive engagement with abstract data .

3.5 People: The Human Infrastructure of Sustainability

People—the hosts, guides, and staff who deliver the service—are arguably the most critical Ps in sustainable hospitality. The intangibility of the service means that customers evaluate the brand substantially through their interactions with employees. For sustainability to be credible, it must be embodied by the people who represent the organisation.

Six Senses' approach illustrates this principle. Hosts are trained not merely in hospitality skills but in sustainability practices—composting, upcycling, essential oil extraction—which they both perform and teach to guests. The employee becomes a sustainability educator, transforming the service encounter into an opportunity for value co-creation. This has implications for recruitment, training, and performance evaluation: if sustainability is a core brand promise, it must be a core competency requirement for the people who deliver it.

3.6 Process: Operationalising Sustainability Across the Guest Journey

Process refers to the systems, procedures, and workflows through which the service is delivered. In sustainable hospitality, process design must embed environmental considerations at every touchpoint: procurement, waste management, energy use, water conservation, and community engagement.

The research literature on green hotel practices reveals that while energy conservation and consumer perceptions have received significant attention, areas such as green supply chain management and digital sustainability innovations remain underexplored. This suggests that many hotels have implemented visible sustainability measures (e.g., towel reuse programmes) without redesigning the underlying processes. For an integrated 7 Ps approach, process

innovation must extend upstream to supplier selection and downstream to waste and recycling systems.

Intrepid Travel's process innovations, including low-carbon travel packages that replace short-haul flights with rail journeys, demonstrate how process redesign can create a distinctive product offering . For the eco-resort, process innovation might include on-site food production, closed-loop water systems, and community employment pipelines.

3.7 Physical Evidence: Materialising Sustainability

Physical Evidence encompasses the tangible cues that signal service quality and, in the sustainable context, environmental commitment. This includes architecture, materials, signage, amenities, and the designed environment. Six Senses Con Dao's villas, constructed from reclaimed teakwood and designed to resemble a Vietnamese fishing village, provide physical evidence of the resort's sustainability ethos . The architecture itself communicates authenticity, local connection, and environmental responsibility.

Physical Evidence also extends to the small details: refillable water bottles instead of plastic, locally sourced organic amenities, compost bins, and visible renewable energy infrastructure. These cues function as what service marketers call "tangibilising" devices: they make the intangible sustainability commitment perceptible and credible. In the absence of such evidence, promotional claims of sustainability remain abstract and vulnerable to scepticism.

4. Best-Practice Critique: Six Senses and Intrepid Travel

4.1 Six Senses: Sustainability as Experiential Luxury

Six Senses has positioned itself at the intersection of luxury hospitality and environmental stewardship. Its Earth Lab initiative represents a sophisticated integration of sustainability into the guest experience: rather than treating sustainability as a back-of-house operational concern, Six Senses foregrounds it as a guest-facing activity . The resort's conservation efforts, such as sea turtle incubation at Con Dao, transform the guest from passive consumer to active participant in environmental protection .

The strength of Six Senses' approach lies in its alignment across the 7 Ps. The Product (experiential sustainability programming), Place (locations within protected ecosystems), Promotion (transparency and storytelling), People (hosts as educators), Process (upcycling and waste reduction), and Physical Evidence (sustainable architecture and materials) are mutually reinforcing. This coherence is the foundation of the brand's credibility and its price premium.

A potential critique, however, concerns scalability. Six Senses' model depends on high-touch, high-cost experiential programming that may be difficult to replicate across a larger, more accessible hotel chain. The challenge for the broader industry is to translate these principles into formats that can achieve scale without sacrificing authenticity.

4.2 Intrepid Travel: Process Innovation and Carbon Reduction

Intrepid Travel's sustainability strategy focuses on process innovation and carbon footprint reduction. The company's development of low-carbon travel packages, which substitute rail

for short-haul flights and prioritise community-based activities, represents a direct integration of environmental objectives into product design . This approach aligns with the growing consumer demand for travel experiences that are both meaningful and low-impact.

Intrepid’s model demonstrates that sustainability can be a source of product differentiation rather than a cost burden. By redesigning the travel process—replacing flights with trains, for example—Intrepid creates a distinctive offering that appeals to eco-conscious travellers while reducing emissions. The challenge lies in the operational complexity and cost implications of such redesign, particularly in regions with limited rail infrastructure.

4.3 Synthesis of Lessons

The two cases reveal complementary insights. Six Senses demonstrates the power of experiential integration and material authenticity; Intrepid illustrates the potential of process innovation and product redesign. Together, they suggest that sustainable hospitality success requires both the “soft” elements of experience design and the “hard” elements of operational systems. Neither alone is sufficient.

5. Integrated 7 Ps Matrix for Market Development

The following matrix synthesises the analysis into a practical framework for an eco-resort or sustainable hotel chain seeking to develop its market position through sustainability.

P	Strategic Focus	Key Actions	Market Development Outcome
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Product Experiential sustainability Design guest experiences around conservation, learning, and community engagement; integrate sustainability programming into core offering Differentiation; enhanced satisfaction and loyalty

Price Value-based premium Price to reflect authenticity and experience quality; offer transparent value justification; discourage discounting that undermines sustainability positioning Margin capture; protection of brand equity

Place Strategic channel architecture Prioritise direct booking for margin and narrative control; use OTAs selectively for reach; select locations with genuine ecological or cultural significance Reduced commission costs; enhanced brand communication

Promotion Evidence-based storytelling Communicate sustainability through verifiable data and compelling narratives; avoid greenwashing; leverage guest advocacy and UGC Trust; credibility; word-of-mouth

People Sustainability-competent hosts Recruit and train staff as sustainability educators; embed environmental competencies in performance evaluation Service authenticity; value co-creation

Process Systematic environmental integration Extend sustainability to procurement, waste, energy, and supply chain; innovate processes to reduce footprint (e.g., low-carbon transport options) Operational credibility; product innovation

Physical Evidence Materialising commitment Use sustainable materials and design; provide visible sustainability cues (recycling, renewable energy, local sourcing); ensure architecture reflects ecological context Tangible proof; sensory reinforcement of brand promise

The matrix is intended as a diagnostic and planning tool. Its central premise is that the seven Ps must be aligned around a coherent sustainability logic. Isolated initiatives—a recycling programme here, an eco-label there—do not constitute sustainable hospitality. The integrated approach treats sustainability as the organising principle of value creation, from product design through service delivery to post-stay communication.

6. Conclusion and Recommendations

The design and integration of the extended marketing mix for sustainable hospitality require a fundamental reconceptualisation of how value is created, communicated, and delivered. Sustainability cannot be bolted onto a conventional hospitality model; it must be embedded in the architecture of the service offering itself.

For practitioners seeking to develop an eco-resort or sustainable hotel chain, the following recommendations emerge from this analysis:

First, lead with experience, not labels. Guests are persuaded by what they do and feel, not by what they are told. Design sustainability into the guest journey as a series of engaging, educational, and emotionally resonant encounters.

Second, ensure internal coherence. Every element of the 7 Ps must reinforce the sustainability narrative. A luxurious eco-resort that sources food from thousands of miles away, or a conservation-focused hotel whose staff are untrained in environmental practices, will quickly lose credibility.

Third, prioritise direct relationships. While OTAs offer reach, sustainable hospitality brands require narrative control and margin capture. Invest in direct booking infrastructure and loyalty programmes that reward guests for engaging with the brand's sustainability mission.

Fourth, invest in people as sustainability ambassadors. The front-line staff are the primary interface between the brand's sustainability promise and the guest's experience. Training, recruitment, and retention strategies must reflect this reality.

Fifth, embrace process innovation as product differentiation. The most distinctive sustainable offerings—low-carbon travel packages, on-site food production, closed-loop waste systems—emerge from process redesign, not from promotional creativity.

The transition to sustainable hospitality is both a strategic imperative and a market opportunity. Organisations that integrate the 7 Ps around a genuine sustainability logic will be positioned to capture the growing segment of travellers for whom environmental and social responsibility is not a nice-to-have but a decision criterion. Those that treat sustainability as a marketing veneer will find their claims increasingly scrutinised and their brand equity increasingly fragile.

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