

The Role of B-Corp's in the Development of Tourism Businesses in South Africa

Christopher Moon

Marketing, Enterprise and Tourism, Middlesex University, London, UK

c.moon@mdx.ac.uk

Abstract: This paper explores the significance of the B-Corp certification to the development of tourism businesses in South Africa. The paper draws on two case examples of B-Corp's that already operate in South Africa, that of Intrepid Travel, the world's largest travel B-Corp, and Nawiri Group, the first B-Corp in Sub-Saharan Africa. Background is provided on the impact of climate change on the South African tourism industry, and the impact that B-Corp's can and do have. The role of B-Corp certification on climate change resilience, adaptation and governance is explored in relation to both Intrepid and Nawiri, as exemplars to other tourism organisations in the region. The paper is based on reported practices rather than purely theoretical insights. However, analysis of B-Corp Disclosure Reports offers insights to their B-Corp status and progress that will assist tourism students learning about the role of B-Corps and B-Tourism, and for tourism organisations to get a more detailed perspective on the processes involved.

Keywords: B-Tourism, B-Corp, South Africa, Tourism industry, Climate change

1. Introduction

Saarinen et al (2023) 'explore the nature of climate change in southern Africa, it impacts on tourism, and the resilience, adaptation, and governance needed in various tourism operations and environments. These authors point out that there have been at least 57 publications on climate change and tourism in southern Africa as of 2022 (Scopus and Google Scholar) and climate justice has become a significant issue. Thus, much of the global tourism literature is about the Global North and the unique context of areas such as southern Africa is often overlooked. There is a call now for more research on how tourism companies are anticipating climate change impacts rather than just reacting to change, and indications of how tourism can contribute to the UN SDGs is highlighted in this regard.

The above also indicates that tourism companies need to be Responsible i.e., proactive rather than passive and Reactive to the climate change emergency, and the place of travel and tourism certification provides a case in point where the industry can benefit from learning about best practices through networks and consumers will have more information to decide on which companies to use.

2. The Place of B Corp

Travel by B Corp is a collective of B-certified companies founded in 2021 by Intrepid Travel and Pura Aventura (Travel by B Corp, 2023) with members from hotel groups to holiday parks, tailor-made travels to large tour operators. Context is important in translating any global standards into local policies. However, by sharing best practices through the Travel by B Corp network, B-Travel Corps can improve practices towards a more Responsible Tourism Industry. By sharing best practices through other networks, they can impact other industries as well.

B-lab began in 2006 on the premise that business could lead the way towards a new, stakeholder-driven model (B-lab, 2023). B-Lab thus started designating 'B Corporations' based on audits and certifications to verify high standards of social and environmental performance, accountability, and transparency.

According to B-Corp (2023) "B Corp Certification is a designation that a business is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials. To achieve certification, a company must:

1. Demonstrate high social and environmental performance by achieving a B Impact Assessment score of 80 or above and passing our risk review. Multinational corporations must also meet baseline requirement standards.
2. Make a legal commitment by changing their corporate governance structure to be accountable to all stakeholders, not just shareholders, and achieve benefit corporation status if available in their jurisdiction.
3. Exhibit transparency by allowing information about their performance measured against B Lab's standards to be publicly available on their B Corp profile on B Lab's website. "

The B-Impact Assessment management tool is used by over 50,000 businesses worldwide including over 3,000 Certified B Corporations, and helps companies assess their impact on various stakeholders, including their workers, community, customers, and the environment (B-Corp, 2023).

This paper reviews the impact of two certified B-Corp tourism businesses operating in South Africa and discusses the significance of the B-Corp movement to the development of other tourism businesses in South Africa.

3. Comparison of Nawiri and Intrepid

Nawiri Group (2023) was founded in 2022 as a new umbrella company of safari travel businesses operating in sub-saharan Africa including Asilia Africa (formed in 2004 and B-Corp certified in 2021), Bazaruto (formed in 2018), and Go2Africa (formed in 1998). Figure 1 details Nawiri's latest B-Corp Impact Scores.

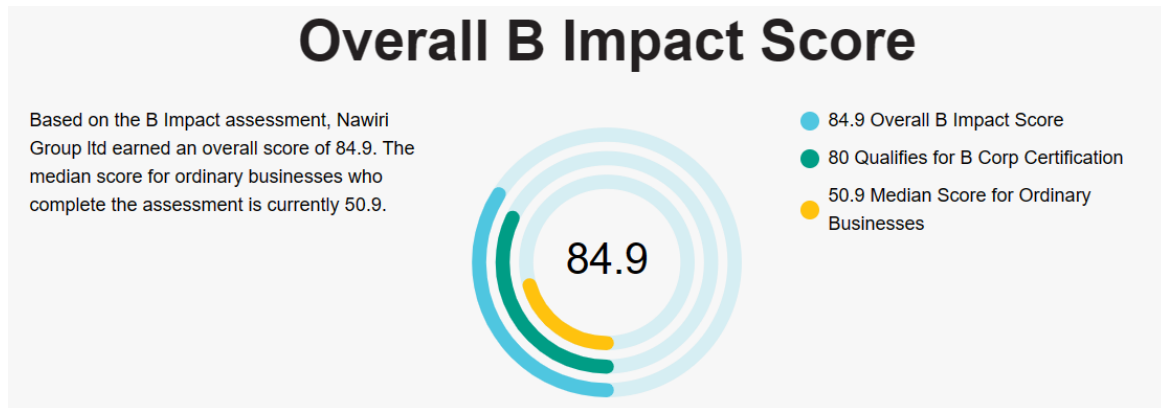


Figure 1: Nawiri B-Corp scores (B-Corp 2023a)

Intrepid Travel (2023) was founded in 1989 as a tour operator and became a B-Corp in 2018 (see Figure 2). The founders were two Australian travellers. Intrepid Group describe themselves as the world's largest adventure travel group (Intrepid DMC, 2021) and cites 28 destination management companies (DMCs) in the group across Africa, Asia, Europe, and Latin America. Intrepid B-Corp Impact Scores are in Figure 2.

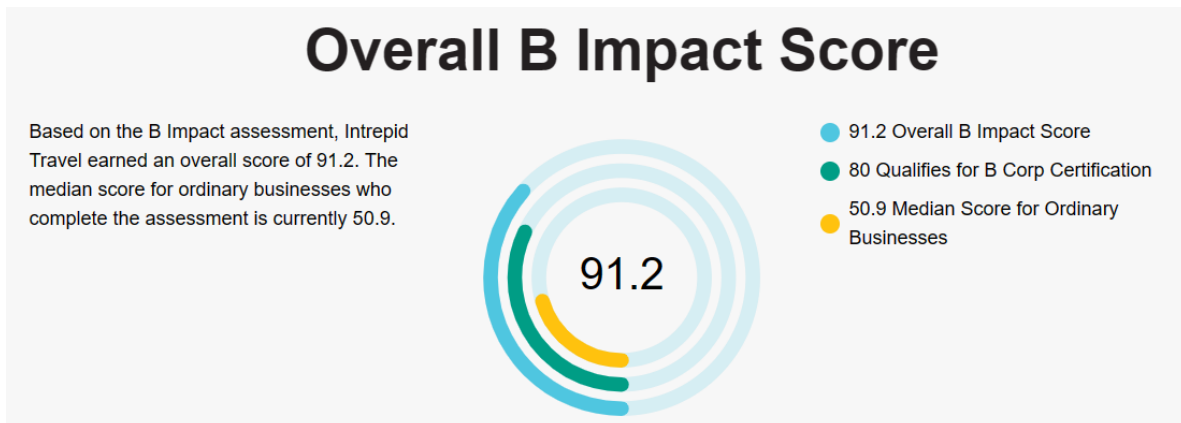


Figure 2: Intrepid Travel B-Corp scores (B-Corp 2023b)

4. Findings and Discussion

Both travel companies score highly on B impact with Nawiri scoring an overall 84.9 and Intrepid 91.2. Comparisons of individual scores are in Figure 3.

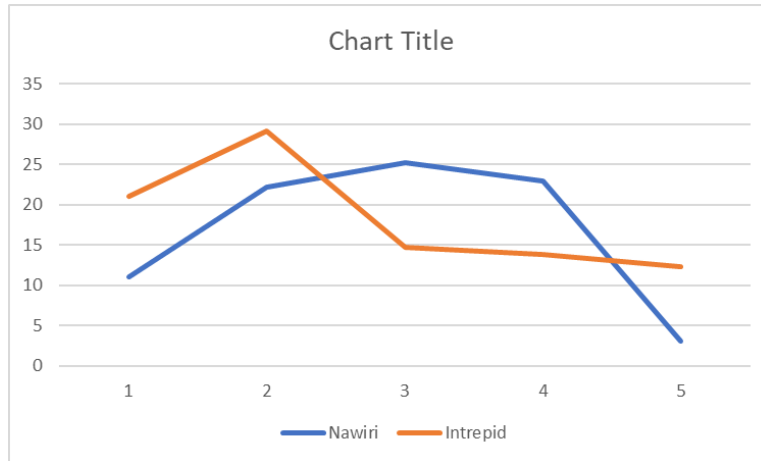


Figure 3: Comparison of B-Corp scores for Nawiri and Intrepid (Author graph based on B-Corp data)

At first sight the scores for Intrepid and Nawiri provide a confusing picture when compared. Thus, Nawiri score higher than Intrepid for Community and Environment, and Intrepid score higher for Governance, Workers, and Customers (see Figures 4 and 5 for the raw data). By understanding these differences both companies can learn from each other’s practices.

Governance 11.1

Governance evaluates a company’s overall mission, engagement around its social/environmental impact, ethics, and transparency. This section also evaluates the ability of a company to protect their mission and formally consider stakeholders in decision making through their corporate structure (e.g. benefit corporation) or corporate governing documents.

Mission & Engagement	3.2
Ethics & Transparency	5.4
+ Mission Locked 2.5	

What is this? A company with an Impact Business Model is intentionally designed to create a specific positive outcome for one of its stakeholders - such as workers, community, environment, or customers.

Workers 22.2

Workers evaluates a company’s contributions to its employees’ financial security, health & safety, wellness, career development, and engagement & satisfaction. In addition, this section recognizes business models designed to benefit workers, such as companies that are at least 40% owned by non-executive employees and those that have workforce development programs to support individuals with barriers to employment.

Financial Security	3.6
Health, Wellness, & Safety	8.7
Career Development	2.8
Engagement & Satisfaction	4.2

Community 25.2

Community evaluates a company’s engagement with and impact on the communities in which it operates, hires from, and sources from. Topics include diversity, equity & inclusion, economic impact, civic engagement, charitable giving, and supply chain management. In addition, this section recognizes business models that are designed to address specific community-oriented problems, such as poverty alleviation through fair trade sourcing or distribution via microenterprises, producer cooperative models, locally focused economic development, and formal charitable giving commitments.

Diversity, Equity, & Inclusion	4.5
Economic Impact	4.6
Civic Engagement & Giving	4.0
Supply Chain Management	6.1
+ Supply Chain Poverty Alleviation 3.6	

What is this? A company with an Impact Business Model is intentionally designed to create a specific positive outcome for one of its stakeholders - such as workers, community, environment, or customers.

<h2>Environment 23.0</h2> <p>Environment evaluates a company’s overall environmental management practices as well as its impact on the air, climate, water, land, and biodiversity. This includes the direct impact of a company’s operations and, when applicable its supply chain and distribution channels. This section also recognizes companies with environmentally innovative production processes and those that sell products or services that have a positive environmental impact. Some examples might include products and services that create renewable energy, reduce consumption or waste, conserve land or wildlife, provide less toxic alternatives to the market, or educate people about environmental problems.</p>	<table border="0"> <tr> <td>Environmental Management</td> <td style="text-align: right;">3.1</td> </tr> <tr> <td>Air & Climate</td> <td style="text-align: right;">7.9</td> </tr> <tr> <td>Water</td> <td style="text-align: right;">2.9</td> </tr> <tr> <td>Land & Life</td> <td style="text-align: right;">6.5</td> </tr> </table>	Environmental Management	3.1	Air & Climate	7.9	Water	2.9	Land & Life	6.5
Environmental Management	3.1								
Air & Climate	7.9								
Water	2.9								
Land & Life	6.5								
<h2>Customers 3.1</h2> <p>Customers evaluates a company’s stewardship of its customers through the quality of its products and services, ethical marketing, data privacy and security, and feedback channels. In addition, this section recognizes products or services that are designed to address a particular social problem for or through its customers, such as health or educational products, arts & media products, serving underserved customers/clients, and services that improve the social impact of other businesses or organizations.</p>	<table border="0"> <tr> <td>Customer Stewardship</td> <td style="text-align: right;">3.1</td> </tr> </table>	Customer Stewardship	3.1						
Customer Stewardship	3.1								

Figure 4: Nawiri B-impact scores in five domains (B-Corp, 2023a)

<h2>Governance 21.0</h2> <p>Governance evaluates a company’s overall mission, engagement around its social/environmental impact, ethics, and transparency. This section also evaluates the ability of a company to protect their mission and formally consider stakeholders in decision making through their corporate structure (e.g. benefit corporation) or corporate governing documents.</p>
<h2>Workers 29.2</h2> <p>Workers evaluates a company’s contributions to its employees’ financial security, health & safety, wellness, career development, and engagement & satisfaction. In addition, this section recognizes business models designed to benefit workers, such as companies that are at least 40% owned by non-executive employees and those that have workforce development programs to support individuals with barriers to employment.</p>
<h2>Community 14.7</h2> <p>Community evaluates a company’s engagement with and impact on the communities in which it operates, hires from, and sources from. Topics include diversity, equity & inclusion, economic impact, civic engagement, charitable giving, and supply chain management. In addition, this section recognizes business models that are designed to address specific community-oriented problems, such as poverty alleviation through fair trade sourcing or distribution via microenterprises, producer cooperative models, locally focused economic development, and formal charitable giving commitments.</p>

Environment 13.8

Environment evaluates a company's overall environmental management practices as well as its impact on the air, climate, water, land, and biodiversity. This includes the direct impact of a company's operations and, when applicable its supply chain and distribution channels. This section also recognizes companies with environmentally innovative production processes and those that sell products or services that have a positive environmental impact. Some examples might include products and services that create renewable energy, reduce consumption or waste, conserve land or wildlife, provide less toxic alternatives to the market, or educate people about environmental problems.

Customers 12.3

Customers evaluates a company's stewardship of its customers through the quality of its products and services, ethical marketing, data privacy and security, and feedback channels. In addition, this section recognizes products or services that are designed to address a particular social problem for or through its customers, such as health or educational products, arts & media products, serving underserved customers/clients, and services that improve the social impact of other businesses or organizations.

Figure 5: Intrepid B-impact scores in five domains (B-Corp, 2023b)

The following table outlines the areas for improvement for each company. However, this does not mean that both companies do not need to improve in all five areas.

Table 1: Areas for improvement on B-Corp scores

	Nawiri	Intrepid
1 Governance	*	
2 Workers	*	
3 Community		*
4 Environment		*
5 Customers	*	*

Intrepid (2023b) Disclosure Report points to more detail on some areas that can be improved. For example, Intrepid report 12 legal actions arising from 5 accidents with 6 of 12 lawsuits ongoing and 6 resolved. On-trip accidents which have resulted in fatalities include: A rhino charge in Nepal in 2013 resulting in the fatality of a local guide travelling with an intrepid group, A vehicle accident in Kenya in 2014 resulting in 2 traveller fatalities, A vehicle accident in Peru resulting in 1 fatality, altitude related illness resulting in 1 staff member fatality in Nepal in 2017, and possibly 1 traveller fatality in Tanzania in 2017, and a presumed hit and run traveller fatality in Vietnam in 2018. Intrepid Group state they have comprehensive safety processes in place.

Nawiri (2023b) Disclosure Report points to various risks associated with the company's operations such as camp hazards (fuel, water, waste, pollution) and that 88% of its operations are carried out in protected land conservatives in several locations, the majority of which are in Tanzania and Kenya, plus some protected areas across Southern Africa, such as the Kruger National Park in South Africa and Chobe National Park in Botswana. In Kenya, the conservancies are protected by agreement with local landowners (mostly local Masai). Nawiri Group states that the wildlife and natural habitat in these areas is often under threat and its operations are subject to yearly audits to minimise any negative impacts. This includes monitoring of energy, water, and waste, with off-setting of emissions if mitigation is not possible.

Clearly, Intrepid has challenges managing its operations across multiple continents with different legal requirements in various countries. Governance and the overseeing of local workers is thus a significant challenge. Nawiri appear to work well with local partners but has challenges in conserving sensitive ecosystems. Both organisations can share best practices, and the B-Corp certification with disclosure requirements does allow for this knowledge transfer to take place. Both organisations regard themselves as responsible travel and

tourism companies. In fact, Intrepid has become a Harvard case study on sustainability leadership (Intrepid, 2021) published jointly with the World Travel and Tourism Council. This case study though lacks critical insight.

Based on the B-Corp scoring and Disclosure Report, Intrepid could be said to need to improve in the following ways: Governance – Intrepid needs to ensure that its safety policies and procedures are regarded as an ethical commitment in training, development, and performance management, and not just a rules-based system for checking annually. Workers - This is especially significant for any outsourced or subcontracted staffing. Are these workers fully engaged and empowered, and do they receive clear guidance on identifying and preventing risks?

Further, based on the B-Corp scoring and Disclosure Report, Nawiri could be said to need to improve in the following ways: Environment – Nawiri can set more specific environmental targets (energy, water, waste), emissions reduction (CO₂) targets, and conservation targets (such as the area of land to be regenerated each year), and practical projects that make a real impact on local flora, fauna, and wildlife. The Nawiri support of the Usangu Wetlands Research Project, the Conservancy Operating Fund, and the Wildlife Tourism College of Maasai Mara, are all excellent initiatives which can all be more clearly related to the UN SDGs to ensure that more stakeholders are engaged, and the knowledge transferred.

5. Conclusions

This paper has provided two examples of B-Corp tourism businesses operating in southern Africa and discussed their B-Corp Impact Scores in comparison to each other and in relation to broader climate change issues and impacts affecting the region.

The paper does not provide a fully documented B-Impact analysis and recommendations, nor fully researched case studies, but does indicate areas that both companies can improve in. The benefits of the B-Corp movement for tourism businesses operating in South Africa are highlighted, and that increasing the network of certified B-Corp's will provide a larger network to share best practices and resolve issues. This is important given the increasing pace and intensity of climate change impacts and the need for tourism businesses to more adequately plan for increasing risks so that they can take a more preventative approach to risk management.

The relative scores for two B-Corps were highlighted and compared including their respective Disclosure Reports. The results are limited to these two B-Corps. However, as they both operate in southern Africa the review provides a useful overview of the benefits of B-Corp certification to the tourism industry in southern Africa and more widely.

Acknowledgements

This is a working paper and builds on the prior research of Batle et al (2018), Moon and Batle (2018), Moon et al (2020) highlighting eco and social innovations in the tourism industry. These were all papers presented as part of the special track on Sustainable Tourism and Circular Economy at the International Conference Tourism Research. If you have an interest in B-Corps, B-Travel, etc., please contact the author of this paper for potential collaboration towards publication.

References

- Acevedo-Duque, Á., Gonzalez-Diaz, R., Vega-Muñoz, A., Fernández Mantilla, M. M., Ovalles-Toledo, L. V., & Cachicatari-Vargas, E. (2021). The Role of B Companies in Tourism towards Recovery from the Crisis COVID-19 Inculcating Social Values and Responsible Entrepreneurship in Latin America. *Sustainability*, 13(14), 7763. <https://doi.org/10.3390/su13147763>
- Batle, J., Orfila-Sintes, F. and Moon, C.J., 2018. Environmental management best practices: Towards social innovation. *International Journal of Hospitality Management*, 69, pp.14-20.
- B-Corp. 2023. B-Corp Certification. <https://www.bcorporation.net/en-us/certification/>
- B-Corp. 2023a. Impact scores for Nawiri Group Ltd. Available at: <https://www.bcorporation.net/en-us/find-a-b-corp/company/nawiri-group-ltd/>
- B-Corp. 2023b. Impact scores for Intrepid Travel. Available at: <https://www.bcorporation.net/en-us/find-a-b-corp/company/intrepid-group-ltd/>
- Diez-Busto, E., Sanchez-Ruiz, L., & Fernandez-Laviada, A. (2021). The B Corp Movement: A Systematic Literature Review. *Sustainability*, 13(5), 2508. <https://doi.org/10.3390/su13052508>
- Edwards, K. 2023. What is a B Corp™? Meet the travel operators becoming a force for good. What does it mean to be 'certified B Corp™'? And who should we be looking out for when booking ethical trips? *Wanderlust*. Available at: <https://www.wanderlustmagazine.com/inspiration/b-corp-travel-operators/>

- Intrepid. 2021. Sustainability Leadership Case Studies. Intrepid Travel: Certified B Corp. Available at: https://www.intrepidtravel.com/sites/intrepid/files/basic_page/files/WTTC%20Case%20Study%20-%20Intrepid%20Travel.pdf
- Intrepid DMC. 2021. Intrepid Destination Management Company. Available at: <https://www.intreiddmc.com/>
- Intrepid. 2023a. Intrepid Travel. Available at: <https://www.intrepidtravel.com>
- Intrepid. 2023b. Intrepid Travel Disclosure Report. Available at: <https://s3.amazonaws.com/blab-impact-published-production/public/egiAo7OPISqXHGzkk4rGGEBvXtEDf7xEQJvinUwU>
- Intrepid Group Ltd. Disclosure Report. 2021, 2025. B-Lab Global. Available at: <https://www.bcorporation.net/en-us/find-a-b-corp/company/intrepid-group-ltd/>
- Mahlatini Luxury Travel Disclosure Report. 2024. B-Lab Global. Available at: <https://www.bcorporation.net/en-us/find-a-b-corp/company/mahlatini-luxury-travel/>
- Market Data Forecast, 2024, Global Ecotourism Market Research Report – Segmentation By Traveler Type (Solo and Group), By Sales channel (Travel agents and Direct) and Region (North America, Europe, Asia Pacific, Latin America, and Middle East & Africa) - Industry Analysis (2024 to 2032). Available at: <https://www.marketdataforecast.com/market-reports/ecotourism-market>
- Moon, C.J. and Batle, J., 2018. Mass Tourism vs. Sustainable Tourism in the Balearic Islands? Measuring Social and Environmental Impact in Mallorca. In International Conference on Tourism Research (pp. 104-VIII). Academic Conferences International Limited.
- Moon, C., Batle, J. and Morales, M., 2020. Eco-innovation in the hotel industry: A review of seven hotels using the UNWTO 2030 sustainability guidelines. In International conference on tourism research (pp. 365-VI). Academic Conferences International Limited.
- Nawiri. 2023a. Nawiri Group Ltd. Available at: www.nawirigroup.com
- Nawiri. 2023b. Nawiri Group Disclosure Report. Available at: <https://s3.amazonaws.com/blab-impact-published-production/rVcxhXLqDNA9u1z4WRdmSMUTI4klqvq8>
- Nawiri Group Ltd Disclosure Report 2023. B-Lab Global. Available at: <https://www.bcorporation.net/en-us/find-a-b-corp/company/nawiri-group-ltd/>
- O'Regan, M, 2019. B Corp certification won't guarantee companies really care for people, planet and profit. Available at: <https://www.bournemouth.ac.uk/news/2019-10-08/opinion-b-corp-certification-wont-guarantee-companies-really-care-people-planet-profit>
- Saarinen, J., Fitchett, J. and Hoogendoorn, G., 2022. Climate change and tourism in southern Africa. Routledge.
- Travel by B Corp. 2023. Travel by B Corp. Available at: <https://www.travelbybcorp.com/>
- Tuppen, H, 2024. B Corps can help us travel more responsibly—but what are they? National Geographic. Available at: <https://www.nationalgeographic.com/travel/article/what-are-b-corps-responsible-travel>