CIRCULAR ECONOMY IMPLEMENTATION IN HOTELS: THE ROLE OF MANAGERIAL INTERPRETATIONS

Milohnić, I., Licul, I.

Milohnić, Ines, Full Professor, PhD / University of Rijeka, Faculty of Tourism and Hospitality Management, Department of Management, Primorska 46, pp. 97, 51410 Opatija, Croatia, Email: ines.milohnic@fthm.hr

Licul, Ivana, Senior Assistant, PhD / University of Rijeka, Faculty of Tourism and Hospitality Management, Department of Management, Primorska 46, pp. 97, 51410 Opatija, Croatia, Email: ivana.licul@fthm.hr

Abstract

Despite growing interest in the circular economy (CE) in the hotel sector and extensive research identifying the conditions associated with its implementation, evidence remains insufficient on the organisational processes through which CE implementation takes shape. This research gap is the focus of the present study, which, recognising managers as agents of organisational change, addresses the following research question: How do managerial interpretations shape CE implementation? The study adopted a qualitative research approach, using semi-structured interviews with 20 managers of independent hotels and hotels operating within domestic and international hotel chains in the Republic of Croatia. Data were analysed using reflexive thematic analysis. The findings show that CE implementation cannot be fully explained by the implementation conditions identified in the existing literature alone. Based on these findings, the Selective Integration Model of CE Implementation in the Hotel Sector is proposed to explain how managerial interpretations shape CE implementation. By shifting the focus from identifying the conditions to explaining the process through which CE takes shape in hotels, the study offers a new theoretical explanation of CE integration in the hotel sector. The study also indicates that advancing CE implementation requires managers to continually develop their understanding of CE as a strategic orientation, as managerial interpretations guide the selection and implementation of circular practices.

Implications for the Central European audience: Because advancing the circular economy is one of the objectives of Central European cooperation, the study contributes to understanding how regional circular transition objectives translate into organisational-level implementation and business practice.

Keywords: circular economy; hotel sector; managerial interpretations; Selective Integration Model; qualitative research

JEL Classification: L83, Q56, M14

Introduction

The circular economy (CE) has gained increasing attention as an approach to addressing the environmental and resource-related challenges associated with the traditional linear paradigm of "take-make-dispose" (Ellen MacArthur Foundation, 2012). The concept focuses on regenerative approaches to resource use while simultaneously reducing energy consumption, waste, and other harmful environmental impacts (Bocken et al., 2017; Geissdoerfer et al., 2017; Kirchherr et al., 2017; Merli et al., 2018; Potting et al., 2017; Sorin & Sivarajah, 2021).

The scientific literature on the CE is predominantly focused on manufacturing sectors in developed economies (Bittner et al., 2024; García-Quevedo et al., 2020; Liakos et al., 2019), while in the service sector, and particularly in tourism and hospitality, the CE concept remains in an early stage of development (Sorin & Sivarajah, 2021). However, the importance of CE implementation in the hospitality sector, together with the need for stronger scholarly attention, arises from the sector's considerable environmental footprint. As the infrastructural base of the tourism offering, the accommodation sector is responsible for the consumption of approximately 5% of global water supplies. It accounts for 1% of global CO_2 emissions (UNWTO, 2019), while the tourism industry as a whole generates about 8% of global greenhouse gas emissions (Lenzen et al., 2018). Moreover, tourism destinations often face seasonal pressures, which are particularly manifested through increased waste generation and resource consumption (Sekito et al., 2019). However, the tourism and hospitality sector is still characterised by linear patterns of production and consumption (Epler Wood, 2017).

Recent hospitality research has expanded knowledge on CE implementation by identifying a broad range of practices and conditions that support its adoption (Axhami et al., 2023; Eikelenboom & Long, 2023; Gaffar et al., 2021; Rodríguez-Antón & Alonso-Almeida, 2019; Sørensen & Bærenholdt, 2020). However, researchers have largely examined these factors as implementation conditions, providing only a partial understanding. Recent hospitality research continues to examine implementation through barriers and drivers (Mora-Contreras et al., 2025; Sorin & Sivarajah, 2021), while evidence shows that interest in CE and external pressures do not necessarily translate into substantial organisational action in hotels (Vaculčíková et al., 2025). At the same time, emerging CE research points to the interpretative dimension of implementation, showing that managerial sensemaking shapes how the circular transition is understood and the strategies pursued by organisational actors (Nyffenegger et al., 2024). These findings indicate the need to move beyond identifying implementation conditions towards understanding the process through which CE is interpreted and implemented in practice. The present study therefore adopts a process perspective to deepen understanding of CE implementation in hotel organisations and addresses the following research question:

- **How do managerial interpretations shape the implementation of the circular economy?**

The research was conducted on a sample of managers in the hotel sector of the Republic of Croatia, a country that strategically promotes sustainable tourism and whose economy largely depends on tourism. Croatia has adopted several strategic documents that integrate the CE, such as the National Development Strategy until 2030 (Croatian Parliament, 2021), the Low-Carbon Development Strategy until 2030, with a view to 2050 (MINGOR, 2021) and

the Waste Management Plan for the period 2023–2028 (MINGOR, 2023). Finally, as a regulatory framework relevant to tourism, the Strategy for Sustainable Tourism Development by 2030 (MINTS, 2022) defines a series of measures to build a resilient and environmentally responsible tourism offering. In this context, Croatia is a suitable setting for examining organisational approaches to CE implementation in the hotel sector. However, the relevance of the Croatian context extends beyond the national setting. Croatia is part of the Interreg CENTRAL EUROPE cooperation area, within which advancing the circular economy is defined as a specific objective of regional cooperation (Interreg CENTRAL EUROPE, 2021). Although individual studies have examined CE implementation in the hospitality sector in Central European countries, available empirical research has focused primarily on organisational readiness, implementation conditions, and specific circular practices (Jaroszewski & Muradin, 2026; Kachniewska, 2018). As a tourism-intensive economy, Croatia provides an opportunity to examine a still insufficiently explained dimension of the circular transition: the organisational process that connects broader CE ambitions with their implementation in hotel practice.

1 Literature review

Although the CE has been discussed for more than three decades, it continues to encompass diverse conceptual interpretations (Hartley et al., 2020). Nevertheless, contemporary definitions converge in understanding CE as a regenerative economic system that seeks to preserve the value of resources by closing material and energy loops, reducing waste generation, and redesigning products, processes, and business models (Ellen MacArthur Foundation, 2012; Franklin-Johnson et al., 2016; Geng et al., 2009; Kirchherr et al., 2017). Today, the concept is also viewed through the lens of redesigning organisational systems capable of creating environmental, economic, and social value (Kirchherr et al., 2017; Tišma et al., 2017), implying changes in business models, organisational practices and routines, as well as managerial approaches (Brown & Michael, 2003; Lazarevic & Valve, 2017).

Parallel to the development of the concept, research interest has also evolved towards its implementation. In that sense, existing research indicates a gradual shift from conceptual discussions towards understanding how CE is implemented within organisations (Geissdoerfer et al., 2017; Kirchherr et al., 2017; Urbinati et al., 2017). As a result, a substantial and valuable body of research has emerged, focusing on identifying the conditions that support CE implementation. Existing studies identify organisational capabilities, business process redesign, and broader organisational change as key components of successful CE implementation (Bocken et al., 2017; Centobelli et al., 2020; Geissdoerfer et al., 2017; Urbinati et al., 2017). At the same time, collaboration across the value chain, organisational learning, and a supportive institutional environment have been recognised as important factors facilitating the adoption of CE practices (Niero et al., 2017; Saavedra et al., 2018; Salmenperä et al., 2021; van Langen et al., 2021). On the other hand, studies point to various structural constraints that hinder CE implementation. Rigid business models, insufficient organisational readiness, limited knowledge and competences, regulatory complexity, and the absence of supportive economic instruments are among the most frequently identified barriers across different organisational contexts (Bocken et al., 2017; Droege et al., 2021; Kirchherr et al., 2017; Preston et al., 2019). Economic considerations occupy a particularly prominent place in this context, as organisations are

more likely to implement CE when they generate measurable financial benefits or contribute to long-term competitiveness (Gusmerotti et al., 2019).

Within this broader research stream, CE research in tourism and hospitality developed considerably later and remains a relatively young field (Sorin & Sivarajah, 2021). Research interest has nevertheless grown in recent years, with CE gradually emerging as a distinct research stream within sustainable tourism (Axhami et al., 2023; Bittner et al., 2024; Bux & Amicarelli, 2023; Del Vecchio et al., 2022). Initial research focused primarily on practical aspects of environmental management, including more efficient use of energy and water, waste management, and the reduction of the negative environmental impacts of hotel operations (Jones et al., 2016; Jones & Wynn, 2019). The contribution of this body of literature is reflected in the finding that CE can contribute to reducing environmental impacts while simultaneously increasing hotel efficiency. Over time, research interest expanded towards CE as a considerably broader and more complex phenomenon involving changes in business models, value creation, innovation, and stakeholder collaboration (Axhami et al., 2023; Gaffar et al., 2021; Manniche et al., 2021; Rodríguez-Antón & Alonso-Almeida, 2019). Accordingly, the scope of research topics in this field has expanded, bringing organisational capabilities, technological innovation, value chain collaboration, and long-term value creation through CE implementation to the forefront of scientific discussion (Bittner et al., 2024; Bux & Amicarelli, 2023; Camilleri, 2021). The research field has gradually matured, and CE implementation is increasingly approached as a complex organisational transformation process (Axhami et al., 2023; Bittner et al., 2024; Bux & Amicarelli, 2023; Camilleri, 2021; Manniche et al., 2021).

This development has also produced substantial knowledge of the conditions associated with CE implementation in the hotel industry. Organisational capabilities, technological innovation, stakeholder involvement, and institutional support are identified as important enabling factors, while financial constraints, limited organisational resources, and regulatory complexity represent the main barriers to implementation (Axhami et al., 2023; Bittner et al., 2024; Gaffar et al., 2021; Rodríguez-Antón & Alonso-Almeida, 2019). Alongside studies addressing specific aspects of CE implementation (Bux & Amicarelli, 2023; Lagioia et al., 2024; Martin-Rios et al., 2022), one of the most significant conceptual contributions is the Circular Economy Applicability Framework developed by Sorin and Sivarajah (2021). The framework integrates implementation drivers, organisational enablers, barriers, and value-creation opportunities into a coherent conceptual model, providing a comprehensive explanation of the organisational, technological, and institutional context in which CE implementation occurs in the hotel sector.

However, identifying implementation conditions does not fully explain how they become part of organisational action. Mora-Contreras et al. (2025) call for greater attention to the relationships between implementation conditions and the organisational processes through which circular practices emerge, while recent hospitality research shows that interest in CE and external pressures may coexist with limited implementation in practice (Vaculčíková et al., 2025). This limitation has directed attention towards the interpretative processes that connect implementation conditions with organisational responses. Managerial sensemaking shapes how organisational actors understand the circular transition and the strategies they pursue (Nyffenegger et al., 2024), while managerial cognition has been identified as part of the internal process through which external sustainability pressures are translated into

organisational action (Khan & Patala, 2026). These studies provide a basis for considering implementation conditions and managerial interpretations as interrelated elements of CE implementation, while the organisational process connecting managerial interpretations with implementation remains insufficiently understood.

2 Research methodology

A qualitative approach was adopted in this study as the most appropriate framework, particularly well-suited to studies aimed at understanding meanings, organisational contexts, and the processes by which participants interpret their own experiences and shape organisational action (Maxwell, 2013).

Semi-structured in-depth interviews were conducted to collect the data. The target population consisted of managers of domestic and international hotel chains operating in the Republic of Croatia, taking into account their structural importance within the national hotel sector. Managers of independent hotels were also included to capture variation in the organisational and ownership contexts within which CE is interpreted and implemented and to avoid concentrating the sample within a single corporate setting.

Purposive sampling was initially employed to identify participants who met the predefined eligibility criteria and represented different organisational contexts and managerial perspectives within the hotel sector. Eligible participants included general managers of hotels belonging to hotel chains or independent hotels, as well as managers responsible for hotel operations, since all possessed the knowledge, skills, competencies, and managerial responsibilities relevant to the implementation of the circular economy in hotel practice. Those managerial positions were selected given their direct involvement in decision-making related to the implementation of the CE and their access to information necessary for understanding organisational processes. Snowball sampling was used as the sampling strategy, as it proved useful in overcoming limitations related to participant accessibility (Biernacki & Waldorf, 1981).

The initial purposive sample comprised four participants: one managed an independent hotel, two managed hotels belonging to domestic hotel chains, and one managed a hotel belonging to an international hotel chain operating in Croatia. Each participant was asked to recommend additional potential participants from their professional network, with each participant suggesting between two and four candidates who expressed their willingness to participate in the study.

The research was conducted in the period from January to March 2025. Potential participants were preliminarily contacted via e-mail or telephone, during which the study's purpose and objectives were explained. After agreeing to participate in the study, they received an informed consent form by email for the audio recording of the interviews, and individual interview appointments were scheduled. Most interviews were conducted online via Microsoft Teams, while two were conducted by telephone. To ensure data comparability, the researcher took notes throughout all interviews to capture nuances in participants' responses, regardless of the mode of interview administration. The interviews lasted between 27 and 70 minutes, with an average duration of 39 minutes.

The interview guide was developed in Croatian and was based on the interview guide proposed by Sorin and Sivarajah (2021). The original thematic areas concerning managers'

understanding of CE, its drivers, enablers, barriers, and value creation potential were retained, together with the corresponding questions. The open structure of the interviews allowed participants to elaborate on their understanding, experiences, and examples related to CE implementation. While the interview guide ensured broad coverage of CE implementation, the subsequent analysis was guided by the research question and focused on how managers interpreted CE and its implementation within their organisational contexts. Data collection and analysis proceeded iteratively, allowing the adequacy of the dataset to be considered in relation to the research question throughout the research process. The final dataset comprised 20 interviews and provided a sufficiently rich and diverse set of managerial accounts across the organisational contexts included in the study, including seven participants managing hotels belonging to domestic hotel chains, four participants managing hotels belonging to international hotel chains, and nine participants managing independent hotels. Following the recommendations of van Nes et al. (2010), the analysis was conducted in Croatian, the original language of the interviews, to minimise the potential loss of meaning during the translation process. For the analysis, all interviews were anonymised and transcribed in full, while the accompanying notes taken during the interviews were also taken into consideration.

Data analysis followed a reflexive thematic analysis approach (Braun & Clarke, 2006, 2022; Braun et al., 2019), enabling the development of interpretative understanding through iterative and reflexive engagement with the data. Familiarisation involved repeated reading of the interview transcripts, the preparation of analytical notes, and the writing of reflexive memos in which initial observations, emerging questions, possible interpretations, and conceptual ideas developed during the analysis were systematically recorded (Braun & Clarke, 2006; Braun et al., 2019; Miles et al., 2020; Saldaña, 2021). During the initial stage of analysis, each interview was first examined within its organisational context, enabling an understanding of the meaning participants attributed to the CE before patterns across interviews were examined. Throughout the analytical process, both researchers repeatedly returned to the original transcripts and engaged in reflexive dialogue about developing codes, patterns, and interpretations. These discussions were used to question, refine, and further develop emerging interpretations of the data. Analytical decisions, together with the development of codes, categories, and themes, were systematically documented, providing a transparent record of the analytical process (Lincoln & Guba, 1985; Miles et al., 2020). These procedures supported the credibility and dependability of the analysis by grounding developing interpretations in repeated engagement with the original data, reflexive dialogue between the researchers, and systematic documentation of analytical decisions.

Following familiarisation, inductive coding of the empirical data was undertaken, whereby the initial codes were developed from participants' accounts. Whenever participants' original expressions most accurately reflected the meaning of a particular phenomenon, in vivo codes were used. Codes and emerging patterns were examined across participants and organisational contexts, drawing on the logic of constant comparison (Boeije, 2002). Accordingly, the codes were grouped into analytical categories that formed the basis for the development of interpretative themes (Braun & Clarke, 2006; Braun et al., 2019). For example, the analysis identified codes related to financial viability, costs, and investment decisions. Through constant comparison across interviews, recurring patterns among these codes were organised around considerations of what pays off, the role of costs, and investment choices. Further interpretation of the relationships among these categories

showed that economic considerations functioned as a broader criterion through which managers evaluated the feasibility of CE initiatives, leading to the development of the theme "Economic rationality as the primary implementation criterion." To provide transparency in the analytical development of the findings, Appendix 1 traces the progression from empirical evidence through interpretative codes and analytical categories to the five final themes. The relationships among these themes were subsequently examined through an iterative process of interpretation and conceptual integration, leading to the development of the explanatory structure of the Selective Integration Model. Appendix 1 also illustrates how each theme contributed to this structure.

3 Results of the conducted research

The thematic analysis resulted in the identification of five interrelated themes that together explain how managerial interpretations shape CE implementation in hotels. Each theme reflects interpretative patterns that recurred across multiple interviews and was developed through the iterative comparison of codes and categories within the dataset. The analytical development from empirical evidence through interpretative codes and analytical categories to the final themes is presented in Appendix 1.

3.1 Managerial interpretations of the circular economy

Managers primarily interpreted the CE through aspects of resource management. This is supported by participants' statements describing the CE as "waste management, goods, materials, and food entering operations to be used as efficiently as possible." At the same time, participants reduce it to "a more technical issue, system optimisation," indicating that the concept is predominantly understood through activities that are already embedded within existing hotel routines.

Across the interviews, managers referred to the CE through practices that were considered practical and relatively easy to integrate into existing operations. As participants explained, "if it pays off and is not complicated, then it makes sense," while broader effects were reduced, since "there is no wider benefit, except cost savings." Across the interviews, CE was predominantly interpreted through individual measures embedded within existing hotel practices. Selective understanding is reflected in statements such as "we do as much as we think is enough," suggesting that implementation is guided by managerial judgement regarding what is considered sufficient rather than by a systemic understanding of the concept.

Participants also described the CE as an abstract and difficult-to-implement concept, as reflected in statements such as "in theory it sounds good, but in practice it is difficult to implement" and "on paper it is one thing, but in the hotel, it is something else." Even where circular initiatives were implemented, they were primarily described as extensions of existing practices rather than as strategic organisational change. As one participant explained, "we have always paid attention to water consumption, and now we have gone one step further by using treated water to irrigate green areas." These findings indicate that the CE is not fully internalised at a strategic level but remains bounded within existing routines. Consequently, the CE tends to be perceived less as a strategic direction for organisational development and more as a complementary set of activities that can be incorporated into existing operations. Long-term environmental objectives are therefore only occasionally recognised as relevant

decision-making considerations, as illustrated by comments such as "we would like to operate in a more environmentally friendly way, but we have other priorities."

The findings suggest that the way managers interpret the CE shapes which circular initiatives are perceived as relevant and feasible within their organisations. In this sense, managerial interpretations define the initial scope of organisational responses to the CE by influencing which circular initiatives enter managerial consideration. However, even where willingness to introduce change exists, participants acknowledged that implementation remains constrained, noting that "we want to do more, but we do not have the resources." This finding points to the importance of organisational conditions that influence whether managerial intentions can be translated into practice.

3.2 Organisational conditions for circular economy implementation

The implementation of the CE in the hotel sector is conditioned by organisational conditions that are often only partially fulfilled, due to a "lack of experience" as well as a "lack of examples in the environment that show how it actually works." In addition, a lack of education and training, reflected in statements such as "we do not have sufficient knowledge about the CE," often results in improvised solutions in practice. While education is perceived as the responsibility of managers and employees, the lack of structural support is reflected in the limited systematic involvement of other stakeholders within the hotel system. In the words of the participants, "it remains at the management level," while "not all guests are educated, and suppliers continue to operate in the old way." These findings suggest that managerial willingness to implement the CE requires broader organisational support to be translated into organisational practice.

Even where managers express a willingness to implement CE, its implementation remains conditioned by the organisational capacities available within individual hotels. CE implementation is additionally conditioned by financial, infrastructural, and logistical resources. The lack of equipment, monitoring systems, protocols, and defined procedures limits the possibility of coordinated implementation. This is supported by statements such as "we don't have the people or the budget for such projects" and "we don't have composters or waste tracking systems." In other words, even when there is a willingness to act, the absence of infrastructure narrows the range of possible interventions, with CE being limited to activities that can be carried out within existing resource constraints. This difference becomes particularly visible when comparing organisational contexts. Managers of hotel chains described CE implementation as an established organisational practice: "We have a sustainability strategy that we follow. We actively communicate it, and it is our competitive advantage." "We do not think much about it anymore; we simply follow the procedures." In contrast, managers of independent hotels highlighted the limitations of their organisational capacities: "We have great ambitions, but not the opportunities." "We are small, already facing major challenges without the CE." "Preparing for circular innovations is expensive. We abandoned some projects because the investments were too high." "We do as much as we can within our own capacities." These differences suggest that organisational conditions shape the scope of feasible CE implementation by determining the organisational capacities available within different hotel contexts.

In addition, decision-making authority is not uniformly distributed, as strategic priorities are often defined at the ownership level, while managers are responsible for their implementation

within existing constraints. As participants explained, “if the owner supports the CE, everything becomes easier,” whereas “the owner’s only priority is profit; there is no chance that green initiatives will interest them.” Another participant summarised this relationship by stating that “it is up to the owner to decide what they want, and it is up to us to put it into practice.” Accordingly, managerial actions remain dependent on broader strategic and resource-related decisions, with organisational capacities determining not only what hotels can implement but also the degree of managerial discretion in translating CE initiatives into practice.

3.3 Economic rationality as the primary implementation criterion

Once circular initiatives enter organisational consideration, decisions regarding their implementation are largely guided by economic considerations. Financial feasibility and return on investment emerge as central criteria in evaluating potential initiatives. As participants point out, the CE is often pursued “primarily for savings, not for environmental reasons.” Similarly, participants described economic feasibility as the primary criterion when deciding between circular and conventional solutions. As one manager explained, “we considered having repairs carried out by people from the local community, but it is often cheaper to buy new,” while another noted that “local suppliers are expensive; it is cheaper to work with a larger supplier.” Although environmental and social aspects are recognised, they tend to remain secondary to financial considerations. CE practices were primarily adopted when they could be clearly justified through cost-benefit considerations, while initiatives requiring higher initial investments or structural changes were perceived as risky. Accordingly, managers tended to prioritise CE initiatives that could be justified through short-term financial returns, while initiatives requiring substantial investments or offering predominantly long-term environmental and social benefits were less likely to be implemented.

Participants particularly emphasised waste, energy, and water management as significant sources of financial pressure. This is reflected in statements such as “waste management costs are enormous,” while water and energy management are recognised as significant cost components, as “they account for 7–8% of total costs.” These areas were identified as those where the financial effects of CE implementation were the most visible and easiest to justify. Consequently, economic benefits are most readily recognised where circular initiatives generate immediate and measurable savings, reinforcing managers’ preference for financially justifiable interventions. The findings suggest that economic rationality serves as the primary implementation criterion by which managers evaluate the feasibility of circular initiatives, with priority given to those that meet prevailing economic expectations and “can pay off quickly.”

3.4 Patterns of circular economy implementation

The combined influence of the previous themes is reflected in four different patterns of CE implementation identified across the interviews: operational-functional, economically selective, symbolic, and fragmented implementation.

Operational-functional implementation represents the most widespread pattern, focused on improving resource efficiency, primarily in energy and water management, but also in waste management. These are relatively easy-to-implement practices that are already embedded in day-to-day operations, as indicated by statements such as “the easiest is to introduce

automatic lighting systems," "we have a good air conditioning system," "we save water, we use rainwater to irrigate green areas," and "we separate waste." This pattern is characterised by routine improvements that require only limited organisational change.

Economically selective implementation reflects the application of economic rationality as the dominant implementation criterion, resulting in the selective adoption of CE initiatives. In this context, practices are implemented exclusively "if there is a financial effect" or "if they can pay off quickly." As participants further emphasise, "we do not have our own composting system because it is too large an investment," while certain initiatives are considered or introduced precisely due to expected financial benefits, for example, "we will introduce a heat pump because we expect a quick return on investment," or "we are considering installing solar panels because they will reduce costs." This pattern demonstrates how economic rationality narrows the range of circular initiatives translated into organisational practice by favouring those associated with immediate financial returns.

Symbolic implementation reflects the use of CE primarily as a communication and reputational instrument. In this context, certificates and sustainability labels act as signals of responsibility, but with a limited scope of actual organisational change. As participants emphasise, "certificates are good for communication and marketing," but "it is easier to communicate something than to change the whole system." Here, the implementation of CE serves primarily to reinforce organisational legitimacy.

Fragmented implementation indicates that the formal acceptance of the CE concept does not necessarily result in coherent organisational change. Statements such as "we have some measures, but it is not a system" and "it is more declarative than a substantive direction of change" illustrate that CE initiatives remain disconnected, lacking strategic integration and long-term coherence. Rather than representing a comprehensive organisational approach, CE is implemented through isolated activities that coexist with conventional operational practices.

All identified implementation patterns reflect different relationships between managerial interpretations, organisational conditions, and economic evaluation. However, the findings indicate that their scope and dynamics are further influenced by the broader institutional environment.

3.5 Regulatory framework and institutional conditions

The regulatory framework forms an important part of the broader institutional context within which CE implementation takes place, influencing how organisations interpret, prioritise, and operationalise circular initiatives.

Legal obligations, and particularly financial penalties, are perceived as the most effective drivers of action, with regulation primarily interpreted as a coercive and corrective principle: "a legal requirement that must be followed." At the same time, participants emphasised that a clear regulatory framework is essential for ensuring consistent implementation, noting that "it is necessary to have clear legal regulations. Without them, it would be complete chaos." In this context, a distinction is observed between binding and non-binding regulatory instruments. Guidelines and recommendations without prescribed sanctions are perceived as non-binding, while regulations that include monitoring and penalties are considered stronger drivers of accountability. In the words of the participants, "if there are no sanctions,

Volume **15** | Issue **04** | 2026
https://doi.org/10.18267/j.cebr.425

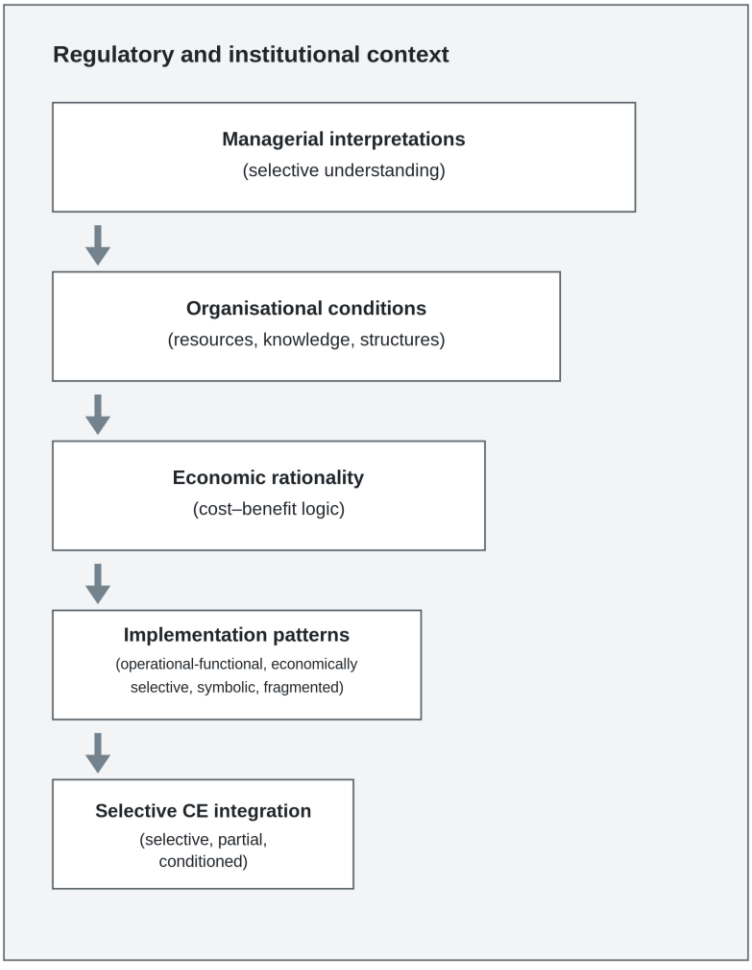
it remains only a recommendation," and "only when there is control is the regulation taken seriously." However, participants also pointed out that sanctions alone are insufficient, emphasising that "sometimes sanctions are necessary, but some encouragement and incentives are also needed."

There is also significant resistance to administrative burden, which is reflected in statements such as "it is not easy to move from informal to formal systems" and "regulations exist, but in practice they are not always clear." This perception is supported by the statement that "bureaucracy is killing us. Paperwork goes back and forth, nobody really understands it, and everyone asks what the point of it all is." Accordingly, the regulatory framework ensures a minimum level of accountability, but does not automatically generate broader changes. Instead, regulation establishes the institutional conditions within which managerial interpretations, organisational conditions, and economic rationality interact to shape CE implementation. Its influence therefore depends not only on legal requirements and sanctions, but also on their alignment with organisational conditions, prevailing economic priorities, and the availability of supportive incentives.

3.6 Conceptual integration of findings: The Selective Integration Model

The integration of the five themes showed that the influence of managerial interpretations on CE implementation is shaped through their relationship with organisational conditions and economic rationality within the broader regulatory and institutional context, with selectivity emerging as a central feature of this process. Based on the identified relationships, the Selective Integration Model of CE Implementation in the Hotel Sector was developed (Figure 1). The analytical development of the themes and their contribution to the structure of the model are presented in Appendix 1.

Figure 1 | The Selective Integration Model of CE Implementation in the Hotel Sector



The model links managerial interpretations of CE to the selection process that shapes its organisational implementation. Managerial interpretations establish CE's initial relevance, organisational conditions determine the possibilities for implementation, and economic rationality filters the assessment of potential initiatives. The analytical value of integrating these elements lies in showing that managerial understanding of CE alone does not determine its implementation. The relationship between interpretative relevance, feasibility, and economic assessment shapes its organisational effect. Selectivity is thus positioned within the implementation process, from which the partial and conditional character of CE integration into hotel practice emerges.

The identified patterns show that such selectivity does not have a single organisational expression. Operational feasibility, economic justification, communicative value, and the fragmentation of practices indicate different bases of selective integration. Their conceptual integration shows that the partial character of CE implementation emerges from different

relationships between managerial understanding, organisational possibilities, and the economic assessment of initiatives.

The regulatory and institutional context defines the broader conditions within which these relationships are formed. Its influence operates through the relationship of regulatory requirements, constraints, and incentives with organisational capacities, economic priorities, and managerial interpretations. In this way, the model incorporates the institutional context into the explanation of selective integration while retaining managerial interpretations as the starting point of the organisational process.

4 Discussion

Previous research on circular economy implementation has identified a broad range of enabling and constraining conditions, extending from organisational capacities and technological opportunities to financial and regulatory factors (Axhami et al., 2023; Bittner et al., 2024; Gaffar et al., 2021; Rodríguez-Antón & Alonso-Almeida, 2019; Sorin & Sivarajah, 2021). The findings of this study add a different analytical layer to this body of knowledge. Implementation cannot be fully accounted for by the presence or absence of favourable conditions, as their significance also depends on managerial judgement. In this respect, the study extends the Circular Economy Applicability Framework of Sorin and Sivarajah (2021): drivers, enablers, and barriers remain important, while their practical relevance depends on what managers recognise as relevant, feasible, and worth pursuing. The significance of implementation conditions is therefore not exhausted by their presence. Their importance takes shape through managerial judgement about which aspects of the broader CE concept have a place in a particular hotel context.

Nyffenegger et al. (2024) associate the importance of managerial interpretation with the different cognitive frames through which change agents approach the circular transition. The findings of this study develop this line of argument at the level of CE implementation in the hotel sector. Managerial interpretations determine what, within the broader concept of CE, is recognised as relevant to a particular hotel operation. This space is simultaneously shaped by actual implementation possibilities and economic considerations. The role of managers thus becomes particularly significant at the point where the general concept of CE encounters the specificities of hotel practice. The findings support the relevance of managerial sensemaking to the circular transition and connect its significance to the conditions under which CE is realised in practice.

This relationship acquires particular significance when the findings are considered in light of the transformative potential attributed to CE. Previous research associates circularity with changes encompassing value creation, innovation, collaboration, and broader transformation of business practices (Bux & Amicarelli, 2023; Camilleri, 2021; Manniche et al., 2021; Rodríguez-Antón & Alonso-Almeida, 2019). The hotels examined in this study reveal a more restrained pattern in practice. CE predominantly appears through initiatives that can be accommodated within existing routines and to which operational or economic value can be attributed. Vaculčíková et al. (2025) similarly identify a gap between interest in circularity and concrete action, associating limited and symbolic responses partly with behavioural and psychological mechanisms. The findings of this study add an organisational dimension to this gap. The breadth of CE encounters a narrower space for practical action, shaped by

judgements of relevance, implementation possibilities, and economic justification. Selectivity emerges at this intersection as a characteristic of CE implementation in practice.

From this perspective, partiality acquires a different analytical status. Partiality can be understood as a characteristic of the implementation process itself, whereby certain elements of CE find a place within existing priorities and practices, while others remain outside the scope of action. This interpretation complements capability-based explanations of the circular transition, including Mora-Contreras et al. (2025), as resources and capabilities represent one part of the conditions under which CE is realised. The capacity to act, managerial assessment of relevance, and economic justification represent interconnected dimensions whose relationship shapes the actual scope of implementation. The operational-functional, economically selective, symbolic, and fragmented patterns identified in this study can therefore be understood as different expressions of the selectivity that characterizes the integration of CE into hotel practice.

The Selective Integration Model brings these relationships into a process-based explanation of the connection between managerial interpretation and the actual scope of CE in hotel practice. The model extends research on implementation conditions and capacities (Bittner et al., 2024; Mora-Contreras et al., 2025; Sorin & Sivarajah, 2021) by connecting it with the role of managerial interpretations in the circular transition (Nyffenegger et al., 2024). Its conceptual value derives from recognising selectivity as the link between the breadth of CE as a concept and its narrower realisation in practice. Managerial interpretations establish the initial relevance of CE, while the actual scope of its implementation is shaped in relation to implementation possibilities, economic assessment, and institutional conditions. Selective integration thus denotes the form CE assumes when its conceptual breadth encounters the boundaries of action in hotel practice.

Conclusion

This study shows that the presence of circular practices in hotels does not necessarily reflect the depth of circular economy integration. Behind observable activities lies a process of selection in which certain elements of CE are recognised as relevant and feasible, while others remain outside the scope of action. Managerial interpretations guide the way circular possibilities are considered within specific organisational, economic, and institutional circumstances. Selectivity therefore represents an important feature of the relationship between CE as a broadly conceived concept and its scope in hotel practice.

The scientific contribution of the study stems from the conceptualisation of this selectivity through the Selective Integration Model of CE Implementation in the Hotel Sector. The model extends current understanding of CE implementation by incorporating managerial interpretation into the relationship between implementation conditions and implementation outcomes. This allows the partial character of CE implementation to be examined analytically as a form of its integration into business practice, shaped by the relationship between what is considered relevant, what can be implemented, and what is judged to be justified.

The practical implications of the findings extend beyond improving knowledge of individual circular practices. For hotel management, particular attention should be given to broadening the criteria by which CE initiatives are recognised and evaluated, especially where immediate operational benefits and short-term financial returns dominate decision-making. This involves connecting CE with investment and operational decisions, considering effects that materialise

over longer periods, and establishing connections among initiatives that are currently implemented separately. At the hotel organisational level, the findings indicate a need for CE to be more clearly positioned within the allocation of responsibilities and resources and in coordination across business functions, reducing its dependence on individual initiatives and ad hoc decisions. For institutions and policymakers, the alignment between instruments supporting the circular transition and organisational capacities for their application is particularly relevant. Regulatory requirements, incentives, and other forms of support acquire practical value within organisations that possess the necessary capacities and recognise their relevance in business decision-making. This implication is relevant to the Central European context, where circular transition objectives are pursued across heterogeneous business and institutional conditions. Evidence from the Croatian hotel sector highlights the organisational level as an important link between institutionally supported transition and its realisation in business practice. This raises the issue of alignment between instruments supporting CE and the capacities, priorities, and decision criteria within the organisations for which these instruments are intended. For the Central European context, this directs attention to the conditions under which institutional support acquires tangible organisational effects.

The boundaries of the study arise from its qualitative and context-specific design. The analysis comprises 20 hotel managers in Croatia and is based on their accounts of CE, meaning that the findings represent a managerial perspective on implementation. Purposive and snowball sampling enabled access to knowledgeable participants from diverse organisational settings, while introducing potential selection bias associated with participants' professional networks. The perspectives of employees, owners, suppliers, guests, and institutional actors were not included, and the time-bounded period of data collection does not allow changes in CE interpretations and implementation to be followed over time. The model is empirically grounded in CE implementation in the Croatian hotel sector and, within this domain, can be used to examine the relationships among managerial interpretations, implementation conditions, and selective forms of implementation. These limitations also define the boundaries of the transferability of the Selective Integration Model beyond the context examined in this study.

Future research should examine the model across different institutional, geographical, and ownership settings and incorporate the perspectives of multiple actors involved in CE. Comparative studies of Central European hotel sectors could establish which elements of the model remain stable across different settings and which vary with institutional and organisational circumstances. A longitudinal approach could reveal whether managerial interpretations, selection criteria, and implementation patterns change over time. The model also provides scope for empirical examination with larger samples and in other hospitality settings, allowing the relationships among its components and the circumstances under which selectivity assumes different forms to be specified more precisely. This opens a broader question for research on the circular transition: to what extent is its realisation determined by what is institutionally enabled, and to what extent by the boundaries of what organisations, at a given point in time, are able to recognise, accept, and translate into action.

Acknowledgement

This paper has been financially supported by the University of Rijeka, Faculty of Tourism and Hospitality Management, for the project ZIP-FMTU-1-11-2024.

References

Axhami, M., Ndou, V., Milo, V., & Scorrano, P. (2023). Creating value via the circular economy: Practices in the tourism sector. *Administrative Sciences, 13*(7), Article 166. https://doi.org/10.3390/admsci13070166

Biernacki, P., & Waldorf, D. (1981). Snowball sampling: Problems and techniques of chain referral sampling. *Sociological Methods & Research, 10*(2), 141–163. https://doi.org/10.1177/004912418101000205

Bittner, N., Bakker, N., & Long, T. B. (2024). Circular economy and the hospitality industry: A comparison of the Netherlands and Indonesia. *Journal of Cleaner Production, 444*, Article 141253. https://doi.org/10.1016/j.jclepro.2024.141253

Bocken, N. M. P., Ritala, P., & Huotari, P. (2017). The circular economy: Exploring the introduction of the concept among S&P 500 firms. *Journal of Industrial Ecology, 21*(3), 487–490. https://doi.org/10.1111/jiec.12605

Boeije, H. (2002). A purposeful approach to the constant comparative method in the analysis of qualitative interviews. *Quality & Quantity, 36*(4), 391–409. https://doi.org/10.1023/A:1020909529486

Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology, 3*(2), 77–101. https://doi.org/10.1191/1478088706qp063oa

Braun, V., & Clarke, V. (2022). *Thematic analysis: A practical guide*. SAGE.

Braun, V., Clarke, V., Hayfield, N., & Terry, G. (2019). Thematic analysis. In P. Liamputtong (Ed.), *Handbook of research methods in health social sciences* (pp. 843–860). Springer. https://doi.org/10.1007/978-981-10-5251-4_103

Brown, N., & Michael, M. (2003). A sociology of expectations: Retrospecting prospects and prospecting retrospects. *Technology Analysis & Strategic Management, 15*(1), 3–18. https://doi.org/10.1080/0953732032000046024

Bux, C., & Amicarelli, V. (2023). Circular economy and sustainable strategies in the hospitality industry: Current trends and empirical implications. *Tourism and Hospitality Research, 23*(4), 624–636. https://doi.org/10.1177/14673584221119581

Camilleri, M. A. (2021). Sustainable production and consumption of food: Mise-en-place circular economy policies and waste management practices in tourism cities. *Sustainability, 13*(17), Article 9986. https://doi.org/10.3390/su13179986

Centobelli, P., Cerchione, R., Chiaroni, D., Del Vecchio, P., & Urbinati, A. (2020). Designing business models in circular economy: A systematic literature review and research agenda. *Business Strategy and the Environment, 29*(4), 1734–1749. https://doi.org/10.1002/bse.2466

Croatian Parliament. (2021). *Nacionalna razvojna strategija Republike Hrvatske do 2030. godine*. Narodne novine, 13/2021.

Del Vecchio, P., Malandugno, C., Passiante, G., & Sakka, G. (2022). Circular economy business model for smart tourism: The case of Ecobnb. *EuroMed Journal of Business, 17*(1), 88–104. https://doi.org/10.1108/EMJB-09-2020-0098

Droege, H., Raggi, A., & Ramos, T. B. (2021). Co-development of a framework for circular economy assessment in organisations: Learnings from the public sector. *Corporate Social Responsibility and Environmental Management, 28*(6), 1715–1729. https://doi.org/10.1002/csr.2140

Eikelenboom, M., & Long, T. B. (2023). Breaking the cycle of marginalization: How to involve local communities in multi-stakeholder initiatives? *Journal of Business Ethics, 186*(1), 31–62. https://doi.org/10.1007/s10551-022-05252-5

Ellen MacArthur Foundation. (2012). *Towards the circular economy: Economic and business rationale for an accelerated transition*.

Epler Wood, M. (2017). *Sustainable tourism on a finite planet: Environmental, business and policy solutions*. Routledge. https://doi.org/10.4324/9781315439808

Franklin-Johnson, E., Figge, F., & Canning, L. (2016). Resource duration as a managerial indicator for circular economy performance. *Journal of Cleaner Production, 133*, 589–598. https://doi.org/10.1016/j.jclepro.2016.05.023

Gaffar, V., Rahayu, A., Wibowo, L. A., & Tjahjono, B. (2021). The adoption of circular economy principles in the hotel industry. *GATR Journal of Business and Economics Review, 6*(1), 92–97. https://doi.org/10.35609/jber.2021.6.1(2)

García-Quevedo, J., Jové-Llopis, E., & Martínez-Ros, E. (2020). Barriers to the circular economy in European small and medium-sized firms. *Business Strategy and the Environment, 29*(6), 2450–2464. https://doi.org/10.1002/bse.2513

Geissdoerfer, M., Savaget, P., Bocken, N. M. P., & Hultink, E. J. (2017). The circular economy – A new sustainability paradigm? *Journal of Cleaner Production, 143*, 757–768. https://doi.org/10.1016/j.jclepro.2016.12.048

Geng, Y., Zhu, Q., Doberstein, B., & Fujita, T. (2009). Implementing China's circular economy concept at the regional level: A review of progress in Dalian, China. *Waste Management, 29*(2), 996–1002. https://doi.org/10.1016/j.wasman.2008.06.036

Gusmerotti, N. M., Testa, F., Corsini, F., Pretner, G., & Iraldo, F. (2019). Drivers and approaches to the circular economy in manufacturing firms. *Journal of Cleaner Production, 230*, 314–327. https://doi.org/10.1016/j.jclepro.2019.05.044

Hartley, K., van Santen, R., & Kirchherr, J. (2020). Policies for transitioning towards a circular economy: Expectations from the European Union (EU). *Resources, Conservation and Recycling, 155*, Article 104634. https://doi.org/10.1016/j.resconrec.2019.104634

Interreg CENTRAL EUROPE. (2021). *Interreg CENTRAL EUROPE Programme 2021–2027*.

Jaroszewski, P., & Muradin, M. (2026). Circular practices and sustainable service quality in hospitality: An exploratory study. *Management and Quality – Zarządzanie i Jakość, 7*(2), 133–151.

Jones, P., Hillier, D., & Comfort, D. (2016). Sustainability in the hospitality industry: Some personal reflections on corporate challenges and research agendas. *International Journal of Contemporary Hospitality Management, 28*(1), 36–67. https://doi.org/10.1108/IJCHM-11-2014-0572

Jones, P., & Wynn, M. G. (2019). The circular economy, natural capital and resilience in tourism and hospitality. *International Journal of Contemporary Hospitality Management, 31*(6), 2544–2563. https://doi.org/10.1108/IJCHM-05-2018-0370

Kachniewska, M. (2018). Circular economy in the opinions of small- and medium-sized hotel enterprises. *Folia Turistica, 48*, 185–208. https://doi.org/10.5604/01.3001.0012.7698

Khan, O., & Patala, S. (2026). Circular economy implementation: A paradox–dynamic capabilities perspective under institutional pressures. *Business Strategy and the Environment*, Article e71551. Advance online publication. https://doi.org/10.1002/bse.71551

Kirchherr, J., Reike, D., & Hekkert, M. (2017). Conceptualizing the circular economy: An analysis of 114 definitions. *Resources, Conservation and Recycling, 127*, 221–232. https://doi.org/10.1016/j.resconrec.2017.09.005

Lagioia, G., Amicarelli, V., Strippoli, R., Bux, C., & Gallucci, T. (2024). Sustainable and circular practices in the hotel industry in Southern Italy: Opportunities, barriers and trends in food waste management. *British Food Journal*, *126*(1), 428–452. https://doi.org/10.1108/BFJ-12-2022-1144

Lazarevic, D., & Valve, H. (2017). Narrating expectations for the circular economy: Towards a common and contested European transition. *Energy Research & Social Science, 31*, 60–69. https://doi.org/10.1016/j.erss.2017.05.006

Lenzen, M., Sun, Y. Y., Faturay, F., Ting, Y. P., Geschke, A., & Malik, A. (2018). The carbon footprint of global tourism. *Nature Climate Change, 8*(6), 522–528. https://doi.org/10.1038/s41558-018-0141-x

Liakos, N., Kumar, V., Pongsakornrungsilp, S., Garza-Reyes, J. A., Gupta, B., & Pongsakornrungsilp, P. (2019). Understanding circular economy awareness and practices in manufacturing firms. *Journal of Enterprise Information Management, 32*(4), 563–584. https://doi.org/10.1108/JEIM-02-2019-0058

Lincoln, Y. S., & Guba, E. G. (1985). *Naturalistic inquiry*. SAGE.

Manniche, J., Larsen, K. T., & Broegaard, R. B. (2021). The circular economy in tourism: Transition perspectives for business and research. *Scandinavian Journal of Hospitality and Tourism, 21*(3), 247–264. https://doi.org/10.1080/15022250.2021.1921020

Martin-Rios, C., Demen Meier, C., & Pasamar, S. (2022). Sustainable waste management solutions for the foodservice industry: A Delphi study. *Waste Management & Research, 40*(9), 1412–1423. https://doi.org/10.1177/0734242X221079306

Maxwell, J. A. (2013). *Qualitative research design: An interactive approach* (3rd ed.). SAGE.

Merli, R., Preziosi, M., & Acampora, A. (2018). How do scholars approach the circular economy? A systematic literature review. *Journal of Cleaner Production, 178*, 703–722. https://doi.org/10.1016/j.jclepro.2017.12.112

Miles, M. B., Huberman, A. M., & Saldaña, J. (2020). *Qualitative data analysis: A methods sourcebook* (4th ed.). SAGE.

MINGOR. (2021). *Low-carbon development strategy of the Republic of Croatia until 2030 with a view to 2050*. Ministry of Economy and Sustainable Development of the Republic of Croatia.

MINGOR. (2023). *Waste management plan of the Republic of Croatia for the period 2023–2028*. Ministry of Economy and Sustainable Development of the Republic of Croatia.

MINTS. (2022). *Sustainable tourism development strategy of the Republic of Croatia until 2030*. Ministry of Tourism and Sports of the Republic of Croatia.

Mora-Contreras, R., Álvarez, M. J., Jaca, C., Ormazabal, M., Rodríguez-Ferradas, M. I., & Morer-Camo, P. (2025). Towards the implementation of the smart circular economy for sustainable development: A systemic framework of barriers and drivers in the hospitality sector. *Sustainable Development, 33*(6), 8923–8948. https://doi.org/10.1002/sd.70136

Niero, M., Hauschild, M. Z., Hoffmeyer, S. B., & Olsen, S. I. (2017). Combining eco-efficiency and eco-effectiveness for continuous loop beverage packaging systems: Lessons from the Carlsberg Circular Community. *Journal of Industrial Ecology, 21*(3), 742–753. https://doi.org/10.1111/jiec.12554

Nyffenegger, R., Zehendner, A., Quarshie, A. M., & Leuschner, R. (2024). Change agents' cognitive maps of circular supply chain transition – An investigation of barriers, actions, and outcomes. *Journal of Purchasing and Supply Management, 30*(4), Article 100906. https://doi.org/10.1016/j.pursup.2024.100906

Potting, J., Hekkert, M. P., Worrell, E., & Hanemaaijer, A. (2017). *Circular economy: Measuring innovation in the product chain*. PBL Netherlands Environmental Assessment Agency.

Preston, F., Lehne, J., & Wellesley, L. (2019). *An inclusive circular economy: Priorities for developing countries*. Chatham House.

Rodríguez-Antón, J. M., & Alonso-Almeida, M. M. (2019). The circular economy strategy in hospitality: A multicase approach. *Sustainability, 11*(20), Article 5665. https://doi.org/10.3390/su11205665

Saavedra, Y. M. B., Iritani, D. R., Pavan, A. L. R., & Ometto, A. R. (2018). Theoretical contribution of industrial ecology to circular economy. *Journal of Cleaner Production, 170*, 1514–1522. https://doi.org/10.1016/j.jclepro.2017.09.260

Saldaña, J. (2021). *The coding manual for qualitative researchers* (4th ed.). SAGE.

Salmenperä, H., Pitkänen, K., Kautto, P., & Saikku, L. (2021). Critical factors for enhancing the circular economy in waste management. *Journal of Cleaner Production, 280*, Article 124339. https://doi.org/10.1016/j.jclepro.2020.124339

Sekito, T., Dote, Y., & Hindarman, R. R. (2019). Solid waste flow and composition determination for sustainable waste management in Gili Trawangan, Indonesia. *SN Applied Sciences, 1*(11), Article 1373. https://doi.org/10.1007/s42452-019-1369-4

Sorin, F., & Sivarajah, U. (2021). Exploring circular economy in the hospitality industry: Empirical evidence from Scandinavian hotel operators. *Scandinavian Journal of Hospitality and Tourism, 21*(3), 265–285. https://doi.org/10.1080/15022250.2021.1921021

Sørensen, F., & Bærenholdt, J. O. (2020). Tourist practices in the circular economy. *Annals of Tourism Research, 85*, Article 103027. https://doi.org/10.1016/j.annals.2020.103027

Tišma, S., Boromisa, A.-M., Funduk, M., & Čermak, H. (2017). *Okolišne politike i razvojne teme*. Alinea.

UNWTO. (2019). *Baseline report on the integration of sustainable consumption and production patterns into tourism policies*. World Tourism Organization. https://doi.org/10.18111/9789284420605

Urbinati, A., Chiaroni, D., & Chiesa, V. (2017). Towards a new taxonomy of circular economy business models. *Journal of Cleaner Production, 168*, 487–498. https://doi.org/10.1016/j.jclepro.2017.09.047

Vaculčíková, Z., Ramkissoon, H., & Dey, S. K. (2025). Circular intentions, minimal actions: The psychology of doing less in hospitality – An integrative review. *Acta Psychologica, 259*, Article 105267. https://doi.org/10.1016/j.actpsy.2025.105267

van Langen, S. K., Vassillo, C., Ghisellini, P., Restaino, D., Passaro, R., & Ulgiati, S. (2021). Promoting circular economy transition: A study about perceptions and awareness by different stakeholders groups. *Journal of Cleaner Production, 316*, Article 128166. https://doi.org/10.1016/j.jclepro.2021.128166

van Nes, F., Abma, T., Jonsson, H., & Deeg, D. (2010). Language differences in qualitative research: Is meaning lost in translation? *European Journal of Ageing, 7*(4), 313–316. https://doi.org/10.1007/s10433-010-0168-y

Appendix

Appendix 1 provides the empirical grounding for the five themes underlying the Selective Integration Model. Selected excerpts retain the meanings expressed in managers' accounts, while the interpretative codes and analytical categories capture their progressive conceptual development. The final column shows how each theme informed the model's emerging structure.

Appendix 1 | Analytical development from interpretative codes to final themes informing the Selective Integration Model

Illustrative empirical evidence	Interpretative codes	Analytical categories	Final themes	Contribution to the emerging model
"In my world, CE is a food waste procedure, but much more than that. It is about managing waste, goods, materials, and food entering operations so they are used to the maximum." *"Making better use of energy through savings, solar panels, water conservation, and waste separation."* *"Savings and smart investment of resources, most visibly and practically applicable in the food and beverage department."*	CE through food waste; Resource management; Making full use of resources; Resource savings in hotel operations	CE as an operational concept	1. Managerial interpretations of the circular economy	Shows how managers initially interpret CE, predominantly through concrete operational activities.
"The background is economic, not moral or ecological." *"Anything that reduces costs and creates an economic or financial advantage."* *"Anything that reduces costs and anything that can provide an economic or financial advantage is of interest to every manager. A cycle that would turn food waste, which we currently pay for, into energy would be wonderful. The environmental effect is simply a welcome consequence of that process."*	It starts with costs; If it brings benefits; Economic rationale; Economic value preceding environmental benefit	CE through an economic lens		Shows that managerial interpretations of CE may already incorporate an economic framing, which subsequently becomes relevant to implementation choices.

Volume **15** | Issue **04** | 2026
https://doi.org/10.18267/j.cebr.425

"CE should be a broader concept than sustainability." *"CE relates to processes, whereas sustainability relates to ESG."* *"Using the potential of products that have already been used."* *"A pillar of sustainability policy that involves all stakeholders – businesses, the local community, customers and clients – and seeks to maximise the benefits of all activities while minimising harm to the environment and the local population."* *"Everything local that is possible – products and people – so that we can apply and use it in the industry in a fair way. Engagement with the local community – that is CE."*	CE means different things; CE or sustainability?; No common understanding; Product reuse; Stakeholder-oriented sustainability; Local embeddedness	Different understandings of CE		Demonstrates the heterogeneity of managerial interpretations of CE and the different meanings through which its organisational relevance is initially constructed.
"We have the willingness and the ambition, but we do not know how to put it into practice. It seems too complicated. We have many other priorities. Circular economy is just one drop in the ocean." *"Management should receive additional education to better understand what else belongs to CE."*	Not sure how to do it; It seems too complicated; Just a drop in the ocean	From understanding to implementation	2. Organisational conditions for circular economy implementation	Identifies the capacity required to translate managerial understanding into implementation, particularly knowledge and practical ability.
"We roughly know what we could do, but we have not connected these activities yet, so everything currently feels ad hoc. We need a more systematic approach." *"We do not have the people or the budget for such projects."* *"We do not have composters or waste tracking systems."* *"It is not so much up to management as it is to the investor, and the investor does not want to invest unless required to do so."*	Everything stays ad hoc; Not enough resources; We need a system; Limited decision-making autonomy	Limits of implementation		Shows how organisational resources, system capacity and decision-making autonomy condition whether CE understanding can be translated into coordinated action.

"When everything comes down to a cost-benefit calculation, it is often cheaper to buy new." *"We considered repairing it, but it is often cheaper to buy a new one."*	If it pays off; Cheaper to buy new; Return on investment	What pays off?	3. Economic rationality as the primary implementation criterion	Identifies economic rationality as a filtering mechanism through which potential CE actions are assessed
"Waste management costs are enormous." *"Water and energy account for around 7–8% of total costs."*	Waste is expensive; Energy costs matter; Savings are visible	Costs make the difference		Shows why cost implications become salient in managerial assessments of CE practices and reinforce the economic filter.
"We are considering installing solar panels because they will reduce costs." *"We do not have our own composting system because it is too large an investment."*	Payback comes first; Some investments can wait; Too big an investment	Choosing investments		Demonstrates how the economic filter operates in investment selection, facilitating some CE initiatives while constraining others.
"The easiest thing is to introduce automatic lighting systems." *"We save water."* *"We separate waste."* *"We will get used to doing things this way. It will become a routine like any other. We are still in the process of learning."*	Small everyday changes; We already do this; Easy operational measures; Becoming routine	Practices that become routine	4. Patterns of CE implementation	Represents operationally feasible CE practices that are readily incorporated into everyday hotel operations.
"CE is a great idea, but it is very complex. We are forced to choose what we can actually implement." *"If there is a financial benefit."* *"If the investment pays off quickly."*	We choose what we can do; We cannot do everything; One step at a time	Choosing what is feasible		Shows that implementation is selective rather than comprehensive, reflecting organisational feasibility and economic assessment.
"Certificates are good for communication and marketing." *"If a hotel applies such good practices, they need to be communicated both offline and online... it is an advantage. Without marketing, it loses its meaning."*	Certificates matter; Good for communication; Demonstrating responsibility; Marketing value	Communicating commitment		Identifies a communicative or symbolic pattern of CE implementation, alongside operational practices.

"It is easier to communicate something than to change the whole system." *"It is more declarative than a genuine direction of change."*	Easier to communicate than change; More declarative than substantial; Not a coherent system	Fragmented implementation		Reveals a fragmented pattern of implementation in which communicated commitment may exceed substantive organisational change and CE-related activities remain insufficiently integrated into a coherent organisational system.
"If there are no sanctions, it remains only a recommendation." *"Only when there is control is the regulation taken seriously."*	No sanctions, no action; Only when inspections come; It is a legal obligation	Regulation drives implementation	5. Regulatory framework and institutional conditions	Shows how regulation can act as an external implementation pressure, influencing whether CE-related actions are undertaken.
"Bureaucracy is killing us." *"Paperwork keeps going back and forth, and nobody really understands it."*	Bureaucracy is killing us; Endless paperwork; Hard to navigate	When regulation gets in the way		Shows that the institutional environment can also constrain implementation through administrative complexity.
"Sometimes sanctions are necessary, but incentives are also needed." *"Large companies are interested in CE when the government, funds, or other financing mechanisms support them."*	More incentives; Clearer rules; Government support	What is still missing		Identifies institutional support and incentives as external conditions that may facilitate implementation.

The themes show that CE acquires its practical form within hotel organisations through the relationship between managerial interpretation, organisational possibilities, and economic assessment. Managerial interpretations define what enters the scope of consideration, while organisational conditions and economic assessment influence what is carried forward into practice. Different patterns of implementation emerge from these relationships, leading to the selective integration of CE within a regulatory and institutional context that may facilitate or constrain its development. The Selective Integration Model derives from this analytical progression and represents the passage from managerial interpretation to the form CE ultimately assumes in hotel practice.

The article has been reviewed. | Received: 22 July 2025**; Revised:** 28 September 2026**; Accepted:** 20 October 2026**; Available online:** 29 October 2026**; Published in regular issue:** 31 October 2026.